

SBAC Bank PLC.

Unaudited Financial Statements

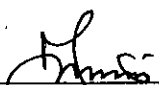
For the second quarter ended 30 June 2024


SBAC Bank PLC.
Consolidated Balance Sheet (Unaudited)
As at 30 June 2024


	Note	30 June 2024 Taka	31 December 2023 Taka
PROPERTY AND ASSETS			
Cash			
Cash in hand (Including foreign currencies)	3	1,386,741,383	986,784,658
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	4	6,069,168,573	4,240,008,595
		7,455,909,956	5,226,793,253
Balance with other banks and financial institutions			
In Bangladesh	5	2,018,318,442	2,491,722,217
Outside Bangladesh		3,321,402,897	480,862,223
		5,339,721,339	2,972,584,440
Money at call on short notice			
	6	500,000,000	-
Investments:			
Government	7	19,863,023,632	16,290,335,637
Others		2,226,489,830	2,217,305,796
		22,089,513,462	18,507,641,433
Loans, advances and lease / investments			
Loans, cash credit, overdrafts etc. / investments	8	86,228,631,139	85,345,812,070
Bills purchased and discounted		1,452,001,227	1,298,382,733
		87,680,632,366	86,644,194,803
Fixed assets including premises, furniture and fixtures	9	1,487,788,552	1,494,412,309
Other assets	10	2,878,357,748	2,418,506,928
Non-banking assets		-	-
TOTAL ASSETS		127,431,923,423	117,264,133,166
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	2,999,349,387	3,262,983,361
Deposits and other accounts			
Current / Al-wadeeah current deposits and other accounts	12	15,736,893,779	12,699,833,374
Special notice / mudaraba special notice deposits		10,595,720,300	5,912,385,204
Bills payable		5,268,678,988	5,011,369,023
Savings bank / mudaraba savings deposits		7,045,540,315	6,578,429,379
Fixed / mudaraba term deposits		48,939,324,907	48,386,387,676
Other deposits		13,962,592,610	14,733,176,576
		101,548,750,899	93,321,581,232
Other liabilities	13	11,512,949,399	9,554,218,316
TOTAL LIABILITIES		116,061,049,685	106,138,782,909
Capital/ Shareholders' equity			
Paid up capital	14.3	8,241,916,500	8,241,916,500
Statutory reserve	15	2,486,942,757	2,486,942,757
General reserve		-	-
Non-controlling (Minority) interest	14.4	435,111	435,111
Other reserve (revaluation reserve on Govt. Securities)	16	44,654,355	22,049,131
Capital reserve	16.1	3,269,920	3,269,920
Foreign currency translation reserve	16.2	18,849,932	12,710,366
Surplus in profit and loss account	17	574,805,163	358,026,473
TOTAL SHAREHOLDERS' EQUITY		11,370,873,738	11,125,350,258
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		127,431,923,423	117,264,133,166

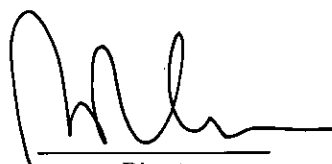
	Note	30 June 2024 Taka	31 December 2023 Taka
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
18			
Acceptance and endorsements		4,705,816,266	4,682,195,862
Letters of guarantee		17,841,212,503	14,011,516,153
Irrevocable letters of credit		6,074,661,037	6,146,781,395
Bills for collection		8,237,302,650	4,518,447,260
Other contingent liabilities		-	-
Total		36,858,992,456	29,358,940,670
Other commitments			
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Claims against the Bank not acknowledged as debt		-	-
Total		-	-
Total off-balance sheet items including contingent liabilities		36,858,992,456	29,358,940,670
Net asset value per share (NAV)	37	13.80	13.27

Accompanying notes form an integral part of these financial statements.


 Chief Financial Officer


 Company Secretary


 Chairman


 Director


 Managing Director & CEO

Dhaka, 31 July 2024

SBAC Bank PLC.
Consolidated Profit and Loss Account (Unaudited)
For the second quarter ended 30 June 2024

	Note	01 Jan to 30 June 2024 Taka	01 Jan to 30 June 2023 Taka	01 April to June 2024 Taka	01 April to June 2023 Taka
Interest income / profit on investments	21	4,261,773,156	3,278,979,431	2,236,126,332	1,726,647,462
Less: Interest / profit on deposits and borrowings etc.	22	3,111,359,178	2,616,080,034	1,626,511,785	1,368,450,796
Net interest income		1,150,413,978	662,899,397	609,614,547	358,196,666
Income from investments in shares and securities	23	1,134,928,875	872,636,085	585,779,759	422,988,481
Commission, exchange and brokerage	24	644,036,387	486,641,867	353,680,047	287,649,880
Other operating income	25	119,281,780	93,928,103	57,744,195	57,337,887
		1,898,247,042	1,453,206,055	997,204,001	767,976,248
Total operating income		3,048,661,020	2,116,105,452	1,606,818,548	1,126,172,914
Salary and allowances	26	967,052,295	849,487,427	503,283,065	458,660,172
Rent, taxes, insurance, electricity etc.	27	111,759,359	82,640,577	53,389,509	43,637,250
Legal and professional expenses	28	1,225,973	2,346,938	355,777	1,423,823
Postage, stamp, telecommunication etc.	29	3,663,991	3,647,894	2,082,901	2,030,177
Stationery, printing, advertisement etc.	30	32,324,765	27,559,090	14,581,515	13,351,317
Chief executive's salary and fees	31	6,960,000	5,880,000	3,780,000	2,700,000
Directors' fees	32	1,224,000	1,784,000	960,000	1,488,000
Auditors' fees	33	-	57,500	-	57,500
Depreciation and repair of bank's assets	34	193,014,486	198,220,818	98,874,558	101,334,562
Other expenses	35	142,322,280	122,978,018	72,196,906	55,034,139
Total operating expenses		1,459,547,149	1,294,602,262	749,504,231	679,716,940
Profit before provision		1,589,113,871	821,503,190	857,314,317	446,455,974
Provision for loan					
Specific provision	13.3	280,992,934	80,596,214	232,818,426	39,353,002
Special general provision - COVID-19	13.4	(7,858,320)	(4,896,277)	(7,858,320)	(4,112,643)
General provision on loans and advances - main operation	13.3	180,000,000	15,194,033	90,000,000	586,106
General provision on loans and advances - OBU	13.3	(1,027,259)	(183,013)	(195,382)	(417,121)
General provision on off balance sheet items	13.5	41,779,293	36,411,028	30,758,763	15,422,499
		493,886,648	127,121,985	345,523,487	50,831,843
Provision for rebate to good borrowers		-	-	-	-
Provision for diminution in value of investments	13.7	151,557,008	1,738,247	49,901,202	3,476,494
Other provision		-	-	-	-
Total provision		645,443,656	128,860,232	395,424,689	54,308,337
Total Profit before taxes		943,670,215	692,642,958	461,889,628	392,147,637
Provision for taxation	36	562,053,195	356,448,714	280,199,087	198,238,724
Net profit after taxation		381,617,020	336,194,244	181,690,541	193,908,913
Earnings per share (EPS)	38	0.46	0.41	0.22	0.23

Accompanying notes form an integral part of these financial statements.


 Chief Financial Officer


 Company Secretary


 Chairman


 Director



 Managing Director & CEO

Dhaka, 31 July 2024

SBAC Bank PLC.
Consolidated Cash Flow Statement (Unaudited)
For the second quarter ended 30 June 2024

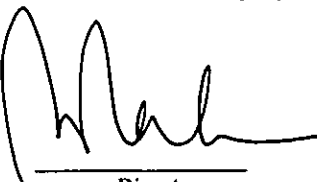
	Note	01 July 2023 to 30 June 2024	01 Jan 2023 to 30 June 2023
Taka			
A) Cash flows from operating activities			
Interest receipts in cash		1,038	3,196,583,332
Interest payments		(7,981)	(1,885,644,410)
Dividend receipts		4,385	22,465,625
Income from investments		1,132,700,500	715,308,721
Recoveries on loans and advances previously written-off		-	-
Fees and commission receipts in cash		723,774,949	442,374,294
Cash payments to employees		(967,052,295)	(849,487,427)
Cash payments to suppliers		(113,818,988)	(10,648,975)
Income taxes paid		(367,702,370)	(249,435,114)
Receipts from other operating activities		119,281,780	93,928,103
Payments for other operating activities		(341,592,566)	(133,246,779)
Operating profit before changes in operating assets and liabilities		1,493,908,452	1,342,197,370
Increase / decrease in operating assets and liabilities			
Net proceeds from trading securities		(2,869,150,161)	(990,345,665)
Loans and advances to other banks		(500,000,000)	(1,200,000,000)
Loans and advances to customers		(882,819,069)	(3,943,653,611)
Increase / decrease of other assets		(459,850,820)	(716,497,282)
Deposits from other banks		1,043,778,963	1,552,662,358
Deposits from customers		7,125,638,889	5,170,688,863
Increase / decrease of other liabilities		1,958,731,083	1,402,194,922
		5,416,328,885	1,275,049,585
Net cash from operating activities		6,910,237,337	2,617,242,955
B) Cash flows from investing activities			
Net proceeds from sale of Government securities		15,582,388,190	29,654,532,795
Payments for Purchase of Government securities		(17,377,383,135)	(29,418,736,184)
Purchase of property, plant and equipment		6,623,757	119,502,411
Sale proceeds of property, plant and equipment		6,000	-
Net cash from investing activities		(1,788,365,188)	355,299,022
C) Cash flows from financing activities			
Borrowing from other banks, financial institutions and agents		(360,780,217)	(397,233,454)
Dividends paid		(164,838,330)	(288,467,078)
Receipts from issue of ordinary share		-	81,603,130
Net cash from financing activities		(525,618,547)	(604,097,402)
D) Net increase / (decrease) in cash (A+B+C)		4,596,253,602	2,368,448,575
E) Effects of exchange rate changes on cash and cash-equivalent			
		-	-
F) Cash and cash-equivalents at beginning period		8,199,377,693	8,195,935,669
G) Cash and cash-equivalents at end of period (D+E+F)		12,795,631,295	10,564,384,243
H) Cash and cash-equivalents at end of period			
Cash in hand including foreign currencies	3	1,386,741,383	925,391,636
Balances with Bangladesh Bank and its agent bank(s)	4	6,069,168,573	5,765,302,071
Balances with other Banks and Financial institutions	5	5,339,721,339	3,873,690,536
		12,795,631,295	10,564,384,243

Accompanying notes form an integral part of these financial statements.


 Chief Financial Officer


 Company Secretary


 Chairman


 Director


 Managing Director & CEO

Dhaka, 31 July 2024

SBAC Bank PLC.
Consolidated Statement of Changes in Equity (Unaudited)
For the second quarter ended 30 June 2024


Particulars	Paid Up Capital Taka	Statutory Reserve Taka	Other Reserve Taka	Capital Reserve	F.C. Translation Reserve Taka	Retained Earnings Taka	Minority Interest Taka	Total Taka
Balance as on 01 January 2024	8,241,916,500	2,486,942,757	22,049,131	3,269,920	12,710,366	358,026,473	432,182	11,125,347,329
Net profit for the period	-	-	-	-	-	381,617,020	2,929	381,619,949
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Transfer to start-up fund	-	-	-	-	-	-	-	-
Revaluation of Govt. treasury bills, bonds and other investments	-	-	22,605,224	-	-	-	-	22,605,224
Foreign currency translation gain/loss not recognized in the income statement	-	-	-	-	6,139,566	-	-	6,139,566
Transfer to capital reserve	-	-	-	-	-	-	-	-
Non-controlling (Minority) interest	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	(164,838,330)	-	(164,838,330)
Stock dividend issued	-	-	-	-	-	-	-	-
Balance as on 30 June 2024	8,241,916,500	2,486,942,757	44,654,355	3,269,920	18,849,932	574,805,163	435,111	11,370,873,738

For the quarter ended 30 June 2023

Particulars	Paid Up Capital Taka	Statutory Reserve Taka	Other Reserve Taka	Capital Reserve	F.C. Translation Reserve Taka	Retained Earnings Taka	Minority Interest Taka	Total Taka
Balance as on 01 January 2023	8,160,313,370	2,204,928,598	65,228,536	516,704	7,933,440	390,293,727	432,182	10,829,646,557
Net profit for the period	-	-	-	-	-	336,194,244	-	336,194,244
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Transfer to start-up fund	-	-	-	-	-	-	-	-
Revaluation of Govt. treasury bills, bonds and other investments	-	-	(39,094,779)	-	-	-	-	(39,094,779)
Foreign currency translation gain/loss not recognized in the income statement	-	-	-	-	3,426,516	-	-	3,426,516
Non-controlling (Minority) interest	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	(288,467,078)	-	(288,467,078)
Stock dividend issued	81,603,130	-	-	-	-	-	-	81,603,130
Balance as on 30 June 2023	8,241,916,500	2,204,928,598	26,133,757	516,704	11,359,956	438,020,893	432,182	10,923,308,590

These financial statements should be read in conjunction with the annexed notes.


 Chief Financial Officer


 Company Secretary


 Chairman


 Director


 Managing Director & CEO

Dhaka, 31 July 2024

SBAC Bank PLC.
Consolidated Liquidity Statement (asset and liabilities maturity analysis)
As at 30 June 2024

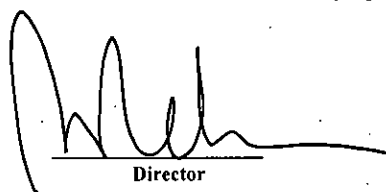
Particulars	Within one month Taka	Within one to three months Taka	Within three to twelve months Taka	Within one to five years Taka	More than five years Taka	Total Taka
Assets:						
Cash in hand (including foreign currencies)	1,386,741,383	-	-	-	-	1,386,741,383
Balance with Bangladesh Bank and its agent Banks	2,694,400,573	-	-	-	3,374,768,000	6,069,168,573
Balance with other banks & financial institutions	1,924,294,520	721,592,620	2,693,834,199	-	-	5,339,721,339
Money at call on short notice	500,000,000	-	-	-	-	500,000,000
Investments	594,547,773	1,184,066,281	604,629,254	1,916,855,983	17,789,414,171	22,089,513,462
Loans and advances	12,799,497,963	17,419,812,069	28,009,869,376	16,971,956,542	12,479,496,416	87,680,632,366
Fixed assets including premises, furniture and fixtures	21,941,854	43,883,708	197,476,686	1,224,486,304	-	1,487,788,552
Other assets	553,609,047	922,681,745	984,668,319	417,398,637	-	2,878,357,748
Non-Banking assets	-	-	-	-	-	-
Total Assets	20,475,033,113	20,292,036,423	32,490,477,834	20,530,697,466	33,643,678,587	127,431,923,423
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	685,068,237	1,038,701,214	901,623,826	102,530,916	271,425,194	2,999,349,387
Deposits and other accounts	14,541,292,139	18,040,951,220	28,742,644,038	15,784,208,352	24,439,655,150	101,548,750,899
Provisions and other liabilities	70,919,664	536,070,858	2,639,579,820	1,723,419,385	6,542,959,673	11,512,949,399
Total Liabilities	15,297,280,040	19,615,723,292	32,283,847,684	17,610,158,653	31,254,040,017	116,061,049,685
Net liquidity surplus	5,177,753,074	676,313,132	206,630,150	2,920,538,813	2,389,638,570	11,370,873,738
Cumulative liquidity surplus	5,177,753,074	5,854,066,205	6,060,696,355	8,981,235,167	11,370,873,738	

Net result of the liquidity statement represents the shareholders' equity.


 Chief Financial Officer


 Company Secretary


 Chairman


 Director


 Managing Director & CEO

Dhaka, 31 July 2024

SBAC Bank PLC.
Balance Sheet (Unaudited)
As at 30 June 2024

	Note	30 June 2024 Taka	31 December 2023 Taka
PROPERTY AND ASSETS			
Cash			
Cash in hand (Including foreign currencies)	3.1	1,386,720,546	986,768,332
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	4.1	6,069,168,573	4,240,008,595
		7,455,889,119	5,226,776,927
Balance with other banks and financial institutions			
In Bangladesh	5.1	2,004,193,176	2,471,272,225
Outside Bangladesh		3,321,402,897	480,862,223
		5,325,596,073	2,952,134,448
Money at call on short notice			
	6	500,000,000	-
Investments:			
Government	7.1	19,863,023,632	16,290,335,637
Others		1,990,526,166	1,979,822,849
		21,853,549,798	18,270,158,486
Loans, advances and lease / investments			
Loans, cash credit, overdrafts etc. / investments	8.1	86,403,204,437	85,543,225,936
Bills purchased and discounted		1,452,001,227	1,298,382,733
		87,855,205,664	86,841,608,669
Fixed assets including premises, furniture and fixtures	9.1	1,469,805,724	1,475,738,963
Other assets	10.1	3,224,853,841	2,755,249,387
Non-banking assets		-	-
TOTAL ASSETS		127,684,900,219	117,521,666,880
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11.1	2,999,349,387	3,262,983,361
Deposits and other accounts			
Current / Al-wadeeah current deposits and other accounts	12.1	15,736,893,779	12,701,291,707
Special notice / mudaraba special notice deposits		10,622,103,467	5,970,630,318
Bills payable		5,268,678,988	5,011,369,023
Savings bank / mudaraba savings deposits		7,045,540,315	6,578,429,379
Fixed / mudaraba term deposits		49,298,787,157	48,736,337,676
Other deposits		13,962,592,610	14,733,176,576
		101,934,596,316	93,731,234,679
Other liabilities	13.1	11,425,737,296	9,444,922,435
TOTAL LIABILITIES		116,359,682,999	106,439,140,475
Capital/ Shareholders' equity			
Paid up capital	14.3	8,241,916,500	8,241,916,500
Statutory reserve	15	2,486,942,757	2,486,942,757
General reserve		-	-
Other reserve (revaluation reserve on Govt. Securities)	16	44,654,355	22,049,131
Foreign currency translation reserve	16.2	18,849,932	12,710,366
Surplus in profit and loss account	17.1	532,853,676	318,907,651
TOTAL SHAREHOLDERS' EQUITY		11,325,217,220	11,082,526,405
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		127,684,900,219	117,521,666,880

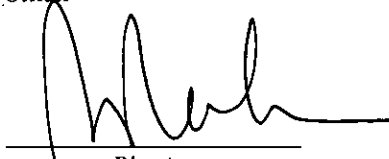
	Note	30 June 2024 Taka	31 December 2023 Taka
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
	18		
Acceptance and endorsements		4,705,816,266	4,682,195,862
Letters of guarantee		17,841,212,503	14,011,516,153
Irrevocable letters of credit		6,074,661,037	6,146,781,395
Bills for collection		8,237,302,650	4,518,447,260
Other contingent liabilities		-	-
Total		36,858,992,456	29,358,940,670
Other commitments			
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other		-	-
Total		-	-
Total off-balance sheet items including contingent liabilities		36,858,992,456	29,358,940,670
Net asset value per share (NAV)	37.1	13.74	13.23

Accompanying notes form an integral part of these financial statements.


 Chief Financial Officer


 Company Secretary


 Chairman


 Director


 Managing Director & CEO

Dhaka, 31 July 2024

SBAC Bank PLC.
Profit and Loss Account (Unaudited)
For the second quarter ended 30 June 2024

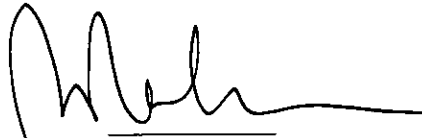
	Note	01 Jan 2024 to 30 June 2024 Taka	01 Jan 2023 to 30 June 2023 Taka	01 April to June 2024 Taka	01 April to June 2023 Taka
Interest income / profit on investments	21.1	4,262,496,847	3,206,675,710	2,236,850,023	1,656,443,219
Less: Interest / profit on deposits and borrowings etc.	22.1	3,122,205,197	2,558,856,367	1,637,357,804	1,307,154,873
Net interest income		1,140,291,650	647,819,343	599,492,219	349,288,346
Income from investments in shares and securities	23.1	1,132,700,500	866,877,158	583,551,384	421,017,831
Commission, exchange and brokerage	24.1	630,080,527	467,925,791	339,724,187	277,267,846
Other operating income	25.1	119,245,919	93,885,184	57,708,334	57,300,624
		1,882,026,946	1,428,688,133	980,983,905	755,586,301
Total operating income		3,022,318,596	2,076,507,476	1,580,476,124	1,104,874,647
Salary and allowances	26.1	955,201,071	836,637,589	491,431,841	451,369,279
Rent, taxes, insurance, electricity etc.	27.1	110,981,959	81,910,038	52,612,109	43,262,022
Legal and professional expenses	28.1	1,179,173	2,258,403	308,977	1,375,538
Postage, stamp, telecommunication etc.	29.1	3,525,691	3,647,894	1,944,601	2,037,647
Stationery, printing, advertisement etc.	30.1	32,094,018	27,457,211	14,350,768	13,304,537
Chief executive's salary and fees	31	6,960,000	5,880,000	3,780,000	2,700,000
Directors' fees	32.1	1,096,000	1,600,000	832,000	1,424,000
Auditors' fees	33.1	-	57,500	-	57,500
Depreciation and repair of bank's assets	34.1	191,837,819	197,314,089	97,697,891	100,875,254
Other expenses	35.1	138,816,560	119,349,113	68,691,186	52,969,926
Total operating expenses		1,441,692,291	1,276,111,837	731,649,373	669,375,703
Profit before provision		1,580,626,305	800,395,639	848,826,751	435,498,944
Provision for loan					
Specific provision	13.3	280,992,934	80,596,214	232,818,426	39,353,002
Special general provision - COVID-19	13.4	(7,858,320)	(4,896,277)	(7,858,320)	(4,112,643)
General provision on loans and advances - main operation	13.3	180,000,000	15,194,033	90,000,000	586,106
General provision on loans and advances - OBU	13.4	(1,027,359)	(183,013)	(195,482)	(417,121)
General provision on off balance sheet items	13.5	41,779,293	36,411,028	30,758,763	15,422,499
		493,886,548	127,121,985	345,523,387	50,831,843
Provision for rebate to good borrowers		-	-	-	-
Provision for diminution in value of investments	13.7	151,557,008	1,738,247	49,901,202	-
Other provision		-	-	-	-
Total provision		645,443,556	128,860,232	395,424,589	50,831,843
Total Profit before taxes		935,182,749	671,535,407	453,402,162	384,667,101
Provision for taxation	36	556,398,394	350,045,034	274,544,286	194,949,690
Net profit after taxation		378,784,355	321,490,373	178,857,876	189,717,411
Earnings per share (EPS)	38.1	0.46	0.39	0.22	0.23

Accompanying notes form an integral part of these financial statements.


 Chief Financial Officer


 Company Secretary


 Chairman


 Director


 Managing Director & CEO

Dhaka, 31 July 2024

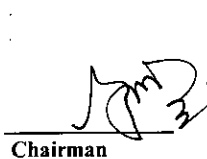
SBAC Bank PLC.
Cash Flow Statement (Unaudited)
For the second quarter ended 30 June 2024

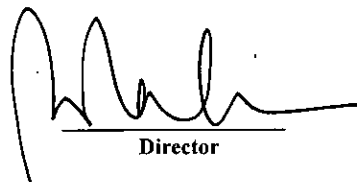
	Note	01 Jan 2024 to 30 June 2024	01 Jan 2023 to 30 June 2023
		Taka	Taka
A) Cash flows from operating activities			
Interest receipts in cash		4,049,372,005	3,195,274,299
Interest payments		(2,794,950,471)	(1,905,830,945)
Dividend receipts		39,004,385	22,609,564
Income from investments		1,132,700,500	731,327,289
Recoveries on loans and advances previously written-off		-	-
Fees and commission receipts in cash		749,326,446	467,925,791
Cash payments to employees		(962,161,071)	(842,517,589)
Cash payments to suppliers		(112,161,132)	(8,991,119)
Income taxes paid		(367,702,370)	(227,864,492)
Receipts from other operating activities		119,281,780	93,928,103
Payments for other operating activities		(341,592,566)	(133,246,779)
Operating profit before changes in operating assets and liabilities		1,511,117,505	1,392,614,122
Increase / decrease in operating assets and liabilities			
Sale / purchase of trading securities		(2,869,150,161)	(990,343,666)
Loans and advances to other banks		(500,000,000)	(1,200,000,000)
Loans and advances to customers		(1,036,437,563)	(4,406,123,786)
Increase / decrease of other assets		(469,604,454)	(727,984,800)
Deposits from other banks		1,043,778,963	1,553,142,358
Deposits from customers		7,159,582,674	5,528,812,517
Increase / decrease of other liabilities		1,980,814,862	1,399,009,178
		5,308,984,321	1,156,511,801
Net cash from operating activities		6,820,101,827	2,549,125,923
B) Cash flows from investing activities			
Net Proceeds from sale of securities		15,582,388,190	29,597,268,795
Payments for Purchase of securities		(17,377,383,135)	(29,257,732,871)
Purchase of property, plant and equipment		5,933,239	119,262,182
Sale proceeds of property, plant and equipment		6,000	-
Net cash from investing activities		(1,789,055,706)	458,798,106
C) Cash flows from financing activities			
Borrowing from other banks, financial institutions and agents		(263,633,974)	(457,016,745)
Dividends paid		(164,838,330)	(288,467,078)
Receipts from issue of ordinary share		-	81,603,130
Net cash from financing activities		(428,472,304)	(663,880,693)
D) Net increase / (decrease) in cash (A+B+C)		4,602,573,817	2,344,043,336
E) Effects of exchange rate changes on cash and cash-equivalent		-	-
F) Cash and cash-equivalents at beginning period		8,178,911,375	8,183,979,231
G) Cash and cash-equivalents at end of period (D+E+F)		12,781,485,192	10,528,022,567
H) Cash and cash-equivalents at end of period			
Cash in hand including foreign currencies	3	1,386,720,546	925,384,090
Balances with Bangladesh Bank and its agent bank(s)	4	6,069,168,573	5,765,302,071
Balances with other Banks and Financial institutions	5	5,325,596,073	3,837,336,406
		12,781,485,192	10,528,022,567

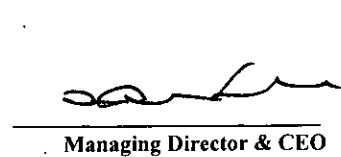
Accompanying notes form an integral part of these financial statements.


Chief Financial Officer


Company Secretary


Chairman


Director


Managing Director & CEO

Dhaka, 31 July 2024

SBAC Bank PLC.
Statement of Changes in Equity (Unaudited)
For the second quarter ended 30 June 2024

Particulars	Paid Up Capital	Statutory Reserve	Other Reserve	F.C. Translation Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka
Balance as on 01 January 2024	8,241,916,500	2,486,942,757	22,049,131	12,710,366	318,907,651	11,082,526,405
Net profit for the period	-	-	-	-	378,784,355	378,784,355
Transfer to statutory reserve	-	-	-	-	-	-
Transfer to startup fund	-	-	-	-	-	-
Revaluation of Govt. treasury bills, bonds and other investments	-	-	22,605,224	-	-	22,605,224
Foreign currency translation gain/loss not recognized in the income statement	-	-	-	6,139,566	-	6,139,566
Stock dividend issued	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	(164,838,330)	(164,838,330)
Balance as on 30 June 2024	8,241,916,500	2,486,942,757	44,654,355	18,849,932	532,853,676	11,325,217,220

For the quarter ended 30 June 2023

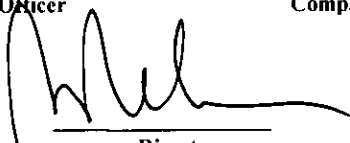
Particulars	Paid Up Capital	Statutory Reserve	Other Reserve	F.C. Translation Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka
Balance as on 01 January 2023	8,160,313,370	2,204,928,598	65,228,536	7,933,440	358,143,419	10,796,547,363
Net profit for the period	-	-	-	-	321,490,373	321,490,373
Transfer to statutory reserve	-	-	-	-	-	-
Transfer to startup fund	-	-	-	-	-	-
Revaluation of Govt. treasury bills, bonds and other investments	-	-	(39,094,779)	-	-	(39,094,779)
Foreign currency translation gain/loss not recognized in the income statement	-	-	-	3,426,516	-	3,426,516
Stock dividend issued	81,603,130	-	-	-	-	81,603,130
Cash dividend paid	-	-	-	-	(288,467,078)	(288,467,078)
Balance as on 30 June 2023	8,241,916,500	2,204,928,598	26,133,757	11,359,956	391,166,714	10,875,505,525

These financial statements should be read in conjunction with the annexed notes.


 Chief Financial Officer


 Company Secretary


 Chairman


 Director


 Managing Director & CEO

Dhaka, 31 July 2024

SBAC Bank PLC.
Liquidity Statement (asset and liabilities maturity analysis)
As at 30 June 2024

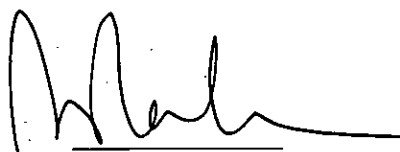
Particulars	Within one month Taka	Within one to three months Taka	Within three to twelve months Taka	Within one to five years Taka	More than five years Taka	Total Taka
Assets:						
Cash in hand (including foreign currencies)	1,386,720,546	-	-	-	-	1,386,720,546
Balance with Bangladesh Bank and its agent Banks	2,694,400,573	-	-	-	3,374,768,000	6,069,168,573
Balance with other banks & financial institutions	1,332,898,454	1,298,863,420	2,693,834,199	-	-	5,325,596,073
Money at call on short notice	500,000,000	-	-	-	-	500,000,000
Investments	594,547,773	1,184,066,281	604,629,254	1,682,262,309	17,788,044,181	21,853,549,798
Loans and advances	12,799,497,963	17,419,812,069	28,009,869,376	17,145,376,484	12,480,649,772	87,855,205,664
Fixed assets including premises, furniture and fixtures	21,676,644	43,353,288	195,089,795	1,209,685,997	-	1,469,805,724
Other assets	478,682,097	797,803,495	1,150,564,754	797,803,495	-	3,224,853,841
Non-Banking assets	-	-	-	-	-	-
Total Assets	19,808,424,050	20,743,898,553	32,653,987,378	20,835,128,285	33,643,461,953	127,684,900,219
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	685,068,237	1,038,701,214	901,623,826	102,530,916	271,425,194	2,999,349,387
Deposits and other accounts	14,541,292,139	18,040,951,220	29,128,489,455	15,784,208,352	24,439,655,150	101,934,596,316
Provisions and other liabilities	70,386,044	532,037,312	2,619,718,888	1,710,451,898	6,493,143,154	11,425,737,296
Total Liabilities	15,296,746,420	19,611,689,746	32,649,832,169	17,597,191,166	31,204,223,498	116,359,682,999
Net liquidity surplus	4,511,677,629	1,132,208,807	4,155,209	3,237,937,119	2,439,238,455	11,325,217,220
Cumulative liquidity surplus	4,511,677,629	5,643,886,436	5,648,041,646	8,885,978,765	11,325,217,220	

Net result of the liquidity statement represents the shareholders' equity.


 Chief Financial Officer


 Company Secretary


 Chairman


 Director


 Managing Director & CEO

Dhaka, 31 July 2024

SBAC bank PLC.
Notes to the Financial Statements
as at and for the first quarter ended 30 June 2024

1 General information

1.1 Status of the bank

SBAC Bank PLC. (the "Bank") was incorporated in Bangladesh as a public limited company with limited liability by shares as on February 20, 2013 under the Companies Act 1994 to carry out banking business. The registered office of the Bank is BSC Tower, 2-3 Rajuk Avenue, Motijheel, Dhaka-1000, Bangladesh. It obtained license from Bangladesh Bank for carrying out banking business on March 25, 2013 under the Bank Companies Act 1991. The Bank has been carrying out its business in Bangladesh through its ninety (90) branches; thirty one (31) sub-branches all over Bangladesh and one (01) Off-shore banking unit in head office. The Bank went for initial public offering in 2021 and its share is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited from 11 August 2021 as a publicly traded company. The Bank's name was amended to "SBAC Bank PLC." from South Bangla Agriculture and Commerce Bank Ltd under Bank Company's Act 1991 section 31 vide BRPD letter ref BRPD(LS-1)/745(68)/2024-985 dated 31 January, 2024.

1.2 Nature of business

Principal activities

The principal activities of the Bank are to carry on all kinds of commercial banking business in Bangladesh i.e. accepting customer deposits, lending to retail, small and medium enterprise (SME) and corporate customers, trade financing, lease financing, project financing, issuing letters of credit, interbank borrowing and lending, dealing with government securities etc. In addition to the traditional banking system, the Bank started islamic shariah base banking business through islamic banking windows (IBW) in 10 branches of the Bank during the period.

Off-shore Banking Unit (OBU)

The Off-shore Banking Unit (OBU) of the Bank is the separate business entity governed by the applicable rules & regulations and guidelines of Bangladesh Bank. The Bank obtained the permission for conducting the activities of OBU under reference letter no. BRPD (03)/744(127)/2020-5140 dated 15 July 2020 of Bangladesh Bank. The Bank started the operation of OBU on 22 October 2020. The number of OBU was one as at 31 March 2023, located at International Division, Head Office, SBAC Bank PLC., Dhaka.

The principal activities of the OBUs are to provide commercial banking services through its Unit within the rules & regulations and guidelines of Bangladesh Bank applicable for the Off-shore Banking Units.

Agent Banking Outlet

The Bank has started agent banking operation in 2022 with a view to reach unbanked population particularly in the geographically dispersed areas and offer banking services to potential customers who are currently out of traditional banking periphery. The Bank has 31 agent outlets across the country. This service includes offering all types of deposit accounts and other banking services including bills payments, inward foreign remittance, fund transfer etc.

Information regarding subsidiary

The Bank has 01 (one) subsidiary, SBAC Bank Investment Limited.

SBAC Bank Investment Limited

SBAC Bank Investment Limited, a subsidiary company of the Bank, incorporated as a private company, limited by shares, registered with the Registrar of Joint Stock Companies and Firms vide certificate of incorporation no. C-169950/2021 dated 21 March 2021 under the Companies Act 1994. SBAC Bank Investment Limited got the Trading Right Entitlement Certificate (TREC) no. Nibondhon/DSE/TREC#267/2021/294 dated 01 September 2021 of Dhaka Stock Exchange Limited (DSE). The primary activity of the company is to act as a stock broker & dealer to execute buy and sell order and to maintain its own portfolio as well as customers' portfolio under the discretion of customers.

2 Basis of preparation of financial statements and significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements of the Bank as at 30 June 2024 have been prepared on going concern basis under historical cost convention and in accordance with the “First Schedule” of the Bank Companies Act, 1991 as amended by BRPD Circular No. 14 dated 25th June 2003, other Circulars of Bangladesh Bank, International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987, and other laws and rules applicable for Banks in Bangladesh. The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) is formed and it is yet to issue financial reporting standards for public interest entities such as banks. The Bank Companies Act 1991 has been amended to require banks to prepare their financial statements under such financial reporting standards. As per the provisions of the FRA and hence International Financial Reporting Standards (IFRS) as approved by the Institute of Chartered Accountants of Bangladesh (ICAB) are still applicable. In case of any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of other regulatory authorities and IFRS, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank prevailed. Material departures from the requirements of IFRS are as follows:

i) Presentation of Financial statements

IFRS: As per IAS 1 financial statements shall comprise statement of financial position, comprehensive income statement, changes in equity, statement of cash flows, adequate notes comprising summary of accounting policies and other explanatory information. As per para 60 of IAS 1, the entity shall also present current and non-current assets and liabilities as separate classifications in its statement of financial position.

Bangladesh Bank: The presentation of the financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) and certain disclosures therein are guided by the First Schedule (Section 38) of the Bank Company Act 1991 (amendment up to date) and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of Bangladesh Bank. In the prescribed format, there is no option to present assets and liabilities under current and non-current classifications.

ii) Investment in shares and securities (Equity Shares, Mutual Funds etc.)

IFRS: As per requirements of IFRS 9, classification and measurement of investment in shares and securities will depend on how these are managed (the entity’s business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under “at fair value through profit or loss account” or under “at fair value through other comprehensive income” where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.

Bangladesh Bank: As per Banking Regulation and Policy Department (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 net assets value of last audited balance sheet respectively. And as per DOS Circular Letter No. 10 date 28 June 2015 investments in mutual fund (open-end) is revalued at lower of cost and higher of market value and 85% of NAV. As per DOS Circular No. 01 date 10 February 2020 any investment under the special fund for investment in capital market is not revalued i.e. presented at cost. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognised at cost.

iii) Revaluation gains/losses on Government securities

IFRS: As per requirement of IFRS 9 where securities will fall under the category of fair value through profit or loss account, any change in the fair value of assets is recognised through the profit and loss account. Securities designated as amortised cost are measured at effective interest rate method and interest income is recognised through the profit and loss account.

Bangladesh Bank: According to Department of Offsite Supervision (DOS) Circular # 05, dated 26 May 2008 and subsequent clarification in DOS Circular # 05, dated 28 January 2009 of Bangladesh Bank, Government securities (Treasury Bill / Treasury Bond) are classified in Held for Trading (HFT) and Held to Maturity (HTM). HFT securities are revalued on the basis of mark to market and any gain on revaluation of securities which have not matured as at the balance sheet date are recognized in other reserve as a part of equity and any loss on revaluation of securities which have not matured as at balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortization of discount is recognized in the profit and loss account. HTM securities which have not matured as at balance sheet date are measured at amortized cost method and gains or losses on amortization are recognized in other reserve as a part of equity.

iv) Provision on loans and advances/investments

IFRS: As per IFRS 9 an entity shall recognise an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

Bangladesh Bank: As per BRPD circular letter no. 53 (22 December 2022), BRPD circular letter no. 52 (20 October 2020), BRPD circular No. 16 (21 July 2020), BRPD circular no.24 (17 November 2019), BRPD circular no.6 (19 May 2019), BRPD circular no.4 (16 May 2019), BRPD circular no.3 (21 April 2019), BRPD circular no.15 (27 September 2017), BRPD circular no.16 (18 November 2014), BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013 & BRPD circular no. 16 dated 18 November 2014, a general provision at 0.25% to 2% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on time past due. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IFRS 9. However, if there is any stay order issued by the Honourable High Court Division of the Supreme Court of Bangladesh against any non-performing loans for reporting such loans as unclassified category, the Bank maintains at least general provision for such loans under unclassified loan category as per Bangladesh Bank guidelines. Where Bangladesh Bank suggests any additional provision to be maintained for such loans, the Bank complies with that.

v) Recognition of interest in suspense

IFRS: Loans and advances to customers are generally classified at amortised cost as per IFRS 9 and interest income is recognised by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently become credit-impaired, the entity shall apply the effective interest rate to the amortised cost of these loans and advances.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified as impaired, 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 the balance sheet.

vi) Other comprehensive income and appropriation of profit

IFRS: As per IAS 1 Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement.

Bangladesh Bank: Bangladesh Bank has issued 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 nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

vii) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in IFRS 9. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.

viii) Financial guarantees

IFRS: As per IFRS 9, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtors fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognised less, income recognised in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD Circular No. 14 dated 25th June 2003, financial guarantees such as letters of credit, letters of guarantee will be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin. As per BRPD Circular No.01 dated 03 January 2018 and BRPD Circular No.14 dated 23 September 2012, the Bank is required to maintain provision at as per BRPD Circular No. 06, dated 25th April 2023 against off-balance sheet exposures (which includes undrawn loan commitments).

ix) Cash and cash equivalents

IFRS: Cash and cash equivalent items should be reported as cash item as per IAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as money at call on short notice, treasury bills with maturity of more than three months and prize bond are not shown as cash and cash equivalents. Money at call on short notice is shown separately in the balance sheet. Treasury bills with maturity of more than three months and prize bond are shown under investment in the balance sheet.

x) Repo and reverse repo transactions

IFRS: As per IFRS 9 when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan and the underlying asset continues to be recognised at amortised cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).

Bangladesh Bank: As per Department of Off-Site Supervision (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 transaction and the financial asset is derecognised in the seller's book and recognised in the buyer's book. However, as per Debt Management Department (DMD) circular letter no. 7 dated 29 July 2012, non primary dealer banks are eligible to participate in the Assured Liquidity Support (ALS) program, whereby such banks may enter collateralized repo arrangements with Bangladesh Bank. Here the selling bank accounts for the arrangement as a loan, thereby continuing to recognize the asset.

xi) Non-banking asset

IFRS: No indication of Non-banking assets is found in any IFRS.

Bangladesh Bank: As per BRPD 14, dated 25th June 2003 there is a separate balance sheet item named Non-banking assets existed in the standard format.

xii) Cash flow statement

IFRS: The cash flow statement can be prepared using either the direct method or the indirect method. 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 25th June 2003, cash flow is the mixture of direct and indirect methods.

xiii) Balance with Bangladesh Bank: (Cash Reserve Requirement)

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.

xiv) Presentation of intangible assets

IFRS: An intangible asset must be identified and recognized, and the disclosure must be given as per IAS 38.

Bangladesh Bank: There is no regulation for intangible assets in BRPD Circular No. 14 dated 25th June 2003.

xv) Off-balance sheet items

IFRS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD Circular No. 14 dated 25th June 2003, off balance sheet items (e.g. Letters of credit, Letters of guarantee etc.) must be disclosed separately on the face of the balance sheet.

xvi) Loans and advances net of provision

IFRS: As per IFRS - 9, Loans and advances/Investments should be presented net of provision.

Bangladesh Bank: As per BRPD Circular No. 14 dated 25th June 2003, provision on loans and advances/investments are presented separately as liability and cannot be netted off against loans and advances.

xvii) 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.

2.2 Going concern basis of accounting

The accompanying financial statements have been prepared on going concern assumption that the Bank will continue its operation over the foreseeable future. The bank has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materiality the scale of any of its operations. Key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the bank continued to demonstrate a healthy trend. The rating outlook of the Bank as reported by all the rating agencies is 'Stable'.

2.3 Basis of consolidation

The consolidated financial statements include the financial statements of the Bank and its one subsidiary, SBAC Bank Investment Limited, made up to the end of the financial year as on 30 June 2024. The consolidated financial statements have been prepared in accordance with IFRS 10 "Consolidated Financial Statements" using purchase method. The consolidated financial statements have been prepared by using uniform accounting policies for like transactions and other events in similar circumstances.

Subsidiary

Subsidiary is an enterprise which is controlled by the parent company. Control exists when the parent company has the power, directly and indirectly, to govern the financial and operating policies of an enterprise from the date of control commences until the date that control ceases. The financial statements of subsidiary are included in the consolidated financial statements from the date that the control effectively commences until the date that it control effectively ceases.

Transactions eliminated on consolidation

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Profit and Loss resulting from transactions is also eliminated on consolidation.

2.4 Use of estimates and judgment

The preparation of financial statements 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 periods in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described below:

- a. Provisions on loans and advances
- b. Income tax provision
- c. Deferred Tax
- d. Useful life of fixed assets and right of use assets
- e. Defined benefit obligation-gratuity
- f. Lease liabilities

2.5 Consistency

In accordance with IFRS framework for the presentation of financial statements together with IAS-1 and IAS-8, the Bank discloses its information consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies, correction of errors, the amount involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8. However, for changes in the accounting estimates the related amount is recognized prospectively in the current period and in the next period or periods.

2.6 Foreign currency transactions

a) Functional and presentation currency

Items included in the financial statements of each entity in the group are measured using the currency of the primary economic environment in which the entity operates, i.e. the functional currency. The financial statements of the group and the Bank are presented in Bangladeshi Taka which is the Bank's functional and presentation currency.

b) Foreign currencies translation

Foreign currency transactions are converted into equivalent BDT using the prevailing exchange rates on the dates of respective transactions as per IAS-21, "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into BDT at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into equivalent BDT.

Assets and liabilities of off-shore Banking Unit (OBU) are translated at the exchange rate prevailing at the balance sheet date. Income and expenses in the profit and loss account of OBU are translated at an average rate approximating the exchange rates at the year end. Resulting exchange differences are recognized as a separate component of equity.

As per IAS 21, Foreign Currency Transactions i.e. both the foreign currency denominated monetary and non-monetary items of the OBUs are translated at historical rate because the OBUs are considered as an integral part of the Bank's operation not a foreign operation due to specific regulations governing the OBU and its unique nature.

c) Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance sheet date.

d) Transaction gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account.

2.7 Cash flow statement

The cash flow statement has been prepared in accordance with IAS 7, Cash Flow Statements considering the requirements specified in BRPD circular No. 14 dated 25 June 2003 issued by the Banking Regulation and Policy Department of Bangladesh Bank.

2.8 Statement of changes in equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth during the year.

2.9 Statement of liquidity

The liquidity statement of assets and liabilities as on the reporting date has been prepared either on the basis of their maturity schedule or residual maturity term as provided in the statement.

2.10 Reporting period

These financial statements of the Bank cover period from 1 January to 30 June.

2.11 Investment in Govt. Securities

In accordance with Bangladesh Bank guideline the Bank has classified investment into the following categories :

- Held to Maturity (HTM)
- Held for Trading (HFT)

In accordance with DOS circular No.05 (26 May 2008) and DOS circular 5 (28 January 2009) treasury securities held for Statutory Liquidity Ratio (SLR) compliance could be classified as either HTM or HFT. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity. Coupon interest on HTM securities is recognised in profit and loss account. HFT securities are revalued on the basis of mark to market on weekly basis and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account.

2.12 Investment in quoted / unquoted securities

The investment in quoted shares are revalued as per market price in the stock exchange(s). The Bank's investments in shares (unquoted) are recorded at cost and income thereon is accounted for when the right to receive payment is established. Provisions are made for any loss arising from diminution in value of investments. Bonus share in their own self will have no value as the fair value of each shareholder's interest should be unaffected by the bonus issue, hence no accounting entries are passed in the book for bonus share received.

2.13 Loans and advances

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not sell in the normal course of business.

Loans and advances are measured at amortised cost. These are stated gross, with accumulated specific and general provisions for loans and advances being shown under other liabilities.

2.14 Provisions on loans and advances

At each balance sheet date and periodically throughout the year, the Bank reviews loans and advances to assess whether objective evidence that impairment of a loan or portfolio of loans has arisen supporting a change in the classification of loans and advances, which may result in a change in the provision required in accordance with Bangladesh Bank BRPD circular letter no. 53 dated 22 December 2022, BRPD circular no. BRPD circular letter no. 53 dated 30 December 2021, BRPD circular no. 52 dated 29 December 2021, BRPD circular letter no. 50 dated 14 December 2021, BRPD circular no. 19 dated 26 August 2021, 2021 BRPD circular no. 05 dated 24 March 2021, BRPD circular no. 03 dated 31 January 2021, BRPD circular no. 56 dated 10 December 2020, BRPD circular no.52 dated 20 October 2020, BRPD circular no.16 dated 21 July 2020, BRPD circular no. 24 (17 November 2019), BRPD circular no.6 (19 May 2019), BRPD circular no. 5 (16 May 2019) and BRPD circular no.3 (21 April 2019), BRPD circular no.1 (20 February 2018), BRPD circular no.15 (27 September 2017), BRPD circular no.16 (18 November 2014), BRPD circular no.14 (23 September 2012), BRPD circular no. 19 (27 December 2012) and BRPD circular no. 05 (29 May 2013). The guidance in the circular follows a formulaic approach whereby specified rates are applied to the various categories of loans as defined in the circular. The provisioning rates for general provision is 1% to 2% and specific provision is 5% to 100%.

The provisioning rates are as follows:

	2024	2023
General provision on:		
Unclassified general loans and advances/investments	1.00%	1.00%
Unclassified small and medium enterprise financing	0.25%	0.25%
Unclassified loans/investment for housing finance	1.00%	1.00%
Unclassified loans/investment for loans to professionals	2.00%	2.00%
Unclassified consumer financing other than housing finance and loans for professionals	2.00%	2.00%
Unclassified agricultural loans	1.00%	1.00%
Specific provision on:		
Unclassified loans/advances rescheduled under BRPD 05/2019	100.00%	100.00%
Substandard loans and advances/investments other than agricultural loans and cottage, micro & small enterprise finance	20.00%	20.00%
Substandard loans and advances on cottage, micro & small enterprise finance	5.00%	5.00%
Doubtful loans and advances/investment other than agricultural loans and cottage, micro & small enterprise finance	50.00%	50.00%
Doubtful loans and advances on cottage, micro & small enterprise	20.00%	20.00%
Substandard and doubtful on agricultural loans	5.00%	5.00%
Bad/loss advances/investments	100.00%	100.00%
Special general provision for COVID 19		
Loans and advances on cottage, micro & small enterprise finance	1.00%	1.00%
Other than SME loans and advances	2.00%	2.00%

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%.

BRPD circular No.14 (23 September 2012) as amended by BRPD circular No. 19 (27 December 2012) also provides scope for further provisioning based on qualitative judgments. In these circumstances impairment losses are calculated on individual loans considered individually significant based on which specific provisions are raised. If the specific provisions assessed under the qualitative methodology are higher than the specific provisions assessed under the formulaic approach, the higher of the two is recognised in liabilities under "Provision for loans and advances" with any movement in the provision charged/released in the profit and loss account. Classified loans are categorised into sub-standard, doubtful and bad/loss based on the criteria stipulated by Bangladesh Bank guideline.

Loans are normally written off, when there is no realistic prospect of recovery of these amounts and in accordance with BRPD circular No.01 (06 February 2019), BRPD circular No.13 (07 November 2013) and BRPD circular No.2 (13 January 2003). A separate Debt Collection Unit (DCU) has been set up which monitors loans written off and legal action taken through the money loan court. These write-offs do not undermine or affect the amount claimed against the borrower by the Bank.

The DCU maintains a separate record for all individual cases written off by each branch. The DCU follow-up on the recovery efforts of these written off loans and reports to management on a periodic basis. Written off loans and advances are reported to the Credit Information Bureau (CIB) of Bangladesh Bank.

2.15 Property, plant and equipment

Property, plant & equipment are recognized if it is probable that future economic benefits associated with the assets will flow to the Bank and the cost of the assets can be reliably measured.

a) All fixed assets are stated at cost less accumulated depreciation as per IAS-16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance, is normally charged off as revenue expenditure in the period in which it is incurred.

b) Depreciation is charged for the period at the following rates using straight-line method on all fixed assets:

Category of fixed assets	Rate
Motor vehicles	20%
Machinery & equipment's	20%
Furniture & Fixture	10%
Interior Decoration	10%
Computer & Accessories	20%
Software	20% or remaining usable periods
Other tools	20%
Right of use assets	Remaining lease periods

c) For additions during the period, depreciation is charged from the month those have been booked and for disposal depreciation is charged up to the previous month of disposal.

d) On disposal of fixed assets, the book value of the assets are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the book value of the asset and net sale proceeds.

e) Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset have been capitalized as part of the cost of the asset as per IAS 23.

2.16 Intangible asset

An intangible asset is to be recognized only if it is probable the future economic benefits attributable to the asset will flow to the bank and the cost of the asset can be measured reliably. Recognition & measurement of intangible asset are guided by IAS 38 – "Intangible Asset". Due to following BRPD circular no. 14 dated 25th June 2003 intangible assets are not disclosed in a separate line rather in is reported under fixed assets. However, separate line item along with the rate of amortization is identifiable in the detail schedule of fixed assets.

2.17 Provisions for other assets

BRPD circular No.12 dated 12 April 2022 requires provision as per following rates :

Particulars	Outstanding Period	Rate
Advance for revenue expenses	more than 6 months but less than 12 months	50%
	more than 12 months	100%
Advance for capital expenses	more than 12 months	100%
Legal expenses realizable form customers	from transaction date	50%
	more than 12 months	100%
Protested Bills	from transaction date	100%
Unadjusted debit entries in inter-branch transaction	more than 1 year but less than 2 years	50%
	more than 2 years	100%
Unadjusted debit entries in nostro account	more than 6 months but less than 12 months	50%
	more than 12 months	100%
Accrued Interest on loans and advances, investments and other	more than 6 months but less than 12 months	50%

advances, investments and other accrued income	more than 12 months	100%
Security Deposits (not collected from expiry date)	more than 1 year but less than 2 years	50%
	more than 2 years	100%
Unadjusted sanchayapatra, wage earners' bond, army pension fund, civil pension fund etc.	more than 1 year but less than 2 years	50%
	more than 2 years	100%
Other Assets	more than 6 months but less than 12 months	50%
	more than 12 months	100%

2.18 Non banking assets

There are no assets acquired in exchange for loan during the period of financial statements.

2.19 Securities purchased under re-sale agreement

Securities purchased under re-sale agreements are treated as collateralized lending and recorded at the consideration paid and interest accrued thereon. The amount lent is shown as an asset either as loans and advances to customers or loans to other banks.

The difference between purchase price and re-sale price is treated as interest received and accrued evenly over the life of Repo agreement.

2.20 Reconciliation of inter-bank and inter-branch account

Accounts with regard to inter-bank are reconciled regularly and there are no differences which may affect the financial statements significantly. Un-reconciled entries / balances in the case of inter-branch transactions as on the reporting date are Nil.

2.21 Statutory reserve

Bank Company Act, 1991 requires the Bank to transfer 20% of its current year's profit before tax to reserve until such reserve equals to its paid up capital.

2.22 Other reserve

Other reserve comprises investment revaluation reserve and fixed assets revaluation reserve. When carrying amount of an item of property, plant and equipment is increased as a result of revaluation, the increased amount is classified directly to equity under heading of assets revaluation reserve as per IAS 16 – "Property, Plant and Equipment". As per Bangladesh Bank DOS circular no. 5 dated 26th May 2008, revaluation gain arising from revaluation of government securities under HFT category is kept directly in equity under revaluation gain account which is disclosed with other reserve while preparing the financial statements.

2.23 Non-controlling (minority) interest in subsidiary

Non-controlling (minority) interest in subsidiary is an accounting concept that refers to the portion of a subsidiary corporation's stock that is not owned by the parent corporation. The magnitude of the non-controlling (minority) interest in the subsidiary company is always less than 50% of outstanding shares, else the corporation would cease to be a subsidiary of the parent. Non-controlling (minority) interest belongs to other investors and is reported on the consolidated balance sheet of the owing company to reflect the claim on assets belonging to other, non-controlling shareholders. Also, non-controlling (minority) interest is reported on the consolidated income statement as a share of profit belonging to non-controlling (minority) shareholders.

2.24 Deposits and other accounts

Deposits by customers and banks are recognized when the Bank enters into contractual provisions of the arrangements with the counterparties, which is generally on trade date, and initially measured at the consideration received.

2.25 Borrowings from other banks, financial institutions and agents

Borrowed funds include call money deposits, borrowings, re-finance borrowings and other term borrowings from banks. These are stated in the balance sheet at amounts payable. Interest paid / payable on these borrowings is charged to the profit and loss account.

2.26 Employees benefits

a. Short term benefits

Short-term benefits are employee benefits which fall due wholly within twelve month after the end of the period in which the employees render the related service. The Bank provides various short term benefits to its employees like incentive bonus, leave fare assistance etc.

b. Provident fund

The benefits of provident fund are given to the employees of the Bank in accordance with the Provident Fund Rules as per Income Tax Act 2023. The Provident Fund was recognized by National Board of Revenue on 12th May 2015. Separate bank account is maintained to manage the fund. All confirmed employees of the Bank contribute 10% of their basic salary as subscription to the Fund. The Bank also contributes equal amount to the Fund. Interest earned from the investments of fund is credited to the members' accounts on yearly basis.

c. Gratuity

As per the Employees Service Rules of the Bank, gratuity shall be admissible to all regular employees who have completed continuous service for a period of 7 (seven) years in the Bank but in case of experienced banker recruited through head hunting the admissible period is 5 (five) years. The amount of gratuity shall be calculated at the rate of 2 (two) months' last drawn basic pay for each completed years of service. The Bank is developing the fund to meet up its future obligation. National Board of Revenue recognized the gratuity fund on 10 April 2016.

d. Workers Profit Participation Fund and Welfare Fund

SRO-336-AIN/2010 dated 5-10-2010 issued by the 'Ministry of Labour and Employment' declares the status of business of certain institutions and companies along with Bank & insurance companies as "Industrial Undertakings" for the purposes of Chapter-XV of the Bangladesh Labour Act, 2006 (as amended up to 2013) which deals with the workers' participation in company's profit by way of 'Workers Participation Fund' and 'Welfare Fund'. This Act requires the "Industrial Undertakings" to maintain provision for workers' profit participation fund @ 5% on net profit. Since this requirement contradicts with the 'Section 11' of the 'Bank Company Act 1991 (as amended up to 2018)', Banks in Bangladesh took up the issue collectively and sought opinion from 'Association of Bankers Bangladesh Limited (ABB)' on the same. ABB wrote a letter to the 'Ministry of Finance' of Government of People's Republic of Bangladesh on 09.03.2016 to draw attention of the honourable Finance Minister regarding relevance and applicability of Chapter XV of the Bangladesh Labour Act, 2006 (as amended up to 2013) for Bank Companies and to obtain a direction on the issue. The 'Ministry of Finance' revealed their opinion that WPPF should not be relevant for Bank Companies and therefore, it should not be applied there. They also sought for an opinion on this issue from Bangladesh Bank. Subsequently, Bangladesh Bank agreed on all the logics and legal opinion collected by the ABB and expressed their consensus with them on 29.11.2016. In this backdrop, the 'Ministry of Finance' has given their instruction, vide letter no. 53.00.0000.311.22.002.17.130 dated 14.02.2017, for not applying Chapter XV of the Bangladesh Labour Act, 2006 (as amended up to 2013) in Bank Companies. Therefore, no provision in this regard has been made in the financial statements for the year ended on June 30, 2024.

e. Other benefits

Other benefits include house building loan, consumer finance and car loan at a concessional rate.

2.27 Provision for liabilities

Provision are recognized in the Balance Sheet when the Bank has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with IAS 37 - "Provisions, Contingent Liabilities and Contingent Assets".

2.28 Provision for Off-balance sheet items:

Off-balance sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank guidelines. Provision for Off Balance Sheet (OBS) has been maintained as per BRPD Circular No. 06, dated April 25, 2023.

2.29 Provision for current taxation

Current tax is the tax expected to be payable on the taxable profit for the year, calculated using tax rates as prescribed in the Income Tax Act 2023 and relevant Statutory Regulatory Orders (SRO) and any adjustment to tax payable in respect of previous years. As per the Finance Act 2022 the current income tax rate applicable for the banks is 37.50%. The estimation of current tax provision involves making judgments regarding admissibility of certain expenses as well as estimating the amount of other expenses for tax purposes.

2.30 Provision for deferred tax

Deferred tax liabilities / assets are the amount of income tax payable / recoverable in future years in respect of taxable /deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing difference arising between the carrying values of assets, liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS 12 "Income Taxes".

2.31 Revenue recognition

The various types of revenue are recognised by the Bank under the following ways:

2.31.1 Interest income (conventional banking)

In terms of the provision of the IFRS 9 – "Financial Instruments" the interest income is recognized on accrual basis. In accordance with BRPD circular No.14 (23 September 2012) as amended by BRPD circular No. 19 (27 December 2012) interest accrued on sub-standard loans and doubtful loans are credited to an "Interest Suspense Account" which is included within "Other liabilities". Interest from loans and advances ceases to be accrued when they are classified as bad/loss. The interest is then kept in a memorandum account. Interest received on sub-standard loans, doubtful loans and bad/loss loans are retained in the "Interest Suspense Account" until the loan is no longer considered to be impaired.

2.31.2 Profit on investment (islamic banking)

Income from general investments is accounted for on accrual basis except investments under Musharaka, Mudaraba, Bai-Salam, Bai-as-Sarf and Ijarah modes, where the investment income is accounted for on realization basis. The Wing does not charge any rent during the gestation period of investment against Hire Purchase under Shirkatul Melk (HPSM) mode but it fixes the sale price of the assets at a higher level in such a way to cover its expected rate of return. Such income is recognized on realization basis.

2.31.3 Investment income

Income on investments is recognized on accrual basis. Investment income includes discount on treasury bills and interest on treasury bonds. Capital gain on investments in shares is also included in investment income. Capital gain is recognized when it is realized.

2.31.4 Fees and commission income

The Bank earns fees and commission from a diverse range of services provided to its customers. Fees and commission income is recognized on realization basis. Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

2.31.5 Dividend income on shares

Dividend income from an investment is recognised when the Bank's right to receive payment is established (declared and approved by the shareholders in the Annual General Meeting of the investee).

2.31.6 Interest paid on borrowings and deposits (conventional banking)

Interest paid on borrowings and deposits is calculated on daily basis and recognized on accrual basis.

2.31.7 Profit shared on deposits (islamic banking)

Profit on deposits are recognized on accrual basis. Mudaraba depositors of the IBW share income derived from investing activities deploying the Mudaraba funds. Income under these categories includes profit, dividend, capital gain, rent, exchange gain and any other gain derived from deployment of Mudaraba funds.

2.31.8 Management and other expenses

Expenses incurred by the Bank are recognized on accrual basis.

2.32 Earnings per share (EPS)

Earnings per share (EPS) have been calculated in accordance with IAS 33 – “Earnings per Share”, which is shown on the face of the Profit & Loss Account. This has been calculated by dividing the net profit after tax by the weighted average number of ordinary shares outstanding as on 30 June 2023. This represent the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time weighted factor. The time weighted factor is the number of days the specific shares are outstanding as a proportion of the total number of days in the year.

No diluted earnings per share are required to be calculated for the period, as there was no element or scope for dilution during the period under review.

2.33 Off-setting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount reported in the Balance Sheet when and only when the Bank has a legal right to offset the recognized amount and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting standards or for gains or losses arising from a group of similar transactions.

2.34 Leases

IFRS 16 Leases is effective for the annual reporting periods beginning on or after 1 January 2019. IFRS 16 defines that a contract is (or contains) a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Under IFRS 16, an entity shall be recognizing a right-of-use (ROU) asset (i.e. the right to use the office building, branches, service centre, call centre, warehouse, etc.) and a corresponding lease liability. The asset and the liability are initially measured at the present value of unavoidable lease payments. The depreciation of the lease asset (ROU) and the interest on the lease liability is recognized in the profit or loss account over the lease term replacing the previous heading 'lease rent expenses'.

The Bank applied IFRS 16 using modified retrospective approach where the bank measured the lease liability at the present value of the remaining lease payments, discounted it using incremental borrowing rate at the date of initial application, and recognised a right-of-use asset at the date of the initial application on a lease by lease basis.

Right-of-use assets are measured at cost, less any accumulated depreciation, and adjusted for any re-measurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right-of-use assets are presented under property, plant and equipment in the financial statements.

After initial recognition of lease liability, the Bank increase the carrying amount to reflect the interest on the lease liability and thereafter reduce the carrying amount while the lease payments has been made. And re-measured the carrying amount for any lease modifications.

While implementation IFRS 16, the Bank observed that IFRS 16 is expected to have impact on various regulatory capital and liquidity ratios as well as other statutory requirements issued by various regulators. In addition, there are no direction from National Board of Revenue (NBR) regarding treatment of lease rent, depreciation on ROU assets and interest on lease liability for income tax purposes and applicability of VAT on such items. Finally, paragraph 5 of IFRS 16 provide the recognition exemptions to short-term leases and leases for which the underlying asset is of low value. Although, paragraphs B3 to B8 of the Application Guidance (Appendix B) of IFRS 16 provide some qualitative guidance on low value asset, but these guidance is focused towards moveable asset. Immovable asset like rental of premises (i.e. real estate) is not covered on those guidance, nor any benchmark on quantification guidance on low value items have been agreed locally in Bangladesh.

The Bank has defined 'low value asset' which are to be excluded from IFRS 16 requirement and considered lease of 'Generator space' and 'ATM Booths and other installations' as low value asset. The Bank recognises lease payments associated with these leases as an expense. On transition to IFRS 16 the weighted average incremental borrowing rate applied to lease liabilities recognized under IFRS 16 was 6%.

Bank has applied "COVID 19 related rent concession (amendment to IFRS 16 2020,)" and "COVID 19 related rent concession (amendment to IFRS 16 2021,)" regarding the amendment of lease modification clause i.e. 46A & 46B and applied the practical expedient to rent concessions that meet the conditions in paragraph 46B.

2.35 Dividend policy

The Bank's policy is to maximize the shareholders' wealth. As a result, the bank tries to allocate optimum dividend to the shareholders for each operational year, after payment of income tax, transfer of fund to regulatory reserve, provision for loans and advances, etc. Final dividend is recognized when it is approved by the shareholders in the Annual General Meeting. The payment of dividend is made within the time prescribed by the Bangladesh Securities and Exchange Commission.

2.36 Credit Rating of the Bank

As per the BRPD instruction circular no.6 dated 5 July 2006, the Bank has done its credit rating by Credit Rating Information and Services Limited (CRISL) based on the financial statements dated 31 December 2023 and unaudited Financial Statements March 2024.

Particulars	Date of Rating	Long term	Short term	Rating Valid
Credit Rating Information and Services Limited (CRISL)	26 June 2024	A+	ST-2	25 June 2025

2.37 Accounting standards adopted

The Institute of Chartered Accountants of Bangladesh (ICAB) is the official standard setting body as well as the regulator of accounting profession of the country. ICAB has adopted most of the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs). The Bank has applied all the applicable IASs and IFRSs for preparation and presentation of these financial statements except described in note no. 2.1.

Name of IASs / IFRSs	IASs / IFRSs	No.	Status
Presentation of Financial Statements	IAS	1	*Complied
Inventories	IAS	2	Not Applicable
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 Disclosures of Government Assistance	IAS	20	Not Applicable
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	Not Applicable
Separate Financial Statements	IAS	27	Complied
Investments in Associates and Joint Ventures	IAS	28	Not Applicable
Financial Reporting in Hyperinflationary Economics	IAS	29	Not Applicable
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
Financial Instruments : Recognition and Measurement	IAS	39	*Complied
Investment Property	IAS	40	Not Applicable
Agriculture	IAS	41	Not Applicable
First-time Adoption of International Financial Reporting Standards	IFRS	1	Complied
Share-based Payment	IFRS	2	Not Applicable
Business Combinations	IFRS	3	Complied
Non-current Assets Held for Sale and Discontinued Operations	IFRS	5	*Complied
Exploration for and Evaluation of Mineral Resources	IFRS	6	Not Applicable
Financial Instruments : Disclosures	IFRS	7	*Complied
Operating Segments	IFRS	8	Complied
Financial Instruments	IFRS	9	*Complied
Consolidated Financial Statements	IFRS	10	Complied
Joint Arrangements	IFRS	11	Not Applicable

Disclosure of Interests in Other Entities	IFRS	12	Complied
Fair Value Measurement	IFRS	13	*Complied
Regulatory Deferral Accounts	IFRS	14	Not Applicable
Revenue from Contracts with Customers	IFRS	15	Complied
Leases	IFRS	16	Complied
Insurance Contracts	IFRS	17	Not Applicable

* Subject to departure disclosed in note no. 2.1.

2.38 New accounting standards not yet adopted

The Bank has consistently applied the accounting policies as set out above to all periods presented in these financial statements. The various amendments to standards, including any consequential amendments to other standards, with the date of initial application of 1 January 2022 have been considered. However, these amendments have no material impact on the financial statements of the Bank.

In December 2017, ICAB vide letter 1/1/ICAB-2017 decided to adopt IFRS replacing BFRS effective for annual periods beginning on or after 1 January 2018. However, since issued BFRS have been adopted from IFRS without any major modification, such changes would not have any material impact on these financial statements.

A number of standards and amendments to standards are effective for annual periods beginning on or after 1 January 2019 and earlier application is permitted. However, the Bank has not early applied the following new standards in preparing these financial statements.

(a) IFRS 17 Insurance contract

IFRS 17 was issued in May 2017 and applies to annual reporting periods beginning on or after 1 January 2021. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. The Bank has not yet assessed in potential impact of IFRS 17 on its financial statements.

2.39 General

- i) Figures appearing in these financial statements have been rounded off to the nearest Taka.
- ii) Figures of 2023 have been rearranged as per current year's presentation.

2.40 Approval of the Financial Statements

The Board of Directors of the Bank, in its 184th meeting held on 31 July 2024, approved the financial statements of the Bank for the first quarter ended 30 June 2024 and signed these statements on the same day.

	30 June 2024 Taka	31 December 2023 Taka
3. Cash in hand (including foreign currencies) - Consolidated		
SBAC Bank PLC. (note 3.1)	1,386,720,546	986,768,332
SBAC Bank Investment Limited	20,837	16,326
	<u>1,386,741,383</u>	<u>986,784,658</u>
3.1 Cash in hand (including foreign currencies) of the Bank		
Local currency	1,374,472,100	978,940,764
Foreign currencies	12,248,446	7,827,568
	<u>1,386,720,546</u>	<u>986,768,332</u>
4. Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) - Consolidated		
SBAC Bank PLC. (note 4.1)	6,069,168,573	4,240,008,595
SBAC Bank Investment Limited	-	-
	<u>6,069,168,573</u>	<u>4,240,008,595</u>
4.1 Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) of the Bank		
Bangladesh Bank		
In local currency	4,267,363,890	3,653,881,902
In foreign currencies	1,801,804,683	586,126,693
	<u>6,069,168,573</u>	<u>4,240,008,595</u>
Sonali Bank Limited (as Agent of Bangladesh Bank) - local currency	-	-
	<u>6,069,168,573</u>	<u>4,240,008,595</u>
5. Balance with other banks and financial institutions - Consolidated		
In Bangladesh		
SBAC Bank PLC. (note 5.1)	2,004,193,176	2,471,272,225
SBAC Bank Investment Limited	40,508,433	78,695,106
	<u>2,044,701,609</u>	<u>2,549,967,331</u>
Less : Inter company transactions	26,383,167	58,245,114
	<u>2,018,318,442</u>	<u>2,491,722,217</u>
Outside Bangladesh		
SBAC Bank PLC. (note 5.1)	3,321,402,897	480,862,223
SBAC Bank Investment Limited	-	-
	<u>3,321,402,897</u>	<u>480,862,223</u>
	<u>5,339,721,339</u>	<u>2,972,584,440</u>
5.1 Balance with other banks and financial institutions of the Bank		
In Bangladesh		
Main Operation (note 5.3)	2,004,193,176	2,604,736,456
Off-shore Banking Unit	95,954,260	78,557,733
Less: Inter bank transactions	(95,954,260)	(212,021,964)
	<u>2,004,193,176</u>	<u>2,471,272,225</u>
Outside Bangladesh		
Main Operation (note 5.4)	3,321,402,897	480,862,223
	<u>5,325,596,073</u>	<u>2,952,134,448</u>
5.2 Balance with other banks and financial institutions - Main Operation		
In Bangladesh (note 5.3)	2,004,193,176	2,604,736,456
Outside Bangladesh (note 5.4)	3,321,402,897	480,862,223
	<u>5,325,596,073</u>	<u>3,085,598,679</u>
5.3 In Bangladesh		
Balance with other banks :		
In current deposit accounts with		
Sonali Bank Limited	43,739,492	86,817,940
Dutch Bangla Bank Limited	-	-
Eastern Bank Limited	-	-
	<u>43,739,492</u>	<u>86,817,940</u>

	30 June 2024	31 December 2023
	Taka	Taka
In special notice deposit accounts with		
Janata Bank Limited	15,329,788	27,485,502
Eastern Bank Limited	48,273,038	37,927,405
Sonali Bank Limited	56,100,753	11,952
Mercantile Bank Limited	407,460	406,754
Bank Asia Limited	26	26
Standard Bank Limited	89,987	89,917
Jamuna Bank Limited	14,827	16,840
Al-Arafa Islami Bank Limited	11,758	12,208
Trust Bank Limited	25,302,232	20,103,115
Union Bank Limited	3,038	3,686
IFIC Bank Limited	16,177	16,599
Rupali Bank Limited	4,600	5,108,800
	145,553,684	91,182,804
In fixed deposit accounts with		
Citizen Bank PLC.	-	400,000,000
	-	400,000,000
Balance with financial institutions :		
Phoenix Finance Limited	195,800,000	195,800,000
International Leasing & Financial Services Limited	578,500,000	578,500,000
Industrial & Infrastructure Development Finance Company Limited	15,200,000	16,600,000
Fareast Finance and Investment Limited	257,500,000	257,500,000
FAS Finance Limited	264,300,000	264,300,000
Premier Leasing and Finance Limited	130,600,000	130,700,000
Union Capital Limited	173,000,000	173,000,000
Bangladesh Finance and Investment Company Limited	200,000,000	200,000,000
	1,814,900,000	1,816,400,000
Placement of fund with SBAC Bank Off-shore Banking Unit	-	210,335,712
	2,004,193,176	2,604,736,456

5.4 Outside Bangladesh

In demand deposit accounts (non-interest bearing) with

Particulars	Currency	30 June 2024			31 December 2023		
		Amount in foreign currency	Exchange rate for per unit	Amount in Taka	Amount in foreign currency	Exchange rate for per unit foreign currency	Amount in Taka
Habib American Bank,	USD	12,242,572	117.50	1,438,502,154	1,561,909	110.00	171,810,018
Koomin Bank, Seoul	USD	54,872	117.50	6,447,479	92,781	110.00	10,205,896
Mashreq Bank PSC, New York	USD	14,277,923	117.50	1,677,655,920	98,135	110.00	10,794,853
Sonali Bank (UK) Ltd.	USD	30,411	117.50	3,573,263	86,921	110.00	9,561,308
AB Bank, Mumbai	ACU	312,439	117.50	36,711,599	774,338	110.00	85,177,163
AXIS Bank Ltd., Mumbai	ACU	211,749	117.50	24,880,565	281,064	110.00	30,917,062
Habib Metropolitan Bank Ltd., Karachi	ACU	36,384	117.50	4,275,071	7,824	110.00	860,594
Sonali Bank Ltd. Kolkata	ACU	478,335	117.50	56,204,333	478,335	110.00	52,616,823
United Bank of India, Kolkata	ACU	124,506	117.50	14,629,419	190,129	110.00	20,914,175
Yes Bank Ltd.	ACU	146,820	117.50	17,251,362	37,360	110.00	4,109,611
Sonali Bank (UK) Ltd.	GBP	8,883	149.18	1,325,170	41,158	140.73	5,792,393
Sonali Bank (UK) Ltd.	EURO	24,872	126.41	3,144,207	24,872	122.13	3,037,743
Aktif Yatirim Bankasi A.S.	EURO	-	-	-	216,515	122.13	26,443,627
Banca UBAE SPA	EURO	277,543	126.41	35,085,187	302,615	122.13	36,959,227
Bank of HUZHOU Co	CNY	617	16.17	9,982	646,970	15.48	10,017,227
National Bank of Pakistan, Tokyo	JPY	2,327,453	0.73	1,707,187	2,120,571	0.78	1,644,503
				3,321,402,897			480,862,223
In demand deposit accounts (interest bearing)				-			-
Total Outside Bangladesh				3,321,402,897			480,862,223

	30 June 2024 Taka	31 December 2023 Taka
5.5 Maturity grouping of balance with other banks and financial institutions of the Bank		
On demand	1,024,084,540	567,680,163
Within one month	886,084,714	491,182,804
Within one to three months	721,592,620	400,000,000
Within three to twelve months	2,693,834,199	1,493,271,481
Within one to five years	-	-
More than five years	-	-
	5,325,596,073	2,952,134,448
6. Money at call on short notice		
With banks	500,000,000	-
With non bank financial institutions	-	-
	500,000,000	-

	30 June 2024 Taka	31 December 2023 Taka
7. Investments in shares & securities - Consolidated		
Government :		
SBAC Bank PLC. (note 7.1)	19,863,023,632	16,290,335,637
SBAC Bank Investment Limited	-	-
	19,863,023,632	16,290,335,637
Other :		
SBAC Bank PLC. (note 7.1)	1,990,526,166	1,979,822,848
SBAC Bank Investment Limited	235,963,664	237,482,948
	2,226,489,830	2,217,305,796
	22,089,513,462	18,507,641,433
7.1 Investments in shares & securities of the Bank		
Government securities		
Treasury bills		
91-day treasury bills	3,126,961,400	-
182-day treasury bills	-	-
364-day treasury bills	-	-
30-day Bangladesh Bank bills	-	-
	3,126,961,400	-
Treasury bonds		
2-Year treasury bonds	-	-
3-Year treasury bonds	-	-
5-Year treasury bonds	50,014,217	54,039,059
10-Year treasury bonds	2,208,898,345	1,523,446,734
15-Year treasury bonds	7,335,459,350	8,069,073,293
20-Year treasury bonds	6,865,453,220	6,367,344,251
Ijarah Sukuk	274,330,000	274,330,000
	16,734,155,132	16,288,233,337
Total treasury bills and bonds	19,861,116,532	16,288,233,337
Prize bonds	1,907,100	2,102,300
Total Government securities	19,863,023,632	16,290,335,637
Other investments (note 7.3)	1,990,526,166	1,979,822,848
	21,853,549,798	18,270,158,485
7.2 Classification of investments in shares & securities of the Bank as per Bangladesh Bank Circular		
Government treasury bills and bonds		
Held for Trading (HFT)	2,880,804,329	11,654,168
Held to Maturity (HTM)	16,705,982,203	16,002,249,169
Ijarah Sukuk	274,330,000	274,330,000
Total treasury bills and bonds	19,861,116,532	16,288,233,337
Prize bonds	1,907,100	2,102,300
Total Government securities	19,863,023,632	16,290,335,637
Other investments (note 7.3)	1,990,526,166	1,979,822,849
	21,853,549,798	18,270,158,486
7.3 Other investments of the Bank		
In quoted shares	1,472,877,384	1,414,546,647
In quoted mutual funds	54,067,411	101,694,830
In unquoted shares	3,581,371	3,581,371
In preference shares	460,000,000	460,000,000
	1,990,526,166	1,979,822,848
7.4 Maturity grouping of investments of the Bank		
On demand	2,514,632	2,102,300
Within one month	592,033,141	494,955,712
Within one to three months	1,184,066,281	989,911,424
Within three to twelve months	604,629,254	505,486,403
Within one to five years	1,682,262,309	1,406,416,773
More than five years	17,788,044,181	14,871,285,873
	21,853,549,798	18,270,158,485

	30 June 2024	31 December 2023
	Taka	Taka
8. Loans, advances and lease / investments - Consolidated		
Loans , cash credit, overdrafts etc. / investments :		
SBAC Bank PLC. (note 8.1)	86,403,204,437	85,543,225,936
SBAC Bank Investment Limited	292,145,777	366,451,452
	86,695,350,214	85,909,677,388
Less : Inter-company transaction	466,719,075	563,865,318
	86,228,631,139	85,345,812,070
Bills purchased and discounted :		
SBAC Bank PLC. (note 8.1)	1,452,001,227	1,298,382,733
SBAC Bank Investment Limited	-	-
	1,452,001,227	1,298,382,733
	87,680,632,366	86,644,194,803
8.1 Loans, advances, lease and investments of the Bank		
Loans , cash credit, overdrafts etc. / investments :		
Main Operation	86,403,204,437	85,322,817,536
Off-shore banking unit	-	220,408,400
	86,403,204,437	85,543,225,936
Bills purchased and discounted :		
Main Operation	1,452,001,227	1,298,382,733
Off-shore banking unit	-	-
	1,452,001,227	1,298,382,733
	87,855,205,664	86,841,608,669
8.2 Loans , cash credit, overdrafts etc. / investments of the Bank		
In Bangladesh:		
Overdrafts / bai murabaha	24,683,451,236	24,602,963,320
Cash credit / bai murabaha :		
General cash credit / bai murabaha	5,456,707,993	5,471,553,793
Agriculture cash credit / bai murabaha	124,836,375	125,708,865
SME cash credit	8,602,796,494	8,872,071,634
General cash credit under stimulus finance	107,530,789	109,924,237
SME cash credit / bai murabaha under stimulus finance	15,943,330	27,113,113
	14,307,814,981	14,606,371,642
Loans, lease and investments :		
Loans against trust receipt / murabaha post import	2,590,327,175	2,015,405,514
Export packing credit	218,981,460	217,908,427
Payment against document	179,696,378	565,290,912
Time loans	4,768,434,160	4,242,944,431
EDF loans	666,293,581	777,245,804
Demand loans / murabaha	4,398,025,718	5,787,270,400
Lease finance	763,834,060	725,597,160
House building finance / HPSM real estate	1,424,300,561	1,363,716,940
General term loans / bai murabaha	23,840,345,973	22,335,915,891
SME term loans / bai murabaha	5,381,174,249	5,073,638,765
Agriculture term loans / bai murabaha	825,622,851	820,270,533
Short term micro credit	897,957,677	986,950,687
Personal loans / HPSM	75,143,339	80,351,969
Auto loans / HPSM vehicles	75,033,731	74,023,649
Credit Card	399,906,991	358,371,596
Block account for rescheduled loan	282,133,448	272,053,135
Staff loans / HPSM	624,726,868	636,935,161
	47,411,938,220	46,333,890,974
	86,403,204,437	85,543,225,936
Outside Bangladesh	-	-
	86,403,204,437	85,543,225,936
8.3 Bills purchased and discounted of the Bank		
Inside Bangladesh		
Inland bills purchased and discounted	1,186,604,105	1,165,843,434
Outside Bangladesh		
Foreign bills purchased and discounted	265,397,122	132,539,299
	1,452,001,227	1,298,382,733

	30 June 2024 Taka	31 December 2023 Taka
8.4 Maturity grouping of loans, advances and lease / investments including bills purchased and discounted		
On demand	6,319,177,028	6,239,633,257
Within one month	6,480,320,935	6,406,084,247
Within one to three months	17,419,812,069	17,220,255,726
Within three to twelve months	28,009,869,376	27,688,996,395
Within one to five years	17,145,376,484	16,948,963,996
More than five years	12,480,649,772	12,337,675,048
	87,855,205,664	86,841,608,669
8.5 Loans, advances and lease / investments including bills purchased and discounted are classified into following broad categories		
(a) Loans, advances and lease / investments (note 8.2)		
In Bangladesh		
Loans	47,411,938,220	46,333,890,974
Cash credit	14,307,814,981	14,606,371,642
Overdraft	24,683,451,236	24,602,963,320
	86,403,204,437	85,543,225,936
Outside Bangladesh	-	-
	86,403,204,437	85,543,225,936
(b) Bills purchased and discounted (note 8.3)		
In Bangladesh	1,186,604,105	1,165,843,434
Outside Bangladesh	265,397,122	132,539,299
	1,452,001,227	1,298,382,733
	87,855,205,664	86,841,608,669
8.6 Loans, advances and lease / investments including bills purchased and discounted on the basis of significant concentration		
i. Loans, advances and lease / investments to Directors of the bank	169,578,044	167,616,922
ii. Loans, advances and lease / investments to CEO and other senior executives	448,464,006	443,277,658
iii. Loans, advances and lease / investment to staffs other than in sl. no. ii	192,130,459	189,908,530
iv. Loans, advances and lease / investments to customers' group	87,045,033,155	86,040,805,559
	87,855,205,664	86,841,608,669
iv. Disclosure on large loans		
Disclosure on large loans i.e. loan sanctioned to any individual or enterprise or any organization of a group amounting to 10% or more of the Bank's total capital and classified amount therein and measures taken for recovery of such loan have been furnished as under. Mentionable that, total capital (Tier I + Tier II) of the Bank solo basis was Taka 11,546,963,532 as at 31 December 2023 and Taka 11,126,531,896 as at 31 December 2022.		
(a) Number of the clients to whom loans and advances sanctioned more than 10% of the Bank's total capital	17	17
(b) Amount of outstanding loans and advances to the clients mentioned in iv (a) above	18,430,705,321	18,292,932,942
(c) Amount of classified loans and advances out of the amount mentioned in iv (b) above	-	-
(d) Measures taken for recovery of the amount mentioned in iv (c) above	-	-
8.7 Geographical location-wise loans, advances and lease / investments including bills purchased and discounted		
Urban		
Dhaka Division	52,894,330,006	53,749,366,436
Chattogram Division	9,580,728,231	8,613,840,080
Khulna Division	5,471,548,142	5,765,445,678
Rajshahi Division	2,818,658,506	2,424,344,451
Barishal Division	1,300,473,683	1,283,898,903
Sylhet Division	521,892,715	442,482,544
Rangpur Division	1,897,297,861	1,804,590,091
Mymensingh	146,790,682	198,064,577
	74,631,719,826	74,282,032,760
Rural		
Dhaka Division	5,458,902,042	4,737,813,205
Chattogram Division	3,149,484,749	3,054,125,731
Khulna Division	3,558,074,340	3,634,916,495
Rajshahi Division	-	114,752,566
Barishal Division	641,215,676	578,218,978
Sylhet Division	298,165,645	323,958,315
Rangpur Division	117,643,386	115,790,619
	13,223,485,838	12,559,575,909
	87,855,205,664	86,841,608,669

	30 June 2024	31 December 2023
	Taka	Taka
8.8 Industry-wise loans, advances and lease / investments including bills purchased and discounted		
Agriculture, fisheries and forestry	3,791,634,091	3,067,311,325
Agro base processing industries	6,988,631,672	6,907,810,292
Small & medium enterprise financing (SMEF)	31,036,754,827	30,654,675,320
RMG & textile industries	9,210,667,043	9,604,296,771
Hospitals, clinics & medical colleges	620,948,166	613,767,092
Trade & commerce	7,402,002,534	7,316,400,647
Transport and communications	586,475,595	579,693,185
Rubber & plastic industries	1,751,794,794	1,731,535,825
Iron, steel & aluminium industries	4,194,316,510	4,145,810,527
Printing & Packaging industries	257,294,792	254,319,257
Other manufacturing industries	8,053,156,471	7,960,024,188
Housing & construction industries	1,215,465,692	1,201,409,204
Consumer credit	1,165,144,715	1,151,670,174
Others	11,580,918,762	11,652,884,862
	<u>87,855,205,664</u>	<u>86,841,608,669</u>
8.9 Broad economic sector-wise segregation of loans, advances and lease / investments including bills purchased and discounted		
Government and autonomous bodies	-	-
Other public sector	-	-
Private sector	87,855,205,664	86,841,608,669
	<u>87,855,205,664</u>	<u>86,841,608,669</u>

8.10 Required provision for loans, advances and lease / investments including bills purchased and discounted

Particulars	Amount of outstanding loans and advances as at 30th June 2024	Base for Provision	Rate	Amount of required provision as at 30th June 2024	Amount of required provision as at 31 December 2023
I) General provision :					
a) Consumer finance	479,643,007	479,643,007	2.00%	9,592,860	9,427,172
b) Staff loans	624,726,869	624,726,869	0.00%	-	-
c) Housing finance	1,571,764,865	1,571,764,865	1.00%	15,717,649	13,565,856
d) Loans to professional	-	-	2.00%	-	-
e) Small & medium enterprise	28,401,536,482	28,401,536,482	0.25%	71,003,841	70,220,464
f) Loans to BH, MB, SD, etc.	1,229,643,627	1,229,643,627	2.00%	12,296,436	13,236,549
g) Agricultural and micro credit	3,788,399,498	3,788,399,498	1.00%	37,883,995	30,666,614
h) Others	46,350,521,967	46,350,521,967	1.00%	463,505,220	436,082,529
i) Special general provision- COVID-19	-	-	1%, 1.5% & 2%	67,207,928	75,066,248
	82,446,236,315	82,446,236,315		677,207,929	648,265,433
II) Specific provision :					
a) Unclassified	-	-	100.00%	1,442,634,938	1,179,765,989
b) Sub-standard (CMS)	90,893,855	24,923,427	1.00%	1,246,171	136,588,862
c) Sub-standard (other)	134,675,184	70,974,611	5.00%	14,194,922	998,441
d) Sub-standard (Agriculture)	492,977	73,947	20.00%	3,697	10,403,325
e) Doubtful (CMS)	365,842,925	74,357,264	20.00%	14,871,453	14,472,330
f) Doubtful (other)	8,083,128	7,636,810	50.00%	3,818,405	71,458,881
g) Doubtful (Agriculture)	2,741,615	411,242	-	20,562	-
h) Bad / loss	4,806,239,665	1,945,171,274	100.00%	1,945,171,274	1,758,065,742
	5,408,969,349	2,123,548,575		3,421,961,423	3,171,753,570
Total provision required	87,855,205,664	84,569,784,890		4,099,169,352	3,820,019,003
Total provision maintained				3,916,484,947	3,464,377,692
Provision to be maintained*				182,684,405	355,641,311
Surplus / (deficit)				-	-

* As on 30.06.2024 the Bank's total provision requirement against loans and advances stood Tk 409.92 crore against which Bank maintains provision of TK. 391.65 crore showing deferral provision of TK. 18.27 crore. The Department of Off-site Supervision of Bangladesh Bank through letter reference no. DOS (CAMS)1157/41(dividend)/2024-1836 dated 30 April 2024, allowed deferral provision of Tk. 35.56 crore upto finalization of Financial Statements for the year 2024.

	30 June 2024 Taka	31 December 2023 Taka
8.11 Classification of loans, advances and lease / investments including bills purchased and discounted		
Unclassified loans and advances		
On-shore Banking Unit		
i) Standard	81,406,154,857	80,715,187,671
ii) Special mention account (SMA)	1,040,081,458	756,446,646
	82,446,236,315	81,471,634,317
Off-shore Banking Unit		
i) Standard	-	220,408,384
ii) Special mention account (SMA)	-	-
	-	220,408,384
	82,446,236,315	81,692,042,701
Classified loans and advances		
On-shore Banking Unit		
Sub-standard	226,062,016	178,188,103
Doubtful	376,667,669	370,357,229
Bad / loss	4,806,239,664	4,601,020,635
	5,408,969,349	5,149,565,968
Off-shore Banking Unit		
Sub-standard	-	-
Doubtful	-	-
Bad / loss	-	-
	-	-
	5,408,969,349	5,149,565,968
Total	87,855,205,664	86,841,608,669
8.12 Particulars of loans, advances and lease / investments including bills purchased and discounted		
i) Loans considered good in respect of which the banking company is fully secured	82,344,016,531	81,394,154,745
ii) Loans considered good for which the banking company holds no security other than the debtor's personal guarantee	926,363,365	915,650,257
iii) Loans considered good and secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	4,584,825,769	4,531,803,667
iv) Loans adversely classified; provision not maintained there against	-	-
	87,855,205,665	86,841,608,669
v) Loans due by directors or officers of the banking company or any of them either separately or jointly with any other person	810,172,509	800,803,110
vi) Loan due from companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in case of private companies as members	169,578,044	167,616,922
vii) Maximum total amount of advances, including temporary advances made at any time during the period to directors or managers or officers of the banking companies or any of them either separately or jointly with any other persons	810,172,509	800,803,110
viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firm in which the directors of the banking company have interests as directors, partners or managing agents or in the case of private companies as members	169,578,044	167,616,922
ix) Due from other banking companies	-	-
x) Classified loans and advances :		
(a) Amount of classified loan on which interest has not been charged	5,408,969,349	5,149,565,968

	30 June 2024	31 December 2023
	Taka	Taka
(b) (Decrease)/increase in specific provision during the period	280,992,934	671,885,914
(c) Amount of loan written off during the period	-	-
(d) Amount realized against loan previously written off	-	-
(e) Amount of provision kept against loan classified as bad/loss as on the Balance Sheet date	1,945,171,274	1,758,065,742
(f) Interest creditable to the interest suspense accounts	2,841,289,235	2,178,771,361
xi) Cumulative amount of the written off loan	-	-
xii) Amount written off in the year	-	-
xiii) Amount of written off loan for which lawsuit has been filed for recovery	-	-
8.13 Bills purchased and discounted		
In Bangladesh	1,186,604,105	1,165,843,434
Outside Bangladesh	265,397,122	132,539,299
	1,452,001,227	1,298,382,733
8.14 Bills purchased and discounted on the basis of the residual maturity grouping		
Within one month	584,975,717	523,086,589
Within one to three months	385,803,242	344,986,118
Within three to six months	213,921,834	191,289,380
More than six months	267,300,434	239,020,646
	1,452,001,227	1,298,382,733

	30 June 2024	31 December 2023
	Taka	Taka
9. Fixed Assets including premises, furniture and fixtures - Consolidated		
SBAC Bank PLC. (note 9.1)	1,469,805,724	1,475,738,963
SBAC Bank Investment Limited	17,982,828	18,673,346
	<u>1,487,788,552</u>	<u>1,494,412,309</u>
9.1 Fixed Assets including premises, furniture and fixtures of the Bank		
Motor vehicles	78,682,485	74,793,653
Machinery and equipment's	376,199,763	364,138,826
Furniture and fixtures	133,670,567	124,973,921
Interior decoration	402,235,585	386,042,302
Computers and accessories	468,978,882	452,956,982
Software	217,294,436	212,921,796
Other tools	62,165,589	59,448,958
Right of use assets (Lease assets)	1,819,287,962	1,719,000,755
	<u>3,558,515,269</u>	<u>3,394,277,193</u>
Less : Accumulated depreciation	2,088,709,545	1,918,538,230
	<u>1,469,805,724</u>	<u>1,475,738,963</u>
10. Other Assets - Consolidated		
Income generating other assets		
SBAC Bank PLC.	399,600,000	399,600,000
SBAC Bank Investment Limited	359,462,250	349,950,000
	<u>759,062,250</u>	<u>749,550,000</u>
Non-income generating other assets		
SBAC Bank PLC.	2,825,253,841	2,355,649,387
SBAC Bank Investment Limited	108,420,522	79,902,894
	<u>2,933,674,363</u>	<u>2,435,552,281</u>
	<u>3,692,736,613</u>	<u>3,185,102,281</u>
Less : Inter-company transaction	814,378,865	766,595,353
Total other assets	<u>2,878,357,748</u>	<u>2,418,506,928</u>
10.1 Other Assets of the Bank		
Investment in shares of SBAC Bank Investment Limited	399,600,000	399,600,000
Advance income tax (note 10.2)	2,091,071,695	1,704,913,349
Stock of stationeries and stamps	22,154,577	18,877,997
Advance rent, advertisement, etc.	16,374,552	17,791,377
Accrued interest and commission receivable	309,728,136	285,090,492
Advance and security deposits	4,370,655	4,370,655
Protested bills	28,494,000	28,494,000
Central clearing, EFT, NPSB adjustment account	1,411	1,411
Deferred tax asset	83,080,467	83,080,467
Receivable from SBAC Investment Ltd	16,247,857	-
Suspense accounts (note 10.3)	253,730,491	213,029,639
	<u>3,224,853,841</u>	<u>2,755,249,387</u>
10.2 Advance income tax		
Opening balance	1,704,913,349	852,437,461
Add : Paid during the year		
Income tax deducted at source	18,455,976	111,902,055
Advance income tax paid	367,702,370	740,573,833
	<u>386,158,346</u>	<u>852,475,888</u>
	2,091,071,695	1,704,913,349
Less : Adjustment during the year	-	-
Closing balance	<u>2,091,071,695</u>	<u>1,704,913,349</u>
10.3 Suspense accounts		
Sundry debtors	62,277,573	129,874,328
Receivable from Stock Brokers	132,036	132,036
Advance for merchant payment	11,398,480	1,228,819
Receivable for payment against Sanchayapatra (interest & principal encashme	1,536,002	17,756,014
Receivable against cash incentive on remittance	26,177,221	28,000,000
Receivable from remittance houses	28,000,000	2,550,000
Advance against expenses	79,363,983	1,080,045
Advance against fixed assets	44,845,196	5,473,238
Other prepaid expenses	-	26,935,159
	<u>253,730,491</u>	<u>213,029,639</u>
11. Borrowings from other banks, financial institutions and agents - Consolidated		
SBAC Bank PLC. (note 11.1)	2,999,349,387	3,262,983,361
SBAC Bank Investment Limited	466,719,075	563,865,318
	<u>3,466,068,462</u>	<u>3,826,848,679</u>
Less : Inter-company transaction	466,719,075	563,865,318
	<u>2,999,349,387</u>	<u>3,262,983,361</u>

	30 June 2024 Taka	31 December 2023 Taka
11.1 Borrowings from other banks, financial institutions and agents of the Bank		
Main Operation (note 11.2)	2,999,349,387	3,262,983,361
Off-shore Banking Unit	-	212,021,964
Less : Inter bank transactions	-	(212,021,964)
	<u>2,999,349,387</u>	<u>3,262,983,361</u>
11.2 Borrowings from other banks, financial institutions and agents (Main Operation)		
a) In Bangladesh		
Secured		
Refinance from Bangladesh Bank		
Agro based industries	62,260,897	61,099,998
Green industries	63,405,619	62,223,375
Small enterprise entrepreneurs	58,236,768	57,150,901
10 Taka account	6,234,039	6,122,503
Bangladesh Bank stimulus fund	90,206,660	102,746,486
Prefinance	1,011,473,642	1,276,394,293
Export Development Fund (EDF)	670,031,762	777,245,805
Borrowing from Bangladesh Bank - ALS	1,037,500,000	750,000,000
	<u>2,999,349,387</u>	<u>3,092,983,361</u>
Unsecured	-	170,000,000
	<u>2,999,349,387</u>	<u>3,262,983,361</u>
b) Outside Bangladesh	-	-
	<u>2,999,349,387</u>	<u>3,262,983,361</u>

As at the reporting date of these financial statements, the Bank had pledged Treasury Bonds amounting total Tk. 144,01,21,250.00 as security against borrowing from Bangladesh Bank - ALS. [Note 11.2]

11.3 Residual maturity grouping of borrowings from other banks, financial institutions and agents of the Bank		
On demand	-	-
Within one month	685,068,237	745,283,716
Within one to three months	1,038,701,214	1,129,999,990
Within three to twelve months	901,623,826	980,873,903
Within one to five years	102,530,916	111,543,081
More than five years	271,425,194	295,282,671
	<u>2,999,349,387</u>	<u>3,262,983,361</u>
12. Deposits and other accounts - Consolidated		
Current / Al-wadeeah current deposits and other accounts		
SBAC Bank PLC.	15,736,893,779	12,701,291,707
Less : Inter-company transactions	-	1,458,333
	<u>15,736,893,779</u>	<u>12,699,833,374</u>
Special notice / mudaraba special notice deposits		
SBAC Bank PLC.	10,622,103,467	5,970,630,318
Less : Inter-company transactions	26,383,167	58,245,114
	<u>10,595,720,300</u>	<u>5,912,385,204</u>
Bills payable		
SBAC Bank PLC.	5,268,678,988	5,011,369,023
	<u>5,268,678,988</u>	<u>5,011,369,023</u>
Savings bank / mudaraba savings deposits		
SBAC Bank PLC.	7,045,540,315	6,578,429,379
	<u>7,045,540,315</u>	<u>6,578,429,379</u>
Fixed / mudaraba term deposits		
SBAC Bank PLC.	49,298,787,157	48,736,337,676
Less : Inter-company transactions	359,462,250	349,950,000
	<u>48,939,324,907</u>	<u>48,386,387,676</u>
Other deposits		
SBAC Bank PLC.	13,962,592,610	14,733,176,576
	<u>13,962,592,610</u>	<u>14,733,176,576</u>
	<u>101,548,750,899</u>	<u>93,321,581,232</u>
12.1 Deposits and other accounts of the Bank		
Current / Al-wadeeah current deposits and other accounts (note : 12.2)	15,736,893,779	12,701,291,707
Special notice / mudaraba special notice deposits	10,622,103,467	5,970,630,318
Bills payable	5,268,678,988	5,011,369,023
Savings bank / mudaraba savings deposits	7,045,540,315	6,578,429,379
Fixed / mudaraba term deposits	49,298,787,157	48,736,337,676
Other deposits (note : 12.3)	13,962,592,610	14,733,176,576
	<u>101,934,596,316</u>	<u>93,731,234,679</u>

	30 June 2024	31 December 2023
	Taka	Taka
12.2 Current / Al-wadeeah current deposits and other accounts		
Current / Al-wadeeah current deposits	7,799,927,692	4,715,282,738
Foreign currency deposits (net off inter bank transactions between on-shore banks)	137,778,929	158,266,862
Non resident foreign currency account	11,302,424	8,424,096
Resident foreign currency account	18,558,558	14,670,175
Exporters' retention quota accounts	94,062,387	163,239,468
Non resident Taka account	33,329,288	25,776,112
Foreign currency held against BTB L/Cs	1,602,718,234	1,268,059,791
Margin against L/Cs	2,199,583,687	3,452,735,516
Margin against L/Gs	1,837,030,741	1,502,964,031
Margin on LDBP	83,400	83,400
Margin on Loans	209,825,882	131,097,348
Security deposit	28,018,787	27,978,585
Sundry deposits - excise duty	5,620,850	150,853,580
Sundry deposits - local bills	74,935,454	3,924,425
Sundry deposits - Sanchayapatra	39,065,000	6,800,000
Sundry deposits - risk fund	60,477,514	61,130,801
Sundry deposits - foreign correspondents charge	112,010,274	20,695,952
Sundry deposits - advance instalment on Lease	1,967,672	1,967,672
Sundry deposits - Tax Deducted at source	34,068,606	176,229,844
Sundry deposits - VAT collected at source	4,537,019	18,213,505
Sundry deposits - VAT deducted Service Bills	18,099,593	18,497,286
Sundry deposits - card settlement account	36,709,064	-
Sundry deposits - Mobile App	25,239,599	13,213,686
Interest payable on deposits	1,351,943,125	761,186,834
	15,736,893,779	12,701,291,707
12.3 Other deposits		
Monthly savings scheme / mudaraba monthly savings deposits	4,537,735,689	4,669,256,976
Monthly Benefit Scheme Deposits	3,328,894,420	3,335,294,748
Lakhpoti Savings Scheme Deposits	162,503,004	183,156,939
Surokkha Millionaire Scheme Deposits	1,401,736,029	1,538,369,199
Kotipoti Scheme Deposits	222,277,595	288,394,784
Double Benefit Scheme Deposits	3,582,125,456	3,987,059,689
Triple Benefit Scheme	723,746,580	728,604,310
Mudaraba Hajj deposits	3,573,837	3,039,931
	13,962,592,610	14,733,176,576
12.4 Segregation of deposits and other accounts		
Other than inter-bank deposits	99,306,053,621	92,146,470,947
Inter-bank deposits	2,628,542,695	1,584,763,732
	101,934,596,316	93,731,234,679
12.5 Residual maturity grouping of deposits and other accounts		
On demand	3,467,532,581	3,188,476,943
Within one month	11,073,759,558	10,182,579,746
Within one to three months	18,040,951,220	16,589,074,698
Within three to six months	16,736,710,852	15,389,795,313
Within six to twelve months	12,391,778,603	11,394,528,948
Within one to five years	15,784,208,352	14,513,947,086
More than five years	24,439,655,150	22,472,831,944
	101,934,596,316	93,731,234,679
13. Other liabilities - Consolidated		
SBAC Bank PLC. (note 13.1)	11,425,737,296	9,444,922,434
SBAC Bank Investment Limited	87,212,103	128,925,472
	11,512,949,399	9,573,847,906
Less : Inter-company transactions		19,629,590
	11,512,949,399	9,554,218,316
13.1 Other liabilities of the Bank		
Sundry creditors	196,618,894	25,754,688
Provision for expenses	151,884,860	49,620,946
Central clearing, EFT, NPSB adjustment account	9,411,837	2,036,919
Unearned profit (Markup)	12,259,079	10,575,402
Provision for taxation (note 13.2)	2,380,254,343	2,081,792,606
Provision on loans & advances (note 13.3)	3,849,277,019	3,389,311,444
Special general provision - COVID-19 (note 13.4)	67,207,928	75,066,248
General provision on Off Balance Sheet exposures (note 13.5)	281,109,100	239,329,807
Provision against other assets	28,494,000	28,494,000
Present value of lease liability	1,122,237,118	1,107,326,570
Interest suspense account (note 13.6)	2,841,289,235	2,178,771,361
Startup fund	25,853,896	25,853,896
Provision for diminution in value of investments (note 13.7)	296,448,793	144,891,785
Dividend payable	163,391,194	86,096,763
	11,425,737,296	9,444,922,435

	30 June 2024 Taka	31 December 2023 Taka
13.2 Provision for taxation		
Opening balance	2,081,792,606	1,147,727,892
Add : Provision made for the period (Note 13.2.1)	556,398,394	934,064,714
	<u>2,638,191,000</u>	<u>2,081,792,606</u>
Less : Adjustment during the period	257,936,657	-
Closing balance	<u>2,380,254,343</u>	<u>2,081,792,606</u>

13.2.1 Tax reconciliation or relationship between tax expense and tax on accounting profit

Particulars	2024 (Up to 30 June)		2023	
	%	Taka	%	Taka
Profit before tax as per profit and loss account		1,580,626,305		2,198,546,137
Corporate as per applicable tax rate	37.50%	592,734,864	37.50%	824,454,801
Factors affecting the tax charge for current year				
Non-deductible and inadmissible expenses	3.06%	48,395,370	9.29%	204,318,834
Admissible expenses	-1.85%	(29,214,979)	-6.36%	(139,819,636)
Tax savings from reduced tax rates	-3.51%	(55,516,862)	-3.61%	(79,287,593)
Effect of deferred tax	0.00%	-	-2.76%	(60,605,508)
Prior year shortfall provision adjustment			8.41%	185,003,815
Effective tax rate	35.20%	556,398,394	42.49%	934,064,713

13.3 Provision for loans and advances (note 8.10)

A. General provision on loans and advances - Main Operation

Opening balance	216,625,396	156,819,762
General provision for the year	180,000,000	59,805,634
Provision held at the end of the period	396,625,396	216,625,396

B. Specific provision against classified loans and advances - Main Operation

Opening balance	3,171,658,689	2,499,772,775
Less : Fully provided debt written-off (for final settlement)	-	-
Add : Specific provision for the period	280,992,934	684,343,891
Less : Specific provision no more required as loans	-	12,457,977
Specific provision against loans and advances during the period	280,992,934	671,885,914
Add : Net charge to profit and loss account	-	-
Provision held at the end of the period	3,452,651,623	3,171,658,689

C. General provision on loans and advances - OBU

Opening balance	1,027,359	2,207,544
General provision for the period	178,483	(1,180,185)
Less : Provision no more required	(1,205,842)	-
Provision held at the end of the period	-	1,027,359

Total (A + B + C)

3,849,277,019	3,389,311,444
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13.4 Special general provision - COVID-19

Opening balance	75,066,248	84,793,723
Add : Provision made for the period	-	-
Less : Provision no more required	(7,858,320)	(9,727,475)
Provision held at the end of the period	67,207,928	75,066,248

13.5 Provision for off balance sheet exposures (note 18.4)

Opening balance	239,329,807	200,695,261
Add : Provision made for the period	41,779,293	38,634,546
Provision held at the end of the period	281,109,100	239,329,807

13.6 Interest suspense account

Balance as on 1 January	2,178,771,361	1,514,315,563
Add : Amount transferred to "interest suspense" account during the period	662,517,874	664,455,798
Less : Amount recovered from "interest suspense" account during the period	-	-
Balance as on 30 June	2,841,289,235	2,178,771,361

13.7 Provision for diminution in value of investment

Consolidated		
Opening balance	163,719,265	127,476,353
Add : Provision made for the period	151,557,008	36,242,912
Provision held at the end of the period	315,276,273	163,719,265

Bank

Opening balance	144,891,785	123,434,872
Add : Provision made for the period	151,557,008	21,456,913
Provision held at the end of the period	296,448,793	144,891,785

13.8 Dividend payable

For 2020	31,675,701	31,676,235
For 2021	24,416,470	24,889,314
For 2022	28,970,435	29,531,214
For 2023	78,328,588	-
Provision held at the end of the period	163,391,194	86,096,763

	30 June 2024 Taka	31 December 2023 Taka
14. Share capital		
14.1 Authorized share capital		
2,000,000,000 ordinary shares of Tk. 10/- each	20,000,000,000	10,000,000,000
14.2 Issued, subscribed and paid up share capital		
824,191,650 ordinary shares of Tk. 10/- each	8,241,916,500	8,241,916,500
14.3 Paid up capital		
The paid up capital of the Bank was raised in the following manner :		
From the sponsor shareholders		
By issuing 408,960,000 ordinary shares of Taka 10 each	4,089,600,000	4,089,600,000
From Initial Public Offering		
By issuing 100,000,000 ordinary shares of Taka 10 each	1,000,000,000	1,000,000,000
Stock dividend		
Stock dividend @ 0.06 against 1 existing share of Tk 10 each for the year 2015	245,376,000	245,376,000
Stock dividend @ 0.15 against 1 existing share of Tk 10 each for the year 2016	650,246,400	650,246,400
Stock dividend @ 0.135 against 1 existing share of Tk 10 each for the year 2017	673,005,020	673,005,020
Stock dividend @ 0.10 against 1 existing share of Tk 10 each for the year 2018	565,822,740	565,822,740
Stock dividend @ 0.10 against 1 existing share of Tk 10 each for the year 2019	622,405,010	622,405,010
Stock dividend @ 0.10 against 1 existing share of Tk 10 each for the year 2020	313,858,200	313,858,200
Stock dividend @ 0.10 against 1 existing share of Tk 10 each for the year 2021	81,603,130	81,603,130
	8,241,916,500	8,241,916,500
14.4 Non-controlling (Minority) interest		
Share capital	400,000	400,000
Retained earnings	35,111	35,111
	435,111	435,111
15. Statutory reserve		
As per Section 24(1) of the Bank Companies Act, 1991, an amount equivalent to 20% of profit before taxes for the year has been transferred to the statutory reserve fund.		
Opening balance	2,486,942,757	2,204,928,598
Add : Transferred from profit during the period	-	282,014,159
Closing balance	2,486,942,757	2,486,942,757
16. Other reserve (revaluation reserve on Govt. Securities)		
Opening balance	22,049,131	65,228,536
Add : Amortization / revaluation gain	22,605,224	-
	44,654,355	65,228,536
Less : Adjustment of amortization / revaluation gain against sale / maturity	-	43,179,405
Closing balance	44,654,355	22,049,131
16.1 Capital reserve		
Opening balance	3,269,920	516,704
Add : Addition during the period	-	2,753,216
Closing balance	3,269,920	3,269,920
16.2 Foreign currency translation reserve		
Opening balance	12,710,366	7,933,440
Add : Addition during the period	6,139,566	4,776,926
	18,849,932	12,710,366
Less : Adjustment during the period	-	-
Closing balance	18,849,932	12,710,366
17. Surplus in profit and loss account - Consolidated		
Opening balance	358,026,473	390,293,727
Less : Cash dividend paid	(164,838,330)	(288,467,078)
	(164,838,330)	(288,467,078)
	193,188,143	101,826,649
Add : Net profit during the period	381,617,020	546,363,257
Less : Transferred to statutory reserve	-	(282,014,158)
Less : Transferred to capital reserve	-	(2,753,216)
Less: Transferred to start up fund	-	(5,366,115)
	381,617,020	256,229,768
	574,805,163	358,056,417
Less : Non-controlling (Minority) interest	-	(29,944)
Closing balance	574,805,163	358,026,473

	30 June 2024	31 December 2023		
	Taka	Taka		
17.1 Surplus in profit and loss account of the Bank				
Opening balance	318,907,651	358,143,419		
Less : Cash dividend paid 2023	(164,838,330)	(288,467,078)		
	154,069,321	69,676,341		
Net profit during the period	378,784,355	536,611,585		
Less : Transferred to statutory reserve	-	(282,014,158)		
Less: Transferred to start up fund	-	(5,366,117)		
	378,784,355	249,231,310		
Closing balance	532,853,676	318,907,651		
18. Contingent liabilities - Consolidated SBAC Bank PLC.				
Acceptances and endorsements	4,705,816,266	4,682,195,862		
Letters of Guarantee (note 18.1)	17,841,212,503	14,011,516,153		
Irrevocable letters of credit (note 18.2)	6,074,661,037	6,146,781,395		
Bills for collection (note 18.3)	8,237,302,650	4,518,447,260		
Other contingent liabilities	-	-		
	36,858,992,456	29,358,940,670		
SBAC Bank Investment Limited	-	-		
	36,858,992,456	29,358,940,670		
18.1 Letters of guarantee				
Money for which the bank is contingently liable in respect of guarantees issued favouring:				
Directors	-	-		
Government	14,808,206,377	11,608,920,699		
Banks and other financial institutions	-	-		
Others	3,033,006,126	2,402,595,454		
	17,841,212,503	14,011,516,153		
18.2 Irrevocable letters of credit				
Local				
Irrevocable letters of credit (sight)	3,997,006,018	4,234,862,213		
Irrevocable letters of credit (usance)	7,690,731	29,400,948		
Irrevocable letters of credit - back to back	984,018,513	1,192,375,889		
	4,988,715,262	5,456,639,050		
Foreign				
Irrevocable letters of credit (sight)	7,921,733	-		
Irrevocable letters of credit (usance)	413,517,774	265,809,713		
Irrevocable letters of credit - back to back	664,506,268	424,332,632		
	1,085,945,775	690,142,345		
	6,074,661,037	6,146,781,395		
18.3 Bills for collection				
Outward local bills	18,630	18,630		
Local documentary bills for collection	4,528,221,717	2,140,320,420		
Foreign documentary bills for collection	3,709,062,303	2,378,108,210		
	8,237,302,650	4,518,447,260		
18.3 Particulars of required provision on off-balance sheet exposures				
		Required provision		
		30 June 2024		
		31 December 2023		
		Taka		
		Taka		
Acceptances and endorsements	4,705,816,266	1.00%	47,058,163	46,821,959
Letters of Guarantee (note 18.1)	17,841,212,503	1.00%	178,412,125	140,115,162
Irrevocable letters of credit (note 18.2)	6,074,661,037	1.00%	55,638,812	52,392,686
Bills for collection (note 18.3)	8,237,302,650	0.00%	-	-
Other contingent liabilities	-	1.00%	-	-
Total Required Provision	36,858,992,456		281,109,100	239,329,807
Total Provision Maintained			281,109,100	239,329,807
Excess / (short) provision maintained			-	-

	01 Jan 2024 to 30 June 2024 Taka	01 Jan 2023 to 30 June 2023 Taka
19. Particulars of profit and loss account of the bank		
Income		
Interest, discount and similar income (note 21.1)	4,262,496,847	3,206,675,710
Dividend income (note 23.1)	39,004,385	33,594,099
Fees, commission and brokerage (note 24.1)	256,364,405	194,491,710
Gains less losses arising from investment securities (note 23.1)	1,093,696,115	833,283,059
Gains less losses arising from dealing in foreign currencies (note 24.1)	373,716,122	273,434,081
Income from non-banking assets	-	-
Other operating income (note 25.1)	119,245,919	93,885,184
	6,144,523,793	4,635,363,843
Expenses		
Interest, fee and commission (note 22.1)	3,122,205,197	2,558,856,367
Administrative expenses (note 20)	1,132,704,416	971,720,398
Other operating expenses (note 35.1)	138,816,560	119,349,113
Depreciation on bank's assets (note 34.1)	170,171,315	185,042,326
	4,563,897,488	3,834,968,204
Profit before provision	1,580,626,305	800,395,639
20. Administrative expenses of the bank		
Salary and allowances (note 26.1)	955,201,071	836,637,589
Rent, taxes, insurance, electricity etc. (note 27.1)	110,981,959	81,910,038
Legal & professional expenses (note 28.1)	1,179,173	2,258,403
Postage, stamp, telecommunication etc. (note 29.1)	3,525,691	3,647,894
Stationery, printing, advertisement etc. (note 30.1)	32,094,018	27,457,211
Chief executive's salary and fees (note 31)	6,960,000	5,880,000
Directors' fees and other benefits (note 32.1)	1,096,000	1,600,000
Audit fees (note 33.1)	-	57,500
Repair of bank's assets (note 34.1)	21,666,504	12,271,763
	1,132,704,416	971,720,398
21. Interest income / profit on investment - Consolidated		
SBAC Bank PLC. (note 21.1)	4,262,496,847	3,206,675,710
SBAC Bank Investment Limited	35,575,490	38,733,445
	4,298,072,337	3,245,409,155
Less : Inter company transactions	36,299,181	(33,570,276)
	4,261,773,156	3,278,979,431
21.1 Interest income / profit on investments of the Bank		
Interest on loans and advances / profit on investments		
Cash credit	704,359,363	584,175,894
Secured overdraft / bai murabaha	1,225,996,416	887,816,930
General overdraft	88,751,615	55,906,097
Local bills purchased	76,082,881	89,177,531
Foreign bills purchased	11,092,109	3,013,892
Import finance / murabaha	140,409,374	46,058,675
Export finance	17,803,196	6,806,391
Other demand loans / advances	514,354,398	374,919,103
Lease finance / HPSM	45,957,665	31,491,349
House building loans / HPSM	82,129,890	58,088,184
General term loans / bai murabaha	951,811,102	738,767,689
SME loans / bai murabaha	199,599,240	171,612,303
Consumer credit scheme / HPSM	5,486,378	4,873,758
Credit card	23,883,085	23,908,601
Agriculture & rural credit / bai murabaha	131,687,316	75,748,784
Staff loans / HPSM	14,193,092	13,283,116
	4,233,597,120	3,165,648,297
Interest on money at call and short notice	5,209,347	7,382,639
Interest on FDR with other banks	21,589,579	22,238,575
Interest on SND with other banks	2,100,801	4,784
	4,262,496,847	3,195,274,295
Interest Income - Off-shore Banking Unit	-	11,401,415
	4,262,496,847	3,206,675,710

	01 Jan 2024 to 30 June 2024 Taka	01 Jan 2023 to 30 June 2023 Taka
22. Interest / profit on deposits, borrowings etc.		
SBAC Bank PLC. (note 22.1)	3,122,205,197	2,558,856,367
SBAC Bank Investment Limited	25,453,162	23,653,391
	<u>3,147,658,359</u>	<u>2,582,509,758</u>
Less : Inter company transactions	36,299,181	(33,570,276)
	<u>3,111,359,178</u>	<u>2,616,080,034</u>
22.1 Interest / profit on deposits, borrowings etc. of the Bank		
Interest / profit on deposits		
Savings bank / mudaraba savings deposits	149,941,188	130,970,910
Special notice / mudaraba special notice deposits	92,573,549	54,562,274
Monthly savings schemes / mudaraba monthly savings deposits	267,466,574	276,076,959
Monthly benefit schemes	128,383,558	149,374,185
Special deposit schemes	253,176,243	227,014,662
Fixed /mudaraba term deposits	1,811,427,578	1,480,545,393
	<u>2,702,968,690</u>	<u>2,318,544,383</u>
Interest on call borrowing	32,141,542	6,561,556
Interest on credit lines	5,634,869	4,633,124
Interest on Bangladesh Bank Re-financing facilities	15,444,582	8,777,263
Interest on borrowing under REPO	366,015,514	220,340,041
	<u>3,122,205,197</u>	<u>2,558,856,367</u>
23. Income from investments in shares and securities - Consolidated		
SBAC Bank PLC. (note 23.1)	1,132,700,500	866,877,158
SBAC Investment Limited	2,228,375	5,758,927
	<u>1,134,928,875</u>	<u>872,636,085</u>
23.1 Income from investments in shares and securities of the Bank		
Dividend on shares	39,004,385	33,594,099
Income on treasury bills, bonds and debentures		
Interest / profit on treasury bonds	807,308,485	810,239,045
Interest / profit on treasury bills	69,982,765	129,848
Interest on reverse REPO	-	7,841,918
Profit on Ijarah Sukuk Bonds -HFT	-	-
Gains on trading of government securities	202,776,006	(13,897,666)
	<u>1,080,067,256</u>	<u>804,313,145</u>
Gains on Capital Market	13,628,859	28,969,914
	<u>1,132,700,500</u>	<u>866,877,158</u>
24. Commission, exchange and brokerage - Consolidated		
SBAC Bank PLC. (note 24.1)	630,080,527	467,925,791
SBAC Investment Limited	13,955,860	18,716,076
	<u>644,036,387</u>	<u>486,641,867</u>
24.1 Commission, exchange and brokerage of the Bank		
Fees, commission and brokerage		
Commission on bills & remittance	3,445,732	3,347,454
Commission on letters of credit	71,821,518	73,328,018
Commission on letters of guarantee	153,643,381	82,242,107
Commission on acceptances	24,954,845	30,353,938
Commission on add confirmation	-	-
Commission on bank underwriting/Others	2,498,929	5,220,193
	<u>256,364,405</u>	<u>194,491,710</u>
Exchange earnings (net)	373,716,122	273,434,081
	<u>630,080,527</u>	<u>467,925,791</u>
25. Other operating income - Consolidated		
SBAC Bank PLC. (note 25.1)	119,245,919	93,885,184
SBAC Investment Limited	35,861	23,805
	<u>119,281,780</u>	<u>93,908,989</u>
Less : Inter company transactions		(19,114)
	<u>119,281,780</u>	<u>93,928,103</u>
25.1 Other operating income of the Bank		
Banking service charge	92,803,128	76,897,399
Card operation charge	13,622,957	12,014,302
Locker rent	64,000	101,570
Miscellaneous income	12,755,834	4,871,913
Off-shore banking unit	-	-
	<u>119,245,919</u>	<u>93,885,184</u>
26. Salaries and allowances - Consolidated		
SBAC Bank PLC. (note 26.1)	955,201,071	836,637,589
SBAC Investment Limited	11,851,224	12,849,838
	<u>967,052,295</u>	<u>849,487,427</u>

	01 Jan 2024 to 30 June 2024	01 Jan 2023 to 30 June 2023
	Taka	Taka
26.1 Salaries and allowances of the Bank		
Basic salary	294,045,634	281,687,297
House rent allowance	144,786,392	131,669,441
Conveyance allowance	28,980,831	23,710,342
Medical allowance	44,431,893	36,982,586
Other allowances	167,170,241	137,496,136
Festival bonus	81,426,872	51,377,443
Bank's contribution on provident fund	28,125,708	25,490,975
Gratuity	66,163,985	65,087,067
Casual labourer & wages	100,069,515	83,136,302
	955,201,071	836,637,589
27. Rent, taxes, insurance, electricity etc. - Consolidated		
SBAC Bank PLC. (note 27.1)	110,981,959	81,910,038
SBAC Investment Limited	777,400	730,539
	111,759,359	82,640,577
27.1 Rent, taxes, insurance, electricity etc. of the Bank		
Rent - Office Premises, ATM Booths and other installations	13,589,207	5,017,530
Rates and taxes	36,299,716	21,042,253
Utilities	27,296,791	23,688,874
Insurance	33,796,245	32,161,381
	110,981,959	81,910,038
28. Legal and professional expenses - Consolidated		
SBAC Bank PLC. (note 28.1)	1,179,173	2,258,403
SBAC Investment Limited	46,800	88,535
	1,225,973	2,346,938
28.1 Legal and professional expenses of the Bank		
Legal expenses	751,258	1,216,863
Professional fees	427,915	1,041,540
	1,179,173	2,258,403
29. Postage, stamp, telecommunication etc. - Consolidated		
SBAC Bank PLC. (note 29.1)	3,525,691	3,647,894
SBAC Investment Limited	138,300	-
	3,663,991	3,647,894
29.1 Postage, stamp, telecommunication etc. of the Bank		
Postage	1,114,234	1,004,591
Telephone, fax etc.	2,758,909	2,789,241
Internet & SWIFT	(347,452)	(145,938)
	3,525,691	3,647,894
30. Stationery, printing, advertisement etc. - Consolidated		
SBAC Bank PLC. (note 30.1)	32,094,018	27,457,211
SBAC Investment Limited	230,747	101,879
	32,324,765	27,559,090
30.1 Stationery, printing, advertisement etc. of the Bank		
Office stationery	8,119,170	6,316,276
Printing stationery	12,117,267	9,036,631
Petty stationery	3,997,704	2,604,626
Security stationery	1,653,962	2,949,859
Advertisement	6,205,915	6,549,819
Publicity- purchase of diary, calendar etc.	-	-
	32,094,018	27,457,211
31. Chief executive's salary and fees of the Bank		
Basic salary	3,600,000	3,600,000
House rent allowance	900,000	900,000
House maintenance / furnishing allowance	300,000	300,000
LFA	600,000	-
Festival bonus	1,200,000	720,000
Other allowances	360,000	360,000
	6,960,000	5,880,000
32. Directors' fees - Consolidated		
SBAC Bank PLC. (note 32.1)	1,096,000	1,600,000
SBAC Investment Limited	128,000	184,000
	1,224,000	1,784,000

	01 Jan 2024 to 30 June 2024 Taka	01 Jan 2023 to 30 June 2023 Taka
32.1 Directors' fees of the Bank		
Meeting attendance fees	1,096,000	1,600,000
33. Auditors' fees - Consolidated		
SBAC Bank PLC. (note 33.1)	-	57,500
SBAC Investment Limited	-	-
	<u>-</u>	<u>57,500</u>
33.1 Auditors' fees of the Bank		
Audit fees (annual audit)	-	-
Audit fees (interim audit)	-	-
Audit fees (provident fund & gratuity fund)	-	57,500
VAT on audit fees	-	-
	<u>-</u>	<u>57,500</u>
34. Depreciation and repairs & maintenance - Consolidated		
SBAC Bank PLC. (note 34.1)	191,837,819	197,314,089
SBAC Investment Limited	1,176,667	906,729
	<u>193,014,486</u>	<u>198,220,818</u>
34.1 Depreciation and repairs & maintenance of Bank's Assets		
Depreciation / amortization		
Motor vehicles	3,888,832	3,314,165
Machinery and equipment's	12,060,937	14,346,664
Furniture & fixtures	16,193,283	16,890,735
Interior decoration	8,696,646	7,946,913
Computer and peripherals	16,021,900	25,013,104
Software	4,372,640	5,061,807
Office tools and accessories	2,716,631	2,981,853
Depreciation on right of use assets (lease assets)	106,220,446	109,487,085
	170,171,315	185,042,326
Repairs & maintenance of bank's assets	21,666,504	12,271,763
	<u>191,837,819</u>	<u>197,314,089</u>
35. Other expenses		
SBAC Bank PLC. (note 35.1)	138,816,560	119,349,113
SBAC Investment Limited	3,505,720	3,609,791
	142,322,280	122,958,904
Less : Inter company transactions		(19,114)
	<u>142,322,280</u>	<u>122,978,018</u>
35.1 Other expenses of the Bank		
Entertainment expenses	23,103,452	11,428,002
Training & workshop expenses	4,577,923	110,572
Travel and daily allowance	3,856,276	3,515,663
Fuel and lubricants expenses - bank's vehicles	1,269,375	1,284,000
Subscriptions to trade associations	6,193,585	6,546,073
Donations/CSR	30,000,000	25,000,000
Business promotion and development	3,848,941	6,501,197
Books, magazines & news papers etc.	365,650	378,081
Charges & duties to Government	-	-
Local conveyance	3,203,534	2,590,322
Cash carrying expenses	2,694,583	2,117,151
Cartage and freight	172,535	198,610
Washing and cleaning	2,124,200	1,599,990
Other bank charges paid	8,022,006	9,032,854
Expenses on AGM	-	31,500
Expenses on managers' conference	6,040,314	1,975,764
Antivirus and other software	4,973,833	7,553,482
Branch & head office inauguration expenses	650,007	581,113
Miscellaneous expenses	2,211,560	2,759,925
Interest on lease liability	35,508,786	36,144,814
	<u>138,816,560</u>	<u>119,349,113</u>

	01 Jan 2024 to 30 June 2024 Taka	01 Jan 2023 to 30 June 2023 Taka
36. Provision for taxation		
Current tax		
SBAC Bank PLC. (note 13.2)	556,398,394	350,045,034
SBAC Investment Limited	5,654,801	6,403,680
	<u>562,053,195</u>	<u>356,448,714</u>
Deferred tax		
SBAC Bank PLC.	-	-
SBAC Investment Limited	-	-
	<u>562,053,195</u>	<u>356,448,714</u>
37. Net asset value (NAV) per share - Consolidated		
a) Capital / shareholders' equity for the period	11,370,438,627	10,922,876,408
b) Number of outstanding shares	824,191,650	824,191,650
Net asset value (NAV) per share (a÷b)	<u>13.80</u>	<u>13.25</u>
37.1 Net asset value (NAV) per share of the Bank		
a) Capital / shareholders' equity for the period	11,325,217,220	10,875,505,525
b) Number of outstanding shares	824,191,650	824,191,650
Net asset value (NAV) per share (a÷b)	<u>13.74</u>	<u>13.20</u>
38 Earning per share (EPS) - Consolidated		
a) Net profit after tax	381,617,020	336,194,244
b) weighted average number of ordinary shares	824,191,650	824,191,650
Earnings per share (a ÷ b)	<u>0.46</u>	<u>0.41</u>
38.1 Earning per share (EPS) of the Bank		
a) Net profit after tax	378,784,355	321,490,373
b) weighted average number of ordinary shares	824,191,650	824,191,650
Earnings per share (a ÷ b)	<u>0.46</u>	<u>0.39</u>
38.2 Earning Per Shares (EPS) have been increased by 17.82% compare to same period of previous year due to increase in net interest income.		
38.3 Diluted earning per share		
No diluted earning per share is required to be calculated for the year as there was no scope for dilution during these period.		
39. Net operating cash flow per share (NOCFPS) per share - Consolidated		
a) Operating cash flow for the period	6,910,237,337	2,617,242,955
b) Weighted average number of share	824,191,650	824,191,650
Net operating cash flow per share (a÷b)	<u>8.38</u>	<u>3.18</u>
39.1 Net operating cash flow per share (NOCFPS) per share of the Bank		
a) Operating cash flow for the period	6,820,101,827	2,549,125,923
b) Weighted average number of share	824,191,650	824,191,650
Net operating cash flow per share (a÷b)	<u>8.27</u>	<u>3.09</u>
39.2 Net operating cash flows and net operating cash flows per share (NOCFPS) have been increased compare to same period of previous year due increase in deposit.		
40 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR)		
	01 Jan 2024 to 30 June 2024 Taka	01 Jan 2023 to 31 Dec 2023 Taka
CRR Required	4.00%	4.00%
CRR Maintained	4.06%	4.14%
Surplus/(Deficit)	<u>0.06%</u>	<u>0.14%</u>
SLR Required	13.00%	13.00%
SLR Maintained	20.29%	19.32%
Surplus/(Deficit)	<u>7.29%</u>	<u>6.32%</u>

SBAC Bank PLC.
Related party Transactions

i) Loan to directors:

(Amount in Crore taka)

Name of the Borrower	Representing Director	Nature of Facilities	Outstanding as at 30 June 2023	Outstanding as at 31 Dec 2023
Anwar Hussain	Mr. Anwar Hussain	House Building Loan	0.48	0.80
			0.61	0.00
Mohammad Imran	Mr. Anwar Hussain Brother of Mr. Mohammad Imran	House Building Loan	0.48	0.80
			0.67	0.00
SAFAH CNG REFUELING STATION LTD.	Mr. Anwar Hussain	BG(Payment Guarantee) Specific	0.53	0.53
AGI FLEX LIMITED	Mr. Anwar Hussain & Mohammad Imran	LC	0.55	3.40
ABDUL GAFFAR AND CO. (PVT) LTD.			3.56	
FAMOUS IBERCHEM FLAVOURS & FRAGRANCES LTD	Mr. Mohammad Nawaz, Ex Director	LC(Foreign/Local-Sight/Deferred/UPAS)	5.00	0.77
		PIF	1.8	1.72
BMIT SOLUTIONS LTD	Mr. Abu Jafar Mohammad Shafiuddin	SOD (GEN)	0.04	
TECHNO ELECTRICALS LTD.		SOD(WO)-Revolving	9.95	
S.Q. WIRE AND CABLE CO. LTD		BG (Inner of SOD-WO)	0	
S Q TRADING n ENGINEEING		LC (Inner of SOD-WO)	0	
Mr. Abu Jafar Mohammad Shafiuddin	Mr. Abu Jafar Mohammad Shafiuddin	LC(Specific)	0	
INTEC SOLUTION	Mr. Mohammad Mahbubur Rahman	LC(Foreign-Sight/Deferred/UPAS)	8.31	
NB INTERNATIONAL	Mr. Mohammad Nuzmul Huq	Composites limit	0.4	

ii) Credit Card issued to directors

Representing Director	Nature of interest in the Bank	Approved limit	Outstanding as at 30 June 2024 BDT	Outstanding as at 30 June 2023 USD
Mr. Abu Zafar Mohammad Shofiuddin	Chairman, Board of Directors	1,000,000	No Due	No Due
Mr. Abdul Kadir Molla	Member, Board of Directors	1,000,000	Card not issued	under TQ
Engr. Md. Moklesur Rahman	Member, Board of Directors	1,000,000	No Due	No Due
Al-Haj Mizanur Rahman	Member, Board of Directors	1,000,000	No Due	No Due
Mr. Anwar Hussain	Member, Board of Directors	1,000,000	No Due	1,72,316.58
Mr. Mushfiqur Rahman	Member, Board of Directors	1,000,000	No Due	No Due
Mrs. Afroza Sultana	Spouse of Chairman	1,000,000	No Due	No Due
Mrs. Fadia Naz	Spouse of Director	1,000,000	3843.82	76358.98
Ms. Nahida Sultana	Daughter of Member, Board of	1,000,000	No Due	No Due
Ms. Nasrin Sultana	Daughter of Member, Board of	1,000,000	690	No Due
Mr. Mahbubur Rahman Molla	Son in law of Member, Board of	1,000,000	No Due	No Due
Mr. Mohammad Asaduzzaman	Son in law of Member, Board of	1,000,000	No Due	No Due
Mr. Mohammad Imran	Brother of Director	1,000,000	No Due	1,28,232.96
Ms. Munira Banu	Sister of Director	1,000,000	2984.37	1288.56
Ms. Mayesha Maliha	Daughter of Director	1,000,000	No Due	No Due
Mr. A K M Mizanur Rahman	Spon. Share Holder	1,000,000	225	2947.64

iii) Business other than banking business with any related concern of the directors as per section 8 (2) of the Banking Companies Act 1991:

Lease agreement made with the directors / related concerns:

Nature of contract	Branch Name	Name of the Director and related by	Remarks
Lease agreement	Head Office, Level # 10, Sun Moon Star Tower	Mr. Al-Haj Mizanur Rahman, Ex-Directors, SBAC Bank PLC. and owner of the premises.	Lease period : 12 Years starting from 05 October 2021 Rental space 31,154 sft Monthly rent Tk 50.00 per sft
Lease agreement	Tejgaon Link Road Branch	Ms. Kamrun Naher, owner of the premises is spouse of Engr. Md. Moklesur Rahman, Member, Board of Directors, SBAC Bank Ltd.	Lease period : 9 Years starting from 29 August 2021 Rental space 5,237.47 sft Monthly rent Tk 180.00 per sft

iv) The Managing Director & CEO is considered as key management personnel and related remuneration are disclosed in Note 31.

v) Investment in securities of the Directors and their related concern: NIL

vi) Business with subsidiary (SBAC Bank Investment Ltd.)

Nature of Transaction	Outstanding Amount
Special Notice Deposits	26,383,167
Fixed Deposits	359,462,250
Secured Overdraft - FDR	359,462,250
Secured Overdraft - General	107,256,825
Interest Paid on Deposits	10,846,018
Interest on Loans and Advances	25,453,162
Bank Charges	5,610
Receivable from Stock Broker	16,246,794

SBAC Bank PLC.
Islamic Banking Windows
Balance Sheet
As at 30 June 2024

	Notes	30 June 2024 Taka	31 December 2023 Taka
PROPERTY AND ASSETS			
Cash in hand			
Cash in hand (including foreign currencies)	3	9,051,809	4,576,626
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	4	25,000,000	25,000,000
		34,051,809	29,576,626
Balance with other banks and financial institutions			
In Bangladesh	5	-	-
Outside Bangladesh		-	-
Placement with banks & other financial institutions			
	6	-	-
Investments in shares & securities			
Government	7	30,000,000	30,000,000
Others		-	-
		30,000,000	30,000,000
Investments			
General investments etc.	8	316,196,515	294,691,370
Bills purchased and discounted		-	-
		316,196,515	294,691,370
Fixed assets including premises, furniture and fixtures			
	9	4,684,668	4,687,659
Other assets			
Non - banking assets	10	168,738,221	102,756,262
		-	-
Total assets		<u>553,671,213</u>	<u>461,711,917</u>
LIABILITIES AND CAPITAL			
Liabilities			
Placements from other banks, financial institutions			
Deposits and other accounts			
Mudaraba savings deposits	11	-	-
Mudaraba term deposits	12	18,275,067	22,233,288
Al-wadeeah current deposits and other deposit accounts		314,894,444	352,599,698
Mudaraba special notice deposits		48,479,024	21,990,961
Bills payable		16,077,505	7,540,890
Other deposits		75,542,794	5,052,027
		21,359,257	17,388,221
		494,628,091	426,805,085
Other liabilities	13	39,874,798	17,637,254
Total liabilities		<u>534,502,889</u>	<u>444,442,339</u>
Capital / Shareholders' equity			
Paid up capital		-	-
Statutory reserve		-	-
Revaluation gain / (loss) on investments		-	-
Revaluation reserve		-	-
Other reserve		-	-
Surplus in profit and loss account / Retained earnings	14	19,168,324	17,269,578
Total Shareholders' equity		<u>19,168,324</u>	<u>17,269,578</u>
Total liabilities and Shareholders' equity		<u>553,671,213</u>	<u>461,711,917</u>
OFF- BALANCE SHEET EXPOSURE			
Contingent liabilities			
Acceptances and endorsements	15	-	-
Letters of guarantee		2,359,000	2,000,000
Irrevocable letters of credit		445,347	6,552,338
Bills for collection		-	-
Other contingent liabilities		-	-
		2,804,347	8,552,338
Other commitments			
Documentary credits and short term trade -related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities , credit lines and other commitments		-	-
Other commitments		-	-
		-	-
Total Off-Balance Sheet exposure including contingent liabilities		<u>2,804,347</u>	<u>8,552,338</u>

SBAC Bank PLC.
Islamic Banking Windows
Profit and Loss Account
For the second quarter ended 30 June 2024

	Notes	01 Jan 2024 to 30 June 2024	01 Jan 2023 to 30 June 2023
		Taka	Taka
Investment income	16	14,151,555	5,512,530
Profit paid on deposits	17	13,436,703	4,557,756
Net investment income		714,852	954,774
Income from investment in shares / securities	18	1,055,250	195,846
Commission, exchange and brokerage	19	112,637	95,005
Other operating income	20	108,102	36,194
Total operating Income (A)		1,990,841	1,281,819
Salaries and allowances	21	-	97,442
Rent, taxes, insurance, electricity, etc.		-	-
Legal expenses		-	-
Postage, stamp, telecommunication, etc.		-	-
Stationery, printing, advertisements, etc.	22	-	-
Chief Executive's salary and fees		-	-
Directors' fees & expenses		-	-
Auditor's fees		-	-
Shariah supervisory committee's fees and expenses	23	70,400	-
Depreciation and repair of Bank's assets	24	2,990	329,521
Zakat expenses		-	-
Other expenses	25	18,705	-
Total operating expenses (B)		92,095	426,963
Profit / (loss) before provision and tax (C=A-B)		1,898,746	854,856
Provision for investments			
General provision	13.1	-	-
Specific provision		-	-
Provision for Off Balance sheet item	13.2	-	-
Provision for diminution in value of investments		-	-
Total provision (D)		-	-
Total profit before taxes (C-D)	14	1,898,746	854,856

SBAC Bank PLC.
Islamic Banking Windows
Cash Flow Statement
For the second quarter ended 30 June 2024

	01 Jan 2024 to 30 June 2024 Taka	01 Jan 2023 to 30 June 2023 Taka
A) Cash flows from operating activities		
Investment income receipt in cash	13,909,711	10,315,770
Profit paid on deposits	(8,993,680)	(7,051,914)
Dividend receipts	-	-
Income from investments in shares and securities	851,673	439,803
Recoveries on investments previously written-off	-	-
Fees and commission receipts in cash	112,637	183,076
Cash payments to employees	-	(97,442)
Cash payments to suppliers	-	-
Income taxes paid	(70,350)	-
Receipts from other operating activities	108,102	74,536
Payments for other operating activities	(18,705)	(9,229)
Cash generated from operating activities before changes in operating assets and liabilities	5,899,388	3,854,600
Increase / (decrease) in operating assets and liabilities		
Net proceeds from trading securities	-	-
Investments to other banks	-	-
Investments to customers	(18,380,261)	3,195,849
Increase / decrease of other assets	(66,263,359)	(110,052,550)
Deposits from other banks	-	-
Deposits from customers	67,823,006	103,575,435
Increase / decrease of other liabilities account of customers	-	-
Increase / decrease of trading liabilities	-	-
Increase / decrease of other liabilities	16,147,704	119,780
	(672,910)	(3,161,486)
Net cash from operating activities	5,226,478	693,114
B) Cash flows from investing activities		
Proceeds from sale of Government securities	-	-
Payments for Purchase of Government securities	-	-
Purchase of property, plant and equipment	(751,295)	(857,695)
Sale proceeds of property, plant and equipment	-	-
Net cash used in investing activities	(751,295)	(857,695)
C) Cash flows from financing activities		
Borrowing from other banks, financial institutions and agents	-	-
Dividends paid / Profit transferred	-	-
Receipts from issue of ordinary share	-	-
Net Cash from financing activities	-	-
D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)	4,475,183	(164,581)
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	29,576,626	23,769,977
G) Cash and cash equivalents at end of the period (D+E+F)	34,051,809	23,605,396
Cash and cash equivalents at end of the period		
Cash in hand (including foreign currencies)	9,051,809	3,605,396
Prize bond	-	-
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	25,000,000	20,000,000
	34,051,809	23,605,396

SBAC Bank PLC.
Islami Banking Windows
Notes to the Financial Statements
as at and for the first quarter ended 30 June 2024

01 Islami Banking Wing and its activities

Status

The Islamic Banking Wing (IBW) of South Bangla Agriculture and Commerce Bank Limited (the Bank) started its operation on July 05, 2021 with permission from Bangladesh Bank vide letter no. BRPD(P-3)745(68)/2021/-4872 dated June 13, 2021. The Islamic Banking Wing of the Bank is operating its business through 10 (ten) windows in 10 (ten) branches of the Bank.

Principal activities

The Bank offers all kinds of banking services to its customers through the Islamic Banking Windows in the branches complying Shariah Principles following the provisions of the Banking Companies Act, 1991 (as amended up to 2018), Bangladesh Bank's directives and directives of other regulatory authorities. In Islamic Banking Windows, deposits are collected under Al-wadeeah and Mudaraba principles and investments are made following Bai-Murabaha, Bai-Salam, Bai-as-Sarf, hire purchase under Shirkatul Melk, Ijarah principles.

02 Significant accounting policies

The accounting policies set out in the financial statements of the Bank have been applied consistently to all the periods presented in these financial statements and have been applied consistently by the wing.

02.01 Going concern

When preparing financial statements, management makes an assessment of the entity's ability to continue as a going concern. The Wing prepares financial statements on a going concern basis.

02.02 Reporting period

These financial statements of the Islamic Banking Window cover period from 1 January to 30 June.

02.03 Revenue

As per IFRS 15, revenue should be recognised on accrual basis, but due to the unique nature of Islamic Banking, income from investments under Bai-Murabaha, Bi-Salam, Bai-Istisna, HPSM, Ijarah, Quard, IDBP and FDBP modes are accounted for on realization basis as per AAOIFI and Bangladesh Bank guidelines.

02.04 Investment Income

Income from general investments is accounted for on accrual basis except investments under Musharaka, Mudaraba, Bai-Salam, Bai-as-Sarf and Ijarah modes, where the investment income is accounted for on realization basis. The Wing does not charge any rent during the gestation period of investment against Hire Purchase under Shirkatul Melk (HPSM) mode but it fixes the sale price of the assets at a higher level in such a way to cover its expected rate of return. Such income is recognized on realization basis.

Profit/Rent/Compensation accrued on classified investments are suspended and accounted for as per circulars issued by Bangladesh Bank in this regard from time to time. At the time of recovery or regularization of those investments the related income which was suspended and shown as a liability is taken as investment income (except compensation) as per circulars issued by Bangladesh Bank. As a result, all the transferred amount to investment income from suspense during the year has already been included in the investment income of the Wing.

Profit on deposits with other banks & financial institutions is accounted for on accrual basis.

02.05 Sharing of investment income

In case of investment, Mudaraba fund gets preference over cost free fund. The investment income earned through deployment of Mudaraba Fund is shared by the IBW of the Bank and the Mudaraba depositors at the pre-agreed ratio.

02.06 Income on Investments in Securities

Income on investments in securities is recognised on accrual basis.

02.07 Profit Suspense/Compensation Account & Shari'ah Non-Compliance Income

Profit/compensation accrued on classified investments is suspended and accounted for as per circulars issued by the Bangladesh Bank.

Moreover, income which is irregular (doubtful) as per Shari'ah is also not included in the distributable income of the Wing. The entity (Wing) charges compensation on unclassified overdue investments. Such compensation is not permissible as regular income of the Bank as per Shari'ah.

Interest received from the balances held with Foreign Banks abroad and from Foreign Currency Clearing Account with the Bangladesh Bank and also other interest based Banks are also not credited to regular income since it is not permissible as per Shari'ah. Such doubtful income is being appropriated for charitable purpose.

02.08 Profit shared on deposits

Profit on deposits are recognized on accrual basis.

Mudaraba depositors of the IBW share income derived from investing activities deploying the Mudaraba funds. Income under these categories includes profit, dividend, capital gain, rent, exchange gain and any other gain derived from deployment of Mudaraba funds.

	30 June 2024 Taka	31 December 2023 Taka
3. Cash in hand		
In hand		
In local currency	9,051,809	4,576,626
In foreign currency	-	-
	9,051,809	4,576,626
4. Balance with Bangladesh Bank and its agents		
Balance with Bangladesh Bank		
In local currency	25,000,000	25,000,000
In Foreign currency	-	-
	25,000,000	25,000,000
Balance with Sonali Bank (as agent of Bangladesh Bank)- local currency	-	-
	25,000,000	25,000,000
5. Balance with other banks and financial institutions		
In Bangladesh	-	-
Outside Bangladesh	-	-
	-	-
6. Placement with banks & other financial institutions	-	-
7. Investments in share & securities		
Government (note 7.1)	30,000,000	30,000,000
Others	-	-
	30,000,000	30,000,000
7.1 Government		
Ijarah Sukuk Bond	30,000,000	30,000,000
8. Investments		
General investment (note 8.1)	316,196,515	294,691,370
Bills purchased and negotiated (note 8.2)	-	-
	316,196,515	294,691,370
8.1 General investment		
Inside Bangladesh		
BAI Murabaha CSME under stimulus finance	-	-
BAI Murabaha - work order	19,065,800	4,200,894
BAI Murabaha - commercial	191,570,211	193,443,560
BAI Murabaha - agriculture	3,434,632	2,851,810
BAI Murabaha - SME	4,605,170	5,612,520
Murabaha post import finance	-	-
HPSM (Staff)	43,454,583	36,010,828
HPSM (car)	3,115,975	3,102,996
HPSM (real estate)	50,950,144	49,468,762
	316,196,515	294,691,370
Outside Bangladesh	-	-
	316,196,515	294,691,370
8.2 Bills purchased and negotiated		
Payable Inside Bangladesh	-	-
Payable Outside Bangladesh	-	-
	-	-
	316,196,515	294,691,370.00
9. Fixed assets including premises, furniture and fixtures		
Property, Plant & Equipment		
Furniture & Fixtures	149,784	149,784
Machineries and Equipment	5,190	5,190
Computer and Peripherals	998,395	247,100
Software	6,250,000	6,250,000
Total fixed assets at cost	7,403,369	6,652,074
Less: Accumulated depreciation	2,718,701	1,964,415
Net book value at the end of the year	4,684,668	4,687,659
10. Other assets		
Stationeries	1,318,133	1,327,161
Stamps	8,960	3,460
Accrued profit	445,421	797,171
Advance Income Tax	222,775	152,425
Suspense	-	-
Receivable from convectional banking	166,742,932	100,476,045
	168,738,221	102,756,262

	30 June 2024 Taka	31 December 2023 Taka
11. Placements from other banks, financial institutions		
In Bangladesh	-	-
Outside Bangladesh	-	-
	-	-
12. Deposits and other accounts		
Al wadeeah current deposits and other accounts	48,479,024	21,990,961
Mudaraba savings deposits	18,275,067	22,233,288
Mudaraba term deposits	314,894,444	352,599,698
Mudaraba special notice deposits	16,077,505	7,540,890
Others deposit	21,359,257	17,388,221
Bill Payable	75,542,794	5,052,027
	494,628,091	426,805,085
13. Other liabilities		
Profit payable on deposit	4,443,023	2,741,136
Unearned Profit	11,829,749	9,918,832
Provision against investments (note 13.1)	2,267,678	2,267,678
Provision against off balance sheet exposures (note 13.2)	106,830	106,830
Payable to Conventional Banking	-	-
Compensation Realization	2,477,036	-
Others	18,750,482	2,602,778
	39,874,798	17,637,254
13.1 Provision against investments		
A. General provision against investments		
Opening balance	2,267,678	1,185,338
General provision for the year	-	1,082,340
Provision held at the end of the period	2,267,678	2,267,678
B. Specific provision against classified investments		
Opening balance	-	-
Less : Fully provided debt written-off (for final settlement)	-	-
Add : Recoveries of amounts previously written-off	-	-
Add : Specific provision for the period	-	-
Less : Specific provision no more required as loans realized/regularized	-	-
Add : Net charge to profit and loss account	-	-
Provision held at the end of the period	-	-
	2,267,678	2,267,678
13.2 Provision against off balance sheet exposures		
Opening balance	106,830	106,830
General provision for the year	-	-
Provision held at the year end	106,830	106,830
14. Surplus in profit and loss account / Retained earnings		
Opening balance	17,269,578	3,372,686
Add : Net profit during the period	1,898,746	13,896,892
Less : Transferred to Conventional Banking	-	-
Closing balance	19,168,324	17,269,578
15. Contingent liabilities		
Acceptances and endorsements	-	-
Letters of guarantee	2,359,000	2,000,000
Irrevocable Letters of Credit	445,347	6,552,338
Bills for collection	-	-
Others	-	-
	2,804,347	8,552,338
16. Investment income		
Income from general investment		
Bai-Murabaha	9,849,840	3,788,829
Bai-Muajjal (CC hypo)	-	-
Bai-Salam (packing credit)	-	-
Murabaha PIF	-	-
Hire purchase	4,301,715	1,723,701
Other investments	-	-
Sub-total (i)	14,151,555	5,512,530

Profit on deposits with other Islamic banks		
In Bangladesh	-	-
Out side Bangladesh	-	-
Sub-total (ii)	-	-
Grand total (i+ii)	14,151,555	5,512,530
17. Profit paid on deposits		
a) Profit paid on deposits:		
Mudaraba savings deposits	401,689	219,747
Mudaraba special notice deposits	147,198	177,268
Mudaraba term deposits	12,790,981	3,985,961
Others deposits	96,835	174,780
	13,436,703	4,557,756
	01 Jan 2024 to 30 June 2024 Taka	01 Jan 2023 to 30 June 2023 Taka
18. Income from Investment in shares / securities		
Profit earned from Sukuk bond	1,055,250	195,846
Others	-	-
	1,055,250	195,846
19. Commission, exchange and brokerage		
Commission on L/Cs-sight	1,782	30,075
Commission on L/Gs	23,590	20,000
Commission on acceptance	-	-
Exchange	44,715	41,400
Other commission	42,550	3,530
	112,637	95,005
20. Other operating income		
Service and other charges	105,900	25,591
RTGS charges	-	-
Miscellaneous earnings	2,202	10,603
	108,102	36,194
21. Salaries and allowances		
Basic salary		45,976
House rent allowance		22,988
Conveyance allowance		4,800
Medical allowance		5,400
Other allowances		13,680
Bank's contribution to provident fund		4,598
		97,442
22. Stationery, printing and advertisements, etc.		
Stationery	-	-
Publicity and advertisement	-	-
23. Shariah supervisory committee's fees and expenses		
Meeting attendance fees	70,400	-
24. Depreciation and repair of Bank's assets		
Depreciation		
Fixed assets	2,990	329,521
Leased assets	-	-
	2,990	329,521
Repairs		
Repair & Maintenance	-	-
	2,990	329,521
25. Other expenses		
Entertainment	15,328	-
Cash carrying charges	-	-
Local Conveyance	-	-
Miscellaneous expenses	3,377	252
	18,705	252

SBAC Bank PLC.
Balance Sheet (Off-Shore Banking Unit)
As at 30 June 2024

	Notes	30 June 2024		31 December 2023	
		USD	Taka	USD	Taka
PROPERTY AND ASSETS					
Cash					
Cash in hand (Including foreign currencies)		-	-	-	-
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		-	-	-	-
		-	-	-	-
Balance with other banks and financial institutions	3				
In Bangladesh		816,632	95,954,260	715,788	78,557,733
Outside Bangladesh		-	-	-	-
		816,632	95,954,260	715,788	78,557,733
Money at call on short notice		-	-	-	-
Investments:					
Government		-	-	-	-
Others		-	-	-	-
		-	-	-	-
Loans and advances	4				
Loans, cash credit, overdrafts etc.		-	-	2,008,277	220,408,400
Bills purchased and discounted		-	-	-	-
		-	-	2,008,277	220,408,400
Fixed assets including premises, furniture and fixtures		-	-	-	-
Other assets	5	-	-	-	-
Non-banking assets		-	-	-	-
TOTAL ASSETS		816,632	95,954,260	2,724,065	298,966,133
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents	6	-	-	1,931,863	212,021,964
Deposits and other accounts					
Current accounts and other accounts		-	-	-	-
Bills payable		-	-	-	-
Savings bank deposits		-	-	-	-
Term deposits		-	-	-	-
		-	-	-	-
Subordinated bonds		-	-	-	-
Other liabilities	7	12,303	1,205,842	10,784	1,027,359
TOTAL LIABILITIES		12,303	1,205,842	1,942,647	213,049,323
Capital/ Shareholders' equity					
Paid up capital		-	-	-	-
Statutory reserve		-	-	-	-
General reserve		-	-	-	-
Foreign currency translation gain/(loss)	8	-	18,849,933	-	12,710,367
Profit and loss account - retained earnings	9	804,329	75,898,485	781,418	73,206,443
TOTAL SHAREHOLDERS' EQUITY		804,329	94,748,418	781,418	85,916,810
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		816,632	95,954,260	2,724,065	298,966,133

Notes	2022		2021	
	USD	Taka	USD	Taka
OFF-BALANCE SHEET ITEMS				
Contingent liabilities				
Acceptance and endorsements	-	-	-	-
Letters of guarantee	-	-	-	-
Irrevocable letters of credit	-	-	-	-
Bills for collection	-	-	-	-
Other contingent liabilities	-	-	-	-
Total	-	-	-	-
Other commitments				
Documentary credits and short term trade-related transactions	-	-	-	-
Forward assets purchased and forward deposits placed	-	-	-	-
Undrawn note issuance and revolving underwriting facilities	-	-	-	-
Undrawn formal standby facilities, credit lines and	-	-	-	-
Claims against the Bank not acknowledged as debt	-	-	-	-
Total	-	-	-	-
Total off-balance sheet items including contingent liabilities	-	-	-	-

SBAC Bank PLC.
Profit and Loss Account (Off-shore Banking Unit)
For the second quarter ended 30 June 2024

	Notes	01 Jan 2024 to 30 June		01 Jan 2023 to 30 June	
		USD	Taka	USD	Taka
Interest income	10	24,430	2,870,525	180,320	19,449,315
Less: Interest paid on deposits and borrowings etc.		-	-	-	-
Net interest income		24,430	2,870,525	180,320	19,449,315
Investment income		-	-	-	-
Commission, exchange and brokerage		-	-	-	-
Other operating income		-	-	-	-
Total operating income		24,430	2,870,525	180,320	19,449,315
Salary and allowances		-	-	-	-
Rent, taxes, insurance, electricity etc.		-	-	-	-
Legal and professional expenses		-	-	-	-
Postage, stamp, telecommunication etc.		-	-	-	-
Stationery, printing, advertisement etc.		-	-	-	-
Chief executive's salary and fees		-	-	-	-
Directors' fees		-	-	-	-
Auditors' fees		-	-	-	-
Charges on loan losses.		-	-	-	-
Depreciation and repair of bank's assets		-	-	-	-
Other expenses		-	-	-	-
Total operating expenses		-	-	-	-
Profit before provision		24,430	2,870,525	180,320	19,449,315
Provision for loan					
Specific provision				-	-
General provision (including off balance sheet items)	7.1	-	-	(1,921)	(164,610)
		-	-	(1,921)	(164,610)
Other provisions		-	-	-	-
Total provision		-	-	(1,921)	(164,610)
Total Profit before taxes		24,430	2,870,525	182,241	19,613,925
Provision for taxation					
Current tax		-	-	-	-
Deferred tax		-	-	-	-
Net profit after taxation	9	24,430	2,870,525	182,241	19,613,925

SBAC Bank PLC.
*** Cash Flow Statement (Off-shore Banking Unit)**
For the second quarter ended 30 June 2024

Notes	01 Jan 2024 to 30 June 2024		01 Jan 2023 to 30 June 2023	
	USD	Taka	USD	Taka
A) Cash flows from operating activities				
Interest receipts in cash	24,430	2,870,525	105,471	11,401,415
Interest payments	-	-	-	-
Dividend receipts	-	-	-	-
Income from investments	-	-	-	-
Recoveries on loans and advances previously written-off	-	-	-	-
Fees and commission receipts in cash	-	-	-	-
Cash payments to employees	-	-	-	-
Cash payments to suppliers	-	-	-	-
Income taxes paid	-	-	-	-
Receipts from other operating activities	-	-	-	-
Payments for other operating activities	-	-	-	-
Operating profit before changes in operating assets and liabilities	24,430	2,870,525	105,471	11,401,415
Increase / decrease in operating assets and liabilities				
Statutory deposits	-	-	-	-
Sale of trading securities	-	-	-	-
Purchase of trading securities	-	-	-	-
Loans and advances to other banks	-	-	-	-
Loans and advances to customers	-	-	169,270	6,237,362
Increase / decrease of other assets	-	-	-	-
Deposits from other banks	-	-	-	-
Deposits from customers	-	-	-	-
Increase / decrease of other liabilities account of customers	-	-	-	-
Increase / decrease of trading liabilities	-	-	-	-
Increase / decrease of other liabilities	-	-	-	-
	-	-	169,270	6,237,362
Net cash from operating activities	24,430	2,870,525	274,741	17,638,777
B) Cash flows from investing activities				
Proceeds from sale of Government securities	-	-	-	-
Payments for Purchase of Government securities	-	-	-	-
Purchase of property, plant and equipment	-	-	-	-
Sale of property, plant and equipment	-	-	-	-
Net cash from investing activities	-	-	-	-
C) Cash flows from financing activities				
Borrowing from other banks, financial institutions and agents	-	-	(199,900)	(9,970,805)
Dividends paid	-	-	-	-
Net cash from financing activities	-	-	(199,900)	(9,970,805)
D) Net increase / (decrease) in cash (A+B+C)	24,430	2,870,525	74,841	7,667,972
E) Effects of exchange rate changes on cash and cash-equivalent				
		6,139,566	-	3,426,516
F) Cash and cash-equivalents at beginning period	792,202	86,944,169	536,467	54,987,907
G) Cash and cash-equivalents at end of period (D+E+F)	816,632	95,954,260	611,308	66,082,395
H) Cash and cash-equivalents at end of period				
Cash in hand including foreign currencies	-	-	-	-
Balances with Bangladesh Bank and its agent bank(s) including foreign currencies	-	-	-	-
Balances with other Banks and Financial institutions	816,632	95,954,260	611,308	66,082,395
	816,632	95,954,260	611,308	66,082,395

SBAC Bank PLC.
Notes to the Financial Statements (Off-shore Banking Unit)
as at and for the first quarter ended 30 June 2024

1. Status of the unit

1.1 The Off-shore Banking Units (OBU) of SBAC Bank PLC. are governed by the applicable rules & regulations of Bangladesh Bank. The Bank obtained the permission for conducting the activities of OBU under reference letter no. BRPD (03)/744(127)/2020-5140 dated 15 July 2020 of Bangladesh Bank. The Bank started the operation of OBU on 22 October 2020. The number of OBU was one as at 31 December 2022, located at International Division, Head Office, Dhaka.

1.2 Nature of business

The principal activities of Bank are to carry on all kinds of banking business in accordance with applicable rules and regulations of Bangladesh Bank for operations of Off-shore Banking Unit in Bangladesh.

2. Significant accounting policies and basis of preparation of financial statements

2.1 Basis of accounting

The financial statements of Bank have been prepared under historical cost convention and in accordance with the Bank Companies Act, 1991 as amended under sub-section 38(4) of the Act, relevant Bangladesh Bank Circulars, International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other rules and regulations applicable in Bangladesh.

2.2 Use of estimates and judgments

The preparation of financial statements 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.

Revision of accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2.3 Functional and presentation currency

The functional currency of OBU is US Dollar (USD). Transactions are recorded in the functional currency (USD). The financial statements are presented both in USD and equivalent Bangladesh Taka (BDT). For preparation of financial statements, all the balance sheet items are converted into equivalent BDT using the closing exchange rate (USD 1 = BDT 108.10), while the revenue items are converted into BDT at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month (USD 1 = BDT 104.94). Resulting exchange differences are recognized as a separate component of equity.

2.4 Foreign currency transactions

a) Foreign currencies translation

Amounts in foreign currency are translated in accordance with the principles set forth in IAS 21 - "The Effects of Changes in Foreign Exchange Rates".

b) Transaction gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account.

2.5 Loans and advances

a) Loans and advances are started at gross amount. While the provision and interest suspense against loans and advances are shown separately as other liabilities.

b) Interest income is calculated on daily product basis and accounted for on quarterly rest on accrual basis until the loans and advances are defined as classified accounts as per Bangladesh Bank guidelines. As per Bangladesh Bank directives, interest on loans and advances classified as bad/loss is not accounted for. A separate memorandum record is maintained for such interest on bad/loss loans.

c) Provision for loans and advances is made on the basis of the year end review by the management of the Bank in line with the instructions contained in BRPD Master Circular No. 14 dated 23 September 2012, BRPD Circular No. 19 dated 27 December 2012, BRPD Circular No. 05 and 06 dated 29 May 2013, BRPD Circular No. 15 dated 23 December 2013, BRPD Circular No. 16 dated 18 November 2014, BRPD Circular No. 08 dated 02 August 2015, BRPD Circular No. 01 dated 20 February 2018, BRPD circular No. 24 (17 November 2019), BRPD circular No.6 (19 May 2019), BRPD circular No. 4 (16 May 2019), BRPD circular No. 3 (21 April 2019), BRPD circular No. 16 (21 July 2020) and BRPD circular No. 52 (20 October 2020) and BRPD circular no. 05 (29 May 2013), issued by Bangladesh Bank.

2.6 Provision for taxation

Offshore Banking Unit (OBU) is an integral business unit of the Bank. The income from OBU is included in the separate financial statement of the Bank and tax has been provided on total income of the Bank including income from OBU. Hence provision for tax has not been calculated for OBU portion separately.

2.7 Revenue recognition

The revenues of the OBU during the year have been recognized in terms of the provision of International Financial Reporting Standards 15, 'Revenue from Contracts with Customers' as outlined below:

2.7.1 Interest Income

Interest income from loans and advances is recognized on accrual basis.

2.7.2 Fees and commission income

Fees and commission income arising from different services provided by the Units are recognized on cash receipt basis. Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

2.7.3 Interest paid on deposits and borrowings

Interest paid on deposits, borrowings etc. are accounted for on accrual basis.

2.8 Cash flow statement

Cash flow statement has been prepared in accordance with the International Accounting Standard (IAS) 7, 'Statement of Cash Flow' under Direct method as recommended in the BRPD Circular No. 14 dated 25 June 2003 issued by the Banking Regulation & Policy Department of Bangladesh bank.

2.9 Cash and cash equivalents

Cash and cash equivalents includes notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value and are used by the unit management for its short-term commitments.

2.10 Reporting period

These financial statements of the OBU cover period from 1 January to 30 June.

2.11 General

i) Figures appearing in these financial statements have been rounded off to the nearest USD and BDT.

	30 June 2024		31 December 2023	
	USD	Taka	USD	Taka
3. Balance with other banks and financial institutions				
In Bangladesh (note 3.1)	816,632	95,954,260	715,788	78,557,733
Outside Bangladesh	-	-	-	-
	816,632	95,954,260	715,788	78,557,733
3.1 Balance with other banks and financial institutions				
SBAC Bank PLC. (USD)	771,842	90,691,435	715,788	78,557,733
SBAC Bank PLC. (EURO)	44,790	5,262,825	-	-
	816,632	95,954,260	715,788	78,557,733
4. Loans and advances				
Loans, cash credit, overdrafts etc.	-	-	2,008,277	220,408,400
Bills purchased and discounted	-	-	-	-
	-	-	2,008,277	220,408,400
4.1 Residual maturity grouping of loans and advances including bills purchased and discounted				
Payable				
On demand	-	-	-	-
Within one month	-	-	275,518	30,238,111
Within one to three months	-	-	1,581,900	173,613,519
Within three to twelve months	-	-	150,859	16,556,770
Within one to five years	-	-	-	-
More than five years	-	-	-	-
	-	-	2,008,277	220,408,400
4.2 Classification status of loans and advances including bills purchased and discounted				
Unclassified loans and advances (including staff loans)				
i) Standard	-	-	2,008,277	220,408,400
ii) Special mention account (SMA)	-	-	-	-
	-	-	2,008,277	220,408,400
Classified loans and advances				
Sub-standard	-	-	-	-
Doubtful	-	-	-	-
Bad / loss	-	-	-	-
	-	-	-	-
Total	-	-	2,008,277	220,408,400

4.3 Classification and provisioning of loans and advances including bills purchased and discounted

Classification / Status of loans and advances	Amount of outstanding loans and advances as at 30 June 2024		Base for Provision (Taka)	Percentage (%) of provision required as per Bangladesh Bank	Amount of provision required as at 30 June 2023 (USD)	Amount of provision required as at 30 June 2023 (Taka)
	USD	Taka				
Unclassified loans and advances						
Small & medium enterprise financing	-	-	-	0.25%	-	-
Other than small medium enterprise financing	-	-	-	1.00%	2,008,277	220,408,400
Special mention account	-	-	-	1.00%	-	-
Total unclassified loans and advances	-	-	-		2,008,277	220,408,400
Classified loans and advances						
Sub-standard	-	-	-	20.00%	-	-
Doubtful	-	-	-	50.00%	-	-
Bad / loss	-	-	-	100.00%	-	-
Total classified loans and advances	-	-	-		-	-
Total	-	-	-		2,008,277	220,408,400
Total provision maintained					2,008,277	220,408,400
Total provision surplus / (deficit)					-	-

	30 June 2024		31 December 2023	
	USD	Taka	USD	Taka
4.4 Geographical location-wise loans and advances including bills purchased and discounted				
Dhaka Division	-	-	2,008,277	220,408,400
Chattogram Division	-	-	-	-
			2,008,277	220,408,400
5. Other assets				
Interest accrued on loans and advances but not collected	-	-	-	-
6. Borrowings from other banks, financial institutions and agents				
a) In Bangladesh				
Borrowings from SBAC Bank, Head Office	-	-	1,931,863	212,021,964
b) Outside Bangladesh				
	-	-	1,931,863	212,021,964
7. Other liabilities				
Accumulated provision on loans and advances (note 7.1)	12,303	1,205,842	10,784	1,027,359
	12,303	1,205,842	10,784	1,027,359
7.1 Accumulated provision on loans and advances				
General provision on loans and advances				
Opening balance	10,784	1,027,359	-	-
Add : Provision made during the period	1,519	178,483	10,784	1,027,359
Less : Provision no more required	-	-	-	-
Closing balance	12,303	1,205,842	10,784	1,027,359
8. Foreign currency translation gain/(loss)				
Opening balance	-	12,710,367	-	7,933,440
Add : Addition during the period	-	6,139,566	-	4,776,927
	-	18,849,933	-	12,710,367
Less : Adjustment during the period	-	-	-	-
Closing balance	-	18,849,933	-	12,710,367
9. Profit and loss account - retained earnings				
Opening balance	781,418	73,206,443	590,345	52,576,943
Net profit / (loss) during the period	22,911	2,692,043	191,073	20,629,500
Closing balance	804,329	75,898,486	781,418	73,206,443
			01 Jan 2024 to 30 June 2024	01 Jan 2023 to 30 June 2023
			USD	Taka
10. Interest income				
Interest on loans and advances	24,430	2,870,525	180,320	19,449,315
	24,430	2,870,525	180,320	19,449,315