

BRAC Bank Limited

**Condensed Interim Financial Statements as at and
for the 1st quarter ended 31 March 2021**

BRAC BANK LIMITED
Condensed Consolidated Balance Sheet (Unaudited)
As at 31 March 2021

Particulars	31 March 2021 Taka	31 December 2020 Taka
PROPERTY AND ASSETS		
Cash	19,743,637,395	19,987,803,891
Cash in hand	7,203,498,130	7,836,614,607
(Including foreign currency)		
Balance with Bangladesh Bank and its agent bank(s)	12,540,139,265	12,151,189,284
(Including foreign currency)		
Balance with other banks and financial institutions	46,195,263,686	42,650,004,620
Inside Bangladesh	38,591,618,607	35,478,313,372
Outside Bangladesh	7,603,645,079	7,171,691,248
Money at call and short notice	1,568,835,150	-
Investments	79,720,155,974	94,094,812,131
Government	71,628,588,333	85,498,396,233
Others	8,091,567,641	8,596,415,898
Loans and advances	274,624,034,721	273,438,940,961
Loans, cash credit, overdrafts etc.	134,881,380,415	136,750,360,676
Small and medium enterprises	137,885,071,087	134,621,356,804
Bills purchased and discounted	1,857,583,219	2,067,223,481
Fixed assets including premises, furniture and fixture	11,229,421,038	11,067,096,465
Other assets	13,070,330,128	13,862,504,994
Non-banking assets	66,771,775	66,471,775
Goodwill	1,427,468,911	1,427,468,911
Total property and assets	447,645,918,778	456,595,103,748
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	11,340,216,574	12,572,789,394
Borrowings from Bangladesh Bank	26,614,835,937	23,370,068,779
Money at call and short notice	4,364,873,150	84,801,100
Deposits and other accounts	316,330,931,154	333,615,619,705
Current accounts and other accounts	132,588,156,541	141,841,491,410
Bills payable	2,299,969,300	1,797,962,669
Savings deposits	58,576,566,471	57,230,594,232
Fixed deposits	120,073,243,486	130,608,019,962
Other deposits	2,792,995,356	2,137,551,432
Other liabilities	35,471,961,315	32,773,722,525
Total liabilities	394,122,818,130	402,417,001,503
Capital and shareholders' equity		
Paid up share capital (Note - 11)	13,258,784,760	13,258,784,760
Share premium (Note - 13)	3,853,767,032	3,853,767,032
Statutory reserve	9,405,017,728	9,405,017,728
Dividend equalization fund	355,218,455	355,218,455
Revaluation reserve on govt. securities	3,113,447,826	4,805,926,053
Assets revaluation reserve	478,558,600	478,558,600
Fair value reserve	78,920,073	78,920,073
Foreign currency translation reserve	(11,055,009)	(14,777,280)
Surplus in profit and loss account/Retained earnings	17,521,125,819	16,346,550,011
Total shareholders' equity	48,053,785,284	48,567,965,432
Non controlling interest	5,469,315,364	5,610,136,813
Total equity	53,523,100,648	54,178,102,245
Total liabilities and shareholders' equity	447,645,918,778	456,595,103,748

BRAC BANK LIMITED
Condensed Consolidated Balance Sheet (Unaudited)
As at 31 March 2021

Particulars	31 March 2021 Taka	31 December 2020 Taka
Off Balance Sheet Items		
Contingent liabilities		
Acceptances and endorsements	30,689,185,509	27,887,446,334
Irrevocable letter of credits	21,962,337,394	15,550,643,171
Letter of guarantees	10,866,874,218	10,831,198,204
Bills for collection	12,025,552,720	12,320,479,990
	<u>75,543,949,841</u>	<u>66,589,767,699</u>
Other commitments		
Swap deals with banks and customers	22,943,864,716	18,307,971,010
Spot and forward deals with banks and customers	7,625,640,151	8,682,289,771
Total other commitments	<u>30,569,504,867</u>	<u>26,990,260,781</u>
Total Off-Balance sheet items including contingent liabilities	<u>106,113,454,708</u>	<u>93,580,028,480</u>
Net Assets Value (NAV) Per Share, Note: 3.1	<u>36.24</u>	<u>36.63</u>

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



Chief Financial Officer



Acting Company Secretary



Managing Director and CEO



Director



Director



Chairman

Date: 11 May 2021

BRAC BANK LIMITED
Condensed Consolidated Profit and Loss Account (Unaudited)
For the 1st quarter ended 31 March 2021

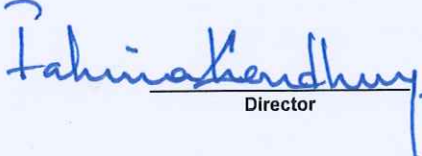
Particulars	Quarter ended Jan to Mar 2021 Taka	Quarter ended Jan to Mar 2020 Taka
Interest income	5,603,530,092	8,635,740,530
Interest paid on deposits and borrowing etc.	2,049,870,405	3,991,343,150
Net interest income	3,553,659,687	4,644,397,380
Investment income	2,448,290,963	1,085,962,909
Commission, exchange and brokerage	1,967,906,537	1,623,611,092
Other operating income	75,831,847	31,853,400
Total operating income	8,045,689,034	7,385,824,781
Salaries and allowances	2,390,884,748	2,278,278,235
Rent, taxes, insurance, electricity etc.	188,964,632	196,004,296
Legal expenses	2,369,351	12,787,854
Postage, stamps, telecommunication etc.	77,334,274	87,863,535
Stationery, printing, advertisement etc.	648,555,763	582,282,537
Chief Executive's salary and fees	3,525,000	3,525,000
Directors' fees and expenses	1,384,189	735,265
Auditors' fee	1,177,146	1,560,066
Depreciation and repairs to bank's assets	1,046,934,592	954,864,892
Other expenses	830,788,868	997,362,466
Total operating expenses	5,191,918,563	5,115,264,146
Operating profit	2,853,770,471	2,270,560,635
Share of profit/(loss) of associates	-	-
Gain/(loss) on disposal of associate	-	-
Profit/(loss) before provisions	2,853,770,471	2,270,560,635
Provision for:		
Loans and advances	988,221,670	750,262,102
Diminution in value of investments	(1,000,000)	76,800,000
Off balance sheet items	90,000,000	23,000,000
Others	2,876,107	973,370
Total provision	1,080,097,777	851,035,472
Profit/(loss) before taxes	1,773,672,694	1,419,525,163
Provision for Tax:		
Current tax expense	1,305,863,643	1,007,031,895
Deferred tax expense/(income)	(624,761,132)	(348,017,688)
Total provision for Tax	681,102,511	659,014,207
Total profit/(loss) after taxes	1,092,570,183	760,510,956
Attributable to:		
Equity holders of BRAC Bank Ltd.	1,234,055,574	870,808,371
Non controlling interest	(141,485,391)	(110,297,415)
	1,092,570,183	760,510,956
Retained earnings brought forward from previous period/year	16,346,550,011	15,230,405,214
Net profit attributable to the equity holders of the Bank	1,234,055,574	870,808,371
Net effect of all items directly recognized in Equity	-	-
Profit available for appropriation	17,580,605,585	16,101,213,585
Appropriations:		
Statutory reserve	-	-
General reserve	-	-
Dividend	-	-
Start-up Fund	59,479,766	-
	59,479,766	-
Retained surplus	17,521,125,819	16,101,213,585
Earnings Per Share (EPS), Note: 4.1	0.93	0.66

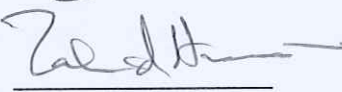
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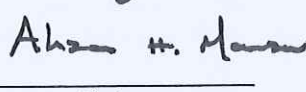

Chief Financial Officer


Acting Company Secretary


Managing Director and CEO


Director


Director


Chairman

Date: 11 May 2021

BRAC BANK LIMITED
Condensed Consolidated Statement of Changes in Equity (Unaudited)
For the 1st quarter ended 31 March 2021

Particulars	Paid up share capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on govt. securities	Assets revaluation reserve	Fair value reserve	Translation reserve	Retained earnings	Non-controlling interest	Total
Balance as at 01 January 2021	13,258,784,760	3,853,767,032	9,405,017,728	355,218,455	4,805,926,053	478,558,600	78,920,073	(14,777,280)	16,346,550,011	5,610,136,813	54,178,102,245
Changes in accounting policy	-	-	-	-	-	-	-	-	-	-	-
Restated balance	13,258,784,760	3,853,767,032	9,405,017,728	355,218,455	4,805,926,053	478,558,600	78,920,073	(14,777,280)	16,346,550,011	5,610,136,813	54,178,102,245
Surplus/deficit on account of revaluation of assets	-	-	-	-	(1,692,478,227)	-	-	-	-	-	(1,692,478,227)
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	-	-	-	-	-	-
Effect of change of shareholding in subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Changes in translation reserve	-	-	-	-	-	-	-	3,722,271	-	663,942	4,386,213
Net gains and losses not recognized in the income statement	13,258,784,760	3,853,767,032	9,405,017,728	355,218,455	3,113,447,826	478,558,600	78,920,073	(11,055,009)	16,346,550,011	5,610,800,755	52,490,010,231
Net profit for the period	-	-	-	-	-	-	-	-	1,234,055,574	(141,485,391)	1,092,570,183
Dividend for the year 2020:	-	-	-	-	-	-	-	-	-	-	-
Stock dividend	-	-	-	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	-	-	-	-	-	-
Ordinary share issue against bond conversion	-	-	-	-	-	-	-	-	-	-	-
Share premium against bond conversion	-	-	-	-	-	-	-	-	-	-	-
Dividend equalization fund	-	-	-	-	-	-	-	-	-	-	-
Start-up Fund	-	-	-	-	-	-	-	-	(59,479,766)	-	(59,479,766)
Statutory reserve	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	13,258,784,760	3,853,767,032	9,405,017,728	355,218,455	3,113,447,826	478,558,600	78,920,073	(11,055,009)	17,521,125,819	5,469,315,364	53,523,100,648
Balance as at 31 December 2020	13,258,784,760	3,853,767,032	9,405,017,728	355,218,455	4,805,926,053	478,558,600	78,920,073	(14,777,280)	16,346,550,011	5,610,136,813	54,178,102,245
Balance as at 31 March 2020	12,333,753,270	3,853,767,032	8,129,149,416	355,218,455	259,157,509	478,558,600	78,920,073	13,391,788	16,101,213,565	5,967,271,518	47,570,401,246

BRAC BANK LIMITED
Condensed Consolidated Cash Flow Statement (Unaudited)
For the 1st quarter ended 31 March 2021

Particulars	Jan to Mar 2021 Taka	Jan to Mar 2020 Taka
A. Cash flows from operating activities		
Interest receipts	8,492,611,327	9,100,336,703
Interest payment	(2,507,202,869)	(4,086,744,394)
Dividend receipts	87,045,733	57,109,621
Fees and commission receipts	8,364,639,799	7,099,544,325
Recoveries on loans previously written off	178,096,374	213,884,735
Cash payments to employees	(2,042,834,447)	(1,957,239,580)
Cash payments to suppliers	(7,153,889,966)	(6,064,693,163)
Income tax paid	(1,832,317,259)	(1,562,385,926)
Receipts from other operating activities	595,087,123	148,770,221
Payment for other operating activities	(949,017,240)	(1,281,097,095)
Operating cash flow before changes in operating assets and liabilities (i)	3,232,218,575	1,667,485,447
Increase/decrease in operating assets & liabilities		
Loans and advances	(1,116,362,148)	4,754,440,468
Other assets	(266,982,809)	(562,033,696)
Deposits from other banks/borrowings	6,132,223,674	(8,786,542,761)
Deposits from customers	(16,581,293,920)	(2,052,614,720)
Other liabilities	(599,544,176)	523,187,485
Cash utilized in operating assets and liabilities (ii)	(12,431,959,379)	(6,123,563,224)
Net cash (used)/flows from operating activities (i+ii) (a)	(9,199,740,804)	(4,456,077,778)
B. Cash flows from investing activities		
Treasury bills	3,212,582,047	6,620,338,927
Bangladesh Bank Bills	-	-
Treasury bonds	10,656,821,155	(6,588,306,654)
Sale/ (Investment) in shares	269,735,383	145,140,138
Investment in bonds	312,282,917	(2,231,914)
Redemption of BBL Bond	-	-
Acquisition of fixed assets	(457,601,468)	(617,885,160)
Disposal of fixed assets	1,373,661	6,834,984
Net cash used in investing activities (b)	13,995,193,695	(436,109,679)
C. Cash flows from financing activities		
Dividend paid	(551,124)	(900)
Net cash flows from financing activities (c)	(551,124)	(900)
Net increase/decrease in cash (a+b+c)	4,794,901,767	(4,892,188,357)
Cash and cash equivalents at beginning of the year	62,639,236,011	69,663,701,210
Effect of exchange rate changes on cash and cash equivalent	74,621,253	30,482,637
Cash and cash equivalents at end of the year	67,508,759,031	64,801,995,491
Cash and cash equivalents at end of the year:		
Cash in hand (including foreign currency)	7,203,498,130	7,952,166,083
Balance with Bangladesh Bank and its agents bank(s)	12,540,139,265	17,100,975,626
Balance with other banks and financial institutions	46,195,263,686	38,346,919,182
Money at call and short notice	1,568,835,150	1,400,000,000
Prize bond	1,022,800	1,934,600
	67,508,759,031	64,801,995,491
Net Operating Cash Flow Per Share (NOCFPS), Note: 5.1	(6.94)	(3.36)

BRAC BANK LIMITED
Condensed Balance Sheet (Unaudited)
As at 31 March 2021

Particulars	31 March 2021 Taka	31 December 2020 Taka
PROPERTY AND ASSETS		
Cash	19,167,458,586	19,243,096,656
Cash in hand	6,627,319,321	7,091,907,372
(Including foreign currency)		
Balance with Bangladesh Bank and its agent bank(s)	12,540,139,265	12,151,189,284
(Including foreign currency)		
Balance with other banks and financial institutions	14,386,918,628	14,358,762,046
Inside Bangladesh	7,372,952,509	7,928,558,845
Outside Bangladesh	7,013,966,119	6,430,203,201
Money at call and short notice	1,568,835,150	-
Investments	57,682,551,528	68,896,004,194
Government	50,900,520,923	61,821,887,388
Others	6,782,030,605	7,074,116,806
Loans and advances	274,111,001,689	273,063,193,200
Loans, cash credit, overdrafts etc.	134,368,347,383	136,374,612,915
Small and medium enterprises	137,885,071,087	134,621,356,804
Bills purchased and discounted	1,857,583,219	2,067,223,481
Fixed assets including premises, furniture and fixture (Note-10)	7,064,487,232	7,349,043,033
Other assets	14,148,942,911	14,525,819,425
Non-banking assets	66,771,775	66,471,775
Total property and assets	388,196,967,499	397,502,390,329
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	11,071,004,308	11,913,324,935
Borrowings from Bangladesh Bank	26,614,835,937	23,370,068,779
Money at call and short notice	4,364,873,150	84,801,100
Deposits and other accounts	270,494,839,115	289,054,405,724
Current accounts and other accounts	86,738,111,757	97,266,324,684
Bills payable	2,299,969,300	1,797,962,669
Savings deposits	58,576,566,471	57,230,594,232
Fixed deposits	120,087,196,231	130,621,972,707
Other deposits	2,792,995,356	2,137,551,432
Other liabilities	29,196,925,938	26,124,705,425
Total liabilities	341,742,478,448	350,547,305,963
Capital and shareholders' equity		
Paid up share capital (Note - 11)	13,258,784,760	13,258,784,760
Share premium (Note - 13)	3,853,767,032	3,853,767,032
Statutory reserve	9,405,017,728	9,405,017,728
Dividend equalization fund	355,218,455	355,218,455
Revaluation reserve on govt. securities	3,113,447,826	4,805,926,053
Assets revaluation reserve	478,558,600	478,558,600
Fair value gain/(loss) on equity investment	973,685,408	1,131,197,846
Foreign currency translation reserve	(11,911,186)	(13,641,635)
Surplus in profit and loss account/Retained earnings	15,027,920,428	13,680,255,527
Total shareholders' equity	46,454,489,051	46,955,084,366
Total liabilities and shareholders' equity	388,196,967,499	397,502,390,329

BRAC BANK LIMITED
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As at 31 March 2021

Particulars	31 March 2021 Taka	31 December 2020 Taka
Off Balance Sheet Items		
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Acceptances and endorsements	30,689,185,509	27,887,446,334
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Other Commitments		
Swap deals with banks and customers	22,943,864,716	18,307,971,010
Spot and forward deals with banks and customers	7,625,640,151	8,682,289,771
Total Other Commitments	<u>30,569,504,867</u>	<u>26,990,260,781</u>
Total Off-Balance sheet items including contingent liabilities	<u>106,113,454,708</u>	<u>93,580,028,480</u>
Net Assets Value (NAV) Per Share, Note: 3.2	<u>35.04</u>	<u>35.41</u>

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Chief Financial Officer



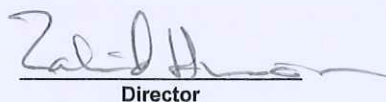
Acting Company Secretary



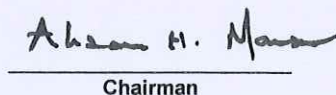
Managing Director and CEO



Director



Director



Chairman

Date: 11 May 2021

BRAC BANK LIMITED
Condensed Profit and Loss Account (Unaudited)
For the 1st quarter ended 31 March 2021

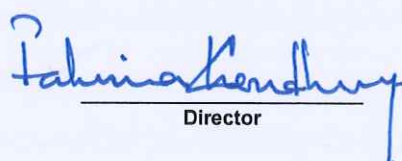
Particulars	Quarter ended Jan to Mar 2021 Taka	Quarter ended Jan to Mar 2020 Taka
Interest income	5,314,036,519	7,903,646,629
Interest paid on deposits and borrowing etc.	2,119,792,622	3,979,316,841
Net interest income	3,194,243,897	3,924,329,788
Investment income	2,094,083,961	1,029,947,790
Commission, exchange and brokerage	737,334,029	729,283,444
Other operating income	66,675,930	22,371,657
Total operating income	6,092,337,817	5,705,932,679
Salaries and allowances	1,591,722,906	1,591,122,134
Rent, taxes, insurance, electricity etc.	160,081,124	163,832,797
Legal expenses	1,668,869	10,259,705
Postage, stamps, telecommunication etc.	53,473,380	62,211,446
Stationery, printing, advertisement etc.	62,528,692	83,126,524
Chief Executive's salary and fees	3,525,000	3,525,000
Directors' fees and expenses	651,200	386,800
Auditors' fee	483,000	460,000
Depreciation and repairs to bank's assets	540,563,488	547,847,976
Other expenses	655,064,614	720,752,736
Total operating expenses	3,069,762,273	3,183,525,117
Profit/(loss) before provisions	3,022,575,544	2,522,407,562
Provision for:		
Loans and advances	988,221,670	750,262,102
Diminution in value of investments	(1,000,000)	76,800,000
Off balance sheet items	90,000,000	23,000,000
Others	1,822,665	-
Total provision	1,079,044,335	850,062,102
Profit/(loss) before taxes	1,943,531,209	1,672,345,460
Provision for Tax:		
Current tax expense	1,212,623,976	938,669,492
Deferred tax expense/(income)	(676,237,434)	(342,691,822)
Total provision for Tax	536,386,542	595,977,670
Total profit/(loss) after taxes	1,407,144,667	1,076,367,790
Retained earnings brought forward from previous period/year	13,680,255,527	12,378,804,260
Profit available for appropriation	15,087,400,194	13,455,172,050
Appropriations:		
Statutory reserve	-	-
General reserve	-	-
Dividend	-	-
Start-up Fund	59,479,766	-
	59,479,766	-
Retained surplus	15,027,920,428	13,455,172,050
Earnings Per Share (EPS), Note: 4.2	1.06	0.81

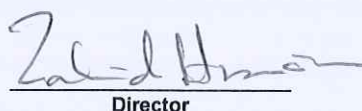
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Chief Financial Officer


Acting Company Secretary


Managing Director and CEO


Director


Director


Chairman

Date: 11 May 2021

BRAC BANK LIMITED

Particulars	Paid up share capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on govt. securities	Assets revaluation reserve	Foreign currency translation	Fair value gain/(loss) on equity	Retained earnings	Total
Balance as at 01 January 2021	13,258,784,760	3,853,767,032	9,405,017,728	355,218,455	4,805,926,053	478,558,600	(13,641,635)	1,131,197,846	13,680,255,527	46,955,084,366
Changes in accounting policy	-	-	-	-	-	-	-	-	-	-
Restated balance	13,258,784,760	3,853,767,032	9,405,017,728	355,218,455	4,805,926,053	478,558,600	(13,641,635)	1,131,197,846	13,680,255,527	46,955,084,366
Surplus/deficit on account of revaluation of assets	-	-	-	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	(1,692,478,227)	-	-	-	-	(1,692,478,227)
OCI reserve for investment in subsidiaries and associates	-	-	-	-	-	-	-	(157,512,438)	-	(157,512,438)
Changes in translation reserve	-	-	-	-	-	-	1,730,449	-	-	1,730,449
Net gains and losses not recognized in the income statement	13,258,784,760	3,853,767,032	9,405,017,728	355,218,455	3,113,447,826	478,558,600	(11,911,186)	973,685,408	13,680,255,527	45,106,824,150
Net profit for the period	-	-	-	-	-	-	-	-	1,407,144,667	1,407,144,667
Dividend for the year 2020:	-	-	-	-	-	-	-	-	-	-
Stock dividend	-	-	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	-	-	-	-	-
Ordinary share issue against bond conversion	-	-	-	-	-	-	-	-	-	-
Share premium against bond conversion	-	-	-	-	-	-	-	-	-	-
Dividend equalization fund	-	-	-	-	-	-	-	-	-	-
Start-up Fund	-	-	-	-	-	-	-	-	(59,479,766)	(59,479,766)
Statutory reserve	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	13,258,784,760	3,853,767,032	9,405,017,728	355,218,455	3,113,447,826	478,558,600	(11,911,186)	973,685,408	15,027,920,428	46,454,489,051
Balance as at 31 December 2020	13,258,784,760	3,853,767,032	9,405,017,728	355,218,455	4,805,926,053	478,558,600	(13,641,635)	1,131,197,846	13,680,255,527	46,955,084,366
Balance as at 31 March 2020	12,333,753,270	3,853,767,032	8,129,148,416	355,218,416	259,157,509	478,558,600	30,642,362	1,037,143,445	13,455,172,050	39,932,562,139

BRAC BANK LIMITED
Condensed Cash Flow Statement (Unaudited)
For the 1st quarter ended 31 March 2021

Particulars	Jan to Mar 2021 Taka	Jan to Mar 2020 Taka
A. Cash flows from operating activities		
Interest receipts	7,699,448,822	8,542,724,837
Interest payment	(2,496,856,510)	(4,157,421,180)
Dividend receipts	62,500,916	39,808,211
Fees and commission receipts	737,334,029	729,283,444
Recoveries on loans previously written off	178,096,374	213,884,735
Cash payments to employees	(1,413,674,212)	(1,398,420,757)
Cash payments to suppliers	(105,187,474)	(122,128,896)
Income tax paid	(791,518,302)	(687,170,058)
Receipts from other operating activities	697,858,765	181,149,925
Payment for other operating activities	(778,233,681)	(1,193,176,977)
Operating Cash flow before changes in operating assets and liabilities (i)	3,789,768,724	2,148,533,283
Increase/decrease in operating assets & liabilities		
Loans and advances to customers	(1,047,808,489)	4,762,272,171
Other assets	(291,041,524)	(653,247,921)
Deposits from other banks/borrowings	6,682,518,580	(8,645,603,933)
Deposits from customers	(18,182,502,721)	(4,661,316,217)
Other liabilities	(559,835,451)	367,081,939
Cash utilized in operating assets and liabilities (ii)	(13,398,669,605)	(8,830,813,961)
Net cash (used)/flows from operating activities (i+ii) (a)	(9,608,900,881)	(6,682,280,678)
B. Cash flows from investing activities		
Treasury bills	250,000,000	12,713,112,715
Bangladesh Bank Bills	-	-
Treasury bonds	10,670,961,766	(6,588,306,654)
Sale/ (Investment) in shares	(20,196,716)	88,580,356
Investment in bonds	312,282,917	(2,231,914)
Redemption of BBL Bond	-	-
Acquisition of fixed assets	(146,893,620)	(216,328,943)
Disposal of fixed assets	1,367,181	6,834,984
Net cash used in investing activities (b)	11,067,521,528	6,001,660,544
C. Cash flows from financing activities		
Cash dividend paid	(551,124)	(900)
Net cash flows from financing activities (c)	(551,124)	(900)
Net increase/decrease in cash (a+b+c)	1,458,069,523	(680,621,033)
Cash and cash equivalents at beginning of year	33,603,286,202	38,630,874,333
Effect of exchange rate changes on cash and cash equivalent	62,879,439	56,930,576
Cash and cash equivalents at end of the year	35,124,235,164	38,007,183,876
Cash in hand (including foreign currency)	6,627,319,321	7,619,355,389
Balance with Bangladesh Bank and its agents bank(s) (including foreign currency)	12,540,139,265	17,100,975,627
Balance with other banks and financial institutions	14,386,918,628	11,884,918,260
Money at call and short notice	1,568,835,150	1,400,000,000
Prize bond	1,022,800	1,934,600
	35,124,235,164	38,007,183,876
Net Operating Cash Flow Per Share (NOCFPS) (Note: 5.2)	(7.25)	(5.04)

Note: The reconciliation of net profit with cash flows from operating activities (standalone basis) has been presented at Note-15.

BRAC BANK LIMITED
Selective notes to the Condensed Interim Financial Statements
As at and for the 1st quarter ended 31 March 2021

1 Legal status and nature of the Bank

BRAC Bank Limited (the "Bank" or "BRAC Bank") is a scheduled commercial bank established under the Banking Companies Act, 1991 and incorporated as a public company limited by shares on 20 May, 1999 under the Companies Act, 1994 in Bangladesh. The registered address of the Bank is situated at Anik Tower, 220/B Tejgaon Gulshan Link Road, Tejgaon, Dhaka-1208. BRAC Bank Limited is listed with Dhaka Stock Exchange and Chittagong Stock Exchange as a publicly traded company from 28 January 2007 and 24 January 2007 respectively. The primary objective of the Bank is to carry out all kinds of banking businesses. As a fully operational commercial bank, BRAC Bank Limited focuses on pursuing unexplored market niches in the Small and Medium Enterprises business, which hitherto has remained largely untapped within the country. Significant percentage of BRAC Bank's clients had no prior experience of formal banking.

1.1 Nature of business activities

The principal activities of the Bank are to provide all types of commercial banking services, within the stipulations laid down by Bank Companies Act 1991 as amended and directives as received from Bangladesh Bank time to time, through its branches, SME centre and alternative delivery channels like ATM Booths, Mobile and Internet Banking etc.

2 Accounting Policies

- 2.1** Accounting policies applied in the interim financial reports as at and for the 1st quarter ended 31 March 2021 are same as that were applied in its last annual financial statements of 31 December 2020. Consolidated financial statements included the position of BRAC Bank Limited and its all subsidiaries (BRAC EPL Investments Limited, BRAC EPL Stock Brokerage Limited, bKash Limited, BRAC SAAJAN Exchange Limited).
- 2.2** Adequate provision has been made against loans and advances, off balance sheet items, investments and other assets as per Bangladesh Bank's circulars in force including recent BRPD circulars up to 31 March 2021. Recovery from any previously written-off loans have been adjusted with Provision for loans as per Bangladesh Bank circular.
- 2.3** Provision for income tax has been made on the accounting profit made by the Bank after considering some taxable income add back and disallowances of expenditures in accordance with the provision of the Income Tax Ordinance 1984. Deferred tax has been reviewed and recognized in quarterly financial statements with due compliance with Income Tax Laws and International Accounting Standard - 12 "Income Taxes".
- 2.4** Business of Off-shore Banking Unit (OBU) have been reported with solo Financial Statements.
- 2.5** Relevant comparative information has been restated wherever necessary to conform with the current year's/period's presentation.
- 2.6** The consolidated financial statements of the Bank are made up to 31 March 2020 and prepared under the historical cost convention and in accordance with the "First Schedule (sec-38)" of the Bank Companies Act 1991 as amended, BRPD Circular # 14 dated 25 June, 2003, other Bangladesh Bank Circulars, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and Financial Reporting Council, Companies Act 1994, the Securities and Exchange Ordinance 1969, the Securities and Exchange Rules 1987, Financial Reporting Act 2015 and other prevailing laws and rules applicable in Bangladesh.
- 2.7** Earning Per Share (EPS) of previous year/period has been restated as per IAS 33 due to issue of stock dividend of 2019 during the period.
- 2.8** These interim condensed financial reports were approved by the Board of Directors on May 11, 2021.

3 Net Assets Value

3.1 Consolidated Net Assets Value (NAV) per share

	31 Mar 2021 Taka	31 Dec 2020 Taka	31 Mar 2020 Taka
Net Assets Value at the end of the reporting period/year	48,053,785,284	48,567,965,432	41,603,129,728
Weighted average number of outstanding ordinary shares during the period/year	1,325,878,476	1,325,878,477	1,325,878,477
	<u>36.24</u>	<u>36.63</u>	<u>31.38</u>
3.1a Consolidated NAV per share considering 5% proposed stock dividend for 2020*	<u>34.52</u>	<u>34.89</u>	<u>29.88</u>

3.2 Separate/Standalone Net Assets Value (NAV) per share

	31 Mar 2021 Taka	31 Dec 2020 Taka	31 Mar 2020 Taka
Net Assets Value at the end of the reporting period/year	46,454,489,051	46,955,084,366	39,932,562,139
Weighted average number of outstanding ordinary shares during the period/year	1,325,878,476	1,325,878,477	1,325,878,477
	<u>35.04</u>	<u>35.41</u>	<u>30.12</u>
3.2a Standalone NAV per share considering 5% proposed stock dividend for 2020*	<u>33.37</u>	<u>33.73</u>	<u>28.68</u>

3.3 Explanation regarding significant change in quarterly financial statements:

Total equity decreased slightly in first quarter of 2021 due to net impact of profit earned, decrease in revaluation reserve on government securities and appropriation to Start-up Fund. This decrease in equity resulted a bit down in consolidated and standalone NAV per share.

4 Earnings Per Share (EPS)

4.1 Consolidated Earning Per Share

	Jan-Mar 2021 Taka	Jan-Mar 2020 Taka
Net profit/(loss) after taxes attributable to equity holders of the Bank	1,234,055,574	870,808,371
Weighted average number of outstanding ordinary shares during the period/year	1,325,878,476	1,325,878,477
	<u>0.93</u>	<u>0.66</u>
4.1a Consolidated EPS considering 5% proposed stock dividend for 2020*	<u>0.89</u>	<u>0.63</u>

4.2 Separate/Standalone Earnings Per Share

	Jan-Mar 2021 Taka	Jan-Mar 2020 Taka
Net profit/(loss) after taxes	1,407,144,667	1,076,367,790
Weighted average number of outstanding ordinary shares during the period/year	1,325,878,476	1,325,878,477
	<u>1.06</u>	<u>0.81</u>
4.2a Standalone EPS considering 5% proposed stock dividend for 2020*	<u>1.01</u>	<u>0.77</u>

4.3 Explanation regarding significant change in quarterly financial statements:

The consolidated and standalone EPS increased due to higher profit earned in first quarter of 2021 compared to first quarter of 2020. Profit increased mainly for incremental investment income earned on government securities, lower interest expense for rate reduction and lower operating expense incurred in standalone book due to cost awareness.

	Jan-Mar 2021 Taka	Jan-Mar 2020 Taka
5 Net Operating Cash Flow per Share (NOCFPS)		
5.1 Consolidated Net Operating Cash Flow per Share (NOCFPS)		
Net cash (used in)/flows from operating activities	(9,199,740,804)	(4,456,077,778)
Weighted average number of outstanding ordinary shares during the period/year	1,325,878,476	1,325,878,477
	(6.94)	(3.36)
5.1a Consolidated NOCFPS considering 5% proposed stock dividend for 2020*	(6.61)	(3.20)
5.2 Separate/Standalone Net Operating Cash Flow per Share (NOCFPS)		
Net cash (used in)/flows from operating activities	(9,608,900,881)	(6,682,280,678)
Weighted average number of outstanding ordinary shares during the period/year	1,325,878,476	1,325,878,477
	(7.25)	(5.04)
5.2a Consolidated NOCFPS considering 5% proposed stock dividend for 2020*	(6.90)	(4.80)
5.3 Explanation regarding significant change quarterly basis financial statements:		
Net operating cash flow per share on standalone and consolidated basis decreased because of large deposit encashment by customers during 1st quarter of 2021.		

* Dividend for 2020 will be presented for shareholders' approval in 22nd AGM of the Bank to be held on May 27, 2021.

6 Performance Highlights of BRAC Bank Limited as of March 31, 2021 are given below:

6.1 Key Financial Indicators (Standalone basis) :

Sl no.	Particulars	31 March 2021	31 December 2020
1	Deposits	270,494,839,115	289,054,405,724
2	Loans and advances	274,111,001,689	273,063,193,200
3	Capital Fund	41,208,254,511	40,182,231,697
4	Core Capital	37,347,740,577	36,472,826,887
5	Supplementary Capital	3,860,513,934	3,709,404,810
6	CRAR	14.65%	14.55%
7	No. of Branches	187	187
8	No. of Full Time Employees	7,534	7,740
9	Statutory Reserves	9,405,017,728	9,405,017,728
10	Shareholders' Equity	46,454,489,051	46,955,084,366
11	Unclaimed dividend	60,405,359	60,406,259

6.2 Key Financial Indicators (Consolidated basis) :

Sl no.	Particulars	31 March 2021	31 December 2020
1	Deposits	316,330,931,154	333,615,619,705
2	Loans and advances	274,624,034,721	273,438,940,961
3	Capital Fund	45,749,984,538	44,961,641,667
4	Core Capital	41,889,470,604	41,252,236,857
5	Supplementary Capital	3,860,513,934	3,709,404,810
6	CRAR	15.12%	15.13%
7	Shareholders' Equity	48,053,785,284	48,567,965,432

6.3 Key Financial Ratios (Solo basis):

Sl no.	Particulars	31 March 2021	31 December 2020
1	AD Ratio	84.54%	80.16%
2	ROE*	12.05%	10.58%
3	ROA*	1.43%	1.18%

* Figures are annualized.

6.4 Key Financial Ratios (Consolidated basis):

Sl no.	Particulars	31 March 2021	31 December 2020
1	ROE*	10.22%	9.90%
2	ROA*	1.09%	1.01%

* Figures are annualized.

7 Credit Rating Information

Rating agency	Long-term rating	Short-term rating	Outlook	Valid up to
CRAB	AA1	ST-1	Stable	June, 2021
CRISL	AA+	ST-1	Stable	June, 2021
ECRL	AA+	ST-1	Stable	June, 2021
S&P	B+	B	Stable	December, 2021
Moody's	Ba3	NP	Negative	December, 2021

8 In compliance with SMESPD circular 04 dated March 29, 2021 and SMESPD circular letter 05 dated April 26, 2021, BRAC Bank has created Start-up Fund in first quarter 2021 appropriating 1% of net profit of FY 2020 and Q1 2021 accordingly.

9 With reference to BRPD circular 09 dated April 26, 2021, BRAC Bank kept 1% provision for CSR expenditure on net profit of 2020.

10 Schedule of fixed assets

BRAC BANK LIMITED
As at 31 March 2021

Particulars	Cost			Depreciation				Written down value as at 31 March 2021
	Opening balance as on 01 January 2021	Addition/Revaluation during the period	Disposals/Transfer/Adjustments during the period	Total balance as at 31 March 2021	Opening balance as on 01 January 2021	Charge during the period	Disposals/Adjustments during the period	Total balance as at 31 March 2021
Property, plant & equipments								
Land	1,047,743,750	-	-	1,047,743,750	-	-	-	1,047,743,750
Office floor space	4,034,334	-	-	4,034,334	822,332	25,215	-	847,546
Furniture & fixture	2,096,550,341	10,130,093	5,921,321	2,100,759,113	1,395,740,435	38,809,583	5,921,321	1,428,628,697
Office equipments	1,307,461,739	10,420,901	6,801,022	1,311,081,618	1,120,463,136	24,372,990	6,797,222	1,138,038,904
IT Hardware	2,900,091,204	69,204,308	77,800	2,969,217,712	1,970,565,211	90,496,933	17,289	2,061,044,855
Motor vehicles	354,296,880	-	-	354,296,880	221,679,496	16,251,825	-	237,931,321
Right of use assets (ROU)	4,374,375,108	84,332,894	-	4,458,708,002	1,465,505,184	188,669,424	-	1,654,174,608
Capital expenditure work in progress	402,817,173	16,370,796	106,150,559	313,037,410	-	-	-	313,037,410
Sub-total	12,487,370,529	190,458,993	118,950,702	12,558,878,820	4,709,270,510	358,625,969	12,735,832	6,520,665,931
Intangible assets:								
With Indefinite useful lives:								
License	50,000	-	-	50,000	-	-	-	50,000
With definite useful lives:								
IT Software	2,093,346,465	62,585,187	-	2,155,931,651	1,056,948,166	72,759,142	-	1,129,707,308
Sub-total	2,093,396,465	62,585,187	-	2,155,981,651	1,056,948,166	72,759,142	-	1,129,707,308
As at 31 March 2021	14,580,766,993	253,044,179	118,950,702	14,714,860,471	5,766,218,776	431,385,111	12,735,832	7,650,373,239
As at 31 December 2020	15,102,321,068	1,392,716,147	1,914,270,221	14,580,766,993	6,913,602,920	1,700,780,342	1,382,659,302	7,231,723,960
								7,349,043,033

History of paid-up capital

Face value of BRAC Bank's each share is BDT 10. Given below the history of raising of share capital of BRAC Bank Limited:

Particulars	Allotment Year	Number of Shares Issued		No. of shares (outstanding)	Amount of Share Capital Issued (BDT)	Total Paid up Capital (Cumulative)
		Share issued	Subscription			
First (Subscription to the Memorandum and Articles of Association) at the time of 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 20%	2007	2,000,000		12,000,000	200,000,000	1,200,000,000
Bonus 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
Change in denomination from Tk.100 to Tk.10	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
Total					13,258,784,760	

Name of the Directors and their shareholdings as at 31 March 2021

Name of the Directors	Status	No of shares held as on 31 Mar 2021	% of shares held as on 31 Mar 2021	% of shares held as on 31 December 2020
Dr. Ahsan H Mansur (Chairman)	Independent Director			
Ms. Nihad Kabir (Nominated by BRAC)	Nominated Director	47,975	0.004%	0.004%
Mr. Asif Saleh (Nominated by BRAC)	Nominated Director			
Ms. Farzana Ahmed	Independent Director			
Mr. Kazi Mahmood Sattar	Independent Director			
Ms. Fahima Choudhury	Independent Director			
Dr. Zahid Hussain	Independent Director			
Mr. Mehtab M Hassan (Nominated by BRAC)	Nominated Director			
Mr. Shameran Bahar Abed (Nominated by BRAC)	Nominated Director	950,000	0.071%	0.071%

Share Premium

	31 March 2021 Taka	31 December 2020 Taka
5,000,000 ordinary shares @ Tk. 70 per share in the year 2006	350,000,000	350,000,000
2,640,000 ordinary shares @ Tk. 400 per share in the year 2008	1,056,000,000	1,056,000,000
221,652,288 ordinary shares @ Tk. 10 per share in the year 2014	2,216,522,880	2,216,522,880
1,149,589 ordinary shares @ Tk. 32.55 per share in the year 2016	37,419,151	37,419,151
2,237,835 ordinary shares @ Tk. 35.10 per share in the year 2017	78,548,041	78,548,041
2,790,534 ordinary shares @ Tk. 41.31 per share in the year 2018	115,276,960	115,276,960
	3,853,767,032	3,853,767,032

14. Statement of Consolidated Segment Reporting

A. Segmental operating profit and loss

There are 8 (eight) operating segments including subsidiaries as on 31 March 2021. Out of 8 (eight) operating segments only 5 (five) are reportable as per latest evaluation as on 31 March 2021 in accordance with IFRS 8: Operating segments. A segment is considered reportable only when its revenue, profit or loss and assets contributes 10% or more of the combined revenue, reported profit or loss and assets of all operating segments in accordance with IFRS 8. Hence other non-reportable segments have been shown under 'Others'. Comparative figures have been disclosed accordingly.

Particulars	BRAC Bank Limited						Consolidation				Amount in Taka	
	SME	Retail	Corporate	Treasury	Total	bKash	Others	Inter company elimination	Total			
Interest income	3,142,108,723	1,076,263,669	939,135,413	156,528,715	5,314,036,519	469,903,408	15,424,549	(194,834,384)	5,603,530,092			
Interest Expense on Deposits	330,367,035	1,199,655,738	455,728,396	134,041,453	2,119,792,622	86,188,646	38,723,521	(194,834,384)	2,049,870,405			
Inter segment income/(expenses)	(1,377,601,838)	1,251,166,210	(92,472,952)	218,908,580	-	-	-	-	-			
Net interest income	1,434,139,850	1,127,774,141	390,934,065	241,395,842	3,194,243,897	382,714,762	(23,298,972)	-	3,553,659,687			
Investment income	-	-	-	2,094,083,961	2,094,083,961	370,801,924	(16,594,922)	-	2,448,290,963			
Commission, fees and others	91,955,168	423,200,275	182,477,280	39,701,305	737,334,029	994,190,350	296,290,177	(59,908,019)	1,967,906,537			
Other operating income	46,493,419	2,047,997	1,502,555	16,631,959	66,675,930	-	9,155,917	-	75,831,847			
Total Segment Revenue	1,572,588,436	1,553,022,413	574,913,900	2,391,813,067	6,092,337,817	1,747,707,036	265,552,200	(59,908,019)	8,045,689,034			
Staff costs	784,276,527	596,717,429	178,581,053	32,147,896	1,591,722,906	719,309,891	79,851,951	(59,908,019)	2,390,884,748			
Other operating costs	542,028,078	717,711,221	173,848,351	44,451,717	1,478,039,367	1,223,388,728	159,513,739	(59,908,019)	2,801,033,815			
Total segment expenditure	1,326,304,605	1,314,428,651	352,429,404	76,599,613	3,069,762,273	1,942,698,619	239,365,690	(59,908,019)	5,191,918,563			
Reportable segment operating profit	246,283,831	238,593,763	222,484,496	2,315,213,454	3,022,575,544	(194,991,583)	26,186,510	-	2,853,770,471			

B. Segmental assets and liabilities

The necessary information regarding assets and liabilities of operating segments (excluding subsidiaries) are not separable and individually identifiable and so the assets and liabilities of the respective segments have not been presented here.

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

Particulars	Jan to Mar 2021 Taka	Jan to Mar 2020 Taka
Profit before tax as per profit and loss account	1,943,531,209	1,672,345,460
Adjustment for non-cash items:		
Provision for Loans and advances	1,166,318,044	750,262,102
Provision for Diminution in value of investments	(1,000,000)	76,800,000
Provision for Off balance sheet items	90,000,000	23,000,000
Provision for Others	1,822,665	-
Depreciation of Property plant and equipment	431,385,111	428,103,897
Foreign exchange gain/(loss)	(25,915,380)	(30,332,210)
Profit on sale of fixed assets	(1,302,870)	(983,595)
Increase/decrease in operating assets & liabilities:		
Loans and advances to customers	(1,047,808,489)	4,762,272,171
Other operating assets	695,211,379	(837,206,532)
Deposits from other banks/borrowings	6,682,518,580	(8,645,603,933)
Deposits from customers	(18,182,502,721)	(4,661,316,217)
Other operating liabilities	(569,640,106)	467,548,237
Income tax paid	(791,518,302)	(687,170,058)
Cash flows from operating activities as per cash flow statement	(9,608,900,881)	(6,682,280,678)