

## Healthcare exposition kicks off in Dhaka

STAR BUSINESS DESK

A three-day "1st Bangla Med & Lab Expo" kicked off at International Convention City Bashundhara in Dhaka yesterday "to support the healthcare, laboratory and pharmaceutical industry in Bangladesh".

Over 150 companies and 500 brands from around the world and business leaders, doctors, scientists, pathologists, researchers, government officials, policymakers and industry professionals from Bangladesh are scheduled to participate, said a press release.

Pratik D Negi, first secretary (eco and commerce) at the Indian high commission in Dhaka, inaugurated the exhibition, organised by SD Promo Media, co-organised by the Engineering Export Promotion Council, India and E3 Solutions and supported by the Association of Indian Medical Device Industry.



Visitors speak to participants of the "1st Bangla Med & Lab Expo", which began at International Convention City Bashundhara in Dhaka yesterday to, as the organisers said, "support the healthcare, laboratory and pharmaceutical industry in Bangladesh".

PHOTO: SD PROMO MEDIA

## DHL adjusts Bangladesh price for 2023

STAR BUSINESS DESK

DHL Express announced price adjustments yesterday that will take effect on January 1, 2023. The average increase in Bangladesh will be 7.9 per cent compared to 2022, a press release said.

"So far, 2022 has been another turbulent year with a volatile market environment challenging global trade. However, we have proven our ability to offer stable and reliable services to our customers," said Md Miarul Haque, managing director of DHL Express Bangladesh.

Prices are adjusted on an annual basis by DHL Express, taking into consideration inflation and currency dynamics as well as administrative costs related to regulatory and security measures.

# AB Bank perpetual bond struggling for subscribers

### Market insiders blame low confidence in the lender

AHSAN HABIB

AB Bank is struggling to get subscribers for its perpetual bond as investors have low confidence in the lender, according to market insiders.

The private bank got approval to raise Tk 600 crore in November 2021 by issuing a transferable, unsecured, non-cumulative and contingent-convertible perpetual bond.

Of the Tk 600 crore, it was allowed to raise Tk 540 crore through private placement and the rest from public subscription.

Public subscription for the bond started on January 2022 with a closing date of February 17.

However, as the lender did not get the expected number of subscriptions, it urged the Bangladesh Securities and Exchange Commission (BSEC) for an extension. Subsequently, the BSEC granted an extension until August 22 this year.

But again, as the bank did not get enough subscriptions, the stock market regulator extended the subscription period for the general public to December 30.

A top official of an asset management company, preferring to be unnamed, said AB Bank once had a good performance record but is now struggling due to its non-performing loans and asset quality.

"So, investors have no confidence in the bank and are not subscribing to the bond as a result," he added.

The trustee of the bond is MTB Capital while its arranger and issue manager is Riverstone Capital.

Ashraf Ahmed, chief executive of Riverstone Capital, said a lack of appetite among general investors is the reason why the subscription is yet to be complete.

"But we have raised Tk 540 crore through private placement," he added.

Ahmed then said the market was dull when they got approval to issue the debt instrument.

However, Premier Bank, Shahjalal Islami Bani and Al-Arafah Islami Bank had also issued perpetual bonds with full subscription at the same time, according to data of the Electronic Subscription System.

AB bank logged profits of Tk 64 crore in 2021 while its paid-up capital is Tk 835 crore, according to the company's annual report for 2021.

The face value of each unit of the bond is Tk 1,000 while its coupon rate is 6 to 10 per cent. The lender plans to strengthen its capital base with the bond proceeds.

Stocks of AB Bank yesterday traded at Tk 9.90 at the Dhaka Stock Exchange.

Tarique Afzal, president and managing director of AB Bank, did not respond for a comment by the time this report was filed.

## Shwapna Marks and Spencer's head for India, Bangladesh

STAR BUSINESS DESK

Bangladesh-born Shwapna Bhowmick has been promoted to play the role of the head of Bangladesh and India operations of British retail giant Marks and Spencer (M&S).

Prior to the promotion, Bhowmick was the country head of M&S for Bangladesh.



"I was promoted as the regional head of M&S for Bangladesh and India in an announcement Wednesday," Bhowmick told The Daily Star over phone.

However, she declined to share further details.

Bhowmick started her career in 2003 as a merchandiser with a local garment buying house after graduating from the University of Dhaka in philosophy.

## Panel to probe suspicious disclosure of Bay Leasing

STAR BUSINESS REPORT

The stock market regulator will investigate whether Bay Leasing and Investment has used unfair means while preparing its financial report as the company's earnings swung significantly in 2021.

The non-bank financial institution showed earnings per share of Tk 2.75 in the first nine months of 2021 while it incurred a loss of Tk 99 per share at the end of 2021.

The stock investors disappointed by the loss announcement expressed their frustration on the social media, which prompted Bangladesh Securities and Exchange Commission (BSEC) to form the investigation committee.

The three-member committee is comprised of Kazi Md Al-Islam, deputy director of the BSEC, and Md Kawsar Ali and Md Atiqur Rahman, additional directors.

After the declaration of the loss, Bay Leasing's share price dropped to its floor price of Tk 23, which was Tk 37 a year ago.

The BSEC ordered the committee to analyse its quarterly and yearly financial reports along with the trading pattern of its directors.

The panel has been asked to their report in 20 workdays.

## BB platform eases

FROM PAGE B1

Both the number of transactions and amount swelled to 838 and \$42.23 million respectively on September 12.

The central banker went on to hope that paper-based foreign transactions would be reduced substantially in the quickest possible time given the effectiveness of the new digital mode.

Around \$400 million remain stuck on average every day in the channels under of the manual method, according to, Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry.

Some funds get stuck either with the BB or commercial banks, he said.

"But now we will not face such difficulties thanks to the central bank's move. As a result, businesses can use

their money in an efficient way."

The business leader thinks currencies will roll more in the days ahead based on the new infrastructure, putting a positive impact on the economy as a whole.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association, said the BB initiative would help make it easier to do business.

"We can now settle our transactions instantly and without hassle."

Banks usually have some officials assigned to settle foreign demand drafts.

"Now, such engagement of banks' manpower will not be needed, which is good for lenders," Syed Mahbubur Rahman, managing director of Mutual Trust Bank, said.

## Weak taka makes

FROM PAGE B1

The economist points out that the ERD seems to be using the BB rate for conversion.

"This is okay if the dollars are purchased from the BB at this rate. However, since the market rate is higher, it implies the central bank is subsidising the external debt servicing of the government."

"Going forward, the depreciation effect will be large because the BB rate has increased to Tk 96 per USD."

The finance costs have also risen for the private-sector firms that have taken on dollar-denominated loans from external sources owing to the

currency depreciation.

In July and August, the use of foreign aid plummeted by 24.38 per cent.

Foreign aid disbursement dropped to \$864.29 million in July and August from \$1.14 billion a year ago.

During the same period last year, there was a higher inflow of foreign aid through budgetary support and vaccination-related loans. Such assistance was absent this time, leading to a fall in the utilisation of foreign aid.

Development partners committed to lending \$304.92 million during the two months, a surge of 315.88 per cent from \$73.32 million last year.

guidance to serve the customers and contribute to the Bangladesh economy."

The managing directors of five other banks could not be contacted for comments.

## Six banks apologise

FROM PAGE B1

and is known as a standard bearer for governance in the banking industry in Bangladesh.

"The bank is respectful to the BB and will continue to work under its

guidance to serve the customers and contribute to the Bangladesh economy."

The managing directors of five other banks could not be contacted for comments.

# Chinese apps gain popularity globally

CHINA DAILY/ANN

From the world's top short video application TikTok to the biggest fast-fashion app Shein and emerging music-video app StarMaker, a rising number of mobile apps developed by Chinese companies are influencing people's daily lives across the globe.

A new report published by market consultancy iResearch showed that the overseas revenue of China's entertainment apps grew 204 per cent year-on-year in 2021.

In addition, a report from US search giant Google said that the downloads of apps made by Chinese developers among the world's top 1,000 applications nearly doubled over the past decade, from 8 per cent to 14 per cent.

Industry experts said this demonstrated Chinese companies' strong innovative capabilities, but they also face challenges amid rising geopolitical tensions.

"Chinese companies are playing a bigger role in global mobile app innovation, thanks to the rapid development of the digital economy. The momentum of digital consumption and 5G commercialisation promoted the continuous innovation and iterative upgrading of digital technologies, thus driving the huge innovative vitality of app developers," said Wang Peng, a researcher at the Beijing Academy of Social Sciences.

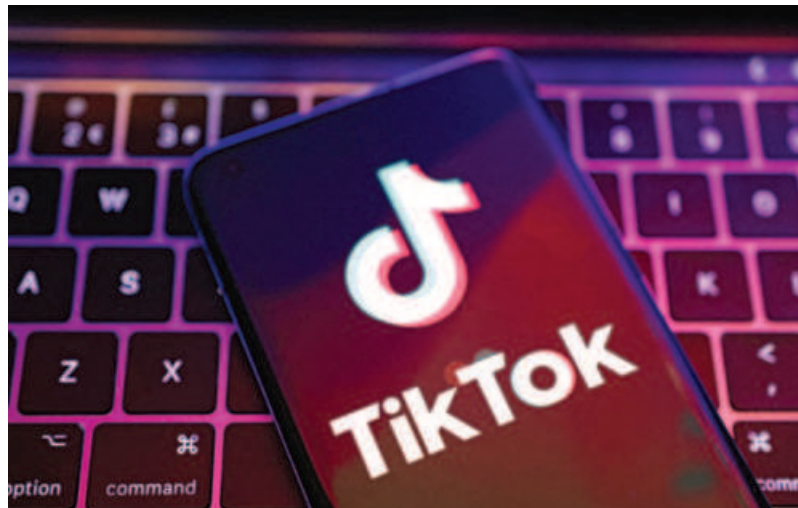
"The Chinese government has also been making great efforts in driving digital innovation and encouraging companies to deeply integrate digital technologies with the real economy," Wang added.

Wang also said that such efforts have led to the development of a group of industry leaders that are able to leverage their innovative

ability to contribute to global industrial development.

The iResearch report noted that Chinese gaming apps continued to be the major revenue driver of the nation's apps overseas, but social networking apps have also displayed growth momentum over the past year.

The United States, Japan and South Korea were the main overseas sources of income for Chinese apps.



Notably, downloads of Chinese apps also increased in Africa, the Middle East and Southeast Asia last year, among which the African market was the most prominent, with a total growth rate of 18.9 per cent year-on-year. StarMaker, a karaoke video app enabling users to create and share music videos, quickly went viral in 102 countries and regions, where it has become one of the best-selling music apps.

"The global market is promising for Chinese companies. Though it takes a long time to develop a brand in foreign markets, Chinese companies are good at research and

development, meaning products can quickly be technology-driven and meet local needs," said Fang Han, CEO of Kunlun, the developer of StarMaker.

"After success in one market, we are also able to quickly spread this to other countries," Fang said, adding that the company has a dominant position in markets in Southeast Asia, Africa and the Middle East.

Small developers from China are also warming up the global mobile app market. US tech company Apple Inc said that more than 5 million third-party developers in its iOS app ecosystem are from China, up from 4.4 million a year ago, and they have increasingly become a major force in the global app economy.

However, Huang Leping, head of technology, media and telecommunications at Huatai Securities, said that many challenges remain for Chinese companies in going global, especially as many countries have tightened up their data protection policies.

## Wagely workshop on financial management for RMG workers

STAR BUSINESS DESK

Financial wellness platform Wagely Bangladesh this week hosted its sixth "wagely day" on the premises of garment manufacturer SQ Group.

Over 2,300 workers participated in the two-day activity, which is a core element in wagely's efforts to increase worker financial resilience, said a press release.

By conducting financial health surveys, workshops, and raffle draws, wagely motivates participating workers to learn about the importance of personal financial management and how they can become more financially healthy.

The platform is collaborating with United Nations Capital Development Fund in a pilot project to develop individualised financial wellbeing services that help garment workers, particularly female workers, become more financially independent.

In the last one year, wagely has partnered with some of the largest garment manufacturers, including SQ Group, ICC, Desh Garments, Ha-meem, Triple Apparels, Khantex Fashions and the Zaber & Zuber Fabrics.

"Talking to the workers in the factories directly allows us to explain the concept of financial health and money management more effectively," said Amrita Vir, acting country manager of Wagely Bangladesh.

Shahriat Hossain, general manager of SQ Group, was present.