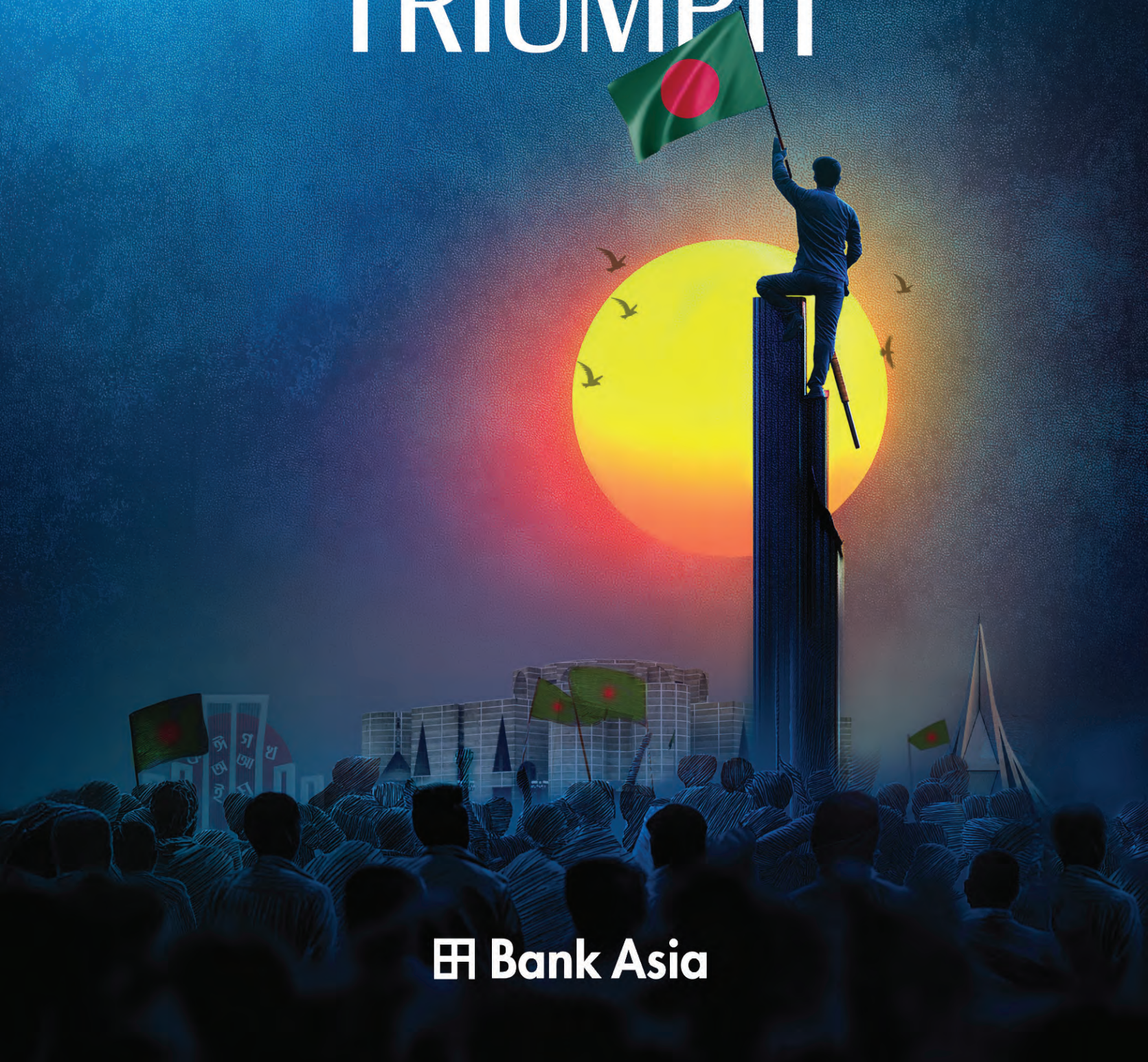


Annual Integrated Report 2024

FROM TRANSITION TO TRIUMPH



 Bank Asia



Since its inception, Bank Asia has undergone a remarkable transformation in Bangladesh's evolving banking sector. Initially focused on building a strong foundation in corporate banking, the bank gradually expanded its footprint into the retail and SME segments. A pivotal moment came when Bank Asia pioneered agent banking, revolutionizing financial inclusion by bringing banking services to remote and underserved areas. Embracing digital banking, Bank Asia expanded its services, offering mobile banking and internet banking to make banking more accessible to a wider range of beneficiaries.

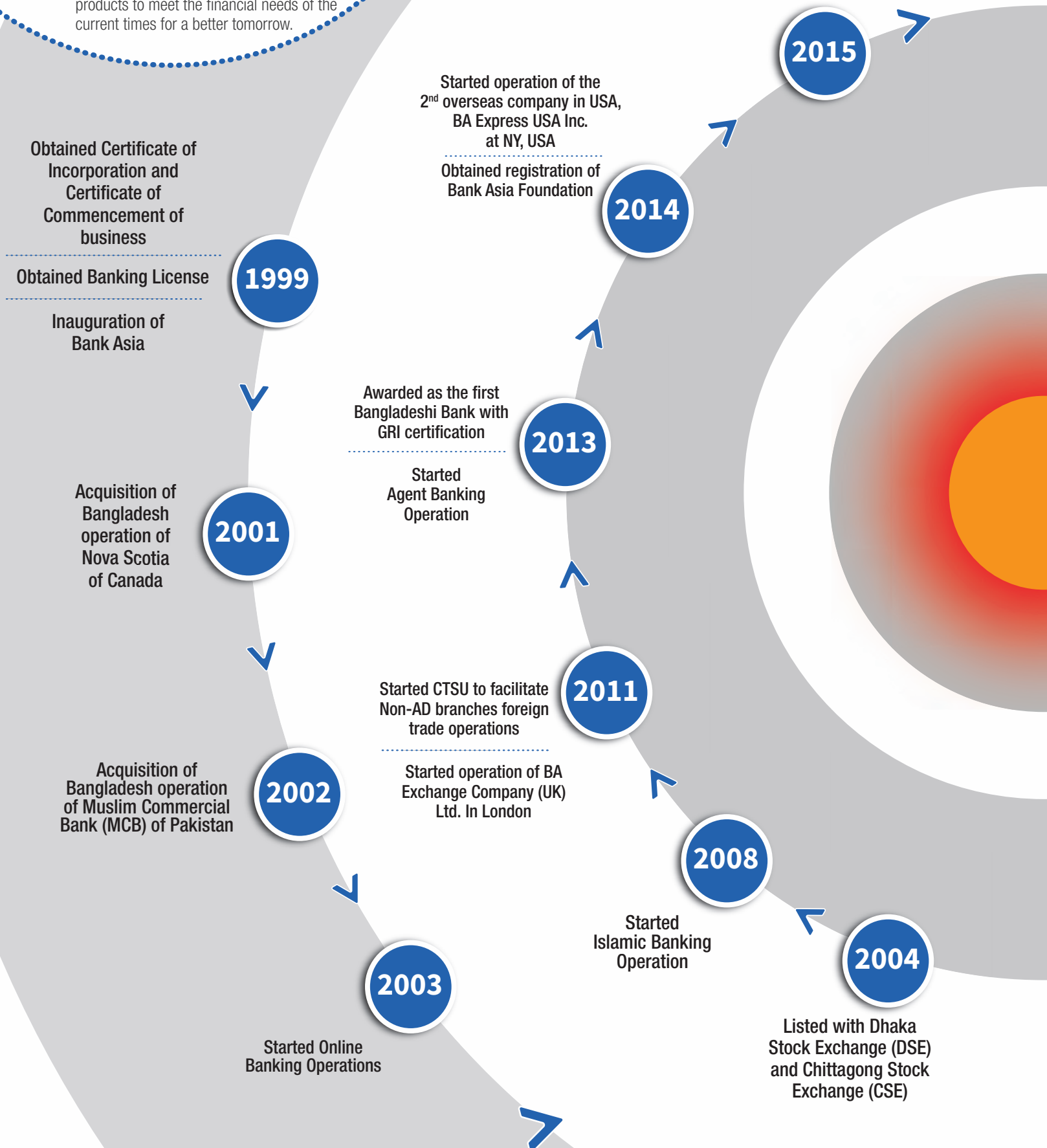
The bank's commitment to financial inclusion, green banking & sustainable financing, and supporting small businesses became central to its identity, establishing it as a leader in responsible banking. Through technological advancements, a customer-first approach and exercising good governance, Bank Asia has emerged as a trusted and innovative institution, making banking more accessible, sustainable, and inclusive. Its ongoing focus on social responsibility and digital innovation continues to shape the future of Bangladesh's banking landscape.

Today, from a humble beginning to a leading position in the industry, Bank Asia stands as a shining example of how a commitment to innovation, social responsibility, and good governance can turn challenges into triumphs.

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.



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

2016

Awarded as Overall Winner among the private sector banks in Bangladesh by securing 1st position in all three categories of banking sector by ICAB

2024

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

2018

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

1st prize winner by ICAB & SAFA for Corporate Governance disclosures

2023

Launched Digital Nano Loan

Awarded as Overall Winner among the private sector banks in Bangladesh by securing 1st position in all three categories of banking sector by ICAB

2022

PCI DSS certification for IT and Cyber security of the Bank

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

2019

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

2020

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

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

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Sustainable Development Goals & Impacts

The UN and its partners in Bangladesh are working towards achieving the 17 interconnected Sustainable Development Goals in order to address the major development challenges faced by the people of Bangladesh.

In line with the 2030 Agenda for Sustainable Development and UN Development System Reform (UNDS) the government of Bangladesh has undertaken, Bank Asia acknowledges the responsibility assigned to us as an organization operating within the boundary of the country.

Bank Asia has been working closely with the government as per the directives of the Bangladesh Bank in order to implement the SDGs and to enhance the welfare of the society.



Prelude

The banking sector in Bangladesh stands at a crossroads, navigating challenges that test its foundational integrity and future trajectory. At the heart of these trials, lies the escalating crisis of non-performing loans (NPLs), a symptom of deeper systemic ailments: a culture of willful defaults, weak corporate governance, and the corrosive influence of political entanglements. In recent years, the sector has been rattled by high-profile financial scandals - schemes marked by fund diversion, negligence, and political patronage - that have exposed vulnerabilities and eroded public confidence. While regulatory bodies like Bangladesh Bank have introduced reforms to tighten oversight and governance, these measures alone cannot stem the tide. The sector's survival hinges on a paradigm shift - a collective embrace of transparency, accountability, and ethical rigor - to rebuild trust and ensure sustainable growth.

Amid this turbulent backdrop, Bank Asia has distinguished itself as a steadfast guardian of complied banking. Since its inception, the institution has woven corporate governance into its operational fabric, fostering a culture where accountability is non-negotiable and stakeholder trust is sacrosanct. This commitment has not only insulated the bank from sector-wide shocks but also propelled its growth, positioning it as a vanguard of stability and innovation in Bangladesh's evolving financial landscape.

Annual Integrated Report 2024: "From Transition to Triumph"

This year's report, themed "From Transition to Triumph," encapsulates our resolve to transform challenges into catalysts for progress. The phrase mirrors a national awakening - a collective yearning to transcend corruption, inequality, and economic exclusion. Bank Asia stands at the forefront of this movement, aligning its strategy with the aspirations of a nation eager to redefine its future.

Sustainability: The Bedrock of Progress

Our operations are deeply anchored in Environmental, Social, and Governance (ESG) principles, reflecting a strategic alignment with the United Nations Sustainable Development Goals (SDGs). This integration manifests in tangible, impact-driven initiatives:

- **Green Financing Leadership:** We have channeled a considerable amount into renewable energy projects, waste management systems, and energy-efficient technologies, directly contributing to Bangladesh's decarbonization goals.
- **Agent Banking Revolution:** Since launching agent banking in 2014, our network has expanded to 5,025 outlets across 64 districts. This initiative has empowered women entrepreneurs, smallholder farmers, and marginalized communities, bridging the gap between economic potential and opportunity.
- **Governance Excellence:** Our zero-tolerance policy for malpractice is reinforced by rigorous internal audits and risk monitoring.

Transparency: Illuminating the Path Forward

At Bank Asia, we recognize that trust is earned through unwavering clarity. This report is designed not merely as a compliance document but as a blueprint for informed decision-making. Key features include:

- **Financial Rigor:** Comprehensive disclosures of financial statements, related-party transactions, and risk exposures, all validated by independent audits. For example, our loan portfolio's granular breakdown highlights a deliberate shift toward low-risk, high-impact sectors like agri and SMEs.
- **Sustainability Metrics:** A dedicated chapter quantifies our environmental footprint, including a reduction in carbon emissions, achieved through paperless banking and energy-efficient branch designs. Social impact is measured through metrics like financial literacy programs focusing women in 2024.

A Vision Anchored in Hope

This report is more than a reflection; it is a call to action. As Bangladesh strides toward a future defined by equity and sustainability, Bank Asia invites stakeholders - investors, policymakers and citizens - to join us in reimagining banking as a force for collective upliftment. Together, we can transform transition into triumph, crafting a legacy of prosperity for generations to come.



Sohail R. K. Hussain
Managing Director
Bank Asia PLC

Framework of Annual Integrated Report

Our Annual Integrated Report 2024 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 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, 2024 including detailed notes associated with each financial performance figure.



**Directors
Report**

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**Summary
Sustainability**

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**Integrated
Report**

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**Corporate
Governance**

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**Risk
Management**

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Financials

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Disclosures We follow

To prepare the Annual Integrated Report 2024, we've followed a number of guidelines, frameworks & checklists of various organizations.



South Asian Federation of Accountants



Awards and Recognition



Mr. Romo Rouf Chowdhury, Chairman of the Bank, received the prestigious “Overall Winner” award by winning 1st Position in all three categories for Annual Integrated Report 2023 by ICAB. Mr. Sohail R K Hussain, Managing Director and Mr. Mohammad Ibrahim Khalil FCA, Chief Financial Officer of the Bank were also present in the program.



Mr. Rume A Hossain, Director & Chairman of the Executive Committee of the Board and Mr. ANM Mahfuz, Additional Managing Director of the bank received the Silver awards and certificate from the Governor of The Central Bank of Sri Lanka, Mr. Nandalal Weerasinghe for Annual Integrated Report 2023

2024

SAFA (South Asian Federation of Accountants)

- **Silver Award** for Integrated Reporting

ICAB (Institute of Chartered Accountants of Bangladesh)

- **Overall Winner** for the year 2023
- **1st position** under Corporate Governance Disclosures category
- **1st position** under Private Sector Banks category
- **1st position** under Integrated Reporting



2023

SAFA (South Asian Federation of Accountants) awarded

- **Gold Award** for Corporate Governance
- **Silver Award** for private sector banks

ICAB (Institute of Chartered Accountants of Bangladesh)

- **1st position** under Corporate Governance Disclosures category
- **1st position** under Private Sector Banks category

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

- **'Silver Rank'** in Asia Sustainability Reporting Rating (ASRRAT) 2023 by NCCR and ICSP for Sustainability Report 2022





Mission

To assist in bringing high quality service to our customers and to participate 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 work-life 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 the customer 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 competition of 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 Human Resource 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 131 Branches including 4 SME/Agri branches, 15 sub branches, 5 Islamic Windows, 4 SME Service Centers, 1 Off-shore Banking Unit and 3 Subsidiaries. The Bank has implemented 5,025 agent banking outlets in 64 districts to provide banking services to geographically dispersed rural poor segment of the society. Under the Post Office network, we've provided services through 1,101 digital post offices spread across the nation to provide banking facility.

Faithful and Efficient Workforce

Bank Asia has the right blending of talented youth and experienced senior workforce which is truly efficient and dynamic. Mr. Sohail R K Hussain who has more than 34 (thirty four) years' of multifarious experience in banking profession leads the team from the forefront as Managing Director. At the end of 2024, the bank has 2,689 employees including 491 executives and 2,198 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 Post office banking & 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 PLC. 'AA1' in the Long Term and 'ST-1' rating in the Short Term based on the financials of 2023 will remain valid upto June 30, 2025. We have successfully maintained this stable rating which reflects the sustainable growth of the Bank.

Accolades & Recognition

Bank Asia has been awarded Overall Winner Award for achieving 1st prize in all categories of banking sector i.e. Private sector banks, Corporate Governance & Integrated Reporting category by ICAB.

Alongside these, SAFA (South Asian Federation of Accountants) awarded Bank Asia with Silver award under Integrated reporting category.

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

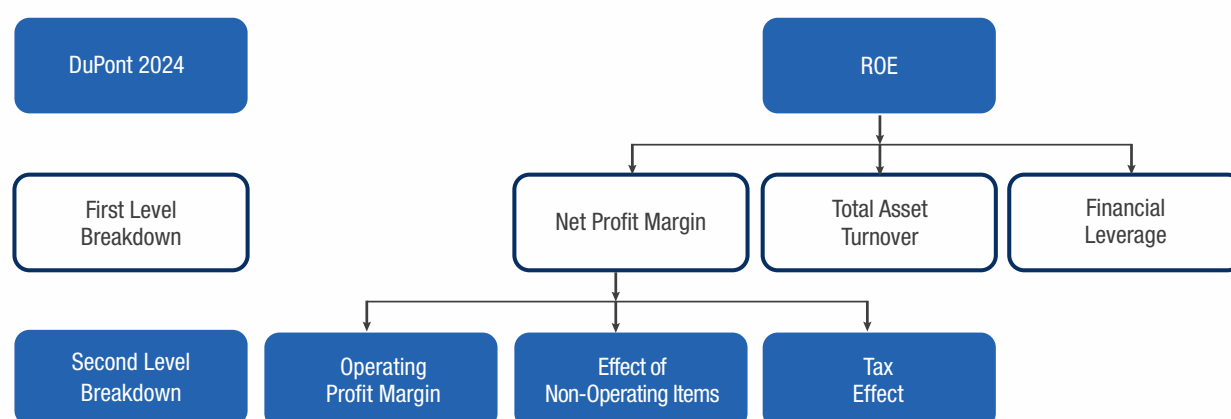
Bank Asia is firmly opposed to all forms of money laundering and shall take steps to prevent its financial transactions from being used by others to launder money.

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	2024	2023	2022
ROE	9.04%	8.24%	10.88%
Net Profit Margin	5.40%	6.30%	8.67%
Total Asset Turnover	0.1020	0.0807	0.0775
Financial Leverage	16.4117	16.2062	16.1919
Operating Profit Margin	33.22%	30.32%	30.43%
Effect of Non-operating Items	0.3691	0.4072	0.6121
Tax Effect	0.4408	0.5102	0.4653

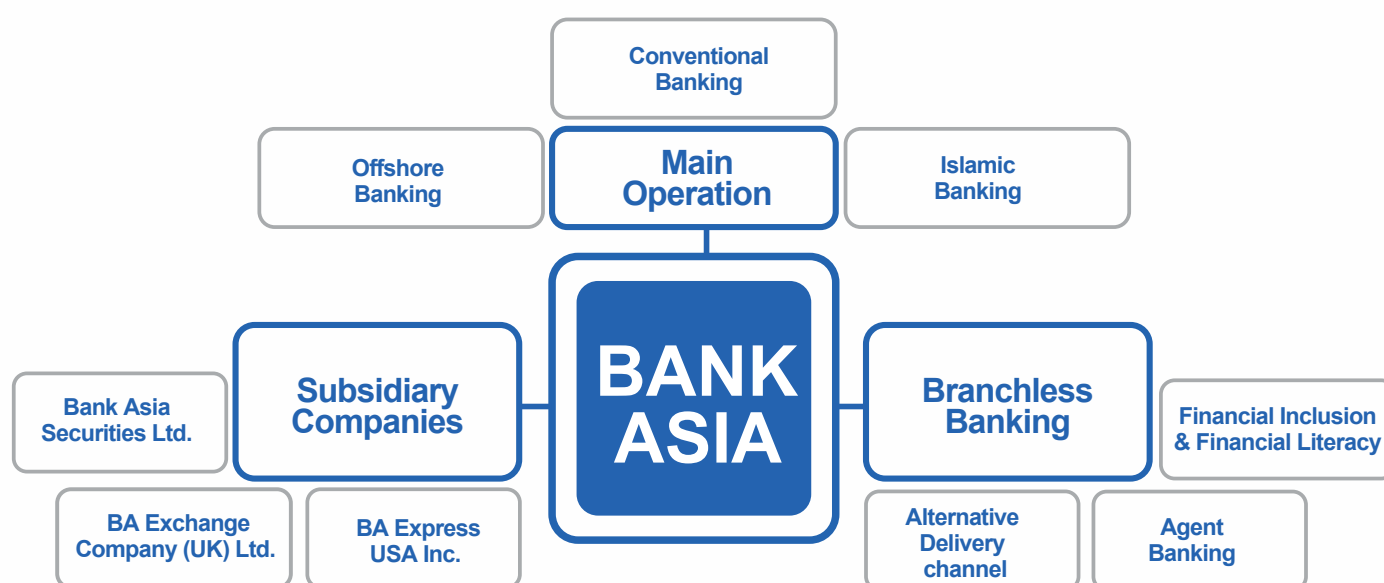
The higher the value of all components of DuPont, the higher the positive impact on Return on Equity. Net profit margin consists of three important components namely operating profit margin, effects on non-operating items and tax effects as mentioned in second level break down.

Operating profit margin of 2024 increased to 33.22% compared to that of 30.32% in 2023. Effects on non-operating items include loan loss and other provision which decreased to 0.3691 from 0.4072 for the increase of provision by 57% to Tk. 10,758 million from Tk. 6,835 million. Tax effect decreased

to 0.4408 from 0.5102. The combined effects of these three components (increase of operating profit margin, decrease of effect of non-operating items and decrease of tax effect) resulted in decrease of Net profit margin to 5.40% in 2024 from 6.30% of last year.

Although Net profit margin decreased, increase of total assets turnover and financial leverage helped the bank to increase return on equity to 9.04% in 2024 from 8.24% last year. Efficiency of utilization of assets as implied by average total assets turnover increased to 0.1020. Bank Asia's financial leverage increased to 16.4117 from last year's 16.2062.

Corporate Structure



Million Taka

	2024 (Consolidated)	2024 (Solo)
Income Statement Matrix		
Operating Profit	17,298	17,052
Profit Before Tax	6,452	6,295
Profit After Tax	2,868	2,775
Balance Sheet Matrix		
Total Shareholders' Equity	31,808	31,842
Deposits	416,728	416,559
Loans and Advances	296,534	293,726
Investments	177,935	176,882
Fixed Assets	5,289	5,231
Total Assets	535,312	532,902
Capital Measure		
Capital to Risk Weighted Asset Ratio Basel-III	15.39%	15.61%
Share Information Matrix		
Earnings Per Share (Taka)	2.14	2.06
Net Asset Value Per Share (Taka)	27.28	27.31
Credit Quality Ratios		
Classified Loans	11.29%	11.40%
Profitability Ratio		
Return on Equity	9.37%	9.04%
Return on Assets	0.57%	0.55%

Corporate Information

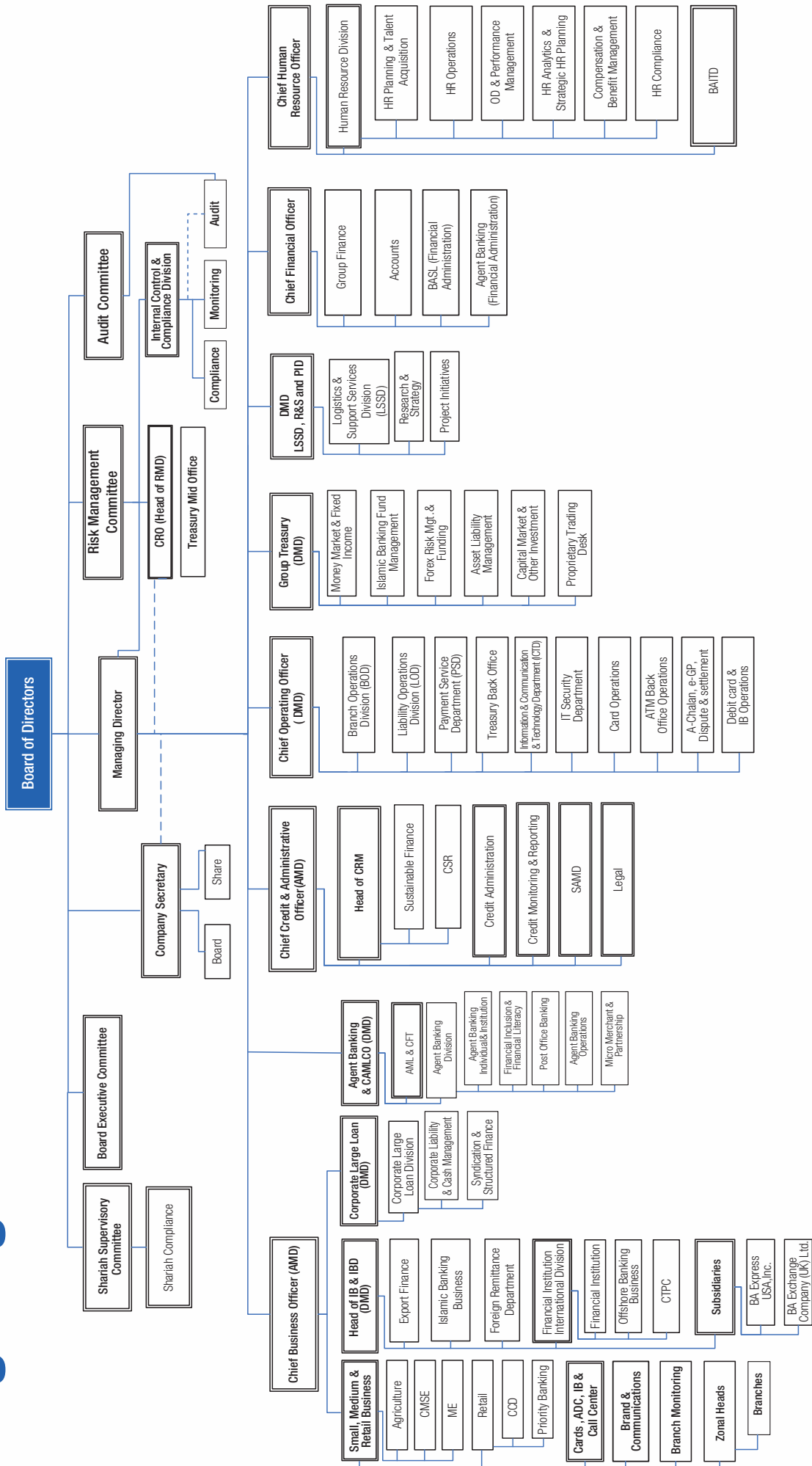
Letter of intent received	24/02/1999
First meeting of promoters.....	15/04/1999
Certificate of incorporation received.....	28/09/1999
Certificate of commencement of business.....	28/09/1999
First meeting of board of directors held.....	01/10/1999
Banking license received.....	06/10/1999
First branch license received.....	31/10/1999
Inauguration of Bank.....	27/11/1999
Date of publication of prospectus.....	29/06/2003
Date of IPO subscription.....	23/09/2003, 24/09/2003
Date of first Share trading in bourse.....	08/01/2004
Date of agreement with CDBL.....	20/12/2005
Date of first scripless trading.....	30/01/2006
Number of promoters.....	22
Number of directors.....	11
Number of branches.....	131
Number of Sub-Branches.....	15
Number of SME centers.....	4
Number of Islamic windows.....	5

Auditors	MABS & J Partners Chartered Accountant SMC Tower (7 th Floor) 33, Banani Commercial Area Dhaka -1213
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Tax Advisors	S.F Ahmed & Co.(SFACO) Chartered Accountant and tax & Management Consultants House # 51 (3 rd floor) Road # 9, Block- F Banani, Dhaka-1213
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Legal Retainer/ Advisors	Mr. Ahsanul Karim Senior Advocate Supreme Court of Bangladesh Head of Chamber Law Valley Saiham Sky View Tower, Suite No. 11A & 11B 195 Shahid Syed Nazrul Islam Sarani (45 Bijoy Nagar), Dhaka-1000.
Mr. Syed Afzal Hasan Uddin Barrister-at-Law Advocate, Supreme Court of Bangladesh & Managing Partner, 'Syed Ishtiaq Ahmed & Associates' Concord Ovalash (1st floor), House No. 62, Road No. 11A, Dhanmondi, Dhaka-1209.	

Registered Office	Bank Asia Tower 32 & 34, Kazi Nazrul Islam Avenue Karwan Bazar Dhaka- 1215
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Board of Directors



**Standing
from left**

Sabeth Nayeem Choudhury

Farzana Khan

**Sitting
from left**

M. A. Baqui Khalily

Enam Chowdhury

Rumee A Hossain



Sohail R K Hussain

Md. Abul Quasem

Romo Rouf Chowdhury

Zakia Rouf Chowdhury

Romana Rouf Chowdhury

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

Bank Asia Foundation Governing Body



**Standing
from left**

Sheikh Mohammad Anisuzzaman

**Sitting
from left**

Enam Chowdhury

Rumee A Hossain



Mohammad Ibrahim Khalil, FCA

Zakia Rouf Chowdhury

Romana Rouf Chowdhury

Farhana Karim

DIRECTORS' PROFILE



Romo Rouf Chowdhury

Chairman

Mr. Romo Rouf Chowdhury was elected as Chairman of the Board of Directors of Bank Asia PLC., on 25th August 2022. Mr. Chowdhury is one of the Sponsor Directors of Bank Asia PLC. He is a graduate in Engineering from Durham University, United Kingdom. He has more than 31 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 Ltd., Rangs Properties Ltd., Rancon Automobiles Ltd., Rancon Oceana Ltd., Rancon Sea Fishing Ltd. and Rancon Electronics Ltd.



Zakia Rouf Chowdhury

Second Vice Chairman

Ms. Zakia Rouf Chowdhury is one of the Directors of Bank Asia PLC. She has an illustrative business career for more than 26 years in the private sector of Bangladesh. She is holding the leadership position at a number of affiliates of Rangs Group, one of the large business groups in Bangladesh. Ms. Zakia Rouf Chowdhury has been involved with the organizations since its inception. She is currently the Chairperson of Sea Resources Group and Zhen Natural Limited, Managing Director of Rangs Real Estate Limited and Rangs Food & Beverage Limited. She is one of the Directors of Rangs Limited, Rangs Motors Limited, Rangs Properties Limited, Rancon Autos Limited, Rangs Interior Limited, Rangs Appliance Limited, Rangs Construction Limited & a few other Rangs Affiliates. Ms. Chowdhury is the Nominated Director of Amiran Generations Limited in the Board of Bank Asia PLC.



Mr. Rume A Hossain is one of the Sponsor Directors of Bank Asia PLC. He is a graduate in Mechanical Engineering and an MBA in International Business Management. He has more than 30 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 PLC.

Rume A Hossain

Director and Chairman of the Executive Committee



Ms. Farhana Haq is one of the Sponsor shareholders of Bank Asia PLC. 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.

Farhana Haq

Director

DIRECTORS' PROFILE



Romana Rouf Chowdhury

Director

Ms. Romana Rouf Chowdhury is one of the Directors of Bank Asia PLC. 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 & Columbia Business School. She has more than 27 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 PLC.



Enam Chowdhury

Director

Mr. Enam Chowdhury a graduate in Electrical & Electronic Engineering from Ohio, USA, has more than 36 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 PLC.



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 & 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.



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

Mr. M. A. Baqui Khalily joined as a faculty member at the Department of Finance of the University of Dhaka in 1975 after completing his B.Com. (Hons) & M.Com. in Finance from the same institution. He also obtained his M.Sc. & Ph.D. degrees with major in Finance and Development in 1987 & 1991 respectively from Ohio State University, USA. After a successful teaching career of 37 years, Mr. Khalily retired from the University of Dhaka in 2012. He is a renowned academician of the country, an eminent economist & finance scholar of national & international repute. Other than having a prominent teaching career, Mr. 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. Mr. Khalily is currently involved with University of Asia Pacific as Professor and Dean of School of Business of the same.

DIRECTORS' PROFILE



Md. Abul Quasem
Independent Director

Mr. Md. Abul Quasem completed his B.S.S. (Hons.) and M.S.S. in Economics in 1973 & 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 City Bank PLC. & Pubali Bank PLC., 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.



Sabeth Nayeem Choudhury
Director

Mr. Sabeth Nayeem Choudhury is one of the Directors of Bank Asia PLC. He obtained his BA (Hons.) in Business Administration from University of Kent, Canterbury, Kent, UK. He has more than 18 years of business experience in several industries. He holds Directorship of various renowned business concerns such as Phulbari Tea Estates Limited, M. Ahmed Tea & Lands Co. Limited, M. Ahmed Cold Storage Limited and M. Ahmed Real Estates Limited. Mr. Choudhury is the nominated Director of Phulbari Tea Estates Limited in the Board of Bank Asia PLC.



Farzana Khan
Independent Director

Ms. Farzana Khan is one of the Independent Directors of Bank Asia PLC. She is currently a practicing lawyer at Supreme Court of Bangladesh. She has an illustrious career as a lawyer for 16 years with expertise in company law, corporate and revenue-related cases, commercial law, capital market, securities law, insurance law and constitutional law. She has vast experience in dealing with domestic & international arbitration and mediation. She has appeared in multiple number of cases having national importance. She completed her post-graduation from the University of Derby, UK.



Sohail R K Hussain
Managing Director

Mr. Sohail R K Hussain is the Managing Director of Bank Asia PLC, a leading private commercial bank in Bangladesh. Prior to joining Bank Asia PLC, Mr. Hussain led two other private commercial banks, namely, City Bank PLC (2013-2019) and Meghna Bank PLC (2020-2024) as Managing Director & CEO. Under his leadership, the banks received numerous national and international awards, including DHL – The Daily Star Bangladesh Business Award, ICMA Best Corporate Award, Finance Asia Best Bank Award and Global Finance World's Best Digital Bank awards.

Starting career at ANZ Grindlays Bank, Mr. Hussain worked in various leadership positions at Standard Chartered and Eastern Bank. His career spanning over 35 years includes experiences in structured finance, structured trade-transactions, re-engineering banks and executing strategies for growth in sustainable financing, green financing, SME, retail, Corporate, treasury and cards business.

Mr. Hussain holds an MBA from IBA, Dhaka University. He has completed advance courses on Strategic Management from INSEAD (Business school in Fontainebleau, France). He has also received several trainings on banking and finance arranged by FMO, IDI etc. He served as the Vice President of the Association of Bankers, Bangladesh (ABB), director of IIDFC (Non- Bank Financial Institution), VIPBL (SME Equity funding Company), RSA Advisory Ltd (Investment Bank), member of Governing Council of Sajeda Foundation, Bangladesh Institute of Bank Management (BIBM) and Institute of Bankers' Bangladesh (IBB)

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. 377-380

Competitive Edge



OUR SCALE OF OPERATIONS

- ➔ **Tk. 532,902 Mln**
+ total assets
- ➔ **Tk. 416,559 Mln**
+ Deposit Base
- ➔ **Tk. 293,726 Mln**
+ loan book

Strong Asset & deposit Base with Quality Assets



CUSTOMER BASE

- ➔ **85,85,556**
Deposit A/C
- ➔ **58,301**
Loan A/C

Above 8 mln customer under Bank Asia coverage



NETWORK & DISTRIBUTION CHANNEL

- ➔ **131** Branches
- ➔ **04** SME Service Centre
- ➔ **15** Sub-Branches
- ➔ **5,025** Agent Outlet
- ➔ **28,437** Micro Marchant
- ➔ **217** Owned ATM Booth

Digital coverage of banking service across the country



COMMUNITY DRIVEN DEVELOPMENT

- ➔ **17,000+** Number of loan accounts through agent bank
- ➔ **6,327,803**
Number of Rural Accounts
- ➔ **4,463,418**
Number of Female Customers

Pioneer in ensuring Financial inclusion



EMPLOYEE BASE

- ➔ **50%+**
Work force with over 10 years service
- ➔ **21%** Female employees
- ➔ **57%**
of staff members are aged below 40 years signifying a young, dynamic and capable workforce
- ➔ **23,705** hours of training provided

Young, Competent & dedicated human resource



AWARD & RECOGNITION

National Award

ICAB National Award for Best Presented Annual Reports 2023

- ➔ Overall Winner
- ➔ 1st Position among Private Sector Banks
- ➔ 1st Position for Corporate Governance Disclosures
- ➔ 1st Position for Integrated Reporting

International Award

The SAFA BPA (Best Presented Annual Report) Award

- ➔ Silver Award for Integrated Reporting

Brand Image validated by reception of award for publication

Key Events 2024



Celebration of New Year 2024 by the Honorable Board Members and Senior Management Team



"Annual Business Meet 2024" organized by Bank Asia at The Palace Luxury Resorts, Sylhet



Bank Asia PLC has launched Digital Financial Literacy App 'Amar Hisab-Kitab' to accelerate financial inclusion programs for readymade-garment workers.

Key Events 2024



Under Corporate Social Responsibility (CSR), Bank Asia has provided free of cost seeds, fertilizers and pesticides among the farmers of Munshiganj district in continuation of distributing free agricultural inputs across the country



Bank Asia PLC has organized a program on the occasion of Breast Cancer Awareness Month 2024 to disseminate knowledge and raise awareness about breast cancer among its female employees



Bank Asia PLC has awarded its employees for their remarkable performance in Deposit Campaign named Shadhinota Campaign

Key Events 2024



Bank Asia PLC has signed an agreement with Navana Limited, the exclusive dealer of Toyota Vehicles in Bangladesh



MoU signing ceremony with Rancon Motors Ltd.



Agreement signing ceremony with Syngenta

25 Years of Embracing Change

As Bank Asia completes 25 years of trust and innovation, we reflect on a journey shaped by purpose, resilience, and a relentless pursuit of progress. Guided by the anniversary theme **Embracing Change**, the celebration honored our legacy of transformation-adapting to new realities while staying rooted to our core values.

For 25 years, Bank Asia has been more than a bank-it's been a beacon of trust, progress, and possibility. From empowering individuals to uplifting businesses and communities, we've woven a legacy of integrity, inclusivity, and sustainability. This milestone isn't just a marker of time; it's a testament to our unwavering commitment to shaping a brighter, bolder future for all.

This milestone celebrates not just the passage of time, but the shared trust and collective ambition of our stakeholders-employees, customers, and regulators-whose steadfast support has been the cornerstone of our growth.

As we honor this achievement, we move forward with renewed determination to redefine the future of banking in a dynamic, ever-evolving world.



On the occasion of its 25th founding anniversary, Bank Asia PLC has organized a 'Meet the Press' on 26th November 2024 at Pan Pacific Sonargaon, Dhaka. The event was organized to highlight the future plans, success, achievements and contributions of Bank Asia in the country's banking sector over the last 25 years.

Customer Night



Customer Night



Senior Management Team



Standing from left

Alkona Kabir Choudhuri
Chief Human Resource Officer

Hossain Ahmad
Chief Information Officer

Mirza Azhar Ahmad
DMD, COO

Sitting from left

S. M. Anisuzzaman
DMD, LSSD, R&SD, PID

Alamgir Hossain
DMD, C&LL

Mohammad Ziaul Hasan Molla
DMD & CAMLCO

ANM Mahfuz
AMD & CBO



Mohammad Ibrahim Khalil, FCA
CFO

Mohammed Rashidul Kabir Rajib
CRO

Mohammad Ataur Rahman
Member Secretary

Sohail R K Hussain
Managing Director

S.M. Iqbal Hossain
DMD, International Banking
& Export Finance

M.M. Haikal Hashmi
DMD, ICCD

Arequl Arefeen
DMD, Group Treasury

Five Years Performance

Million Taka unless otherwise specified

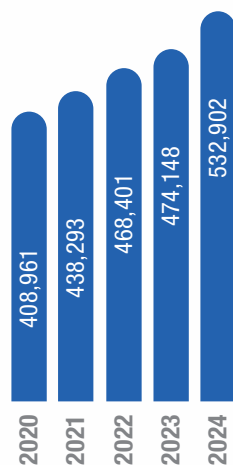
Particulars	2024	2023	2022	2021	2020
BALANCE SHEET MATRIX					
Authorized Capital	15,000.00	15000.00	15,000.00	15,000.00	15,000.00
Paid up Capital	11,659.07	11659.07	11,659.07	11,659.07	11,659.07
Reserve Fund & Surplus	20,183.22	17,860.46	16,981.18	15,697.57	15,721.82
Total Shareholders' Equity	31,842.29	29519.53	28,640.25	27,356.64	27,380.90
Deposits	416,559.45	361,536.30	337,695.42	317,782.43	303,028.11
Loans and Advances	293,725.60	291,325.04	277,870.36	262,266.70	244,642.03
Investments	176,881.98	114,760.15	102,849.11	77,021.19	94,251.18
Fixed Assets	5,230.84	5,878.42	5,615.91	6,039.14	6,708.66
Total Assets	532,901.82	474,147.76	468,400.94	438,293.29	408,960.69
Total Off Balance Sheet Items	139,954.35	152,124.71	153,563.27	173,965.53	122,190.43
Interest Earning Assets	488,348.52	432,199.11	426,187.54	388,166.24	372,489.99
Non-Interest Earning Assets	44,553.29	42,029.50	42,213.40	50,127.05	36,227.16
INCOME STATEMENT MATRIX					
Interest income	30,514.24	23,287.06	20,423.05	18,340.77	18,112.00
Interest Expenses	24,484.27	17,053.99	14,916.32	12,700.89	14,926.68
Investment income	14,335.18	8,376.53	6,270.76	6,848.83	6,484.40
Non-Interest income	10,374.03	7,532.73	8,596.86	6,609.12	4,462.27
Operating Expense	9,801.70	9,442.77	9,537.56	7,500.88	7,108.05
Total income	51,338.11	38,027.50	35,148.68	29,394.30	28,105.56
Total Expenditure	34,285.97	26,496.76	24,453.87	20,201.77	22,034.72
Operating Profit	17,052.14	11,530.74	10,694.80	9,192.53	6,070.84
Profit Before Tax	6,294.60	4,695.8	6,545.87	4,406.74	3,957.71
Net Profit After Tax	2,774.60	2,395.8	3,045.87	2,706.74	2,035.71
CAPITAL MEASURES					
Risk Weighted Assets	266,182.74	247,185.58	260,486.88	263,153.19	254,905.15
Core Capital (Tier-I)	31,180.60	30,473.09	29,823.58	25,152.67	23,558.94
Supplementary Capital (Tier-II)	10,366.17	10,186.00	16,287.54	16,217.71	20,195.00
Total Capital	41,546.77	40,659.09	46,111.11	41,370.38	43,753.94
Capital Surplus/(Deficit) over Minimum Capital	14,928.50	15,940.53	20,062.43	15,055.06	18,263.42
Capital Surplus/(Deficit) over Conservation Buffer	8,273.93	9,760.89	13,550.26	8,476.23	11,890.80
Tier I Capital Ratio	11.71%	12.33%	11.45%	9.56%	9.24%
Tier II Capital Ratio	3.89%	4.12%	6.25%	6.16%	7.92%
Capital to Risk Weighted Asset Ratio Basel-III	15.61%	16.45%	17.70%	15.72%	17.16%
CREDIT QUALITY					
Classified Loans	33,477.95	19,510.36	13,519.79	13,469.54	7,930.93
Provision for Unclassified Loans	5,870.67	6,796.00	9,092.54	8,727.71	9,841
Provision for Classified Loans	22,678.83	15,620.00	10,517.46	7,290.00	4,120.20
Provision for Contingent Liabilities	1,495.50	1,390.00	1,195.00	1,490.00	1,005.00
Percentage of NPLs to total Loans and Advances	11.40%	6.70%	4.87%	5.14%	3.24%
FOREIGN EXCHANGE BUSINESS					
Import	206,883.60	205,373	210,588	225,789	141,289
Export	146,626.60	150,524	171,275	141,496	108,549
Remittance (Inward)	125,306.00	86,123	132,243	128,441	98,911

Million Taka unless otherwise specified

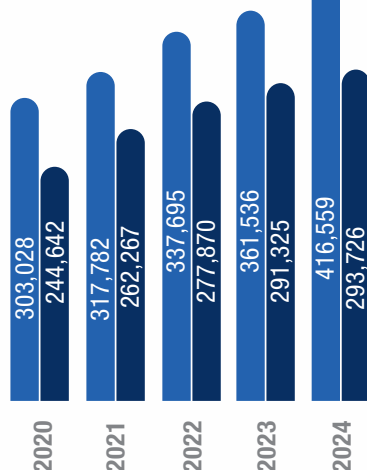
Particulars	2024	2023	2022	2021	2020
OPERATING PROFIT RATIOS					
Credit Deposit Ratio	64.13%	72.48%	68.17%	65.58%	69.42%
Cost of Deposit	5.36%	4.41%	4.10%	3.94%	4.95%
Cost of Deposit & Borrowing	6.00%	4.57%	4.09%	3.87%	4.27%
Administrative Cost	2.35%	2.43%	2.60%	2.09%	2.27%
Yield on Loans and Advances	10.50%	8.04%	7.37%	7.61%	7.68%
Spread	5.14%	3.63%	3.27%	3.67%	2.73%
Return on Assets	0.55%	0.51%	0.67%	0.64%	0.53%
Return on Equity	9.04%	8.24%	10.88%	9.89%	7.81%
Current Ratio	1.04%	1.02%	1.07%	1.07%	1.07%
Debt Equity Ratio	15.74	15.06	15.35 %	15.02%	13.94%
PERFORMANCE RATIOS					
Profit per Employee	6.34	4.19	3.73	3.61	2.46
Operating profit as % of Working Fund	3.39%	2.45%	2.36%	2.17%	1.59%
Net Interest income as % of Working Fund	3.35%	2.96%	2.59%	2.41%	2.29%
Burden Coverage	105.84%	79.77%	90.14%	88.11%	49.37%
Burden Ratio	-0.11%	0.41%	0.21%	0.21%	0.62%
Ratio of Fees income	18.38%	23.73%	36.16%	18.98%	18.78%
Salary Exp. to total Overhead Exp.	57.79%	55.67%	53.10%	51.87%	50.03%
Salary Exp. to Fees income	114.76%	105.61%	69.22%	122.79%	143.68%
Cost to income/ Efficiency ratio	36.50%	45.02%	47.14%	44.93%	54.00%
DIVIDEND & RIGHTS ISSUE					
Cash	10% (proposed)	15.00%	15.00%	15.00%	10.00%
Stock	10% (proposed)				
Total Dividend	20% (proposed)	15.00%	15.00%	15.00%	10.00%
SHARES INFORMATION MATRIX					
No. of Shares Outstanding	1,166	1,166	1,166.00	1,165.91	1,166
Earnings Per Share (Taka)	2.06	1.72	2.61	2.32	1.75
Number of Shareholders	7,070	7,105	7,327	7,583	8,391
Market Value Per Share (Taka)	17	20.20	20.50	21.80	18.20
Price Earnings Ratio	8.25	11.74	7.85	7.84	10.40
Net Asset Value Per Share (Taka)	27.31	25.32	24.56	23.46	23.48
Dividend Coverage ratio	1.59	1.37	1.74	1.55	1.75
OTHER INFORMATION					
Total Number of Branches	131	131	131	125	125
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	15	15	14	7	6
Agent Outlet	5,025	5,051	5,414	4,898	4,628
Number of Employees	2,689	2,751	2,865	2,547	2,463
Number of Foreign Correspondents	611	632	640	670	670

Five Years Performance

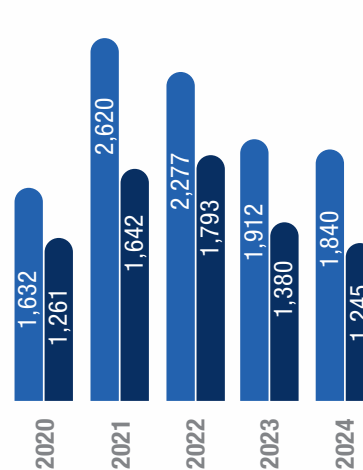
Total Assets Million Taka



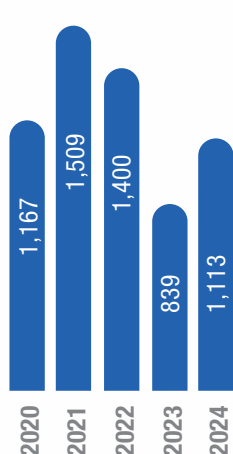
Deposits and Advances Million Taka
■ Deposits ■ Advances



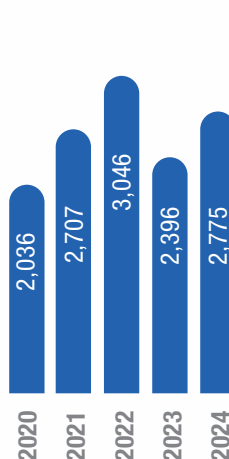
Import and Export Million USD
■ Import ■ Export



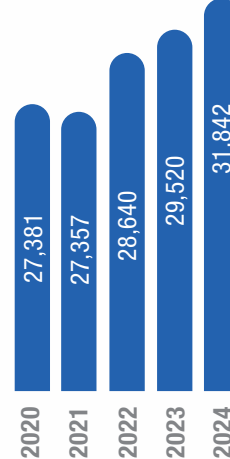
Inward Remittance Million USD



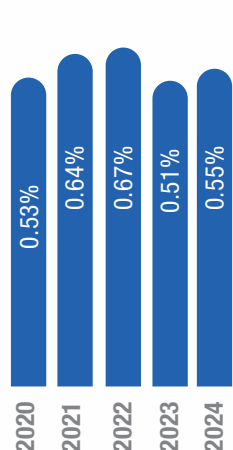
Net Profit After Tax Million Taka



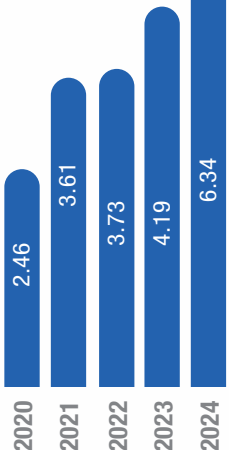
Total Shareholders' Equity Million Taka



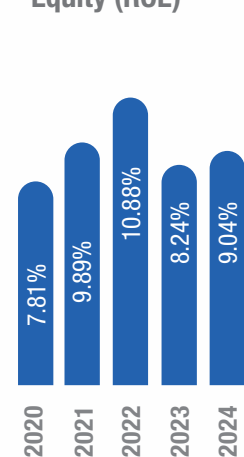
Return on Assets (ROA)



Profit per Employee Million Taka

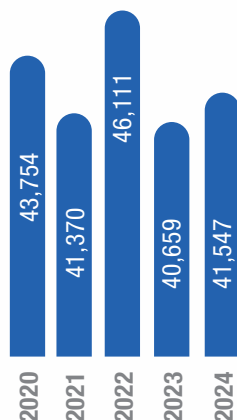


Return on Equity (ROE)

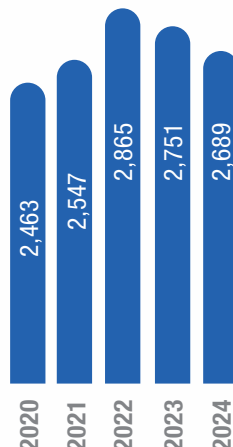


Five Years Performance

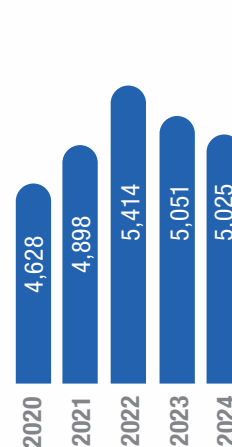
Total Capital
Million Taka



Number of Employees

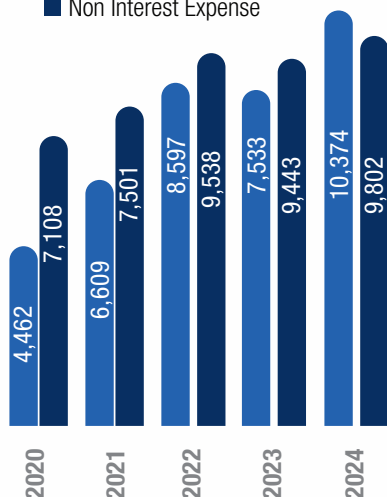


Number of Agent Outlets

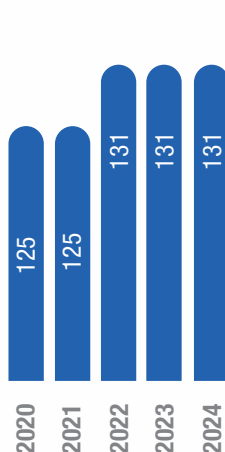


Non Interest Income & Non Interest Expense Million Taka

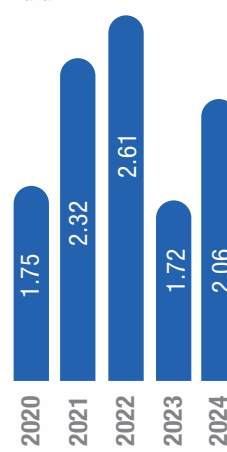
■ Non-Interest Income
■ Non Interest Expense



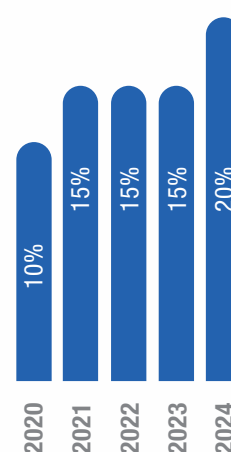
Number of Branches



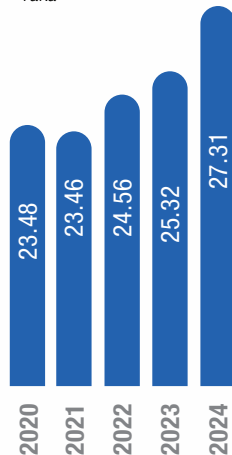
Earnings per Share
Taka



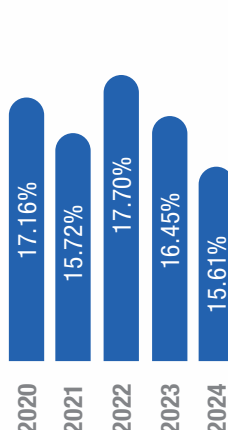
Dividend



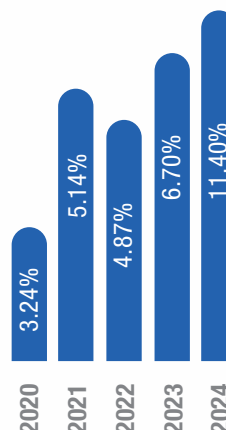
NAV per Share
Taka



Capital to Risk Weighted Asset Ratio (CRAR)



Non-Performing Loan Ratio



Horizontal Analysis

For the last five years, profit and Loss Statement

	2024	2023	2022	2021	2020
OPERATING INCOME					
Interest income	168%	129%	113%	101%	100%
Interest paid on deposits and borrowings, etc	164%	114%	100%	85%	100%
Net interest income	189%	196%	173%	177%	100%
Investment income	221%	129%	97%	106%	100%
Commission, exchange and brokerage	199%	201%	296%	128%	100%
Other operating income	150%	134%	110%	100%	100%
Total operating income	204%	159%	154%	127%	100%
Salaries and allowances	160%	148%	143%	109%	100%
Rent, taxes, insurance, electricity, etc	144%	142%	131%	109%	100%
Legal expenses	195%	218%	194%	126%	100%
Postage, stamp, telecommunication, etc	163%	151%	122%	94%	100%
Stationery, printing, advertisements, etc	110%	114%	118%	78%	100%
Managing Director's salary and fees	103%	70%	98%	106%	100%
Directors' fees	154%	118%	94%	126%	100%
Auditors' fees	133%	206%	112%	115%	100%
Depreciation and repairs of Bank's assets	116%	118%	112%	102%	100%
Other expenses	107%	110%	131%	102%	100%
Total operating expenses	138%	133%	134%	106%	100%
Profit before provision	281%	190%	176%	151%	100%
Provision for loans and advances/investments					
General provision	-31%	106%	114%	-51%	100%
Specific provision	2,568%	1,019%	418%	1,273%	100%
Provision for off-balance sheet items	243%	450%	-681%	1,119%	100%
Provision for diminution in value of investments	322%	50%	0%	0%	100%
Other provisions	102%	36%	182%	109%	100%
Total provision	509%	323%	196%	226%	100%
Total profit before tax	159%	119%	165%	111%	100%
Provision for taxation					
Current tax	183%	120%	182%	88%	100%
Deferred tax	0%	0%	0%	0%	0%
Net profit after tax	136%	118%	150%	133%	100%

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 2020 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. Non-funded income played a vital role on profitability in 2024. The operating expense increased slightly in comparison with 2023. Due to keeping the health of the bank sound, adequate provisions has been maintained. Hence, profit of the bank has been increased significantly.

Horizontal Analysis

For the last five years balance Sheet

	2024	2023	2022	2021	2020
PROPERTY AND ASSETS					
Cash	134%	122%	144%	186%	100%
In hand (including foreign currencies)	153%	127%	138%	122%	100%
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	130%	121%	145%	199%	100%
Balance with other banks and financial institutions	49%	75%	126%	128%	100%
In Bangladesh	18%	68%	126%	132%	100%
Outside Bangladesh	503%	176%	122%	70%	100%
Money at call and on short notice	-	-	-	-	-
Investments	188%	122%	109%	82%	100%
Government	186%	119%	105%	79%	100%
Others	231%	190%	193%	150%	100%
Loans and advances/investments	120%	119%	114%	107%	100%
Loans, cash credits, overdrafts, etc/investments	122%	121%	111%	103%	100%
Bills purchased and discounted	90%	96%	144%	173%	100%
Fixed assets including premises, furniture and fixtures	78%	88%	84%	90%	100%
Other assets	128%	120%	94%	93%	100%
Total Assets	130%	116%	115%	107%	100%
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents	50%	75%	142%	133%	100%
Subordinated non-convertible zero coupon bonds	75%	75%	92%	84%	100%
Deposits and other accounts	137%	119%	111%	105%	100%
Current/AI-wadeeah current accounts and other accounts	125%	124%	115%	107%	100%
Bills payable	82%	106%	111%	106%	100%
Savings bank/Mudaraba savings bank deposits	141%	130%	123%	123%	100%
Fixed deposits/Mudaraba fixed deposits	126%	99%	106%	97%	100%
Other liabilities	183%	150%	130%	114%	100%
Total liabilities	131%	117%	115%	108%	100%
Capital/shareholders' equity					
Total shareholders' equity	116%	108%	105%	100%	100%
Paid-up capital	100%	100%	100%	100%	100%
Statutory reserve	119%	119%	119%	109%	100%
Revaluation reserve	114%	71%	56%	57%	100%
General reserve	100%	100%	100%	100%	100%
Retained earnings	197%	163%	148%	134%	100%
Total Liabilities and Shareholders' Equity	130%	116%	115%	107%	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 2020 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

	2024	2023	2022	2021	2020
OPERATING INCOME					
Interest income	59.44%	61.24%	58.10%	62.40%	64.44%
Interest paid on deposits and borrowings, etc	47.69%	44.85%	42.44%	43.21%	53.11%
Net interest income	11.75%	16.39%	15.67%	19.19%	11.33%
Investment income	27.92%	22.03%	17.84%	23.30%	23.07%
Commission, exchange and brokerage	9.61%	13.09%	20.81%	10.78%	8.81%
Other operating income	3.02%	3.65%	3.24%	3.53%	3.68%
Total operating income	52.31%	55.15%	57.56%	56.79%	46.89%
Salaries and allowances	10.99%	13.79%	14.35%	13.17%	12.58%
Rent, taxes, insurance, electricity, etc	1.24%	1.65%	1.65%	1.64%	1.57%
Legal expenses	0.05%	0.08%	0.07%	0.06%	0.05%
Postage, stamp, telecommunication, etc	0.40%	0.50%	0.44%	0.40%	0.45%
Stationery, printing, advertisements, etc	0.32%	0.44%	0.50%	0.39%	0.53%
Managing Director's salary and fees	0.04%	0.04%	0.05%	0.07%	0.07%
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	1.92%	2.63%	2.72%	2.95%	3.02%
Other expenses	4.12%	5.70%	7.35%	6.83%	7.01%
Total operating expenses	19.09%	24.83%	27.13%	25.52%	25.29%
Profit before provision	33.22%	30.32%	30.43%	31.27%	21.60%
Provision for loans and advances/investments					
General provision	-1.33%	6.02%	7.02%	-3.79%	7.71%
Specific provision	20.67%	11.08%	4.91%	17.91%	-1.47%
Provision for off-balance sheet items	0.21%	0.51%	-0.84%	1.65%	0.15%
Provision for diminution in value of investments	1.13%	0.24%	0.00%	0.00%	0.64%
Other provisions	0.27%	0.13%	0.71%	0.51%	0.49%
Total provision	20.95%	17.97%	11.80%	16.28%	7.52%
Total profit before tax	12.26%	12.35%	18.62%	14.99%	14.08%
Provision for taxation					
Current tax	6.86%	6.05%	9.96%	5.78%	6.84%
Deferred tax	0.00%	0.00%	0.00%	0.00%	0.00%
Net profit after tax	5.40%	6.30%	8.67%	9.21%	7.24%

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 (59.44%), income from commission, exchange and brokerage (9.61%) and investment income (27.92%) hold major portion of total income. With the implementation of new interest rate system followed by hike in interest rate, the interest income increased significantly. Besides, increase of investment income helped the bank to attain a good operating income this year. Last year, non-funded income from treasury investment as well as commission and exchange gain helped to maintain the growth of profitability.

Vertical Analysis

For the last five years balance Sheet

	2024	2023	2022	2021	2020
PROPERTY AND ASSETS					
Cash	4.49%	4.59%	5.51%	7.61%	4.38%
In hand (including foreign currencies)	0.85%	0.79%	0.87%	0.82%	0.72%
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	3.64%	3.80%	4.63%	6.79%	3.65%
Balance with other banks and financial institutions	2.92%	4.99%	8.45%	9.21%	7.70%
In Bangladesh	1.01%	4.24%	7.92%	8.89%	7.21%
Outside Bangladesh	1.91%	0.75%	0.53%	0.32%	0.50%
Money at call and on short notice	0.00%	0.06%	0.80%	1.46%	0.00%
Investments	33.19%	24.20%	21.96%	17.57%	23.06%
Government	31.36%	22.52%	20.23%	16.13%	22.03%
Others	1.83%	1.68%	1.73%	1.44%	1.03%
Loans and advances/investments	55.12%	61.44%	59.32%	59.84%	59.86%
Loans, cash credits, overdrafts, etc/investments	52.38%	58.18%	54.33%	53.44%	55.90%
Bills purchased and discounted	2.73%	3.26%	4.99%	6.39%	3.96%
Fixed assets including premises, furniture and fixtures	0.98%	1.24%	1.20%	1.38%	1.64%
Other assets	3.29%	3.47%	2.76%	2.93%	3.36%
Total assets	100.00%	100.00%	100.00%	100.00%	100.00%
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents	3.40%	5.71%	10.89%	10.91%	8.80%
Subordinated non-convertible zero coupon bonds	1.44%	1.62%	1.99%	1.96%	2.50%
Deposits and other accounts	78.17%	76.25%	72.10%	72.50%	74.14%
Current/Al-wadeeah current accounts and other accounts	13.90%	15.48%	14.60%	14.52%	14.52%
Bills payable	0.58%	0.83%	0.89%	0.91%	0.92%
Savings bank/Mudaraba savings bank deposits	16.95%	17.61%	16.83%	18.07%	15.70%
Fixed deposits/Mudaraba fixed deposits	41.70%	36.57%	39.78%	39.00%	43.00%
Bearer certificates of deposit	5.04%	5.76%	0.00%	0.00%	0.00%
Other liabilities	11.02%	10.20%	8.90%	8.38%	7.86%
Total liabilities	94.02%	93.77%	93.89%	93.76%	93.30%
Capital/shareholders' equity					
Total shareholders' equity	5.98%	6.23%	6.11%	6.24%	6.70%
Paid-up capital	2.19%	2.46%	2.49%	2.66%	2.85%
Statutory reserve	2.20%	2.48%	2.51%	2.45%	2.41%
Revaluation reserve	0.81%	0.57%	0.45%	0.49%	0.92%
General reserve	0.00%	0.00%	0.00%	0.00%	0.00%
Retained earnings	0.77%	0.72%	0.66%	0.64%	0.51%
Total liabilities and shareholders' equity	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 (55.12%) and investment (33.19%) hold 88.31% 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 has been increased in the year 2024.



Chairman's Statement

Dear Shareholders,

Assalamualaikum and good morning,

It is my privilege to welcome you in the 26th Annual General Meeting of Bank Asia PLC. In this meeting I will share with you some of our achievements with great pride and humility. I extend my deepest appreciation to you for being present here to listen to us and share your thoughts.

The year 2024 was a testing year for entire banking sector. It was a test of resilience and adaptability to stay in the market place. The macroeconomic challenges were marked by inflationary pressure, interest rate hike, frequent policy shifts and higher loan default ratios. Despite these adversities Bank Asia delivered excellent financial results. It achieved 48% growth in operating profit, maintained healthy liquidity ratio and built robust Capital Adequacy Ratio of 15.61%.

We made significant strategic advancement in digital transformation, expanding our mobile banking capabilities in conventional and agent banking. We are in the process of launching Artificial-Intelligence (AI) Powered credit assessment tools and align our Core Banking System with current needs. We also deepened our Environment Social & Governance (ESG) agenda. This ECG agenda highlights: Renewable Energy projects, CSR activities in health sectors and persistent board supervision in governance issues.

Much of the governance practices in a bank are driven by its board of directors. Having this in mind our board maintained strong oversight throughout the year. These actions led to greater risk mitigation and higher compliance.

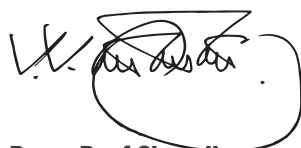
You are aware, Bank Asia has a strong brand image locally and internationally. This has been rightly recognized by the following awards and honors:

- Institute of Chartered Accountants of Bangladesh (ICAB) overall winning awards for private sector bank;
- ICAB 1st prize in all three categories: Best Presented Annual Reports 2023, Corporate Governance Disclosures, and Integrated Reporting;
- South Asian Federation of Accountants (SAFA) silver award for integrated reporting;
- Master Card Excellence Award 2024;
- Sustainable Development Goals (SDG) Champion award on Women Empowerment.

Looking ahead, we remain cautiously optimistic and modest. Coming days will provide both challenges and opportunities. We will continue to build our HR and digital strengths, pursue sustainable growth and enhanced customer experience. At the same time we will stay aligned to regulatory obligations and stakeholders' expectations.

While closing my thoughts, I thank our leadership team, dedicated employees and my fellow board members. I also express my gratitude to the shareholders, press and media personnel and the regulators. Together, we shall ensure, Bank Asia PLC. remains a trusted and innovative financial partner.

My very best wishes to you all,



Romo Rouf Chowdhury
Chairman
Bank Asia PLC.

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)



Mr. Md. Mehmood Husain
(2011-2016)



Mr. Md. Arfan Ali
(2016-2022)



Mr. Areef Billah Adil Chowdhury
(2022-2023)

PRIORITIES WE FOLLOWED IN 2024

Working together to ensure a Sustainable Future



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



Paying
back

Expanding the horizon of community services



Environment
friendly
investment

Developing, promoting and utilizing environment friendly investment



Recovery of
Classified Loan

Recovery of Classified Loan through proper monitoring & relationship management



Liquidity Risk
Management

To ensure smooth banking operation



Technological
Innovation

Reducing lead time by technological advances



Human
Capital

Improvement of employee productivity

- Total Capital Tk. 41,547 million | CRAR 15.61%
- LCR 309.83% | NSFR 110.76 % | Leverage ratio 5.46 %

- Cluster wise branch segments for faster loan processing
- NAV per share increased to Tk. 25.32
- Operating Profit increased : 48%
+15.22% Deposit + 0.82% Advance

- **Agent Banking**
 - 64 districts
 - 5,025 Outlets
 - 8+ Million Customers
- **Micro-merchant**
 - On-Boarded 28,437
- **Post office Banking**
 - Outlets: 1,101

- **CSR activities: Tk. 133.55 million**
 - Health Tk. 67.50 million
 - Education Tk. 39.58 million
 - Disaster Management Tk. 25.02 million
 - Env. & Climate Change Mitigation & Adaptation Tk. 1 million

Disbursement in 2024

- Sustainable Finance: TK. 123,604 million
 - Green Finance: TK. 4,492 million
 - Sustainable Linked Finance: TK. 119,112 million
- Implemented Document Management Solution (DMS) for paperless office environment

- Classified loans stood at 11.40%
- Maintained provision amount is Tk.10,757 million
- Cash Recovery from Written off Loan : Tk. 326.05 million

- AD Ratio: 64.13%
- ROA: 0.55%
- ROE: 9.04%

- **OCAS-Diganta project:**
 - Number of proposals: 18,269
 - Loans processed : Tk. 11,138 Million
- **Maintained top three international standard:**
 - ISO 27001-2 (ISMS),
 - PCI DSS v4.0,
 - ISO 22301 (BCMS)
- **Developed rule based alert monitoring systems for risk, fraud and transactions monitoring**

- 23,705 man hours of training to 3,686 participants
- Enrolled System Based Performance Management System (PMS) from 2024 where PMS uses Balanced Scorecard and Management By Objective (MBO) depending on supervisory and non-supervisory roles for Performance Appraisal



Managing Director's Review

Steering Resilience in a Year of Transformation

Dear Esteemed Shareholders,

As I reflect on 2024, a year marked by unprecedented global and domestic challenges, I am proud to present Bank Asia PLC.'s journey of resilience, strategic foresight, and unwavering commitment to excellence. In a landscape defined by geopolitical turbulence, economic volatility, and transformative shifts, we navigated complexities with agility, delivering growth while fortifying our foundation for sustainable success.

2024: A Global and Domestic Landscape of Adversity

The global economy grappled with inflationary pressures, supply chain disruptions, and escalating geopolitical tensions. For Bangladesh, these challenges were compounded by internal strains: a historic political transition, soaring inflation (averaging 9.73%), and a sharp contraction in GDP growth to 4.22%—down from 5.78% in FY23. Foreign exchange reserves dwindled, currency depreciation intensified, and non-performing loans (NPLs) strained financial stability. Yet, amid these headwinds, Bangladesh's export sector emerged as a beacon of resilience, with 6.80% year-on-year growth driven by the ready-made garments (RMG) sector's 12.3% surge. This duality of adversity and opportunity shaped our strategic priorities.

Strategic Agility in a Dynamic Environment

- **Monetary Policy Adaptation:** The Bangladesh Bank's shift from the SMART (Six-Month Moving Average Rate of Treasury Bill) system to a market-driven interest rate framework, coupled with a 200-basis-point policy rate hike and a narrowed interest rate corridor of ± 150 basis points, compelled us to recalibrate our lending and investment approaches to manage rising borrowing costs.
- **Foreign Currency Resilience:** The persistent shortage of US dollars, despite foreign exchange reserves recovering to USD 21,395 million by year-end (per BPM6), alongside a significant gap between official and unofficial exchange rates, prompted us to enhance our foreign currency management and tailor solutions for clients in import-dependent sectors.
- **Balance of Payment:** The elevated price of commodities globally due to supply chain disruptions led to major advanced economies to tighten their monetary policies. This led to the government of Bangladesh to reform their policies as well. The government decided to continue their monetary and fiscal tightening approach, realign the exchange rate amidst currency depreciation.
- **Promising Export Growth:** Bangladesh's export sector sustained its growth in 2024, recording a 6.80% year-on-year increase despite global supply chain disruptions, geopolitical challenges, and domestic turmoil caused by the July 2024 political revolution and subsequent manufacturing interruptions. Notably, export receipts from July to December 2024 rose by USD 2,770.52 million, reflecting a 12.73% growth compared to the same period in 2023. The ready-made garments (RMG) sector, the cornerstone of Bangladesh's export economy, led this surge with a 12.3% growth during the same timeframe.
- **Tackling Non-Performing Loans (NPLs) Pressures:** In 2024, Bangladesh's macro economy grappled with significant strain from a high volume of non-performing loans (NPLs) in the banking sector. The elevated NPLs, driven by economic slowdown, widespread borrower defaults, and disruptions in business activity, curtailed private sector credit growth to 7.28% year-on-year, undermined banking sector stability, and restricted liquidity for economic recovery.
- **Remittance Revival:** Remittance has long been a cornerstone of Bangladesh's economy, but this year marked a remarkable surge in inflows, achieving a historic milestone. Following a steep drop in July and August, remittance rebounded sharply. This upswing is driven by factors such as growing overseas migration and job opportunities, incentives for using formal remittance channels, and significant depreciation of the Bangladeshi Taka (BDT).

Managing Director's Review

Strategic Priorities in 2024

The year 2024 marked a transformative phase for our bank as we steadfastly steered through multifaceted economic challenges while advancing our long-term vision. Our strategic roadmap centered on fortifying institutional resilience, fostering innovation, and championing inclusive growth, ensuring we emerged stronger and more agile in a rapidly evolving financial ecosystem.

1. Enhancing Asset Quality and Recovery Excellence

Improving asset integrity remained a cornerstone of our strategy. We intensified efforts to reduce NPLs through comprehensive recovery initiatives, blending traditional methods with innovative approaches such as predictive analytics to identify at-risk accounts. The establishment of a specialized Legal Division streamlined litigation processes, enabling methodical, time-bound resolutions. Rescheduling and restructuring of NPLs were executed with heightened prudence, incorporating rigorous cash flow analyses, equity injections from borrowers, and enhanced collateral requirements.

2. Balanced Credit Strategy and Proactive Risk Mitigation

Our lending philosophy balanced caution with strategic growth, embedding stringent evaluation protocols and real-time risk monitoring powered by advanced analytics. Post-disbursement surveillance was augmented through early detection of financial stress.

3. Governance Reinvented: Compliance as a Culture

We entrenched a culture of regulatory adherence and ethical accountability, instituting multi-tiered compliance frameworks and mandatory training programs. A pioneering Whistleblower Policy was launched, fostering transparency and safeguarding stakeholder interests. Third-party audits were used to quantify compliance efficacy across divisions.

4. Customer-Centricity Redefined

Service excellence was elevated through hyper-personalized solutions. We have introduced Integrated Cash Management Solutions for corporates offering seamless financial operations. Customized deposit products for SMEs and institutions were introduced. A new Digital Onboarding Ecosystem reduced account activation time, enhancing client satisfaction.

5. Structural Agility and Operational Innovation

Corporate relationship management was realigned under centralized Business Units, fostering expertise-driven client engagement. The Zonal Office Model, spearheaded by regional heads, enhanced cross-functional collaboration and market responsiveness. Additionally, we adopted Agile Pods—cross-departmental teams tasked with rapid prototyping of customer solutions, slashing product development cycles by 40%.

6. Liquidity Optimization and Future-Proof Balance Sheets

Prudent fiscal stewardship ensured adherence to regulatory ratios, with surplus liquidity strategically allocated to green bonds and diversified portfolios. Advanced Scenario Stress Testing was institutionalized, enabling proactive capital preservation in volatile markets. Our NSFR and LCR consistently exceeded benchmarks, underscoring our robust liquidity posture.

7. Inclusive Growth: Bridging the Financial Divide

Financial inclusion was deepened through our expanded agent banking network, which now offers Nano Laons via a Mobile app tailored for the underserved segment. Partnerships with fintechs amplified reach, while targeted programs for women-led SMEs unlocked a substantial amount in credit, driving job creation and gender equity. A new Climate-Support Agriculture Loan product supported smallholder farmers in adopting sustainable practices.

Performance Highlights of 2024

Operating Performance: A Testament to Resilience

Amidst external turbulence, Bank Asia delivered robust results through disciplined execution:

Profit After Tax (PAT) rose 16% to Tk. 2,775 million, reflecting strong fundamentals and operational efficiency.

Operating Profit surged 48% to Tk. 17,052 million, driven by a 31% increase in Interest Income (Tk. 30,514 million) and a 71% leap in Investment Income from high-yield government securities.

Cost-to-Income Ratio improved sharply to 36.50% (from 45.02% in 2023), underscoring our commitment to operational efficiency.

Balance Sheet Performance

Bank Asia's financial position remained robust. The bank's total assets reached Tk. 532,902 million, reflecting a strong 12% growth from Tk. 474,148 million recorded previously. Deposits rose to Tk. 416,559 million, achieving a significant 15% increase compared to Tk. 361,536 million in the prior year. In contrast, loans and advances grew marginally by 1%, totaling Tk. 293,726 million.

Subsidiaries: Anchoring Growth Amid Market Volatility

Bank Asia Securities Limited (BASL) defied a bearish DSE (down 16.5%) to climb to 7th in the DSE Top-20 rankings, boosting operating profit by 48% to Tk. 160 million.

BA Express USA Inc. achieved a record remittance volume of \$101.12 million, contributing \$842,882 in profits.

BA Exchange UK facilitated \$13.10 million in remittances, reinforcing our global footprint.

Operational Reach: Expanding Financial Inclusion

Bank Asia delivers a comprehensive suite of banking services through diverse channels to meet the varied needs of its clients. Key operational areas include:

- Conventional Banking:** Operating 131 branches, including 35 in rural areas, and 4 SME service centers, supplemented by 15 strategically placed sub-branches to enhance financial inclusion nationwide.
- Islamic Banking:** Offering Shariah-compliant products through 5 dedicated Islamic banking windows, with online SALAMAH desks in conventional branches to extend Islamic banking services.
- Offshore Banking:** Facilitating cross-border transactions and foreign currency financing through a dedicated offshore banking unit in Chittagong.

Managing Director's Review

4. **Agent Banking:** Promoting financial access with 5,025 agent outlets across 64 districts, capturing a 29.00% share of agent banking accounts, ensuring services reach underserved and remote communities.

This extensive network underscores Bank Asia's dedication to delivering superior banking experiences, advancing financial inclusion, and supporting national economic growth.

Building a Resilient Capital Framework

Bank Asia has prioritized strengthening its capital base as a key component of its risk management strategy, maintaining a robust capital position in 2024. The bank achieved a Capital to Risk-Weighted Assets Ratio (CRAR) of 15.61%, significantly exceeding the Basel III minimum requirement of 12.5%. Its Tier-1/core capital to Risk-Weighted Assets Ratio was 11.71%, well above the required 6%, and the CET-1 to Risk-Weighted Assets Ratio reached 10.33%, surpassing the minimum 4.5%. To further enhance its capital structure and support sustainable growth, Bank Asia issued subordinated bonds to ensure sufficient Tier-2 capital in line with Basel III regulations. These efforts underscore the bank's commitment to financial stability and regulatory compliance.

Credit Rating: A Testament to Our Credibility

Bank Asia's credit ratings in 2024, as assigned by CRAB, reflect its strong financial position and operational excellence. The AA-1 long-term rating indicates high credit quality with a very low risk of default, showcasing the bank's ability to meet long-term obligations. The ST-1 short-term rating, the highest possible grade, signifies exceptional liquidity and minimal risk in meeting short-term commitments. Additionally, the "Stable" entity rating underscores Bank Asia's consistent creditworthiness and robust risk management, reinforcing its reputation for transparency and reliability in both short- and long-term financial obligations.

Awards & Accolades: Recognized Excellence

2024 reaffirmed our leadership in governance and innovation:

SAFA Awards: Silver award for Integrated Report and SAARC Anniversary Award for Corporate Governance.

ICAB National Award: Overall Winner (Private Sector Banks, Corporate Governance Disclosures, Integrated Reporting).

IFC Award: "Best Trade Partner Bank in South Asia."

Additional Recognition: Bank Asia PLC., has been honored with the distinguished title of "Best Climate Focus Bank in Bangladesh" for its outstanding sustainability rating by Bangladesh Bank in the years 2020 and 2021, awarded at the 24th National Renewable Energy Conference and Green Expo-2024.

Corporate Social Responsibility: Investing in Progress

Bank Asia has always been an inclusive organization working towards maximizing social welfare. We are aware of the impact of our Corporate Social Responsibility (CSR) activities in order to ensure that we are 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 2024, Bank Asia spent Tk. 134 million on corporate social responsibility. This was disbursed to facilitate sectors such as education, health, environment and climate change mitigation, and disaster management all attributing towards the betterment of the country and the people.

Strategic Imperatives for 2025

As we step into 2025, our bank is poised to redefine excellence in an era of rapid technological advancement and shifting economic paradigms. Building on our legacy of trust, we present a forward-looking strategy that harmonizes innovation, inclusivity, and resilience, ensuring we remain a cornerstone of progress for our customers, stakeholders, and the nation.

1. Transforming Customer Experience through Digital Innovation:

We are initiating a significant transformation in how we serve our customers, with a sharp focus on delivering effortless, high-quality, and technology-driven banking interactions. Strategic investments in our digital platforms will elevate the customer journey, boost operational productivity, and streamline our internal processes.

2. Scaling Up Retail and SME Lending:

An essential component of our roadmap to 2025 is the aggressive growth of our Retail and SME credit portfolio. Our objective is to have these two segments collectively account for at least half of our total lending volume over the next three years.

3. Advancing Green and Inclusive Financial Solutions:

We are aligning our operations with both international sustainability standards and the nation's socioeconomic priorities. This involves a dedicated focus on environmentally responsible financing, inclusive lending practices, and support for women-led enterprises. Preferential financing terms and collaborative refinance arrangements with entities such as Bangladesh Bank, IFC, and ADB will be central to this agenda.

4. Enhancing Offshore and Foreign Currency Operations:

In response to increasing globalization, we are intensifying our focus on offshore banking activities. This includes expanding our services for NRBs, attracting foreign deposits, and offering foreign currency and subordinated loan products. These efforts aim to broaden our funding base and reinforce our presence in international markets.

5. Boosting Formal Remittance Inflows:

By 2025, we plan to significantly grow our remittance inflow from diverse channels including wage earners, freelance professionals, and exporters. We will achieve this by onboarding more Money Transfer Operators, introducing a real-time remittance payment app, and delivering added-value services to recipients, thereby encouraging greater use of formal transfer mechanisms.

Managing Director's Review

6. Strengthening Agent Banking for Rural Outreach:

Agent banking remains integral to our commitment to financial inclusion. We will extend our network particularly in rural areas by leveraging agents for CMSE lending and forming strategic alliances with telecom companies and large corporates to deepen outreach and accessibility.

7. Broadening Revenue Streams:

To counterbalance the anticipated moderation in net interest margins due to higher borrowing costs, we will concentrate on growing our non-interest income through diversified financial services and fee-based offerings.

8. Optimizing Operational Costs:

A disciplined cost containment strategy will be enforced across all units to safeguard profitability and operational sustainability in an increasingly competitive and cost-sensitive environment.

These strategic priorities will guide Bank Asia in achieving its vision of excellence, resilience, and value creation in a dynamic financial landscape.

To our customers, your trust is our greatest asset. To our employees, your dedication fuels our progress. To our Board of Directors, your guidance steers our vision. Together, we are committed to advancing Bangladesh's economic resilience, fostering inclusivity, and driving sustainable value for all stakeholders.

In closing, I reaffirm our pledge to uphold the highest standards of governance, innovation and social responsibility as we navigate the evolving financial landscape. Bank Asia remains steadfast in its mission to build a prosperous & poverty-free Bangladesh.

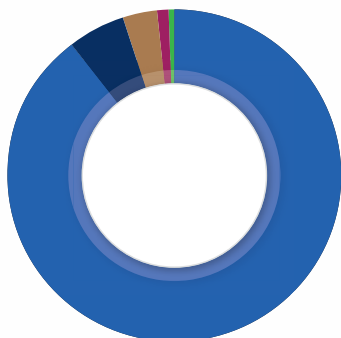
With gratitude,



Sohail R K Hussain
Managing Director
Bank Asia PLC.

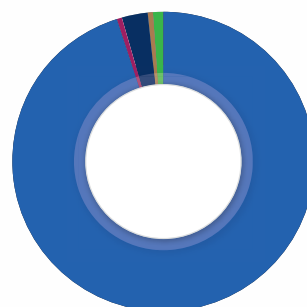
Segment Analysis

Bank Asia Consolidated



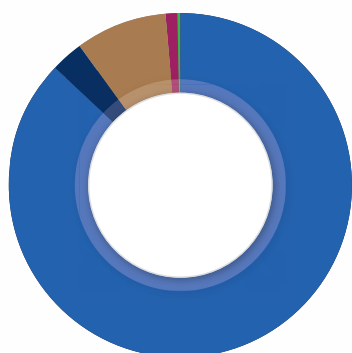
Operating Revenue

Conventional **89.70%**
 Islamic **5.50%**
 OBU **3.35%**
 Local Subsidiaries **0.91%**
 Foreign Subsidiaries **0.54%**



Profit before provision

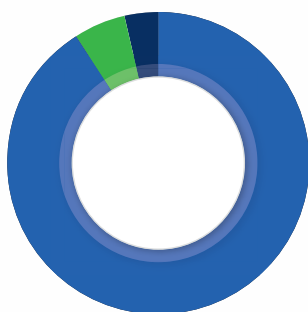
Conventional **95.02%**
 Islamic **0.75%**
 OBU **2.81%**
 Foreign Subsidiaries **0.50%**
 Local Subsidiaries **0.92%**



Total Assets

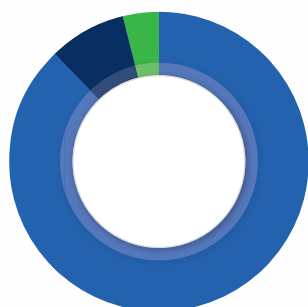
Conventional **87.20%**
 OBU **3.04%**
 Islamic **8.50%**
 Local Subsidiaries **1.17%**
 Foreign Subsidiaries **0.08%**

Bank Asia Solo



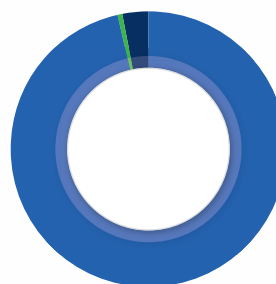
Operating Revenue

Conventional **91.02%**
 Islamic **5.59%**
 OBU **3.40%**



Total Assets

(Million Taka)
 Conventional **88.31%**
 Islamic **8.61%**
 OBU **3.07%**



Profit before provision

Conventional **96.39%**
 Islamic **0.76%**
 OBU **2.85%**

DIRECTORS' REPORT



World Economy

The global economy is forecasted to continue on its trend of reaching an equilibrium as real per capital output is recovering from the slowdown. The global GDP growth in 2025 is forecasted to be at 2.8% decreasing by 0.5% compared to 2024. Emerging and Developing countries will have to tread with caution in the wake of looming tariffs from the USA following the proposal of president-elect Donald Trump. Regional disparities will become more prominent as global geopolitical unrest continues to grow.

Apart from emerging and developing parts of Asia, most regions are expecting a decrease in inflation level. Due to monetary tightening, counterfactual and discretionary inflation stabilization monetary policies most countries are expecting a deflationary trend in their economy. Advanced and Emerging countries of the world are anticipating a decrease in inflation level from 2.8% and 7.7% respectively in 2024 to 2% and 5.5% respectively in 2025. Emerging and Developing European countries will be benefitted the most as their projected inflation level are projected to drop from 16.8% in 2024 to 13.5% in 2025.

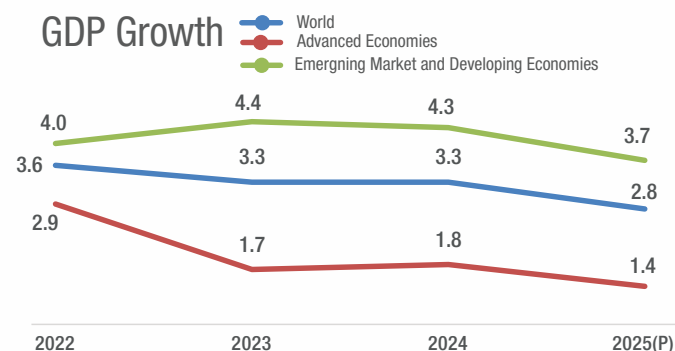
Decline in commodity prices will play a crucial role in aiding policymakers controlling inflation as aggregate commodity price is expected to decrease by 3.69% in 2025 compared to the level of 2024. Metal and mineral prices will decrease the most by 6.57% as trade restrictions imposed on certain European countries will continue to get lifted. Anticipated trade volume will continue to grow in 2025 as global import volume will grow by 0.3% for both advanced and emerging countries of the world.

Global unemployment level will remain as a factor of concern as both advanced Asia and the USA are expecting a rise in unemployment level caused by shortage of skilled laborer, trend of shifting to automation, and reliance on AI. Unemployment rate are estimated to reach 3% in advanced Asia and 4.20% in the USA.

Global GDP Growth

The provisional estimate of global GDP indicates that GDP growth might face a subtle decrease from 3.3% in 2024 to 2.8% in 2025. Growth is estimated to remain stable for Emerging and developing economies as global supply chain disruptions are easing and the ongoing conflicts in the Middle East are coming to an end amidst a cease-fire agreement. However, as the USA is contemplating imposing tariffs on goods produced outside the country, specifically aimed at China, there are prospects of decline beyond just the projected value.

Most countries are adopting contractive monetary policies in order to protect the welfare of their own countries, which might lead to slowdown in economic activities as producers are facing away from geographic diversification.

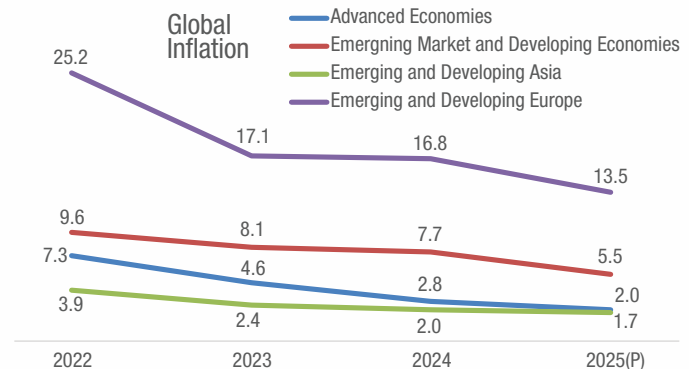


Global Inflation

Globally most economies are expected to observe a reduction in inflation level, with advanced economies forecasted to experience a 2% inflation

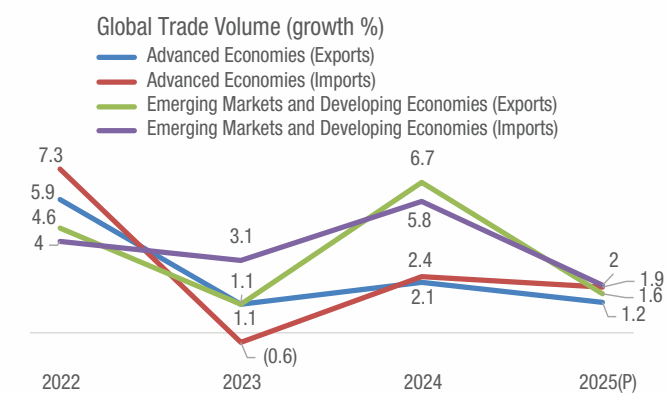
rate in 2025 down from 2.8% in 2024. Emerging and developing Europe are also anticipating a deflation as commodity prices are heading towards stabilization.

However, Asian countries, particularly the emerging and developing parts of Asia are bracing themselves for an increase in inflation level from 2.0% in 2024 to 1.7% in 2025.



Global Trade Volume

Global trade volume growth has stagnated since 2022 according to UNCTAD's latest Global Trade Update. The year 2023 recorded historical low figures as advanced economies adopted contractionary monetary

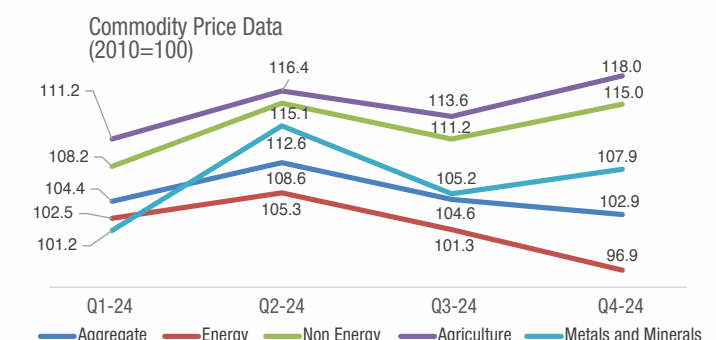


policies to prioritize domestic growth. However, the volume of trade picked up in 2024 as global supply chain disruptions started to ease. According to latest forecasts, advanced economies are forecasted to rely more on imports in 2025 as import growth is estimated to reach 1.9% whereas export growth will decrease to 1.2%.

Emerging and developed economies will keep their export growth rate at 1.6% in 2025 comparing 6.7% in 2024. However, they will also rely more on imports in 2024 as the import growth rate will reach 2% resulting a sharp fall from 5.8% in 2024.

Global Commodity Markets

The World Bank commodity price index observed a significant high in 2024 with prices skyrocketing in the second quarter of 2024. The prices eased down a little bit in the last quarter of 2024 but according to forecasts they might rise again in the first quarter of 2025.



The metals and minerals sector observed a sharp price hike as the global conflicts bottlenecked the already scarce supplies. Due to the ongoing Russia-Ukraine war the price of agricultural goods remained at a constant high throughout the whole period.

Global FDI

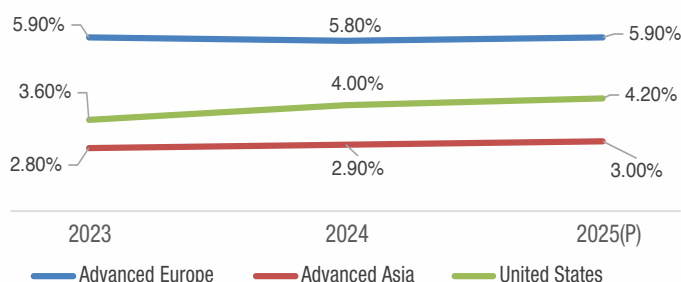
According to OCED (2024), Cross-border M&A activity recorded the lowest figures in the past 10 years in 2023 due to weakening global economic and geopolitical landscape. Investment policies are forecasted to favor sectors targeting renewable energy growth and infrastructure development on emerging parts of the world. However, the total FDI figures dropped drastically due to global unrest.

Global FDI outflow was recorded at USD 1,576,967 million and inflow was estimated to be at USD 1,151,374 million. Compared to the volume of 2022, both inflow and outflow dropped significantly caused by geopolitical unrest in most regions of the world. The trend is projected to continue in 2024 and beyond.

Global Unemployment

Unemployment rate is expected to rise modestly with the USA and Asian countries being severely affected. The USA will see an increase in unemployment level from 4.00% in 2024 to 4.20% in 2025, whereas the advanced Asian countries will experience a steady rate of 3.00% in 2025. Advanced European nations on the other spectrum are actually forecasted to see a slight increase in the unemployment level under a unified monetary policy under the EU. This will hike their unemployment level from 5.8% to a modest 5.9%.

Summary of Global Unemployment Rate



Global Economic Outlook

The global economic outlook for 2025 and 2026 projects cautious growth amid significant uncertainties. The Global GDP growth may be 2.8% for 2025, down from 3.3% due to U.S. tariff impacts as per IMF projects, while the World Bank estimates a steady 2.7%. UNCTAD warns of a potential recessionary 2.3% if trade shocks intensify. Growth is below the pre-pandemic average of 3.2% (2010-2019), reflecting structural challenges like weak investment and high debt.

The outlook reflects a resilient but fragile global economy, with trade policy shocks and geopolitical tensions as primary concerns. Emerging markets show varied resilience, but vulnerable economies face persistent challenges in closing income gaps and reducing poverty.

Challenges

- Geopolitical Unrest in Ukraine, the Middle East & South Asia
- Supply Chain Disruption
- Possibility of a Tariff War
- Economic Slowdown in Advanced Countries
- Ongoing Political Unrest in Europe
- Inflationary Pressure

Opportunities

- Bilateral Trade Agreements
- Technological innovation and digital transformation
- Emphasis on Renewable Energy
- Trade and supply chain reconfiguration

Source:

- World Economic Outlook (April 2025)
- World Economic Outlook (Oct 2024)
- World Bank Commodities Price Data (December 2024 - Pink Sheet)



Board of Directors at 25th AGM

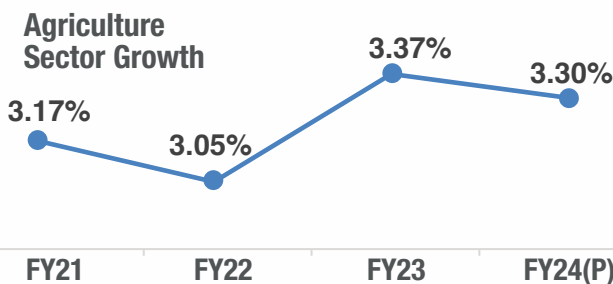
Bangladesh Economy

Bangladesh's GDP growth slowed to 4.22% in FY2023–24, marking its lowest rate over four years. With a total GDP size of Tk. 50,027 billion in FY2023–24, this decline is attributed to a mix of domestic and global challenges that have negatively impacted consumption and investment. Persistent inflation, especially in food prices exceeding 14%, has eroded household purchasing power, reducing private consumption, which is a key driver of GDP growth. Simultaneously, investment levels have dropped as businesses face rising costs due to energy shortages, fuel price hikes, and currency depreciation. The devaluation of the Bangladeshi Taka by nearly 27% in 2023 increased import costs, strained foreign exchange reserves, and prompted import restrictions, disrupting industrial supply chains.

Political instability, triggered by a government change in 2024, further eroded investor confidence and delayed crucial policy reforms. Additionally, youth unemployment has surged to 16%, highlighting a mismatch between the education system and labor market demands, which limits the economy's potential. External factors, including weakened global demand and reduced export growth, have also dampened economic momentum. In response to these challenges, Bangladesh Bank has revised the GDP growth target for FY2024–25 to a modest 4–5%. Achieving this target will depend on controlling inflation, restoring investor confidence, and implementing structural reforms to boost productivity and ensure long-term economic recovery.

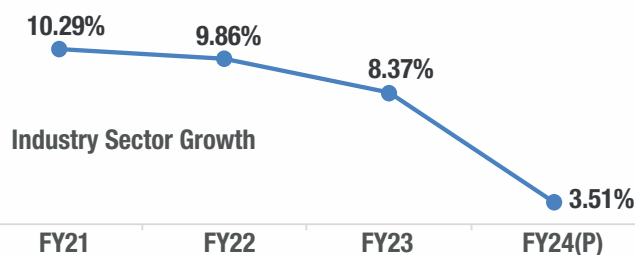
Agriculture Sector

The Agricultural sector contributed TK 5,585 billion in FY24 compared to TK 4,942 billion in FY23 which represents 11.16% of the total GDP at current market price. However, the sector's real GDP growth became 3.30% in FY24 from 3.37% in FY23. Among the sub-sectors, during this time the growth of the Crops and horticulture sector faced significant growth whereas animal farming and fishing remained relatively stable.



Industry Sector

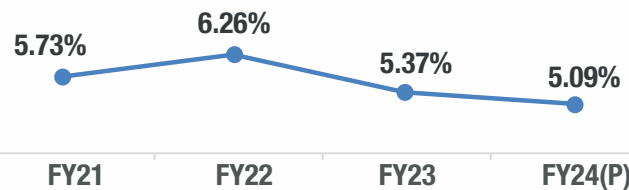
The Industrial sector contributed 34.10% of GDP amounting TK 17,058 billion in FY24 compared to TK 15,536 billion in FY23. The real GDP growth of the sector continued to decline, falling to 3.51% in FY24. Among the sub-sectors, the mining and quarrying sector faced significant obstacles and fell 1.15% in growth rate. Large industry (1.02%) and electricity, gas, steam and air condition supply (0.98%) also reflects a very poor growth.



Service Sector

The Service sector contributed the significant portion of the GDP which is 51.42%. Contribution from this sector was TK 25,722 billion in FY24 compared to TK 22,954 billion in FY23. The sector observed significant growth in FY24 reaching 5.09%. Such growth is supported

Service Sector Growth



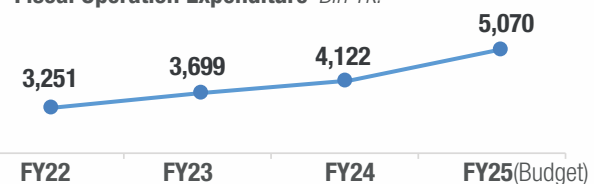
by lower growth in financial and insurance activities, real estates activities, information and communication etc. However, sectors like professional, scientific and technical activities, human health and social work activities, administrative and support service activities exhibited significant growth.

Fiscal Operation Expenditure

The budget for FY25 set total expenditure at TK. 7,970 billion, among which TK. 2,814 billion has been allocated for development expenditure and TK. 5,069 billion has been allocated to serve as operating purposes.

The total deficit figure stands at TK. 2,516 billion. 68% of the total budget is estimated to be financed by revenue collection, and the rest is expected to be financed by both domestic and foreign borrowings. The government is targeting an increase of 10% in terms of revenue

Fiscal Operation Expenditure Bln Tk.



collection over the previous year in order to reduce dependency on foreign borrowings.

Revenue Collection

In the revised budget for FY24, total revenue receipts were targeted at TK. 4,780.00 billion, which was 30.39 percent higher than the actual revenue receipts in FY23. The revised target for tax revenue collection was 89.75 percent of the total revenue receipts which was 30.91 percent higher than the actual tax revenue collected in FY23. However, the revised target for non-tax revenue collection for FY24 was 25.84 percent higher than the actual collection of that in FY23. In FY25, Government has set a target of revenue collection of TK. 5,410 billion comprising of tax revenue of TK. 4,950 billion and non-tax revenue of TK. 460 billion.

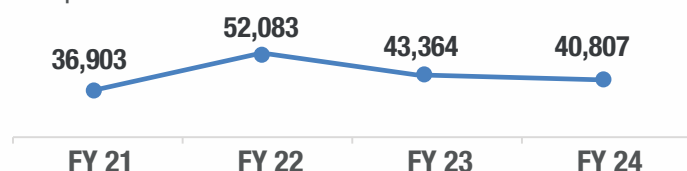
External Sector

Historically, external sectors of Bangladesh's economy such as export, import, and remittance played a pivotal role in the country's development activities. Most infrastructural development projects are still reliant on foreign financing options in order to meet obligations. Therefore, it is essential for Bangladesh to have a net export surplus as well as remittance inflow in order to keep an adequate level of foreign exchange reserve. Below is a breakdown of the abovementioned factors:

Exports

Bangladesh's export earnings in FY24 declined by 5.89% to USD 40,807 million from USD 43,364 million in FY23. The ready-made garments sector contributed the most recording a figure of USD 36,130 million. However, this sector, accounting for over 80% of total exports, experienced a 5.4% drop, with knitwear and woven garments falling by 5.35% and 5.36%, respectively. Exports to major markets such as the USA and Europe also saw significant declines. The USA experienced a 10.13% decrease in RMG exports, while European countries saw a 3.46% decline. Additionally, other major export categories, including home textiles, leather products, and frozen fish, all contributed negatively to the overall export earnings. Factors such as reduced consumer spending, inventory build-up, and geopolitical tensions, including the Russia-Ukraine conflict, have adversely affected demand in key markets. Despite these challenges, there is cautious optimism that exports may rebound if market conditions improve.

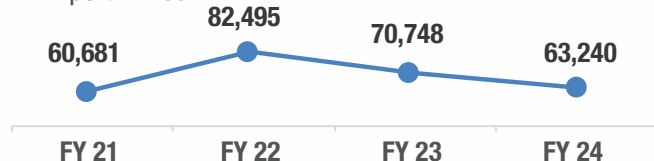
Export Mln USD



Imports

The real import expenditure also fell short of projections, the actual figure stood at USD 63,240 million at the end of FY24. Due to the contractive policy measures taken by the government, imports have

Import Mln USD

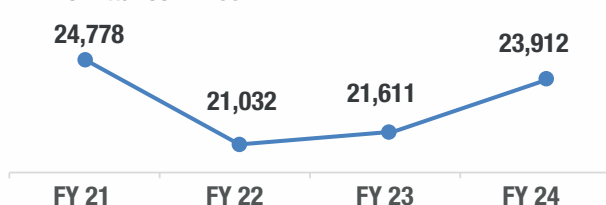


slowed down significantly. Amidst global supply chain disruptions, it has also become difficult for businesses to import goods from abroad. The import of consumer and capital goods observed major decline to USD 4,928 million and USD 10,602 million in FY24 compared to figures of USD 5,652 million and USD 13,581 million in FY23.

Remittance

Remittance figures observed a historical high (in recent years) recording USD 23,912 million in FY24. Amidst depleting foreign exchange reserve, remittance sent by workers abroad played a pivotal role as a source of foreign currencies to pay for import bill and reduce the trade deficit.

Remittance Mln USD



Balance of Payment

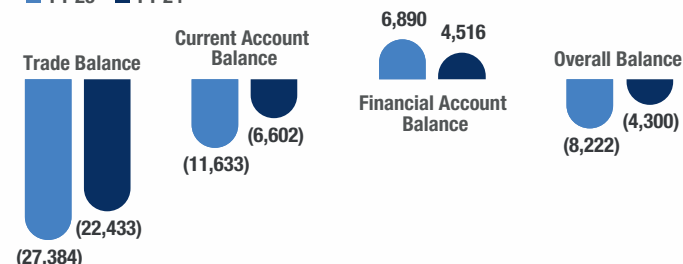
In FY24, the elevated price of commodities globally led to major advanced economies to tighten their monetary policies. This led to the government of Bangladesh to reform their policies as well. The

government decided to continue their monetary and fiscal tightening approach, realign the exchange rate amidst currency depreciation, and shift to a crawling peg exchange rate arrangement.

Following their decisions, the government was able to reduce the trade balance deficit significantly from USD -27,384 million in FY23 to USD -22,433 million in FY24. The improved result can be attributed to a

Balance of Payment Mln USD

■ FY 23 ■ FY 24



contraction in imports in relation to exports, an increase in remittance inflows, and realignment of the exchange rate.

The current account balance (CAB) also experienced significant deficit reduction from USD -11,633 million in FY23 to USD -6,602 million in FY24, it is projected the balance will be reduced even further down to a deficit of only USD -226 million by July-November FY25.

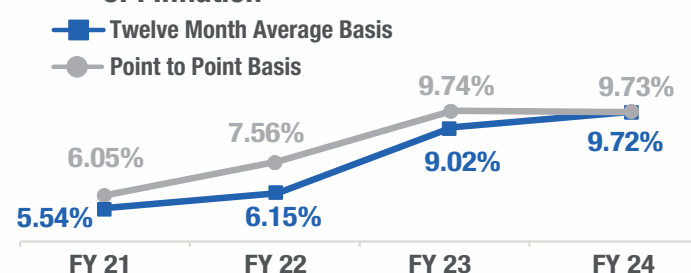
The financial account observed a slight decline when comparing with historical figures, dwindling to USD 4,516 million in FY24 compared to USD 6,890 in FY23. This unforeseen decrease was driven majorly due to a net trade credit deficit due to delayed disbursement of export receipts and higher repayment of short-term external private borrowings.

Bangladesh's Balance of Payments (BoP) is projected to improve in FY25, supported by a crawling peg exchange rate system, fiscal and monetary tightening, and increased remittance inflows. The current account deficit is expected to narrow, aided by strong remittance growth and a positive financial account surplus. However, risks remain, including potential import surges, rising foreign debt servicing costs, and global economic uncertainties. Policymakers should focus on rebuilding external resilience and controlling inflation to ensure sustained economic stability.

CPI Inflation

During FY2024, the point to point inflation rose to 9.73% from a previous 9.02% during FY23. (Base Index: 2021-22 = 100) The 12 months average inflation also observed a significant high, the elevated inflation since July 2024 also inflated the figures. The monthly inflation hovered between 9.92% and 11.66% during the latest quarter of 2024. (BB, 2024)

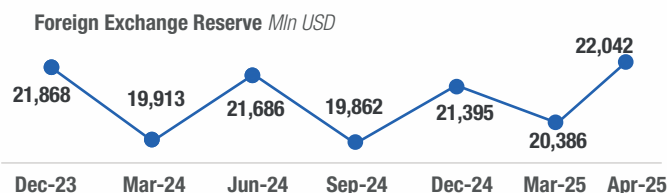
CPI Inflation



Due to the ongoing supply chain disruption and global crises continuing due to the wars, the trend of surge in food indexes continued in FY24 reaching to 10.65%. The non-food index actually observed a decline from 9.39% in FY23 to 8.86% in FY24. (BBS, 2024)

Foreign Exchange Reserve

In 2024, Bangladesh's foreign exchange reserves, as reported by Bangladesh Bank under the IMF's BPM6 methodology, experienced fluctuations due to various economic factors. The reserves began the year at approximately USD 19,964 million in January and saw a decline in the following months, reaching around USD 18,646 million by May. However, a recovery was observed in the latter part of the year, with reserves increasing to approximately USD 22,042 million by April 2025. This rebound was attributed to factors such as increased remittance inflows, export earnings, and strategic monetary policies. Despite these improvements, the reserves remained below the levels seen in previous years, indicating ongoing challenges in managing external financial obligations and ensuring economic stability.



Foreign Direct Investment

Foreign Direct Investment (FDI) is crucial for Bangladesh's economic development, particularly for bolstering foreign exchange reserves. In FY23, net FDI inflows amounted to USD 1,649 million. However, in FY24, this figure declined by 8.8% to USD 1,470 million, attributed to factors such as political instability during the election year, exchange rate volatility, and a challenging global economic environment. Despite these challenges, reinvested earnings remained a significant component, accounting for 42% of the total net FDI in FY24. The UK, China, and South Korea were among the top investors during this period.

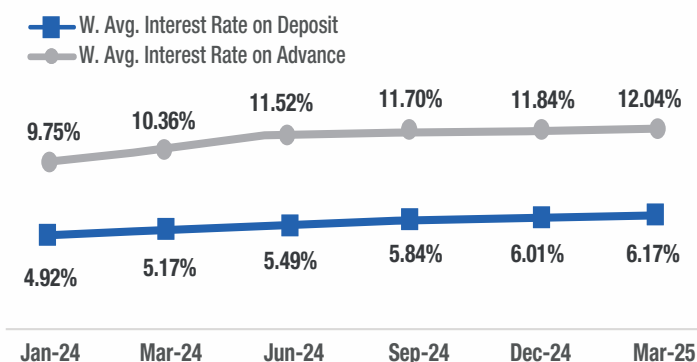
Monetary Policy

In 2024, Bangladesh Bank implemented a series of interest rate hikes to combat persistent inflation, which remained above 9% throughout the year. The policy rate (repo rate) was increased five times, from 7.75% in January to 10% by October. This tightening cycle aimed to curb inflationary pressures, particularly in the food sector, which saw inflation exceeding 12% in September. BB also implemented a crawling peg exchange rate system, linking the Taka to a currency basket to reduce volatility. Despite these measures, inflation remained above 9%, prompting BB to project a decline to 7-8% by June 2025. The central bank emphasized controlling inflation, stabilizing the foreign exchange market, and addressing rising non-performing loans as key objectives.

Interest Rate Movement

As a consequence of inflation and hike in the policy rate, lending rates rose, with the weighted average lending rate increasing from 9.75% in January to 11.84% by December. Deposit rates also saw a gradual increase, reaching 6.01% in December from 4.92% in January. These measures were part of a broader contractionary monetary policy aimed at stabilizing the economy amid external shocks and political instability.

Interest rate movement



Exchange Rate Movement

The Taka depreciated significantly against most major currencies in recent years, the trend continued in 2024. To combat the rapid devaluation, Bangladesh Bank allowed greater flexibility in the exchange rate and has refrained from intervening in the interbank foreign exchange market. As a result, BB's foreign exchange reserves grew to USD 21.4 billion at the end of the year, with the assistance of external finance. The improvement resulted in diminishing pressure on the exchange rate, the nominal exchange rate of the TK. against the USD stood at 120 by the end of December 2024. In contrast, the real effective exchange rate (REER) index increased to 103, which is indicative of a noteworthy appreciation of 4.4% due to higher inflation rates in Bangladesh compared to our major trading partners.

Bangladesh Economic Outlook in 2025: A Transition

Bangladesh is expected to face significant challenges in 2025 amidst the exit of the previous government. The interim government is tasked with addressing the political and social environment circumventing all the obstacles as well as strengthening the economy.

Essential objectives include reducing the inflationary pressure, reducing the exchange rate, and increase the foreign reserve.

Major Challenges:

- Stagnating Economic Growth
- High Inflation Level
- Declining Foreign Aid and Reforms

- Political Unrest
- Low Key Sectorial Performances
- Looming Tariffs
- High NPL (Non-Performing Loan) in Banking sector

Major Opportunities:

- Satisfactory Remittance Growth
- Infrastructure Development
- Renewable Energy Transition
- Diversification of Exports
- Foreign Direct Investment (FDI) and Trade Integration

SOURCES:

- Bangladesh Bank Quarterly (Oct-Dec, 2024)
- Bangladesh Bank – Major Economic Indicators: Monthly Update (April, 2025)
- Monthly Report on Fiscal Position-December, 2024 by Ministry of Finance

Banking Industry Exploring 2024

The year 2024 proved to be highly challenging for the economy of Bangladesh, exposing vital weaknesses across various sectors. The already fragile banking sector was plagued by factors such as high figures of non-performing loans, a financial account deficit, extreme exchange rate volatility, and depleting foreign exchange reserves. All of these factors combined have significantly undermined the country's macroeconomic stability.

The banking sector, in particular, is struggling with a mounting amount of non-performing loans, exacerbated by lenient regulations favoring bank directors and defaulters. Additionally, harmful incidents such as amendments to banking laws have further weakened the authority of the Bangladesh Bank, aggravating the sector's problems.

To combat the adverse effect of rising level of supply of money, Bangladesh Bank will be taking measures to conduct open market operations to reduce the supply of money by issuing more government securities and raising the lending rate.

Regulation of Banking Industry

Bangladesh Bank Order 1972 and the Bank Company act 1991 and subsequent amendment of 2023 mainly guide the Commercial Banks of Bangladesh. Bangladesh Bank (BB), the Central Bank, exerts the supervisory controls over the banking sector. Bangladesh Bank (BB)

formulated and implemented several key initiatives during the second half of the FY24 in order to lower the unorthodox level of constant high inflation. During the FY24, Bangladesh Bank introduced policy interest rate hikes amounting to 200 basis points, subsequently the policy interest rate corridor was also lowered to ± 150 basis points. The SMART-based interest rate capping was scrapped in favor of a market-force based self-regulating interest rate system.

The heighten of interest rates across the spectrum led to a softening of money supply and private sector credit growth between January and June 2024. (BB, 2024)

Banking Sector of Bangladesh

The combined effects of contractionary monetary policy and the tight liquidity environment in the money market have led to a significant hike in interest rates. The government decided to raise the weighted average call money rate by 100 basis points, resulting in the final figure of 10.07 percent over a six-month period to December 2024. Subsequently, the interbank repo rate rose from 8.56 percent in June 2024 to 10.18 percent in December 2024. The spillover effect of these policy interest rate factors combined resulted in a substantial increase in the lending and deposit rates. However, much of the increase in the lending rate originated at the time when the lending rate cap was removed in late May.

Monetary Aggregates

(YoY % change %)

Item	Actual			Projected
	Jun-24	Sep-24	Dec-24	Jun-25
Broad Money	7.7	7.9	7.6	8.4
Net Foreign Assets*	-17.1	-17.2	-15.7	7.7
Net Domestic Assets	13.5	12.9	11.9	8.5
Domestic Credit	10	9.3	9.4	11.5
Credit to the public sector	10.5	9.7	18.1	17.5
Credit to the private sector	9.8	9.2	7.3	9.8
Reserve Money	7.9	9	7.3	1
Money multiplier	4.92	5.4	5.15	5.28

Source: Bangladesh Bank MPS h2fy25.

*Calculated using the constant exchange rates of end June 2024.

Types of Bank	No. of Banks	No. of Branches	CRAR %	NPL Ratio	CL (In Billion)	ROA %	ROE %
State Owned Banks (SCB)	6	3836	-2.48%	40.35	1261.11	-0.65%	-19.10%
Specialized Banks (DFI)	3	1543	-42.20%	13.21	58.13	-3.12%	-11.49%
Private Banks (PCB)	43	5863	9.38%	11.88	1498.06	0.34%	5.90%
Foreign Banks (FCB)	9	63	43.67%	4.99	32.45	3.92%	19.87%
Total	61	11305	6.86%	16.93	2849.77	0.23%	4.32%

Source: Bangladesh Bank Quarterly – Volume XXII, MPS h2fy25

Review of operations of Bank Asia in 2024

The global economy in 2024 experienced significant turmoil, grappling with numerous challenges such as geopolitical tensions (Russia Ukraine war; Gaza war between Israel and Hamas), inflationary pressures, interest rate hikes, tighter monetary policies, supply chain disruptions, trade uncertainties, and tariff threats. Bangladesh, like many emerging economies, remained highly vulnerable to these global headwinds. The country faced mounting pressures from depleting foreign currency reserves, exchange rate volatility, sluggish revenue mobilization, a high volume of non-performing loans, and a sharp rise in inflation. In addition, Bangladesh experienced a major political shift in 2024, which brought to light several past financial irregularities. In response, Bangladesh Bank initiated a series of reforms aimed at restoring stability in both the banking sector and the broader economy. Despite these substantial challenges, Bangladesh achieved a commendable GDP growth rate of 4.22% in FY 2024.

In the year 2024, Bank Asia has reached the milestone of Tk. 1,700+ crore Profit. Operating profit of the bank increased to Tk. 17,052 million having growth of 48% over previous year. Although operating profit increased from previous year but core challenge was interest rate hike of deposit expense. Cost of deposit increased to 5.36% from 4.41%. Yield on advance of the bank increased by 2.46% in 2024 and reached at 10.50% from 8.04% that resulted in increase of spread by 1.51% from 3.63% to 5.14%. On the other hand, non-funded income increased substantially for which the bank was able to maintain growth of profit. In 2024, Bank Asia's total assets reached Tk. 532,902 million, reflecting a 12% growth from Tk. 474,148 million in 2023. Deposits rose by 15%, amounting to

Tk. 416,559 million compared to Tk. 361,536 million in the previous year. Loans and advances increased by 1%, reaching Tk. 293,726 million. The Bank's import business declined by 4%, totaling USD 1,840 million in 2024, down from USD 1,912 million in 2023. Similarly, exports dropped by 10% to USD 1,245 million from USD 1,380 million. On a positive note, inward remittances recorded a strong growth of 33%, reaching USD 1,113 million compared to USD 839 million in the previous year. Net profit after tax stood at Tk. 2,775 million, marking a 16% increase year-on-year. Adequate provisions were maintained against risky assets in line with regulatory requirements. While the classified loan ratio in the overall banking industry rose notably, Bank Asia's classified loan (CL) ratio increased to 11.40% in 2024. The Bank remains on a solid footing, with a strong capital base supporting business growth and resilience against potential shocks. Capital rose by 2%, standing at Tk. 41,547 million, while the Bank maintained a robust Capital to Risk Weighted Assets Ratio (CRAR) of 15.61%, well above the regulatory requirement.

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 131 branches, 4 SME service centers, 15 sub-branches, 5,025 Agent outlets, 5 Islamic windows, 217 own ATMs with more than 14,300+ shared ATMs, 33 CDMs, 4 CRMs, 1 Brokerage Company in Bangladesh and 2 exchange houses located in UK and USA. The Bank is also operating 4 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

The Corporate & Large Loan (C&LL) Division, a key strategic arm of Bank Asia PLC, has been instrumental in addressing the corporate financing needs of Bangladesh's industries. By delivering a wide array of tailored financial solutions, C&LL has played a vital role in driving inclusive economic growth across the nation. The division primarily serves clients with funded exposure exceeding Tk. 200 million and/or total exposure surpassing Tk. 300 million, catering to diverse sectors such as power, construction and infrastructure, steel, cement, ceramics, food and beverage, pharmaceuticals, paper and packaging, trade, services, and more.

Corporate & Large Loan (C&LL) Division operates through two specialized asset segments—General Corporate and Syndication & Structured Finance—along with the recently launched Cash Management & Corporate Liability Unit under its liability segment. The division offers a suite of specialized financial products, including Supply Chain Finance, Islamic Banking solutions, and Foreign Currency (FCY) facilities through the bank's Offshore Banking Unit. These offerings reinforce the bank's commitment to providing comprehensive financial solutions across multiple sectors.

As of December 31, 2024, the C&LL Division's total loans and advances stood at Tk. 160,080 million, representing approximately 54.50% of the bank's total loan portfolio, underscoring its significant contribution to the bank's overall lending operations.

Despite facing significant challenges, including a severe foreign currency crisis and adverse geopolitical conditions, the C&LL Division successfully managed import business worth Tk. 98,843 million in 2024. The division strategically prioritized financing in critical sectors such as services, healthcare, infrastructure, manufacturing, essential commodities, and power & energy, while incorporating sustainable financing principles into its decision-making processes.

Key achievements of C&LL in 2024

Key achievements of C&LL in 2024:

- Originating 34 new customers, including industry leaders, and securing approval for aggregate fresh, enhanced facilities totaling Tk.44,976 million.
- Strengthen customer relationship management centrally from the Corporate Office in support of the branches.

Notable new customers onboarded by C&LL in 2024:

- Coal Power Generation Company BD Ltd.: Tk.3,000 million;
- M/S. Noapara Traders and M/S. Mounata Trade Index: Tk.6,303 million.
- Healthcare Chemicals Ltd.: Tk.2,591 million;
- Abdullah Battery Co (Pvt) Ltd.: Tk.1,700 million;
- SQ Electronics Ltd.: Tk.1,525 million;
- ACI Godrej Agrovat Private Ltd.: Tk.1,500 million;
- Transom Beverages Ltd.: Tk.1,450 million.



Coal Power Generation Bangladesh Ltd: Matarbari 2x600 MW Ultra-Supercritical Coal-Fired Power Plant – Working Capital Financed by Bank Asia PLC.

Syndication & Structured Finance



Funded Exposure
Tk. **21,357** million

Syndication & Structured Finance Unit of Bank Asia PLC is capable of providing a comprehensive range of services including fund arrangement, advisory services, agency function and account Banking services and other innovative solutions to both corporate and public sector customers. The dedicated team is comprised of skilled professionals & highly experienced in handling different business transaction/solution. The unit is now providing services to the clients in Power, Manufacturing, Pharmaceutical, Cement, Refinery, Ceramics, Pulp & Paper, Telecom, Steel, NGO-MFI, Construction, and IPFF Financing for infrastructure projects especially in Economic Zone, new & BMRE Projects.

In addition, the unit is well equipped to handle Bridge Financing, ECA covered Financing, Offshore Financing and Investment in Alternative Products and working capital financing for business operation of industry. As of December, 2024, funded exposure of the said unit was Tk.21, 357.00 million. Bank has created its image for raising of fund as lead arranger and increased its exposure through participation in different projects.

Bank Asia Launches Cash Management & Corporate Liability Department in 2024:

Bank Asia is proud to announce the launch of its newly established Cash Management & Corporate Liability Department under the Corporate & Large Loan (C&LL) Division. Through this department, Bank Asia offers a comprehensive suite of Cash Management and Corporate Liability (C&BL) solutions, including transactional banking, receivables and payables management liquidity optimization, and foreign exchange services. These services are specifically designed to empower businesses, enabling them to achieve superior financial efficiency, operational excellence, and strategic growth.

EXPORT FINANCE

RMG & Textile, major component of the Export oriented industries of the country experienced gloomy picture throughout the year 2024. At the onset of national political crisis and labor unrest in the industrial zone, RMG sector of the country under performed in 2024. Yarn price fluctuation, utility crisis, revision of minimum wages and rate of interest caused major setback for the Spinning & Textile Industries. RMG & Textile sector still hold the 2nd position with its 7.40% shares in the global Apparel Market of USD 522.00 billion and 84% shares in the national export basket. Having USD 38.00 billion export in 2024, the sector is running after the ambitious target of USD 100.00 billion by 2030 set by BGMEA. Other export sectors of the country like Jute, Leather, Pharmaceuticals and Agro based Industries are showing prospects of export diversification and boosting national export performance in the coming years. With less than 1.00% share in the global leather and leather goods market, Leather and footwear sectors have huge opportunity to grow. But Growth prospect of the sector could not be flourished mainly on some compliance issue.

In 2024, we have started centralized relationship management for the Export oriented Industries. Despite tight forex market, various national and international economic uncertainties, we ensured import of raw materials and other working capital support for our export oriented customers for their smooth operation.

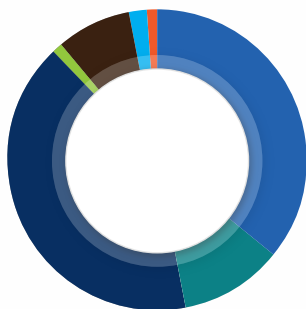
We strived for ensuring sustainable growth of our exporters through participating in all green and environment friendly initiatives. Being eligible PFI, Bank Asia PLC participated in all the pre-financing and refinancing schemes with Bangladesh Bank for arranging cost effective



A Sweater Project of Bank Asia PLC with energy efficient machineries financed under SREUP BB in 2024.

financing for its exporters. We secured refinancing of Tk.625.00 million in 2024 from Bangladesh Bank under Technology Development Fund as a part of our commitment to sustainable Financing initiatives. We also secured investment grant of Tk.38.00 million for our customers as a reward for implementing energy efficient and environment friendly projects under Safety Retrofit and Environmental Upgrades Project (SREUP) Bangladesh Bank for RMG industries. Like previous years, Export Finance Department managed to ensure a solid and quality credit portfolio in 2024 with maximum return for the bank and its stakeholders with effective monitoring and supervision.

All the 100% export oriented customers of Bank Asia PLC including RMG, Textiles (Spinning & Weaving), Dyeing/Washing, Jute, Leather and all other direct and indirect exporters come under the portfolio of Export Finance. Total outstanding Funded Loan portfolio of Export Finance Department (including Islamic and OBU exposure) at the close of business as on 31.12.2024 was about 18% of total Loan portfolio of Bank. Like the national economy, Export portfolio of Bank Asia PLC. is mainly concentrated on RMG and its allied business. However, we are striving for diversification of our portfolio.



Nature wise loan outstanding
Exposure on 31.12.2024

RMG **36%**
Textile **11%**
Spinning **41%**
Printing & Dyeing **1%**
Accessories **8%**
Leather & Jute **2%**
Others **1%**

CMSME

In an unstable political situation in 2024 CMSME businesses were confused about whether to inject capital or to withdraw money from their businesses. Their confidences were lowered during that time. Even though the economic situation was gloomy, Bank Asia PLC partnered with SME clients in financing for business development, machinery purchase, working capital requirement, construction etc.

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. We have been emphasizing on innovation of CMSE friendly products consistently to cater demand of CMSE clients throughout the country.

Projects, Products and Initiatives

Dedicated team has been works to deal with cottage, micro & small enterprise business with a special focus on diversified refinancing, pre-financing, Credit Guarantee Scheme (CGS) and other projects with Bangladesh Bank, SME Foundation and other donor agencies in order to expedite financing at privileged rate.

Projects with Bangladesh Bank

- Pre-finance Scheme against CMSME Sector under BDT 25,000 Crore Fund
- Small Enterprise Refinance Scheme of Bangladesh Bank for Women Entrepreneurs
- Refinance Scheme under Second Small and Medium-Sized Enterprise Development Project (SMEDP-2)
- Supporting Post COVID-19 Small Scale Employment Creation Project (SPCSSECP)
- Refinance under Start-up Fund
- Credit Guarantee Scheme (CGS) under CMSME Refinance (BDT 25,000 Crore Fund), Agro Product Processing and Women Entrepreneur.

Projects with SME Foundation

- Pre/re-finance Scheme against CMSME Sector under Credit Wholesaling Program.
- Jointly program on Entrepreneurship and Financial Literacy Training Program for Women Entrepreneurs and Cluster Development Program.

Initiatives in the year of 2024

- Training program on "Let's Become Entrepreneur" jointly organized by SME Foundation and Bank Asia PLC. held on 17 January 2024 at Mymensingh.
- Organized 16 training for women entrepreneur regarding "Business Management And Financial Literacy" on different branches in 2024.
- Organized workshop as a lead bank regarding "CMSE Cluster Finance-2024" on April 24, 2024 at Jhenaidah Sishu Academy, Jhenaidah.
- Participated on Bankers 11th "SME Product Fair 2024" from 19 to 25 May 2024 Organized by SME Foundation at Bangabondhu International Conference Center, Dhaka.
- Participated workshop regarding "Cluster based financing" on November 26, 2024 at Shilpokola Academy, Dinajpur.
- Organized seminar as a lead bank on Identification of Women Entrepreneurs and Disbursement of loan to Women Entrepreneurs in CMSE sector on December 09, 2024 at Jhenaidah Sishu Academy, Jhenaidah.
- Agreement signing with Bangladesh Bank regarding Credit Guarantee Scheme under Women Entrepreneur and Agro Process refinancing project for financing CMSM Enterprise on March 11, 2024.
- Agreement signing with SME Foundation under credit wholesaling program to support cottage micro and small enterprise on June 11, 2024.
- Agreement signing with Bangladesh Bank under SMEDP-2 refinancing project for financing CMSM Enterprise on December 30, 2024.

Agreement signing with Bangladesh Bank regarding Credit Guarantee Scheme under Women Entrepreneur and Agro Process refinancing project for financing CMSM Enterprise



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-

- RMG Cluster
- Electric & Electronic Cluster
- Handloom & Specialized Cloth Cluster
- Hosiery Cluster
- Bamboo & Cane Cluster
- Shitol Pati Cluster
- Hotel & Tourism
- Broom Cluster
- Light & Engineering
- Rice Processing
- Fish Processing

CMSE Portfolio (Million Tk.)

2024 **14,963**

2023 **14,752**

Cluster Financing Tk. **1,398** million Number of account **333**

2,413 new CMSE Borrowers New Disbursement Tk. **2,730** million

AGRICULTURAL / RURAL CREDIT



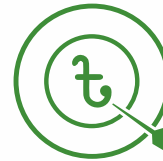
Total Disbursed Amount

Tk. **5,783** Million



Beneficiaries

72,728 farmers



Bangladesh Bank
Target Achievement

107%

Bank Asia offers agricultural credit to support farmers and agro-based entrepreneurs in Bangladesh. The bank has a wide range of agricultural credit products designed to meet the diverse needs of farmers, agro-based entrepreneurs, and other stakeholders in the agriculture sector. Like previous years, Bank Asia has remarkable achievement in loan disbursement against the target set by Bangladesh bank in FY 2023-2024. We disbursed Tk. 5,783 million to 72,728 rural farmers and achieved 107% against total target of Tk. 5,400 million.



**Loan through
Agent Outlets**

Disbursed Amount
Tk. **654** million

Distributed among
8,619 farmers



**Financing directly for
cultivation of import
substitute crops**

Disbursed Amount
Tk. **12** million
@ 4.00% interest rate

No. of borrower **238**



**Financing under Food
Security Refinance Scheme**

Disbursed Amount
Tk. **225** million

No. of borrower **2,496**



**Financial support to
10 tk. accountholders**

Disbursed Tk. **85** million

*To improve livelihood of the small
and marginal farmers*

Status of Agricultural/rural Credit in 2024

- Total disbursement was Tk 6,636 million.
- Tk 1,201 million direct disbursement.
- Total outstanding is Tk 4,332 million and the number of beneficiary is 49,285 as on December 31, 2024.

Bank Asia emphasizes on extending credit facilities directly to the farmers. Viewing this, we have been focusing on loan disbursement through Agent Banking network. In 2025, we plan to disburse 85% of total direct lending through this channel. We are also focusing on partnering with national/ international organization and carry out different programs across the country to ensure the direct disbursement.



Dairy project financed by Bank Asia



*Loan at 4% concessional rate for
import substitute crops*

MID-SEGMENT ENTERPRISE FINANCING



New Client Origination

Tk. **2,495** Million
to **158** Clients

The Mid Segment Enterprise (ME) department of Bank Asia PLC is a business Unit deals with medium sized customers. The ME portfolio stood Tk. 24,220 million as on 31 December, 2024 which constitutes nearly 8.25% of Bank Asia's portfolio. 158 Nos of new clients on boarded under ME portfolio during the year 2024 and of which added fresh portfolio is Tk. 2,495 million. Mid Segment Enterprise also handled import of Tk. 23,125 million during the year 2024.

The ME portfolio comprises diversified portfolio where Trading concerns lead with 49%, Manufacturing 30 % and Service Industry 21%. All this happened through our branch network in addition to their effort to procure Corporate and export business.

Looking forward, ME department will focus on diversification of the portfolio especially on manufacturing that create more value addition to our economy. ME department expects to get more business as branch network will only focus on SMR business.

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 2024

- Systemized 429,295 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 376,073 nos. of documents against 32,073 nos. borrowers.
- Visited 10 branches on physically for minimization documentation lapses
- Reviewed 36,237 nos. of Past due, SMA & Expired loan accounts for regularization.
- Regularized 190 nos. of deferral documents through monitoring of all branches.
- Downloaded 157,077 nos. of CIB reports against 81,603 nos. of borrower.

- Uploaded 168,766 nos. of accounts through online system for CIB reporting to Bangladesh Bank.
- 11,222 (After deployment of Credit Information System-CIS on 17/09/2024) nos. of NID verification with CIB Report.
- 15,540 (After deployment of new CIS) nos. of new loan input in the CIS for monthly reporting 15,540 (After deployment of new CIS)
- 126,840 nos. of SMART NID included in the CIB report with verification from NID Server
- Correction of CIB database of 4552 nos. borrowers from Bangladesh Bank
- Submitted 356 nos. of statements to Bangladesh Bank and other bodies (monthly/quarterly /half yearly/yearly through conventional and RIT after checking.

Development & Automation in 2024

- Conducted 03 nos. of Training physically with 150+ participants in different zone.
- Achieved 119% Annual Deposit Target – 2024 of CAD

Planning for 2025

- Centralization of CAD
- 30 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

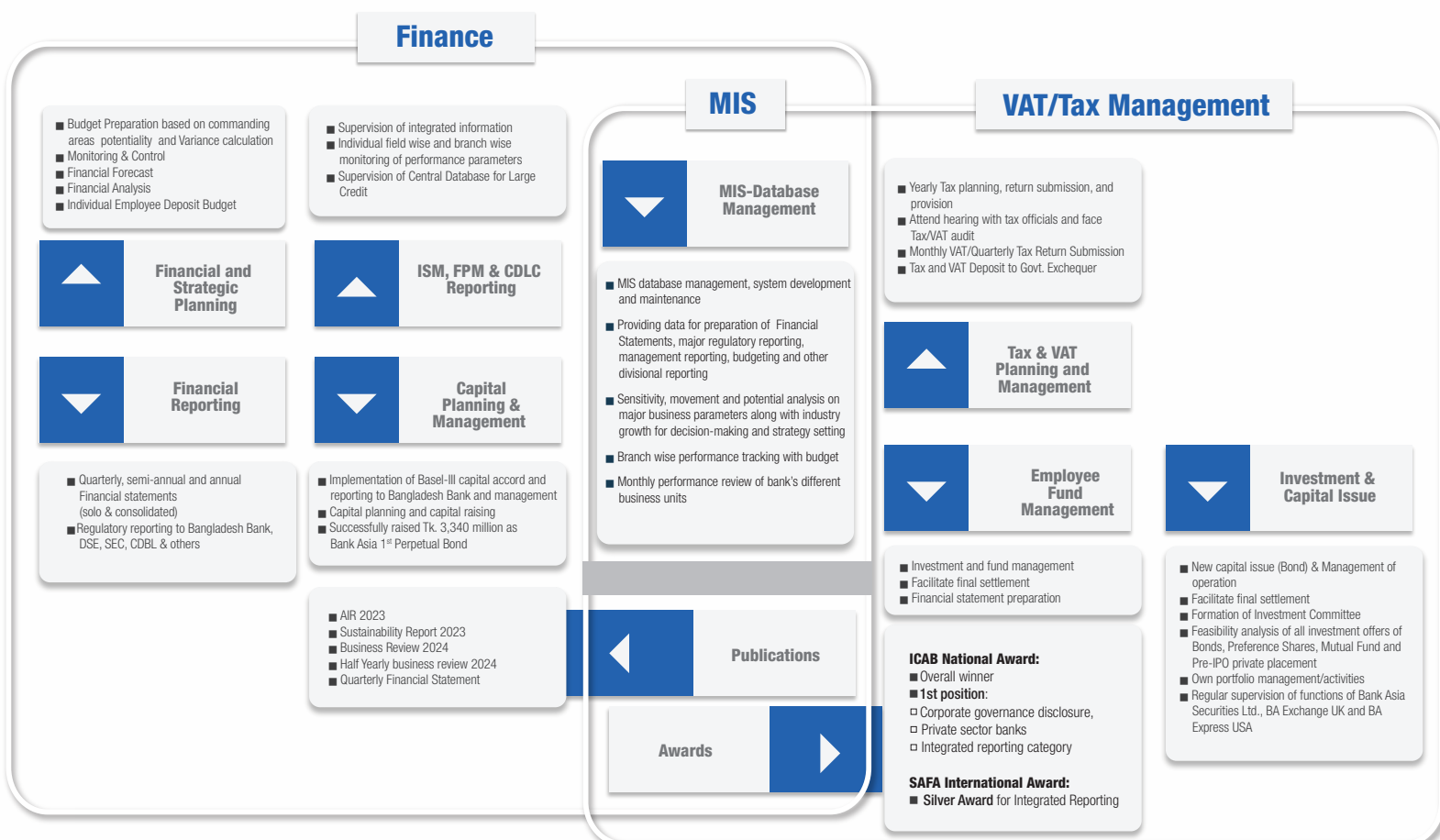
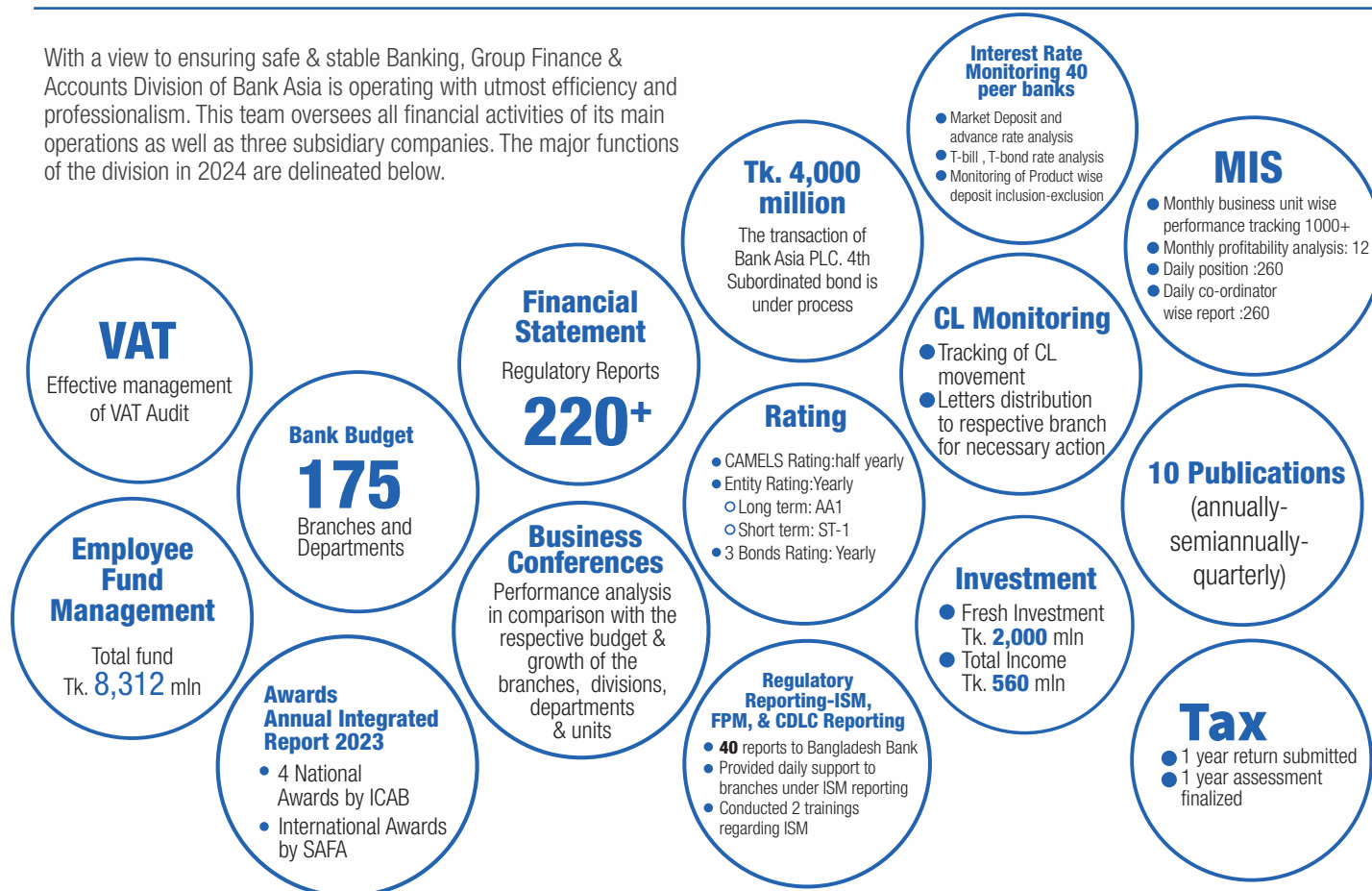
The Bank's loans and advances stood at Tk. **293,726** million achieving a growth of **1%**.

Sectorwise distribution of loans and advances is as follows:

SL. No	Sectors/Sub-Sectors	2024		2023	
		Million Taka	% of Loan	Million Taka	% of Loan
1	Agriculture	6,231.10	2.12%	8,684.70	2.98%
2	Industries				
	Food Manufacturing	22,395.70	7.62%	20,412.40	7.01%
	Beverage industry	4,815.90	1.64%	625.90	0.21%
	RMG industry	26,700.70	9.09%	25,663.00	8.81%
	Textile industry	33,404.80	11.37%	21,211.00	7.28%
	Wood cork and allied products	108.20	0.04%	77.10	0.03%
	Furniture and Fixture	922.20	0.31%	260.10	0.09%
	Paper and paper products	5,999.70	2.04%	5,235.20	1.80%
	Leather and leather products	3,695.20	1.26%	2,510.80	0.86%
	Rubber products	5,440.40	1.85%	6,708.00	2.30%
	Chemical and chemical products	1,800.90	0.61%	1,645.80	0.56%
	Basic metal products	20,712.00	7.05%	18,826.30	6.46%
	Electrical machinery and apparatus	4,299.70	1.46%	3,307.60	1.14%
	Other manufacturing industries	32,389.75	11.03%	28,749.22	9.87%
	Ship building	111.40	0.04%	116.00	0.04%
	Ship breaking	2,184.30	0.74%	1,831.30	0.63%
	Pharmaceutical	12,240.10	4.17%	8,419.70	2.89%
	Subtotal	177,220.95	60.34%	145,599.42	49.98%
3	Constructions	5,217.10	1.78%	6,283.20	2.16%
4	Power, Gas, Water and Sanitary Services	15,451.50	5.26%	17,912.10	6.15%
5	Transport, Storage and Communication	3,860.10	1.31%	4,877.20	1.67%
6	Trade Services	33,969.10	11.56%	51,511.60	17.68%
7	Housing Services	22,618.40	7.70%	19,587.00	6.72%
8	Banking and Insurance	7,057.30	2.40%	7,056.60	2.42%
9	Professional and Misc. services	22,100.05	7.52%	29,813.23	10.23%
	Total	293,725.60	100.00%	291,325.04	100.00%

GROUP FINANCE AND ACCOUNTS

With a view to ensuring safe & stable Banking, Group Finance & Accounts Division of Bank Asia is operating with utmost efficiency and professionalism. This team oversees all financial activities of its main operations as well as three subsidiary companies. The major functions of the division in 2024 are delineated below.



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.

- Proper accounting and reconciliation of every transaction of the Bank;
- Three Es (Effectiveness, Efficiency and Economy) in every amount expended by the Bank;
- Accurate accounting services;
- To ensure delivery services at minimum Turnaround Time (TAT);
- Meticulous compliance with all Regulatory and Internal policies/ procedures;
- Digitalization and automation of services'

Key Highlights

Financial Control

Pre-Audit:

- Bills Processed: **14,778** (Nos)
- Cost Savings: BDT **5.58** mln
- Imprest Fund Management 28(Times)
- Branch Grading for setting Financial Delegation
- Issued VAT/Tax Deduction Certificate: **365** (Nos)

GL & TB Monitoring and Controlling Chart of Accounts

- New GL Created: **396** (Nos)
- GL head Modify (Lock/Unlock): **1,003** (Nos)
- OPEX monitoring
- Yearly and Half Yearly Balance Confirmation
- Books of Accounts Closing Certificate

Fixed Asset Management

- Quarterly/Half Yearly/ Yearly Fixed Asset Schedule Preparation
- Updated Fixed Assets Module for Corporate Office
- Review and Reconciliation of Fixed Assets Module
- Monitoring Depreciation/ Amortization of Fixed Assets

Payment Processing

Payment Disbursement and Book-keeping

- No of Bills/Vouchers Payment: **14,778*** (Nos)
- Transactions Executed: **58,435** (Nos)
- Voucher Maintenance

Regulatory Reporting & MIS

External Report:

- Weekly Reports: **54** (Nos)
- Monthly Reports: **87** (Nos)
- Quarterly/Yearly Reports: **25** (Nos)

Internal Report:

- Monthly OPEX Report
- Month and Annual Profit Forecast
- Monthly Profit Movement

Automation & Digitization

- Automated Regulatory Reports
- Updated Scholarship Database
- Developed Automated Reconciliation Report
- Daily Email Automation for Reverse GL Balance
- Paperless Payment Processing System (Under Development)

Reconciliation and Suspense Control

- Reconciliation Statements Prepared: **12** (BB LCY Accounts and **47** Accounts with other Banks)
- Letters issued to Branches/ Divisions regarding different issues
- GL Monitoring Through Email to Branches/Divisions

User Access Control

- ID Approved: **972** Users
- Access Privilege Modification: **10,905** (Nos)
- Rights Deputized: **1,848** Users
- Transactional Limit Enhancement: **1,065** (Users)
- Account Title Modification/ Rectification: **3,163** (Nos)
- Performed Branch Support: **19,352** (Nos)

Month Closing Activity

- 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

Accounting Process Development

Accounting Procedure for:

- Accounting process automation;
- Implementing new IAS & IFRS e.g. IFRS-16 for 100 ATMs, IFRS-9;
- Implementing Bangladesh Bank circulars and guidance related to financial accounting;
- Oversee finance and accounts functions of Agent Banking Division;
- System/ Module development coordination;
- Deploying different policies, circulars related to Group Finance & Accounts;

ISLAMIC BANKING

	Deposit <i>Million Tk.</i>		Investment <i>Million Tk.</i>		Profit <i>Million Tk.</i>
2024	41,758	2024	23,880	2024	130
2023	33,772	2023	20,972	2023	99

Bank Asia started Islamic banking operations in 2008 with the slogan "Purity is your dividend". This year, Islamic Banking has celebrated the 16th 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 Shari'ah 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 Shari'ah Supervisory Committee of the Bank. Our Shari'ah Supervisory Committee consists of eminent members, including distinguished jurists (Faqlh experts in Islamic jurisprudence), renowned Islamic scholars, and well known professionals of the country having experience in Islamic banking.

Launched with a commitment to maintain purity in Shari'ah 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 2024

Introduction of new products:

- Introducing 05 new Islamic banking products in the system

Training & Others:

- 08 training programs for Bank officials and agent owners
- 60 Shari'ah Awareness & Islamic Banking Knowledge sharing program.

Islamic Agent Banking:

- New agent outlet inclusion in 2024 under Islamic Banking: 184
- Total 3,242 outlets covered for Islamic Agent Banking operations

Hajj Activities:

- Total 3,283 Pilgrims were registered under Bank Asia Islamic Banking in 2024.

BRANCH OPERATIONS DIVISION

Branch Operations Division has been playing a vital role through providing the diversified support to the Branches related to the General Banking Operation. Besides, BOD has been controlling the Central Account Opening Unit, Central Sanchayapatra Unit & the Complaint Management Unit of Bank Asia.

New initiatives in 2024

Formation of Liability Operations

Department: Liability Operation Department (LOD) is going to form under the delegation of COO. BOD has taken the initiative to form LOD. SOP of LOD is approved by the SMT. Operation will be started after getting approval of Board of Directors.

Revision of Operation Manual:

General Banking Operation manual 2016 has been revised and published by BOD in 2024.

Document Retention and Destruction Policy:

Branch Operation Division has prepared the Document Retention and Destruction Policy of Bank Asia in 2024 which is approved by the SMT.

Account Opening Form (AOF) e-archiving:

The AOF e-archiving process was started in April 2023 & archiving have finished in 110 Branches as on December 2024.

Broadcasting Group:

For faster and easy communication we have created a Whatsapp group for the MOBs of Bank Asia to broadcast the important message/policy/guidelines.

Uniform Complain Box for the Branches:

BOD provided uniform transparent complain box in 155 Branch/Sub Branch/BWs of the Bank.

Different Modification in CBS & development activities:

- Digitalization of Locker Management module.
- Solvency certificate auto generation from CBS.
- Tax Certificate auto generation from CBS.
- Half yearly Balance Confirmation SMS to customers' mobile number.
- Early SMS alert for Dormant & Inoperative status.

Physical Account Opening Form Archiving:

BOD started the process of procurement of vendor for physical account opening form archiving. Tender process completed.

Formulation of different Guidelines:

- Uniform Checklist for Account Opening.
- Opening maintenance & closure of the Trust cum Settlement Accounts (TCSA).
- Sub-Branch visit instruction & checklist.
- Reactivation of Dormant Account beyond regular process
- Settlement of deceased Joint Account and applicability of Nominee
- Changing customer Account Information for the Individual Customer
- Non-face-to-face (NF2F) account opening for the Non-Resident-Bangladeshis (NRB).

Regular Activities

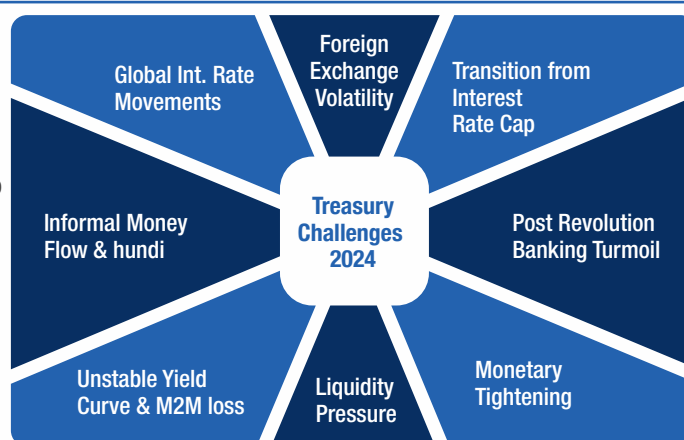
Unit/Task Name	Volume/Amount
Central Account Opening Unit total	27,781
Central Account	7,553
Omni channel	1,027
Bulk Account	17,636
Non-NID Account Approval	1,565
Central Sanchayapatra Unit	
Sanchayapatra issue (no. 6774)	Tk. 4,240 mln
Sanchayapatra claim payment	Tk. 10,897 mln
Sanchayapatra commission earned	Tk. 1.64 mln
Handle customer complaints	144
Circular issued	80
Circular e-archiving	487
Lien/Bank Guarantee reconfirmation	405
FDR/Statement/Cert. verification	380
Modification in CBS	5,000+
Review of audit report of ICCD & BB	135
Surprise Branch visit	15
Account Opening Form e-archiving	85 Branches
Mail circulation on a/c of Branch	As per frequency
Bangladesh Bank reporting	As per frequency
Approval for exceptional transaction	As per frequency

Upcoming projects of 2025

- Started full fledged operation of LOD.
- Framework for cash in transit in different branches.
- Starting physical Account Opening Form Archiving to the vendors' warehouse.
- Sending transaction alert to the e-mail address of customer.
- Marking and inputting mandate information in CBS.
- Yearly basis Excise duty deduction from Scheme Deposit Account.
- Closing balance auto transfer to link account after closing of DPS account.

GROUP TREASURY OPERATION

Year 2024 has been a rollercoaster for Bangladesh as far as market factors and socio-political environment are concerned. In the midst of forex volatility, tight liquidity, time to time policy shifts, Bank Asia Treasury had constantly adapted and evolved its portfolio in short term as well as in ALM perspective. In 2024, treasury played a pivotal role in the profitability of Bank Asia PLC. The year witnessed several significant developments impacting how bank's management maneuvered the movement of assets, liabilities, and utilized the liquidity position. To navigate economic challenges and face market realities of high inflation scenario, policymakers as well as peer and partners in banking industry assumed various strategies. The significant negative balance of financial account and efforts by monetary authority originated the source of market volatility, interest rate risk and liquidity risk for bank in year 2024. Bangladesh Bank on different occasions increased policy rates and removed caps on lending rates to introduce a more competitive, market-based interest rate environment. In May 2024, a Crawling Peg Exchange Rate System was introduced, allowing scheduled banks to trade US dollars within specified limits, aiming to stabilize the exchange rate and reduce market volatility. Bangladesh Bank continued repo support to liquidity-short banks to stabilize the banking sector. In the second half of the year, country's political landscape underwent a seismic shift as a student-led mass-revolution toppled the corrupt and authoritarian regime of sixteen years. Transformation under new regime has not been so smooth and blissful for banking industry, as some peer banks are freshly exposed with high credit risk in post-revolution period. Policy makers in new regime remain focused on reforms in economic and banking sector.



MAJOR TREASURY 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. Maintain discipline in balance sheet growth & commitment book.
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.

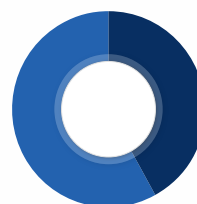
FOCAL ACTIVITIES OF TREASURY IN YEAR 2024

Balancing ALM indicator & Business Facilitation <ul style="list-style-type: none"> Managing Deposit mix and pricing of Assets & Liabilities. ALM discipline in all indicators were maintained Ceaseless liaison with Corporates for business solutions and fund clearance. 	Earning from investment and customer portfolio focus <ul style="list-style-type: none"> Treasury arbitrage business and utilizing surplus fund due to lower ADR. Service of G-SEC portfolio to individuals and corporate customers. Capital gain and commission earning along with regular interest income from investment. 	Liquidity & Market Risk Management <ul style="list-style-type: none"> Safeguarding investment portfolio from interest rate volatility. Maintain net open position limit without compromising business opportunity and exchange gain. Managing the Gap of FCY-LCY liquidity position for funding and income origination.
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TREASURY BUSINESS & BALANCE SHEET IN 2024

Throughout the year, bank acted cautious in commercial loan booking. Due to high surplus loanable fund and liquid interbank market, Treasury expanded its trading book. In 2024, the average size of balance sheet is BDT 167,000 Mln. At year end, Treasury Balance sheet size is BDT 183,400 mln which is more than one-third of total balance sheet.

BANKING BOOK
37%
TRADING BOOK
63%



TREASURY B/S SIZE
183,400 Mln
Banking Book **67,985 Mln**
Trading Book **115,415 Mln**

Throughout the year, the combined effort of ALM, Money Market, Fixed Income, and FX desks fetched substantial amount of income for bank while managing the liquidity and market risks involved in the business. Like previous year, this year was also the year of balance sheet management rather than expansion. Simultaneously, bank is well compliant in all important ALM indicators. Treasury managed the liquidity in both LCY and FCY balance sheet in a concerted and integrated manner that facilitated bank's onshore and offshore FC balance sheet. Besides, the advisory services to the customers in wholesale and mid-market ensured a win-win position for the bank as well as for our happy customers.

TREASURY FOCUS FOR YEAR 2025

- Dynamic ALM Process Implementation
- Collaborative approach with Business for Risk Management
- Increase Presence among Local and Foreign Corporates
- Investment Portfolio optimization
- Talent & Capacity Building for new market penetration

MAJOR ACHIEVEMENT IN YEAR 2024

Investment
income &
Capital Gain

Exchange
Earning

Arbitrage
Income

Strong ALM
indicator
maintenance

INTERNATIONAL DIVISION



Import
USD **1,840** million

Export
USD **1,245** million

Remittance (Payoneer)
USD **1,113** million



Foreign Correspondents
611 in **69** Countries

Foreign Guarantee
USD **50** million

Nostro accounts **31**

International Division of the bank is playing a key phenomenon with upmost importance to facilitate the bank's international transactions. It always acts to introduce foreign exchange business routed through various branches, innovate different products and mechanisms on foreign exchange business, to ensure better compliance and regulatory requirements. The division has its own portfolio (business targets) for maximization of rebate earning, mobilization of counter guarantee business, establishment of RMA (Relationship Management Application), Offshore Banking Business in addition as facilitators of foreign exchange business of the bank like credit line arrangement, add confirmation, international borrowing, and bilateral arrangements with different International agencies including IFC, ADB, ISDB, FMO etc.

Foreign Trade

In 2024, Import business of the Bank was USD 1,840 million having negative growth of 4%. Total Export Business of the Bank in 2024 was USD 1,245 million with a negative growth of 10%.

Foreign Correspondents

Bank Asia has continuously developed strong correspondent relationship with worldwide well reputed banks to facilitate its foreign trade business. In year 2024 we have reduced our correspondent relationship (RMA) to 611 from across the globe from 632 due to the compliance issue.

Credit Line Management

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-IFC (private sector arm of World Bank Group) and other world renowned Banks. In year 2024, we have obtained additional funded facility of US\$ 35.00 million from IFC as working capital for MSME projects in addition to their existing limit.

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

At present Bank Asia maintains 31 nostro accounts in major international currencies: US Dollar, Pound Sterling, Swiss Franc, 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 the member of SWIFT in 2000 in order to ensure smooth, reliable and secured financial transactions for its retail and corporate customers. Gradually our expert SWIFT team has introduced many innovative features in its existing SWIFT system. In year 2024, Bank Asia is going to migrate mandatorily from the existing system to ISO20022 system by November 2025 and Bank Asia in Bangladesh Banking Industry is on one of the top in completion of migration from traditional SWIFT System to ISO20022.

Central Trade Processing Center (CTPC)

Establishment of two Central Trade Processing Center (CTPC) in Dhaka and Chattogram in 2024 to optimize the utilization of human resources, ensure better compliance, better customer services and easy correspondences with regulators on foreign exchange operations.

Online Payment Gateway Services Provider (OPGSP)

To meet the banking needs of the freelancers in Bangladesh, Bank Asia has established strategic alliance with PAYONEER Inc. USA. Through its service, freelancers can receive their valuable earnings quickly and easily. This is the second venture of the bank. In year 2024, we have earned remittance of US \$ 118.00 million equivalent BDT 14,396.00 million through 'Payoneer'.

Milestones of International division in year 2024

- Borrowed overseas funds for OBU of US\$ 1,664.20 million (cumulative for last five years)
- New working capital received from IFC for US\$ 35.00 million in 2024 in addition to the existing limit.
- Bilateral unique trade relationship for counter guarantee, remittance and LC business with Banco Sabadell, Spain, La Caixa Bank, Spain, Unicredit, Italy.
- On boarded maximum FDI customers of Bangladesh with Bank Asia, number is 190 and established of FDI Help Desk for priority services to FDI clients.
- System structured on trade finance products for Central Trade Processing Center (CTPC), Conventional, Chattogram Non-AD Branches through AD Code of Station Road Branch and Islamic.
- Only and unique arrangement with International Online Payment Gateway Service Providers (Payoneer) and repatriated about US\$ 118 million from ICT exports in 2024.
- Up-gradation in automated platform for notification of overdue liability on foreign exchange products to stakeholders.
- Up-gradation in automated 31 Nostro & 03 Vosto Accounts Reconciliation System
- Up-gradation in automated platform for monitoring of import and export transactions of the bank.
- KYC Reviewed of RMA over 611 international reputed banks (all big names in our list) and enjoying about US\$ 850.00 million Credit Line from overseas Banks.

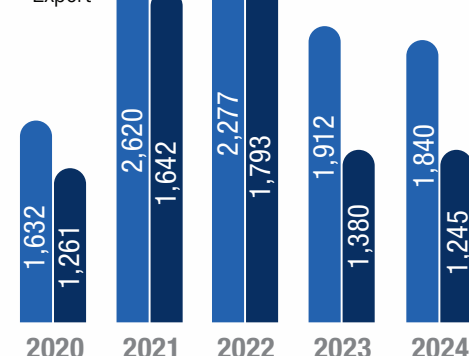
Offshore Banking Unit (OBU)

Bank Asia has a large offshore banking business with a portfolio of over USD 135 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 for USD 4.05 million in 2024.

Import and Export

Million USD

■ Import
■ Export



Profit

2024 4.05

2023 4.46

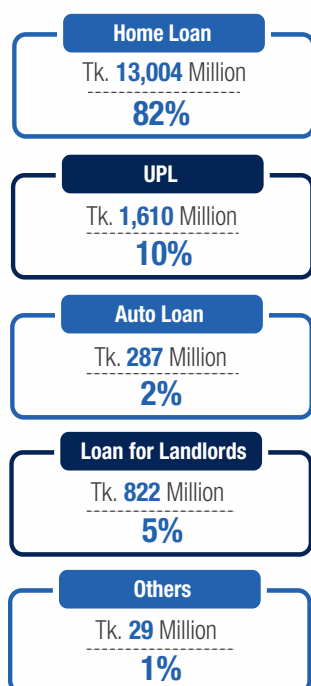
Advance

Million USD

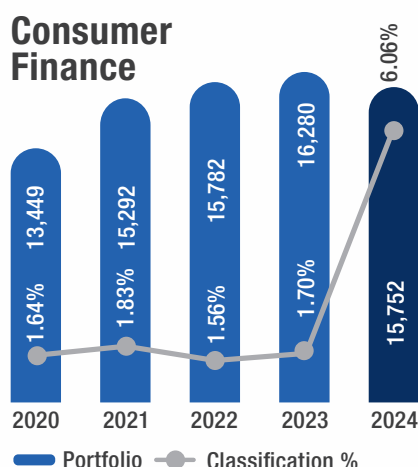
135

159

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. Following extensively competitive and demand variable market, Consumer Finance has been striving for diversification in products as well as area based concentration. Retail Asset Portfolio is BDT 15,752 million with classification of 6.06%. 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.



Achievements in 2024

- Loan portfolio (conventional) reached BDT 15,752 million in 2024
- Classification rate is 6.06%
- One of the leading positions regarding home loan portfolio among local private commercial banks
- Established 1,979 new relationships
- Ongoing digitization initiative named: "GHORE BOSE RIN NIN" - a complete Online Loan Application Module.

FOREIGN REMITTANCE

Wage earners' remittance continues to play a vital role in strengthening the country's foreign currency reserves. Foreign Remittance Department of the Bank has been delivering tireless service to facilitate remittance inflows from abroad. The Bank directly receives remittances from a range of countries, with significant contributions from Saudi Arabia, the UAE, USA, UK, and Malaysia.

In line with the national upward trend, Bank Asia achieved a 33% year-on-year growth in remittance inflow and received remittance amounting to USD 1,113 million. Notably, the Bank received SAR 167 million directly from Saudi Arabia in 2024 through BYC. Additionally, Bank Asia's fully owned overseas subsidiary in the USA achieved a milestone by collecting USD 100 million in a single year for the first time.

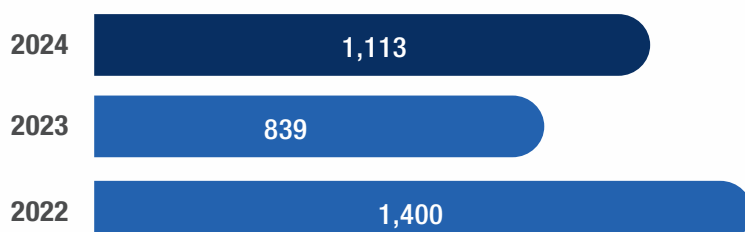
At the national level, Bangladesh received a record amount of remittance amounting to USD 26.9 billion in 2024, reflecting a 23% YoY growth. This surge was supported by the rise in the official exchange rate and a reduction in money laundering. The adoption of a flexible exchange rate regime and the narrowing gap between formal and informal market rates also contributed to the remittance increase

Summary of FRD 2024 Performance

- Nos of Exchange house with nos of countries: 66 Exchange Houses (including 2 own overseas exchange houses in USA & UK) & 200 countries
- Nos of outlets for remittance payment: 6,700+ Cash Payout Locations
- Amount of Inward Remittance: US\$ 1,113 million
- Nos of beneficiaries: 1.19 million in 2024 against 1.12 million in 2023
- Market share: 4%
- Bank has served around 328,753 no. of freelancer customers and disbursed USD 119 million worth remittance.

Inward Remittance

Million USD



66

Exchange House

1,113

Remittance
33% Growth

CARDS

Bank Asia's Credit Card is very much popular in the industry because of its multifaceted featured and benefit, such as cashback, rewards, discounts on shopping and dining, access to exclusive events and promotions and many more. 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 of the bank. The state of the art Value Added Services are: Easy buy, Hospital Bill EMI, Buy One Get One Free (BOGO) Facility, Any POS Purchase EMI, Protocol Service Facility, Lounge Facility in Abroad, Balaka Lounge Facility, Reward Point, Green PIN etc



Business Performance

	Profit <i>Million Taka</i>	Loan & Advance <i>Million Taka</i>	Classified Loan	No. of active Cards
2024	443	4,605	10.33%	100,208
2023	473	4,172	8.86%	96,257

US Trade Show 2024

Bank Asia has participated in this show earlier successfully to showcase its US origin products like MasterCard and VISA credit/debit card and Payoneer along with other banking products and services. Being an affiliate member of AMCHAM, the Bank may also take the opportunity to participate in the fair this year to showcase its own products and services. A good number of local and foreign banks will participate in the aforesaid trade show.

VISA

- Visa Signature Credit Card (with Priority Pass)
- VISA Platinum Credit Card (with Priority Pass)
- VISA Gold Credit Card
- Virtual Card
- VISA Classic Credit Card
- VISA Prepaid Hajj Card
- Gift Card
- VISA Prepaid Travel Card

MASTER & OTHERS

- Mastercard World Elite (with Lounge Key)
- Master Titanium Credit Card (with Lounge Key)
- Master Gold Card
- Master Silver Card
- Shadhin Card
- Prepaid Travel Card



Promotional Offers throughout 2024:

0% easybuy on electronics Products and Tourism

20% Discount & **7%** Cash Back Offer

Buy One Get One Free (**BOGO**) Offer at renowned restaurants

7% Discount offer to selected at Rangs eMart & Transcom Digital

Discounted Fee base (0%) campaign on ATM, IBFT & Add Money Campaign .

25% discount on Daily Treats at oro, Holey Bakery, Laam, Izumi

10% Cash Back Eid ul Fitre campaign on Dining & Lifestyle

15% Discount online purchase on Daraz

15% Cash back (Eid Special Items) to selected shopping outlet like Aarong, Apex Etc.

7% Cashback offer for grocery shopping at Meena Bazar, Agora, Unimart



Bank Asia Launch World Elite Mastercard Credit Card

Dhaka, Bangladesh, April 30, 2024: Mastercard and Bank Asia PLC announced their collaboration to launch the World Elite Mastercard credit card, aiming to provide a wide range of exciting offers and benefits to cardholders on both domestic and overseas spends.



CREDIT RISK MANAGEMENT DIVISION

Credit risk is the most significant risk in the banking sector. In recent years, the rising level of Non-Performing Loans (NPLs) has become a major concern for banks in Bangladesh. Additionally, loan concentration to large corporate borrowers increases vulnerability to sector-specific shocks. Furthermore, high inflation in the country is making it difficult for businesses to achieve their revenue targets. Consequently, Credit Risk Management Division is focusing on proactively managing credit risk through a holistic approach to safeguard the bank's loan portfolio. Meanwhile, Bangladesh Bank has issued a loan classification circular aligned with international standards. CRM Division has also recently updated the bank's credit policy and restructured its portfolio into small, medium, and large loan segments to ensure best underwriting practices.

Key achievements in 2024

- **Updating Bank's Credit Policy:**

New credit policy is now in force. CRM Division has implemented new credit policy to align with the evolving business environment and regulatory requirements. This updated policy is designed to strengthen credit assessment processes, enhance risk mitigation strategies, and ensure sustainable lending practices.

- **Implementing Early Alert systems:**

Implemented Early warning systems to detect potential defaults and take proactive measures. As part of this initiative, a number of accounts have been placed under the Early Alert Category, which are subject to regular review and monitoring.

- **Enhanced field visits:**

CRM is placing greater emphasis on physical visit to borrower's factory, sales outlet, warehouse/ stocks to have more insight of borrower's business position

- **Establishing Business Segment-Specific CRM Units:**

To expedite the processing of credit proposals while ensuring effective risk management, business segment-specific CRM units have been established under the CRM Division.


- **Development of Technology based Platform for Processing Credit Proposals:**

Credit proposal processing through Technology Driven platform (OCAS-Diganta) instead of paper-based system is continued in full swing. It is to mentioned that 18,269 nos. of proposals amounting Tk.11,137.87 million have been processed through the digital platform (OCAS-Diganta) in 2024.

Portfolio	2022		2023		2024	
	Proposal (no.)	Loan amount (Mln Tk.)	Proposal (no.)	Loan amount (Mln Tk.)	Proposal (no.)	Loan amount (Mln Tk.)
SME	8,819	7,570	6,591	7,669	6,525	8,478
Retail	2,841	1,860	2,985	6,131	2,256	1,770
Agri	17,332	1,063	13,926	1,005	9,488	890
Total	28,992	10,493	23,502	14,805	18,269	11,138

- **Commitment to Sustainable & Green Finance:**

Bank Asia remains committed to building a better society by supporting various sectors through green banking initiatives and financing environment friendly projects. The CRM Division actively pursues targets for Green and Sustainable Finance, achievements of which are outlined below.



	Sustainable Finance	Green Finance
Target for 2024	40,419	5,389
Disbursement in 2024	123,604	4,492
Achievement	306%	83%

Major Strategies for 2025:

- **Diversification of Bank's Loan Portfolios:** To mitigate risks associated with loan concentration, CRM will prioritize diversification of its loan portfolio across various geographies, sectors, and products. A key focus will be on expanding lending in CMSME (Cottage, Micro, Small, and Medium Enterprises), home loans, and consumer financing.

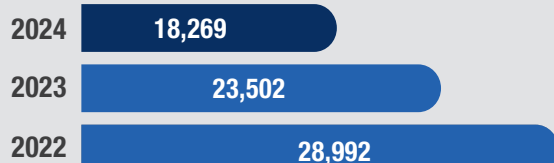
- **Strengthening Credit Monitoring and Recovery:** To Monitor loan accounts regularly to identify early signs of stress, such as low account turnover, delayed payments or deteriorating financial health. This proactive approach helps the bank to initiate corrective and recovery measures before the situation escalates.

- **Adopting best underwriting Approach:** CRM is committed to adopting best underwriting practice to minimize credit risk. To achieve this objective, CRM focuses on a holistic approach that combines comprehensive borrower analysis, industry and economic trend evaluation, and strict adherence to regulatory standards. This approach enables CRM to make more informed lending decisions, reduce credit risk, and maintain a balanced & resilient portfolio.

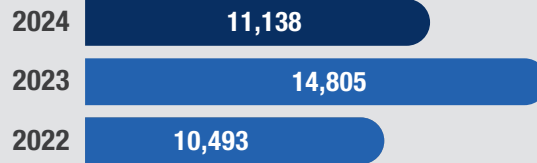
- **Faster Disposal of Credit Proposals:** CRM will put more emphasis on physical visit to the borrower's factory, sales outlet, warehouse/stocks to have better insight of borrower's business position which ultimately helps to take more informed decision. The focus on reducing lead time for proposal disposal will continue through enhanced field visits, training & development of credit officers, and the expansion of technology-driven platforms.

- **Focusing Continuous Training and Development:** To ensure underwriting excellence, CRM prioritizes continuous training for underwriters to keep them updated on the latest industry trends, regulatory changes, and technological advancements.

Total Credit Proposal no.



Loan Amount (Million Tk.)



INTERNAL CONTROL & COMPLIANCE

Internal Control System

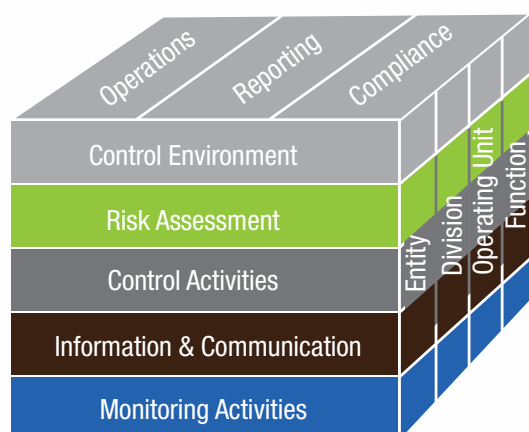
Internal Control is a process, rather than a structure which is an integral part of banking, serving to protect assets, ensure accuracy, and ensure compliance with regulations, thereby maintaining the stability and integrity of the financial institution. The internal control system always helps mitigate risks and prevent fraud, errors, and inefficiencies.

Broadly, Internal Control is a process, effected by a bank's Board of Directors, Management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to the effective and efficient operations of the Bank, the reliability of its 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 Bank is exposed or in which it is engaged. This helps build confidence among stakeholders (such as customers, regulators, and investors) and enhances the bank's reputation for sound and secure operations.

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



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.

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).

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.



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.

Audit & Inspection Department

Audit & Inspection Department emphasizes that 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 PLC 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 2024:

- Completed the Audit & Inspection tasks of 131 Branches, 04 SME service centers, 05 Islamic Banking Windows, 14 Sub-Branches and 20 Corporate Office Divisions/Departments including subsidiaries.
- Completed ICT/IS Audit on 72 Branches & Corporate Office Divisions/Departments.
- Conducted 76 Special Audit & Investigations on different issues of the Bank.
- Conducted Audit on 03 Core Risks of the Bank.
- Conducted Cash Incentive Audit on 08 AD Branches and CTPC.
- Conducted Surprise Cash Audit on 04 Branches.
- Conducted Special Audit/Inspection on Anti-money Laundering issues of 18 Branches.
- Conducted 62 Collateral Valuation Inspections.
- Conducted Shari'ah Audit on 60 Branches.
- Internal Control & Compliance Team of Channel Banking conducted Audit/Inspection tasks on 715 Agent Outlets and related 10 different Units/Departments of Agent Banking in the year 2024. Besides, the Team also conducted 86 Special Inspections and 25 Investigations on different issues of Agent Banking including incidents like fraud-forgery.

Compliance Department

The Compliance Department of the 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 to ensure a compliance culture in the Bank. Compliance Department is entrusted to ensure that Bank complies with all internal & regulatory policy 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 2024

- Ensured compliance of observations (Internal Audit) of 131 Branches, 04 SME service centers, 05 Islamic Banking Windows and 20 Corporate Office Divisions/Departments.
- Submitted 206 compliance reports to the Bangladesh Bank against their 52 inspection reports.
- Compliance Tests (On-site & Off-site) were conducted on all 131 Branches, 04 SME service centers & 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 this division monitors effectiveness of the Bank's internal control system continuously through off-site supervision, follow-up on compliances and regularization of deficiencies that are detected through different Off-site monitoring reports, On-site monitoring reports, scrutinizing QOR, LDCL, DCFCL, Half-yearly Self-Assessment of Anti-Fraud Internal Controls etc.



Key Activities of Monitoring Department in 2024

- Monitored 131 Branches, 04 SME service centers & 05 Islamic Banking Windows through 508 Off-site Reports.
- On-site Monitoring and Surprise Visit conducted on 06 Branches.

- Reviewed 278 nos. of Credit Proposals and identified lapses were submitted to the EC of the Board and Board of Directors with the remarks of Monitoring Department of ICCD.
- Prepared 233 exception reports on Control Tools and communicated with the concerned Branches/Centers/IBWs for due compliance.
- Prepared Bank's Annual Integrated Health Report 2023 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.



Audit and inspection covers

131 branches
04 SME service centers
05 IBWs
14 Sub-branches
20 Corporate Office Departments
715 agent outlets
10 Different Units of Agent Banking



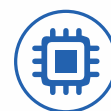
Monitoring

508 off-site reports
233 exception reports



Special Audit on Anti-money Laundering

18 Branches



ICT/IS Audits

72 Branches and corporate office division/departments



Shariah Audit

60 Branches



Compliance Test

131 branches
04 SME service centers
05 IBWs
20 Corporate Office Divisions/Departments

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 internal audit of the internal control system of the Bank. The significant deficiencies identified by internal audit team are reported to the Audit Committee of the Board.

Outlook for 2025

- Implementation of Audit, Monitoring and Compliance Plan for the year 2025.
- 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

Information and Communication technology has taken various key initiatives for transforming Banking services. We work on improvement of services for customer satisfaction and Simplicity. The business environment is very dynamic and undergoes rapid changes as well as due to technological innovation need to increase awareness and fulfill demand from customers. Information and Communication Technology (ICT) is at the center of global technological changes.

KEY INITIATIVES DURING 2024

Empowering Digital Transformation: Bank Asia PLC. has successfully implemented DMS utilized for e-archiving Account Opening Forms (AOF), allowing branches to scan and store forms digitally while maintaining hard copies with barcodes for easy tracking. This system facilitates regulatory compliance by ensuring updated Know Your Customer (KYC) information and improving customer service by providing quick access to necessary documents.

Optimizing Service Delivery: Introduction of QMS enables branches to efficiently manage and prioritize customer interactions, ensuring smooth service delivery within branch premises. By automating queue management, the system speeds up processing times, enhances tracking, and optimizes workflow, ultimately leading to a more seamless and efficient customer experience. Additionally, it helps maintain compliance with customer service standards while improving operational efficiency.

Enhancing Customer Transaction Security: To strengthen the security and reliability of customer transactions, Bank Asia has deployed advanced Hardware Security Modules (HSMs) with high availability (HA) and load balancing in August 2024. This initiative ensures seamless and secure processing of BACH-II and BEFTN transactions, aligning with Bangladesh Bank's BACH upgrade directives. HSMs are highly trusted security devices designed to perform essential cryptographic functions, including encryption, decryption, authentication, and key management.

Strengthen bank's security posture: Implementation of Web Security Gateway (WSG) enhances banking security by acting as a protective shield between users and external web services. It ensures secure browsing through URL filtering, blocking access to malicious or unauthorized sites, while malware detection prevents harmful software from compromising the network.

Transforming Customer Service with Next-Level Banking

Infrastructure: To improve efficiency, security, and performance, core banking databases have been consolidated onto a cutting-edge engineering platform. The reason for migration from legacy technology is to ensure maximum availability and scalability, aligning with business growth, modern technology adoption, and future cloud-native readiness. This transition integrates database, server, storage, and network components into a tightly coupled architecture, leveraging Oracle Exadata Database Machine and Oracle ExaCC. This upgrade delivers faster processing, enhanced reliability, and seamless customer service.

Monitoring for Smart Banking: A robust Network Management System (NMS) implemented by Bank Asia, provides a 360-degree view of ICT infrastructure monitoring, performance management, network optimization,

and fault management. By continuously tracking performance and detecting faults in real time, NMS enhances service reliability and minimizes downtime, ensuring seamless operations.

Cutting-Edge Cybersecurity for Ultimate Protection: For strengthening Cyber security control, Bank Asia has implemented various intensive tools like Privileged Access Management (PAM), File Integrity Monitoring (FIM), Security Information and Event Management (SIEM), Next Gen Firewalls with hardened policy, Network Access Control.

DIGITALIZATION & DIGITAL TRANSFORMATIONS

Ultimate Convenience for Customers Hassle-Free Cash Withdrawal: Bank Asia introduces a Branch QR Cash Withdrawal service through the Bank Asia Smart App, enabling customers to withdraw cash effortlessly at any branch—without a cheque or ATM card.

Banking for Smart Businesses: Bank Asia's Corporate Internet Banking empowers businesses with seamless, real-time financial management—without the need for physical movement. This comprehensive platform enables users to check balances, view statements, transfer funds within the bank, and process BEFTN and RTGS transactions.

Instant Access to Remittance Earnings: Bank Asia has revolutionized remittance services through seamless Fintech API integration, enabling faster access to remittance earnings. By connecting with foreign exchange houses via in-house generic APIs and API-based exchange platforms, the bank has significantly streamlined cross-border transactions. Additionally, the introduction of a push-based real-time account statement API for corporate partners ensures automatic, up-to-date access to account information, enhancing efficiency in fund reconciliation.

Simplifying Trade Business: Bank Asia's Centralized Trade Processing System (CTPS) is designed to streamline foreign trade operations, making transactions faster, more efficient, and hassle-free. By integrating Core Banking System (CBS), SWIFT, and Bangladesh Bank reporting into a single platform, CTPS eliminates redundancy and enhances accuracy in trade processing. Additionally, the Q-Management system optimizes workflow, reducing wait times and improving the overall user experience.

Compliance for Customer Protection and National Security: Through advanced transaction monitoring and fraud detection, Bank Asia has introduced a multi-phase AML platform to combat Money Laundering (ML), Terrorist Financing (TF), and Proliferation Financing (PF). Key measures include trade-based money laundering alerts, LC over/under-invoicing detection, and rule-based reporting, ensuring greater transparency and regulatory compliance.

Bank Asia also developed and introduced, Virtual Card for Redefining Digital Payments and Post/Pre-Finance Fund Management (for managing Post and Pre-Finance funds, specifically for Bangladesh Bank's Finance and Refinance schemes. This system facilitates efficient tracking, disbursement, and repayment of funds, ensuring compliance with Bangladesh Bank's guidelines).

Bank Asia has successfully renewed the international cyber security & compliance standard certifications i.e. PCI DSS v4.0, ISO 27001, BCMS 22301

ALTERNATIVE DELIVERY CHANNEL (ADC)

Alternative Delivery Channels (ADC) have revolutionized the way banking services are delivered, offering customers convenient, efficient, and secure access to financial services without the need to visit physical bank branches or agent outlets. The various ADC channels—such as ATMs, CDMs (Cash Deposit Machines), CRMs (Cash Recycling Machines), POS devices, Debit Cards, Internet Banking, Mobile Apps, SMS Banking, A-Challan, E-GP Service, E-commerce and E-Banking Solutions, Bangla QR, E-payment solutions, and Contact Center services—collectively ensure that customers can access banking services anytime and from anywhere (24/7).

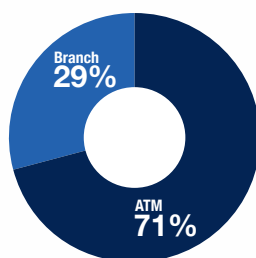
ATM, CDM & CRM Service



Own ATMs **217** | CDM's **33** | CRM's **4** | Shared ATMs **14,300+**

To have access banking services round the clock, ATM, CDM & CRM are excellent channel. Automated Teller Machine (ATM) & Cash Recycler Machine (CRM) provides banking services to its customers 24 hours a day, 7 days a week and 365 days a year. Through our ATM & CRM customer can access withdrawal, deposit, balance inquiry and mini statement facility. In our total 71% cash transactions of Bank Asia are done through its 217 own ATMs, 33 CDMs, 4 CRM's and more than 14,300 shared ATMs all over the country. Our bank is planning to invest continuously in a bid to increase and widen its ATM network significantly.

ATM transaction vs Branch transaction



Online Payment System or E-Payment Solution



Total Number of Transaction **3 Million** | Tk. Amount **21,571 Million (approx.)**

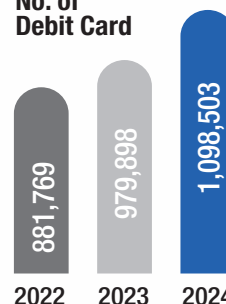
Bank Asia has developed the solution which verifies and processes with a verity of secured transaction instruments for Payment of Member/ Student fees of different institutions, Residential & Industrial Gas Bill & different payment of renowned insurance company using their respective Bank accounts, Over the Counter(OTC), Debit/Credit cards, EFT, etc on behalf of the Online Banking payment. We have developed a system for KGDCL (Karnaphuli Gas Distribution Company Limited), MetLife Alico (American Life Insurance Company), Pragati & Sandhani Life Insurance Company Limited, ICMAAB (Institute of Cost and Management Accountants of Bangladesh), ICAB (The Institute of Chartered Accountants of Bangladesh), SGCL (Sundarban Gas), BGDCL (Bakhrabad Gas), Postpaid bill collection of DESCO, DPDC & NESCO, Ekpay (Unified Utility Bill Collection-a2i), bKash (Instant Fund Transfer Facility), bKash bulk disbursement, Nagad (Instant Fund Transfer to Nagad), Pocket (Fund Transfer to Pocket & Vice versa), Akash DTH, ACI Motors bill collection, Online Tuition Fees Collection of East West, Beautiful Mind School, Green & Uttara University & for different types of payment collection. We have received more than 3 Million number of transaction where BDT amount 21,571 Million (approx) from customers through all of our Branches/ Agent Outlets including ADC channels.

Debit Card

In 2024, Bank Asia elevated its debit card services as a cornerstone of its digital transformation strategy, introducing enhancements aimed at delivering greater security and convenience to its customers. The bank's upgraded debit card now supports advanced contactless payment technology and real-time transaction alerts, ensuring secure financial transactions.

Till the year 2024, more than 10,98,503 debit cards are issued against eligible savings and current accounts. These Visa and MasterCard-branded debit cards facilitated seamless transactions across over 19,000+ ATM/CRMs and 1,25,641+ POS terminals nationwide, supporting services such as cash withdrawals, balance inquiries, purchase and online shopping. Moving into 2025, the bank aims to further expand its digital footprint by launching TakaPay debit card and Dual Currency debit card.

No. of Debit Card



A-Challan



Total Number of Passport & other Challan Payments **127,526**

BDT **20,148** 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 ensuring digitalization of this service, Automated Challan System (A-Challan System) has been introduced for online submission of various government service fees.

Internet Banking



Total Number of Internet Banking User **227,054**

Bank Asia's internet banking module allow 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. We have ensured international standard of security shields for the Internet banking to prevent any unauthorized access. Now the total Internet Banking active users are more than 227,054. Notably, over 66,238 transactions, amounting to approximately BDT 2,916 million, have been successfully processed through Internet Banking, reflecting its increasing adoption and usage among customers.

E-Procurement System



Total Number of Services **9,644**

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 9,644 services from our bank with their utmost satisfaction.

Directors' Report

ALTERNATIVE DELIVERY CHANNEL (ADC)

Bank Asia SMART APP



Total Transaction no.
4,028,123

BDT Amount
77,319 million

Total SMART App
Active User
341,806

Bank Asia has introduced modern technology based on unique banking app "Bank Asia SMART App" both for branch & Agent Banking customers which is an integrated internet and mobile banking solution designed to enable to offer customers the widest capabilities across the internet and mobile channels. Smart Banking offers vast banking services and manage customer's accounts, 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. By the end of 2024, the total number of active users for Bank Asia's mobile app has reached 341,806 with the active user base growing steadily every day. Notably, over 4,028,123 transactions, amounting to approximately BDT 77,319 million (approx.) have been successfully processed through this app.

NPSB Bangla QR



Total Number of
Services **162,684**

BDT **1,565**
Million (Approx.)

Bank Asia proudly launched the NPSB Bangla QR Issuing & Acquiring services and this innovative payment collection method ensures secure person-to-merchant (P2M) transactions via a simple QR code, leveraging the NPSB (National Payment Switch of Bangladesh). Mobile app users from NPSB-Bangla QR listed banks and MFS/PSOs can conveniently make payments using Bank Asia QR codes. This strategic move not only aligns with Bangladesh Bank's Schedule of Charges but also presents a significant revenue opportunity for Bank Asia through the issuance and acquisition of NPSB Bangla QR services. In 2024, over 1,62,684 transactions were processed through the NPSB Bangla QR channel, amounting to a total value of approximately BDT 1,565 million.

National Payment Switch Bangladesh (NPSB)



Total Number of
Services **5.76 miln**

BDT **161,644**
Million (Approx.)

Bangladesh Bank has introduced the National Payment Switch Bangladesh (NPSB) to streamline interbank electronic payments across various channels. NPSB aims to create a common platform for switches, promoting card-based payments, real-time transfers, utility bill payments, and more. Bank Asia plays a vital role in facilitating real-time transactions among forty-nine (49) connected banks through NPSB. They've launched Internet Banking (IB & APP) based Fund Transfer services via NPSB. The objective is to provide a unified platform for instant Inter-Bank Fund Transfers, benefiting both retail and corporate customers. Over 5.76 million transactions, totaling approximately BDT 161,644 million, have been processed through NPSB channel in the year 2024.

E-Commerce Solution



Total Number of
Transactions **817,373**

BDT Amount
2,899 Million
(approx.)

Bank Asia has spearheaded initiatives to enhance the 'E-Commerce' facility for its valued customers, positioning the bank as a trusted payment partner. Bank Asia account holders can now conveniently shop and purchase online using Internet Banking, Debit Cards, or Credit Cards at low costs, anytime and from anywhere. These initiatives have resulted in over 817,373 successful transactions, totaling approximately BDT 2,899 million, executed seamlessly through the mention channels in the year 2024.

Contact Center

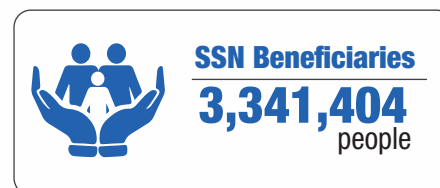
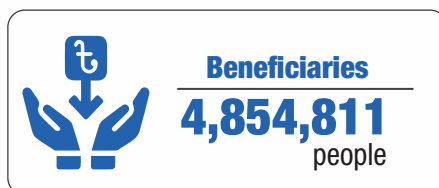
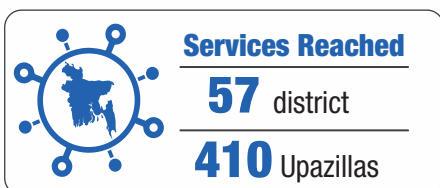


Contact Number
09617016205

Short Code
16205

Our bank is committed to providing exceptional customer service through our Centralized Call Center, available 24/7 to address all our banking needs and inquiries. Customers can reach us using the short code 16205 or the dedicated number 09617016205, which is also accessible to customers calling from abroad. Our round-the-clock Contact Center ensures that both domestic and international customers receive prompt and efficient support at any time of the day.

FINANCIAL INCLUSION & FINANCIAL LITERACY DEPARTMENT



The Ekti Bari Ekti Khamar (EBEK) scheme, later renamed Amar Bari Amar Khamar (ABAK), is a transformative social initiative by the Government of Bangladesh, designed to uplift rural communities by organizing poor families into cooperative economic units. Bank Asia launched the EBK Operation and Social Payment in 2012 to support this effort, successfully completing the operation in 2021. In 2019, the overseeing department was rebranded as the Financial Inclusion and Financial Literacy Department during the 401st Board Meeting on February 18. From the foundation of this project, agent banking was introduced in Bangladesh, gaining national prominence for its impact on financial inclusion. Currently, the Financial Inclusion Department operates in 3,201 unions, 410 upazilas, and 57 districts, collaborating with the government through Digital Center Agent Banking and Social Safety Net payments to expand financial services to the unbanked and ultra-poor populations.

Digital Center Agent Banking The development of rural communities is crucial for the overall progress of any country. In Bangladesh, where approximately 72% of the population resides in rural areas (World Bank report, 2012), the government has taken significant steps to bring essential services to the doorstep of unbanked citizens. The initiative aims to provide public services directly to people, rather than requiring them to seek out these services. To facilitate this, the government has launched Union Digital Centers (UDCs) across 4,480 unions, enabling the dissemination of information and delivery of government services, thereby improving access to essential financial and public services for rural communities.

Social Safety Net Beneficiaries can conveniently withdraw their allowances after verification through biometrics devices from their bank accounts linked to their unique national ID numbers by visiting the nearest Digital Center or agent banking outlets.

Bank Asia PLC has expressed interest in disbursing the Rural Livelihood Program 3rd Phase loan under the Bangladesh Rural Development Board (BRDB), ensuring that loans reach to actual beneficiaries through banking channels. To formalize this, an MoU was signed with BRDB on 11th April 2022. In 2024, 28,349 recipients received BDT 1,291.68 million loan through this initiative.

Additionally, Bank Asia PLC has been awarded the provision of pre-paid cards for the World Food Programme (WFP) and Cash in Hand for CBT activities in Bangladesh for one year, with a potential four-year extension. Following the signing of the MoU with WFP, two cycles have been completed in 2024, distributing BDT 101.01 million to 43,462 recipients.

Indicator	2024	2023
No. Of Digital center	3,201	3,252
No. of Account	4,854,811	4,447,540
Deposit in Mln BDT	18,428	15,500
Loans in Mln BDT	651	685
Remittance in Mln BDT	3,059	4,451



SSN payment from agent outlet.

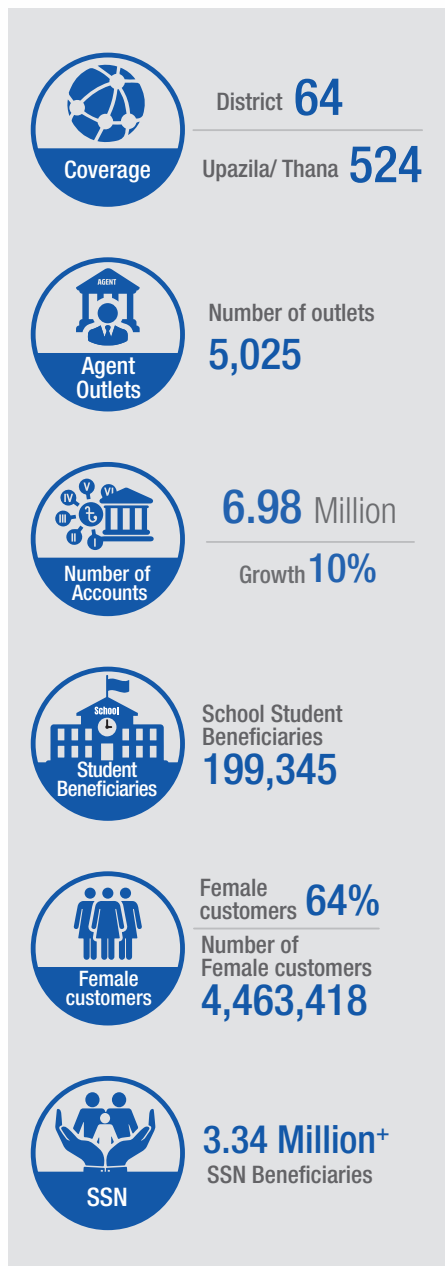


SSN payment from agent outlet.



SSN payment from agent outlet.

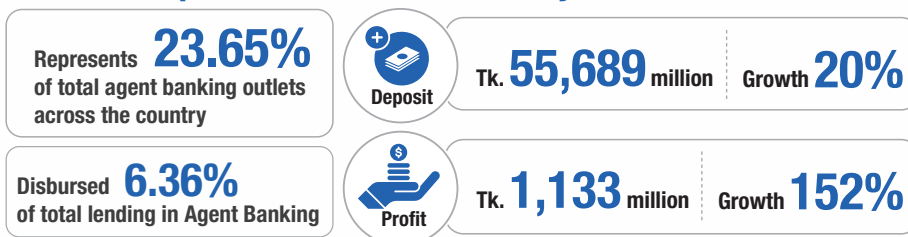
AGENT BANKING



Bank Asia pioneered in Agent Banking has observed the 11 years of auspicious financial inclusion journey in Bangladesh, with around 7 million accounts (including 3.34 million government's social safety net beneficiaries). Bank Asia has been providing structured financial services through 5,000+ accredited agents dispersed in the country, 92% is in rural territory. Establishment of 28,000+ micro merchants, an extended hand of agent has been enabling the customer to avail limited scale banking facilities at doorstep. Women empowerment has been promoting through these channels where 64% of the total customer portfolio is women. Supported by renowned international agency named Bill & Melinda Gates Foundation, Bank Asia created a women centric financial ecosystem where the women agents were empowered with capacity building to support more women customers and to build an improved inclusive society. Agent Banking is also leveraging the model to solve one of the rising concerns as unemployment where it has already created employment opportunity for more than 10,000 youths as customer service officer under agent's payroll.

Agent Banking has achieved a deposit volume of Tk. 55,689 million through its 5025 outlets by the end of 2024. The platform now facilitates more than 1 lac transactions of Tk. 200 crore in a day which is expected to be multiplied by 2025 to make the channel vibrant and meaningful. By 2024, the wage remittance inflow through agent channels ended at Tk. 138,427 million. Agent outlets have sufficiently been equipped with capacities to support remittance customer and to include the segment into the formal financial chain. To outweigh the religious barrier, Islami Agent Banking is also a step forward to the local community. Till 2024, Bank Asia agent banking disbursed Tk. 15,283 million loan in agri & MSME segment to support their livelihood, entrepreneurship and income generation.

Bank Asia's performance in the industry



Bank Asia is an advocate of the philosophy of responsibly growing together "for a better tomorrow". It envisions through its agent banking to contribute for financial emancipation of the unbanked, empowering communities through its services as remittance, SSN payments, creating opportunities of livelihood & employment generation, empowering women and encouraging sustainable financing in line with SDGs through establishing a culture of compliance.

Capacity building of Agent Banking stakeholders:

Agent banking has conducted more than 45 capacity building events in 2024 among 2561 agents-merchants, BA Staff and other stakeholders where 35% participants were women. Supported by Bill & Melinda Gates Foundation, Bank Asia distributed more than 300 mobile handset and Bio-metric devices for women merchants and agent for their business support during the capacity building training. To enhance operational efficiency and compliance, 27 trainings have been conducted virtually with 8,272 Agent Banking officers, Agents and CSOs.

Agent Banking Day 2024: a decade of financial inclusion

Bank Asia Agent Banking observed the decade of its founding anniversary in Dhaka and across the country in a festive manner. To mark the anniversary, Agent Banking chalked out a number of programs that included cutting cakes at agent outlets and DC offices across the country, organizing a 3-day health camp, District Manager's Strategic Meet and cultural program at Rangs Tower Corporate Office.

Launching of Comic book for agents:

Bank Asia partnered with Microsave Consulting and supported by MetLife Foundation's, launched a comic book for Bank Asia's agents. It features relatable stories of everyday heroes and will serve as a training guide for post-banking agents to increase their business resilience. Through the comic book, readers will appreciate the dedication and resilience of those who bring banking to every corner of Bangladesh.

Agent Business Meet 2024:

Bank Asia PLC organized 'Agent Business Meet-2024' on 23 November, 2024 with Agents from 8 districts to review business strategies and compliance. Prof. M.A. Baqui Khalili,





Independent Director & Chairman of Board Risk Management and Audit Committee was Chief Guest while Mr. Sohail R K Hussain, Managing Director Special Guest and Mr. Ziaul Hasan, Deputy Managing Director-CAMLCO & Agent Banking presided over the conference. Agents and Branch Managers from Tangail, Manikganj, Gazipur, Sirajganj, Jamalpur, Mymensingh, Sherpur and Netrakona districts and senior officials of Bank Asia attended the program. Top performing Agents were accorded award at the program.

Financial Literacy for better financial management:

Financial literacy is essential for better financial management of customer. As per guidelines of regulatory bank, Bank Asia celebrated Financial Literacy Day, 2024 on March 4, 2024, that aimed to aware customer about financial management and knowledge for better financial health. Channel Banking organized financial literacy workshops for customer simultaneously in 64 districts in different scale that includes uthan boithok, classroom based session, customer gathering at agent location, digital literacy and so on. During 2024, 92 financial literacy sessions were conducted for 3805 customers; 71 % was women.

Financial literacy campaign:

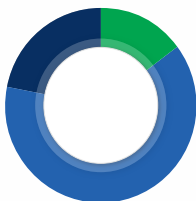
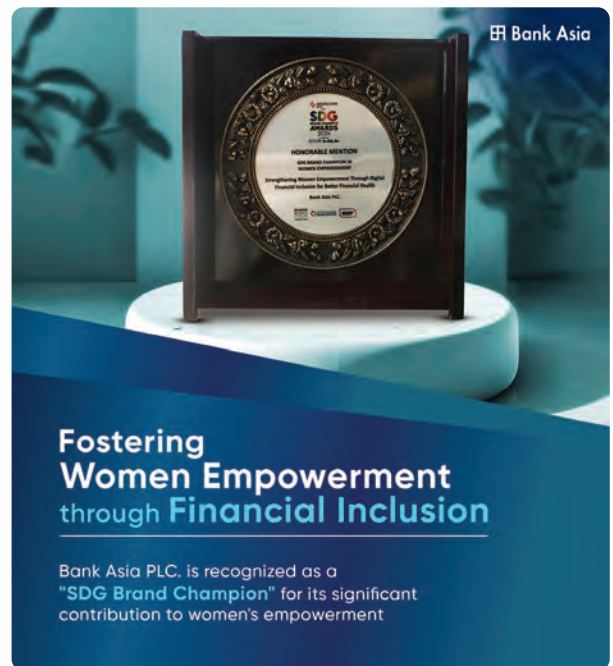
Supported by Metlife Foundation and in partnership with Microsave Consulting Group, Bank Asia organized a caravan based financial literacy campaign throughout the country with the aim of spreading the concept and awareness of banking among the underbanked and marginalized communities. The campaign was organized in 64 districts that reached 66,304 people directly and 504,000 people.

'Amar Hisab-Kitab'

To accelerate financial inclusion activities, Bank Asia PLC has launched a digital financial literacy app 'Amar Hisab-Kitab' for RMG workers in collaboration with United Nations Capital Development Fund (UNCDF), under the H&M Foundation's Oporajita project. Bank Asia's Amar Hisab-Kitab mobile application aims to enhance financial and digital literacy among the customer who lacks in proper education on financial management.

SDG Brand Champion Award 2024

Bank Asia PLC. has been recognized as a "SDG Brand Champion" at the Sustainability Summit 2024, for its significant contribution to women's empowerment.



Agent Outlets

Individuals & Institutional **723**
UDC & CDC **3,201**
Post Office **1,101**



Total Accounts

Rural **6,327,803**
Urban **654,052**

Deposit Million Tk.

2024 **55,689**
2023 **46,345**

Profit Million Tk.

2024 **1,133**
2023 **449**

Loan Disbursement Million Tk.

2024 **2,340**
2023 **2,451**

PAYMENT SERVICE DEPARTMENT (PSD)



Daily Average Transactions

No. **66,755**, BDT **9.08** Billion
Growth **11.49%**

Bank Asia takes pride being one of the leading banks in Bangladesh that can 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 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 the customers.

KEY ACHIEVEMENTS IN 2024

- Bank Asia made history by initiating the first BDT transaction in upgrade ISO 2002 standard BD-RTGS system on 24th November, 2024, Sunday; this was appreciated by Bangladesh Bank.
- Highest EFT received on a single day – 15,35,307 transaction through DigiPay (BEFTN) system.

TRAINING & DEVELOPMENT IN 2024

- Conducted total 04 Training sessions at Bank Asia Training Institute and Corporate Office on BACH, BEFTN & RTGS operations and guidelines and another one BD –RTGS system upgradation which was conducted by Bangladesh Bank resource person.
- Total 191 employees were provided training over the year.

STRATEGIC PLANNING FOR 2025

- RTGS Inward process full Automation based on Routing No matching. and Account No. & A/C name matching score.
- SMS notification/confirmation to and from account holder for Inward clearing cheque Positive Pay.
- Deploy Central Dashboard for BACH, BEFTN & RTGS for smooth, combined and at-a-glance fund monitoring by PSD & Treasury.

BACPS

Daily Average Transactions

No. **5,504**,
BDT **406** Crore

PSD is involved with BACPS operation. Here, sincerity, proper attention is the key for smooth operation. Keeping automation and Green Banking in mind, prioritizing technology driven innovative services, PSD tagline is Protected Systematic Disciplined. Several system related updates introduced for improving resiliency and dependency. Sub-branches are now under BACH operation.



BEFTN

Daily Average Transactions

No. **59,027**,
BDT **149** Crore

BEFTN transactions from and to single or bulk transactions is still growing rapidly. This year PSD received 15.36 lac inward transaction in a single day thorough digiPay (BEFTN) System. Individual account holders are also enjoying BEFTN facility through branches, sub-branches, agent points, net-banking and Smart App. PSD channelized over 9.19 lac Foreign Remittance, 2.23 lac NetBanking/SmartApp and 67 thousand Agent Outlet over the year. Received 15.26 lac Safety net payments on a single day.



RTGS

Daily Average Transactions

No. **2,224**,
BDT **353** Crore

RTGS is now available in Net-banking and Smart App which increased reliability. Ensuring security, matching with CBS and through dual authentication, PSD executes Inward RTGS payments in few minutes only. RTGS is growing very fast and becoming most essential for some payment method, supporting Govt. to collect Custom duty, Tax etc. Automation of Inward RTGS is upcoming which will be reduced credit time more significantly.

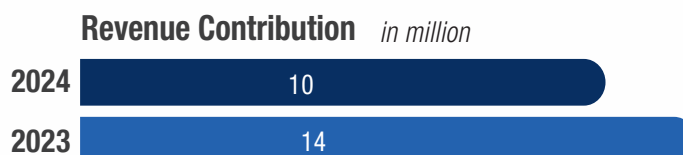


MICR

Daily Average Transactions

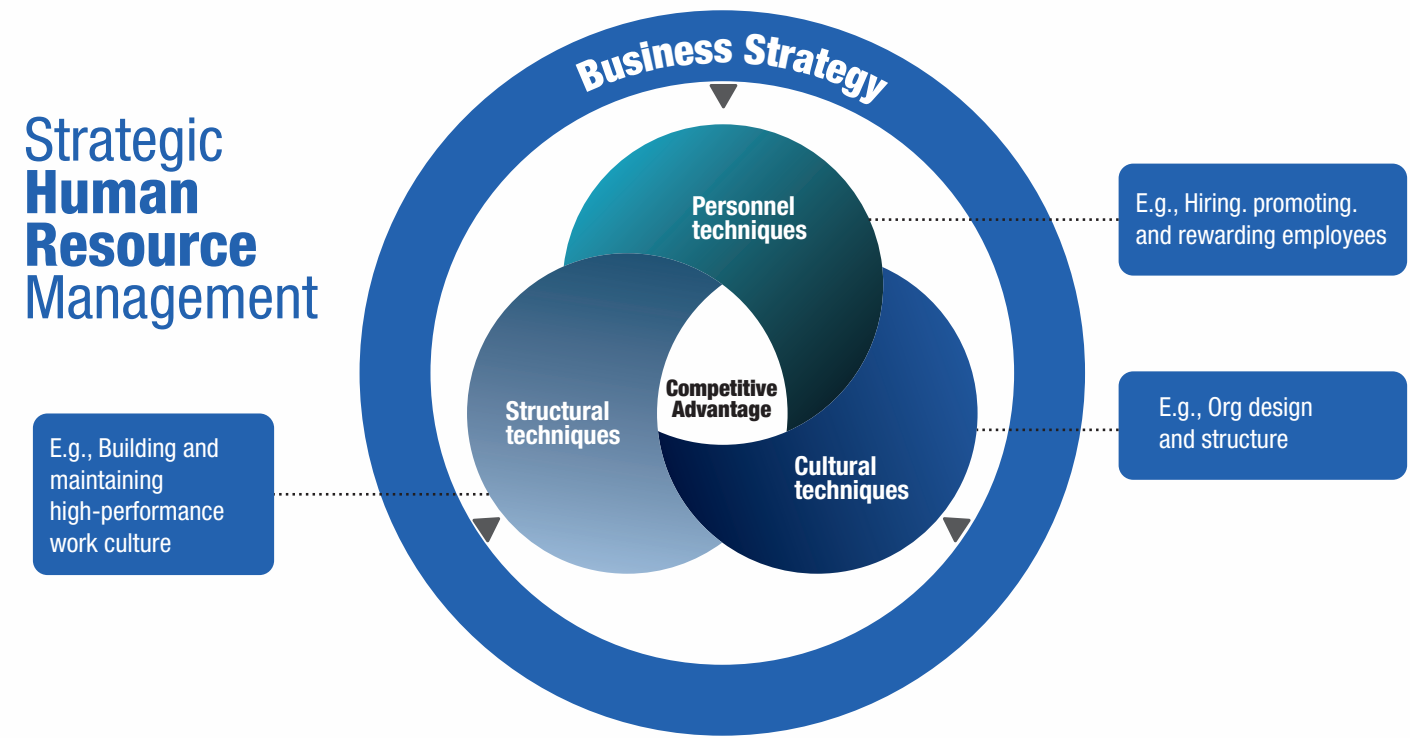
Average
28,379
cheque leaves
daily including
cards.

Supplying MICR cheque books to large volume of customers. MICR Instruments are; SB, CD, MSA, AWC, MSND, Pay Order and Card Cheque. MICR Instruments are issued for Islamic Wings, Agent banking, and Card Department. Sub-branches customers are the latest addition.



HUMAN RESOURCES DIVISION (HRD)

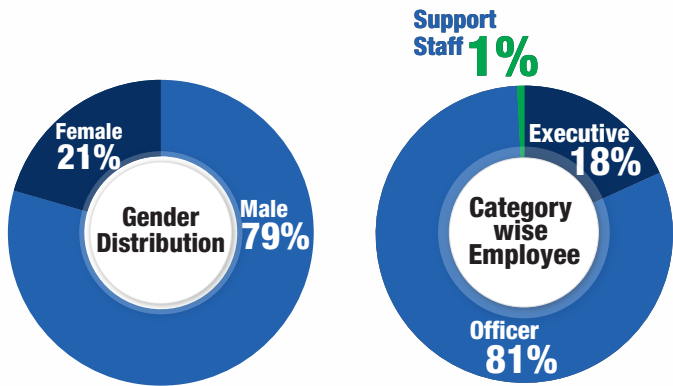
Strategic human resource management provides a framework involving human resource management and development practices to long-term business goals and outcomes. It focuses on longer-term resourcing issues and other HR strategies, such as reward or performance, determining how they are integrated into the overall business strategy.



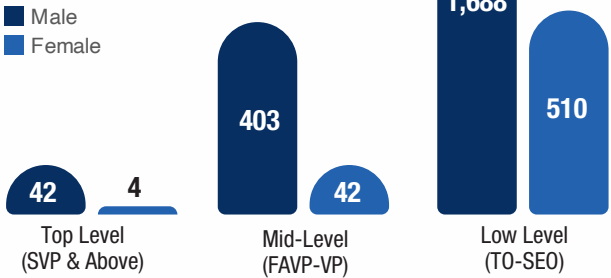
In 2024, the Human Resource Division (HRD) focused on aligning HR planning with the strategic goals of Bank Asia PLC to ensure that the right talent is available at the right place. By leveraging workforce analytics, we were able to predict future staffing needs and implement proactive recruitment strategies. A total of 48 new employees were recruited across various functions during the year, ensuring that the bank's growth targets were met while maintaining a strong talent pipeline. The employee dynamics for the year 2024 are shown below:

Category	Male	Female	Total	Ratio (M:F)
Executive	445	46	491	91 : 9
Officer	1,668	510	2,178	77 : 23
Support Staff	20	-	20	100 : 0
Total	2,133	556	2,689	79: 21

Manpower Beginning of 2024	2,762	Employee Attrition Rate 4.44%
Recruited	48	
Separated	121	
Net Increase/(Decrease)	(73)	
Manpower End of 2024	2,689	



Management Tierwise Gender Positioning in 2024

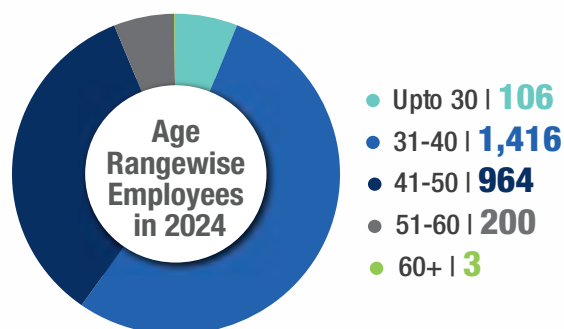


Bank Asia is an equal opportunity employer and promotes a diversified culture with highly congenial work environment for its female employees. Currently 21% of total manpower is female which is expected to rise in the coming days to ensure an even better mix of employee genders.

Directors' Report

HUMAN RESOURCES DIVISION (HRD)

Bank Asia PLC. has good balance of employees of different age ranges who are of unique perspectives, skill sets and approaches making the bank a place of experience and innovation. Employees having age of below 40 years represent 57% of total manpower. Apart from the above, the bank enjoys an advantageous position due to the presence of a significant number of experienced employees to make it a better working place. Age range wise employees of Bank Asia PLC. in 2024 are shown below:

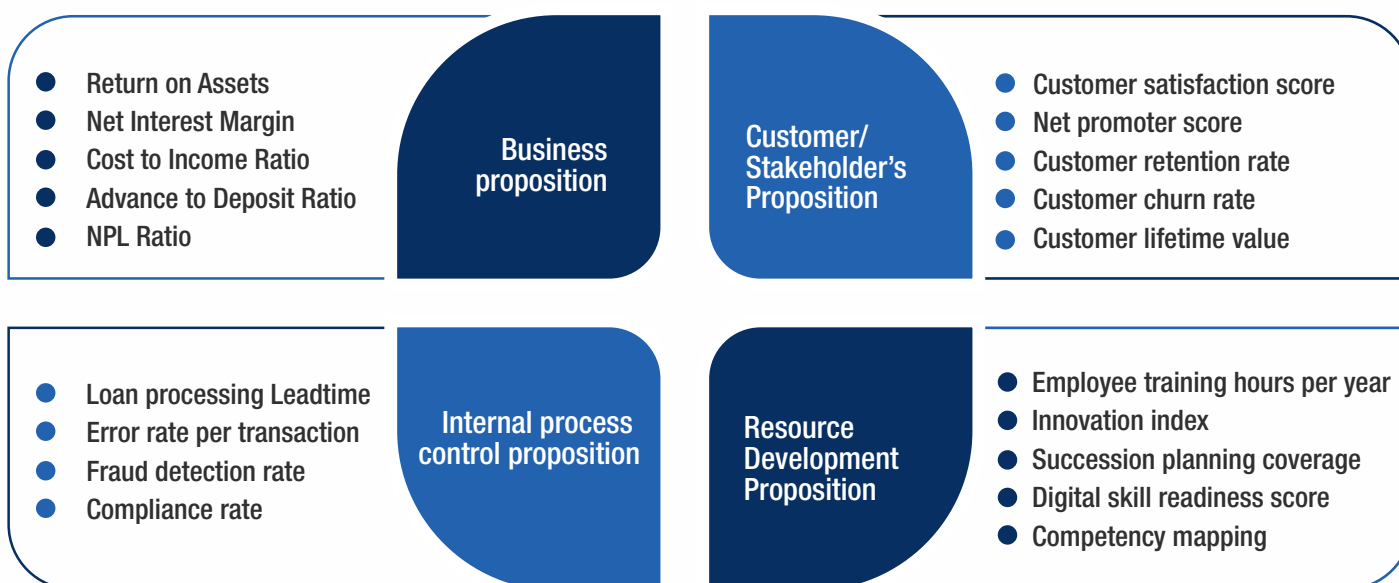


Organizational Development:

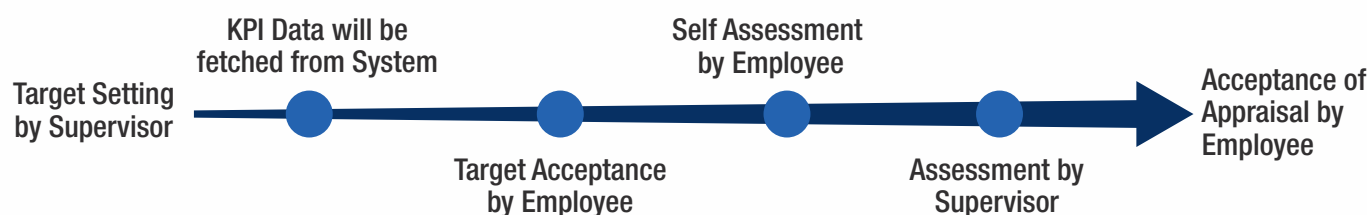
Organizational Development (OD) is a change-management model that focuses on improving a company's performance and health by looking across its structures and functions, taking a human approach to processes and culture, and involving employees at all levels.

In 2024, Bank Asia PLC. has started its journey for structural changes with Zonal Concept, centralization of Credit Administration, Central Trade Processing Center (CTPC), Priority Banking etc. HRD has played significant role by ensuring proper staffing in those areas.

Bank Asia PLC. has enrolled System Based Performance Management System (PMS) from 2024. Here, PMS uses Balanced Scorecard and Management By Objective (MBO) depending on supervisory and non-supervisory roles for Performance Appraisal.



Performance Appraisal System follows a series of steps which are shown below:



Total process of Performance Appraisal is entirely incorporated in People Hub interfacing with Core Banking Solution.

HRD has also undertaken initiatives to develop High Performance (HP) Team through role play and mentoring. HRD also works with renowned consultants to take high potential employees through the most sophisticated development and assessment techniques to ensure high standards. Potential candidates are put in various critical roles to enhance their capacity for grabbing future leadership helm of the bank.

Compensations-Benefits

We remain committed to offering competitive compensation and benefits packages that attract and retain top talent. The compensation & benefits of Bank Asia includes attractive pay packages, Festival Bonus, Incentive Bonus, Performance Bonus, Provident fund, Gratuity fund, Group insurance (medical and life) and many more attractive features. The compensation structure of the Bank is aligned with market standards and is reviewed from

time to time in order to maintain standards with the industry and the economy of the country. Recently an enhancement of employee benefits was undertaken, that included expansion of health insurance coverage and employee wellness programs. These initiatives were aimed at improving employee satisfaction and productivity.

Bank Asia PLC. always inculcates Performance Based Culture for Reward & Recognition. Performance is the main yardstick to the career progression of employees. All monetary and non-monetary benefits are awarded on the basis of performance of the employees. In 2024, Bank Asia PLC. has rewarded its employees with Annual Increment, General Incentive and Performance Bonus. Apart from the above, Management of the Bank has promoted 658 employees to next higher grade resulting in promotion rate about 52.5%. Apart from the above, Crest, Cash Incentives, Letter of Appreciation, Home or Abroad Tour with or without Spouse etc. are the examples of creating performance based culture for rewarding & recognizing performing employees of Bank Asia PLC.

HR Operations:

The implementation of HR automation tools, such as a revamped Human Resource Information System (HRIS) named People Hub, allowed for seamless processing of payroll, employee data management and leave administration. These improvements enhanced our service delivery and enabled employees to access HR services more efficiently. HR process optimization efforts resulted in a reduction of manual tasks and improved overall productivity. HRD is also working relentlessly to incorporate the performance appraisal process through the HRIS.

Training & Development

In line with our commitment to continuous learning, the Human Resource Division expanded the scope of its training and development programs in 2024. We offered a range of trainings, workshops, courses, and e-learning modules covering technical skills, leadership development, and soft skills. A notable achievement this year was the successful completion of 137 training programs covering 23,705 Training Hours, which contributed to a more skilled and adaptable workforce. HRD prepared the Training Calendar 2024 in the beginning of the year on the basis of Training Needs Assessments and conducted the trainings accordingly through Bank Asia Institute for Training & Development (BAITD) and virtual platforms. Furthermore, various local and foreign trainings/ workshops/seminars were outsourced which were conducted by regulatory bodies and international organizations. We believe these training programs are instrumental in shaping the careers of our employees which ultimately benefits the Bank.

Particulars	2024	
	Nos	Hours
In House Training	3,573	21,937
Bangladesh Bank	29	456
BIBM	21	464
Overseas/Foreign Training	5	128
Training by other institutes	58	720
Total No. of Participants & Man Hour	3,686	23,705

HR Compliance

Ensuring compliance with the labor laws and internal policies remained a top priority for the HRD. We ensured that our employee policies were transparent, fair and readily available to all the employees. Furthermore, initiatives to update the Bank Asia Staff Service Rules in alignment with Bangladesh Labor Law and industry practices has also been taken. In 2024, we complied to and acted on multiple audit findings that has impacted the bank positively. Regular training sessions on compliance-related topics were provided to managers and employees to foster a culture of integrity and adherence to legal and regulatory requirements.

Employee Welfare

At Bank Asia, relentless efforts are made to maintain the standard work life balance of the employees through providing all out support and necessary guidance while ensuring they feel valued and motivated. Happy, proactive and loyal employees are the greatest assets of the bank. The Management of the bank is always very keen to ensure employee wellbeing and growth by :

Physical & Psychological Wellbeing:
Group Insurance, Long Term Service Benefits

Work Life Balance:
Discouraging Overstay Beyond Office Hour

Employee Engagement: Food Competition, Sports Competition, Cultural Events etc.

Health & Safety:
Occupational Safety & Health

Diverse Work Environment:
Equal Employment Opportunity

Conclusion

2024 was a year of transformation for the bank and HRD played a pivotal role in supporting organizational change initiatives. Key projects included restructuring of departments for greater agility and the introduction of succession planning frameworks for leadership positions. Our focus on talent management and leadership development ensured that the organization is well-prepared for future challenges and growth opportunities. The Human Resource Division of Bank Asia PLC demonstrated its commitment to strategic HR management and employee development. By focusing on innovation, compliance, and employee engagement, we have created a robust HR framework that supports the bank's objectives while fostering a positive work environment. As we move forward, we will continue to prioritize our employees' growth, well-being, and contributions to the success of Bank Asia PLC.

RESEARCH & STRATEGY

Bank Asia's Research and Strategy Division (R&SD) was founded on October, 2015 to give management unbiased, fact-based market insights, find new business prospects, and improve current operations. In order to meet business targets and accomplish the bank's strategic objectives, the division's reports concentrated on studying the market situation, assessing competitors' performance, diagnosing Bank Asia's performance in comparison to competitors, and developing strategies to overcome obstacles. The following are significant studies carried out in 2024:

SL	Project Name
1	Areas of Improvement of Bank Asia in the eyes of the hobs & expected Support from The Board & Management
2	Branch feasibility study on three locations
3	CAD policy observation
4	Branch/IBW/SME service center environment checklist
5	Business Plan for Restructuring CMSE Business
6	Branch Categorization (Command Area vis-à-vis Bank Asia)
7	KPI of Major Business
8	Potentiality of branch and agent banking business in 2025
9	Power Sector of Bangladesh: Current Status, Prospect & Challenges and Way Forward
10	Strategic planning retreat 2024

In addition to defining the anticipated support from the board and management, the Areas of Improvement (AoI) study concentrated on finding gaps in business acquisition, asset quality, compliance, service quality, technology, and human resources. The structure, risk management, automation, human resources, and service quality of Bank Asia were identified as critical areas that needed attention in this qualitative assessment. The Heads of Branches (HoBs) responded by suggesting policy changes, technological advancements, and marketing

expenditures in order to boost productivity, expand the company, and enhance customer service.

By examining competition in key command areas, the Market Potential Study sought to determine the greatest commercial prospects across a range of channels. In order to help the bank deploy resources wisely, this study assisted the Group Finance Division in creating the 2024 budget. In line with previous years, R&SD also visited various locations to identify business opportunities and obstacles, assisting top management in making informed decisions regarding branch establishment in the most viable areas.

To make sure that all branches and service centers adhere to the necessary operational, safety, and regulatory standards, the Branch/IBW/SME Service Center Environment Checklist was created. This all-inclusive instrument assists in evaluating the operational and physical preparedness of branches and service centers, guaranteeing that they are outfitted to deliver safe and effective services. The checklist is used to assess important elements such staff readiness, equipment functionality, safety procedures, and infrastructure.

In accordance with industry best practices, the CMSE Business Plan established a new business model (NBM) for overseeing the bank's CMSE activities. It described the hiring and deployment of human resources required to support these operations efficiently, as well as the organizational structure of the CMSE departments.

In order to provide a strategic roadmap for the bank, the Power Sector of Bangladesh Study was carried out to assess the sector's present state, future potential, and difficulties. In order for the bank to promote sustainable energy projects and make well-informed decisions while controlling exposure to sector-specific risks, the study concentrated on identifying potential barriers as well as opportunities for financing, investment, and cooperation.

LOGISTICS AND SUPPORT SERVICES

The Logistics Support and Services Division (LSSD) serves as a critical backbone of the Bank, ensuring seamless infrastructure development and providing essential logistical support for smooth operations across the organization. In today's dynamic banking environment, integrated logistics support functions as a strategic enabler-encompassing the planning, design, execution, and maintenance of facilities and resources necessary for sustainable business operations. The scope of LSSD spans infrastructure development, procurement, inventory and asset management, warehousing, distribution, transportation, and customer support services.

In the year 2024, the LSSD team undertook and successfully executed several major initiatives that significantly contributed to operational efficiency and service excellence. The key accomplishments are outlined below:

Establishment of facilities for Central Trade Processing Centers (CTPC): Establishment of facilities for two centralized hubs-one at Rangs Tower, Paltan in Dhaka and the other in Chattogram.

Relocation and Setup of EPZ Branch, Chattogram: The successful relocation of the EPZ Branch in Chattogram was completed,

involving end-to-end interior decoration, installation of modern fixtures and furniture, and creation of a customer-friendly banking environment. The initiative ensured minimal disruption to branch operations while significantly upgrading its facilities.

Renovation and Modernization of Key Branches:

Comprehensive interior renovation and fit-out works were successfully executed for Lohagara Branch and MCB Dilkusha Branch. These upgrades enhanced the functional aesthetics, improved customer experience, and aligned the branch layouts with the Bank's modern design standards.

Implementation of a Centralized Video Management

System (VMS): As part of the Bank's focus on strengthening security infrastructure, a state-of-the-art Video Management System (VMS) was deployed to enable centralized monitoring of the CCTV network. This system improves real-time surveillance capabilities and enhances the overall safety and security framework across branches and facilities.

Through these initiatives, the LSSD has reinforced its commitment to operational excellence and continuous improvement, contributing to the Bank's long-term strategic goals and customer-centric service delivery.

AML & CFT

Effective anti-money laundering and combating the financing of terrorism (AML/CFT) policies and measures are key to the integrity and stability of the international financial system and member countries' economies. Money laundering (ML), along with its underlying crimes—referred to as “predicate offenses”—and terrorism financing (TF), including the financing of weapons of mass destruction proliferation (WMD) or proliferation financing (PF), are crimes that have far-reaching economic consequences. These crimes pose a significant threat to the financial sector and can destabilize national economies, resulting in both the inflow and outflow of illicit funds.

In addition to these immediate risks, money laundering and terrorist financing can contribute to broader economic instability. This can manifest in various forms, including banking crises, foreign exchange reserve, ineffective revenue collection, and governance weaknesses. Furthermore, these activities carry reputational risks for international financial centers and can lead to the loss of correspondent banking relationships (CBRs), further weakening financial systems.

In response to the ongoing threats of fraud and money laundering in both digital and physical domains, Bank Asia PLC have established comprehensive policies and processes across all areas of our banking operations. In 2024, Bank Asia PLC made significant advancements in enhancing its Anti-Money Laundering (AML) and Counter Financing of Terrorism (CFT) framework, reinforcing our position as a trusted institution in the fight against financial crime.

As we look ahead to 2025, we remain fully committed to preventing money laundering and terrorist financing. Our strategy will prioritize innovation, continuous improvement, and collaboration to ensure that Bank Asia remains a key player in safeguarding the integrity of the financial system.



AML & CFT Conference 2024

Digital Transformation

Developed own AML software:

- Daily Alert Generation,
- Rule Based Transaction Monitoring
- Risk Assessment of Trade Customer,
- Trade Transaction Profile,
- Price Verification Module,
- TP Modification report.



Training Program
2,498 Participants

Review of KYC & EDD for High Risk Customers

Regularly reviewed the KYC & EDD for:

- High-Risk Customer,
- Influential Person,
- Government Official
- Political leaders and
- Few specific groups

Collaboration with Regulatory Bodies and Law Enforcement Agency

Timely responded around 10,792 Queries from different regulatory authorities like:

- BFIU
- DUDOK
- CID
- NBR
- SEC
- Drug Administration
- Department of Environment

Transaction Monitoring & STR –SAR Submission

This year 622 nos. of STR-SAR submitted to BFIU through:

- Transaction Monitoring,
- CTR Analysis,
- Adverse News Monitoring,
- Trade Transaction Analysis.

Employee Training and Awareness

AML & CFT Division arranged vigorous and extensive training through physically and virtually for the employees which covers:

- Global & National initiatives for AML & CFT Framework
- Overview of AML & CFT
- Regulatory requirements for Banks on AML & CFT issues.
- Risk Based Transaction Monitoring & STR/SAR submission
- Trade Based & Credit Backed Money Laundering with
- Recent typologies and case studies.

AML & CFT Conference

Bank Asia PLC Organized annual conference for to create awareness for:

- All Employees of the Bank
- BAMLCO's of Bank
- Senior Management Team
- Honorable Board of Directors.

Adverse Media News Service

Bank Asia subscribed Adverse Media News Service to monitor the activities of the customer for identifying the suspicious activities/transactions

Conference on AML & CFT

AML & CFT Division organize BAMLCO Conference, AML & CFT Conference etc.

Lead Bank Training

In collaboration with BFIU, Bank Asia Organize Lead Bank Training for the officers and executives of different district. Operate

SPECIAL ASSET MANAGEMENT

The Special Asset Management Division (SAMD) at Bank Asia is a dedicated unit that specializes in managing distressed and non-performing assets. Focused on addressing willful defaulters and deliberate misconduct, SAMD approaches its work with a combination of firmness and empathy. The division is not only aggressive in its pursuit of resolution but also receptive to valid concerns during negotiations.

In recent years, SAMD has made considerable efforts to resolve long-standing delinquent accounts, often through the liquidation of collateral. As a key player in non-performing loan (NPL) management, SAMD has also played a vital role in authorizing the recovery of written-off and classified funds for the bank, including interest suspense and unpaid interest. This consistent commitment over several years has strengthened asset quality, while also ensuring that any profits derived from classified or written-off accounts are significantly maximized. At year end, the CL amount stood at Tk. 33,477.95 million, with a CL% of 11.40%.



Major activities in 2024

- Conducted regular visits to branches and accounts to assess recovery opportunities and ensure effective management of delinquent assets.
- Organized branches into strategic zones and set up dedicated monitoring teams to improve recovery efficiency and accountability.
- Established streamlined communication systems for consistent, effective correspondence between SAMD and branches.
- Focused on tailored solutions, such as rescheduling payments and settlement negotiations, to ensure optimal recovery from defaulters.
- Actively pursued legal actions, including filing court cases, to apply pressure on defaulters and expedite the recovery process.
- Focused on continuous development and training to build capacity and ensure sustained recovery performance.



Cash Recovery 2024

Classified Loans Tk. **5,948** Million

Written off Loan Tk. **229** Million

Stressed Loan Tk. **6,180** Million

Strategies for NPL Management & Recovery Process

- Regular visits to customers, businesses, and collateral sites to build strong relationships, assess asset conditions accurately.
- Constructive and empathetic negotiations with customers, exploring options for rescheduling payments, offering customized repayment plans and reaching mutually beneficial settlements that addressed both the bank's and the customers' needs.
- Legal action against all default customers, securing overdue payments and safeguarding the bank's financial interests by exploring every possible recovery option.
- We identified Customer-Centric Recovery Solutions for improvement in our engagement strategies with defaulters, ensuring that recovery efforts remained flexible and customized to meet the unique needs of each customer, resulting in improved recovery outcomes.
- From the beginning of 2024, we implemented the POE technique, prioritizing recovery from CL (Classified) and WO (Written-Off) accounts. This strategic focus helped us achieve maximum recovery from high-priority accounts.
- We strengthened collaboration between SAMD, Branch Teams, and Legal Team to ensure seamless coordination of recovery efforts. This cross-functional approach facilitated better alignment and efficient sharing of information across departments.

Million Tk.

Performance of Legal Unit in 2024	No	Value
Total Artha Rin Suit as on 31.12.2023	583	42,066
Artha Rin Suit Filed in 2024	66	20,805
Total Artha Rin Suit as on 31.12.2024	646	62,870
Decree Obtained in 2024	43	3,753
Solenama submitted before the court in 2024	01	45
Total NI Act Cases as on 31.12.2023	555	20,279
NI Act Cases Filed in 2024	220	19,863
Judgment obtained in 2024	55	1,841
Total NI Act Cases as on 31.12.2024	720	38,001
Cash Recovery through Legal Process in 2024		1,564

Sub-Standard Million TK.

2024 **2,303**

2023 **1,781**

Doubtful

2024 **4,439**

2023 **1,052**

Bad & loss

2024 **26,736**

2023 **16,677**

CAPITAL STRENGTHENING

Bank Asia is always eager 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 15.61% as on December 31, 2024 against required 12.50% (including buffer@2.50%).

To bring the good business growth, Bank Asia has completed the transaction of Tk.5,000 million of perpetual bond as additional Tier-1 capital as of January, 2024. Moreover, the bank has also taken decision for issuing Subordinated bond of Tk. 4,000 million out. In this regard, Bank Asia has raised fund of Tk.2,000 million under private placement out of Tk.4,000 million. This capital will be added to bank's Tier-2 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 162-183](#)

CORPORATE GOVERNANCE

In essence, corporate governance is a system ensuring a company's accountability to its stakeholders. It is achieved through internal controls and procedures that are implemented throughout the company's life cycle. Bank Asia prioritizes fairness, transparency, accountability, and responsibility in its corporate governance approach. Our disclosures on compliance with BSEC and Bangladesh Bank guidelines demonstrate the strong compliance culture of the Bank.

In recognition of that, in 2024 Bank Asia has been awarded 1st prize by ICAB (Institute of Chartered Accountants of Bangladesh) for Corporate Governance disclosures. The details of corporate governance practice of Bank Asia are discussed in a separate segment 'Corporate Governance' under [page no 228-283](#).

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. 134 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. 218-223](#)

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 and Sustainable Finance scheme, Bank Asia has disbursed Tk. 123,604 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. 10.39 million in 2024. Green Banking of the bank are available in Environment performance segment under [page no. 204-207](#)

BANK ASIA SECURITIES LIMITED (BASL)

The year 2024 was very disappointing for equity investors, as the benchmark index of the Dhaka Stock Exchange (DSE) lost 16.5 percent which is the biggest annual drop in last four years. The broad index of the Dhaka bourse (DSEX) fell by 1,030.1 to 5,216.4 points from 6,246.5 points and at the end of the year. This year the DSE's average daily turnover was BDT 6.3 billion as compared to BDT 5.8 billion in the previous year, risen by 9.3 percent. Moreover, the total market capitalization decreased by 15.1 percent to BDT 6,626.2 billion from BDT 7,808.5 billion. The overall price earnings (P/E) ratio at the end of the year was at 10.50.

The year started with investment uncertainties of holding national election, and withdrawal of floor prices of majority scrip's by BSEC. The benchmark index witnessed sharp fall as many investors rushed to sell off their holdings that were stuck on the floor for a long time. After that the market experienced a brief recovery, and the market acceded to a prolonged bearish trend affected with the central bank's monetary tightening measures and NBR's proposal to impose taxes on capital gains. Furthermore, gradual uplifting of floor price of other large-cap stocks accelerated additional draining to the ailing market, despite a failed regulatory measure of enacting the lower circuit breaker of 3% for each scrip to obstruct the market's free fall.

Following the appointment of new BSEC chairman, the regular circuit breaker policy was brought back and formed an investigation committee to review various market wrongdoings during previous commission. However, the measures have not revived the market momentum suffering from investor's confidence crisis. The initial public offerings (IPOs) remained low in 2024; six companies that received regulatory approval collected BDT 6.55 billion in 2024. Consequently, the number of beneficiary owners' accounts dropped more than 5 percent to 1.66 million in the last year.

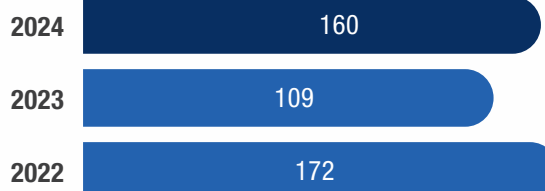
Despite of bearish movements of market, BASL has advanced its position to 7 from 9 of DSE's Top - 20 in consideration of daily turnover

throughout the year of 2024. Total Operating profit of Bank Asia Securities Limited (BASL) stood at BDT 160 million in 2024 against BDT 108 million in 2023.

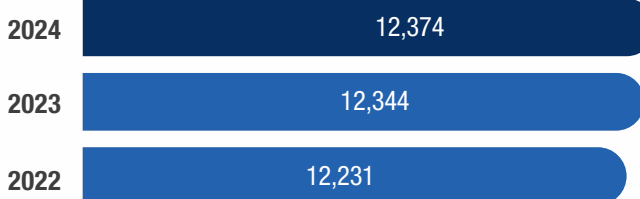
Number of total active clients reached at 12,374 in the end of 2024, which was 12,344 in December 2023. Margin loan outstanding stood BDT 4,215 million on December 31, 2024, which was BDT 4,553 million on December 31, 2023.

The current number of outlets are twelve, of which three are Digital Booth. The location of the mentioned booths is at Rajshahi, Bagura and Comilla. The number of employees reached to 66 at the end of the year.

Operating Profit Million Tk.

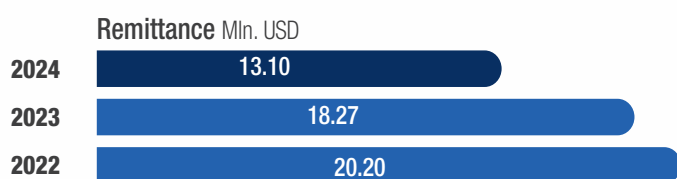


Total Active Clients

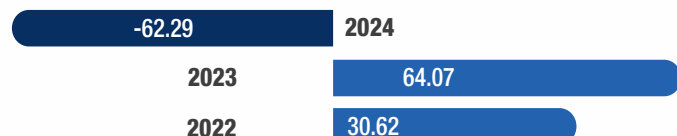


BA EXCHANGE COMPANY (UK) LIMITED

B A Exchange UK remitted USD 13.10 million in 2024. The UK remittance market presents a challenging environment, particularly for companies targeting the Non-Resident Bangladeshi (NRB) community. The market is characterized by a limited client base, as immigration flows into the UK for permanent settlement have stabilized, resulting in a lack of significant growth in the potential customer pool.



Profit & Loss Thousand £



Agent Business Model:

As part of our business expansion strategy and revenue growth initiatives, we have initiated a strategic plan to introduce the Agent Operation model. Our highly functional organizational capacity ensures seamless collaboration between B A Exchange UK and agents. This approach enhances efficiency, expands market reach, and strengthens customer trust. By leveraging strategic partnerships, we optimize service delivery and operational effectiveness.

Meet & Greet Service at Dhaka Airport:

BA Exchange has already launched a Meet & Greet service at Dhaka Airport, designed to offer a personalized and welcoming experience for our esteemed customers. This service aims to facilitate a seamless and comfortable transition throughout their travel journey.

Pre-Paid Travel Card Launch:

In response to the changing needs of our customers, BA Exchange has launched a Pre-Paid Travel Card specifically designed for use in Bangladesh. This forward-thinking solution provides our customers with a convenient, secure, and adaptable payment option, enriching their travel experience within the country.

Consistently Quality Customer Service:

At the heart of our accomplishments lies our steadfast dedication to delivering exceptional customer service. The key to our success is the trust and loyalty of our customers, and we remain focused on enhancing their experience.

Remittance
USD **13.10** million.



BA EXPRESS USA INC.

BA Express USA Inc. is a wholly owned subsidiary of Bank Asia PLC, operating as a money transmitter since 2014 and licensed by the New York State Department of Financial Services. Currently, BA Express has four branches and numerous agent locations, with plans to expand to more locations throughout New York State.

This year, BA Express achieved a record of high remittance volume of \$101.12 million and earned a profit of \$842,883. However, the business's growth is subject to the competitive rates offered by large multinational companies in the USA and the market rates in Bangladesh.



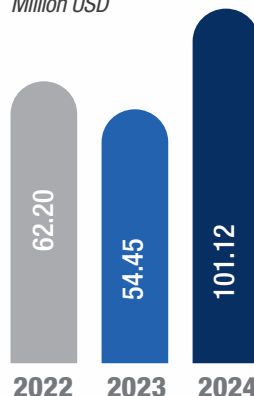
FUTURE PLANS

- To become the most preferred and popular money remitting company
- To launch a mobile app
- To be the leader in the remittance industry in New York

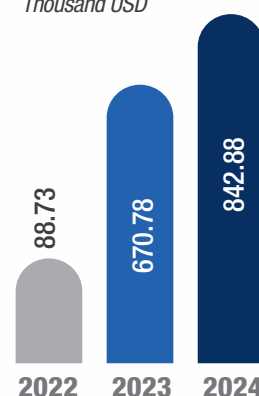
Remittance
USD **101.12** million.



Remittance Million USD



Profit/Loss Thousand USD



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. 271-272](#)) 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) 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

Zakia Rouf Couwdhury
Second Vice Chairman

Rume A Hossain
Director

Enam Chowdhury
Director

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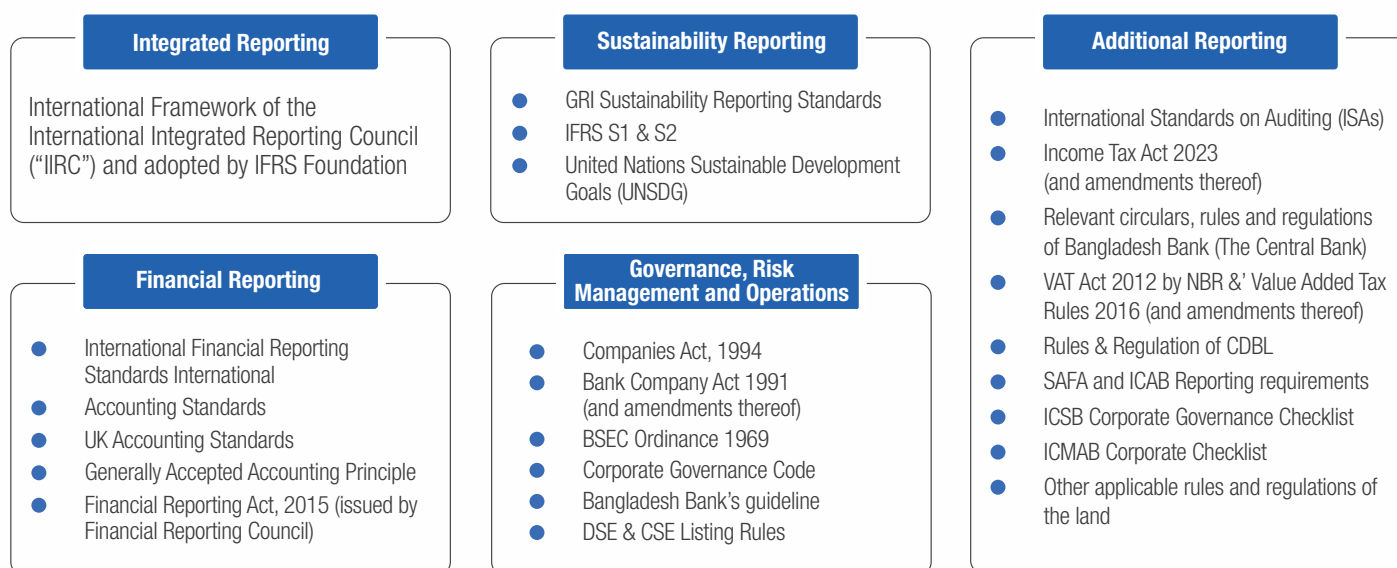
Our Approach to INTEGRATED REPORT

Welcome to Bank Asia's annual integrated report 2024. We are contented to present our eleventh 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.

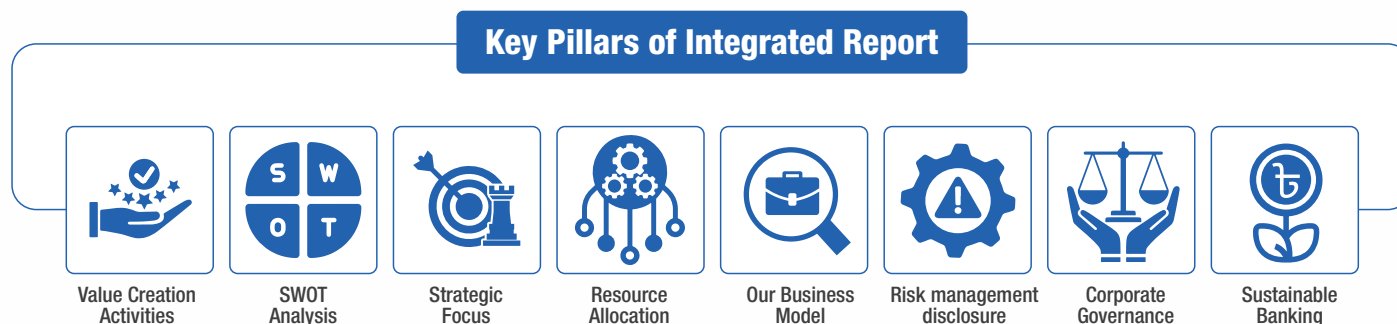
We have tried to keep this report brief, consistent and complete, including all material matters, both positive and negative in a fair way. This report ensures accurate data of the bank's operation, both financial and nonfinancial performance according to our strategic planning & way to establishing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

Significant Reporting frameworks, standards, regulations and guidelines



Scope, Boundaries & Comparability of this Report

Our AIR covers the period from January 01, 2024 to December 31, 2024 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 PLC 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 2023 in terms of measurement methods, explanation of any restatement of information, time frames and entities.

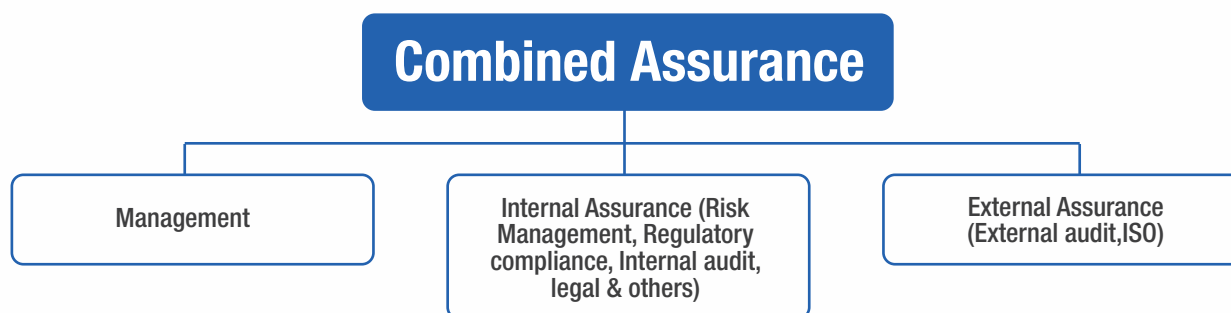


Forward Looking Statements

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 PLC. has always obtained Combined Assurance from both internal & external perspective.



Financial Assurance

- Financial Statement Audit Report: **MABS & J Partners**
- Gratuity Fund Financial Audit: **Hasan Hussein & Co.**
- Provident Fund Financial Audit: **Hasan Hussein & Co.**
- Investment (Bond) Surveillance Rating: **CRISL & CRAB**
- Investment Promotion and Financing Facilities (IPFF) Certification: **MABS & J Partners**
- Nostro Reconciliation Audit: **MABS & J Partners**
- Entity / Credit Rating: **CRAB**
- Superannuation Fund Audit: **MABS & J Partners**
- Risk Management Assurance: **Bangladesh Bank**
- Benevolent Fund Audit: **Hasan Hussein & Co.**
- Gratuity Fund Actuarial Valuation: **AIR Consulting Limited**
- Cash Incentive: **MABS & J Partners**

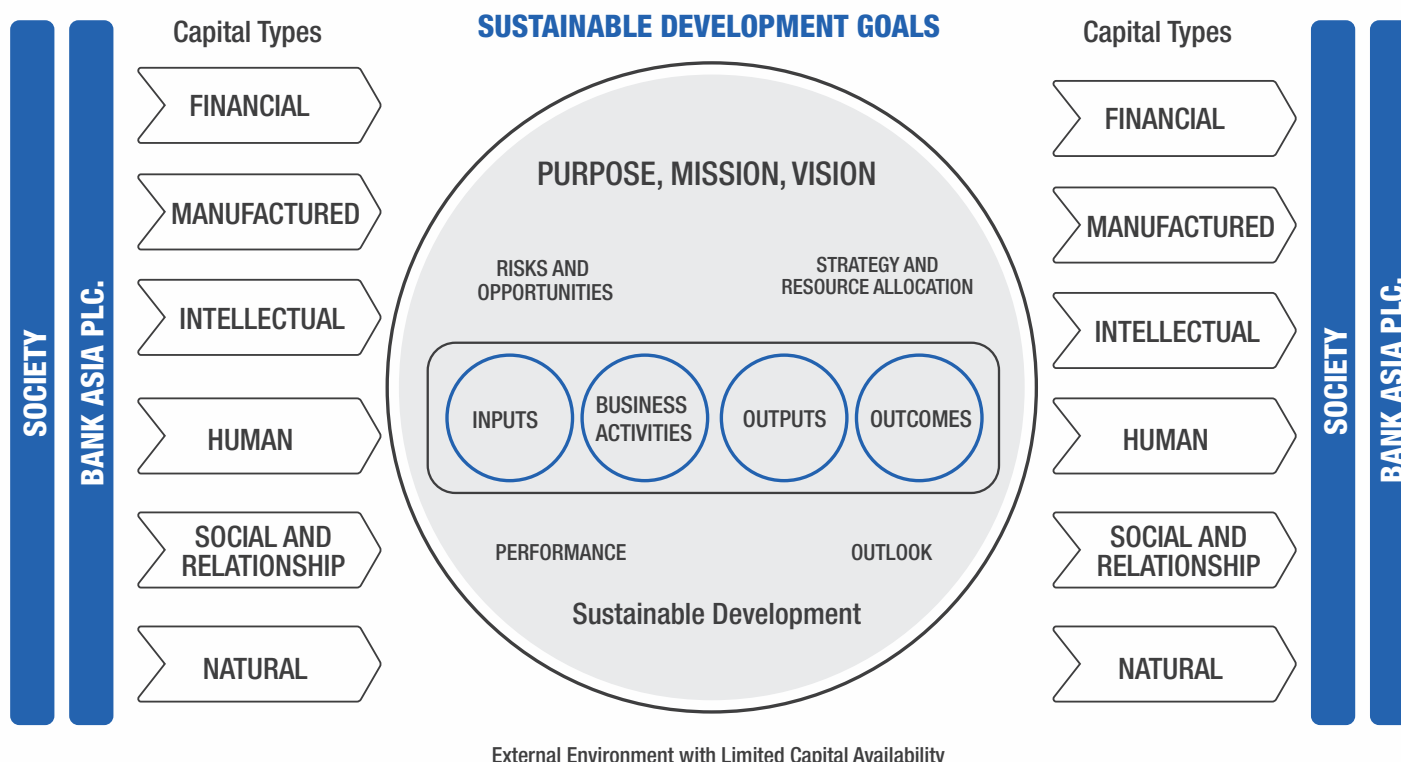
Corporate Governance

- Corporate Governance Certification: **Suraiya Parveen & Associates**
- Information Technology
 - ISO Certification: **British Standard Institute (BSI)**
- Sustainability Reporting
 - Global Reporting Initiative (GRI)

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.

INTEGRATED FRAMEWORK PROCESS



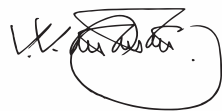
Responsibility and Integrity of the Annual Integrated Report

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, all material issues have been addressed and fair presentation on Bank's integrated performance & its overall impact has been made.

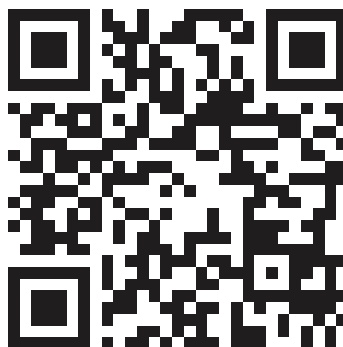
Board of Directors' Commitment towards Integrated Reporting

I, on behalf of the Board, ensure that all material aspects of Integrated Reporting have 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,



Romo Rouf Chowdhury
Chairman
Bank Asia PLC.



www.bankasia-bd.com



Regulatory compliance Certificate

Credit Rating

Corporate Governance

CREDIT RATING AGENCY OF BANGLADESH LIMITED 

Ref: ACL/RCM/240626/2024- **8634** 25 June, 2024

Mr. Sohail R K Hussain
Managing Director
Bank Asia PLC
Bank Asia Tower, 32 & 34
Kazi Nazrul Islam Avenue, Karwan Bazar
Dhaka.

Dear Sir,

Subject: Credit Rating (10th Surveillance) – Bank Asia PLC.

We are pleased to inform that the Credit Rating Agency of Bangladesh Limited (CRAB) has assigned the following rating to Bank Asia PLC:

Particular	Rating
Long Term	AA1
Short Term	ST-1
Outlook	Stable

ST-Short Term.

This rating is valid up to 30 June, 2025. The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or financials of Bank Asia PLC.

We hope this rating, which will be followed by a detailed report, will serve the intended purpose of your organization.

Yours Sincerely,



Mohammed Zubair Wafa
Chief Executive Officer



DH Tower, Level-19, 6 Panthapath, Dhaka-1215; E-mail: info@crab.com.bd, Web: crab.com.bd
■ +88-02-55013681-82, 55013684, (F-Phone (Hunting)) 09613000011, Fax: 55013679

 **Suraiya Parveen & Associates**
(Chartered Secretaries, Financial & Management Consultants)

[Certificate as per condition No.1 (5) (XXVII)]

**Report to the Shareholders of
Bank Asia PLC. on compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by **Bank Asia PLC.** for the year ended on 31st December 2024. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Dhaka, Dated
May 19, 2025

 For Suraiya Parveen & Associates
Chartered Secretaries


Suraiya Parveen, FCS
Chief Executive Officer

Office Address: Razzak Plaza (9th Floor) Suite-10G, 383 Tangi Diversion Road (old), 2 Shahid Tajuddin Ahmed Sarani (New), Moghbazar, Dhaka-1217, Mobile: 01911-421998, 01713-110408, E-mail: suraiyaparveenfcs@gmail.com, musfiquefcs@gmail.com

Integrated Report

1. ELEMENTS OF AN INTEGRATED REPORT

1.1 Organizational overview and external environment

Bank Asia PLC 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, 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. 192** of AIR-24 under Corporate Profile.

Mission & Vision of Bank Asia PLC:

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-24.

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 could be found in **Page 12 & 15** of AIR-24.

1.1.a.ii) Bank Asia's Ownership and operating structure

Bank Asia PLC 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.

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

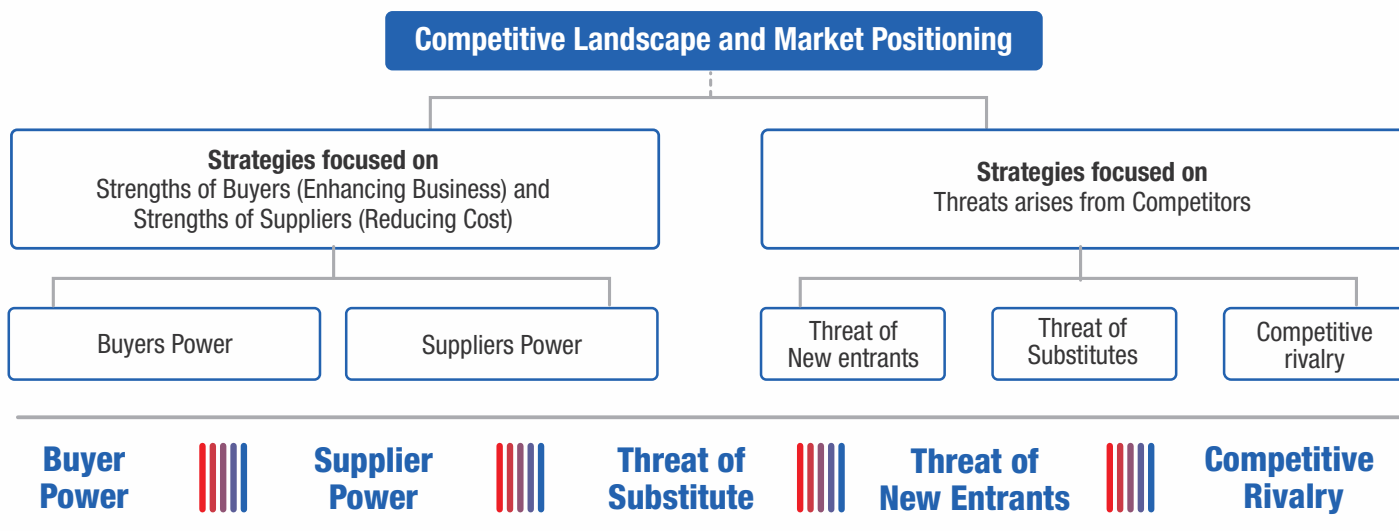
The activities of the bank is permitted by the Income Tax Act 2023 (and amendments thereof), Companies Act 1994 (amended up to 2020), Memorandum of Association (MoA) and Articles of Association (AoA).

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: 196** of AIR-24 under products and services.

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. 190** of AIR-24 under Report Parameter.

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.



Buyer Power Moderate

Factors

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

BA's response & way forward

- Developed value added products and services to sustain in the bank industry
- Provide high quality secured digitalized services by maintaining customer satisfaction level
- Explore income alternatives both fee and non-funded based
- Enhance relationship both existing & prospective customers
- Expand our retail and SME customer base further
- 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 are the Primary sources
- Individual depositors and employees have minimal bargaining power
- Corporations, high net worth individuals (HNWIs), high ranking management officials can exercise significant influence on the bank

BA's response & way forward

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

Threat of new entrants Low to Moderate

Factors

- Due to large initial capital requirements and necessary regulatory requirements, barrier entry is high
- Shifting focus to the retail and SME segment
- Establishment of new entity in current market is so competitive

BA's response & way forward

- 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 banks in the country, Bank Asia has already built a sufficiently diverse and loyal customer base which only continues to grow every year
- Enact and maintain proper regulations in the corporation capture a prestigious value of this bank

Threat of substitute High

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 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

BA's response & way forward

- 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
- Ensuring proper service quality with expertized manpower

Competitive rivalry High

Factors

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

BA's response & way forward

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

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				
	2024	2023		
Deposit	2.39%	2.19%	Export	2.64%
Loans & Advance	1.90%	1.87%	Import	2.95%
			Remittance	4.14%
				3.76%




Details on [page no. 126-127](#) of AIR-24.

1.1.b) Key quantitative information of Bank Asia

Bank Asia's number of employees, branches, operating income for the year, debt and equity position and our banking channel details have been given on [page no. 202](#) of AIR-24 under Corporate Profile.

PESTEL Analysis

- 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

 Political	 Economic	 Social
Uncertainty regarding the Interim Government's Action Plan	High Inflationary Pressure	Rapid Urbanization
Monetary Policy Tightening	High Unemployment Rate	Widening Income Inequality
Conflict in the Middle East	Exchange Rate Volatility Depleting Foreign Exchange Reserve	Increased use of Social Media Platforms
Impact of Russia-Ukraine war in Supply Chain Disruption	Increased Taxation	Dynamic Demography & Change in Lifestyle
IMF'S Economic Reform Demands	High Non Performing Loans	Growing usage of Artificial Intelligence

Impact

High

High

High

BA's Response

- Align the business strategies of the Bank more prudently to avoid future risk and uncertainties.

- Maintain strong financial performance over the year
- Strong Credit Rating
- Maintaining adequate capital adequacy
- Focusing more to curb high performing loans

- Diversify Bank Product Offerings to Cater to the Different Customer Segments
- Efficient Mobile App to Appeal to the banking Needs of the Customers
- Increased Investment in CSR Activities
- Use of AI to cater banking needs of different segmented customer

Risks Category

- Credit
- Capital Market
- Strategic

- Credit
- Strategic
- Capital Market
- Liquidity

- Market Reputation
- Strategic

Further details




Chairman's Statement, MD's Review, World Economy, Bangladesh Economy

Chairman's Statement, MD's Review, World Economy, Bangladesh Economy

Summary Sustainability Report

As the world continues to change, we are experiencing a wide range of new, more difficult problems as a result. The ability to overcome these difficulties and develop effective mitigation methods is essential for a company to thrive in the long run.

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.

 Technological	 Environmental	 Regulatory & Legal
Infrastructural Development	Environmental Degradation	Weak Intellectual Property Protection
Emergence of Tech Based Startup And Growing Market Share of Fintech Companies	New regulation on Sustainable Finance	Weak Labor Law
Increased Emphasis on AI Implementation And Big Data Analytics	Increased Emphasis on Green Banking Programs	Increase in Business Environment Scrutiny
Increased Use of BI Tools & growth of Digital Banking Solutions	Compliance of Different Instruction of Regulators	Customer Data Protection
Risk of Cyber Security Breaches	Focusing more to achieve SDG	Compliance of Bangladesh Bank And Other Regulatory Frameworks

Impact

High	Moderate	High
BA's Response		
<ul style="list-style-type: none"> ● Incorporating Data Analytics to Customize Customer Experience ● Strengthening Banks Cyber security control through implementation of various intensive tools like PAM, FIM, SIEM etc. ● Optimization of the Bank Asia Smart App to Suit Customer Needs 	<ul style="list-style-type: none"> ● Achieve sustainable growth in align with ESG guidelines ● Loans of Tk. 119,112 Million impacting 63,066 borrowers for Sustainable Finance ● Disbursed Tk. 4,492 Million under Green Finance project 	<ul style="list-style-type: none"> ● Maintaining the Law And Complying with the Legal Framework ● Recording And Reporting All Financial Statements Correctly And Deliver on Time ● Ensure Timely Follow-Up on Court Cases to Expedite Resolution and minimize any potential impact on the organization
Risks Category		
<ul style="list-style-type: none"> ● Credit ● Operational ● Market Reputation ● Strategic 	<ul style="list-style-type: none"> ● Reputation ● Social ● Strategic 	<ul style="list-style-type: none"> ● Reputation ● Capital Market ● Strategic
Further details		
Director's Report	Summary Sustainability Report	Risk Management Report, Corporate Governance Report

1.2 GOVERNANCE

Corporate Governance refers to the relations between the management of a company and its 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.

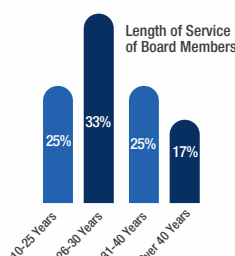
Organization's governance structure support its ability to create value in the short, medium and long term

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. 229](#) of AIR-24 under Corporate Governance Framework in Bank Asia.

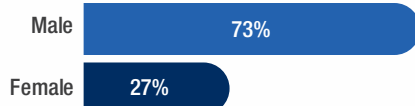


1.2.a) Bank Asia's leadership structure, including the skills and diversity (e.g., range of backgrounds, gender, competence and experience) of those charged with governance and whether regulatory requirements influence the design of the governance structure

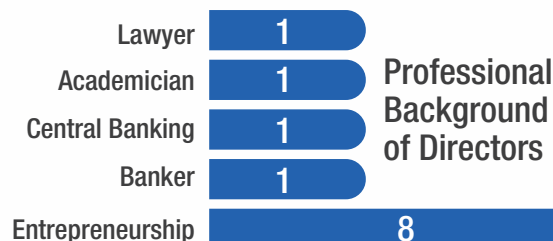
The present size and composition remains well-balanced and it's made up with professionals with a wide range of knowledge and experience in business, operations and finance to set direction of a large and expanding bank. Bank Asia complied with pertinent guidelines of Bangladesh Bank circulars, rules and regulations of the Companies Act 1994 (amended up to 2020), Bank Companies Act 1991 (amendments thereof), Bangladesh



Gender Diversity of Board Members



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. 24-29](#) of AIR-24.



Details regarding the Knowledge & expertise in Finance & Accounting of Board of Directors can be found in [page no. 242](#) of AIR-24 under sub-heading 1.10.

The primary responsibility of the board and its composition details can be found in [page no. 238](#) of AIR-24 under sub-headings 1 and 1.1.1

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 (amendments thereof), 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-24 under Business Ethics.

The code of conduct followed by the Board of Directors is detailed on [page no. 240](#) of AIR-24.

Corporate Governance Compliance Checklist in line with Bangladesh Securities and Exchange Commission (BSEC) Regulation in [page no. 261](#) of AIR-24 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. 271](#) under Compliance Checklist in line with the Companies Act, 1994 (amended upto 2020).

Integrated Report

1.2.d) Specific processes used 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

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. 226-227](#) of AIR-24 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 PLC. has its own Risk management framework for overall risk management of the Bank. This framework is combination of Board

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. 146](#) of AIR-24.

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. 157](#) of AIR-24.

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. 110](#) of AIR-24 under sub-heading 1.3.1 and details regarding individual capitals have been described in [page no. 130-143](#).

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. 240](#) 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.



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;

The detailed explanations are given in the following segments:

- Statements of Directors' responsibility to establish appropriate System of Internal Control **Pg: 234**
- Statement of Directors' on Adequacy of the System of Internal Control **Pg: 234**
- Responsibility Statement of MD and CFO **Pg: 235**

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. 250** 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:

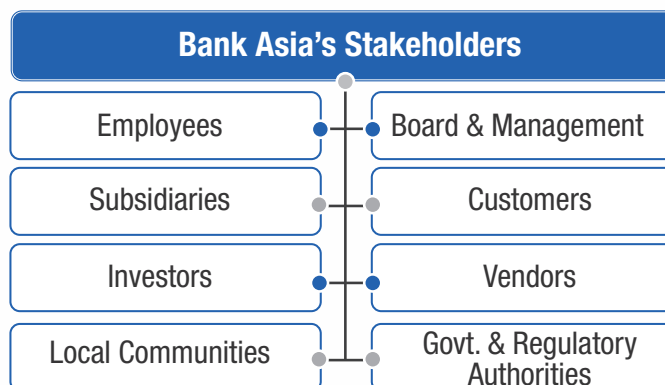
Bank Asia identified its stakeholders through conducting impact analyses in respect of:



Details on **page no. 200** of AIR-24 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. 200-203** of AIR-24 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.

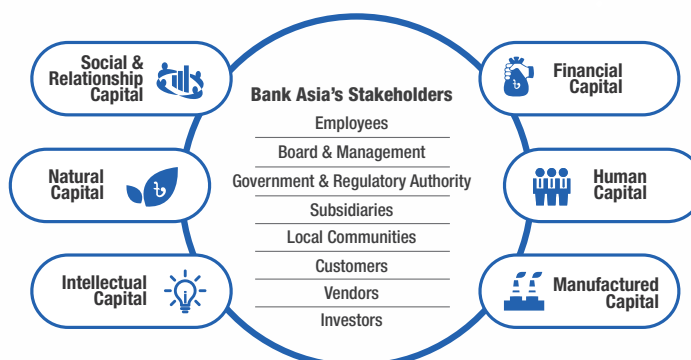
Details on **page no. 117** of AIR-24 under Material Aspects and Boundaries.

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. 200** of AIR-24 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. 130-143** of AIR-24.



Integrated Report

1.4 BUSINESS MODEL

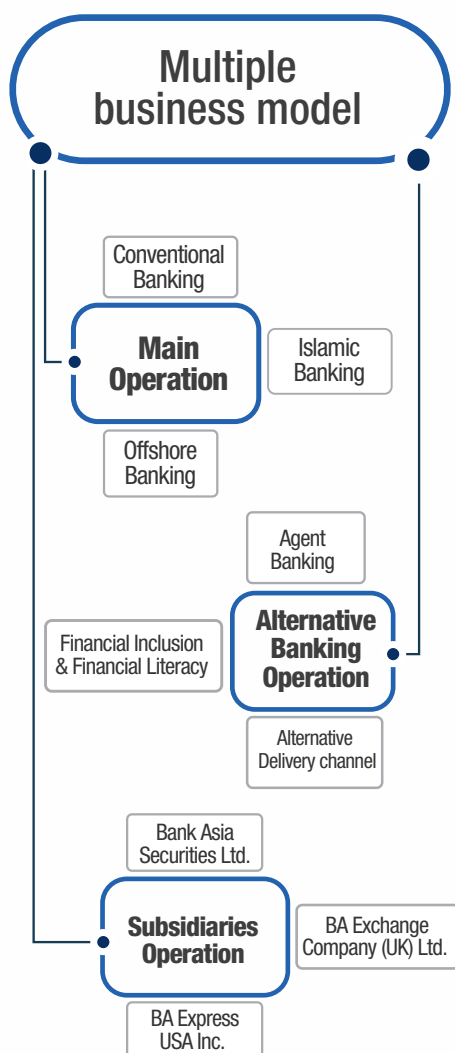
An organization's business model is its system of transforming inputs, through its business activities, into outputs and outcomes that aims to fulfil the organization's strategic purposes and create value over the short, medium and long term.

Details of the Business model given in [page no. 144](#) of AIR-24

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 Shari'ah 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 (amendments thereof), 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. 83](#)

Agent Banking: Detailed description in [page no. 86](#)

Financial Inclusion and Financial Literacy Department: Detailed description in [page no. 86](#)

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. 38](#) of AIR-24

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. 132](#)
- Human Capital: [Page no. 134](#)
- Manufacturing Capital: [Page no. 136](#)
- Intellectual Capital: [Page no. 138](#)
- Natural Capital: [Page no. 140](#)
- Social & Relationship Capital: [Page no. 142](#)

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. 200](#) under Stakeholder engagement and how we resolve stakeholder complains and concerns have been provided in [page no. 226](#) under Stakeholders Relationship/ Grievance Redressal.

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

KPIs that combine financial measures with other components

Million Tk.

Item	2024	2023	Growth
Deposit	416,559	361,617	15%
Loans & Advances/ Investments	293,726	291,325	1%
Import	206,884	205,373	1%
Export	146,627	150,524	-3%
Remittance	125,306	86,123	46%

REDUCING CARBON FOOTPRINT

Total Outstanding as on 31.12.2024

Million Tk

Renewable Energy	2,062
Energy & Resource Efficiency	3,372
Liquid Waste Management	930
Circular Economy & Eco-Projects Financing	3,497
Environment Friendly Brick Production	536
Green/Environment Friendly Establishment	1,933
Sustainable Agriculture	2,728
Sustainable MSME	17,690

1.6 INTERNAL CONTROL, COMPLIANCE AND RISK MANAGEMENT OF BANK ASIA PLC.

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

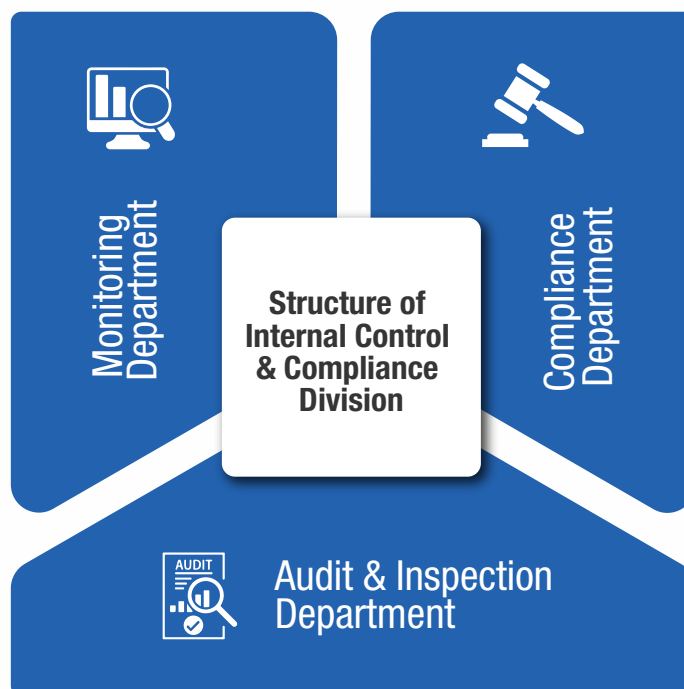
Acknowledgement of Directors' Responsibility in respect of Bank Asia's internal control system to safeguard Stakeholder Interest

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. 235](#) of AIR-24.

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. 230](#) of AIR-24 under Roles & Responsibility of Board Audit Committee.

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



Audit and inspection covers

- 131** branches
- 04** SME service centers
- 05** IBWs
- 14** Sub-branches
- 20** Corporate Office Departments
- 715** agent outlets
- 10** Different Units of Agent Banking



Monitoring

- 508** off-site reports
- 233** exception reports



Special Audit on Anti-money Laundering

- 18** Branches



ICT/IS Audits

- 72** Branches and corporate office division/departments



Shariah Audit

- 60** Branches



Compliance Test

- 131** branches
- 04** SME service centers
- 05** IBWs
- 20** Corporate Office Divisions/Departments

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. 124](#) of AIR-24.

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. 152](#) of AIR-24 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. 148](#).

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. 119](#) of AIR-24 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. 57](#) of AIR-24 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. 122-123](#) of AIR-24.

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. 144-145](#) of AIR-24 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. 127](#) of AIR-24 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. 54](#) under Performance Highlights of the 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. 119](#) of AIR-24 under Strategic Plans and Outlook of Bank Asia, [page no. 289](#) of AIR-24 under Capital Planning (Banking Operation) 2024-2029.

1.9 BASIS OF PREPARATION AND PRESENTATION OF INTEGRATED REPORT

Bank Asia's Integrated Report 2024 has been prepared in accordance with the <IR> framework guideline as its basis as outlined by the International Integrated Reporting Council (IIRC).



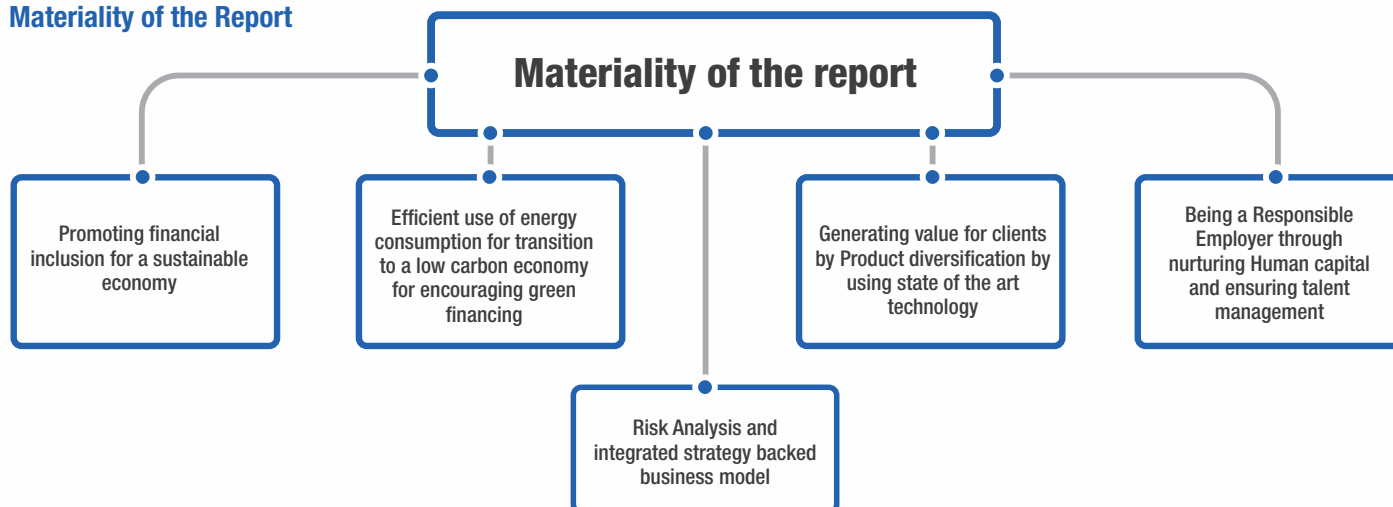
1.9.a) Factors considered in our materiality determination process

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. 50-51](#) of AIR-24 under Priorities we followed in 2024 and in [page no. 117](#) of AIR-24 under Material Aspects and Boundaries.

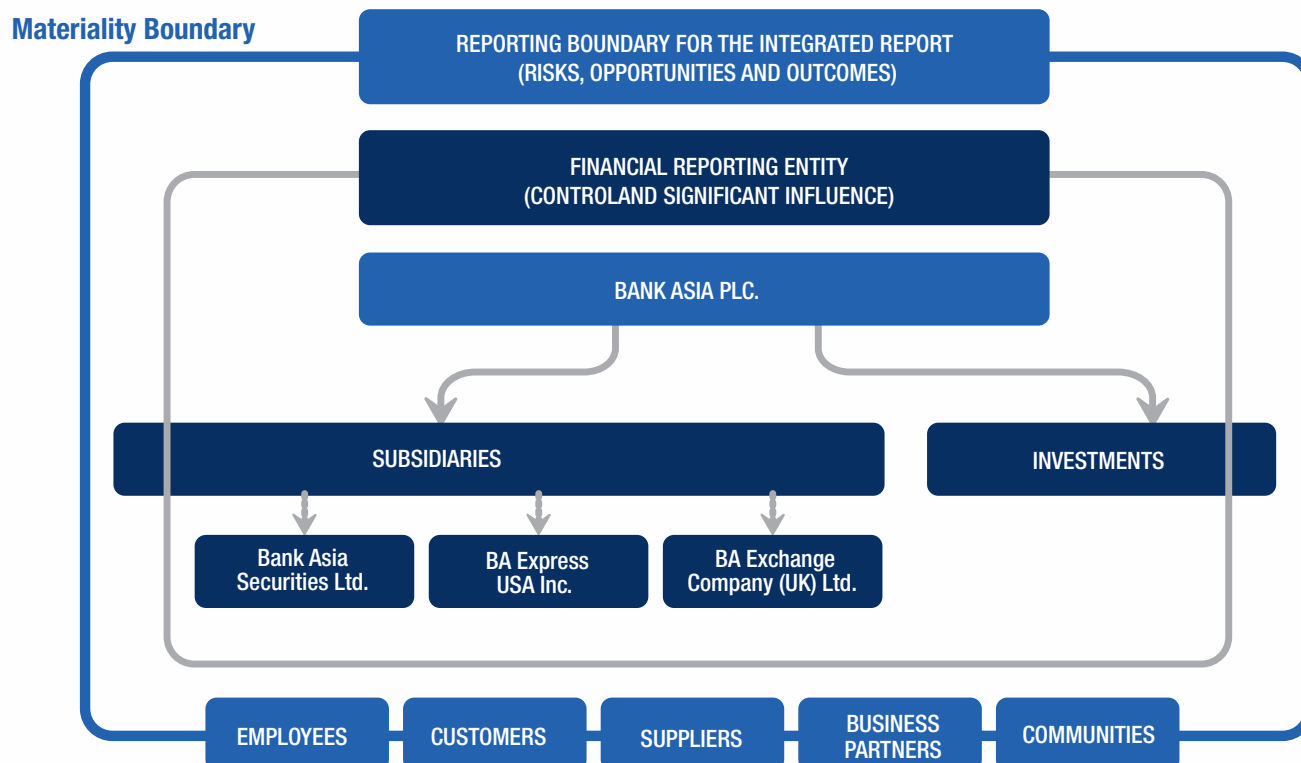
1.9.a.i) Bank Asia's Materiality Determination Process

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.

Materiality of the Report

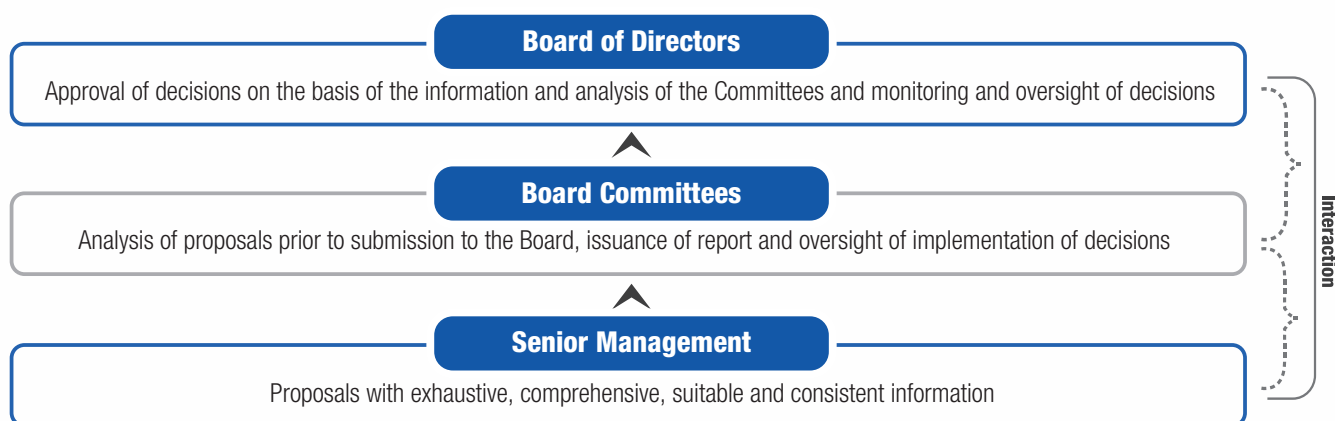


Integrated Report



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

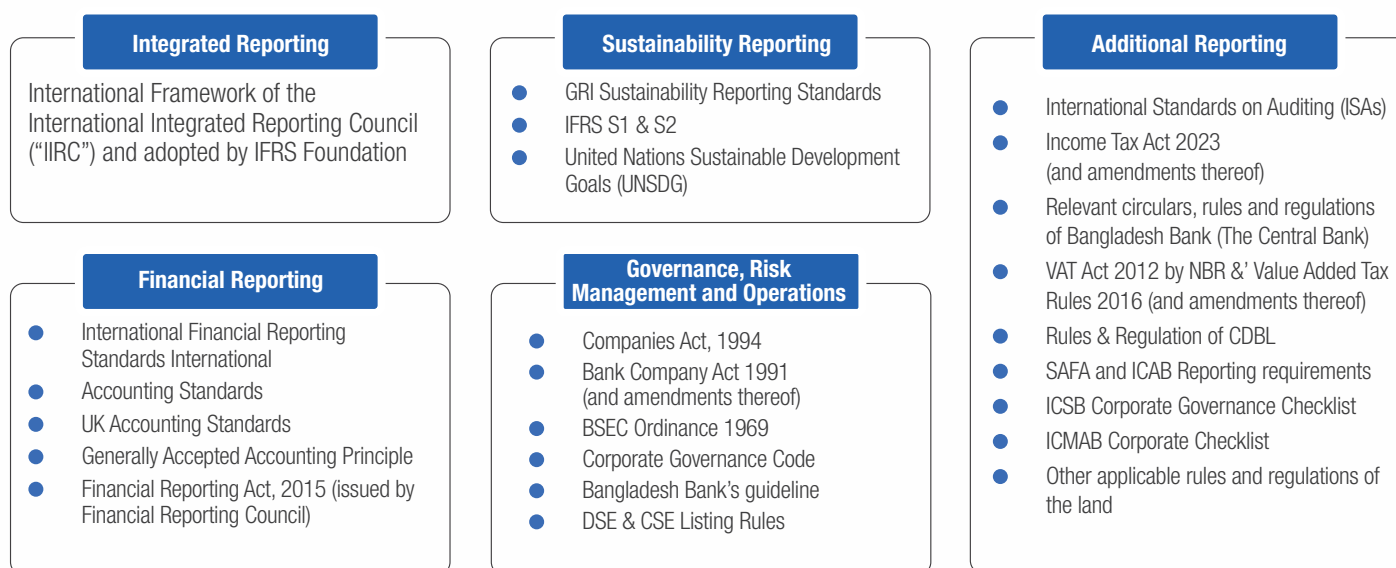
The Board and Senior Management Team are the key personnel in the identification and prioritization of material matters of Bank Asia. The senior management team prepares proposals after thorough analysis which is then reviewed by the Board Committee before being sent for final approval to the Board of Directors. Details on [page no. 243-245](#) under sub-headings 1.12-1.19.



1.9.b) Reporting Boundary

The report boundary of the year 2024 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

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



2. RESPONSIBILITY FOR AN INTEGRATED REPORT

Statements from those charged with governance that includes:

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

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. 100-102** of AIR-24 under Integrated report.

2.b) Acknowledgement to the preparation and presentation of the integrated report

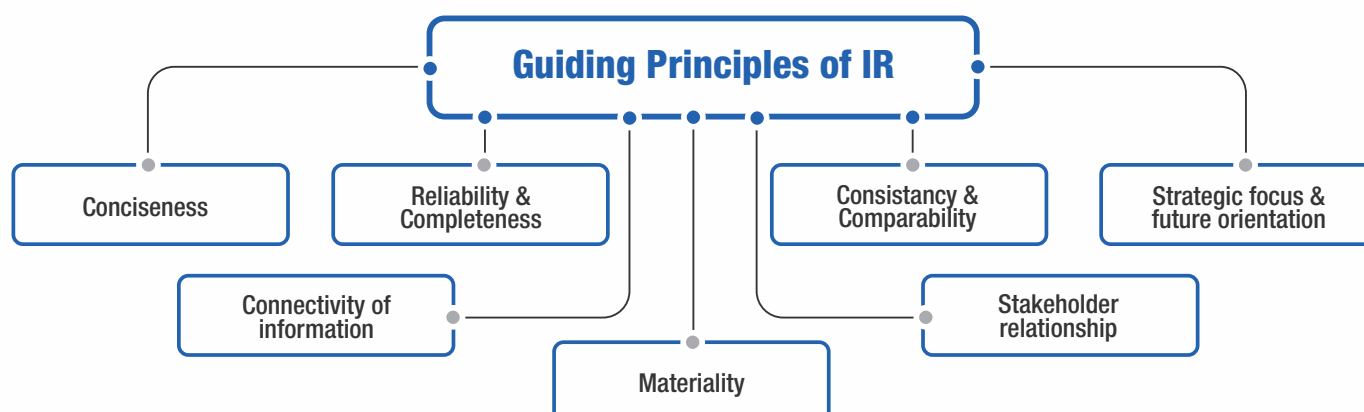
The Board and the management also ensures that reasonable care has been taken in preparation and presentation of this Integrated Annual Report and addresses all material issues and make fair presentation on Bank's integrated performance and its overall impact. Details on **page no. 235** of AIR-24 under 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. 100-101** of AIR-24 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 2024 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 of the six individual IR capitals as well as their capital trade-offs have been explained in their respective segments from [page no. 130-143](#) of AIR-24.

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. 122](#) of AIR-24 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. 123](#) of AIR-24 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 2020 as the base year. Details on [page no. 42](#) of AIR-24

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. 43](#) of AIR-24

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. 160](#) of AIR-24

Banking Industry: An overall highlight of the country's banking industry in terms of key financial indicators has been detailed on [page no. 65](#) of AIR-24

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. 204](#) of AIR-24

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. 128-129](#) of AIR-24

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

Material Aspects and Boundaries

Material Aspect	Boundaries inside the organization	Boundaries outside the organization
Financial Inclusion	Client base of the organization increases with diversity, tapping 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.

3.6 Assurance on the Report

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



Strategic Plans & Business Outlook of Bank Asia

	Goals	Plans
Short-Term (< 3 years)	<ul style="list-style-type: none"> 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 Digital innovation to be more competitive Best utilization of surplus fund by investment in T-bill-bond to ensure higher risk free income. 	<ul style="list-style-type: none"> 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 AI tools and do digital documentation Efficient use of all agent outlets, micro merchants, sub-branches 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)	<ul style="list-style-type: none"> Diversify our portfolio & develop new products/services to generate additional income 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 segment Further improvement of customer service Become number 1 employee/ employer of choice among all the PCB's and create a sustainable work force Investment in AI based technological platform for ensuring smooth, faster and flawless operation. 	<ul style="list-style-type: none"> 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 AI/chat bot 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 Move closer to "net-zero equation" to reduce carbon footprints

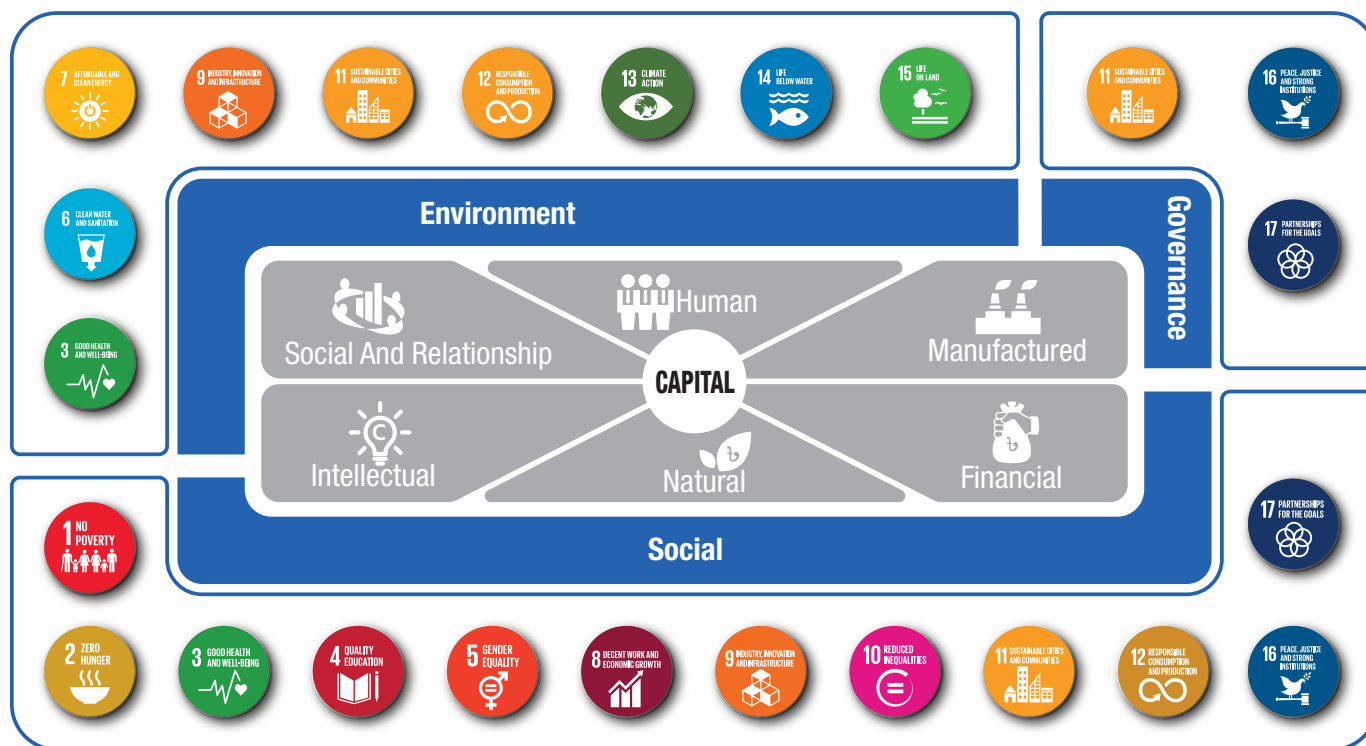
ESG Approach and our priorities

As an organization rooted in responsibility, we are committed to sound Environmental, Social and Governance (“ESG”) practices. Since its inception, the organization has been contributing to the banking industry in its sustainable development journey.

Having a strong ESG structure in place helps us to identify and manage sustainability-related risks, comply with regulations, and meet the expectations of customers, investors, and other stakeholders.

Our focus is on creating impact on the Sustainable Development Goals (SDGs), our Environment, Social, and Governance (ESG) programs supports for developing a better society.

This year, we further focused on green & sustainable financing, community and society, employment practices, customers’ feedback, ESG risks in lending, procurement practices, governance, transparency and accountability.



We endeavor to drive a paradigm change in how ESG (Environmental, Social and Governance) and its parameters are perceived in the banking sector. We are building in ESG parameters into our own business through our products and services by screening opportunities and managing risks is an attempt to drive such change.

ESG Roadmap

Integrating sustainable business practices is a core objective here at Bank Asia. In order to maximize the value of the shareholders, maximize societal welfare, and ensure the protection of the environment Bank Asia is committed to incorporate ESG initiatives and create long-term value as well as strengthen the longevity of the bank. In an age of ongoing conflicts in various parts of the world, where peace and harmony of the society is being constantly disrupted, affecting business growth and sustainability, we take pride in addressing the needs of our internal and external stakeholders to enrich the survivability of our three bottom lines. We choose to navigate the obstacles and find opportunities to integrate ESG and TBL goals to support the goals we have set for ourselves. Here at Bank Asia, we are committed to invest in both green and sustainable activities aiming to encourage environment-friendly initiatives for mitigating the effects of climate change as well as achieving net zero goal by 2050.

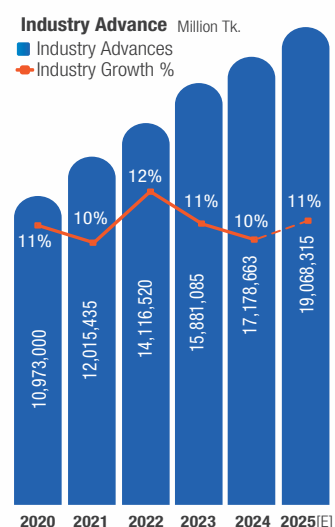
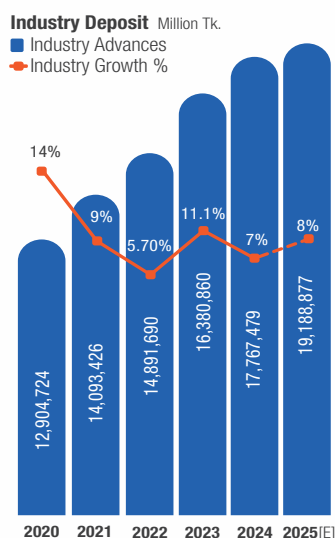
Objective	Strategic Goals	Key Initiatives	Capital Allocated	Where We Stand		
				2024	2030	2050
Environmental Risk Mitigation Framework						
Reducing Environmental Impact	Promoting Sustainable Finance Initiatives	<ul style="list-style-type: none">● Dedicated Sustainable Finance Help Desk● Funding Sustainable Linked Finance Projects for Lower Interest Rate	Financial Capital Intellectual Capital			
	Building Sustainable Portfolio	<ul style="list-style-type: none">● Environmental & Social Due Diligence (ESDD) checklists Tobacco/Weapons/Munitions/Gambling/Casinos/Pornography Free Portfolio	Financial Capital Intellectual Capital Natural Capital			
	Responsible Consumption	<ul style="list-style-type: none">● Quantification of In-house Facilities and Energy Consumption● Energy Conservation● Efficient Waste Management	Natural Capital Manufacturing Capital			
	Climate Change Mitigation	<ul style="list-style-type: none">● Reducing Carbon Footprint● Implementation of 3R	Natural Capital Financial Capital			
Social Risk Mitigation Framework						
Enriching Societal Welfare	Financial Inclusion	<ul style="list-style-type: none">● Digital Financial Inclusion● Expansion of Agent Banking Program● Two-storied Agriculture With Solar Power Irrigation System for Marginal Farmers	Financial Capital Intellectual Capital Human Capital Social and Relationship Capital			
	Promoting Diversity	<ul style="list-style-type: none">● Agreement with Women & e-Commerce (WE) to ensure Necessary Support for Women Entrepreneurs	Financial Capital Intellectual Capital Human Capital			
	Employee Skill Development	<ul style="list-style-type: none">● Workshop Programs - Bank Asia Institute for Training & Development● Capacity Development Training● Routine Employee Foundation Training Courses	Financial Capital Intellectual Capital Human Capital			
	Community Empowerment	<ul style="list-style-type: none">● Infrastructure Development● Higher Studies Scholarship Program● Established Bank Asia-Ma Amiran Hospital and Diagnostic Centre	Financial Capital Intellectual Capital Manufacturing Capital Social and Relationship Capital			
Governance Risk Mitigation Framework						
Establishing Good Governance	Reforming Company Culture	<ul style="list-style-type: none">● Strengthening Organizational Risk Culture	Intellectual Capital Human Capital Social and Relationship Capital			
	Establishing Sound Principles and Revising Code of Conduct	<ul style="list-style-type: none">● Establishment of Anti-Fraud Program● Whistle-Blowing Policy	Intellectual Capital Human Capital			
	Compliance Culture across the Bank	<ul style="list-style-type: none">● Board Oversight● Independent Director● Independence of Management● Transparency & Disclosures	Intellectual Capital Human Capital			
<div><div></div> (Achieved) <div></div> (Work-in-Progress)</div>						

■ (Achieved) ■ (Work-in-Progress)

Deposit and Advances Strategies

DEPOSIT STRATEGIES

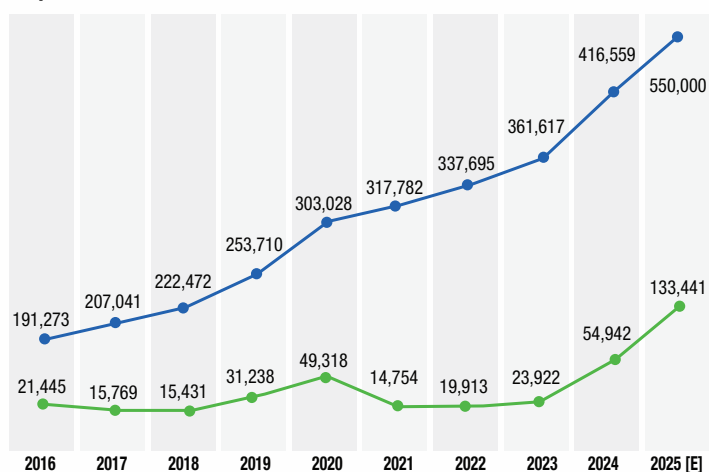
- Offer Competitive Interest Rates on deposit products which will attract customers seeking higher returns on their savings/investment
- Identify and target specific customer segments that are likely to have higher deposit balances, such as small business owners, high-net-worth individuals, or retirees. Tailor marketing campaigns to address their needs and preferences
- Invest in our user-friendly digital smart app to make it more convenient for customers to deposit and manage their account from anywhere
- Engage with the local community through sponsorships, events, and charitable activities. Building a positive reputation and strong relationships within the community can attract new customers and enhance loyalty among existing ones
- Communicate with the present dormant customer to make their account regular
- Cross Selling of different products including retail to corporate customers
- Offering cash management services, i.e. collection of institutional accounts and effective use of EFTN service to ensure fast & secure cash service.
- Boost deposit mobilization through agent banking activities
- Provide premium benefits to valued clients like dedicated relationship managers, priority queues, and access to exclusive lounges. Highlight lifestyle privileges such as airport lounge access via Priority Banking Visa Signature Cards or concierge services for travel and dining.



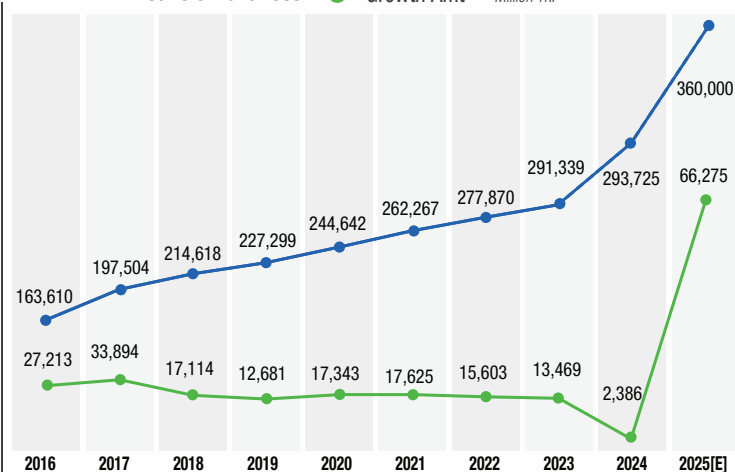
ADVANCES STRATEGIES

- Invest in digital technologies to streamline the loan origination process, reduce paperwork, and improve the overall customer experience
- Develop specialized loan products tailored to the needs of these markets, such as small business loans for startups, green energy financing, or healthcare industry loans
- Collaborate strategic partnerships with fintech companies, non-bank lenders, or industry associations to access new customer segments or leverage innovative lending technologies
- Strengthen relationships with existing customers to increase cross-selling opportunities for loans
- Explore opportunities for geographic expansion or diversification into new lending markets. Conduct market research to assess demand for loans in different regions or industries, and develop tailored marketing strategies to attract borrowers in these markets
- 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
- Implement robust credit assessment tools and data analytics to evaluate borrower creditworthiness, aiming to keep non-performing loans (NPLs) below the industry average

Bank Asia Deposit Deposits Growth Amt Million Tk.



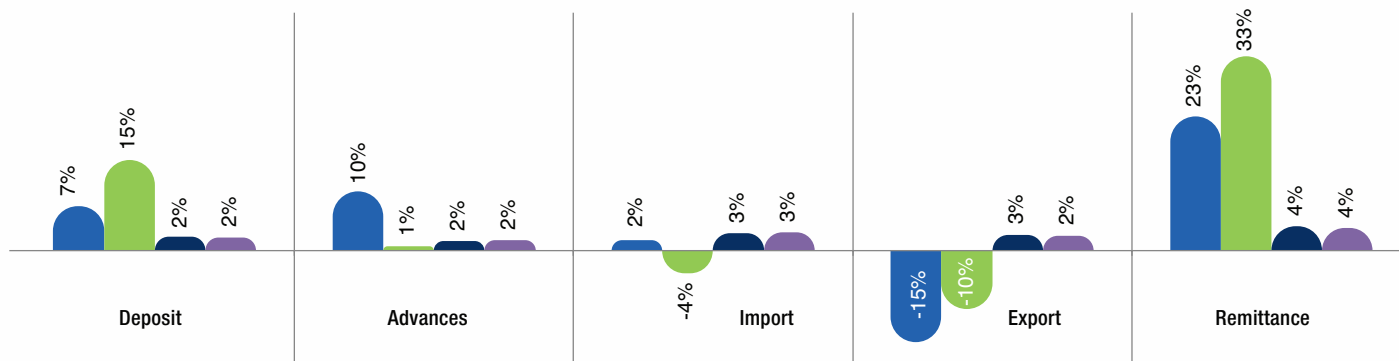
Bank Asia Loans & Advances Loans & Advances Growth Amt Million Tk.



Country Position Vs Bank Asia Position

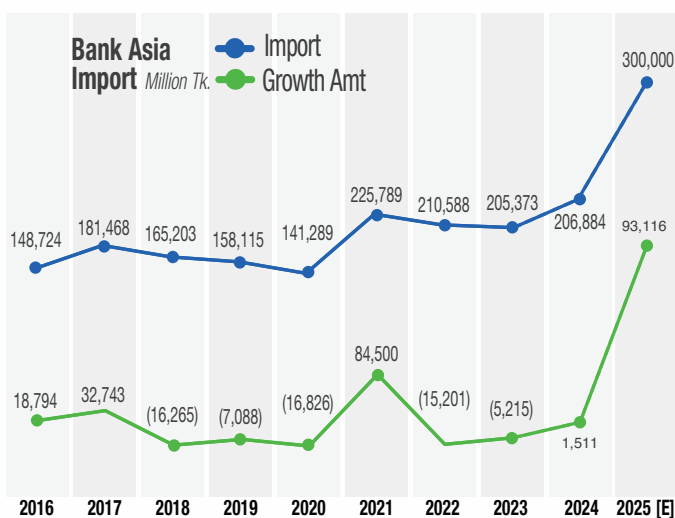
Percentage %

■ Country growth ■ Bank Asia growth
■ Bank Asia Market share 2024 ■ Bank Asia Market Share 2023



Foreign Exchange Business Strategies

- Considering dollar crisis Bank Asia prioritized import of essential commodities in order to ensure adequate supply in the market
- Expand our international presence by establishing partnerships and correspondent banking relationships with financial institutions in key trade corridors and emerging markets
- Invest in digital trade finance platforms that streamline and automate the trade finance process, from application and documentation to financing and settlement
- 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.
- 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
- Establish new relationship with the exchange houses at different parts of the world to collect more remittance



STRENGTHS

- Strong Capital Base
- Superior Asset quality with stable Credit Rating
- Recognized Brand Value nationally and internationally
- Efficient Human Resource led by an expert Management
- Reached nationwide banking services through expansive network
- Cost to Income ratio is in minimal position
- Focused on new tech services, products and new areas of business
- Established regulatory compliance
- Built up Cyber security awareness and protection
- Prioritizing customer retention by providing better customer service
- Adaptability with changing environment & ability to capitalize on regulatory changes
- Ensure Corporate Governance by establishing strong regulatory compliance

WEAKNESSES

- Dependency on industry culture
- Need to sufficient customers training toward new services
- Concentrated on large industrial sector
- Slower growth of foreign trade business

SWOT Analysis

- Business expansion in emerging areas
- Unveil the insurance products in banking services
- Market driven Interest Rate Corridor by regulators
- Development of Digital Banking product
- Prospect of an upcoming derivative market
- Economic transformation create new opportunities
- Focusing on ESG and SME backed loan portfolio brings sustainable long term growth

OPPORTUNITIES

- Exposure to political uncertainty risk
- Unpredictable global trade environment
- Sluggish private credit sector growth
- Growing unemployment rate
- Concerning growth of loan default trend
- Unprecedented depreciation of Taka Value
- Higher inflation
- Frequent Policy/ regulation change
- Limitations of Trade Finance
- Possibility of sanctions and tariffs by key trade partners
- Liquidity crisis and capital inadequacy of some FIs

THREATS

Economic outlook

The year 2025 marks a cautious yet optimistic turning point for the global economy, as it emerges from the lasting disruptions caused by the COVID-19 pandemic, geopolitical instability, and inflationary pressures. According to the **International Monetary Fund (IMF)**, global GDP is projected to grow by **3.3%**, a modest improvement from **3.2%** in **2024**. This rebound is supported by easing inflation, improving commodity markets, and more synchronized monetary policies across major economies. However, the recovery remains uneven, with key risks including geopolitical tensions—particularly in Eastern Europe and the Middle East—policy uncertainty, and the threat of protectionist trade policies, notably from the United States.

One of the most encouraging developments in 2025 is the global moderation in inflation. Advanced economies are expected to see inflation decline from **2.6% to 2.0%**, while emerging and developing economies will experience a reduction from **7.9% to 5.9%**. A projected **3.69% decline in global commodity prices**, driven by lower costs of metals and minerals (down **6.57%**), is helping ease inflationary pressures. However, agricultural prices remain elevated due to climate shocks and continued disruptions from the Russia-Ukraine conflict, raising concerns for food-importing nations.

Bangladesh, while part of a globally disinflationary environment, continues to face domestic inflationary challenges especially both for food and non-food inflation. Contributing factors include a **27% depreciation of the Taka**, rising import costs, energy shortages, and persistent supply chain disruptions.

To address these challenges, Bangladesh Bank has taken aggressive steps, raising the policy interest rate from **7.75% to 10%**, and introducing a **crawling peg exchange rate system** to stabilize the currency. The central bank targets bringing inflation down to **7–8% by mid-2025**, contingent on both domestic policy effectiveness and favorable global commodity trends.

Looking forward, **the IMF projects Bangladesh's GDP growth to gradually recover to around 5.5% to 6.0% by FY2025–26**, assuming inflation stabilizes and reforms progress. To sustain this recovery, Bangladesh must focus on key structural reforms in agriculture, energy, logistics, and the financial sector. Investor confidence will depend on improved governance, political stability, and fiscal discipline.

In conclusion, while 2025 presents a window of opportunity amid global disinflation and improved monetary coordination, Bangladesh's path to sustainable growth hinges on controlling inflation, strengthening macroeconomic fundamentals, and accelerating reform efforts to ensure inclusive and resilient development.

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.

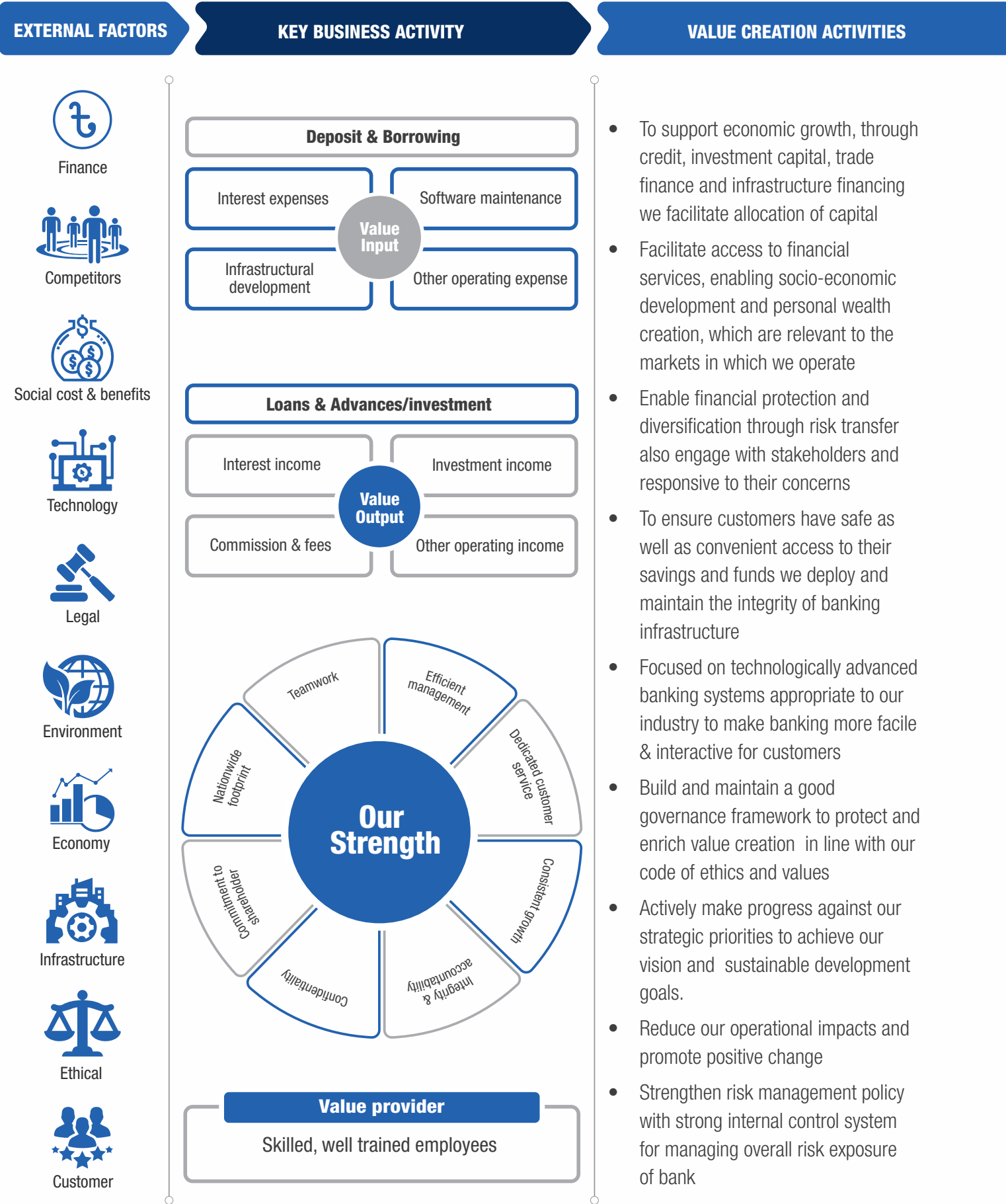


FOCUSING MORE ON SME SEGMENT

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	1268323	305
Branch Banking Services	1381	1880922330	607,524
Chairman, MD's & DMD's Secretariat	6	6341613	1,828
HR Planning & Manning	31	39317999	9,445
Operations Support	69	102734126	21,023
Group Finance Function	29	19024838	8,836
Group Treasury Function	18	13951548	5,484
Loan processing & supervision	462	549183661	140,760
International Operation	133	152198705	40,522
Information Systems	92	117953996	28,030
Board Secretariat	5	11414903	1,523
Internal Audit & Compliance	48	46927934	14,624
Channel Banking	414	547915338	126,136
Total	2,689	3,634,174,616	819,273

Our Activities and Values



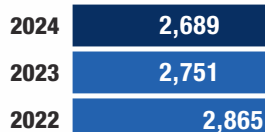
VALUE WE HAVE CREATED

- 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.
- 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 2024 was Tk. 8,967 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 2024 our reinvestment amount was Tk. 13,164 million .
- To protect and enrich value creation we had Tk. 10.39 million as environmental savings and as financial inclusion we are serving 6.98 million account holders through Agent banking program
- In order to keep positive impacts on lives we disbursed Tk. 5,783 million to 72,728 rural farmers.

OUTCOME OF VALUE CREATION

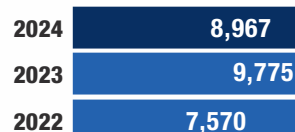
Number of Employees

We recruit talented people and train them so that they can increase the company's value by giving their best effort



Tax Amount (Million)

By paying taxes, we contribute directly to governments to build stronger economies



Environmental Savings (Million)

We keep our commitment over the years for maintaining eco friendly environment



Account of Agent Banking

Provide banking services to geographically dispersed poor segment of the society through Agent banking since 2013

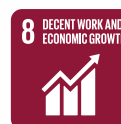


Reinvestment (Million)

Wealth is reinvested for further growth of our business, which ultimately benefit our stakeholders



SDGs



Our Capital, Our Strength to build a sustainable business



Financial Capital

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.

- **9.04%** Return on Equity
- **0.55%** Return on Asset
- **15.61%** CRAR
- Tk. **41,547** million Capital

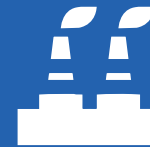


Human Capital

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.

- **2,689** Employees
- **23,705** Manhours Training



Manufacturing Capital

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.

- **131** Branches
- **5,025** Agent Outlets
- **217** Own ATMs





Intellectual Capital

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.

- **227,054** Internet Banking users
- **341,806** Smart APP user
- **194,000** Facebook followers



Natural Capital

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

- **123,604** Sustainable finance Disbursement
- **63,167** No. of beneficiary
- Tk. **10.39** million Environmental savings



Social and Relationship Capital

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. 134 million**
 - Health Tk. **68** million
 - Education Tk. **40** million
 - Disaster Management Tk. **25** million
 - Environment & climate change mitigation and adaptation Tk. **1** million





Financial Capital

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.

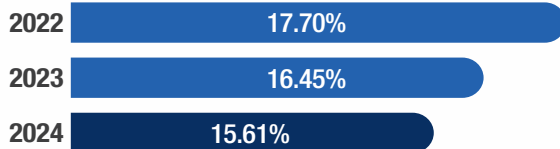
Initiatives

- Effective and responsible investment of shareholder's fund
- Managed treasury fund proactively
- Re-pricing the loans to reduce the cost of fund

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

CRAR



CAPITAL (Tk. in million)



Value created in 2024

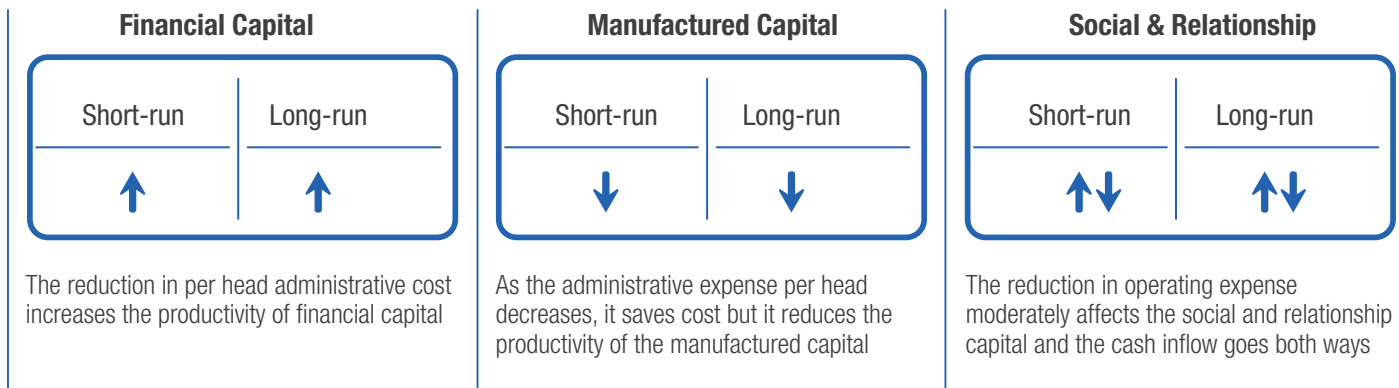
- Deposit grew by 15% and stood at Tk. 416,559 million whereas advance became Tk. 293,726 million with a growth of 1%
- Total assets of the bank became Tk. 532,902 million with a growth of 12.39%
- Provided financial access to marginal people through 5,025 Agent Banking outlet, 3,138 UDC (Union Digital Center), 28,437 Micro merchant outlets & other social safety net program



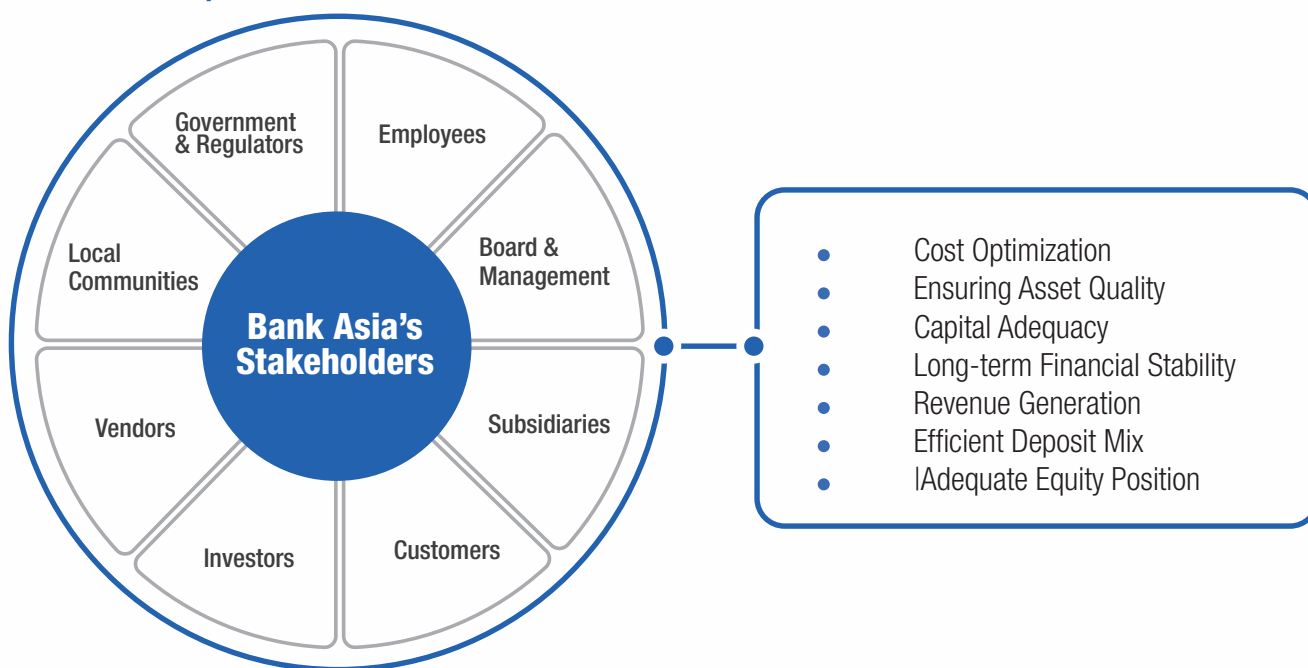
Eco friendly Spinning mill financed by Bank Asia

Capital Trade-off

- Administrative expense saving



Material Aspects:



Quality of Loans

The goal is to provide loans selectively in order to keep the existing classified loans in a manageable state

Investment

A higher degree of importance is given to the investment portfolio to generate adequate income

Risk Management

Emphasis is placed on optimizing valuable collaterals and diversifying the business portfolio to ensure minimal risk with maximum return

Outlook Forward

Deposit Efficiency

The idea is to decrease the cost of deposit as the time goes by.



Human Capital

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

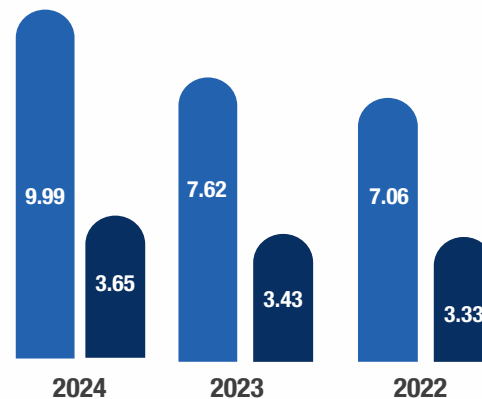
- Developing a structured system for unbiased performance evaluation
- Acquires fresh, talented and right employees in the right place
- Provides long term training and development opportunities
- Ensures safe, healthy and equitable environment for all employee
- Provides competitive remuneration
- Rewards 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

Income & Expense per employee

■ Per Employee Operating Income
■ Per Employee Operating Expense



Value created in 2024

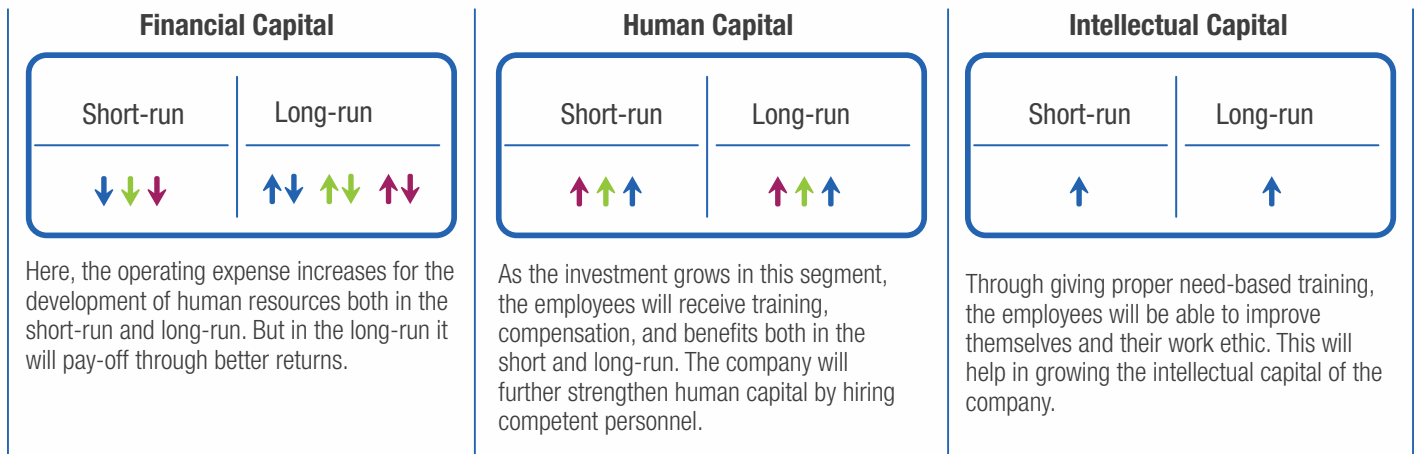
- Ensure a healthy environment for work which improves the performance of employees
- Provided transport facilities to the female employees
- Provided trainings to the employees as needed
- Implemented a brand new Human Resource Information System (HRIS): PeopleHub, one-stop location for all the various human resource needs of the employees
- Young and energetic human resources as 57% of staff members aged below 40 years



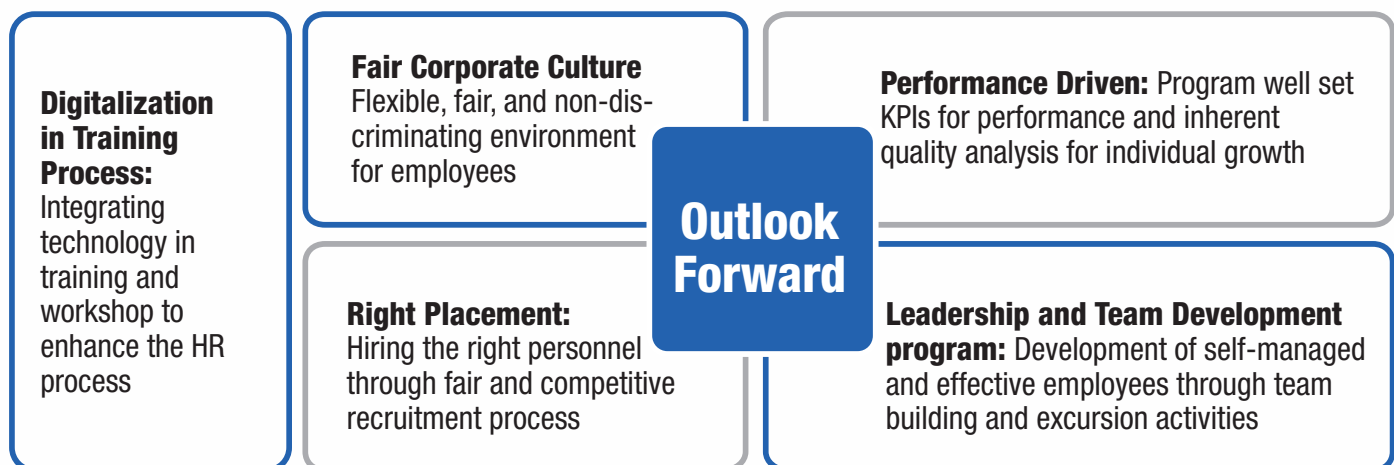
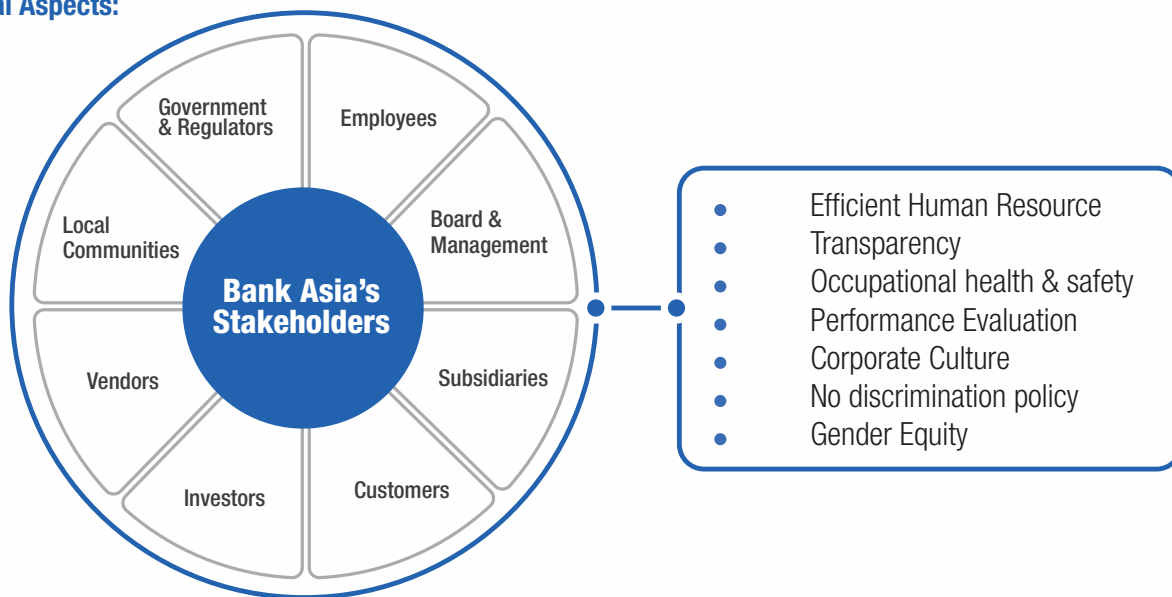
Capacity development training for Agent Banking field staff organized by Bank Asia PLC.

Capital Trade-off

- Training & Development Benefits Hiring new personnel



Material Aspects:





Manufacturing Capital

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



Value created in 2024

- Adoption of digital banking solutions (internet banking, smart app, e-payment solution, etc.) grew significantly throughout the pandemic
- Formation of Liability Operations Department
- Document Retention and Destruction Policy:
- Network Management System (NMS) for Real-Time Infrastructure Monitoring of the Bank



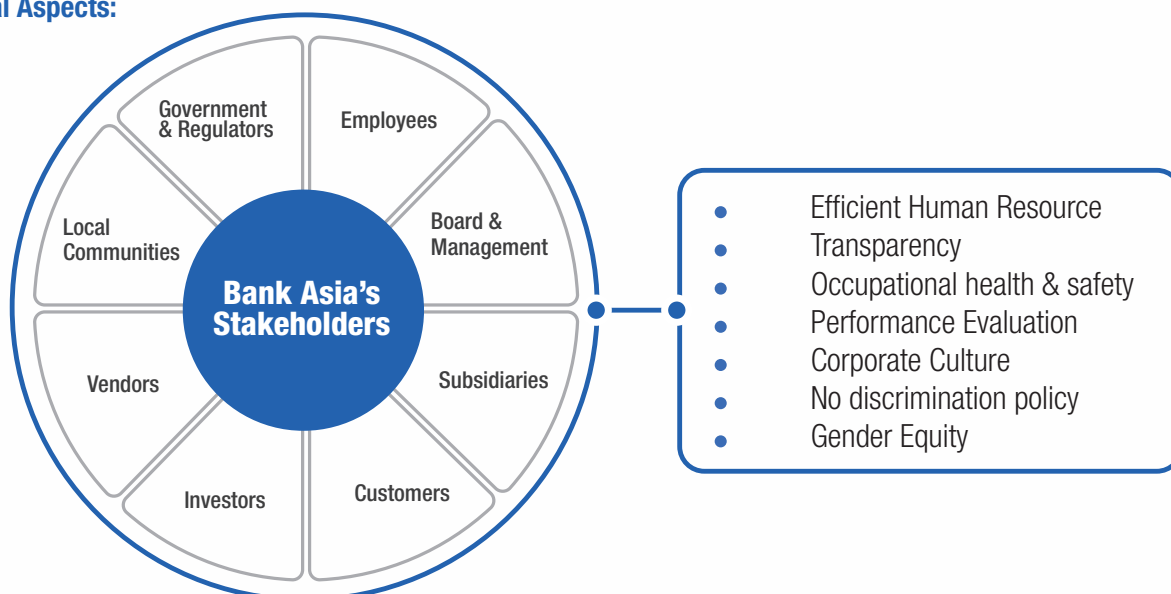
Agreement signing between Bank Asia PLC and Rancon Motors Limited, the General Distributor of world's one of the most luxurious auto

Capital Trade-off

- Investment in property, plant, and equipment
- Investment in expansion
- Investment in information technology

Financial Capital	Manufactured Capital	Social & Relationship												
<table><tr><th>Short-run</th><th>Long-run</th></tr><tr><td><div>↓ ↓ ↓</div></td><td><div>↑ ↓ ↑ ↓</div></td></tr></table> <p>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.</p>	Short-run	Long-run	<div>↓ ↓ ↓</div>	<div>↑ ↓ ↑ ↓</div>	<table><tr><th>Short-run</th><th>Long-run</th></tr><tr><td><div>↑ ↑ ↑</div></td><td><div>↑ ↑ ↑</div></td></tr></table> <p>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.</p>	Short-run	Long-run	<div>↑ ↑ ↑</div>	<div>↑ ↑ ↑</div>	<table><tr><th>Short-run</th><th>Long-run</th></tr><tr><td><div>↑ ↑</div></td><td><div>↑ ↑</div></td></tr></table> <p>Through proper investment in expansion and property of the business, trust and social reputation is built among the stakeholders of the company</p>	Short-run	Long-run	<div>↑ ↑</div>	<div>↑ ↑</div>
Short-run	Long-run													
<div>↓ ↓ ↓</div>	<div>↑ ↓ ↑ ↓</div>													
Short-run	Long-run													
<div>↑ ↑ ↑</div>	<div>↑ ↑ ↑</div>													
Short-run	Long-run													
<div>↑ ↑</div>	<div>↑ ↑</div>													

Material Aspects:



Online Banking: Customers can get access to necessary banking services from their homes or on the go.

Improve Process: To utilize the manufactured capital at a maximum level, process innovation is necessary.

Outlook Forward

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

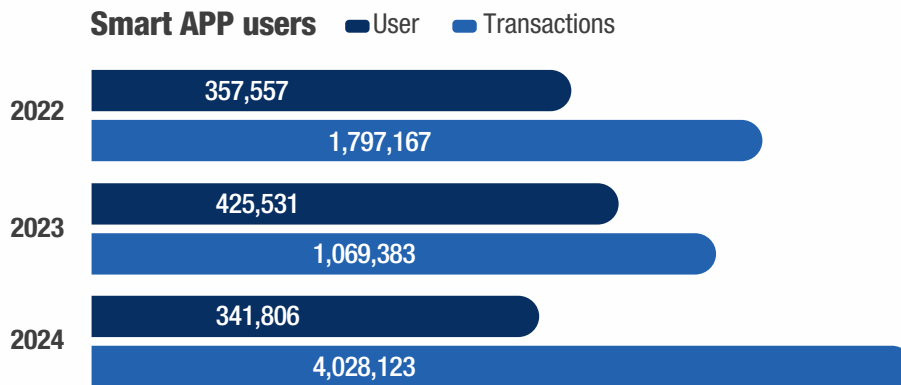
Bank Asia creates market reputation by introducing, expanding & diversifying product portfolio, reducing service waiting time, conducting survey regarding customer service quality.

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 2024

- Developed Artificial Intelligence Workforce (AIW)
- Introduction of Corporate Internet Banking solution that empowers businesses with seamless, real-time financial management
- Roll out multi-phase AML platform to combat ML, TF and PF.
- Centralized Trade Processing System (CTPS) is designed to streamline foreign trade operations, making transactions faster, more efficient, and hassle-free
- Customer Convenience via QR-Based Cash Withdrawal & Digital Banking



ICAB National Award

Capital Trade-off

- Digitalization and Automation
- Service innovation
- Maintenance of IT infrastructure

Financial Capital

Short-run	Long-run
↑↑	↑↑

There is a heavy expense incurred due to investments in digitalization and automation along with IT maintenance

Manufactured Capital

Short-run	Long-run
↑	↑

As the capital expenditure grows, the manufactured capital of the bank will grow both in the short and long run.

Social & Relationship

Short-run	Long-run
↓↓	↑↓↑↓

Through proper investment in intellectual property, trust and social reputation is built among the stakeholders of the company

Intellectual

Short-run	Long-run
↑	↑

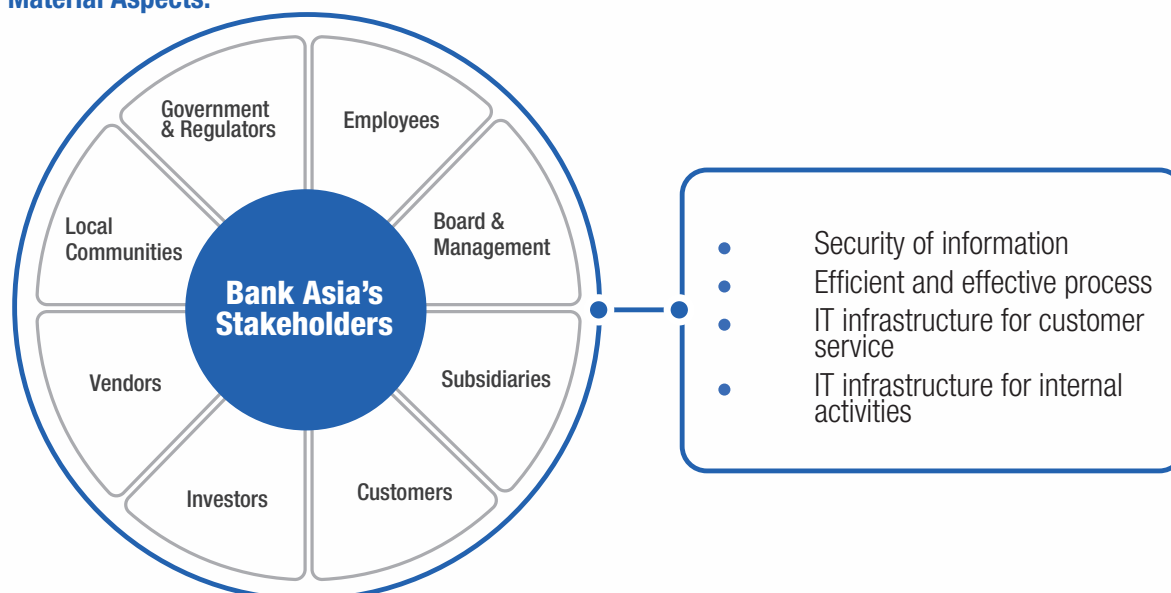
Service innovation and proper investment in IT will increase the overall intellectual property of the business

Natural

Short-run	Long-run
↑↑	↑↑

The digitalization will reduce the overall carbon footprint of the environment for which it will add value to the natural capital

Material Aspects:

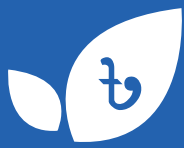


Easy access for customers: Implement alternative delivery channels to provide customers with immediate access to bank products and services

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



**Natural
Capital**

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.

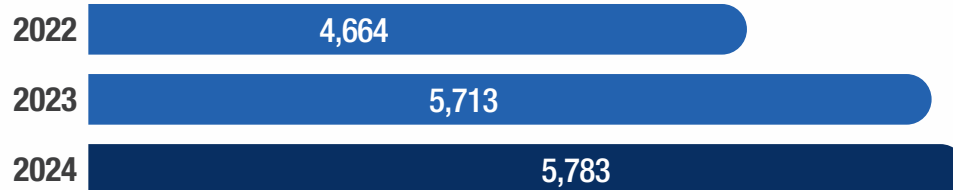
Initiatives

- Introduced E-products such as SMS banking, internet banking
- E- Commerce and payment solution
- Actively involved in green financing activities

Challenges

- Resource optimization to reduce energy wastage
- Maintain green and sustainable environment

Agricultural credit disbursement Tk. in million



Value created in 2024

- Reduction of CO2 emissions by providing training to the employees through ZOOM, Cisco Webex & True Conference
- Net Saving from environmental activities is Tk. 10.39 million
- Disbursed Tk. 4,492 million for Green financing activities
- Disbursed Tk. 123,604 million under Sustainable Finance scheme
- Tk. 2,062 million spent on renewable energy projects
- Disbursed Tk. 930 million for liquid waste management disposal



Spectra Solar Park financed by Bank Asia PLC

Capital Trade-off

- Sustainable Green Banking establishments
- Sustainable Green Office practices

Financial Capital

Short-run	Long-run
↓ ↓	↑ ↑

As the green financing initiatives increase, capital outflow upsurges. Later on, this sustainable practice pays off in the future

Manufactured Capital

Short-run	Long-run
↑	↑

As the green office practices are established, the manufactured capital increases both in the short and long run

Social & Relationship

Short-run	Long-run
↑	↑

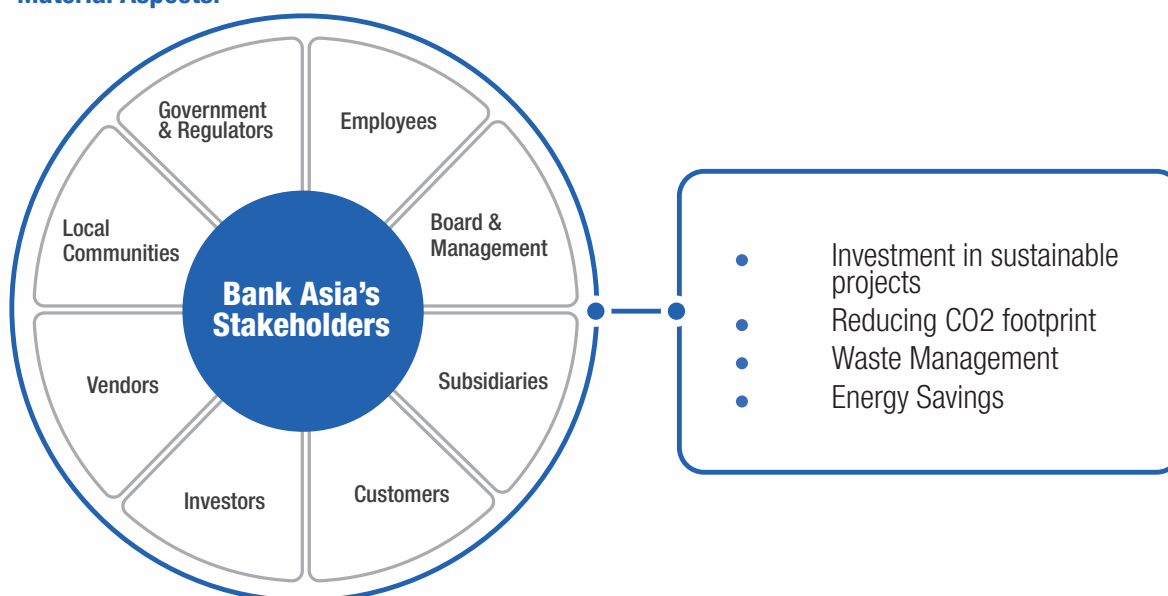
The investments made in green banking will increase the brand value of the bank which will result in increased social & relationship capital

Natural

Short-run	Long-run
↑ ↑	↑ ↑

As green financing initiatives expand, sustainable investment yields long-term benefits.

Material Aspects:



Sustainable Banking Operations:

Sustainable Banking activities that do not adversely impact the environment

Reducing Carbon footprint: Proper resource management throughout the organization to reduce carbon footprint

Outlook Forward

Green Investment: Investment in green, renewable and environmental friendly projects in compliance with regulatory guidelines



Social and Relationship Capital

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.

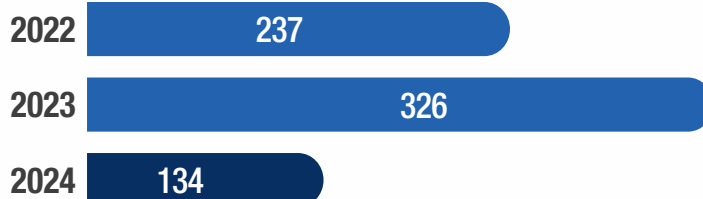
Initiatives

- 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



Value created in 2024

- Donated Tk. 64 Million for health sector
- Donated Tk. 40 million for education sector
- Provided Tk. 1 million for environment & climate change mitigation and adaptation
- Donated Tk. 25 million for disaster management
- Donated Tk. 0.5 million for other sector



Medical equipment of Bank Asia Ma Amiran Hospital & Medical College

Capital Trade-off

- Efforts in increasing community service
- Customer service investments

Financial Capital

Short-run	Long-run
↓ ↓	↑ ↓ --

As the CSR initiatives increase, capital outflow upsurges. Later on, this sustainable practice pays off in the future

Natural Capital

Short-run	Long-run
↑	↑

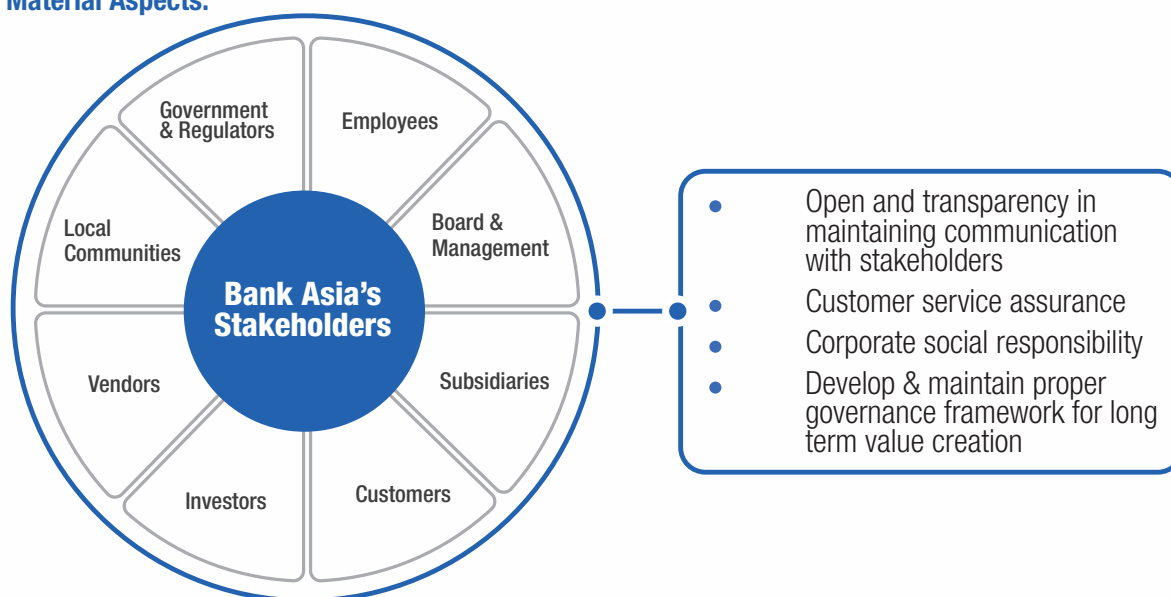
As the sustainable investment grows, the infrastructure of the bank will grow both in the short and long run

Social & Relationship

Short-run	Long-run
↑ ↑	↑ ↑

Through proper investment in expansion and property of the business, trust and social reputation is built among the stakeholders of the company

Material Aspects:



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

Outlook Forward

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



Financial Capital

Investment on

- Equity
- Long term Debt
- Capital Expenditure



Natural Capital

Investment on

- Environmental Management
- Awareness Development
- Sustainable Finance



Human Capital

Investment on

- Employee Training & Development
- Employee Engagement Programs
- Employee Benefits



Intellectual Capital

Investment on

- Research & Development
- Technological Innovation



Social & Relationship Capital

Investment on

- Community Development
- Stakeholder's Engagement



Manufacturing Capital

Investment on

- Infrastructural Development of Distribution channel
- Information Technology (IT)

Business Operations

Conventional Banking

Main Operation

Islamic Banking

Offshore Banking

Financial Inclusion & Financial Literacy

Alternative Banking Operation

Agent Banking

Alternative Delivery channel

Bank Asia Securities Ltd.

Subsidiaries Operation

BA Exchange Company (UK) Ltd.

BA Express USA Inc.

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

- 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

- Installed 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

- Reduction of wastage through monitoring
- Management of liquid waste efficiently
- Reduction of energy and carbon footprint

- Raised awareness regarding conservation of energy, water, saving paper, etc.
- Generate value for clients through sustainable and innovative solutions
- Biodiversity preservation

- 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

- 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 Robotic Process Automation (RPA) for real-time payments
- Implemented Oracle Real Application Cluster and migrate Oracle Database 120.1.0.1 to Oracle Database 12.1.0.2 for the Bank
- Set-up arrangement with OPGSPs to bring the earned money by exporting service in nonphysical form

- Improved and innovative products launched
- Certified with ISO/IEC 27001:2013

- 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 5,025 outlets opened across the country
- Being the pioneer of Agent banking in the country with the goal of serving the grassroots people, Bank Asia has built 5,025 Agent Banks and on boarded 28,437 micro merchants, 1,101 Post Office Banking Outlets

- Empowering Shareholders
- Better Stakeholder relationship
- Partnership with UNDP under LGED Ministry
- Increasing 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 217 owned ATM and 14300+ 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: 150-151

RISK Mitigation Methodology

Page: 152-154

Disclosure of RISK Reporting

Page: 155-158



From Chief Risk Officer's Desk



INTRODUCTION

The Bank's financial performance is closely linked to local and global economic performance. In the fiscal year 2023-24, Bangladesh's economic growth slowed significantly, with a GDP growth rate of just 4.22%, the lowest in four years. The government's target was 6.5%. The sluggishness was primarily result of major factors like, Global Economic Downturn, Dollar Shortage, Industrial Slowdown, High Inflation, Political Instability, Supply Chain Issues, Agricultural Challenges etc. Further to that, inflation averaged 9.7%, driven by food and energy costs. The GDP size was revised to \$450 billion, and per capita income fell to \$2,738. The fiscal deficit reached 4.5% of GDP, slightly higher than the target. Looking ahead, growth is expected to decelerate further to 4.0% in FY25, with structural reforms needed for economic recovery.

Global financial snapshot during 2024

In 2024, the global economy grew modestly amid persistent inflation, high interest rates, and uneven post-pandemic recovery. Advanced economies slowed, while emerging markets, especially in Asia, remained key growth drivers despite ongoing debt and structural challenges. Cross-border trade saw mild recovery but was hampered by geopolitical tensions, regulatory fragmentation, and disruptions in key shipping routes. Trade volumes remained below pre-pandemic levels. The banking sector stayed resilient overall, but higher interest rates strained credit markets and exposed vulnerabilities, particularly in real estate and smaller banks. Digital banking grew, bringing both opportunities and operational challenges. Cyber threats escalated significantly, with financial institutions facing advanced attacks targeting infrastructure and third-party providers. Regulators and institutions increased focus on cyber resilience and compliance to counter growing risks.

Bank Asia PLC – Key Risks and Strategic Response in 2024

In 2024, Bank Asia PLC operated in a challenging environment shaped by rising non-performing loans, excess liquidity, exchange rate volatility, and heightened cyber threats. The broader banking sector saw non-performing loans rise above 9%, industry ADR drop below 70%, and a significant increase in cyber incidents. Inflation hovered around 9%, while exchange rate depreciation and regulatory tightening added to the pressure.

Bank Asia PLC faced key risks including

- Rising non-performing loans amid stressed borrower segments.
- Excess liquidity and a declining Advance-Deposit Ratio, weakening fund utilization.
- Exchange rate volatility affecting forex exposure and trade financing.
- Persistent cybersecurity threats amid increased digital operations.
- Interest rate mismatches due to high inflation and tightening monetary policy.
- Evolving regulatory requirements from Bangladesh Bank.

In response, the bank undertook several policy and structural enhancements covering, review and development of major policies like risk governance policy, credit policy, collection policy, early alert policy, operational risk management policy, ALM manual etc. To manage the ALM risk the bank has consistently reviewed balance sheet maturity structure, conducted interest rate shock analysis, and applied Value at Risk (VaR) models. The operational risk has been managed through adoption of tools like RCSA (Risk Control Self Assessment), KRI (Key Risk Indicators), and maintenance of a detailed Risk Register. ICT risk management has been ensured through enhanced the ICT risk Strategy, updated the ICT Policy, and improved IT controls.

Emerging Banking Risks in Bangladesh – 2025

In 2025, the banking sector in Bangladesh faces several emerging risks driven by global economic volatility, rapid digital transformation, and domestic structural challenges. Key risks include:

- **Cybersecurity Threats:** With increasing digitization and mobile banking usage, cyberattacks have become a significant concern. Banks are vulnerable to data breaches, ransomware, and phishing, threatening both financial assets and customer trust.
- **Non-Performing Loans (NPLs):** Despite regulatory efforts, NPLs remain a persistent issue, exacerbated by global inflationary pressures, local business inefficiencies, and weak corporate governance.
- **Climate and ESG Risks:** Climate change poses physical and transition risks to banks, especially those financing agriculture and coastal industries. Regulatory emphasis on ESG compliance is also intensifying.
- **Regulatory and Compliance Risks:** As the Bangladesh Bank tightens supervisory frameworks, banks must adapt quickly to evolving compliance requirements, including anti-money laundering (AML) and digital finance regulation.
- **Geopolitical and Currency Volatility:** Global conflicts, commodity price shocks, and pressure on foreign reserves have increased currency volatility, impacting trade finance and external borrowing.

To address these challenges, banks in Bangladesh should adopt the following strategies:

- **Enhanced Cybersecurity Frameworks:** Invest in real-time threat detection, AI-driven fraud monitoring, and employee training to build a robust defense against cyberattacks.
- **Strengthened Credit Risk Assessment:** Use advanced analytics and alternative credit scoring methods to better assess borrower risk and reduce NPLs.
- **Climate Risk Integration:** Incorporate climate risk into credit evaluation and promote green financing initiatives aligned with Bangladesh's sustainability goals.
- **RegTech Adoption:** Employ regulatory technology to improve compliance tracking, streamline reporting, and automate AML checks.
- **FX Risk Hedging and Scenario Planning:** Employ dynamic hedging strategies and stress-testing to mitigate foreign exchange and macroeconomic shocks.



Rashidul Kabir Rajib
Chief Risk Officer

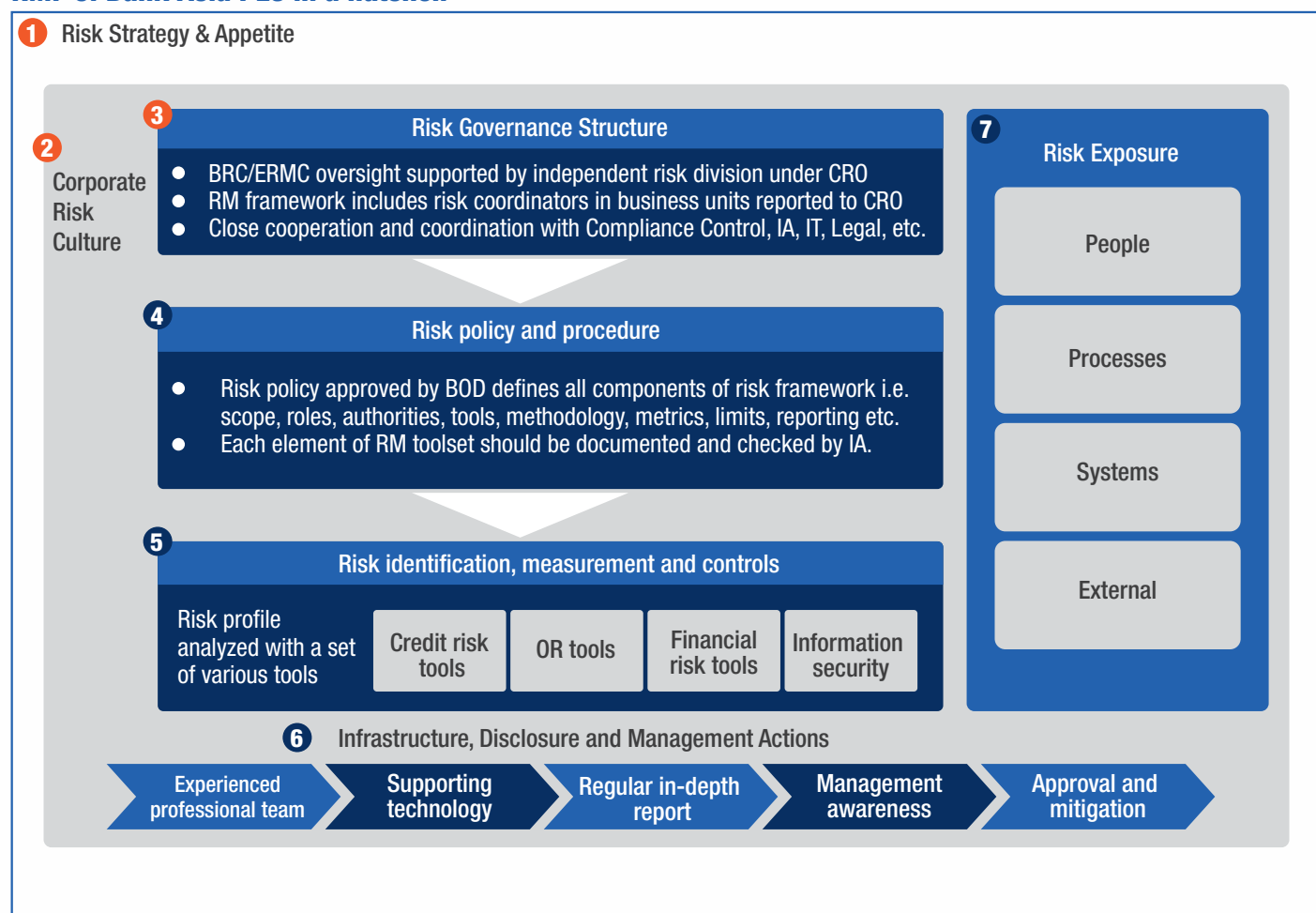
RISK MANAGEMENT FRAMEWORK

Risk is inherent in Bank Asia PLC's operations, and effective management is key to our sustainability. Our strong risk culture reflects a deep commitment to protecting customer and shareholders' interests. Guided by our Risk Management Framework, we proactively address risks to remain safe and resilient

The Risk Management Framework (RMF) of Bank Asia PLC forms the backbone of our enterprise-wide approach to managing risk in a structured, transparent, and disciplined manner. It comprises the systems, structures, policies, processes, and people dedicated to identifying, measuring, evaluating, monitoring, reporting, and controlling or mitigating both internal and external sources of material risk.

Central to our RMF is the Board-approved Risk Appetite Statement (RAS), which defines the levels and types of risk the Bank is willing to accept in pursuit of its strategic objectives. The RAS acts as a boundary within which all risk-taking activities must be conducted, ensuring alignment between risk exposure and the Bank's overall business strategy

RMF of Bank Asia PLC in a nutshell



● Within the scope of RGP

● Not in the scope of RGP but part of RMF

Our framework covers a broad spectrum of material risks, including credit, market, operational, liquidity, reputational, and compliance risks. It also outlines our methodology for assessing emerging risks, ensuring that the Bank remains vigilant and adaptive to a rapidly changing risk environment. The RMF supports a risk-aware culture across all levels of the organization and provides the foundation for sound decision-making.

A cornerstone of the RMF is the Three Lines of Defense model. The first line (business units) owns and manages risk directly. The second line (risk and compliance functions) provides oversight, guidance, and challenge. The third line (internal audit) offers independent assurance on the effectiveness of risk controls and governance.

Together, these elements foster a strong risk culture, enhance resilience, and contribute to the long-term sustainability of the bank.

Risk Governance

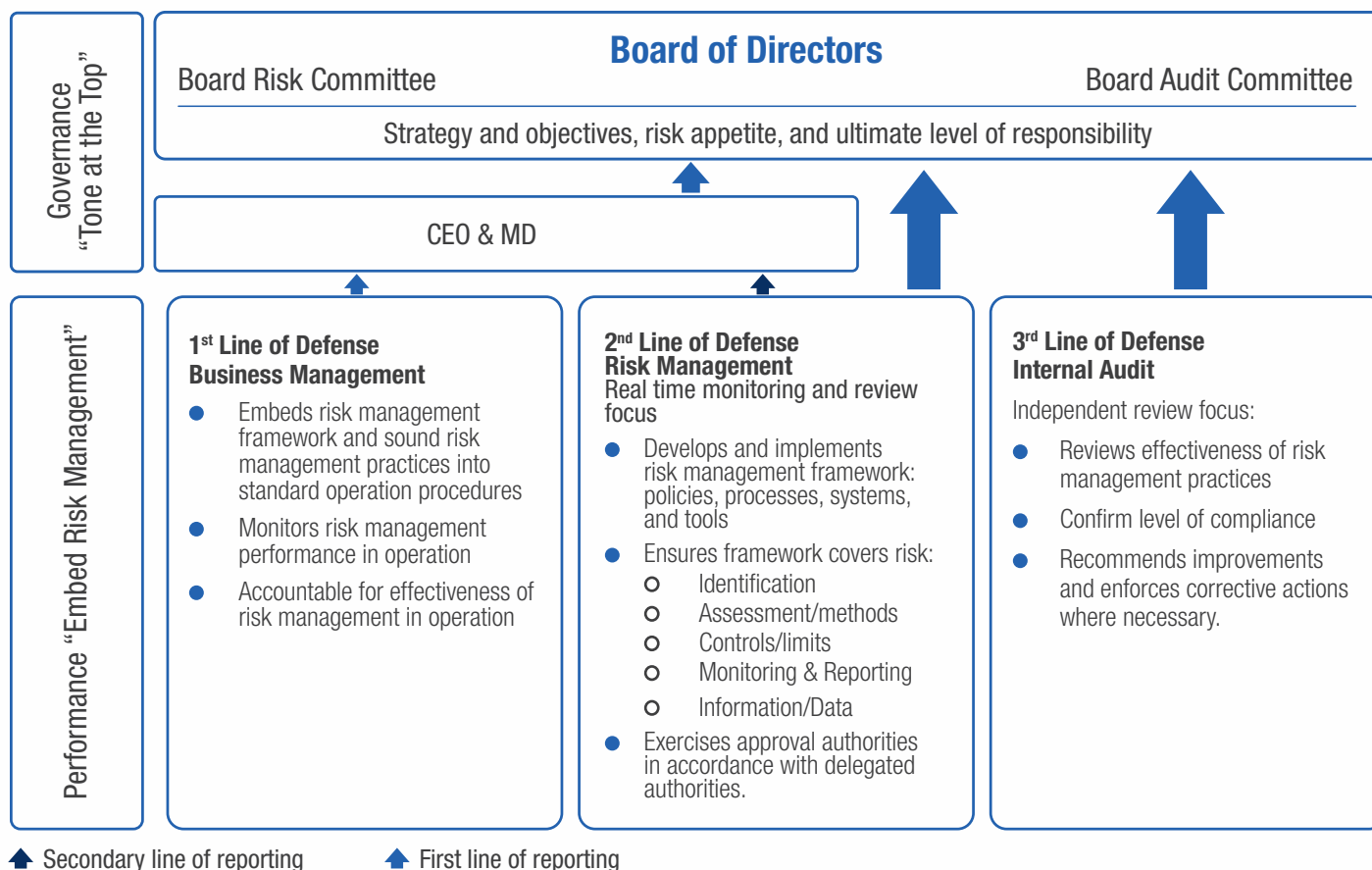
Risk Governance at Bank Asia PLC provides the foundation for sound, risk-based decision-making by embedding accountability, transparency, and oversight into all levels of the organization. It enables the bank to align its strategic objectives with prudent risk-taking through a well-defined governance structure.

The framework is composed of the Board of Directors, the Board Risk Management Committee, executive management, and risk-specific committees, supported by the Chief Risk Officer (CRO), who leads the independent risk function. The CRO plays a critical role in advising management and the Board on risk matters, monitoring the bank's risk profile, and ensuring alignment with the Risk Appetite Statement.

Governance is structured around the Three Lines of Defense: the first line (business units) manages risks; the second line (risk and compliance functions) provides oversight and guidance; and the third line (internal audit) delivers independent assurance. This model ensures segregation of duties, avoiding conflicts of interest and promoting accountability.

Risk Governance also ensures the effective implementation of the Risk Management Strategy, enabling a forward-looking approach to identifying, assessing, and mitigating risks. Through this structure, Bank Asia fosters a strong risk culture and reinforces its commitment to sustainable growth and stakeholder protection.

Three line of defense at Bank Asia PLC.



Environmental, social and governance (ESG) risk management

Environmental, Social, and Governance (ESG) risk management has become an integral part of modern banking, reflecting a bank's responsibility to manage not only financial risks but also the broader impact of its operations and lending practices. ESG risks—ranging from climate change and resource depletion to human rights violations and governance failures—can significantly affect a bank's financial performance, reputation, and long-term sustainability.

At Bank Asia PLC, ESG risk management is embedded within the Enterprise Risk Management (ERM) framework, recognizing ESG as a cross-cutting risk factor that interacts with credit, operational, reputational, and strategic risks. The Risk Management Framework (RMF) incorporates ESG considerations into risk identification, assessment, and monitoring processes, ensuring that sustainability is factored into risk-based decision-making.

The bank adopts a structured approach to ESG risk identification, leveraging due diligence, sector-specific ESG screenings, and stakeholder engagement to evaluate potential exposures. In the risk assessment phase, qualitative and quantitative tools are used to evaluate ESG risks across portfolios, projects, and counterparties. High-risk areas such as carbon-intensive industries, labor practices, and board governance are flagged for enhanced scrutiny.

To manage these risks, the bank integrates ESG criteria into its credit approval processes, sets sector-specific exposure limits, and supports clients in transitioning toward more sustainable practices. The ESG Risk Management Strategy aligns with the bank's broader risk appetite and sustainability goals, and is overseen by the Risk Management Committee in coordination with the ESG or Sustainability Committee where applicable.

Through this approach, ESG risk management not only strengthens the bank's resilience and regulatory compliance but also reinforces its commitment to responsible banking and long-term value creation for all stakeholders.

RISK MITIGATION METHODOLOGY

TAt Bank Asia PLC, our approach to risk is proactive, structured, and aligned with our strategic objectives. We recognize that risk is inherent in all aspects of banking, and managing it effectively is essential to achieving sustainable growth and protecting stakeholder interests. Guided by our Risk Management Framework and Risk Appetite Statement, we integrate risk considerations into decision-making at every level. Our approach emphasizes early identification, robust assessment, continuous monitoring, and timely mitigation of both current and emerging risks. Through a strong risk culture, sound governance, and the three lines of defense model, we ensure that risks are managed responsibly and in support of long-term resilience and value creation.

Risk approach matrix

Risk appetite:

Bank Asia PLC's Risk Appetite Statement (RAS) fosters a disciplined risk culture and guides smart risk-taking to support long-term value. Reviewed annually by the Board, this year's RAS includes a new measure for technology and AI risks. It sets clear expectations and includes key risk indicators to signal potential breaches. These help management act early and stay within acceptable risk limits.

Lending cap

Bank Asia PLC has implemented Board-approved sector-specific lending caps to manage concentration risk strategically. These dynamic limits, applied across business segments like Corporate, SME, and Export Finance, are based on sector risk, outlook, and earning potential. Reviewed monthly, the caps are adjusted in response to NPL trends, revenue performance, and macroeconomic shifts, ensuring a balanced and resilient credit portfolio.

Stress Testing

Bank Asia PLC conducts stress testing to evaluate its resilience under adverse economic conditions and identify potential risks. The results guide strategic actions such as portfolio adjustment and capital planning to minimize shocks. Outcomes are also integrated into business projections, ensuring informed and forward-looking decisions.

ICAAP

Under Pillar II of Basel III, Bank Asia PLC conducts the Internal Capital Adequacy Assessment Process (ICAAP) to ensure it maintains adequate capital beyond regulatory requirements to cover all material risks. ICAAP is aligned with the Bank's risk appetite and business model, supporting a forward-looking approach to capital planning. This process helps assess the bank's overall risk profile and ensures capital adequacy under normal and stressed conditions. By maintaining sufficient capital buffers, the Bank safeguards its financial sustainability and supports long-term growth.

Risk culture

At Bank Asia PLC, a strong and responsible risk culture is the foundation of our risk management practices. It reflects our shared values, behaviors, and attitudes toward risk at every level of the organization. We promote openness, accountability, and informed decision-making, encouraging employees to identify, escalate, and manage risks proactively. Our risk culture is reinforced through regular training, clear communication, and leadership commitment, ensuring alignment with our Risk Appetite Statement and strategic goals. By embedding risk awareness into our daily operations, we strengthen resilience, support ethical conduct, and protect the interests of our clients, shareholders, and stakeholders.

Our risk type

Bank Asia PLC is exposed to a range of risks through its diverse products, services, and operations, including retail banking, Islamic banking, SME financing, and agent banking for financial inclusion. These risks are categorized into strategic, financial, and non-financial types based on their nature and potential impact. The Board-approved Risk Management Framework (RMF), aligned with Basel III guidelines and Bangladesh Bank regulations, identifies and prioritizes the risks—those with the potential to significantly affect the Bank's financial health, operational resilience, regulatory compliance, or stakeholder trust. Below is an overview of the key risk type:

Strategic Risks

Strategic risks arise from external or internal factors that could hinder the Bank's ability to achieve its long-term objectives or maintain its competitive position such as emerging technologies, macroeconomic conditions, the regulatory or political environment and changes in societal expectations. These include:

Risk policies & procedure

- Defines risk appetite and tolerance
- Sets procedures for risk identification and assessment
- Outlines escalation and mitigation strategies

Risk Governance and Reporting

- Board and executive oversight
- Risk committees and charters
- Regular risk dashboards and disclosures

Risk Accountabilities and Skills

- Assign clear risk roles (e.g., 3 lines of defense)
- Train employees on risk awareness
- Promote a risk-conscious culture

Risk Infrastructure

- Risk management systems
- Technology and analytics support
- Data quality and integration

Capability and culture: The skills, resources, procedures, and competencies needed by the organization to carry out its plan and reduce risks are referred to as capability. It includes the capacity for innovation, adaptation, and reaction to both internal and external obstacles.

Capital adequacy: A key component of strategic risk management is capital adequacy, which guarantees that a company has the financial stability to pursue its objectives and withstand setbacks.

Environmental and social: Environmental risks, driven by climate change and resource constraints, and social risks, tied to labor, community, and ethical practices, can derail strategic objectives if not addressed. Mitigating these risks requires proactive measures like sustainable practices, stakeholder engagement, and alignment with regulatory and societal expectations.

Reputation: Reputation is a pivotal element of strategic risk, as it directly affects our stakeholder trust and the organization's ability to execute its strategy. Damage to reputation can lead to financial losses, competitive setbacks, and operational challenges, amplified by rapid information spread in the digital era.

Financial Risks

Risks arising from financial transactions the Bank is exposed to through customer credit products, changes in market rates or prices, or the inability to meet our financial obligations when they fall due. Financial risks stem from uncertainties in financial markets, operations, or customer behavior that could adversely affect the Bank's financial position.



Non-Financial Risks

Non-financial risks arise from operational, environmental, or societal factors that may not directly impact financial metrics but can significantly affect the Bank's operations and reputation.

Compliance Risks

- Conduct
- Financial crime compliance
- Privacy
- Regulation and licensing

Operational risks

- Accounting and Tax
- Artificial intelligence
- Cyber security
- Data management
- Fraud and scams
- Legal
- People
- Third parties
- Transaction Processing
- Technology

Our Material risk

Our material risks are those the Bank is placing extra focus on mitigating, due to their potential to materially impact the Bank, our customers, shareholders and the community, now or in the future.

- Financial risk (including credit, market and liquidity risks)
- Cyber security
- Fraud and scams
- Environmental and social
- Capability and culture
- Privacy and data management
- Artificial intelligence
- Financial crime compliance
- Business disruption
- Regulatory compliance

RISK TITLE

FINANCIAL RISK

CYBER SECURITY

FRAUD AND SCAMS

CAPABILITY AND CULTURE

PRIVACY AND DATA MANAGEMENT

ARTIFICIAL INTELLIGENCE

FINANCIAL CRIME COMPLIANCE

REGULATORY COMPLIANCE

OUR COMMITMENT

- Credit limit, pricing and the credit profile of our customers are routinely assessed in light of changing and emerging risks. Our loan loss provisions are carefully managed to help ensure provisions are appropriate.
- We help ensure that the Bank's balance sheet settings remain conservative, with a high proportion of funding from customer deposits and maintain adequate liquidity. We perform stress tests to help ensure we are well prepared for a range of economic scenarios.
- Investing in people, process and technological capabilities to help defend our systems against cyber-attacks.
- Simulations test to help improve the Bank's response and recovery capability.
- Strengthening system-level resilience, which includes collaboration with industry bodies and the Government's National Office of Cyber Security.
- The Board oversee the strategic approach to addressing environmental and social risks and opportunities. Offer a range of tools that can help our customers build their resilience to the impacts from climate events.
- Bank Asia PLC also continue to enhance tools, data and methodologies across a range of business processes to better identify, assess and manage environmental and social risks to both our customers.
- Embedded a "skills-led" approach to talent acquisition and the development of resources.
- Initiatives are in place to further embed our culture of using sound judgment and prioritizing the voice of the customer. As part of performance reviews, Bank Asia people are assessed against our values and on how effectively they managed risk within their role.
- Continue to improve privacy processes and capability across the Bank to achieve compliance in all jurisdictions we operate.
- Through our data management framework, we are continuing to manage and improve the tools and processes that enable CBS to manage the quality of our data, and retain and dispose of data appropriately.
- Policies and standards in place to manage customer records and the appropriate handling of customers' personal information.
- Continue to mature our suite of risk policies, procedures, tools and reporting to try and ensure the development and use of AI is appropriately governed.
- When AI is used in our operations, all existing risk management practices continue to apply.
- CBS continues to be an industry representative on the AI think tank, supporting the government through consultation on the safe, ethical and responsible use of AI solutions.
- Continues to review the AML/CTF compliance issues. As this work progresses, further compliance issues may be identified and reported to central bank and additional enhancements of systems and processes may be required.
- Continue to invest in risk assessment tools, data and processes to better understand and detect financial crime risks. This includes a financial investment in Global Screening Services, a payments screening specialist.
- Regulatory engagement standard drives engagement with regulators in an open, honest and transparent manner.
- Bank assesses the impacts of regulatory change and embeds new requirements into practices, systems and processes.
- Compliance policies and procedures are in place. Employees are assigned mandatory compliance training to help ensure awareness of key obligations relevant to their role.
- Our Compliance Management Framework requires the identification, documentation and monitoring of compliance arrangements and key controls.

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

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. ERM, BRMC etc

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.

Comprehensive Risk Management Report (CRM): The half-yearly paper covers 100+ parameters (specified by BB).

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.

Minimum Capital Requirement (MCR) Calculation

The Minimum Capital Requirement (MCR) is a process mandated by Basel to determine the necessary capital for a bank, considering credit, market, and operational risks. The Central Bank requires regular assessments, conducted quarterly. The Risk Management Division of the bank plays a crucial role in this process, analyzing trends, building predictive models for the overall MCR, and offering recommendations for improvement. The bank utilizes its own automated web-based system, developed by the Risk Management Division (RMD), to calculate MCR on a quarterly basis. This system factors in various parameters, such as branch-specific lending and the nature of lending (funded and non-funded), to determine the capital required for each 100 Taka of lending.

It's worth noting that by the end of 2024, the bank successfully maintained a Capital Adequacy Ratio (CAR) of 15.61%, indicating a robust financial position and compliance with regulatory requirements. This accomplishment underscores the effectiveness of the MCR calculation and risk management practices implemented by the bank's Risk Management Division.

Value at Risk (VaR)

Value at Risk (VaR) is a statistical metric used to assess the potential loss of an investment portfolio within a specific time frame and confidence level. It is commonly employed by financial institutions, including banks, as a risk management tool. VaR quantifies the maximum anticipated loss that an investment portfolio may experience with a specified probability over a defined period.

The Risk Management Division (RMD) of the bank has proactively developed a VaR model for both foreign exchange (Fex) and equity. The RMD consistently monitors the VaR of Fex and regularly presents reports to the Asset and Liability Committee (ALCO) through ALCO papers. This ongoing monitoring and reporting process help the bank stay informed about potential risks associated with its investment portfolios, facilitating informed decision-making within the ALCO.

Stress Testing

Stress testing is a vital risk management tool employed by the bank to evaluate the potential impact of adverse market conditions on its portfolio. The primary objective is to identify vulnerabilities in the bank's portfolio and ascertain the necessary capital reserves to withstand unfavorable market conditions. Following the guidelines of Bangladesh Bank, the Risk Management Division (RMD) conducts stress testing on a quarterly basis and presents the results to the Risk Management Committee of the Board.

Through sensitivity analysis in stress testing, the bank assesses potential impacts on its Capital Adequacy Ratio (CRAR) resulting from abrupt changes in business or market conditions. These conditions may include downgrades of performing loans, an increase in Non-Performing Loans (NPL) due to defaults by major borrowers, interest rate fluctuations, foreign exchange risk, equity shocks, among others.

As of 2024, the bank has demonstrated its ability to maintain a post-shock CRAR of at least 10% even under minor shock magnitudes. This indicates the bank's resilience and preparedness to withstand adverse market scenarios, ensuring the continued soundness of its capital position.

Individual Shocks	CRAR after Minor Shock (%)	
	23-Dec	24-Dec
Performing loan directly downgraded to B/L :Sectoral Concentration 1	16.80	15.07
Performing loan directly downgraded to B/L :Sectoral Concentration 2	16.84	15.49
Increase in NPLs due to default of Top large loan borrowers	14.21	12.73
Negative Shift in NPLs categories	16.70	14.30
Decrease in the FSV of the Collateral	16.78	14.81
Increase in NPLs	14.90	14.10
Interest Rate	16.09	15.20
FEX : Currency Appreciation	17.02	15.54
Equity Shock	16.76	15.30
Combined Shock	13.10	11.20

Gap Analysis:

Gap analysis serves as a method for evaluating the potential impact of interest rate changes on a bank's balance sheet. The primary goal is to identify both the magnitude and direction of a bank's interest rate sensitivity, providing a quantitative assessment of the potential effects on the bank's earnings and capital. Bank Asia (BA) employs gap analysis to assess interest rate sensitivity, specifically focusing on repricing mismatches in the bank's non-trading operations.

In this analysis, Bank Asia categorizes interest rate-sensitive assets, liabilities, and off-balance sheet instruments based on their expected repricing dates, assigning them to defined time periods. This allows the bank to anticipate and quantify potential risks associated with changes in interest rates, ensuring a proactive approach to managing the impact on earnings and capital. Gap analysis is a valuable tool for banks to navigate interest rate fluctuations and make informed decisions to optimize their financial positions.

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 2024, Bank Asia PLC. was able to maintain its capital adequacy after minor shocks in all events.

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 PLC. 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.

Bank Asia's Risk Profile

SI	Risk Category	2024		2023	
		Tk. in million	Percentage	Tk. in million	Percentage
A	Credit Risk	217,800	81.82%	212,689	86.04%
i	On- Balance sheet	182,961	68.74%	171,986	69.58%
ii	Off- Balance sheet	34,839	13.09%	40,703	16.47%
B	Market Risk	12,822	4.82%	7,412	3.00%
i	Interest Rate Risk	7,551	2.84%	5,733	2.32%
ii	Equity Position Risk	855	0.32%	1,607	0.65%
iii	Foreign exchange	4,416	1.66%	72	0.03%
C	Operational Risk	35,561	13.36%	27,085	10.96%
		266,183	100.00%	247,186	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.

Sector wise concentration

Sector	2024		2023	
	Tk. in million	Percentage	Tk. in million	Percentage
Chief Executive and other senior executives	192	0.07%	170	0.06%
Agriculture	6231	2.12%	8,685	2.98%
Industry	177221	60.34%	145,598	49.98%
Constructions	5217	1.78%	6,283	2.16%
Power, Gas, Water and Sanitary Services	15452	5.26%	17,912	6.15%
Transport, Storage and Communication	3860	1.31%	4,877	1.67%
Trade Services	33969	11.56%	51,512	17.68%
Housing Services	22618	7.70%	19,587	6.72%
Banking and Insurance	7057	2.40%	7,057	2.42%
Professional and Misc. services	21908	7.46%	29,644	10.18%
Total	293,725	100.00%	291,325	100.00%

Geographical concentration

Division	2024		2023	
	Tk. in million	Percentage	Tk. in million	Percentage
Dhaka Division	247,290	84.19%	242,837	83.36%
Chattagram Division	30,507	10.39%	31,327	10.75%
Khulna Division	4,580	1.56%	4,436	1.52%
Rajshahi Division	4,683	1.59%	5,611	1.93%
Barisal Division	1,038	0.35%	1,109	0.38%
Sylhet Division	2,608	0.89%	3,086	1.06%
Rangpur Division	2,423	0.82%	2,303	0.79%
Mymensingh Division	597	0.20%	616	0.21%
Total	293,726	100.00%	291,325	100.00%

Top borrower wise exposure

Sl. No.	Name of clients	Outstanding (Taka) 2024			Outstanding (Taka) 2023		
		Funded	Non Funded	Total	Funded	Non Funded	Total
1	Kabir Group	2,742	1,727	4,469	-	-	-
2	Akij Bashir Group	4,218	600	4,819	-	-	-
3	AKIJ Resources Group	2,959	1,504	4,464	-	-	-
4	Akij Venture Group	3,888	2,184	6,071	3,199	3,566	6,765
5	X-Index Group	4,641	600	5,241	4,806	1,041	5,847
6	Abul Khair	2,935	4,077	7,012	2,207	3,380	5,587
7	Meghna Group	382	7,458	7,840	3,438	4,385	7,823
8	ACI Group	4,977	2,916	7,893	4,890	3,623	8,513
9	Summit Group	4,207	3,131	7,338	5,566	2,779	8,345
10	BSRM	4,966	3,865	8,832	3,863	3,779	7,642
11	Bashundhara Group	7,565	-	7,565	7,148	77	7,225
12	CITY Group	6,023	2,985	9,008	6,040	1,991	8,030
13	Pran RFL Group	1,947	4,153	6,100	4,306	4,553	8,858
14	Echotex Group	2,757	4,978	7,735	1,565	4,424	5,989
15	MAX Group	-	-	-	3,012	2,110	5,122
	Total	54,207	40,179	94,387	50,040	35,706	85,747

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. 164](#)) 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 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 15.61% as on December 31, 2024 against required 12.50% including capital buffer of 2.50%.

7 Years Floating Rate Non-Convertible Subordinated Bond 4 of each Tk. 4,000 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 all formalities further issuance of fresh Subordinated Bonds of Tk. 4,000 million as Tier-2 capital. In this

Our emerging risk -2025 and beyond

The banking sector in Bangladesh faces several emerging risks driven by global economic volatility, rapid digital transformation, and domestic structural challenges. Key risks include:

Risk Type	Context	Mitigation Process
Cybersecurity	Cyber risk has been cited as the number one risk concern among banks, and 2024's survey results reflect this trend. Cybersecurity risks to pose the most difficult challenge to implementing new technologies over the next five years. With increasing digitization and mobile banking usage, cyber-attacks have become a significant concern. Banks are vulnerable to data breaches, ransom ware, and phishing, threatening both financial assets and customer trust.	<ul style="list-style-type: none">● Implement Cybersecurity Framework.● Invest in real time threat detection.● AI driven fraud monitoring.● Human resource training.
Geopolitical and Currency Volatility	Global conflicts, commodity price shocks, and pressure on foreign reserves have increased currency volatility, impacting trade finance and external borrowing.	<ul style="list-style-type: none">● Diversify assets and revenue streams across geographies.● Perform scenario analysis and stress testing on portfolios sensitive to geopolitical or currency risks.● Early alert systems.● Hedging strategies and stress-testing to mitigate foreign exchange and macroeconomic shocks.
Climate and ESG Risks	Climate change poses physical and transition risks to banks, especially those financing agriculture and coastal industries. Regulatory emphasis on ESG compliance is also intensifying.	<ul style="list-style-type: none">● Incorporate climate risk into credit evaluation.● Promote green banking financing as per central bank instruction.
IFRS 9: ECL	IFRS 9: Expected Credit Loss (ECL) is a new emerging risk to managing the new credit risks. It involves forward-looking assessment process to manage the existing credit risk. It contains historical data, current conditions, and future economic scenarios.	<ul style="list-style-type: none">● Development and implementation of ECL models that incorporate forward-looking information to capture emerging risks.● Implement automated Credit risk assessment process and loan provisioning system.

regard, Bank has already completed subscription of Tk.2,000 million from banking channel and remaining Tk.2,000 million is under process for subscription from other than banking channel.

Bank Asia 1st Perpetual Bond of Tk. 5,000 million

To bring the good business growth, Bank Asia has also taken initiative 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 and Tk.340.25 million under public offer totaling Tk.3,680.25 million.

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:

- i. 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.

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8.8

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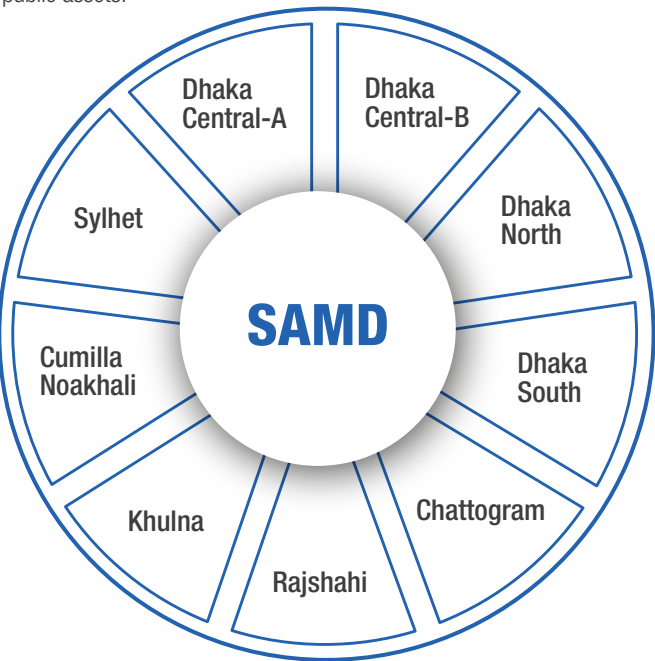
**We express our sincere gratitude to our esteemed
customers for their unwavering trust in Bank Asia.**

Statement on Non-Performing Loan (NPL) Management

At Bank Asia, maintaining high-quality assets is one of our fundamental priorities. To ensure optimal results and outputs, the Special Asset Management Division (SAMD) works closely with all divisions and branches. Loan defaults primarily occur due to two reasons: either intentional misconduct by the borrower or unavoidable circumstances such as business failure, death, natural disasters, or pandemics. SAMD takes a firm and proactive stance when addressing willful defaulters and deliberate misconduct, while also showing empathy and responsiveness to genuine challenges faced by customers.

SAMD actively engages delinquent borrowers, seeking to bring them to the negotiation table in an effort to reach amicable settlements. Given that the bank manages public funds, it cannot afford to allow these issues to drag on indefinitely. If negotiation attempts fail to yield satisfactory results, the bank has no choice but to liquidate mortgaged assets to recover the loan amount. Over the past three years, SAMD has been committed to resolving long-standing overdue accounts through such liquidation processes.

In addition to managing Non-Performing Loans (NPLs), SAMD plays a crucial role in releasing classified and written-off funds, reducing interest suspensions, and recovering unpaid interest. These relentless efforts have directly contributed to a significant reduction in the bank's NPL ratio. Moreover, the recoveries made from previously classified or written-off accounts have substantially boosted the bank's profitability, demonstrating SAMD's integral role in the institution's financial health and long-term success. SAMD's continued dedication ensures that the bank remains on track to meet both its financial and ethical responsibilities in managing public assets.



Strategies for NPL Management & Recovery process

- Effective supervision, follow-up, and monitoring of Non-Performing Loans (NPLs) should be prioritized, with particular focus on rescheduled and restructured loan accounts through both on-site and off-site monitoring. Each branch with high NPL risk must establish a dedicated recovery unit, and SAMD should receive weekly updates and feedback from these units to ensure continuous progress.
- Close monitoring and follow-up should also be implemented during the pre-classification stage by the Corporate & Large Loan (C&LL), Export Finance Division (EFD), Medium Enterprise (ME), Cottage, Micro and Small Enterprises (CMSE), Credit Risk Management (CRM), and other relevant departments. This collaborative approach will ensure timely identification and management of potential problem accounts.
- Human resources within SAMD need to be allocated effectively, with an emphasis on ensuring their optimal utilization in handling critical recovery tasks. Adequate training and support should also be provided to staff members to enhance their productivity and expertise.
- Initiating appropriate legal action should be a priority when necessary, ensuring compliance with regulations while safeguarding the bank's financial interests. The legal team must work closely with external law firms that have proven expertise in financial recovery to strengthen legal proceedings.
- Achieving the loan recovery targets set by the Management, as outlined in the annual budget, should be a key performance metric for all concerned business units. Every team must be aligned with these targets and actively contribute towards meeting them.

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

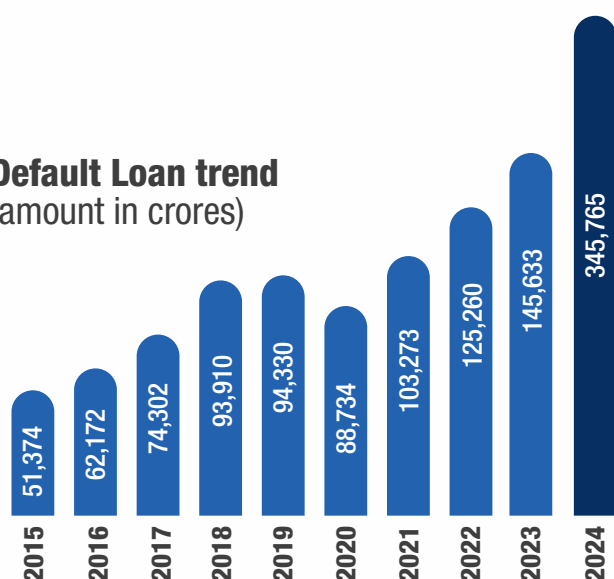
The amount of classified loans in the country increased to Tk. 2,850 billion in December 2024 from Tk. 1,456.33 billion in December 2023.

NPL & Recovery status of Bank Asia

The Bank ended the year (2024) with Non-performing loan (NPL) of Tk. 33,478 million which is 11.40% of the total loans & advances. We have now Tk. 1,778.84 million under stay order at the end of 2024.

- At the end of 2024, the Bank's total write off loans was Tk. 26,640.50 million against 313 accounts. The closing balance has increased due to addition of Tk. 4,655.50 million as newly write off loans. Mentionable that an amount of Tk. 329 million has been recovered from written-off accounts during 2024 and write-off outstanding was Tk. 24,567.60 million.
- During the year 2024, 72.04% 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 27.96% of rescheduled loans that were downgraded to classified status constitutes 49.48% of total classified loans. Management has already increased recovery initiatives from those defaulted loans.

Default Loan trend (amount in crores)



Country vs Bank Asia

Amount in billion

Classified Loans	Bank Asia		Country	
	2024	2023	2024	2023
CL Amount	33.47	19.51	3,457	1,456
CL Ratio (in %)	11.40%	6.70%	20.20%	9%

NPL BY BANKS TYPE

Amount in billion

Types of Banks	Total CL
SCBs	1,370
SBs	64.32
PCBs	2,000
FCBs	26.99
TOTAL	3,457

Strategic Plan for 2025

- Enhanced Supervision and Monitoring:** Strengthen the supervision, follow-up, and monitoring of NPL accounts, as well as rescheduled and restructured loans, through both on-site and off-site measures.
- Effective Monitoring in Pre-Classification Stage:** Ensure comprehensive monitoring, follow-up, and supervision during the pre-classification stage by C&LL, ME, CMSE, CRM, and other relevant divisions to prevent further deterioration of loan quality.
- Optimization of Staff in SAMD:** Ensure an adequate number of staff in SAMD and optimize the utilization of human resources within the department to enhance efficiency and effectiveness in handling NPLs.
- Proactive Legal Action:** Initiate timely and appropriate legal actions for the recovery of defaulted loans, ensuring that all legal processes are streamlined and effective.
- Achievement of Loan Budget Targets:** Work toward achieving the loan budget set by the Board, with close attention to meeting targets while maintaining prudent lending practices.
- Strengthening Recovery Teams:** Further strengthen the recovery teams in the Chattagram Zone to ensure a more robust recovery process and better outcomes in managing defaulted loans.

By implementing the strategies outlined above, we are confident in achieving a classified loan ratio of less than 7.36% by the end of 2025. As one of the most compliant banks in the industry, Bank Asia continues to intensify its efforts in recovering dues from defaulting clients while preventing the inclusion of new classified loans. To achieve success, the bank is further refining its credit appraisal process, emphasizing negotiability, prompt legal action, and consistent monitoring and follow-ups, with a focus on proactive involvement from all employees.



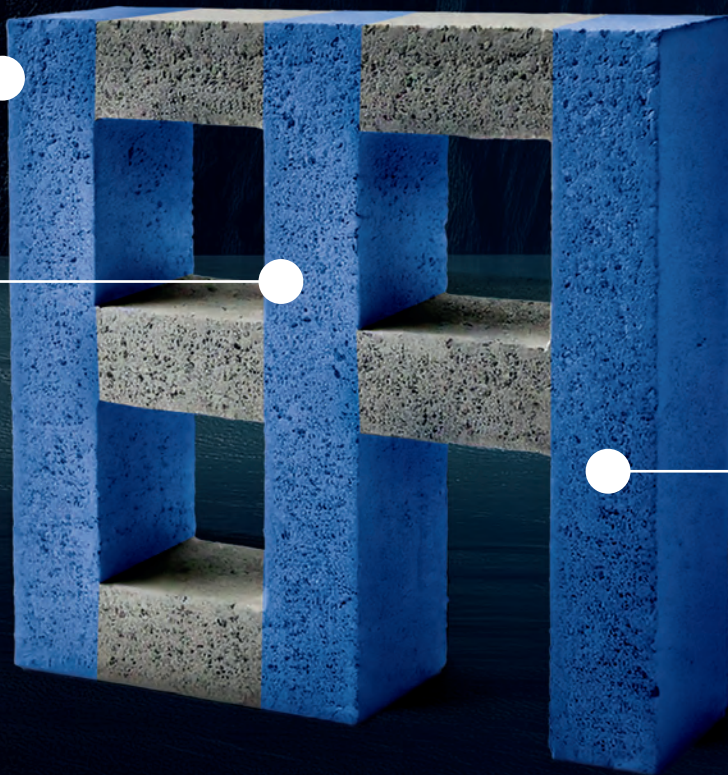
Basel III Pillar 3

Market Disclosure

**Minimum
Capital**

**Supervisory
Review**

**Market
Discipline**



Basel III Pillar 3 Market Disclosure

Annual Disclosure for the year ended December 31, 2024

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	<p>Bank Asia PLC.</p> <p>The consolidated financial statements of the Bank include the financial statements of i) Bank Asia PLC. ii) Bank Asia Securities Limited iii) BA Exchange Company (UK) Limited. and iv) BA Express USA Inc.</p> <p>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.</p> <p>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.</p> <p>A brief description of these institutions are given below:</p> <p>Bank Asia PLC. Bank Asia PLC. ("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 PLC. Chittagong Stock Exchange PLC. At present the Bank has 131 branches including 4 SME/ Agri branches, 4 SME Service Centers, 15 sub-branches and 217 own ATM, CDM 33, CRM 4. 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.</p> <p>Bank Asia Securities Limited Bank Asia Securities Limited, a majority owned subsidiary company of Bank Asia PLC. 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.</p> <p>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 PLC., 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.</p> <p>BA Express USA Inc. BA Express USA Inc. is fully owned subsidiary company of Bank Asia PLC. 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.</p>
b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group:	
(i) that are fully consolidated	
(ii) that are given a deduction treatment; and	
(iii) that are neither consolidated nor deducted (e.g. where the investment is risk - weighted)	
c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group	<p>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</p>
Quantitative Disclosures	
d) The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.	Not applicable for the bank

2. CAPITAL STRUCTURE

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 PLC. consists of only Tier 1, Tier 2 capital and Additional Tier-1 Capital.

Tier 1: The components of Tier 1 Capital 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
- 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:

Subordinated debts and general provision.

Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in Tier 1 or Tier 2.

Quantitative Disclosures

Million Taka

SI	Particulars	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	4,124	4,151
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)	27,541	27,568
	Less: Regulatory adjustments	-	-
a.9	Reciprocal Crossholdings in the CET - 1 Capital of Banking, Financial and Insurance Entities	41	41
a.10	Others if any	-	-
a.11	Common Equity Tier -1 capital (Going-Concern Capital)/ Core Capital (a.8 – a.9)	27,500	27,572
a.12	Additional Tier 1 Capital	3,680	3,680
a.13	Total Tier- 1 Capital	31,181	31,207
b)	Tier-II (Supplementary Capital)	-	-
b.1	General Provisions for unclassified loans	5,871	5,871
b.2	General Provisions for Off-balance sheet exposure	1,496	1,496
b.3	General Provision for Covid-19	-	-
b.4	Asset revaluation reserves up to 50%	-	-
b.5	Subordinate debt	3,000	3,000

Basel III Pillar 3 Market Disclosure

Sl	Particulars	Solo	Consolidated
b.6	Other reserve	-	-
b.7	Sub-Total (b.1 to b.6)	10,366	10,366
	Less: Regulatory adjustments	-	-
b.8	100 % of revaluation reserve for fixed assets, securities and equity securities	-	-
b.9	Total Tier-2 Capital Available	10,366	10,366
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) Considering Para 3.2 (v) including foot note no. 9 of RBCA Guidelines	18,530	18,465
b.11	Excess Amount over Maximum Limit T-2	-	-
b.12	Total Tier- 2 Capital	10,366	10,366
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.7+ c.2)	41,547	41,573

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 2024 the CRAR of the bank was 15.61%.
- During the same period Minimum Capital Requirement (MCR) of the bank was Tk. 26,618 million and eligible capital was Tk. 41,546million; i.e. the bank hold TK. 14,928 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

Sl.	Risk Category	Solo	Consolidated
Details of Risk Weighted Assets (RWA)			
a	Credit Risk		
a.1	On- Balance sheet	182,961	184,182
a.2	Off- Balance sheet	34,839	34,839
a.3	Total Credit Risk (a.1+a.2)	217,799	219,021
b	Market Risk	12,822	14,778
c	Operational Risk	35,562	36,341
	Total RWA (a.3+b+c)	266,183	270,140
Details of Risk wise Minimum Capital Requirement (MCR)			
a	Credit Risk	-	-
a.1	On- Balance sheet	18,296	18,418
a.2	Off- Balanced sheet	3,484	3,484
a.3	Total Credit Risk (a.1+a.2)	21,780	21,902
b	Market Risk	1,282	1,478
c	Operational Risk	3,556	3,634
	Total Minimum Capital Requirement	26,618	27,014
	Total Maintained Capital	41,547	41,573
	Total Capital Surplus	14,928	14,559
Details of Tier wise Capital of the Bank			
		-	-
1	Tier- 1 Capital	31,181	31,207
2	Tier- 2 Capital	10,366	10,366
3	Tier- 3 Capital	-	-
	Total Capital	41,547	41,573
	Total Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital / RWA)	15.61%	15.39%
	Tier 1 CRAR (Tier 1 Capital / RWA)	11.71%	11.55%
	Tier 2 CRAR (Tier 2 Capital / RWA)	3.89%	3.84%
	Capital Conservation Buffer (2.5% of RWA)	5.61%	5.39%

Basel III Pillar 3 Market Disclosure

4. CREDIT RISK

Qualitative 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, & its subsequent amendments.

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.

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.

Definitions of past due and impaired (for accounting purposes)

Description of approaches followed for specific and general allowances and statistical methods

Types of loans and advances		Provision				
		STD	SMA	SS	DF	BL
Consumer	House finance	1%	1%	20%	50%	100%
	Loans for professionals	2%	2%	20%	50%	100%
	Other than housing finance & professionals to setup business& credit card	2%	2%	20%	50%	100%
Provision for loan to broker house, merchant banks, stock dealers, etc.		1%	1%	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%
CMSE		0.25%	0.25%	5%	20%	100%
Credit Card		2%	2%	20%	50%	100%

Qualitative Disclosures

Discussion of the Bank's credit risk management policy

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, 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.

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 Internal Credit Risk Rating (ICRR) 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.

Basel III Pillar 3 Market Disclosure

Quantitative Disclosures

Particular	Outstanding
b) Total gross credit risk exposures	293,726
Chief Executives & Others senior executives	192
Agriculture	6,231
Industry	177,221
Constructions	5,217
Power, Gas, Water and Sanitary Services	15,452
Transport, Storage and Communication	3,860
Trade Services	33,969
Housing Services	22,618
Banking and Insurance	7,057
Professional and Misc. services	21,908
c) Geographical distribution of exposures	293,726
Dhaka Division	247,290
Chittagong Division	30,507
Khulna Division	4,580
Rajshahi Division	4,683
Barisal Division	1,038
Sylhet Division	2,608
Rangpur Division	2,423
Mymensingh Division	597
d) Industry or counterparty type distribution of exposures	293,726
Chief Executive and other senior executives	192
Agriculture	6,231
Food Manufacturing	22,396
Beverage industry	4,816
RMG industry	26,701
Textile industry	33,405
Wood cork and allied products	108
Furniture and Fixture	922
Paper and paper products	6,000
Leather and leather products	3,695
Rubber products	5,440
Chemical and chemical products	1,801
Basic metal products	20,712
Electrical machinery and apparatus	4,300
Other manufacturing industries	32,390
Ship building	111
Ship breaking	2,184
Pharmaceutical	12,240

Million Taka

Particular	Outstanding
Constructions	5,217
Power, Gas, Water and Sanitary Services	15,452
Transport, Storage and Communication	3,860
Trade Services	33,969
Housing Services	22,618
Banking and Insurance	7,057
Professional and Misc. services	21,908
Others	-
e) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure	293,726
Repayable on demand	42,040
Not more than 3 months	39,385
More than 3 months but not more than 1 year	87,794
More than 1 year but not more than 5 years	105,786
More than 5 years	18,721
f) By major industry or counterparty type	-
Sector wise past due loan classification categories:	
Sub- Standard	2,303
Doubtful	4,439
Bad and Loss	26,736
Total	33,478
Specific and general provisions	
Total General Provision:	5,870
Total Specific Provision:	22,678
g) Gross Non Performing Assets (NPAs)	33,478
Non Performing Assets (NPAs) to Outstanding Loans Advances	11.40%
Movement of Non Performing Assets (NPAs)	
Opening balance	19,510
Additions	23,121
Reductions	9,154
Closing balance	33,477
Movement of specific provisions for NPAs	
Opening balance	15,620
Less: Write-off	(4,028)
Add: Recovery from previously written off	229
Transfer from General Provision	244
Add: Provisions made during the period	10,613
Add: Provisions made during the period OBU)	
Closing balance	22,679

5. EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS

	Qualitative Disclosures
Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons	<p>Investment in equity mainly for capital gain purpose but Bank has some investment for relationship and strategic reasons.</p> <p>Investment in equity securities are broadly categorized into two parts:</p> <p>i) Quoted Securities that are traded in the secondary market (Trading Book Assets).</p> <p>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.</p>
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.	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>

Basel III Pillar 3 Market Disclosure

Quantitative Disclosures

Million Taka

Sl.	Particular	Amount
a)	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	972
	Market price	427
	Value of unquoted shares	
	Cost price	144.53
	Market price	98.81
b)	The cumulative realized gains (losses) arising from sales and liquidations in the reporting period	Nil
c)	Total unrealized gains (losses)	-
	Total latent revaluation gains (losses)	-
	Any amounts of the above included in Tier 2 capital.	-
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	427.65
d.2	General Market Risk	427.65
d3.	Total (d1+d2)	855.30

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

Sl.	Particular	Amount		
1	Market Value of Assets	524,178		
2	Market Value of Liabilities	483,387		
3	Weighted Average of Duration of Liabilities (DL) in years	1		
4	Weighted Average of Duration of Assets (DA) in years	1.66		
5	Duration GAP (DA-DL) in years	0.73		
6	Yield to Maturity (YTM -Assets)	10.25%		
	Yield to Maturity (YTM -Liability)	5.34%		
	Magnitude of Interest Rate Change	1%	2%	3%
7	Fall in Market Value of Equity	-3,489.00	-6,979.00	-10,469.00
Stress Testing		Minor	Moderate	Major
8	Regulatory capital (after shock)	38,056	34,567	31,077
9	RWA (after shock)	262,692	259,203	255,713
10	CRAR (after shock)	14.49%	13.34%	12.15%

7. MARKET RISK

Qualitative Disclosures

Views of BOD on trading/ investment activities	The Board approves all policies related to market risk, sets limits and reviews compliance on a regular basis. The objective is to provide cost effective funding last year to finance asset growth and trade related transaction.
Methods used to measure Market Risk	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

Particular	Amount
The capital requirement for:	
Interest Rate Risk	755.06
Equity Position Risk	85.53
Foreign Exchange	441.56
Commodity Risk	-
Total capital requirement against Market Risk	1,282.15

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.

Basel III Pillar 3 Market Disclosure

Qualitative 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	<p>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 PLC. 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 PLC. 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.</p> <p>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.</p>
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	3,556	3,634

9. LIQUIDITY RATIO

Qualitative Disclosures	
Views of BOD on system to reduce liquidity Risk	<p>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:</p> <ol style="list-style-type: none"> 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 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 <p>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.</p>

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)
- Advance Deposit Ratio (ADR)/Investment Deposit Ratio (IDR)
- Liquidity Coverage Ratio (LCR)
- Net Stable Funding Ratio (NSFR)

Methods used to measure Liquidity Risk

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 below 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 PLC. 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)	309.83%
Net Stable Funding Ratio (NSFR)	110.76%
Stock of High quality liquid assets	190,423.79
Total net cash outflows over the next 30 calendar days	61,461.07
Available amount of stable funding	418,962.05
Required amount of stable funding	378,268.94

Basel III Pillar 3 Market Disclosure

10. LEVERAGE RATIO

Qualitative Disclosures	
Views of BOD on system to reduce excessive leverage	<p>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:</p> <p>a) constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy.</p> <p>b) reinforce the risk based requirements with an easy to understand and a non-risk based measure.</p> <p>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.</p>
Policies and processes for managing excessive on and off balance sheet leverage	<p>There are approved limits for instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against such risk.</p>
Approach for calculating exposure	<p>Calculation of Leverage Ratio</p> <p>A minimum Tier 1 leverage ratio of 3% is being prescribed both at solo and consolidated level.</p> $\text{Leverage Ratio} = \frac{\text{Tier 1 Capital (after related deductions)}}{\text{Total Exposure (after related deductions)}}$ <p>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:</p> <ol style="list-style-type: none"> 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). Physical or financial collateral, guarantee or credit risk mitigation purchased is not allowed to reduce on-balance sheet exposure. Netting of loans and deposits is not allowed.

Quantitative Disclosures		
Million Taka		
Particular	Solo	Consolidated
Tier-1 Capital (A)	31,180	31,207
Exposure measure :		
On balance sheet exposure	510,311	511,724
Off balance sheet exposure	61,051	61,051
Less: Regulatory adjustment made to Tier I capital	41	41
Total exposure (B)	571,321	572,734
Leverage Ratio (A/B)	5.46%	5.45%

11. REMUNERATION

Qualitative Disclosures

Name, composition and mandate of the main body overseeing remuneration:

Managing Director, Senior Management Team (SMT) & Chief Human Resource Officer (CHRO) 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
Managing Director	01
Additional Managing Director	02
Deputy Managing Director	07
Senior Executive Vice President	9
Executive Vice President	14
Senior Vice President	13

Basel III Pillar 3 Market Disclosure

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.

b. 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 2024 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 Managing Director. Credit Risk Officer reports to 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.

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.

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 which the bank seeks to link performance during a performance measurement period with levels of remuneration.

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).

Basel III Pillar 3 Market Disclosure

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;

f. Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms.

Quantitative Disclosures

Particular

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 overseeing the remuneration was held on need basis.	
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	No.	Amount
	Nil	Nil
		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	

Basel III Pillar 3 Market Disclosure

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	2,109.95
Allowances	2,082.02
Festival bonus	370.54
Gratuity	420.00
Provident fund contribution	206.27
Performance bonus	465.00
Total	5,653.78

- deferred and non-deferred.

Nil

- different forms used (cash, shares and share linked instruments, other forms).

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

Summary Sustainability Report

The **Rising Sea** level, a sign of growing environmental strain, is our wake-up call to save the planet

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Achievement for Sustainability Report



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 NCCR and ICSP, Jakarta, Indonesia

- 'Silver Rank' in Asia Sustainability Reporting Rating (ASRRAT) 2023 by NCCR and ICSP for Sustainability Report 2022
- Bank Asia has been granted 'Gold Rank' in ASRR 2022 by NCSR and ICSP 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
- '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

Key Highlights 2024

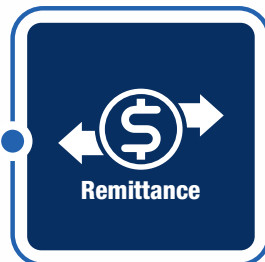
Disbursed **Tk. 28.08** million under Bank Asia Higher Studies Scholarship

357 students received support under this program



5,025 agent outlets out of which **91%** in rural areas covering **64** districts of Bangladesh

USD.119 million disbursed around **328,753** freelancers



72,728 rural farmers were financially supported

Disbursed **Tk. 5,783** million as Agriculture & Rural credit

23,705 Man-hours of training for human capital development



Delivered **1,499,880** no. of E-Statements to customers

71% done through ATMs



40,28,123 transactions completed Worth **Tk. 77,319** million (approx.)

Internet Banking User **227,054**

Mobile App. user **341,806**

Under Sustainable Finance distributed **Tk. 123,604** million to **63,167** people



Under Green Finance, distributed **Tk. 4,492** million to **101** people

We distributed **Tk. 2,223.15** million in Renewable Energy and Energy & Resource Efficiency segment



Message from the Managing Director

At Bank Asia, we firmly believe that sustainability is at the core of long-term competitiveness. Our unwavering commitment is to create enduring value for all stakeholders through responsible and forward-thinking practices. As Bangladesh strives for a prosperous future, sustainable business operations have become indispensable drivers of economic resilience and national growth.

On behalf of Bank Asia, I am pleased to present the 2024 Summary Sustainability Report, centered on the critical theme of Rising Sea Levels. As a low-lying nation, Bangladesh faces significant threats from rising sea levels, which drive coastal erosion, salinity intrusion, and displacement of communities. Addressing these challenges demands robust adaptation measures, including investments in climate-resilient infrastructure, enhanced coastal protection, and community-driven initiatives to promote sustainable practices. Public awareness campaigns and collaborative efforts are essential to empower communities to adapt to these environmental shifts.

This report underscores Bank Asia's commitment to sustainable development standards that mitigate the impacts of rising sea levels while fostering positive outcomes for our economy, communities, and environment.

Sustainability – Driving a Sustainable Tomorrow

Bank Asia has consistently championed the transition to a low-carbon economy, contributing significantly to sustainable development over the years. Since 2011, we have implemented targeted measures to enhance energy efficiency across our operations. These efforts have led to significant cost savings and a substantial reduction in our carbon footprint, resource consumption, and waste generation.

In 2024, the Green Banking initiatives led by our Cards Division—such as E-Statements, SMS Banking, and Email Correspondence—resulted in net savings of Tk. 10.39 million. We are also committed to incorporating renewable energy within our operations to further minimize our environmental impact.

In alignment with our values of responsible banking, Bank Asia allocated Tk. 4,492 million in 2024 to 101 borrowers through our Green Finance initiatives. Additionally, we disbursed Tk. 119,112 million to 63,066 borrowers via sustainability-linked financing. These investments empower businesses to enhance operational efficiency and reduce costs by adopting renewable energy solutions—demonstrating that environmental responsibility and financial performance can go hand in hand.

Prioritizing Society First

Bank Asia continues to invest in the social, economic, and environmental development of Bangladesh. In 2024, we contributed Tk. 134 million through various Corporate Social Responsibility (CSR) programs:

- Tk. 68 million towards healthcare initiatives
- Tk. 40 million in education support
- Tk. 25 million for disaster management efforts

- Tk. 1 million in environmental and climate change adaptation programs

These initiatives reaffirm our commitment to building a more inclusive and resilient society.

Financial Inclusion – Bridging Financial Gaps

As a pioneer in financial inclusion, Bank Asia has successfully completed nine years of agent banking operations. Drawing on our experience and our partnership with ABAK (formerly EBK), we continue to expand our reach across all Government Social Safety Net Programs. In collaboration with the Ministry of Social Welfare, we serve vulnerable groups such as senior citizens, widows, and persons with disabilities.

Our 28,000+ Micro Merchant plays a vital role in the transparent and secure distribution of social benefits. Through these banking channels, we ensure that government allowances are delivered efficiently and reliably. In 2024, we placed a special focus on women's empowerment through digital financial inclusion and literacy initiatives. These efforts are designed to enhance women's financial independence and foster long-term economic resilience.

Investing in Human Capital

As a service-driven organization, our people are our greatest asset. Bank Asia remains committed to nurturing employee development through continuous learning. In 2024, we invested 23,705 man-hours in training programs covering a wide range of operational and behavioral competencies. These initiatives aim to enhance the skills, engagement, and effectiveness of our workforce—ensuring we remain agile and prepared for the challenges ahead.

Bank Asia remains steadfast in its journey towards sustainability—driving meaningful change for our nation, our communities, and our environment.

Award and Recognition

We are pleased to share that Bank Asia PLC. has been recognized as a "SDG Brand Champion" at the Sustainability Summit 2024, for its significant contribution to women's empowerment. Bank Asia PLC., has been honored with the distinguished title of "Best Climate Focus Bank in Bangladesh" for its outstanding sustainability rating by Bangladesh Bank in the years 2020 and 2021.

Finally, we extend our heartfelt gratitude and sincere appreciation to all our stakeholders. Your unwavering support and contributions have been instrumental in driving forward Bank Asia's vision for a sustainable and resilient future in Bangladesh. Together, we remain committed to building a greener, more inclusive tomorrow.



Sohail R K Hussain
Managing Director

Report Parameter



Time Period

January 1, 2024 to
December 31, 2024



Reporting Cycle

Annual



GRI Guideline Followed

Gri Standards



Most Recent Report

Sustainability
Report 2023



In Accordance Option Chosen

In Accordance
'Core'

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 2024. This is our Thirteenth 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 2024 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, FVP, Group Finance; Mr. Mahbub-Ul Anam Khan, CSRS, FAVP, Group FAD and Ms. Nahid Tania Khan, CSRS, FAVP, Group FAD. 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. 6.34 million and Tk. 1.03 million respectively during 2024. 23,705 man-hours training (both physically & virtually) have been provided to 3,686 participants in 2024 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. We have disbursed Tk. 123,603.6 million to 63,167 borrowers as Sustainable finance. As greening of mind, trainings were provided to staffs regarding green banking under foundation and other trainings course in 2024.

PROFIT



During 2024, Bank Asia generated operating profit of Tk. 17,052 million. Bank Asia generated economic value addition of Tk. 5,841 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, 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 PLC. 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, 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 PLC. 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 131 branches SME service centers & 15 subbranches across the country spread over different zones that includes 131 branches including 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 5,025 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 1,097 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 71% cash transactions of Bank Asia are done through its 217 own ATMs and more than 14,000+ shared ATMs all over the country. In terms of Internet banking, currently we have more than 227,054 active users.

SCALE OF THE REPORTING ORGANIZATION

As of the end of 2024, our Bank's operating profit is Tk. 17,052 million and total assets are Tk. 532,902 million. The Bank's Capital to Risk Weighted Assets Ratio (CRAR) is 15.61%

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 Shari'ah Board for Islamic Banks of Bangladesh (CSBIB)
- The Accounting & Auditing Organization for Islamic Financial Institutions (AAOIFI), Bahrain

Number of employees	2,689
Number of branches	131 (127 branches, 4 SME/Agri branches and 4 SME service centers), 15 sub-branches
Total operating income	Tk. 26,891 million
Total debt & equity	Tk. 498,393 million & Tk. 26,891 million
Number of ATMs	217 own ATMs and more than 19,000+ shared
Number of credit cards	100,208
Number of VISA debit cards	1,098,530

Bank Asia's Service Network

Branch Banking

Branches **127**

Sub branches **15**

SME Centers **4**

SME/Agri branches **4**

Branchless Banking

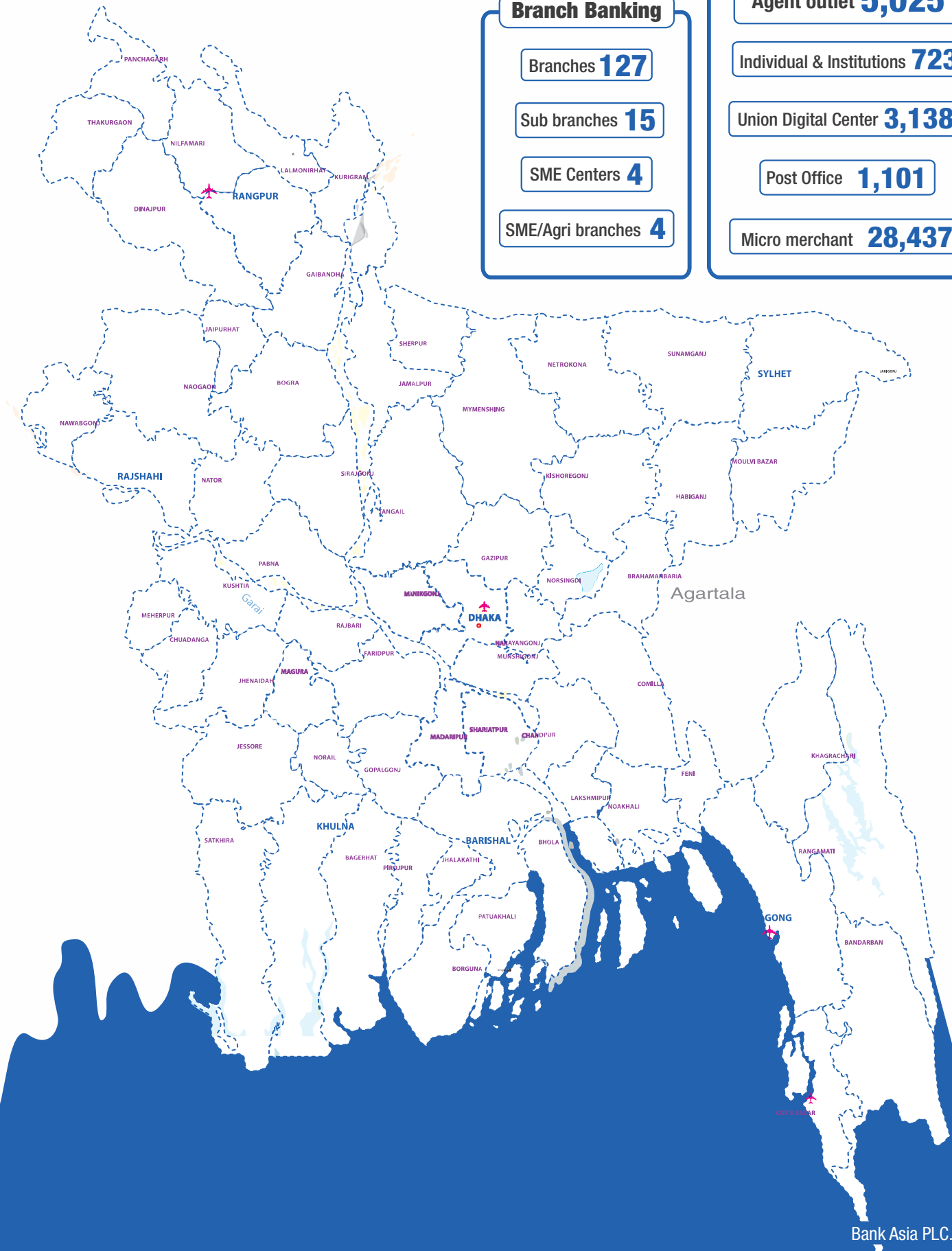
Agent outlet **5,025**

Individual & Institutions **723**

Union Digital Center **3,138**

Post Office **1,101**

Micro merchant **28,437**



Primary Brands Products & Services

Since its inception, Bank Asia PLC. 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 PLC. 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 PLC has pioneered the idea of financial inclusion by providing banking to the un-banked 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.

mastercard Bank Asia

Craft your world, your way
with Bank Asia World Elite Mastercard

REDEFINING
LUXURY

Proudly Launched the
World Elite Mastercard


Launching of Bank Asia World Elite MasterCard

Bank Asia PLC. and Mastercard announced their collaboration to launch the World Elite Mastercard (credit card) recently, aiming to provide a wide range of luxuries and exclusive benefits to cardholders on both domestic and overseas spends.

Bank Asia World Elite Mastercard is one of the most elite credit card aiming to promote the pinnacle of luxuries to its esteemed cardholders.

Romo Rouf Chowdhury, honorable Chairman of Bank Asia PLC., Vikas Varma, Chief Operating Officer, South Asia at Mastercard, Sohail RK Hussain, Managing Director of Bank Asia PLC., Syed Mohammad Kamal, Country Manager of Mastercard Bangladesh and ANM Mahfuz, Additional Managing Director of Bank Asia PLC. along with other eminent personalities were present in the event.

This World Elite card holds its one-of-a-kind selling propositions and unique features (details - <https://www.bankasia-bd.com/Elite>) which is unparalleled in Bangladesh's credit card market and it's a great opportunity for us from Bank Asia to promote the product and increase Bank Asia's footprint in the market.

The advertisement features a dark, atmospheric background with a silhouette of a man in a suit standing on an airport tarmac, looking at a private jet. The Bank Asia and Mastercard logos are at the top. The headline 'Craft your world your way' is prominently displayed. Below it, a text block describes the card's benefits. A close-up of the World Elite Mastercard is shown, featuring a city skyline and the Bank Asia logo. At the bottom, a small disclaimer states '*Terms and conditions apply'.

Products & Services



RETAIL BANKING PRODUCTS

Deposits

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.)
Personal retail account		

Term Deposit (s)

Fixed Deposit Regular	School Banking Account
	Duranto

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



Consumer Finance

House Finance <ul style="list-style-type: none"> Shapner Abash Griha Shaj Shapner Kuthir Shapner Nirman Nijer Bari 	Unsecured Personal Loan <ul style="list-style-type: none"> Proyjon RMG-Proyjon Chuti (Travel Loan) Sheba (Hospitalization Loan) Student Support Loan Wage Earner's Support Purnata (Senior Citizen Support) 	Consumer Durable Loan <ul style="list-style-type: none"> Green Energy Loan Shabolombi (Loan for Professionals) Loan for Landlords
		Auto Loan <ul style="list-style-type: none"> Shapner Bahan



Credit Card

VISA <ul style="list-style-type: none"> Visa Signature Credit Card (with Priority Pass) VISA Platinum Credit Card (with Priority Pass) VISA Gold Credit Card VISA Classic Credit Card Virtual Card VISA Prepaid Hajj Card Gift Card 	MASTER <ul style="list-style-type: none"> Mastercard World Elite (with Lounge Key) Master Titanium Credit Card (with Lounge Key) Master Gold Card Master Silver Card Shadhin Card Prepaid Travel Card
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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 GF, PF,SP & BF Deposit Account	Mudaraba Corporate Privilege Savings Account (MCPSA)	Mudaraba Special Notice Deposit Account (MSNDA)
Mudaraba Hajj Savings Scheme (MHSS)	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	Istisna'a – Export
Murabaha Import Bills	EDF/EPF	GTF/TDF	Quard against MTDR & Schemes
Continuous Musharaka (Overhead Financing)	Post Export Finance -Foreign (PEF-f)	Musharakah Export Finance – Inland (MEF-i)	

Islamic Retail Financing Products

HPSM Real State Housing	HPSM AUTO	HPSM/BMM Consumer
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Islamic SME Financing Products

SALAMAH Srishti	SALAMAH Somriddhi	SALAMAH Bahun
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	Bahun Commercial Vehicle Finance Surakkha no/insufficient collateral under CGS	Sristi Collateral free Term loan for Manufacturing
Shubidha Collateral free Term loan for Trading	Uttaran For existing excellent CMSE loan borrowers	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 loan	Shombhabona Term loan for New Entrepreneur	Start-Up Loan Term loan for IT based innovative business or service entrepreneurs.

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

Cropping Demand Loan	Fishery Term Loan	TK. 10- Term Loan
Dairy & Fattening Demand Loan	Equipment Term Loan	TK. 10- Demand Loan
Dairy & Fattening Term Loan	Poultry Demand Loan	NGO- Demand Loan
Fishery Demand Loan	Poultry Term Loan	NGO- 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 Merchandise	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

Letter of Guarantee	Letter of Credit (Sight/Deferred/UPAS/EDF)	Back to back Letter of Credit (Local & Foreign)
---------------------	--------------------------------------------	-------------------------------------------------

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

Import & Export Bill Discounting facilities for On-Shore Customers

UPAS Loan	Bill Purchase
-----------	---------------

Import & Export Bill Discounting facilities for Other Banks

UPAS Loan	Bill Purchase
-----------	---------------

Long-term Finance facilities for On-Shore Customers

Term loan	ECA loan	Syndication loan
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Working Capital Finance for “A” Type (100 % Foreign own) Customers

LTR	Packing Credit	Demand Loan	Overdraft
-----	----------------	-------------	-----------

Trade Finance (non-funded) facilities for “A” Type (100 % Foreign own) Customers

Import	Export
--------	--------

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	Retail Loan
Short Notice Deposit Account	10 Tk. Account	Islamic Loan
School Banking Solution <ul style="list-style-type: none"> 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	Insurance Product
Balance Inquiry	Disbursement and Payment of Social Safety Net	Micro-Merchant Digital Payment Apps
Account Statement (Mini)	Salary Disbursement Solution	Cheque Book
Insurance Premium Collection	A-Card for Farmers	Bank POS
Fund Transfer to MFS (bkash)	Fish Card for Farmers	RMG POS Service



TREASURY PRODUCTS

Money Market, Fixed Income & Capital Market

Call Money	Fixed Income & Capital Market investment	Reverse Repo with Peer Banks and Central Bank
Notice money	GSEC Investment and buy-sell service for customers (Retail & Institutional)	SDF with Central Bank
LCY/FCY Term Placement	Repo with Peer Banks and Central Bank	Interest Rate Swaps
LCY/FCY Swap	ALS/SLF with Central Bank	Interest Rate Cap & Collar

Foreign Exchange

Spot Foreign Exchange	Foreign Exchange Option	Cross Currency Swaps
Forward Foreign Exchange	Forex Swaps	



CAPITAL MARKET SERVICES

Brokerage Services	Research Services	Agent Broking
Attractive Commission Offering	Daily Market Update and News Summary	OMS (Own Order Management System)
Wide Branch Network	Institutional Trade	Margin Loan
CDBL Services	Panel Broking	Government Securities

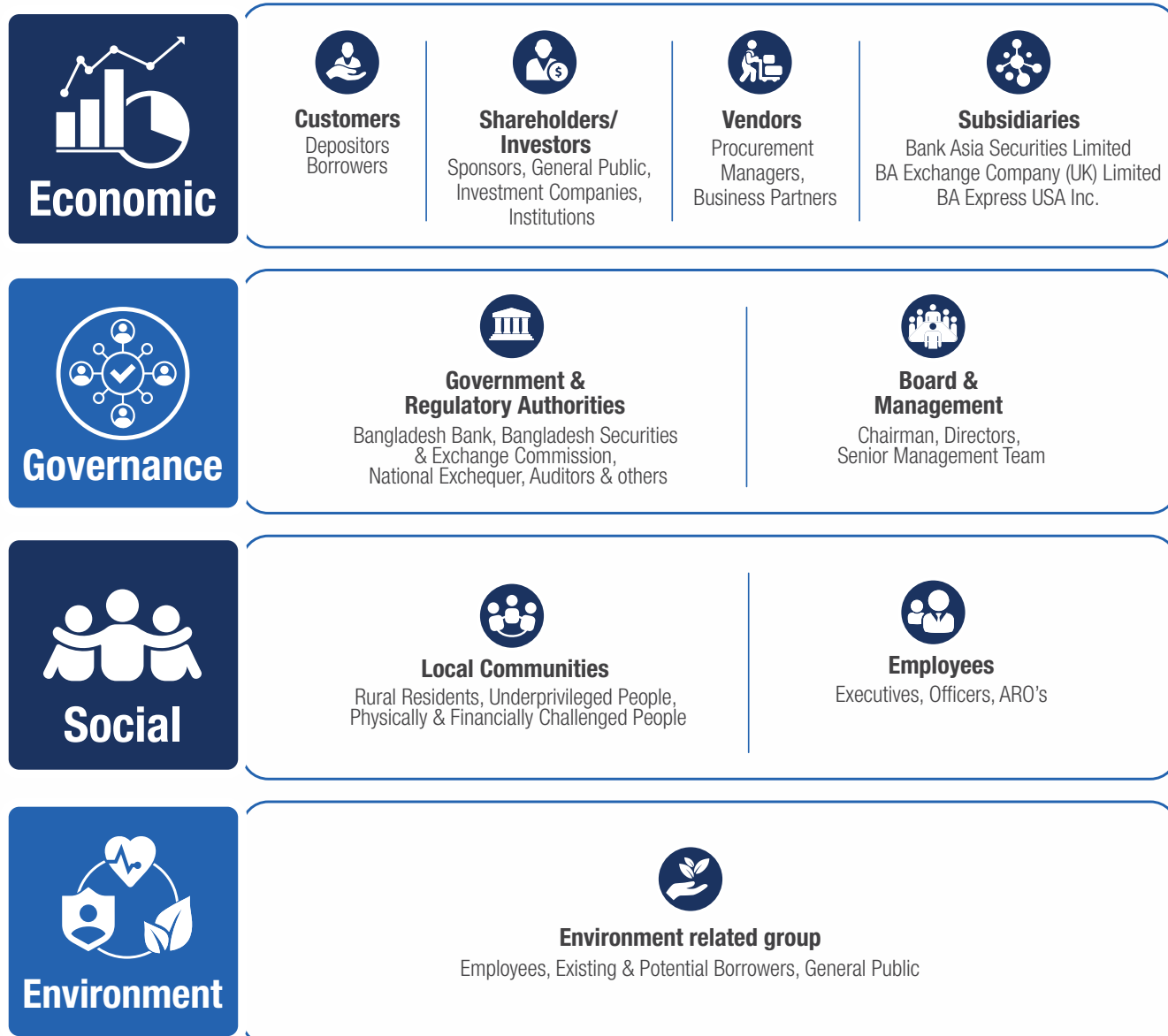
Stakeholders' Engagement

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 .

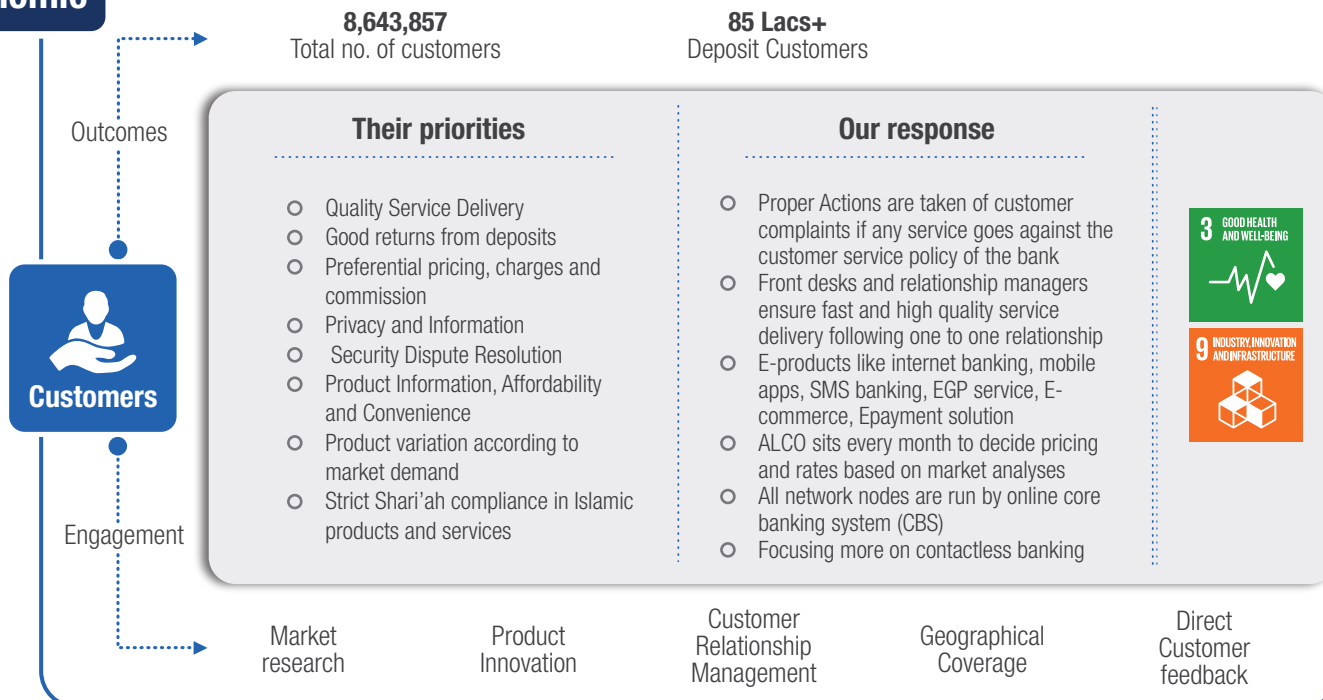
As a value driven financial brand Bank Asia try to maintain transparency in providing both financial and non-financial data activities of the bank. Bank Asia prioritizes stakeholders' issues based on materiality mapping determining the level of relevance and significance on economic, environmental, social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

Bank Asia's Stakeholders





Aligned with SDG



Aligned with SDG

**Their priorities**

Goals and Strategic focuses are based on local environment analysis & regulatory purview

Our response

Review local market and environment before setting its strategic priorities ensuring proper representation from subsidiaries



Outcomes

Engagement

Tk. 8,967 million
Contributed to National Exchequer

Maintained strict ethics & compliance

Their priorities

Goals and Strategic focuses are based on local environment analysis & regulatory purview

Our response

Review local market and environment before setting its strategic priorities ensuring proper representation from subsidiaries



Meetings

Directives and circulars

eMail

Verbal Communication

Regulatory Reporting



Outcomes

Engagement

28
Number of Board Meeting

Maintaining strong Governance principles

Their priorities

- Governance principles, policies & procedures formulation
- Strategic focus & value creation
- Strategic business planning

Our response

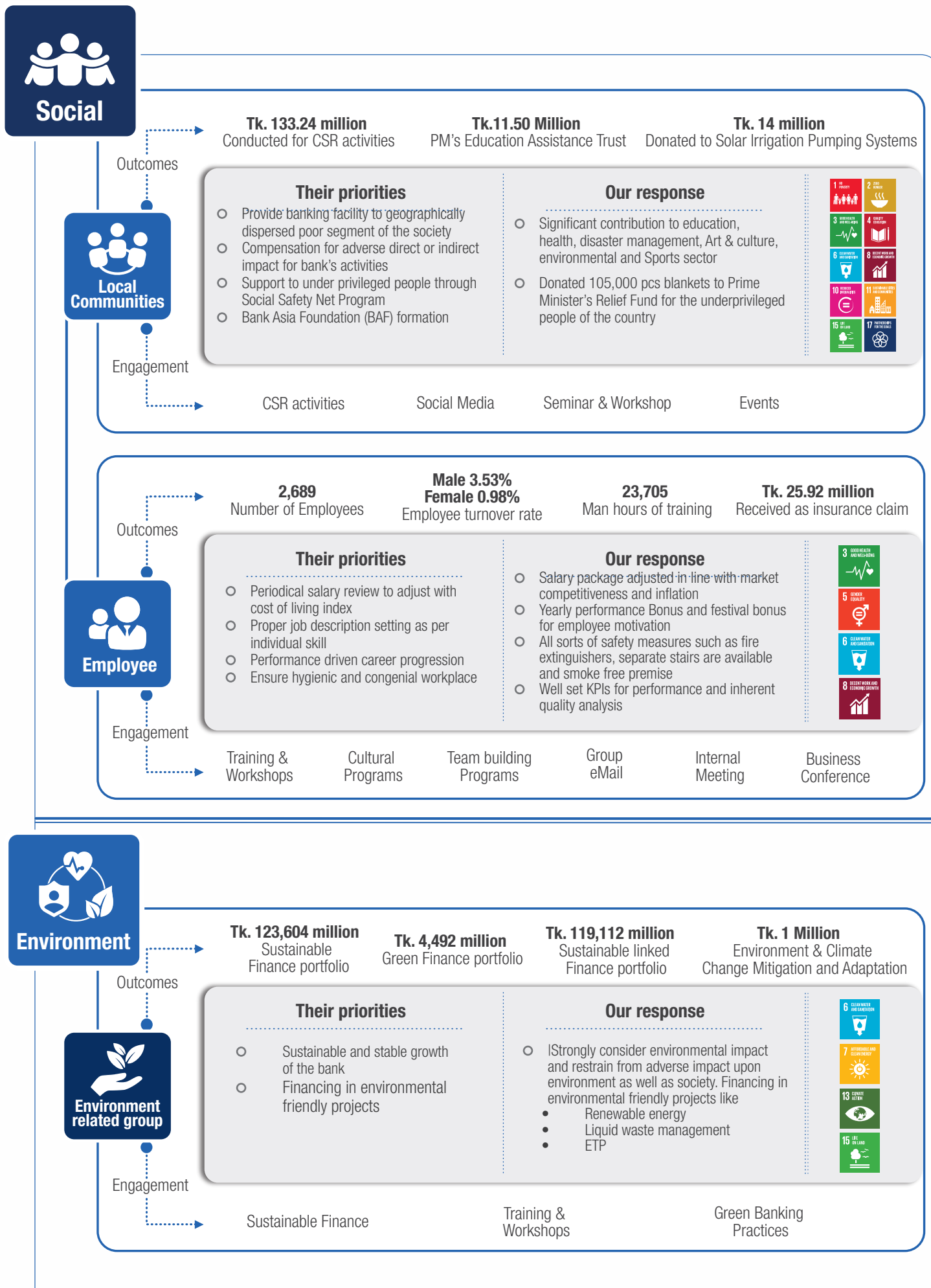
- At least one board meeting in every month, frequent executive committee meeting, audit committee meeting
- Board members meet management on various occasions like annual & semi-annual business conferences, different remarkable day celebration



Meetings

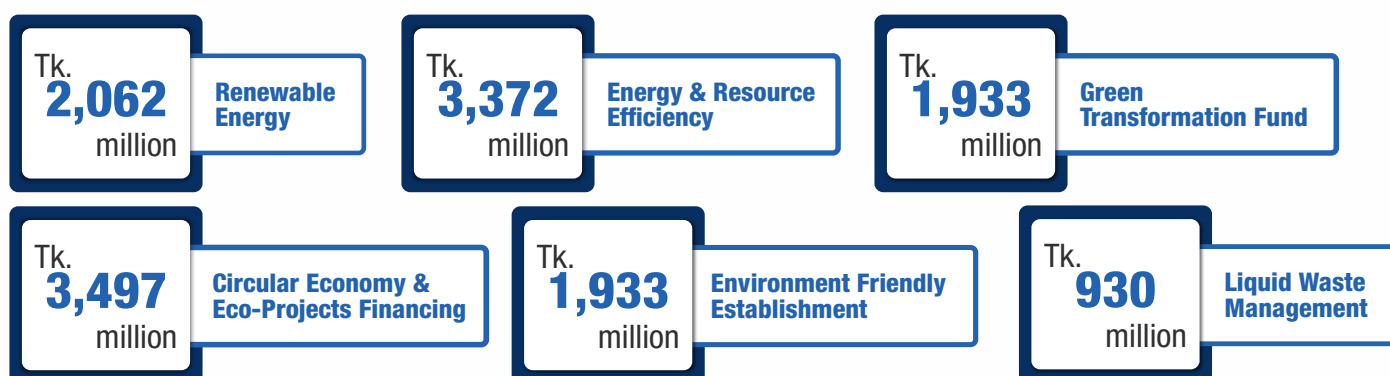
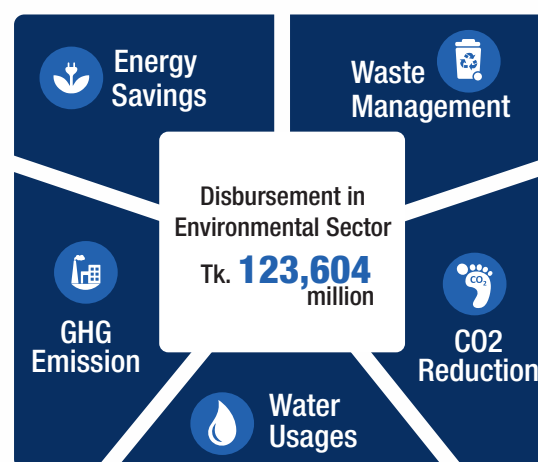
eMail

Verbal Communication



Environmental Performance

Bank Asia is very much aware regarding environmental protection, by minimizing environmental damages and by developing, promoting and utilizing environment friendly technology. Through adoption of various green banking practices such as online loan processing, virtual company meetings, reducing paper and water wastage, etc.



ENERGY

Energy Savings

To achieve long-term sustainable development, Bank Asia plays an active role for making 'low carbon economy'.

- More than 30% electricity is saved every year using the day light inside corporate office and 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.

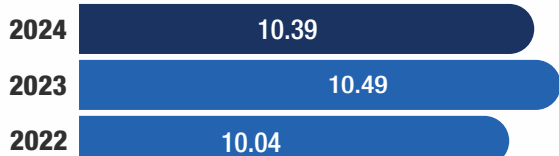
Carbon offset projects

- We have disbursed Tk. 5,783 million to 72,728 rural farmers where approving Tk. 771 million to 8,757 accounts through Online Credit Approval System (OCAS).

Reducing Energy & Resource Consumption

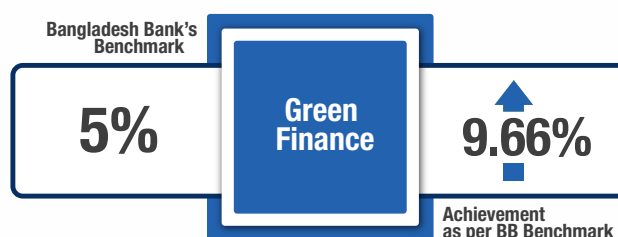
- Instruments of Green Banking offered by Cards Division includes E-Statement, SMS Banking, SMS Alert, Net Banking, E Fund Transfer, Digital Attendance and E Mail corresponding which helps to increase in net savings by practicing green banking instruments during 2024 amounted towards net savings worth Tk. 10.39 million

Net Savings million Taka



Financing Renewable Energy and Energy & Resource Efficiency

- In 2024, we have disbursed an amount of Tk.2223.16 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.





7

Corporate Office designed to utilize maximum usage of natural lights which reduces energy consumption substantially

15

Conducting larger scale of CSR activities contributing towards quality of life of the society at large without compromising an ecological condition

6

Bank Asia's investment for liquid waste management project and waste water processing plant

13

Bank Asia is involved in environment friendly investment for a sustainable & green economy

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.113 per employee in 2024

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' and 'Green/Environment Friendly Establishment'

- In 2024, Bank Asia has disbursed an amount of Tk.250 million in Liquid Waste Management and as of December the outstanding was Tk.929.56 million. This includes Central ETP, Biological ETP, Combination of Chemical & Biological ETP, Waste Water Treatment Plant etc.
- In 2024, we also financed various projects under Green/Environment Friendly Establishment amounting to Tk.425.59 million and the outstanding at the end of the year was Tk.1,933.31 million. These finances help the industries to reduce environmental effect.



Echotex ETP financed by Bank Asia PLC.

GreenHouse GAS EMISSION

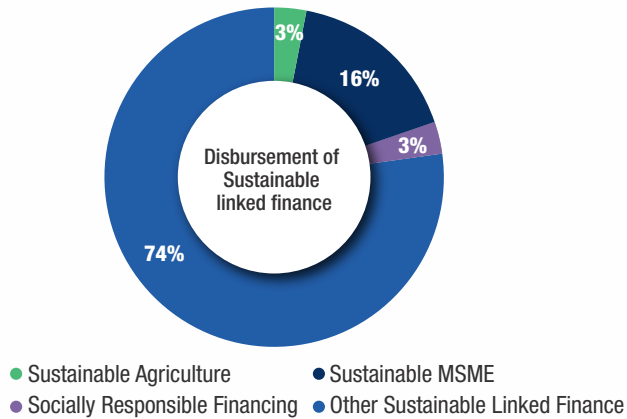
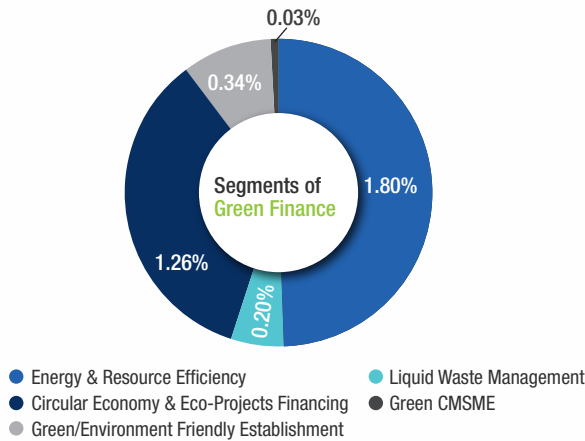
Saving CO2 emission

- 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).

Environmental Performance



Refinance Scheme

- Bank Asia has participated an agreement with Regulatory Bank as a participant in the refinance scheme for Green Products/Projects/Initiatives. 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 31.12.2024 was EURO 2.52 million & USD 0.0736 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.



Eco friendly Spinning mill financed by Bank Asia

Disbursement in 2024



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 2024, total 2,070 number of borrowers were rated under ESDD Risk Rating out of which 1,399 number of borrowers were finance where disbursement of Tk.100,849.37 million was made to 'Low Risk' rated borrowers through 3,917 number of accounts.

Sustainability Report & Rating

- Since 2012, Bank Asia has published Sustainability Report by following GRI guidelines. Every year, the bank works on a new theme to focus on the adverse impact of economic activities over environment. This year, the focus was on "Sea level rise". This Issue is not simply an environmental concern, rather it is a multifaceted challenge that affects public health, economic productivity, and the nation's role in the global climate crisis.



Climate Focus Award 2024

Online Banking

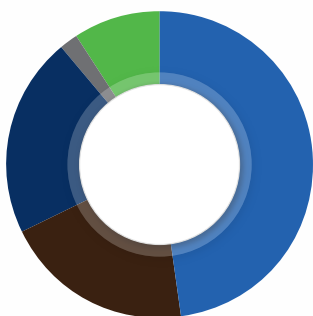
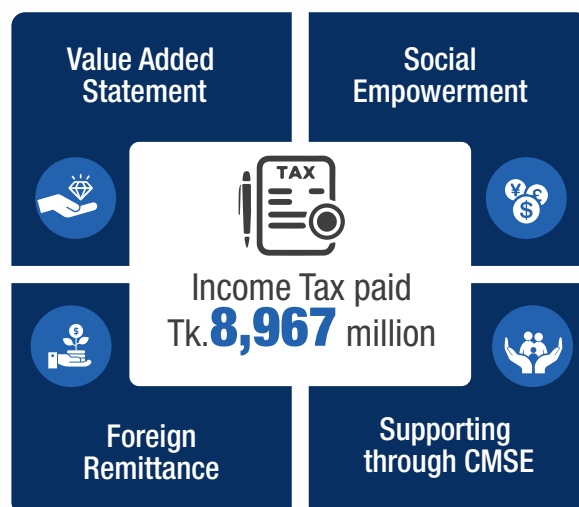
- Online banking system is a great way to reduce wastage of paper.
- For ensuring digitalization of service, Automated Challan System (A-Challan System) has been introduced for online submission of various government service fees.
- In our banking system 'e-Commerce' has incorporated for its valued customer where Bank plays as payment partner & account holders can shop online through internet banking such as e-ticket purchasing of bus, train, airways, cinemas & movies, mobile flexiload, hotel booking; bill payment such as hospital bill, advertisement bill, passport fees, WASA, DESA, qubee bill, 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 NPSB 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.
- 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 2024, Bank Asia has not faced any penalties for non-compliance with applicable laws and regulations concerning the impacts of its operations on communities.

Economic Performance

Value Added Statement shows the wealth created by an organization & how is that wealth distributed among different stakeholders. In the year 2024 bank's net value addition was Tk. 12,944 million; 44% was distributed to employees as salaries, 16% to shareholders as dividend & reserve, 27% to government as income tax and rest of the amount used for business expansion and growth.

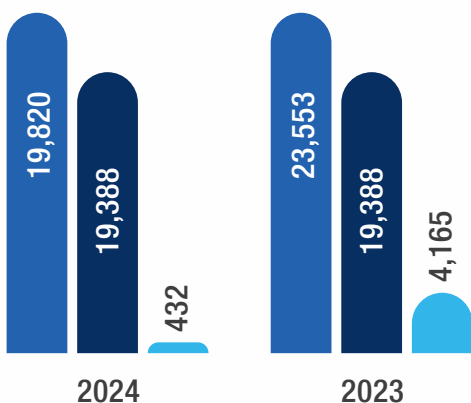


Value Added Statement 2024

To employees as salaries **44%**
To providers of capital **16%**
To Government as Income Tax **27%**
Retained profit **5%**
Depreciation **8%**

Market Value Added

■ Market Value of Equity
■ Book Value of Equity
■ Market Value Added *Million Taka*



Million Taka

Items	2024	2023
Income from banking services	51,338	38,028
Less: Cost of services & supplies	27,636	20,241
Value added by banking service	23,702	17,787
Non-banking income		
Provision for loans & Off-balance sheet exposure & others	10,758	6,835
Total	12,944	10,952

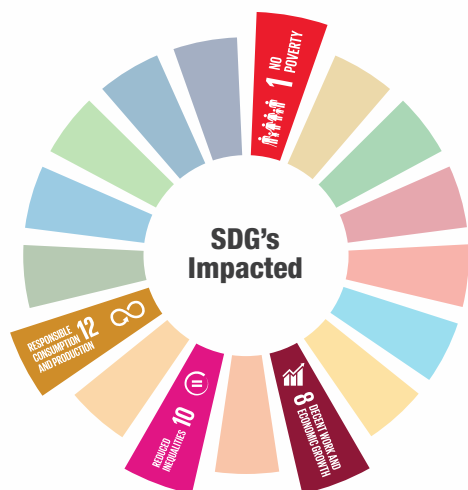
Million Taka

Distribution of value addition	2024		2023	
	Amount	%	Amount	%
To employees as salaries	5,664	44%	5,257	48%
To providers of capital as dividend & reserve	2,121	16%	2,139	20%
To Government as income tax	3,520	27%	2300	21%
To expansion & growth				
Retained profit	654	5%	257	2%
Depreciation	985	8%	999	9%
Deferred Taxation				
	1,639		1,256	
Total Value Addition	12,944	100%	10,952	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 2024, total market value of the bank was Tk. 19,820 million & total book value of equity is Tk. 19,388 million i.e. addition of market value was Tk. 432 million.

Particulars	No. of shares (in million)	Share price (in taka)	Taka (in million)
Market Value	1,166	17	19,820
Book Value	881.26	22	19,388
Market Value Added			432



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	2024	2023	2022
Invested fund by shareholders			
Shareholders equity	31,842		28,640
Add: Cumulative Provision for loans/ investment/ off-balance sheet items, offshore banking units & others	31,959	25,000	21,859
Total invested fund by shareholders	63,801	54,519	50,499
Average invested fund by the shareholders [A]	59,160	52,509	48,084
Earnings for the year			
Profit after taxation	2,775	2,396	3,046
Add: Provision for loans/ investment, off-balance sheet items and Offshore banking units	7,548	6,835	4,149
Earnings for the year [B]	13,532	9,231	7,195
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]	7,691	6,826	6,251
Economic Value Added [B-D]	5,841	2,405	944

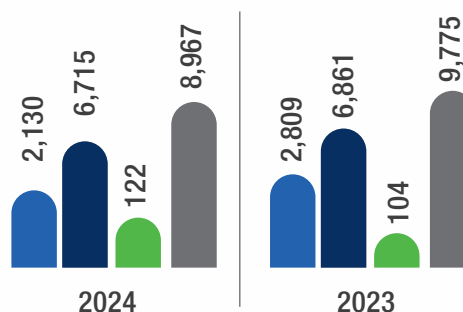
Contribution to National Exchequer

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 2023, the Bank contributed Tk. 9,775 million to national exchequer whereas in the year 2024, the bank contributed Tk. 8,967 million.

Particulars	2024	2023
Income tax payment on bank's earnings	2,130	2,809
Income tax, VAT, and Excise duty deducted at source from various payment and services by the bank	6,715	6,861
Income tax payment by the employees	122	104
Total Payment	8,967	9,775

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
- Million Taka



Supporting Activities Through CMSE

In an instable political situation in 2024 CMSME businesses were confused about whether to inject capital or to withdraw money from their businesses. Their confidence were lowered during that time. Even though the economic situation was gloomy, Bank Asia PLC partnered with SME clients in financing for business development, machinery purchase, working capital requirement, construction etc.

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. We have

Economic Performance

been emphasizing on innovation of CMSE friendly products consistently to cater demand of CMSE clients throughout the country.

Position at the end of 2024

- The Cottage, Micro and Small Enterprise portfolio stood at Tk. 14,963.39 million compared to previous year's Tk. 14,751.73 million.
- 2413 new CMSE borrowers were added to the CMSE portfolio in 2024 with a volume of Tk. 2,729.58 million
- Total Cluster Financing 1,397.79 million
- Number of account 333

Initiatives in the year of 2024

- Training program on "Let's Become Entrepreneur" jointly organized by SME Foundation and Bank Asia PLC. at Mymensingh.
- Organized 16 training for women entrepreneur regarding "Business Management and Financial Literacy" on different branches .
- Organized workshop as a lead bank regarding "CMSE Cluster Finance-2024" at Jhenaidah Sishu Academy, Jhenaidah.
- Participated on Bankers 11th "SME Product Fair 2024" organized by SME Foundation at Bangabondhu International Conference Center, Dhaka.
- Participated workshop regarding "Cluster based financing" at Shilpokola Academy, Dinajpur.
- Organized seminar as a lead bank on Identification of Women Entrepreneurs and Disbursement of loan to Women Entrepreneurs in CMSE sector at Jhenaidah Sishu Academy, Jhenaidah.
- Agreement signing with Bangladesh Bank regarding Credit Guarantee Scheme under Women Entrepreneur and Agro Process refinancing project for financing CSM Enterprise
- Agreement signing with Bangladesh Bank under SMEDP-2 refinancing project for financing CSM Enterprise.

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 2024, Bank Asia managed to distribute Tk. 5,783 million to 72,728 farmers as part of our agriculture/rural credit scheme.

FINANCIAL INCLUSION

Agent Banking

Bank Asia is the pioneer in Agent Banking in Bangladesh. The bank launched its Agent Banking service in 2014, which was the first of its kind in the country. Currently it's serving more than 6.98 million accounts in Bangladesh as a market leader through 5,025 Outlets all over the country, 91% of which are Rural and 64% are Female.

The bank has been expanding its Agent Banking network aggressively over the years, which has helped it to reach out to a large number of customers nationwide. With the help of Agent Banking, Bank Asia has been able to offer affordable and convenient banking services to millions of unbanked and underbanked people in the country. Bank Asia's Agent Banking has been playing a significant role in promoting financial inclusion and contributing to the country's economic growth and development.

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 1,101 outlets to render these post office banking services.

Micro Merchant

Micro Merchant is most effective channel for Financial Inclusion & Literacy. Bank Asia is the pioneer in Micro Merchant. 28,437 Micro Merchant all over the country is actively participated to distribute Social Safety net allowance through banking channel & secured way. Total number Micro Merchant stood at 28,437.

Through these micro merchant outlet which enabling the customer to avail limited scale banking facilities at doorstep. Women empowerment has been promoting through these channels where 64% of the total customer portfolio is women. Supported by renowned international agency Bill & Melinda Gates Foundation, Bank Asia created a women centric financial ecosystem where the women agents were empowered with capacity building to support more women customers and to build an improved inclusive society.



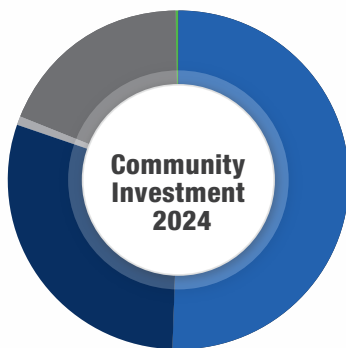
Bank Asia PLC. in collaboration with BIC, Uttoron hosted a workshop titled Women Entrepreneurship Development & Access to Banking Finance for 53 women entrepreneurs



Training program on "Let's Become Entrepreneur" jointly organized by SME Foundation and Bank Asia PLC. at Mymensing

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 2024, Bank Asia spent an amount of Tk. 133.55 million for the overall betterment of the nation. The Bank's stakeholders were immensely benefitted by way of its community based multifarious social programs.



Health **50.69%**

Education **29.73%**

Environment & Climate Change Mitigation and Adaptation **0.75%**

Disaster Management **18.79%**

Others **0.04%**

Foreign Remittance

In line with the national upward trend, Bank Asia achieved a 33% year-on-year growth in remittance inflow and received remittance amounting to USD 1,113 million. Notably, the Bank received SAR 167 million directly from Saudi Arabia in 2024 through BYC. Additionally, Bank Asia's fully owned overseas subsidiary in the USA achieved a milestone by collecting USD 100 million in a single year for the first time. In 2024, the country has received USD 26,888.42 million and registered a substantial 22.68% growth.

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 2024, we have done 328,753 transactions of USD 118 million.

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 2024, the bank has not faced any significant penalties for non-compliance with applicable laws and regulations for running its economic activities in Bangladesh.

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 EBK), 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 allowances
- 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
- RLP 3rd Phase, BRDB
- World Food Program

At a Glance Report of Bank Asia Social Payment is given below

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
Beneficiaries	1,954,329	1,256,975	4,372	212,901
Male Beneficiaries	797,205	-	1,942	107,721
Female Beneficiaries	1,157,124	1,256,975	2,430	105,180



Old age allowance received by the beneficiaries under Social Safety net payment program



Payment from Agent outlet to a autistic baby



Payments through Agent outlet



An old man is waiting for his allowance from Agent outlet

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 beginner 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. Bank Asia's benefit schemes are as follows:

Fringe Benefits	Other Benefits	End Service Benefit	Minimum Notice Period
<ul style="list-style-type: none">House rent allowanceConveyance allowanceMedical allowanceEntertainment allowanceHouse maintenance allowanceUtilities allowanceCar maintenance allowanceRisk allowance	<ul style="list-style-type: none">Group Health InsuranceBenevolentLeave fare assistanceFurniture allowanceHouse Building Loan (HBL)Car loanProvident fund loanMobile phone allowance (talk time)Ex-gratia payment	<p>Bank Asia provides the following benefit plans to its employees on retirement according to individuals' entitlement</p> <ul style="list-style-type: none">Provident fundGratuitySuperannuationLeave encashment	<p>Minimum notice period before switching job is 3 months for regular employees and 1 month for contractual employees. Minimum notice period before changing department is 1-30 days as per situation or demand of concerned branch/department.</p>



New Employees

46 new employees were recruited during 2024, all of the new employees were assigned to the Corporate Office to ensure effective and timely support.



Employees by Diversity

Bank Asia ensures equal opportunity as an employer irrespective of locality, gender or ethnicity. We as an organization support diversity, equity, and inclusiveness. Our employee composition in 2024 includes 2,685 local employees and 4 indigenous employees.



Employees by Region

Bank's employees are mainly spread over Dhaka and Chittagong. It retains the highest number of employees in Dhaka, which was 78.10% in 2024 for corporate office and branches in Dhaka city. We follow fair hiring process which demonstrates no discrimination in locality or 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.



3

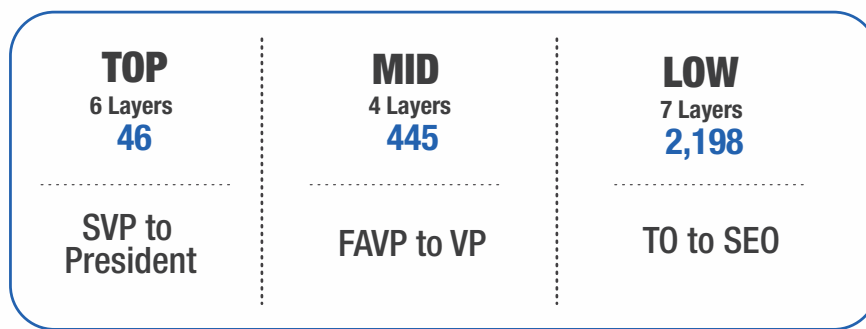
To ensure safe & healthy workplace & overall well-being of our employees, various initiatives have been undertaken

5 **10**

Fair hiring process & no discrimination irrespective of locality, gender or ethnicity of employees

8

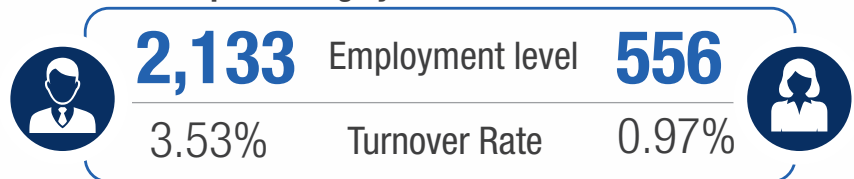
To improve professional efficiency Bank Asia puts highest importance on training & workshop



Gender Positioning of Directors



Gender positioning by



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.

Training by gender



Training by position



Bank Asia and Green Banking

- Bank has organized different In house & External training courses under Bangladesh bank, BIBM, Foreign Training, Training by other institutes. Training Institute of Bank Asia has provided 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 18,269 no. of proposals amounting Tk. 11,137.87 million have been processed in 2024. 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	2024	
	Nos	Hours
In House Training	3,573	21,937
Bangladesh Bank	29	456
BIBM	21	464
Overseas/Foreign Training	5	128
Training by other institutes	58	720
Total No. of Participants & Man Hour	3,686	23,705

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 (AMLDD), 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



Bank Asia PLC has organized a certificate awarding ceremony of the 61st Foundation Training Course for its officers at BAITD

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. 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 2024, 46 female employees availed 180 days each with a total of 8,280 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 2024, 55 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 9 nannies, 7 teachers, 1 supervisor, 1 child care co coordinator and 1 cleaner 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.

Bank Asia PLC has organized a program on the occasion of **Breast Cancer Awareness Month 2024** to disseminate knowledge and raise awareness about breast cancer among its female employees. The keynote speaker, Prof. Dr. Tasnim Ara, delivered an insightful presentation on modern methods of breast cancer treatment through targeted therapy.

Bank's Senior Executive Vice President and Head of Cash Management and Corporate Liability Ms. Sufia Akter along with 180 female employees, participated in the program. During the engaging question-and-answer session that followed, attendees posed various questions about breast cancer, gaining valuable information about the disease. Bank Asia remains committed to fostering a supportive work environment that prioritizes the health and well-being of its employees.

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

EVENTS

Celebration of the 10th Founding Anniversary of Agent Banking

Bank Asia celebrated the 10th Founding Anniversary of Agent Banking on 21 January 2024. Chairman Mr. Romo Rouf Chowdhury along with Members of Board of Directors and Senior Management Team of the Bank attended the anniversary program at the bank's premises.



Annual Business Meet 2024

Bank Asia PLC. has organized "Annual Business Meet 2024" at The Palace Luxury Resorts, Sylhet. The meeting reviewed the business performance of the bank in the outgoing year 2023 and discussed the opportunities, prospects and business strategies for the year 2024.

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 2024, 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 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 2024, 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

In pursuance to the financial sector Corporate Social Responsibility (CSR) engagements: Indicative Guidelines for expenditure allocation and end use oversight as enunciated in GBCSRD Circular No. 07 dated 22/12/2014 of green Banking and CSR Department of Bangladesh Bank, Bank Asia Foundation (BAF) was established under the societies Registration Act, XXI of 1860 dated 2nd February, 2014 to undertake large scale sustainable programs on behalf of Bank Asia PLC.

BAF started its journey in 2017 with the aim of performing high impact sustainable CSR programs like establishing Medical college & Hospital, Clinics, Diagnostic Centers, Educational Institutes, Vocational Training Centers, Scholarship for Higher Studies etc. Bank Asia Foundation currently emphasis investment in the health sector. With that goal, a 50 Bedded hospital was set up furnished with modular Operation Theater (OT), Neonatal intensive care unit (NICU), Post-Operative Unit, Labour Room with modern equipment and well-designed diagnostic center including Pathology, X-Ray, ECG and Ultrasonogram department as well as 24/7 Emergency service with highly equipped Ambulance named Bank Asia-Ma Amiran Hospital and Diagnostic Centre. The 50 Bedded INDOOR Unit was operational as on December, 2023 and OUTDOOR Unit is operational since September, 2019 also that month (September, 2019) a Model Pharmacy was operational named Bank Asia-Ma Amiran Model Pharmacy. 727.47 decimals Land and One Old Three-storied building donated by Honorable Ex-Chairman Mr. A. Rouf Chowdhury and his family members.

As a part of the "Bank Asia Higher Studies Scholarship Program", BAF disburse Scholarship for the year of 2017 & 2018 programs which is more than 400+ students.

The foundation is currently working in major three areas

- 1 Bank Asia-Ma Amiran Hospital & Diagnostic Centre at Malkhanagar, Sirajdikhan, Munshiganj.
- 2 Bank Asia Higher Studies Scholarship Program.
- 3 Other CSR Activities like donation for treatment, donation of computers etc.

Services provided by Diagnostic Centre (2019 - 2024)

No of Patient at OPD

112,263

Pathological Tests

89,608

Performance of Hospital INDOOR Unit (2023 - 2024)

No of Patient at INDOOR

3,491



*Outdoor unit of Bank Asia-Ma Amiran
Hospital & Diagnostic Centre*



*Outdoor unit of Bank Asia-Ma Amiran
Hospital & Diagnostic Centre*

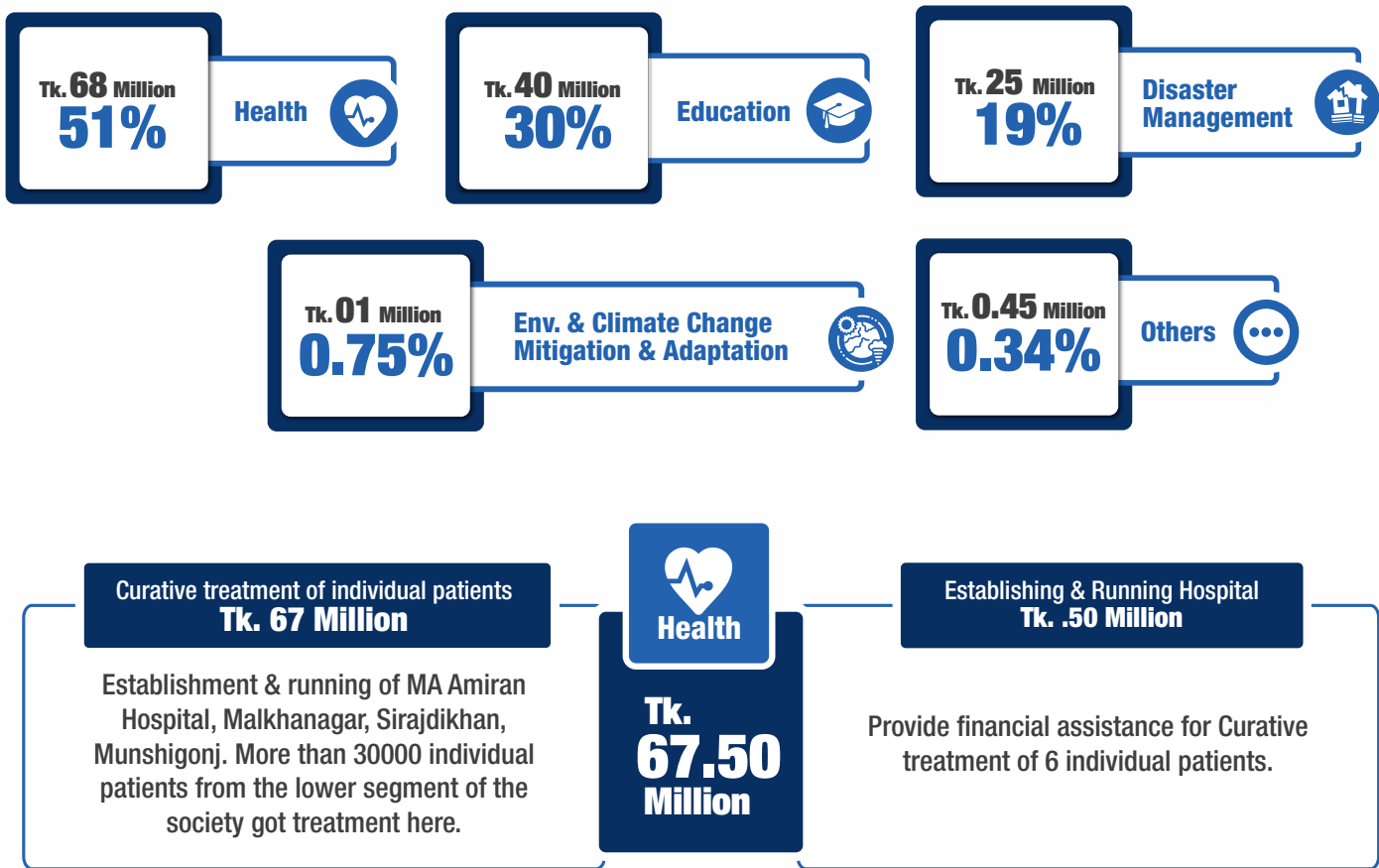
Corporate Social Responsibility (CSR)

Bank Asia is always aware of its Corporate Social Responsibility (CSR) with an aim to ensure the Bank as a socially responsible corporate entity contributing towards quality of life of the society at large without compromising an ecological condition. 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 livelihood through healthcare availability and living standards of vulnerable groups of the society for sustainable and equitable development of the country.



Bank Asia always tries to make a better society by working and donating in different sectors since its inception. Corporate governance has developed in the Bank over the years defining the division of responsibilities and establishing mechanism for achieving accountability between the Board of Directors and the Management. While protecting the interests of depositors, the system takes into account the impact of management and business processes of the creditors, employees, customers and community in which the Bank functions and plays an intermediary role between economic development and conservation of the environment.

Bank Asia following the Bangladesh Bank principles, prioritizes in social and environmental values which will benefit the people of the country.





For a safe, resilient and sustainable environment of the country in times of adversity and disaster towards enabling them to rebuild their lives and livelihoods Bank Asia provides support to the society



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



Financed by Bank Asia PLC for establishment of MA Amiran Hospital, Malkhanagar, Sirajdikhan, Munshigonj

**Higher Studies Scholarship
Tk. 28.08 Million**

Bank Asia provided direct scholarship to 357 students for higher studies in different educational institutions.



**Tk.
39.58
Million**

**PM's Education Assistance Trust
Tk. 11.50 Million**

Donated to Prime Minister's Education Assistance Trust (PMEAT) for expansion of the trust's regular activities.



**Tk.
25.02
Million**

- An amount of total Tk.6.83 million has been incurred for distributing 6205 number of packets containing essential food items, mineral water, oral saline and medicines as emergency disaster relief during September & October 2024 to the flood affect distressed 6205 families of the southeastern part of the country under the CSR initiative of the Bank. One family has been considered consisting of 4 members and thus total number of beneficiaries in this regard has been assumed as many as 24,820 persons.
- 26000 pieces of blankets have been distributed to the same number of persons in the northern part of the country affected by severe cold and an amount of Tk.8.19 million has been incurred in this purpose.
- An amount of Tk.10.00 million was paid to Bangladesh Association of Banks (BAB) for the war hit inhabitants of Palestine that was handed over to the Honorable Ambassador of Palestine.



Financed by Bank Asia PLC for establishment of MA Amiran Hospital, Malkhanagar, Sirajdikhan, Munshigonj



As part of its Corporate Social Responsibility, Bank Asia PLC handed over a cheque to Gulshan Society for cleaning and de-silting of Gulshan Lake



**Environment &
Climate Change
Mitigation
and Adaptation**

Tk. 1 Million

As a part of Corporate Social Responsibility (CSR), Bank Asia donated Tk.1 million Gulshan Society for cleaning and de-silting of Gulshan lake by removing slush and sewerage materials from the lakeside in order to ensure that the lake remains pollution-free and environmentally sustainable. The number of beneficiary in this regard is unknown.

Pushpita Day Care Center
Tk. 0.40 Million

Contributed to Child Day Care Center for the Bankers'.



Others

**Tk.
0.45
Million**

F R Foundation
Tk. 0.05 Million

An amount of Tk.0.05 million was paid to F R Foundation as financial support under CSR activity of the Bank for distribution of iftar and Eid gift items among the poor, distressed and orphans at Sitakund, Chattogram.

Special CSR



Bank Asia has signed an agreement with Syngenta under Corporate Social Responsibility (CSR) aiming to provide cost-free seeds, fertilizers and pesticides to the poor and marginal farmers nationwide



Bank Asia has signed an agreement with Rural Development Academy (RDA), Bogura under Corporate Social Responsibility (CSR) aiming to provide Two-storied Agriculture with Solar Power Irrigation System to the poor and marginal farmers nationwide

Market Performance

Financial Calendar	Announced On
Audited Consolidated result for the year end-ed 31 December 2023	April 28, 2024
Unaudited Result for the first quarter ended 31 March 2024	May 13, 2024
Unaudited Result for the second quarter and half year ended 30 June 2024	July 31, 2024
Unaudited Result for the third quarter ended 30 September 2024	October 31, 2024

Distribution of Dividend	Details
(Cash% - Stock%)	15% Cash
Announcement Date	April 28, 2024
Record Date	May 20, 2024
Distribution Date	June 26, 2024
Notice of 25 th Annual General Meeting	May 17, 2024
25 th Annual General Meeting	June 23, 2024

Stock Detailed

Particulars	DSE	CSE
Stock Symbol	BANKASIA	BANKASIA
Company ID	11127	22022
Listing Year	2004	2004
Market Category	A	A
Electronic Share	Yes	Yes
Total Number of Shares	11,65,906,860	11,65,906,860

DSE Trading Days (2024)	244
Year End Closing Price (December 30, 2024)	17

Availability of Information about BANK ASIA

Annual Integrated Report 2024 and other information about Bank Asia may be viewed on Bank's Website:

www.bankasia-bd.com

Corporate Office

Bank Asia Tower (1st Floor)
32 & 34 Kazi Nazrul Islam Avenue,
Karwan Bazar, Dhaka-1215
Phone: +8809617001100, Ext: 1213,1215
Fax: +8855013976
E-mail: bankasia@bankasia-bd.com

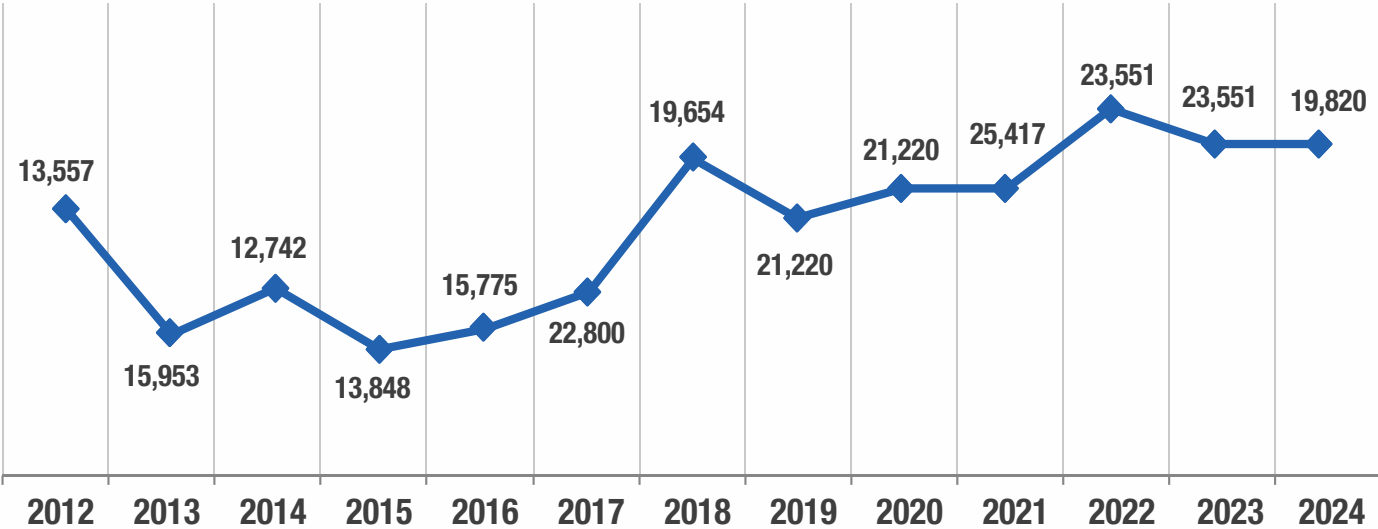
The Bangladesh capital market, particularly the Dhaka Stock Exchange (DSE), experienced a challenging year in 2024, marked by significant declines and underperformance compared to regional peers, its peers, for example, Pakistan and Sri Lanka, have experienced a rebound.

The downturn was driven by economic uncertainties, political unrest (including the quota movement on August 5, 2024) heightened market volatility, low investor confidence, and a sluggish global economy. A temporary market spike followed the political change, but it was short-lived due to ongoing distrust in the market's reform process. Persistent economic and political tensions led to subdued investor sentiment. The Bangladesh Securities and Exchange Commission (BSEC)'s reform efforts failed to restore trust, and concerns about market momentum caused stagnation.

The broad index of the Dhaka bourse (DSEX) fell by 1,030.1 to 5,216.4 points from 6,246.5 points and at the end of the year 2024. This year the DSE's average daily turnover was Tk. 6.3 billion as compared to Tk. 5.8 billion in the previous year, risen by 9.3 percent. Moreover, the total market capitalization decreased by 15.1 percent to Tk. 6,626.2 billion from Tk. 7.808.5 billion. The overall price earnings (P/E) ratio at the end of the year was at 10.50.

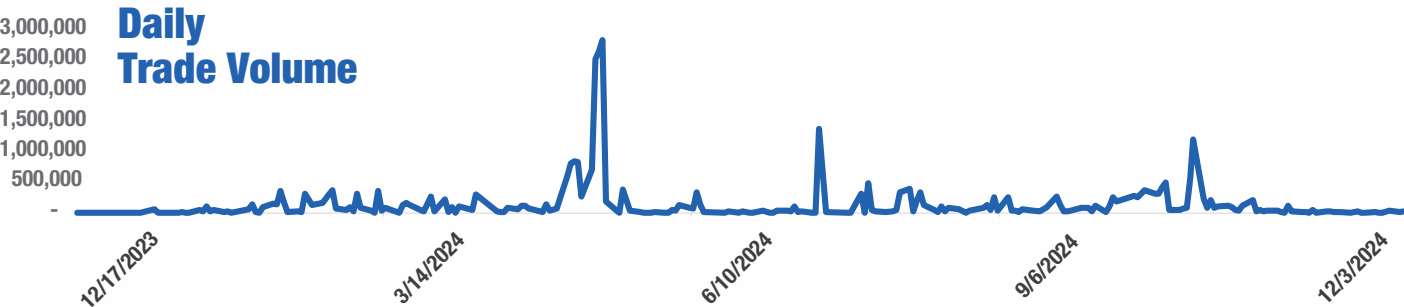
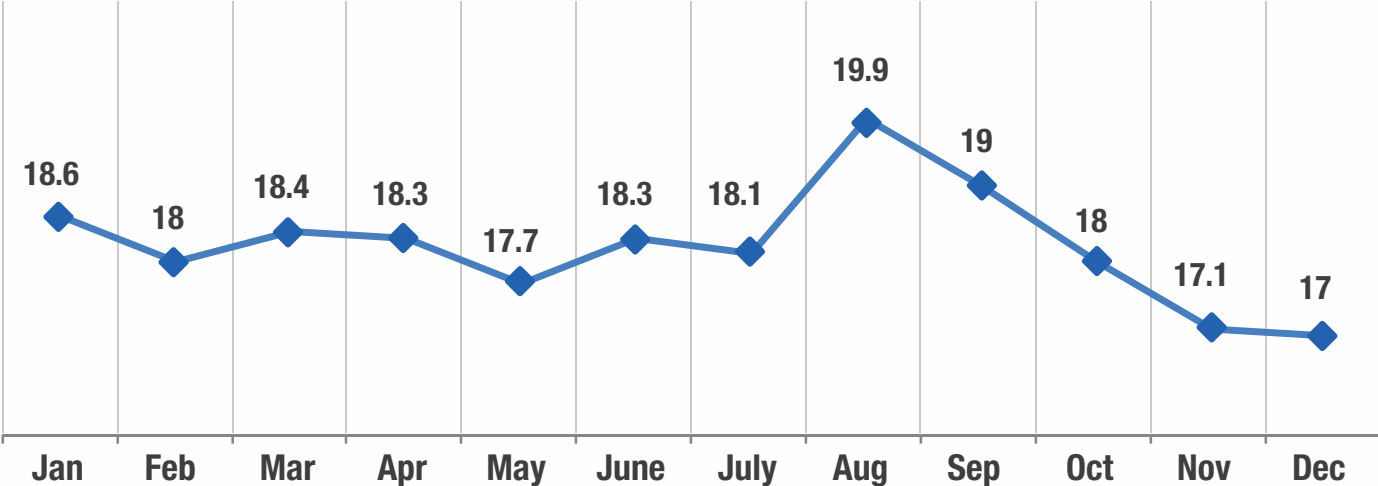
Market Capitalization

Million Taka



Market price of Share 2024

Month End Price

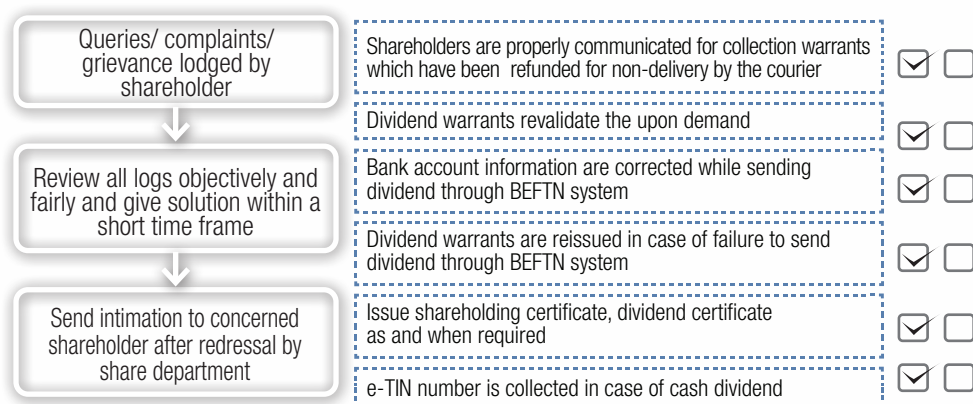


Stakeholders Relationship/ Grievance Redressal

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.

PROCESS • REDRESSAL • CHECKLIST



REDRESSAL PROCESS OF BANK ASIA PLC.

- 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/ applications
- Request for updated e-TIN number to the share holders respective BO account in case of cash dividend

Redressal Statistics 2024

Requests received from shareholders	Ways of addressing mentioned requests
<ul style="list-style-type: none"> Demat 4,75,510 shares; Re-issue 910 dividend warrants for the year 2023 (which were returned from BEFTN) Issuance of 7,024 shareholdings certificates on payment of cash dividend for income tax purpose; 	<ul style="list-style-type: none"> Demat confirmed all the shares timely; 910 duplicate dividend warrants for the year 2023 issued 7,024 shareholdings certificate were issued and send email to the respective shareholder e-Mail address.

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, for unavailability of mailing address
- 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 our best as per our Customers Service Policy and Customers Acceptance Policy (CAP). We also address our customers' queries and complaints through our Central Customer Services and Complaint Management Cell (CCS & CMC) handled by Branch Operations Division (BOD). In 2024, the Bank received 144 complaints from customers of various branches and all the problems were solved successfully through taking proper remedial action. Those problems were solved within reasonable time where some complaints were met up within 24 hours. As per regulatory requirement we have introduced Branch Level Customer Service & Complaint Management Desk (BLCS & CMD) at all Branches and Zonal Customer Service & Complaint Management Cell (ZCS & CMC) at Zonal Office 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 2024, we didn't receive any significant complain related to our employees.

Redressal point for Shareholders

Bank Asia PLC.
Corporate Office
Bank Asia Tower, Level: 01
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

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**Corporate Governance**

Corporate Governance refers to the relations between the management of a company and its 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 PLC. 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 PLC. 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 four Members of the Board of Directors including two 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), Bangladesh Bank BRPD Circular No. 11 dated 27 October 2013 and BRPD Circular No. 02 dated 11.02.2024.

The present Audit Committee was reconstituted by the Board in its 523rd Meeting held on April 21, 2024 consisting of the following members:

Names	Status with the Board	Status with the Audit Committee	Remarks
Mr. M. A. Baqui Khalily	Independent Director	Chairman	-
Mr. Mohd. Safwan Choudhury	Vice Chairman	Member	Upto 24.11.2024
Mr. Ashraful Haq Chowdhury	Independent Director	Member	Upto 28.12.2024
Mr. Nafees Khundker	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 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;
- Review the management's actions in computerization of the Bank and its applications and Management Information System (MIS).
- Consider whether the internal control strategies recommended by internal and external auditors have been prudently and comprehensively implemented by the management;
- 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.
- 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.
- Review Management Letters issued by the statutory auditors

b) Financial Reporting

- 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;
- Discuss with the management and external auditors to review the financial statements before finalization.
- Review the quarterly and half-yearly financial statements with the management before submission to the Board for approval.
- Review statements of significant related party transactions submitted by the management.
- Review the management's discussion and analysis before disclosing in the annual report.

Report on the Activities of the Audit Committee

c) Internal Audit

- (i) Monitor/evaluate whether internal audit functions are truly independent.
- (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) Ethical & Legal Compliance

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

- (i) 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) Examining the report of external and internal auditors to ensure proper control system is in place;
- (iii) Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis.
- (iv) Performing the responsibility of Nomination and Remuneration Committee as per BRPD Circular Letter No. 21 dated 12.05.2024.

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 are observed:

- (i) Report on disclosure on related party transactions;
- (ii) Fraud forgeries or material risk issues identified;
- (iii) Control lapses/control over ride incident that may raise financial or reputational loss;
- (iv) Any other matter which shall be disclosed to Board immediately.

Reporting to the Authorities

Bangladesh Bank:

- i. Annual Health report of the Bank.
- ii. Half –yearly report on Fraud forgeries.
- iii. Special Investigation report as asked.

Bangladesh Securities & Exchange Commission (BSEC):

- i. Audited Financial Statements of the Bank.

Meetings of the Audit Committee

A total of 12 (twelve) Audit Committee Meetings were held during the year 2024 against minimum 04 (Four) meetings as per regulatory requirement. Meeting dates are as follows:

Sl. No.	Meeting	Date of Meeting
1	240th Audit Committee Meeting	16th January 2024
2	241st Audit Committee Meeting	5th March 2024
3	242nd Audit Committee Meeting	31st March 2024
4	243rd Audit Committee Meeting	28th April 2024
5	244th Audit Committee Meeting	13th May 2024
6	245th Audit Committee Meeting	27th June 2024
7	246th Audit Committee Meeting	11th July 2024
8	247th Audit Committee Meeting	18th July 2024
9	248th Audit Committee Meeting	31st July 2024
10	249th Audit Committee Meeting	31st October 2024
11	250th Audit Committee Meeting	5th November 2024
12	251st Audit Committee Meeting	10th December 2024

Major issues reviewed by the Audit Committee during 2024

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 2024, the Audit Committee reviewed and discussed the following issues, amongst others:

- i. Annual financial statements of the Bank for the year ended 31 December 2023 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. Approval and implementation Annual Risk Based Audit Plan.
- v. Management Letter of the Bank submitted by the external auditor for the year ended 31 December 2023.

- 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-yearly 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 External Auditors.
- xxi. The overall effectiveness of Internal Control System, Governance and Risk Management.

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:

- i. 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.
- ii. 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).
- iii. 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.
- iv. Efforts have been made to keep assets of the Bank safe along with liabilities and commitments being transparent.
- v. 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.
- vi. 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 the External 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,



M. A. Baqui Khalily

Chairman
Audit Committee of the Board

Statements of Directors' responsibility to establish appropriate System of Internal Control

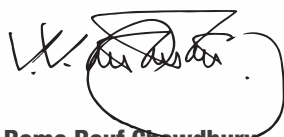
To achieve short-term business objectives and long-term sustainability in Bangladesh, strengthening and streamlining internal control remains critical. In 2024, Bangladesh faced challenges from financial volatility due to taka depreciation, high inflation, and difficulties in conducting internal audits amid regulatory complexities and institutional weaknesses.

The Board of Directors is committed to maintaining robust internal controls to ensure satisfactory credit and investment standards. The Board reviews quarterly reports submitted by its Audit Committee, which detail compliance with recommendations from internal and external audit reports and Bangladesh Bank inspection reports.

The Board acknowledges its overall responsibility for the bank's internal control systems, ensuring efficiency, effectiveness, reliability, timeliness, completeness, and compliance with applicable laws and regulations. Annually, the Board evaluates the qualifications, expertise, and resources of the external auditors, assesses the effectiveness of the audit process, and recommends their reappointment.

The Board confirms that, through its committees, it has reviewed the effectiveness of the bank's internal control systems for the year ended December 31, 2024. This review confirmed that a system of internal controls, aligned with appropriate financial reporting practices, was in place throughout the financial year and up to the date of signing the financial statements. The process also involved assessing the ongoing identification, evaluation, and management of individual risks, evaluating the roles of various committees and the bank's risk management functions, and determining the extent to which significant challenges are understood and addressed.

On Behalf of the Board of Directors,



Romo Rouf Chowdhury
Chairman

Statement of Directors' on Adequacy of the System of Internal Control

The Board of Directors follows some definite rules and regulations as stated in the 'Banking Companies Act 1991 (amended up to 2023)'. Therefore, the directors tried hard to maintain sound corporate governance and performed their responsibilities. A broad business strategy, significant policies for internal control system and risk management have been taken 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 2023)' 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. This is essential for sustainable growth and efficient operations. They have also reviewed the adequacy and completeness of accounting records, fair presentation of financial information, and efficient management of risk, strengthening bank assets, and the overall internal control process.

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 2023), guidelines issued by Bangladesh Bank, and corporate governance guidelines issued by Bangladesh Securities and Exchange Commission 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 has observed managerial arrangements for increasing the internal control features of the prevalent management information system (MIS). They have also reviewed the corrective initiatives undertaken by management in response to fraud-forgery and deficiencies in internal control published last year. All compliance reports have been properly presented before the Board of Directors and regulators in a timely manner. In addition, all other regulatory functions of the internal control system of the bank have been executed explicitly.

On Behalf of the Board of Directors,



Romo Rouf Chowdhury
Chairman

RESPONSIBILITY STATEMENT OF MD AND CFO

Name of the company: **Bank Asia PLC.**

Declaration by Managing Director and CFO

April 30, 2025

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, 2024

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 PLC for the year ended on December 31, 2024 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the 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, 2024 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,

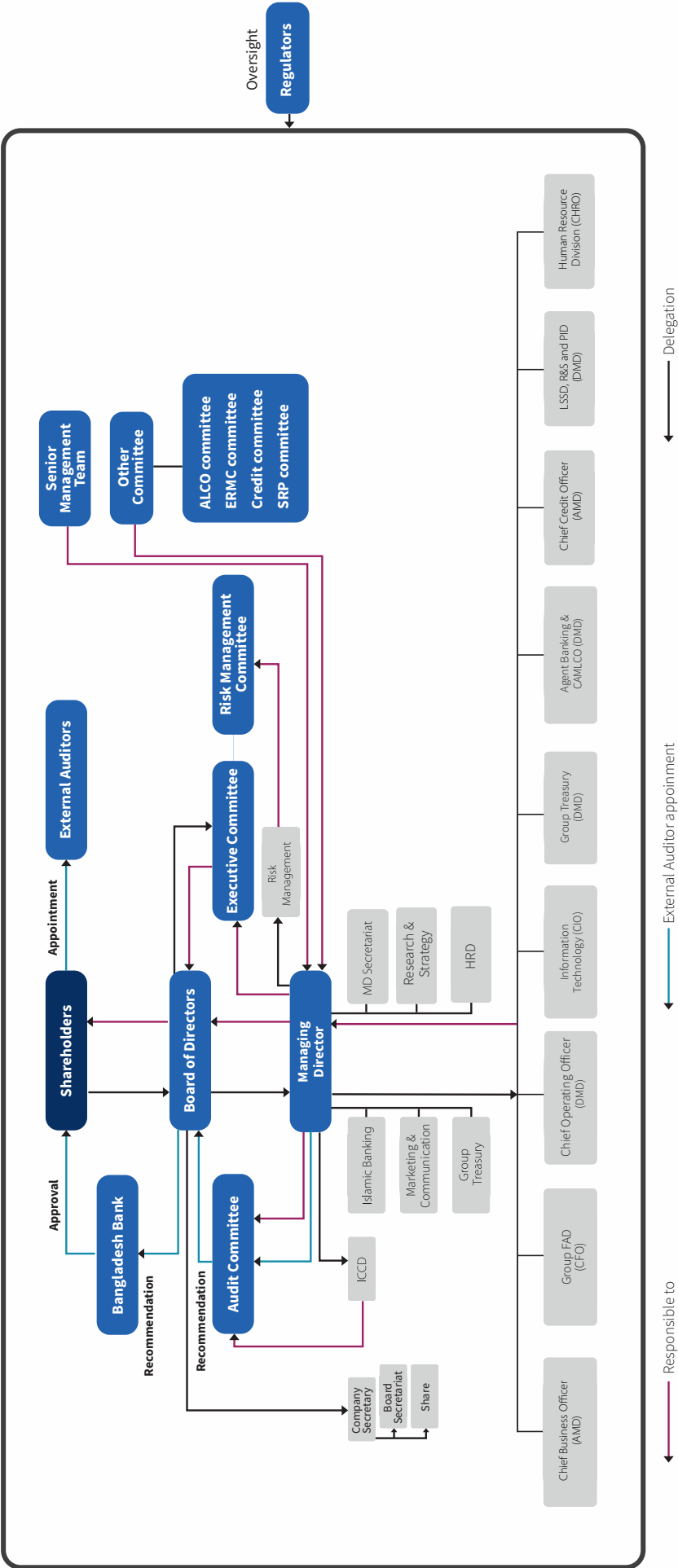


Sohail R K Hussain
Managing Director



Mohammad Ibrahim Khalil, FCA
Chief Financial Officer

Governance Structure of Bank Asia



Bank Asia PLC places a strong emphasis on effective governance to drive its success and maintain high ethical standards. At the core of this governance structure is the Board of Directors, which plays a pivotal role in setting the bank's strategic direction and ensuring accountability. The Board is supported by Board Committees and Management Committees, which provide focused expertise and oversight in key areas such as Risk Management, Audit, Compliance, and Strategic Planning. This framework serves as a foundation for fostering transparency, integrity, and responsible decision-making across all levels of the organization.

CORPORATE GOVERNANCE FRAMEWORK IN BANK ASIA

Bank Asia PLC is committed to maintaining exceptional corporate governance standards across its operations, systems, procedures, and practices. To support the Board of Directors in achieving sustainable, long-term value, the bank has established a carefully designed Corporate Governance framework. This framework aligns with the bank's objectives and promotes a culture of ethical conduct, integrity, and respect, ensuring the protection of shareholders' and stakeholders' interests.

Bank Asia recognizes that robust governance practices are critical to its long-term success. The framework guides the bank in navigating regulatory requirements, fostering transparency, and making responsible decisions that uphold trust and accountability. By embedding these principles into its operations, Bank Asia strengthens its resilience, supports sustainable growth, and delivers lasting value to its stakeholders.

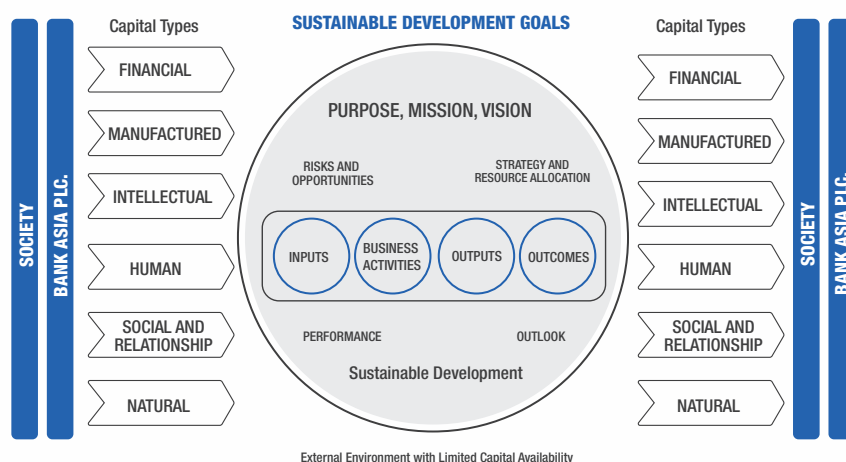


To enhance the Board of Directors' effectiveness in fulfilling its governance responsibilities, Bank Asia relies on Board Committees to provide targeted support and expertise. The bank views strong corporate governance as a critical driver of operational efficiency, strategic effectiveness, and value creation. To embed governance deeply within its organizational culture, Bank Asia integrates it into the bank's structure, policies, and management processes, ensuring it is a cornerstone of decision-making at all levels.

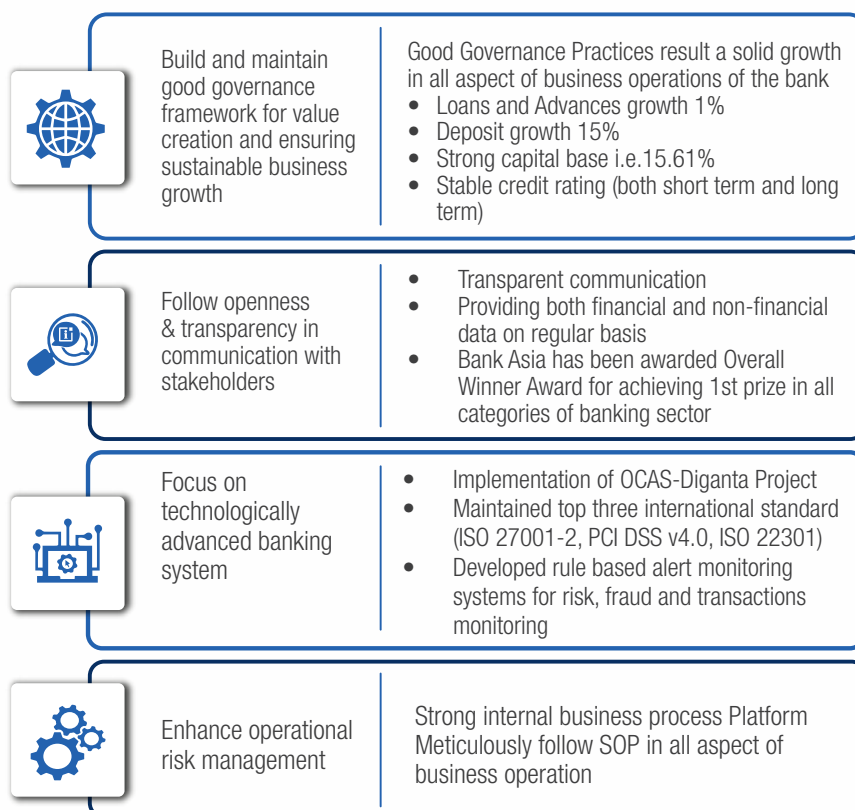
As a compliant institution, Bank Asia is fully committed to adhering to the highest standards of corporate governance. This includes strict compliance with the revised Corporate Governance Code (CGC) issued by the Bangladesh Securities and Exchange Commission (BSEC), specifically BSEC/CMRRCD/2006-158/207/ Admin/80 dated June 3, 2018, and BSEC/CMRRCD/2009-193/66/PRD/148 dated October 16, 2023. Additionally, the bank aligns with the listing regulations and directives of the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE), as well as all relevant guidelines from Bangladesh Bank. By upholding these standards, Bank Asia ensures transparency, accountability, and sustainable value creation for its shareholders and stakeholders.

VALUE CREATION BY PRACTICING CORPORATE GOVERNANCE

Strong corporate governance at Bank Asia PLC not only instills confidence in investors but also fosters trust and predictability within the organization. By consistently applying robust governance principles, the bank enhances its ability to build shareholder confidence and unlock shareholder value. Throughout its history, Bank Asia has prioritized sound corporate governance practices as a cornerstone of its operations, aiming to maximize stakeholder value by optimizing the company's overall performance and long-term sustainability. This commitment ensures transparency, accountability, and alignment with the interests of shareholders and other stakeholders, reinforcing the bank's reputation as a trusted and value-driven institution.



By following good governance practices Bank Asia has been able to create values for all stakeholders of the Bank.



CORPORATE GOVERNANCE

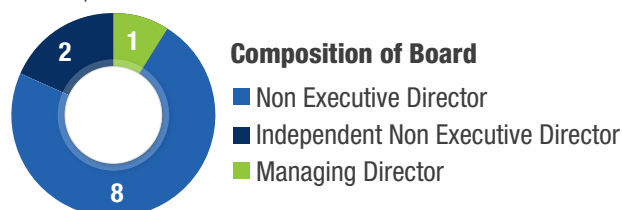
1. BOARD OF DIRECTORS, CHAIRMAN AND CEO:

The Board of Directors at Bank Asia PLC bears the primary responsibility for ensuring the bank's long-term success and delivering sustainable shareholder value. Tasked with overseeing the management, strategic direction, governance, and overall performance of the bank, the Board leads and supervises all business operations. It plays a critical role in setting the tone for the bank's culture and values, ensuring these principles are embedded from the top down.

The Board is also accountable for securing the necessary resources to execute the bank's strategy and achieve sustainable performance. Through its Committees, the Board provides direction and oversight within a defined framework of controls, enabling effective risk assessment and management within pre-established parameters. This structure ensures that the bank operates responsibly and aligns with its strategic objectives.

Collectively, the Board is accountable to the bank's shareholders, prioritizing their interests while driving the bank's success. As of December 31, 2024, the Board of Bank Asia consists of 11 Directors, including the Managing Director, who together bring diverse expertise to guide the bank toward its goals.

The Composition of the Board of Directors is as follows:



- Eight Non - Executive Director;
- Two Independent Non-Executive Director;
- One Executive Director i.e. 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. 24-29](#) of this Annual Integrated Report 2024.

1.1 Bank Asia's policy on appointment of Directors

Bank Asia PLC adheres strictly to relevant regulatory guidelines, including circulars from Bangladesh Bank, the Companies Act 1994 (amended up to 2020), the Bank Companies Act 1991 (amended up to 2023), notifications from the Bangladesh Securities and Exchange Commission (BSEC), and the bank's Memorandum & Articles of Association. This commitment ensures compliance with all applicable laws and regulations, reinforcing the bank's governance framework.

The appointment of new Directors at Bank Asia is based on a careful evaluation of candidates' knowledge, skills, experience, and perspectives. All Board appointments, elected by shareholders at the Annual General Meeting, require approval from Bangladesh Bank. The bank prioritizes diversity and inclusiveness in its Board composition, recognizing that a diverse Board—encompassing gender, age, cultural background, and educational expertise—enhances decision-making and positively impacts the bank's performance and value creation.

Bank Asia adheres to all relevant regulations governing the nomination, removal, filling of casual vacancies, and appointment of alternate Directors. The non-executive Directors, independent of management, do not participate in the bank's day-to-day operations, ensuring impartial oversight. Collectively, the Board is accountable to shareholders for the bank's performance and governance, driving sustainable success while upholding transparency and accountability.

1.1.1 Roles and responsibilities of Board of Directors

The Board of Directors at Bank Asia PLC is accountable to shareholders for the bank's performance and governance, ensuring actions are honest, conscientious, fair, and compliant with applicable laws. The Board operates in the best interests of the company, its shareholders, and other stakeholders, providing strategic guidance, fostering a strong organizational culture, driving performance, and overseeing management and operations. Below is a detailed summary of the Board's key responsibilities, categorized into three main areas:

a. Strategic Decisions and Financial Performance Evaluation

The Board plays a central role in shaping and overseeing the bank's strategic and financial direction:

- **Leadership in Strategy Development:** Provides direction for formulating and approving the bank's corporate strategy, investment plans, and performance objectives.
- **Monitoring Strategic and Financial Plans:** Regularly analyzes, approves, and tracks the bank's strategic, investment, and financial plans to ensure alignment with objectives.
- **Budget and Business Plan Oversight:** Evaluates, approves, and monitors annual budgets and business plans to support sustainable growth.
- **Dividend Policy:** Finalizes the bank's dividend policy and related guidelines for dividend disbursement.
- **Capital Management:** Assesses, approves, and oversees major capital expenditures, capital management strategies, and all aspects of capital projects.
- **Financial Reporting and Policies:** Approves accounting policies, financial reports, and material reporting to ensure transparency and accuracy.
- **Board Leadership Appointments:** Appoints the Chair of the Board and, where applicable, a deputy chair or independent director.
- **Strategic Goal Setting:** Engages in strategic planning, sets management goals, and monitors their achievement to drive long-term success.

b. Performance of Management

The Board ensures effective leadership and accountability within the bank's management team:

- **Appointment and Evaluation of Leadership:** Appoints, monitors, and evaluates the Managing Director and oversees the appointment and performance management of key management personnel.
- **Succession Planning:** Establishes succession plans for critical management positions to ensure continuity and leadership stability.
- **Oversight of Strategy Implementation:** Monitors senior management's execution of the bank's strategic objectives.
- **Performance and Culture Review:** Reviews management's implementation of agreed strategies, business performance, and alignment with the bank's culture and values.

c. Audit and Risk Management

The Board ensures robust oversight of audit processes, risk management, and regulatory compliance:

- **External Auditor Appointment:** Appoints the external auditor, determines their remuneration, and sets terms of engagement, based on recommendations from the Audit and Risk Management Committee.
- **Regulatory Compliance:** Monitors the bank's operations to ensure compliance with relevant regulatory and legal requirements.
- **Integrity of Reporting Systems:** Approves and oversees the integrity of accounting, financial, and corporate reporting systems, ensuring their effective operation.

By fulfilling these responsibilities, the Board of Bank Asia ensures the bank operates with transparency, accountability, and a focus on sustainable value creation for shareholders and stakeholders. This comprehensive governance approach supports the bank's long-term success in a highly regulated industry and other corporate reporting systems and monitor the operation of these systems.

Size and membership of Board Committees as of December 31, 2024

		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			
Ms. Zakia Rouf Chowdhury	Second Vice Chairman, Non-Executive Director			
Mr. Rume A Hossain	Non-executive Director	Chair ✓		✓
Mr. Nafees Khundker	Non-executive Director		✓	✓
Mr. Sabeth Nayeem Choudhury	Non-executive Director			
Mr. M. A. Baqui Khalily	Non-Executive Independent Director		Chair ✓	Chair ✓
Ms. Romana Rouf Chowdhury	Non-executive Director	✓		✓
Mr. Enam Chowdhury	Non-executive Director	✓		✓
Ms. Farhana Haq	Non-executive Director			
Mr. Md. Abul Quasem	Non-executive, Independent Director	✓		
Mr. Sohail R K Hussain	Managing Director, Ex - Officio			

* Composition requirements for each Committee are set out in the relevant Committee Charter.

CORPORATE GOVERNANCE

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 adheres to a Code of Conduct designed to ensure directors carry out their responsibilities with integrity, accountability, and professionalism, while operating within the boundaries of their authority as outlined in the laws of the country and the Bank's Memorandum and Articles of Association.

1.1.3 Retirement and Re-election of Directors

According to clause 128, and 129 of the Articles of Association of the Bank, 4 (four) directors retired before the 25th Annual General Meeting (AGM) held on 23rd June, 2024 and 3 (three) of them retiring directors was eligible for re-election as director. In addition, one independent director re-appointment was also approved by shareholders in the 25th Annual General Meeting (AGM).

Sl.	Name of Directors	Mode of Change
1.	Mr. Rume A Hossain	Retired and Re-elected
2.	Ms. Romana Rouf Chowdhury	Retired and Re-elected
3.	Ms. Zakia Rouf Chowdhury	Retired and Re-elected
4.	Ms. Hosneara Sinha	Retired

In addition, some other changes in directorship recently were as follows:

Sl.	Name of Directors	Date of Change	Remarks
1.	Mr. Mohd. Safwan Choudhury (Nominated Director of Phulbari Tea Estates Limited)	24.11.2024	Phulbari Tea Estates Limited withdraw their nomination in favor of Mr. Mohd. Safwan Choudhury as a Nominated Director on 24.11.2024.
2.	Mr. Sabeth Nayeem Choudhury (Nominated Director of Phulbari Tea Estates Limited)	22.12.2024	He was appointed by the Board as Nominated Director of Phulbari Tea Estates Limited & Bangladesh Bank approved the appointment on 22.12.24
3.	Ms. Farzana Khan (Independent Director)	16.01.2025	She was appointed by the Board on 31.10.2024 as Independent Director. Subsequently, BSEC accorded clearance as on 31.12.2024 & Bangladesh Bank approved the appointment on 16.01.2025.
4.	Mr. Dilwar H Choudhury (Independent Director)	22.04.2024	He retired on 22.04.2024 due to the expiration of his second term as an independent director.
5.	Mr. Helal Ahmed Chowdhury (Independent Director)	11.11.2024	He resigned on 11.11.2024 due to his new government responsibilities.

6.	Mr. Ashraf Haq Chowdhury (Independent Director)	29.12.2024	He retired on 29.12.2024 due to the expiration of his second term as an independent director.
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1.1.4 Directors' Remuneration

The Board of Directors of Bank Asia adheres to a Code of Conduct designed to ensure that directors perform their duties with integrity, accountability, and professionalism, while acting within the scope of their authority as defined by the laws of Bangladesh and the Bank's Memorandum and Articles of Association.

Remuneration Policy:

- Directors are not entitled to any remuneration except for attendance at meetings of the Board and its committees.
- As per Bangladesh Bank guidelines updated in February 2024, each director of Bank Asia is entitled to receive Tk. 10,000 for attending each meeting of the Board or its committees. Independent directors may also be eligible for a monthly honorarium of Tk. 50,000, subject to applicable regulations.

1.2 Adequate representation of non – executive directors

In line with Bangladesh Bank guidelines, Bank Asia ensures appropriate representation of non-executive directors on its Board. The Managing Director is the only Executive Director, with all other directors being non-executive, fostering independent and robust governance.

1.3 Independence of independent directors and their adequate representation

The inclusion of independent perspectives on the Board is a cornerstone of effective governance. Independent Directors of Bank Asia provide impartial insights into the Board's policies and decisions, ensuring they serve the best interests of the entire bank. Bank Asia adheres to all relevant laws, regulations, and the Corporate Governance Code of the Bangladesh Securities and Exchange Commission (BSEC) regarding board independence. All directors elected by shareholders, except the Independent Directors, are considered under the Code.

Currently, the Board of Bank Asia includes three Independent Directors: Mr. Md. Abul Quasem, a retired central banker; Mr. M. A. Baqui Khailly, a distinguished academic and university professor; and Ms. Farzana Khan, a prominent Advocate and regular practitioner in the Supreme Court of Bangladesh. These Independent Directors also serve on Board sub-committees, with two participating in the Audit Committee, one in the Risk Management Committee, and one in the Executive Committee.

1.4 Different position of the Chairman and the Chief Executive Officer

The roles of the Chairman of the Board and the Managing Director are distinctly separate and independent to ensure effective governance. The Chairman is elected by the Bank's directors, while the Managing Director is appointed by the Board of Directors, subject to approval from Bangladesh Bank.

1.5 Roles and responsibilities of the Chairman

The Board elects a Non-Executive Director as Chairman. Mr. Romo Rouf Chowdhury, a Non-Executive Director, has served as Chairman since 25 August 2022.

The Chairman of the Board plays a critical role in guiding the decision-making process and superintending the performance of the Executive Management. Additionally, the Chairman maintains ongoing engagement with the Bank's shareholders, ensuring their views and interests are consistently represented.

Roles of the Chairman

- Guiding and presiding over Board meetings to foster sound and strategic decisions.
- Cultivating a cohesive and effective Board team.
- Directing the Board's attention to critical priorities and objectives.
- Promoting continuous evaluation and enhancement of the Board's performance.
- Managing the process for seamless Board succession planning.
- Providing strategic counsel and support to the Managing Director.

Responsibilities of the Chairman

- Oversee the establishment and efficient functioning of all Board committees, ensuring optimal structure and membership.
- Facilitate clear and open communication channels with stakeholders, ensuring their perspectives are effectively relayed to the Board.
- Uphold exemplary corporate governance standards in the operations of the Board and its committees.
- Serve as the primary representative of the Board, acting as its voice in public and stakeholder engagements.

1.5.2 Independence of Independent Directors

Bank Asia adheres strictly to the directives outlined in Bangladesh Bank circulars, the Bank Companies Act, 1991 (amended through 2023), and the guidelines issued by the Bangladesh Securities and Exchange Commission concerning the composition of its Board of Directors. When appointing new directors, Bank Asia prioritizes a diverse blend of expertise, competencies, experience, and perspectives to ensure robust governance. Directors are appointed through elections by shareholders during the Annual General Meeting (AGM). For processes involving nomination, removal, casual vacancies, or the appointment of alternate directors, Bank Asia meticulously complies with all applicable regulations. The Bank's non-executive directors maintain independence from management and are not involved in the daily operations of the Bank, ensuring impartial oversight.

1.6 Annual Appraisal of Board performance

The Board recognizes the pivotal importance of its own performance, as well as that of its Committees, in driving the Bank's success and protecting shareholder interests. To maintain high standards of effectiveness and accountability, the Board and its Committees undertake a thorough annual evaluation. This process assesses the performance, goals, duties, operational frameworks, and procedures of the Board, each Committee, and individual directors.

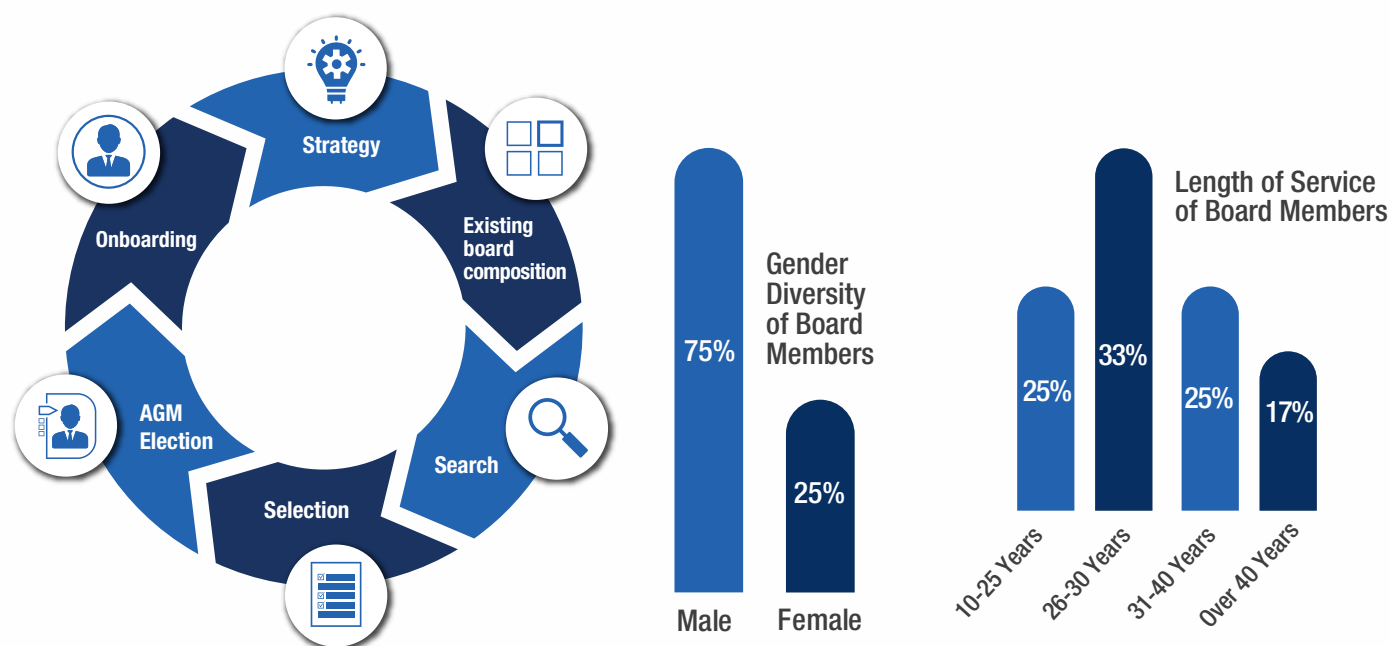
Facilitated by the Chair, with support from the Company Secretary and Committee Chairs, this evaluation seeks to rigorously appraise the governance framework's effectiveness and pinpoint opportunities for enhancement. Through this diligent review, the Board is committed to sustaining exemplary governance practices and strengthening its role in advancing the Bank's prosperity and shareholder value.

1.7 Annual Evaluation of the CEO by the Board

When reappointing the Managing Director, the Chairman of the Board submits an evaluation report, endorsed by the Board of Directors, to Bangladesh Bank for approval. Additionally, the Board of Bank Asia conducts an annual assessment of the Managing Director's Key Performance Indicators (KPIs), including profitability, budget attainment, dividend payout ratio, return on equity, return on assets, earnings per share, CAMELS ratings, credit rating, classified loan ratio, and risk management performance. The CEO's effectiveness is further evaluated based on the Bank's operational outcomes, with a particular focus on achieving operational budget targets.

1.8 Succession Plan

Bank Asia is committed to periodically reviewing the membership and structure of its Board to ensure effective succession planning, a key element of its corporate governance framework. This practice supports the Bank's long-term strategic objectives by maintaining a Board with the expertise, experience, and skills necessary to address the dynamic challenges of the evolving financial sector.



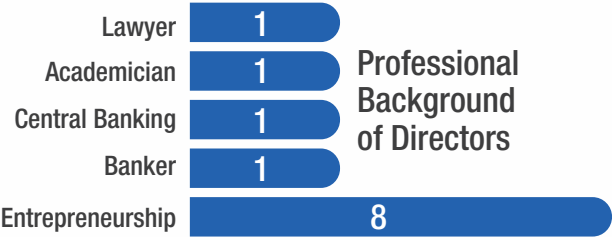
CORPORATE GOVERNANCE

1.9 Directors' Training

Bank Asia provides tailored training to its Directors on specific business aspects upon request and as a regular component of their duties. During Board and Committee meetings, Directors receive updates on critical issues, including briefings on cyber risks, as well as pertinent commercial, legal, and regulatory developments impacting the Bank. Directors are granted prompt and comprehensive access to relevant information prior to each Board meeting and can consult management for additional details as needed. In line with industry standards, the Chairman evaluates and addresses the collective development needs of the Board, ensuring that individual directors continually enhance their 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.



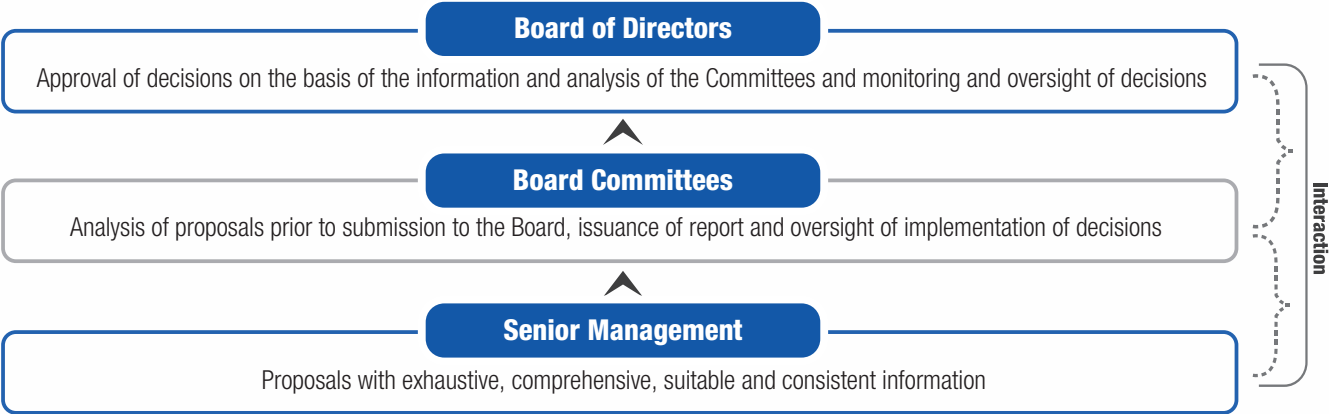
1.11 Board meeting

The Chairman spearheads the scheduling and facilitation of Board meetings, expecting all directors to rigorously prepare, actively attend, and meaningfully contribute to discussions. Meetings may be conducted in-person or via conference calls or equivalent virtual platforms, ensuring operational flexibility. Resolutions may be efficiently passed through circular resolutions or written approvals, as stipulated in Bank Asia's Constitution. The Board convenes monthly, with meeting dates strategically set before the financial year begins to optimize directors' planning. Ad hoc meetings are promptly organized to address urgent matters as required. In strict adherence to Bangladesh Securities and Exchange Commission (BSEC) regulations, Bank Asia conducts Board meetings, diligently records minutes, and maintains comprehensive records in alignment with the Bangladesh Secretarial Standards (BSS) endorsed by the Institute of Chartered Secretaries of Bangladesh (ICSB).

At each Board meeting, directors undertake a thorough review of the Bank's strategic initiatives. The Board conducts a semi-annual evaluation of the Bank's strategic framework and annually endorses its long-term strategic direction to ensure sustained alignment with corporate objectives. Additionally, the Board engages in targeted workshops throughout the year, focusing on critical business-related topics to enhance governance capabilities. Board meetings foster robust, insight-driven deliberations, with directors applying their extensive experience and independent judgment to shape key decisions. Non-executive directors hold exclusive sessions without management to address pertinent governance matters. Senior executives are selectively invited to provide expertise during meetings and remain accessible to directors for consultations between sessions, promoting a collaborative and well-informed governance ecosystem.

1.11.1 Number of Board meeting

The Board had 30 (Thirty) scheduled meetings for the financial year ended 31 December 2024. 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. 254-255](#) of this Annual Integrated Report 2024.



1.11.2 Key Activities performed by Board in 2024

The Board convenes monthly, with meetings meticulously scheduled prior to the start of each financial year to facilitate effective planning for its members. Additionally, the Board holds ad hoc meetings as needed to address urgent issues requiring prompt deliberation.

In FY 2024, the Board convened thirty (30) times to provide guidance and approval on a range of critical matters. The Board also engaged in dedicated sessions with management to strategize on the Bank's direction. Key topics and strategies reviewed, discussed, and approved by the Board during FY 2024 included the following:



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. 234](#) of this Annual Integrated Report 2024.

1.13 Board Committee

The Board has established three standing committees (the Committees) to streamline and support the execution of its responsibilities. These committees are designed to enhance the Board's oversight and decision-making processes. From time to time, the Board may create additional committees with specific mandates as delegated to address particular needs or projects. The composition of the three standing committees, as constituted on and throughout the financial year ended 31 December 2024, was as follows:

1.13.1 Audit Committee

In accordance with the recent Bangladesh Bank circular, the Audit Committee of the Board is restricted to a maximum of 5 members, of which at least 2 must be Independent Directors. The Chairman of the Audit Committee is required to be an Independent Director, elected by the committee, and serves a term of 3 years. No Independent Director may serve as Chairman for two consecutive terms. Members of the Audit Committee are eligible for nomination every 3 years.

Currently Bank Asia's Audit Committee adheres to these regulations and is composed of 3 non-executive directors, including 2 Independent Directors, ensuring a strong independent perspective. The Company Secretary of Bank Asia acts as the secretary of the Audit Committee, facilitating its operations and record-keeping. The committee is chaired by Mr. M. A. Baqui Khalily, an Independent Director, who meets the regulatory requirement for the role. All members of the committee are well-versed in the financial industry, bringing substantial expertise and long-standing experience in banking to their oversight responsibilities.

For comprehensive details about the individual members of the Audit Committee, including their qualifications, backgrounds, and specific roles, refer to the Directors' section on [pages 24-29](#) of Bank Asia's Annual Integrated Report (AIR) 2024.

Committee	Members	Independent	Non-Executive
Executive Committee	Mr. Rume A Hossain		✓
	Ms. Romana Rouf Chowdhury		✓
	Mr. Enam Chowdhury		✓
	Mr. Md. Abul Quasem	✓	✓
Audit Committee	Mr. M. A. Baqui Khalily	✓	✓
	Mr. Nafees Khundker		✓
	Ms. Farzana Khan	✓	
Risk Management Committee	Mr. M. A. Baqui Khalily	✓	✓
	Mr. Rume A Hossain		✓
	Ms. Romana Rouf Chowdhury		✓
	Mr. Enam Chowdhury		✓
	Mr. Nafees Khundker		✓

1.13.2 Executive Committee

The Executive Committee (EC) of Bank Asia's Board, established in January 2010, is tasked with ensuring an efficient, competent, compliant, and secure framework for approving credit proposals and making business decisions. Currently, The EC comprises 4 members, all nominated by the Board from among its directors. The committee periodically reviews policies and guidelines issued by Bangladesh Bank concerning credit and operational matters, which are then tailored by management and implemented following Board approval. The EC is responsible for approving credit proposals in alignment with the Board's established policies.

CORPORATE GOVERNANCE

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.

- Identifying different risk and implement appropriate strategy to control those; review existing risk management committee principles and procedures and take corrective measures.
- Ensuring proper organizational structure for risk management.
- Constructing independent committees at management level for compliance of instructions under risk related guidelines and supervising their activities.
- Supervising risk management policies, reviewing loan approval limit and submitting to the Board for necessary revision each year.
- Approving and monitoring the preservation of data and reporting.

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

1.14 CEO & Roles and Responsibilities of CEO

Mr. Sohail R. K. Hussain serves as the Managing Director of the Bank. Detailed information about his profile is presented separately under the “Directors’ Information” section on [page 29](#) of the Annual Integrated Report (AIR) 2024.

As the Managing Director, he is responsible for the implementation of the Board’s policies and the overall management of the Bank. He operates under the financial, business, and administrative authorities delegated to him by the Board and is accountable for ensuring the achievement of the Bank’s strategic and operational objectives.

- Exercises financial, business, and administrative authority as delegated by the Board, and remains accountable for meeting financial and business targets through effective execution of business plans and sound management practices.
- Ensures the Bank’s full compliance with the Bank Company Act, 1991 (as amended up to 2023), as well as with all other applicable laws and regulatory requirements. He is also responsible for reporting any instances of non-compliance to Bangladesh Bank.
- During Board or Board Committee meetings, the CEO is obligated to highlight any deviations from the Bank Company Act, 1991 (as amended) or other relevant legal and regulatory frameworks while presenting management memoranda.
- Holds the authority for recruitment and promotion of all Bank personnel, except those within the two senior-most tiers below his position, in accordance with the approved service rules of the Bank.

- Oversees matters related to the transfer and disciplinary actions of staff (excluding those in the top two tiers beneath his level) in line with the Bank’s service rules. Additionally, under the framework of the Board-approved Human Resources Policy, he nominates employees for training and professional development programs.

1.15 Role of Company Secretary

The Company Secretary plays a pivotal role within the Bank’s governance structure, serving as a key link between the Board, management, regulators, and stakeholders. As an integral member of the governance team, the Company Secretary ensures that the Bank operates within the legal and regulatory framework and that the Board functions effectively and efficiently in accordance with best governance practices.

Key Responsibilities of the Company Secretary:

1. Regulatory Compliance and Statutory Duties:

- Ensures the Bank’s compliance with all applicable laws, rules, and regulations, including the Companies Act and other relevant statutory requirements.
- Maintains and updates statutory registers as mandated by regulatory authorities.
- Ensures timely and accurate filing of statutory returns and documents with the Registrar of Joint Stock Companies and Firms (RJSC).
- Keeps abreast of legal and regulatory developments and advises the Board on their implications.

2. Governance and Board Support:

- Acts as the primary point of contact for all governance-related matters.
- Develops, implements, and monitors processes that promote and support sound corporate governance practices.
- Provides comprehensive and impartial advice to the Chair and all members of the Board to support informed decision-making and ensure adherence to legal and regulatory obligations.
- Ensures the smooth conduct of Board and Board Committee meetings, including preparation and distribution of meeting agendas, minutes, and other relevant documents.

3. Board Communication and Facilitation:

- Reports directly to the Board through the Chair on all matters relating to the proper functioning of the Board.
- Maintains open lines of communication between the Board and management, and between individual directors and the Company Secretary.
- Facilitates the induction of new directors and provides ongoing support and guidance regarding their duties and responsibilities.

4. Ethical and Diligent Conduct:

- Acts with integrity, independence, and professionalism to safeguard the interests of the Bank and its stakeholders.
- Ensures transparency and accountability in governance processes and practices.
- Upholds confidentiality and acts as a trusted advisor in sensitive or strategic matters.

5. Support for Board Committees:

- Provides dedicated support to the Board’s committees, ensuring that they are properly constituted and operate within their terms of reference.
- Assists in the preparation and follow-up of committee meetings, ensuring compliance with corporate governance policies and standards.

1.16 Role of Chief Financial Officer (CFO)

The Chief Financial Officer (CFO) holds a critical leadership position within the Bank, overseeing all financial functions to ensure robust

financial management, compliance, and strategic alignment with the Bank's goals. The CFO is responsible for maintaining the financial integrity of the organization, managing risks, and supporting sustainable growth.

Responsibilities of the CFO:

1. Financial Oversight and Management:

- Leads and manages all aspects of the Bank's financial operations, including accounting, financial reporting, taxation, treasury, budgeting, and business control.
- Ensures accurate and timely financial reporting in compliance with applicable accounting standards and regulatory requirements.

2. Strategic Financial Planning:

- Develops and implements financial strategies aligned with the Bank's overall vision and business objectives.
- Oversees the formulation and execution of financial goals, long-term forecasts, and annual budgets.

3. Financial Decision-Making:

- Plays a key role in strategic decision-making by providing financial insights and analyses to support the Board and senior management.
- Advises the Board of Directors on financial policies, investment strategies, cost controls, and risk mitigation measures to ensure the Bank's financial sustainability.

4. Governance and Financial Control:

- Maintains high standards of financial governance, internal controls, and risk management practices across the organization.
- Ensures transparency and accountability in all financial operations, thereby enhancing stakeholder trust and regulatory compliance.

5. Reporting and Stakeholder Communication:

- Ensures that financial disclosures are complete, accurate, and transparent for internal and external stakeholders.
- Communicates the Bank's financial performance and outlook to shareholders, regulators, auditors, and other relevant parties.

6. Leadership and Team Management:

- Leads and develops the finance team to build capabilities in financial planning, analysis, and control.
- Fosters a performance-driven and ethical culture within the finance function.

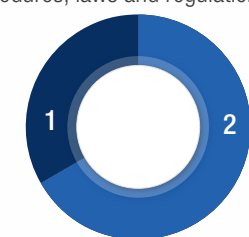
Overall financial health of the Bank is separately disclosed in CFO's statement in [page no. 286-291](#) of Annual Integrated Report 2024.

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



Composition of Audit Committee

- Total No. of Non Executive Independent Directors
- Total No. of Non Executive Directors

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 PLC. 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 subsidiary boards.

2. VISION/MISSION & STRATEGY

2.1 Vision/Mission Statement of Bank Asia PLC.

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

To build a society where highest human dignity and human rights received 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.

Bank's vision, mission, strategic objective depicted on [page no. 12](#) of this Annual Integrated Report 2024.

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. 130](#) 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. 128-133](#) of this Annual Integrated Report.

3. AUDIT COMMITTEES

Bank Asia PLC. 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.

CORPORATE GOVERNANCE

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.

Currently, Bank Asia's Audit Committee consists of 3 (three) members. All of them are non-executive directors from whom 2 of them are Independent Directors and the Company Secretary of the bank is the secretary of the Audit Committee. Mr. M. A. Baqui Khalily, 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.

3.1.1 Chairman of the Audit Committee – an Independent Director

Mr. M.A. Baqui Khalily, the Chairman of the Audit Committee is an Independent Non – Executive Director. He is a renowned academician of the country, an eminent economist & finance scholar of national & international repute. More information about him is available in the Director's Profile [Page no. 27](#) in Annual Integrated Report 2024.

3.1.2 Terms of Reference – Audit Committee

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 PLC. 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 12 (Twelve) meetings during the Year 2024. The attendance status of the meeting is given in [page no. 254](#) of the Annual Integrated Report 2024. The number of Directors required to constitute a quorum is two or two third of the members of the audit committee whichever higher. 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. and
- Procedures for the receipt, retention and treatment of financial complaints.

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

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

Based on the proposal of the Audit Committee, the board of directors recommended MABS & J Partners, Chartered Accountants, a Chartered Accountant firm in Bangladesh to the shareholders in 25th AGM to appoint them as statutory external auditors of the company for 2024. As per BRPD circular, the external auditors have provided their written assurance to the Bank in respect of their independence for FY 2024. In respect of fees, the details of the statutory audit and audit fees incurred for FY 2024 are set out under Note 42 on [page 366](#) of the Annual Report 2024. 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 2023).

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

The Audit Committee expressed its opinion to the Board on the reliability of management information used to prepare Financial Statements. The Audit Committee reviews the reliability of information used to prepare such computations based on the Internal Audit Function and the Observations of the Statutory Auditor.

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. 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 2023) 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

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.

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

CORPORATE GOVERNANCE

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 2024 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 234](#).

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.



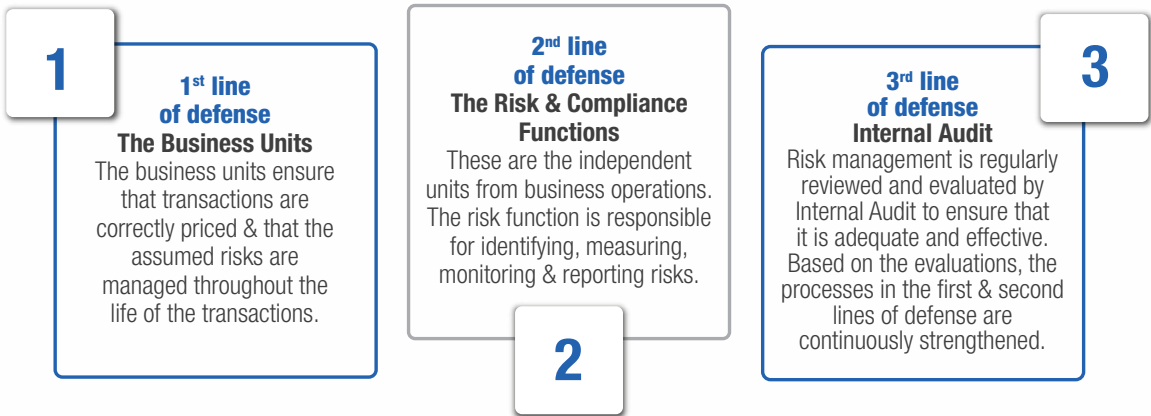
In order to manage all possible risks comprehensively and systemically, the company has put in place and operates an advanced control system. It is the responsibility of the Board of Directors (BoD) of Bank Asia PLC. to develop and implement the appropriate environment and systems for managing risks 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. 146-158](#) of this Annual Integrated Report 2024.

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 2024. 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.

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. 366](#) of this AIR 2024

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 2024.

6. REMUNERATION COMMITTEE

6.1 Charter of Remuneration Committee

As per Bangladesh Bank BRPD Circular no. 2 dated February 11, 2024, 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 acknowledgement of performing employees. Accordingly, management has placed policy before the board on a regular basis.

6.2 Composition of Remuneration Committee

BRPD Circular of the Bangladesh Bank dated 12 May 2024 the related functions of NRC are entrusted to the Audit Committee of the Board of the Bank. 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 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 sub-committee. 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. 361](#) of AIR 2024.

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 2024.

6.5 Remuneration of directors, chairman, chief executives and senior executives

6.5.1 Chairman and directors

During 2024, the expenditures incurred related to directors were Tk. 4,947,128 for Directors' honorarium. Details are in [page no. 361](#).

6.5.2 Managing Director

Total remuneration to Managing Director for the year 2024 is Tk. 19,935,301 and in the year 2023 it was Tk. 13,510,000. Details are in [page no. 356](#).

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. 214-217](#) of this AIR 2024.

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 ever-changing 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.

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 PLC. 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.

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. 226-227](#) of this AIR 2024.

9. ENVIRONMENT AND SOCIAL OBLIGATION

9.1 Policies and practices relating to social and environmental responsibility of Bank Asia PLC.

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 PLC. are described in [page no. 204-207, 214-217](#).

9.1.1 Policies and Practices relating to Social Responsibility of Bank Asia PLC.

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 PLC.

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. 214-217](#) of this AIR 2024.

9.2.1 Activities Undertaken on Social Responsibility

As a responsible corporate citizen, Bank Asia recognizes the importance of investing in the communities we serve to address challenges and create positive impact. In line with this commitment, Bank Asia allocated a total of Tk. 134 million, with:

- Tk. 68 million invested in the health sector,
- Tk. 40 million dedicated to the education sector, and
- Tk. 25 million contributed to disaster management.

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, which are described in [page no. 204-207](#) of this AIR 2024.

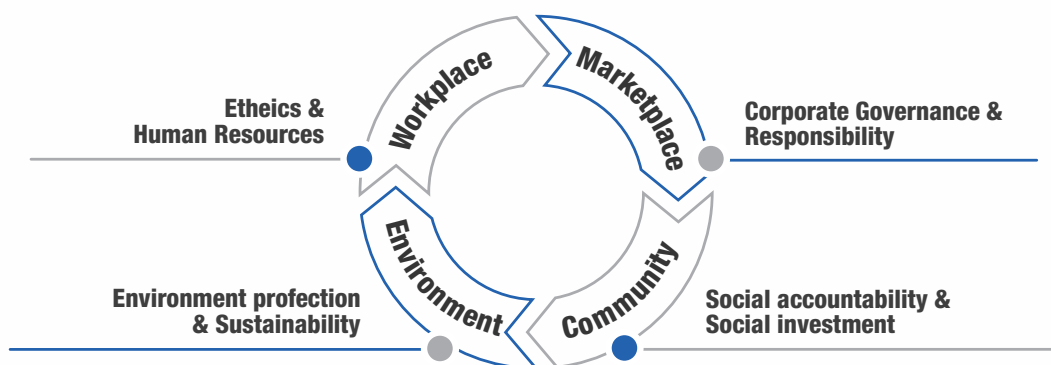
Bank Asia has not faced any penalties for non-compliance with applicable laws and regulations concerning the impacts of its operations on communities.

9.3 Sustainability Reporting

Bank Asia holds the distinction of being the first bank in Bangladesh to publish a GRI-certified Sustainability Report. Since 2012, the bank has consistently released annual Sustainability Reports aligned with the GRI Standards content index. These reports detail the bank's impact on social, environmental, and economic aspects of its surroundings, while emphasizing strong corporate governance.

Bank Asia PLC. was named the "Best Climate Focus Bank in Bangladesh" by Bangladesh Bank in 2020 and 2021, reflecting its exceptional sustainability rating and dedication to ethical practices and green financial initiatives.

In 2024, Bank Asia published its Sustainability Report for 2023, focusing on the critical issue of "Mercury contamination". Further details of this report are available on the bank's official 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. 103](#) of the Annual Integrated Report 2024.

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. 235](#).

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 and notification no. BSEC/CMRRCD/2009-193/66/PRD/148 dated 16 October 2023 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. 261-270](#).

Status of compliance in line with Bangladesh Bank regulation

Status of compliance in line with Bangladesh Bank regulation is given in [page no. 273-283](#).

CORPORATE GOVERNANCE

Committee Meeting

Board meeting held in 2024

Statement of Board meetings held and the attendance of Directors from 01.01.2024 to 31.12.2024: 30

SI No.	Name	Total Board meeting held	No. of meeting attended	No. of meeting absent	Remarks
1.	Mr. Romo Rouf Chowdhury	30	27	3	
2.	Mr. Mohd. Safwan Choudhury	26	8	18	Upto 24.11.2024
3.	Ms. Zakia Rouf Chowdhury	30	25	5	
4.	Mr. Rume A Hossain	30	25	5	
5.	Mr. M. A. Baqui Khalily	30	25	5	
6.	Ms. Hosneara Sinha	14	0	14	Upto 23.06.2024
7.	Ms. Romana Rouf Chowdhury	30	25	5	
8.	Mr. Dilwar H Choudhury	8	8	0	Upto 22.04.2024
9.	Mr. Ashraful Haq Chowdhury	29	26	3	Upto 28.12.2024
10.	Mr. Enam Chowdhury	30	19	11	
11.	Ms. Farhana Haq	30	02	28	
12.	Mr. Md. Abul Quasem	30	30	0	
13.	Mr. Helal Ahmed Chowdhury	25	23	2	He resigned on 11.11.2024
14.	Mr. Nafees Khundkery	30	22	8	
15.	Mr. Sabeth Nayeem Choudhury	01	01	0	From 22.12.2024

The Board has granted leave of absence against the absentee directors of the meeting.

Executive Committee (EC) meeting held in 2024

Statement of Executive Committee (EC) meetings held and the attendance of Directors from 01.01.2024 to 31.12.2024: 32

SI No.	Name	Total EC meeting held	No. of meeting Attended	No. of meeting absent	Remarks
1.	Mr. Rume A Hossain	32	32	0	
3.	Mr. Romo Rouf Chowdhury	13	0	13	Upto 23.06.2024
4.	Ms. Romana Rouf Chowdhury	32	25	7	
5.	Mr. Enam Chowdhury	32	24	8	
6.	Mr. Md. Abul Quasem	32	31	1	
7.	Mr. Helal Ahmed Chowdhury	26	26	0	He resigned on 11.11.2024

The EC has granted leave of absence against the absentee directors of the meeting.

Audit Committee (AC) meeting held in 2024

Statement of Audit Committee meetings held and the attendance of Directors from 01.01.2024 to 31.12.2024: 12

SI No.	Name	Total Audit meeting held	No. of meeting attended	No. of meeting absent	Remarks
1.	Mr. M. A. Baqui Khalily	12	11	1	Elected as Chairman of ACB on 21.04.2024
2.	Mr. Dilwar H Choudhury	3	3	0	Upto 22.04.2024
3.	Mr. Mohd. Safwan Choudhury	11	5	6	Upto 24.11.2024
4.	Mr. Ashraful Haq Chowdhury	12	12	0	Upto 28.12.2024
5.	Mr. Nafees Khundker	12	9	3	

The Audit Committee has granted leave of absence against the absentee directors of the meeting.

Risk Management Committee meeting held in 2024

Statement of Risk Management Committee meetings held and the attendance of Directors from 01.01.2024 to 31.12.2024: 9

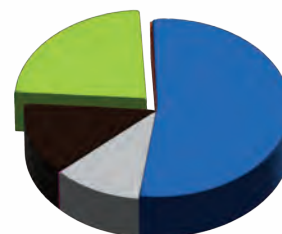
SI No.	Name	Total Board meeting held	No. of meeting attended	No. of meeting absent	Remarks
1.	Mr. M. A. Baqui Khalily	9	9	0	
2.	Mr. Rume A Hossain	9	9	0	
3.	Ms. Romana Rouf Chowdhury	9	5	4	
4.	Mr. Enam Chowdhury	9	8	1	
5.	Mr. Nafees Khundker	9	5	4	

The Risk Management Committee has granted leave of absence against the absentee directors of the meeting.

Shareholding Structure

At the end of the year 2024, the shareholding structure of Bank Asia PLC. was as follows:

Category	No. of shareholders as on 31-12-2024	Total No. of shares as on 31-12-2024	% of total holdings as on 31-12-2024
Sponsors & Directors	26	610,532,668	52.37
General Public	6,749	103,915,268	8.91
Investment Companies	66	136,315,258	11.69
Institutions	186	314,414,013	26.97
Non Resident Bangladeshi	43	729,653	0.06
Total	7,070	1,165,906,860	100.00



Share Holding Structure

Sponsor & Director **53%**

General Public **9%**

Investment Companies **12%**

Institutions **27%**

Non Resident Bangladeshi **0.06%**

Classification of shareholders by holding as on 31.12.2024

Holding	No. of shareholders as on 31-12-2024	% of total holdings as on 31-12-2024	Shares
less than 5000	5,442	0.50	5,812,305
5000 to 50000	1,306	1.54	17,938,203
50001 to 100000	97	0.61	7,081,150
100001 to 200000	51	0.62	7,234,756
200001 to 300000	21	0.46	5,378,435
300001 to 400000	17	0.52	5,987,411
400001 to 500000	6	0.23	2,738,677
500001 to 1000000	30	1.86	21,685,120
1000001 to 10000000	70	19.56	228,070,490
over 10000000	30	74.10	863,980,313
TOTAL	7,070	100.00	1,165,906,860

CORPORATE GOVERNANCE

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	Name of the director	Status	Number of shares held as on 31.12.2024
1	Mr. Romo Rouf Chowdhury	Chairman	23,323,746
2	Ms. Zakia Rouf Chowdhury (Representing Amiran Generations Limited)	Vice Chairman	47,558,630
3	Mr. Rume A Hossain	Director	36,216,554
4	Ms. Romana Rouf Chowdhury (Representing MAYA Limited)	Director	41,679,196
5	Ms. Farhana Haq	Director	58,230,519
6	Mr. Enam Chowdhury (Representing Zest Polymers Limited)	Director	25,959,122
7	Mr. Nafees Khundker	Director	24,784,734
8	Mr. Sabeth Nayeem Choudhury (Representing Phulbari Tea Estates Ltd)	Director	45,666,246
9	Mr. Md. Abul Quasem (Independent Director)	Director	-
10	Mr. M. A. Baqui Khalily (Independent Director)	Director	-

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	182
3	CHIEF FINANCIAL OFFICER	NIL
4	HEAD OF ICCD	NIL

c) Executives

1	MR. SHAFIUZZAMAN	NIL
2	MR. ABU NAYEEM MOHAMMAD MAHFUZ	NIL
3	MR. MOHAMMAD ZIAUL HASAN MOLLA	23,000
4	MR. SHEIKH MOHAMMAD ANISUZZAMAN	NIL
5	MR. AREQUL AREFEEN	NIL

Shareholders holding ten percent (10%) or more voting interest in the company: Nil

BANK ASIA DIVIDEND DISTRIBUTION POLICY

Bank Asia PLC. 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 PLC. 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 PLC., dedicated for this purpose;
- ii) Bank Asia PLC. 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 PLC. 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;

- iii) Bank Asia PLC., 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 PLC. for such claim;

- iv) Bank Asia PLC., 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 PLC. 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 PLC., 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 PLC. 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 PLC. 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 PLC. 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 DIVIDEND

Bank Asia PLC. 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 PLC., 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 PLC. 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 PLC. 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 PLC.:
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 PLC. 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);

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- d) 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 PLC. 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 PLC. shall publish the compliance report in its website.

FORFEITURE OF UNCLAIMED CASH OR STOCK DIVIDEND

Bank Asia PLC. 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 PLC. to the Fund as directed or prescribed by the BSEC:

Provided that Bank Asia PLC. 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 PLC. 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 PLC. 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 PLC. 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 PLC., 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 PLC. or its agent or the CDBL or its DP shall keep confidentiality of information:

Provided further that Bank Asia PLC. 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 PLC. 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, 2024

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	2,903,037.96
5	CASH DIVIDEND FOR THE YEAR 2019	5,734,160.80
6	CASH DIVIDEND FOR THE YEAR 2020	10,840,817.65
7	CASH DIVIDEND FOR THE YEAR 2021	13,283,482.89
8	CASH DIVIDEND FOR THE YEAR 2022	14,226,355.20
9	CASH DIVIDEND FOR THE YEAR 2023	8,362,593.09
TOTAL		61,024,126.40

Stock Dividend

SL. No	Year	No. of Shares
1	Bank Asia PLC. BONUS-2006	138,480
2	Bank Asia PLC. BONUS-2007	116,790
3	Bank Asia PLC. BONUS-2008	233,360
4	Bank Asia PLC. BONUS-2009	498,740
5	Bank Asia PLC. BONUS-2010	673,000
6	Bank Asia PLC. BONUS-2011	494,100
7	Bank Asia PLC. BONUS-2012	314,298
8	Bank Asia PLC. BONUS-2013	324,408
9	Bank Asia PLC. BONUS-2014	359,011
10	Bank Asia PLC. BONUS-2015	197,683
11	Bank Asia PLC. BONUS-2016	498,658
12	Bank Asia PLC. BONUS-2017	633,630
13	Bank Asia PLC. BONUS-2018	269,870
14	Bank Asia PLC. RIGHT-2011	56,010
TOTAL		4,808,038

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			
3	Type of Dividend (Annual /Interim) (Put tick mark (a) on the recommended option)	a) Annual <input type="checkbox"/> b) Interim <input type="checkbox"/>		
4	Whether audited or not for Interim Dividend (Put tick mark (a) on the recommended option)	a) Audited <input type="checkbox"/> b) Unaudited <input type="checkbox"/>		
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 (Put tick mark (a) on the recommended option)	a) Yes <input type="checkbox"/>	b) No <input type="checkbox"/>	
7	Record date for entitlement			
8	Rate of Dividend recommended by the Board of Directors/Trustee			
9	Dividend recommended-Type (Put tick mark (a) on the recommended option)	a) Cash <input type="checkbox"/> b) Stock <input type="checkbox"/>		
10	Securities/mutual fund traded under which categories (Put tick mark (a) on the recommended option)	(a) A <input type="checkbox"/> (b) B <input type="checkbox"/> (c) G <input type="checkbox"/> (d) N <input type="checkbox"/> (e) Z <input type="checkbox"/>		
11	Date of transfer to a separate bank account (Pls. 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 (Put tick mark (a) on the recommended option)	a) BEFTN <input type="checkbox"/> b) Bank Transfer <input type="checkbox"/> c) MFS <input type="checkbox"/> d) Dividend Warrant <input type="checkbox"/> e) Any other mode <input type="checkbox"/>		
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-	<input type="checkbox"/>	<input type="checkbox"/>
18	Numbers of securities/shares outstanding-before corporate action/entitlement:			
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

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	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)			
23	Total unpaid/undistributed Dividend/accrued as on 1st day of Accounting year (as per Audited Accounts)			
24	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:			
26	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			
28	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				
with reasons and submit along with bank statements and other supporting documents. The issuer shall fill up all the applicable fields.				

Corporate Governance Compliance Checklist in line with Bangladesh Securities and Exchange Commission (BSEC) Regulation

For the year ended 31st December 2024

Status of compliance with the conditions imposed by the Commission's Notification No.BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 and subsequent amendment Notification No. BSEC/CMRRCD/2009-193/66/PRD/148 dated 16 October 2023 issued under section 2CC of the Securities and Exchange Ordinance, 1969

(Report under Condition No. 9.00)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (IF ANY)
		Complied	Not Complied	
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 be less than 5 (five) and more than 20 (twenty).	✓		The Board of Bank Asia is comprised of 11 Directors including Managing Director.
1(2)	Independent Directors			
1(2)(a)	At least 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		02 out of 10 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;	✓		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 associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		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;	✓		-
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;	✓		-
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		-
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;	✓		-
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 reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution;	✓		-
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude.	✓		-
1(2)(c)	"The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination & Remuneration Committee (NRC) of the company;"	✓		As per the BRPD Circular dated 12 May 2024 the related functions of NRC are entrusted to the Audit Committee of the Board of the Bank.
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	✓		-

CORPORATE GOVERNANCE

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (IF ANY)
		Complied	Not Complied	
1(2)(e)	"The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only."	✓		-
1(3)	Qualification of Independent Director (ID)			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		-
1(3)(b)(i)	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 registered business association; or	-	-	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; or	✓		-
1(3)(b)(iii)	"Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or"	✓		-
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓		-
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(s) shall have at least 10(ten) years of experiences in any field mentioned in clause (b);	✓		-
1(3)(d)	In special cases, the above qualifications 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;	✓		-
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		-
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		-
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive officer;	✓		-
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	-	-	-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (IF ANY)
		Complied	Not Complied	
1(5)	The Directors' Report to the Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	√		-
1(5)(ii)	The Segment-wise or product-wise performance;	√		-
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		-
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		-
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);			No such event arose
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		-
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or through any others instruments;	√		-
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;	√		-
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√		-
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;	√		-
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	√		-
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		-
1(5)(xiv)	A statement that International Accounting Standards (IAS) 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;	√		-
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		-
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		-
1(5)(xvii)	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 thereof shall be disclosed;	√		-
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;	√		-
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		-

CORPORATE GOVERNANCE

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (IF ANY)
		Complied	Not Complied	
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 10% cash dividend & 10% stock 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;	✓		-
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 (name-wise details);	✓		-
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance their spouses and minor children (name-wise details);	✓		-
1(5)(xxiii)(c)	Executives; and	✓		-
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details).	✓		-
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.	✓		-
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 & 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;	✓		-
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		-
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓		-
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		-
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		-
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A.	✓		-
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C;	✓		-
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	✓		-
1(6)	Meetings of the Board of Directors			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (IF ANY)
		Complied	Not Complied	
	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.	✓		-
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;			The code of conduct is currently under process.
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company			The code of conduct is currently under process.
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;	✓		-
2(b)	At least 1 (one) independent director of 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);	✓		-
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;	✓		-
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: Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;"	✓		-
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).	✓		-
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:	✓		-
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:			

CORPORATE GOVERNANCE

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (IF ANY)
		Complied	Not Complied	
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;	✓		-
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;	✓		-
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 violation of the code of conduct for the company's Board or its member;	✓		-
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		-
4.	Board of Director's Committee.- For 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			As per the BRPD Circular dated 12 May 2024 the related functions of NRC are entrusted to the Audit Committee of the Board of the Bank.
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 be non-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.	✓		-
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;	✓		-
5(2)(d)	When the term of service of any Committee member 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 60 (sixty) days 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.	✓		-
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 reason of absence of the regular chairperson shall be duly recorded in the minutes.	✓		-

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (IF ANY)
		Complied	Not Complied	
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	√		-
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;	√		-
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.	√		-
5(5)	The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	√		-
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;	√		-
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;	√		-
5.5(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	√		-
5.5(h)	Review the adequacy of internal audit function;	√		-
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		-
5(5)(j)	Review statement of 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)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√		-
5(5)(m)	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 relevant 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 internal audit and compliance process or in the financial statements;control system;	-	-	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
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:-			

CORPORATE GOVERNANCE

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (IF ANY)
		Complied	Not Complied	
	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.	✓		-
6.	Nomination and remuneration Committee(NRC).-	BRPD Circular of the Bangladesh Bank dated 12 May 2024 the related functions of NRC are entrusted to the Audit Committee of the Board of the Bank.		
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;			BRPD Circular of the Bangladesh Bank dated 12 May 2024 the related functions of NRC are entrusted to the Audit Committee of the Board of the Bank.
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;			
6(2)(b)	At least 02 (two) members of the Committee shall be non-executive directors;			
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;			
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;			
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			
6(2)(g)	The company secretary 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 No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (IF ANY)
		Complied	Not Complied	
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.			BRPD Circular of the Bangladesh Bank dated 12 May 2024 the related functions of NRC are entrusted to the Audit Committee of the Board of the Bank.
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;			
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 criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain & 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 & long-term performance objectives appropriate to the working of the company and its goals;			
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;			
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;			
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;			
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;			
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;			
6(5)(c)	The company 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.			

CORPORATE GOVERNANCE

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (IF ANY)
		Complied	Not Complied	
7.	External or Statutory Auditors			
7(1)	The issuer 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;	✓		-
7 (1) (iii)	Book-keeping or other services related to the accounting records or financial statement;	✓		-
7 (1) (iv)	Broker-dealer services;	✓		-
7 (1) (v)	Actuarial services;	✓		-
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 certification services on compliance of corporate governance as required under condition No.9(1);	✓		-
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 any shares in the said company;	✓		-
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.	✓		-
8.	Maintaining a website by the Company.-			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓		-
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)	✓		-
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 Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		Required certification has been obtained from "M/s. Suraiya Parveen & Associates" Chartered Secretaries for the year ended 31st December 2024.
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.	✓		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.	✓		-

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	a	Discussed in the Directors' report page no. 58-97.
Segment-wise or product-wise performance	b	Discussed in the Directors' report
Risks and concerns	c	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. 286-291.
Discussion on continuity of any Extra-Ordinary Gain or loss	e	The Bank did not make any extra-ordinary Gain or loss in 2024.
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. 366
Utilization of proceeds from public issues, rights issues and/or through any others instruments	g	In 2024, 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	N/A
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. 228-283
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. 235
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. 322-337.
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. 322-337.
The system of internal control is sound in design and has been effectively implemented and monitored	o	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	p	"There are no significant doubts on the Bank's ability to continue as a going concern"

CORPORATE GOVERNANCE

Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained	q	In 2024, Bank Asia exhibited steadfast resilience against headwinds from the July revolution and a global economic downturn triggered by geopolitical tensions. The bank achieved robust financial results through strategic operational efficiency, disciplined cost controls, and dynamic revenue growth. Profit After Tax (PAT) rose 16% to Tk. 2,775 million, driven by strong fundamentals and proactive strategic initiatives. Interest Income increased 31% to Tk. 30,514 million, propelled by strategic loan repricing at market rates following the SMART framework's withdrawal. Investment income surged 71%, capitalizing on elevated yields from government securities, contributing to a 28% uplift in operating income. Rigorous cost management capped operating expense growth at 4%, enhancing the cost-to-income ratio to 36.50% from 45.02% in 2023. This efficiency drove a 48% surge in operating profit to Tk. 17,052 million, reinforcing Bank Asia's competitive positioning and financial strength. The Bank has also improved its ROA to 0.55% & ROE to 9.04% which were 0.51% & 8.24% in 2023 respectively.
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"
<p>The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:-</p> <p>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;</p> <p>d) Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)</p>	u	"Discussed in the Corporate Governance page no. 228-283. Report and notes to the financial statements page no. 321-377"
<p>In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:-</p> <p>a) a brief resume of the director; b) nature of his/her expertise in specific functional areas;</p> <p>c) names of companies in which the person also holds the directorship and the membership of committees of the board</p>	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: <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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 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. 	Complied

CORPORATE GOVERNANCE

SI No.	Particulars	Compliance Status
1.3	<p>Removal of Directors from office:</p> <p>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.</p>	N/A
SI No.	Particulars	Compliance Status
1.4	<p>Appointment of Alternate Director</p> <p>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:</p> <ol style="list-style-type: none"> 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. 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. Any loan defaulter or any person who is not eligible to become a director as per any rules & regulation will not be appointed as an alternate director. 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. 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. 	N/A
2.	<p>DEPOSITOR DIRECTOR</p> <p>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.</p>	N/A
3.	<p>INFORMATION REGARDING DIRECTORS</p> <p>Banks are advised to take the following steps regarding director information: Every bank should keep an updated list of bank directors,</p> <ol style="list-style-type: none"> Banks should send a directors' list to other banks or financial institutions immediately after the appointment or release of director. Banks should display a list of directors in the website and update it on a regular basis. 	Complied
4.	<p>RESPONSIBILITIES OF THE BOARD OF DIRECTORS</p>	
4.1	<p>Responsibilities and authorities of the board of directors:</p> <p>(a) Work-planning and strategic Management:</p> <ol style="list-style-type: none"> 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. 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. 	Complied

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. 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.	Complied
	(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

CORPORATE GOVERNANCE

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 <ol style="list-style-type: none"> 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. 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. 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: <ol style="list-style-type: none"> Members of the committee will be nominated by the board of directors from themselves; The executive committee will comprise of maximum 07 (seven) members; Members may be appointed for a 03 (three)-year term of office; Chairman of the Board of Directors can be the chairman of executive committee; Company secretary of the bank will be the secretary of the executive committee. 	Complied
	b) Qualifications of the Members: <ol style="list-style-type: none"> 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

SI No.	Particulars	Compliance Status
	c) Roles and Responsibilities of the Executive Committee: <ul style="list-style-type: none"> 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
	d) Meetings <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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	
	<p><i>(i) Internal Control:</i></p> <ol style="list-style-type: none"> 1. 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; 2. Review management's actions in building computerization of the bank and its applications and bank's Management Information System (MIS); 3. Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management; 4. 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
	<p><i>(ii) Financial Reporting:</i></p> <ol style="list-style-type: none"> 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
	<p><i>(iii) Internal Audit:</i></p> <ol style="list-style-type: none"> 1. Audit committee will monitor whether internal audit working independently from the management. 2. Review the activities of the internal audit and the organizational structure and ensure that no unjustified restriction or limitation hinders the internal audit process; 3. Examine the efficiency and effectiveness of internal audit function; 4. Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not. 	Complied
	<p><i>(iv) External Audit:</i></p> <ol style="list-style-type: none"> 1. Review the performance of the external auditors and their audit reports; 2. Examine whether the findings and recommendations made by the external auditors are duly considered by the management or not. 3. Make recommendations to the board regarding the appointment of the external auditors. 	Complied
	<p><i>(v) Compliance with existing laws and Regulations:</i></p> <p>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.</p>	Complied
	<p><i>(vi) Other Responsibilities:</i></p> <ol style="list-style-type: none"> 1. 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; 2. External and internal auditors will submit their related assessment report, if the committee solicit; 3. Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis. 	Complied
	<p>d) Meetings</p> <ol style="list-style-type: none"> 1. The audit committee should hold at least 4 meetings in a year and it can sit any time as it may deems fit; 2. The committee may invite Chief Executive Officer, Head of internal audit or any other Officer to its meetings, if it deems necessary; 3. To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting; 4. 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.	Complied
	a) Organizational Structure <ol style="list-style-type: none"> 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 <ol style="list-style-type: none"> 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>i) Risk identification & control policy :</i> 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
	<i>ii) Construction of organizational structure:</i> 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
	<i>iii) Analysis and approval of Risk Management policy:</i> 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

CORPORATE GOVERNANCE

SI No.	Particulars	Compliance Status
	<p><i>iv) Storage of data & Reporting system:</i> 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.</p>	Complied
	<p><i>v) Monitoring the implementation of overall Risk Management Policy:</i> 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.</p>	Complied
	<p><i>vi) Other responsibilities:</i></p> <ol style="list-style-type: none"> 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
	<p>d) Meetings</p> <ol style="list-style-type: none"> 1. The risk management committee should hold at least 4 meetings in a year and it can sit any time as it may deems fit; 2. The committee may invite Chief Executive Officer, Chief Risk Officer and any other Officer to its meetings, if it deems necessary; 3. To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting; 4. All decisions/observations of the committee should be noted in minutes. 	Complied
6	<p>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.</p>	Complied
	Status of Compliance of Bangladesh Bank's guidelines for Corporate Governance (BRPD circular no. 18 dated 27.10.2013)	
A.	Rules and regulations for appointing CEO	
	<p>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, -</p> <ol style="list-style-type: none"> 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 Authority; c) He was not associated with any such company/organization, registration or license of which has been cancelled. 	Complied
	<p>2. Experience and Suitability:</p> <ol style="list-style-type: none"> 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. 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. 	Complied

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 staffs/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.	Complied
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.	Complied
10.	Prior approval from Bangladesh Bank: Prior approval from Bangladesh Bank is mandatory before appointing CEO as per section 15(4) & (5) of the Bank Company Act 1991 (Amended upto 2013). For processing such approval, along with the proposal signed by the chairman of the board, the selected person's complete resume, offer letter (mentioning the direct & indirect remuneration and facilities) and copy of board's approval must be submitted to Bangladesh Bank. The selected person must also submit declarations as per Annexure-ka & Annexure-kha to Bangladesh Bank.	Complied

CORPORATE GOVERNANCE

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: <ol style="list-style-type: none"> 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. The CEO shall ensure compliance of the Bank Company Act, 1991 and other relevant laws and regulations in discharging routine functions of the bank. 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. The CEO shall report to Bangladesh Bank any violation of the Bank Company Act, 1991 or of other laws/regulations. 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. 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
Status of Compliance of Bangladesh Bank's guidelines for Corporate Governance (BRPD circular no. 19 dated 27.10.2013)		
A	Appointment of Advisor	
1.	Experience and Suitability: For appointment as advisor, the concerned person will have to fulfill the following requirements with regard to experience and qualifications: <ol style="list-style-type: none"> Experience in Banking or Administration for at least 15 (fifteen) years or have a long experience in social activities; Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person; Satisfaction should be ensured that the concerned person was not dismissed from his service when he was Chairman/Director/Official of any company; 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; 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.	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.	N/A

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.	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.	N/A
B	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 Shari'ah Supervisory Committee (BASSC)

We, at Bank Asia PLC, always consider the Shari'ah compliance as the most significant and strategic priority in Islamic Banking. Our products & services are designed in conformity with the principles of Islamic Shari'ah. We have constituted "Bank Asia Shari'ah Supervisory Committee" consisting of qualified Faqihs (experts on Islamic jurisprudence), Islamic Scholars and professionals to ensure Shari'ah compliance in each and every aspect of our Islamic Banking operations.

Bank Asia Shari'ah Supervisory Committee consists of the following members:

Name of the Honorable Member	Position in the Committee
Mufti Shahed Rahmani	Chairman
Mufti Muhammad Abdul Mannan	Member
Mohammad Mofazzal Hussain Khan	Member
Dr. Muhammad Ismail Hussain	Member
Mawlana Shah Mohammad Wali Ullah	Member Secretary



Report of the Bank Asia Shari'ah Supervisory Committee (BASSC)

For the year ended 31st December, 2024

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 PLC.,

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 PLC. for the year ended on 31st December, 2024:

During the year 2024, the Bank Asia Shari'ah Supervisory Committee (BASSC) met in 3 (three) meetings 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 Bank Asia Islamic Banking during the period from 1st January, 2024 to 31st December, 2024.

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:

- a) The contracts, transactions and dealings entered into by Bank Asia Islamic Banking during the year ended on 31st December, 2024 that we have reviewed are in compliance with the Shari'ah rules and principles;

- b) 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;
- c) All earnings that have been realized from sources or by means prohibited by Shari'ah rules and principles have not been included in Bank's income;
- d) Transactions with the conventional part of the Bank have been made complying Shari'ah principles.

During the year under report, the BASSC has advised the Bank on the following Issues:

- a) To take effective steps aiming at creating awareness among the employees and the customers about Shari'ah compliance;
- b) 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;
- c) 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 Islamic Banking operation Manuals
- b) Introducing new deposit and Investment products in i-Hikmah System
- c) Conducting sufficient numbers of Shari'ah audit programs;
- d) Conducting good numbers of training & Shari'ah awareness programs.

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 2024.

May Allah Subhanahu Wata'la give us strength to achieve His satisfaction through implementation of Shari'ah Principles in every sphere of our life.



Mawlana Shah Mohammad Wali Ullah

Member Secretary
Bank Asia Shari'ah Supervisory Committee



Mufti Shahed Rahmani

Chairman
Bank Asia Shari'ah Supervisory Committee

Chief Financial Officer's Report



Economic Review 2024

The year 2024 played out like a gripping financial storm in Bangladesh's banking sector—a turbulent chapter defined by crisis, reform efforts, and an urgent struggle to rebuild public confidence. The turmoil was further fueled by a mix of global economic headwinds and intensifying domestic political unrest. It was a year where global inflation, mass protests, and a fragile financial system collided.

Amid escalating unrest, a caretaker government took charge in August, headed by Nobel Peace Prize laureate Dr. Muhammad Yunus. His appointment marked a pivotal shift in the nation's trajectory. Renowned worldwide for his pioneering work in microfinance and promoting economic inclusion, Dr. Yunus swiftly initiated bold reforms. He launched an extensive audit of banks across the country, resulting in the dismissal of previous board members and top executives as part of a broader effort to reestablish trust and transparency in the financial system.

To rein in inflation, the central bank raised its policy rate multiple times—from 7.75% to 10%. The cost of borrowing rose sharply, pushing many already-struggling businesses over the edge.

In the end, 2024 may be remembered not merely as a year of financial turmoil, but as a moment of reckoning. A time when the people of Bangladesh voiced their frustration, and the long-standing consequences of systemic mismanagement came to a head. It was a year when, however briefly, the vision of a fairer and more transparent future began to emerge.

Our Progress and Performance

While the banking sector in Bangladesh faced one of its most challenging years in 2024, Bank Asia carved out a path of resilience and strategic growth. In a time of crisis, when many banks were grappling with a liquidity crunch, soaring non-performing loans (NPLs), and governance issues, Bank Asia stood out as an institution that managed to weather the storm with innovative solutions, disciplined financial management, and a commitment to maintaining customer trust. We have achieved a record performance of Tk. 17,052 million operating profit.

While many banks struggled, Bank Asia maintained stability by focusing on prudent risk management and tight credit policies. The bank's proactive approach to managing NPLs—such as restructuring troubled loans and implementing early-warning systems—helped minimize defaults, keeping its NPL ratio lower than the industry average. Additionally, Bank Asia strengthened its liquidity position by diversifying funding sources and focusing on high-performing sectors, ensuring continued solvency.

The bank also capitalized on digital transformation by expanding its mobile banking services and forming fintech partnerships. This strategy enabled Bank Asia to reach a wider customer base, particularly in urban and rural areas. Its investments in sustainable finance, including green loans, aligned with global trends and attracted socially conscious investors.

Despite a challenging year, Bank Asia posted steady profits and maintained a healthy capital adequacy ratio, outpacing many competitors. The bank's commitment to governance and transparency, especially during a time of public distrust in the sector, further solidified its reputation.

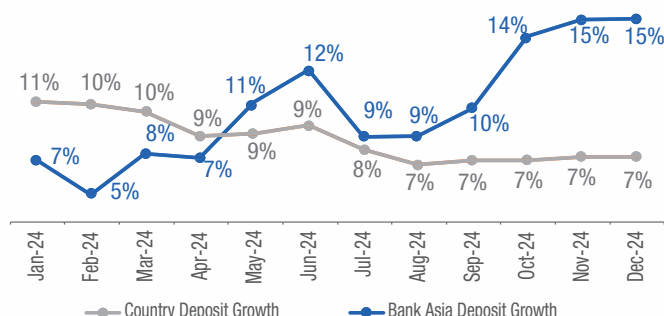
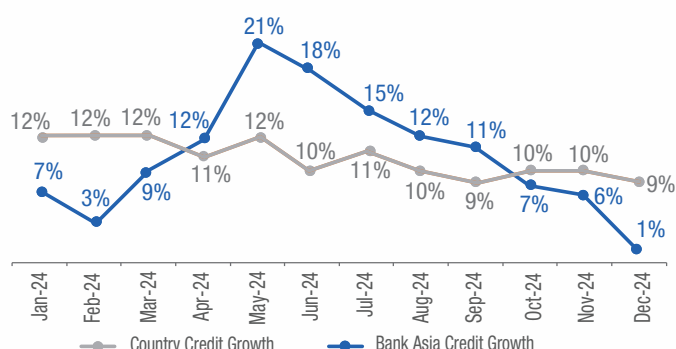
In 2025, Bank Asia's resilient performance, digital initiatives, and strategic governance will position it for continued growth in an evolving banking landscape.

Bank Asia: Financial Overview 2024

Despite the challenges, Bank Asia continued its persistent 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 last couple of 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. Besides, bank is focusing on increasing low cost sustainable deposits.



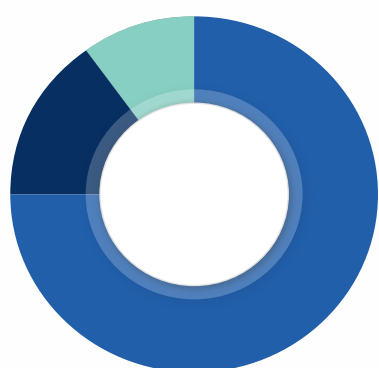
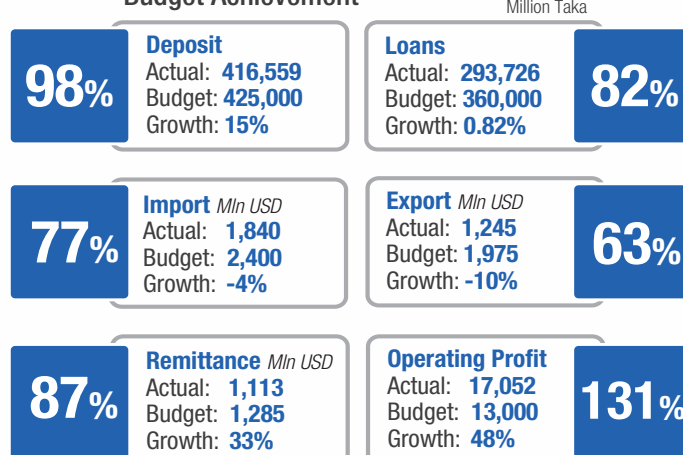
Business Budget Achievement

For any business, ensuring sustainable growth and achieving targeted profit is the ultimate objective. During 2024, we were cautious during booking new business for reducing the threat of NPL and hold stability with confidence. Therefore, Our Deposit & advance growth was limited compared to previous year. Non funded business was challenging due to various restriction imposed by Bangladesh Bank for dollar crisis. Remittance increased as a result of fruitful initiatives of the Government.

Loan Mix

For risk diversification and in line with the sectorial 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.

Budget Achievement

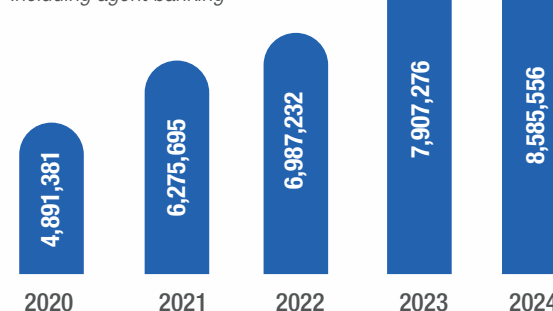


Loan Mix

Corporate **75%**
SME & Agri **15%**
Retail **10%**

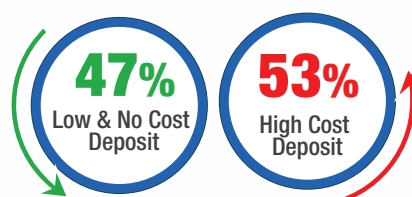
Total Number of Deposit A/C

Including agent banking



Efficient Deposit Mix

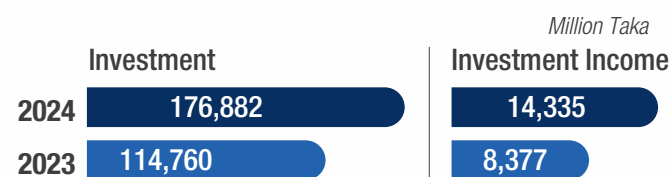
Deposit mix plays a very important role in deciding the profitability of a bank as income from loan & advance was declined due to lower margin. Therefore, one of the most significant strategies for our bank is to increase share of CASA in total deposits.



Chief Financial Officer's Report

Investment Portfolio and Income

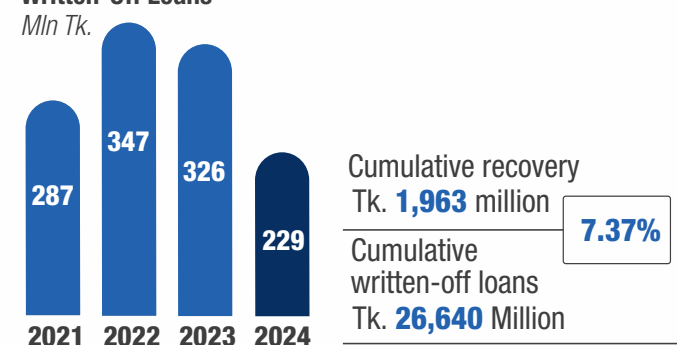
In the year 2024, our total investment portfolio has increased to Tk. 176,882 million from Tk. 114,760 million and total investment income has increased to Tk. 14,335 million from Tk. 8,377 million.



Recovery from Written-Off Loans

Cash recovery from written-off loans continues to be a key driver of profitability for the Bank, offering multiple advantages. Such recoveries are not subject to tax, contribute directly to earnings without increasing loan loss provisions, and translate into enhanced returns for shareholders. In 2024, we successfully recovered Tk. 229 million from previously written-off loans. Building on this momentum, we have set a target to recover over Tk. 1,000 million in 2025.

Recovery from Written-Off Loans



Capital Management

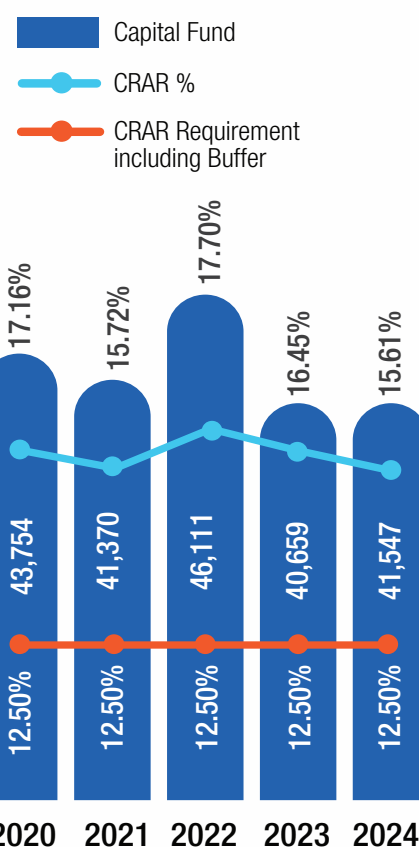
Capital is the main component for secure banking since banks take on risks and may suffer losses if the risks emerge. In order to remain safe and protect customer's deposits, banks need to absorb such losses and keep going in good and difficult times. But how much capital should a bank hold depends on 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 15.61 percent depicted as follows:

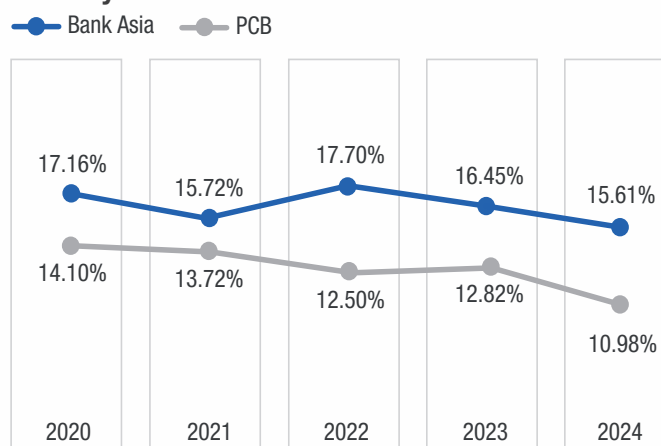
Images show that, in comparison to the industry, Bank Asia has always been very proactive in managing its capital efficiently, maintaining the ratio well above the requirement including the buffer.

Capital Fund Trend

Million Taka



Country VS Bank Asia CRAR%



Chief Financial Officer's Report

Capital Planning (Banking Operation) 2025-2029

In 2024, with a view to strengthen the core capital which falls under Tier 1, the bank successfully raised Tk. 3,340 Million under private placement and Tk. 340.20 million under public offer of perpetual bond. 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 minimum risk with maximum return. Keeping this in mind, Bank Asia develops its capital and business strategies.

Million Taka

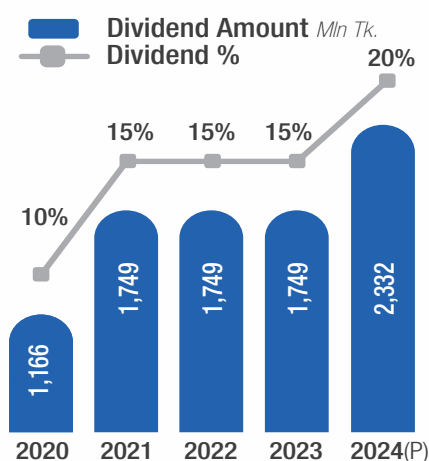
	Actual	Planning				
	2024	2025	2026	2027	2028	2029
Common Equity Tier 1 (CET1) Capital						
Paid-up capital	11,659	12,825	12,825	12,825	14,108	14,108
Statutory Reserve	11,750	12,338	12,500	12,800	14,080	14,080
General Reserve	8	8	8	8	8	8
Retained earnings	4,124	5,155	6,444	8,055	10,068	12,585
Perpetual Bond- 1st issue	3,680	3,680	3,680	3,680	3,680	3,680
Less: Regulatory adjustments	-41	-41	-41	-41	-41	-41
Total CET1	31,180	33,964	35,416	37,327	41,903	44,420
Tier 2 Capital						
General Provision including Off Balance Sheet Provision	7,366	9,286	9,700	10,386	11,486	12,500
Subordinated 7 year Floating Rate Second Bond3	1,000	-	-	-	-	-
Subordinated 7 year Floating Rate Second Bond4	2,000	-	-	-	-	-
Subordinated 7 year Floating Rate Second Bond5	-	4,000	4,000	3,200	2,400	1,600
Subordinated 7 year Floating Rate Second Bond6	-	-	10,000	10,000	10,000	8,000
Subordinated 7 year Floating Rate Second Bond7	-	-	-	-	-	12,000
Total Tier 2 Capital Available	10,366	13,286	23,700	23,586	23,886	34,100
Total Capital (Tier 1 + 2)	41,546	47,250	59,116	60,913	65,789	78,520
Risk Weighted Assets (RWA)	266,183	298,125	342,844	380,557	418,612	468,846
Tier 1 Capital to RWA	11.71%	11.39%	10.33%	9.81%	10.01%	9.47%
Tier 2 Capital to RWA	3.89%	4.46%	6.91%	6.20%	5.71%	7.27%
Minimum Capital Requirement+ Conservation Buffer	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%
Capital to Risk Weighted Assets Ratio (CRAR)	15.61%	15.85%	17.24%	16.01%	15.72%	16.75%

Regulatory adjustments:

* Reciprocal crossholdings in the CET1 Capital of Bank Asia by other banks and financial institutions have been deducted.

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 2024, the bank declared a 20% dividend in the form of 10% cash and 10% stock totaling Tk. 2,332 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.

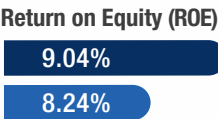
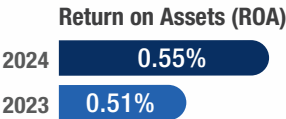
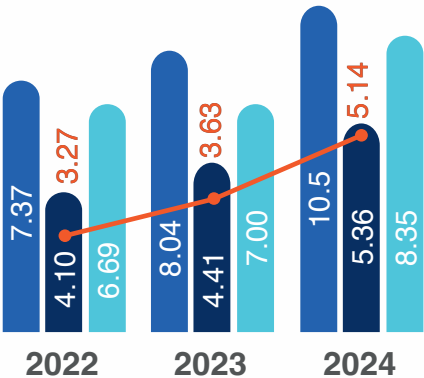


Driving Financial Inclusion: Agent Banking

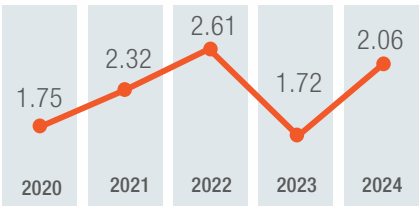
Bank Asia pioneered agent banking 11 years ago with a well-thought-out vision to reach out to remote and unbanked people and provide banking services to their doorstep in the most cost-effective and technology-driven manner possible. The operation has already expanded its diverse financial inclusion 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 5,025 agent outlets spread across Bangladesh, with a deposit base of Tk. 55,689 million and over 6.98 million accounts, with 91 percent of accounts opened in rural areas and 64 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.

Bank Ratio %

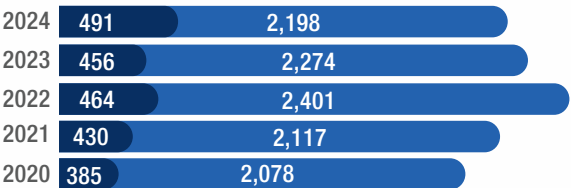
YIELD COD
COF Spread



Earnings Per Share (EPS)



Staff Strength ■ Executive ■ Officer



Chief Financial Officer's Report



STRATEGY FOR 2025



Focus on SME, retail business and prioritize sectorial lending by maximum utilization of distribution channel



Strong drive to restrain NPL and recover from written-off loans



Expansion into emerging markets like power, ship building, ship breaking, jute yarn, ceramic, pharmaceuticals industry etc.



Low cost fund mobilization through strengthening customer relationship



Accelerating new technology adoption to improve operational efficiency



Diversify our portfolio & develop new products/services to generate additional income



Assure service resilience and cyber security for our valued clients



Exploring partnerships with fintech companies for innovative solutions

Brief Economic, Environmental and Social Performance

Economic responsibility	Nos. of loans	58,301
	Nos. of deposit accounts	8,585,556
	Nos. of savings accounts	7,774,547
Shareholders responsibility	Profit after Tax	Tk. 2,775 Mln
	Shareholders' fund	Tk. 31,842 Mln
	Share Price	Tk. 17.00
Environmental responsibility	Electricity consumed	10,817,603 kwh
	Oil	31,577 ltrs
	CNG	91,795 m ³
	Local business travel	4,266,702 km
Social responsibility	Paper used	81,155 reams
	Staff strength(No.)	2,689
	Benefits and emoluments	8%

In 2024, Bank Asia demonstrated financial stability and operational resilience despite economic headwinds. Sound risk management, continued digital innovation, and a focus on inclusive banking enabled the Bank to sustain core earnings and strengthen its capital position. Looking forward, we remain committed to prudent financial stewardship, enhancing stakeholder value, and supporting Bangladesh's journey toward a more inclusive and digitally empowered financial sector.

Mohammad Ibrahim Khalil, FCA
Chief Financial Officer



FINANCIAL STATEMENTS



Independent Auditor's Report to the Shareholders of Bank Asia PLC.

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Bank Asia PLC. and its subsidiaries (the "Group") as well as the separate financial statements of Bank Asia PLC. (the "Bank"), which comprise the consolidated and separate Balance Sheets as at 31 December 2024, and consolidated and separate Profit and Loss Accounts, consolidated and separate statement 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 material accounting policy 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 Balance Sheet of the Group and the separate Balance Sheet of the Bank as at 31 December 2024, and of its consolidated and separate Profit and Loss Accounts 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 comply with the Banking Companies Act, 1991 (as amended up to date), the Companies Act, 1994, the rules and regulations issued by the Bangladesh Bank, the rules and regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements for the financial year 2024. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and informing auditor opinion thereon, and we do not provide a separate opinion on these matters. For each matter described below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Description of key audit matters	Our response to key audit matters
Measurement of provision for loans and advances	
<p>With reference to Note 13.1.1 to the Financial Statements, the process for calculating the provision for loans and advances portfolio associated with credit risk is significant and complex. The Bank calculates provision for loans and advances by considering various factors such as rate of provision, loan category, expiry date, outstanding balance, interest suspense amount, value of eligible collateral as per BRPD circular no. 14 dated 23 September 2012 and its subsequent amendments.</p> <p>Due to the recent macro-economic situation, non-performing loans have been increasing day by day. Banks need to maintain provisions for additional non-performing loans in line with the central bank's guidelines. The Bank identifies impaired loan accounts and calculates required provisions manually. Furthermore, management has incentive to maintain lower provisions for loans and advances to overstate profit.</p> <p>Considering these factors, we have considered measurement of provision for loans, advances and leases as significant risk as well as a key audit matter.</p> <p>At year end, the Group reported total gross loans and advances of BDT 296.53 billion (2023: BDT 294.07 billion) and provision for loans and advances of BDT 29.55 billion (2023: BDT 23.33 billion). On the other hand, the Bank reported loans and advances of BDT 293.72 billion (2023: 291.32 billion) on a solo basis.</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Reviewed the quarterly Classification of Loans (CL) • Reviewed the appropriateness of the approvals for the transfer of interests to the Income account in accordance with the Bangladesh Bank's guidelines. • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines. Reviewed the grounds for recommendations for approvals in cases of transfer of interests to Income account; • Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines; • Finally, compared the amount of provision requirement as determined by the Bangladesh Bank inspection team to the actual amount of provision maintained.
See notes no. 8(a) and 13.1.2 (a) to the financial statements	

Description of key audit matters	Our response to key audit matters
Recognition of interest income on loans and advances	
<p>Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income has involvement of complex IT environments.</p> <p>We identify recognition of interest income from loans, advances and leases as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations.</p>	<p>We tested the design and operating e-ffectiveness of key controls over recognition and measurement of interest on loans, advances and leases.</p> <p>We performed test of operating effectiveness on automated control in place to measure and recognise interest income.</p> <p>We have also performed substantive procedures to check whether interest income is recognised completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note no. 20 and 20.01 to the financial statements	
Valuation of treasury bill and treasury bond	
<p>The classification and measurement of T-Bill and T-Bond require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.</p>	<p>We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and bonds.</p> <p>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.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note nos. 7 and 7.1.1 to the financial statements	
Measurement of Deferred Tax	
<p>In 2024, the bank's financial performance or taxable income remained consistent, there was no need to adjust the provision. Hence, the bank did not set aside any provision for deferred tax, maintaining the same provision level as the previous year.</p>	<p>Our procedures in relation to management's assessment about the measurement of deferred tax assets/liabilities included:</p> <ul style="list-style-type: none"> • Evaluating management's assessment on the sufficiency of future taxable profits in support of the recognition of deferred tax by comparing management's forecasts of future profits to historical results and evaluating the assumptions used in those forecasts; • Obtaining the communications between the Bank and taxation authorities regarding tax positions; and • Assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.
See notes no.13.1.5 & 13.1.5(d) to the financial statements	

Description of key audit matters	Our response to key audit matters
<p>IT systems and controls</p> <p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.</p>	<p>We conducted extensive testing to assess the design and operating effectiveness of the Bank's IT access controls over critical financial reporting systems. Our audit procedures included evaluating IT general controls, particularly focusing on logical access, change management, and IT operational controls.</p> <p>We tested whether requests for access to systems were appropriately reviewed and authorized, ensuring that only authorized personnel had access to sensitive financial data. Additionally, we examined the Bank's periodic review process for access rights and assessed whether changes to systems were properly approved and authorized to prevent unauthorized modifications.</p> <p>As part of our audit, we also evaluated the Bank's control environment concerning system interfaces, configurations, and application-layer controls that were identified as critical to financial reporting accuracy. Given the significance of IT application controls in ensuring the integrity of automated financial processes, we tested key application-based controls, including system-generated reports, automated journal entries, and validation mechanisms that support transaction processing. This involved assessing whether these automated controls were functioning as intended and whether their outputs were reliable for financial reporting purposes.</p> <p>Furthermore, we performed detailed tests on IT general controls to assess the effectiveness of application development processes, database security, and hosting platform management. We also evaluated the segregation of incompatible duties relevant to application and database change management to determine whether adequate controls were in place to prevent unauthorized access or modifications.</p>
<p>Legal and regulatory matters</p> <p>We focused on this area because the Bank and its subsidiaries (the "Group") operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established as other contingent liabilities.</p> <p>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 statement.</p>	<p>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.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p>

Other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditor's 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.

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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 2020, the Bank Company Act 1991 (as amended up to date), the Financial Reporting Act 2015, 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) financial statements for the year ended 31 December 2024 of the three subsidiaries namely Bank Asia Securities Limited, BA Exchange Company (UK) Limited, and BA Express USA, Inc have been audited by MABS & J Partners Chartered Accountants, AGP Consulting Chartered accountants and Monis Siddiqui Certified Public Accountants respectively and have been properly reflected in the consolidated financial statements;
- (iv) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (vi) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (vii) the expenditures incurred were for the purpose of the Bank's business for the year;
- (viii) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (ix) adequate provisions have been made for advances and other assets which are in our opinion, doubtful of recovery;
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 8,650 person hours; and
- (xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Place: Dhaka, Bangladesh

Dated: April 30, 2025

Signed for & on behalf of

MABS & J Partners, Chartered Accountants



Nasir U Ahmed

FCA, FCS, CGMA, ACMA (UK), FCA (England & Wales)

Additional Managing Partner

ICAB Enrollment No: 535

DVC: 2504300535AS269137

Bank Asia PLC. and its subsidiaries

Consolidated Balance Sheet

as at 31 December 2024

Amount in Taka

	Notes	31 Dec 2024	31 Dec 2023
PROPERTY AND ASSETS			
Cash		23,988,516,011	21,776,999,205
In hand (including foreign currencies)	4.1(a)	4,571,787,155	3,768,537,636
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4.2(a)	19,416,728,856	18,008,461,569
Balance with other banks and financial institutions	5(a)	16,146,171,433	24,131,298,642
In Bangladesh		5,603,874,673	20,332,861,708
Outside Bangladesh		10,542,296,760	3,798,436,934
Money at call and on short notice	6(a)	-	300,000,000
Investments	7(a)	177,935,396,486	115,801,404,654
Government		167,143,008,408	106,782,762,756
Others		10,792,388,078	9,018,641,898
Loans and advances/investments	8(a)	296,533,717,659	294,072,425,920
Loans, cash credits, overdrafts, etc/investments		281,966,741,409	278,592,725,335
Bills purchased and discounted		14,566,976,250	15,479,700,585
Fixed assets including premises, furniture and fixtures	9(a)	5,289,381,960	5,957,156,399
Other assets	10(a)	15,419,013,621	14,513,247,468
Non - banking assets		-	-
Total assets		535,312,197,170	476,552,532,288
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	18,114,043,540	27,071,897,305
Subordinated non-convertible and perpetual bonds	11(aa)	7,680,250,000	7,680,250,000
Deposits and other accounts	12(a)	416,727,954,479	361,719,880,870
Current/AI-wadeeah current accounts and other accounts		74,238,891,195	73,576,996,537
Bills payable		3,075,190,059	3,958,476,129
Savings bank/Mudaraba savings bank deposits		90,330,134,211	83,493,765,110
Fixed deposits/Mudaraba fixed deposits		222,238,007,353	173,374,621,309
Special notice deposit		26,845,731,661	27,316,021,785
Bearer certificates of deposit		-	-
Other deposits		-	-
Other liabilities	13(a)	60,982,059,182	50,677,766,435
Total liabilities		503,504,307,201	447,149,794,610
Capital/shareholders' equity			
Total shareholders' equity		31,807,889,969	29,402,737,678
Paid-up capital	14.2	11,659,068,600	11,659,068,600
Statutory reserve	15	11,750,000,000	11,750,000,000
General and other reserve	15.1(a)	10,640,687	10,257,013
Revaluation reserve	16(a)	4,300,808,341	2,685,555,009
Retained earnings	17(a)	4,150,895,777	3,350,452,926
Foreign currency translation reserve		(63,533,766)	(52,606,167)
Non-controlling interest	17(b)	10,330	10,297
Total liabilities and shareholders' equity		535,312,197,170	476,552,532,288

Consolidated Balance Sheet

Amount in Taka

	Notes	31 Dec 2024	31 Dec 2023
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	18	130,037,883,477	147,312,053,915
Acceptances and endorsements		44,821,140,940	57,164,035,754
Letters of guarantee		26,869,526,977	31,450,162,015
Irrevocable letters of credit		39,630,946,979	37,281,132,915
Bills for collection		18,716,268,581	21,416,723,231
Other contingent liabilities		-	-
Other commitments		9,916,466,548	4,812,658,170
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		9,916,466,548	4,812,658,170
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total off-balance sheet items including contingent liabilities		139,954,350,025	152,124,712,085

These Financial Statements should be read in conjunction with the annexed notes

				
Chairman	Director	Director	Director	Managing Director

See our annexed report of even date

Dhaka,
Dated 30 April 2025
DVC No: 2504300535AS269137


Nasir U Ahmed
FCA, FCS, CGMA, ACMA (UK), FCA (England & Wales)
Additional Managing Partner
Enrollment No: 535
MABS & J Partners
Chartered Accountants

Bank Asia PLC. and its subsidiaries

Consolidated Profit and Loss Account

for the year ended 31 December 2024

Amount in Taka


	Notes	31 Dec 2024	31 Dec 2023
OPERATING INCOME			
Interest income	20(a)	30,651,886,991	23,380,598,457
Interest paid on deposits and borrowings, etc	21(a)	24,509,147,634	17,067,340,832
Net interest income		6,142,739,357	6,313,257,625
Investment income	22(a)	14,335,176,498	8,376,526,748
Commission, exchange and brokerage	23(a)	5,376,452,602	5,343,451,964
Other operating income	24(a)	1,603,883,706	1,434,619,446
		21,315,512,806	15,154,598,158
Total operating income (A)		27,458,252,163	21,467,855,783
OPERATING EXPENSES			
Salaries and allowances	25(a)	5,835,387,423	5,407,923,206
Rent, taxes, insurance, electricity, etc	26(a)	677,065,089	660,014,031
Legal expenses	27(a)	26,379,818	29,102,855
Postage, stamp, telecommunication, etc	28(a)	210,629,682	194,332,541
Stationery, printing, advertisements, etc	29(a)	169,989,498	174,362,072
Managing Director's salary and fees	30	19,935,301	13,510,000
Directors' fees	31(a)	5,431,128	4,320,500
Auditors' fees	32(a)	5,113,143	4,436,683
Depreciation and repairs of Bank's assets	33(a)	1,008,627,671	1,026,382,290
Other expenses	34(a)	2,201,632,940	2,233,858,750
Total operating expenses (B)		10,160,191,693	9,748,242,928
Profit before provision (C=A-B)		17,298,060,470	11,719,612,855
Provision for loans and advances/investments			
General provision		(681,000,000)	2,287,961,643
Specific provision		10,701,459,333	4,266,690,868
	13.2(a)	10,020,459,333	6,554,652,511
Provision for off-balance sheet items	13.1.3	105,500,000	195,000,000
Provision for diminution in value of investments		580,000,000	90,000,000
Other provisions		140,000,000	50,000,000
Total provision (D)	34(c)	10,845,959,333	6,889,652,511
Total profit before tax (C-D)		6,452,101,137	4,829,960,344
Provision for taxation			
Current tax	13.1.5(b)	3,584,184,705	2,351,108,689
Deferred tax		-	-
		3,584,184,705	2,351,108,689
Net profit after tax		2,867,916,432	2,478,851,655
Appropriations			
Statutory reserve	15	-	-
Coupon/dividend on perpetual bond		368,614,109	389,926,028
General and other reserve	15.1(a)	383,674	330,482
		368,997,783	390,256,510
		2,498,918,649	2,088,595,145
Retained surplus			
Attributable to:			
Equity holders of Bank Asia PLC.		2,498,918,616	2,088,595,133
Non-controlling interest		33	12
		2,498,918,649	2,088,595,145
Earnings Per Share (EPS)	37(c)	2.14	1.79

These Financial Statements should be read in conjunction with the annexed notes

				
Chairman	Director	Director	Director	Managing Director

See our annexed report of even date

Dhaka, Dated
30 April 2025
DVC No: 2504300535AS269137


Nasir U Ahmed
FCA, FCS, CGMA, ACMA (UK), FCA (England & Wales)
Additional Managing Partner
Enrollment No: 535
MABS & J Partners
Chartered Accountants

Bank Asia PLC. and its subsidiaries

Consolidated Cash Flow Statement

for the year ended 31 December 2024

	Notes	31 Dec 2024	31 Dec 2023
Cash flows from operating activities (A)			
Interest receipts		40,641,007,247	29,935,924,383
Interest payments		(24,982,317,365)	(17,680,090,550)
Dividends receipts		383,995,680	527,036,928
Fees and commission receipts		5,376,452,602	5,343,451,964
Recoveries on loans previously written off		229,445,620	326,055,141
Cash payment to employees		(5,811,910,719)	(5,307,088,663)
Cash payment to suppliers		(272,448,779)	(271,882,653)
Income tax paid		(2,347,621,824)	(2,860,185,854)
Receipts from other operating activities	35 (a)	5,105,220,204	2,076,404,624
Payments for other operating activities	36 (a)	(3,146,187,101)	(3,139,575,360)
Operating profit before changes in operating assets & liabilities		15,175,635,565	8,950,049,960
Increase/(decrease) in operating assets and liabilities			
Loans and advances to customers and banks		(2,461,291,739)	(13,480,958,476)
Other assets		17,528,459	(619,183,815)
Deposits from customers and banks		55,008,073,609	24,028,451,732
Trading liabilities		(8,957,853,765)	(23,952,183,438)
Other liabilities		48,352,185	(1,563,578,265)
Net Increase/(decrease) in operating assets and liabilities		43,654,808,749	(15,587,452,262)
Net cash flows from operating activities		58,830,444,314	(6,637,402,302)
Cash flows from investing activities (B)			
Investments in treasury bills, bonds and others		(60,360,245,652)	(12,036,359,037)
Sale/(Purchase) of trading securities		(1,773,746,180)	73,209,971
(Purchase)/disposal of fixed assets		(180,768,012)	(435,024,064)
Net cash flows from/(used in) investing activities		(62,314,759,844)	(12,398,173,130)
Cash flows from financing activities (C)			
Issuance of perpetual bond		-	340,250,000
Issuance of subordinated non-convertible bond		2,000,000,000	-
Coupon/dividend paid on perpetual bond		(368,614,109)	(389,926,028)
Adjustment of subordinated non-convertible bond		(2,000,000,000)	(2,000,000,000)
Payments for lease liability		(470,476,174)	(487,848,255)
Dividend paid (cash dividend)		(1,748,860,290)	(1,748,860,290)
Net cash flows from/(used in) financing activities		(2,587,950,573)	(4,286,384,573)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(6,072,266,103)	(23,321,960,005)
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the year		46,211,250,847	69,533,210,852
Cash and cash equivalents at the end of the year		40,138,984,744	46,211,250,847
Cash and cash equivalents:			
Cash		4,571,787,155	3,768,537,636
Balance with Bangladesh Bank and its agent bank(s)		19,416,728,856	18,008,461,569
Balance with other banks and financial institutions		16,146,171,433	24,131,298,642
Money at call and on short notice		-	300,000,000
Prize bonds		4,297,300	2,953,000
		40,138,984,744	46,211,250,847

These Financial Statements should be read in conjunction with the annexed notes

				
Chairman	Director	Director	Director	Managing Director

Bank Asia PLC. and its subsidiaries

Consolidated Statement of Changes in Equity

for the year ended 31 December 2024

Amount in Taka

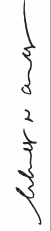
Particulars	Paid-up Capital	Statutory Reserve	Revaluation Reserve	General and other Reserve	Foreign currency translation Reserve	Retained Earnings	Total	Non-controlling Interest	Total Equity
Balance as at 01 January 2023	11,659,068,600	11,750,000,000	2,117,047,124	9,926,531	(29,217,722)	2,957,002,831	28,463,827,363	10,285	28,463,837,649
Adjustment on revaluation of investment and others	-	-	622,223,137	-	-	-	622,223,137	-	622,223,137
Transferred to retained earnings	-	-	(53,715,252)	-	-	53,715,252	-	-	-
Foreign currency translation for the year	-	-	-	-	(23,388,445)	-	(23,388,445)	-	(23,388,445)
Transferred to General and other reserve	-	-	-	330,482	-	(330,482)	-	-	-
Cash dividend paid	-	-	-	-	-	(1,748,860,290)	(1,748,860,290)	-	(1,748,860,290)
Coupon/dividend on perpetual bond	-	-	-	-	-	(389,926,028)	(389,926,028)	-	(389,926,028)
Net profit for the year	-	-	-	-	-	2,478,851,643	2,478,851,643	12	2,478,851,655
Balance as at 31 December 2023	11,659,068,600	11,750,000,000	2,685,555,009	10,257,013	(52,606,167)	3,350,452,926	29,402,727,380	10,297	29,402,737,678
Adjustment on revaluation of investment and others	-	-	1,668,968,584	-	-	-	1,668,968,584	-	1,668,968,584
Transferred to retained earnings	-	-	(53,715,252)	-	-	53,715,252	-	-	-
Foreign currency translation for the year	-	-	-	-	(10,927,599)	-	(10,927,599)	-	(10,927,599)
Transferred to General and other reserve	-	-	-	383,674	-	(383,674)	-	-	-
Transferred to interest suspense	-	-	-	-	-	(3,330,727)	(3,330,727)	-	(3,330,727)
Cash dividend paid	-	-	-	-	-	(1,748,860,290)	(1,748,860,290)	-	(1,748,860,290)
Coupon/dividend on perpetual bond	-	-	-	-	-	(368,614,109)	(368,614,109)	-	(368,614,109)
Net profit for the year	-	-	-	-	-	2,867,916,399	2,867,916,399	33	2,867,916,432
Balance as at 31 December 2024	11,659,068,600	11,750,000,000	4,300,808,341	10,640,687	(63,533,766)	4,150,895,777	31,807,879,638	10,330	31,807,889,969

These Financial Statements should be read in conjunction with the annexed notes


Chairman


Director


Director


Director


Managing Director

Bank Asia PLC.

Balance Sheet

as at 31 December 2024

		Amount in Taka	
	Notes	31 Dec 2024	31 Dec 2023
PROPERTY AND ASSETS			
Cash		23,951,563,796	21,776,877,853
In hand (including foreign currencies)	4.1	4,534,834,940	3,768,416,284
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4.2	19,416,728,856	18,008,461,569
Balance with other banks and financial institutions		15,580,470,190	23,676,754,230
In Bangladesh	5.1	5,383,437,523	20,111,916,423
Outside Bangladesh	5.2	10,197,032,667	3,564,837,807
Money at call and on short notice	6	-	300,000,000
Investments	7	176,881,979,607	114,760,152,372
Government		167,143,008,408	106,782,762,756
Others		9,738,971,199	7,977,389,616
Loans and advances/investments	8	293,725,599,998	291,325,043,145
Loans, cash credits, overdrafts, etc/investments		279,158,623,748	275,845,342,560
Bills purchased and discounted		14,566,976,250	15,479,700,585
Fixed assets including premises, furniture and fixtures	9	5,230,844,568	5,878,418,753
Other assets	10	17,531,359,503	16,430,518,197
Non - banking assets		-	-
Total assets		<u>532,901,817,662</u>	<u>474,147,764,550</u>
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	18,114,043,540	27,071,897,305
Subordinated non-convertible and perpetual bonds	11 (aa)	7,680,250,000	7,680,250,000
Deposits and other accounts	12	416,559,450,234	361,536,300,038
Current/AI-wadeeah current accounts and other accounts		74,070,386,950	73,393,415,705
Bills payable		3,075,190,059	3,958,476,129
Savings bank/Mudaraba savings bank deposits		90,330,134,211	83,493,765,110
Fixed deposits/Mudaraba fixed deposits		222,238,007,353	173,374,621,309
Special notice deposit		26,845,731,661	27,316,021,785
Bearer certificates of deposit		-	-
Other deposits		-	-
Other liabilities	13	58,705,781,943	48,339,788,323
Total liabilities		<u>501,059,525,717</u>	<u>444,628,235,666</u>
Capital/shareholders' equity			
Total shareholders' equity		31,842,291,945	29,519,528,884
Paid-up capital	14.2	11,659,068,600	11,659,068,600
Statutory reserve	15	11,750,000,000	11,750,000,000
General and other reserve	15.1	8,166,144	8,166,144
Revaluation reserve	16	4,300,808,341	2,685,555,009
Retained earnings	17	4,124,248,860	3,416,739,131
Total liabilities and shareholders' equity		<u>532,901,817,662</u>	<u>474,147,764,550</u>

Balance Sheet

Amount in Taka

	Notes	31 Dec 2024	31 Dec 2023
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	18	130,037,883,477	147,312,053,915
Acceptances and endorsements		44,821,140,940	57,164,035,754
Letters of guarantee		26,869,526,977	31,450,162,015
Irrevocable letters of credit		39,630,946,979	37,281,132,915
Bills for collection		18,716,268,581	21,416,723,231
Other contingent liabilities		-	-
Other commitments		9,916,466,548	4,812,658,170
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		9,916,466,548	4,812,658,170
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total off-balance sheet items including contingent liabilities		139,954,350,025	152,124,712,085

These Financial Statements should be read in conjunction with the annexed notes

				
Chairman	Director	Director	Director	Managing Director

See our annexed report of even date

Dhaka, Dated
30 April 2025
DVC No: 2504300535AS269137


Nasir U Ahmed
FCA, FCS, CGMA, ACMA (UK), FCA (England & Wales)
Additional Managing Partner
Enrollment No: 535
MABS & J Partners
Chartered Accountants

Bank Asia PLC.

Profit and Loss Account

for the year ended 31 December 2024

Amount in Taka

	Notes	31 Dec 2024	31 Dec 2023
OPERATING INCOME			
Interest income	20	30,514,242,741	23,287,064,761
Interest paid on deposits and borrowings, etc	21	24,484,274,477	17,053,991,947
Net interest income		6,029,968,264	6,233,072,814
Investment income	22	14,335,176,498	8,376,526,748
Commission, exchange and brokerage	23	4,935,850,432	4,977,401,004
Other operating income	24	1,552,842,469	1,386,508,710
		20,823,869,399	14,740,436,462
Total operating income (A)		26,853,837,663	20,973,509,276
OPERATING EXPENSES			
Salaries and allowances	25	5,644,358,401	5,243,365,548
Rent, taxes, insurance, electricity, etc	26	635,446,824	625,902,063
Legal expenses	27	25,551,895	28,538,049
Postage, stamp, telecommunication, etc	28	205,891,107	190,046,039
Stationery, printing, advertisements, etc	29	162,691,301	168,260,355
Managing Director's salary and fees	30	19,935,301	13,510,000
Directors' fees	31	4,947,128	3,776,000
Auditors' fees	32	1,132,000	1,753,000
Depreciation and repairs of Bank's assets	33	985,187,478	998,916,525
Other expenses	34	2,116,555,381	2,168,700,864
Total operating expenses (B)		9,801,696,816	9,442,768,443
Profit before provision (C=A-B)		17,052,140,847	11,530,740,833
Provision for loans and advances/investments			
General provision		(681,000,000)	2,287,961,643
Specific provision		10,613,041,244	4,211,938,220
	13.1.1 & 2	9,932,041,244	6,499,899,863
Provision for off-balance sheet items	13.1.3	105,500,000	195,000,000
Provision for diminution in value of investments	13.1.7	580,000,000	90,000,000
Other provisions	13.1.8 & 9	140,000,000	50,000,000
Total provision (D)	34(b)	10,757,541,244	6,834,899,863
Total profit before tax (C-D)		6,294,599,603	4,695,840,970
Provision for taxation			
Current tax	13.1.5	3,520,000,000	2,300,000,000
Deferred tax		-	-
		3,520,000,000	2,300,000,000
Net profit after tax		2,774,599,603	2,395,840,970
Appropriations			
Statutory reserve	15	-	-
Coupon/dividend on perpetual bond		368,614,109	389,926,028
		368,614,109	389,926,028
Retained surplus		2,405,985,494	2,005,914,942
Earnings Per Share (EPS)	37(b)	2.06	1.72

These Financial Statements should be read in conjunction with the annexed notes

				
Chairman	Director	Director	Director	Managing Director

See our annexed report of even date

Dhaka, Dated
30 April 2025
DVC No: 2504300535AS269137


Nasir U Ahmed
FCA, FCS, CGMA, ACMA (UK), FCA (England & Wales)
Additional Managing Partner
Enrollment No: 535
MABS & J Partners
Chartered Accountants

Bank Asia PLC.

Cash Flow Statement

for the year ended 31 December 2024

	Notes	31 Dec 2024	31 Dec 2023
Cash flows from operating activities (A)			
Interest receipts		40,376,330,799	29,726,397,678
Interest payments		(24,830,412,010)	(17,550,748,656)
Dividends receipts		383,995,680	527,036,928
Fees and commission receipts		4,935,850,432	4,977,401,004
Recoveries on loans previously written off		229,445,620	326,055,141
Cash payment to employees		(5,620,881,697)	(5,142,531,005)
Cash payment to suppliers		(265,150,582)	(265,780,936)
Income tax paid		(2,267,555,770)	(2,809,151,843)
Receipts from other operating activities	35	5,054,178,967	2,028,293,888
Payments for other operating activities	36	(3,009,459,636)	(3,032,226,015)
Operating profit before changes in operating assets & liabilities		14,986,341,803	8,784,746,184
Increase/(decrease) in operating assets and liabilities			
Loans and advances to customers and banks		(2,400,556,853)	(13,454,684,742)
Other assets		(79,690,209)	(319,461,958)
Deposits from customers and banks		55,023,150,196	23,840,882,601
Trading liabilities		(8,957,853,765)	(23,952,183,438)
Other liabilities		95,251,357	(1,658,375,958)
Net Increase/(decrease) in operating assets and liabilities		43,680,300,726	(15,543,823,495)
Net cash flows from operating activities		58,666,642,529	(6,759,077,311)
Cash flows from investing activities (B)			
Investments in treasury bills, bonds and others		(60,360,245,652)	(12,036,359,037)
Sale/(Purchase) of trading securities		(1,761,581,583)	125,316,602
(Purchase)/disposal of fixed assets		(177,118,518)	(417,476,445)
Net cash flows from/(used in) investing activities		(62,298,945,753)	(12,328,518,880)
Cash flows from financing activities (C)			
Issuance of perpetual bond		-	340,250,000
Issuance of subordinated non-convertible bond		2,000,000,000	-
Coupon/dividend paid on perpetual bond		(368,614,109)	(389,926,028)
Adjustment of subordinated non-convertible bond		(2,000,000,000)	(2,000,000,000)
Payments for lease liability		(470,476,174)	(487,848,255)
Dividend paid (cash dividend)		(1,748,860,290)	(1,748,860,290)
Net cash flows from/(used in) financing activities		(2,587,950,573)	(4,286,384,573)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(6,220,253,797)	(23,373,980,764)
Effects of exchange rate changes on cash and cash equivalents			
		-	-
Cash and cash equivalents at the beginning of the year		45,756,585,083	69,130,565,847
Cash and cash equivalents at the end of the year		39,536,331,286	45,756,585,083
Cash and cash equivalents:			
Cash		4,534,834,940	3,768,416,284
Balance with Bangladesh Bank and its agent bank(s)		19,416,728,856	18,008,461,569
Balance with other banks and financial institutions		15,580,470,190	23,676,754,230
Money at call and on short notice		-	300,000,000
Prize bonds		4,297,300	2,953,000
		39,536,331,286	45,756,585,083

These Financial Statements should be read in conjunction with the annexed notes

				
Chairman	Director	Director	Director	Managing Director

Bank Asia PLC. Statement of Changes in Equity

for the year ended 31 December 2024

Amount in Taka

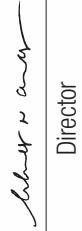
Particulars	Paid-up capital	Statutory reserve	Revaluation reserve	General and other reserve	Retained earnings	Total
Balance as at 01 January 2023	11,659,068,600	11,750,000,000	2,117,047,124	8,166,144	3,105,969,227	28,640,251,095
Adjustment on revaluation of investment and others	-	-	622,223,137	-	-	622,223,137
Transferred to retained earnings			(53,715,252)		53,715,252	-
Cash dividend paid					(1,748,860,290)	(1,748,860,290)
Coupon/dividend on perpetual bond					(389,926,028)	(389,926,028)
Net profit for the year	-	-	-	-	2,395,840,970	2,395,840,970
Balance as at 31 December 2023	11,659,068,600	11,750,000,000	2,685,555,009	8,166,144	3,416,739,131	29,519,528,884
Adjustment on revaluation of investment and others	-	-	1,668,968,584	-	-	1,668,968,584
Transferred to interest suspense					(3,330,727)	(3,330,727)
Transferred to retained earnings			(53,715,252)	-	53,715,252	-
Cash dividend paid	-	-	-	-	(1,748,860,290)	(1,748,860,290)
Coupon/dividend on perpetual bond	-	-	-	-	(368,614,109)	(368,614,109)
Net profit for the year	-	-	-	-	2,774,599,603	2,774,599,603
Balance as at 31 December 2024	11,659,068,600	11,750,000,000	4,300,808,341	8,166,144	4,124,248,860	31,842,291,945

These Financial Statements should be read in conjunction with the annexed notes


Chairman


Director


Director


Director


Managing Director

Bank Asia PLC. Liquidity Statement (Analysis of Maturity of Assets and Liabilities)

as at 31 December 2024

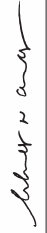
Amount in Taka

Particulars	Maturity					Total
	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	
Assets						
Cash in hand and with banks	8,002,262,559	-	-	-	15,949,301,237	23,951,563,796
Balance with other banks and financial institutions	12,437,005,641	3,143,464,549	-	-	-	15,580,470,190
Money at call and on short notice	-	-	-	-	-	-
Investments	12,505,333,560	36,253,538,874	57,893,911,597	23,449,332,974	46,779,862,602	176,881,979,607
Loans and advances	42,040,418,841	39,384,505,039	87,793,571,626	105,786,126,712	18,720,977,780	293,725,599,998
Fixed assets including premises, furniture and fixtures	-	-	-	-	5,230,844,568	5,230,844,568
Other assets	3,597,896,110	3,089,229,572	3,732,986,643	4,950,772,178	2,160,475,000	17,531,359,503
Non-banking assets	-	-	-	-	-	-
Total Assets (A)	78,582,916,711	81,870,738,034	149,420,469,866	134,186,231,864	88,841,461,187	532,901,817,662
Liabilities						
Borrowings from Bangladesh Bank, other banks, financial institutions and agents	756,726,109	9,579,575,912	7,953,888,828	1,680,220,531	5,823,882,160	25,794,293,540
Deposits and other accounts	46,512,414,555	109,486,844,437	115,601,109,949	97,213,606,438	47,745,474,855	416,559,450,234
Provision and other liabilities	301,500,000	233,833,592	7,201,190,166	20,924,258,185	30,045,000,000	58,705,781,943
Total Liabilities (B)	47,570,640,664	119,300,253,941	130,756,188,943	119,818,085,154	83,614,357,015	501,059,525,717
Net Liquidity Excess/(Shortage) (A-B)	31,012,276,047	(37,429,515,907)	18,664,280,923	14,368,146,710	5,227,104,172	31,842,291,945


Chairman


Director


Director


Director


Managing Director

Bank Asia PLC.

Notes to the financial statements

as at and for the year ended 31 December 2024

1. THE BANK AND ITS ACTIVITIES

1.1 Bank Asia PLC.

Bank Asia PLC. ("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 2023), governed by the Bank Company Act 1991 (amended up to 2023). 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 131 branches including 4 SME/Agri Branches and 4 SME service centres, 5 Islamic Windows, 15 Sub branches, 7 collection booths and 217 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 PLC. 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 PLC. at their book values.

The name of Bank Asia PLC. has been changed to Bank Asia PLC. with effect from April 16, 2024 as per approval of Bangladesh Bank. 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 PLC. 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 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 PLC., 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 PLC. 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.

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 2023), 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. The Bank complied with the requirement of the following regulatory and legal authorities:

- i. Bank Company Act 1991 (amended upto 2023)
- 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. The Income Tax Act 2023
- ix. Value Added Tax Act 2012
- 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 no. 01 dated May 24, 2023, provision for diminution of value of quoted equity shares, bonds, debentures, perpetual instruments and mutual funds have made on netting off gain and provision for diminution of value of unquoted equity shares and mutual funds (open-end) have made on the basis of net worth (Assets-Liabilities) of shares and surrender price of mutual funds respectively. Provision for Non-convertible cumulative preference share/ bond is required where dividend is not received as per agreement.

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” (HFT), any change in the fair value of held for trading securities is recognized through profit or loss account.

T-bills/bonds designated as held to maturity are measured at amortized cost method and interest income is recognized through the profit & 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.

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 2% 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, BRPD circular 53 dated December 22, 2022 and subsequent circulars and amendments.

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, IFRS 9 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 guarantees

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 Bangladesh Bank circular and circular letter.

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.

Notes to the financial statements

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.

Notes to the financial statements

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 Off-shore 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, 2024 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, 2024 have been converted into Taka currency at the closing rate as on December 31, 2024 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 PLC. 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, 2024.

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.

Notes to the financial statements

2.5.1 Subsidiaries of the Bank

A subsidiary company is one in which the parent company, Bank Asia PLC. owns majority of its shares. As an owner of the subsidiary, the Bank controls the activities of the subsidiary. Bank Asia PLC. 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
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. Bank complied with Bangladesh Bank BRPD Circular 14 dated June 25, 2003, DOS Circular # 04 dated 24 November 2011 and DOS circular no. 01 dated May 24, 2023 for provision of diminution in value of investment.

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

- Loans and advances/investments are stated in the balance sheet on gross basis.
- 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.
- Commission and discounts on bills purchased and discounted are recognised at the time of realisation.
- 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 September 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, BRPD circular letter no. 03 dated 02 February 2023, BRPD circular no. 06 dated 25 April 2023 and subsequent circulars and amendments.

Types of loans and advances		Provision				
		STD	SMA	SS	DF	BL
Consumer	House finance	1%	1%	20%	50%	100%
	Loans for professionals	2%	2%	20%	50%	100%
	Other than housing finance & professionals to setup business	2%	2%	20%	50%	100%
Provision for loan to broker house, merchant banks, stock dealers, etc		1%	1%	20%	50%	100%
Short-term agri-credit and micro credit		1%	--	5%	5%	100%
Small and medium 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%.

- 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, 2024 total outstanding amount was Tk. 2,586.35 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. 2,215.14 million has been kept Provision against the mentioned restructured loan facilities.
- In stay order cases the unclassified loans and advances include certain customer accounts with an aggregate outstanding amount of Tk. 2,087.31 million which have not been reported under classification as at 31 December 2024 on the basis of stay order from

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the Honorable High Court Division of the Supreme Court of Bangladesh. An aggregate amount of Tk. 950.03 million has been kept as provision.

- 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. 619.71 mln and Tk. 1,013.44 mln respectively will have to transfer from General provision to specific provision in the year 2025.

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 PLC. 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 equipment comprises:

- its purchase price, including import duties and non- refundable purchase taxes, after deducting trade discounts and rebates
- 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
- 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:

Category of assets	Rate of depreciation
Building	5.00%
Furniture and fixtures	20.00%
Equipment	20.00%
Computers and accessories	20.00%
Motor vehicles	16.67%

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 (non-controlling 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 accumulated 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

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.

3.1.10 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 2023) 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-controlling (minority) interest

Minority interest (non-controlling 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 PLC. 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

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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, BRPD Circular no. 06, dated 25 April 2023 and subsequent issued circular and amendments.

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.

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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 intends 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	
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 change risk	Pillar –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 guideline.

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, documentation error etc)	Capital computation under Pillar –II using the foundation Internal Rating 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.

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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 PLC. 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:

- those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- those that are indicative of conditions that arose after the reporting period (no adjusting events after the reporting period).

Notes to the financial statements

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	N/A
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

Notes to the financial statements

Insurance Contracts	IFRS-17	N/A
Presentation of Financial Statements	IAS - 1	Complied
Inventories	IAS - 2	N/A
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:

The ISSB has published two IFRS Sustainability Disclosure Standards: IFRS S1 General Requirements for Disclosures of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. Both Standards are effective for annual periods beginning on or after 01 January 2024.

IFRS S1 deals with sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability related risks and opportunities and IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate related risk and opportunities that is useful to primary users of financial reports. The Bank has plan to implement IFRS S1 and IFRS S2 as guided by Bangladesh Bank through its FSD Circular 06 dated 26 December 2023.

IASB has issued IFRS 18: Presentation and Disclosure in Financial Statements replace the IAS 1 Presentation of Financial Statements will be effective for reporting periods beginning on or after 01 January 2027.

IFRS 9: Bangladesh Bank (BB) has issued BRPD circular letter no. 03 January 23, 2025 planning to implement Expected Credit Loss (ECL) methodology-based provisioning system for banks in accordance with International Financial Reporting Standard (IFRS 9) by 2027. Presently, banks are following rule-based loan classification and provisioning system. To achieve the goal of implementing IFRS 9 bank is following a roadmap with the specified timelines set by the Bangladesh Bank.

3.22 Operating Environment

The Bank's operating environment during the year ended 2024 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 April 30, 2025.

3.24 General

- Figures relating to the previous year included in this report have been rearranged, wherever considered necessary, to make them comparable with those of the current year 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.
- Figures in these notes and in the annexed financial statements have been rounded off to the nearest Taka.
- These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
- These financial statements cover one calender year from 01 January 2024 to 31 December 2024 .

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
4 Cash		
4.1 In hand (including foreign currencies)		
Conventional and Islamic banking		
Local currency	4,469,590,485	3,725,394,357
Foreign currencies	65,244,455	43,021,927
	4,534,834,940	3,768,416,284
Off-shore banking unit	-	-
	4,534,834,940	3,768,416,284
4.1(a) Consolidated Cash in hand		
Bank Asia PLC.	4,534,834,940	3,768,416,284
Bank Asia Securities Limited	1,440	8,699
BA Exchange Company (UK) Limited	19,851	59,402
BA Express USA, Inc	36,930,924	53,251
	4,571,787,155	3,768,537,636
4.2 Balance with Bangladesh Bank and its agent bank (including foreign currencies)		
Conventional and Islamic banking		
Balance with Bangladesh Bank		
Local currency (statutory deposit)	17,087,759,460	15,969,385,110
Foreign currencies	1,504,551,700	1,334,869,918
	18,592,311,160	17,304,255,028
Balance with agent bank (Sonali Bank PLC.)		
Local currency	824,417,696	704,206,541
Foreign currencies	-	-
	824,417,696	704,206,541
	19,416,728,856	18,008,461,569
Off-shore banking unit	-	-
	19,416,728,856	18,008,461,569
4.2(a) Consolidated Balance with Bangladesh Bank and its agent bank (including foreign currencies)		
Bank Asia PLC.	19,416,728,856	18,008,461,569
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	19,416,728,856	18,008,461,569

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 2023), 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, MPD Circular No. 03 dated April 09, 2020 and FE Circular No. 07 dated February 29, 2024.

The Cash Reserve Ratio on the Bank's time and demand liabilities at the rate 4.0% (conventional and islamic) 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 subsequently as per FE Circular No. 07 dated February 29, 2024 banks are not required to maintain any Cash Reserve Ratio (CRR) with Bangladesh Bank for offshore banking operations

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
Conventional Banking		
i. Daily Bank's CRR maintenance:		
Required reserve	12,826,843,000	11,787,616,000
Domestic Banking Operation (3.5 % on Demand and Time Liabilities)	12,826,843,000	11,640,955,000
Offshore Banking Operation (1.5 % on Demand and Time Liabilities)	-	146,661,000
Actual reserve maintained	15,063,513,920	14,185,927,160
Surplus	2,236,670,920	2,398,311,160
ii. Fortnightly Bank's CRR maintenance:		
Required reserve	14,659,249,000	13,499,497,000
Domestic Banking Operation (4 % on Demand and Time Liabilities)	14,659,249,000	13,303,949,000
Offshore Banking Operation (2 % on Demand and Time Liabilities)	-	195,548,000
Actual reserve maintained (average)	14,667,356,943	14,149,189,697
Surplus	8,107,943	649,692,697
Islamic Banking		
i. Daily Bank's CRR maintenance:		
Required reserve (3.5% Demand and Time Liabilities)	1,406,391,000	1,170,821,000
Actual reserve maintained	1,862,145,000	1,552,406,000
Surplus	455,754,000	381,585,000
ii. Fortnightly Bank's CRR maintenance:		
Required reserve (4% of Demand and Time Liabilities)	1,607,304,000	1,338,081,000
Actual reserve maintained (Average)	1,784,067,400	1,552,406,000
Surplus	176,763,400	214,325,000
4.3.2 Statutory Liquidity Ratio (SLR)		
Conventional Banking		
13% of Average Demand and Time Liabilities		
Required reserve	48,966,782,000	44,508,894,000
Domestic Banking Operation	47,642,560,000	43,237,835,000
Offshore Banking Operation	1,324,222,000	1,271,059,000
Actual reserve maintained	167,919,298,639	107,073,152,834
Surplus	118,952,516,639	62,564,258,834
Islamic Banking		
5.5% of Average Demand and Time Liabilities		
Required reserve	2,210,042,000	1,839,861,000
Actual reserve maintained	4,717,897,660	4,580,565,726
Surplus	2,507,855,660	2,740,704,726
	121,460,372,299	65,304,963,560
4.3.3 Held for Statutory Liquidity Ratio		
Conventional Banking		
Cash in hand	4,477,022,280	3,719,925,558
Excess of CRR - Balance with Bangladesh Bank	404,264,920	686,430,160
Balance with agent bank (Sonali Bank PLC.)	300,247,030	201,784,360
Government securities	162,733,467,109	102,462,059,756
Other securities	4,297,300	2,953,000
	167,919,298,639	107,073,152,834

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
Islamic Banking		
Cash in hand	57,812,660	48,490,726
Excess of CRR - Balance with Bangladesh Bank	254,841,000	214,325,000
Government securities	4,405,244,000	4,317,750,000
	4,717,897,660	4,580,565,726
	172,637,196,299	111,653,718,560
5. Balance with other banks and financial institutions		
In Bangladesh		
Conventional and Islamic banking (Note 5.1)	5,383,437,523	20,111,916,423
Off-shore banking unit	-	-
	5,383,437,523	20,111,916,423
Outside Bangladesh		
Conventional and Islamic banking (Note 5.2)	9,913,648,751	3,480,782,567
Off-shore banking unit	283,383,916	84,055,240
	10,197,032,667	3,564,837,807
	15,580,470,190	23,676,754,230
5.1 Conventional and Islamic banking-In Bangladesh		
Current accounts		
Agrani Bank PLC.	273,927,643	213,484,228
Eastern Bank PLC.	120,750,853	115,907,891
Janata Bank PLC.	162,726,880	191,593,885
Rupali Bank PLC.	145,719,830	207,391,045
Pubali Bank PLC.	208,780,614	286,313,241
Standard Chartered Bank	1,408,448	21,928,410
Sonali Bank PLC.	827,166,119	366,900,851
Trust Bank PLC.	(9,582,158)	(84,129,517)
	1,730,898,229	1,319,390,034
Short- notice deposit accounts		
AB Bank PLC.	617,851	610,049
Bank Alfalah	1,722,187	1,720,331
Islami Bank Bangladesh PLC.	199,256	196,009
	2,539,294	2,526,389
	1,733,437,523	1,321,916,423
Placements		
With Banking companies (5.1.1)	3,500,000,000	17,070,000,000
With Non-banking financial institutions (5.1.2)	150,000,000	1,720,000,000
	3,650,000,000	18,790,000,000
	5,383,437,523	20,111,916,423
5.1.1 Details of Placement with Banking companies(Local Currency)		
EXIM Bank PLC	3,500,000,000	5,000,000,000
Al Arafa Islami Bank PLC	-	4,000,000,000
United Commercial Bank PLC	-	3,500,000,000
Social Islami Bank PLC	-	500,000,000
Marcantile Bank PLC	-	1,000,000,000
Standard Bank PLC	-	1,000,000,000
	3,500,000,000	15,000,000,000

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
Details of Placement- with Banking companies (Foreign Currencies)		
Islami Bank Bangladesh PLC.	-	2,070,000,000
	3,500,000,000	17,070,000,000
5.1.2 Details of Placement with Non-banking financial institutions		
Investment Corporation of Bangladesh	-	1,570,000,000
Union Capital Limited	150,000,000	150,000,000
	150,000,000	1,720,000,000
5.2 Conventional and Islamic banking- Outside Bangladesh		
Current accounts		
Interest bearing:		
Citibank NA, New York (USD)	510,646,674	962,427,095
Habib American Bank, New York	1,903,804,216	1,621,291,197
Mashreqbank PSC, New York (USD)	1,692,433,829	-
Wells Fargo Bank NA, New York (USD)	242,805,653	45,875,238
Zhejiang Chouzhou Commercial Bank (USD)	5,179,704	10,165,019
Zhejiang Chouzhou Commercial Bank (CNY)	11,023,732	18,608,959
	4,365,893,808	2,658,367,508
Non-interest bearing:		
AB Bank Limited, Mumbai	60,909,538	7,018,353
AKTIF Bank, Istanbul -JPY	5,238,605	2,171,712
Al Rajhi Bank K.S.A	6,159,442	14,294,123
Axis Bank Ltd, Mumbai (ACU)	-	46,734,051
Bank Alfalah Limited, Karachi Pak (ACU)	8,475,843	4,945,257
Bhutan National Bank Limited, Thimphu	16,844,548	14,885,003
Citibank N.A., London (GBP)	4,710,454	1,421,985
Citibank N.A., London (EURO)	107,382	94,056
Commerzbank AG, Frankfurt (EURO)	46,095,470	34,845,968
Commerzbank AG, Frankfurt (USD)	20,617,640	14,652,634
Habib Metropolitan Bank Limited, Karachi	7,137,877	40,630,766
HDFC Bank, Mumbai	21,350,249	20,564,528
ICICI Bank Limited, Kowloon	11,771,218	7,164,234
ICICI Bank Limited, Mumbai	-	60,052,537
JP Morgan Chase Bank N.A New York, U.S.A	5,271,983,344	353,841,392
Mashreqbank PSC, Dubai	13,399,514	29,515,831
Mashreqbank PSC, Mumbai (EURO)	-	889,403
Muslim Commercial Bank Limited, Colombo	7,122,503	7,766,255
Nepal Bangladesh Bank Limited, Kathmandu	26,431,667	6,765,163
Riyad Bank, Riyadh (SAR)	253,587	1,225,318
Standard Chartered Bank, Mumbai	18,082,472	1,038,506
Standard Chartered Bank, New York	-	15,653,079
Wells Fargo Bank NA, London (EURO)	-	134,220,662
Zurcher Kantonal Bank, Switzerland	1,063,590	2,024,243
	5,547,754,943	822,415,059
	9,913,648,751	3,480,782,567
Placement with Off-shore Banking Unit	11,077,800,000	5,899,500,000
Less: Inter-company transactions with OBU	(11,077,800,000)	(5,899,500,000)
	9,913,648,751	3,480,782,567

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
5.3 Maturity grouping of balance with other banks and financial institutions		
Up to 1 month	12,437,005,641	9,288,216,726
More than 1 month but not more than 3 months	3,143,464,549	14,388,537,504
More than 3 months but not more than 6 months	-	-
More than 6 months but not more than 1 year	-	-
More than 1 year but not more than 5 years	-	-
More than 5 years	-	-
	<u>15,580,470,190</u>	<u>23,676,754,230</u>
5(a) Consolidated Balance with other banks and financial institutions In Bangladesh		
Bank Asia PLC.	5,383,437,523	20,111,916,423
Bank Asia Securities Limited	615,011,011	572,829,729
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>5,998,448,534</u>	<u>20,684,746,152</u>
Less: Inter-company transactions	<u>394,573,861</u>	<u>351,884,444</u>
	<u>5,603,874,673</u>	<u>20,332,861,708</u>
Outside Bangladesh		
Bank Asia PLC.	10,197,032,667	3,564,837,807
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	4,573,207	15,610,502
BA Express USA, Inc	340,690,886	217,988,625
	<u>10,542,296,760</u>	<u>3,798,436,934</u>
	<u>16,146,171,433</u>	<u>24,131,298,642</u>
6. Money at call and on short notice		
Call money Lending (Note 6.1)	-	300,000,000
Short Notice Lending	-	-
	<u>-</u>	<u>300,000,000</u>
6.1 Call Money Lending- with Banking companies:		
NCC Bank PLC.	-	300,000,000
	<u>-</u>	<u>300,000,000</u>
6(a) Consolidated Money at call and on short notice		
Bank Asia PLC.	-	300,000,000
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>-</u>	<u>300,000,000</u>
7. Investments		
Government (Note 7.1)	167,143,008,408	106,782,762,756
Others (Note 7.2)	9,738,971,199	7,977,389,616
	<u>176,881,979,607</u>	<u>114,760,152,372</u>
7.1 Government		
Conventional and Islamic banking (Note 7.1.1)	167,143,008,408	106,782,762,756
Off-shore banking unit	-	-
	<u>167,143,008,408</u>	<u>106,782,762,756</u>
7.1.1 Conventional and Islamic banking		
Treasury bills (Note 7.1.1.1)	55,683,178,935	12,539,002,899
Treasury bonds (Note 7.1.1.2)	111,455,532,173	94,240,806,857
Prize bonds	4,297,300	2,953,000
	<u>167,143,008,408</u>	<u>106,782,762,756</u>

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
7.1.1.1 Treasury bills		
91 days treasury bills	1,000,146,118	2,940,234,066
182 days treasury bills	25,795,419,555	-
364 days treasury bills	28,887,613,262	9,598,768,833
	<u>55,683,178,935</u>	<u>12,539,002,899</u>
7.1.1.2 Treasury bonds		
Bangladesh Bank Govt Investment Sukuk	4,405,244,000	4,317,750,000
2 years Bangladesh Government treasury bonds	45,474,772,794	42,084,812,487
5 years Bangladesh Government treasury bonds	11,633,459,206	13,281,127,548
10 years Bangladesh Government treasury bonds	36,657,557,974	20,503,199,985
15 years Bangladesh Government treasury bonds	8,690,182,232	9,665,155,150
20 years Bangladesh Government treasury bonds	4,594,315,967	4,388,761,687
	<u>111,455,532,173</u>	<u>94,240,806,857</u>
7.2 Others		
Conventional and Islamic banking (Note 7.2.1)	9,738,971,199	7,977,389,616
Off-shore banking unit	-	-
	<u>9,738,971,199</u>	<u>7,977,389,616</u>
7.2.1 Conventional and Islamic banking		
a) Ordinary shares (Details are shown in Annexure-B)		
Quoted shares	464,049,694	464,049,694
Unquoted share	156,035,010	154,453,427
	<u>620,084,704</u>	<u>618,503,121</u>
b) Mutual Fund (Details are shown in Annexure-B)		
1st Janata Bank Mutual fund	50,000,000	50,000,000
EBL NRB Ist Mutual Fund	149,665,000	149,665,000
1st Bangladesh Fixed Income Fund	250,000,000	250,000,000
MBL 1st Mutual Fund	50,000,000	50,000,000
EXIM 1st Mutual Fund	119,221,495	119,221,495
	<u>618,886,495</u>	<u>618,886,495</u>
c) Bonds		
Second Subordinated Bond - BRAC Bank	1,000,000,000	-
Fourth Subordinated Bond - Dhaka Bank	1,000,000,000	-
Fourth Subordinated Bond - United Commercial Bank PLC	600,000,000	800,000,000
5 Year Preference Share - Meghna Cement Mills Ltd	650,000,000	650,000,000
5 Year Preference Share - Kushiara Power Co. Ltd	20,000,000	40,000,000
5 Year Preference Share - Summit LNG Terminal Co. (Pvt) Ltd	-	20,000,000
Perpetual Bond of Mutual Trust Bank PLC.	1,000,000,000	1,000,000,000
Perpetual Bond of United Commercial Bank PLC	1,000,000,000	1,000,000,000
Perpetual Bond 2nd of United Commercial Bank PLC	500,000,000	500,000,000
Perpetual Bond of Pubali Bank PLC	1,000,000,000	1,000,000,000
Perpetual Bond of Shahjalal Islamic Bank PLC	500,000,000	500,000,000
Perpetual Bond of Mercantile Bank PLC	1,030,000,000	1,030,000,000
BBML 1st Sukuk Trust	200,000,000	200,000,000
	<u>8,500,000,000</u>	<u>6,740,000,000</u>
	<u>9,738,971,199</u>	<u>7,977,389,616</u>
7.3 Investments classified as per Bangladesh Bank circular		
Held for trading (HFT)	109,247,491,313	54,390,325,508
Held to maturity (HTM)	53,485,975,796	48,071,734,248
Other securities	14,148,512,498	12,298,092,616
	<u>176,881,979,607</u>	<u>114,760,152,372</u>

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
7.4 Maturity-wise grouping		
On demand	12,505,333,560	1,448,970,774
Up to 3 months	36,253,538,874	5,536,017,906
More than 3 months but not more than 1 year	57,893,911,597	18,043,899,793
More than 1 year but not more than 5 years	23,449,332,974	56,911,492,983
More than 5 years	46,779,862,602	32,819,770,916
	<u>176,881,979,607</u>	<u>114,760,152,372</u>
7(a) Consolidated Investments		
Government		
Bank Asia PLC.	167,143,008,408	106,782,762,756
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>167,143,008,408</u>	<u>106,782,762,756</u>
Others		
Bank Asia PLC.	9,738,971,199	7,977,389,616
Bank Asia Securities Limited	1,053,416,879	1,041,252,282
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>10,792,388,078</u>	<u>9,018,641,898</u>
	<u>177,935,396,486</u>	<u>115,801,404,654</u>
8 Loans and advances/investments		
Loans, cash credits, overdrafts, etc/investments (Note 8.1)	279,158,623,748	275,845,342,560
Bills purchased and discounted (Note 8.2)	14,566,976,250	15,479,700,585
	<u>293,725,599,998</u>	<u>291,325,043,145</u>
8.1 Loans, cash credits, overdrafts, etc/investments		
Conventional and Islamic banking		
Inside Bangladesh		
Agricultural loan	4,269,030,623	5,523,887,981
Cash credit/Bai Murabaha (Muajjal)	8,743,852,800	7,594,468,147
Credit card	4,604,800,179	4,171,809,762
Credit for poverty alleviation scheme-micro credit	7,971,628	8,183,283
Consumer credit scheme	15,751,403,899	16,278,739,708
Demand loan	58,320,355,297	62,191,705,348
Export Development Fund (EDF)	9,996,414,321	11,277,990,087
House building loans	795,998,959	1,037,606,727
Loans (General)	21,330,666,026	22,239,857,876
Loan against trust receipts/ Bai Murabaha post import	7,400,726,991	7,249,653,620
Overdrafts/ Quard against scheme	32,367,948,626	35,210,080,416
Packing credit	184,426,737	345,061,384
Payment against documents	919,036,015	30,900,818
Staff loan	1,683,611,839	1,722,320,328
Transport loan	1,658,149,517	1,585,064,282
Term loan- industrial	37,733,965,825	29,952,112,880
Term loan- others	70,099,071,175	64,573,206,309
Loan under Covit-19 stimulus package	915,657,457	1,421,703,304
	<u>276,783,087,914</u>	<u>272,414,352,260</u>
Outside Bangladesh	-	-
	<u>276,783,087,914</u>	<u>272,414,352,260</u>
Off-shore banking unit	<u>2,375,535,834</u>	<u>3,430,990,300</u>
	<u>279,158,623,748</u>	<u>275,845,342,560</u>
8.2 Bills purchased and discounted		
Conventional and Islamic banking	862,560,350	1,477,692,579
Off-shore banking unit	13,704,415,900	14,002,008,006
	<u>14,566,976,250</u>	<u>15,479,700,585</u>

	31-Dec-24	31-Dec-23
8.3 Maturity-wise grouping		
Repayable on demand	42,040,418,841	47,694,320,200
Not more than 3 months	39,384,505,039	46,477,970,044
More than 3 months but not more than 1 year	87,793,571,626	89,804,700,396
More than 1 year but not more than 5 years	105,786,126,712	88,026,715,188
More than 5 years	18,720,977,780	19,321,337,318
	<u>293,725,599,998</u>	<u>291,325,043,145</u>
8.4 Net loans and advances/investments		
Gross loans and advances/investments	293,725,599,998	291,325,043,145
Less: Interest suspense (Note 13.1.4)	7,330,491,357	5,198,880,298
Provision for loans and advances/investments (Note 13.1.1 & 13.1.2)	28,549,500,000	22,416,000,000
	<u>35,879,991,357</u>	<u>27,614,880,298</u>
	<u>257,845,608,641</u>	<u>263,710,162,847</u>
8.5 Loans and advances/investments under the following broad categories		
In Bangladesh		
Loans	238,046,822,322	233,040,793,997
Cash credits	8,743,852,800	7,594,468,147
Overdrafts	32,367,948,626	35,210,080,416
Bills purchased and discounted	14,381,781,042	15,302,113,768
	<u>293,540,404,790</u>	<u>291,147,456,328</u>
Outside Bangladesh		
Bills purchased and discounted	185,195,208	177,586,817
	<u>293,725,599,998</u>	<u>291,325,043,145</u>
8.6 Significant concentration wise grouping		
a) Directors	-	-
b) Chief Executive and other senior executives	191,746,145	169,627,832
i) Managing Director	-	-
ii) Other senior executives	191,746,145	169,627,832
c) Agriculture	6,231,100,000	8,684,700,000
d) Industry	177,220,953,853	145,599,415,313
Food Manufacturing	22,395,700,000	20,412,400,000
Beverage industry	4,815,900,000	625,900,000
RMG industry	26,700,700,000	25,663,000,000
Textile industry	33,404,800,000	21,211,000,000
Wood cork and allied products	108,200,000	77,100,000
Furniture and Fixture	922,200,000	260,100,000
Paper and paper products	5,999,700,000	5,235,200,000
Leather and leather products	3,695,200,000	2,510,800,000
Rubber products	5,440,400,000	6,708,000,000
Chemical and chemical products	1,800,900,000	1,645,800,000
Basic metal products	20,712,000,000	18,826,300,000
Electrical machinery and apparatus	4,299,700,000	3,307,600,000
Other manufacturing industries	32,389,753,853	28,749,215,313
Ship building	111,400,000	116,000,000
Ship breaking	2,184,300,000	1,831,300,000
Pharmaceutical	12,240,100,000	8,419,700,000
e) Constructions	5,217,100,000	6,283,200,000
f) Power, Gas, Water and Sanitary Services	15,451,500,000	17,912,100,000
g) Transport, Storage and Communication	3,860,100,000	4,877,200,000
h) Trade Services	33,969,100,000	51,511,600,000
i) Housing Services	22,618,400,000	19,587,000,000
j) Banking and Insurance	7,057,300,000	7,056,600,000
k) Professional and Misc. services	21,908,300,000	29,643,600,000
	<u>293,725,599,998</u>	<u>291,325,043,145</u>

	31-Dec-24	31-Dec-23
8.7 Geographical location-wise grouping		
Inside Bangladesh		
Urban		
Dhaka Division	238,230,254,877	233,632,722,966
Chittagong Division	27,460,086,352	27,313,297,064
Khulna Division	4,308,067,004	4,170,612,774
Rajshahi Division	3,979,900,394	4,585,298,587
Barisal Division	1,032,735,553	1,095,128,725
Sylhet Division	2,457,529,110	2,937,562,766
Rangpur Division	2,253,913,483	2,168,491,483
Mymensingh Division	551,405,480	593,671,783
	280,273,892,253	276,496,786,148
Rural		
Dhaka Division	9,059,670,079	9,203,918,936
Chattagram Division	3,046,605,137	4,014,824,922
Khulna Division	271,693,607	265,601,345
Rajshahi Division	703,279,862	1,025,401,799
Barisal Division	5,724,376	13,526,854
Sylhet Division	150,795,903	148,066,283
Rangpur Division	168,791,960	134,260,807
Mymensingh Division	45,146,821	22,656,051
	13,451,707,745	14,828,256,997
Outside Bangladesh	-	-
	293,725,599,998	291,325,043,145
8.8 Loans/investments including bills purchased and discounted covered by securities		
Collateral of movable/immovable assets	179,729,998,440	175,779,222,118
Local banks and financial institutions' guarantee	2,780,037,951	3,097,213,629
Foreign banks' guarantee	-	583,356,582
Export documents	5,736,388,670	6,814,562,072
Cash and quasi cash	7,675,269,558	8,793,657,513
Personal guarantee	67,778,483,959	70,292,771,886
Other securities	30,025,421,420	25,964,259,345
	293,725,599,998	291,325,043,145
8.9 Details of large loans/investments		
As at 31 December 2024 there were fourteen (2023: twelve) 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 41,546.77 million as at 31 December 2024 (Taka 40,659.09 million in 2023). 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	195,921,694,619	195,068,011,914
ii) Loans/investments considered good against which the Bank holds no security other than the debtors' personal guarantee	67,778,483,959	70,292,771,886
iii) Loans/investments considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	30,025,421,420	25,964,259,345

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
iv) Loans/investments adversely classified; provision not maintained there against	-	-
	293,725,599,998	291,325,043,145
v) Loans/investments due by directors or officers of the Bank or any of them either separately or jointly with any other persons	1,683,611,839	1,722,320,328
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.	1,683,611,839	1,722,320,328
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	14,566,976,250	15,479,700,585
x) Amount of classified loans/investments on which interest has not been charged mentioned as follows:		
a) Increase/(Decrease) of provision (specific)	7,058,827,423	5,102,536,999
Amount of loan written off	4,663,740,322	4,779,597,107
Amount realised against the loans previously written off	229,445,620	326,055,141
b) Provision kept against loans/investments classified as bad debts	22,678,827,423	15,620,000,000
c) Interest credited to interest suspense account	7,330,491,357	5,198,880,298
xi) Cumulative amount of written off loans/investments		
Balance as at 1 January	20,292,112,101	15,838,570,135
Loans written off during the year	4,663,740,322	4,779,597,107
Recovery against written off loans during the year	(229,445,620)	(326,055,141)
The amount of written off loans/investments for which law suit has been filed	24,726,406,803	20,292,112,101
8.11 Grouping as per classification rules		
Unclassified:		
Standard including staff loan	250,260,142,786	263,010,762,702
Special mentioned account	9,987,505,242	8,803,920,738
	260,247,648,028	271,814,683,440
Classified:		
Sub-standard	2,303,146,354	1,781,013,286
Doubtful	4,438,752,147	1,052,244,745
Bad/loss	26,736,053,469	16,677,101,674
	33,477,951,970	19,510,359,705
	293,725,599,998	291,325,043,145

31-Dec-24

31-Dec-23

8.12 Particulars of required provision for loans and advances/investments

Status	Outstanding at 31 Dec 2024	Base for provision	Required provision		
			%	Amount	
For loans and advances/Investments:					
Unclassified - general provision					
Other than - SME financing, House building loan and loan for professional, loan to Brokerage House (BH), consumer finance, staff loan and SMA)	181,187,796,750	193,385,764,199	1% to 5%	3,264,381,040	7,656,936,195
Small and medium enterprise financing	30,632,200,000	30,632,200,000	0.25%	76,580,500	79,270,548
House building loan and loan for professional	13,032,100,000	13,032,100,000	1.00%	130,321,000	144,305,714
Loans to BH	1,679,200,000	1,679,200,000	1.00%	16,792,000	36,971,226
Consumer finance	6,150,500,000	6,150,500,000	2.00%	123,010,000	116,673,361
Special general provision COVID-19 (Note 13.1.2)				-	617,058,240
Staff loan	1,656,800,000	-	0%	-	-
				3,611,084,540	8,651,215,284
Special mentioned account	9,829,099,544	9,829,099,544	0.25% to 2%	2,291,086,608	2,422,322,922
Off-shore unit					
Unclassified loans (general)	15,921,546,036	15,921,546,036	1%	159,215,460	171,810,486
Special mentioned account	158,405,698	158,405,698	1%	4,813,392	625,266
Sub-standard	-	-	20%	-	37,884,613
				164,028,852	210,320,365
Classified - specific provision					
Sub-standard	2,303,146,354	1,080,200,000	20% / 5%	216,000,000	246,151,052
Doubtful	4,438,752,147	2,584,500,000	50% / 5%	1,292,300,000	422,268,817
Bad/loss	26,736,053,469	16,183,400,000	100%	20,869,855,554	10,287,153,457
				22,378,155,554	10,955,573,326
Provision required for loans and advances				28,444,355,554	22,239,431,897
Total provision maintained (Note 13.1.1 & 13.1.2)					
Conventional and Islamic Banking				28,385,471,148	22,205,679,635
Off-shore Banking Unit				164,028,852	210,320,365
				28,549,500,000	22,416,000,000

8.13 Suits filed by the Bank (Branch wise details)

Aganagar Branch	2,094,846	1,660,050
Aglabazar Branch	3,609,208	3,609,208
Agrabad Branch	4,762,136,994	4,615,738,107
Anderkillla Branch	2,406,478,700	2,406,478,700
Ashulia Branch	19,120,652	19,120,652
Bahadderhat Branch	269,964,263	147,198,886
Bank Asia Bhaban Branch	100,592,656	100,592,656
Bashundhara Branch	335,968,804	335,181,774
Beanibazar Branch	14,985,225	14,985,225
Bhatiary Branch	1,152,105,502	674,548,322
Bogura Branch	328,916,898	346,055,275
Brahmanbaria Branch	44,527,869	-
BSMMU Branch	31,215,478	31,215,478
Credit Cards Department	110,458,101	104,046,695
CDA Avenue Branch	5,780,085,256	5,780,085,256
Chatkhil Branch	14,025,513	14,025,513
Corporate Branch	1,596,911,309	338,413,183

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
Cumilla Branch	71,780,541	93,764,540
Dhanmondi Branch	1,548,366,190	1,156,192,673
Dinajpur Branch	27,335,444	27,335,444
Donia Branch	80,068,187	52,710,822
Elephant Road Branch	52,626,904	15,398,551
EPZ Branch	5,904,884	5,904,884
Faridpur Branch	75,636,476	75,636,476
Feni Branch	124,097,678	54,836,850
Gulshan Branch	2,954,503,954	2,321,612,004
Hemayetpur Branch	78,759,410	-
Holy Family RCMCH Branch	103,964,297	89,357,809
Ishwardi Branch	673,723,528	-
Jaganathpur Branch	9,188,567	7,717,402
Jessore Branch	266,575,550	298,325,410
Jurain SME Centre	124,671,060	85,265,389
Kalatia Branch	259,988,656	223,241,883
Kamal Bazar Branch	162,922,847	162,756,513
Kazipara Branch	6,558,339	3,272,584
Khatunganj Branch	5,992,155,356	3,926,032,506
Khulna Branch	154,384,468	149,040,793
Konabari Branch	540,150	540,150
Lohagara Branch	34,639,597	34,639,597
Madhobdi Branch	214,340,475	212,494,390
MCB Banani Branch	628,234,462	619,469,767
MCB Dilkusha Branch	1,621,063,570	1,244,731,875
MCB Sk. Mujib Road Branch	-	8,507,422,145
Mirpur Branch	13,729,709	21,111,827
Mirpur-1 Branch	7,382,118	-
Mitford Branch	389,477,683	335,728,870
Moghbazar Branch	62,803,964	62,803,964
Mohakhali Branch	148,068,202	140,295,322
Moulavibazar Branch	64,156,451	23,500,166
Mymensingh Branch	2,662,299	-
Narayanganj Branch	164,825,354	163,562,826
North South Road Branch	1,777,800,919	1,712,443,122
Oxygen Moor Branch	8,085,887	8,085,887
Paltan Branch	300,791,187	70,216,500
Paragram Branch	10,229,181	10,229,181
Principal Office Branch	3,874,891,423	1,123,403,083
Progoti Sarani Branch	93,166,290	41,390,172
Rajshahi Branch	81,571,502	81,571,502
Ramgonj SME/Agri Branch	12,712,093	12,712,093
Rekabi bazar SME Center	348,681	348,681
Rupnagar Branch	23,690,387	11,296,738
Savar Branch	139,262,615	345,501
Scotia Branch	2,317,725,078	495,981,035
Shantinagar Branch	1,590,515,581	1,514,237,268
Shantingar Islamic Window Branch	2,697,621,379	8,363,492
Shyamoli Branch	778,903,083	9,511,764
Sk Mujib Road Branch	8,555,304,915	-
Sonargaon Janapath Road Branch	1,092,653	792,206
Station Road Branch	155,932,817	155,932,817
Strand Road Branch	24,076,948	24,076,948
Sylhet Main Branch	137,885,314	11,842,728
Sylhet Uposhahar Branch	98,515,908	87,510,650
Sylhet Uposhahar Islamic Window Branch	84,934,626	74,149,494

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
Tangail Branch	21,946,648	21,946,648
Tarail Branch	290,718	290,718
Tejgaon Link Road Branch	242,691,689	242,691,689
Tongi Branch	2,238,802	2,238,802
Uttara Branch	1,951,393,101	1,397,717,513
Uttara Islamic Window Branch	4,791,073,503	-
	<u>62,873,026,572</u>	<u>42,166,984,644</u>

8.14 Bills purchased and discounted

Payable in Bangladesh	14,381,781,042	15,302,113,768
Payable outside Bangladesh	185,195,208	177,586,817
	<u>14,566,976,250</u>	<u>15,479,700,585</u>

8.15 Maturity-wise grouping of bills purchased and discounted

Payable within 1 month	3,903,955,712	4,148,566,215
More than 1 month but less than 3 months	4,167,357,442	4,428,471,930
More than 3 months but less than 6 months	4,599,522,524	4,887,715,219
More than 6 months	1,896,140,571	2,014,947,221
	<u>14,566,976,250</u>	<u>15,479,700,585</u>

8(a) Consolidated Loans and advances/investments

Loans, cash credits, overdrafts, etc/investments

Bank Asia PLC.	279,158,623,748	275,845,342,560
Bank Asia Securities Limited	4,214,748,451	4,552,939,579
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>283,373,372,199</u>	<u>280,398,282,139</u>
Less: Inter- companies transactions	1,406,630,790	1,805,556,804
	<u>281,966,741,409</u>	<u>278,592,725,335</u>

Bills purchased and discounted

Bank Asia PLC.	14,566,976,250	15,479,700,585
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>14,566,976,250</u>	<u>15,479,700,585</u>
	<u>296,533,717,659</u>	<u>294,072,425,920</u>

9 Fixed assets including premises, furniture and fixtures

Conventional and Islamic banking (Note 9.1)	5,230,844,568	5,878,418,753
Off-shore banking unit	-	-
	<u>5,230,844,568</u>	<u>5,878,418,753</u>

9.1 Conventional and Islamic banking

Cost:

Land	2,626,833,266	2,626,833,266
Building	3,310,020,161	3,309,685,883
Furniture and fixtures	1,966,550,619	1,903,472,219
Equipments	1,940,987,984	1,859,047,083
Computer and accessories	844,275,067	831,025,140
Motor vehicles	270,405,597	269,948,562
Intangible assets	24,000,000	24,000,000
Construction work in progress	33,478,962	26,872,891
Right-of-use assets	2,401,165,039	2,341,256,317
	<u>13,417,716,696</u>	<u>13,192,141,361</u>

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
Less: Accumulated depreciation	8,133,156,876	7,260,007,356
Adjustment of assets revaluation	53,715,252	53,715,252
Written down value at the end of the year - Details are shown in Annex C.	5,230,844,568	5,878,418,753

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

Bank Asia PLC.	5,230,844,568	5,878,418,753
Bank Asia Securities Limited	54,419,795	74,782,943
BA Exchange Company (UK) Limited	354,072	353,472
BA Express USA, Inc	3,763,525	3,601,231
	5,289,381,960	5,957,156,399

10 Other assets

Conventional and Islamic banking (Note 10.1)	17,564,389,947	16,492,784,146
Off-shore banking unit	20,889,400	18,581,925
Less: inter transaction with OBU	53,919,844	80,847,874
	17,531,359,503	16,430,518,197

10.1 Conventional and Islamic banking

Income generating other assets

Income generating other assets	1,999,990,000	1,999,990,000
Investment in Bank Asia Securities Ltd - incorporated in Bangladesh	45,285,000	37,815,000
Investment in BA Exchange Company (UK) Limited - incorporated in UK	115,200,000	99,360,000
Investment in BA Express USA Inc - incorporated in USA	2,160,475,000	2,137,165,000

Non-income generating other assets

Non-income generating other assets		
Income receivable	2,653,267,276	2,065,511,014
Stock of stamps	10,610,206	11,839,390
Stationery, printing materials, etc	87,272,554	106,828,579
Prepaid expenses	73,880,669	3,607,062
Deposits and advance rent	521,177,158	617,754,220
Advances, prepayments and others	777,358,281	211,617,976
Advance income tax	10,502,681,407	10,277,687,264
Receivable against government	39,448,641	99,978,826
Sundry debtors	19,704,360	28,660,176
Branch adjustment account (Note 10.2)	112,927,321	413,938,934
Protested bills	123,764,671	123,764,671
Receivable from BA Exchange Company (UK) Limited	77,120,426	69,189,416
Receivable from BA Express USA Inc	346,908,665	290,897,132
Excise duty recoverable	55,474,380	32,684,630
Profit Receivable from Govt Investment Sukuk	2,318,932	1,659,856
	15,403,914,947	14,355,619,146
	17,564,389,947	16,492,784,146

10.2 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 un-responded entries of 31 December 2024 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	86	125,221,662	70	61,037,927
More than 3 months but within 6 months	-	-	-	-
6 months to less than 9 months	-	-	2	294,920
9 months to less than 12 months	-	-	-	-
12 months and more	-	-	-	-
	86	125,221,662	72	61,332,847

Notes to the financial statements

10.3 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.

	Amount in Taka	
	31-Dec-24	31-Dec-23
10 (a) Consolidated Other assets		
Bank Asia PLC.	17,531,359,503	16,430,518,197
Bank Asia Securities Limited	399,739,196	423,152,169
BA Exchange Company (UK) Limited	1,739,382	1,963,221
BA Express USA, Inc	69,330,951	164,840,429
	<u>18,002,169,032</u>	<u>17,020,474,016</u>
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	44,896,320	42,030,000
Investment in BA Express USA, Inc	114,240,000	105,120,000
Receivable from BA Exchange Company (UK) Limited	77,120,426	69,189,416
Receivable from BA Exchange USA, Inc.	346,908,665	290,897,132
	<u>15,419,013,621</u>	<u>14,513,247,468</u>

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.

11 Borrowings from other banks, financial institutions and agents

Conventional and Islamic banking (Note 11.1)	14,149,875,643	17,095,577,660
Off-shore banking unit (Note 11.2)	15,041,967,897	15,875,819,645
Less: Adjustment with Head Office	(11,077,800,000)	(5,899,500,000)
	<u>18,114,043,540</u>	<u>27,071,897,305</u>

11.1 Conventional and Islamic banking

In Bangladesh (Note 11.1.1)	14,149,875,643	17,095,577,660
Outside Bangladesh	-	-
	<u>14,149,875,643</u>	<u>17,095,577,660</u>

11.1.1 In Bangladesh

Secured:

Un secured:

Money at call and on short notice

State Bank of India	1,500,000,000	750,000,000
Standard Chartered Bank	-	250,000,000
	<u>1,500,000,000</u>	<u>1,000,000,000</u>

Borrowings

Bangladesh Bank Refinance	645,724,453	1,067,354,873
Covid-19 Stimulus PKG-Tk. 5000 Cr - Export	-	298,222
Refinance under Stimulus Package Tk. 5000 Cr - Agri	115,250,566	231,566,016
Refinance under Stimulus Package Tk. 3000 Cr - Agri	1,200,000	231,696,958

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
Agri Refinance Under Tk. 5000 Crore	322,355,000	151,215,000
Bangladesh Bank Borrowing under IPPF- II Fund	1,261,830,481	1,361,826,357
Bangladesh Bank Borrowing under Long Term Financing Facilities (LTFF) scheme	334,042,955	288,112,049
Bangladesh Bank Pre-Finance (SREUP)	343,913,026	74,184,377
Borrowing A/C (AGRI Taka 10)	31,396,539	10,120,922
Borrowing From Joyeeta Foundation	-	6,622,500
Export development fund	5,951,891,516	8,628,513,129
Bangladesh Bank Refinance Scheme for Pre Shipment Loan	354,950,000	327,413,444
BB Refinance for SPCSSECP	988,845,354	1,272,504,945
Bangladesh Bank Borrowing under CMSME Refinance (TL) SMESPD	877,138,695	1,826,363,336
Bangladesh Bank Borrowing under Green Transformation Fund (GTF)	324,758,979	381,656,043
Borrowing From SMEF for Stimulus Loan/Revolving Fund(Trem Loan)	295,998,000	236,129,489
Unearned Income On Murabaha EFPF	116,246,031	-
Restricted Mudaraba Bb A/C - TDF	582,153,017	-
Refinance From BB Export Facilitation Fund	69,681,031	-
SME Agro Based Product Under Refinance Scheme	32,500,000	-
	12,649,875,643	16,095,577,660
	14,149,875,643	17,095,577,660

11.2 Borrowing at Off-shore banking unit

Secured:

Un secured:

Conventional Banking	10,985,485,000	6,241,500,000
International Finance Corporation	-	730,000,365
Borrowing - ECA	1,557,482,897	1,841,569,280
	12,542,967,897	8,813,069,645

In Bangladesh

Jamuna Bank PLC.

Outside Bangladesh

Asian Development Bank

Fimbank, Malta

Caixa Bank, Barcelona

State Bank of India, Hongkong

	-	547,500,000
	-	821,250,000
	-	1,095,000,000
2,499,000,000	3,504,000,000	
-	1,095,000,000	
2,499,000,000	6,515,250,000	
15,041,967,897	15,875,819,645	

11(a) Consolidated Borrowings from other banks, financial institutions and agents

Bank Asia PLC.	18,114,043,540	27,071,897,305
Bank Asia Securities Limited	1,406,630,790	1,805,556,804
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	19,520,674,330	28,877,454,109
Less: Inter-company transactions	1,406,630,790	1,805,556,804
	18,114,043,540	27,071,897,305

11(aa) Subordinated non-convertible and perpetual bonds

Subordinated Non-Convertible bond (Note 11(aa).1)	4,000,000,000	4,000,000,000
Perpetual bond (Note 11(aa) 2)	3,680,250,000	3,680,250,000
	7,680,250,000	7,680,250,000

11(aa).1 Subordinated Non-Convertible Bonds

Subordinated Non-Convertible floating rate bond - 2

Agrani Bank PLC.	-	50,000,000
Dhaka Bank PLC.	-	150,000,000
Janata Bank PLC.	-	50,000,000
National Life Insurance Co.	-	100,000,000
Pubali Bank PLC.	-	200,000,000

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
Sabinco	-	30,000,000
Sadharan Bima Corporation	-	20,000,000
Sonali Bank PLC.	-	200,000,000
Southeast Bank PLC.	-	100,000,000
Uttara Bank PLC.	-	100,000,000
	-	1,000,000,000
Subordinated Non-Convertible floating rate bond - 3		
Agrani Bank PLC.	1,000,000,000	1,500,000,000
Eastern Bank PLC.	400,000,000	600,000,000
Trust Bank PLC.	200,000,000	300,000,000
Dutch-Bangla Bank PLC.	200,000,000	300,000,000
Pubali Bank PLC.	200,000,000	300,000,000
	2,000,000,000	3,000,000,000
Subordinated Non-Convertible floating rate bond - 4		
Dutch-Bangla Bank PLC	2,000,000,000	-
	4,000,000,000	4,000,000,000

11(aa).2 Perpetual bond

Institutional subscriber:

NCC Bank PLC.	1,300,000,000	1,300,000,000
Trust Bank PLC.	110,000,000	110,000,000
Jamuna Bank PLC.	730,000,000	730,000,000
Southeast Bank PLC.	500,000,000	500,000,000
NRB Bank PLC.	200,000,000	200,000,000
	2,840,000,000	2,840,000,000

Individual subscriber

Public Offer

	500,000,000	500,000,000
	340,250,000	340,250,000
	3,680,250,000	3,680,250,000

11.3 Maturity-wise grouping (Note 11 and Note 11 aa)

Payable on demand	756,726,109	4,512,500,000
Up to 1 month	-	-
More than 1 month but within 3 months	9,579,575,912	9,060,000,000
More than 3 months but within 1 year	7,953,888,828	10,292,750,000
More than 1 year but within 5 years	1,680,220,531	2,304,812,477
More than 5 years	5,823,882,160	8,582,084,828
	25,794,293,540	34,752,147,305

11.4 Disclosure regarding REPO

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

Sl. #	Counter party name	Agreement date	Reversal Date	Amount (Taka)
1	Bangladesh Bank	22-Aug-24	18-Feb-25	9,198,253,000
2	Bangladesh Bank	3-Nov-24	2-May-25	1,155,500,000
3	Bangladesh Bank	10-Dec-24	7-Jan-25	10,178,190,000
4	Bangladesh Bank	17-Dec-24	14-Jan-25	8,591,032,000
5	Bangladesh Bank	24-Dec-24	7-Jan-25	1,866,586,070
6	Bangladesh Bank	24-Dec-24	21-Jan-25	6,950,586,950
Total				37,940,148,020

(ii) Disclosure regarding outstanding Reverse REPO as on 31 December

Sl. #	Counter party name	Agreement date	Reversal Date	Amount (Taka)
Total				

	31-Dec-24	31-Dec-23
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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 & FIs	-	-	-
Securities purchased under reverse repo:			
i) with Bangladesh Bank	-	-	-
ii) with other banks & FIs	-	-	-

12 Deposits and other accounts

Conventional and Islamic banking (Note 12.1)	415,217,761,107	359,894,228,528
Off-shore banking unit	1,341,689,127	1,642,071,510
	<u>416,559,450,234</u>	<u>361,536,300,038</u>

Deposits and other accounts

Current/AI-wadeeah current accounts and other accounts

Deposits from banks	-	-
Deposits from customers (Note 12.1.2a)	73,624,873,691	72,318,920,076
Off-shore banking unit	445,513,259	1,074,495,629
	<u>74,070,386,950</u>	<u>73,393,415,705</u>

Bills payable

Deposits from banks	-	-
Deposits from customers (Note 12.1.2b)	3,075,190,059	3,958,476,129
	<u>3,075,190,059</u>	<u>3,958,476,129</u>

Savings bank/Mudaraba savings bank deposits

Deposits from banks	-	-
Deposits from customers	90,300,222,281	83,493,765,110
Off-shore banking unit	29,911,930	-
	<u>90,330,134,211</u>	<u>83,493,765,110</u>

Fixed deposits/Mudaraba fixed deposits

Deposits from banks (Note 12.1.1)	23,327,667	9,144,150
Deposits from customers	248,194,147,409	200,113,923,063
Off-shore banking unit	866,263,938	567,575,881
	<u>249,083,739,014</u>	<u>200,690,643,094</u>
	<u>416,559,450,234</u>	<u>361,536,300,038</u>

12.1 Conventional and Islamic banking

Deposits from banks (Note 12.1.1)	23,327,667	9,144,150
Deposits from customers (Note 12.1.2)	415,194,433,440	359,885,084,378
	<u>415,217,761,107</u>	<u>359,894,228,528</u>

12.1.1 Deposits from banks

Fixed deposit/SND: Islamic banking

AB Bank PLC.	38,680	38,846
EXIM Bank PLC.	9,014,417	2,402,497
Social Islami Bank PLC.	618,477	609,280
Trust Bank PLC.	622,245	611,612
	<u>10,293,819</u>	<u>3,662,235</u>

Fixed deposit/SND: Conventional banking

Modhumoti Bank PLC	9,248,289	5,075,801
Probashi Kallyan Bank	3,367,610	-
Trust Bank PLC.	417,949	406,114
	<u>13,033,848</u>	<u>5,481,915</u>
	<u>23,327,667</u>	<u>9,144,150</u>

	31-Dec-24	31-Dec-23
12.1.2 Deposits from customers		
Current/AI-wadeeah current accounts and other accounts (Note 12.1.2a)	73,624,873,691	72,318,920,076
Bills payable (Note 12.1.2b)	3,075,190,059	3,958,476,129
Savings bank/Mudaraba savings deposits	90,300,222,281	83,493,765,110
Fixed deposits/Mudaraba fixed deposits	248,194,147,409	200,113,923,063
	<u>415,194,433,440</u>	<u>359,885,084,378</u>
12.1.2a Current/AI-wadeeah current accounts and other accounts		
Current/AI-wadeeah current accounts	29,707,622,560	25,529,345,048
Other demand deposit - Local currency	26,652,625,226	31,867,254,841
Other demand deposit - Foreign currencies	12,069,254,016	11,768,127,029
Foreign currency deposits	5,193,941,285	3,187,701,131
Unclaimed cash dividend	55,350,448	47,339,901
	<u>73,678,793,535</u>	<u>72,399,767,950</u>
Less: inter transaction with OBU	<u>53,919,844</u>	<u>80,847,874</u>
	<u>73,624,873,691</u>	<u>72,318,920,076</u>
12.1.2b Bills payable		
Bills payable - local currency	3,030,510,535	3,919,763,278
Bills payable - foreign currencies	44,679,524	38,712,851
Demand draft	-	-
	<u>3,075,190,059</u>	<u>3,958,476,129</u>
12.1.2c Fixed deposits/Mudaraba fixed deposits		
Fixed deposits/Mudaraba fixed deposits	182,635,463,981	136,895,472,291
Special notice deposit	26,845,731,661	27,316,021,785
Foreign currency deposits (interest bearing)	4,738,474	4,075,123
Deposit under schemes	38,708,213,293	35,898,353,864
	<u>248,194,147,409</u>	<u>200,113,923,063</u>
12.2 Payable on demand and time deposits		
a) Demand deposits		
Current/AI-wadeeah current accounts and other accounts	30,154,566,423	26,570,332,704
Savings bank/Mudaraba savings deposits	8,129,712,079	7,514,438,860
Foreign currency deposits (non interest bearing)	17,263,195,301	14,955,828,160
Sundry deposits	26,652,625,226	31,867,254,841
Bills payable	3,075,190,059	3,958,476,129
	<u>85,275,289,088</u>	<u>84,866,330,694</u>
b) Time deposits		
Savings bank/Mudaraba savings deposits	82,200,422,132	75,979,326,250
Fixed deposits/Mudaraba fixed deposits	183,525,055,586	137,472,192,322
Foreign currency deposits (interest bearing)	4,738,474	4,075,123
Special notice deposit	26,845,731,661	27,316,021,785
Deposits under schemes	38,708,213,293	35,898,353,864
	<u>331,284,161,146</u>	<u>276,669,969,344</u>
	<u>416,559,450,234</u>	<u>361,536,300,038</u>
12.3 Sector-wise break-up of deposits and other accounts		
Government	6,449,044,000	4,086,636,000
Deposit from banks	10,293,819	3,662,235
Other public	2,300,808,000	2,170,366,000
Foreign currencies	18,654,302,426	16,640,687,644
Private	389,145,001,989	338,715,796,033
	<u>416,559,450,234</u>	<u>361,617,147,912</u>

	31-Dec-24	31-Dec-23
12.4 Maturity-wise grouping		
12.4.1 Deposits from banks		
Payable on demand	23,327,667	9,144,150
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	-	-
	<u>23,327,667</u>	<u>9,144,150</u>
12.4.2 Customer deposits excluding bills payable		
Payable on demand	4,891,104,889	3,279,845,829
Up to 1 month	39,842,919,108	50,825,459,774
Over 1 month but within 6 months	108,166,717,269	61,263,048,696
Over 6 months but within 1 year	115,601,109,949	95,996,253,877
Over 1 year but within 5 years	97,213,606,438	109,304,700,000
Over 5 years	47,745,474,855	36,904,853,498
	<u>413,460,932,508</u>	<u>357,574,161,674</u>
12.4.3 Bills payable		
Payable on demand	301,064,715	541,021,888
Up to 1 month	1,453,998,176	1,134,957,763
Over 1 month but within 6 months	1,320,127,168	2,282,496,478
Over 6 months but within 1 year	-	-
Over 1 year but within 5 years	-	-
Over 5 years	-	-
	<u>3,075,190,059</u>	<u>3,958,476,129</u>
	<u>416,559,450,234</u>	<u>361,541,781,953</u>
12(a) Consolidated Deposits and other accounts		
Current/AI-wadeeah current accounts and other accounts		
Bank Asia PLC.	74,070,386,950	73,393,415,705
Bank Asia Securities Limited	563,078,106	535,465,276
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>74,633,465,056</u>	<u>73,928,880,981</u>
Less: Inter-company transactions	<u>394,573,861</u>	<u>351,884,444</u>
	<u>74,238,891,195</u>	<u>73,576,996,537</u>
Bills payable		
Bank Asia PLC.	3,075,190,059	3,958,476,129
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>3,075,190,059</u>	<u>3,958,476,129</u>
Savings bank/Mudaraba savings bank deposits		
Bank Asia PLC.	90,330,134,211	83,493,765,110
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>90,330,134,211</u>	<u>83,493,765,110</u>
Fixed deposits/Mudaraba fixed deposits		
Bank Asia PLC.	249,083,739,014	200,690,643,094
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>249,083,739,014</u>	<u>200,690,643,094</u>
	<u>416,727,954,479</u>	<u>361,719,880,870</u>

	31-Dec-24	31-Dec-23
13 Other liabilities		
Conventional and Islamic banking (Note 13.1)	58,705,213,917	48,322,044,007
Off-shore banking unit	568,026	17,744,316
	<u>58,705,781,943</u>	<u>48,339,788,323</u>
13.1 Conventional and Islamic banking		
Provision for loans and advances/investments (Note 13.1.1)	28,549,500,000	21,798,000,000
Special general provision COVID-19 (Note 13.1.2)	-	618,000,000
Provision on off-balance sheet exposures (Note 13.1.3)	1,495,500,000	1,390,000,000
Interest suspense account (Note 13.1.4)	7,330,491,357	5,198,880,298
Provision for income tax including deferred tax (Note 13.1.5)	15,610,781,623	14,161,337,770
Provision for performance and festival bonus	600,253,280	576,776,576
Master card and Visa card payables	82,128,983	88,640,578
Expenditures and other payables	799,046,276	1,093,444,406
Provision for nostro accounts (Note 13.1.6)	-	-
Other payable	163,062,149	192,873,777
Provision for profit equalization	51,372,036	41,372,036
Provision for diminution in value of shares (Note 13.1.7)	1,033,383,553	453,383,553
Payable to Government	12,257,621	20,407,621
Provision for other assets (Note 13.1.8)	750,223,597	638,269,593
Provision for start up fund (Note 13.1.9)	130,349,093	102,303,097
Rebate payable on good borrowers	67,700,000	67,700,000
Unearned income	1,380,795,499	972,850,838
Interest payable on subordinated non-convertible zero coupon bond	28,519,727	72,812,328
Fraction Bonus Share	1,608,744	1,608,744
Nostro account credit balance	107,006,157	36,535,507
Lease liabilities (Note 13.1.10)	511,234,222	796,847,285
	<u>58,705,213,917</u>	<u>48,322,044,007</u>
13.1.1 Provision for loans and advances/investments		
General provision		
Conventional and Islamic:		
Balance as at 1 January	6,005,564,248	8,311,669,879
Add: Provision made during the year	-	2,278,393,012
Less: Provision no longer required	(54,593,100)	-
Less: Transfer to Specific Provision	(244,327,423)	(4,584,498,643)
Balance as at 31 December	<u>5,706,643,725</u>	<u>6,005,564,248</u>
Off-shore Banking Unit (OBU):		
Balance as at 1 January	172,435,752	250,867,121
Less: Provision no longer required	(8,406,900)	(78,431,369)
Balance as at 31 December	<u>164,028,852</u>	<u>172,435,752</u>
A. Total general provision on loans and advances/investments	<u>5,870,672,577</u>	<u>6,178,000,000</u>
Specific provision		
Conventional and Islamic:		
Balance as at 1 January	15,582,115,387	10,517,463,001
Add/ Back: Recoveries of amounts previously written off	229,445,620	326,055,141
Specific provision made during the year	10,650,925,857	4,174,053,607
Transfer from General Provision	244,327,423	4,584,498,643
Less: Write off/amicable settlement during the year	(4,027,986,864)	(4,019,955,005)
Balance as at 31 December	<u>22,678,827,423</u>	<u>15,582,115,387</u>
Off-shore Banking Unit (OBU):		
Balance as at 1 January	37,884,613	-
Add: Provision made during the year	-	37,884,613

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
Less: Provision no longer required	(37,884,613)	-
Balance as at 31 December	-	37,884,613
B. Total Specific provision on loans and advances/investments	22,678,827,423	15,620,000,000
C. Total provision on loans and advances/investments (A+B)	28,549,500,000	21,798,000,000

13.1.2 Special general provision COVID-19

Balance as at 1 January	618,000,000	530,000,000
Add: Provision made during the year	-	88,000,000
Less: Provision no longer required	618,000,000	-
Balance as at 31 December	-	618,000,000

Special general provision COVID-19 is maintained as per BRPD circular letter no. 58 dated December 31, 2024, BRPD circular letter no. 56 dated December 10, 2020, BRPD circular letter no. 53 dated December 30, 2021 and BRPD circular letter no. 53 dated December 22, 2022.

13.1.2(a) Consolidated Provision for loans and advances/investments

Balance at 1 January	23,325,690,466	20,464,937,819
Add/ Back: Recoveries of amounts previously written off	229,445,620	326,055,141
Add: Provision made during the year		
Bank Asia PLC.	10,895,253,280	11,162,829,875
Bank Asia Securities Limited	91,800,000	54,752,648
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	10,987,053,280	11,217,582,523
	34,542,189,366	32,008,575,483
Less: Write off/amicable settlement during the year	(4,027,986,864)	(4,019,955,005)
Less: Adjustments of provision made during the year		
Bank Asia PLC.	(963,212,036)	(4,662,930,012)
Bank Asia Securities Limited	(3,381,911)	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	(966,593,947)	(4,662,930,012)
Balance as at 31 December	29,547,608,555	23,325,690,466

13.1.3 Provision for off-balance sheet exposures

Balance at 1 January	1,389,923,332	1,194,434,782
Add: Provision made during the year	104,891,204	195,488,550
	1,494,814,536	1,389,923,332
Less: Adjustments made during the year	-	-
Balance as at 31 December	1,494,814,536	1,389,923,332
Provision maintained for OBU as at 01 January	76,668	565,218
Add: Provision made during the year	608,796	-
Less: Adjustments made during the year	-	(488,550)
	685,464	76,668
Balance as at 31 December	1,495,500,000	1,390,000,000

	31-Dec-24	31-Dec-23
13.1.4 Interest suspense account		
Balance at 1 January	5,198,880,298	4,403,014,529
Add: Amount transferred to interest suspense account during the year	5,578,929,453	3,432,144,492
	10,777,809,751	7,835,159,021
Less: Amount of interest suspense recovered	2,811,025,857	1,844,184,331
Interest waiver during the year	636,292,537	792,094,392
	3,447,318,394	2,636,278,723
Balance as at 31 December	7,330,491,357	5,198,880,298
13.1.5 Provision for taxation		
Current tax (Note 13.1.5(a))	15,138,760,258	13,689,316,405
Deferred tax (Note 13.1.5(c))	472,021,365	472,021,365
	15,610,781,623	14,161,337,770
13.1.5(a) Provision for current tax		
Balance at 1 January	13,689,316,405	11,389,316,405
Add: Provision made during the year	3,520,000,000	2,300,000,000
	17,209,316,405	13,689,316,405
Less: Adjustments made during the year	2,070,556,147	-
Balance as at 31 December	15,138,760,258	13,689,316,405
13.1.5(b) Consolidated Provision for current tax		
Balance as at 1 January	13,973,576,378	11,714,373,369
Add: Provision made during the year		
Bank Asia PLC.	3,520,000,000	2,300,000,000
Bank Asia Securities Limited	64,184,705	51,108,689
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	3,584,184,705	2,351,108,689
	17,557,761,083	14,065,482,058
Less: Adjustments made during the year		
Bank Asia PLC.	2,070,556,147	-
Bank Asia Securities Limited	112,266,762	91,905,680
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	2,182,822,909	91,905,680
Balance as at 31 December	15,374,938,174	13,973,576,378
13.1.5(c) Provision for deferred tax		
Balance at 1 January	472,021,365	472,021,365
Provision made for deferred tax liabilities	-	-
Provision made for deferred tax assets	-	-
	472,021,365	472,021,365

31-Dec-24

31-Dec-23

13.1.5(d) Deferred Tax (asset)/liability

Particulars	Book value	Tax Base	(Deductible)/ Taxable		
Opening Balance					
Deferred Tax Asset			(4,393,125,000)	(4,393,125,000)	(2,958,036,469)
Deferred Tax Liability			863,797,370	640,260,273	
Net Deferred Tax Asset			(3,529,327,630)	(2,317,776,196)	

Net Deferred Tax Asset as at December 31, 2024

Deferred Tax Asset:

Loan loss provision	22,678,827,423	-	(17,009,120,567)	(6,378,420,213)	(4,393,125,000)
Closing balance for the year (a)				(6,378,420,213)	(4,393,125,000)

Deferred Tax Liability:

Interest receivable	2,653,267,276	-	2,653,267,276	994,975,229	774,566,630
Fixed assets	2,980,427,915	2,982,318,954	(1,891,039)	(709,140)	90,051,078
Right-of-use assets	(11,675,968)	-	(11,675,968)	(4,378,488)	(820,338)
Closing balance for the year (b)				989,887,601	863,797,370

Net Deferred Tax Asset as at December 31, 2024 (a+b)

Movement for the year				(5,388,532,612)	(3,529,327,630)
Opening deferred tax assets				(4,393,125,000)	(2,958,036,469)
Closing deferred tax assets				(6,378,420,213)	(4,393,125,000)
Changes for the year				(1,985,295,213)	(1,435,088,531)
Opening deferred tax liabilities				863,797,370	640,260,273
Closing deferred tax liabilities				989,887,601	863,797,370
Changes for the year				126,090,231	223,537,097
Changes during the year				(1,859,204,982)	(1,211,551,434)

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 dividend. 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.

13.1.5(e) Reconciliation of effective tax rate

	2024		2023	
	%	Amount	%	Amount
Profit before provision		17,052,140,847		10,694,804,944
Income Tax as per applicable tax rate	37.50%	6,394,552,818	37.50%	4,010,551,854
Tax exempted income (on govt. treasury securities)	-7.70%	(1,313,001,187)	-0.19%	(19,998,890)
On probable deductible/non deductible expenses	-9.16%	(1,561,551,631)	-4.59%	(1,690,552,964)
	20.64%	3,520,000,000	32.73%	2,300,000,000

13.1.5(f) Consolidated Reconciliation of effective tax rate

Amount in Taka

	2024		2023	
	%	Amount	%	Amount
Profit before provision		17,298,060,470		10,869,236,428
Income Tax as per applicable tax rate	37.50%	6,486,772,676	37.50%	4,075,963,661
Tax exempted income (on govt. treasury securities)	-7.59%	(1,313,001,187)	-0.18%	(19,998,890)
On probable deductible/non deductible expenses	-9.19%	(1,589,586,784)	-4.49%	(1,704,856,082)
	20.72%	3,584,184,705	32.83%	2,351,108,689

13.1.6 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.

13.1.7 Provision for diminution in value of shares

	31-Dec-24	31-Dec-23
Balance as at 1 January	453,383,553	363,383,553
Add: Provision made during the year	580,000,000	90,000,000
Balance as at 31 December	1,033,383,553	453,383,553
Provision requirement for quoted and unquoted share including subsidiaries (Annex B)	901,605,929	429,314,378
Provision maintained	1,033,383,553	453,383,553
Surplus provision maintained	131,777,624	24,069,175

13.1.8 Provision for other assets

Balance as at 1 January	638,269,593	612,228,003
Add: Provision made during the year	111,954,004	26,041,590
Balance as at 31 December	750,223,597	638,269,593
Provision requirement	721,200,000	501,813,218
Provision maintained	750,223,597	638,269,593
Surplus provision maintained	29,023,597	136,456,375

13.1.9 Provision for start up fund

Balance as at 1 January	102,303,097	78,344,687
Add: Provision made during the year		
For the year 2023 (1% of profit after tax)	-	23,958,410
For the year 2024 (1% of profit after tax)	28,045,996	-
Adjustment during the year	-	-
Balance as at 31 December	130,349,093	102,303,097

(As per Bangladesh Bank SMESPD Circular Letter no. 05 dated April 26, 2001 Provision for Start up Fund has been maintained against 1% net profit after tax starting from the year 2020)

13.1.10 Lease liabilities

Balance as at 1 January	796,847,285	341,388,331
Add: Addition during the year	59,908,722	792,458,162
Add: Interest charge during the year	124,954,389	150,849,047
Less: Payment made during the year	470,476,174	487,848,255
Balance as at 31 December	511,234,222	796,847,285

The lease liabilities represents the present value of the lease payments discounting using the incremental borrowing rate as per IFRS 16 against which right-of-use assets has been arisen (ref: Annex C).

13(a) Consolidated Other liabilities

Bank Asia PLC.	58,705,781,943	48,339,788,323
Bank Asia Securities Limited	2,299,018,376	2,262,399,192
BA Exchange Company (UK) Limited	65,356,495	62,507,577
BA Express USA, Inc	335,931,459	373,157,891
	61,406,088,273	51,037,852,983

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
Less: Inter- companies transactions		
Receivable from BASL	-	-
Receivable from BA Exchange (UK) Limited	77,120,426	69,189,416
BA Express USA, Inc	346,908,665	290,897,132
	<u>60,982,059,182</u>	<u>50,677,766,435</u>

14 Share capital

14.1 Authorized capital

1,500,000,000 ordinary shares of Taka 10 each	15,000,000,000	15,000,000,000
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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
	<u>11,659,068,600</u>	<u>11,659,068,600</u>

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	11,750,000,000
General reserve	8,166,144	8,166,144
Retained earnings (Note 17)	4,124,248,860	3,416,739,131
	<u>27,541,483,604</u>	<u>26,833,973,875</u>

Less: Regulatory adjustments

Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities	41,133,300	41,133,300
Common Equity Tier -1 capital (Going-Concern Capital)	<u>27,500,350,304</u>	<u>26,792,840,575</u>

Additional Tier 1 Capital

Perpetual bond	3,680,250,000	3,680,250,000
Total Tier- 1 Capital	<u>31,180,600,304</u>	<u>30,473,090,575</u>

Tier - 2 Capital (Going-Concern Capital)

General provision maintained against unclassified loan/investments	5,870,672,577	6,796,000,000
General provision on off-balance sheet exposure	1,495,500,000	1,390,000,000
Subordinated non-convertible zero coupon bonds (as per Annex 4 of Basel III)	<u>3,000,000,000</u>	<u>2,000,000,000</u>

Total Tier- 2 Capital available

Maximum Limit of Tier-2 Capital (Considering) para 3.2 (v) including foot note no. 9 of RBCA Guideline)	10,366,172,577	10,186,000,000
Adjustment as per RBCA Guideline	-	-

Total admissible Tier-2 Capital

	<u>10,366,172,577</u>	<u>10,186,000,000</u>
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A) Total capital	41,546,772,881	40,659,090,575
B) Total risk weighted assets (RWA)	266,182,743,884	247,185,581,946

	31-Dec-24	31-Dec-23
C) Minimum total capital requirement 10%	26,618,274,388	24,718,558,195
D) Capital surplus (A-C)	14,928,498,493	15,940,532,380
E) Minimum total capital plus capital conservation buffer requirement @ 12.50%	33,272,842,986	30,898,197,743
F) Capital surplus (A-E) with capital conservation buffer	8,273,929,896	9,760,892,832
Capital to risk weighted asset ratio		
Common Equity Tier- 1 to RWA (minimum 4.5% under Basel III)	10.33%	10.84%
Tier- 1 to RWA (minimum 6% under Basel III)	11.71%	12.33%
Capital to Risk Weighted Assets against minimum requirement 10%	15.61%	16.45%

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 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
Non-controlling (Minority) interest	10,330	10,297
Statutory reserve (Note 15)	11,750,000,000	11,750,000,000
General reserve	8,166,144	8,166,144
Retained earnings (Note 17)	4,150,895,777	3,350,452,926
	27,568,140,851	26,767,697,967

Less: Regulatory adjustments

Reciprocal crossholding in the CET - 1 Capital of Banking, Financial and Insurance Entities	41,133,300	41,133,300
Common Equity Tier -1 capital (Going-Concern Capital)	27,527,007,551	26,726,564,667
Perpetual bond	-	-
Additional Tier 1 Capital	3,680,250,000	3,680,250,000
Total Tier- 1 Capital	31,207,257,551	30,406,814,667

Tier - 2 Capital (Gone-Concern Capital)

General provision maintained against unclassified loan/investments	5,870,672,577	6,796,000,000
General provision on off-balance sheet exposure	1,495,500,000	1,390,000,000
Subordinated non-convertible zero coupon bonds	3,000,000,000	2,000,000,000
Total Tier- 2 Capital available	10,366,172,577	10,186,000,000

Maximum Limit of Tier-2 Capital (Considering) para 3.2 (v) including foot note no. 9 of RBCA Guideline)

Adjustment as per RBCA Guideline	-	-
Total admissible Tier-2 Capital	10,366,172,577	10,186,000,000

A) Total capital	41,573,430,128	40,592,814,667
B) Total risk weighted assets (RWA)	270,139,955,470	249,036,238,180
C) Minimum total capital requirement 10%	27,013,995,547	24,903,623,818
D) Capital surplus (A-C)	14,559,434,581	15,689,190,849
E) Minimum total capital plus capital conservation buffer requirement @ 12.50%	33,767,494,434	31,129,529,773
F) Capital surplus (A-E) with capital conservation buffer	7,805,935,694	9,463,284,895

Capital to risk weighted asset ratio

Common Equity Tier- 1 to RWA (minimum 4.5% under Basel III)	10.19%	10.73%
Tier- 1 to RWA (minimum 6% under Basel III)	11.55%	12.21%
Capital to Risk Weighted Assets against minimum requirement 10%	15.39%	16.30%

14.5 Percentage of shareholdings at the closing date

Category	At 31 December 2024		At 31 December 2023	
	No. of shares	%	No. of shares	%
Sponsors & Directors	610,532,668	52.37	621,477,148	53.30
General Public	103,915,268	8.91	123,148,457	10.56
Institutions	314,414,013	26.97	270,404,806	23.19
Investment Companies	136,315,258	11.69	148,291,676	12.72
Non-resident Bangladeshi	729,653	0.06	710,846	0.06
Foreign (Investments)	-	-	1,873,927	0.16
	1,165,906,860	100	1,165,906,860	100

	31-Dec-24	31-Dec-23
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14.6 Classification of shareholders by holding

Holding	No. of holders		% of total holding	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Less than 5,000	5,442	5,506	0.50	0.50
5,000 to 50,000	1,306	1,282	1.54	1.54
50,001 to 100,000	97	93	0.61	0.58
100,001 to 200,000	51	46	0.62	0.56
200,001 to 300,000	21	17	0.46	0.36
300,001 to 400,000	17	17	0.52	0.51
400,001 to 500,000	6	7	0.23	0.27
500,001 to 1,000,000	30	34	1.86	2.06
1,000,001 to 10,000,000	70	75	19.56	23.41
Over 10,000,000	30	28	74.10	70.21
	7,070	7,105	100.00	100.00

14.7 Name of the Directors and their shareholdings as at 31 December 2024

SI	Name of the director	Status	Closing position	Opening position
1	Mr. Romo Rouf Chowdhury	Chairman	23,323,746	23,323,746
2	Ms. Zakia Rouf Chowdhury (Representing Amiran Generations Limited)	Vice Chairman	47,558,630	47,558,630
3	Mr. Rume A Hossain	Director	36,216,554	36,216,554
4	Ms. Romana Rouf Chowdhury (Representing MAYA Limited)	Director	41,679,196	41,679,196
5	Ms. Farhana Haq	Director	58,230,519	58,230,519
6	Mr. Enam Chowdhury (Representing Zest Polymers Limited)	Director	25,959,122	25,959,122
7	Mr. Nafees Khundker	Director	24,784,734	24,784,734
8	Mr. Sabeth Nayeem Choudhury (Representing Phulbari Tea Estates Ltd)	Director	45,666,246	45,666,246
9	Mr. Md. Abul Quasem (Independent Director)	Director	-	-
10	Mr. M. A. Baqui Khalily (Independent Director)	Director	-	-

15 Statutory reserve

Balance at the beginning of the year	11,750,000,000	11,750,000,000
Add: Addition during the year	-	-
Balance at the end of the year	11,750,000,000	11,750,000,000

15.1 General and other reserve

Bank Asia PLC.	8,166,144	8,166,144
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15.1(a) Consolidated General and other reserve

Bank Asia PLC.	8,166,144	8,166,144
Bank Asia Securities Limited		
Opening Balance	2,090,869	1,760,387
Addition during the year	383,674	330,482
Adjustment made during the year	-	-
Closing Balance	2,474,543	2,090,869
	10,640,687	10,257,013

16 Revaluation reserve

HTM securities (Note 16.1)	99,513,941	107,009,414
HFT securities (Note 16.2)	2,431,797,985	755,333,928
Fixed Assets revaluation (Note 16.3)	1,769,496,415	1,823,211,667
	4,300,808,341	2,685,555,009

	31-Dec-24	31-Dec-23
16.1 Revaluation reserve on HTM securities		
Balance at 1 January	107,009,414	82,779,825
Gain from revaluation on investments	20,294,026	25,471,804
Adjustment for sale/maturity of securities	(27,789,499)	(1,242,215)
	<u>99,513,941</u>	<u>107,009,414</u>
16.2 Revaluation reserve on HFT securities		
Balance at 1 January	755,333,928	157,340,380
Gain from revaluation on investments	7,691,378,826	1,352,950,551
Adjustment for sale/maturity of securities	(6,014,914,769)	(754,957,003)
	<u>2,431,797,985</u>	<u>755,333,928</u>
16.3 Revaluation reserve on Fixed Assets		
Balance at 1 January	1,823,211,667	1,876,926,919
Depreciation charged during the year	(53,715,252)	(53,715,252)
	<u>1,769,496,415</u>	<u>1,823,211,667</u>
16 (a) Consolidated Revaluation reserve		
Bank Asia PLC.	4,300,808,341	2,685,555,009
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>4,300,808,341</u>	<u>2,685,555,009</u>
17 Retained earnings		
Balance at 1 January	3,416,739,131	3,105,969,227
Add: Post - tax profit for the year	2,774,599,603	2,395,840,970
Revaluation reserve transferred to retained earnings	53,715,252	53,715,252
	<u>6,245,053,986</u>	<u>5,555,525,449</u>
Less: Issue of cash dividend for the year 2023	1,748,860,290	-
Issue of cash dividend for the year 2022	-	1,748,860,290
Transfer to statutory reserve	3,330,727	-
Coupon/dividend on perpetual bond	368,614,109	389,926,028
	<u>2,120,805,126</u>	<u>2,138,786,318</u>
	<u>4,124,248,860</u>	<u>3,416,739,131</u>
17(a) Consolidated Retained earnings		
Balance at 1 January	3,350,452,926	2,957,002,831
Add: Revaluation reserve transferred to retained earnings	53,715,252	53,715,252
Post- tax profit for the year	2,867,916,432	2,478,851,655
Less: Non controlling interest	33	12
	<u>6,272,084,577</u>	<u>5,489,569,726</u>
Less: Issue of cash dividend for the year 2023	1,748,860,290	-
Issue of cash dividend for the year 2022	-	1,748,860,290
Transferred to statutory reserve	3,330,727	-
Coupon/dividend on perpetual bond	368,614,109	389,926,028
Transferred to General and other reserve	383,674	330,482
	<u>2,121,188,800</u>	<u>2,139,116,800</u>
	<u>4,150,895,777</u>	<u>3,350,452,926</u>
17(b) Non-controlling (Minority) interest		
Bank Asia Securities Limited	10,330	10,297
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>10,330</u>	<u>10,297</u>

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
18 Contingent liabilities		
Conventional and Islamic banking	139,885,803,645	152,117,045,333
Off-shore banking unit	68,546,380	7,666,752
	<u>139,954,350,025</u>	<u>152,124,712,085</u>
18.1 Acceptances and endorsements		
Conventional and Islamic banking	44,821,140,940	57,164,035,754
Off-shore banking unit	-	-
	<u>44,821,140,940</u>	<u>57,164,035,754</u>
18.2 Letters of guarantee (Note 18.2.1)		
Conventional and Islamic banking	26,866,282,323	31,447,176,388
Off-shore banking unit	3,244,654	2,985,627
	<u>26,869,526,977</u>	<u>31,450,162,015</u>
18.2.1 Letters of guarantee		
Letters of guarantee (Local)	20,430,302,227	21,545,790,114
Letters of guarantee (Foreign)	6,439,224,750	9,904,371,901
	<u>26,869,526,977</u>	<u>31,450,162,015</u>
Balance for which the Bank is contingently liable in respect of guarantees issued favouring:		
Directors or officers	-	-
Government	15,763,531,265	19,991,541,105
Banks and other financial institutions	1,831,983,550	1,836,041,269
Others	9,274,012,162	9,622,579,641
	<u>26,869,526,977</u>	<u>31,450,162,015</u>
18.3 Irrevocable letters of credit (Note 18.3.1)		
Conventional and Islamic banking	39,565,645,253	37,276,451,790
Off-shore banking unit	65,301,726	4,681,125
	<u>39,630,946,979</u>	<u>37,281,132,915</u>
18.3.1 Irrevocable letters of credit)		
Letters of credit Back to Back (Inland)	4,431,060,857	4,011,792,181
Letters of credit (General)	26,532,262,009	29,662,670,307
Back to back L/C	8,667,624,113	3,606,670,427
	<u>39,630,946,979</u>	<u>37,281,132,915</u>
18.4 Bills for collection (Note 18.4.1)		
Conventional and Islamic banking	18,716,268,581	21,416,723,231
Off-shore banking unit	-	-
	<u>18,716,268,581</u>	<u>21,416,723,231</u>
18.4.1 Bills for collection		
Local bills for collection	11,584,579,830	12,514,814,420
Foreign bills for collection	7,131,688,751	8,901,908,811
	<u>18,716,268,581</u>	<u>21,416,723,231</u>
18.5 Other commitments		
Forward Assets Purchased and Forward Deposits Placed	<u>9,916,466,548</u>	<u>4,812,658,170</u>
18.6 Workers' profit participation fund (WPPF)		
As per Bangladesh Labour Act 2006, 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 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)	44,465,423,559	31,131,854,155
Dividend income (Note 22.1)	383,995,680	527,036,928
Fees, commission and brokerage (Note 19.2)	1,870,209,042	2,014,271,351
Gains/ less Losses arising from investment securities	-	4,700,426
Gains/ less Losses arising from dealing in foreign currencies (Note 23.1)	3,065,641,390	2,963,129,653
Other operating income (Note 24)	1,552,842,469	1,386,508,710
	<u>51,338,112,140</u>	<u>38,027,501,223</u>

	31-Dec-24	31-Dec-23
Expenses:		
Interest paid/profit shared on deposits and borrowings, etc (Note 21)	24,484,274,477	17,053,991,947
Administrative expenses (Note 19.3)	6,802,413,238	6,372,671,635
Other expenses (Note 34)	2,116,555,381	2,168,700,864
Depreciation on banks assets (Note 33.1)	882,728,197	901,395,944
	34,285,971,293	26,496,760,390
	17,052,140,847	11,530,740,833
19.1 Interest, discount and similar income		
Interest income/profit on investments (Note 20)	30,514,242,741	23,287,064,761
Interest on treasury bills/reverse repo/bills	10,093,401,246	6,861,966,767
Interest income on corporate bonds	127,569,097	134,413,617
Interest on debentures	228,873,977	211,324,258
Income from investment in shares, bonds etc	-	-
Capital gain on Government securities and assets	3,501,336,498	637,084,752
	44,465,423,559	31,131,854,155
19.2 Fees, commission and brokerage		
Commission	1,870,209,042	2,014,271,351
Brokerage	-	-
	1,870,209,042	2,014,271,351
19.3 Administrative expenses		
Salaries and allowances (Note 25)	5,644,358,401	5,243,365,548
Rent, taxes, insurance, electricity, etc (Note 26)	635,446,824	625,902,063
Legal expenses (Note 27)	25,551,895	28,538,049
Postage, stamp, telecommunication, etc (Note 28)	205,891,107	190,046,039
Stationery, printing, advertisement, etc (Note 29)	162,691,301	168,260,355
Managing Director's salary and fees (Note 30)	19,935,301	13,510,000
Directors' fees (Note 31)	4,947,128	3,776,000
Auditors' fees (Note 32)	1,132,000	1,753,000
Repair of Bank's assets (Note 33.1)	102,459,281	97,520,581
	6,802,413,238	6,372,671,635
20 Interest income/profit on investments		
Conventional and Islamic banking (Note 20.1)	29,303,980,389	21,923,476,190
Off-shore banking unit	1,701,067,794	2,115,485,037
	31,005,048,183	24,038,961,227
Less: inter transaction between OBU and Conventional banking	490,805,442	751,896,466
	30,514,242,741	23,287,064,761
20.1 Conventional and Islamic banking		
Agricultural loan	547,961,538	433,690,863
Cash credit/Bai Murabaha (Muajjal)	663,222,700	457,806,251
Credit card	536,613,898	524,546,287
Credit for poverty alleviation scheme-micro credit	91,000	69,855
Consumer credit scheme	1,936,527,911	1,489,864,296
Demand loan	7,276,529,433	3,475,512,667
Export Development Fund (EDF)	367,992,428	367,283,133
House building loan	118,747,815	99,163,597
Loans (General)	1,997,827,308	2,449,757,885
Loans against trust receipts/ Bai Murabaha post import	1,019,158,251	622,839,650
Overdrafts/ Quard against scheme	3,763,735,898	2,840,440,544
Packing credit	34,229,234	41,667,434
Payment against documents	16,495,254	8,655,479
Staff loan	68,181,640	84,282,807
Transport loan	210,908,887	169,479,525

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
Term loan- industrial	3,768,912,355	2,282,367,829
Term loan- others	4,610,140,354	2,558,002,108
Foreign bills purchased	11,100,111	6,296,350
Local bills purchased	85,311,339	91,730,548
Loan Under Covit-19 Stimulus Package	37,081,658	161,992,224
Total interest/profit on loans and advances/investments	27,070,769,012	18,165,449,332
Interest/profit on balance with other banks and financial institutions	1,811,695,982	3,577,546,395
Interest/profit received from foreign banks	421,515,395	180,480,463
	<u>29,303,980,389</u>	<u>21,923,476,190</u>
20(a) Consolidated Interest income/profit on investments		
Bank Asia PLC.	30,514,242,741	23,287,064,761
Bank Asia Securities Ltd	264,676,448	209,526,705
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>30,778,919,189</u>	<u>23,496,591,466</u>
Less: Inter-company transactions	127,032,198	115,993,009
	<u>30,651,886,991</u>	<u>23,380,598,457</u>
21 Interest paid/profit shared on deposits and borrowings etc.		
Conventional and Islamic banking (Note 21.1)	23,736,673,435	16,172,350,460
Off-shore banking unit	1,238,406,484	1,633,537,953
	<u>24,975,079,919</u>	<u>17,805,888,413</u>
Less: inter transaction with OBU	490,805,442	751,896,466
	<u>24,484,274,477</u>	<u>17,053,991,947</u>
21.1 Conventional and Islamic banking		
Interest paid/profit shared on deposits		
Fixed deposits/ Mudaraba Fixed deposit	13,026,799,676	8,067,838,221
Scheme deposits	4,532,833,511	4,849,310,932
Sanchaya plus	7,961,289	47,774,709
Savings deposits/ Mudaraba Savings bank	1,846,110,448	1,641,610,137
Special notice deposits	1,136,413,907	830,857,059
	<u>20,550,118,831</u>	<u>15,437,391,058</u>
Interest on borrowings and others		
Local banks including Bangladesh Bank	2,869,371,928	249,765,582
Interest on subordinated non-covertable bond	301,844,932	477,993,422
Foreign banks	15,337,744	7,200,398
	<u>3,186,554,604</u>	<u>734,959,402</u>
	<u>23,736,673,435</u>	<u>16,172,350,460</u>
21(a) Consolidated Interest Expenses/profit paid on Deposits		
Bank Asia PLC.	24,484,274,477	17,053,991,947
Bank Asia Securities Limited	151,905,355	129,341,894
Bank Asia Securities Ltd	-	-
BA Express USA, Inc	-	-
	<u>24,636,179,832</u>	<u>17,183,333,841</u>
Less: Inter-company transactions	127,032,198	115,993,009
	<u>24,509,147,634</u>	<u>17,067,340,832</u>
22 Investment income		
Conventional and Islamic banking (Note 22.1)	14,335,176,498	8,376,526,748
Off-shore banking unit	-	-
	<u>14,335,176,498</u>	<u>8,376,526,748</u>

	31-Dec-24	31-Dec-23
22.1 Conventional and Islamic Banking		
Interest on treasury bills	3,804,561,597	1,060,082,625
Interest on treasury bonds	6,286,771,423	4,645,319,271
Interest income on corporate bonds	127,569,097	134,413,617
Capital gain from investment in shares	-	4,700,426
Dividend on shares	383,995,680	527,036,928
Profit on Govt Investment SUKUK	228,873,977	211,324,258
Capital gain on Government securities	3,501,336,498	637,084,752
Interest on reverse repo	2,068,226	1,156,564,871
	<u>14,335,176,498</u>	<u>8,376,526,748</u>
22(a) Consolidated investment income		
Bank Asia PLC.	14,335,176,498	8,376,526,748
Bank Asia Securities Limited	-	-
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>14,335,176,498</u>	<u>8,376,526,748</u>
Less: Inter-company transactions	-	-
	<u>14,335,176,498</u>	<u>8,376,526,748</u>
23 Commission, exchange and brokerage		
Conventional and Islamic banking (Note 23.1)	4,912,116,124	4,986,368,757
Off-shore banking unit	23,734,308	(8,967,753)
	<u>4,935,850,432</u>	<u>4,977,401,004</u>
23.1 Conventional and Islamic Banking		
Commission on L/C	624,731,151	702,561,841
Commission on back to back L/C against Export	591,291,567	679,468,384
Fees and commission including Export	344,365,654	286,727,194
Commission on L/G	244,251,141	305,786,556
Commission on Export	5,555,923	11,343,710
Commission on PO, DD, TT, TC, etc	31,030,337	26,965,300
Other commission	5,248,961	10,386,119
	<u>1,846,474,734</u>	<u>2,023,239,104</u>
Foreign exchange gain	3,065,641,390	2,963,129,653
	<u>4,912,116,124</u>	<u>4,986,368,757</u>
23(a) Consolidated Commission, exchange and brokerage		
Bank Asia PLC.	4,935,850,432	4,977,401,004
Bank Asia Securities Ltd	162,594,445	142,385,428
BA Exchange Company (UK) Limited	32,952,486	41,310,306
BA Express USA, Inc	245,055,239	182,355,226
	<u>5,376,452,602</u>	<u>5,343,451,964</u>
24 Other operating income		
Conventional and Islamic banking (Note 24.1)	1,533,330,150	1,371,628,170
Off-shore banking unit	19,512,319	14,880,540
	<u>1,552,842,469</u>	<u>1,386,508,710</u>
24.1 Conventional and Islamic banking		
Locker charge	14,454,770	13,345,790
Service and other charges	904,799,711	738,001,076
Master/Visa card fees and charges	459,255,712	440,010,726
Postage/telex/SWIFT/fax recoveries	87,299,392	119,250,265
Non-operating income	21,390,310	21,808,332
Rebate on nostro account	46,130,255	39,211,981
	<u>1,533,330,150</u>	<u>1,371,628,170</u>

	31-Dec-24	31-Dec-23
24 (a) Consolidated other operating income		
Bank Asia PLC.	1,552,842,469	1,386,508,710
Bank Asia Securities Ltd	49,369,930	45,654,677
BA Exchange Company (UK) Limited	981,567	1,818,534
BA Express USA, Inc	689,740	637,525
	<u>1,603,883,706</u>	<u>1,434,619,446</u>
25 Salaries and allowances		
Conventional and Islamic banking (Note 25.1)	5,633,848,182	5,232,723,857
Off-shore banking unit	10,510,219	10,641,691
	<u>5,644,358,401</u>	<u>5,243,365,548</u>
25.1 Conventional and Islamic banking		
Basic salary	2,099,829,312	1,999,902,824
Allowances	2,074,108,947	1,809,527,332
Festival bonus	368,640,412	349,939,006
Gratuity	420,000,000	380,000,000
Provident fund contribution	206,269,511	193,354,695
Performance bonus	465,000,000	500,000,000
	<u>5,633,848,182</u>	<u>5,232,723,857</u>
25(a) Consolidated Salaries and allowances		
Bank Asia PLC.	5,644,358,401	5,243,365,548
Bank Asia Securities Ltd	114,834,363	109,121,769
BA Exchange Company (UK) Limited	25,074,875	18,728,738
BA Express USA, Inc	51,119,784	36,707,151
	<u>5,835,387,423</u>	<u>5,407,923,206</u>
26 Rent, taxes, insurance, electricity etc.		
Conventional and Islamic banking (Note 26.1)	633,735,116	625,571,610
Off-shore banking unit	1,711,708	330,453
	<u>635,446,824</u>	<u>625,902,063</u>
26.1 Rent, taxes, insurance, electricity etc.		
Rent expenses (26.1.1)	524,676,157	512,261,274
Insurance	308,653,167	319,571,108
Power and electricity	147,639,285	131,068,889
	<u>980,968,609</u>	<u>962,901,271</u>
Less: Adjustment as per "IFRS 16: Leases"	470,476,174	487,848,255
Add: Interest portion on lease liabilities	124,954,389	150,849,047
	<u>635,446,824</u>	<u>625,902,063</u>
26.1.1 The amount represents actual rent expense before adjustment as per IFRS 16: Leases. Business segment wise actual rent expense is given below:		
Conventional banking	507,047,227	497,353,434
Islamic banking	15,917,222	14,577,387
Off-shore banking unit	1,711,708	330,453
	<u>524,676,157</u>	<u>512,261,274</u>
26(a) Consolidated Rent, taxes, insurance, electricity etc.		
Bank Asia PLC.	635,446,824	625,902,063
Bank Asia Securities Ltd	7,838,400	8,514,432
BA Exchange Company (UK) Limited	6,465,658	5,761,664
BA Express USA, Inc	27,314,207	19,835,872
	<u>677,065,089</u>	<u>660,014,031</u>

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
27 Legal expenses		
Conventional and Islamic banking (Note 27.1)	25,431,426	28,538,049
Off-shore banking unit	120,469	-
	<u>25,551,895</u>	<u>28,538,049</u>
27.1 Conventional and Islamic Banking		
Legal expenses	25,431,426	28,538,049
Other professional charges	-	-
	<u>25,431,426</u>	<u>28,538,049</u>
27(a) Consolidated Legal expenses		
Bank Asia PLC.	25,551,895	28,538,049
Bank Asia Securities Ltd	450,005	149,685
BA Exchange Company (UK) Limited	118,437	334,965
BA Express USA, Inc	259,481	80,156
	<u>26,379,818</u>	<u>29,102,855</u>
28 Postage, stamps, telecommunication etc.		
Conventional and Islamic banking (Note 28.1)	205,159,500	189,517,244
Off-shore banking unit	731,607	528,795
	<u>205,891,107</u>	<u>190,046,039</u>
28.1 Conventional and Islamic banking		
Telephone, courier and postage	109,774,822	108,363,242
Master/VISA card process fee	44,744,070	35,737,937
ATM charge	4,616,766	4,104,013
SWIFT and Reuter charge	42,045,392	37,153,535
Internet	3,978,450	4,158,517
	<u>205,159,500</u>	<u>189,517,244</u>
28(a) Consolidated Postage, stamps, telecommunication etc.		
Bank Asia PLC.	205,891,107	190,046,039
Bank Asia Securities Ltd	3,155,679	2,897,719
BA Exchange Company (UK) Limited	458,999	397,563
BA Express USA, Inc	1,123,897	991,220
	<u>210,629,682</u>	<u>194,332,541</u>
29 Stationery, printing, advertisements etc.		
Conventional and Islamic banking (Note 29.1)	162,577,553	168,127,269
Off-shore banking unit	113,748	133,086
	<u>162,691,301</u>	<u>168,260,355</u>
29.1 Conventional and Islamic banking		
Office and security stationery	63,580,113	69,905,632
Calendar, diary, souvenir, etc	20,657,304	20,000,000
ATM card /Supplies And Stationeries	45,150,699	46,207,614
Books and periodicals	1,232,127	1,563,648
Publicity and advertisement	31,957,310	30,450,375
	<u>162,577,553</u>	<u>168,127,269</u>
29(a) Consolidated Stationery, printing, advertisements etc.		
Bank Asia PLC.	162,691,301	168,260,355
Bank Asia Securities Ltd	1,064,375	919,535
BA Exchange Company (UK) Limited	3,811,372	2,276,829
BA Express USA, Inc	2,422,450	2,905,353
	<u>169,989,498</u>	<u>174,362,072</u>

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
30 Managing Director's salary and fees		
Basic salary	10,122,414	7,150,000
House rent allowance	3,729,310	825,000
Entertainment allowances	266,379	-
Incentive bonus	-	650,000
Festival bonus	1,900,000	1,430,000
Utility allowance and others	3,384,439	1,705,000
House maintenance allowance	532,759	1,100,000
Leave fare assistance	-	650,000
	<u>19,935,301</u>	<u>13,510,000</u>
31 Directors' fees		
Directors' fees	<u>4,947,128</u>	<u>3,776,000</u>
31(a) Consolidated Directors' fees		
Bank Asia PLC.	4,947,128	3,776,000
Bank Asia Securities Ltd.	484,000	544,500
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>5,431,128</u>	<u>4,320,500</u>
32 Auditors' fees		
Audit fees	1,132,000	1,753,000
Others	-	-
	<u>1,132,000</u>	<u>1,753,000</u>
32(a) Consolidated Auditors fees		
Bank Asia PLC.	1,132,000	1,753,000
Bank Asia Securities Ltd	76,667	76,667
BA Exchange Company (UK) Limited	1,106,199	738,521
BA Express USA, Inc	2,798,277	1,868,495
	<u>5,113,143</u>	<u>4,436,683</u>
33 Depreciation and repair of Bank's assets		
Conventional and Islamic banking (Note 33.1)	985,114,203	998,875,528
Off-shore banking unit	73,275	40,997
	<u>985,187,478</u>	<u>998,916,525</u>
33.1 Conventional and Islamic banking		
Depreciation		
Owned assets	527,644,737	554,377,105
Leased assets	355,010,185	346,977,842
	<u>882,654,922</u>	<u>901,354,947</u>
Repairs		
Building	18,829,462	15,331,422
Furniture and fixtures	6,275,465	4,028,374
Equipments	28,199,767	21,833,279
	<u>53,304,694</u>	<u>41,193,075</u>
Maintenance	<u>49,154,587</u>	<u>56,327,506</u>
	<u>985,114,203</u>	<u>998,875,528</u>

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
33(a) Consolidated Depreciation and repairs of Bank's assets		
Bank Asia PLC.	985,187,478	998,916,525
Bank Asia Securities Ltd	22,351,397	24,637,951
BA Exchange Company (UK) Limited	204,426	143,309
BA Express USA, Inc	884,370	2,684,505
	<u>1,008,627,671</u>	<u>1,026,382,290</u>
34 Other expenses		
Conventional and Islamic banking (Note 34.1)	2,109,788,924	2,154,628,806
Off-shore banking unit	6,766,457	14,072,058
	<u>2,116,555,381</u>	<u>2,168,700,864</u>
34.1 Conventional and Islamic banking		
Car expenses	510,831,445	471,246,976
Contractual service expenses	755,021,138	748,033,000
Computer expenses	274,633,732	215,152,872
Other management and administrative expenses	354,512,672	340,737,846
Entertainment	43,410,193	40,112,289
AGM/EGM expenses	1,542,345	1,477,150
Payment to superannuation fund	7,320,000	38,020,000
Donation and subscription to institutions	135,097,766	275,498,141
Travelling expenses	20,266,834	18,192,015
Training and internship	5,452,141	6,158,517
Directors' travelling expenses	1,700,658	-
	<u>2,109,788,924</u>	<u>2,154,628,806</u>
34(a) Consolidated other expenses		
Bank Asia PLC.	2,116,555,381	2,168,700,864
Bank Asia Securities Ltd	14,812,417	12,713,700
BA Exchange Company (UK) Limited	7,648,112	6,213,566
BA Express USA, Inc	62,617,030	46,230,620
	<u>2,201,632,940</u>	<u>2,233,858,750</u>
34(b) Provision for loans and advances/investments and off-balance sheet items		
Conventional and Islamic banking	10,803,223,961	6,875,935,169
Off-shore banking unit	(45,682,717)	(41,035,306)
	<u>10,757,541,244</u>	<u>6,834,899,863</u>
Break up of provision for loans and advances/Investments is shown below:		
General provision		
Conventional and Islamic banking	(672,593,100)	2,366,393,012
Off-shore banking unit	(8,406,900)	(78,431,369)
	<u>(681,000,000)</u>	<u>2,287,961,643</u>
Specific provision		
Conventional and Islamic banking	10,650,925,857	4,174,053,607
Off-shore banking unit	(37,884,613)	37,884,613
	<u>10,613,041,244</u>	<u>4,211,938,220</u>
Provision for off-balance sheet items		
Conventional and Islamic banking	104,891,204	195,488,550
Off-shore banking unit	608,796	(488,550)
	<u>105,500,000</u>	<u>195,000,000</u>
Provision for diminution in value of investments	580,000,000	90,000,000
Other provisions	111,954,004	26,041,590
Provision for start up fund	28,045,996	23,958,410
	<u>10,757,541,244</u>	<u>6,834,899,863</u>

Notes to the financial statements

Amount in Taka

	31-Dec-24	31-Dec-23
34(c) Consolidated Provision for loans and advances/investments		
Bank Asia PLC.	10,757,541,244	6,834,899,863
Bank Asia Securites Limited:	88,418,089	54,752,648
BA Exchange Company (UK) Limited	-	-
BA Express USA, Inc	-	-
	<u>10,845,959,333</u>	<u>6,889,652,511</u>
35 Receipts from other operating activities		
Conventional and Islamic banking (Note 35.1)	5,034,666,648	2,013,413,348
Off-shore banking unit	19,512,319	14,880,540
	<u>5,054,178,967</u>	<u>2,028,293,888</u>
35.1 Conventional and Islamic banking		
Locker charge	14,454,770	13,345,790
Service and other charges	904,799,711	738,001,076
Master card fees and charges	459,255,712	440,010,726
Postage/telex/SWIFT/ fax recoveries	87,299,392	119,250,265
Other non-operating income	3,568,857,063	702,805,491
	<u>5,034,666,648</u>	<u>2,013,413,348</u>
35(a) Consolidated Receipts from other operating activities		
Bank Asia PLC.	5,054,178,967	2,028,293,888
Bank Asia Securities Ltd	49,369,930	45,654,677
BA Exchange Company (UK) Limited	981,567	1,818,534
BA Express USA, Inc	689,740	637,525
	<u>5,105,220,204</u>	<u>2,076,404,624</u>
36 Payments for other operating activities		
Conventional and Islamic banking (Note 36.1)	3,000,981,471	3,017,823,504
Off-shore banking unit	8,478,165	14,402,511
	<u>3,009,459,636</u>	<u>3,032,226,015</u>
36.1 Conventional and Islamic banking		
Rent, rates and taxes	633,735,116	625,571,610
Legal expenses	25,551,895	28,538,049
Directors' fees	4,947,128	3,776,000
Postage, stamp, telecommunication, etc	205,891,107	190,046,039
Other expenses	2,109,788,924	2,154,628,806
Managing Director's salary	19,935,301	13,510,000
Auditors' fee	1,132,000	1,753,000
	<u>3,000,981,471</u>	<u>3,017,823,504</u>
36(a) Payments for other operating activities		
Bank Asia PLC.	3,009,459,636	3,032,226,015
Bank Asia Securities Ltd	26,817,168	24,896,703
BA Exchange Company (UK) Limited	15,797,405	13,446,279
BA Express USA, Inc	94,112,892	69,006,363
	<u>3,146,187,101</u>	<u>3,139,575,360</u>
37 Net Assets Value per Share (NAV)		
Total shareholders' equity	31,842,291,945	29,519,528,884
Number of ordinary shares outstanding	1,165,906,860	1,165,906,860
Net Assets Value per Share (NAV)	<u>27.31</u>	<u>25.32</u>
37(a) Consolidated Net Assets Value per Share (NAV)		
Total shareholders' equity	31,807,889,969	29,402,737,678
Number of ordinary shares outstanding	1,165,906,860	1,165,906,860
Net Assets Value per Share (NAV)	<u>27.28</u>	<u>25.22</u>

	31-Dec-24	31-Dec-23
37(b) Earnings per share (EPS)		
Net profit after tax (Numerator)	2,405,985,494	2,005,914,942
Number of ordinary shares outstanding (Denominator)	1,165,906,860	1,165,906,860
Earnings per share (EPS)	2.06	1.72
37(c) Consolidated Earnings per share (EPS)		
Net profit after tax (Numerator)	2,499,302,323	2,088,925,627
Number of ordinary shares outstanding (Denominator)	1,165,906,860	1,165,906,860
Earnings per share (EPS)	2.14	1.79
37(d) Net Operating Cash Flows per Share (NOCFPS)		
Net cash flows from operating activities	58,666,642,529	(6,759,077,311)
Number of ordinary shares outstanding	1,165,906,860	1,165,906,860
Net Operating Cash Flows per Share (NOCFPS)	50.32	(5.80)
37(e) Consolidated Net Operating Cash Flows per Share (NOCFPS)		
Net cash flows from operating activities	58,830,444,314	(6,637,402,302)
Number of ordinary shares outstanding	1,165,906,860	1,165,906,860
Net Operating Cash Flows per Share (NOCFPS)	50.46	(5.69)
38 Reconciliation of net profit with cash flows from operating activities (Solo basis)		
Profit before tax as per profit and loss account	6,294,599,603	4,695,840,970
Adjustment for non-cash items:		
Provision for Loans and advances	9,932,041,244	6,499,899,863
Provision for Off balance sheet items	105,500,000	195,000,000
Provision for Diminution in value of investments	580,000,000	90,000,000
Provision for other assets	140,000,000	50,000,000
Depreciation of Property plant and equipment	985,187,478	998,916,525
Increase/decrease in operating assets & liabilities		
Loans and advances to customers	(2,400,556,853)	(13,454,684,742)
Other operating assets	(79,690,209)	(319,461,958)
Deposits from customers and banks	55,023,150,196	23,840,882,601
Other operating liabilities	(9,741,284,517)	(24,887,942,769)
Trading liabilities	95,251,357	(1,658,375,958)
Income tax paid	(2,267,555,770)	(2,809,151,843)
Cash flows from operating activities as per cash flow statement	58,666,642,529	(6,759,077,311)
38(a) Reconciliation of net profit with cash flows from operating activities (Consolidated basis)		
Profit before tax as per profit and loss account	6,452,101,137	4,829,960,344
Adjustment for non-cash items:		
Provision for Loans and advances	10,020,459,333	6,554,652,511
Provision for Off balance sheet items	105,500,000	195,000,000
Provision for Diminution in value of investments	580,000,000	90,000,000
Provision for other assets	140,000,000	50,000,000
Depreciation of Property plant and equipment	1,008,627,671	1,026,382,290
Increase/decrease in operating assets & liabilities:		
Loans and advances to customers	(2,461,291,739)	(13,480,958,476)
Other operating assets	17,528,459	(619,183,815)
Deposits from customers and banks	55,008,073,609	24,028,451,732
Other operating liabilities	(9,741,284,517)	(24,887,942,769)
Trading liabilities	48,352,185	(1,563,578,265)
Income tax paid	(2,347,621,824)	(2,860,185,854)
Cash flows from operating activities as per cash flow statement	58,830,444,314	(6,637,402,302)

39 Number of employees

The number of employees receiving remuneration of Taka 36,000 or above per employee per year were 2,711 (2023: 2,751).

40 Audit committee

The Audit Committee of the Board of Directors of Bank Asia PLC. 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 523rd meeting held on 21st April 2024, and 546th meeting held on 21st January 2025 consisting of the following members:

Name	Status with the Audit Committee	Educational qualification
Mr. M. A. Baqui Khalily	Chairman & Independent Director	Ph.D.
Mr. Nafees Khundker	Member & Director	MBA
Ms. Farzana Khan	Member & Independent Director	LL.M.

The Company Secretary of the Bank acts as the Secretary of the Committee.

No. of meeting	Date	No. of meeting	Date
240th Audit	January 16, 2024	246th Audit	July 11, 2024
241st Audit	March 5, 2024	247th Audit	July 18, 2024
242nd Audit	March 31, 2024	248th Audit	July 31, 2024
243rd Audit	April 28, 2024	249th Audit	October 31, 2024
244th Audit	May 13, 2024	250th Audit	November 5, 2024
245th Audit	June 27, 2024	251st Audit	December 10, 2024

In the year 2024, 12 (Twelve) 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 there under.
- 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 in regard to deficiencies raised in the Bangladesh Bank Inspection report and by the Internal Audit and Inspection Team of the Bank.
- 5 The corrective measures taken by the management in regard to the lapses pointed out on the internal control and other issues as are 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 31.12.2023.
- 8 Implementation of Core Risk Management Guidelines including Internal Control and Compliance Risk along with compliance thereof.
- 9 The review of status of recovery of classified loans and providing with the necessary guidelines to the management to contain the NPLs.

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.
- * Internal control and security measures have been adequately undertaken by the Bank towards facilitating Information Technology (IT) based banking including generation of proper Management Information System (MIS).
- * The system of internal control and the business processes have been strengthened including development of human resources towards creation of a compliance culture in the Bank.
- * The efforts have been made to keep assets of the Bank safe along with liabilities and commitments are made transparent.
- * The Financial Statements of the Bank have been prepared in accordance with International Financial Reporting Standards (IFRS) and 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 2024 is given below:

Name of Organization	Relationship	Service Type	Transaction amount (Tk.)
Agro Food Services Ltd.	Common Directors/ Close family members Director	Office Rent	17,647,332.80
Rangs Workshop Ltd	-do-	Car repair and Services	91,269.00
Rangs Itt Ltd.	-do-	Network Connectivity fees	27,026,259.15
Dhs Motors	-do-	Car providers & Car repair and Services	138,073.00
Shield Security Service	-do-	Security Service providers	138,905,314.10
Reliance Insurance	-do-	Insurance Service	32,402,620.00
Ali Estates Limited	-do-	Office Rent	78,003,516.00
M/S. M Ahmed Tea & Land Co. Limited	-do-	Office Rent	396,000.00
Opex Fashions Limited	-do-	Office Rent	4,756,474.28
Rangs Industries Ltd	-do-	Electronics items provider	245,230.00
Rancon Industrial Solutions Limited	-do-	Machinery equipment's provider	3,537,219.00

During the year 2024, 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 2024 is given below:

Particulars	Amount Tk
Short-term employee benefit	221,893,703

Key Management personnel includes Managing Director, 02 no. Additional Managing Director, 08 nos. Deputy Managing Director including Company Secretary, Head of Internal Control & Compliance Division, 11 nos Senior Executive Vice President and Chief Financial Officer.

Key management personnel get car facilities and leave fare assistance as per existing company policy. In addition gratuity, benevolent and superannuation fund benefits are provided as per service rule if eligible.

42 COVERAGE OF EXTERNAL AUDIT

The external auditors of the Bank, MABS & J Partners, Chartered Accountants worked about 8,650 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 2024 was Tk. 17.00 (2023: Tk. 20.20) at DSE and Tk. 17.20 at CSE (2023: 20.50).

44 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors in its 552nd meeting held on April 30, 2025 has recommended 20% dividend (10% cash dividend and 10% stock 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 PLC.

Highlights on the overall activities

as at and for the year ended 31 December 2024

Sl no.	Particulars	Amount in Taka		Amount in USD	
		2024	2023	2024	2023
1	Paid-up Capital	11,659,068,600	11,659,068,600	97,975,366	106,475,512
2	Total Capital	41,546,772,881	40,659,090,575	349,132,545	371,315,896
3	Capital (deficit)/surplus	14,928,498,493	15,940,532,380	125,449,567	145,575,638
4	Total Asset	532,901,817,662	474,147,764,550	4,478,166,535	4,330,116,571
5	Total Deposit	416,559,450,234	361,536,300,038	3,500,499,582	3,301,701,370
6	Total loans and advances / investments	293,725,599,998	291,325,043,145	2,468,282,353	2,660,502,677
7	Total contingent liabilities and commitments	139,954,350,025	152,124,712,085	1,176,086,975	1,389,266,777
8	Credit deposit ratio	64.13%	72.48%	64.13%	72.48%
9	Percentage of classified loans / investments against total loans and advances / investments	11.40%	6.70%	11.40%	6.70%
10	Profit after tax and provision	2,774,599,603	2,395,840,970	23,315,963	21,879,826
11	Amount of classified loans/investments during current year	33,477,951,970	19,510,359,705	281,327,327	178,176,801
12	Provisions kept against classified loans / investments	22,678,827,423	15,620,000,000	190,578,382	142,648,402
13	Provision surplus (shortfall) against classified loans / investments	56,344,446	42,043,418	473,483	383,958
14	Cost of fund	8.35%	7.00%	8.35%	7.00%
15	Interest earning assets	488,348,524,795	432,199,114,747	4,103,769,116	3,947,023,879
16	Non-interest earning assets	44,553,292,867	42,029,497,677	374,397,419	383,831,029
17	Return on investment (ROI) [PAT/(Shareholders' equity + Borrowing)]	4.81%	3.73%	4.81%	3.73%
18	Return on assets (ROA) [PAT/Average assets]	0.55%	0.51%	0.55%	0.51%
19	Income from investment	14,335,176,498	8,376,526,748	120,463,668	76,497,961
20	Capital to Risk Weighted Asset (CRAR)	15.61%	16.45%	15.61%	16.45%
21	Earnings per share/ Net income per share	2.06	1.72	2.06	1.72
22	Price earning ratio	8.25	11.92	8.25	11.92

Exchange rate used 1 USD equivalent to BDT 119 (2023 :109.50)

as at 31 December 2024

Name of the Bank	Account type	Currency type	2024		2023			
			FC amount	Exchange rate	Equivalent Taka	Exchange rate	Equivalent Taka	
Conventional and Islamic banking:								
Interest bearing								
Citibank NA, New York	CD	USD	4,255,389	120.00	510,646,674	9,298,813	103.50	962,427,095
Habib American Bank, New York	CD	USD	15,865,035	120.00	1,903,804,216	15,664,649	103.50	1,621,291,197
Mashreqbank psc, New York	CD	USD	14,103,615	120.00	1,692,433,828	-	-	-
Wells Fargo Bank N.A, New York	CD	USD	2,023,380	120.00	242,805,652	443,239	103.50	45,875,238
Zhejiang Chouzhou Commercial Bank (USD)	CD	USD	43,164	120.00	5,179,704	98,213	103.50	10,165,019
Zhejiang Chouzhou Commercial Bank (CNY)	CD	CNY	670,136	16.45	11,023,732	1,257,362	14.80	18,608,959
					4,365,893,806	2,658,367,508		
Non-interest bearing :								
AB Bank Ltd, Mumbai	CD	ACU	507,579	120.00	60,909,538	67,810	103.50	7,018,353
AKTIF Bank, Istanbul -JPY	CD	JPY	6,803,383	0.77	5,238,605	2,857,516	0.76	2,171,712
Al Rajhi Bank, KSA	CD	SAR	192,784	31.95	6,159,442	519,786	27.50	14,294,123
AXIS Bank Ltd	CD	ACU	-	-	-	451,537	103.50	46,734,051
Bank Alfalah Limited , Karachi PAK (ACU)	CD	ACU	70,632	120.00	8,475,843	47,780	103.50	4,945,257
Bhutan National Bank Ltd, Thimphu	CD	USD	140,371	120.00	16,844,547	143,816	103.50	14,885,003
Citibank N.A., London	CD	GBP	31,205	150.95	4,710,453	11,281	126.05	1,421,985
Citibank N.A., London (EURO)	CD	EURO	895	120.00	107,382	857	109.75	94,056
Commerzbank AG, Frankfurt (EURO)	CD	EURO	367,881	125.30	46,095,470	317,503	109.75	34,845,968
Commerzbank AG, Frankfurt (USD)	CD	USD	171,814	120.00	20,617,648	141,571	103.50	14,652,634
Habib Metropolitan Bank Ltd, Karachi	CD	ACU	59,482	120.00	7,137,877	392,568	103.50	40,630,766
HDFC Bank Limited, Mumbai, India	CD	ACU	177,919	120.00	21,350,248	198,691	103.50	20,564,528
ICICI Bank Ltd, Hongkong	CD	USD	98,093	120.00	11,771,218	69,220	103.50	7,164,234
ICICI Bank Ltd, Mumbai	CD	ACU	-	-	-	580,201	103.50	60,052,537
JP Morgan Chase Bank, New York	CD	USD	43,933,195	120.00	5,271,983,343	3,418,516	103.50	353,841,392
Mashreqbank PSC (Dubai AE)	CD	AED	410,399	32.65	13,399,514	1,046,661	28.20	29,515,831
Mashreqbank psc, Mumbai (EURO)	CD	EURO	-	-	-	8,104	109.75	889,403
Muslim Commercial Bank Ltd, Colombo	CD	ACU	59,354	120.00	7,122,502	75,036	103.50	7,766,255
Nepal Bangladesh Bank Ltd, Kathmandu	CD	ACU	220,264	120.00	26,431,666	65,364	103.50	6,765,163
Riyad Bank, Riyadh (SAR)	CD	SAR	7,937	31.95	253,587	44,557	27.50	1,225,318
Standard Chartered Bank, Mumbai	CD	ACU	150,687	120.00	18,082,472	10,034	103.50	1,038,506
Standard Chartered Bank, New York	CD	USD	-	-	-	151,237	103.50	15,653,079
Wells Fargo Bank N.A, London	CD	EURO	-	-	-	1,222,967	109.75	134,220,662
Zurcher Kantonal Bank, Switzerland	CD	CHF	7,920	134.30	1,063,590	18,245	110.95	2,024,243
					5,547,754,945	822,415,059		
Off-shore banking unit:								
Commerzbank AG, Frankfurt	CD	EURO	1,365,368	119.00	162,478,818	25,801	147.82	3,813,977
Habib American Bank, New York	CD	USD	1,016,004	119.00	120,904,472	732,792	109.50	80,240,688
Sonali Bank, London	CD	GBP	3	190.85	626	3	175.30	575
					283,383,916	84,055,240		
					10,197,032,667	3,564,837,807		

Bank Asia PLC. Investment in Shares

as at 31 December 2024

SL. No.	Name of the company	Face value	No. of shares including bonus shares	Cost of holding	Cost of Per Share	"Quoted rate per share as at 31 Dec 2024"	"Total market value as at 31 Dec 2024"	"Unrealized profit/ (loss) as at 31 Dec 2024"
Quoted Shares								
1	AB Bank PLC.	10	167,660	9,721,019	57.98	7.70	1,290,982	(8,430,037)
2	Dhaka Bank PLC.	10	658,548	15,811,737	24.01	10.90	7,178,173	(8,633,564)
3	Exim Bank PLC.	10	1,924,051	38,577,223	20.05	7.20	13,853,167	(24,724,056)
4	Golden Son Limited	10	119,185	8,586,791	72.05	14.90	1,775,857	(6,810,934)
5	Lanka Bangla Finance PLC.	10	1,310,017	59,762,976	45.62	18.60	24,366,316	(35,396,660)
6	Mercantile Bank PLC.	10	570,314	10,493,778	18.40	10.30	5,874,234	(4,619,544)
7	Phoenix Finance and Investments Limited	10	1,398,248	49,440,057	35.36	3.20	4,474,394	(44,965,663)
8	Prime Finance & Investment Limited	10	72,576	12,001,821	165.37	4.30	312,077	(11,689,744)
9	Prime Insurance Company Limited	10	6,362	574,298	90.27	35.60	226,487	(347,811)
10	Southeast Bank PLC.	10	1,563,801	34,749,467	22.22	9.00	14,074,209	(20,675,258)
11	United Commercial Bank PLC.	10	3,341,853	63,795,974	19.09	9.20	30,745,048	(33,050,926)
12	Energypac Power Generation Limited	10	1,192,800	49,978,320	41.90	12.70	15,148,560	(34,829,760)
A. Provision requirement for quoted shares				353,493,461			119,319,504	(234,173,957)
Available cash balance				110,556,233				
				464,049,694				
Close-End Mutual Fund								
13	1st Janata Bank Mutual Fund	10	7,248,082	50,000,169	6.90	3.30	23,918,671	(26,081,498)
14	MBL 1st Mutual Fund	10	5,000,000	50,000,000	10.00	3.90	19,500,000	(30,500,000)
15	EBL NRB Mutual Fund	10	22,376,041	149,665,000	6.69	3.50	78,316,144	(71,348,856)
16	First Bangladesh Fixed Income Fund	10	38,807,348	250,000,000	6.44	3.40	131,944,983	(118,055,017)
17	EXIM Bank 1st Mutual Fund	10	17,078,783	119,209,905	6.98	3.20	54,652,106	(64,557,799)
B. Provision requirement for Mutual Fund as per BB Circular				90,510,254			308,331,904	(310,543,170)

Bank Asia PLC. Investment in Shares

as at 31 December 2024

Sl. No.	Name of the company	Face value	No. of Shares including bonus Share	Cost of holding	Per Unit cost	Unquoted Rate	
						Per share (NAV)	Total book value Unrealized profit (loss)
Un Quoted Shares							
1	Industrial and Infrastructure Development Finance Co. Ltd.	10	13,380,903	59,000,260	4.41	(19.05)	(59,000,260)
2	Central Depository Bangladesh Limited	10	1,142,361	3,138,890	2.75	40.30	46,037,148
3	SEML PBSL Fixed Income Fund	10	5,000,000	50,000,000	10.00	9.93	49,650,000
4	Bangladesh Rating Agency Limited	100	32,015	3,201,512	100.00	5.72	183,126
5	ERA InfoTech Ltd	100	97,843	191,926	1.96	263.80	25,810,983
6	UFS Bank Asia Unit Fund	10	2,900,000	29,000,000	10.00	12.46	36,134,000
C. Unrealized profit of unquoted stocks				144,532,588		98,814,997	(91,368,646)
7	Provision required for Meghna Cement Mills Ltd						(162,500,000)
8	Provision required for subsidiaries						(103,020,156)
D. Provision for unquoted stock							(356,888,802)
E. Total Provision Requirement (A+B+D)							(901,605,929)
F. Provision maintained							1,033,383,553
G. Provision Excess / (Shortfall) for quoted and unquoted share							131,777,624

Considered quoted and unquoted shares together as part of its investment portfolio for required provision calculation.

Conventional Banking, Islamic Banking and Off-shore Banking unit Schedule of fixed assets including premises, furniture and fixtures

as at 31 December 2024

Particulars	Cost			Rate of dep. %	Depreciation				Written down value as at 31 Dec 2024
	Balance as at 01 Jan 2024	Addition during the year	Disposal/ adjustment during the year	Balance as at 31 Dec 2024	Charged during the year	Charged from Revaluation reserve during the year	Disposal/ adjustment during the year	Balance as at 31 Dec 2024	
Own assets									
Land	2,626,833,266				-			-	2,626,833,266
Building	3,309,685,883	334,278	-	3,310,020,161	5	1,938,967,986	124,403,961	2,117,087,199	1,192,932,962
Furniture and fixtures	1,736,309,371	64,203,400	(1,125,000)	1,799,387,771	20	1,400,481,883	114,600,071	1,514,469,455	284,918,316
Machinery & Equipments	1,752,845,944	81,940,901	-	1,834,786,845	20	1,335,194,667	158,573,372	1,493,768,039	341,018,806
Computer and accessories	758,821,040	13,249,927	-	772,070,967	20	521,870,704	60,362,371	582,233,075	189,837,892
Motor vehicles	260,948,562	9,349,940	(8,892,905)	261,405,597	16.67	216,042,681	15,989,710	223,139,488	38,266,109
Sub-total	10,445,444,066	169,078,446	(10,017,905)	10,604,504,607		5,412,557,921	473,929,485	5,930,697,256	4,673,807,351
Leased assets									
Furniture and fixtures	167,162,848	-	-	167,162,848	20	167,162,848	-	167,162,848	-
Machinery & Equipments	106,201,139	-	-	106,201,139	20	106,201,139	-	106,201,139	-
Computer and accessories	72,204,100	-	-	72,204,100	20	72,204,100	-	72,204,100	-
Motor vehicles	9,000,000	-	-	9,000,000	20	9,000,000	-	9,000,000	-
Sub-total	354,568,087	-	-	354,568,087		354,568,087	-	354,568,087	-
Total	10,800,012,153	169,078,446	(10,017,905)	10,959,072,694		5,767,126,008	473,929,485	6,285,265,343	4,673,807,351
Intangible assets									
Corporate Membership ¹	24,000,000	-	-	24,000,000		-	-	-	24,000,000
	24,000,000	-	-	24,000,000		-	-	-	24,000,000
Work in progress -building⁽²⁾									
Kawran bazar building	-	1,808,610		1,808,610		-	-	-	1,808,610
Renovation & Decoration	26,872,891	6,231,462	(1,434,000)	31,670,353		-	-	-	31,670,353
	26,872,891	8,040,072	(1,434,000)	33,478,963		-	-	-	33,478,963
Total	10,850,885,044	177,118,518	(11,451,905)	11,016,551,657		5,767,126,008	473,929,485	6,285,265,343	4,731,286,314
Right-of-use assets									
Office space ⁽³⁾	2,295,237,704	59,908,722	-	2,355,146,426		1,528,402,590	345,521,785	1,873,924,375	481,222,051
ATM	46,018,613	-	-	46,018,613		18,194,010	9,488,400	27,682,410	18,336,203
Sub-total	2,341,256,317	59,908,722	-	2,401,165,039		1,546,596,600	355,010,185	1,901,606,785	499,558,254
Grand Total	13,192,141,361	237,027,240	(11,451,905)	13,417,716,696		7,313,722,608	828,939,670	8,186,872,128	5,230,844,568

1. Membership fees to Baridhara Cosmopolitan Club Limited (BCCL)

2. Office Renovation includes furniture, fixtures etc.

3. Right-of-use assets arises for implementing of the "IFRS 16: Lease". This amount comprises lease liabilities (ref: Note 13.1.10) and initial payment for executing the contract.

Conventional Banking, Islamic Banking and Off-shore Banking unit Schedule of fixed assets including premises, furniture and fixtures

as at 31 December 2023

Particulars	Cost			Rate of dep. %	Depreciation				Written down value as at 31 Dec 2023
	Balance as at 01 Jan 2023	Addition during the year	Disposal/ adjustment during the year	Balance as at 31 Dec 2023	Charged during the year	Charged from Revaluation reserve during the year	Disposal/ adjustment during the year	Balance as at 31 Dec 2023	
Own assets									
Land	2,646,764,306	-	(19,931,040)	2,626,833,266	-	-	-	-	2,626,833,266
Building	3,278,306,682	11,448,161	19,931,040	3,309,685,883	135,237,779	53,715,252	-	1,938,967,986	1,370,717,897
Furniture and fixtures	1,675,529,937	67,141,476	(6,362,042)	1,736,309,371	116,332,230	-	(5,370,117)	1,400,481,883	335,827,488
Machinery & Equipments	1,693,976,877	98,809,517	(39,940,450)	1,752,845,944	178,918,769	-	(39,940,450)	1,335,194,667	417,651,277
Computer and accessories	536,115,440	223,204,400	(498,800)	758,821,040	44,363,599	-	(594,392)	521,870,704	236,950,336
Motor vehicles	286,585,354	-	(25,636,792)	260,948,562	25,809,476	-	(25,541,198)	216,042,681	44,905,881
Sub-total	10,117,278,596	400,603,554	(72,438,084)	10,445,444,066	500,661,853	53,715,252	(71,446,157)	5,412,557,921	5,032,886,145
Leased assets									
Furniture and fixtures	167,162,848	-	-	167,162,848	-	-	-	167,162,848	-
Machinery & Equipments	106,201,139	-	-	106,201,139	-	-	-	106,201,139	-
Computer and accessories	72,204,100	-	-	72,204,100	-	-	-	72,204,100	-
Motor vehicles	9,000,000	-	-	9,000,000	-	-	-	9,000,000	-
Sub-total	354,568,087	-	-	354,568,087	-	-	-	354,568,087	-
Total	10,471,846,683	400,603,554	(72,438,084)	10,800,012,153	5,284,195,060	500,661,853	53,715,252	5,767,126,008	5,032,886,145
Intangible assets									
Corporate Membership ¹	24,000,000	-	-	24,000,000	-	-	-	-	24,000,000
Sub-total	24,000,000	-	-	24,000,000	-	-	-	-	24,000,000
Work in progress -building⁽²⁾									
Kawran bazar building	-	-	-	-	-	-	-	-	-
Renovation & Decoration	10,000,000	16,872,891	-	26,872,891	-	-	-	-	26,872,891
Sub-total	10,000,000	16,872,891	-	26,872,891	-	-	-	-	26,872,891
Total	10,505,846,683	417,476,445	(72,438,084)	10,850,885,044	5,284,195,060	500,661,853	53,715,252	5,767,126,008	5,083,759,036
Right-of-use assets									
Office space ⁽³⁾	1,566,361,844	792,458,162	(63,582,302)	2,295,237,704	336,999,208	-	-	1,528,402,590	766,835,114
ATM	27,516,272	18,502,341	-	46,018,613	9,978,634	-	-	18,194,010	27,824,603
Sub-total	1,593,878,116	810,960,503	(63,582,302)	2,341,256,317	346,977,842	-	-	1,546,596,600	794,659,717
Grand Total	12,099,724,799	1,228,436,948	(136,020,386)	13,192,141,361	847,639,695	53,715,252	(71,446,157)	7,313,722,608	5,878,418,753

1. Membership fees to Baridhara Cosmopolitan Club Limited (BCCL)

2. Office Renovation includes furniture, fixtures etc.

3. Right-of-use assets arises for implementing of the "IFRS 16: Lease". This amount comprises lease liabilities (ref: Note 13.1.10) and initial payment for executing the contract.

Bank Asia PLC. and its Subsidiaries

Consolidated Schedule of fixed assets including premises, furniture and fixtures

as at 31 December 2024

Annex C-3

Particulars	Cost				Rate of dep. %	Depreciation				Written down value as at 31 Dec 2024
	Balance as at 01 Jan 2024	Addition during the year	Disposal/ adjustment during the year	Balance as at 31 Dec 2024		Charged during the year	Charged from Revaluation reserve during the year	Disposal/ adjustment during the year	Balance as at 31 Dec 2024	
Own assets										
Land	2,626,833,266	-	-	2,626,833,266	0	-	-	-	-	2,626,833,266
Building	3,330,109,386	334,278	1,763,608	3,332,207,272	5	1,955,790,399	124,403,961	3,677,156	2,137,586,768	1,194,620,504
Furniture and fixtures	1,781,690,013	64,760,950	(1,125,000)	1,845,325,963	20	1,429,852,861	121,045,646	(612,499)	1,550,286,008	295,039,955
Machinery & Equipments	1,774,223,726	85,517,030	384,300	1,860,125,056	20	1,351,195,596	161,613,467	-	1,513,198,209	346,926,847
Computer and accessories	776,390,341	15,786,371	-	792,176,712	20	533,086,587	62,524,028	-	595,610,615	196,566,097
Motor vehicles	260,948,562	9,349,940	(8,892,905)	261,405,597	16.67	216,042,681	15,989,710	(8,893,073)	223,139,318	38,266,279
Sub-total	10,550,195,294	175,748,569	(7,869,997)	10,718,073,866	5,485,968,124	485,576,812	53,715,252	(5,439,270)	6,019,820,917	4,698,252,949
Leased assets										
Furniture and fixtures	167,162,848			167,162,848	20	167,162,848			167,162,848	-
Machinery & Equipments	106,201,139			106,201,139	20	106,201,139			106,201,139	-
Computer and accessories	72,204,100			72,204,100	20	72,204,100			72,204,100	-
Motor vehicles	9,000,000			9,000,000	20	9,000,000			9,000,000	-
Sub-total	354,568,087	-	-	354,568,087	354,568,087	-	-	-	354,568,087	-
Total	10,904,763,381	175,748,569	(7,869,997)	11,072,641,953	5,840,536,211	485,576,812	53,715,252	(5,439,270)	6,374,389,004	4,698,252,949
Intangible assets										
Corporate Membership ¹	24,000,000	-	-	24,000,000	-	-	-	-	-	24,000,000
Sub-total	24,000,000	-	-	24,000,000	-	-	-	-	-	24,000,000
Work in progress -building⁽²⁾										
Kawran bazar building	-	1,808,610	-	1,808,610	-	-	-	-	-	1,808,610
Renovation & Decoration	26,872,891	6,231,462	(1,434,000)	31,670,353	-	-	-	-	-	31,670,353
Total	26,872,891	8,040,072	(1,434,000)	33,478,963	-	-	-	-	-	33,478,963
Grand Total	10,955,636,272	183,788,641	(9,303,997)	11,130,120,916	5,840,536,211	485,576,812	53,715,252	(5,439,270)	6,374,389,004	4,755,731,912
Right-of-use assets										
Office space ⁽³⁾	2,390,295,291	62,169,972	(3,922,495)	2,448,542,768	1,576,063,556	357,165,367	-	-	1,933,228,923	515,313,845
ATM	46,018,613	-	-	46,018,613	18,194,010	9,488,400	-	-	27,682,410	18,336,203
Sub-total	2,436,313,904	62,169,972	(3,922,495)	2,494,561,381	1,594,257,566	366,653,767	-	-	1,960,911,333	533,650,048
Grand Total	13,391,950,176	245,958,613	(13,226,492)	13,624,682,297	7,434,793,777	852,230,578	53,715,252	(5,439,270)	8,335,300,337	5,289,381,960

1. Membership fees to Baridhara Cosmopolitan Club Limited (BCCL)

2. Office Renovation includes furniture, fixtures etc.

3. Right-of-use assets arises for implementing of the "IFRS 16: Lease". This amount comprises lease liabilities (ref: Note 13.1.10) and initial payment for executing the contract.

Bank Asia PLC. and its Subsidiaries

Consolidated Schedule of fixed assets including premises, furniture and fixtures

as at 31 December 2023

Annex C-4

Particulars	Cost				Rate of dep. %	Depreciation				Written down value as at 31 Dec 2023
	Balance as at 01 Jan 2023	Addition during the year	Disposal/ adjustment during the year	Balance as at 31 Dec 2023		Charged during the year	Charged from Revaluation reserve during the year	Disposal/ adjustment during the year	Balance as at 31 Dec 2023	
Own assets										
Land	2,646,764,306	-	(19,931,040)	2,626,833,266	0	-	-	-	-	2,626,833,266
Building	3,293,890,517	14,880,767	23,734,378	3,332,505,662	5	1,764,795,525	135,923,094	53,715,252	4,763,285	1,959,197,156
Furniture and fixtures	1,711,112,801	78,207,915	(7,427,843)	1,781,892,873	20	1,310,480,442	124,742,536	-	(5,370,117)	1,429,852,861
Machinery & Equipments	1,712,114,518	102,012,055	(39,365,441)	1,774,761,132	20	1,208,988,250	181,616,383	-	(42,911,391)	1,347,693,242
Computer and accessories	550,184,741	223,567,858	(498,800)	773,253,799	20	487,938,167	45,742,813	-	(498,798)	533,182,182
Motor vehicles	286,585,354	-	(25,636,792)	260,948,562	16.67	215,774,404	25,809,476	-	(25,541,198)	216,042,682
Sub-total	10,200,652,237	418,668,595	(69,125,538)	10,550,195,294		4,987,976,788	513,834,302	53,715,252	(69,558,219)	5,485,968,123
Leased assets										
Furniture and fixtures	167,162,848			167,162,848	20	167,162,848				167,162,848
Machinery & Equipments	106,201,139			106,201,139	20	106,201,139				106,201,139
Computer and accessories	72,204,100			72,204,100	20	72,204,100				72,204,100
Motor vehicles	9,000,000			9,000,000	20	9,000,000				9,000,000
Sub-total	354,568,087	-	-	354,568,087		354,568,087	-	-	-	354,568,087
Total	10,555,220,324	418,668,595	(69,125,538)	10,904,763,381		5,342,544,875	513,834,302	53,715,252	(69,558,219)	5,840,536,210
Intangible assets										
Corporate Membership ¹	24,000,000	-	-	24,000,000		-	-	-	-	24,000,000
Work in progress -building										
Renovation & Decoration	10,000,000	16,872,891		26,872,891		-	-	-	-	26,872,891
Total	10,000,000	16,872,891	-	26,872,891		-	-	-	-	26,872,891
Grand Total	10,589,220,324	435,541,486	(69,125,538)	10,955,636,272		5,342,544,875	513,834,302	53,715,252	(69,558,219)	5,840,536,210
Right-of-use assets										
Office space ³⁾	1,664,903,580	792,458,162	(67,066,451)	2,390,295,291		1,226,867,048	349,196,509	-	-	1,576,063,557
ATM	27,516,272	18,502,341	-	46,018,613		8,215,376	9,978,634	-	-	18,194,010
Sub-total	1,692,419,852	810,960,503	(67,066,451)	2,436,313,904		1,235,082,424	359,175,143	-	-	1,594,257,567
Grand Total	12,281,640,176	1,246,501,989	(136,191,989)	13,391,950,176		6,577,627,299	873,009,444	53,715,252	(69,558,219)	7,434,793,776
										5,957,156,399

1. Membership fees to Baridhara Cosmopolitan Club Limited (BCCL)

2. Office Renovation includes furniture, fixtures etc.

3. Right-of-use assets arises for implementing of the "IFRS 16: Lease". This amount comprises lease liabilities (ref: Note 13.1.10) and initial payment for executing the contract.

Bank Asia PLC. Statement of tax position

Annex D

as at 31 December 2024

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 Appellate Tribunal Level
2021	2022-2023	Assessment Finalized
2022	2023-2024	Assessment Under DCT Level
2023	2023-2024	Return Submitted

Bank Asia PLC.

Details of Large Loan

Annex E

as at 31 December 2024

	2024	2023
Number of clients	14	12
Amount of outstanding advances (Taka)	94,387	85,746
Amount of classified advances (Taka)	-	-
Measures taken for recovery (Taka)	-	-

Client-wise break up is as follows

Amount in million

Sl. No.	Name of clients	Outstanding (Taka) 2024			Outstanding (Taka) 2023		
		Funded	Non Funded	Total	Funded	Non Funded	Total
1	Kabir Group	2,742	1,727	4,469	-	-	-
2	Akij Bashir Group	4,218	600	4,819	-	-	-
3	AKIJ Resources Group	2,959	1,504	4,464	-	-	-
4	Akij Venture Group	3,888	2,184	6,071	3,199	3,566	6,765
5	X-Index Group	4,641	600	5,241	4,806	1,041	5,847
6	Abul Khair	2,935	4,077	7,012	2,207	3,380	5,587
7	Meghna Group	382	7,458	7,840	3,438	4,385	7,823
8	ACI Group	4,977	2,916	7,893	4,890	3,623	8,513
9	Summit Group	4,207	3,131	7,338	5,566	2,779	8,345
10	BSRM	4,966	3,865	8,832	3,863	3,779	7,642
11	Bashundhara Group	7,565	-	7,565	7,148	77	7,225
12	CITY Group	6,023	2,985	9,008	6,040	1,991	8,030
13	Pran RFL Group	1,947	4,153	6,100	4,306	4,553	8,858
14	Echotex Group	2,757	4,978	7,735	1,565	4,424	5,989
15	MAX Group	-	-	-	3,012	2,110	5,122
Total		54,207	40,179	94,387	50,040	35,706	85,747

Bank Asia PLC.

Names of Directors and their interest in different entities

Annex F

as at 31 December 2024

Sl. no.	Name	Status with the Bank	Names of firms/companies in which interested as proprietor/director/managing agent/guarantor/employee/partner, etc.
1.	Mr. Romo Rouf Chowdhury	Chairman	Bank Asia PLC.
			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 Ltd.
			Rancon Electronics Limited
			Rancon Engineering Limited
			Rancon Holdings Limited
			Rancon Car Hubs Limited
			Rancon Infrastructure & Engineering Limited
			Rancon Electronic Limited
			Rancon Oceana Limited
			Inspace Architects Limited
			Rancon Auto Industries Limited
			Rancon Industrial Solutions Ltd.
			Rancon Sea Fishing Limited
			Rancon Trucks & Buses Limited
			Rancon Motor Bikes Limited
			Rancon Eccessories 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 and Fish Meal Ltd.

Sl. no.	Name	Status with the Bank	Names of firms/companies in which interested as proprietor/director/managing agent/guarantor/employee/partner, etc.
2	Ms. Zakia Rouf Chowdhury (Representing Amiran Generations Limited)	Vice Chairman	Bank Asia PLC.
			Ranks Telecom Limited
			Rangs Pharmaceuticals Limited
			Shield Security Services Limited
			Ranks ITT Limited
			Rangs Properties Limited
			Rangs Limited
			Rangs Workshop Limited
			Rancon Motors Limited
			Rangs Industries Ltd.
			Rangs Petroleum Limited
			Rangs Motors Limited
			Rancon Engineering Limited
			Rancon Autos Limited
			Rancon Automobiles Limited
			Rancon Motor Bikes Limited
			Rangs Agro Biotech Limited
			Metro Foils Limited
			Sea Resources Limited
			Sea Fishers Limited
			Sea Resources Agencies Limited
			Fishers Shipyard Limited
			Sea Resources Cold Storage Limited
			Seamans Dockyard and Fish Meal Ltd.
			Rangs Commercial Vehicles Limited
			Rangs Appliance Limited
			Rangs Dolonchapa Express Ltd.
			Rancon Electronic Limited
3.	Mr. Rume A Hossain	Director	Bank Asia PLC.
			Rangs Industries Ltd.
			Rangs Telecom Limited
			Rangs Pharmaceuticals Limited
			Rangs ITT Limited
			Rangs Petroleum Ltd.
			Romask Limited

Sl. no.	Name	Status with the Bank	Names of firms/companies in which interested as proprietor/director/managing agent/guarantor/employee/partner, etc.
4.	Ms. Romana Rouf Chowdhury (Representing Maya Limited)	Director	Bank Asia PLC.
			Ranks Telecom Limited
			Rangs Pharmaceuticals Limited
			Mavis Ispat Limited
			Shield Security Services Limited
			Ranks ITT Limited
			Rangs Properties Limited
			Rangs Limited
			Rangs Workshop Limited
			Rancon Motors Limited
			Rangs Industries Ltd.
			Rancon Autos Limited
			Rangs Motors Limited
			Rancon Automobiles Limited
			Ranks Interiors Limited
			Ranks Real Estate Limited
			Rangs Motors Workshop Limited
			Ranks Agro Biotech Limited
			Sash Limited
			Metro Foils Limited
			Agro Food Services Ltd.
			Sea Resources Limited
			Sea Fishers Limited
			Deep Sea Fishers Limited
			Sea Resources Agencies Limited
			Fishers Shipyard Limited
			Sea Resources Cold Storage Limited
			Seamans Dockyard and Fish Meal Ltd.
			SRL Marine Product Ltd.
			Amiran Romana Ltd.
			Amreen Romana Ltd.
			Sea Natural Ltd.
			Sea Natural Food Ltd.
			Romask Limited

Sl. no.	Name	Status with the Bank	Names of firms/companies in which interested as proprietor/director/managing agent/guarantor/employee/partner, etc.
5.	Ms. Farhana Haq	Director	Bank Asia PLC.
			DHS Motors Limited
			Platform Solutions Limited
			Ali Estates Limited
			Rancon Home Solutions Limited
			DHS Automobiles Limited
			Platform Services Limited
			DHS Commercial Vehicles Limited
			DHS Autos Limited
			DHS Motor Bikes Limited
6.	Mr. Enam Chowdhury (Representing Zest Polymers Limited)	Director	Bank Asia PLC.
			Sea Resources Limited
			Sea Fishers Limited
			Deep Sea Fishers Limited
			Sea Resources Cold Storage Limited
			Sea Resources Agencies Limited
			Rangs Pharmaceuticals Limited
			Fishers Shipyard Limited
			Tiger Digital Ventures Limited
			Agro Food Services Ltd.
7.	Mr. Nafees Khundker	Director	SEAMUMS Cold Storage Limited
			ISECORP Limited
			Bank Asia PLC.
			Rangs Telecom Limited
			Rangs Pharmaceuticals Limited
			Sash Limited
			Rangs Interiors Limited
			Rangs Motors Workshop Limited
			DHS Motors Limited
			Rangs Power Tech Limited
8.	Mr. Sabeth Nayeem Choudhury (Representing Phulbari Tea Estates Ltd.)	Director	Rangs Construction Ltd.
			Bank Asia PLC.
			M. Ahmed Tea & Lands Co. Ltd.
			Phulbari Tea Estates Ltd.
			Premier Dyeing & Calendaring Ltd.
			M. Ahmed Cold Storage Ltd.
			M. Ahmed Food & Spices Ltd.
9.	Mr. Md. Abul Quasem (Independent Director)	Director	M. Ahmed Real Estates Ltd.
			Anwar Galvanizing Ltd.
			Bank Asia PLC.
10.	Mr. M. A. Baqui Khalily (Independent Director)	Director	Baraka Patenga Power Limited
			Bank Asia PLC.

Bank Asia PLC.

Islamic Banking Operations

as at and for the year ended 31 December 2024

Annex G

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 2024

Types of Mudaraba Deposit	Distributable Investment Income Sharing Ratio (ISR) w.e.f. 01.08.2023	
	Client	Bank
Mudaraba Term Deposit Account (MTDA) 1 month tenure	50%	50%
Mudaraba Term Deposit Account (MTDA) 2 month tenure	50%	50%
Mudaraba Term Deposit Account (MTDA) 3 month tenure (Individual)	90%	10%
Mudaraba Term Deposit Account (MTDA) 3 month tenure (Institute) (Below Tk.1 Crore)	80%	20%
Mudaraba Term Deposit Account (MTDA) 3 month tenure (Institute) (Tk.1 Crore & below 10 Crore)	86%	14%
Mudaraba Term Deposit Account (MTDA) 3 month tenure (Institute) (Tk.10 Crore & above)	88%	12%
Mudaraba Term Deposit Account (MTDA) 6 month tenure (Individual)	90%	10%
Mudaraba Term Deposit Account (MTDA) 6 month tenure (Institute)	86%	14%
Mudaraba Term Deposit Account (MTDA) 1 Year tenure (Individual)	90%	10%
Mudaraba Term Deposit Account (MTDA) 1 Year tenure (Institute)	90%	10%
Mudaraba Term Deposit Account (MTDA) 2 Year tenure (Individual)	90%	10%
Mudaraba Term Deposit Account (MTDA) 2 Year tenure (Institute)	90%	10%
Mudaraba Term Deposit Account (MTDA) 3 Year tenure (Individual)	90%	10%
Mudaraba Term Deposit Account (MTDA) 3 Year tenure (Institute)	90%	10%
Mudaraba Term Deposit Account (MTDA) 4 Year tenure (Individual)	90%	10%
Mudaraba Term Deposit Account (MTDA) 4 Year tenure (Institute)	90%	10%
Mudaraba Term Deposit Account (MTDA) 5 Year tenure (Individual)	90%	10%
Mudaraba Term Deposit Account (MTDA) 5 Year tenure (Institute)	90%	10%
Corporate Term Deposit Account (CTDA) 3 month tenure (Tk. 1 Crore and below 10 Crore)	86%	14%
Corporate Term Deposit Account (CTDA) 3 month tenure (Tk. 10 Crore and above)	88%	12%
Corporate Term Deposit Account (CTDA) 6 month tenure (Tk. 1 Crore and below 10 Crore)	88%	12%
Corporate Term Deposit Account (CTDA) 6 month tenure (Tk. 10 Crore and above)	90%	10%
Corporate Term Deposit Account (CTDA) 1 Year tenure (Tk. 1 Crore and below 10 Crore)	90%	10%
Corporate Term Deposit Account (CTDA) 1 Year tenure (Tk. 10 Crore and above)	90%	10%
Mudaraba Monthly Profit Paying Deposit (MMPPD)- 1 - 2 years	85%	15%
Mudaraba Monthly Profit Paying Deposit (MMPPD)- 3-5 years	90%	10%
Mudaraba Deposit Pension Scheme (MDPS) 3 – 12 Years	85%	15%

Types of Mudaraba Deposit	Distributable Investment Income Sharing Ratio (ISR) w.e.f. 01.08.2023	
	Client	Bank
Mudaraba Hajj Savings Scheme (MHSS) 1 Year – 10 Years	90%	10%
Cash Waqf	90%	10%
Mudaraba Savings Account (MSA)	45%	55%
Mudaraba Savings Account-Staff (MSA-Staff)	45%	55%
Mudaraba Savings Account - Smart (MSA - Smart)	45%	55%
Mudaraba Corporate Privilege Savings Account (MCPSA)	45%	55%
Mudaraba Special Notice Deposit Account (MSND)	40%	60%
Smart Junior Saver (School Banking)	50%	50%

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:

- Fixed return based investment
- Variable return based investment

Fixed return based 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 earns 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 Fuqaha, Islamic bankers and academicians conversant in Islamic Economics & Finance.

Bank Asia PLC.

Islamic Banking Unit Balance Sheet

Annex G-1

as at 31 December 2024

	Amount in Taka	
	31 Dec 2024	31 Dec 2023
PROPERTY AND ASSETS		
Cash	1,918,509,797	1,697,086,233
Cash in hand (including foreign currencies)	57,812,660	48,490,726
Balance with Bangladesh Bank and its agent bank (Including foreign currencies)	1,860,697,137	1,648,595,507
Balance with other banks and financial institutions	3,503,044,661	10,502,424,299
In Bangladesh	3,503,044,661	10,502,424,299
Outside Bangladesh	-	-
Placement with other banks and financial institutions	-	-
Investments in shares and securities	5,105,244,000	5,017,750,000
Government	4,405,244,000	4,317,750,000
Others	700,000,000	700,000,000
Investments	23,879,761,450	20,972,415,882
General Investment	23,879,761,450	20,934,478,371
Bills purchased and discounted	-	37,937,511
Fixed assets including premises, furniture and fixtures	2,979,695	3,653,564
Other assets	11,481,575,747	1,496,885,579
Non - banking assets	-	-
Total assets	45,891,115,350	39,690,215,557
LIABILITIES AND CAPITAL		
Liabilities		
Placement from other banks, financial institutions and agents	1,006,263,588	125,800,677
Deposits and other Accounts		
Al-wadeeah current and other deposits accounts, etc.	2,492,819,622	1,722,006,211
Bills payable	58,285,972	28,163,080
Mudaraba savings deposits	7,228,253,474	6,132,159,865
Mudaraba term deposits	31,978,434,731	25,889,636,213
	41,757,793,799	33,771,965,369
Other liabilities	3,127,057,963	5,792,449,511
Total liabilities	45,891,115,350	39,690,215,557
OFF- BALANCE SHEET ITEMS	-	-
Contingent liabilities		
Acceptances and endorsements	340,908,811	20,582,853
Letters of guarantee	490,174,001	471,168,289
Irrevocable letters of credit	3,146,087,677	560,679,905
Bills for collection	682,961,915	48,572,315
Other contingent liabilities	-	-
	4,660,132,404	1,101,003,362
Other commitments	-	-
Total Off-Balance Sheet items including contingent liabilities	4,660,132,404	1,101,003,362

Bank Asia PLC. Islamic Banking Unit Profit and Loss Statement

Annex G-2

for the year ended 31 December 2024

Amount in Taka

	31 Dec 2024	31 Dec 2023
Operating income		
Investment income	2,477,103,753	1,722,453,742
Profit paid on deposits, borrowings, etc.	2,556,702,319	1,806,806,867
Net investment income	(79,598,566)	(84,353,125)
Profit on Investment with bank and financial institutions	279,701,102	250,674,258
Commission, exchange and brokerage	75,569,802	75,022,923
Other operating income	35,098,816	31,424,289
Total operating income	310,771,154	272,768,345
Salaries and allowances	118,636,766	113,703,092
Rent, taxes, insurance, electricity, etc.	19,138,774	17,416,816
Legal expenses	2,192,229	1,168,136
Postage, stamp, telecommunication, etc.	1,762,243	1,170,040
Stationery, printing, advertisement, etc.	1,096,951	1,895,659
Depreciation and repair of Bank's assets	2,340,077	2,523,071
Other expenses	35,402,240	35,966,307
Total operating expenses	180,569,280	173,843,121
Profit before provision	130,201,874	98,925,224

Bank Asia PLC. Off-shore Banking Unit Balance Sheet

Annex H

as at 31 December 2024

	Notes	31 Dec 2024		31 Dec 2023	
		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		-	-	-	-
Outside Bangladesh		2,381,377	283,383,916	767,628	84,055,240
		2,381,377	283,383,916	767,628	84,055,240
Investments					
Government		-	-	-	-
Others		-	-	-	-
Loans and advances					
	4				
Loans, cash credits, overdrafts, etc.		19,962,486	2,375,535,834	31,333,245	3,430,990,300
Bills purchased and discounted		115,163,159	13,704,415,900	127,872,219	14,002,008,006
		135,125,645	16,079,951,734	159,205,464	17,432,998,306
Fixed assets including premises, furniture & fixtures					
		-	-	-	-
Other assets					
	5	175,541	20,889,400	169,698	18,581,925
Non - banking assets					
		-	-	-	-
Total assets					
		137,682,563	16,384,225,050	160,142,790	17,535,635,471
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents					
	6	126,403,092	15,041,967,897	144,984,654	15,875,819,645
Deposits and other accounts					
	7				
Current deposits		3,743,809	445,513,259	9,812,745	1,074,495,629
Bills payable		-	-	-	-
Savings bank deposits		251,361	29,911,930	-	-
Fixed deposits		7,279,529	866,263,938	5,183,341	567,575,881
Bearer certificate of deposit		-	-	-	-
		11,274,699	1,341,689,127	14,996,087	1,642,071,510
Other liabilities					
	8	4,773	568,026	162,049	17,744,316
Total liabilities					
		137,682,563	16,384,225,050	160,142,790	17,535,635,471
OFF- BALANCE SHEET ITEMS					
Contingent liabilities					
Acceptances and endorsements	9	-	-	-	-
Letters of guarantee		27,266	3,244,654	27,266	2,985,627
Irrevocable letters of credit	10	548,754	65,301,726	42,750	4,681,125
Bills for collection		-	-	-	-
Other contingent liabilities		-	-	-	-
		576,020	68,546,380	70,016	7,666,752
Other commitments		-	-	-	-
Total Off-Balance Sheet items including contingent liabilities					
		576,020	68,546,380	70,016	7,666,752

Bank Asia PLC.

Off-shore Banking Unit Profit and Loss Statement

Annex H-1

for the year ended 31 December 2024

	Notes	31 Dec 2024		31 Dec 2023	
		USD	Taka	USD	Taka
Operating Income					
Interest income	11	14,749,569	1,701,067,794	19,793,086	2,115,485,037
Interest paid on deposits and borrowings, etc.	12	10,737,939	1,238,406,484	15,283,851	1,633,537,953
Net interest/net profit on investments		4,011,630	462,661,310	4,509,235	481,947,084
Investment Income		-	-	-	-
Commission, exchange and brokerage	13	41,840	23,734,308	57,293	(8,967,753)
Other operating income	14	169,187	19,512,319	139,227	14,880,540
Total operating income (A)		4,222,657	505,907,937	4,705,755	487,859,871
Salaries and allowances		91,132	10,510,219	99,567	10,641,691
Rent, taxes, insurance, electricity, etc.		14,842	1,711,708	3,092	330,453
Legal expenses		1,045	120,469	-	-
Postage, stamp, telecommunication, etc.		6,344	731,607	4,948	528,795
Stationery, printing, advertisements, etc.		986	113,748	1,245	133,086
Auditors' fees		-	-	-	-
Depreciation and repair of Bank's assets		635	73,275	384	40,997
Other expenses		58,670	6,766,457	131,662	14,072,058
Total operating expenses (B)		173,654	20,027,483	240,897	25,747,080
Profit before provision (C=A-B)		4,049,004	485,880,454	4,464,858	462,112,791

Off-shore Banking Unit (OBU) Notes to the Financial Statements

Annex H-2

as at and for the year ended 31 December 2024

1 Status of the unit

Off-shore banking Unit ("the Unit") is a separate business unit of Bank Asia PLC., 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 119.00 (2023 : BDT 109.50). Income and expenses are translated at an average rate @ USD 1 = BDT 115.33 (2023 : BDT 106.88). Assets and liabilities and Income and expenses of Conventional Banking have been translated into Taka currency @ USD 1 = BDT 120.00

	31 Dec 2024		31 Dec 2023	
	USD	Taka	USD	Taka
3 Balance with other banks and financial institutions				
In Bangladesh	-	-	-	-
Placements with Eastern Bank Limited	-	-	-	-
Outside Bangladesh				
Commerzbank A.G, Frankfurt	1,365,368	162,478,818	34,831	3,813,977
Habib American Bank, New York	1,016,004	120,904,472	732,792	80,240,688
Sonali Bank (UK) Limited, London	5	626	5	575
	2,381,377	283,383,916	767,628	84,055,240
	2,381,377	283,383,916	767,628	84,055,240

4 Loans and advances

Loans, cash credit, overdrafts etc. (Note 4.1)	19,962,486	2,375,535,834	31,333,245	3,430,990,300
Bills purchased and discounted (Note 4.2)	115,163,159	13,704,415,900	127,872,219	14,002,008,006
	135,125,645	16,079,951,734	159,205,464	17,432,998,306

	31 Dec 2024		31 Dec 2023	
	USD	Taka	USD	Taka
4.1 Loans, cash credit, overdrafts etc.				
Term loan industrial	19,792,612	2,355,320,850	31,179,764	3,414,184,152
Loan against trust receipts	-	-	-	-
Overdraft	169,874	20,214,984	153,481	16,806,148
	<u>19,962,486</u>	<u>2,375,535,834</u>	<u>31,333,245</u>	<u>3,430,990,300</u>
4.2 Bills purchased and discounted				
Payable in Bangladesh	115,163,159	13,704,415,900	127,872,219	14,002,008,006
Payable outside Bangladesh	-	-	-	-
	<u>115,163,159</u>	<u>13,704,415,900</u>	<u>127,872,219</u>	<u>14,002,008,006</u>
5 Other assets				
Branch adjustment account	169,698	20,194,050	169,698	18,581,925
Deposits and advance rent	5,843	695,350	-	-
	<u>175,541</u>	<u>20,889,400</u>	<u>169,698</u>	<u>18,581,925</u>
6 Borrowings from other banks, financial institutions and agents				
Borrowing from other banks (Note 6.1)	21,000,000	2,499,000,000	64,500,000	7,062,750,000
Borrowing from Bank Asia Treasury Division	92,315,000	10,985,485,000	57,000,000	6,241,500,000
Borrowing - ECA	13,088,092	1,557,482,897	16,817,984	1,841,569,280
Borrowing from IFC	-	-	6,666,670	730,000,365
	<u>126,403,092</u>	<u>15,041,967,897</u>	<u>144,984,654</u>	<u>15,875,819,645</u>
6.1 Borrowing from other banks				
In Bangladesh				
Jamuna Bank Limited	-	-	5,000,000	547,500,000
Outside Bangladesh				
Asian Development Bank	-	-	7,500,000	821,250,000
Fimbank, Malta	-	-	10,000,000	1,095,000,000
Caixa Bank, Barcelona	21,000,000	2,499,000,000	32,000,000	3,504,000,000
State Bank of India, Hongkong	-	-	10,000,000	1,095,000,000
	<u>21,000,000</u>	<u>2,499,000,000</u>	<u>59,500,000</u>	<u>6,515,250,000</u>
	<u>21,000,000</u>	<u>2,499,000,000</u>	<u>64,500,000</u>	<u>7,062,750,000</u>
7 Deposits and other accounts				
Customer deposits and other accounts (Note 7.1)	<u>11,274,699</u>	<u>1,341,689,127</u>	<u>14,996,087</u>	<u>1,642,071,510</u>
7.1 Customer deposits and other accounts				
Foreign currency (Current)	2,558,931	304,512,783	4,650,905	509,274,119
Other demand deposits(Current)	1,184,878	141,000,476	5,161,840	565,221,510
Savings bank deposits	251,361	29,911,930	-	-
Fixed deposit	7,279,529	866,263,938	5,183,341	567,575,881
	<u>11,274,699</u>	<u>1,341,689,127</u>	<u>14,996,087</u>	<u>1,642,071,510</u>
8 Other liabilities				
Provision for loans and advances	(389,004)	(46,291,513)	(376,141)	(41,187,391)
Provision for off balance sheet items	5,116	608,796	(4,462)	(488,550)
Due to Head Office	383,888	45,682,717	380,602	41,675,941
FDR on Export Bill	-	-	136,713	14,970,083
Interest suspense account	4,773	568,026	25,335	2,774,233
	<u>4,773</u>	<u>568,026</u>	<u>162,049</u>	<u>17,744,316</u>

Off-shore Banking Unit (OBU) Notes to the Financial Statements

	31 Dec 2024		31 Dec 2023	
	USD	Taka	USD	Taka
9 Acceptances and endorsements				
Letters of credit (Back to Back)	-	-	-	-
Letters of credit (Acceptances)	-	-	-	-
	-	-	-	-
10 Irrevocable letters of credit				
Letters of credit (Back to Back)	-	-	-	-
Letters of credit (cash)	548,754	65,301,726	42,750	4,681,125
	548,754	65,301,726	42,750	4,681,125
11 Interest income				
Demand loan	-	-	-	-
Loan against trust receipt	-	-	593	63,374
Term loan - industrial	1,017,104	117,302,658	1,453,419	155,341,432
Foreign bill purchased	13,543,335	1,561,952,830	18,046,836	1,928,845,878
Overdraft	20,190	2,328,525	18,343	1,960,502
	14,580,630	1,681,584,013	19,519,191	2,086,211,186
Interest/profit on balance with other banks and financial institutions	-	-	171,486	18,328,434
Interest/profit received from foreign banks	168,939	19,483,781	102,408	10,945,417
	14,749,569	1,701,067,794	19,793,086	2,115,485,037
12 Interest paid on deposits and borrowings etc.				
Interest on deposit	417,013	48,094,107	272,446	29,119,047
Interest on borrowings	10,320,926	1,190,312,377	15,011,404	1,604,418,906
	10,737,939	1,238,406,484	15,283,851	1,633,537,953
13 Commission, exchange and brokerage				
Commission on L/C	6,337	730,847	3,973	424,634
Commission on export	30,288	3,493,139	38,252	4,088,334
Commission on PO, DD, TT, TC, etc	5,215	601,474	15,068	1,610,499
Foreign exchange gain and charges	-	18,908,848	-	(15,091,220)
	41,840	23,734,308	57,293	(8,967,753)
14 Other operating income				
SWIFT charge recovery	3,632	418,821	4,205	449,457
Other	165,555	19,093,498	135,021	14,431,083
	169,187	19,512,319	139,227	14,880,540

Bank Asia PLC. Statement of outstanding unreconciled entries (nostro account)

as at 31 December 2024

Annex I

Amount in USD

Sl. no.	Period of unreconciliation	As per local book			As per correspondents' book		
		Debit entries		Credit entries		Debit entries	
		No.	Amount	No.	Amount	No.	Amount
1	Less than 1 month	18	1,580,024	160	9,032,147	166	38,214,079
2	More than 1 month but less than 3 months	-	-	1	13,788	-	-
3	More than 3 months but less than 6 months	-	-	1	50	-	-
4	More than 6 months but less than 9 months	-	-	-	-	-	-
5	More than 9 months but less than 12 months	-	-	-	-	-	-
6	More than 12 months	-	-	-	-	-	-
Total		18	1,580,024	162	9,045,985	166	38,214,079
						604	21,359,482

Bank Asia PLC.

Reconciliation between Bangladesh Bank statement and Bank's book

as at 31 December 2024

The reconciling items relates to clearing of the following:

- Bangladesh Bank cheques
- Foreign currency demand drafts
- 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	14,839,139,873.60	15,002,688,278.37	(163,548,404.77)
Bangladesh Bank, Dhaka (Al-wadeeah current account)	1,862,145,174.42	1,860,697,136.92	1,448,037.50
Bangladesh Bank, Chittagong	84,163,872.06	84,163,872.06	-
Bangladesh Bank, Sylhet	30,023,861.99	30,023,861.99	-
Bangladesh Bank, Khulna	17,638,876.95	17,638,876.95	-
Bangladesh Bank, Rajshahi	32,074,045.82	32,074,045.82	-
Bangladesh Bank, Bogra	883,298.26	883,298.26	-
Bangladesh Bank, Barishal	47,402,518.08	47,402,518.08	-
Bangladesh Bank, Rangpur	12,187,571.36	12,187,571.36	-
Total	16,925,659,092.54	17,087,759,459.81	(162,100,367.27)

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

33,441,225.21

-

137,134,111.06

332,675,703.54

(162,100,367.27)

Foreign currency	As per Bangladesh Bank statement	As per Bank's general ledger		Reconciling difference
	USD	USD	BDT	USD
USD Clearing account	12,999,625.07	10,356,011.76	1,242,721,411.20	2,643,613.31
Total	12,999,625.07	10,356,011.76	1,242,721,411.20	2,643,613.31

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

2,093,613.31

-

550,000.00

-

2,643,613.31

Foreign currency	As per Bangladesh Bank statement	As per Bank's general ledger		Reconciling difference
	GBP	GBP	BDT	GBP
GBP Clearing account	16,442.88	16,442.88	2,482,052.74	-
	16,442.88	16,442.88	2,482,052.74	-
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 general ledger		Reconciling difference
	EUR	EUR	BDT	EUR
EUR Clearing account	2,069,540.32	2,069,540.32	259,313,402.10	-
	2,069,540.32	2,069,540.32	259,313,402.10	-
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 general ledger		Reconciling difference
	JPY	JPY	BDT	JPY
JPY Clearing account	45,238.00	45,238.00	34,833.26	-
	45,238.00	45,238.00	34,833.26	-

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)			18,592,311,159	

Bank Asia PLC. Segment Reporting

The Bank reports its operations under the following business segments as per International Financial Reporting Standards (IFRS) 8 “Operating segment”

Amount in Taka

Particulars	Bank Asia PLC.				Bank Asia PLC. and its subsidiaries			Inter company transaction	Consolidated
	Inside Bangladesh				Outside Bangladesh				
	Conventional Banking	Islamic Banking	Off-shore Banking unit	Total	Bank Asia Securities Ltd	BA Exchange Company (UK) Ltd	BA Express USA Inc.		
Interest income	26,336,071,194	2,477,103,753	1,701,067,794	30,514,242,741	264,676,448	-	-	(127,032,198)	30,651,886,991
Interest paid on deposits and borrowings, etc	20,689,165,674	2,556,702,319	1,238,406,484	24,484,274,477	151,905,355	-	-	(127,032,198)	24,509,147,634
Net interest income	5,646,905,520	(79,598,566)	462,661,310	6,029,968,264	112,771,093	-	-	-	6,142,739,357
Investment income	14,055,475,396	279,701,102	-	14,335,176,498	-	-	-	-	14,335,176,498
Commission, exchange and brokerage	4,836,546,322	75,569,802	23,734,308	4,935,850,432	162,594,445	32,952,486	245,055,239	-	5,376,452,602
Other operating income	1,498,231,334	35,098,816	19,512,319	1,552,842,469	49,369,930	981,567	689,740	-	1,603,883,706
Total operating income (A)	26,037,158,572	310,771,154	505,907,937	26,853,837,663	324,735,468	33,934,053	245,744,979	-	21,315,512,806
Salaries and allowances	5,515,211,416	118,636,766	10,510,219	5,644,358,401	114,834,363	25,074,875	51,119,784	-	5,835,387,423
Rent, taxes, insurance, electricity, etc	614,596,342	19,138,774	1,711,708	635,446,824	7,838,400	6,465,658	27,314,207	-	677,065,089
Legal expenses	23,239,197	2,192,229	120,469	25,551,895	450,005	118,437	259,481	-	26,379,818
Postage, stamp, telecommunication, etc	203,397,257	1,762,243	731,607	205,891,107	3,155,679	458,999	1,123,897	-	210,629,682
Stationery, printing, advertisements, etc	161,480,602	1,096,951	113,748	162,691,301	1,064,375	3,811,372	2,422,450	-	169,989,498
Managing Director's salary and fees	19,935,301	-	-	19,935,301	-	-	-	-	19,935,301
Directors' fees	4,947,128	-	-	4,947,128	484,000	-	-	-	5,431,128
Auditors' fees	1,132,000	-	-	1,132,000	76,667	1,106,199	2,798,277	-	5,113,143
Depreciation and repairs of Bank's assets	982,774,126	2,340,077	73,275	985,187,478	22,351,397	204,426	884,370	-	1,008,627,671
Other expenses	2,074,386,684	35,402,240	6,766,457	2,116,555,381	14,812,417	7,648,112	62,617,030	-	2,201,632,940
Total operating expenses (B)	9,601,100,053	180,569,280	20,027,483	9,801,696,816	165,067,303	44,888,078	148,539,496	-	10,160,191,693
Profit before provision (C=A-B)	16,436,058,519	130,201,874	485,880,454	17,052,140,847	159,668,165	(10,954,025)	97,205,483	-	17,298,060,470
Provision:									
Provision for loans and advances/investments				9,932,041,244	88,418,089	-	-	-	10,020,459,333
Provision for off-balance sheet items				105,500,000	-	-	-	-	105,500,000
Provision for diminution in value of investments				580,000,000	-	-	-	-	580,000,000
Other provisions				140,000,000	-	-	-	-	140,000,000
Total provision (D)				10,757,541,244	88,418,089	-	-	-	10,845,959,333
Profit before tax provision (E=C-D)				6,294,599,603	71,250,076	(10,954,025)	97,205,483	-	6,452,101,137
Provision for taxation				3,520,000,000	64,184,705	-	-	-	3,584,184,705
Profit after tax provision				2,774,599,603	7,065,371	(10,954,025)	97,205,483	-	2,867,916,432

Bank Asia PLC. Segment Reporting

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

Amount in Taka

Particulars	Bank Asia PLC.				Bank Asia PLC. and its subsidiaries			Inter company transaction	Consolidated
	Inside Bangladesh				In side Bangladesh		Outside Bangladesh		
	Conventional Banking	Islamic Banking	Off-shore Banking unit	Total	Bank Asia Securities Ltd	BA Exchange Company (UK) Ltd	BA Express USA Inc.		
PROPERTY AND ASSETS									
Cash	22,033,053,999	1,918,509,797	-	23,951,563,796	1,440	19,851	36,930,924	-	23,988,516,011
Balance with other banks and financial institutions	11,794,041,613	3,503,044,661	283,383,916	15,580,470,190	615,011,011	4,573,207	340,690,886	(394,573,861)	16,146,171,433
Money at call and on short notice	-	-	-	-	-	-	-	-	-
Investments	171,776,735,607	5,105,244,000	-	176,881,979,607	1,053,416,879	-	-	-	177,935,396,486
Loans and advances/investments	253,765,886,814	23,879,761,450	16,079,951,734	293,725,599,998	4,214,748,451	-	-	(1,406,630,790)	296,533,717,659
Fixed assets including premises, furniture and fixtures	5,227,864,873	2,979,695	-	5,230,844,568	54,419,795	354,072	3,763,525	-	5,289,381,960
Other assets	6,028,894,356	11,481,575,747	20,889,400	17,531,359,503	399,739,196	1,739,382	69,330,951	(2,583,155,411)	15,419,013,621
Non - banking assets	-	-	-	-	-	-	-	-	-
Total assets	470,626,477,262	45,891,115,350	16,384,225,050	532,901,817,662	6,337,336,772	6,686,512	450,716,286	(4,384,360,062)	535,312,197,170
LIABILITIES AND CAPITAL									
Liabilities									
Borrowings from other banks, Financial institutions and agents	2,065,812,055	1,006,263,588	15,041,967,897	18,114,043,540	1,406,630,790	-	-	(1,406,630,790)	18,114,043,540
Subordinated Non-Convertible Zero Coupon Bond	7,680,250,000	-	-	7,680,250,000	-	-	-	-	7,680,250,000
Deposits and other accounts	373,459,967,308	41,757,793,799	1,341,689,127	416,559,450,234	563,078,106	-	-	(394,573,861)	416,727,954,479
Other liabilities	55,048,704,481	3,127,057,963	568,026	58,705,781,943	2,299,018,376	65,356,495	335,931,459	(424,029,091)	60,982,059,182
Total liabilities	438,254,733,844	45,891,115,350	16,384,225,050	501,059,525,717	4,268,727,272	65,356,495	335,931,459	(2,225,233,742)	503,504,307,201
Total shareholders' equity	31,842,291,945	-	-	31,842,291,945	2,068,609,500	(58,669,983)	114,784,827	(2,159,126,320)	31,807,889,969
Total liabilities and shareholders' equity	470,097,025,789	45,891,115,350	16,384,225,050	532,901,817,662	6,337,336,772	6,686,512	450,716,286	(4,384,360,062)	535,312,197,170

Bank Asia Securities 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**, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management of Bank Asia Securities Limited is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 and other application laws and regulations and such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

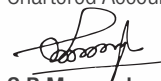
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, to communicate with them all relationship and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and Securities and Exchange Rules 2020, We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) the expenditure was incurred for the purpose of the company's business.

Sign Signed for and on behalf of
MABS & J Partners
Chartered Accountants



C R Mazumder, FCA
Managing Partner
ICAB Enrollment No: 178
DVC: 2504230178AS191478

Dhaka, 23 April 2025

Bank Asia Securities Limited

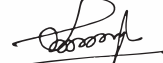
Statement of Financial Position

as at 31 December 2024

		Amount in Taka	
	Notes	31 Dec 2024	31 Dec 2023
Non-current assets			
Property, plant and equipment	4	54,419,795	74,782,943
Demutualization membership of DSE	5	114,839,239	114,839,239
Total non- current assets		169,259,034	189,622,182
Current Assets			
Advances, deposits and prepayments	6	63,649,540	61,157,340
Investment in shares	7	938,577,640	926,413,043
Margin loans to customer	8	4,214,748,451	4,552,939,579
Accounts receivable	9	36,712,657	30,417,122
Advance income tax	10	299,376,999	331,577,707
Deferred tax assets	23	5,382,291	6,050,614
Cash and cash equivalents	11	615,012,451	572,838,428
Total current assets		6,173,460,029	6,481,393,833
Total assets		6,342,719,063	6,671,016,015
Shareholders' equity and liabilities			
Share capital	12	2,000,000,000	2,000,000,000
Capital reserve	12.1	2,474,543	2,090,869
Retained earnings	13	71,517,248	65,503,874
Shareholders' equity		2,073,991,791	2,067,594,743
Non-current liabilities			
Financial lease obligation	14	15,532,714	31,771,220
Total non- current liabilities		15,532,714	31,771,220
Current Liabilities			
Clients' payable (customer deposits)	15	563,078,105	535,465,276
Loans and borrowings	16	1,406,630,790	1,805,556,804
Accounts payable	17	41,358,010	32,566,056
Other liabilities	18	32,130,196	28,400,491
Interest suspense account	19	890,799,214	890,799,214
Provision for diminution in value of investments	20	84,911,772	84,911,772
Provision for client margin loan	21	998,108,555	909,690,466
Provision for corporate income tax	22	236,177,916	284,259,973
Total current liabilities		4,253,194,558	4,571,650,052
Total liabilities		4,268,727,272	4,603,421,272
Total equity and liabilities		6,342,719,063	6,671,016,015

These Financial Statements should be read in conjunction with the annexed notes

Sign Signed for and on behalf of
MABS & J Partners
Chartered Accountants



C R Mazumder, FCA
Managing Partner
ICAB Enrollment No: 178
DVC: 2504230178AS191478

Dhaka, 23 April 2025

Bank Asia Securities Limited

Statement of Profit or loss and Other Comprehensive Income

for the period ended 31 December 2024

		Amount in Taka	
	Notes	2024	2023
Brokerage commission	24	162,594,445	142,385,428
Interest income	25	264,676,448	209,526,705
Interest expense	26	(151,905,355)	(129,341,894)
Net interest income		112,771,093	80,184,811
Other operating income/(loss)	27	49,369,930	45,654,677
Total operating income		324,735,468	268,224,916
Operating expenses	28	(165,067,303)	(159,575,958)
Profit before provision		159,668,165	108,648,958
Provision for diminution in value of investments	20	-	-
Provision for client margin loan	21	(88,418,089)	(54,752,648)
Profit /(Loss) before tax		71,250,076	53,896,310
Current tax expense	22	(64,184,705)	(51,108,689)
Deferred tax Income/(expense)	23	(668,323)	1,379,600
Income tax expense		(64,853,028)	(49,729,089)
Profit after tax		6,397,048	4,167,221
Other comprehensive income		-	-
Total comprehensive income/(loss)		6,397,048	4,167,221
Appropriation to			
Capital reserve		(383,674)	(330,482)
Total Comprehensive income		6,013,374	3,836,739
Earnings per share	29	0.32	0.21

These financial statements should be read in conjunction with the annexed notes

-sd-

Chairman

-sd-

Director

-sd-

Chief Executive Officer

Sign Signed for and on behalf of
MABS & J Partners
Chartered Accountants



C R Mazumder, FCA
Managing Partner

ICAB Enrollment No: 178

DVC: 2504230178AS191478

Dhaka, 23 April 2025

Bank Asia Securities Limited

Statement of Cash Flows

for the period ended 31 December 2024

	Amount in Taka	
	2024	2023
A. Cash flows from operating activities		
Cash received from		
Interest income	264,676,448	209,526,705
Brokerage commission	162,594,445	142,385,428
Cash payment for		
Interest expenses	(113,665,692)	(115,993,010)
Operating expenses	(138,986,202)	(134,434,635)
Customers' deposits	27,612,830	8,117,898
Margin loan to customers	334,744,133	(555,060,123)
Other assets	(8,787,735)	(11,972,861)
Accounts Payable	8,791,954	3,580,130
Income tax paid	(80,066,054)	(51,034,011)
Net cash flows from/ (used in) operating activities	456,914,128	(504,884,480)
B. Cash flows from investing activities		
Investment in shares	(12,164,597)	(52,106,631)
Acquisition of property and equipment	(3,649,494)	(17,547,619)
Net cash used in investing activities	(15,814,091)	(69,654,250)
C. Cash flows from financing activities		
Loans and borrowings	(398,926,014)	548,991,018
Net cash from financing activities	(398,926,014)	548,991,018
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	42,174,023	(25,547,712)
E. Opening cash and cash equivalents	572,838,428	598,386,140
F. Closing cash and cash equivalents	615,012,451	572,838,428

These Financial Statements should be read in conjunction with the annexed notes

-sd-	-sd-	-sd-
Chairman	Director	Chief Executive Officer

Bank Asia Securities Limited

Statement of Changes in Equity

for the period ended 31 December 2024

Particulars	Amount in Taka			
	Share capital	Capital reserve	Retained earnings/ (Accumulated Losses)	Total
Period ended 31 Dec 2023				
Opening balance	2,000,000,000	1,760,387	61,667,135	2,063,427,522
Net profit for the period	-	-	4,167,221	4,167,221
Transfer during the year		330,482	(330,482)	-
Closing balance	2,000,000,000	2,090,869	65,503,874	2,067,594,743
Period ended 31 Dec 2024				
Opening balance	2,000,000,000	2,090,869	65,503,874	2,067,594,743
Net profit for the period	-	-	6,397,048	6,397,048
Transfer during the year		383,674	(383,674)	-
Closing balance	2,000,000,000	2,474,543	71,517,248	2,073,991,791

These Financial Statements should be read in conjunction with the annexed notes

-sd-
Chairman

-sd-
Director

-sd-
Chief Executive Officer

Bank Asia Securities Limited

Notes to the Financial Statements

as at and for the period ended 31 December 2024

1. Reporting Entity

Bank Asia Securities Limited ("the Company"), a majority owned subsidiary company of Bank Asia PLC. 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 2024 to 31 December 2024.

2.6 Date of authorization

The Board of Directors accorded its approval and authorized these financial statements on 23 April 2025

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 cost 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 Act, 2023 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, four digital booth and Two Extension Office (excluding Head Office), with no overseas branch as on December 31, 2024.

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 Profit or loss and other Comprehensive Income after receiving the trading note of securities transacted from Dhaka Stock Exchange Limited and Chittagong 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 2024 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:

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

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:

- those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- those that are indicative of conditions that arose after the reporting period (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 2024 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 Act 2023. In case any requirements of the 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/MSMID/NE/2023/840 dated October 22, 2023, provision has been made for impairment of margin loan arising out of year-end (31.12.2024) 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 31.12.2024 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.

Departure: 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 form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

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
- IAS- 38 Intangible Assets

Bank Asia Securities Limited

Notes to the Financial Statements

IFRS- 7 Financial Instruments : Disclosures;
IFRS- 9 Financial Instruments
IFRS- 13 Fair Value Measurement
IFRS- 15 Revenue
IFRS- 16 Lease

3.15 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

- 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.
- 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 2024	31 Dec 2023
Opening balance	27,386,322	22,279,353
Add: Addition during the period	3,649,494	17,547,619
Less: Depreciation charge for the period	10,707,816	12,440,651
A. Closing balance	20,328,000	27,386,322

4.1 Right of use of assets

Opening balance	47,396,621	63,078,070
Add: Addition during the year	2,261,250	-
	49,657,871	63,078,070

	31 Dec 2024	31 Dec 2023
Less: Adjustment/disposal	3,922,495	3,484,149
Less: Depreciation charge for right of use of assets	11,643,582	12,197,301
B. Closing balance	34,091,794	47,396,621
Grand Total (A+B)	54,419,794	74,782,943

Details are given in Annex I

5. Demutualization Membership of Dhaka Stock Exchange

114,839,239 114,839,239

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 PLC. (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.

6. Advances, Deposits and Prepayments

Investment in Xpert Fintec	30,000,000	30,000,000
Security Deposit for CSE TREC	30,000,000	30,000,000
Advance for Legal Advice & Stamp	99,540	77,340
Advance for employee car	3,150,000	-
Collateral amount for digital booth to DSE	400,000	400,000
Own subscription in IPOs but not yet allotted	-	680,000
	63,649,540	61,157,340

7. Investment in Shares (Details are given in Note 7.1, 7.2 & 7.3)

938,577,640 926,413,043

7.1 Investment in shares in Dealer Account

573,778,537 543,432,726

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

364,799,103 382,980,317

All investments in marketable securities are valued on an aggregate portfolio basis at cost price, at the balance sheet date. Investment made under Bangladesh 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	797,646,929	797,185,763
Value of "B/G/N/..." category instruments	90,019,879	17,017,868
Value of "Z" category instruments	11,244	-
Value of "OTC" category instruments	-	-
Value of Non-Listed Instruments	-	-
Proprietary positions in MFs & CIs		
Value of listed funds	37,361,265	107,959,029
Value of non-listed funds	9,287,940	-
Value of AIFs	-	-

Bank Asia Securities Limited

Notes to the Financial Statements

	31 Dec 2024	31 Dec 2023
Value of listed debt instruments	4,250,383	4,250,383
	<u>938,577,640</u>	<u>926,413,043</u>

8. Margin Loans to Customers

Opening balance	4,552,939,579	3,977,674,827
Add: Interest charged during the period	229,611,411	192,087,839
	4,782,550,990	4,169,762,666
Less: Repayment /(addition) of Margin Loan during the period	567,802,539	(383,176,913)
Closing balance	<u>4,214,748,451</u>	<u>4,552,939,579</u>

The Company extends margin loan facilities to customers for trading of shares on the secondary capital market in Bangladesh. Margin loans are extended on a ratio based on the equity invested by individual customers. The ratio during the year based on directives issued by Bangladesh 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 equity against debit balance)	2,541,436,034	2,561,991,353
Receivable to Clients fall under force sale condition (e.g. equity is between 100% and 125% of DB)	332,928,335	125,819,633
Receivable to Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB)	521,991,038	108,188,411
Receivable to regular Margin Clients (e.g. equity is >150% of debit balance)	818,393,044	1,756,940,182
Total margin loan	<u>4,214,748,451</u>	<u>4,552,939,579</u>

9. Accounts Receivable

Receivable from Dhaka Stock Exchange PLC. (Broker) (note 9.1)	23,446,404	19,263,830
Receivable from Chittagong Stock Exchange PLC. (Broker)	135,029	10,327
Receivable Dividend (Dealer & SFCM)	13,131,224	11,142,964
	<u>36,712,657</u>	<u>30,417,122</u>

9.1 Receivable from Dhaka Stock Exchange PLC. (Broker)

Receivable against A,B,G and N category	14,049,185	16,009,681
Receivable against Z category	9,379,109	2,107,231
Receivable against DVP category	18,110	1,146,918
Total receivable from DSE	<u>23,446,404</u>	<u>19,263,830</u>

10. Advance Income Tax

Opening balance	331,577,707	372,449,376
Tax deducted at source from brokerage commission	38,993,827	33,783,524
Tax deducted at source from dividend income	6,008,293	5,278,998
Advance Tax as per Section 64 & 74 (New 173 & 214)	7,516,890	8,110,010
Advance tax others (Trade Licence)	14,000	15,000
Advance Tax for Appeal to High Court	20,520,036	-
Tax deducted at source from bank interest	7,013,007	3,846,479
	80,066,054	51,034,011
Less: Adjusted during the period	112,266,762	91,905,680
Closing balance	<u>299,376,999</u>	<u>331,577,707</u>

Advance tax has been paid under Section 293 of the Income Tax Act 2023 for the assessment years 2013-2014 and 2017-2018 in connection with an appeal filed before the High Court against the DCT assessment.

	31 Dec 2024	31 Dec 2023
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11. Cash and Cash Equivalents

Cash in hand (note 11.1)	1,440	8,699
Cash at Bank (note 11.2)	615,011,011	572,829,729
	615,012,451	572,838,428

11.1 Cash in hand

Head-office & Branch	1,440	8,699
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11.2 Cash at Bank

Bank Asia PLC (Consolidated Customer A/C-00836000674)	394,320,028	351,729,120
ONE Bank PLC (Consolidated Customer A/C-0015025406003)	145,558,072	82,319,517
Midland Bank PLC (Consolidated Customer A/C-0001-1060000011)	74,039,121	137,959,225
Bank Asia PLC (Current Deposit Account-00833007917)	160,707	151,337
Bank Asia PLC (BP A/C for BGTB-00836000739)	93,126	3,988
ONE Bank PLC (Dealer Account-0015025405007)	839,957	666,542
	615,011,011	572,829,729

12. Share Capital

Authorized capital :

20,000,000 ordinary shares of Taka 100 each	2,000,000,000	2,000,000,000
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Issued, subscribed and paid up capital:

20,000,000 ordinary shares of Taka 100 each	2,000,000,000	2,000,000,000
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The Company's shareholding position as at 31 December 2024 was as under:

Name of shareholder	No. of shares	% of holding	Value/Taka
Bank Asia PLC	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. Abul Quasem	100	0.0005%	10,000
Mr. Sohail Reza Khaled Hussain	100	0.0005%	10,000
Mr. Md. Sazzad Hossain	100	0.0005%	10,000
Mr. Mohammad Ibrahim Khalil	100	0.0005%	10,000
	20,000,000	100.00%	2,000,000,000

12.1 Capital reserve

Opening balance	2,090,869	1,760,387
Add: Addition during the year	383,674	330,482
	2,474,543	2,090,869
Less: Adjusted during the period	-	-
Closing balance	2,474,543	2,090,869

Bank Asia Securities Limited

Notes to the Financial Statements

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 2024	31 Dec 2023
13. Retained Earnings		
Opening balance	65,503,874	61,667,135
Less: Dividend paid	-	-
	65,503,874	61,667,135
Add: Total comprehensive income during the period	6,397,048	4,167,221
Less: Transfer to capital reserve	(383,674)	(330,482)
Closing balance	71,517,248	65,503,874
14. Financial Lease Obligation		
Opening balance	31,771,220	47,356,532
Add: Addition during the year	-	-
	31,771,220	47,356,532
Less: Conversion to short term	16,238,506	15,585,312
Closing balance	15,532,714	31,771,220
15. Clients' Payable (Customer Deposits)	563,078,105	535,465,276
Customer deposits represent uninvest funds lying with the Company's account at the reporting date.		
16. Loans and Borrowings		
Bank Asia PLC.	1,031,298,293	1,416,909,912
Bank Asia PLC.-(SFCM)	375,332,497	388,646,892
	1,406,630,790	1,805,556,804
17. Accounts Payable		
Payable for IPO Application Process	-	17,760,000
Interest Payable	38,239,663	13,348,884
Dhaka Stock Exchange PLC. (Broker)	3,118,347	1,457,172
	41,358,010	32,566,056
18. Other Liabilities	32,130,196	28,400,491
18.1 Liabilities for expenses	17,515,354	14,702,731
The amount represents provisions against operating expenses during the period.		
18.2 Current portion of lease obligation		
Opening balance	13,697,761	11,645,236
Add: Interest charge during the year	3,085,218	4,349,213
Add: Conversion from long term	16,238,506	15,585,312
	33,021,485	31,579,761
Less: Paid during the period	18,406,643	17,882,000
Closing balance	14,614,842	13,697,761

	31 Dec 2024	31 Dec 2023
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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	84,911,772
Add: Provision made during the period	-	-
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 & BSEC/Survalance/Mukhopatro(5th Khondo)/2019/360; Date: 15 March 2023 Bank Asia Securities Ltd has the option to maintain provision of total unrealized loss within December 31, 2025.

21. Provision for Client Margin Loan (Note 21.1 & 21.2)

Opening Balance	909,690,466	854,937,818
Add: Provision made during the period for unrealized loss arising for client margin loan	91,800,000	49,000,000
Add: Provision made during the period for outstanding margin loan	(3,381,911)	5,752,648
Closing Balance	998,108,555	909,690,466

21.1 Provision for unrealized loss arising for client margin loan

Opening Balance	864,161,070	815,161,070
Add: Provision made during the period	91,800,000	49,000,000
Closing Balance	955,961,070	864,161,070

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, subsequent BSEC letter no. BSEC/SRI/NE/2020/605 dated December 28, 2022, BSEC/MSMID/NE/2023/840 dated October 22, 2023 & BSEC/MSMID/NE/2023/1690 dated March 28, 2024 Bank Asia Securities Ltd has the option to maintain provision of total unrealized loss arising for client margin loan within January 31, 2025.

21.2 Provision for outstanding margin exposure

Opening balance	45,529,396	39,776,748
Add: Addition during the year	(3,381,911)	5,752,648
	42,147,485	45,529,396
Less: Adjusted during the period	-	-
Closing balance	42,147,485	45,529,396

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

Opening balance	284,259,973	325,056,964
Add: Provision made during the period	64,184,705	51,108,689
Less: Adjusted during the period	112,266,762	91,905,680
Closing balance	236,177,916	284,259,973

**Bank Asia
Securities Limited
Notes to the Financial Statements**

	31 Dec 2024	31 Dec 2023
23. Deferred Tax		
Opening balance	6,050,614	4,671,014
Add: Provision for the during year	-	-
Less: Adjustment during the year	668,323	(1,379,600)
Closing balance	5,382,291	6,050,614
24. Brokerage Commission		
Brokerage commission	192,008,742	167,638,300
Less: Hawla charges	2,200	3,950
Laga charges	19,147,978	16,696,788
Service charge from clients for CDBL	10,264,119	8,552,134
	162,594,445	142,385,428
25. Interest Income		
Income from bank deposits	35,065,037	17,438,866
Income from margin loan	229,611,411	192,087,839
	264,676,448	209,526,705
26. Interest Expense		
Interest on loan	127,032,198	115,993,009
Interest expense agnt. customer deposit	24,873,157	13,348,885
	151,905,355	129,341,894
27. Others Operating Income		
BO account opening fees	672,000	737,000
Margin account renewal fees	898,000	914,000
Income from transfer/transmission/corporate action	493,881	816,004
Margin account opening fees	38,000	162,000
BO account renewal fees	1,136,800	1,136,700
IPO processing fees	91,074	18,660
Other income*	692,296	620,044
Dividend Income from investment in shares	32,732,579	26,761,563
Capital gain from investment in shares (Note # 27.01)	12,615,300	14,488,706
	49,369,930	45,654,677
Other income includes cheque collection charge, RTGS charge, cheque dishonor charge & other unclassified income		
27.1. Capital gain from investment in shares		
Sales price of shares	71,998,001	135,598,141
Less: Cost Price of Shares	59,382,701	121,109,435
Capital gain from shares investment	12,615,300	14,488,706

	31 Dec 2024	31 Dec 2023
28. Operating Expenses		
Audit fees	76,667	76,667
Bank charges	396,558	377,024
Bank guarantee commission	2,806,001	2,430,636
Business and promotional expenses	430,236	346,312
Cleaning expenses	476,527	509,134
Computer accessories	261,685	345,772
Traveling & Conveyance	294,240	325,898
Depreciation	22,351,397	24,637,951
Directors' remuneration	484,000	544,500
Entertainment	1,790,514	1,732,216
Fuel and oil	63,534	72,884
Insurance premium	994,788	699,723
Internet charges	2,714,260	2,429,697
Internship Allowance	70,000	120,000
Investor protection fund to DSE & CSE	119,202	29,213
License and renewal fees	1,435,941	1,247,765
Newspaper	53,527	49,624
Rent & others (Note: 28.1)	5,053,098	6,082,493
Others	-	29,089
Postage and courier	26,034	37,960
Printing and stationery	1,064,375	919,535
Professional & Legal expenses	450,005	149,685
Repair and maintenance	2,173,774	1,205,404
Salaries and allowances	114,834,363	109,121,769
Telephone & Mobile Bill	415,385	430,062
Training Expenses	464,835	219,527
Utilities	5,766,359	5,405,418
Closing balance	165,067,303	159,575,958

**Bank Asia
Securities Limited
Notes to the Financial Statements**

	31 Dec 2024	31 Dec 2023
28.1 Rent & others		
Office rent	1,967,880	1,733,280
Interest portion on lease liabilities	3,085,218	4,349,213
	<u>5,053,098</u>	<u>6,082,493</u>

Total rent expenses for the period was Tk. 20,374,523.16 as per IAS 17. To implement "IFRS16: Lease" this rent expense has been adjusted with depreciation arises against right of use of assets (ref: Annex I) and interest expenses arises against lease liabilities.

29. Earning per Share

Profit After Tax	6,397,048	4,167,221
Number of Ordinary Shares	20,000,000	20,000,000
Earning per shares	<u>0.32</u>	<u>0.21</u>

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	<u>484,000</u>	<u>544,500</u>
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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 66 in 31 December 2024. (In 2023 it was 69 employees)

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 2024 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 2024 and of its loss 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 directors are 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 directors' 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, Statutory Auditor
Chartered Accountants

Date: 4 March 2025
Q West
Great West Road
Brentford
TW8 0GP

BA EXCHANGE COMPANY (UK) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	2023 £
Turnover	3	242,636	323,830
Cost of Sales		(48,425)	(23,596)
Gross Profit		194,211	300,234
Administrative expenses		(256,499)	(236,161)
(Loss)/profit before taxation		(62,288)	64,073
Tax on (loss)/profit		-	-
(Loss)/profit for the financial year		(62,288)	64,073

The profit and loss account has been prepared on the basis that all operations are continuing operations.

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	8		2,366		2,524
Current assets					
Debtors	9	11,623		14,013	
Cash at bank and in hand		30,692		111,848	
		42,315		125,861	
Creditors: amounts falling due within one year	10	(424,749)		(446,165)	
Net current liabilities			(382,434)		(320,304)
Net liabilities			(380,068)		(317,780)
Capital And Reserves					
Called up share capital			300,000		300,000
Profit and loss reserves			(680,068)		(617,780)
Total Equity			(380,068)		(317,780)

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 4 March 2025 and are signed on its behalf by:

Sher Mahmud Saika
Director

Company registration number 7314397 (England and Wales)

BA EXCHANGE COMPANY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

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. 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 PLC.. 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 loss during the year after a number of years of profit last year, in an ongoing competitive market, and the company is carrying accumulated losses. The results are in line with expectations, the loss arose mainly due to additional costs in relation to exit payment for the UK based director and the overall commission income down to reduced business which was higher last year due to the favourable FX rate driving demand and also creating a large FX gain. This was not the case this year.

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 months 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 2024.

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 2024

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 2024 (2023 - 100%) have arisen from within the United Kingdom.

4 Operating (loss)/profit

	2024 £	2023 £
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	2,500	2,545
Depreciation of owned tangible fixed assets	374	349
Operating lease charges	25,635	23,110

5 Auditor's remuneration

Fees payable to the company's auditor and associates:

For audit services

Audit of the financial statements of the company	2,500	2,545
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6 Employees

The average monthly number of persons (including directors) employed by the company during the year was: 7

Management	4	4
Counter Staff	3	3
	7	7

Their aggregate remuneration comprised:

Wages and salaries	170,006	140,620
	170,006	140,620

7 Directors' remuneration

Remuneration paid to directors	104,261	66,200
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8 Tangible fixed assets Plant & Machinery

	2024 £
Cost	
At 1 January 2024	23,482
Additions	216
At 31 December 2024	23,698
Depreciation and impairment	
At 1 January 2024	20,958
Depreciation charged in the year	374
At 31 December 2024	21,332
Carrying amount	
At 31 December 2024	2,366
At 31 December 2023	2,524

9 Debtors

Amounts falling due within one year:	2024 £	2023 £
Other debtors	11,623	14,013

10 Creditors: amounts falling due within one year

Trade creditors	419,682	391,402
Taxation and social security	3,712	3,907
Other creditors	1,355	50,856
	424,749	446,165

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 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 its parent entity Bank Asia PLC. 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 £415,760 (2023 - £385,018)

13 Parent company

The Company's ultimate parent undertaking is Bank Asia PLC., a company incorporated in Bangladesh. The accounts for this entity may be obtained from Head Office Bank Asia Corporate Office, Bank Asia Tower, 32 & 34, Kazi Nazrul Islam Avenue, Kawran Bazar Dhaka-1000, Bangladesh or on their website www.bankasia-bd.com.

BA EXPRESS USA, INC.

INDEPENDENT AUDITOR'S REPORT

MONIS SIDDIQUI, CPA P.C.

Certified Public Accountants

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, 2024, 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, 2024, 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 Siddiqui, CPA P.C.

Manhasset Hills, New York

30 March, 2025

BA EXPRESS USA, INC.

BALANCE SHEET

Year Ended December 31, 2024

Assets	2024 (\$)	2023 (\$)
Current Assets:		
Cash, cash equivalents and investments	3,173,293	1,991,250
Accounts receivable	538,157	1,457,511
Total current assets	3,711,450	3,448,761
Furniture, equipment & leasehold improvements, net	31,626	32,888
Other assets		
Organization costs, net	4,155	5,016
Security deposits	40,300	42,865
Total other assets	44,455	47,881
Total assets	3,787,531	3,529,530
LIABILITIES AND STOCKHOLDER'S EQUITY		
Liabilities		
Remittance payable	2,057,766	3,074,412
Due to beneficiary	702,476	252,808
Other liabilities	62,711	80,615
Total liabilities	2,822,953	3,407,835
Stockholder's equity	964,578	121,695
Total liabilities and stockholder's equity	3,787,531	3,529,530

See the accompanying notes and auditor's report

BA EXPRESS USA, INC.

STATEMENT OF OPERATIONS

Year Ended December 31, 2024

	2024 (\$)	2023 (\$)
Revenue		
Commissions & fees	462,471	88,852
Realized gain on foreign exchange	1,964,288	1,706,223
Interest income	5,981	5,965
Total revenues	2,433,010	1,801,040
Expenses		
Payroll and wages	327,353	257,757
Payroll taxes	103,414	81,202
Commission fees	302,159	88,827
Professional fees	26,514	17,483
Filing and regulatory costs	24,514	22,331
Rent and lease costs	220,453	172,951
General and administrative expenses	585,721	489,712
Total expenses	1,590,128	1,130,263
Net Income Before Provision For taxes	842,882	670,777
Provision For Taxes	-	-
Net Income	842,882	670,777

See the accompanying notes and auditor's report

STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

Year Ended December 31, 2024

	Balance Beginning (\$)	Net Change (\$)	Balance Ending (\$)
Common stock, no par value	-	-	-
Paid-in capital	960,000	-	960,000
Deficit	(838,305)	842,883	4,578
Stockholders' equity	121,695	842,883	964,578

See the accompanying notes and auditor's report

BA EXPRESS USA, INC.

STATEMENT OF CASH FLOWS

Year Ended December 31, 2024

	2024 (\$)	2023 (\$)
Cash flows from operating activities :		
Net income	842,882	670,777
Adjustments to reconcile net income to net cash provided in operating activities		
Depreciation	7,668	25,118
Amortization	861	860
Changes in operating assets and liabilities		
Accounts receivable	919,354	(976,596)
Other current assets	-	16,435
Security deposits	2,565	(2,200)
Remittance payable	(1,016,646)	775,520
Other liabilities	(17,904)	33,312
Due to beneficiary	449,669	(82,330)
Net cash provided by operating activities	1,188,449	460,896
Cash flows from investing activities		
Furniture, equipment & leasehold improvements	(6,406)	(32,418)
Net increase in cash and cash equivalents	1,182,043	428,478
Cash, cash equivalents and investments - beginning of year	1,991,250	1,562,772
Cash, cash equivalents and investments - ending of year	3,173,293	1,991,250

See the accompanying notes and auditor's report

BA EXPRESS USA, INC.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

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 Jackson Heights, New York. BA Express USA, Inc is a 100% owned subsidiary of Bank Asia PLC..

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, 2024, with respect to its accounts receivable. The company uses direct write-off method to recognize bad debt expense.

Revenue Recognition (ASC 606)

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 (ASC 830)

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 and revenues under the related account.

Furniture, Equipment and Leasehold Improvements (ASC 360)

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 (ASC 740)

No provision for income taxes has been made in the financial statements. The Company has no net operating loss carryforwards for federal income tax purposes as of December 31, 2024. Because the future utilization of these tax carryforward 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.

BA EXPRESS USA, INC.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

NOTE 2: FAIR VALUE OF FINANCIAL INSTRUMENTS (ASC 820)

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, 2024, 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, 2024:

		2024 \$	2023 \$
Checking account/FDIC insured amount	\$	636,540	59,962
Cash in transit		2,030,772	1,431,288
Certificate of deposits		505,981	500,000
Cash, cash equivalents and investments	\$	<u>3,173,293</u>	<u>1,991,250</u>

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, 2024:

Furniture and fixtures	\$	41,959	16,847
Leasehold improvements		185,643	185,643
		<u>227,601</u>	<u>202,490</u>
Less: accumulated depreciation		(195,975)	(169,602)
Furniture, equipment and leasehold improvements, net	\$	<u>31,626</u>	<u>32,888</u>

Depreciation expense for the year ended December 31, 2024 was \$7,668.

NOTE 5: ORGANIZATION COSTS

Organization costs consist of the following for the year ended December 31, 2024:

Capitalized organization costs	\$	12,917	12,917
Less: accumulated amortization		(8,762)	(7,901)
Organization costs, net	\$	<u>4,155</u>	<u>5,016</u>

Amortization expense for the year ended December 31, 2024 was \$861.

BA EXPRESS USA, INC.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

NOTE 6: OPERATING LEASES (ASC 842)

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.

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, 2024 for each of the next five years are:

2025	\$	92,650
2026		95,950
2027		99,300
2028		102,700
2029		119,200
Total base rent obligation		<u>509,700</u>

On February 20, 2020, the Company entered into a five-year lease agreement for a retail space in Ozone Park, New York. The lease, commenced on June 1, 2023, provides for base rent of approximately \$2,200 per month with a 2.27% annual increase. Total base rent payable over the lease period is approximately \$138,000. The Company has an option to extend the term of the lease for an additional five-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, 2024 for each of the next five years are:

2025		27,300
2026		27,900
2027		28,500
2028		14,400
Total base rent obligation	\$	<u>98,100</u>

Rent expense for the year ended December 31, 2024 was \$220,453.

NOTE 7: RELATED PARTY TRANSACTIONS

The Company is a 100% owned subsidiary of Bank Asia PLC. The Company signed paying agent agreement with Bank Asia PLC.. For the year ended December 31, 2024, there was no expense paid for related party agent fee.

NOTE 8: 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 had 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, 2024, the Company had \$386,540 cash and cash equivalents in-excess of the FDIC limits.

NOTE 9: SUBSEQUENT EVENTS

Management has evaluated events and transactions that occurred subsequent to the date of the financial statements through March 30, 2025 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. Sohail R K Hussain

Additional Managing Director

- Mr. Abu Nayeem Mohammad Mahfuz
- Mr. Nurullah Chaudhury

Deputy Managing Director

- Mr. Arequl Arefeen
- Mr. Alamgir Hossain
- Mr. Mohammad Ziaul Hasan Molla
- Mr. Sheikh Mohammad Anisuzzaman
- Mr. Muhammad Mustafa Haikal Hashmi
- Mr. Mirza Azhar Ahmad
- Mr. S.M. Iqbal Hossain

Senior Executive Vice President

- Mr. Md. Zia Arfin
- Mr. Tahmidur Rashid
- Mr. Tanfiz Hossain Chowdhury
- Mr. Md. Shaminoor Rahman
- Mr. Hossain Ahmad
- Ms. Alkona K. Choudhuri
- Ms. Sufia Akter

Executive Vice President

- Mr. Humayun Yusuf Kabir
- Mr. Md. Serajul Islam
- Mr. Zahirul Haque
- Mr. Mohammad Ibrahim Khalil, FCA
- Mr. Farhad Ahmad Khan
- Mr. Md. Amanullah
- Mr. Md. Saiful Islam
- Mr. Md. Rezaul Islam
- Mr. Md. Abdullahel Baki
- Mr. Abu Sayem Ansari
- Mr. Shah Mohammad Emdadul Haque
- Mr. Zishan Ahammad
- Mr. Taimur Ali
- Mr. Syed Rezaul Karim Chowdhury
- Ms. Nazia Khair
- Mr. Saleh Md. Mahfuzul Hassan

Senior Vice President

- Mr. Syed Humayun Kabir
- Mr. Md. Saiful Islam Laskar
- Mr. M.M. Shariful Islam
- Md. Mazibur Rahman
- Mr. S.M.Salahuddin
- Ms. Suraiya Afroz
- Mr. Sumon Das
- Mr. Md. Ashraf Hossain
- Mr. Golam Gaffar Imtiaz Chowdhury
- Mr. Mohammad Ismail Hossain
- Mr. Mohammed Rashidul Kabir Rajib
- Mr. Quazi Mortuza Ali
- Mr. Boshirul Haque
- Ms. Shagufta Zabin

Vice President

- Ms. Syeda Farjana Chanda
- Mr. Saiful Islam
- Mr. Muket Abdullah
- Mr. Mahbub A Alam
- Mr. Sheikh Munirul Hakim
- Mr. M.R. Chowdhury Rashed
- Mr. Chowdhury Al Jobaer
- Mr. Jakir Hossain
- Mr. M.A. Faruk Ahmed
- Mr. A.K.M. Mohsin Uddin
- Mr. Mohammad Moinul Islam
- Mr. Mohammad Rezwanul Islam
- Ms. Salma Aktar
- Mr. Md. Kamruzzaman Mozumder
- Mr. Rakibul Hasan
- Mr. Mahbubur Rahman
- Mr. Md. Foysol Ibna Wazed
- Mr. M. Hasibul Alam
- Mr. Mohammad Mahbulul Haque Bhuiyan
- Mr. Md. Kamruzzaman
- Mr. Mohammad Murad Hossain
- Mr. Binoy Bhushan Das
- Mr. Md. Aminur Roshid
- Mr. A.H.M. Taslim Chowdhury
- Mr. A.K.M. Fakhruul Ahsan
- Mr. Md. Faruk Hossain

- Mr. Bipul Sarker
- Mr. Zahidul Islam Khan Majlis
- Mr. Md. Bashir Uddin Ahmed
- Mr. Md. Khairul Basher
- Mr. Md. Fayezur Rahman
- Mr. Jiban Kumar Kundu
- Mr. Mohammad Burhan Uddin Khondker
- Mr. Probir Kumar Chanda
- Mr. Md. Rezaul Islam
- Mr. Md. Moniruzzaman Khan
- Mr. Zahirul Islam Khan
- Mr. Mohammad Monir Ferdous Khan
- Mr. Md. Zakir Hossain Bhuiyain
- Mr. Mohammad Ali
- Mr. Md. Shafiquil Islam
- Mr. Md. Hasanuzzaman

Branches at a Glance

Branch Name	Address	Phone 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	BALBDDH002
Principal Office Branch	Tea Board Building, 111-113, Motijheel C/A.	Ph: 880-2-9571450-1, 9563652, 9571020-1, 9571023	BALBDDH003
Gulshan Branch	Bay's Galleria, 57, Gulshan Avenue (Ground Floor) Dhaka - 1212	Ph: 880-2-9889268-9, 88281038828387	BALBDDH004
Agrabad Branch	69, Agrabad C/A, Chittagong	Ph: 880-31-714665, 724876, 714703, 2517303	BALBDDH005
Malkhanagar Branch	Union Parishad Bhaban, Taltola Bazar, Malkhanagar, Munshigonj	Ph: 01711831040	
Scotia Branch	Rangs Bhaban Holding # 117/A, Old Airport Road, Tejgaon, Dhaka	Ph: 880-2-8142290, 9137512-5	BALBDDH007
MCB Dilkusha Branch	4, Dilkusha C/A, Dhaka	Ph: 880-2-9568871 - 3	BALBDDH008
MCB Sk. Mujib Road Branch	1269/b Sk. Mujib Road, Agrabad C/A, Chittagong	Ph: 880-31-715125 - 7	BALBDDH009
Sylhet Main Branch	60, Niloy Darga Gate, Chowhatta, Sylhet	Ph: 880-821-724722, 712256	
Tarail Branch	Tarail Bazar, Kishoreganj	Ph: 09434-75099	
MCB Banani Branch	A.R. Tower, 24, Kamal Ataturk Road, Banani, Dhaka - 1213	Ph: 880-2-9885610, 9894699, 9889104	BALBDDH012
Khatunganj Branch	Asia Center, 273/268 Khatunganj, Chittagong	Ph: 880-31-610036, 638013-4, 618419, 63841	BALBDDH013
Lohagara Branch	Mostafa Centre, Lohagara, Chittagong.	Ph: 03034-56304	
North South Road Branch	89, Shaheed Syed Nazrul Islam Shoroni, (16, 16/1, Malitola Lane) North South Road, Dhaka- 1100	Ph: 880-2-9563768-9, 9567671	BALBDDH017
Uttara Branch	House # 79A, Road #07, Uttara Model Town, Dhaka	Ph: 880-2-8957427 – 9	BALBDDH015
Ashulia Branch	Chowdhury Plaza (1st Floor), Zamgara Bazar, Ashulia, Savar, Dhaka	Ph: 880-2-7702447	
Mitford Branch	Bismillah Tower (1st & 2nd floor), 147/148, Mitford Road, Dhaka	Ph: 880-2-7320620 - 1	BALBDDH014
CDA Avenue Branch	665, CDA Avenue, East Nasirabad, Panchlaish, Chittagong	Ph: 880-31-2850091-2, 2863640	BALBDDH018
Sylhet Uposhohor Branch	Sylhet Tower, Subhani Ghat, Bishwa Road, Sylhet	Ph: 880-821-2833448-9	
Dhanmondi Branch	Meher Plaza, House # 13/A (2nd Floor), Road # 5, Dhaka-1205	Ph: 880-2-9668361, 8624872-5, 9675918	
Station Road Branch	Mohiuddin Market (1st floor), 170, Station Road, Chittagong	Ph: 88-031-2850934-5	BALBDDH022
Bashundhara Branch	Plot # 25, Block-A, Avenue Road, Bashundhara R/A, Dhaka.	Ph: 880-2-8402021, 8845182	
Khulna Branch	Al-Mashah Complex, 44, Mojid Sarani, KDA Avenue (Shib Bari Mor), Khulna-9100	Ph: 88-041-2830136-7, 2831451, 2831361	
Rajshahi Branch	Ahmed Plaza, 182, Alu Patti Mor, Rajshahi-6100	Ph: 880-721-812503-4	
Chatkhil Branch	Khilpara Road, 3147 Chatkhil Bazar, Chatkhil, Noakhali	Ph: 03222-75179	
EPZ Branch	Zone Service Complex (Ground Floor), CEPZ, Chittagong	Ph: 880-31-800340, 800406	BALBDDH027
Mohakhali Branch	82, Mohakhali C/A, Dhaka-1212	Ph: 02-9857236, 9857420, 9857429	BALBDDH028
Mirpur Branch	Nishi Plaza, Plot # 1, Avenue 4, Section 6, Block C, Pallabi, Mirpur, Dhaka-1216	Ph: 9013814, 9013841, 9013844	
Anderkilla Branch	184, J.M Sen Avenue, Anderkilla, Chittagong	Ph: 880-31-2854882-3, 2854556	BALBDDH030
Rohitpur Branch	Rima Plaza, Rohitpur Boarding, Keranigonj, Dhaka	Ph: 880-2-7766677	

Branches at a Glance

Branch Name	Address	Phone Number	Swift Code
Bogra Branch	Jamil Shopping Centre, Baragola, Bogra	Ph: 880-51-51642-3	
Jessore Branch	Jess Tower (1st Floor), 39/M.K. Road, Jessore	Ph: 0421-67783-4, 67748	
Bahadderhat Branch	Mamtaz Tower, 4540 Bahadderhat, Chittagong	Ph: 031-2553741-3	BALBBDDH018
Shantinagar Branch	Treasure Island, 42/43, Siddeshwari Circular Road, Dhaka-1217	Ph: 8333979, 8332836, 8312729	
Tongi Branch	Mariom Tower (1st floor), 13 Anarkoli Road, Tongi Bazar, Tongi, Gazipur	Ph: 9816303-4	
Konabari Branch	Rupjan Tower, Nilnagar, Konabari, Gazipur	Ph: 02-9298882-3	
Bhatiary Branch	Bhatiary Bazar, Sitakunda, Chittagong	Ph: 031-2781077-79	
ProgotiShoroni Branch	Venus Complex, Pragati Shoroni, Badda, Dhaka	Ph: 8824653, 8824467, 8824687	
Ishwardi Branch	Central Jame Masjid Market (1st floor), Station Road, Ishwardi, Pabna.	Ph: 0732664463-5	
Savar Branch	B-70/1 Bazar Road, Savar, Dhaka	Ph: 88-02-7744857, 7744889, 7744890	
Beani Bazar Branch	Tajma shopping Center (1st floor), Beani Bazar, Sylhet	Ph: 08223-56103-4	
Donia Branch	Hossain tower (1st & 2nd Floor), 1050, Donia, Dhaka Ctg high way, Shampur, Dhaka	Ph: 880-2-7540055, 7540095	
Moghbazar Branch	Tropical M.L. Point (1st Floor), 43, New Circular Road, Moghbazar, Dhaka-1217	Ph: 8321578, 8321245	
Kamal Bazar Branch	Kabir Tower, Kamal Bazar, Mohora, Kalurghat, Chittagong	Ph: 031-2572872-3	
Cox's Bazar Branch	J.N Plaza (1st Floor), Plot # 226 (New), Tekpara Main Road, Cox's Bazar	Ph: 88-0341-52240-42	
Faridpur Branch	Plot #2354, Goalchamot, Chak Bazar, Thana Road, Faridpur	Ph: 0631-67206-7	
Narayangonj Branch	Jahan plaza (1st Floor), 20, Sirajuddoula Road, Falpatty, Narayangonj	Ph: 88-02-7648801-5	
Paltan Branch	Rangs Tower (1st Floor), 68, Purana Paltan, Dhaka-1000	Ph: 7113844, 7110488, 7115594, 7119664	
Jagannathpur Branch	76, T&T Road, Ward-07, Haji AshidUllah Market, Jagannathpur Bazar, Sunamganj	Ph: 0872-756013	
Moulvibazar Branch	Shah Mostafa Garden City, M. Saifur Rahman Road (Central Road), Moulavi Bazar	Ph: 0861-63601, 63602	
Bhairab Branch	167 Kalibari Road, East Bhairab, Bhairab Bazar, Bhairab, Kishoregonj	Ph: 09424-72328-31	
Strand Road Branch	S. A. Chamber (1st Floor), Strand Road, Majhirghat, Chittagong	Ph: 031-2513611-2317	
Shyamoli Branch	23/4 Khiljee Road, Block B, Shyamoli, Dhaka	Ph: 02-9103565-6	
Patherhat Branch	Ibrahim Sobhar Tower (1st Floor), Patherhat, Noapara, Raozan, Chittagong	Ph: 031-2573111-2	
Tejgaon Link Road Branch	Shanta Western Tower, 186, Tejgaon I/A, Dhaka	Ph: 88-02-8870081-4	
Rupnagar Branch	Plot #34 (1st Floor), Road #16, Rupnagar, Mirpur, Dhaka	Ph: 9016692-3	
Laldighirpar Branch	Laldighirpar Main Road, Laldighirpar, Sylhet	Ph: 0821-719901, 719904	
Madhabdi Branch	03, Madhabdi Bazar, Bank Road, Ward No-08, Madhabdi Powrashova, P.S. Madhabdi, Narshingdi	Ph: 880-2-9446553-4	
Barisal Branch	Fakir Complex, 112, Birsreshtho Captain Mohiuddin Jahangir Sarak, Barisal	Ph: 0431-2177510-1	
Oxygen Moor Branch	422, Oxygen Moor, Kulgaon, Bayezid Bostami, Chittagong	Ph: 031-2583701-2	
Laldighirpar Branch, Sylhet	Laldighirpar Main Road, Laldighirpar, Sylhet	Ph: 0821-719901, 719904	
Elephant Road Branch	64, Elephant Road, Dhaka	Ph: 9669351, 9669331	

Branch Name	Address	Phone Number	Swift Code
Lalmatia Branch	Plot 4/3, Block-D, Lalmatia Housing Estate ,Dhaka	Ph: 8100067, 8100071-2	
Dohazaria Branch	Sadek Tower (1st Floor), Dohajari, Chandanaish, Chittagong	Ph: 01755591572-74	
Haziganj Branch	Munshi Plaza (1st Floor), Main Road, Haziganj, Chandpur	Ph: 88424-75142	
KEPZ Branch	Zone Service Complex (Ground Floor) , North Potenga, Chittagong	Ph: 031-2502391-3	
Aglabazar Branch	Shophy Plaza, Aglabazar, Nawabgang, Dhaka	Mob: 01712013575, 1728922164	
Hemayetpur Branch	Molla Market (1st Floor), Hemayetpur Bus stand, Tetuljhora Union, Savar, Dhaka	Mob: 01780098508,Ph: 7743258	
Dakkhinkhan Branch	KC Plaza (1st Floor), Noapara ,Dakkhinkhan bazar, Uttara, Dhaka	Ph: 8999681-2	
Mohadevpur Branch	Saif Uddin Haider & Sons Complex, Mohadevpur, Naogaon	Ph: 0742675194, 0742675117	
Nimtala Branch	Hemanta Shoping Complex (1st Floor),Nimtala ,Sirajdikhan, Munshiganj	Mob: 01713160243	
Comilla Branch	Chowdhury Plaza 2, House-465/401, Race Course, Comilla	Ph: 081-73455, 73499	
Sonaimuri Branch	United Plaza, Bank Road, Sonaimuri Bazar, Noakhali	Ph: 03227-51067-68	
Feni Branch	Holding No. - 34, Ward No. - 10, S.S.K. Road, Feni	Ph: 0331-61437	
Satmasjid Road Branch	Plot # 78, Bir Uttam M A Rob Sarak, Zigatola, Dhanmondi, Dhaka	Ph: 9634926-7	
Paragram Branch	Mamtaj Plaza, Koilail Union Parishad, Nawabgonj, Dhaka	HOB-01755624860, 1777792161	
Sonargaon Janapath Road Branch	Circle Windflower Plot No.-30, Sonargaon Janapath Road, Section-11, Uttara, Dhaka	HOB-01670761210; 04470009678, MOB- 01819185190,Ph: 48954575, 48952574	
Dinajpur Branch	Torab Uddin Complex, Road No.-01, Butibabu Road, Ward No.-3, Kotwali, Dinajpur	HOB-01712 192519, Ph: 0531-66681-4	
Lichubagan Branch	Al-Emarat Shopping Complex, Chandragona Kadamtola Union Parishad, Rangunia, Chittagong	HOB-01816440605, 1716899888	
Gazipur Branch	Akbar Trade Centre, BIDC Road, Ward No. - 26, Gazipur City Corporation, GazipurSadar, Gazipur	Ph: 9262582-4	
Kalatiya Branch	Kalatiya Shopping Centre, Kalatiya Union Parishad, Keranigonj, Dhaka	Ph: 7769182-4	
Chandragonj Branch	Sharif Plaza, Chandragonj, Lakshmpur	Ph: 0382-581074, 0382- 581075	
Bank Asia Bhaban Branch	Bank Asia Bhaban, Agrabad C/A, Sabder Ali Road, Ward No. - 28, Chittagong City Corporation, Doublemuring, Chittagong	Ph: 031-2512223(MOB)-4, 031-2510409-10-IW	
Kushtia Branch	Hira Super Market, Siraj-ud-Dowla Road, Ward No- 03, KushtiaSadar, Kushtia	Ph: 071-71782-3	
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, Narayanganj	HOB: 01711663609, MOB: 01841065934	
BSMMU Branch	Nurses Hostel Building 1170, Paribagh, Kazi Nazrul Islam Avenue, Shahbagh, Dhaka	HOB: 01753064444	
Ring Road Branch	Plot No- 842, North Adabar, Ring Road, Shyamoli, Adabar, Dhaka.	Ph: 9122862-3	
Tangail Branch	Al-hajj Super Market, 279, Masjid Road, Tangail Sadar, Tangail	Ph: 0921-61861,61832	
Rangpur Branch	Rangpur Bhaban, Plot# 4737, Station Road, Kotwali, Rangpur	Ph: 0521-56460-1	
Muksudpur Branch	Faridmia Complex, Muksudpur, Gopalganj	HOB: 01713462602, MOB: 01715026474, Ph: 0833- 66474-6	
Nangolkot Branch	Haji Nurul AminTower Nangolkot, Comilla		
Rupsha Branch	Ma Plaza School Road, Rupsha, Faridgonj, Chandpur	HOB: 01711156321	

Branches at a Glance

Branch Name	Address	Phone Number	Swift Code
Brahmanbaria Branch	Muktijoddha Complex Bhaban (Ground & 1st floor), Sadar Hospital Road, Brahmanbaria.	Ph: 9617104100	
Mirpur-1 Branch	VTCT Tower Shopping Complex, Holding# 3 Main Road, Section-1, Mirpur, Dhaka-1216	HOB: 01715158993, MOB: 01915556422	
Kazipara Branch	Kazipara Madrasa Complex, Holding# 559, Begum Rokeya Avenue, Kazipara, Mirpur, Dhaka	Cell- 01917736902	
Mymensingh Branch	Shabit-Sharif Bhaban, Holding# 55 & 55/A, Boro Bazar, Mymensingh	HOB- 01977526286	
Gopalgonj Branch	Noor Hossain Complex, Holding# 70, DC Road, Gopalgonj, Gopalgonj	HOB- 01718129072, MOB- 01715663252	
Maijdee Court Branch	Noakhali Super Market, Ward: 03, Court Road, Maijdee, Noakhali	HOB- 01714174014	
Faridganj Branch	Talukder Plaza, 640 (1st floor), Faridgonj, Chandpur	Ph: 9617109100	
Hatirdia Branch	Hatirdia New Market, Hatirdia, Monohordi, Narshingdi	Ph: 9617110100	
Companygonj Branch	Hazi Shansul Hoque Market, Companygonj, Muradnagar, Comilla	Ph: 9617111100	
Kashba Branch	Shimanto Complex Bhaban-2, Holding# 462, Kuti-Kashba Road, Kashba, Brahmanbaria	Ph: 9617112100	
Chandpur Branch	Appollo Pal Bazar Shopping, Holding#187, 188, 189, Mizanur Rahman Road, Chandpur, Chandpur	HOB- 01718480639	
Bhola Branch	Nabaroon Centre, Holding# 337-341, Sadar Road, BholaSadar, Bhola	Ph: 9617114100	
Boro Bazar Branch	28 Sir Iqbal Road, Khulna Metropolitan City, Khulna	Ph: 041-731208-9	
Chaktai Branch	1676/G/1 River City Market (1st floor), Shah Amanat Bridge Connecting Road, Chittagong	Ph: 031-2866395-6	
Gulshan-2 Branch	Gulshan Peledium, Holding No- 01, Road No. 95, Block- CEN(C), Ward No. 19, DNCC, Gulshan, Dhaka	Ph: 9617115100	
Gouripur Branch	Priyota Plaza; Nayagaon, Gouripur, Daudkandi, Comilla	HOB - 01713378987	
Kaliakair Branch	Ahmed Ali Plaza, College Road, Tengla Bari, Kaliakair, Gazipur	Cell: 01843036958, 1626372729	
Aganagar Branch	Haji Anowar Hossain Complex, Shahid Delwar Hossain Road, Aganagar, Keranigonj, Dhaka	HOB - +88 09617 118 100	
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, Holding# 526, Masjid Para,Panchagarh Sadar, Panchagarh	Cell:0 1746895135	
Chapai Nawabganj Branch	Taher Mansion Holding#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	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 Branch	Bank Asia Tower, 32, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka	Cell:01711053944	
Shukrabad Branch	House # 02, Mirpur Road, Ward # 17, Dhaka South City Corporation, Sher-e-Bangla Nagar, Dhaka	Cell: 8809617128100, 01755652398	
Payra Bandor Branch	Multipurpose Bhaban (1st Floor), Payra Port, Kolapara, Patuakhali	Cell: 01730301122	
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	

Branch Name	Address	Phone Number	Swift Code
Sonargaon Branch	Shahabuddin Super Market, Habibpur, Sonargaon, Narayanganj	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	
SME/Krishi Branches			
Ashulia SME/Krishi Branch	Tanvir Super Market, (1st Floor), Ashulia Bazar Bus Stand, Ashulia, Savar, Dhaka		
Baligaon SME/Krishi Branch	Dewan Super Market, Baligaon Bazar, Tongibari, Munshigonj		
Shirajdikhan SME/Krishi Branch	Shirajdikhan Bazar, Sikder Market, Shirajdikhan, Munshigonj		
Ramgonj SME/AKrishi Branch	Anupom Super Market (1st Floor), Bypass Road, Ramgonj, Laxmipur		
Sub-Branches			
Echotex Sub-Branch	Holding# A-30, Joydebpur-Tangail Highway, Ward# 7, Kaliakair Paurashova, P.S.- Kaliakair, Dist.- Gazipur		
Shomahar Sub-Branch	Shomahar Sweaters Ltd. 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	Hazi Zahirul Haque Munshi 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		
Borhanuddin Sub-branch	SJS Jalal Complex, Hospital Road, Ward No-06, Borhanuddin Paurashova, Borhanuddin, Bhola		
Kishoregonj Sub-branch	A.S. Gondhi Plaza, Zila Soroni Morh, Kishoregonj Sadar, Kishoregonj		
Robintex Sub-branch	Robintex Group, Vulta, Rupganj, Narayanganj		
Shibgonj Sub-branch	328, Thana Road, Shibgonj Paurasova, Chapai Nawabganj		
Nazipur Sub-branch	Molla Market, Holding# 458, Najipur-Shapahar Road, Ward#3, Najipur Paurasova, Naogaon		
Singra Sub-branch	Nilmoni Super Market, Singra Bazar, Singra, Natore		
Cumilla EPZ Sub-branch	0432-14, South Chartha, Comilla EPZ, Sadar Dokhin, Comilla		
SME Centres			
Jatrabari SME Service Center	Noor Tower, 76/Ga, BibirBagicha North Jatrabari, Dhaka		
Rekabi Bazar SME Service Center	Rekabi Bazar, Sylhet		
Jurain SME Service Center	Anaz Tower 495 East Jurain, Kadamtali, Dhaka		
Bashabo SME Service Center	87, East Bashabo, Dhaka		
Islamic Windows			
Principal Office Branch	TeaBoardBuilding 111-113, Motijheel C/A. Dhaka - 1000.		BALBDDH003
Uttara Branch	House # 79A, Road #07, Sector # 4, Uttara Model Town, Dhaka - 1230		BALBDDH015
Shantinagar Branch	Treasure Island, 42-43, Siddeshwari Circular Road, Shantinagar, Dhaka-1217		

Branches at a Glance

Branch Name	Address	Phone Number	Swift Code
Bank AsiaBhaban Branch	"Bank Asia Bhaban", Agrabad C/A, Sabder Ali Road, Ward No.-28, Chittagong City Corporation, Doublemuring, Chittagong		
Sylhet Uposhohor Branch	Sylhet Tower, Subhanighat, Bishwa Road, Sylhet		
Islamic Banking Division, Corporate Office	Bank Asia Tower, 32 & 34 Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka		BALBDDH
Off Shore Banking Unit			
EPZ Branch	Zone Service Complex (Ground floor), CEPZ, Chittagong		
Collection Booth			
East West University Collection Booth	EWU Campus, Plot# A/2, Aftabnagar, Dhaka		
BSMMU Collection Booth	OPD-1 Building at BSMMU, Paribagh, PS. Shabagh, Dhaka		
DESCO Bill Collection Booth	Badda Sales & Distribution Division, Plot#16, Road#04, Block#D, Aftabnagar, Badda, Dhaka		
Govt. Bangabandhu College Collection Booth, Gopalganj	Govt. Bangabandhu College, Gopalganj		
BUBT Collection Booth	BUBT Campus, Rupnagar, Mirpur-2, Dhaka-1216		
BPBS Zonal Office Bill Collection Booth, Brahmanbaria	Brahmanbaria Palli Bidyut Samity (BPBS) Zonal Office, Sahilpur, Brahmanbaria		
BPBS Bill Collection Booth, Kashba	Brahmanbaria Palli Bidyut Samity (BPBS), Kasba, Kharerha, Kasba		
Subsidiary-1: Bank Asia Securities Limited			
Dilkusha (Head Office)	Hadi Mansion (7th Floor), 2 Dilkusha C/A, Dhaka-1000		
Dhanmondi Branch	Meher Plaza, House # 13/A, R # 05, Dhanmondi, Dhaka		
Mirpur Branch	Nishi Plaza, Plot # 01, Avenue-04 Section-06, Block-C, Mirpur		
Jurain Branch	Anaz Plaza (2nd Floor) 495, East Jurain Kadamtali, Dhaka		
Khulna Branch	28, Sir Iqbal Road (1st Floor), Khulna		
Uttara Branch	H # 79/A, (4th Floor), R# 07, Sector # 04 Uttara Model Town, Dhaka-1000		
Banani Branch	Nur Empori (1st floor), House # 77, Road# 11, Block-M, Banani, Dhaka-1213		
Extension Office	158-160, Ground Floor Motijheel, C/A, Dhaka-1000		
Subsidiary-2: BA Exchange Company (UK) Ltd.			
Office in UK	131 Whitechapel Road, London E1 1DT (Ground Floor)		
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	484, Mc Donald Avenue (1 st floor), Brooklyn, NY-11218, New York, USA	CEO: 0019173487207	
Ozone Park Branch	7601 101st Avenue, Ozone Park, NY 11416,	718 480 6075	

Bank Asia PLC.
Corporate Office (Registered Office)
Bank Asia Tower, 32 & 34 Kazi Nazrul Islam Avenue
Karwan Bazar, Dhaka-1215



NOTICE OF THE TWENTY SIXTH ANNUAL GENERAL MEETING (VIRTUAL MEETING THROUGH DIGITAL PLATFORM)


Notice is hereby given to all members of Bank Asia PLC. ("the Company") that the 26th Annual General Meeting (AGM) of the members of the Company will be held on 17 June 2025 at 11:00 a.m. virtually by using digital platform through the following web-link, <https://agmbd.live/Bankasia2025> (in pursuant with Directive No. BSEC/CMRRCD/2009-193/08 dated 10 March 2021 and Directive No. BSEC/ICAD/SRIC/2024/318/87 dated 27 March 2024 of BSEC, both issued by Bangladesh Securities & Exchange Commission (BSEC)), 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 31 December 2024, 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, 2024.
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 2025 and to fix their remuneration.
7. To transact any other business with the permission of the Chair.

Dated: 20 May 2025
Dhaka

By order of the Board,


Zahid Hasan
Company Secretary (Acting)

NOTES

- a. The Record Date of the Company will be on **26 May 2025**. Trading of the Company's shares in the Stock Exchanges will be suspended on the Record Date.
- b. The Board of Directors has recommended 20% Dividend in combination of 10% Cash and 10 % Stock.
- c. 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., 26 May 2025, will be entitled to attend and vote at the AGM and to the dividend declared in the AGM.
- d. In view of the Directive No. BSEC/CMRRCD/2009-193/08 dated March 10, 2021 and Directive No. BSEC/ICAD/SRIC/2024/318/87 dated 27 March 2024, the ensuing 26th AGM of the Company would be conducted virtually through digital platform or online platform. Therefore, the shareholders are requested to attend the 26th AGM through online live portal. 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'.
- e. Shareholders may login to the system 48 (forty-eight) hours before and during the meeting. For any guidance and help during the meeting, the members may contact the cell no. +8801711198680.
- f. 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.
- g. 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. Proxy Form is enclosed.
- h. 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'.
- i. Members are requested to update their 12 digit Taxpayer's Identification Number (e-TIN) through their respective Depository Participant (DP)/Brokerage House before the Record Date. Without having e-TIN, Income Tax will be deducted @15% instead of @10% from payable Cash Dividend.
- j. Members are requested to update their respective Bank Account Information (Bank Name, Branch Name, 13-Digit A/C No., 9 Digit Routing No.) Address, Mobile Number, Email Number etc. through their respective Depository Participant (DP)/Brokerage House before the Record Date.
- k. 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 **01 June 2025**. The Brokerage Houses are also requested to provide us with their bank name, account number and routing number etc.
- l. As per BSEC Notification dated June 20, 2018, Annual Report 2024 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 2024 will also be available on the Bank's website at 'www.bankasia-bd.com'. The members may also collect the Annual Report 2024 from the Company's Share Department at Registered Office in person.

Notes

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Bank Asia PLC.
Corporate Office (Registered Office)
Bank Asia Tower, 32 & 34 Kazi Nazrul Islam Avenue
Karwan Bazar, Dhaka-1215

PROXY FORM

I/we, of
.....
a Member of BANK ASIA PLC. do hereby appoint Mr./Ms. of
....., or failing him/her Mr./Ms. of
..... as my/our proxy to vote for me/us and on my/our proxy to vote for me and on my behalf at the
Twenty-sixth Annual General Meeting of the Members of the Company to be held on the 17 June 2025, at 11:00 a.m. and at any
adjournment thereof.
In witness my hand this day of 2025.

		Signature of the Member :	
Witnesses:	Revenue Stamp	Name :	
1.		Folio No.	
2.		BOLD : <input type="text"/>	
		Signature of the Proxy :	
		Folio No :	
		BOLD : <input type="text"/>	

Shareholder's Attendance Slip



Bank Asia PLC.
Corporate Office (Registered Office)
Bank Asia Tower, 32 & 34 Kazi Nazrul Islam Avenue
Karwan Bazar, Dhaka-1215

I hereby record my presence at the Twenty-sixth Annual General Meeting of Bank Asia PLC. held today the 17 June 2025, at 11:00 a.m. virtually by using digital platform through the following web-link:

<https://agmbd.live/Bankasia2025>.

I give my particulars and put my signature below.

Name :
Folio No.
BOLD : <input type="text"/>
Signature

(Please complete this slip and deposit at the registration counter on the day of the meeting)



Corporate Office

Rangs Tower
68, Purana Paltan
Dhaka-1000
Tel +88029515106
www.bankasia-bd.com

 **Bank Asia**