

Bank Asia's 2023 profit down 31.7%

STAR BUSINESS REPORT

Bank Asia saw its profits slump 31.7 percent year-on-year to Tk 208 crore in 2023.

The private commercial bank made a profit of around Tk 305 crore last year, according to a disclosure on the Dhaka Stock Exchange yesterday. It registered a Tk 272 crore profit in 2021.

Therefore, Bank Asia reported consolidated earnings per share (EPS) of Tk 1.79 for the year ending in December last year whereas it logged Tk 2.62 in the preceding calendar year.

The EPS decreased mainly due to the necessity of maintaining higher provisioning, which is an amount that is set aside as an allowance for bad loans or credits, compared to that last year, said the bank.

The consolidated net asset value per share rose to Tk 25.22 last year from Tk 24.41 in the preceding year.

The net operating cash flow per share plummeted to Tk 5.69 in the negative last year from Tk 13.82 in the preceding year.

This decrease was mainly for adjustments resulting from borrowings from other banks, financial institutions and agents, it said.

Renata's Q3 profit grows 21% on higher sales

Nine months' profit exceeds FY22's full year figure

STAR BUSINESS REPORT

Drugmaker Renata PLC posted handsome growth in its profits in the January to March period of 2023-24 thanks to higher sales coupled with effective cost management.

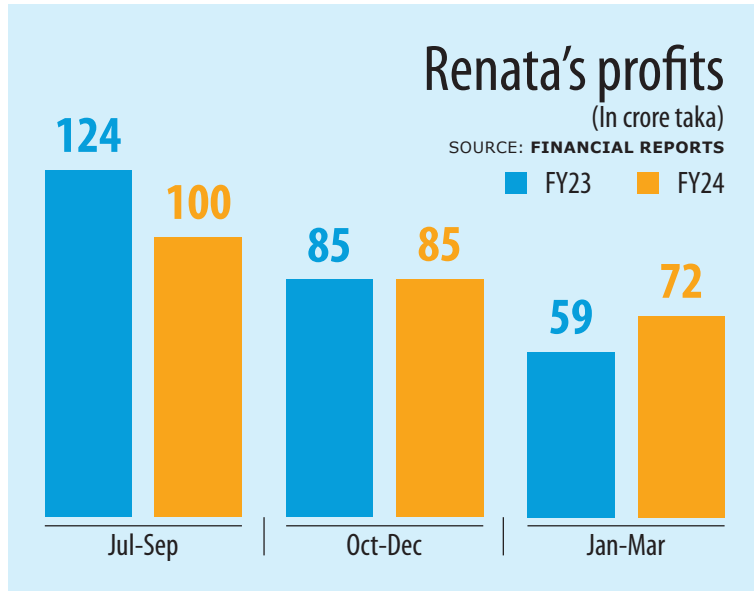
The local drug manufacturer's profit rose 21.4 percent year-on-year to Tk 72 crore in the third quarter when its earnings per share hit Tk 6.33, up from Tk 5.18 in the same period previous year.

Meanwhile, Renata's sales rose 9 percent year-on-year to Tk 921 crore in the three months to March this year, according to the data disclosed by the company in a board meeting held yesterday.

"Higher sales contributed to achieving higher profits while effective cost management played a significant role in achieving a better bottom line," Jubayer Alam, company secretary of Renata, told The Daily Star.

"Our finance costs increased significantly due to the devaluation of the local currency, high interest expenses and depreciation from new capital investments. As a result, we embarked on a strategic cost management programme, which has begun to yield results."

However, the company's financial report showed that its operating costs dropped around 1 percent year-on-year to Tk 302 crore in the January-March quarter, which normally rises in every quarter.



In the nine months to March this year, its profits dropped 4 percent year-on-year to Tk 258 crore when its EPS fell to Tk 22.54 from Tk 23.47 in the same quarter of 2022-23.

The company's cumulative profit in three quarters exceeded the total profits of Tk 233 crore earned in 2022-23.

Alam hopes the company will post a satisfactory profit growth in 2023-24.

"Since we have exceeded last year's profit in just three quarters, even a modest performance in the fourth quarter would fuel growth significantly."

The company's year-to-date revenue growth of 14 percent was spread across its core businesses — pharmaceuticals, animal health and contract manufacturing.

Over the last few years, Renata has invested heavily in expanding capacity and introducing new technologies.

In 2023-24, the company so far invested Tk 330 crore in the areas of automated warehouse, injectable facility, oncology solid, extensions of multiple depots and power plant.

It invested heavily in product development and research and development.

Dhaka Bank's 2023 profit up 4pc

STAR BUSINESS REPORT

Dhaka Bank registered a 4 percent year-on-year growth in profit to Tk 173 crore in 2023.

The private lender made a profit of around Tk 166 crore in 2022, according to a press release of the bank.

Thus, Dhaka Bank reported consolidated earnings per share (EPS) of Tk 1.72 for the year ending in December last year compared to Tk 1.65 for the preceding calendar year.

The private commercial bank said its net profit grew thanks to considerable precautions taken against loans, advances and tax.

Its consolidated net asset value per share rose to Tk 22.26 in 2023 from Tk 21.37 in 2022.

The net operating cash flow per share plummeted to Tk 27.81 last year from Tk 11.43 in the negative in the preceding year.

The bank's board has recommended a 10 percent cash dividend for the year ending on December 31, 2023.

Dhaka Bank reported a 97 percent year-on-year growth in net interest income to Tk 671.07 crore last year, the bank said quoting its audited financial statements.

It was Tk 340.91 crore in 2022.

Summit Group brings major changes in top brass

STAR BUSINESS REPORT

Summit Group has elected Jafer Ummeed Khan as the chairman of Summit Oil and Shipping Limited with effect from April 17.

The largest infrastructure conglomerate in Bangladesh also elected Latif Khan as the chairman of Summit Power Limited with effect from April 29.

Previously both were serving as the vice-chairman of the respective businesses, Summit Group said in a statement yesterday.

"It has been one of my life's greatest achievements to serve Bangladesh through Summit's infrastructure development. I have been planning for a transition for over a decade now," Muhammed Aziz Khan, the founder chairman of Summit Group, said on the occasion.

"At the initial stage, we brothers had introduced our children to the business while my brothers served as vice-chairmen. This year I turned 70 so it is the right time for welcoming the next leadership."

"As the largest infrastructure conglomerate, we are aware of our responsibility to the nation. I humbly request all for prayers and support for a successful strategic transition," he said.

Jafer Ummeed Khan remarked: "My chairman has handed over the chairmanship of the Summit Oil & Shipping. I intend to hand it over in even better condition to the next generation. That is my vision."

Latif Khan mentioned, "We will remain under the guidance of our beloved brother and founder chairman as we are assigned and elected to the chairmanship. I am personally promise-bound to Aziz Bhai and Summit for my dedicated service."

Meanwhile, Farid Khan had taken the helm of Summit Communications and Summit Tower as the chairman since December 28 of 2021 and May 30 of 2022 respectively.

China wants to import mango from Bangladesh

STAR BUSINESS REPORT

China yesterday expressed interest to import mangoes from Bangladesh from the current year and for that a group of experts want to visit orchards and see its production.

The team is likely to come to Dhaka early June and the customs authority of China will give clearance regarding entry of Bangladesh's mango to the market of the world's second largest economy based on the report of the team.

Chinese Ambassador to Bangladesh Yao Wen shared the information in a meeting with Agriculture Minister Md Abdus Shahid at his office in Dhaka's secretariat, according to the agriculture ministry.

Shahid called upon China to support so that Bangladesh gets modern farm machinery.

Earlier in the day, the agriculture minister discussed with Ambassador of Netherlands Irma van Dueren regarding establishment of a storage in Bhaluka of Mymensingh to store onions throughout the year.

Shahid said onion is an important crop for Bangladesh.

"We are emphasising on increasing production and storing of onion. The construction of the storage with the initiative of Netherlands will be very helpful," said the minister, who is expected to inaugurate the godown on May 2.

Will BSEC ever learn

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The new mechanism deepened it as they fear that their investment might get stuck again like they faced during the floor price era.

"The regulator should not intervene in the market. Rather, it should allow the market to function as per supply and demand," said Faruq Ahmad Siddiqi, a former chairman of the BSEC.

By launching the floor price, the index was kept at an elevated level for a long time artificially. Following Wednesday's intervention, investors are worried that the market would be illiquid again. "So, the market has reacted negatively," Siddiqi said.

He led the BSEC from 2006 to 2009 but such an intervention never came to his mind, he said. "Making intervention in the market is not the task of the commission."

Although the market rose on Sunday, a number of intermediaries attributed this to a commission's verbal order, saying some large investors were asked to invest heavily in the market to lift the key index.

A senior official of a

brokerage firm questioned whether the regulator could issue such an order without holding a formal commission meeting. "The commission needs to meet to issue an order as per rules."

"The BSEC took the decision suddenly to slow down the fall of the market."

The broker said if the mechanism has not been put in place, the indices might have fallen for several days but they would have made a comeback at some point.

"Now, the intervention can hit the confidence level of investors hard, bringing about a longer-than-usual bear-run. So, the regulator is hurting general investors in the name of protecting their interests."

A top official of an asset management company said pessimism prevailed in the market for a longer period due to the floor price. The latest price mechanism will amplify it. "It has not been a good decision at all for the market."

The asset manager said the logic behind the decline limit has been that the market is not going to slide 10 percent in a single day.

"However, because of the spooked confidence and the lingering economic uncertainty, the market will definitely fall and it may take three days to shed a total of 10 percent."

Faruq Ahmad Siddiqi recommended the regulator focus on ensuring good governance, ensuring transparency, and stopping manipulation.

Speaking to The Daily Star, Mohammad Rezaul Karim, the spokesperson of the BSEC, said the commission brought about the new mechanism after it spotted some suspicious transactions involving the large-cap stocks that contribute heavily to the movement of the indices.

"The decision has been taken to protect investors' interest and for the development of the capital market."

He, however, called the move temporary.

"We hope the situation will improve within two to three days and institutional investors and high net-worth individuals will increase their stake in the market soon. Then, the market will return to the previous system."

Reforms needed in economic governance

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China is getting a lot of foreign investment even amid the ongoing global financial crisis just because of the country's sincere efforts and hard work.

"So, I think the success of neighbouring countries like China and Vietnam in attracting investment are good examples for us [Bangladesh]," Ginting said.

"In my view, Bangladesh is already a middle-income country. But if we want to climb further, the people cannot be left as a silent audience and should rather be drivers of growth and

productivity," he added. According to him, the strength of the financial sector always depended on good governance in the banking and financial institution segments.

However, he said financing needs should not be completely dependent on the banking system, rather the capital market should contribute by a big margin.

For this reason, the capital market needs to become vibrant and should be the prime source of financing for private sector investment, he said.

Ginting appreciated the

growing involvement of Bangladesh in the global economy and affirmed the ADB's determination to further enhance it.

He believed there was potential for increased investment flows, skills development and overall capacity building in the country.

However, a good competition policy is required to bring in new investments, he said.

Ginting also underscored the need for human resources development in the country, saying the ADB could work in those areas.

Before concluding his speech, he reiterated the ADB's commitment to helping Bangladesh progress sustainably amid various environmental challenges.

The ADB country director also said there was scope to work in ensuring quality education from the higher secondary level to the tertiary level to build up skilled human resources.

Kamran T Rahman, president of the MCCI, acknowledged the ADB's assistance in developing Bangladesh's climate resilience, infrastructure,

social protection, job creation, and water and sanitation facilities.

He believes that the ADB's expertise, combined with the MCCI's understanding, offer a unique opportunity to address Bangladesh's business challenges.

Farooq Ahmed, secretary general and chief executive officer of the MCCI, moderated the event, where Nihad Kabir, former president of the MCCI, and Zaidi Sattar, chairman of the Policy Research Institute of Bangladesh, were present among others.

Another market in Dhaka goes cashless

FROM PAGE B1

payments through cards, bank apps, and mobile wallets, he added.

Khairul Islam, a vendor selling cosmetics, bags, toys and watches, told The Daily Star that he welcomed the initiative but added that it would take some time for customers to get used to it.

"For example, if I sell products worth Tk 100 in a day, Tk 80 is paid in cash," he said, providing

a glimpse of the average situation.

Vikas Varma, chief operating officer of South Asia at Mastercard, said: "As Bangladesh moves towards a cashless future, initiatives like these will play a key role in encouraging merchants and consumers to embrace digital payments."

He added that Mastercard was proud to collaborate with the DNCC to empower merchants to

begin their digital journey and become a part of the country's thriving finance sector.

DNCC Mayor Atiqul Islam said: "DNCC is working with a smart transaction system in Smart Bangladesh. We have already launched online holding tax and online trade licence facilities."

Citizens can avail these services from the convenience of

their home, he added. The DNCC piloted the cashless initiative by transforming the DNCC-1 Market in Gulshan into the country's first cashless market by empowering more than 1,200 merchants with digital payment facilities.

Sharafat Ullah Khan, director of the payment systems department of the BB, said the central bank's "Cashless Bangladesh" initiative was

cost-effective and secure, and would help promote digital transactions in an economy that relies almost entirely on paper currencies to function.

The BB commenced a campaign in January 2023 to popularise an interoperable QR code across the capital city in a move to bring millions of small businesses such as street vendors and lower-income groups under a digital transaction system.

Price Sensitive Information



ONE Bank
PLC

This is for information of all concerned that the Board of Directors of ONE Bank PLC in its 374th Meeting held on April 29, 2024 from 3:00 p.m. at its Board Room, Corporate Headquarters, HRC Bhaban, 46 Kawran Bazar C.A., Dhaka-1215, has approved/decided/recommended the followings in respect of 25th Annual General Meeting (AGM) of the Shareholders of the Bank for the year ended December 31, 2023.

- **Recommended Dividend** : **3.50% Cash and 3.50% Stock. Stock Dividend subject to approval from Bangladesh Securities and Exchange Commission (BSEC).**
- **Date and Time of 25th AGM (Hybrid)** : **July 25, 2024 at 11:00 a.m.**
- **Record Date for AGM** : **May 26, 2024**

AGM Venue	Hybrid system in combination of physical presence at Lakeshore Grand, House No. 46, Road No. 41, Gulshan 2, Dhaka-1212 and virtually by using Digital Platform through the link https://obplc.bdvirtualagm.com
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Particulars	Dec 31, 2023	Dec 31, 2022
Net Asset Value (NAV)	Tk. 19,242,966,410	Tk. 18,379,798,831
Net Asset Value (NAV) Per Share *	Tk. 18.69	Tk. 17.85
Earning Per Share (EPS) *	Tk. 1.32	Tk. 1.35
Net Operating Cash Flow Per Share (NOCFPS)*	Tk. 0.69	Tk. 1.65

Particulars	Dec 31, 2023	Dec 31, 2022
Net Asset Value (NAV)	Tk. 19,660,307,138	Tk. 18,783,649,218
Net Asset Value (NAV) Per Share *	Tk. 19.09	Tk. 18.24
Earning Per Share (EPS) *	Tk. 1.33	Tk. 1.51
Net Operating Cash Flow Per Share (NOCFPS)*	Tk. 0.70	Tk. 1.65

* NAV Per Share, EPS and NOCFPS for the year 2022 have been restated taking into account the increase in number of Ordinary Shares due to issuance of Bonus Shares for the year ended December 31, 2022 as approved by the shareholders in the 24th AGM of the Bank held on August 10, 2023.

- **Emphasis of Matter, extracts from the Independent Auditors' Report are as follows:**
Quote "without modifying our opinion, we are drawing attention to the following matters":
(i) As disclosed in note # 7.13 to the financial statements, the Bank explained the basis for measurement and recognition of provision required, maintained and the shortfall of provision against the loan and advances. The Bank also disclosed about the deferment allowed by Bangladesh Bank in this regard.
(ii) In note # 2.22(a) to the financial statements, the Bank disclosed the actions to be taken to comply with the requirements of para 263(1) of the Labour Rules, 2015.

- **Disclosures on recommendation of Stock Dividend:**
(i) Stock Dividend has been recommended for utilization of its retained amount as paid up capital to strengthen the Capital Base of the Bank (OBPLC) under BASEL-III accord to be utilized for sustainability and expansion of business of the Bank.
(ii) The Stock Dividend is declared out of Accumulated Profit of the Bank.
(iii) The Stock Dividend is not declared from Capital Reserve or Revaluation Reserve or any Unrealized Gain or out of Profit Earned Prior to Incorporation of the Bank or through reducing Paid up Capital or through doing anything so that the post-dividend retained earnings become negative or a debit balance.

Shareholders, whose names will appear in the Register of Shareholders of the Bank as at the close of business on May 26, 2024, i.e. the Record Date will be entitled to the Dividend for the year 2023.

By order of the Board,

John Sarkar
John Sarkar

DMD & Company Secretary

Dhaka
April 29, 2024