

Financial Statements

for the year ended 31 December 2022



61

Consolidated Cash Flow Statement for the year ended 31 December 2022 Amount in Taka **Particulars** 2022 Cash flows from operating activities Interest receipts in cash Interest payments Dividend receipt 17,316,405,256 21,904,263,247 (9,341,995,181 (7,632,264,582) 207,219,974 51,435,512 2,281,723,057 Fees and con 3,402,500,927 Fees and commission receipts in cash Recoveries of loans previously written off Cash payments to employees Cash payments to suppliers Income taxes paid Receipts from other operating activities Payments for other operating activities Cash generated from operating activities before changes in operating assets and liabilities sion receipts in cash 260.927.622 (4,174,090,425) (707,150,978) (2,675,129,375) 2,612,573,355 (4,586,750,590) (804,083,781) (3,083,478,390 7,060,943,172 5,844,472,865 Increase / (decrease) in operating assets and Habilities Purchase of trading securities (Treasury bills) Loans and advances to customers (31,521,194,929) (444,602,340) 28,468,534,912 (35,675,902,094) Other assets Deposits from other banks / borrowings Deposits from customers Other liabilities account of customers (138,052,149) 17,577,792,963 9,268,604,978 12,183,513,273 394,819,471 (632,205,149) 1,011,718,082 (7,375,259,730) 5,087,379,269 (314,316,558) 10,931,852,134 Net cash from operating activities B) Cash flows from investing activities Purchase of property, plant and equipment Proceeds from sale of property, plant and equipment Net cash used in investing activities (3,612,252,309) (1,262,660,405) C) Cash flows from financing activities Payments for redemption of sub-ordinated Repayment of borrowings and leasing liabilities Divideor hald Dividend paid Net cash used in financing activities (3,832,959,922) (4,037,976,933) Net increase / (decrease) in cash and cash equivalents (A+ B + C) Effects of exchange rate changes on cash and cash equivalents Cash and cash equivalents at beginning of the year (D+E+F) Cash and cash equivalents at end of the year (D+E+F) 3,281,622,892 28,265,687,613 22,946,687,280 Cash and cash equivalents at end of the year Cash in hand (including foreign currencies) (sete-3) Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies) (nete-3) Balance with other banks and financial institutions (nete-4) Prize bonds (nete-6a) 3,515,224,316 4,192,297,236 13,951,880,155 5,475,899,610 11,677,721,619 12,391,565,858 4,102,900 28,265,687,613 22,946,687,280 These financial statements should be read in conjunction with the

Consolidated Statement of Changes in Equity

Chairman

sd/-

Chairman

Dated, 05 April 2023

Dated, 05 April 2023

for the year ended 31 December 2022

Particiani	Philisp capital	Statutory menos	Several reserve	Short Innin	Non controlling letterest	Assolution reserve	Revolution gain / less on Investments	F.C. translation gain	Arbinol currings	Total
	Take	Take	Take	Toka	Tela	Take	Take	Telse	Talo	Take
Belance stat Ethniany 2002	11,30,69,770	10,301,411,500	79,000,088	1,711,801,786	- 57	1,407,170,994	77,762,255	30,600,019	5,211,854,851	21,731,303,99
DESCRIPTIVE STREET, ST									1539,411	3,800
Sirplus i (Mrkt) or would of revolution of provides	E	197		+	(+)	47,094,791	- 3	- 631		435670
Afjustment of fact year revoluntion gain on investments	- 63			+1	+	9.5	(33,58,34)	433	94	(30),100,34
Adjustment of off-enominating units							(228,627)	13	79	(228,32)
Surplus i-(Maffet) or aucount of revolution of investments	P3	+		10	- 3	99	175,615,316			PLANCE
Commo tomático diflerros		741	(*)				1.5	MARKEN	UKEKKE	MUNUT
Not pass and been set morphish in the income setemen.		30		+	180	31	123,985,293	15,15,10	1,331,281,01	2530,675,59
Ne pale for the year									1,094,061,20	139480,30
Owland (Screenhare)	- 8	345		£3		- 53	100	- (4)	1000000	-
Cash (Initianal		1.5		- 2	180	90	4		(190,9638)	(1,161,163,16)
Sket Penkin				+						William
Renosurement pint/lies/of defined benefits bibliographs	1 3	16	*	+	(4)	30			12(42)/11	20(62),41
Pikwelly interest		1.5	- 3	40	1	- 63	- 12	32	1	
Street of strans contrainingly share	-		7	47			- 3	- 20	- 39	- 3
Balanca as at 31 December 2012	11,312,404,710	33,353,413,384	28,002,866	1,711,001,706	30	1,501,136,313	122,965,290	105,115,002	2,471,000,013	12,178,670,021
Balance as at 21 December 2021	11,312,834,770	30,353,413,504	28,002,860	1,211,881,786	17	1,507,172,559	77,762,255	20,461,078	5,213,854,021	29,735,342,991

- Se - Sec	56.560	The same of the sa
Director	Director	Managing Director

sd/-

Balance Sheet

sd/-

as at 31 December 2022

Particulars	Notes Amount in Taka		
Tri VI (II) marananana	Notes	31 Dec 2022	31 Dec 2021
PROPERTY AND ASSETS			
Cash	3a		
Cash in hand (including foreign currencies)	100	3,515,103,923	4,175,754,565
Balance with Bangladesh Bank and its agent bank (s)	X .	Law against the same of	
(including foreign currencies)		13,951,880,155	11,677,721,619
		17,466,984,078	15,853,476,184
Balance with other banks and financial institutions	4a		
In Bangladesh		3,197,398,940	8,942,695,539
Outside Bangladesh		1,860,036,573	3,204,311,794
		5,057,435,513	12,147,007,333
Money at call on short notice	5	2. 15.7 (88)	812 (C. 182)
Investments	6a		
Government	722	63,858,940,387	53,969,145,650
Others	- 1	5,352,088,632	5,174,741,977
		69,211,029,019	59,143,887,627
Loans, advances and lease / investments			200000000000000000000000000000000000000
Loans, cash credits, overdrafts, etc./ investments	7a	253,345,232,744	221,701,136,687
Bills purchased and discounted	8a	43,136,116,527	41,314,211,162
	1000	296,481,349,271	263,015,347,849
Fixed assets including premises, furniture and fixtures	9a	8,917,065,250	8,325,699,812
Other assets	10a	36,055,297,579	31,172,459,495
Non - banking assets	11	220,500,640	220,500,640
Total assets		433,409,661,350	389,878,378,940
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	12a	77,079,066,963	62,061,332,558
Deposits and other accounts	13a.1.c		330000000000000000000000000000000000000

LIABILITIES AND CAPITAL LIABILITIES Borrowings from other banks, financial institutions and agents Deposits and other accounts	12a 13a.1.c	77,079,066,963	62,061,332,558
Current / Al-wadeesh current deposits Bills payable Savings bank / Mudaraba savings deposits Term deposits / Mudaraba term deposits Bearer certificate of deposit Other deposits		48,674,553,200 17,107,305,201 64,680,744,665 135,378,862,054	47,678,047,146 4,923,791,928 70,358,701,527 120,109,951,192
and adjusted		265,841,465,120	243,070,491,793
Other liabilities	14a	58,184,526,755	54,857,681,565
Total liabilities Capital / Shareholders' equity		401,105,058,838	359,989,505,916
Paid up capital	15.2	11,322,834,770	11,322,834,770
Share premium	15.8	1,211,881,786	1,211,881,786
Statutory reserve	16	10,353,413,584	10,353,413,584
Revaluation gain / (loss) on investments	17a	54,692,410	32,533,614
Revaluation reserve	18	1,555,128,315	1,507,173,559
Foreign currency translation gain Other reserve	19a	98,758,787	20,121,408
Surplus in profit and loss account / Retained earnings	20a	7,707,892,860	5,440,914,302
Total Shareholders' equity		32,304,602,512	29,888,873,023
Total liabilities and Shareholders' equity		433,409,661,350	389,878,378,940
OFF - BALANCE SHEET ITEMS			

			The second second second second second
OFF - BALANCE SHEET ITEMS Contingent liabilities	21a		
Acceptances and endorsements	21a.1	69.160.801.021	71,189,112,961
Letters of quarantee	21a.2	36,942,173,730	36,605,203,719
Irrevocable letters of credit	21a.3	37,867,388,098	46,643,694,270
Bills for collection	21a.4	14,697,739,443	13,667,430,360
Other contingent liabilities	PERCHASION	1177 MONTH (1774 (C-0400000000000000000000000000000000000
		158,668,102,292	168,105,441,310
Other commitments		/	
Documentary credits and short term trade -related transactions		=20000000000000000000000000000000000000	and the second
Forward assets purchased and forward deposits placed		773,449,556	1,758,763,90
Undrawn note issuance and revolving underwriting facilities		*	
Undrawn formal standby facilities , credit lines and other commitments		F .	
Liabilities against forward purchase and sale			
		773,449,556	1,758,763,902
Total Off-Ralance Sheet items including contingent liabilities		159 441 551 848	169 864 205 212

These financial statements should be read in conjunction with the annexed notes 1 to 56.

000		1990	1000000
sd/-	sd/-	sd/-	sd/-
Chairman	Director	Director	Managing Director

See annexed auditors' report to the Shareholders of the date.

ACNABIN, Chartered Accountants Abu Sayed Mohammed Nayeem PCA ICAB Enrollment No # 353 DVC: 2304270353AS685059

Profit and Loss Account

Particulars	Notes	Amount in Taka		
raidculais	Hotes	2022	2021	
Interest income / profit on investments	23a [18,197,460,058	14,851,645,019	
Interest / profit paid on deposits, borrowings, etc.	24a	(9,834,257,445)	(6,788,926,990)	
Net interest / net profit on investments	232	8,363,202,613	8,062,718,029	
Investment income	25a	3,907,651,541	4,115,098,793	
Commission, exchange and brokerage	26a	3,177,076,894	1,966,352,275	
Other operating income	27a	1,054,017,607	905,227,825	
Total operating income (A)	200	16,501,948,655	15,049,396,923	
Salaries and allowances	28a	4,501,527,055	4,091,407,906	
Rent, taxes, insurance, electricity, etc.	29a	451,781,093	516,005,024	
Legal expenses	30a	45,577,357	45,520,081	
Postage, stamp, telecommunication, etc.	31a	96,272,512	80,800,436	
Stationery, printing, advertisements, etc.	32a	246,422,421	214,862,736	
Managing Director's salary and fees	33	16,531,694	12,846,774	
Directors' fees	34a	5,725,656	5,318,946	
Auditors' fees	35a	1,518,000	1,380,000	
Charges on loan losses	36	*		
Depreciation and repair of Bank's assets	37a	854,472,832	847,481,350	
Other expenses	38a	1,534,058,905	993,059,181	
Total operating expenses (B)		7,753,887,524	6,808,682,435	
Profit / (loss) before provision (C=A-B)		8,748,061,131	8,240,714,487	
Provision for loans & advances	39a	2,622,123,163	1,897,414,706	
Provision for diminution in value of investments	39a		100000000000000000000000000000000000000	
Other provisions	39a	(105,623,163)	746,988,687	
Total provision (D)	-	2,516,500,000	2,644,403,393	
Total profit / (loss) before taxes (C-D) Provision for taxation	-	6,231,561,131	5,596,311,094	
Current tax	40a	2,844,606,850	3,024,268,492	
Deferred tax	200	(634,894,951)	(538,983,219	
	-	2,209,711,899	2,485,285,273	
Net profit after taxation		4,021,849,232	3,111,025,821	
Retained earnings brought forward from previous years	20.1a	3,686,043,629	2,329,888,481	
	500000000	7,707,892,860	5,440,914,302	
Appropriations				
Statutory reserve	Г	19.0		
General reserve	L	-	-	
Retained surplus	20a	7,707,892,860	5,440,914,302	
AND	000000		13001-00	
Earnings per share (EPS)	45a	3.55	2.75	
	(2) (2) (2)			

These financial statements should be read in conjunction with the annexed notes 1 to 56.

sd/-

Director

Cash and cash equivalents at end of the year Cash in hand (including foreign currencies) (note-3a) Balance with Bangladesh Bank and its agent bank (s)

(including foreign currencies) (note-3a)
Balance with other banks and financial institutions (note-4a)

sd/-Chairman

Dated, 05 April 2023

Managing Director

sd/-

Amount in Take

See annexed auditors' report to the Shareholders of the date.

ACNABIN, Chartered Accountants Abu Sayed Mohammed Nayeem FCA ICAB Enrollment No # 353 DVC: 2304270353AS68505

sd/-

Managing Director

11,677,721,619

4,102,900 28,004,586,417

5,057,435,513

sd/-

Director

Cash Flow Statement

for the year ended 31 December 2022

	Particulars	Notes	Amount i	
	- A Million and Control of the Contr	Notes	2022	2021
1)	Cash flows from operating activities Interest recepts in cash Interest payments Dividend recept Fees and commission receipts in cash Recoveries of loans previously written off Cash payments to employees Cash payments to suppliers Income taxes paid Receipts from other operating activities Payments for other operating activities Cash generated from operating activities Cash generated from operating activities	41a 42a	21,496,676,301 (9,083,042,707) 207,219,974 3,177,7076,894 260,927,622 (4,418,920,423) (799,043,477) (3,083,476,390) 940,341,865 (1,957,386,693) 6,740,418,996	17,035,522,863 (7,377,295,665 88,011,581 1,865,324,181 153,582,630 (3,980,450,112 (702,255,311 (2,675,129,375 2,303,703,026 (1,212,292,374
	<u> </u>		0,740,410,550	3,430,721,444
	Increase / (decrease) in operating assets and ilabilities Purchase/sale of trading securities (disk/literies) Loans and advances to customers Other assets Deposits from customers Other liabilities account of customers Other liabilities account of customers Other liabilities	43a 44a	(9,597,580,895) (35,978,635,352) (113,130,304) 18,082,108,992 8,907,174,321 12,183,513,273 (797,751,051) (7,314,301,015)	(2,090,500,905) (30,759,069,501) (262,112,110) 27,433,453,106 9,268,604,978 394,819,471 627,219,848 4,612,414,886
	Net cash from operating activities	1 2	(573,882,019)	10,111,136,330
3)	Cash flows from investing activities Payments for purchases of securities (Shares) Purchase of property, plant and equipment Proceeds from sale of property, plant and equipment Net cash used in investing activities	1	(459,980,197) (590,197,753) 11,898,886 (1,148,279,065)	(2,177,357,221 (534,192,414 5,246,243 (2,706,303,392)
c)	Cash flows from financing activities Redemption of Prime Bank sub-ordinated bond Increased/Decreased) of lease liability Interest paid on lease liabilities Dividend paid Net cash used in financing activities		(1,900,000,000) 125,000,621 (76,464,458) (1,981,496,085) (3,832,959,922)	(1,900,000,000 (374,637,831 (64,913,887 (1,698,425,216 (4,037,976,934)
()	Net increase / (decrease) in cash and cash equivalents (A+B+C) Effects of exchange rate changes on cash and cash equivalents Cash and cash equivalents at beginning of the year Cash and cash equivalents at end of the year (D+E+F)		(5,555,121,006) 78,637,379 28,004,586,417 22,528,102,791	3,366,856,004 3,829,559 24,633,900,854 28,004,586,417

Prize bonds (note-6a) 22,528,102,791 These financial statements should be read in conjunction with the annexed notes 1 to 56

sd/-	sd/-	sd/-	sd/-
Chairman	Director	Director	Managing Director
Dated, 05 April 2023			

Statement of Changes in Equity

for the year ended 31 December 2022

Particularis	Peld-up Coptor	Share promises	Strictury reserve.	Personantion	los es investments	F.C. Translation gain	Resided servings	Yetal
	Telca	Tate	Tele	Take	Sala	Tata	Tete	Telle
Residue 2. X. J. Bryany 1921 Changes in accounting palicy / Last year's profit	15,802,854,776	120,00,700	10,003.413,889	1,507,171,508	22,519,601	30,125,908	3,440,001,300	25,886,673,123
Selection of Street 2002	11,512,854,270	520,00,700	16,715,413,584	1,900,120,998	30,511,614	76,373,498	5,445,915,300	15,660,675,001
Bugitar/duffeit or account of constactor of properties	200000000000000000000000000000000000000			42,694,098	1 11112	III III III III III III III III III II	Contract Pro-	42,694,756
Adjustment of that your revenance gain on investments	12	977	55		000,315,010	58	h-1	(330,000,04)
Adjustment of off-more basking units:					CLESTY		OF.	G296,F27
Surplan / diefoit on sessont of real setter of investments	3				362,515,064			311.04.04
Darwindy Incrediators differences	12.					7007,175		76,637,375
But pairs and Book But recognized in the Record excession.	-	- 1	7.1		91,952,400	98,798,797	5,410,014,200	78,517,620,751
Not profit for the year	(8)	+	¥1	240	1000	1	4,003,046,000	507(389)231
Depart (Briss stern)	18	+	72	- 4		- 2	6	
Last divities)					100	1 3	(3,040,496,080)	(3,981,496,18)
Noncesurerion gala/(osc) of culture condits leading/assess	38	0.0	- 61	16	1.41	- 2	100,625,611	220,625,611
Share crenium.								
Salaron on al 31 December 3027	11,315,894,770	1,2(1,881,296	70,393,413,084	1,995,136,516	94,692,410	94,795,787	7,707,807,640	32,304,463,513
Balance on at 21 Owner(sp. 2021.	11,311,654,770	1,213,881,766	10,333,413,394	1,307,173,398	33,333,434	38,131,498	1,440,914,302	39,898,873,623
	Cherry Trust	chi statemati muni	жин о содинате и	To the promoted with	11034			
sd/-		sd/-			sd/-			sd/-
Chairman		Director		Dir	ector		Managl	ng Director

Dated, 05 April 2023

Notes to the Financial Statements

as at and for the year ended 31 December 2022

The Bank and its activities

Prime Bank Limited ("the Bank") was incorporated as a public limited company in Bangladesh under Companies Act, 1994

with the registered office of the Company at 119-120 Mottlyheel C/A, Dhaka-1000. It commenced its banking business with
one branch on April 17, 1995 under the license issued by Bangladesh Bank. At present, the Bank has 146 (One Hundred
Forty Six) branches including 18 (Eighteen) SNE Centres/ Branches all over Bangladesh and 2 (Two) booths located at
Dhaka Child. Publica and at Childrenon Book Childrenon Count of the shows 166 happens 150 from the prophes are designated. Forty Six prancises including a (eigness) Sink Littresy transities all over bangladish and 2 (two) booms located at Dhaka Glub, Dhaka and at Chittagong Port, Chittagong, Out of the above 146 branches, 05 (five) branches are designated as Islamic Banking branch complying with the rules of Islamic Sharish. Also, the Bank has 3 (Three) Off-shore Banking Units (OBUs), 5 (Five) subsidiary Companies (3 Foreign subsidiaries & 2 Local subsidiaries). The Bank went for Initial Public Officing (IPO) in 1999 and its shares were listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly-traded company for its general classes of share:

Principal activities
The principal activities of the Bank are to provide all kinds of commercial banking services to customers through its branches and SME centers/ branches in Bangladesh. The Bank also provides off-shore banking services through its 3 (Three) Off-shore Banking Units (OBU),

1.3 Off-shore Banking Units ed its off-shore banking operation after obtaining permission from Bangladesh Bank vide letter no. BRPD(P)744(84)/2003-868 dated March 19, 2001. The Bank commenced operation of its one unit from March 15, 2007. Presently, the Bank has 3 (Three) Off-shore Banking Units (OBU) located at Ohaka EPZ, Ohitatgong EPZ and Adamyee EPZ. The Off-shore Banking Units are governed under the rules and guidelines of Bangladesh Bank. Apart from the reporting of OBU with solo financial statements, separate financial statements of Off-shore Banking Units are shown in **Annexure-K**.

1.4 The Bank has 5 (Five) Subsidiaries with following detail as presented in note no. 1.4.1 to 1.4.5:

1.4.1 Prime Bank Investment Limited

rime Bank Investment Limited is a subsidiary company of Prime Bank Limited incorporated as a public limited company on April 28, 2010 with the registrar of Joint Stock Companies and Firms, Dhaka vide certificate of incorporation no. C 34266/10, dated April 28, 2010 which has commenced its business on the same date. Total 299,999,994 shares (out of 84266/IJ, dated April 28, 2010 which has commenced its business on the same date. Total 299,999,994 shares (out of 300,000,000 shares) of Prime Bank Investment Limited are held by Prime Bank Limited and only 6 shares are held by 6 Senior Executives of Prime Bank Limited and Prime Bank Investment Limited. The main objectives of the company for which it was established are to carry out the business of full-fledged merchant banking activities like issue management, portfolio management, underwriting, corporate advisory services etc. Securities and Exchange Commission (SEC) hereafter issued a full-fledged merchant banking license in favor of Prime Bank Investment Limited, vide letter no SEC/Reg/MB/SUB/2010/03/208, dated June 02, 2010 with effect from June 01, 2010.

1.4.2 Prime Bank Securities Limited

Prime Bank Securities Limited was incorporated on April 29, 2010 as a private limited company under the Companies Act Prime Bank Securities Limited was incorporation no.C44302/10. Prime Bank Securities Ilmited companies where the Companies Ap. 2010 as a private limited become member of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited for brokerage transaction vide Bangladesh Securities & Exchange Commission certificate no. 3.1/DSE-219/2010/429, dated September 16, 2010 and 3.2/CSE-141/2010/239, dated August 31, 2010 respectively. Prime Bank Securities Limited commenced its operation May 2011. The malin objectives of the company are to carry on business of stock brokers / dealers in relation to shares and securities dealings. and other services as mentioned in the Memorandum and Articles of Association of the Company. Prime Bank Limited and time Bank Investment Limited hold 95% and 5% share of Prime Bank Securities Limited, respectively.

Prime Bank Investment Limited hold 99% and 5% share of Prime Bank Securities Limited, respectively.

1.4.3 Prime Exchange Co. (Pte) Ltd., a fully owned subsidiary company of Prime Bank Limited was incorporated in Singapore on January 06, 2006 and commenced its remittance business from July 08, 2006 under the remittance license issued by the Monatary Authority of Singapore (MAS) under section 74(3) of the Money Changing and Remittance Business Act (Chapter 187). The Company's registered office and principal place of business is located at 2A Desker Road, (2nd floor), Singapore 209549. The Company has another two branches at Block 134 #01-305 Jurong Gateway Road Singapore 600134 and 55 Benoi Road #01-14 Joo Koon Bus Interchange Singapore 629907. The principal activities of the company are to carry on the remittance business and to undertake and participate in transactions, activities and operations commonly carried on or undertaken by remittance and exchange house.

1.4.4 PBL Exchange (VIX) Limited)

undertaken by remittance and exchange noise.

1.4.4 PBL Exchange (UK) Limited

PBL Exchange (UK) Limited was incorporated as a private limited company with Companies House of England and Wales
under registration no. 7081093 dated November 19, 2009. The company is a wholly-owned subsidiary of Prime Bank
Limited. The Company commenced its operation on August 02, 2010 with 3 (three) Branches located at Brick Lane of
London, Coventry Road of Birmingham and North Oldham of Manchester. The registered office is located at 16 Brick Lane,
London E1 GRF. Currently the operation of the company has been closed and it is in the liquidation process.

1.4.5 PBL Finance (Hong Kong) Limited PBL Finance (Hong Kong) Limited, a fully owned subsidiary of Prime Bank Limited. PBL Finance (Hong Kong) Limited was incorporated with Companies Registry of Hong Kong (Certificate of incorporation no. 1584971 and Business Registration no. 58197431 both dated April 7, 2011). PBF. Finance (Hong Kong) Limited obtained Money Lending Licenses # 307/2011 issued by Honorable Court of Hong Kong on 28th July 2011. It has commenced its operation from August 2011. The Company's registered office and principal place of business is located at Unit 1201, 12/F, Taurus Building, No 21A and 21B Granulla Boad. This Sha Text Kongon Money Kong. Granville Road, Tsim Sha Tsui, Kowloon, Hong Kong.

2.00 Significant accounting policies and basis of preparation of financial state

2.1 Basis of accounting

2.1.1 Statement of compliance
The financial statements of the Bank and its subsidiaries (the "Group") have been made for the year ended on 31 December 2022 and are prepared under the historical cost basis, except for certain investments which are stated at fair/market value and freehold land which are measured at a revalued amount, in accordance with the First Schedule (Sec-38) of the Bank Company Act 1991 (as Amended up to 2018), BRPD Circular # 14 dated June 25, 2003 and DFIM Circular # 11, dated December 23, 2009, other Bangladesh Bank Circulars, International Financial Reporting Standards ("IFRS") adopted by the Institute of Chartered Accountants of Bangladesh ("ICAB"), the Companies Act 1994, the Securities and Exchange Rules 2020, Dhaka and Chittagong Stock Exchanges listing regulations and other laws and rules applicable in Bangladesh ("ICAB"). Bangladesh. In cases where the requirements of Bangladesh Bank.

In addition to foregoing directives and standards, the operation of Islamic Banking Branches accounted for according to Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions, Bahrain, and BRPD circular no-15, dated November 09, 2009. A separate balance sheet and profit and loss account are shown in Annexure-6 and 6(1) and the figures appearing in the annexure have been incorporated in the related heads of these financial statements as recommended by the Central Shariah Board for Islamic Banks in Bangladesh.

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) has been formed and FRC is responsible to issue financial reporting standards for public interest entities such as benks. The Bank Company Act 1991 has been amended to require banks to prepare their financial statements under such financial

Accordingly, the financial statements of the Bank continue to be prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Bank Company Act 1991, the rules and regulations issued by Bangladesh Bank (BB), the Companies Act 1991. In case any requirement of the Bank Company Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of IFRS, the requirements of the Bank Company Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail.

2.1.2 Consolidated and separate financial statements
The consolidated financial statements include the financial statements of Prime Bank Limited and its subsidiaries, i.e. Prime Bank Investment Limited, Prime Bank Securities Limited, Prime Exchange Co. (Pte) Limited, Singapore, PBL Exchange (UK) Limited and PBL Finance (Hong Kong) Limited.

The separate and consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS)-27: "Separate Financial Statements" and International Financial Reporting Standard (IFRS)- 10: "Consolidated Financial Statements". The consolidated financial statements are prepared to a common financial year ended on 31 December 2022.

Subsidiary is that enterprise which is controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an enterprise from the date that control commences until the date that control cases. The financial statements from the date that control effectively commences until the date that control effectively commences until the date that the control effectively cases. The overseas subsidiary companies i.e. Prime Exchange Co. (Pte) Limited, Singapore, Prime Exchange (UK) Limited and PBL Finance (Hong Kong) Limited has a common financial year ending 31 December 2022. The conversion policy of subsidiary companies is given

Particulars	Price	Prime Exchange Co. (Pte) Ltd., Singapore	PBL Exchange (UK) Ltd.	PBL Finance (Hong Kong) Ltd.
For assets & liabilities	Closing price	SGD1 = BDT 76.5188	GBP1=BDT 124.0855	HKD1=BDT 13.2528
For Income & expenses	Average price	SGD1 = BDT 69.9761	GBP1=BDT 119.8977	HKD1=BDT 12.1272

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Profit and loss resulting from intra-group transactions are also eliminated on consolidation.

2.1.3 Use of estimates and judgments
In preparation of the financial statements, management is required to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a going concern basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The most significant areas where estimates and judgments have been applied are to calculate provision for loans, advances and investments as per Bangladesh Bank guidelines.

a) Foreign currency Items included in the financial statements of each entity in the group are measured using the currency of the primary economic environment in which the entity operates, i.e. the functional currency. The financial statements of the group and the Bank are presented in BDT which is the Bank's functional and presentation currency.

Foreign currency transactions are converted into equivalent BDT using the prevailing exchange rates on the dates of respective transactions as per IAS-21, "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into BDT at weighted average rate of inter-bank market as determined by Bengladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into equivalent BDT. Assets and liabilities & income and expenses of Off-shore Banking Units have been converted into BOT currency @ US\$1 = BOT 103.2927 (closing rate as at 31st December 2022) and BDT 93.3546 (average rate at year-end).

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at rates mentioned in contracts. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in BDT terms at the rates of exchange prevailing on the balance sheet

e) Foreign operations The results and financial position of the Group's operations whose functional currency is not Bangladeshi Taka are translated into Bangladeshi Taka as follows

i) Assets and liabilities are translated at the exchange rate prevailing at the balance sheet date ii) Income and expenses in the profit and loss account are translated at an average rate approximating the exchange

iii) Resulting exchange differences are recognized as a separate component of equity.

iv) As per IAS 21, Foreign Currency Transactions i.e. both the foreign currency denominated monetary and non-monetary items of the OBUs are translated at historical rate because the OBUs are considered as an integral part of the Bank's operation not a foreign operation due to specific regulations governing the OBU and its unique nature.

f) Consolidation of Financial Statements of foreign operations

In Consolidation, foreign exchange differences arising from the translation of net investments in foreign entities, as well as any borrowings are taken into equity. When a foreign operation is disposed of, such currency translation differences are recognized in the profit and loss account as part of the gain or loss on disposal.

2.1.5 Statement of cash flows
Statement of cash flows have been prepared in accordance with the BRPD Circular No. 14, dated June 25, 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank. 2.1.6 Liquidity statement
The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following basis, details are shown in [Annexure-I & I (1)]:

() Balance with other Banks and financial institutions, money at call and short notice, etc. are on the basis of their maturity

ii) Investments are on the basis of their residual terms.

iii) Loans and advances / investments are on the basis of their repayment/maturity schedules; iv) Fixed assets are on the basis of their useful lives;

v) Other assets are on the basis of their realization / amortization;

ii) Borrowing from other Banks, financial institutions and agents, etc. are as per their maturity / repayment terms;
 iii) Deposits and other accounts are on the basis of their maturity terms and past trend of withdrawals by the depositors;

viii) Provisions and other liabilities are on the basis of their payment / adjustment schedules.

ments cover one calendar year from 1st January to 31st December 2022.

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously

2.2.1 Assets and basis of their valuation
2.2.1. Cash and cash equivalents
Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the Bank management for its short-term commitments.

b) Interest / profit is calculated on a daily product basis but charged and accounted for on account basis. Interest / profit on classified loans and advances / investments is kept in suspense account as per Bangladesh Bank instructions and such interest / profit is not accounted for as income until realized from borrowers [note - 7a.10 (x)]. Interest / profit is not anot do so loans / investments as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

Commission and discourts on bills purchased and discourted are recognized at the time of realization. Classification and provisioning for loans and advances is made on the basis of the following instruction contained in BRPD circular no. 19, dated 27 December 2012, BRPD circular no. 05, dated 29 May 2013, BRPD circular no. 16, dated dated 18 November 2014, BRPD circular no. 08, dated 02 August 2015, BRPD circular no. 12, dated 20 August 2017, BRPD circular no. 15, dated 21 September 2017, BRPD circular no. 07, dated 21 June 2018, BRPD circular no. 07, dated 21 June 2018, BRPD circular no. 13, dated 18 October 2018, BRPD circular no. 03, dated 21 April 2019, BRPD circular no. 52, dated 20 October 2020, BRPD circular no. 16, dated 21 June 2021, BRPD circular no. 16, dated 21 June 2021, BRPD circular no. 16, dated 21 June 2021, BRPD circular no. 53, dated 24 March 2021, BRPD circular letter no. 53, dated 30 December 2021, BRPD circular letter no. 53, dated 30 December 2021, BRPD circular letter no. 51, dated 18 December 2022, and BRPD circular letter no. 53, dated 22 December 2022, The rates of provision for loans and advances / investments are given below:

Particulars	Rate
General provision on unclassified general loans and advances / investments	1%
General provision on unclassified small and medium enterprise financing	0.25%
General provision on interest receivable on loans / investments	1%
General provision on unclassified loans / investments for housing finance	1%
General provision on loans for professionals and loans to BHs/MBs against share etc.	2%
General provision on unclassified consumer financing other than housing finance and professionals	5%
General provision on short term Agriculture/Micro Credit	1%
General provision on credit card	2%
General provision on Special Mention Account (SMA) except Short Term Agriculture Loans	0.25%-5%
Special General Provision COVID-19	1%-2%
Specific provision on substandard loans and advances / investments	5%-20%
Specific provision on doubtful loans and advances / investments	5%-50%
Specific provision on bad / loss loans and advances / investments	100%



Dated, 05 April 2023