
annual
report

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ONE Bank
Creating
Long-term Value



ONE Bank

LIMITED

...We Make Things Happen

CONTENTS

Title	Page
Company Milestones	2
Vision & Mission	4
Core Values	5
Our Principles	6
Company Information	9
Auditors / Legal Advisers	11
Five Years' Financial Highlights	12
Chairman's Address	13
Directors' Profiles	17
The Board and its Committees	21
Key Personnel	22
Notice of the 23 rd AGM	24
Directors' Report	25
Audit Committee's Report	78
Report of the Shari'ah Supervisory Committee	80
Corporate Governance	82
Declaration of MD & CFO	97
OBL Dividend Policy	98
Value Added Statement	99
Credit Rating Report	100

Title	Page
Disclosures on Risk based Capital (BASEL-III)	101
Financial Statements	121
Auditors' Report	122
Consolidated Balance Sheet	128
Consolidated Profit & Loss Account	130
Consolidated Cash Flow Statement	131
Consolidated Statement of Changes in Equity	132
Balance Sheet	133
Profit & Loss Account	135
Cash Flow Statement	136
Statement of Changes in Equity	137
Liquidity Statement	138
Notes to the Financial Statements	139
Financial Highlights	214
Islami Banking Unit	223
Off-Shore Banking Unit	233
ONE Securities Limited	243
ONE Investments Limited	272
Network of Branches, Sub-Branches and Booths	281
Proxy Form & Attendance Slip	285

COMPANY MILESTONES

HALLMARKS	Dates
■ Memorandum and Articles of Association signed by the Sponsors	May 4, 1999
■ Incorporation of the Company	May 12, 1999
■ Certificate of Commencement of Business	May 12, 1999
■ License issued by Bangladesh Bank	June 2, 1999
■ License issued for opening the first branch Principal Branch, Dhaka	June 17, 1999
■ Formal launching of the Bank	July 14, 1999
■ Commencement of business from the Principal Branch, Dhaka	July 14, 1999
■ Sponsored Industrial and Infrastructure Development Finance Company Limited (IIDFC) as Promoter Shareholder	June 25, 2001
■ Floatation of Initial Public Offering (IPO):	
Publication of Prospectus	June 29, 2003
Subscription opened	August 11, 2003
Subscription closed	August 12, 2003
■ Lottery held for Allotment of Oversubscribed Shares	August 31, 2003
■ Trading of Shares at Dhaka Stock Exchange Limited	December 6, 2003
■ Trading of Shares at Chittagong Stock Exchange Limited	December 6, 2003
■ Sponsor Shares acquisition of VANIK Bangladesh Limited (now LankaBangla Finance Limited)	June 5, 2004
■ Dividend declared in the 5th AGM (first ever after the IPO)	June 7, 2004
■ Commencement of trading of the Bank's Shares in dematerialized form on Central Depository System (CDS) of Central Depository Bangladesh Limited (CDBL)	December 22, 2004
■ Launched ONE Bank MasterCard (Credit Cards)	July 14, 2005
■ Introduced Automated Teller Machines (ATMs)	July 14, 2006
■ Inaugurated its 50th Branch	December 29, 2010

COMPANY MILESTONES

HALLMARKS	Dates
■ Incorporation of Subsidiary Company ONE Securities Limited	May 4, 2011
■ Obtained Chittagong Stock Exchange (CSE) Membership	May 8, 2011
■ Change of Face Value and Market Lot of Shares	December 4, 2011
■ New CBS Software (ORACLE Flexcube11.2) live operation	January 1, 2012
■ Launching of Internet Banking	March 23, 2012
■ Enhancement of Authorised Capital (from Tk. 415 crore to Tk. 1,000 crore)	March 29, 2012
■ Obtained Dhaka Stock Exchange (DSE) Membership	December 6, 2012
■ Joined QCash, DBBL, BRAC and VISA Networks	March 13, 2013
■ Obtained Custodial License	May 8, 2013
■ Launched Multi Currency VISA Debit , Prepaid & Credit Cards as a Principal Member of VISA Worldwide Pte. Ltd.	August 29, 2013
■ Launched Bank Led Mobile Financial Services as 'OK Banking' (presently 'OK Wallet')	September 5, 2013
■ OBL's Subsidiary ONE Securities Limited Launched Stock Broking and Dealing Services	March 2, 2014
■ CDBL Connection Installed to Launch Custodial Service	March 30, 2014
■ Signing of Term Facility Agreement for Syndicated FC Loan of USD 44 million with FMO, OFID & OeEB.	November 07, 2016
■ Incorporation of Subsidiary Company ONE Investments Limited	April 26, 2018
■ Inaugurated its 100th branch	March 27, 2019
■ Introduction of Agent Banking operations	November 05, 2019
■ Introduction of Islami Banking operations	December 15, 2020
■ Enhancement of Authorised Capital (from Tk. 1,000 crore to Tk. 1,850 crore)	December 23, 2021



VISION & MISSION

Our Vision

- ▶ To establish ONE Bank Limited as a Role Model in the Banking Sector of Bangladesh.
- ▶ To meet the needs of our Customers, provide fulfillment for our People and create Shareholder Value.

Our Mission

- ▶ To constantly seek ways to better serve our Customers.
- ▶ Be proactive in fulfilling our Social Responsibilities.
- ▶ To review all business lines regularly and develop the Best Practices in the industry.
- ▶ Working environment to be supportive of teamwork, enabling the employees to perform to the very best of their abilities.



CORE VALUES

► Oneness :

One team → One goal → Serving our clients, stakeholders and the community at large → in a spirit of oneness.

► Take Pride :

In what we do and where we work: with the highest standards of fairness, ethics, integrity and openness in everything we say and do.

► Client Centricity :

We earn our clients and customers' trust by placing them at the core of our organisation and continuously strive to pursue mutually beneficial relationships in which the value created is shared fairly.

► Respect & Appreciate :

The people we work with and the contribution that they make.

► Excellence :

We achieve excellence by “Doing Right Things Right, First Time Right.”

OUR PRINCIPLES

1. Being lawful - Live with the law, in the law & of the law

“All the Employees of the Bank should at all times comply with or observe all applicable laws and regulations of the country and the Bank, wherever it operates.”

2. Integrity - The Guiding Beacon

“Every employee of the Bank must be open, honest, accurate and ethical in all the dealings with the stakeholders without compromising.”

3. Conflict of Interests? - Your bank always comes first

“All the employees are to place the interests of the Bank first. An employee must not enter into a situation resulting conflict of interests, use his/her position in the Bank for personal gains/ benefits for themselves and members of their families or friends.”

4. Belongingness to One Family - Bond of Compassion, Courtesy & Respect

“We must work towards building and maintaining a positive work environment, characterized by professional, dignified, and respectful conduct – a FAMILY atmosphere where an employee treats fellow employees and the members of the public with compassion, courtesy and respect.”

5. Be a Trailblazer - Shun the Money Launderers & Combat Terrorism Financing

“Each employee must strictly adhere to the law and regulations of the country, Bangladesh Bank regarding Money Laundering Prevention, Anti Terrorism etc. and at the same time remain alert and vigilant with respect to frauds, thefts, bribery/ illegal activities.”

6. Take a Tough Stance - No Discriminations, No Intimidations, No Inappropriate Conducts, No Sexual Harassments

“It is the responsibility of all employees to maintain a working atmosphere free of discrimination, harassment, intimidation and unwelcome, offensive or inappropriate conduct, including sexual overtures, offensive jokes, graphic material, etc.”

7. Privacy and Confidentiality - “Confidentiality is a Virtue of the loyal, as loyalty is the virtue of faithfulness.”

“Every employee shall serve the Bank diligently, honestly and faithfully and shall maintain strict secrecy regarding the affairs of the Bank and its customers. He/she shall show courtesy and attention, in all transactions, to all persons having dealing with the Bank.”

8. Know your calling - Be honest to the customers, no concealment of facts & figures

“All the customers (existing and potential) should receive fair treatment from us and we must not deceive our customers by misselling or misrepresenting our products or services.”

9. Borrowings - Do not live beyond your means

“No employee shall borrow money from the fellow employees, money lenders or customers of the Bank or from persons likely to have dealings with the Bank.”

OUR PRINCIPLES

10. Your life is a gift of Almighty- Never indulge in substance abuse, drug addiction or alcoholism

“Employees are not permitted to use/consume liquor, narcotics, depressants, stimulants (unless prescribed by a registered physician), hallucinogens, marijuana, or any other controlled/ forbidden substances during working hours as well as during other work-related events.”

11. Live a responsible life - Remember a Nonsmoking Workplace means a healthy environment

“The Bank appreciates nonsmoking; as such treats the premises of the Bank as nonsmoking zones. Every member of the Staff is expected to maintain it.”

12. Speak up - Report concerns promptly

“The employees of the Bank have a responsibility to report in confidence, actual or suspected misconduct, malpractice and illegal or unethical behavior in the workplace to the Management.”

13. Media, being highly sensitive sector, to be handled by assigned persons only

“Do not speak/ release statements to the media on official issues without prior permission. No employee other than the Managing Director shall deal directly with the media or make any statement to the Media on official issues without prior authorization.”

14. Know the lines not to be crossed - No representation to Directors

“No employees shall make any direct personal representation to the Directors of the Bank. All representations must be addressed to the Managing Director through proper channel.”

15. The bank is yours - Prudently use your resources/ Service facilities

“Bank’s resources, including time, material, equipment, vehicles and other service facilities are provided for its business use and as such an employee must ensure that these are used efficiently and economically in the course of performing his or her duties and not used for unofficial and inappropriate purposes except where such use is authorized by the Competent Authority.”

16. OBL WAY (Warm, Agile and Yielding)

“All the employees are bound to observe the directives and the rules and regulations prescribed in OBL WAY meticulously to transform the directives into habits to uphold the value and image of the Bank.”

أَحَلَّ اللَّهُ الْبَيْعَ وَحَرَّمَ الرِّبَا

‘আল্লাহ ব্যবসাকে করেছেন হালাল; আর সুদকে করেছেন হারাম’ - বাকারা : ২৭৫



আসসালামু আলাইকুম ওয়া রাহমাতুল্লাহি ওয়া বারাকাতুহু,

ওয়ান ব্যাংক লিমিটেড ‘আল নূর ইসলামি ব্যাংকিং’ এ আপনাকে স্বাগতম!

শারিয়াহ্ ভিত্তিক ইসলামি ব্যাংকিং সেবা নিয়ে ওয়ান ব্যাংক লিমিটেড, ‘আল নূর ইসলামি ব্যাংকিং’ আপনার দোরগোড়ায়।

ওয়ান ব্যাংক লিমিটেড এর গুলশান, ঢাকা এবং আত্মবাদ, চট্টগ্রামে দুটি পূর্ণাঙ্গ ইসলামি ব্যাংকিং শাখা, ১৪ টি ইসলামি ব্যাংকিং উইন্ডো থেকে সরাসরি ও সারাদেশে সকল শাখা, উপশাখা ও এজেন্ট ব্যাংকিং আউটলেট এর মাধ্যমে অনলাইনে ‘আল নূর ইসলামি ব্যাংকিং’ এর সেবা গ্রহণ করা যাবে।



ওয়ান ব্যাংক

লিমিটেড



COMPANY INFORMATION



COMPANY INFORMATION

Name of the Company
ONE Bank Limited

Chairman
Mr. A. S. M. Shahidullah Khan

Vice Chairman
Mr. Zahur Ullah

Company Secretary
Mr. John Sarkar

Managing Director
Mr. Md. Monzur Mofiz

Legal Status Public Limited Company	Line of Business Banking	SWIFT ONEBBDDH
Date of Incorporation May 12, 1999	Telephone +88 02 55012505	Website www.onebank.com.bd
Registered Office 2/F HRC Bhaban 46 Kawran Bazar C.A. Dhaka 1215, Bangladesh	Telefax +88 02 55012516	Email obl@onebank.com.bd



AUDITORS / LEGAL ADVISERS

Auditors

ACNABIN

Chartered Accountants
BDBL Bhaban (Level-13)
12 Kawran Bazar Commercial Area
Dhaka-1215, Bangladesh

Legal services rendered by

ABDUR RAZZAQUE & ASSOCIATES

Barristers & Associates
City Heart, Suite # 5/1
67, Naya Paltan (4th floor)
Dhaka – 1000
Tel: +88 02 9352786
Fax: +88 02 9359998
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MR. ALI ASGHAR CHOWDHURY

Advocate
Supreme Court of Bangladesh
High Court Division & Judge's Court, Chattogram.
Chamber: Chattogram Bar Association Building
Room No.15, Court Hill, Chattogram
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Five Years' Financial Highlights of ONE Bank Limited

As at 31 December 2021

Figures in Million Taka

SI No	Particulars	2021	2020	2019	2018	2017
1	Authorized Capital	18,500	10,000	10,000	10,000	10,000
2	Paid up Capital	9,340	8,853	8,432	7,665	7,300
3	Shareholders' equity	17,474	17,413	16,052	14,392	14,109
4	Statutory Reserve	6,721	6,431	6,082	5,572	5,104
5	Total Capital (Tier-1 + Tier-2 Capital)	27,947	25,951	24,977	23,196	21,366
6	Total Assets	310,366	303,517	297,874	266,050	227,202
7	Total Deposits	231,123	229,485	228,091	202,546	182,675
8	Total Loans & Advances	222,694	220,342	215,228	198,909	170,393
9	Total Investment	38,217	29,984	33,728	28,724	26,144
10	Import business handled	137,954	103,742	130,548	137,904	150,633
11	Export business handled	97,273	81,118	99,496	94,797	93,806
12	Guarantee business handled	16,257	12,408	14,813	19,297	15,673
13	Total Contingent Liabilities	65,076	63,853	73,966	81,651	73,062
14	Total Operating Income	8,388	7,999	9,331	10,214	9,575
15	Total Operating Expenses	4,931	5,074	5,212	4,829	4,471
16	Profit before provision	3,456	2,925	4,119	5,385	5,105
17	Provision for loans and other assets	2,003	1,183	1,568	3,043	1,760
18	Profit after provision and before taxes	1,453	1,742	2,551	2,342	3,345
19	Provision for taxation	697	429	891	949	1,163
20	Net profit after taxation	756	1,313	1,660	1,393	2,181

Figures in Taka/Percentage

SI No	Particulars	2021	2020	2019	2018	2017
1	Earnings per Share	0.81	1.48	1.97	1.82	2.99
2	Price Earning Ratio (Times)	17.05	7.15	5.23	8.25	8.03
3	Net Asset Value per share	18.71	19.14	19.04	18.78	19.33
4	Return on Assets	0.25%	0.44%	0.59%	0.56%	1.05%
5	Return on Investment	6.01%	8.51%	6.00%	6.88%	8.26%
6	Capital Adequacy Ratio	12.03%	13.02%	12.80%	11.93%	11.56%
7	Tier - 1 (Capital Ratio)	8.88%	8.70%	8.18%	7.37%	7.60%
8	Credit Deposit Ratio	84.80%	85.33%	83.88%	83.59%	84.57%
9	Percentage of classified loans against total loans and advances	11.55%	8.60%	9.24%	7.05%	5.31%
10	Dividend					
	Cash		6.00%	5.00%		15.00%
	Stock	5.00%	5.50%	5.00%	10.00%	5.00%

SI No	Particulars	2021	2020	2019	2018	2017
1	Number of Branches	107	107	103	99	95
2	Number of Employees	2577	2425	2414	2239	2101

Earnings per share, price earning ratio and net asset value per share have been presented as per respective years' financial statements.



CHAIRMAN'S ADDRESS

Bismillahir Rahmanir Rahim

In the name of the Almighty Allah,

My dear Shareholders, Well Wishers of ONE Bank Limited, Ladies and Gentlemen,

Good Morning and a very warm welcome to the 23rd Annual General Meeting of the Bank.

During the year 2021, there was a sense of cautious optimism that we might have finally past the worst of the COVID-19 pandemic behind us. In Bangladesh, restrictions began to ease and economic activities picked up steadily.

ONE Bank spent a lot of time scrutinizing the implementations of the Bank's strategy and transformation agenda as well as enhancing oversight in the near post pandemic situation and new reality. The Bank focused on extending extensive support to its customers and communities in 2021. ONE Bank has a rich legacy of serving the customers, the society and the nation as a whole. The Bank remained committed to sustaining and furthering this legacy.

The banks in the country had seen a large increase in Non-Performing Loans during the year. The banks, therefore, adopted strategies for recognition, provisioning, resolution and recovery of Non-Performing Assets. Though it commenced to yield results like declining stressed assets and improvement in cash recovery, it did not produce the desired reduction of stressed assets and cash recovery. The banks found it quite difficult to weather the pandemic created economic shocks.

OBL has undertaken a transformation journey, particularly regarding process, products, platforms,

capacity building people capabilities and improving compliance. The technology evaluation is an ongoing process. It has to be a continuing journey to ensure that ONE Bank remains a competitive entity in the ever changing market. The Bank, therefore, continues to make significant investments in enhancing its IT backbone and creating cutting edge digital platforms.

We, at OBL, are hopeful that we will be able to come out of this unsettling condition. We will successfully overcome this adverse challenging situation and emerge as a strong Bank.

I am happy to note that many of our shareholders and shareholders' representatives have registered their presence on-line for this virtual AGM. This year, we intended to hold a Hybrid AGM with the participation of a large number of Shareholders in person and digital platform. In the face of renewed spread of coronavirus and in compliance with the Bangladesh Securities & Exchange Commission's order to hold AGM virtually by using digital platform, we have opted to hold this AGM on Digital platform. We welcome your active participation and suggestions.

In terms of Business Performance, OBL like a few other banks had experienced difficult time during 2021. The business parameters though showed positive move in terms of performance, it was insignificant. Loans & Advances and Deposit growths in 2021 were very minimal. On the other hand, inclination of the customer's particularly large customers towards delinquency was the major challenge for the Bank like others. And thus the volume of NPL increased out of proportion.

The EPS of the Bank for the year 2021 was Tk. 0.81 and the Capital Adequacy Ratio was 12.03%. Total Investment of the Bank as at December 31, 2021 stood at Tk. 38,217 million as compared to 29,984 million in 2020. The Board of Directors has been constrained to

CHAIRMAN'S ADDRESS



recommend 5% Stock Dividend for the year 2021 to this AGM.

During the year, we established 9 new Sub-Branches, converted 01 collection Booths into Sub -Branches. As of 31st December 2021, OBL had 107 Branches and 29 Sub-Branches, 15 collection Booths across the country covering all the major business centers of the country. Total number of ATM Booths was 154 (116 onsite and 38 offsite). Our Agent Banking outlets have substantially grown in number. As of December 31, 2021, we have 128 Agent Banking outlets in place all over the country.

We continue to extend our Islami Banking Operations through two (02) full-fledged Islami Banking Branches i.e. Gulshan Islami Banking Branch, Dhaka & Agrabad Islami Banking Branch, Chattogram. Despite the continued COVID condition, our Islami Banking is gaining momentum. The numbers of clients (Assets & Liabilities) are on the rise. All conventional Banking Branches and Sub Branches of the Bank are also extending Islamic Banking services through on-line facilities.

ONE Securities Limited (OSL), a subsidiary of the Bank, continued to maintain its position as one of the leading Stock Brokers and Stock Dealers of DSE & CSE in 2021. Another subsidiary ONE Investments Limited (OIL) meant for Merchant Banking business is awaiting approval of the application for license from BSEC to commence business.

The Bank's Custodial Services involving opening of NITA (Non- resident Investor Taka Accounts), opening FC Accounts etc., buying and selling shares at DSE and CSE as per clients' instructions were quite dull during the peak pandemic period. However, some movements are already visible. We expect that as the pandemic is almost over, growing numbers of NRB and Foreign Investors will now come forward to



CHAIRMAN'S ADDRESS

open FC & NITA Accounts and take part in buy/sale in the Bangladesh Capital Market through Dhaka & Chittagong Stock Exchanges.

OBL has been always committed to Corporate Social Responsibility (CSR). A total sum of Tk.10.59 crore was spent during the year 2021 towards following programs and the Bank also provided financial assistance to its two employees who died from COVID:

- Donation of blankets to the Prime Minister's Relief Fund for cold stricken people across the country.
- Payment of Doctor's Remuneration for extending medical services to the poor people of Joypara, Dohar, Dhaka.
- Donation to the Prime Minister's Relief Fund towards providing food assistance to the Coronavirus affected poor people of the country.
- Payment for publication of advertisement regarding creating/increasing awareness on integrity in different national daily newspapers.
- Payment to Bangladesh Disable Development Trust for publication of advertisement in the monthly Braille Magazine "Drishti Bijoye."
- Expenses for providing foods and other essential goods to the Coronavirus affected poor people across the country.

Looking at the year ahead, as well as the gradual recovery from the pandemic, it is clear that there are some notable challenges facing us and our customers in coming days. Inflation, which was already on a steep trajectory at the end of 2021, looks set to continue to rise as the reverberations from the invasion of Ukraine which will have an indirect impact on prices especially of energy and commodities. We are very conscious of the effects this will have on the cost of living for many

of our customers and we are committed to helping them where we can. And we are hopeful, in partnership with our clientele, shareholders including all other stakeholders with a spirit of oneness, we will overcome all the barriers and emerge as winners.

Thank you for your presence here today. We will always look forward to your continued support and best wishes. On behalf of the Board of Directors, I wish to convey to you our sincere gratitude.

I also sincerely thank the regulatory bodies, particularly Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC), DSE, CSE, our valued shareholders, customers, vendors, business associates, bankers, financial institutions and other stakeholders for their continued support and co-operation.

My heartfelt gratitude to my colleagues on the Board for their wise counsel and valued involvement and appreciation to all our staff members for their sincere endeavors and their sense of belongingness to ONE Bank family.

May Almighty Allah bless and protect us in all our efforts.



A.S.M. Shahidullah Khan
Chairman



OBL Home Loan

ONE Bank Home Loan is an attractive solution for your home financing need. Fulfill your dream by our Home Loan with affordable and flexible features. From apartment purchase to construction, renovation or transferring your existing home loan with other Banks/Financial institutions, we are always ready to finance.

- Loan amount ranges from BDT 500,000/- to BDT 20,000,000/-
- Repayment Tenure:
 - New Flat/Construction: Maximum 25 Years
 - Old Flat/House: Maximum 20 Years
 - Renovation purpose: Maximum 15 Years
- Competitive interest rate
- Minimal documentation
- Take over facility from other Banks/Financial institutions
- Processing fee waiver on take over loan

Eligibility:

- Any credit worthy individual having age from 18 to 70 years or retirement age whichever is earlier at loan maturity

Click: www.onebank.com.bd
Call Centre: 16269



ONE Bank
LIMITED
...Make It Yours



DIRECTORS' PROFILES



DIRECTORS' PROFILES



Mr. A.S.M. Shahidullah Khan
Chairman

Mr. A.S.M. Shahidullah Khan is the Chairman of the Board of Directors of ONE Bank Limited, representing M/s. KSC Securities Limited. He has a brilliant academic track record. He participated in the liberation war as a valiant freedom fighter. Presently, he is the Managing Director of Media New Age and Publisher of national English Daily "The New Age". He is a member of Trustee Board of Bangladesh Protibondhi Foundation. He is also the founder president of Club Notredamians Ltd.



Mr. Zahur Ullah
Vice Chairman

Mr. Zahur Ullah, Vice Chairman of ONE Bank Limited is a prominent business person in the country. He graduated in Finance from University of Dhaka. He is also the Managing Director of GTEX Limited. He is the Director of Holiday Publications Limited and Shamah Enterprises Limited. Mr. Zahur Ullah is also the Chairman of LL Group and involved in buying, manufacturing, and exporting of readymade garments and allied products.

DIRECTORS' PROFILES



Mr. Kazi Rukunuddin Ahmed
Director

Mr. Kazi Rukunuddin Ahmed, one of the Directors of ONE Bank Limited, representing M/s. Irfan International Limited, is a First Class First Civil Engineering Graduate. He is also a CBI (Confederation of British Industry) Scholar and had practical Training in UK in Sprinkler Irrigation and Machinery.



Mr. Shawket Jaman
Director

Mr. Shawket Jaman is a Director of ONE Bank Limited, representing M/s. M R Holdings & Securities Limited. He has more than 31 years of rich experience in the Shipping sector of Bangladesh.



Ms. Anannya Das Gupta
Director

Ms. Anannya Das Gupta is a Director of ONE Bank Limited. She obtained her BBA (major in Finance & Accounting) from City University, London, UK and Post-Graduation in Management Studies & MBA in Marketing from the University of Leicester (UK). She has led several Sales and Marketing functions at Uniroyal Trade and Imtrex, and has been a personal investor for over twenty years. Her extra-curricular activities include art & culture, interior design, reading and traveling.

DIRECTORS' PROFILES



Admiral AMMM Aurangzeb Chowdhury (Retd)
Independent Director

Admiral AMMM Aurangzeb Chowdhury (Retd), NBP, OSP, BCGM, PCGM, BCGMS, ndc, psc, Former Chief of Naval Staff and Director General Bangladesh Coast Guard, is an Independent Director of ONE Bank Limited. He is also the Chairman of the Audit and the Risk Management Committees. Admiral Aurangzeb has a brilliant service career as well as academic track record to his credit. He is a graduate of German Naval Academy, German Defence Services Command and Staff College and National Defence College, Mirpur. He has obtained MDS, MBA, MPhil, PhD degrees as well as underwent a good number of trainings at home and abroad, viz., Germany, USA, China, The Netherlands, South Korea, India etc. He served as President, Bangladesh Swimming Federation, Chairman, National Hydrographic Commission, Senate Member of BUP & BSMRMU, Member of Board of Governors of BIIS, Regional Commissioner Bangladesh Scouts and as Commandant, Bangladesh Marine Academy and Principal, Marine Fisheries Academy. He also served as Chairman of Board of Directors of Khulna Shipyard Ltd, Narayanganj Dockyard & Engineering Works Ltd, Chattogram Dry Dock Ltd, Nou Kollan Foundation, Nou Kollan Shipping Lines Ltd, NKF Trading Company Ltd and Member of Board of Trustees of Sena Kalyan Sangstha. Besides, he was Member Advisory Committee of Chattogram, Mongla Port Authority and Matarbari Port Development Project and member of various National and Law Enforcement Committees under MoHA. He has been decorated with numerous medals and awards during his long service career such as Nou Bahini Padak, Osamanya Sheba Padak, National Integrity Strategy Award 2018, Bangladesh Coast Guard Medal, President Coast Guard Medal, Bangladesh Coast Guard Medal (Service), Bangladesh Scout Award 'Silver Hilsha', Performance Badges Bronze, Silver and Gold from the German Navy along with many other local and foreign trophies and awards. He is fluent in German and knows basic French. He is happily married to Professor Dr Afroza, who is a Gynaecologist. Together they have a son, who is a software developer in Canada and a daughter, who is doing her Postgrad.



Mr. Md. Monzur Mofiz
Managing Director

Mr. Md. Monzur Mofiz has been serving as the Managing Director of ONE Bank Limited since December 09, 2021. Prior to that, he was the Additional Managing Director of the Bank. Before joining ONE Bank Limited, he was the Deputy Managing Director and Chief Business Officer of Dutch-Bangla Bank Ltd. In his 29 years of magnificent career, he has worked in and graced many prestigious organizations with his contribution. He served as an Engineer in the Ministry of Education earlier in his career & later he took the opportunity to work in Sonali Bank Limited. Subsequently, worked as a core Banker at AB Bank Limited, the City Bank Limited and Dutch-Bangla Bank Limited. Mr. Mofiz attended several training programs and workshops at home and abroad. After completing his B. Sc in Civil Engineering from Bangladesh University of Engineering & Technology (BUET), he obtained an MBA Degree from the Institute of Business Administration (IBA), University of Dhaka.

THE BOARD & ITS COMMITTEES

Board of Directors

Chairman

Mr. A. S. M. Shahidullah Khan

Vice Chairman

Mr. Zahur Ullah

Directors

Mr. Kazi Rukunuddin Ahmed

Mr. Shawket Jaman

Ms. Anannya Das Gupta

Admiral AMMM Aurangzeb Chowdhury (Retd), Independent Director

Mr. Md. Monzur Mofiz, Managing Director

Audit Committee

Chairman

Admiral AMMM Aurangzeb Chowdhury (Retd)

Members

Mr. Kazi Rukunuddin Ahmed

Ms. Anannya Das Gupta

Executive Committee

Chairman

Mr. Zahur Ullah

Members

Mr. A. S. M. Shahidullah Khan

Mr. Shawket Jaman

Risk Management Committee

Chairman

Admiral AMMM Aurangzeb Chowdhury (Retd)

Members

Mr. A. S. M. Shahidullah Khan

Mr. Zahur Ullah

Company Secretary

Mr. John Sarkar

KEY PERSONNEL

Managing Director

Mr. Md. Monzur Mofiz

Additional Managing Director

Mr. Abu Zafare Md. Saleh

Deputy Managing Director

Mr. John Sarkar

Additional Deputy Managing Director

Mr. A. B. M. Saif Sarwar

Senior Executive Vice President

Mr. Kh. Rashed Akhtar Zaman

Mr. Riton Barua

Mr. Md. Manirul Islam

Mr. M. Ahsan Habib

Executive Vice President

Mr. Md. Nazrul Islam Bhuiyan

Mr. Md. Belayet Hossain

Mr. Md. Kamruzzaman

Mr. Ziaul Haider Shailul Haque

Mr. Mirza Ashraf Ahmad

Mr. Newaz Khalid Ahmed

Ms. Mallika Nabi

Ms. Morsheda Begum

Mr. Faisal Adil

Mr. Md. Anwarul Islam

Mr. Mohammad Farhad Hossen Khan

Mr. Khaled Mahbub Morshed

Mr. Syed Farhad Alam

Mr. Khandaker Liakat Ali

Mr. Kazi Md. Amzad Hossain

Senior Vice President

Mr. Asif Mahmud Khan

Mr. Shibly Nasimul Huq

Mr. Md. Mizanur Rahman

Mr. Md. Zahid-Ul-Islam

Mr. Md. Borhan Uddin

Mr. Hasnain Ahmed

Ms. Shirin Mullick

Ms. Jahanara Begum

Mr. Md. Shafiur Rahman Sikder

Mr. Taufiq Ahmed

Mr. Md. Golam Rabbani

Mr. Syed Maruf Ali

Mr. Mohammad Kabir Hossain

Mr. Md. Zahidul Islam

Mr. Md. Nurun Nobi

Mr. Shahabuddin Ahmed

Mr. Md. Mohiuddin

Mr. Syed Rezaul Karim Chowdhury

Mr. Mohammad Kamrul Ahsan

Mr. Khalid Bin Rahman

Mr. Md. Kamaruzzaman

Mr. Mohammad Aktar Hossain

Mr. Md. Mazharul Islam Chowdhury

Vice President

Mr. Khondaker Abdul Mazid

Mr. Qamrul Chowdhury

Mr. Abdullah Al Mamun Zahangir

Mr. Aminul Islam

Mr. Md. Zahidul Islam

Mr. Shaikh Mohammad Mizanur Rahman

Mr. Abu Sayed Md. Abdul Mannaf

Mr. Abu Mohammed Saifuzzaman

Mr. Md. Masud Alam

Mr. Mohammad Masudul Haque

Mr. Moonir Sadiq

Mr. Md. Rafe Shafquat

Mr. Biplab Banik

Mr. S.M. Salahuddin

Mr. Md. Abdul Mannan

Mr. Boshirul Haque

Mr. Mohammad Raihan Shaheed

Mr. Towhid Hossain Mazumder

Mr. Nitai Chandra Datta

Mr. Habibul Islam

Senior Assistant Vice President

Mr. Md. Mobasherul Haque

Mr. Abul Masud Khan Chowdhury

Mr. Md. Jashim Uddin

Mr. Md. Sharifur Rahman

Mr. Joarder Alimuzzaman Rabby

Mr. Md. Faizul Mobin

Mr. Md. Monirul Alam Romel

Mr. Mohammad Munir Chowdhury

Mr. Md. Samso Uddin

Mr. Syed Mohammed Ekram Ullah

Ms. Mili Sen

Mr. Sk. Didar-Rul-Alam

Mr. A. S. M. Abu Bokor Siddique

Ms. Anjima Begum

Mr. Md. Abir Rahman

Ms. Tanjiba Sultana

Mr. Muhammad Zakir Hussain

Mr. Md. Rafiqul Islam Bhuiyan

Mr. Jamal Uddin Ahmed

Mr. Mohammad Mehboob Ali

Mr. Mohammed Rafiul Islam

Mr. Muhammad Mostafiqur Rahman

Mr. Sheikh Zaki Shahriar

Mr. Md. Rezaul Karim

Mr. Kazi Md. Eleas Kanchon

Ms. Kawsara Sattar

Mr. Md. Abdus Salam

Mr. Abdus Samad

Mr. Md. Motaher Hossain

Mr. Mohammad Monowar Hossain Khan

Mr. Syed Shahidul Haque

Mr. Fayzur Rahman Khan

Mr. Kazi Mahmudur Rahman

Ms. Kazi Fauzia Yasmin

Mr. Md. Aminul Islam

Mr. Ariful Hoque

Mr. Pankoj Suter

Mr. Mir Waies-Ur-Rahman

Mr. Syed Salahuddin Ahmed

Mr. A. T. M. Shahidullah

Mr. Choudhury Maksudul Haq

Mr. Md. Akter Hossain Sorker

Mr. Sayed Ahmed Chowdhury

Mr. Mohammad Abul Kalam Azad

First Assistant Vice President

Mr. Mohammad Manzur Mahbub

Ms. Rehena Yesmin

Mr. Md. Salimullah

Mr. Shaikh Babul Hossain

Mr. Ahmad Ullah

Mr. A. F. Gazi Alauddin Ahmed

Mr. Mohammad Fouad Chowdhury

Mr. Md. Motashim Al Razi

Mr. Md. Khurshid Khan

Mr. Md. Ferdous ul Amin

Mr. Shahid Emdadul Islam

Ms. Laila Nasrin

Mr. A.K.K.M. Zahidul Mannan

Mr. Mohammad Shafiul Azam

Mr. Md. Khorshed Anwar

Mr. Md. Momtaz Goni

Mr. Md. Tamiz Uddin Ahmed Chowdhury

Mr. Sajjad Mahmud Sabuj

Mr. Amol Chandra Sarker

Mr. M. Tabib Hossain

Mr. Md. Saifur Rahman

Mr. Md. Zahidul Islam

Mr. Md. Tanna Mandal

Ms. Nur Naher

Mr. Mosharof Hossain

Mr. Mohammad Ashikuzzaman Noor

Mr. Mohammad Shahidul Huq

Mr. Md. Arifur Rahman

Mr. Mohammad Rashidul Alam

Ms. Sajeda Khatun

Mr. Kazi Md. Forkan

Mr. Md. Ekramul Hoque

Mr. Apollo Kumar Banik

Mr. Md. Golam Rasul Bhuiyan

Mr. Badrul Alam Chowdhury

Mr. Mohammad Sharifuzzaman Chaklader

Mr. Uggul Mallick

Mr. Mohd. Amanullah

Mr. Shafiul Alam

Mr. Mohammed Iftekhar Sobhan

Mr. Abu Sayem

Mr. Avijit Das

Mr. Mohammad Salah Uddin

Mr. Md. Nazrul Islam

Ms. Tanzia Ahmed

Mr. Md. Nazim Uddin

Mr. Mohammad Munirul Hoque

Mr. Md. Abul Hasnat

Mr. Md. Tariqul Islam

Ms. Wahida Anjum Alley

Mr. Rashidul Islam

Ms. Asfia Nigar

Mr. Md. Mizanur Rahman

Mr. Syed Azazur Rahman

Mr. Masudur Rahman

Mr. Md. Monjur Morshed

Mr. Md. Mahmudur Rahman

KEY PERSONNEL

Mr. Nur Muhammed
 Ms. Shahin Akter
 Mr. A. Z. M. Fouz Ullah Chowdhury
 Mr. Palash Das
 Mr. Pijush Kanti Das
 Mr. Md. Golam Mostopa Chowdhury
 Ms. Nilufar Panna
 Mr. M. M. Rashidul Kabir Chowdhury
 Mr. Mohammed Dalwar Hossain
 Ms. Shaila Sharmin Thakur
 Mr. Md. Mahmudul Hasan
 Mr. Md. Shibbir Ahmed Salim
 Mr. Shishir Kumar Shil
 Mr. Md. Nurul Alam
 Mr. Md. Ashraf Razi
 Mr. Md. Abdul Momin
 Mr. K. M. Moinul Arif
 Mr. Md. Akbar Hossain Chowdhury
 Mr. Syed Ahmmed
 Mr. Md. Shah Alam Bhuya
 Mr. Mohammad Monir Hossain
 Mr. Hasibur Rahaman
 Mr. Satirtha Kumar Paul
 Ms. Fouzia Hakim
 Mr. Md. Zahurul Islam
 Mr. S.M. Rashed Mir
 Mr. Md. Mizanur Rahman
 Mr. Sk. M. M. Rabiul Islam
 Mr. Mohammad Jahangir Alam
 Mr. Zia Haider Chowdhury
 Mr. Mohammad Abdul Salam
 Mr. Siraj Ud-Daulah
 Mr. Abu Reza Md. Selim
 Mr. Md. Mashiur Rahman
 Mr. A.K.M. Abdullah-Al-Mamun
 Mr. Md. Mozaffor Hossain
 Mr. Golam Raju Ahmed
 Mr. Mohammad Wahiduzzaman Khan
 Mr. Shourindra Nath Paul
 Mr. Md. Farooque Murad Hossain
 Mr. A. N. M Bekarul Islam Sarker
 Mr. Md. Zakir Hossain

Assistant Vice President

Mr. A. H. M. Al-Hasan
 Ms. Sanzida Ahmed
 Mr. Md. Mostafizur Rahman
 Mr. Mohammed Saifuddin Chowdhury
 Mr. Uttam Kumar Roy
 Mr. A.M. Anisuzzaman
 Ms. Dilara Alim
 Mr. Md. Kawsar Ali
 Mr. Mohammed Ismail
 Mr. Mohammad Abbas Uddin
 Mr. Md. Alauddin
 Mr. Mohammad Muztahidul Hosain
 Mr. Mohammed Hemayet Ullah
 Mr. Mohammad Fakhrul Alam Masum
 Mr. Md. Mijanur Rashid
 Mr. Mohammad Zaman Khan
 Mr. Md. Shahidul Islam
 Mr. Mohammad Shah Alam Mia

Mr. Md. Amzad Hossain Khan
 Mr. Mohammad Mahbub Morshed
 Mr. Ehsanul Hoque
 Mr. Mohammad Mahmud Hossain
 Mr. Mohammad Shakhawat Hossain
 Mr. Md. Akter Hossain
 Mr. Mohammad Shafiul Islam
 Mr. Khabiruzzaman
 Mr. Md. Shahinur Alam
 Ms. Sabina Easmen
 Ms. Nusrat Zarin
 Mr. Mohammad Nazrul Islam Khan
 Mr. Mohammad Zahirul Hoque
 Mr. Nashid Shahjahan
 Mr. Mohammed Nazrul Islam
 Mr. Md. Tipu Sultan
 Mr. Muhammed Atikur Rashid
 Mr. Shamim Reza
 Ms. Lili Akter
 Mr. Md. Masudul Karim Chowdhury
 Mr. Qazi Nezam-Ul-Haque
 Mr. Md. Tasnim Alam Manjar
 Mr. Mohammad Nazrul Islam
 Mr. Mohammad Shamsud Doula
 Mr. Aminul Hoq
 Mr. Md. Monirul Haq
 Mr. Sultan Ahamad
 Mr. Syed Mustakeem Bin Haider
 Mr. Mohammed Saifur Rahman
 Ms. Johura Habib
 Mr. Md. Badrul Alam
 Mr. Md. Zahidur Rashid
 Mr. Imran Khan
 Mr. Md. Idrish Ali
 Mr. Gazi Faruqu Azam
 Mr. Md. Ahadur Rahman Bhuiyan
 Mr. Md. Tanvir - E- Jamil
 Mr. Md. Taherul Islam
 Mr. Saif Imam Bokhari
 Mr. Tapos Kumer Dev
 Ms. Dilruba Akter
 Ms. Tasmin Hossain Moushumi
 Mr. Md. Asad
 Mr. Arunjit Kumar Sutradhar
 Mr. Md. Golam Yeasin
 Ms. Nusrat Sharmin Monika
 Mr. Md. Shahadat Hossain
 Mr. Md. Shahjahan
 Mr. Abu Shahadath Mohammad Shahed
 Ms. Nazmun Nahar
 Mr. Tanvir Khan
 Mr. Debasish Howlader
 Mr. M. F. Shahriar Kabir
 Ms. Rahinoor Gazi
 Mr. Mohammad Abdur Rob Bhuiya
 Mr. Manna Khan
 Mr. Salah Uddin Bhuyan
 Mr. Khan Md. Tief Rana
 Mr. A. B. M. Shah Alam
 Mr. Lutfur Rahman
 Ms. Kashphia Nahrin Shuvra
 Mr. Md. Zhobaidur Rahman Chowdhury

Mr. Tanvir Matin
 Mr. Md. Jakir Alam
 Mr. Mohammad Mahfuzur Rahman
 Mr. Uttom Kumar Saha
 Mr. Md. Showkat Reza
 Ms. Noorain Akhter
 Mr. Md. Rafiqul Islam
 Ms. Aruna Rani Paul
 Mr. Mohammad Lutful Quder Al- Mamun
 Mr. Mohammed Mainul Islam
 Ms. Romana Haque
 Mr. Tuton Chandra Paul
 Mr. Md. Ataur Rahman
 Mr. Md. Asfaqur Rahman Khan
 Mr. Mohammad Mujeluzzaman
 Mr. Md. Yasir Arafat
 Mr. Md. Sohel Rana
 Mr. Mohammad Rifatuzzaman
 Ms. Mst. Monjura Begum
 Mr. Durlab Chandra Debnath
 Mr. Moontasir Rahman Siddique
 Mr. Mahmud Hasan
 Mr. Md. Mizanur Rahman
 Mr. Touhid-Un-Nabi
 Mr. Md. Tamim Sharieear
 Mr. Dip Hasnayan
 Mr. Mazharul Abedin
 Mr. Khaleed Hasan Saikat
 Mr. Ali Kwsher
 Mr. Mohammad Faisal Hasan
 Mr. Md. Monzil Yeadul Hossain
 Mr. Md. Aktaruzzaman
 Mr. A. S. M. Mazharul Islam
 Mr. Mohammad Jamshed Alam
 Mr. Md. Naharul Islam
 Mr. Washim Reza Khan
 Mr. Md. Redwanur Islam
 Ms. Nishita Afrin
 Mr. Md. Arafat Hossain
 Mr. S. M. Mazharul Anwar
 Mr. Muhammad Samsul Arefine
 Mr. Abu Shahadat Md. Omair
 Mr. Md. Shahinur Islam
 Mr. Md. Mahinur Rahman
 Mr. A.K.M. Badrudduza
 Mr. Md. Nasir Uddin
 Mr. S. M. Rahid Amin
 Mr. Majbah Uddin
 Mr. Md. Syful Islam
 Mr. Obaydul Islam
 Mr. Richard Singha
 Mr. Mohammad Rashadul Alam
 Mr. K. M. Mohiuddin
 Mr. Mohammad Saif Uddin
 Mr. Azadur Rahman
 Mr. Khaled Mahamud
 Mr. Md. Jobairul Hoque
 Mr. Md. Mubasher Chowdhury

NOTICE OF THE 23RD ANNUAL GENERAL MEETING

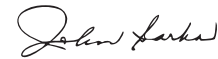
Notice is hereby given to all Shareholders of ONE Bank Limited (the "Company") that the 23rd Annual General Meeting (AGM) of the Shareholders of the Company will be held Virtually on **August 11, 2022** from 11:00 a.m. by using Digital Platform through the link <https://obl.bdvirtualagm.com> (By observing Social Distancing & other health related advices/directives of the Directorate General of Health Services (DGHS) of GOB & WHO) to transact the following business and adopt necessary resolutions:

AGENDA

1. To receive, consider and adopt the Profit & Loss Accounts of the Company for the year ended December 31, 2021 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
2. To approve Dividend out of the Profits for the year ended December 31, 2021.
3. To elect Directors in place of those who shall retire in accordance with the provisions of Law and the Articles of Association of the Company.
4. To appoint Auditors of the Company for the term until the conclusion of the next Annual General Meeting and fix their remuneration.
5. To appoint Corporate Governance Compliance Auditors of the Company for the term until the conclusion of the next Annual General Meeting and fix their remuneration.

Dhaka
April 30, 2022

By order of the Board of Directors,



John Sarkar
DMD & Company Secretary

NOTES:

- a. The 'Record Date' shall be **June 13, 2022**.
- b. The Shareholders whose names appear in the Register of Shareholders of the Company as at the close of the business on **June 13, 2022** will only be entitled to the Dividend, if any, declared in the AGM.
- c. The Board of Directors has recommended 5% Stock Dividend for the year 2021.
- d. Any Shareholder of the Company entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote on his/her behalf.
- e. The instrument appointing proxy duly signed by the Shareholder and stamped of BDT 20.00 must be submitted at the Registered Office of the Company at least 48 hours before the Meeting.
- f. Directors' report and Audited Financial Statements of the Bank for the year ended 31st December 2021 together with the Auditors' Report thereon shall be available on the Bank's website www.onebank.com.bd from July 20, 2022 onwards.
- g. Shareholders are requested to update their Bank Account Numbers, Addresses, Cell Numbers through their respective BO Accounts with **12 digit Taxpayer's Identification Number (e-TIN)** through their respective Depository Participants (DP) before the **"Record Date."** If anyone fails to update e-TIN in BO Account before the 'Record Date', disbursement of respective Dividends will be subject to deduction of Advance Income Tax (AIT) @ 15% instead of @ 10% (individual) as per amended IT Ordinance # XXXVI of 1984 under Section 54.
- h. The concerned Brokerage Houses are requested to provide us with a statement containing the details (Shareholders' names, BO ID numbers, individual shareholding position, Gross Dividend receivable, applicable Tax Rate, and Net Dividend receivable) of their margin Loan Accounts created against their shareholdings including OBL shares, as on the **"Record Date"** along with the name of the contact person in this connection to the **ONE Bank Share Department or at share@onebank.com.bd** on or before June 30, 2022. The Brokerage Houses are also requested to provide us with their Bank Names, Bank Account Names & Numbers, routing numbers etc.
- i. The Shareholders will be able to submit their questions/comments and cast vote electronically before 24 (twenty four) hours of the commencement of the AGM and also during the AGM through the AGM link. In order to login for the virtual AGM, the shareholders need to click on the link and provide their 16 digit Beneficiary Owner (BO) account number or Folio number, name of shareholders, their number of shares. Shareholders are requested to login to the system prior to the meeting to be held from 11.00 a.m. on Thursday, August 11, 2022. The live webcast will start at 10.55 a.m.

For any IT related guidance and help regarding the login process, the respected Shareholders may contact +88 02 55012505 Ext: 251, 252 or visit www.onebank.com.bd

N.B. No benefits or gifts in cash or kind shall be given to the shareholders for attending the 23rd Annual General Meeting as per Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013.



DIRECTORS' REPORT



DIRECTORS' REPORT

The Board of Directors of ONE Bank Limited takes the pleasure in presenting the Directors' report in this 23rd Annual General Meeting before you along with the Audited Financial Statements for the year 2021. Also a brief overview of Global and Bangladesh Economy, Bank's performance and other matters relating to compliance of directives issued by Regulatory Authorities have been incorporated in this report. A review of this report will reveal the Bank's overall standing, its strength and growth trend in the prevailing competitive market.

2021 was another challenging year for the business and banking sectors in Bangladesh, particularly in the COVID-19 pandemic situation. ONE Bank Limited tried to face all the challenges courageously. Here we have also reviewed our operational and financial performances through analyzing our key operational areas and the activities of the Bank during 2021 and have determined the business goals of 2022 in the light of the previous year's evaluation.

GLOBAL ECONOMY

The Global financial stability remained disrupted during the last two years as COVID-19 pandemic continued to wreak havoc on lives and livelihood worldwide. In the year 2021, as pandemic resurged in some parts of the world with outbreak of the Delta variant, it gave rise to new uncertainties which eventually impeded the pace of global economic recovery. However, global economy has gained momentum at a moderate pace, partly attributable to incremental coverage of vaccination and better management of the pandemic. Rising energy prices and supply chain disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging market and developing economies. All these have put pressure on quicker revival of economic activities to the full scale.

Geopolitical tensions and social unrest relating to Russia-Ukraine war is threatening to imperil energy supply, international trade, and policy cooperation thus resulting in elevated food and energy prices. Soaring

commodity prices, sweeping financial sanctions and the ban on energy imports from Russia all these are threatening to stumble the global economy, weakened by the COVID-19 pandemic, still struggling to gain momentum.

IMF projected global economy to grow 5.9% in 2021 and expects to moderate to 4.4% in 2022. Growth throughout 2022 is expected to be supported by a combination of an ongoing recovery from the COVID-19 pandemic and fiscal stimulus programs. Global inflation is expected to increase noticeably in 2022. Central banks are expected to tighten monetary policy.

BANGLADESH ECONOMY

Bangladesh has an impressive track record of growth and development. It has been among the fastest growing economies in the world over the past decade,



An OBL financed Hydroponic Vegetable Farm



An OBL financed Spinning Mill

supported by a demographic dividend, strong ready-made garment (RMG) exports, remittances, and stable macroeconomic conditions. The country made a strong economic recovery from the COVID-19 pandemic and tells the world a remarkable story of poverty reduction and development.

Early in 2021, the country received the Good news that the UN would approve its graduation from a Least Development Country (LDC). It was a moment that brought to fruition the dreams of an entire nation. As the year was winding down, the United Nations General Assembly (UNGA) in November adopted a resolution on the graduation of Bangladesh from LDC category. This is a “landmark achievement” in Bangladesh Development journey, which coincides with the celebration of the 50th anniversary of Bangladesh's independence.

Bangladesh economy has showed its resilience in 2021. With timely implementation of stimulus packages, continued fiscal and monetary policy supports, hefty remittance inflows, declining COVID-19 infection rate, and increasing coverage of vaccination helped the country's economy to walk in the path of recovery from the COVID-19 fallout. As a result, country's economic growth recovered faster attaining 6.94% GDP growth in 2021 from 3.45% in 2020 largely driven by activities in the agriculture and industry sectors. To support investment and employment generating activities in the recovery process, Bangladesh Bank continued its efforts in line with expansionary monetary policy stance for 2022.

Following 2020, agriculture sector remained resilient and showed solid performance in 2021 growing by 3.17%. Industry sector strongly rebounded and grew by 10.29% in 2021 after a slower growth of 3.61% in previous year. To boost the production and generate employment, government and Bangladesh Bank continued to provide policy support, including sector specific stimulus packages and various refinance schemes, which resulted in higher growth performance. Service sector activities started rebounding in 2021 and continued gaining momentum in 2022.

COVID-19 had pushed down the credit growth in the 2021. However, private sector credit started to grow as the external trade started picking up towards the end of 2021. As import of capital machinery increased along with vaccine payment started and international travels resumed, US dollar slightly appreciated against Bangladeshi taka. Between June-December of 2021, value of Taka depreciated by 1.16% in terms of US dollar and was quoted at Tk. 85.8 at the end of 2021.

Driven by non-food components, point to point CPI inflation exhibited an upward trend reaching at 6.05% in December 2021. The price of every commodities such as rice, lentils, sugar, oil, fuel, vegetables, meat and fish have been on the rise since June. Onion prices were down slightly compared to the past two years, but prices of Soybean Oil, mustered Oil, meat fish and vegetables have risen by 50 percent, or even doubled. Twelve month average CPI inflation was 5.55% in December 2021. Country's gross foreign exchange reserves stood at USD 46.15 billion at the end of December 2021 compared to USD 43.17 billion of previous year.

DIRECTORS' REPORT

Even though the import and export grew substantially, the import growth was higher compared to export earnings which resulted in higher trade deficit of the country. Meanwhile, country's current account deficit deteriorated further towards the end of 2021 due to higher import payment obligations along with lower inflow of remittances.

BANKING INDUSTRY IN 2021

Banking Industry in Bangladesh comprises State Owned Commercial Banks (SOCBs), Specialized Banks (SDBs), Conventional Private Commercial Banks (PCBs), Islami Shariah based Private Commercial Banks (PCBs) and Foreign Commercial Banks (FCBs) having remarkable differences in service quality, profitability and financial soundness indicators (governance, asset quality, capital adequacy etc.).

The Banking Sector has been playing a crucial role in mobilizing funds to productive sectors for maintaining the vibrancy of the economic activities. During the COVID-19 pandemic, banks have channelized stimulus packages to priority sectors.

The overall Banking Sector in Bangladesh showed mixed performances in 2021 as reflected by year on year comparison, the ratio of gross NPLs to total loans inched up in 2021 compared with that of 2020, a moderation in capital to risk-weighted asset ratio (CRAR), an increasing trend in the growth of banks' advances, a widening in provision shortfall, an advancement in profitability, and a continuity in liquidity in the Banking Industry.

Profitability of the Banking Sector improved in 2021 compared to 2020 as reflected by a rise in net profit and return on equity (RoE). Net Profit in the Banking Industry increased from BDT 52.79 billion in 2020 to BDT 57.78 billion in 2021. Return on equity modestly increased to 4.44 percent in 2021 from 4.28 percent in 2020, although return on asset (RoA) remained unchanged at 0.25 percent.

CORPORATE FINANCING

OBL offers a wide range of financial services to its corporate clients through extensive Branch Network all over the country, 2 OBUs and specialized dedicated Units at Corporate Headquarters. Our experienced officials have competent managerial skill and in-depth professional knowledge of corporate and institutional business environment.

Our corporate structure involves both branches and Corporate Headquarters to find the optimum combination to enforce maximum monitoring and engagement with the client.

To expedite our client's business growth, we provide comprehensive solutions including wide range of products and services backed by modern technologies. Products and services for corporate clients are Working Capital Finance, Project Finance, Trade Finance, Lease Finance, Syndication Finance, Mezzanine Finance, Offshore Finance, Foreign Currency Finance, etc.

LEASE FINANCING

OBL extends customized Lease Finance Facility to Corporate and SME in the manufacturing and service sectors. The Bank offers asset backed financing against industrial machinery, commercial equipment, office equipment, generator, vehicle, sea or river going vessel, construction equipment, agricultural equipment etc.

SYNDICATION FINANCING

Syndication allows any of the lenders to provide large loans, while maintaining prudent and manageable risk exposure. Syndicated finance diversifies the risk of a bank on a single borrower and increase the quality of the loan through collective judgment and monitoring of multiple banks/financial institutions.

ONE Bank has successful track record for acting as both lead bank and partner bank in syndication loan for long-term, large scale projects. To raise and meet large credit needs of leading corporate houses, OBL has been raising fund from the banking sector on behalf of the customers through syndication arrangement.

In addition, ONE Bank is also engaged in raising fund through alternative mode of financing like issuance of bonds, preferred shares etc.

PROJECT FINANCING

The industrial sector in Bangladesh has historically proven that it has driven growth substantially as our country is moving from low to middle income status. Industrial growth can provide high-wage employment for large numbers of workers and can raise social productivity by producing highly valuable goods on mass scale.

To boost the industrial sector, ONE Bank provides Project Finance/Industrial Credit as the long-term financing of infrastructure and industrial projects based upon the projected cash flows of the project. Currently we are engaged in a number of project finance both through syndication and bilateral financing.



An OBL financed Fish Hatchery

SME BANKING

Cottage, Micro, Small and Medium Enterprises have become one universally agreed motif of the development and has been playing significant role in the economy in terms of balanced and sustainable growth, employment generation, development of entrepreneurial skills and contribution to GDP. Bangladesh economy is characterized by low per capita income, high level of unemployment, mass poverty and social deprivation. In these circumstances, higher growth of CMSMEs can reduce poverty to a satisfactory level by creating jobs for both skilled and un-skilled manpower. ONE Bank Ltd. strongly believes that the CMSME sector is one of the main driving forces of economic growth and it is a market with huge potential and always keeps it as a priority to grow in the CMSME sector with proper support and service.

ONE Bank Ltd. is rapidly progressing in SME financing in line with the changes in the global environment, local arena and regulatory requirement. In order to increase focus on SME financing, ONE Bank Ltd. has identified 38 branches out of its 107 branches as SME Branch. Other branches are also extending SME financing along with all other products of the Bank. To ensure priority services to CMSME clients, the Bank has established dedicated "SME Help Desk" at every branch of the Bank.

In the year 2021, ONE Bank Ltd has disbursed total CMSME Loan of BDT 13136.90 million among 2249 no. of CMSME borrowers as a part of its commitment to develop the CMSME Sector.

As a part of continuous support to CMSME Sector, The Bank has already identified different business clusters like light engineering in Bogura, power loom in Madhabdi, stone crushing in Sylhet, and fish processing in Cox's Bazar.

To facilitate the SME clients with minimum financial expense by providing lower interest rate, ONE Bank Ltd. has already signed agreements with Bangladesh Bank for getting refinance from ADB Fund, JICA Fund, JICA UBSP Project, BB Agro Fund, BB fund for small enterprises, women entrepreneur, new entrepreneur, BB fund for Tk.10 Account holders, AIIB fund and Government Stimulus Package of Tk.20,000.00 Crore. In 2021, The Bank received total refinance of BDT 487.00 million from BB, against financing to CMSME clients, both male and female.

Besides Bangladesh Bank, ONE Bank Limited has also signed agreement with SME Foundation to facilitate its clients with privileged interest rate. In 2021 The Bank has disbursed Tk 41.05 million to the CMSME Borrowers at privileged rate under SME Foundation.

To facilitate the COVID-19 affected CMSME Borrowers, ONE Bank Limited has established "Covid-19 Help Desk" at every branch of the Bank. In the year 2021, the Bank has disbursed stimulus facility of BDT 1315.35 million among 170 No. of COVID-19 affected CMSMEs under the Government Stimulus Package of Tk.20,000.00 crore. The Bank has already provided interest subsidy of BDT 69.90 million to its CMSME borrowers under the mentioned package during the year.

DIRECTORS' REPORT

The Bank has introduced 02 (two) collateral free products namely "OBL Shubidha" and "OBL Romoni" dedicated to the potential Cottage, Micro & Small Enterprises along with women Entrepreneurs. OBL also introduced different product named "OBL Unnoyon", "OBL Trinomul", "PPG for SLC", "OBL Earnest Money/ Bid Bond" and "OBL Imarot" with easy terms and conditions for CMSME Clients to ensure quick and hassle free financing.

Financing women entrepreneurs under SME

Empowering women through SME financing is another notable idea in the development of women entrepreneurs. In the new framework of CMSME, One Bank Ltd is giving top priority in developing and harnessing women entrepreneurs.

For extending the facility from metropolitan to the root level, The Bank has already established a separate unit named "Women Entrepreneurs Development Unit" at Corporate Headquarter under which each branch of the Bank has a "Dedicated Woman Entrepreneur Help Desk" which works to provide quickest service to the Women Entrepreneurs and to ensure their easy access to bank finance.

During the year 2021, the Bank has financed BDT 613.80 million to 87 No of Women Entrepreneurs and continuingsame trend within the guidelines of Bangladesh Bank.

ONE Bank Ltd has designed a separate product named "OBL Romoni" only for Women Entrepreneurs

at a privileged rate and without any collateral security. The Bank has also taken initiative to disburse facilityto SME Women Entrepreneurs under Joyeeta Foundation which will help them to get the access to bank finance at minimum interest rate.

Moreover, for improvement of entrepreneurship skill among the women, ONE Bank Ltd. arranges different workshop/ training in every year to listen to their complains, requirements and to suggest them regarding way out.

The Bank considers the Women Entrepreneurs as most priority sector and working to improve this sector with utmost importance and care.

AGRICULTURE FINANCING

Agriculture still remains the largest employment sector Bangladesh. About 40.60% of total labor force is directly related with this sector and comprises 13.02% of the country's GDP. This sector has an overwhelming impact on employment generation, poverty alleviation, human resources development and food security. Agriculture and rural development are the keys to strengthening livelihoods of the most vulnerable, including hundreds of millions of small-scale family farmers who are responsible for ensuring the food security of our country. Agriculture and Rural Credit therefore play a pivotal role in modernization and commercialization of rural economy.

With the rising population and current pandemic situation, optimum utilization of the available limited



An OBL financed Marble Granite Industry under SME



An OBL financed Cattle Farm

resources is now a day becomes compulsory to ensure food security for all. The subsistence farming system is being converted to commercial farming system. Serious concern and constant threat to our agriculture and its productivity are the extreme weather events, such as, global warming, irregular rainfall, draught, salinity, infestation of pests, diseases of livestock etc. To reap maximum yield, farmers are adopting modern technologies along with integrated farm management techniques. Easy availability of necessary working capital required for crops, livestock, fishery, poultry and other agricultural activities are the demand of the day of the Farmers.

Bangladesh Bank has made agriculture and rural lending mandatory for all commercial banks which has expanded the scope of inclusive banking and availability of fund for the farmers. To widen and ease the scope further, banks are also allowed to use both own branches and Micro Financing Institutes (MFIs) linkage for disbursement of Agriculture & Rural Credit. From the inception of this initiative by Bangladesh Bank, OBL has been continuing its proactive strategy and program support to boost up agriculture and rural financing in line with Government policy as well as Bangladesh Bank guidelines. To strengthen its activities in this arena, ONE Bank has a Separate Agriculture Finance Unit at Corporate Head Quarter and has also assigned officials in CHQ and each branch to accelerate Agriculture and Rural Financing.

As a part of this program, in 2021, OBL disbursed Agricultural and Rural Credit of Tk. 4,098.50 million among 84,718 borrowers through own branches and MFI Linkage. Out of the regular Agriculture and Rural

credit ONE Bank Disbursed Tk. 397.69 million under the specialized stimulus package for the COVID-19 affected Farmers/Firms. Since the very beginning OBL has been very proactive regarding achievement of the Target set for Agriculture & Rural credit disbursement target and also ensuring significant contribution in specialized schemes successfully. OBL is well focused to continue its efforts to strengthen its participation in Agricultural and Rural Credit to ensure food security, improvement of living standards, socio economic condition and generation of employment opportunity, leading towards overall growth of the economy.

RETAIL BANKING

OBL Retail Banking segment offers comprehensive and diverse range of retail products across deposits, loans and payments and is committed to provide enhanced and everlasting customer relationship. Retail Banking continuously work towards fulfilling the banking needs of customers and has become a key area in the banking industry. In 2021, our focus was to drive top-line growth by our recognized capabilities to acquire new business and deepen our existing client relationships. Our retail deposit book continued to grow strongly along with retail loan portfolio. Retail Banking rolled out rewarding and interactive banking solutions to retail customers and enabled them to achieve their aspirations. The Retail Banking segment continues to be one of the key drivers of the Bank's overall growth strategy by combining sustainable growth and providing cutting edge products.

DIRECTORS' REPORT

Business Highlights

Effective fund management strategy and focus on low cost deposits were the key components for increasing the retail deposit base. The Bank also maintained its approach of widening the retail deposit base which stood at BDT 9,349 crore in 2021 having satisfactory relationship with more than 7 lac retail deposit account holders.

Retail loan registered a steady growth in 2021. Among all Retail loans, Home loan was the prime contributor of the total loan disbursement pie. Retail loan portfolio stood at BDT 1,192 crore in 2021.

To offer superior customer experience to retail clients, OBL Contact Center managed 292,777 calls throughout the year. Besides managing customer service, Contact Center also extended its endeavor to accumulate customer feedback which helped to improve the service level standard.

Product and Propositions

In 2021, we have launched "OBL Easy Account" and "OBL Retailers Account" for our valued customers. "OBL Easy Account" is a specially designed current account with wide range of attractive features for the individual customers. "OBL Retailers Account", is a current account for Individual Retailers who are engaged in small business in marginal level. Beside new products, "OBL Youth Banking", "OBL Women's Savings Account" and "OBL School Savers" were also popular products to the retail customers for exclusive

features and free insurance coverage facility. During the year we have enhanced the customer base of these products through various business campaigns and promotional activities.

Among the many initiatives designed to provide advanced customer experience, Retail Banking continued its endeavor to add value for the clients by maintaining relationship with different organizations. We believe that growth opportunities interweave with customer engagement. Keeping this in mind, clients having long term relationship with the Bank were recognized to appreciate the patronization of our clientele.

The core objective of OBL Retail Banking is to maintain a robust, resilient and environmentally sustainable banking by delivering superior value propositions to the clients. This will continue through using business intelligence to drive contextual experiences, enhanced customer satisfaction, investment in innovation and services for ultimate customer experience.

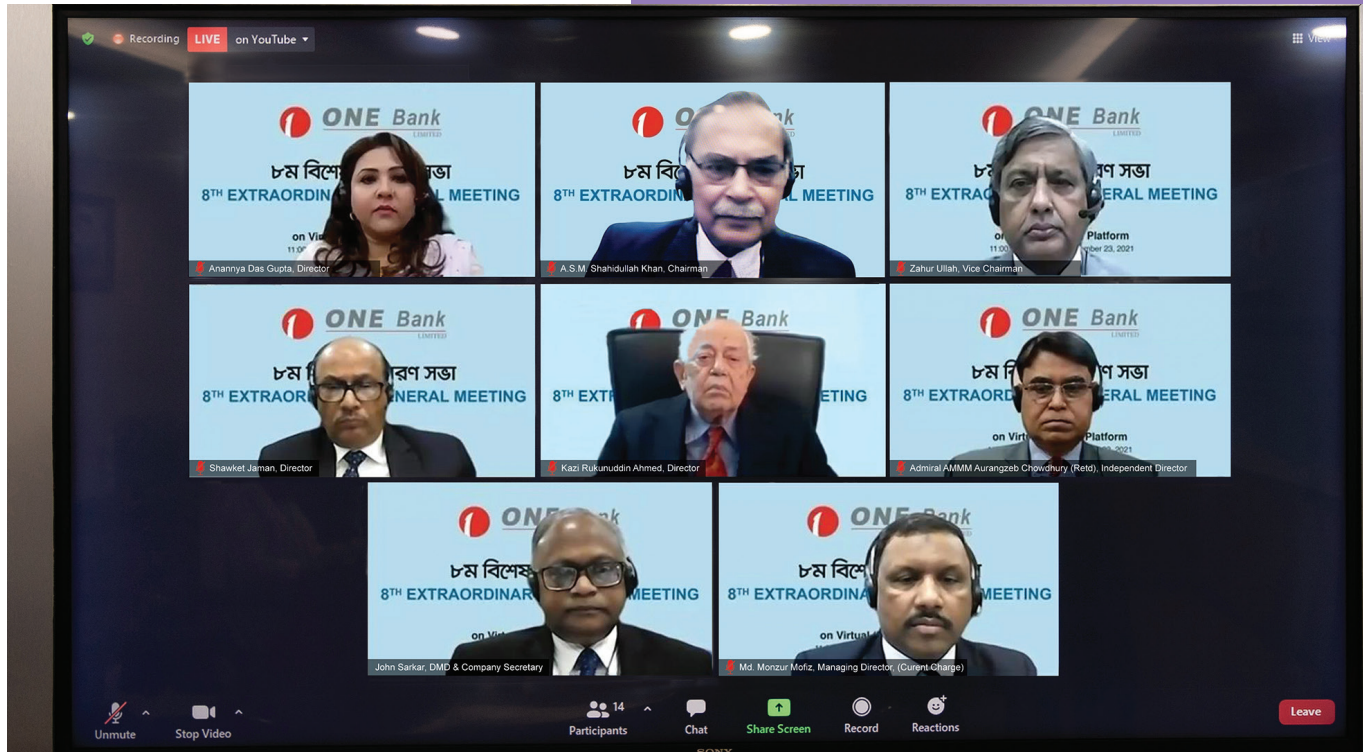
THE CARDS

Every year ONE Bank Card Division thrives to introduce new and attractive propositions in Card Products that gives a competitive edge in the Card Market. Card Division continuously works towards fulfilling customer needs and ensure their hassle-free life while shopping or traveling locally or abroad.

2021 was another milestone of Card Division that introduced NFC Contactless Featured Credit Card.



ONE Bank Limited launched VISA-branded EMV-enabled Chip Credit Card with NFC (Near Field Communication) technology



A Partial view of 8th Extraordinary General Meeting of ONE Bank Limited held virtually

With the new contactless credit card, cardholders can simply tap their card at designated contactless payment terminal to complete their transactions both home and abroad. Card Division also introduced Instant Debit Card services which enables customer to pick up their Debit Card right after opening account from the branch.

In the year 2021, Card Division tied up more than 530 merchants to offer various discounts and privileges to the cardholders where more than 100 merchants were signed for "0% SmartEMI" facility. Our existing special value propositions i.e. Buy 1 Get 1 (B1G1), Buy 1 Get 3 (B1G3) Buffet Dinner and 04 (four) Free Dinner Coupons at 5-Star Hotels, gives a cutting-edge facility for OBL Card holders.

By 2021, Debit and Credit Card issuance stood at 223,048 and Card outstanding escalated from BDT 115.68 Crore to BDT 145.26 Crore posting 26% growth over the previous year. Whereas, for the year of 2021, Card POS transaction stood BDT 133.42 crore posting 29% growth than last year and e-commerce transaction stood BDT 124.37 crore with growth of 193% than last year.

With a wide range of VISA products composed of Credit, Debit & Prepaid Cards created a good thrust in the market. Safety ONE insurance program was

also offered to protect the interest of customers in any inadvertent situation. Card Division also offering other value- added propositions like Smart Transfer, 0% SmartEMI Facility, SmartEMI Loan, Reward Point, SMS Alert Service and many more to attract the potential customers. OBL Card has Priority Pass facility for Platinum Cardholder that provides the access to over 1300 lounges in more than 600 Cities and 148 Countries worldwide to relax and refresh before on boarding any flight. Cardholder can avail free access of lounge facility for 04 (four) times in a calendar year either in Balaka Executive Lounge at Hazrat ShahJalal International Airport or International Lounges.

ISLAMI BANKING

Islami Banking Operations

Islami Banking refers to a system of banking that complies with Islami law also known as Shari'ah law. The underlying principles that govern Islami Banking are mutual risk and profit sharing between parties, the assurance of fairness for all and that transactions are based on a business activity or asset. The objectives of the Islami Banking system is not only to provide religiously acceptable financial products and services as alternatives to conventional financial structures but it also aims to contribute to the economic development,

DIRECTORS' REPORT

facilitate the allocation of resources efficiently and ultimately attaining Social welfare. To achieve these objectives, ONE Bank Limited has started its Islami Banking Operations by opening two (02) full-fledged Islami Banking Branches i.e. Gulshan Islami Banking Branch, Dhaka & Agrabad Islami Banking Branch, Chattogram on December 15, 2020 & December 17, 2020 in the Name "OBL AL NOOR Islami Banking". Islami Banking Operations is totally different & separate from OBL Conventional Banking Operations as they conduct their operation on the basis of Islami Shari'ah Principle. All the Conventional Branches are also providing Islami Banking Services to the Customers through 02(two) Islami Banking Branches using online facilities. Since inception, the Bank has been maintaining separate 'Accounting System' for Islami Banking Operations which is completely separate from Conventional Banking following the standards adopted by "Accounting and Auditing Organization for Islamic Financial Institutions - AAOIFI".

Islami Banking Division in Head Office

As per Instruction mentioned in the Guidelines for Islami Banking issued by Bangladesh Bank vide BRPD Circular No.15 dated 09.11.2009, a separate "**Islami Banking Division**" in Corporate Head Office has been taking up the duties & responsibilities of all works & day to day activities, formulation of required various Standard Operation Procedures - SOPs & Guidelines related to the Islami Banking Business, Marketing, Product Development, Training of Islami Banking & Finance, Islami Treasury, Regulatory issues, Functioning of Shari'ah Supervisory Committee, Inter Divisional activities, communications & liaison with various apex bodies of Islami Banking i.e IBCF, CSBIB, AAOIFI, IFSB and any other Internal & External activities.

Shari'ah Supervisory Committee

Chairman

Md. Fariduddin Ahmed

Member

A S. M. Shahidullah Khan – Member (from the Board)
Mufti Shahed Rahmani - Faqih Member
Prof. Dr. Muhammad Abdur Rashid - Faqih Member
Barrister Md. Arifur Rahman - Member
Md. Monzur Mofiz - Ex-Officio Member

Member Secretary

Md. Kamaruzzaman

Islami Banking Business

Since inception, Islami Banking of ONE Bank Limited has showed steady growth in deposit mobilization &

investment. In the year 2021, OBL AL NOOR Islami Banking booked a deposit amount of Tk. 89 crore through 02 (two) Islami Banking Branches.

Distribution of Profit under Islami Banking Operation

OBL Islami Banking has been operating its activities through two (02) Islami Banking Branches complying with the principles of Islami Shari'ah which absolutely prohibits receipts and payments of interest in any form. The operations of these two branches are totally separate from Conventional Branches. Separate Financials are being maintained following instructions contained in "Guidelines for Islamic Banking" issued by Bangladesh Bank, vide BRPD Circular No: 15 dated: 09 November, 2009. AL NOOR Islami Banking collects deposit on the basis of Al Wadiah and Mudaraba Principles of Islami Shari'ah and are sharing profits with the Mudaraba Depositors following Income Sharing Ratio – ISR system.

Position of two (02) Islami Banking Branches

At the end of the year 2021, Deposit and Investment of Islami Banking Branches of ONE Bank Ltd. stood at Tk. 889.18 million & Tk. 45.09 million respectively.

Islami Banking Products and services

Islami Banking Branches of OBL offer Deposit Products under 'Al-Wadiah' and 'Mudaraba' Principles. These products have been designed focusing on Market Demand, adding new Features and above all to the Customers' satisfaction. It's not just business, AL NOOR Islami Banking always designs products focusing on Welfare and establishment of Justice & Equities in the Society with a view to achieving Maqasid e Shari'ah. Our Investment Operations were prepared & conducted following Shari'ah under Islami Investment Modes such as: Bai Al-Murabaha, Bai As-Salam, Bai Al Istisna, Bai-As-Sarf, Hire Purchase Musharaka Muntanaqisa - HPMM, Musharaka, Mudaraba Quard, Wakala Letter of Credit etc. The Shari'ah Supervisory Committee of ONE Bank Ltd. AL NOOR Islami Banking consists of seven (07) competent members who provide us proper guidance in Shari'ah related various Banking issues.

AL NOOR Islami Banking of ONE Bank Limited introduced all the Deposit products are also available through all the Conventional Branches of OBL using online facility for collecting & sourcing of funds. At present, OBL AL NOOR Islami Banking offers the following deposit products to the customers:

ONE Bank Limited AL NOOR Islami Banking Operations offer following Al Wadiah & Mudaraba deposit products to the Customers:

01	Al Wadiah Current Deposit Account	08	Mudaraba Monthly Income Deposit Scheme
02	Mudaraba Savings Deposit Account	09	Mudaraba Ratib Payroll Account
03	Mudaraba Special Notice Deposit Account	10	Mudaraba Hajj Saving Scheme
04	Mudaraba Savings Deposit Account - Staff	11	Mudaraba Imraah / Grehini Monthly Saving Scheme
05	Mudaraba Term Deposit	12	Mudaraba Millionaire Scheme
06	Mudaraba Deposit Pension Scheme	13	Mudaraba Waqf Cash Deposit Account
07	Mudaraba School Banking Account	14	Mudaraba Denmohor/Marriage Deposit Scheme

Investment Products of ONE Bank Limited AL NOOR Islami Banking:

Investment considers utilization of fund or deployment of fund for the purpose of Business permissible by Shari'ah in Trading on profit, in Partnership on profit sharing & loss bearing, Rental, fees & charges against services etc. At present, ONE Bank Limited AL NOOR Islami Banking offers the following Investment products to the Customers:

Retail		CMSME		Corporate	
01	AL NOOR Home Investment Scheme – (ANHIS)	01	AL NOOR Bai – Murabaha	01	AL NOOR Bai- Murabaha
02	AL NOOR Car Investment Scheme – (ANCIS)	02	AL NOOR Hire Purchase Musharaka Muntanaqisa - HPMM	02	AL NOOR Murabaha Trust Receipt
03	AL NOOR Household Investment Scheme – (ANHIS)	03	AL NOOR Murabaha Trust Receipt	03	AL NOOR Hire Purchase Musharaka Muntanaqisa - HPMM
04	AL NOOR Scheme for Professional – (ANSP)	04	AL NOOR Wakalah Letter of Credit – One Off	04	AL NOOR Murabaha Import Bill
05	AL NOOR Cash Withdrawal (Quard) against Mudaraba Deposit	05	AL NOOR Murabaha Import Bill	05	AL NOOR Cash Withdrawal against Mudaraba Deposit
06	AL NOOR Murabaha against Mudaraba Term & Scheme Deposit	06	AL NOOR Cash withdrawal against Mudaraba Deposit	06	AL NOOR Musharaka Documentary Bill Purchase (MDBP)-Inland
		07	AL NOOR Musharaka Documentary Bill Purchase (MDBP) - Inland	07	AL NOOR Murabaha against Mudaraba Term & Scheme Deposit
		08	AL NOOR Murabaha against Mudaraba Term & Scheme Deposit		

DIRECTORS' REPORT

Other Products

Beside these, Selling of Payment Order, Demand Draft, Issuance of Bank Guarantee, Performance Guarantee, Bid Bond, various Certificates, Online Transactions; BEFTN, RTGS, NPSB, Mobile Banking, Card Services and other necessary Banking services are also available in the 2 (two) Islami Banking Branches.

Activities – Year 2021

During the year 2021 various policy Guideline regarding Islami Banking have been formulated & updated in line with Bangladesh Bank's guidelines for Islami Banking with necessary approval of Management & Board of Directors. The Bank operates Islami Banking through two full functioning branches exclusively designated for this purpose in compliance with the rules of Islami Shari'ah. Separate Financials have been prepared by following instruction of "Guidelines for Islamic Banking" issued by Bangladesh Bank, vide BRPD Circular No: 15 dated: 09 November, 2009. Islami Banking Division supervises, monitors and looks after all the activities of Islami Banking and comply with the Rules & Principles of Islami Shari'ah as well as those of Regulatory Authorities.

Deposit Mobilization & Profit Distribution Model

The main function of an Islami Bank is to mobilize deposits from the people and Invest those deposits in partnership with the entrepreneurs for the development of Agriculture, Industry, Trade and Commerce to make a profit & share the profits with all the Depositors. Deposit is considered as the lifeblood of a financial institution. OBL AL NOOR Islami Banking follows the method of Income Sharing Ratio – ISR for profit distribution to the Customers.

ISR means Income Sharing Ratio. According to ISR module, the Bank execute contract with Customer for sharing Income proportionately. As example, if sharing between Customer & Bank is 80:20, it means that the client shall get 80% & the Bank shall get 20% from the investment income of deposit. This 80:20 profit ratio between Customer & Bank is determined after deducting profit equalization reserve fund & other required provisions from the total income and rest of the income is treated as distributable profit to the depositors. There may be preannouncement of provisional profit rates for deposit customers under this system. Bank invests the deposit fund collected from deposit clients in various Business sectors in compliance with Shari'ah principles.

At the end of the year, these provisional profit rates will be adjusted with final rates derived from Income Sharing Ratio –ISR. Final Rates shall be adjusted with provisional disbursed rates. Bank may give up the claim

on the amount disbursed whole in the period upon the basis of "Ihasan" or "Hiba" Principal of Islami Shari'ah if the final rates become lower than provisional profit rates. On the other hand, if the Final Rates become higher than disbursed provisional profit rates, the amount will be credited to the concerned Mudaraba Deposit Customers Accounts following rules of Income Sharing Ratio – ISR.

CENTRALIZED LOAN ADMINISTRATION

OBL Centralized Loan Administration Department is basically designed to conduct post approval formalities of loans and advances to support and control documentation risk with a view to maximize utilization of credit protecting the Bank's interest. It mainly deals with issuance of Sanction Advice, preparation and execution of charge documents going hand in hand with the RMs, Branches and CHQ, scrutiny of all security documents for document perfection, act as the custodian of the security documents of the branches under it, Monitoring insurance Policies & deferrals, archiving of the security documents of the clients leading to digitization and easy access to documents and thus simplifying document monitoring to attain the goal of arresting loan documentation risks. As the Bank is growing in terms of number and size of loans, diverse products and clients, complex process and procedures for compliance requirements by the regulator, the role of Loan Administration Department is vital & challenging.

FOREIGN EXCHANGE & FOREIGN TRADE

A dedicated team of expert Trade Finance professionals in Branches, Central Trade Processing Centers and Head Quarter are striving in meeting clients' ever changing needs in Foreign Trade service. Satisfactory performance in Trade Finance has contributed significantly in earning substantial amount of fee-based income.

Total import business handled during the year 2021 was Tk. 137,954 million as compared to Tk. 103,742 million in 2020, recording a growth of 32.98%. The main import items included Industrial Raw Materials, Capital Machinery and Spare Parts, Raw Cotton, Fabrics, Yarn and Accessories, HSFO, Electronic Items, Scrap Vessel, Food Commodity etc.

Total export business handled by the Bank in 2021 was Tk. 97,273 million against Tk. 81,118 million in 2020, recording a growth of 19.92%.



An OBL financed Paper Mill under SME

OBL TREASURY

Despite all the challenges, OBL Treasury played a critical role in shaping bank's strategy in deleveraging balance sheet, maximizing capital efficiency and improving risk-return ratios for the year 2021 and also for the foreseeable future.

OBL Treasury has the following designated desks to ensure optimum treasury solutions both for the bank and also for the customers:

- Money Market
- Foreign Exchange
- Asset Liability Management
- Fixed Income

Money Market

Money market dealers arrange short and medium term funds at most economical terms which are required by the bank aside from customer deposit mobilization efforts. Money market desk ensures that the bank remains sufficiently liquid, meeting all its financial commitments and obligations to its customers besides meeting the SLR & CRR requirement at minimum risk and cost to the bank. In stress liquidity condition the desk always manages sufficient fund to provide business needs. Main services of the money market desk are lending excess fund or borrowing to cover the shortage fund through Call Money, Term Money, Repo, Reverse Repo etc.

Foreign Exchange

OBL Foreign Exchange Desk is one of the most vibrant and dynamic desks with range of products offering like spot, forward, swap and term placement in world's major currencies in the interbank market. The FX desk of OBL is the fund manager of foreign currency assets and liabilities of the bank. Throughout the year the desk efficiently maintained the Net Open Position (NOP) in a manner that ensured maximum liquidity, minimum risk and capital requirement along with registering optimum exchange gain of the bank. Treasury provided appropriate fund support to OBU and utilize the surplus FC fund in interbank foreign exchange market.

Asset Liability Management

Market Risk (interest rate, exchange rate and market liquidity) may expose the bank to risks and may threaten the survival of the bank as well if not managed effectively & efficiently. The ALM function comprises management of liquidity, maturity profiles of assets and liabilities, interest rate risks and forex risk. ALM desk officials prepare ALCO paper incorporating local and international economic update, market liquidity forecasts, interest rate projections, balance sheet analysis and recommend measures to be taken to optimize balance sheet whether to reduce or increase deposit and lending rates.

ALM desk guides Asset Liability Committee of the bank in changing lending and deposit rates with proper analytics and better forecasts. A new ALM policy was

DIRECTORS' REPORT

formulated by ALM desk keeping BASEL III liquidity ratios (LCR, NSFR & LEVERAGE RATIO) in mind and central bank's ALM guidelines into active consideration. Change in deposit mix reducing dependency on term deposit reduced substantial costs for the bank.

Fixed Income

OBL Treasury Fixed Income desk is an active player and participant in the fixed income and interbank repo/ reverse repo markets with a short-term and long-term horizon, particularly specializing in fixed income securities issued by Bangladesh Bank and Bangladesh Government.

OBL Fixed Income desk assists its individual and institutional clients in investing in fixed income securities that fit their long term goals in terms of yield, liquidity, and rating with the ultimate aim of building a well-diversified portfolio that can better sustain market volatility, thereby enhancing its overall performance.

INWARD FOREIGN REMITTANCE

The total volume of Inward Foreign Remittance handled by ONE Bank Ltd. was Tk. 4,204 million in 2021. Operations in the field of Inward Foreign Remittance has been facilitating in earning Exchange Gain and increasing cross sale of various retail liability and asset products. This inward foreign remittance is also contributing in meeting our FX requirement for paying import debt of importers.

CORRESPONDENT RELATIONSHIP

To strengthen its global relationship, the bank is now maintaining 394 correspondent relationships (foreign 339, Local 55). OBL's correspondent banking is spread world over at important financial centers and business hubs, and have contributed towards expansion of Bank's foreign trade business. OBL is currently operating its remittance business through 10 (ten) Remittance Agency partnerships to facilitate inflow of foreign exchange remittances from the Non-resident Bangladeshis. Efforts are now ongoing to enhance the number of such relationships, with the objective to substantially increase the flow of inward remittance through this channel.

INFORMATION TECHNOLOGY AND BANKING SECTOR

Information Technology (IT) is considered as thrust sector in Bangladesh and Bangladesh Government has taken many programs to materialize "Digital Bangladesh". In line with these programs, Government has also taken many revolutionary initiatives in recent years to make Digital Bangladesh - a reality. Banking Sector in Bangladesh being among the earliest adopters of Information Technology, is in the forefront in implementing "Digital Bangladesh".

Information Technology (IT) is regarded as the crux of the banking system in today's world and is now regarded as the key business enabler and the backbone of banking industry in Bangladesh. Adopting technological innovations in banking not only made banking transaction more efficient and faster but also enabled banking industry to open up various channels to provide banking services to customers and taking bank to the doorstep of unbanked customers as well.

Information Technology (IT) is also changing the supervisory and regulatory landscape of the banking industry. Regulators are introducing IT driven tools for more effective supervision while new supervisory challenges are arising each day with the advent of new technology and new innovation in banking. So, the use of information technology in banking is increasing rapidly. On the other hand, competition among Banks are growing as such Banks are concentrating more to innovate with products and service through use of cutting edge technology to maintain their competitive edge and to run the growth engine by offering new innovative products creating additional value proposition for customers. So, Information Technology (IT) is now regarded a vital driving force for business of a Bank through digital transformation and process automation with extensive use of Industry 4.0 technologies like Artificial Intelligence (AI), Machine Learning (ML) and Robotic Process Automation (RPA) Tools.

INFORMATION TECHNOLOGY AND ONE BANK

ONE Bank Limited is one of the early adopter of IT enabled Banking in Bangladesh and providing banking services through using IT system from the very beginning of its commencement of operations. During the last 22 years of journey, the Bank has taken several steps to improve its services giving emphasis on Information Technology. Starting from introduction of world-class Core Banking Solution (CBS), the Bank has introduced various services like Internet Banking Service, Mobile Financial Service, Visa Credit



An OBL financed Power Plant

& Debit Cards, Pre-paid Hajj Cards, ATMs, Agent Banking Service, Mobile Financial Service (OK Wallet) through APPs, Banking Apps (ONE), Remittance Management Solution and various web-based online payment systems etc. ONE Bank systems are also connected with Bangladesh Bank's NPSB (National Payment Switch of Bangladesh), Automated Cheque Clearing System-BACH (Bangladesh Automated Clearing House), RTGS (Real Time Gross Settlement) System, BEFTN (Bangladesh Electronic Fund Transfer Network) System, SWIFT etc. to provide efficient banking service to customers. The Bank has introduced sanction screening systems to ensure AML & CFT compliance and ensure prevention of money laundering through banking transactions and also implementing a state of the art solution for AML & SFT compliance management using Artificial Intelligence (AI) and Machine Learning (ML). The Bank is also implementing online customer account opening and customer on-boarding solution using eKYC to provide easy access to banking for customers from the comfort of their home. Beside, ONE Bank Limited is also working on implementing QR Code based payment solution in ONE app and introducing Cash Recycling Machine as a mark of the Bank's commitment to provide cutting edge solutions to the customers.

Now-a-days, banking industry is using information technology to deal with the challenges of ever changing banking needs of the country. Similarly, ONE Bank is also committed to bring in new IT driven services not only to manage business operations and business compliance efficiently but also to provide customers better with the introduction of disruptive innovation in banking. As such, ONE Bank has concentrating more

on process automation, digital transformation and strengthening information security compliance.

Digital Banking and ONE Bank

ONE Bank Limited is continuously focusing to provide omni channel experience to customers with a view to increase value proposition of Bank's services. The Bank introduced many Digital Banking Services like:

- Internet Banking Service or i-Banking with 2FA providing anytime-anywhere banking experience and providing 24/7 smart banking option to customers.
- Internet Banking App or ONE App providing on the go banking experience and providing 24/7 smart banking option to customers using smart devices.
- Mobile Financial Service or OK Wallet providing smart wallet for making on-the-go cashless payment experience to customers and taking bank to unbanked customers.
- ATM Service providing 24/7 withdraw cash facility from Bank's own ATM or other Bank's ATM across the country.
- Credit Card Service with EMV Card providing secure cashless payment facility to customers from anywhere in the world.
- E-Statement Service providing 24/7 online account statement facility to meet the customers' need.
- SMS Banking Service providing 24/7 SMS account balance enquiry facility for customer convenience.
- SMS Transaction Notification Service providing real time SMS facility for account transaction notification for customers' information.

DIRECTORS' REPORT

ONE Bank is committed to bring in new facade of digital products and services in coming days as the Bank considers Information Technology as business driver rather than business enabler.

Information Security and ONE Bank

Now-a-days, technology driven issues, such as information privacy, information security and information integrity have become pivotal and have reached the forefront of the policy agenda in banking industry. ONE Bank being a bank using IT as business driver, gives special emphasis on ensuring security for information vis-a-vis information systems. The Bank has taken many measures to secure its infrastructure. The Bank introduced EMV Cards, 2 Factor Authentication (2FA) System to facilitate customers with secure financial transactions for card transactions and Internet Banking or E-Commerce transactions. In order to secure financial transactions and customer data, the Bank has introduced many other modern security measures at communication, application and user level as ONE Bank is committed to provide banking service based on technology, security and excellence.

ONE Bank has "Information Security Policy" formulated in line with the latest ICT Security Guidelines of Bangladesh Bank and industry best practices. All activities and operations of the Bank are required to comply with the guidelines of Information Security Policy of the Bank to ensure information security that covers physical security, network security, system security, disaster recovery and business continuity policy ensuring compliance of protection of data, protection of copyrights and other intellectual property

rights. ONE Bank's IT systems are designed to comply with the industry standards and driven by Information Security Policy of the Bank. The Bank updates the policy on regular basis to combat the ever-evolving cyber-security threats landscape of the world.

MOBILE FINANCIAL SERVICE

Mobile Financial Services (OK Wallet):

In Bangladesh, as in many other developing countries, growth in Mobile Financial Services has emerged as the most promising development in digital financial inclusion. In November 2018, ONE Bank Limited re-launched OK Wallet combining the features of Mobile Financial Services and Digital Wallet with lot of value propositions. Since then, OK Wallet continues to make advancement in Mobile Banking. Now OK Wallet users can avail wide range of online and offline services.

Mobile Banking (OK Wallet) Products & Services:

OK Wallet is focusing on adding different unique value propositions to be competitive and innovative in the Mobile Financial services. Some most significant OK Wallet products are:

OK EMS (Education Management Solution):

OBL has introduced OK EMS (Education Management Solution) for education institutions with full management



'OK Wallet' Agent Point

**e-KYC এর মাধ্যমে
ওকে ওয়ালেট
একাউন্ট খুলুন নিমিষেই**

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১৬২৬৯

www.okwallet.com.bd

OK Wallet by ONE Bank

GET IT ON
Google Play

Available on the
App Store

OK Wallet launched e-KYC form for Customers to open accounts with instant activation facility

solution including Tuition and other fees collection. OK EMS has been developed to facilitate education institutions management for smoother operation and control. OK Wallet is offering this solution to different educational institutions and stirring for tuition fees collection.

OK Payroll (Salary Disbursement through OK Wallet):

OK Wallet is facilitating clients with the most affordable Salary disbursement solution. Any corporate client can disburse their employee salary or any other benefits through OK Wallet in a hassle free manner.

OK MMS (Membership Management Solution):

OK Wallet is offering a unique solution for different institutions for their member management and fee collection ensuring smoother operation and control.

Utility Bill Payment:

OK Wallet has accumulated almost all types of utility bills payment services to reduce customers hassle for physical presence at biller premises and also to ensure positive customer experience to pay their bills effortlessly from anywhere at any time. Available utility bills of OK Wallet are:

- a. Electricity Bill Payment
 - i. DPDC (Prepaid & Postpaid)
 - ii. DESCO (Prepaid & Postpaid)
 - iii. WZPDCL (Prepaid & Postpaid)
- b. Water Bill payment
 - i. Dhaka WASA
 - ii. Khulna WASA
- c. Gas Bill Payment
 - i. Bakhraabad Gas
 - ii. Jalalabad Gas
 - iii. Paschimanchal Gas
- d. Telephone Bill payment
 - i. BTCL Telephone bill

DIRECTORS' REPORT

Add Money to OK Wallet:

There are a number of options for OK Wallet customers to add money to their OK Wallet account which is much affordable and convenient. Add money options are:

- a. Add Money from OBL Linked account
- b. Add Money from other Bank account
 - i. BRAC Bank
 - ii. Jamuna Bank
 - iii. Mutual Trust Bank
- c. Add Money from VISA/Master Cards
- d. Add Money from Internet Banking BEFTN
- e. Cash In from Agent Point
- f. Cash In from OBL Branch

Other Services of OK Wallet:

1. Bills/Fees Payment:
 - a. NID correction fees payment
 - b. Tuition Fees Payment
 - c. Membership Fees Payment
 - d. Lanka Bangla DPS Installment
 - e. Land Development TAX
 - f. BTCL Domain
2. Credit Card Bill Payment:
 - a. Instant Payment (Lanka Bangla & ONE Bank)
 - b. Offline BEFTN Payment (all banks' who accepts BEFTN payment)
3. Mobile Recharge:
 - a. Grameenphone
 - b. Banglalink
 - c. Teletalk
 - d. Robi
 - e. Airtel

4. Merchant Payment:
 - a. Online Merchants
 - b. Offline Merchants
5. Donation Payment:
 - a. Obhizatrik Foundation
 - b. Bidyanondo Foundation
 - c. Songkolpo Foundation
6. Insurance Product Purchase:
 - a. Carnival Assure Limited
 - b. Guardian Life Insurance Limited
7. Cash-out (Cash Withdrawal):
 - a. Cash Out from Agent Point
 - b. Cash Out from OBL Branch
 - c. Cash Out from OBL ATM
8. Fund Transfer:
 - a. OK Wallet to other OK Wallet (P2P)
 - b. OK Wallet to OBL Bank account
 - c. OK Wallet to other Bank account (BRAC Bank, Jamuna Bank & Mutual Trust Bank)
9. Remittance
10. Retailer (B2B)Payment

Strategic Alliances of OK Wallet:

OK Wallet has conducted some remarkable partnership and strategic alliances. Following are few mentionable business partnerships:

- Mutual Trust Bank Limited: The partnership agreement with Mutual Trust Bank includes interoperable fund transfer between OK Wallet and MTB Bank accounts, as well as OK Wallet customers will be facilitated by the cash withdrawal facility from MTB ATMs. In addition, OK Wallet is also going to introduce add



OBL signed an Agreement with Modhumoti Bank Limited.

money service for OK Wallet customers from any VISA, Mastercard and UnionPay card through MTB payment gateway.

- Modhumoti Bank Limited: Under the partnership agreement between OBL and MMBL, customers will be able to get OK Wallet services from any Agent Banking points of MMBL and withdraw their cash using MMBL ATMs. Also interoperable fund transfers between OK Wallet and MMBL account will be introduced through this agreement.
- ekPay (Aspire to Innovate (a2i) Programme): This service has allowed customers to avail government services with utmost ease and OK Wallet customers are now facilitated by paying their utility, telephone, internet bills nationwide through ekPay.
- eKYC Solution: OK Wallet has launched e-KYC (Electronic-Know-Your-Customer) to allow Customers to open their OK Wallet account by themselves with instant activation facility. Customers need to simply download OK Wallet App, fill up e-KYC form systematically, capture his/her own live photo and personal NID card photo to open OK Wallet account. This advanced level e-KYC system has been introduced to make registration process more integrated and less operational complexity for valued customers.

Some Notable Features & Value Propositions of OK Wallet:

- OK Wallet has introduced Self PIN Reset feature for OK customers. Customers can reset their own OK Wallet PIN themselves from App by following simple steps and providing mandatory verification information.
- OK Wallet Bangla version app is now available for customers. Customer can download OK Wallet app from Google Play Store, iOS App Store and Huawei AppGallery.
- OK Wallet is offering customer real time cash back on different campaigns which makes payment services more widespread and convenient to customers.
- OK Wallet has become the digital payment partner for Pathao, ride sharing service provider, and offering other ride sharing service providers to ensure hassle free payment for the customers. In addition, OK Wallet is offering code to cash (C2C) facility to Pathao riders to withdraw their digital balance from OBL ATM without having bank account or plastic card.
- OK Wallet has on boarded Carnival Assure Limited and Guardian Life Insurance Limited at OK Wallet App for purchasing different insurance products smoothly and quickly.

- OK Wallet has offered customer remittance service through which remitter can directly send their money to loved ones through OK Wallet account.
- Micro Merchants can open OK Personal Retail Account and receive & make payment effortlessly. OK Personal Retail Account for Micro Merchants was launched for those who are operating small business in marginal level of both off-line & online platform but don't have TIN or Trade License.

Future Endeavor:

- OK Wallet is constantly on boarding new service partners, distributors, agents and introducing new services to enrich and deliver superior customer experience.
- OK Wallet has developed the B2B digital payment solution in order to facilitate cashless payment among the retailers of different big FMCG companies.
- OK Wallet has designed Agent Web Portal for prominent OK Agents and to integrate with any Bank Agent Banking as well as Super Agent points to provide customers the OK Wallet services like Cash-In, Cash-Out, Utility bill payment etc. This portal is the web version of OK Wallet Agent App.
- OK Wallet is making alliance with online service like eCommerce platform, online groceries and service platforms to offer its customer a fully functional lifestyle App.
- OK Wallet will launch Digital Nano Loan application and loan disbursement for customers.
- OK Wallet is currently working to incorporate IDTP (Interoperable Digital Transaction Platform) channel for instant money transfer to banks, cards and other MFS.
- OK Wallet is working to introduce more utility services like BREB, Titas, KGDCL, BPDB, Rajshahi WASA etc. for customers.
- OK Wallet is working to offer its' services to customers through other banks Agent Banking outlet like BRAC Bank, The City Bank, Modhumoti Bank, Mercantile Bank etc.
- OK Wallet is working to offer ATM Cash-Out facility to customers through other banks ATM like Mutual Trust Bank, BRAC Bank, Modhumoti Bank etc.

AGENT BANKING

ONE Bank Limited (OBL) has established itself as one of the steady growing Banks of the country during its 22years of journey. The bank has always tried to align itself with the goals and vision of its Regulator and the

DIRECTORS' REPORT

Government of Bangladesh. Considering the importance of financial inclusion, the bank has started its Agent Banking journey from November 2019. ONE Bank is one of the few banks which was able to commence its Agent banking operation within the stipulated time frame of Bangladesh Bank after receiving the approval.

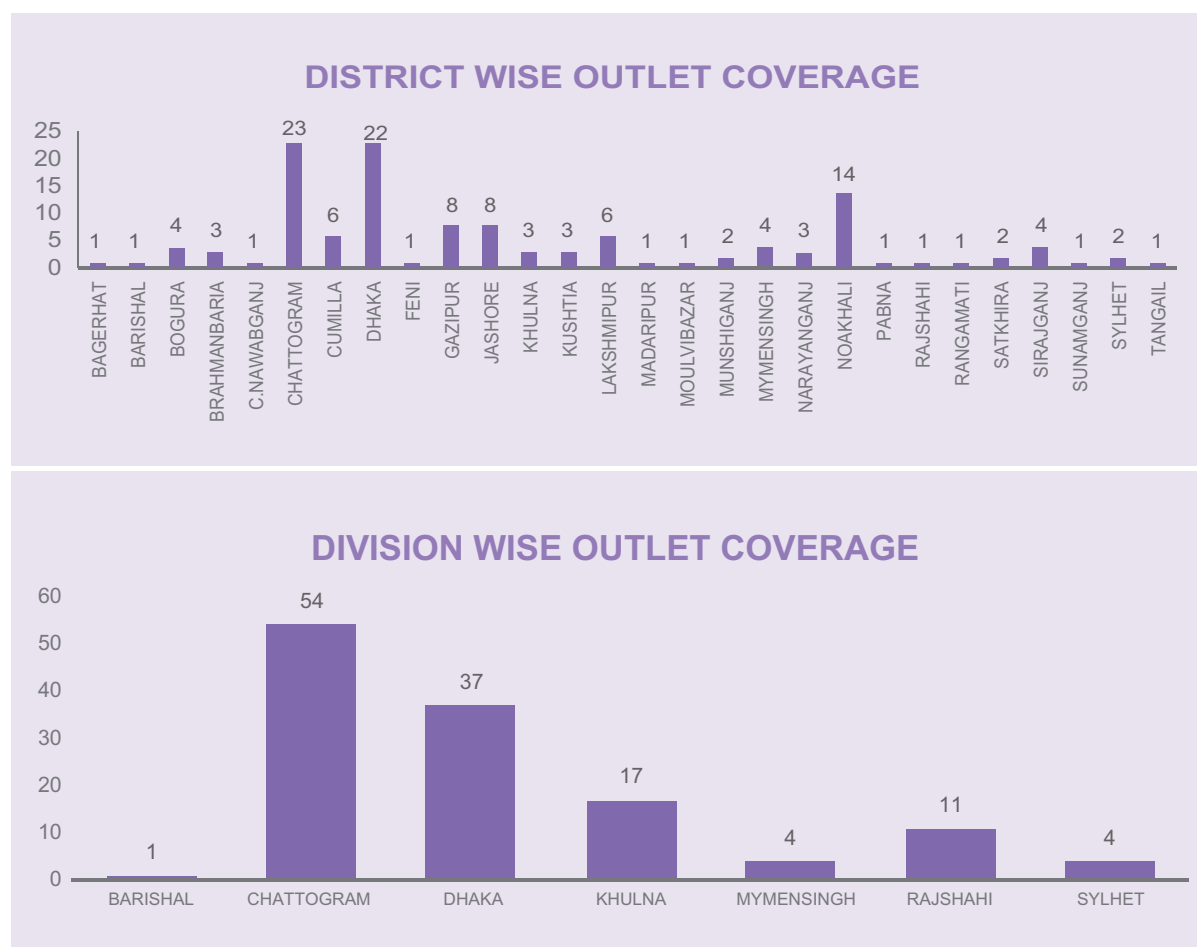
The first outlet of the Bank "Intia Management" located at Nabarun Bazar, Jashore has commenced operation from November 05, 2019 and the bank ended the year 2021 with 128 outlets. Keeping an aim to provide seamless service, as well as, to ensure compliance, as the Bank has emphasized on updating of operational works and enhancing the service scope of its Agent banking software during 2021.

Characteristics of OBL Agent Banking

- 1. Branch Tagging Module:** ONE Bank Limited Agent Banking outlets are tagged with nearest OBL branch. All the activities like number of account, deposit, fund transfer etc. are reflected in the GLs of the respective tagged branch. This model encouraged the branches to take the ownership of the outlets and ensure regular visits to the outlets by the branch people. This mode of operation also helping the bank to mitigate risk at agent banking outlets and ensure harmony among branch and agent banking outlets.
- 2. 24/7 and 365 Days Service:** OBL Agent Banking outlets can operate 24/7 and 365 days operation except End of Day time. This gives Agent banking clients an extra advantage for doing Banking. However, this is the outlet owners who decide the duration of banking after the regular transaction hour based on the demand of the clients of his/her locality.

District wise Presence of Existing Agent Banking Outlets

As of close of the year December 31, 2021, the Bank is rendering its agent banking services from 128 Agent Banking outlets. So far the Bank has covered 7 Divisions and 28 Districts and is working to spread the service to other Divisions and Districts. Detailed Agent Banking coverage of ONE Bank is as follows:





ONE Bank Agent Banking Arranged awareness program "Uthan Baithak" for Women in remote area

Agent Banking for the Students

ONE Bank Ltd. has regularly arranged school banking campaign in different parts of the country. The outcome of such campaign was excellent. Inclusion of students in school banking at such age will familiarize them with economic activities of the country in their later ages.

Women Empowerment in Agent Banking

ONE Bank Agent Banking believes in woman empowerment thus encouraging woman entrepreneurs to become an owner of ONE bank agent banking outlet. The Bank had 9(Nine) Agent banking outlet solely owned by a female entrepreneur at the end of December 2021.

Agent banking outlets are also creating new job opportunities to serve there as users of the outlet and marketing officials. It is found that many of the current users and marketing officials are women population as they have better acceptability in the locality. Thus, ONE Bank agent banking is contributing in both financial inclusion, as well as, woman empowerment of the country.

Uthan Baithak

To engage the community in banking service, OBL has arranged "Uthan Baithak" a few times throughout the year of 2021. Due to ongoing pandemic, the arrangement couldn't be executed on regular basis, though the efforts were very successful and engaged more customers towards agent banking.

Extra Miles for Customer Support

To align with the guidelines of Bangladesh Bank, ONE Bank Ltd is always trying to provide the possible best services to customer. One Bank Ltd. is providing 24/7 banking services to the customers. A customer waking up for Fajr prayer or before going to sleep at night can do banking with OBL agent outlets. Even without any thumb impression of hands, ONE bank arranged to take impression of foot to serve the customers. In 2022, OBL will try to engage more in such type of activities.

OFF-SHORE BANKING UNIT (OBU)

OBL has been offering Off-shore Banking facilities through 02 (two) Off-shore Banking Units (OBU) located in Gulshan, Dhaka and Agrabad, Chattogram. The total loans and advances of the OBU reached to USD 113.70 million equivalent to BDT 9,755.63 million as on December 31, 2021. In the year 2021, OBU made operating profit of USD 0.68 million equivalent to BDT. 58.40 million.

CUSTODIAL SERVICES

ONE Bank Limited (OBL) renders Custodial Services and is involved in opening NITA (Non-Resident Investors Taka Account), buying and selling shares at DSE and CSE through brokerage houses as per clients' instructions, opening FC (Foreign Currency) Accounts etc. Since the Custodial Services were introduced in

DIRECTORS' REPORT

the year 2017, its business has been growing steadily. More and more NRBs, Foreign individuals, foreign institutions have been showing interest in opening FC & NITA Accounts and conducting buy/sale in the Bangladesh Stock Exchanges. OBL's vigorous Marketing and transparent operations have already earned a good name for its customer friendly approach along with prompt actions. Our effort and initiatives have been paying back.

HUMAN RESOURCES

A bank is a service provider. As such Human Resources of a bank are the most precious assets. ONE Bank considers the employees as the most valuable resource of the organization and as such OBL nurtures its employees through motivation and empowers them to take up leadership roles in the organization, enrich them with the required skills set to meet the challenges, tide over the barriers and climb up the Management Hierarchy. In line with the growth appetite of the Bank, the Management identifies potential future leaders amongst its employees and takes extra ordinary care to build them as loyal and outstanding. Human Resources Strategy of ONE Bank requires the Management to constantly assert and renew its commitment to meeting the career aspiration and priorities of the employees as well as helping them achieve the long term objectives of the organization.

As the Bank takes good care of its people i.e.: human resources, they also demonstrate a deep sense of belongingness to the Bank. Here, people dream to build their Banking Career.

A glimpse into the activities performed by OBL Human Resources during 2021:

A. Manpower

OBL's Human Resources are a mixture of OBL products recruited fresh & trained (on-the-job and off-the-job) and experienced professionals drawn from leading local and foreign banks. OBL believes that the fresh talents can bring in fresh ideas, perspectives and views at workplace whereas the matured professionals offer in-depth experience, expertise and problem solving skills. This combination of young and matured professionals has greatly helped OBL achieve its success over the years. The total number of full time regular employees of OBL increased to 2,576 by the year- end 2021 from 2,425 of the preceding year.

B. Performance Driven Culture

Over the years, OBL has instilled a performance driven culture in the minds of its people. Employees are rewarded and recognized based on their performance and contribution towards the growth of the Bank.

C. Employee Training & Development

Employee Development is one of the top priorities of the Bank. The Management continuously undertakes different initiatives towards employee development which includes but not limits to employee job rotation, career counseling, training, workshop etc. Through these professional development initiatives, the employees of the Bank are consistently groomed up to perform their job effectively as well as take up more responsibilities and ownership. During the year 2021,



OBL Board of Directors Observing National Mourning Day 2021



ONE Bank Training Institute arranged a day long "Annual Agent Banking Conference"

a total of 271 (two hundred seventy one) participants attended External trainings arranged by Bangladesh Bank Training Academy, Bangladesh Institute of Bank Management (BIBM) and other external agencies, 12 (twelve) participants attended trainings at bank's RMD & Treasury Department.

OBL has a Training Institute of its own which caters the training needs of the employees of the Bank. The Management of the Bank, on a continuous basis, undertakes in-house trainings for updating and upgrading the employees through the Training Institute of the Bank (A detailed report is incorporated separately in this report) to provide quality services to our clients, individuals and institutions those we care for. During 2021, OBL Training Institute arranged in-house training for a total of 2,833 (Two thousand eight hundred thirty three) participants on various soft skills development as well as core banking including Banking rules & regulations, laws and practices, Bank's policies, instructions etc. The trainings were conducted online.

D. Process Improvement & Automation

OBL HR is continuously reviewing for improvement of its policies and processes to match and cope up with the modern business challenges and emulate the industry best practices. The Bank is in the process of adopting a full automated HR software in order to bring effectiveness and efficiency in its HR activities.

E. Compliance with the instructions of Regulatory Bodies

OBL HR always puts utmost importance on ensuring that the Bank remains disciplined and compliant with

the instructions/ rules and regulations of the regulatory bodies. During 2021, the Bank made a significant number of transfers of its employees who had been serving in the same branch for 03 (three) years or more towards compliance with the Central Bank's guideline taking care that such transfers did not compromise their safety in the pandemic situation. Furthermore, the Bank strives to ensure that each employee avails at least 10(ten) days of Mandatory Leave at a stretch during a year.

F. COVID Pandemic vis-à-vis Health and Safety of Human Resources

The focus on health, safety and well being of employees were heightened during the COVID-19 Pandemic. The Bank's Human Resources Division adopted a number of initiatives to minimize the risk of infection, break the chain of transmission and increase safety measures.

In keeping with the Government and the Bangladesh Bank's orders in the interest of safeguarding our employees and customers, we strictly followed, among other things, wearing masks, keeping safe distance by all, using sanitizers, washing hands and disinfecting work places of the Bank.

OBL TRAINING INSTITUTE

OBL has a Training Institute of its own which caters the training needs of the employees of the Bank. The Management of the Bank on a continuous basis undertakes in-house training for updating and upgrading the employees to provide quality services

DIRECTORS' REPORT

to our clients, individuals and institutions those we care for.

In-house training programs are undertaken for raising awareness among the Bank employees with respect to Bank's policies, instructions, banking laws and practices and directives of the various regulators so as to ensure that the employees are well informed and empowered towards providing customer services within the framework of regulatory requirements.

The Bank's continuous training efforts allow employees to acquire new skills, sharpen existing ones, perform better, increase productivity and be better leaders. The role of the Human Resources Division is primarily to meet the needs of the Bank to increase competency and enhance performance of the employees.

During 2021, 60 (Sixty) Training Programs were conducted by OBL Training Institute and 2,833 (Two thousand eight hundred and thirty three) Executives and Officers were trained in different banking trades and areas; out of which 9 (Nine) one-day Trainings were conducted on Prevention of Money Laundering and Combating Financing of Terrorism and 503 (Five hundred and three) Executives and Officers participated therein. In COVID 19 situation OBL Training institute has conducted 58 online training courses where number of participants were 2,796 (Two thousand seven hundred and ninety six); in addition to that 2 (two) regulatory compliance regular classroom training courses were conducted where number of participants were 37 (Thirty seven).

ONE Bank Training Institute also took part in the campaign for "Tree Plantation" declared by the Honorable Prime Minister to celebrate the Mujib Borsho.

On this occasion Training Institute planted different types of trees in its premises.

OBL INTEGRITY COMMITTEE

In order to implement the National Integrity Strategy of Bangladesh, OBL has an Integrity Committee consisting of 08 (eight) members. They co-ordinate all Integrity Strategy Implementation related activities of the Bank. All the employees of the Bank have been made aware of the National Integrity Strategy of Bangladesh. They are also briefed about the same from time to time through on-the- job trainings, meetings, Foundation/ Induction trainings and have been further advised to practise the guidelines in every step of their activities in the Bank as well as outside. Integrity has been one of the most priority areas of the Bank since its inception. It cannot be overemphasized that the single most important attribute that a banker must possess is 'integrity.' ONE Bank upholds integrity above all other attributes of a person and as such accountability, transparency and disclosures have remained as guiding ideas at the Bank.

BRANCH NETWORK

As on December 31, 2021, the Bank had successfully established a network of 107 branches, including 41 in rural areas and 5 SME/Agriculture branches.

The branches are located at:

Dhaka Zone:

Principal, Banani, Banasree, Bangshal, Basabo,



Inauguration of OBL Sub-Branch at Senbagh, Noakhali



An OBL financed Concrete Manufacturing Factory

Dhanmondi, Elephant Road, Gulshan, Imamgonj, Jagannathpur, Jatrabari, Bijoy Nagar, Kawran Bazar, Mirpur, Moghbazar, Motijheel, Progoti Sharani, Uttara, Tongi SME/ Agri, Narayanganj, Ganakbari (EPZ), Joypara, Madhabdi, Nawabgonj, Ring Road, Lalbagh, Tipu Sultan Road, Mawna, Nandipara, Zinzira, Sonargaon Janapath, Faridpur, Ashkona, Hemayetpur, Sonargaon, Malibagh, Tanbazar, Ekuria, Araihaazar, Bhawal Mirzapur, Shantinagar, Gulshan North, Kathgora and Gulshan Islami Banking Branch.

Chattogram Zone:

Agrabad, CDA Avenue, Jubilee Road, Khatungonj, Sitakunda, Cox's Bazar, Nanupur Bazar, Rangamati, Raozan, Ranirhat, Chandgaon, Dovashi Bazar, Haliashahar, Boalkhali, Hathazari, Mithachara, Anderkilla, Anowara, Station Road, Chattogram EPZ, Bibirhat, Pahartali, Muradpur, Colonel Hat, Oxygen Moor, Padua, Bangabandhu Sheikh Mujib Shilpanagar and Agrabad Islami Banking Branch

Noakhali Zone:

Chandragonj, Chowmuhuni, Dagon Bhuiyan, Feni, Majidee Court, Raipur, Ramgonj, Mandari Bazar, Amishapara, Lakshmipur SME/Agri, Chaprashir Hat SME/Agri, Subarnachar, Chaterpaiya, Chatkhil and Bashurhat.

Cumilla Zone:

Cumilla, Laksham, Brahmanbaria SME/Agri.

Khulna Zone:

Khulna, Jashore, Satkhira, Kushtia, Poradaha, Mongla Port and Chowgacha.

Rajshahi Zone:

Rajshahi, Bogura, Shahjadpur SME/Agri, Sirajgonj, Rangpur.

Sylhet Zone:

Sylhet, Islampur, Sherpur, Laldighirpar.

Barishal Zone: Barishal.

Amongst these, followings are the 41 (forty one) designated "Rural Branches" as per Bangladesh Bank approved conditions:

Ganakbari (EPZ), Joypara, Nawabgonj, Banasree, Jagannathpur, Madhabdi, Mawna, Nandipara, Zinzira, Nanupur Bazar, Sitakunda, Raozan, Ranirhat, Dovashi Bazar, Boalkhali, Hathazari, Mithachara, Anowara, Bibirhat, Chandragonj, Dagon Bhuiyan, Raipur, Ramgonj, Mandari Bazar, Amishapara, Subarnachar, Chaterpaiya, Laksham, Islampur, Sherpur, Poradaha, Pahartali, Hemayetpur, Sonargaon, Ekuria, Padua, Araihaazar, Bhawal Mirzapur, Chowgacha, Bangabandhu Sheikh Mujib Shilpanagar and Kathgora

The SME/Agriculture branches are located at Shahjadpur, Tongi, Brahmanbaria, Lakshmipur and Chaprashir Hat. OBL continues to enjoy the distinction of being a private sector bank operating 03 (three) booths at Chattogram port premises on 24 hours operations where we serve our customers by collecting port & other dues. In addition, the Bank also has 15 (fifteen) more collection booths providing personalized service to valued customers. In 2021, Bank has converted total 01 (one) collection booth to Sub-Branch and established 9 (nine) new Sub-Branches, i.e; total 29 (twenty nine) Sub-Branches have operated during the year.

DIRECTORS' REPORT

In addition to the Branch network, the Bank has established a proprietary ATM network. Besides the Bank's 154 ATMs (116 onsite and 38 offsite) located around the country, the ATM network of the Bank was expanded by joining hands with Q-cash, Common of a few private sector banks and NPSB (National Payment Switch Bangladesh) ATM networks so that the customers now have access to 24 hour banking service. The objective of such major investment is to create yet another customer convenience. Bank's activities are expected to considerably enhance and intensify with the opening of the proposed branches/sub-branches and are indicative of our commitment to serve our clientele both in urban and rural areas.

Online banking service covers the entire network of branches, which ensures technology based enhanced delivery systems and provides the necessary competitive edge. The Bank continues to extend its service arms towards facilitating the collection of various utility bills, thus earning customer appreciation. The Bank also provides Locker Services at some branches, with the objective of providing value added

ONE SECURITIES LIMITED

ONE Securities Limited (OSL) is a subsidiary of ONE Bank Limited. OSL was incorporated on May 04, 2011 under the Companies Act (Act XVIII) of 1994 as a Private Limited Company. Subsequently, it was converted into Public Limited Company on December 24, 2014 after completion of due formalities with Registrar of Joint Stock Companies and Firms (RJSC). Authorized

Capital and Paid up Capital of the Company are Tk. 4,000 million and Tk. 2,500 million respectively. The objective of formation of such a company is to actively participate in the Capital Market Operations of Stock Broking and Stock Dealing. ONE Securities Limited started its commercial operation on March 2, 2014. It is a TREC Holder of both Dhaka and Chattogram Stock Exchanges (DSE & CSE). The Registered Office of ONE Securities Limited is situated at 45, Dilkusha C.A. (4th Floor), Dhaka-1000. Its main office and branches are in Dhaka and Chattogram along with extension of main Office at Graphics Building, 9/G Motijheel C/A, 4th Floor, Dhaka - 1000 and at DSE Tower (Level - 9), Room # 165, Plot # 46, Road # 21, Nikunja - 2, Dhaka -1229.

ONE INVESTMENTS LIMITED

ONE Investments Limited (OIL) is a subsidiary of ONE Bank Limited. OIL was incorporated on April 26, 2018 under the Companies Act (Act XVIII) of 1994 as a Private Limited Company after completion of due formalities with Registrar of Joint Stock Companies and Firms (RJSC).

Authorized Capital is BDT 100 million and Paid up Capital of the Company is BDT 10 million. The Registered Office of the Company is situated at 2/F HRC Bhaban, 46 Kawran Bazar C.A., Dhaka -1215. OIL has been formed with a purpose to undertake Merchant Banking business. And in this regard, we have our application pending for approval at BSEC.



An OBL financed Solar Power Plant under Sustainable Finance



SUSTAINABLE FINANCE



DIRECTORS' REPORT

SUSTAINABLE FINANCE

ONE Bank Limited is committed to contribute sustainable economy by including environmental, social and governance (ESG) considerations in their every investment decisions and in-house activities. ONE Bank Limited cares for climate change mitigation and adaptation, preservation of biodiversity, prevention of pollution, promotion of the circular economy, inequality, inclusiveness, investment in human capital etc.

ONE Bank Limited has been conducting banking business in such areas and in such a manner that helps the overall reduction of carbon emission by its customers as well as from own operations. OBL has demonstrated Green commitments towards implementation of Environmental & Social Management System (ESMS) with the help of development bank / Financial Institutions like IFC, FMO, OeEB etc.

We have adopted **Environmental and Social Risk Management (ESRM) Policy** in 2017 & rolled out **ESRM Policy & Procedure** on May, 2018. Our RM/Credit officers have been incorporating E & S data of clients through automated 'ESRM Procedure online tool' since June'2018. ESRM related data of Total 92 Nos borrowing clients posted in our system for review and compliance in 2021. Our Management has appointed Project Appraisal and Monitoring (PAM) Team of CRM Division as Social, Health and Safety audit officer who will oversee the social issues of our financing clients and also complete IFC Performance Standards for applicable clients. PAM Team already obtained certification of SA 8000 Basic Auditor Training Course from Social Accountability International, USA.

Bangladesh Bank so far introduced total 68 Green Products for financing under refinancing scheme. ONE Bank Limited has focuses on Green Finance in various sectors like renewable energy (Solar PV Plant, Solar Home, Bio-Gas etc.), Green Industries certified by LEED under USGBC, Work Environment Safety in factories, ETP & Brick Kiln etc. Most of bank's investment/loan portfolio belongs to low & medium E & S risk rated clients. All its customers go through E & S due diligence procedures. Total loan outstanding of Green Clients stood at Tk. 142.19 crore in 2021. Last year, we have financed in Renewable Energy Sector.

OBL has formulated Green Office Guide in 2014 which have been circulated to all our employees for creating awareness on Green Banking activities & providing instructions about conserving resources like energy, water, paper, etc.

OBL has attempted following steps towards In-House Environmental Management & in financing activities;

- ONE Bank Ltd. has introduced Online Banking and it covers 107 branches/ SME centers, 154

own ATMs, 1200+ shared ATMs. Clients can also have access to their accounts through Internet & Mobile Banking.

- We have 128 Nos of Agent Banking outlets throughout the country.
- Formulated Fire Safety and Fire Fighting Policy for the Bank.
- OBL has been equipped with Bangladesh Automated Clearing House (BACH) systems RTGS, BEFTN, NPSB etc.
- OBL has been using online Leave Management system, Digital Attendance and E-Mail corresponding, which help reducing printing paper for employees of the Bank.
- OBL has introduced Loan Documentation & Information Management System (eDoc)
- OBL has Mobile Financial System (OK wallet) & Agent Banking System.
- OBL using virtual meeting through ZOOM, Skype which saves fuel and time.
- In House Green Banking offered by Cards Division includes E-Statement & for Account holders SMS Banking, SMS Alert, Net Banking, E- Fund Transfer etc.
- Using LED bulbs, Converter in Air Conditioning system in new Branches to reduce the consumptions of energy.
- Introduced 'ESRM Procedure Online Tool' by which RM/Credit Officer can input E & S issues of their clients through intranet platform 'OBL Connect'
- OBL has trained total 83 employees in Green Financing issues in 2021. Among them 1 official received abroad training in online platform.
- We have regularly disclosed our Green Banking activities through reporting to various authorities like Bangladesh Bank, BIBM & Foreign lenders.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

CSR is mainly about the awareness of and action in support of environmentally sustainable social development. The CSR actions aim at mitigating the diverse environmental impacts on the activities of the business and reducing inequalities and alleviating deprivation and poverty across the country. The benefits of CSR for companies, including increased profits, customer loyalty, trust, positive brand attitude and combating negative publicity are well-documented.



ONE Bank Limited handed over blankets for the cold stricken people of the country to the Chief Secretary of the Honorable Prime Minister towards her relief fund at the Prime Minister's Office.

In the light of these known positive effects, CSR strategies have been embraced by the banking community. Bangladesh has also become proactive on Corporate Social Responsibility. The Bank has been keeping watch on the environmental and social impacts of proposed undertakings and their implementation of equity of rights irrespective of gender, creed and color etc. policies. The Bank strives to convince the clients to pursue environment friendly and socially proactive & mitigating policies for sustainable development. To streamline the CSR activities of the Bank, ONE Bank Limited has adopted a Social Responsibility (CSR) Policy in 2013, which acts as a guide towards planning and executing the Bank's CSR activities. ONE Bank has spent a total of Tk. 10.59 crore for CSR activities in the year 2021. Details of CSR activities undertaken by ONE Bank during the year are as below:

- Payment of Tk. 1,23,05,921/- (Taka one crore twenty three lac five thousand nine hundred twenty one) only for donation of 25,000 pcs of blankets to the Prime Minister's Relief Fund for cold stricken people across the country.
- Payment of Doctor's Remuneration of Tk. 2,40,000/- (Taka two lac forty thousand) only for extending medical services to the poor people of Joypara, Dohar, Dhaka.
- Donation of Tk. 5,00,00,000/- (Taka five crore) only to the Prime Minister's Relief Fund towards providing food assistance to the Coronavirus affected poor people of the country.
- Payment of Tk. 5,56,314/- (Taka five lac fifty six thousand three hundred fourteen) only for

publication of advertisement regarding creating/ increasing awareness on integrity in different national daily newspapers.

- Payment of Tk. 59,800/- (Taka fifty nine thousand eight hundred) only to Bangladesh Disable Development Trust for publication of advertisement in the monthly Braille Magazine "Drishti Bijoye".
- Payment of Tk. 3,83,86,125/- (Taka three crore eighty three lac eighty six thousand one hundred twenty five) only for donation of 75000 pcs of Blankets to the Prime Minister's Relief Fund.
- Expenses of Tk. 43,77,056/- (Taka forty three lac seventy seven thousand fifty six) only under Special CSR activities as per Bangladesh Bank BRPD Circular No. 09 dated April 26, 2021 for providing foods and other essential goods to the Coronavirus affected poor people across the country.

RISK MANAGEMENT

1. Introduction

In general, risk refers the possibility of occurring unexpected situation or deviation from the expected outcomes. It is an inherent part of any business operation. It may arise from internal faults or from external factors affecting adverse result in the said business or downgrading the image of the institution.

Effective risk management is fundamental to

DIRECTORS' REPORT

the success of the Bank. It is the architecture that includes risk management principles, a risk management framework and a risk management process. Risk management primarily consists of understanding material risks and handling those risks in a way best-suited to achieve organizational objectives. Effective risk management has also given us so many benefits like reduction of frequency and severity of losses, safe and sound banking practices and better returns to stakeholders due to lower losses.

The banking sector in Bangladesh plays a vital role in the financial system as it has the capacity to supply credit and liquidity to the entire economy, providing payment services and thereby facilitating financial transactions in the economy.

In banking industry, risk factors are generally exposed to its lending business, trade-service business and other operational activities. Banks need to meet forth coming regulatory requirements for risk measurement and mitigation thereof by arrangement of capital and provisions. However, to meet the regulatory requirements is not enough. A sound and scientific risk management system should be there for regular monitoring, performance evaluation and corrective measures. Managing and mitigating such risks are always a prioritized concern of ONE Bank Ltd.

2. Risk in Banking Industry

Risks in Banking Sector:

Major Risk	Other Risk
Credit Risk	Residual Risk
Market Risk	Concentration Risk
Operational Risk	Liquidity Risk
	Reputational Risk
	Strategic Risk
	Settlement Risk
	Evaluation of Core Risk Management
	Environmental and Climate change Risk
	Other Material Risk

3. Risk Management Approach

It is important not only fulfill regulatory requirements but also improve financial and operational performance of the banks. Strong and integrated risk management is essential for the long- term sustainability of the bank's business. The comprehensive risk management policies and sophisticated risk management processes are required for systematic identification, measurement, monitoring and controlling of all business risks. Bank's overall financial soundness can be measured only by adopting a strong risk management process by communicating concise risk management standards to all concerned officials through adequate policies, directives, operating procedures and training programs.



Partial view of 22nd Annual General Meeting of ONE Bank Limited

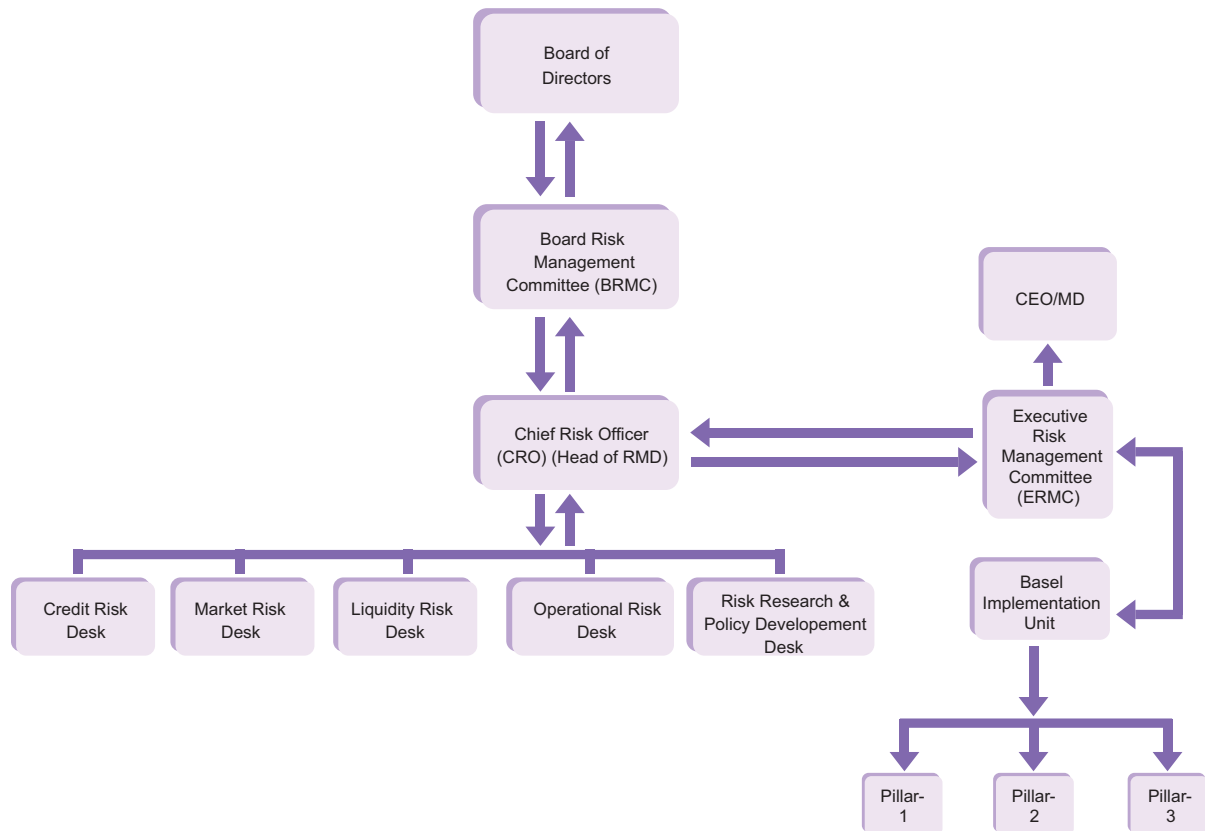
4. Risk Management Framework of ONE Bank Ltd.

Effective risk management is the cornerstone of OBL's strategic priorities. This is articulated in the Bank's risk appetite which is prepared by the Risk Management Department (RMD) in line with regulatory requirements and evolving business needs.

RMD is organized under the Chief Risk Officer (CRO) who is independent from the Bank's operations. CRO has been authorized by the Board of Directors (BoD) to implement a Risk Management Framework across the Bank. Risk Management Framework covering the major risks and uncertainties faced by the Bank and how these are managed is elaborated in Risk Management Guideline, including adoption and convergence towards regulatory and Basel guideline.

5. Risk Management Structure

The risk management structure of OBL comprises the following:



Board Risk Management Committee (BRMC)

The Board Risk Management Committee of OBL has been formed to supervise the activities of the Risk Management Committee of the Bank at management level. The Board Risk Management Committee also oversee the implementation status of Credit Risk, FX Risk, ICC Risk, AML Risk, Liquidity Risk, Operational Risk etc.

Responsibility of Board Risk Management Committee:

The role and responsibilities of Board Risk Management Committee in accordance with Risk Management Guidelines of Bangladesh Bank are as follows:

- Formulating and review the risk management guideline and strategies for sound risk management at least annually.

DIRECTORS' REPORT

- Monitoring implementation of risk management guidelines and process to ensure effective prevention and control measures.
- Supervising the activities of Executive Risk Management Committee (ERMC).
- Ensuring compliance of BB instructions regarding implementation of core risk management.
- Ensuring formulation and review of risk appetite, limits and recommend these to Board of Directors for their review and approval.
- Submitting proposal, suggestions & summary of BRMC meetings to Board of Directors at least on quarterly basis.
- Assessing overall effectiveness of risk management functions on yearly basis.

Executive Risk Management Committee (ERMC)

To play an effective role in mitigating impending risks arising out from strategies and policies formulated by the Board and to carry out the responsibilities efficiently, a strong risk management committee has been formed on December 02, 2015, which is headed by Chief Risk Officer (CRO). The Committee arranges meeting at least once in a month to review various risk related reports submitted by Risk Management Department. Risk Management Committee shall be responsible for managing all types of risk across the Bank.

The responsibilities of Risk Management Committee at management level include the following:

- Identify, measure and manage the Bank's existing and potential risks through detailed risk analysis.
- Hold the meeting at least once in a month based on the findings of risk reports and take appropriate decisions to minimize/control risks.
- Minimize/control risks through ensuring proper implementation of the decisions.
- Submit proposals, suggestions & summary of ERMC meetings to CEO, BRMC on regular basis.
- Implement the decisions of BRMC and Board meetings regarding risk issues.
- Assess requirement of adequate capital in line with the risk exposures and ensuring maintenance of the same through persuading Senior Management and Board.
- Determine risk appetite, limits in line with strategic planning through threadbare discussions among the members.

- Handle "critical risks" (risks that require follow-up and further reporting).

Risk Management Department (RMD)

OBL has an independent full-fledged risk management department which was formed on June 16, 2009 to assess risk management capacity of OBL. The Risk Management Department (RMD) of OBL is headed by the Chief Risk Officer (CRO). It has separate desks within the risk management department for overseeing each key risk area. The main functions of the department include, but not limited to, the following:

- managing the process for developing risk policies and procedures;
- coordinating with business users/units to prepare functional specifications;
- preparing and forwarding risk reports; and
- assisting in the implementation of all aspects of the risk function.

The risk management function shall be functionally and hierarchically independent from business and other operation functions. The RMD manages and measures risks on the basis of the Bank's approved risk parameters independently in line with regulatory requirements. The role of RMD includes, but not limited to, the following:

- Collecting and analyzing data/information for identifying risks and making appropriate recommendations for risk mitigation
- Preparing risk management reports, arranging monthly meeting of ERMC and preparing meeting minutes, disseminating the decisions to the concerned department/divisions, monitoring and follow up of implementation status
- Ensuring timely submission of risk management reports, meeting minutes, compliance report and other documents to BB
- Assisting BRMC/ERMC by providing risk issues that are needed to be addressed
- Designing Bank's overall risk management strategy
- Ensuring significant contribution in establishing sophisticated risk management infrastructure with a sufficiently robust data-base, data architecture and information technology
- Conducting, developing and overseeing Stress Testing activity
- Utilizing the Stress Test result and scenario analysis to better understand potential risk exposures under a variety of adverse circumstances



Inauguration of OBL ATM Booth at Bangabandhu Bridge Resort premises

- Assisting Senior Management in formulating strategic planning considering Bank's risk exposures and industry as a whole
- Supporting the Board, BRMC and ERM in formulation, review and approval of the enterprise-wide risk governance framework which includes the Bank's risk culture, risk appetite, risk limits, and MAT
- Monitoring on ongoing basis the risk-taking activities and risk exposures in line with the Board approved risk appetite, risk limit and corresponding capital or liquidity needs (i.e. capital planning)
- Establishing an early warning or trigger system for breaches of the Bank's risk appetite or limits
- Communicating views of the Board and Senior Management throughout the Bank
- Taking appropriate steps to control or mitigate risk exposures and ensure reporting the same to Senior Management and BRMC

6. Risk Management Report

Comprehensive Risk Management Report (CRMR)

Comprehensive Risk Management Report (CRMR) is prepared in accordance with Bangladesh Bank guidelines. It includes analysis of Credit, Market, liquidity, Operation, Reputation, Environmental, Money Laundering, Compliance and other risks of OBL. Comprehensive Risk Management Report (CRMR) is

submitted to Bangladesh Bank on half yearly basis for determination of risk rating of OBL. Risk Management Committee at Board and Management level also review these reports.

Monthly Risk Management Report

Risk Management Report is prepared in accordance with Bangladesh Bank guidelines on monthly basis it includes Credit, Market risk, Liquidity risk, Operation risk etc.

Stress Testing

Stress testing is an important risk management tool that provides an indication of how much capital might be needed to absorb losses in different stressed situations. Stress Testing Report is prepared on quarterly basis it includes stress test for Credit, Interest Rate, Foreign Exchange, Equity Price and Liquidity risk.

Internal Capital Adequacy Assessment Process (ICAAP) Report

To encompass other risk OBL prepares ICAAP report containing proper calculation of Residual Risk, Concentration Risk, Liquidity Risk, Reputation Risk, Strategic Risk, Settlement Risk, Evaluation of Core Risk Management, Environmental & Climate Change Risk and Other material risk against adequate capital. Besides, bank also assesses whether there is any chance of threaten to environment by bank financed initiative and damaging bank's initiative by environmental hazard. ONE Bank Limited is successfully maintaining additional Capital Requirement.

DIRECTORS' REPORT

Risk Appetite Statement

Risk appetite is an expression of the maximum level of risk that bank is prepared to accept in order to achieve the business objectives. Risk Appetite statement is prepared according to the DOS Circular of Bangladesh Bank (circular letter no. – 1(f) of 13 dated 09/09/2015). Risk Management Department of OBL reviews in details of Strategic Planning/ Long Term Business Planning, Financial soundness, Trend of last couple of years, Capital Adequacy, Liquidity position, Goodwill, Adequacy and experience of employee, Potential future risk etc. Besides this above all Risk appetite statement is finalized by RMD together with the review of respective department and business units and that submitted to DOS, Bangladesh Bank after approving BoD.

Management Action Trigger (MAT) Management Action trigger is prepared annually in accordance with the requirement of Bangladesh Bank. MAT has some trigger points to possible deteriorating scenario that require management attention. MAT defines loss control limits (also referred to as “management action triggers”) which require a specific management action if a defined level of loss is approached or breached.

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CREDIT RISK MANAGEMENT

Credit is considered as one of the core functional areas of banking and the risks involved with credit requires intense care to handle with. Credit Risk is the risk of loss resulting from the failure of payment or other contractual obligations against debt by the Bank's borrowers and other counterparties. The assessment of credit risk, therefore, involves evaluating both the probability of default by the borrower and the exposure or financial impact on the bank in the event of default.

Starting from its journey since 1999, ONE Bank Ltd is focused to maintain a growing, diversified and quality credit portfolio based on its risk taking appetite and risk managing capacity. At OBL, Credit risk is managed here through well defined CRM Policy Guidelines with set out policies and procedures covering both measurement and management of the risks. The policy is developed in line with the Bangladesh Bank CRM Policy Guidelines and reviewed periodically to cope with the pace of changes in the industry.

OBL has developed its credit strategy on the basis of the bank's target market, the cyclical aspect of the country's economy and the resulting shifts in composition and quality of the overall credit portfolio. OBL pays meticulous attention to the following credit concentration risk areas:

- Industry Sector wise concentration
- Business Segment wise concentration
- Geographic Concentration
- Single Name (Borrower/Group) concentration
- Top borrower wise exposure (Top 10-50 borrowers will be counted)

With the quest to practice sound credit risk management, OBL has a standardized, fast and streamlined credit approval process. CRM unit heads and officials undertake through appraisal of the credit proposals, do their due diligences, analyze the risks associated and find out the ways of mitigation in line with the Bank's CRM Policy Guidelines, Core Risk Management Guidelines & Circulars of Bangladesh Bank, Credit Risk Grading and best practices in the banking industry. Environmental & Social Risk Rating is also adopted in the approval process for our commitment to green banking according to Bangladesh Bank's guideline. In determining Single Borrower Exposure/Large Loan Limit, the instructions of Bangladesh Bank are strictly followed.

The entire credit approval process ensures accountability for decisions taken. Credit proposals, after appraisal by independent risk analyst, are routed through a dynamic Credit Risk Management Committee, which is headed by the Deputy Managing Director (Operation) and consists of nine other divisional/unit heads. The Committee recommends, if acceptable, to the Executive Committee and/or the Board of Directors and/or the Managing Director for approval of credit proposals following the pre approved delegation of lending authority.

Different units of the CRM Division namely: Credit Approval Processing Unit, Project Appraisal and Management Unit, Credit Monitoring and Recovery Units are in place and work together to ensure sound credit approval and quality asset monitoring & management. A separate Credit Administration Unit also exists for proper loan and security documentation.

Specific delegation for credit approval has been assigned to the individual executives and the Managing Director at management level. Credit limits beyond their delegation are approved /declined by the Executive Committee and/or the Board of Directors. All large loans and loan with high environmental/social risk is approved by the board. All credit facilities, except facilities against OBL deposit are approved through CRM division and reviewed at least once in a year.



OBL signed an Agreement with Labaid Cancer Hospital & Super Speciality Center

OBL always gives due importance on sound and transparent business without compromising quality of its assets. The goal of Credit Risk Management at ONE Bank Ltd is to maximize the Bank's risk adjusted return by maintaining credit risk exposure within acceptable parameters. More disclosure on credit risk and its management is available in the section named, "Disclosures on Risk based Capital (BASEL III)" of this report.

MARKET RISK MANAGEMENT

Market risk is the risk of potential losses in the on-balance sheet and off-balance sheet positions of a bank, stemming from adverse movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and / or commodity prices. Market risk can be subdivided into following three categories:

- Interest Rate Risk
- Foreign Exchange Risk
- Equity Price risk

Interest Rate Risk

Interest rate risk is the potential impact on a Bank's earnings and net asset values due to changes in market interest rates. Interest rate risk arises when a Bank's principal and interest cash flows (including final maturities), both on and off-balance sheet, have mismatched re-pricing dates. The amount at risk is a function of the magnitude and direction of interest rate changes and the size and maturity structure of the mismatch position. Bank's lending, funding, and investment activities give rise to interest rate risk.

There are many types of interest rate risk which faced by the bank. These are as follows:

- Re-Pricing risk
- Yield curve risk
- Basis risk

To manage the interest rate risk OBL ALCO regularly monitors money market condition as well as the bank's interest rate on both deposit and lending. However, the bank has been identifying both the interest rate sensitive assets and liabilities and classified them into different time bucket to find the assets/liability mismatch. The Duration Gap analysis is also being done on quarterly basis. The Duration Gap indicates how the market value of equity (MVE) of the bank will change with a certain change in interest rate. In the year 2021 the duration Gap found positive in OBL which indicates that the assets are relatively more interest rate sensitive than liabilities.

Foreign Exchange Risk

Foreign exchange risk is the current or prospective risks to earnings and capital arising out of adverse movements in currency exchange rates. The foreign exchange risk arises from the following activities:

- trading in foreign currencies through spot, forward and option transactions as a market maker or position taker, including the unhedged positions arising from customer-driven foreign exchange transactions;
- holding foreign currency positions in the banking book (e.g. in the form of loans, bonds, deposits or cross-border investments); or

DIRECTORS' REPORT

- iii. engaging in derivative transactions that are denominated in foreign currency for trading or hedging purposes.
- iv. banks also face the risk of default of the counter parties or settlement risk. Thus, banks may incur replacement cost, which depends upon the currency rate movements.

OBL uses different tools to mitigate foreign exchange risks. The bank has a strong Treasury Back office and Mid office which are totally separate and strongly monitor the operations of Treasury Front Office. The unit checks the dealing limits, counter party limits, settlement risk and handle other compliance issues as per regulatory requirement.

Equity Price Risk

Equity price risk is the risk of losses caused by changes in equity prices. These losses could arise because of changes in the value of listed shares held directly by the bank; changes in the value of listed shares held by a bank's subsidiary; changes in the value of listed shares used as collateral for loans from a bank or a subsidiary, whether or not the loan was made for the purpose of buying the shares; and changes in the value of unlisted shares. Equity price risk associated with equities could be systematic or unsystematic. The former refers to sensitivity of portfolio's value to changes in overall level of equity prices, while the latter is associated with price volatility that is determined by firm specific characteristics.

We manage the risk by keeping its exposure within the regulatory limits. Effective information systems are also developed and used to appropriately record, regularly monitor and evaluate the securities portfolio.

LIQUIDITY RISK MANAGEMENT

Liquidity risk arises when the cushion provided by the liquid assets are not sufficient enough to meet maturing obligations. Accordingly, a bank short of liquidity may have to undertake transactions at heavy cost resulting in a loss of earnings or, in a worst case scenario, the liquidity risk could result in liquidation of the bank, if it is unable to undertake transactions even at current market prices.

Banks with large off-balance sheet exposures or those rely heavily on large corporate deposits have relatively high level of liquidity risk. Further, banks experiencing a rapid growth in assets should have major concerns for liquidity.

Liquidity risk is often triggered by the consequences of other financial risks such as credit risk, interest rate risk, foreign exchange risk, etc. For instance, a large loan default or changes in interest rate can adversely

impact a bank's liquidity position.

In order to liquidity measurement and management, Bangladesh Bank has declared new liquidity ratios for banks in line with Basel III in Bangladesh are described below:

Liquidity Coverage Ratio (LCR):

LCR or Liquidity Coverage Ratio is a new liquidity standard introduced by the Basel Committee. This standard is built on the methodologies of traditional liquidity coverage ratio used by banks to assess exposure to contingent liquidity events. LCR aims to ensure that a bank maintains an adequate level of unencumbered, high-quality liquid assets that can be converted into cash to meet its liquidity needs for 30 calendar days. LCR goes beyond measuring the need for liquid assets over the next 30 days in a normal environment. It measures the need for liquid assets in a stressed environment, in which deposits and other sources of funds (both unsecured and secured) run off, to various extents, and unused credit facilities are also drawn down in various magnitudes. The minimum acceptable value of this ratio is 100 percent.

Net Stable Funding Ratio (NSFR):

NSFR or Net Stable Funding Ratio is another new standard introduced by the Basel Committee. The NSFR aims to limit over-reliance on short-term wholesale funding during times of abundant market liquidity and encourage better assessment of liquidity risk across all on- and off-balance sheet items. The minimum acceptable value of this ratio is 100 percent, indicating that available stable funding (ASF) should be at least equal to required stable funding (RSF). ASF consists of various kinds of liabilities and capital with percentage weights attached given their perceived stability. RSF consists of assets and off-balance sheet items, also with percentage weights attached given the degree to which they are illiquid or "long-term" and therefore requires stable funding. The time horizon of the NSFR is one year. The minimum acceptable value of this ratio is more than 100 percent, indicating that available stable funding (ASF) should be at least equal to required stable funding (RSF).

Leverage Ratio:

Basel III introduces a simple, transparent, non risk based Leverage Ratio to constrain excessive on and off-balance sheet leverage in the banking sector and supplement risk based capital requirements as a safeguard against model risk. The leverage ratio is calculated by dividing tier 1 capital with total exposure.

Leverage ratio requires that the bank's high quality capital (Tier 1 capital) will be 3 percent of its total exposure. Exposure include on and off-balance sheet items.

ALCO meets at least once in every month to manage and control the liquidity risks. ALM desk of the treasury closely monitors and controls the liquidity requirement on a daily basis by appropriate co-ordination of funding activities. Treasury determines the adequacy of the liquidity position by doing analysis based on the following factors:

- | | |
|---|--|
| i. Historical funding requirement | viii. Socio economic perspective of present and near future |
| ii. Current liquidity position | ix. Regulatory guidelines |
| iii. Anticipated loan disbursement | x. Capital planning |
| iv. Anticipated future funding needs | xi. GAP analysis |
| v. Present and future earnings capacity | xii. Stress Testing with minor and major shock showing absorbing capacity. |
| vi. Present and anticipated asset quality | |
| vii. Sources of funds, | |

Regulatory frame work of the bank's liquidity management has been formulated in compliance with BB core risk management guidelines and these include among others maintenance of SLR which in 13% and CRR 4.00% of total demand and time liabilities except bank at present. Bank maintains adequate SLR, CRR, LCR, NSFR & Leverage Ratio on regular basis throughout the year. ALCO has been monitoring liquidity risk regularly.

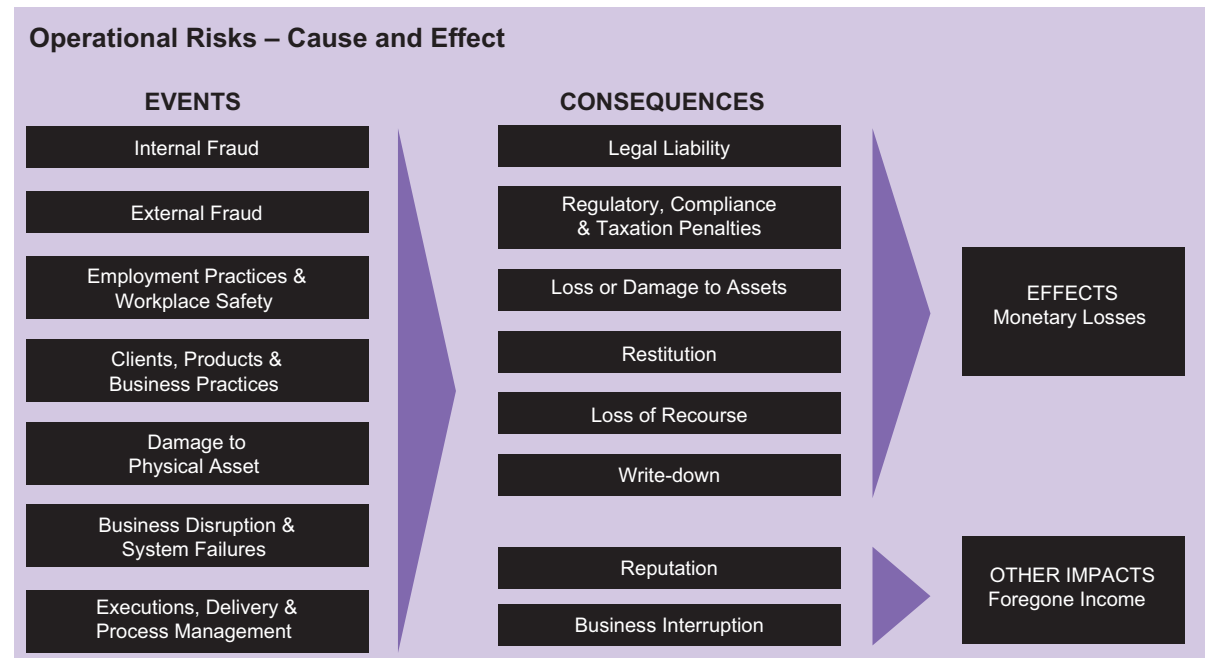
Investments

Investment activities by the Bank included meeting the SLR requirements and were mostly in the form of Government Treasury Bills with varying dates of maturity.

The Bank had a total investment of Tk. 31,624.49 million in Government Treasury Bills, Treasury Bonds, Bangladesh Bank Bill and Prize Bond. In addition, the Bank made investment in shares and Subordinated Bond of different legal entities.

OPERATIONAL RISK MANAGEMENT

Operational risk is defined as the risk of unexpected losses resulting from inadequate or failed internal processes, people and systems or from unforeseeable external events. The events and consequences in operational risks are:



Bank is managing these risks through written procedures, regular training and awareness programs. Quarterly Operations Report, Relevant Checklist etc. are in place covering all probable risks associated with bank's business and operations. Bank also has its business continuity plan such as Disaster Recovery (DR) plan to minimize associated risk. Surprise inspections are also made on a regular basis to make sure that all control tools are functioning properly.

DIRECTORS' REPORT

PREVENTION OF MONEY LAUNDERING AND COMBATING FINANCING OF TERRORISM

ONE Bank Limited as a reporting organization is subject to the AML & CFT laws. Considering Money Laundering (ML) and Terrorist Financing (TF) as one of the major threats to the stability and the integrity of financial system, and in response to national and international initiatives, ONE Bank Limited maintains its firm commitment not to let the unscrupulous people use the Bank to launder their ill-gotten money or conduct their illegal activities.

In line with the requirement of the laws and regulatory instructions, the Bank accomplishes and maintains an effective AML & CFT program to keep the Bank risk free from Money Laundering and Terrorist Financing. The Bank follows "Four Pillars" theory in applying the program. These are:

- A system of internal Policy Guidelines, Procedure and Controls (first line of defense);
- A designated compliance function with a compliance officer (second line of defense);
- An independent audit function to review and evaluate the overall effectiveness of the AML & CFT program (third line of defense);
- A regular employee training/awareness program.

ONE Bank Limited has the "Money Laundering and Terrorist Financing Risk Assessment Guidelines", and

considering the overall risk management strategy of the Bank, it has developed its own "OBL Policy Guidelines on AML & CFT Risk Management" which was reviewed lastly in 2020.

The Bank has a Central Compliance Committee (CCC) headed by the Chief Anti Money Laundering Compliance Officer (CAMLCO) in the rank of Additional Deputy Managing Director, the Deputy Chief Anti Money Laundering Compliance Officer in the rank of Executive Vice President (EVP) and a dedicated Anti Money Laundering Division (AMLDD) at Corporate Headquarters (CHQ). A Branch Anti Money Laundering Compliance Officer (BAMLCO) is assigned in every Branch of the Bank to handle AML & CFT activities. The BAMLCO is supported by the Branch Compliance Unit (BCU) comprising concerned officers related with the job.

The Bank has a Real Time Sanction Screening Process. The Suspicious Transaction/ Activity Reporting (STR/SAR) detection and reporting systems are in place. As a part of regulatory compliance on AML & CFT, the Bank conducts training on AML & CFT from time to time covering all the employees including Trade Based Money Laundering (TBML), Credit Backed Money Laundering (CBML) etc. In addition to that, due to COVID-19 situation, the Bank has arranged Video Conferences and Trainings using online platform Zoom besides arranging physical (offline) trainings and meetings to keep the employees updated and vigilant on AML issues. The Bank has a Customer Acceptance Policy in place and has "Know Your Customer (KYC)" program since its inception and applies Customer Due Diligence (CDD) and Enhanced Due Diligence (EDD). The Bank is in the process to implement a High-Tech



Day Long Training Workshop on "Prevention of Money Laundering and Combating Financing of Terrorism"



An OBL financed Garments Factory

Software for stronger AML monitoring process and better compliance.

ONE Bank Limited though focused on incremental growth on one hand, on the other, it has remained to be a compliant financial institution; and the Bank intends to continue as a growth driven compliant institution.

BASEL-III

Under the guideline of BASEL-III Implementation plan issued by Bangladesh Bank vide BRPD Circular no. 18, Dated December 21, 2014, all scheduled Banks are required to maintain adequate capital to cover all types of risks. BASEL-III Accord requires that banks should maintain adequate capital to cover Credit Risk, Market Risk and Operational Risk. Besides Capital Adequacy, BASEL-III also requires banks to enhance their Supervisory Review Process as well as Market Discipline through Disclosures to Public and Regulatory bodies in more details.

Bangladesh Bank has introduced Road Map for adopting BASEL-III framework through phase-in arrangement which was circulated to all commercial banks in Bangladesh with a target to ensure full implementation by the year 2019.

In line with Bangladesh Bank directives, ONE Bank Ltd. has already entered in the domain of BASEL-III. Accordingly, OBL successfully managed to maintain all the requirements of phase wise BASEL-III implementation. In this respect, the OBL BASEL-III Committee has been formed comprising all the major Divisional Heads of the Bank as well as related

operational department heads chaired by the Managing Director. In addition, BASEL-III working Team has also been formed for implementation of the different segments of the Accord.

In order to strengthen the Supervisory Review process, a separate Risk Management Division has been formed. The existing Compliance Department of the Bank has also been further strengthened. Furthermore, a separate MIS (Management Information Systems) department has also been formed to ensure timely and accurate flow of information to the Risk Management Division as well as Senior Management.

As per Basel-III norms, Capital Adequacy i.e. Buffer Capital is a must for banks to protect the unexpected losses against the risk profile and future business growth of the bank. As per new guidelines, Capital Conservation Buffer @ 2.50% (gradually @ 0.625% every year up to 2019) in the form of tier-1 capital is to be maintained to absorb more shocks in addition to 10% earlier requirement under BASEL-II. OBL maintained capital @ 12.03% against the statutory requirement 10% as at December 31, 2021.

Under the Standardized Approach of the Risk Based Capital Adequacy Guidelines (RBCA) of Basel-III, counterparties' credit ratings are determined on the basis of risk profile assessed by the External Credit Assessment Institutions (ECAIs) duly recognized by Bangladesh Bank to derive risk-weights of exposures under the portfolio of claims. According to the Guidelines, the rated exposures of a bank will reduce the Risk Weights and the Regulatory Capital Requirement as well as create the room to expand the business of the bank. This will also enable the bank to

DIRECTORS' REPORT

assess the creditworthiness of the borrowers as well to an acceptable level.

To maintain adequate capital OBL has already issued three Subordinated Bonds i. e., (a) Subordinated Bond-1 of Tk. 220 crore issued on 26th December 2013 (qualifying amount as on 31st December, 2021 is nil), (b) Subordinated Bond-2 of Tk. 400 crore issued on 27th October 2016 (qualifying amount as on 31st December, 2021 is Tk. 80 crore) and (c) Subordinated Bond-3 of Tk. 400 crore issued in 2019 (qualifying amount as on 31st December, 2021 is Tk. 320 crore). To strengthen the Tier-1 capital, issuance of perpetual Bond of Tk. 400 crore is under process and maximum portion thereof Tk. 365 crore has already been issued by December 2021. The remaining portion of the perpetual bond will be issued hopefully very soon. As a result, OBL has adequate capital against the regulatory requirement to uphold and strengthen the confidence of its investors, Depositors and other stakeholders. The Board of Directors & the Senior Management of the bank emphasized rigorously round the year 2021 on corporate borrowers credit rating to lower our risk profile as well as to reduce the capital requirement of the bank. Accordingly, Asset Marketing & Credit Risk Management (CRM) teams have taken all-out efforts to increase the number of corporate borrower's exposures under rated. They are constantly taking the initiatives through guidance of the Senior Management; series of meetings, correspondence, awareness program with the allied concerns i.e. branches of the bank & ECAs.

OBL has met all the milestones set in the Bangladesh Bank Road Map. As per the Regulatory Road Map, OBL has commenced to comply with the BASEL-III requirements with effect from January 01, 2015. Since then, we have been implementing the BASEL-III standards in respect of our Capital, Supervisory Review Process and Disclosures.

ONE Bank is applying the following methodology of BASEL III for Calculating Credit, Market and Operational risks:

- (a) Credit risk : On the basis of Standardized Approach
- (b) Market risk : On the basis of Standardized Approach; and
- (c) Operational risk: On the basis of Basic Indicator Approach.

INCOME DETAILS

Interest Income

Interest Income of the Bank reduced by 18.69% to Tk. 15,986.99 million during 2021 compared to Tk. 19,661.12 million for the previous year mainly due to increased of Non Performing Loan of Tk. 6,770 million during the year and related interest income transferred to interest suspense account.

Interest expense was Tk. 11,877.50 million in 2021 as compared to Tk. 16,266.41 million for 2020 thus decreased by 26.98%. Interest expenses decreased, compare to last year mainly due to declining interest rate on deposit.

The Net Interest Income increased by 21.06% to Tk. 4,109.49 million during 2021 as against Tk. 3,394.71 million during 2020.

Towards providing for Statutory Liquidity requirements, the Bank continued to invest in Government Treasury Bills and Bonds. In addition, the Bank has also invested in shares of other legal entities. Income from such Investment was Tk. 2,050.75 million during the year as against Tk. 2,710.03 million during 2020.

Commission, Exchange and Brokerage Income

Earning from Commission, Exchange and Brokerage increased by 43.28% to Tk. 1,607.77 million compared to Tk. 1,122.15 million in 2020.

Other Operating Income

Other operating income increased to Tk. 619.53 million during 2021 as compared to Tk. 772.36 million for the previous year.

Total Operating Income

The total operating income stands at Tk. 8,387.54 million for 2021 as compared to Tk. 7,999.25 million for the previous year.

Operating Expenses

Total operating expense was Tk. 4,931.27 million for the year 2021 compared to Tk. 5,074 million for previous year.

Operating Profit

The Bank has earned an operating profit of Tk. 3,456.26 million in 2021 compared to Tk. 2,924.99 million in the year 2020.

Provisioning against Loans & Advances

The Bank's loan portfolio remained under periodic review and classification measures were adopted as and when necessary. Classified loans represent 11.55% of the Bank's total Loans and Advances as against 8.60% of the previous year.

Net Profit

After providing for provision and taxes, the Net Profit of the Bank for the year 2021 was Tk. 756.03 million, compared to Tk. 1,313.02 million in the previous year.



OBL signed an Agreement with Impulse Hospital

Dividend

The Net Profit of the Bank stood at Tk. 756.03 million as on December 31, 2021. After transfer of Tk. 290.62 million to Statutory Reserve, Tk. 69.96 million to Coupon/Dividend on perpetual Bonds and Tk. 20.69 million to Start up Fund. The amount available for distribution was Tk. 374.76 million. The capital of the Bank was 12.03% of the Risk Weighted Asset at the year end. Thus, together with previous year's retained earnings of Tk. 632.41 million, total amount available for distribution to Shareholders was Tk. 1,007.17 million. The Board of Directors recommended 5.00% Stock Dividend for the year 2021. Accordingly, an amount of Tk. 540.15 million will remain in the form of Retained Earnings.

Balance Sheet

As on December 31, 2021, total Assets of the Bank (excluding contingent) was Tk. 310,366.41 million compared to Tk. 303,516.86 million of 2020. The growth thus recorded was 2.26%. Major Asset components were Loans and Advances (71.75%) followed by Investments (12.31%). Deposits constituted the major portion of the Bank's liability (78.91%). Contingent Liabilities were Tk. 65,075.73 million against Tk. 63,852.70 million for the previous year.

Equity

The equity of the Bank increased to Tk. 17,473.66 million from Tk. 17,413.01 million registering an increase of 0.35%. The percentage of Tier-I Capital to Risk Weighted Asset is 8.88% against a requirement of 8.70% (with conservation buffer).

Deposits

Deposits of the Bank grew by 0.71% during the year and stood at Tk. 231,122.86 million as at December 31, 2021 against Tk. 229,484.57 million as at December 31, 2020. The continuing growth of customers' confidence in ONE Bank Limited helped the necessary broadening of customer base that spanned private individuals, corporate bodies, multinational concerns and financial institutions. The average cost of deposit for the year 2021 was 4.92%.

Cash and Balances with Banks and Financial Institutions

Cash and Balances with Bangladesh Bank was Tk. 18,110.42 million as against Tk. 29,536.93 million in 2020, representing a decrease of 38.69%. These funds are maintained to meet the Cash Reserve Requirement (CRR) and the Statutory Liquidity Requirement (SLR) of the Bank. Due to quantum increase in Deposits, the CRR and SLR of the Bank have correspondingly increased and such requirements were properly and adequately maintained. Surplus funds after meeting the CRR & SLR requirements were placed as short-term deposits with several commercial banks and financial institutions. Outstanding in such accounts in Bangladesh was Tk. 3,205.17 million as at December 31, 2021.

The Bank maintained sufficient balances equivalent to Tk. 2,893.87 million in foreign currency with correspondents outside Bangladesh to facilitate settlement of payments under Letter of Credit commitments.



OBL Probashi DPS

- ◆ Maximum BDT 10,00,000/- insurance coverage facility to cover the risk of death or permanent total disability
- ◆ Free insurance coverage facility for the customer. Bank will bear the insurance premium
- ◆ Attractive Interest Rate
- ◆ Nominee or Beneficiary will receive insurance benefit in addition to principal deposited amount
- ◆ Maximum 90% Loan facility
- ◆ Automatic realization of monthly installments
- ◆ Available installment size: BDT 500, BDT 1,000, BDT 2,000, BDT 3,000, BDT 5,000, BDT 10,000 and BDT 20,000

Eligibility:

- ◆ Any NRBs who are in good health and age is between 18 to 60 years old can open this account
Opening OBL Probashi Shonchoy Savings Account is must

Click: www.onebank.com.bd
Call Centre: 16269



ONE Bank
LIMITED

...Make It Yours



FINANCIAL INVESTMENTS

DIRECTORS' REPORT

FINANCIAL INVESTMENTS

Total Investment of ONE Bank Limited as at December 31, 2021 stands at BDT 38,216.89 Million. Investment activities of the Bank mainly comprises Bangladesh Bank Treasury Bill & Bond for maintaining Statutory Liquidity Reserve (SLR) as per mandatory requirement of Bangladesh Bank.

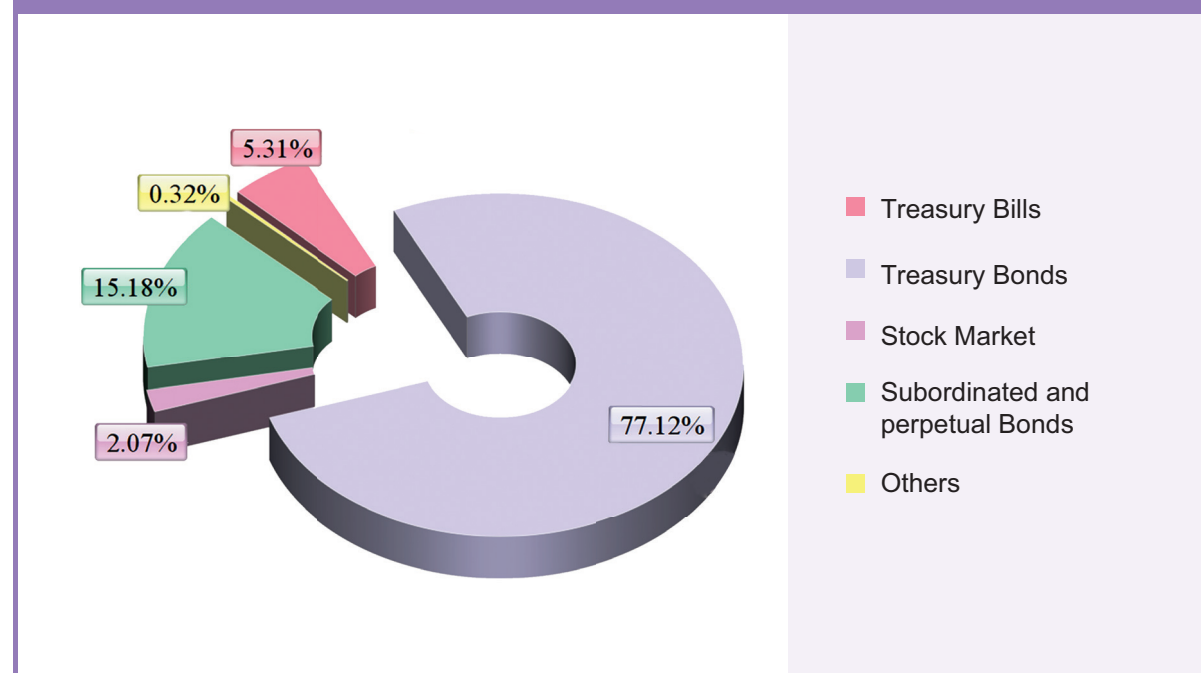
In addition to that, OBL has investment in Stock Market within the regulatory limit of 25% of Share Capital, Share Premium, Retained Earnings and Statutory Reserve (OBL holding 21.61% as on December 31, 2021).

Moreover, OBL has investment in Subordinated Bonds of Different Legal entities, Islamic Bonds and Prize Bonds etc. Details of investment in different sectors are given below:

Figures in Million Taka

Particulars	Position as on 31/12/2021	Composition Percentage
In Government Securities		
Treasury bills	2,029.91	5.31%
Treasury bonds	29,472.61	77.12%
Others	121.97	0.32%
Other Investment		
Stock Market	792.40	2.07%
Subordinated and Perpetual Bonds	5,800.00	15.18%
Total	38,216.89	100.00%

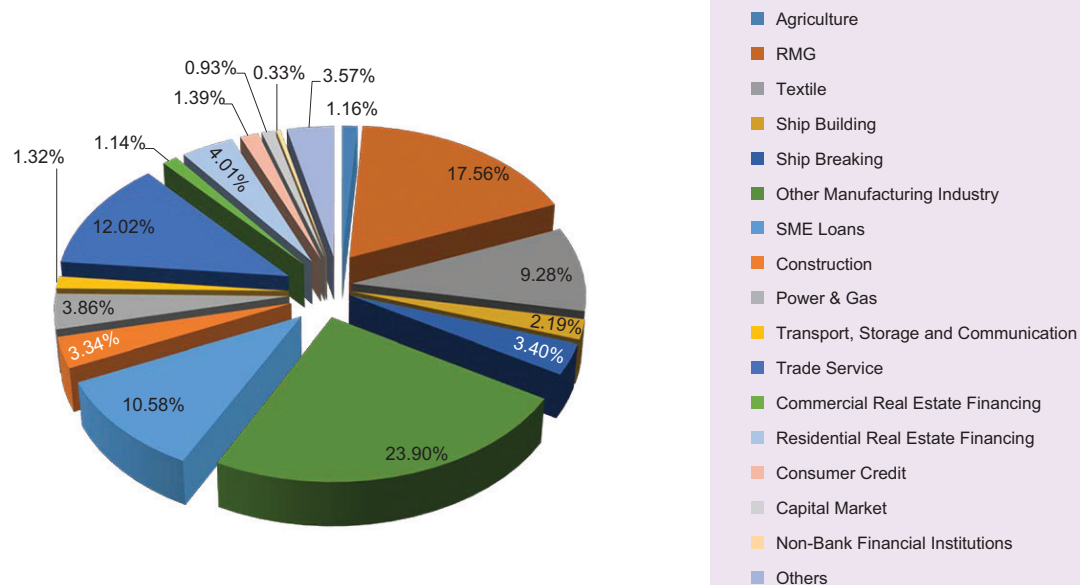
Financial Investment-2021



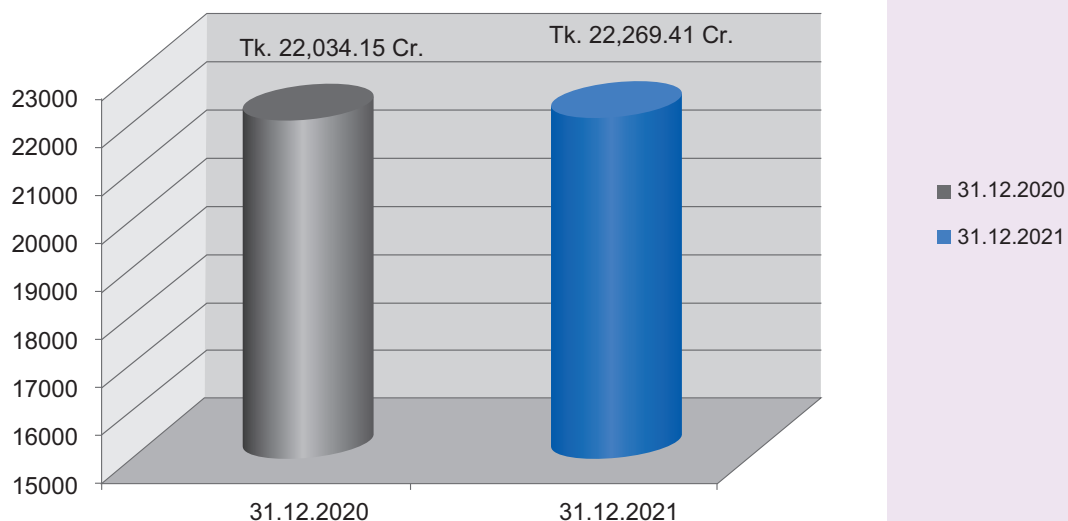
LOANS AND ADVANCES

The Bank's total Loans and Advances stood at Tk. 22,269 crore as on December 31, 2021 compared to Tk.22,034 crore at the end of 2020 showing a timid growth on context of the challenges triggered by Covid-19 pandemic. The portfolio was under continuous review to avoid the risk of single industry concentration and to keep it within the purview of the Bank's credit norms relating to risk quality, yield, exposure, tenor and collateral arrangements. Bank's clientele base continued to comprise corporate bodies engaged in such vital economic sectors as Trade finance, Readymade Garments, Steel re-rolling, Textile, Edible oil, Power, Transport, Construction/ Engineering, Retail, Pharmaceuticals, Real-estate, Paper and packaging, Agro-based industry, Cement, Ship scrapping, etc.

Sector wise Loans & Advances as on 31.12.2021



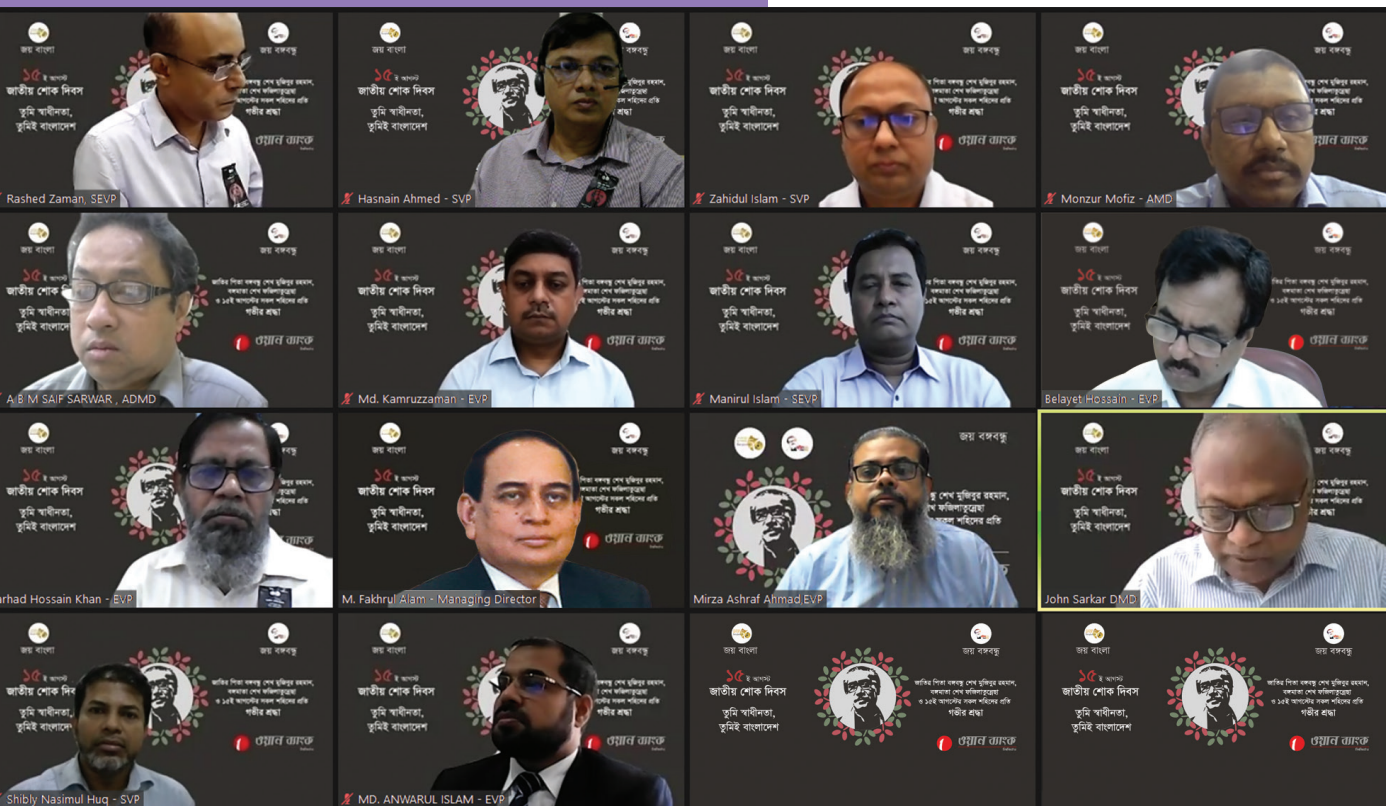
1.06 % growth of Loans & Advance in 2021



DIRECTORS' REPORT

RELATED PARTY DISCLOSURE OF THE BANK TRANSACTIONS

- i. Name of the directors together with a list of entities in which they have interest- **Annexure-E**
- ii. Significant contracts where Bank is a party and wherein Directors have interest during the year 2021:
 - i) Mr. Zahur Ullah, Vice-Chairman, ONE Bank Limited is availing a credit card limit of Tk. 500,000/= against Tk.560,000/= FDR margin and outstanding against the limit is Tk. 127,546/=
- iii. Shares issued to Directors and Executives without consideration or exercisable at discount: **Nil**
- iv. Nature, type and elements of transactions with the related party: As mentioned in SL# Viii
- v. Lending policies in respect of related party:
 - a) Amount of transaction regarding loans and advances, deposits, guarantees and commitment as on 31.12.2021:
 - ii) Lending to ONE Securities Limited amounting to Tk.6,614,482/= from ONE Bank Limited, Kawran Bazar Branch for special investment account purpose bearing interest @ 7.00% per annum.
 - iii) ONE Securities Limited maintains bank account with ONE Bank Limited of Tk. 481,368,024/=
 - iv) ONE Investment Limited maintains deposit account with ONE Bank Limited of Tk.11,479,420/=
 - v) ONE Bank Limited (OBL) maintains deposit account of Tk.170 Crore with LankaBangla Finance Limited and OBL has invested in share of LankaBangla Finance Limited of Tk. 12.24 Crore (Cost Value). OBL issued subordinated and perpetual bond to Lanka Bangla Finance Limited of Tk. 80 Crore and Tk. 50 Crore respectively.
 - b) Amount of transactions regarding principal items of deposits, expenses and commission : **Nil**
 - c) Amount of provision against loans and advances given to related party : Provision maintained @ 1% on loan amount as per regulatory requirement.
 - d) Amount of guarantees and commitments arising from other off-balance sheet exposures: **Nil**



OBL Observes National Mourning Day 2021



OBL Tree Plantation Program for Observing National Mourning Day 2021

- vi. Disclosure of transaction regarding Directors and their related concerns: Nil
- vii. Bank Guarantee amounting to Tk.84,000,000/= issued to ONE Securities Limited in favor of Dhaka Stock Exchange Ltd.
- viii. Business other than Banking business with any related concern of the Directors as per Section 18(2) of the Bank Company Act-1991 (as amended in 2018):

a) Lease Agreement made with the Directors:

The Bank has hired a space of 11,562 sq. ft. from Shamah Enterprises Limited for storage facilities and 2,000 sq. ft for Contact Center at a rent of Tk. 0.51 million per month in where the balance of paid advance rent is Tk.9.63 million (Balance as on December 31, 2021). Mr. Zahur Ullah, Director of ONE Bank Limited is one of the directors of Shamah Enterprises Limited.

2,200 million after obtaining approval from Bangladesh Bank and Bangladesh Securities and Exchange Commission. The Subordinated Bond is counted towards Tier II Capital of the Bank and the said Subordinated Bond is already fully redemption.

To meet Regulatory Capital Requirement for enhanced business activities, during the year 2016, ONE Bank Limited further issued Unsecured Nonconvertible Subordinated Bond of Tk. 4,000 million after obtaining approval from Bangladesh Bank and Bangladesh Securities and Exchange Commission.

The Subordinated Bond is counted towards Tier-II Capital of the Bank. Interest rate of the Bond is calculated as Benchmark rate +2.80% Margin.

With the view to strength the capital base of the Bank, ONE Bank Limited again issued unsecured Nonconvertible Subordinated floating rate bonds of Tk. 4,000 million after obtaining approval from Bangladesh Bank and Bangladesh Securities and Exchange Commission. Interest rate of the Bond is calculated as Benchmark rate +2.00% Margin.

To meet the Capital to Risk Weighted Assets Ratio of the Bank, ONE Bank Limited issued unsecured ,Contingent-Convertible,Floating Rate Perpetual bonds on 30th December, 2020 after obtaining approval from Bangladesh Bank and Securities and Exchange Commission vide their letters [#BRPD (BFIS) 661/14B(P)/2020/8071 dated September 29, 2020] and [# BSEC/CI/DS-118/2020/296 dated December 23, 2020] respectively. Interest rate of the Bond is calculated as Benchmark rate +2.00% Margin.

UTILIZATION OF PROCEEDS FROM PUBLIC ISSUES, RIGHTS ISSUES AND/OR THROUGH ANY OTHER INSTRUMENTS

The Bank floated shares through Initial Public Offering in 2003. The proceeds of the same was utilized in the manner disclosed in the Prospectus and subsequently published in Annual Report of the Bank in the following years. During 2013, ONE Bank Limited issued Unsecured Nonconvertible Subordinated Bond of Tk.

DIRECTORS' REPORT

THE FINANCIAL RESULTS AFTER THE COMPANY WENT FOR INITIAL PUBLIC OFFERING (IPO), REPEAT PUBLIC OFFERING (RPO), RIGHTS OFFER, DIRECT LISTING ETC.

The Bank has been constantly growing since inception, then since IPO and then since issuance of Subordinated Bond, no adverse situation has arisen to date.

SIGNIFICANT VARIANCE BETWEEN QUARTERLY FINANCIAL PERFORMANCE AND ANNUAL FINANCIAL STATEMENTS

The Bank has faced a significant variance between Quarterly Financial performance and Annual Financial Statements in terms of Earning per Share.

REMUNERATION TO DIRECTORS INCLUDING INDEPENDENT DIRECTORS

As per BRPD Circular No. 11 dated October 04, 2015, the Directors including Independent Directors are paid Tk.8,000.00 per person per meeting attended as remuneration.

PREPARATION OF FINANCIAL STATEMENTS BY THE MANAGEMENT

The financial statements prepared by the Management have presented fairly its state of affairs, the result of its operations, cash flows and changes in equity. Balance Sheet, Income Statement, Statement of Changes of Equity and Cash Flow Statement etc. are presented in Annual Report under respective heads.

MAINTENANCE OF BOOKS OF ACCOUNTS

OBL is fully compliant in keeping the proper books of accounts with the International Accounting Standard (IAS) and International Financial Reporting Standard (IFRS).

ACCOUNTING POLICIES

In preparation of Financial Statements, External Auditors are allowed absolute freedom and support in order to ensure that the Financial Statements are drawn up as per Bangladesh Bank's Guidelines, BSEC Rules, Generally Accepted Accounting Principles (GAAP), International Accounting Standards and International Financial Reporting Standards as adopted in Bangladesh.

FINANCIAL REPORTING STANDARD

The Financial Statements of the Bank prepared in accordance with International Financial Reporting Standards (IFRS) give a true and fair view of the state of the Bank's affairs as at 31 December 2021 and of the results of its operations and its cash flows for the year then ended and comply with the applicable sections of the Bank Companies Act 1991, the rules and regulations issued by the Bangladesh Bank, the Companies Act 1994 and other applicable laws and regulations. The issue is better described in the opinion of the Auditors published in this report.

INTERNAL CONTROL AND COMPLIANCE

The Bank has established an effective Internal Control System which is being periodically reviewed towards making it more effective. In addition, the Bank has established the following internal control measures:

- Strengthened the Internal Control and Compliance Division (ICCD) to ensure comprehensive audit of the Branches as well as Divisions/Departments of Corporate HQ at periodic intervals and compliance thereon, increase monitoring activities on Branches as well as different Divisions/Departments of Corporate HQ;
- Review of the Bank's performance on regular basis at Management and Board level;
- Established authority limits for transactions and expenses;
- Established Centralized Loan Administration Department & Trade Processing Center.
- Established Centralized Cash Management Operations Department.
- Established Centralized Service Delivery Department.
- Review of Bangladesh Bank's inspection report and Management's compliance thereof on regular basis;

- Ensuring strict compliance to all regulatory requirements, both existing and new.

DISCUSSION ON CONTINUITY OF ANY EXTRAORDINARY ACTIVITIES AND THEIR IMPLICATIONS (GAIN OR LOSS)

No events of extraordinary gain or loss which would require adjustment or disclosure in the financial statements occurred during the reporting period.

PROTECTION OF INTEREST OF MINORITY SHAREHOLDERS FROM ABUSIVE ACTIONS AND EFFECTIVE MEANS OF REDRESS

The Board of Directors is committed to ensuring the highest standards of governance designed to protect the interests of all stakeholders, including the rights of its minority shareholders based on integrity, openness, fairness, professionalism, accountability and applicable laws of the land. The Board of Directors always acts in a manner that safeguards the best interest of the Company as well as Shareholders (majority & minority) alike. However, any complaint, received at General Meeting or throughout the year, from any shareholders, is resolved lawfully in time.

DECLARATION OF DIVIDEND

The Bank declared 5% Stock Dividend for the year 2021.

DECLARATION OF BONUS SHARE OR STOCK DIVIDEND AS INTERIM DIVIDEND

No Bonus Share or Stock Dividend was declared as Interim Dividend in 2021.

GOING CONCERN

The going concern assumption is a fundamental principle in the preparation of financial statements. Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations. Accordingly, Assets and Liabilities are recorded on the basis that the entity will be able to realize its Assets and discharge its Liabilities in the normal course of business. In assessing the company's ability as going concern business, we have taken into consideration the quality of assets in the loan portfolio, quality of other assets, investment in the primary and secondary market, investment in the Government Securities, liquidity profile of the company, ability to meet the possible claim of short term depositors, possible impact of the changes of the Companies Act, cash flow position, possible loss of a member(s) of the key management without replacement, loss of hot deposit. In this connection by applying stress testing, the company reviews the possible impact on capital of the bank under a set of probable but plausible negative assumption. Upon Difference Analysis, there is no doubt on the continuation of the business for the foreseeable future and there is no intention to liquidate or cease its business.

DEVIATIONS FROM THE LAST YEAR'S OPERATING RESULTS

Current year profit before tax has been decreased compare to last year mainly due to increased of provision for loans and advances.

DIRECTORS' REPORT

Five Years' Financial Highlights of ONE Bank Limited

As at 31 December 2021

Figures in Million Taka

SI No	Particulars	2021	2020	2019	2018	2017
1	Authorized Capital	18,500	10,000	10,000	10,000	10,000
2	Paid up Capital	9,340	8,853	8,432	7,665	7,300
3	Shareholders' equity	17,474	17,413	16,052	14,392	14,109
4	Statutory Reserve	6,721	6,431	6,082	5,572	5,104
5	Total Capital (Tier-1 + Tier-2 Capital)	27,947	25,951	24,977	23,196	21,366
6	Total Assets	310,366	303,517	297,874	266,050	227,202
7	Total Deposits	231,123	229,485	228,091	202,546	182,675
8	Total Loans & Advances	222,694	220,342	215,228	198,909	170,393
9	Total Investment	38,217	29,984	33,728	28,724	26,144
10	Import business handled	137,954	103,742	130,548	137,904	150,633
11	Export business handled	97,273	81,118	99,496	94,797	93,806
12	Guarantee business handled	16,257	12,408	14,813	19,297	15,673
13	Total Contingent Liabilities	65,076	63,853	73,966	81,651	73,062
14	Total Operating Income	8,388	7,999	9,331	10,214	9,575
15	Total Operating Expenses	4,931	5,074	5,212	4,829	4,471
16	Profit before provision	3,456	2,925	4,119	5,385	5,105
17	Provision for loans and other assets	2,003	1,183	1,568	3,043	1,760
18	Profit after provision and before taxes	1,453	1,742	2,551	2,342	3,345
19	Provision for taxation	697	429	891	949	1,163
20	Net profit after taxation	756	1,313	1,660	1,393	2,181

Figures in Taka/Percentage

SI No	Particulars	2021	2020	2019	2018	2017
1	Earnings per Share	0.81	1.48	1.97	1.82	2.99
2	Price Earning Ratio (Times)	17.05	7.15	5.23	8.25	8.03
3	Net Asset Value per share	18.71	19.14	19.04	18.78	19.33
4	Return on Assets	0.25%	0.44%	0.59%	0.56%	1.05%
5	Return on Investment	6.01%	8.51%	6.00%	6.88%	8.26%
6	Capital Adequacy Ratio	12.03%	13.02%	12.80%	11.93%	11.56%
7	Tier - 1 (Capital Ratio)	8.88%	8.70%	8.18%	7.37%	7.60%
8	Credit Deposit Ratio	84.80%	85.33%	83.88%	83.59%	84.57%
9	Percentage of classified loans against total loans and advances	11.55%	8.60%	9.24%	7.05%	5.31%
10	Dividend					
	Cash		6.00%	5.00%		15.00%
	Stock	5.00%	5.50%	5.00%	10.00%	5.00%

SI No	Particulars	2021	2020	2019	2018	2017
1	Number of Branches	107	107	103	99	95
2	Number of Employees	2577	2425	2414	2239	2101

Earnings per share, price earning ratio and net asset value per share have been presented as per respective years' financial statements.

DIRECTORS' REPORT

No. of Meetings of the Board of Directors held & Attendance of the Directors in the Meetings during 2021

Name of the Directors	Total No. of Meetings held	Directors present in the Meetings	Absence / Remarks
Mr. A. S. M. Shahidullah Khan	14	13	01
Mr. Zahur Ullah	14	13	01
Mr. Kazi Rukunuddin Ahmed	14	12	02
Mr. Shawket Jaman	14	13	01
Ms. Anannya Das Gupta	14	13	From February 23, 2021
Mr. Syed Nurul Amin	14	1	Resigned, effective from Jan 14, 2021
Admiral AMMM Aurangzeb Chowdhury (Retd)	14	9	From June 24, 2021
Mr. M. Fakhrul Alam Managing Director	14	11	Up to October 24, 2021
Mr. Md. Monzur Mofiz Acting Managing Director	14	3	From November 07, 2021

DIRECTORS' REPORT

No. of Meetings of the Executive Committee held & Attendance of the Directors in the Meetings during 2021

Name of the Directors	Total No. of Meetings held	Directors present in the Meetings	Absence / Remarks
Mr. A. S. M. Shahidullah Khan	12	12	-
Mr. Zahur Ullah	12	12	-
Mr. Shawket Jaman	12	05	Joined on August 10, 2021
Mr. M. Fakhrul Alam Managing Director	12	10	Up to October 12, 2021
Mr. Md. Monzur Mofiz Acting Managing Director	12	02	From November 07, 2021

No. of Meetings of the Audit Committee held & Attendance of the Directors in the Meetings during 2021

Name of the Directors	Total No. of Meetings held	Directors present in the Meetings	Absence/ Remarks
Mr. Kazi Rukunuddin Ahmed	5	5	-
Mr. Shawket Jaman	5	2	Discontinued from May 05, 2021
Ms. Anannya Das Gupta	5	3	Joined on July 28, 2021
Admiral AMMM Aurangzeb Chowdhury (Retd)	5	3	Joined on July 28, 2021

No. of Meetings of the Risk Management Committee held & Attendance of the Directors in the Meetings during 2021

Name of the Directors	Total No. of Meetings held	Directors present in the Meetings	Absence / Remarks
Mr. A. S. M. Shahidullah Khan	4	2	Joined on Sep 22, 2021
Mr. Zahur Ullah	4	3	Joined on June 14, 2021
Mr. Shawket Jaman	4	2	Discontinued from June 14, 2021
Ms. Anannya Das Gupta	4	1	Member from Feb-June, 2021
Mr. Syed Nurul Amin	4	1	Resigned, effective from Jan 14, 2021
Admiral AMMM Aurangzeb Chowdhury (Retd)	4	2	Joined on Sep 22, 2021

SHAREHOLDING PATTERN

The Pattern of Shareholding along with name wise details of [1.4.k]:

I. Parent/Subsidiary/Associated companies and other related parties: ONE Securities Limited & ONE Investments Limited

II. Shareholding of Directors, Chief Executive Officer/Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children:

SI No	Name	Status	No. of Shares	Spouse & Minor Children	No. of Shares
1	Mr. A.S.M. Shahidullah Khan Representing KSC Securities Ltd	Chairman	18,910,367	Dr. Naila Khan	Nil
2	Mr. Zahur Ullah	Vice Chairman	25,613,547	Mrs. Salma Zahur	29,994,560
3	Ms. Anannya Das Gupta	Director	19,086,076	Mr. Shamik Lala	Nil
4	Mr. Kazi Rukunuddin Ahmed Representing Irfan International Ltd.	Director	18,681,523	Mrs. Dilruba Ahmed	Nil
5	Mr. Shawket Jaman Representing M. R. Holdings and Securities Ltd.	Director	18,731,845	Mrs. Shuraya Akther	Nil
6	Admiral AMMM Aurangzeb Chowdhury (Retd.)	Independent Director	Nil	Professor Dr. Afroza Ghani	Nil
7	Mr. Md. Monzur Mofiz	Managing Director	Nil	Mrs. Umma Salma Chowdhury	Nil
8	Mr. John Sarkar	DMD & Company Secretary	Nil	Mrs. Josephine Sarkar	Nil
9	Mr. Pankoj Suter	Vice President In-charge Finance Division	Nil	Mrs. Tutu Rani Mondal Dibbo Suter Utso Icche Suter	Nil
10	Mr Khaled Mahbub Morshed	EVP & Head of Internal Audit	Nil	Mrs. Rabeya Basry Nafisa Tabassum Nabiha Tarannum	Nil Nil Nil

III. Executives [top five salaried employees other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit].


Sl. No.	Name	Status	No. of Shares
1	Mr. Abu Zafore Md. Saleh	AMD	Nil
2	Mr. A. B. M. Saif Sarwar	ADMD	7,524
3	Mr. Kh. Rashed Akhtar Zaman	SEVP	Nil
4	Mr. Md. Kamruzzaman	EVP	Nil
5	Mr. Md. Anwarul Islam	EVP	2,00,000

IV. Shareholders holding ten percent (10%) or more voting interest in the company : Nil

APPOINTMENT / RE-APPOINTMENT OF DIRECTORS

The issue is discussed in the Directors' Profiles.

On behalf of the Board of Directors,


A.S.M. Shahidullah Khan
Chairman

AUDIT COMMITTEE'S REPORT

The first Audit Committee of the Bank was constituted by its Board of Directors in its 60th Meeting held on March 01, 2003 in accordance with the Bangladesh Bank's directive vide BRPD Circular # 12, dated December 23, 2002. The present Audit Committee was reconstituted by the Board in its 329th Meeting held on June 24, 2021 consisting of the following members:

Sl. No.	Name	Status with the Board	Status with the Committee
01.	Admiral AMMM Aurangzeb Chowdhury (Retd)	Independent Director	Chairman
02.	Mr. Kazi Rukunuddin Ahmed	Director	Member
03.	Ms. Anannya Das Gupta	Director	Member

The Company Secretary acts as the Secretary of the Committee.

During the year 2021, the Audit Committee held 5 (five) meetings in which, the following issues, among others, were reviewed and discussed:

1. External Audit Report of the Bank and recommendation made thereon.
2. Bangladesh Bank Comprehensive Inspection Report and the recommendation made thereon.
3. Audit & Inspection reports on the Branches, Divisions and Departments of the Corporate HQ by the Internal Control & Compliance Division of the Bank.
4. Compliance status on audit observations and fraud & forgeries.
5. The corrective measures taken by the Management as regards to the Internal Audit Reports, reports relating to deficiencies in Internal Control or other issues detected by Internal and External Auditors and Inspectors of the Regulatory Authorities.
6. The compliance status of the deficiencies identified and the recommendations made by the Bangladesh Bank Inspectors, External Auditors and the Bank's Internal Auditors in their reports.
7. Implementation of Core Risk Management Guidelines including Internal Control and Compliance Risk and status of compliance thereof.
8. Yearly Risk Based Audit Plan of Internal Control & Compliance Division.
9. Reconciliation status of Inter Branch Transactions and Nostro Accounts.
10. Loan Documentation Status.
11. Status of the Anti Money Laundering activities.
12. Operating performance of ONE Bank Limited's subsidiary.
13. Un-audited quarterly and half-yearly financial statement of the Bank.
14. Annual financial statements of the Bank prior to submission to the Board for their approval.
15. Annual Health Report of the Bank.

The Audit Committee has further satisfied itself that:

- The rules and regulations of Bangladesh Bank and all other regulatory authorities and Bank's own Policy Guidelines approved by the Board of Directors of the Bank are duly complied with.
- Internal Control & Security measures are being adequately undertaken by the Bank in facilitating Information Technology (IT) based/computerized banking including ensuring right man in right place towards creation of compliance culture in the Bank.
- The assets of the Bank are safeguarded and the creation of liabilities and commitments are made transparent.
- The Financial Statements of the Bank has been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and contained full disclosure.

Reporting

Throughout the year, the committee has taken a particular note of the fraud and forgery and irregularities detected by the Internal Audit Team and the actions taken by the Management, classified loans situations, initiated measures to minimize it, instituted recovery mechanism, credit administration and thoroughly reviewed the internal control system and mechanism, including IT operation to protect the Bank from errors and omissions, fraud and forgeries and other irregularities as detected by the Internal and External Auditors.

The Minutes of the Audit Committee Meetings with the observations and the recommendations of the Audit Committee were circulated among the Members of the Committee and to the Board of Directors of the Bank for their information and necessary action.

The Audit Committee expresses thanks to the stakeholders of ONE Bank Limited for their relentless support for doing things in a compliant way towards its journey to success.

On behalf of the Audit Committee



Admiral AMMM Aurangzeb Chowdhury (Retd)

Chairman,

Audit Committee of the Board

REPORT OF THE SHARI'AH SUPERVISORY COMMITTEE

For the year ended on 31st December, 2021

All praise to Almighty Allah, the Lord of the Universe, The Beneficent, The Most Merciful - peace & blessing of Allah be upon the Prophet Muhammad (peace be upon him), his all other descendants and companions.

To the Shareholders of the ONE Bank Limited,

Assalamu Alaikum Wa Rahmatullahi Wa Barkatuh.

In compliance with the terms of reference of the Bye Laws of the Shari'ah Supervisory Committee, we submit the following Report on the "ONE Bank AL NOOR Islami Banking" operations for the year ended on 31st December, 2021:

The Bank launched Islami Banking Operation after receiving Bangladesh Bank permission for opening two (02) full functioning Islami Banking Branches i.e. Gulshan Islami Banking Branch, Dhaka and Agrabad Islami Banking Branch, Chattogram on December 15 and December 17, 2020 respectively with the Branding Name "AL NOOR".

The Shari'ah Supervisory Committee takes the opportunity to express its appreciation to the Board of Directors, the Managing Director and all members of the Management Team for their kind and continuous support. Islami Banking Operations of ONE Bank Limited is being conducted under keen supervision of Shari'ah Supervisory Committee. Shari'ah Supervisory Committee of ONE Bank Limited consists of a team of Shari'ah Scholars & experts, renowned Islami banker, Lawyer along with personalities having outstanding proficiency in Qur'an, Hadith & Fiqh. The Shari'ah Supervisory Committee meeting is being held at least once in a quarter to review the Islami Banking activities and to provide expert opinion on various Shari'ah related issues of Islami Banking Operations.

The duty of the Shari'ah Supervisory Committee is to provide independent opinions and necessary guidelines by observing and reviewing the activities of Islami Banking Operations of the Bank and to make the clients aware of Shari'ah compliance. On the other hand, the responsibility of the Bank's Management is to ensure that the Bank conducts its business under Islami Banking Operations in accordance with the rules and principles of Islamic Shari'ah.

The Shari'ah Supervisory Committee reviewed the principles and the contracts relating to the transactions and applications introduced by ONE Bank Limited AL NOOR Islami Banking operations during the period from 1st January, 2021 to 31st December, 2021. The Committee conducted review on the basis of the Shari'ah rules and principles and also with the specific fatwas, rulings and guidelines issued time to time. In addition to fatwas, the Muraqib also followed and implemented the Internal Control & Compliance guidelines on Islami Banking issued by the Bangladesh Bank.

The ONE Bank Management is responsible for ensuring that they conduct its Islami Banking business in accordance with the Shari'ah Rules and Principles. It is our responsibility as the Shari'ah Supervisory Committee to form an independent opinion, based on our review of the Islami Banking operations and to report to you.

During the year 2021, the Shari'ah Supervisory Committee of ONE Bank Limited AL NOOR Islami Banking meet in 03 (Three) formal meetings and reviewed different operational issues of Islami Banking including policy guidelines.

We have reviewed and recommended the various Product Program Guidelines (PPGs), principles and the contracts relating to the Islami Banking operations and placed for approval of the Competent Authority. We have also given our suggestions regarding Islami Banking operations for meticulous compliance with the Shari'ah rules and principles and also with the specific fatwa's, rulings & guidelines issued by Accounting & Auditing Organization for Islamic Financial Institution - AAOIFI.

We conducted our review and scrutiny on a test basis, of each type of transaction, the relevant documentation and procedures adopted by the ONE Bank Limited AL NOOR Islami Banking. We planned and performed the review so as to obtain the information and explanation which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that ONE Bank Limited AL NOOR Islami Banking has not violated Shari'ah rules and principles.

In our opinion on overall activities:

- The contracts made, transactions done and dealings entered into by the ONE Bank Limited AL NOOR Islami Banking during the year ended on 31st December, 2021 that we have reviewed are in compliance with the Shari'ah rules and principles;
- Distribution of profit to the Mudaraba Depositors based on Profit Sharing as Income Sharing Ratio - ISR that had been recommended by us in accordance with Shari'ah Principles;
- The procedure of buying & selling of goods has been maintained properly and engagement of buying agents at branch level has been strengthened; and
- The rules, process & procedures of different modes of Investment practiced by the Bank have been properly complied.

During the year under report, we advised the Bank on the following Issues:

- To take effective steps aiming at gradual development of the employees and customers awareness about Shari'ah compliance in Islami Banking.
- To arrange regular training & workshop on Islami Banking for the Officials to increase their professional skills.
- To continue close monitoring of all investment clients.
- To establish Islami Banking Service Desk at all Branches of the Bank.

To the best of our knowledge, no gross violation and lapses in the Islami Banking Operations of the Bank has occurred during the year 2021 under report and the Bank Management has been advised to keep the spirit of Shari'ah high in the days to come.

We beg Allah the Almighty to grant us all the success and straight forwardness.

Assalamu Alaikum Wa Rahmatullahi Wa Barkatuh.



Md. Kamaruzzaman
Member Secretary
Shari'ah Supervisory Committee



Md. Fariduddin Ahmed
Chairman
Shari'ah Supervisory Committee

CORPORATE GOVERNANCE

Annexure-B

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



Corporate Office:

📍 : House # 15, Road # 12, Block # F, Niketon
Gulshan-1, Dhaka-1212, Bangladesh.
☎ : +88 (02) 8836015-7 📠 : +88 016 8112 6120
✉ : hfc@hfc-bd.com 🌐 : www.hfc-bd.com

Report to the Shareholders of One Bank Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by One Bank Limited (the “Company”) for the year ended on December 31, 2021. This Code relates to the Notification No. BSEC/CMRRC/2006-158/207/ Admin/80 dated 03 June, 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission; except under condition no. 1(2)(a), 1(2)(d), 5.3(b) and 5.4(b).
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- The Governance of the company is satisfactory.

Place: Dhaka;

Dated: July 06, 2022

For Hussain Farhad & Co., Chartered
Accountants


A.K.M Fazlul Haque FCA
Partner



Chittagong Office:

Yunusco City Center (9th Floor), 807, CDA Avenue, Nasirabad, Chittagong ☎ +88 (031) 2859282 ✉ ctg@hfc-bd.com



CORPORATE GOVERNANCE

Annexure-C

[As per condition No. 1(5)(xxvii)]

Status of compliance with the conditions imposed by the Notification No BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is presented below:

(Report under condition no. 9)

Condition No.	Titles	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not Complied	
1. BOARD OF DIRECTORS				
1.1 Board's Size	The number of the Board members of the company shall not be less than 5 (five) and more than 20 (twenty).	✓		-
1.2 Independent Directors	(a) At least one fifth (1/5) of the total number of Directors in the company's Board shall be Independent Directors.		✓	The member of Independent Director's is only one instead of two. The application for approval of appointment of 2nd Independent Director is presently under process.
	(b) For the purpose of this clause "Independent Director" means a director-			
	(i) who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	✓		-
	(ii) who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family member	✓		-
	(iii) who has not been an executive of the company in immediately preceding 2 (two) financial years	✓		-
	(iv) who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	✓		-
	(v) who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	✓		-
	(vi) who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		-
	(vii) who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	✓		-

CORPORATE GOVERNANCE

	(viii) who is not independent director in more than 5 (five) listed companies	√		-
	(ix) who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI)	√		-
	(x) who has not been convicted for a criminal offence involving moral turpitude	√		-
	(c) The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM)	√		
	(d) The post of independent director(s) cannot remain vacant for more than 90 (ninety) days		√	Last Independent Director resigned dated: February 10, 2021. One Bank's application to BSEC for new Independent Director: March 29, 2021. New Independent Director approval from BSEC: May 19, 2021. One Bank's application to Bangladesh Bank for new Independent Director: May 25, 2021.
	(e) The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]. Provided further that the independent director shall not be subject to retirement by rotation as per the Companies Act, 1994 .	√		-
1.3 Qualification of Independent Directors:	(a) Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business	√		-
	(b) Independent director shall have following qualifications:			
	(i) Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association, or			Not applicable
	(ii) Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company, or			Not applicable
	(iii) Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law, or	√		-

CORPORATE GOVERNANCE

	(iv) University Teacher who has educational background in Economics or Commerce or Business Studies or Law, or			Not Applicable
	(v) Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;			Not Applicable
	(c) The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	√		-
	(d) In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission			Not Applicable
1.4 Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer	(a) The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	√		-
	(b) The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	√		-
	(c) The Chairperson of the Board shall be elected from among the non-executive directors of the company	√		-
	(d) The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	√		-
	(e) In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes	√		-
1.5 The Directors' Report to Shareholders	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):			
	(i) An industry outlook and possible future developments in the industry	√		-
	(ii) The segment-wise or product-wise performance	√		-
	(iii) Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	√		-
	(iv) A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable	√		-
	(v) A discussion on continuity of any extraordinary activities and their implications (gain or loss)			Not applicable
	(vi) A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions	√		-
	(vii) A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments	√		-

CORPORATE GOVERNANCE

(viii) An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.			Not applicable
(ix) An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements	√		The Bank has faced a significant variance between Quarterly Financial Performance and Annual Financial Statements in terms of Earnings per share (EPS).
(x) A statement of remuneration paid to the directors including independent directors	√		-
(xi) A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	√		-
(xii) A statement that proper books of account of the issuer company have been maintained	√		-
(xiii) A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	√		Operating profit has been decreased compare to last year mainly due to the effect of single digit rate of interest on loans and advances and the outbreak COVID-19 during the year 2021.
(xiv) A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed	√		-
(xv) A statement that the system of internal control is sound in design and has been effectively implemented and monitored	√		-
(xvi) A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	√		-
(xvii) A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed	√		-
(xviii) An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained	√		-
(xix) A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized	√		-
(xx) An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year			Not Applicable as current year's dividend has been recommend in the Board Meetings for approval in the upcoming AGM
(xxi) Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend.	√		-

CORPORATE GOVERNANCE

(xxii) The total number of Board meetings held during the year and attendance by each director	√		-
(xxiii) A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
(a) Parent or Subsidiary or Associated Companies and other related parties (name-wise details)	√		-
(b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details)	√		-
(c) Executives	√		-
(d) Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)			Not applicable as "Nil" in Directors' Report
(xxiv) In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
(a) a brief resume of the directors	√		-
(b) nature of his or her expertise in specific functional areas	√		-
(c) names of companies in which the person also holds the directorship and the membership of committees of the Board	√		-
(xxv) A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on			
(a) accounting policies and estimation for preparation of financial statements	√		-
(b) changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	√		-
(c) comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		-
(d) compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	√		-
(e) briefly explain the financial and economic scenario of the country and the globe	√		-
(f) risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	√		-
(g) future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM	√		-
(xxvi) Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A	√		-
(xxvii) The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C	√		-

CORPORATE GOVERNANCE

1.6 Meetings of the Board of Directors	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code	√		-
1.7 Code of Conduct for the Chairperson, other Board members and Chief Executive Officer	(a) The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company			Not Applicable
	(b) The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency			Not Applicable
2.00 Governance of Board of Directors of Subsidiary Company				
	(a) Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company	√		-
	(b) At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company	√		-
	(c) The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company	√		-
	(d) The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also	√		-
	(e) The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company	√		-
3.00 Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)				
3.1 Appointment	(a) The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	√		-
	(b) The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	√		-
	(c) The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	√		-
	(d) The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		-

CORPORATE GOVERNANCE

	(e) The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		-
3.2 Requirement to attend Board of Directors' Meetings	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	√		-
3.3 Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)	(a) The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
	(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√		-
	(ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		-
	(b) The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		-
	(c) The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		-
4.00 Board of Directors' Committee				
	For ensuring good governance in the company, the Board shall have at least following sub-committees:			
	(i) Audit Committee;	√		-
	(ii) Nomination and Remuneration Committee			Not Applicable
5.00 Audit Committee				
5.1 Responsibility to the Board of Directors.	(a) The company shall have an Audit Committee as a sub-committee of the Board	√		-
	(b) The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	√		-
	(c) The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		-
5.2 Constitution of the Audit Committee	(a) The Audit Committee shall be composed of at least 3 (three) members	√		-

CORPORATE GOVERNANCE

	(b) The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director	√		-
	(c) All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience	√		-
	(d) When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	√		-
	(e) The company secretary shall act as the Secretary of the committee.	√		-
	(f) The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	√		-
5.3 Chairperson of the Audit Committee	(a) The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director	√		-
	(b) In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes		√	No Independent Director was present during 74th & 75th Audit Committee meetings. Mr. Syed Nurul Amin, Independent Director & Chairman of the Audit Committee had to retire as per Bangladesh Bank's advice as he had previously served the company as Managing Director vide Bangladesh Bank's Letter No.BRPD(R-2)651/9(26) DL/2021-389 dated January 11, 2021. This gave rise to the above situation. However, the meeting were attended by Bangladesh Bank's observer Mr. Md. Forkan Hossain, GM, Accounts & Budgeting Department of Bangladesh Bank.
	(c) Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	√		-

CORPORATE GOVERNANCE

5.4 Meeting of the Audit Committee	(a) The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	√		-
	(b) The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.		√	No Independent Director was present during 74th & 75th Audit Committee meetings. Mr. Syed Nurul Amin, Independent Director & Chairman of the Audit Committee had to retire as per Bangladesh Bank's advice as he had previously served the company as Managing Director vide Bangladesh Bank's Letter No.BRPD(R-2)651/9(26) DL/2021-389 dated January 11, 2021. This gave rise to the above situation. However, the meeting were attended by Bangladesh Bank's observer Mr. Md. Forkan Hossain, GM, Accounts & Budgeting Department of Bangladesh Bank.
5.5 Role of Audit Committee	The Audit Committee shall:			
	(a) Oversee the financial reporting process;	√		-
	(b) monitor choice of accounting policies and principles	√		-
	(c) monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report	√		-
	(d) oversee hiring and performance of external auditors	√		-
	(e) hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		-
	(f) review along with the management, the annual financial statements before submission to the Board for approval	√		-
	(g) review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		-
	(h) review the adequacy of internal audit function;	√		-
	(i) review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		-
	(j) review statement of all related party transactions submitted by the management	√		-

CORPORATE GOVERNANCE

	(k) review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		-
	(l) oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors	√		-
	(m) oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.			Not applicable as the last IPO was issued on 2003. RPO and right share were not issued by the Bank.
5.6 Reporting of the Audit Committee	(a) Reporting to the Board of Directors			
	(i) The Audit Committee shall report on its activities to the Board.	√		
	(ii) The Audit Committee shall immediately report to the Board on the following findings, if any:			
	(a) report on conflicts of interests;			Not applicable as there have been no such occurrence.
	(b) suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements			Not Applicable
	(c) suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations			Not Applicable
	(d) any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			Not Applicable
	(b) Reporting to the Authorities If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			Not Applicable as the management has informed that no such issue arose and therefore nothing has been reported to the Board of Directors
5.7 Reporting to the Shareholders and General Investors	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.			Not applicable

CORPORATE GOVERNANCE

6.00 Nomination and Remuneration Committee (NRC)				
6.1 Responsibility to the Board of Directors	(a) The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board			Not applicable
	(b) The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;			Not applicable
	(c) The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b)			Not applicable
6.2 Constitution of the NRC	(a) The Committee shall comprise of at least three members including an independent director			Not Applicable
	(b) All members of the Committee shall be non-executive directors			
	(c) Members of the Committee shall be nominated and appointed by the Board			
	(d) The Board shall have authority to remove and appoint any member of the Committee			
	(e) In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			
	(f) The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee			
	(g) The company secretary shall act as the secretary of the Committee			
	(h) The quorum of the NRC meeting shall not constitute without attendance of at least an independent director			
	(i) No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company			
6.3 Chairperson of the NRC	(a) The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director			Not Applicable
	(b) In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes			
	(c) The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM			

CORPORATE GOVERNANCE

6.4 Meeting of the NRC	(a) The NRC shall conduct at least one meeting in a financial year			Not Applicable
	(b) The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC			
	(c) The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h)			
	(d) The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.			
6.5 Role of the NRC	(a) NRC shall be independent and responsible or accountable to the Board and to the shareholders.			Not Applicable
	(b) NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
	(i) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
	(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;			Not Applicable
	(b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks			
	(c) remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals			
	(ii) devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality			
	(iii) identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board			
	(iv) formulating the criteria for evaluation of performance of independent directors and the Board			
	(v) identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria			
	(vi) developing, recommending and reviewing annually the company's human resources and training policies			
	(c) The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report			
7.00 External or Statutory Auditors				
	(1) The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely			
	(i) appraisal or valuation services or fairness opinions	√		-
	(ii) financial information systems design and implementation:	√		-

CORPORATE GOVERNANCE

(iii) book-keeping or other services related to the accounting records or financial statements	√		-
(iv) broker-dealer services;	√		-
(v) actuarial services;	√		-
(vi) internal audit services or special audit services	√		-
(vii) any service that the Audit Committee determines	√		-
(viii) audit or certification services on compliance of corporate governance as required under condition No. 9(1)	√		-
(ix) any other service that creates conflict of interest	√		-
(2) No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	√		-
(3) Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		-
8. Maintaining a website by the Company			
(1) The company shall have an official website linked with the website of the stock exchange	√		-
(2) The company shall keep the website functional from the date of listing	√		-
(3) The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s)	√		-
9. Reporting and Compliance of Corporate Governance			
(1) The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		-
(2) The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	√		-
(3) The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		-



OBL Professional Loan

ONE Bank Professional loan is an Equated Monthly Installment (EMI) based loan facility for professionals like doctors, accountants, engineers, architects and other professionals involved in self-practice or consulting.

- Loan amount up to BDT 20,00,000
- Loan tenure: up to 60 months
- Competitive Interest Rate
- Quick processing time
- Processing fee waived on loan take over from the other banks

Eligibility:

- Any credit worthy Bangladeshi individual having age between 21 to 70 years or length of service whichever is lower

Click: www.onebank.com.bd
Call Centre: 16269



ONE Bank
LIMITED
...Make It Yours

DECLARATION OF MD AND CFO

Date: 30 April 2022

The Board of Directors
ONE Bank Limited
HRC Bhaban
46, Kawran Bazar C.A.
Dhaka-1215

Subject: Declaration on Financial Statements for the year ended on 31 December 2021.

Dear Sirs,

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

- (1) The Financial Statements of ONE Bank Limited for the year ended on 31 December 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on 31 December 2021 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Parul Das FCA
SEVP & CFO



Md. Monzur Mofiz
Managing Director

OBL DIVIDEND POLICY

Preamble: OBL Dividend policy is the strategy that the Bank follows in deciding the amount of dividends, ensure a steady/ regular dividend payout every year, possible tax advantage, support for stock price, flexibility, offsetting dilution effect and financial leverage, depending on Profitability, Growth, Free cash flow and Past dividends. It is a tradeoff between retained earnings on the one hand and paying out cash on the other hand.

Different types of dividend i.e., cash, stock & mix dividends policy are prevailing at present in the Banking industries. Considering the regulators requirement as well as shareholders' expectation (a) a few banks are following cash dividend, (b) a few banks are following stock dividend but (c) maximum banks are following mix dividend policy i.e., both stock and cash dividends in even or uneven ratio.

Core Policy of OBL: Dividend policy of ONE Bank limited is devised taking into account the long, medium and short term impacts on the shareholders' value, stock price cumshareholders' perception and local legislations and so on. It primarily focuses on:

1. **Capital Base:** Stock Dividend enhances the Capital Base and strengthens bank's capacity. ONE Bank Ltd pursues a policy of continued enhancement of the Capital Base.
2. **Reinvestment:** Stock Dividend is the best source of fund and as such one of the most potential sources of liquidity.
3. **Dilution of EPS:** Stock Dividend enhances number of shares which results in dilution of EPS, thus barring the growth of EPS. Considering this, the Bank will strive to strike a balance between issuance of stock & cash dividends to maintain a steady growth in EPS.
4. **Shareholders Expectation:** Shareholders prefer immediate payout / Cash Dividend. Cash Dividend generates high return on investment in comparison with Stock Dividend if the market value and face value of shares are similar or closure to each other.

Regulatory Requirements:

1. **Regulator directives:** Regulators encourage Cash Dividend. As such, there is a regulatory obligation for paying more Cash Dividend. The provisions of two regulators are quoted here-
 - i. **DSE-**As per DSE Notification dated December 04, 2013 any listed company shall be shifted or transferred to the "B-category" immediately if the issuer failed to declare dividend at least at the rate of ten percent in the last English calendar year.
 - ii. **ITO 1984-**As per section 16(F) of ITO 1984, Cash Dividend Ratio will be higher or equal to the ratio of Stock Dividend, otherwise 10% Tax to be paid on whole amount of Stock Dividend.

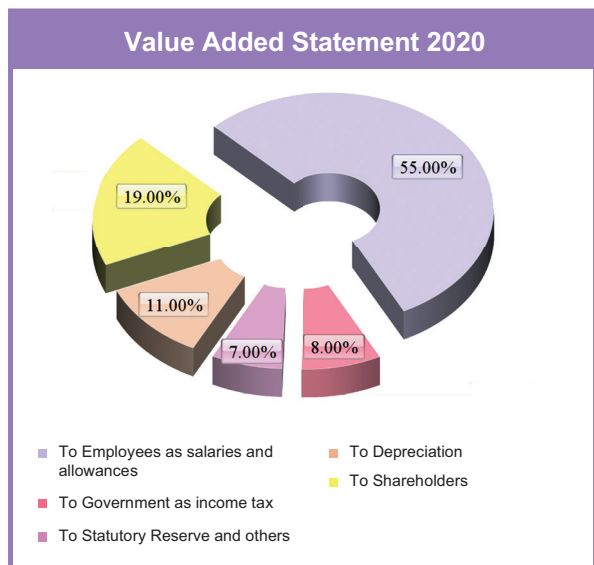
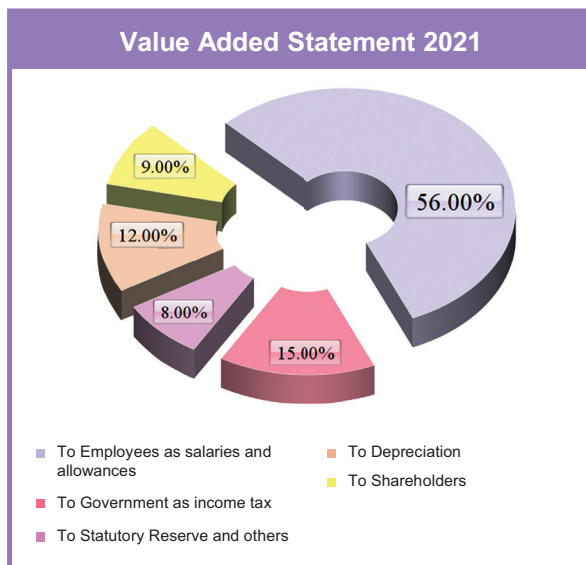
Conclusion: ONE Bank Limited will follow stable/ regular and hybrid/mix dividend policy i.e. infusing cash and stock dividends in compliance with the circulars/notifications/directives of Bangladesh Bank, Bangladesh Securities & Exchange Commission (BSEC) and/or other regulators/Authorities.

The issuance of Dividends will be finally approved in AGM before disbursement.

VALUE ADDED STATEMENT

The Value Added Statement of ONE Bank Limited shows how the value is created and distributed to the different stakeholders of the Bank.

Particulars	2021 Taka	2020 Taka
Income from banking Service	20,265,037,251	24,265,660,282
Less: Cost of services and supplies	(13,506,775,751)	(18,007,201,086)
	6,758,261,500	6,258,459,196
Loan loss provision and other provisions	(2,003,180,326)	(1,183,244,041)
Total Value Added	4,755,081,174	5,075,215,155



Particulars	2021 (Taka)	%	2020 (Taka)	%
Distribution of added value				
To Employees as salaries and allowances	2,685,249,643	56%	2,784,970,131	55%
To Government as income tax	697,054,091	15%	428,725,142	8%
To Statutory Reserve and others	381,272,019	8%	348,349,510	7%
To Depreciation	548,497,474	12%	548,497,474	11%
To Shareholders	443,007,947	9%	964,672,898	19%
Total	4,755,081,174	100%	5,075,215,155	100%

CREDIT RATING REPORT

ONE Bank Limited has been rated by the Emerging Credit Rating Limited (ECRL) on the basis of Financial Statements for the year ended 31 December 2021. The summary of the rating is presented below:

Date of Declaration	Valid Till	Long Term Rating	Short Term Rating
March 10, 2022	March 9, 2023	AA	ST-2
March 10, 2021	March 9, 2022	AA	ST-2
March 10, 2020	March 9, 2021	AA	ST-2

Long Term AA means:

Commercial Banks rated AA have very strong capacity to meet their financial commitments and is generally in a position to withstand adverse developments in the economy, business and other external conditions. These institutions typically possess a good track record and have no readily apparent weaknesses.

Short Term ST-2 means:

Commercial Banks rated in this category are considered to have strong capacity to meet its financial commitments in a timely manner. However, it is somewhat susceptible to adverse development in the economy, business and other external conditions.



DISCLOSURES ON RISK BASED (BASEL-III)

Disclosures on Risk Based Capital (BASEL-III)

For the year ended 31 December, 2021

Introduction

In Compliance with Pillar III of the revised Framework for International Convergence of Capital Measurement and Capital Standards (BASEL III) and adopted under the Bangladesh Bank rules and regulations on risk based capital adequacy as per BRPD circular no 18 dated December 21, 2014 (Implementation of BASEL III in Bangladesh), more elaborate and expended public disclosure is required regarding risk profile as per following breakdown.

Components of Disclosure Framework

1. Scope of application
2. Capital Structure
3. Capital Adequacy
4. Credit Risk
5. Equities: disclosures for banking book positions
6. Interest rate risk in the banking book (IRRBB)
7. Market risk
8. Operational Risk
9. Liquidity Ratio
10. Leverage Ratio
11. Remuneration

1. Scope of application

The Risk Based Capital Adequacy framework applies to all banks on Solo and consolidated basis, where 'Solo' basis refers to all positions of the bank and 'Consolidated' basis includes subsidiary company of ONE Securities Limited.

a)	The name of the top corporate entity in the group to which this guidelines applies.	ONE Bank Limited
b)	An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group: <ol style="list-style-type: none"> (i) that are fully consolidated (ii) that are given a deduction treatment; and (iii) that are neither consolidated nor deducted (e.g. where the investment is risk weighted). 	<p>The consolidated financial statements of the Bank include the financial statements of (i) ONE Bank Limited, and (ii) ONE Securities Limited.</p> <p>ONE Bank holds 99.99%, shares of ONE Securities Limited.</p> <p>The bank has an approved disclosure policy to observe the disclosure requirements set out by the Bangladesh Bank and International Financial Reporting Standard (IFRS) and International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) into Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS) where relevant to the bank.</p> <p>ONE Bank Ltd. (the "Bank") is a private sector commercial bank incorporated with the Registrar of Joint Stock Companies under the Companies Act 1994. The Bank commenced its banking operation on 14 July, 1999 by obtaining license from the Bangladesh Bank on 2 July, 1999 under section 31 of the Bank Company Act 1991.</p> <p>ONE Securities Limited (OSL) is a subsidiary of ONE Bank Limited. OSL was incorporated on May 04, 2011 under the Companies Act (Act XVIII) of 1994 as a Private Limited Company. Subsequently, it was converted into Public Limited Company on December 24, 2014 after completion of due formalities with Registrar of Joint Stock Companies and Firms (RJSC).</p>

Disclosures on Risk Based Capital (BASEL-III)

		ONE Investments Limited (OIL) is a subsidiary of ONE Bank Limited. OIL was incorporated on April 26, 2018 under the Companies Act (Act XVIII) of 1994 as a Private Limited Company after completion of the formalities with the Registrar of Joint Stock Companies and Firms (RJSC). The Registered Office of the Company is situated at HRC Bhaban, 46 Kawran Bazar C.A., Dhaka-1215.
c)	Any restrictions, or other major impediment, on transfer of funds or regulatory capital within the group.	Not applicable
d)	The aggregate amount of capital deficiencies in all subsidiaries not included in the consolidation that are deducted and the names(s) of such subsidiaries.	Not applicable

2. Capital Structure

a. Qualitative Disclosures

a)	Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in Tier 1, Additional Tier 1 or in Tier 2.	<p>In terms of Section 13 of the Bank Company Act, 1991 (Amended up to 2013), the terms and conditions of the main features of all capital instruments have been segregated in terms of the eligibility criteria set forth vide BRPD Circular No. 18 dated 21 December 2014 and other relevant instructions given by Bangladesh Bank from time to time. The main features of the capital instruments are as follows:</p> <p>1. Tier 1 Capital (a+ b) (Going-concern capital)</p> <p>a) Common Equity Tier-1 Capital (CET-1):</p> <ul style="list-style-type: none"> ✓ Paid-up share capital ✓ Non-repayable share premium ✓ Statutory Reserve ✓ General Reserve ✓ Retained Earnings ✓ Dividend Equalization Fund ✓ Minority Interest in Subsidiaries <p>Regulatory Adjustments from Tier-1 capital-</p> <ul style="list-style-type: none"> • Shortfall in provisions required against Non Performing Loans • Shortfall in provisions required against investment in shares • Goodwill and all other Intangible Assets (if derecognized by relevant Accounting Standards) • Deferred Tax Assets (DTA) • Defined benefit pension fund assets • Gain on sale related to securitization transactions • Investment in own CET-1 Instruments/Shares • Reciprocal Crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities • Investments in subsidiaries which are not consolidated (50% of Investment) <p>b) Additional Tier-1 Capital :</p> <ul style="list-style-type: none"> ✓ Perpetual Instrument. <p>2. Tier-2 Capital (Gone-concern capital) :</p> <ul style="list-style-type: none"> ✓ General Provision ✓ All Other preference shares ✓ Subordinated debt ✓ Minority Interest i.e. Tier-2 issued by consolidated subsidiaries to third parties
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Disclosures on Risk Based Capital (BASEL-III)

	Regulatory Adjustments from Tier-2 capital- <ul style="list-style-type: none"> Investment in own T-2 instruments/Shares Reciprocal crossholdings in the T-2 Capital of Banking, Financial and Insurance Entities Any investment exceeding the approved limit under section 26 ka(1) of Bank Company Act, 1991 Investments in subsidiaries which are not consolidated (50% of Investment)
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b. Quantitative Disclosures

Amount in crore Taka

a)	Tier-1 Capital (Going-concern capital)	Solo	Consolidated
	1. Common Equity Tier-1		
	✓ Paid up capital	934.04	934.04
	✓ Statutory Reserve	672.14	672.14
	✓ Capital Reserve	-	0.81
	✓ Retained Earnings	100.72	123.80
	✓ Minority Interest in Subsidiaries	-	3.29
	Sub total	1,706.90	1,734.09
	Adjustment:		
	✓ Deferred Tax Assets (DTA)	8.46	8.46
	✓ Goodwill and all other Intangible Assets	0.02	0.02
	✓ Reciprocal Crossholdings	0.60	7.65
	Total Common Equity Tier-1 Capital	1,697.81	1,717.96
	2. Additional Tier-1 Capital	365.00	365.00
b)	Tier-2 Capital (Gone-concern capital)		
	✓ General Provision	331.93	332.08
	✓ Subordinated debt	400.00	400.00
	Total Tier-2 Capital	731.93	732.08
	Total Eligible Capital	2,794.74	2,815.04

3. Capital Adequacy

a. Qualitative Disclosures

a)	<p>A summary discussion of the Bank's approach to assessing the adequacy of its capital to support current and future activities.</p>	<p>The Bank assesses the adequacy of its capital in terms of Section 13 (1) of the Bank Company Act, 1991 (Amended up to 2013) and instruction contained in BRPD Circular No. 18 dated 21 December 2014 (Implementation of Basel III in Bangladesh). However, in terms of the regulatory guidelines, the Bank computes the capital charge / requirement as under:</p> <ul style="list-style-type: none"> (a) Credit risk : On the basis of Standardized Approach (b) Market risk : On the basis of Standardized Approach; and (c) Operational risk: On the basis of Basic Indicator Approach. <p>As per Basel-III norms, capital adequacy i.e. buffer capital is must for banks to protect the unexpected losses against the risk profile and future business growth of the bank. As per new guidelines, Capital Conservation Buffer @ 2.50% in the form of tier-1 capital is to maintain to absorb more shocks in addition to 10% in earlier requirement.</p>
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Disclosures on Risk Based Capital (BASEL-III)

	<p>Under the Standardized Approach of the RBCA guidelines of Basel-III, counterparties credit rating are determined on the basis of risk profile assessed by the External Credit Assessment Institutions (ECAIs) duly recognized by Bangladesh Bank to derive risk-weights of exposures under the portfolio of claims. According to the guideline, the rated exposures of a bank will reduce the Risk Weights and the regulatory capital requirement as well as create the room to expand the business of the bank. This will also enable the bank to assess the creditworthiness of the borrowers as well, to an acceptable level.</p> <p>To maintain adequate capital OBL has already issued three Subordinated Bonds i. e., (a) Subordinated Bond-1 of Tk. 220 crore issued on 26th December 2013 (qualifying amount as on 31st December, 2021 is nil), (b) Subordinated Bond-2 of Tk. 400 crore issued on 27th October 2016 (qualifying amount as on 31st December, 2021 is Tk. 80 crore) and (c) Subordinated Bond-3 of Tk. 400 crore issued in 2019(qualifying amount as on 31st December, 2021 is Tk. 320 crore). To strengthen the Tier-1 capital, issuance of perpetual Bond of Tk. 400 crore is under process and maximum portion thereof Tk. 365 crore has already been issued by December 2021. The remaining portion of the perpetual bond will be issued hopefully very soon. As a result, OBL has adequate capital against the regulatory requirement to uphold and strengthen the confidence of its investors, Depositors and other stakeholders. The Board of Directors & the Senior Management of the bank emphasized rigorously round the year 2021 on corporate borrowers credit rating to lower our risk profile as well as to reduce the capital requirement of the bank. Accordingly, Asset Marketing & Credit Risk Management (CRM) teams have taken all-out efforts to increase the number of corporate borrower's exposures under rated. They are constantly taking the initiatives through guidance of the Senior Management; series of meetings, correspondence, awareness program with the allied concerns i.e. branches of the bank & ECAIs.</p> <p>As per BASEL-III Guidelines, a BASEL Committee comprised of senior Management / Department Heads of relevant sectors have been formed to conduct quarterly meeting chaired by Managing Director to supervise and implement the instructions of regulatory requirement as per Bangladesh Bank Guidelines.</p>
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b. Quantitative Disclosure:

Amount in crore Taka

Particulars	Solo	Consolidated
Credit Risk Weighted Assets	20,449.18	20,219.91
On- Balance sheet	19,575.71	19,346.45
Off-Balance sheet	873.47	873.47
Market Risk Weighted Assets	426.19	714.44
Operational Risk Weighted Assets	2,347.86	2,366.69
Total Risk Weighted Assets	23,223.23	23,301.05
Required Capital against Credit, Market and Operational Risk	2,322.32	2,330.10
1. Tier-1 Capital (2+3)	2,062.82	2082.96
2. Common Equity Tier-1 Capital (CET-1)	1,697.82	1,717.96
3. Additional Tier-1 Capital (AT-1)	365.00	365.00
4. Tier-2 Capital	731.93	732.08
Total Regulatory Capital (1+4) :	2,794.74	2,815.04
Capital to Risk Weighted Assets Ratio (CRAR)	12.03%	12.08%
Common Equity Tier-1 to RWA	7.31%	7.37%
Tier-1 Capital to RWA	8.88%	8.94%
Tier-2 Capital to RWA	3.15%	4.14%

Disclosures on Risk Based Capital (BASEL-III)

ONE Bank Ltd finalized the Financial Statements of 2021 considering the instruction given by Bangladesh Bank vide letter DOS(CAMS)-1157/41(Dividend)/2022-2295 dated 28 April 2022 to defer the provision shortfall of Tk. 967.99 crore (General Provision Tk. 661.33 crore and Specific Provision Tk. 306.66 crore) over the next 5 years (i.e. 2022 to 2026).

4. Credit Risk

a. Qualitative Disclosure:

Credit risk is the risk of financial loss resulting from failure by a client or counterparty to meet its contractual obligations to the Bank. Credit risk arises from the bank's dealings with or lending to corporate, individuals and other banks or financial institutions. ONE Bank is managing Credit Risk through a robust process that enables the bank to proactively manage loan portfolios in order to minimize losses and earn an acceptable level of return for shareholders.

4.1. Definitions of past due and impaired

ONE Bank Limited follows the Bangladesh Bank guidelines and definitions of past due and impaired loans as below:

Loan Type	Default		Classified / Impaired		
	Past due	Special Mention	SS	DF	BL
Continuous Loan	If not repaid/renewed within the fixed expiry date for repayment or after the demand by the Bank is treated as past due/overdue from the following day of the expiry date.	A continuous Credit, Demand Loan or a Term Loan which will remain overdue for a period of 02 (two) months or more will be treated as Special Mention Account (SMA).	If it remains past due /overdue for 3 months or beyond but less than 9 months.	If it remains past due /overdue for 9 months or beyond but less than 12 months.	If it remains past due /overdue for 12 months or beyond.
Demand Loan	If not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/ overdue/ overdue from the following day of the expiry date.		If it remains past due/overdue for 3 months or beyond but less than 9 months from the date of expiry / claim by the bank or from the date of creation of the forced loan	If it remains past due/ overdue for 9 months or beyond but less than 12 months from the date of claim by the bank or from the date of creation of the forced loan	If it remains past due/ overdue for 12 months or beyond from the date of claim by the bank or from the date of creation of the forced loan
Term Loan upto Tk.10.00 lac	In case any installment (s) or part of installment (s) of a Fixed Term Loan upto Tk.10.00 lac is not repaid within the due date, the amount of unpaid installment (s) will be termed as past due / overdue installments from the following day of the due date		If the amount of past due installment is equal to or more than the amount of installment (s) due within 3 months, the entire loan will be classified as "Sub-standard".	If the amount of past due installment is equal to or more than the amount of installment (s) due within 9 months, the entire loan will be classified as "Doubtful".	If the amount of past due installment is equal to or more than the amount of installment (s) due for 12 months or beyond, the entire loan will be classified as "Bad /Loss"
Term Loan above Tk.10.00 lac	In case any installment (s) or part of installment (s) of a Fixed Term Loan above Tk. 10.00 lac is not repaid within the due date, the amount of unpaid installment (s) will be termed as past due / overdue installments from the following day of the due date		If the amount of past due installment is equal to or more than the amount of installment (s) due within 3 months, the entire loan will be classified as "Sub-standard".	If the amount of past due installment is equal to or more than the amount of installment (s) due within 9 months, the entire loan will be classified as "Doubtful".	If the amount of past due installment is equal to or more than the amount of installment (s) due for 12 months or beyond, the entire loan will be classified as "Bad /Loss"

Disclosures on Risk Based Capital (BASEL-III)

Loan Type	Default		Classified / Impaired		
	Past due	Special Mention	SS	DF	BL
Short-term Agricultural and Micro - Credit	If not repaid within the fixed expiry date for repayment will be considered past due / overdue after six months of the expiry date.		If irregular status continues, the credit will be classified as 'Substandard' after a period of 12 months,	after a period of 36 months	after a period of 60 months

ONE Bank Limited follows the Bangladesh Bank guidelines and definitions of past due and impaired loans of CMSME as below:

Loan Type	Default		Classified / Impaired		
	Past due	Special Mention	SS	DF	BL
Continuous Loan	If not repaid/renewed within the fixed expiry date for repayment or after the demand by the Bank is treated as past due/overdue from the following day of the expiry date.	A continuous Credit, Demand Loan or a Term Loan which will remain overdue for a period of 02 (two) months or more will be treated as Special Mention Account (SMA).	If it remains past due / overdue for a period of 6 months or beyond but less than 18 months.	If it remains past due /overdue for 18 months or beyond but less than 30 months.	If it remains past due /overdue for a period of 30 months or beyond.
Demand Loan					
Fixed Term Loan	In case any installment (s) or part of installment (s) of a Fixed Term Loan is not repaid within the due date, the amount of unpaid installment (s) will be termed as past due /overdue installments from the following day of the due date		If the amount of past due installment is equal to or more than the amount of installment (s) past due/overdue for a period of 6 months or beyond but less than 18 months, the entire loan will be classified as "Sub-standard".	If the amount of past due installment is equal to or more than the amount of installment (s) past due/overdue for a period of 18 months or beyond but less than 30 months, the entire loan will be classified as "Doubtful".	If the amount of past due installment is equal to or more than the amount of installment (s) past due/overdue for a period of 30 months or beyond, the entire loan will be classified as "Bad/Loss".

4.2 Description of approaches followed for specific and general allowances

ONE Bank Limited follows the General and Specific Provision requirement as prescribed by Bangladesh Bank from time to time.

4.3 Methods used to measure credit risk

In compliance with Risk Based Capital Adequacy, OBL, as per BASEL-III Guideline, uses ratings assigned by External Credit Assessment Agencies (ECAIs) approved by Bangladesh Bank. The rating is used for both fund based and Non-fund based exposure for corporate borrowers. Corporate, which are yet to get the ratings from these rating agencies, are treated as 'Unrated'.

OBL also uses the Credit Risk Grading System as introduced by Bangladesh Bank before taking any exposure on Corporate and Medium clients.

4.4 Credit Risk Management System

Credit Risk Management includes a host of management techniques, which help the banks in mitigating the adverse impacts of credit risk. The objective of the Credit Risk Management is to identify measure, monitor and control credit risk by adopting suitable methodology.

Disclosures on Risk Based Capital (BASEL-III)

OBL Credit Policy laid down clear outlines from managing credit risk of the Bank. It gives organization structure, defines role and responsibilities of credit handling officials and processes to identify, quantify and manage credit risk.

Credit Risk management system of the Bank clearly defines the roles and responsibilities of the Marketing Division, CRM Division & Credit Administration Department. Marketing division is responsible for Business Solicitation / Relationship Management. CRM Division has been vested with the responsibilities relating to credit approval, credit review, risk grading, credit MIS. The Bank has setup Project Appraisal & Monitoring [PAM] Department under CRM Division manned with qualified Engineers for pre-sanction project appraisal & monitoring of post-disbursement project implementation. Special Asset Management Department also reports to Head of CRM Division relating to the management of impaired assets. Credit Administration Division has been entrusted with completion of documentation formalities, loading of credit limits in the system, monitoring of account movements & repayments.

The policy covers a structured and standardized credit approval process including a comprehensive credit appraisal procedure. In order to assess the credit risk associated with any financing proposal, the Bank assesses a variety of risks relating to the borrower and the relevant industry. The Bank evaluates borrower risk by focusing:

- ✓ Borrower's standing
- ✓ Borrower's business and market position
- ✓ Financial position of the borrower by analyzing the financial statements, its past financial performance, its financial flexibility in terms of ability to raise capital and its cash flow adequacy.

The Board of Directors of the Bank has delegated Business Approval Power to the Head of CRM and Managing Director. Credit facilities beyond the delegation are approved by the EC and / or Board.

The Bank manages its credit risk through continuous measuring and monitoring of risks at each obligor (borrower) and portfolio level. ONE Bank is also considering credit ratings of the client assessed by ECAs while initiating any credit decision. A well structured Delegation and Sub-delegation of Credit Approval Authority is prevailing at ONE Bank Limited for ensuring goods governance and better control in credit approval and monitoring.

4.5 Credit Risk Mitigation

Banks, for mitigating credit risks, usually accepts collaterals viz. cash and cash equivalents, registered mortgage on land and building and hypothecation of inventory, receivables and machinery, motor vehicles, aircraft etc. Housing loans are secured by the property/ asset being financed.

However, in compliance with Risk Based Capital Adequacy as prescribed by Bangladesh Bank OBL only considers eligible financial collateral for risk mitigation as per Basel III guidelines.

The Bank accepts guarantees from individuals with considerable net worth and the Corporate, besides guarantee issued by Government, other Commercial banks in line with present BASEL-III guidelines.

4.6 Policies and Processes for Collateral Valuation and Management

OBL has specific stipulations about acceptability, eligibility and mode of valuation of real estate collaterals whereby independent qualified surveyors have been enlisted to perform the valuation job. Apart from professional valuation, RMs and credit officers at Branch level physically verify the collateral offered and cross check the professional valuation. Subsequently entire chain documents of the collateral are checked and vetted both by OBL enlisted Panel Lawyers and Head Office Loan Administration Division so as to ensure clean title and enforceability of the collateral.

b. Quantitative Disclosure:

a)	Total gross credit risk exposures broken down by major types of credit exposures	Major types of credit exposure as per disclosures in the audited financial statements as of 31 December, 2021		
		Particulars	Outstanding Amount	Mix (%)
		Overdraft	4,114.11	18.47%
		Export cash credit	684.75	3.07%
		Transport loan	137.95	0.62%

Disclosures on Risk Based Capital (BASEL-III)

	House building loan	894.89	4.02%
	Loan against trust receipt	510.66	2.29%
	Term loan	9,758.85	43.82%
	Payment against document	1,319.84	5.93%
	Consumer Finance	310.16	1.39%
	Staff loan	68.23	0.31%
	Bills purchased and discounted	184.88	0.83%
	Others	4,285.09	19.24%
	Total loans and advances	22,269.41	100%

b)	Geographical distribution of exposures, broken down in significant areas by major types of credit exposure	Geographical distribution of credit exposures as per the disclosures in the audited financial statements as of 31 December, 2021 are as follows:		
		Amount in crore Taka		
		Particulars	Outstanding Loan	Mix (%)
		Urban		
		Dhaka Division	14,853.79	66.70%
		Chattogram Division	4,613.09	20.71%
		Khulna Division	751.98	3.38%
		Rajshahi Division	347.60	1.56%
		Rangpur Division	85.77	0.39%
		Barishal Division	63.18	0.28%
		Sylhet Division	23.62	0.11%
		Sub-total (Urban)	20,739.03	93.13%
		Rural		
		Dhaka Division	974.27	4.37%
		Chattogram Division	463.59	2.08%
		Khulna Division	43.76	0.20%
		Rajshahi Division	31.15	0.14%
		Barishal Division	0	0.00%
		Rangpur Division	0	0.00%
		Sylhet Division	17.62	0.08%
		Sub-total (Rural)	1,530.38	6.87%
		Grand Total (Urban + Rural)	22,269.41	100%

Disclosures on Risk Based Capital (BASEL-III)

c)	By major industry or counterparty type	(a) Amount of impaired loans and if available, past due loans, provided separately			
		Amount of impaired / classified loans by major industry/sector-type as of 31 December, 2021 was as under:			
		Major industry/sector type	Outstanding Amount in crore	Mix (%)	
		Agriculture Financing	6.79	0.26%	
		Readymade Garments (RMG) Industries	358.15	13.92%	
		Textile Industries	194.60	7.56%	
		Ship Breaking	147.58	5.74%	
		Other Manufacturing Industries	503.32	19.56%	
		Small & Medium Enterprise (SME) Loans	476.55	18.52%	
		Construction Industries	50.48	1.96%	
		Transport and Storage	45.33	1.76%	
		Trade Services	706.16	27.45%	
		Commercial Real Estate Financing	48.58	1.89%	
		Residential Real Estate Financing	14.78	0.57%	
		Consumer Credit	19.11	0.74%	
		Others	1.37	0.05%	
		Total	2,572.80	100%	
				b) Specific and general provisions	
Specific and general provisions for loans portfolio and general provision for off-balance sheet exposures of the Bank as per audited financial statements as of 31 December, 2021 was as under:					
Particulars of specific and general provisions for entire loan portfolio and off-balance sheet exposures	Amount in crore Taka				
Specific provision for loans and advances	842.98				
General provision for loans and advances	226.32				
General provision for off-balance sheet exposures	52.80				
Total	1,122.10				
c) Charges for specific allowances and charges-offs (general allowances) during the period					
The Specific and general provisions for loans portfolio and general provision for off-balance sheet exposures of the Bank charged during the year as per audited financial statements for the year ended 31 December, 2021 was as under:					
Particulars	Amount in crore Taka				
Specific provision for loans and advances	167.62				
General provision for loans and advances	32.78				
General provision for off-balance sheet exposures	(0.68)				
Total	199.72				

Disclosures on Risk Based Capital (BASEL-III)

d)	Non Performing Assets (NPAs)	Position of Non Performing Loans and Advances including bills purchased and discounted of the Bank as per audited financial statements for the year ended 31 December, 2021 was as under:	
		Movement of Non-Performing Assets (NPAs)	Amount in crore Taka
		Opening Balance	1,895.75
		Additions	708.66
		Reductions	(31.60)
		Closing Balance	2,572.80
		Movement of specific provisions for NPAs	
		Opening Balance	819.84
		Provision made during the period	270.82
		Recovery of written off Loan	(144.48)
		Write back of excess provision	(103.20)
		Closing balance	842.98

5. Equities: disclosures for Banking Book Positions

a. Qualitative Disclosures

a)	The general qualitative disclosure requirement with respect to the equity risk, including:													
	Differentiation between holdings on which capital Gains are expected and those taken under other Objectives including for relationship and strategic reasons; and Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.	Investment in equity mainly for capital gain purpose but Bank has some investment for relationship and strategic reasons.												
		Our investment in shares are being monitored and controlled by the Investment Committee are reflected in accounts through proper methodologies and accounting standards of the local & International. The accounting policies, techniques and valuation methodologies were put in places as under:												
		<table><tr><th>Particulars</th><th>Valuation method</th></tr><tr><td>Shares:</td><td></td></tr><tr><td>Quoted</td><td>At cost price. Adequate Provision is made if the aggregated market value falls below the cost price..</td></tr><tr><td>Unquoted</td><td>At cost price.</td></tr><tr><td>Bonds:</td><td></td></tr><tr><td>Subordinated bonds</td><td>At redemption value.</td></tr></table>	Particulars	Valuation method	Shares:		Quoted	At cost price. Adequate Provision is made if the aggregated market value falls below the cost price..	Unquoted	At cost price.	Bonds:		Subordinated bonds	At redemption value.
		Particulars	Valuation method											
		Shares:												
		Quoted	At cost price. Adequate Provision is made if the aggregated market value falls below the cost price..											
Unquoted	At cost price.													
Bonds:														
Subordinated bonds	At redemption value.													

b. Quantitative Disclosures

a)	Value, disclosed in the balance sheet, of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.	Amount in crore Taka					
		Particulars	Cost		Market Value		
			Bank Position	Consolidated Position	Bank Position	Consolidated Position	
			Quoted Share	51.49	224.21	96.02	238.68
			Unquoted share	13.82	13.82	13.82	13.82

Disclosures on Risk Based Capital (BASEL-III)

b)	<p>The cumulative realized gain (losses) arising from sales and liquidations in the reporting period.</p> <p>- Realized gain (losses) from equity investments</p>	The cumulative realized gain (losses):	
		Amount in Crore Taka	
		Bank Position	Consolidated Position
		0.00	0.00

c)	<ul style="list-style-type: none"> Total unrealized gains (losses) Total latent revaluation gains (losses) Any amounts of the above included in Tier 2 capital 	Total unrealized gains (losses)	
		Amount in Crore Taka	
		Bank Position	Consolidated Position
		44.53	14.47

d)	<p>Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.</p> <p>a) Capital requirements for equity investments</p> <ul style="list-style-type: none"> - For Specific market risk - For General market risk 	The capital requirements for equity investments as of 31 December, 2021 was as under:			
		Amount in crore Taka			
		Particulars	Amount (Market Value)	Weight	Capital Charge
		Specific Risk	96.02	0.10	9.60
		General Market Risk	96.02	0.10	9.60
		Total			19.20

6. Interest rate risk in the Banking Book (IRRBB)

a. Qualitative Disclosures

<p>The general qualitative disclosure requirement including the nature of IRRBB and key assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement</p>	<p>Interest rate risk is the potential impact on the Bank's earnings and net asset values due to changes in market interest rates. Interest rate risk arises when the Bank's principal and interest cash flows (including final maturities), for both On and Off-balance sheet exposures, have mismatched re-pricing dates. The amount at risk is a function of the magnitude and direction of interest rate changes and the size and maturity structure of the mismatch position. The portfolio of assets and liabilities in the banking book sensitive to interest rate changes is the element of interest rate risk.</p> <p>The immediate impact of changes in interest rates is on the Bank's net interest income (difference between interest income accrued on rate sensitive asset portfolio and interest expenses accrued on rate sensitive liability portfolio) for particular period of time, while the long term impact is on the Bank's net worth since the economic value of the Bank's assets, liabilities and Off -balance sheet exposures are affected.</p> <p>Key assumptions on loan prepayments and behavior of non-maturity deposits:</p> <ul style="list-style-type: none"> a) loans with defined contractual maturity are re-priced in the respective time buckets in which it falls as per the loan repayment schedule; b) loans without defined contractual maturity are segregated into different time buckets based on the past trend, seasonality, geographical perspective and reprised accordingly;
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Disclosures on Risk Based Capital (BASEL-III)

		<p>c) Non-maturity deposits namely current, saving deposits are segregated into different time buckets on the basis of past trend of withdrawal, seasonality, religious festivals, geographical perspective and re-priced accordingly. However, the behavior of withdrawal of non-maturity deposits of OBL is more or less stable.</p> <p>d) OBL measures the IRRBB as per the regulatory guidelines on a quarterly rest.</p>
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b. Quantitative Disclosures

The impact of changes in interest rate for On-balance sheet rate sensitive assets and liabilities of OBL as per the audited financial statements as of 31 December, 2021 is furnished below:

Amount in crore Taka

Particulars	Residual maturity bucket			
	1-90	91-180 Days	181-270	271-364
	Days	Days	Days	Days
Rate sensitive assets [A]	6,954.12	4,745.31	2,109.76	13,195.12
Rate sensitive liabilities [B]	9,987.82	3,100.96	2,289.40	7,553.83
GAP [A-B]	(3,033.69)	1,644.35	(179.65)	5,641.29
Cumulative GAP	(3,033.69)	(1,389.35)	(1,568.99)	4,072.30
Interest rate change (IRC) [Note 1]	0.0025	0.0025	0.0025	0.0025
Quarterly earnings impact [Cumulative GAP x IRC]	(7.58)	(3.47)	(3.92)	10.18
Cumulative earnings impact	(7.58)	(11.06)	(14.98)	(4.80)

Note 1: Assuming 1% rise in interest rates for both asset and liability portfolio of the Bank.

7. Market Risk

a. Qualitative Disclosures:

i) Views of Board of Directors (BOD) on trading / investment activities	<p>The Board approves all policies related to market risk, set limits and reviews compliance on a regular basis. The objective is to provide cost effective funding to finance assets growth and trade related transactions. The market risk covers the followings risks of the Bank's balance sheet:</p> <p>i) Interest rate risk; ii) Equity price risk; iii) Foreign exchange risk; and iv) Commodity price risk</p>																	
ii) Methods used to measure Market risk	<p>As per relevant Bangladesh Bank guidelines, Standardized Approach has been used to measure the Market Risk for capital requirement for trading book of the Bank. The total capital requirement in respect of market risk is the aggregate capital requirement calculated for each of the risk sub-categories. For each risk category minimum capital requirement is measured in terms of two separately calculated capital charges for “specific risk” and “general market risk” as under:</p> <table><tr><th rowspan="2">Component of Market Risk</th><th colspan="2">Capital Charged for Market Risk</th></tr><tr><th>General Market Risk</th><th>Specific Market Risk</th></tr><tr><td>Interest Rate Risk</td><td>Applied</td><td>Applied</td></tr><tr><td>Equity Price Risk</td><td>Applied</td><td>Applied</td></tr><tr><td>Foreign Exchange Risk</td><td colspan="2">Applied</td></tr><tr><td>Commodities Price Risk</td><td colspan="2">N/A</td></tr></table>	Component of Market Risk	Capital Charged for Market Risk		General Market Risk	Specific Market Risk	Interest Rate Risk	Applied	Applied	Equity Price Risk	Applied	Applied	Foreign Exchange Risk	Applied		Commodities Price Risk	N/A	
Component of Market Risk	Capital Charged for Market Risk																	
	General Market Risk	Specific Market Risk																
Interest Rate Risk	Applied	Applied																
Equity Price Risk	Applied	Applied																
Foreign Exchange Risk	Applied																	
Commodities Price Risk	N/A																	

Disclosures on Risk Based Capital (BASEL-III)

iii) Market Risk Management system	<p>The Treasury Division of the Bank manages market risk covering liquidity, interest rate and foreign exchange risks with oversight from Assets- Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director. ALCO meets at least once in a month</p> <p>The Risk Management Division also reviews the market risk parameters on monthly basis and recommends on portfolio concentration for containing the RWA.</p>
iv) Policies and processes for mitigating market risk	<p>There are approved limits for credit deposit ratio, liquid assets to total assets ratio, maturity mismatch, commitments for both on-balance sheet and off-balance sheet items and borrowing from money market and foreign exchange position. The limits are monitored and enforced on a regular basis to protect against market risks. The exchange rate committee of the bank meets on a daily basis to review the prevailing market condition, exchange rate, foreign exchange position, and transactions to mitigate foreign exchange risks.</p>

b. Quantitative Disclosure:

Amount in Crore		
Particulars	Solo	Consolidated
The capital requirements for:		
Interest Rate Risk	11.84	11.84
Equity Position risk	19.20	48.03
Foreign Exchange Risk	11.58	11.58
Commodity Risk	-	-
Total	42.62	71.45

8. Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal process, people and systems (for example failed IT system, or fraud perpetrated by OBL employee), or from external causes, whether deliberate, accidental or natural. It is inherent in all of the Bank's activities.

a. Qualitative Disclosure:

i) Views of Board of Directors (BOD) on system to reduce Operational Risk	<p>The policy for operational risks including internal control and compliance risk is approved by the Board taking into account relevant guidelines of Bangladesh Bank. Audit Committee of the Board directly oversees the activities of Internal Control and Compliance Division (IC&CD) to protect against operational risks.</p> <p>As a part of continued surveillance, the Management Committee (MANCOM), Risk Management Committee (at the management level), independent Risk Management Division regularly reviews different aspects of operational risk. The analytical assessment was reported to the Board / Risk Management Committee / Audit Committee of the Bank for review and formulating appropriate policies, tool & techniques for mitigation of operational risk.</p>
ii) Performance gap of executives and staffs	<p>OBL has a policy to provide competitive package and best working environment to attract and retain the most talented people available in the industry. OBL strong brand image plays an important role in employee motivation. As a result, there is no significant performance gap.</p>

Disclosures on Risk Based Capital (BASEL-III)

iii) Potential external event	<p>Like other peers, OBL operates its business with few external risk factors relating to the socio-economic condition, political atmosphere, regulatory policy changes, natural disaster etc.</p> <p>Considering the potential external risk, the bank invests heavily in IT infrastructure for better automation and online transaction environment.</p>
iv) Policies and processes for mitigating operational risk	<p>The policy for mitigating operational risks including internal control and compliance risk is approved by the Board taking into account relevant guidelines of Bangladesh Bank. A policy guideline on Risk Based Internal Audit (RBIA) system is in operation. Currently, OBL is using some models or tools for mitigating operational risk such as Self Assessment of Anti-fraud Internal Control; Quarterly Operational Report (QOR) and Departmental Control Function Check List in line with the Bangladesh Bank's relevant Instructions and recommendations. It is required to submit the statement on Self Assessment of Anti-fraud Internal Control to Bangladesh Bank on quarterly rest.</p> <p>Bank's Anti- Money laundering activities are headed by CAMELCO in the rank of Senior Executive Vice President and their activities are devoted to protect against all money laundering and terrorist finance related activities. The newly established Central Customer Service & Complaint Management Cell was also engaged in mitigating the operation risks of the Bank. Apart from that, there is adequate check and balance at every stage of operation, authorities are properly segregated and there is at least dual control on every transaction to protect against operational risk.</p>

b. Quantitative Disclosure:

Particulars	Amount in Crore	
	Solo	Consolidated
The capital requirements for: Operational Risk	234.79	236.67

9. Liquidity Ratio:

Liquidity risk is the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss (or make the required profit) or when a bank is unable to fulfill its commitments in time when payment falls due. Thus, liquidity risk can be of two types:

a. Qualitative Disclosure:

i) Views of Board of Directors on system to reduce Liquidity Risk	<p>OBL has adopted the Basel III framework on liquidity standards as prescribed by Bangladesh Bank (BB) and has put in place requisite systems and processes to enable periodical computation and reporting of the Liquidity Coverage Ratio (LCR) & Net Stable Funding Ratio (NSFR). The mandated regulatory threshold as per the transition plan is embedded into the Risk Appetite Statement of the Bank thus subjecting LCR & NSFR maintenance to Board oversight and periodical review. The Treasury Department computes the LCR & NSFR and reports the same to the Asset Liability Management Committee (ALCO) every month for review where ALCO is chaired by the Managing Director as well as to the Risk Management Committee (Management Level). The Risk Management Committee of the board sits quarterly to discuss the overall risk scenario of the bank. The Bank has been submitting LCR reports monthly & NSFR quarterly to BB as per prescribed guideline.</p>
ii) Methods used to measure Liquidity risk	<p>The following methods are used to measure Liquidity risk-</p> <ul style="list-style-type: none"> ✓ Liquidity Coverage Ratio (LCR) ✓ Net Stable Funding Ratio (NSFR) ✓ Cash Reserve Ratio (CRR), ✓ Statutory Liquidity Ratio (SLR) ✓ Maximum Cumulative Outflow (MCO) ✓ Advance Deposit Ratio (ADR)

Disclosures on Risk Based Capital (BASEL-III)

iii) Liquidity risk Management system	<p>The Treasury Division of the Bank manages liquidity risk with oversight from Assets-Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO meets once in a month to review strategies on Asset Liability Management.</p> <p>Liquidity Risk is measured using flow approach and stock approach. Flow approach involves comprehensive tracking of cash flow mismatches. Stock approach involves measurement of critical ratios in respect of liquidity risk. Analysis of liquidity risk also involves examining how funding requirements are likely to be affected under crisis scenarios. The Bank has a Board approved contingency action plan to manage stressed liquidity guided by the regulatory instructions. The Bank has an extensive intraday liquidity risk management framework for monitoring intraday positions during the day.</p>
iv) Policies and processes for mitigating Liquidity risk	<p>The Liquidity risk management of the Bank is undertaken by the Asset Liability Management group in the Treasury in accordance with the Board approved policies and ALCO approved funding plans. The Risk & Treasury department measures and monitors the liquidity profile of the Bank with reference to the Board approved limits, on a static as well as on a dynamic basis by using the gap analysis technique supplemented by monitoring of key liquidity ratios and periodical liquidity stress testing.</p>

b. Quantitative Disclosure:

Particulars	Amount in crore Taka
Liquidity Coverage Ratio (LCR)	149.91%
Net Stable Funding Ratio (NSFR)	115.04%
Stock of High Quality Liquid Assets	4,901.56
Total Net cash Outflows over the next 30 Calendar days	3,269.71
Available amount of stable funding	23,795.49
Required amount of stable funding	20,683.89

10. Leverage Ratio:

In order to avoid building-up excessive on- and off-balance sheet leverage in the banking system, a simple, transparent, non-risk based leverage ratio has been introduced by Bangladesh Bank. The leverage ratio is calibrated to act as a credible supplementary measure to the risk based capital requirements. The leverage ratio is intended to achieve the following objectives:

- constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy; and
- Reinforce the risk based requirements with an easy to understand and a non-risk based measure.

a. Qualitative Disclosure:

- In line with the BASEL III guidelines, OBL Board of Directors emphasis to improve Leverage Ratio by enhancing Tier 1 capital either plausible dividend policy or enhancing profitability.
- Leverage ratio is calculated dividing the Tier 1 Capital by the total Exposure. Tier 1 Capital is calculated as per BASEL III guidelines. In the case of exposure measure, OBL includes both on balance sheet exposure and off balance sheet exposure. Here, On Balance Sheet exposure is ascertained taking into consideration of accounting balance sheet netting of specific provision and off balance sheet exposure is ascertained applying 100% credit conversion factor.

Disclosures on Risk Based Capital (BASEL-III)

b. Quantitative Disclosure:

Particulars	Amount in crore Taka	
	Solo	Consolidated
Leverage Ratio	6.52%	6.58%
Adjusted Tier 1 Capital	2,062.82	2,083.00
On balance sheet exposure	30,193.66	30,220.59
Off balance sheet exposure	1,447.53	1,447.53
Deductions	(9.08)	(16.13)
Total exposure	31,632.11	31,651.99

11. Remuneration

a) Qualitative Disclosure:

a)	Information relating to the bodies that oversee remuneration and mandate of the Management.	<p>The OBL Remuneration Committee i.e. the Management is responsible for overseeing, review and implementation of Bank's overall compensation structure and related policies regarding remuneration packages for all / specialized employees and the Directors/MD/any other Bank appointed/ engaged person(s)/Material Risk Takers of the Bank. They also oversee performance linked incentives, perquisites, other financial options etc. with a view to attract, motivate and retain talents and review compensation packages/pay structure in comparison to that of other Banks and the industry in general to maintain its competitive edge.</p> <p>The Management works in close coordination with the Risk Management Committee of the Bank, in order to achieve effective alignment between remuneration and risks. The Management also ensures that the cost/ income ratio of the Bank supports the remuneration package consistent with maintenance of sound capital adequacy ratio. In addition, the Management of OBL performs the following:</p> <ul style="list-style-type: none"> - Conduct the annual review of the Compensation Policy. - Fulfill such other powers and duties as may be delegated to it by the Board. <p>Till date, the Bank has not yet engaged any External Consultants for conducting such exercise since those were done by the Bank's Management.</p> <p>OBL Remuneration Policy covers the principles and rules regarding remuneration being paid/to be paid to Directors and all employees of the Bank including the Management, its review, market intelligence, analysis and proposals for modification commensurate with changed situations in compliance with relevant laws and rules & regulations.</p> <p>An employee is considered a Material Risk Taker if he/she is the Head of a significant business line, or any individuals within their control who have a material impact on the Bank's risk profile.</p> <p>The prevailing policies regarding remuneration and other financial/non financial benefits of employees have been implemented with the approval of the Board of Directors.</p>
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Disclosures on Risk Based Capital (BASEL-III)

b)	Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy	<p>The substantive pay and other allowances including perquisites, where applicable, to the employees including all subordinates, officers and executives up to the rank of SEVP are designed/structured in line with the competitive remuneration structure prevailing in the industry. In respect of executives above the rank of SEVP i.e. ADMD, DMD & MD, the individual remuneration is fixed by the Board of Directors. Pay Structure and perquisites payable to the employees have been approved by the Board of Directors of the Bank. While determining the remuneration package, the Management and the Board take into consideration the following factors.</p> <ol style="list-style-type: none"> 1. Minimum Qualification required 2. Experience 3. Level of Risk involved 4. Criticality of the job 5. Creativity required in the job 6. Salesmanship 7. Leadership 8. Corporate Rank etc. <p>The remuneration structure for the Managing Director (MD) of the Bank is subject to approval of the Central Bank i.e. Bangladesh Bank.</p> <p>Review of the remuneration policy was not required during the year 2021 since the Bank's overall remuneration structure has remained competitive.</p>
c)	Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.	<p>The Management time to time reviews the remuneration package/structure of the key employees/positions who are involved in the functions that deal with the risk factors (both current and future positions).</p> <p>Though risk is prevalent in all the functions of a commercial bank, the functions that mainly deal with the risk factors of the Bank include:</p> <ul style="list-style-type: none"> - Marketing - CRM - Operations - Trade Finance etc. <p>The Board of Directors through the Management exercises oversight and effective governance over the framing and implementation of the remuneration policy. Human Resource Management under the guidance of MD administers the compensation and Benefit structure in line with the best suited practices and statutory requirements as applicable.</p>
d)	A discussion of the bank's policy on deferral and vesting of variable remuneration and a discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.	<p>The Bank has various schemes in regards to deferred and vested variable remuneration which are as under:</p> <ul style="list-style-type: none"> - PF (Vesting or entitlement to employer's contribution happens on completion of 03 (three) years of regular service and the Bank contributes equal amount of contribution as contributed by the employee) @ 10% of substantive pay. - Gratuity (Vesting or entitlement to employer's contribution happens on completion of 05 (five) years of regular service in the Bank) @ one substantive pay for each completed year of service and for the fraction of 6 months and above. - Death cum Survival Superannuation Fund provides superannuation and other benefits to the employees of the Bank on their death, disability, retirement/or being incapacitated at any time or for any other cause that may be deemed fit as per Board's approved policy.

Disclosures on Risk Based Capital (BASEL-III)

		<ul style="list-style-type: none"> - Furniture & Fixture allowances (the executives of the Bank are entitled to a rank-wise specific amount to meet the cost of furnishing of residence with furniture and fixture). The amount is amortized in 05 years of continuous service of the respective employee. - Staff House Building Loan (a permanent employee in the rank of Principal Officer or above, after completion of 5 (five) years of service, can avail of a House Building Loan at Bank Rate as per policy and approval from the appropriate Authority). <p>The Board may adopt principles for mauls / claw back before or after vesting, if such situation arises and the law(s) of the country permits the same.</p>
e)	Description of the different forms of variable remuneration (i.e. cash, shares, and share-linked instruments and other forms) that the bank utilizes and the rationale for using these different forms.	<p>Variable pay means the compensation as fixed by the Board on recommendation of the Management, which is based on the performance appraisal of an employee in that role, that is, how well they accomplish their goals. It may be paid as:</p> <ul style="list-style-type: none"> ✓ Performance Linked Incentives to those employees who are eligible for incentives. ✓ Ex-gratia for other employees who are not eligible for Performance linked Incentives. ✓ Different awards based on extra-ordinary performance & achievement. ✓ Employee/Manager of the Month/Quarter award. ✓ Reimbursement/award for brilliant academic/professional achievement. ✓ Leave Fare Assistance (LFA)

b) Quantitative Disclosure:

(a)	Number of employees having received a variable remuneration award during the financial year.	No employee received the variable remunerations during the year 2021.
	Number and total amount of guaranteed bonuses awarded during financial year.	2 (two) number of guaranteed bonus (Festival Bonus) were awarded during the year and the amount of bonus was Tk. 21.53 crore.
(b)	Total amount of outstanding deferred remuneration, split into cash, share and share-linked instruments and other forms.	Total amount of outstanding deferred remunerations (i.e., Gratuity) is Tk. 123.65 crore as of 31 st December, 2021.
	Total Amount of deferred remuneration paid out in the financial year.	Total amount of deferred remunerations paid is Tk. 7.18 crore during the year 2021 (Gratuity amount paid to the outgoing employees during the year 2021).
(c)	Breakdown of amount of remuneration awards for the financial year to show:	
	- Fixed and variable	Fixed remuneration is Tk. 268.52 crore and variable remuneration disbursed is Nil

Disclosures on Risk Based Capital (BASEL-III)

	- Deferred and no-deferred	Deferred remuneration awarded (account for during the year) is Tk. 24.02 crore and non-deferred remuneration is Tk. 244.50 crore.
	- Different forms used (cash, shares and share linked instruments, other forms).	N/A
(d)	Quantitative information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. claw backs or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration:	N/A



FINANCIAL STATEMENTS

Independent Auditor's Report

To the Shareholders of ONE Bank Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of ONE Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of ONE Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2021 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2021, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), as explained in note # 2.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

Without modifying our opinion, we are drawing attention to the following matters:

1. As disclosed in note # 7.13 to the financial statements, the Bank explained the basis for measurement and recognition of provision required, maintained and the shortfall of provision against the loan and advances. The Bank also disclosed about the deferment allowed by Bangladesh Bank in this regard.
2. As disclosed in note # 13.3 to the financial statements, the Bank reported the Capital to Risk-Weighted Assets Ratio. As per BRPD Circular No. 18 dated 21 December 2014, the Bank had to maintain Minimum Total Capital plus Capital Conversation Buffer @ 12.50% both in the cases of Solo and Consolidated basis. However, the Bank has maintained Minimum Total Capital plus Capital Conversation Buffer 12.03% and 12.08% in the cases of Solo and Consolidated basis respectively.
3. In note # 7.18 to the financial statements, the Bank disclosed the status of collecting and checking the audited financial statements of the loanees and preserving the same in the loan files as required by the circulars issued by Bangladesh Bank and the FRC circular letter no. ১৭৮/এফআরসি/এপআর/২০২১/২৭(৩৭) dated 09 December 2021 in this respect.
4. In note # 2.22(a) to the financial statements, the Bank disclosed the actions to be taken to comply with the requirements of para 263(1) of the Labour Rules 2015.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current year. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of key audit matters	Our response to key audit matters
1. Measurement of provision for loans, advances and leases	
The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex.	We tested the design and operating effectiveness of key controls focusing on the following:

Description of key audit matters	Our response to key audit matters
<p>For the individual analysis, provisions consider the estimates of future business performance and the market value of the collaterals provided for credit transactions.</p> <p>For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation.</p> <p>At year end, the Group reported total gross loans and advances of BDT 222,847.15 million (2020: BDT 220,428.72 million) and provision for loans and advances of BDT 11,221.08 million (2020: BDT 10,606.20 million). On the other hand, the Bank reported loans and advances of BDT 222,694.15 million (2020: BDT 220,341.55 million) on a solo basis.</p> <p>We need to focus on the following significant judgements and estimates that may give rise to material misstatement or management bias:</p> <ul style="list-style-type: none"> • Completeness and timing of recognition of loss events in accordance with criteria set out in relevant BRPD and other relevant Circulars issued by Bangladesh Bank; • For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows. <p>Provision measurement is primarily dependent upon key assumptions relating to the probability of default, ability to repossess collateral, and recovery rates.</p>	<ul style="list-style-type: none"> • Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identified the loss events, including early warning and default warning indicators; and • Reviewed the quarterly Classification of Loans (CL). <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> • Reviewed the adequacy of the Bank's general and specific provisions; • Assessed the methodologies on which the calculation of provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines; • We considered guidance given to the bank by Bangladesh Bank in this regard for this period; and • Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
See note # 7 and 12 to the financial statements	
2. Valuation of Treasury Bills and Treasury Bonds	
<p>The classification and measurement of Treasury Bills and Treasury Bonds require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, Treasury Bills and Treasury Bonds fair value is determined using Bangladesh Bank's guidelines and complex valuation techniques that may take into consideration direct or indirect unobservable market data and complex pricing models.</p>	<p>We assessed the processes and controls put in place by the Bank to identify and confirm the existence of Treasury Bills and Treasury Bonds.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the Treasury Bills and Treasury Bonds valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures in accordance with the Bangladesh Bank guidelines.</p>
See note # 6 to the financial statements	

Description of key audit matters	Our response to key audit matters
3. Measurement of deferred tax assets and liabilities	
<p>The Bank disclosed deferred tax assets and deferred tax liabilities of BDT 84.60 million (BDT 76.91 million in 2020) and BDT 165.38 million (BDT 82.50 million in 2020) respectively as of 31 December 2021.</p> <p>Significant judgment is required in relation to deferred tax assets, and liabilities as their recoverability and adjustment are dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, and evaluated the design, the operational effectiveness of the Bank's key controls over the recognition and measurement of deferred tax assets & liabilities and the assumptions used in estimating the Bank's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We involved tax specialists in assessing key assumptions, controls, recognition, and measurement of deferred tax assets and liabilities.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>
See note # 9 and 12 to the financial statements	
4. Carrying value of investments in subsidiaries by the Bank	
<p>The Bank has invested in equity shares of its two subsidiaries, namely ONE Securities Limited and ONE Investments Limited. As at 31 December 2021 the carrying value of these investments were BDT 2,480.10 million.</p> <p>Operations of these two subsidiaries are mainly dealing with the investments in capital market. And by nature, the capital market of the country is not under stable position. Hence, the investments in these subsidiaries are subject to impairment. While impairment testing, the management is required to consider various guidelines of Bangladesh Bank, Bangladesh Securities and Exchanges Commission and other regulators. As the impairment testing is of complex and is significant to the Group's preparation of financial statements, we have considered it as a key audit matter.</p>	<p>We reviewed Management's analysis of impairment assessment and recoverable value calculation of the investments in accordance with IAS 36.</p> <p>In particular, our discussions with the management of the Bank were focused on the continued appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation.</p> <p>We also checked mathematical accuracy of the model, recalculated discount rate used within the model, inputs used in the determination of assumptions within the model were challenged and corroborating information was obtained with reference to external market information, third-party sources.</p>
See note # 9.1 to the financial statements	
5. IT systems and controls	
<p>The Bank's key financial accounting and reporting processes are significantly dependent on the automated controls over the Bank's information systems. As such there exist risks that gaps in the IT control environment, including automated accounting procedures, IT dependent manual controls and controls preventing unauthorized access to systems and data could result in the financial accounting and reporting records being materially misstated.</p> <p>The IT systems and controls, as they impact the financial recording and reporting of transactions, is a key audit matter.</p>	<p>We performed audit procedures to assess IT systems and controls over financial reporting, which included the following:</p> <ul style="list-style-type: none"> • Tested the sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access, system change management and computer operations. • Assessed the management's evaluation of access rights granted to applicants relevant to financial accounting and reporting systems and tested resolution of a sample of exceptions. • Assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights. • Tested the specific application controls for key financial reporting controls.

Other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us when it is prepared, and the same is likely to happen after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also the separate financial statements of the Bank in accordance with IFRSs as explained in note # 2, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 as amended and the Bangladesh Bank Regulations require the management to ensure effective internal audit, internal control and risk management functions of the Bank. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, the Bank Company Act, 1991 as amended and the rules and regulations issued by Bangladesh Bank, we also report that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;
 - nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities other than matters disclosed in these financial statements;
- Consolidated financial statements of the Bank include two subsidiaries, namely ONE Securities Limited and ONE Investments Limited audited by us reflect total assets of BDT 3,249.04 million and results of these subsidiaries have been properly reflected in the Group's consolidated financial statements;
- in our opinion, proper books of accounts as required by law have been kept by the Bank so far as it appeared from our examination of those books;
- the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- the expenditures incurred were for the purpose of the Bank's business for the year;
- the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- adequate provisions have been made for advance and other assets (except as mentioned in Emphasis of Matter # 1) which are in our opinion, doubtful of recovery;

- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) we have reviewed over 80% of the risk-weighted assets of the Bank and spent over 7,800 person hours; and
- (xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has not been maintained adequately during the year.

Dated, Dhaka
30 April 2022

ACNABIN, Chartered Accountants



Muhammad Aminul Hoque, FCA
Partner
ICAB Enrollment No # 1129
DVC:2204301129AS526297

ONE Bank Limited and its Subsidiaries
Consolidated Balance Sheet
As at 31 December 2021

	Notes	31.12.2021 Taka	31.12.2020 Taka
PROPERTY AND ASSETS			
Cash	3 (a)		
Cash in hand (including foreign currencies)		2,983,356,475	3,099,564,869
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		15,127,069,877	26,437,376,200
		18,110,426,352	29,536,941,069
Balance with other Banks and Financial Institutions	4 (a)		
In Bangladesh		3,205,173,505	2,637,146,008
Outside Bangladesh		2,893,872,431	4,387,093,348
		6,099,045,936	7,024,239,356
Money at call and short notice	5	6,725,200,000	-
Investments	6 (a)		
Government		31,624,490,473	25,356,340,064
Others		8,897,582,239	6,960,694,074
		40,522,072,712	32,317,034,138
Loans and Advances/Investments	7 (a)		
Loans, cash credit, overdraft etc./investments		221,026,876,270	218,405,014,005
Bills purchased and discounted		1,820,269,099	2,023,706,051
		222,847,145,369	220,428,720,056
Fixed Assets including premises, furniture & fixtures	8 (a)	3,686,317,659	3,037,810,261
Other Assets	9 (a)	12,645,526,384	11,323,733,040
Non-banking Assets		-	-
Total Assets		310,635,734,412	303,668,477,921
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions and Agents	10 (a)	19,744,872,097	21,322,835,943
Non-convertible subordinated bond and contingent-convertible perpetual bond	10 (b)	9,250,000,000	6,900,000,000
Deposits and other accounts	11(a)		
Current/AI-wadeeah current account and other account		27,963,628,099	25,600,825,688
Bills payable		2,834,030,974	2,561,617,392
Savings accounts/Mudaraba savings bank deposit		31,887,111,950	26,768,261,590
Fixed Deposit/Mudaraba fixed deposits		167,945,242,159	174,138,577,055
		230,630,013,182	229,069,281,725
Other Liabilities	12 (a)	33,265,322,760	28,780,645,027
Total Liabilities		292,890,208,039	286,072,762,694
Capital/Shareholders' Equity			
Paid-up Capital	13.2	9,340,404,560	8,853,464,040
Statutory Reserve	14	6,721,414,910	6,430,798,085
Capital Reserve		8,106,441	-
Surplus in profit & loss account	15.1 (a)	1,237,993,412	1,801,400,626
Revaluation reserve for securities	16	404,675,341	478,186,205
Total Shareholders' Equity		17,712,594,664	17,563,848,956
Non-controlling Interest	15.1 (c)	32,931,709	31,866,271
Total Liability and Shareholders' Equity		310,635,734,412	303,668,477,921

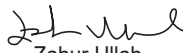
ONE Bank Limited and its Subsidiaries
Consolidated Balance Sheet
As at 31 December 2021


	Notes	31.12.2021 Taka	31.12.2020 Taka
OFF BALANCE SHEET ITEMS			
Contingent Liabilities			
Acceptances and Endorsements		27,599,284,721	30,449,543,760
Letters of Guarantee	44	13,777,812,760	13,082,189,159
Irrevocable Letters of Credit		22,033,819,992	19,014,867,606
Bills for Collection		1,664,810,820	1,306,099,289
		65,075,728,293	63,852,699,814
Other Contingent Liabilities			
Claims lodged with but not recognized by the Bank		-	-
Other exchange contract		-	-
Total Contingent Liabilities		65,075,728,293	63,852,699,814
Other Commitments			
Documentary Credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total other commitments		-	-
Total off-Balance Sheet items including contingent liabilities		65,075,728,293	63,852,699,814
Net Asset Value Per Share	46	18.96	18.80

These Financial Statements should be read in conjunction with the annexed notes 1 to 54.


Md. Monzur Mofiz
Managing Director


AMMM Aurangzeb Chowdhury
Independent Director



Zahur Ullah
Vice Chairman


A.S.M. Shahidullah Khan
Chairman

See annexed report of even date.

Dhaka, 30 April 2022

ACNABIN, Chartered Accountants


Muhammad Aminul Hoque, FCA
Partner
ICAB Enrollment Number # 1129
DVC:2204301129AS526297

ONE Bank Limited and its Subsidiaries
Consolidated Profit and Loss Account
For the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
Interest income/profit on investment	17 (a)	16,000,994,859	19,674,253,108
Interest paid on deposits and borrowings etc.	18 (a)	(11,850,216,541)	(16,248,678,083)
Net interest income		4,150,778,318	3,425,575,025
Investment income	19 (a)	2,171,350,159	2,790,185,345
Commission, exchange and brokerage	20 (a)	1,690,402,164	1,160,015,591
Other operating income	21 (a)	621,106,111	773,282,154
Total operating income (A)		8,633,636,752	8,149,058,114
Salaries and allowances	22 (a)	2,701,947,704	2,798,580,884
Rent, taxes, insurance, electricity etc.	23 (a)	426,251,645	497,827,606
Legal expenses	24 (a)	68,366,432	72,849,146
Postage, stamps, telecommunication etc.	25	83,439,828	78,845,753
Directors' fees	26 (a)	1,232,000	1,218,000
Auditors' fees		390,000	350,000
Stationery, printings, advertisements etc.	27 (a)	216,832,221	307,061,741
Managing Director's salary and allowances (Bank only)	28	12,184,103	12,920,000
Depreciation, leasing expense and repair of bank's assets	29 (a)	1,098,032,851	947,531,750
Other expenses	30 (a)	379,829,118	402,506,950
Total operating expenses (B)		4,988,505,902	5,119,691,830
Profit/(loss) before provision and tax (C=A-B)		3,645,130,850	3,029,366,284
Provision for loans and advances	31.1		
Specific provision		1,676,248,139	794,354,912
General provision		328,423,314	481,719,372
		2,004,671,453	1,276,074,285
Provision for off-balance sheet items	12.10	(6,794,459)	(91,890,826)
Provision for diminution in value of share	32	35,000,000	-
Provision for other	33	5,960,042	-
Total Provision (D)		2,038,837,036	1,184,183,458
Profit/(loss) before taxes (E=C-D)		1,606,293,814	1,845,182,826
Provision for taxation	34 (a)		
Current tax expense		684,458,531	446,627,952
Deferred tax expense /(income)		76,650,236	3,848,758
		761,108,767	450,476,710
Net Profit after taxation		845,185,047	1,394,706,116
Attributable to:			
Shareholders of the ONE Bank Ltd		844,119,609	1,393,591,988
Non-controlling Interest		1,065,438	1,114,128
		845,185,047	1,394,706,116
Retained surplus brought forward	15.1(b)	775,145,822	756,158,147
Add: Net profit after tax (attributable to shareholder of OBL)		844,119,609	1,393,591,988
		1,619,265,431	2,149,750,135
Appropriations:			
Statutory Reserve	14	290,616,825	348,349,510
Coupon/Dividend on Perpetual Bond		69,964,670	-
Start up Fund	12.9	20,690,524	-
		381,272,019	348,349,510
Retained Surplus		1,237,993,412	1,801,400,626
Earnings per share (EPS)	47	0.90	1.49

These Financial Statements should be read in conjunction with the annexed notes 1 to 54.

Md. Monzur Mofiz
Managing Director

AMMM Aurangzeb Chowdhury
Independent Director

Zahur Ullah
Vice Chairman

A.S.M. Shahidullah Khan
Chairman

See annexed report of even date.2

Dhaka, 30 April 2022

ACNABIN, Chartered Accountants

Muhammad Aminul Hoque, FCA
Partner

ICAB Enrollment Number # 1129
DVC:2204301129AS526297


ONE Bank Limited and its Subsidiaries
Consolidated Cash Flow Statement
For the year ended 31 December 2021


	Notes	2021 Taka	2020 Taka
Cash flows from operating activities			
Interest receipts in cash	35(a)	15,390,053,029	23,801,336,527
Interest payments	36(a)	(11,936,498,644)	(17,457,332,129)
Dividend receipts		105,319,221	97,722,552
Fee and commission receipts in cash	37(a)	868,993,263	765,155,318
Recoveries of loans previously written off		55,673,894	17,228,565
Cash payments to employees		(2,455,000,378)	(2,803,351,574)
Cash payments to suppliers		(556,304,059)	(645,114,954)
Income Taxes paid		(1,190,733,219)	(1,195,460,912)
Receipts from other operating activities	40(a)	1,500,988,080	1,179,746,116
Payment for other operating activities	41(a)	(1,233,131,560)	(1,242,866,485)
Cash generated from operating activities before changes in operating assets and liabilities		549,359,627	2,517,063,024
Increase/(decrease) in operating assets and liabilities			
Sales/ (purchase) of trading securities		920,078,579	6,529,160,475
Loans and advances to customers		(2,418,425,314)	(5,113,188,100)
Other current assets	43(a)	(100,523,725)	293,457,198
Deposits from other banks/ Borrowings		(9,807,896,177)	697,487,195
Deposits from customers		12,848,352,037	(1,021,043,476)
Other liabilities	42(a)	2,289,879,007	2,373,019,128
A Net cash used in/ from operating activities		4,280,824,034	6,275,955,444
Cash flows from investing activities			
Proceeds from sale of securities		6,270,697,920	4,812,823,945
Payments for purchase of securities		(15,456,412,856)	(7,166,763,970)
Purchase of property, plant & equipment		(293,987,257)	(336,611,446)
Sale of property, plant & equipment		5,782,351	7,368,998
B Net cash used in investing activities		(9,473,919,842)	(2,683,182,473)
Cash flows from financing activities			
Receipts from issue of ordinary shares		-	-
Dividend paid		(492,815,572)	(421,593,526)
C Net cash used for financial activities		(492,815,572)	(421,593,526)
D Net increase/(decrease) in cash and cash equivalent (A+B+C)		(5,685,911,380)	3,171,179,445
E Effects of exchange rate changes on cash and cash-equivalent		59,156,543	(5,732,880)
F Opening cash and cash equivalent		36,562,760,625	33,397,314,060
G Closing cash and cash equivalents (D+E+F)		30,936,005,788	36,562,760,625
Closing cash and cash equivalents			
Cash in hand (including foreign currencies)	3(a)	2,983,356,475	3,099,564,869
Cash with Bangladesh Bank & its agent banks(s)	3(a)	15,127,069,877	26,437,376,200
Cash with other banks and financial institutions	4(a)	6,099,045,936	7,024,239,356
Money at call and short notice	5	6,725,200,000	-
Prize bonds	6	1,333,500	1,580,200
		30,936,005,788	36,562,760,625
Net Operating Cash Flow Per Share	48	4.58	6.72

These Financial Statements should be read in conjunction with the annexed notes 1 to 54.


Md. Monzur Mofiz
Managing Director


AMMM Aurangzeb Chowdhury
Independent Director


Zahur Ullah
Vice Chairman


A.S.M. Shahidullah Khan
Chairman

Dhaka, 30 April 2022

ONE Bank Limited and its Subsidiaries
Consolidated Statement of Changes in Equity
For the year ended 31 December 2021

Amount in Taka

Particulars	Paid-up Capital	Statutory Reserve	Capital Reserve	Revaluation Reserve for Securities	Profit & Loss Account	Total	Non-Controlling Interest	Total
Balance as at 01 January 2021	8,853,464,040	6,430,798,085	-	478,186,205	1,801,400,626	17,563,848,956	31,866,271	17,595,715,227
Changes in accounting policy	-	-	-	-	-	-	-	-
Restated balance	8,853,464,040	6,430,798,085	-	478,186,205	1,801,400,626	17,563,848,956	31,866,271	17,595,715,227
Issue of Bonus Share for the year 2020 (Transferred to Paid-up Capital)	486,940,520	-	-	-	(486,940,520)	-	-	-
Cash Dividend Paid	-	-	-	-	(531,207,842)	(531,207,842)	-	(531,207,842)
Surplus of Revaluation of Reserve for HTM Securities	-	-	-	(78,794,875)	-	(78,794,875)	-	(78,794,875)
Adjustment of Revaluation of Reserve for HTM Securities	-	-	-	5,284,012	-	5,284,012	-	5,284,012
Net Profit after Tax for the year	-	-	-	-	844,119,609	844,119,609	1,065,438	845,185,047
Transferred to Capital Reserve	-	-	8,106,441	-	(8,106,441)	-	-	-
Profit transferred to Start up Fund	-	-	-	-	(20,690,524)	(20,690,524)	-	(20,690,524)
Profit transferred to Coupon/Dividend on Perpetual Bond	-	-	-	-	(69,964,670)	(69,964,670)	-	(69,964,670)
Profit transferred to Statutory Reserve	-	290,616,825	-	-	(290,616,825)	-	-	-
Balance as at 31 December 2021	9,340,404,560	6,721,414,910	8,106,441	404,675,341	1,237,993,412	17,712,594,664	32,931,709	17,745,526,373
Balance as at 31 December 2020	8,853,464,040	6,430,798,085	-	478,186,205	1,801,400,626	17,563,848,956	31,866,271	17,595,715,227

These Financial Statements should be read in conjunction with the annexed notes 1 to 54.


Md. Monzur Mofiz
Managing Director


AMMM Aurangzeb Chowdhury
Independent Director


Zahur Ullah
Vice Chairman


A.S.M. Shahidullah Khan
Chairman

Dhaka, 30 April 2022

ONE Bank Limited
Balance Sheet
As at 31 December 2021


	Notes	31.12.2021 Taka	31.12.2020 Taka
PROPERTY AND ASSETS			
Cash	3		
Cash in hand (including foreign currencies)		2,983,346,234	3,099,551,672
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		15,127,069,877	26,437,376,200
		18,110,416,111	29,536,927,872
Balance with other Banks and Financial Institutions	4		
In Bangladesh		3,205,173,505	2,637,146,008
Outside Bangladesh		2,893,872,431	4,387,093,348
		6,099,045,936	7,024,239,356
Money at call and short notice	5	6,725,200,000	-
Investments	6		
Government		31,624,490,473	25,356,340,064
Others		6,592,396,412	4,627,642,064
		38,216,886,885	29,983,982,128
Loans and Advances/investments	7		
Loans, cash credit, overdraft etc./investments		220,873,878,073	218,317,840,383
Bills purchased and discounted		1,820,269,099	2,023,706,051
		222,694,147,172	220,341,546,434
Fixed Assets including premises, furniture & fixtures	8	3,631,900,815	3,008,695,706
Other Assets	9	14,888,816,377	13,621,469,800
Non-banking Assets		-	-
Total Assets		310,366,413,296	303,516,861,297
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions and Agents	10	19,744,872,097	21,322,835,943
Non-convertible subordinated bond and contingent-convertible perpetual bond	10 (b)	9,250,000,000	6,900,000,000
Deposits and other accounts	11		
Current/AI-wadeeah current account and other account		27,963,628,099	25,600,825,688
Bills payable		2,834,030,974	2,561,617,392
Savings accounts/Mudaraba savings bank deposit		31,887,111,950	26,768,261,590
Fixed Deposit/Mudaraba fixed deposits		168,438,089,603	174,553,868,510
		231,122,860,626	229,484,573,179
Other Liabilities	12	32,775,018,972	28,396,446,707
Total Liabilities		292,892,751,695	286,103,855,829
Capital/Shareholders' Equity			
Paid-up Capital	13.2	9,340,404,560	8,853,464,040
Statutory Reserve	14	6,721,414,910	6,430,798,085
Surplus in profit & loss account	15	1,007,166,790	1,650,557,138
Revaluation reserve for securities	16	404,675,341	478,186,205
Total Shareholders' Equity		17,473,661,601	17,413,005,468
Total Liability and Shareholders' Equity		310,366,413,296	303,516,861,297

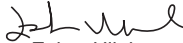
ONE Bank Limited
Balance Sheet
As at 31 December 2021


	Notes	31.12.2021 Taka	31.12.2020 Taka
OFF BALANCE SHEET ITEMS			
Contingent Liabilities			
Acceptances and Endorsements	44	27,599,284,721	30,449,543,760
Letters of Guarantee		13,777,812,760	13,082,189,159
Irrevocable Letters of Credit		22,033,819,992	19,014,867,606
Bills for Collection		1,664,810,820	1,306,099,289
		65,075,728,293	63,852,699,814
Other Contingent Liabilities			
Claims lodged with but not recognized by the Bank		-	-
Other exchange contract		-	-
Total Contingent Liabilities		65,075,728,293	63,852,699,814
Other Commitments			
Documentary Credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total other commitments		-	-
Total off-Balance Sheet items including contingent liabilities		65,075,728,293	63,852,699,814
Net Asset Value Per Share	46	18.71	18.64

These Financial Statements should be read in conjunction with the annexed notes 1 to 54.


Md. Monzur Mofiz
Managing Director


AMMM Aurangzeb Chowdhury
Independent Director



Zahur Ullah
Vice Chairman


A.S.M. Shahidullah Khan
Chairman

See annexed report of even date.

Dhaka, 30 April 2022

ACNABIN, Chartered Accountants



Muhammad Aminul Hoque, FCA
Partner
ICAB Enrollment Number # 1129
DVC:2204301129AS526297

ONE Bank Limited
Profit and Loss Account
For the year ended 31 December 2021


	Notes	2021 Taka	2020 Taka
Interest income/profit on investment	17	15,986,988,731	19,661,117,803
Interest paid on deposits and borrowings etc.	18	(11,877,499,793)	(16,266,405,458)
Net interest income		4,109,488,938	3,394,712,344
Investment income	19	2,050,750,934	2,710,031,543
Commission, exchange and brokerage	20	1,607,770,995	1,122,148,188
Other operating income	21	619,526,591	772,362,748
Total operating income (A)		8,387,537,458	7,999,254,823
Salaries and allowances	22	2,673,065,540	2,772,050,131
Rent, taxes, insurance, electricity etc.	23	423,992,943	496,649,726
Legal expenses	24	68,096,932	72,642,146
Postage, stamps, telecommunication etc.	25	83,439,828	78,845,753
Directors' fees	26	1,056,000	1,152,000
Auditors' fees		350,000	300,000
Stationery, printings, advertisements etc.	27	216,448,394	306,861,173
Managing Director's salary and allowances	28	12,184,103	12,920,000
Depreciation, leasing expense and repair of bank's assets	29	1,088,455,613	940,316,877
Other expenses	30	364,183,654	392,525,426
Total operating expenses (B)		4,931,273,007	5,074,263,233
Profit/ (loss) before provision and tax (C=A-B)		3,456,264,451	2,924,991,590
Provision for loans and advances			
Specific provision	12.4	1,676,248,139	794,354,912
General provision	12.5 & 12.6	327,766,604	480,779,955
		2,004,014,743	1,275,134,867
Provision for off-balance sheet items	12.10	(6,794,459)	(91,890,826)
Provision for diminution in value of share	12.12	-	-
Provision for other	12.8	5,960,042	-
Total Provision (D)		2,003,180,326	1,183,244,041
Profit/ (loss) before taxes (E=C-D)		1,453,084,125	1,741,747,549
Provision for taxation			
Current tax expense	34	621,853,276	424,085,114
Deferred tax expense/ (income)	34	75,200,815	4,640,028
		697,054,091	428,725,142
Net Profit after taxation		756,030,034	1,313,022,407
Retained surplus brought forward	15.1	632,408,775	685,884,240
		1,388,438,809	1,998,906,647
Appropriations:			
Statutory Reserve	14	290,616,825	348,349,510
Coupon/Dividend on Perpetual Bond		69,964,670	-
Start up Fund	12.9	20,690,524	-
		381,272,019	348,349,510
Retained Surplus		1,007,166,790	1,650,557,138
Earnings per share (EPS)	47	0.81	1.41

These Financial Statements should be read in conjunction with the annexed notes 1 to 54.


Md. Monzur Mofiz
Managing Director


AMMM Aurangzeb Chowdhury
Independent Director



Zahur Ullah
Vice Chairman


A.S.M. Shahidullah Khan
Chairman

See annexed report of even date.

ACNABIN, Chartered Accountants

Dhaka, 30 April 2022



Muhammad Aminul Hoque, FCA
Partner
ICAB Enrollment Number # 1129
DVC:2204301129AS526297


ONE Bank Limited
Cash Flow Statement
For the year ended 31 December 2021

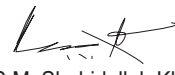
	Notes	2021 Taka	2020 Taka
Cash flows from operating activities			
Interest receipts in cash	35	15,376,545,525	23,786,528,987
Interest payments	36	(11,963,781,897)	(17,475,059,504)
Dividend receipts		42,461,360	30,394,716
Fee and commission receipts in cash	37	785,158,419	727,231,924
Recoveries of loans previously written off		55,673,894	17,228,565
Cash payments to employees	38	(2,455,000,378)	(2,803,351,574)
Cash payments to suppliers	39	(556,304,059)	(645,114,954)
Income taxes paid	9.3	(1,157,165,840)	(1,173,423,871)
Receipts from other operating activities	40	1,441,779,596	1,164,918,477
Payment for other operating activities	41	(1,187,806,306)	(1,204,911,063)
Cash generated from operating activities before changes in operating assets and liabilities		381,560,314	2,424,441,703
Increase/(decrease) in operating assets and liabilities			
Sales/ (purchase) of trading securities		892,212,395	6,465,816,441
Loans and advances to customers		(2,352,600,738)	(5,113,721,247)
Other current assets	43	(112,099,139)	259,870,574
Deposits from other banks/ Borrowings		(9,807,896,177)	697,487,195
Deposits from customers		12,925,908,025	(831,874,704)
Other liabilities	42	2,348,823,866	2,373,884,399
A Net cash used in/ from operating activities		4,275,908,546	6,275,904,361
Cash flow from investing activities			
Proceeds from sale of securities		6,270,697,920	4,812,823,945
Payments for purchase of securities		(15,456,412,856)	(7,166,763,970)
Purchase of property, plant & equipment		(289,068,813)	(336,562,655)
Sale of property, plant & equipment		5,782,351	7,368,998
B Net cash used in investing activities		(9,469,001,398)	(2,683,133,682)
Cash flow from financing activities			
Receipts from issue of ordinary shares		-	-
Dividend paid		(492,815,572)	(421,593,526)
C Net cash from financing activities		(492,815,572)	(421,593,526)
D Net increase/(decrease) in cash and cash equivalent (A+B+C)		(5,685,908,424)	3,171,177,153
E Effects of exchange rate changes on cash and cash-equivalent		59,156,543	(5,732,880)
F Opening cash and cash equivalent		36,562,747,428	33,397,303,156
G Closing cash and cash equivalents (D+E+F)		30,935,995,547	36,562,747,428
Closing cash and cash equivalents			
Cash in hand (including foreign currencies)	3.1	2,983,346,234	3,099,551,672
Cash with Bangladesh Bank & its agent banks(s)	3.2	15,127,069,877	26,437,376,200
Cash with other banks and financial institutions	4	6,099,045,936	7,024,239,356
Money at call and short notice	5	6,725,200,000	-
Prize bonds	6	1,333,500	1,580,200
		30,935,995,547	36,562,747,428
Net Operating Cash Flow Per Share	48	4.58	6.72

These Financial Statements should be read in conjunction with the annexed notes 1 to 54.


Md. Monzur Mofiz
Managing Director


AMMM Aurangzeb Chowdhury
Independent Director


Zahur Ullah
Vice Chairman


A.S.M. Shahidullah Khan
Chairman

Dhaka, 30 April 2022


ONE Bank Limited
Statement of Changes in Equity
For the year ended 31 December 2021

Particulars	Paid-up Capital	Statutory Reserve	Revaluation Reserve for Securities	Profit & Loss Account	Total Shareholders' Equity
Balance as at 01 January 2021	8,853,464,040	6,430,798,085	478,186,205	1,650,557,138	17,413,005,468
Changes in accounting policy	-	-	-	-	-
Restated balance	8,853,464,040	6,430,798,085	478,186,205	1,650,557,138	17,413,005,468
Issue of Bonus Share for the year 2020 (Transferred to Paid-up Capital)	486,940,520	-	-	(486,940,520)	-
Cash Dividend Paid				(531,207,842)	(531,207,842)
Adjustment of revaluation of treasury securities (HFT)	-	-	(78,794,875)	-	(78,794,875)
Reserve for amortisation of treasury securities (HTM)	-	-	5,284,012	-	5,284,012
Net Profit after Tax for the year	-	-	-	756,030,034	756,030,034
Profit transferred to Start up Fund	-	-	-	(20,690,524)	(20,690,524)
Profit transferred to Coupon/Dividend on Perpetual Bond				(69,964,670)	(69,964,670)
Profit transferred to Statutory Reserve	-	290,616,825	-	(290,616,825)	-
Balance as at 31 December 2021	9,340,404,560	6,721,414,910	404,675,341	1,007,166,790	17,473,661,601
Balance as at 31 December 2020	8,853,464,040	6,430,798,085	478,186,205	1,650,557,138	17,413,005,468

These Financial Statements should be read in conjunction with the annexed notes 1 to 54.


Md. Monzur Mofiz
Managing Director


AMMM Aurangzeb Chowdhury
Independent Director


Zahur Ullah
Vice Chairman


A.S.M. Shahidullah Khan
Chairman

Dhaka, 30 April 2022

ONE Bank Limited
Liquidity Statement
(Assets & Liabilities Maturity Analysis)
As at 31 December 2021

Amount in Taka

	Up to 1 month	1 - 3 months	3 - 12 months	1 - 5 years	Above 5 years	Total
Assets:						
Cash	18,110,416,111	-	-	-	-	18,110,416,111
Balance with other banks and financial institutions	2,162,760,292	1,949,698,857	1,986,586,787	-	-	6,099,045,936
Money at call and short notice	6,725,200,000	-	-	-	-	6,725,200,000
Investment	199,999,413	360,000,000	9,472,558,287	16,070,587,221	12,113,741,965	38,216,886,885
Loans and Advances	8,607,208,226	51,748,276,738	71,936,978,986	48,032,653,999	42,369,029,222	222,694,147,172
Fixed Assets including premises, furniture & fixtures	-	-	-	-	3,631,900,815	3,631,900,815
Other Assets	981,334,842	-	1,472,002,263	2,453,337,105	9,982,142,166	14,888,816,377
Non-banking Assets	-	-	-	-	-	-
Total Assets	36,786,918,885	54,057,975,595	84,868,126,323	66,556,578,325	68,096,814,168	310,366,413,296
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	2,486,507,563	2,954,110,387	8,934,401,022	10,969,853,126	3,650,000,000	28,994,872,097
Deposits and Other Accounts	48,471,887,585	63,702,660,959	75,952,795,941	39,819,568,111	3,175,948,031	231,122,860,626
Other Liabilities	3,212,080,780	12,848,323,121	11,242,282,731	5,472,332,339	-	32,775,018,972
Total Liabilities	54,170,475,928	79,505,094,467	96,129,479,693	56,261,753,576	6,825,948,031	292,892,751,695
Net Liquidity Gap	(17,383,557,043)	(25,447,118,872)	(11,261,353,370)	10,294,824,749	61,270,866,137	17,473,661,601


Md. Monzur Mofiz
Managing Director


AMMM Aurangzeb Chowdhury
Independent Director


Zahur Ullah
Vice Chairman


A.S.M. Shahidullah Khan
Chairman

Dhaka, 30 April 2022

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

1. The Bank and its activities

1.1 Status of the Bank

ONE Bank Limited (the “Bank”) is a private sector commercial bank incorporated with the Registrar of Joint Stock Companies under the Companies Act 1994. The Bank commenced its banking operation on 14 July 1999 by obtaining license from the Bangladesh Bank on 2 June 1999 under section 31 of the Bank Company Act 1991(as amended in 2018). As per the provisions of Bangladesh Bank license, the Bank has offered initially its shares to public by Pre-IPO and subsequently sold shares to the public through IPO in the year 2003. The shares of the Bank are listed with both Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. As on 31 December 2021 the Bank has 107 branches (including 2 Islami Banking branches), 29 Sub-branches, 15 collection booths and 154 ATM booths. In addition, the Bank has 2 (two) Off-shore Banking units, one in Dhaka and another in Chattogram. The Bank has two subsidiary companies namely, ONE Securities Limited and ONE Investment Limited.

1.2 Principal activities

The principal activities of the Bank are to provide all kinds of conventional and Islami banking services to its customers which includes deposit, loans and advances, personal and commercial banking, cash management, treasury, brokerage services, export & import financing, local and international remittance facility etc. through its branches, SME centers, and vibrant alternative delivery channels (ATM booths, mobile banking, internet banking, Agent banking). The Bank also provides off-shore banking services through its Off-Shore Banking Units (OBU).

1.3 Islami Banking operation

The Bank obtained permission from Bangladesh Bank to operate Islami Banking operation vide letter no. BRPD (P-3)/745(72)/2020-3978 dated 15 June 2020. The Bank commenced operation from 15 December 2020. The Islami Banking operation is governed under the rules & regulations of Bangladesh Bank. A separate Balance Sheet and Profit and Loss Account of Islami Banking Unit are shown in **Annexure- H** and the figures appearing in the annexure have been converted into relevant heads of Financial Statements under conventional banking for consolidation and incorporation in these Financial Statements.

The Financial Statements of the Islami banking Unit have also been prepared as per the Bank Company Act, 1991 (amended upto 2018), IFRS and other prevailing laws and regulations applicable in Bangladesh.

1.4 Off-Shore Banking Units

The Bank has obtained the permission for Off-Shore Banking business vide letter no. BRPD (P-3) 744 (115)/2010-2337 dated 26 May 2010. The Bank commenced the operation of its Off-shore Banking Unit from 12 December 2010. At present the Bank has 2 (two) Off-Shore Banking units, one in Dhaka and another in Chattogram. The principal activities of the units are to provide all kinds of commercial banking services in foreign currency. Financial Statements of Off-Shore Banking Unit are shown in **Annexure-I**.

1.5 ONE Securities Limited (Subsidiary of the Bank)

ONE Securities Limited (OSL) is a subsidiary of ONE Bank Limited. OSL was incorporated on May 04, 2011 under the Companies Act (Act XVIII) of 1994 as a Private Limited Company. Subsequently, it was converted into Public Limited Company on 24 December 2014 after completion of due formalities with Registrar of Joint Stock Companies and Firms (RJSC). The Registered Office of the Company is situated at 45, Dilkusha C.A (4th Floor), Dhaka-1000. The principal activities of the company are to buy, sell and deal in shares, stocks, debentures and other securities and undertake all the functions as a TREC Holder of Stock Exchanges.

1.6 ONE Investments Limited (Subsidiary of the Bank)

ONE Investments Limited (OIL) is a subsidiary of ONE Bank Limited. OIL was incorporated on April 26, 2018 under the Companies Act (Act XVIII) of 1994 as a Private Limited Company after completion of the formalities with the Registrar of Joint Stock Companies and Firms (RJSC). The Registered Office of the Company is situated at HRC Bhaban, 46 Kawran Bazar C.A., Dhaka-1215. The activities of the Company include services broadly classified as fees and commission based and fund based services, such as underwriting of securities, issue management, portfolio management, corporate advisory services etc. The Company will apply to the Bangladesh Securities & Exchange Commission (BSEC) for its license to carrying out its operations formally and it will start its operation after getting the approval.

1.7 International Banking

International Banking activities of the Bank are being facilitated by the International Division with 17 AD's (Authorized Dealers) and 02 Central Trade Processing Centers in Dhaka and Chattogram. The network of foreign correspondents is expanding over the years for ensuring smooth cross border trade and remittance inflow. Major relationship includes tie up with Standard Chartered Bank, Wells Fargo Bank, Commerzbank, Mashreqbank etc. Moreover, drawing arrangement with Xpress Money, Placid NK Corporation, Continental Exchange Solutions Inc., Transfast Remittance LLC, Western Union, Al Ansari Exchange, MoneyGram International Inc, Merchantrade

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

Asia Sdn Bhd, Aftab Currency Exchange Ltd., First Security Islami Exchange Italy S.R.L are facilitating routing of foreign remittances through our Bank. In addition to facilitating cross border trade, foreign currency trade loan and other trade facilities are being regularly arranged from the foreign correspondents. As on 31 December 2021 our total no. of foreign correspondents and nostro accounts stand at 339 and 27 (including 03 OBU accounts) respectively.

1.8 Treasury Functions

The Treasury Division has been discharging the principal responsibilities of the Treasury functions which include management of liquidity and market risks, mobilization of resources from domestic as well as from foreign banks. Further, it leveraged strong relationships with financial sector players to provide a wide range of banking services in addition to Bank's liability products.

The focus of Treasury Division is to be active in a broad-based money market, Government securities and foreign exchange markets. There was a significant contribution in the volumes and profits from foreign exchange transactions in 2021.

1.9 Information Technology

ONE Bank Limited has adopted IT system at the very beginning of its commencement of operation. During the last 23 (Twenty-Three) years of journey, the Bank has taken several steps to improve its services giving emphasis on information technology. Starting from introduction of world-class Core Banking Solution (CBS), the Bank has introduced various services like Internet Banking Service, Mobile Financial Service, Agent Banking Service, Islamic Banking Service, Visa Credit & Debit Cards, Pre-paid Hajj Cards, ATMs, Mobile Apps, Wallet and various web-based online payment systems etc. ONE Bank systems are also connected with Bangladesh Bank's NPSB (National Payment Switch of Bangladesh), Automated Cheque Clearing System-BACH-II (Bangladesh Automated Clearing House), RTGS (Real Time Gross Settlement) System, BEFTN (Bangladesh Electronic Fund Transfer Network) System etc. to provide efficient banking service to customers. The Bank has introduced sanction screening systems to ensure AML & CFT compliance and ensure prevention of money laundering through banking transactions.

Now-a-days, banking industry is using information technology to deal with the challenges of ever changing banking needs of the country. Similarly, ONE Bank is also committed to bring in new IT driven services not only to manage business operations and business compliances efficiently but also to provide customers better with introduction of disruptive innovation in banking.

1.10 Strategic Directions and Challenges

The strategic directions of the Bank are provided and reviewed periodically by the Marketing Division in consultation with the Senior Management. At the time of planning deposit mobilization strategies, financing plan and the budget, priority is given on the bottom up information sharing process. The Board of Directors approves the Budget and evaluates monthly performance in the Board Meeting for ensuring proper Budgetary Control and maximization of operating profit and optimization of business outcomes and provides guidelines to the Management for overcoming lapses, if identified. In keeping with the Vision and Mission of the Bank, the strategic direction of the Bank has been clearly identified and laid down in the Long Term Corporate Plan and the Budget. Budget is prepared for each year by spelling out the goals and objectives for each major strategic business unit, such as Corporate Banking, SME Banking, Retail Banking, Treasury, General Banking, etc. and the detailed action plans for the achievement thereof along with specific time frame are set out and evaluated in the marketing meeting.

1.11 Staff Training

The Bank always keeps in mind for the development of staff skill and knowledge through training. The staff training is presently pertaining through the outside Organizations, Bangladesh Bank and from Bank's own training Academy.

1.12 Resource Efficiency

Deposits and Shareholders' Equity represented the two biggest sources of funds. As at 31 December 2021, the amount of deposit was 74.47% of total liability and shareholders' equity & the amount of shareholders' equity was 5.63% of total liability and shareholders' equity. The Bank tries to procure deposits from low cost sources and prudently invest the fund for raising the profitability of the Bank.

Through careful planning, the management of Bank ensured a prudent dividend policy and investment portfolio and optimized Shareholders' Equity.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

1.13 Corporate Governance

1.13.1 Board of Directors

a) Members of the Board

The Board of Directors of the Bank is constituted by 6 (Six) numbers of Directors and all of the Directors are Non-Executive Directors. Particulars of Directors will be included in the annual report (please see Annexure-E) Out of the 6 directors, 1 director is Independent Director. As per the Corporate Governance Code (BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018), the Bank is required to appoint minimum 2 Independent Directors in this case. The Bank submitted a letter dated 10 June 2021 to BSEC for permission to appoint 1 Independent Director. In response to the letter of the Bank, BSEC requested the Bank to provide some information through their letter # BSEC/CFD/206/2003/Part-4/629 dated 23 June 2021. The Bank is in the process of collecting the required information, and after collection of the information the Bank will submit the same to BSEC. The matter will be placed before the Board of Directors in their forthcoming meeting.

b) Board Meeting

The Chairman of the Board conducts the Board Meetings and ensures effective participation of all Directors, heeding to their concerns and maintaining balance of power. The Board is in full control of its affairs.

c) Information sharing system

A well-streamlined Management Information System is in place. Accurate and relevant information on the matters referred to the Board are made available in advance. Whenever the Board finds that the information sent to them is insufficient, they call for additional information and the Chairman ensures that all Directors are properly briefed on the matters deliberated at the meetings.

d) Performance of Board

The Board has implemented a self-assessment exercise covering key functions under the following activities to assess the performance of the Board and carries out the evaluations annually.

- Discharge of Statutory /Regulatory duties and Board responsibilities;
- Corporate Governance and Risk Management monitoring;
- Seeking and contributing views and opinions on strategic decision making;
- Leveraging the skills, expertise, contacts of individual Board Members in furtherance of business;
- Understanding and formulating the succession plans to ensure talent availability and address expectations of high potential and high quality staffs, and
- Overall view of management of the business by the Management.

1.13.2 Appointment of Directors and Managing Director

a) Director

The Members of the Board are appointed in accordance with the provisions of the Companies Act 1994, the Memorandum and the Articles of Association of the Bank, provisions of the Bank Company Act 1991(as amended in 2018), directives of BSEC and Bangladesh Bank's Circulars issued from time to time. The Board believes that the combined knowledge and experience of the Board matches the strategic demands required for the Bank.

b) Managing Director

The Managing Director (as CEO) is appointed by the Board on contractual basis with a provision of renewals according to the guidelines provided by the Bangladesh Bank and the provisions of the Bank Company Act. The Board sets financial and non-financial goals and objectives for the CEO in line with the short, medium and long-term goals of the Bank. The Managing Director is entrusted with the management of the Bank's operations and he is ultimately accountable to the Board. Managing Director's performance is assessed by the Chairman annually.

1.13.3 General Meeting

a) Shareholders Suggestions

The Bank always welcomes active participation of the shareholders at the General Meetings and solicits their views at all times, thus promoting a healthy dialogue. Whenever possible, the Bank implements their suggestions.

b) Notice of the General Meeting

Notice is given to the shareholders in terms of the provisions of the Companies Act 1994, Securities and Exchange Commission Act 1993, and the guidelines of Bangladesh Bank.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

1.13.4 Accountability

Communicating Performance

Bank gives high priority to timely preparation and publication of annual, half-yearly and quarterly Financial Statements with comprehensive details of the statutory requirements, enabling both existing and prospective shareholders to make a timely and fair assessment of the Bank's performance. Media of publication includes printed materials, newspapers and the website of the Bank.

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

2.1 Basis of Preparation of the Financial Statements

The separate financial statements of the Bank as at and for the year ended 31 December 2021 comprise those of Domestic Banking Units (Main operations) including Islami Banking Operation and Off-Shore Banking Units (OBU), and the consolidated financial statements of the group comprise those of 'the Bank' (parent company) and its subsidiaries. There were no significant changes in the nature of principal business activities of the Bank and the subsidiaries during the financial year.

2.2 Presentation of Financial Statements

IFRS: As per IAS 1, a complete set of financial statements comprises a statement of financial position, a statement of profit and loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 also requires the entity to disclose assets and liabilities under current and non-current classification separately in its statement of financial position.

Bangladesh Bank: The presentation of these 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 (amended Upto 2018) 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 classification.

2.3 Statement of Compliance

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) is to be formed and it is 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. The FRC has been formed but yet to issue any financial reporting standards as per the provisions of the FRA and hence International Financial Reporting Standards (IFRS) as required by the Institute of Chartered Accountants of Bangladesh (ICAB) are still applicable.

Accordingly, the financial statements of the Bank are continued to be prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Bank Company Act 1991, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, Securities and Exchange Rules 2020. In case any requirement of the Bank Company Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of IFRS, the requirements of the Bank Company Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRS are as follows:

2.3.1 Investment in Shares, Mutual Fund and Other Securities

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 BRPD Circular No. 14 dated 25 June 2003, investments in quoted shares and unquoted shares are revalued at the end of the year at market price and as per book value of last audited balance sheet respectively. As per instruction of another DOS Circular Letter No. 3 dated 12 March 2015, investment in mutual fund (close-end) is revalued at lower of cost and higher of market value and 85% of NAV. Provision should be made for any loss arising from diminution in value of investment (portfolio basis); otherwise investments are recognised at cost.

2.3.2 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.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

Bangladesh Bank: As per the DOS Circular No.-05, dated May 26, 2008 and subsequent clarification in DOS Circular No-05, dated January 28, 2009 HFT (Held For Trading) securities are revalued on the basis of marking to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognized 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 amortization of discount are recognized in the profit and loss account. HTM (Held To Maturity) securities which have not matured as at the balance sheet date are amortized at the year end and gains or losses on amortization are recognized in other reserve as a part of equity.

2.3.3 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 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. 8 dated 02 August 2015, BRPD Circular No. 12 dated 20 August 2017, BRPD Circular No. 16 dated 21 July 2020 and BRPD Circular Letter No. 52 dated 20 October 2020a general provision at 0.25% to 2% under different categories of unclassified loans has to be maintained regardless of objective evidence of impairment. And as per BRPD Circular Letter No. 56 dated 10 December 2020 and BRPD Letter No. BRPD (P-1) 661/13/2021-117 dated 05 January 2021 provision maintained 1% as Special General Provision COVID-19 against deferral Loan as per BRPD Circular No.17 dated 28 September 2020 and 1.5%-2.0% as Additional General Provision as per BRPD Circular No. 19, dated 26 August 2021, BRPD Circular Letter No. 52 dated 29 December 2021. And, specific provision for sub-standard loans, doubtful loans and bad losses has to be provided at 5%-20%, 20%-50% and 100% respectively for loans and advances depending on the duration of overdue status. Also a general provision at 1% is required to be provided for all off-balance sheet exposures as per BRPD Circular No. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012 (except contain in BRPD Circular Letter No. 01 dated 03 January 2018 and BRPD Circular No. 07 dated June 21, 2018). These provisions are not specifically in line with those prescribed by IFRS 9.

2.3.4 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, interest on such loans is not allowed to be recognized as income, rather the corresponding amount needs to be credited to interest suspense account which is presented as liability in the balance sheet.

2.3.5 Other Comprehensive Income

IFRS: As per the requirement of 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 are to be followed by all banks in Bangladesh. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income as a component of financial statements. 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.

2.3.6 Financial Instruments – Presentation and Disclosure

In several cases Bangladesh Bank guidelines categories, recognize, 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.

2.3.7 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 debtor fails to make payment when due in accordance

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

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 the requirement of BRPD Circular No. 14 dated 25 June 2003 financial guarantees such as letter of credit; letter of guarantee will be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin.

2.3.8 Repo and Reverse Repo Transaction

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 DOS Circular Letter No 2 dated 23 January 2013 and DOS Circular Letter No 6 dated 15 July 2010, when a bank sells a financial asset and simultaneously enters into agreement to repurchase the asset (or a similar asset) at a fixed price on future date (Repo or stock lending), the arrangement is accounted for as normal sales transactions and the financial asset is derecognised in the seller's book and recognised in the buyer's book.

2.3.9 Cash and Cash Equivalent

IFRS: As per the requirement of IAS 7, Cash and cash equivalent items should be reported as cash item.

Bangladesh Bank: As per BRPD Circular No. 14 dated 25 June 2003, few highly liquid assets such as Money at call on Short Notice, Treasury Bills, Bangladesh Bank Bills and Prize Bonds are not shown as cash and cash equivalents items in the Balance Sheet rather these are shown in the face of the balance sheet as separate items. However, in the cash flow statement, these items are shown as cash equivalents besides cash in hand, balance with BB and other banks.

2.3.10 Non-Banking Asset

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

Bangladesh Bank: As per BRPD Circular No. 14 dated 25 June 2003 there must exist a face item named Non-banking asset and the holding period of non-banking assets is mentioned in the Bank Company Act 1991 (as amended in 2018).

2.3.11 Cash Flow Statement

IFRS: As per the requirement of IAS7, the Statement of Cash Flows 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 25 June 2003 Cash Flow Statement is the mixture of direct and indirect methods.

2.3.12 Balance with Bangladesh Bank: (Cash Reserve Requirement)

IFRS: As per the requirement of IAS7, Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations.

Bangladesh Bank: As per BRPD Circular No. 14 dated 25 June 2003 Balance with Bangladesh Bank is treated as cash and cash equivalents.

2.3.13 Presentation of Intangible Assets

IFRS: As per the requirement of IAS 38, an intangible asset must be identified and recognized, and the disclosure must be given in the Financial Statements.

Bangladesh Bank: As per BRPD Circular No 14 dated 25 June 2003 there is no regulation for treatment of intangible assets.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

2.3.14 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 25 June 2003 off-balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

2.3.15 Loans and Advances/Investments Net of Provision

IFRS: Loans and advances/Investments should be presented net of provision.

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

2.3.16 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 23 September 2012, an appropriation of profit should be disclosed in the face of profit and loss account.

2.4 Basis of measurement

The consolidated financial statements of the Group and the separate financial statements of the Bank have been prepared on the historical cost basis except for the following material items:

- Government treasury bills and bonds designated as 'Held for Trading (HFT)' are marked-to-market weekly with resulting gain credited to revaluation reserve account but loss charged to profit and loss account.
- Government treasury bills and bonds designated as 'Held to Maturity (HTM)' are amortized yearly with resulting gain credited to amortization reserve account but loss charged to profit and loss account.

2.5 Use of Estimates and Judgments

The preparation of financial statements requires management's judgments, estimates and assumptions for which the application of accounting policies and the reported amounts of assets, liabilities, income and expenses may vary and actual results may differ from those estimates. The most significant areas where estimates and judgments have been made are provisions for loans and advances, provision for income tax (current & deferred tax), gratuity fund and liquidity statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.6 Foreign currency transactions and translations

i. Functional and presentational currency

Financial statements of the Bank are presented in Taka, which is the Bank's functional and presentational currency.

ii. Foreign currency translation

Foreign currency transactions are converted into equivalent Taka currency at the ruling exchange rates on the respective dates of such transactions as per IAS 21 "The effects of Changes in Foreign Exchange Rates"

Assets and liabilities in foreign currencies at 31 December 2021 have been converted into Taka currency at the average of the prevailing buying and selling rates of the relevant foreign currencies at that date except "Balances with other Banks and Financial Institutions" which have been converted as per directives of Bangladesh Bank vide its circular no. BRPD(R) 717/2004-959 dated 21 November 2004.

Differences arising through buying and selling transactions of foreign currencies on different dates of the year have been adjusted by debiting / crediting exchange gain or loss account.

iii. Commitments

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

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

2.7 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements of the group and those of the Bank have been applied consistently except otherwise instructed by Bangladesh Bank as the prime regulator. Certain comparative amounts in the financial statements have been reclassified and rearranged to conform to the current year's presentation.

Accounting policies of subsidiaries

The financial statements of subsidiaries (ONE Securities Limited and ONE Investments Limited) which are included in the Consolidated Financial Statements of the Group have been prepared using uniform accounting policies of the Bank (Parent) for transactions and other events of similar nature. There is no significant restriction on the ability of subsidiaries to transfer funds to the parent in the form of cash dividends or to repay loans and advances taken by the subsidiaries from the Bank.

2.7.1 Basis of consolidation

The consolidated financial statements include the financial statements of ONE Bank Limited and those of its two subsidiaries (ONE Securities Limited and ONE Investments Limited) prepared as at and for the year ended 31 December 2021. The consolidated financial statements have been prepared in accordance with IFRS 10 'Consolidated Financial Statements'.

Name of Subsidiary	Ownership	Date of incorporation	Regulator	Year Closing
ONE Securities Limited	98.9999%	May 04, 2011	BSEC, DSE, CSE	31 December
ONE Investments Limited	51.00%	April 26, 2018	BSEC, DSE, CSE	31 December

2.7.2 Transactions eliminated on consolidation

Intra-group balances and income and expenses arising from intra-group transactions are eliminated in preparing these consolidated financial statements.

2.7.3 Going Concern

The Financial Statements have been prepared on a going concern principle which is the assumption that an entity will remain in business for the foreseeable future. Conversely, the Bank has neither any intention nor any legal or regulatory compulsion to halt operations and liquidate its assets in the near term at what may be very low fire-sale prices. The management is not aware of any material uncertainties that may cause to believe that significant doubt upon the Bank's ability to continue as a going concern.

2.8 Assets and the basis of their valuation

2.8.1 Cash and Cash Equivalents

Cash and cash equivalents include 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 Bank Management for its short-term commitments.

2.8.2 Loans and Advances

- a) Loans and Advances are stated at gross amount and before off setting specific and general provisions against them.
- b) Interest on Loans and Advances is calculated on a daily product basis but charged and accounted for quarterly on an accrual basis.

Provision for Loans and Advances is made on the basis of year-end review by the Management and instructions contained in Bangladesh Bank BRPD Circular No. 14 dated 23 September 2012, BRPD Circular No. 19 dated 27 December 2012, BRPD Circular No. 5 dated 29 May 2013, BRPD Circular No. 16 dated 18 November 2014, BRPD Circular No. 8 dated 02 August 2015, BRPD Circular No. 12 dated 20 August 2017, BRPD Circular No. 15 dated 27 September 2017, BRPD Circular No. 01 dated 20 February 2018, BRPD Circular No.16 dated 21 July 2020 and BRPD Circular letter No.52 dated 20 October 2020, BRPD Circular No. 03, dated 31 January, 2021, BRPD Circular No. 05, dated 24 March, 2021, BRPD Circular No. 13, dated 27 June, 2021, BRPD Circular No. 19, dated 26 August 2021, BRPD Circular letter No. 50, dated 14 December, 2021, BRPD Circular

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

Letter No. 51 & 52, both dated 29 December, 2021, BRPD Circular Letter No. 53, dated 30 December, 2021 respectively at the following rates:

Category/status of Loans and Advances	Rates	
	Bangladesh Bank's Requirement	Maintained by the Bank
General provisions for unclassified loans and advances:		
All unclassified loans (Other than loans under small and medium enterprise and consumer financing, special mention account and staff loans)	1%	1%
Staff loan	0%	0%
Unclassified loan to Cottage, Micro and Small Credits under CMSME	0.25%	0.25%
Credit Card	2%	2%
Small and medium enterprise financing	0.25%	0.25%
Consumer Finance (House Financing)	1%	1%
Consumer financing (Other than housing financing)	2%	2%
Special mention account	0% to 2%	0% to 2%
Loans to BHs/MBs/SDs against Shares	2%	2%
Loan to Short-term Agricultural and Micro-Credits	1%	1%
Special General Provision for COVID-19, BRPD Circular Letter No. 56/2020	1%	1%
Special General Provision as per BRPD Circular No. 19/2021 & 52/2021	1.5% to 2%	1.5% to 2%
Specific provision for classified loans and advances:		
Substandard	20%	20%
Doubtful	50%	50%
Bad/Loss	100%	100%
Provision for classified loan to short-term agricultural and Micro-Credit:		
Substandard	5%	5%
Doubtful	5%	5%
Bad/Loss	100%	100%
Provision for classified loan to Cottage, Micro and Small Credits under CMSME:		
Substandard	5%	5%
Doubtful	20%	20%
Bad/Loss	100%	100%

Reference may be made to note # 7.13.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

- c) Loans and Advances are written off to the extent that (i) there is no realistic prospect of recovery and (ii) against which legal cases are pending for more than five years as per guidelines of Bangladesh Bank. These write offs, however, will not undermine/affect the claim amount against the borrowers. Detailed memorandum records for all such written off accounts are meticulously maintained and followed up.

2.8.3 Investments

All investments in shares are initially recognized at cost, being fair value of the consideration given, including acquisition charges associated with the investment.

The valuation method of investments:

- a) **Held to Maturity (HTM):** Investments which are intended to be held till its maturity are classified as “Held to Maturity”. These are measured at amortized cost at every year end by taking into account any discount or premium on acquisition. Amortized amount of such premium is booked into profit and loss statement or discount is booked to equity until maturity.
- b) **Held for Trading (HFT):** Investments classified in this category are acquired principally for the purpose of selling or repurchasing -in short-trading or if designated as such by the management. After initial recognition, investments are subsequently measured at fair value on weekly basis as per Bangladesh Bank Guideline and revaluation gain is shown in revaluation reserve account through profit and loss account and revaluation loss shown in the profit & loss Account. The gains/ (Loss) arising on maturity or sale are shown in profit or loss Account.

Value of investments has been enumerated as follows:

Investment Class	Initial Recognition	Measurement after recognition Recognition	Recording of changes
Government Treasury Bills (HFT)	Cost	Marked to Market/ fair value	Loss to Profit and Loss A/C, gain to revaluation reserve through Profit and Loss Account
Government Treasury Bills (HTM)	Cost	Amortized cost	Increased or decreased in value to equity.
Government Treasury Bonds (HFT)	Cost	Marked to Market/ fair value	Loss to Profit and Loss A/C, gain to revaluation reserve through Profit and Loss Account.
Government Treasury Bonds (HTM)	Cost	Amortized cost	Amortized gain/loss to revaluation Reserve
SUKUK Bond (Ijarah Sukuk) under OBL Islami Banking	Cost	Cost	None
Bangladesh Bank Bill (HFT)	Cost	Marked to Market/ fair value	Loss to Profit and Loss A/C, gain to revaluation reserve through Profit and Loss Account
Bangladesh Bank Bill (HTM)		Amortized cost	Amortized gain/loss to revaluation Reserve
Zero Coupon Bond	Cost	None	None
Prize Bond & Other Bond	Cost	None	None
Subordinated Bond	Face Value	At Redemption Value	None
Un quoted Shares (ordinary)	Cost	Cost	None
Quoted shares (ordinary)	Cost	Cost	Loss to Profit and Loss A/C but no unrealized gain recorded.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

- c) Investment in Quoted Securities:** These securities are bought and held primarily for the purpose of selling them in future or hold for dividend income. These are reported at cost. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment is provided in the financial statements for which market price is below the cost price of investment as per Bangladesh Bank guideline except Special Investment vide DOS Circular No 01 dated 10 February 2020.
- d) Investment in Unquoted Securities:** Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.
- e) Investments in Subsidiary:** Investment in each subsidiaries is accounted for under the cost method of accounting in the Bank's Financial Statements in accordance with the International Accounting Standard 27 and IFRS 10. Accordingly, investments in subsidiaries are stated in the Bank's balance sheet at cost, less impairment losses if any.

2.8.4 Non Current Assets

a) Property, Plant and Equipment

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.

For additions during the year, depreciation is charged for the remaining days of the year and for disposal depreciation is charged up to the date of disposal. Capitalized expenditure and furniture facility to the executive of OBL are amortized within five years on conservative approach.

Depreciation

Depreciation on fixed assets is charged for the year at the following annual rates on a reducing balance method on all fixed assets except on Land:

Category of Fixed Assets	Rate of Depreciation per Annum
Furniture and Fixtures	10%
Office Equipment	18%
Motor Vehicles	20%
Building	2.50%

Right- of- use Assets are depreciated on a straight line basis over the lease term as per IFRS-16 (**Note 2.24**)

b) Intangible Assets

All intangible assets which have probable future inflows are stated as cost less the accumulated amortization. The intangible assets are amortized using estimated useful lives of five years.

c) Software

Software acquired by the Bank is stated at cost less accumulated amortization. Subsequent expenditure on software is capitalized only when it increases future economic benefits embodied in specific assets to which it relates. Amortization is recognized in profit and loss on a straight line basis over the estimated useful life of the software from the date it is available for use. The estimated useful life of software is five years. Useful life, residual value and impairment of status are reviewed at each financial year end and adjusted if applicable.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

2.8.5 Other Assets

As per BRPD Circular No. 14 dated 25 June 2001 provision is to be maintained against other assets considering the recovery status thereof. The following assets are marked as other assets for maintaining provision:

SL	Category of Assets	Provision		Remarks
1	Unadjusted Expenses [Business development expenses, Travelling expenses, Entertainment expenses, Salary expenses, Advertisement expenses, and Miscellaneous expenses]		100%	Unadjusted on or over 1 (One) year from the date of origination.
2	Litigation / Legal Expenses			
	(a) related to unsettled cases	50%		
	(b) unadjusted expenses related to settled cases		100%	
3	Protested Bill / Fraud / Forgery/ Fund Embezzlement			
	(a) for doubtful	50%		If there is any possibility of recovery.
	(b) for bad/loss		100%	If there is no possibility of recovery.
4	Miscellaneous		100%	Considering Loss category

2.8.6 Liabilities and Provisions

a) Borrowings from Other Banks, Financial Institutions and Agents

Borrowed funds include call money deposits, borrowings, refinance 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.

b) Subordinated Bond:

Subordinated Bond-II Tk. 4,000,000,000 (outstanding balance as on 31 December 2021 was Tk. 1,600,000,000):

To meet regulatory capital requirement, ONE Bank Limited issued unsecured non-convertible subordinated floating rate bonds on 27th October, 2016 after obtaining approval from Bangladesh Bank and Securities and Exchange Commission vide their letters [# BRPD (BFIS) 661/14B(P)/2016-5583 dated August 18, 2016], [BRPD (BFIS) 661/14B(P)/2016-6471 dated September 29, 2016] and [# BSEC/CI/DS-46/2016/344 dated June 16, 2016] respectively. Interest rate of the Bond is calculated as Benchmark rate +2.80% Margin. However, the rate shall be kept 7.00% to 10.50% p.a. throughout the tenure of the bond. As of Balance Sheet date interest rate is applicable @ 7.00%.

Subordinated Bond-III Tk. 4,000,000,000:

With the view to strengthening the capital base of the Bank, ONE Bank Limited again issued unsecured non-convertible subordinated floating rate bonds on 12th December, 2018 after obtaining approval from Bangladesh Bank and Bangladesh Securities and Exchange Commission vide their letters [#BRPD (BFIS) 661/14B(P)/2018/7655 dated October 11, 2018] and [# BSEC/CI/DS-46/2016/671 dated September 27, 2018] respectively. Interest rate of the Bond is calculated as Benchmark rate +2.00% Margin. However, the rate shall be kept 7.00% to 9.00% p.a. throughout the tenure of the bond. As of Balance Sheet date interest rate is applicable @ 7.00%.

Contingent-Convertible Perpetual Bond-I Tk. 4,000,000,000:

To meet the Capital to Risk Weighted Assets Ratio of the Bank, ONE Bank Limited issued unsecured, Contingent-Convertible, Floating Rate Perpetual bonds on 30th December, 2020 after obtaining approval from Bangladesh Bank and Securities and Exchange Commission vide their letters [#BRPD (BFIS) 661/14B(P)/2020/8071 dated September 29, 2020] and [# BSEC/CI/DS-118/2020/296 dated December 23, 2020] respectively. Interest rate of the Bond is calculated as Benchmark rate +2.00% Margin. However, the rate shall be kept 6.00% to 10.00% p.a. throughout the tenure of the bond.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

c) Deposits and Other Accounts

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

d) Other Liabilities

Other liabilities comprises items such as Provision for Loans and Advances, Provision for Taxes, Interest Suspense, Provision for Other Assets and Accrued Expenses. Other liability is recognized in the Balance Sheet according to the guidelines of Bangladesh Bank, Income Tax Ordinance 1984 and Internal Policies of the Bank. Provisions and accrued expenses are recognized in the financial statements when the Bank has a legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefit will be required to settle the obligation and reliable estimate can be made of the amount of obligation.

e) Provision for Liabilities

Provision in respect of liability is recognized in the financial statements 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 obligation, in accordance with the IAS 37 "Provision, Contingent Liabilities and Contingent Assets".

f) Provision for Loans and Advances:

Provision for classified loans and advances is made on the basis of quarter-end review by the management and instructions contained in BRPD Circular No. 14 dated 23 September 2012, BRPD Circular No. 19 dated 27 December 2012 and BRPD Circular No. 16 dated 18 November 2014 BRPD Circular No. 8 dated 02 August 2015, BRPD Circular No. 12 dated 20 August 2017, BRPD Circular No. 15 dated 27 September 2017, BRPD Circular No. 01 dated 20 February 2018, BRPD Circular No.16 dated 21 July 2020 and BRPD Circular Letter No.52 dated 20 October 2020, BRPD Circular Letter No. 50, dated 14th December, 2021, BRPD Circular Letter No. 51 & 52, both dated 29th December, 2021, BRPD Circular Letter No. 53, dated 30th December, 2021

Details are stated in **Note 7.13** of these financial statements.

g) Provision against investment in Capital Market

Provision for diminution of value of quoted shares and mutual funds (closed-end), placed under other liability, has been made on portfolio basis by netting of unrealized gain and losses following DOS Circular No. 04 dated 24 November 2011 and DOS Circular Letter No. 03 dated 12 March 2015 respectively.

h) Provision for off-balance sheet exposures

Off balance sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank guidelines. As per BRPD Circular No. 14 dated 23 September 2012 banks are advised to maintain provision @ 1% against off balance sheet exposure (except contain in BRPD Circular Letter No. 01 dated 03 January 2018 & BRPD Circular No. 07 dated June 21, 2018 and BRPD Circular No. 13 dated October 18, 2018).

i) Provision for other assets

Provision for other assets is made as per the instructions made in the BRPD Circular No. 14 dated 25 June 2001 i.e. 100% provision is required on other assets which are outstanding for one year or more or classified as bad/loss.

j) Provision for nostro accounts

Provision for unsettled transactions in nostro accounts is made as per FEPD circular no. FEPD (FEMO) / 01/2005-677 dated 13 September 2005 of Foreign Exchange Policy Department (FEPD) of Bangladesh Bank. Detailed information on the reporting date are given in the **Note 12.13**.

k) Provision for liabilities and accrued expenses

In compliance with IAS 37, provisions for other liabilities and accrued expenses are recognized in the financial statements when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

l) Taxation

1. Current Tax

Provision for current income tax has been made at 37.50% as per prescribed in the Finance Act, 2021 on accounting profit made by the Bank after considering some of the add backs to income and disallowances of expenditure and provisions as per Income Tax Ordinance 1984.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

2. Deferred Tax

Deferred tax is made as per the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary difference and deferred tax assets are recognized to the extent that it is probable that the taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. The Bank has made adequate provision for deferred tax.

2.8.7 Capital and Shareholders' Equity

Capital Management

The Bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve four major objectives: exceed regulatory thresholds and meet long term internal capital targets, maintain strong credit ratings, manage capital levels commensurate with the risk profile of the Bank and provide the Bank's shareholders with acceptable returns.

Capital is managed in accordance with the Board-approved Capital Management Planning from time to time. Senior Management develops the capital strategy and oversees the capital Management Planning of the Bank. The Bank's Finance, Treasury and Risk Management department are key in implementing the Bank's capital strategy and managing capital. Capital is managed using both regulatory capital measure and internal matrix.

a) Authorized and issued capital

The authorized capital of the Bank is the maximum amount of share capital that the Bank is authorized by its Memorandum and Articles of Association to issue (allocate) among shareholders. This amount can be changed by shareholders' approval upon fulfillment of relevant provisions of the Companies Act 1994. Part of the authorized capital usually remains unissued. The part of the authorized capital already issued to shareholders is referred to as the issued share capital of the Bank.

b) Paid up Share Capital

Paid up share capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding-up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

c) Share premium

The Share premium represents the excess amount received by the Bank from its shareholders over the nominal/par value of its share. The amount of share premium can be utilized as per the provision of section 57 of the Companies Act 1994. Currently, the Bank does not have any share premium.

d) Statutory Reserve

Transfer to the statutory reserve has been maintained @ 20% of Profit before Tax in accordance with provisions of section 24 of the Bank Company Act, 1991(as amended in 2018). This is mandatory until such reserve is equal to the paid up capital together with amount in the share premium account, after this it is optional.

e) Reserve for amortization/ revaluation of securities

When the value of a government treasury security categorized as HTM increases as a result of amortization, the amount thus increased is recognized directly to equity as 'reserve for amortization'. However, any increase in the value of such securities categorized as HFT as a result of 'mark to market' is booked under equity as 'revaluation reserve' but any decrease is directly charged to profit and loss account as per Bangladesh Bank DOS Circular Letter No. 5 dated 26 May 2008 & DOS Circular Letter No. 5 dated 28 January 2009.

2.9 Revenue Recognition

a) Interest Income (Conventional Banking)

Interest income is recognized on accrual basis. Interest on unclassified loans and advances are calculated at the prescribed rates to be taken into income. Interest is ceased to be taken into income when such loans and advances are marked as classified as per criteria prescribed by the Bangladesh Bank. It is then kept in interest suspense account. Interest on classified advances is accounted for when it is realized in cash.

b) Investment Income

Interest income on investment is recognized on accrual basis. Capital gain on investments in shares is also included in investment income. Capital gain is recognized when it is realized.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

c) Fees, Commission and Other Income

Fees and Commission income arises from services provided by the Bank for DD, TT, and LBP etc. and recognized on receipt basis. Commission charged on Letters of Credit (LC) and Letters of Guarantee (LG) are credited to income at the time of effecting the transactions. The advance payment of tax on LC commission is duly deposited to the Tax Authority. Similarly, Income Tax and VAT are deducted and deposited to the Tax Authority as per their circulars.

d) Dividend income

Dividend income from investments is recognized at the time when it is declared, ascertained and right to receive the dividend is established.

e) Interest and Other Expenses

In terms of the provision of the International Accounting Standard (IAS) –1 “Presentation of Financial Statements”, accrual basis is followed for interest payment and other expenses. The necessary disclosures are given in the notes in compliance with the provisions of BRPD Circular No. 14 dated 25 June 2003.

2.10 Cash Flow Statement

The Cash Flow Statement is presented by using the “Direct Method” of preparing cash flows in compliance with the provisions of the International Accounting Standard (IAS) - 7 and format provided by the Bangladesh Bank vide BRPD Circular No. 14 dated 25 June 2003 as applicable for preparation of Cash Flow Statements. To make the Cash Flow Statement more understandable and user friendly about the constitution of figures inserted into the Cash Flow Statement, a number of notes have been given in the notes to the accounts.

2.11. Liquidity Statement

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following bases:

Particulars	Basis of Use
Cash, balance with other banks and financial institutions, money at call and short notice, etc.	Stated maturity/observed behavioral trend.
Investments	Residual maturity term.
Loans and advances	Repayment/maturity schedule and behavioral trend (non-maturity products).
Fixed assets	Useful life.
Other assets	Realization/amortization Basis.
Borrowing from other banks, financial institutions and agents	Maturity/ repayment term.
Deposits and other accounts	Maturity and behavioral trend (non-maturity products).
Provision and other liability	Settlement/adjustment schedule basis

2.12 Statement of Changes in Equity

Statement of changes in equity is prepared in accordance with IAS-1 “Presentation of Financial Statements” and under the guidelines of BRPD Circular No.14 dated 25 June 2003.

2.13 Events after Reporting Period

All known material events after the Balance Sheet date have been considered and appropriate adjustments/ disclosures have been made in the Financial Statements where necessary up to the date of preparation of Financial Statements as per IAS-10.

2.14 Earnings per Share

Earnings per share (EPS) has been computed by dividing the profit after tax by the number of ordinary shares outstanding as on 31 December 2021 as per IAS– 33 “Earnings per Share”. Diluted earnings per share were not required to calculate as there is no dilution possibilities occurred during the year.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

2.15 Reconciliation of Books of Account

Books of account in regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled and found no material differences which may affect the Financial Statements significantly.

2.16 Authorization of Financial Statements

The financial statements for the year ended 31 December 2021 have been authorized for issue in accordance with a resolution of the Board of Directors on 30 April 2022.

2.17 Materiality and Aggregation

Each material item as considered significant by the Management has been presented separately in the financial statements. No amount has been set off unless the Bank has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis when permitted by the relevant accounting standards.

2.18 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity.

2.19 Operating Segments

The Group and the Bank have no identified operating segment and as such presentation of segmental reporting is not made in the financial statements as per IFRS 8. However, geographical and business segments wise limited disclosures are furnished in **Annexure-G**.

2.20 Reporting Period

These financial statements cover one calendar year from 01 January to 31 December 2021.

2.21 Number of Employees

The number of employees in employment in the Bank as on 31 December 2021 was 2,577 of which 2,060 were male and 517 were female. The number of employees per branch (including sub-branches and booths) was 14.43 (1545/107) excluding 1032 employees in the Head Office of the Bank.

2.22 Employee Benefits

a) **Provident Fund (Defined Contribution Plan)**

"Defined Contribution Plan" is a post employment benefit plan under which an entity pays fixed contribution to a separate entity and will have no legal or constructive obligation to pay further amounts. Provident Fund benefits are given to the staff of the Bank in accordance with the Provident Fund Rules. The Commissioner of Income Tax has approved the Provident Fund as a recognized fund within the meaning of section 2(52) read with the provisions of Part - B of the First Schedule of Income Tax Ordinance 1984. The recognition took effect from 27 February 2001. The Fund is operated by a Board of Trustees consisting of 5 (five) employees of the Bank. All confirmed employees of the Bank are contributing 10% of their Basic Salary as contribution to the fund. The Bank also contributes equal amount of the Employees' Contribution to the Fund. Interest earned from the investments is credited to the members' accounts on yearly basis. Members are eligible to get both the contributions after 03 (three) years of continuous service from the date of their Joining the Bank. The Audit Committee is considering to realign with para-263 (1) of the Labour Rules 2015 after taking necessary legal opinion from a renowned lawyer in the near future.

b) **Gratuity Fund (Defined Benefit Plan)**

Gratuity Fund benefits are given to the Staff of the Bank in accordance with the approved Gratuity Fund Rules. The National Board of Revenue approved the Gratuity Fund as a recognized Gratuity Fund on 28 February 2012. The fund is operated by a Board of Trustees consisting of 5 (five) employees of the Bank. Employees are entitled to Gratuity benefit after completion of minimum 05 (five) years of service in the Bank. The Gratuity is calculated on the basis of Last Drawn Basic Pay and is payable at the rate of one month's Last Drawn Basic Pay for every completed year of service and six months and above but less than one year are counted as one year.

c) **Benevolent Fund**

The objective of the Fund is to provide financial assistance to all the employees of the Bank for treatment (medical/surgical, physical/other disability, etc) of the employees and or his/her dependent(s); damage or loss of his/her homestead by natural disaster/calamities. The Fund consists of monthly contributions by all

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

the Employees of the Bank and benefits earned from the investments of the Fund. The fund is operated by a Board of Trustees consisting of 7 (seven) employees of the Bank.

d) **Death cum Survival Superannuation Fund**

The objective of the ONE Bank Ltd. Employees' Death cum Survival Superannuation Fund is to provide superannuation and other benefits to the employees of the Bank on their death, disability, retirement/or being incapacitated at any time or for any other cause that may be deemed fit by the Trustees as per Board's approved policy. This Fund consists of annual contributions of Tk.71 lac by the Bank as well as benefits earned from the investments of the Fund. The Income Tax Authority approved the Fund as a recognized Fund on 19 April 2012 as per the provisions of Part - A of the First Schedule of Income Tax Ordinance 1984. The Fund is operated by a Board of Trustees consisting of 5 (five) employees of the Bank.

e) **Maternity Allowance**

1. AO to SEVP: Tk. 10,000/- twice during entire period of service of an employee in the Bank.
2. Guard, Electrician, Driver, Messenger & Mali: Tk. 5,000/- twice during entire period of service of an employee in the Bank.

f) **Annual Leave Fare Assistance**

The provision for Leave Fare Assistance (LFA) represents the current outstanding liability to Employees at the Balance Sheet date. Leave Fare Assistance is a benefit for all permanent employees of the Bank who are entitled to annual leave. According to BRPD Circular No. 15 dated October 25, 2018 of Bangladesh Bank, all permanent employees have to avail 10 days' annual leave at a stretch on mandatory basis and LFA is given on approval of the leave.

g) **Staff Loan at Bank Rate**

To assist the employees at emergency needs, the Board has introduced Staff Loan to the tune of maximum three months' Basic Pay at Bank Rate for the Permanent Employees repayable by 24 monthly installments.

h) **Staff House Building Loan**

A permanent staff equivalent to the rank of Principal Officer or above, after completion of 5 (five) years of service, can avail of a House Building Loan at Bank Rate as per Board's approved policy and approval from the appropriate Authority.

i) **Staff Car Purchase Finance Scheme**

All staff at job grades from AVP and above can avail of Car Loan under Staff Car Purchase Finance Scheme as per Board's approved policy and approval from the Competent Authority.

j) **Honorarium for Banking Diploma Part I & Part II**

On successful completion of Part-I & Part-II of Banking Diploma examination of the Institute of Bankers, Bangladesh or any other Institute of Bankers recognised by the Bank, an employee is entitled to the following honorarium:

1. Part-I of Bangladesh Institute of Bankers Tk. 20,000/- (plus fees incurred by the incumbent);
2. Part-II of Bangladesh Institute of Bankers Tk. 25,000/- (plus fees incurred by the incumbent).

k) **Festival Bonus**

Employees who have completed at least the service of 6 (six) months with the Bank as on the date of disbursement of Festival Bonus, is entitled to the Festival Bonus on the following basis:

1. All regular Staff including Staff on Contract having break-up of salary @ one month's Basic Pay.
2. Special Cadre Officer/Cadre Officer/Probationary Officer/TAO/Casual/ Contractual Staff on consolidated pay @ 50% of monthly Consolidated Pay.
3. The Officers who have joined OBL from other banks and financial institutions but have not yet completed six months' service with OBL @ one month's Basic Pay/ Contractual Staff on consolidated pay @ 50% of monthly Consolidated Pay.

l) **Incentive Bonus**

Incentive Bonus if declared, the employees who have completed continuous service of at least 6 (six) months with the Bank as on December 31 of the FY and are on the payroll on the date of disbursement, are entitled to the incentive Bonus on the basis of monthly Basic Pay/50% of monthly Consolidated Pay as of 31st December of the FY and Appraisal Rating.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

- m) **Un-availed Earned Leave Encashment**
Maximum 15 (fifteen) days un-availed Earned Leave can be encashed by an Employee. The encashment is calculated on the basis of Last Drawn Basic Pay and is payable at the rate of one month's Last Drawn Basic Pay/30 X No. of encashable Earned Leave.
- n) **Day Care Center Facilities for the children of OBL Employees:**
ONE Bank Limited (OBL), in association with other Banks having Head Offices located at Gulshan, Dhaka, has made an Agreement with a Day Care Center namely "Wee Learn Day Care" and booked 02 (two) seats for the children of OBL Employees and has been paying for those 02 (two) seats since September 2014.
- o) **Furniture & Fixture Facility Scheme:**
The executives of the Bank are entitled to a specific amount to meet the cost of furnishing of residence with furniture and fixture for a period of 05 years (amortization by 60 months), and after every five years' subject to full amortization of existing facility, executives are entitled to avail a new facility under the scheme as applicable to respective designations.

2.23 Compliance report on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) is to be formed and it is to issue financial reporting standards for public interest entities such as banks. The FRC has been formed but yet to issue any financial reporting standards as per the provisions of the FRA and hence International Financial Reporting Standards (IFRS), International Accounting Standard (IAS) as required by the Institute of Chartered Accountants of Bangladesh (ICAB) are still applicable. While preparing the financial statements, the Bank applied most of IAS and IFRS as adopted by ICAB. Details are given below:

Name of the Standards	IFRS/ IAS	Status of compliance
First time adoption of International Financial Reporting Standards	IFRS 1	N/A
Share Based Payment	IFRS 2	N/A
Business Combinations	IFRS 3	N/A
Insurance Contracts	IFRS-4	N/A
Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	N/A
Exploration for and Evaluation of Mineral Resources	IFRS 6	N/A
Financial Instruments: Disclosures	IFRS 7	Applied with some departures
Operating Segments	IFRS 8	Applied
Financial Instruments: Recognition and Measurement	IFRS 9	Applied with some departures
Consolidated Financial Statements	IFRS 10	Applied
Joint arrangements	IFRS 11	N/A
Disclosure of interest in other entities	IFRS 12	Applied
Fair value measurement	IFRS 13	Applied with some departures
Regulatory Deferral Accounts	IFRS 14	N/A
Revenue from Contracts with Customers	IFRS 15	Applied
Leases	IFRS 16	Applied

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

Name of the Standards	IFRS/ IAS	Status of compliance
Presentation of Financial Statements	IAS 1	Applied with some departures
Inventories	IAS 2	N/A
Statement of Cash Flows	IAS 7	Applied with some departures
Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8	Applied
Events after the Reporting Period	IAS 10	Applied
Income Taxes	IAS 12	Applied
Property, Plant and Equipment	IAS 16	Applied
Employee Benefits	IAS 19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	IAS 20	N/A
The Effects of Changes in Foreign Exchange Rates	IAS 21	Applied
Borrowing Costs	IAS 23	Not Applied ****
Related Party Disclosures	IAS 24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS 26	N/A**
Separate Financial Statements	IAS 27	Applied
Investments in Associates	IAS 28	N/A
Financial Instruments: Presentation	IAS 32	Applied with some departures
Earnings per share	IAS 33	Applied
Interim Financial Reporting	IAS 34	Applied ***
Impairment of Assets	IAS 36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS 37	Applied with some departures
Intangible Assets	IAS 38	Applied
Investment Property	IAS 40	Not Applied ****
Agriculture	IAS 41	Not Applied ****

* N/A=Not Applicable

* In order to comply with certain specific rules and regulations of the local Central Bank (Bangladesh Bank) which are different to IAS / IFRS, some of the requirements specified in these IAS / IFRSs are not applied which are described in **Note 2.3**.

** This Standard regards a retirement benefit plan as a reporting entity separate from the employers of the participants in the plan. Therefore, it is not applicable for the Bank's annual report as it is the employer and not the retirement benefit plan itself.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

*** The objective of IAS 34 is to prescribe the minimum content of an interim financial report and to prescribe the principles for recognition and measurement in complete or condensed financial statements for an interim period and hence it is not applicable for annual financial statements. However, The Bank is complying with IAS 34 regularly for publications of Interim Financial Report.

**** Not Applied due to not having transaction during the year.

2.24 IFRS 16: Leases

IFRS 16 is effective from 01 January 2019 as adopted by Institute of Chartered Accountants of Bangladesh. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

ONE Bank Limited has applied IFRS 16: "Leases" using modified retrospective approach where the bank measured the lease liability at the present value of the remaining lease payments and recognized a right-of-use asset at the date of the initial application on a lease by lease basis.

Upon lease commencement the bank recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the Bank.

The lease liability is initially measured at present value of the future lease payments discounted using the discount rate implicit in the lease (i.e. weighted average cost of deposit). Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others.

The Bank has elected not to recognize right-of-use assets and lease liabilities for leases of low value assets and short term lease, i.e; for which the lease term ends within 12 months of the date of initial application and ATM & Sub-branch rent (considering the same as low value assets). The Bank recognizes lease payments associated with these leases as expenses.

On the balance sheet, right-of-use assets have been included in the fixed assets and lease liabilities have been included in other liabilities.

2.25 BASEL III Implementation

Under the guideline of BASEL III Implementation plan issued by Bangladesh Bank vide BRPD Circular No.18, Dated December 21, 2014, ONE Bank Ltd has already entered in the domain of BASEL III. Accordingly, OBL successfully managed to maintain all the requirements of phase wise BASEL III implementation. OBL maintained @12.03% against minimum capital requirement (MCR) @10% as at December 31, 2021.

2.26 Risk Management

ONE Bank Ltd aims at the delivery of superior shareholder value by achieving the optimum trade-off between risk and return. Our risk management strategy is based on a clear understanding of various risks taken, well-developed risk-assessment and measurement procedures, effective risk-preventing/ minimizing, measures and continuous monitoring of the entire process at the very top level. The policies and procedures established for this purpose are being continuously improved to be in line with international best practices.

The ingredients of the risk management system at ONE Bank Ltd is capital structure, complexity of functions, level of technical expertise, quality of MIS, etc. and it is structured to address the total risk, i.e. both banking as well as non-banking risks. It also covers both on-balance sheet and off-balance sheet exposures. The prime objective of this risk management system is to ensure that the Bank takes well-calculated business risks while safeguarding the Bank's capital, its financial resources, profitability from various risks and the reputation.

The risks are defined as the possibility of losses, financial or otherwise. The Risk Management of the Bank covers 6 (Six) Core Risk Areas of banking as defined by the Bangladesh Bank. The Areas are as follows:

- 1) Credit Risk Management;
- 2) Foreign Exchange Risk Management;
- 3) Asset Liability Management;
- 4) Prevention of Money Laundering;
- 5) Internal Control & Compliance Risk; and
- 6) Information and Communication Technology Security Risk.

In light of the Risk Management, Bank takes well calculative business risks for safeguarding its capital, financial resources, and profitability. In this context, the Bank took steps to implement the guidelines of Bangladesh Bank as under:

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

2.26.1 Credit Risk Management

Credit risk is the potential that a Bank Borrower or Counterparty fails to meet its obligation in accordance with agreed term. This includes non-repayment of principal and / or interest within the agreed time frame, at the agreed rate of interest and in the agreed currency. This may happen due to impairment in Client's ability to pay and or willingness to pay. The goal of credit risk management at the ONE Bank Ltd. is to maximize the Bank's risk-adjusted rate of return by maintaining credit risk exposure within acceptable parameters.

Uncertainties or risks associated in credit activities need to be understood, evaluated and managed in a structured way to ensure growth and stability of the Bank. Thus, the Bank needs to have a robust credit risk management frame work as well as a culture for maintaining and reinforcing its credit standards.

Towards ensuring transparency and accountability, entire credit related activities in ONE Bank Ltd. have been segregated into different segments. A separate Credit Risk Management Division has been established at Corporate Headquarters, which is entrusted with the responsibilities of managing all approval issues upon imparting due diligence and rigorous risk analysis, devising mitigates thereto and formulating policy/strategy for lending operations. An effective assessment is done before sanction of any credit facility at Credit Risk Management Unit, which includes borrower risk analysis, historical performance of the customer, security of the proposed credit facility etc. OBL meticulously addresses environmental risk issues in compliance with Bangladesh Bank Guideline. Compliance of upcoming Environmental and Social Risk Management issues are in the card as well.

Credit approval authority has been delegated to the individual executives. Credit limits beyond their delegation are approved /declined by the Executive Committee and the Management. In determining Single Borrower/ Large Loan limit, the instructions of Bangladesh Bank are strictly followed. Other units namely (a) Credit Risk Management Unit, (b) Credit Administration Unit, (c) Credit Monitoring and Recovery Unit are in place towards ensuring proper security documentation and maintaining asset quality.

2.26.2 Foreign Exchange Risk Management

Foreign Exchange Risk is defined as the potential change in earnings arising due to change in market prices. The front office of the Treasury Department of the Bank independently conducts the transactions and the back office is responsible of verification for the deals and passing of their entries in books of accounts. All foreign exchange transactions are revalued at Market rate as determined by Bangladesh Bank at the month end. The reconciliation of Nostro Accounts is done on monthly basis and reviewed outstanding entries beyond 30 days by the Management for its settlement.

2.26.3 Asset Liability Risk Management

The Bank has formed an Asset Liability Committee (ALCO) for monitoring Balance Sheet risk and Liquidity risk of the Bank. The Balance Sheet risk is defined as potential change in earnings due to change in rate of interest, foreign exchange rates which are not of trading nature. ALCO reviews Liquidity requirement of the bank, the maturity of assets and liabilities, deposit and lending pricing strategy and the liquidity contingency plan.

2.26.4 Prevention of Money Laundering and Combating Financing of Terrorism

ONE Bank Limited as a reporting organization is subject to the AML & CFT laws. Considering Money Laundering (ML) and Terrorist Financing (TF) as one of the major threats to the stability and the integrity of financial system, and in response to national and international initiatives, ONE Bank Limited maintains its firm commitment not to let the unscrupulous people use the Bank to launder their ill-gotten money or conduct their illegal activities.

In line with the requirement of the laws and regulatory instructions, the Bank accomplishes and maintains an effective AML & CFT program to keep the Bank risk free from Money Laundering and Terrorist Financing. The Bank follows "Four Pillars" theory in applying the program. These are:

- A system of internal Policy Guidelines, Procedure and Controls (first line of defense);
- A designated compliance function with a compliance officer (second line of defense);
- An independent audit function to review and evaluate the overall effectiveness of the AML & CFT program (third line of defense);
- A regular employee training/awareness program.

ONE Bank Limited has the "Money Laundering and Terrorist Financing Risk Assessment Guidelines", and considering the overall risk management strategy of the Bank, it has developed its own "OBL Policy Guidelines on AML & CFT Risk Management" which was reviewed lastly in 2020.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

The Bank has a Central Compliance Committee (CCC) headed by the Chief Anti Money Laundering Compliance Officer (CAMLCO) in the rank of Additional Deputy Managing Director, the Deputy Chief Anti Money Laundering Compliance Officer in the rank of Executive Vice President (EVP) and a dedicated Anti Money Laundering Division (AMLDD) at Corporate Headquarters (CHQ). A Branch Anti Money Laundering Compliance Officer (BAMLCO) is assigned in every Branch of the Bank to handle AML & CFT activities. The BAMLCO is supported by the Branch Compliance Committee (BCC) comprising concerned officers related with the job.

The Bank has a Real Time Sanction Screening Process. The Suspicious Transaction/ Activity Reporting (STR/SAR) detection and reporting systems are in place. As a part of regulatory compliance on AML & CFT, the Bank conducts training on AML & CFT from time to time covering all the employees including Trade Based Money Laundering (TBML), Credit Based Money Laundering (CBML) etc. In addition to that, due to COVID-19 situation, the Bank has arranged Video Conferences and Trainings using online platform Zoom besides arranging physical (offline) trainings and meetings to keep the employees updated and vigilant on AML issues. The Bank has a Customer Acceptance Policy in place and has "Know Your Customer (KYC)" program since its inception and applies Customer Due Diligence (CDD) and Enhanced Due Diligence (EDD). The Bank is in the process to implement a High-Tech Software for stronger AML monitoring process and better compliance.

ONE Bank Limited though focused on incremental growth on one hand, on the other, it has remained to be a compliant financial institution; and the Bank intends to continue as a growth driven compliant institution.

2.26.5 Internal Control and Compliance Risk

Internal Control is a control mechanism establishes in the operation of the Bank by introducing required policies and procedures to comply the tasks appropriately. A sound internal control function plays an important role in contributing to the effectiveness of the internal control system. ONE Bank Limited has a Board approved Guidelines on Internal Control & Compliance.

The Board established an Audit Committee of the Board and a Senior Management Team (SMT) to monitor the effectiveness of the internal control system. The Management established a professional and efficient working environment within the Bank by creating and maintaining adequate and effective internal control systems. Internal audit have been conducted on periodical interval to ensure appropriate compliance of Bank's and Regulatory Policies. The Senior Management Team (SMT) and Audit Committee of the Board have been reviewing the effectiveness of the internal control system and apprising the Board as and when necessary. In addition to the internal Audit Team, the Monitoring Team conducts surprise inspections at Branches and Divisions/Departments. On the other hand Compliance Team ensures meticulous compliance of internal and external audit and inspection reports.

External auditors regularly provide unbiased recommendations on the strengths or weaknesses of the Bank's internal control system. They examine records and transactions and evaluate the accounting policy, disclosure policy and methods of financial estimation. This allows the Board and the Management to independently view the Bank's overall control system. Bangladesh Bank and other regulatory agencies also conduct their regular inspections to ascertain control lapses within the system.

The Management recognizes and appreciates the value and significance of internal controls and ensures the presence of an efficient and effective control system by identifying control objectives, devising pertinent policies/procedures and establishing relevant control procedures covering all areas of activities, after approval of the competent authority.

2.26.6 Information and Communication Technology Security Risk

Now a day's technology driven issues, such as information privacy, information security and information integrity have become pivotal and have reached the forefront of the policy agenda in banking industry. ONE Bank being a bank using IT as business driver, gives special emphasis on ensuring security for information vis-a-vis information systems. The Bank has taken many measures to secure its infrastructure. The Bank introduced EMV Cards, 2 Factor Authentication (2FA) System, SSL Certificate to facilitate customers with secure financial transactions for card transactions and Internet Banking or E-Commerce transactions. In order to secure financial transactions and customer data, the Bank has introduced many other modern security measures at communication, application and user level as ONE Bank is committed to provide banking service based on technology, security and excellence.

ONE Bank has "Information Security Policy" formulated in line with the latest ICT Security Guidelines of Bangladesh Bank and industry best practices. All activities and operations of the Bank are required to comply with the guidelines of Information Security Policy of the Bank to ensure information security that covers

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

physical security, network security, system security, disaster recovery and business continuity planning to use of hardware and software, disposal of data, protection of copyrights, other intellectual property rights. ONE Bank's IT systems are designed to the industry standards and driven by Information Security Policy of the Bank. The Bank updates the policy on regular basis to combat the ever evolving cyber-security threats.

2.27 Disclosure on fraud and forgeries committed by bank employees:

At ONE Bank Limited (OBL), we follow a stringent screening process while we recruit officers and staff. The prospective employee's family background/employment history/ association is checked/cross checked in terms of integrity, attitude, behavioral pattern and financial sanctions/money laundering through Sanction Screening Software of OBL (based on data provided by UNSCR, OFAC, HMT, EU and published by Local Authority of Bangladesh) electronically. The Copies of Passports of respective appointees are being taken during joining the Bank. In case someone doesn't have passport, he/she is advised to get passport and submit a copy of the same to HR Division, Corporate HQ within 3 months from the date of joining. Check with Bangladesh Bank's Corporate Memory Management Systems (CMMS) for background check of experienced bankers, FI's employees and verify National ID on-line. As a result, the OBL since its inception has seen comparatively very few cases of fraud and forgeries. Moreover, our Internal Control and Compliance Division (ICCD) has been strengthened to remain ever vigilant. These have reduced the chances of fraudulent activities in OBL.

Despite all cautionary measures, in the year 2021, some unscrupulous officials of the Bank at Branch Level in connivance with some outsiders committed some major fraudulent transactions by frauds and forgeries. After thorough investigation by Internal Control & Compliance Division (ICCD) of the Bank, the matter has been handed over to Anti Corruption Commission (DUDAK). One of the officials has already been arrested. The Bank has been taking all necessary steps to recover the embezzled amounts and for exemplary punishment of the criminals.

2.28 Regulatory Compliance

The Bank complied with the requirements of following regulatory and legal authorities:

- a. The Bank Company Act, 1991 (as amended in 2018).
- b. The Companies Act, 1994.
- c. Rules and Regulations issued by Bangladesh Bank from time to time.
- d. The Securities and Exchange Ordinance 1969.
- e. The Securities and Exchange Rules 2020.
- f. Bangladesh Securities and Exchange Commission Act 1993.
- g. Bangladesh Securities and Exchange Commission (Public Issues) Rules 2015.
- h. The Income Tax Ordinance and Rules 1984.
- i. The VAT Act, 2012.
- j. Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE) and Central Depository Bangladesh (CDBL) rules and regulations.

2.29 Rearrangement

Wherever considered necessary, prior year figures in the Financial Statements have been rearranged to confirm the current year's presentation.

2.30 General

- a) Figures appearing in these Financial Statements have been rounded off to the nearest Taka.
- b) Memorandum items like Stock of Travelers' Cheques, Shanchaya Patras, Investment bonds and Premium bonds are not reflected as off balance sheet items in the Financial Statements.

However, the stocks of such items are stated below:

Stocks of Items	2021 (Taka)	2020 (Taka)
Bangladesh Shanchaya Patras	3,021,982,738	2,562,466,338
US\$ Investment Bonds	59,545,200	71,656,929
US\$ Premium Bonds	71,857,500	74,200,962
Wage Earners Development Bond	185,080,000	166,300,000
Total	3,338,465,438	2,874,624,229

Wherever considered necessary, previous year's figures have been rearranged to conform to current year's presentation and for the purpose of comparison.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

2.31 Audit Committee

The Audit Committee of the Board was duly constituted by the Board of Directors of the Bank as per Bangladesh Bank's BRPD Circular No 12 dated 23 December 2002. As per Bank Company Act, 1991 (as amended in 2018) and BRPD Circular No. 11 dated 27 October 2013, the Board of Directors at its 329th Board Meeting held on June 24, 2021 constituted the Audit Committee as under:

Sl. No.	Committee Members	Status with the Bank	Position in the Committee	Educational Qualification
1	Mr. AMM Mohammad Aurangzeb Chowdhury	Independent Director	Chairman	MBA, M.Phil and PhD
2	Mr. Kazi Rukunuddin Ahmed	Director	Member	B.Sc. in Engineering
3	Ms. Anannya Das Gupta	Director	Member	MBA

As per the above Circular of Bangladesh Bank, the Company Secretary of the Bank is the Secretary of the Audit Committee.

The Audit Committee of the Board held 05 (five) Meetings from 01 January to 31 December, 2021.

The Committee reviewed the Inspection Reports of Bangladesh Bank, Internal Audit Department and compliance thereof by the Management of the Bank. They have also reviewed the draft Financial Statements of the Bank and its subsidiary companies audited by the External Auditors.

After last AGM, Mr. AMM Mohammad Aurangzeb Chowdhury, Independent Director was elected as Chairman of the Audit Committee of the Board of Directors.

2.32 Board's Risk Management Committee:

The Risk Management Committee of the Board was duly constituted by the Board of Directors of the Bank as per Bangladesh Bank's BRPD Circular Letter No 11 dated 27 October, 2013. As per Bank Company Act, 1991 (as amended in 2018) and BRPD Circular No. 11 dated 27 October, 2013, the Board of Directors at its 329th Board Meeting held on June 24, 2021 constituted the Risk Management Committee as under:

Sl. No.	Committee Members	Status with the Bank	Position in the Committee
1	Mr. AMM Mohammad Aurangzeb Chowdhury	Independent Director	Chairman
2	Mr. A. S. M. Shahidullah Khan	Chairman	Member
3	Mr. Zahur Ullah	Vice Chairman	Member

As per the above Circular of Bangladesh Bank, the Company Secretary of the Bank is the Secretary of the Risk Management Committee.

The Risk Management Committee of the Board held 04 (four) Meetings from 01 January to 31 December, 2021.

The Committee identify/assess Credit Risk, Market Risk, Liquidity Risk, Operation Risk, Internal Control and Compliance Risk and Money Laundering Risk, Reputation Risk etc. The activities of Risk Management Committee during the period from January 01, 2021 to December 31, 2021 were as follows:

- Reviewed and approved various Risk Management Policy of the Bank.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

- Approved and reviewed Internal Capital Adequacy Assessment Process guideline.
- Reviewed and discussed the various risk issues on Comprehensive Risk Management Report (CRMR) and Monthly Risk Management Report (RMR) of the Bank. The Committee also gave recommendations on the vulnerable areas identified in CRMR and RMR.

After last AGM, Mr. AMM Mohammad Aurangzeb Chowdhury, Independent Director was elected as Chairman of the Risk Management Committee of the Board of Directors.

2.33 Impact of COVID-19

World Health Organization (WHO) declared from 11 March 2020, a global pandemic due to Corona Virus related respiratory disease commonly called as COVID-19. To contain the spread of this disease, along with many other countries of the world, Government of Bangladesh has also taken a number of measures such as declaration of general holiday, enforcement of lock down, social distancing etc. As a result of these measures all business and economic activities are adversely affected and this has also affected the Bank.

Although the business operation and profitability of the Bank have been impacted severely due to COVID 19, but due to the relatively stable market condition and quicker economic recovery, the operating income of the Bank increased during the year 2021 compared to 2020.

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
3. Cash		
Cash in hand (Note-3.1)	2,983,346,234	3,099,551,672
Balance with Bangladesh Bank and its agent bank(s) (Note-3.2)	15,127,069,877	26,437,376,200
	18,110,416,111	29,536,927,872
3.1 Cash in hand (including foreign currencies)		
Conventional Banking:		
In local currency	2,946,234,006	3,059,686,909
In foreign currencies	13,881,026	25,036,324
	2,960,115,032	3,084,723,233
Islami Banking:		
In local currency	23,231,202	14,828,438
In foreign currencies	-	-
	23,231,202	14,828,438
	2,983,346,234	3,099,551,672
3.2 Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		
Balance with Bangladesh Bank		
Conventional Banking:		
In local currency	11,283,402,680	13,382,996,073
In foreign currencies	2,574,860,086	11,518,613,657
	13,858,262,766	24,901,609,730
Islami Banking:		
In local currency	92,034,175	83,922,891
In foreign currencies	-	-
	92,034,175	83,922,891
Balance with Sonali Bank being an agent of Bangladesh Bank	1,176,772,936	1,451,843,579
	15,127,069,877	26,437,376,200

Reconciliation statements regarding Bangladesh Bank balance conventional banking are given in Annexure-B

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

3.3 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) including Offshore Banking Operation:

Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 33 of the Bank Companies Act 1991 (as amended in 2018), DOS circular No. 01 dated 19 January 2014, MPD Circular No. 01 dated 03 April 2018, DOS Circular No. 26 dated 19 August 2019 and MPD Circular No. 03 dated 09 April 2020 issued by Bangladesh Bank.

The Cash Reserve Ratio on the time and demand liabilities at the rate of 3.50% (Conventional and Islami Banking) & 1.50% for Offshore Banking on daily basis and 4% (Conventional and Islami Banking) & 2% for Offshore Banking on bi-weekly basis has been calculated and maintained with Bangladesh Bank in current account and 13.00% (Conventional and Offshore Banking) and 5.50% for Islami Banking of Statutory Liquidity Ratio on the same liabilities has also been maintained in the form of treasury bills, bonds, foreign currency & excess reserve of the Taka current account with Bangladesh Bank.

	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>
a) Cash Reserve Requirement (CRR) :		
Conventional and Offshore Banking:		
Required reserve daily basis		
Domestic Banking Operation	7,856,459,450	7,704,943,330
Offshore Banking Operation	91,358,625	138,494,400
Total	7,947,818,075	7,843,437,730
Reserve Held		
Balance with Bangladesh Bank in local currencies	11,283,402,680	13,382,996,073
Amount in reconciliation (Net)*	98,883,136	1,030,508,547
Reserve held with Bangladesh Bank in local currencies	11,382,285,816	14,413,504,620
Surplus/(Shortage)	3,434,467,741	6,570,066,890
Required reserve bi-weekly basis		
Domestic Banking Operation	8,978,810,800	8,805,649,520
Offshore Banking Operation	121,811,500	184,659,200
Total	9,100,622,300	8,990,308,720
Reserve held with Bangladesh Bank in local currencies	11,382,285,816	14,413,504,620
Surplus/(Shortage)	2,281,663,516	5,423,195,900
Islami Banking:		
Required reserve daily basis (2020: 4% of average Demand and Time Liabilities)	20,152,790	6,911,920
Reserve held with Bangladesh Bank in local currencies	92,034,175	83,922,891
Surplus/(Shortage)	71,881,385	77,010,971
Required reserve bi-weekly basis	23,031,760	6,911,920
Reserve held with Bangladesh Bank in local currencies	92,034,175	83,922,891
Surplus/(Shortage)	69,002,415	77,010,971

* The balance of local currency account was duly reconciled as of 31 December 2021 and the above amount was matched accordingly.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
b) Statutory Liquidity Ratio (Other than CRR):		
Conventional and Offshore Banking:		
Required reserve		
Domestic Banking Operation	29,181,135,100	28,618,360,940
Offshore Banking Operation	791,774,750	1,200,284,800
Total	29,972,909,850	29,818,645,740
Reserve held (b.1)	37,921,068,457	35,293,402,577
Surplus/(Shortage)	7,948,158,607	5,474,756,837
 b.1 Reserve held in SLR :		
Cash in hand including foreign currency	2,960,115,032	3,084,723,233
Balance with Sonali Bank being an agent of Bangladesh Bank	1,176,772,936	1,451,843,579
Treasury Bills	2,029,905,647	756,134,449
Treasury Bonds	29,472,611,327	24,577,505,415
Sub Total	35,639,404,941	29,870,206,677
Balance with Bangladesh Bank local currency (Surplus amount of CRR)	2,281,663,516	5,423,195,900
Total	37,921,068,457	35,293,402,577
 Islami Banking:		
Required reserve	31,668,670	9,503,890
Reserve held (b.2)	212,873,617	112,959,410
Surplus/(Shortage)	181,204,947	103,455,520
 b.2 Reserve held in SLR :		
Cash in hand including foreign currency	23,231,202	14,828,438
Balance with Bangladesh Bank local currency (Surplus amount of CRR)	69,002,415	77,010,971
Other securities	120,640,000	21,120,000
	212,873,617	112,959,410
 3 (a) Consolidated Cash		
i Cash in hand		
ONE Bank Limited	2,983,346,234	3,099,551,672
ONE Securities Limited	10,241	13,197
ONE Investments Limited	-	-
	2,983,356,475	3,099,564,869
Balance with Bangladesh Bank and its agent bank(s)		
ONE Bank Limited	15,127,069,877	26,437,376,200
ONE Securities Limited	-	-
ONE Investments Limited	-	-
	15,127,069,877	26,437,376,200
	18,110,426,352	29,536,941,069

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
4. Balance with Other Banks and Financial Institutions		
In Bangladesh (Note-4.1)	3,205,173,505	2,637,146,008
Outside Bangladesh (Note-4.2)	2,893,872,431	4,387,093,348
	6,099,045,936	7,024,239,356
4.1 In Bangladesh		
In current accounts (Note-4.3)	92,344,674	97,840,493
Other deposit accounts (Note-4.4)	3,112,828,831	2,539,305,514
	3,205,173,505	2,637,146,008
Off-shore Banking Unit	-	-
	3,205,173,505	2,637,146,008
4.2 Outside Bangladesh		
In current accounts (Note-4.5)	2,746,347,148	4,294,827,214
Other deposit accounts	-	-
	2,746,347,148	4,294,827,214
Off-shore Banking Unit	147,525,283	92,266,134
	2,893,872,431	4,387,093,348
4.3 Current Accounts (In Bangladesh)		
AB Bank Limited	960,784	709,419
Sonali Bank Limited (Other than as agent of Bangladesh Bank)	62,929,673	62,427,089
Trust Bank Limited-Q Cash Settlement Account	8,565,712	6,677,258
Inter Bank Fund Transfer (IBFT) Settlement Account	15,889,377	6,016,897
Standard Chartered Bank	3,999,129	22,009,831
	92,344,674	97,840,493
4.4 Other Deposit Accounts (In Bangladesh)		
ICB Islamic Bank Limited	59,719,000	59,719,000
United Commercial Bank Limited	37,342	37,629
AB Bank Limited	684,760	675,310
Eastern Bank Limited	556,625	555,012
Islami Bank Bangladesh Limited	429,000,000	-
Uttara Bank Limited	965,628,637	574,279,219
LankaBangla Finance Limited	1,300,000,000	1,300,000,000
NRB Commercial Bank Limited	-	500,000,000
Rupali Bank Limited	7,700	68,028,850
Prime Bank Limited	45,007,703	36,010,494
	2,800,641,767	2,539,305,514
Islami Banking:		
Mudaraba Special Notice Deposit	312,187,064	-
	3,112,828,831	2,539,305,514

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
4.5 Current Accounts (Outside Bangladesh)		
(Name of the banks and financial institutions)		
Standard Chartered Bank, New York	1,485,701,166	3,146,945,077
Standard Chartered Bank, London	5,585,679	1,053,037
Standard Chartered Bank, Pakistan	66,337,113	34,072,375
Standard Chartered Bank, Mumbai	204,217,846	82,661,909
Standard Chartered Bank, Tokyo	13,839,399	10,331,642
Standard Chartered Bank, Frankfurt	5,845,578	8,474,080
ICICI Bank Limited, Hong Kong	34,421,981	19,358,530
ICICI Bank Limited, Mumbai (ACUD)	118,170,593	46,874,481
ICICI Bank Limited, Mumbai (ACU EURO)	8,421,464	8,982,813
Commerzbank AG, Frankfurt (USD)	35,995,604	192,159,691
Commerzbank AG, Frankfurt (CAD)	15,113,341	22,684,865
Commerzbank AG, Frankfurt (EURO)	(5,155,950)	5,036,962
Mashreqbank Psc, New York	307,985,516	366,867,975
Mashreqbank Psc, India (ACUD)	26,259,677	17,819,052
Wells Fargo Bank N.A, New York	246,277,163	67,610,752
AB Bank Ltd, Mumbai	(16,927,185)	(2,884,994)
Habib Bank AG Zurich, Zurich	9,404,577	22,274,758
Nepal Bangladesh Bank Ltd, Kathmandu	10,031,313	9,914,527
Seylen Bank PLC, Colombo	11,796,031	20,875,918
Axis Bank Ltd, Kolkata	50,144,718	25,302,974
United Bank of India, Kolkata	39,406,008	54,157,527
Bank Al-Jazira, Jeddah	-	6,780,304
Habib American Bank, USA	18,892,408	-
Riyad Bank	40,115,941	32,899,298
Kookmin Bank, South Korea	14,467,169	94,573,663
	2,746,347,148	4,294,827,214

(For details of foreign currency amount and rate thereof see "Annexure - C")

- 4.6** As per Circular letter no. FEPD (FEMO)/01/2005-677 dated 13 September 2005, issued by Foreign Exchange Policy Department of Bangladesh Bank, the quarterly review of Nostro Accounts for the quarter ended 31 December 2021 reflect the true state of the Nostro Accounts entries recorded correctly and after review a separate audit certificate have also been given by the Auditor. The status of all outstanding unmatched entries are given below:

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

As at 31 December 2021

Amount in US\$

	As per Bank's Book				As per Correspondents' Book			
	Debit Entries		Credit Entries		Debit Entries		Credit Entries	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Less than 1 month	2	8,550.00	41	1,706,429.96	55	5,402,742.79	247	11,139,862.96
01 months or more but less than 03 months		-		-		-	22	163,930.65
03 months or more but less than 06 months		-		-		-		-
06 months or more but less than 09 months		-		-		-	1	62,970.00
09 months or more but less than 12 months		-		-		-		-
12 months or more		-		-		-		-
Total	2	8,550.00	41	1,706,429.96	55	5,402,742.79	270	11,366,763.61

As at 31 December 2020

Amount in US\$

	As per Bank's Book				As per Correspondents' Book			
	Debit Entries		Credit Entries		Debit Entries		Credit Entries	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Less than 1 month	2	145,573.08	38	1,265,140.12	64	13,375,320.32	277	15,853,263.93
01 months or more but less than 03 months	4	741,428.81		-		-	33	379,864.61
03 months or more but less than 06 months	1	163,078.55		-		-	8	795,416.89
06 months or more but less than 09 months	1	104,659.84		-		-	1	137,358.77
09 months or more but less than 12 months		-		-		-		-
12 months or more		-		-		-		-
Total	8	1,154,740.28	38	1,265,140.12	64	13,375,320.32	319	17,165,904.20

As on 31 December 2020, 02 debit entries of USD.1,63,078.55 (more than 03 months) and USD. 1,04,659.84 (more than 06 months) are lying pending for EXP correction (which have already been submitted to Bangladesh Bank for adjustment) due to short shipment. Our nostro account of SCB New York has credit entries for USD. 2,76,140.65 and USD. 1,37,358.77 against the above debit entries. As we have excess credit amount in our nostro account relating to these, debit entries there is no risk for the bank and no provision has been kept. Subsequently, the above 02 debit entries already settled on February 02, 2021.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>
4.7 Maturity of balances with other banks and financial institutions		
Up to 1 month	2,162,760,292	1,910,852,811
More than 1 months to 3 months	1,949,698,857	2,239,679,741
More than 3 months to 1 year	1,986,586,787	2,873,706,804
More than 1 year to 5 years	-	-
More than 5 years	-	-
	6,099,045,936	7,024,239,356
4 (a) Consolidated Balance with Other Banks and Financial Institutions In Bangladesh		
ONE Bank Limited	3,205,173,505	2,637,146,008
ONE Securities Limited	300,764,014	251,763,432
ONE Investments Limited	46,767	71,838
	3,505,984,286	2,888,981,278
Less: Inter Company Balances	(300,810,781)	(251,835,270)
	3,205,173,505	2,637,146,008
Outside Bangladesh		
ONE Bank Limited	2,893,872,431	4,387,093,348
ONE Securities Limited	-	-
	2,893,872,431	4,387,093,348
	6,099,045,936	7,024,239,356
5. Money at call and short notice		
With Bank (Note-5.1)	6,325,200,000	-
With non- bank financial institutions (Note-5.2)	400,000,000	-
	6,725,200,000	-
5.1 With Bank		
NRB Bank Limited	150,000,000	-
AB Bank Limited	500,000,000	-
South Bangla Agriculture and Commerce Bank Limited	385,800,000	-
National Credit and Commerce Bank Limited	1,429,000,000	-
NRB Commercial Bank Limited	600,000,000	-
Midland Bank Limited	514,800,000	-
Meghna Bank Limited	171,600,000	-
Premier Bank Limited	429,000,000	-
The City Bank Limited	343,200,000	-
Dhaka Bank Limited	257,400,000	-
Pubali Bank Limited	257,400,000	-
Agrani Bank Limited	1,287,000,000	-
	6,325,200,000	-
5.2 With non- bank financial institutions		
LankaBangla Finance Limited	400,000,000	-

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
6. Investments		
In Government securities		
Conventional Banking:		
Treasury bills (Note- 6.1)	2,029,905,647	756,134,449
Treasury bonds (Note-6.2)	29,472,611,327	24,577,505,415
Prize Bonds	1,333,500	1,580,200
	31,503,850,473	25,335,220,064
Islami Banking:		
Bangladesh Government Islamic Bond-Sukuk (Note-6.10)	120,640,000	21,120,000
	31,624,490,473	25,356,340,064
Other Investment		
Shares (Quoted and Unquoted) (Note-6.3)	792,396,412	707,642,064
Subordinated and Perpetual bonds (issued by other banks) [Note-6.4]	5,800,000,000	3,920,000,000
	6,592,396,412	4,627,642,064
Total Investment	38,216,886,885	29,983,982,128
6.1 Treasury Bills		
Treasury Bills (HTM) [(Note-6.1(a))]	968,677,884	-
Treasury Bills (HFT) [(Note-6.1(b))]	1,061,227,763	756,134,449
	2,029,905,647	756,134,449

6.1(a) Treasury Bills (HTM)

	Amortized Cost (Book Value)		Face value	
	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
364 days Treasury Bills	968,677,884	-	1,000,000,000	-
182 days Treasury Bills	-	-	-	-
	968,677,884	-	1,000,000,000	-

6.1(b) Treasury Bills (HFT)

	Marked to Market Value (Book Value)		Face value	
	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
364 days Treasury Bills	1,061,227,763	756,134,449	1,083,300,000	756,900,000
182 days Treasury Bills	-	-	-	-
	1,061,227,763	756,134,449	1,083,300,000	756,900,000

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>
6.2 Treasury Bonds		
Treasury Bonds (HTM) [(Note-6.2(a))]	24,591,286,098	18,302,942,230
Treasury Bonds (HFT) [(Note-6.2(b))]	4,881,325,229	6,274,563,185
	29,472,611,327	24,577,505,415

6.2 (a) Treasury Bonds (HTM)

	Amortized Cost (Book Value)		Face value	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
2 Years Treasury Bonds (Premium)	5,569,880,841	2,510,948,805	5,500,000,000	2,500,000,000
5 Years Treasury Bonds (Premium)	7,626,371,542	6,053,021,873	7,500,000,000	6,000,000,000
10 Years Treasury Bonds (Premium)	5,692,213,063	5,397,590,532	5,550,000,000	5,250,000,000
15 Years Treasury Bonds (Premium)	260,279,404	260,338,095	259,100,000	259,100,000
Sub-total	19,148,744,850	14,221,899,305	18,809,100,000	14,009,100,000

	Amortized Cost (Book Value)		Face value	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
2 Years Treasury Bonds (Discount)	498,018,811.63	-	500,000,000.00	-
5 Years Treasury Bonds (Discount)	925,550,124	1,425,562,996	950,000,000	1,450,000,000
10 Years Treasury Bonds (Discount)	1,881,565,692	922,365,787	1,926,100,000	926,100,000
15 Years Treasury Bonds (Discount)	522,019,700	117,740,509	618,100,000	118,100,000
20 Years Treasury Bonds (Discount)	108,886,921	108,873,634	109,300,000	109,300,000
Sub-total	3,936,041,248	2,574,542,926	4,103,500,000	2,603,500,000
10 Years Treasury Bonds (At par)	1,005,000,000	1,005,000,000	1,005,000,000	1,005,000,000
15 Years Treasury Bonds (At par)	444,300,000	444,300,000	444,300,000	444,300,000
20 Years Treasury Bonds (At par)	57,200,000	57,200,000	57,200,000	57,200,000
Sub-total	1,506,500,000	1,506,500,000	1,506,500,000	1,506,500,000
Total	24,591,286,098	18,302,942,230	24,419,100,000	18,119,100,000

6.2 (b) Treasury Bonds (HFT)

	Marked to Market Value (Book Value)		Face value	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
2 Years Treasury Bonds	1,519,507,010	4,206,004,508	1,500,000,000	4,000,000,000
5 Years Treasury Bonds	1,614,606,504	2,068,558,676	1,500,000,000	1,850,000,000
10 Years Treasury Bonds	1,747,211,715	-	1,477,500,000	-
	4,881,325,229	6,274,563,185	4,477,500,000	5,850,000,000

Investments in securities which are Held To Maturity (HTM) are incorporated at their amortized cost and investment held for trading (HFT) at their marked to market basis according to DOS Circular Letter No.05 dated 26 May of 2008 and subsequent clarification in DOS Circular no-05, dated 28 January 2009.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>
6.3 Other Investments -Shares		
In shares (quoted and unquoted)		
Quoted:		
The City Bank Limited	-	59,049,110
Prime Bank Limited	219,577,603	140,673,639
IFIC Bank Limited	170,983,639	170,983,639
Lanka Bangla Finance Limited	122,379,546	122,379,546
Summit Alliance Port Limited	6,200	6,200
Eastern Bank Limited	1,983,900	1,983,900
MI Cement Factory Limited	5,533	5,533
Bank Asia Limited	-	53,501,786
Robi Axiata Limited	-	2,712,540
	514,936,421	551,295,893
Quoted (Special Investment Account):		
United Commercial Bank Limited	1,430,653	1,430,653
NCC Bank Limited	3,265,760	3,265,760
Square Pharma	6,313,528	6,313,528
Prime Bank Limited	118,614,237	-
Eastern Bank Limited	9,620,184	-
Jamuna Bank Limited	-	763,000
Mercantile Bank Limited	-	6,357,600
	139,244,362	18,130,541
Unquoted:		
Industrial and Infrastructure Development Finance Company Limited	59,000,260	59,000,260
Central Depository Bangladesh Limited (CDBL)	1,569,450	1,569,450
Lanka Bangla Securities Limited	72,000,000	72,000,000
Investment in SWIFT	5,645,919	5,645,919
	138,215,629	138,215,629
	792,396,412	707,642,064
6.4 Subordinated and Perpetual bonds (issued by other banks)		
City Bank 2nd Subordinated Bond	850,000,000	1,000,000,000
City Bank 3rd Subordinated Bond	1,040,000,000	1,300,000,000
National Bank Limited 2nd Subordinated Bond	150,000,000	200,000,000
United Commercial Bank Limited 3rd Subordinated Bond	450,000,000	600,000,000
Mercantile Bank Limited Subordinated Bond	-	100,000,000
Bank Asia Limited Subordinated Bond	120,000,000	240,000,000
Prime Bank Limited Subordinated Bond	120,000,000	240,000,000
Eastern Bank Limited Subordinated Bond	120,000,000	240,000,000
Premier Bank Perpetual Bond	1,800,000,000	-
Jamuna Bank Perpetual Bond	1,150,000,000	-
	5,800,000,000	3,920,000,000

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

6.5 Comparison between cost and market price of quoted shares (excluding special investment account)

Particulars	No. of Shares including bonus shares	Market price per share	Market value at 31-12-2021	Cost	Surplus/ (Deficiency)
LankaBangla Finance Ltd.	20,362,737	37.30	759,530,090.10	122,379,546	637,150,544
IFIC Bank Limited *	3,108,740	16.90	52,537,706.00	170,980,700	(118,442,994)
Summit Alliance Port Ltd	117	24.50	2,866.50	6,200	(3,334)
Prime Bank Limited	6,777,839	21.50	145,723,538.50	219,577,603	(73,854,064)
MI Cement Factory Ltd	56	62.20	3,483.20	5,533	(2,050)
Eastern Bank Limited	63,206	38.50	2,433,431.00	1,983,900	449,531
IFIC Bank Limited	171	16.90	2,889.90	2,939	(49)
Total			960,234,005	514,936,421	445,297,584

*ONE Bank Limited acquired 3,108,740 no. of shares of IFIC Bank Limited under a Sale and Buy Back Agreement dated August 10, 2006. The Buy Back Guarantors failed to exercise the purchasing option within the tenure of the Agreement and upon expiry, ONE Bank Limited placed the shares to IFIC Bank Limited for transfer to ONE Bank's name. As the IFIC Bank was delaying transfer of the shares, ONE Bank Limited filed a suit before the Honorable High Court Division of the Supreme Court of Bangladesh for transfer of the shares in favor of ONE Bank Ltd. The Court directed IFIC Bank to transfer the said shares including Bonus Shares in the name of ONE Bank Ltd. Subsequently, the matter was raised in the Appellate Division. Presently, a civil review petition of ONE Bank Limited is lying before the Honorable Appellate Division of the Supreme Court of Bangladesh against the judgement passed by the same court for hearing. OBL has taken a legal opinion regarding the above issue and the opinion has stated that there is a fair chance that the Hon'ble Appellate Division may uphold the decision of the Hon'ble Company Court in Company Matter No. 157 of 2007 allowing the prayer of ONE Bank Ltd. for rectification of Share register of IFIC Bank Ltd.

The total market value of 68,737,959 shares of IFIC Bank Limited as of 31 December 2021 was Tk.1,161,671,507 exceeding the original investment by Tk.990,690,807.

In addition to the above Bonus Shares, the payment of Cash Dividend of Tk.10,588,625 as declared by the IFIC Bank Limited for the year 2011 has also remained pending.

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
6.6 Residual Maturity of Investments		
Payable on demand	199,999,413	-
Up to 3 months	360,000,000	1,383,367,505
Above 3 months to 1 year	9,472,558,287	4,615,062,402
Above 1 year to 5 years	16,070,587,221	18,400,694,376
Above 5 years	12,113,741,965	5,584,857,845
	38,216,886,885	29,983,982,128

The above amount includes investment in the Government securities as well as other investment.

6.7 Disclosure regarding outstanding Repo

Counterparty name	Agreement date	Reversal date	Amount in taka-2021	Amount in taka-2020
			-	-

As at balance sheet date there was no outstanding balance regarding repo.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

6.8 Disclosure regarding outstanding Reverse Repo

Counterparty name	Agreement date	Reversal date	Amount in taka-2021	Amount in taka-2020
Trust Bank Limited	28.12.2021	02.01.2022	1,061,227,763	-
Jamuna Bank Limited	30.12.2021	06.01.2022	1,809,412,855	-

6.9 Disclosure regarding overall transaction of Repo and Reverse Repo

	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year
Securities sold under repo:			
i) with Bangladesh Bank	500,683,150	558,478,930	2,901,814
ii) With other banks & FI	-	-	-
Securities purchased under Reverse Repo:			
i) with Bangladesh Bank	900,437,776	2,870,640,617	96,248,220
ii) With other banks & FI	-	-	-

	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>
6.10 Islami Banking:		
Government securities		
Bangladesh Government Investment Sukuk (Ijarah Sukuk)	120,640,000	21,120,000
6 (a) Consolidated Investments		
In Government securities		
ONE Bank Limited	31,624,490,473	25,356,340,064
ONE Securities Limited	-	-
	31,624,490,473	25,356,340,064
Other Investment		
ONE Bank Limited	6,592,396,412	4,627,642,064
ONE Securities Limited	2,485,789,837	2,485,563,686
ONE Investments Limited	11,432,652	10,944,509
Less: Inter Company Balances	(192,036,662)	(163,456,185)
	8,897,582,239	6,960,694,074
	40,522,072,712	32,317,034,138

Other investment by ONE Securities Limited includes Tk. 562,320,683 representing original investment cost for DSE and CSE memberships. As per the Exchange Demutualization Act 2013, the number of shares as on 31 December 2021 of DSE and CSE 5,411,329 and 4,287,330 respectively with a face value of Tk. 10 each for both. As there is no active market for these shares, the amounts have been shown at cost.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
7. Loans and Advances/ investments		
Loans, cash credit, overdraft etc (Note-7.1)	220,873,878,073	218,317,840,383
Bills purchased and discounted (Note-7.2)	1,820,269,099	2,023,706,051
	222,694,147,172	220,341,546,434
7.1 Loans, cash credit, overdraft etc/ investments (Note-7.2.a)		
Inside Bangladesh		
Loans	181,174,226,246	174,053,978,439
Cash Credit	-	-
Overdraft	39,699,651,827	44,263,861,945
	220,873,878,072	218,317,840,383
Outside Bangladesh	-	-
	220,873,878,073	218,317,840,383
7.2 Bills purchased and discounted		
Inside Bangladesh		
Local bill purchased and discounted	1,373,023,399	1,704,418,233
Foreign bill purchased and discounted	447,245,700	319,287,818
	1,820,269,099	2,023,706,051
Outside Bangladesh	-	-
	1,820,269,099	2,023,706,051
7.2.a Loans, cash credit, overdraft etc/ investments		
Inside Bangladesh		
Overdraft	39,699,651,827	44,263,861,945
Payment against Documents	2,676,575,985	981,851,521
Loan Against Trust Receipts	3,866,243,550	5,728,547,430
Time Loan	51,997,489,706	54,138,550,007
Export Development Fund (EDF)	10,521,821,165	8,782,081,231
Packing Credit	1,188,528,535	896,285,148
Term Loans	91,482,752,332	85,123,678,166
Lease Finance	6,623,698,511	6,307,453,386
Retail Loans	10,695,198,470	10,215,587,419
Credit Card	1,439,686,218	1,156,877,731
Staff Loan	682,231,776	723,066,400
	220,873,878,073	218,317,840,383
Outside Bangladesh	-	-
	220,873,878,073	218,317,840,383

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
7.3 Residual Maturity grouping of loans and advances including bills purchased and discounted		
Payable on demand	8,607,208,226	36,968,252,647
Up to 3 months	51,748,276,738	37,946,591,814
Above 3 months to 1 year	71,936,978,986	58,676,310,768
Above 1 year to 5 years	48,032,653,999	51,634,905,636
Above 5 years	42,369,029,222	35,115,485,568
	222,694,147,172	220,341,546,434
7.4 Loans and Advances on the basis of significant concentration		
i. Advance to Directors	-	-
ii. Advance to Managing Director & Senior Executives	471,222,680	498,447,094
iii. Advance to Customer's group:	-	
Commercial lending	110,235,799,873	98,925,138,464
Agricultural loan	3,229,404,940	2,030,863,677
Export financing	8,753,059,350	8,814,193,933
Consumer credit scheme	3,447,529,788	2,070,420,708
Small and medium enterprise financing	23,571,935,145	24,055,230,603
Staff loan (except Sl. No. ii)	211,009,096	224,619,306
House building loan (other than the employees)	8,977,336,241	8,535,730,061
Others	63,796,850,059	75,186,902,588
	222,694,147,172	220,341,546,434
7.5 Industry-wise outstanding of loans & advances including bills purchased and discounted		
Trade finance	25,325,320,855	26,545,989,378
Steel Re-Rolling	10,119,266,543	13,567,052,940
Readymade Garments	38,723,012,051	36,449,214,264
Textiles	19,699,634,092	22,081,889,873
Edible oil, Rice, Flour etc.	4,220,934,565	5,806,855,355
Power	6,862,416,236	9,790,707,476
Transport & Communication	1,995,648,088	2,420,670,174
Construction/Engineering	13,202,732,999	8,194,271,621
Personal	6,285,876,810	2,592,216,227
Pharmaceuticals	6,816,064,917	7,574,602,323
Real Estate	6,200,818,459	11,966,026,196
Cargo and Travel Services	7,416,836	365,117,469
Paper & Packaging	646,112,352	747,907,521
Agro based industry/ Dairy products/ Food & Beverage	5,188,596,532	5,757,715,638
Others	77,400,295,837	66,481,309,978
	222,694,147,172	220,341,546,434

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
7.6 Geographical Location-wise Loans and advances including bills purchased and discounted		
Urban		
Dhaka Division	154,799,315,218	155,492,998,032
Chattogram Division	47,897,095,046	44,670,461,230
Rajshahi Division	3,787,473,034	4,205,367,173
Khulna Division	7,519,822,817	7,598,566,162
Sylhet Division	236,201,953	311,834,104
Rangpur Division	857,722,982	806,252,373
Barishal Division	631,819,664	633,225,489
	215,729,450,714	213,718,704,563
Rural		
Dhaka Division	3,481,279,131	3,220,139,937
Chattogram Division	2,869,688,455	2,890,543,558
Rajshahi Division	-	-
Khulna Division	437,564,392	238,966,445
Sylhet Division	176,164,479	273,191,931
Rangpur Division	-	-
Barishal Division	-	-
	6,964,696,458	6,622,841,872
	222,694,147,172	220,341,546,434
7.7 Business segment-wise loans and advances including bills purchased and discounted		
Corporate	183,827,936,105	181,824,839,466
SME	23,571,935,145	24,055,230,603
Consumer	12,035,680,683	11,410,164,473
Short term agri. credit and microcredit	2,576,363,463	2,328,245,492
Executive & Staff	682,231,776	723,066,400
	222,694,147,172	220,341,546,434
7.8 CL category wise loans and advances including bills purchased and discounted		
Continuous loan (CL-2)		
Small & Medium Enterprise (SME)	11,974,706,758	12,201,316,110
Consumer finance	1,448,330,786	1,160,189,844
Loan to Brokerage House/Merchant Banking/ Stock Dealer against shares	864,380,266	802,367,010
Other corporate loans	26,667,127,677	31,220,089,106
	40,954,545,487	45,383,962,070
Demand Loan (CL-3)		
Small & Medium Enterprise (SME)	5,251,081,747	5,443,694,266
Consumer finance	-	-
Loan to Brokerage House/Merchant Banking/ Stock Dealer against shares	-	-
Other corporate loans	68,090,178,280	67,752,090,899
	73,341,260,027	73,195,785,166

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>
Fixed Term Loan (CL-4)		
Small & Medium Enterprise (SME)	6,346,146,640	6,410,220,227
Consumer finance (other than HF & LP)	1,626,031,592	1,402,837,679
House finance	8,934,045,661	8,817,948,245
Loans for professionals to set up business	27,272,643	29,188,705
Loan to Brokerage House/Merchant Banking/ Stock Dealer against shares	1,212,678,011	1,022,422,088
Other corporate loans	86,993,571,871	81,027,870,363
	105,139,746,419	98,710,487,306
Short term agri. credit and microcredit (CL-5)		
Short term agri. Credit	2,576,363,463	2,328,245,492
Microcredit	-	-
	2,576,363,463	2,328,245,492
Staff Loan	682,231,776	723,066,400
	222,694,147,172	220,341,546,434
7.9 Classified and unclassified loans and advances		
Unclassified		
Standard	186,610,242,982	192,154,895,479
Special Mention Account	9,673,646,523	8,506,224,113
Staff Loan	682,231,776	723,066,400
	196,966,121,281	201,384,185,991
Classified		
Substandard	1,402,781,007	3,040,093,342
Doubtful	1,657,324,745	2,894,308,571
Bad & Loss	22,667,920,139	13,022,958,530
	25,728,025,891	18,957,360,443
	222,694,147,172	220,341,546,434
7.10 Net loans and advances		
Gross loans and advances	222,694,147,172	220,341,546,434
Less: Interest suspense (Note-12.11)	11,182,600,386	8,772,019,717
Less: Provision for loans and advances (Note-12.4, 12.5 and 12.6)	11,221,079,932	10,606,197,916
	22,403,680,317	19,378,217,633
	200,290,466,855	200,963,328,801
7.11 Bills purchased and discounted		
Payable in Bangladesh	1,373,023,399	1,704,418,233
Payable outside Bangladesh	447,245,700	319,287,818
	1,820,269,099	2,023,706,051
7.12 Maturity of Bills purchased and discounted		
Upto 1 month	424,545,311	365,811,281
Above 1 month but less than 3 months	960,079,901	841,020,113
Above 3 months but less than 6 months	435,643,887	786,401,986
6 months or more	-	30,472,671
	1,820,269,099	2,023,706,051

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

7.13 Particulars of provision for Loans and Advances

	Rate (%)	Base for Provision Taka	Total Provision Taka
Standard loan (excluding Staff Loan)	0.25%- 1%	107,904,879,762	6,260,118,391
Standard loan (deferral loan as per BRPD Circular no-17)	1%	36,301,733,935	363,017,339
Standard loan (deferral loan as per BRPD Circular letter no-50 and 52)	2% & 1.5%	9,338,158,808	165,029,334
Small & Medium Enterprise Financing	0.25%	18,171,208,375	45,428,021
Consumer Finance (House Financing)	1%	8,762,992,045	87,629,920
Consumer Financing (Other than House Financing)	2%	1,578,230,254	31,564,605
Credit Card	2%	1,257,871,855	25,157,437
Special Mention Account	0%-2%	7,908,919,932	81,818,329
Short Term Agriculture Loan	1%	2,508,418,247	25,084,182
Loan to brokerage houses, merchant banks/stock dealers against shares etc.	2%	1,213,349,700	24,266,994
Substandard	5% & 20%	809,501,042	142,739,624
Doubtful	5% & 50%	905,813,797	419,914,221
Bad & Loss	100%	12,933,761,533	12,933,761,533
Required provision for loans and advances			20,605,529,932
Total provision maintained			11,221,079,932
Deferral Provision *			(9,384,450,000)
Excess/ (Short) provision at 31 December			

* The Bank was supposed to keep provision amounting to Tk. 2,060.55 crore against total loans and advances. But in response to the Bank's request, Bangladesh Bank has allowed (vide letter # DOS (CAMS) 1157/41 (Dividend)/2022-2295 dated 28 April 2022) to defer the provision shortfall of Tk. 967.99 Crore (General Provision BDT 661.33 crore and Specific Provision BDT 306.66 crore) over the next 5 years (i.e. 2022 to 2026). While calculating the provision, the Bank deducted Tk. 967.99 crore as the deferred provision in compliance with the letter mentioned above. As such total required provision has been derived at Tk. 938.45 crore after netting of BDT 29.55 Crore additional provision kept on the Unclassified Loans and Advances (Tk. 2,060.55 crore - Tk. 1122.10 crores = Tk. 938.45). As per the condition mentioned in the above letter, from 2022, the bank must first adjust the specific provision and then the general provision. Besides, Bangladesh Bank also provides NOC for a maximum 5% stock dividend for the year ended 31 December 2021.

7.14 Number of clients with outstanding amount and classified loans and advances exceeding 10% of total capital of the Bank.

Number of clients (Annexure-D)		19	20
Amount of outstanding loans & advances *	Tk.	66,999,167,340	70,345,524,811
Amount of classified loans and advances	Tk.	-	-
Measures taken for recovery against classified loans, if any		Not Applicable	Not Applicable

* The amount of outstanding loans & advances represents the sum of total loans and advances (both funded and non funded) to each customer exceeding 10% of total capital of the Bank as at 31 December 2021. The classification status is shown as per the CL prepared by the Bank as at 31 December 2021 and submitted to Bangladesh Bank.

* Total capital of the Bank was Taka 2,794.74 Crore as at 31 December 2021 (Tk 2,595.06 Crore in 2020).

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>
7.15 Particulars of Loans and Advances		
i) Loans considered good in respect of which the bank is fully secured	173,793,306,261	164,038,440,863
ii) Loans considered good against which the bank holds no security other than the debtor's personal guarantee	23,375,533,337	36,382,449,213
iii) Loans considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	25,525,307,574	19,920,656,358
iv) Loans adversely classified; provision not maintained there against	-	-
	222,694,147,172	220,341,546,434
v) Loans due by directors or officers of the banking company or any of them either separately or jointly with any other persons	682,231,776	723,066,401
vi) Loans due from companies or firms in which the directors of the bank have interest as directors, partners or managing agents or in case of private companies as members	-	-
vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either separately or jointly with any other persons	682,231,776	723,066,401
viii) Maximum total amount of advances, including temporary advances granted during the year to the 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	-	-
ix) Due from other banking companies (Bills purchased and discounted)	1,820,269,099	2,023,706,051
x) Classified loans and advances		
a) Classified loans and advances on which interest has not been charged to income (Note-7.9)	25,728,025,891	18,957,360,443
b) Provision on classified loans and advances (Note-12.4)	8,429,815,378	8,142,699,967
c) Provision kept against loans and advances classified as bad debts	12,933,761,533	7,016,809,804
d) Increase/(Decrease) of Specific Provision	287,115,411	811,583,477
e) Interest credited to Interest Suspense Account (Note-12.11)	11,182,600,386	8,772,019,717
xi) Cumulative amount of written off loans and advances		
Opening balance	4,451,055,169	4,451,055,169
Written off during the year	1,654,845,040	-
Closing balance	6,105,900,209	4,451,055,169

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
Cumulative amount realised against loans previously written off	236,281,086	180,607,192
The amount of written off loans for which law suits has been filed	6,071,972,378	4,448,369,487
7.16 Details of pledged collaterals received against Loans and Advances		
Collateral of movable /immovable assets	157,399,952,562	154,946,324,197
Local banks and financial institutions guarantee	8,000,508,603	1,892,970,253
Government guarantee	-	-
Foreign banks guarantee	-	-
Export documents	3,469,760,433	1,474,683,367
Fixed Deposit Receipts (FDR)	4,673,936,596	5,144,486,184
FDR of other banks	249,148,067	579,976,862
Government bonds	-	-
Personal guarantee	23,375,533,338	36,382,449,213
Other securities	25,525,307,574	19,920,656,358
	222,694,147,172	220,341,546,434
7.17 Restructure of large loan		
There was no restructure of large loan occurred during the year 2021 (Restructure refers BRPD Circular 04/2015 and large loans are as defined in BRPD Circular 02/2014.)		
7.18 Financial Statements review and maintained in the clients loan files		
Bank collects latest audited Financial Statements of the loanees as available and preserve the same in the loan file of the particular loan account in line with the instruction of BRPD Circular Letter No. 04 dated 04 January 2021. Moreover, the bank has already signed a MOU with the Institutions of Chartered Accountants of Bangladesh (ICAB) to obtain necessary access to the Document Verification System (DVS) for checking information of the loanee financial statements through the DVS as per requirement of BRPD Circular Letter No. 35 dated 06 July 2021. So far we have collected the audited financial statements as per the Bangladesh Bank circulars in all the relevant loan cases. Now we have started checking information maintained in the DVS of the Institute of Chartered Accountants of Bangladesh.		
7 (a) Consolidated Loans and Advances		
Loans, cash credit, overdraft etc.		
ONE Bank Limited	220,873,878,073	218,317,840,383
ONE Securities Limited	159,612,680	93,941,718
Less: Inter unit/company elimination	(6,614,482)	(6,768,097)
	221,026,876,270	218,405,014,005
Bills purchased and discounted		
ONE Bank Limited	1,820,269,099	2,023,706,051
ONE Securities Limited	-	-
	1,820,269,099	2,023,706,051
	222,847,145,369	220,428,720,056

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
8. Fixed Assets including premises, furniture & fixtures		
Conventional and Islami Banking:		
Furniture & Fixtures	1,660,313,007	1,598,557,482
Office equipment	1,499,528,288	1,367,494,753
Motor Vehicles	293,837,805	309,913,740
Building	324,446,383	304,750,010
Right of use Assets as per IFRS-16*	2,250,764,690	1,306,662,774
Land	279,366,295	279,366,295
	6,308,256,468	5,166,745,054
Intangible Assets	198,184,620	198,184,620
	6,506,441,088	5,364,929,674
Less: Accumulated depreciation	2,874,540,273	2,356,233,967
Balance as on 31 December	3,631,900,815	3,008,695,706

*As per Note 2.24, in accordance with IFRS-16, the Bank has recognised the Right of use Assets.

(For details please refer to Annexure- A)

8 (a) Consolidated Fixed Assets including premises, furniture & fixtures

ONE Bank Limited	3,631,900,815	3,008,695,706
ONE Securities Limited	54,416,843	29,114,555
ONE Investments Limited	-	-
	3,686,317,659	3,037,810,261

9. Other Assets

i Income generating

Investment in shares of subsidiary companies

In Bangladesh (Note-9.1)	2,480,099,170	2,480,099,170
Outside Bangladesh	-	-

ii Non- income generating

Stock of stationery	16,219,812	54,892,585
Stock of stamps	4,555,854	4,774,289
Security deposits	6,525,400	6,525,400
Advance rent for office premises	16,890,025	144,321,928
Prepayments	439,327,356	514,152,333
Application money against IPO share and perpetual bond	222,872,340	-
Suspense account (Note-9.5)	20,313,169	18,752,838
Receivable from Bangladesh Bank (Note-9.8)	179,602,348	125,631,748
Interest receivables (Note-9.7)	644,293,612	544,018,485

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
Advance Income Tax (Note-9.3)	10,696,066,785	9,538,900,945
Deferred Tax Assets (Note-9.4)	84,595,669	76,913,483
Protested bill	8,554,393	2,594,351
Sundry receivables	325,714	848,621
Receivable ATM acquiring	29,937,088	18,386,782
Receivable from ONE Bank Limited Employees' Provident Fund (Note-9.9)	-	2,360,534
Receivable from ONE Investments Ltd	157,842	-
Branch Adjustment Account (Note-9.2)	(1,946,896)	3,367,975
	14,848,389,680	13,536,541,466
Off-shore Banking Unit	40,426,697	84,928,334
	14,888,816,377	13,621,469,800

9.1 Investment in shares of subsidiary companies

ONE Securities Limited (98.9999% owned subsidiary company of OBL)	2,474,999,170	2,474,999,170
ONE Investments Limited (51.00% owned subsidiary company of OBL)	5,100,000	5,100,000
	2,480,099,170	2,480,099,170

9.2 Branch Adjustment Account

Branch adjustments account represents outstanding Inter-branch and Head Office transactions (Net) originated but yet to be responded at the balance sheet date. However, the Bank has no non-responded pending entry maximum for more than 10 days. The status of unresponded entries of 31 December 2021 are given below:

	Number of Unresponded entries		Unresponded entries (Amount-Taka)	
	Dr	Cr	Dr	Cr
Up to 3 months	20	8	3,065,798	5,012,694
Over 3 months but within 6 months	-	-	-	-
Over 6 months but within 1 year	-	-	-	-
Over 1 year but within 5 years	-	-	-	-
	20	8	3,065,798	5,012,694

Branch Adjustment Account (Net) (1,946,896)

9.3 Advance income tax

Opening balance on 1 January	9,538,900,945	8,365,477,074
Add: Tax paid as advance	1,157,165,840	1,173,423,871
Less: Advance income tax adjusted during the year	-	-
Balance on 31 December	10,696,066,785	9,538,900,945

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
9.4 Deferred tax assets:		
Opening balance	76,913,483	69,444,925
Addition/(reverse) during the year (Note-12.2.1)	7,682,186	7,468,558
Closing balance	84,595,669	76,913,483

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences in the carrying amount with tax base.

9.5 Suspense account includes advance against TA/DA, advance against petty cash, Legal expense and suspense others etc.

9.6 Particulars of required provision for other

	Taka	Rate	Taka-2021	Taka-2020
Protested bill	8,554,393	100%	8,554,393	2,594,351
Legal Expense	3,677,164	100%	3,677,164	1,994,979
Others	11,983,000	100%	11,983,000	14,579,461
Required provision for other assets			24,214,557	19,168,791
Total provision maintained (Note-12.8)			26,172,910	20,212,868
Excess/(short) provision as on 31, December			1,958,353	1,044,077

9.7 Interest receivables

Interest receivables on placement	3,246,593	6,356,294
Interest receivables on government securities	596,193,252	500,799,438
Interest receivables on non-government securities	44,853,768	36,862,754
	644,293,612	544,018,485

9.8 Receivable from Bangladesh Bank

Receivable against encashment - Shanchaya Patras	116,764,522	115,210,726
Interest Receivable from Bangladesh Bank	59,579,164	1,924,887
Receivable against Wage Earners Remittance	3,258,662	8,496,135
	179,602,348	125,631,748

9.9 Receivable from ONE Bank Limited Employees' Provident Fund	-	2,360,534
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As per Financial Reporting Council (FRC) notification reference # 179/FRC/FRM/Notification/2020/2 dated July 07, 2020, we have received from ONE Bank Limited Employees' Provident Fund as considered the forfeited fund of Tk. 366,819/= for the year 2021 and for the year 2020 we had considered the forfeited fund of OBL Provident fund (from the year 2015 to 2019) of Tk. 2,360,534/= as other asset named as receivable from ONE Bank Limited Employees' Provident Fund and the same amount shown in the other operating income. Subsequently we have received the full amount from ONE Bank Limited Employees' Provident Fund through a payment order # 1378939 dated March 15, 2021 and encashed on the same date.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
9 (a) Consolidated Other Assets		
ONE Bank Limited	14,888,816,377	13,621,469,800
ONE Securities Limited	236,512,939	182,120,537
ONE Investments Limited	454,079	241,873
Investment in ONE Securities Ltd by ONE Bank Limited	(2,474,999,170)	(2,474,999,170)
Investment in ONE Investments Ltd by ONE Bank Limited	(5,100,000)	(5,100,000)
Less: Inter unit/company elimination	(157,842)	-
	12,645,526,384	11,323,733,040
10. Borrowings from other Banks, financial institutions and Agents.		
Borrowing Inside Bangladesh (Note-10.1)	15,540,672,269	13,464,600,733
Borrowing Outside Bangladesh (Note-10.2)	4,204,199,828	7,858,235,210
	19,744,872,097	21,322,835,943
10.1 Borrowing Inside Bangladesh		
Borrowing from Bangladesh Bank [Note-10.1(a)]	15,540,672,269	13,464,600,733
Borrowing from other bank -Payable on demand	-	-
	15,540,672,269	13,464,600,733
10.1 (a) Borrowing from Bangladesh Bank		
Export Development Fund (EDF)	10,647,991,684	8,704,569,840
Refinance against SME, Agriculture loan and Green finance	74,289,833	132,291,490
Stimulus Package for COVID19	3,210,256,221	2,833,340,194
Financial Sector Support Project (FSSP)	1,608,134,530	1,794,399,208
	15,540,672,269	13,464,600,733
10.2 Borrowing Outside Bangladesh		
Borrowing by Offshore Banking Unit .		
Nederlandse Financierings- Maatschappij Voor Ontwikkelingslanden N.V (FMO)	1,061,775,000	2,151,827,913
Oesterreichische Entwicklungsbank AG (OeEB)	225,225,000	583,007,563
The OPEC Fund for International Development (OFID)	-	318,004,125
Société de Promotion et de Participation pour la Coopération Economique S.A. (Proparco)	804,375,000	1,325,017,188
Norwegian Investment Fund for Developing Countries (Norfund)	482,625,000	795,010,313
International Finance Corporation (IFC)	857,999,828	1,413,351,610
RAK BANK-Dubai	772,200,000	1,272,016,500
	4,204,199,828	7,858,235,210
10.3 Security against borrowings from other banks, financial institutions and agents		
Secured	-	-
Unsecured	19,744,872,097	21,322,835,943
	19,744,872,097	21,322,835,943

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
10 (a) Consolidated Borrowings from other banks, financial institutions and agents.		
ONE Bank Limited	19,744,872,097	21,322,835,943
ONE Securities Limited	6,614,482	6,768,097
ONE Investment Limited	-	-
Less: Inter unit/company elimination	(6,614,482)	(6,768,097)
	19,744,872,097	21,322,835,943
10 (b) Non-convertible subordinated bond and contingent-convertible perpetual bond		
Subordinated Bond - II	1,600,000,000	2,400,000,000
Subordinated Bond - III	4,000,000,000	4,000,000,000
Perpetual Bond	3,650,000,000	500,000,000
	9,250,000,000	6,900,000,000

Subordinated Bond-II Tk. 4,000,000,000 (Outstanding as on December 31, 2021 of Tk.1,600,000,000)

To meet regulatory capital requirement, ONE Bank Limited issued unsecured non-convertible subordinated floating rate bonds on 27th October, 2016 after obtaining approval from Bangladesh Bank and Securities and Exchange Commission vide their letters [# BRPD (BFIS) 661/14B(P)/2016-5583 dated August 18, 2016],[BRPD (BFIS) 661/14B(P)/2016-6471 dated September 29, 2016] and [# BSEC/CI/DS-46/2016/344 dated June 16, 2016] respectively. Interest rate of the Bond is calculated as Benchmark rate +2.80% Margin. However, the rate shall be kept 7.00% to 10.50% p.a. throughout the tenure of the bond. As of Balance Sheet date interest rate is applicable @ 7.00%.

Main Features of the Bond:

Issuer	ONE Bank Ltd
Trustee	Green Delta Insurance Company Limited
Lead Arranger	Standard Chartered Bank
Tenor	7 years
Total Face Value	BDT 4,000 Million
Number of Bonds	4,000

List of Investors:

Name of the Investor	No of Bonds	Bond Issued Taka	Outstanding-31.12.2021 (after 60% redemption)
	No of Bonds	Issued Amount	
Pubali Bank Limited	1000	1,000,000,000	400,000,000
Sonali Bank Limited	1000	1,000,000,000	400,000,000
Janata Bank Limited	500	500,000,000	200,000,000
Southeast Bank Limited	500	500,000,000	200,000,000
Trust Bank Limited	400	400,000,000	160,000,000
Dhaka Bank Limited	300	300,000,000	120,000,000
Rupali Bank Limited	200	200,000,000	80,000,000
Mutual Trust Bank Limited	100	100,000,000	40,000,000
Total	4000	4,000,000,000	1,600,000,000

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

Subordinated Bond-III Tk. 4,000,000,000 (Outstanding as on December 31, 2021 of Tk. 4,000,000,000)

With the view to strength the capital base of the Bank, ONE Bank Limited again issued unsecured non-convertible subordinated floating rate bonds on 12th December, 2018 after obtaining approval from Bangladesh Bank and Securities and Exchange Commission vide their letters [#BRPD (BFIS) 661/14B(P)/2018/7655 dated October 11, 2018] and [# BSEC/CI/DS-46/2016/671 dated September 27, 2018] respectively. Interest rate of the Bond is calculated as Benchmark rate +2.00% Margin. However, the rate shall be kept 7.00% to 9.00% p.a. throughout the tenure of the bond. As of Balance Sheet date interest rate is applicable @ 7.00%

Main Features of the Bond:

Issuer	ONE Bank Ltd
Trustee	MTB Capital Limited
Lead Arranger	RSA Advisory Limited
Tenor	7 years
Total Face Value	BDT 4,000 Million
Number of Bonds	400

List of Investors:

Pubali Bank Limited	30	300,000,000	300,000,000
NRB Commercial Bank Limited	50	500,000,000	500,000,000
LankaBangla Finance Limited	80	800,000,000	800,000,000
Total	400	4,000,000,000	4,000,000,000

Contingent-Convertible Perpetual Bond-I Tk. 4,000,000,000

To meet the Capital to Risk Weighted Assets Ratio of the Bank, ONE Bank Limited issued unsecured ,Contingent-Convertible,Floating Rate Perpetual bonds on 30th December, 2020 after obtaining approval from Bangladesh Bank and Securities and Exchange Commission vide their letters [#BRPD (BFIS) 661/14B(P)/2020/8071 dated September 29, 2020] and [# BSEC/CI/DS-118/2020/296 dated December 23, 2020] respectively. Interest rate of the Bond is calculated as Benchmark rate +2.00% Margin. However, the rate shall be kept 6.00% to 10.00% p.a. throughout the tenure of the bond. As of Balance Sheet date applicable interest rate are given below:

Main Features of the Bond:

Issuer	ONE Bank Ltd
Trustee	EBL Investment Limited
Lead Arranger	City Bank Capital Resources Limited
Total Face Value	BDT 4,000 Million
Number of Bonds	4,000

List of Investor:

Name of the Investor	No of Bonds	Bond Issued Taka	Outstanding-31.12.2021	Interest Rate
LankaBangla Finance Ltd.	500	500,000,000	500,000,000	9.99%
Trust Bank Limited	500	500,000,000	500,000,000	8.50%
NCC Bank Limited	950	950,000,000	950,000,000	9.99%
AB Bank Limited	1050	1,050,000,000	1,050,000,000	9.99%
AB Bank Limited	650	650,000,000	650,000,000	9.99%
Total	3650	3,650,000,000	3,650,000,000	

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
10. (b).1 Residual Maturity grouping of borrowings from other banks, financial institutions and agents and Non-convertible subordinated bond and contingent-convertible perpetual bond		
Payable on demand	2,486,507,563	2,154,336,117
Up to 3 months	2,954,110,387	2,653,639,843
Above 3 months to 1 year	8,934,401,022	9,568,364,275
Above 1 year to 5 years	10,969,853,126	12,786,495,707
Above 5 years	3,650,000,000	1,060,000,000
	28,994,872,097	28,222,835,943
11. Deposits and other accounts		
i Current/Al-wadeeah current account and other account	27,915,716,272	25,469,720,365
Unclaimed cash and fractional dividend account (Note-11.5)	42,795,064	35,335,849
Off-shore Banking Unit	5,116,763	95,769,474
	27,963,628,099	25,600,825,688
ii Bills payable		
Payment Order (Issued)	2,833,632,141	2,560,935,931
Demand Draft	398,833	681,460
	2,834,030,974	2,561,617,392
iii Savings accounts/Mudaraba savings bank deposit	31,887,111,950	26,768,261,590
iv Fixed Deposit/Mudaraba fixed deposits		
Fixed Deposit/Mudaraba fixed deposits	103,249,839,831	119,550,312,626
Special Notice Deposits/ Mudaraba special notice deposit	52,601,450,356	42,939,203,406
Scheme Deposits/ Mudaraba scheme deposit	12,370,514,152	11,950,898,749
Non-resident Foreign Currency Deposits	216,285,264	113,453,729
	168,438,089,603	174,553,868,510
Off-shore Banking Unit	-	-
	168,438,089,603	174,553,868,510
	231,122,860,626	229,484,573,179
11.1 Payable on demands		
Current deposits	17,507,954,673	14,059,695,277
Privilege creditor	459,863,212	475,523,886
Foreign Currency Deposits	5,845,497,017	7,066,058,756
Sundry Deposits	3,620,120,444	3,711,462,166
Other accrued expense	530,192,754	288,085,603
	27,963,628,099	25,600,825,687
Bills payable	2,834,030,974	2,561,617,392
10% of Savings accounts	3,188,711,195	2,676,826,159
	33,986,370,269	30,839,269,238

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
11.2 Break down of deposits and other accounts		
11.2 (a) Payable on demand		
i Deposits from banks	1,225,189	1,157,520
ii Other than banks	33,985,145,080	30,838,111,718
	33,986,370,269	30,839,269,238
11.2 (b) Other Deposits		
Deposits from banks		
Term Deposit (ONE Bank Limited)		
Uttara Bank Limited	-	2,000,000,000
Trust Bank Limited	-	2,000,000,000
Mutual Trust Bank Limited	-	500,000,000
United Commercial Bank Limited	-	1,000,000,000
Rupali Bank Limited	-	2,000,000,000
The City Bank Limited	-	800,000,000
Bank Asia Limited	2,000,000,000	2,000,000,000
Dutch Bangla Bank Limited	1,000,000,000	1,000,000,000
BRAC Bank Limited	-	1,500,000,000
National Credit and Commerce Bank Limited	-	1,250,000,000
State Bank of India	450,000,000	-
Rajshahi Krishi Unnayan Bank	20,000,000	-
	3,470,000,000	14,050,000,000
Term Deposit (Off shore Banking Unit)	-	-
	-	-
Other than banks	193,666,490,358	184,595,303,941
	197,136,490,358	198,645,303,941
Total deposits [11.2(a) + 11.2(b)]	231,122,860,626	229,484,573,179
11.3 Remaining maturity grouping of deposits		
Repayable on demand	11,310,107,103	11,186,796,174
Repayable within 1 month	37,161,780,481	36,756,615,999
Over 1 month but within 6 months	78,282,900,000	101,222,200,000
Over 6 months but within 1 year	61,372,556,900	39,539,499,263
Over 1 year but within 5 years	39,819,568,111	32,496,136,860
Over 5 years but within 10 years	3,175,948,031	8,283,324,883
	231,122,860,626	229,484,573,179

11.4 Total Unclaimed deposit for 10 years or more held by the bank is Tk.6,761,372 as on 31 December 2021 and Tk. 6,593,199 as on 31 December 2020, respectively.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

11.5 Unclaimed dividend

As per Bangladesh Securities and Exchange Commission directive no. BSEC/CMRRCD/2021-386/03 dated January 14, 2021, year wise unclaimed dividend information given below:

Year	31.12.2021	31.12.2020
	Taka	Taka
2020	38,392,270	-
2019	4,402,794	5,911,881
2017	-	4,642,771
2016	-	4,472,027
2015	-	4,137,514
2014	-	6,201,351
2013	-	5,187,197
2012	-	1,706,747
2006	-	1,233,480
2005	-	1,842,882
	42,795,064	35,335,849

To comply with Bangladesh Securities and Exchange Commission vide letter no. SEC/SRMIC/165-2020/Part-1/182 dated July 19, 2021 the unclaimed dividend of Tk. 29,303,581.24 for the year 2005 to 2017 and non-refunded IPO money had been transferred/deposited to the Capital Market Stabilization Fund (CMSF).

Subsequently in response to a letter no. DOS (RMMCMS) 1154/161/2022-173 dated 13 January 2022, the Bank vide its letter no. OBL/CHQ/BS/2022 dated 23 January 2022 has informed Bangladesh Bank about the transfer of the amount to Capital Market Stabilization Fund (CMSF) of Bangladesh Securities and Exchange Commission (BSEC).

	31.12.2021 Taka	31.12.2020 Taka
11 (a) Consolidated Deposits and other accounts		
Current/AI-wadeeah current account and other account		
ONE Bank Limited	27,963,628,099	25,600,825,688
ONE Securities Limited	-	-
	27,963,628,099	25,600,825,688
Bills payable		
ONE Bank Limited	2,834,030,974	2,561,617,392
ONE Securities Limited	-	-
	2,834,030,974	2,561,617,392
Savings accounts/Mudaraba savings bank deposit		
ONE Bank Limited	31,887,111,950	26,768,261,590
ONE Securities Limited	-	-
	31,887,111,950	26,768,261,590
Fixed Deposit/Mudaraba fixed deposits		
ONE Bank Limited	168,438,089,603	174,553,868,510
Less: Inter Company Balances	(492,847,443)	(415,291,455)
	167,945,242,159	174,138,577,055
Total Consolidated Deposit	230,630,013,182	229,069,281,725

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
12. Other liabilities		
Provision for Income Tax (Note-12.1)	7,653,408,420	7,031,555,144
Deferred tax liability (Note-12.2)	165,380,050	82,497,049
Provision for gratuity (Note-12.3)	-	-
Provision for loans and advances (Note-12.4 & 12.5)	10,693,033,258	10,046,158,916
Special general provision COVID-19 (Note-12.6)	528,046,673	560,039,000
Risk fund of Consumer Credit and Rider	473,512	473,512
Provision for other (Note-12.8)	26,172,910	20,212,868
Provision for Start-Up Fund (Note-12.9)	20,690,524	-
Provision for off balance sheet items (Note-12.10)	527,985,487	534,779,946
Provision for diminution value of share (Note-12.12)	-	-
Interest suspense account (Note-12.11)	11,182,600,386	8,772,019,717
Sinking fund	57,011,051	88,796,477
Interest Payable on Subordinated and Perpetual Bond	65,761,812	57,356,454
Interest payable on borrowings	93,166,533	44,634,958
Accrued performance bonus	345,837,088	295,837,088
Other payable	1,257,862	8,664,751
Lease liabilities as per IFRS-16	1,381,720,098	791,376,660
	32,742,545,664	28,334,402,541
Off-shore Banking Unit	32,473,308	62,044,166
	32,775,018,972	28,396,446,707

12.1 Provision for current income tax

Opening balance on 1 January	7,031,555,144	6,607,470,030
Less: Provision adjusted during the year	-	-
	7,031,555,144	6,607,470,030
Add: Provision made during the year	621,853,276	424,085,114
Balance on 31 December	7,653,408,420	7,031,555,144

12.1 (a) Provision for Current Tax made during the year

Income tax on estimated taxable Business Income	604,377,629	418,006,171
Income tax @ 20% on Dividend Income	8,492,272	6,078,943
Income tax @ 10% on Capital Gain on sales of Shares	8,983,375	-
Income tax @ 0% on Gain on sale of Govt. securities	-	-
	621,853,276	424,085,114

(b) Computation of Taxable Business Income:

Profit before income tax as per profit and loss account	1,453,084,125	1,741,747,549
Add: Inadmissible expenditures	2,647,602,668	213,530,881
Less: Separate consideration for tax exempted and reduce tax rate	384,405,086	495,892,250
Less: Allowable expenditure	2,104,608,030	344,703,059
	1,611,673,677	1,114,683,122

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
12.1 (b) Reconciliation of effective tax rate of the Bank		
Profit before income tax as per profit and loss account	1,453,084,125	1,741,747,549
Income tax as per applicable tax rate	37.50% 544,906,547	653,155,331
Factors affecting the tax charge for current year:		
Inadmissible expenditures	68.33% 992,851,001	80,074,080
Admissible expenses	-54.31% (789,228,011)	(129,263,647)
Tax saving from reduce tax rate (on Dividend Income)	-0.51% (7,430,738)	(5,319,075)
Tax saving from reduce tax rate (on gain on sales of share)	-1.70% (24,704,282)	-
Tax exempted income (on Govt. treasury securities)	-6.51% (94,541,241)	(174,561,575)
Total income tax expenses	42.80% 621,853,276	424,085,114

12.2 Deferred tax liability

For Fixed Assets

Opening balance	82,497,049	70,388,463
Addition during the year (Note-12.2.2)	82,883,001	12,108,586
Closing balance	165,380,050	82,497,049

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences in the carrying amount with tax base.

12.2.1 Basis of Deferred Tax Asset:

Tax base of fixed assets (Only temporary deductible portion is considered)	746,209,677	686,437,494
Carrying amount of fixed assets	520,621,226	481,334,874
Deductible temporary difference for fixed assets	225,588,451	205,102,620
Applicable tax rate	37.50%	37.50%
Deferred tax asset	84,595,669	76,913,483
Opening deferred tax asset	76,913,483	69,444,924
Deferred tax (expenses)/income	7,682,186	7,468,558

12.2.2 Basis of Deferred Tax Liability:

Carrying amount of fixed assets (Only temporary taxable portion is considered)	1,193,166,122	1,210,665,014
Tax base of fixed assets	847,546,469	990,672,884
	345,619,653	219,992,130
Interest receivables on government securities	95,393,814	-
	441,013,467	219,992,130
Applicable tax rate	37.50%	37.50%
Deferred tax liability	165,380,050	82,497,049
Opening deferred tax liability	82,497,049	70,388,463
Deferred tax expenses/(income)	82,883,001	12,108,587

12.3 Provision for gratuity

Opening balance on 1 January	-	-
Provision made during the year	108,735,634	86,252,262
Transferred/Payment made during the year	108,735,634	86,252,262
Balance on 31 December	-	-

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
12.4 Specific provision against loans and advances		
Opening balance on 1 January	8,142,699,967	7,331,116,490
Provision written off	(1,444,806,622)	-
Recoveries of amounts previously written off	55,673,894	17,228,565
Provision after written off	6,753,567,239	7,348,345,055
Specific provision made during the year	2,708,244,212	986,196,838
Provisions recovered and no longer required written back	(1,031,996,073)	(191,841,926)
Net charge to profit & loss account	1,676,248,139	794,354,912
Balance on 31 December	8,429,815,378	8,142,699,967
12.5 General provision against loans and advances		
Opening balance on 1 January	1,903,458,949	1,982,717,994
Provision made during the year:		
Unclassified Loans & Advances	352,197,262	(27,441,283)
Consumer credit & Small enterprise financing	3,517,410	(30,387,745)
Special mention account	16,273,048	(29,868,146)
Loans against shares	(12,228,788)	8,438,129
Net charge to profit & loss account	359,758,931	(79,259,045)
Balance on 31 December	2,263,217,881	1,903,458,949
Total Specific and General Provision	10,693,033,258	10,046,158,916
12.6 Special general provision COVID-19		
Opening balance on 1 January	560,039,000	-
Special general provision made during the year	165,029,334	560,039,000
Recoveries and provisions no longer required	(197,021,661)	-
Net charge to profit & loss account	(31,992,327)	560,039,000
Balance on 31 December	528,046,673	560,039,000
12.7 Details information for special general provision		
As per BRPD Circular letter no. 56 dated December 10, 2020 and BRPD letter no. BRPD (P-1) 661/13/2021-117 dated January 05, 2021, we have maintained Tk.363,017,339 as special general provision COVID-19 against deferral Loan as per BRPD Circular no.17 dated September 28, 2020 and maintained provision in the same head of Tk. 165,000,000 as per BRPD Circular letter no. 50 dated December 14, 2021 and BRPD Circular letter no. 52 dated December 29, 2021.		
12.8 Provision for Other		
Balance on 1 January	20,212,868	20,212,868
Provision made during the year/(recovery) (Note-12.8. a and 12.8. b)	5,960,042	-
Balance on 31 December	26,172,910	20,212,868
12.8.a Provision for protested bill		
Balance on 1 January	2,594,351	2,594,351
Provision recovered during the year	5,960,042	-
Balance on 31 December	8,554,393	2,594,351

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
12.8.b Provision for legal expenses and others		
Balance on 1 January	17,618,517	17,618,517
Adjusted with recoverable legal expenses	-	-
Provision made during the year	-	-
Balance on 31 December	17,618,517	17,618,517
12.9 Provision for Start up Fund		
Balance on 1 January	-	-
Provision made for the year 2020	13,130,224	-
Provision made for the year 2021	7,560,300	-
Balance on 31 December	20,690,524	-
12.10 Provision for off- balance sheet items		
Balance on 1 January	534,779,946	626,670,773
Provision made during the year	(6,794,459)	(91,890,826)
Balance on 31 December	527,985,487	534,779,946
12.11 Interest suspense account		
Balance on 1 January	8,772,019,717	6,307,880,737
Interest suspense charged during the year	3,637,452,333	3,499,952,442
Interest suspense realized during the year	(906,814,036)	(1,029,692,179)
Amount written off during the year	(210,038,418)	-
Amount waiver during the year	(110,019,210)	(6,121,284)
Balance on 31 December	11,182,600,386	8,772,019,717
12.12 Provision for diminution value of share		
Balance on 1 January	-	-
Provision made/ (recovered) during the year	-	-
Balance on 31 December	-	-
12.12.a Consolidated Provision made for diminution value of share		
ONE Bank Limited	-	-
ONE Securities Limited:	188,720,644	153,720,644
	188,720,644	153,720,644
12.13 Provision for Nostro Reconciliation		
No provision is required as per Circular Letter No. FEPA (FEMO)/01/2005-677 dated 13 September 2005 for unreconciled Nostro debit entries as there is no outstanding entry over 03 months (Note-4.5)		
12 (a) Consolidated Other liabilities		
ONE Bank Limited	32,775,018,972	28,396,446,707
ONE Securities Limited	489,801,407	383,851,170
ONE Investments Limited	660,223	347,150
Less: Inter unit/company elimination	(157,842)	-
	33,265,322,760	28,780,645,027

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
13. Share Capital		
13.1 Authorized Capital	18,500,000,000	10,000,000,000
18,500,000,000 (2020:1,000,000,000) ordinary shares of Tk 10 each		
13.2 Issued, Subscribed and fully paid-up Capital	9,340,404,560	8,853,464,040
934,040,456 (2020: 885,346,404) ordinary shares of Tk 10 each		
Sponsors	32.06%	30.02%
General Public (Including Institutes 21.69% and Foreign 0.22%)	67.94%	69.98%
Total	100.00%	100.00%

The issued, subscribed and fully paid up capital of the Bank is as follows:

Shareholders	No. of Shareholders	No. of Shares	31.12.2021 Taka	31.12.2020 Taka
Sponsors	17	299,483,933	2,994,839,330	2,657,799,660
Institutes	580	202,559,789	2,025,597,890	2,571,600,270
Foreign	63	2,039,019	20,390,190	45,720,880
General Public	27,591	429,957,715	4,299,577,150	3,578,343,230
Total	28,251	934,040,456	9,340,404,560	8,853,464,040

History of paid up capital:

Year	Declaration	No of Share	Value of Capital	Cumulative
1999	Opening Capital	20,250,000	202,500,000	202,500,000
2001	9% Stock Dividend	1,822,500	18,225,000	220,725,000
2002	19% Stock Dividend	4,193,780	41,937,800	262,662,800
2003	Right issue	4,333,720	43,337,200	306,000,000
2003	Initial Public Offer (IPO)	29,400,000	294,000,000	600,000,000
2003	15% Stock Dividend	9,000,000	90,000,000	690,000,000
2004	17% Stock Dividend	11,730,000	117,300,000	807,300,000
2005	10% Stock Dividend	8,073,000	80,730,000	888,030,000
2006	17% Stock Dividend	15,096,510	150,965,100	1,038,995,100
2007	25% Stock Dividend	25,974,870	259,748,700	1,298,743,800
2008	20% Stock Dividend	25,974,870	259,748,700	1,558,492,500
2009	32% Stock Dividend	49,871,760	498,717,600	2,057,210,100
2010	55% Stock Dividend	113,146,550	1,131,465,500	3,188,675,600
2011	30% Stock Dividend	95,660,268	956,602,680	4,145,278,280
2012	15% Stock Dividend	62,179,174	621,791,740	4,767,070,020
2013	10% Stock Dividend	47,670,700	476,707,000	5,243,777,020
2014	12.50% Stock Dividend	65,547,212	655,472,120	5,899,249,140
2015	12.50% Stock Dividend	73,740,614	737,406,140	6,636,655,280
2016	10% Stock Dividend	66,366,552	663,665,520	7,300,320,800
2017	5% Stock Dividend	36,501,604	365,016,040	7,665,336,840
2018	10% Stock Dividend	76,653,368	766,533,680	8,431,870,520
2019	5% Stock Dividend	42,159,352	421,593,520	8,853,464,040
2020	5.5% Stock Dividend	48,694,052	486,940,520	9,340,404,560
		934,040,456	9,340,404,560	

Face value of paid up capital per share was split into Taka 10 from Taka 100 during the year 2011, we have considered face value of per share of Taka 10 from the inception of the bank for this statement.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

Shareholding structure of the Bank as at 31-12-2021 is given below:

Range of Holdings	Number of Shareholders	No. of Shares	% of holding of shares
Upto 500	6,840	1,253,871	0.13
501 to 5,000	12,710	27,418,630	2.94
5,001 to 10,000	3,310	25,799,027	2.76
10,001 to 20,000	2,232	33,306,852	3.57
20,001 to 30,000	889	22,349,287	2.39
30,001 to 40,000	464	16,510,174	1.77
40,001 to 50,000	414	19,345,308	2.07
50,001 to 100,000	685	50,924,263	5.45
100,001 to 1,000,000	611	161,782,097	17.32
Over 1,000,000	96	575,350,947	61.60
Total	28,251	934,040,456	100.00

- a) Authorised Capital of the Bank has been raised to Tk. 18,500,000,000 from Tk. 10,000,000,000 during the year 2021. This was approved by Bangladesh Bank and also at the Extra Ordinary General Meeting of the Shareholders of the Bank held on December 23, 2021:
- b) 48,694,052 Bonus shares of Tk. 10 each valued at Tk.486,940,520 for the year 2020 has been transferred to Paid-up capital account during the year 2021:

The shares of the company are listed at Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd.

13.3 Capital to Risk Weighted Assets Ratio:

In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD Circular no. 18 dated 21 December 2014, capital of the Bank (Solo) at the close of business on 31 December 2021 is Taka 27,947,434,969 comprised of core capital of Taka 20,628,184,928 and supplementary capital of Taka 7,319,250,041 thereby showing a surplus capital/equity of Taka 4,724,201,310 against the required capital. Details are shown below:

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
Solo Basis:		
Common Equity Tier-1 Capital (CET-1)		
Paid-up capital (Note-13.2)	9,340,404,560	8,853,464,040
Statutory Reserve (Note-14)	6,721,414,910	6,430,798,085
Retained Earnings (Note-15)	1,007,166,790	1,650,557,138
	17,068,986,260	16,934,819,263
Regulatory Adjustments/ Deduction from CET-1:		
Deferred Tax Assets (Note-9.4)	84,595,669	76,913,483
Goodwill and all other intangible assets	186,082	969,118
Reciprocal Crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities.	6,019,580	4,659,800
	90,801,331	82,542,401
Total Common Equity Tier-1 Capital	16,978,184,928	16,852,276,862
Additional Tier- 1 Capital		
Perpetual bond	3,650,000,000	500,000,000
Total Tier 1 Capital	20,628,184,928	17,352,276,862

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
Tier -2 Capital		
General Provision (Note-12.5, 12.6 & 12.10)	3,319,250,041	2,998,277,896
Subordinated bond	4,000,000,000	5,600,000,000
Total Tier-2 Capital	7,319,250,041	8,598,277,896
A Total Regulatory Capital	27,947,434,969	25,950,554,758
Total Assets including Off Balance Sheet items	375,442,141,590	367,369,561,111
B Total Risk Weighted Assets	232,232,336,590	199,358,809,803
C Minimum Required capital based on risk weighted assets (10% on B)	23,223,233,659	19,935,880,980
D Surplus (A-C)	4,724,201,310	6,014,673,777
Capital to Risk Weighted Assets Ratio:	12.03%	13.02%
Common Equity Tier 1 Ratio	7.31%	8.45%
Tier 1 Capital Ratio	8.88%	8.70%
Tier-2 Capital Ratio	3.15%	4.31%
Leverage Ratio of the solo basis		
A Tier 1 Capital considering all regulatory adjustment	20,628,184,928	17,352,276,862
B On-balance sheet exposure	301,936,597,919	295,374,161,330
C Off-balance sheet exposure	14,475,310,820	14,239,065,571
D Deduction from on and off balance sheet exposure/ Regulatory adjustments made to Tier 1 capital	90,801,331	82,542,401
E Total exposure (B+C-D)	316,321,107,408	309,530,684,500
Leverage ratio (A/E)	6.52%	5.61%

Vide letter # DOS (CAMS) 1157/41 (Dividend)/2022-2295 dated 28 April 2022, the Bank got the deferral benefit amounting to BDT 967.99 crore (General Provision BDT 661.33 crore and Specific Provision BDT 306.66 crore). Had the Bank did not get such deferral benefit, Minimum Total Capital plus Capital Conservation Buffer would have been reduced to that extent.

Consolidated Basis:

Common Equity Tier-1 Capital (CET-1)

Paid-up capital (Note-13.2)	9,340,404,560	8,853,464,040
Statutory Reserve (Note-14)	6,721,414,910	6,430,798,085
Capital Reserve	8,106,441	-
Retained Earnings [Note-15.1 (a)]	1,237,993,412	1,801,400,626
Minority Interest in Subsidiaries [Note-15.1 (c)]	32,931,709	31,866,271
	17,340,851,032	17,117,529,022

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
Regulatory Adjustments/ Deduction from CET-1:		
Deferred Tax Assets (Note-9.4)	84,595,669	76,913,483
Goodwill and all other intangible assets	186,082	969,118
Reciprocal Crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities.	76,516,700	59,393,830
	161,298,451	137,276,431
Total Common Equity Tier-1 Capital	17,179,552,580	16,980,252,591
Additional Tier- 1 Capital		
Perpetual bond	3,650,000,000	500,000,000
Total Tier 1 Capital	20,829,552,580	17,480,252,591
Tier -2 Capital		
General Provision	3,320,846,167	2,998,277,896
Sub-ordinated debt	4,000,000,000	5,600,000,000
Total Tier-2 Capital	7,320,846,167	8,598,277,896
A Total Regulatory Capital	28,150,398,748	26,078,530,487
 Total Assets including Off Balance Sheet items	 375,711,462,706	 367,521,177,735
B Total Risk Weighted Assets	233,010,542,634	199,577,049,109
C Minimum Required capital based on risk weighted assets (10% on B)	23,301,054,263	19,957,704,911
D Surplus (A-C)	4,849,344,484	6,120,825,576
 Capital to Risk Weighted Assets Ratio:	 12.08%	 13.07%
Common Equity Tier 1 Ratio	7.37%	8.51%
Tier 1 Capital Ratio	8.94%	8.76%
Tier-2 Capital Ratio	3.14%	4.31%
 Leverage Ratio of the Consolidated basis		
A Tier 1 Capital considering all regulatory adjustment	20,829,552,580	17,480,252,591
 B On-balance sheet exposure	 302,205,919,034	 295,525,777,954
C Off-balance sheet exposure	14,475,310,820	14,239,065,571
D Deduction from on and off balance sheet exposure/ Regulatory adjustments made to Tier 1 capital	161,298,451	137,276,431
E Total exposure (B+C-D)	316,519,931,403	309,627,567,094
 Leverage ratio (A/E)	 6.58%	 5.65%

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
14. Statutory Reserve		
Balance brought forward from previous year	6,430,798,085	6,082,448,575
Addition (20% on profit before tax)	290,616,825	348,349,510
Balance on 31 December	6,721,414,910	6,430,798,085
15. Retained earnings/ movement of profit and loss account		
Balance on 1 January	1,650,557,138	1,529,071,286
Addition during the year	756,030,034	1,313,022,407
Transfer to statutory reserve	(290,616,825)	(348,349,510)
Interest on Perpetual Bond	(69,964,670)	-
Transfer to Start up Fund	(20,690,524)	-
Issue of Bonus Share	(486,940,520)	(421,593,520)
Cash dividend paid	(531,207,842)	(421,593,526)
Balance on 31 December	1,007,166,790	1,650,557,138
15.1 Retained earnings brought forward from previous year		
Retained Earning of previous Year	1,650,557,138	1,529,071,286
Bonus share issued	(486,940,520)	(421,593,520)
Cash dividend paid	(531,207,842)	(421,593,526)
Retained Earnings brought forward	632,408,775	685,884,240
15.1 (a) Consolidated retained earnings/ movement of profit and loss account		
Retained Earning of ONE Bank Limited	1,007,166,790	1,650,557,138
Retained Earning of ONE Securities Limited	232,584,224	151,897,858
Retained Earning of ONE Investments Limited	1,273,275	911,070
Transfer to Capital Reserve	-	-
Attributable to Non-Controlling Interest	(3,030,880)	(1,965,442)
Balance on 31 December	1,237,993,412	1,801,400,626
15.1(b) Consolidated retained earnings brought forward from previous year		
Retained Earning of previous Year	1,801,400,626	1,599,345,193
Bonus share issued	(486,940,520)	(421,593,520)
Transfer to Capital Reserve	(8,106,441)	-
Cash Dividend Paid	(531,207,842)	(421,593,526)
Retained Earnings brought forward	775,145,822	756,158,147
15.1(c) Non-controlling Interest		
ONE Securities Limited		
Paid up capital	2,500,000,000	2,500,000,000
Capital Reserve	8,106,441	-
Retained earnings	232,584,224	151,897,858
Total net assets	2,740,690,665	2,651,897,858
Non-controlling interest 1.00003% (2020: 1.00003%) of net assets (A)	27,407,805	26,519,847

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
ONE Investments Limited		
Paid up capital	10,000,000	10,000,000
Retained earnings	1,273,275	911,070
Total net assets	<u>11,273,275</u>	<u>10,911,070</u>
Non-controlling interest 49% (2020: 49%) of net assets (B)	5,523,905	5,346,424
Total non-controlling Interest (A+B)	<u>32,931,709</u>	<u>31,866,271</u>
16. Revaluation Reserve		
HTM Securities (Note-16.1)	24,337,008	19,052,996
HFT Securities (Note-16.2)	380,338,334	459,133,209
	<u>404,675,341</u>	<u>478,186,205</u>
16.1 Revaluation reserve on HTM securities		
Opening Balance	19,052,996	14,539,845
Addition during the year	5,466,659	8,132,707
Adjustment made during the year	(182,647)	(3,619,556)
Closing balance	<u>24,337,008</u>	<u>19,052,996</u>
16.2 Revaluation reserve on HFT securities		
Opening Balance	459,133,209	136,116,862
Addition during the year	201,656,116	1,648,360,624
Adjustment made during the year	(280,450,991)	(1,325,344,276)
Closing balance	<u>380,338,334</u>	<u>459,133,209</u>
17. Interest and discount income/ Profit on investments		
Interest on loans and advances (Conventional Banking):		
From clients against loans and advances	14,714,152,984	17,884,471,664
Lease finance	635,667,782	674,604,321
Discount from bills purchased & discounted	90,749,396	142,128,416
From banks and financial institutions in Bangladesh	154,460,497	168,684,446
From foreign banks	48,598,526	135,398,065
	<u>15,643,629,185</u>	<u>19,005,286,912</u>
Off-shore Banking Unit	331,905,645	655,830,890
	<u>15,975,534,830</u>	<u>19,661,117,803</u>
Profit on investment (Islami Banking):		
Profit on investments	11,453,901	-
Profit on placement with other banks	-	-
	<u>11,453,901</u>	<u>-</u>
	<u>15,986,988,731</u>	<u>19,661,117,803</u>

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	2021 <u>Taka</u>	2020 <u>Taka</u>
17 (a) Consolidated Interest and discount income/ Profit on investment		
ONE Bank Limited	15,986,988,731	19,661,117,803
ONE Securities Limited	46,968,445	30,936,262
ONE Investments Limited	543,643	904,737
Less: Inter Company Transaction	(33,505,960)	(18,705,694)
	16,000,994,859	19,674,253,108
18. Interest paid/profit shared on deposits and borrowings		
Interest paid on deposits (Conventional Banking):		
Short term deposits	2,322,876,082	2,180,448,261
Savings deposits	781,425,820	724,756,433
Term deposits	6,713,486,842	10,759,083,155
Scheme deposits	989,266,148	935,103,877
Borrowings from banks and financial institutions	267,513,627	443,414,999
Interest expenses for leased liability as per IFRS-16	87,005,364	57,724,121
Interest on Subordinated Bond	452,685,918	684,764,673
	11,614,259,801	15,785,295,520
Off-shore Banking Unit	237,869,887	480,829,544
	11,852,129,688	16,266,125,064
Profit shared on deposits (Islami Banking):		
Profit paid on deposits	25,370,105	280,394
Profit on borrowings	-	-
	25,370,105	280,394
	11,877,499,793	16,266,405,458
18 (a) Consolidated Interest paid / profit shared on deposits and borrowings		
ONE Bank Limited	11,877,499,793	16,266,405,458
ONE Securities Limited	6,222,708	978,319
ONE Investments Limited	-	-
Less: Inter Company Transaction	(33,505,960)	(18,705,694)
	11,850,216,541	16,248,678,083
19. Income from Investments		
Interest on treasury bills	38,574,261	427,599,283
Interest on treasury bond (Net)	1,300,742,981	1,383,990,985
Income from government Islamic Bond	1,406,170	8,254
Income from Bangladesh Bank Bill	26,490,500	-
Gain on sale of government Securities	252,109,975	465,497,534
Interest on Reverse Repo	2,151,799	158,484
Dividend on Investment	42,461,360	30,394,716
Gain on sale of Shares	89,833,752	-
Interest on subordinated bond	296,980,137	402,382,286
	2,050,750,934	2,710,031,543

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	2021	2020
	<u>Taka</u>	<u>Taka</u>
19 (a) Consolidated Income from Investments		
ONE Bank Limited	2,050,750,934	2,710,031,543
ONE Securities Limited	120,599,225	80,153,802
ONE Investments Limited	-	-
Less: Inter Company Transaction	-	-
	2,171,350,159	2,790,185,345
20. Commission, exchange and brokerage		
Letters of credit	338,699,966	275,510,086
Letter of guarantees	104,472,448	111,217,287
Acceptances	258,740,327	266,555,179
Bills for collection	8,342,357	6,372,934
Remittances (PO, DD, TT, Travelers' Cheque etc.)	9,769,953	9,076,150
Export bills	45,385,823	39,113,256
PRC Issuance Charges	691,700	613,100
Cash Assistance Handling Charges	12,095,277	6,867,250
Import Related Certificates	157,900	166,800
Others	2,301,139	3,235,357
	780,656,889	718,727,398
Profit on exchange trading	822,612,576	394,916,264
	1,603,269,465	1,113,643,662
Off-shore Banking Unit	4,501,530	8,504,527
	1,607,770,995	1,122,148,188
20 (a) Consolidated Commission, exchange and brokerage		
ONE Bank Limited	1,607,770,995	1,122,148,188
ONE Securities Limited	83,834,844	37,923,394
Less: Inter Company Transaction	(1,203,675)	(55,992)
	1,690,402,164	1,160,015,591
21 Other operating income		
Loan processing fees and other charges	113,786,271	234,735,049
Miscellaneous income from Credit and Debit Card Fee	148,120,124	123,934,409
Recoveries of postage, telex, telephone, fax etc	47,868,114	47,896,466
Letter of Credit miscellaneous charges	133,361,016	199,558,897
General Banking miscellaneous charges	115,893,488	116,149,470
Miscellaneous (Note-21.1)	46,141,729	31,876,919
Rent on locker	3,103,500	2,728,500
Forfeited fund (refund from OBL provident fund) [Note-21.2]	366,819	2,360,534
Gain on sale of fixed assets	359,571	3,006,448
	609,000,633	762,246,692
Off-shore Banking Unit	10,525,958	10,116,056
	619,526,591	772,362,748

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

21.1 Miscellaneous income include commission on sanchyapatra, passport endorsement fees, certificate issuance charge etc.

21.2 Forfeited fund (refund from OBL provident fund)

As per Financial Reporting Council (FRC) notification reference #179/FRC/FRM/Notification/2020/2 dated July 07, 2020, we have received from ONE Bank Limited Employees' Provident Fund as considered the forfeited fund of Tk. 366,819/= for the year 2021.

	2021 Taka	2020 Taka
21 (a) Consolidated Other operating income		
ONE Bank Limited	619,526,591	772,362,748
ONE Securities Limited	1,579,520	919,406
	621,106,111	773,282,154

22. Salary & Allowances

Salary & Allowances	2,172,712,902	2,271,711,609
Provident Fund Contribution	123,463,542	130,549,096
Gratuity	108,735,634	86,252,262
Superannuation fund	7,100,000	7,100,000
Bonus	261,053,462	276,437,163
	2,673,065,540	2,772,050,131

22(a) Consolidated Salary & Allowances

ONE Bank Limited	2,673,065,540	2,772,050,131
ONE Securities Limited	28,882,164	26,530,753
	2,701,947,704	2,798,580,884

23. Rent, taxes, insurance, electricity etc.

Rent (Note 23.1)	92,795,312	185,329,656
VAT on Rent	67,792,048	64,282,204
Taxes	5,928,781	3,521,572
Electricity	77,938,150	66,880,267
Utilities	11,498,074	10,406,375
Insurance	168,040,579	166,229,651
	423,992,943	496,649,726

23.1 Rent

Rent	451,573,136	428,019,679
Transfer to depreciation and interest expenses under IFRS-16*	358,777,824	242,690,023
	92,795,312	185,329,656

* As per IFRS 16, rental expense of Tk. 358,777,824 is transferred to depreciation of Right of use Assets (RoU) and interest expenses of lease liabilities.

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	2021 <u>Taka</u>	2020 <u>Taka</u>
23(a) Consolidated Rent, taxes, insurance, electricity etc.		
ONE Bank Limited	423,992,943	496,649,726
ONE Securities Limited	2,258,702	1,177,880
	426,251,645	497,827,606
24. Legal expenses		
Professional fees	17,660,134	16,851,281
Fees, Court fees & stamps	253,809	398,216
	17,913,943	17,249,497
Off-shore Banking Unit	50,182,989	55,392,648
	68,096,932	72,642,146
24 (a) Consolidated Legal expenses/professional expenses		
ONE Bank Limited	68,096,932	72,642,146
ONE Securities Limited	269,500	207,000
	68,366,432	72,849,146
25. Postage, stamps, telecommunication etc.		
Telex/Telephone/Fax etc.	41,139,855	38,383,920
Courier/postage	11,436,930	12,372,867
Radio Link	27,332,701	24,658,769
Reuter	3,530,342	3,430,197
	83,439,828	78,845,753
	1,056,000	1,152,000
26. Directors' Fees		
For attending the meeting of the Board and other committee meetings @ Tk. 8,000 per attendance per person as per BRPD circular no. 11 dated October 04, 2015. Other than the meeting attendance fees, no other financial benefit is being availed by the Directors.		
26 (a) Consolidated Director's Fees		
ONE Bank Limited	1,056,000	1,152,000
ONE Securities Limited	176,000	66,000
	1,232,000	1,218,000
27. Stationery, Printing, advertisement etc.		
Printed and security stationery	48,974,561	45,861,203
Stationery	90,136,606	92,740,711
Business Promotion	77,337,228	168,259,259
	216,448,394	306,861,173

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	2021	2020
	<u>Taka</u>	<u>Taka</u>
27 (a) Consolidated Stationery, Printing, advertisement etc.		
ONE Bank Limited	216,448,394	306,861,173
ONE Securities Limited	383,827	200,568
	216,832,221	307,061,741
28. Managing Director's Salary & Allowances		
Basic Salary	9,402,948	9,975,000
House rent allowance	265,860	285,000
Provident Fund Contribution	940,295	997,500
Bonus	1,575,000	1,662,500
	12,184,103	12,920,000
29. Depreciation, leasing expense and repair of bank's assets		
Depreciation (A)		
Furniture and Fixtures	146,189,252	155,349,688
Office Equipment	101,932,917	93,678,382
Motor Vehicles	18,035,921	21,453,709
Building	7,125,012	4,062,420
Land	-	-
Right of use Assets (RoU) *	342,681,268	269,336,250
Intangibles Assets	783,036	4,617,026
	616,747,406	548,497,475
Repairs & Maintenance (B)	471,708,206	391,819,403
	1,088,455,613	940,316,877
* As per Note 2.24, in accordance with IFRS-16, the Bank has recognised Right of use Assets (RoU) and related depreciation is shown above.		
29 (a) Consolidated Depreciation, leasing expense and repair of bank's assets		
ONE Bank Limited	1,088,455,613	940,316,877
ONE Securities Limited	9,577,238	7,214,873
	1,098,032,851	947,531,750
30. Other expenses		
Entertainment	27,674,936	26,260,483
Car expenses	14,425,257	14,911,913
Donation and Subscription (including CSR)	128,457,408	209,442,266
Business Traveling & Conveyance	26,989,128	24,984,281
Computer & Printer expenses	67,120,893	54,657,320
Staff training & Award	2,473,558	3,290,979
Debit and Credit Card expenses (Note-30.2)	41,457,045	15,615,842
Bank charges	11,757,271	6,139,517
Miscellaneous (Note-30.1)	8,610,048	5,133,675
ATM Booth Expenses	21,665,821	18,734,027
Call center operating expense	621,400	648,660
Issuance cost of Bond	10,334,284	9,758,729
Mobile Financial Services	1,282,572	1,683,678
Commission on Agent Banking	836,280	332,550
	363,705,901	391,593,918
Off-shore Banking Unit	477,753	931,508
	364,183,654	392,525,426

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

2021
Taka

2020
Taka

30.1 Miscellaneous expenses include uniform & liveries, retail loan recovery expenses etc.

30.2 Debit and Credit Card expenses

VISA Credit Card Expenses	990,824	1,088,658
Purchase of EMV plastic cards	19,336,750	1,916,200
Subsidy against NPSB	1,921,630	1,431,595
Visa Member Fees & Service Charges	13,437,018	7,870,158
CIB Charges (Card)	1,000,630	359,400
Contact Point Verification Expense	4,740,185	2,611,880
Others	30,008	337,951
	41,457,045	15,615,842

30 (a) Consolidated Other expenses

ONE Bank Limited	364,183,654	392,525,426
ONE Securities Limited	16,832,932	9,965,643
ONE Investments Limited	16,207	71,872
Less: Inter Company Transaction	(1,203,675)	(55,992)
	379,829,118	402,506,950

31. Provision for loans, off balance sheet exposure, investment & other for the year

Provision for classified loans and advances (Note-12.4)	1,676,248,139	794,354,912
Provision for unclassified loans and advances (Note-12.5 & 12.6)	327,766,604	480,779,955
Provision for off-balance sheet exposure (Note-12.10)	(6,794,459)	(91,890,826)
Provision for diminution in value of share (Note-12.12)	-	-
Provision for other (Note-12.8)	5,960,042	-
	2,003,180,326	1,183,244,041

31.1 Consolidated Provision for loans and advances

Specific provision

ONE Bank Limited	1,676,248,139	794,354,912
ONE Securities Limited	-	-
	1,676,248,139	794,354,912

General provision

ONE Bank Limited	327,766,604	480,779,955
ONE Securities Limited	656,710	939,417
	328,423,314	481,719,372
	2,004,671,453	1,276,074,285

32. Consolidated provision for diminution in value of share for the year

ONE Bank Limited	-	-
ONE Securities Limited	35,000,000	-
	35,000,000	-

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	2021 <u>Taka</u>	2020 <u>Taka</u>
33. Consolidated provision for other		
ONE Bank Limited	5,960,042	-
ONE Securities Limited	-	-
	5,960,042	-
34. Tax Expenses for the year		
Current Tax (Note-12.1)	621,853,276	424,085,114
Deferred tax (Note-12.2.1 and 12.2.2)	75,200,815	4,640,028
	697,054,091	428,725,142
34 (a) Consolidated Tax Expenses for the year		
Current Tax		
ONE Bank Limited	621,853,276	424,085,114
ONE Securities Limited	62,450,024	22,339,272
ONE Investments Limited	155,231	203,566
	684,458,531	446,627,952
Deferred Tax		
ONE Bank Limited	75,200,815	4,640,028
ONE Securities Limited	1,449,422	(791,270)
	76,650,236	3,848,758
	761,108,767	450,476,710
35. Interest receipts in cash		
Interest income on loans & advances	15,986,988,731	19,661,117,803
Income from Investments (excluding dividend income)	2,008,289,574	2,679,636,826
	17,995,278,305	22,340,754,629
(Increase)/ Decrease in interest receivable on loans & advances	(2,518,457,653)	1,572,592,607
(Increase)/ Decrease in interest receivable others	(100,275,127)	(126,818,249)
	15,376,545,525	23,786,528,987
35 (a) Consolidated Interest receipts in cash		
ONE Bank Limited	15,376,545,525	23,786,528,987
ONE Securities Limited	46,469,821	32,608,497
ONE Investments Limited	543,643	904,737
Interest on deposit paid by ONE Bank Limited to subsidiaries company	(33,505,960)	(18,705,694)
	15,390,053,029	23,801,336,527
36. Interest payments		
Total interest expenses	11,801,840,511	16,208,681,337
Add : Opening balance of interest payable	2,369,399,738	3,635,777,905
Less: Closing balance of interest payable	(2,207,458,352)	(2,369,399,738)
	11,963,781,897	17,475,059,504

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	2021 <u>Taka</u>	2020 <u>Taka</u>
36 (a) Consolidated Interest Payment		
ONE Bank Limited	11,963,781,897	17,475,059,504
ONE Securities Limited	6,222,708	978,319
Interest on deposit paid by ONE Bank Limited to subsidiaries company	(33,505,960)	(18,705,694)
	11,936,498,644	17,457,332,129
37. Fee and commission receipts in cash		
Fees and commission	785,158,419	727,231,924
Less : (Increase) / decrease in Commission receivable	-	-
	785,158,419	727,231,924
37 (a) Consolidated Fee and commission receipts in cash		
ONE Bank Limited	785,158,419	727,231,924
ONE Securities Limited	83,834,844	37,923,394
	868,993,263	765,155,318
38. Cash payments to employees		
Salary & Allowances	1,942,463,637	2,290,093,052
Provident Fund Contribution	123,463,542	130,549,096
Gratuity	108,735,634	86,252,262
Superannuation fund	7,100,000	7,100,000
Bonus	261,053,462	276,437,163
Managing Director's salary and allowances	12,184,103	12,920,000
	2,455,000,378	2,803,351,574
39. Cash payment to suppliers		
Stationery, Printings, advertisements etc.	177,557,186	306,861,173
Repair & Maintenance	378,746,873	338,253,781
	556,304,059	645,114,954
40. Cash receipts from other operating activities		
Other operating income (Note-20)	619,167,019	770,002,214
Exchange earnings (Note-19)	822,612,576	394,916,264
	1,441,779,596	1,164,918,477
40 (a) Consolidated Cash receipts from other operating activities		
ONE Bank Limited	1,441,779,596	1,164,918,477
ONE Securities Limited	59,208,484	14,827,639
	1,500,988,080	1,179,746,116

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	2021	2020
	<u>Taka</u>	<u>Taka</u>
41. Cash payments for other operating activities		
Rent, taxes, insurance and electricity etc.	782,770,767	739,339,749
Legal expenses	17,913,943	17,249,497
Postage, stamps, telecommunication etc.	83,439,828	78,845,753
Directors fees	1,056,000	1,152,000
Auditors' fee	300,000	300,000
Other expenses	302,325,768	368,024,064
	1,187,806,306	1,204,911,063

41 (a) Consolidated Cash payments for other operating activities

ONE Bank Limited	1,187,806,306	1,204,911,063
ONE Securities Limited	45,310,547	37,913,800
ONE Investments Limited	14,707	41,622
	1,233,131,560	1,242,866,485

42. Increase/(decrease) of other liabilities

Closing balance:

Sinking fund and risk fund	57,484,563	89,269,989
Interest payable on Subordinated debt	65,761,812	57,356,454
Interest payable on borrowings	34,547,945	44,634,958
Interest suspense account	11,182,600,386	8,772,019,717
Interest Payable on Borrowings Outside Bd	32,473,308	60,763,029
	11,372,868,013	9,024,044,147

Less: Opening balance:

Sinking fund and risk fund	89,269,989	54,212,850
Interest payable on Subordinated debt	57,356,454	86,556,713
Interest payable on borrowings	44,634,958	85,926,926
Interest suspense account	8,772,019,717	6,307,880,737
Interest Payable on Borrowings Outside Bd	60,763,029	115,582,523
	9,024,044,147	6,650,159,749
	2,348,823,866	2,373,884,399

42 (a) Consolidated Increase/(decrease) of other liabilities

ONE Bank Limited	2,348,823,866	2,373,884,398
ONE Securities Limited	(58,933,359)	(619,596)
ONE Investment Limited	(11,500)	(245,676)
	2,289,879,007	2,373,019,128

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	2021 <u>Taka</u>	2020 <u>Taka</u>
43. (Increase)/decrease of other assets		
Closing balance:		
Security deposits	6,525,400	6,525,400
Advance rent	443,487,585	496,335,473
Prepayments	439,327,356	514,152,333
Application money against right share and clearing adjustment account	222,872,340	-
Suspense account	20,313,169	18,752,838
Receivable from Bangladesh Bank	179,602,348	125,631,748
Receivable from ONE Investments Ltd	157,842	-
Sundry receivables	325,714	848,621
Receivable ATM acquiring	29,937,088	18,386,782
Protested bill	2,594,351	2,594,351
Branch Adjustment Account	(1,946,896)	3,367,975
	1,343,196,296	1,186,595,521
Off-shore banking unit	40,426,697	84,928,334
	1,383,622,993	1,271,523,855
Less: Opening balance:		
Security deposits	6,525,400	5,827,121
Advance rent	496,335,473	461,264,414
Prepayments	514,152,333	607,012,280
Application money against right share and clearing adjustment account	-	87,116,850
Suspense account	18,752,838	39,945,715
Receivable from Bangladesh Bank	125,631,748	159,384,091
Receivable from ONE Investments Ltd	-	205,426
Sundry receivables	848,621	416,331
Receivable ATM acquiring	18,386,782	11,028,206
Protested bill	2,594,351	2,594,351
Branch Adjustment Account	3,367,975	23,104,658
	1,186,595,521	1,397,899,443
Off-shore banking unit	84,928,334	133,494,986
	1,271,523,855	1,531,394,428
	(112,099,139)	259,870,574
43 (a) Consolidated (Increase)/decrease of other assets		
ONE Bank Limited	(112,099,139)	259,870,574
ONE Securities Limited	11,575,414	33,586,624
	(100,523,725)	293,457,198

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	2021 <u>Taka</u>	2020 <u>Taka</u>
44. Letters of Guarantee		
i) Claims against the Bank not acknowledged as debts	-	-
ii) Money for which the Bank is contingently liable in respect of guarantee given favoring:		
Directors	-	-
Government	1,416,921,549	277,228,899
Banks and other financial institutions	6,016,272	1,000,250,000
Others	12,354,874,938	11,804,710,260
	13,777,812,760	13,082,189,159
Total (i and ii)	13,777,812,760	13,082,189,159

45. Details break-up of Shareholders' Equity -Solo

Paid-up Capital	9,340,404,560	8,853,464,040
Statutory Reserve	6,721,414,910	6,430,798,085
Surplus in Profit & Loss Account	1,007,166,790	1,650,557,138
Revaluation Reserve for HTM Securities	404,675,341	478,186,205
	17,473,661,601	17,413,005,468

46. Calculation of Net Asset Value (NAV) Per Share

Total Shareholders' Equity -Solo	17,473,661,601	17,413,005,468
Total Shareholders' Equity -Consolidated	17,712,594,664	17,563,848,956
Weighted average number of outstanding Shares	934,040,456	934,040,456
Net Asset Value Per Share –Solo	18.71	18.64
Net Asset Value Per Share – Consolidated	18.96	18.80

Previous year's figures (Solo BDT 19.14 and Consolidated BDT 19.31 per share) have been restated for the issue of bonus shares during the year 2021.

47. Basic Earnings Per Share

Attributable profit for the year -Solo	756,030,034	1,313,022,407
Attributable profit for the year -Consolidated	844,119,609	1,393,591,988
Weighted average number of outstanding Shares for the year:		
Opening balance	885,346,404	885,346,404
Bonus Share Issued for the year 2020	48,694,052	48,694,052
	934,040,456	934,040,456
Basic Earnings Per Share -Solo	0.81	1.41
Basic Earnings Per Share - Consolidated	0.90	1.49

Earnings per share has been calculated in accordance with IAS-33:"Earnings Per Share (EPS)". Previous year's figures (Solo BDT 1.48 and Consolidated BDT 1.57 per share) have been restated for the issue of bonus shares during the year 2021. No Diluted Earnings Per Share is required to be calculated for the year as there was no scope for dilution of share during the year (i.e. no right share was issued).

ONE Bank Limited
Notes to the Financial Statements
As at and for the year ended 31 December 2021

	2021 <u>Taka</u>	2020 <u>Taka</u>
48. Calculation of Net Operating Cash Flow Per Shares (NOCFPS)		
Net Operating Cash Flow- Solo	4,275,908,546	6,275,904,361
Net Operating Cash Flow- Consolidated	4,280,824,034	6,275,955,444
Weighted average number of outstanding Shares	934,040,456	934,040,456
Net Operating Cash Flow Per Share –Solo	4.58	6.72
Net Operating Cash Flow Per Share – Consolidated	4.58	6.72

Previous year's figures (Solo BDT 7.0886 and Consolidated BDT 7.0887 per share) have been restated for the issue of bonus shares during the year 2021.

49. Reconciliation of net profit after taxation and cash generated from operating activities before changes in operating assets and liabilities (Solo Basis):

Particulars	2021	2020
Net Profit after taxation	756,030,034	1,313,022,407
Provision for taxation	697,054,091	428,725,142
Provision for loans and advances & others	2,003,180,326	1,183,244,041
(Increase)/decrease in interest income receivable	(2,563,418,457)	1,463,002,923
Increase/(decrease) in interest expense payable	(86,282,104)	(1,266,378,167)
Depreciation expenses	350,930,916	358,758,120
Increase/ (decrease) in salaries and allowances expenses payable	230,249,265	(18,381,443)
Increase/(decrease) in other expenses payable	150,982,083	135,872,552
Income tax paid	(1,157,165,840)	(1,173,423,871)
Cash flows from operating activities before changes in operating assets and liabilities	381,560,314	2,424,441,703

50. Related Party Disclosures of the Bank

- i) Name of the directors together with a list of entities in which they have interest- **Annexure-E**
- ii) Significant contracts where Bank is a party and wherein Directors have interest during the year 2021
 - i) Mr. Zahur Ullah, Vice-Chairman, ONE Bank Limited is availing a credit card limit of Tk. 500,000 against Tk.560,000 FDR margin and outstanding against the limit is Tk. 127,546.
- iii) Shares issued to Directors and Executives without consideration or exercisable at discount: **Nil**
- iv) Nature, type and elements of transactions with the related party: As mentioned in SL# Viii
- V) Lending policies in respect of related party:
 - a) Amount of transaction regarding loans and advances, deposits, guarantees and commitment as on 31.12.2021:
 - ii) Lending to ONE Securities Limited amounting to Tk.6,614,482 from ONE Bank Limited, Kawran Bazar Branch for special investment account purpose bearing interest @ 7.00% per annum.
 - iii) ONE Securities Limited maintains bank account with ONE Bank Limited of Tk. 481,368,024.
 - iv) ONE Investment Limited maintains deposit account with ONE Bank Limited of Tk.11,479,420.
 - v) ONE Bank Limited (OBL) maintains deposit account of Tk.170 Crore with LankaBangla Finance Limited and OBL has invested in share of LankaBangla Finance Limited of Tk. 12.24 Crore (Cost Value). OBL issued subordinated and perpetual bond to Lanka Bangla Finance Limited of Tk. 80 Crore and Tk. 50 Crore respectively.
 - b) Amount of transactions regarding principal items of deposits, expenses and commission : **Nil**
 - c) Amount of provision against loans and advances given to related party : Provision maintained @ 1% on loan amount as per regulatory requirement.
 - d) Amount of guarantees and commitments arising from other off-balance sheet exposures : **Nil**
- vi) Disclosure of transaction regarding Directors and their related concerns: **Nil**
- vii) Bank Guarantee amounting to Tk.84,000,000 issued to ONE Securities Limited in favor of Dhaka Stock Exchange Ltd.

- viii) Business other than Banking business with any related concern of the Directors as per Section 18(2) of the Bank Company Act-1991 (as amended in 2018):

Lease agreement made with the Director :

Nature of the contract	Branch / Office / Location	Name of Director and related by	Remarks
Lease Agreement	Off- Site Store & Contact Center, 26 Tejgoan Industrial Area, Tejgoan Shilpanchol, Dhaka.	Mr. Zahur Ullah, Director Shamah Enterprises Limited	Expiry Date of Lease 31.05.2031
Lease Agreement	Off- Site Store, 26 Tejgoan Industrial Area, Tejgoan Shilpanchol, Dhaka.	Mr. Zahur Ullah, Director Shamah Enterprises Limited	Expiry Date of Lease 31.07.2025

- ix) Investments in the Securities of Directors and their related concern: Nil

51 Workers Participation Fund and Welfare Fund

SRO-336-AIN/2010 dated October 5, 2010 issued by the 'Ministry for Labour and Employment' states the status of business of certain institutions and companies along with Bank and 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 'section 11' of the 'Bank Companies Act 1991 (as amended up to 2013)', Banks in Bangladesh took up the issue collectively through the 'Association of Bankers Bangladesh Limited (ABB)'. ABB wrote a letter to 'Ministry of Finance' of the Government of People's Republic of Bangladesh on 9th March, 2016 to draw attention of Honorable Finance Minister regarding relevance and applicability of Chapter XV of the Bangladesh Labour Act, 2006 (amended up to 2013) for Bank Companies and to obtain a directive on the issue. The 'Ministry of Finance' opined that the WPPF should not be relevant for Bank Companies and therefore, it should not be applied there.

The ABB also sought an opinion on this issue from Bangladesh Bank. Subsequently, Bangladesh Bank agreed on all the logic and legal opinion collected by the ABB and expressed their consensus with them on 29th November, 2016 i.e., irrelevance of Chapter XV of the Bangladesh Labour Act, 2006 (amended up to 2013) in Bank Companies. In this backdrop, the "Ministry of Finance" has given their instruction, vide letter no. 53.00.0000311.22.002.17.130 dated February 14, 2017 for not applying Chapter XV of the Bangladesh Labour Act, 2006 (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 December 31, 2021.

52 Number of employees of the Bank

The number of employees engaged for the whole year or part thereof who received a total remuneration of Tk. 36,000 p.a. or above were 2,577 (2020: 2,425).

53 Coverage of External Audit


The external auditors of the Bank, ACNABIN, Chartered Accountants worked about 7,800 person hours. They have reviewed more than 80% of the Bank's risk weighted assets as at the Balance Sheet date.


54 Events after the balance sheet date

The Board of Directors has recommended 5% stock dividend in its 341st meeting held on 30 April 2022 based on NOC from Bangladesh Bank vide letter # DOS (CAMS) 1157/41 (Dividend)/2022-2295 dated 28 April 2022 subject to the approval of the Shareholders at the next Annual General Meeting.


Md. Monzur Mofiz
Managing Director


AMMM Aurangzeb Chowdhury
Independent Director


Zahur Ullah
Vice Chairman


A.S.M. Shahidullah Khan
Chairman

ONE Bank Limited
Financial Highlights on the overall activities of the Bank
As at 31 December 2021

Solo Basis

SI No	Particulars	2021 Taka	2020 Taka
1	Paid up Capital	9,340,404,560	8,853,464,040
2	Total Capital	27,947,434,969	25,950,554,758
3	Capital Surplus/(deficit)	4,724,201,310	6,014,673,777
4	Total Assets	310,366,413,296	303,516,861,297
5	Total Deposits	231,122,860,626	229,484,573,179
6	Total Loans and Advances	222,694,147,172	220,341,546,434
7	Total Contingent Liabilities and Commitments	65,075,728,293	63,852,699,814
8	Credit Deposit ratio (%)*	84.80%	85.33%
9	Percentage of Classified Loans against total loans and advances	11.55%	8.60%
10	Profit after tax and provisions	756,030,034	1,313,022,407
11	Amount of classified loans during the year	25,728,025,891	18,957,360,443
12	Provision kept against classified loans	8,429,815,378	8,142,699,967
13	Provision surplus/(deficit)	-	-
14	Cost of fund	6.73%	8.48%
15	Interest earning Assets	255,882,449,153	258,135,415,588
16	Non-interest earning assets	54,483,964,143	45,381,445,709
17	Return on investment-ROI	6.01%	8.51%
18	Return on Assets-ROA (Net profit after taxation/average assets)	0.25%	0.44%
19	Income from Investment	2,050,750,934	2,710,031,543
20	Earnings per Share	0.81	1.41
21	Net Income per share	0.81	1.41
22	Price Earning Ratio (Times)	17.05	7.54

Consolidated Basis

1	Paid up Capital	9,340,404,560	8,853,464,040
2	Total Capital	28,150,398,748	26,078,530,487
3	Capital Surplus	4,849,344,484	6,120,825,576
4	Total Assets	310,635,734,412	303,668,477,921
5	Total Deposits	230,630,013,182	229,069,281,725
6	Total Loans and Advances	222,847,145,369	220,428,720,056
7	Profit after tax and provisions	845,185,047	1,394,706,116
8	Earnings per Share	0.90	1.49
9	Net Income per share	0.90	1.49

* As per Bangladesh Bank Reporting.

ONE Bank Limited
Schedule of Fixed Assets
As at 31 December 2021

[Referred to Note 8 of these Financial Statements]

Particulars	Cost (Taka)				Depreciation and Amortization (Taka)				Net book value at 31 December	Rate (%) of depreciation per annum (Reducing Balance Method)
	Balance on 1 January	Additions during the year	Disposal/ Transfer Amortization during the year	Balance at 31 December	Balance on 1 January	Charge for the year	Adjusted on disposal during the year	Balance at 31 December		
Furniture and Fixtures	1,598,557,482	140,534,272	78,778,746	1,660,313,007	747,694,052	146,189,252	3,726,619	820,766,227	839,546,780	10
Office Equipment	1,367,494,753	143,629,311	11,595,776	1,499,528,288	887,128,997	101,932,917	9,968,770	979,093,144	520,435,144	18
Motor Vehicles	309,913,740	-	16,075,935	293,837,805	221,978,596	18,035,921	15,355,253	224,659,264	69,178,541	20
Building	304,750,010	19,696,373	-	324,446,383	32,880,570	7,125,012	-	40,005,582	284,440,801	2.5
Right of use Assets (RoU)	1,306,662,774	944,101,916	-	2,250,764,690	269,336,250	342,681,268	-	612,017,518	1,638,747,172	
Land	279,366,295	-	-	279,366,295	-	-	-	-	279,366,295	
Sub-Total	5,166,745,084	1,247,961,872	106,450,457	6,308,256,468	2,159,018,465	615,964,370	29,050,643	2,676,541,735	3,631,714,733	
Intangibles Assets	198,184,620	-	-	198,184,620	197,215,502	783,036	-	197,998,538	186,082	20
Total 2021	5,364,929,674	1,247,961,872	106,450,457	6,506,441,088	2,356,233,967	616,747,406	29,050,643	2,874,540,273	3,631,900,815	
Total 2020	4,525,849,549	943,896,888	104,816,763	5,364,929,674	1,907,827,792	548,497,475	19,420,579	2,356,233,967	3,008,695,706	

Reconciliation Statement Regarding Balance with Bangladesh Bank

1) Balance with Bangladesh Bank-Taka account (Excluding Islami Banking)

	Amount in Taka	
	<u>Detail</u>	<u>Total</u>
Balance as per Bank ledger		11,283,402,680
Unrespond debit entries in:		
Bangladesh Bank Statement	16,076,141	
ONE Bank's ledger	18,261,139	34,337,280
		11,249,065,401
Unrespond credit entries in:		
Bangladesh Bank statement	118,745,986	
ONE Bank's ledger	14,474,429	133,220,415
Balance as per Bangladesh Bank Statement		<u>11,382,285,816</u>

2) Balance with Bangladesh Bank-Foreign currency

	Amount in Taka			
	<u>USD</u>	<u>EURO</u>	<u>GBP</u>	<u>Total</u>
A) Balance as per Bank ledger	2,566,133,949	6,752,583	1,973,554	2,574,860,086
B) Unrespond debit entries in:				
Bangladesh Bank Statement	1,405,660,639	-	-	1,405,660,639
ONE Bank's ledger	170,398,955	-	-	170,398,955
	<u>1,576,059,594</u>	-	-	<u>1,576,059,594</u>
C) Unrespond credit entries in:				
Bangladesh Bank statement	914,112,292	-	-	914,112,292
ONE Bank's ledger	1,021,877,453	-	-	1,021,877,453
	<u>1,935,989,745</u>	-	-	<u>1,935,989,745</u>
Balance as per Bangladesh Bank Statement (A-B+C)	<u>2,926,064,099</u>	<u>6,752,583</u>	<u>1,973,554</u>	<u>2,934,790,236</u>

ONE Bank Limited
Financial Statements for the year ended 31 December 2021
Balance with other banks in foreign currency

[Referred to Note 4.5 of these Financial Statements]

Name of the Banks	Currency Name	2021			2020		
		Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT.	Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT.
Standard Chartered Bank, New York	USD	17,315,864.41	85.8000	1,485,701,166.46	37,109,720.00	84.8011	3,146,945,076.69
Commerzbank AG, Frankfurt	USD	419,529.18	85.8000	35,995,603.64	2,266,004.70	84.8011	192,159,691.17
Mashreqbank Psc, New York	USD	3,589,574.78	85.8000	307,985,516.12	4,326,217.17	84.8011	366,867,974.85
ICICI Bank Limited, Hong Kong	USD	401,188.59	85.8000	34,421,981.02	228,281.59	84.8011	19,358,529.94
Wells Fargo Bank N.A, New York	USD	2,870,363.20	85.8000	246,277,162.56	797,286.26	84.8011	67,610,751.86
Habib American Bank USA	USD	220,191.24	85.8000	18,892,408.39	-	-	-
Kookmin Bank, South Korea	USD	168,615.02	85.8000	14,467,168.72	1,115,240.99	84.8011	94,573,662.72
		24,985,326.42		2,143,741,006.91	45,842,750.71		3,887,515,687.23
Standard Chartered Bank, London	GBP	48,273.13	115.7099	5,585,679.04	9,198.32	114.4815	1,053,037.47
AB Bank Ltd, Mumbai	ACUD	(197,286.54)	85.8000	(16,927,185.13)	(34,020.72)	84.8011	(2,884,994.48)
Mashreqbank Psc, India	ACUD	306,056.84	85.8000	26,259,676.87	210,127.60	84.8011	17,819,051.62
Standard Chartered Bank (Pakistan) Ltd, Karachi	ACUD	773,159.82	85.8000	66,337,112.56	401,791.66	84.8011	34,072,374.74
Nepal Bangladesh Bank Ltd, Kathmandu	ACUD	116,915.07	85.8000	10,031,313.01	116,915.07	84.8011	9,914,526.54
Seylan Bank PLC, Colombo	ACUD	137,482.88	85.8000	11,796,031.10	246,175.09	84.8011	20,875,918.42
Standard Chartered Bank, Mumbai	ACUD	2,380,161.38	85.8000	204,217,846.40	974,774.02	84.8011	82,661,909.15
Punjab National Bank, New Delhi	ACUD	459,277.48	85.8000	39,406,007.78	638,641.80	84.8011	54,157,527.15
Axis Bank Ltd, Kolkata	ACUD	584,437.27	85.8000	50,144,717.77	298,380.26	84.8011	25,302,974.27
ICICI Bank Limited, Mumbai	ACUD	1,377,279.64	85.8000	118,170,593.11	552,757.93	84.8011	46,874,480.50
		5,937,483.84		509,436,113.47	3,405,542.71		288,793,767.91
Standard Chartered Bank, Tokyo	JPY	18,544,016.00	0.7463	13,839,399.14	12,621,112.00	0.8186	10,331,642.28
Standard Chartered Bank, Frankfurt	EURO	60,037.28	97.3658	5,845,577.80	81,594.59	103.8559	8,474,079.58
Commerzbank AG, Frankfurt	EURO	(52,954.43)	97.3658	(5,155,950.44)	48,499.53	103.8559	5,036,962.34
ICICI Bank Limited, Mumbai	ACU EURO	86,493.04	97.3658	8,421,464.03	86,493.04	103.8559	8,982,812.51
		93,575.89		9,111,091.39	216,587.16		22,493,854.43
Commerzbank AG, Frankfurt	CAD	225,326.07	67.0732	15,113,340.56	342,863.30	66.1630	22,684,864.52
Habib Bank AG Zurich, Zurich	CHF	100,260.73	93.8012	9,404,576.79	232,279.64	95.8963	22,274,758.04
Bank Al-Jazira, Jeddah	SAR	-	-	-	300,040.00	22.5980	6,780,303.92
Riyad Bank	SAR	1,755,890.00	22.8465	40,115,940.89	1,455,850.00	22.5980	32,899,298.30
Total				2,746,347,148			4,294,827,214

ONE Bank Limited
Statement of large loan
 As at 31 December 2021

SL No	Group/ Client Name	Outstanding (Taka in crore)		
		Funded	Non-Funded	Total
1	Mohammadi Group	273.02	381.36	654.38
2	Panwin Group	442.10	6.68	448.78
3	Arafin Group	12.82	418.05	430.87
4	GETCO Group	383.04	40.63	423.68
5	City Group	255.93	123.72	379.65
6	Globe Pharma. Group	356.56	-	356.56
7	Habib Group	327.45	28.97	356.42
8	Impress-Newtex Group	193.86	160.67	354.53
9	Fair Group	78.00	264.75	342.75
10	GPH Group	90.14	243.62	333.76
11	SAS Group	299.00	2.80	301.80
12	Navana Group	297.79	0.03	297.82
13	Arunima Group	182.72	112.62	295.34
14	DIRD Group	185.05	107.74	292.79
15	Medlar & Opex Group	141.36	148.94	290.30
16	Noman Group	245.33	41.85	287.18
17	Popular Group	285.14	0.87	286.01
18	Provita Group	247.70	36.85	284.56
19	Evince Group	215.00	67.74	282.74
	Total	4,512.01	2,187.90	6,699.92

Note: More than 10% of the regulatory Capital and outstanding balance of the client.

Name of the Directors and the entities in which they have interest

As on 31 December 2021

SL No	Name of the Director	Status with the Bank	Name of the Firms/Companies in which they are interested as proprietor, partner, Director, managing agent, Guarantor, Employee etc.	Percentage (%) of holding in the company	Remarks
1	Mr. A.S.M. Shahidullah Khan	Chairman	NTC Housing Ltd.	12.50	Representing KSC Securities Limited
2.	Mr. Zahur Ullah	Vice Chairman	1 Gtex Ltd.	33.33	
			2 Buttons & Trims Ltd	70.00	
			3 Lables & Trims Ltd.	70.00	
			4 Lamisa Ltd.	60.00	
			5 L-2 Knitting Ltd.	60.00	
			6 Shamah Enterprises Ltd	40.00	
			7 Holiday Publications Ltd.	10.00	
			8 Lamisa Food Products Ltd.	70.00	
			9 NTC Housing Ltd.	12.50	
3.	Mr. Kazi Rukunuddin Ahmed	Director	NTC Housing Ltd.	12.50	Representing Irfan International Limited
4.	Mr. Shawket Jaman	Director	NTC Housing Ltd.	12.50	Representing M. R. Holdings & Securities Limited
5.	Mrs. Anannya Das Gupta	Director	-	-	-
6.	Mr. AMMM Aurangzeb Chowdhury	Independent Director	-	-	-

Statement of Tax Position of the Bank

As at 31 December 2021

Accounting Year	Assessment Year	Status
2004	2005-2006	Honourable High Court Division of Supreme Court of Bangladesh has given verdict <u>in favor of OBL</u> in case of certain regulatory deductions for the Accounting year 2004, 2005, 2006, 2007, 2008, 2009, 2010 and 2011. The matter is now pending at the Appellate Division of Honourable Supreme Court of Bangladesh.
2005	2006-2007	
2006	2007-2008	
2007	2008-2009	
2008	2009-2010	
2009	2010-2011	
2010	2011-2012	
2011	2012-2013	
2012	2013-2014	The matter is pending at Honourable High Court Division of Supreme Court.
2013	2014-2015	
2014	2015-2016	
2015	2016-2017	
2016	2017-2018	
2017	2018-2019	
2018	2019-2020	Tax return submitted for the assessment.
2019	2020-2021	Tax return submitted for the assessment.
2020	2021-2022	Tax return submitted for the assessment.

**ONE Bank Limited
Segment Reporting**

Annexure-G

Amount in Taka

Particulars	ONE Bank Limited					ONE Bank Ltd and its subsidiaries		Inter company transaction	Consolidated
	ONE Bank Limited	Off-Shore Banking unit	Islami Banking Unit	Inter transaction with DBO	Total	ONE Securities Ltd	ONE Investments Ltd		
Interest income/profit on investment	15,643,629,185	331,905,645	11,453,901	-	15,986,988,731	46,968,445	543,643	(33,505,960)	16,000,994,859
Interest paid on deposits and borrowings etc.	11,614,259,801	237,869,887	25,370,105	-	11,877,499,793	6,222,708	-	(33,505,960)	11,850,216,541
Net interest income	4,029,369,384	94,035,758	(13,916,204)	-	4,109,488,938	40,745,737	543,643	-	4,150,778,318
Investment income	2,049,344,764	-	1,406,170	-	2,050,750,934	120,599,225	-	-	2,171,350,159
Commission, exchange and brokerage	1,603,095,223	4,501,530	174,242	-	1,607,770,995	83,834,844	-	(1,203,675)	1,690,402,164
Other operating income	608,254,035	10,525,958	746,598	-	619,526,591	1,579,520	-	-	621,106,111
Total operating income (A)	8,290,063,406	109,063,246	(11,589,193)	-	8,387,537,458	246,759,326	543,643	(1,203,675)	8,633,636,752
Salaries and allowances	2,640,314,517	-	32,751,024	-	2,673,065,540	28,882,164	-	-	2,701,947,704
Rent, taxes, insurance, electricity etc.	400,047,700	-	23,945,243	-	423,992,943	2,258,702	-	-	426,251,645
Legal expenses	17,888,943	50,182,989	25,000	-	68,096,932	269,500	-	-	68,366,432
Postage, stamps, telecommunication etc.	83,159,525	-	280,303	-	83,439,828	-	-	-	83,439,828
Directors' fees	944,000	-	112,000	-	1,056,000	176,000	-	-	1,232,000
Auditors' fees	350,000	-	-	-	350,000	30,000	10,000	-	390,000
Stationery, printings, advertisements etc.	214,892,109	-	1,556,285	-	216,448,394	383,827	-	-	216,832,221
Managing Director's salary and allowances	12,184,103	-	-	-	12,184,103	-	-	-	12,184,103
Depreciation, leasing expense and repair of bank's assets	1,079,934,198	-	8,521,415	-	1,088,455,613	9,577,238	-	-	1,098,032,851
Other expenses	362,943,377	477,753	762,524	-	364,183,654	16,832,932	16,207	(1,203,675)	379,829,118
Total operating expenses (B)	4,812,658,471	50,660,742	67,953,794	-	4,931,273,007	58,410,363	26,207	(1,203,675)	4,988,505,902
Profit/ (loss) before provision and tax (C=A-B)	3,477,404,934	58,402,504	(79,542,988)	-	3,456,264,451	188,348,963	517,436	-	3,645,130,850
Provision for loans and advances	-	-	-	-	-	-	-	-	-
Specific provision	1,676,248,139	-	-	-	1,676,248,139	-	-	-	1,676,248,139
General provision	327,766,604	-	-	-	327,766,604	656,710	-	-	328,423,314
Provision for off-balance sheet items	(6,794,459)	-	-	-	(6,794,459)	-	-	-	(6,794,459)
Provision for diminution in value of share	-	-	-	-	-	35,000,000	-	-	35,000,000
Provision for other	5,960,042	-	-	-	5,960,042	-	-	-	5,960,042
Total Provision (D)	2,003,180,326	-	-	-	2,003,180,326	35,656,710	-	-	2,038,837,036
Profit/ (loss) before taxes (E=C-D)	1,474,224,608	58,402,504	(79,542,988)	-	1,453,084,125	152,692,253	517,436	-	1,606,293,814
Provision for taxation	697,054,091	-	-	-	697,054,091	63,899,446	155,231	-	761,767
Net Profit after taxation	777,170,517	58,402,504	(79,542,988)	-	756,030,034	88,792,807	362,205	-	845,185,047

Amount in Taka

Particulars	ONE Bank Limited						ONE Bank Ltd and its subsidiaries		Inter company transaction	Consolidated
	ONE Bank Limited	Off-Shore Banking unit	Islamic Banking Unit	Inter transaction with DBO	Total		ONE Securities Ltd	ONE Investments Ltd		
Cash	17,995,150,734	-	115,265,377	-	18,110,416,111	10,241	-	-	-	18,110,426,352
Balance with other Banks and Financial Institutions	5,951,520,653	147,525,283	312,193,434	(312,193,434)	6,099,045,936	300,764,014	46,767	-	(300,810,781)	6,099,045,936
Money at call and short notice	6,725,200,000	-	-	-	6,725,200,000	-	-	-	-	6,725,200,000
Investment	38,096,246,885	-	120,640,000	-	38,216,886,885	2,485,789,837	11,432,652	-	(192,036,662)	40,522,072,712
Loans and Advances	212,893,423,479	9,755,629,141	45,094,552	-	222,694,147,172	159,612,680	-	-	(6,614,482)	222,847,145,369
Fixed Assets including premises, furnitures & fixtures	3,616,851,380	-	15,049,435	-	3,631,900,815	54,416,843	-	-	-	3,686,317,659
Other Assets	14,646,992,138	40,426,697	280,940,530	(79,542,988)	14,888,816,377	236,512,939	454,079	-	(2,480,257,012)	12,645,526,384
Non-banking Assets	-	-	-	-	-	-	-	-	-	-
Total Assets	299,925,385,269	9,943,581,120	889,183,328	(391,736,422)	310,366,413,296	3,237,106,554	11,933,499	(2,979,718,937)		310,635,734,412
LIABILITIES AND CAPITAL										
Borrowings from other Banks, Financial Institutions and agents and subordinated & perpetual bond	24,790,672,269	4,204,199,828	-	-	28,994,872,097	6,614,482	-	-	(6,614,482)	28,994,872,097
Deposits and other accounts	230,228,561,516	5,116,763	889,182,348	-	231,122,860,626	-	-	-	(492,847,443)	230,630,013,182
Other Liabilities	32,741,328,271	5,734,264,529	980	(5,700,574,808)	32,775,018,972	489,801,407	660,223	-	(157,842)	33,265,322,760
Total Liabilities	287,760,562,055	9,943,581,120	889,183,328	(5,700,574,808)	292,892,751,695	496,415,889	660,223	(499,619,767)		292,890,208,039
Total Shareholders' Equity	17,473,661,601	-	-	-	17,473,661,601	2,740,590,665	11,273,275	-	(2,480,099,170)	17,745,526,373
Total Liability and Shareholders' Equity	305,234,223,656	9,943,581,120	889,183,328	(5,700,574,808)	310,366,413,296	3,237,106,554	11,933,499	(2,979,718,937)		310,635,734,412

ONE Bank Limited
Islami Banking Unit
Balance Sheet
As at 31 December 2021

	Notes	31.12.2021 Taka	31.12.2020 Taka
PROPERTY AND ASSETS			
Cash in Hand	2	-	-
Cash in hand (including foreign currencies)		23,231,202	14,828,438
Balance with Bangladesh Bank and its agent bank(s)		92,034,175	83,922,891
(Including foreign currencies)		115,265,377	98,751,330
Balance with other Banks and Financial Institutions	3		
In Bangladesh		312,193,434	6,370
Outside Bangladesh		-	-
		312,193,434	6,370
Placement with other Banks and Financial Institutions		-	-
Investments in shares and securities	4		
Government		120,640,000	21,120,000
Others		-	-
		120,640,000	21,120,000
Investments	5		
General Investment etc.		45,094,552	-
Bills purchased and discounted		-	-
		45,094,552	-
Fixed Assets including premises, furniture & fixtures	6	15,049,435	2,818,810
Other Assets	7	280,940,530	50,701,979
Non-banking Assets		-	-
Total Assets		889,183,328	173,398,489
LIABILITIES AND CAPITAL			
Liabilities			
Placement from other banks, financial institutions and agents		-	-
Deposits and other accounts	8		
Al-Wadeeah current and other deposits accounts		9,611,456	11,995,475
Bills payable		10,846,971	-
Mudaraba savings bank deposits		86,831,757	27,001,935
Mudaraba term deposits		781,892,164	127,838,154
		889,182,348	166,835,564
Other Liabilities	9	980	6,562,925
Total Liabilities		889,183,328	173,398,489
OFF BALANCE SHEET ITEMS			
Contingent Liabilities			
Acceptances and Endorsements		-	-
Letters of Guarantee		744,334	-
Irrevocable Letters of Credit		-	-
Bills for Collection		-	-
Other Contingent Liabilities		-	-
Other Commitments		-	-
Total off-Balance Sheet items including contingent liabilities		744,334	-

ONE Bank Limited
Islami Banking Unit
Profit and Loss Account
For the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
Profit on investment	10	11,453,901	-
Profit shared on deposits and borrowings etc.	11	(25,370,105)	(280,394)
Net investment income		(13,916,204)	(280,394)
Income from investment in Shares/ Securities	12	1,406,170	8,254
Commission, exchange and brokerage	13	174,242	-
Other operating income	14	746,598	13,261
Total operating income		(11,589,194)	(258,879)
Salaries and allowances	15	32,751,024	6,166,353
Rent, taxes, insurance, electricity etc.	16	23,945,243	7,010,907
Legal & Professional Fees		25,000	-
Postage, stamps, telecommunication etc.	17	280,303	66,946
Directors' fees		112,000	-
Stationery, printings, advertisements etc.	18	1,556,285	193,935
Depreciation, leasing expense and repair of bank's assets	19	8,521,415	30,000
Other expenses	20	762,524	145,397
Total operating expenses		67,953,794	13,613,537
Profit/ (loss) before provision and tax		(79,542,988)	(13,872,416)

ONE Bank Limited
Islami Banking Unit
Notes to the Financial Statements
For the period ended 31 December 2021

1.1 Islami Banking Operations

Islami Banking refers to a system of banking that complies with Islami law also known as Shariah law. The underlying principles that govern Islami Banking are mutual risk and profit sharing between parties, the assurance of fairness for all and that transactions are based on an underlying business activity or asset. The objectives of the Islami Banking system is not only to provide religiously acceptable financial products and services as alternatives to conventional financial structures but it also aims to contribute to the economic development, facilitate the allocation of resources efficiently and ultimately attaining Social welfare. To achieve these objectives ONE Bank Limited has started its Islami Banking Operations obtaining permission from Bangladesh Bank through opening two (02) full-fledged Islami Banking Branches i.e. Gulshan Islami Banking Branch, Dhaka & Agrabad Islami Banking Branch, Chattogram consecutively on December 15, 2020 & December 17, 2020 with the Branding Name "AL NOOR". Islami Banking Operations is totally different & separate from OBL Conventional Banking Operations as the earlier operates their operation on the basis of Islami Shari'ah Principle. All the Conventional Branches also providing Islami Banking liability products Services to the Customers through 2(two) Islami Banking Branches using online facilities. Since inception, the Bank has been maintaining separate 'Accounting System' for Islami Banking Operation which is completely different from Conventional Banking system ensuring the standards adopted by "Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI)".

1.2 Islami Banking Division in Head Office

As per Instruction of Guideline on Islami Banking issued by Bangladesh Bank BRPD Circular No.15 dated 09.11.2009, a separate Division namely "Islami Banking Division" established in Head Office. Since established, the division has been taking up the duties & responsibilities of all works & day to day activities related to Business, Marketing, Product Development, Training of Islamic Banking & Finance, Islami Treasury, Regulatory, Shari'ah Supervisory Committee, Inter Divisional activities communication & liaison, IBCF, CSBIB, AAOIFI, IFSB, Internal & External activities.

1.3 Shari'ah Supervisory Committee

Chairman

Md. Fariduddin Ahmed

Members

A S. M. Shahidullah Khan – Member (from the Board)

Mufti Shahed Rahmani - Faqih Member

Prof. Dr. Md. Abdur Rashid - Faqih Member

Barrister Md. Arifur Rahman - Member

Md. Monzur Mofiz - Member & Ex-Officio

Member Secretary

Md. Kamaruzzaman

1.4 Islami Banking Business

Since inception, Islami banking business of ONE Bank Limited steady growth in deposit & investment with only two (02) branches around 90.00 Crore deposits were being collected.

1.5 Distribution of Profit under Islamic Banking Operation

ONE Bank Ltd. operating two (02) Islami Banking Branches in complying with the rules of Islami Shari'ah which absolutely prohibits receipts and payment of interest in any form. The operations of these two branches are totally different from other conventional branches. A separate balance sheet, daily position and income statement are being maintained following instruction of "Guidelines for Islamic Banking" issued by Bangladesh Bank, vide BRPD Circular No: 15 dated: 09 November, 2009.

1.6 Position of two (02) Islamic Banking Branches

At the end of the year 2021, the Deposit and Investment of Islami Banking Branches of ONE Bank Ltd. stands at Tk. 889.18 million & Tk. 45.09 million respectively.

ONE Bank Limited
Islami Banking Unit
Notes to the Financial Statements
For the period ended 31 December 2021

1.7 Islami Banking Products and services

Our Islamic Banking Branches offer Deposit Products under 'Al-Wadiah' and 'Mudaraba' Principles. These products have been designed focusing 'Market Demand', adding 'New Features' and above all maintaining 'Customer's Satisfaction'. It's not just business, while we design products, we always focus on 'Welfare' and establishment of 'Justice & Equities' in the Society with a view to Maqasid e Shari'ah. Our Investment Operations are conducted as per Shari'ah under Islami Investment Modes such as: 'Bai Al-Murabaha', 'Bai As-Salam', 'Bai Istisna', 'Bai-As-Sarf' 'Hire Purchase Musharaka Muntanaqasa - HPMM', 'Musharaka', 'Quard', 'Wakala Letter of Credit' etc. The Shariah Supervisory Committee of ONE Bank Ltd. AL NOOR Islami Banking consists of seven (07) members who provide guidance in various banking issues as per Shari'ah.

At present AL NOOR Islami Banking of ONE Bank Limited offers almost all the deposit & investment products those are available in the Country under its Islami Banking Operations for collecting & sourcing and utilization of funds or in other words, pooling resources and deployment of the said resources. The following products are available now:

1.8 ONE Bank Limited AL NOOR Islami Banking Operations offer Al Wadiah & various Mudaraba deposit products to the Customers:

1. Al Wadiah Current Deposit Account 2. Mudaraba Savings Deposit Account 3. Mudaraba Special Notice Deposit Account 4. Mudaraba Savings Deposit Account - Staff 5. Mudaraba Term Deposit 6. Mudaraba Hajj Savings Account. 6. Mudaraba Deposit Pension Scheme 7. Mudaraba School Banking Account 8. Mudaraba Monthly Income Deposit Scheme 9. Mudaraba Ratib Payroll Account 10. Mudaraba Hajj Saving Scheme 11. Mudaraba Imraah / Grehini Monthly Saving Scheme 12. Mudaraba Millionaire Scheme 13. Mudaraba Waqf Cash Deposit Account 14. Mudaraba Denmohor/Marriage Deposit Scheme.

1.9 Investment Products of ONE Bank Limited AL NOOR Islami Banking:

In Islami Banking, investment means utilization of fund or deployment of fund for a Business purpose permissible by Shari'ah on profit / loss sharing basis for a certain period. ONE Bank Limited AL NOOR Islami Banking offers the following Investment products to the Customers:

Retail	CMSME	Corporate
AL NOOR Home Investment Scheme – (ANHIS)	AL NOOR Bai – Murabaha	AL NOOR Bai- Murabaha
AL NOOR Car Investment Scheme – (ANCIS)	AL NOOR Hire Purchase Musharaka Muntanaqasa - HPMM	AL NOOR Murabaha Trust Receipt
AL NOOR Household Investment Scheme – (ANHIS)	AL NOOR Murabaha Trust Receipt	AL NOOR Hire Purchase Musharaka Muntanaqasa - HPMM
AL NOOR Scheme for Professional – (ANSP)	AL NOOR Murabaha Import Bill	AL NOOR Murabaha Import Bill
AL NOOR Cash Withdrawal (Quard) against Mudaraba Deposit	AL NOOR Cash withdrawal against Mudaraba Deposit	AL NOOR Cash Withdrawal against Mudaraba Deposit
AL NOOR Murabaha against Mudaraba Term & Scheme Deposit	AL NOOR Musharaka Documentary Bill Purchase (MDBP) - Inland	AL NOOR Musharaka Documentary Bill Purchase (MDBP)-Inland
	AL NOOR Murabaha against Mudaraba Term & Scheme Deposit	AL NOOR Murabaha against Mudaraba Term & Scheme Deposit

1.10 Others Products

Besides these Selling of Payment Order, Demand Draft, Issuance of Bank Guarantee, Performance Guarantee, Bid Bond, various Certificates, Online Transactions; BEFTN, RTGS, NPSB, Mobile Banking, Card Services and other necessary Banking services are also available in the 2 (two) Islami Banking Branches under Islamic Banking Operation of ONE Bank Ltd.

ONE Bank Limited
Islami Banking Unit
Notes to the Financial Statements
For the period ended 31 December 2021

1.11 Activities – Year 2021

During the year 2021 various policy Guideline regarding Islami Banking have been formulated & updated with necessary approval of concern Authority. The Bank operates Islami Banking through two full functioning branches designated for this purpose in compliance with the rules of Islami Shari'ah. A separate balance sheet, profit and loss account and a statement of profit rate on deposits and incorporated in the respective Heads / GL of these financial statements following instruction of "Guidelines for Islamic Banking" issued by Bangladesh Bank, vide BRPD Circular No: 15 dated: 09 November, 2009. A separate Division for Islami Banking has been formed in Corporate Head Office to monitor and comply with the Rules & Principles of Islami Shari'ah and other Regulatory bodies.

1.12 Deposit Mobilization & Profit Distribution Model

The main function of a Islami Bank is to collect deposits from the public and Invest those deposits for the development of Agriculture, Industry, Trade and Commerce to make a profit & distributed it to their Depositors. So deposit is treated as life blood of financial Institution. OBL AL NOOR Islami Banking follows the method of Income Sharing Ratio – ISR for profit distribution to the Customers.

ISR means Income Sharing Ratio. According to ISR module the Bank do contract with customer for Investment Income Sharing. As example if sharing ratio of a customer & a Bank is 80:20 it means the client shall get 80% & the Bank shall get 20% as Management fee from the investment income of deposit. There is no proclamation of rate either provisional or fixed and final. It is to pronounce that customers open the Bank Account with uncertainty about profit from deposit. After receiving the deposit the Bank invest the fund in various Business sectors in compliance to Shari'ah principle. Keeping a portion of this income (suppose 5%) in profit equalization reserve and deducting others provisions, remaining portion of income is accounted as distributable to the depositors. Considering this profit as the profit of total deposit for concern period, income share of each deposit client is accounted against their deposit.

In this situation, we may provide a probable competitive acceptable provisional profit rate of all the Mudaraba Deposit Products and at the end of the year these rates will be adjusted with final rates derived from Income Sharing Ratio –ISR. Final Rates shall be adjusted with provisional disbursed rates giving up the claim by the Bank on the amount disbursed if the final rates become lower upon the basis of "Ihsan" of Islami Shari'ah principle. On the other hand if the Final Rates become higher than disbursed rates, the amount will be credited to the concerned Mudaraba Deposit Customers Accounts upon the basis of principle of Islami Shari'ah.

	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>
2 Cash		
Cash in hand (Note-2.1)	23,231,202	14,828,438
Balance with Bangladesh Bank and it's agent banks (Note-2.2)	92,034,175	83,922,891
	115,265,377	98,751,330
2.1 Cash in hand		
In Local Currency	23,231,202	14,828,438
In Foreign Currencies	-	-
	23,231,202	14,828,438
2.2 Balance with Bangladesh Bank and it's agent bank(s)		
Bangladesh Bank:		
In Local Currency	92,034,175	83,922,891
In Foreign Currencies	-	-
	92,034,175	83,922,891
Balance with Sonali Bank being an agent of Bangladesh Bank	-	-
	92,034,175	83,922,891

ONE Bank Limited
Islami Banking Unit
Notes to the Financial Statements

2.3 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR):

Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 33 of the Bank Companies Act 1991 (as amended in 2018), DOS circular No. 01 dated 19 January 2014, MPD Circular No. 01 dated 03 April 2018, DOS Circular No. 26 dated 19 August 2019 and MPD Circular No. 03 dated 09 April 2020 issued by Bangladesh Bank.

The Cash Reserve Ratio on the time and demand liabilities at the rate of 3.50% for Islami Banking on daily basis and 4% on bi-weekly basis has been calculated and maintained with Bangladesh Bank in current account and 5.50% for Islami Banking of Statutory Liquidity Ratio on the same liabilities has also been maintained in the form of treasury bills, bonds, Foreign Currency & excess reserve of the Taka current account with Bangladesh Bank.

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
a) Cash Reserve Requirement (CRR) :		
Required reserve daily basis (2020: 4% of average Demand and Time Liabilities)	20,152,790	6,911,920
Reserve held with Bangladesh Bank in local currencies	92,034,175	83,922,891
Surplus/(Shortage)	71,881,385	77,010,971
Required reserve bi-weekly basis	23,031,760	6,911,920
Actual reserve held	92,034,175	83,922,891
Surplus/(Shortage)	69,002,415	77,010,971
b) Statutory Liquidity Ratio (Other than CRR):		
Required reserve	31,668,670	9,503,890
Reserve held (b.1)	212,873,617	112,959,410
Surplus/(Shortage)	181,204,947	103,455,520
b.1 Reserve held in SLR :		
Cash in hand including foreign currency	23,231,202	14,828,438
Balance with Bangladesh Bank -local currency (Surplus amount of CRR)	69,002,415	77,010,971
Other securities	120,640,000	21,120,000
	212,873,617	112,959,410
3 Balance with other Banks and Financial Institutions		
In Bangladesh (Note-3.1)	312,193,434	6,370
Outside of Bangladesh (Note-3.2)	-	-
	312,193,434	6,370
3.1 In-Bangladesh		
Current account	6,370	6,370
Mudaraba Special Notice Deposit	312,187,064	-
Fixed Deposit receipt	-	-
	312,193,434	6,370
3.2 Outside of Bangladesh	-	-

ONE Bank Limited
Islami Banking Unit
Notes to the Financial Statements

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
4 Investment in share & securities		
Bangladesh Government Investment Sukuk (Ijarah Sukuk)	120,640,000	21,120,000
Others (Note-4.1)	-	-
	120,640,000	21,120,000
4.1 Others		
Shares in listed companies	-	-
Shares in un-listed companies	-	-
	-	-
5 Investments		
General investment etc. (Note-5.1)	45,094,552	-
Bill purchased and discounted	-	-
	45,094,552	-
5.1 General investment etc.		
Al Noor Cash Withdrawal	17,488,423	-
Home Investment Account	17,955,332	-
Household Investment Account	6,566,214	-
Staff Loan	3,084,583	-
	45,094,552	-
6 Fixed Assets including premises, furniture & fixtures		
Furniture and fixture including office renovation	9,347,861	2,622,110
Office appliance & equipments	5,867,447	79,300
Computer	1,406,250	117,400
	16,621,558	2,818,810
Less: Accumulated depreciation		
Furniture and fixture including office renovation	471,895	-
Office appliance & equipments	878,045	-
Computer	222,183	-
	1,572,123	-
	15,049,435	2,818,810
7 Other Assets		
Stationery, stamps, printing materials etc	1,117,983	591,900
Stock of stamps	14,950	-
Advance Income Tax	218,221	-
Profit accrued on investment but not collected	3,670,774	8,254
Profit/loss payable to head office	79,542,988	13,872,416
Advance rent	27,183,240	31,947,343
Renovation/ Development and prepaid expenses	16,818,749	4,232,066
Branch Adjustment Account	152,143,626	-
Suspense account	230,000	50,000
	280,940,530	50,701,979

ONE Bank Limited
Islami Banking Unit
Notes to the Financial Statements

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
8 Deposits and other accounts		
Deposits from Banks	-	-
Deposits from customers	889,182,349	166,835,564
	889,182,349	166,835,564
a. Deposit from Banks		
Mudaraba savings deposits	-	-
Mudaraba special notice deposits	-	-
Mudaraba fixed deposits	-	-
	-	-
b. Customers Deposits		
i. Al- wadeeah current deposits and other accounts		
Al-wadeeah current deposits	4,739,658	10,264,000
Margin Deposit	2,420,000	-
Sundry deposits	2,451,798	1,731,475
	9,611,456	11,995,475
ii. Bills Payable		
Pay orders issued	10,846,971	-
Demand draft payable	-	-
	10,846,971	-
iii. Mudaraba savings bank deposits	86,831,757	27,001,935
iv. Mudaraba term deposits		
Mudaraba fixed deposits	754,878,978	126,534,030
Mudaraba special notice deposits	18,016,244	1,114,207
Non resident Taka deposits	-	-
Mudaraba special scheme deposits	8,996,943	189,917
	781,892,164	127,838,154
Total Customers Deposit	889,182,349	166,835,564
9 Other liabilities		
Accounts payable-Others	980	856
Branch adjustment account	-	6,562,069
	980	6,562,925
10 Profit on investment		
Profit on Al Noor Cash Withdrawa	56,179	-
Staff house building investment	334,656	-
Profit on Staff Loan	33,702	-
Profit on investment against Mudaraba Term Deposit	4,971,959	-
Inter branch income	6,057,404	-
	11,453,901	-

ONE Bank Limited
Islami Banking Unit
Notes to the Financial Statements

	2021 <u>Taka</u>	2020 <u>Taka</u>
11 Profit shared on deposits and borrowings etc.		
Profit shared on deposits (Islamic Banking Branch)		
Mudaraba Savings Deposits	1,088,569	23,777
Mudaraba Short Term Deposits	584,246	12,608
Mudaraba term deposits	23,697,289	244,009
	25,370,105	280,394
12 Income from investment in Shares/ Securities		
Income from Government Securities	1,406,170	8,254
Income from Non-Government Securities	-	-
	1,406,170	8,254
13 Commission, exchange and brokerage		
Commission on Remittance	88,290	-
Commission on Guarantee	7,443	-
Commission on Trade Finance	61,701	-
Exchange gain	16,808	-
	174,242	-
14 Other operating income		
Service and incidental charges	554,741	3,256
Fees & Charges-Loan	500	-
Miscellaneous income	191,357	10,005
	746,598	13,261
15 Salaries and allowances		
Salary & Allowances	29,600,370	5,801,160
Provident Fund Contribution	1,548,972	365,193
Gratuity	1,601,682	-
	32,751,024	6,166,353
16 Rent, taxes, insurance and electricity etc		
Rent	19,795,198	5,832,000
VAT on rent	2,890,028	954,051
Taxes	58,120	105,910
Utilities	199,047	22,160
Insurance	388,491	18,664
Electricity and lighting	614,360	78,122
	23,945,243	7,010,907
17 Postage, Stamps, Telecommunication etc.		
Postage	40,145	-
Telephone/ Telex	240,158	66,946
	280,303	66,946

ONE Bank Limited
Islami Banking Unit
Notes to the Financial Statements

	2021 <u>Taka</u>	2020 <u>Taka</u>
18 Stationery, printings, advertisements etc		
General office stationery	502,131	61,721
Printing and security stationery	899,154	112,464
Publicity and advertisement	155,000	19,750
	1,556,285	193,935
19 Depreciation, leasing expenses and repair of bank's assets		
Depreciation:		
Furniture and Fixtures	596,290	-
Office appliance & equipments	1,096,340	-
Motor vehicles	-	-
	1,692,630	-
Repairs & Maintenance	6,828,785	30,000
	8,521,415	30,000
20 Other expenses		
Entertainment	323,743	18,326
Computer & Printer expenses	171,702	13,450
Travelling and Conveyance	185,083	4,720
Recruitment & Training Expense	62,610	-
Bank Charges & Others	2,367	-
Others operating expenses	17,020	108,901
	762,524	145,397

ONE Bank Limited
Off-Shore Banking Unit
Balance Sheet
As at 31 December 2021

Notes	31.12.2021		31.12.2020	
	USD	Taka	USD	Taka
PROPERTY AND ASSETS				
CASH				
Cash in hand (including foreign currencies)	-	-	-	-
Cash with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	-	-	-	-
	-	-	-	-
Balance with other Banks and Financial Institutions	3			
In Bangladesh	-	-	-	-
Outside Bangladesh	1,719,409	147,525,283	1,088,030	92,266,134
	1,719,409	147,525,283	1,088,030	92,266,134
Money at Call and Short Notice	-	-	-	-
Investment				
Government	-	-	-	-
Others	-	-	-	-
	-	-	-	-
Loan and Advances:	4			
Loans, cash credits, overdrafts etc.	109,841,959	9,424,440,051	108,617,804	9,210,909,244
Bills purchased and discounted	3,860,013	331,189,090	3,937,659	333,917,808
	113,701,971	9,755,629,141	112,555,463	9,544,827,052
Fixed Assets	-	-	-	-
Other Assets	5	471,174	40,426,697	1,001,500
Non Banking Assets	-	-	-	-
Total Assets	115,892,554	9,943,581,120	114,644,993	9,722,021,520
LIABILITIES AND CAPITAL				
Borrowings from other Banks, Financial Institutions and agents	6	48,999,998	4,204,199,828	92,666,666
Current deposits and other accounts	7			
Current accounts and other accounts	59,636	5,116,763	1,129,342	95,769,474
Bills payable	-	-	-	-
Savings bank deposits	-	-	-	-
Term deposits	-	-	-	-
	59,636	5,116,763	1,129,342	95,769,474
Other Liabilities	8	66,172,214	5,677,575,969	18,609,548
Total Liabilities	115,231,848	9,886,892,560	112,405,557	9,532,114,851
Capital/Shareholders' Equity				
Profit and loss account	660,706	56,688,560	2,239,436	189,906,669
Total Liabilities and Shareholders' Equity	115,892,554	9,943,581,120	114,644,993	9,722,021,520

ONE Bank Limited
Off-Shore Banking Unit
Balance Sheet
As at 31 December 2021

Notes	31.12.2021		31.12.2020	
	USD	Taka	USD	Taka
Off Balance Sheet Items				
Contingent Liabilities	9			
Acceptance and endorsements	52,727	4,523,983	156,612	13,280,888
Letter of Guarantee	-	-	-	-
Irrevocable Letters of Credit	392,042	33,637,187	758,104	64,288,034
Bills for Collection	-	-	-	-
	444,769	38,161,170	914,716	77,568,921
Other Contingent Liabilities				
Claims lodged with but not recognized by the Bank	-	-	-	-
Other exchange contract	-	-	-	-
Total Contingent Liabilities	444,769	38,161,170	914,716	77,568,921
Other Commitments				
Documentary Credits and short term trade-related transactions	-	-	-	-
Forward assets purchased and forward deposits placed	-	-	-	-
Undrawn note issuance and revolving undertaking facilities	-	-	-	-
Undrawn formal standby facilities, credit lies and other commitments	-	-	-	-
Total other commitments	-	-	-	-
Total off-Balance Sheet items including contingent Liabilities	444,769	38,161,170	914,716	77,568,921

ONE Bank Limited
Off- Shore Banking Unit
Profit & Loss Account
For the year ended 31 December 2021

	Notes	2021		2020	
		USD	Taka	USD	Taka
Interest income	10	5,113,046	438,699,357	8,868,919	752,094,069
Interest paid on deposits & borrowings	11	(4,017,058)	(344,663,600)	(6,805,250)	(577,092,723)
Net interest income		1,095,988	94,035,758	2,063,668	175,001,346
Income from investments		-	-	-	-
Commission, exchange and brokerage	12	52,465	4,501,530	100,288	8,504,527
Other operating income	13	122,680	10,525,958	119,292	10,116,056
Total operating income (A)		1,271,133	109,063,246	2,283,248	193,621,928
Salaries and allowances		-	-	-	-
Rent, taxes, insurance, electricity etc.		-	-	-	-
Legal & consultancy expenses		584,883	50,182,989	653,207	55,392,648
Postage, stamps, telecommunication etc.		-	-	-	-
Directors' fees		-	-	-	-
Stationery, printings, advertisements etc.		-	-	-	-
Depreciation, leasing expense and repair of bank's assets		-	-	-	-
Other expenses		5,568	477,753	10,985	931,508
Total operating expenses (B)		590,452	50,660,742	664,191	56,324,156
Profit before provision and tax (C=A-B)		680,682	58,402,504	1,619,057	137,297,772
Provision for loans and advances					
Specific provision		-	-	-	-
General provision		24,569	2,108,021	(594,677)	(50,429,298)
		24,569	2,108,021	(594,677)	(50,429,298)
Provision for off balance sheet items		(4,593)	(394,078)	(25,702)	(2,179,599)
Other provision		-	-	-	-
Total Provision		19,976	1,713,943	(620,380)	(52,608,897)
Profit/(loss) before tax (C-D)		660,706	56,688,560	2,239,436	189,906,669
Current tax expenses		-	-	-	-
Deferred tax expense/(income)		-	-	-	-
Net profit after taxation		660,706	56,688,560	2,239,436	189,906,669

ONE Bank Limited
Off-Shore Banking Unit
Cash Flow Statement
For the year ended 31 December 2021

	2021		2020	
	USD	Taka	USD	Taka
Cash flows from operating activities				
Interest receipts in cash	5,113,046	438,699,357	8,868,919	752,094,069
Interest payments	(4,017,058)	(344,663,600)	(6,805,250)	(577,092,723)
Fee and commission receipts	52,465	4,501,530	100,288	8,504,527
Legal expenses	(590,452)	(50,660,742)	(664,191)	(56,324,156)
Receipts from other operating activities	122,680	10,525,958	119,290	10,115,960
Operating profit before changes in current assets and liabilities	680,682	58,402,504	1,619,055	137,297,676
Increase/(decrease) in operating assets and liabilities				
Loans and advances to customers	(1,146,509)	(210,802,089)	59,267,351	5,042,929,823
Other assets	530,327	44,501,637	570,879	48,566,652
Borrowing from other banking companies, agencies etc.	(43,666,668)	(3,654,035,382)	(61,268,156)	(5,210,831,151)
Deposits from banks	-	-	6,349	538,420
Deposits from customers	(1,069,706)	(90,652,712)	826,789	70,083,362
Other liabilities	45,303,253	3,907,845,190	(2,584,671)	(221,340,407)
	(49,303)	(3,143,355)	(3,181,459)	(270,053,301)
A Net cash flows from operating activities	631,379	55,259,149	(1,562,403)	(132,755,624)
Cash flows from investing activities				
Payments for purchase of securities	-	-	-	-
Receipts from sale of securities	-	-	-	-
Net Purchase/sale of fixed assets	-	-	-	-
B Net cash used in investing activities	-	-	-	-
Cash flows from financial activities				
Receipts from issue of ordinary shares	-	-	-	-
Dividend paid	-	-	-	-
C Net cash used in financing activities	-	-	-	-
D Net increase in cash and cash equivalents (A+B+C)	631,379	55,259,149	(1,562,403)	(132,755,624)
Effect of exchange rate changes on cash and cash equivalents	-	-	-	-
E Opening cash and cash equivalents	1,088,030	92,266,134	2,650,433	225,021,758
F Closing cash and cash equivalents (D+E)	1,719,409	147,525,283	1,088,030	92,266,134
Closing cash and cash equivalents				
Cash in hand	-	-	-	-
Cash with Bangladesh Bank & its agent(s)	-	-	-	-
Cash with other banks and financial institutions	1,719,409	147,525,283	1,088,030	92,266,134
Money at call on short notice	-	-	-	-
Prize bonds	-	-	-	-
	1,719,409	147,525,283	1,088,030	92,266,134

ONE Bank Limited
Off-Shore Banking Unit
Notes to the Financial Statements
For the year ended 31 December 2021

1 Status of the units

Off-Shore Banking Unit is a separate business unit of ONE Bank Limited, governed under the rules and guidelines of Bangladesh Bank. The Bank obtained the Off-Shore Banking Unit permission vide letter no. BRPD (P-3) 744 (115)/2010-2337 dated 26 May 2010. The Bank commenced the operation of its Off-Shore Banking Unit from 12 December 2010. At Present the Bank has 2 (Two) units one in Dhaka and another in Chattogram.

1.1 Principal activities

The principal activities of the units are to provide all kinds of commercial banking services to its customers through its Off-Shore Banking Units in Bangladesh.

1.2 Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of accounting

Financial statements are prepared on the basis of a going concern and represent the financial performance and financial position of the OBU. The financial statements of the OBU are prepared in accordance with the Bank Companies Act 1991, in particular Banking Regulation and Policy Department (BRPD) Circular No. 14 dated 25 June 2003, Other Bangladesh Bank Circulars, International Financial Reporting Standard (IFRSs) and other rules and regulation where necessary.

1.2.2 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. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

1.2.3 Foreign currency transaction

a) Foreign currencies translation

Foreign currency transactions are converted into equivalent Taka using the ruling 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 Taka 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 Taka equivalent.

b) Commitments

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

1.2.4 Cash flow statement

Cash flow statement has been prepared in accordance with the International Accounting Standard-7 "Cash Flow Statement" 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.

1.2.5 Reporting period

These financial statements cover from 01 January 2021 to 31 December 2021.

1.3 Assets and basis of their valuation

1.3.1 Cash and cash equivalents

Cash and cash equivalents include 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.

ONE Bank Limited
Off-Shore Banking Unit
Notes to the Financial Statements
For the year ended 31 December 2021

1.3.2 Loans and advances / investments

- a) Loans and advances of Off-Shore Banking Units are stated in the balance sheet on gross basis.
- b) Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest is not charged on bad and loss loans as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

1.3.3 Fixed assets and depreciation

- 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 assets to its working condition for its intended use inclusive of inward freight, duties and nonrefundable taxes.
- b) Depreciation is charged for the year at the following rates on reducing balance method on all fixed assets.

Category of fixed assets	Rate of Depreciation
Furniture and fixtures	10%
Office equipment	18%
Vehicle	20%

- c) For additions during the year, depreciation is charged for the remaining days of the year and for disposal depreciation is charged up to the date of disposal.

1.4 Basis for valuation of liabilities and provisions

A provision is recognised in the balance sheet when the unit 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 the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

1.5 Revenue recognition

1.5.1 Interest income

Interest income is recognized on accrual basis.

1.5.2 Fees and commission income

Fees and commission income arises on services provided by the units are recognized on a 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.

1.5.3 Interest paid and other expenses

In terms of the provisions of the IAS - 1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

2 General

- a) These financial statements are presented in Taka, Which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.
- b) Assets and liabilities & income and expenses have been converted into Taka currency @ US\$1 = Taka 85.80 (Mid rate as at 31 December 2021).

ONE Bank Limited
Off-Shore Banking Unit
Notes to The Financial Statements

	31.12.2021		31.12.2020	
	USD	Taka	USD	Taka
3 Balance with other banks and financial institutions				
In Bangladesh	-	-	-	-
Outside Bangladesh (Note-3.1)	1,719,409	147,525,283	1,088,030	92,266,134
	1,719,409	147,525,283	1,088,030	92,266,134
3.1 Outside Bangladesh				
Mashreq Bank NY	1,855,680	159,217,355	849,198	72,012,940
Punjab National Bank	(136,271)	(11,692,072)	-	-
United Bank of India	-	-	238,832	20,253,194
	1,719,409	147,525,283	1,088,030	92,266,134
4 Loans and advances				
i) Loans, cash credits, overdrafts, etc.				
Term Loan	15,922,784	1,366,174,872	13,775,453	1,168,173,546
Time Loan	90,308,148	7,748,439,135	89,722,921	7,608,602,386
Cash Credit	-	-	-	-
Overdraft	405,187	34,765,063	1,557,796	132,102,836
Loan against Trust Receipt	3,205,839	275,060,980	3,561,634	302,030,477
	109,841,959	9,424,440,051	108,617,804	9,210,909,244
ii) Bills purchased and discounted				
Local bill purchased and discounted	3,860,013	331,189,090	3,937,659	333,917,808
Foreign bills purchased and discounted	-	-	-	-
	3,860,013	331,189,090	3,937,659	333,917,808
	113,701,971	9,755,629,141	112,555,463	9,544,827,052
5 Other Assets				
Prepayment	471,117	40,421,844	1,001,500	84,928,334
Others	57	4,853	-	-
Interest receivable	-	-	-	-
	471,174	40,426,697	1,001,500	84,928,334
6 Borrowing from other Banks, and Financial Institutions and agents				
Nederlandse Financierings- Maatschappij Voor Ontwikkelingslanden N.V (FMO)	12,375,000	1,061,775,000	25,375,000	2,151,827,913
Oesterreichische Entwicklungsbank AG (OeEB)	2,625,000	225,225,000	6,875,000	583,007,563
The OPEC Fund for International Development (OFID)	-	-	3,750,000	318,004,125
Société de Promotion et de Participation pour la Coopération Economique S.A. (Proparco)	9,375,000	804,375,000	15,625,000	1,325,017,188
Norwegian Invest. Fund for Developing Countries (Norfund)	5,625,000	482,625,000	9,375,000	795,010,313
International Finance Corporation (IFC)	9,999,998	857,999,828	16,666,666	1,413,351,610
RAK BANK-Dubai	9,000,000	772,200,000	15,000,000	1,272,016,500
	48,999,998	4,204,199,828	92,666,666	7,858,235,210

ONE Bank Limited
Off-Shore Banking Unit
Notes to The Financial Statements

	31.12.2021		31.12.2020	
	USD	Taka	USD	Taka
7 Current deposits and other accounts				
Current deposits	18,792	1,612,327	16,214	1,374,926
Deposits from Banks- Term deposit	-	-	-	-
Foreign Currency Deposits	25,828	2,216,072	6,349	538,420
Sundry deposits	15,016	1,288,364	1,106,780	93,856,128
	59,636	5,116,763	1,129,342	95,769,474
8 Other liabilities				
Due to Head Office (Note-8.1)	64,638,093	5,545,948,345	16,743,203	1,419,842,041
Accrued Interest for deposit	-	-	-	-
Interest Suspense	14,177	1,216,413	-	-
Interest Payable on Borrowings Outside Bd	378,477	32,473,308	716,536	60,763,029
Others	-	-	15,108	1,281,137
General Provision (Unclassified Loan)	1,137,020	97,556,291	1,125,555	95,448,271
General Provision for off balance sheet items	4,448	381,612	9,147	775,689
	66,172,214	5,677,575,969	18,609,548	1,578,110,166
8.1 Due to Head Office				
Payable to Head office (Transaction with DBU)	63,536,043	5,451,392,512	17,260,210	1,463,684,817
Payable to Head Office (Retained Earnings)	1,102,049	94,555,833	(517,007)	(43,842,777)
	64,638,093	5,545,948,345	16,743,203	1,419,842,041
9 Contingent liabilities				
Acceptance and Endorsements	52,727	4,523,983	156,612	13,280,888
Letter of Guarantee	-	-	-	-
Irrevocable Letter of Credit	392,042	33,637,187	758,104	64,288,034
Bills for Collection	-	-	-	-
	444,769	38,161,170	914,716	77,568,921
10 Interest income				
Bills purchased and discounted	211,857	18,177,349	248,855	21,103,150
Short Term Loan	547,703	46,992,917	737,198	62,515,188
Time Loan	4,119,295	353,435,472	7,654,236	649,087,666
Loan Against Trust Receipt	100,904	8,657,553	77,334	6,557,990
Overdraft	97,145	8,335,031	118,978	10,089,474
Others	36,143	3,101,036	32,318	2,740,603
Interest on loans and advances	5,113,046	438,699,357	8,868,919	752,094,069
Interest received from Head Office	-	-	-	-
Total Interest income	5,113,046	438,699,357	8,868,919	752,094,069

ONE Bank Limited
Off-Shore Banking Unit
Notes to The Financial Statements

	31.12.2021		31.12.2020	
	USD	Taka	USD	Taka
11 Interest paid on deposits & borrowings				
Interest paid to Head Office	1,244,682	106,793,712	1,135,164	96,263,179
Interest expenses for borrowing	2,772,376	237,869,887	5,670,086	480,829,544
Interest expenses for other bank- Local	-	-	-	-
	4,017,058	344,663,600	6,805,250	577,092,723
12 Commission, exchange and brokerage				
Commission on L/C	16,736	1,435,935	47,332	4,013,809
Commission on acceptance	34,484	2,958,750	24,471	2,075,172
Export Bill Handling Charge	1,245	106,845	28,485	2,415,546
	52,465	4,501,530	100,288	8,504,527
13 Other operating income				
Fees & Charges	122,680	10,525,958	119,292	10,116,056
Commission on Remittance	-	-	-	-
	122,680	10,525,958	119,292	10,116,056

Ignite the spirit of youth



OBL Youth Banking

OBL Youth Banking is a daily interest bearing taka savings account for Young Generations of Bangladesh.

- Minimum Initial Deposit: BDT 500/- only
- No Account Maintenance Fee
- Attractive Interest Rate
- Interest will be calculated on daily basis and will be credited to account on monthly basis
- Free Internet Banking
- Special discount on OBL Student Loan Processing fee: 50% discount on Loan processing fee
- 20% discount on student file handling charge
- The account holder will enjoy Buy 1 Get 1 free offer as well as special discounts from different outlets like: Restaurants, Life Style, Coffee Shops, Beauty Parlor, Fitness Center and Health Check-up through debit card
- Discounted Debit Card Fee: BDT 200/- only

Eligibility:

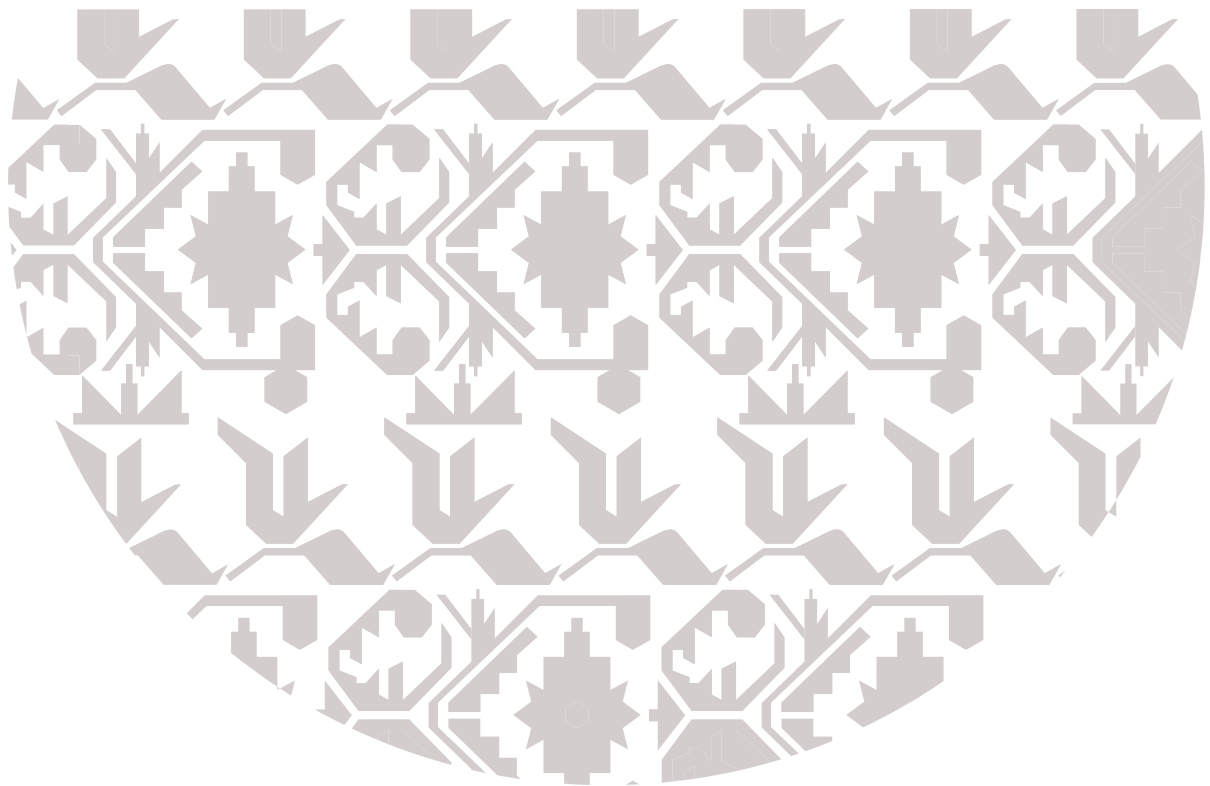
- Any Bangladeshi citizen
- Age: 18 years to 25 years

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ONE SECURITIES LIMITED



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ONE Securities Limited

Opinion

We have audited the accompanying financial statements of ONE Securities Limited which comprise the Statement of Financial Position as at 31 December 2021 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information disclosed in Note # 1 to 33 to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in Note # 2 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and Bangladesh Securities and Exchange Commission (BSEC), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended on 31 December 2021. However, we do not have any key audit matters to disclose.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Board of Directors Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon since we have not been provided with any such information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRSs), as explained in Note # 2 to the financial statements, and for such internal control as management determines it is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

We also report that:

- a. we have obtained all the material information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c. the Company's statement of financial position and statement of profit or loss and other comprehensive income together with the Note # 1 to 33 dealt with by the report are in agreement with the books of account.
- d. the capital to total risk requirement ratio as required by Bangladesh Securities and Exchange Commission has been maintained adequately during the year.

ACNABIN Chartered Accountants

Dated, Dhaka
26 April 2022



ABM Azizuddin FCA

Partner

ICAB Enrollment No # 0046

DVC:2204260046AS244722

ONE Securities Limited
Statement of Financial Position
As at 31 December 2021

	Notes	31.12.2021 Taka	31.12.2020 Taka
Non-Current Assets			
Property, plant and equipment	3	54,416,843	29,114,555
Investment in DSE and CSE shares	4	562,320,683	562,320,683
Total Non- Current Assets		616,737,526	591,435,238
Current Assets			
Advance deposits and prepayments	5	1,500,583	2,123,733
Margin Loan to clients	6	159,612,680	93,941,718
Investment in shares	7	1,742,865,144	1,770,731,328
Accounts Receivable and others	8	59,047,402	37,544,865
Advance income tax	9	175,964,954	142,451,939
Deferred tax assets	18.3	-	-
Cash and cash equivalents	10	481,378,265	404,288,304
Total Current Assets		2,620,369,028	2,451,081,887
Total Assets		3,237,106,554	3,042,517,125
Shareholders' Equity			
Share capital	11.2	2,500,000,000	2,500,000,000
Capital Reserve	12	8,106,441	-
Retained earnings	13	232,584,224	151,897,858
		2,740,690,665	2,651,897,858
Non-Current Liabilities			
Borrowing for special investment	14	6,614,482	6,768,097
Deferred tax liability	18.3	2,226,919	777,497
Lease liabilities as per IFRS-16 (Long Term)	15	18,420,195	4,304,573
Total Non-Current Liabilities		27,261,596	11,850,167
Current Liabilities			
Other payable	16	77,677,245	89,151,632
Audit fee payable	17	30,000	30,000
Lease liabilities as per IFRS-16 (Short Term)	15	6,814,153	3,061,306
Other liabilities and provision	18	384,632,895	286,526,162
Total Current Liabilities		469,154,293	378,769,099
Total Equity and Liabilities		3,237,106,554	3,042,517,125

These Financial Statements should be read in conjunction with the annexed notes 1 to 33.


Aminul Islam
Chief Executive Officer


Anannya Das Gupta
Director


Farzana Chowdhury
Director


Zahur Ullah
Chairman

See annexed report of even date.

Dhaka, 25 April 2022

ACNABIN Chartered Accountants


ABM Azizuddin FCA
Partner

ICAB Enrollment No # 0046
DVC:2204260046AS244722

ONE Securities Limited
Statement of Profit or Loss and other Comprehensive Income
For the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
Operating income (A)			
Commission and brokerage income	19	83,834,844	37,923,394
Interest income	20	46,968,445	30,936,262
Investment income	21	120,599,225	80,153,802
Other operating income	22	1,579,520	919,406
		252,982,034	149,932,864
Operating expenses (B)			
Salary & allowances	23	28,882,164	26,530,753
Rent, taxes, insurance, electricity etc.	24	2,258,702	1,177,880
Interest expenses	25	6,222,708	978,319
Auditors' fee		30,000	40,000
Directors' fees		176,000	66,000
Professional Fees		269,500	207,000
Bank charges	26	36,752	22,771
Printing & stationary		383,827	200,568
Repairs and maintenance		186,797	104,611
Depreciation	27	9,390,441	7,110,262
Fees and renewal	28	4,664,392	2,311,899
Direct expenses	29	6,851,225	3,466,047
Others expenses	30	5,280,563	4,164,927
Total		64,633,071	46,381,035
Profit before provision and tax (A-B)		188,348,963	103,551,829
Provision for diminution in value of share	18.1	35,000,000	-
General Provision for margin loan	18.4	656,710	939,417
Profit/(Loss) before taxes		152,692,253	102,612,412
Current tax expense	18.2	62,450,024	22,339,272
Deferred tax expense/ (income)	18.3	1,449,422	(791,270)
		63,899,446	21,548,003
Net profit/(Loss) after taxation		88,792,807	81,064,409
Retained surplus brought forward		151,897,858	70,833,449
		240,690,665	151,897,858
Transferred to Capital Reserve	13	8,106,441	-
Retained surplus carried forward		232,584,224	151,897,858
Earnings per Share (EPS)	32	0.36	0.32

These Financial Statements should be read in conjunction with the annexed notes 1 to 33.


Aminul Islam
Chief Executive Officer


Anannya Das Gupta
Director


Farzana Chowdhury
Director


Zahur Ullah
Chairman

See annexed report of even date.

Dhaka, 25 April 2022

ACNABIN Chartered Accountants


ABM Azizuddin FCA
Partner

ICAB Enrollment No # 0046
DVC:2204260046AS244722

ONE Securities Limited
Statement of Cash Flows
For the year ended 31 December 2021

	2021 Taka	2020 Taka
Cash Flows from Operating Activities		
Interest receipts in cash	46,469,823	32,608,497
Commission and brokerage receipts in cash	83,834,844	37,923,394
Interest payments	(6,222,708)	(978,319)
Dividend receipts	62,857,861	67,327,836
Income taxes paid	(33,513,015)	(21,861,882)
Advance to suppliers and others	623,150	(1,736,932)
Receipt from/ payment to exchanges	(47,027,542)	2,179,167
Receipt from/ payment to customers and others	10,952,264	35,323,556
Loan to clients	(65,670,961)	(6,234,950)
Receipts from other operating activities	59,208,484	14,827,639
Operating expenses	(45,310,547)	(37,913,800)
A) Net Cash used in Operating Activities	66,201,653	121,464,206
Cash Flows from Investing Activities		
Net purchase/sales of securities	27,866,184	63,344,034
Net purchase/Sale of fixed assets	(4,918,444)	(48,791)
B) Net Cash used in Investing Activities	22,947,740	63,295,243
Cash Flows from Financing Activities		
Receipts from issue of shares	-	-
Payment of lease liability	(11,905,817)	(2,798,762)
Short term borrowing	(153,615)	6,768,097
C) Net Cash from Financing Activities	(12,059,432)	3,969,335
D) Net increase/ (decrease) in cash and cash equivalent (A+B+C)	77,089,961	188,728,783
Opening Cash and cash equivalents	404,288,304	215,559,521
Closing cash and cash equivalents	481,378,265	404,288,304

These Financial Statements should be read in conjunction with the annexed notes 1 to 33.


Aminul Islam
Chief Executive Officer


Anannya Das Gupta
Director


Farzana Chowdhury
Director


Zahur Ullah
Chairman

Dhaka, 25 April 2022

ONE Securities Limited
Statement of Changes in Equity
For the year ended 31 December 2021

Amount in Taka

Particulars	Paid-up Capital	Capital Reserve	Retained Earnings	Total
Balance as at 01 January 2021	2,500,000,000	-	151,897,858	2,651,897,858
Net profit / (loss) during the period	-	-	88,792,807	88,792,807
Transferred to Capital Reserve	-	8,106,441	(8,106,441)	-
Interim Dividend	-	-	-	-
Balance as at 31 December 2021	2,500,000,000	8,106,441	232,584,224	2,740,690,665
Balance as at 31 December 2020	2,500,000,000	-	151,897,858	2,651,897,858

These Financial Statements should be read in conjunction with the annexed notes 1 to 33.


Aminul Islam
Chief Executive Officer


Anannya Das Gupta
Director


Farzana Chowdhury
Director


Zahur Ullah
Chairman

Dhaka, 25 April 2022

ONE Securities Limited
Notes to the Financial Statements
For the period ended 31 December 2021

1 Status of the Company

1.1 Legal Form of the Company

ONE Securities Limited (OSL) is a subsidiary of ONE Bank Limited. OSL was incorporated on May 04, 2011 under the Companies Act (Act XVIII) of 1994 as a Private Limited Company. Subsequently, it was converted into Public Limited Company on December 24, 2014 after completion of due formalities with Registrar of Joint Stock Companies and Firms (RJSC). The registered office of the Company is situated at 45, Dilkusha C.A (4th Floor), Dhaka-1000.

1.2 Nature of Business Activities

The principal activities of the company are to buy, sell and deal in shares, stocks, debentures and other securities and undertake all the functions as a TREC Holder of Stock Exchanges.

1.3 Components of the financial statements

The financial statements of the Company include the following components:

- a. Statement of Financial Position at the end of the period;
- b. Statement of Profit or Loss and Other Comprehensive Income for the period;
- c. Statement of Changes in Equity for the period;
- d. Statement of Cash Flows for the period;
- e. Notes, comprising a summary of significant accounting policies and other explanatory information; and
- f. Comparative information in respect of the preceding period.

2 Significant Accounting Policies and basis of preparation of Financial Statements

2.1 Basis of presentation of financial statements

These financial statements have been prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) and no adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company.

2.2 Basis of measurement

The financial statements have been prepared based on historical cost convention basis. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous years.

2.3 Regulatory compliance

In preparation of the Financial Statements, ONE Securities Limited complies with the applicable provisions of the following major laws/ statutes:

- The Companies Act, 1994;
- The Income Tax Ordinance, 1984;
- The Income Tax Rules, 1984;
- Negotiable Instruments Act, 1881;
- Securities and Exchange Rules, 2020;
- Securities and Exchange Commission Act, 1993;
- Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000; and
- Other applicable laws and regulations.

ONE Securities Limited
Notes to the Financial Statements
For the period ended 31 December 2021

2.4 Compliance report on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)

While preparing the financial position, the Company applied most of IAS and IFRS as adopted by ICAB. Details are given below:

Name of the Standards	IFRS/ IAS	Status of compliance
First time adoption of International Financial Reporting Standards	IFRS 1	N/A
Share Based Payment	IFRS 2	N/A
Business Combinations	IFRS 3	N/A
Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	N/A
Exploration for and Evaluation of Mineral Resources	IFRS 6	N/A
Financial Instruments: Disclosures	IFRS 7	Applied
Operating Segments	IFRS 8	N/A
Financial Instruments	IFRS 9	Applied with some departures
Consolidated Financial Statements	IFRS 10	N/A
Joint arrangements	IFRS 11	N/A
Disclosure of interest in other entities	IFRS 12	N/A
Fair value measurement	IFRS 13	Applied
Regulatory Deferral Accounts	IFRS 14	N/A
Revenue from Contracts with Customers	IFRS 15	Applied
Leases	IFRS 16	Applied
Insurance Contracts	IFRS 17	N/A
Presentation of Financial Statements	IAS 1	Applied
Inventories	IAS 2	N/A
Statement of Cash Flows	IAS 7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8	Applied
Events after the Reporting Period	IAS 10	Applied
Income Taxes	IAS 12	Applied
Property, Plant and Equipment	IAS 16	Applied
Employee Benefits	IAS 19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	IAS 20	N/A
The Effects of Changes in Foreign Exchange Rates	IAS 21	N/A
Borrowing Costs	IAS 23	N/A
Related Party Disclosures	IAS 24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS 26	N/A
Separate Financial Statements	IAS 27	N/A
Investments in Associates	IAS 28	N/A
Financial Instruments: Presentation	IAS 32	Applied
Earnings per share	IAS 33	Applied
Interim Financial Reporting	IAS 34	Applied **
Impairment of Assets	IAS 36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS 37	Applied
Intangible Assets	IAS 38	Applied
Investment Property	IAS 40	N/A
Agriculture	IAS 41	N/A

* N/A=Not Applicable

**The objective of IAS 34 is to prescribe the minimum content of an interim financial report and to prescribe the principles for recognition and measurement in complete or condensed financial statements for an interim period and hence it is not applicable for annual financial statements. However, The Bank is complying with IAS 34 regularly for publications of Interim Financial Report.

ONE Securities Limited
Notes to the Financial Statements
For the period ended 31 December 2021

2.5 Use of estimates and judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the year end.

Provisions and accrued expenses are recognized in the financial statements in line with International Accounting Standard (IAS) 37: "Provisions, Contingent Liabilities and Contingent Assets" when - the Company has a legal or constructive obligation as a result of past event; and

- i. It is probable that an outflow of economic benefit will be required to settle the obligation.
- ii. A reliable estimate can be made for the amount of the obligation.

2.6 Going concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason the Directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations.

2.7 Statement of Cash flows

Statement of cash flows is prepared in accordance with the International Accounting Standard-7 "Statement of Cash Flows" and the cash flows from operating activities have been presented under direct method.

2.8 Fixed assets and depreciation

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 nonrefundable taxes.

b) Depreciation is charged for the year at the following rates on reducing balance method on all fixed assets.

Category of fixed assets	Rate of Depreciation per annum
Furniture and fixtures	10%
Office equipment	18%

c) Software acquired by the company is stated at cost less accumulated amortisation. Subsequent expenditure on software is capitalized only when it increases future economic benefits embodied in specific assets to which it relates. Amortisation is recognized in profit and loss on a straight line basis over the estimated useful life of the software from the date it is available for use. The estimated useful life of software is five years. Useful life, residual value and impairment of status are reviewed at each financial year end and adjusted if applicable.

d) For additions during the year, depreciation is charged for the remaining days of the year and for disposal depreciation is charged up to the date of disposal.

2.9 IFRS 16: Leases

ONE Securities Limited has applied IFRS 16: "Leases" for the first time using modified retrospective approach, with effect from 01 January 2019, where the company measured the lease liability at the present value of the remaining lease payments and recognized a right-of-use asset the amount equal to the lease liability, adjusted by the amount of prepaid lease payments relating to that lease recognized in the statement of financial position immediately before the date of initial application, i.e., 01 January 2019 at the date of the initial application on a lease by lease basis.

Upon lease commencement the Company recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the Company.

The lease liability is initially measured at present value of the future lease payments discounted using the discount rate implicit in the lease (i.e. incremental borrowing rate). Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others.

ONE Securities Limited
Notes to the Financial Statements
For the period ended 31 December 2021

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low value assets and short term lease i.e; for which the lease term ends within 12 months of the date of initial application. The Company recognizes lease payments associated with these leases as an expenses.

On the statement of financial position, right-of-use assets have been included under property plant and equipment and lease liabilities have been separated into lease liabilities as per IFRS-16 (Long Term) & lease liabilities as per IFRS-16 (Short Term) under Non-Current Liabilities and Current Liabilities respectively.

2.10 Investment in securities

Investment in marketable and non-marketable ordinary shares has been shown at cost. Provision for diminution in value of shares (Quoted) as on closing of the year on an aggregate portfolio basis has been made in the account.

2.11 Cash and cash equivalents

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

2.12 Provision for taxation

As per the Income Tax Ordinance 1984, provision for income tax has been made by applying required rate.

2.13 Interest paid and other expenses

In terms of the provision of IAS-1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

2.14 Dividend income

Dividend income from investments is recognized at the time when it is declared, ascertained and right to receive the dividend is established.

2.15 Share capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

2.16 Reporting period

These financial statements cover one year from January 01, 2021 to December 31, 2021, and January - December year is followed consistently.

2.17 Departures from IFRS

The Financial Reporting Council (FRC) has been formed in 2017, but no financial reporting standards have yet been issued as per the provisions of the Financial Reporting Act (FRA) 2015. Hence, the financial statements of the Company as at and for the year ended 31 December 2021 have been prepared in accordance with International Financial Reporting Standards (IFRSs) and as per the requirements of the provisions, circulars, rules and regulations issued by the Bangladesh Securities and Exchange Commission (BSEC) and the Income Tax Ordinance 1984. In case any requirements of the BSEC provisions, circulars, rules and regulations differ from those of IFRS, the requirements of BSEC provisions, circulars rules and regulations prevailed, and such departures from IFRS have been followed accordingly. In addition, there has been a departure from the provisions of IFRS 9 with regard to interest income. Material departures from the requirements of IFRS are as follows:

i) Provision for diminution in value of investment in shares and provision for margin loan

IFRS: In accordance with IFRS 9, an entity should recognize a loss allowance for expected credit losses on a financial asset and shall not reduce the carrying amount of the financial asset in the statement of financial position. The objective of the impairment requirements is to recognize lifetime expected credit losses for all financial instruments for which there have been significant increases in credit risk since initial recognition, whether assessed on an individual or collective basis considering all reasonable and supportable information, including that which is forward-looking. An entity shall directly reduce the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

ONE Securities Limited
Notes to the Financial Statements
For the period ended 31 December 2021

BSEC: As per BSEC circular reference # BSEC/SARVAILANCE/MUKHOPATRO(Fifth part)/2019/196 dated July 16, 2020, the provision for diminution in value of share can be deferred upto December 2023. However, we have maintained provision 62.79% for the difference of cost price and market value.

Besides, general provision for margin exposures has been made for the year as mandatory provision as prescribed by part B of schedule C rule 5(2) of BSEC notification no. BSEC/CMRRCD/2017-357/221/ admin/89 dated May 22, 2019.

ii) Valuation of shares of DSE and CSE

IFRS: As per Para-5.2.2 of IFRS-9, an entity shall apply the impairment requirements to financial assets that are measured at amortized cost and to financial assets that are measured at fair value through other comprehensive income.

Departure: There is no active market for shares of DSE and CSE and the sale price to Strategic Investor, Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE), has been determined through negotiation. The sale had to be made within the time limit as given in the Exchange Demutualization Act-2013 and approved by the Bangladesh Securities and Exchange Commission (BSEC).

2.18 Reporting Currency

The amount shown in this financial statements are presented in Bangladeshi currency (Taka), which have been rounded off to the nearest Taka except where indicated otherwise.

2.19 Directors' responsibility on Financial Statements

The Board of Directors of the Company is responsible for the preparation and presentation of these Financial Statements.

2.20 Events after reporting period

All known material events after the reporting period date have been considered and appropriate adjustments/ disclosures have been made in the Financial Statements, where necessary up to the date of preparation of Financial Statements as per IAS-10 " Events After the Reporting Period".

2.21 Date of authorization

The Board of Directors accorded its approval and authorized these financial statements on 25 April 2022.

2.22 Branch Details

The Company has a total 01 number of Branch office, One Extension Office (excluding Head Office) as on 31 December 2021.

2.23 Earnings per Share

Earnings per share (EPS) has been computed by dividing the profit after tax by the number of ordinary shares outstanding as on 31 December 2021 as per IAS-33 " Earnings Per Share".

2.24 General

Previous year figures have been rearranged wherever considered necessary to conform to current years presentation.

ONE Securities Limited
Notes to the Financial Statements

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
3 Property, plant and equipment		
Furniture & fixtures	24,280,463	21,216,011
Office equipment	12,843,061	11,129,069
Right of use Assets (RoU)	50,401,663	20,627,377
	87,525,187	52,972,457
Intangible Assets	1,850,000	1,710,000
	89,375,187	54,682,457
Less: Accumulated depreciation		
Furniture & fixtures	9,358,395	7,700,386
Office equipment	7,810,818	6,839,933
Right of use Assets (RoU)	16,076,134	9,317,586
Intangible Assets	1,712,997	1,709,997
	34,958,344	25,567,902
Closing balance	54,416,843	29,114,555

(For details please refer to Annexure-A)

4 Investment in DSE and CSE shares

Shares in DSE	282,320,683	282,320,683
Shares in CSE	280,000,000	280,000,000
	562,320,683	562,320,683

This represents our original investment cost for DSE and CSE memberships in exchange of which shares at a face value of Tk. 10 each have been allotted in favour of the company in November 2013 for DSE and in October 2013 for CSE. As per the provision of the Exchange Demutualization Act, 2013 and in accordance with the Bangladesh Securities and Exchange Commission's (BSEC) approved Demutualization Scheme, Dhaka Stock Exchange Ltd. (DSE) allotted total 72,15,106 ordinary Shares at face value of Tk.10.00 each and Chittagong Stock Exchange Ltd. (CSE) allotted total 42,87,330 ordinary Shares at face value of Tk.10.00 each against the ownership as a TREC Holder of DSE and CSE respectively. Out of the above DSE transferred 2,886,042 shares and CSE transferred 1,714,932 shares directly to the credit of the Beneficiary Owner's account of the company. The rest shares were credited to blocked accounts as per provisions of the Exchange Demutualization Act, 2013. As there is no active market for transaction the shares of DSE and CSE, the amount of investment has been presented at cost. During the year 2018, ONE Securities Limited sold 25% of total DSE share (i.e; $72,15,106 \times 25\% = 18,03,777$) to Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE) as per Share Purchase Agreement (SPA) executed between Dhaka Stock Exchange Ltd (DSE) and its strategic investors namely Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE). Therefore as on December 31, 2021 we have total 5,411,329 shares of Dhaka Stock Exchange Ltd (DSE) and 42,87,330 shares of Chittagong Stock Exchange Ltd (CSE).

5 Advance deposits and prepayments

Amount paid to Chittagong Stock Exchange as deposit for clearing house.	50,000	50,000
Security Deposit to CDBL for depositary participant	200,000	200,000
Security Deposit for Rent & others	890,830	-
Prepaid insurance premium	359,753	134,807
Advance to contractor	-	1,738,926
	1,500,583	2,123,733

ONE Securities Limited
Notes to the Financial Statements

	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>
6 Margin Loan to clients	159,612,680	93,941,718

6.1 Details of Margin Loan

Receivable to Clients having no margin or full erosion of equity (e.g. no equity against debit balance)

Receivable to Clients fall under force sale condition (e.g. equity is >DB but < 125% of DB)

Receivable to Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB)

Receivable to regular Margin Clients (e.g. equity is >150% of debit balance)

-	-
4,520,711	2,518,352
16,149,895	11,799,923
138,942,074	79,623,443
159,612,680	93,941,718

This amount represents the margin loan balance with clients provided by the company at the reporting date, which includes principal amount and accrued interest on margin loan.

7 Investment in shares:

Investment in shares (**Note no-7.1**)
Investment in shares (Special Investment Account) (**Note no-7.2**)

1,727,155,107	1,763,759,570
15,710,037	6,971,758
1,742,865,144	1,770,731,328

7.1 The details of the investment in shares are as follows (as on December 31, 2021):

SI #	Company Name	Business Segments	Cate-gories	No. of Shares	Cost of Shares	Market value
1	Bank Asia Ltd.	Banks	A	5,086,377	106,015,495	110,883,019
2	The City Bank Ltd.	Banks	A	18,354,711	560,257,928	501,083,610
3	Export Import Exim Bank of Bangladesh Limited	Banks	A	1,145,420	20,339,382	14,546,834
4	Islami Bank Bangladesh Limited	Banks	A	2,276,208	84,832,552	72,838,656
5	Mercantile Bank Ltd.	Banks	A	7,875,644	154,143,211	134,673,512
6	National Bank Ltd.	Banks	B	27,812,737	314,074,144	208,595,528
7	AB Bank Limited	Banks	B	2,525,472	56,618,593	34,093,872
8	Prime Bank Ltd.	Banks	A	4,402,091	110,805,591	94,644,957
9	Pubali Bank Ltd.	Banks	A	35,416	1,064,749	949,149
10	Southeast Bank Ltd.	Banks	A	989,575	16,580,941	15,338,413
11	Standard Bank Limited	Banks	A	1,035,298	13,115,297	11,077,689
12	M.I. Cement Factory Limited	Cement	A	24,391	2,267,084	1,517,120
13	RAK Ceramics Bangladesh Ltd.	Ceramics	A	100,988	5,018,167	4,483,867
14	GPH Ispat Limited	Engineering	A	495,825	29,869,617	26,278,725
15	IFAD Autos Limited	Engineering	A	191,145	14,544,322	9,041,159
16	Navana CNG Limited	Engineering	A	36,783	1,561,276	1,085,099
17	Runner Automobiles Limited	Engineering	A	7,566	540,450	388,136
18	Investment Corporation Of Bangladesh	Financial Institutions	A	29,358	4,494,930	3,637,456
19	LankaBangla Finance Ltd.	Financial Institutions	A	2,206,618	100,653,200	82,306,851
20	Intraco Refueling Station Limited	Fuel & Power	A	242,638	10,325,746	4,707,177
21	Jamuna Oil Company Limited	Fuel & Power	A	72,000	15,221,559	12,319,200
22	MJL Bangladesh Limited	Fuel & Power	A	372,214	44,834,066	32,866,496
23	Power Grid Company of Bangladesh Ltd.	Fuel & Power	A	250,000	14,859,489	14,900,000
24	Square Pharmaceuticals Ltd.	Pharma. & Chemicals	A	44,522	10,662,951	9,541,065
25	Grameenphone Ltd.	Telecommunication	A	46,784	23,952,689	16,351,008
26	Esquire Knit Composite Limited	Textile	A	20,890	940,050	731,150
27	Square Textile Ltd.	Textile	A	148,191	9,561,629	7,735,570
					1,727,155,107	1,426,615,316

ONE Securities Limited
Notes to the Financial Statements

	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>
7.2 Investment in shares (Special Investment Account)		
Southeast Bank Ltd	15,710,037	-
Jamuna Bank Ltd.	-	3,695,207
Mercantile Bank Ltd.	-	2,233,791
Prime Bank Ltd.	-	1,042,760
	15,710,037	6,971,758

* The investment in share is made from the amount received from ONE Bank Limited for special investment vide Bangladesh Bank DOS Circular No. 01 dated 10th February, 2020. As per the requirement of the circular, this investment is shown at cost value.

8 Accounts Receivable and others

Receivable from DSE-Broker (Note- 8.1)	22,940,727	30,117,017
Receivable from CSE-Broker (Note- 8.2)	35,839	32,100
Receivable from CSE-Dealer (Note- 8.3)	-	428,633
Receivable from DSE-Dealer (IPO)	22,037,500	-
Receivable from DSE-Broker (IPO)	6,430,000	-
Other Receivables	73,841	48,642
Interest receivable	3,650,031	3,151,409
Dividend receivable	3,879,464	3,767,064
	59,047,402	37,544,865

8.1 Receivable from DSE Broker (categorize as A, B, G, N, Z and DVP)

Receivable against A, B, G and N category	22,908,582	27,946,450
Receivable against Z category	32,145	2,170,567
Receivable against DVP category	-	-
	22,940,727	30,117,017

8.2 Receivable from CSE Broker (categorize as A, B, G, N, Z and DVP)

Receivable against A, B, G and N category	-	-
Receivable against Z category	35,839	32,100
Receivable against DVP category	-	-
	35,839	32,100

8.3 Receivable from CSE-Dealer (categorize as A, B, G, N, Z and DVP)

Receivable against A, B, G and N category	-	428,633
Receivable against Z category	-	-
Receivable against DVP category	-	-
	-	428,633

9 Advance income tax

Opening balance	142,451,939	120,590,057
Paid during the year (Note-9.1)	33,513,015	21,861,882
Closing balance	175,964,954	142,451,939

ONE Securities Limited
Notes to the Financial Statements

	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>
9.1 Paid during the year		
Advance tax paid with Appeal to Appellate Tribunal	2,400,294	-
Advance tax paid for the Assessment Year 2015-2016	-	231,527
Advance tax paid for the Assessment Year 2018-2019	2,689,181	-
Advance tax paid for the Assessment Year 2021-2022	44,348	-
Advance tax on FDR interest	911,482	1,147,384
Advance income tax deducted on Dividend	12,248,831	13,465,512
Advance income tax deducted by DSE on transaction	12,629,148	6,079,983
Advance income tax deducted by DSE on transaction for Dealer	335,587	65,181
Advance income tax deducted by CSE on transaction for Dealer	93,457	11,839
Advance income tax deducted by CSE on transaction	332,913	105,902
Advance income tax deducted by Bank on Deposit	566,908	476,024
Advance income tax deducted by Bank on Deposit Dealer	1,260,866	278,530
	33,513,015	21,861,882

9.2 Year wise Payment for advance Income Tax are as follows:

Upto year 2014	13,126,282	13,126,282
Year 2015	2,597,900	2,597,900
Year 2016	19,470,659	19,470,659
Year 2017	28,499,887	28,499,887
Year 2018	43,932,638	43,932,638
Year 2019	12,962,691	12,962,691
Year 2020	21,861,882	21,861,882
Year 2021	33,513,015	-
	175,964,954	142,451,939

10 Cash and cash equivalents

Cash in Hand	10,241	13,197
Cash at Bank *	300,764,014	251,763,432
Investment in FDR *	180,604,010	152,511,675
	481,378,265	404,288,304

* For details please refer to Annexure- B

11 Share Capital

11.1 Authorized capital

40,00,00,000 Ordinary Shares of Taka 10/- each.	4,000,000,000	4,000,000,000
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11.2 Issued, Subscribed and Paid-up Capital

25,00,00,000 ordinary shares of Taka 10/- each fully paid.	2,500,000,000	2,500,000,000
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ONE Securities Limited
Notes to the Financial Statements

11.3 Shareholding position of the company

<u>Name of Shareholders</u>	<u>Number of Shares</u>	<u>Amount in Taka</u>
ONE Bank Limited	247,499,917	2,474,999,170
NTC Housing Limited	2,499,987	24,999,870
Mr. Zahur Ullah	12	120
Mr. Asoke Das Gupta *	12	120
Mrs. Farzana Chowdhury	12	120
KHH Holdings Limited	12	120
M R Holdings & Securities Limited	12	120
Irfan International Limited	12	120
KSC Securities Limited	12	120
Master Holdings Limited	12	120
	250,000,000	2,500,000,000

* Expired on December 13, 2020.

	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>
11.4 Capital to regulatory capital requirement		
A. Eligible Capital		
(i) Core capital		
Paid up capital	2,500,000,000	2,500,000,000
Capital Reserve	8,106,441	-
Retained earnings	232,584,224	151,897,858
	2,740,690,665	2,651,897,858
(ii) Supplementary Capital		
General provision	1,276,901	751,534
Specific provision	-	-
	1,276,901	751,534
B. Total Eligible capital (i+ii)	2,741,967,567	2,652,649,392
C. Total risk requirement	201,002,034	199,226,629
D. Required capital (120% of total risk requirement)	241,202,441	239,071,954
E. Capital surplus (B-D)	2,500,765,125	2,413,577,437
F. Capital adequacy ratio	1364.15%	1331.47%
Core capital to total risk requirement	1363.51%	1331.10%
Supplementary to total risk requirement	0.64%	0.38%
G. Operational risk requirement	6,532,651	13,451,536
H. Core capital to operational risk requirement (minimum 100%) Times	420	197

The Detail Computation of Capital Adequacy has been shown "Annexure - C"

The computation of capital adequacy should be disclosed as a part of financial statements as per the requirement of Paragraph 9(8) of the BSEC (Risk Based Capital Adequacy) Rules, 2019.

ONE Securities Limited
Notes to the Financial Statements

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
11.5 Net Capital to aggregate liabilities Ratio		
A. Liquid Assets		
Cash in hand or in Bank	300,774,255	251,776,629
Customers' debit balances receivable within thirty days	159,612,680	93,941,718
Interest, dividend or commission receivable within thirty days	7,529,495	-
Clearing house deposits	-	-
Amounts receivable in the ordinary course of business, but excluding amounts which are due to be settled against delivers of security and remain outstanding for more than five banking days	22,976,566	30,577,750
Market value OF net investment in securities traded in a stock exchange	1,426,615,316	1,197,739,669
Market value of net investment in securities traded in a stock exchange (Special Investment Accounts)	14,648,647	7,102,319
Value of investment in securities not traded in the Exchange with haircut of 30% of its face value	393,624,478	-
Total Liquid Assets	2,325,781,438	1,581,138,085
B. Designated Liabilities		
Amount payable in the ordinary course of dealing in securities	6,342,040	32,156,228
Overdraft & Loan from banks	6,614,482	6,768,097
Accrued Expenses	5,063,901	3,985,494
All other liabilities that are regarded as liabilities under generally accepted accounting principles in Bangladesh which are payable within thirty days.	57,115,989	48,626,022
Total Designated Liabilities	75,136,412	91,535,841
C. Net Capital Balance (A-B)	2,250,645,026	1,489,602,244
Aggregate Liabilities	75,136,412	91,535,841
Aggregate Indebtness Ratio	599	325
12 Capital Reserve		
Balance brought forward from previous year	-	-
Reserve made during the year *	8,106,441	-
Balance on December 31, 2021	8,106,441	-
13 Retained earnings		
Net profit/(Loss) after provision	88,792,807	81,064,409
Retained surplus brought forward	151,897,858	70,833,449
	240,690,665	151,897,858
Less: Interim Dividend	-	-
Transferred to Capital Reserve *	8,106,441	-
Retained surplus carried forward	232,584,224	151,897,858

* The above Capital Reserve has been created @ 10% of profit after tax of last year as prescribed by Part "B" of Schedule "C" of BSEC's Risk Based Capital Adequacy Rules, 2019. The Company has not recognised the same reserve for the year 2020 as the profit after tax was negative for the year 2019.

ONE Securities Limited
Notes to the Financial Statements

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
14 Borrowing for Special investment	6,614,482	6,768,097
The borrowing amount was taken from ONE Bank Limited, Kawran Bazar Branch for special investment account purpose bearing interest @ 7.00% per annum of quarterly basis charged vide reference no. OBL/PB/CR/OSL/2020/44 dated August 04, 2020.		
15 Lease liabilities as per IFRS-16		
Lease Liability as on 01 January 2021	7,365,879	-
Add: During the year	22,508,556	10,164,641
Less: Lease obligation released during the year	(4,640,087)	(2,798,762)
Closing Balance	25,234,348	7,365,879
Current portion of lease liabilities	6,814,153	3,061,306
Long-term portion of lease liabilities	18,420,195	4,304,573
	25,234,348	7,365,879
16 Other Payable		
Leave fare assistance	522,754	496,080
Accrued performance bonus	2,500,000	2,500,000
VAT on audit fees	4,500	4,500
Payable to clients	71,610	71,610
Payable to ONE Bank Limited	-	-
Payable to service outsourcing	610,485	910,782
Payable to Dhaka Stock Exchanges-Broker	6,181,346	-
Payable to Dhaka Stock Exchanges-Dealer	-	30,522,344
Payable to Chittagong Stock Exchanges-Broker	160,693	1,980,921
Payable to CDBL	22,737	41,841
Payable for professional fees	51,750	51,750
Accrued other expense	1,302,884	22,382
Client deposit-Special investment account	27,411	48,642
IPO Application Money	9,020,000	3,923,400
Customer deposits	54,498,578	48,577,380
Investor protection fund	2,702,495	-
	77,677,245	89,151,632
17 Audit fee payable		
Opening balance	30,000	30,000
Charge during the year	30,000	40,000
Paid during the year	30,000	40,000
Closing balance	30,000	30,000
18 Other liabilities and provision		
Provision for diminution in value of investment in shares (Note-18.1)	188,720,644	153,720,644
Provision for Income Tax (Note-18.2)	194,316,124	131,866,100
General provision for margin loan (Note-18.4)	1,596,127	939,417
	384,632,895	286,526,162

ONE Securities Limited
Notes to the Financial Statements

	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>
18.1 Provision for diminution in value of investment in shares		
Opening balance	153,720,644	153,720,644
Provision for the year	35,000,000	-
Closing balance	188,720,644	153,720,644

As per BSEC circular reference # BSEC/SARVAILANCE/MUKHOPATRO(Fifth part)/2019/196 dated July 16, 2020, the provision for diminution in value of share can be deferred upto December 2023. However, we have maintained provision 62.79% for the difference of cost price and market value.

18.2 Provision for Income Tax		
Opening balance	131,866,100	109,526,828
Provision for the year	62,450,024	22,339,272
Closing balance	194,316,124	131,866,100

As per the Income Tax Ordinance 1984, provision for income tax has been made by applying applicable rate.

18.3 Deferred Tax		
Deferred Tax Liability		
Carrying Amount	49,384,600	24,825,416
Tax Base	14,482,081	12,904,659
Temporary Difference	(34,902,520)	(11,920,757)
Deferred Tax Liability (@ 30%)	(10,470,756)	(3,874,246)
Deferred Tax Asset		
(i) Deferred Tax Assets (for asset items)		
Carrying Amount	5,032,243	4,289,139
Tax Base	7,277,353	6,451,718
Temporary Difference (i)	2,245,110	2,162,579
Deferred Tax Asset @ 30%- (i)	673,533	702,838
(ii) Deferred Tax Assets (for liability items)		
Carrying Amount	25,234,348	7,365,879
Tax Base	-	-
Temporary Difference (ii)	25,234,348	7,365,879
Deferred Tax Asset @ 30%- (ii)	7,570,304	2,393,911
Deferred Tax Asset (i+ii)	8,243,837	3,096,749
Deferred Tax Asset/ (Liability) (net)	(2,226,919)	(777,497)
Deferred Tax Expenses/ (Income)		
Deferred Tax Asset/ (Liability) at the Ending of the Year	(2,226,919)	(777,497)
Deferred Tax Asset/ (Liability) at the Beginning of the Year	(777,497)	(1,568,767)
	1,449,422	(791,270)

18.4 General provision for margin loan		
Opening balance	939,417	-
Provision for the period	656,710	939,417
Closing balance	1,596,127	939,417

General provision of Tk.1,596,127 being 1% of outstanding margin exposures has been made for the year as mandatory provision as prescribed by part B of schedule C rule 5(2) of BSEC notification no. BSEC/CMRRCD/2017-357/221/ admin/89 dated May 22, 2019.

ONE Securities Limited
Notes to the Financial Statements

	2021	2020
	<u>Taka</u>	<u>Taka</u>
19 Commission and brokerage income		
Commission income from Broker	79,636,991	37,288,406
Commission income from Dealer	3,003,306	539,139
Commission income from OSL Special Investment	1,194,547	95,849
	83,834,844	37,923,394
20 Interest income		
Interest income from margin loan	19,077,274	13,312,386
Interest on bank deposit	18,277,733	7,822,268
Interest income on FDR	9,613,438	9,801,608
	46,968,445	30,936,262
21 Investment income		
Dividend income	62,970,261	66,245,571
Gain on sale of shares	57,628,964	13,908,232
	120,599,225	80,153,802
22 Other Operating Income		
BO accounts opening fees	306,600	157,200
BO account maintenance fee	671,400	516,150
Documentation fees for margin loan	38,400	7,200
Transfer/Transmission In/Out Charges	61,385	44,055
Cheque dishonour	119,500	75,000
Management fees- margin accounts	96,000	76,000
Miscellaneous	286,235	43,801
	1,579,520	919,406
23 Salary and allowances		
Salary & allowances	26,681,766	24,371,955
Bonus	2,200,398	2,158,798
	28,882,164	26,530,753
24 Rent, taxes, insurance, electricity etc.		
Rent (Note-24.1)	-	-
Service charge	72,000	72,000
VAT on Rent and service charge	1,170,009	802,800
Insurance premium	319,523	185,877
Electricity	577,331	105,834
Utilities	119,839	11,369
	2,258,702	1,177,880
24.1 Rent (Prior year's balance restated)		
Rent	7,728,060	5,280,000
Transfer to depreciation and interest expenses under IFRS-16*	7,728,060	5,280,000
	-	-

* As per IFRS 16, rental expense of Tk. 7,728,060 is transferred to depreciation of Right of use Assets (RoU) and interest expenses of lease liabilities and the balance has been restated accordingly.

ONE Securities Limited
Notes to the Financial Statements

	2021 Taka	2020 Taka
25 Interest expenses		
Interest paid on short term loan	5,071,146	177,081
Interest expenses for leased liability as per IFRS-16	1,151,562	801,238
	6,222,708	978,319
26 Bank charges		
Bank charges	15,272	11,931
Cheque Clearing Charge	21,480	10,840
	36,752	22,771
27 Depreciation		
Furniture and Fixtures	1,658,009	1,501,737
Office Equipment	970,885	939,733
Intangibles Assets	3,000	9,999
Right of use Assets (RoU)	6,758,548	4,658,793
	9,390,441	7,110,262
28 Fees and renewal		
License and renewal fee	532,464	350,880
RJSC expenses	19,946	19,946
CDBL Charges	4,111,982	1,941,073
	4,664,392	2,311,899
29 Direct Expenses		
Transaction Fee -DSE	6,288,209	3,033,456
Transaction Fee-DSE-Dealer	167,793	32,590
Transaction Fee-CSE-Dealer	42,990	5,446
Transaction Fee-CSE	352,233	394,554
	6,851,225	3,466,047
30 Others expenses		
Messenger Service	684,012	554,364
Security guard expenses	813,120	836,220
Entertainment	536,067	156,693
Traveling & Conveyance	254,454	31,561
Training Expenses	-	1,500
Legal Expenses	5,000	5,000
Postage, Stamp & Telecommunication	1,393,291	1,103,237
Sundry Expenses	252,278	116,053
VAT on Audit fee	4,500	6,000
Govt. Excise Duty	206,150	228,500
Cleaning Service	441,684	441,681
Executive furniture allowance	39,997	39,996
Investor protection fund	24,610	9,722
Donation & Subscription-Others	270,500	279,500
Back office software maintenance charges	161,700	161,700
Bank guarantee charges	193,200	193,200
	5,280,563	4,164,927

ONE Securities Limited
Notes to the Financial Statements

31 Transactions with related parties (IAS-24)

The Company has carried out following transactions with related parties in the normal course of business.

SI #	Name of related parties	Relationship	Nature of Transaction	Balance as on 31.12.2021	Balance as on 31.12.2020
1	ONE Bank Limited	Parent Company	Borrowing for Special investment purpose	6,614,482	6,768,097
2	ONE Bank Limited	Parent Company	Bank Guarantee	84,000,000	84,000,000
3	ONE Bank Limited	Parent Company	Account maintain with OBL	481,368,024	404,275,107

	2021 <u>Taka</u>	2020 <u>Taka</u>
32 Earnings Per Share		
Net profit/(Loss) after Tax	88,792,807	81,064,409
No of share	250,000,000	250,000,000
EPS	0.36	0.32

33 The Board of Directors in its meeting held on 25 April 2022 approved the financial statements of the company for the year ended 31 December 2021 and authorized the same for issue.


Aminul Islam
Chief Executive Officer


Anannya Das Gupta
Director


Farzana Chowdhury
Director


Zahur Ullah
Chairman

ONE Securities Limited
Schedule of Fixed Assets
 As at 31 December 2021

[Referred to Note 3 of these Financial Statements]

Particulars	Cost (Taka)			Depreciation (Taka)				Net book value at 31 December	Rate (%) of depreciation per annum (Reducing Balance Method)
	Balance on 1 January	Additions during the year	Disposal during the year	Balance at 31 December	Balance on 1 January	Charge for the year	Adjusted on disposal during the year	Balance at 31 December	
Furniture and Fixtures	21,216,011	3,064,452	-	24,280,463	7,700,386	1,658,009	-	9,358,395	10
Office Equipment	11,129,069	1,713,992	-	12,843,061	6,839,933	970,885	-	7,810,818	18
Right of use Assets (RoU)	20,627,377	29,774,286	-	50,401,663	9,317,586	6,758,548	-	16,076,134	
Sub-Total	52,972,457	34,552,730	-	87,525,187	23,857,905	9,387,441	-	33,245,347	
Intangibles Assets	1,710,000	140,000	-	1,850,000	1,709,997	3,000	-	1,712,997	20
Total 2021	54,682,457	34,692,730	-	89,375,187	25,567,902	9,390,441	-	34,958,344	
Total 2020	54,633,666	48,791	-	54,682,457	18,457,640	7,110,262	-	25,567,902	

ONE Securities Limited
Statements of Bank Balance & Investment in FDR
As on 31 December 2021

Bank Balance:

Particulars	Name of Bank Accounts	Name of the Bank	Branch Name	Account Number	Balance as on 31 December 2021	Balance as on 31 December 2020
Current Deposits (CD)	Current Deposits (CD)	ONE Bank Limited	Kawran Bazar Branch	0120086500019	2,791	3,481
Consolidated Customer Account	Short Notice Deposits (SND)	ONE Bank Limited	Principal Branch	00130000000762	138,866,910	93,771,500
Revenue A/C	Short Notice Deposits (SND)	ONE Bank Limited	Kawran Bazar Branch	01250865000002	6,354,199	28,684,809
Initial Public Offering (IPO)	Short Notice Deposits (SND)	ONE Bank Limited	Principal Branch	00130000000977	231,623	4,091,326
Dealer Accounts	Short Notice Deposits (SND)	ONE Bank Limited	Principal Branch	00130000000773	155,308,492	125,212,316
					300,764,014	251,763,432

Investment in FDR:

Particulars	Name of Bank Accounts	Name of the Bank	Branch Name	Account Number	Balance as on 31 December 2021	Balance as on 31 December 2020
Fixed Deposit - 1 year & above	Fixed Deposits (FDR)	ONE Bank Limited	Principal Branch	0014120020982	12,061,693	11,335,246
Fixed Deposit - 1 year & above	Fixed Deposits (FDR)	ONE Bank Limited	Kawran Bazar Branch	0124140006045	11,503,395	10,942,500
Fixed Deposit - 1 year & above	Fixed Deposits (FDR)	ONE Bank Limited	Gulshan Branch	0024140003062	11,577,825	10,987,500
Fixed Deposit - 1 year & above	Fixed Deposits (FDR)	ONE Bank Limited	Principal Branch	0014140008819	11,565,825	10,987,500
Fixed Deposit - 1 year & above	Fixed Deposits (FDR)	ONE Bank Limited	Kawran Bazar Branch	0124140006227	11,518,395	10,942,500
Fixed Deposit - 1 year & above	Fixed Deposits (FDR)	ONE Bank Limited	Kawran Bazar Branch	0124140006293	23,044,412	21,878,000
Fixed Deposit - 1 year & above	Fixed Deposits (FDR)	ONE Bank Limited	Kawran Bazar Branch	0124130002701	36,512,478	34,770,061
Fixed Deposit - 1 year & above	Fixed Deposits (FDR)	ONE Bank Limited	Kawran Bazar Branch	0124130002714	11,202,987	10,668,388
Fixed Deposit - 1 year & above	Fixed Deposits (FDR)	ONE Bank Limited	Kawran Bazar Branch	0124140006715	10,537,000	10,000,000
Fixed Deposit - 1 year & above	Fixed Deposits (FDR)	ONE Bank Limited	Shantinagar Branch	1004140000087	10,540,000	10,000,000
Fixed Deposit - 1 year & above	Fixed Deposits (FDR)	ONE Bank Limited	Gulshan Branch	0024140004145	10,540,000	10,000,000
Fixed Deposit - 1 year & above	Fixed Deposits (FDR)	ONE Bank Limited	Principal Branch	0014140009673	10,000,000	-
Fixed Deposit - 1 year & above	Fixed Deposits (FDR)	ONE Bank Limited	Principal Branch	0014140009695	10,000,000	-
					180,604,010	152,511,675

A. Eligible Capital

	Amount	Haircut %	Haircut Amount	Eligible Amount
Paid-up Capital	2,500,000,000	0%	-	2,500,000,000
Capital Reserve	8,106,441	0%	-	8,106,441
Retained Earnings	232,584,224	0%	-	232,584,224
Sum of Core Capital	2,740,690,665		-	2,740,690,665
General Provision	1,596,127	20%	319,225	1,276,901
Specific Provision	-		-	-
Revaluation surplus or Un-realised Gain	-		-	-
Preference Share	-	25%	-	-
Sub-ordinated Debt @ 20% of total issued Value	-		-	-
Sum of Supplementary Capital	1,596,127		319,225	1,276,901
Total Capital	2,742,286,792		319,225	2,741,967,567

B. Total Risk Requirement

Particulars	Risk Factor	Applicable Amount
Operation Risk Requirement (ORR):		6,532,651
Based on Average Annual Gross Income (see clause (b) of sub-rule (7.1) of rule 7)	5%	6,532,651
Position Risk Requirement (PRR):		194,469,384
i. Proprietary positions in Equity securities:		181,700,369
Value of "A" category securities	10%	137,217,241
Value of "B/G/N/" category securities	12%	44,483,128
ii. Proprietary positions in MFs & CISs:		-
iii. Proprietary positions in Strategic Investments:		-
Value of listed strategic investment	10%	-
Value of non-listed strategic investment	25%	-
Counterparty Risk Requirement (CPRR):		12,769,014
Exposure of credit facilities to Clients (Margin Loan)	8%	12,769,014
Total risk requirement		201,002,034

C. Capital Adequacy Ratio (CAR)

$$= \frac{\text{Total Capital (TC)}}{\text{Total Risk Requirement (TRR)}} \times 100$$

$$= \frac{2,741,967,567}{201,002,034} \times 100$$

$$= 1364.15\%$$

$$= 13.64 \text{ Times}$$

ONE Securities Limited
Statement of Tax Position of the Company
 As at 31 December 2021

Accounting Year	Assessment Year	Status
2011	2012-2013	The matter is pending at Honourable High Court Division of Supreme Court.
2012	2013-2014	
2013	2014-2015	
2014	2015-2016	Completed.
2015	2016-2017	Appealed U/S 173 for rectification of errors.
2016	2017-2018	The matter is pending at Honourable High Court Division of Supreme Court.
2017	2018-2019	
2018	2019-2020	Appealed before the Appellate Tribunal.
2019	2020-2021	Tax return submitted for the assessment.
2020	2021-2022	Tax return submitted for the assessment.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ONE Investments Limited

Opinion

We have audited the accompanying financial statements of ONE Investments Limited which comprise the Statement of Financial Position as at 31 December 2021 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information disclosed in Note # 1 to 11 to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in Note # 2 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and Bangladesh Securities and Exchange Commission (BSEC), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended on 31 December 2021. However, we do not have any key audit matters to disclose.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Board of Directors Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon since we have not been provided with any such information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards (IFRSs), as explained in Note # 2 to the financial statements, and for such internal control as management determines it is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and

appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

We also report that:

- a. we have obtained all the material information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c. the Company's statement of financial position and statement of profit or loss and other comprehensive income together with the Note # 1 to 11 dealt with by the report are in agreement with the books of account.

ACNABIN Chartered Accountants

Dated, Dhaka
26 April 2022



ABM Azizuddin FCA

Partner

ICAB Enrollment No # 0046

DVC:2204260046AS244722

ONE Investments Limited
Statement of Financial Position
As at 31 December 2021

	Notes	31.12.2021 Taka	31.12.2020 Taka
ASSETS			
Non current assets		-	-
Current Assets			
Cash and cash equivalents	3	46,767	71,838
Investment in FDR		11,432,652	10,944,509
Advance income tax	4	454,079	241,873
Total current assets		11,933,498	11,258,220
Total Assets		11,933,498	11,258,220
EQUITY AND LIABILITIES			
Capital and Reserve			
Share capital	5	10,000,000	10,000,000
General reserve		-	-
Retained earnings		1,273,275	911,070
Total Equity		11,273,275	10,911,070
Current Liabilities			
Provision for income tax	6	479,381	324,150
Other payable	7	180,842	23,000
Total Current Liabilities		660,223	347,150
Total Equity and Liabilities		11,933,498	11,258,220

These Financial Statements should be read in conjunction with the annexed notes 1 to 11.


Md. Golam Rabban
Company Secretary


A.S.M. Salahuddin
Director


Farzana Chowdhury
Director


Zahur Ullah
Chairman

See annexed report of even date.

Dhaka, 25 April 2022

ACNABIN Chartered Accountants


ABM Azizuddin FCA
Partner

ICAB Enrollment No # 0046
DVC:2204260046AS111577


ONE Investments Limited
Statement of Profit or Loss and other Comprehensive Income
For the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
Operating Income (A)			
Interest income	8	543,643	904,737
Other operating income		-	-
		543,643	904,737
Operating Expenses (B)			
Bank charges		1,150	28,185
Auditors' fee		10,000	10,000
Fees and renewal	9	13,557	42,187
Others expenses		1,500	1,500
Total		26,207	81,872
Net profit before provision and tax (A-B)		517,436	822,865
Provision for income tax		155,231	203,566
Net profit/(Loss) after provision		362,205	619,299
Retained surplus brought forward		911,070	291,771
Retained surplus carried forward		1,273,275	911,070
Earnings per Share (EPS)		0.36	0.62

These Financial Statements should be read in conjunction with the annexed notes 1 to 11.


Md. Golam Rabban
Company Secretary


A.S.M. Salahuddin
Director


Farzana Chowdhury
Director


Zahur Ullah
Chairman

See annexed report of even date.

Dhaka, 25 April 2022

ACNABIN Chartered Accountants

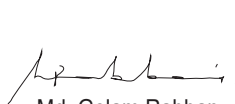

ABM Azizuddin FCA
Partner

ICAB Enrollment No # 0046
DVC:2204260046AS111577

ONE Investments Limited
Statement of Cash Flows
For the year ended 31 December 2021

	2021 Taka	2020 Taka
Cash Flows from Operating Activities		
Interest receipts in cash	543,643	904,737
Income taxes paid	(54,364)	(175,159)
Other payable	(11,500)	(245,676)
Operating expenses	(14,707)	(41,622)
A) Net Cash used in Operating Activities	463,072	442,281
Cash Flows from Investing Activities		
Investment in FDR	(488,143)	(672,687)
Net purchase/Sale of fixed assets	-	-
B) Net Cash used in Investing Activities	(488,143)	(672,687)
Cash Flows from Financing Activities		
Receipts from issue of shares	-	-
C) Net Cash from Financing Activities	-	-
D) Net increase/ (decrease) in cash and cash equivalent (A+B+C)	(25,071)	(230,406)
Opening Cash and cash equivalents	71,838	302,244
Closing cash and cash equivalents	46,767	71,838

These Financial Statements should be read in conjunction with the annexed notes 1 to 11.


Md. Golam Rabban
Company Secretary


A.S.M. Salahuddin
Director


Farzana Chowdhury
Director


Zahur Ullah
Chairman

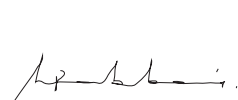
Dhaka, 25 April 2022

ONE Investments Limited
Statement of Changes in Equity
For the year ended 31 December 2021

Amount in Taka

Particulars	Paid-up Capital	Retained Earnings	Total
Balance as at 01 January 2021	10,000,000	911,070	10,911,070
Share Capital issued	-	-	-
Net profit / (loss) during the period	-	362,205	362,205
Balance as at 31 December 2021	10,000,000	1,273,275	11,273,275
Balance as at 31 December 2020	10,000,000	911,070	10,911,070

These Financial Statements should be read in conjunction with the annexed notes 1 to 11.


Md. Golam Rabban
Company Secretary


A.S.M. Salahuddin
Director


Farzana Chowdhury
Director


Zahur Ullah
Chairman

Dhaka, 25 April 2022

ONE Investments Limited
Notes to the Financial Statements
For the year ended 31 December 2021

1 Status of the Company

1.1 Legal Form of the Company

ONE Investments Limited (OIL) is a subsidiary of ONE Bank Limited. OIL was incorporated on April 26, 2018 under the Companies Act (Act XVIII) of 1994 as a Private Limited Company after completion of the formalities with the Registrar of Joint Stock Companies and Firms (RJSC). The registered office of the Company is situated at HRC Bhaban, 46 Kawran Bazar C.A., Dhaka-1215.

1.2 Nature of Business Activities:

The activities of the Company include services broadly classified as fees and commission based and fund based services, such as underwriting of securities, issue management, portfolio management, corporate advisory services etc. The Company will apply to the Bangladesh Securities & Exchange Commission (BSEC) for its license to carrying out its operations formally and it will start its operation after getting the approval.

1.3 Components of the financial statements

The financial statements of the Company include the following components:

- a. Statement of Financial Position at the end of the period;
- b. Statement of Profit or Loss and Other Comprehensive Income for the period;
- c. Statement of Changes in Equity for the period;
- d. Statement of Cash Flows for the period;
- e. Notes, comprising a summary of significant accounting policies and other explanatory information; and
- f. Comparative information in respect of the preceding period.

2 Significant Accounting Policies and basis of preparation of Financial Statements

2.1 Basis of presentation of financial statements

These financial statements have been prepared under the historical cost convention on a going concern basis in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other laws and rules applicable to securities company. Since the Company has limited user of its financial statements certain disclosures required by IFRS and the Company's Act 1994 have not been presented.

2.2 Regulatory compliance

In preparation of the Financial Statements, ONE Investment Limited complies with the applicable provisions of the following major laws/ statutes:

- The Companies Act, 1994;
- The Income Tax Ordinance, 1984;
- The Income Tax Rules, 1984;
- Negotiable Instruments Act, 1881;
- Securities and Exchange Rules, 2020;
- Securities and Exchange Commission Act, 1993;
- Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000; and
- Other applicable laws and regulations.

ONE Investments Limited
Notes to the Financial Statements
For the year ended 31 December 2021

2.3 Compliance report on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)

While preparing the financial position, the Company applied most of IAS and IFRS as adopted by ICAB. Details are given below:

Name of the Standards	IFRS/ IAS	Status of compliance
First time adoption of International Financial Reporting Standards	IFRS 1	N/A
Share Based Payment	IFRS 2	N/A
Business Combinations	IFRS 3	N/A
Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	N/A
Exploration for and Evaluation of Mineral Resources	IFRS 6	N/A
Financial Instruments: Disclosures	IFRS 7	Applied
Operating Segments	IFRS 8	N/A
Financial Instruments	IFRS 9	Applied with some departures
Consolidated Financial Statements	IFRS 10	N/A
Joint arrangements	IFRS 11	N/A
Disclosure of interest in other entities	IFRS 12	N/A
Fair value measurement	IFRS 13	Applied
Regulatory Deferral Accounts	IFRS 14	N/A
Revenue from Contracts with Customers	IFRS 15	N/A
Leases	IFRS 16	N/A
Insurance Contracts	IFRS 17	N/A
Presentation of Financial Statements	IAS 1	Applied
Inventories	IAS 2	N/A
Statement of Cash Flows	IAS 7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8	Applied
Events after the Reporting Period	IAS 10	Applied
Income Taxes	IAS 12	Applied
Property, Plant and Equipment	IAS 16	Applied
Employee Benefits	IAS 19	N/A
Accounting for Government Grants and Disclosure of Government Assistance	IAS 20	N/A
The Effects of Changes in Foreign Exchange Rates	IAS 21	N/A
Borrowing Costs	IAS 23	N/A
Related Party Disclosures	IAS 24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS 26	N/A
Separate Financial Statements	IAS 27	N/A
Investments in Associates	IAS 28	N/A
Financial Instruments: Presentation	IAS 32	Applied
Earnings per share	IAS 33	Applied
Interim Financial Reporting	IAS 34	Applied **
Impairment of Assets	IAS 36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS 37	N/A
Intangible Assets	IAS 38	N/A
Investment Property	IAS 40	N/A
Agriculture	IAS 41	N/A

* N/A=Not Applicable

** The objective of IAS 34 is to prescribe the minimum content of an interim financial report and to prescribe the principles for recognition and measurement in complete or condensed financial statements for an interim period and hence it is not applicable for annual financial statements. However, The Bank is complying with IAS 34 regularly for publications of Interim Financial Report.

ONE Investments Limited
Notes to the Financial Statements
For the year ended 31 December 2021

2.4 Statement of Cash flows

Statement of cash flows is prepared in accordance with the International Accounting Standard-7 "Statement of Cash Flows" and the cash flows from operating activities have been presented under direct method.

2.5 Fixed assets and depreciation

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 nonrefundable taxes.

b) Depreciation is charged for the year at the following rates on reducing balance method on all fixed assets.

Category of fixed assets	Rate of Depreciation per annum
Furniture and fixtures	10%
Office equipment	18%

c) For additions during the year, depreciation is charged for the remaining days of the year and for disposal depreciation is charged up to the date of disposal.

2.6 Cash and cash equivalents

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

2.7 Provision for taxation

As per the Income Tax Ordinance 1984, provision for income tax has been made by applying required rate.

2.8 Interest paid and other expenses

In terms of the provision of IAS-1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

2.9 Share capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

2.10 Reporting period

These financial statements cover period from January 01, 2021 to December 31, 2021, and January - December is followed consistently.

2.11 Reporting Currency

The amount shown in this financial statements are presented in Bangladeshi currency (Taka), which have been rounded off to the nearest Taka except where indicated otherwise.

2.12 Directors' responsibility on Financial Statements

The Board of Directors of the company is responsible for the preparation and presentation of these Financial Statements.

2.13 Events after reporting period

All known material events after the reporting period date have been considered and appropriate adjustments/disclosures have been made in the Financial Statements, where necessary up to the date of preparation of Financial Statements as per IAS-10 "Events After the Reporting Period".

2.14 Date of authorization

The Board of Directors accorded its approval and authorized these financial statements on 25 April 2022.

2.15 Earnings per Share

Earnings per share (EPS) has been computed by dividing the profit after tax by the number of ordinary shares outstanding as on 31 December 2021 as per IAS-33 "Earnings Per Share".

ONE Investments Limited
Notes to the Financial Statements

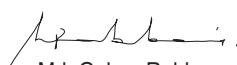
	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
3 Cash and cash equivalents		
ONE Bank Limited, Kawran Bazar Branch (SND) A/C	46,767	71,838
4 Advance income tax		
Opening balance	241,873	66,714
Addition during the year (Note-4.1)	212,206	175,159
Closing balance	454,079	241,873
4.1 Addition during the year		
Advance tax on interest (Bank deposit)	126	838
Advance tax paid for assessment year 2020-2021	-	85,781
Advance tax paid for assessment year 2021-2022	157,842	-
Advance tax on FDR interest	54,238	88,540
	212,206	175,159
5 Share Capital		
5.1 Authorized Capital		
1,00,00,000 Ordinary Shares of Taka 10/- each.	100,000,000	100,000,000
5.2 Issued, Subscribed and Paid-up Capital		
10,00,000 ordinary shares of Taka 10/- each fully paid.	10,000,000	10,000,000
5.3 Shareholding position of the company		
Name of Shareholders	Number of Shares	Amount in Taka
ONE Bank Limited	510,000	5,100,000
NTC Housing Limited	490,000	4,900,000
	1,000,000	10,000,000
6 Provision for income tax		
Opening balance	324,150	120,584
Addition during the year	155,231	203,566
Closing balance	479,381	324,150
7 Other payable		
Payable to ONE Bank Limited	157,842	-
Audit fee payable (Note-7.1)	23,000	23,000
	180,842	23,000
7.1 Audit fee payable		
Opening balance	23,000	23,000
Addition during the year	11,500	11,500
Paid during the year	11,500	11,500
Closing balance	23,000	23,000


ONE Investments Limited
Notes to the Financial Statements

	2021 <u>Taka</u>	2020 <u>Taka</u>
8 Interest income		
Interest on Bank Deposit	1,262	8,385
Interest Income on FDR	542,382	896,352
	543,643	904,737
9 Fees and renewal		
Trade license fees	13,557	13,437
Registration fee	-	28,750
	13,557	42,187
10 Transactions with related parties (IAS-24)		

SL #	Name of related parties	Relationship	Nature of Transaction	Balance as on 31.12.2021	Balance as on 31.12.2020
1	ONE Bank Limited	Parent Company	Account maintain with OBL	11,479,419	11,016,348
2	ONE Bank Limited	Parent Company	Inter Company Transaction	157,842	-

11 The Board of Directors in its meeting held on 25 April 2022 approved the financial statements of the company for the year ended 31 December 2021 and authorized the same for issue.


Md. Golam Rabban
Company Secretary


A.S.M. Salahuddin
Director


Farzana Chowdhury
Director


Zahur Ullah
Chairman

OUR NETWORK OF BRANCHES

Corporate HQ: HRC Bhaban, 46 Kawran Bazar C. A., Dhaka, Bangladesh
Tel: +88 02 55012505, Fax: +88 02 55012516, Website: www.onebank.com.bd

Dhaka Zone

Principal Branch

Yusuf Chamber
20 Dilkusha, Motijheel, Dhaka- 1000.
Tel : 88 02 9564249

Dhanmondi Branch

House No. 21, Road No. 8
Dhanmondi R. A., Dhaka.
Tel : 88 02 58155387, 58155383,
48112931, 48121622

Mirpur Branch

RHS Tower
Plot- 23, Main Road- 03, Block- A
Section- 11, Pallabi, Mirpur, Dhaka.
Tel : 88 02 8035232, 8031406, 9012969

Banani Branch

Abedin Tower
35, Kemal Ataturk Avenue
Banani C.A. Dhaka.
Tel : 88 02 9822116-19

Imamgonj Branch

18, Roy Iswar Chandra Shill Bahadur Street
Imamgonj, Dhaka.
Tel : 88 02 7316477, 7316488

Motijheel Branch

Sharif Mansion
56-57, Motijheel C. A., Dhaka.
Tel : 88 02 9564191, 9566896, 9570544

Bijoy Nagar Branch

Sattar Bhaban
179 Shahid Syed Nazrul Islam Avenue
Bijoy Nagar, Dhaka-1000.
Tel : 88 02 58315364, 58315365,
58315366

Elephant Road Branch

Globe Centre
216, Elephant Road, New Market, Dhaka.
Tel : 88 02 8626524-6

Bangshal Branch

Arzoo Mansion,
55/3 & 56 Bashi Chandra Sen Podder Street
Tati Bazar Moor, Noyabazar, Dhaka.
Tel : 88 02 47391582, 47391583,
47391577

Banasree Branch

Al-Kausar Palace
House # 2, Road # 5, Block – D
Banasree R/A, Dhaka.
Tel : 88 02 55124058, 55124155

Jagannathpur Branch

Abdul Ali Plaza (1st floor)
Holding No. – Ka 23
Progoti Sharani, Kuril, Dhaka-1229.
Tel : 88 02 8415612-14

Gulshan-1 Branch

Richmond Concord, CES-F8/A
Gulshan Avenue
Bir Uttam Mir Shawkat Road
Gulshan-1, Dhaka.
Tel : 88 02 02222290138-40

Kawran Bazar Branch

HRC Bhaban
46, Kawran Bazar C. A., Dhaka.
Tel : 88 02 58156054, 8155158, 9128584

Uttara Branch

House No.14, Road No.14B, Sector No. 4
Uttara Model Town, Dhaka.
Tel : 88 02 8951447-50, 58956350

Ganakbari (EPZ) Branch

Somser Plaza, Ganakbari Savar, Dhaka.
Tel : 88 02 996689653-54

Jatrabari Branch

SA Tower
101, West Dholai, Shyampur, Dhaka.
Tel : 88 02 7540203

Joypara Branch

Monowara Mansion
Joypara Bazar, Latakhola, Raipara
Dohar, Dhaka.
Tel : 88 02 7768161, 01713005868

Narayanganj Branch

Haque Plaza
Plot No. 05, B. B. Road, Chashara C. A.
Narayanganj.
Tel : 88 02 7648572-3

Tongi SME/Agriculture Branch

Shahjalal Shopping Complex
1/1-A Sahajuddin Sarkar Road,
Tongi, Gazipur.
Tel : 88 02 224411469, 224411470,
224411471

Progoti Sharani Branch

GA-130/B, Middle Badda
Progoti Sharani, Badda, Dhaka.
Tel : 88 02 8816648, 8813755, 8814175

Madhabdi Branch

355, Madhabdi Branch (Bottola), Narsingdi
Tel : 02 22 447244, 02 22 4457245
02 22 4457246

Nawabgonj Branch

Sikdar Plaza
Bagmara Bazar, Nawabgonj, Dhaka.
Mobile : 01730082799

Basabo Branch

Bandhan Tower
House No.- 97/A & 97/A1
West Madartek Road, Basabo, Dhaka.
Tel : 88 02 47291336-38

Moghbar Branch

Erra Tower, 1/B, Outer Circular Road
Moghbar Wireless, Ramna, Dhaka.
Tel : 88 02 48319562, 48319570, 48319584

Ring Road Branch

Shampa Super Market (1st Floor)
6/7 Adarsha Chayaneeer
Ring Road, Shamoli, Dhaka.
Tel : 88 02 9104551, 9104552, 9104553

Lalbagh Branch

47, Horonath Ghosh Road
Lalbagh, Dhaka.
Tel : 88 02223368939, 02223361748,
02223369713

Tipu Sultan Road Branch

50, Tipu Sultan Road, Nawabpur, Dhaka.
Tel : 88 02 223352609-612

Mawna Branch

Salam Fakir Super Market, Mawna Bazar
Sreepur, Gazipur.
Mobile : 01709646003, 01708136819,
01708136820

Nandipara Branch

34 Maddha Nandipara
Dakshingon, Khilgaon, Dhaka.
Tel : 88 02 7811350-52,
Mobile: 01709646004

Zinzira Branch

Hazi Nuru Mia Tower
Purbabond Dakpara
Zinzira, Keranigonj, Dhaka.
Mobile : 01709646006-7

Sonargaon Janapath Branch

House # 02, Road #17/B
Sonargaon Janapath
Sector – 12, Uttara, Dhaka.
Tel : 88 02 55086731-32

Faridpur Branch

Khan Trade Center (1st Floor)
98, Mujib Sarak, Faridpur-7800
Tel : 88 02 478802483, 478802484,
478802485

Hemayetpur Branch

Madani Super Market
Hemayetpur Bus stand
Savar, Dhaka.
Mobile : 01708136800, 01708136801

Sonargaon Branch

Ambia Plaza
Degree College Road
Mograpara Chowrasta
Sonargaon, Narayanganj.
Tel : 88 02 7656075, 7656052,
7656004, 01708813158

Malibagh Branch

Tamij Uddin Tower, 01 DIT Road
Malibagh, Chowdhurypara, Dhaka.
Tel : 88 02 01708813157, 58316113
58316117-8

Tanbazar Branch

SS Tower, 30/14 Loyal Tank Road
Tanbazar, Narayanganj.
Tel : 88 02 224434493,
224434482, 224434492

Ekuria Branch

Italy Tower
Container Port Road, Hasnabad, Ekuria
South Keranigonj, Dhaka.
Tel : 88 02 7762416, 7762485-6

Araihazar Branch

Madina Plaza, 675, Thana Road
Araihazar Bazar, Araihazar
Narayanganj.
Mobile : 01711218558

Khulna Zone

Khulna Branch

J.K Tower, 79 Jashore Road
Picture Palace, Khulna.
Tel : 88 041 813339, 813351, 813378

Jashore Branch

M. S. Orchid Centre
44, M. K. Road, Jashore.
Tel : 02 477766843, 477766845,
477766842, 477766844

Satkira Branch

Mehedi Super Market
480, Boro Bazar Sarak, Pransayer
Satkira-9400.
Tel : 88 0471 63898, 63910, 63911

Kushtia Branch

Khushi Plaza, 0258 NS Road
Kushtia Sadar, Kushtia.
Tel : 88 071 61711, 61712, 61822

Poradaha Branch

Chairman Tower, Poradaha Bazar
Mirpur, Kushtia.
Mobile: 01777734341

Mongla Port Branch

Plot No. – 105(P)
Mongla Port Bypass Road
Mongla Port compound area, Mongla
Bagerhat.
Tel : 88 04662-75481, 75483, 75485
Mobile: 01313799146

Chowgacha Branch

Ali Tower,
Holding No.- 345, Chowgacha Bus Stand
Chowgacha, Jashore.
Tel : 0247777-1629, 1630, 1631
Mobile: 01313799148

Cumilla Zone

Cumilla Branch

Samatat KR Vivacity
349, Shahid Khaja Nizam Uddin Road
Badurtala, Kotwali, Cumilla.
Tel : 88 081 63001, 63004

Laksham Branch

Mojumder Complex
972, Doulatgonj Bazar, Laksham, Cumilla.
Tel : 88 08032 51970, 51971

Brahmanbaria SME/Agriculture Branch

Bhuiyan Mansion
1081, Masjid Road, Brahmanbaria.
Tel : 88 0851 59455, 59466, 63452

Sylhet Zone

Sylhet Branch

Firoz Centre, 891/KA, Chouhatta, Sylhet.
Tel : 88 0821 725093-94,
725472, 810381

Islampur Branch

Kayum Complex
Islampur Bazar, Sylhet.
Tel : 02996641222, 02996642025,
02996642270

Sherpur Branch

Rajendra Complex
Moulvibazar Road, Sherpur Bazar
Moulvibazar.
Mobile: 01713458183

Laldighirpar Branch

Holding # 1578, Laldighirpar Main Road,
Mohajonpott, Kotwali, Sylhet.
Tel : 88 0821 716209, 712778

OUR NETWORK OF BRANCHES

Chattogram Zone

Agrabad Branch
64-66 HRC Bhaban
Agrabad C/A, Chattogram.
Tel : 88 031 721384, 726295, 711198

Khatungonj Branch
110-111, Khatungonj, Chattogram.
Tel : 88 031 619377, 621252,
635645, 635526

Jubilee Road Branch
Kader Tower
128, Jubilee Road, Chattogram.
Tel : 88 031 2853112-5

Cox's Bazar Branch
Monora Complex
East Laldighir Par, Court Hill Lane
Main Road, Cox's Bazar.
Tel : 88 0341 51113-4

CDA Avenue Branch
Avenue Center
787/A, CDA Avenue, East Nasirabad
Kotwali, Chattogram.
Tel : 88 031 2858152-3

Nanupur Bazar Branch
Central Plaza
Nanupur Bazar, Fatikchhari
Chattogram.
Mobile : 01730323092, 01708136798
04436140511-4

Sitakunda Branch
BBC Steel Bhaban
South Shitalpur, Sitakunda
Chattogram.
Tel : 88 031 2780961-3

Rangamati Branch
H. B. Plaza
72/Ma, Banarupa Bazaar, Rangamati.
Tel : 02 2333371554, 02333371552,
02333371566

Boalkhali Branch
Joinab Tower (1st Floor)
Gomdondi, Boalkhali Sadar, Chattogram.
Tel : 88 02 334457504-6

Raozan Branch
Raozan College Market
1307 Rangamati Road, Raozan
Chattogram 4000.
Tel : 88 03026 56474-76

Ranir Hat Branch
Ferdous Shopping Complex
Raja Nagar, Rangunia, Ranir Hat
Chattogram.
Mobile : 01755594064

Chandgaon Branch
ANFL King City, Holding # SC/A
Road # 1, Block A, Chandgaon R/A
Chattogram.
Tel : 88 031 670023-5

Dovashi Bazar Branch
Tayabia Madrasa Market
Chandraghona, Rangunia
Chattogram.
Mobile : 01755594073

Halishahar Branch
House # 2, Road # 3, Block # L
Halishahar Housing Estate, Boropole
Chattogram.
Tel : 02-333327712-15

Hathazari Branch
J & G Shopping Complex
Ramgor Road, Hathazari Bus Station
Hathazari, Chattogram.
Tel : 88 02 334460207-10

Anderkilla Branch
RAC Chamber
37 Raja Pukur Lane, Kotwali
Chattogram.
Tel : 88 031 2851612 -14

Mithachara Branch
Mithachara Islamia Fazil Madrasa Market
Mithachara Bazar, Mirsarai, Chattogram.
Tel : 88 03024 56048-50

Anowara Branch
Mohsen Awlia Shopping Complex
Anowara Barkal Road
Upazila Sadar Anowara, Chattogram.
Tel : 88 03029 56142-44

Station Road Branch
Asian SR Hotel
291 Station Road, Kotwali, Chattogram.
Tel : 88 031 2851840, 2851841, 2851842

Chattogram EPZ Branch
Hossain Complex
1956 A/ 2098 Airport Road
Bandar, Chattogram.
Tel : 88 02 333340230-32

Bibirhat Branch
Al Macca Shopping Center
55, College Road, Bibirhat, Fatikchhari
Chattogram.
Tel : 88 02 334457258-59

Pahartali Branch
Al-Macca Complex
556 Pahartali, Kaptai Road
Raozan, Chattogram.
Mobile : 01708136868

Muradpur Branch
S. N. Mim City, 83 Muradpur
Hathazari Road, Panchlaish, Chattogram.
Tel : 88 02 334450103, 334450104,
334450105

Colonel Hat Branch
H # G-31, Road No. 01
CDA Residential Area
Akbar Shah, Colonel Hat, Chattogram.
Tel : 88 02 43151167-69

Oxygen Moor Branch
Ayesha Wazed Memorial Tower
77 Hathazari Road, Oxygen Moor
Bayazid Bostami, Chattogram.
Tel : 88 02 43180031-33

Padua Branch
N. K. City Shopping Complex
739-5 Padua Bazar, Cox's Bazar Main Road
Lohagara, Chattogram.
Mobile : 01711218557

**Bangabandhu Sheikh Mujib
Shilpanagar Branch (BSMS Branch)**
China Harbour Building
Bangabandhu Sheikh Mujib Shilpanagar
Ichakhali, Jorargonj, Mirsarai, Chattogram.
Mobile : 01313799100

Agrabad Islami Banking Branch
HRC Bhaban
64-66 Agrabad C/A, Chattogram.
Tel : 88-02-33331167-69
Mob: 01313799135

Noakhali Zone

Chowmuhuni Branch
Kiron Shopping Complex
1453-01 Karimpur Road
Chowmuhuni, Begumgonj, Noakhali.
Tel : 88 0321 52098

Chandragonj Branch
Chandragonj Bazar, Lakshmipur.
Mobile : 01713045518, 01713045519

Feni Branch
Zulfikar Chamber
244, Islampur Road, Feni.
Tel : 88 0331 62362, 62267, 62367

Dagon Bhuiyan Branch
Khair Shopping Complex
Fazilaer Ghat Road
Dagon Bhuiyan, Feni.
Tel : 88 03323 79097-8

Ramgonj Branch
Nur Plaza
378/1, Uttar Bazar, Main Road
Ramgonj, Lakshmipur.
Tel : 2334442541

Majidee Court Branch
Majidee Pouro Super Market Main Road
Majidee Court, Ward No-04
Noakhali Pouroshova, Shudharam
Noakhali.
Tel : 2334491455

Mandari Bazar Branch
ONE Plaza, 281-282 Bank Road,
Mandari Bazar, Lakshmipur.
Tel : 88 0381 55012, 55013, 55779

Raipur Branch
Sattar Complex
187, Thana Council Road
Raipur, Lakshmipur.
Tel : 88 03822 56479, 56489

Amishapara Branch
Nurjahan Super Market
Moddhom Bazar, Bhadrangram
Amishapara, Sonaimuri, Noakhali.
Mobile : 01766 667021-24

Lakshmipur SME/Agriculture Branch
Sky Touch Tower
1305, Bazar road, Lakshmipur Sadar
Lakshmipur.
Tel : 88 0381 62875, 62876

Chaprashir Hat SME/ Agriculture Branch
Akash Shopping Center
Bank Road, Purbo Bazar, Chaprashir Hat
Companygonj, Noakhali.
Tel : 88 03232 53048, 53049

Subarnachar Branch
Bismillah Tower
Haris Chowdhury Bazar
West Char Jubilee, Char Jabbar
Subarnachar, Noakhali.
Tel : 88 03228 52101-3

Chatterpaiya Branch
Nurjahan Complex, Barogaon
Chatterpaiya Bazar, Sonaimuri, Noakhali.
Mobile : 01777734337, 01777734338

Chatkhil Branch
Dr. Bashar Plaza
4129 Chatkhil Bazar, Chatkhil, Noakhali.
Tel : 88 03222 75351-3, 01777734339

Bashurhat Branch
Selim Plaza
30 Bashurhat Bazar Main Road
Companigonj, Noakhali.
Tel : 88 03223 56284-5

Rajshahi Zone

Rajshahi Branch
Unicity Ibrahim Tower
88-91 Station Road, Rani Bazar
Boalia, Rajshahi.
Tel : 88 02 588860496, 588860495

Bogura Branch
739/A, Rabu Tower
Bogura-Rangpur Sarak
Borogola, Bogura.
Tel : 88 02 589903568,
88 02 589903567

Sirajgonj Branch
Mostofa Plaza
104, S. S. Road
Sirajgonj Sadar, Sirajgonj.
Tel : 88 02 588831031, 588831034

Shahjadpur SME/Agriculture Branch
Mawlana Saifuddin Yahia Super Market
138, Monirampur Bazar
Shahjadpur, Sirajgonj.
Tel : 88 02 588833481, 588833482

Rangpur Branch
Shah Bari Tower
286, Station Road, Guptapara, Rangpur.
Tel : 02589965224-226

Barishal Zone

Barishal Branch
K Jahan Centre
106, Sadar Road, Kotwali, Barishal.
Tel : 02478864710, 02478864711,
02478866466

OUR NETWORK OF SUB-BRANCHES & COLLECTION BOOTHS

Sub-Branches

Ahsanullah University Sub-Branch
(Under Kawran Bazar Branch)
141-142 Love Road, Tejgaon I/A, Dhaka.

Benapole Sub-Branch
(Under Jashore Branch)
International Passenger Terminal, Benapole Landport
Jashore-Benapole Highway, Jashore.

Mohammadpur Sub-Branch
(Under Ring Road Branch)
Holding No. - 64/1, Nurjahan Road
Mohammadpur, Dhaka.

Shaheed Suhrawardy Hospital Sub-Branch
(Under Ring Road Branch)
Sher-E-Bangla Nagar, Dhaka-1207.

Kamlapur ICD Sub-Branch
(Under Motijheel Branch)
Inland Container Depot., Outer Circular Road
Kamlapur, Dhaka.

Nikunja Sub-Branch
(Under Banani Branch)
Manha Villa, House-17, Road-05, Kobi Faruque Sharoni
Nikunja-2, Khilkhet, Dhaka-1229

Basundia Moor Sub-Branch
(Under Jashore Branch)
Shuvo Shopping Complex, Jashore Khulna Highway
Jashore.

Kalir Bazar Sub-Branch
(Under Cumilla Branch)
Holding # 868, Kalir Bazar Road, Kotwali, Cumilla.

Gotatikor Sub-Branch
(Under Sylhet Branch)
Gotatikor R/A, Ward-27, Sylhet City Corporation
Beside Sylhet Regional Passport Office
Mogla Bazar, Sylhet.

Baghabari Sub-Branch
(Under Shahjadpur SME/Agri Branch)
Aziz Mansion, Baghabari Ghat
Shahjadpur, Sirajgong.

Pangaon ICT Sub-Branch
(Under Ekuria Branch)
Pangaon Inland Container Terminal, South Keranigonj
Ekuria, Dhaka.

Parbatipur Sub-Branch
(Under Rangpur Branch)
Parbatipur Bus Stand, Parbatipur Depot. Area
Parbatipur, Dinajpur.

Pirerbagh Sub-Branch
(Under Mirpur Branch)
House - 267/1/A, South Pirerbag, Kamal Sharoni
Mirpur 60 feet Road, Rupnagar, Mirpur
Dhaka-1216.

Rupnagar Sub-Branch
(Under Mirpur Branch)
Plot- 30/A, Road - 06, Rupnagar R/A
Mirpur, Dhaka.

Banglabazar Sub-Branch
(Under Subarnachar Branch)
Hasnat Super Market, Bangla Bazar
Subarnachar, Noakhali.

Kashimpur Sub-Branch
(Under Ganakbari (EPZ) Branch)
Zitar Moor Sarker Market, Kashimpur
Gazipur.

Dhamairhat Sub-Branch
(Under Ranirhat Branch)
H. A. Plaza, D. C. Road, Dhamairhat
Chattogram.

Motijheel Sub-Branch
(Under Principal Branch)
DSE Annex Building, 9/E Motijheel, Dhaka.

Rupatali Sub-Branch
(Under Barishal Branch)
Rayhan Monjil, House No. - 1028, Road No. 08
Rupatali, Barishal.

Mirpur- 1 Sub-Branch
(Under Mirpur Branch)
Sheikh Plaza, Holding No. - 5A, Darus Salam Road
Mirpur - 1, Dhaka.

Zirani Bazar Sub-Branch
(Under Ganakbari (EPZ) Branch)
Mokter Plaza, Holding no. - 405, Zirani Bazar-Shimulia Road
Ashulia, Savar, Zirani Bazar, Dhaka.

Sataish Sub-Branch
(Under Tongi SME/Agri Branch)
Hazi Enam Uddin Khan Market, Holding No. - 145
Satish Road, Tongi West, Sataish Boro Bazar
Gazipur.

Senbagh Sub-Branch
(Under Dagonbhuiyan Branch)
Shah Alam Bhuiyan Market
Holding No. - 254, Post Office Road, Senbagh
Noakhali.

Grihayan Bhaban Sub-Branch
(Under Mirpur Branch)
Grihayan Bhaban, 82 Segunbagicha, Dhaka.

Shohagpur Bazar Sub-Branch
(Under Ganakbari (EPZ) Branch)
Humayun Super Market, Shohagpur, Mirzapur
Tangail.

P.K. Sen Hat Sub-Branch
(Under Raozan Branch)
West Gujra Tower
P.K. Sen Hat, Noapara Sarak, Raozan
Chattogram.

Sonapur Sub-Branch
(Under Majdee Court Branch)
Bacchu Sir Super Market, Sonapur, Old Bus Stand
Sudharam, Noakhali.

Jaldhaka Sub-Branch
(Under Rangpur Branch)
Chowdhury New Market
Holding No. - 0376-01, Jaldhaka-Dimla Road
Zero Point Moor, Jaldhaka Bazar, Jaldhaka
Nilphamari.

Khalishpur Sub-Branch
(Under Khulna Branch)
Holding No.- 25/5, BIDC Road, Khalishpur
Daulatpur, Khulna.

Collection Booths

Chattogram Port Collection Booth
(MPB Terminal Bhaban)
Chattogram Port Authority
Chattogram.

Chattogram Port Collection Booth
(One Stop Service Centre-M Shed)
Chattogram Port Authority
Chattogram.

Chattogram Port Collection Booth
(DTM Operation Office)
General Cargo Berth Area
Chattogram.

DPDC Shyampur Collection Booth
27, Alibahor, Shyampur Bazar
Shyampur, Jatrabari, Dhaka.

Bangabandhu Bridge Toll Collection Booth
Western Plaza, Bangabandhu Bridge
Sirajgong.

Narayanganj City Corporation Collection Booth
B.B. Road, City Corporation Bhaban
Narayanganj.

Uttara Passport Office Collection Booth
House- 20, Road - 7, Sec-12
Uttara, Dhaka.

DPDC Banglabazar Collection Booth
NOCs Banglabazar Circle Bhaban
1 English Road, Bangshal
Dhaka.

BAPEX Collection Booth
BAPEX Bhaban
4 Kawran Bazar C/A, Tejgaon
Dhaka.

Kashimpur Bill Collection Booth
(Kashimpur Palli Bidyut Zonal Office)
482, Kashimpur Bazar Road
Kashimpur, Gazipur.

DPDC Narayanganj Collection Booth
59, Isa Kha Road, Narayanganj.

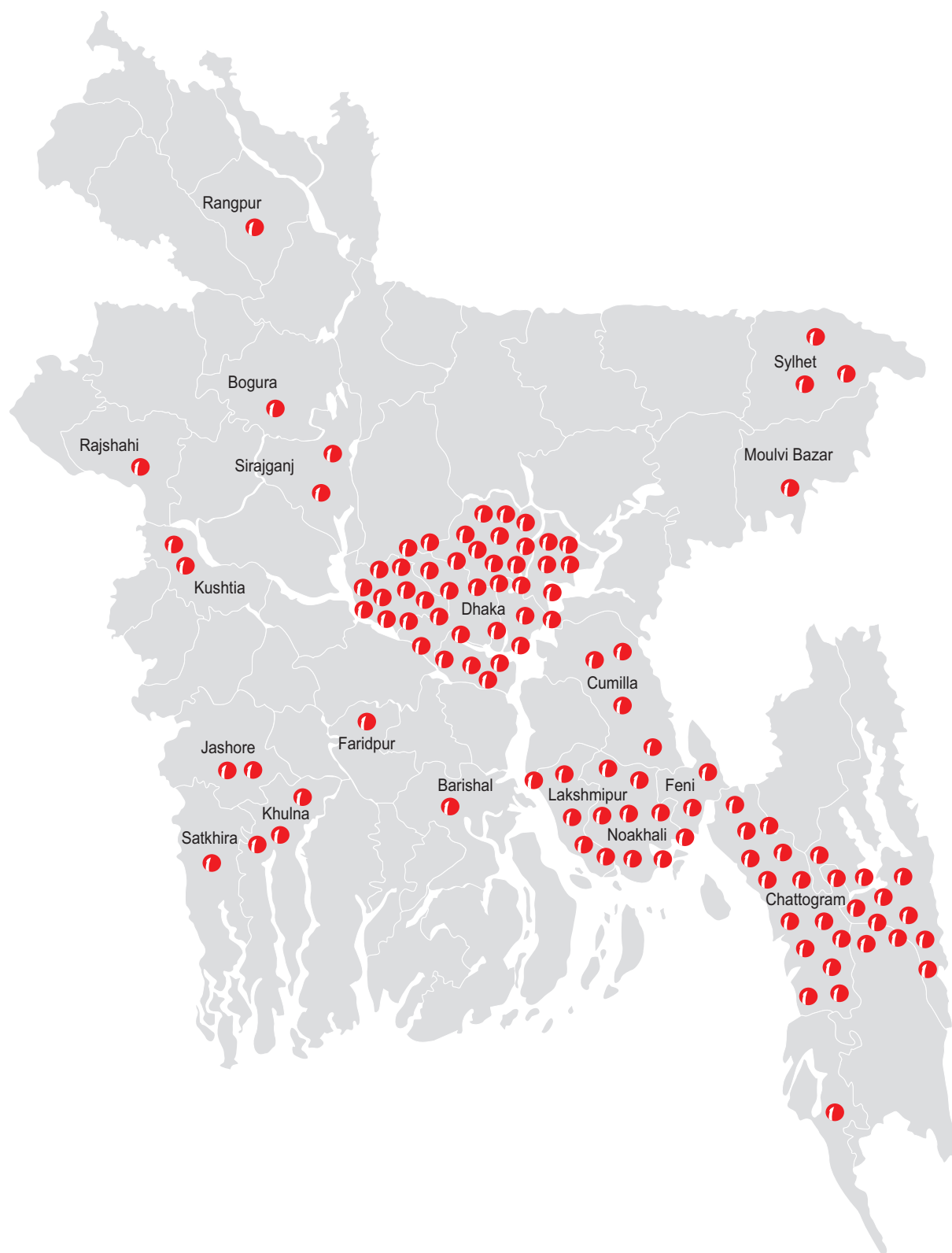
DPDC Jigatola Collection Booth
House No. 73/1, Road # 5/A
Dhanmondi R/A, Dhaka.

DPDC Azimpur Collection Booth
31/1, Azimpur Road, Lalbagh, Dhaka.

Dagonbhuiyan Palli Bidyut Collection Booth
(Dagonbhuiyan Palli Bidyut Samity Zonal Office)
Palli Bidyut Complex, Dagonbhuiyan, Feni.

Sreepur Bill Collection Booth
(Dhaka Palli Bidyut Samity-1, Bhaban)
Tetuibari, Mozar Mill
Kashimpur, Gazipur.

OUR NETWORK OF BRANCHES



PROXY FORM



ONE Bank

LIMITED

Corporate HQ (Registered Office):
2/F HRC Bhaban, 46 Kawran Bazar C. A., Dhaka-1215

I/We

of (Address).....

being a Member(s) of ONE Bank Limited and entitled to vote, hereby appoint Mr./Mrs./Ms/Miss

of (Address)..... as my/our

Proxy to attend and vote on my/our behalf at the 23rd AGM (Virtual) of the Company to be held on Thursday, August 11, 2022 at 11.00 a.m. by using digital platform through the following link: <https://obl.bdvirtualagm.com>

Signed this day of, 2022.

Revenue Stamp
Tk. 20/-

Signature of Proxy

Signature of Member

Folio / BO No.

No. of Shares held

N.B: This Proxy Form, duly completed (as recorded with the Bank) and signed (in accordance with the specimen signature recorded with Bank/CDBL), must be deposited at the Registered Office of the Company at least 48 (forty eight) hours before the Meeting. Proxy is invalid if not signed and stamped as explained above.



ATTENDANCE SLIP



ONE Bank

LIMITED

Corporate HQ (Registered Office):
2/F HRC Bhaban, 46 Kawran Bazar C. A., Dhaka-1215

I hereby record my attendance at the 23rd AGM (Virtual) of the Company being held on Thursday, August 11, 2022 at 11.00 a.m. by using digital platform through the following link: <https://obl.bdvirtualagm.com>

Name of Member/ Proxy (In Block Letters)

Folio / BO No.

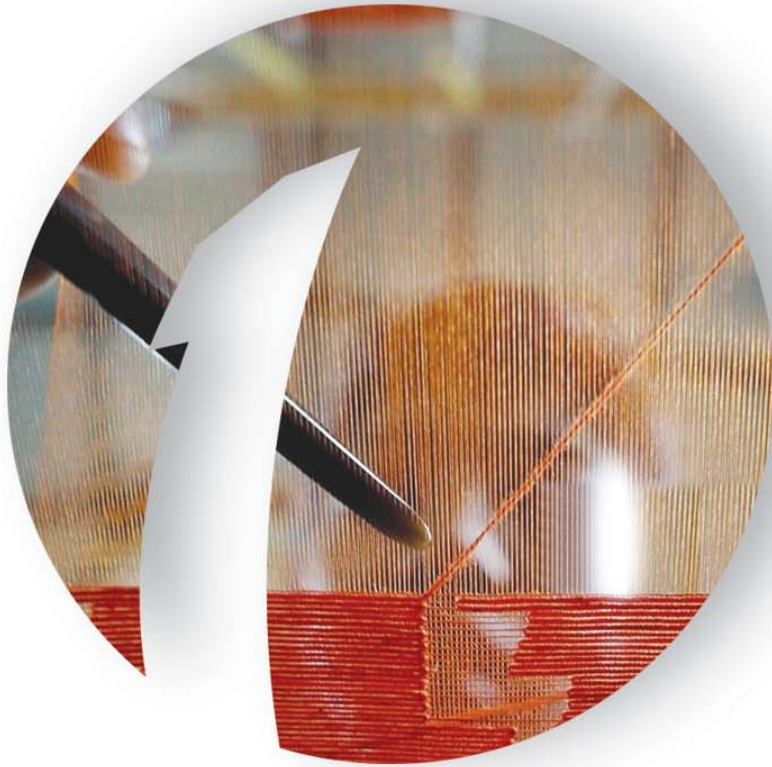
No. of Shares held

Signature of the Member/ Proxy

Date

- N.B: 1. Members attending the Meeting in person or by proxy are requested to record their attendance through the above link on the day of Meeting.
2. Please note that AGM can be attended online only by the Members or properly constituted Proxy.





ONE Bank

LIMITED

...We Make Things Happen

Corporate HQ:

HRC Bhaban, 46 Kawran Bazar C. A., Dhaka-1215, Bangladesh

Tel: +88 02 55012505, Fax: +88 02 55012516

Click: www.onebank.com.bd **Call Centre:** 16269