কে. এম. হাসান এন্ড কোং
K. M. HASAN & CO.
Chartered Accountants
KMHCO.
SINCE1984

Hometown Apartments (8th & 9th Floor)
87, New Eskaton Road, Dhaka-1000
Phone: 222221564, 222221457, 58311559
Fax: 88-02-222225792
E-mail: info@kmhasan.com.bd
website: www.kmhasan.com.bd

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CERTIFICATE ON UTILIZATION OF PROCEEDS FROM PUBLIC OFFERING OF MIDLAND BANK LIMITED

For the quarter ended 31 December 2023

We have examined the accompanying Status Report on utilization of proceeds from public offering of Midland Bank Limited ("the Bank") for the quarter ended on 31 December 2023 with necessary documents/papers/vouchers produced to us during the course of our audit.

Responsibilities of the management and those charged with governance

Those charged with governance and management of the Bank are responsible for utilizing the proceeds from IPO in accordance with the terms and conditions of prospectus and preparation of Status Report on Utilization of proceeds from Public Offering in accordance with the conditions laid down in clauses 2, 3, 5, 6, 7 and 8 of Part-C of the consent letter BSEC/CI/IPO-327/2022/1148 dated 15 January 2023.

Responsibilities of the auditors

Our responsibility is to examine all the relevant documents in connection with the utilization of proceeds from IPO with reference to the Terms of Reference formulated by BSEC and certify whether the proceeds have been utilized and the Status Report has been prepared in accordance with the conditions of prospectus and clauses 3 and 4 of Part-C of the consent letter BSEC/CI/IPO-327/2022/1148 dated 15 January 2023.

Report of the auditors

Based on our audit of the accompanying Status of Utilization of IPO proceeds and with reference to all related documents of Midland Bank Limited as of 31 December, 2023, we certify that the balance IPO proceeds of Tk. 4,673,976 was utilized in the Investment in Government Securities (Treasury Bill) during the quarter ended 31 December, 2023 in line with the conditions of the Commission's consent letter and the approval of shareholders in the Extra-Ordinary General Meeting held on 29 October, 2023. Thus the utilization of the IPO proceeds has been completed for the purposes/heads specified in the prospectus.

For K. M. Hasan & Co.

Md. Amirul Islam FCS, FCA
Senior partner

Place: Dhaka
Dated: 09 January, 2024

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA

Midland Bank Limited
Report on Utilization of Initial Public Offering (IPO) Proceeds
For the quarter ended 31 December 2023

Amount (BDT) of Capital Raised Through IPO	**: Tk. 700,000,000**
Date of Closure of Subscription	**: 23 February 2023**
Proceeds Receiving Date	**: 23 March 2023**
Last Date of Full Utilization of Fund as per Prospectus	**: Within 06 Months from receiving of IPO fund**

Sl. No.	Purpose Mentioned in the Prospectus	Time line as per prospectus	Amount as per prospectus (BDT)	Revised Allocation	Status of Utilization								Remarks
					1st quarter (30.03.2023)	2nd quarter (30.06.2023)	Third quarter (30.09.2023)	4th quarter (31.12.2023)	Total amount utilized (BDT)	Percentage of utilization (%)	Total un-utilized amount (BDT)	Percentage of un-utilization (%)	
1	Investment in Government Securities (Bill/Bond)	22/09/2023	611,101,545	615,775,521	-	611,101,545	-	4,673,976	615,775,521	100%	-	0%	
2	Investment in the Secondary Market (Listed A Category Shares)		50,000,000	50,000,000	-	50,000,000	-	-	50,000,000	100%	-	0%	
3	IPO Expenses		38,898,455	34,224,479	32,385,679	1,838,800	-	-	34,224,479	100%	-	0%	
	Total		**700,000,000**	**700,000,000**	**32,385,679**	**662,940,345**	**-**	**-**	**700,000,000**	**100%**	**-**	**0%**	

Note:

a) Actual application was received for an amount of Tk. 518,641,500 out of total IPO offering of Tk. 700,000,000, which is almost 0.74 times. Remaining shares offered through IPO was subscribed by the Underwriters for an amount of Tk. 181,698,500. Thus, the Bank received the total amount of Tk. 700,000,000 in the IPO Collection Account on 23/03/2023.

b) The general shareholders of Midland Bank Limited in the 1st Extra-Ordinary General Meeting held on 29 October 2023 unanimously approved for transfer of the un-utilized amount of Tk. 4,673,976 (as stipulated in the Report on Utilization of Initial Public Offering (IPO) Proceeds as on 30 September 2023) under the head of 'IPO Expenses' towards 'Investment in Government Securities (Bill/Bond)' within one month of approval of general shareholders, for full utilization of IPO proceeds. Accordingly, Midland Bank Limited invested Tk. 4,673,976 in Government Securities (Treasury Bill) on 02 November, 2023.

Upon examining the investment of the IPO proceeds, we do hereby certify that the total IPO proceed Tk. 700,000,000 has been fully utilized as per terms of the IPO Consent Letter issued by Bangladesh Securities and Exchange Commission and approval of shareholder in the Extra-Ordinary General Meeting held on 29 October 2023.

This status report of utilization of initial public offering proceeds has been approved by the board of directors on 09 January 2024 and signed by the authorized signatories.

Md. Zahirul Islam, FCA
Chief Financial Officer

Md. Ahsan-uz Zaman
Managing Director

Nilufer Zafarullah
Chairman

Subject to our separate report of even date

For K. M. HASAN & CO.

Md. Amirul Islam FCS, FCA
Senior Partner

Place: Dhaka
Dated: 09 January 2024

K.M. HASAN & CO. CHARTERED ACCOUNTANTS DHAKA