

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Condensed Interim Financial Reports (Un-audited)

as at and for the 1st Quarter ended 31 March 2021

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Condensed Consolidated Balance Sheet (Un-audited)
as at 31 March 2021

Particulars	Note	Amount in BDT	
		31 March 2021	31 December 2020
PROPERTY AND ASSETS			
Cash	3	19,445,576,196	18,496,393,531
Cash in hand (including foreign currency)		4,905,931,538	4,088,663,229
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		14,539,644,658	14,407,730,302
Balance with other banks and financial institutions	4	6,182,739,888	8,068,327,513
In Bangladesh		4,078,445,888	6,682,557,302
Outside Bangladesh		2,104,294,000	1,385,770,211
Money at call and on short notice		500,000,000	2,330,000,000
Investments	5	55,173,609,173	58,100,080,583
Government securities		43,766,332,086	46,979,431,855
Other investments		11,407,277,087	11,120,648,728
Loans and advances	6	273,648,104,316	261,697,427,473
Loans, cash credit, overdrafts etc.	6.1	259,899,041,123	247,051,243,375
Bills purchased and discounted	6.2	13,749,063,193	14,646,184,098
Fixed assets including premises, furniture and fixtures	7	7,605,139,256	7,537,124,576
Other assets	8	11,600,714,899	11,426,737,686
Non-banking assets		373,474,800	373,474,800
Total assets		374,529,358,529	368,029,566,161
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from other banks, financial institutions and agents	9	17,145,126,758	13,021,794,012
Subordinated debt		2,100,000,000	2,100,000,000
Deposits and other accounts	10	297,210,163,099	296,346,489,666
Current deposit and other accounts		101,956,116,235	92,694,716,685
Bills payable		3,958,385,443	2,547,263,402
Savings bank deposits		25,109,308,961	25,343,706,980
Fixed deposits		166,186,352,460	175,760,802,599
Other liabilities	11	29,619,990,706	28,737,360,373
Total liabilities		346,075,280,563	340,205,644,051
Capital/Shareholders' equity			
Paid up capital	12.2	16,198,738,680	16,198,738,680
Statutory reserve		6,864,775,853	6,864,775,853
General reserve		155,071,397	155,071,397
Revaluation reserve against securities		59,971,826	107,849,126
Revaluation reserve against fixed assets		115,314,704	115,314,704
Foreign currency translation reserve		62,092,527	134,088,406
Surplus in profit and loss account		4,998,100,277	4,248,076,927
Attributable to equity holders		28,454,065,264	27,823,915,093
Non-controlling interest		12,701	7,016
Total shareholders' equity		28,454,077,965	27,823,922,109
Total liabilities and shareholders' equity		374,529,358,529	368,029,566,161

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Condensed Consolidated Balance Sheet (Un-audited)
as at 31 March 2021

Particulars	Note	Amount in BDT	
		31 March 2021	31 December 2020
OFF-BALANCE SHEET ITEMS			
Contingent liabilities		54,279,724,154	50,483,678,851
Acceptances and endorsements		18,794,139,063	16,350,951,601
Letters of guarantee		8,452,193,383	8,058,992,366
Irrevocable letters of credit		18,598,592,510	17,880,361,773
Bills for collection		8,434,799,198	8,193,373,111
Other contingent liabilities		-	-
Other commitments		-	-
Documentary credit and short term trade -related transactions		-	-
Forward assets purchased and forward deposit placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total off-balance sheet exposures including contingent liabilities		54,279,724,154	50,483,678,851

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



Chief Financial
Officer



Company
Secretary



Managing Director &
CEO



Director



Director

Dhaka, 26 April 2021

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Condensed Consolidated Profit and Loss Account (Un-audited)

for the 1st quarter ended 31 March 2021

Amount in BDT

Particulars	Note	1 January to 31 March 2021	1 January to 31 March 2020
Interest income	13	5,055,781,328	6,360,579,066
Interest paid on deposits, borrowings etc.	14	3,846,331,875	5,140,672,026
Net interest income		1,209,449,453	1,219,907,040
Investment income	15	1,149,959,209	941,510,756
Commission, exchange and brokerage	16	549,599,491	451,293,697
Other operating income		115,672,013	30,074,884
		1,815,230,713	1,422,879,337
Total operating income		3,024,680,166	2,642,786,377
Salary and allowances	17	680,756,312	570,767,002
Rent, taxes, insurance, electricity etc.	18	147,280,624	150,248,937
Legal expenses		5,527,699	3,360,465
Postage, stamp, telecommunication etc.		23,473,437	17,863,723
Stationery, printing, advertisement etc.		110,617,250	65,344,135
Managing Director's salary		4,928,250	4,507,500
Directors' fees		1,418,400	428,500
Auditors' fees		645,278	626,396
Depreciation and repair of bank's assets		287,285,523	183,189,886
Other expenses		245,101,477	277,187,261
Total operating expenses		1,507,034,249	1,273,523,805
Operating profit		1,517,645,917	1,369,262,572
Share of profit of joint ventures/associates		137,745,366	109,110,492
Profit before provision		1,655,391,283	1,478,373,063
Provision for loans, investments & other assets			
Provision for loans and advance		371,492,644	115,049,224
Provision for diminution in value of investments		17,440,578	82,944,945
Other provisions		9,486,531	(212,323)
Total provision		398,419,754	197,781,846
Profit/(Loss) before taxes		1,256,971,529	1,280,591,217
Provision for taxation			
Current tax		537,798,990	541,656,693
Deferred tax expense/(income)		(30,850,495)	30,648,382
		506,948,495	572,305,075
Net profit after taxation		750,023,035	708,286,142
Net profit after tax attributable to:			
Equity holders of the Bank		750,023,350	708,286,136
Non-controlling interest		(315)	6
		750,023,035	708,286,142
Earnings Per Share (EPS)	19	0.46	0.44

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

				
Chief Financial Officer	Company Secretary	Managing Director & CEO	Director	Director

Dhaka, 26 April 2021

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Condensed Consolidated Cash Flow Statement (Un-audited)

for the 1st quarter ended 31 March 2021

Amount in BDT

Particulars	1 January to 31 March 2021	1 January to 31 March 2020
A. Cash flows from operating activities		
Interest received	5,704,525,836	7,107,646,134
Interest payments	(3,550,078,275)	(4,137,079,054)
Dividend received	5,050,482	29,580,183
Fees and commission received	414,728,125	272,587,580
Recoveries of loans and advances previously written-off	43,355,531	25,995,747
Cash payments to employees	(685,684,562)	(575,287,397)
Cash payments to suppliers	(245,892,873)	(25,080,892)
Income taxes paid	(566,228,409)	(332,516,494)
Receipts from other operating activities	416,697,310	72,605,827
Payments for other operating activities	(470,138,979)	(473,571,227)
Operating cash flows before changing in operating assets and liabilities	1,066,334,185	1,964,880,407
Increase/(decrease) in operating assets and liabilities		
Statutory deposits	-	-
Loans and advances to other banks	-	-
Loans and advances to customers	(11,695,315,069)	(2,274,926,000)
Other assets	361,927,103	(170,746,788)
Deposits from other banks	42,149,208	(5,786,048,029)
Deposits from customers	562,686,247	7,694,217,504
Other liabilities	48,478,079	(89,483,432)
	(10,680,074,432)	(626,986,746)
Net cash flows from/(used in) operating activities	(9,613,740,247)	1,337,893,661
B. Cash flows from investing activities		
Net proceeds/(payments) from sale/(purchase) of Government securities	3,166,199,769	1,351,717,196
Net proceeds/(payments) from sale/(purchase) of securities	(286,628,359)	10,126,216
Purchase of property, plant & equipment	(291,828,088.03)	(335,808,474)
Proceeds from sale of property, plant & equipment	1,277,941	(431,774)
Net cash flows from/(used in) investing activities	2,589,021,262	1,025,603,164
C. Cash flows from financing activities		
Borrowing from other banks, financial institutions and agents	4,123,332,746	(700,723,275)
Payment against lease obligation	(71,862)	(36,898,615)
Net cash flows from/(used in) financing activities	4,123,260,884	(737,621,890)
D. Net increase/(decrease) in cash (A+B+C)	(2,901,458,101)	1,625,874,935
E. Effects of exchange rate changes on cash and cash equivalents	136,030,441	173,070,022
F. Opening balance of cash and cash equivalents	28,898,170,044	24,606,978,576
G. Closing balance of cash and cash equivalents (D+E+F)	26,132,742,384	26,405,923,534
Closing cash and cash equivalents		
Cash in hand	4,905,931,538	3,345,619,530
Balance with Bangladesh Bank and its agents bank	14,539,644,658	16,629,327,094
Balance with other banks and financial institutions	6,182,739,888	6,427,061,810
Money at call and on short notice	500,000,000	-
Prize bonds	4,426,300	3,915,100
	26,132,742,384	26,405,923,534

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Condensed Consolidated Statement of Changes in Equity (Un-audited)

for the 1st quarter ended 31 March 2021

Amount in BDT

Particulars	Paid up capital	Statutory reserve	General reserve	Revaluation reserve against securities	Revaluation reserve against fixed assets	Foreign currency translation reserve	Surplus in profit and loss account	Non-controlling interest	Total
Balance as at 1 January 2021	16,198,738,680	6,864,775,853	155,071,397	107,849,126	115,314,704	134,088,406	4,248,076,927	7,016	27,823,922,109
Impact of changes in accounting policy	-	-	-	-	-	-	-	-	-
Restated balance as at 1 January 2021	16,198,738,680	6,864,775,853	155,071,397	107,849,126	115,314,704	134,088,406	4,248,076,927	7,016	27,823,922,109
Surplus/(deficit) on account of revaluation of investments	-	-	-	(47,877,300)	-	-	-	-	(47,877,300)
Effect of foreign currency translation	-	-	-	-	-	(71,995,879)	-	-	(71,995,879)
Net gain and losses not recognized in the profit and loss account	16,198,738,680	6,864,775,853	155,071,397	59,971,826	115,314,704	62,092,527	4,248,076,927	7,016	27,704,048,930
Addition during the period								6,000	6,000
Net profit for the period	-	-	-	-	-	-	750,023,350	(315)	750,023,035
Balance as at 31 March 2021	16,198,738,680	6,864,775,853	155,071,397	59,971,826	115,314,704	62,092,527	4,998,100,277	12,701	28,454,077,965
Balance as at 1 January 2020	14,726,126,080	6,531,903,475	155,071,397	50,121,137	115,314,704	43,867,936	4,920,565,744	6,880	26,542,977,354
Impact of changes in accounting policy	-	-	-	-	-	-	-	-	-
Restated balance as at 1 January 2020	14,726,126,080	6,531,903,475	155,071,397	50,121,137	115,314,704	43,867,936	4,920,565,744	6,880	26,542,977,354
Surplus/(deficit) on account of revaluation of investments	-	-	-	4,439,928	-	-	-	-	4,439,928
Effect of foreign currency translation	-	-	-	-	-	(193,928,336)	-	-	(193,928,336)
Net gain and losses not recognized in the profit and loss account	14,726,126,080	6,531,903,475	155,071,397	54,561,065	115,314,704	(150,060,400)	4,920,565,744	6,880	26,353,488,945
Net profit for the period	-	-	-	-	-	-	708,286,136	6	708,286,142
Balance as at 31 March 2020	14,726,126,080	6,531,903,475	155,071,397	54,561,065	115,314,704	(150,060,400)	5,628,851,881	6,886	27,061,775,088

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Condensed Separate Balance Sheet (Un-audited)
as at 31 March 2021

Amount in BDT

Particulars	Note	31 March 2021	31 December 2020
PROPERTY AND ASSETS			
Cash	3	19,445,267,773	18,492,529,970
Cash in hand (including foreign currency)		4,905,623,115	4,084,799,668
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		14,539,644,658	14,407,730,302
Balance with other banks and financial institutions	4	6,173,597,210	8,895,390,969
In Bangladesh		4,078,778,546	7,511,869,424
Outside Bangladesh		2,094,818,664	1,383,521,545
Money at call and on short notice		500,000,000	2,330,000,000
Investments	5	49,473,029,273	52,722,425,470
Government securities		43,766,332,086	46,979,431,855
Other investments		5,706,697,187	5,742,993,615
Loans and advances	6	272,599,384,593	260,650,289,525
Loans, cash credit, overdrafts etc.	6.1	258,850,321,400	246,004,105,427
Bills purchased and discounted	6.2	13,749,063,193	14,646,184,098
Fixed assets including premises, furniture and fixtures	7	7,562,055,135	7,495,172,120
Other assets	8	13,806,452,792	12,452,484,222
Non-banking assets		373,474,800	373,474,800
Total assets		369,933,261,577	363,411,767,076
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from other banks, financial Institutions and agents	9	17,145,126,758	13,021,794,012
Subordinated debt		2,100,000,000	2,100,000,000
Deposits and other accounts	10	297,396,805,572	296,373,946,429
Current deposit and other accounts		102,142,586,040	92,720,625,780
Bills payable		3,958,385,443	2,547,263,402
Savings bank deposits		25,109,308,961	25,343,706,980
Fixed deposits		166,186,525,128	175,762,350,267
Other liabilities	11	27,526,515,768	26,699,071,653
Total liabilities		344,168,448,098	338,194,812,095
Capital/Shareholders' equity			
Paid up capital	12.2	16,198,738,680	16,198,738,680
Statutory reserve		6,864,775,853	6,864,775,853
General reserve		155,071,397	155,071,397
Revaluation reserve against securities		59,971,826	107,849,126
Revaluation reserve against fixed assets		115,314,704	115,314,704
Surplus in profit and loss account		2,370,941,019	1,775,205,220
Total shareholders' equity		25,764,813,479	25,216,954,980
Total liabilities and shareholders' equity		369,933,261,577	363,411,767,076

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Condensed Separate Balance Sheet (Un-audited)
as at 31 March 2021

Amount in BDT

Particulars	Note	31 March 2021	31 December 2020
OFF-BALANCE SHEET ITEMS			
Contingent liabilities		54,279,724,154	50,483,678,851
Acceptances and endorsements		18,794,139,063	16,350,951,601
Letters of guarantee		8,452,193,383	8,058,992,366
Irrevocable letters of credit		18,598,592,510	17,880,361,773
Bills for collection		8,434,799,198	8,193,373,111
Other contingent liabilities		-	-
Other commitments			
Documentary credit and short term trade -related transactions		-	-
Forward assets purchased and forward deposit placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total off-balance sheet exposures including contingent liabilities		54,279,724,154	50,483,678,851

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

 _____ Chief Financial Officer	 _____ Company Secretary	 _____ Managing Director & CEO	 _____ Director	 _____ Director
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Dhaka, 26 April 2021


INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Condensed Separate Profit and Loss Account (Un-audited)
for the 1st quarter ended 31 March 2021

Particulars	Note	1 January to 31 March 2021	1 January to 31 March 2020
Interest income	13	5,096,742,695	6,355,076,883
Interest paid on deposits, borrowings, etc.	14	3,846,331,875	5,140,672,026
Net interest income		1,250,410,820	1,214,404,857
Investment income	15	1,130,975,176	938,579,863
Commission, exchange and brokerage	16	526,860,366	441,325,087
Other operating income		36,741,948	29,767,651
		1,694,577,490	1,409,672,601
Total operating income		2,944,988,310	2,624,077,458
Salary and allowances	17	675,020,332	565,376,988
Rent, taxes, insurance, electricity, etc.	18	146,238,748	149,012,022
Legal expenses		5,078,548	2,275,445
Postage, stamp, telecommunication, etc.		23,365,610	17,790,231
Stationery, printing, advertisement, etc.		110,524,805	65,176,592
Managing Director's salary		4,928,250	4,507,500
Directors' fees		600,000	368,000
Auditors' fees		606,945	479,166
Depreciation and repair of bank's assets		285,226,495	180,910,207
Other expenses		229,720,016	271,042,483
Total operating expenses		1,481,309,749	1,256,938,634
Profit/(Loss) before provision		1,463,678,561	1,367,138,824
Provision for loans, investments and other assets			
Provision for loans and advance		371,492,644	115,049,224
Provision for diminution in value of investments		(2,643,635)	82,159,850
Other provisions		9,486,531	(212,323)
Total Provision		378,335,540	196,996,751
Profit/(Loss) before taxes		1,085,343,020	1,170,142,073
Provision for taxation			
Current tax		520,000,000	540,000,000
Deferred tax expense/(income)		(30,392,779)	30,840,377
		489,607,221	570,840,377
Net profit after taxation		595,735,799	599,301,696
Earnings Per Share (EPS)	19	0.37	0.37

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


Chief Financial
Officer


Company
Secretary


Managing Director &
CEO


Director


Director

Dhaka, 26 April 2021

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED

Condensed Separate Cash Flow Statement (Un-audited)

for the 1st quarter ended 31 March 2021

Amount in BDT

Particulars	1 January to 31 March 2021	1 January to 31 March 2020
A. Cash flows from operating activities		
Interest received	5,822,032,203	7,102,143,951
Interest payments	(3,550,078,275)	(4,137,079,054)
Dividend received	3,427,083	26,874,518
Fees and commission received	391,969,328	262,620,470
Recoveries of loans and advances previously written-off	43,355,531	25,995,747
Cash payments to employees	(679,948,582)	(569,884,488)
Cash payments to suppliers	(14,135,661)	(25,080,892)
Income taxes paid	(562,652,110)	(332,516,494)
Receipts from other operating activities	320,406,611	72,071,866
Payments for other operating activities	(566,752,463)	(464,195,820)
Operating cash flows before changing in operating assets and liabilities	1,207,623,665	1,960,949,804
Increase/(decrease) in operating assets and liabilities		
Statutory deposits	-	-
Loans and advances to other banks	-	-
Loans and advances to customers	(11,594,180,767)	(2,263,713,701)
Other assets	(257,957,160)	(177,601,301)
Deposits from other banks	42,149,208	(5,786,048,029)
Deposits from customers	721,871,957	7,711,010,140
Other liabilities	(491,235,812)	(86,067,709)
	(11,579,352,574)	(602,420,600)
Net cash flows from/(used in) operating activities	(10,371,728,909)	1,358,529,204
B. Cash flows from investing activities		
Net proceeds/(payments) from sale/(purchase) of Government securities	3,166,199,769	1,350,853,648
Net proceeds/(payments) from sale/(purchase) of securities	36,296,428	9,961,976
Purchase of property, plant & equipment	(288,281,808)	(348,603,874)
Proceeds from sale of property, plant & equipment	1,277,941	431,774
Investment in subsidiary	(399,994,000)	-
Net cash flows from/(used in) investing activities	2,515,498,330	1,012,643,525
C. Cash flows from financing activities		
Borrowing from other banks, financial institution and agents	4,123,332,746	(700,723,275)
Payment against lease obligation	(71,862)	(36,898,615)
Net cash flows from/(used in) financing activities	4,123,260,884	(737,621,890)
D. Net increase/(decrease) in cash (A+B+C)	(3,732,969,695)	1,633,550,838
E. Effects of exchange rate changes on cash and cash equivalents	134,891,039	173,070,022
F. Opening balance of cash and cash equivalents	29,721,369,939	24,585,059,982
G. Closing balance of cash and cash equivalents (D+E+F)	26,123,291,283	26,391,680,842
Closing cash and cash equivalents		
Cash in hand	4,905,623,115	3,344,075,463
Balance with Bangladesh Bank and its agents bank	14,539,644,658	16,629,327,094
Balance with other banks and financial institutions	6,173,597,210	6,414,363,185
Money at call and on short notice	500,000,000	-
Prize bonds	4,426,300	3,915,100
	26,123,291,283	26,391,680,842

The reconciliation of cash flows from operating activities (solo basis) has been disclosed in note 22 of these financial statements.

INTERNATIONAL FINANCE INVESTMENT AND COMMERCE BANK LIMITED
Condensed Separate Statement of Changes in Equity (Un-audited)
for the 1st quarter ended 31 March 2021

Particulars	Amount in BDT						Total
	Paid up capital	Statutory reserve	General reserve	Revaluation reserve against securities	Revaluation reserve against fixed assets	Surplus in profit and loss account	
Balance as at 1 January 2021	16,198,738,680	6,864,775,853	155,071,397	107,849,126	115,314,704	1,775,205,220	25,216,954,980
Impact of changes in accounting policy	-	-	-	-	-	-	-
Restated balance as at 1 January 2021	16,198,738,680	6,864,775,853	155,071,397	107,849,126	115,314,704	1,775,205,220	25,216,954,980
Surplus/deficit on account of revaluation of investments	-	-	-	(47,877,300)	-	-	(47,877,300)
Net gain and losses not recognized in the income statement	16,198,738,680	6,864,775,853	155,071,397	59,971,826	115,314,704	1,775,205,220	25,169,077,680
Net profit for the period	-	-	-	-	-	595,735,799	595,735,799
Balance as at 31 March 2021	16,198,738,680	6,864,775,853	155,071,397	59,971,826	115,314,704	2,370,941,019	25,764,813,479
Balance as at 1 January 2020	14,726,126,080	6,531,903,475	155,071,397	50,121,137	115,314,704	3,018,442,662	24,596,979,455
Impact of changes in accounting policy	-	-	-	-	-	-	-
Restated balance as at 1 January 2020	14,726,126,080	6,531,903,475	155,071,397	50,121,137	115,314,704	3,018,442,662	24,596,979,455
Surplus/deficit on account of revaluation of investments	-	-	-	4,439,928	-	-	4,439,928
Net gain and losses not recognized in the income statement	14,726,126,080	6,531,903,475	155,071,397	54,561,065	115,314,704	3,018,442,662	24,601,419,383
Net profit for the period	-	-	-	-	-	599,301,696	599,301,696
Balance as at 31 March 2020	14,726,126,080	6,531,903,475	155,071,397	54,561,065	115,314,704	3,617,744,358	25,200,721,079

Notes to the Financial Statements

as at and for the 1st quarter ended 31 March 2021

1. Reporting Entity

1.1. IFIC Bank Limited

International Finance Investment and Commerce Bank Limited (hereinafter referred to as "the Bank" / "IFIC Bank"), started its journey in 1976 at the instance of the Government as a joint venture between the Government of Bangladesh and sponsors in the private sector with the objective of working as a finance company within the country and setting up joint venture banks/financial institutions abroad. In 1983 when the Government allowed to open up banking in the private sector, the finance company was converted into a full fledged commercial bank. The Government of the People's Republic of Bangladesh, now, holds 32.75% of the share capital of the Bank. Directors and Sponsors having vast experience in the field of trade and commerce own 4.11% of the share capital and the rest is held by Institutions both local & foreign and General Shareholders.

Its shares are listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The Bank has 154 branches, 400 Uposhakhas and 38 ATM booths with 51 ATMs as at 31 March 2021.

The principal activities of the Bank are to provide all types of commercial banking services, within the stipulations laid down by the Banking Companies Act 1991 as amended and directives as received from Bangladesh Bank and other regulatory authorities time to time, through its Branches, Uposhakhas and Alternative Delivery Channels like ATM Booths and Internet Banking, Digital Channel etc.

1.2. Off-shore Banking Unit (OBU)

The operation of OBU is governed under prudential regulations of Bangladesh Bank and business of OBU has been reported with solo Financial Statements.

2. Basis of Preparation and Accounting Policies

2.1. Basis of preparation

The condensed consolidated and separate Financial Statements of the Group comprising the Bank, its subsidiaries and its associates (hereinafter "the/these financial statements") as at and for the 1st quarter ended 31 March 2021 have been prepared on a going concern basis in accordance with IAS 34: *Interim Financial Reporting*, the "First Schedule" (section 38) of the Banking Companies Act 1991 as amended, BRPD Circular number 14 dated 25 June 2003, other Bangladesh Bank Circulars and International Financial Reporting Standards (IFRS), International Accounting Standards (IASs) as adopted by the Financial Reporting Council (FRC), Bangladesh Securities and Exchange Rules 1987 and notifications time to

time, the Companies Act 1994, Financial Reporting Act 2015 and other prevailing laws and rules applicable in Bangladesh.

Exception circumstances where local law or Bangladesh Bank guideline override, are explained in the latest annual audited consolidated and separate financial statements as at and for the year ended 31 December 2020. These condensed consolidated and separate interim financial statements does not include all the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS).

2.2. Accounting policies

Accounting policies applied in the interim financial statements as at and for the 1st quarter ended 31 March 2021 are same as at that were applied in its last annual audited consolidated and separate financial statements as at and for the year ended 31 December 2020.

2.3. Reporting period

These condensed consolidated and separate financial statements cover 1st quarter from 1 January to 31 March 2021. The reporting period of all subsidiaries and associates are same as Bank except Nepal Bangladesh Bank Ltd. [NBBL]. The reporting period for financial statements of NBBL has been adjusted with regard to the reporting period of the Bank.

2.4. Date of authorization

The Board of Directors has authorized these financial statements for public issue on 26 April 2021.

2.5. General

Financial information presented in BDT has been rounded off to nearest integer, except otherwise indicated.

To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/reclassified wherever necessary to conform to current period's presentation.

IFIC Investment Limited (IFICIL), a wholly owned subsidiary company of the Bank was incorporated on 30 November 2020 to carry out the merchant banking operation. Subsequently the Bank subscribed the capital on 03 January 2021. IFICIL has been considered while preparing the consolidated Financial Statements of the Bank.

2.6. Events after the reporting period

The Board of Directors in its 792nd Meeting held on 31 March 2021 recommended 5.0% stock dividend for the year ended 31 December 2020 which will be placed for approval of the shareholders in the forthcoming 44th Annual General Meeting of the Bank.

Notes to the Condensed Interim Financial Report
as at and for the 1st Quarter ended 31 March 2021

Amount in BDT

Particulars	Note	Group		Bank	
		31 March 2021	31 December 2020	31 March 2021	31 December 2020
3 Cash					
Cash in hand (including foreign currency)		4,905,931,538	4,088,663,229	4,905,623,115	4,084,799,668
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		14,539,644,658	14,407,730,302	14,539,644,658	14,407,730,302
		19,445,576,196	18,496,393,531	19,445,267,773	18,492,529,970
4 Balance with other banks and financial institutions					
In Bangladesh		4,078,445,888	6,682,557,302	4,078,778,546	7,511,869,424
Outside Bangladesh		2,104,294,000	1,385,770,211	2,094,818,664	1,383,521,545
		6,182,739,888	8,068,327,513	6,173,597,210	8,895,390,969
5 Investments					
Government Securities	5.1	43,766,332,086	46,979,431,855	43,766,332,086	46,979,431,855
Other Investments		11,407,277,087	11,120,648,728	5,706,697,187	5,742,993,615
		55,173,609,173	58,100,080,583	49,473,029,273	52,722,425,470
5.1 Government securities					
Treasury bills		6,465,784,698	10,541,051,600	6,465,784,698	10,541,051,600
Treasury bonds		37,296,121,088	36,434,931,255	37,296,121,088	36,434,931,255
Prize bond		4,426,300	3,449,000	4,426,300	3,449,000
		43,766,332,086	46,979,431,855	43,766,332,086	46,979,431,855
6 Loans and advances					
Loans, cash credit, overdraft etc.	6.1	259,899,041,123	247,051,243,375	258,850,321,400	246,004,105,427
Bill purchased and discounted	6.2	13,749,063,193	14,646,184,098	13,749,063,193	14,646,184,098
		273,648,104,316	261,697,427,473	272,599,384,593	260,650,289,525
6.1 Loans, cash credit, overdraft etc.					
Inside Bangladesh					
Term loan industrial		19,294,142,074	18,131,446,121	19,294,142,074	18,131,446,121
Term loan consumer finance		165,621,725	170,452,264	165,621,725	170,452,264
Agricultural loan		322,493,558	286,356,663	322,493,558	286,356,663
Term loan women entrepreneur		33,115,317	32,775,026	33,115,317	32,775,026
Term loan-others		79,888,013,338	76,226,478,748	79,888,013,338	76,226,478,748
House building loans		46,832,681,896	42,944,834,123	46,832,681,896	42,944,834,123
Staff loan		1,184,216,829	1,266,619,147	1,184,216,829	1,266,619,147
Transport loan		66,300,894	76,702,824	66,300,894	76,702,824
Loan general		3,177,557,954	3,277,257,317	3,177,557,954	3,277,257,317
Demand loan		7,437,991,802	8,658,568,399	7,437,991,802	8,658,568,399
Overdrafts		67,946,351,578	60,985,063,864	70,845,476,023	63,845,327,297
Cash credit		23,110,526,428	23,785,985,647	23,110,526,428	23,785,985,647
Credit card finance		140,537,418	143,384,520	140,537,418	143,384,520
Loan against trust receipt (LTR)		4,201,896,491	4,877,015,257	4,201,896,491	4,877,015,257
Lease finance		216,224,655	227,184,826	216,224,655	227,184,826
Margin loan		3,947,844,169	3,907,401,381	-	-
		257,965,516,125	244,997,526,127	256,916,796,402	243,950,388,179
Outside Bangladesh					
Term Loan-Foreign Currency (OBU)		1,933,524,998	2,053,717,248	1,933,524,998	2,053,717,248
		259,899,041,123	247,051,243,375	258,850,321,400	246,004,105,427

Particulars	Note	Group		Bank	
		31 March 2021	31 December 2020	31 March 2021	31 December 2020
6.2 Bills purchased and discounted					
Payable in Bangladesh		12,869,373,939	14,141,724,304	12,869,373,939	14,141,724,304
Payable outside Bangladesh		879,689,254	504,459,794	879,689,254	504,459,794
		13,749,063,193	14,646,184,098	13,749,063,193	14,646,184,098
7 Fixed assets including premises, furniture and fixtures					
Cost/revalued:					
Land		2,423,609,559	2,423,609,559	2,423,609,559	2,423,609,559
Buildings and premises		1,902,617,204	1,902,617,204	1,902,617,204	1,902,617,204
Right of Use Assets		1,981,900,504	1,979,330,915	1,938,582,527	1,938,582,527
Wooden furniture		300,698,213	288,496,137	299,783,615	287,581,539
Steel furniture		113,741,684	111,193,993	113,741,684	111,193,993
Computer equipment		1,077,093,868	1,054,899,844	1,071,504,416	1,049,746,984
Office equipment		1,154,011,174	1,085,482,116	1,154,011,174	1,085,482,116
Electrical & gas equipment		309,899,876	292,981,559	307,323,276	290,404,959
Leasehold improvement		567,928,715	528,640,273	555,132,802	508,637,207
Vehicles		165,108,501	165,108,501	165,108,501	165,108,501
Leased vehicles		47,600,000	47,600,000	47,600,000	47,600,000
Soft furnishing		13,178,201	12,960,055	13,178,201	12,960,055
Software		1,111,690,724	1,108,927,318	1,109,402,730	1,107,209,905
		11,169,078,223	11,001,847,474	11,101,595,689	10,930,734,549
Capital work in progress		170,337,012	88,200,413	170,337,012	88,200,413
		11,339,415,235	11,090,047,887	11,271,932,701	11,018,934,962
Less: Accumulated depreciation		(3,734,275,979)	(3,552,923,311)	(3,709,877,566)	(3,523,762,842)
Written down value		7,605,139,256	7,537,124,576	7,562,055,135	7,495,172,120
8 Other Assets					
Stationery and stamps		43,035,208	42,897,670	43,032,730	42,895,192
Suspense account		883,104,592	850,058,824	871,608,033	840,559,567
Advance, deposit and prepayments		8,347,819,394	7,545,055,046	8,007,799,016	7,208,526,113
Accrued interest & other income receivable		1,519,130,907	1,323,991,985	1,442,585,907	1,323,991,985
Investment in subsidiaries		-	-	2,634,945,890	2,234,342,260
Deferred tax assets	8.1	761,908,666	731,058,171	761,380,819	730,988,041
Dividend Receivable and others		45,716,132	933,675,990	45,100,397	71,181,064
		11,600,714,899	11,426,737,686	13,806,452,792	12,452,484,222
8.1					
Deferred tax assets have been recognized and measured as per International Accounting Standards (IAS)-12: Income Taxes and BRPD Circular no. 11 dated 12 December 2011 based on temporary difference in the carrying amount of the assets and liabilities in the financial statements and its tax base. Calculation of deferred tax assets is as follows:					
Deferred tax assets				980,853,623	955,727,024
Deferred tax liabilities				(219,472,804)	(224,738,983)
Deferred tax assets/(liabilities)				761,380,819	730,988,041
i) Deferred tax on provision for loans and advances classified as doubtful and bad & loss					
Carrying amount				2,576,155,762	2,510,293,263
Tax base				-	-
Deductible/(taxable) temporary difference				2,576,155,762	2,510,293,263
Tax rate				37.50%	37.50%
Closing deferred tax assets/(liabilities)				966,058,411	941,359,974
Opening deferred tax assets/(liabilities)				941,359,974	1,057,211,288
Deferred tax (expense)/income (A)				24,698,437	(115,851,314)

Particulars	Note	Group		Bank	
		31 March 2021	31 December 2020	31 March 2021	31 December 2020
ii) Deferred tax on fixed assets					
Carrying amount				3,714,055,899	3,621,024,521
Tax base				3,128,795,089	3,021,720,566
Deductible/(Taxable) temporary difference				585,260,810	599,303,955
Tax rate				37.50%	37.50%
Closing deferred tax assets/(liabilities)				(219,472,804)	(224,738,983)
Opening deferred tax assets/(liabilities)				(224,738,983)	(194,057,071)
Deferred tax (expense)/income (B)				5,266,179	(30,681,912)
iii) Deferred tax on leased assets					
Right-of-Use Assets				1,249,935,681	1,354,456,802
Less: Lease Liabilities				(1,112,534,745)	(1,199,683,069)
Carrying amount				137,400,936	154,773,733
Tax base				176,854,836	193,085,866
Temporary difference				39,453,900	38,312,133
Tax rate				37.50%	37.50%
Closing deferred tax assets/(liabilities)				14,795,212	14,367,050
Opening deferred tax assets/(liabilities)				14,367,050	6,948,176
Deferred tax (expense)/income (C)				428,163	7,418,874
Deferred tax (expense)/income (A+B+C)				30,392,779	(139,114,352)
9 Borrowing from other banks, financial Institutions and agents					
In Bangladesh		16,579,498,085	12,512,987,412	16,579,498,085	12,512,987,412
Outside Bangladesh		565,628,673	508,806,600	565,628,673	508,806,600
		17,145,126,758	13,021,794,012	17,145,126,758	13,021,794,012
10 Deposits and other accounts					
Current deposit and other accounts		101,956,116,235	92,694,716,685	102,142,586,040	92,720,625,780
Bills payable		3,958,385,443	2,547,263,402	3,958,385,443	2,547,263,402
Savings bank deposits		25,109,308,961	25,343,706,980	25,109,308,961	25,343,706,980
Fixed Deposits		166,186,352,460	175,760,802,599	166,186,525,128	175,762,350,267
		297,210,163,099	296,346,489,666	297,396,805,572	296,373,946,429
11 Other liabilities					
Provision for loans and advance		8,487,822,841	8,072,974,665	8,256,526,002	7,841,677,826
Provision for diminution in value of investments		371,916,339	354,475,761	351,832,126	354,475,761
Provision for others		472,602,719	463,116,188	472,602,720	463,116,188
Provision for taxation		8,936,276,795	8,398,477,805	8,653,240,938	8,133,240,938
Interest suspense accounts		9,293,118,782	8,972,123,118	7,792,275,972	7,471,280,308
Incentive bonus		1,662,000	1,662,000	-	-
Lease Liability		1,148,843,084	1,233,531,392	1,112,534,745	1,199,683,069
Rebate to good borrowers		21,870,000	21,870,000	21,870,000	21,870,000
Interest payable on borrowing and bond		68,680,522	31,336,762	68,680,522	31,336,762
Accrued expenses		229,410,887	109,026,021	210,020,315	104,222,561
Withholding Tax payable to government *		256,306,837	362,976,044	256,133,516	362,830,343
Withholding VAT payable to government *		85,090,981	111,520,816	85,004,578	111,388,832
Excise duty payable to government *		15,288,538	291,542,361	15,288,538	291,542,361
Unclaimed dividend account		2,814,447	2,814,447	2,814,447	2,814,447
Revaluation of investment abroad		30,946,297	30,946,297	30,946,297	30,946,297
Payable against Gov. Bond & Sanchayapatra		107,139,744	88,416,642	107,139,744	88,416,642
Others		90,199,892	190,550,054	89,605,308	190,229,318
		29,619,990,706	28,737,360,373	27,526,515,768	26,699,071,653

* Subsequently deposited to government exchequer.

Particulars	Note	Group		Bank	
		31 March 2021	31 December 2020	31 March 2021	31 December 2020
12 Share Capital					
12.1 Authorized Capital					
4,000,000,000 ordinary shares of Taka 10 each		40,000,000,000	40,000,000,000	40,000,000,000	40,000,000,000
12.2 Issued, subscribed and fully paid up capital					
8,000,000 ordinary shares of Taka 10 each issued for cash		80,000,000	80,000,000	80,000,000	80,000,000
4,400,000 ordinary shares of Taka 10 each issued as rights share		44,000,000	44,000,000	44,000,000	44,000,000
563,821,907 ordinary shares of Taka 10 each issued as rights share		5,638,219,070	5,638,219,070	5,638,219,070	5,638,219,070
1,043,651,961 ordinary shares of Taka 10 each issued for bonus share		10,436,519,610	10,436,519,610	10,436,519,610	10,436,519,610
		16,198,738,680	16,198,738,680	16,198,738,680	16,198,738,680
12.3 Issued, subscribed and fully paid up Capital-Shareholders' Category					
1,089,388,542 [Year 2020: 1,089,388,542 ordinary shares of Taka 10 each fully paid held by the Sponsors, Directors, Institutions, Foreign investors & General Public.		10,893,885,420	10,893,885,420	10,893,885,420	10,893,885,420
530,485,326 [Year 2020: 530,485,326 ordinary shares of Taka 10 each fully paid held by the Government of the People's Republic of Bangladesh.		5,304,853,260	5,304,853,260	5,304,853,260	5,304,853,260
		16,198,738,680	16,198,738,680	16,198,738,680	16,198,738,680

Particulars	Note	Group		Bank	
		1 January to 31 March 2021	1 January to 31 March 2020	1 January to 31 March 2021	1 January to 31 March 2020
13 Interest income					
Term loan-industrial		365,765,902	531,431,865	365,765,902	531,431,865
Term Loan-Agricultural Loan		5,666,211	61,595,949	5,666,211	61,595,949
Term loan-consumer finance		3,903,929	7,972,990	3,903,929	7,972,990
Term Loan-Housing Finance		976,113,571	1,004,753,433	976,113,571	1,004,753,433
Term Loan-Transport loan		1,534,745	3,575,868	1,534,745	3,575,868
Term Loan-Lease finance		3,085,022	7,949,951	3,085,022	7,949,951
Term Loan-Foreign Currency (OBU)		29,331,612	28,254,566	29,331,612	28,254,566
Term loan-others		1,295,594,118	1,608,702,409	1,295,594,118	1,608,702,409
Overdrafts		1,414,653,152	1,706,895,169	1,476,685,920	1,706,895,169
Cash credit		412,524,895	610,910,631	412,524,895	610,910,631
Demand loan		166,577,309	289,261,110	166,577,309	289,261,110
Loan general		29,659,815	41,441,332	29,659,815	41,441,332
Loan against trust receipt (LTR)		111,540,663	197,108,305	111,540,663	197,108,305
Staff loan		10,256,523	14,968,383	10,256,523	14,968,383
Overdue interest		52,092,673	23,838,465	52,092,673	23,838,465
Interest on Margin Loan		21,071,401	5,502,183		
Documentary bill purchased (Inland & Foreign)		15,729,471	35,443,733	15,729,471	35,443,733
Payment against documents		133,882,963	159,638,708	133,882,963	159,638,708
Interest income from bills paid and discounted		149,612,434	195,082,441	149,612,434	195,082,441
Balance with other banks and financial institutions		1,702,782	15,692,292	1,702,782	15,692,292
		5,055,781,328	6,360,579,066	5,096,742,695	6,355,076,883
14 Interest paid on deposits, borrowings etc.					
Interest paid on deposits		3,760,782,327	4,986,370,402	3,760,782,327	4,986,370,402
Interest paid on borrowings		85,549,548	154,301,624	85,549,548	154,301,624
		3,846,331,875	5,140,672,026	3,846,331,875	5,140,672,026
15 Investment income					
Interest income		843,883,430	915,415,468	843,883,430	915,415,468
Non interest income		306,075,779	26,095,288	287,091,746	23,164,395
		1,149,959,209	941,510,756	1,130,975,176	938,579,863
16 Commission, exchange and brokerage					
Commission		393,835,176	273,978,257	391,969,328	268,255,065
Exchange gain/(loss)		134,871,367	171,847,038	134,891,039	173,070,022
Brokerage		20,892,949	5,468,402	-	-
		549,599,491	451,293,697	526,860,366	441,325,087
17 Salaries and allowances					
Basic salary		316,479,055	269,828,297	312,562,028	266,222,056
House rent allowance		137,504,961	117,226,921	136,749,694	116,525,554
Conveyance allowance		17,730,290	15,239,586	17,631,995	15,093,276
Medical allowances		29,947,008	26,212,568	29,780,192	26,063,486
Entertainment allowance		8,966,539	10,736,913	8,882,539	10,652,913
Other allowances		21,271,378	20,799,361	21,027,802	20,592,347
Leave encashment		7,575,800	1,900,511	7,575,800	1,900,511
Festival bonus		57,158,168	54,799,115	56,858,168	54,474,115
Leave fare assistance		32,769,631	25,002,075	32,598,631	24,831,075
Provident fund- Bank's contribution		25,353,483	25,021,655	25,353,483	25,021,655
Contribution to gratuity fund		26,000,000	4,000,000	26,000,000	4,000,000
		680,756,312	570,767,002	675,020,332	565,376,988

Number of employees for the 1st quarter ended 31 March 2021 who were paid remuneration less than Tk. 36,000 was nil (Q1 2020: nil). Total number of employees in the Bank at the 1st quarter ended 31 March 2021 were 3,506 (Q1 2020: 2,600).

Particulars	Note	Group		Bank	
		1 January to 31 March 2021	1 January to 31 March 2020	1 January to 31 March 2021	1 January to 31 March 2020
18 Rent, taxes, insurance, electricity etc.					
Rent paid		53,197,679	77,866,627	52,525,123	77,099,070
Rates & taxes		3,216,783	1,864,832	3,191,051	1,582,002
Insurance premium		69,258,685	52,660,267	69,119,846	52,570,649
Electricity & water		21,607,476	17,857,210	21,402,729	17,760,302
		147,280,624	150,248,937	146,238,748	149,012,022
19 Earnings Per Share (EPS)*					
Net profit after tax		750,023,350	708,286,136	595,735,799	599,301,696
Number of ordinary shares outstanding		1,619,873,868	1,619,873,868	1,619,873,868	1,619,873,868
Earning Per Share (EPS)		0.46	0.44	0.37	0.37
20 Net Operating Cash Flow per Share*					
Net cash flows from operating activities		(9,613,740,247)	1,337,893,661	(10,371,728,909)	1,358,529,204
Number of ordinary shares outstanding in respective period		1,619,873,868	1,619,873,868	1,619,873,868	1,619,873,868
Net Operating Cash Flow per Share		(5.93)	0.83	(6.40)	0.84
Explanation regarding significant change in quarterly financial statements:					
The consolidated and separate NOCFPS of the Bank as of Q1 Y2021 is lower compared to Q1 Y2020 due to higher level of lending growth than deposits growth.					
21 Net Asset Value (NAV) per Share*					
Net assets value at the end of the period		28,454,065,264	27,061,768,202	25,764,813,479	25,200,721,079
Number of ordinary shares outstanding in respective period		1,619,873,868	1,619,873,868	1,619,873,868	1,619,873,868
Net Asset Value (NAV) per Share		17.57	16.71	15.91	15.56
* Previous period's figure has been restated.					
22 Reconciliation of statement of cash flows from operating activities					
Profit before provision				1,463,678,561	1,367,138,824
Adjustment for non cash items					
Depreciation on fixed asset				195,738,599	122,560,637
Amortization on software				22,316,045	13,734,020
Adjustment with non-operating activities				218,054,643	136,294,657
Recovery of write off loan				43,355,531	25,995,747
Interest receivable				(118,593,922)	(168,348,400)
Interest payable on deposits				296,253,600	1,003,592,972
Exchange gain from revaluation of FC				(134,891,039)	(173,070,022)
Rent paid - lease adjustment				(113,713,901)	-
Accrued expense				105,797,754	40,811,516
Interest on leased assets				10,334,547	-
				88,542,570	790,032,816
Changes in operating assets and liabilities					
Changes in loans & advances				(11,594,180,767)	(2,263,713,701)
Changes in deposit and other accounts				764,021,165	1,924,962,111
Changes in other assets				(257,957,160)	(177,601,301)
Changes in other liabilities				(491,235,812)	(86,067,709)
				(11,579,352,574)	(602,420,600)
Income tax paid				(562,652,110)	(332,516,494)
Net cash flows from/(used in) operating activities				(10,371,728,909)	1,358,529,202