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# INFORMATION MEMORANDUM

**4<sup>th</sup> Non-convertible Subordinated Floating Rate Bond of  
BDT 4,000 Million for ONE Bank Limited**



**Issuer:** ONE Bank Limited

**Head Office:** HRC Bhaban, 46, Karwan Bazar C/A, Dhaka 1215

**Trustee:** Sena Kalyan Insurance Company Limited

**Type of Security:** Unsecured Subordinated Floating Rate Bond

**Total Face Value:** Up to BDT 4,000 Million

**Face Value of Each Bond is:** BDT 10,000,000

**Issue Price of Each Bond is:** BDT 10,000,000

**Number of Securities:** 400

**Total Issue Amount:** BDT 4,000,000,000

**Coupon Rate/discount rate and YTM:** Floating

**Issue Date of IM:** \_\_\_\_\_

**Credit Rating status of the Issue:**

**Long Term Rating:** AA-

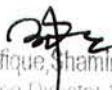
**Credit Rating of the Issuer:**

**Long Term Rating:** AA, **Short-Term Rating:** ST-2; **Outlook:** Stable

"If you have any query about this document, you may consult the issuer and the trustee."

**Mandated Lead Arranger  
Standard Chartered Bank**



  
Brig Gen Shafique, Shamim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

06/04/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
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Md. Monzur Mofiz  
Managing Director  
**ONE Bank**  
LIMITED

## ARRANGER'S DISCLAIMER

ONE Bank Limited (the "**Issuer**") has authorized Standard Chartered Bank ("**Standard Chartered**" or the "**Arranger**") to distribute this Information Memorandum in connection with the proposed transaction outlined in it (the "**Transaction**") and the bond proposed to be issued in the Transaction (the "**Bond**").

"**Standard Chartered Bank**" means Standard Chartered and any group, subsidiary, associate or affiliate of Standard Chartered and their respective directors, representatives or employees and/or any persons connected with them.

Nothing in this Information Memorandum constitutes an offer of securities for sale in the United States or any other jurisdiction where such offer or placement would be in violation of any law, rule or regulation.

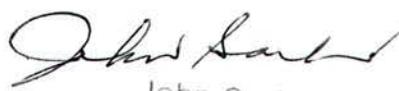
The Issuer has prepared this Information Memorandum and the Issuer is solely responsible for its contents. The Issuer will comply with all laws, rules and regulations and has obtained all regulatory, governmental and corporate approvals for the issuance of the Bond. All the information contained in this Information Memorandum has been provided by the Issuer or is from publicly available information, and such information has not been independently verified by the Arranger. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arranger or its affiliates for the accuracy, completeness, reliability, correctness or fairness of this Information Memorandum or any of the information or opinions contained therein, and the Arranger hereby expressly disclaim, to the fullest extent permitted by law, any responsibility for the contents of this Information memorandum and any liability, whether arising in tort or contract or otherwise, relating to or resulting from this Information Memorandum or any information or errors contained therein or any omissions there from. By accepting this Information Memorandum, you agree that the Arranger will not have any such liability.

You should carefully read and retain this Information Memorandum. However, you are not to construe the contents of this Information Memorandum as investment, legal, accounting, regulatory or tax advice, and you should consult with your own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Bond.

  
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## ISSUER'S DISCLAIMER

This Information Memorandum is neither a prospectus nor a statement in lieu of prospectus. The issue of Unsecured Subordinated Floating Rate Bond is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. It does not constitute and shall not be deemed to constitute an offer or an invitation to subscribe to the bond issue to the public in general. Apart from this Information Memorandum, no information memorandum or prospectus has been prepared in connection with the offering of this issue.

This Information Memorandum has been prepared to provide general information about the issuer to potential investors to whom it is addressed and who are willing and eligible to subscribe to the bond issue. This Information Memorandum does not purport to contain all the information that any potential investor may require. Neither does this Information Memorandum nor any other information supplied in connection with the bond issue is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt a recommendation to purchase any bonds. Each potential investor contemplating the purchase of any bonds should make his/her own independent investigation of the financial condition and affairs of the issuer and his/her own appraisal of the creditworthiness of the issuer.

Potential investors should consult their own financial, legal, tax, and other professional advisors as to the risks and investment considerations arising from an investment in the bonds and should possess the appropriate resources to analyze such investment and the suitability of such investment to such investor's particular circumstances.

The information relating to the company contained in this Information Memorandum is believed by the issuing company to be accurate in all respects as to the date hereof.

It is the responsibility of potential investors to also ensure that they will sell/transfer these Bonds in strict accordance with this Information Memorandum and other applicable laws. None of the intermediaries or their agents or advisors associated with this issue undertake to review the financial condition or affairs of the issuer during the life of the arrangements contemplated by this Information Memorandum or have any responsibility to advise any investor or potential investor in the bonds of any information available with or subsequently coming to the attention of the intermediaries, agents or advisors.

No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Information Memorandum or in any material made available by the issuer to any potential investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the issuer.

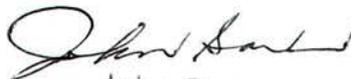
The contents of this Information Memorandum are intended to be used only by those potential investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

The person who is in receipt of this Information Memorandum shall maintain utmost confidentiality regarding the contents of this Information Memorandum and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding its contents, without the prior written consent of the issuer till the time the Information Memorandum comes within public domain.

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Notwithstanding the foregoing, a bondholder may provide this Information Memorandum to a potential investor for the sole purpose of transferring the bonds.

Each person receiving this Information Memorandum acknowledges that:

- Such person has been afforded an opportunity to request and to review and has reviewed and received this Information Memorandum and all additional information considered by an individual to be necessary to verify the accuracy or to supplement the information herein; and
- Such person has not relied on any intermediary that may be associated with the issuance of the bonds in connection with his/her investigation of the accuracy of such information or his/her investment decision.

The issuer does not undertake to update the Information Memorandum to reflect subsequent events after the date of the Information Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the issuer. Neither the delivery of this Information Memorandum nor any sale of bonds made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the issuer since the date hereof.

This Information Memorandum does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the bonds or the distribution of this Information Memorandum in any jurisdiction where such action is required. The distribution of this Information Memorandum and the offering and sale of the bonds may be restricted by law in certain jurisdiction. Persons into whose possession this Information Memorandum comes are required to inform themselves about and to observe any such restrictions.

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12 October 2021

**Mr. Md. Maroof Ur Rahman Mazumder**  
Executive Director & Head of Capital Markets  
Standard Chartered Bank  
67, Gulshan Avenue  
Dhaka-1212, Bangladesh

**LETTER OF AUTHORITY**

Dear Sir,

We refer to the Subordinated Floating Rate Bond Issue of BDT 4,000 million (the "Bonds") which, you (the Arranger) is arranging at our request, the principal terms and conditions of which are set forth in the attached Information Memorandum (the "Information Memorandum"): ONE Bank Limited (the Issuer), the undersigned, confirms that:

- a) Except as otherwise provided in the Information Memorandum, all the information contained therein relating to the company and its business has been provided to you by us;
- b) We confirm that we are fully responsible for all material statements, facts and opinions in the Information Memorandum.
- c) To the best of our knowledge the Information Memorandum does not omit any fact in the context of the proposed facility although the Information Memorandum does not purport to be all the information which investors may require in order to evaluate the issuer's business.
- d) The forecasts contained in the Information Memorandum were made after due and careful consideration on our part based on the best information available to us and we consider them fair and reasonable on the circumstances now prevailing; and
- e) The information (including forecast) in the Information Memorandum fairly represents the basis on which the Issuer and its shareholders are proceeding with the business.

The Issuer does not however make any express of implied representation of warranty as to the fairness, accuracy; or completeness of the information (including statements of opinion) or forecasts. Appropriate warranties or other undertakings in relation to the information and forecasts will be given on the bond documents and no representations or warranties other than those specially set forth on the bond documents shall be deemed to be given to any party.

We hereby request and authorize you to distribute this Information Memorandum to prospective investors who may subscribe the Bonds. We understand that as per local practice, no confidentiality agreement will be signed between the Arranger and the prospective participants (including their relevant staff members and board of directors) to whom the Information Memorandum shall be placed and we confirm our consent to the distribution of "Information Memorandum" and other relevant documents to prospective investors distributed in this manner.

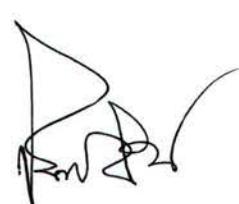
Sincerely,  
Sd/-

**Mr. Md. Monzur Mofiz**  
Managing Director  
ONE Bank Limited

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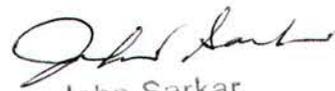
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### 3. REPORT TO THE ELIGIBLE INVESTORS

Issuer has obtained information regarding Bangladesh and its economics from various publications made by the government of Bangladesh and other sources. Although, the Issuer believes that its sources are reliable, but there is no scope for the Issuer to make verification of information independently by any independent sources. Issuer has obtained information about the Trustee i.e. Sena Kalyan Insurance Company Limited from the Trustee and Issuer does not accept any responsibility for the information contained in the section entitled "The Trustee." Issuer also does not accept any responsibility for the information contained in the section entitled "Credit Rating." We are not making any representation to you concerning the accuracy or completeness of the information contained in the section "The Trustee" or in the section "Credit Rating."

The distribution of this Information Memorandum and the Offering is restricted only in Bangladesh. It is not intended or made to offer or sale of the Bonds in any other jurisdiction. The offerings will not be offered to the public at large in Bangladesh, or outside Bangladesh.

We may withdraw this offering at any time, and we reserve the right to reject any offer to purchase the Bonds in whole or in part and to sell to any prospective investor less than the full amount of the Bonds sought by such investor.

We have obtained approval of the Bangladesh Securities and Exchange Commission for issue of Bonds and the distribution of this Information Memorandum through letter No. [ ] dated [ ] and the Bangladesh Bank has given its approval through letter No. [ ] dated [ ].

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## 4. RISK FACTORS AND MANAGEMENT'S PERCEPTION ABOUT THE RISKS

### Risk management

Risk is defined by Issuer as risk of potential losses or foregone profits that can be triggered by internal and external factors. Therefore, the objectives of risk management are identification of potential risks in our operations and transactions, in our assets, liabilities, income, cost and off-balance sheet exposures and independent measurement and assessment of such risks and taking timely and adequate measures to manage and mitigate such risks within a risk-return framework. A summarized position of various inherent and potential risks, The Issuer is facing, while conducting its business and operations and steps taken by the Bank to effectively manage and mitigate such risks by management of Issuer.

#### a. Interest Rate Risks

##### Risk

Interest rate risk arises due to fluctuations in market interest rate which exposes to re-price and re-investment risk for both rate sensitive assets and rate sensitive liabilities.

##### Mitigations

In order to manage interest rate risks, OBL has adopted a clearly defined set of policies and procedures for limiting and controlling the risk. The company also takes efforts to ensure that these approved policies and procedures are routinely applied and monitored. These include maintaining an interest rate risk management review process, appropriate limits on risk taking, adequate systems of risk measurement, a comprehensive interest rate risk reporting system, and effective internal controls.

#### b. Exchange Rate Risks

##### Risk

The risk associated with the volatility in exchange rates.

##### Mitigations

The front office of the Treasury Department of the Bank independently conducts the transactions and the back office is responsible for verification of the deals and passing of their entries in books of accounts. All foreign exchange transactions are re-valued at Market rate as determined by Bangladesh Bank at the month end. The reconciliation of Nostro accounts are done on monthly basis and reviewed outstanding entries beyond 30 days by the Management for its settlement.

#### c. Non-Repayment Risks (Credit Risks)

##### Risk

OBL may face potential loss arising from the possibility of a borrower or counter party failing to meet agreed obligations. The failure may arise due to unwillingness of the counter party or decline in economic condition, unanticipated legal or political constrains, etc.

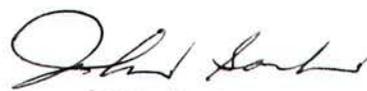
##### Mitigation

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The Bank's existing credit policy guidelines and procedure have been accordingly reviewed and upgraded within the framework of Bangladesh Bank guidelines, and further given the shape of a comprehensive document for the purpose of reference and operation. Relationship Managers are entrusted with the overall responsibility of managing the respective credit portfolio commencing with Business solicitation, Credit approval and continued Management thereof.

An independent Credit Risk Management (CRM) Division also in place to scrutinize projects from a risk-weighted point of view and assist the management in creating a high quality credit portfolio and maximize returns from risk assets. Research team of CRM regularly reviews market situation and exposure of OBL in various industrial sub-sectors.

Credit risk is further mitigated through the utilization of credit reports from the Credit Information Bureau (CIB) of Bangladesh Bank. The report is scrutinized by CRM to understand the liability condition and repayment behaviour of the client.

#### **d. Prepayment, Call or Refunding Risks**

##### **Risk**

The risk associated with the early unscheduled return of principal on a fixed-income security.

##### **Mitigation**

Since this is the fourth bond issue by OBL, Prepayment Risk is not present for any other issue. Also, this particular bond issue does not have prepayment, call or refunding option thus, does not impose risk to the Issuer.

#### **e. Security Risks**

##### **Risk**

The risk associated with the default, authenticity or validation of the collateral used to guarantee repayment of a debt.

##### **Mitigation**

Since this is an unsecured debt, this particular risk is not applicable here.

#### **f. Liquidity Risks**

##### **Risk**

OBL might face liquidity risk due to adverse mismatch of maturities of assets and liabilities and might encounter difficulty in meeting obligation from its financial liabilities at a point of time.

##### **Mitigation**

Liquidity management is treated as a priority at OBL and efforts are taken to ensure that objectives for liquidity management are clear across the company. Asset Liability Management Committee (ALCO) is primarily responsible for establishing the market risk management, asset liability management of the Bank, procedures thereof, implementing core risk management, framework issued by regulator, best risk management practices followed globally and ensuring that internal parameters, procedures, practices/policies and risk management prudential limits are adhered to.

Liquidity risk of the bank is assessed through Gap analysis for maturity mismatch based on residual maturity in different time buckets as well as various liquidity ratios and management of the same is done within the prudential limit fixed thereon. Further Bank is also monitoring the

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liquidity position through various stock ratios. The Bank is proactively using duration gap and interest rate forecasting to minimize the impact of interest rate changes.

### g. Management Risks

#### Risk

The risk associated with ineffective, destructive or underperforming management, which hurts shareholders and the company, fund of which being managed.

#### Mitigations

OBL is one of the leading banking institutions in Bangladesh with a track record of consistent performance achieved through effective leadership and corporate governance. ONE Bank Limited has a sound management system that is not only efficient but also dynamic in taking relevant decision to make the organization more effective and results oriented. Therefore, with a strong leadership on the back, management risks are not a matter of concern or a vital risk factor for OBL.

### h. Operational Risks

#### Risk

Operational risks may give rise to losses due to failures in people, processes, and technology.

#### Mitigation

In order to manage operational risks, management at OBL has established the desired standards of risk management and clear guidelines for practices that would reduce operational risks. All functions, whether business, control or logistic functions, must manage the operational risks that arise from their activities. Operational risks are pervasive, as a failure in one area may have a potential impact on several other areas. The Bank has therefore established a cross-functional body to actively manage operational risk as part of its governance structure.

### i. Business Risks

#### Risk

OBL might earn lower than anticipated profit, or that it will experience a loss rather than a profit. Business risk is influenced by a lot of factors, including revenue, costs, competition, and overall economic climate and government regulations.

#### Mitigations

OBL has a robust risk management system to counter any adverse business risk and to manoeuvre in a hostile business environment. Most business risks have been covered in Credit, Liquidity and Interest rate Risk. To counter and mitigate business risk, the following mitigation measures are in place:

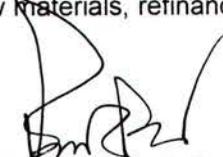
- Regular review of impact of global economic meltdown and taking appropriate measures
- Innovative and convenient financial products and services;
- Taking prompt action on customer complaints;
- Frequent assessment of clients satisfaction;
- Regular review of performance against budget and targets;
- Review and analysis of competitors' performance;

Prevention of risk by forecasting future market condition gives OBL competitive edge over other competitors in the local market. In order to mitigate prospective risks of the market, the equity and research team regularly assesses the market information. This assessment updates the Management about the current market situation, growth of certain industries, current global phenomena, price index of raw materials, refinance scheme taken by central bank and regulatory

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steps taken by various regulatory bodies. This also helps to make future prediction on any industry and the market as a whole.

**j. Industry Risks**

**Risk**

The risk that OBL is likely to face due to the virtue of the industry it is operating in.

**Mitigations**

Most of the industry risks mitigates have been covered under Credit Risk, Liquidity Risk, and Business Risk. The banking industry of Bangladesh consists of 62 Scheduled banks consisting of State Owned Commercial Banks, Government owned specialized banks, domestic private banks, Islami Shariah based private commercial banks and foreign banks. These banks are closely supervised and guided by the central bank, Bangladesh Bank. Since independence, the industry has not seen any major adverse downtrend in the industry. OBL has remained compliant with all regulations of Central Bank in managing its business and risks therein.

**k. Market and Technology Related Risks**

**Risk**

Market Risk for OBL is that the fair value of future cash flows of the financial instruments will fluctuate due to change in different market variables. Technology risk is the process of managing the risk associated with implementation of new technology. If a new technology is not compatible with business function of the company, the company may suffer in the long run. A non-compatible technology not only brings difficulty in all sorts of operations of the company but also run the risk of wasting money choosing the wrong one.

**Mitigations**

The objective of investment policy covering various factors of Market Risk, is to assess and minimize risks associated with treasury operations by extensive use of risk management tools. Broadly it encompasses policy prescriptions for managing systematic risk, credit risk, market risk, operational risk and liquidity risk in treasury operations. For market risk arising out of various products in trading book of the bank and its business activities, the bank sets regulatory internal controls and ensure adherence thereto. Limits for exposure to counterparties, industries and countries are monitored and the risks are controlled through Stop Loss limits, Overnight limit, Daylight limit, Aggregate Gap limit, Value at Risk (VAR), Inter-bank dealing and investment limit etc; For the Market Risk Management of the bank, it has a mid-office with separate Desks for Treasury & Asset Liability Management (ALM).

**l. Risks related to potential or existing government regulations**

**Risk**

Excessive growth of Risk weighted assets against the growth of eligible regulatory capital of ONE Bank Limited might breach the Bangladesh Bank's criteria of minimum capital requirement. Also, the Bank might fail to comply with the laws, regulations or codes applicable to the financial services industry

**Mitigations**

The terms and condition of the Bonds are based on current Bangladeshi rules and regulations. There can be no assurance as to impact of any possible judicial decisions or change to Bangladeshi law and administrative practice after the date of this Information Memorandum.

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Brig Gen Shaikh M. Ibrahim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

06/04/22

**Parul Das FCA**  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

**John Sarkar**  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

**Md. Monzur Mofiz**  
Managing Director  
**ONE Bank**  
LIMITED

Unless any policy change that may negatively and significantly affect the industry as a whole, the business of the bank is expected not to be affected materially. Like all scheduled banks in Bangladesh, OBL has been funding their assets from their deposits after maintaining required SLR including CRR has the bank has been consistently compliant to any such changes. The Bank attained contentedly adequate capital compared to the regulatory requirement. OBL is capable of dealing with consequences of unfavorable policy or regulatory changes made by the government. Shareholders provide the vital equity capital, depositors & lenders put their money in the Bank, borrowers take the credits for production, trading or consumptions, employees put their services to serve the customers, and government, Bangladesh Bank and Bangladesh Securities and Exchange Commission provide legal & regulatory framework, infrastructure, economic & business environment etc. to ensure smooth operations of banking activities with transparency and accountability.

**m. Risks related to potential changes in global or national policies**

**Risk**

Risk associated with any potential global issues (i.e. a global financial crisis or a massive volatility in an international currency) or a national policy change (i.e. regulatory changes made by the Bangladesh Bank or the Bangladesh Securities and Exchange Commission).

**Mitigations**

Since this security would be issued in the local market, potential global changes are unlikely to have any impact on the security issued. Moreover OBL has a robust risk management team and has the capability to adapt to any global scenario that might affect the local market.

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Managing Director  
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## 5. DETAILED DESCRIPTION AND INFORMATION OF ISSUER'S APPLICATION

ONE Bank Limited, the issuer, has applied to the Bangladesh Securities and Exchange Commission for approval for issuance of BDT 4,000 Million Floating Rate, Non-Convertible, Unsecured Subordinated Bond. The detailed issue application as per Schedule "A" Part-I of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 has been provided in **Annexure 1**.

### 1. Particulars of the Issuer, ONE Bank Limited

(a)	<b>Name of the Issuer</b>	:	ONE Bank Limited
(b)	<b>Legal status of the issuer</b>	:	Public limited company (listed), private commercial bank
(c)	<b>Details of Contact Information</b>	:	Name: Mirza Ashraf Ahmad Position: Executive Vice President Head of Treasury Address: Head Office, 2/F HRC Bhaban, 46 Kawran Bazar C/A, Dhaka 1215, Bangladesh Phone: + 88 02-8142451 Fax: + 88-02-9134794 Mobile: + 88 01730353512 E-mail: mirza.ashraf@onebank.com.bd
(d)	<b>Date of incorporation</b>	:	May 12, 1999
(e)	<b>Date of commencement of business</b>	:	May 12, 1999
(f)	<b>Authorized capital</b>	:	BDT 10,000,000,000 as at 30 June 2021
(g)	<b>Paid-up capital</b>	:	BDT 9,340,404,560 as at 30 June 2021
(h)	<b>Total equity</b>	:	BDT 18,435,375,310 as at 30 June 2021
(i)	<b>Total liabilities</b>	:	BDT 289,903,752,432 as at 30 June 2021
(j)	<b>Total financial obligations</b>	:	BDT 289,936,533,532 as at 30 June 2021
(k)	<b>Total assets</b>	:	BDT 308,371,908,842 as at 30 June 2021
(l)	<b>Total tangible assets</b>	:	BDT 307,460,661,008 as at 30 June 2021
(m)	<b>Net worth</b>	:	BDT 18,435,375,310 as at 30 June 2021
(n)	<b>Others</b>	:	Not Applicable

### 2. Particulars of Mandated Lead Arranger (MLA):

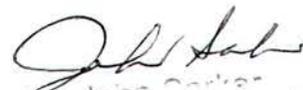
(a)	<b>Name of the issue MLA</b>	:	Standard Chartered Bank acting through its Bangladesh Branch
(b)	<b>Legal status of the issue MLA</b>	:	Foreign Commercial Bank

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John Carter  
DMU & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mofiz  
Managing Director  
**ONE Bank**  
LIMITED

(c)	<b>Details of contact information of the issue manager</b>	:	Md. Maroof Ur Rahman Mazumder Executive Director & Head of Capital Markets, Bangladesh Add: Level 3, 67 Gulshan Avenue, Dhaka – 1212 Phone: + 88-02-8833003-4 ext. 53031 Fax: + 88-02-8837810 Mobile: + 880171-3009646 E-mail: md-marroofur.rahman@sc.com
(d)	<b>Name of the issue managed by the issue manager</b>	:	List attached in annexure
(e)	<b>Others</b>	:	Not Applicable

**3. Particulars of the Issue:**

(a)	<b>Name of the issue</b>	:	ONE Bank 4 <sup>th</sup> Non-convertible Subordinated Floating Rate Bond
(b)	<b>Type of instruments to be issued</b>	:	Non-convertible Unsecured Floating Rate Fully Redeemable Subordinated Bond
(c)	<b>Purpose of the issue</b>	:	The issuance is to generate liquidity to strengthen Tier II capital of the bank.
(d)	<b>Number of securities and total size of the issue to be offered</b>	:	400 bonds for total issue amount of BDT 4,000,000,000
(e)	<b>Face value and issue price of securities mentioning discount or premium thereof</b>	:	Face value and issue price of each Bond is BDT 10,000,000
(f)	<b>Coupon rate /discount rate and YTM</b>	:	To Be Determined as a sum of Benchmark Rate & Margin; however, during the tenor the yield [benchmark + margin] will be floored at 7.50% and capped at 10.50%
(g)	<b>Tenor or maturity</b>	:	7 years
(h)	<b>Details of conversion/ exchange option features</b>	:	Not applicable as the bond is non-convertible
(i)	<b>Mode of redemption or conversion/ exchange</b>	:	20% of the total bond value to be redeemed at the end of each year starting from 3 <sup>rd</sup> year
(j)	<b>Mode of option (call or put), if any, in case of redemption or conversion/exchange and discount or premium thereof</b>	:	Not applicable as the bond is non-convertible and fully redeemable
(k)	<b>Rate of return</b>	:	Floating rate bond with YTM floored at 7.50% and capped at 10.50%
(l)	<b>Applicable tax rate</b>	:	As per applicable Tax Laws of Bangladesh
(m)	<b>Default protection mechanism (details of credit enhancement arrangement/ agreement, redemption reserve, sinking fund etc.), if any</b>	:	Not applicable

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**Md. Monzur Mofiz**  
Managing Director  
**ONE Bank**  
LIMITED

(n)	Type of collateral securities being offered, if any	:	Unsecured
(o)	Status of securities holders in case of priority of payment	:	First priority
(p)	Period within which securities to be issued	:	Within 6 (six) months of regulatory approval in Single or Multiple Tranches
(q)	Nature of tradability or listing in the stock exchange(s) (Main Board / ATB /any other platform, mentioning the name of the stock exchange)	:	Unlisted or as per regulatory approval
(r)	Others	:	Not Applicable

**4. Particulars of the Trustee:**

(a)	Name of the trustee	:	Sena Kalyan Insurance Company Limited
(b)	Paid-up capital of the trustee	:	BDT 240,000,000 as at December 31, 2020
(c)	Net worth of the trustee	:	BDT 506,203,422 as at December 31, 2020
(d)	Name of the issue(s) where performing as trustee	:	List attached in annexure
(e)	Others	:	Not Applicable

**5. Particulars of the Credit Rating Company:**

(a)	Name of credit rating company	:	Emerging Credit Rating Limited (ECRL)
(b)	Credit rating status of the issuer or originator	:	Long Term Rating: AA Short Term Rating: ST-2 Outlook: Stable
(c)	Credit rating status of the issue	:	Long Term Rating: AA- Outlook: Stable
(d)	Date and validity of rating along with surveillance rating for the issuer or originator and for the issue	:	Issuer Rating Validity: April 09, 2022 Issue Rating Validity: September 15, 2022
(e)	Latest default rate of the credit rating company	:	0.10% As on 2020
(f)	Average time to default of the rated category	:	Not Applicable
(g)	Rating trigger, if any	:	Not Applicable
(h)	Others	:	Not Applicable

**6. Particulars of originators, if any:** Not applicable

**7. Particulars of other contractual parties:** Not applicable

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## 6. DETAIL PLAN OF THE UTILIZATION OF PROCEEDS

ONE Bank Limited has decided to increase the Tier 2 capital to meet capital requirement under Basel III and to strengthen the regulatory capital base of the Bank.

The primary objective of issuing the securities is to consider the proceeds as Tier 2 Capital of the bank taking into consideration regulatory stipulations. The proceeds would therefore increase the bank's capital and enhance the lending scope to its borrowers and in turn facilitate the bank to increase its revenues/profitability on a sustained manner.

### Capital Plan and Management

ONE Bank Limited (OBL) is committed to maintaining a strong capital base to support business growth, ensuring compliance with all regulatory requirements, obtaining good credit rating, risk management rating and CAMELS rating and having a cushion to absorb any unforeseen shocks arising from credit, operational, market risks and other residual risks.

The capital maintenance and dividend policies of ONE BANK are pursued taking into consideration of the following factors:

- a) Keeping sufficient cushion to absorb unforeseen shock or stress;
- b) Increased capital requirement for sustainable business growth;
- c) Cost effective options for raising Tier 1 and Tier 2 capital;
- d) Improving credit rating, risk management rating and CAMELS rating of the Bank;
- e) Meeting regulatory requirements; and
- f) Meeting covenants of lenders.

The Board is responsible for ensuring capital management within a broad framework of risk management.

The bank has been pursuing a dividend policy that ensures satisfactory return for shareholders as well as sustainable growth of the bank with adequate capital in terms of regulatory requirement to protect long term interest of depositors and shareholders.

In compliance with the instructions of Bangladesh Bank, the paid-up share capital of the bank has been increased to BDT 8,853,464,040.00 as on 31 December 2020. As of 30 June 2021, the aggregate amount of Paid up share capital and the Statutory Reserve stood at BDT 16,143,123,157.00 consisting of Paid up share capital of BDT 9,340,404,560.00 and Statutory Reserve of BDT 6,802,718,597.00.

Besides, as per Section 13 of the Bank Company (Amended) Act, 2018 and instructions contained in BRPD Circular No. 18 dated 21 December 2014, [Guidelines on Risk Based Capital Adequacy-Revised Regulatory Capital Framework for banks in line with Basel III], the eligible regulatory capital of the bank as of 30 June 2021 stood at BDT 27,088,338,212 against the risk based capital requirement of BDT 20,957,985,916. As a result, there was a capital surplus of BDT 6,130,352,296 in risk based capital adequacy ratio as on 30 June 2021.

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## 7. FEATURES OF THE DEBT SECURITY TO BE ISSUED

### a. Basic Features of the Instrument

<b>Issuer:</b>	<b>ONE Bank Limited (OBL)</b>																											
<b>The Issue:</b>	BDT Floating Rate Non-Convertible Subordinated Bond																											
<b>Mandated Lead Arranger:</b>	Standard Chartered Bank ("SCB") and also referred to as the "Mandated Lead Arranger" or the "MLA".																											
<b>Arrangement Basis:</b>	Best Efforts/ Strictly Non Underwritten																											
<b>Purpose:</b>	To strengthen Tier 2 Capital Base																											
<b>Investors:</b>	Local Financial Institutions, Insurance Companies, Institutions, Corporates, High Net Worth Individuals																											
<b>Currency:</b>	Bangladeshi Taka (BDT)																											
<b>Face Value:</b>	Up to BDT 4,000Million																											
<b>Denomination:</b>	Denomination of each lot of Bond is indicated at BDT 10,000,000 Face Value																											
<b>Mode of Placement:</b>	Private Placement 100%																											
<b>Issue Price:</b>	100% at Par																											
<b>Tenor:</b>	7 years from the Issue Date																											
<b>Expected Issue Date:</b>	December 2021 or any other mutually agreeable date																											
<b>Status of Debt:</b>	Subordinated Non-Convertible																											
<b>Security:</b>	Unsecured																											
<b>Form:</b>	Registered																											
<b>Listing:</b>	Unlisted, subject to regulatory approvals																											
<b>Credit Rating of the Issue:</b>	AA-																											
<b>Repayment Schedule:</b>	20% of the total bond value to be redeemed at the end of each year starting from 4th year and the repayment schedule is depicted below:																											
	<table border="1"> <thead> <tr> <th colspan="2">Issue Size (BDT)</th> <th>4,000,000,000</th> </tr> <tr> <th>Years</th> <th>Repayment (BDT)</th> <th>Balance</th> </tr> </thead> <tbody> <tr> <td>End of 1<sup>st</sup> year</td> <td>-</td> <td>4,000,000,000</td> </tr> <tr> <td>End of 2<sup>nd</sup> year</td> <td>-</td> <td>4,000,000,000</td> </tr> <tr> <td>End of 3<sup>rd</sup> year</td> <td>800,000,000</td> <td>3,200,000,000</td> </tr> <tr> <td>End of 4<sup>th</sup> year</td> <td>800,000,000</td> <td>2,400,000,000</td> </tr> <tr> <td>End of 5<sup>th</sup> year</td> <td>800,000,000</td> <td>1,600,000,000</td> </tr> <tr> <td>End of 6<sup>th</sup> year</td> <td>800,000,000</td> <td>800,000,000</td> </tr> <tr> <td>End of 7<sup>th</sup> year</td> <td>800,000,000</td> <td>0</td> </tr> </tbody> </table>	Issue Size (BDT)		4,000,000,000	Years	Repayment (BDT)	Balance	End of 1 <sup>st</sup> year	-	4,000,000,000	End of 2 <sup>nd</sup> year	-	4,000,000,000	End of 3 <sup>rd</sup> year	800,000,000	3,200,000,000	End of 4 <sup>th</sup> year	800,000,000	2,400,000,000	End of 5 <sup>th</sup> year	800,000,000	1,600,000,000	End of 6 <sup>th</sup> year	800,000,000	800,000,000	End of 7 <sup>th</sup> year	800,000,000	0
Issue Size (BDT)		4,000,000,000																										
Years	Repayment (BDT)	Balance																										
End of 1 <sup>st</sup> year	-	4,000,000,000																										
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End of 3 <sup>rd</sup> year	800,000,000	3,200,000,000																										
End of 4 <sup>th</sup> year	800,000,000	2,400,000,000																										
End of 5 <sup>th</sup> year	800,000,000	1,600,000,000																										
End of 6 <sup>th</sup> year	800,000,000	800,000,000																										
End of 7 <sup>th</sup> year	800,000,000	0																										
<b>Trustee:</b>	Sena Kalyan Insurance Company Limited																											
<b>Transfer Agent:</b>	Sena Kalyan Insurance Company Limited																											
<b>Paying Agent:</b>	Sena Kalyan Insurance Company Limited																											
<b>Registrar:</b>	Sena Kalyan Insurance Company Limited																											
<b>Coupon Rate:</b>	To be determined as a sum of Benchmark Rate & Margin; However, during the tenor the yield [benchmark + margin] will be floored at 7.50% and capped at 10.50%																											
<b>Benchmark Rate:</b>	<b>Benchmark rate:</b> The Benchmark rate shall be determined by following method:																											

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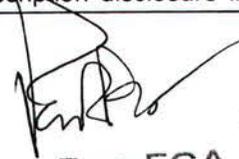
Md. Monzur Mof  
Managing Director  
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	<p>Average of most recent month's published highest fixed deposit rates (6 months tenor) of all Private Commercial Banks (excluding Islami Banks and Foreign Banks). The issuer's 6 months tenor deposit rate to be considered at the time of calculating the average. The published deposit rate to be taken from Bangladesh Bank sources. This will be fixed semi-annually.</p> <p>The Benchmark rate will be fixed by the Trustee semi-annually on ("Interest Reset Date") the immediately preceding business day of the issuance and afterwards semi-annually throughout the tenor of the bond. For avoidance of doubt, the Benchmark Rate shall be calculated by the Trustee and notified to the Issuer and all Investors on every Interest Reset Date.</p>
<b>Margin:</b>	2.50%.
<b>Transferability/Liquidity</b>	Freely transferable subject to the terms and conditions of the Bond documents.
<b>Prepayment, Call, Refunding, Conversion Features:</b>	Not applicable
<b>Late Redemption:</b>	Incremental charge at the rate of 2.00% per annum payable by the Issuer to the Bondholders above the amount to be paid by the Issuer to the Bondholders on the Redemption Date for failure of the Issuer to make payment to the Bondholders on the Redemption Date.
<b>Cost Related to the Issue:</b>	<p><b>Arrangement Fee:</b> 0.50% of the Face Value Amount of the Bonds.</p> <p><b>Trustee Fee:</b> BDT 400,000 for the 1<sup>st</sup> year and BDT 300,000 per annum for subsequent years till final redemption of bond</p> <p><b>Credit Rating Fee:</b> BDT 130,000 per annum till final redemption of bond</p> <p><b>Application Fee to BSEC:</b> BDT 10,000</p> <p><b>Consent Fee to BSEC:</b> 0.10% on the Face Value</p>
<b>Tax Features:</b>	All payments made by the Issuer or under or in respect of the Trust Deed or the Bonds will be subject to any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Bangladesh or any political subdivision thereof or any authority thereof or therein having power to tax. The Issuer will not be Obligated pay any additional amounts in respect of such taxes, duties, assessments or governmental charges that may from time to time be deducted or withheld from such payments, but will provide or procure the provision of original or authenticated tax receipts relating to any such deductions or withholdings to Bondholders.
<b>Documentation:</b>	Customary Capital Market documentation including force majeure, negative pledge, cross default and indemnity provisions.
<b>Conditions Precedent:</b>	In form and substance satisfactory to the MLA including without limitation: (i) due diligence having been conducted and completed, (ii) documentation for Financing and appropriate business description disclosure in the offering circular, (iii) receipt by the

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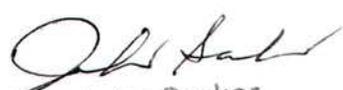
	MLA of appropriate legal opinions from external counsel, (iv) the Issuer having obtained all relevant approvals for Financing.
<b>Governing Law:</b>	The laws of The People's Republic of Bangladesh
<b>Enforcement of Charges over securities:</b>	At any time after the Bonds have become due and repayable, the Trustee may, at its sole discretion and without further notice in writing, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed, but it will not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution of the Bondholders and (b) it shall have been indemnified and/or secured to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

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## 8. DESCRIPTION OF COLLATERAL SECURITY AND TYPE OF CHARGES TO BE CREATED AGAINST ISSUE

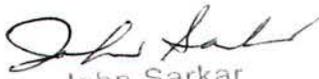
The issue is unsecured corporate bond hence no charge on assets is to be created. The issuer only owes the bondholders an indebtedness which is secured by claims over all present and future assets of the issuer subsequent to all secured lenders/investors.

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## 9. RIGHTS & OBLIGATIONS OF THE ISSUER

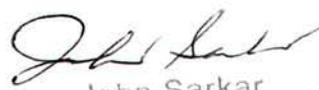
- (i) **Issue of the Bonds:** Upon receipt of amount in accordance with the Subscription Agreement to be entered with each investors the Issue shall issue Bonds subject to and in accordance with the provisions of the Trust Deed and the Subscription Agreement and to seal, sign and issue the Bonds and deliver the Bond Certificates on the Closing Date to be fixed by the Issuer and the Trustee.
- (ii) **Covenant to Repay -** The Issuer has obligation that it will, as and when the Bonds or any of them become due to be redeemed or any principal on the Bonds or any of them becomes due to be repaid unconditionally pay or procure to be paid to or to the order of the Trustee in Bangladesh Taka in Dhaka in accordance with the terms and conditions of the Bond in immediately available freely transferable funds the principal amount of the Bonds or any of them becoming due for redemption or repayment on that date and shall (subject to the terms and conditions of the Bond) until all such payments (both before and after judgment or other order) are duly made unconditionally pay or procure to be paid to or to the order of the Trustee on the relevant dates provided for in the terms and conditions interest on the principal amount of the Bonds or any of them outstanding from time to time as set out in the Conditions provided that:
- every payment of principal or interest in respect of the Bonds or any of them made to or to the account of the Paying Agent in the manner provided in the Agency Agreement shall satisfy, to the extent of such payment, the relevant covenant by the Issuer contained in this Clause except to the extent that there is default in the subsequent payment thereof to the Bondholders in accordance with the Conditions;
  - if any payment of principal or interest in respect of the Bonds or any of them is made after the due date, payment shall be deemed not to have been made until either the full amount is paid to the Bondholders or, if earlier, the seventh day after notice has been given to the Bondholders in accordance with the Conditions that the full amount has been received by the Paying Agent or the Trustee except, in the case of payment to the Paying Agent, to the extent that there is failure in the subsequent payment to the Bondholders under the Conditions; and
  - in any case where payment of the whole or any part of the principal amount due in respect of any Bond is improperly withheld or refused upon due presentation of a Bond Certificate, interest shall accrue at applicable interest rate for the Bond on the whole or such part of such principal amount from the date of such withholding or refusal until the date either on which such principal amount due is paid to the Bondholders or, if earlier, the seventh day after which notice is given to the Bondholders in accordance with the terms and conditions that the full amount payable in respect of the said principal amount is available for collection by the Bondholders provided that on further due presentation thereof such payment is in fact made.

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Chief Financial Officer  
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LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mofiz  
Managing Director  
**ONE Bank**  
LIMITED

- (iii) **Observe instruction of the Trustee** - At any time after any Event of Default shall have occurred, the Issuer shall comply with the instruction of the Trustee subject to provision of the terms and conditions of the Bond.
- (iv) **Observe Bond Documents** - The Issuer shall have obligation to comply with, perform and observe all those provisions of this Trust Deed, the Agency Agreement, the terms and conditions of the Bond which are expressed to be binding on it and to perform and observe the same. The Bonds are subject to the provisions contained in this Trust Deed, all of which shall be binding upon the Issuer and the Bondholders and all persons claiming through or under them respectively.
- (v) **Observe Applicable Law** - The Issuer shall have obligation to comply with, perform and observe all those provisions of the applicable law including but is not limited to The Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021. The Issuer agrees that Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, the applicable law and will be deemed to have notice of all of the provisions of the applicable law applicable to them.
- (vi) **Books of Account** – The Issuer shall at all times keep and procure that all its Subsidiaries keep such books of account as may be necessary to comply with all applicable laws and so as to enable the financial statements of the Issuer to be prepared and allow, subject to confidentiality obligations under applicable law, the Trustee and any person appointed by it free access to the same at all reasonable times and to discuss the same with responsible officers of the Issuer;
- (vii) **Notice of Event of Default** – The Issuer shall give notice in writing to the Trustee forthwith upon becoming aware of any Event of Default and without waiting for the Trustee to take any further action;
- (viii) **Corporate Governance** – The Issuer shall ensure that it and each member of its Group comply in all material respects with the corporate governance guidelines set out by the Bangladesh Bank and the Securities and Exchange Commission.
- (ix) **Information** - So far as permitted by applicable law, the Issuer shall at all times give to the Trustee such information, opinions, certificates and other evidence as it shall require and in such form as it shall require in relation to Issuer for the performance of its obligations under the Bond Documents;
- (x) **Execution of further Documents** - So far as permitted by applicable law, the Issuer shall at all times execute all such further documents and do all such further acts and things as may be necessary at any time or times in the opinion of the Trustee to give effect to the provisions of this Trust Deed;
- (xi) **Notices to Bondholders** – The Issuer shall send or procure to be sent to the Trustee not less than 5 (five) business days prior to the date of publication, one copy of each notice to

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Brig Gen Shafique Shamim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd,  
06/04/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Parker  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mofi  
Managing Director  
**ONE Bank**  
LIMITED

be given to the Bondholders in accordance with the Conditions and, upon publication, send to the Trustee two copies of such notice;

- (xii) **Notification of non-payment** – The Issuer shall notify the Trustee forthwith in the event that it does not, on or before the due date for payment in respect of the Bonds or any of them, pay unconditionally the full amount in the relevant currency of the moneys payable on such due date on all such Bonds;
- (xiii) **Notification of late payment** - In the event of the unconditional payment to the Trustee of any sum due in respect of the Bonds or any of them being made after the due date for payment thereof, forthwith give notice to the Bondholders that such payment has been made;
- (xiv) **Notification of redemption or repayment** – The Issuer shall within 14 (Fourteen) days prior to the Redemption Dates or purchase in respect of any Bond, give to the Trustee notice in writing of the amount of such redemption or purchase pursuant to the Conditions and duly proceed to redeem or purchase such Bonds accordingly;
- (xv) **Obligation of Agents – The Issuer shall Observe** and ensure agents comply with its obligations under the Agency Agreement; maintain the Register; and notify the Trustee immediately it becomes aware of any material breach of such obligations, or failure by any Agent to comply with such obligations, in relation to the Bonds;
- (xvi) **Authorized Signatories** – The Issuer shall upon the execution hereof and thereafter forthwith upon any change of the same, deliver to the Trustee a list of the Authorized Signatories of the Issuer, together with certified specimen signatures of the same; and
- (xvii) **Payments** – The Issuer shall Pay moneys payable by it to the Trustee hereunder without set off, counterclaim, deduction or withholding, unless otherwise compelled by law and in the event of any deduction or withholding compelled by law will pay such additional amount as will result in the payment to the Trustee of the amount which would otherwise have been payable by it to the Trustee hereunder.
- (xviii) **Audited Financials and Annual General Meeting** –The Issuer shall complete audit of its financial statements and hold its annual general meeting within such period as may be specific by the BSEC. If no such period is prescribed, Issuer shall complete audit of its financial statements and hold its general meeting in accordance with law of its jurisdiction of incorporation. The Issuer shall submit copy of its audited financial statements along with its annual report and the minutes of its annual general meeting with the BSEC with a copy to the Bondholders within 14 days (or such other period agreed by BSEC) of the completion of audit or, as the case may be, holding of the annual general meeting.

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Brig Gen Shant (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

06/04/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John George  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mof  
Managing Director  
**ONE Bank**  
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## 10. RIGHTS & OBLIGATIONS OF THE TRUSTEE

Rights of the Trustee of Non-Convertible Floating Rate Subordinated Bond are, inter alia:

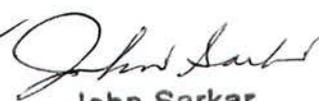
- (i) **Trustee's determination:** The Trustee may determine whether or not a default in the performance or observance by the Issuer of any Obligation under the provisions of the Trust Deed or contained in the Bonds is capable of remedy and if the Trustee shall certify that any such default is, in its opinion, not capable of remedy, such certificate shall be conclusive and binding upon the Issuer and the Bondholders.
- (ii) **Determination of questions:** The Trustee as between itself and the Bondholders shall have full power to determine all questions and doubts arising in relation to any of the provisions of the Trust Deed and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee and the Bondholders.
- (iii) **Trustee's discretion:** The Trustee shall (save as expressly otherwise provided herein) as regards all the trusts, powers, authorities and discretions vested in it by the Trust Deed or by operation of law, have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and the Trustee shall not be responsible for any Liability that may result from the exercise or no exercise thereof (save as otherwise provided by applicable law) but whenever the Trustee is under the provisions of the Trust Deed bound to act at the request or direction of the Bondholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing.
- (iv) **Trustee's consent:** Any consent given by the Trustee for the purposes of the Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee may require.
- (v) **Conversion of currency:** Where it is necessary or desirable for any purpose in connection with the Trust Deed to convert any sum from one currency to another it shall (unless otherwise provided by the Trust Deed or required by law) be converted at such rate or rates available to the Trustee on the relevant date, in accordance with such method and as at such date for the determination of such rate of exchange, as may be specified by the Trustee in its absolute discretion as relevant and any rate, method and date so specified shall be binding on the Issuer and the Bondholders.
- (vi) **Application of proceeds:** The Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Bonds or the delivery of any Bond Certificate to the persons entitled to it.
- (vii) **Error of judgment:** The Trustee shall not be liable for any error of judgment made in good faith by any officer or employee of the Trustee assigned by the Trustee to administer its corporate trust matters.

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Brig Gen Shafiqul Islam (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

06/04/22

  
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Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

Page 25  
  
Md. Monzur Mofiz  
Managing Director  
**ONE Bank**  
LIMITED

- (viii) **Agents:** The Trustee may, in the conduct of the trusts of the Trust Deed instead of acting personally, employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money) and the Trustee shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person provided that the Trustee had exercised reasonable care in the appointment of such person.
- (ix) **Delegation:** The Trustee may, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it by the Trust Deed and having exercised reasonable care in so doing, act by responsible officers or a responsible officer for the time being of the Trustee and the Trustee may also whenever it thinks fit, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons (whether being a joint trustee of the Trust Deed or not) all or any of the trusts, powers, authorities and discretions vested in it by the Trust Deed and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Trustee) as the Trustee may think fit in the interests of the Bondholders and the Trustee shall not be bound to supervise the proceedings or acts of and shall not in any way or to any extent be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of such delegate or sub-delegate provided that the Trustee had exercised reasonable care in the appointment of such delegate.
- (x) **Custodians and nominees:** The Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to such assets of the trust as the Trustee may determine, including for the purpose of depositing with a custodian the Trust Deed or any document relating to the trust created hereunder and the Trustee shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person provided that the Trustee had exercised reasonable care in the appointment of such person; the Trustee is not Obligated to appoint a custodian if the Trustee invests in securities payable to bearer.
- (xi) **Confidential information:** The Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Bondholder confidential information or other information made available to the Trustee by the Issuer in connection with the Trust Deed and no Bondholder shall be entitled to take any action to obtain from the Trustee any such information.

Obligations of the Trustee of Non-Convertible Floating Rate Subordinated Bond are, inter alia:

- to hold the benefit of the covenants made by the Issuer in the Trust Deed and the Conditions on trust for the Bondholders;

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Brig Gen Shafiqul Alam,psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

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Chief Financial Officer  
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Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mofiz  
Executive Director  
**ONE Bank**  
LIMITED

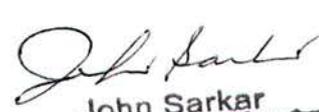
- to open such accounts as the Trustee deems necessary for discharging the functions of Trustee;
- to keep the money and assets representing the Trust Assets (including enforcement proceeds) and to deposit and withdraw such moneys and assets as may be required from time to time and in accordance with the terms of the Trust Deed;
- to undertake all such actions for the recoveries of any outstanding payments in accordance with the provisions of the Trust Deed and to execute all such documents, deeds and papers and to do all acts in relation thereto;
- to manage and administer the Bonds in accordance with the terms of the Trust Deed and to execute, acknowledge, confirm or endorse any agreements, documents, deeds, instruments and papers in connection therewith;
- to convene any meeting of the Bondholders in accordance with the provisions of the Trust Deed and the Conditions, and to facilitate the proceedings of such meeting as it deems appropriate in accordance with the terms of the Trust Deed;
- to implement, give effect to and facilitate the Conditions and such other documents, deeds and agreements in contemplation thereof or in connection therewith;
- upon receipt of the instructions of such requisite majority of the Bondholders in accordance with the terms of the Trust Deed, to sell or otherwise dispose of the Trust Assets and close any bank accounts that may have been opened in pursuance of the Trust Deed after the distribution of amounts standing to their credit; and
- to do all such other acts, deeds and things as may be necessary and incidental to the above provisions unless such acts require the prior consent of the Bondholders in accordance with the terms of the Trust Deed.

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Brig Gen Shafiqul Kamal (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

06/04/22

  
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Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
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Md. Monzur Mafiz  
Managing Director  
**ONE Bank**  
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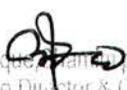
## 11. RIGHTS & OBLIGATIONS OF THE ARRANGER

The Issuer has appointed Standard Chartered Bank acting through its Bangladesh Branch as the Mandated Lead Arranger of the proposed Bonds.

Rights and Obligations of the Arranger of the Non-Convertible Floating Rate Subordinated Bond include:

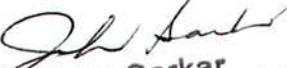
- a. Due diligence of the issue prior to submission of the proposed bonds to external parties;
- b. Coordinate and provide integral support for preparation of Information Memorandum and appointment of relevant parties;
- c. Ensure proper documentation completion and compliance with regulatory requirements, prior to submission to regulators;
- d. Engage with regulators and Issuer for approval of the bonds;
- e. Support due diligence of prospective investors for investing in the bonds;
- f. Complete documentation of the bonds prior to subscription of the bonds;
- g. Monitor compliance with conditions precedent prior to issuance of the bonds.

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Brig Gen Shafique Hameed (Retd)  
Managing Director & CEO  
Sana Kalyan Insurance Company Ltd.

06/09/20

  
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Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mofiz  
Managing Director  
**ONE Bank**  
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## 12. RIGHTS & OBLIGATIONS OF THE ELIGIBLE INVESTORS

Rights and Obligations of the eligible Investors of Non-Convertible Floating Rate Subordinated Bond are, inter alia:

- (i) **Ownership of the Bond:** Each of the Issuer, the Trustee and any Agent may deem and treat the registered holder of a Bond as the absolute owner of such Bond, free of any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate Holder of such Bond (whether or not the Bond shall be overdue and notwithstanding any notation of ownership or other writing thereon or any notice of previous loss or theft of the Bond Certificate issued in respect of that Bond) for all purposes and, except as ordered by a court of competent jurisdiction or as required by applicable law, the Issuer, the Trustee and the Agents shall not be affected by any notice to the contrary.
- (ii) **Right to receive payment** – Subject to terms and conditions of the Bond, each Bondholder shall have a right to receive payment of principal amount of the Bond on the redemption date and interest amount of the Bond on each Interest Payment Date.
- (iii) **Transfer of Bonds** –Subject to terms and conditions of the Bond Documents each Bondholder shall have the right to transfer the Bonds freely.
- (iv) **Basic Rights:** Basic rights of the Bondholders/Investors include but are not limited to: (i) secure methods of ownership registration; (ii) obtain relevant information on the company on a timely and regular basis; (iv) participate and vote in bondholders meetings.
- (v) **Rights Subordinated:** The rights of the holders of Bonds against the Issuer (including for principal and interest) are subordinated and junior in right of payment to its Obligations (a) to its depositors, (b) under bankers' acceptances and letters of credit issued by the Issuer, (c) to Senior Creditors (including the Bangladesh Bank and the Deposit Insurance Trust Fund). In the event of any insolvency, receivership, conservatorship, reorganization, readjustment of debt or similar proceedings or any liquidation or winding up of or relating to the Issuer, whether voluntary or involuntary, all such Obligations of the Issuer shall be entitled to be paid in full before any payment shall be made to the Bondholders in respect of the Bonds. In the event of any such proceedings, after payment in full of all sums owing on such prior Obligations, the Bondholders and any other payment required to be made to a creditor in respect of indebtedness which ranks or is expressed to rank paripassu with the Bonds, shall be entitled to be paid from the remaining assets of the Issuer, the unpaid principal thereof and any unpaid premium, if any, and interest before any payment or other distribution, whether in cash, property or otherwise, shall be made on account of any capital stock or any Obligations of the Issuer ranking junior to the Bonds.

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Brig Gen Shaukat Hossain (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

06/04/22

  
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Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Manzur Mofiz  
Managing Director  
**ONE Bank**  
LIMITED

### 13. DESCRIPTION OF THE ISSUER: ONE BANK LIMITED

#### A. Capital Structure

**Authorized capital:** BDT 10,000,000,000 (as of 30 June 2021)

**Paid-up capital:** BDT 9,340,404,560 (as of 30 June 2021)

*Table 1: Capital Structure of ONE Bank Limited as of 30 June 2021*

Sl. No.	Shareholder's Group	No. of Shares Held	% of Total Shares	No. of Shareholders
1	Sponsors/Directors	299,483,933	32.063%	17
2	Institute	265,118,774	28.384%	584
2	Foreign	2,671,280	0.286%	73
3	General Shareholders	366,766,469	39.267%	24,166
	<b>Total</b>	<b>934,040,456</b>	<b>100.00%</b>	<b>24,835</b>

#### B. Business

ONE Bank Limited (OBL) is a private sector commercial bank incorporated on May 12, 1999 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. 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 Chattogram Stock Exchange Ltd. Currently, the number of branches of the Bank is one hundred seven (107) with twenty five (25) sub-branches and the number of ATM booths is one hundred forty five (145). In addition, the company has two subsidiary companies namely ONE Securities Limited and ONE Investment Limited.

The bank has increased its total number of ATM booths to 145 currently covering all division of the country. OBL has expanded its ATM network by joining NPSB (National Payment Switch of Bangladesh) and Q-Cash networks. OBL has also operating its remittance business through Remittance Agency partnerships to facilitate inflow of foreign exchange remittance from Non-resident Bangladeshis. To achieve competitive advantage, OBL has effectively upgraded its information technology system with new Core Banking Solution "Oracle Flexcube UBS" with its latest version 11.2 in 2011. Since then the bank has taken up a number of initiatives such as enhancement in fund transfer, air time and bill payment through internet banking, integration between SWIFT and core banking system, collection of premium collection software from Metalife Alico and so on.

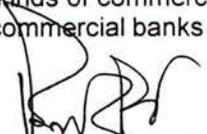
In addition, OBL has also developed few more in-house software such as goAML (for reporting Bangladesh Bank for Anti Money Laundering), online leave management etc. The bank carries out continuous up gradation of its software in order to provide its consumers with easier and upgraded banking facilities.

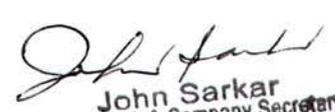
OBL offers all types of commercial banking products and services. The major heads of services are retail, corporate, and SME banking. OBL provides all personal banking products like deposit, loan, and card services for its clients. In addition it performs fund transfer and other jobs for individual customers. Further to savings, and current accounts this bank offers several attractive deposit schemes for its clients. Most of them are designed to encourage saving habits of limited income people. Moreover, OBL provides all kinds of commercial banking services as well as various deposit and loan schemes like other private commercial banks and has Mobile SMS Alerts, VISA Debit, Credit

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Brig Gen Shaukat Hossain (Retd)  
 Managing Director & CEO  
 Sena Kalyan Insurance Company Ltd.

06104122

  
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**ONE Bank**  
LIMITED  
 Corporate HQ, Dhaka.

  
**John Sarkar**  
 DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
**Md. Monzur Mofiz**  
 Managing Director  
**ONE Bank**  
LIMITED

and Prepaid cards, online banking, ATM banking and locker service under its services portfolio. The bank has introduced OK Wallet that allows customers to pay tuition fees, buying insurance package and cash out for Pathao rider etc. through the OK Wallet App. The bank also provides facilities for inward foreign remittance through its branches, sub-branches, agent banking outlet and Mobile Financial Service namely OK Wallet.

OBL is one of the first banks who fruitfully implemented Automated Cheque Clearing Process. The bank is performing all its fund transfer activities with other banks through the Bangladesh Electronic Fund Transfer Network in all branches of big metropolitan cities. The bank also taken initiatives to extend its mobile banking service, establishment of Call Center to provide 24/7 services, automated document management system etc.

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 also set up a separate Unit for Agriculture and Rural Financing.

### C. Management

#### 1) MANAGING DIRECTOR: MD. MONZUR MOFIZ

##### a. EDUCATIONAL INFORMATION:

B.Sc. in Civil Engineering from BUET, Dhaka  
MBA in Finance from IBA, University of Dhaka (1999)

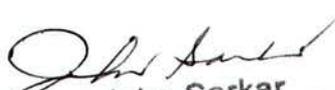
##### b. JOB EXPERIENCE:

Institute/Organization	Joining Designation	Service Duration
ONE Bank Ltd.	Joined as AMD & Serving as Head of Business & CRO	July 01, 2019 to date he promoted to Managing Director
Dutch-Bangla Bank Ltd.	DMD & CBO	December 2016 to June 2019
The City Bank Ltd.	SEVP & Head of Commercial Banking	September 2013 to December 2016
AB Bank Ltd.	Chief Officer	September 1999 to September 2013
Ministry of Education, Govt. of Bangladesh	Assistant Engineer	March 1994 to September 1999
Sonali Bank Ltd.	Assistant Engineer	December 1993 to February 1994
Padma Architect and Engineers Ltd.	Structural Engineer	October 1992 to November 1993

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Brig Gen Shaikhur Rahman, Esq (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.  
06/04/22

  
Parul Das FCA  
Chief Financial Officer  
ONE Bank LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
ONE Bank LIMITED

  
Md. Monzur Mofiz  
Managing Director  
ONE Bank LIMITED  
10/2/19

## 2) ADDITIONAL MANAGING DIRECTOR: MR. ABU ZAFOR MD. SALEH

### ACADEMIC BACKGROUND:

B.S.S. (Hons), M.S.S. in Economics from University of Dhaka.

### B. PROFESSIONAL QUALIFICATION:

Banking Diploma Examination Part-I & II from the Institute of Bankers Bangladesh  
 Diploma in Financial Management from Bangladesh Institute of Management  
 L.L.B. from National University

### C. CAREER SUMMARY:

Name of Organization	Role/Position	Duration	Responsibilities/Area
ONE Bank Limited	Additional Managing Director	November 21, 2021 to date	Head of Islami Banking
Islamic Finance and Investment Limited	Managing Director & CEO	June 07, 2018 to June 06, 2021	Managing Director
NCC Bank Limited	Deputy Managing Director	June 06, 2015 to June 03, 2018	Head of Business
NCC Bank Limited	Senior Executive Vice President	November 26, 2013 to June 03, 2015	Head of Corporate
ONE Bank Limited	Senior Executive Vice President	January 14, 2004 to November 24, 2013	Head of Branches, Head of Retail, Head of SME & CAMLCO
The Oriental Bank Limited	Vice President & Manager	October 24, 2002 to January 13, 2004	Head of Branch
Dutch-Bangla Bank Limited	Senior Assistant Vice President	March 03, 1998 to October 23, 2002	Head of Branches, General Services Division and Head of Human Resources and Training Division
Prime Bank Limited	Senior Principal Officer	December 17, 1997 to March 02, 1998	Sub-Manager
Standard Credit Limited	Senior Officer	March 04, 1989 to December 15, 1997	Local Office, Dhaka
Agrani Bank Limited	Probationary Officer	February 20, 1986 to March 03, 1989	-----

### D. MAJOR PROJECTS IN PROFESSIONAL CAREER:

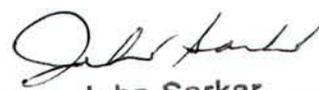
- Head of Business of the Bank
- Chief Anti Money Laundering Compliance Officer of the Bank
- Corporate & Business Banking Division
- SME & Retail Banking Division
- International Division including Financial Institution Department
- Marketing & Branches Division
- Public Relation & Brand Management Department etc.

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Brig Gen Shafiqul Islam psc (Retd)  
 Managing Director & CEO  
 Sena Kalyan Insurance Company Ltd.

06/04/22

  
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**John Sarkar**  
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**ONE Bank**  
LIMITED

  
 Md. Monzur Mo  
 Managing Director  
**ONE Bank**  
LIMITED

**E. TRAININGS & WORKSHOPS:**

- Breakthrough Leadership in Malaysia organized by The Iclif Leadership and Governance Centre.
- International Financial Institutions Conference in Thailand
- Financing SMEs: Demystifying Myths and Realities at Hotel Ruposhi Bangla, Dhaka
- Standard Chartered Bank's China RMB Clearing & Trade Service Capability organized by Standard Chartered Bank Ltd
- Investing Across Borders organized by Metropolitan Chamber of Commerce and Industries
- Environmental Risk Management organized by Bangladesh Bank
- SRP (Supervisory Review Process)-SREP (Supervisory Review & Evaluation Process) Dialogue on ICAAP (Internal Capital Adequacy Appraisal Process) arranged by the Risk Management Unit of ONE Bank Ltd
- International Seminar on Trade Risk at Singapore
- International Seminar on Correspondent Banking at Bangkok, Thailand
- Attended several training on Export, Import & Foreign Remittance, Export Marketing Strategy Formulation, Foreign Exchange and Foreign Trade, General Banking, Advance & Foreign Exchange etc.

**3) DEPUTY MANAGING DIRECTOR: JOHN SARKAR**

**a. EDUCATIONAL INFORMATION:**

MSS in Economics from Jagannath University College under University of Dhaka

**b. JOB EXPERIENCE**

- Joined ONE Bank Ltd on June 1, 1999. Presently serving as Deputy Managing Director & Head of HR & Company Secretary.
- Joined AB Bank Ltd. as a Probationary Officer (1986). Last served AB Bank in the rank of Chief Officer in HR.

**4) ADDITIONAL DEPUTY MANAGING DIRECTOR: A. B. M. SAIF SARWAR**

**a. EDUCATIONAL INFORMATION:**

M. Com. from University of Chittagong (1985)

**b. JOB EXPERIENCE**

- Joined ONE Bank Ltd. on September 26, 2000. Presently serving as an Additional Deputy Managing Director and Head of Corporate Asset Marketing (South).
- Served in Eastern Bank Limited as Senior Assistant Vice President & Branch Manager from December, 1997 to September, 2000.
- Served as Associate Relationship Manager in American Express Bank Limited from January, 1992 to November, 1997.
- Started career in Bank of Credit & Commerce International (Overseas) Limited as an Officer in October, 1989.

**5) SENIOR EXECUTIVE VICE PRESIDENT: PARUL DAS**

**A. ACADEMIC BACKGROUND:**

- MBA (Accounting) from University of Chattogram.

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Brig Gen Shaikhur Rahman (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

06/04/22

  
**Parul Das FCA**  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
**John Sarkar**  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
**Md. Monzur Mo**  
Managing Director  
**ONE Bank**  
LIMITED

**B. PROFESSIONAL QUALIFICATION:**

- Chartered Accountant from ICAEW (Institute of Chartered Accountants of England & Wales)
- FCA (Fellow Member of the Institute of Chartered Accountants of Bangladesh (ICAB))

**C. CAREER SUMMARY :**

Name of Organization	Role/Position	Duration	Responsibilities/Area
ONE Bank Ltd.	Senior Executive Vice President & CFO	March 01, 2022 to date	Finance Division
The City Bank Ltd.	Executive Vice President	November, 2010 to February, 2022	Head of Finance
BRAC Bank Ltd.	First Assistant Vice President	December, 2007 to October, 2010	Reporting & Financial Control
Bangladesh Finance & Investment Company Ltd.	Assistant Vice President	May, 2007 to November, 2007	Finance & Operations
Hoda Vasi Chowdhury & Co.	Manager	May, 2005 to January, 2009	Audit & Assurance Services
Bangladesh Bank	Assistant Director	November, 2003 to April, 2006	--

**D. MAJOR PROJECTS IN PROFESSIONAL CAREER**

- Standard Operating Procedures on Financial Transaction
- Restructuring of GL System
- Issuance of non-convertible subordinated tier-II bond as capital
- First time International Credit Rating of the Bank
- Issuance of fresh equity shares to IFC
- Issuance of Perpetual Bond
- Structuring of Zero Coupon Bond

**E. TRAININGS & WORKSHOPS:**

- Senior Leadership Program organized by The City Bank Ltd.
- "Intensive Bank Analysis" in Frankfurt organized by Fitch Learning
- "Global Green Finance Leadership Program" in China Organized by IFC, Tsinghua University, China Council for International Cooperation on Environment & Development
- Attended several training on BASEL-II, Asset Liability Management, Risk Management and attend numerous foreign and local training on implementation of IFRS, IASs etc.

**F. OTHER:**

- Part time Faculty in the Institute of Chartered Accountants of Bangladesh (ICAB)

**6) SENIOR EXECUTIVE VICE PRESIDENT: MD. MANIRUL ISLAM**

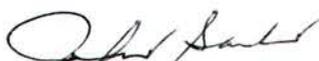
**EDUCATIONAL INFORMATION:**

- M.Com. (major in Accounting) from University of Dhaka.
- MBA (major in Finance) from IBA, University of Dhaka.

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20/06/2022  
 Brig Gen Shaheed Shamin psc (Retd)  
 Managing Director & CEO  
 Sena Kalyan Insurance Company Ltd.

  
 Parul Das FCA  
 Chief Financial Officer  
**ONE BANK LIMITED**  
 Corporate HQ, Dhaka.

  
 John Sarkar  
 DMD & Company Secretary  
**ONE BANK LIMITED**

  
 Md. Monzur Mof  
**ONE BANK LIMITED**

**PRESENT CAREER SUMMARY:**

Joined ONE Bank Limited on March 13, 2017 as a Senior Executive Vice President & Head of CRM, at the Bank's Corporate HQ, Dhaka.

**Name of departments/divisions under his supervision:**

- Credit Risk Management
- MIS & Monitoring Unit
- Project Asset Management (PAM) & CIB Unit
- Card Underwriting
- Retail Finance Center
- R&D

**PREVIOUS EXPERIENCE:**

1. Served Midland Bank Limited from July 2014 to March 12, 2017 as Executive Vice President & Head of Credit Risk Management Division.
2. Served Eastern Bank Limited from May 2007 to June 2014 as Manager, Corporate Credit Risk, Head of SME Credit Risk and Head of Risk Management Unit.
3. Served Standard Chartered Bank, Bangladesh from May 2006 to May 2007 as Relationship Manager, SME Banking (Medium Enterprise).
4. Served Bank Asia from September 2002 to May 2006 as Branch Credit Manager
5. Served as "Lecturer in Accounting" at the Ministry of Education, Government of Bangladesh from January 1999 to August 2002.
6. Started Banking Career at Southeast Bank Limited as a Probationary Officer in December 1996 and served up to January 24, 1999.

**7) SENIOR EXECUTIVE VICE PRESIDENT: MIRZA AZHAR AHMAD****A. ACADEMIC BACKGROUND:**

- MSS (International Relations) from University of Dhaka.

**B. JOB EXPERIENCE**

- Joined ONE Bank Limited on February 01, 2022 as Senior Executive Vice President & presently serving as Head of Operations at the Bank's Corporate HQ, Dhaka.
- Joined Standard Chartered Bank as an Officer on October 24, 1999 and served up to January 31, 2022 as Head, Liabilities and AML CDD, Onboarding, Consumer, Private & Business Banking Operations.
- Served Social Islami Bank Limited as Assistant Officer from August, 1998 to October, 1999.

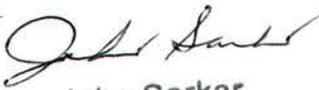
**C. MAJOR PROJECTS IN PROFESSIONAL CAREER**

- BIDA Approval Management
- Integrated Client On boarding
- Individual Client Master
- Client Journey
- Upgrading existing signature verification system
- Online Banking Transactions
- Non-Resident Task Account (NRTA)
- Review of FCY Accounts
- Review of all the 18A/B Clients
- Digitization of client documents
- Movement of archival activity
- Upgrading existing signature verification system

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 06/04/22  
Brig Gen Shalim Shalim, JSC (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mofi  
Managing Director  
**ONE Bank**  
LIMITED

- American Express Bank Integration Project
- Re-carding of ATM Cards
- Migration of the Best Practices
- ANZ Grindlays Bank Intgration

**D. TRAININGS & WORKSHOPS:**

- Internal Financial Crime Risk
- External Financial Crime Risk
- Conflicts of Interests
- Retail Banking: Fraud Risk awareness & Prevention Course for Operations staffs
- Respect at Work
- CyberSAFE
- CDD Certificate for Retail Individual Banking
- Effective Signature Verification Back-End
- Group Cross Border Client Engagement
- An Introduction to Operational Risk Management – Group Regulatory Compliance
- Money Laundering Directives
- First Line Manager Development Program

**D. Profile of Board of Directors**

<b>Name</b>	A.S.M. Shahidullah Khan
<b>Designation</b>	Chairman
<b>Experience in years</b>	40
<b>Date of first appointment</b>	10-01-2004
<b>Date of last re- appointment</b>	24-06-2021
<b>Other Major Business involvement</b>	Managing Director of Media New Age
<b>Academic Qualification</b>	B.Sc. Honours (Physics)

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 participated in the liberation war as a freedom fighter. Presently, he is the Managing Director of Media New Age, publisher of national English Daily the New Age.

<b>Name</b>	Zahur Ullah
<b>Designation</b>	Vice Chairman
<b>Experience in years</b>	34
<b>Date of first appointment</b>	12-05-1999
<b>Date of last re- appointment</b>	10-09-2020
<b>Other Major Business involvement</b>	Chairman of LL Group and Managing Director of GTEX Ltd.
<b>Academic Qualification</b>	B.Com. Honours (Finance)

Mr. Zahur Ullah, Director 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 the buying, manufacturing, and exporting of readymade garments and allied products.

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 Brig Gen Sheikate, Phamirpse (Retd)  
 Managing Director & CEO  
 Sana Kalyan Insurance Company Ltd.

06/04/22

  
**Parul Das FCA**  
 Chief Financial Officer  
**ONE Bank**  
LIMITED  
 Corporate HQ, Dhaka.

  
**John Sarkar**  
 DMD & Company Secretary  
**ONE Bank**  
LIMITED

 Page 26  
  
 Md. Monzur Mui  
 Managing Director  
**ONE Bank**  
LIMITED

<b>Name</b>	<b>Kazi Rukunuddin Ahmed</b>
<b>Designation</b>	Director
<b>Experience in years</b>	50
<b>Date of first appointment</b>	06-10-2001
<b>Date of last re- appointment</b>	24-06-2021
<b>Other Major Business involvement</b>	Private Service
<b>Academic Qualification</b>	B.Sc. (Engr.)

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.

<b>Name</b>	<b>Shawket Jaman</b>
<b>Designation</b>	Director
<b>Experience in years</b>	35
<b>Date of first appointment</b>	29-06-2006
<b>Date of last re- appointment</b>	10-09-2020
<b>Other Major Business involvement</b>	Private Service
<b>Academic Qualification</b>	Graduate

Mr. Shawket Jaman is a Director of ONE Bank Limited, representing M/s. M R Holdings & Securities Limited. He has more than 30 years of rich experience in the Shipping sector of Bangladesh.

<b>Name</b>	<b>Anannya Das Gupta</b>
<b>Designation</b>	Director
<b>Experience in years</b>	15
<b>Date of first appointment</b>	17-01-2021
<b>Date of last re- appointment</b>	24-06-2021
<b>Other Major Business involvement</b>	ShareTrading
<b>Academic Qualification</b>	MBA

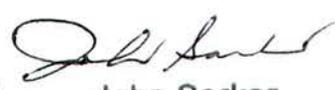
Ms. Anannya Das Gupta is a Director of ONE Bank Limited.

She obtained her MBA in Marketing and Post-Graduation in Management Studies 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 travel.

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06/11/20  
Brig Gen Shafiqul Islam psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

  
**Parul Das FCA**  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
**John Sarkar**  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
**Md. Monzur Mofiz**  
Managing Director  
**ONE Bank**  
LIMITED

<b>Name</b>	Admiral Abu Mozaffar Mohiuddin Mohammad Aurangzeb Chowdhury
<b>Designation</b>	Independent Director
<b>Experience in years</b>	42
<b>Date of first appointment</b>	28-03-2021
<b>Date of last re- appointment</b>	N.A.
<b>Other Major Business involvement</b>	Former Chief of Naval Staff of Bangladesh Navy
<b>Academic Qualification</b>	PhD, MBA
Admiral Aurangzeb Chowdhury (Retd), NBP, OSP, BCGM, PCGM, BCGMS, ndc, psc, Former Chief of Naval Staff & DG Coast Guard is an Independent Director of ONE Bank Limited. Mr. Chowdhury has a brilliant academic track record to his credit. He has obtained MDS, MBA, MPhil, PhD degrees as well as has undergone a good number of trainings at home & abroad. He has achieved numerous medals and awards during his career in Bangladesh Navy such as NBP, OSP, National Integrity Strategy award 2018, President Coast Guard Medal, Bangladesh Coast Guard (service) along with many local & foreign trophies and awards.	

### E. Description of Assets and Liabilities

Total asset as on 30<sup>th</sup> June 2021 and 31<sup>st</sup> December 2020 are furnished below:

	Amount in BDT	
	30-Jun-2021	31-Dec-2020
<b>Cash</b>		
Cash in hand ( including foreign currencies)	2,997,817,765	3,099,564,869
Balance with Bangladesh Bank and its agent Bank	26,564,164,140	26,437,376,200
	<b>29,561,981,905</b>	<b>29,536,941,069</b>
<b>Balance with other banks and financial institutions</b>		
In Bangladesh	4,963,896,296	2,637,146,008
Outside Bangladesh	5,503,915,790	4,387,093,348
	<b>10,467,812,086</b>	<b>7,024,239,356</b>
<b>Investments</b>		
Government	23,658,237,413	25,356,340,064
Others	6,800,698,705	6,960,694,074
	<b>30,458,936,117</b>	<b>32,317,034,138</b>
<b>Loans and Advances/investments</b>		
Loans, cash credit, overdraft etc./investments	220,825,454,316	218,405,027,866
Bills purchased and discounted	2,033,109,830	2,023,692,190
	<b>222,858,564,146</b>	<b>220,428,720,056</b>
<b>Fixed Assets including premises, furniture and fixtures</b>	<b>2,943,585,671</b>	<b>3,037,810,261</b>
<b>Other Assets</b>	<b>12,081,028,917</b>	<b>11,323,733,040</b>
	-	-
<b>Total Assets</b>	<b>308,371,908,842</b>	<b>303,668,477,921</b>

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06/04/22  
Brig Gen Shafiqul Shamim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

30  
Md. Monzur Mofiz  
Managing Director  
**ONE Bank**  
LIMITED

Total Liabilities on 30<sup>th</sup> June 2021 and 31<sup>st</sup> December 2020 are furnished below:

	Among in BDT	
	30-Jun-2021	31-Dec-2020
<b>Liabilities</b>		
Borrowings from other Banks, FIs and Agent	<b>22,544,259,252</b>	<b>21,322,835,943</b>
Tier I and Tier II Bonds	<b>6,900,000,000</b>	<b>6,900,000,000</b>
	<b>29,444,259,252</b>	<b>28,222,835,943</b>
<b>Deposits and other accounts</b>		
Current/Al-wadeeah current account and other account	26,485,504,820	25,600,825,688
Bills payable	2,884,035,856	2,561,617,392
Savings accounts/Mudaraba savings bank deposit	28,754,048,068	26,768,261,590
Fixed Deposit/Mudaraba fixed deposits	171,353,704,386	174,138,577,055
	<b>229,477,293,130</b>	<b>229,069,281,724</b>
Other Liabilities	<b>30,982,200,050</b>	<b>29,246,923,110</b>
<b>Total Liabilities</b>	<b>289,903,752,432</b>	<b>286,539,040,777</b>

#### F. Description of previously issued debt or securities

1) Previously issued Tier I and II Bonds:

Issue Date	Amount Issued in BDT	Amount Repaid in BDT	Outstanding in BDT as on 30 June 2020
26-Dec-2013	220.00 crore	220.00 crore	Nil
27-Oct-216	400.00 crore	160.00 crore	240.00 crore
12-Dec-2018	400.00 crore	Nil	400.00 crore
30-Dec-2020	50.00 crore*	Nil	50.00 crore

\*Perpetual bond

2) Previously issued Equity Securities:

Particulars of allotment	Year	Number of issued shares			Amount of Share Capital (Tk.)
		Cash	Bonus	Other than Cash	
1st (At the time of incorporation) (Face value TK 100 each)	1999	2,025,000			202,500,000
2nd (Face value TK 100 each)	2001		182,250		18,225,000
3rd (Face value TK 100 each)	2002		419,378		41,937,800
4th (Face value TK 100 each)	2003	433,372 (Right)			43,337,200
5th (Face value TK 100 each)	2003	2,940,000			294,000,000
6th (Face value TK 100 each)	2003		900,000		90,000,000

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06/04/22  
 Brig Gen Shamque, BSc (Retd)  
 Managing Director & CEO  
 Sena Kalyan Insurance Company Ltd.

Parul Das FCA  
 Chief Financial Officer  
**ONE Bank**  
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 Corporate HQ, Dhaka

John Sarkar  
 DMD & Company Secretary  
**ONE Bank**  
LIMITED

Md. Monzur Mof  
 Managing Director  
**ONE Bank**  
LIMITED

7th (Face value TK 100 each)	2004	1,173,000	117,300,000
8th (Face value TK 100 each)	2005	807,300	80,730,000
9th (Face value TK 100 each)	2006	1,509,651	150,965,100
10th (Face value TK 100 each)	2007	2,597,487	259,748,700
11th (Face value TK 100 each)	2008	2,597,487	259,748,700
12th (Face value TK 100 each)	2009	4,987,176	498,717,600
13th (Face value TK 10 each)	2010	113,146,550	1,131,465,500
14th (Face value TK 10 each)	2011	95,660,268	956,602,680
15th (Face value TK 10 each)	2012	62,179,174	621,791,740
16th (Face value TK 10 each)	2013	47,670,700	476,707,000
17th (Face value TK 10 each)	2014	65,547,212	655,472,120
18th (Face value TK 10 each)	2015	73,740,614	737,406,140
19th (Face value TK 10 each)	2016	66,366,552	663,665,520
20th (Face value TK 10 each)	2017	36,501,604	365,016,040
21th (Face value TK 10 each)	2018	76,653,368	766,533,680
22th (Face value TK 10 each)	2019	42,159,352	421,593,520
23th (Face value TK 10 each)	2020	48,694,052	486,940,520
<b>Total</b>			<b>9,340,404,560</b>

## G. DESCRIPTION OF ENCUMBERED AND UNENCUMBERED ASSETS WITH VALUE THEREOF

ONE Bank Limited did not hold any encumbered assets/ securities as on 30 June 2021.

The value of the assets of ONE Bank Limited (including Off Shore Banking Operations) comprises of Cash, Loans and Advances/Investments, Fixed Assets including premises, furniture and fixtures, etc. and as of 30 June 2021 was BDT 308,371,908,842 and the total value of these assets is unencumbered.

Particulars	Amount in BDT	
	30-Jun-2021	31-Dec-2020
<b>Cash</b>		
Cash in hand ( including foreign currencies)	2,997,817,765	3,099,564,869
Balance with Bangladesh Bank and its agent Bank	26,564,164,140	26,437,376,200
	<b>29,561,981,905</b>	<b>29,536,941,069</b>
<b>Balance with other banks and financial institutions</b>		
In Bangladesh	4,963,896,296	2,637,146,008
Outside Bangladesh	5,503,915,790	4,387,093,348
	<b>10,467,812,086</b>	<b>7,024,239,356</b>
<b>Investments</b>		
Government	23,658,237,413	25,356,340,064
Others	6,800,698,705	6,960,694,074
	<b>30,458,936,117</b>	<b>32,317,034,138</b>

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06/09/22  
 Brig Gen Shafique, Shaikh (Retd)  
 Managing Director & CEO  
 Sena Kalyan Insurance Company Ltd.

  
 Parul Das FCA  
 Chief Financial Officer  
 ONE Bank  
 LIMITED  
 Corporate HQ, Dhaka.

  
 John Sarkar  
 DMD & Company Secretary  
 ONE Bank  
 LIMITED

  
 Md. Monzur Mofiz  
 Managing Director  
 ONE Bank  
 LIMITED

<b>Loans and Advances/investments</b>		
Loans, cash credit, overdraft etc./investments	220,825,454,316	218,405,027,866
Bills purchased and discounted	2,033,109,830	2,023,692,190
	<b>222,858,564,146</b>	<b>220,428,720,056</b>
<b>Fixed Assets including premises, furniture and fixtures</b>	<b>2,943,585,671</b>	<b>3,037,810,261</b>
<b>Other Assets</b>	<b>12,081,028,917</b>	<b>11,323,733,040</b>
	-	-
<b>Total Assets</b>	<b>308,371,908,842</b>	<b>303,668,477,921</b>

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06/04/22  
Brig Gen Shafique, Shamim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur MC  
Managing Director  
**ONE Bank**  
LIMITED

## 14. AUDITED FINANCIAL STATEMENTS AS AT 30 JUNE 2021 OF THE ISSUER, ONE BANK LIMITED

### a. Balance Sheet (as at 30 June 2021)

ONE Bank Limited and its Subsidiaries  
 Consolidated Balance Sheet  
 As at 30 June 2021

	Notes	Amount in Taka	
		30.06.2021	31.12.2020
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>			
Cash in hand (including foreign currencies)	3 (a)	2,997,817,765	3,099,564,869
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		26,564,164,140	26,437,376,200
		29,561,981,905	29,536,941,069
<b>Balance with other Banks and Financial Institutions</b>			
In Bangladesh	4 (a)	4,963,896,290	2,637,146,008
Outside Bangladesh		5,503,915,790	4,387,093,348
		10,467,812,086	7,024,239,356
<b>Money at call on short notice</b>			
<b>Investments</b>			
Government	6 (a)	23,658,237,413	25,356,340,064
Others		6,800,698,705	6,960,691,071
		30,458,936,117	32,317,034,138
<b>Loans and Advances/investments</b>			
Loans, cash credit, overdraft etc./investments	7 (a)	220,825,454,316	218,405,027,866
Bills purchased and discounted		2,033,109,830	2,023,692,190
		222,858,564,146	220,428,720,056
<b>Fixed Assets including premises, furnitures &amp; fixtures</b>			
Other Assets	8 (a)	2,943,585,671	3,037,810,261
Non-banking Assets	9 (a)	12,081,028,917	11,323,733,040
		-	-
<b>Total Assets</b>		<b>308,371,908,842</b>	<b>303,668,477,921</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other Banks, Financial Institutions and agent	10 (a)	22,544,259,252	21,322,835,943
Non-convertible subordinated bond and contingent-convertible perpetual bond	10 (b)	6,900,000,000	6,900,000,000
<b>Deposits and other accounts</b>			
Current/Al-wadeeah current account and other account	11 (a)	26,485,504,820	25,600,825,688
Bills payable		2,884,035,856	2,561,617,392
Savings accounts/Mudaraba savings bank deposit		28,754,048,068	26,768,261,590
Fixed Deposit/Mudaraba fixed deposits		171,353,704,386	174,138,577,055
		229,477,293,130	229,069,281,724
Other Liabilities	12 (a)	30,982,200,050	29,246,923,110
		289,903,752,432	286,539,040,777
<b>Total Liabilities</b>			
<b>Capital/Shareholders' Equity</b>			
Paid-up Capital	13.2	9,340,404,560	8,853,464,040
Statutory Reserve	14	6,802,718,597	6,430,798,085
Surplus in profit & loss account	15.1.a	2,280,458,185	1,801,400,626
Revaluation reserve for securities		11,793,968	11,908,123
		18,435,375,310	17,097,570,873
<b>Total Shareholders' Equity</b>		<b>32,781,101</b>	<b>31,866,271</b>
Non-controlling Interest	15.1.c	32,781,101	31,866,271
		308,371,908,842	303,668,477,921

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Brig Gen Shauque, Shamin psc (Retd)  
 Managing Director & CEO  
 Sena Kalyan Insurance Company Ltd.

06/09/22

Parul Das FCA  
 Chief Financial Officer  
**ONE Bank**  
LIMITED  
 Corporate HQ, Dhaka.

John Sarkar  
 DMD & Company Secretary  
**ONE Bank**  
LIMITED

Md. Monzur Mofiz  
 Managing Director  
**ONE Bank**

Notes	Amount in Taka	
	30.06.2021	31.12.2020

**OFF BALANCE SHEET ITEMS**

**Contingent Liabilities**

Acceptances and Endorsements	25,486,295,838	30,449,543,760
Letters of Guarantee	13,253,624,808	13,082,189,159
Irrevocable Letters of Credit	21,653,324,218	19,014,867,606
Bills for Collection	1,709,311,788	1,306,099,289
Other Contingent Liabilities	-	-
	<b>62,102,556,652</b>	<b>63,852,699,814</b>

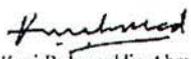
**Other Commitments**

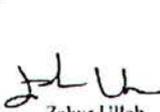
<b>Total off-Balance Sheet items including contingent liabilities</b>	<b>62,102,556,652</b>	<b>63,852,699,814</b>
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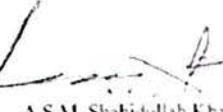
<b>Net Asset Value Per Share</b>	<b>34</b>	<b>19.74</b>	<b>18.30</b>
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These Financial Statements should be read in conjunction with the annexed notes 1 to 39.

  
M. Fakhru Alam  
Managing Director

  
Kazi Rukunuddin Ahmed  
Director

  
Zahur Ullah  
Vice-Chairman

  
A.S.M. Shahidullah Khan  
Chairman

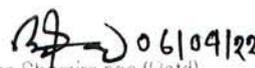
See annexed report of even date.

Dhaka, 28 September 2021

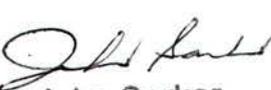
MABS & J Partners  
Chartered Accountants,

  
Nasir Uddin Ahmed, FCA, FCS, CGMA, ACMA (UK)  
Senior Partner  
ICAB Enrollment No: 535  
DVC No:

Strictly Private & Confidential

  
Brig Gen Shafique, Shamin psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mofi,  
Managing Director  
**ONE Bank**  
LIMITED

**b. Profit & Loss Account (for the year ended 30 June 2021)**

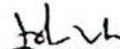
ONE Bank Limited and its Subsidiaries  
Consolidated Profit & Loss Account  
For the period from 01 January 2021 to 30 June 2021

	Amount in Taka	
	January to June	
	2021	2020
Interest income/profit on investment	16 (a) 8,705,229,163	10,555,907,911
Interest paid on deposits and borrowings etc.	17 (a) (6,052,592,635)	(8,529,846,434)
<b>Net interest income</b>	<b>2,652,636,528</b>	<b>2,026,061,477</b>
Investment income	18 (a) 1,104,327,520	1,401,288,581
Commission, exchange and brokerage	19 (a) 776,277,371	467,780,985
Other operating income	20 (a) 291,938,527	330,021,084
<b>Total operating income (A)</b>	<b>4,825,179,951</b>	<b>4,225,152,127</b>
Salaries and allowances	21 (a) 1,423,125,774	1,509,322,054
Rent, taxes, insurance, electricity etc.	22 (a) 276,255,453	356,113,409
Legal expenses	23 (a) 37,535,982	33,651,868
Postage, stamps, telecommunication etc.	24 44,263,824	37,051,545
Directors' fees	25 (a) 501,600	510,000
Auditors' fees	295,000	165,000
Stationery, printings, advertisements etc.	26 (a) 102,254,050	154,855,894
Managing Director's salary and allowances (Bank only)	27 6,120,000	6,800,000
Depreciation, leasing expense and repair of bank's assets	28 (a) 473,193,419	318,737,221
Other expenses	29 (a) 208,203,889	176,963,783
<b>Total operating expenses (B)</b>	<b>2,571,948,991</b>	<b>2,592,110,744</b>
<b>Profit/(loss) before provision and tax (C=A-B)</b>	<b>2,253,230,960</b>	<b>1,633,041,383</b>
Provision for loans and advances	30.1	
Specific provision	(186,406,748)	8,045,993
General provision	505,742,078	106,177,543
	319,335,329	114,223,536
Provision for off-balance sheet items	30 (41,680,230)	(34,268,449)
Provision for diminution in value of share	31 -	93,955,211
Provision for other	13,130,224	-
<b>Total Provision (D)</b>	<b>290,785,333</b>	<b>173,910,298</b>
<b>Profit/(loss) before taxes (E=C-D)</b>	<b>1,962,445,626</b>	<b>1,459,131,085</b>
Provision for taxation	32 (a)	
Current tax expense	625,221,583	598,102,253
Deferred tax expense/(income)	(1,609,767)	(3,989,483)
	623,612,216	594,112,770
<b>Net Profit after taxation</b>	<b>1,338,833,410</b>	<b>865,018,310</b>
Attributable to:		
Shareholders of the ONE Bank Ltd	1,337,918,591	864,871,768
Non-controlling Interest	914,829	146,541
	1,338,833,410	865,018,310
Retained surplus brought forward	15.1.b 1,214,460,106	1,601,772,114
Add: Net profit after tax (attributable to shareholder of OBL)	1,337,918,591	864,871,768
	2,652,378,697	2,466,643,912
<b>Appropriations:</b>		
Statutory Reserve	14 371,923,512	290,257,952
General Reserve	-	-
	371,923,512	290,257,952
<b>Retained Surplus</b>	<b>2,280,455,185</b>	<b>2,176,385,960</b>
<b>Earnings per share (EPS)</b>	35 1.43	0.93

These Financial Statements should be read in conjunction with the annexed notes 1 to 9.

  
M. Farukul Alam  
Managing Director

  
Kazi Rukunuddin Ahmed  
Director

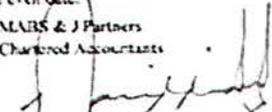
  
Zahur Ullah  
Vice Chairman

  
A.S.M. Saadul Kabir  
Chairman

Dhaka, 28 September 2021

See annexed report of even date.

MAHS & J Partners  
Chartered Accountants

  
Nasir Uddin Ahmed, FCA, FCS, CGMA, ACMA(UK)  
Senior Partner  
ICAB Enrolment No: 535

Strictly Private & Confidential

  
Brig Gen Shafiga Shaheen psc (Retd)  
Managing Director & CEO  
Sena Kalvan Insurance Company Ltd.  
06/04/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mafiz  
Managing Director  
**ONE Bank**  
LIMITED

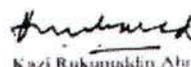
**c. Cash Flow Statement (for the year ended 30 June 2021)**

**ONE Bank Limited and its Subsidiaries**  
**Consolidated Cash Flow Statement**  
**For the period from 01 January 2021 to 30 June 2021**

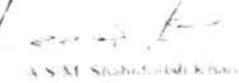
Notes	Amount in Taka	
	January to June	
	2021	2020
<b>Cash flows from operating activities</b>		
Interest receipts in cash	8,119,685,067	11,760,952,499
Interest payments	(6,515,773,457)	(9,596,801,152)
Dividend receipts	98,479,923	11,525,911
Fee and commission receipts in cash	441,501,757	321,977,514
Recoveries of loans previously written off	30,278,093	7,673,428
Cash payments to employees	(1,325,096,817)	(1,417,158,023)
Cash payments to suppliers	(253,343,813)	(308,762,547)
Income Taxes paid	(509,546,011)	(611,682,327)
Receipts from other operating activities	669,563,407	475,809,467
Payment for other operating activities	(664,135,272)	(567,248,467)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>	<b>91,613,206</b>	<b>81,286,204</b>
<b>Increase/(decrease) in operating assets and liabilities</b>		
Sales/(purchase) of trading securities	1,356,445,753	2,419,007,961
Loans and advances to customers	(2,429,844,090)	(5,587,258,690)
Other current assets	(329,530,112)	(588,131,525)
Deposits from other banks/ Borrowings	1,671,465,349	(467,943,213)
Deposits from customers	1,748,464,820	(4,986,817,787)
Other liabilities	81,204,320	830,133,149
<b>A Net cash used in/ from operating activities</b>	<b>2,919,759,226</b>	<b>(8,379,743,606)</b>
<b>Cash flows from investing activities</b>		
Sales/(purchase) of securities	699,672,466	742,546,052
Net Purchase/sale of fixed assets	(133,038,237)	(74,096,107)
<b>B Net cash used in investing activities</b>	<b>566,634,223</b>	<b>668,450,815</b>
<b>Cash flows from financing activities</b>		
Receipts from issue of ordinary shares		
Dividend paid		
<b>C Net cash used for financial activities</b>		
<b>D Net increase/(decrease) in cash and cash equivalent (A+B+C)</b>	<b>3,486,595,449</b>	<b>(7,711,292,790)</b>
<b>E Effects of exchange rate changes on cash and cash-equivalent</b>	<b>2,667,117</b>	<b>(5,736,933)</b>
<b>F Opening cash and cash equivalent</b>	<b>36,562,760,625</b>	<b>33,397,314,000</b>
<b>G Closing cash and cash equivalents (D+E+F)</b>	<b>40,031,821,191</b>	<b>25,680,305,256</b>
<b>Closing cash and cash equivalents</b>		
Cash in hand (including foreign currencies)	<b>3 (a)</b> 2,997,817,765	2,735,268,480
Cash with Bangladesh Bank & its agent banks(s)	<b>3 (a)</b> 26,564,164,340	19,137,525,765
Cash with other banks and financial institutions	<b>4 (a)</b> 10,467,812,086	3,805,910,267
Money at call on short notice	<b>5</b>	
Prize bonds	<b>6</b> 2,027,200	1,680,988
	<b>40,031,821,191</b>	<b>25,680,305,256</b>
<b>Net Operating Cash Flow Per Share</b>	<b>36</b> 3.13	(8.97)

These Financial Statements should be read in conjunction with the annexed notes 1 to 39

  
M. Fakhrul Alam  
Managing Director

  
Kazi Rukunuddin Ahmed  
Director

  
Zahur Ullah  
Vice-Chairman

  
A.S.M. Shahidul Alam Khan  
Chairman

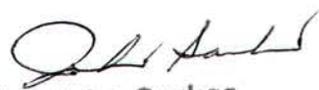
Dhaka, 28 September 2021

Strictly Private & Confidential

  
Brig Gen Shaifur Shamim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

06/09/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

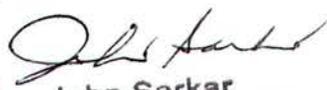
  
Md. Monzur Mof  
Managing Director  
**ONE Bank**  
LIMITED

For the detailed Audited Financials as at 30 June 2021, please see Annexure 2.

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Brig Gen Shahique Shamim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.  
06/04/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
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Md. Monzur Mo  
Managing Director  
**ONE Bank**  
LIMITED

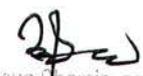
## 15. COMPARATIVE FINANCIAL STATEMENTS FOR LAST THREE YEARS

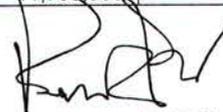
Comparative financials of ONE Bank Limited is provided below.

### Balance Sheet: ONE Bank Limited

Particulars in BDT	30-Jun-21	31-Dec-20	31-Dec-19	31-Dec-18
<b>PROPERTY AND ASSETS</b>				
Cash				
In hand (including foreign currencies)	2,997,817,765	3,099,564,869	2,201,368,803	1,781,097,675
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	26,564,164,140	26,437,376,200	22,174,633,442	17,057,292,079
Balance with other banks and financial institutions				
In Bangladesh	4,963,896,296	2,637,146,008	2,475,700,385	2,694,400,531
Outside Bangladesh	5,503,915,790	4,387,093,348	6,293,989,730	3,308,320,833
Money at call and short notice			250,000,000	
Investments				
Government	23,658,237,413	25,356,340,064	28,490,617,393	23,026,367,806
Others	6,800,698,705	6,960,694,074	7,633,878,587	8,102,272,929
Loans and advances				
Loans, cash credits, overdrafts, etc.	220,825,454,316	218,405,027,866	212,607,966,764	196,132,459,693
Bills purchased and discounted	2,033,109,830	2,023,692,190	2,707,565,191	2,825,968,833
Fixed assets including land, building, furniture and fixtures	2,943,585,671	3,037,810,261	2,654,197,783	2,032,793,338
Other assets	12,081,028,917	11,323,733,040	10,555,889,252	9,209,971,079
Non-banking assets				
<b>TOTAL ASSETS</b>	<b>308,371,908,842</b>	<b>303,668,477,921</b>	<b>298,045,807,332</b>	<b>266,170,944,794</b>
<b>LIABILITIES AND CAPITAL</b>				
Liabilities				
Borrowings from other banks, financial institutions and agents	22,544,259,252	21,322,835,943	21,634,274,579	22,622,343,604
Deposits and other accounts				
Current deposits and other accounts	26,485,504,820	25,600,825,688	18,882,421,515	20,953,204,202
Bills payable	2,884,035,856	2,561,617,392	2,371,930,725	1,570,585,187
Savings bank deposits	28,754,048,068	26,768,261,590	21,377,433,366	17,869,437,115
Term deposits	171,353,704,386	174,138,577,055	185,233,119,775	161,905,184,920
Other liabilities	30,982,200,050	29,246,923,110	24,753,123,537	19,424,705,165
Subordinated debt	6,900,000,000	6,900,000,000	7,640,000,000	7,280,000,000
<b>TOTAL LIABILITIES</b>	<b>289,903,752,432</b>	<b>286,539,040,777</b>	<b>281,892,303,497</b>	<b>251,625,460,191</b>
Shareholders' equity				
Paid up share capital	9,340,404,560	8,853,464,040	8,431,870,520	7,665,336,840
Share premium				
Statutory reserve	6,802,718,597	6,430,798,085	6,082,448,575	5,572,188,014
Surplus in profit & loss account (Prior year's balance restated)	2,280,458,185	1,801,400,626	1,599,345,193	1,268,580,761
Revaluation reserve for securities	11,793,968	11,908,123	9,087,403	8,262,217

Strictly Private & Confidential

  
 Brig Gen Shafique, Shamim psc (Retd)  
 Managing Director & CEO  
 Sena Kalyan Insurance Company Ltd.  
 06/04/22

  
 Parul Das FCA  
 Chief Financial Officer  
**ONE Bank**  
 LIMITED  
 Corporate HQ, Dhaka.

  
 John Sarkar  
 DMD & Company Secretary  
**ONE Bank**  
 LIMITED

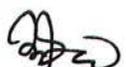
  
 Md. Monzur Mof  
 Managing Director  
**ONE Bank**  
 LIMITED

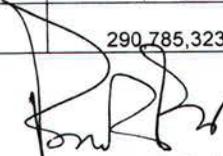
Particulars in BDT	30-Jun-21	31-Dec-20	31-Dec-19	31-Dec-18
TOTAL SHAREHOLDERS' EQUITY	18,435,375,310	17,097,570,873	16,122,751,691	14,514,367,831
Non Controlling Shareholder's Equity	32,781,101	31,866,271	30,752,144	31,116,771
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>308,371,908,842</b>	<b>303,668,477,921</b>	<b>298,045,807,332</b>	<b>266,170,944,794</b>

**Profit and Loss Account: ONE Bank Limited**

Particulars in BDT	30-Jun-21	31-Dec-20	31-Dec-19	31-Dec-18
Interest income	8,705,229,167	19,674,253,108	23,363,158,588	21,045,783,305
Interest paid on deposits and borrowings etc.	(6,052,592,635)	(16,248,678,083)	(17,939,994,698)	(14,729,856,978)
Net interest income	2,652,636,533	3,425,575,025	5,423,163,889	6,315,926,326
Investment income	1,104,327,520	2,790,185,345	1,919,705,066	1,968,035,744
Commission, exchange and brokerage	776,277,371	1,160,071,582	1,448,481,855	1,465,854,816
Other operating income	291,938,527	773,282,154	643,053,121	609,297,675
Total operating income	4,825,179,951	8,149,114,106	9,434,403,932	10,359,114,561
Salary and allowances	1,423,125,774	2,798,580,884	2,986,165,958	2,823,685,506
Rent, taxes, insurance, electricity, etc.	276,255,453	497,827,606	547,404,683	596,266,893
Legal expenses	37,535,982	72,849,146	89,281,674	70,765,967
Postage, stamp, telecommunications, etc.	44,363,824	78,845,753	79,312,543	68,044,581
Stationery, printings, advertisements, etc.	102,254,050	307,061,741	467,568,382	351,336,980
Managing Director & CEO's salary and allowances	6,120,000	12,920,000	14,296,289	14,220,000
Directors' fees	501,600	1,218,000	1,560,750	1,529,750
Auditors' fees	395,000	350,000	340,000	295,000
Depreciation and repair of bank's assets	473,193,419	947,531,750	766,012,858	627,057,599
Other expenses	208,203,889	402,562,941	308,441,185	326,486,590
Total operating expenses	2,571,948,991	5,119,747,821	5,260,384,323	4,879,688,866
Profit before provision	2,253,230,960	3,029,366,285	4,174,019,609	5,479,425,695
Specific provision for loans	(186,406,748)	794,354,912	1,771,860,497	2,627,864,657
General provision for loans	505,742,078	481,719,372	(90,848,241)	334,556,479
General provision for off-balance sheet exposures	(41,680,230)	(91,890,826)	(115,495,593)	66,955,638
Provision for diminution in value of share	-	-	94,291,892	59,428,753
Other provision	13,130,224	-	2,364,897	13,908,315
Total provision	290,785,323	1,184,183,458	1,662,173,452	3,102,713,842

*Strictly Private & Confidential*

  
 Brig Gen Shafique Shamim psc (Retd)  
 Managing Director & CEO  
 Sena Kalyan Insurance Company Ltd.  
 06109122

  
**Parul Das FCA**  
 Chief Financial Officer  
**ONE Bank LIMITED**  
 Corporate HQ, Dhaka.

  
**John Sarkar**  
 DMD & Company Secretary  
**ONE Bank LIMITED**

  
**Md. Monzur Mo**  
 Managing Director  
**ONE Bank LIMITED**

Particulars in BDT	30-Jun-21	31-Dec-20	31-Dec-19	31-Dec-18
Profit before taxes	1,962,445,636	1,845,182,827	2,511,846,157	2,376,711,853
Current tax	625,221,983	446,627,952	889,608,675	986,869,912
Deferred tax	(1,609,767)	3,848,758	15,043,437	(19,733,569)
Provision for taxation				
Net profit after taxation	1,337,918,591	1,393,591,988	1,607,558,673	1,409,431,980
Statutory reserve	371,920,512	348,349,510	510,260,561	468,331,595
Retained surplus to retained earnings	2,280,458,185	1,801,400,626	1,599,345,193	1,268,580,761
Earnings per share (EPS)	1.43	1.57	1.82	1.84

### Cash Flow Statement: ONE Bank Limited

Particulars in BDT	30-Jun-21	31-Dec-20	31-Dec-19	31-Dec-18
<b>A) Cash flows from operating activities</b>				
Interest receipts in cash	8,119,685,067	23,801,336,527	22,676,700,897	21,460,762,675
Interest payments	(6,515,773,457)	(17,457,332,129)	(17,504,306,639)	(13,491,132,881)
Dividend receipts in cash	98,479,923	97,722,552	71,887,030	430,136,779
Fee and commission receipts in cash	441,501,757	765,155,318	859,434,440	933,265,927
Recoveries of loan previously written-off	30,278,393	17,228,565	50,682,911	30,507,493
Cash payments to employees	(1,325,096,837)	(2,803,351,574)	(2,954,586,867)	(2,786,531,390)
Cash payments to suppliers	(253,343,813)	(645,114,954)	(799,986,033)	(689,788,561)
Income taxes paid	(509,546,011)	(1,195,460,912)	(1,234,928,329)	(1,579,688,799)
Receipts from other operating activities	669,563,407	1,179,746,116	1,242,423,203	1,165,008,103
Payments for other operating activities	(664,135,222)	(1,242,866,485)	(1,101,659,093)	(1,042,814,963)
<b>Operating profit before changes in operating assets and liabilities</b>	91,613,206	2,517,063,024	1,305,661,520	4,429,724,382
<b>Increase/(decrease) in operating assets and liabilities</b>				
Purchase /sale of trading securities	1,356,445,733	6,529,160,475	(6,451,746,531)	(3,351,577,115)
Loans and advances to customers	(2,429,844,090)	(5,113,188,100)	(16,357,103,431)	(30,176,628,088)
Other current assets	(329,530,112)	293,457,198	(154,003,222)	396,326
Deposits from other banks	1,671,465,349	697,487,195	3,660,842,782	12,619,523,819
Deposits from customers	1,748,404,820	(1,021,043,476)	22,386,332,687	21,885,730,218
Other liabilities	811,204,320	2,373,019,128	1,987,308,568	232,291,461
<b>Net cash from operating activities</b>	2,919,759,226	6,275,955,444	6,377,292,373	5,639,461,003
<b>B) Cash flows from investing activities</b>				
Proceeds from sale of securities		4,812,823,945	6,347,842,267	11,238,590,407
Payments for purchase of securities		(7,166,763,970)	(3,993,357,510)	(9,097,940,485)
Purchase of property, plant and equipment		(336,611,446)	(209,836,944)	(229,951,851)
Sale proceeds of property, plant and equipment		7,368,998	365,150	426,111
<b>Net cash used in investing activities</b>	546,634,223	(2,683,182,473)	2,145,012,963	1,911,124,182
<b>C) Cash flows from financing activities</b>				
Receipts from issue of loan capital and debt securities				(5,100,000)

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Brig. Gen Shafique, Shamim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

06/09/22

Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

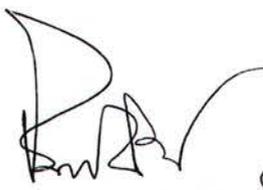
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
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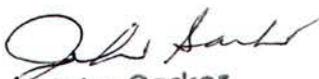
Md. Monzur M  
Managing Director  
**ONE Bank**  
LIMITED

Particulars in BDT	30-Jun-21	31-Dec-20	31-Dec-19	31-Dec-18
Dividends paid		(421,593,526)	-	(1,092,338,477)
Net cash from financing activities		(421,593,526)	-	(1,097,438,477)
D) Net increase / (decrease) in cash (A+B+C)	3,466,393,449	3,171,179,445	8,522,305,336	6,453,146,707
E) Effects of exchange rate changes on cash and Cash Equivalent	2,667,117	(5,732,880)	32,405,708	5,757,665
F) Opening Cash and Cash Equivalents	36,562,760,625	33,397,314,060	24,842,603,017	18,383,698,645
G) Closing Cash and Cash equivalents	40,031,821,191	36,562,760,625	33,397,314,060	24,842,603,017

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**Md. Monzur Mofiz**  
Managing Director  
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## 16. RATIOS ANALYSIS FOR LAST THREE YEARS

Key Ratios of ONE Bank Limited for last few year is provided follows.

Ratios	30-Jun-21	31-Dec-20	31-Dec-19	31-Dec-18
Non-Performing Loan (NPL) to Total Loan (%)	9.19%	8.60%	9.24%	7.05%
Tier 1 Capital to Risk-weighted Asset Ratio	8.94%	8.76%	8.20%	7.43%
Tier 2 Capital to Risk-weighted Asset Ratio	3.93%	4.31%	4.61%	4.55%
Capital to Risk-weighted Asset Ratio (CRAR)	12.87%	13.07%	12.82%	11.98%
Current Ratio (Times)	1.51	1.43	1.71	1.12
Quick Ratio (Times)	1.51	1.43	1.71	1.12
Cost-Income Ratio	54.21%	63.43%	55.85%	47.28%
Credit-Deposit Ratio	84.17%	85.33%	83.88%	83.59%
Debt to Equity Ratio (Before Issue)	36.28%	45.96%	85.40%	106.09%
Debt to Equity Ratio (After Issue)	73.70%	86.32%	132.79%	156.24%
Debt to Total Assets Ratio	4.41%	4.86%	7.18%	8.52%
Debt Service Coverage Ratio (Times)	14.93	7.22	7.40	10.44
Earning base in Assets (%)	82.47%	85.80%	84.93%	86.08%
Net Interest Margin on average total interest earning assets	2.06%	1.33%	2.25%	2.97%
Gross Profit Margin (%)	44.36%	33.40%	34.46%	41.29%
Operating Profit Margin (%)	20.71%	12.42%	15.25%	21.84%
NPAT Margin (%)	12.30%	5.71%	5.87%	5.62%
Return on (average) Investment - ROI (%)	7.08%	8.51%	6.00%	6.88%
Return on (average) Assets - ROA (%)	0.82%	0.44%	0.59%	0.56%
Return on (average) Equity - ROE (%)	14.30%	7.96%	10.90%	9.78%
Asset Turnover Ratio (%)	7.05%	8.03%	9.18%	9.43%
Net Operating Cash Flow to Net Income	2.18	4.50	3.97	4.00
Yield on loans and advances (%)	7.89%	8.80%	11.35%	11.33%
Earnings Per Share – EPS in BDT	1.43	1.57	1.82	1.84
Net Asset Value Per Share – NAVPS in BDT	19.49	19.14	19.04	18.78
Closing Market price per share	12.8	10.6	10.3	15
Price earning (P/E) ratio (Times)	9.52	7.15	5.23	8.25
Market Capitalization (In Millions)	11,955.72	9,384.67	8,684.83	11,498.01

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## 17. CREDIT RATING SUMMARY OF THE ISSUE AND ISSUER

### Credit Rating of Issuer: ONE Bank Limited

Date of Rating	Validity	Rating Action	Long Term	Short Term	Rated By	Outlook
March 10, 2021	March 09, 2022	Surveillance	AA	ST-2	Emerging Credit Rating Ltd (ECRL)	Stable

### Rating Rationale:

Emerging Credit Rating Limited (ECRL) has affirmed **AA** (Pronounced as Double A) long term credit rating and **ST-2** short term credit rating to ONE Bank Limited (*hereinafter referred to as "OBL" or "The Bank"*) based on audited financials of FY2017-2020 and other available information up to the date of rating declaration. The outlook on the rating is **Stable**. The ratings are consistent with ECRL's methodology for this type of company. ECRL considered financial performance, capital base, asset quality, management experience, liquidity management and prospect of the industry while assigning the rating. ECRL is concerned about the real scenario of NPL which will take place after the withdrawal of classification bar imposed by BB for the pandemic time. Based on the real NPL scenario, notably higher provision might be required to cover up the potential bad loans and OBL is under provision-deferral facility of BDT 805.20 million which will have to be provided by FY2021. These altogether along with fall in net interest income for last two years will result deterioration of profitability which is a major potential risk for OBL.

The banking industry has been facing many challenges like slow growth of credit, deposit, excess liquidity, recovery of loans and advance etc. Banks are more cautious about disbursing new loans since maximum interest rate has a cap of 9% and there is no premium of additional risk. Recent COVID-19 pandemic situation has critically worsened overall economic and business environment in the country. With a view to facilitating the existing business environment and aligning with the macroeconomic cycle Bangladesh Bank relaxed the loan classification and provisioning rules for the year 2020 (Jan-Dec) and for the quarter April-June 2021 to facilitate businesses of the country and to encourage participation of the banks in disbursing loans to effected business.

BB has increased the cap of ADR/ IDR by 2% to increase the lendable fund and to increase the liquidity of the Bank, BB has reduced the CRR (Cash reserve requirement) from 5% to 3.5% in daily basis and 5.5% to 4% in bi-weekly basis and repurchase rate (repo) reduced to 4.75% from 5.25%, reverse repo rate to 4% from 4.75%. These all initiatives improved the liquidity position of the banks. The banking sector is infiltrated with all-time high excess liquidity of BDT 2,047 billion as on December 2020 due to low credit growth and also initiatives taken by the regulator. The year was started with excess liquidity of BDT 1,034 billion (end of January 2020) but at the end of the year the excess liquidity became almost double.

Non-performing loan was 8.60% in FY2020 as opposed to 9.24% in prior year. Although the NPL ratio of the bank showed better as compared to earlier year, however, the real picture of NPL did not reflect in the latest financial statements as the bank did not change classification status of loans as per Bangladesh Bank instruction not to classify loans in the year 2020 (Jan to Dec) due to the ongoing covid-19 pandemic. As per correspondence with OBL's management, the bank has formed two separate Special Asset Management Units namely SAM-1 and SAM-2 with a view to expedite recovery from classified loans in addition to the efforts at branch level.

The bank has rescheduled BDT 2,643.40 million in 2020 and did not write off any bad loan during the year. The rescheduled loan was 1.20% of the loan book of the bank while NPLs and rescheduled loans

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together represented 9.80% of the loan book in FY2020 as compared to 11.02% in FY2019. Again, this improvement was the consequence of the flexibility on loan classification in FY2020. On the other hand, the banks top 30 borrowers had an outstanding amount of BDT 70,578.80 million which represent 32.03% of the total loan portfolio of the bank as on 31 December, 2020.

OBL has taken initiatives to strengthen its capital base. The bank issued three subordinated bonds and a perpetual bond where one subordinated bond was fully paid off by the end of 2020. Capital to risk weighted assets ratio (CRAR) of the bank has exceeded the regulatory requirement. CRAR stood at 13.02% against regulatory requirement of 12.50% under Basel III at the end of 2020. However, this is likely that the risk weighted assets of the bank will get higher after the relaxation of classification of the loans and the situation would even get worse if net interest income consistently falls due to the impact of interest rate cap. As a result, there is a risk that CRAR of the bank might fall in the future.

In FY2020, there was a major change in the deposit mix of the bank. Since there is a regulatory cap on lending rate of 9% and deposit rate of 6%, OBL has increased its funding through CASA (Current Account Saving Account) which is relatively cheaper as compared to term deposit. CASA represents 22.82% of the total fund of the bank in FY2020 as compared to 17.65% in FY2019.

In FY2020, deposit growth of OBL stood at only 0.61%, significantly down from 12.61% in the prior year, on the other hand, gross loan growth of OBL in FY2020 was 2.38% which was 8.20% in the last financial year. OBL's loan to deposit ratio stood at 85.33% in the FY2020 which was within the required ceiling of Bangladesh Bank's directive (no more than 87% for general banks, increased for the covid-19 pandemic).

OBL maintained CRR and SLR as per the regulatory requirement. The bank accounted a surplus CRR of BDT 5,423.20 million and a surplus SLR of BDT 5,474.76 as on December 31, 2020 indicating that the Bank has excess liquidity to manage its position in stressful situation. However, as per the liquidity statement, the bank had liquidity gap in short term BDT 33,247.65 million and BDT 32,163.96 million for 1-3 months and 3-12 months bucket respectively but overall there was liquidity surplus of BDT 16,946.73 million.

In terms of profitability, in FY2020, the bank could not perform well due to the pandemic situation, interest cap imposed by BB as well as high competition among the banks and NBFIs. In this period, the bank experienced a low credit growth along with the interest income of the bank fell remarkably by 15.81% due to implementation of maximum 9% interest rate on loans and advances. On the other hand, the interest paid on deposits and borrowings also experienced a fall by 9.42% to stand at BDT 16,266.41 million by the end of FY2020 where OBL also adopted maximum deposit rate of 6% as per the instruction of Bangladesh Bank.

As per correspondence with OBL's management, since interest rate on loan is fixed, the situation is gradually being developed by re-pricing the cost of deposit. In the early of 2020, the cost of deposit of the bank was more than 7% which is expected below 5% by June 2021. This will enhance the net interest income in coming days.

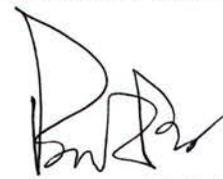
As a part of strategy to lessen the borrowing cost, the bank managed to reduce the short term deposit cost remarkably by 41.38% through offering interest below the 6% but saving deposit as well as term deposit cost had been increased by 11.23% and 2.57% respectively in FY2020 as compared to FY2019 since higher interest rates were agreed earlier.

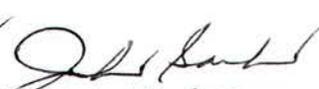
In FY2020, for the first time among the reported years, non-interest income became the major income source with having 57.56% (42.18% in FY2019) of total operating income in its bucket whereas the interest income, core income of the bank comprised 42.44% of total operating income in the same period as compared to 57.82% in FY2019. The shift happened due to the interest rate cap as well as ongoing covid-19 pandemic.

Total operating income of the bank has decreased by 14.27% but operating cost only fell by 2.64% since most of the operating costs are fixed in nature. This has resulted the cost to income ratio of the bank to reach at 63.43% in FY2020 from 55.87% in FY2019 (47.28% in FY2018) this is also distressing for sustainability of the bank.

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Profit before provision and taxes of the bank decreased to BDT 2,924.99 million in FY2020 with a declining rate of 28.99% from the previous year due to negative growth in net interest income along with high operating expenses during the year. On the other hand, provision expense of the bank has decreased by 24.53% due to the relaxation for the classification of the loan instructed by Bangladesh Bank. In contrast, the post-tax profit of the bank fell significantly by 20.89% to stand at BDT 1,313.02 in FY2020 derived from the decrease in operating income of the bank particularly the net interest income which is a major concern for potential growth of the bank.

ECRL views OBL's outlook as **Stable** considering the business position and capital base, however, ECRL is concerned about the uncertainty related to covid-19 pandemic and decline in net interest income caused by implementation of interest rate cap.

✓ **Exhibit 1: Financial Highlights- ONE Bank Limited (OBL)**

FY 31 December	2020	2019	2018	2017
Total Assets (BDT million)	303,516.86	297,873.96	266,049.71	227,201.89
Asset Growth (%)	1.89	11.96	17.10	20.70
Gross Loans (BDT Million)	220,341.55	215,227.83	198,908.75	170,393.47
Gross Loans Growth (%)	2.38	8.20	16.73	29.00
Deposits (BDT Million)	229,484.57	228,091.03	202,546.47	182,674.69
Deposit Growth (%)	0.61	12.61	10.88	19.06
Gross NPL Ratio (%)	8.60	9.24	7.05	5.31
Loan/Deposit Ratio (%)	85.33	83.88	83.59	84.57
Net Interest Income (BDT million)	3,394.71	5,394.78	6,295.01	4,888.06
Net Interest Income Growth (%)	(37.07)	(14.30)	28.78	12.88
Non-Interest Income (BDT million)	4,604.54	3,936.16	3,918.71	4,687.36
Non-Interest Income Growth (%)	16.98	0.45	(16.40)	20.46
Pre-Tax Profit (BDT million)	1,741.75	2,551.30	2,341.66	3,344.63
Post-Tax ROAE (%)	10.61	14.54	9.78	16.14
CRAR (%)	13.02	12.80	11.93	11.56

FY2017-2020 Data Extracted from Audited Financial Statements

### Credit Rating of the Issue: 4th Floating Rate Subordinated Bond

Subsequent Rating					
Sept 16, 2021	Sept 15, 2022	Initial	AA-	Emerging Credit Rating Ltd (ECRL)	Stable

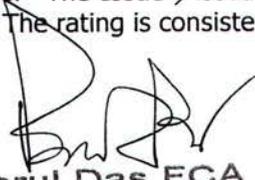
Credit Rating Report of the ONE Bank Limited 4<sup>th</sup> Floating Rate Subordinated Bond has been conducted by Credit Rating Information and Services Limited based on Audited Financial Statements up to 30 June 2021 and other relevant quantitative as well as qualitative information up to the date of rating declaration.

#### Rating Rationale:

Emerging Credit Rating Limited (ECRL) has assigned **AA-** (Pronounced as Double A minus Bond) long term credit rating to ONE Bank Limited's (OBL) 4<sup>th</sup> Subordinated Bond (*hereinafter referred to as "The Subordinated Bond" or "The Bond" or "The Issue"*) issuance of BDT 4,000.00 million in face value. The outlook on the rating is **Stable**. The rating is consistent with ECRL's methodology for this type of Bond ratings.

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06/04/22

The Subordinated Bond, which qualifies as Tier-II capital for ONE Bank Limited, is rated lower than OBL's standalone rating, because of the Subordinated position of the Bond relative to the OBL's depositors and other senior creditors.

Successful issuance of the Bond will strengthen the capital base of ONE Bank Limited. The proceeds from the Bond will facilitate the long term business of the bank leading towards business expansion, enriching credit portfolio and providing supportive cushion to the minimum capital requirement.

Features of the bond include seven years of tenor, redemption will start at the end of year three and there will be five consecutive repayments till the end of the year seven. The bond is featured as floating rate non-convertible subordinated bond with floor rate at 7.50% and capped at 10.50%, half yearly coupon payment. The rate will be determined as benchmark rate plus a margin of 2.50%. Benchmark rate will be calculated as average of most recent month's published fixed deposit rates (6 months tenor) of all Private Commercial Banks (excluding Islami banks and Foreign Banks). Standard Chartered Bank is playing the role of mandated lead arranger and Sena Kalyan Insurance Company Limited is acting as a trustee of the bond.

The covid-19 pandemic has been remaining for very long time with its different variant and wave has made the situation difficult manage and impacted the performance of the bank in terms of business growth, asset quality, capital base, profitability and many more. The financial sector as a whole has been struggling to persist in the last couple of years.

ONE Bank Limited has been exposed to sluggish growth in terms of total assets, loans and advances as well as deposit from FY2020 and onwards due to covid-19 pandemic has been remaining for very long time with its different variant and wave impacting many businesses.

In the first six months total asset of the bank had reached BDT 308,183.67 million which grew by only 1.54% as compared to FY2020. In terms of previous years' performance, in FY2020 total assets reached BDT 303,516.86 million with a growth of merely 1.89% compared to 11.96%, 17.10% and 20.70% in the previous three years. Besides the loans & advances covering the largest portion (72.60%) of the bank's asset composition, investment (9.88%) and cash (9.73%) were the large contributors.

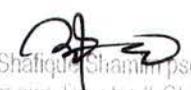
Non-performing loan was 8.60% in FY2020 as opposed to 9.24% in prior year. Although the NPL ratio of the bank showed better as compared to earlier year, however, the real picture of NPL did not reflect in the latest financial statements as the bank did not change classification status of loans as per Bangladesh Bank instruction not to classify loans in the year 2020 (Jan to Dec) due to the ongoing covid-19 pandemic. As per correspondence with OBL's management, the bank has formed two separate Special Asset Management Units namely SAM-1 and SAM-2 with a view to expedite recovery from classified loans in addition to the efforts at branch level.

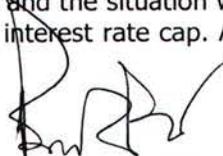
This is worth mentioning that the moratorium period on loan classification has been extended till December 31, 2021 provided that if borrowers repay 25% of their installments within 31 December 2021. As on June 30, 2021 the NPL was again slightly higher (9.19%) than FY2020 because in the quarter one of FY2021 (Jan to Mar) there were no bar on loan classifications.

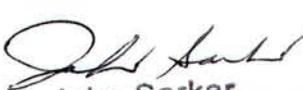
The bank has rescheduled BDT 2,643.40 million in 2020 and did not write off any bad loan during the year. The rescheduled loan was 1.20% of the loan book of the bank while NPLs and rescheduled loans together represented 9.80% of the loan book in FY2020 as compared to 11.02% in FY2019. Again, this improvement was the consequence of the flexibility on loan classification in FY2020. On the other hand, the banks top 30 borrowers had an outstanding amount of BDT 70,578.80 million which represent 32.03% of the total loan portfolio of the bank as on 31 December, 2020.

OBL has taken initiatives to strengthen its capital base. The bank has already issued three subordinated bonds and a perpetual bond where one subordinated bond was fully paid off by the end of 2020. Capital to risk weighted assets ratio (CRAR) of the bank was above the regulatory requirement in FY2020 (13.02%) and at the end of June 2021 12.82% against the regulatory requirement of 12.50%. However, this is likely that the risk weighted assets of the bank will get higher after the relaxation of classification of the loans and the situation would even get worse if net interest income consistently falls due to the impact of interest rate cap. As a result, there is a risk that CRAR of the

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bank might fall in the future. As on June 30, 2021 CRAR of the bank slightly fell to 12.82% due to increase in risk weighted assets of 5.06% as oppose to eligible capital which increased by 3.50% in the same period. The increase in risk weighted assets was the consequence of sudden increase in NPL in the first half of FY2021. The new bond will enable the bank to have better CRAR in upcoming year.

In FY2020, there was a major change in the deposit mix of the bank. Since there is a regulatory cap on lending rate of 9% and deposit rate of 6%, OBL has increased its funding through CASA (Current Account Saving Account) which is relatively cheaper as compared to term deposit. CASA represents 22.82% of the total fund of the bank in FY2020 as compared to 17.65% in FY2019.

In FY2020, deposit growth of OBL stood at only 0.61%, significantly down from 12.61% in the prior year, on the other hand, gross loan growth of OBL in FY2020 was 2.38% which was 8.20% in the last financial year. OBL's loan to deposit ratio stood at 85.33% in the FY2020 which was within the required ceiling of Bangladesh Bank's directive (no more than 87% for general banks, increased for the covid-19 pandemic).

In terms of profitability, in FY2020, the bank could not perform well due to the pandemic situation, interest cap imposed by BB as well as high competition among the banks and NBFIs. In this period, the bank experienced a low credit growth along with the interest income of the bank fell remarkably by 15.81% due to implementation of maximum 9% interest rate on loans and advances. On the other hand, the interest paid on deposits and borrowings also experienced a fall by 9.42% to stand at BDT 16,266.41 million by the end of FY2020 where OBL also adjusted deposit rates to match with its lending rates.

As a part of strategy to lessen the borrowing cost, the bank managed to reduce the short term deposit cost remarkably by 41.38% through offering interest below the 6% but saving deposit as well as term deposit cost had been increased by 11.23% and 2.57% respectively in FY2020 as compared to FY2019 since higher interest rates were agreed earlier.

Total operating income of the bank has decreased by 14.27% in FY2020 but operating cost only fell by 2.64% since most of the operating costs are fixed in nature. This has resulted the cost to income ratio of the bank to reach at 63.43% in FY2020 from 55.87% in FY2019 (47.28% in FY2018) this is also distressing for sustainability of the bank.

Profit before provision and taxes of the bank decreased to BDT 2,924.99 million in FY2020 with a declining rate of 28.99% from the previous year due to negative growth in net interest income along with high operating expenses during the year. On the other hand, provision expense of the bank has decreased by 24.53% due to the relaxation for the classification of the loan instructed by Bangladesh Bank. In contrast, the post-tax profit of the bank fell significantly by 20.89% to stand at BDT 1,313.02 in FY2020 derived from the decrease in operating income of the bank particularly the net interest income which is a major concern for potential growth of the bank.

In the first half of FY2021, OBL experience a good growth in terms of net interest income as well as net profit after tax as compared to the last year's corresponding period. However, this is subject to annual adjustment of provision and other potential expenses.

ECRL views OBL's outlook as **Stable** considering the business position and capital base, however, ECRL is concerned about the uncertainty related to covid-19 pandemic and decline in net interest income caused by implementation of interest rate cap.

**For detailed Credit Rating Report of the Issue, please see Annexure 3.**

*Strictly Private & Confidential*

  
Brig Gen Shafique Shamim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.  
06104122

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mof  
Managing Director  
**ONE Bank**  
LIMITED

## 18. LATEST DEFAULT MATRIX AND TRANSITION STATISTICS OF CRC

### ECRL Default Studies 2020

#### Default Summary by Rating Category

Year	Issuets as of 1st January	Default count (High Grade)	Default count (High Yield)	High grade default rate	High yield default rate	All corporate default rate
2011	223	0	0	0.0%	0.0%	0.0%
2012	634	0	0	0.0%	0.2%	0.2%
2013	1136	0	2	0.0%	0.0%	0.0%
2014	1128	0	0	0.0%	0.0%	0.0%
2015	875	0	0	0.0%	0.0%	0.0%
2016	916	0	1	0.0%	0.1%	0.1%
2017	780	1	0	0.4%	0.0%	0.1%
2018	878	0	0	0.0%	0.0%	0.0%
2019	993	0	1	0.0%	0.1%	0.1%
2020	1012	0	1	0.0%	0.1%	0.1%
<b>Arithmetic Mean</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.1%</b>

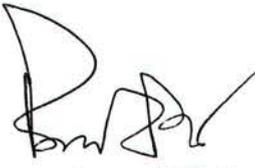
#### Cumulative Default Rate by Rating Band

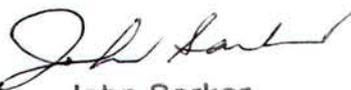
Rating band	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
AAA	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
A	0.1%	0.1%	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
BBB	0.0%	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%
BB	0.4%	0.6%	0.7%	0.7%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
B	0.0%	0.0%	0.0%	0.0%	0.0%	3.2%	3.2%	3.2%	3.2%	3.2%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
B & Lower	0.0%	0.0%	0.0%	0.0%	0.0%	3.1%	3.1%	3.1%	3.1%	3.1%
High Grade	0.1%	0.1%	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
High Yield	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%
All Corporate	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%

Strictly Private & Confidential

  
Priy Gan Shafique, Shamim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

06/04/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mo  
Managing Director  
**ONE Bank**  
LIMITED

### Rating Transition Matrix (2011 – 2020)

#### 1-year cumulative rating transition matrix

From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	98.4%	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	1.6%	98.0%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
A	0.0%	1.6%	96.1%	2.0%	0.1%	0.0%	0.0%	0.1%
BBB	0.0%	0.0%	1.9%	96.6%	1.5%	0.0%	0.0%	0.0%
BB	0.0%	0.0%	0.0%	13.3%	85.4%	0.8%	0.0%	0.6%
B	0.0%	0.0%	0.0%	0.0%	15.0%	85.0%	0.0%	0.0%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

#### 2-year cumulative rating transition matrix

From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	96.9%	3.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	3.2%	96.1%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%
A	0.0%	3.5%	92.4%	3.8%	0.1%	0.0%	0.0%	0.1%
BBB	0.0%	0.1%	3.7%	93.5%	2.7%	0.1%	0.0%	0.0%
BB	0.0%	0.0%	0.3%	24.1%	73.2%	1.3%	0.0%	1.1%
B	0.0%	0.0%	0.0%	2.0%	25.6%	72.4%	0.0%	0.1%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

#### 3-year cumulative rating transition matrix

From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	95.4%	4.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	4.7%	94.3%	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%
A	0.1%	5.0%	88.9%	5.5%	0.2%	0.0%	0.0%	0.2%
BBB	0.0%	0.2%	5.3%	90.7%	3.7%	0.1%	0.0%	0.0%
BB	0.0%	0.0%	0.7%	33.0%	63.1%	1.7%	0.0%	1.5%
B	0.0%	0.0%	0.0%	5.3%	32.7%	61.7%	0.0%	0.2%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

#### 4-year cumulative rating transition matrix

From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	94.0%	6.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	6.2%	92.6%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%
A	0.2%	6.5%	85.6%	7.1%	0.3%	0.0%	0.0%	0.3%
BBB	0.0%	0.3%	6.8%	88.2%	4.5%	0.1%	0.0%	0.1%
BB	0.0%	0.0%	1.3%	40.2%	54.6%	2.0%	0.0%	1.5%
B	0.0%	0.0%	0.1%	9.5%	27.3%	52.7%	0.0%	0.4%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

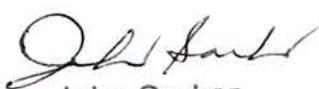
#### 5-year cumulative rating transition matrix

From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	92.6%	7.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	7.6%	90.9%	1.5%	0.1%	0.0%	0.0%	0.0%	0.0%
A	0.3%	7.9%	82.4%	8.6%	0.5%	0.0%	0.0%	0.3%
BBB	0.0%	0.4%	8.2%	85.9%	5.1%	0.2%	0.0%	0.1%
BB	0.0%	0.1%	2.0%	46.1%	47.5%	2.1%	0.0%	2.2%
B	0.0%	0.0%	0.3%	14.1%	39.9%	45.1%	0.0%	0.6%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

Strictly Private & Confidential

  
 Gen Shauque Shamim psc (Retd)  
 Managing Director & CEO  
 Kalyan Insurance Company Ltd.  
 06104122

  
 Parul Das FCA  
 Chief Financial Officer  
**ONE Bank**  
LIMITED  
 Corporate HQ, Dhaka.

  
 John Sarkar  
 DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
 Md. Monzur Mofiz  
 Managing Director  
**ONE Bank**  
LIMITED

## 19. DESCRIPTION OF THE TRUSTEE: SENA KALYAN INSURANCE COMPANY LIMITED (SKICL)

### Company Overview

Sena Kalyan Insurance Company is a concern of Sena Kalyan Sangstha (SKS) of Bangladesh Armed Forces. Born through the Great War of Liberation, Bangladesh Armed Forces have earned a time tested confidence of the people of the country and with that sky high image, Sena Kalyan Insurance Company Limited is designed to serve all sections of the people by upholding the principles of transparent perception and corporate practices in the field of insurance. This new member of the Insurance Industry of Bangladesh commenced its business since 10 September 2013 and has already emerged as a viable and very promising general insurance company in the country. The shareholding structure of the company is institutional, which is unique in our industry. The Board of Directors is composed of ex-officio Senior military officers.

The Chairman of the Board is a serving Major General of Bangladesh Army, who is also the chairman of Sena Kalyan Sangstha. All the shares of the company is owned by Sena Kalyan Sangstha, which has already emerged as one of the viable business organizations in Bangladesh. This feature is a special point of trust and confidence of our valued partners. The Chief of Army Staff of Bangladesh Army is the chairman of the Board of Trustee and thus it adds value to our transparent dealing with the valued partners. It is worth mentioning here that we are the insurer of US Bangla Airlines and very promptly handled the claims of 2018 US-Bangla crash in Nepal.

### Vision, Mission and Core Values

**Vision:** Sena Kalyan Insurance Company Limited will strive towards uploading the principles of transparent perception and corporate practices thus turning to be a viably profitable oriented insurance company in the country.

**Mission:** To pursue ongoing endeavours to become a leading insurance company by providing innovative products and customer friendly services through highly motivated team of dedicated professionals and ensure profits for the sponsors and shareholders.

### Core Values:

- Trust
- Integrity
- Professionalism

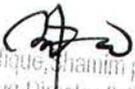
### Board of Directors:

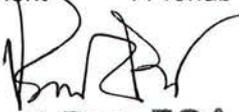
- 1) Chairman : Major General Mohammed Saidul Islam ndc, psc
- 2) Vice Chairman : Air Cadre M Moyeenuddin, ndc, afwc, psc
- 3) Member : Brig Gen M A Mohy, psc
- 4) Member : Brig Gen Mirza Md Enamul Haque, ndc
- 5) Member : Brig Gen Md Mustafa Kamal, SGP
- 6) Member : Brig Gen Md Jamal Hossain, ndc, afwc, psc
- 7) Member : Brig Gen Md Shaheen Iqbal, afwc, psc
- 8) Member : Brig Gen Shafique Shamim, psc (Retd), MDS, MBA, CII (Cert)
- 9) Member : M. M. Mostafa Bilal, Independent Director
- 10) Member : Ahamed Ihteyaz Thamid, Independent Director

### Executives of the Head Office:

- Chief Executive Officer : Brig Gen Shafique Shamim, psc (Retd), MDS, MBA, CII (Cert)
- Head of Marketing Department : Lt Col AKM Nazimul Islam, psc (Retd)
- Head of Underwriting Department : Pronab Kumar Saha

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Brig Gen Shafique Shamim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.  
06/04/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mofiz  
Executive Director  
**ONE Bank**  
LIMITED

- Head of Accounts Department : Maloy Kumar Saha
- Head of Claim & Re-insurance Dept : Tajul Islam
- Head of HR & Admin Department : Sqn Ldr Md Mostafa Zaman (Retd)
- Head of Information & technology Dept : Mohammad Shakhawat Hossain

**Capital Structure:**

Capital structure: The company started its business with a paid-up capital of BDT 240.00 Million against an authorized capital of Tk. 1000.00 Million being sponsored by Sena Kalyan Sangstha. Shareholding Structure: SKICL has a unique institutional shareholding structure, shown below:

Sl.	Name	No of Shares
1.	Sena Kalyan Sangstha (SKS) <b>Represented by:</b> Major General Mohammed Saidul Islam ndc, psc	23,999,994
2.	Air Cadre M Moyeenuddin, ndc, afwc, psc Nominated Director by SKS	1
3.	Brig Gen M A Mohy, psc Nominated Director by SKS	1
4.	Brig Gen Mirza Md Enamul Haque, ndc Nominated Director by SKS	1
5.	Brig Gen Md Mustafa Kamal, SGP Nominated Director by SKS	1
6.	Brig Gen Md Jamal Hossain, ndc, afwc, psc Nominated Director by SKS	1
7.	Brig Gen Md Shaheen Iqbal, afwc, psc Nominated Director by SKS	1
<b>Total</b>		<b>24,000,000</b>

**Classes of Business:**

We transact in all types of General Insurance Business. The company's policies are liberal contracts free from restrictive conditions and the premiums charged are strictly moderated consistent with absolute security. Businesses being transacted are as follows:

**Fire Business**

1. Fire and its allied perils Insurance: Riot, Strike & Damage, Flood, Cyclone, Earthquake (Fire & Shock), Malicious Damage, Explosion, Aircraft Damage, Impact Damage and Bursting of pipes etc.
2. Industrial All Risks Insurance (IAR)
3. Commercial General Liability, Excess Liability
4. Hotel Owners' All Risks Insurance (HOAR)
5. Household Insurance (Fire & Earthquake)
6. Power Plant Operational Package Insurance (PPOPI)

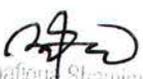
**Marine Insurance**

1. Marine Cargo Import (Steamer/Powered Vessel, Rail/Lorry/Truck, Air)
2. Marine Cargo Export (Steamer/Powered Vessel, Rail/Lorry/Truck, Air)
3. Inland Transit Insurance (Rail/Road, Water Borne)/ Goods in Transit Insurance)
4. Marine Hull (Comprehensive, Total Loss Only (TLO, Sue & Labour, Salvage)
5. Shipbuilders' Insurance Policy

**Engineering Insurance**

1. Boiler and Pressure Vessel Insurance (BPV)
2. Cold Storage Comprehensive Insurance
3. Construction/Contractors' All Risks Insurance (CAR)/ Erection All Risks Insurance (EAR)
4. Machinery Breakdown Insurance (MBD)
5. Electronic Equipment Insurance (EEI)
6. Deterioration of Stock (DOS)

*Strictly Private & Confidential*

  
 Brig Gen Shafiqur Rahman psc (Retd)  
 Managing Director & CEO  
 Sena Kalyan Insurance Company Ltd.  
 06/04/22

  
 Parul Das FCA  
 Chief Financial Officer  
**ONE Bank**  
LIMITED  
 Corporate HQ, Dhaka.

  
 John Sarkar  
 DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
 Md. Monzur Mofiz  
 Managing Director  
**ONE Bank**  
LIMITED

**Motor Insurance (Comprehensive & Act Only Liability Insurance)**

1. Private Vehicle (PV)
2. Commercial Vehicle (CV)
3. Motorcycle (MC)

**Aviation Insurance**

1. Hull, Spares & Equipment Insurance (CSL)
2. Liability/Excess Liability Insurance [TPL, PLL, CLL & CPA]
3. Hull War & Hull deductible Insurance

**Miscellaneous/ Accident/ Liability Insurance**

1. Overseas Mediclaim (Business & Holidays; Studies & Employment: OMP)
2. Burglary & House Breaking Insurance (BG)
3. Money Insurance (Cash-in-Business premises in strong room vault/safe, A.T.M. Booth and/or on counter & Cash in Transit) for scheduled Banks.
4. Personal Accident Insurance ( Individual & Group) (PA)
5. Peoples' Personal Accident (Individual & Group) (PPA)
6. Fidelity Guarantee Insurance (FG), Professional Indemnity Insurance (PII)
7. Commercial General Liability & Excess Liability Insurance (CGL)
8. Automobile Liability Insurance, Public & Product Liability Insurance
9. Workmen's Compensation Insurance
10. Cash in Safe, Cash on Counter & Cash in Transit for other than scheduled Banks
11. Safe Deposit Box (Bank Lockers) All Risks Insurance (SDB )
12. Directors' & Officers' liability Insurance
13. Bankers' Blanket Bond , Electronic & Computer Crime Insurance
14. Livestock/ Cattle Insurance Policy

**Re-Insurance Protection**

SKICL has started to give financial safety & security of its client. The company has good Treaty arrangement with Sadharan Bima Corporation and from the very beginning has been taking proper re-insurance protection from them. At present, hundred percent of the total portfolios of the company is re-insured with the state-owned Sadharan Bima Corporation, Bangladesh, the only re-insurer of the country. Besides, SKICL obtains Facultative re-insurance beyond its Treaty from SBC and is looking for in the coming days to arrange reinsurance coverage with some noted overseas Re-insurers.

**Claim Settlement:**

SKICL believes that prompt settlement of claims is the most important strategy to procure insurance business and earn confidence from the clients. Bearing this strategy in mind, priority is given to provide prompt services to the clients in the event of loss of their properties under the scope of respective Insurance Policy. It is SKICL's vision to settle the Insurance Claim within the shortest possible time with entire satisfaction of the clients. The company commenced business at the later part of 2013 and by now has settled about 341 claims of various types while 86 claims are in the process of settlement.

**SKICL's Commitment:**

- a) Prudent Underwriting.
- b) 100% Re-Insurance protection.
- c) Prompt Settlement of Claim.
- d) Friendly relations with valued clients.

*Strictly Private & Confidential*

Brig Gen Shafique, *06/04/22*  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

*Parul Das*  
**Parul Das FCA**  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

*John Sarkar*  
**John Sarkar**  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

*Md. Monzur Mofiz*  
**Md. Monzur Mofiz**  
Managing Director  
**ONE Bank**  
LIMITED

Financial Highlights of SKICL in the last three audited years is provided below:

Detail in BDT	31 Dec 2020	31 Dec 2019	31 Dec 2018
Authorised Capital	1,000,000,000	1,000,000,000	1,000,000,000
Paid-up Capital	240,000,000	240,000,000	240,000,000
Total Assets	978,292,139	747,002,325	520,578,109
Net Worth	506,203,422	434,414,777	349,234,833
Revenue	580,522,233	576,092,516	363,870,416
Gross Profit	66,824,517	75,490,878	10,871,916
Net Profit after Tax	94,275,660	98,284,035	37,846,671
Cash Flow from Operating Activities	221,715,530	232,450,624	53,470,326
Cash and Cash Equivalents	793,496,960	631,300,820	418,233,547

List of Issuances in which SKICL is acting as Trustee:

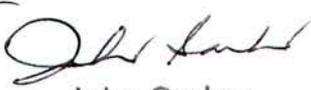
For the Due Diligence Certificate of Trustee, please see Annexure 4.

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Brig Gen Shafique, Streamin psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

06/09/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
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Corporate HQ, Dhaka.

  
John Sarkar  
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**ONE Bank**  
LIMITED

  
Md. Monzur Mof  
Managing Director  
**ONE Bank**  
LIMITED

## 20. MODUS OPERANDI OF THE ISSUE

Any Scheduled bank, Corporate, Financial Institution and/or Insurance Company is subject to duly registered in Bangladesh and operating its business under the license or approval duly issued by the respective competent authority or institution of the Government of Bangladesh.

### a. Application Procedure:

The Bonds shall be distributed through private placement. Each investor (Bondholder) shall enter into a separate Subscription Agreement with the Issuer and shall be bound by the terms and conditions contained in such Subscription Agreement containing in details the rights and obligations of the investors.

#### Undertaking to Issue

The Issuer will, subject to and in accordance with the provisions of the Subscription Agreement, on the Closing Date, duly execute and deliver to the Bondholder a Bond Certificate attached with the Conditions, representing the allocation amount of Bonds subscribed.

#### Undertaking to Subscribe

The investor will, subject to and in accordance with the provisions of the Subscription Agreement, on the Closing Date, subscribe and pay the aggregate purchase price for the allocation, in Bangladesh Taka for same day value to such account as the Issuer designates.

#### Closing

**Subscription and Closing:** Subject to the conditions precedent contained in the Subscription Agreement, the closing of the issue of the Bonds shall take place on the Closing Date.

**Investor Representation Letter:** On the date indicated in the Subscription Agreement, the Bondholders will execute and deliver a letter addressed to the Issuer.

**Payment of net issue proceeds:** On each Closing Date, of the Bondholders shall pay the purchase price of Bonds to the Issuer in Bangladesh Taka.

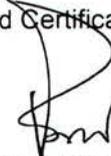
#### Issuance of Bond

Notwithstanding anything contained anywhere in this Trust Deed, the Bonds shall be issued in dematerialised form as per the CDBL Bye Laws and the Issuer shall apply to the respective stock exchange(s) for listing in the Alternative Trading Board (ATB) immediately from the date of availing ATB facilities under the Bangladesh Securities and Exchange Commission (Alternative Trading System) Rules, 2019 and respective regulations of the stock exchange(s) in this regard.

If the procedure of dematerialisation of the Bonds is not completed with the Central Depository Bangladesh Limited (CDBL) before the Issue Date of the Bonds as per the CDBL Bye Laws, each series of Bonds will be issued in script form and represented by Bond Certificates. On the date on which any Bond Certificates are issued, the Register shall be completed by or on behalf of the Issuer by the Registrar. On or promptly following the date of issuance, the Registrar shall procure delivery of the duly executed and authenticated Bond Certificates to the registered Bondholders.

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Brig Gen Shafique Shamim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.  
06/04/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mo  
Managing Director  
**ONE Ban**  
LIMITED

### Bond Certificates

Unless the Bonds are issued in demat form, the Bond Certificates will be printed in accordance with applicable legal requirements substantially set out in the forms provided in the Bond Documents or Trust Deed. The Bond Certificates will be endorsed with the Conditions.

#### b. Allotment:

On the closing date, to be determined, the Issuer shall allot and issue the Bonds, in registered form in a minimum denomination of BDT 10,000,000 and integral multiples thereof. The Bonds shall be issued in dematerialised form as per the CDBL Bye Laws on the Alternative Trading Board ("ATB") of the respective stock exchange(s). The Issuer will ensure that the applicable BO accounts, as provided by each Investor, is credited with the subscribed amount of the bonds. In case of unavailability of issue in dematerialised form, a bond certificate (each a "Bond Certificate") will be issued to each Bondholder in respect of its registered holding of each series of Bonds. Each Bond and each Bond Certificate will be numbered serially with an identifying number which will be recorded on the relevant Bond Certificate and in the register of Bondholders (the "Register"), which will be kept by Registrar on behalf of the Issuer.

Each of the Issuer, the Trustee and any Agent may deem and treat the registered holder of a Bond as the absolute owner of such Bond, free of any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate Holder of such Bond (whether or not the Bond shall be overdue and notwithstanding any notation of ownership or other writing thereon or any notice of previous loss or theft of the Bond Certificate issued in respect of that Bond) for all purposes and, except as ordered by a court of competent jurisdiction or as required by applicable law, the Issuer, the Trustee and the Agents shall not be affected by any notice to the contrary.

#### c. Refund:

There is no option to exercise prepayment of the Bonds either by the Issuer or the Investor. In case of any necessary refunds due to error in system or calculation, such transfers will be made via cheque or CDBL transfer, as per available system and agreed upon by the relevant parties.

#### d. Transfer:

The Bonds are transferable subject to the terms and conditions set out in the Bond Documents. Each Bond shall be transferred in accordance with the conditions detailed out in Trust Deed.

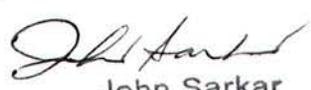
#### ▪ **Transfer of Bonds in dematerialized form as per CDBL Bye Laws**

Subject to the relevant Bond conditions, a Bond may be transferred to another Person in Bangladesh (a "Transferee") in the CDBL System upon initiation and upon issuance of a duly completed Transfer Request Form 14 to CDBL as referred to under Bye Law 11.5 under the CDBL Bye Laws. On receipt of a valid Transfer Request Form 14, the Participant or CDBL, in the case of Direct Accounts, shall enter a Transaction into the CDBL System in accordance with the User Manual. On the Settlement Date specified in the Transaction, the Bonds will be debited from the

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Brig Gen Shafique, *Shamim psc* (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mofiz  
Managing Director  
**ONE Bank**  
LIMITED

balance in the delivering Account and credited to the receiving Account. For the purpose of this paragraph, the following definitions shall mean:

- i. **"CDBL System"** means all systems and application programs relevant to the operations of CDBL including all of the computer hardware and software maintained and used by CDBL and the software used by a Participant, or an Issuer or his agent to communicate with the CDBL System;
- ii. **"CDBL Participant"** means any Person entitled to participate in CDBL under the CDBL Bye Laws;
- iii. **"Settlement"** means the completion of a Transaction by delivery of Bonds from one Account to another;
- iv. **"Settlement Date"** means a Business Day when the Settlement of a Transaction is due to take place;
- v. **"Transaction"** means any transaction in the CDBL System which causes a debit or credit to be made to an Account which may be effected by:
  - (a) an electronic message, or
  - (b) a set of electronic messages of a kind specified by CDBL for use in the CDBL System;
- vi. **"User Manual"** means the CDBL User Manual issued by CDBL for the Issuer as amended from time to time;

▪ **Register**

When issued in script form, the Issuer will maintain an authoritative Register and will procure that the Registrar will maintain the Duplicate Register in respect of the Bonds, in accordance with the provisions of the Agency Agreement. In these Conditions, the **"Holder"** of a Bond means the person in whose name such Bond is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and **"Bondholder"** shall be construed accordingly. The Register shall be *prima facie* evidence of any matter in relation to the rights under the Bonds. Bondholders and the Trustee shall be entitled to inspect the Register and take copies there from upon payment of fees as may be prescribed by the Issuer from time to time.

- **Transfer via script and certificate will be as detailed in the Trust Deed.**

**e. Trading or Listing with the Stock Exchange:**

The Bonds will be issued on private placement basis among the Eligible Investors. It will not be issued publicly and hence will not be listed on the Stock Exchange. Subject to regulatory approval for trading on the Alternative Trading Board, the Bonds may be traded after issuance as per trading guidelines of the relevant exchange.

**f. Repayment and Coupon Payment:**

Unless previously redeemed or purchased and cancelled, the principal on the Bonds will be amortized and paid annually on a pro rata basis to the Bondholder in instalments of 20% per year commencing at the third anniversary of the Bonds from the issue Date. The final maturity of the Bonds will be at the end of seventh year of the Bonds from the issue Date. Payments on the Bonds shall be made without deduction for or on account of taxes in Bangladesh.

The bond is to be repaid/ redeemed in 5 equal annual Instalments starting from end of 4th year and each 12 months from there after as per following table for the Bond:

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Brig Gen Shafique Shamim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.  
06/04/22

Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

Page 65  
Md. Manzur Mofiz  
Managing Director  
**ONE Bank**  
LIMITED

**Repayment/ Redemption Schedule**

No of Installment	Installment due (In Months)	Total Repayment
1	36	800,000,000
2	48	800,000,000
3	60	800,000,000
4	72	800,000,000
5	84	800,000,000
<b>Total</b>		<b>4,00,000,000</b>

Incremental charge at the rate of 2% per annum payable by the Issuer to the Bondholders above the amount to be paid by the Issuer to the Bondholders on the Redemption Date for failure of the Issuer to make payment to the Bondholders on the Redemption Date.

Coupon payment on the "Bond" is to be paid semi-annual basis on the interest payment dates. The interest payment dates shall be determined depending upon bond issue date. Interest payment will be payable semi-annually calculated on the actual number of days over a 365-day basis in the relevant period.

**g. Redemption or Conversion or Exchange**

The bond will be fully redeemed. There is no option of convertibility or exchange of the bond. The bond is to be redeemed in 5 equal annual Instalments starting from end of 4th year and each 12 months from there after as per the table given above.

**h. Details of Conversion or Exchange Option Exercise Procedures, if applicable**

The bond is non-convertible and fully redeemable, hence conversion or exchange options are not applicable for this issue.

**i. Termination and Final Settlement of the Proposed Bond**

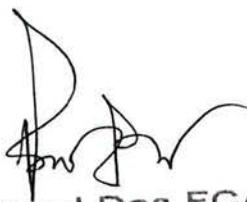
**Date of Commencement of the Trust:** The Trust hereby created shall be established from the date of this Trust Deed.

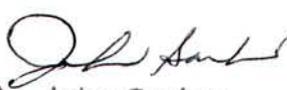
**Date of Termination and final settlement of the Trust (Bond):** The Trust shall continue to exist until all liabilities including the principal, premium (if any) and interest are repaid in full in accordance with the terms and conditions of the Bonds and Trust Deed.

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Brig Gen Shafique, Shamim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

06/04/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mofiz  
Managing Director  
**ONE Bank**  
LIMITED

## 21. DECLARATION ABOUT THE RESPONSIBILITY OF THE DIRECTORS



**Declaration about the responsibility of the directors, including the CEO of the issuer or originator in respect of the information memorandum**

This information memorandum has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

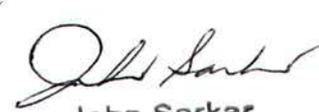
We also confirm that full and fair disclosures have been made in this information memorandum to enable the investors to make a well-informed decision for investment.

  
Md. Monzur Mofiz  
Managing Director  
Date: March 20, 2022

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Brig Gen Shafique Shamim psc (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.  
06/04/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mofiz  
Managing Director  
**ONE Bank**  
LIMITED

## 22. DETAILS OF FEES STRUCTURE AND EXPENSES

The issuance of this bond will incur following fees and expenses:

Fee Type	Party to be Paid	Fee Structure/Amount
<b>Regulatory Fees</b>	Bangladesh Securities and Exchange Commission	<ul style="list-style-type: none"> <li>• Application Fee: BDT 10,000</li> <li>• Consent Fees: 0.10% on the Face Value</li> </ul>
<b>Arrangement Fee</b>	Standard Chartered Bank	0.50% of the Face Value Amount of bond
<b>Trustee Fee</b>	Sena Kalyan Insurance Company Limited	BDT 400,000 for the 1 <sup>st</sup> year and BDT 300,000 per annum for subsequent years till final redemption of bond
<b>Credit Rating Fee</b>	Credit Rating Information and Services Limited	BDT 130,000 per annum till final redemption of bond
<b>Legal Expenses</b>	Lex Juris	BDT 150,000

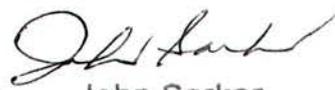
All fees are quoted net of applicable VAT.

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Brig Gen Shafiqe, Shamin, (Retd)  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.

06/04/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

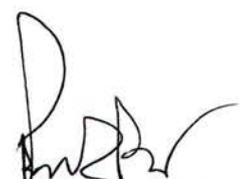
  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

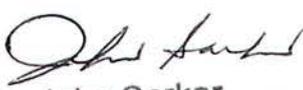
  
Md. Monzur Mofiz  
Managing Director  
**ONE Bank**  
LIMITED

**ANNEXURE 1: ISSUE APPLICATION AS PER SCHEDULE A**

*Strictly Private & Confidential*

  
Brig Gen Shafigue, Shamim psc (Retd)  
Managing Director & CEO  
Gene Kalyan Insurance Company Ltd.  
06/04/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

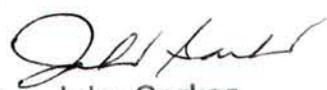
  
Md. Monzur Mofiz  
Managing Director  
**ONE Bank**  
LIMITED

**ANNEXURE 2: AUDITED FINANCIAL STATEMENTS OF ONE BANK  
LIMITED AS OF 30 JUNE 2021**

*Strictly Private & Confidential*

  
Brig Gen Shafique, Shamim psc (Retd)  
Managing Director & CEO  
Gen Kalyan Insurance Company Ltd.  
06/04/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mof  
Managing Director  
**ONE Bank**  
LIMITED

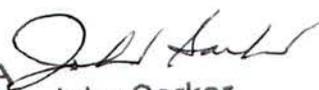
### **ANNEXURE 3: CREDIT RATING REPORT OF THE ISSUE**

*Strictly Private & Confidential*

  
Gen Shafique, Shamir psc (Retd)  
Managing Director & CEO  
Kalyan Insurance Company Ltd.

06/09/22

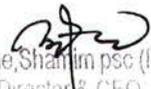
  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

  
Md. Monzur Mofiz  
Managing Director  
**ONE Bank**  
LIMITED

**ANNEXURE 4: DUE DILIGENCE CERTIFICATE OF THE TRUSTEE**

*Suitably Private & Confidential*

  
Gen. Shafique, Shamim psc (Retd)  
Managing Director & CEO  
Kalyan Insurance Company Ltd.  
06/04/22

  
Parul Das FCA  
Chief Financial Officer  
**ONE Bank**  
LIMITED  
Corporate HQ, Dhaka.

  
John Sarkar  
DMD & Company Secretary  
**ONE Bank**  
LIMITED

*Page 12*  
  
Md. Monzur Mofiz  
Managing Director  
**ONE Bank**  
LIMITED

OBL No. 1407049



Date 21-Oct-2021

This portion to be detached by the payee before presentation

Messrs BANGLADESH SECURITIES AND

we beg to enclose our payment order = 10,000.00

for taka ONE BANK LTD CHC on account of

This order must be presented through a bank, if presented at this branch for cash, proper identification will be required.

Authorised Signatures

21/086

October 31, 2021

Bank LIMITED

Corporate HQ

HRC Bhaban, 46 Kawran Bazar C.A., Dhaka-1215, Bangladesh  
Telephone : 88-02-9118161, Fax : 88-02-9134794  
E-mail : obl@onebank.com.bd, Web : www.onebank.com.bd

ole

### The Chairman

Bangladesh Securities & Exchange Commission  
Securities Commission Bhaban  
E-6/C, Agargaon  
Sher-e-Bangla Nagar Administrative Area  
Dhaka-1207, Bangladesh

**Subject: Application for Approval of 4<sup>th</sup> Non-convertible Unsecured Floating Rate Subordinated Bond of BDT 6,000 Million for ONE Bank Limited**

Dear Sir,

ONE Bank Limited (OBL), herein referred to as the Bank or the Company, was incorporated in Bangladesh as a public limited company under the Companies Act 1994 on May, 1999 and subsequently obtained banking operation license from Bangladesh Bank under the Bank Company Act 1991, having its Corporate Head Office at HRC Bhaban, 46 Kawran Bazar C/A, Dhaka 1215. OBL is a private sector commercial bank dedicated in the business line of taking deposit from public through its various saving schemes and lending the fund in different sectors. OBL is listed on both the Dhaka Stock Exchange and Chittagong Stock Exchange.

We are pleased to inform you that the Board of Directors of ONE Bank Limited (OBL) has decided to issue BDT 6,000,000,000 Non-Convertible Unsecured Floating Rate Subordinated Bond upon compliance with internal regulations and receipt of consent from the Bangladesh Securities and Exchange Commission (BSEC).



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Total size of the Issue will be BDT 6,000,000,000 divided into 600 Bonds with face value of BDT 10,000,000 each at par. Standard Chartered Bank, Bangladesh will act as the Mandated Lead Arranger and Sena Kalyan Insurance Company Limited as the Trustee. Details of the issue as per Schedule "A" Part- I of the Bangladesh Securities and Exchange Commission (Debt Securities) Rues, 2021 are given below.

### 1. Particulars of the Issuer, ONE Bank Limited

(a)	<b>Name of the Issuer</b>	:	ONE Bank Limited
(b)	<b>Legal status of the issuer</b>	:	Public limited company (listed), private commercial bank
(c)	<b>Details of Contact Information</b>	:	Name: Mirza Ashraf Ahmad Position: Executive Vice President Head of Treasury Address: Head Office, 2/F HRC Bhaban, 46 Kawran Bazar C/A, Dhaka 1215, Bangladesh Phone: + 88 02-8142451 Fax: + 88-02-9134794 Mobile: + 88 01730353512 E-mail: mirza.ashraf@onebank.com.bd
(d)	<b>Date of incorporation</b>	:	May 12, 1999
(e)	<b>Date of commencement of business</b>	:	May 12, 1999
(f)	<b>Authorized capital</b>	:	BDT 10,000,000,000 as at 30 June 2021
(g)	<b>Paid-up capital</b>	:	BDT 9,340,404,560 as at 30 June 2021
(h)	<b>Total equity</b>	:	BDT 18,435,375,310 as at 30 June 2021
(i)	<b>Total liabilities</b>	:	BDT 289,903,752,432 as at 30 June 2021
(j)	<b>Total financial obligations</b>	:	BDT 289,936,533,532 as at 30 June 2021
(k)	<b>Total assets</b>	:	BDT 308,371,908,842 as at 30 June 2021
(l)	<b>Total tangible assets</b>	:	BDT 307,460,661,008 as at 30 June 2021
(m)	<b>Net worth</b>	:	BDT 18,435,375,310 as at 30 June 2021
(n)	<b>Others</b>	:	Not Applicable





**2. Particulars of Issue Manager/ Mandated Lead Arranger (MLA):**

(a)	<b>Name of the issue manager/ MLA</b>	:	Standard Chartered Bank acting through its Bangladesh Branch
(b)	<b>Legal status of the issue manager/ MLA</b>	:	Foreign Commercial Bank
(c)	<b>Details of contact information of the issue manager</b>	:	Md. Maroof Ur Rahman Mazumder Executive Director & Head of Capital Markets, Bangladesh Add: Level 3, 67 Gulshan Avenue, Dhaka – 1212 Phone: + 88-02-8833003-4 ext. 53031 Fax: + 88-02-8837810 Mobile: + 880171-3009646 E-mail: md-marroofur.rahman@sc.com
(d)	<b>Name of the issue managed by the issue manager</b>	:	List attached in annexure
(e)	<b>Others</b>	:	Not Applicable

**3. Particulars of the Issue:**

(a)	<b>Name of the issue</b>	:	ONE Bank 4 <sup>th</sup> Non-convertible Subordinated Floating Rate Bond
(b)	<b>Type of instruments to be issued</b>	:	Non-convertible Unsecured Floating Rate Fully Redeemable Subordinated Bond
(c)	<b>Purpose of the issue</b>	:	The issuance is to generate liquidity to strengthen Tier II capital of the bank.
(d)	<b>Number of securities and total size of the issue to be offered</b>	:	600 bonds for total issue amount of BDT 6,000,000,000
(e)	<b>Face value and issue price of securities mentioning discount or premium thereof</b>	:	Face value and issue price of each Bond is BDT 10,000,000
(f)	<b>Coupon rate /discount rate and YTM</b>	:	To Be Determined as a sum of Benchmark Rate & Margin; however, during the tenor the yield

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			[benchmark + margin] will be floored at 7.50% and capped at 10.50%
(g)	<b>Tenor or maturity</b>	:	7 years
(h)	<b>Details of conversion/ exchange option features</b>	:	Not applicable as the bond is non-convertible
(i)	<b>Mode of redemption or conversion/ exchange</b>	:	20% of the total bond value to be redeemed at the end of each year starting from 3 <sup>rd</sup> year
(j)	<b>Mode of option (call or put), if any, in case of redemption or conversion/exchange and discount or premium thereof</b>	:	Not applicable as the bond is non-convertible and fully redeemable
(k)	<b>Rate of return</b>	:	Floating rate bond with YTM floored at 7.50% and capped at 10.50%
(l)	<b>Applicable tax rate</b>	:	As per applicable Tax Laws of Bangladesh
(m)	<b>Default protection mechanism (details of credit enhancement arrangement/ agreement, redemption reserve, sinking fund etc.), if any</b>	:	Not applicable
(n)	<b>Type of collateral securities being offered, if any</b>	:	Unsecured
(o)	<b>Status of securities holders in case of priority of payment</b>	:	First priority
(p)	<b>Period within which securities to be issued</b>	:	Within 6 (six) months of regulatory approval in Single or Multiple Tranches
(q)	<b>Nature of tradability or listing in the stock exchange(s) (Main Board / ATB /any other platform, mentioning the name of the stock exchange)</b>	:	Unlisted or as per regulatory approval
(r)	<b>Others</b>	:	Not Applicable

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**4. Particulars of the Trustee:**

(a)	<b>Name of the trustee</b>	:	Sena Kalyan Insurance Company Limited
(b)	<b>Paid-up capital of the trustee</b>	:	BDT 240,000,000 as at December 31, 2020
(c)	<b>Net worth of the trustee</b>	:	BDT 506,203,422 as at December 31, 2020
(d)	<b>Name of the issue(s) where performing as trustee</b>	:	List attached in annexure
(e)	<b>Others</b>	:	Not Applicable

**5. Particulars of the Credit Rating Company:**

(a)	<b>Name of credit rating company</b>	:	Emerging Credit Rating Limited (ECRL)
(b)	<b>Credit rating status of the issuer or originator</b>	:	Long Term Rating: AA Short Term Rating: ST-2 Outlook: Stable
(c)	<b>Credit rating status of the issue</b>	:	Long Term Rating: AA- Outlook: Stable
(d)	<b>Date and validity of rating along with surveillance rating for the issuer or originator and for the issue</b>	:	Issuer Rating Validity: March 09, 2022 Issue Rating Validity: September 15, 2022
(e)	<b>Latest default rate of the credit rating company</b>	:	0.10% As on 2020
(f)	<b>Average time to default of the rated category</b>	:	Not Applicable
(g)	<b>Rating trigger, if any</b>	:	Not Applicable
(h)	<b>Others</b>	:	Not Applicable

*D*



**ONE Bank**  
LIMITED

**Corporate HQ**

HRC Bhaban, 46 Kawran Bazar C.A., Dhaka-1215, Bangladesh  
Telephone : 88-02-9118161, Fax : 88-02-9134794  
E-mail : obl@onebank.com.bd, Web : www.onebank.com.bd

6. **Particulars of originators, if any:** Not applicable
7. **Particulars of other contractual parties:** Not applicable

In accordance to the Bangladesh and Securities Commission (Issuance of Debt Securities), Rules 2021, we are applying to the esteemed Commission for the consent of issuing BDT 6,000 Million Non-Convertible Unsecured Floating Rate Subordinated Bond. Please find enclosed herewith the draft IM along with supporting documents furnished in Annexure, as per rules for your kind perusal.

We also enclose herewith a Pay Order No. 1407049 dated 21 October, 2021 for BDT 10,000.00 (Ten Thousand only), in favor of "Bangladesh Securities and Exchange Commission" drawn on ONE Bank Limited along with other supporting documents as listed in the annexure below.

We shall furnish further information to meet any queries that you may have.

We shall appreciate assistance and guidance from Bangladesh Securities and Exchange Commission in obtaining the consent for the proposed debt issuance.

Sincerely,

**M. Fakhru Alam**  
Managing Director



**List of Annexures:**

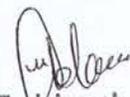
1. Pay Order of BDT 10,000 only dated 21 October, 2021 as application fee
2. Copy of RJSC Certified Memorandum and Articles of Association
3. Copy of RJSC Certified Certificate of Incorporation and Certificate of Commencement of Business
4. Copy of RJSC Certified Particulars of Directors (Form XII)
5. Copy of RJSC Certified Return of Allotment of Shares (Form XV) and Annual Summary of Share Capital (Schedule X)
6. Original Auditors' Report dated June 30, 2021
7. Details of outstanding debt securities
8. Purpose for issuance of debt securities and Plan to Use of Proceeds thereof
9. Resolution of the Board of Directors for issuance of debt securities
10. Copy of Disclosures of Price Sensitive Information
11. Auditor's Certificate regarding total Paid-up capital of Issuer
12. Description of the Business of Issuer
13. Latest Credit Rating Report of the Issue
14. Draft Information Memorandum prepared as per Schedule 'B'
15. Draft Deed of Trust prepared as per Schedule 'C'
16. Due Diligence Certificate of the Trustee as per Schedule 'D';
17. Repayment Schedule of the debt securities
18. Undertaking of Issuer and its directors for obtaining CIB report from Bangladesh Bank, including CIB Enquiry Form, NID and TIN (2 sets)
19. List of Issuances in which Sena Kalyan Insurance Company Limited is acting as Trustee
20. List of Issuances in which Standard Chartered Bank has acted as Mandated Lead Arranger
21. Issue Credit Rating Agreement
22. Implementation of Special Fund for further Investment in Capital Market

*Q*

# **ONE Bank Limited**

Independent auditor's report along with  
audited financial statements

As on 30 June 2021



M. Fakhru Alam  
Managing Director  
**ONE Bank**  
LIMITED

# Independent Auditors' 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 the Separate Balance Sheet as at 30 June 2021 and the Consolidated and Separate Profit & Loss Accounts, consolidated and separate Statements of Changes in Equity and Consolidated and Separate Cash Flow Statements for the half year then ended, and notes to the Consolidated and Separate Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated Financial Statements of the Group and Separate Financial Statements of the Bank give a true and fair view of the Consolidated Balance Sheet of the Group and the Separate Balance Sheet of the Bank as at 30 June 2021, and of its Consolidated and Separate Profit and Loss Accounts and its Consolidated and Separate Cash Flows for the half year then ended in accordance with International Financial Reporting Standards (IFRSs), as explained in note # 02.

## Basis for opinion

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

## Emphasis of Matter

We draw attention to Note # 02 to the Financial Statements, which describes the basis of accounting. The Financial Statements are prepared for the purpose of issuing subordinate bond. As a result, the financial statements may not be suitable for other than that for which these are prepared. Our opinion is not modified in respect of this matter

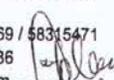
## Other matter

The Consolidated Financial Statements of the group and also Separate Financial Statements of the Bank as at and for the year ended 31 December 2020 were audited by ACNABIN Chartered Accountants and expressed an unmodified opinion on those statements on 28 March, 2021.



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**Motijheel Branch Office :**  
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Dhaka-1000, Bangladesh  
Phone : +88-02-58315469 / 58315471  
Fax : +880-2-48320936  
E-mail : info@mabsj.com  
Web : www.mabsj.com

  
M. Fakhrul Alam  
Managing Director  
**ONE Bank**  
LIMITED

***Other Information***

The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditors' report thereon. However, our opinion on the Consolidated and Separate Financial statements does not cover the other information as it is not also applicable for Interim Audit and we do not express any form of assurance conclusion thereon.

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

Management is responsible for the preparation and fair presentation of the Consolidated Financial Statements of the Group and also Separate Financial Statements of the Bank in accordance with IFRSs as explained in note # 02, and for such internal control as management determines is necessary to enable the preparation of Consolidated and Separate Financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated and Separate Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated and Separate Financial Statements, including the disclosures, and whether the Consolidated and Separate Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated and Separate Financial

## MABS & J Partners

Chartered Accountants

Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other Legal and Regulatory Requirements

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

- I. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- II. to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements 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:
  - a. internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;
  - b. nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities;
- III. Financial Statements for the half year ended 30 June 2021 of two subsidiaries namely, ONE Securities Limited and ONE Investment Limited have been duly audited by us and have been properly reflected in the Consolidated Financial Statements;
- IV. in our opinion, proper books of accounts as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- V. the records and statements submitted by the branches have been properly maintained and Consolidated in the Financial Statements;
- VI. the Consolidated Balance Sheet and Consolidated Profit and Loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- VII. the expenditures incurred were for the purpose of the Bank's business for the half year;
- VIII. the Consolidated Financial Statements of the Group and the Separate Financial Statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;

## MABS & J Partners

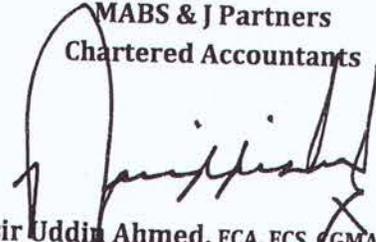
Chartered Accountants

- IX. adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- X. the information and explanations required by us have been received and found satisfactory; and
- XI. Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the half year.

Dhaka, 28 September 2021

Signed for & on behalf of

**MABS & J Partners**  
Chartered Accountants



Nasir Uddin Ahmed, FCA, FCS, CGMA, ACMA (UK)

Senior Partner

ICAB Enrollment No: 535

**ONE Bank Limited and its Subsidiaries**  
**Consolidated Balance Sheet**  
**As at 30 June 2021**

	Notes	Amount in Taka	
		30.06.2021	31.12.2020
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>			
Cash in hand ( including foreign currencies)	3 (a)	2,997,817,765	3,099,564,869
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		26,564,164,140	26,437,376,200
		<b>29,561,981,905</b>	<b>29,536,941,069</b>
<b>Balance with other Banks and Financial Institutions</b>			
In Bangladesh	4 (a)	4,963,896,296	2,637,146,008
Outside Bangladesh		5,503,915,790	4,387,093,348
		<b>10,467,812,086</b>	<b>7,024,239,356</b>
<b>Money at call on short notice</b>			
	5	-	-
<b>Investments</b>			
Government	6 (a)	23,658,237,413	25,356,340,064
Others		6,800,698,705	6,960,694,074
		<b>30,458,936,117</b>	<b>32,317,034,138</b>
<b>Loans and Advances/investments</b>			
Loans, cash credit, overdraft etc./investments	7 (a)	220,825,454,316	218,405,027,866
Bills purchased and discounted		2,033,109,830	2,023,692,190
		<b>222,858,564,146</b>	<b>220,428,720,056</b>
<b>Fixed Assets including premises, furnitures &amp; fixtures</b>			
	8 (a)	2,943,585,671	3,037,810,261
<b>Other Assets</b>			
<b>Non-banking Assets</b>			
<b>Total Assets</b>	9 (a)	12,081,028,917	11,323,733,040
		-	-
		<b>308,371,908,842</b>	<b>303,668,477,921</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other Banks, Financial Institutions and agent	10 (a)	22,544,259,252	21,322,835,943
Non-convertible subordinated bond and contingent-convertible perpetual bond	10 (b)	6,900,000,000	6,900,000,000
<b>Deposits and other accounts</b>			
Current/Al-wadeeah current account and other account	11 (a)	26,485,504,820	25,600,825,688
Bills payable		2,884,035,856	2,561,617,392
Savings accounts/Mudaraba savings bank deposit		28,754,048,068	26,768,261,590
Fixed Deposit/Mudaraba fixed deposits		171,353,704,386	174,138,577,055
		<b>229,477,293,130</b>	<b>229,069,281,724</b>
<b>Other Liabilities</b>			
	12 (a)	30,982,200,050	29,246,923,110
<b>Total Liabilities</b>		<b>289,903,752,432</b>	<b>286,539,040,777</b>
<b>Capital/Shareholders' Equity</b>			
Paid-up Capital	13.2	9,340,404,560	8,853,464,040
Statutory Reserve	14	6,802,718,597	6,430,798,085
Surplus in profit & loss account	15.1.a	2,280,458,185	1,801,400,626
Revaluation reserve for securities		11,793,968	11,908,123
<b>Total Shareholders' Equity</b>		<b>18,435,375,310</b>	<b>17,097,570,873</b>
<b>Non-controlling Interest</b>			
	15.1.c	32,781,101	31,866,271
<b>Total Liability and Shareholders' Equity</b>		<b>308,371,908,842</b>	<b>303,668,477,921</b>

Notes	Amount in Taka	
	30.06.2021	31.12.2020

**OFF BALANCE SHEET ITEMS**

**Contingent Liabilities**

Acceptances and Endorsements	25,486,295,838	30,449,543,760
Letters of Guarantee	13,253,624,808	13,082,189,159
Irrevocable Letters of Credit	21,653,324,218	19,014,867,606
Bills for Collection	1,709,311,788	1,306,099,289
Other Contingent Liabilities	-	-

**Other Commitments**

<b>Total off-Balance Sheet items including contingent liabilities</b>	<b>62,102,556,652</b>	<b>63,852,699,814</b>
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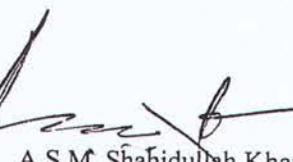
<b>Net Asset Value Per Share</b>	<b>34</b>	<b>19.74</b>	<b>18.30</b>
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These Financial Statements should be read in conjunction with the annexed notes 1 to 39.

  
M. Fakhruul Alam  
Managing Director

  
Kazi Rukunuddin Ahmed  
Director

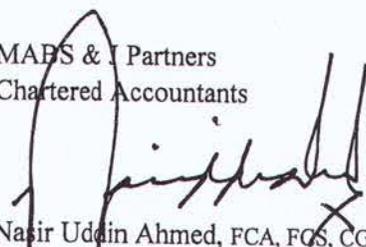
  
Zahur Ullah  
Vice- Chairman

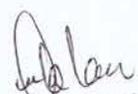
  
A.S.M. Shahidullah Khan  
Chairman

See annexed report of even date.

Dhaka, 28 September 2021

MABS & Partners  
Chartered Accountants

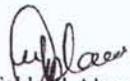
  
Nasir Uddin Ahmed, FCA, FCS, CGMA, ACMA (UK)  
Senior Partner  
ICAB Enrollment No: 535  
DVC No:

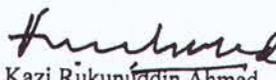
  
M. Fakhruul Alam  
Managing Director  
**ONE Bank**  
LIMITED

**ONE Bank Limited and its Subsidiaries**  
**Consolidated Profit & Loss Account**  
**For the period from 01 January 2021 to 30 June 2021**

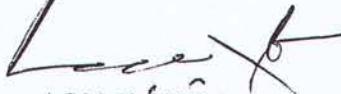
	Notes	Amount in Taka	
		January to June	
		2021	2020
Interest income/profit on investment	16 (a)	8,705,229,167	10,555,907,911
Interest paid on deposits and borrowings etc.	17 (a)	(6,052,592,635)	(8,529,846,434)
<b>Net interest income</b>		<b>2,652,636,533</b>	<b>2,026,061,477</b>
Investment income	18 (a)	1,104,327,520	1,401,288,581
Commission, exchange and brokerage	19 (a)	776,277,371	467,780,985
Other operating income	20 (a)	291,938,527	330,021,085
<b>Total operating income (A)</b>		<b>4,825,179,951</b>	<b>4,225,152,127</b>
Salaries and allowances	21 (a)	1,423,125,774	1,509,322,054
Rent, taxes, insurance, electricity etc.	22 (a)	276,255,453	356,113,409
Legal expenses	23 (a)	37,535,982	33,651,868
Postage, stamps, telecommunication etc.	24	44,363,824	37,051,545
Directors' fees	25 (a)	501,600	510,000
Auditors' fees		395,000	165,000
Stationery, printings, advertisements etc.	26 (a)	102,254,050	154,855,894
Managing Director's salary and allowances (Bank only)	27	6,120,000	6,800,000
Depreciation, leasing expense and repair of bank's assets	28 (a)	473,193,419	316,737,221
Other expenses	29 (a)	208,203,889	176,903,753
<b>Total operating expenses (B)</b>		<b>2,571,948,991</b>	<b>2,592,110,744</b>
<b>Profit/ (loss) before provision and tax (C=A-B)</b>		<b>2,253,230,960</b>	<b>1,633,041,383</b>
Provision for loans and advances	30.1		
Specific provision		(186,406,748)	8,045,993
General provision		505,742,078	106,177,543
		<b>319,335,329</b>	<b>114,223,536</b>
Provision for off-balance sheet items	30	(41,680,230)	(34,268,449)
Provision for diminution in value of share	31	-	93,955,211
Provision for other		13,130,224	-
<b>Total Provision (D)</b>		<b>290,785,323</b>	<b>173,910,298</b>
<b>Profit/(loss) before taxes (E=C-D)</b>		<b>1,962,445,636</b>	<b>1,459,131,085</b>
<b>Provision for taxation</b>	32 (a)		
Current tax expense		625,221,983	598,102,258
Deferred tax expense /(income)		(1,609,767)	(3,989,483)
		<b>623,612,216</b>	<b>594,112,775</b>
<b>Net Profit after taxation</b>		<b>1,338,833,421</b>	<b>865,018,310</b>
<b>Attributable to:</b>			
Shareholders of the ONE Bank Ltd		1,337,918,591	864,871,798
Non-controlling Interest		914,829	146,511
		<b>1,338,833,421</b>	<b>865,018,310</b>
Retained surplus brought forward	15.1.b	1,314,460,106	1,601,772,114
Add: Net profit after tax (attributable to shareholder of OBL)		1,337,918,591	864,871,798
		<b>2,652,378,697</b>	<b>2,466,643,912</b>
<b>Appropriations:</b>			
Statutory Reserve	14	371,920,512	290,257,952
General Reserve		-	-
		<b>371,920,512</b>	<b>290,257,952</b>
<b>Retained Surplus</b>		<b>2,280,458,185</b>	<b>2,176,385,960</b>
<b>Earnings per share (EPS)</b>	35	<b>1.43</b>	<b>0.93</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 39.

  
M. Fakhrul Alam  
Managing Director

  
Kazi Rukunuddin Ahmed  
Director

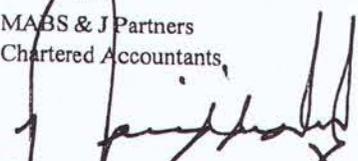
  
Zahur Ullah  
Vice- Chairman

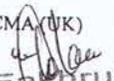
  
A.S.M. Shahidullah Khan  
Chairman

See annexed report of even date.

Dhaka, 28 September 2021

MABS & J Partners  
Chartered Accountants,

  
Nasir Uddin Ahmed, FCA, FCS, EGMA, ACMA (UK)  
Senior Partner  
ICAB Enrollment No: 535  
DVC No:

  
M. Fakhrul Alam  
Managing Director  
**ONE Bank**  
LIMITED

**ONE Bank Limited and its Subsidiaries**  
**Consolidated Cash Flow Statement**  
**For the period from 01 January 2021 to 30 June 2021**

Notes	Amount in Taka	
	January to June	
	2021	2020

**Cash flows from operating activities**

Interest receipts in cash	8,119,685,067	11,760,952,499
Interest payments	(6,515,773,457)	(9,596,801,152)
Dividend receipts	98,479,923	11,525,913
Fee and commission receipts in cash	441,501,757	321,977,514
Recoveries of loans previously written off	30,278,393	7,673,428
Cash payments to employees	(1,325,096,837)	(1,417,158,124)
Cash payments to suppliers	(253,343,813)	(308,762,547)
Income Taxes paid	(509,546,011)	(611,682,327)
Receipts from other operating activities	669,563,407	475,809,467
Payment for other operating activities	(664,135,222)	(562,248,467)

**Cash generated from operating activities before changes in operating assets and liabilities**

**91,613,206**                      **81,286,204**

**Increase/(decrease) in operating assets and liabilities**

Sales/(purchase) of trading securities	1,356,445,733	2,319,007,963
Loans and advances to customers	(2,429,844,090)	(5,582,258,696)
Other current assets	(329,530,112)	(588,131,525)
Deposits from other banks/ Borrowings	1,671,465,349	(462,943,213)
Deposits from customers	1,748,404,820	(4,986,837,787)
Other liabilities	811,204,320	840,133,449
<b>A Net cash used in/ from operating activities</b>	<b>2,919,759,226</b>	<b>(8,379,743,606)</b>

**Cash flows from investing activities**

Sales/(purchase) of securities	699,672,460	742,546,922
Net Purchase/sale of fixed assets	(153,038,237)	(74,096,107)
<b>B Net cash used in investing activities</b>	<b>546,634,223</b>	<b>668,450,815</b>

**Cash flows from financing activities**

Receipts from issue of ordinary shares	-	-
Dividend paid	-	-
<b>C Net cash used for financial activities</b>	<b>-</b>	<b>-</b>

**D Net increase/(decrease) in cash and cash equivalent (A+B+C)**

3,466,393,449                      (7,711,292,790)

**E Effects of exchange rate changes on cash and cash-equivalent**

2,667,117                      (5,716,013)

**F Opening cash and cash equivalent**

36,562,760,625                      33,397,314,060

**G Closing cash and cash equivalents (D+E+F)**

**40,031,821,191**                      **25,680,305,256**

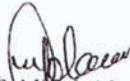
**Closing cash and cash equivalents**

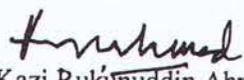
Cash in hand (including foreign currencies)	3 (a) 2,997,817,765	2,735,268,385
Cash with Bangladesh Bank & its agent banks(s)	3 (a) 26,564,164,140	19,137,525,705
Cash with other banks and financial institutions	4 (a) 10,467,812,086	3,805,910,267
Money at call on short notice	5 -	-
Prize bonds	6 2,027,200	1,600,900
	<b>40,031,821,191</b>	<b>25,680,305,256</b>

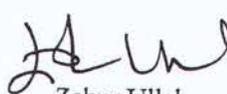
**Net Operating Cash Flow Per Share**

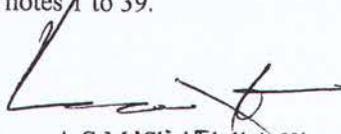
**36**                      **3.13**                      **(8.97)**

These Financial Statements should be read in conjunction with the annexed notes 1 to 39.

  
M. Fakhru Alam  
Managing Director

  
Kazi Rukunuddin Ahmed  
Director

  
Zahur Ullah  
Vice- Chairman

  
A.S.M. Shahdullah Khan  
Chairman

Dhaka, 28 September 2021

**ONE Bank Limited and its Subsidiaries**  
**Consolidated Statement of Changes in Equity**  
**For the period from 01 January 2021 to 30 June 2021**

Particulars	Amount in Taka						
	Paid-up Capital	Statutory 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	11,908,123	1,801,400,626	17,097,570,873	31,866,271	17,129,437,144
Changes in accounting policy	-	-	-	-	-	-	-
<b>Restated balance</b>	<b>8,853,464,040</b>	<b>6,430,798,085</b>	<b>11,908,123</b>	<b>1,801,400,626</b>	<b>17,097,570,873</b>	<b>31,866,271</b>	<b>17,129,437,144</b>
Issue of Bonus Share for the year 2020 (Transferred to Paid-up Capital)	486,940,520	-	-	(486,940,520)	-	-	-
Surplus of Revaluation of Reserve for HTM Securities	-	-	-	-	-	-	-
Adjustment of Revaluation of Reserve for HTM Securities	-	-	(114,155)	-	(114,155)	-	(114,155)
Net Profit after Tax for the period	-	-	-	1,337,918,591	1,337,918,591	914,829	1,338,833,421
Profit transferred to Statutory Reserve	-	371,920,512	-	(371,920,512)	-	-	-
Balance as at 30 June 2021	9,340,404,560	6,802,718,597	11,793,968	2,280,458,185	18,435,375,310	32,781,101	18,468,156,410
Balance as at 30 June 2020	8,431,870,520	6,372,706,527	9,087,403	2,176,381,930	16,990,046,381	30,923,130	17,020,969,510

These Financial Statements should be read in conjunction with the annexed notes 1 to 39.

  
M. Fakhrul Alam  
Managing Director

  
Kazi Rukunuddin Ahmed  
Director

  
Zahur Ullah  
Vice-Chairman

  
A.S.M. Shahidullah Khasa  
Chairman

Dhaka, 28 September 2021

  
M. Fakhrul Alam  
Managing Director  
**ONE BANK**  
LIMITED

**ONE Bank Limited**  
**Balance Sheet**  
**As at 30 June 2021**

	Notes	Amount in Taka	
		30.06.2021	31.12.2020
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>			
Cash in hand ( including foreign currencies)	3	2,997,806,591	3,099,551,672
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		26,564,164,140	26,437,376,200
		<b>29,561,970,731</b>	<b>29,536,927,872</b>
<b>Balance with other Banks and Financial Institutions</b>			
In Bangladesh	4	4,963,896,296	2,637,146,008
Outside Bangladesh		5,503,915,790	4,387,093,348
		<b>10,467,812,086</b>	<b>7,024,239,356</b>
<b>Money at call on short notice</b>			
	5	-	-
<b>Investments</b>			
Government	6	23,658,237,413	25,356,340,064
Others		4,330,642,500	4,627,642,064
		<b>27,988,879,912</b>	<b>29,983,982,128</b>
<b>Loans and Advances/investments</b>			
Loans, cash credit, overdraft etc./investments	7	220,828,610,252	218,317,854,244
Bills purchased and discounted		2,033,109,830	2,023,692,190
		<b>222,861,720,081</b>	<b>220,341,546,434</b>
<b>Fixed Assets including premises, furnitures &amp; fixtures</b>			
	8	2,913,510,982	3,008,695,706
<b>Other Assets</b>			
Non-banking Assets	9	14,389,776,875	13,621,469,800
		-	-
<b>Total Assets</b>		<b>308,183,670,668</b>	<b>303,516,861,297</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other Banks, Financial Institutions and agents	10	22,544,259,252	21,322,835,943
Non-convertible subordinated bond and contingent-convertible perpetual bond	10 (b)	6,900,000,000	6,900,000,000
<b>Deposits and other accounts</b>			
Current/Al-wadeeah current account and other account	11	26,485,504,820	25,600,825,688
Bills payable		2,884,035,856	2,561,617,392
Savings accounts/Mudaraba savings bank deposit		28,754,048,068	26,768,261,590
Fixed Deposit/Mudaraba fixed deposits		171,836,657,798	174,553,868,510
		<b>229,960,246,542</b>	<b>229,484,573,179</b>
<b>Total Liabilities</b>	12	<b>30,576,368,606</b>	<b>28,862,724,790</b>
		<b>289,980,874,400</b>	<b>286,570,133,912</b>
<b>Capital/Shareholders' Equity</b>			
Paid-up Capital	13.2	9,340,404,560	8,853,464,040
Statutory Reserve	14	6,802,718,597	6,430,798,085
Surplus in profit & loss account	15	2,047,879,143	1,650,557,138
Revaluation reserve for securities		11,793,968	11,908,123
<b>Total Shareholders' Equity</b>		<b>18,202,796,268</b>	<b>16,946,727,385</b>
<b>Total Liability and Shareholders' Equity</b>		<b>308,183,670,668</b>	<b>303,516,861,297</b>

Notes	Amount in Taka	
	30.06.2021	31.12.2020

**OFF BALANCE SHEET ITEMS**

**Contingent Liabilities**

Acceptances and Endorsements	25,486,295,838	30,449,543,760
Letters of Guarantee	13,253,624,808	13,082,189,159
Irrevocable Letters of Credit	21,653,324,218	19,014,867,606
Bills for Collection	1,709,311,788	1,306,099,289
Other Contingent Liabilities	-	-

**Total Contingent Liabilities**

62,102,556,652      63,852,699,814

**Other Commitments**

-      -

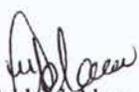
**Total off-Balance Sheet items including contingent liabilities**

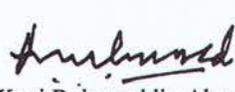
62,102,556,652      63,852,699,814

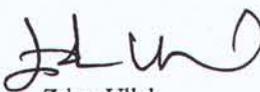
**Net Asset Value Per Share**

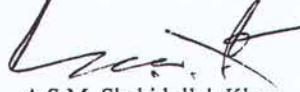
34      19.49      18.14

These Financial Statements should be read in conjunction with the annexed notes 1 to 39.

  
M. Fakhru Alam  
Managing Director

  
Kazi Rukunuddin Ahmed  
Director

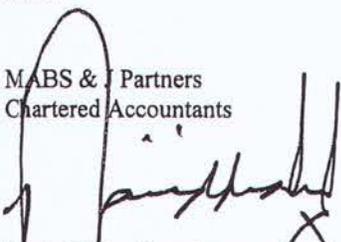
  
Zahur Ullah  
Vice- Chairman

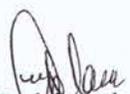
  
A.S.M. Shahidullah Khan  
Chairman

See annexed report of even date.

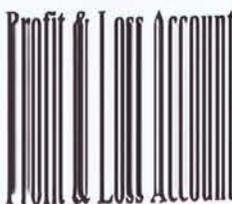
Dhaka, 28 September 2021

MABS & J Partners  
Chartered Accountants

  
Nasir Uddin Ahmed, FCA, FCS, CGMA, ACMA (UK)  
Senior Partner  
ICAB Enrollment No: 535  
DVC No:

  
M. Fakhru Alam  
Managing Director  
**ONE Bank**  
LIMITED

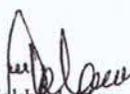
ONE Bank Limited

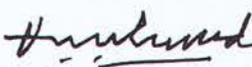


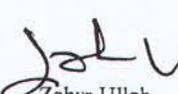
For the period from 01 January 2021 to 30 June 2021

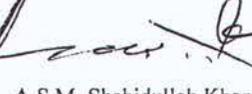
	Notes	Amount in Taka	
		January to June	
		2021	2020
Interest income/profit on investment	16	8,701,608,115	10,549,593,174
Interest paid on deposits and borrowings etc.	17	(6,065,627,053)	(8,539,019,350)
<b>Net interest income</b>		<b>2,635,981,062</b>	<b>2,010,573,824</b>
Investment income	18	1,025,668,604	1,396,040,005
Commission, exchange and brokerage	19	742,451,796	457,858,642
Other operating income	20	291,669,555	329,929,806
<b>Total operating income (A)</b>		<b>4,695,771,017</b>	<b>4,194,402,277</b>
Salaries and allowances	21	1,408,814,026	1,494,269,285
Rent, taxes, insurance, electricity etc.	22	274,921,027	352,927,331
Legal expenses	23	37,369,982	33,548,368
Postage, stamps, telecommunication etc.	24	44,363,824	37,051,545
Directors' fees	25	413,600	488,000
Auditors' fees		375,000	150,000
Stationery, printings, advertisements etc.	26	102,018,794	154,766,942
Managing Director's salary and allowances	27	6,120,000	6,800,000
Depreciation, leasing expense and repair of bank's	28	469,545,119	315,466,957
Other expenses	29	201,774,015	173,733,788
<b>Total operating expenses (B)</b>		<b>2,545,715,386</b>	<b>2,569,202,217</b>
<b>Profit/ (loss) before provision and tax (C=A-B)</b>		<b>2,150,055,631</b>	<b>1,625,200,060</b>
Provision for loans and advances			
Specific provision	30	(186,406,748)	8,045,993
General provision	30	505,409,825	106,177,543
		<b>319,003,077</b>	<b>114,223,536</b>
Provision for off-balance sheet items	30	(41,680,230)	(34,268,449)
Provision for diminution in value of share	30	-	93,955,211
Provision for other	30	13,130,224	-
<b>Total Provision (D)</b>		<b>290,453,071</b>	<b>173,910,298</b>
<b>Profit/ (loss) before taxes (E=C-D)</b>		<b>1,859,602,560</b>	<b>1,451,289,762</b>
<b>Provision for taxation</b>			
Current tax expense	32	604,703,089	596,182,873
Deffered tax expense/ (income)	32	(1,283,566)	(3,985,413)
		<b>603,419,523</b>	<b>592,197,461</b>
<b>Net Profit after taxation</b>		<b>1,256,183,037</b>	<b>859,092,301</b>
Retained surplus brought forward	15.1	1,163,616,618	1,529,071,287
		<b>2,419,799,655</b>	<b>2,388,163,588</b>
<b>Appropriations:</b>			
Statutory Reserve	14	371,920,512	290,257,952
General Reserve		-	-
		<b>371,920,512</b>	<b>290,257,952</b>
<b>Retained Surplus</b>		<b>2,047,879,143</b>	<b>2,097,905,635</b>
<b>Earnings per share (EPS)</b>	35	<b>1.34</b>	<b>0.92</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 38.

  
M. Fakhruul Alam  
Managing Director

  
Kazi Rukunuddin Ahmed  
Director

  
Zahur Ullah  
Vice- Chairman

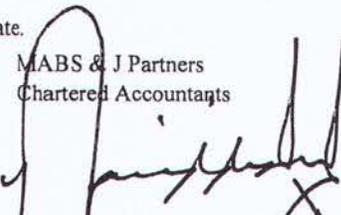
  
A.S.M. Shahidullah Khan  
Chairman

Dhaka, 28 September 2021

See annexed report of even date.

  
M. Fakhruul Alam  
Managing Director  
**ONE Bank**  
LIMITED

MABS & J Partners  
Chartered Accountants

  
Nasir Uddin Ahmed, FCA, FCS, CGMA, ACMA (UK)  
Senior Partner  
ICAB Enrollment No: 535  
DVC No:

**ONE Bank Limited**  
**Cash Flow Statement**  
For the period from 01 January 2021 to 30 June 2021

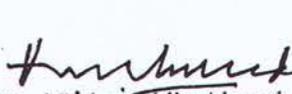
Notes	Amount in Taka	
	January to June	
	2021	2020

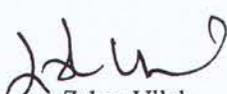
**Cash flows from operating activities**

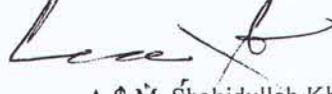
Interest receipts in cash	8,100,342,389	11,745,466,332
Interest payments	(6,512,014,232)	(9,596,801,152)
Dividend receipts	41,592,943	1,428,009
Fee and commission receipts in cash	407,676,182	312,055,171
Recoveries of loans previously written off	30,278,393	7,673,428
Cash payments to employees	(1,325,096,837)	(1,417,158,124)
Cash payments to suppliers	(253,343,813)	(308,762,547)
Income taxes paid	(490,148,470)	(606,899,226)
Receipts from other operating activities	643,755,435	475,718,187
Payment for other operating activities	(639,530,159)	(540,973,089)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>	<b>3,511,831</b>	<b>71,746,988</b>
<b>Increase/(decrease) in operating assets and liabilities</b>		
Sales/ (purchase) of trading securities	1,493,449,928	2,319,007,963
Loans and advances to customers	(2,520,173,647)	(5,582,553,906)
Other current assets	(334,004,307)	(589,961,514)
Deposits from other banks/ Borrowings	1,671,465,349	(462,943,213)
Deposits from customers	1,816,066,777	(4,982,749,757)
Other liabilities	785,729,285	839,357,328
<b>A Net cash used in/ from operating activities</b>	<b>2,916,045,215</b>	<b>(8,388,096,111)</b>
<b>Cash flow from investing activities</b>		
Sales/ (purchase) of securities	699,672,460	750,856,144
Net Purchase/sale of fixed assets	(149,322,203)	(74,047,316)
<b>B Net cash used in investing activities</b>	<b>550,350,257</b>	<b>676,808,828</b>
<b>Cash flow from financing activities</b>		
Receipts from issue of ordinary shares	-	-
Dividend paid	-	-
<b>C Net cash from financing activities</b>	<b>-</b>	<b>-</b>
<b>D Net increase/(decrease) in cash and cash equivalent (A+B+C)</b>	<b>3,466,395,472</b>	<b>(7,711,287,283)</b>
<b>E Effects of exchange rate changes on cash and cash-equivalent</b>	<b>2,667,117</b>	<b>(5,716,013)</b>
<b>F Opening cash and cash equivalent</b>	<b>36,562,747,428</b>	<b>33,397,303,156</b>
<b>G Closing cash and cash equivalents (D+E+F)</b>	<b>40,031,810,017</b>	<b>25,680,299,859</b>
<b>Closing cash and cash equivalents</b>		
Cash in hand (including foreign currencies)	3.1 2,997,806,591	2,735,262,987
Cash with Bangladesh Bank & its agent banks(s)	3.2 26,564,164,140	19,137,525,705
Cash with other banks and financial institutions	4 10,467,812,086	3,805,910,267
Money at call and short notice	5 -	-
Prize bonds	6 2,027,200	1,600,900
	<b>40,031,810,017</b>	<b>25,680,299,859</b>
<b>Net Operating Cash Flow Per Share</b>	<b>36</b>	<b>3.12</b>
		<b>(8.98)</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 39.

  
M. Fakhruul Alam  
Managing Director

  
Kazi Rukunuddin Ahmed  
Director

  
Zahur Ullah  
Vice- Chairman

  
A.S.M. Shahidullah Khan  
Chairman

Dhaka, 28 September 2021

  
M. Fakhruul Alam  
Managing Director  
**ONE Bank**  
LIMITED

**ONE Bank Limited**  
**Statement of Changes in Equity**  
**For the period from 01 January 2021 to 30 June 2021**

Particulars	Amount in Taka				
	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	11,908,123	1,650,557,138	16,946,727,385
Changes in accounting policy	-	-	-	-	-
<b>Restated balance</b>	<b>8,853,464,040</b>	<b>6,430,798,085</b>	<b>11,908,123</b>	<b>1,650,557,138</b>	<b>16,946,727,385</b>
Issue of Bonus Share for the year 2020 (Transferred to Paid-up Capital)	486,940,520	-	-	(486,940,520)	-
Surplus of Revaluation of Reserve for HTM Securities	-	-	-	-	-
Adjustment of Revaluation of Reserve for HTM Securities	-	-	(114,155)	-	(114,155)
Net Profit after Tax for the period	-	-	-	1,256,183,037	1,256,183,037
Profit transferred to Statutory Reserve	-	371,920,512	-	(371,920,512)	-
<b>Balance as at 30 June 2021</b>	<b>9,340,404,560</b>	<b>6,802,718,597</b>	<b>11,793,968</b>	<b>2,047,879,143</b>	<b>18,202,796,268</b>
<b>Balance as at 30 June 2020</b>	<b>8,431,870,520</b>	<b>6,372,706,527</b>	<b>9,087,403</b>	<b>2,097,905,635</b>	<b>16,911,570,085</b>

These Financial Statements should be read in conjunction with the annexed notes 1 to 39.

  
M. Fakhruul Alam  
Managing Director

  
Kazi Rukunuddin Ahmed  
Director

  
Zahur Ullah  
Vice- Chairman

  
A.S.M. Shahidullah Khan  
Chairman

Dhaka, 28 September 2021

**ONE Bank Limited**  
**Liquidity Statement**  
**(Assets & Liabilities Maturity Analysis)**  
**As at 30 June 2021**

	Amount in Taka					
	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
<b>Assets:</b>						
Cash	29,561,970,731	-	-	-	-	29,561,970,731
Balance with other banks and financial institutions	4,882,418,425	3,066,871,531	2,518,522,130	-	-	10,467,812,086
Money at call on short notice	-	-	-	-	-	-
Investment	1,007,694,024	2,584,021,076	4,764,589,951	14,047,717,016	5,584,857,845	27,988,879,912
Loans and Advances	15,806,464,076	47,581,567,789	70,631,526,741	49,689,887,717	39,152,273,759	222,861,720,081
Fixed Assets including premises, furniture & fixtures	-	-	-	-	2,913,510,982	2,913,510,982
Other Assets	949,181,849	-	1,423,772,774	2,372,954,623	9,643,867,628	14,389,776,875
<b>Non-banking Assets</b>						
<b>Total Assets</b>	<b>52,207,729,106</b>	<b>53,232,460,396</b>	<b>79,338,411,595</b>	<b>66,110,559,357</b>	<b>57,294,510,214</b>	<b>308,183,670,668</b>
<b>Liabilities:</b>						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	2,537,047,024	3,074,594,763	10,342,382,061	12,710,235,404	780,000,000	29,444,259,252
Deposits and Other Accounts	51,701,121,876	63,988,117,955	71,690,860,708	39,304,934,963	3,275,211,039	229,960,246,542
Other Liabilities	3,067,592,034	12,270,368,137	10,736,572,119	4,501,836,316	-	30,576,368,606
<b>Total Liabilities</b>	<b>57,305,760,934</b>	<b>79,333,080,855</b>	<b>92,769,814,889</b>	<b>56,517,006,683</b>	<b>4,055,211,039</b>	<b>289,980,874,400</b>
<b>Net Liquidity Gap</b>	<b>(5,098,031,828)</b>	<b>(26,100,620,459)</b>	<b>(13,431,403,294)</b>	<b>(9,593,552,674)</b>	<b>53,239,299,175</b>	<b>18,202,796,268</b>

**Net result of the Liquidity Statement represents the "Shareholders' Equity" of the Bank**

These Financial Statements should be read in conjunction with the annexed notes 1 to 39.

  
M. Fakhru Alam  
Managing Director

  
Kazi Rukunuddin Ahmed  
Director

  
Zahur Ullah  
Vice-Chairman

  
A.S.M. Shahidullah Khan  
Chairman

Dhaka, 28 September 2021

**ONE Bank Limited**  
**Notes to the Financial Statements**  
**As at and for the period from 01 January 2021 to 30 June 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 30 June 2021 the Bank has 105 branches, 2 Islami Banking branches, 27 Sub-branches, 14 collection booths and 150 ATM booths. The Bank has two subsidiary companies namely, ONE Securities Limited and ONE Investment Limited. At present the Bank has 2 (two) Off-shore Banking units, one in Dhaka and another in Chattogram.

**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 and regulations of Bangladesh Bank. Separate Financial Statements of Islami Banking Unit are shown in the **Annexure- D**.

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.

A separate Balance Sheet and Profit and Loss Account are shown in Annexure- D 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.

**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-E**.

### **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.

### **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.

### **1.7 International Banking**

International Banking activities of the Bank are being facilitated by the International Division with 17 ADs 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 Asia Sdn Bhd, Aftab Currency Exchange Ltd. 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 30 June 2021 our total no. of foreign correspondents and nostro accounts stand at 431 and 26 (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 the period ended 30 June 2021.

Capital Adequacy symbolizes the financial strength and stability of a bank. It limits the extent up to which a bank can expand its business in terms of risk-weighted assets. Like all other commercial institutions, the Bank constantly looks for the ways of expanding its operations by opening branches, mobilizing deposits, providing loans and investing in Capital Market. The Bank always keeps a careful check on its Capital Adequacy Ratios.

## 1.9 Information Technology

ONE Bank Limited has adopted IT system at the very beginning of its commencement of operation. During the last 22 (Twenty-Two) 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 30 June 2021, the amount of deposit was 74.62% of total liability and shareholders' equity & the amount of shareholders' equity was 5.91% 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.

## 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 except Managing Director are Non-Executive Directors. Particulars of Directors are included in the annual report (please see Annexure-C).

#### 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.

### 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 period ended 30 June 2021 comprise those of Domestic Banking Units (Main operations) including Islami Banking Operation and Offshore 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 period. The financial statements as on June 30, 2021 are prepared for the purpose of issuing subordinated bond.

### 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 1987. 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.

**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 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 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 recognised 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, specific provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue 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 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 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 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.

### 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 30 June 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 period have been adjusted by debiting / crediting exchange gain or loss account.

### iii. Commitment

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.

## 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.

### 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 period ended 30 June 2021. The consolidated financial statements have been prepared in accordance with IFRS 10 'Consolidated Financial Statements'.

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

### 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.

## 2.8 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

- Loans and Advances are stated at gross amount and before off setting specific and general provisions against them.
- 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 respectively at the following rates:

Category/status of Loans and Advances	Rates	
	Bangladesh Bank's Requirement	Maintained by the Bank
<b>General provisions for unclassified loans and advances:</b>		
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	1%	1%
<b>Specific provision for classified loans and advances:</b>		
Substandard	20%	20%
Doubtful	50%	50%
Bad/Loss	100%	100%
<b>Provision for classified loan to short-term agricultural and Micro-Credit:</b>		
Substandard	5%	5%
Doubtful	5%	5%
Bad/Loss	100%	100%
<b>Provision for classified loan to Cottage, Micro and Small Credits under CMSME:</b>		
Substandard	5%	5%
Doubtful	20%	20%
Bad/Loss	100%	100%

- 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	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.

- 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 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
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 2.23)

### 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.

### 2.8.5 Other Assets

As per BRPD circular 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	<b>Unadjusted Expenses</b> [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	<b>Litigation / Legal Expenses</b>			
	(a) related to unsettled cases	50%		
	(b) unadjusted expenses related to settled cases		100%	
3	<b>Protested Bill / Fraud / Forgery/ Fund Embezzlement</b>			
	(a) for doubtful	50%		If there is any possibility of recovery.
	(b) for bad/loss		100%	If there is no possibility of recovery.
4	<b>Miscellaneous</b>		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 30 June 2021 was Tk. 2,400,000,000):**

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 @ 7.20%.

**Subordinated Bond-III 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 applicable interest rate @ 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. As of Balance Sheet date interest rate is applicable @ 8.74%.

#### **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 Advanced, 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.

Details are stated in Note 7.8 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. For unquoted shares, provision has been made based on available NAV of respective no. of units. As on the reporting date, the Bank does not hold any mutual fund.

#### **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 and BRPD Circular No. 07 dated June 21, 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 no.12.10.

#### **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**

##### **l).1 Current Tax**

As per the Income Tax Ordinance 1984, provision for income tax has been made by applying applicable rates.

##### **l).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.

**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 30 June 2021 as per IAS- 33 "Earnings per Share". Diluted earnings per share were not required to calculate as there is no dilution possibilities occurred as on balance sheet date.

### 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 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.

## 2.17 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.

## 2.18 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.

## 2.19 Reporting Period

These financial statements period from 01 January 2021 to 30 June 2021.

## 2.20. Number of Employees

The number of employees in employment in the Bank as on 30 June 2021 was 2,455 of which 1,950 were male and 505 were female. The number of employees per branch (including sub-branches and booths) was 13.94 (1492/107) excluding 963 employees in the Head Office of the Bank.

## 2.21. 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.

### 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 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 31<sup>st</sup> December of the FY and Appraisal Rating.

**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.

## 2.22 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
Presentation of Financial Statements	IAS1	Applied with some departures
Inventories	IAS2	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
Financial instruments: Recognition and Measurement	IAS 39	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.

\*\*\* 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.

### 2.23: 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.

### 2.24 BASEL III Implementation

Under the guideline of BASEL III Implementation plan issued by Bangladesh Bank vide BRPD Circular -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 minimum capital including Capital Conservation Buffer @ 12.82% against the statutory requirement of 12.50% as at 30 June 2021.

### 2.25 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:

### **2.25.1 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.

### 2.25.2 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.

### 2.25.3 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.

### 2.25.4 Prevention of Money Laundering and Combating Financing of Terrorism

ONE Bank 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 to 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 functions to review and evaluate the overall effectiveness of the AML & CFT program (third line of defense);
- An ongoing employee training 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 is being reviewed lastly in 2018.

The Bank has a Central Compliance Committee (CCC) headed by Chief Anti Money Laundering Compliance Officer (CAMLCO) in the rank of Senior Executive Vice President, Deputy Chief Anti Money Laundering Compliance officers and a dedicated Anti Money Laundering Division (AMLD) having Certified Anti Money Laundering Specialist (CAMS) at Corporate HQ. 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 of concern officers related with the job.

The Bank has a real time Sanction Screening process, Suspicious Transaction / Activity (STR/SAR) detection and reporting system in place. As part of regulatory requirements the Bank conducts regular trainings, workshops and discussion sessions on AML & CFT compliance for all employees and executives of the Bank. 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).

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 and compliant institution. Towards that end, the Bank is committed to comply with regulatory requirements as well as international best practices.

#### **2.25.5 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. OBL 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. 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.

#### **2.25.6 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 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.

#### **2.26 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.

Further, the number of fraud cases in OBL is at a minimal level. However, fraud and forgery within the period January 01, 2021 to June 30, 2021 is nil i.e. no case of fraud and forgery was identified.

If identified, related employee, considering the gravity of his/her misdeeds and depth of involvement, gets serious punishment including (i) dismissal from the services of the Bank or (ii) demotion to a lower post/designation or (iii) stoppage of promotion/increment for a year etc. as per OBL Staff Service Rules and Laws of the Land.

HQ ICCD of OBL is always reporting the employees' fraud forgery related information to Bangladesh Bank in compliance with the Department of Banking Inspection Instruction No. DBI-1(Niti)/1025/2012-41 dated February 07, 2012 and the Department of Off-site Supervision (DOS) Circular Letter No. 17 dated November 07, 2012 and (DOS) Circular Letter No. 10 dated May 09, 2017 of Bangladesh Bank.

#### **2.27 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 1987.
- 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, 1991.
- j. Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE) and Central Depository Bangladesh (CDBL) rules and regulations.

### 2.31 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 2013) and BRPD Circular No. 11 dated 27 October, 2013, the Board of Directors at its 329<sup>th</sup> 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 02 (two) Meetings from 01 January to 30 June, 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 June 30, 2021 were as follows:

- Reviewed and approved various Risk Management Policy of the Bank.
- 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.

### 2.32 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 Group and the Bank have been impacted due to COVID 19, but as the situation is constantly changing and there is no certainty at present as to how long the situation will prevail, the potential impact of COVID 19 related matters on the Group's operation and financial results cannot be reasonably assessed.

### 3 Cash

Amount in Taka	
30.06.2021	31.12.2020
2,997,806,591	3,099,551,672
26,564,164,140	26,437,376,200
<b>29,561,970,731</b>	<b>29,536,927,872</b>

Cash in hand (note-3.1)  
Balance with Bangladesh Bank and its agent bank (note-3.2)

#### 3.1 Cash in hand (including foreign currencies)

##### Conventional Banking:

In local currency  
In foreign currencies

2,971,237,521	3,059,686,909
10,256,918	25,036,324
<b>2,981,494,438</b>	<b>3,084,723,233</b>

##### Islami Banking:

In local currency  
In foreign currencies

16,312,153	14,828,438
-	-
<b>16,312,153</b>	<b>14,828,438</b>
<b>2,997,806,591</b>	<b>3,099,551,672</b>

#### 3.2 Balance with Bangladesh Bank and its agent bank (including foreign currencies)

##### Bangladesh Bank

##### Conventional Banking:

In local currency  
In foreign currencies

19,355,052,194	13,382,996,073
5,479,802,519	11,518,613,657
<b>24,834,854,713</b>	<b>24,901,609,730</b>

##### Islami Banking:

In local currency  
In foreign currencies

41,888,399	83,922,891
-	-
<b>41,888,399</b>	<b>83,922,891</b>

Balance with Sonali Bank being an agent of Bangladesh Bank

1,687,421,027	1,451,843,579
<b>26,564,164,140</b>	<b>26,437,376,200</b>

Reconciliation statements regarding Bangladesh Bank balance conventional banking are given in Annexure-B

#### 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 amendment in 2013), 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. Islami Banking operation has been started the business from December 15, 2020 and Bangladesh Bank issued a letter no. DOS (SR) 1153/120-A/2020-4130 dated December 22, 2020 for maintaining CRR and SLR. As per the directives of Bangladesh Bank, Islami Banking Division of ONE Bank Ltd requires to maintain 4.00% as CRR and 5.50% as SLR for the next two months (i.e. February 28, 2021).

##### a) Cash Reserve Requirement (CRR) :

##### Conventional and Offshore Banking:

##### Required reserve daily basis

Domestic Banking Operation  
Offshore Banking Operation  
Total

7,553,434,665	7,704,943,330
107,770,200	138,494,400
<b>7,661,204,865</b>	<b>7,843,437,730</b>

	Amount in Taka	
	30.06.2021	31.12.2020
<b>Reserve Held</b>		
Balance with Bangladesh Bank	19,355,052,194	13,382,996,073
Amount in reconciliation (Net)*	148,518,556	1,030,508,547
<b>Reserve held with Bangladesh Bank in local currencies</b>	<b>19,503,570,750</b>	<b>14,413,504,620</b>
<b>Surplus/(Shortage)</b>	<b>11,842,365,885</b>	<b>6,570,066,890</b>

**Islami Banking:**

Required reserve daily basis 11,525,045 6,911,920

**Reserve Held**

Balance with Bangladesh Bank 41,888,399 83,922,891

Amount in reconciliation (52,593) -

**Reserve held with Bangladesh Bank in local currencies** **41,835,806** **83,922,891**

**Surplus/(Shortage)** **30,310,761** **77,010,971**

\* The balance of local currency account was duly reconciled as of 30 June 2021 and the above amount was matched accordingly.

**Required reserve bi-weekly basis**

Domestic Banking Operation 8,632,496,760 8,805,649,520

Offshore Banking Operation 143,693,600 184,659,200

**Total** **8,776,190,360** **8,990,308,720**

Reserve held with Bangladesh Bank in local currencies 19,503,570,750 14,413,504,620

**Surplus/(Shortage)** **10,727,380,390** **5,423,195,900**

**Islami Banking:**

Required reserve bi-weekly basis 13,171,480 6,911,920

Reserve held with Bangladesh Bank in local currencies 41,835,806 83,922,891

**Surplus/(Shortage)** **28,664,326** **77,010,971**

**b) Statutory Liquidity Ratio (Other than CRR):**

**Conventional and Offshore Banking:**

**Required reserve**

Domestic Banking Operation 28,055,614,470 28,618,360,940

Offshore Banking Operation 934,008,400 1,200,284,800

**Total** **28,989,622,870** **29,818,645,740**

Reserve held (b.1) 39,015,806,068 35,293,402,576

**Surplus/(Shortage)** **10,026,183,198** **5,474,756,836**

**b.1 Reserve held in SLR :**

Cash in hand including foreign currency 2,981,494,438 3,084,723,233

Balance with Sonali Bank being an agent of Bangladesh Bank 1,687,421,027 1,451,843,579

Foreign Currency used (Balance with Bangladesh) - -

Treasury Bills 73,072,271 756,134,449

Treasury Bonds 23,546,437,942 24,577,505,415

**Sub Total** **28,288,425,678** **29,870,206,676**

Balance with Bangladesh Bank -local currency (Surplus amount of CRR ) 10,727,380,390 5,423,195,900

**Total** **39,015,806,068** **35,293,402,576**

**Islami Banking:**

Required reserve 18,110,785 9,503,890

Reserve held (b.2) 81,676,480 112,959,410

**Surplus/(Shortage)** **63,565,695** **103,455,520**

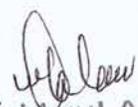
**b.2 Reserve held in SLR :**

Cash in hand including foreign currency 16,312,153 14,828,438

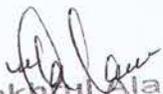
Balance with Bangladesh Bank -local currency (Surplus amount of CRR ) 28,664,326 77,010,971

Other securities 36,700,000 21,120,000

**Total** **81,676,480** **112,959,410**

  
M. Fakhrul Alam  
Managing Director  
ONE Bank

		Amount in Taka	
		30.06.2021	31.12.2020
<b>3 (a) Consolidated Cash</b>			
<b>i Cash in hand</b>			
ONE Bank Limited		2,997,806,591	3,099,551,672
ONE Securities Limited		11,174	13,197
ONE Investments Limited		-	-
		<b>2,997,817,765</b>	<b>3,099,564,869</b>
<b>ii Balance with Bangladesh Bank and its agent bank</b>			
ONE Bank Limited		26,564,164,140	26,437,376,200
ONE Securities Limited		-	-
ONE Investments Limited		-	-
		<b>26,564,164,140</b>	<b>26,437,376,200</b>
		<b>29,561,981,905</b>	<b>29,536,941,069</b>
<b>4 Balance with Other Banks and Financial Institutions</b>			
In Bangladesh (note-4.1)		4,963,896,296	2,637,146,008
Outside Bangladesh (note-4.2)		5,503,915,790	4,387,093,348
		<b>10,467,812,086</b>	<b>7,024,239,356</b>
<b>4.1 In Bangladesh</b>			
In current accounts (note-4.3)		450,766,123	97,840,493
Other deposit accounts (note-4.4)		4,513,130,173	2,539,305,514
		4,963,896,296	2,637,146,008
Off-shore Banking Unit		-	-
		<b>4,963,896,296</b>	<b>2,637,146,008</b>
<b>4.2 Outside Bangladesh</b>			
In current accounts (note-4.5)		4,874,088,518	4,294,827,214
Other deposit accounts		-	-
		4,874,088,518	4,294,827,214
Off-shore Banking Unit		629,827,272	92,266,134
		<b>5,503,915,790</b>	<b>4,387,093,348</b>
<b>4.3 Current Accounts (In Bangladesh)</b>			
AB Bank Limited		9,930,800	709,419
Sonali Bank Limited		390,061,647	62,427,089
Trust Bank Limited-Q Cash Settlement Account		12,723,477	6,677,258
Inter Bank Fund Transfer (IBFT) Settlement Account		10,334,821.00	6,016,897
Standard Chartered Bank		27,715,379	22,009,831
		<b>450,766,123</b>	<b>97,840,493</b>
<b>4.4 Other Deposit Accounts (In Bangladesh)</b>			
<b>Conventional Banking:</b>			
ICB Islamic Bank Limited		59,719,000	59,719,000
United Commercial Bank Limited		37,638	37,629
AB Bank Limited		681,832	675,310
Eastern Bank Limited		555,942	555,012
Uttara Bank Limited		570,611,799	574,279,219
Lanka Bangla Finance Limited		1,300,000,000	1,300,000,000
NRB Commercial Bank Limited		-	500,000,000
Rupali Bank Limited		40,008,275	68,028,850
IDLC Finance Limited		1,500,000,000	-
Industrial Promotion and Development Company of Bangladesh Limited		1,000,000,000	-
Prime Bank Limited		30,517,479	36,010,494
		<b>4,502,131,964</b>	<b>2,539,305,514</b>
<b>Islami Banking:</b>			
EXIM Bank Limited		999,425	-
Pubali Bank Limited		4,999,184	-
Social Islami Bank Limited		4,999,600	-
		<b>10,998,209</b>	<b>-</b>
		<b>4,513,130,173</b>	<b>2,539,305,514</b>

  
 M. Fakhru Alam  
 Managing Director  
**ONE Bank**  
 LIMITED

Amount in Taka	
30.06.2021	31.12.2020

**4.5 Current Accounts (Outside Bangladesh)**  
(Name of the banks and financial institutions)

Standard Chartered Bank, New York	1,553,819,600	3,146,945,077
Standard Chartered Bank, London	13,289,659	1,053,037
Standard Chartered Bank, Pakistan	35,131,698	34,072,375
Standard Chartered Bank, Mumbai	54,236,494	82,661,909
Standard Chartered Bank, Tokyo	9,516,366	10,331,642
Standard Chartered Bank, Frankfurt	9,922,143	8,474,080
ICICI Bank Limited, Hong Kong	40,334,547	19,358,530
ICICI Bank Limited, Mumbai (ACUD)	76,673,252	46,874,481
ICICI Bank Limited, Mumbai (ACU EURO)	8,727,978	8,982,813
Commerzbank AG, Frankfurt (USD)	186,831,324	192,159,691
Commerzbank AG, Frankfurt (CAD)	22,187,778	22,684,865
Commerzbank AG, Frankfurt (EURO)	1,372,321	5,036,962
Mashreqbank Psc, New York	2,321,994,993	366,867,975
Mashreqbank Psc, India (ACUD)	36,282,129	17,819,052
Wells Fargo Bank N.A, New York	195,007,555	67,610,752
AB Bank Ltd, Mumbai	43,819,200	(2,884,994)
Habib Bank AG Zurich, Zurich	19,743,185	22,274,758
Nepal Bangladesh Bank Ltd, Kathmandu	9,918,326	9,914,527
Seylen Bank PLC, Colombo	16,797,368	20,875,918
Axis Bank Ltd, Kolkata	30,847,568	25,302,974
United Bank of India, Kolkata	39,846,855	54,157,527
Bank Al-Jazira, Jeddah	-	6,780,304
Riyad Bank	39,717,003	32,899,298
Kookmin Bank, South Korea	108,071,174	94,573,663
	<b>4,874,088,518</b>	<b>4,294,827,214</b>

(For details of foreign currency amount and rate thereof see "Annexure - C")

**4 (a) Consolidated Balance with Other Banks and Financial Institutions  
In Bangladesh**

ONE Bank Limited	4,963,896,296	2,637,146,008
ONE Securities Limited	296,492,931	251,763,432
ONE Investments Limited	58,363	71,838
	<b>5,260,447,590</b>	<b>2,888,981,278</b>
Less: Inter Company Transaction	(296,551,294)	(251,835,270)
	<b>4,963,896,296</b>	<b>2,637,146,008</b>

**Outside Bangladesh**

ONE Bank Limited	5,503,915,790	4,387,093,348
ONE Securities Limited	-	-
	<b>5,503,915,790</b>	<b>4,387,093,348</b>
	<b>10,467,812,086</b>	<b>7,024,239,356</b>

**5 Money at call on short notice**

	-	-
	-	-

Amount in Taka	
30.06.2021	31.12.2020

## 6 Investments

### In Government securities

#### Conventional Banking:

Treasury bills (note- 6.1)

Treasury bonds (note-6.2)

Prize Bonds

73,072,271	756,134,449
23,546,437,942	24,577,505,415
2,027,200	1,580,200
<b>23,621,537,413</b>	<b>25,335,220,064</b>

#### Islami Banking:

Bangladesh Government Islamic Bond-Sukuk

36,700,000	21,120,000
<b>23,658,237,413</b>	<b>25,356,340,064</b>

#### Other Investment

Shares (Quoted and Unquoted) (note-6.3)

City Bank 2nd Subordinated Bond

City Bank 3rd Subordinated Bond

National Bank Limited 2nd Subordinated Bond

United Commercial Bank Limited 3rd Subordinated Bond

Mercantile Bank Limited Subordinated Bond

Bank Asia Limited Subordinated Bond

Prime Bank Limited Subordinated Bond

Eastern Bank Limited Subordinated Bond

870,642,500	707,642,064
1,000,000,000	1,000,000,000
1,300,000,000	1,300,000,000
200,000,000	200,000,000
600,000,000	600,000,000
-	100,000,000
120,000,000	240,000,000
120,000,000	240,000,000
120,000,000	240,000,000
<b>4,330,642,500</b>	<b>4,627,642,064</b>
<b>27,988,879,912</b>	<b>29,983,982,127</b>

### 6.1 Treasury Bills

Treasury Bills (HTM)

Treasury Bills (HFT) [note-6.1 (a)]

-	-
73,072,271	756,134,449
<b>73,072,271</b>	<b>756,134,449</b>

#### 6.1(a) Treasury Bills (HFT)

##### Marked to Market Value (Book Value)

##### Face value

30.06.2021

31.12.2020

30.06.2021

31.12.2020

Taka

Taka

Taka

Taka

364 days Treasury Bills

182 days Treasury Bills

73,072,271	756,134,449	73,100,000	756,900,000
-	-	-	-
<b>73,072,271</b>	<b>756,134,449</b>	<b>73,100,000</b>	<b>756,900,000</b>

### 6.2 Treasury Bonds

Treasury Bonds (HTM) [note-6.2 (a)]

Treasury Bonds (HFT) [note-6.2 (b)]

17,603,269,770	18,302,942,231
5,943,168,171	6,274,563,185
<b>23,546,437,942</b>	<b>24,577,505,415</b>

#### 6.2 (a) Treasury Bonds (HTM)

##### Amortized Cost (Book Value)

##### Face value

30.06.2021

31.12.2020

30.06.2021

31.12.2020

Taka

Taka

Taka

Taka

2 Years Treasury Bonds (Premium)

5 Years Treasury Bonds (Premium)

10 Years Treasury Bonds (Premium)

15 Years Treasury Bonds (Premium)

Sub-total

2,510,948,805	2,510,948,805	2,500,000,000	2,500,000,000
5,853,246,808	6,053,021,873	5,800,000,000	6,000,000,000
5,397,590,532	5,397,590,532	5,250,000,000	5,250,000,000
260,338,095	260,338,095	259,100,000	259,100,000
<b>14,022,124,239</b>	<b>14,221,899,305</b>	<b>13,809,100,000</b>	<b>14,009,100,000</b>

	Amortized Cost (Book Value)		Face value	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
	Taka	Taka	Taka	Taka
5 Years Treasury Bonds (Discount)	925,665,601	1,425,562,996	950,000,000	1,450,000,000
10 Years Treasury Bonds (Discount)	922,365,787	922,365,787	926,100,000	926,100,000
15 Years Treasury Bonds (Discount)	117,740,509	117,740,509	118,100,000	118,100,000
20 Years Treasury Bonds (Discount)	108,873,634	108,873,634	109,300,000	109,300,000
<b>Sub-total</b>	<b>2,074,645,531</b>	<b>2,574,542,926</b>	<b>2,103,500,000</b>	<b>2,603,500,000</b>
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
<b>Sub-total</b>	<b>1,506,500,000</b>	<b>1,506,500,000</b>	<b>1,506,500,000</b>	<b>1,506,500,000</b>
<b>Total</b>	<b>17,603,269,771</b>	<b>18,302,942,231</b>	<b>17,419,100,000</b>	<b>18,119,100,000</b>

### 6.2 (b) Treasury Bonds (HFT)

	Marked to Market Value (Book Value)		Face value	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
	Taka	Taka	Taka	Taka
2 Years Treasury Bonds	4,189,198,304	4,206,004,508	4,000,000,000	4,000,000,000
5 Years Treasury Bonds	1,753,969,868	2,068,558,676	1,500,000,000	1,850,000,000
	<b>5,943,168,172</b>	<b>6,274,563,185</b>	<b>5,500,000,000</b>	<b>5,850,000,000</b>

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 .

Amount in Taka	
30.06.2021	31.12.2020

### 6.3 Other Investments -Shares

#### In shares (quoted and unquoted)

##### Quoted:

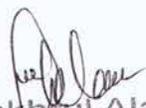
The City Bank Limited	59,049,110	59,049,110
Prime Bank Limited	219,577,603	140,673,639
IFIC Bank Limited	170,983,639	170,983,639
Lanka Bangla Finance Limited	122,379,546	122,379,546
Summit Alliance Port Ltd.	6,200	6,200
Eastern Bank Limited	1,983,900	1,983,900
MI Cement Factory Limited	5,533	5,533
Bank Asia Limited	53,501,786	53,501,786
Sonali Life Insurance Company Ltd.	93,070	-
Robi Axiata Limited	-	2,712,540
	<b>627,580,387</b>	<b>551,295,893</b>

##### Quoted (Special Investment Account):

United Commercial Bank Limited	1,430,653	1,430,653
NCC Bank Limited	3,265,760	3,265,760
Jamuna Bank Limited	190	763,000
Square Pharma	6,313,528	6,313,528
Prime Bank Limited	93,836,352	-
Mercantile Bank Limited	-	6,357,600
	<b>104,846,483</b>	<b>18,130,541</b>

##### 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
	<b>138,215,629</b>	<b>138,215,629</b>
	<b>870,642,500</b>	<b>707,642,064</b>

  
 M. Farukul Alam  
 Managing Director  
**ONE Bank**

6.4 Comparison between cost and market price of quoted shares (excluding special investment)

Particulars	No. of Shares including bonus shares	Market price per share	Market value at 30-06-2021	Cost 30-06-2021	Surplus/(Deficiency)
Lanka Bangla Finance Ltd.	20,362,737	35.60	724,913,437.20	122,379,546	602,533,892
The City Bank Limited	4,692,058	26.40	123,870,331.20	59,049,110	64,821,221
IFIC Bank Limited	3,108,911	12.70	39,483,169.70	170,983,639	(131,500,470)
Summit Alliance Port Ltd	117	27.10	3,170.70	6,200	(3,029)
Prime Bank Limited	6,777,839	23.10	156,568,080.90	219,577,603	(63,009,522)
MI Cement Factory Ltd	56	71.70	4,015.20	5,533	(1,518)
Bank Asia Limited	2,773,437	18.60	51,585,928.20	53,501,786	(1,915,858)
Sonali Life Insurance Com.	9,307	11.00	102,377.00	93,070	9,307
Eastern Bank Limited	63,206	35.00	2,212,210.00	1,983,900	228,310
<b>Total</b>			<b>1,098,742,720</b>	<b>627,580,387</b>	<b>471,162,333</b>

6 (a) Consolidated Investments  
In Government securities  
ONE Bank Limited  
ONE Securities Limited

Other Investment

ONE Bank Limited  
ONE Securities Limited  
ONE Investments Limited  
Less, Inter Company Transaction

Amount in Taka	
30.06.2021	31.12.2020

23,658,237,413 25,356,340,064

**23,658,237,413 25,356,340,064**

4,330,642,500	4,627,642,064
2,645,278,628	2,485,563,686
11,179,695	10,944,509
(186,402,118)	(163,456,185)
<b>6,800,698,705</b>	<b>6,960,694,074</b>
<b>30,458,936,117</b>	<b>32,317,034,138</b>

7 Loans and Advances/investments

Loans, cash credit, overdraft etc (note-7.1)  
Bills purchased and discounted (note-7.2)

220,828,610,252 218,317,854,244

2,033,109,830 2,023,692,190

**222,861,720,081 220,341,546,434**

7.1 Loans, cash credit, overdraft etc.

Conventional Banking:

Inside Bangladesh

Loans  
Cash Credit  
Overdraft

170,143,891,167	169,484,524,148
64,701	-
40,663,772,255	39,622,420,852

210,807,728,122 209,106,945,000

10,017,387,448 9,210,909,244

220,825,115,570 218,317,854,244

Off-shore Banking Unit

Outside Bangladesh

**220,825,115,570 218,317,854,244**

Islami Banking:

Inside Bangladesh

Loans

3,494,682	-
<b>220,828,610,252</b>	<b>218,317,854,244</b>

Amount in Taka	
30.06.2021	31.12.2020

**7.2 Bills purchased and discounted**

**Inside Bangladesh**

Local bill purchased and discounted  
Foreign bill purchased and discounted

1,037,490,647	1,370,500,425
462,397,170	319,273,957
1,499,887,816	1,689,774,382
533,222,014	333,917,808
<b>2,033,109,830</b>	<b>2,023,692,190</b>

Off-shore Banking Unit

**Outside Bangladesh**

-	-
<b>2,033,109,830</b>	<b>2,023,692,190</b>

**7.3 Geographical Location-wise Loans and advances including bills purchased and discounted**

**Urban**

Dhaka Division  
Chattogram Division  
Rajshahi Division  
Khulna Division  
Sylhet Division  
Rangpur Division  
Barishal Division

153,931,064,740	155,492,998,032
48,539,795,383	44,670,461,230
3,822,788,829	4,205,367,173
7,786,059,992	7,598,566,162
190,281,448	311,834,104
923,597,477	806,252,373
624,654,001	633,225,489
<b>215,818,241,870</b>	<b>213,718,704,563</b>

**Rural**

Dhaka Division  
Chattogram Division  
Rajshahi Division  
Khulna Division  
Sylhet Division  
Rangpur Division  
Barishal Division

3,301,591,536	3,220,139,937
3,094,880,457	2,890,543,558
-	-
419,340,583	238,966,445
227,665,635	273,191,931
-	-
-	-
<b>7,043,478,211</b>	<b>6,622,841,872</b>
<b>222,861,720,081</b>	<b>220,341,546,434</b>

**7.4 Business segment-wise loans and advances including bills purchased and discounted**

Corporate  
SME  
Consumer  
Short term agri. credit and microcredit  
Executive & Staff

185,005,854,687	181,824,839,466
23,016,737,544	24,055,230,603
11,673,351,852	11,410,164,473
2,433,348,826	2,328,245,492
732,427,171	723,066,400
<b>222,861,720,081</b>	<b>220,341,546,434</b>

**7.5 CL category wise loans and advances including bills purchased and discounted**

**Continuous loan (CL-2)**

Small & Medium Enterprise (SME)  
Consumer finance  
Loan to Brokerage House/Merchant Banking/ Stock Dealer against shares  
Other corporate loans

11,766,740,383	12,201,316,110
1,348,123,320	1,160,189,844
1,009,505,869	802,367,010
32,800,787,606	31,220,089,106
<b>46,925,157,178</b>	<b>45,383,962,070</b>

**Demand Loan (CL-3)**

Small & Medium Enterprise (SME)  
Consumer finance  
Loan to Brokerage House/Merchant Banking/ Stock Dealer against shares  
Other corporate loans

5,150,982,615	5,443,694,266
-	-
-	-
66,515,534,040	67,752,090,899
<b>71,666,516,656</b>	<b>73,195,785,166</b>

  
M. Fakhri Alam  
Managing Director  
**ONE Bank**  
LIMITED

	Amount in Taka	
	30.06.2021	31.12.2020
<b>Fixed Term Loan (CL-4)</b>		
Small & Medium Enterprise (SME)	6,099,014,546	6,410,220,227
Consumer finance (other than HF & LP)	1,463,136,014	1,402,837,679
House finance	8,834,105,854	8,817,948,245
Loans for professionals to set up business	27,986,665	29,188,705
Loan to Brokerage House/Merchant Banking/ Stock Dealer against shares	1,261,016,897	1,022,422,088
Other corporate loans	83,419,010,274	81,027,870,363
	<b>101,104,270,250</b>	<b>98,710,487,306</b>
<b>Short term agri. credit and microcredit (CL-5)</b>		
Short term agri. Credit	2,433,348,826	2,328,245,492
Microcredit	-	-
	<b>2,433,348,826</b>	<b>2,328,245,492</b>
<b>Staff Loan</b>	<b>732,427,171</b>	<b>723,066,400</b>
	<b>222,861,720,081</b>	<b>220,341,546,434</b>

**7.6 Classified and unclassified loans and advances**

**Unclassified**

Standard	191,971,963,832	192,154,895,479
Special Mention Account	9,677,330,137	8,506,224,113
Staff Loan	732,427,171	723,066,400
	<b>202,381,721,140</b>	<b>201,384,185,991</b>

**Classified**

Substandard	1,876,952,119	3,040,093,342
Doubtful	2,319,620,945	2,894,308,571
Bad & Loss	16,283,425,878	13,022,958,530
	<b>20,479,998,941</b>	<b>18,957,360,443</b>
	<b>222,861,720,081</b>	<b>220,341,546,434</b>

**7.7 Net loans and advances**

Gross loans and advances	222,861,720,081	220,341,546,434
Less: Interest suspense	9,631,688,459	8,772,019,718
Provision for loans and advances (Note-12.4, 12.5 and 12.6)	10,955,479,385	10,606,197,916
	20,587,167,844	19,378,217,634
	<b>202,274,552,237</b>	<b>200,963,328,801</b>

**7.8 Particulars of provision for Loans and Advances**

	Rate (%)	Base for Provision Taka	Total Provision Taka
Standard loan (excluding Staff Loan)	0.25%- 1%	104,096,756,342	2,099,361,187
Standard loan (deferral loan as per BRPD Circular no-17)	1%	56,003,900,000	560,039,000
Small & Medium Enterprise Financing	0.25%	17,078,028,456	42,695,071
Consumer Finance (House Financing)	1%	8,577,538,422	85,775,384
Consumer Financing (Other than House Financing )	2%	1,384,069,284	27,681,386
Credit Card	2%	1,070,045,363	21,400,907
Special Mention Account	0%-2%	7,901,960,927	80,288,892
Short Term Agriculture Loan	1%	2,356,657,211	23,566,572
Loan to brokerage houses, merchant banks/stock dealers against shares etc.	2%	1,404,968,755	28,099,375
Substandard	5% & 20%	1,096,024,265	218,560,638
Doubtful	5% & 50%	1,158,346,907	578,987,441
Bad & Loss	100%	8,827,500,047	7,189,023,533
Required provision for loans and advances			<b>10,955,479,385</b>
Total provision maintained			<b>10,955,479,385</b>
Excess/ (Short) provision at 30 June			-

As per requirement of Bangladesh Bank vide letter DBI-1/112/2021-664 dated 10 March 2021, Bank is under provision- deferral amounting to Tk. 8,052.00 Lac which is to be provided in 2021.

Amount in Taka	
30.06.2021	31.12.2020

#### 7.9 Particulars of Loans and Advances

i) Loans considered good in respect of which the bank is fully secured	123,104,800,223	123,392,122,994
ii) Loans considered good against which the bank holds no security other than the debtor's personal guarantee	3,259,256,337	3,001,187,295
iii) Loans considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	96,497,663,521	93,948,236,146
iv) Loans adversely classified; provision not maintained there against	-	-
	<b>222,861,720,081</b>	<b>220,341,546,434</b>
v) Loans due by directors or officers of the banking company or any of them either separately or jointly with any other persons	732,427,171	723,066,400
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	732,427,171	723,066,400
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)	2,033,109,830	2,023,692,190
x) Classified loans and advances		
a) Classified loans and advances on which interest has not been charged to income (Note-7.6)	20,479,998,941	18,957,360,443
b) Provision on classified loans and advances (Note-12.4)	7,986,571,611	8,142,699,967
c) Provision kept against loans and advances classified as bad debts	7,189,023,533	7,016,809,804
d) Increase/(Decrease) of Specific Provision	(156,128,356)	811,583,477
e) Interest credited to Interest Suspense Account	9,631,688,459	8,772,019,718
xi) Cumulative amount of written off loans and advances		
Opening balance	4,451,055,169	4,451,055,169
Written off during the year	-	-
Closing balance	4,451,055,169	4,451,055,169
Cumulative amount realised against loans previously written off	210,885,585	180,607,192
The amount of written off loans for which law suits has been filed	4,448,369,487	4,448,369,487

Amount in Taka	
30.06.2021	31.12.2020

7 (a) Consolidated Loans and Advances

ONE Bank Limited	220,828,610,252	218,317,854,244
ONE Securities Limited	127,166,988	93,941,718
Less: Inter unit/company elimination	(130,322,923)	(6,768,097)
	<b>220,825,454,316</b>	<b>218,405,027,866</b>

Consolidated Bills purchased and discounted

ONE Bank Limited	2,033,109,830	2,023,692,190
ONE Securities Limited	-	-
	<b>2,033,109,830</b>	<b>2,023,692,190</b>
	<b>222,858,564,146</b>	<b>220,428,720,056</b>

8 Fixed Assets including premises, furniture & fixtures

Conventional and Islami Banking:

Furniture & Fixtures	1,605,153,369	1,598,557,482
Office equipment	1,467,515,071	1,367,494,753
Motor Vehicles	304,181,805	309,913,740
Building	324,446,383	304,750,010
Right of use Assets as per IFRS-16	1,037,326,524	1,306,662,774
Land	279,366,295	279,366,295
	<b>5,017,989,447</b>	<b>5,166,745,054</b>
Intangible Assets	198,184,620	198,184,620
	<b>5,216,174,067</b>	<b>5,364,929,674</b>
Less: Accumulated depreciation	2,302,663,085	2,356,233,967
Balance as on 30 June	<b>2,913,510,982</b>	<b>3,008,695,706</b>

\*As per Note 2.23, 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	2,913,510,982	3,008,695,706
ONE Securities Limited	30,074,689	29,114,555
	<b>2,943,585,671</b>	<b>3,037,810,261</b>

9 Other Assets

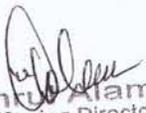
i Income generating

Investment in shares of subsidiary companies

In Bangladesh (note-9.1)	2,480,099,170	2,480,099,170
Outside Bangladesh	-	-

i Non- income generating

Stock of stationery	42,659,911	54,892,585
Stock of stamps	5,488,364	4,774,289
Security deposits	6,525,400	6,525,400
Advance rent for office premises	103,397,010	144,321,928
Prepayments	544,047,826	514,152,333
Suspense account (note-9.4)	114,531,145	18,752,838
Receivable from Bangladesh Bank (note-9.6)	311,079,713	125,631,748
Interest receivables (note-9.5)	499,909,253	544,018,485
Advance Income Tax (note-9.2)	10,029,049,415	9,538,900,945
Deferred Tax Assets (note-9.3)	79,056,145	76,913,483
Protested bill	2,594,351	2,594,351
Sundry receivables	16,031,524	848,621
Receivable ATM acquiring	26,358,032	18,386,782
Receivable from ONE Bank Limited Employees' Provident Fund	-	2,360,534
Receivable from ONE Securities Ltd	56,707	-
Branch Adjustment Account	68,160,788	3,367,975
	<b>14,329,044,753</b>	<b>13,536,541,466</b>
Off-shore Banking Unit	60,732,121	84,928,334
	<b>14,389,776,875</b>	<b>13,621,469,800</b>

  
M. Fakhrul Alam  
Managing Director  
**ONE Bank**  
LIMITED

		Amount in Taka	
		30.06.2021	31.12.2020
<b>9.1 Investment in shares of subsidiary companies</b>			
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
		<b>2,480,099,170</b>	<b>2,480,099,170</b>
<b>9.2 Advance income tax</b>			
Opening balance on 1 January		9,538,900,945	8,365,477,074
Add: Tax paid as advance		490,148,470	1,173,423,871
Less: Advance income tax adjusted during the year		-	-
Balance on 30 June		<b>10,029,049,415</b>	<b>9,538,900,945</b>
<b>9.3 Deferred tax assets:</b>			
Opening balance		76,913,483	69,444,925
Addition/(reverse) during the period (note-12.2.1)		2,142,662	7,468,558
Closing balance		<b>79,056,145</b>	<b>76,913,483</b>
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.			
<b>9.4</b>	Suspense account includes advance against TA/DA, advance against petty cash, Legal expense and suspense others etc.		
<b>9.5 Interest receivables</b>			
Interest receivables on placement		842,652	6,356,294
Interest receivables on government securities		478,593,321	500,799,438
Interest receivables on non-government securities		20,473,280	36,862,754
		<b>499,909,253</b>	<b>544,018,485</b>
<b>9.6 Receivable from Bangladesh Bank</b>			
Receivable against encashment - Shanchaya Patras		254,067,470	115,210,726
Interest Receivable from Bangladesh Bank		34,531,513	1,924,887
Receivable against Wage Earners Remittance		22,480,730	8,496,135
		<b>311,079,713</b>	<b>125,631,748</b>
<b>9 (a) Consolidated Other Assets</b>			
ONE Bank Limited		14,389,776,875	13,621,469,800
ONE Securities Limited		171,139,841	182,120,537
ONE Investments Limited		268,078	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		(56,707)	-
		<b>12,081,028,917</b>	<b>11,323,733,040</b>
<b>10 Borrowings from other Banks, financial institutions and Agents.</b>			
Borrowing Inside Bangladesh (note-10.1)		15,856,543,899	13,464,600,733
Borrowing Outside Bangladesh (note-10.2)		6,687,715,354	7,858,235,210
		<b>22,544,259,252</b>	<b>21,322,835,943</b>
<b>10.1 Borrowing Inside Bangladesh</b>			
Borrowing from other bank -Payable on demand		-	-
Borrowing from Bangladesh Bank [note-10.1.(a)]		15,856,543,899	13,464,600,733
		<b>15,856,543,899</b>	<b>13,464,600,733</b>
<b>10.1.(a) Borrowing from Bangladesh Bank</b>			
Export Development Fund (EDF)		9,066,311,319	8,704,569,840
Refinance against SME, Agriculture loan and Green finance		96,653,089	132,291,490
Stimulus Package for COVID19		4,947,074,913	2,833,340,194
Financial Sector Support Project (FSSP)		1,746,504,578	1,794,399,208
		<b>15,856,543,899</b>	<b>13,464,600,733</b>

  
 M. Fakhrul Alam  
 Managing Director  
**ONE Bank**  
MEMBER

Amount in Taka	
30.06.2021	31.12.2020

## 10.2 Borrowing Outside Bangladesh

### Borrowing by Offshore Banking Unit .

Nederlandse Financierings- Maatschappij Voor Ontwikkelingslanden N.V (FMO)	1,601,234,200	2,151,827,913
Oesterreichische Entwicklungsbank AG (OeEB)	402,959,600	583,007,563
The OPEC Fund for International Development (OFID)	159,063,000	318,004,125
Société de Promotion et de Participation pour la Coopération Economique S.A. (Proparco)	1,060,420,000	1,325,017,188
Norwegian Investment Fund for Developing Countries (Norfund)	636,252,000	795,010,313
International Finance Corporation (IFC)	1,131,114,554	1,413,351,610
DBBL Bank	424,168,000	-
RAK BANK-Dubai	1,272,504,000	1,272,016,500
	<b>6,687,715,354</b>	<b>7,858,235,210</b>

## 10.3 Security against borrowings from other banks, financial institutions and agents

Secured	-	-
Unsecured	22,544,259,252	21,322,835,943
	<b>22,544,259,252</b>	<b>21,322,835,943</b>

## 10 (a) Consolidated Borrowings from other banks, financial institutions and Agents.

ONE Bank Limited	22,544,259,252	21,322,835,943
ONE Securities Limited	-	-
	<b>22,544,259,252</b>	<b>21,322,835,943</b>

## 10 (b) Non-convertible subordinated bond and contingent-convertible perpetual bond

Subordinated Bond - II	2,400,000,000	2,400,000,000
Subordinated Bond - III	4,000,000,000	4,000,000,000
Perpetual Bond	500,000,000	500,000,000
	<b>6,900,000,000</b>	<b>6,900,000,000</b>

### Subordinated Bond-II Tk. 4,000,000,000 (Outstanding as on June 30, 2021 of Tk.2,400,000,000)

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 @ 7.20%.

### 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- 30.06.2021 (after 40% redemption)
Pubali Bank Limited	1000	1,000,000,000	600,000,000
Sonali Bank Limited	1000	1,000,000,000	600,000,000
Janata Bank Limited	500	500,000,000	300,000,000
Southeast Bank Limited	500	500,000,000	300,000,000
Trust Bank Limited	400	400,000,000	240,000,000
Dhaka Bank Limited	300	300,000,000	180,000,000
Rupali Bank Limited	200	200,000,000	120,000,000
Mutual Trust Bank Ltd	100	100,000,000	60,000,000
<b>Total</b>	<b>4000</b>	<b>4,000,000,000</b>	<b>2,400,000,000</b>

### Subordinated Bond-III 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 applicable interest rate @ 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:

Name of the Investor	No of Bonds	Bond Issued Taka	Outstanding-30.06.2021
Sonali Bank Limited	80	800,000,000	800,000,000
Dhaka Bank Limited	30	300,000,000	300,000,000
Jamuna Bank Limited	130	1,300,000,000	1,300,000,000
Pubali Bank Limited	30	300,000,000	300,000,000
NRB Commerce Bank Limited	50	500,000,000	500,000,000
Lanka Bangla Finance Ltd.	80	800,000,000	800,000,000
<b>Total</b>	<b>400</b>	<b>4,000,000,000</b>	<b>4,000,000,000</b>

### 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 interest rate is applicable @ 8.74%.

#### 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	4000

#### List of Investor:

Name of the Investor	No of Bonds	Bond Issued Taka	Outstanding-30.06.2021
Lanka Bangla Finance Ltd.	500	500,000,000	500,000,000

	Amount in Taka	
	30.06.2021	31.12.2020
<b>11 Deposits and other accounts</b>		
i Current/Al-wadeeah current account and other account	26,447,151,017	25,469,720,365
Unclaimed cash and fractional dividend account	-	35,335,849
Off-shore Banking Unit	38,353,803	95,769,474
	<b>26,485,504,820</b>	<b>25,600,825,688</b>
ii <b>Bills payable</b>		
Payment Order (Issued)	2,883,637,023	2,560,935,931
Demand Draft	398,833	681,460
	<b>2,884,035,856</b>	<b>2,561,617,392</b>
iii <b>Savings accounts/Mudaraba savings bank deposit</b>	<b>28,754,048,068</b>	<b>26,768,261,590</b>
iv <b>Fixed Deposit/Mudaraba fixed deposits</b>		
Fixed Deposit/Mudaraba fixed deposits	108,840,060,150	119,550,312,626
Short Notice Deposits/ Mudaraba special notice deposit	50,831,017,518	42,939,203,406
Scheme Deposits/ Mudaraba scheme deposit	11,952,951,161	11,950,898,749
Non-resident Foreign Currency Deposits	212,628,969	113,453,729
Off-shore Banking Unit	171,836,657,798	174,553,868,510
	<b>171,836,657,798</b>	<b>174,553,868,510</b>
	<b>229,960,246,542</b>	<b>229,484,573,179</b>
<b>11 (a) Consolidated Deposits and other accounts</b>		
<b>Current/Al-wadeeah current account and other account</b>		
ONE Bank Limited	26,485,504,820	25,600,825,688
ONE Securities Limited	-	-
	<b>26,485,504,820</b>	<b>25,600,825,688</b>
<b>Bills payable</b>		
ONE Bank Limited	2,884,035,856	2,561,617,392
ONE Securities Limited	-	-
	<b>2,884,035,856</b>	<b>2,561,617,392</b>
<b>Savings accounts/Mudaraba savings bank deposit</b>		
ONE Bank Limited	28,754,048,068	26,768,261,590
ONE Securities Limited	-	-
	<b>28,754,048,068</b>	<b>26,768,261,590</b>
<b>Fixed Deposit/Mudaraba fixed deposits</b>		
ONE Bank Limited	171,836,657,798	174,553,868,510
Less: Inter Company Transaction	(482,953,412)	(415,291,455)
	<b>171,353,704,386</b>	<b>174,138,577,055</b>
<b>Total Consolidated Deposit</b>	<b>229,477,293,130</b>	<b>229,069,281,724</b>
<b>12 Other liabilities</b>		
Provision for Income Tax (note-12.1)	7,636,258,233	7,031,555,144
Deferred tax liability (note-12.2)	90,432,526	89,641,922
Provision for gratuity (note-12.3)	-	-
Provision for loans and advances (note-12.4 & 12.5)	10,395,440,385	10,046,158,916
Special general provision COVID-19 (note-12.6)	560,039,000	560,039,000
Risk fund of Consumer Credit and Rider	473,512	473,512
Provision for other (note-12.7)	33,343,092	20,212,868
Provision for off balance sheet items (note-12.8)	493,099,716	534,779,946
Provision for diminution value of share (note-12.9)	-	-
Interest suspense account	9,631,688,459	8,772,019,718
Sinking fund	53,584,645	88,796,477
Interest Payable on Subordinated Debt and Perpetual Bond	49,784,112	57,356,454
Interest payable on borrowings	22,604,765	44,634,958
Accrued performance bonus	295,837,088	295,837,088
Other payable	8,863,425	8,664,751
Lease liabilities as per IFRS-16	711,187,815	791,376,660
Revaluation reserve held for trading securities	550,957,318	459,133,209
	<b>30,533,594,091</b>	<b>28,800,680,624</b>
Off-shore Banking Unit	42,774,515	62,044,166
	<b>30,576,368,606</b>	<b>28,862,724,790</b>

  
 M. Fakhri Alam  
 Managing Director  
**ONE Bank**  
TMPTPT

Amount in Taka	
30.06.2021	31.12.2020

### 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 period	-	-
	7,031,555,144	6,607,470,030
Add: Provision made during the period	604,703,089	424,085,114
Balance on 30 June	<u>7,636,258,233</u>	<u>7,031,555,144</u>

### 12.2 Deferred tax liability

#### For Fixed Assets

Opening balance	82,497,049	70,388,463
Addition during the period (note-12.2.2)	859,096	12,108,586
Closing balance	<u>83,356,145</u>	<u>82,497,049</u>

#### Provision against revaluation reserve for security

Opening balance	7,144,874	5,452,442
Provision made/ (recovered) during the period	(68,493)	1,692,432
Closing balance	<u>7,076,381</u>	<u>7,144,874</u>

#### Total

<u>90,432,526</u>	<u>89,641,922</u>
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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)	747,134,922	686,437,494
Carrying amount of fixed assets	536,318,536	481,334,874
<b>Deductible temporary difference</b>	<u>210,816,386</u>	<u>205,102,620</u>
Applicable tax rate	37.50%	37.50%
Deferred tax asset	79,056,145	76,913,483
Opening deferred tax asset	76,913,483	69,444,924
<b>Deferred tax (expenses)/income</b>	<u>2,142,662</u>	<u>7,468,559</u>

### 12.2.2 Basis of Deferred Tax Liability:

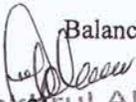
Carrying amount of fixed assets (Only temporary taxable portion is considered)	1,466,522,212	1,210,665,014
Tax base of fixed assets	1,244,239,159	990,672,884
<b>Taxable temporary difference</b>	<u>222,283,053</u>	<u>219,992,130</u>
Applicable tax rate	37.50%	37.50%
Deferred tax liability	83,356,145	82,497,049
Opening deferred tax liability	82,497,049	70,388,463
<b>Deferred tax expenses/(income)</b>	<u>859,096</u>	<u>12,108,585</u>

### 12.3 Provision for gratuity

Opening balance on 1 January	-	-
Provision made during the year	63,866,064	86,252,262
Transferred/Payment made during the period	63,866,064	86,252,262
Balance on 30 June	<u>-</u>	<u>-</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	-	-
Recoveries of amounts previously written off	30,278,393	17,228,565
Provision after written off	8,172,978,360	7,348,345,055
Specific provision made during the period	342,976,091	986,196,838
Provisions recovered and no longer required written back	(529,382,840)	(191,841,926)
Net charge to profit & loss account	(186,406,748)	794,354,912
Balance on 30 June	<u>7,986,571,611</u>	<u>8,142,699,967</u>

  
 M. Fakhrul Alam  
 Managing Director  
**ONE Bank**

Amount in Taka	
30.06.2021	31.12.2020

**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 period:		
Unclassified Loans & Advances	504,015,917	(27,441,283)
Consumer credit & Small enterprise financing	(4,953,296)	(30,387,745)
Special mention account	14,743,610	(29,868,146)
Loans against shares	(8,396,407)	8,438,129
Net charge to profit & loss account	505,409,825	(79,259,045)
Balance on 30 June	<b>2,408,868,774</b>	<b>1,903,458,949</b>
<b>Total Specific and General Provision</b>	<b>10,395,440,385</b>	<b>10,046,158,916</b>
	<b>560,039,000</b>	<b>560,039,000</b>

**12.6 Special general provision COVID-19**

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.560,039,000 as special general provision COVID-19 against deferral Loan as per BRPD Circular no.17 dated September 28, 2020.

**12.7 Provision for Other**

Balance on 1 January	20,212,868	20,212,868
Provision made during the period/(recovery) (note-12.7. a , 12.7. b & 12.7.c)	13,130,224	-
Balance on 30 June	<b>33,343,092</b>	<b>20,212,868</b>

**12.7.a Provision for protested bill**

Balance on 1 January	2,594,351	2,594,351
Provision recovered during the period	-	-
Balance on 30 June	<b>2,594,351</b>	<b>2,594,351</b>

**12.7.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 period	-	-
Balance on 30 June	<b>17,618,517</b>	<b>17,618,517</b>

**12.7.c Provision for Start-Up Fund**

Balance on 1 January	-	-
Provision made during the period	13,130,224	-
Balance on 30 June	<b>13,130,224</b>	-

**12.8 Provision for off balance sheet items**

Balance on 1 January	534,779,946	626,670,773
Provision made during the period	(41,680,230)	(91,890,826)
Balance on 30 June	<b>493,099,716</b>	<b>534,779,946</b>

**12.9 Provision for diminution value of share**

Balance on 1 January	-	-
Provision made/ (recovered) during the period	-	-
Balance on 30 June	-	-

**12.9.a Consolidated Provision made for diminution value of share**

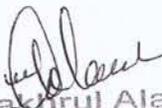
ONE Bank Limited	-	-
ONE Securities Limited:	153,720,644	153,720,644
	<b>153,720,644</b>	<b>153,720,644</b>

**12.10 Provision for Nostro Reconciliation**

The Bank is not required to keep provision on the unreconciled debit balance as at balance sheet date as there was no debit entry aging more than three months.

**12 (a) Consolidated Other liabilities**

ONE Bank Limited	30,576,368,606	28,862,724,790
ONE Securities Limited	535,799,963	390,619,267
ONE Investments Limited	411,111	347,150
Less: Inter unit/company elimination	(130,379,630)	(6,768,097)
	<b>30,982,200,050</b>	<b>29,246,923,110</b>

  
M. Fakhru Alam  
Managing Director  
**ONE Bank**

### 13. Share Capital

<b>13.1 Authorized Capital</b>		
1,000,000,000 (2020:1,000,000,000) ordinary shares of Tk 10 each	10,000,000,000	10,000,000,000
<b>13.2 Issued, Subscribed and fully paid-up Capital</b>		
934,040,456 (2020: 885,346,404) ordinary shares of Tk 10 each	9,340,404,560	8,853,464,040
Sponsors	32.06%	30.02%
General Public (Including Institutes 28.38% and Foreign 0.29%)	67.94%	69.98%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

The issued, subscribed and fully paid up capital of the Bank is as follows:

Shareholders	No. of Shareholders	No. of Shares	30.06.2021 Taka	31.12.2019 Taka
Sponsors	17	299,483,933	2,994,839,330	2,657,799,660
Institutes	584	265,118,774	2,651,187,740	2,571,600,270
Foreign	73	2,671,280	26,712,800	45,720,880
General Public	24,161	366,766,469	3,667,664,690	3,578,343,230
<b>Total</b>	<b>24,835</b>	<b>934,040,456</b>	<b>9,340,404,560</b>	<b>8,853,464,040</b>

Shareholding structure of the Bank as at 30-06-2021 is given below:

Range of Holdings	Number of Shareholders	No. of Shares	% of holding of shares
Upto 500	7,135	1,141,076	0.12
501 to 5,000	10,732	22,082,155	2.36
5,001 to 10,000	2,649	19,504,547	2.09
10,001 to 20,000	1,814	25,974,078	2.78
20,001 to 30,000	692	17,019,097	1.82
30,001 to 40,000	376	13,152,284	1.41
40,001 to 50,000	284	13,105,832	1.40
50,001 to 100,000	495	35,305,989	3.78
100,001 to 1,000,000	553	152,531,314	16.33
Over 1,000,000	105	634,224,084	67.90
<b>Total</b>	<b>24,835</b>	<b>934,040,456</b>	<b>100.00</b>

- a) Authorised Capital of the Bank has been raised to Tk. 10,000,000,000 from Tk. 4,150,000,000 during the year 2012. This was approved by Bangladesh Bank and also at the Extra Ordinary General Meeting of the Shareholders of the Bank held on March 29, 2012:
- 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.

#### Issued, Subscribed & fully Paid up Capital

Particulars	30.06.2021 Taka	31.12.2020 Taka
Issued for cash : 53,781,220 shares of Tk. 10 each	537,812,200	537,812,200
Issued other than cash: 880,259,236 bonus shares of Tk. 10 each	8,802,592,360	8,315,651,840
<b>Total</b>	<b>9,340,404,560</b>	<b>8,853,464,040</b>

### 13.3 Capital Adequacy 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 30 June 2021 is Taka 26,858,543,705 comprised of core capital of Taka 18,596,536,215 and supplementary capital of Taka 8,262,007,491 thereby showing a surplus capital/equity of Taka 678,667,753 against the required capital. Details are shown below:

#### Solo Basis:

#### Common Equity Tier-1 (Going-Concern Capital)

Paid-up capital  
Statutory Reserve  
Retained Earnings

#### Regulatory Adjustments:

Deferred Tax Assets  
Goodwill and all other intangible assets  
Reciprocal Crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities.

#### Total Common Equity Tier-1 Capital

#### Additional Tier- 1 Capital

#### Total Tier 1 Capital

#### Tier -2 Capital (Gone-Concern Capital)

General Provision  
Subordinated debt

#### Regulatory Adjustment

Revaluation reserves for fixed assets, securities & equity securities

#### Total Tier-2 Capital Available

#### A Total Regulatory Capital

Total Assets including Off Balance Sheet items

#### B Total Risk Weighted Assets

C Minimum Required capital based on risk weighted assets (10% on B)

#### D Surplus (A-C)

E Required capital with Conservation Buffer (CB) @12.50% on B

#### F Excess over capital with CB (A-E)

#### Percentage of Capital to Risk Weighted Assets:

#### Leverage Ratio of the solo basis

A Tier 1 Capital considering all regulatory adjustment

B On-balance sheet exposure

C Off-balance sheet exposure

D Deduction from on and off balance sheet exposure/ Regulatory adjustments

E Total exposure (B+C-D)

#### Leverage ratio (A/E)

Amount in Taka	
30.06.2021	31.12.2020

9,340,404,560	8,853,464,040
6,802,718,597	6,430,798,085
2,047,879,143	1,650,557,138
<b>18,191,002,300</b>	<b>16,934,819,263</b>

79,056,145	76,913,483
577,600	969,118
14,832,340	4,659,800
<b>94,466,085</b>	<b>82,542,401</b>

<b>18,096,536,215</b>	<b>16,852,276,862</b>
<b>500,000,000</b>	<b>500,000,000</b>
<b>18,596,536,215</b>	<b>17,352,276,862</b>

3,462,007,491	2,998,277,896
4,800,000,000	5,600,000,000
<b>8,262,007,491</b>	<b>8,598,277,896</b>

<b>8,262,007,491</b>	<b>8,598,277,896</b>
<b>26,858,543,705</b>	<b>25,950,554,758</b>

370,286,227,320	367,369,561,111
209,439,007,619	199,358,809,803
20,943,900,762	19,935,880,980
<b>5,914,642,944</b>	<b>6,014,673,777</b>

26,179,875,952	24,919,851,225
<b>678,667,753</b>	<b>1,030,703,532</b>

12.82% 13.02%

18,596,536,215 17,352,276,862

300,197,099,056	295,374,161,330
13,762,358,438	14,239,065,571
94,466,085	82,542,401
<b>313,864,991,409</b>	<b>309,530,684,500</b>

5.93% 5.61%

**Consolidated Basis:****Common Equity Tier-1 (Going-Concern Capital)**

Paid-up capital  
 Statutory Reserve  
 Retained Earnings  
 Minority Interest in Subsidiaries

**Regulatory Adjustments:**

Deferred Tax Assets  
 Goodwill and all other intangible assets  
 Reciprocal Crossholdings in the CET-1 Capital of  
 Banking, Financial and Insurance Entities.

**Total Common Equity Tier-1 Capital****Additional Tier- 1 Capital****Total Tier 1 Capital****Tier -2 Capital (Gone-Concern Capital)**

General Provision  
 Sub-ordinated debt

**Regulatory Adjustment**

Revaluation reserves for fixed assets, securities & equity securities

**Total Tier-2 Capital Available****A Total Regulatory Capital**

Total Assets including Off Balance Sheet items

**B Total Risk Weighted Assets**

C Minimum Required capital based on risk weighted assets (10% on B)

**D Surplus (A-C)**

E Required capital with Conservation Buffer (CB) @12.50% on B

**F Excess over capital with CB (A-E)****Percentage of Capital to Risk Weighted Assets:**

A Tier 1 Capital considering all regulatory adjustment

B On-balance sheet exposure

C Off-balance sheet  
 exposure

D Deduction from on and off balance sheet exposure/ Regulatory adjustments

E Total exposure (B+C-D)

**Leverage ratio (A/E)**

Amount in Taka	
30.06.2021	31.12.2020

9,340,404,560	8,853,464,040
6,802,718,597	6,430,798,085
2,280,458,185	1,801,400,626
32,781,101	31,866,271
<b>18,456,362,442</b>	<b>17,117,529,022</b>

79,056,145	76,913,483
577,600	969,118
76,525,800	59,393,830

<b>156,159,545</b>	<b>137,276,431</b>
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<b>18,300,202,897</b>	<b>16,980,252,591</b>
-----------------------	-----------------------

<b>500,000,000</b>	<b>500,000,000</b>
--------------------	--------------------

<b>18,800,202,897</b>	<b>17,480,252,591</b>
-----------------------	-----------------------

3,462,007,491	2,998,277,896
4,800,000,000	5,600,000,000
<b>8,262,007,491</b>	<b>8,598,277,896</b>

-	-
<b>8,262,007,491</b>	<b>8,598,277,896</b>

<b>27,062,210,388</b>	<b>26,078,530,487</b>
-----------------------	-----------------------

370,474,465,495	367,521,177,735
-----------------	-----------------

210,240,501,310	199,577,049,109
-----------------	-----------------

21,024,050,131	19,957,704,911
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<b>6,038,160,257</b>	<b>6,120,825,576</b>
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26,280,062,664	24,947,131,139
----------------	----------------

<b>782,147,724</b>	<b>1,131,399,348</b>
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12.87%

13.07%

18,800,202,897	17,480,252,591
----------------	----------------

300,385,337,231	295,525,777,954
13,762,358,438	14,239,065,571
156,159,545	137,276,431
<b>313,991,536,124</b>	<b>309,627,567,094</b>

5.99%

5.65%

Amount in Taka	
30.06.2021	31.12.2020

**14 Statutory Reserve**

Balance brought forward from previous year	6,430,798,085	6,082,448,575
Reserve made during the period	371,920,512	348,349,510
Balance on 30 June	<b>6,802,718,597</b>	<b>6,430,798,085</b>

**15 Retained earnings/ movement of profit and loss account**

Balance on 1 January	1,650,557,138	1,529,071,286
Addition during the period	1,256,183,037	1,313,022,407
Transfer to statutory reserve	(371,920,512)	(348,349,510)
Issue of Bonus Share	(486,940,520)	(421,593,520)
Cash dividend paid	-	(421,593,526)
Balance on 30 June	<b>2,047,879,143</b>	<b>1,650,557,138</b>

**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	-	(421,593,526)
Retained Earnings brought forward	<b>1,163,616,618</b>	<b>685,884,240</b>

**15.1. a Consolidated retained earnings/ movement of profit and loss account**

Retained Earning of ONE Bank Limited	2,047,879,143	1,650,557,138
Retained Earning of ONE Securities Limited	234,364,289	151,897,858
Retained Earning of ONE Investments Limited	1,095,025	911,070
Attributable to Non-Controlling Interest	(2,880,271)	(1,965,442)
Balance on 30 June	<b>2,280,458,185</b>	<b>1,801,400,625</b>

**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)
Cash Dividend Paid	-	(421,593,526)
Retained Earnings brought forward	<b>1,314,460,106</b>	<b>756,158,147</b>

**15.1.c Non-controlling Interest**

**ONE Securities Limited**

Paid up capital	2,500,000,000	2,500,000,000
Retained earnings	234,364,289	151,897,858
Total net assets	<b>2,734,364,289</b>	<b>2,651,897,858</b>
Non-controlling interest 1.00003% (2020: 1.00003%) of net assets (A)	27,344,539	26,519,847

**ONE Investments Limited**

Paid up capital	10,000,000	10,000,000
Retained earnings	1,095,025	911,070
Total net assets	<b>11,095,025</b>	<b>10,911,070</b>
Non-controlling interest 49 % (2020: 49 %) of net assets (B)	5,436,562	5,346,424

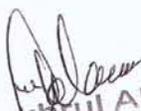
**Total non-controlling Interest (A+B)**

<b>32,781,101</b>	<b>31,866,271</b>
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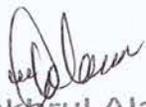
	Amount in Taka	
	Jan to June 2021	Jan to June 2020
<b>16 Interest and discount income/ Profit on investments</b>		
<b>Interest on loans and advances (Conventional Banking):</b>		
From clients against loans and advances	8,070,582,774	9,529,405,003
Lease finance	313,511,507	357,467,067
Discount from bills purchased & discounted	52,111,477	93,254,507
From banks and financial institutions in Bangladesh	72,327,315	96,282,427
From foreign banks	21,973,162	71,195,319
	<b>8,530,506,235</b>	<b>10,147,604,324</b>
Off-shore Banking Unit	169,872,653	401,988,851
	<b>8,700,378,888</b>	<b>10,549,593,174</b>
Profit on investment (Islami Banking):	1,229,227	-
	<b>8,701,608,115</b>	<b>10,549,593,174</b>
<b>16 (a) Consolidated Interest and discount income</b>		
ONE Bank Limited	8,701,608,115	10,549,593,174
ONE Securities Limited	20,456,301	15,172,584
ONE Investments Limited	262,047	315,069
Less, Inter Company Transaction	(17,097,296)	(9,172,916)
	<b>8,705,229,167</b>	<b>10,555,907,911</b>
<b>17 Interest paid/profit shared on deposits and borrowings</b>		
<b>Interest paid on deposits (Conventional Banking):</b>		
Short term deposits	1,110,336,001	1,010,836,800
Savings deposits	365,537,268	374,925,073
Term deposits	3,616,020,537	5,727,270,996
Scheme deposits	489,385,111	466,566,110
Borrowings from banks and financial institutions	87,838,265	304,660,630
Interest expenses for leased liability as per IFRS-16	24,863,845	-
Interest on Subordinated- Debt	235,252,493	365,986,438
	5,929,233,520	8,250,246,047
Off-shore Banking Unit	129,687,210	288,773,303
	<b>6,058,920,730</b>	<b>8,539,019,350</b>
<b>Profit shared on deposits (Islami Banking):</b>		
Profit paid on deposits	6,706,323	-
Profit on borrowings	-	-
	<b>6,706,323</b>	<b>-</b>
	<b>6,065,627,053</b>	<b>8,539,019,350</b>
<b>17 (a) Consolidated Interest paid on deposits and borrowings</b>		
ONE Bank Limited	6,065,627,053	8,539,019,350
ONE Securities Limited	4,062,878	-
ONE Investments Limited	-	-
Less, Inter Company Transaction	(17,097,296)	(9,172,916)
	<b>6,052,592,635</b>	<b>8,529,846,434</b>
<b>18 Income from Investments</b>		
Interest on treasury bills	38,041,542	307,543,401
Interest on treasury bond (Net)	784,633,750	678,185,603
Interest on Repo (Net)	-	192,753,054
Income from government Islamic Bond	539,494	-
Interest on Reverse Repo	-	158,484
Dividend on Investment	41,592,943	1,428,009
Gain on sale of Shares	17,310,266	-
Interest on subordinated bond	143,550,609	215,971,454
	<b>1,025,668,604</b>	<b>1,396,040,005</b>

  
M. Fakhru Alam  
Managing Director  
**ONE Bank**  
LIMITED

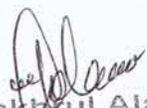
	Amount in Taka	
	Jan to June 2021	Jan to June 2020
<b>18 (a) Consolidated Income from Investments</b>		
ONE Bank Limited	1,025,668,604	1,396,040,005
ONE Securities Limited	78,658,916	5,248,576
ONE Investments Limited	-	-
Less, Inter Company Transaction	-	-
	<b>1,104,327,520</b>	<b>1,401,288,581</b>
<b>19 Commission, exchange and brokerage</b>		
Letters of credit	169,945,811	114,958,893
Letter of guarantees	48,458,036	48,670,446
Acceptances	145,648,095	116,077,176
Bills for collection	3,260,771	3,186,509
Remittances (PO, DD, TT, Travelers' Cheque etc.)	6,499,916	2,888,653
Export bills	23,257,436	18,863,446
PRC Issuance Charges	357,700	274,100
Cash Assistance Handling Charges	6,447,000	2,280,750
Import Related Certificates	60,900	66,100
Others	1,312,387	1,208,171
	<b>405,248,052</b>	<b>308,474,244</b>
Profit on exchange trading	334,775,615	145,803,471
Less: Loss on exchange trading	-	-
	<b>334,775,615</b>	<b>145,803,471</b>
Off-shore Banking Unit	740,023,667	454,277,715
	2,428,129	3,580,927
	<b>742,451,796</b>	<b>457,858,642</b>
<b>19 (a) Consolidated Commission, exchange and brokerage</b>		
ONE Bank Limited	742,451,796	457,858,642
ONE Securities Limited	33,825,575	9,922,343
	<b>776,277,371</b>	<b>467,780,985</b>
<b>20 Other operating income</b>		
Loan processing fees and other charges	66,276,000	124,622,266
Miscellaneous Credit and Debit Card Fee	67,907,034	52,206,706
Recoveries of postage, telex, telephone, fax etc	25,034,020	21,398,491
Letter of Credit miscellaneous charges	70,585,044	101,815,734
General Banking miscellaneous charges	19,368,034	16,739,934
Miscellaneous (Note-20.1)	31,551,665	10,769,182
Rent on locker	1,447,500	1,234,000
Gain on sale of fixed assets	874,944	-
	<b>283,044,241</b>	<b>328,786,314</b>
Off-shore Banking Unit	8,625,314	1,143,492
	<b>291,669,555</b>	<b>329,929,806</b>
<b>20.1</b> Miscellaneous income include commission on sanchyapatras, passport endorsement fees, certificate issuance charge etc.		
<b>20 (a) Consolidated Other operating income</b>		
ONE Bank Limited	291,669,555	329,929,806
ONE Securities Limited	268,972	91,279
	<b>291,938,527</b>	<b>330,021,085</b>
<b>21 Salary &amp; Allowances</b>		
Salary & Allowances	1,188,895,080	1,263,440,083
Provident Fund Contribution	61,977,172	67,353,325
Gratuity	63,866,064	69,967,553
Superannuation fund	3,500,000	3,500,000
Bonus	90,575,710	90,008,324
	<b>1,408,814,026</b>	<b>1,494,269,285</b>

  
 M. Fakhru Alam  
 Managing Director  
**ONE Bank**  
 LIMITED

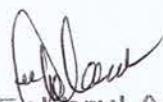
	Amount in Taka	
	Jan to June 2021	Jan to June 2020
<b>21(a) Consolidated Salary &amp; Allowances</b>		
ONE Bank Limited	1,408,814,026	1,494,269,285
ONE Securities Limited	14,311,748	15,052,769
	<b>1,423,125,774</b>	<b>1,509,322,054</b>
<b>22 Rent, taxes, insurance, electricity etc.</b>		
Rent	118,760,900	213,914,174
VAT on Rent	33,504,204	31,846,233
Taxes	374,549	135,598
Electricity	35,446,307	25,486,273
Utilities	5,807,526	4,865,091
Insurance	81,027,542	76,679,963
	<b>274,921,027</b>	<b>352,927,331</b>
<b>22(a) Consolidated Rent, taxes, insurance, electricity etc.</b>		
ONE Bank Limited	274,921,027	352,927,331
ONE Securities Limited	1,334,426	3,186,078
	<b>276,255,453</b>	<b>356,113,409</b>
<b>23 Legal expenses</b>		
Professional fees	8,393,869	4,104,239
Fees, Court fees & stamps	123,920	162,109
	<b>8,517,789</b>	<b>4,266,348</b>
Off-shore Banking Unit	28,852,192	29,282,020
	<b>37,369,982</b>	<b>33,548,368</b>
<b>23 (a) Consolidated Legal expenses/professional expenses</b>		
ONE Bank Limited	37,369,982	33,548,368
ONE Securities Limited	166,000	103,500
	<b>37,535,982</b>	<b>33,651,868</b>
<b>24 Postage, stamps, telecommunication etc.</b>		
Telex/Telephone/Fax etc	22,955,573	17,380,735
Courier/postage	6,282,580	5,490,012
Radio Link	13,450,948	12,493,851
Reuter	1,674,723	1,686,948
	<b>44,363,824</b>	<b>37,051,545</b>
<b>25 Directors' Fees</b>	<b>413,600</b>	<b>488,000</b>
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.		
<b>25 (a) Consolidated Director's Fees</b>		
ONE Bank Limited	413,600	488,000
ONE Securities Limited	88,000	22,000
	<b>501,600</b>	<b>510,000</b>
<b>26 Stationery, Printing, advertisement etc.</b>		
Printed and security stationery	18,635,294	23,624,536
Stationery	41,246,997	36,210,939
Business Promotion	42,136,502	94,931,467
	<b>102,018,794</b>	<b>154,766,942</b>

  
M. Fakhrul Alam  
Managing Director  
**ONE Bank**  
LIMITED

	Amount in Taka	
	Jan to June 2021	Jan to June 2020
<b>26 (a) Consolidated Stationery, Printing, advertisement etc.</b>		
ONE Bank Limited	102,018,794	154,766,942
ONE Securities Limited	235,256	88,952
	<b>102,254,050</b>	<b>154,855,894</b>
<b>27 Managing Director's Salary &amp; Allowances</b>		
Basic Salary	4,725,000	5,250,000
House rent allowance	135,000	150,000
Provident Fund Contribution	472,500	525,000
Festival Bonus	787,500	875,000
	<b>6,120,000</b>	<b>6,800,000</b>
<b>28 Depreciation, leasing expense and repair of bank's assets</b>		
Depreciation	261,051,664	137,757,918
Repairs & Maintenance	208,493,455	177,709,039
	<b>469,545,119</b>	<b>315,466,957</b>
<b>28 (a) Consolidated Depreciation, leasing expense and repair of bank's assets</b>		
ONE Bank Limited	469,545,119	315,466,957
ONE Securities Limited	3,648,300	1,270,264
	<b>473,193,419</b>	<b>316,737,221</b>
<b>29 Other expenses</b>		
Entertainment	12,748,437	13,210,206
Car expenses	6,797,941	7,238,528
Donation and Subscription (including CSR)	73,299,032	83,573,027
Business Traveling & Conveyance	13,247,363	11,349,854
Computer & Printer expenses	34,827,207	14,872,310
Staff training & Award	829,334	2,494,532
Debit and Credit Card expenses	30,842,656	18,068,416
Bank charges	7,059,445	4,397,776
Miscellaneous (Note-29.1)	4,940,413	3,039,359
ATM Booth Expenses	8,994,315	8,941,233
Call center operating expense	311,700	371,360
Agent banking commission	498,375	10,850
Issuance cost of Sub-Ordinated Bond	5,024,642	4,541,587
Mobile Financial Services	126,617	950,600
Loss from sale/ write off of assets	1,198,029	666,883
	200,745,506	173,726,521
Off-shore Banking Unit	1,028,509	7,267
	<b>201,774,015</b>	<b>173,733,788</b>
<b>29.1 Miscellaneous expenses include uniform &amp; liveries, retail loan recovery expenses etc.</b>		
<b>29 (a) Consolidated Other expenses</b>		
ONE Bank Limited	201,774,015	173,733,788
ONE Securities Limited	6,415,743	3,120,433
ONE Investments Limited	14,132	49,532
	<b>208,203,889</b>	<b>176,903,753</b>

  
M. Fakhriul Alam  
Managing Director  
**ONE Bank**  
LIMITED

	Amount in Taka	
	Jan to June 2021	Jan to June 2020
<b>30 Provision for loans, off balance sheet exposure, investment &amp; other for the period</b>		
Specific provision against loans and advances (note-12.4)	(186,406,748)	8,045,993
General provision against loans and advances (note-12.5 & 12.6)	505,409,825	106,177,543
Provision for off-balance sheet exposure (note-12.8)	(41,680,230)	(34,268,449)
Provision for diminution in value of share (note-12.9)	-	93,955,211
Provision for other (note-12.7)	13,130,224	-
	<b>290,453,071</b>	<b>173,910,298</b>
<b>30.1 Consolidated Provision for loans and advances</b>		
ONE Bank Limited (Note-30)		
Specific provision	(186,406,748)	8,045,993
General provision	505,409,825	106,177,543
	<b>319,003,077</b>	<b>114,223,536</b>
ONE Securities Limited		
Specific provision	-	-
General provision	332,253	-
	<b>332,253</b>	<b>-</b>
	<b>319,335,329</b>	<b>114,223,536</b>
<b>31 Consolidated provision for diminution in value of share for the period</b>		
ONE Bank Limited	-	-
ONE Securities Limited	-	-
	<b>-</b>	<b>-</b>
<b>32 Tax Expenses for the period</b>		
Current Tax (note-12.1)	604,703,089	596,182,873
Deferred tax (note-9.3 & 12.2)	(1,283,566)	(3,985,413)
	<b>603,419,523</b>	<b>592,197,461</b>
<b>32 (a) Consolidated Tax Expenses for the period</b>		
<b>Current Tax</b>		
ONE Bank Limited (note-32)	604,703,089	596,182,873
ONE Securities Limited	20,459,933	1,840,617
ONE Investments Limited	58,961	78,767
	<b>625,221,983</b>	<b>598,102,258</b>
<b>Deferred Tax</b>		
ONE Bank Limited (note-32)	(1,283,566)	(3,985,413)
ONE Securities Limited	(326,201)	(4,070)
	<b>(1,609,767)</b>	<b>(3,989,483)</b>
	<b>623,612,216</b>	<b>594,112,775</b>
<b>33 Details break-up of Shareholders' Equity -Solo</b>		
Paid-up Capital	9,340,404,560	8,853,464,040
Statutory Reserve	6,802,718,597	6,430,798,085
Surplus in Profit & Loss Account	2,047,879,143	1,650,557,138
Revaluation Reserve for HTM Securities	11,793,968	11,908,123
	<b>18,202,796,268</b>	<b>16,946,727,385</b>
<b>34 Calculation of Net Asset Value (NAV) Per Share</b>		
Total Shareholders' Equity -Solo	18,202,796,268	16,946,727,385
Total Shareholders' Equity -Consolidated	18,435,375,310	17,097,570,873
Weighted average number of outstanding Shares	934,040,456	934,040,456
<b>Net Asset Value Per Share -Solo</b>	<b>19.49</b>	<b>18.14</b>
<b>Net Asset Value Per Share - Consolidated</b>	<b>19.74</b>	<b>18.30</b>

  
 M. Fakhru Alam  
 Managing Director  
**ONE Bank**

	Amount in Taka	
	Jan to June 2021	Jan to June 2020
<b>35 Basic Earnings Per Share</b>		
Attributable profit for the year -Solo	1,256,183,037	859,092,301
Attributable profit for the year -Consolidated	1,337,918,591	864,871,798
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
	<b>934,040,456</b>	<b>934,040,456</b>
<b>Basic Earnings Per Share -Solo</b>	<b>1.34</b>	<b>0.92</b>
<b>Basic Earnings Per Share - Consolidated</b>	<b>1.43</b>	<b>0.93</b>

**36 Calculation of Net Operating Cash Flow Per Shares (NOCFPS)**

Net Operating Cash Flow- Solo	2,916,045,215	(8,388,096,111)
Net Operating Cash Flow- Consolidated	2,919,759,226	(8,379,743,606)
Weighted average number of outstanding Shares	934,040,456	934,040,456
<b>Net Operating Cash Flow Per Share –Solo</b>	<b>3.12</b>	<b>(8.98)</b>
<b>Net Operating Cash Flow Per Share – Consolidated</b>	<b>3.13</b>	<b>(8.97)</b>

**37 Reconciliation of net profit after taxation and cash generated from operating activities before changes in operating assets and liabilities (Solo Basis):**

Particulars	Jan to June 2021	Jan to June 2020
Net Profit after taxation	1,256,183,037	859,092,301
Provision for taxation	603,419,523	592,197,461
Provision for loans and advances & others	290,453,071	173,910,298
(Increase)/decrease in interest income receivable	(1,537,752,729)	(390,906,927)
Increase/(decrease) in interest expense payable	(446,387,179)	(857,781,802)
Depreciation expenses	261,051,664	137,757,918
Increase/ (decrease) in salaries and allowances expenses payable	89,837,189	83,911,161
Increase/(decrease) in other expenses payable	(23,144,275)	80,465,804
Income tax paid	(490,148,470)	(606,899,226)
<b>Cash flows from operating activities before changes in operating assets and liabilities</b>	<b>3,511,831</b>	<b>71,746,988</b>

- i) Name of the directors together with a list of entities in which they have interest- **Annexure-C**
- ii) Significant contracts where Bank is a party and wherein Directors have interest during the period: **Nil**
- 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 30.06.2021:
    - i) Lending to ONE Securities Limited amounting to Tk.130,322,923 from ONE Bank Limited, Kawran Bazar Branch for special investment account purpose bearing interest @ 7.00% per annum.
    - ii) ONE Securities Limited maintains bank account with ONE Bank Limited of Tk.471,715,354.
    - iii) ONE Investment Limited maintains deposit account with ONE Bank Limited of Tk.11,238,058.
    - iv) ONE Bank Limited (OBL) maintains deposit account of Tk.130 Crore with Lanka Bangla Finance Limited and OBL has invested in share of Lanka Bangla 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) i) 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):

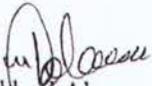
Lease agreement made with the Director :

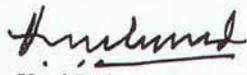
Nature of the contract	Branch / Office / Location	Name of Director and related by	Remarks
Lease Agreement	Off- Site Store & Contact Center, 26 Tejgoan Industrial Area, Tejgoan Shilpanchol, Dhaka.	Mr. Zahur Ullah, Director Shamah Enterprises Limited	Expiry Date of Lease 31.05.2031
Lease Agreement	Off-Site 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

### 39 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 2,457.

  
M. Fakhru Alam  
Managing Director

  
Kazi Rukunuddin Ahmed  
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 30 June 2021**

**Solo Basis**

Amount in Taka

SI No	Particulars	30 June 2021	31 December 2020
1	Paid up Capital	9,340,404,560	8,853,464,040
2	Total Capital	26,858,543,705	25,950,554,758
3	Capital Surplus/(deficit)	678,667,753	1,030,703,532
4	Total Assets	308,183,670,668	303,516,861,297
5	Total Deposits	229,960,246,542	229,484,573,179
6	Total Loans and Advances	222,861,720,081	220,341,546,434
7	Total Contingent Liabilities and Commitments	62,102,556,652	63,852,699,814
8	Credit Deposit ratio (%)	84.17%	85.33%
9	Percentage of Classified Loans against total loans and advances	9.19%	8.60%
10	Amount of classified loans during the year	20,479,998,941	18,957,360,443
11	Provision kept against classified loans	7,986,571,611	8,142,699,967
12	Provision surplus/(deficit)	-	-
13	Cost of fund	6.93%	8.48%
14	Interest earning Assets	251,854,575,496	258,135,415,588
15	Non-interest earning assets	56,329,095,172	45,381,445,709
		<b>30 June 2021</b>	<b>30 June 2020</b>
16	Profit after tax and provisions	1,256,183,037	1,396,040,005
17	Return on investment-ROI	7.08%	8.62%
18	Return on Assets-ROA (Net profit after taxation/average assets)	0.82%	0.58%
19	Income from Investment	1,025,668,604	1,396,040,005
20	Earnings per Share	1.34	0.92
21	Net Income per share	1.34	0.92
22	Price Earning Ratio (Times)	9.52	10.00

**ONE Bank Limited**  
**Schedule of Fixed Assets**  
**As at 30 June 2021**

[Referred to Note 8 of these Financial Statements]

Particulars	Cost (Taka)			Depreciation and Amortization (Taka)				Net book value at 30 June	Rate of depreciation per annum (Reducing Balance Method)
	Balance on 1 January	Additions during the period	Disposal/ Transfer Amortization during the period	Balance at 30 June	Balance on 1 January	Charge for the period	Adjusted on disposal during the period		
Furniture and Fixtures	1,598,557,482	43,615,693	37,019,806	1,605,153,369	747,694,052	73,893,427	86,425	784,575,851	10%
Office Equipment	1,367,494,753	103,928,249	3,907,931	1,467,515,071	887,128,997	47,908,553	3,263,415	931,774,135	18%
Motor Vehicles	309,913,740	-	5,731,935	304,181,805	221,978,596	8,721,438	5,011,253	225,688,781	20%
Building	304,750,010	19,696,373	-	324,446,383	32,880,570	3,480,438	-	36,361,008	2.5%
Right of use Assets (RoU)	1,037,326,524	-	-	1,037,326,524	-	126,656,290	-	126,656,290	
Land	279,366,295	-	-	279,366,295	-	-	-	-	
<b>Sub-Total</b>	<b>4,897,408,804</b>	<b>167,240,315</b>	<b>46,659,672</b>	<b>5,017,989,447</b>	<b>1,889,682,215</b>	<b>260,660,146</b>	<b>8,361,093</b>	<b>2,105,056,065</b>	
Intangibles Assets	198,184,620	-	-	198,184,620	197,215,502	391,518	-	197,607,020	
<b>Total 30 June 2021</b>	<b>5,095,593,424</b>	<b>167,240,315</b>	<b>46,659,672</b>	<b>5,216,174,067</b>	<b>2,086,897,717</b>	<b>261,051,664</b>	<b>8,361,093</b>	<b>2,302,663,085</b>	
<b>Total 31 December 2020</b>	<b>4,525,849,549</b>	<b>943,896,888</b>	<b>104,816,763</b>	<b>5,364,929,674</b>	<b>1,907,827,792</b>	<b>548,497,475</b>	<b>19,420,579</b>	<b>2,356,233,967</b>	

## Annexure- B

## Reconciliation Statement Regarding Balance with Bangladesh Bank

## 1) Balance with Bangladesh Bank-Taka account

	Amount in Taka	
	Detail	Total
Balance as per Bank ledger		19,355,052,194
Unrespond debit entries in:		
Bangladesh Bank Statement	54,207,643	
ONE Bank's ledger	281,951	54,489,595
		<u>19,300,562,600</u>
Unrespond credit entries in:		
Bangladesh Bank statement	191,880,947	
ONE Bank's ledger	11,127,202	203,008,150
Balance as per Bangladesh Bank Statement		<u><u>19,503,570,750</u></u>

## 2) Balance with Bangladesh Bank-Foreign currency

	Amount in Taka			
	USD	EURO	GBP	Total
A) Balance as per Bank ledger	5,475,741,972	2,062,107	1,998,440	5,479,802,519
B) Unrespond debit entries in:				
Bangladesh Bank Statement	29,679	3,597	-	33,276
ONE Bank's ledger	382,221,164	-	-	382,221,164
	<u>382,250,843</u>	<u>3,597</u>	<u>-</u>	<u>382,254,440</u>
C) Unrespond credit entries in:				
Bangladesh Bank statement	733,836,828	-	901	733,837,730
ONE Bank's ledger	125,702,022	-	-	125,702,022
	<u>859,538,850</u>	<u>-</u>	<u>901</u>	<u>859,539,752</u>
Balance as per Bangladesh Bank Statement (A-B+C)	<u><u>5,953,029,980</u></u>	<u><u>2,058,509</u></u>	<u><u>1,999,341</u></u>	<u><u>5,957,087,831</u></u>

**Name of the Directors and the entities in which they have interest  
As on 30 June 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. 2 Buttons & Trims Ltd 3 Lables & Trims Ltd. 4 Lamisa Ltd. 5 L-2 Knitting Ltd. 6 Shamah Enterprises Ltd 7 Holiday Publications Ltd. 8 Lamisa Food Products Ltd. 9 NTC Housing Ltd.	33.33 70.00 70.00 60.00 60.00 40.00 10.00 70.00 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	Admiral Abu Mozaffar Mohiuddin Mohammad Aurangzeb Chowdhury	Independent Director			

**ONE Bank Limited**  
**Islami Banking Unit**  
**Balance Sheet**  
**As at 30 June 2021**

	Notes	30.06.2021 Taka	31.12.2020 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash in Hand</b>			
Cash in hand ( including foreign currencies)	2	16,312,153	14,828,438
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		41,888,399	83,922,891
		<b>58,200,553</b>	<b>98,751,330</b>
<b>Balance with other Banks and Financial Institutions</b>			
In Bangladesh	3	1,211,004,579	6,370
Outside Bangladesh		-	-
		<b>1,211,004,579</b>	<b>6,370</b>
<b>Placement with other banks and financial institutions</b>			
<b>Investments in shares and securities</b>			
Government	4	36,700,000	21,120,000
Others		-	-
		<b>36,700,000</b>	<b>21,120,000</b>
<b>Investments</b>			
General Investment etc.	5	3,494,682	-
Bills purchased and discounted		-	-
		<b>3,494,682</b>	<b>-</b>
<b>Fixed Assets including premises, furnitures &amp; fixtures</b>			
Other Assets	6	10,204,819	2,818,810
Non-banking Assets	7	91,668,558	50,701,979
		-	-
<b>Total Assets</b>		<b>1,411,273,190</b>	<b>173,398,489</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Placement from other banks, financial institutions and agents</b>			
<b>Deposits and other accounts</b>			
Al-Wadeeah current and other deposits accounts	8	7,003,899	11,995,475
Bills payable		25,643,655	-
Mudaraba savings bank deposits		61,957,919	27,001,935
Mudaraba term deposits		1,180,315,372	127,838,154
Other Mudararaba deposit		-	-
		<b>1,274,920,845</b>	<b>166,835,564</b>
<b>Other Liabilities</b>	9	<b>136,352,345</b>	<b>6,562,925</b>
<b>Total Liabilities</b>		<b>1,411,273,190</b>	<b>173,398,489</b>
<b>OFF BALANCE SHEET ITEMS</b>			
<b>Contingent Liabilities</b>			
Acceptances and Endorsements		-	-
Letters of Guarantee		-	-
Irrevocable Letters of Credit		-	-
Bills for Collection		-	-
Other Contingent Liabilities		-	-
Other Commitments		-	-
<b>Total off-Balance Sheet items including contingent liabilities</b>		<b>-</b>	<b>-</b>

**ONE Bank Limited**  
**Islami Banking Unit**  
**Profit and Loss Account**  
**For the period from 01 January 2021 to 30 June 2021**

	Notes	Amount in Taka	
		January to June	
		2021	2020
Investment income	10	12,301	-
Profit shared on deposits and borrowings etc.	11	(6,706,323)	-
<b>Net investment income</b>		<b>(6,694,022)</b>	-
Income from investment in shares/ Securities	12	1,756,420	-
Commission, exchange and brokerage	13	33,340	-
Other operating income	14	231,910	-
<b>Total operating income</b>		<b>(4,672,352)</b>	-
Salaries and allowances	15	15,843,448	-
Rent, taxes, insurance, electricity etc.	16	11,354,981	-
Legal expenses		25,000	-
Postage, stamps, telecommunication etc.	17	76,630	-
Stationery, printings, advertisements etc.	18	1,229,621	-
Directors' fees and expenses		61,600	-
Depreciation, leasing expense and repair of bank's assets	19	3,586,649	-
Other expenses	20	343,528	-
<b>Total operating expenses</b>		<b>32,521,457</b>	-
<b>Profit/ (loss) before provision and tax</b>		<b>(37,193,809)</b>	-
Provision for investments			
Specific provision		-	-
General provision		-	-
Provision for off-balance sheet items		-	-
Provision for others		-	-
<b>Total Provision (D)</b>		<b>-</b>	<b>-</b>
<b>Profit/ (loss) before taxes</b>		<b>(37,193,809)</b>	<b>-</b>

**ONE Bank Limited**  
**Islami Banking Unit**  
**Notes to the Financial Statements**  
**For the period ended 30 June 2021**

**1.1 Islami Banking Operations**

ONE Bank Limited has started Islami Banking Operations obtaining permission from Bangladesh Bank on July 30, 2020 in the Name "AL NOOR" through opening 02 full functioning Islami Banking Branches i.e. Gulshan Islami Banking Branch, Dhaka and Agrabad Islami Banking Branch, Chattogram on December 15, 2020 and December 17, 2020 respectively. Till June 30, 2021 Islami Banking Operation has collected deposit of Tk.127.50 Crore opening total 1444 nos. of accounts. In principle, Islami Banking Operations is different from Conventional Banking as Islami Banking operates on the basis of Islami Shariah Principle. From the very beginning we have formulated & circulated a comprehensive Guidelines for procuring Islami Banking Deposit and providing such Services from all the Conventional Branches through our 2 Islami Banking Branches using online facilities.

**1.2 Islami Banking Division in Head Office**

As per Guideline of 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 establishment, the division has been taking up the duties & responsibilities of all works & day to day activities related to Marketing, Business, Product Development, Research & Development Activities, Training of Islami Banking & Finance, Islami Treasury Management, Regulatory Compliance, MIS, Arrangement of Shariah Supervisory Committee Meeting, Inter Divisional Communication to meet up requirement, IBCF, CSBIB, AAOIFI, IFSB, Internal & External Activities.

**1.3 Islami Banking Business**

Since inception, OBL AL NOOR Islami Banking retained a steady growth in deposit & investment. As on June 30, 2021 deposit of OBL AL NOOR Islami Banking stood at Tk.127.50 Crore.

**1.4 Islami Banking Products and services**

At present OBL AL NOOR Islami Banking offers almost all the Deposit Products & Retail Investment to the customers from its dedicated full functioning (Two) Islami Banking Branches and also from conventional Branches through any of Islami Banking Branch using online facilities for marketing and development of deposits and utilization of funds or in other words, pooling resources and deployment of the said resources. The deposit products are available are as under:

**Deposit products:**

1. AL-Wadiah Current Account. 2. Mudaraba Savings Account, 3. Mudaraba Term Deposit Account, 4. Mudaraba Special Notice Deposit Account, 5. Mudaraba Hajj Savings Account, 6. Mudaraba Waqf Cash Account, 7. Mudaraba Monthly Income Deposit Scheme, 8. Mudaraba School Banking Account, 9. Mudaraba Ratib Payroll Account and 10. Mudaraba Deposit Pension Scheme (various types).

**Investment Products:**

In Islami Banking, investment means utilization of fund or deployment of fund for a legal purpose i.e. Permissible by Shariah Principle under various modes of Investment for a certain period. There are various types of Investment Products of ONE Bank Limited AL NOOR Islami Banking are mentioned below:

**Retail Investment Products**

1. AL NOOR Home Investment Scheme 3. AL NOOR Car Investment Scheme 2. AL NOOR House Hold Investment Scheme 4. AL NOOR Scheme for Professional. 5. Cash withdrawal against Mudaraba Deposit.

**CMSME and Corporate Investment Products**

1. AL NOOR Murabaha Import Bill, 2. AL NOOR Wakala Letter of Credit. All remaining Investment Products will be available soon

**Others Products and Services**

Besides these OBL AL NOOR Islami Banking Operations also providing the services including issuance of Payment Order, Certificates, Local & foreign Remittance, Online Banking, ATM Services, BACH, RTGS, BEFTN, Utility Bills Collection, School Banking, MFS (OK Wallet), Payroll Account, Internet Banking, SMS Banking facility and other necessary Banking Services.

**1.5 AL NOOR Islami Economics, Banking & Finance Research Cell**

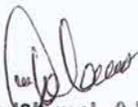
1. A Library containing required relevant Books are being established.
2. Arranging Training program for OBL employee's regularly to enrich their Islami Banking knowle
3. Continuing Daily Learning process.
4. Weekly discussion meeting.

**ONE Bank Limited**  
**Islami Banking Unit**  
**Notes to Financial Statements**

		30.06.2021	31.12.2020
		<u>Taka</u>	<u>Taka</u>
<b>2</b>	<b>Cash</b>		
	Cash in hand (note-2.1)	16,312,153	14,828,438
	Balance with Bangladesh Bank and it's agent banks (note-2.2)	41,888,399	83,922,891
		<b>58,200,553</b>	<b>98,751,330</b>
<b>2.1</b>	<b>Cash in hand</b>		
	In Local Currency	16,312,153	14,828,438
	In Foreign Currencies	-	-
		<b>16,312,153</b>	<b>14,828,438</b>
<b>2.2</b>	<b>Balance with Bangladesh Bank and it's agent bank</b>		
	Bangladesh Bank:		
	In Local Currency	41,888,399	83,922,891
	In Foreign Currencies	-	-
	Balance with Sonali Bank being an agent of Bangladesh Bank	41,888,399	83,922,891
		<b>41,888,399</b>	<b>83,922,891</b>
<b>3</b>	<b>Balance with others and financial institutions</b>		
	In Bangladesh (note-3.1)	1,211,004,579	6,370
	Outside of Bangladesh (note-3.2)	-	-
		<b>1,211,004,579</b>	<b>6,370</b>
<b>3.1</b>	<b>In-Bangladesh</b>		
	Mudaraba special notice deposits	10,998,209	-
	Al-wadeeah current deposits	1,200,006,370	6,370
	Fixed Deposit receipt	-	-
		<b>1,211,004,579</b>	<b>6,370</b>
<b>3.2</b>	<b>Outside of Bangladesh</b>	-	-
<b>4</b>	<b>Investment in share &amp; securities</b>		
	Bangladesh Government Islamic Bond	36,700,000	21,120,000
	Others (note-4.1)	-	-
		<b>36,700,000</b>	<b>21,120,000</b>
<b>4.1</b>	<b>Others</b>		
	Shares in listed companies	-	-
	Shares in un-listed companies	-	-
		-	-
<b>5</b>	<b>Investments</b>		
	General investment	3,494,682	-
	Bill purchased and discounted	-	-
		<b>3,494,682</b>	<b>-</b>
<b>5.1</b>	<b>General Investments</b>		
	<b>In Bangladesh</b>		
	Household Investment Account	1,000,250	-
	Staff Loan	2,494,432	-
		<b>3,494,682</b>	<b>-</b>
	<b>Outside of Bangladesh</b>	-	-

	30.06.2021 Taka	31.12.2020 Taka
<b>5.2 Bills purchased and discounted</b>		
Inside Bangladesh	-	-
Outside Bangladesh	-	-
	-	-
<b>6 Fixed Assets including premises, furnitures &amp; fixtures</b>		
Land	-	-
Building	-	-
Furniture and fixture including office renovation	4,076,963	2,622,110
Office appliance & equipments	5,264,147	79,300
Computer	1,346,700	117,400
Software	-	-
Vehicle	-	-
	10,687,810	2,818,810
Less: Accumulated depreciation	482,991	-
	<b>10,204,819</b>	<b>2,818,810</b>
<b>7 Other Assets</b>		
Stationery and printing materials etc	1,112,283	591,900
Stock of stamps	3,090	-
Profit accrued on investment but not collected	1,221,707	8,254
Advance rent	29,301,120	31,947,343
Renovation/ Development and prepaid expenses	22,833,344	4,232,066
Suspense account	-	50,000
Miscellaneous	3,205	-
Profit/loss payable to head office	37,193,809	13,872,416
	<b>91,668,558</b>	<b>50,701,979</b>
<b>8 Deposits and other accounts</b>		
Deposits from Banks	800,000,000	-
Deposits from customers	474,920,845	166,835,564
	<b>1,274,920,845</b>	<b>166,835,564</b>
<b>a. Deposit from Banks</b>		
Mudaraba savings deposits	-	-
Mudaraba special notice deposits	-	-
Mudaraba term deposits	800,000,000	-
	<b>800,000,000</b>	-

	30.06.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
<b>b. Customers Deposits</b>		
<b>i) Al- wadeeah current deposits and other accounts</b>		
Al-wadeeah current deposits	1,957,604	10,264,000
Foreign currency deposits	-	-
Interest Payable	3,031,934	-
Sundry deposits	2,014,361	1,731,475
	<b>7,003,899</b>	<b>11,995,475</b>
<b>ii) Bills Payable</b>		
Pay orders issued	25,643,655	-
Pay slips issued	-	-
Demand draft payable	-	-
	<b>25,643,655</b>	<b>-</b>
<b>iii) Mudaraba savings deposits</b>		
	<b>61,957,919</b>	<b>27,001,935</b>
<b>iv) Mudaraba term deposits</b>		
Mudaraba fixed deposits	368,511,450	126,534,030
Mudaraba special notice deposits	8,678,455	1,114,207
Mudaraba special scheme deposits	3,125,467	189,917
	<b>380,315,372</b>	<b>127,838,154</b>
	<b>474,920,845</b>	<b>166,835,564</b>
<b>Total Customers Deposit</b>		
<b>9 Other liabilities</b>		
Accounts payable-Others	1,024	856
Branch adjustment account	136,351,321	6,562,069
	<b>136,352,345</b>	<b>6,562,925</b>
January to June		
2021                      2020		
<b>10 Profit on investment</b>		
Staff house building investment	3,568	-
Household Investment Account	8,733	-
	<b>12,301</b>	<b>-</b>
<b>11 Profit shared on deposits and borrowings etc.</b>		
Profit shared on deposits (Islami Banking Branch):		
Mudaraba Savings Deposits	444,533	-
Mudaraba Short Term Deposits	439,351	-
Mudaraba Fixed Term Deposits	5,822,439	-
	<b>6,706,323</b>	<b>-</b>
<b>12 Income from investment in shares/ Securities</b>		
Income from Government Securities	539,494	-
Income from Non-Government Securities	1,216,926	-
	<b>1,756,420</b>	<b>-</b>
<b>13 Commission, Exchange and brokerage</b>		
Commission and brokerage	33,280	-
Commission on Trade Finance	60	-
	<b>33,340</b>	<b>-</b>
<b>14 Other operating income</b>		
Service and incidental charges	144,605	-
Fees & Charges-Loan	500	-
Miscellaneous income	86,805	-
	<b>231,910</b>	<b>-</b>

  
 M. Fairul Alam  
 Managing Director  
**ONE Bank**  
 LIMITED

		January to June	
		2021	2020
15	<b>Salaries and allowances</b>		
	Basic salary	13,084,129	-
	Gratuity	801,744	-
	Bonus	1,206,874	-
	Provident fund	750,701	-
		<b>15,843,448</b>	-
16	<b>Rent, taxes, insurance and electricity etc</b>		
	Rent	9,494,083	-
	VAT on rent	1,344,861	-
	Taxes	19,000	-
	Utilities	76,526	-
	Insurance	187,896	-
	Electricity and lighting	232,615	-
		<b>11,354,981</b>	-
17	<b>Postage, stamp, Telecommunication etc</b>		
	Postage	6,088	-
	Telephone/ Telex	46,542	-
	Data Connectivity & Radio Link Inter Branch	24,000	-
		<b>76,630</b>	-
18	<b>Stationery, printing, advertisements etc</b>		
	General office stationery	383,020	-
	Printing and security stationery	633,031	-
	Computer and printing expenses	58,570	-
	Publicity and advertisement	155,000	-
		<b>1,229,621</b>	-
19	<b>Depreciation and repair of bnak's assets</b>		
	<b>Depreciation:</b>		
	Furniture and Fixtures	70,054	-
	Electrical appliances	453,446	-
		<b>523,500</b>	-
	<b>Repair:</b>		
	Services Outsourcing	1,643,896	-
	Official and electrical appliances	1,419,253	-
		<b>3,063,149</b>	-
		<b>3,586,649</b>	-
20	<b>Other expenses</b>		
	Entertainment	164,309	-
	Computer & Printer expenses	14,780	-
	Donations, Subscriptions & others	5,820	-
	Travelling and Conveyance	105,718	-
	Recruitment & Training Expense	51,110	-
	Bank Charges & Others	1,792	-
		<b>343,528</b>	-

**ONE Bank Limited**  
**Off-Shore Banking Unit**  
**Balance Sheet**  
**As at 30 June 2021**

	Notes	30.06.2021		31.12.2020	
		USD	TAKA	USD	TAKA
<b>PROPERTY AND ASSETS</b>					
<b>CASH</b>					
Cash in hand ( including foreign currencies)		-	-	-	-
Cash with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		-	-	-	-
<b>Balance with other Banks and Financial Institutions</b>	<b>3</b>				
In Bangladesh		-	-	-	-
Outside Bangladesh		7,424,267	629,827,272	1,088,030	92,266,134
		7,424,267	629,827,272	1,088,030	92,266,134
<b>Money at Call on Short Notice</b>		-	-	-	-
<b>Investment</b>					
Government		-	-	-	-
Others		-	-	-	-
<b>Loan and Advances:</b>					
Loans, cash credit, overdraft etc.	<b>4</b>	118,082,781	10,017,387,448	108,617,804	9,210,909,244
Bills purchased and discounted		6,285,505	533,222,014	3,937,659	333,917,808
		124,368,286	10,550,609,461	112,555,463	9,544,827,052
<b>Fixed Assets</b>		-	-	-	-
<b>Other Assets</b>	<b>5</b>	715,897	60,732,121	1,001,500	84,928,334
<b>Non Banking Assets</b>		-	-	-	-
<b>Total Assets</b>		<b>132,508,450</b>	<b>11,241,168,855</b>	<b>114,644,993</b>	<b>9,722,021,520</b>
<b>LIABILITIES AND CAPITAL</b>					
<b>Borrowings from other Banks, Financial Institutions and agents</b>	<b>6</b>	78,833,332	6,687,715,354	92,666,666	7,858,235,210
<b>Deposit and other Accounts</b>	<b>7</b>				
Current accounts and other accounts		452,106	38,353,803	1,129,342	95,769,474
Bills payable		-	-	-	-
Savings bank deposits		-	-	-	-
Term deposits		-	-	-	-
		452,106	38,353,803	1,129,342	95,769,474
<b>Other Liabilities</b>	<b>8</b>	53,088,429	4,503,682,527	18,609,548	1,578,110,166
<b>Total Liabilities</b>		<b>132,373,867</b>	<b>11,229,751,684</b>	<b>112,405,557</b>	<b>9,532,114,851</b>
<b>Capital/Shareholders' Equity</b>					
Profit and loss account		134,583	11,417,171	2,239,436	189,906,669
<b>Total Liabilities and Shareholders' Equity</b>		<b>132,508,450</b>	<b>11,241,168,855</b>	<b>114,644,993</b>	<b>9,722,021,520</b>

Notes	30.06.2021		31.12.2020	
	USD	TAKA	USD	TAKA

**Off Balance Sheet Items**

**Contingent Liabilities:**

Acceptance and endorsements  
Letter of Guarantee  
Irrevocable Letters of Credit  
Bills for Collection

9

209,177	17,745,226	156,612	13,280,888
-	-	-	-
567,495	48,142,682	758,104	64,288,034
-	-	-	-
<b>776,672</b>	<b>65,887,908</b>	<b>914,716</b>	<b>77,568,921</b>
-	-	-	-
-	-	-	-
<b>776,672</b>	<b>65,887,908</b>	<b>914,716</b>	<b>77,568,921</b>

**Other Contingent Liabilities**

Claims lodged with but not recognized by the Bank  
Other exchange contract

**Total Contingent Liabilities**

**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

-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<b>776,672</b>	<b>65,887,908</b>	<b>914,716</b>	<b>77,568,921</b>

**Total other commitments**

**Total off-Balance Sheet items including contingent Liabilities**

**ONE Bank Limited**  
**Off- Shore Banking Unit**  
**Profit & Loss Account**  
For the period from 01 January 2021 to 30 June 2021

Notes	January to June				
	2021		2020		
	USD	TAKA	USD	TAKA	
Interest income	10	2,738,400	232,308,346	5,509,847	467,510,537
Interest paid on deposits & borrowings	11	(2,264,703)	(192,122,902)	(4,175,545)	(354,294,989)
<b>Net interest income</b>		<b>473,697</b>	<b>40,185,443</b>	<b>1,334,302</b>	<b>113,215,548</b>
Income from investments		-	-	-	-
Commission, exchange and brokerage	12	28,622	2,428,129	42,203	3,580,927
Other operating income	13	101,673	8,625,314	13,477	1,143,492
<b>Total operating income (A)</b>		<b>603,993</b>	<b>51,238,886</b>	<b>1,389,982</b>	<b>117,939,967</b>
Salaries and allowances		-	-	-	-
Rent, taxes, insurance, electricity etc.		-	-	-	-
Legal & consultancy expenses		340,103	28,852,192	345,103	29,282,020
Postage, stamps, telecommunication etc.		-	-	-	-
Directors' fees		-	-	-	-
Stationery, printings, advertisements etc.		-	-	-	-
Depreciation, leasing expense and repair of bank's assets		-	-	-	-
Other expenses		12,124	1,028,509	86	7,267
<b>Total operating expenses (B)</b>		<b>352,227</b>	<b>29,880,701</b>	<b>345,189</b>	<b>29,289,287</b>
<b>Profit before provision and tax (C=A-B)</b>		<b>251,766</b>	<b>21,358,185</b>	<b>1,044,793</b>	<b>88,650,680</b>
Provision for loans and advances		-	-	-	-
Specific provision		-	-	-	-
General provision		118,559	10,057,824	(219,139)	(18,593,984)
		<b>118,559</b>	<b>10,057,824</b>	<b>(219,139)</b>	<b>(18,593,984)</b>
Provision for off-balance sheet items		(1,377)	(116,810)	(25,047)	(2,125,256)
Other provision		-	-	-	-
<b>Total Provision</b>		<b>117,183</b>	<b>9,941,014</b>	<b>(244,187)</b>	<b>(20,719,240)</b>
<b>Profit/(loss) before tax (C-D)</b>		<b>134,583</b>	<b>11,417,171</b>	<b>1,288,980</b>	<b>109,369,920</b>
Current tax expenses		-	-	-	-
Deferred tax expense/(income)		-	-	-	-
<b>Net profit after taxation</b>		<b>134,583</b>	<b>11,417,171</b>	<b>1,288,980</b>	<b>109,369,920</b>

**ONE Bank Ltd**  
**Off-Shore Banking Unit**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

**1.1 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.

**1.1.1 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 January 01, 2021 to June 30, 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.

### 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 84.8336 (Mid rate as at 30 June 2021).

**ONE Bank Limited**  
**Off-Shore Banking Unit**  
**Notes to The Financial Statements**

	30.06.2021		31.12.2020	
	USD	TAKA	USD	TAKA
<b>3 Balance with other banks and financial institutions</b>				
In Bangladesh	-	-	-	-
Outside Bangladesh (note-3.1)	7,424,267	629,827,272	1,088,030	92,266,134
	<u>7,424,267</u>	<u>629,827,272</u>	<u>1,088,030</u>	<u>92,266,134</u>
<b>3.1 Outside Bangladesh</b>				
Mashreq Bank NY	7,104,596	602,708,489	849,198	72,012,940
United Bank of India	319,670	27,118,783	238,832	20,253,194
	<u>7,424,267</u>	<u>629,827,272</u>	<u>1,088,030</u>	<u>92,266,134</u>
<b>4 Loans and advances</b>				
<b>i) Loans, cash credits, overdrafts, etc.</b>				
Loans	116,322,562	9,868,061,736	103,498,374	8,776,775,932
Cash Credit	-	-	-	-
Overdraft	1,554,489	131,872,867	1,557,796	132,102,836
Loan against Trust Receipt	205,730	17,452,845	3,561,634	302,030,477
	<u>118,082,781</u>	<u>10,017,387,448</u>	<u>108,617,804</u>	<u>9,210,909,244</u>
<b>ii) Bills purchased and discounted</b>				
Local bill purchased and discounted	6,285,505	533,222,014	3,937,659	333,917,808
Foreign bills purchased and discounted	-	-	-	-
	<u>6,285,505</u>	<u>533,222,014</u>	<u>3,937,659</u>	<u>333,917,808</u>
	<u>124,368,286</u>	<u>10,550,609,461</u>	<u>112,555,463</u>	<u>9,544,827,052</u>
<b>5 Other Assets</b>				
Prepayment	715,897	60,732,121	1,001,500	84,928,334
Interest receivable	-	-	-	-
	<u>715,897</u>	<u>60,732,121</u>	<u>1,001,500</u>	<u>84,928,334</u>
<b>6 Borrowing from other banks, and financial institutions and agents</b>				
Nederlandse Financierings- Maatschappij Voor Ontwikkelingslanden N.V (FMO)	18,875,000	1,601,234,200	25,375,000	2,151,827,913
Oesterreichische Entwicklungsbank AG (OeEB)	4,750,000	402,959,600	6,875,000	583,007,563
The OPEC Fund for International Development (OFID)	1,875,000	159,063,000	3,750,000	318,004,125
Société de Promotion et de Participation pour la Coopération Economique S.A. (Proparco)	12,500,000	1,060,420,000	15,625,000	1,325,017,188
Norwegian Invest. Fund for Developing Countries (Norfund)	7,500,000	636,252,000	9,375,000	795,010,313
International Finance Corporation (IFC)	13,333,332	1,131,114,554	16,666,666	1,413,351,610
DBBL Bank	5,000,000	424,168,000	-	-
RAK BANK-Dubai	15,000,000	1,272,504,000	15,000,000	1,272,016,500
	<u>78,833,332</u>	<u>6,687,715,354</u>	<u>92,666,666</u>	<u>7,858,235,210</u>
<b>7 Deposits and other accounts</b>				
Current deposits	16,668	1,413,985	16,214	1,374,926
Deposits from Banks	-	-	-	-
Foreign Currency Deposits	4,295	364,325	6,349	538,420
Sundry deposits	431,144	36,575,493	1,106,780	93,856,128
	<u>452,106</u>	<u>38,353,803</u>	<u>1,129,342</u>	<u>95,769,474</u>

30.06.2021		31.12.2020	
USD	TAKA	USD	TAKA

### 8 Other liabilities

Due to Head Office (note-8.1)

Accrued Interest for deposit

Interest Payable on Borrowings Outside Bd

Interest Suspense

Others

General Provision (Unclassified Loan)

General Provision for off balance sheet items

51,306,808	4,352,541,231	16,743,203	1,419,842,041
-	-	-	-
494,214	41,925,975	716,536	60,763,029
25,954	2,201,808	-	-
10,002	848,540	15,108	1,281,137
1,243,683	105,506,095	1,125,555	95,448,271
7,767	658,879	9,147	775,689
<b>53,088,429</b>	<b>4,503,682,527</b>	<b>18,609,548</b>	<b>1,578,110,166</b>

### 8.1 Due to Head Office

Payable to Head office (Transaction with DBU)

Payable to Head Office (Retained Earnings)

50,204,759	4,259,050,419	17,260,210	1,463,684,817
1,102,049	93,490,812	(517,007)	(43,842,777)
<b>51,306,808</b>	<b>4,352,541,231</b>	<b>16,743,203</b>	<b>1,419,842,041</b>

### 9 Contingent liabilities

Acceptance and Endorsements

Letter of Guarantee

Irrevocable Letter of Credit

Bills for Collection

209,177	17,745,226	156,612	13,280,888
-	-	-	-
567,495	48,142,682	758,104	64,288,034
-	-	-	-
<b>776,672</b>	<b>65,887,908</b>	<b>914,716</b>	<b>77,568,921</b>

January to June 2021

January to June 2020

### 10 Interest income

Bills purchased and discounted

Short Term Loan

Time Loan

Loan Against Trust Receipt

Overdraft

Others

Interest on loans and advances

Interest received from HO

Total Interest income

108,439	9,199,289	148,891	12,633,368
277,298	23,524,206	416,145	35,309,900
2,252,088	191,052,708	4,856,194	412,048,058
61,741	5,237,688	14,209	1,205,634
20,276	1,720,071	56,783	4,818,043
18,558	1,574,384	17,626	1,495,533
<b>2,738,400</b>	<b>232,308,346</b>	<b>5,509,847</b>	<b>467,510,537</b>
-	-	-	-
<b>2,738,400</b>	<b>232,308,346</b>	<b>5,509,847</b>	<b>467,510,537</b>

### Interest on deposits, borrowings,

Interest paid to HO

Interest expenses for borrowing

Interest expenses for other bank- Local

735,978	62,435,692	772,206	65,521,686
1,528,725	129,687,210	3,403,339	288,773,303
-	-	-	-
<b>2,264,703</b>	<b>192,122,902</b>	<b>4,175,545</b>	<b>354,294,989</b>

### 12 Commission, exchange and brokerage

Commission on L/C

Commission on acceptance

Export Bill Handling Charge

10,969	930,576	24,063	2,041,718
16,552	1,404,154	17,230	1,461,965
1,101	93,399	910	77,245
<b>28,622</b>	<b>2,428,129</b>	<b>42,203</b>	<b>3,580,927</b>

### 13 Other operating income

Fees & Charges of Loan

Commission on Remittance

101,673	8,625,314	13,477	1,143,492
-	-	-	-
<b>101,673</b>	<b>8,625,314</b>	<b>13,477</b>	<b>1,143,492</b>

# **ONE Bank Limited**

Independent auditor's report along with  
audited financial statements for the year  
ended 31 December 2021

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## **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/এপিআর/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
<b>1. Measurement of provision for loans, advances and leases</b>	
<p>The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex.</p> <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"> <li>• 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;</li> <li>• 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.</li> </ul>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process;</li> <li>• Identified the loss events, including early warning and default warning indicators; and</li> <li>• Reviewed the quarterly Classification of Loans (CL).</li> </ul> <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> <li>• Reviewed the adequacy of the Bank's general and specific provisions;</li> <li>• 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;</li> <li>• Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines;</li> <li>• We considered guidance given to the bank by Bangladesh Bank in this regard for this period; and</li> <li>• Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</li> </ul>

Description of key audit matters	Our response to key audit matters
<p>Provision measurement is primarily dependent upon key assumptions relating to the probability of default, ability to repossess collateral, and recovery rates.</p>	
<p>See note # 7 and 12 to the financial statements</p>	
<p><b>2. Valuation of Treasury Bills and Treasury Bonds</b></p>	
<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>
<p>See note # 6 to the financial statements</p>	
<p><b>3. Measurement of deferred tax assets and liabilities</b></p>	
<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 &amp; 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>
<p>See note # 9 and 12 to the financial statements</p>	

Description of key audit matters	Our response to key audit matters
<b>4. Carrying value of investments in subsidiaries by the Bank</b>	
<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	
<b>5. IT systems and controls</b>	
<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"> <li>• 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.</li> <li>• 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.</li> <li>• Assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights.</li> <li>• Tested the specific application controls for key financial reporting controls.</li> </ul>

## 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:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements 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:

- (a) internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;
- (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities other than matters disclosed in these financial statements;
- (iii) Consolidated financial statements of the Bank include 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;
- (iv) 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;
- (v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (vi) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (vii) the expenditures incurred were for the purpose of the Bank's business for the year;
- (viii) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (ix) adequate provisions have been made for 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 APR 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
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>			
Cash in hand ( including foreign currencies)	3 (a)	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
		<b>18,110,426,352</b>	<b>29,536,941,069</b>
<b>Balance with other Banks and Financial Institutions</b>			
In Bangladesh	4 (a)	3,205,173,505	2,637,146,008
Outside Bangladesh		2,893,872,431	4,387,093,348
		<b>6,099,045,936</b>	<b>7,024,239,356</b>
<b>Money at call and short notice</b>	5	<b>6,725,200,000</b>	-
<b>Investments</b>			
Government	6 (a)	31,624,490,473	25,356,340,064
Others		8,897,582,239	6,960,694,074
		<b>40,522,072,712</b>	<b>32,317,034,138</b>
<b>Loans and Advances/Investments</b>			
Loans, cash credit, overdraft etc./investments	7 (a)	221,026,876,270	218,405,014,005
Bills purchased and discounted		1,820,269,099	2,023,706,051
		<b>222,847,145,369</b>	<b>220,428,720,056</b>
<b>Fixed Assets including premises, furniture &amp; fixtures</b>	8 (a)	<b>3,686,317,659</b>	<b>3,037,810,261</b>
<b>Other Assets</b>	9 (a)	<b>12,645,526,384</b>	<b>11,323,733,040</b>
<b>Non-banking Assets</b>		-	-
<b>Total Assets</b>		<b>310,635,734,412</b>	<b>303,668,477,921</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other Banks, Financial Institutions and Agents	10 (a)	<b>19,744,872,097</b>	<b>21,322,835,943</b>
Non-convertible subordinated bond and contingent-convertible perpetual bond	10 (b)	<b>9,250,000,000</b>	<b>6,900,000,000</b>
<b>Deposits and other accounts</b>			
Current/Al-wadeeah current account and other account	11(a)	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
		<b>230,630,013,182</b>	<b>229,069,281,725</b>
<b>Other Liabilities</b>	12 (a)	<b>33,265,322,760</b>	<b>28,780,645,027</b>
<b>Total Liabilities</b>		<b>292,890,208,039</b>	<b>286,072,762,694</b>
<b>Capital/Shareholders' Equity</b>			
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
		<b>17,712,594,664</b>	<b>17,563,848,956</b>
<b>Total Shareholders' Equity</b>		<b>17,712,594,664</b>	<b>17,563,848,956</b>
<b>Non-controlling Interest</b>	15.1 (c)	<b>32,931,709</b>	<b>31,866,271</b>
<b>Total Liability and Shareholders' Equity</b>		<b>310,635,734,412</b>	<b>303,668,477,921</b>



**OFF BALANCE SHEET ITEMS**
**Contingent Liabilities**

 Acceptances and Endorsements  
 Letters of Guarantee  
 Irrevocable Letters of Credit  
 Bills for Collection

Notes	31.12.2021 Taka	31.12.2020 Taka
	27,599,284,721	30,449,543,760
44	13,777,812,760	13,082,189,159
	22,033,819,992	19,014,867,606
	1,664,810,820	1,306,099,289
	<b>65,075,728,293</b>	<b>63,852,699,814</b>
	-	-
	-	-
	<b>65,075,728,293</b>	<b>63,852,699,814</b>
	-	-
	-	-
	-	-
	-	-
	-	-
	<b>65,075,728,293</b>	<b>63,852,699,814</b>

**Other Contingent Liabilities**

 Claims lodged with but not recognized by the Bank  
 Other exchange contract

**Total Contingent Liabilities**
**Other Commitments**

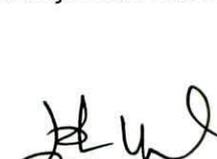
 Documentary Credits and short term trade-related transactions  
 Forward assets purchased and forward deposits placed  
 Undrawn note issuance and revolving underwriting facilities  
 Undrawn formal standby facilities, credit lines and other commitments

**Total other commitments**
**Total off-Balance Sheet items including contingent liabilities**
**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

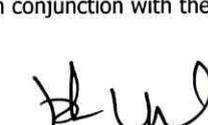
**ONE Bank Limited and its Subsidiaries  
Consolidated Profit and Loss Account  
For the year ended 31 December 2021**

	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)
<b>Net interest income</b>		<b>4,150,778,318</b>	<b>3,425,575,025</b>
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
<b>Total operating income (A)</b>		<b>8,633,636,752</b>	<b>8,149,058,114</b>
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
<b>Total operating expenses (B)</b>		<b>4,988,505,902</b>	<b>5,119,691,830</b>
<b>Profit/ (loss) before provision and tax (C=A-B)</b>		<b>3,645,130,850</b>	<b>3,029,366,284</b>
Provision for loans and advances	31.1		
Specific provision		1,676,248,139	794,354,912
General provision		328,423,314	481,719,372
		<b>2,004,671,453</b>	<b>1,276,074,285</b>
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	-
<b>Total Provision (D)</b>		<b>2,038,837,036</b>	<b>1,184,183,458</b>
<b>Profit/(loss) before taxes (E=C-D)</b>		<b>1,606,293,814</b>	<b>1,845,182,826</b>
<b>Provision for taxation</b>	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
<b>Net Profit after taxation</b>		<b>845,185,047</b>	<b>1,394,706,116</b>
<b>Attributable to:</b>			
Shareholders of the ONE Bank Ltd		844,119,609	1,393,591,988
Non-controlling Interest		1,065,438	1,114,128
		<b>845,185,047</b>	<b>1,394,706,116</b>
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
		<b>1,619,265,431</b>	<b>2,149,750,135</b>
<b>Appropriations:</b>			
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
<b>Retained Surplus</b>		<b>1,237,993,412</b>	<b>1,801,400,626</b>
<b>Earnings per share (EPS)</b>	47	<b>0.90</b>	<b>1.49</b>

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

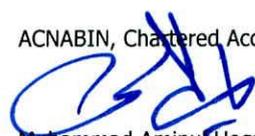
  
Zahur Ullah  
Vice Chairman

  
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 Cash Flow Statement**  
**For the year ended 31 December 2021**

	Notes	2021 Taka	2020 Taka
<b>Cash flows from operating activities</b>			
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)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>		<b>549,359,627</b>	<b>2,517,063,024</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
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
<b>A Net cash used in/ from operating activities</b>		<b>4,280,824,034</b>	<b>6,275,955,444</b>
<b>Cash flows from investing activities</b>			
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>B Net cash used in investing activities</b>		<b>(9,473,919,842)</b>	<b>(2,683,182,473)</b>
<b>Cash flows from financing activities</b>			
Receipts from issue of ordinary shares		-	-
Dividend paid		(492,815,572)	(421,593,526)
<b>C Net cash used for financial activities</b>		<b>(492,815,572)</b>	<b>(421,593,526)</b>
D Net increase/(decrease) in cash and cash equivalent (A+B+C)		<b>(5,685,911,380)</b>	<b>3,171,179,445</b>
E Effects of exchange rate changes on cash and cash-equivalent		<b>59,156,543</b>	<b>(5,732,880)</b>
F Opening cash and cash equivalent		<b>36,562,760,625</b>	<b>33,397,314,060</b>
<b>G Closing cash and cash equivalents (D+E+F)</b>		<b>30,936,005,788</b>	<b>36,562,760,625</b>
<b>Closing cash and cash equivalents</b>			
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
		<b>30,936,005,788</b>	<b>36,562,760,625</b>
<b>Net Operating Cash Flow Per Share</b>	<b>48</b>	<b>4.58</b>	<b>6.72</b>

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

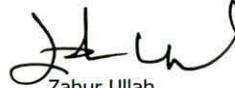
Amount in Taka

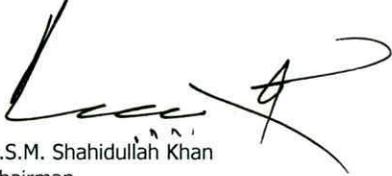
Particulars	Paid-up Capital	Statutory Reserve	Capital Reserve	Revaluation Reserve for Securities	Profit & Loss Account	Total	Non-Controlling Interest	Total
<b>Balance as at 01 January 2021</b>	<b>8,853,464,040</b>	<b>6,430,798,085</b>	-	<b>478,186,205</b>	<b>1,801,400,626</b>	<b>17,563,848,956</b>	<b>31,866,271</b>	<b>17,595,715,227</b>
Changes in accounting policy	-	-	-	-	-	-	-	-
<b>Restated balance</b>	<b>8,853,464,040</b>	<b>6,430,798,085</b>	-	<b>478,186,205</b>	<b>1,801,400,626</b>	<b>17,563,848,956</b>	<b>31,866,271</b>	<b>17,595,715,227</b>
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)	-	-	-
<b>Balance as at 31 December 2021</b>	<b>9,340,404,560</b>	<b>6,721,414,910</b>	<b>8,106,441</b>	<b>404,675,341</b>	<b>1,237,993,412</b>	<b>17,712,594,664</b>	<b>32,931,709</b>	<b>17,745,526,373</b>
<b>Balance as at 31 December 2020</b>	<b>8,853,464,040</b>	<b>6,430,798,085</b>	-	<b>478,186,205</b>	<b>1,801,400,626</b>	<b>17,563,848,956</b>	<b>31,866,271</b>	<b>17,595,715,227</b>

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
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>			
	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
		<b>18,110,416,111</b>	<b>29,536,927,872</b>
<b>Balance with other Banks and Financial Institutions</b>			
	4		
In Bangladesh		3,205,173,505	2,637,146,008
Outside Bangladesh		2,893,872,431	4,387,093,348
		<b>6,099,045,936</b>	<b>7,024,239,356</b>
<b>Money at call and short notice</b>			
	5		
		<b>6,725,200,000</b>	-
<b>Investments</b>			
	6		
Government		31,624,490,473	25,356,340,064
Others		6,592,396,412	4,627,642,064
		<b>38,216,886,885</b>	<b>29,983,982,128</b>
<b>Loans and Advances/investments</b>			
	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
		<b>222,694,147,172</b>	<b>220,341,546,434</b>
<b>Fixed Assets including premises, furniture &amp; fixtures</b>			
	8		
		<b>3,631,900,815</b>	<b>3,008,695,706</b>
<b>Other Assets</b>			
	9		
		<b>14,888,816,377</b>	<b>13,621,469,800</b>
<b>Non-banking Assets</b>			
		-	-
<b>Total Assets</b>		<b>310,366,413,296</b>	<b>303,516,861,297</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
	10		
Borrowings from other Banks, Financial Institutions and Agents		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
<b>Deposits and other accounts</b>			
	11		
Current/Al-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
		<b>231,122,860,626</b>	<b>229,484,573,179</b>
<b>Other Liabilities</b>			
	12		
		<b>32,775,018,972</b>	<b>28,396,446,707</b>
<b>Total Liabilities</b>		<b>292,892,751,695</b>	<b>286,103,855,829</b>
<b>Capital/Shareholders' Equity</b>			
	13.2		
Paid-up Capital		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
		<b>17,473,661,601</b>	<b>17,413,005,468</b>
<b>Total Shareholders' Equity</b>		<b>17,473,661,601</b>	<b>17,413,005,468</b>
<b>Total Liability and Shareholders' Equity</b>		<b>310,366,413,296</b>	<b>303,516,861,297</b>



Notes	31.12.2021 Taka	31.12.2020 Taka
<b>OFF BALANCE SHEET ITEMS</b>		
<b>Contingent Liabilities</b>		
	27,599,284,721	30,449,543,760
44	13,777,812,760	13,082,189,159
	22,033,819,992	19,014,867,606
	1,664,810,820	1,306,099,289
	<b>65,075,728,293</b>	<b>63,852,699,814</b>
<b>Other Contingent Liabilities</b>		
	-	-
	-	-
	<b>65,075,728,293</b>	<b>63,852,699,814</b>
<b>Other Commitments</b>		
	-	-
	-	-
	-	-
	-	-
	-	-
	<b>65,075,728,293</b>	<b>63,852,699,814</b>
	<b>65,075,728,293</b>	<b>63,852,699,814</b>
<b>Net Asset Value Per Share</b>	<b>46</b>	<b>18.71</b>
		<b>18.64</b>

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

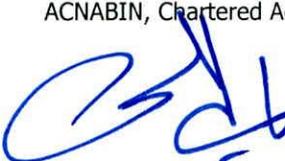


A.S.M. Shahidullah Khan  
Chairman

See annexed report of even date.

Dhaka, 30 April 2022

ACNABIN, Chartered Accountants



Muhammad Aminul Hoque, FCA  
Partner  
ICAB Enrollment Number # 1129

DVC : 2204301129AS526297

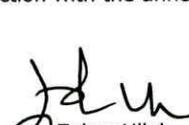
**ONE Bank Limited**  
**Profit and Loss Account**  
**For the year ended 31 December 2021**

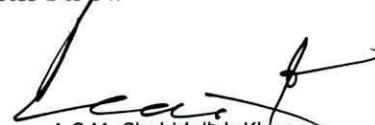
	Notes	2021 Taka	2020 Taka
Interest income/profit on investment	17	15,986,988,731	19,661,117,803
Interest paid on deposits and borrowings etc.	18	(11,877,499,793)	(16,266,405,458)
<b>Net interest income</b>		<b>4,109,488,938</b>	<b>3,394,712,344</b>
Investment income	19	2,050,750,934	2,710,031,543
Commission, exchange and brokerage	20	1,607,770,995	1,122,148,188
Other operating income	21	619,526,591	772,362,748
<b>Total operating income (A)</b>		<b>8,387,537,458</b>	<b>7,999,254,823</b>
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
<b>Total operating expenses (B)</b>		<b>4,931,273,007</b>	<b>5,074,263,233</b>
<b>Profit/ (loss) before provision and tax (C=A-B)</b>		<b>3,456,264,451</b>	<b>2,924,991,590</b>
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
		<b>2,004,014,743</b>	<b>1,275,134,867</b>
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	-
<b>Total Provision (D)</b>		<b>2,003,180,326</b>	<b>1,183,244,041</b>
<b>Profit/ (loss) before taxes (E=C-D)</b>		<b>1,453,084,125</b>	<b>1,741,747,549</b>
<b>Provision for taxation</b>			
Current tax expense	34	621,853,276	424,085,114
Deffered tax expense/ (income)	34	75,200,815	4,640,028
		697,054,091	428,725,142
<b>Net Profit after taxation</b>		<b>756,030,034</b>	<b>1,313,022,407</b>
Retained surplus brought forward	15.1	632,408,775	685,884,240
		<b>1,388,438,809</b>	<b>1,998,906,647</b>
<b>Appropriations:</b>			
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
<b>Retained Surplus</b>		<b>1,007,166,790</b>	<b>1,650,557,138</b>
<b>Earnings per share (EPS)</b>	47	<b>0.81</b>	<b>1.41</b>

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

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

	Notes	2021 Taka	2020 Taka
<b>Cash flows from operating activities</b>			
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)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>		<b>381,560,314</b>	<b>2,424,441,703</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
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
<b>A Net cash used in/ from operating activities</b>		<b>4,275,908,546</b>	<b>6,275,904,361</b>
<b>Cash flow from investing activities</b>			
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>B Net cash used in investing activities</b>		<b>(9,469,001,398)</b>	<b>(2,683,133,682)</b>
<b>Cash flow from financing activities</b>			
Receipts from issue of ordinary shares		-	-
Dividend paid		(492,815,572)	(421,593,526)
<b>C Net cash from financing activities</b>		<b>(492,815,572)</b>	<b>(421,593,526)</b>
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		<b>36,562,747,428</b>	<b>33,397,303,156</b>
<b>G Closing cash and cash equivalents (D+E+F)</b>		<b>30,935,995,547</b>	<b>36,562,747,428</b>
<b>Closing cash and cash equivalents</b>			
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
		<b>30,935,995,547</b>	<b>36,562,747,428</b>
<b>Net Operating Cash Flow Per Share</b>	<b>48</b>	<b>4.58</b>	<b>6.72</b>

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 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

Amount in Taka

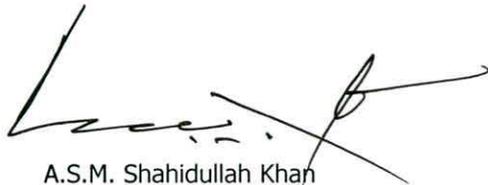
Particulars	Paid-up Capital	Statutory Reserve	Revaluation Reserve for Securities	Profit & Loss Account	Total Shareholders' Equity
<b>Balance as at 01 January 2021</b>	<b>8,853,464,040</b>	<b>6,430,798,085</b>	<b>478,186,205</b>	<b>1,650,557,138</b>	<b>17,413,005,468</b>
Changes in accounting policy	-	-	-	-	-
<b>Restated balance</b>	<b>8,853,464,040</b>	<b>6,430,798,085</b>	<b>478,186,205</b>	<b>1,650,557,138</b>	<b>17,413,005,468</b>
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)	-
<b>Balance as at 31 December 2021</b>	<b>9,340,404,560</b>	<b>6,721,414,910</b>	<b>404,675,341</b>	<b>1,007,166,790</b>	<b>17,473,661,601</b>
<b>Balance as at 31 December 2020</b>	<b>8,853,464,040</b>	<b>6,430,798,085</b>	<b>478,186,205</b>	<b>1,650,557,138</b>	<b>17,413,005,468</b>

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
<b>Assets:</b>						
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	-	-	-	-	-	-
<b>Total Assets</b>	<b>36,786,918,885</b>	<b>54,057,975,595</b>	<b>84,868,126,323</b>	<b>66,556,578,325</b>	<b>68,096,814,168</b>	<b>310,366,413,296</b>
<b>Liabilities:</b>						
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
<b>Total Liabilities</b>	<b>54,170,475,928</b>	<b>79,505,094,467</b>	<b>96,129,479,693</b>	<b>56,261,753,576</b>	<b>6,825,948,031</b>	<b>292,892,751,695</b>
<b>Net Liquidity Gap</b>	<b>(17,383,557,043)</b>	<b>(25,447,118,872)</b>	<b>(11,261,353,370)</b>	<b>10,294,824,749</b>	<b>61,270,866,137</b>	<b>17,473,661,601</b>

Md. Manzur 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 Ads (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 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.

## 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.

### 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.

**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 recognised 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 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.

### 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.

## 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 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
<b>General provisions for unclassified loans and advances:</b>		
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%

Category/status of Loans and Advances	Rates	
	Bangladesh Bank's Requirement	Maintained by the Bank
<b>Specific provision for classified loans and advances:</b>		
Substandard	20%	20%
Doubtful	50%	50%
Bad/Loss	100%	100%
<b>Provision for classified loan to short-term agricultural and Micro-Credit:</b>		
Substandard	5%	5%
Doubtful	5%	5%
Bad/Loss	100%	100%
<b>Provision for classified loan to Cottage, Micro and Small Credits under CMSME:</b>		
Substandard	5%	5%
Doubtful	20%	20%
Bad/Loss	100%	100%

Reference may be made to note # 7.13.

- 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	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.

**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 subsidiary 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.

## 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	<b>Unadjusted Expenses</b> [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	<b>Litigation / Legal Expenses</b>			
	(a) related to unsettled cases	50%		
	(b) unadjusted expenses related to settled cases		100%	
3	<b>Protested Bill / Fraud / Forgery/ Fund Embezzlement</b>			
	(a) for doubtful	50%		If there is any possibility of recovery.
	(b) for bad/loss		100%	If there is no possibility of recovery.
4	<b>Miscellaneous</b>		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.

### **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 14<sup>th</sup> December, 2021, BRPD Circular Letter No. 51 & 52, both dated 29<sup>th</sup> December, 2021, BRPD Circular Letter No. 53, dated 30<sup>th</sup> 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.

**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.

### 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.

## 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 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 31<sup>st</sup> December of the FY and Appraisal Rating.



#### 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
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.

\*\*\* 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:

### **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.

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 (AML D) 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 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 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 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:

<b>Stocks of Items</b>	<b>2021 (Taka)</b>	<b>2020 (Taka)</b>
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
<b>Total</b>	<b>3,338,465,438</b>	<b>2,874,624,229</b>

Wherever considered necessary, previous year's figures have been rearranged to conform to current year's presentation and for the purpose of comparison.



### 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 329<sup>th</sup> 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 329<sup>th</sup> 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.
- 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.



	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>3. Cash</b>		
Cash in hand ( <b>Note-3.1</b> )	2,983,346,234	3,099,551,672
Balance with Bangladesh Bank and its agent bank(s) ( <b>Note-3.2</b> )	15,127,069,877	26,437,376,200
	<b>18,110,416,111</b>	<b>29,536,927,872</b>
<b>3.1 Cash in hand (including foreign currencies)</b>		
<b>Conventional Banking:</b>		
In local currency	2,946,234,006	3,059,686,909
In foreign currencies	13,881,026	25,036,324
	<b>2,960,115,032</b>	<b>3,084,723,233</b>
<b>Islami Banking:</b>		
In local currency	23,231,202	14,828,438
In foreign currencies	-	-
	<b>23,231,202</b>	<b>14,828,438</b>
	<b>2,983,346,234</b>	<b>3,099,551,672</b>
<b>3.2 Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)</b>		
<b>Balance with Bangladesh Bank</b>		
<b>Conventional Banking:</b>		
In local currency	11,283,402,680	13,382,996,073
In foreign currencies	2,574,860,086	11,518,613,657
	<b>13,858,262,766</b>	<b>24,901,609,730</b>
<b>Islami Banking:</b>		
In local currency	92,034,175	83,922,891
In foreign currencies	-	-
	<b>92,034,175</b>	<b>83,922,891</b>
Balance with Sonali Bank being an agent of Bangladesh Bank	1,176,772,936	1,451,843,579
	<b>15,127,069,877</b>	<b>26,437,376,200</b>

Reconciliation statements regarding Bangladesh Bank balance conventional banking are given in Annexure-B

### 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.

#### a) Cash Reserve Requirement (CRR) :

##### Conventional and Offshore Banking:

##### Required reserve daily basis

Domestic Banking Operation

Offshore Banking Operation

**Total**

7,856,459,450	7,704,943,330
91,358,625	138,494,400
<b>7,947,818,075</b>	<b>7,843,437,730</b>



	31.12.2021 Taka	31.12.2020 Taka
<b>Reserve Held</b>		
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
<b>Reserve held with Bangladesh Bank in local currencies</b>	<b>11,382,285,816</b>	<b>14,413,504,620</b>
<b>Surplus/(Shortage)</b>	<b>3,434,467,741</b>	<b>6,570,066,890</b>

\* The balance of local currency account was duly reconciled as of 31 December 2021 and the above amount was matched accordingly.

	31.12.2021	31.12.2020
<b>Required reserve bi-weekly basis</b>		
Domestic Banking Operation	8,978,810,800	8,805,649,520
Offshore Banking Operation	121,811,500	184,659,200
<b>Total</b>	<b>9,100,622,300</b>	<b>8,990,308,720</b>
Reserve held with Bangladesh Bank in local currencies	11,382,285,816	14,413,504,620
<b>Surplus/(Shortage)</b>	<b>2,281,663,516</b>	<b>5,423,195,900</b>

**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
<b>Surplus/(Shortage)</b>	<b>71,881,385</b>	<b>77,010,971</b>

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
<b>Surplus/(Shortage)</b>	<b>69,002,415</b>	<b>77,010,971</b>

**b) Statutory Liquidity Ratio (Other than CRR):**

**Conventional and Offshore Banking:**

<b>Required reserve</b>		
Domestic Banking Operation	29,181,135,100	28,618,360,940
Offshore Banking Operation	791,774,750	1,200,284,800
<b>Total</b>	<b>29,972,909,850</b>	<b>29,818,645,740</b>
Reserve held (b.1)	37,921,068,457	35,293,402,577
<b>Surplus/(Shortage)</b>	<b>7,948,158,607</b>	<b>5,474,756,837</b>

**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
<b>Sub Total</b>	<b>35,639,404,941</b>	<b>29,870,206,677</b>
Balance with Bangladesh Bank local currency (Surplus amount of CRR )	2,281,663,516	5,423,195,900
<b>Total</b>	<b>37,921,068,457</b>	<b>35,293,402,577</b>

**Islami Banking:**

Required reserve	31,668,670	9,503,890
Reserve held (b.2)	212,873,617	112,959,410
<b>Surplus/(Shortage)</b>	<b>181,204,947</b>	<b>103,455,520</b>

**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
<b>Total</b>	<b>212,873,617</b>	<b>112,959,410</b>



	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>3 (a) Consolidated Cash</b>		
<b>i Cash in hand</b>		
ONE Bank Limited	2,983,346,234	3,099,551,672
ONE Securities Limited	10,241	13,197
ONE Investments Limited	-	-
	<b>2,983,356,475</b>	<b>3,099,564,869</b>
<b>ii Balance with Bangladesh Bank and its agent bank(s)</b>		
ONE Bank Limited	15,127,069,877	26,437,376,200
ONE Securities Limited	-	-
ONE Investments Limited	-	-
	<b>15,127,069,877</b>	<b>26,437,376,200</b>
	<b>18,110,426,352</b>	<b>29,536,941,069</b>
<b>4. Balance with Other Banks and Financial Institutions</b>		
In Bangladesh ( <b>Note-4.1</b> )	3,205,173,505	2,637,146,008
Outside Bangladesh ( <b>Note-4.2</b> )	2,893,872,431	4,387,093,348
	<b>6,099,045,936</b>	<b>7,024,239,356</b>
<b>4.1 In Bangladesh</b>		
In current accounts ( <b>Note-4.3</b> )	92,344,674	97,840,493
Other deposit accounts ( <b>Note-4.4</b> )	3,112,828,831	2,539,305,514
	3,205,173,505	2,637,146,008
Off-shore Banking Unit	-	-
	<b>3,205,173,505</b>	<b>2,637,146,008</b>
<b>4.2 Outside Bangladesh</b>		
In current accounts ( <b>Note-4.5</b> )	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
	<b>2,893,872,431</b>	<b>4,387,093,348</b>
<b>4.3 Current Accounts (In Bangladesh)</b>		
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
	<b>92,344,674</b>	<b>97,840,493</b>
<b>4.4 Other Deposit Accounts (In Bangladesh)</b>		
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
	<b>2,800,641,767</b>	<b>2,539,305,514</b>
<b>Islami Banking:</b>		
Mudaraba Special Notice Deposit	312,187,064	-
	<b>3,112,828,831</b>	<b>2,539,305,514</b>

#### 4.5 Current Accounts (Outside Bangladesh)

(Name of the banks and financial institutions)

	31.12.2021 Taka	31.12.2020 Taka
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
	<b>2,746,347,148</b>	<b>4,294,827,214</b>

(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:

#### 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.

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>4.7 Maturity of balances with other banks and financial institutions</b>		
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	-	-
	<b>6,099,045,936</b>	<b>7,024,239,356</b>
<b>4 (a) Consolidated Balance with Other Banks and Financial Institutions In Bangladesh</b>		
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)
	<b>3,205,173,505</b>	<b>2,637,146,008</b>
<b>Outside Bangladesh</b>		
ONE Bank Limited	2,893,872,431	4,387,093,348
ONE Securities Limited	-	-
	<b>2,893,872,431</b>	<b>4,387,093,348</b>
	<b>6,099,045,936</b>	<b>7,024,239,356</b>
<b>5. Money at call and short notice</b>		
With Bank ( <b>Note-5.1</b> )	6,325,200,000	-
With non- bank financial institutions ( <b>Note-5.2</b> )	400,000,000	-
	<b>6,725,200,000</b>	<b>-</b>
<b>5.1 With Bank</b>		
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	-
	<b>6,325,200,000</b>	<b>-</b>
<b>5.2 With non- bank financial institutions</b>		
LankaBangla Finance Limited	<b>400,000,000</b>	<b>-</b>



**6. Investments**
**In Government securities**
**Conventional Banking:**

Treasury bills (Note- 6.1)

Treasury bonds (Note-6.2)

Prize Bonds

**Islami Banking:**

Bangladesh Government Islamic Bond-Sukuk (Note-6.10)

**Other Investment**

Shares (Quoted and Unquoted) (Note-6.3)

Subordinated and Perpetual bonds (issued by other banks)[Note-6.4]

**Total Investment**

	31.12.2021 Taka	31.12.2020 Taka
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
	<b>31,503,850,473</b>	<b>25,335,220,064</b>
<b>Islami Banking:</b>		
Bangladesh Government Islamic Bond-Sukuk (Note-6.10)	120,640,000	21,120,000
	<b>31,624,490,473</b>	<b>25,356,340,064</b>
<b>Other Investment</b>		
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
	<b>6,592,396,412</b>	<b>4,627,642,064</b>
<b>Total Investment</b>	<b>38,216,886,885</b>	<b>29,983,982,128</b>

**6.1 Treasury Bills**

Treasury Bills (HTM) [(Note-6.1(a))]

Treasury Bills (HFT) [(Note-6.1(b))]

	31.12.2021	31.12.2020
Treasury Bills (HTM) [(Note-6.1(a))]	968,677,884	-
Treasury Bills (HFT) [(Note-6.1(b))]	1,061,227,763	756,134,449
	<b>2,029,905,647</b>	<b>756,134,449</b>

**6.1(a) Treasury Bills (HTM)**

	Amortized Cost (Book Value)		Face value	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	Taka	Taka	Taka	Taka
364 days Treasury Bills	968,677,884	-	1,000,000,000	-
182 days Treasury Bills	-	-	-	-
	<b>968,677,884</b>	<b>-</b>	<b>1,000,000,000</b>	<b>-</b>

**6.1(b) Treasury Bills (HFT)**

	Marked to Market Value (Book Value)		Face value	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	Taka	Taka	Taka	Taka
364 days Treasury Bills	1,061,227,763	756,134,449	1,083,300,000	756,900,000
182 days Treasury Bills	-	-	-	-
	<b>1,061,227,763</b>	<b>756,134,449</b>	<b>1,083,300,000</b>	<b>756,900,000</b>

**6.2 Treasury Bonds**

Treasury Bonds (HTM) [(Note-6.2(a))]

Treasury Bonds (HFT) [(Note-6.2(b))]

	31.12.2021	31.12.2020
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
	<b>29,472,611,327</b>	<b>24,577,505,415</b>

**6.2 (a) Treasury Bonds (HTM)**

	Amortized Cost (Book Value)		Face value	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	Taka	Taka	Taka	Taka
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
<b>Sub-total</b>	<b>19,148,744,850</b>	<b>14,221,899,305</b>	<b>18,809,100,000</b>	<b>14,009,100,000</b>



	Amortized Cost (Book Value)		Face value	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	Taka	Taka	Taka	Taka
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
<b>Sub-total</b>	<b>3,936,041,248</b>	<b>2,574,542,926</b>	<b>4,103,500,000</b>	<b>2,603,500,000</b>
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
<b>Sub-total</b>	<b>1,506,500,000</b>	<b>1,506,500,000</b>	<b>1,506,500,000</b>	<b>1,506,500,000</b>
<b>Total</b>	<b>24,591,286,098</b>	<b>18,302,942,230</b>	<b>24,419,100,000</b>	<b>18,119,100,000</b>

### 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
	Taka	Taka	Taka	Taka
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	-
	<b>4,881,325,229</b>	<b>6,274,563,185</b>	<b>4,477,500,000</b>	<b>5,850,000,000</b>

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.

### 6.3 Other Investments -Shares

#### In shares (quoted and unquoted)

##### Quoted:

	31.12.2021 Taka	31.12.2020 Taka
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
	<b>514,936,421</b>	<b>551,295,893</b>

##### Quoted (Special Investment Account):

	31.12.2021 Taka	31.12.2020 Taka
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
	<b>139,244,362</b>	<b>18,130,541</b>

##### Unquoted:

	31.12.2021 Taka	31.12.2020 Taka
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
	<b>138,215,629</b>	<b>138,215,629</b>
	<b>792,396,412</b>	<b>707,642,064</b>

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>6.4 Subordinated and Perpetual bonds (issued by other banks)</b>		
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	-
	<b>5,800,000,000</b>	<b>3,920,000,000</b>

**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)
<b>Total</b>			<b>960,234,005</b>	<b>514,936,421</b>	<b>445,297,584</b>

\*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.

**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
	<b>38,216,886,885</b>	<b>29,983,982,128</b>

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.

**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
<b>Securities sold under repo:</b>			
i) with Bangladesh Bank	500,683,150	558,478,930	2,901,814
ii) With other banks & FI	-	-	-
<b>Securities purchased under Reverse Repo:</b>			
i) with Bangladesh Bank	900,437,776	2,870,640,617	96,248,220
ii) With other banks & FI	-	-	-

**31.12.2021**  
**Taka**
**31.12.2020**  
**Taka**
**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**
**40,522,072,712**
**40,522,072,712**
**6,960,694,074**
**32,317,034,138**
**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.

**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**

**31.12.2021**  
**Taka**

**31.12.2020**  
**Taka**

**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**

**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**

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>7.6 Geographical Location-wise Loans and advances including bills purchased and discounted</b>		
<b>Urban</b>		
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
	<b>215,729,450,714</b>	<b>213,718,704,563</b>
<b>Rural</b>		
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
	<b>222,694,147,172</b>	<b>220,341,546,434</b>
<b>7.7 Business segment-wise loans and advances including bills purchased and discounted</b>		
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
	<b>222,694,147,172</b>	<b>220,341,546,434</b>
<b>7.8 CL category wise loans and advances including bills purchased and discounted</b>		
<b>Continuous loan (CL-2)</b>		
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
	<b>40,954,545,487</b>	<b>45,383,962,070</b>
<b>Demand Loan (CL-3)</b>		
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
	<b>73,341,260,027</b>	<b>73,195,785,166</b>
<b>Fixed Term Loan (CL-4)</b>		
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
	<b>105,139,746,419</b>	<b>98,710,487,306</b>
<b>Short term agri. credit and microcredit (CL-5)</b>		
Short term agri. Credit	2,576,363,463	2,328,245,492
Microcredit	-	-
	<b>2,576,363,463</b>	<b>2,328,245,492</b>
<b>Staff Loan</b>	<b>682,231,776</b>	<b>723,066,400</b>
	<b>222,694,147,172</b>	<b>220,341,546,434</b>

	31.12.2021 Taka	31.12.2020 Taka
<b>7.9 Classified and unclassified loans and advances</b>		
<b>Unclassified</b>		
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
	<b>196,966,121,281</b>	<b>201,384,185,991</b>
<b>Classified</b>		
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
	<b>25,728,025,891</b>	<b>18,957,360,443</b>
	<b>222,694,147,172</b>	<b>220,341,546,434</b>
<b>7.10 Net loans and advances</b>		
Gross loans and advances	222,694,147,172	220,341,546,434
Less: Interest suspense ( <b>Note-12.11</b> )	11,182,600,386	8,772,019,717
Less: Provision for loans and advances ( <b>Note-12.4, 12.5 and 12.6</b> )	11,221,079,932	10,606,197,916
	22,403,680,317	19,378,217,633
	<b>200,290,466,855</b>	<b>200,963,328,801</b>
<b>7.11 Bills purchased and discounted</b>		
Payable in Bangladesh	1,373,023,399	1,704,418,233
Payable outside Bangladesh	447,245,700	319,287,818
	<b>1,820,269,099</b>	<b>2,023,706,051</b>
<b>7.12 Maturity of Bills purchased and discounted</b>		
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
	<b>1,820,269,099</b>	<b>2,023,706,051</b>
<b>7.13 Particulars of provision for Loans and Advances</b>		

	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			<b>20,605,529,932</b>
Total provision maintained			<b>11,221,079,932</b>
Deferral Provision *			<b>(9,384,450,000)</b>
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 additional provision requirement 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.**

	19	20
Number of clients (Annexure-D)		
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).

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>7.15 Particulars of Loans and Advances</b>		
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	-	-
	<b>222,694,147,172</b>	<b>220,341,546,434</b>
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 ( <b>Note-7.9</b> )	25,728,025,891	18,957,360,443
b) Provision on classified loans and advances ( <b>Note-12.4</b> )	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 ( <b>Note-12.11</b> )	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
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



	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>7.16 Details of pledged collaterals received against Loans and Advances</b>		
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
	<b><u>222,694,147,172</u></b>	<b><u>220,341,546,434</u></b>

#### 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)
	<b><u>221,026,876,270</u></b>	<b><u>218,405,014,005</u></b>

##### Bills purchased and discounted

ONE Bank Limited	1,820,269,099	2,023,706,051
ONE Securities Limited	-	-
	<b><u>1,820,269,099</u></b>	<b><u>2,023,706,051</u></b>
	<b><u>222,847,145,369</u></b>	<b><u>220,428,720,056</u></b>

#### 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
	<b><u>6,308,256,468</u></b>	<b><u>5,166,745,054</u></b>
Intangible Assets	198,184,620	198,184,620
	<b><u>6,506,441,088</u></b>	<b><u>5,364,929,674</u></b>
Less: Accumulated depreciation	<b><u>2,874,540,273</u></b>	<b><u>2,356,233,967</u></b>
Balance as on 31 December	<b><u>3,631,900,815</u></b>	<b><u>3,008,695,706</u></b>

\*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)



	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>8 (a) Consolidated Fixed Assets including premises, furniture &amp; fixtures</b>		
ONE Bank Limited	3,631,900,815	3,008,695,706
ONE Securities Limited	54,416,843	29,114,555
ONE Investments Limited	-	-
	<b><u>3,686,317,659</u></b>	<b><u>3,037,810,261</u></b>
<b>9. Other Assets</b>		
<b>i Income generating</b>		
Investment in shares of subsidiary companies		
In Bangladesh ( <b>Note-9.1</b> )	2,480,099,170	2,480,099,170
Outside Bangladesh	-	-
<b>i Non- income generating</b>		
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 ( <b>Note-9.5</b> )	20,313,169	18,752,838
Receivable from Bangladesh Bank ( <b>Note-9.8</b> )	179,602,348	125,631,748
Interest receivables ( <b>Note-9.7</b> )	644,293,612	544,018,485
Advance Income Tax ( <b>Note-9.3</b> )	10,696,066,785	9,538,900,945
Deferred Tax Assets ( <b>Note-9.4</b> )	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 ( <b>Note-9.9</b> )	-	2,360,534
Receivable from ONE Investments Ltd	157,842	-
Branch Adjustment Account ( <b>Note-9.2</b> )	(1,946,896)	3,367,975
	<b><u>14,848,389,680</u></b>	<b><u>13,536,541,466</u></b>
Off-shore Banking Unit	40,426,697	84,928,334
	<b><u>14,888,816,377</u></b>	<b><u>13,621,469,800</u></b>
<b>9.1 Investment in shares of subsidiary companies</b>		
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
	<b><u>2,480,099,170</u></b>	<b><u>2,480,099,170</u></b>
<b>9.2 Branch Adjustment Account</b>		

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	-	-	-	-
	<b><u>20</u></b>	<b><u>8</u></b>	<b><u>3,065,798</u></b>	<b><u>5,012,694</u></b>
<b>Branch Adjustment Account (Net)</b>			<b><u>(1,946,896)</u></b>	



	31.12.2021	31.12.2020
	<u>Taka</u>	<u>Taka</u>
<b>9.3 Advance income tax</b>		
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	<b>10,696,066,785</b>	<b>9,538,900,945</b>
<b>9.4 Deferred tax assets:</b>		
Opening balance	76,913,483	69,444,925
Addition/(reverse) during the year ( <b>Note-12.2.1</b> )	7,682,186	7,468,558
Closing balance	<b>84,595,669</b>	<b>76,913,483</b>
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.		
<b>9.5</b>	Suspense account includes advance against TA/DA, advance against petty cash, Legal expense and suspense others etc.	
<b>9.6 Particulars of required provision for other</b>		
	<b>Taka</b>	<b>Rate</b>
Protested bill	8,554,393	100%
Legal Expense	3,677,164	100%
Others	11,983,000	100%
Required provision for other assets	24,214,557	19,168,791
Total provision maintained ( <b>Note-12.8</b> )	26,172,910	20,212,868
Excess/(short) provision as on 31, December	<b>1,958,353</b>	<b>1,044,077</b>
<b>9.7 Interest receivables</b>		
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
	<b>644,293,612</b>	<b>544,018,485</b>
<b>9.8 Receivable from Bangladesh Bank</b>		
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
	<b>179,602,348</b>	<b>125,631,748</b>
<b>9.9 Receivable from ONE Bank Limited Employees' Provident Fund</b>	-	<b>2,360,534</b>
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.		
<b>9 (a) Consolidated Other Assets</b>		
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)	-
	<b>12,645,526,384</b>	<b>11,323,733,040</b>
<b>10. Borrowings from other Banks, financial institutions and Agents.</b>		
Borrowing Inside Bangladesh ( <b>Note-10.1</b> )	15,540,672,269	13,464,600,733
Borrowing Outside Bangladesh ( <b>Note-10.2</b> )	4,204,199,828	7,858,235,210
	<b>19,744,872,097</b>	<b>21,322,835,943</b>
<b>10.1 Borrowing Inside Bangladesh</b>		
Borrowing from Bangladesh Bank [ <b>Note-10.1(a)</b> ]	15,540,672,269	13,464,600,733
Borrowing from other bank -Payable on demand	-	-
	<b>15,540,672,269</b>	<b>13,464,600,733</b>

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>10.1 (a) Borrowing from Bangladesh Bank</b>		
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
	<b>15,540,672,269</b>	<b>13,464,600,733</b>
<b>10.2 Borrowing Outside Bangladesh</b>		
<b>Borrowing by Offshore Banking Unit .</b>		
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
	<b>4,204,199,828</b>	<b>7,858,235,210</b>
<b>10.3 Security against borrowings from other banks, financial institutions and agents</b>		
Secured	-	-
Unsecured	19,744,872,097	21,322,835,943
	<b>19,744,872,097</b>	<b>21,322,835,943</b>
<b>10 (a) Consolidated Borrowings from other banks, financial institutions and agents.</b>		
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)
	<b>19,744,872,097</b>	<b>21,322,835,943</b>
<b>10 (b) Non-convertible subordinated bond and contingent-convertible perpetual bond</b>		
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
	<b>9,250,000,000</b>	<b>6,900,000,000</b>

**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)
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
<b>Total</b>	<b>4000</b>	<b>4,000,000,000</b>	<b>1,600,000,000</b>

**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:**

Name of the Investor	No of Bonds	Bond Issued Taka	Outstanding-31.12.2021
Sonali Bank Limited	80	800,000,000	800,000,000
Dhaka Bank Limited	30	300,000,000	300,000,000
Jamuna Bank Limited	130	1,300,000,000	1,300,000,000
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
<b>Total</b>	<b>400</b>	<b>4,000,000,000</b>	<b>4,000,000,000</b>

**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%
<b>Total</b>	<b>3650</b>	<b>3,650,000,000</b>	<b>3,650,000,000</b>	

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
<b>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</b>		
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
	<b><u>28,994,872,097</u></b>	<b><u>28,222,835,943</u></b>
<b>11. Deposits and other accounts</b>		
i Current/Al-wadeeah current account and other account	27,915,716,272	25,469,720,365
Unclaimed cash and fractional dividend account ( <b>Note-11.5</b> )	42,795,064	35,335,849
Off-shore Banking Unit	5,116,763	95,769,474
	<b><u>27,963,628,099</u></b>	<b><u>25,600,825,688</u></b>
ii <b>Bills payable</b>		
Payment Order (Issued)	2,833,632,141	2,560,935,931
Demand Draft	398,833	681,460
	<b><u>2,834,030,974</u></b>	<b><u>2,561,617,392</u></b>
iii <b>Savings accounts/Mudaraba savings bank deposit</b>	<b><u>31,887,111,950</u></b>	<b><u>26,768,261,590</u></b>
iv <b>Fixed Deposit/Mudaraba fixed deposits</b>		
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
	<b><u>168,438,089,603</u></b>	<b><u>174,553,868,510</u></b>
Off-shore Banking Unit	-	-
	<b><u>168,438,089,603</u></b>	<b><u>174,553,868,510</u></b>
	<b><u>231,122,860,626</u></b>	<b><u>229,484,573,179</u></b>
<b>11.1 Payable on demands</b>		
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
	<b><u>27,963,628,099</u></b>	<b><u>25,600,825,687</u></b>
Bills payable	2,834,030,974	2,561,617,392
10% of Savings accounts	3,188,711,195	2,676,826,159
	<b><u>33,986,370,269</u></b>	<b><u>30,839,269,238</u></b>



**11.2 Break down of deposits and other accounts**
**11.2 (a) Payable on demand**

- i Deposits from banks
- ii Other than banks

	31.12.2021 Taka	31.12.2020 Taka
	1,225,189	1,157,520
	33,985,145,080	30,838,111,718
	<b>33,986,370,269</b>	<b>30,839,269,238</b>

**11.2 (b) Other Deposits**

Deposits from banks

Term Deposit (ONE Bank Limited)

Uttara Bank Limited

Trust Bank Limited

Mutual Trust Bank Limited

United Commercial Bank Limited

Rupali Bank Limited

The City Bank Limited

Bank Asia Limited

Dutch Bangla Bank Limited

BRAC Bank Limited

National Credit and Commerce Bank Limited

State Bank of India

Rajshahi Krishi Unnayan Bank

-	2,000,000,000
-	2,000,000,000
-	500,000,000
-	1,000,000,000
-	2,000,000,000
-	800,000,000
2,000,000,000	2,000,000,000
1,000,000,000	1,000,000,000
-	1,500,000,000
-	1,250,000,000
450,000,000	-
20,000,000	-
<b>3,470,000,000</b>	<b>14,050,000,000</b>

Term Deposit (Off shore Banking Unit)

-	-
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Other than banks

<b>193,666,490,358</b>	<b>184,595,303,941</b>
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**Total deposits [11.2(a) + 11.2(b)]**

<b>197,136,490,358</b>	<b>198,645,303,941</b>
<b>231,122,860,626</b>	<b>229,484,573,179</b>

**11.3 Remaining maturity grouping of deposits**

Repayable on demand

Repayable within 1 month

Over 1 month but within 6 months

Over 6 months but within 1 year

Over 1 year but within 5 years

Over 5 years but within 10 years

11,310,107,103	11,186,796,174
37,161,780,481	36,756,615,999
78,282,900,000	101,222,200,000
61,372,556,900	39,539,499,263
39,819,568,111	32,496,136,860
3,175,948,031	8,283,324,883
<b>231,122,860,626</b>	<b>229,484,573,179</b>

**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.

**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
	<b>42,795,064</b>	<b>35,335,849</b>

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).

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>11 (a) Consolidated Deposits and other accounts</b>		
<b>Current/Al-wadeeah current account and other account</b>		
ONE Bank Limited	27,963,628,099	25,600,825,688
ONE Securities Limited	-	-
	<b>27,963,628,099</b>	<b>25,600,825,688</b>
<b>Bills payable</b>		
ONE Bank Limited	2,834,030,974	2,561,617,392
ONE Securities Limited	-	-
	<b>2,834,030,974</b>	<b>2,561,617,392</b>
<b>Savings accounts/Mudaraba savings bank deposit</b>		
ONE Bank Limited	31,887,111,950	26,768,261,590
ONE Securities Limited	-	-
	<b>31,887,111,950</b>	<b>26,768,261,590</b>
<b>Fixed Deposit/Mudaraba fixed deposits</b>		
ONE Bank Limited	168,438,089,603	174,553,868,510
Less: Inter Company Balances	(492,847,443)	(415,291,455)
	<b>167,945,242,159</b>	<b>174,138,577,055</b>
<b>Total Consolidated Deposit</b>	<b>230,630,013,182</b>	<b>229,069,281,725</b>
<b>12. Other liabilities</b>		
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
	<b>32,742,545,664</b>	<b>28,334,402,541</b>
Off-shore Banking Unit	32,473,308	62,044,166
	<b>32,775,018,972</b>	<b>28,396,446,707</b>
<b>12.1 Provision for current income tax</b>		
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	<b>7,653,408,420</b>	<b>7,031,555,144</b>
<b>12.1 (a) Provision for Current Tax made during the year</b>		
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	-	-
	<b>621,853,276</b>	<b>424,085,114</b>

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>(b) Computation of Taxable Business Income:</b>		
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
	<b>1,611,673,677</b>	<b>1,114,683,122</b>

### 12.1 (b) Reconciliation of effective tax rate of the Bank

		<b>1,453,084,125</b>	<b>1,741,747,549</b>
<b>Profit before income tax as per profit and loss account</b>			
Income tax as per applicable tax rate	37.50%	544,906,547	653,155,331
<b>Factors affecting the tax charge for current year:</b>			
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)
<b>Total income tax expenses</b>	<b>42.80%</b>	<b>621,853,276</b>	<b>424,085,114</b>

### 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	<b>165,380,050</b>	<b>82,497,049</b>

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
<b>Deductible temporary difference for fixed assets</b>	<b>225,588,451</b>	<b>205,102,620</b>
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
<b>Deferred tax (expenses)/income</b>	<b>7,682,186</b>	<b>7,468,558</b>

#### 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
Interest receivables on government securities	345,619,653	219,992,130
	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
<b>Deferred tax expenses/(income)</b>	<b>82,883,001</b>	<b>12,108,587</b>

### 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	-	-

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>12.4 Specific provision against loans and advances</b>		
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	<b>8,429,815,378</b>	<b>8,142,699,967</b>
<b>12.5 General provision against loans and advances</b>		
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	<b>2,263,217,881</b>	<b>1,903,458,949</b>
<b>Total Specific and General Provision</b>	<b>10,693,033,258</b>	<b>10,046,158,916</b>
<b>12.6 Special general provision COVID-19</b>		
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	<b>(31,992,327)</b>	<b>560,039,000</b>
Balance on 31 December	<b>528,046,673</b>	<b>560,039,000</b>
<b>12.7 Details information for special general provision</b>		
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.		
<b>12.8 Provision for Other</b>		
Balance on 1 January	20,212,868	20,212,868
Provision made during the year/(recovery) ( <b>Note-12.8. a and 12.8. b</b> )	5,960,042	-
Balance on 31 December	<b>26,172,910</b>	<b>20,212,868</b>
<b>12.8.a Provision for protested bill</b>		
Balance on 1 January	2,594,351	2,594,351
Provision recovered during the year	5,960,042	-
Balance on 31 December	<b>8,554,393</b>	<b>2,594,351</b>
<b>12.8.b Provision for legal expenses and others</b>		
Balance on 1 January	17,618,517	17,618,517
Adjusted with recoverable legal expenses	-	-
Provision made during the year	-	-
Balance on 31 December	<b>17,618,517</b>	<b>17,618,517</b>
<b>12.9 Provision for Start up Fund</b>		
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	<b>20,690,524</b>	-

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b><u>Taka</u></b>	<b><u>Taka</u></b>
<b>12.10 Provision for off- balance sheet items</b>		
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	<b><u>527,985,487</u></b>	<b><u>534,779,946</u></b>
<b>12.11 Interest suspense account</b>		
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	<b><u>11,182,600,386</u></b>	<b><u>8,772,019,717</u></b>
<b>12.12 Provision for diminution value of share</b>		
Balance on 1 January	-	-
Provision made/ (recovered) during the year	-	-
Balance on 31 December	<u>-</u>	<u>-</u>
<b>12.12.a Consolidated Provision made for diminution value of share</b>		
ONE Bank Limited	-	-
ONE Securities Limited:	188,720,644	153,720,644
	<b><u>188,720,644</u></b>	<b><u>153,720,644</u></b>
<b>12.13 Provision for Nostro Reconciliation</b>		
No provision is required as per Circular Letter No. FEPD (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)		
<b>12 (a) Consolidated Other liabilities</b>		
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)	-
	<b><u>33,265,322,760</u></b>	<b><u>28,780,645,027</u></b>
<b>13. Share Capital</b>		
<b>13.1 Authorized Capital</b>	<b>18,500,000,000</b>	<b>10,000,000,000</b>
18,500,000,000 (2020:1,000,000,000) ordinary shares of Tk 10 each		
<b>13.2 Issued, Subscribed and fully paid-up Capital</b>	<b>9,340,404,560</b>	<b>8,853,464,040</b>
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%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

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
<b>Total</b>	<b>28,251</b>	<b>934,040,456</b>	<b>9,340,404,560</b>	<b>8,853,464,040</b>



**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
		<b>934,040,456</b>	<b>9,340,404,560</b>	

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.

**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
<b>Total</b>	<b>28,251</b>	<b>934,040,456</b>	<b>100.00</b>

- 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:

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>Solo Basis:</b>		
<b>Common Equity Tier-1 Capital (CET-1)</b>		
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
	<b>17,068,986,260</b>	<b>16,934,819,263</b>
<b>Regulatory Adjustments/ Deduction from CET-1:</b>		
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
	<b>90,801,331</b>	<b>82,542,401</b>
<b>Total Common Equity Tier-1 Capital</b>	<b>16,978,184,928</b>	<b>16,852,276,862</b>
<b>Additional Tier- 1 Capital</b>		
Perpetual bond	<b>3,650,000,000</b>	<b>500,000,000</b>
<b>Total Tier 1 Capital</b>	<b>20,628,184,928</b>	<b>17,352,276,862</b>
<b>Tier -2 Capital</b>		
General Provision (Note-12.5, 12.6 & 12.9)	3,319,250,041	2,998,277,896
Subordinated bond	4,000,000,000	5,600,000,000
	-	-
<b>Total Tier-2 Capital</b>	<b>7,319,250,041</b>	<b>8,598,277,896</b>
<b>A Total Regulatory Capital</b>	<b>27,947,434,969</b>	<b>25,950,554,758</b>
Total Assets including Off Balance Sheet items	375,442,141,590	367,369,561,111
<b>B Total Risk Weighted Assets</b>	<b>232,232,336,590</b>	<b>199,358,809,803</b>
<b>C Minimum Required capital based on risk weighted assets (10% on B)</b>	<b>23,223,233,659</b>	<b>19,935,880,980</b>
<b>D Surplus (A-C)</b>	<b>4,724,201,310</b>	<b>6,014,673,777</b>
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%
<b>Leverage Ratio of the solo basis</b>		
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	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
<b>E Total exposure (B+C-D)</b>	<b>316,321,107,408</b>	<b>309,530,684,500</b>
<b>Leverage ratio (A/E)</b>	<b>6.52%</b>	<b>5.61%</b>

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)
Statutory Reserve (Note-14)
Capital Reserve
Retained Earnings [Note-15.1 (a)]
Minority Interest in Subsidiaries [Note-15.1 (c)]

**Regulatory Adjustments/ Deduction from CET-1:**

Deferred Tax Assets (Note-9.4)
Goodwill and all other intangible assets
Reciprocal Crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities.

**Total Common Equity Tier-1 Capital**

**Additional Tier- 1 Capital**

Perpetual bond

**Total Tier 1 Capital**

**Tier -2 Capital**

General Provision

Sub-ordinated debt

**Total Tier-2 Capital**

**A Total Regulatory Capital**

Total Assets including Off Balance Sheet items

**B** Total Risk Weighted Assets

**C** Minimum Required capital based on risk weighted assets (10% on B)

**D** Surplus (A-C)

Capital to Risk Weighted Assets Ratio:

Common Equity Tier 1 Ratio

Tier 1 Capital Ratio

Tier-2 Capital Ratio

**Leverage Ratio of the Consolidated basis**

A Tier 1 Capital considering all regulatory adjustment

B On-balance sheet exposure

C Off-balance sheet

D Deduction from on and off balance sheet exposure/ Regulatory adjustments made to Tier 1 capital

E Total exposure (B+C-D)

**Leverage ratio (A/E)**

**31.12.2021**

**Taka**

**31.12.2020**

**Taka**

	31.12.2021 Taka	31.12.2020 Taka
	9,340,404,560	8,853,464,040
	6,721,414,910	6,430,798,085
	8,106,441	-
	1,237,993,412	1,801,400,626
	32,931,709	31,866,271
	<b>17,340,851,032</b>	<b>17,117,529,022</b>
	84,595,669	76,913,483
	186,082	969,118
	76,516,700	59,393,830
	<b>161,298,451</b>	<b>137,276,431</b>
	<b>17,179,552,580</b>	<b>16,980,252,591</b>
	<b>3,650,000,000</b>	<b>500,000,000</b>
	<b>20,829,552,580</b>	<b>17,480,252,591</b>
	3,320,846,167	2,998,277,896
	4,000,000,000	5,600,000,000
	<b>7,320,846,167</b>	<b>8,598,277,896</b>
	<b>28,150,398,748</b>	<b>26,078,530,487</b>
	375,711,462,706	367,521,177,735
	233,010,542,634	199,577,049,109
	23,301,054,263	19,957,704,911
	<b>4,849,344,484</b>	<b>6,120,825,576</b>

12.08%

13.07%

7.37%

8.51%

8.94%

8.76%

3.14%

4.31%

20,829,552,580

17,480,252,591

302,205,919,034

295,525,777,954

14,475,310,820

14,239,065,571

161,298,451

137,276,431

**316,519,931,403**

**309,627,567,094**

**6.58%**

**5.65%**



	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>14. Statutory Reserve</b>		
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	<b>6,721,414,910</b>	<b>6,430,798,085</b>
<b>15. Retained earnings/ movement of profit and loss account</b>		
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	<b>1,007,166,790</b>	<b>1,650,557,138</b>
<b>15.1 Retained earnings brought forward from previous year</b>		
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	<b>632,408,775</b>	<b>685,884,240</b>
<b>15.1 (a) Consolidated retained earnings/ movement of profit and loss account</b>		
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	<b>1,237,993,412</b>	<b>1,801,400,626</b>
<b>15.1(b) Consolidated retained earnings brought forward from previous year</b>		
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	<b>775,145,822</b>	<b>756,158,147</b>
<b>15.1(c) Non-controlling Interest</b>		
<b>ONE Securities Limited</b>		
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	<b>2,740,690,665</b>	<b>2,651,897,858</b>
Non-controlling interest 1.00003% (2020: 1.00003%) of net assets (A)	27,407,805	26,519,847
<b>ONE Investments Limited</b>		
Paid up capital	10,000,000	10,000,000
Retained earnings	1,273,275	911,070
Total net assets	<b>11,273,275</b>	<b>10,911,070</b>
Non-controlling interest 49% (2020: 49%) of net assets (B)	5,523,905	5,346,424
<b>Total non-controlling Interest (A+B)</b>	<b>32,931,709</b>	<b>31,866,271</b>
<b>16. Revaluation Reserve</b>		
HTM Securities (Note-16.1)	24,337,008	19,052,996
HFT Securities (Note-16.2)	380,338,334	459,133,209
	<b>404,675,341</b>	<b>478,186,205</b>

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>16.1 Revaluation reserve on HTM securities</b>		
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	<b>24,337,008</b>	<b>19,052,996</b>
<b>16.2 Revaluation reserve on HFT securities</b>		
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	<b>380,338,334</b>	<b>459,133,209</b>
	<b>2021</b>	<b>2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>17. Interest and discount income/ Profit on investments</b>		
<b>Interest on loans and advances (Conventional Banking):</b>		
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
	<b>15,643,629,185</b>	<b>19,005,286,912</b>
Off-shore Banking Unit	331,905,645	655,830,890
	<b>15,975,534,830</b>	<b>19,661,117,803</b>
<b>Profit on investment (Islami Banking):</b>		
Profit on investments	11,453,901	-
Profit on placement with other banks	-	-
	<b>11,453,901</b>	<b>-</b>
	<b>15,986,988,731</b>	<b>19,661,117,803</b>
<b>17 (a) Consolidated Interest and discount income/ Profit on investment</b>		
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)
	<b>16,000,994,859</b>	<b>19,674,253,108</b>
<b>18. Interest paid/profit shared on deposits and borrowings</b>		
<b>Interest paid on deposits (Conventional Banking):</b>		
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
	<b>11,852,129,688</b>	<b>16,266,125,064</b>
<b>Profit shared on deposits (Islami Banking):</b>		
Profit paid on deposits	25,370,105	280,394
Profit on borrowings	-	-
	<b>25,370,105</b>	<b>280,394</b>
	<b>11,877,499,793</b>	<b>16,266,405,458</b>

	<b>2021</b>	<b>2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>18 (a) Consolidated Interest paid/profit shared on deposits and borrowings</b>		
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)
	<b>11,850,216,541</b>	<b>16,248,678,083</b>
<b>19. Income from Investments</b>		
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
	<b>2,050,750,934</b>	<b>2,710,031,543</b>
<b>19 (a) Consolidated Income from Investments</b>		
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	-	-
	<b>2,171,350,159</b>	<b>2,790,185,345</b>
<b>20. Commission, exchange and brokerage</b>		
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
	<b>1,603,269,465</b>	<b>1,113,643,662</b>
Off-shore Banking Unit	4,501,530	8,504,527
	<b>1,607,770,995</b>	<b>1,122,148,188</b>
<b>20 (a) Consolidated Commission, exchange and brokerage</b>		
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)
	<b>1,690,402,164</b>	<b>1,160,015,591</b>
<b>21. Other operating income</b>		
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
	<b>609,000,633</b>	<b>762,246,692</b>
Off-shore Banking Unit	10,525,958	10,116,056
	<b>619,526,591</b>	<b>772,362,748</b>

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.

	<b>2021 Taka</b>	<b>2020 Taka</b>
<b>21 (a) Consolidated Other operating income</b>		
ONE Bank Limited	619,526,591	772,362,748
ONE Securities Limited	1,579,520	919,406
	<b>621,106,111</b>	<b>773,282,154</b>
<b>22. Salary &amp; Allowances</b>		
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
	<b>2,673,065,540</b>	<b>2,772,050,131</b>
<b>22(a) Consolidated Salary &amp; Allowances</b>		
ONE Bank Limited	2,673,065,540	2,772,050,131
ONE Securities Limited	28,882,164	26,530,753
	<b>2,701,947,704</b>	<b>2,798,580,884</b>
<b>23. Rent, taxes, insurance, electricity etc.</b>		
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
	<b>423,992,943</b>	<b>496,649,726</b>
<b>23.1 Rent</b>		
Rent	451,573,136	428,019,679
Transfer to depreciation and interest expenses under IFRS-16*	358,777,824	242,690,023
	<b>92,795,312</b>	<b>185,329,656</b>
* 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.		
<b>23(a) Consolidated Rent, taxes, insurance, electricity etc.</b>		
ONE Bank Limited	423,992,943	496,649,726
ONE Securities Limited	2,258,702	1,177,880
	<b>426,251,645</b>	<b>497,827,606</b>
<b>24. Legal expenses</b>		
Professional fees	17,660,134	16,851,281
Fees, Court fees & stamps	253,809	398,216
	<b>17,913,943</b>	<b>17,249,497</b>
Off-shore Banking Unit	50,182,989	55,392,648
	<b>68,096,932</b>	<b>72,642,146</b>
<b>24 (a) Consolidated Legal expenses/professional expenses</b>		
ONE Bank Limited	68,096,932	72,642,146
ONE Securities Limited	269,500	207,000
	<b>68,366,432</b>	<b>72,849,146</b>

**2021**  
**Taka**                      **2020**  
**Taka**

**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
	<b>83,439,828</b>	<b>78,845,753</b>

**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
	<b>1,232,000</b>	<b>1,218,000</b>

**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
	<b>216,448,394</b>	<b>306,861,173</b>

**27 (a) Consolidated Stationery, Printing, advertisement etc.**

ONE Bank Limited	216,448,394	306,861,173
ONE Securities Limited	383,827	200,568
	<b>216,832,221</b>	<b>307,061,741</b>

**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
	<b>12,184,103</b>	<b>12,920,000</b>

**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
	<b>1,088,455,613</b>	<b>940,316,877</b>

\* 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
	<b>1,098,032,851</b>	<b>947,531,750</b>

**30. Other expenses**

	<b>2021</b> <b>Taka</b>	<b>2020</b> <b>Taka</b>
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 ( <b>Note-30.2</b> )	41,457,045	15,615,842
Bank charges	11,757,271	6,139,517
Miscellaneous ( <b>Note-30.1</b> )	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
	<b>364,183,654</b>	<b>392,525,426</b>

**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
	<b>41,457,045</b>	<b>15,615,842</b>

**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)
	<b>379,829,118</b>	<b>402,506,950</b>

**31. Provision for loans, off balance sheet exposure, investment & other for the year**

Provision for classified loans and advances ( <b>Note-12.4</b> )	1,676,248,139	794,354,912
Provision for unclassified loans and advances ( <b>Note-12.5 &amp; 12.6</b> )	327,766,604	480,779,955
Provision for off-balance sheet exposure ( <b>Note-12.10</b> )	(6,794,459)	(91,890,826)
Provision for diminution in value of share ( <b>Note-12.12</b> )	-	-
Provision for other ( <b>Note-12.8</b> )	5,960,042	-
	<b>2,003,180,326</b>	<b>1,183,244,041</b>

**31.1 Consolidated Provision for loans and advances**
**Specific provision**

ONE Bank Limited	1,676,248,139	794,354,912
ONE Securities Limited	-	-
	<b>1,676,248,139</b>	<b>794,354,912</b>

**General provision**

ONE Bank Limited	327,766,604	480,779,955
ONE Securities Limited	656,710	939,417
	<b>328,423,314</b>	<b>481,719,372</b>
	<b>2,004,671,453</b>	<b>1,276,074,285</b>

	<b>2021</b>	<b>2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>32. Consolidated provision for diminution in value of share for the year</b>		
ONE Bank Limited	-	-
ONE Securities Limited	35,000,000	-
	<b>35,000,000</b>	-
<b>33. Consolidated provision for other</b>		
ONE Bank Limited	5,960,042	-
ONE Securities Limited	-	-
	<b>5,960,042</b>	-
<b>34. Tax Expenses for the year</b>		
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
	<b>697,054,091</b>	<b>428,725,142</b>
<b>34 (a) Consolidated Tax Expenses for the year</b>		
<b>Current Tax</b>		
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
	<b>684,458,531</b>	<b>446,627,952</b>
<b>Deferred Tax</b>		
ONE Bank Limited	75,200,815	4,640,028
ONE Securities Limited	1,449,422	(791,270)
	<b>76,650,236</b>	<b>3,848,758</b>
	<b>761,108,767</b>	<b>450,476,710</b>
<b>35. Interest receipts in cash</b>		
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)
	<b>15,376,545,525</b>	<b>23,786,528,987</b>
<b>35 (a) Consolidated Interest receipts in cash</b>		
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)
	<b>15,390,053,029</b>	<b>23,801,336,527</b>
<b>36. Interest payments</b>		
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)
	<b>11,963,781,897</b>	<b>17,475,059,504</b>
<b>36 (a) Consolidated Interest Payment</b>		
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)
	<b>11,936,498,644</b>	<b>17,457,332,129</b>
<b>37. Fee and commission receipts in cash</b>		
Fees and commission	785,158,419	727,231,924
Less : (Increase) / decrease in Commission receivable	-	-
	<b>785,158,419</b>	<b>727,231,924</b>
<b>37 (a) Consolidated Fee and commission receipts in cash</b>		
ONE Bank Limited	785,158,419	727,231,924
ONE Securities Limited	83,834,844	37,923,394
	<b>868,993,263</b>	<b>765,155,318</b>

	<b>2021</b>	<b>2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>38. Cash payments to employees</b>		
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
	<b>2,455,000,378</b>	<b>2,803,351,574</b>
<b>39. Cash payment to suppliers</b>		
Stationery, Printings, advertisements etc.	177,557,186	306,861,173
Repair & Maintenance	378,746,873	338,253,781
	<b>556,304,059</b>	<b>645,114,954</b>
<b>40. Cash receipts from other operating activities</b>		
Other operating income (Note-20)	619,167,019	770,002,214
Exchange earnings (Note-19)	822,612,576	394,916,264
	<b>1,441,779,596</b>	<b>1,164,918,477</b>
<b>40 (a) Consolidated Cash receipts from other operating activities</b>		
ONE Bank Limited	1,441,779,596	1,164,918,477
ONE Securities Limited	59,208,484	14,827,639
	<b>1,500,988,080</b>	<b>1,179,746,116</b>
<b>41. Cash payments for other operating activities</b>		
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
	<b>1,187,806,306</b>	<b>1,204,911,063</b>
<b>41 (a) Consolidated Cash payments for other operating activities</b>		
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
	<b>1,233,131,560</b>	<b>1,242,866,485</b>
<b>42. Increase/(decrease) of other liabilities</b>		
<b>Closing balance:</b>		
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
	<b>11,372,868,013</b>	<b>9,024,044,147</b>
<b>Less: Opening balance:</b>		
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
	<b>9,024,044,147</b>	<b>6,650,159,749</b>
	<b>2,348,823,866</b>	<b>2,373,884,399</b>
<b>42 (a) Consolidated Increase/(decrease) of other liabilities</b>		
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)
	<b>2,289,879,007</b>	<b>2,373,019,128</b>

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**Taka**                      **2020**  
**Taka**

**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
	<b>1,343,196,296</b>	<b>1,186,595,521</b>
Off-shore banking unit	40,426,697	84,928,334
	<b>1,383,622,993</b>	<b>1,271,523,855</b>

**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
	<b>1,186,595,521</b>	<b>1,397,899,443</b>
Off-shore banking unit	84,928,334	133,494,986
	<b>1,271,523,855</b>	<b>1,531,394,428</b>
	<b>(112,099,139)</b>	<b>259,870,574</b>

**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
	<b>(100,523,725)</b>	<b>293,457,198</b>

**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
<b>Total (i and ii)</b>	<b>13,777,812,760</b>	<b>13,082,189,159</b>

**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
	<b>17,473,661,601</b>	<b>17,413,005,468</b>



**46. Calculation of Net Asset Value ( NAV) Per Share**

	<b>2021</b>	<b>2020</b>
	<b>Taka</b>	<b>Taka</b>
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
<b>Net Asset Value Per Share –Solo</b>	<b>18.71</b>	<b>18.64</b>
<b>Net Asset Value Per Share – Consolidated</b>	<b>18.96</b>	<b>18.80</b>

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
	<b>934,040,456</b>	<b>934,040,456</b>
<b>Basic Earnings Per Share -Solo</b>	<b>0.81</b>	<b>1.41</b>
<b>Basic Earnings Per Share - Consolidated</b>	<b>0.90</b>	<b>1.49</b>

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).

**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
<b>Net Operating Cash Flow Per Share –Solo</b>	<b>4.58</b>	<b>6.72</b>
<b>Net Operating Cash Flow Per Share – Consolidated</b>	<b>4.58</b>	<b>6.72</b>

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)
<b>Cash flows from operating activities before changes in operating assets and liabilities</b>	<b>381,560,314</b>	<b>2,424,441,703</b>

**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 9<sup>th</sup> 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 29<sup>th</sup> 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).

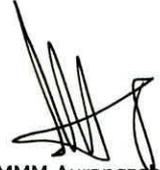
**53 Coverage of External Audit**

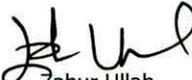
The external auditors of the Bank, ACNABIN, Chartered Accountants worked about 7,800 person hours. They have reviewed more than 80% of the Bank's risk weighted assets as at the Balance Sheet date.

**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.



Annexure-A

**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	
<b>Sub-Total</b>	<b>5,166,745,054</b>	<b>1,247,961,872</b>	<b>106,450,457</b>	<b>6,308,256,468</b>	<b>2,159,018,465</b>	<b>615,964,370</b>	<b>29,050,643</b>	<b>2,676,541,735</b>	<b>3,631,714,733</b>	
Intangibles Assets	198,184,620	-	-	198,184,620	197,215,502	783,036	-	197,998,538	186,082	20
<b>Total 2021</b>	<b>5,364,929,674</b>	<b>1,247,961,872</b>	<b>106,450,457</b>	<b>6,506,441,088</b>	<b>2,356,233,967</b>	<b>616,747,406</b>	<b>29,050,643</b>	<b>2,874,540,273</b>	<b>3,631,900,815</b>	
<b>Total 2020</b>	<b>4,525,849,549</b>	<b>943,896,888</b>	<b>104,816,763</b>	<b>5,364,929,674</b>	<b>1,907,827,792</b>	<b>548,497,475</b>	<b>19,420,579</b>	<b>2,356,233,967</b>	<b>3,008,695,706</b>	



**Reconciliation Statement Regarding Balance with Bangladesh Bank**
**1) Balance with Bangladesh Bank-Taka account (Excluding Islami Banking)**

	Amount in Taka	
	Detail	Total
<b>Balance as per Bank ledger</b>		11,283,402,680
<b>Unrespond debit entries in:</b>		
Bangladesh Bank Statement	16,076,141	
ONE Bank's ledger	18,261,139	34,337,280
		<u>11,249,065,401</u>
<b>Unrespond credit entries in:</b>		
Bangladesh Bank statement	118,745,986	
ONE Bank's ledger	14,474,429	133,220,415
<b>Balance as per Bangladesh Bank Statement</b>		<u><u>11,382,285,816</u></u>

**2) Balance with Bangladesh Bank-Foreign currency**

	Amount in Taka			
	USD	EURO	GBP	Total
<b>A) Balance as per Bank ledger</b>	<b>2,566,133,949</b>	<b>6,752,583</b>	<b>1,973,554</b>	<b>2,574,860,086</b>
<b>B) Unrespond debit entries in:</b>				
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>
<b>C) Unrespond credit entries in:</b>				
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>
<b>Balance as per Bangladesh Bank Statement (A-B+C)</b>	<u><b>2,926,064,099</b></u>	<u><b>6,752,583</b></u>	<u><b>1,973,554</b></u>	<u><b>2,934,790,236</b></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
		<b>24,985,326.42</b>		<b>2,143,741,006.91</b>	<b>45,842,750.71</b>		<b>3,887,515,687.23</b>
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
		<b>5,937,483.84</b>		<b>509,436,113.47</b>	<b>3,405,542.71</b>		<b>288,793,767.91</b>
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
		<b>93,575.89</b>		<b>9,111,091.39</b>	<b>216,587.16</b>		<b>22,493,854.43</b>
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
<b>Total</b>				<b>2,746,347,148</b>			<b>4,294,827,214</b>

**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
	<b>Total</b>	<b>4,512.01</b>	<b>2,187.90</b>	<b>6,699.92</b>

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. 2 Buttons & Trims Ltd 3 Lables & Trims Ltd. 4 Lamisa Ltd. 5 L-2 Knitting Ltd. 6 Shamah Enterprises Ltd 7 Holiday Publications Ltd. 8 Lamisa Food Products Ltd. 9 NTC Housing Ltd.	33.33 70.00 70.00 60.00 60.00 40.00 10.00 70.00 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 in favor of OBL 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.	



Particulars	ONE Bank Limited					ONE Bank Ltd and its subsidiaries		Amount in Taka	
	ONE Bank Limited	Off-Shore Banking unit	Islami Banking Unit	Inter transaction with DBO	Total	ONE Securities Ltd	ONE Investments Ltd	Inter company transaction	Consolidated
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
<b>Net interest income</b>	<b>4,029,369,384</b>	<b>94,035,758</b>	<b>(13,916,204)</b>	<b>-</b>	<b>4,109,488,938</b>	<b>40,745,737</b>	<b>543,643</b>	<b>-</b>	<b>4,150,778,318</b>
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
<b>Total operating income (A)</b>	<b>8,290,063,406</b>	<b>109,063,246</b>	<b>(11,589,193)</b>	<b>-</b>	<b>8,387,537,458</b>	<b>246,759,326</b>	<b>543,643</b>	<b>(1,203,675)</b>	<b>8,633,636,752</b>
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
<b>Total operating expenses (B)</b>	<b>4,812,658,471</b>	<b>50,660,742</b>	<b>67,953,794</b>	<b>-</b>	<b>4,931,273,007</b>	<b>58,410,363</b>	<b>26,207</b>	<b>(1,203,675)</b>	<b>4,988,505,902</b>
<b>Profit/ (loss) before provision and tax (C=A-B)</b>	<b>3,477,404,934</b>	<b>58,402,504</b>	<b>(79,542,988)</b>	<b>-</b>	<b>3,456,264,451</b>	<b>188,348,963</b>	<b>517,436</b>	<b>-</b>	<b>3,645,130,850</b>
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
<b>Total Provision (D)</b>	<b>2,003,180,326</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,003,180,326</b>	<b>35,656,710</b>	<b>-</b>	<b>-</b>	<b>2,038,837,036</b>
<b>Profit/ (loss) before taxes (E=C-D)</b>	<b>1,474,224,608</b>	<b>58,402,504</b>	<b>(79,542,988)</b>	<b>-</b>	<b>1,453,084,125</b>	<b>152,692,253</b>	<b>517,436</b>	<b>-</b>	<b>1,606,293,814</b>
Provision for taxation	697,054,091	-	-	-	697,054,091	63,899,446	155,231	-	761,108,767
<b>Net Profit after taxation</b>	<b>777,170,517</b>	<b>58,402,504</b>	<b>(79,542,988)</b>	<b>-</b>	<b>756,030,034</b>	<b>88,792,807</b>	<b>362,205</b>	<b>-</b>	<b>845,185,047</b>

Particulars	ONE Bank Limited					ONE Bank Ltd and its subsidiaries		Amount in Taka	
	ONE Bank Limited	Off-Shore Banking unit	Islami Banking Unit	Inter transaction with DBO	Total	ONE Securities Ltd	ONE Investments Ltd	Inter company transaction	Consolidated
<b>PROPERTY AND ASSETS</b>									
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	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>299,925,385,269</b>	<b>9,943,581,120</b>	<b>889,183,328</b>	<b>(391,736,422)</b>	<b>310,366,413,296</b>	<b>3,237,106,554</b>	<b>11,933,499</b>	<b>(2,979,718,937)</b>	<b>310,635,734,412</b>
<b>LIABILITIES AND CAPITAL</b>									
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
<b>Total Liabilities</b>	<b>287,760,562,055</b>	<b>9,943,581,120</b>	<b>889,183,328</b>	<b>(5,700,574,808)</b>	<b>292,892,751,695</b>	<b>496,415,889</b>	<b>660,223</b>	<b>(499,619,767)</b>	<b>292,890,208,039</b>
Total Shareholders' Equity	17,473,661,601	-	-	-	17,473,661,601	2,740,690,665	11,273,275	(2,480,099,170)	17,745,526,373
<b>Total Liability and Shareholders' Equity</b>	<b>305,234,223,656</b>	<b>9,943,581,120</b>	<b>889,183,328</b>	<b>(5,700,574,808)</b>	<b>310,366,413,296</b>	<b>3,237,106,554</b>	<b>11,933,499</b>	<b>(2,979,718,937)</b>	<b>310,635,734,412</b>



**ONE Bank Limited  
 Islami Banking Unit  
 Balance Sheet  
 As at 31 December 2021**

	Notes	31.12.2021 Taka	31.12.2020 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash in Hand</b>			
Cash in hand ( including foreign currencies)	2	23,231,202	14,828,438
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		92,034,175	83,922,891
		<b>115,265,377</b>	<b>98,751,330</b>
<b>Balance with other Banks and Financial Institutions</b>			
In Bangladesh	3	312,193,434	6,370
Outside Bangladesh		-	-
		<b>312,193,434</b>	<b>6,370</b>
<b>Placement with other Banks and Financial Institutions</b>			
<b>Investments in shares and securities</b>			
Government	4	120,640,000	21,120,000
Others		-	-
		<b>120,640,000</b>	<b>21,120,000</b>
<b>Investments</b>			
General Investment etc.	5	45,094,552	-
Bills purchased and discounted		-	-
		<b>45,094,552</b>	<b>-</b>
<b>Fixed Assets including premises, furniture &amp; fixtures</b>			
<b>Other Assets</b>			
<b>Non-banking Assets</b>			
<b>Total Assets</b>		<b>889,183,328</b>	<b>173,398,489</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Placement from other banks, financial institutions and agents</b>			
<b>Deposits and other accounts</b>			
Al-Wadeeah current and other deposits accounts	8	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
		<b>889,182,348</b>	<b>166,835,564</b>
<b>Other Liabilities</b>			
<b>Total Liabilities</b>	9	<b>980</b>	<b>6,562,925</b>
		<b>889,183,328</b>	<b>173,398,489</b>
<b>OFF BALANCE SHEET ITEMS</b>			
<b>Contingent Liabilities</b>			
Acceptances and Endorsements		-	-
Letters of Guarantee		744,334	-
Irrevocable Letters of Credit		-	-
Bills for Collection		-	-
Other Contingent Liabilities		-	-
Other Commitments		-	-
<b>Total off-Balance Sheet items including contingent liabilities</b>		<b>744,334</b>	<b>-</b>



**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)
<b>Net investment income</b>		<b>(13,916,204)</b>	<b>(280,394)</b>
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
<b>Total operating income</b>		<b>(11,589,194)</b>	<b>(258,879)</b>
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
<b>Total operating expenses</b>		<b>67,953,794</b>	<b>13,613,537</b>
<b>Profit/ (loss) before provision and tax</b>		<b>(79,542,988)</b>	<b>(13,872,416)</b>



**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 Intuitions (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.

### **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.

### 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.



**ONE Bank Limited**  
**Islami Banking Unit**  
**Notes to Financial Statements**

	<b>31.12.2021</b>	<b>31.12.2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>2 Cash</b>		
Cash in hand ( <b>Note-2.1</b> )	23,231,202	14,828,438
Balance with Bangladesh Bank and it's agent banks ( <b>Note-2.2</b> )	92,034,175	83,922,891
	<b>115,265,377</b>	<b>98,751,330</b>
<b>2.1 Cash in hand</b>		
In Local Currency	23,231,202	14,828,438
In Foreign Currencies	-	-
	<b>23,231,202</b>	<b>14,828,438</b>
<b>2.2 Balance with Bangladesh Bank and it's agent bank(s)</b>		
Bangladesh Bank:		
In Local Currency	92,034,175	83,922,891
In Foreign Currencies	-	-
Balance with Sonali Bank being an agent of Bangladesh Bank	92,034,175	83,922,891
	<b>92,034,175</b>	<b>83,922,891</b>
<b>2.3 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR):</b>		
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.		
<b>a) Cash Reserve Requirement (CRR) :</b>		
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
<b>Surplus/(Shortage)</b>	<b>71,881,385</b>	<b>77,010,971</b>
Required reserve bi-weekly basis	23,031,760	6,911,920
Actual reserve held	92,034,175	83,922,891
<b>Surplus/(Shortage)</b>	<b>69,002,415</b>	<b>77,010,971</b>
<b>b) Statutory Liquidity Ratio (Other than CRR):</b>		
Required reserve	31,668,670	9,503,890
Reserve held (b.1)	212,873,617	112,959,410
<b>Surplus/(Shortage)</b>	<b>181,204,947</b>	<b>103,455,520</b>
<b>b.1 Reserve held in SLR :</b>		
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
	<b>212,873,617</b>	<b>112,959,410</b>



	31.12.2021 Taka	31.12.2020 Taka
<b>3 Balance with other Banks and Financial Institutions</b>		
In Bangladesh (Note-3.1)	312,193,434	6,370
Outside of Bangladesh (Note-3.2)	-	-
	<b>312,193,434</b>	<b>6,370</b>
<b>3.1 In-Bangladesh</b>		
Current account	6,370	6,370
Mudaraba Special Notice Deposit	312,187,064	-
Fixed Deposit receipt	-	-
	<b>312,193,434</b>	<b>6,370</b>
<b>3.2 Outside of Bangladesh</b>	-	-
<b>4 Investment in share &amp; securities</b>		
Bangladesh Government Investment Sukuk (Ijarah Sukuk)	120,640,000	21,120,000
Others (Note-4.1)	-	-
	<b>120,640,000</b>	<b>21,120,000</b>
<b>4.1 Others</b>		
Shares in listed companies	-	-
Shares in un-listed companies	-	-
	-	-
<b>5 Investments</b>		
General investment etc. (Note-5.1)	45,094,552	-
Bill purchased and discounted	-	-
	<b>45,094,552</b>	-
<b>5.1 General investment etc.</b>		
Al Noor Cash Withdrawal	17,488,423	-
Home Investment Account	17,955,332	-
Household Investment Account	6,566,214	-
Staff Loan	3,084,583	-
	<b>45,094,552</b>	-
<b>6 Fixed Assets including premises, furniture &amp; fixtures</b>		
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
	<b>16,621,558</b>	<b>2,818,810</b>
<b>Less: Accumulated depreciation</b>		
Furniture and fixture including office renovation	471,895	-
Office appliance & equipments	878,045	-
Computer	222,183	-
	<b>1,572,123</b>	-
	<b>15,049,435</b>	<b>2,818,810</b>
<b>7 Other Assets</b>		
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
	<b>280,940,530</b>	<b>50,701,979</b>

	31.12.2021 <u>Taka</u>	31.12.2020 <u>Taka</u>
<b>8 Deposits and other accounts</b>		
Deposits from Banks	-	-
Deposits from customers	889,182,349	166,835,564
	<b>889,182,349</b>	<b>166,835,564</b>
<b>a. Deposit from Banks</b>		
Mudaraba savings deposits	-	-
Mudaraba special notice deposits	-	-
Mudaraba fixed deposits	-	-
	-	-
<b>b. Customers Deposits</b>		
<b>i. Al- wadeeah current deposits and other accounts</b>		
Al-wadeeah current deposits	4,739,658	10,264,000
Margin Deposit	2,420,000	-
Sundry deposits	2,451,798	1,731,475
	<b>9,611,456</b>	<b>11,995,475</b>
<b>ii. Bills Payable</b>		
Pay orders issued	10,846,971	-
Demand draft payable	-	-
	<b>10,846,971</b>	-
<b>iii. Mudaraba savings bank deposits</b>	<b>86,831,757</b>	<b>27,001,935</b>
<b>iv. Mudaraba term deposits</b>		
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
	<b>781,892,164</b>	<b>127,838,154</b>
<b>Total Customers Deposit</b>	<b>889,182,349</b>	<b>166,835,564</b>
<b>9 Other liabilities</b>		
Accounts payable-Others	980	856
Branch adjustment account	-	6,562,069
	<b>980</b>	<b>6,562,925</b>
<b>10 Profit on investment</b>		
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	-
	<b>11,453,901</b>	-
<b>11 Profit shared on deposits and borrowings etc.</b>		
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
	<b>25,370,105</b>	<b>280,394</b>
<b>12 Income from investment in Shares/ Securities</b>		
Income from Government Securities	1,406,170	8,254
Income from Non-Government Securities	-	-
	<b>1,406,170</b>	<b>8,254</b>

	<b>2021</b>	<b>2020</b>
	<b>Taka</b>	<b>Taka</b>
<b>13 Commission, exchange and brokerage</b>		
Commission on Remittance	88,290	-
Commission on Guarantee	7,443	-
Commission on Trade Finance	61,701	-
Exchange gain	16,808	-
	<b>174,242</b>	<b>-</b>
<b>14 Other operating income</b>		
Service and incidental charges	554,741	3,256
Fees & Charges-Loan	500	-
Miscellaneous income	191,357	10,005
	<b>746,598</b>	<b>13,261</b>
<b>15 Salaries and allowances</b>		
Salary & Allowances	29,600,370	5,801,160
Provident Fund Contribution	1,548,972	365,193
Gratuity	1,601,682	-
	<b>32,751,024</b>	<b>6,166,353</b>
<b>16 Rent, taxes, insurance and electricity etc</b>		
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
	<b>23,945,243</b>	<b>7,010,907</b>
<b>17 Postage, Stamps, Telecommunication etc.</b>		
Postage	40,145	-
Telephone/ Telex	240,158	66,946
	<b>280,303</b>	<b>66,946</b>
<b>18 Stationery, printings, advertisements etc</b>		
General office stationery	502,131	61,721
Printing and security stationery	899,154	112,464
Publicity and advertisement	155,000	19,750
	<b>1,556,285</b>	<b>193,935</b>
<b>19 Depreciation, leasing expenses and repair of bank's assets</b>		
<b>Depreciation:</b>		
Furniture and Fixtures	596,290	-
Office appliance & equipments	1,096,340	-
Motor vehicles	-	-
	1,692,630	-
<b>Repairs &amp; Maintenance</b>	6,828,785	30,000
	<b>8,521,415</b>	<b>30,000</b>
<b>20 Other expenses</b>		
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
	<b>762,524</b>	<b>145,397</b>

**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
<b>PROPERTY AND ASSETS</b>				
<b>CASH</b>				
Cash in hand ( including foreign currencies)	-	-	-	-
Cash with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	-	-	-	-
<b>Balance with other Banks and Financial Institutions</b>	<b>3</b>			
In Bangladesh	-	-	-	-
Outside Bangladesh	1,719,409	147,525,283	1,088,030	92,266,134
	<b>1,719,409</b>	<b>147,525,283</b>	<b>1,088,030</b>	<b>92,266,134</b>
<b>Money at Call and Short Notice</b>	-	-	-	-
<b>Investment</b>				
Government	-	-	-	-
Others	-	-	-	-
<b>Loan and Advances:</b>	<b>4</b>			
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
	<b>113,701,971</b>	<b>9,755,629,141</b>	<b>112,555,463</b>	<b>9,544,827,052</b>
<b>Fixed Assets</b>	-	-	-	-
<b>Other Assets</b>	<b>5</b>	<b>471,174</b>	<b>40,426,697</b>	<b>1,001,500</b>
<b>Non Banking Assets</b>	-	-	-	-
<b>Total Assets</b>	<b>115,892,554</b>	<b>9,943,581,120</b>	<b>114,644,993</b>	<b>9,722,021,520</b>
<b>LIABILITIES AND CAPITAL</b>				
<b>Borrowings from other Banks, Financial Institutions and agents</b>	<b>6</b>	<b>48,999,998</b>	<b>4,204,199,828</b>	<b>92,666,666</b>
<b>Current deposits and other accounts</b>	<b>7</b>			
Current accounts and other accounts	59,636	5,116,763	1,129,342	95,769,474
Bills payable	-	-	-	-
Savings bank deposits	-	-	-	-
Term deposits	-	-	-	-
	<b>59,636</b>	<b>5,116,763</b>	<b>1,129,342</b>	<b>95,769,474</b>
<b>Other Liabilities</b>	<b>8</b>	<b>66,172,214</b>	<b>5,677,575,969</b>	<b>18,609,548</b>
<b>Total Liabilities</b>	<b>115,231,848</b>	<b>9,886,892,560</b>	<b>112,405,557</b>	<b>9,532,114,851</b>
<b>Capital/Shareholders' Equity</b>				
Profit and loss account	660,706	56,688,560	2,239,436	189,906,669
<b>Total Liabilities and Shareholders' Equity</b>	<b>115,892,554</b>	<b>9,943,581,120</b>	<b>114,644,993</b>	<b>9,722,021,520</b>



Notes	31.12.2021		31.12.2020	
	USD	Taka	USD	Taka
<b>9</b>				
<b>Off Balance Sheet Items</b>				
<b>Contingent Liabilities</b>				
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	-	-	-	-
	<b>444,769</b>	<b>38,161,170</b>	<b>914,716</b>	<b>77,568,921</b>
<b>Other Contingent Liabilities</b>				
Claims lodged with but not recognized by the Bank	-	-	-	-
Other exchange contract	-	-	-	-
<b>Total Contingent Liabilities</b>	<b>444,769</b>	<b>38,161,170</b>	<b>914,716</b>	<b>77,568,921</b>
<b>Other Commitments</b>				
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 lines and other commitments	-	-	-	-
<b>Total other commitments</b>	-	-	-	-
<b>Total off-Balance Sheet items including contingent Liabilities</b>	<b>444,769</b>	<b>38,161,170</b>	<b>914,716</b>	<b>77,568,921</b>



**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)
<b>Net interest income</b>		<b>1,095,988</b>	<b>94,035,758</b>	<b>2,063,668</b>	<b>175,001,346</b>
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
<b>Total operating income (A)</b>		<b>1,271,133</b>	<b>109,063,246</b>	<b>2,283,248</b>	<b>193,621,928</b>
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
<b>Total operating expenses (B)</b>		<b>590,452</b>	<b>50,660,742</b>	<b>664,191</b>	<b>56,324,156</b>
<b>Profit before provision and tax (C=A-B)</b>		<b>680,682</b>	<b>58,402,504</b>	<b>1,619,057</b>	<b>137,297,772</b>
Provision for loans and advances		-	-	-	-
Specific provision		-	-	-	-
General provision		24,569	2,108,021	(594,677)	(50,429,298)
		<b>24,569</b>	<b>2,108,021</b>	<b>(594,677)</b>	<b>(50,429,298)</b>
Provision for off balance sheet items		(4,593)	(394,078)	(25,702)	(2,179,599)
Other provision		-	-	-	-
<b>Total Provision</b>		<b>19,976</b>	<b>1,713,943</b>	<b>(620,380)</b>	<b>(52,608,897)</b>
<b>Profit/(loss) before tax (C-D)</b>		<b>660,706</b>	<b>56,688,560</b>	<b>2,239,436</b>	<b>189,906,669</b>
Current tax expenses		-	-	-	-
Deferred tax expense/(income)		-	-	-	-
<b>Net profit after taxation</b>		<b>660,706</b>	<b>56,688,560</b>	<b>2,239,436</b>	<b>189,906,669</b>



**ONE Bank Limited**  
**Off-Shore Banking Unit**  
**Cash Flow Statement**  
**For the year ended 31 December 2021**

	2021		2020	
	USD	Taka	USD	Taka
<b>Cash flows from operating activities</b>				
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
<b>Operating profit before changes in current assets and liabilities</b>	<b>680,682</b>	<b>58,402,504</b>	<b>1,619,055</b>	<b>137,297,676</b>
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)
	<b>(49,303)</b>	<b>(3,143,355)</b>	<b>(3,181,459)</b>	<b>(270,053,301)</b>
<b>A Net cash flows from operating activities</b>	<b>631,379</b>	<b>55,259,149</b>	<b>(1,562,403)</b>	<b>(132,755,624)</b>
<b>Cash flows from investing activities</b>				
Payments for purchase of securities	-	-	-	-
Receipts from sale of securities	-	-	-	-
Net Purchase/sale of fixed assets	-	-	-	-
<b>B Net cash used in investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flows from financial activities</b>				
Receipts from issue of ordinary shares	-	-	-	-
Dividend paid	-	-	-	-
<b>C Net cash used in financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>D Net increase in cash and cash equivalents (A+B+C)</b>	<b>631,379</b>	<b>55,259,149</b>	<b>(1,562,403)</b>	<b>(132,755,624)</b>
Effect of exchange rate changes on cash and cash equivalents	-	-	-	-
<b>E Opening cash and cash equivalents</b>	<b>1,088,030</b>	<b>92,266,134</b>	<b>2,650,433</b>	<b>225,021,758</b>
<b>F Closing cash and cash equivalents (D+E)</b>	<b>1,719,409</b>	<b>147,525,283</b>	<b>1,088,030</b>	<b>92,266,134</b>
<b>Closing cash and cash equivalents</b>				
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	-	-	-	-
	<b>1,719,409</b>	<b>147,525,283</b>	<b>1,088,030</b>	<b>92,266,134</b>



**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.



### 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
<b>3 Balance with other banks and financial institutions</b>				
In Bangladesh	-	-	-	-
Outside Bangladesh ( <b>Note-3.1</b> )	1,719,409	147,525,283	1,088,030	92,266,134
	<b>1,719,409</b>	<b>147,525,283</b>	<b>1,088,030</b>	<b>92,266,134</b>
<b>3.1 Outside Bangladesh</b>				
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
<b>4 Loans and advances</b>				
<b>i) Loans, cash credits, overdrafts, etc.</b>				
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
	<b>109,841,959</b>	<b>9,424,440,051</b>	<b>108,617,804</b>	<b>9,210,909,244</b>
<b>ii) Bills purchased and discounted</b>				
Local bill purchased and discounted	3,860,013	331,189,090	3,937,659	333,917,808
Foreign bills purchased and discounted	-	-	-	-
	<b>3,860,013</b>	<b>331,189,090</b>	<b>3,937,659</b>	<b>333,917,808</b>
	<b>113,701,971</b>	<b>9,755,629,141</b>	<b>112,555,463</b>	<b>9,544,827,052</b>
<b>5 Other Assets</b>				
Prepayment	471,117	40,421,844	1,001,500	84,928,334
Others	57	4,853	-	-
Interest receivable	-	-	-	-
	<b>471,174</b>	<b>40,426,697</b>	<b>1,001,500</b>	<b>84,928,334</b>
<b>6 Borrowing from other Bbanks, and Financial Institutions and agents</b>				
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
	<b>48,999,998</b>	<b>4,204,199,828</b>	<b>92,666,666</b>	<b>7,858,235,210</b>
<b>7 Current deposits and other accounts</b>				
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
	<b>59,636</b>	<b>5,116,763</b>	<b>1,129,342</b>	<b>95,769,474</b>
<b>8 Other liabilities</b>				
Due to Head Office ( <b>Note-8.1</b> )	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
	<b>66,172,214</b>	<b>5,677,575,969</b>	<b>18,609,548</b>	<b>1,578,110,166</b>

	31.12.2021		31.12.2020	
	USD	Taka	USD	Taka
<b>8.1 Due to Head Office</b>				
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)
	<b>64,638,093</b>	<b>5,545,948,345</b>	<b>16,743,203</b>	<b>1,419,842,041</b>
<b>9 Contingent liabilities</b>				
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	-	-	-	-
	<b>444,769</b>	<b>38,161,170</b>	<b>914,716</b>	<b>77,568,921</b>
<b>10 Interest income</b>				
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
<b>Interest on loans and advances</b>	<b>5,113,046</b>	<b>438,699,357</b>	<b>8,868,919</b>	<b>752,094,069</b>
Interest received from Head Office	-	-	-	-
<b>Total Interest income</b>	<b>5,113,046</b>	<b>438,699,357</b>	<b>8,868,919</b>	<b>752,094,069</b>
<b>11 Interest paid on deposits &amp; borrowings</b>				
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	-	-	-	-
	<b>4,017,058</b>	<b>344,663,600</b>	<b>6,805,250</b>	<b>577,092,723</b>
<b>12 Commission, exchange and brokerage</b>				
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
	<b>52,465</b>	<b>4,501,530</b>	<b>100,288</b>	<b>8,504,527</b>
<b>13 Other operating income</b>				
Fees & Charges	122,680	10,525,958	119,292	10,116,056
Commission on Remittance	-	-	-	-
	<b>122,680</b>	<b>10,525,958</b>	<b>119,292</b>	<b>10,116,056</b>





**EMERGING**  
Credit Rating Ltd  
*an independent house of risk assessment*

March 23, 2022

**The Managing Director**  
**ONE Bank Limited**  
HRC Bhaban  
46, Kawran Bazar C/A  
Dhaka-1215, Bangladesh

**Subject: Credit Rating review of ONE Bank Limited – 4th Subordinated Bond.**

Dear Sir,

We are pleased to inform you that Emerging Credit Rating Limited (ECRL) has reviewed the initial credit rating report (valid from September 16, 2021 till September 15, 2022) based on new information received in March 21, 2022. The rating is remained unchanged as **AA-** (Pronounced as 'Double A Minus Bond') long term credit rating to ONE Bank Limited – 4th Subordinated Bond. The outlook on the rating is also remained unchanged as **Stable**. The rating is valid till **September 15, 2022**.

We hope the rating will serve the intended purpose of your organization.

Yours Sincerely,

**Arifur Rahman, FCCA, ACA**  
Director & COO

Enclosed: Three copies of initial review report of **ONE Bank Limited – 4th Subordinated Bond**.

**Credit Rating Review Report**  
**of**  
**ONE Bank Limited – 4th**  
**Subordinated Bond**

# Emerging Credit Rating Ltd

Corporate Bond

CREDIT ANALYSIS

## 2021 Initial Review

Emerging Credit Rating Limited (ECRL) has conducted initial review of the credit rating report of ONE Bank Limited – 4th Subordinated Bond based on the new information received in March 21, 2022. The feature of the bond has been changed as per Bangladesh Bank's no objection certificate (NOC) dated on December 20, 2021. In line with the NOC, the total issue size has been amended to BDT 4,000.00 million instead of BDT 6,000.00 million. Subsequently redemption size of the bond has been changed.

Based on the above mentioned change in the feature of the bond, ECRL has conducted initial review of the credit rating of ONE Bank Limited – 4th Subordinated Bond which remains unchanged as **AA-B** (Pronounced as 'Double A Minus Bond') long term credit rating to ONE Bank Limited – 4th Subordinated Bond. The outlook of the rating is also remained unchanged as **Stable**. The rating is valid till **September 15, 2022**. The initial credit rating report (valid from September 16, 2021 till September 15, 2022) of ONE Bank Limited – 4th Subordinated Bond will remain valid with this updated information mentioned in this report.

Detail feature of the bond (with amendment as per Bangladesh Bank's NOC) is stated below.

<b>Issuer:</b>	ONE Bank Limited (OBL)
<b>The Issue:</b>	BDT Floating Rate Non-Convertible Subordinated Bond
<b>Mandated Lead Arranger:</b>	Standard Chartered Bank ("SCB") and also referred to as the "Mandated Lead Arranger" or the "MLA".
<b>Arrangement Basis:</b>	Best Efforts/ Strictly Non Underwritten
<b>Purpose:</b>	To strengthen Tier 2 Capital Base
<b>Investors:</b>	Local Financial Institutions, Insurance Companies, Institutions, Corporates, High Net Worth Individuals
<b>Currency:</b>	Bangladeshi Taka (BDT)
<b>Face Value:</b>	Up to BDT 4,000Million
<b>Denomination:</b>	Denomination of each lot of Bond is indicated at BDT 10,000,000 Face Value
<b>Mode of Placement:</b>	Private Placement 100%
<b>Issue Price:</b>	100% at Par
<b>Tenor:</b>	7 years from the Issue Date
<b>Expected Issue Date:</b>	December 2021 or any other mutually agreeable date
<b>Status of Debt:</b>	Subordinated Non-Convertible
<b>Security:</b>	Unsecured
<b>Form:</b>	Registered
<b>Listing:</b>	Unlisted, subject to regulatory approvals
<b>Credit Rating of the Issue:</b>	AA-



**Repayment Schedule:** 20% of the total bond value to be redeemed at the end of each year starting from 4th year and the repayment schedule is depicted below:

Issue Size (BDT)		4,000,000,000
Years	Repayment (BDT)	Balance
End of 1 <sup>st</sup> year	-	4,000,000,000
End of 2 <sup>nd</sup> year	-	4,000,000,000
End of 3 <sup>rd</sup> year	800,000,000	3,200,000,000
End of 4 <sup>th</sup> year	800,000,000	2,400,000,000
End of 5 <sup>th</sup> year	800,000,000	1,600,000,000
End of 6 <sup>th</sup> year	800,000,000	800,000,000
End of 7 <sup>th</sup> year	800,000,000	0

<b>Trustee:</b>	Sena Kalyan Insurance Company Limited
<b>Transfer Agent:</b>	Sena Kalyan Insurance Company Limited
<b>Paying Agent:</b>	Sena Kalyan Insurance Company Limited
<b>Registrar:</b>	Sena Kalyan Insurance Company Limited
<b>Coupon Rate:</b>	To be determined as a sum of Benchmark Rate & Margin; However, during the tenor the yield [benchmark + margin] will be floored at 7.50% and capped at 10.50%
<b>Benchmark Rate:</b>	<p><b>Benchmark rate:</b> The Benchmark rate shall be determined by following method:</p> <p>Average of most recent month's published highest fixed deposit rates (6 months tenor) of all Private Commercial Banks (excluding Islami Banks and Foreign Banks). The issuer's 6 months tenor deposit rate to be considered at the time of calculating the average. The published deposit rate to be taken from Bangladesh Bank sources. This will be fixed semi-annually.</p> <p>The Benchmark rate will be fixed by the Trustee semi-annually on ("Interest Reset Date") the immediately preceding business day of the issuance and afterwards semi-annually throughout the tenor of the bond. For avoidance of doubt, the Benchmark Rate shall be calculated by the Trustee and notified to the Issuer and all Investors on every Interest Reset Date.</p>
<b>Margin:</b>	2.50%.
<b>Transferability/Liquidity</b>	Freely transferable subject to the terms and conditions of the Bond documents.
<b>Prepayment, Call, Refunding, Conversion Features:</b>	Not applicable
<b>Late Redemption:</b>	Incremental charge at the rate of 2.00% per annum payable by the Issuer to the Bondholders above the amount to be paid by the Issuer to the Bondholders on the Redemption Date for failure of the Issuer to make payment to the Bondholders on the Redemption Date.
<b>Cost Related to the Issue:</b>	<p><b>Arrangement Fee:</b> 0.50% of the Face Value Amount of the Bonds.</p> <p><b>Trustee Fee:</b> BDT 400,000 for the 1<sup>st</sup> year and BDT 300,000 per annum for subsequent years till final redemption of bond</p> <p><b>Credit Rating Fee:</b> BDT 130,000 per annum till final redemption of bond</p> <p><b>Application Fee to BSEC:</b> BDT 10,000</p> <p><b>Consent Fee to BSEC:</b> 0.10% on the Face Value</p>



<b>Tax Features:</b>	All payments made by the Issuer or under or in respect of the Trust Deed or the Bonds will be subject to any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Bangladesh or any political subdivision thereof or any authority thereof or therein having power to tax. The Issuer will not be Obligated pay any additional amounts in respect of such taxes, duties, assessments or governmental charges that may from time to time be deducted or withheld from such payments, but will provide or procure the provision of original or authenticated tax receipts relating to any such deductions or withholdings to Bondholders.
<b>Documentation:</b>	Customary Capital Market documentation including force majeure, negative pledge, cross default and indemnity provisions.
<b>Conditions Precedent:</b>	In form and substance satisfactory to the MLA including without limitation: (i) due diligence having been conducted and completed, (ii) documentation for Financing and appropriate business description disclosure in the offering circular, (iii) receipt by the MLA of appropriate legal opinions from external counsel, (iv) the Issuer having obtained all relevant approvals for Financing.
<b>Governing Law:</b>	The laws of The People's Republic of Bangladesh
<b>Enforcement of Charges over securities:</b>	At any time after the Bonds have become due and repayable, the Trustee may, at its sole discretion and without further notice in writing, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed, but it will not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution of the Bondholders and (b) it shall have been indemnified and/or secured to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

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সেনা কল্যাণ ইন্সুরেন্স কোম্পানি লিমিটেড  
**Sena Kalyan Insurance Company Ltd.**  
(A Concern of Sena Kalyan Sangstha)

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25 April, 2022

**DUE DILIGENCE CERTIFICATE OF THE TRUSTEE OF THE ISSUE**

**Chairman**

Bangladesh Securities and Exchange Commission  
E-6/C, Agargaon, Sher-E-Bangla Nagar,  
Administrative Area, Dhaka-1207.

**Subject: Issuance of Floating Rate Subordinated Bond of "One Bank Limited" worth BDT 4,000 Million.**

We, the under-noted trustee to the above-mentioned forthcoming issue, state as follows:

1. We, while acting as trustee to the above mentioned issue on behalf of the investors, have examined the draft Information Memorandum, legal and other documents and material facts as relevant to our decision; and
2. On the basis of such examination and the discussions with the issuer, its directors and officers, and other agencies; independent verification of the statements concerning objects of the issue and the contents of the documents and other material facts furnished by the issuer; -

**WE CONFIRM THAT:**

- (a) all information and documents as are relevant to the issue have been received and examined by us and the draft IM, draft Deed of Trust and draft Subscription Agreement forwarded to the Commission has been approved by us;
- (b) we have also examined all documents of the assets to be charged with the Trust and are satisfied that the assets bear the value, title and charge status as disclosed in the IM;
- (c) while examining the above documents, we find that all the requirements of the Securities and Exchange Commission (Debt Securities) Rules, 2021 have been complied with;
- (d) we shall act as trustee to the issue as mentioned above as per provisions of the Deed of Trust to be executed with the issuer and shall assume the duties and responsibilities as described in the Deed of Trust and in the IM;
- (e) we shall also abide by the Securities and Exchange Commission (Debt Securities) Rules, 2021 and conditions imposed by the Commission as regard of the issue; and
- (f) the above declarations are unequivocal and irrevocable.

**Brig Gen Shafique Shamim, psc (Retd)**  
Managing Director & CEO  
Sena Kalyan Insurance Company Ltd.  
For Trustee