

BRAC Bank PLC.

Condensed Interim Financial Statements
as at and for the half year ended 30 June 2024

BRAC Bank PLC. and its subsidiaries
Condensed Consolidated Balance Sheet (Unaudited)
As at 30 June 2024

Particulars	Note	30 June 2024 Taka	31 December 2023 Taka
PROPERTY AND ASSETS			
Cash	3	48,389,496,182	39,567,393,814
Cash in hand (Including foreign currency)		14,277,503,570	11,416,440,336
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)		34,111,992,612	28,150,953,478
Balance with other banks and financial institutions	4	38,778,738,396	34,928,586,993
Inside Bangladesh		30,306,787,204	28,059,887,006
Outside Bangladesh		8,471,951,192	6,868,699,987
Money at call on short notice		-	3,000,000,000
Investments	5	240,177,719,182	191,144,171,435
Government		229,780,073,626	181,372,719,817
Others		10,397,645,556	9,771,451,618
Loans and advances	6	560,033,957,319	520,287,630,605
Loans, cash credit, overdrafts etc.		318,672,528,154	285,203,753,699
Small and medium enterprises		237,709,217,032	232,338,801,248
Bills purchased and discounted		3,652,212,133	2,745,075,658
Fixed assets including premises, furniture and fixture	7	13,838,084,254	13,018,659,233
Other assets	8	37,969,264,836	33,816,037,500
Non-banking assets		10,141,700	10,141,700
Goodwill		1,372,563,393	1,372,563,393
Total property and assets		940,569,965,262	837,145,184,673
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	9	58,573,389,259	41,923,370,755
Borrowings from central bank & government agencies	10	57,656,682,634	61,430,274,796
Affordable housing bond	10.1	4,751,000,000	4,751,000,000
BBPLC 2nd subordinated bond		1,709,000,000	-
Money at call on short notice		1,652,000,000	550,000,000
Deposits and other accounts	11	671,193,822,865	588,430,345,153
Current accounts and other accounts		265,517,841,607	232,223,892,907
Bills payable		1,741,726,272	2,716,819,155
Savings deposits		83,719,678,100	79,097,018,100
Fixed deposits		313,272,067,922	260,827,011,296
Other deposits		6,942,508,964	13,565,603,695
Other liabilities	12	53,165,657,552	53,039,790,814
Total liabilities		848,701,552,310	750,124,781,519
Capital and shareholders' equity			
Paid up share capital	13	17,697,121,490	16,088,292,270
Share premium	14	3,853,767,032	3,853,767,032
Statutory reserve		12,316,488,915	12,312,787,273
Dividend equalization fund		355,218,455	355,218,455
Revaluation reserve on govt. securities		533,838,186	183,523,000
Fair value reserve		70,197,708	70,197,708
Foreign currency translation reserve	16	728,754,227	480,002,180
Surplus in profit and loss account/Retained earnings	17	35,145,679,162	33,197,686,658
Total shareholders' equity		70,701,065,175	66,541,474,576
Non controlling interest	18	21,167,347,777	20,478,928,578
Total equity		91,868,412,952	87,020,403,154
Total liabilities and shareholders' equity		940,569,965,262	837,145,184,673

BRAC Bank PLC. and its subsidiaries
Condensed Consolidated Balance Sheet (Unaudited)
As at 30 June 2024

Particulars	Note	30 June 2024 Taka	31 December 2023 Taka
Off Balance Sheet Items			
Contingent liabilities			
Acceptances and endorsements		46,436,255,478	39,094,045,121
Irrevocable letters of credit		62,478,335,398	47,275,839,538
Letter of guarantees		25,499,579,534	23,228,326,078
Bills for collection		31,886,579,613	27,660,068,037
		166,300,750,023	137,258,278,773
Other commitments			
Swap deals with banks and customers		35,426,634,878	31,645,244,971
Spot and forward deals with banks and customers		24,407,267,147	13,684,188,442
		59,833,902,025	45,329,433,413
Total Off-Balance Sheet items including contingent liabilities		226,134,652,048	182,587,712,186
Net Assets Value (NAV) Per Share	33	39.95	37.60

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



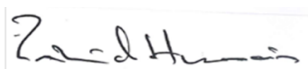
Chief Financial Officer



Company Secretary



Managing Director and CEO



Director



Vice-Chairman




Chairman


Date: 29 July 2024


BRAC Bank PLC. and its subsidiaries
Condensed Consolidated Profit and Loss Account (Unaudited)
For the half year ended 30 June 2024


Particulars	Note	Quarter ended Apr to Jun 2024 Taka	Quarter ended Apr to Jun 2023 Taka	Cumulative Jan to Jun 2024 Taka	Cumulative Jan to Jun 2023 Taka
Interest income	19	14,018,398,758	10,216,296,768	26,416,813,911	19,502,086,421
Interest paid on deposits and borrowing etc.	20	9,965,102,130	4,926,681,392	17,785,784,108	9,305,286,743
Net interest income		4,053,296,629	5,289,615,376	8,631,029,803	10,196,799,678
Investment income	21	6,552,297,014	3,263,759,823	11,917,231,616	5,880,146,678
Commission, exchange and brokerage	22	4,591,507,773	3,094,694,681	9,410,290,426	5,904,808,770
Other operating income	23	45,503,157	23,565,013	102,071,447	63,086,337
Total operating income		15,242,604,573	11,671,634,893	30,060,623,292	22,044,841,463
Salaries and allowances		4,315,744,431	3,752,102,080	8,315,435,656	7,103,646,080
Rent, taxes, insurance, electricity etc.	24	237,480,670	211,525,207	454,772,440	394,655,036
Legal expenses		12,087,261	11,102,657	24,845,524	17,296,233
Postage, stamps, telecommunication etc.	25	113,971,057	99,225,012	223,499,830	201,953,102
Stationery, printing, advertisement etc.	26	1,233,892,713	1,085,643,490	2,219,378,151	1,976,884,439
Chief Executive's salary and fees	27	6,045,000	9,588,750	12,090,000	14,216,250
Directors' fees and expenses		3,327,310	323,178	4,869,510	1,647,433
Auditors' fee		1,676,049	1,829,162	3,297,451	3,356,918
Impairment of goodwill		-	-	-	-
Depreciation and repairs to bank's assets	28	1,883,646,350	1,712,756,673	3,676,409,998	3,197,527,934
Other expenses	29	1,387,364,445	1,118,793,312	2,587,483,958	2,216,267,605
Total operating expenses		9,195,235,286	8,002,889,521	17,522,082,518	15,127,451,030
Operating profit		6,047,369,287	3,668,745,372	12,538,540,774	6,917,390,433
Share of profit/(loss) of associates	30	11,245,823	(732,460)	1,572,950	(7,198,714)
Gain/(loss) on disposal of associate		-	-	-	-
Profit/(loss) before provisions		6,058,615,110	3,668,012,912	12,540,113,724	6,910,191,719
Provision for:					
Loans and advances		992,790,819	975,318,366	1,961,389,835	1,633,957,478
Off balance sheet items		-	44,855,747	68,776,791	105,861,666
Diminution in value of investments		287,113,099	(6,900,000)	442,637,845	(6,588,962)
Others		7,971,272	1,407,201	11,438,109	3,492,490
Total provision	31	1,287,875,190	1,014,681,314	2,484,242,580	1,736,722,672
Profit/(loss) before taxes		4,770,739,921	2,653,331,598	10,055,871,143	5,173,469,047
Provision for Tax:					
Current tax expense		1,922,569,217	1,362,831,934	4,043,613,374	2,495,951,875
Deferred tax expense/(income)		116,790,419	(384,225,570)	102,219,078	(663,523,000)
Total provision for Tax	32	2,039,359,636	978,606,364	4,145,832,452	1,832,428,875
Total profit/(loss) after taxes		2,731,380,285	1,674,725,234	5,910,038,691	3,341,040,172
Attributable to:					
Equity holders of BRAC Bank PLC.		2,488,821,449	1,660,584,266	5,221,231,923	3,097,796,376
Non controlling interest		242,558,836	14,140,968	688,806,768	243,243,796
		2,731,380,285	1,674,725,234	5,910,038,691	3,341,040,172
Retained earnings brought forward from previous period/year		35,899,212,494	30,514,693,206	33,197,686,659	29,097,947,168
Net effect of all items directly recognised in equity-retained earnings		-	522,000	-	522,000
Net profit attributable to the equity holders of the Bank		2,488,821,449	1,660,584,266	5,221,231,923	3,097,796,376
Profit available for appropriation		38,388,033,943	32,175,799,472	38,418,918,582	32,196,265,544
Appropriations:					
Statutory reserve		-	-	3,701,642	6,957,640
General reserve		-	-	-	-
Dividend		3,217,658,447	2,244,877,986	3,217,658,447	2,244,877,986
Start-up Fund		24,696,330	16,791,112	51,879,327	30,299,544
Dividend equalization fund		-	-	-	-
		3,242,354,777	2,261,669,098	3,273,239,416	2,282,135,170
Retained surplus		35,145,679,166	29,914,130,374	35,145,679,166	29,914,130,374
Earnings Per Share (EPS)	34	1.41	0.94	2.95	1.75

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


Chief Financial Officer


Director


Company Secretary


Vice-Chairman


Managing Director and CEO


Chairman

Date: 29 July 2024

BRAC Bank PLC. and its subsidiaries
Condensed Consolidated Statement of Changes In Equity (Unaudited)
For the half year ended 30 June 2024

Particulars	Paid up share capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on govt. securities	Fair value reserve	Foreign currency translation reserve	Retained earnings	Non-controlling interest	Total
Balance as at 01 January 2024	16,088,292,270	3,853,767,032	12,312,787,273	355,218,455	183,523,000	70,197,708	480,002,180	33,197,686,658	20,478,928,578	87,020,403,154
Surplus/deficit on account of revaluation of assets	-	-	-	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	350,315,186	-	-	-	-	350,315,186
Changes in translation reserve (Note-15)	-	-	-	-	-	-	248,752,047	-	-	248,752,047
Gain on disposal of NBA	-	-	-	-	-	-	-	-	(387,569)	(387,569)
Sub-total	16,088,292,270	3,853,767,032	12,312,787,273	355,218,455	533,838,186	70,197,708	728,754,227	33,197,686,658	20,478,541,009	87,619,082,819
Net profit for the period	-	-	-	-	-	-	-	5,221,231,923	688,806,768	5,910,038,691
<u>Dividend for the year 2022:</u>										-
Stock dividend	1,608,829,220	-	-	-	-	-	-	(1,608,829,220)	-	-
Cash dividend	-	-	-	-	-	-	-	(1,608,829,227)	-	(1,608,829,227)
Dividend equalization fund	-	-	-	-	-	-	-	-	-	-
Start-up Fund	-	-	-	-	-	-	-	(51,879,327)	-	(51,879,327)
Statutory reserve	-	-	3,701,642	-	-	-	-	(3,701,642)	-	-
Balance as at 30 June 2024	17,697,121,490	3,853,767,032	12,316,488,915	355,218,455	533,838,186	70,197,708	728,754,227	35,145,679,166	21,167,347,777	91,868,412,956
Balance as at 31 December 2023	16,088,292,270	3,853,767,032	12,312,787,273	355,218,455	183,523,000	70,197,708	480,002,180	33,197,686,658	20,478,928,578	87,020,403,154
Balance as at 30 June 2023	16,088,292,270	3,853,767,032	11,155,127,473	355,218,455	747,508,965	78,920,073	426,009,801	29,914,130,374	20,120,145,285	82,739,119,728

BRAC Bank PLC. and its subsidiaries
Condensed Consolidated Cash Flow Statement (Unaudited)
For the half year ended 30 June 2024

Particulars	Note	Jan to Jun 2024 Taka	Jan to Jun 2023 Taka
A. Cash flows from operating activities			
Interest receipts		35,241,150,289	23,160,232,748
Interest payment		(15,596,206,781)	(9,326,257,950)
Dividend receipts		195,052,030	151,788,335
Fees and commission receipts		30,023,445,603	25,415,824,122
Recovery on loans previously written off		329,300,909	344,945,754
Cash payments to employees		(8,444,307,696)	(7,515,960,035)
Cash payments to suppliers		(25,619,131,916)	(20,498,176,634)
Income tax paid		(4,293,412,579)	(5,106,055,083)
Receipts from other operating activities		950,325,317	1,131,638,364
Payment for other operating activities		(1,908,366,686)	(2,930,357,765)
Operating cash flow before changes in operating assets and liabilities		10,877,848,490	4,827,621,856
Increase/decrease in operating assets & liabilities			
Loans and advances		(40,167,671,941)	(60,073,360,751)
Other assets		838,612,147	(4,837,033,573)
Borrowings from other banks and financial institutions		14,184,292,670	15,192,740,021
Proceeds from Issuance of BBPLC 2nd subordinated bond		1,709,000,000	-
Deposits from customers		81,395,203,477	80,286,524,599
Other liabilities		(5,432,338,416)	(692,442,765)
Cash utilized in operating assets and liabilities (ii)		52,527,097,937	29,876,427,531
Net cash (used)/flows from operating activities (I+II) (a)		63,404,946,427	34,704,049,387
B. Cash flows from investing activities			
Treasury bills		64,390,860,949	(27,251,937,713)
Treasury bonds		(112,451,586,094)	9,997,706,605
Sale/ (Investment) in shares		(1,161,889,674)	(251,903,803)
Investment in bonds		310,000,000	300,000,000
Acquisition of fixed assets		(3,026,110,153)	(1,783,843,061)
Disposal of fixed assets		68,040,292	12,778,430
Net cash used in investing activities (b)		(51,870,684,680)	(18,977,199,542)
C. Cash flows from financing activities			
Cash dividend paid		(1,608,988,806)	(963,687,618)
Net cash flows from financing activities (c)		(1,608,988,806)	(963,687,618)
Net increase/decrease in cash (a+b+c)		9,925,272,941	14,763,162,227
Cash and cash equivalents at beginning of the year		77,497,925,804	91,650,841,427
Effect of exchange rate changes on cash and cash equivalent		(252,178,066)	1,342,568,456
Cash and cash equivalents at end of the year		87,171,020,679	107,756,572,110
Cash and cash equivalents at end of the year:			
Cash in hand (including foreign currency)		14,277,503,570	8,335,591,941
Balance with Bangladesh Bank and its agents bank(s)		34,111,992,612	22,968,525,842
Balance with other banks and financial institutions		38,778,738,396	67,717,487,027
Money at call and short notice		-	8,733,368,400
Prize bond		2,786,100	1,598,900
		87,171,020,679	107,756,572,110
Net Operating Cash Flow Per Share (NOCFPS)	35	35.83	19.61

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

Particulars	Note	30 June 2024 Taka	31 December 2023 Taka
PROPERTY AND ASSETS			
Cash	3	48,189,147,860	39,349,037,573
Cash in hand (Including foreign currency)		14,077,155,248	11,198,084,095
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)		34,111,992,612	28,150,953,478
Balance with other banks and financial institutions	4	9,019,272,926	6,955,076,500
Inside Bangladesh		693,496,775	211,111,723
Outside Bangladesh		8,325,776,151	6,743,964,777
Money at call on short notice		-	3,000,000,000
Investments	5	161,018,047,331	115,657,479,057
Government		151,965,363,403	107,556,755,200
Others		9,052,683,927	8,100,723,857
Loans and advances	6	559,348,000,250	519,451,995,811
Loans, cash credit, overdrafts etc.		317,986,571,085	284,368,118,906
Small and medium enterprises		237,709,217,032	232,338,801,248
Bills purchased and discounted		3,652,212,133	2,745,075,658
Fixed assets including premises, furniture and fixture	7	8,118,376,934	7,627,179,153
Other assets	8	37,116,738,171	34,672,366,065
Non-banking assets		10,141,700	10,141,700
Total property and assets		822,819,725,172	726,723,275,859
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	9	58,549,914,285	41,716,714,285
Borrowings from central bank & government agencies	10	57,656,682,634	61,430,274,796
Affordable housing bond	10.1	4,751,000,000	4,751,000,000
BBPLC 2nd subordinated bond		1,709,000,000	-
Money at call on short notice		1,652,000,000	550,000,000
Deposits and other accounts	11	588,279,527,589	513,909,000,086
Current accounts and other accounts		182,448,469,689	157,581,037,835
Bills payable		1,741,726,272	2,716,819,155
Savings deposits		83,719,678,100	79,097,018,100
Term deposits		313,427,144,564	260,948,521,301
Other deposits		6,942,508,964	13,565,603,695
Other liabilities	12	42,231,247,484	40,584,257,402
Total liabilities		754,829,371,992	662,941,246,569
Capital and shareholders' equity			
Paid up share capital	13	17,697,121,490	16,088,292,270
Share premium	14	3,853,767,032	3,853,767,032
Statutory reserve		12,234,525,238	12,234,525,238
Dividend equalization fund		355,218,455	355,218,455
Revaluation reserve on govt. securities		533,838,186	183,523,000
Fair value gain/(loss) on equity investment	15	8,020,220,157	7,944,001,202
Foreign currency translation reserve	16	714,559,572	459,993,992
Surplus in profit and loss account/Retained earnings	17	24,581,103,049	22,662,708,101
Total shareholders' equity		67,990,353,179	63,782,029,290
Total liabilities and shareholders' equity		822,819,725,172	726,723,275,859

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

Particulars	Note	30 June 2024 Taka	31 December 2023 Taka
Off Balance Sheet Items			
Contingent liabilities			
Acceptances and endorsements		46,436,255,478	39,094,045,121
Irrevocable letters of credit		62,478,335,398	47,275,839,538
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Bills for collection		31,886,579,613	27,660,068,037
		166,300,750,023	137,258,278,773
Other Commitments			
Swap deals with banks and customers		35,426,634,878	31,645,244,971
Spot and forward deals with banks and customers		24,407,267,147	13,684,188,442
		59,833,902,025	45,329,433,413
Total Off-Balance sheet items including other commitments		226,134,652,048	182,587,712,186
Net Assets Value (NAV) Per Share	33	38.42	36.04

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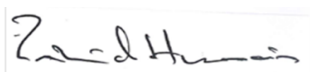
Chief Financial Officer



Company Secretary



Managing Director and CEO



Director



Vice-Chairman



Chairman

Date: 29 July 2024

BRAC Bank PLC.
Condensed Profit and Loss Account (Unaudited)
For the half year ended 30 June 2024

Particulars	Note	Quarter ended Apr to Jun 2024 Taka	Quarter ended Apr to Jun 2023 Taka	Cumulative Jan to Jun 2024 Taka	Cumulative Jan to Jun 2023 Taka
Interest income	19	13,094,942,288	9,381,872,552	24,896,745,041	17,947,008,276
Interest paid on deposits and borrowing etc.	20	9,951,905,693	4,947,204,697	17,794,676,154	9,343,125,616
Net interest income		3,143,036,595	4,434,667,855	7,102,068,887	8,603,882,660
Investment income	21	4,903,022,750	2,059,311,050	8,768,825,325	3,562,581,100
Commission, exchange and brokerage	22	2,274,633,923	1,595,995,918	4,646,470,225	2,876,438,939
Other operating income	23	47,499,467	32,291,850	96,618,255	57,093,479
Total operating income		10,368,192,736	8,122,266,673	20,613,982,693	15,099,996,178
Salaries and allowances		2,879,929,504	2,504,587,580	5,554,348,147	4,785,510,774
Rent, taxes, insurance, electricity etc.	24	160,430,982	153,446,758	304,919,211	286,572,432
Legal expenses		4,699,400	5,241,509	13,466,984	10,367,789
Postage, stamps, telecommunication etc.	25	84,484,009	73,749,503	166,096,407	151,951,474
Stationery, printing, advertisement etc.	26	158,925,732	175,775,359	314,741,639	345,327,401
Chief Executive's salary and fees	27	6,045,000	9,588,750	12,090,000	14,216,250
Directors' fees and expenses		2,233,000	554,400	3,610,200	1,170,400
Auditors' fee		517,500	460,000	1,035,000	920,000
Depreciation and repairs to bank's assets	28	718,896,714	627,099,832	1,361,112,418	1,244,424,350
Other expenses	29	1,092,911,666	948,009,954	2,090,775,558	1,886,532,267
Total operating expenses		5,109,073,506	4,498,513,645	9,822,195,565	8,726,993,137
Profit/(loss) before provisions		5,259,119,230	3,623,753,028	10,791,787,127	6,373,003,041
Provision for:					
Loans and advances		992,790,819	975,318,365	1,961,389,835	1,626,688,078
Off balance sheet items		-	44,855,747	68,776,791	105,861,666
Diminution in value of investments		287,113,099	(6,900,000)	442,637,845	(6,588,962)
Others		6,660,305	1,407,201	8,874,313	3,492,490
Total provision	31	1,286,564,222	1,014,681,313	2,481,678,784	1,729,453,272
Profit/(loss) before taxes		3,972,555,008	2,609,071,715	8,310,108,343	4,643,549,769
Provision for Tax:					
Current tax expense		1,509,855,116	1,211,786,049	3,136,437,616	2,196,243,007
Deferred tax expense/(income)		(6,933,128)	(281,825,499)	(14,261,995)	(582,647,645)
Total provision for Tax	32	1,502,921,988	929,960,550	3,122,175,621	1,613,595,362
Total profit/(loss) after taxes		2,469,633,020	1,679,111,165	5,187,932,722	3,029,954,407
Retained earnings brought forward from previous period/year		25,353,824,806	20,136,269,265	22,662,708,101	18,798,934,455
Net effect of all items directly recognised in equity-retained earnings		-	522,000	-	522,000
Profit available for appropriation		27,823,457,826	21,815,902,430	27,850,640,823	21,829,410,862
Appropriations:					
Statutory reserve		-	-	-	-
General reserve		-	-	-	-
Dividend		3,217,658,447	2,244,877,986	3,217,658,447	2,244,877,986
Start-up Fund		24,696,330	16,791,112	51,879,327	30,299,544
Dividend equalization fund		-	-	-	-
		3,242,354,777	2,261,669,098	3,269,537,774	2,275,177,530
Retained surplus		24,581,103,049	19,554,233,332	24,581,103,049	19,554,233,332
Earnings Per Share (EPS)	34	1.40	0.95	2.93	1.71

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



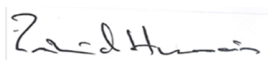
Chief Financial Officer




Company Secretary



Managing Director and CEO



Director



Vice-Chairman



Chairman

Date: 29 July 2024

BRAC Bank PLC.
Condensed Statement of Changes in Equity (Unaudited)
For the half year ended 30 June 2024

Particulars	Paid up share capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on govt. securities	Fair value gain/(loss) on equity investment	Foreign currency translation reserve	Retained earnings	Total
Balance as at 01 January 2024	16,088,292,270	3,853,767,032	12,234,525,238	355,218,455	183,523,000	7,944,001,202	459,993,992	22,662,708,101	63,782,029,290
Surplus/deficit on account of revaluation of investments	-	-	-	-	350,315,186	-	-	-	350,315,186
Changes in fair value gain/ (loss) on equity investment	-	-	-	-	-	76,218,955	-	-	76,218,955
Changes in translation reserve (Note-15)	-	-	-	-	-	-	254,565,580	-	254,565,580
Gain on disposal of NBA	-	-	-	-	-	-	-	-	-
Sub-total	16,088,292,270	3,853,767,032	12,234,525,238	355,218,455	533,838,186	8,020,220,157	714,559,572	22,662,708,101	64,463,129,011
Net profit for the period	-	-	-	-	-	-	-	5,187,932,722	5,187,932,722
Dividend for the year 2022:									
Stock dividend	1,608,829,220	-	-	-	-	-	-	(1,608,829,220)	-
Cash dividend	-	-	-	-	-	-	-	(1,608,829,227)	(1,608,829,227)
Dividend equalization fund	-	-	-	-	-	-	-	-	-
Start-up Fund	-	-	-	-	-	-	-	(51,879,327)	(51,879,327)
Statutory reserve	-	-	-	-	-	-	-	-	-
Balance as at 30 June 2024	17,697,121,490	3,853,767,032	12,234,525,238	355,218,455	533,838,186	8,020,220,157	714,559,572	24,581,103,049	67,990,353,179
Balance as at 31 December 2023	16,088,292,270	3,853,767,032	12,234,525,238	355,218,455	183,523,000	7,944,001,202	459,993,992	22,662,708,101	63,782,029,290
Balance as at 30 June 2023	16,088,292,270	3,853,767,032	11,112,086,248	355,218,455	747,508,965	7,733,687,434	419,260,877	19,554,233,332	59,864,054,613

BRAC Bank PLC.
Condensed Cash Flow Statement (Unaudited)
For the half year ended 30 June 2024

Particulars	Note	Jan to Jun 2024 Taka	Jan to Jun 2023 Taka
A. Cash flows from operating activities			
Interest receipts		29,356,321,894	20,185,058,773
Interest payment		(15,596,851,175)	(9,356,097,021)
Dividend receipts		157,694,029	109,173,832
Fees and commission receipts		4,646,470,225	2,876,438,939
Recovery on loans previously written off		329,300,909	344,945,754
Cash payments to employees		(5,613,710,198)	(5,190,160,719)
Cash payments to suppliers		(490,112,603)	(479,471,973)
Income tax paid		(3,580,019,234)	(1,785,875,028)
Receipts from other operating activities		989,593,280	1,138,097,522
Payment for other operating activities		(1,795,480,802)	(2,734,561,163)
Operating Cash flow before changes in operating assets and liabilities		8,403,206,324	5,107,548,916
Increase/decrease in operating assets & liabilities			
Loans and advances		(39,896,004,438)	(60,212,002,748)
Other assets		888,399,178	(4,809,851,348)
Borrowings from other banks and financial institutions		14,161,607,838	15,070,083,747
Proceeds from Issuance of BBPLC 2nd subordinated bond		1,709,000,000	-
Deposits from customers		73,002,253,274	56,592,186,947
Other liabilities		(1,999,572,490)	(727,202,849)
Cash utilized in operating assets and liabilities (ii)		47,865,683,362	5,913,213,749
Net cash (used)/flows from operating activities (i+ii) (a)		56,268,889,686	11,020,762,665
B. Cash flows from investing activities			
Treasury bills		65,441,214,343	(23,655,519,732)
Treasury bonds		(109,499,507,370)	15,527,757,964
Sale/ (Investment) in shares		(1,261,960,070)	(184,368,316)
Investment in bonds		310,000,000	300,000,000
Acquisition of fixed assets		(1,542,832,641)	(754,230,362)
Disposal of fixed assets		68,040,292	12,778,430
Net cash used in investing activities (b)		(46,485,045,446)	(8,753,582,016)
C. Cash flows from financing activities			
Cash dividend paid		(1,608,988,806)	(963,687,618)
Net cash flows from financing activities (c)		(1,608,988,806)	(963,687,618)
Net increase/decrease in cash (a+b+c)		8,174,855,434	1,303,493,031
Cash and cash equivalents at beginning of year		49,306,059,073	54,859,652,721
Effect of exchange rate changes on cash and cash equivalent		(269,707,620)	1,334,791,715
Cash and cash equivalents at end of the year		57,211,206,886	57,497,937,467
Cash in hand (including foreign currency)		14,077,155,248	8,184,169,661
Balance with Bangladesh Bank and its agents bank(s) (including foreign currency)		34,111,992,612	22,968,525,842
Balance with other banks and financial institutions		9,019,272,926	17,610,274,664
Money at call and short notice		-	8,733,368,400
Prize bond		2,786,100	1,598,900
		57,211,206,886	57,497,937,467
Net Operating Cash Flow Per Share (NOCFPS)	35	31.80	6.23

The reconciliation of net profit with cash flows from operating activities (standalone basis) has been disclosed at **Annexure-D**.

1.1 BRAC Bank PLC.

BRAC Bank PLC. (the "Bank" or "BRAC Bank") is a scheduled commercial bank established under the Bank Company Act, 1991, and incorporated as a public company, limited by shares, on 20 May 1999 under the Companies Act, 1994, in Bangladesh, vide RJSC registration no. C-37782(2082)/99. The primary objective of the bank is to conduct all kinds of banking businesses. On completion of all legal formalities, the bank commenced its operations on 4th July 2001. The registered address of the bank is: Anik Tower, 220/B Tejgaon Gulshan Link Road, Tejgaon, Dhaka-1208. BRAC Bank has been listed on the Dhaka Stock Exchange and Chittagong Stock Exchange as a publicly traded company from 28 January 2007 and 24 January 2007, respectively.

1.1.1 Principal Activities and nature of operations of BRAC Bank PLC.

The principal activities of the Bank are banking and related activities including accepting customer deposits, lending to retail, small and medium enterprise (SME) and corporate customers, trade financing, lease financing, project financing, issuing letter of credit (LCs), inter bank borrowing and lending, dealing in government securities, equity shares etc. There have been no significant changes in the nature of operations of the Bank during the financial year under review.

As a fully operational commercial bank, BRAC Bank PLC. focuses on pursuing unexplored market niches in the SME business, which hitherto has remained largely untapped within the country. Significant percentage of BRAC Bank's clients had no prior experience with formal banking. With the view to reaching clients, the Bank has established a wide network of branches, zonal offices, SME unit offices and agent banking outlets offering services in the heart of rural and urban communities.

1.1.2 Off-shore Banking Unit (OBU)

The Bank commenced its off-shore banking operation after obtaining permission from Bangladesh Bank in 2010. The Off-shore Banking Unit (OBU) is governed by the rules and guidelines of Bangladesh Bank. The principal activities of OBU are to provide all kinds of commercial banking services to its customers in Bangladesh in foreign currency. Business of Off-shore Banking Unit (OBU) have been reported with solo Financial Statements.

1.1.3 Custodian Service

The Bank obtained permission to work as a security custodian from Bangladesh Securities and Exchange Commission vide its certificate no. SC-10/2009 dated 12 November 2009 under the Securities and Exchange Commission (Securities Custodian Service) Rules 2003.

1.2 Subsidiaries and associates of BRAC Bank PLC.

'Subsidiaries' are entities controlled by the Group. The Group controls an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if there are changes to one or more of the elements of control. Financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

'Associates' are enterprises in which the investor has significant influence and which is neither a subsidiary nor a joint venture of the investor (IAS-28: Investments in Associates and joint ventures). Significant influence is the power to participate in the financial and operating policy decisions of the investee, but there is no control over those policies. Investment in associates is accounted for in the consolidated financial statements under the 'equity method'.

BRAC Bank PLC. has four subsidiaries namely BRAC EPL Investments Limited, BRAC EPL Stock Brokerage Limited, bKash Limited, and BRAC SAAJAN Exchange Limited and it has also one associate company namely BRAC IT Services Limited. The subsidiaries and associate are operating in diverse areas. BRAC Bank's shareholding position in all of its subsidiaries and associates is summarized below:

Name of subsidiaries/associates	Nature of business	Face value per share	Total no. of ordinary shares		BRAC Bank's percentage of shareholding	
			30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
BRAC EPL Investments Limited	Merchant banking	BDT 10	258,500,000	258,500,000	99.95%	99.95%
BRAC EPL Stock Brokerage Limited	Stock brokerage	BDT 100	11,103,109	11,103,109	90.00%	90.00%
bKash Limited	Mobile financial services (MFS)	BDT 100	2,238,973,146	2,238,973,146	51.00%	51.00%
BRAC SAAJAN Exchange Limited	Remittance & exchange services	GBP 1	1,333,333	1,333,333	93.75%	93.75%
BRAC IT Services Limited	IT services	BDT 1,000	233,729	233,729	9.9996%	9.9996%

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**2.1 Preparation of consolidated and separate financial statements**

Preparation of separate financial statements of the bank for for the half year ended 30 June 2024 comprise the operation of the Domestic Banking Unit (DBU) (main operations), as well as operations of the Off-shore Banking Unit (OBU), together referred to as 'the Bank'.

Consolidated financial statements include separate financial statements of the BRAC Bank PLC. and financial statements of all 'subsidiaries', as those of a single economic entity and together referred to as 'the Group'. There were no significant changes in the operations of the bank/group entities.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) 10: Consolidated Financial Statements. The consolidated financial statements are prepared for a common reporting period for for the half year ended 30 June 2024. Intra-company transactions, balances and intra-group gains on transactions between group companies are eliminated on consolidation.

2.1.1 Statement of compliance and basis of preparation

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) was formed in 2017 and has adopted International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as the applicable Financial Reporting Standards for public interest entities such as banks with effect from 2 November 2020.

The consolidated and separate financial statements of the Group and the bank, respectively, have been prepared in accordance with the IFRS adopted by FRC and in addition to this, the bank also complied with the requirements of the following laws and regulations from various Government bodies:

- i) The Bank Company Act, 1991, and amendment thereon;
- ii) The Companies Act, 1994;
- iii) Circulars, Rules and Regulations issued by Bangladesh Bank (BB) time to time;
- iv) Bangladesh Securities and Exchange Rules, 2020; Bangladesh Securities and Exchange Ordinance, 1969; Bangladesh Securities and Exchange

Notes to the financial statements as at and for the half year ended 30 June 2024

Act, 1993 and Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015 and amendments thereon;

v) The Income Tax Act, 2023, and amendments thereon;

vi) The Value Added Tax Act, 2012, The Value Added Tax Rules, 2016 and amendments thereon;

vii) Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE) and Central Depository Bangladesh Limited (CDBL) rules and regulations;

viii) Financial Reporting Act, 2015.

2.1.2 Compliance with International Financial Reporting Standards (IFRSs)

The Central Bank of Bangladesh ('Bangladesh Bank'), as regulator of the banking industry, has issued a number of circulars/directives which are not consistent with the requirements specified in IAS/IFRS. In preparation of the financial statements, IFRSs have been complied to the extent possible subject to the compliance with Bangladesh Bank circulars and guidelines in this respect. In case any requirement of the Bank Company Act, 1991, and provisions and circulars issued by Bangladesh Bank (BB) differ with those of IFRSs, the requirements of the Bank Company Act, 1991, and provisions and circulars issued by BB shall prevail. The departure of IFRSs in the interim financial statements as at and for the half year ended 30 June 2024 are same as that were disclosed in its last annual financial statements of 31 December 2023.

2.1.3 Going concern

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

2.1.4 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and in any future periods affected. The key items in which judgments, estimates and assumptions are involved presented below:

a) Provision for loans and advances, investments and leases for future impairment

b) Useful life of fixed assets and Right of use of assets (RoU) as per IFRS 16

c) Remeasurement gain/(loss) of defined benefit obligation and plan assets

d) Deferred Tax assets/liabilities

e) Provision for gratuity fund

f) Right of use of assets (RoU) as per IFRS 16

g) Lease liabilities

h) Impairment testing of goodwill

i) Provision for taxation

j) Fair value determination of unquoted investments/shares

2.1.5 Materiality and aggregation

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

2.1.6 Comparative information

Accounting policies have been consistently applied by the Bank and are consistent with those used in the previous year. Comparative information is rearranged and restated wherever necessary to conform with the current period's presentation and IFRS requirements.

2.3 Mark-to-market valuation of foreign currency transaction

The treasury back-office values all outstanding positions (Spot and Forward including on and off balance sheet items) at the current market rate to determine the current market value of these positions. This exercise also provides the profitability of the outstanding contracts. The treasury back office gathers the market rates from an independent source i.e. other than traders (Reuters/Bloomberg, BAFEDA, calling other bank back offices) of the same organization which is required to avoid any conflict of interest. Revaluation is done daily and the profit and loss impact is adjusted accordingly.

2.4 Accounting for provisions, contingent liabilities and contingent assets

The Bank recognises provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are recognised on the obligations the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the bank.

Contingent assets are not recognised in the financial statement since these may result in the recognition of income that may never be realised. However, due to regulations of Bangladesh Bank (Central Bank of Bangladesh) and Bank Company Act, 1991, as amended, all items of such contingent assets/liabilities are shown as off balance sheet items under balance sheet of the bank as a separate section.

2.5 Derivative financial instruments

The fair value of derivatives (forward contracts, currency rate swaps, etc.) are recognised in the profit and loss account of the bank, as per IFRS 9. The value of the contract itself is shown as an item of other contingent liabilities, as per Bangladesh Bank guidelines.

2.6 Statement of changes in equity

Statement of Changes in Equity has been prepared in accordance with IAS 1 "Presentation of Financial Statements" and following the guidelines of Bangladesh Bank BRPD circular no.14 dated 25 June 2003.

2.7 Cash flow statement

Cash Flow Statement is prepared principally in accordance with IAS 7 "Statement of Cash Flows" under the guidelines of BRPD circular no.14 dated 25 June 2003. The Cash Flow Statement shows the structure of and changes in cash and cash equivalents during the year. It Cash Flows during the period have been classified as operating activities, investing activities and financing activities.

Notes to the financial statements as at and for the half year ended 30 June 2024

2.8 Reporting period

These interim financial statements cover the period from 01 January 2024 to 30 June 2024.

2.9 SIGNIFICANT ACCOUNTING POLICIES

Accounting policies applied in the interim financial statements as at and for the half year ended 30 June 2024 are same as that were applied in its last annual financial statements of 31 December 2023. However, some extract of key accounting policies that had been applied in annual financial statements are:

Assets and the basis of their valuation

2.9.1 Cash and cash equivalents

For the purpose of presentation in the cash flow statements, cash and cash equivalents includes cash in hand and cash at bank (regardless of maturity), highly liquid interest bearing investment/securities with original maturities of less than three month. However, unencumbered portion of balance with Bangladesh Bank is presented in liquidity statement with maturity more than five years but considering the requirement of BRPD 14 dated 25 June 2003, this amount is considered as cash and cash equivalents in the cash flow statement. Cash flow statement is prepared in accordance with IAS 7 Statement of Cash Flows. However, cash flows from operating activities have been presented according to the format mentioned in BRPD circular no. 14 dated 25 June 2003.

2.9.2 Investments (categorized and reported as per Bangladesh Bank)

All investment securities are initially recognised at cost, including acquisition charges associated with the investment. Premiums are amortised and discount accreted, using the effective yield method, and are taken to discount income. The valuation method of marking-to-market for investments used are:

Held To Maturity (HTM)

Investments which have fixed or determinable payments and fixed maturity that the group has the positive intent and ability to held to maturity, other than those that meet the definition of 'Held at amortised cost others' are classified as held to maturity. These investment are subsequently measured at amortised cost, less any provision for impairment in value. Amortised cost is calculated by taking into account any discount or premium in acquisition. Any gain or loss on such investments is recognised in the statement of income when the investment is de-recognised or impaired.

Held For Trading (HFT)

Investments classified in this category are acquired principally for the purpose of selling or repurchasing - in short trading or if designated as such by the management. After initial recognition, investments are measured at market value, and any change in the fair value is recognised in the statement of income for the period in which it arises. Transaction costs, if any, are not added to the value of investments at initial recognition.

Revaluation HTM and HFT securities

According to DOS Circular no. 05, dated 26 May 2008, DOS Circular no. 05, dated 28 January 2009 and DOS Circular no. 02, dated 19 January 2012, HFT securities are revalued once each week using marking-to-market concept, and the HTM securities are amortised once a year according to Bangladesh Bank guidelines. HTM securities are also revalued if they are reclassified to HFT category with the Board's approval.

Investment in quoted securities

These securities are bought and held primarily for the purpose of selling them in the future or holding for dividend income, which are reported at cost. Unrealised gains are not recognised in the profit and loss statement. But required provisions are kept for diminution in value of investment.

Investment in unquoted securities

Investment in unlisted securities is reported at cost under cost method. Provision is made for any shortage of book value over cost comparing with the book value of the last audited balance sheet.

Investment in subsidiaries and associates in separate financial statements

BRAC Bank adopted IFRS 9 Fair value through other comprehensive income (FVOCI) method for accounting equity investment in subsidiaries and associates since June 2020. As all of the investment are in unquoted investment, management used net assets value of the each investment as per the financial statements of the entity every year as fair value because if buyer offer any price of our investments, they will refer to NAV as reference price.

Investment in subsidiaries and associates in consolidated financial statements

Investment in subsidiary is consolidated in the consolidated financial statements considering as a single economic entity in accordance with the IAS 27 Separate Financial Statements and IFRS 10 Consolidated Financial Statements respectively. Investment in associate is recognised in the consolidated financial statements under equity method as per IAS 28 Investments in Associates and Joint Ventures.

Summary of recognition and measurement basis of various type of investments has been shown as under:

Types of investments	Initial Recognition	Measurement after Recognition	Recording of changes
Government Treasury Bills (HFT)	Cost	Marking to Market/ fair value	Loss to profit and loss A/C, gain to revaluation reserve
Government Treasury Bills (HTM)	Cost	Amortised cost	Amortised gain to revaluation reserve and loss to profit and loss
Government Treasury Bonds (HFT)	Cost	Marking to Market/ fair value	Loss to profit and loss A/C, gain to revaluation reserve
Government Treasury Bonds (HTM)	Cost	Amortised cost	Amortised gain to revaluation reserve and loss to profit and loss
Zero Coupon Bond	Cost	Cost	N/A
Prize Bond and Other Bond	Cost	Cost	N/A
Debentures	Cost	Cost	Profit and Loss Account
Un-quoted Shares (ordinary)	Cost	Lower of cost or NAV of last audited account	Profit and Loss Account
Quoted Shares and MFs (ordinary)	Cost	Lower of cost or market price at balance sheet date	Loss (net off gain) to Profit and Loss Account but no unrealized gain booking
Mutual Fund (open-end)	Cost	Lower of cost or Surrender Price	Provision for unrealised loss (net) to profit and loss account but no unrealised gain booking.
			Impairment loss is adjusted automatically in OCI due to

Notes to the financial statements as at and for the half year ended 30 June 2024

Investment in subsidiaries and associates	Cost	Fair value through other comprehensive income in separate financial statements and equity method less accumulated impairment, if any, in consolidated financial statements.	fair value accounting. Goodwill impairment is recognised in profit and loss in consolidated financial statements. The share of post-acquisition income of associates is recognised in consolidated profit and loss account.
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2.9.3 Loans and advances

- a) Loans and advances are stated in the balance sheet on the gross basis.
b) Interest on loans and advances is calculated daily on accrual basis for all loans accounts but charged in client statements monthly, quarterly and installment date based on product type.
c) Commission and discounts on bills purchased and discounted are recognized at the time of realization.
d) Provision for loans and advances is made on the basis of period-end review by the management following instructions contained in Bangladesh Bank BRPD Circular no. 14, dated 23 September 2012, BRPD circular no. 15, dated 23 September 2012, BRPD Circular no. 19, dated 27 December 2012, BRPD Circular no. 05, dated 29 May 2013, BRPD Circular no. 16, dated 18 November 2014, BRPD Circular no. 08, dated 02 August 2015, BRPD Circular no. 12, dated 20 August 2017, BRPD Circular no. 15, dated 27 September 2017, BRPD Circular no. 01, dated 20 February 2018, BRPD Circular no. 07, dated 21 June 2018, BRPD Circular no 13, dated 18 October 2018 and BRPD Circular no. 03, dated 21 April 2019, BRPD circular no. 52 Dated 20 October 2020, BRPD circular no. 16 dated 21 July 2020, BRPD circular No: 56 dated 10 December 2020, BRPD circular No: 14 dated 22 June 2022, BRPD circular No: 51 dated 18 December 2022. Provisions and interest suspense are separately shown under other liabilities as per the First Schedule of the Bank Company Act 1991 (amended up to 2018). The rates of provision for loans and advances are given below:

Types of loans	Rates of Provision				
	Unclassified		Classified		
	Standard	Special Mention Account (SMA)	Substandard (SS)	Doubtful (DF)	Bad and Loss (BL)
Consumer financing - House building (HB)	1%	1%	20%	50%	100%
Consumer financing - Loans for professionals	2%	2%	20%	50%	100%
Consumer financing - Other than HB and professionals	2%	2%	20%	50%	100%
Loans to BHs/ MBs against share etc.	1%	1%	20%	50%	100%
Small and medium enterprise(Medium)	0.25%	0.25%	20%	50%	100%
Small and medium enterprise(Cottage, Micro, Small)	0.25%	0.25%	5%	20%	100%
Short term Agriculture/Micro credit	1%	1%	5%	5%	100%
Credit Card	2%	2%	20%	50%	100%
All others	1%	1%	20%	50%	100%

- e) Interest on classified loans and advances is kept in a suspense account as per BRPD circular no. 27, dated 31 August 2010 and recognised as income on realisation, as per BRPD circular no. 14 and 15, dated 23 September 2012. Interest is not charged on bad and loss loans as per the guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate accounts.

- d) Loans and advances are written-off to the extent that (i) there is no realistic prospect of recovery and (ii) against which legal cases are filed and classified as bad and loss, as per BRPD circular no. 02, dated 13 January 2003 and 13, dated 07 November 2013. These write-offs however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such write-off accounts are meticulously maintained and followed up.

2.9.4 Fixed assets including premises, furniture and fixtures

A. Property, plant and equipment (PPE)

Property, plant and equipment (PPE) include all type of tangible assets i.e. land, office floor space, furniture & fixtures, office equipments, IT hardware and motor vehicles etc.

Recognition and measurement

All fixed assets including land are stated at cost less accumulated depreciation, as per IAS 16 Property, Plant and Equipment. Right-of-use assets are measured at cost, less any accumulated depreciation, and adjusted for any re-measurement of lease liabilities.

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity; and the cost of the item can be measured reliably.

Subsequent costs

Subsequent costs of enhancement of existing assets are recognised as an addition to the asset, only when it is probable that future economic benefits associated with the item will flow to the bank and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit and loss account during the financial period in which they are incurred.

Depreciation of PPE

Land is not depreciated. Depreciation is charged on straight-line basis. In case of acquisition of fixed assets, depreciation is charged from the month of acquisition, whereas no depreciation on assets disposed-off is charged from the month of disposal. Asset category-wise depreciation rates are as follows:

Category of assets	BRAC Bank	BRAC EPL Investments	BRAC EPL Stock Brokerage	bKash Limited	BRAC Saajan Exchange Ltd.
Furniture and fixture	10%	10%-20%	12.5%	20%	10%
Building	2.5%	5%	2%	-	-
Office equipment	20%	10%-20%	20%	20%	10%
IT equipment - Hardware	20%	25%	-	20%	-
IT equipment - PC, Laptop, UPS, Printer and Scanner	33.33%	33.33%	25%	33.33%	33.33%
IT equipment - Software	10%-20%	33.33%	33.33%	20%	20%
Motor vehicles	20%	20%	20%	20%	-
Office decoration/renovation works	10%	15%	15%	20%	10%

*In the consolidated financial statements, BRAC bank's policies for useful life and rates of all fixed assets are applied including all of the classes of

assets of subsidiaries to meet the requirement of uniform accounting policy as per IFRS 10.

Gain or loss on disposal of PPE

Sale price of fixed assets are determined on the basis of fair value of the assets. Gain or loss on sale of assets are recognised in the profit and loss account as per provision of IAS 16 Property, Plant and Equipment.

Impairment of PPE

At each balance sheet date, the bank assesses whether there is any indication that the carrying amount of the asset exceeds its recoverable amount. If any such indication exists, the Bank should estimate the recoverable amount of the asset. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired and impairment loss is recognised as an expense in the profit and loss account unless the asset is carried at revalued amount in accordance with IAS 16 Property, Plant and Equipment, in which case any impairment loss of a revalued asset should be treated as revaluation decrease under the accounting standard. No impairment loss was recognised up to the reporting period in separate financial statement, as no such indication existed as on the balance sheet date.

B. Intangible assets

Software

Software acquired by the bank is stated at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure on software assets is capitalised only when it increases future economic benefits embodied in the specific asset to which it relates. All expenditure is expensed as incurred. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life of software is five to ten years. Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

License

Value of the license is recognised at cost less accumulated impairment losses.

Goodwill

Goodwill that arises upon the acquisition of subsidiaries represents the excess of the fair value of the purchase consideration over the fair value of the BRAC Bank group's share of the assets acquired and the liabilities and contingent liabilities assumed on the date of the acquisition and is measured at cost less accumulated impairment losses in accordance with IFRS 3 Business Combinations and IAS 36 Impairment of Assets.

Impairment of intangible assets

Intangible assets with indefinite useful life, like goodwill etc., are tested for impairment at the end of each year. As per IAS 36 Impairment, any intangible assets with definite useful life are first reviewed for any indication of impairment. If any indication exists, then the impairment test is carried out.

C. IFRS 16 "Leases" and its relevant assumptions and disclosures

IFRS 16: "Leases" has come into force on 1 January 2019, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). BRAC Bank applied IFRS 16 using modified retrospective approach where the bank measured the lease liability at the present value of the remaining lease payments, discounted it using the bank's incremental borrowing rate at the date of initial application, and recognised a right-of-use asset at the date of the initial application on a lease by lease basis.

Right-of-use assets

The Bank recognises right-of-use assets at the date of initial application of IFRS 16. Right-of-use assets are measured at cost, less any accumulated depreciation, and adjusted for any re-measurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right-of-use assets are presented under property, plant and equipment.

Lease liabilities

At the commencement date of the lease, the bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term using incremental borrowing rate at the date of initial application. Lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments, and re-measuring the carrying amount to reflect any interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

Short-term leases and leases of low value assets

The Bank has elected not to recognise right-of-use assets and lease liabilities for leases of low value assets and short-term leases, i.e. for which the lease term ends within 12 months of the date of initial application. The Bank recognises lease payments associated with these leases as an expense. The contracts for premises with all branches, head office, regional offices, data centers and disaster recovery centers are considered for lease calculation.

Accounting of lease modification

IFRS 16 defines a modification as a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease. Any change that is triggered by a clause that is already part of the original lease contract (including changes due to a market rent review clause or the exercise of an extension option) is not regarded as a modification.

Gain or loss on termination of lease agreements

As per IFRS-16, if the lease is modified to terminate the right of use of one or more underlying assets or to shorten the contractual lease term, the bank (lessee) remeasures the lease liability at the effective date of the modification using a revised discount rate. Furthermore, it decreases the carrying amount of the right-of-use assets to reflect the partial or full termination of the lease. Any gain or loss relating to the partial or full termination is recognised in profit or loss.

D. Capital work-in-progress (CWIP)

Costs incurred, but if the related asset is yet not ready or available for use as intended by management, are recognised as capital work-in-progress and disclosed as a part of fixed assets. Once the underlying asset is ready and available for use, it is transferred to fixed assets. However, no depreciation

is charged on CWIP.

Other assets and basis of their measurement

Other assets include mainly all other financial assets, interest and other unrealised income receivable, advance for operating expenditure and stocks of stationery and stamps etc.

a. Interest receivables

Interest receivable is the amount of interest that has been earned but has not yet been received in cash. Interest on loans and advances is calculated and accrued on a daily product basis but charged to customer accounts in different frequency based on product nature. The accrued but uncharged interest portion is reported as interest receivables on reporting date. Interest receivables is recognized only when the unconditional right to receive the cash flows of the loans and advances is established.

b. Reporting investment in subsidiaries and associates in separate financial statements

In accordance with the IAS 27 "Separate Financial Statements", an entity may choose any of the following methods to account for investment in subsidiaries, associates and joint ventures in its separate financial statements:

- at cost;
- in accordance with IFRS 9; or
- using the equity method as described in IAS 28;

BRAC Bank adopted IFRS 9 Fair value through other comprehensive income (FVOCI) method for accounting equity investment in subsidiaries and associates since June 2020. As all of the investment are in unquoted investment, management used net assets value of the each investment as per the financial statements of the entity every year as fair value because if buyer offer any price of our investments, they will refer to NAV as reference price.

2.9.5 Liabilities and provisions

Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents include interest-bearing borrowings redeemable at call, on-demand and short-term deposits lodged for periods of less than 6 months. These items are brought to account at the gross value of the outstanding balance which includes accrued interest.

2.9.6 Deposits and other accounts

Deposits include non interest-bearing current deposit redeemable at call, interest bearing on-demand and short-term deposits, savings deposit and term deposit lodged for periods from 3 months to 10 years. These items are brought to account at the gross value of the outstanding balance which includes accrued interest.

2.9.7 Other liabilities

Other liabilities comprise items such as provision for loans and advances, provision for interest receivables, provision for taxes, interest suspense, accrued expenses. Other liability is recognised in the balance sheet according to the guideline of Bangladesh Bank, IAS and IFRS, Income Tax Act-2023 and internal policies of the Bank. Provisions and accrued expenses are recognised in the financial statements when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

a. Provision for loans and advances

Provision for loans and advances is created for covering the Bank from possible loan losses in the future. General provision is made on the outstanding amount of loans and advances without considering the classification status following the prescribed rate of Bangladesh Bank. Classified loans and advances of the Banks are categorised as Sub-Standard, Doubtful and Bad/Loss as per Bangladesh Bank guidelines. For loans which are classified as sub-standard, doubtful or bad/loss, specific provision is created netting off security value and interest suspense from the amount outstanding.

b. Provision for other assets

Other assets excluding investment in subsidiaries is subject to making provision based on their ageing as per Bangladesh Bank BRPD circular no. 14 dated 25 June 2001 and BRPD circular no. 04 dated 12 April 2022. Full provision is kept on other assets which are outstanding for one year or more or classified as Bad/Loss.

c. Provisions for off balance sheet items

No provision is kept on items of derivatives as there is no exposure on such gross value for the Bank. Provision for other off balance sheet items made as per BRPD circular no. 06 dated 25 April 2023 except on 'bills for collection' and 'guarantees' against which government has been issued the counter guarantee having BB rating grade '1' equivalent outlined in the circular.

d. Interest suspense

Classified loans and advances of the Banks are categorised as sub-standard, doubtful and bad/loss as per guidelines of Bangladesh Bank. Interest accrued on Sub-Standard, Doubtful and Bad/Loss loans is transferred to interest suspense account and not considered as interest income. This interest is recognised as interest income when it is realised in cash by the bank.

2.9.8 Share capital and shareholders' equity

a. Authorized capital

Authorized Capital is the maximum amount of share capital that the bank is authorised by its Memorandum of Association and Article of Association to issue to shareholders.

b. Issued, Subscribed and Paid up capital

The issued share capital of the bank is the total nominal value of the shares of the bank which have been issued to shareholders and which remain outstanding. Paid up share capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Bank, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

c. Share Premium

Share premium is the capital that the Bank raises upon issuing shares that is in excess of the nominal value of the shares. The share premium shall be utilised in accordance with provisions of section 57 of the Companies Act, 1994 and as directed by Bangladesh Securities and Exchange Commission in this respect.

d. Revaluation reserve on govt. securities

Revaluation reserve represents revaluation on Treasury bond (HFT and HTM) in accordance with the DOS circular no. 05, dated 26 May 2008 and DOS circular no. 05, dated 28 January 2009.

e. Non Controlling Interest

Non-controlling interest (NCI) in business is that portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the parent. The portion of the NCI (percentage of ordinary shares owned by non-controlling shareholders) in BRAC EPL Investments Limited, BRAC EPL Stock Brokerage Limited, bKash Limited and BRAC SAAJAN Exchange Limited are 0.05%, 10%, 49%, and 6.25% respectively.

2.9.9 Off-balance sheet exposures and other commitments

Off Balance Sheet Items include various non-derivative financial instruments primarily letter of credit (L/C), letter of guarantee (L/G), acceptance and endorsements, bills for collection etc. and various derivative instruments like forward contracts and currency rate swaps etc.

2.9.10 Revenue and expense recognition

a) Interest income

Interest income is recognised on an accruals basis. Interest on loans and advances ceases to be taken into income when such advances are classified, kept in interest suspense account. Interest on classified advances is accounted for on a realisation basis as per Bangladesh Bank guidelines. Interest and fees cease to be taken into income when the recovery of interest and fees is in arrear for over three months. Thereafter, interest and fees are accounted for on realisation basis.

b) Interest paid on deposits and borrowings etc.

Interest paid and other expenses are recognised on an accrual basis.

c) Investment income

Income on investments is recognised on an accruals basis. Investment income includes interest on treasury bills, treasury bonds, zero coupon, shares, debentures etc.

d) Commission, exchange and brokerage income

The Bank earns fees and commission from a diverse range of services provided to its customers. These include fees and commission income arising on financial and other services provided by the Bank including trade finance, credit cards, debit cards, passport endorsement, visa processing, student service, loan processing, loan syndication, locker facilities and SMS banking etc. Fees and commission income arises on services rendered by the Bank are recognised on a realisation basis.

e) Other operating income

The profit on sale of fixed assets is determined as the difference between the carrying amount of the assets at the time of disposal and the proceeds of disposal, and is recognised as an item of other income in the year in which the significant risks and rewards of ownership are transferred to the buyer.

f. Provision for taxation

Income tax on profit for the year comprises current and deferred tax and is based on the applicable tax law in Bangladesh. It is recognised in the income statement as tax expense.

Current Tax

Current tax is the expected tax payable on taxable income for the year, based on tax rates and tax laws which are enacted at the reporting date, including any adjustment for tax payable in previous periods. Current tax for current and prior periods are recognised as a liability or asset to the extent that it is unpaid or refundable. Provision for current income tax has been made @ 37.5% on the taxable business income, @ 20% on taxable dividend income and @ 10% on realised gain on trading of shares as prescribed in the Income Tax Act 2023.

Deferred Tax

The Bank accounted for deferred tax as per IAS 12 Income Taxes. Deferred tax is accounted for any temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base.

Deferred tax assets, including those related to the tax effects of income tax losses and credits available to be carried forward, are recognised only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses and credits can be utilised. Deferred tax liabilities are recognised for all taxable temporary differences. They are also recognised for taxable temporary differences arising on investments and it is probable that temporary differences will reverse in future. Deferred tax assets associated with these interests are recognised only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and there will be sufficient taxable profits against which to utilise the benefits of the temporary difference.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement reflects the tax consequences that would follow from the manner in which the Bank, at the reporting date, recovers or settles the carrying amount of its assets and liabilities.

2.10 Earnings Per Share

Basic earnings per share

Basic earnings per share (EPS) has been computed by dividing the basic earning by the weighted average number of ordinary shares outstanding at the end of the year as per IAS 33 *Earnings Per Share*. EPS of previous year/period has been restated as per IAS 33 due to issuance of stock dividend for 2023 during the period.

Diluted earnings per share

The objective of diluted earnings per share is consistent with that of basic earnings per share; that is, to provide a measure of the interest of each ordinary share in the performance of an entity taking into account dilutive potential ordinary shares outstanding during the year. As per IAS-33 "Earnings Per Share", the calculation of diluted earning per share does not assume conversion, exercise or other issue of potential ordinary shares that would have an anti dilutive effect on earning per share. The bank has no dilutive instruments that is why we are not considering the diluted earning per

2.11 Related party disclosures

Related Party is a party related to an entity if:

- i) Directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under control with, the company; has an interest in the company, that gives it significant influence over the company; or has joint control over the company;
- ii) The party is an associate (as defined in IAS 28 Investment in Associates and Joint ventures);
- iii) The party is a joint venture in which the entity is a venture (as per IAS 31 Interests in Joint Ventures);
- iv) The party is member of the key management of personal of the entity or its parent;
- v) The party is a close member of the family of any individual referred to in (i) or (iv);
- vi) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- vii) The party is post-employment benefit plan for the benefit of employees of the entity. or of any entity that is related party of the entity.

2.12 Statement of Segment Reporting

As per IFRS 8 "Operating Segments", an operating segment is a component of an entity:

- i) That engages in business activities from which it may earn revenues and incur expenses (include revenues and expenses relating to transactions with other components of the same entity);
- ii) Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performances, and
- iii) For which discrete financial information is available.

The Bank identifies segment based on its business segment as well as its subsidiaries. Business segment comprises SME, Retail, Corporate and Treasury under Conventional banking. The Bank reviews the segments at the end of each reporting period to identify which of its segments are reportable and disclose the related information for those reportable segments accordingly.

There are 4 (four) operating segments (SME, Retail, Corporate, and Treasury) on standalone basis as on 30 June. Each operating segment is reportable as per latest evaluation in accordance with IFRS 8: Operating segments.

In consolidated basis, each of subsidiary can be considered as operating segment in addition to segments on standalone basis. However, no segment reporting has been made for subsidiaries as their un-audited financial statements have been appended with Bank's financial statements.

2.13 Disclosure on credit rating information

In compliance with Bangladesh Bank's BRPD circular No. 06, dated July 05, 2006, and with a view to assure investors and other stakeholders of the sustainable operating positions of the bank, while also safeguarding stakeholder interests, BRAC Bank is subject to ratings assessment by reputed credit rating agencies. The summary of Bank's credit rating as of 30 June 2024 is presented below:

Rating agency	Long-term rating	Short-term rating	Outlook	Valid up to
Credit Rating Agency of Bangladesh (CRAB)	AAA	ST-1	Stable	30 June 2025
Emerging Credit Rating Ltd (ECRL)	AAA	ST-1	Stable	30 June 2025
S&P global Ratings	B+	B	Stable	December, 2024
Moody's investors service	B1	NP	Stable	December, 2024

2.14 Disclosure on country risk exposure

Country risk refers to the possibility that a foreign obligator may be incapable or unwilling to fulfill his obligations due to country specific economic, political, social ecological conditions. This may include the consequences of exchange control, currency devaluation, official government actions or any significant socio-political changes in the country where placements, lending and investments made. Major categories of country risk comprises of sovereign risk, contagion risk, currency risk, indirect country risk, macroeconomic risk and transfer risk.

BRAC Bank PLC. manages and monitor its country risk exposure in accordance with the guidelines issued by Bangladesh Bank in its BRPD circular number 07 circulated on April 13, 2021. In compliance with this regulatory guideline, bank has assessed its position and found banks' net funded exposure to a single country is below 2% of its total asset as on 30 June 2024. Hence there is no additional provision/capital requirement for exposure to any single country.

2.15 Director's and management's responsibilities on statement

The Board of Directors and managements take responsibility for the preparation and presentation of these interim condensed financial statements.

2.16 Approval of the financial statements

These interim condensed financial statements were approved by the Board of Directors on 29 July 2024.

2.17 General

- i) Figures appearing in the financial statements have been rounded-off to the nearest Taka.
- ii) Figures of previous year have been rearranged, wherever considered necessary, to conform with the current year's presentation.

Notes to the financial statements as at and for the half year ended 30 June 2024

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
3	Cash				
	Cash in hand (Including foreign currency)	14,277,503,570	11,416,440,336	14,077,155,248	11,198,084,095
	Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	34,111,992,612	28,150,953,478	34,111,992,612	28,150,953,478
		48,389,496,182	39,567,393,814	48,189,147,860	39,349,037,573
3.1	Cash in hand (Including foreign currency)				
	Local currency	14,037,013,930	11,217,036,108	13,836,665,608	10,998,679,867
	Foreign currency	240,489,640	199,404,228	240,489,640	199,404,228
		14,277,503,570	11,416,440,336	14,077,155,248	11,198,084,095
3.2	Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)				
	Local currency	25,476,840,526	24,564,644,839	25,476,840,526	24,564,644,839
	Foreign currency	7,643,961,059	2,430,645,911	7,643,961,059	2,430,645,911
		33,120,801,585	26,995,290,749	33,120,801,585	26,995,290,749
	Sonali Bank as an agent of Bangladesh Bank (local currency)	991,191,027	1,155,662,729	991,191,027	1,155,662,729
		34,111,992,612	28,150,953,478	34,111,992,612	28,150,953,478

3.3 Cash Reserve Ratio (CRR) (Bank only)

As per section 33 of Bank Company Act, 1991 (amended up to 2013), MPD circular No. 03 dated 09 April 2020 for Domestic Banking Operation (DBO) & BRPD circular No. 31 dated 18 June 2020 for Offshore Banking Operation (OBO) issued by Bangladesh Bank, BRAC Bank PLC. has been maintaining 3.5% & 1.5% CRR on daily basis and 4.0% & 2.0% on bi-weekly basis for DBO & OBO respectively. CRR requirement is calculated on the basis of weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. CRR of June 2024 is maintained on the basis of weekly ATDTL of April 2024), according to DOS Circular No. 1 & 26 and BRPD circular No. 31 issued on 19 January 2014, 19 August 2019 and 18 June 2020 respectively for both DBO & OBO.

Daily basis

Reserves maintained by the bank as at 30 June 2024 and 31 December 2023 are as follows:

Average total demand and time liabilities of April 2024 and October 2023

DBU	554,875,370,783	472,213,489,283
OBU	58,105,482,433	46,819,085,783
	612,980,853,216	519,032,575,066

Required reserve

DBU (June 2024: 3.5% and 2023: 3.5%)	19,420,637,977	16,527,472,125
OBU (June 2024: 1.5% and 2023: 1.5%)	871,582,236	702,286,287
	20,292,220,213	17,229,758,412

Actual reserve maintained as per Bangladesh Bank statement	24,279,187,944	22,191,556,583
Surplus	3,986,967,731	4,961,798,171

Notes to the financial statements as at and for the half year ended 30 June 2024

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
Bi-weekly basis					
The Bank maintained excess cash reserve of Tk. 9,354,158,174 against minimum requirement of 4.0% & 2.0% (of ATDTL) for DBO & OBO on bi-weekly basis which is the summation of excess cash reserve maintained over required in the last fortnight (bi-week) of 30 June 2024.					
3.4 Statutory Liquidity Ratio (SLR)					
As per section 33 of the Bank Company Act 1991 (amended up to 2013) & MPD circular no. 2 dated 10 December 2013 issued by Bangladesh Bank (effective from 1 February 2014), BRAC Bank PLC. has been maintaining 13% SLR on weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. SLR of June 2024 is based on weekly ATDTL of April 2024), according to DOS Circular No. 1 & 26 and BRPD circular No. 31 issued on 19 January 2014, 19 August 2019 and 18 June 2020 respectively for both DBO & OBO.					
Required reserve (13% of ATDTL)					
Actual reserve maintained (June 2024: 13.27%, December 2023: 23.56%)					
Surplus					
				79,687,510,918	67,474,234,759
				158,965,416,106	122,276,024,909
				79,277,905,188	54,801,790,150
3.4.1 Actual reserve maintained					
Cash in hand					
Balance with Sonali Bank as per statement					
Daily Excess Reserve					
Un-encumbered approved securities (HFT)					
Un-encumbered approved securities (HTM)					
Un-encumbered approved securities (other eligible)					
				14,077,155,248	11,198,084,095
				991,165,343	1,154,550,319
				2,084,173,112	2,366,635,296
				72,053,833,976	80,719,770,229
				69,756,302,327	26,835,039,971
				2,786,100	1,945,000
				158,965,416,106	122,276,024,909
4 Balance with other Banks and Financial Institutions					
Inside Bangladesh					
Outside Bangladesh					
		4.1	30,306,787,204	28,059,887,006	693,496,775
		4.2	8,471,951,192	6,868,699,987	8,325,776,151
			38,778,738,396	34,928,586,993	9,019,272,926
4.1 Balance inside Bangladesh					
In current deposit accounts with:					
Banks					
Less: Inter unit/company elimination					
			35,720,235,421	26,745,965,199	593,496,775
			6,811,364,328	4,443,204,328	-
			28,908,871,093	22,302,760,871	593,496,775
In Term deposit accounts with:					
Banks					
Non Banking Financial Institutions (NBFIs)					
			1,452,992,753	5,778,636,140	-
			100,000,000	100,000,000	100,000,000
			1,552,992,753	5,878,636,140	100,000,000
			155,076,642	121,510,005	-
			1,397,916,111	5,757,126,135	100,000,000
Total balances			30,306,787,204	28,059,887,006	693,496,775
					211,111,723

Notes to the financial statements as at and for the half year ended 30 June 2024

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
4.2 Balance outside Bangladesh					
On shore balance		20,642,808,388	19,604,370,175	20,496,633,347	19,479,634,964
Off shore balance		1,330,821,099	965,494,681	1,330,821,099	965,494,681
		<u>21,973,629,487</u>	<u>20,569,864,856</u>	<u>21,827,454,446</u>	<u>20,445,129,645</u>
Less: On shore to BBPLC off-shore placement		10,964,678,295	13,701,164,868	10,964,678,295	13,701,164,868
Less : OBU Term Money Lending TO DBU		2,537,000,000	-	2,537,000,000	-
		<u>8,471,951,192</u>	<u>6,868,699,987</u>	<u>8,325,776,151</u>	<u>6,743,964,777</u>
5 Investments					
Government	5.1	229,780,073,626	181,372,719,817	151,965,363,403	107,556,755,200
Others	5.2	10,397,645,556	9,771,451,618	9,052,683,927	8,100,723,857
		<u>240,177,719,182</u>	<u>191,144,171,435</u>	<u>161,018,047,331</u>	<u>115,657,479,057</u>
5.1 Government (investment in Govt. securities)					
Treasury bills		34,564,714,648	95,214,819,310	16,455,857,985	78,153,872,328
Treasury bonds		195,212,572,878	86,155,955,507	135,506,719,319	29,400,937,872
Prize bonds		2,786,100	1,945,000	2,786,100	1,945,000
		<u>229,780,073,626</u>	<u>181,372,719,817</u>	<u>151,965,363,403</u>	<u>107,556,755,200</u>
5.1.2 BB category wise investment					
Held for trading (HFT)		72,053,833,976	80,728,997,979	72,053,833,976	80,719,770,229
Held to maturity (HTM)		147,571,012,551	100,641,776,838	69,756,302,327	26,835,039,971
Encumbered securities (HFT)		10,152,441,000	-	10,152,441,000	-
Other securities		2,786,100	1,945,000	2,786,100	1,945,000
		<u>229,780,073,626</u>	<u>181,372,719,817</u>	<u>151,965,363,403</u>	<u>107,556,755,200</u>
5.2 Others (investment in other than Govt. securities)					
Corporate bonds- unquoted and quoted		1,554,895,000	1,991,232,500	1,550,732,500	1,984,310,000
Ordinary shares and Mutual Funds (MFs) - unquoted and quoted		8,842,750,556	7,780,219,118	7,501,951,427	6,116,413,857
Preference shares		-	-	-	-
		<u>10,397,645,556</u>	<u>9,771,451,618</u>	<u>9,052,683,927</u>	<u>8,100,723,857</u>
6 Loans and advances					
Loans, cash credits, overdrafts etc.	6.1	318,672,528,154	285,203,753,699	317,986,571,085	284,368,118,906
Small and medium enterprises	6.2	237,709,217,032	232,338,801,248	237,709,217,032	232,338,801,248
Bills purchased and discounted*	6.3	3,652,212,133	2,745,075,658	3,652,212,133	2,745,075,658
		<u>560,033,957,319</u>	<u>520,287,630,605</u>	<u>559,348,000,250</u>	<u>519,451,995,811</u>

* Bills purchased and discounted excludes bills purchased and discounted of small and medium enterprise (SME).

Notes to the financial statements as at and for the half year ended 30 June 2024

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
6.1 Loans, cash credits, overdrafts etc.					
Overdrafts		26,955,948,054	25,431,612,843	26,955,948,054	25,431,612,843
Demand loans		146,426,494,034	125,993,007,565	146,426,494,034	125,993,007,565
Term loans		129,076,427,384	118,465,251,374	129,076,427,384	118,465,251,374
Lease receivables		369,207,767	381,836,306	369,207,767	381,836,306
Credit Cards		13,580,859,517	12,894,325,021	13,580,859,517	12,894,325,021
Staff loans		1,591,227,981	1,212,467,405	1,577,634,329	1,202,085,797
Margin loan		2,163,627,181	2,085,767,046	-	-
		<u>320,163,791,918</u>	<u>286,464,267,559</u>	<u>317,986,571,085</u>	<u>284,368,118,906</u>
Less: Inter company elimination		1,491,263,764	1,260,513,860	-	-
		<u>318,672,528,154</u>	<u>285,203,753,699</u>	<u>317,986,571,085</u>	<u>284,368,118,906</u>
6.2 Small and medium enterprises					
Overdrafts		11,421,628,488	11,845,706,532	11,421,628,488	11,845,706,532
Demand loans		16,574,237,663	18,412,632,107	16,574,237,663	18,412,632,107
Term loans		209,502,538,585	201,964,416,265	209,502,538,585	201,964,416,265
Lease receivables		-	-	-	-
Bills purchased and discounted (SME)		210,812,296	116,046,343	210,812,296	116,046,343
		<u>237,709,217,032</u>	<u>232,338,801,248</u>	<u>237,709,217,032</u>	<u>232,338,801,248</u>
6.3 Bills purchased and discounted					
Bills purchased and discounted (except SME)		3,652,212,133	2,745,075,658	3,652,212,133	2,745,075,658
Bills purchased and discounted (SME)		210,812,296	116,046,343	210,812,296	116,046,343
		<u>3,863,024,430</u>	<u>2,861,122,001</u>	<u>3,863,024,430</u>	<u>2,861,122,001</u>
6.4 Net loans and advances					
Gross loans and advances	6	560,033,957,319	520,287,630,605	559,348,000,250	519,451,995,811
Less: Interest suspense	12	1,863,784,546	1,988,749,599	1,863,784,546	1,988,749,599
Less: Provision for loans and advances	12	19,291,829,129	17,960,360,464	18,079,993,359	16,748,524,693
		<u>538,878,343,644</u>	<u>500,338,520,542</u>	<u>539,404,222,345</u>	<u>500,714,721,519</u>
6.5 Classified and unclassified loans and advances					
Unclassified					
Standard (including staff loan)		541,856,172,239	500,917,936,588	542,382,050,940	501,294,137,564
Special Mention Accounts (SMA)		811,706,078	623,916,783	811,706,078	623,916,783
		<u>542,667,878,317</u>	<u>501,541,853,370</u>	<u>543,193,757,018</u>	<u>501,918,054,347</u>
Classified					
Sub-standard		2,140,700,377	2,474,633,215	2,140,700,377	2,474,633,215
Doubtful		1,621,742,575	2,204,897,314	1,621,742,575	2,204,897,314
Bad/Loss		13,603,636,049	14,066,246,705	12,391,800,279	12,854,410,935
		<u>17,366,079,002</u>	<u>18,745,777,234</u>	<u>16,154,243,232</u>	<u>17,533,941,465</u>
		<u>560,033,957,319</u>	<u>520,287,630,605</u>	<u>559,348,000,250</u>	<u>519,451,995,811</u>

Notes to the financial statements as at and for the half year ended 30 June 2024

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023

6.6 Particulars of required provisions for loans and advances (Bank only)

Status	Outstanding loans and advances	Base for provision	Percentage (%) of required provision	Required provision 30 June 2024	Required provision 31 December 2023
Unclassified					
All unclassified loans (Other than Small and Medium Enterprise Financing, Consumer Financing, BHs/MBs/SDs, Housing and loans for professional*)	223,670,807,509	223,670,807,509	1%**	2,236,708,075	1,903,181,968
Small and Medium Enterprise Financing	230,145,555,074	230,145,555,074	0.25%	575,363,888	554,655,040
Loans to BHs/MBs/SDs against share etc.*	1,043,562,192	1,043,562,192	1%	10,435,622	9,975,783
Housing Finance	11,192,075,358	11,192,075,358	1%	111,920,754	117,421,285
Loans for professionals to Set up business (LP)	5,375,793,709	5,375,793,709	2%	107,515,874	107,787,706
Consumer finance	53,315,383,192	53,315,383,192	2%	1,066,307,664	1,032,481,471
Consumer finance (Credit Card)	12,870,131,198	12,870,131,198	2%	257,402,624	241,849,491
Short Term Agricultural and Micro Credit	2,004,205,200	2,004,205,200	1%	20,042,052	40,379,113
Staff Loan	1,577,634,329	-	1%	-	-
Additional General Provision (as advised by BB)	1,998,609,258	-	1%	-	18,246,765
	543,193,757,018	539,617,513,432		4,385,696,552	4,025,978,621
Classified - Specific provision					
Sub-standard	2,140,700,377	3,094,021,637	20%***	751,576,835	1,391,525,871
Doubtful	1,621,742,575	1,320,115,984	50%***	326,662,166	462,195,710
Bad/Loss	12,391,800,279	9,488,351,135	100%****	9,599,905,135	9,813,267,322
	16,154,243,232	13,902,488,756		10,678,144,136	11,666,988,903
	559,348,000,250	553,520,002,188			
Special General Provision Covid-19					
Special general provision Covid-19 for 2020			1%	244,417,994	278,796,852
Special general provision Covid-19 for 2021			1.5%, 2%	147,217,997	154,527,040
Special general provision Covid-19 for 2022			1% & 2%	13,630,783	14,274,981
				405,266,774	447,598,873
Total required provision for loans and advances				15,469,107,463	16,140,566,396
Total provision maintained				18,079,993,359	16,748,524,691
Excess provision over minimum required provision prescribed by Bangladesh Bank				2,610,885,897	607,958,295

* BHs = Brokerage Houses, MBs = Merchant Banks, SDs = stock dealers against shares

** For rescheduled loans, 50% and 100% provision has been made as per NOC circular and for small, micro & cottage enterprises under CMSME financing, provision requirement is 5% for sub-standard classification as per BRPD

*** For small, micro & cottage enterprises under CMSME financing, provision requirement is 20% for doubtful classification as per BRPD circular

**** Note that provision for bad and loss includes a provision of BDT 111,554,000 for bank guarantee as per BB audit advice in 2021

Notes to the financial statements as at and for the half year ended 30 June 2024

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
7					
Fixed assets including premises, furniture and fixtures					
Land		527,275,400	527,275,400	527,275,400	527,275,400
Office floor space		20,855,926	21,009,617	4,034,334	4,034,334
Furniture and fixture		2,765,969,914	2,567,532,973	2,486,575,269	2,346,016,160
Office equipment		1,672,196,613	1,584,891,641	1,546,502,177	1,467,218,773
IT hardwares		8,172,933,303	7,871,140,298	3,680,634,951	3,424,966,157
Motor vehicles		706,603,323	688,857,818	442,202,195	442,202,195
Leasehold improvements		194,075,177	170,713,752	-	-
Right of use assets (ROU) as per IFRS 16		8,358,075,995	7,940,805,381	7,215,826,021	6,715,802,482
Capital expenditure work in progress		1,210,041,457	369,058,266	521,912,699	306,546,534
IT Software (Finite useful lives)		9,377,496,342	8,646,291,184	3,120,284,088	2,979,635,750
Total cost		33,005,523,450	30,387,576,330	19,545,247,134	18,213,697,786
Accumulated depreciation and amortisation		19,167,439,196	17,368,917,097	11,426,870,200	10,586,518,633
Written down value		13,838,084,254	13,018,659,233	8,118,376,934	7,627,179,153
(Fixed assets schedules-standalone basis are shown in Annexure - B)					
8					
Other assets					
Income generating					
Interest receivables		7,784,541,680	4,464,401,271	7,784,541,680	4,464,401,271
Dividend receivables		15,258,847	76,903,639	15,258,847	76,903,639
Investment in subsidiary	8.1	-	-	13,993,816,429	13,905,720,022
Investment/carrying value in associates	8.2	41,410,542	39,837,592	41,410,542	39,837,592
Investment In swift share		8,083,464	8,083,464	8,083,464	8,083,464
Prepaid interest expenses on IFFD		2	2	2	2
Receivables against sanchayapatra		86,763,662	33,836,925	86,763,662	33,836,925
Balance with BRAC EPL Stock Brokerage Limited		8,874,488	1,159,758	8,874,488	1,159,758
Non- Income generating					
Stock of stamps		70,456,990	44,337,730	70,456,990	44,337,730
Stock of security stationery		25,140,540	8,341,368	25,140,540	8,341,368
Stock of printing stationery		11,213,861	9,146,286	11,213,861	9,146,286
Advance to staff		16,485,742	12,118,665	16,485,742	12,118,665
Advance to supplier		86,853,248	70,740,203	30,445,353	22,621,735
Advance Value Added Tax		6,602,947	6,602,947	6,602,947	6,602,947
Advance to SME unit offices		1,308,690	1,308,690	1,308,690	1,308,690
Advance against office rent		87,788,702	66,412,563	87,788,702	66,412,563
Advance security deposit		17,731,918	17,555,370	13,248,511	13,071,963
Receivables from bits		109,161,657	124,393,521	109,161,657	124,393,521
Deferred revenue expenditure		1,314,687,021	686,525,642	1,314,687,021	686,525,642
Deferred tax asset	8.3	8,084,884,802	8,187,103,882	5,644,110,660	5,629,848,665
Net plan assets - Employees' Gratuity Fund		132,156,493	132,156,493	132,156,493	132,156,493
Other receivables		7,715,181,889	9,385,537,124	7,715,181,889	9,385,537,124
Other assets of subsidiaries		12,344,677,650	10,439,534,364	-	-
		37,969,264,836	33,816,037,500	37,116,738,171	34,672,366,065

Notes to the financial statements as at and for the half year ended 30 June 2024

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
8.1 Investment in subsidiaries					
BRAC EPL Investments Limited				1,067,589,368	1,292,707,270
BRAC EPL Stock Brokerage Limited				1,262,988,817	1,339,664,867
bKash Limited				11,663,238,245	11,273,347,884
BRAC SAAJAN Exchange Limited*				-	-
				13,993,816,429	13,905,720,022

*On 26 May 2021, the operations of BRAC Saajan Exchange Limited was suspended on regulatory ground by the local regulator in UK and after obtaining the NOC and all necessary clearance, BSEL resumed operations at a reduced capacity on 22 December 2022. As a result, to meet up fixed operational costs, the net worth of the company become negative. Considering that, the investment amount related to BSEL has been accounted for as zero in the separate financial Statements in line with Accounting Standard IAS.

8.2 Investment/carrying value in associates

BRAC IT Services Limited		41,410,542	39,837,592	41,410,542	39,837,592
		41,410,542	39,837,592	41,410,542	39,837,592

8.2.1 Carrying value of investment in associates:

BRAC IT Services Limited

Opening balance/fair value of residual interest retained		39,837,592	21,206,835
Gain/(loss) on disposal/loss of shares in associates		-	-
Share of profit/(loss) of equity in associate company		1,572,950	18,630,757
		41,410,542	39,837,592

8.3 Deferred tax asset/(liability) (Bank only)

Particulars	Accounting base	Tax base	Deductible/ (Taxable) temporary difference	Applicable tax rate	Deferred Tax Asset/ (Liability)
Balance as at 30 June 2024					
Loan loss provision including Covid-19 special	12,725,007,154	-	12,725,007,154	37.50%	4,771,877,683
Actuarial valuation measurement loss	158,308,084	-	158,308,084	37.50%	59,365,532
Provision against capital market	54,699,841	-	54,699,841	10.00%	5,469,984
Fixed assets except RoU	2,631,649,220	4,224,763,538	1,593,114,318	37.50%	597,417,869
Right of use assets (ROU) as per IFRS 16	4,364,124,946	703,409,029	(3,660,715,916)	37.50%	(1,372,768,469)
Leased Liability as per IFRS 16	4,220,661,497	-	4,220,661,497	37.50%	1,582,748,061
Deferred tax asset (a)					5,644,110,660
Deferred tax liability arises from fair value gain as per IFRS 9	9,435,553,126	-	(9,435,553,126)	15.00%	(1,415,332,969)
Interest receivable from treasury bills and bonds	733,695,828	-	(733,695,828)	37.50%	(275,135,936)
Dividend receivables	-	-	-	20.00%	-
Deferred tax liability (b)					(1,690,468,905)
Net deferred tax asset at 30 June 2024 (a+b)					3,953,641,755

Notes to the financial statements as at and for the half year ended 30 June 2024

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
Balance as at 31 December 2023					
Loan loss provision including Covid-19 special provision and QJ general provision	12,725,007,154	-	12,725,007,154	37.50%	4,771,877,683
Actuarial valuation measurement loss	158,308,084	-	158,308,084	37.50%	59,365,532
Provision against capital market	54,699,841	-	54,699,841	10.00%	5,469,984
Fixed assets except RoU	2,631,649,220	4,224,763,538	1,593,114,318	37.50%	597,417,869
Right of use assets (ROU) as per IFRS 16	4,161,707,999	673,223,384	(3,488,484,615)	37.50%	(1,308,181,731)
Leased Liability as per IFRS 16	4,010,398,208	-	4,010,398,208	37.50%	1,503,899,328
Deferred tax asset (a)					5,629,848,665
Fair value gain on equity investment as per IFRS 9	9,345,883,768	-	(9,345,883,768)	15.00%	(1,401,882,565)
Interest receivable from treasury bills and bonds	733,695,828	-	(733,695,828)	37.50%	(275,135,936)
Deferred tax liability (b)					(1,677,018,501)
Net deferred tax asset at 31 December 2023 (a+b)					3,952,830,164

Deferred tax assets arising from the provision on loan loss will recovered at the time of written off of classified loan. Deferred tax on provision for investment in capital market will be recovered when the loss be realized and deferred tax on IFRS 16 leased assets will be adjusted when lease contracts will be terminated.

9 Borrowings from other banks, financial institutions and agents

Borrowings inside Bangladesh	8,078,021	466,117,216	-	275,000,000
Borrowings outside Bangladesh	58,565,311,238	41,457,253,540	58,549,914,285	41,441,714,285
	58,573,389,259	41,923,370,755	58,549,914,285	41,716,714,285

10 Borrowings from central bank & government agencies

BB - Export development fund (EDF)	10,899,518,320	13,134,841,935	10,899,518,320	13,134,841,935
Bangladesh Bank REPO	10,152,441,000	-	10,152,441,000	-
SME Foundation pre finance	434,576,800	353,885,000	434,576,800	353,885,000
BB - Long term financing facility (LTFF)	657,347,530	689,665,225	657,347,530	689,665,225
BB - Green transformation fund (GTF)	126,078,771	160,965,886	126,078,771	160,965,886
BB - Stimulus fund	-	-	-	-
BB - Working capital stimulus fund	-	-	-	-
BB - PSC stimulus package	1,811,000,000	1,304,728,000	1,811,000,000	1,304,728,000
BB - Refinancing for green initiatives	15,000,000	20,000,000	15,000,000	20,000,000
BB - SME re-finance	32,425,736,972	45,508,903,750	32,425,736,972	45,508,903,750
Joyeeta foundation pre or re-finance	-	26,275,000	-	26,275,000
BB - Technology Development Fund (TDF)	314,340,000	149,710,000	314,340,000	149,710,000
BB - Green Transformation Fund (GTF) for Lcy	81,300,000	81,300,000	81,300,000	81,300,000
BB - IPFF-II	627,022,641	-	627,022,641	-
BB - Ref for Green Initiatives-Corp	112,320,600	-	112,320,600	-
	57,656,682,634	61,430,274,796	57,656,682,634	61,430,274,796

Notes to the financial statements as at and for the half year ended 30 June 2024

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
10.1 Affordable housing bond					
In 2022, upon approval from Bangladesh Securities & Exchange Commission (BSEC) and permission from Bangladesh Bank, BRAC Bank issued unsecured Affordable Housing Bond amounting BDT 4,751,000,000. The bond has been fully subscribed by International Finance Corporation (IFC). The raised fund will be utilized to provide affordable housing loans to lower and middle income group at a highest interest rate of 7.50% or as revised by Bangladesh Bank time to time.					
11 Deposits and other accounts					
Current deposits and other accounts etc.	11.1	265,517,841,607	232,223,892,907	182,448,469,689	157,581,037,835
Bills payable	11.2	1,741,726,272	2,716,819,155	1,741,726,272	2,716,819,155
Savings deposits	11.3	83,719,678,100	79,097,018,100	83,719,678,100	79,097,018,100
Term deposits*	11.4	313,272,067,922	260,827,011,296	313,427,144,564	260,948,521,301
Other deposits	11.5	6,942,508,964	13,565,603,695	6,942,508,964	13,565,603,695
		671,193,822,865	588,430,345,153	588,279,527,589	513,909,000,086
* Term deposits include the deposit pension scheme (DPS).					
11.1 Current deposits and other accounts					
Local currency		255,058,483,200	222,841,134,175	165,177,746,954	143,755,074,774
Foreign currencies		17,270,722,735	13,825,963,060	17,270,722,735	13,825,963,060
		272,329,205,935	236,667,097,235	182,448,469,689	157,581,037,835
Less: Inter unit/company elimination		6,811,364,328	4,443,204,328	-	-
		265,517,841,607	232,223,892,907	182,448,469,689	157,581,037,835
11.1.1 Current deposits and other accounts					
Current deposits		254,460,572,836	220,913,137,885	164,579,858,122	141,827,078,484
Special notice deposit		17,868,633,100	15,753,959,351	17,868,633,100	15,753,959,351
		272,329,205,935	236,667,097,235	182,448,491,222	157,581,037,835
Less: Inter unit/company elimination		6,811,364,328	4,443,204,328	-	-
		265,517,841,607	232,223,892,907	182,448,491,222	157,581,037,835
11.2 Bills payable					
Local currency		1,732,087,642	2,707,792,906	1,732,087,642	2,707,792,906
Foreign currencies		9,638,629	9,026,249	9,638,629	9,026,249
		1,741,726,272	2,716,819,155	1,741,726,272	2,716,819,155
11.3 Savings deposits					
Local currency		83,719,678,100	79,097,018,100	83,719,678,100	79,097,018,100
Foreign currencies		-	-	-	-
		83,719,678,100	79,097,018,100	83,719,678,100	79,097,018,100

Notes to the financial statements as at and for the half year ended 30 June 2024

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
11.4 Term deposits					
Local currency		303,664,528,727	253,606,456,192	303,664,528,727	253,606,456,192
Foreign currencies		9,762,615,837	7,342,065,110	9,762,615,837	7,342,065,110
		313,427,144,564	260,948,521,301	313,427,144,564	260,948,521,301
Less: Inter unit/company elimination		155,076,642	121,510,005	-	-
		313,272,067,922	260,827,011,296	313,427,144,564	260,948,521,301
11.5 Other deposits					
Local currency		6,918,749,210	13,558,187,099	6,918,749,210	13,558,187,099
Foreign currencies		23,759,754	7,416,596	23,759,754	7,416,596
		6,942,508,964	13,565,603,695	6,942,508,964	13,565,603,695
11.6 Deposits concentration					
Deposits from banks-inside Bangladesh	11.6.1	1,233,704,763	247,663,400	1,233,704,763	1,647,663,400
Other than banks		669,960,118,102	588,182,681,753	587,045,822,826	512,261,336,685
		671,193,822,865	588,430,345,153	588,279,527,589	513,909,000,086
11.6.1 Deposits from banks-inside Bangladesh					
Current deposits:					
NRB Bank Limited		1,328,216	1,336,466	1,328,216	1,336,466
Islami Bank Bangladesh Limited		439,898	440,048	439,898	440,048
One Bank Limited		405,853	293,671	405,853	293,671
Meghna Bank Limited		469,680	519,680	469,680	519,680
National Credit & Commerce Bank PLC.		14,727	14,727	14,727	14,727
		2,658,373	2,604,591	2,658,373	2,604,591
Special notice deposit:					
Dutch-Bangla Bank Mobile Banking-Rocket		131,046,390	5,058,809	131,046,390	5,058,809
		131,046,390	5,058,809	131,046,390	5,058,809
Term deposits from Banks:					
Probashi Kallyan Bank		-	40,000,000	-	40,000,000
Citizens Bank PLC		-	-	-	1,400,000,000
Rajshahi Krishi Unnayan Bank		1,100,000,000	200,000,000	1,100,000,000	200,000,000
		1,100,000,000	240,000,000	1,100,000,000	1,640,000,000
Total deposits from banks		1,233,704,763	247,663,400	1,233,704,763	1,647,663,400
11.7 Payable on demand and time deposit					
i) Demand deposit					
Current deposits		230,378,485,772	202,643,970,496	147,309,113,854	128,001,115,423
Saving deposits (9% of total saving deposits)		7,534,771,029	7,118,731,629	7,534,771,029	7,118,731,629
Foreign currency deposits		17,294,482,489	13,833,379,656	17,294,482,489	13,833,379,656
Sundry deposits		6,917,964,210	13,557,114,026	6,917,964,210	13,557,114,026
Bills payable		1,741,726,272	2,716,819,155	1,741,726,272	2,716,819,155
		263,867,429,773	239,870,014,963	180,798,057,855	165,227,159,890

Notes to the financial statements as at and for the half year ended 30 June 2024

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
ii) Time deposit					
Saving deposits (91% of total saving deposits)		76,184,907,071	71,978,286,471	76,184,907,071	71,978,286,471
Foreign currency deposits		9,762,615,837	7,342,065,110	9,762,615,837	7,342,065,110
Term deposits		279,689,513,860	231,693,643,226	279,844,590,502	231,815,153,231
Deposit pension schemes (DPS)		23,819,938,225	21,791,302,961	23,819,938,225	21,791,302,961
Special notice deposit		17,868,633,100	15,753,959,351	17,868,633,100	15,753,959,351
Security deposits		785,000	1,073,073	785,000	1,073,073
		407,326,393,093	348,560,330,190	407,481,469,735	348,681,840,195
		671,193,822,865	588,430,345,153	588,279,527,589	513,909,000,086
12 Other liabilities					
Provision for loans and advances		18,507,621,906	17,176,153,240	17,295,786,136	15,964,317,470
Special general provision Covid-19		784,207,224	784,207,224	784,207,224	784,207,224
Provision for interest receivable from loan		35,443,399	31,355,296	35,443,399	31,355,296
Provisions for off balance sheet Items		1,148,547,348	1,079,770,556	1,148,547,348	1,079,770,556
Provision for diminution in value of Investments		497,337,686	54,699,842	497,337,686	54,699,842
Provision for other assets	12.1	256,432,648	250,326,862	256,432,648	250,326,862
Provision against non banking assets (NBA)		6,800,000	6,800,000	6,800,000	6,800,000
Interest suspense		1,863,784,546	1,988,749,599	1,863,784,546	1,988,749,599
Withholding tax payable		154,764,301	577,052,288	154,764,301	577,052,288
VAT payable		317,982,894	274,860,832	317,982,894	274,860,832
Excise duty payable		586,377,327	528,765,757	586,377,327	528,765,757
Provision for taxation net off AIT	12.2	7,597,913,292	7,181,157,352	3,783,022,428	4,226,604,046
Deferred tax liability	8.3	275,135,935	275,135,936	1,690,468,905	1,677,018,501
Interest payable on borrowings		1,999,789,016	1,170,238,268	1,999,789,016	1,170,238,268
Accrued expenses*		5,717,125,353	4,530,292,398	1,624,073,257	684,859,664
Share subscription - IPO (refund warrant)		311,705	291,893	311,705	291,893
Payable to off-shore banking unit		7	7	7	7
Unclaimed and undistributed dividend	12.3	15,318,376	15,477,955	15,318,376	15,477,955
Suppliers payable		133,206,720	117,439,983	133,206,720	117,439,983
Lease liabilities as per IFRS 16		4,614,559,935	4,469,656,993	4,220,661,497	4,010,398,208
Payable against exchange houses		20	-	20	-
Payable against insurances		5,947,730	6,217,442	5,947,730	6,217,442
Payable against proxy account		2,332,696	2,402,402	2,332,696	2,402,402
Payable against SWIFT charge		51,361,804	51,529,329	51,361,804	51,529,329
Start-up Fund	12.4	283,424,735	231,545,408	283,424,735	231,545,408
Other payables		5,473,865,079	6,849,328,572	5,473,865,079	6,849,328,572
Other liabilities of subsidiaries		2,836,065,869	5,386,335,381	-	-
		53,165,657,552	53,039,790,814	42,231,247,484	40,584,257,402

* BDT 38,489,909 is included as Provision for fraud and forgeries expenses under accrued expenses as advised by BB in addition to Provision for fraud and forgeries under other assets against Receivable for fraud and forgery-protested bill.

Notes to the financial statements as at and for the half year ended 30 June 2024

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
12.1 Provision for other assets					
Total required provision for other assets				256,090,338	243,614,275
Total provision maintained				256,432,648	250,326,862
Excess/(shortfall) in provision				342,310	6,712,587
12.2 Provision for taxation net off AIT (BBPLC only)					
A. Provision for tax:					
Balance at the beginning of the year				22,658,658,411	31,267,764,084
Less: Adjusted during the year				(2,561,557,782)	(13,250,581,446)
Net addition during the year				3,136,437,616	4,641,475,773
Balance at the end of the year				23,233,538,246	22,658,658,411
B. Advance income tax:					
Balance at the beginning of the year				18,432,054,366	27,123,405,060
Less: Adjusted during the year				(2,537,606,824)	(12,483,778,596)
Add: Paid during the year				3,556,068,276	3,792,427,902
Balance at the end of the year				19,450,515,818	18,432,054,366
Provision for taxation (A-B)				3,783,022,428	4,226,604,046
12.3 Unclaimed and undistributed dividend					
As on 30 June 2024, the unclaimed/undistributed dividend was BDT 33,620,433.48/-					
Further to above, in pursuant to SEC/SRMIC/165-2020/part-1/182, dated July 19, 2021 and Capital Market Stabilization Fund, Rules 2021 issued by Bangladesh Securities and Exchange Commission regarding transfer the amount held against unclaimed dividend/undistributed /unsettled public subscription money for the period of more than 3 (three) years; we have transferred the amount BDT 60,840,320 to the Capital Market Stabilization Fund (CMSF).					
12.4 Start-up Fund					
As per SMESPD circular 04 dated March 29, 2021 and SMESPD circular letter 05 dated April 26, 2021, 1% of net profit after tax has been transferred to the fund. The details are given below:					
Balance at the beginning of the year				231,545,408	158,509,361
Addition during the period (1% of PAT)				51,879,327	73,036,047
Closing balance at the end of the period				283,424,735	231,545,408

Notes to the financial statements as at and for the half year ended 30 June 2024

13 History of paid-up capital

Given below the history of raising of share capital of BRAC Bank PLC.:

Particulars	Allotment year	Number of shares issued		Total paid up shares (No of shares)	Addition in amount of share capital (BDT)	Total paid up capital (BDT)
		Bonus shares	Subscription			
First (Subscription to the Memorandum and Articles of Association) at incorporation	1999	-	2,000,000	2,000,000	200,000,000	200,000,000
BRAC (subscription)	2001	-	500,000	2,500,000	50,000,000	250,000,000
BRAC (subscription)	2003	-	674,500	3,174,500	67,450,000	317,450,000
ShoreCap International Ltd.	2004	-	875,700	4,050,200	87,570,000	405,020,000
International Finance Corporation	2004	-	949,800	5,000,000	94,980,000	500,000,000
IPO	2006	5,000,000	-	10,000,000	500,000,000	1,000,000,000
Bonus Share 20%	2007	2,000,000	-	12,000,000	200,000,000	1,200,000,000
Bonus Share 10%	2008	1,200,000	-	13,200,000	120,000,000	1,320,000,000
Right Share 20%	2008	-	2,640,000	15,840,000	264,000,000	1,584,000,000
Bonus Share 30%	2009	4,752,000	-	20,592,000	475,200,000	2,059,200,000
Bonus Share 30%	2010	6,177,600	-	26,769,600	617,760,000	2,676,960,000
Bonus Share 20%	2011	5,353,920	-	32,123,520	535,392,000	3,212,352,000
Denomination of face value from Tk.100 to Tk.10 per share	2011	-	-	321,235,200	-	3,212,352,000
Bonus Share 20%	2012	64,247,040	-	385,482,240	642,470,400	3,854,822,400
Bonus Share 15%	2013	57,822,336	-	443,304,576	578,223,360	4,433,045,760
Bonus Share 10%	2014	44,330,457	-	487,635,033	443,304,570	4,876,350,330
Right share 50%	2014	-	221,652,288	709,287,321	2,216,522,880	7,092,873,210
Fresh Issue against Bond, 1st Conversion of Bond	2016	-	1,149,589	710,436,910	11,495,890	7,104,369,100
Fresh Issue against Bond, 2nd Conversion of Bond	2017	-	2,237,835	712,674,745	22,378,350	7,126,747,450
Bonus Share 20%	2017	142,534,949	-	855,209,694	1,425,349,490	8,552,096,940
Fresh Issue against Bond, 3rd Conversion of Bond	2018	-	2,790,534	858,000,228	27,905,340	8,580,002,280
Bonus Share 25%	2018	214,500,057	-	1,072,500,285	2,145,000,570	10,725,002,850
Bonus Share 15%	2019	160,875,042	-	1,233,375,327	1,608,750,420	12,333,753,270
Bonus Share 7.50%	2020	92,503,149	-	1,325,878,476	925,031,490	13,258,784,760
Bonus Share 5%	2021	66,293,923	-	1,392,172,399	662,939,230	13,921,723,990
Bonus Share 7.50%	2022	104,412,929	-	1,496,585,328	1,044,129,290	14,965,853,280
Bonus Share 7.50%	2023	112,243,899	-	1,608,829,227	1,122,438,990	16,088,292,270
Bonus Share 10%	2024	160,882,922	-	1,769,712,149	1,608,829,220	17,697,121,490
Total					17,697,121,490	

13.1	Ordinary Shares	No. of Shares (H1 2024)	% of shareholding (H1 2024)	30 June 2024 Taka	31 December 2023 Taka
	Director	818,373,347	46.24%	8,183,733,470	7,439,757,730
	Government	-	0.00%	-	-
	Institutions	306,544,827	17.32%	3,065,448,270	2,608,163,220
	Foreign	535,221,621	30.25%	5,352,216,210	4,858,068,490
	General public	109,572,354	6.19%	1,095,723,540	1,182,302,830
		1,769,712,149	100%	17,697,121,490	16,088,292,270

13.2 Name of the Directors and their shareholdings as at 30 June 2024:

Name	Status	Opening position	Closing position	% of shares held as on 30 June 2024	% of shares held as on 31 December 2023
Mr. Meheriar M Hasan, Chairperson	Nominated Director	NIL	NIL	NIL	NIL
Mr. Faruq Mayeenuddin Ahmed, Vice Chairperson	Independent Director	NIL	NIL	NIL	NIL
Mr. Asif Saleh (Nominated by BRAC)	Nominated Director	66,624	73,286	0.004%	0.004%
Ms. Farzana Ahmed	Independent Director	NIL	NIL	NIL	NIL
Dr. Zaid Hussain	Independent Director	NIL	NIL	NIL	NIL
Mr. Shameran Bahar Abed (Nominated by BRAC)	Nominated Director	1,152,735	1,268,008	0.072%	0.072%
Dr. Mustafa Kamal Mujeri	Independent Director	NIL	NIL	NIL	NIL
Mr. Salek Ahmed Abul Masrur	Independent Director	NIL	NIL	NIL	NIL
Ms. Anita Ghazi Rahman	Independent Director	NIL	NIL	NIL	NIL
Mr. Chowdhury MAQ Sarwar	Independent Director	NIL	NIL	NIL	NIL
Ms. Lila Rashid	Independent Director	NIL	NIL	NIL	NIL

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023

14 Share Premium

	Year of issuance		
5,000,000 ordinary shares @ Tk. 70 per share	2006	350,000,000	350,000,000
2,640,000 ordinary shares @ Tk. 400 per share	2008	1,056,000,000	1,056,000,000
221,652,288 ordinary shares @ Tk. 10 per share	2014	2,216,522,880	2,216,522,880
1,149,589 ordinary shares @ Tk. 32.55 per share	2016	37,419,151	37,419,151
2,237,835 ordinary shares @ Tk. 35.10 per share	2017	78,548,041	78,548,041
2,790,534 ordinary shares @ Tk. 41.31 per share	2018	115,276,960	115,276,960
		3,853,767,032	3,853,767,032

Notes to the financial statements as at and for the half year ended 30 June 2024

Particulars	Note	Consolidated		BRAC Bank PLC.	
				Amount in Taka	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
15 Fair value gain/(loss) on equity investment (Standalone)					
Balance at the beginning of the year				7,944,001,202	7,671,468,018
Net change during the year				76,218,955	272,533,184
				8,020,220,157	7,944,001,202
16 Translation reserve					
The functional currency of the Bank's Off-shore Banking Unit (OBU) is in United States Dollar (USD). Due to recent steepest price hike of USD against bank's presentation currency BDT, a significant increase in translation reserve has been generated both in separate and consolidated financial statements of the Bank.					
17 Surplus in profit and loss account/Retained earnings (standalone)					
Balance at the beginning of the year				22,662,708,101	18,798,934,456
Add: Remeasurements gain/(loss) of defined benefits liabilities (assets)				-	-
Add: Gain on disposal of NBA				-	522,000
Add: Net profit during the period				5,187,932,722	7,303,604,668
Less: Transfer to statutory reserve				-	1,122,438,990
Less: Start-up Fund				51,879,327	73,036,047
Less: Cash dividend paid				1,608,829,227	1,122,438,996
Less: Bonus share issued				1,608,829,220	1,122,438,990
Closing balance				24,581,103,049	22,662,708,101
17.1 Surplus in profit and loss account/Retained earnings (Consolidated)					
BRAC Bank PLC.	16	24,581,103,049	22,662,708,101		
BRAC EPL Investment Limited					
Opening balance		(1,343,044,310)	(1,334,655,599)		
Add: Retained Surplus/(deficit) for the year		(224,739,606)	(8,388,711)		
Sub total		(1,567,783,916)	(1,343,044,310)		
BRAC EPL Stock Brokerage Limited					
Opening balance		1,018,948,729	988,635,674		
Add: Retained Surplus/(deficit) for the year		(76,722,428)	37,270,694		
Less: Transfer to statutory reserve		(3,701,642)	(6,957,639)		
Sub total		938,524,659	1,018,948,729		

Notes to the financial statements as at and for the half year ended 30 June 2024

bKash Limited

Opening balance	11,091,850,159	10,790,569,760
Add: Retained Surplus/(deficit) for the year	390,009,593	371,706,585
Add: Share issue cost due to issuance of bonus share	-	(16,029,696)
Add: Remeasurements of defined benefits liability (assets)	-	(19,175,680)
Less: Transfer to statutory reserve	-	(35,220,810)
Sub total	11,481,859,752	11,091,850,159

BRAC SAAJAN Exchange Limited

Opening balance	(249,241,615)	(136,513,397)
Add: Retained Surplus/(deficit) for the year	(56,821,311)	(112,728,218)
Sub total	(306,062,926)	(249,241,615)

Associates

Opening balance - (biTS)	16,465,595	(2,165,162)
Add: Share of profit/(loss) of equity in associate company - (biTS)	1,572,950	18,630,757
Sub total	18,038,545	16,465,595
	35,145,679,162	33,197,686,658

18 Non Controlling Interest

BRAC EPL Investments Limited	17.1	589,230	712,114
BRAC EPL Stock Brokerage Limited	17.1	140,052,102	148,576,816
bKash Limited	17.1	21,034,729,094	20,333,486,641
BRAC SAAJAN Exchange Limited	17.1	(8,022,649)	(3,846,994)
		21,167,347,777	20,478,928,578

18.1 Reconciliation of Non Controlling Interest

	BRACEPL Investments Ltd.	BRAC EPL Stock Brokerage Ltd.	bKash Limited	BRAC SAAJAN Exchange Limited
Opening balance	712,114	148,576,816	20,333,486,641	(3,846,994)
Share of profit/(loss)	(122,884)	(8,524,714)	701,242,453	(3,788,087)
Translation adjustment	-	-	-	(387,569)
	589,230	140,052,102	21,034,729,094	(8,022,649)

Notes to the financial statements as at and for the half year ended 30 June 2024

		<i>Amount in Taka</i>			
Particulars	Note	Consolidated		BRAC Bank PLC.	
		Jan to Jun 2024	Jan to Jun 2023	Jan to Jun 2024	Jan to Jun 2023
19	Interest income				
	Interest on loans and advances	24,814,289,812	17,428,120,472	24,755,910,913	17,345,785,776
	Interest on balance with other banks	1,605,066,777	749,279,000	162,918,874	91,832,596
	Interest on fixed deposits with other banks	178,139,744	1,442,801,267	24,579,167	442,394,657
	Other interest income	405,170,534	459,642,519	405,170,534	459,642,519
		<u>27,002,666,867</u>	<u>20,079,843,258</u>	<u>25,348,579,488</u>	<u>18,339,655,548</u>
	Less: Elimination of inter unit/company transactions	585,852,956	577,756,837	451,834,447	392,647,272
		<u>26,416,813,911</u>	<u>19,502,086,421</u>	<u>24,896,745,041</u>	<u>17,947,008,276</u>
20	Interest paid on deposits and borrowings etc.				
	A. Interest paid on deposits:				
	Current account	1,452,185,364	828,165,899	1,375,374,918	734,116,291
	Short term deposit	114,109,391	89,431,379	114,109,391	89,431,379
	Savings deposit	422,154,638	381,488,987	422,154,638	381,488,987
	Term deposit	11,770,896,371	6,282,942,593	11,770,896,371	6,282,942,593
		<u>13,759,345,764</u>	<u>7,582,028,858</u>	<u>13,682,535,319</u>	<u>7,487,979,250</u>
	B. Interest paid for borrowings:				
	Interest on money at call and short notice	46,142,002	28,782,264	46,142,002	28,782,264
	Interest on borrowings from banks and FIs	2,772,820,981	1,728,633,979	2,724,504,963	1,675,412,895
	Interest on funding SWAP	107,353,602	21,998,882	107,353,602	21,998,882
	Interest on finances from central bank & government agencies	351,823,738	312,297,063	351,823,738	312,297,063
	Interest on Repurchase agreement (REPO)	1,170,279,835	79,723,890	1,170,279,835	79,723,890
	Interest expense-Affordable Housing Bond	130,294,548	129,578,644	130,294,548	129,578,644
	Interest expense-BBL 2nd subordinated bond	33,576,593	-	33,576,593	-
		<u>4,612,291,300</u>	<u>2,301,014,722</u>	<u>4,563,975,282</u>	<u>2,247,793,638</u>
		<u>18,371,637,064</u>	<u>9,883,043,580</u>	<u>18,246,510,600</u>	<u>9,735,772,888</u>
	Less: Elimination of inter unit/company transactions	585,852,956	577,756,837	451,834,447	392,647,272
		<u>17,785,784,108</u>	<u>9,305,286,743</u>	<u>17,794,676,154</u>	<u>9,343,125,616</u>
21	Investment income				
	Interest on government securities	7,693,428,321	1,956,761,398	7,693,428,321	1,956,761,398
	Interest on reverse repo	-	357,336,468	-	357,336,468
	Interest on corporate & subordinated bond	85,132,928	106,370,284	85,132,928	106,370,284
	Interest on interest rate swap (IRS)	1,156,013	2,711,705	1,156,013	2,711,705
	Dividend on shares & mutual funds	96,049,236	56,413,016	96,049,236	56,413,016
	Capital gain (loss) on government securities	885,132,088	1,084,961,733	885,132,088	1,084,961,733
	Capital gain (loss) on shares & mutual funds	7,926,739	481,412	7,926,739	481,412
	Gain (loss) on interest rate swap (IRS) position	-	(2,454,916)	-	(2,454,916)
	Investment income of subsidiaries	3,148,406,291	2,317,565,578	-	-
		<u>11,917,231,616</u>	<u>5,880,146,678</u>	<u>8,768,825,325</u>	<u>3,562,581,100</u>

Notes to the financial statements as at and for the half year ended 30 June 2024

Particulars	Note	Amount in Taka			
		Consolidated		BRAC Bank PLC.	
		Jan to Jun 2024	Jan to Jun 2023	Jan to Jun 2024	Jan to Jun 2023
22 Commission, exchange and brokerage					
Commission Income		1,317,455,909	894,961,323	1,317,455,909	894,961,323
Other Income		1,255,461,309	743,261,268	1,255,461,309	743,261,268
Fees Income		2,073,553,007	1,238,216,348	2,073,553,007	1,238,216,348
Commission and brokerage income of subsidiaries		4,868,187,387	3,105,641,026	-	-
		<u>9,514,657,612</u>	<u>5,982,079,965</u>	<u>4,646,470,225</u>	<u>2,876,438,939</u>
Less: Elimination of inter unit/company transactions		104,367,186	77,271,195	-	-
		<u>9,410,290,426</u>	<u>5,904,808,770</u>	<u>4,646,470,225</u>	<u>2,876,438,939</u>
23 Other operating income					
Profit on sale of fixed assets		83,802	1,984,186	83,802	1,984,186
Profit share from other bank		95,554,357	53,865,441	95,554,357	53,865,441
Miscellaneous income		980,097	1,243,852	980,097	1,243,852
Other operating income of subsidiaries		5,453,192	5,992,858	-	-
		<u>102,071,447</u>	<u>63,086,337</u>	<u>96,618,255</u>	<u>57,093,479</u>
24 Rent, taxes, insurance, electricity, etc.					
Rent, rates and taxes	23.1	202,474,277	204,677,470	166,490,935	177,628,249
Insurance		80,661,204	49,591,070	11,324,349	11,126,704
Power and electricity		166,602,195	135,328,467	122,111,649	92,795,013
WASA and sewerage		5,034,764	5,058,029	4,992,278	5,022,466
		<u>454,772,440</u>	<u>394,655,036</u>	<u>304,919,211</u>	<u>286,572,432</u>
24.1 Rent, rates and taxes					
Rent, taxes, insurance, electricity, etc.		881,915,465	774,859,889	706,655,951	638,464,227
Less: Reversal due to depreciation and interest expenses under IFRS 16		679,441,188	570,182,419	540,165,015	460,835,978
		<u>202,474,277</u>	<u>204,677,470</u>	<u>166,490,935</u>	<u>177,628,249</u>
25 Postage, stamp, telecommunication, etc.					
Postage and courier		33,156,466	32,494,939	23,006,270	21,921,084
Telegram, telex, fax and network		95,244,808	78,273,738	78,934,001	62,460,580
Court fees and stamps		28,907,797	34,478,897	28,907,797	34,478,897
Telephone		66,190,759	56,705,528	35,248,339	33,090,913
		<u>223,499,830</u>	<u>201,953,102</u>	<u>166,096,407</u>	<u>151,951,474</u>

Notes to the financial statements as at and for the half year ended 30 June 2024

		<i>Amount in Taka</i>			
Particulars	Note	Consolidated		BRAC Bank PLC.	
		Jan to Jun 2024	Jan to Jun 2023	Jan to Jun 2024	Jan to Jun 2023
26 Stationery, printing, advertisements, etc.					
Stationery and Printing		112,640,782	104,368,153	102,788,436	96,312,545
Security Stationery		81,596,781	105,686,160	81,596,781	105,686,160
Advertisement		2,025,140,589	1,766,830,126	130,356,422	143,328,696
		2,219,378,151	1,976,884,439	314,741,639	345,327,401
27 Chief Executive's salary and fees					
Basic salary		8,505,000	8,505,000	8,505,000	8,505,000
Bonus and others		2,835,000	2,835,000	2,835,000	2,835,000
House rent allowance		750,000	750,000	750,000	750,000
Annual LFA		-	2,126,250	-	2,126,250
		12,090,000	14,216,250	12,090,000	14,216,250
28 Depreciation and repair of the bank's assets					
Depreciation of Property, plant and equipment					
Furniture and fixtures		80,564,987	80,490,180	72,969,921	73,137,583
Office floor space		258,456	273,825	50,429	50,429
Office equipment		59,088,623	47,667,441	54,891,641	43,167,154
IT hardware		568,714,699	548,156,559	223,459,242	227,539,444
Motor vehicles		16,615,801	19,780,906	12,877,345	14,686,835
Leasehold improvement		28,011,688	23,968,773	-	-
Right of use assets (ROU) as per IFRS 16		559,863,897	512,559,823	440,732,496	392,885,390
IT software		708,257,798	644,069,109	178,697,296	204,548,272
		2,021,375,949	1,876,966,616	983,678,370	956,015,107
Repairs and Maintenance expenses					
Transportation costs		419,615,596	320,891,833	312,107,633	231,011,016
Equipment repairing		71,947,160	44,265,613	15,436,927	11,461,187
Hardware and software maintenance		1,065,451,946	868,585,205	9,907,586	8,551,533
Premises maintenance		98,019,347	86,818,667	39,981,902	37,385,507
		1,655,034,049	1,320,561,318	377,434,048	288,409,243
		3,676,409,998	3,197,527,934	1,361,112,418	1,244,424,350

Notes to the financial statements as at and for the half year ended 30 June 2024

		<i>Amount in Taka</i>			
Particulars	Note	Consolidated		BRAC Bank PLC.	
		Jan to Jun 2024	Jan to Jun 2023	Jan to Jun 2024	Jan to Jun 2023
29					
Other expenses					
Conveyance expense		33,496,323	40,441,159	33,496,323	40,441,159
Fuel expenses	28.1	23,113,393	26,628,459	23,113,393	26,628,459
Traveling cost		39,311,941	26,039,240	39,311,941	26,039,240
Professional fees		34,961,188	25,260,838	34,961,188	25,260,838
Entertainment		78,053,076	59,490,506	78,053,076	59,490,506
Business promotion and development		65,880,392	126,044,403	65,880,392	126,044,403
Books, news papers and periodicals		390,911	317,438	390,911	317,438
Donation and subscription		115,160,480	102,375,811	115,160,480	102,375,811
Government Levy, VAT and excise duty		2,850,662	2,316,233	2,850,662	2,316,233
Other operational loss		859,690	18,000	859,690	18,000
Staff training and development		27,841,095	13,614,000	27,841,095	13,614,000
Staff recruitment		8,575,961	5,371,443	8,575,961	5,371,443
Salaries and allowance -outsourcing staff		709,444,588	594,726,597	709,444,588	594,726,597
Bank charges		18,282,001	11,416,569	18,282,001	11,416,569
Interest expense for leased liability as per IFRS 16		195,257,194	208,612,690	137,464,507	133,581,914
Documentation Charges - CIB		7,000,000	16,000,000	7,000,000	16,000,000
IT enabled services		492,100,138	473,598,494	492,100,138	473,598,494
Security guard cost		146,334,488	109,607,369	146,334,488	109,607,369
Commission paid- Vendor		6,809,402	5,944,330	6,809,402	5,944,330
Cash carrying charges		47,103,716	36,435,809	47,103,716	36,435,809
Spare parts expense		55,704,755	54,117,530	55,704,755	54,117,530
Archiving expense		20,277,395	17,831,805	20,277,395	17,831,805
Covid prevention expense		64,506	66,628	64,506	66,628
Miscellaneous		19,694,950	5,287,692	19,694,950	5,287,692
Other expenses of subsidiaries		543,282,899	331,975,757	-	-
		2,691,851,145	2,293,538,800	2,090,775,558	1,886,532,267
Less: Elimination of inter unit/company transactions		104,367,186	77,271,195	-	-
		2,587,483,958	2,216,267,605	2,090,775,558	1,886,532,267
30					
Share of profit/(loss) of associates					
BRAC IT Services Limited		1,572,950	(7,198,714)		
		1,572,950	(7,198,714)		

Notes to the financial statements as at and for the half year ended 30 June 2024

		Amount in Taka			
Particulars	Note	Consolidated		BRAC Bank PLC.	
		Jan to Jun 2024	Jan to Jun 2023	Jan to Jun 2024	Jan to Jun 2023
31 Provisions					
Provision for loans and advances					
Specific provision charged during the year		1,963,992,887	1,571,115,841	1,963,992,887	1,563,846,441
Recovery of written off bad debts		(329,300,909)	(344,945,754)	(329,300,909)	(344,945,754)
Specific provision (net off recovery) for the year		1,634,691,978	1,226,170,087	1,634,691,978	1,218,900,687
General provision charged during the year		326,697,857	407,787,391	326,697,857	407,787,391
Total provision for loans and advances		1,961,389,835	1,633,957,478	1,961,389,835	1,626,688,078
Off Balance Sheet items		68,776,791	105,861,666	68,776,791	105,861,666
Diminution in value of Investments		442,637,845	(6,588,962)	442,637,845	(6,588,962)
Other provisions:					
Other assets		8,669,582	432,769	6,105,786	432,769
Interest receivable		2,768,527	3,059,721	2,768,527	3,059,721
		2,484,242,580	1,736,722,672	2,481,678,784	1,729,453,272
32 Provision for taxation					
Current tax expense		4,043,613,374	2,495,951,875	3,136,437,616	2,196,243,007
Deferred tax expense/ (income) (Net)		102,219,078	(663,523,000)	(14,261,995)	(582,647,645)
Total provision for Taxation		4,145,832,452	1,832,428,875	3,122,175,621	1,613,595,362

32.1 Reconciliation of effective tax rate

Particulars	30 June 2024 (Standalone)		30 June 2023 (Standalone)	
	%	Taka	%	Taka
Profit before income tax as per profit and loss account		8,310,108,343		4,643,549,769
Income tax as per applicable tax rate	37.50%	3,116,290,629	37.50%	1,741,331,163
Inadmissible expenses	4.34%	361,008,776	19.19%	891,040,635
Admissible expenses in the current year (i.e. write-off etc.)	-5.04%	(418,745,893)	-1.55%	(72,007,735)
Tax savings from reduced tax rates for dividend	-2.13%	(176,982,075)	-5.47%	(254,121,056)
Reversal of previous years' excess tax (2009 - 2016)	0.00%		-2.37%	(110,000,000)
Effect of deferred tax	2.90%	240,604,185	-12.55%	(582,647,645)
Total income tax expenses	37.57%	3,122,175,621	34.75%	1,613,595,362

Notes to the financial statements as at and for the half year ended 30 June 2024

Particulars	Amount in Taka					
	Consolidated			BRAC Bank PLC.		
	30 Jun 2024	31 Dec 2023	30 Jun 2023	30 Jun 2024	31 Dec 2023	30 Jun 2023
33 Net asset value (NAV) per share						
Net asset value attributable to shareholders of parent	70,701,065,179	66,541,474,576	62,618,974,443	67,990,353,179	63,782,029,290	59,864,054,613
No. of ordinary share outstanding at the end of the period	1,769,712,149	1,769,712,149	1,769,712,149	1,769,712,149	1,769,712,149	1,769,712,149
	39.95	37.60	35.38	38.42	36.04	33.83

Explanation regarding significant change in NAV in Half yearly financial statements:

Both consolidated and standalone NAV per share increased due to increase in profit earned during the first half of 2024 compared to the corresponding period (Consolidated PAT: BDT 591 crore; Standalone PAT: BDT 519 crore).

Particulars	Consolidated		BRAC Bank PLC.	
	Jan to Jun 2024	Jan to Jun 2023	Jan to Jun 2024	Jan to Jun 2023
34 Earnings Per Share				
Profit attributable to ordinary shareholders of parent	5,221,231,923	3,097,796,376	5,187,932,722	3,029,954,407
No. of ordinary share outstanding at the end of the period	1,769,712,149	1,769,712,149	1,769,712,149	1,769,712,149
Earnings Per Share (EPS)	2.95	1.75	2.93	1.71

Particulars	Consolidated		BRAC Bank PLC.	
	Apr-Jun 2024	Apr-Jun 2023	Apr-Jun 2024	Apr-Jun 2023
Profit attributable to ordinary shareholders of parent	2,488,821,449	1,660,584,266	2,469,633,020	1,679,111,165
No. of ordinary share outstanding at the end of the period	1,769,712,149	1,769,712,149	1,769,712,149	1,769,712,149
Earnings Per Share (EPS)	1.41	0.94	1.40	0.95

Explanation regarding significant change in EPS in half yearly financial statements:

Both the consolidated and standalone EPS increased due to higher profit earned in the first half of 2024 compared to first half of 2023. Profit increased mainly for increased investment income, incremental commission income and higher fees income, etc.

Particulars	Consolidated		BRAC Bank PLC.	
	Jan to Jun 2024	Jan to Jun 2023	Jan to Jun 2024	Jan to Jun 2023
35 Net operating cash flow per share (NOCFPS)				
Net operating cash flow	63,404,946,427	34,704,049,387	56,268,889,686	11,020,762,665
No. of ordinary share outstanding at the end of the period	1,769,712,149	1,769,712,149	1,769,712,149	1,769,712,149
	35.83	19.61	31.80	6.23

Explanation regarding significant change in NOCFPS in half yearly financial statements:

Both the consolidated and standalone net operating cash flows per share increased significantly mainly for higher deposits mobilization by customers, issuance of BBPLC 2nd subordinated bond and borrowings from banks. Besides, due to selective basis disbursement and conservative approach, the loan growth was low.

BRAC Bank PLC. and its subsidiaries
Highlights on the overall activities
As at and for the half year ended 30 June 2024

Amount in Taka unless otherwise specified

Particulars	Consolidated		BRAC Bank PLC.	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Paid-up capital	17,697,121,490	16,088,292,270	17,697,121,490	16,088,292,270
Core Capital	77,478,433,645	73,493,437,805	52,482,490,722	48,931,479,591
Supplementary Capital	8,334,740,826	6,161,306,344	8,334,740,826	6,161,306,344
Total capital including general provisions	85,813,174,471	79,654,744,149	60,817,231,548	55,092,785,935
Total Risk Weighted Assets	463,949,443,806	428,039,276,751	428,052,257,751	393,464,305,790
Capital surplus	27,819,493,996	26,149,834,556	7,310,699,329	5,909,747,712
Total assets	940,569,965,262	837,145,184,673	822,819,725,172	726,723,275,859
Total deposits	671,193,822,865	588,430,345,153	588,279,527,589	513,909,000,086
Total loans and advances	560,033,957,319	520,287,630,605	559,348,000,250	519,451,995,811
Amount of classified loans during the current year	17,366,079,002	18,745,777,234	16,154,243,232	17,533,941,465
Provision kept against classified loans	19,291,829,129	17,960,360,464	18,079,993,359	16,748,524,693
Provisions surplus/deficit	2,610,885,897	607,958,295	2,610,885,897	607,958,295
Credit deposit ratio (Loans and Advances/Deposits)*	-	-	71.73%	74.29%
Percentage of classified loans against total loans and advances	3.10%	3.60%	2.89%	3.38%
NPL coverage ratio (incl. GP)	132%	114%	135%	115%
Total Capital to Risk-weighted Asset Ratio	18.50%	18.61%	14.21%	14.00%
Cost of fund	5.71%	4.55%	6.29%	5.03%
Return on Investment (ROI) [PAT/(Shareholders equity+Borrowings)]**	5.67%	4.72%	5.72%	4.62%
Return on Assets (ROA) [PAT/Average assets]**	1.17%	1.02%	1.34%	1.13%
Return on Equity (ROE) [PAT/Average shareholders equity]**	15.22%	11.92%	15.75%	11.95%

* Credit deposit ratio has been computed as per Bangladesh Bank guideline.

**Figures are annualized.

BRAC Bank PLC.
Schedule of fixed assets
As at 30 June 2024

(Amount in Taka)

Particulars	Cost				Depreciation				Written down value as at 30 June 2024
	Opening balance as on 01 January 2024	Addition/ Revaluation during the period	Disposals/Transfer/ Adjustments during the period	Total balance as at 30 June 2024	Opening balance as on 01 January 2024	Charge during the period	Disposals/ Adjustments during the period	Total balance as at 30 June 2024	
Property, plant & equipments									
Land	527,275,400	-	-	527,275,400	-	-	-	-	527,275,400
Office floor space	4,034,334	-	-	4,034,334	1,124,907	50,429	-	1,175,336	2,858,998
Furniture & fixture	2,346,016,160	140,559,109	-	2,486,575,269	1,720,188,387	72,969,921	-	1,793,158,308	693,416,961
Office equipments	1,467,218,773	79,340,564	57,160	1,546,502,177	1,253,509,447	54,891,641	45,216	1,308,355,872	238,146,306
IT Hardware	3,424,966,157	255,852,787	183,994	3,680,634,951	2,583,369,737	223,459,242	155,682	2,806,673,297	873,961,654
Motor vehicles	442,202,195	-	-	442,202,195	366,372,647	12,877,345	-	379,249,991	62,952,204
Right of use assets (ROU)	6,715,802,481	711,065,677	211,042,139	7,215,826,020	2,554,094,483	440,732,496	143,125,905	2,851,701,075	4,364,124,945
Capital expenditure work in progress	306,546,534	411,194,448	195,828,283	521,912,699	-	-	-	-	521,912,699
Sub-total	15,234,062,035	1,598,012,586	407,111,577	16,424,963,045	8,478,659,607	804,981,074	143,326,803	9,140,313,878	7,284,649,167
Intangible assets:									
With definite useful lives:									
IT Software	2,979,635,750	140,648,339	-	3,120,284,088	2,107,859,026	178,697,296	-	2,286,556,322	833,727,766
Sub-total	2,979,635,750	140,648,339	-	3,120,284,088	2,107,859,026	178,697,296	-	2,286,556,322	833,727,766
As at 30 June 2024	18,213,697,785	1,738,660,925	407,111,577	19,545,247,133	10,586,518,633	983,678,370	143,326,803	11,426,870,200	8,118,376,933
As at 31 December 2023	16,871,890,930	2,070,612,711	728,805,855	18,213,697,786	9,092,544,237	1,905,986,024	412,011,627	10,586,518,634	7,627,179,153

Non Banking Fixed Asset as at 30 Jun 2024 is BDT 10,141,700

BRAC Bank PLC.
Details of transactions with related parties
For the half year ended 30 June 2024

(Amount in Taka)

SL No.	Name of the related parties (Companies)	Relationship with BBPLC	Balance type	Balance as on 01 Jan 2024	Balance as on 30 June 2024
1	BRAC and its associated organization	Parent Company	Deposits	16,885,059,618	19,647,413,554
2	bKash Limited	Subsidiary	Deposits	3,486,682,359	6,047,382,809
3	BRAC EPL Investments Limited	Subsidiary	Deposits	124,661,148	113,998,290
4	BRAC EPL Stock Brokerage Limited	Subsidiary	Deposits	871,796,937	755,978,992
5	BRAC IT Services Limited (biTS)	Associates	Deposits	83,300,628	191,354,912
6	BRAC SAAJAN Exchange Limited	Subsidiary	Deposits	49,691,613	24,397,390
7	Edotco Bangladesh Co. Limited	Common Board member	Deposits	441,817	445,566
8	Affordable Health Care Trust	Common Board member	Deposits	22,860	22,515
9	Association of Bankers, Bangladesh	Executive member	Deposits	40,725,933	-
10	The Legal Circle	Common Board member	Deposits	163,230	483,756
11	Sajida Foundation	Common Board member	Deposits	1,040,060,586	1,212,062,966
12	Light Castle Partners	Common Board member	Deposits	78,547,745	31,043,929
13	Jaago Foundation	Common Board member	Deposits	42,225,392	85,070,632
14	BRAC EPL Investments Limited	Subsidiary	Continuous loan	852,422,016	893,728,567
15	BRAC Saajan Exchange Limited	Subsidiary	Continuous loan	408,091,844	597,527,858
16	Sajida Foundation	Common Board member	Continuous loan	2,749,531,102	3,061,223,867
17	Industrial and Infrastructure Development Finance Co. PLC.	Common Board member	Term placement	100,000,000	100,000,000
18	BRAC IT Services Limited (biTS)	Associates	Receivables	124,393,521	109,161,657
19	Key Management Personnel	Senior Management	Loans and Advances	125,725,390	199,568,346

SL No.	Name of the related parties (Directors)	Relationship with BBPLC	Balance type	Balance as on 01 Jan 2024	Balance as on 30 June 2024
1	Asif Saleh	Director	Credit card	1,436	26,513
2	Selim Reza Farhad Hussain	Director	Credit card	443,916	120,393
			Credit card (USD)	USD 14.99	USD 144.23
3	Fahima Choudhury	Director	Credit card	105,684	14,227
4	Shameran Bahar Abed	Director	Credit card	264,302	1,656
5	Anita Ghazi Rahman	Director	Credit card	385,186	561,986

Note: In addition, BRAC Bank has credit exposure on NGOs where its Directors are involved in the capacity of executive committee members. As on 30 June 2024, the Bank has credit exposures amounting to BDT 3,268,886,635. However, as per Bangladesh Bank letter ref: BRPD (R-2)651/9(25)ka/2016-6852; such exposure shall not come under the purview of related party exposures as given to non-profit organisations.

Reconciliation of net profit with cash flows from operating activities (standalone basis)

Particulars	(Amount in Taka)	
	Jan to Jun 2024 Taka	Jan to Jun 2023 Taka
Profit before tax as per profit and loss account	8,310,108,343	4,643,549,769
Adjustment for non-cash items:		
Provision for Loans and advances	2,290,690,744	1,971,633,832
Provision for Off balance sheet items	68,776,791	105,861,666
Provision for Diminution in value of investments	442,637,845	(6,588,962)
Provision for other assets	8,874,313	3,492,490
Depreciation of Property plant and equipment	983,678,370	956,015,107
Foreign exchange gain/(loss)	(11,063,819)	230,948,968
Profit on sale of fixed assets	(83,802)	(1,984,186)
Increase/decrease in operating assets & liabilities:		
Loans and advances	(39,896,004,438)	(60,212,002,748)
Other assets	(2,340,440,753)	(4,925,607,260)
Borrowings from other banks and financial institutions	14,161,607,838	15,070,083,747
Proceeds from Issuance of BBPLC 2nd subordinated bond	1,709,000,000	-
Deposits from customers	73,002,253,274	56,592,186,947
Other liabilities	1,118,874,214	(1,620,951,677)
Income tax paid	(3,580,019,234)	(1,785,875,028)
Cash flows from operating activities as per cash flow statement	56,268,889,686	11,020,762,665

BRAC Bank PLC.
Statement of Segment Reporting
For the half year ended 30 June 2024

Particulars	<i>(Amount in Taka)</i>				
	SME	Retail	Corporate	Treasury	Total
Total external revenue	11,548,895,757	(1,854,938,744)	4,745,099,996	6,174,925,685	20,613,982,693
Inter segment revenue /(expenses)	(5,253,500,076)	7,679,766,987	1,485,349,911	(3,911,616,822)	(0)
Total segment revenue	6,295,395,681	5,824,828,243	6,230,449,907	2,263,308,863	20,613,982,693
Total segment operating expenses	4,506,874,532	4,022,563,055	1,042,292,515	250,465,463	9,822,195,565
Segment operating profit	1,788,521,148	1,802,265,188	5,188,157,392	2,012,843,399	10,791,787,127

For the half year ended 30 June 2023

Particulars	<i>(Amount in Taka)</i>				
	SME	Retail	Corporate	Treasury	Total
Total external revenue	8,530,945,093	219,367,895	1,707,267,866	4,642,415,324	15,099,996,178
Inter segment income /(expenses)	(4,315,527,336)	4,719,570,173	1,119,923,118	(1,523,965,955)	-
Total segment revenue	4,215,417,757	4,938,938,068	2,827,190,984	3,118,449,369	15,099,996,178
Total segment operating expenses	3,893,344,743	3,697,955,585	928,530,138	207,162,671	8,726,993,137
Segment operating profit	322,073,014	1,240,982,483	1,898,660,846	2,911,286,698	6,373,003,041