

Information Memorandum

Bank Asia 4th Tier-II Subordinated Bond

Private Placement of 400 Unsecured, Non-convertible, and Fully Redeemable Floating Rate Subordinated Bonds of BDT 10,000,000 (ten million) each at par, totaling BDT 4,000,000,000 (Four billion Taka)

Coupon Rate/Yield to Maturity: Average of the Upper limit of most recent 6-month fixed deposit rates for Private Commercial Banks (excluding Islamic & Foreign Banks)

Coupon Margin: 3.00% p.a.

Issuer:

Bank Asia PLC



Bank Asia Tower,
32 & 34, Kazi Nazrul Islam Avenue,
Karwan Bazar, Dhaka- 1100

Trustee to the Issuer:



Type of Security: Unsecured

Face Value: 10,000,000

Issue Price per Bond: 10,000,000

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

Mode of Placement: Private

Credit Rating			
Agency	CRAB		ECRL
Rating	Entity Rating		Bond Rating
	Long-Term	Short-Term	Long-Term
	AA ₁	ST-1	AA _{B+}
Outlook	Stable		Stable
Expiry Date	June 30, 2025		June 11, 2025

Arranger(s):

City Bank Capital Resources Limited



Date of Issuance of Information Memorandum: To Be Decided -

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"If you have any queries about this document, you may consult the issuer or originator, issue manager and the trustee."



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Bank Asia 4th Subordinated Bond

Notice and Disclaimer

Bank Asia PLC (hereinafter referred to as the “Bank”, or “Bank Asia”, or the “Issuer”) has authorized City Bank Capital Resources Limited (hereinafter referred to as “CBCRL” or the “Arranger”) to distribute this Information Memorandum (IM) in connection with the proposed transaction outlined in it (the “Transaction”) and the bonds proposed to be issued in the Transaction (the “Bonds”).

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Issuer's Disclaimer

ALL THE FEATURES OF THE BANK ASIA PLC TIER-II BOND ARE DRAFT ONLY AND FINALIZATION OF THESE FEATURES ARE SUBJECT TO THE APPROVALS OF COMPETENT REGULATORS. THESE FEATURES MAY BE MODIFIED AS PER THE DIRECTIONS OF BANGLADESH BANK AND BANGLADESH SECURITIES AND EXCHANGE COMMISSION OR ANY OTHER COMPETENT REGULATORS.

A blue ink signature of Zahid Hasan.

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Bank Asia 4th Subordinated Bond

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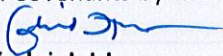

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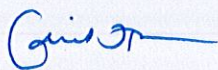

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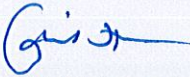


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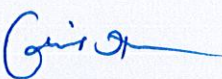

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Abbreviations

ALCO	Asset Liability Management Committee
ATM	Automated Teller Machine
BDT	Bangladeshi Taka
BRMC	Board Risk Management Committee
BSEC	Bangladesh Securities and Exchange Commission
CAGR	Compound Annual Growth Rate
CASA	Current Account Savings Account
CRAB	Credit Rating Agency of Bangladesh Limited
CRAR	Capital to Risk-weighted Asset Ratio
CRM	Credit Risk Management
CRR	Cash Reserve Requirement
ECRL	Emerging Credit Ratings Limited
FBP	Foreign Bill Purchase
FDBP	Foreign Documentary Bills for Purchase
FDR	Fixed Deposit Receipts
IBP	Inland Bill Purchase
IC	Investment Committee
LATR	Loan Against Trust Receipt
MAT	Management Action Triggers
MCR	Minimum Capital Requirement
NFCD	Non-Resident Foreign Currency Deposit
NII	Net Interest Income
NIM	Net Interest Margin
NPA	Non-performing Assets
NPL	Non-performing Loan
OBU	Off-shore Banking Unit
OD	Over Draft
PCB	Private Commercial Bank
POS	Point of Sale
RFCD	Resident Foreign Current Deposit
RMU	Risk Management Unit
RWA	Risk Weighted Assets
SLR	Statutory Liquidity Ratio
SME	Small and Medium-sized Enterprises
SOD	Secured Over Draft
VAR	Value at Risk


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Report to the Eligible Investor

By investing in the bonds, you are hereby deemed to have acknowledged, represented and warranted to, and agree (as the case may be) for the benefit of the Arranger, as set out below:

High risk: You are fully aware that investment in bonds involves a high degree of risk.

Consultation with advisers: You have (i) consulted with your own legal, regulatory, tax, business, investment, financial, and accounting advisers in connection herewith to the extent you have deemed necessary, (ii) collected and reviewed all information that you or your advisers believe is necessary or appropriate in connection with the purchase of the Bonds, and (iii) made your own investment decisions based upon your own judgment, due diligence and advice from such advisers as you have deemed necessary and not upon any view expressed by or on behalf of the Arranger.

No reliance: You acknowledge and agree that you may not rely on any investigation that the Arranger or any of its affiliates or any person acting on their behalf may have conducted with respect to the Issuer or any of their affiliates, and neither the Arranger nor its affiliates, employees, officers, directors, legal advisers or representatives have made any representation to you, express or implied, with respect to your investment in the Bonds.

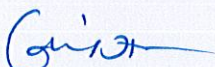
Informed decision: You are in possession of all the information that you believe is necessary or appropriate in order to make an informed decision regarding your purchase of the Bonds, including without limitation, adequate information concerning the Issuer's business, financial condition, results of operations and prospects.

Knowledge and experience: You have such knowledge and experience in financial, business and international investment matters that you are capable of evaluating the merits and risks of purchasing the Bonds and are aware that you may be required to bear, and are able to bear, all risks including economic risk of an investment in the Bonds.

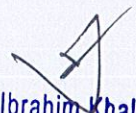
Information of the Company: You acknowledge that the information provided to you with regard to the Issuer and the Bonds in this Information Memorandum has been supplied to you by the Arranger only on behalf of the Issuer and that neither the Arranger nor any of its affiliates, employees, officers, directors, legal advisers or representatives has verified such information or makes any representation or warranty as to its accuracy or completeness.

Review of Information Memorandum: You have reviewed this Information Memorandum in its entirety, including the risks associated with investment in the Bonds, and you understand and acknowledge all of the risks described herein. By investing in the Bonds, you have determined that:

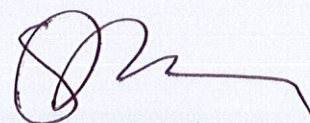
- i. the Bonds are a suitable investment for you and your investment in the Bonds does not and will not, when consummated, violate any investment or other guidelines, policies or restrictions (corporate or otherwise), or any law, rule, regulation or order applicable to you; and
- ii. you have obtained all approvals and consents (whether internal or external) and have made all notifications necessary for you to invest in the Bonds as contemplated; and you can bear the economic risk of the investment and are able to sustain a complete loss in connection with your investment.



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Information Memorandum
Bank Asia 4th Subordinated Bond

Own account: You are purchasing the Bonds for your own account and not with a view to any distribution thereof.

No representation or warranty: The Arranger has not made, and you have not relied upon any representation, warranty or condition (express and/or implied), and the Arranger shall not owe any duty whatsoever to you in connection with the Bonds.

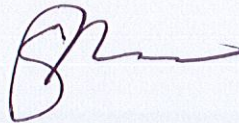
No obligation to purchase: The Arranger shall have no obligation to purchase or acquire all or any part of the Bonds purchased by you or to support losses, if any, directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Bonds, including the non-performance by the issuance, whether to you or otherwise.



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Section 2: Risk Factors and Management Perception about Risk

2.1 Interest Rate Risk

Interest rate risk is the possibility of a fluctuation in interest rates that could adversely affect the value of the bonds. Since bonds are interest-bearing assets, interest rates are primary drivers of a bond's price. Interest rate risk may arise either from trading portfolio or from non-trading portfolio. Interest rate risk arises from mismatches between the future yield of an asset and their funding cost. The bank may face such unfavorable conditions due to a rise in borrowing rates and/or fall in lending rates. The bank's financing in different sectors is mostly structured at fixed rates for specified terms. Volatility in the money market can also raise the cost of funding of the issuer and thus hamper its profitability. Any change in the government's monetary policy also might cause unfavorable movement in interest rates. The risks derived from interest rate fluctuation thus may have a significant impact on the Issuer's business, profitability, and financial condition.

Management's Perception:

Bank Asia PLCs goal is to manage interest rate sensitivity so that movements in interest rates do not significantly adversely affect earnings. Our ALM activities include an overall interest rate risk management strategy to manage fluctuations in earnings caused by interest rate volatility. ALM activities include monitoring interest rate profile, sensitivity of bank's earning under different interest rate scenarios, product pricing decisions including deposit pricing strategies.

2.2 Foreign Exchange Risk with Risk Mitigation Policy

Foreign Exchange risk is the risk of a decline in cash flows and asset values of a bank due to change in exchange rate. It is described as a potential change in earnings due to changes in market prices.

Management's Perception:

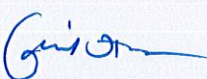
Arising mainly from Bank Asia's strategic investments which are denominated in currencies other than the BDT. Foreign exchange position is managed by the treasury division. In the year ended 2023, Total Risk Weighted Assets for Foreign Exchange Risk is Tk. 72.08 million and capital requirement is Tk. 9.01 million. Bank Asia PLC has managed foreign currency risk by maintaining the net open position (NOP) within the limit. Moreover, hedging instruments like currency SWAP are also used to mitigate the currency risk.

2.3 Non-Repayment Risk

Non-repayment risk is the potential risk that the bank may incur losses as a result of its borrowers or counterparties failing to repay their loans or meet their financial obligations. In other words, it is the risk of default by the borrower or counterparty, which can result in the bank losing the principal amount and interest on the loan. In the event of default, investors might suffer from financial loss.

Management's Perception:

Effective credit risk management is essential for the financial health and stability of a bank. The Bank is primarily responsible for acknowledging and recommending mitigation for all credit risk related issues of the bank. The major focus of the unit will be to ensure continuous understanding of any kind of changes in risk parameters and the review of credit related activities of the bank to measure the performance of existing credit risk management tools. This unit is also responsible for developing internal client rating model and periodic credit related reporting of the bank management and Board Risk Management Committee.


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2.4 Prepayment, Call or Refunding Risk

Prepayment, call or refunding risks are the risks associated with the early repayment of the principal amount of a bond. Such risks exist in a bond that has prepayment or call option.

Management's Perception:

The bond does not have voluntary prepayment options. Hence, the risk does not prevail.

2.5 Security Risk

Securities are defined as certain revenue sources or assets pledged by an issuer to the bondholder in order to secure repayment of bonds. Security risk arises when the charge of such assets the bonds are repaid against need to be utilized by investors in case the issuer is unable to repay the face value of the bonds.

Management's Perception:

The Bank Asia Subordinated Bond is an unsecured bond. Bank Asia's revenue sources or assets are not being pledged against the issuance of the bonds. Investors will have the right on the cash flow for repayment, but the rank of a subordinated bond holder is below other loans (or securities) with regard to claims on assets or earnings.

2.6 Liquidity Risk

Liquidity risk is a financial risk that for a certain period of time a given financial asset, security or commodity cannot be traded quickly enough in the market without impacting the market price. For the Bank to continue to meet its funding obligations and to maintain or grow its business, it relies on customer savings/deposits as well as ongoing access to wholesale lending markets. The ability of the bank to access funding sources on favorable economic terms is dependent on a variety of factors, including those outside of its control, such as general market conditions and overall confidence in the banking system.

Management's Perception:

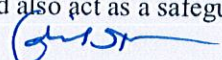
The objective of Bank Asia's liquidity risk management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due. To this end, the Bank is maintaining a diversified and stable funding base comprising of core retail and corporate deposits and institutional balance. Management of liquidity and funding is carried out by the Treasury Department under approved policy guidelines.

2.7 Management Risk

Management risk refers to the chance that company managers may put their own interests ahead of the interest of the company, shareholders, and other stakeholders. The term signifies the risk of the situation that may occur if the company or any of its stakeholders would have been better off without the choices made by management. In such an event, there is a risk that bondholders may suffer from financial loss.

Management's Perception:

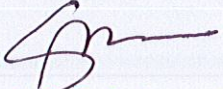
The management of Bank Asia comprises of a group of highly professional individuals with considerable experience in some of the country's most flourishing financial industries. Moreover, management of the bank is actively supervised by a board of directors to ensure that the interests of all the stakeholders are served. The Bank's compliance under such a highly regulated banking industry should also act as a safeguard against such a risk.



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Deputy Company Secretary
Bank Asia PLC.



Mohammad Ibrahim Khalil, FCA
Chief Financial Officer
Bank Asia PLC
Corporate Office, Dhaka.



Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office

2.8 Operational Risk

Operational risk refers to the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events. This definition includes legal risk but excludes strategic and reputational risk. Unlike other risks faced by the bank, the operational risk is inherent in most of the processes and operations of the bank and cannot be separated from other risks.

Management's Perception:

Bank Asia actively manages Compliance and Operational Risk with a primary focus on the well-being of their customers and the community, aligning with regulatory expectations. Compliance and Operational Risk Principles establish the foundational requirements at Bank Asia, guiding the development of policies, processes, and procedures for managing Compliance and Operational Risk by ensuring timely and appropriate identification, action, and monitoring. The Bank adopts a risk-based approach to operational risk and obligations, promoting consistency in proactively identifying, assessing, managing, reporting, and escalating operational risk-related exposures. This approach respects the specific obligations in each jurisdiction where the Bank operates. The day-to-day management of operational risk lies within the purview of business unit line management and staff.

2.9 Business Risk

Business risk refers to the possibility that the bank will have lower than anticipated profits, or that it will experience a loss rather than a profit. Business risk of the issuer could occur by numerous factors including interest spread, non-interest income, operating expenses, money & capital market volatility, competition, government regulations and economic climate.

Management's Perception:

Bank Asia addresses and manages business risks within our annual strategic planning process, overseen by the Executive Committee and endorsed by the Board. In instances where the chosen strategy might elevate other Key Material Risks (such as Credit Risk, Market Risk, Operational Risk), the risk management strategies associated with these risks become the primary controls. This integrated approach ensures that strategic risks are thoroughly considered and addressed within the broader risk management framework.

2.10 Industry Risk

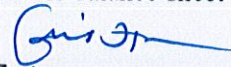
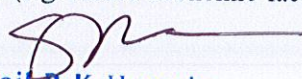
Industry risk refers to factors that can positively or negatively impact a specific industry and, by association, the companies involved in it. Risk factors of the banking industry in general can affect business growth, profitability, and volatility.

Management's Perception:

The Bank has an established, broad-based presence and has been taking steps to enhance customer satisfaction by upgrading skills, systems and technology to meet such challenges. The Bank is attempting to add quality assets on competitive terms and also taking steps to broad base its product bouquet with a special emphasis on enhancement in the non-fund-based income. On the resource-raising front, the Bank is actively endeavoring to broaden its reach and raise resources through its wide distribution network of branches.

2.11 Market and Technology-Related Risk

Market risk is defined as the risk of losses against expected (fair) value of financial assets, liabilities and off-balance sheet items resulting from adverse market conditions (e.g. macro-economic factors).


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Corporate Office

The underlying risk is also considered as non-diversifiable risk, i.e. risk that cannot be avoided. In general, market risk is often triggered by other forms of financial risks such as credit and market liquidity risks. A fall in the Issuer's credit rating could lead to a drop in the market value of the securities issued by said Issuer. Furthermore, a major sale security by another holder could depress the price of the security.

Management's Perception:

Bank Asia has established a comprehensive market risk management and control framework to bolster trading and balance sheet activities. This framework includes an independent risk measurement approach designed to assess the extent of market risk within trading and balance sheet portfolios. Through this method and associated analyses, the Bank identifies potential outcomes within a specified time frame, determines their likelihood, and allocates an adequate amount of capital to support these activities. This ensures a proactive and well-informed approach to managing market risk.

2.12 Risks Related to Potential or Existing Government Regulations

The issuer operates its business under the guidelines set by Bangladesh Bank, Bangladesh Securities and Exchange Commission, and other regulatory authorities. The bank is also regulated by the Bank Companies Act 1991 revised up to 2013, Companies Act 1994, Income Tax Ordinance 1984, Income Tax Rules 1984, and Value Added Tax (VAT) Act 1991. Moreover, Bangladesh Bank changes policy rates including a Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) of banking institutions from time to time. Any abrupt changes in the policies and regulations made by the authorities may adversely affect the business of the company.

Management's Perception:

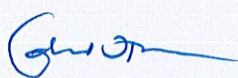
Unless any policy change that may negatively and significantly affect the industry as a whole, the bank's business is expected not to be affected materially. Like all scheduled banks in Bangladesh, Bank Asia has been funding assets from their deposits after maintaining required SLR including CRR. Additionally, the regulatory bodies in Bangladesh are least likely to take any steps that might prove detrimental to the country's banking industry.

2.13 Risks Related to Potential Changes in Global or National Policies

The ability of a financial institution to operate a profitable business is directly related to the monetary and fiscal policies of the country at any given time. Imposition of restrictive monetary and/or fiscal policy by the government at any time may affect a company's profitability. Again, changes in existing global or national policies can have either a positive or negative impact on the bank.

Management's Perception:

The management of the bank is always concerned about the prevailing and upcoming future changes in global or national policy and shall respond appropriately and timely to safeguard its interest. However, it is possible that Bank Asia may suffer from major adverse changes in global and/or national policies in the future, should the situation dictate accordingly.



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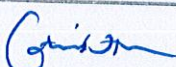


Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office



Section 3: Detailed Description and Information

Part I	
1. Particulars of the Issuer:	
Name	Bank Asia PLC
Legal status	Private Commercial Bank (PCB)
Contact Information	Bank Asia PLC Bank Asia Tower, 32 & 34, Kazi Nazrul Islam Avenue, Karwan Bazar, Dhaka- 1100 Phone: +88-09617-001100 Website: http://www.bankasia-bd.com/ Email: contact.center@bankasia-bd.com
Date of incorporation or registration	September 28, 1999
Date of commencement	September 28, 1999
Authorized capital	BDT 15,000,000,000
Paid-up capital	BDT 11,659,068,600 (as of December 31, 2023)
Total equity capital	BDT 29,402,737,678 (as of December 31, 2023)
Total liabilities	BDT 447,230,642,484 (as of December 31, 2023)
Total financial obligations	BDT 396,552,876,049 (as of December 31, 2023)
Total assets	BDT 476,633,380,162 (as of December 31, 2023)
Total tangible assets	BDT 5,933,156,399 (as of December 31, 2023)
Net worth	BDT 29,402,737,678 (as of December 31, 2023)
2. Particulars of issue manager: N/A	
3. Particulars of the issue:	
Name of the issue	Bank Asia 4 th Subordinated Bond
Type of instruments to be issued	Unsecured, Non-convertible, and Fully Redeemable Floating Rate Subordinated Bond
Purpose of the issue	To raise Tier-II Regulatory Capital and thereby enhancing its Capital to Risk-Weighted Asset Ratio (CRAR) as per "Guidelines on Risk Based Capital Adequacy" from Bangladesh Bank
Number of securities	400 (Four Hundred)
Total size of the issue to be offered	BDT 4,000,000,000 (Four Billion)
Face value	BDT 10,000,000 (Ten Million)
Issue price of securities mentioning discount or premium	BDT 10,000,000 at face value
Coupon rate	Reference Rate + Coupon Margin
Reference Rate	Average of upper limit of most recent month's fixed deposit rates (6-month tenure) of Private Commercial Banks (excluding Islamic & Foreign Banks). The issuer's 6-month tenure deposit rate to be considered at the time of calculating the average. The published deposit rate to be taken from "Announced Interest Rate Chart of Scheduled Banks (Deposit Rate)" published by Bangladesh Bank on its website. This will be fixed semi-annually. The Reference Rate will be fixed by the trustee semi-annually on the immediately preceding business day of the issuance and afterwards semi-annually throughout the tenure of the


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Bank Asia PLC.
Corporate Office

	bond. For avoidance of doubt, the Reference Rate shall be calculated by the trustee and notified to the issuer and all investors on every Coupon Rate Determination Date																	
Coupon Rate Determination Date	Five (05) days before the first day of any period for which the coupon is to be paid																	
Coupon Margin	3.00%																	
Tenure	7 years, i.e. 84 months from the issue date																	
Details conversion/ exchange option features	N/A																	
Mode of redemption	<table><tr><th>Month</th><th>Redemption</th></tr><tr><td>12</td><td>-</td></tr><tr><td>24</td><td>-</td></tr><tr><td>36</td><td>20% of Issue Size</td></tr><tr><td>48</td><td>20% of Issue Size</td></tr><tr><td>60</td><td>20% of Issue Size</td></tr><tr><td>72</td><td>20% of Issue Size</td></tr><tr><td>84</td><td>20% of Issue Size</td></tr></table>		Month	Redemption	12	-	24	-	36	20% of Issue Size	48	20% of Issue Size	60	20% of Issue Size	72	20% of Issue Size	84	20% of Issue Size
Month	Redemption																	
12	-																	
24	-																	
36	20% of Issue Size																	
48	20% of Issue Size																	
60	20% of Issue Size																	
72	20% of Issue Size																	
84	20% of Issue Size																	
Mode of option (call/ put)	N/A																	
Rate of return	Floating																	
Applicable tax rate	According to the laws of Bangladesh																	
Default protection mechanism	N/A																	
Type of collateral securities being offered	Unsecured																	
Status of securities holders in case of priority of payment	The subordinated bond will be referred to the debt instruments which will be subordinated to deposits and other liabilities of the bank. It implies that the claims of the subordinated debt holders will be junior to the claims of the depositors and the creditors.																	
Period within which securities to be issued	2024-2025																	
Nature of tradability or listing in the stock exchange(s)	The bond will not be listed on the exchanges																	
4. Particulars of the trustee:																		
Name of the trustee	BRAC EPL Investments Limited																	
Paid-up capital of the trustee	BDT 2,585,000,000 (as of December 31, 2023)																	
Net worth of the trustee	BDT 1,293,414,099 (as of December 31, 2023)																	
Name of the Issues also acting as Trustee	Rupali Bank 2 nd Subordinated Bond																	
5. Particulars of the credit rating company:																		
a) Name of the credit rating company	Emerging Credit Rating Limited (ECRL) and Credit Rating Agency of Bangladesh Limited (CRAB)																	
b) Credit rating status of the issuer	<table><tr><td>Long-term</td><td>AA₁</td></tr><tr><td>Outlook</td><td>Stable</td></tr></table>		Long-term	AA ₁	Outlook	Stable												
Long-term	AA ₁																	
Outlook	Stable																	
c) Credit rating status of the issue	<table><tr><td>Long-term</td><td>AA_B</td></tr><tr><td>Outlook</td><td>Stable</td></tr></table>		Long-term	AA _B	Outlook	Stable												
Long-term	AA _B																	
Outlook	Stable																	
d) Date and validity of rating along with surveillance rating for both the issuer and the issue	Issuer Rating (done by CRAB) <table><tr><td>Credit Rating</td></tr></table>		Credit Rating															
Credit Rating																		

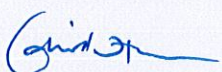

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	Long Term	AA ₁										
	Short Term	ST-1										
	Publishing Date	June 25, 2024										
	Validity Date	June 30, 2025										
	Bond Rating (Done by ECRL)											
	Credit Rating											
	Long-Term	AA _B										
	Outlook	Stable										
	Publishing Date	June 12, 2024										
	Validity Date	June 11, 2025										
e) Latest default rate of the credit rating company	0.00%											
f) Average time to default of the rated category	N/A											
g) Rating Trigger, if any	If the credit rating of the Issue falls below the minimum investment grade i.e. “BBB” in the long term or “ST-3” in the short term, then the Issuer shall pay an additional fee on top of the stipulated Coupon Rate as a Risk Premium as mentioned in the table below: <table><tr><th>Issue Rating</th><th>Risk Premium to be Added</th></tr><tr><td>BB</td><td>0.25%</td></tr><tr><td>B</td><td>0.50%</td></tr><tr><td>C</td><td>0.75%</td></tr><tr><td>D</td><td>1.00%</td></tr></table>		Issue Rating	Risk Premium to be Added	BB	0.25%	B	0.50%	C	0.75%	D	1.00%
Issue Rating	Risk Premium to be Added											
BB	0.25%											
B	0.50%											
C	0.75%											
D	1.00%											
6. Particulars of originators, if any:												
Originator	N/A											
7. Particulars of other contractual parties:												
Underwriter(s)	N/A											
Legal Counsel	Farooq & Associates											
Arranger	City Bank Capital Resources Limited Contact: Ershad Hossain Managing Director & CEO Shanta Wester Tower, Level 14 Bir Uttam Mir Shawkat Road 186 Tejgaon I/A, Dhaka, 1208, Bangladesh Phone: +88-02 9565911, +88-02 9575880 Email: ershad.hossain@cbrcl.com											

Table 1: Detailed Description & Information


Zahid Hasan
 Deputy Company Secretary
 Bank Asia PLC.


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 Chief Financial Officer
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 Corporate Office, Dhaka.


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 Corporate Office



Information Memorandum
Bank Asia 4th Subordinated Bond

Section 4: Utilization of Proceeds

Purpose of Issuance

Bank Management will ensure effective monitoring of utilization of the issue proceeds under the fund management policy. Management will also ensure that the risk exposure taken shall not be below investment grade, stock, or exposures.

The primary objective of Bank Asia PLC issuing subordinated bonds is to raise its Tier-II Regulatory Capital and enhance its Capital to Risk-Weighted Asset Ratio (CRAR) in order to meet the minimum requirement of total capital against risk-weighted assets as per the “Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework in line with Basel III)”, regulated by Bangladesh Bank.

Plan of Utilization of Proceeds

The aforesaid issuance will qualify as a part of the bank’s Tier-II capital and will help maintain healthy capital adequacy ratios in the next few years. Besides that, the fund will also be used for undertaking general business activities of the bank, which include strengthening the loan portfolio and investing in treasury securities.

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Corporate Office, Dhaka.

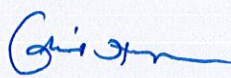
Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office

Section 5: Detailed Features of the Bank Asia 4th Subordinated Bond

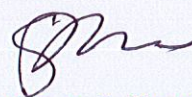
The Bank Asia 4th Subordinated Bond is a debt instrument which is coupon-bearing, non-convertible, fully redeemable, and unsecured in nature. The major features of the Bank Asia 4th Subordinated Bond are presented below.

5.1 Basic Features of the Instrument

Name of the Instrument:	Bank Asia 4 th Subordinated Bond
Issue Type:	Unsecured, Non-convertible, and Fully Redeemable Floating Rate Subordinated Bonds
Issuer:	Bank Asia PLC
Purpose and Objectives:	To raise Tier-II Regulatory Capital and thereby enhancing its Capital to Risk-Weighted Asset Ratio (CRAR) as per “Guidelines on Risk Based Capital Adequacy” from Bangladesh Bank
Arranger:	City Bank Capital Resources Limited (CBCRL)
Trustee:	BRAC EPL Investments Limited
Legal Counsel:	Farooq & Associates
Credit Rating Agency:	Emerging Credit Rating Limited (ECRL) and Credit Rating Agency of Bangladesh Limited (CRAB)
Issue Size:	BDT 4,000,000,000 (Four Billion Taka)
No. of Bonds to be issued:	400 (Four Hundred)
Face Value:	BDT 10,000,000 (Ten Million Taka) per bond
Minimum Subscription:	BDT 10,000,000 (Ten Million Taka)
Tenure:	7 years
Investors:	Institutional investors, high net-worth individuals, and all other investors as eligible under relevant regulations
Mode of Placement:	Private placement on a best effort basis/ as per BSEC consent
Rate of Return:	Coupon rate
Coupon Rate:	Reference Rate + Coupon Margin
Reference Rate:	Average of upper limit of most recent month’s fixed deposit rates (6-month tenure) of Private Commercial Banks (excluding Islamic & Foreign Banks). The issuer’s 6-month tenure deposit rate to be considered at the time of calculating the average. The published deposit rate to be taken from “Announced Interest Rate Chart of Scheduled Banks (Deposit Rate)” published by Bangladesh Bank on its website. This will be fixed semi-annually. The Reference Rate will be fixed by the trustee semi-annually on the immediately preceding business day of the issuance and afterwards semi-annually throughout the tenure of the bond. For avoidance of doubt, the Reference Rate shall be calculated by the trustee and notified to the issuer and all investors on every Coupon Rate Determination Date
Quotation Day	5 business days before the first day of any period for which a coupon rate is to be determined
Coupon Margin:	3.00% p.a.
Coupon Payment:	Semi-annually beginning at the end of 6 months from Drawdown Date/ Issue Date/ Coupon alignment date, as determined by tranches and listing procedures of the bond

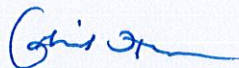

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 Corporate Office

Repayment Schedule:	<table><tr><th>Month</th><th>Redemption</th></tr><tr><td>12</td><td>-</td></tr><tr><td>24</td><td>-</td></tr><tr><td>36</td><td>20% of Issue Size</td></tr><tr><td>48</td><td>20% of Issue Size</td></tr><tr><td>60</td><td>20% of Issue Size</td></tr><tr><td>72</td><td>20% of Issue Size</td></tr><tr><td>84</td><td>20% of Issue Size</td></tr></table>		Month	Redemption	12	-	24	-	36	20% of Issue Size	48	20% of Issue Size	60	20% of Issue Size	72	20% of Issue Size	84	20% of Issue Size
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	36	20% of Issue Size																
	48	20% of Issue Size																
	60	20% of Issue Size																
	72	20% of Issue Size																
84	20% of Issue Size																	
Prepayment, Call Refunding, Conversion Features:	The bonds are non-convertible into ordinary shares, non-callable, and has no prepayment option																	
Tax Features:	According to the laws of Bangladesh																	
Costs Related to the Issue	BDT 38,249,500 (approx.)																	
Late Redemption:	The Issuer shall pay a late payment penalty of 2% (two per cent) higher than the Coupon Rate and be payable on the amount not paid on the due date till the date of actual payment.																	
Credit Rating:	Issuer Rating (done by CRAB)																	
	Credit Rating	Current																
	Long-term	AA ₁																
	Short-term	ST-1																
	Outlook	Stable																
	Publishing Date	June 25, 2024																
	Validity Date	June 30, 2025																
	Bond Rating (done by ECRL)																	
	Credit Rating	Current																
	Long-term	AA _B *																
Outlook	Stable																	
Publishing Date	June 12, 2024																	
Validity Date	June 11, 2025																	
Description of Collateral Security to be created against the issue:	Unsecured																	
Listing:	As per regulatory requirement/ as per BSEC consent																	
Transferability/Liquidity:	Freely transferable in accordance with the provisions of the Deed of Trust.																	
Governing Law:	The Bonds are governed by and shall be construed in accordance with the existing laws of Bangladesh. Any dispute arising thereof shall be subject to the arbitration under Arbitration Act 2001.																	

Table 2: Detailed Features of the Instrument


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 Bank Asia PLC.


Mohammad Ibrahim Khalil, FCA
 Chief Financial Officer
Bank Asia PLC
 Corporate Office, Dhaka.

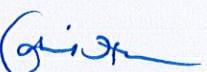

Sohail R K Hussain
 Managing Director
Bank Asia PLC.
 Corporate Office

5.2 Repayment Schedule

As of August 2024 (published by Bangladesh Bank), at 12.96%

Year	End of Month	Beginning Balance	Coupon Payment	Principal Payment Rate	Principal Payment	Installment	Ending Balance
1	6	4,000,000,000	259,200,000	0%	-	259,200,000	4,000,000,000
	12	4,000,000,000	259,200,000	0%	-	259,200,000	4,000,000,000
2	18	4,000,000,000	259,200,000	0%	-	259,200,000	4,000,000,000
	24	4,000,000,000	259,200,000	0%	-	259,200,000	4,000,000,000
3	30	4,000,000,000	259,200,000	0%	-	259,200,000	4,000,000,000
	36	4,000,000,000	259,200,000	20%	800,000,000	1,059,200,000	3,200,000,000
4	42	3,200,000,000	207,360,000	0%	-	207,360,000	3,200,000,000
	48	3,200,000,000	207,360,000	20%	800,000,000	1,007,360,000	2,400,000,000
5	54	2,400,000,000	155,520,000	0%	-	155,520,000	2,400,000,000
	60	2,400,000,000	155,520,000	20%	800,000,000	955,520,000	1,600,000,000
6	66	1,600,000,000	103,680,000	0%	-	103,680,000	1,600,000,000
	72	1,600,000,000	103,680,000	20%	800,000,000	903,680,000	800,000,000
7	78	800,000,000	51,840,000	0%	-	51,840,000	800,000,000
	84	800,000,000	51,840,000	20%	800,000,000	851,840,000	0
Total			2,592,000,000		4,000,000,000	6,592,000,000	

Table 3: Repayment Schedule


Zahid Hasan
 Deputy Company Secretary
 Bank Asia PLC.


Mohammad Ibrahim Khalil, FCA
 Chief Financial Officer
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 Corporate Office

Section 6: Description of Collateral Security and Type of Charges to be Created Against the Issue

As this is an unsecured instrument, there are no underlying securities related to the issue.

Section 7: Rights and Obligations of the Issuer and/or Originator

7.1 Payment Covenants

The Issuer covenants with the Trustee 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 in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Trustee in Bangladesh Taka in Dhaka 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 provisions of the Conditions) 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 as aforesaid on the dates provided for in the Conditions- Coupon on the principal amount of the Bonds or any of them outstanding from time to time as set out in the Conditions provided that:

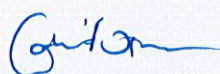
- 7.1.1 Every payment of principal or Coupon in respect of the Bonds or any of them made to or to the account of the Bondholders shall satisfy, to the extent of such payment;
- 7.1.2 If any payment of principal or Coupon in respect of the Bonds or any of them is made after the due date, payment shall 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 Trustee to the extent that there is failure in the subsequent payment to the Bondholders under the Conditions; and
- 7.1.3 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 penalty shall accrue at applicable rate of 2% p.a. 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 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.

The Trustee will hold the benefit of this covenant and the covenants in Clause 12.3 (*Covenant to comply with Trust Deed, Conditions, Schedules, and applicable law*) and Clause 12.4 (*Covenants by the Issuer*) on trust for the Bondholders.

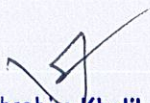
7.2 Following the Event of a Default

At any time after any Event of Default shall have occurred, the Trustee may:

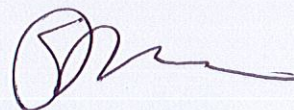
- 7.2.1 By notice in writing to the Issuer, require it to make all subsequent payments in respect of Bonds to or to the order of the Trustee and with effect from the issue of any such notice until such notice is withdrawn, sub-clause 12.1.1 of Clause 12.1 (*Covenant to Repay*) and (so far as it concerns payments by the Issuer) Clause 21.2 (*Payment to Bondholders*) shall cease to have effect.



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7.3 Covenant to Comply with Trust Deed, Schedules, and Applicable Law

- 7.3.1 The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of the Trust Deed, the Conditions (including, without limitation, Condition 5 (*Covenants*)) and the other Schedules which are expressed to be binding on it and to perform and observe the same. The Bonds are subject to the provisions contained in the Trust Deed, all of which shall be binding upon the Issuer and the Bondholders and all persons claiming through or under them respectively. The Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by the Trust Deed and the other Bond Documents and will be deemed to have notice of all of the provisions of the Bond Documents applicable to them.
- 7.3.2 The Issuer hereby covenants with the Trustee 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.
- 7.3.3 The Trustee shall itself be entitled to enforce the obligations of the Issuer under the Bonds and the Conditions and the applicable law as if the same were set out and contained in the Trust Deed which shall be read and construed as one document with the Bonds.

7.4 Covenants by the Issuer

The Issuer hereby covenants with the Trustee that, so long as any of the Bonds remain outstanding, it will:

7.4.1. *Books of Account*

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;

7.4.2. *Event of Default*

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;

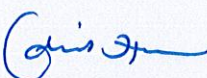
7.4.3. *Corporate Governance*

Comply (and shall ensure that each member of the Group will) in all material respects with the corporate governance guidelines set out by the Bangladesh Bank and the BSEC.

7.4.4. *Information*

So far as permitted by applicable law, 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;

7.4.5. *Execution of Further Documents*


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So far as permitted by applicable law, 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;

7.4.6. *Notices to Bondholders*

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

7.4.7. *Notification of Non—Payment*

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;

7.4.8. *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;

7.4.9. *Notification of Redemption or Repayment*

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;

7.4.10. *Authorized Signatories*

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

7.4.11. *Payments*

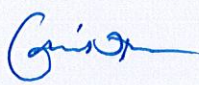
Pay moneys payable by it to the Trustee hereunder without set off, counterclaim, deduction or withholding, unless otherwise compelled by law and in the event of any deduction or withholding compelled by law will pay such additional amount as will result in the payment to the Trustee of the amount which would otherwise have been payable by it to the Trustee hereunder.

7.4.12. *Risk Premium*

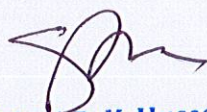
In case where the credit rating of the Issue falls below the minimum investment grade i.e. “BBB” in the long term or “ST-3” in the short term, the Issuer shall pay an additional interest on top of the stipulated Coupon Rate as a Risk Premium as mentioned in the below table:

Issue Rating	Risk Premium to be Added
BB	0.25%
B	0.50%
C	0.75%
D	1.00%

Table 4: Risk Premium


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Section 8: Rights and Obligations of the Trustee

8.1 Trustee's Rights

8.1.1. *Rights under Applicable Law*

Notwithstanding anything contained in the Trust Deed the Trustee shall have all such rights and powers granted to it under the applicable law including but is not limited to the Rules.

8.1.2. *Advice*

The Trustee may in relation to this Trust Deed act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert (whether obtained by the Trustee, the Issuer, or any Subsidiary) and which advice or opinion may be provided on such terms (including as to limitations on liability) as the Trustee may consider in its sole discretion to be consistent with prevailing market practice with regard to advice or opinions of that nature and shall not be responsible for any Liability occasioned by so acting; any such opinion, advice, certificate or information may be sent or obtained by letter, telegram, telex, cablegram or facsimile transmission;

8.1.3. *Resolution or Direction of Bondholders*

The Trustee shall not be responsible for acting upon any resolution purporting to be a Written Resolution or to have been passed at any meeting of the Bondholders in respect whereof minutes have been made and signed or a direction of a specified percentage of Bondholders, even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or the making of the directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the making of the directions was not valid or binding upon the Bondholders;

8.1.4. *Trustee Not Responsible for Investigations*

Save as otherwise provided by applicable law, the Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in this Trust Deed, the Bonds, or any other agreement or document relating to the transactions herein or therein contemplated or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof;

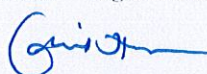
8.1.5. *Entry on the Register*

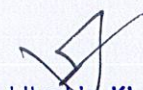
The Trustee shall not be liable to the Issuer or any Bondholder by reason of having accepted as valid or not having rejected any entry on the Register later found to be forged or not authentic and can assume for all purposes in relation hereto that any entry on the Register is correct;

8.1.6. *Events of Default*

Save as otherwise provided by applicable law, until it shall have actual knowledge or express notice to the contrary, the Trustee shall be entitled to assume that no such Event of Default has happened and that the Issuer is observing and performing all the obligations on its part contained in the Bonds and under this Trust Deed and no event has happened as a consequence of which any of the Bonds may become repayable; and

8.1.7. *Right to Deduct or Withhold*


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which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person);

8.1.12. Expenditures by the Trustee

Nothing contained in this Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it; and

8.1.13. Trustee May Enter into Financial Transactions with the Issuer

No Trustee and no director or officer of any corporation being a Trustee hereof shall by reason of the fiduciary position of such Trustee be in any way precluded from making any contracts or entering into any transactions in the ordinary course of business with the Issuer or any Subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, or from accepting the trusteeship of any other debenture stock, debentures or securities of the Issuer or any Subsidiary or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, and neither the Trustee nor any such director or officer shall be accountable to the Bondholders or the Issuer or any Subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, for any Coupon, fees, commissions, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions and the Trustee and any such director or officer shall also be at liberty to retain the same for its or his own benefit.

8.1.14. Liability

The Trustee shall not be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to this Trust Deed or the Bonds save in relation to its own gross negligence, willful default or fraud.

8.1.15. Right to Sue

The Trustee may sue and may be sued on behalf of the Bondholders.

8.2 Trustee's Power and Duties

8.2.1 Applicable Law

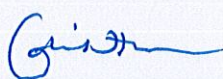
Notwithstanding anything contained in this Trust Deed the Trustee shall have all such responsibility as set out in the applicable law including but is not limited to the Rules.

8.2.2 Act for Bondholders

Subject to applicable law and terms and conditions of this Trust Deed, the Trustee shall act on behalf and for the exclusive interest of the Bondholders;

8.2.3 Monitoring

Trustee shall ensure that Issuer is observing the applicable law for the Bonds and the terms and conditions of the Bond Documents. As soon as the Trustee is aware of any breach by the Issuer it shall immediately inform the Bondholders and the Issuer of such breach;


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8.2.4 *Report to BSEC*

Trustee shall submit an annual compliance report to the BSEC on the activities of the Issuer including repayment of dues to the Bondholders. When Trustee shall submit such report to the BSEC it shall provide copy to the Issuer and the Bondholders;

8.2.5 *Grievances of Bondholders*

Upon receipt of a complaint from the Bondholders Trustee shall take necessary steps for redress of grievances of the Bondholders within one month of the date of receipt of the complaints and he shall keep the BSEC and the Issuer informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;

8.2.6 *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 this Trust Deed or contained in the Bonds is capable of remedy and/or not materially prejudicial to the interest of the Bondholders and if the Trustee shall certify that any such default is, in its opinion, not capable of remedy and/or materially prejudicial to the interest of the Bondholders, such certificate shall be conclusive and binding upon the Issuer and the Bondholders;

8.2.7 *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 this 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;

8.2.8 *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 this Trust Deed or by operation of law, on reasonable ground 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 non-exercise thereof (save as otherwise provided by applicable law) but whenever the Trustee is under the provisions of this 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;

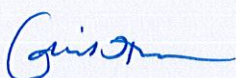
8.2.9 *Trustee's Consent*

Any consent given by the Trustee for the purposes of this Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee may require;


8.2.10 *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 Subordinated Bonds;

8.2.11 *Error of Judgement*


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The Trustee shall not be liable for any error of judgment made in good faith applying due diligence and without negligence by any officer or employee of the Trustee assigned by the Trustee to administer its corporate trust matters, save in relation to its own gross negligence, wilful default or fraud;

8.2.12 *Agents*

Subject to the provisions of the Trust Act 1882 and the Rules, the Trustee may, in the conduct of the trusts of this 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) with the consent of Issuer 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;

8.2.13 *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 this Trust Deed and no Bondholder shall be entitled to take any action to obtain from the Trustee any such information.

8.2.14 *Determination of Coupon Rate*

The Trustee shall determine Coupon Rate in accordance with Conditions of the Bond.

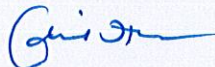
8.2.15 *Rating Trigger*

In case a downgrade of credit rating (i.e. below the rating trigger) of the Issue under surveillance rating, the Trustee shall ensure the collection of Risk Premium from the Issuer or originator for the Bondholders/beneficiaries as per declaration in the Trust deed or IM, aimed at securing the lender claims from the borrower's higher risk level.

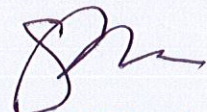
8.3 Exercise of Discretion

8.3.1 Notwithstanding anything in the Trust Deed to the contrary, the Trustee shall not be obliged to exercise or consider exercising any discretion or consider making or make any determination (including, without limitation, any determination as to whether any fact or circumstance or activity or thing is material or substantial or complies with some such similar quantitative standard) or to consider taking or take any action whatsoever in connection with or under or pursuant to the Bonds unless directed to do so by the holders of not less than 66 2/3 percent in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution of Bondholders (subject in all cases to the Trustee having been indemnified or provided with security to its satisfaction and otherwise being satisfied that it is lawful for it to so exercise discretion, make a determination or otherwise take any action). Such direction shall specify the way in which the Trustee shall exercise such discretion or, as the case may be, make the determination or take the action to be taken by the Trustee.

8.3.2 The Trustee will be responsible for any loss, expense, damage, claim, cost, charge or liability which may be suffered as a result of any exercise or non-exercise of a discretion or the making or failure to make any determination or the taking or failure to take any action by the Trustee,

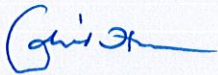

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acting on the directions of the Bondholders as aforesaid or pending the provision of such a direction.



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Section 9: Rights and Obligations of Other Contractual Parties

9.1 Arranger

Pursuant to the Arranger and Placement Agent Agreement dated June 12, 2024, City Bank Capital Resources Limited (CBCRL) has been appointed as the Arranger for the issuance of Bonds having an aggregated issue price of BDT 4,000,000,000.00 (Four Billion Taka) only, setting out the terms and conditions of the appointment as stated therein for the purpose of the private issuance of the Bonds the terms of which is detailed under the Information Memorandum (as defined below) and subjected to the approval of BSEC.

9.2 Legal Counsel

Pursuant to the Letter issued under Ref. BBL/HO/FIN/2023/06-240(a) dated June 11, 2023, the Issuer agrees to appoint Farooq & Associates as the Legal Counsel of the Bonds in order to provide legal advice and legal assistance or any other legal services deliverables to the Issuer in relation to the issuance as per the following scope:

- 9.2.1 Draft, negotiate and finalize Trust Deed, Subscription Agreements and other ancillary documents in relation to the issuance of Bonds;
- 9.2.2 Review of applications to be made by the Issuer to relevant Regulators;
- 9.2.3 Provide necessary legal opinion on various issues as required upon execution of the Bond Documents;
- 9.2.4 Assist with registering the required agreements, documents and related forms with the respective authorities and entities and
- 9.2.5 Attend meetings, telephone calls, discussions, correspondences, perusals and any other services incidental to the completion of the transaction in various stages for the issuance of Bond.

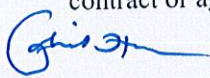
9.3 Credit Rating Agency

For the purpose of conducting the Bond Rating Service for the Bonds having total issue size of BDT 4,000,000,000.00 (Four Billion Taka) only (which shall be referred to as "Rated Subject") the Issuer has appointed Emerging Credit Ratings Limited & Credit Rating Agency of Bangladesh Limited (the "Credit Rating Agency" or "CRA") under the terms and covenants as detailed under Credit Rating Agency Agreement dated June 07, 2024 executed by and between the Issuer and the CRA to be conducted as per the Bangladesh Securities and Exchange Commission (Credit Rating Companies) Rules, 2022 issued by the BSEC and the Standard Methodology and Ethical Code of the CRA etc.

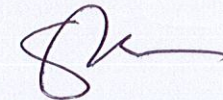
Moreover, for providing the requested rating services for the Rated Subject, the Issuer agrees to make payment to the CRA as per the payment schedule mentioned under Credit Rating Agency Agreement dated June 7, 2024, up to end of bond maturity for any debt instrument as per requirements of the Bangladesh Securities and Exchange Commission (Credit Rating Companies) Rules, 2022.

9.4 Any Other Contractual Party

The rights and obligations of any other contractual party should be governed by the respective contract or agreement entered into by the parties therein.

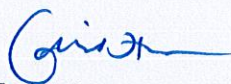

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 Corporate Office

Section 10: Rights of the Investors/Bondholders

- 10.1 Each Bondholder has the right to demand information from the Issuer as set out in this Trust Deed and the Condition attached in Schedule 1 Part B (Terms and Conditions of the Bonds).
- 10.2 Each Bondholder has the right to receive payment of principal amount of the Bonds on the Redemption Date as set out in the Condition attached in Schedule 1 (Terms and Conditions of the Bonds).
- 10.3 Each Bondholder has the right to receive coupon payments on the Bonds on the Coupon Payment Date as set out in the Condition attached in Schedule 1 (Terms and Conditions of the Bonds).
- 10.4 Each Bondholder has the right to attend meeting of the Bondholders and vote therein in accordance with Condition 12 (Meetings of Bondholders, Modification, Waiver and Substitution).



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Section 11: Description of Bank Asia PLC

Bank Asia PLC. was launched in 1999 by a group of successful entrepreneurs with recognized standings in society. The management team, led by senior bankers with decades of experience in national and international markets, is supported by professionals with international market exposure. Bank Asia set a milestone by acquiring the business operations of the Bank of Nova Scotia in Dhaka, a first in Bangladesh's banking history. Repeating its success, the Bank acquired the Bangladesh operations of Muslim Commercial Bank Ltd (MCB), a renowned Pakistani bank. In 2003, the Bank's Initial Public Offering (IPO) was oversubscribed 55 times, setting a record in Bangladesh's capital market history.

Bank Asia's asset and liability growth has been remarkable. It actively participates in local and foreign currency markets, maintaining a balanced risk profile. Investments in Treasury Bills and other securities have increased, enhancing income opportunities amid a regime of gradual interest rate decline. Bank Asia began with a vision to offer modern and innovative banking products and services at an affordable charge. The commitment is to provide value-added banking services to all societal segments, maintaining high standards in a globalized world with the help of technological advancements.

In 2014, Bank Asia pioneered "Agent Banking" services in Bangladesh, becoming a major facilitator of financial inclusion. It now boasts over 5000 outlets and serves more than 5 million customers across rural Bangladesh. The Bank aims to open accounts for every able person in the country, regardless of socio-economic class, by expanding the Agent Banking Network to every village. Bank Asia aspires to build a poverty-free Bangladesh and is committed to transforming traditional banking through modern technology. The Bank plans to launch the first-ever Digital Bank in Bangladesh for future generations. Join Bank Asia in the journey to eradicate poverty and establish prosperity for a better tomorrow.

VISION

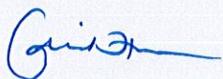
To have a poverty free Bangladesh in course of a generation in the new millennium, reflecting the national dream. Our vision is to build a society where human dignity and human rights receive the highest consideration along with reduction of poverty.

MISSION

- To assist in bringing high quality service to our customers and to participate in the growth and expansion of our national economy
- To set high standards of integrity and bring total satisfaction to our clients, shareholders and employees
- To become the most sought-after bank in the country, rendering technology driven innovative services by our dedicated team of professionals

CORE VALUES

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


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ETHICAL PRINCIPLES

- Business principle
- Human worth
- Human capital
- Health, safety and working environment
- Confidentiality
- Protection of personal data
- Intellectual property
- Nature and the environment
- Information that may affect the share price
- Accounting
- Competition
- Anti-Corruption and bribery
- Anti-Money laundering
- Anti-Political activity

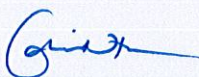
Goals:

- **Sustainable Growth**
Synergies between new knowledge and human capital for sustainable economic growth
- **Capital Stewardship**
Preservation and enlargement of multiple forms of capital; “like intellectual, natural, financial, organizational, social; all of which contribute to long term value creation.
- **Accelerating Financial Inclusion**
Accelerate progress towards financial inclusion with technology like ATM, mobile phone, smart card-based banking services and renewable energy generation projects especially in rural areas.
- **Differentiating Value Added Services**
Strong focus on extremely cost-efficient and green services through internet banking, electronic fund transfer, automated checks clearing, e-bank statement, SMS alert etc.
- **Going Green**
Quantification of in-house facilities and energy consumption to promote paperless office and enhance energy efficiency. Greater emphasis on green banking projects.
- **Leader in Business**
Create new dimension in the syndication and structured financing. Grow with export. Well diversified portfolio

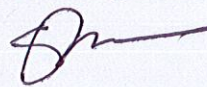
SUBSIDIARIES

1. Bank Asia Securities Ltd.

Bank Asia Securities Limited (BASL) is one of the leading full-service brokerage companies in Bangladesh. Formed in 2009, BASL operates as a majority-owned subsidiary of Bank Asia Limited, a leading commercial banking company in Bangladesh. The company offers comprehensive brokerage services for retail, institutional, non-resident Bangladeshi (NRB), and


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 Corporate Office, Dhaka.


Sohail R K Hussain
 Managing Director
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 Corporate Office

foreign clients, supported by a dedicated team of skilled professionals. Currently providing brokerage services under the membership of Dhaka Stock Exchange Limited (DSE), BASL is fully committed to delivering quality and disciplined services to its local and foreign clients. The services offered include stock broking, depository services, online trading facilities, margin loan facilities, panel brokerage services, trading through NITA for foreign investors and NRBs, along with specialized value-added services to meet all the requirements of its valued and respectable clients.

Commencement of Business: August 5, 2009
DSE Dealer + Broker License: June 7, 2009
Authorized Capital: BDT 2,000,000,000
Paid up Capital: BDT 2,000,000,000
Ownership Interest in Capital: 100%

2. Bank Asia Exchange (UK) Limited

Bank Asia is dedicated to serving people in Bangladesh with modern and innovative banking products. With a vision for a better tomorrow, the bank has introduced technologies such as ATM, telephone banking, SMS, and online banking, enhancing accessibility and service for customers. Bank Asia aims to innovate the transfer market in both technology and customer care. This innovation is now extended to the UK, serving the Bangladeshi community in London through BA Exchange Company (UK) Ltd. Fully owned by Bank Asia Limited, B A Exchange has been providing safe and secure transfer services across the UK since 2011, from its location in Whitechapel opposite the East London Mosque. Services are accessible online, by phone, or in branch, supporting Bangladeshi expatriates with fast and reliable transfers to Bangladesh. B A Exchange leverages Bank Asia's extensive network, accessing all branches and agents nationwide, along with other banks, to offer high-quality customer care. With this UK branch, Bank Asia supports customers both at home and abroad.

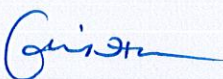
3. Bank Asia Express USA Inc

BA Express USA Inc. is a fully owned subsidiary of Bank Asia operating in the United States. Their primary business operation is the channeling of remittance into the country. Financial statements of BA Express USA Inc. are prepared on a going concern basis under the historical cost convention and in accordance with the Financial Reporting Standards for smaller entities. This year, BA EXPRESS USA INC. has expanded to one location in Ozone Park, another hub of Bengali Community in New York City, bringing the total to four locations. Now it is planning to expand one more location in Buffalo, New York, another important hub concentrated by Bangladesh People. BA Express has also achieved its highest profit amounting to USD 670,777 this year since its inception. Additionally, using the agent-based model, BA Express serves its consumers through numerous agent locations across New York. The company's motto is to serve the NRBs in the State of New York by providing easy, low cost and convenient remittance opportunities to its customers. Despite facing various challenges, especially the exchange rate differences, the volume of remittances this year stood at 54.45 million.

11.1 Capital Structure

Bank Asia PLC is a 2nd generation private sector commercial bank and its capital structure comprises of shareholders' equity, deposits, and other liabilities.

Liabilities	31-Dec-23		31-Dec-21	
	BDT	% of Total	BDT	% of Total


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 Corporate Office

Borrowings from other banks, financial institutions, and agents	27,071,897,305	5.68%	51,024,080,743	10.84%
Perpetual Bond	7,680,250,000	1.61%	9,340,000,000	1.98%
Deposits and Other Accounts	361,800,728,744	75.91%	337,853,124,886	71.77%
Other Liabilities	50,677,766,435	10.63%	44,041,087,583	9.36%
Total Liabilities	447,230,642,484	93.83%	442,258,293,212	93.95%
Paid Up Capital	11,659,068,600	2.45%	11,659,068,600	2.48%
Statutory Reserve	11,750,000,000	2.47%	11,750,000,000	2.50%
General Reserve	10,257,013	0.00%	9,926,531	0.00%
Revaluation Reserve	2,685,555,009	0.56%	2,117,047,124	0.45%
Retained Earnings	3,350,452,926	0.70%	2,957,002,831	0.63%
Foreign Currency Translation Reserve	(52,606,167)	(0.01%)	(29,217,722)	(0.01%)
Non-controlling Interest	10,297	0.00%	10,285	0.00%
Total Shareholders' Equity	29,402,737,678	6.17%	28,463,837,649	6.05%
Total Liabilities and Equity	476,633,380,162	100%	470,722,130,861	100%

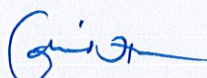
Table 5: Capital Structure

As of Dec 31, 2023, Capital to Risk Weighted Asset Ratio (CRAR) of the bank is calculated as follows:

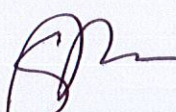
Particulars	31-Dec-23
	BDT
Tier 1 (Core Capital)	30473090575
Tier 2 (Supplementary Capital)	10186000000
Total Eligible Capital	40659090575
Total Risk-Weighted Assets (RWA)	247,185,581,946
Capital to Risk-Weighted Asset Ratio (CRAR)	16.45%
Minimum Capital Requirement (MCR)	30,898,197,743
Capital Excess/(Shortfall)	9,760,892,832

Table 6: CRAR

Bank Asia PLC's total paid-up capital stood at BDT 11,659,068,600 at the end of December 31, 2023. This was divided into 1,165,906,860 shares among 7105 shareholders. A majority of its shares are held by its 26 Sponsors & Directors (621,477,148 shares), bringing their shareholding to 53.30%. The rest of its shares are held by the general public, NRBs and other institutions (544,429,712 shares) bringing their shareholding to 46.70%. Bank Asia PLC's shareholding structure is illustrated below:


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 Deputy Company Secretary
 Bank Asia PLC.


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Bank Asia PLC
 Corporate Office, Dhaka.


Sohail R K Hussain
 Managing Director
Bank Asia PLC.
 Corporate Office

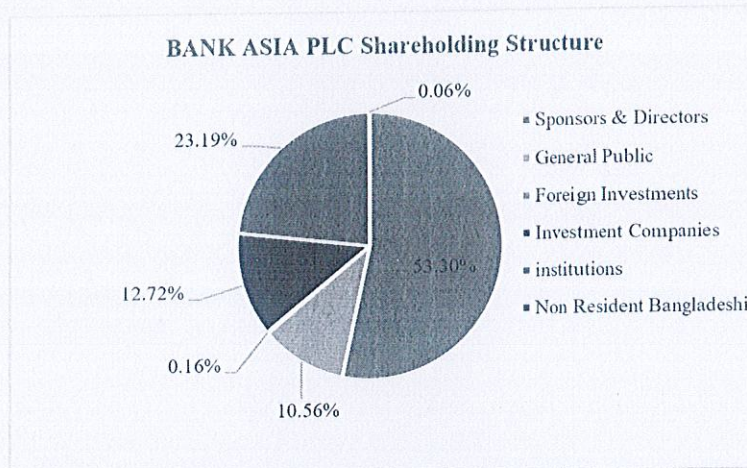


Figure 1: Shareholding Structure

11.2 Business

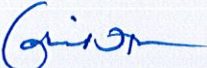
The main business activities of Bank Asia PLC are to provide a value-driven range of financial services including large corporate, commercial and consumer banking, retail, securities services, treasury functions, cash management, trade services etc. to its customers using a multi-stakeholder framework. The following is their key business lines:

- Corporate & Large Loans
- Export Finance
- Syndicated & Structured Finance
- CMSME
- Agricultural/Rural Credit
- Mid-Segment Enterprise Financing
- Islamic Banking
- Treasury Operations
- Consumer Finance
- Foreign Remittance
- Debit & Credit Card Operations
- Agent Banking
- Securities Services (brokerage)
- International Division:
 - Foreign Trade
 - Guarantees
 - Foreign Correspondents
 - NOSTRO Accounts
 - SWIFT Operations
 - Online Payment Gateway Services Provider (OPGSP)
 - Offshore Banking Unit (OBU)

11.3 Management

Bank Asia's top management consists of the following officials:

Name		Designation
1	Mr. Sohail R K Hussain	Managing Director


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 Deputy Company Secretary
 Bank Asia PLC.


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 Chief Financial Officer
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 Corporate Office, Dhaka.


Sohail R K Hussain
 Managing Director
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 Corporate Office

2	Mr. Shafiuzzaman	Additional Managing Director
3	Mr. Anm Mahfuz	Additional Managing Director
4	Mr. Md. Sazzad Hossain	Deputy Managing Director
5	Mr. Mohammad Ziaul Hasan Molla	Deputy Managing Director
6	Mr. S.M. Iqbal Hossain	Deputy Managing Director
7	Mr. Alamgir Hossain	Deputy Managing Director
8	Mr. Muhammad Mustafa Haikal Hashmi	Deputy Managing Director
9	Mr. S.M. Anisuzzaman	Deputy Managing Director
10	Mr. Arequl Arefeen	Deputy Managing Director
11	Mr. Md. Zia Arfin	Senior Executive Vice President
12	Mr. Tahmidur Rashid	Senior Executive Vice President
13	Mr. Md. Abdul Latif	Senior Executive Vice President
14	Mr. Md. Zahid Hossain	Senior Executive Vice President
15	Mr. Tanfiz Hossain Chowdhury	Senior Executive Vice President
16	Mr. Md. Shaminoor Rahman	Senior Executive Vice President
17	Mr. Md. Mostafizur Rahman	Senior Executive Vice President
18	Mr. Hossain Ahmad	Senior Executive Vice President
19	Mr. Arshadul Kabir Bhuiyan	Senior Executive Vice President
20	Ms. Alkona Kabir Choudhuri	Senior Executive Vice President

Table 7: Top Management

11.4 Description of Encumbered and Unencumbered Assets with Value Thereof

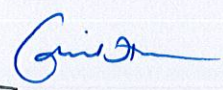
Assets of Bank Asia PLC are unencumbered. The value of the assets of Bank Asia (standalone basis) comprising of Cash, Loans and Advances/Investments, and Fixed Assets including premises, furniture, and other assets, etc. as of December 31, 2023 is BDT 476,633,380,162 on a consolidated basis, the total value of which is unencumbered.

11.5 Profile of Directors of the Issuer

Bank Asia's board of directors is a group of highly reputable professionals with extensive experience in banking and other related industries. The board of directors consists of the following individuals:

	Name	Designation
1)	Mr. Romo Rouf Chowdhury	Chairman
2)	Mr. Mohd. Safwan Choudhury	Vice Chairman
3)	Ms. Zakia Rouf Chowdhury	Vice Chairman
4)	Mr. Rume A Hossain	Director & Chairman of the Executive Committee
5)	Ms. Romana Rouf Chowdhury	Director
6)	Ms. Farhana Haq	Director
7)	Mr. Enam Chowdhury	Director
8)	Mr. Ashraful Haq Chowdhury	Independent Director
9)	Mr. M. A. Baqui Khalily	Independent Director and Chairman of the Risk Management Committee & Chairman of the Audit Committee
10)	Mr. Md. Abul Quasem	Independent Director
11)	Mr. Helal Ahmed Chowdhury	Independent Director
12)	Mr. Nafees Khundker	Director
13)	Mr. Sohail R K Hussain	Managing Director

Table 8: Board of Directors


Zahid Hasan
 Deputy Company Secretary
 Bank Asia PLC.


Mohammad Ibrahim Khalil, FCA
 Chief Financial Officer
Bank Asia PLC
 Corporate Office, Dhaka.


Sohail R K Hussain
 Managing Director
Bank Asia PLC.
 Corporate Office

Mr. Romo Rouf Chowdhury
Chairman

Mr. Romo Rouf Chowdhury is one of the Sponsor Shareholders as well as Sponsor Directors of Bank Asia PLC. Before being elected as the Chairman, he was one of the Vice-Chairmen of the bank. He is a graduate in Engineering from Durham University, United Kingdom. He has more than 30 years of experience as an industrialist. He is one of the successful young entrepreneurs of the country. Currently, Mr. Chowdhury holds the position of Chairman of Rancon Group. Rancon Group has more than 30 subsidiaries, a few of which are Rancon Motorbikes Ltd., Rancon Motors Ltd., Rangs Ltd., Rangs Properties Ltd., Rancon Automobiles Ltd., Rancon Oceana Ltd., Rancon Sea Fishing Ltd. and Rancon Electronics Ltd.

Mr. Mohd. Safwan Choudhury
Vice Chairman

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

Ms. Zakia Rouf Chowdhury
Vice Chairman

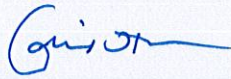
Ms. Zakia Rouf Chowdhury is one of the Directors of Bank Asia PLC. She has an illustrative business background of more than 35 years in private sector of Bangladesh. She has been holding the leadership position in a number of affiliates of Rangs Group, one of the largest business conglomerates in Bangladesh. Currently, she is the Chairman of Rangs Pharmaceuticals Limited, Rangs Agro Biotech Limited, Metro Foils Limited, Sea Resources Limited, Sea Fishers Limited, Sea Resources Agencies Limited, Fishers Shipyard Limited, Sea Resources Cold Storage Limited, Seamans Dockyard and Fish Meal Limited and Rancon Electronics Limited. Ms. Chowdhury is the Executive Vice Chairperson of Rangs ITT Limited, Rangs Properties Limited, Rangs Limited, Rangs Workshop Limited, Rancon Motors Limited, Rangs Industries Limited, Rangs Petroleum Limited, Rangs Motors Limited, Rancon Engineering Limited, Rancon Autos Limited, Rancon Automobiles Limited, Rancon Motor Bikes Limited and Managing Director of Shield Security Services Limited. Besides, she is one of the Directors of Rangs Telecom Limited, Rangs Commercial Vehicles Limited, Rangs Appliance Limited and Rangs Dolonchapa Express Limited. Ms. Chowdhury is the Nominated Director of Amiran Generations Limited in the Board of Bank Asia PLC.

Mr. Rume A Hossain
Director & Chairman of the Executive Committee

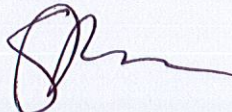
Mr. Rume A Hossain is one of the Sponsor Shareholders of Bank Asia PLC. He is a graduate in Mechanical Engineering and an MBA in International Business Management. He has more than 27 years of business experience in several industries such as Electronics, Telecom, Pharmaceuticals, IT, Publishing and construction. He is the Managing Director of Rangs Industries Limited. (Distributor of Toshiba and Samsung) and Romask Limited. Currently, he is the Chairman of Executive Committee of the Board of Bank Asia PLC.

Ms. Romana Rouf Chowdhury
Director

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


Zahid Hasan
 Deputy Company Secretary
 Bank Asia PLC.


Mohammad Ibrahim Khalil, FCA
 Chief Financial Officer
Bank Asia PLC
 Corporate Office, Dhaka.


Sohail R K Hussain
 Managing Director
Bank Asia PLC.
 Corporate Office

Ms. Farhana Haq

Director

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

Mr. Enam Chowdhury

Director

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

Mr. Ashraful Haq Chowdhury

Independent Director

Mr. Ashraful Haq Chowdhury served country's largest Mobile Phone Operators like Grameen Telecom, Telekom Malaysia Bangladesh, Warid Telecom Bangladesh and Bharti Airtel for 21 years in the top management position. He was also the Trade Adviser for the Commonwealth Secretariat, London, & Ministry of Trade, Industry & Tourism of the Caribbean Countries in addition to serving in the Export Promotion Bureau and BIDS at the initial stage of his career. His most recent assignment was as Chief Corporate Affairs Officer (CXO) of Airtel Bangladesh-a subsidiary of Bharti Airtel the 3rd Largest Mobile Operator in the World with 303 million customers in 22 countries. Mr. Chowdhury obtained Honours & Masters degrees in Economics from Chittagong University. He then completed higher studies in International Development Economics & Business Administration from the Stockholm University, Sweden. He was also a Research Fellow at the University of Toronto, Canada. He is currently the Managing Director of Star Infrastructure Development Consortium Limited and Additional Managing Director of Star Allied Venture Limited. He is the Member of the Board of Trustee and Country Representative, European Economic Development Council (EEDC).

Mr. M.A. Baqui Khalily

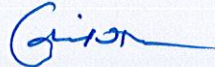
Independent Director and Chairman of the Risk Management Committee & Chairman of the Audit Committee

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

Mr. Md. Abul Quasem

Independent Director

Mr. Md. Abul Quasem completed his B.S.S. (Hons) and M.S.S. in Economics in 1973 and 1974 respectively from University of Dhaka. He started his career with Bangladesh Bank, the Central Bank of Bangladesh, as Assistant Director in 1976 and concluded the same as Deputy Governor in 2016. During his about 40 years tenure with Bangladesh Bank, he performed responsibilities in many departments like Currency Management, Payment System, Accounts & Budgeting, Debt Management, Human Resources, SME & Special Programs,


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 Corporate Office

Agricultural Credit, Communications & Printing, Common Services, Investment Promotion & Financing Facility, Research, Statistics, Central Bank Strengthening Project (CBSP), Bangladesh Financial Intelligence Unit (BFIU), etc. Besides being a career central banker, Mr. Quasem held many important administrative positions like Observer in the Board of The City Bank Limited & Pubali Bank Limited, Chairman of the Executive Committee of Bangladesh Institute of Bank Management (BIBM), Director of Dhaka Stock Exchange Limited, Director of SME Foundation and Director of Security Printing Corporation (BD) Limited. While working in Bangladesh Bank, he attended many domestic/foreign training programs and seminars organized by different international organizations including IMF in various countries around the globe.

Mr. Helal Ahmed Chowdhury
Independent Director

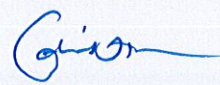
Mr. Helal Ahmed Chowdhury is a seasoned banker with around four and half decades of banking experience. He started his career at Pubali Bank in 1977 as a Class-I Officer through Superior Service Examination and was promoted in course to MD & CEO (2006-2014) in the same bank which is a rare event and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

Mr. Nafees Khundker
Director

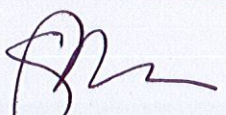
Mr. Nafees Khundker is one of the Sponsor Shareholders of the bank. He worked for Standard Chartered Bank and Deutsche Bank in Bangladesh, UAE and Singapore for more than 20 years. His last assignment was as Managing Director, Head of Transaction Banking, ASEAN, Commercial Banking. His expertise is in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

Mr. Sohail R K Hussain
Managing Director

Mr. Sohail R K Hussain is the Managing Director of Bank Asia PLC. Prior to joining Bank Asia PLC, Mr. Hussain led two leading private commercial banks in the country- Meghna Bank Limited as Managing Director & CEO since 2020 and the Managing Director & CEO of City Bank Limited from 2013 to 2019. Under his leadership the banks received a number of national and international awards including DHL – The Daily Star Bangladesh Business Award, CMAB Best Corporate Award, Finance Asia Best Bank Award, Global Finance World's Best Digital Bank awards etc. Starting career at ANZ Grindlays Bank Mr. Hussain worked in different capacities and leadership positions in Standard Chartered and Eastern Bank Limited. In his illustrious career of more than 33 years, Mr. Hussain is versatile and skilled as well as experienced in different fields of banking including Re-engineering banks, developing and executing strategic plans, Corporate Banking, SME, Green Banking, Retail Banking, Infrastructure Financing, digital solutions, centralization operations, Islamic banking window operations, Cards business, treasury, Agent Banking, equity and quasi equity transactions redefining strategies, merger & acquisition, advisory & structured finance transaction and bringing in strategic equity investors. Mr. Hussain is a Notredemian and did his MBA from IBA, Dhaka University. He has participated in numerous trainings, seminars and symposiums in country and abroad. He was the Vice President of Association of Bankers, Bangladesh (ABB). He is well connected with number of institutional bodies and social activities.


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 Corporate Office

11.6 Business Analysis Based on Consolidated Financials

i. Asset Size & Growth

Bank Asia PLC has experienced slowed growth in its consolidated assets during the years of COVID-19. As of December 2023, Bank Asia's total consolidated assets stood at approximately BDT 477 billion. The growth trend for its assets is illustrated in the figure below:

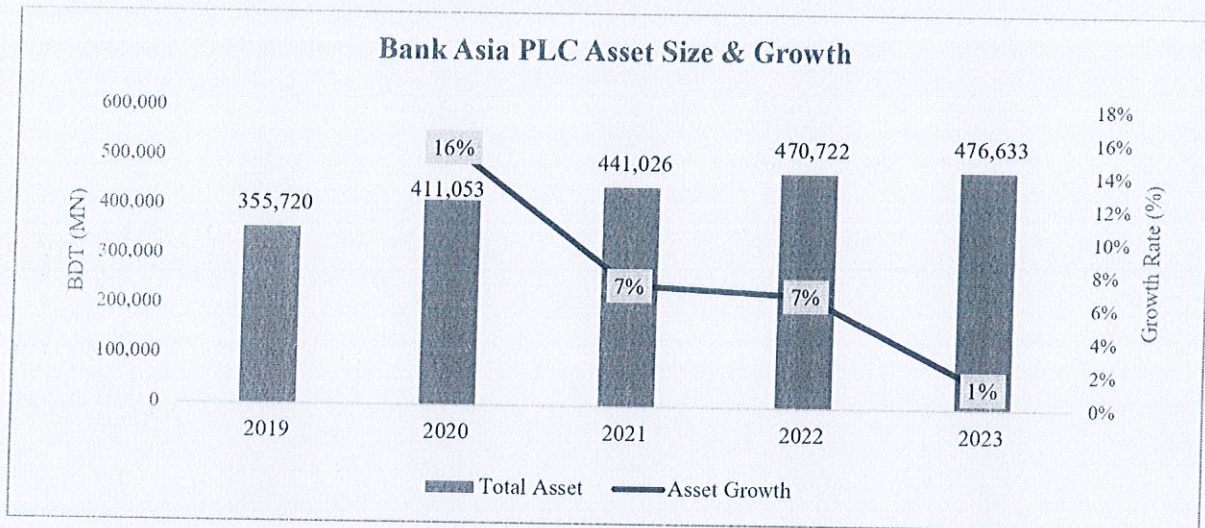


Figure 2: Asset Size and Growth

ii. Loans & Advances

As of December 2023, Bank Asia PLC's total loans and advances stood at approximately BDT 294 Billion. During the last five years, loans and advances have grown with a CAGR of 6%. The growth trend for loans and advances is illustrated below:

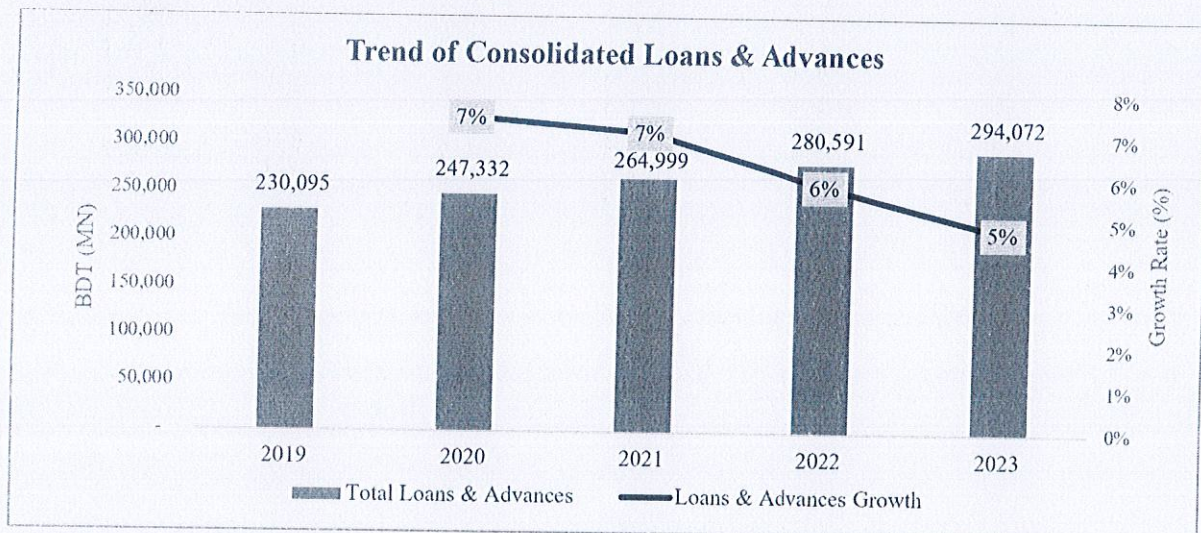
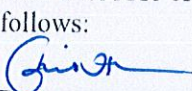


Figure 3: Consolidated Loans & Advances

iii. Deposit Trend

As of December 2023, total deposits stood at approximately BDT 362 Billion. Deposits have grown with a CAGR of 8% over the last 5 years from FY 2019 to FY 2023. The illustration is shown as follows:


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 Corporate Office

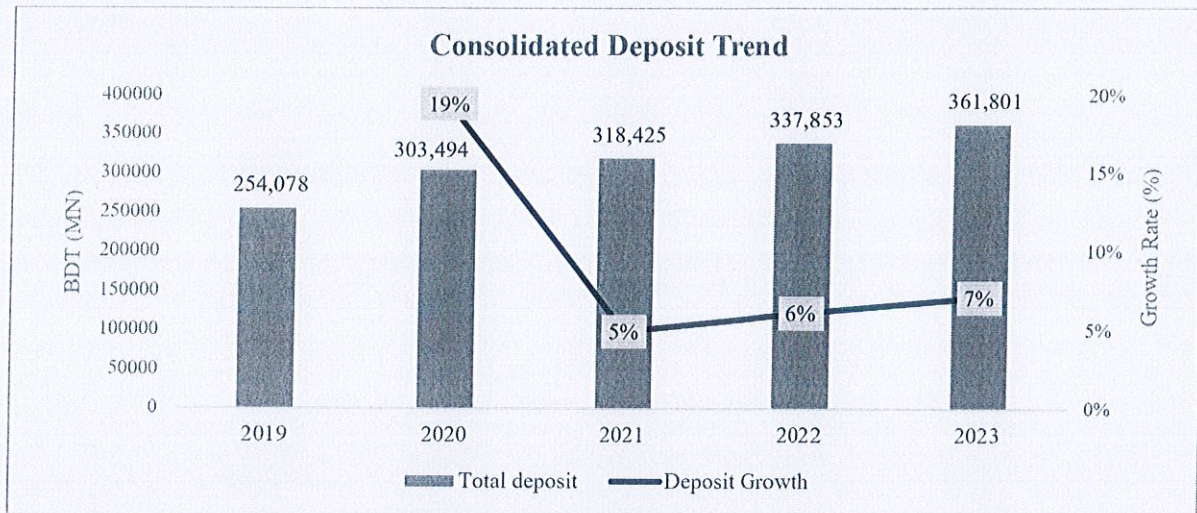


Figure 4: Consolidated Deposit Trend

iv. Liability Mix

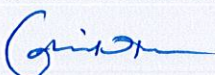
Bank Asia PLC's total liabilities stood at BDT 447,230,642,484 as of December 2023. The breakdown of the Issuer's liability mix is shown below:

Liabilities	31-Dec-23		31-Dec-22	
	BDT	% of Total	BDT	% of Total
Borrowings from other banks, financial institutions, and agents	27,071,897,305	5.68%	51,024,080,743	10.84%
Perpetual Bond	7,680,250,000	1.61%	9,340,000,000	1.98%
Deposits and Other Accounts	361,800,728,744	75.91%	337,853,124,886	71.77%
Other Liabilities	50,677,766,435	10.63%	44,041,087,583	9.36%
Total Liabilities	447,230,642,484	93.83%	442,258,293,212	93.95%

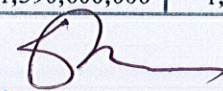
Table 9: Liability Mix

v. Capital Adequacy

Particulars	31-Dec-23	31-Dec-22
Paid Up Capital	11,659,068,600	11,659,068,600
Share Money Deposit	-	-
Statutory Reserve	11,750,000,000	11,750,000,000
General Reserve	8,166,144	8,166,144
Retained Earnings	3,416,739,131	3,105,969,227
Sub Total	26,833,973,875	26,523,203,971
Regulatory Adjustment	41,133,300	39,626,140
Intangible Assets (Software)	-	-
Common Equity Tier 1 Capital	26,792,840,575	26,483,577,831
Additional Tier 1 Capital	3,680,250,000	3,340,000,000
Total Tier 1 Capital	30,473,090,575	29,823,577,831
Tier - 2 Capital (Gone-Concern Capital)		
General provision maintained against unclassified loan/investments	6,796,000,000	9,092,537,000
General provision on off-balance sheet exposure	1,390,000,000	1,195,000,000


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Subordinated non-convertible zero coupon bonds (as per Annex 4 of Basel III)	2,000,000,000	6,000,000,000
Total Tier- 2 Capital available	10,186,000,000	16,287,537,000
Total Regulatory Capital	40,659,090,575	46,111,114,831
Total risk weighted assets (RWA)	247,185,581,946	260,486,878,311
Required Capital @ 10%	24,718,558,195	26,048,687,831
Capital Surplus	15,940,532,380	20,062,427,000
Minimum total capital plus capital conservation buffer requirement @ 12.50%	30,898,197,743	32,560,859,789
Capital Excess/(Shortfall)	9,760,892,832	13,550,255,042
Capital to Risk-Weighted Asset Ratio (CRAR)	16.45%	17.70%

Table 10: Capital Adequacy

vi. Source of Earnings

Earnings determine the ability of a bank to increase capital (through retained earnings), absorb loan losses, support future growth of assets, and provide significant returns to investors. Bank Asia PLC generates revenue from diversified sources, as reflected in the table below. The bank generates revenue from interest income on loans and advances, income from investments, interest on balance with other banks and financial institutions, income from commission, brokerage, etc.

Particulars	31-Dec-23		31-Dec-22	
	BDT	% of Total	BDT	% of Total
Net Interest Income	6,313,257,625	29%	5,547,107,674	27%
Income from Investments	8,376,526,748	39%	6,270,764,596	30%
Commission, Exchange, and Brokerage	5,343,451,964	25%	7,655,343,919	37%
Other Operating Income	1,434,619,446	7%	1,217,933,416	6%
Total Operating Income	21,467,855,783	100%	20,691,149,605	100%

Table 11: Source of Earnings

vii. Operational Performance

The operational performance of the Issuer's is illustrated below:

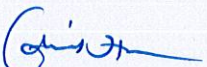
Particulars	31-Dec-23	31-Dec-22
	BDT	BDT
Net Interest Income	6,313,257,625	5,547,107,674
Total Operating Income	21,467,855,783	20,691,149,605
Total Operating Expenses	9748242928	9821913177
Profit Before Provision	11,719,612,855	10,869,236,428
Total Provision	6889652511	4248933239
Profit Before Tax	4,829,960,344	6,620,303,189
Net Profit After Tax	2478851655	3052330481

Table 12: Operational Performance


viii. Asset Quality

About 93.3% of Bank Asia PLC's total loans and advances is categorized as "unclassified" as of December 2023.

Classification of Loans & Advances	31-Dec-23	31-Dec-22
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	BDT	% of Total	BDT	% of Total
Unclassified				
Standard (Including Staff Loan)	263,010,762,702	90.28%	258,545,019,989	93.05%
Special Mention Account (SMA)	8,803,920,738	3.02%	5,805,552,187	2.09%
Total Unclassified	271,814,683,440	93.30%	264,350,572,176	95.13%
Classified				
Substandard	1,781,013,286	0.61%	775,378,765	0.28%
Doubtful	1,052,244,745	0.36%	252,963,345	0.09%
Bad/Loss	16,677,101,674	5.72%	12,491,444,117	4.50%
Total Classified	19,510,359,705	6.70%	13,519,786,227	4.87%
Total	291,325,043,145	100%	277,870,358,403	100%

Table 13: Asset Quality

11.7 Brief Description of Assets and Liabilities

i. Description of Assets

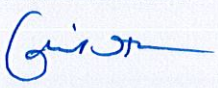
Since Bank Asia PLC is a commercial bank, most of its assets are financial assets like loans and advances, bills discounted, government treasury securities, debt and equity securities issued by corporations, etc. while loans and advances comprise the lion-share of the bank's total assets. As of December 31, 2023, Bank Asia PLC's total assets still at approximately BDT 477 billion. The breakdown of Bank Asia PLC's total assets is provided below:


Types of Assets	31-Dec-23		31-Dec-22	
	BDT	% of Total	BDT	% of Total
Cash	21,776,999,205	4.57%	25,797,237,229	5.48%
Balance with Other Banks and Financial Institutions	24,131,298,642	5.06%	39,983,468,523	8.49%
Money at call and on short notice	300,000,000	0.06%	3,750,000,000	0.80%
Investments	115,801,404,654	24.30%	103,838,255,588	22.06%
Loans and Advances	294,072,425,920	61.70%	280,591,467,444	59.61%
Fixed Assets Including Premises, Furniture, and Fixtures	5,957,156,399	1.25%	5,704,012,877	1.21%
Other Assets	14,594,095,342	3.06%	11,057,689,200	2.35%
Non-Banking Assets	-	0%	-	0%
Total Assets	476,633,380,162	100%	470,722,130,861	100%

Table 14: Description of Assets

a) Cash & Bank Balance

Cash	31-Dec-23	31-Dec-22
	BDT	BDT
Cash (Including Foreign Currency)		
Conventional & Islamic Banking		
Local Currency in Hand	3,725,394,357	4,041,388,667
Foreign Currency in Hand	43,021,927	46,350,487
Total Cash	3,768,416,284	4,087,739,154
Balance with Bangladesh Bank and Its Agent Banks		
Local Currency	15,969,385,110	19,189,473,087
Foreign Currency	1,334,869,918	1,273,154,979
Total	17,304,255,028	20,462,628,066


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Sonali Bank as Agent of Bangladesh Bank		
Local Currency	704,206,541	1,246,786,475
Foreign Currency	-	-
Total Balance	18,008,461,569	21,709,414,541
Off-shore Banking Unit	-	-
Total	18,008,461,569	21,709,414,541

Table 15: Cash and Bank Balance

b) Investments

Investments comprise of government securities and other investments. Bank Asia PLC's total investments as of December 2023 amounted to approximately BDT 115 Billion. A majority of these investments have been made in government securities. See details below:

Investments	31-Dec-23	31-Dec-22
	BDT	BDT
Government Securities		
Treasury Bills	12,539,002,899	11,706,975,787
Treasury Bonds	94,240,806,857	83,036,922,832
Prize Bonds	2,953,000	2,505,100
Total	106,782,762,756	94,746,403,719
Other Investments		
Ordinary Shares	618,503,121	553,819,723
Preference Shares	710,000,000	800,000,000
Debentures	-	-
Subordinated Bond	800,000,000	1,600,000,000
Mutual Fund	618,886,495	618,886,495
Commercial Paper	-	-
Perpetual Bond	5,030,000,000	4,530,000,000
Sukuk	200,000,000	-
Bridge Finance	-	-
Total	7,977,389,616	8,102,706,218
Total Investments	114,760,152,372	102,849,109,937

Table 16: Investments

c) Loans & Advances

Loans and Advances	31-Dec-23	31-Dec-22
	BDT	BDT
Agricultural loan	5,523,887,981	4,937,948,904
Cash credit/Bai Murabaha (Muajjal)	7,594,468,147	5,303,713,589
Credit card	4,171,809,762	3,631,193,880
Credit for poverty alleviation scheme-micro credit	8,183,283	8,247,947
Consumer credit scheme	16,278,739,708	15,781,494,644
Demand loan	62,191,705,348	27,234,992,836
Export Development Fund (EDF)	11,277,990,087	21,663,457,255
House building loans	1,037,606,727	1,059,855,713
Loans (General)	22,239,857,876	39,417,520,074
Loan against trust receipts/ Bai Murabaha post import	7,249,653,620	14,331,955,769
Overdrafts	35,210,080,416	32,110,440,520
Packing credit	345,061,384	928,694,041
Payment against documents	30,900,818	128,062,570
Staff loan	1,722,320,328	1,891,324,867

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Transport loan	1,585,064,282	1,811,882,853
Term loan- industrial	29,952,112,880	26,527,284,618
Term loan- others	64,573,206,309	48,696,524,190
Loan under Covit-19 stimulus package	1,421,703,304	5,322,077,781
Total	272,414,352,260	250,786,672,051
Outside Bangladesh	-	-
Off-shore banking unit	3430990300	3716111667
Total Loans, Advances	275,845,342,560	254,502,783,718
Bills purchased and discounted	15,479,700,585	23,367,574,685
Total Loans and advances/investments	291,325,043,145	277,870,358,403

Table 17: Loans and Advances

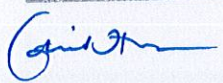
d) Fixed Assets

Fixed Assets	31-Dec-23	31-Dec-22
	BDT	BDT
Land	2,626,833,266	2,646,764,306
Building	3,309,685,883	3,278,306,682
Furniture and Fixtures	1,903,472,219	1,842,692,785
Equipment	1,859,047,083	1,800,178,016
Computer and Accessories	831,025,140	608,319,540
Motor Vehicles	269,948,562	295,585,354
Intangible Assets	24,000,000	24,000,000
Construction Work in Progress	26,872,891	10,000,000
Right-of-use Assets	2,341,256,317	1,593,878,116
Unadjusted Fixed Assets Total	13,192,141,361	12,099,724,799
Less: Accumulated Depreciation & Amortization	7,260,007,356	6,430,098,554
Adjustment of assets revaluation	53715252	53715264
Total Fixed Assets of Bank Asia PLC	5,878,418,753	5,615,910,981
Bank Asia Securities Limited	74,782,943	85,357,425
BA Exchange Company (UK) Limited	353,472	156,944
BA Express USA, Inc	3,601,231	2,587,527
Total Fixed Assets	5,957,156,399	5,704,012,877

Table 18: Fixed Assets

e) Other Assets

Other Assets	31-Dec-23	31-Dec-22
	BDT	BDT
Conventional and Islamic banking		
Income Generating Other Assets		
Investment in Bank Asia Securities Ltd – Inc. in Bangladesh	1,999,990,000	1,999,990,000
Investment in BA Exchange Company (UK) Limited – Inc. in UK	37,815,000	37,815,000
Investment in BA Express USA Inc - incorporated in USA	99,360,000	99,358,272
Total Income Generating Assets	2,137,165,000	2,137,163,272
Non-income Generating Other Assets		
Income receivable	2,065,511,014	1,297,139,289
Stock of stamps	11,839,390	10,256,387
Stationery, printing materials, etc.	106,828,579	82,341,632
Prepaid expenses	3,607,062	12,782,227
Deposits and advance rent	617,754,220	483,667,668
Receivable from capital market	-	-


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Advances, prepayments and others	211,617,976	172,867,456
Advance income tax	10,277,687,264	7,468,535,415
Receivable against government	99,978,826	56,096,601
Sundry debtors	28,660,176	21,891,446
Branch adjustment account	413,938,934	760,545,993
Adjustment account debit	-	-
Protested bills	123,764,671	123,764,671
Receivable from BA Exchange Company (UK) Limited	69,189,416	56,646,548
Receivable from BA Express USA Inc	290,897,132	200,189,787
Excise duty recoverable	32,684,630	23,149,530
Profit Receivable from Govt Investment Sukuk	1,659,856	1,668,976
Total Non-income Generating Assets	14,355,619,146	10,771,543,626
Total Conventional and Islamic banking	16,492,784,146	12,908,706,898
Offshore banking Unit	18,581,925	28,796,606
Total	16,511,366,071	12,937,503,504

Table 19: Other Assets

ii. Description of Liabilities

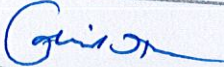
Bank Asia PLC's liabilities comprise of borrowing from other banks, financial institutions, and agents, subordinated debt, deposits, and other liabilities. Details are provided below:


Liabilities	31-Dec-23		31-Dec-22	
	BDT	% of Total	BDT	% of Total
Borrowings from other banks, financial institutions, and agents	27,071,897,305	5.68%	51,024,080,743	10.84%
Perpetual Bond	7,680,250,000	1.61%	9,340,000,000	1.98%
Deposits and Other Accounts	361,800,728,744	75.91%	337,853,124,886	71.77%
Other Liabilities	50,677,766,435	10.63%	44,041,087,583	9.36%
Total Liabilities	447,230,642,484	93.83%	442,258,293,212	93.95%

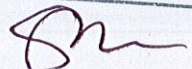
Table 20: Description of Liabilities

a) Borrowing from Other Banks, Financial Institutions, and Agents

Borrowings from Other Banks, Financial Institutions and Agents		31-Dec-23	31-Dec-22
		BDT	BDT
Conventional and Islamic banking		17,095,577,660	25,313,872,546
Off-shore banking unit		15,875,819,645	25,732,158,197
Less: Adjustment with Head Office		(5,899,500,000)	(21,950,000)
Total		27,071,897,305	51,024,080,743
In Bangladesh			
Unsecured:			
Money at call and on short notice			
State Bank of India			
Standard Chartered Bank		750,000,000	-
Total		250,000,000	-
Borrowings		1,000,000,000	-
Bangladesh Bank Refinance			
Covid-19 Stimulus PKG-Tk. 5000 Cr - Export		1,067,354,873	757,840,789
Refinance under Stimulus Package Tk. 5000 Cr - Agri		298,222	127,591,942
Refinance under Stimulus Package Tk. 3000 Cr - Agri		382,781,016	665,344,594
Bangladesh Bank Borrowing under IPPF- II Fund		231,696,958	622,543,292
		1,361,826,357	1,431,345,451


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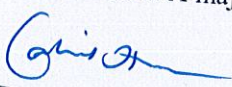

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Bangladesh Bank Borrowing under Long Term Financing Facilities (LTFF) scheme	288,112,049	288,107,038
SME Foundation Pre-Finance	-	8,250,000
Bangladesh Bank Pre-Finance (SREUP)	74,184,377	87,362,500
Borrowing A/C (AGRI Taka 10)	10,120,922	302,794,616
Borrowing from Joyeeta Foundation	6,622,500	26,490,000
Export development fund	8,628,513,129	19,945,353,441
Bangladesh Bank Refinance Scheme for Pre-Shipment Loan	327,413,444	234,620,000
BB Refinance for SPCSSECP	1,272,504,945	172,850,000
Bangladesh Bank Borrowing under CMSME Refinance (TL)	1,826,363,336	53,330,000
SMESPD	-	-
Bangladesh Bank Borrowing under Green Transformation Fund (GTF)	381,656,043	428,668,883
Borrowing from SMEF for Stimulus Loan/Revolving Fund (Term Loan)	236,129,489	161,380,000
Total Borrowing	16,095,577,660	25,313,872,546
Total in Bangladesh	17,095,577,660	25,313,872,546
Borrowing at Off-shore banking unit	-	-
Secured:	-	-
Unsecured:	-	-
Conventional Banking	-	-
International Finance Corporation	6,241,500,000	27,270,000
Borrowing - ECA	730,000,365	2,020,000,202
Total	1,841,569,280	1,950,697,995
In Bangladesh	8,813,069,645	3,997,968,197
Jamuna Bank PLC	-	-
Outside Bangladesh	547,500,000	-
Yes Bank, Mumbai	-	-
SCB Singapore	-	505,000,000
National Bank of RAK, UAE	-	1,515,000,000
Bank Muscat, Oman	-	2,525,000,000
Asian Development Bank	-	303,000,000
Fimbank, Malta	821,250,000	-
Caixa Bank, Barcelona	1,095,000,000	-
Standard Chartered Bank, Thailand	3,504,000,000	7,342,700,000
HDFC, Gift City, Mumbai	-	505,000,000
Bank Muscat SAOG	-	1,010,000,000
Indusind Bank Limited	-	2,525,000,000
State Bank of India, Hongkong	-	303,000,000
Nepal Bangladesh Bank Limited	1,095,000,000	2,272,500,000
DBS Bank Singapore	-	757,500,000
Emirates Islami Bank	-	696,900,000
Ajman Bank, U.A.E.	-	463,590,000
Total Outside Bangladesh	-	1,010,000,000
Total Borrowing at Offshore	6,515,250,000	21,734,190,000
	15,875,819,645	25,732,158,197

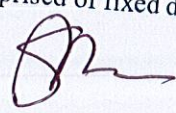
Table 21: Borrowing from Other Banks, FIs, & Agents

b) Deposits and Other Accounts

As of December 2023, total deposits and other accounts of Bank Asia PLC stood at approximately BDT 362 Billion. A majority of deposits and other accounts are comprised of fixed deposits.


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Deposits and Other Accounts	31-Dec-23	31-Dec-22
	BDT	BDT
Current and Other Accounts	72,399,767,950	67,482,882,465
Bills Payable	3,958,476,129	4,167,914,951
Savings Deposits	83,493,765,110	78,812,880,761
Term/Fixed Deposits	200,123,067,213	186,230,894,120
Other Deposits	-	-
Total	359,975,076,402	336,694,572,297
Offshore Banking Unit	1,642,071,510	1,000,845,140
Total Deposits & Other Accounts	361,617,147,912	337,695,417,437

Table 22: Deposits and Other Accounts

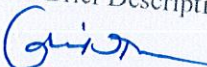
c) Other Liabilities

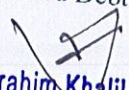
Other liabilities as of December 2023 stood at approximately BDT 48 Billion. A breakdown is provided below:

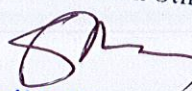
Other Liabilities	31-Dec-23	31-Dec-22
	BDT	BDT
Provision for loans and advances/investments	21,798,000,000	19,080,000,001
Special general provision COVID-19	618,000,000	530,000,000
Provision on off-balance sheet exposures	1,390,000,000	1,195,000,000
Interest suspense account (Note 13.1.4)	5,198,880,298	4,403,014,529
Provision for income tax including deferred tax (Note 13.1.5)	14,161,337,770	11,861,337,770
Provision for performance and festival bonus	576,776,576	475,942,033
Master card and Visa card payables	88,640,578	78,626,366
Expenditures and other payables	1,093,444,406	1,060,920,482
Provision for NOSTRO accounts (Note 13.1.6)	-	-
Other payable	192,873,777	235,635,266
Provision for profit equalization	41,372,036	24,240,856
Provision for Smart Junior Saver A/c	-	-
Provision for diminution in value of shares (Note 13.1.7)	453,383,553	363,383,553
Payable to Government	20,407,621	7,607,621
Provision for other assets (Note 13.1.8)	638,269,593	612,228,003
Provision for startup fund (Note 13.1.9)	102,303,097	78,344,687
Rebate payable on good borrowers	67,700,000	67,700,000
Unearned income	972,850,838	806,303,263
Lease Obligation on ROU Assets	-	-
Interest payable on subordinated non-convertible zero coupon bond	72,812,328	91,575,615
Branch adjustment account credit balance	-	-
Fraction Bonus Share	1,608,744	1,608,744
Profit for The Year	-	-
BA General account for Expenditure for own premises	-	-
NOSTRO account credit balance	-	-
Lease liabilities (Note 13.1.10)	36,535,507	377,278,975
Total	796,847,285	341,388,331
Off-shore banking unit	48,322,044,007	41,692,136,095
Total Other Liabilities	48,339,788,323	41,701,194,297

Table 23: Other Liabilities

11.8 Brief Description of Previously Issued Debt or Equity Securities or Such Other Securities


Zahid Hasan
Deputy Company Secretary
Bank Asia PLC.


Mohammad Ibrahim Khalil, FCA
Chief Financial Officer
Bank Asia PLC
Corporate Office, Dhaka.


Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office

Debt Securities

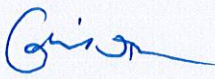
	Name of the Issuer	Name of the Issue	Maturity Period	IM Issue Date	Value of Debt	Repayment Amount as of Dec 2023	Outstanding as of Dec 2022	Defaults (if any)
1	Bank Asia PLC	Perpetual Bond	N/A	December 2023	500 Crore	-	360 Crore	N/A
2	Bank Asia PLC	Subordinated Bond	7 Years	November 25, 2019	500 Crore	200 Crore	300 Crore	N/A
3	Bank Asia PLC	Subordinated Bond	7 Years	April 23, 2017	500 Crore	500 Crore	-	N/A
4	Bank Asia PLC	Subordinated Bond	N/A	February 19, 2015	300 Crore	300 Crore	-	N/A

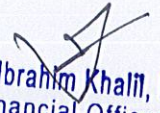
Table 24: Previously Issued Debt Securities

Equity Securities

	Name of the Issuer	Name of the Issue	Maturity Period	Offer Document Issue Date	Value of Equity (BDT Mn)	Outstanding	Defaults (if any)
1	Bank Asia PLC	IPO	N/A	January 6, 2004	300	N/A	N/A
2	Bank Asia PLC	Right	N/A	-	1,050	N/A	N/A

Table 25: Previously Issued Equity Securities


 Zahid Hasan
 Deputy Company Secretary
 Bank Asia PLC.


 Mohammad Ibrahim Khalil, FCA
 Chief Financial Officer
 Bank Asia PLC
 Corporate Office, Dhaka.

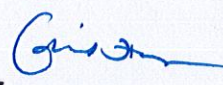

 Sohail R K Hussain
 Managing Director
 Bank Asia PLC.
 Corporate Office

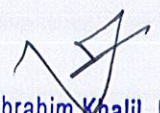
Section 12: Auditor's Report and Audited Financial Statements of the Issuer

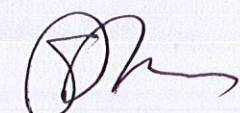
12.1 Consolidated Balance Sheet

 Bank Asia PLC. and Its Subsidiaries
 Consolidated Balance Sheet as at 31 December 2023

Particulars	Amount in Taka	
	31 Dec 2023	31 Dec 2022
PROPERTY AND ASSETS		
Cash	21,776,999,205	25,797,237,229
In hand (including foreign currencies)	4.1(a) 3,768,537,636	4,087,822,688
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4.2(a) 18,008,461,569	21,709,414,541
Balance with other banks and financial institutions	5(a) 24,131,298,642	39,983,468,533
In Bangladesh	20,332,861,708	37,343,770,086
Outside Bangladesh	3,798,436,934	2,637,698,437
Money at call and on short notice	6(a) 300,000,000	3,750,000,000
Investments	7(a) 115,801,401,654	103,838,255,588
Government	106,782,762,756	94,746,403,719
Others	9,018,641,898	9,091,851,869
Loans and advances/investments	8(a) 294,072,425,920	380,591,467,444
Loans, cash credits, overdrafts, etc/investments	278,592,725,335	357,223,892,759
Bills purchased and discounted	15,479,700,585	23,367,574,685
Fixed assets including premises, furniture and fixtures	9(a) 5,957,156,399	5,704,012,877
Other assets	10(a) 14,594,095,342	11,057,689,200
Non-banking assets		
Total assets	476,633,380,162	470,722,130,861
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	11(a) 27,071,597,305	51,024,080,743
Subordinated non-convertible and perpetual bonds	11(n) 7,680,150,000	9,340,000,000
Deposits and other accounts	12(a) 361,800,728,744	337,853,124,886
Current/AI-wadecah current accounts and other accounts	73,657,814,411	68,534,148,051
Bills payable	3,958,476,129	4,167,914,931
Savings bank/Mudaraba savings bank deposits	63,493,765,110	78,812,880,761
Fixed deposits/Mudaraba fixed deposits	200,690,543,094	186,338,181,123
Bearer certificates of deposit		
Other deposits		
Other liabilities	13(a) 50,677,766,435	44,041,087,583
Total liabilities	447,230,542,484	442,258,293,212
Capital/shareholders' equity	29,402,737,678	28,463,837,649
Total shareholders' equity		
Paid-up capital	14.2 11,659,068,600	11,659,068,600
Statutory reserve	15 11,750,000,000	11,750,000,000
General and other reserve	15.1(a) 10,157,013	9,926,531
Revaluation reserve	16(a) 2,685,555,009	2,117,047,124
Retained earnings	17(a) 3,350,432,926	2,957,002,831
Foreign currency translation reserve	(52,606,167)	(29,217,722)
Non-controlling interest	17(b) 10,297	10,285
Total liabilities and shareholders' equity	476,633,380,162	470,722,130,861
Net Assets Value per Share	25.22	24.41


 Zahid Hasan
 Deputy Company Secretary
 Bank Asia PLC.

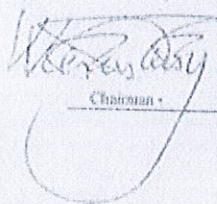
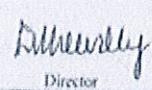
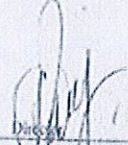
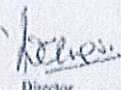


 Mohammad Ibrahim Khalil, FCA
 Chief Financial Officer
 Bank Asia PLC
 Corporate Office, Dhaka.


 Sohail R K Hussain
 Managing Director
 Bank Asia PLC.
 Corporate Office

Consolidated Balance Sheet as at 31 December 2023

Particulars	Notes	Amount in Taka	
		31 Dec 2023	31 Dec 2022
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	18	147,312,653,915	151,805,689,469
Acceptances and endorsements		57,164,635,754	57,468,996,543
Letters of guarantee		31,450,162,015	38,212,179,085
Irrevocable letters of credit		37,281,132,915	28,775,250,089
Bills for collection		21,416,723,231	27,358,713,752
Other contingent liabilities		-	-
Other commitments		4,812,658,170	1,758,182,995
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		4,812,658,170	1,758,182,995
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total off-balance sheet items including contingent liabilities		152,124,712,085	153,563,272,464

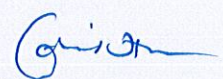
These Financial Statements should be read in conjunction with the annexed notes


 Chairman
 Director
 Director
 Director
 Managing Director

Auditors' Report to the Shareholders
see our annexed report of even date

Dhaka, April 28, 2024
DVC: 2404290535AS213655

Nasir U Ahmed, FCA, FCS, CGMA, ACMA
(UK), FCA (England & Wales)
Enrolment no: 535
MABS & J Partners
Chartered Accountants


 Zahid Hasan
 Deputy Company Secretary
 Bank Asia PLC.


 Mohammad Ibrahim Khalil, FCA
 Chief Financial Officer
 Bank Asia PLC
 Corporate Office, Dhaka.

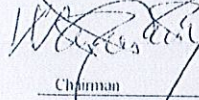
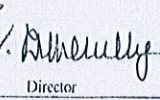
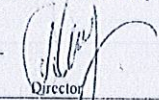
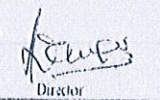


 Sohail R K Hussain
 Managing Director
 Bank Asia PLC.
 Corporate Office

12.2 Consolidated Income Statement

Bank Asia PLC and Its Subsidiaries
Consolidated Profit and Loss Account
for the year ended 31 December 2023

		Amount in Taka	
Particulars	Notes	31 Dec 2023	31 Dec 2022
OPERATING INCOME			
Interest income	20(a)	23,380,598,457	20,484,449,300
Interest paid on deposits and borrowings, etc	21(a)	17,067,340,832	14,937,341,626
Net interest income		6,313,257,625	5,547,107,674
Investment income	22(a)	8,376,526,748	6,270,761,596
Commission, exchange and brokerage	23(a)	5,343,451,961	7,655,343,919
Other operating income	24(a)	1,434,619,416	1,217,933,416
		15,154,598,158	15,144,041,931
Total operating income (A)		21,467,855,783	20,691,149,605
OPERATING EXPENSES			
Salaries and allowances	25(a)	5,407,923,206	5,180,307,624
Rent, taxes, insurance, electricity, etc	26(a)	660,014,031	606,906,079
Legal expenses	27(a)	29,102,855	26,343,367
Postage, stamp, telecommunication, etc	28(a)	194,332,541	157,490,802
Stationery, printing, advertisements, etc	29(a)	174,362,072	177,671,713
Managing Director's salary and fees	30	13,510,000	18,854,125
Directors' fees	31(a)	4,320,500	3,464,000
Auditors' fees	32(a)	4,436,683	3,639,789
Depreciation and repairs of Bank's assets	33(a)	1,026,382,290	979,550,708
Other expenses	34(a)	2,233,858,750	2,667,684,970
Total operating expenses (B)		9,748,242,928	9,821,913,177
Profit before provision (C=A-B)		11,719,612,855	10,869,236,428
Provision for loans and advances/investments			
General provision		2,287,961,643	2,467,292,000
Specific provision		4,266,690,868	1,836,641,239
	13.2(a)	6,554,652,511	4,293,933,239
Provision for off-balance sheet items	13.3	195,000,000	(295,000,000)
Provision for diminution in value of investments		90,000,000	-
Other provisions		50,000,000	250,000,000
Total provision (D)	34(c)	6,889,652,511	4,248,933,239
Total profit before tax (C-D)		4,829,960,344	6,620,303,189
Provision for taxation			
Current tax	13.5.1(a)	2,351,108,689	3,567,972,708
Deferred tax	13.5.2	-	-
		2,351,108,689	3,567,972,708
Net profit after tax		2,478,851,655	3,052,330,481
Appropriations			
Statutory reserve	15	389,926,028	25,016,438
Coupon/dividend on perpetual bond	15.1 (a)	330,482	1,609,440
General and other reserve		390,256,510	1,051,181,938
		2,088,595,145	2,001,148,543
Retained surplus		2,088,595,145	2,001,148,543
Attributable to:			
Equity holders of Bank Asia PLC		2,088,595,133	2,001,148,532
Non-controlling interest		12	11
		2,088,595,145	2,001,148,543
Earnings Per Share (EPS)	37(c)	1.79	2.62

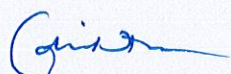
These Financial Statements should be read in conjunction with the annexed notes

 Chairman
 Director
 Director
 Director
 Managing Director

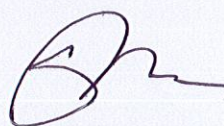
Auditors' Report to the Shareholders
see our annexed report of even date

Nasir U Ahmed, FCA, FCS, CGMA, ACMA
(UK), FCA (England & Wales)
Enrolment no: 535
MAHS & J Partners
Chartered Accountants

Dhaka, April 28, 2024
DVC: 2404290535AS213655


Zahid Hasan
Deputy Company Secretary
Bank Asia PLC.


Mohammad Ibrahim Khalil, FCA
Chief Financial Officer
Bank Asia PLC
Corporate Office, Dhaka.


Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office

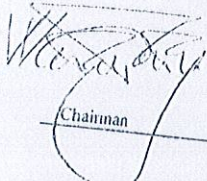
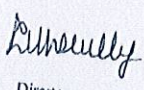
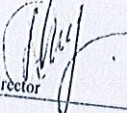
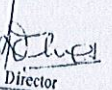

12.3 Consolidated Statement of Cash Flows

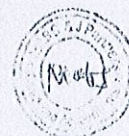
Information Memorandum
Bank Asia 4th Subordinated Bond

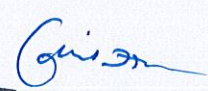
Bank Asia PLC. and Its Subsidiaries
Consolidated Cash Flow Statement
for the year ended 31 December 2023

Particulars	Notes	Amount in Taka	
		31 Dec 2023	31 Dec 2022
Cash flows from operating activities (A)			
Interest receipts		29,935,924,383	27,031,367,925
Interest payments		(17,680,090,550)	(15,663,894,987)
Dividends receipts		527,036,928	88,244,680
Fees and commission receipts		5,343,451,964	7,655,343,919
Recoveries on loans previously written off		326,055,141	347,148,119
Cash payment to employees		(5,307,088,663)	(5,135,929,070)
Cash payment to suppliers		(271,882,653)	(294,891,193)
Income tax paid		(2,860,185,854)	(2,569,789,573)
Receipts from other operating activities		2,076,404,624	1,271,679,392
Payments for other operating activities		(3,139,575,360)	(3,484,383,132)
Operating profit before changes in operating assets & liabilities	35 (a)	8,950,049,960	9,244,896,080
Increase/(decrease) in operating assets & liabilities	36 (a)		
Loans and advances to customers and banks		(13,480,958,476)	(15,591,983,473)
Other assets		(538,335,941)	411,064,662
Deposits from customers and banks		23,947,603,858	19,428,195,021
Trading liabilities		(23,952,183,438)	3,187,929,375
Other liabilities		(1,563,578,265)	(565,596,792)
Net Increase/(decrease) in operating assets and liabilities		(15,587,452,262)	6,869,608,793
Cash flows from investing activities (B)		(6,637,402,302)	16,114,504,873
Investments in treasury bills, bonds and others		(12,036,359,037)	(24,056,115,796)
Sale/(Purchase) of trading securities		73,209,971	(1,830,705,838)
(Purchase)/disposal of fixed assets		(435,024,064)	(306,931,836)
Net cash flows from/(used in) investing activities		(12,398,173,130)	(26,193,753,470)
Cash flows from financing activities (C)			
Issuance of perpetual bond		340,250,000	3,340,000,000
Coupon/dividend paid on perpetual bond		(389,926,028)	(25,016,438)
Adjustment of subordinated non-convertible bond		(2,000,000,000)	(2,600,000,000)
Payments for lease liability		(487,848,255)	(410,573,674)
Dividend paid (cash dividend)		(1,748,860,290)	(1,748,860,290)
Net cash flows from/(used in) financing activities		(4,286,384,573)	(1,444,450,402)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(23,321,960,005)	(11,523,698,999)
Effects of exchange rate changes on cash and cash equivalents		69,533,210,852	81,056,909,851
Cash and cash equivalents at the beginning of the year		46,211,250,847	69,533,210,852
Cash and cash equivalents at the end of the year		3,768,537,636	4,087,822,688
Cash		18,008,461,569	21,709,414,541
Balance with Bangladesh Bank and its agent bank(s)		24,131,298,642	39,983,468,523
Balance with other banks and financial institutions		300,000,000	3,750,000,000
Money at call and on short notice		2,953,000	2,505,100
Prime bonds		46,211,250,847	69,533,210,852
Net Operating Cash Flows per Share		(5.69)	13.82

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

 Chairman
 Director
 Director
 Director
 Managing Director




Zahid Hasan
Deputy Company Secretary
Bank Asia PLC.


Mohammad Ibrahim Khalil, FCA
Chief Financial Officer
Bank Asia PLC
Corporate Office, Dhaka.


Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office

12.4 Consolidated Statement of Changes in Equity

Bank Asia PLC. and Its Subsidiaries
Consolidated Statement of Changes in Equity for the year ended 31 December 2023

Particulars	Paid-up capital	Statutory reserve	Revaluation reserve	General and other reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance as at 01 January 2022	11,639,068,600	10,723,443,940	2,159,144,877	8,317,091	781,241	2,650,999,337	27,202,735,085	10,274	27,202,745,360
Transferred during the year	-	1,024,556,060	-	-	-	-	-	-	-
Adjustment on revaluation of fixed assets and other investment	-	-	-	-	-	-	-	-	-
Transferred to retained earnings	-	-	-	-	-	-	-	-	-
Foreign currency translation for the year	-	-	-	-	-	-	-	-	-
Transferred to General and other reserve	-	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	-	-
Coupon/dividend on perpetual bond	-	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2022	11,639,068,600	11,750,000,000	2,117,047,124	9,926,531	29,217,722	3,052,330,470	31,772,653	11,617,499	31,772,653
Adjustment on revaluation of fixed assets and other investment	-	-	-	-	-	-	-	-	-
Transferred to retained earnings	-	-	-	-	-	-	-	-	-
Foreign currency translation for the year	-	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	-	-
Coupon/dividend on perpetual bond	-	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2023	11,639,068,600	11,750,000,000	2,682,555,009	10,257,013	32,606,167	3,350,452,926	29,402,727,860	10,297	29,402,737,678

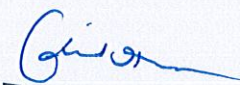
Chairman

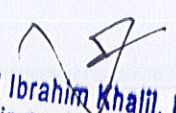
Director

Director

Director

Managing Director


Zahid Hasan
Deputy Company Secretary
Bank Asia PLC.


Mohammad Ibrahim Khalil, FCA
Chief Financial Officer
Bank Asia PLC
Corporate Office, Dhaka.


Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office

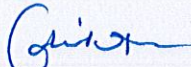


Information Memorandum
Bank Asia 4th Subordinated Bond

12.5 Balance Sheet

Bank Asia PLC.
Balance Sheet as at 31 December 2023

Particulars	Notes	Amount in Taka	
		31 Dec 2023	31 Dec 2022
PROPERTY AND ASSETS			
Cash		21,776,877,853	25,797,153,695
In hand (including foreign currencies)	4.1	3,768,416,284	4,087,739,154
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4.2	18,008,461,569	21,709,414,541
Balance with other banks and financial institutions		23,576,754,230	39,580,907,052
In Bangladesh:	5.1	20,111,916,423	37,117,023,982
Outside Bangladesh	5.2	3,564,837,807	2,463,883,070
Money at call and on short notice	6	300,000,000	3,750,900,000
Investments	7	114,760,152,372	102,849,109,937
Government		106,782,762,756	94,746,403,719
Others		7,977,389,616	8,102,706,218
Loans and advances/investments	8	291,325,043,145	277,870,359,403
Loans, cash credits, overdrafts, etc/investments		275,845,342,560	254,502,783,718
Bills purchased and discounted		15,479,700,585	23,367,574,685
Fixed assets including premises, furniture and fixtures	9	5,878,418,753	5,615,910,981
Other assets	10	16,511,366,071	12,937,504,504
Non - banking assets			
Total assets		474,228,612,424	468,400,913,572
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	27,071,897,305	51,024,880,743
Subordinated non-convertible and perpetual bonds	11 (aa)	7,630,250,000	9,340,000,000
Deposits and other accounts	12	361,617,147,912	337,695,417,437
Current/M-wadcaah current accounts and other accounts		73,474,263,579	68,376,440,602
Bills payable		3,958,476,129	4,167,914,951
Savings bank/Mudaraba savings bank deposits		83,493,763,110	78,812,880,761
Fixed deposits/Mudaraba fixed deposits		200,690,643,094	186,338,181,123
Bearer certificates of deposit			
Other deposits			
Other liabilities	13	48,339,788,323	41,701,194,297
Total liabilities		444,769,083,540	439,760,672,477
Capital/shareholders' equity			
Total shareholders' equity		29,519,528,884	28,640,251,095
Paid-up capital	14.2	11,639,068,600	11,639,068,600
Statutory reserve	15	11,750,000,000	11,750,000,000
General and other reserve	15.1	8,166,144	8,166,144
Revaluation reserve	16	2,685,555,009	2,117,047,124
Retained earnings	17	3,416,739,131	3,105,969,227
Total liabilities and shareholders' equity		474,228,612,424	468,400,913,572
Net Assets Value per Share		25.33	24.56


Zahid Hasan
Deputy Company Secretary
Bank Asia PLC.


Mohammad Ibrahim Khalil, FCA
Chief Financial Officer
Bank Asia PLC
Corporate Office, Dhaka.


Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office

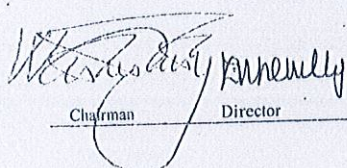
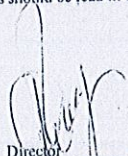

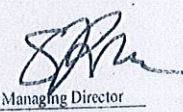


Information Memorandum
Bank Asia 4th Subordinated Bond

Balance Sheet as at 31 December 2023

		Amount in Taka	
Particulars	Notes	31 Dec 2023	31 Dec 2022
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	18	147,312,053,915	151,805,089,469
Acceptances and endorsements		57,164,035,754	57,460,996,543
Letters of guarantee		31,450,162,015	38,212,129,085
Irrevocable letters of credit		37,281,132,915	28,775,250,089
Bills for collection		21,416,723,231	27,356,713,752
Other contingent liabilities		-	-
Other commitments		4,812,658,170	1,758,182,995
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		4,812,658,170	1,758,182,995
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total off-balance sheet items including contingent liabilities		152,124,712,085	153,563,272,464

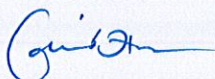
These Financial Statements should be read in conjunction with the annexed notes

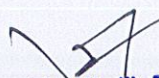
 Chairman
 Director
 Director
 Managing Director

Auditors' Report to the Shareholders
see our annexed report of even date

Dhaka, April 28, 2024
DVC: 2404290535AS213655

Nasir U Ahmed, FCA, FCS, CGMA, ACMA
(UK), ICA (England & Wales)
Enrolment no: 535
MABS & J Partners
Chartered Accountants


Zahid Hasan
 Deputy Company Secretary
 Bank Asia PLC.


Mohammad Ibrahim Khalil, FCA
 Chief Financial Officer
Bank Asia PLC
 Corporate Office, Dhaka.


Sohail R K Hussain
 Managing Director
Bank Asia PLC.
 Corporate Office



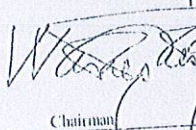
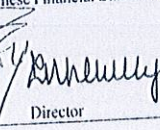

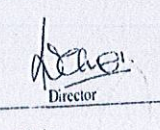

Information Memorandum
Bank Asia 4th Subordinated Bond

12.6 Income Statement

Bank Asia PLC.
Profit and Loss Account
for the year ended 31 December 2023

Particulars	Notes	Amount in Taka	
		31 Dec 2023	31 Dec 2022
OPERATING INCOME	20	23,287,064,761	20,423,046,139
Interest income	21	17,053,991,947	14,916,319,233
Interest paid on deposits and borrowings, etc		6,233,072,814	5,506,726,906
Net interest income	22	8,376,526,748	6,270,764,596
Investment income	23	4,977,401,004	7,316,183,898
Commission, exchange and brokerage	24	1,386,508,710	1,138,685,128
Other operating income		14,740,436,462	14,725,633,622
		20,973,509,276	20,232,360,528
Total operating income (A)		5,243,365,548	5,045,556,865
OPERATING EXPENSES	25	625,902,063	578,252,761
Salaries and allowances	26	28,538,049	25,413,828
Rent, taxes, insurance, electricity, etc	27	190,046,039	153,111,892
Legal expenses	28	168,260,355	174,289,799
Postage, stamp, telecommunication, etc	29	13,510,000	18,854,125
Stationery, printing, advertisements, etc	30	3,776,000	3,024,000
Managing Director's salary and fees	31	1,753,000	955,000
Directors' fees	32	998,916,525	2,582,537,751
Auditors' fees	33	2,168,700,864	953,559,563
Depreciation and repairs of Bank's assets	34	9,442,768,443	9,537,555,584
Other expenses		11,530,740,833	10,694,804,944
Total operating expenses (B)		2,287,961,643	2,467,292,000
Profit before provision (C=A-B)		4,211,938,220	1,726,641,239
Provision for loans and advances/investments		6,499,899,863	4,193,933,239
General provision	13.1.1 & 2	195,000,000	(295,000,000)
Specific provision	13.1.3	90,000,000	-
Provision for off-balance sheet items	13.1.7	50,000,000	250,000,000
Provision for diminution in value of investments	13.1.8 & 9	6,834,899,863	4,148,933,239
Other provisions	34(b)	4,695,840,970	6,545,871,705
Total provision (D)		2,300,000,000	3,500,000,000
Total profit before tax (C-D)		2,300,000,000	3,500,000,000
Provision for taxation	13.1.5	2,395,840,970	3,045,871,705
Current tax		-	-
Deferred tax		-	-
Net profit after tax		389,926,028	1,024,556,060
Appropriations	15	389,926,028	25,016,438
Statutory reserve		389,926,028	1,049,572,498
Coupon/dividend on perpetual bond		2,005,914,942	1,996,299,207
Retained surplus	37 (b)	1.72	2.61
Earnings Per Share (EPS)			

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

 Chairman
 Director
 Director
 Director
 Managing Director

Auditors' Report to the Shareholders
see our annexed report of even date

Nasir U Ahmed, FCA, FCS, CGMA, ACMA
(UK), FCA (England & Wales)
Enrolment no: 535
MABS & J Partners
Chartered Accountants

Dhaka, April 28, 2024
DVC: 2404290535AS213655


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Deputy Company Secretary
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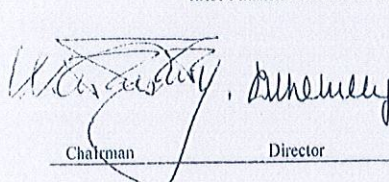

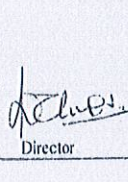


Information Memorandum
Bank Asia 4th Subordinated Bond

12.7 Statement of Cash Flows

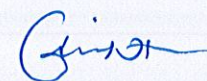
Bank Asia PLC.
Cash Flow Statement
for the year ended 31 December 2023

Particulars	Notes	Amount in Taka	
		31 Dec 2023	31 Dec 2022
Cash flows from operating activities (A)			
Interest receipts		29,726,397,678	26,871,086,472
Interest payments		(17,550,748,656)	(15,543,994,302)
Dividends receipts		527,036,928	88,244,680
Fees and commission receipts		4,977,401,004	7,316,183,898
Recoveries on loans previously written off		326,055,141	347,148,119
Cash payment to employees		(5,142,531,005)	(5,001,178,311)
Cash payment to suppliers		(265,780,936)	(291,509,279)
Income tax paid		(2,809,151,843)	(2,498,150,041)
Receipts from other operating activities		2,028,293,888	1,192,431,104
Payments for other operating activities		(3,032,226,015)	(3,362,149,357)
Operating profit before changes in operating assets & liabilities		8,784,746,184	9,118,112,983
Increase/(decrease) in operating assets and liabilities			
Loans and advances to customers and banks		(13,454,684,742)	(15,603,656,638)
Other assets		(400,309,832)	348,218,683
Deposits from customers and banks		23,921,730,475	19,912,982,535
Trading liabilities		(23,952,183,438)	3,187,929,375
Other liabilities		(1,658,375,958)	(386,603,576)
Net Increase/(decrease) in operating assets and liabilities		(15,543,823,495)	7,458,870,379
Net cash flows from operating activities		(6,759,077,311)	16,576,983,362
Cash flows from investing activities (B)			
Investments in treasury bills, bonds and others		(12,036,359,037)	(24,056,115,796)
Sale/(Purchase) of trading securities		125,316,602	(1,771,803,620)
(Purchase)/disposal of fixed assets including right-of-use assets		(417,476,445)	(303,616,279)
Net cash flows from/(used in) investing activities		(12,328,518,880)	(26,131,535,695)
Cash flows from financing activities (C)			
Issuance of perpetual bond		340,250,000	3,340,000,000
Coupon/dividend paid on perpetual bond		(389,926,028)	(25,016,438)
Adjustment of subordinated non-convertible bond		(2,000,000,000)	(2,600,000,000)
Payments for lease liability		(487,848,255)	(410,573,674)
Dividend paid (cash dividend)		(1,748,860,290)	(1,748,860,290)
Net cash flows from/(used in) financing activities		(4,286,384,573)	(1,444,450,402)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(23,373,980,764)	(10,999,002,735)
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the year		69,130,565,847	80,129,568,582
Cash and cash equivalents at the end of the year		45,756,585,083	69,130,565,847
Cash and cash equivalents:			
Cash		3,768,416,284	4,087,739,154
Balance with Bangladesh Bank and its agent bank(s)		18,008,461,569	21,709,414,541
Balance with other banks and financial institutions		23,676,754,230	39,580,907,052
Money at call and on short notice		300,000,000	3,750,000,000
Prize bonds		2,953,000	2,505,100
		45,756,585,083	69,130,565,847
Net Operating Cash Flows per Share		(5.80)	14.22

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

 Chairman
 Director
 Director
 Director
 Managing Director




 Zahid Hasan
 Deputy Company Secretary
 Bank Asia PLC.


 Mohammad Ibrahim Khalil, FCA
 Chief Financial Officer
 Bank Asia PLC
 Corporate Office, Dhaka.


 Sohail R K Hussain
 Managing Director
 Bank Asia PLC.
 Corporate Office



Information Memorandum
Bank Asia 4th Subordinated Bond

12.8 Statement of Changes of Equity

Bank Asia PLC.
Statement of Changes in Equity for the year ended 31 December 2023

Particulars	Paid-up capital	Statutory reserve	Revaluation reserve	General and other reserve	Retained earnings	Total
Balance as at 01 January 2022	11,659,068,600	10,725,443,940	2,159,144,877	8,166,144	2,804,815,058	27,356,638,619
Transferred during the year	-	1,024,556,060	-	-	(1,024,556,060)	-
Adjustment on revaluation of fixed assets and other investment	-	-	11,617,499	-	-	11,617,499
Transferred to retained earnings	-	-	(53,715,252)	-	53,715,252	-
Cash dividend paid	-	-	-	-	(1,748,860,290)	(1,748,860,290)
Coupon/dividend on perpetual bond	-	-	-	-	(25,016,438)	(25,016,438)
Net profit for the year	-	-	-	-	3,045,871,705	3,045,871,705
Balance as at 31 December 2022	11,659,068,600	11,750,000,000	2,117,047,124	8,166,144	3,105,969,227	28,640,251,095
Adjustment on revaluation of fixed assets and other investment	-	-	622,223,137	-	-	622,223,137
Transferred to retained earnings	-	-	(53,715,252)	-	53,715,252	-
Cash dividend paid	-	-	-	-	(1,748,860,290)	(1,748,860,290)
Coupon/dividend on perpetual bond	-	-	-	-	(389,926,028)	(389,926,028)
Net profit for the year	-	-	-	-	2,395,840,970	2,395,840,970
Balance as at 31 December 2023	11,659,068,600	11,750,000,000	2,685,555,009	8,166,144	3,416,739,131	29,519,528,884

[Signature] Chairman
[Signature] Director
[Signature] Director
[Signature] Managing Director

[Signature]

[Signature]
Zahid Hasan
Deputy Company Secretary
Bank Asia PLC.

[Signature]
Mohammad Ibrahim Khalil, FCA
Chief Financial Officer
Bank Asia PLC
Corporate Office, Dhaka.

[Signature]
Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office



Section 13: Comparative Financial Statements of Bank Asia PLC

13.1 Consolidated Balance Sheet

Bank Asia PLC Consolidated Balance Sheet					
Particulars	2023	2022	2021	2020	2019
PROPERTY AND ASSETS					
Cash	21,776,999,205	25,797,237,229	33,365,082,062	17,902,027,343	23,986,604,446
Cash in Hand (including foreign currency)	3,768,537,636	4,087,822,688	3,609,634,979	2,965,195,036	3,242,877,542
Balance with Bangladesh Bank and Agent Bank(s) (including foreign currency)	18,008,461,569	21,709,414,541	29,755,447,083	14,936,832,307	20,743,726,904
Balance with Other Banks and Financial Institutions	24,131,298,642	39,983,468,523	41,288,613,589	32,103,518,897	23,634,997,570
In Bangladesh	20,332,861,708	37,345,770,086	39,659,087,772	29,965,987,826	19,875,113,514
Outside of Bangladesh	3,798,436,934	2,637,698,437	1,629,525,817	2,137,531,071	3,759,884,056
Money at Call End on Short Notice	300,000,000	3,750,000,000	6,400,000,000	-	4,600,000,000
Investments	115,801,404,654	103,838,255,588	77,951,433,954	94,906,810,728	55,526,971,926
Government Securities	106,782,762,756	94,746,403,719	70,690,287,923	90,042,129,622	52,197,323,349
Other Investments	9,018,641,898	9,091,851,869	7,261,146,031	4,864,681,106	3,329,648,577
Loans and Advances	294,072,425,920	280,591,467,444	264,999,483,971	247,331,848,282	230,095,211,871
Loans, Cash, Credit, Overdrafts, investments, etc.	278,592,725,335	257,223,892,759	236,976,500,176	231,157,148,714	210,835,675,997
Bills Purchased and Discounted	15,479,700,585	23,367,574,685	28,022,983,795	16,174,699,568	19,259,535,874
Fixed Assets Including Premises, Furniture, and Fixtures	5,957,156,399	5,704,012,877	6,145,270,470	6,814,103,400	7,065,893,231
Other Assets	14,594,095,342	11,057,689,200	10,876,307,392	11,994,598,408	10,810,548,234
Non-Banking Assets	-	-	-	-	-
Total Assets	476,633,380,162	470,722,130,861	441,026,191,438	411,052,907,058	355,720,227,278
LIABILITIES AND CAPITAL					
Liabilities					
Borrowing from other Banks, FIs, and Agents	27,071,897,305	51,024,080,743	47,836,151,368	35,971,854,941	34,382,128,495
Subordinated Non-convertible Perpetual Bonds	7,680,250,000	9,340,000,000	8,600,000,000	10,200,000,000	11,800,000,000
Deposits and Other Accounts	361,800,728,744	337,853,124,886	318,424,929,865	303,493,914,448	254,077,526,668
Current/Al-wadeeah current accounts and other accounts	73,657,844,411	68,534,148,051	64,292,866,731	59,823,653,764	47,821,635,983
Bills payable	3,958,476,129	4,167,914,951	3,978,312,853	3,747,868,764	3,742,697,471
Savings bank/Mudaraba savings bank deposits	83,493,765,110	78,812,880,761	79,212,048,790	64,167,247,193	48,293,710,027
Fixed deposits/Mudaraba fixed deposits	-	-	170,941,701,491	175,755,144,727	154,219,483,187
Bearer certificates of deposit	200,690,643,094	186,338,181,123	-	-	-
Other Deposits	-	-	-	-	-
Other Liabilities	50,677,766,435	44,041,087,583	38,961,364,845	34,178,739,042	30,873,993,667
Total Liabilities	447,230,642,484	442,258,293,212	413,822,446,078	383,844,508,431	331,133,648,830
Capital/Shareholders' Equity					
Paid-up capital	11,659,068,600	11,659,068,600	11,659,068,600	11,659,068,600	11,659,068,600
Statutory reserve	11,750,000,000	11,750,000,000	10,725,443,940	9,844,096,744	9,052,555,407
General and other reserve	10,257,013	9,926,531	8,317,091	8,166,144	2,065,683,636
Revaluation reserve	2,685,555,009	2,117,047,124	2,159,144,877	3,777,946,202	8,166,144
Retained earnings	3,350,452,926	2,957,002,831	2,650,999,337	1,918,254,038	1,800,257,979
Foreign currency translation reserve	(52,606,167)	(29,217,722)	761,241	856,701	836,486
Non-controlling interest	10,297	10,285	10,274	10,198	10,196
Total Shareholders' Equity	29,402,737,678	28,463,837,649	27,203,745,360	27,208,398,627	24,586,578,448
Total Liabilities and Stockholders' Equity	476,633,380,162	470,722,130,861	441,026,191,438	411,052,907,058	355,720,227,278
NAV Per Share	25.22	24.41	23.33	23.34	21.09
Diluted NAV Per Share (considering share money deposit)					
OFF-BALANCE SHEET ITEMS					
Contingent Liabilities					
Acceptances and Endorsements	57,164,035,754	57,460,996,543	62,539,512,475	36,015,850,212	39,192,489,873


 Zahid Hasan
 Deputy Company Secretary
 Bank Asia PLC.

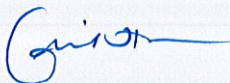

 Mohammad Ibrahim Khalil, FCA
 Chief Financial Officer
 Bank Asia PLC
 Corporate Office, Dhaka.


 Sohail R K Hussain
 Managing Director
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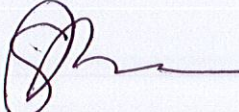


Information Memorandum
Bank Asia 4th Subordinated Bond

Letters of Guarantee	31,450,162,015	38,212,129,085	37,395,583,594	36,612,599,301	36,999,351,447
Irrevocable Letters of Credit	37,281,132,915	28,775,250,089	46,608,780,719	29,751,789,131	26,468,819,479
Bills for Collection	21,416,723,231	27,356,713,752	24,377,029,730	15,897,303,598	15,916,199,719
Other Contingent Liabilities	-	-	-	-	-
Total	147,312,053,915	151,805,089,469	170,920,906,518	118,277,542,242	118,576,860,518
Other Commitments	4,812,658,170	1,758,182,995	3,044,625,874	3,912,885,538	2,040,416,443
Documentary Credit and Short-Term Trade Related Transactions	-	-	-	-	-
Forward Assets Purchased and Forward Deposit Placed	4,812,658,170	1,758,182,995	3,044,625,874	3,912,885,538	2,040,416,443
Undrawn Note Issuance and Revolving Underwriting Facilities	-	-	-	-	-
Undrawn Formal Standby Facilities, Credit Lines, and Other Commitments	-	-	-	-	-
Total Off-Balance Sheet Exposures Including Contingent Liabilities	152,124,712,085	153,563,272,464	173,965,532,392	122,190,427,780	120,617,276,961


Zahid Hasan
Deputy Company Secretary
Bank Asia PLC.


Mohammad Ibrahim Khalil, FCA
Chief Financial Officer
Bank Asia PLC
Corporate Office, Dhaka.

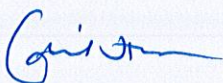

Sohail R K Hussain
Managing Director
Bank Asia PLC.
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Information Memorandum
Bank Asia 4th Subordinated Bond

13.2 Consolidated Income Statement

Bank Asia PLC Consolidated Income Statement					
Particulars	2023	2022	2021	2020	2019
Interest Income/Profit on Investment	23,380,598,457	20,484,449,300	18,422,217,336	18,117,563,686	22,974,067,272
Interest Paid on Deposits, Borrowings, etc.	17,067,340,832	14,937,341,626	12,727,962,811	14,926,706,536	14,464,586,306
Net Interest Income	6,313,257,625	5,547,107,674	5,694,254,525	3,190,857,150	8,509,480,966
Investment Income	8,376,526,748	6,270,764,596	6,848,834,433	6,484,398,100	3,293,064,994
Commission, Exchange, and Brokerage	5,343,451,964	7,655,343,919	3,562,596,602	2,653,972,061	3,495,510,223
Other Operating Income	1,434,619,446	1,217,933,416	1,185,321,692	1,069,174,361	1,052,116,649
	15,154,598,158	15,144,041,931	11,596,752,727	10,207,544,522	7,840,691,866
Total Operating Income	21,467,855,783	20,691,149,605	17,291,007,252	13,398,401,672	16,350,172,832
Salary and Allowances	5,407,923,206	5,180,307,624	3,995,021,349	3,638,898,248	3,360,493,052
Rent, Taxes, Insurance, Electricity, etc.	660,014,031	606,906,079	505,031,922	463,933,944	471,721,301
Legal Expenses	29,102,855	26,343,367	17,558,765	13,751,716	22,218,779
Postage, Stamp, Telecommunications, etc.	194,332,541	157,490,802	121,249,030	128,312,780	126,842,671
Stationery, Printing, Advertisements, etc.	174,362,072	177,671,713	118,856,850	150,030,731	159,503,843
Managing Director's Salary & Fees	13,510,000	18,854,125	20,401,265	19,262,968	16,572,420
Directors' Fees	4,320,500	3,464,000	4,359,000	3,483,000	3,726,400
Audit Fees	4,436,683	3,639,789	3,397,350	2,978,246	3,440,259
Depreciation and Repair of Bank's Assets	1,026,382,290	979,550,708	888,405,435	875,119,333	842,466,683
Other Expenses	2,233,858,750	2,667,684,970	2,064,272,614	1,995,821,074	1,914,318,567
Total Operating Expenses	9,748,242,928	9,821,913,177	7,738,553,580	7,291,592,040	6,921,303,975
Profit/(Loss) Before Provision	11,719,612,855	10,869,236,428	9,552,453,672	6,106,809,632	9,428,868,857
Provision for Loans and Advances	6,554,652,511	4,293,933,239	4,343,239,734	1,760,780,294	5,689,030,046
Provision for Off-Balance Sheet Exposures	195,000,000	(295,000,000)	485,000,000	43,349,415	(196,376,913)
Provision for Diminution in Value of Investments	90,000,000	-	51,208,223	180,000,000	(66,065,312)
Other Provisions	50,000,000	250,000,000	150,000,000	137,000,000	25,000,000
Total Provisions	6,889,652,511	4,248,933,239	5,029,447,957	2,121,129,709	5,451,587,821
Total Profit Before Taxes	4,829,960,344	6,620,303,189	4,523,005,715	3,985,679,923	3,977,281,036
Provision for Taxes					
Current Tax Expense	2,351,108,689	3,567,972,708	1,794,735,436	1,961,192,514	2,019,469,389
Deferred Tax Income/(Expense)	-	-	-	-	-
Total Provision for Tax	2,351,108,689	3,567,972,708	1,794,735,436	1,961,192,514	2,019,469,389
Net Profit After Taxes	2,478,851,655	3,052,330,481	2,728,270,279	2,024,487,409	1,957,811,647
Retained Earnings from Previous Year					
	2,478,851,655	3,052,330,481	2,728,270,279	2,024,487,409	1,957,811,647
Appropriations					
Statutory Reserve	-	1,024,556,060	881,347,196	791,541,337	784,162,228
Coupon/dividend on perpetual bond	389,926,028	25,016,438	-	-	-
General and other reserve	330,482	1,609,440	150,947	-	-
1% Start-up Fund	-	-	-	-	-
Total	390,256,510	1,051,181,938	881,498,143	791,541,337	784,162,228
Retained Surplus/(Deficit)	2,088,595,145	2,001,148,543	1,846,772,136	1,232,946,072	1,173,649,419
Earnings Per Share (EPS)	1.79	2.62	2.34	1.74	1.68


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Deputy Company Secretary
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Chief Financial Officer
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Managing Director
Bank Asia PLC.
Corporate Office



13.3 Consolidated Statement of Cash Flows

Bank Asia PLC Consolidated Statement of Cash Flows					
Particulars	2023	2022	2021	2020	2019
Cash Flows from Operating Activities					
Interest Receipts in Cash	29,935,924,383	27,031,367,925	22,884,554,255	23,359,993,236	25,393,562,346
Interest Payments	(17,680,090,550)	(15,663,894,987)	(13,639,906,156)	(14,933,189,503)	(14,444,046,102)
Dividend Receipts	527,036,928	88,244,680	136,087,793	15,280,460	51,407,464
Fees, Commissions, Brokerage, etc.	5,343,451,964	7,655,343,919	3,562,596,602	2,653,972,061	3,495,510,223
Recoveries of Loans Previously Written Off	326,055,141	347,148,119	287,429,432	183,636,137	145,983,239
Cash Payments to Employees	(5,307,088,663)	(5,135,929,070)	(3,816,090,219)	(3,674,692,886)	(3,367,078,233)
Cash Payments to Suppliers	(271,882,653)	(294,891,193)	(214,258,327)	(225,693,469)	(232,488,003)
Income Taxes Paid	(2,860,185,854)	(2,569,789,573)	(1,310,722,518)	(2,474,031,947)	(2,121,219,144)
Receipts from Other Operating Activities	2,076,404,624	1,271,679,392	3,453,659,983	2,007,097,543	1,077,007,651
Payments for Other Operating Activities	(3,139,575,360)	(3,484,383,132)	(2,736,269,946)	(2,627,543,728)	(2,558,840,397)
Operating Cash Flows Before Changes in Operating Assets and Liabilities	8,950,049,960	9,244,896,080	8,607,080,899	4,284,827,904	7,439,799,044
Increase/(Decrease) in Operating Assets and Liabilities					
Loans and Advances to Customers	(13,480,958,476)	(15,591,983,473)	(17,667,635,689)	(15,516,163,259)	(13,378,765,853)
Other Assets	(538,335,941)	411,064,662	298,862,909	541,735,042	(680,913,355)
Deposits from Customers & Banks	23,947,603,858	19,428,195,021	14,931,015,417	49,416,387,780	31,342,634,891
Trading Liabilities	(23,952,183,438)	3,187,929,375	11,864,296,427	1,589,726,446	3,002,211,896
Other Liabilities	(1,563,578,265)	(565,596,792)	(279,683,390)	424,381,282	(983,438,889)
Cash Generated from Operating Activities	(15,587,452,262)	6,869,608,793	9,146,855,674	36,456,067,291	19,301,728,690
Net Cash Flow from Operating Activities	(6,637,402,302)	16,114,504,873	17,753,936,573	40,740,895,195	26,741,527,734
Cash Flows from Investing Activities					
Investments in treasury bills, bonds and others	(12,036,359,037)	(24,056,115,796)	19,351,841,699	(37,844,806,273)	(19,064,031,511)
Sale/(Purchase) of trading securities	73,209,971	(1,830,705,838)	(2,396,464,925)	(1,535,032,529)	81,262,027
(Purchase)/disposal of fixed assets including right-of-use assets	(435,024,064)	(306,931,836)	(474,428,366)	(457,571,585)	(983,551,320)
Net Cash Flows from Investing Activities	(12,398,173,130)	(26,193,753,470)	16,480,948,408	(39,837,410,387)	(19,966,320,804)
Cash Flows from Financing Activities					
Issuance of perpetual bond	340,250,000	3,340,000,000	-	-	-
Coupon/dividend paid on perpetual bond	(389,926,028)	(25,016,438)	-	-	-
Issuance of subordinated non-convertible bond	-	-	-	-	5,000,000,000
Adjustment of subordinated non-convertible bond	(2,000,000,000)	(2,600,000,000)	(1,600,000,000)	(1,600,000,000)	(600,000,000)
Payments for lease liability	(487,848,255)	(410,573,674)	(419,543,010)	(353,868,024)	(296,649,547)
Dividend paid (cash dividend)	(1,748,860,290)	(1,748,860,290)	(1,165,906,860)	(1,165,906,860)	(555,193,743)
Payment of Long-Term Borrowings	-	-	-	-	-
Borrowing from Other Banks and Financial Institutions and Agents	-	-	-	-	-
Receipts from Issue of Loan Capital and Debt Securities	-	-	-	-	-
Special Loan from Rupali Bank Ltd.	-	-	-	-	-
Capital Injection	-	-	-	-	-
Net Cash Flows from Financing Activities	(4,286,384,573)	(1,444,450,402)	(3,185,449,870)	(3,119,774,884)	3,548,156,710
Net Increase/Decrease in Cash	(23,321,960,005)	(11,523,698,999)	31,049,435,111	(2,216,290,076)	10,323,363,640
Effects of Exchange Rate Changes on Cash/Cash Equivalents	-	-	-	-	-
Cash/Cash Equivalents at the Beginning of the Year	69,533,210,852	81,056,909,851	50,007,474,740	52,223,764,816	41,900,401,176
Cash/Cash Equivalents at the End of the Year	46,211,250,847	69,533,210,852	81,056,909,851	50,007,474,740	52,223,764,816
Net Operating Cash Flow Per Share	(5.69)	(13.82)	15.23	34.94	22.94


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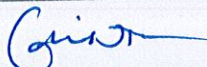

Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office



Information Memorandum
Bank Asia 4th Subordinated Bond

13.4 Consolidated Statement of Changes in Equity

Bank Asia PLC Consolidated Statement of Changes in Equity									
Particulars	Paid Up Capital	Statutory Reserve	Revaluation Reserve	General and other Reserve	Foreign currency translation Reserve	Retained Earnings	Total	Non-controlling interest	Total Equity
2023									
Balance as of Jan 01, 2023	11,659,068,600	11,750,000,000	2,117,047,124	9,926,531	(29,217,722)	2,957,002,831	28,463,827,363	10,285	28,463,837,649
Adjustment on revaluation of fixed assets and other investment			622,223,137				622,223,137		622,223,137
Transferred to retained earnings			(53,715,252)			53,715,252			-
Foreign currency translation for the year					(23,388,445)		(23,388,445)		(23,388,445)
Transferred to General and other reserve				330,482		(330,482)			
Cash dividend paid						(1,748,860,290)	(1,748,860,290)		(1,748,860,290)
Coupon/dividend on perpetual bond						(389,926,028)	(389,926,028)		(389,926,028)
Net profit for the year						2,478,851,643	2,478,851,643	12	2,478,851,643
Balance as of Dec 31, 2023	11,659,068,600	11,750,000,000	2,685,555,009	10,257,013	(52,606,167)	3,350,452,926	29,402,727,380	10,297	29,402,737,666
Balance as of Dec 31, 2022	11,659,068,600	11,750,000,000	2,117,047,124	9,926,531	(29,217,722)	2,957,002,831	28,463,827,363	10,285	28,463,837,649
2022									
Balance as of Jan 01, 2022	11,659,068,600	10,725,443,940	2,159,144,877	8,317,091	761,241	2,650,999,337	27,203,735,085	10,274	27,203,745,360
Transferred during the year		1,024,556,060				(1,024,556,060)			
Adjustment on revaluation of fixed assets and other investment			11,617,499				11,617,499		11,617,499
Transferred to retained earnings			(53,715,252)			53,715,252			
Foreign currency translation for the year					(29,978,963)		(29,978,963)		(29,978,963)
Transferred to General and other reserve				1,609,440		(1,609,440)			
Cash dividend paid						(1,748,860,290)	(1,748,860,290)		(1,748,860,290)
Coupon/dividend on perpetual bond						(25,016,438)	(25,016,438)		(25,016,438)
Net profit for the year						3,052,330,470	3,052,330,470	11	3,052,330,481
Balance as of Dec 31, 2022	11,659,068,600	11,750,000,000	2,117,047,124	9,926,531	(29,217,722)	2,957,002,831	28,463,827,363	10,285	28,463,837,649
Balance as of Dec 31, 2021	11,659,068,600	10,725,443,940	2,159,144,877	8,317,091	761,241	2,650,999,337	27,203,735,085	10,274	27,203,745,360
2021									
Balance as of Jan 01, 2021	11,659,068,600	9,844,096,744	3,777,946,202	8,166,144	856,701	1,918,254,038	27,208,388,428	10,198	27,208,398,627
Transferred during the year		881,347,196				(881,347,196)			
Adjustment on revaluation of fixed assets and other investment			(1,565,086,073)				(1,565,086,073)		(1,565,086,073)
Transferred to retained earnings			(53,715,252)			53,715,252			
Foreign currency translation for opening retained earnings						(1,835,153)	(1,835,153)		(1,835,153)


Zahid Hasan
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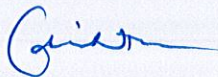

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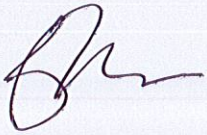


Information Memorandum
Bank Asia 4th Subordinated Bond

Foreign currency translation for the year					(95,460)		(95,460)		(95,460)
Transferred to General and other reserve			150,947			(150,947)			
Cash dividend paid						(1,165,906,860)	(1,165,906,860)		(1,165,906,860)
Coupon/dividend on perpetual bond									
Net profit for the year						2,728,270,203	2,728,270,203	76	2,728,270,279
Balance as of Dec 31, 2021	11,659,068,600	10,725,443,940	2,159,144,877	8,317,091	761,241	2,650,999,337	27,203,735,085	10,274	27,203,745,360
Balance as of Dec 31, 2020	11,659,068,600	9,844,096,744	3,777,946,202	8,166,144	856,701	1,918,254,038	27,208,388,428	10,198	27,208,398,627
2020									
Balance as of Jan 01, 2020	11,659,068,600	9,052,555,407	2,065,683,636	8,166,144	836,486	1,800,257,979	24,586,568,251	10,196	24,586,578,448
Transferred during the year		791,541,337				(791,541,337)			
Adjustment on revaluation of fixed assets and other investment			1,765,977,830				1,765,977,830		1,765,977,830
Transferred to retained earnings			(53,715,264)			53,715,264			
Foreign currency translation for opening retained earnings						(2,758,415)	(2,758,415)		(2,758,415)
Foreign currency translation for the year					20,215		20,215		20,215
Transferred to General and other reserve									
Cash dividend paid						(1,165,906,860)	(1,165,906,860)		(1,165,906,860)
Coupon/dividend on perpetual bond									
Net profit for the year						2,024,487,407	2,024,487,407	2	2,024,487,409
Balance as of Dec 31, 2020	-	-	1,712,262,566	-	20,215	909,537,396	2,621,820,177	10,198	27,208,398,627
Balance as of Dec 31, 2019	11,659,068,600	9,052,555,407	2,065,683,636	8,166,144	836,486	1,800,257,979	24,586,568,253	10,196	24,586,578,449
2019									
Balance as of Jan 01, 2019	11,103,874,860	8,268,393,179	2,120,032,204	8,166,144	2,462,381	1,686,898,121	23,189,826,890	11,799	23,189,838,689
Transferred during the year	-	784,162,228	-	-	-	(784,162,228)	-	-	-
Adjustment on revaluation of fixed assets and other investment	-	-	(633,304)	-	-	-	(633,304)	-	(633,304)
Transferred to retained earnings	-	-	(53,715,264)	-	-	53,715,264	-	-	-
Adjustment for Non-controlling Interest						1,693	1,693	(1,693)	-
Foreign currency translation for opening retained earnings	-	-	-	-	-	(3,618,945)	(3,618,945)	-	(3,618,945)
Foreign currency translation for the year	-	-	-	-	(1,625,895)	-	(1,625,895)	-	(1,625,895)
Issue of Bonus Shares	555,193,740	-	-	-	-	(555,193,740)	-	-	-
Cash dividend paid	-	-	-	-	-	(555,193,743)	(555,193,743)	-	(555,193,743)
Net profit for the year	-	-	-	-	-	1,957,811,557	1,957,811,557	90	1,957,811,647
Balance as of Dec 31, 2019	11,659,068,600	9,052,555,407	2,065,683,636	8,166,144	836,486	1,800,257,979	24,586,568,253	10,196	24,586,578,449


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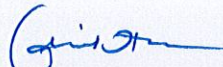

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Corporate Office



Information Memorandum
Bank Asia 4th Subordinated Bond

13.5 Balance Sheet

Bank Asia PLC Balance Sheet					
Particulars	2023	2022	2021	2020	2019
ASSETS					
Cash	21,776,877,853	25,797,153,695	33,364,884,587	17,899,782,364	23,985,692,079
Cash in Hand (Including Foreign Currencies)	3,768,416,284	4,087,739,154	3,609,437,504	2,962,950,057	3,241,965,175
Balance with Bangladesh Banks & Sonali Bank (Including Foreign Currencies)	18,008,461,569	21,709,414,541	29,755,447,083	14,936,832,307	20,743,726,904
Balance with Other Banks and Financial Institutions	23,676,754,230	39,580,907,052	40,361,469,795	31,480,907,697	23,113,553,804
In Bangladesh	20,111,916,423	37,117,023,982	38,950,215,157	29,455,358,540	19,491,968,105
Outside of Bangladesh	3,564,837,807	2,463,883,070	1,411,254,638	2,025,549,157	3,621,585,699
Money at Call and Short Notice	300,000,000	3,750,000,000	6,400,000,000	-	4,600,000,000
Investments	114,760,152,372	102,849,109,937	77,021,190,521	94,251,183,584	54,932,579,936
Government	106,782,762,756	94,746,403,719	70,690,287,923	90,042,129,622	52,197,323,349
Others	7,977,389,616	8,102,706,218	6,330,902,598	4,209,053,962	2,735,256,587
Loans and Advances	291,325,043,145	277,870,358,403	262,266,701,765	244,642,030,073	227,298,956,048
Loans, Cash, Credit, Overdrafts, etc.	275,845,342,560	254,502,783,718	234,243,717,970	228,467,330,505	208,039,420,174
Bills Purchased and Discounted	15,479,700,585	23,367,574,685	28,022,983,795	16,174,699,568	19,259,535,874
Fixed Assets Including Land, Buildings, Furniture, and Fixtures	5,878,418,753	5,615,910,981	6,039,141,904	6,708,655,006	7,025,602,707
Other Assets	16,511,366,071	12,937,503,504	12,839,899,861	13,978,128,282	12,843,989,123
Non-Banking Assets	-	-	-	-	-
Total Assets	474,228,612,424	468,400,943,572	438,293,288,433	408,960,687,006	353,800,373,697
LIABILITIES AND CAPITAL					
Liabilities					
Borrowing from Other Banks, Financial Institutions, and Agents	27,071,897,305	51,024,080,743	47,836,151,368	35,971,854,941	34,382,128,495
Subordinated Non-convertible Perpetual Bonds	7,680,250,000	9,340,000,000	8,600,000,000	10,200,000,000	11,800,000,000
Deposits from Other Accounts	361,617,147,912	337,695,417,437	317,782,434,902	303,028,106,360	253,709,574,615
Current and Other Accounts, etc.	73,474,263,579	68,376,440,602	63,650,371,768	59,357,845,676	47,453,683,930
Bills Payable	3,958,476,129	4,167,914,951	3,978,312,853	3,747,868,764	3,742,697,471
Savings Deposits	83,493,765,110	78,812,880,761	79,212,048,790	64,167,247,193	48,293,710,027
Fixed Deposits	200,690,643,094	186,338,181,123	170,941,701,491	175,755,144,727	154,219,483,187
Bearer Certificates	-	-	-	-	-
Other Deposits	-	-	-	-	-
Other Liabilities	48,339,788,323	41,701,194,297	36,718,063,544	32,379,830,134	29,163,552,669
Total Liabilities	444,709,083,540	439,760,692,477	410,936,649,814	381,579,791,435	329,055,255,779
Capital and Shareholders' Equity					
Paid Up Capital	11,659,068,600	11,659,068,600	11,659,068,600	11,659,068,600	11,659,068,600
Statutory Reserve	11,750,000,000	11,750,000,000	10,725,443,940	9,844,096,744	9,052,555,407
General Reserve	8,166,144	8,166,144	8,166,144	8,166,144	2,065,683,636
Assets Revaluation Reserve	2,685,555,009	2,117,047,124	2,159,144,877	3,777,946,202	8,166,144
Retained Earnings	3,416,739,131	3,105,969,227	2,804,815,058	2,091,617,881	1,959,644,131
Total Shareholders' Equity	29,519,528,884	28,640,251,095	27,356,638,619	27,380,895,571	24,745,117,918
Total Liabilities and Stockholders' Equity	474,228,612,424	468,400,943,572	438,293,288,433	408,960,687,006	353,800,373,697
OFF-BALANCE SHEET ITEMS					
Contingent Liabilities					
Acceptances and Endorsements	57,164,035,754	57,460,996,543	62,539,512,475	36,015,850,212	39,192,489,873
Letters of Guarantee	31,450,162,015	38,212,129,085	37,395,583,594	36,612,599,301	36,999,351,447
Irrevocable Letters of Credit	37,281,132,915	28,775,250,089	46,608,780,719	29,751,789,131	26,468,819,479
Bills for Collection	21,416,723,231	27,356,713,752	24,377,029,730	15,897,303,598	15,916,199,719
Other Contingent Liabilities (DC Notes)	-	-	-	-	-
Total Contingent Liabilities	147,312,053,915	151,805,089,469	170,920,906,518	118,277,542,242	118,576,860,518
Other Commitments	4,812,658,170	1,758,182,995	3,044,625,874	3,912,885,538	2,040,416,443
Documentary Credit and Short-Term Trade-Related Transactions	-	-	-	-	-
Forward Assets Purchased and Forward Deposits Placed	4,812,658,170	1,758,182,995	3,044,625,874	3,912,885,538	2,040,416,443


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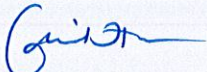

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Sohail R K Hussain
Managing Director
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Information Memorandum
Bank Asia 4th Subordinated Bond

Undrawn Note Issuance and Revolving Underwriting Facilities	-	-	-	-	-
Undrawn Formal Standby Facilities, Credit Lines, and Other Commitments	-	-	-	-	-
Total Off-Balance Sheet Exposure Including Contingent Liabilities	152,124,712,085	153,563,272,464	173,965,532,392	122,190,427,780	120,617,276,961


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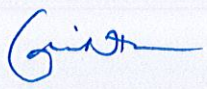

Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office



Information Memorandum
Bank Asia 4th Subordinated Bond

13.6 Income Statement

Bank Asia PLC Income Statement					
Particulars	2022	2022	2021	2020	2019
Interest Income	23,287,064,761	20,423,046,139	18,340,772,912	18,112,098,828	22,863,139,585
Interest Paid on Deposits, Borrowings, etc.	17,053,991,947	14,916,319,233	12,700,889,562	14,926,677,328	14,462,380,548
Net Interest Income	6,233,072,814	5,506,726,906	5,639,883,350	3,185,421,500	8,400,759,037
Investment Income	8,376,526,748	6,270,764,596	6,848,834,433	6,484,398,100	3,293,064,994
Commission, Exchange, and Brokerage	4,977,401,004	7,316,183,898	3,168,386,253	2,474,977,494	3,361,368,126
Other Operating Income	1,386,508,710	1,138,685,128	1,036,304,780	1,034,090,923	1,018,730,455
	14,740,436,462	14,725,633,622	11,053,525,466	9,993,466,517	7,673,163,575
Total Operating Income	20,973,509,276	20,232,360,528	16,693,408,816	13,178,888,017	16,073,922,612
Salary and Allowances	5,243,365,548	5,045,556,865	3,870,113,954	3,536,708,226	3,266,449,893
Rent, Taxes, Insurance, Electricity, etc.	625,902,063	578,252,761	480,758,487	440,514,478	440,093,246
Legal Expenses	28,538,049	25,413,828	16,556,291	13,111,596	20,534,559
Postage, Stamp, Telecommunications, etc.	190,046,039	153,111,892	118,317,263	125,950,752	124,471,658
Stationery, Printing, Advertisements, etc.	168,260,355	174,289,799	116,093,929	148,118,134	156,689,993
Managing Director's Salary & Fees	13,510,000	18,854,125	20,401,265	19,262,968	16,572,420
Directors' Fees	3,776,000	3,024,000	4,040,000	3,208,000	3,424,000
Audit Fees	1,753,000	955,000	977,625	853,000	1,478,225
Depreciation and Repair of Bank's Assets	998,916,525	955,559,563	866,249,276	849,791,740	834,076,015
Other Expenses	2,168,700,864	2,582,537,751	2,007,368,660	1,970,532,731	1,887,668,330
Total Operating Expenses	9,442,768,443	9,537,555,584	7,500,876,750	7,108,051,625	6,751,458,339
Profit/(Loss) Before Provision	11,530,740,833	10,694,804,944	9,192,532,066	6,070,836,392	9,322,464,273
Provision for Loans, Advances, & Investments	6,499,899,863	4,193,933,239	4,150,796,085	1,752,780,294	5,653,030,046
General Provision	2,287,961,643	2,467,292,000	(1,112,892,000)	2,166,139,871	2,847,887,484
Specific Provision	4,211,938,220	1,726,641,239	5,263,688,085	(413,359,577)	2,805,142,562
Provision for off-balance sheet items	195,000,000	(295,000,000)	485,000,000	43,349,415	(196,376,913)
Provision for diminution in value of investments	90,000,000	-	-	180,000,000	(80,000,000)
Other Provisions	50,000,000	250,000,000	150,000,000	137,000,000	25,000,000
Total Provisions	6,834,899,863	4,148,933,239	4,785,796,085	2,113,129,709	5,401,653,133
Total Profit Before Taxes	4,695,840,970	6,545,871,705	4,406,735,981	3,957,706,683	3,920,811,140
Provision for Taxes					
Current Tax Expense	2,300,000,000	3,500,000,000	1,700,000,000	1,922,000,000	1,960,000,000
Deferred Tax Income/(Expense)	-	-	-	-	-
Total Provision for Tax	2,300,000,000	3,500,000,000	1,700,000,000	1,922,000,000	1,960,000,000
Net Profit After Taxes	2,395,840,970	3,045,871,705	2,706,735,981	2,035,706,683	1,960,811,140
Appropriations					
Statutory Reserve	-	1,024,556,060	881,347,196	791,541,337	784,162,228
Coupon/Dividends on Perpetual Bond	389,926,028	25,016,438	-	-	-
Total	389,926,028	1,049,572,498	881,347,196	791,541,337	784,162,228
Retained Surplus/(Deficit)	2,005,914,942	1,996,299,207	1,825,388,785	1,244,165,346	1,176,648,912
Earnings Per Share (EPS)	1.72	2.61	2.32	1.75	


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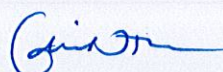

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Information Memorandum
Bank Asia 4th Subordinated Bond

13.7 Statement of Cash Flows

Bank Asia PLC Statement of Cash Flows					
Particulars	2023	2022	2021	2020	2019
Cash Flows from Operating Activities					
Interest Receipts in Cash	29,726,397,678	26,871,086,472	22,653,460,186	23,166,183,766	25,072,331,026
Interest Payments	(17,550,748,656)	(15,543,994,302)	(13,463,183,262)	(14,744,815,683)	(14,231,536,711)
Dividend Receipts	527,036,928	88,244,680	136,087,793	15,280,460	51,407,464
Fees, Commissions, Brokerage, etc.	4,977,401,004	7,316,183,898	3,168,386,253	2,474,977,494	3,361,368,126
Recoveries of Loans Previously Written Off	326,055,141	347,148,119	287,429,432	183,636,137	145,983,239
Cash Payments to Employees	(5,142,531,005)	(5,001,178,311)	(3,691,182,824)	(3,572,502,864)	(3,273,035,074)
Cash Payments to Suppliers	(265,780,936)	(291,509,279)	(211,495,406)	(223,780,872)	(229,674,153)
Income Taxes Paid	(2,809,151,843)	(2,498,150,041)	(1,215,831,944)	(2,429,453,826)	(2,051,736,653)
Receipts from Other Operating Activities	2,028,293,888	1,192,431,104	3,304,643,071	1,972,014,105	1,043,621,457
Payments for Other Operating Activities	(3,032,226,015)	(3,362,149,357)	(2,648,419,591)	(2,573,433,525)	(2,494,242,438)
Operating Cash Flows Before Changes in Operating Assets and Liabilities	8,784,746,184	9,118,112,983	8,319,893,708	4,268,105,192	7,394,486,283
Increase/(Decrease) in Operating Assets and Liabilities					
Loans and Advances to Customers	(13,454,684,742)	(15,603,656,638)	(17,624,671,692)	(15,213,028,151)	(13,519,492,993)
Other Assets	(400,309,832)	348,218,683	258,482,635	281,322,817	(708,379,076)
Deposits from Customers & Banks	23,921,730,475	19,912,982,535	14,754,328,542	49,318,531,745	31,237,858,371
Trading Liabilities	(23,952,183,438)	3,187,929,375	11,864,296,427	1,589,726,446	3,063,454,382
Other Liabilities	(1,658,375,958)	(386,603,576)	(406,708,893)	332,501,946	(950,432,513)
Cash Generated from Operating Activities	(15,543,823,495)	7,458,870,379	8,845,727,019	36,309,054,803	19,123,008,171
Net Cash Flow from Operating Activities	(6,759,077,311)	16,576,983,362	17,165,620,727	40,577,159,995	26,517,494,454
Cash Flows from Investing Activities					
Investments in Treasury Bills, Bonds, & Others	(12,036,359,037)	(24,056,115,796)	19,351,841,699	(37,844,806,273)	(19,064,031,511)
Sale/(Purchase) of Trading Securities	125,316,602	(1,771,803,620)	(2,121,848,636)	(1,473,797,375)	130,649,919
(Purchase)/Disposal of Fixed Assets	(417,476,445)	(303,616,279)	(463,213,899)	(457,571,585)	(950,140,783)
Net Cash Flows from Investing Activities	(12,328,518,880)	(26,131,535,695)	16,766,779,164	(39,776,175,233)	(19,883,522,375)
Cash Flows from Financing Activities					
Issuance of Perpetual Bond	340,250,000	3,340,000,000	-	-	-
Coupon/Dividend Paid on Perpetual Bond	(389,926,028)	(25,016,438)	-	-	-
Issuance of Subordinated Non-convertible Bond	-	-	-	-	5,000,000,000
Adjustment of Subordinated Non-convertible Bond	(2,000,000,000)	(2,600,000,000)	(1,600,000,000)	(1,600,000,000)	(600,000,000)
Payments for Lease Liability	(487,848,255)	(410,573,674)	(419,543,010)	(353,868,024)	(296,649,547)
Dividend Paid (Cash Dividend)	(1,748,860,290)	(1,748,860,290)	(1,165,906,860)	(1,165,906,860)	(555,193,743)
Net Cash Flows from Financing Activities	(4,286,384,573)	(1,444,450,402)	(3,185,449,870)	(3,119,774,884)	3,548,156,710
Net Increase/Decrease in Cash	(23,373,980,764)	(10,999,002,735)	30,746,950,021	(2,318,790,122)	10,182,128,789
Effects of Exchange Rate Changes on Cash/Cash Equivalents	-	-	-	-	-
Cash/Cash Equivalents at the Beginning of the Year	69,130,565,847	80,129,568,582	49,382,618,561	51,701,408,683	41,519,279,894
Cash/Cash Equivalents at the End of the Year	45,756,585,083	69,130,565,847	80,129,568,582	49,382,618,561	51,701,408,683
Cash & Cash Equivalents	45,756,585,083	69,130,565,847	80,129,568,582	49,382,618,561	51,701,408,683
Cash	3,768,416,284	4,087,739,154	3,609,437,504	2,962,950,057	3,241,965,175
Balance with Bangladesh Bank	18,008,461,569	21,709,414,541	29,755,447,083	14,936,832,307	20,743,726,904
Balance with Other Banks & FIs	23,676,754,230	39,580,907,052	40,361,469,795	31,480,907,697	23,113,553,804
Money at Call & Short Notice	300,000,000	3,750,000,000	6,400,000,000	-	4,600,000,000
Prize Bonds	2,953,000	2,505,100	3,214,200	1,928,500	2,162,800


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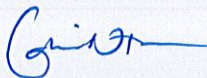

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Information Memorandum
Bank Asia 4th Subordinated Bond

13.8 Statement of Changes in Equity

Bank Asia PLC Statement of Changes in Equity						
Particulars	Paid Up Capital	Statutory Reserve	Revaluation Reserve	General and Other Reserve	Retained Earnings	Total
2023						
Balance as of Jan 01, 2023	11,659,068,600	11,750,000,000	2,117,047,124	8,166,144	3,105,969,227	28,640,251,095
Adjustment on revaluation of fixed assets and other investment			622,223,137			622,223,137
Transferred to retained earnings			(53,715,252)		53,715,252	
Cash dividend paid					(1,748,860,290)	(1,748,860,290)
Coupon/dividend on perpetual bond					(389,926,028)	(389,926,028)
Net profit for the year					2,395,840,970	2,395,840,970
Balance as of Dec 31, 2023	11,659,068,600	11,750,000,000	2,685,555,009	8,166,144	3,416,739,131	29,519,528,884
Balance as of Dec 31, 2022	11,659,068,600	11,750,000,000	2,117,047,124	9,926,531	2,957,002,831	28,463,827,363
2022						
Balance as of Jan 01, 2022	11,659,068,600	10,725,443,940	2,159,144,877	8,166,144	2,804,815,058	27,356,638,619
Transferred during the year		1,024,556,060			(1,024,556,060)	
Adjustment on revaluation of fixed assets and other investment			11,617,499			11,617,499
Transferred to retained earnings			(53,715,252)		53,715,252	
Cash dividend paid					(1,748,860,290)	(1,748,860,290)
Coupon/dividend on perpetual bond					(25,016,438)	(25,016,438)
Net profit for the year					3,045,871,705	3,045,871,705
Balance as of Dec 31, 2022	11,659,068,600	11,750,000,000	2,117,047,124	8,166,144	3,105,969,227	28,640,251,095
Balance as of Dec 31, 2021	11,659,068,600	10,725,443,940	2,159,144,877	8,166,144	2,804,815,058	27,356,638,619
2021						
Balance as of Jan 01, 2021	11,659,068,600	9,844,096,744	3,777,946,202	8,166,144	2,091,617,881	27,380,895,571
Transferred during the year		881,347,196			(881,347,196)	
Adjustment on revaluation of fixed assets and other investment			(1,565,086,073)			(1,565,086,073)
Transferred to retained earnings			(53,715,252)		53,715,252	
Cash dividend paid					(1,165,906,860)	(1,165,906,860)
Coupon/dividend on perpetual bond					2,706,735,981	2,706,735,981
Net profit for the year					2,804,815,058	2,804,815,058
Balance as of Dec 31, 2021	11,659,068,600	10,725,443,940	2,159,144,877	8,166,144	2,804,815,058	27,356,638,619
Balance as of Dec 31, 2020	11,659,068,600	9,844,096,744	3,777,946,202	8,166,144	2,091,617,881	27,380,895,571
2020						
Balance as of Jan 01, 2020	11,659,068,600	9,052,555,407	2,065,683,636	8,166,144	1,959,644,131	24,745,117,918
Transferred during the year		791,541,337			(791,541,337)	
Adjustment on revaluation of fixed assets and other investment			1,765,977,830			1,765,977,830
Transferred to retained earnings			(53,715,264)		53,715,264	
Cash dividend paid					(1,165,906,860)	(1,165,906,860)
Coupon/dividend on perpetual bond					2,035,706,683	2,035,706,683
Net profit for the year					2,091,617,881	2,091,617,881
Balance as of Dec 31, 2020	11,659,068,600	9,844,096,744	3,777,946,202	8,166,144	2,091,617,881	27,380,895,571
Balance as of Dec 31, 2019	11,659,068,600	9,052,555,407	2,065,683,636	8,166,144	1,959,644,131	24,745,117,918
2019						
Balance as of Jan 01, 2019	11,103,874,860	8,268,393,179	2,120,032,204	8,166,144	1,839,667,438	23,340,133,826
Transferred during the year	-	784,162,228	-	-	(784,162,228)	-
Adjustment on revaluation of fixed assets and other investment	-	-	(633,304)	-	-	(633,304)
Transferred to retained earnings	-	-	(53,715,264)	-	53,715,264	-
Issue of Bonus Shares	555,193,740	-	-	-	(555,193,740)	-
Cash dividend paid	-	-	-	-	(555,193,743)	(555,193,743)
Net profit for the year	-	-	-	-	1,960,811,140	1,960,811,140
Balance as of Dec 31, 2019	11,659,068,600	9,052,555,407	2,065,683,636	8,166,144	1,959,644,131	24,745,117,918


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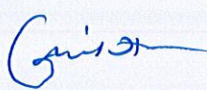

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Managing Director
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Section 14: Ratio Analysis of Bank Asia PLC (Consolidated)

	Particulars	2023	2022	2021	2020	2019
1	Current Ratio	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
2	Quick Ratio	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
3	Break-Even Point	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4	Debt-to-Equity	13.49	13.99	13.78	12.85	12.21
5	Debt-to-Assets	0.83	0.85	0.85	0.85	0.84
6	Account Receivable Turnover	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
7	Gross Margin	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
8	Operating Income	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
9	Net Income	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
10	Return on Assets	0.523%	0.670%	0.640%	0.528%	0.550%
11	Return on Equity	8.57%	10.97%	10.03%	7.82%	7.96%
12	EPS, Considering Share Money, BDT	1.79	2.62	2.34	1.74	1.68
13	NAV Per Share, BDT	25.22	24.41	23.33	23.34	21.09
14	Net Operating Cashflow to Net Income	(3.18)	(5.27)	6.51	20.08	13.65
15	Total Debt-to-Tangible Assets	66.84	70.11	61.24	51.50	42.64


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Information Memorandum
Bank Asia 4th Subordinated Bond

Section 15: Credit Rating Reports

15.1 Credit Rating Report of the Issue



EMERGING
Credit Rating Ltd
an independent house of risk assessment



September 22, 2024

Mr. Sohail R K Hussain
Managing Director

Bank Asia PLC.

32 & 34, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka 1215, Bangladesh

Subject: Initial credit rating report review of 'Bank Asia 4th Subordinated Bond'.

Dear Sir,

We are pleased to inform you that Emerging Credit Rating Limited (ECRL) has assigned the following rating to **Bank Asia 4th Subordinated Bond**.

Valid From	Valid Till	Rating Action	Long Term Rating	Outlook
June 12, 2024	June 11, 2025	Initial	AA _{B+}	Stable

The long-term rating is valid up to June 11, 2025. The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

We hope the rating will serve the intended purpose of your organization.

Yours Sincerely,

Arifur Rahman, FCCA, FCA, CSAA
Chief Executive Officer

Enclosed:

Three copies of credit rating report of **Bank Asia 4th Subordinated Bond**.

SHAMS Rangs, House -104, Park Road, Level- A1, A2 & A5, Baridhara Diplomatic Area, Dhaka-1212
Phone : +880 2 222 260 911, +880 2 222 260 897, Fax: +880 2 222 260 828, Web: www.emergingrating.com

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Deputy Company Secretary
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Mohammad Ibrahim Khalil, FCA
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Sohail R K Hussain
Managing Director
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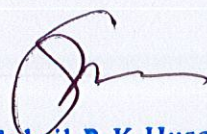


Information Memorandum
Bank Asia 4th Subordinated Bond

Credit Rating Report
Of
Bank Asia 4th Subordinated Bond


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Information Memorandum
Bank Asia 4th Subordinated Bond



EMERGING
Credit Rating Ltd

Bank Asia 4th Subordinated Bond Credit Rating Report

Corporate Bond Rating (Agreement Number: 2024-06-05-81357)

Valid From	Valid Till	Rating Action	Long Term Rating	Outlook
June 12, 2024	June 11, 2025	Initial	AA _B ⁺	Stable

* B denotes bond

Date of Incorporation	: September 28, 1999
Managing Director	: Mr. Sohail R K Hussain
Issue	: Unsecured, Non-convertible, and Fully Redeemable Floating Rate Subordinated Bonds of BDT 4,000.00 million
Program Tenor	: 7 Years
Issuer	: Bank Asia PLC.
Arranger	: City Bank Capital Resources Limited
Trustee	: BRAC EPL Investments Limited
Contact Analysts	: Rubaiya Hassan Lamia lamia@emergingrating.com Prosenjit Datta Kanongo prosenjit@emergingrating.com

Anur Rahman FCCA, FCA, CSAA
Chief Executive Officer
Emerging Credit Rating Limited

Credit
Analysis

Corporate Bond
Rating

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Emerging Credit Rating Ltd

CREDIT ANALYSIS

Corporate Bond Rating

2024 Initial Review

Bank Asia 4th Subordinated Bond

Major Rating Factors

- | | |
|-----------------------------|--|
| Strengths | <ul style="list-style-type: none"> 1. Previous track record of the issuer in successful issuance of Bonds. 2. Maintained CRR, SLR and CAR above the minimum regulatory requirement. 3. Growth in loan and deposit portfolio. 4. Increase in net interest income. |
| Challenge/
Risks | <ul style="list-style-type: none"> 1. Significant increase in NPL, despite increased reschedule and write-off. 2. Considerable fall in post-tax profit. |

Rationale

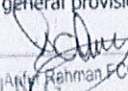
Emerging Credit Rating Limited (ECRL) has assigned long term credit rating **AA**s (Pronounced as 'Double A Bond') for Bank Asia PLC's "Bank Asia 4th Subordinated Bond" (hereinafter referred to as "Subordinate Bond" or "The Bond" or "The Issue") issuance BDT 4,000.00 million in issue size. The outlook on the rating is **Stable**. The rating is consistent with ECRL's methodology for this type of bond rating. ECRL considered financial performance, capital base, asset quality, management experience, liquidity and prospect of the industry and the likelihood of default of the bond while assigning the bond rating. **The initial rating report has been reviewed as per the current changes related to the issuer and the issue. As per Bangladesh Bank letter dated September 19, 2024 the issue size of the bond has been reduced to BDT 4,000.00 million. The rating was assigned on the basis of draft information memorandum, and draft agreements between the issuer and trustee provided by the entity in discussion and the rating may significantly change if the covenants in those agreements are altered.**

The rating reflects the strengths of the issuer which is backed by previous track record of the issuer in successful issuance of Bonds, maintaining CRR, SLR and CAR above the minimum regulatory requirement, growth in loan and deposit portfolio, and increase in net interest income. However, ECRL is concerned about significant increase in NPL, despite increased reschedule and write-off, and considerable fall in post-tax profit.

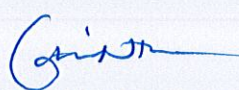
The Issue is an Unsecured, Non-convertible, and Fully Redeemable Floating Rate Subordinated Bond where City Bank Capital Resources Limited will act as the arranger and BRAC EPL Investments Limited will act as the trustee of the issue. BAPLC will issue the bond to raise Tier-II Regulatory Capital and strengthen the Capital base of the bank in accordance with "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework in line with Basel III)", regulated by Bangladesh Bank. The total issue size of the bond is BDT 4,000.00 million which will be issued through private placement. The tenor of the issue is 7 years. Interest on the bond will be paid semi-annually beginning at the end of 6 months from Drawdown Date/ Issue Date/ Coupon alignment date, as determined by tranches and listing procedures of the bond at the coupon rate. The bond will be redeemed in five equal annual installments starting from the end of 3rd year/36th month from the issue date.

In terms of performance of the issuer, BAPLC has maintained both Tier-I ratio and CRAR as per the regulatory requirement by Bangladesh Bank. Nevertheless, in the year of 2023, total capital of the bank has reduced by 11.82% owing to redemption of the sub-ordinated bond and decreasing the general provision against unclassified loan. On

Bank Asia 4th Subordinated Bond


Amir Rahman FCA, FCA, CSAA
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the other hand, risk weighted assets have reduced by 5.11% which led to a nominally decreased CRAR of 16.45% in FY2023 as opposed to 17.70% in the preceding year.

BAPLC's asset book had been experiencing a growing trend, but at a varying rate, mainly dominated by the fluctuating movement in loan portfolio which is the main component of total asset. However, in FY2023, the sluggish growth (FY2023:1.24%) of asset base of the bank is basically fueled by reducing the Balance with other banks and FIs (40.18% in FY2023). On the other hand, the loan portfolio, the largest contributor of the asset base, has also witnessed a moderate growth (4.84% in FY2023), reflecting the bank's performance in terms of growth of gross loans was weaker as compared to the industry average growth of 10.86% in FY2023. However, bank has sustained the rising trend in its investment portfolio by continuing to increase its investment in Government Securities considering the rising interest rate. ECRL has observed that the bank has reorganized its asset portfolio in FY2023, by reducing its concentration from cash, balance with other banks and FIs, money at call on short notice, and increasing its concentration in loans and advances, and investments.

The foremost vital factor to determine the asset quality is the concentration of gross non-performing loans (NPLs) to total loans of a bank. The NPL of the bank has increased significantly by 41.31% to BDT 19,510.36 million in FY2023 from BDT 13,519.79 million in the prior year. Since the rise in NPL has exceeded the gross loans growth, the NPL ratio inclined to 6.70% in FY2023 while it was 4.87% a year ago. During the year of 2023, BAPLC rescheduled a total loan of BDT 21,015.00 million which was higher than BDT 11,833.15 million in the previous year. Moreover, it wrote off BDT 4,779.60 million loan during FY2023 while it was BDT 1,148.59 million in FY2022. Despite increased reschedule and write-off, the bank could not control the NPL ratio in FY2023 owing to a large sum of newly classified loan. In line with this, the bank has recorded BDT 9,912.51 million as fresh NPL (3.40% of gross loans, 50.81% of Gross NPL) in FY2023. Consequently, at the end of the year, the NPLs, rescheduled loans and written-off loans together accounted for 15.55% of the loan book of the FI, rise from 9.54% in FY2022, marking a noticeable rise. However, the bank has maintained the required provision against loans and advances; and the provision provides 114.89% (145.05% in FY2022) coverage to its NPL, still providing adequate safety against non-performing loans.

The exposure to large loans including funded and non-funded loans exceeding 10% of the bank's total capital has declined by 11.82%, to reach BDT 40,659.09 million against 12 clients in FY2023 whereas it was BDT 46,111.11 million in the prior year as opposed to 9 clients; demonstrating decreased dependency on large loans.

The bank's deposit base grew by 7.08% in FY2023, up from 6.27% in FY2022. The most significant contribution of deposits came from term deposits, which made up 55.50% of overall deposits while bills payable contributed the least of 1.09% for the year. On the other hand, the loan to deposit ratio reached 72.48%, leaving further room for enhancing loan portfolio before collecting more deposit. In contrast, as the deposit base enlarged, the bank has reduced its dependency on interbank borrowings which now contributes 5.71% of total funding in FY2023, which was 10.89% in FY2022. In addition, the bank has successfully maintained and recorded surpluses of CRR, and SLR in line with Bangladesh Bank requirements.

By the end of 2023, the bank witnessed improvement of 13.19% in its net interest income, amounting to BDT 6,233.07 million, in contrast to a decline rate of 2.36% in the previous year, primarily facilitated by higher interest income. However, both interest income and interest expenses increased during FY2023, driven by expansion in the loan and deposit portfolios and rising interest rates due to implementation of SMART rate policy. However, due to increased interest spread of 3.63% in FY2023 compared to 3.27% compared to previous year, the net interest income of the bank has increased. In contrast, non-interest income of the bank has decreased by 0.10% (33.22% in FY2022), primarily attributed to significant decline of 46.03% in exchange gain as foreign exchange rate stabilized in FY2023. Finally, total operating income of the bank has stood at BDT 20,973.51 million, registering a modest increase of 3.66% in

Bank Asia 4th Subordinated Bond

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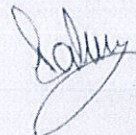
FY2023 compared to 21.20% incline in the former year. On the contrary, the decreasing operating cost and increasing operating income ultimately improved the pre-provision profit by 7.82%, totaling to BDT 11,530.74 million in FY2023 while it was BDT 10,694.80 million in FY2022. However, despite increased pre-provision profit, the pre-tax profit of the bank was considerably lower by 28.26% in FY2023, compared to previous year, as the provision expense of the bank rose massively by 64.74% in FY2023, compared to FY2022. Finally, the bank generated post tax profit of BDT 2,395.84 million in FY2023, lower substantially by 21.34% from BDT 3,045.87 million in FY2022.

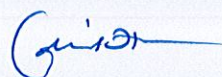
ECRL views the rating outlook as **Stable** due the bank's current business position and the possibility of maintaining similar business growth with regards to the pandemic in the coming year.

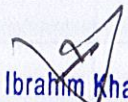
Exhibit 1: Financial Highlights: Bank Asia PLC.

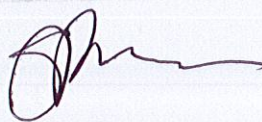
FY 31 December	2023	2022	2021	2020
Total Assets (BDT million)	474,228.61	468,400.94	438,293.29	408,717.15
Total Asset Growth (%)	1.24	6.87	7.17	15.52
Gross Loans (BDT Million)	291,325.04	277,870.36	262,266.70	244,642.03
Gross Loans Growth (%)	4.84	5.95	7.20	7.63
Deposits (BDT Million)	361,617.15	337,695.42	317,782.43	303,028.11
Deposit Growth (%)	7.08	6.27	4.87	19.44
Gross NPL Ratio (%)	6.70	4.87	5.14	3.24
Loan/Deposit Ratio (%)	72.48	68.17	65.58	69.42
Net Interest Income (BDT million)	6,233.07	5,506.73	5,639.88	3,185.42
Net Interest Income Growth (%)	13.19	(2.36)	77.05	(62.08)
Non-Interest Income (BDT million)	14,740.44	14,725.63	11,053.53	9,993.47
Non-Interest Income Growth (%)	0.10	33.22	10.61	30.24
Pre-Tax Profit (BDT million)	4,695.84	6,545.87	4,406.74	3,957.71
Post-Tax Profit	2,395.84	3,045.87	2,706.74	2,035.71
Post-Tax Profit Growth (%)	(21.34)	12.53	32.96	3.82
Post-Tax ROAE (%)	8.24	10.88	9.89	7.81
CRAR (%)	16.45	17.70	15.72	17.16

FY2020-FY2023 Data Extracted from Audited Financials


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A. BUSINESS DESCRIPTION

A.1. Company Background

Bank Asia PLC (BAPLC) is a commercial bank that was established as a public limited company under the Companies Act of 1994 and is controlled by the Banking Companies Act of 1991. On September 28, 1999, the bank received its Certificate of Incorporation, and on October 6, 1999, it received its banking license. On September 23, 2003, BAPLC went for its first public offering. Bank Asia PLC was founded by a group of successful entrepreneurs with a solid reputation in the community. The bank began operations with the goal of providing customers with modern and innovative banking products and services at a reasonable cost. The bank's commitment is to deliver modern, value-added banking services to all segments of society while maintaining the highest standards possible in a globalized world, using technological advancements. It made history when it acquired the business activities of the Bank of Nova Scotia in Dhaka, the first of its kind in Bangladeshi banking history and repeated the success by acquiring Muslim Commercial Bank Ltd (MCB), a well-known Pakistani bank's Bangladesh operations. Over the years, the bank's asset and liability growth has been impressive. The total asset base of the bank reached a strong position of BDT 474,228.61 million by the end of FY2023.

The bank also has significant involvement in its subsidiaries. Bank Asia Limited established the first subsidiary company 'Bank Asia Securities Limited' on August 04, 2010 followed by 'BA Exchange Company (UK) Limited' in London, United Kingdom on May 16, 2011 and lastly 'BA Express USA Inc.' in Jamaica, New York, USA on June 01, 2014. Bank Asia holds 99.99%, 100% and 100% shares of Bank Asia Securities Limited, BA Exchange Company (UK) Limited and BA Express USA Inc. respectively. Bank Asia Securities Limited (BASL) operates as a stock broker and stock dealer in the capital market while BA Exchange Company (UK) Limited and BA Express USA Inc. provides expatriates with a quick and secure way to send their hard-earned money home from the United Kingdom and the United States to Bangladesh.

A.2. Shareholding Structure

In order to cope with expanding operation and to strengthen its capital base over the course of business, the authorized capital and paid-up capital of the bank stood at BDT 15,000.00 million and BDT 11,659.07 million respectively as of December 31, 2023. The diagram illustrates the shareholding structure of BAPLC as on December 31, 2023. As on the mentioned date, the six categories: Sponsors & Directors, General Public, Foreign Investors, Investment Companies, Institutions, and Non-resident Bangladeshi represented 53.30%, 10.56%, 0.16%, 12.72%, 23.19% and 0.06% respectively of the total paid-up capital of the bank respectively as shown in the diagram.

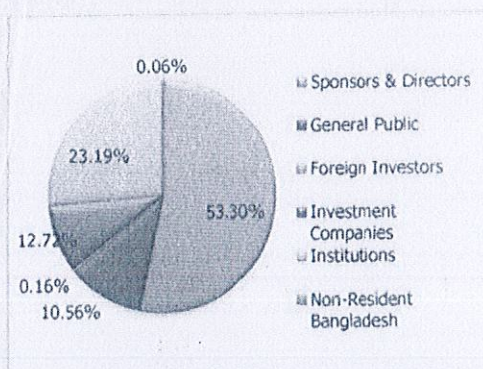
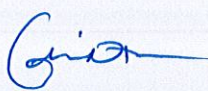



Figure 1: Shareholding structure of BAPLC

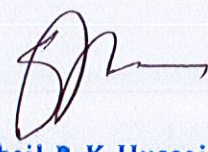
A.3. Operational Network

The corporate offices of the bank are situated in Karwan Bazar and Purana Paltan, Dhaka. Bank Asia Limited has a spread network of 135 branches and 217 ATM Booths across Bangladesh including 4 SME/Agri Branches and 4 SME Service Centers. The bank also has 5 branches for its Islamic Banking purpose. The largest concentration of branches is in the Dhaka region (71 branches) followed by Chattogram region (38 branches). The rest are distributed in Barishal (3), Khulna (7), Rajshahi (5), Sylhet (7), Rangpur (4) and Mymensingh (1). The bank's ATM booths are distributed as - Dhaka (128), Chattogram (55), Khulna (8), Rajshahi (9), Barishal (5), Sylhet (8), Rangpur (4) and Mymensingh (2). In addition, BAPLC has an extensive Agent Banking network with 5,051 outlets across 64 districts.




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A.4. Products & Services

BAPLC offers a wide range of commercial banking products and services such as corporate, retail, SME, and Islamic Banking products. The major heads of services are retail banking, corporate banking, SME banking, Islamic banking, agent banking, and digital banking. BAPLC provides all personal banking products like deposit, loan, and card services for its clients. Under retail products, BAPLC offers various savings account, current account, various deposit products etc. while also providing a number of loan facilities such as auto loan, home loan, Unsecured Personal Loan, Loan for Professionals and Senior Citizen Support. For SME clients, the bank offers various secured and unsecured loan facilities as well as special products such as festival loan, loan for woman entrepreneurs etc. In FY2022, The CMSE Department of the Bank has launched a new product titled "Start-up Term Loan"- to support completely new entrepreneurs and creative initiatives of entrepreneurs in order to innovate faster, create new jobs, develop technical skills. Bank Asia Limited provides financial and strategic advice and products to help corporate clients grow their operations. Corporate Banking provides a diverse range of services as General Corporate Finance, Work Order Financing, Export Finance, Project Finance, Off Shore Banking Unit, Cash Management, Syndication Finance etc. BAPLC also conducts Islamic banking which was started in 2008 and now the bank has five Islamic Banking Windows. The bank offers Islamic investment and financing facilities for SME, retail and corporate in addition to various Islamic deposit services. In FY2022, the bank has introduced 06 new Islamic banking products in the system.

The bank offers cash deposit, cash withdraw, cash transfer, inward foreign remittance, utility bill payment, insurance premium collection as well as SME loan processing, agricultural loan processing and debit/credit card processing through its Agent Banking network.

Besides those, the bank offers various credit card, debit card, ATM & CDM, internet banking, smart app, e-commerce, e-payment facilities under its digital banking division. Other than the above-mentioned services, the bank offers locker services, foreign remittance services, treasury services etc.

A.5. Market Share

BAPLC's loans & advances and deposit position were BDT 291,325.04 million and BDT 361,617.15 million respectively at December 31, 2023. Considering the banking industry as a whole, all scheduled banks' total loans & advances and deposit were BDT 15,383,429.00 million and BDT 17,491,322.50 million respectively at the end of December 2023. BAPLC contributed 1.89% of market share in terms of loans and advances and 2.07% of market share in terms of deposit at the end of 2023.

Figure 2: BAPLC's Market share by Loans & Advances

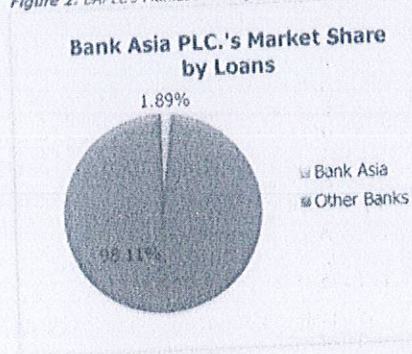
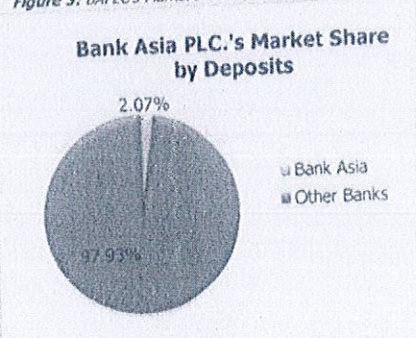


Figure 3: BAPLC's Market share by Deposits



A.6. Subordinated Bond Issuance Objective

The proposed bond will be issued to raise Tier-II Regulatory Capital and strengthen the Capital base of the bank in accordance with "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework in line with Basel III)", regulated by Bangladesh Bank. The proceeds from the issue will also be used for undertaking general business activities of the bank, which include strengthening the loan portfolio and investing in treasury securities.

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A.7. Structure of the Subordinated Bond and Terms

Exhibit 2: Structure of Subordinated Bond and terms

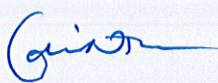
Particulars	Details														
Name of the Instrument	Bank Asia 4 th Subordinated Bond														
Issue Type	Unsecured, Non-convertible, and Fully Redeemable Floating Rate Subordinated Bonds														
Issuer	Bank Asia PLC														
Purpose and Objectives	To raise Tier-II Regulatory Capital and thereby enhancing its Capital to Risk-Weighted Asset Ratio (CRAR) as per "Guidelines on Risk Based Capital Adequacy" from Bangladesh Bank														
Arranger	City Bank Capital Resources Limited (CBCRL)														
Trustee	BRAC EPL Investments Limited														
Legal Counsel	Farooq & Associates														
Credit Rating Agency	Emerging Credit Rating Limited (ECRL) and Credit Rating Agency of Bangladesh Limited (CRAB)														
Issue Size	BDT 4,000,000,000 (Four Billion Taka)														
No. of Bonds to be issued	400 (Four Hundred)														
Face Value	BDT 10,000,000 (Ten Million Taka) per bond														
Minimum Subscription	BDT 10,000,000 (Ten Million Taka)														
Tenure	7 years														
Investors	Institutional investors, high net-worth individuals, and all other investors as eligible under relevant regulations														
Mode of Placement	Private placement on a best effort basis/ as per BSEC consent														
Rate of Return	Coupon rate														
Coupon Rate	Reference Rate + Coupon Margin														
Reference Rate	Average of upper limit of most recent month's fixed deposit rates (6-month tenure) of Private Commercial Banks (excluding Islamic & Foreign Banks). The issuer's 6-month tenure deposit rate to be considered at the time of calculating the average. The published deposit rate to be taken from "Announced Interest Rate Chart of Scheduled Banks (Deposit Rate)" published by Bangladesh Bank on its website. This will be fixed semiannually. The Reference Rate will be fixed by the trustee semiannually on the immediately preceding business day of the issuance and afterwards semi-annually throughout the tenure of the bond. For avoidance of doubt, the Reference Rate shall be calculated by the trustee and notified to the issuer and all investors on every Coupon Rate Determination Date														
Quotation Day	5 business days before the first day of any period for which a coupon rate is to be determined														
Coupon Margin	3.00% p.a.														
Coupon Payment	Semi-annually beginning at the end of 6 months from Drawdown Date/ Issue Date/ Coupon alignment date, as determined by tranches and listing procedures of the bond														
Repayment Schedule	<table border="1"> <thead> <tr> <th>Month</th><th>Redemption</th></tr> </thead> <tbody> <tr> <td>12</td><td>-</td></tr> <tr> <td>24</td><td>-</td></tr> <tr> <td>36</td><td>20% of Issue Size</td></tr> <tr> <td>48</td><td>20% of Issue Size</td></tr> <tr> <td>60</td><td>20% of Issue Size</td></tr> <tr> <td>72</td><td>20% of Issue Size</td></tr> </tbody> </table>	Month	Redemption	12	-	24	-	36	20% of Issue Size	48	20% of Issue Size	60	20% of Issue Size	72	20% of Issue Size
Month	Redemption														
12	-														
24	-														
36	20% of Issue Size														
48	20% of Issue Size														
60	20% of Issue Size														
72	20% of Issue Size														

Bank Asia 4th Subordinated Bond

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	84	20% of Issue Size
Prepayment, Call Refunding, Conversion Features	The bonds are non-convertible into ordinary shares, noncallable, and has no prepayment option	
Tax Features	According to the laws of Bangladesh	
Late Redemption	The Issuer shall pay a late payment penalty of 2% (two per cent) higher than the Coupon Rate and be payable on the amount not paid on the due date till the date of actual payment.	
Description of Collateral Security to be created against the issue:	Unsecured	
Listing:	As per regulatory requirement/ as per BSEC consent	
Transferability/Liquidity:	Freely transferable in accordance with the provisions of the Deed of Trust.	
Governing Law:	The Bonds are governed by and shall be construed in accordance with the existing laws of Bangladesh. Any dispute arising thereof shall be subject to the arbitration under Arbitration Act 2001.	

A.7.1 Repayment Schedule

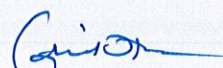
Interest on the bond will be paid semi-annually beginning at the end of 6 months from Drawdown Date/ Issue Date/ Coupon alignment date, as determined by tranches and listing procedures of the bond at the coupon rate. The bond will be redeemed in five equal annual installments starting from the end of 3rd year/36th month from the issue date. The redemption schedule of the bond is given below.

Exhibit 3: Repayment Schedule of the Subordinated Bond

Year	End of Month	Beginning Balance	Coupon Payment	Principal Payment Rate	Principal Payment	Installment	Ending Balance
1	6	4,000,000,000	259,200,000	0%	-	259,200,000	4,000,000,000
	12	4,000,000,000	259,200,000	0%	-	259,200,000	4,000,000,000
2	18	4,000,000,000	259,200,000	0%	-	259,200,000	4,000,000,000
	24	4,000,000,000	259,200,000	0%	-	259,200,000	4,000,000,000
3	30	4,000,000,000	259,200,000	0%	-	259,200,000	4,000,000,000
	36	4,000,000,000	259,200,000	20%	800,000,000	1,059,200,000	3,200,000,000
4	42	3,200,000,000	207,360,000	0%	-	207,360,000	3,200,000,000
	48	3,200,000,000	207,360,000	20%	800,000,000	1,007,360,000	2,400,000,000
5	54	2,400,000,000	155,520,000	0%	-	155,520,000	2,400,000,000
	60	2,400,000,000	155,520,000	20%	800,000,000	955,520,000	1,600,000,000
6	66	1,600,000,000	103,680,000	0%	-	103,680,000	1,600,000,000
	72	1,600,000,000	103,680,000	20%	800,000,000	903,680,000	800,000,000
7	78	800,000,000	51,840,000	0%	-	51,840,000	800,000,000
	84	800,000,000	51,840,000	20%	800,000,000	851,840,000	0

As of August 2024 (published by Bangladesh Bank), at 12.96%




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B. FINANCIAL RISK ANALYSIS

The financial analysis process has been based on both quantitative and qualitative aspects of the institution. This has mostly been based on the company's policies in relation with the operating strategies, asset quality, composition and trend, fund management, capital adequacy, liquidity management, risk management and ultimate financial goals of the firms. For the purpose of the overall financial risk assessment of the business has been analyzed thoroughly and followed strict evaluation process in the aforementioned sections. Detailed analysis is presented below.

B.1. Capital Adequacy

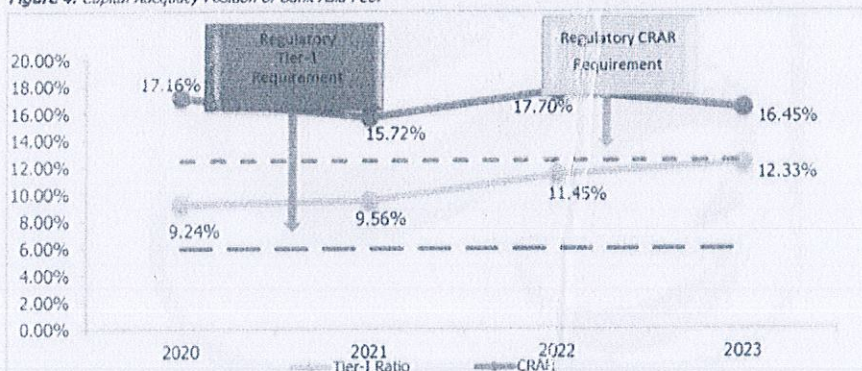
Exhibit 4: Selected indicators of BAPLC
FY 31 December

	2023	2022	2021	2020
Tier-I Capital (BDT Million)	30,473.09	29,823.58	25,152.67	23,558.94
Total Capital (BDT Million)	40,659.09	46,111.11	41,370.38	43,753.94
Total Risk Weighted Assets (BDT Million)	247,185.58	260,486.88	263,153.20	254,905.15
Tier-I Ratio (%)	12.33	11.45	9.56	9.24
CRAR (%)	16.45	17.70	15.72	17.16

FY2020-FY2023 Data Extracted from Audited Financials

By the end of 2023, total capital of BAPLC has shrunk down by 11.82% amounting to BDT 40,659.09 million while it was BDT 46,111.11 million on a year ago. This was due to significantly reducing the Tier-II capital by 37.46%, mainly owing to redemption of the sub-ordinated bond whereas Tier-I capital of the bank has merely increased by 2.18%. In the comparison, risk-weighted assets of the bank have also dwindled by 5.11% to reach BDT 97,915.40 million. On the other hand, capital to risk weight ratio decreased to 16.45% in FY2023 from 17.70% in FY2022 yet demonstrating a healthy capital adequacy ratio.


Figure 4: Capital Adequacy Position of Bank Asia PLC.




B.2. Asset Composition & Trends

Exhibit 5: Selected Indicators for BAPLC
FY 31 December

	2023	2022	2021	2020
Total Asset (BDT Million)	474,228.61	468,400.94	438,293.29	408,960.69
Total Asset Growth (%)	1.24	6.87	7.17	15.59
Gross Loans (BDT Million)	291,325.04	277,870.36	262,266.70	244,642.03
Gross Loans Growth (%)	4.84	5.95	7.20	7.63
Investments (BDT Million)	114,760.15	102,849.11	77,021.19	94,251.18
Investments Growth (%)	11.58	33.53	(18.28)	71.58
NPLs (BDT Million)	19,510.36	13,519.79	13,469.54	7,930.93
NPLs Growth (%)	44.31	0.37	69.84	(24.32)
Gross Loans to Total Assets (%)	61.43	59.32	59.84	59.82
NPL Ratio (%)	6.70	4.87	5.14	3.24
Net NPLs to Net Loans (%)	(3.07)	(4.13)	(2.82)	(4.58)
Loan Loss Reserve to NPLs (%)	114.89	145.05	118.92	176.03
NPLs to Equity & Loan Loss Reserve (%)	37.57	28.02	31.05	19.18


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FY2020-FY2023 Data Extracted from Audited Financials

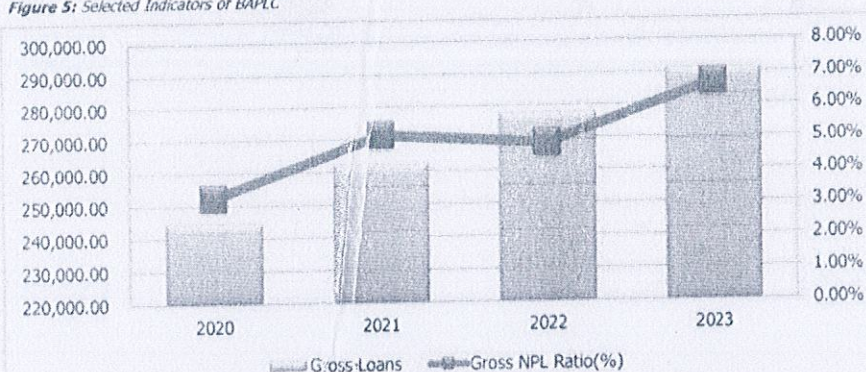
Over the period of 2020-2023, BAPLC has showed growing trend in its total asset base. Nevertheless, in FY2023, overall asset base increased at a slower rate of 1.24% in contrast to the 6.87% growth observed in FY2022, culminating in a total asset value of BDT 474,228.61 million. This could be attributed to significant decline in some of the components of the asset base especially Balance with other banks and FIs of the bank which has remarkably decreased by 40.18% and mainly affected the asset base. On the other side, loans and advances which is the major component of asset base has moderately risen by 4.84% in FY2023. Nonetheless, considering the rising interest on government securities, the bank has withdrawn deposits and current account balances from banks inside and outside Bangladesh and invested in Govt. securities which reflected 11.58% growth in investment portfolio of the bank.

B.2.1. Asset Quality

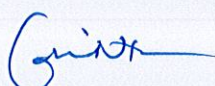
Analyzing the composition of total assets, gross loans & advances continue to occupy the majority portion, accounting for 62.20% of total assets in FY2023 which has exhibited decelerating growth rates over the years. Finally, in the year of 2023, the growth of loan portfolio of the bank has decelerated to 4.84%, cumulating BDT 291,325.04 million in FY2023 compared to the 5.95% growth in FY2022.

On the flip side, the investment portfolio which is the second largest component of asset base has further escalated by 11.58% in FY2023. Considering the rising return on government securities, the bank has increased its exposure in government securities by 12.70%, by withdrawing funds from cash, balance with other banks and money at call on short notice.

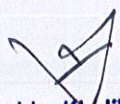
Figure 5: Selected Indicators of BAPLC



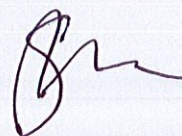
By the end 2023, NPL of BAPLC has inclined in line with the increasing loan portfolio and stood at BDT 19,510.36 million compared to BDT 13,519.79 million in FY2022. BAPLC has recorded BDT 9,912.51 million (3.40% of gross loans, 50.81% of Gross NPL) loan as fresh NPL by the end of FY2023 whereas it was BDT 1,238.74 million in FY2022 which mainly acted as the catalyst for increased NPL. Finally, the NPL ratio recorded at 6.80% in FY2023 as opposed to 4.87% in 2022. On the other hand, among the three categories of NPL, Bad loans has been contributing the major portion of 85.48% (92.39% in FY2022), 9.13% Sub-standard loans (5.74% in FY2022) and 5.39% Doubtful loans (1.87% in FY2022).

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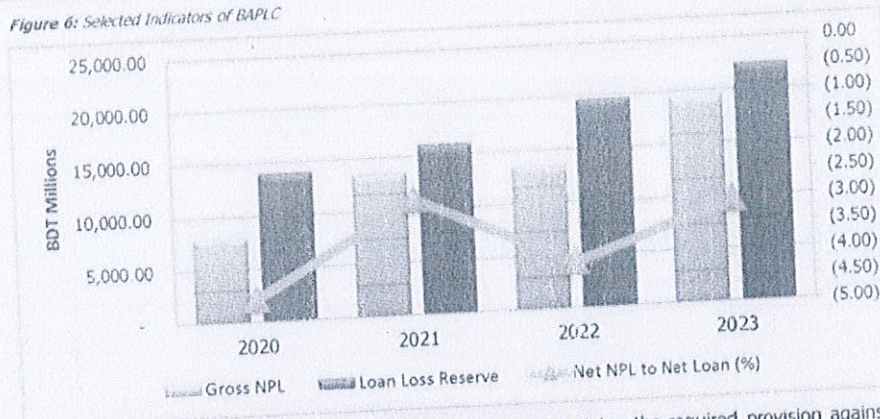


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Figure 6: Selected Indicators of BAPLC

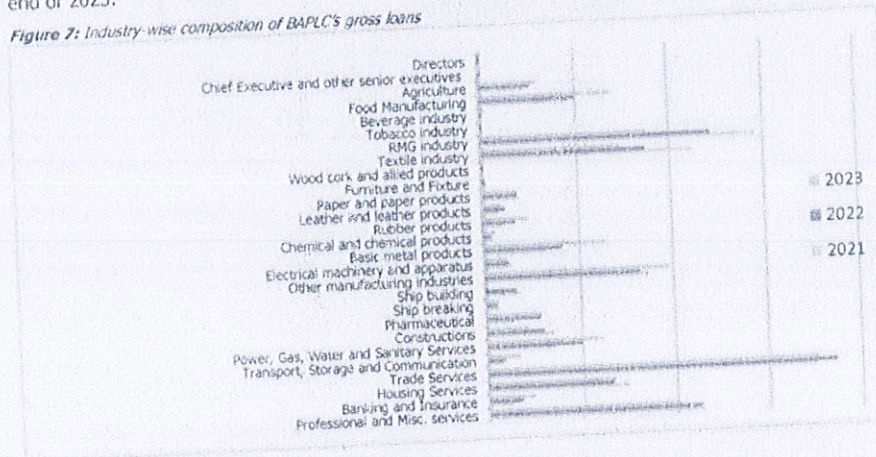


For safety against non-performing loan, BAPLC has been maintaining the required provision against loans and advances in the years under review. Moreover, the bank has maintained the required provision with surplus of BDT 176.57 million, effectively covering the total required provision. The provision provides 114.89% (145.05% in FY2022) coverage to its NPL, still providing adequate safety against non-performing loans.

B.2.2. Loan Diversification & Concentration

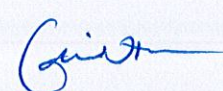
BAPLC focuses in various economic sectors and the loan portfolio of the bank is primarily dominated by the Trade Services industry, comprising 17.68% of the total, followed by professional and misc. services at 10.18%, other uncategorized industries at 9.87%, with the remaining balance distributed among other industries during FY2023. Geographically, 94.91% of the bank's loans are made in urban areas and the remaining 5.09% loans are concentrated in rural zones. Precisely, the bank has the largest concentration within the Dhaka division (83.36%) taken after by Chattogram division (10.75%) at the end of 2023.

Figure 7: Industry-wise composition of BAPLC's gross loans



B.2.3. Rescheduled and Written-Off Loans

During FY2023, the bank's rescheduling of loans and advances has inclined in terms of amount which totaled at BDT 21,015.00 million whereas it was BDT 11,833.15 million the previous year. Therefore, the rescheduled loans and advances accounted for 7.21% of the total loans and advances in FY2023 against 4.26% in FY2022. Additionally, BAPLC has written off significant amount of loans and advances


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accounted for BDT 4,779.60 million in FY2023 which increased from BDT 1,148.59 million in FY2022. At the end of the year, the NPLs, rescheduled loans and written-off loans together represented 15.55% of the loan book of the FI, exhibiting a sharp rise from 9.54% in FY2022 mainly attributed to increasing the NPL during the review period.

B.2.4. Large Loan Exposure

At the end of 2023, the bank's exposure to large loans, including both funded and non-funded loans exceeding 10% of the total capital, witnessed a decrease of 11.82% compared to the preceding year. The outstanding balance of these loans reached BDT 40,659.09 million, distributed among 12 customers, contrasting with BDT 46,111.11 million in FY2022 spread across 9 clients.

B.2.5. Off-Balance Sheet Exposure

In FY2023, the total off-balance sheet exposure of the bank amounted to BDT 147,312.05 million, showing a decrease of 2.96% compared to the preceding year of BDT 151,085.09 million. However, the off-balance sheet exposure of BAPLC is consisted of 38.80% acceptance & endorsements, 25.31% irrevocable letters of credit, 21.35% of letter of guarantee and 14.54% of bills for collection in FY2023. Therefore, the bank had reported total off-balance sheet exposure of BDT 52,441.01 million in FY2023 which is higher compared to BDT 50,265.91 million in the previous year.

B.3. Funding and Liquidity

Exhibit 6: Selected indicators of BAPLC

FY 31 December	2023	2022	2021	2020
Deposits (BDT in Millions)	361,617.15	337,695.42	317,782.43	303,028.11
Deposit Growth (%)	7.08	6.27	4.87	19.44
Loans to Customers Deposits (%)	72.48	68.17	65.58	69.42
Net Loans to Stable Funding Base (%)	114.72	117.22	121.76	110.67
Net Loans to Customer Deposits (%)	72.93	75.17	76.15	74.69
Deposit to Total Liability & Equity (%)	76.25	72.10	72.50	74.10
Interbank Liabilities to Total Funding	5.71	10.89	10.91	8.80

FY2020-FY2023 Data Extracted from Audited Financials

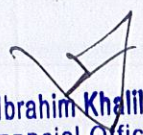
B.3.1. Fund Management

As per the financials, the funding base of BAPLC has been observing an ascending trend. However, in FY2023, the growth of deposit base slowed down to 1.24%, registering BDT 474,228.61 million in FY2023 primarily facilitated by significant decline in interbank liabilities and redemption of subordinated bond. However, in FY2023, among the liabilities, deposit portfolio is the main contributor which is dominating the funding base with 76.25% contribution, while uncategorized liabilities constituted 10.19%, equity of 6.22%, interbank liabilities of 5.71% and remaining 1.62% of sub-debt.

The deposit base of the bank has enhanced by 7.08% in FY2023 and stood at BDT 361,617.15 million as opposed to 6.27% growth in FY2022. Nevertheless, most of the deposit were derived from private sector consisting around 93.67% of the total deposit portfolio in FY2023. ADR ratio of the bank stood at 72.48% in FY2023 compared to 68.17% in FY2022 offering further room for enhancing credit. In line with this, interbank liabilities to total funding ratio has lowered to 5.71% in FY2023 from 10.89% in FY2022. This is likely to decrease the overall cost of fund of the bank.



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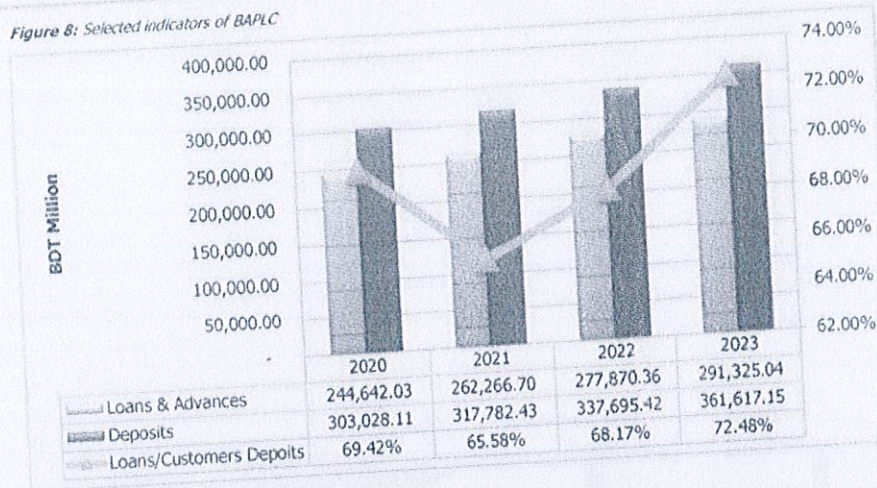
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Figure 8: Selected indicators of BAPLC

**B.3.2. Liquidity Management**

BAPLC has complied with the requirements of maintaining minimum CRR of 4% and SLR of 13.00% in conventional banking unit (bi-weekly basis) and successfully maintained with a surplus of BDT 649.69 million and BDT 62.56 million respectively during FY2023. However, the maturity profile of assets and liabilities highlights no liquidity gap except for 1-3 months' brackets. However, there was not liquidity gap in overall liquidity.

B.4. Earning Trends and ProfitabilityExhibit 7: Selected Indicators of BAPLC
FY 31 December

	2023	2022	2021	2020
Net Interest Income (BDT Million)	6,233.07	5,506.73	5,639.88	3,185.42
Net Interest Income Growth (%)	13.19	(2.36)	77.05	(62.08)
Non-Interest Income (BDT Million)	14,740.44	14,725.63	11,053.53	9,993.47
Non-Interest Income Growth (%)	0.10	33.22	10.61	30.24
Pre-Provision Profit (BDT Million)	11,530.74	10,694.80	9,192.53	6,070.84
Pre-Tax Profit (BDT Million)	4,695.84	6,545.87	4,406.74	3,957.71
Post-Tax Profit (BDT Million)	2,395.84	3,045.87	2,706.74	2,035.71
Post-Tax Profit Growth (%)	(21.34)	12.53	32.96	3.82
Post - Tax ROAE (%)	8.24	10.88	9.89	7.81
Post - Tax ROE (%)	3.63	3.27	3.67	2.73
Interest Spread (%)	1.45	1.35	1.48	0.93
Net Interest Margin (%)	45.02	47.14	44.93	53.94
Cost Income Ratio (%)				

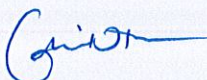
FY2020-FY2023 Data Extracted from Audited Financials

BAPLC had recorded mixed performance in terms of net interest income over the four-year period under review from FY2020-FY2023. In the year of 2023, both the interest income interest expense of the bank has increased during FY2023 due to a combination of enhancement of the loans and deposit portfolio and rising interest rates. Interest income of the bank has inclined by 14.02%, amounting to BDT 23,287.06 million; mainly influenced by the sharp increase of income from loans & advances by 11.34% which contributed 78.01% of the total interest income during FY2023. Similar to this, interest on deposit has escalated by 15.93% which is the prime dominator of interest expense make an overall rise of 14.33%, to BDT 17,053.99 million in its interest expense by the end of 2023. However, as the interest spread of the bank increased to 3.63% in FY2023 compared to 3.27% in FY2022, bank's net interest income witnessed a growth of 13.19% culminating in a net interest income of BDT 6,233.07 million as opposed to BDT 5,506.73 million in the prior year. Moreover, the bank's average spread moved by 0.36% to stand at 3.63% in FY2023 compared to 3.27% in FY2022.

Nonetheless, the growth of non-interest income has slowed down to 0.10% in the recent period which stood at BDT 14,740.44 million in FY2023 as opposed to a notable growth of 33.22% in the prior year,

Bank Asia 4th Subordinated BondEMERGING
Credit Rating Ltd

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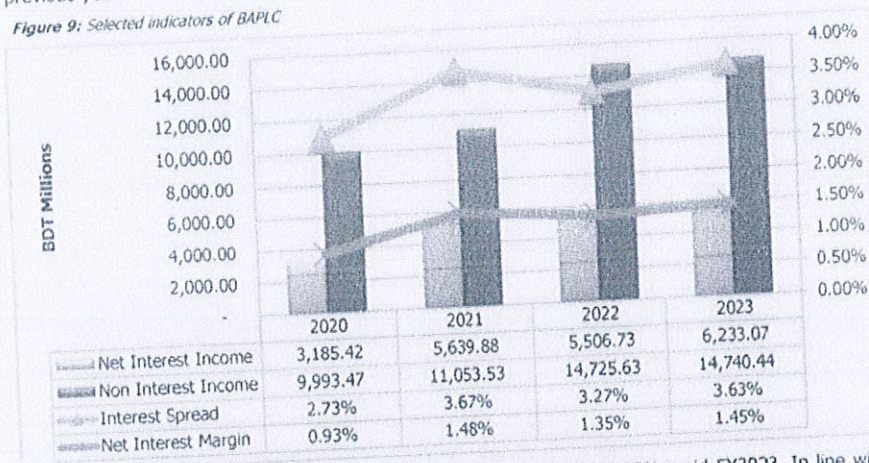

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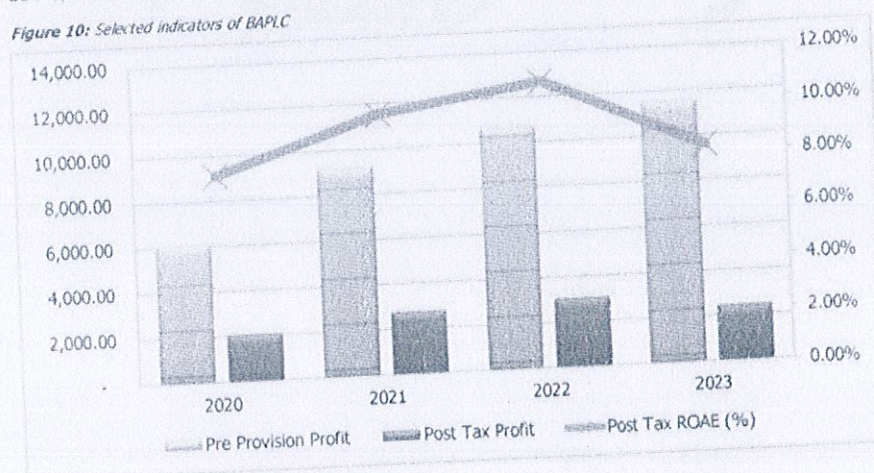
primarily attributed to significant decline of 46.03% in exchange gain as foreign exchange rate stabilized in FY2023. Conversely, investment income has remarkably increased by 33.58% while other operating income inclined by 6.61% by the end of 2023. Subsequently, the bank has generated operating income of BDT 20,973.51 million illustrating a moderate ascent of 3.66% compared to a 21.20% incline in the previous year.

Figure 9: Selected indicators of BAPLC



On the other hand, operating expense of the bank has declined by 0.99% amid FY2023. In line with this, the cost-to-income ratio has decreased to 45.02% this year from 47.14% last year. On the other side, the growing operating income subsequently boosted the pre-provision profit by 7.82% which ended to BDT 11,530.74 million in FY2023. However, despite increased pre-provision profit, the pre-tax profit of the bank was considerably lower by 28.26% in FY2023, compared to previous year, as the provision expense of the bank rose massively by 64.74% in FY2023, compared to FY2022. Finally, the bank generated post tax profit of BDT 2,395.84 million in FY2023, lower substantially by 21.34% from BDT 3,045.87 million in FY2022.

Figure 10: Selected indicators of BAPLC



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C. MARKET RISK ANALYSIS

Markets risks of a Perpetual Bond may arise due to uncertainty related to the interest rate risk, limited subscriber risk, call risk etc. Moreover, Bond by nature is exposed to many sources of risk. The term structure of the interest rate can shift and twist in different ways. Issuers may default due to sector wide problems or individual credit difficulties.

C.1. Interest Rate Risk of the Bond

Interest rate risk is the possibility of a fluctuation in interest rates that could adversely affect the value of the bonds. Since bonds are interest-bearing assets, interest rates are primary drivers of a bond's price. Interest rate risk may arise either from trading portfolio or from non-trading portfolio. Interest rate risk arises from mismatches between the future yield of an asset and their funding cost. The bank may face such unfavorable conditions due to a rise in borrowing rates and/or fall in lending rates. The bank's financing in different sectors is mostly structured at fixed rates for specified terms. Volatility in the money market can also raise the cost of funding of the issuer and thus hamper its profitability. Any change in the government's monetary policy also might cause unfavorable movement in interest rates. The risks derived from interest rate fluctuation thus may have a significant impact on the Issuer's business, profitability, and financial condition.

C.2. Limited Subscriber Risk

The bond will be offered through private placement to institutional investors, high net-worth individuals, and all other investors as eligible under relevant regulations. Currently the industry is facing limited subscriber risk since many banks and NBFIs have been issuing different type of bonds to improve their capital adequacy as per the regulatory requirement. The prime buyers of those bonds are still limited to the financial institutions and response from other eligible corporates is poor as a result the bond industry is exposed to this kind of risk.

D. COMPANY SPECIFIC RISK ANALYSIS

Risk is an integral part of financing business and thus every financial institution is exposed to risk of different type and magnitude. So, the prime responsibility of every financial institution is to manage its risk such that its return from business can be maximized. Banks are exposed to five core risks through their operation, which are Credit Risk, Asset/Liability Risk, Foreign Exchange Risk, Internal Control & Compliance Risk, Money Laundering Risk, and Information & Communication Technology Security Risk. As a prudent and responsible financial institution, the Company attaches top priority to ensuring safety and security of the finances that are being extended.

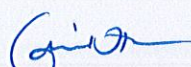
D.1. Credit Risk

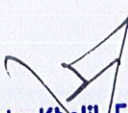
Credit risk is one of the most vital risks for any commercial bank as like Bank Asia Limited. Credit risk arises from non-performance by a borrower. It may arise from either an inability or an unwillingness to perform in the pre-commitment contracted manner. The real risk from credit is the deviation of portfolio performance from its expected value. The credit risk of a bank also affects the book value of a bank. The more credit of a particular is in risk, the more probability of a bank to be insolvent. Therefore, the status of depositor in the bank is at risk and probability of incurring loss from their deposited value. In order to mitigate credit risk BAPLC has created Credit Risk Management and Client Rating Unit which is a division of the Credit Risk Management and Client Rating Unit. It is largely responsible for determining and recommending mitigation for all of the bank's credit risk issues. The unit's main focus will be on ensuring continual comprehension of any changes in risk parameters and reviewing the bank's credit-related activities in order to assess the effectiveness of existing credit risk management instruments.

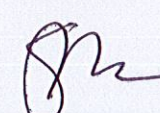
D.2. Asset Liability Management Risk

Asset Liability Management (ALM) is an integral part of Bank Management; and so, it is essential to have a structured and systematic process to manage the Balance Sheet. BAPLC has developed an "Assets Liability Management Committee" comprising of the senior management of the bank to make important decisions related to the Balance Sheet Risk and liquidity risk of the bank. ALCO examines the Bank's liquidity requirements, asset and liability maturity, deposit and lending pricing strategy, and liquidity contingency plan. It also developed a guideline in line with Bangladesh Bank guidelines to meet above mentioned purpose. BAPLC's group treasury has well-trained officials with good technical and




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soft skills to give treasury solutions to its internal and external customers to achieve the vital function of manipulating the banking book and trading book of the Balance sheet.

D.2.1. Liquidity Risk

Liquidity risk is the potential for loss to a bank arising from either its inability to meet its obligations as they fall due or to fund increases in assets without incurring unacceptable cost or losses. Liquidity risk arises when the cushion provided by the liquid assets are not sufficient enough to meet maturing obligations. Liquidity risk is often triggered by the consequences of other financial risks such as credit risk, interest rate risk, foreign exchange risk, etc. For instance, a large loan default or changes in interest rate can adversely impact a bank's liquidity position. BAPLC's Asset Liability Committee (ALCO) is entrusted with the responsibility of managing short-term and long-term liquidity and ensuring adequate liquidity at optimal funding cost. ALCO also reviews liquidity requirement of the bank, the maturity of assets and liabilities, deposit and lending pricing strategy and the liquidity contingency plan.

D.2.2. Interest Rate Risk

Interest rate risk is the possible loss from adverse movements in market interest rates. Changes in interest rates affect a bank's earnings by changing its net interest income and the level of other interest-sensitive income and operating expenses. An investment's value will change due to change in the absolute level of interest rates. Such changes usually affect securities inversely and can be reduced by diversifying or hedging (through an interest rate swap) techniques. The Asset Liability Committee (ALCO) of BAPLC is the main body which looks after and monitors interest structure. The committee also evaluates any market risk arises from the regulatory pressure thus reducing the profit rate. Moreover, ALCO committee is always watchful to adverse movement of the different market variables.

D.2.3. Foreign Exchange Risk

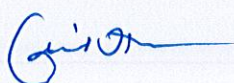
Foreign exchange risk is the current or prospective risk to earnings and capital arising from adverse movements in currency exchange rates. Managing foreign exchange risk involves prudently managing foreign currency positions in order to control, within set parameters, the impact of changes in exchange rates on the financial position of the bank. Introduction of market-based exchange rate of Taka has resulted in both trading opportunities and associated foreign exchange volatility risk. The Treasury Division of BAPLC manages market risk, including liquidity, interest rate, and foreign exchange risks, under the supervision of the Bank's Asset-Liability Management Committee (ALCO), which is made up of top executives. The treasury division is in charge of conducting transactions autonomously, while the back office is in charge of validating the deal and passing appropriate accounting entries. All foreign exchange related transactions are revalued at mark-to-market rate at the end of the month, as suggested by Bangladesh Bank.

D.3. Operational Risk

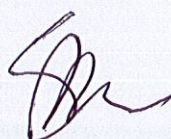
Bangladesh Bank defines operational risk as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This operational risk also includes legal risks but not strategic and reputational risks.

D.3.1. Anti-Money Laundering Policy

Money laundering risk refers to acquired or earned properties directly or indirectly through illegal means. In broader sense, illegal transfer, conversion, concealment of location or assistance in the above act of the properties acquired or earned directly or indirectly through legal or illegal means. So Anti Money Laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering activities. BAPLC has a designated chief compliance officer at its headquarters, as well as compliance officers at its branches, who independently monitor account activities to verify suspicious activity. Money laundering became a global concern as a result of the convergence of several significant shifts in the global economy. Money Laundering and Terrorist Financing Risk are not only regulatory compliance requirements for Bank Asia, but also one of its key business values. The Board of Directors and Management are steadfast in their commitment to combating money laundering.



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 Bank Asia PLC.


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Sohail R K Hussain
 Managing Director
Bank Asia PLC.
 Corporate Office



D.3.2. Internal Control and Compliance (ICC)

Internal control is a process involving a company's board of directors, management, and other personnel that aims to provide reasonable assurance about a company's operations' effectiveness and efficiency, financial reporting's accuracy, and compliance with applicable laws, regulations, and internal policies. BAPLC's top management is responsible for developing a compliance policy that outlines the core principles that must be approved by the board of directors and specifies the primary processes for identifying and managing compliance risks at all levels of the business. The compliance function plays a vital role in supporting corporate principles, policies, and processes that assist ensure that the bank acts responsibly and meets all legal requirements. The board and management are responsible for the bank's compliance. The board of the bank has established a policy for operational risks, including internal control and compliance risk, based on Bangladesh Bank recommendations. To guard against any operational risk, the Board's Audit Committee oversees the actions of the Internal Control & Compliance Division.

D.3.3. Information & Communication Technology (ICT) Security System

At present context, ICT has become an integral part of the banking institution in order to provide banking facilities to both urban and rural populations. The sector is getting highly competitive now a days and in order to survive and perform in this ever-changing sector it is vital to use latest technologies and tools which can help in developing learner and more flexible structure that can react or respond as per the dynamics of the situation of the market. The major contribution of ICT is that it is cost efficient and increases productivity thus increasing efficiency. As a result, ICT is becoming the largest distribution platform of providing banking service to millions across Bangladesh. However, risks such as network failure, lack of skills, hacking and viruses and poor system integration have the potential to have a negative impact on a Bank. Bank Asia Limited adheres to the "Guideline on ICT Security for Banks and Financial Institutions, April 2010". IT management is responsible for IT policy documentation, internal IT audits, and training, among other things. IT management's main goal is to achieve the greatest levels of technological service quality while minimizing operational risk. Environmental precautions, as well as physical access to equipment and data, are all part of physical security. Passwords, User ID management, input control, network security, virus prevention, internet, and e-mail are all under the jurisdiction of the IT department. As part of Business Continuity Planning (BCP), a data center has been established, and a disaster recovery plan has been developed.

E. MANAGEMENT & OTHER QUALITITATIVE FACTORS

E.1. Corporate Governance

Bank Asia is dedicated to ensuring that its systems, procedures, and practices adhere to a high level of Corporate Governance. It has a defined and structured Corporate Governance framework in place to support the Board's goal of producing long-term and sustainable value, as well as to promote a culture that values ethical behavior, integrity, and respect in order to defend the interests of shareholders at all times. The Board of Directors is ultimately responsible for the company's management, direction, governance, and performance, and it leads and oversees the Bank's operations.

As of December 31, 2023, the Board of Directors (BoD) of the bank consists of 13 (thirteen) members and is headed by Mr. Romo Rouf Chowdhury, the Chairman of BoD. The BoD consists of 2 (one) Vice Chairman, 5 (five) Directors, and 4 (four) Independent Directors and the Managing Director. The current size and composition of the BoD is well-Balanced and made up of professionals with diverse knowledge and expertise in business, operations, and finance to establish the direction of a large and growing bank. The BoD of BAPLC meets on a monthly basis and in FY2023 the BoD held 28 meetings. The BoD of the bank has three sub-committees that are in line with the guideline set by the regulatory body. Details of these committees are presented below.

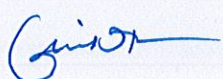
Executive Committee (EC): The Executive Committee periodically evaluates rules and guidelines issued by Bangladesh Bank regarding credit and other activities that are adapted and adopted by management after board approval. The EC approves credit requests in accordance with the Board's policy. EC of the board consists of 6 (six) members chaired by Mr. Rume A Hossain. The committee sat for 41 meetings in the year 2023.

Audit Committee (AC): The Audit Committee is a key subcommittee of Bank Asia PLC's Board of Directors. The committee's mission is to assist the Board in carrying out its oversight responsibilities for

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 Corporate Office



the integrity of the Bank's financial statements and internal control systems (including the implementation and effectiveness of internal control over financial reporting), as well as the performance of the internal audit function, the internal audit function's performance, the annual independent audit of the Bank's financial statements, the engagement of independent auditors, and the evaluation of the independent auditors' qualifications, independence, and performance, compliance of the Bank with legal and regulatory standards, the implementation and effectiveness of the Bank's disclosure controls and procedures, the evaluation of enterprise risk issues and the fulfillment of other responsibilities set out by the regulators and the Board. The committee is comprised of 4 (four) members of the Board of Directors including two Independent Directors having one Independent Director as Chairman. The committee held 09 meetings during the year 2023.

Risk Management Committee (RMC): Apart from the Executive committee and Audit Committee of the Board, a Risk Management Committee has been formed to minimize risk while implementing the policies and business plan of the Bank. This committee consists of 5 (five) members of the BoD and is chaired by Mr. M.A. Baqui Khalily. The Risk Management Committee held 6 (six) meetings during the year 2023. The Committee monitors whether credit, foreign exchange, internal control and compliance, money laundering, information technology, operation, interest rate, liquidity, and other risks are identified, measured, and suitable mechanisms are in place to mitigate such risks.

E.2. Management Committee

The strategic management activities and overall business operations of BAPLC are supervised and directed by the core management team of the bank. The core management team, as well as the whole bank, is led by President and Managing Director, Mr. Sohail R K Hussain.

Apart from functional departments, BAPLC has established various committees with specific objectives to manage the bank's affairs more efficiently and effectively, and to ensure compliance with Bangladesh Bank's guidelines. Notable committees include the following.

Senior Management Team (SMT)

The Bank's risk culture is set by the Board, CEO, and Senior Management Team (SMT), and is reinforced by its vision, purpose, and shared commitments. These guiding objectives explain the behaviors that the Bank tries to instill in its employees in order to create a culture in which the only risks taken are those that can be understood and managed. The risk culture of the bank fosters accountability, learning from prior experiences, and open communication and openness in all facets of risk taking. On a yearly basis, the Bank's Senior Management Team (SMT) examines the overall efficacy of the bank's control system and gives input to the Board of Directors on the effectiveness of internal control policy, practice, and procedure.

Supervisory Review Process (SRP) Committee

The Supervisory Review Process (SRP) Committee ensures that the bank has an internal process in place to identify and assess all relevant risks. It examines and recommends general principles for the construction of the Internal Capital Adequacy Assessment Process (ICAAP) as well as ensuring that capital is appropriately distributed in relation to the ICAAP decision. It also reports ICAAP results to the Strategic layer and BB in a timely and error-free manner.

Asset Liability Committee (ALCO): ALCO examines the bank's liquidity requirements, asset and liability maturity, deposit and lending pricing strategy, and liquidity contingency plan. The Asset Liability Committee also keeps an eye on Balance-sheet risk.

Credit Committee

The Bank has designed credit approval authority delegation and sub-delegation to ensure strong governance and improved control in the credit approval system. The Board of Directors and its Executive Committee have the final say on credit approval based on the advice of the bank's credit committee, which is comprised of senior management.

Policy Review Committee

Policy Review Committee reviews the Department/Division specific SOP/Policy/PPG before approval, places the requirement of new policies of the bank and monitors the adoption of Policy of the bank.

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E.3. Human Resources

Bank Asia believes that every investment in training, development, health, and support is an investment, not an expense. Bank Asia, as a value-driven business, regards its people as its most valuable capital, who play a critical role in realizing the bank's purpose, vision, goals, and objectives. The People Management Division (PMD) of BAPLC is in charge of facilitating the organization's overall goals through effective human capital management - focusing on people as the company's most valuable asset. In order to align with the Bank's corporate objective and vision, PMD employs an employee-oriented strategy in its day-to-day operations. The key functional areas of the division are Planning & Sourcing, Organizational Development, Compensation & Benefits, HR Operations, Employee Relations & Compliance. The Human Resource Policy is a set of policies and procedures that regulate all elements of human resource management, from talent acquisition and development through performance and consequence management, code of conduct, and employment termination in BAPLC. 48 new employees were recruited during 2023 where 53.90% for branches & 46.09% for Corporate Office to ensure effective and timely support. As on December 31, 2023, in a total of 2,751 employees, overall male to female ratio stands at 79:21 with non-executive segment having the highest concentration of female employees.

BAPLC fosters a performance-driven culture that recognizes success and encourages people to take charge of their personal development. 24,822 man-hours training (both physically & virtually) have been provided to 2,170 employees in 2023 in home and abroad.

E.4. Information Technology

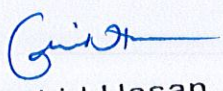
Bank Asia PLC made good progress in terms of digitization and automation and adoption of new technology across the Bank. In January 2021, Bank Asia PLC & ERA-InfoTech Ltd. have signed an agreement for Micro Merchant Management Solutions through Micro Merchant (MM) Apps. Using MM Apps, Individuals will be able to do personal banking, banking with other connected people and accelerate merchant payment through Bangla QR. In March 2021, Bank Asia has launched phone call based (any phone) banking service "Voice Banking" on the occasion of Golden Jubilee of Independence of Bangladesh. AI (Artificial Intelligence) Company HISAB Limited has provided technical support for "Voice Banking" service which will be conducted by AI runs Telephony Artificial Neural Network. In July 2021, Bank Asia has launched "AML & CFT-PF Automation" to ease the monitoring process as a requirement of BFIU, Bangladesh Bank.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Romo Rouf Chowdhury
Mr. Mohd. Safwan Choudhury
Ms. Zakia Rouf Chowdhury
Mr. Rume A Hossain
Ms. Farhana Haq
Ms. Romana Rouf Chowdhury
Mr. Enam Chowdhury
Mr. Nafees Khundker
Mr. Ashraful Haq Chowdhury
Mr. Md. Abul Quasem
Mr. M. A. Baqui Khalily
Mr. Helal Ahmed Chowdhury
Mr. Sohail R K Hussain

Chairman
First Vice Chairman
Second Vice Chairman
Director
Director
Director
Director
Independent Director
Independent Director
Independent Director
Independent Director
Managing Director

SHAREHOLDERS

Sponsors & Directors	53.30%
General Public	10.56%
Foreign Investors	0.16%
Investment Companies	12.72%
Institutions	23.19%
Non-Resident Bangladesh	0.06%

AUDITOR

MABS & J Partners
Chartered Accountant
SMC Tower (7th Floor)
33, Banani Commercial Area
Dhaka -1213

REGISTERED OFFICE

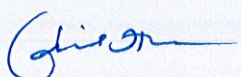
Bank Asia Tower
32 & 34, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka 1215, Bangladesh
Website: www.bankasia-bd.com
E-mail: contact.center@bankasia-bd.com

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BOND RATING SYMBOL

LONG-TERM RATINGS

ECRL's Long-Term Ratings are assigned to debt with maturities of more than one year. These debt ratings specifically assess the likelihood of timely repayment of principal and payment of interest over the term to maturity of such debts.

RATING	
AAA	Indicates that the ability to repay principal and pay interest on a timely basis is extremely high.
AA	Indicates a very strong ability to repay principal and pay interest on a timely basis, with limited increment risk compared to issues rated in the highest category.
A	Indicates the ability to repay principal and pay interest is strong. These issues could be more vulnerable to adverse developments, both internal and external, than obligations with higher ratings.
BBB	This grade indicates an adequate capacity to repay principal and pay interest. More vulnerable to adverse developments, both internal and external, than obligations with higher ratings.
BB	This rating suggests that likelihood of default is considerably less than for lower-rated issues. However, there are significant uncertainties that could affect the ability to adequately service debt obligations.
B	Indicates a higher degree of uncertainty, and therefore, greater likelihood of default. Adverse developments could negatively affect repayment of principal and payment of interest on a timely basis.
C	High likelihood of default, with little capacity to address further adverse changes in financial circumstances.
D	Payment in default.

Notes: Long-Term Ratings from AA to B may be modified by the addition of a plus (+) or minus (-) suffix to show relative standing within the major rating categories. Bank-guaranteed issues will carry a suffix (bg), corporate-guaranteed issues, a (cg), issues guaranteed by a financial guarantee insurer (FGI), an (fg), bond issues will carry a suffix (B) and all other supports, an (S) when such guarantees or supports give favorable effect to the assigned rating.

Rating Outlook

ECRL's Rating Outlook assesses the potential direction of the Bond Issuers over the intermediate term (typically over a one to two-year period). The Rating Outlook may either be:

POSITIVE	which indicates that a rating may be raised;
NEGATIVE	which indicates that a rating may be lowered;
STABLE	which indicates that a rating is likely to remain unchanged; or
DEVELOPING	Which indicates that a rating may be raised, lowered or remain unchanged.

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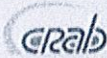
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Sohail R K Hussain
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15.2 Credit Rating Report of the Issuer



CRAB Bank Rating



2024

Credit Rating Report (10th Surveillance)

Bank Asia PLC.

Analysts:

Md. Saiful Alam
saiful.alam@crab.com.bd

Samira Shameem
samira@crab.com.bd

Rating

Long Term : AA-

Short Term : ST-1

Outlook : Stable

Rating date : 25 June, 2024

Validity : 30 June, 2025

RATING BASIS: Audited financial statements up to 31/12/2023, 1st quarter management results and other relevant quantitative as well as qualitative information up to the date of rating declaration.

Methodology: CRAB's Rating Methodology (www.crab.com.bd)

■ **CORPORATE PROFILE:**

Name : Bank Asia PLC.

Legal Status : Listed Company

Incorporation year : 28 September, 1999

Business : Banking

Paid-up Capital : BDT 11,659.1 million

Branches : 135 branches and 15 sub-branches

Manpower : Over 2,751

Alternative Channels : Countrywide network of 218 ATMs and 35 COMs and 5,051 agent banking outlets.

Subsidiaries : i) Bank Asia Securities Limited, ii) BA Express USA Inc.
iii) BA Exchange Company (UK) Limited

■ **Financial Highlights (BDT Million):**

Period	31/12/2023	31/12/2022	31/12/2021	31/12/2020
Total Loans	291,325.04	277,870.4	262,266.7	244,642.0
Total Deposit	301,617.15	337,695.4	317,782.4	303,028.1
Net Interest Margin (%)	2.0	1.7	1.9	1.2
Return (after tax) on Average Assets (%)	0.5	0.7	0.6	0.5
Cost to Income Ratio (%)	45.0	47.1	44.9	53.9
Gross NPL Ratio (%)	6.7	4.9	5.1	3.2
Capital to Risk Weighted Assets (%)	16.4	17.7	15.7	17.2
Liquid Assets to Total deposit & borrowing (%)	38.5	41.2	40.3	39.9

■ **STRENGTH AND CHALLENGES:**

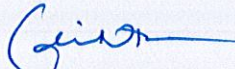
RATING STRENGTH

- Strong group support and ownership structure, Board Composition and experienced top management.
- Sound liquidity backed by its healthy profile.
- Strong capital base.
- Maintenance of sizeable additional provision as cushion.

CRAB | CRAB Ratings on Rating Digest | 25 June, 2024

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Chief Executive Officer
Credit Rating Agency
of Bangladesh Ltd.


 Zahid Hasan
 Deputy Company Secretary
 Bank Asia PLC.


 Mohammad Ibrahim Khalil, FCA
 Chief Financial Officer
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 Sohail R K Hussain
 Managing Director
 Bank Asia PLC.
 Corporate Office


CRAB Bank Rating

Bank Asia PLC.

RATING CHALLENGES

- Increasing trend of loan classification in the industry and socio-economic volatility will have an adverse impact on Asset quality as well as CRAR in the future.
- Limited exposure in SME segment.
- High Large loan concentration.

RATIONALE

Credit Rating Agency of Bangladesh Limited (CRAB) has reaffirmed AA₁ (Pronounced double A One) rating in the Long term and ST-1 rating in short term based on audited financials up to 31/12/2023, 1st quarter management results and other relevant information of Bank Asia PLC. The rating reflects the Bank's strength in income generation, risk weighted capital adequacy and group support. On the other side, loan concentration, rescheduled loans and the banking industry outlook characterized by increased trend of classified loans that may ultimately translate Asset quality and CRAR in the future.

The profit after tax of the bank has been declined compared to previous year on the back of higher growth of provision expenses during the year despite of 3.66% higher total operating income. Profit after tax has been found to be BDT 2,395.84 million in 2023 registering 21.34% degrowth which was BDT 3,045.87 million in 2022. Total provision stood at BDT 6,834.90 million in 2023 against BDT 4,148.93 million in previous year. BA managed to keep its cost of deposit at 4.41% in 2023 which was 4.40% in PY. Cost to income ratio of the Bank improved 2.12 percentage points in 2023 due to improve of operating expenses while total operating income has also been improved compared to PY. In respect of risk return perspective having a return of 0.94% on risk weighted assets in 2023. Average asset of the Bank was 16.21 times of average equity in 2023.

There were capped interest rate prevails in FY2023 too. Still deposit of the Bank grew by 7.08% thus reached BDT 361,617.15 million. The Bank's low-cost deposit base (current and savings deposit) shared 52.00% of total deposit with an average of 41.17% for the last 4 years. Still term deposit shared the major portion of deposit base (55.50% of total deposit base) whereas cost of deposit of the bank became 4.41% in 2023 which was in the line of industry scenario. In 2023, The Bank's liquid asset to deposit and borrowings ratio enhanced to 38.48% in 2023 due to govt. securities mainly. At the end of 2023, LCR and NSFR of the Bank were 199.88% and 110.19% respectively.

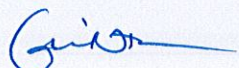
Bank Asia loan portfolio experienced 4.84% loan growth in 2023 which is conservative. During 2023, BA gross NPL (absolute amount) increased by 30.96% in the same duration. Gross NPL ratio of the Bank was 6.70% in 2023 (4.85% in 2022). During the year, cash recovery was BDT 2,409.62 million, loan write off was BDT 1,148.59 million and rescheduled loan was BDT 11,833.15 million. BA has maintained BDT 6354.57 million surplus provisions at the end of 2023. In 2023, the Bank's top 50 funded loans and advances held 40.95% of loan portfolio. In sector wise loan segment, RMG and textiles shared the major portion (16.09% of loan portfolio) in 2023. Out of total Gross NPL, 85.45% belonged to bad & loss category followed by substandard category (9.13% of total NPL) and doubtful category (5.39% of total NPL). SMA to loan portfolio of the Bank was 3.02% in 2023. Gross NPL coverage ratio improved to 153.68% in 2023. At the end of Mar'24, Gross NPL ratio became 8.07%.

The Bank's capital to risk weighted asset ratio was 16.45% at the end of Dec'2023. The Bank issued perpetual bond BDT 5,000 million in 2021 which is subscribed BDT 3,340.00 million as on 31/12/2022. Core capital to total exposure (on and off-balance sheet) of the Bank was 4.87% at the end of Dec'2023 (2022: 4.80%). As on 31 December 2023, 91.68% of corporate exposure was rated (86.71% in 2022). At the end of Mar'24, CRAR stood at 14.89%.

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CRAB Bank Rating

Bank Asia PLC.

■ Profile

Bank Asia Limited was incorporated on 28 September 1999 and started its operation from 27th November 1999. It acquired the business of Bank of Nova Scotia (incorporated in Canada), Bangladesh operation and Muslim Commercial Bank Limited in 2001. The Bank got listed with Dhaka Stock Exchange and Chittagong Stock Exchange in 2003. The Bank offers a full range of banking and investment services for retail, SME and corporate customers. The paid-up capital of the Bank reached BDT 11,659.07 million against authorized capital of BDT 15,000.00 million as of 31st December 2023. Presently, the Bank has 135 branches, 15 sub-branches and 04 SME centers across the country. The Bank also has 5 Islamic Banking Windows and one off-shore banking unit. Besides these, the Bank has a countrywide network of own and shared ATM's. The Bank has implemented 5,051 agent banking outlets in 64 districts to provide banking services to geographically disperse rural poor segment of the society. Bank Asia signed an MoU with Bangladesh Post Office to launch the country's first ever "Post Office Banking" service. Under this network, BA will utilize the 8,500 digital post offices spread across the nation to provide banking facility.

■ OPERATIONAL PERFORMANCE:
Asset Evaluation

The Bank's total asset grew by 1.24% in FYE 2023. The asset composition of the Bank have gone through some fair changes in 2023. On an average, loans and advances dominated the asset structure by 62.38% of total asset for the last 5 years. In 2023, asset composition was dominated by loans & advances (61.4% of total) followed by investments (24.2% of total) and balance with other banks and FI's (4.99% of total). Other assets of the Bank was BDT 16,511.37 million at the end of December 2023. Major portion of other assets was investments in subsidiaries companies of the Bank. BA's Risk weighted asset was 52.12% of total asset in 2023 (2022: 55.61%).

Table 1:
Asset Composition of the Bank
(BDT Million)

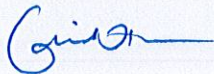
	31/12/2023			31/12/2022		
	Amount	%	Growth (%)	Amount	%	Growth (%)
Money at Call	300.00	0.06	(92.00)	3,750.00	0.80	
Cash in hand and with BB	21,776.88	4.59	(15.58)	25,797.15	5.51	(22.68)
Balance with other Bank & FI's	23,676.75	4.99	(40.18)	39,580.91	8.45	(1.93)
Investment	114,760.15	24.20	11.58	102,849.11	21.96	33.53
Loans and advances	291,325.04	61.43	4.84	277,870.36	59.32	5.95
Fixed Assets	5,878.42	1.24	4.67	5,615.91	1.20	(7.01)
Other Assets	16,511.37	3.48	27.62	12,937.50	2.76	0.76
Total	474,228.61	100.00	1.24	468,400.94	100.00	6.87

Investments.

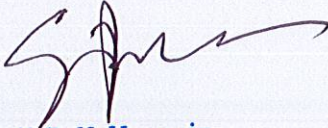
The Bank's total investment portfolio increased by 11.58% to BDT 114,760.15 million at the end of December 2023. The changes occurred mainly in government securities. The Bank's investment portfolio was mainly comprised of high quality liquid asset, like Government Securities (shared 93.05% of total investment) in 2023. The purpose of investment in these govt. securities is to meet statutory regulatory requirement (SLR) as well as to remain liquid. Bank Asia PLC. also held BDT 449.17 million investments in quoted shares of 13 different companies most of which were invested in banks, FIs and corporate.

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Table 2:

Investment Portfolio of Bank

(BDT Million)

	31/12/2023		31/12/2022	
	Amount	% of Total	Amount	% of Total
Government Securities & Bonds	106,782.76	93.05	70,690.29	91.78
Others	7,977.39	6.95	6,330.90	8.22
Quoted Shares	449.17	0.39	454.07	0.59
Unquoted Shares	104.65	0.09	173.95	0.23
Bonds	6,930	6.04	5,084.00	6.60
Others	-	-	-	-
Total	114,760.15	100.00	77,021.19	100.00

The market value of the quoted share was BDT 283.41 million as of 31 December 2023. The Bank maintained BDT 453.33 million provisions for all these diminishing values of investment in 2023. The Bank realized capital gain (loss) of BDT (127.70) million from quoted shares in 2023. Under the unquoted category, the Bank holds shares of IDFC, CDRL and 4 other companies. Bank Asia also held Bonds amounting BDT 6,740.00 million of MTBL, UCB, Premier Bank, Shahjalal Islami Bank PLC and Mercantile Bank PLC. The investment yield of the Bank reduced to 7.30% in 2023 from 7.37% in 2022.

Credit Profile

CRAB reviews the fundamentals of managing credit risk including qualitative and quantitative analysis as a part of credit risk evaluation. Qualitative evaluation includes credit policy, credit approval and credit monitoring. CRAB addresses intrinsic risk, concentration risk as well as risk arising from large loan exposures. CRAB analyzes Bank's credit quality in terms of past trend, present scenario as well as future aspects.

Credit/Loan Portfolio Analysis:

Loan portfolio increased by BDT 13,454.68 million during FYE 2023 registering 4.84% growth. The Bank has done well in comparison to gross NPL although it increased by 6,040.83 million in absolute amount resulted in 6.70% NPL in FYE2023 (4.85% in FYE 2022). The Bank has increased its focus to improve monitoring activities and regular follow up before any loan become overdue as a part of effort to mitigate the upcoming challenges of the banking industry related to asset quality. Incremental fresh NPL generation during 2023 was BDT 5,224.19 million among maximum amount of fresh NPL was rescheduled in previous year. Average NPL ratio during the last four years was 4.71%.

Classified loans in 2023 included:

Substandard - 9.13%

Doubtful - 5.39%

Bad & Loss category - 85.48%

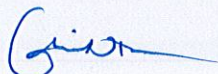
BAPLC's Loan exposure has been dominated by Corporate Loans over the years and following the increase in NPL generation in corporate sector overall NPL ratio slightly increased in 2023. Although contribution of NPL was high from corporate loans in 2023 because of larger loan size than that of SME, the NPL ratio of SME sector is substantially high during the last two years.

Sector wise concentration distribution of the Bank shows that trade financing dominated loan portfolio (17.69%) followed by miscellaneous service (10.18%), other manufacturing (9.87%), RMC (8.81%), textile (7.29%) and basic metal products (6.47%) which wise quite well diversified compared to previous year.

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Large Loan Exposure:

The Bank's loan portfolio had relatively higher large loan concentration on the back of its corporate focused business model. At the end of December 2023, the Bank's top 50 outstanding large loan exposures (both funded & non-funded) amounted to BDT 188,938.07 million against approved facilities of BDT 256,721.22 million. In 2023, the Bank's top 50 funded loans and advances held 40.95% of total loan portfolio which almost same in FY. All of these loans were reported as unclassified at the end of 2023. The Bank had 13 large loans with outstanding amount of BDT 85746.00 million, each above 10% of the total capital of the Bank in 2023.

Credit/Loan Quality:

The gross NPL ratio of BAPLC has been found to be relatively high, in contrast to the industry average in last couple of years. NPL increased to BDT 19,510.36 million at end of 2023 resulted 6.70% NPL ratio when incremental fresh NPL generation was BDT 15,441.62 million and loan enhancement was BDT 1,3454.60 million. Despite of significant write offs in 2023 (BDT 1,148.59 million and reschedule of BDT 11,833.15 million), total gross NPL was higher than previous year. Those accounts rescheduled in previous year, has been classified again which is the main reason of high fresh NPL during the period and finally at end of the year, total NPL has significantly been increased. Gross NPL increased to BDT 19,510.36 million in 2023 (BDT 13,469.53 million in FY) possible from higher fresh NPL generation during 2023. Average NPL during the last three-year period ended 2023 was 4.86%.

Table 3

NPL Movement of the Bank

(BDT Million)	31/12/2023		31/12/2022		31/12/2021	
	Amount	%	Amount	%	Amount	%
Particulars						
Opening balance of NPL	13,469.54	4.62	7,930.92	2.85	10,479.98	4.00
Add: Fresh NPL Generation	15,441.62	5.30	10,217.43	3.68	1,979.22	0.75
Less: Cash Recovery	2,409.62	0.83	1,073.94	0.39	1,354.25	0.52
Less: Rescheduling	11,833.15	4.06	695.10	0.25	2,873.23	1.10
Less: Write off	1,148.59	0.39	2,909.78	1.05	300.80	0.11
Closing Balance of NPL	19,510.36	6.70	13,469.53	4.85	7,930.92	3.02

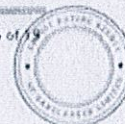
In 2023, the Bank maintained BDT 14,363.92 million as general provision for unclassified loans and advances, provision for off balance sheet exposures and Special general provision. There was BDT 6,354.57 million surplus provision at the end of 2023. The gross NPL coverage ratio of the Bank enhanced to 153.68% at the end of 2023.

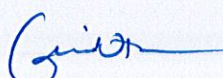
Table 4

Loan Loss Provision of the Bank including Off Balance Sheet Exposures

(BDT Million)	31/12/2023		31/12/2022	
	Amount	%	Amount	%
Particulars				
General Provision Held	14,363.92	4.93	10,287.54	3.70
Specific Provision Held	15,620.00	5.36	10,517.46	3.79
Total Provision Held	29,983.92	10.29	20,805.00	7.49
Required Provision	23,629.36	8.11	20,564.39	7.40
Provision surplus	6,354.57	2.18	240.61	0.09

The Bank's loan portfolio grew by 5.95% in 2022 and reached BDT 277,870.40 million from 70,750 loan accounts. Product wise concentration shows that, corporate loan strongly dominated the loan portfolio having 73.22% of total loan outstanding followed by SME loan shared (20.74% of total), Retail loan (6.04% of total) of loan portfolio. There are 1,37,435 credit cards in 2023 is under retail loan. Bank Asia has been focusing more on CMSME and Agri financing to reduce dependency on corporate banking for its typical higher default risk and excessive bargaining for lower margin. In 2023, agricultural credit stood at BDT 8684.70 million, an increase of 17.22% over last year's.




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Capital Adequacy

The Bank's total capital (Tier 1 and Tier 2) declined by 11.82% in 2023 compared to previous year which is mainly in the form of Tier 2 Capital. During the period under surveillance, one of subordinated bond has been redeemed which is the main reason. Consequently, the total capital has been declined even though the Tier 1 capital has been improved during the period and reached at BDT 30,473.09 million at the end of December 2023. On the other hand, risk weighted assets of the Bank declined by 5.11%. As an overall effect, capital to risk weighted asset ratio of BAPLC decreased to 16.45% at the end of December 2023 (Dec'22: 17.70%).

Table 5
Capital Structure
(BDT Million)

	31/12/2023			31/12/2022			31/12/2021		
	Amount	% of RWA		Amount	% of RWA		Amount	% of RWA	
Tier 1 Capital	30,473.09	12.33		29,823.58	11.45		25,152.67	9.56	
Tier 2 Capital	10,186.00	4.12		16,287.54	6.25		16,217.71	6.16	
Total Capital	40,659.09	16.45		46,111.11	17.70		41,370.38	15.72	
Required Capital	30,898.20	12.50		32,560.86	12.50		32,894.15	12.50	
Capital Surplus/ (Shortfall)	9,760.89	3.95		13,550.26	5.20		8,476.23	3.22	

The Bank's consistent focus on the credit rating of its clients and along with financing good corporate borrower helped it to have relatively minimal impact on its CRAR. Increase in credit risk, due to classified loans as well as sizeable loan growth in 2023. Because of the Bank's continuous strong monitoring and stringent loan criteria, 91.68% of total eligible corporate clients were rated in 2023. In 2023, 40.06% of rated corporate clients were from "AAA & AA" category followed by "Single A" category (49.02% of total) and "BBB" category (10.77% of total). The Bank conducted stress testing based on "simple Sensitivity and Scenario Analysis". Stress test revealed that the Bank's capital adequacy ratio may be affected if there is significant increase in NPLs due to default of top large borrowers.

Liability and Liquidity Profile:

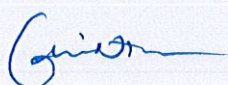
The Bank's assets were funded by mainly deposit (76.25% of total assets) followed by equity (6.22% of total assets) and borrowings (5.71% of total assets). Total deposit of the Bank reached BDT 361,617.15 million in 2023, registering growth of 7.08%. Growth of deposit was higher than that of loans & advances during the same period. Therefore, loans to deposit ratio was comfortable at 80.56% as per central bank reporting guidelines with monthly average of 64.23% throughout the year.

Table 6
Deposit Segregation of the Bank
(BDT Million)

Particulars	31/12/2023			31/12/2022		
	Amount	%	Growth	Amount	%	Growth
Current Accounts & other accounts	73,474.26	20.32	7.46	68,376.44	20.25	7.43
Bills payable	3,958.48	1.09	(5.03)	4,167.91	1.23	4.77
Savings Deposit	83,493.77	23.09	5.94	78,812.88	23.34	(0.30)
Term Deposit/Fixed deposit & Others	200,690.64	55.50	7.70	186,338.18	55.18	9.01
Total Deposit & Other Account	361,617.15	100.00	7.08	337,695.42	100.00	6.27

In 2023, the Bank's total deposit was dominated by term deposit & others (55.50% of total) followed by saving deposit (23.09% of total) and current deposit (20.32% of total). The Bank has a comparatively strong and stable low-cost deposit base on the back of its large network consisting of branches and credibility. Contribution of low-cost deposit base stood at 43.41% in 2023. On an average 42.09% of total deposit of the Bank was backed by low-cost deposit (current and savings) for the last five years. However, the cost of deposit & borrowing increased to 4.41% during 2023 which was 4.40% in 2022. The increasing trend of interest rate following the withdrawal of interest cap the cost of deposit & borrowing increased. The cost is still low compared to PCB industry average. The Bank has relatively low large deposit concentration; top 10 deposits contributed 4.93 % of its total deposit in 2023.





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The Bank adopted BASEL III liquidity standards and follows criterion for maintain MCO, Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR), Commitment, wholesale borrowing etc. as per Bangladesh Bank Guidelines. At the end of 2023, LCR and NSFR of the Bank were marginal at 199.88% and 110.19% respectively. LCR represents short term resilience (30 days) for the liquidity risk profile of banks, whereas NSFR indicates availability of stable funding over required level and provide better assessment of liquidity risk across all on- and off-balance sheet items. Leverage ratio of BAPLC was comparatively low at 5.77% at the end of 2023.

Table 7
Liquidity Profile of the Bank (Asset and Liability Maturity Analysis)

(BDT Million)	Up to 1 month	1-3 months	6 to 12 months	1 to 5 years	More than 5 years	Total
Particulars						
Assets	67883.1	67729.2	112249.8	151703.9	74662.7	474228.6
Liabilities	60696.6	72828.3	108930.7	134960.5	67292.9	444709.1
Net Liquidity Gap	7186.5	-5099.1	3319.1	16743.3	7369.7	29519.5
Cumulative Liquidity Gap	7186.5	2087.4	5406.5	22149.8	29519.5	59039.1
Gap as % of Liability	11.8	-7.0	3.0	12.4	11.0	6.6

The Bank's asset-liability maturity bucket shows that the Bank possessed positive net liquidity gap for all the maturity buckets except 1 to 3 months maturity buckets. BAPLC's liquid asset to deposit and borrowings was 38.48% in 2023 (2022: 41.17%).

Earnings and Profitability:

BAPLC earned BDT 20,973.51 million operating income in 2023 reporting 3.66% growth following 21.20% growth in the previous year. Investment income has been the major revenue source of the Bank for the long period on the back of sizeable spread. The contribution of investment income remained high followed by net interest income during the last three years. In 2023, 39.94% of total operating income came from investment income followed by net interest income (29.72% of total) and commission/fee & exchange income (23.73% of total). Other operating income was BDT 1,386.51 million in 2023 which includes miscellaneous income, fees & charges etc.

Interest income of the Bank soared by 13.19% in 2023 on the back of high loan growth and increase in interest rate. Around 73.22% of total loan portfolio of BAPLC consisted of corporate loans where interest rate is generally low. On the other hand, interest expense grew by 14.33% during the same period mainly resulted from substantial deposit growth as well as increased deposit rate in the money market. As an overall effect, net interest income increased by 13.19% following 2.36% degrowth in 2022 and reached BDT 6,233.07 million.

Table 8

Revenue Status
(BDT Million)

	31/12/2023		31/12/2022		31/12/2021	
	Amount	Growth (%)	Amount	Growth (%)	Amount	Growth (%)
Interest Income	23,287.06	14.02	20,423.05	11.35	18,340.77	1.26
Interest Expense	17,053.99	14.33	14,916.32	17.44	12,700.89	(14.91)
Net Interest Income	6,233.07	13.19	5,506.73	(2.36)	5,639.88	77.05
Investment Income	8,376.53	33.58	6,270.76	(8.44)	6,848.83	5.62
Comm. Fee & Exchange Income	4,977.40	(31.97)	7,316.18	130.91	3,168.39	28.02
Other Operating Income	1,386.51	21.76	1,138.69	9.88	1,036.30	0.21
Total Operating Income	20,973.51	3.66	20,232.36	21.20	16,693.41	26.67
Personnel expense	5,256.88	3.80	5,064.41	30.17	3,890.52	9.41
Overhead expense	4,185.89	(6.42)	4,473.14	23.90	3,610.36	1.64
Total Operating Expense	9,442.77	(0.99)	9,537.56	27.15	7,500.88	5.53
Pre Provision Profit	11,530.74	7.82	10,694.80	16.34	9,192.53	51.42
Provision	6,834.90	64.74	4,148.93	(13.31)	4,785.80	126.48
Profit Before Taxes	4,695.84	(28.26)	6,545.87	48.54	4,406.74	11.35
Provision for tax	2,300.00	(34.29)	3,500.00	105.88	1,700.00	(11.55)
Profit After Tax	2,395.84	(21.34)	3,045.87	12.53	2,706.74	32.96

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Following the increase in investment assets, investment income of the Bank increased to BDT 8,376.53 million. On the other hand, fees, commission & exchange income declined and stood at BDT 4,977.40 million in 2023 on the back of substantial decline on gain of foreign currency dealing. Other operating income was BDT 1,386.51 million in 2023 which includes miscellaneous income, service charges etc. As an overall effect, total operating income reached BDT 20,973.51 million in 2023 registering growth of 3.66%.

Total operating expense was BDT 9,442.77 million in 2023, among which 55.67% comprised of personnel expense and the rest are infrastructure and overhead expenses. However, total operating expense has been found to be improved during the surveillance period. As a result, cost to income ratio has also been improved in 2023 compared to that in 2022.

Table 9

Efficiency Ratios

Particulars	31/12/2023	31/12/2022	31/12/2021	31/12/2020	31/12/2019
Cost to Income Ratio (%)	45.02	47.14	44.93	53.94	42.00
Staff Cost to Income (%)	25.06	25.03	23.31	26.93	20.42

The Bank's pre-provision profit reached BDT 11,530.74 million in 2023. Provision expense has significantly been increased in 2023 was relatively lower in 2023 due to increase of both specific provision and general provision resulted low profit before provision compared to previous year. Profit after tax of the Bank reported BDT 2,395.84 million 2023 which was 21.34% lower compared to that of its previous period.

Pre-provision profit (PPP) to net loans was 4.26% in 2023 which indicates that 4.26% of currently performing loans can be written off without charging on reserves and equity. Net profit margin decreased to 11.42% in 2023.

Table 10

Profitability Ratios

Particulars	31/12/2023	31/12/2022	31/12/2021	31/12/2020	31/12/2019
Net Interest Margin (%)	1.96	1.75	1.93	1.20	3.48
Return on Average Asset (%)	0.51	0.67	0.64	0.53	0.61
Return on Average Equity (%)	8.24	10.88	9.89	7.81	8.56
Return on Risk Weighted Asset (%)	0.94	1.16	1.04	0.83	0.85
Asset Utilization (%)	6.45	4.46	3.94	3.46	5.00
Net Profit Margin (%)	11.42	15.05	16.21	15.45	12.20
Pre-provision profit to Net Loans (%)	4.26	4.07	3.67	2.57	4.22

Interest Rate Risk:

Table 11

**Interest Rate Risk Exposure
(BDT Million)**

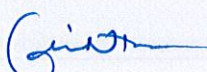
Particulars	As of 31/12/2023				
	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Above 12 months
Interest Sensitive Assets	39,447.60	36,173.70	55,501.70	72,653.20	128,040.80
Interest Sensitive Liabilities	19,192.50	43,648.80	57,749.70	45,932.80	68,140.20
Gap	20,255.10	(7,475.10)	(2,248.00)	26,720.40	59,900.60
Cumulative Earning impact 1% point int. rate increase	16.88	(12.46)	(5.62)	133.60	
Cumulative Earning impact 1% point int. rate decrease	(16.88)	12.46	5.62	(133.60)	

The Bank had asset sensitive positions in all maturity buckets except 1 to 3 and 3 to 6 months maturity bucket as of 31 December 2023. Gap indicates that the Bank will be benefited on increasing interest rates and will suffer on decreasing interest rate scenario marginally. For 1 percentage point interest rate increase the Bank will gain BDT 16.88 million and will lose the same amount for 1 percentage point interest rate decrease.

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Foreign Exchange Risk:

As a commercial bank, the Bank is exposed to potential changes in earnings arising due to changes in market price of currency and the position in the currency that is held during the changes. In addition to Bangladesh Bank guide line, the Bank has also developed and follow different strategies to handle foreign exchange risk by setting limits on net open positions by currencies, mismatch limits by currencies and time buckets of forward foreign exchange transactions, over-all gross limit for FWD transaction, maximum loss limit per day, per month and value at risk limits. However, foreign exchange position is managed by treasury division and in 2023, total risk weighted assets for Foreign Exchange Risk is BDT 72.08 million and capital requirement was BDT 9.01 million. As of 31/12/2023, the sum of overall currencies stood at BDT 3,900.65 million.

Foreign Exchange Business

Table 12	31/12/2023
USD in Million	1,360
Export	1,912
Import	839
Remittance (Inward)	

Bank has performed consistently well in last few years in this area. Although both export and import business remain almost stable during the last two years, inward remittance has been found to be good at the end of 2023 as the Bank has developed its infrastructure including manpower to facilitate the remittance. The remittance flow is expected to remain sound in the upcoming year which will facilitate the bank to reduce interbank dependency.

Off Balance Sheet Exposures

The Bank's off-balance sheet portfolio registered negative growth of 0.9% and became BDT 152,124.7 million at the end of 2023. Acceptance and endorsements shared 37.58% of total followed by letter of credit shared (24.51% of total) and by letter of guarantee (20.67% of total). Total off balance sheet exposures of the Bank was 32.08% of total assets and 3.74 times of the total capital by the end of December 2023. The non-funded business of the bank played a major role in achieving profitability.

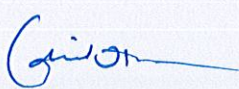
Table 13	31/12/2023			31/12/2022		
Off Balance Sheet Exposure (BDT Million)	Amount	%	(Growth %)	Amount	%	
Particulars						
Acceptance & Endorsement	57,164.04	37.58	(0.5)	57461.00	37.42	
Letter of Guarantee	31,450.16	20.67	(17.7)	38212.13	24.88	
Letter of Credit	37,281.13	24.51	29.6	28775.25	18.74	
Bills for Collection	21,416.72	14.08	(21.7)	27356.71	17.81	
Other contingent liabilities/Others	4,812.66	3.16	173.7	1758.18	1.14	
Total	152,124.71	100.00	(0.9)	153563.27	100.00	

MARKET SHARE AND GROWTH

Table 14	Market Share of the Bank ¹				
Particulars	31/12/2023	31/12/2022	31/12/2021	31/12/2020	31/12/2019
Loans and Advances (%)	1.9	2.0	2.2	2.2	1.8
Deposit (%)	2.1	2.1	2.1	2.2	2.2

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■ **BRANCH NETWORK**

The Bank has a network of branches across the country which helps in channelizing its products and services to end users/customers. BAPLC had 135 branches in 2023 and 15 sub branches. Bank Asia also has an off-shore banking unit and 4 SME service centers to support the growth of SME. In addition to, BAPLC has 5 Islamic Banking Units which are operated based on Islamic Shariah. BAPLC has also expanded its alternative delivery channels (ADC) concurrently with countrywide network of own ATMs having 218 own ATMs and 5,051 agent banking outlets.

Asia Audit & Inspection completed the Audit & Inspection tasks of 135 Branches, 05 Islamic Banking Windows and 09 surprise Audit. Completed ICT/IS Audit on 27 Branches & Corporate Office Divisions/Departments. Conducted Shari'ah Audit on 27 Branches in 2023.

■ **MANAGEMENT:****Senior Management**

The management of the Bank is headed by the Managing Director Mr. Sohail R K Hussain as Managing Director. Mr. Hussain having more than 33 (thirty-three) years of multifarious experience in banking profession leads the team from the forefront as Managing Director. The Managing Director is supported by a group of senior professionals comprising of 02 Additional Managing Director, 06 Deputy Managing Directors and different departmental heads.

For smooth operation the Bank has formed following committees:

Senior Management Team (SMT): known previously known as MANCOM comprised of 15 senior officials of the company and is headed by the Managing Director. They meet regularly to discuss relevant matter of the business. In 2023, 12 SMT meetings were held.

Asset Liability Management Committee (ALCO): The committee is comprised of 9 members and is headed by the President & Managing Director. The committee meets regularly to monitor liquidity risk, market risk and capital management of the Bank. It discusses latest market scenario & economic outlook, review of key ALM indicator, projection on exchange and interest rate, liability pricing, foreign currency inflow & outflow scenario, interbank dependence, interest rate of peer banks, NPA position etc. During 2023, 12 ALCO meetings were held against 12 meetings in 2022.

Credit Committee: Headed by Chief Operating Officer, this committee is responsible for review of all credit proposals for corporate credit and medium business. The Committee accords decision and recommendations as per delegation guidelines, review business strategies and performance, status of loans and advance, furnish credit related MIS to Board or EC for review etc. There are 2 more management committee named: Supervisory Review Process (SRP) Committee and Policy Review Committee

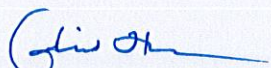
Human Resource Management

The HR division of the Bank comprises of 28 members and headed by a senior level executive of the Bank. Human resources division of the Bank performs the functions of recruitment, placement, training & development, performance management, reward & incentive management, grievance and disciplinary management. In 2023, total number of employees 2,751. 48 new employees joined the Bank. Overall male to female ratio stands at 79:21. The Bank organizes both internal and external training programs to enhance the skills and knowledge of its employees. In 2023, BAIRD has conducted 2170 training (physical & virtual) of 24,822 man hours. BAIRD also diversified the courses of Post Office Banking and Agent Banking and gave due weightage on the courses of Risk Management. Overall employee turnover rate was 4.65% of total employees in 2023. Bank Asia has established a SMART KPI to evaluate the contribution of all individuals in a transparent manner to assess quantitative and/or qualitative performance vis-à-vis setting a target for the given year.

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CRAB Bank Rating

Bank Asia PLC.

Management Information System (MIS)

The IT division of the Bank comprises of 48 persons which comprises system analyst, engineer, network administrator, programmer etc. The Bank uses "STELAR" as the platform for financial and management reporting. STELAR is developed and customized with joint venture IT company ERA-Info Tech. The Bank also uses other software for management information, regulatory requirement, activity monitoring and other operational processing. The Bank is providing integrated online banking facilities to all of its branches and SME service Centers and other delivery channels using common centralized server. The Bank continuously updates these systems to comply with enhancing requirements. Bank Asia has implemented Oracle 12c enterprise database. Also the Bank planned its core banking system for CIB information, implementation of collateral security database against loans & advance and separate module for updating information as per Bangladesh Bank. There was OCAS (Online Credit Approval System) "Diganta software" Bank Asia Ltd. From the very beginning. Moreover, several training sessions were arranged for the officers and agents of the bank on Online Credit Approval System (OCAS). This system reduce lead time, ensure accuracy, strengthen security and make accessibility easier and provide a competitive edge over other banks online banking. Through SSL, Bank Asia Limited A/C Holder can purchase products & Services from 175+ Merchant websites. Bank Asia has successfully introduced utility & remittance payment and fees collection through Online, cutting edge ICT, state of the art network solution, 24/7 ATM service & many other e-products. Bank Asia has also started the incorporation of Artificial Intelligence into its business operations. Engaged 52,271 beneficiaries credit proposals through Online Credit Approval System (OCAS).

CORPORATE GOVERNANCE

To assess the Bank's corporate governance practices CRAB evaluates the quality of financial reporting and disclosures, strength of internal control system and internal audit function, the inclusion of appropriate qualified independent non-executive directors on Board of Directors, the formation of audit committee, delegation of power to executives and staff and protection of shareholders rights. CRAB evaluates how the Bank complies with these corporate governance requirements.

Financial Reporting and Disclosures

The financial statement of the Bank was audited by reputed chartered accountant firm MABS & J Partners, Chartered Accountants. According to them the financial statements of the Bank were prepared and presented in accordance with International Financial Reporting Standards (IFRSs), International Standards on Auditing (IASs), IESBA Code, Bangladesh Securities & Exchange Commission and Bangladesh Bank. According to the auditor, the financial statements gave a true and fair view of the state of the Bank as at December 31, 2023. Bank Asia PLC, has complied with all conditions applicable to them imposed by the Bangladesh Securities and Exchange Commission. Suraiya Parveen & Associates, Chartered Accountants is the corporate governance auditor of the Bank.

Board of Directors

Board of Directors of the Bank	
Name	Designation
Mr. Romo Rouf Chowdhury	Chairman
Mr. Mohd. Safwan Chowdhury	First Vice Chairman
Ms. Zakia Rouf Chowdhury	Second Vice Chairman
Mr. Rumee A Hossain	Director
Ms. Hosneara Sinha	Director
Ms. Romana Rouf Chowdhury	Director
Ms. Farhana Hossain	Director
Mr. Enam Chowdhury	Director
Mr. Nafis Khundker	Independent Director
Mr. Dilwar H Chowdhury	Independent Director
Mr. Ashrafur Haq Chowdhury	Independent Director
Mr. Md. Abul Quasem	Independent Director
Mr. M.A. Baqui Khalily	Independent Director
Mr. Helal Ahmed Chowdhury	Independent Director

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9/22/2024, 1:44



CRAB Bank Rating

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The Bank's Board comprises of 15 members including the Managing Director of the Bank, Mr. Romo Rouf Chowdhury is the Chairman. Mr. Mohd. Safwan Choudhury is the Vice Chairman of the Bank. Bank Asia has 05 independent directors in the board. Board is involved in policy formulations, strategic direction setting, business plan approval and review of various activities and also providing necessary direction to the management for conducting businesses in a competitive and profitable manner. Board also ensures effective risk management across the Bank as per the central bank's guidelines. The Bank's Board of Directors meets twice, but may hold more meetings in case there are special needs. The Board held 28 meetings in 2023 meetings. Sponsors & directors held 53.30% shares, general public held 10.56% and institutions held 23.19% shares of the Bank in 2023.

Board Audit Committee

Total Members	Four (5)
Chairman	Mr. Dilwar H Chowdhury
Function	Review and monitor regulatory compliance, financial reporting, internal control & internal audit functions, external audit, compliance with existing laws and regulations and other operational activities. The Audit committee regularly reports its activities to the Board of Directors following each meeting.
Meeting held in 2023	9 meetings

Executive Committee

Total Members	Three (7)
Chairperson	Mr. Rumee A Hossain
Function	Responsible for administration, investment aspect, expansion of business, property purchase of the Bank etc. It also reviews all the proposals for loans and advances that do not fall within the discretion of the Managing Director.
Meeting held in 2023	41 meetings

Board Risk Management Committee

Total Members	Five (5)
Chairperson	Mr. Baqui Khalily
Function	Scrutinizes adequacy and effectiveness of risk management measures throughout the Bank. It plays an effective role in identifying and assessing risks and guiding management to formulate strategy for mitigating impending risks arising out from strategies and policies.
Meeting held in 2023	06 meetings

Internal Control & Compliance

ICCD of the bank has four units/departments: i) Audit department, ii) Monitoring department, iii) Compliance department and iv) Legal department

Audit department

All Departments and Branches are audited periodically and when and as required by the management. These Audit Reports are submitted to the MD, Board Audit Committee (BAC) and Board of Directors. Internal Audit conducts Risk Based Audit and award ratings to branches. In 2023, Audit Department conducted audit of all 83 branches as planned. The Audit Department conducted 27 special audit and 9 surprise audits.

Compliance department

Compliance department ensures compliance of compulsory laws, rules, and guidelines in every unit of the Bank and provides required guidelines and keeps liaison with regulators at all levels and informs the concerned units/departments regarding the regulatory changes.

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Monitoring department

The Monitoring department ensures overall efficiency of BAPLC's internal control mechanism on a perpetual basis through monitoring of departments and branches of BAPLC. This department take step to assure the appropriate practice of internal control system and to address the risks generated from operational process that the Bank identified through the risk assessment process.

Legal department

Legal department of ICCD safeguards the Bank by ensuring legal support to all of its branches and departments

Corporate Social Responsibility

The Bank has been very aware of corporate social responsibilities since its inception. Presently, the Bank has different projects in the area of education, health, environment, cultural and other issues. Focus on the overall betterment of the society through CSR activities amounting BDT 326.00 million. During 2023, Total BDT 227.00 million given for the betterment of health, donated land with building for establishing hospital, BDT 16.00 million for education, BDT 32.00 million for disaster management, BDT 40.00 million for env. & climate change mitigation & adaptation and so forth. In addition to the above, Bank Asia donated to Prime Minister's Ashrayan Project-2 Fund for the underprivileged and homeless people of the country beside BDT 200.00 million for Bangabandhu Memorial Trust, BDT 26.51 million for Establishing & Running Hospital etc.

The Bank's CSR expenditure for last five years is as follows:

Table 15

CSR Expenditure of the Bank

	31/12/2023	31/12/2022	31/12/2021	31/12/2020	31/12/2019
BDT. Million	326.00	237.00	247.00	283.00	116.00
CSR Expenditure	13.61	7.78	9.13	13.90	5.92
% of PAT					

Agent Banking

Bank Asia set up 5,051 agent outlets in 64 districts with BDT 46,349 million deposits through 6.38 million accounts and BDT 2,431 million loans disbursed through this alternative banking channel. The Bank also facilitated USD 1,285 million remittances to the customers in 2023. Bank Asia developed the model of Micro-merchant as a part of expanding digital financial inclusion. With a vision to expand network and ensure service reach to grass root level, the Bank has built up a strategic relationship with the Posts and Telecommunications Division of Bangladesh Government where people will get Bank Asia service from Digital Post e-Centre across the country. Bank Asia has

SUBSIDIARY PERFORMANCE

Bank Asia Securities Ltd.

Bank Asia Securities Limited (BASL) a fully owned subsidiary company of Bank Asia Ltd., has been operating as stock broker & stock dealer from April 17, 2011. Before becoming a subsidiary, it was a division of Bank Asia Limited since 5th August, 2009. The equity of the Company reached BDT 2,061.54 million at the end of 2023. It carries out the business of stock brokers/stock dealers and other related business in connection with the dealing of listed securities. Presently, it has five (5) branches across the country. The margin loan portfolio of the Company reached BDT 4,552.93 million at the end of 2023. The Company had BDT 1,805.55 million loans outstanding with parent banks. The Company's profit after tax was BDT 2.78 million in 2023.

Bank Asia Exchange (UK) Limited

Bank Asia Exchange (UK) Ltd. is a fully owned subsidiary of Bank Asia. The Company mainly provides remittance services to the Bangladeshi Communities living in UK. Apart from remittance services the Company also caters to the investment needs of the NRIs through its parent organization. The Company experienced net profit amounting BDT 8.53 in 2023.

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BA Express USA Inc.

BA Express USA Inc. is a fully owned subsidiary of Bank Asia. The Company was incorporated in September 2011. In June 2013, it received license as an international money transmitter from the State of New York Department of Financial Services. Shareholders' equity of the Company was BDT 13.32 at the end of 2023. The Company experienced Net profit amounting BDT 71.68 million in 2023.

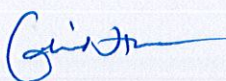
■ 1st Quarter 2024 Performance of the Bank

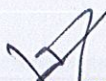
As of 31 March 2024, loan portfolio of the Bank was BDT 29,211.35 million. Gross NPL (in absolute amount) swelled to BDT 23,573.38 million in the 1st quarter of 2024. Therefore, gross NPL ratio became 8.07% on 31 March 2024. On the other hand, deposit portfolio slightly increased to BDT 37,692.49 in the same duration. Capital to Risk weighted Asset Ratio was 14.89% at the end of 1st QTR 2024. The Bank has issued perpetual bond which improved Tier 1 capital further. The Bank earned BDT 1,760.91 million net interest income during 1st QTR 2024. Profit after tax reached BDT 778.82 million in the same duration.

Table 16

1st Quarter Performance of the Bank (Consolidated)

	31/03/2024	31/03/2023
(BDT Million)	292,111.35	266,181.52
Loans	37,692.49	349,169.80
Deposit	23,573.38	15,672.39
Gross NPL	8.07	5.89
Gross NPL Ratio (%)	14.89	16.93
CRAR (%)		
	Jan'24 to Mar'24	Jan'23 to Mar'23
	(3)	(3)
For Months	1760.91	1,427.78
Net Interest Income	6347.70	4,671.40
Total Operating Income	3922.23	2,482.03
Profit before Provision	1923.78	450.22
Provision	778.82	1,321.81
Profit After Tax		


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APPENDIX 1: Definitions of Selected Ratios

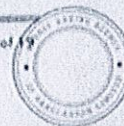
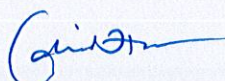
1. Loans and advances include Loans, Cash Credit, Overdrafts, Bill purchased and discounted unless mentioned otherwise.
2. Deposits include Deposits & other accounts and bills payables unless mentioned otherwise.
3. Average Assets, Average investment assets, Average Earning Assets and Average equity are calculated on the basis of opening and year end balances.
4. Interest Earning Assets include total loans & advances, money at call & short notice, balance with other banks & FIs, foreign currency balance with Bangladesh Bank and interest earning assets in Offshore Unit.
5. Net Loans & Advances has been calculated by deducting Specific Provision and Interest Suspense Accounts from Gross Loans & Advances.
6. Net Profit Margin = Net Profit after Tax / Operating Income
7. Asset Utilization = Operating Income / Average Assets
8. Leverage Multiplier = Average assets / Average Equity
9. Yield on Average Investment = Income from Investment / Average Investment Assets

APPENDIX 2: ASSUMPTIONS FOR INTEREST RISK EXPOSURE

1. Assets and liabilities are re-priced on the first day of the re-pricing interval and, therefore, that interest rate change affects the whole period.
2. Assets and liabilities are rolled over into the same types of instruments with the same maturities.

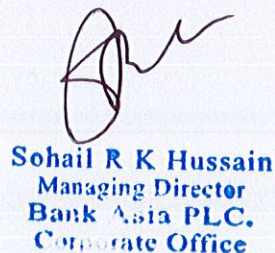
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APPENDIX 3: RELATED TABLES
Table 1

Structural Liquidity Profile of the Bank

M3: BDT	For the Year 2023				
	Up to one months	1-3 months	3-12 months	1-5 years	More than 5 years
Net Mismatch	(241.01)	(5,786.69)	(8,070.25)	(2,718.30)	4,075.40
Cumulative Net Mismatch	1,980.80	(3,805.89)	(11,876.13)	(14,594.43)	(10,519.03)

Table 2

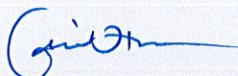
Month-wise Call Market Operation

Particulars	For the Year 2023											
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Call Lending (Monthly Average)	2,338.00	1,445.83	2,541.52	3,176.32	3,398.95	925.00	3,143.00	3,300.33	1,303.94	2,063.13	2,510.00	995.00
Avg. Interest Rate (%)	6.47%	6.01%	6.04%	6.00%	6.00%	6.00%	6.16%	6.23%	6.33%	7.49%	8.00%	8.12%
Call Borrowing (Monthly Average)	400.00	260.00	250.00	1,282.63	833.33	994.76	736.36	250.00	1,767.50	1,338.77	1,027.63	625.00
Avg. Interest Rate (%)	6.71%	5.57%	5.86%	5.83%	5.92%	5.77%	6.12%	6.22%	6.38%	7.73%	7.79%	8.71%
Net Lending (Borrowing)	1,938.0	1,185.8	2,291.5	1,894.2	2,565.6	(69.76)	1,551.6	2,850.3	45.44	726.56	1,482.3	366.00
	0	3	2	9	1	4	3	1	45.44	726.56	1,482.3	366.00

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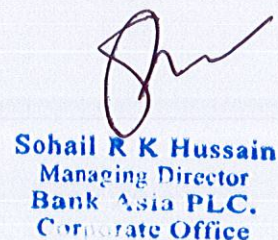




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ANNEXURE 1: SHAREHOLDING STRUCTURE
Shareholding Structure as of 31 December 2023

Particulars	Percentage of Shareholding (%)
Director	53.30
General public	10.56
Institutions	23.19
Investment Companies	12.72
NRB	0.06
Foreign investors	0.16
Total	100.00

ANNEXURE 2: EQUITY RELATED INFORMATION
Equity Information of the Bank

	31/12/2023	31/12/2022	31/12/2021	31/12/2020	31/12/2019
Rate of Dividend	15% C	15% C	15% C	10% C	10% C
EPS	1.72	2.61	2.32	1.75	1.68
NAVPS	25.32	24.41	23.46	23.48	21.22

ANNEXURE 3: PREVIOUS RATING HISTORY

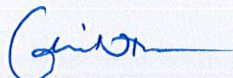
Table 6.1

Previous Rating History

Date of Rating	Long Term	Short Term	Outlook
14 June 2023	AA1	ST-1	Stable
15 June 2022	AA1	ST-2	Stable
24 June 2021	AA2	ST-2	Stable
30 June 2020	AA2	ST-2	Stable
27 June 2019	AA2	ST-2	Stable
27 June 2018	AA2	ST-2	Stable
21 June 2017	AA2	ST-2	Stable
05 May 2016	AA2	ST-2	Stable
30 June 2015	AA3	ST-2	Stable

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CRAB RATING SCALES AND DEFINITIONS - LONG TERM: BANKS

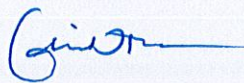
RATING	BSEC's equivalent Rating Notches	DEFINITION
AAA Triple A (Extremely Strong Capacity & Highest Quality)	AAA Triple A	Commercial Banks rated 'AAA' have extremely strong capacity to meet their financial commitments. 'AAA' is the highest issuer credit rating assigned by CRAB. AAA is judged to be of the highest quality, with minimal credit risk.
AA₁, AA₂, AA₃ Double A (Very Strong Capacity & Very High Quality)	AA₁, AA₂, AA₃ Double A	Commercial Banks rated 'AA' have very strong capacity to meet their financial commitments. They differ from the highest-rated Commercial Banks only to a small degree. AA is judged to be of very high quality and is subject to very low credit risk.
A₁, A₂, A₃ Single A (Strong Capacity & High Quality)	A₁, A₂, A₃ Single A	Commercial Banks rated 'A' have strong capacity to meet their financial commitments but are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than Commercial Banks in higher-rated categories. A is judged to be of high quality and are subject to low credit risk.
BBB₁, BBB₂, BBB₃ Triple B (Adequate Capacity & Medium Quality)	BBB₁, BBB₂, BBB₃ Triple B	Commercial Banks rated 'BBB' have adequate capacity to meet their financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the Commercial Banks to meet their financial commitments. BBB is subject to moderate credit risk.
BB₁, BB₂, BB₃ Double B (Inadequate Capacity & Substantial Credit Risk)	BB₁, BB₂, BB₃ Double B	Commercial Banks rated 'BB' are less vulnerable in the near term than other lower-rated Commercial Banks. However, they face major ongoing uncertainties and exposure to adverse business, financial, or economic conditions, which may lead to the Commercial Bank's inadequate capacity to meet their financial commitments. BB is judged to have speculative elements and is subject to substantial credit risk.
B₁, B₂, B₃ Single B (Weak Capacity & High Credit Risk)	B₁, B₂, B₃ Single B	Commercial Banks rated 'B' are more vulnerable than the Commercial Banks rated 'BB', but the Commercial Banks currently have the capacity to meet their financial commitments. Adverse business, financial, or economic conditions are likely to impair the Banks' capacity or willingness to meet their financial commitments. B is considered speculative and weak capacity and is subject to high credit risk.
CCC₁, CCC₂, CCC₃ Triple C (Very Weak Capacity & Very High Credit Risk)		Commercial Banks rated 'CCC' are currently vulnerable, and are dependent on favorable business, financial, and economic conditions to meet their financial commitments. CCC is judged to be of very weak standing and is subject to very high credit risk.
CC Double C (Extremely Weak Capacity & Extremely High Credit Risk)		Commercial Banks rated 'CC' are currently highly vulnerable. CC is highly speculative and is likely in, or very near, default, with some prospect of recovery of principal and interest.
C Single C (Near to Default)	C Single C	A 'C' rating is assigned to Banks that are currently highly vulnerable to non-payment of obligations, or in the verge of default or faced with insolvency petition or bankruptcy petition or similar actions, but have not yet experienced a payment default with external support.
D (Default)	D (Default)	'D' is in default. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of a similar action if payments on an obligation are jeopardized.

*Note: CRAB appends numerical modifiers 1, 2, and 3 to each generic rating classification from AA through CCC, which are equivalent to + (positive) sign, without any sign and - (negative) sign respectively as mentioned in the rating notches of BSEC (CRC) Rules, 2022 (Form XI). The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

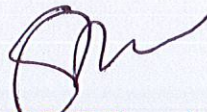
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CRAB Bank Rating

Bank Asia PLC

CREDIT RATING SCALES AND DEFINITIONS – SHORTTERM: BANKS

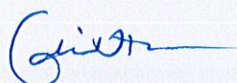
RATING	BSEC's equivalent Rating Notches	DEFINITION
ST-1 Highest Grade	ST 1	Commercial Banks rated in this category are considered to have the highest capacity for timely repayment of obligations. Commercial Banks rated in this category are characterized with excellent position in terms of liquidity, internal fund generation, and access to alternative sources of funds is outstanding.
ST-2 High Grade	ST 2	Commercial Banks rated in this category are considered to have strong capacity for timely repayment. Commercial Banks rated in this category are characterized with commendable position in terms of liquidity, internal fund generation, and access to alternative sources of funds is outstanding.
ST-3 Average Grade	ST 3	Commercial Banks rated in this category are considered to average capacity for timely repayment of obligations, although such capacity may impair by adverse changes in business, economic, or financial conditions. Commercial Banks rated in this category are characterized with satisfactory level of liquidity, internal fund generation, and access to alternative sources of funds is outstanding.
ST-4 Below Average Grade	ST 4	Commercial Banks rated in this category are considered to have below average capacity for timely repayment of obligations. Such capacity is highly susceptible to adverse changes in business, economic, or financial conditions than for obligations in higher categories. Commercial Banks rated in this category are characterized with average liquidity, internal fund generation, and access to alternative sources of funds is outstanding.
ST-5 Inadequate Grade	ST 5	Commercial Banks rated in this category are considered to have inadequate capacity for timely repayment of obligations susceptible to adverse changes in business, economic, or financial conditions. Commercial Banks rated in this category are characterized with risky position in terms of liquidity, internal fund generation, and access to alternative sources of funds is outstanding.
ST-6 Lowest Grade	ST 6	Commercial Banks rated in this category are considered to have obligations which have a high risk of default or which are currently in default. Commercial Banks rated in this category are characterized with risky position in terms of liquidity, internal fund generation, and access to alternative sources of funds is outstanding.

The Rating Committee of CRAB is the final authority to award a rating. The Rating Committee of CRAB is comprised of external independence persons who are not members of the Board of the Company and they ensure the independence of rating.

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Zahid Hasan
Deputy Company Secretary
Bank Asia PLC.



Mohammad Ibrahim Khalil, FCA
Chief Financial Officer
Bank Asia PLC
Corporate Office, Dhaka.



Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office



Section 16: Latest Default Matrix and Transition Statistics of the Credit Rating Company

Default Matrix and Transaction Statistics of Emerging Credit Rating Limited:

ECRL Default Studies 2022

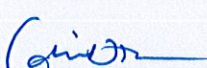
Default Summary by Rating Category

Year	Default count (High Grade)	Default count (High Yield)	High grade default rate	High yield default rate	All corporate default rate
2011	0	0	0.0%	0.0%	0.0%
2012	0	0	0.0%	0.2%	0.2%
2013	0	2	0.0%	0.0%	0.0%
2014	0	0	0.0%	0.0%	0.0%
2015	0	0	0.0%	0.0%	0.0%
2016	0	1	0.0%	0.1%	0.1%
2017	1	0	0.4%	0.0%	0.1%
2018	0	0	0.0%	0.0%	0.0%
2019	0	1	0.0%	0.1%	0.1%
2020	0	1	0.0%	0.1%	0.1%
2021	0	0	0.0%	0.0%	0.0%
2022	0	0	0.0%	0.0%	0.0%
All Corporate Mean	n.a.	n.a.	0.0%	0.1%	0.1%

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	0.0%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
BBB	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
BB	0.1%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
B	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
B & Lower	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%
High Grade	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
High Yield	0.0%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
All Corporate	0.0%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%

Default Matrix and Transaction Statistics of Credit Rating Agency of Bangladesh Limited:


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 Sohail R K Hussain
 Managing Director
 Bank Asia PLC.
 Corporate Office


CRAB RATINGS' DEFAULT STUDY-2022

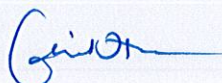
Rating Category	1-Year Default Rate	3-Year Cumulative Default Rate (CDR)
AAA	0.00%	0.00%
AA	0.00%	0.00%
A	0.00%	0.00%
BBB	0.00%	0.00%
BB	0.00%	0.00%
B	0.00%	0.00%
CCC	0.00%	0.00%

CRAB RATINGS' TRANSITION MATRIX- 2022

Previous Rating	Rating after 1 year						
	AAA	AA	A	BBB	BB	B	CCC
AAA	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
AA	1.51%	97.73%	0.76%	0.00%	0.00%	0.00%	0.00%
A	0.00%	4.23%	93.46%	2.31%	0.00%	0.00%	0.00%
BBB	0.00%	0.00%	5.80%	94.20%	0.00%	0.00%	0.00%
BB	0.00%	0.00%	0.00%	32.86%	64.28%	2.86%	0.00%
B	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%
CCC	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Each row corresponds to a previous rating.

Each column corresponds to a rating after 1 year.


 Zahid Hasan
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 Sohail R K Hussain
 Managing Director
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 Corporate Office



Section 17: Description of the Trustee & Board of Trustees

Trustee Appointed: **BRAC EPL Investments Limited**



BRAC EPL Investments Limited (BEIL) is a public limited company that formally commenced operations under a new management team on October 01, 2009 after obtaining a merchant bank license from the Bangladesh Securities and Exchange Commission.

BRAC Bank holds majority of equity shares of BRAC EPL Investments Ltd. Its Board of Directors consists of dynamic and renowned professionals with considerable experience in some of the country's major financial industries. It has also positioned itself as a leading merchant bank to provide a wide range of investment banking solutions.

Business Operations:

BEIL delivers a wide range of investment banking services including issue management, underwriting, and portfolio management. It has already established itself as one of the top portfolio managers, serving more than 4600 clients country-wide from seven locations. In discharging professional services, BEIL makes concerted efforts to show zero tolerance towards non-compliance and emphasizes strict adherence to regulatory guidelines.

In its brief history, BEIL has already earned considerable respect and a positive reputation in efficiently managing public offerings. All public issues, initial, and rights, managed by BEIL have received encouraging market response. BEIL takes pride in jointly bringing the first public issue to the Bangladesh capital market under a newly introduced Book Building Method. The corporate team at BEIL provides a full array of solutions across debt, hybrid, derivative and equity-linked products. The BEIL team focuses on originating, structuring, underwriting, and executing debt financing, including syndications of both foreign and local, corporate bonds, bridge financing, mezzanine debt, and other debt linked products. BEIL also has a strong foothold in Mergers & Acquisitions and private equity, aligning the goals of those who seek funding for joint venture opportunities in Bangladesh.

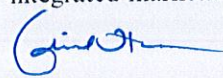
Board of Directors:

Fahima Choudhury Keya

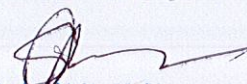
Ms. Fahima Choudhury was appointed as an Independent Director to the board of BRAC Bank Limited in April 2018. At present, she also serves as the Chair of the Board Risk Management Committee and as a member of the Board Audit Committee.

Since 2018, Ms. Choudhury also serves as a BRAC Bank Nominated Director on the boards of BRAC EPL Investments Ltd. and BRAC EPL Stock Brokerage Ltd.; and is currently the Acting Chair of both these companies. In the end of 2021, she was nominated by BRAC Bank as a Director onto the board of Bkash Ltd.

Ms. Choudhury is a management consultant and a marketing communications & advertising specialist with over 25 years of experience in various entrepreneurial and leadership roles across multiple firms. Ms. Choudhury started her career in Adcomm Limited (one of the oldest and most renowned advertising agencies in the country) rising to the position of Director, before moving on to establish her own integrated marketing communications agency called Marka. Later, Marka was acquired by Ogilvy &


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Bank Asia PLC.
Corporate Office



Mather Worldwide (part of the WPP Group), and Ms. Choudhury became the Managing Director (and shareholder) of Ogilvy & Mather Bangladesh. In the past she has also been a member of Ogilvy APAC regional council, as well as Assistant General Secretary in the Advertising Agencies Association of Bangladesh. Ms. Choudhury left the advertising industry in 2020 in order to focus on her consultancy business.

Aside from this, Ms. Choudhury is also a Director of Adcomm Holdings which has business involvements in various other industries (including hospitality, media, and IT).

Ms. Choudhury did her B.Sc. (Hons.) Management and M.Sc. Management from the London School of Economics & Political Science in the United Kingdom.

Selim R. F. Hussain

Mr. Selim R. F. Hussain is the Director of BRAC EPL Investments Ltd. and Managing Director & CEO of BRAC Bank Ltd. Mr. Hussain is a career banker and an immediate past CEO & Managing Director of IDLC Finance Limited who is widely recognized and highly acclaimed across the financial sector for being the architect of IDLC Finance's meteoric rise over the past six years. He was also the Chairman of the Board of Directors from 2010 to 2012 of IDLC Finance's two subsidiaries – IDLC Investments Limited and IDLC Securities Limited.

Mr. Hussain has an Honors degree in Accounting and an MBA (Finance) from the Institute of Business Administration, from Dhaka University. He worked in various roles with two of the largest multinational banks in Bangladesh, ANZ Grindlays Bank and Standard Chartered Bank for 24 years before moving to the IDLC Group in 2010. He has worked in India and Australia for a significant period of his career. Prior to taking over the helm at IDLC Finance Limited, he was the Head of Finance & Strategy for Standard Chartered Bank's Consumer Banking Division in Mumbai, India. Mr. Hussain was also the CFO for Standard Chartered Bank, Bangladesh from 2002 to 2007. Mr. Hussain was also a Director at the Credit Rating Agency of Bangladesh (CRAB) and the Vice Chairman of the Bangladesh Leasing & Finance Co Association (BLFCA) since 2012.

Tamara Hasan Abed

Tamara Hasan Abed is the managing director of BRAC Enterprises. She has been heading BRAC's 13 social enterprises, including Aarong, BRAC Dairy, BRAC Seed and Agro Enterprise as a senior director since 2014. Ms. Abed has extensive experience in investment banking, entrepreneurship, and social enterprise with a career spanning over two decades, across diverse sectors. Leading by example, she has carved a respectful position as a senior leader in the traditionally male-dominated industries and has inspired more women to come forward and make a mark. She is passionate about driving value-based business models, operating at the intersection of social good, sustainable business and inclusive growth.


Ms. Abed began her career in the corporate finance sector in 1995, at Peregrine Capital Ltd, a Hong Kong-based investment bank in Dhaka. Later she moved to New York and worked for Goldman Sachs in Mergers and Strategic Advisory.

Ms. Abed has represented Bangladesh globally and was honored by the World Economic Forum as a 'Young Global Leader' in 2010. She also represented Bangladesh during the Presidential Summit on Entrepreneurship in Washington in 2010. Ms. Abed is an Asia 21 Young Leader. She received the Outstanding Women Leadership Award from the World Women Leadership Congress in 2014.

Mohammad Masud Rana

Mr. Mohammad Masud Rana joined as a member of the Board of BRAC EPL Investments Limited as a shareholder director. Mr. Mohammad Masud Rana is currently working at BRAC Bank Limited as Deputy Managing Director (DMD) and Chief Financial Officer (CFO).

He has more than 23 years of diversified experience of public accounting, textile, pharmaceutical and banking. He started his career with SF Ahmed & Co. before joining BEXIMCO Garments & Textile Division in 2001 as Finance Manager. In 2004, he moved to Sanofi-Aventis as Financial Controller. He started his stint with Standard Chartered Bangladesh (SCB) in 2006 as the Financial Controller. During


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Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office



Information Memorandum
Bank Asia 4th Subordinated Bond

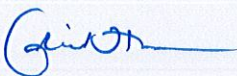
his tenure with SCB, he eventually went on to assume the role of CFO in 2016. Prior to joining BRAC Bank, Mr. Masud was serving the role of CFO in Dhaka Bank Limited. He is a Fellow Chartered Accountant of ICAB and completed his Honors and Masters in Accounting from University of Dhaka.

Dr. Zahid Hussain

Dr. Zahid Hussain has been appointed as Nominated Director to the Board of BRAC EPL Investments Limited and he is an independent director to the Board of BRAC Bank Limited. Dr. Hussain served as a Consultant in the World Bank Dhaka Office from July 01, 2019, to June 30, 2020.

He has also served as a Lead Economist in the World Bank Dhaka Office from May 01, 1995, to June 30, 2019. During this time, he was a key member of the Bank's macro, trade, and investment global practice that provides budgetary support (development support credit) and technical assistance to the government, and prepares growth diagnostics, public expenditure reviews, annual macroeconomic updates, and policy notes on macroeconomic management and structural issues. Dr. Hussain was also engaged as a Lecturer at Boston University, the University of Massachusetts Boston and Framingham State College, Framingham, Massachusetts in the USA during 1987-1992.


He got a Ph.D. in Economics from Boston University, USA, in 1992. He completed his Master of Arts in Political Economy from Boston University, USA, in 1987. He earned his MBA from the Institute of Business Administration, Dhaka University, Bangladesh, in 1979. Dr. Hussain has published numerous journals and articles in Management, Business, and Economics.



Zahid Hasan
Deputy Company Secretary
Bank Asia PLC.



Mohammad Ibrahim Khalil, FCA
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Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office



Section 18: Modus Operandi of the Issue

18.1 Application of the Procedure

Upon receiving the Consent Letter, the Information Memorandum shall be published by the Issuer on its official website, within the timeframes specified in the Consent Letter; provided further that a notice regarding the publication of Information Memorandum in the website mentioning web-addresses shall be circulated in at least one Bangla and one English language national daily newspaper. The approved Information Memorandum shall be made available in the website of the Issuer until the final date for subscription of the Bonds. The Bonds thereafter shall be distributed 100% through private placement on a best effort basis. Each Investor (Bondholder) shall enter into a separate Subscription Agreement with respect to their investment with the Issuer and shall be bound by the terms and conditions contained in the Subscription Agreement and the Trust Deed containing in details the rights and obligations of the Investor(s).

18.2 Issuance of the Bond

Notwithstanding anything contained anywhere in this Trust Deed, the Bonds shall be issued in dematerialized 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.

The Bond shall be rated by the Credit Rating Agency and its periodical surveillance rating shall be done by the Credit Rating Agency in line with the provisions of the Credit Rating Companies Rules, 1996 up to the full and final redemption or conversion of the issued securities.

18.3 Allotment

On the Closing Date, to be determined, the Issuer shall allot and issue the Bonds to the Investor(s). The Bonds will be allotted according to the Rules.

18.4 Refund

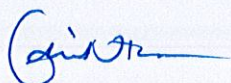
Not applicable at the time of Issuance. However, subject to receiving proper consent from the regulatory authorities Refund in relation to the subscription may be possible upon mutual agreement between the Issuer and each Bondholder.

18.5 Transfer

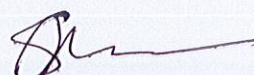
Bonds are transferable subject to the Terms and Conditions set out in the Trust Deed.

18.6 Repayment and Redemption of the Bond

The Coupon generated on the Bonds shall be paid semi-annually beginning at the end of 6th months from drawdown dates. The Coupon Payment Dates shall be determined depending upon the Issue Date. Unless previously redeemed or purchased or cancelled, the principal of the Bonds will amortize, and paid annually on a pro rata basis to the Bondholders in instalments of 20% per year in 5 annual tranches commencing at the end of 36th, 48th, 60th, 72nd and 84th month respectively from the date of drawdown. The final maturity of the Bonds will at the end of seventh year from the Issue Date of the Bonds.


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Corporate Office

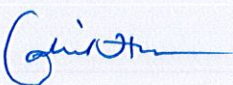


18.6 Trading or Listing with the Stock Exchange

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, and comply with the regulatory requirements and guidelines relating to listing circulated from time to time.

18.7 Details of Conversion or Exchange Option Exercise Procedures

Not Applicable.


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Bank Asia PLC.

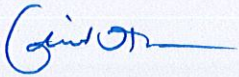

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Sohail R K Hussain
Managing Director
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Corporate Office



Section 19: Details of Fees Structure and Expenses

Costs Related to the Issue		
Particulars	Basis of Fees	Estimated Total Cost (BDT)
Issue Size		4,000,000,000
Arranger Fee	One-Time (0.45% of Capital Raised)	18,000,000
Trustee Fee	BDT 500,000 per year	3,500,000
Credit Rating Fee	BDT 400,000 in 1st Year, BDT 300,000 annually for next 6 years	2,200,000
Legal Fee	One-Time	400,000
Closing Ceremony & Event Management	One-Time	1,200,000
VAT	15% VAT	3,795,000
Sub-Total		29,095,000
BSEC Fees		
Application Fee	One-Time	10,000
Consent Fee	One-Time (0.1% of Issue Size)	4,000,000
Trustee Application Fee	One-Time	50,000
Trustee Registration Consent Fee	One-Time	100,000
Annual Trustee Registration Fee to BSEC	BDT 50,000 per year	350,000
Sub-Total		4,510,000
Listing in ATB (if required by BSEC)		
Initial Listing Fee	One-Time	200,000
Annual Listing Fee	BDT 100,000 per Year	600,000
Sub-Total		800,000
CDBL Fees		
Dematerialization Fee	0.015% on Market Value	600,000
Security Fee	Refundable	500,000
Annual CDBL Fee	BDT 100,000 per Year	700,000
Documentation Fee	One-Time	2,500
CDBL Connection Fee	BDT 500 per Month	42,000
Sub-Total		1,844,500
Other Costs		
Trust Deed Registration	One-Time (Including VAT)	1,500,000
Incidental Expenses		500,000
Sub-Total		2,000,000
Grand Total		38,249,500
Cost of Fund		0.96%
Amortized Cost of Fund p.a.		0.19%


Zahid Hasan
Deputy Company Secretary
Bank Asia PLC.


Mohammad Ibrahim Khalil, FCA
Chief Financial Officer
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Managing Director
Bank Asia PLC.
Corporate Office



Information Memorandum
Bank Asia 4th Subordinated Bond

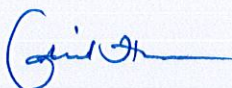
Annexure- I

Declaration about the responsibility of the directors, including the CEO of the issuer in respect of the Information Memorandum

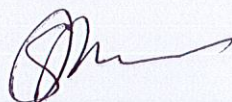
This information memorandum has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers 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.

Yours Faithfully,

Sohail R K Hussain
Managing Director
Bank Asia PLC


Zahid Hasan
Deputy Company Secretary
Bank Asia PLC.


Mohammad Ibrahim Khalil, FCA
Chief Financial Officer
Bank Asia PLC
Corporate Office, Dhaka.


Sohail R K Hussain
Managing Director
Bank Asia PLC.
Corporate Office



Information Memorandum
Bank Asia 4th Subordinated Bond

Annexure- II

Due Diligence Certificate of the Trustee



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Medona Tower
Level 13, 28 Mohakhali C/A
Dhaka-1213, Bangladesh
Phone : +88 0222299253
0222283291
Fax : +88 0222289445
Web : www.bracepi.com

Due Diligence Certificate of the Trustee

19 September 2024

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

Sub: Issuance of 400 Unsecured, Non-Convertible, Fully Redeemable, Floating Rate Subordinated Bonds of TK. 10,000,000 (One Crore) each of Bank Asia PLC

We, the under-noted trustee to the above-mentioned forthcoming issue, state as follows:

1. We, while act as trustee to the above-mentioned issue on behalf of the investors, have examined the draft Information Memorandum, Legal and other documents and materials 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 materials 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 Bangladesh 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 or the originator, as applicable 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 Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and conditions imposed by the Commission as regards of the issue; and
- (f) the above declarations are unequivocal and irrevocable for Trustee.

Syed Rashed Hussain
Chief Executive Officer
BRAC EPL Investments Limited

A subsidiary of BRAC Bank Limited

Zahid Hasan
Deputy Company Secretary
Bank Asia PLC.

Mohammad Ibrahim Khalil, FCA
Chief Financial Officer
Bank Asia PLC
Corporate Office, Dhaka.

Sohail R K Hussain
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