

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

	Notes	September 2023 BDT	December 2022 BDT
<u>PROPERTY AND ASSET</u>			
Cash		3,397,188,957	3,494,965,793
In Hand (Including Foreign Currency)		824,522,471	782,034,355
With Bangladesh Bank and its agent Bank (including Foreign Currency)		2,572,666,486	2,712,931,437
Balance with other Banks & Financial Institutions		2,849,255,041	2,568,427,930
In Bangladesh		2,431,971,041	2,455,383,089
Outside Bangladesh		417,284,000	113,044,841
Money at Call and Short Notice		20,000,000	120,000,000
Investments		17,956,537,297	16,905,790,238
Government		14,463,348,850	13,186,012,591
Others		3,493,188,447	3,719,777,647
Loans and Advances/ Investments		53,403,755,628	52,792,807,266
Loans Cash Credit Overdrafts etc./ Investment		50,049,770,939	49,606,134,790
Bills Purchased and Discounted		3,353,984,689	3,186,672,476
Fixed Asset including Premises Furniture & Fixtures		620,552,285	574,669,903
Other Asset		4,567,373,299	3,397,619,330
Non-Banking Asset		12,585,359	12,585,359
Total Property and Asset		82,827,247,867	79,866,865,819
<u>LIABILITIES AND CAPITAL</u>			
Borrowing from other Banks Financial Institutions & Agents		8,366,505,153	8,243,230,054
Deposit and Other Accounts		57,770,679,230	57,763,010,073
Current Deposit & Other Accounts		9,451,325,448	8,881,655,198
Bills Payable		414,075,904	293,988,162
Short Notice Deposit		6,155,546,944	7,512,112,992
Savings Deposit		5,321,802,381	5,071,243,226
Fixed Deposit		30,674,880,401	30,664,800,460
Deposit Scheme		5,753,048,152	5,339,210,034
Other Liabilities		8,294,397,269	6,214,086,209
Total Liabilities		74,431,581,652	72,220,326,337
Capital/Shareholders' Equity	4.00	8,395,666,215	7,646,539,482
Paid up Capital		6,396,697,530	5,696,697,530
Statutory Reserve		1,645,410,740	1,626,329,243
Revaluation Reserve on Investment in Securities		2,004,105	1,155,553
Retained Earnings		351,553,840	322,357,156
Total Liabilities and Shareholders' Equity		82,827,247,867	79,866,865,819
Net Asset Value (NAV) per share	5.00	13.13	11.95







Notes

September 2023 December 2022
BDT BDT

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

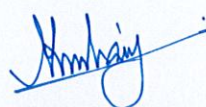
Undrawn formal standby facilities credit lines and other commitments

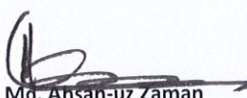
Liabilities against forward purchase and sale

Total Off Balance Sheet Items including Contingent Liabilities


September 2023 BDT	December 2022 BDT
12,510,254,012	12,674,943,388
2,346,600,804	2,372,539,171
6,041,755,908	5,299,179,936
2,719,163,150	3,627,750,631
1,402,734,150	1,375,473,650
-	-
-	-
-	-
-	-
-	-
12,510,254,012	12,674,943,388


Md. Zahirul Islam, FCA
 Chief Financial Officer


Khalid Mohammad Sharif, FCS
 Company Secretary

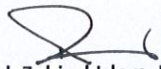

Md. Ansan-uz Zaman
 Managing Director & CEO

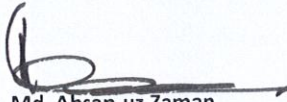

Rezaul Karim
 Director

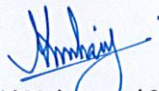

Mrs. Nilufer Zafarullah
 Chairman

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

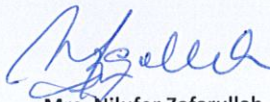
	Notes	01 January 2023 to 30 September 2023	01 January 2022 to 30 September 2022	01 July 2023 to 30 September 2023	01 July 2022 to 30 September 2022
Particulars		BDT	BDT	BDT	BDT
Interest Income		3,238,108,466	2,587,401,088	1,161,270,732	935,572,691
Less: Interest Paid on Deposit and Borrowing, etc.		2,714,547,637	2,284,474,260	940,643,991	825,944,734
Net Interest Income		523,560,829	302,926,829	220,626,741	109,627,958
Income from Investment		1,041,242,329	1,103,935,443	397,869,720	341,987,515
Commission, Exchange and Brokerage		557,713,061	520,017,395	78,424,387	121,598,420
Other Operating Income		83,350,924	58,923,164	35,077,871	22,109,858
		1,682,306,314	1,682,876,001	511,371,979	485,695,793
Total Operating Income		2,205,867,142	1,985,802,830	731,998,720	595,323,751
Less: Operating Expenditure					
Salary and Allowances		505,328,312	439,462,120	185,292,874	153,153,585
Rent, Tax, Insurance, Electricity		80,671,024	83,297,822	30,141,378	40,718,192
Legal Expense		1,542,259	1,216,699	1,092,933	636,265
Postage, Stamps and Telephone		17,080,091	14,084,503	6,717,077	5,223,454
Printing, Stationery, Advertisement		41,253,165	28,427,417	14,594,702	10,114,521
Managing Director's Remuneration		15,124,798	14,450,000	6,292,298	5,150,000
Directors' Fee		1,980,000	1,531,200	1,003,200	642,400
Depreciation on and Repair to Bank's Property		207,232,825	176,666,625	68,316,905	54,429,566
Other Expenditure		177,470,647	128,201,191	55,661,091	23,989,343
Total Operating Expenses		1,047,683,122	887,337,576	369,112,458	294,057,325
Profit Before Provision		1,158,184,020	1,098,465,254	362,886,262	301,266,425
Provision for Loans, Advances & Off Balance Sheet					
General Provision		38,449,032	(17,929,698)	(39,906,700)	(41,298,875)
Specific Provision		1,009,569,883	522,473,921	855,970,176	103,759,375
Provision for Off Balance Sheet Exposures		(1,919,498)	9,229,956	(9,513,360)	(10,236,402)
Provision for diminution in Investments		13,177,120	76,350,684	13,177,120	30,608,327
Provision against Other Asset		3,500,000	22,500,000	-	20,000,000
Total Provision		1,062,776,537	612,624,863	819,727,236	102,832,425
Profit Before Tax		95,407,483	485,840,391	(456,840,974)	198,434,001
Less: Provision for Tax		(276,423,888)	296,637,073	(595,916,696)	104,739,740
Current Tax	3.01	453,896,613	309,812,073	104,199,971	109,131,740
Deferred Tax	3.02	(730,320,501)	(13,175,000)	(700,116,667)	(4,392,000)
Net Profit After Tax		371,831,371	189,203,318	139,075,722	93,694,261
Earnings Per Share	6.00	0.58	0.30	0.22	0.15


Md. Zahirul Islam, FCA
 Chief Financial Officer


Md. Ahsan-uz Zaman
 Managing Director & CEO


Khalid Mohammad Sharif, FCS
 Company Secretary


Rezaul Karim
 Director


Mrs. Nilufer Zafarullah
 Chairman


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

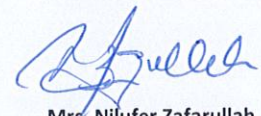
	Notes	01 January 2023 to 30 September 2023	01 January 2022 to 30 September 2022
		BDT	BDT
A) Cash Flow From Operating Activities:			
Interest Received		4,153,552,556	3,239,621,906
Interest Paid on Deposits, Borrowings, etc.		(2,253,592,838)	(2,700,215,562)
Dividend Income		79,429,681	70,704,085
Fees & Commission Income		551,678,972	520,017,395
Recoveries of Loans previously written off		-	-
Cash Paid to Employees as Salaries and Allowances		(520,453,110)	(453,912,120)
Income Tax Paid		(418,059,518)	(409,939,021)
Cash Received From Other Operational Income		83,350,924	58,923,164
Cash Paid for Other Operational Expenses		(354,343,649)	(376,963,306)
Cash Flow From Operating Activities Before Changes in Net Current Asset		1,321,563,017	(51,763,459)
Changes in Net Current Asset :			
Investment in Treasury Bond		(1,122,493,539)	(1,893,333,323)
Loans & Advances		(610,948,362)	(5,225,804,769)
Other Asset		25,190,392	(26,093,577)
Non-Banking Assets		-	-
Bank Deposit		(1,065,994,930)	(1,260,075,277)
Customers' Deposit		692,327,103	5,210,356,870
Borrowing from Other Banks, Financial Institutions & Agents		123,275,098	4,314,976,489
Other Liabilities		480,301,782	418,935,168
		(1,478,342,455)	1,538,961,581
Net Cash Flow From Operating Activities		(156,779,438)	1,487,198,122
B) Cash Flow From Investing Activities:			
Investments in Shares & Bonds		226,589,200	(1,068,406,989)
Purchase of Fixed Asset		(218,964,531)	(47,584,294)
Net Cash Flow From Investing Activities		7,624,669	(1,115,991,283)
C) Cash Flow From Financing Activities:			
Receipts from Issue of Capital		700,000,000	-
Dividend Paid		(319,834,877)	(284,834,877)
Net Cash Flow From Financing Activities		380,165,124	(284,834,877)
D) Net Increase in Cash and Cash Equivalents		231,010,355	86,371,963
E) Effect of Changes of Exchange Rates on Cash and Cash Equivalents		6,034,089	-
F) Opening Cash and Cash Equivalents		6,184,288,623	5,299,765,231
Closing Cash and Cash Equivalents (D+E+F)		6,421,333,066	5,386,137,194
The above closing Cash and Cash Equivalents include:			
Cash in Hand		824,522,471	681,059,933
Balance with Bangladesh Bank and its Agent Bank		2,572,666,486	2,175,436,316
Balance with Other Banks & Financial Institutions		2,849,255,041	2,388,765,911
Money at Call and Short Notice		20,000,000	40,339,100
Treasury Bill		154,094,768	99,884,833
Prize Bond		794,300	651,100
		6,421,333,066	5,386,137,194
Net Operating Cash Flow Per Share	7.00	-0.25	2.32


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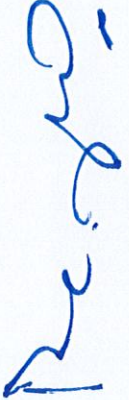
Midland Bank Limited
Statement of Changes in Equity (Un-Audited)
As on 30 September 2023

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		322,357,156		7,646,539,482	
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	-		-		848,552		-		848,552	
Net Profit for the year after tax	-		-		-		371,831,371		371,831,371	
Appropriation made during the period	-		19,081,497		-		(19,081,497)		-	
Transferred to Start Up Fund	-		-		-		(3,718,314)		(3,718,314)	
Balance as at 30 September 2023	6,396,697,530		1,645,410,740		2,004,105		351,553,840		8,395,666,215	
Balance as at 31 December 2022	5,696,697,530		1,626,329,243		1,155,553		322,357,156		7,646,539,482	


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Midland Bank Limited
Selected explanatory notes
as at and for the third quarter ended from 1 January 2023 to 30 September 2023

1.00 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.

2.00 Basis of Preparation and Significant Accounting Policies

Basis of preparation, accounting policies and estimates applied in these financial statements as at and for the third quarter ended 30 September 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:

2.01 Statement of compliance

The financial statements of the Bank as at and for the third quarter ended 30 September 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 31 March 2023 as per IAS- 33 "Earnings Per Share".

2.08 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 September 2023	January to September 2022	Increase / (Decrease)	Reasons
Net Interest Income	52.35	30.29	22.06	Net interest income increased by BDT 22.06 crore due to increase interest income.
Specific provision (expense)	100.96	52.25	48.71	Incremental specific provision has increased due to incremental CL (classified loan) is higher compare to previous period.
Provision for tax	-27.64	29.66	57.30	Tax expenses for the concerned period is significant lower than previous period mainly for deferred tax income on provision for classified loan.

3.00 According to IAS-12 "Income Taxes", Current Tax comprises of Operating Profit before Provision after adjustment of permanent disallowances.

Required provision for current tax has been calculated on operating profit before provision as per the Income Tax Ordinance 1984 as well as according to IAS 12, so the tax rates stood at 39.19% and 28.20% for the Q3 of 2023 and Q3 for 2022 respectively which is shown below:

Particulars	01 January to 30 September 2023	01 January to 30 September 2022
Operating profit before Provision	1,158,184,020	1,098,465,254
Provision for Current Tax	453,896,613	309,812,073
Effective Tax rate	39.19%	28.20%

3.01 Calculation of Effective Tax Rate

As per the Paragraph 81(c) of IAS 12 "Income Tax" a numerical reconciliation between the average effective Tax Rate and the applicable Tax Rate are as follows:

<u>Particulars</u>	<u>BDT</u>
Operating Profit Before Provision & Tax	1,158,184,020
Less: Items to be considered separately	81,036,654
	1,077,147,366
Add: Inadmissible expenses	176,259,933
	1,253,407,299
Less: Admissible expenses	85,779,553
Income from Business	1,167,627,746
Add: Income from Dividend	79,325,428
Add: Gain on investment in shares	1,711,226
Total Taxable income	1,248,664,400
Calculation of Tax Liabilities	
	BDT
Income from Business	1,167,627,746 @
Income from Dividend	79,325,428 @
Gain on investment in shares	1,711,226 @
	Rate
	37.50%
	20.00%
	10.00%
Total Taxable Income	1,248,664,400
	Tax liability
	453,896,613
Total Provision for Current Tax	453,896,613
Operating profit before Provision	1,158,184,020
Effective Tax rate	39.19%

3.02 Calculation of Deferred Tax:

	BDT
Taxable temporary difference arising from the carrying value of Assets	(124,914,240)
Deductibles temporary difference arising from the provision for classified loan	2,074,006,907
Net deductible temporary difference (a)	1,949,092,667
Tax rate (b)	37.50%
Closing deferred tax assets (a X b)	730,909,750
Opening deferred tax assets	589,250
Deferred tax (income)/expenses of the Bank	(730,320,501)

4.00 Composition of Shareholders' Equity:

	BDT
Paid up Capital (639,669,753 Ordinary shares @ 10.00 each)	6,396,697,530
Statutory Reserve	1,645,410,740
Revaluation Reserve on Investment in Securities	2,004,105
Retained earnings	351,553,840
Total Shareholders' Equity	8,395,666,215

5.00 Calculation of NAV per share:

Particulars	30-Sep-23	30-Sep-22	31-Dec-22
A. Net Assets Value (NAV)	8,395,666,215	7,288,009,643	7,646,539,482
B. No. of shares outstanding	639,669,753	639,669,753	639,669,753
C. Net Assets Value per share in BDT (restated) [A/B]	13.13	11.39	11.95

6.00 Calculation of EPS

Particulars	30-Sep-23	30-Sep-22
A. Net Profit After Tax	371,831,371	189,203,318
B. No. of shares outstanding	639,669,753	639,669,753
C. Earnings Per Share (EPS) in BDT (restated) [A/B]	0.58	0.30

7.00 Calculation of NOCFPS:

Particulars	30-Sep-23	30-Sep-22
A. Net Operating Cash Flow	(156,779,438)	1,487,198,122
B. No. of shares outstanding	639,669,753	639,669,753
Net Operating Cash Flow per share (NOCFPS)in BDT (restated)	-0.25	2.32

8.00 Reconciliation of statement of cash flows from operating activities

	01 January to 30 September 2023	01 January to 30 September 2022
	<u>BDT</u>	<u>BDT</u>
Profit before provision	1,158,184,020	1,098,465,254
Adjustment for non-cash items	55,955,809	56,462,151
Depreciation on fixed assets	50,374,832	49,491,147
Amortization on software	5,580,977	6,971,004
Adjustment with non-operating activities	525,482,707	(796,751,843)
Recovery of written off loan	-	-
Accounts Receivable	(46,577,064)	(367,193,300)
Accounts Payable on deposits	572,048,482	(429,621,780)
Loss on sale of assets	11,289	63,237
Changes in operating assets and liabilities		
Investment in Treasury Bond	(1,122,493,539)	(1,893,333,323)
Loans & Advances	(610,948,362)	(5,225,804,769)
Other Asset	25,190,392	(26,093,577)
Non-Banking Assets	-	-
Bank Deposit	(1,065,994,930)	(1,260,075,277)
Customers' Deposit	692,327,103	5,210,356,870
Borrowing from Other Banks, Financial Institutions & Agents	123,275,098	4,314,976,489
Other Liabilities	480,301,782	418,935,168
	(1,478,342,455)	1,538,961,581
Income tax paid	(418,059,518)	(409,939,021)
Net Cash Flow from Operating Activities	(156,779,438)	1,487,198,122

9.00 Related Party Transaction

As per the Paragraph 15B(j) of IAS 34: "Interim Financial Report", The following related party transactions as on 30 September 2023:

Name of party	Nature of Transaction	Name of Party	Amount
Mrs. Nilufer Zafarullah, Director	Office Rent	Hong Kong Shanghi Tower	20,958,781
Mrs. Lutfa Begum, Sponsor Share Holder	Office Rent	Helal Tower	1,123,596

Name	Relationship	Nature of Transaction	Limit	Amount Outstanding Loan
Kazi Shayan Ekramullah	Family member of Director	Credit Card	500,000	369,475
A.K.M Badiul Alam	Director	Credit Card	500,000	58,108
Md. Wahid Miah	Director	Credit Card	500,000	101,999
Nilufer Zafarullah	Director	Credit Card	500,000	256,481
Anushka Mehreen Zafar	Director	Credit Card	500,000	57,351
Kazi Omar Zafar	Director	Credit Card	500,000	79,454
Zobaida Mahaboob Latif	Family member of Sponsor Shareholder	Credit Card	500,000	42,571
Ahsan Khan Chowdhury	Director	Credit Card	500,000	4,272
Mohammed Jamal Ullah	Director	Credit Card	500,000	345,787
Kazi Raihan Zafar	Director	Credit Card	500,000	422,204
Tazkia Labeeba Karim	Family member of Director	Credit Card	500,000	9,846
Najmun Nahar	Family member of Director	Credit Card	500,000	189,071
Manshood Alam	Family member of Director	Credit Card	200,000	24,430
Md Wazed Jamil	Family member of Director	Credit Card	500,000	75,693

10.00 Credit Rating of the Bank

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

11.0 General**Reporting Period**

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

Review of the Financial Statements

These financial statements were reviewed by the Audit Committee of the Board of MDB in its 46th meeting held on 26 October 2023 and was subsequently approved by the Board in its 146th meeting held on 29 October 2023.