

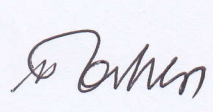
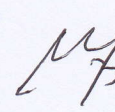


Midland Bank Limited
Balance Sheet (Un-Audited)
As on 30 June 2023

| | June 2023 BDT | December 2022 BDT |
|---|-----------------------|-----------------------|
| <u>PROPERTY AND ASSET</u> | | |
| Cash | 3,741,953,461 | 3,494,965,793 |
| In Hand (Including Foreign Currency) | 725,448,626 | 782,034,355 |
| With Bangladesh Bank and its agent Bank (including Foreign Currency) | 3,016,504,835 | 2,712,931,437 |
| Balance with other Banks & Financial Institutions | 2,746,417,420 | 2,568,427,930 |
| In Bangladesh | 2,596,455,150 | 2,455,383,089 |
| Outside Bangladesh | 149,962,270 | 113,044,841 |
| Money at Call and Short Notice | 420,000,000 | 120,000,000 |
| Investments | 18,791,246,268 | 16,905,790,238 |
| Government | 15,242,121,762 | 13,186,012,591 |
| Others | 3,549,124,507 | 3,719,777,647 |
| Loans and Advances/ Investments | 51,596,300,525 | 52,792,807,266 |
| Loans Cash Credit Overdrafts etc./ Investment | 49,185,647,403 | 49,606,134,790 |
| Bills Purchased and Discounted | 2,410,653,122 | 3,186,672,476 |
| Fixed Asset including Premises Furniture & Fixtures | 633,178,106 | 574,669,903 |
| Other Asset | 3,763,857,781 | 3,397,619,330 |
| Non-Banking Asset | 12,585,359 | 12,585,359 |
| Total Property and Asset | 81,705,538,919 | 79,866,865,819 |
| <u>LIABILITIES AND CAPITAL</u> | | |
| Borrowing from other Banks Financial Institutions & Agents | 8,539,895,121 | 8,243,230,054 |
| Deposit and Other Accounts | 57,689,357,047 | 57,763,010,073 |
| Current Deposit & Other Accounts | 7,996,152,459 | 8,881,655,198 |
| Bills Payable | 719,654,402 | 293,988,162 |
| Short Notice Deposit | 8,253,906,933 | 7,512,112,992 |
| Savings Deposit | 5,215,319,592 | 5,071,243,226 |
| Fixed Deposit | 29,926,015,149 | 30,664,800,460 |
| Deposit Scheme | 5,578,308,513 | 5,339,210,034 |
| Other Liabilities | 7,218,249,840 | 6,214,086,209 |
| Total Liabilities | 73,447,502,008 | 72,220,326,337 |
| Capital/Shareholders' Equity | 8,258,036,911 | 7,646,539,482 |
| Paid up Capital | 6,396,697,530 | 5,696,697,530 |
| Statutory Reserve | 1,736,778,935 | 1,626,329,243 |
| Revaluation Reserve on Investment in Securities | 2,059,766 | 1,155,553 |
| Retained Earnings | 122,500,681 | 322,357,156 |
| Total Liabilities and Shareholders' Equity | 81,705,538,919 | 79,866,865,819 |

21

Off-Balance Sheet Items**Contingent Liabilities**

Acceptance and endorsements
Letter of Guarantee
Irrevocable Letter of Credit
Bills for Collection
Other Contingent Liabilities

Other Commitments

Documentary credits and short term trade related transactions
Forward asset purchased and forward deposit placed
Undrawn note issuance and revolving underwriting facilities
Undrawn formal standby facilities credit lines and other commitments
Liabilities against forward purchase and sale

Total Off Balance Sheet Items including Contingent Liabilities

June 2023
BDT

December 2022
BDT


| 13,984,324,871 | 12,674,943,388 |
|----------------|----------------|
| 1,643,625,578 | 2,372,539,171 |
| 6,596,657,420 | 5,299,179,936 |
| 3,818,572,880 | 3,627,750,631 |
| 1,925,468,993 | 1,375,473,650 |
| - | - |
| - | - |
| - | - |
| - | - |
| - | - |
| - | - |
| 13,984,324,871 | 12,674,943,388 |



Md. Zahirul Islam, FCA
Chief Financial Officer



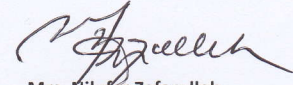
Khalid Mohammad Sharif, FCS
Company Secretary



Md. Ahsan-uz Zaman
Managing Director & CEO




Dr. Mostafizur Rahman
Director




Mrs. Nilufer Zafarullah
Chairman

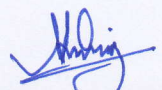
Midland Bank Limited
Profit and Loss Account (Un-audited)
For the Period ended June 30, 2023

| | 01 January 2023 to 30 June 2023 | 01 January 2022 to 30 June 2022 | 01 April 2023 to 30 June 2023 | 01 April 2022 to 30 June 2022 |
|--|------------------------------------|------------------------------------|----------------------------------|----------------------------------|
| Particulars | BDT | BDT | BDT | BDT |
| Interest Income | 2,076,837,734 | 1,651,828,397 | 1,071,265,240 | 836,694,064 |
| Less: Interest Paid on Deposit and Borrowing, etc. | 1,773,903,647 | 1,458,529,526 | 888,178,035 | 779,909,026 |
| Net Interest Income | 302,934,087 | 193,298,871 | 183,087,205 | 56,785,038 |
| Income from Investment | 643,372,609 | 761,947,927 | 281,720,799 | 199,066,840 |
| Commission, Exchange and Brokerage | 479,288,673 | 398,418,974 | 221,626,896 | 296,415,264 |
| Other Operating Income | 48,273,052 | 36,813,306 | 27,129,705 | 24,821,814 |
| | 1,170,934,335 | 1,197,180,208 | 530,477,400 | 520,303,918 |
| Total Operating Income | 1,473,868,422 | 1,390,479,079 | 713,564,605 | 577,088,956 |
| Less: Operating Expenditure | | | | |
| Salary and Allowances | 320,035,438 | 286,308,534 | 166,684,103 | 152,390,182 |
| Rent, Tax, Insurance, Electricity | 50,529,646 | 42,579,630 | 27,359,199 | 22,609,375 |
| Legal Expense | 449,325 | 580,435 | 332,825 | 395,591 |
| Postage, Stamps and Telephone | 10,363,014 | 8,861,049 | 5,834,603 | 4,799,661 |
| Printing, Stationery, Advertisement | 26,658,463 | 18,312,896 | 11,788,568 | 10,971,408 |
| Managing Director's Remuneration | 8,832,500 | 9,300,000 | 4,416,250 | 5,150,000 |
| Directors' Fee | 976,800 | 888,800 | 642,400 | 739,200 |
| Depreciation on and Repair to Bank's Property | 138,915,921 | 122,237,059 | 67,414,163 | 62,273,388 |
| Other Expenditure | 121,809,556 | 104,211,848 | 61,305,228 | 64,227,986 |
| Total Operating Expenses | 678,570,664 | 593,280,251 | 345,777,339 | 323,556,791 |
| Profit Before Provision | 795,297,758 | 797,198,828 | 367,787,266 | 253,532,165 |
| Provision for Loans, Advances & Off Balance Sheet | | | | |
| General Provision | 78,355,732 | 23,369,177 | 97,250,994 | 89,669,177 |
| Specific Provision | 153,599,707 | 418,714,546 | 65,571,705 | 201,759,826 |
| Provision for Off Balance Sheet Exposures | 7,593,862 | 19,466,358 | (5,265,727) | 4,020,982 |
| Provision for diminution in Investments | - | 45,742,357 | (3,300,000) | 30,627,090 |
| Provision against Other Asset | 3,500,000 | 2,500,000 | 1,450,000 | 2,500,000 |
| Total Provision | 243,049,301 | 509,792,438 | 155,706,972 | 328,577,075 |
| Profit Before Tax | 552,248,457 | 287,406,390 | 212,080,294 | (75,044,910) |
| Less: Provision for Tax | 319,492,808 | 191,897,333 | 158,544,975 | 22,149,639 |
| Current Tax | 349,696,641 | 200,680,333 | 175,537,274 | 26,540,963 |
| Deferred Tax | (30,203,833) | (8,783,000) | (16,992,300) | (4,391,323) |
| Net Profit After Tax | 232,755,649 | 95,509,057 | 53,535,319 | (97,194,549) |
| Earnings Per Share | 0.36 | 0.15 | 0.08 | (0.15) |


Md. Zahirul Islam, FCA
 Chief Financial Officer


Md. Ansan-uz Zaman
 Managing Director & CEO


Dr. Mostafizur Rahman
 Director


Khalid Mohammad Sharif, FCS
 Company Secretary


Mrs. Nisfer Zafarullah
 Chairman

Midland Bank Limited
Cash Flow Statement (Un-Audited)
For the year ended 30 June 2023

A) Cash Flow From Operating Activities:

Interest Received
Interest Paid on Deposits, Borrowings, etc.
Dividend Income
Fees & Commission Income
Recoveries of Loans previously written off
Cash Paid to Employees as Salaries and Allowances
Income Tax Paid
Cash Received From Other Operational Income
Cash Paid for Other Operational Expenses

Cash Flow From Operating Activities Before Changes in Net Current Asset

Changes in Net Current Asset :

Investment in Treasury Bond
Loans & Advances
Other Asset
Non-Banking Assets
Bank Deposit
Customers' Deposit
Borrowing from Other Banks, Financial Institutions & Agents
Other Liabilities

Net Cash Flow From Operating Activities

B) Cash Flow From Investing Activities:

Investments in Shares & Bonds
Proceeds from Sale of Fixed Assets
Purchase of Fixed Asset

Net Cash Flow From Investing Activities

C) Cash Flow From Financing Activities:

Receipts from Issue of Capital
Dividend Paid

Net Cash Flow From Financing Activities

D) Net Increase in Cash and Cash Equivalents

E) Effect of Changes of Exchange Rates on Cash and Cash Equivalents

F) Opening Cash and Cash Equivalents


Closing Cash and Cash Equivalents (D+E+F)

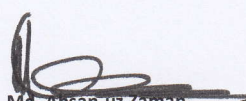
The above closing Cash and Cash Equivalents include:

Cash in Hand
Balance with Bangladesh Bank and its Agent Bank
Balance with Other Banks & Financial Institutions
Money at Call and Short Notice
Treasury Bill
Prize Bond


Net Operating Cash Flow Per Share

| 01 January 2023 to 30 June 2023 | 01 January 2022 to 30 June 2022 |
|------------------------------------|------------------------------------|
| BDT | BDT |
| 2,684,367,814 | 2,098,469,317 |
| (1,596,168,877) | (1,178,821,807) |
| 50,642,589 | 44,055,699 |
| 475,474,806 | 398,418,974 |
| - | - |
| (328,867,938) | (295,608,534) |
| (251,923,846) | (409,939,021) |
| 48,273,052 | 36,813,306 |
| (233,151,556) | (267,950,622) |
| 848,646,044 | 425,437,312 |
| (1,268,763,122) | (3,458,145,775) |
| 1,196,506,741 | (2,131,903,675) |
| (98,910,832) | 102,880,292 |
| - | - |
| (2,360,916,997) | (2,584,618,699) |
| 2,117,006,030 | 4,766,834,135 |
| 296,665,067 | 4,526,499,468 |
| 401,613,304 | 293,383,285 |
| 283,200,190 | 1,514,929,033 |
| 1,131,846,234 | 1,940,366,345 |
| 170,653,140 | (1,160,631,473) |
| - | - |
| (175,059,373) | (39,394,754) |
| (4,406,233) | (1,200,026,226) |
| 700,000,000 | - |
| (319,834,877) | - |
| 380,165,124 | - |
| 1,507,605,125 | 740,340,118 |
| 3,813,867 | - |
| 6,184,288,623 | 5,299,765,231 |
| 7,695,707,615 | 6,040,105,349 |
| 725,448,626 | 725,520,839 |
| 3,016,504,835 | 2,110,569,860 |
| 2,746,417,420 | 3,183,311,250 |
| 420,000,000 | 20,000,000 |
| 786,549,435 | - |
| 787,300 | 703,400 |
| 7,695,707,615 | 6,040,105,349 |
| 1.77 | 3.03 |


Md. Zahirul Islam, FCA
Chief Financial Officer


Md. Ansan-uz Zaman
Managing Director & CEO



Dr. Mostafizur Rahman
Director



Khalid Mohammad Sharif, FCS
Company Secretary



Mrs. Nilufer Zafarullah
Chairman

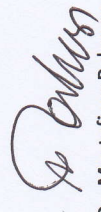
Midland Bank Limited
Statement of Changes in Equity (Un-Audited)
As on 30 June 2023

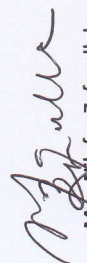
| Particulars | Paid-up Capital | Statutory Reserve | Revaluation Surplus on Investments | Retained Earnings | Total |
|---|-----------------|-------------------|------------------------------------|-------------------|---------------|
| | BDT | BDT | BDT | BDT | BDT |
| Balance as at 01 January 2023 | 5,696,697,530 | 1,626,329,243 | 1,155,553 | 322,357,157 | 7,646,539,483 |
| Receipts from Issue of Capital | 700,000,000 | - | - | - | 700,000,000 |
| Dividend paid | - | - | - | (319,834,877) | (319,834,877) |
| Revaluation Reserve transferred during the period | - | - | 904,212 | - | 904,212 |
| Net Profit for the year after tax | - | - | - | 232,755,649 | 232,755,649 |
| Appropriation made during the period | - | 110,449,691 | - | (110,449,691) | - |
| Transferred to Start Up Fund | - | - | - | (2,327,556) | (2,327,556) |
| Balance as at 30 June 2022 | 6,396,697,530 | 1,736,778,935 | 2,059,765 | 122,500,682 | 8,258,036,911 |
| Balance as at 31 December 2022 | 5,696,697,530 | 1,626,329,243 | 1,155,553 | 322,357,157 | 7,646,539,482 |


Md. Zahirul Islam, FCA
 Chief Financial Officer


Khalid Mohammad Sharif, FCS
 Company Secretary


Md. Ansan-uz Zaman
 Managing Director & CEO


Dr. Mostafizur Rahman
 Director


Mrs. Milufer Zafarullah
 Chairman

Midland Bank Limited
Selected explanatory notes

as at and for the 2nd quarter ended from 1 January 2023 to 30 June 2023

1 Activities of the Bank

The principal activities of the Bank are to provide a comprehensive range of financial products (loans & deposits), personal and commercial banking, trade services, cash management, treasury, securities and custody services. The Bank does have a separate Off shore Banking Unit under Offshore Banking Operation (OBO) since 20 June 2020. The activities of the unit is to give loans (on and off -balance sheet exposures) and take deposits only in freely convertible foreign currencies to and from non-resident person/institutions, fully foreign owned EPZ companies etc. as per Offshore Banking Policy issued by Bangladesh Bank.

2 Basis of Preparation and Significant Accounting Policies

Basis of preparation, accounting policies and estimates applied in these financial statements as at and for the 2nd quarter ended 30 June 2023 are same as those applied in the audited annual financial statements for the year ended 31 December 2022. Certain selected explanatory notes are given below:

Basis of Preparation

2.01 Statement of compliance

The financial statements of the Bank as at and for the half year ended 30 June 2023 have been prepared under the historical cost convention except Govt treasury securities (bills/bonds) classified as held for trading (HFT) which are measured at fair value, and in accordance with International Financial Reporting Standards (IFRSs), the "First Schedule" (section 38) of the Bank Company Act 1991 (as amendment up to date), BRPD Circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, the Company Act 1994, the Securities and Exchange Rules 1987, Dhaka and Chittagong Stock Exchange's listing regulations and other laws and rules applicable in Bangladesh. In case the requirement of provisions and circulars issued by Bangladesh Bank differ with those of other regulatory authorities and accounting standards, the provisions and circulars issued by Bangladesh Bank shall prevail.

2.02 Functional and presentation currency

These financial statements of the Bank are presented in BDT and the Bank's functional currency except OBU where functional currency is US Dollar (USD). All financial information presented in BDT has been rounded to the nearest integer, except when otherwise indicated.

2.03 Use of estimates and judgements

The preparation of financial statements of the Bank in conformity with BFRSs require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expense. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected. Significant accounting policies accounting policies set out have been applied consistently to all periods presented in these financial statements, and have been applied consistently by group entities, except otherwise instructed by the Central Bank as prime regulator. Certain comparative amounts in these financial statements have been reclassified and rearranged to conform to the current period's presentation.

2.04 Revenue Recognition

The revenue during the period is recognized following all conditions of revenue recognition as prescribed by IFRS - 15.

2.05 Cash Flow Statement

Cash Flow Statement is prepared in accordance with International Accounting Standard (IAS) 7 'Cash Flow Statement' and under the guideline of BRPD Circular No.14 dated 25 June 2003. The Statement shows the Structure of Changes in cash and cash equivalents during the period.

2.06 Statement of Changes in Equity

Statement of changes in equity is prepared in accordance with International Accounting Standard (IAS) 1 'Presentation of Financial Statements' and relevant guidelines of Bangladesh Bank.


2.07 Earnings per share

Earnings per share (EPS) has been computed by dividing the profit after tax (PAT) by the number of ordinary shares outstanding as on 30 June 2023 as per IAS- 33 "Earnings Per Share".

2.08 Credit Rating of the Bank

As per BRPD circular no. 6 dated 5 July 2006, the bank has done its credit rating by Emerging Credit Rating Limited (ECRL) based on the financial statements as at and for the year ended 31 December 2022. The following ratings have been awarded:

| Periods | Date of Rating | Surveillance Rating | | Outlook |
|--------------------------|----------------|---------------------|------------|---------|
| | | Long term | Short term | |
| January to December 2022 | 25-Jun-23 | A+ | ST-2 | Stable |
| January to December 2021 | 29-Jun-22 | A+ | ST-2 | Stable |
| January to December 2020 | 17-Jun-21 | A1 | ST-2 | Stable |



Midland Bank Limited
Selected explanatory notes
as at and for the 2nd quarter ended from 1 January 2023 to 30 June 2023

2.09 General

Reporting Period

the reporting period of these financial statements of the Bank cover from 1 January 2023 to 30 June 2023.

Review of the Financial Statements

These financial statements were reviewed by the Audit Committee of the Board of MDB in its 45 meeting held on

27 July 2023 and was subsequently approved by the Board in its 142 meeting held on the same date.

2.10 Additional Disclosure in compliance with BSEC notification dated 20 June 2018:

Significant deviation between two quarterly periods and reasons therefore:

Figures are in BDT Crore

| Particulars | January to June 2023 | January to June 2022 | Increase / (Decrease) | Reasons |
|------------------------------|----------------------|----------------------|-----------------------|--|
| Net Interest Income | 30.29 | 19.33 | 10.96 | Net interest income increased by BDT 10.96 crore due to increase interest income. |
| Income from investments | 64.34 | 76.19 | (11.85) | Income from investments has decreased by BDT 11.85 crore mainly due to capital loss on investment in govt. securities increased. |
| Specific provision (expense) | 15.36 | 41.87 | (26.51) | Incremental specific provision has decreased due to incremental CL (classified loan) is lower compare to previous period. |

Number of ordinary shares with face value and date of issues:

Number of ordinary shares as on 30 June 2023 was 639,669,753 with a face value BDT 10 per share.

Calculation of NAV per share:

| Particulars | Bank | |
|--|-----------|-----------|
| | 30-Jun-23 | 31-Dec-22 |
| Net Assets Value (NAV) in crore | 825.80 | 764.65 |
| Net Assets Value per share in BDT (restated) | 12.91 | 11.95 |

Calculation of NAVPS:

$$\frac{\text{Net Asset Value}}{\text{No of shares outstanding}}$$

Calculation of EPS and NOCFPS:

| Particulars | Bank | |
|--|----------------------|----------------------|
| | January to June 2023 | January to June 2022 |
| Earnings Per Share (EPS) in BDT (restated) | 0.36 | 0.15 |
| Net Operating Cash Flow per share (NOCFPS) in BDT (restated) | 1.77 | 3.03 |

Calculation of EPS:

$$\frac{\text{Profit After Tax}}{\text{No of shares outstanding}}$$

Calculation of NOCFPS:

$$\frac{\text{Net Operating Cash Flow}}{\text{No of shares outstanding}}$$

