

# Half Yearly Financial Statements (Un-Audited)

## for the period ended 30 June 2023



### Consolidated Balance Sheet

as at 30 June 2023

| Particulars  | Amount in Taka         |                        |
|--|------------------------|------------------------|
|  | 30 June 2023           | 31 Dec 2022            |
| <b>PROPERTY AND ASSETS</b>   |                        |                        |
| <b>Cash</b>  |                        |                        |
| Cash in hand (including foreign currencies)  | 2,966,915,522          | 3,515,234,316          |
| Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies) | 12,276,207,275         | 13,951,880,155         |
| <b>15,183,122,797</b>  | <b>17,467,114,471</b>  |                        |
| <b>Balance with other banks and financial institutions</b>                         |                        |                        |
| In Bangladesh  | 2,122,113,225          | 3,352,292,845          |
| Outside Bangladesh   | 2,442,485,128          | 2,120,696,705          |
| <b>4,564,598,353</b>   | <b>5,472,989,550</b>   |                        |
| <b>Money at call on short notice</b>   |                        |                        |
| Investments  | 78,218,888,156         | 63,858,940,387         |
| Government   | 5,980,130,332          | 6,693,822,257          |
| Others   | 86,799,018,488         | 72,552,765,644         |
| <b>Loans, advances and lease / investments</b>                                     |                        |                        |
| Loans, cash credits, overdrafts, etc./ investments                                 | 249,935,868,270        | 252,108,270,020        |
| Bills purchased and discounted   | 51,569,588,905         | 46,094,715,922         |
| <b>301,505,457,175</b>   | <b>298,202,985,942</b> |                        |
| <b>Fixed assets including premises, furniture and fixtures</b>                     |                        |                        |
| Other assets   | 35,545,480,334         | 32,527,241,716         |
| <b>Non - banking assets</b>  |                        |                        |
| 220,500,640  | 220,500,640            |                        |
| <b>452,840,127,376</b>   | <b>435,460,393,490</b> |                        |
| <b>LIABILITIES AND CAPITAL</b>   |                        |                        |
| <b>Liabilities</b>   |                        |                        |
| <b>Borrowings from other banks, financial institutions and agents</b>              |                        |                        |
| Current / Al-reedeh current deposits   | 81,323,289,506         | 77,718,293,062         |
| Bills payable  | 54,334,286,619         | 48,559,430,979         |
| Savings bank / Mudaraba savings deposits   | 9,151,430,912          | 17,107,305,201         |
| Term deposits / Mudaraba term deposits   | 69,928,678,703         | 64,680,744,665         |
| Bearer certificate of deposit  | 143,365,155,076        | 135,378,862,054        |
| Other deposits   | 276,786,061,311        | 265,726,158,525        |
| <b>Other liabilities</b>   |                        |                        |
| Total liabilities  | 60,809,155,550         | 58,184,526,755         |
| <b>Capital / Shareholders' equity</b>  |                        |                        |
| Paid up capital  | 11,322,834,770         | 11,322,834,770         |
| Share premium  | 1,211,881,786          | 1,211,881,786          |
| Statutory reserve  | 10,353,413,584         | 10,353,413,584         |
| Revaluation gain / loss on investments   | 191,239,216            | 122,985,293            |
| Revaluation reserve  | 1,441,619,025          | 1,555,128,315          |
| Foreign currency translation gain  | 110,139,077            | 105,135,102            |
| General reserve  | 28,002,888             | 28,002,888             |
| Surplus in profit and loss account / Retained earnings                             | 7,677,745,519          | 7,473,288,815          |
| <b>Total Shareholders' equity</b>  | <b>32,336,976,024</b>  | <b>32,170,676,811</b>  |
| <b>Total liabilities and Shareholders' equity</b>                                  | <b>452,840,127,376</b> | <b>435,460,393,490</b> |

### Consolidated Profit and Loss Account

for the period from 01 January to 30 June 2023

| Particulars  | Amount in Taka       |                      | Amount in Taka       |                      |
|--|----------------------|----------------------|----------------------|----------------------|
|  | Jan-Jun-2023         | Jan-Jun-2022         | Apr-Jun-2023         | Apr-Jun-2022         |
| <b>Interest income / profit on investments</b>       | 11,512,743,073       | 8,600,318,093        | 5,892,739,634        | 4,514,012,634        |
| Interest / profit paid on deposits, borrowings, etc. | (6,963,685,556)      | (4,387,137,072)      | (3,619,370,555)      | (2,309,984,702)      |
| <b>Net interest / net profit on investments</b>      | <b>4,549,057,517</b> | <b>4,213,181,021</b> | <b>2,273,369,079</b> | <b>2,204,027,932</b> |
| Investment income                                    | 2,354,495,176        | 1,573,265,316        | 1,194,889,992        | 619,371,183          |
| Commission, exchange and brokerage                   | 1,189,587,589        | 2,260,495,700        | 628,417,845          | 1,379,979,520        |
| Other operating income                               | 535,975,742          | 565,425,567          | 274,780,780          | 328,541,940          |
| <b>Total operating income (A)</b>                    | <b>8,629,116,026</b> | <b>8,612,367,604</b> | <b>4,371,457,697</b> | <b>4,529,920,576</b> |
| Salaries and allowances                              | 2,646,094,594        | 2,470,551,508        | 1,309,741,295        | 1,239,062,383        |
| Rent, taxes, insurance, electricity, etc.            | 350,187,363          | 308,462,573          | 147,566,035          | 166,601,685          |
| Legal expenses                                       | 21,511,759           | 33,822,478           | 14,458,853           | 5,466,593            |
| Postage, stamp, telecommunication, etc.              | 55,113,490           | 56,421,308           | 30,980,003           | 29,879,988           |
| Stationery, printing, advertisements, etc.           | 135,869,609          | 137,696,574          | 70,876,174           | 82,314,314           |
| Managing Director's salary and fees                  | 9,504,363            | 8,926,694            | 5,658,750            | 5,287,500            |
| Directors' fees                                      | 1,769,089            | 3,466,835            | 921,213              | 2,443,634            |
| Auditors' fees                                       | 1,955,348            | 1,393,077            | 1,234,322            | 191,324              |
| Charges on loan losses                               | 386,998,157          | 381,810,778          | 191,760,211          | 191,517,445          |
| Depreciation and repair of Bank's assets             | 723,937,371          | 695,186,065          | 375,925,929          | 446,694,159          |
| Other expenses                                       | 4,341,941,145        | 4,097,738,055        | 2,149,192,856        | 2,169,369,026        |
| <b>Total operating expenses (B)</b>                  | <b>4,287,174,881</b> | <b>4,514,628,553</b> | <b>2,222,264,841</b> | <b>2,360,551,550</b> |
| <b>Profit / (loss) before provision (C=A-B)</b>      | <b>4,341,941,145</b> | <b>4,097,738,055</b> | <b>2,149,192,856</b> | <b>2,169,369,026</b> |
| Provision for loans & advances                       | 589,500,000          | 768,717,300          | 290,000,000          | 348,717,300          |
| Provision for diminution in value of investments     | (3,164,632)          | 53,814,071           | (3,164,632)          | 18,638,843           |
| Provision for impairment of credit margin loan       | 17,186,099           | 26,307,438           | 36,186,099           | 168,307,438          |
| Other provisions                                     | 10,500,000           | (18,717,300)         | 10,000,000           | 1,282,700            |
| <b>Total provision (D)</b>                           | <b>668,021,467</b>   | <b>1,012,121,509</b> | <b>333,021,467</b>   | <b>536,946,281</b>   |
| <b>Total profit / (loss) before taxes (C-D)</b>      | <b>3,673,919,678</b> | <b>3,085,616,546</b> | <b>1,816,171,389</b> | <b>1,632,422,745</b> |
| Provision for taxation:                              |                      |                      |                      |                      |
| Current tax  | 1,799,272,494        | 1,242,282,541        | 981,316,638          | 1,089,173,506        |
| Deferred tax   | (266,197,453)        | 458,455,233          | (237,978,732)        | (29,522,891)         |
| <b>Total tax</b>                                     | <b>1,533,075,041</b> | <b>1,700,737,774</b> | <b>743,337,906</b>   | <b>1,059,650,615</b> |
| <b>Net profit after taxation</b>                     | <b>2,140,844,637</b> | <b>1,384,878,772</b> | <b>1,072,833,483</b> | <b>572,772,130</b>   |
| Retained earnings brought forward from previous year | 5,991,667,145        | 5,248,508,842        | 5,491,667,145        | 5,248,508,842        |
| <b>Total</b>   | <b>7,677,745,519</b> | <b>5,050,279,115</b> | <b>6,637,572,613</b> | <b>4,012,463,496</b> |

### Consolidated Cash Flow Statement

for the period from 01 January to 30 June 2023

| Particulars  | Amount in Taka         |                        |
|--|------------------------|------------------------|
|  | Jan-Jun-2023           | Jan-Jun-2022           |
| <b>A) Cash flows from operating activities</b>   |                        |                        |
| Interest receipts in cash  | 12,870,729,831         | 10,740,552,595         |
| Interest payments  | (6,081,376,648)        | (3,944,600,692)        |
| Dividend receipt   | 151,273,708            | 117,216,708            |
| Fees and commission receipts in cash   | 1,199,587,589          | 2,260,495,700          |
| Recoveries of loans previously written off   | 196,746,624            | 83,614,633             |
| Cash payments to employees   | (2,822,698,717)        | (2,582,624,799)        |
| Cash payments to suppliers   | (404,178,714)          | (411,063,471)          |
| Income taxes paid  | (1,154,504,830)        | (1,348,331,888)        |
| Receipts from other operating activities   | 192,656,611            | 192,656,611            |
| Payments for other operating activities (Restated)   | (1,195,515,260)        | (1,026,976,693)        |
| <b>Cash generated from operating activities before changes in operating assets and liabilities</b> | <b>3,478,419,532</b>   | <b>4,080,938,722</b>   |
| <b>Increase / (decrease) in operating assets and liabilities</b>                                   |                        |                        |
| Purchase/sale of trading securities (Bills/Bonds)  | (14,360,832,670)       | (6,837,338,931)        |
| Disposals and advances to customers  | (3,303,955,807)        | (17,564,966,549)       |
| Other assets   | (7,707,328)            | (554,489,568)          |
| Deposits from other banks / borrowings   | 1,653,432,807          | 10,903,831,958         |
| Deposits from customers  | 20,069,981,386         | 1,179,553,393          |
| Other liabilities account of customers   | (7,955,874,289)        | (8,098,204,274)        |
| Other liabilities  | 313,081,057            | (732,487,964)          |
| <b>(4,369,937,923)</b>   | <b>(5,507,693,601)</b> |                        |
| <b>Net cash from operating activities</b>  | <b>(891,518,391)</b>   | <b>(1,426,754,879)</b> |
| <b>B) Cash flows from investing activities</b>   |                        |                        |
| Payments for purchases of securities (Shares)  | 42,033,970             | (1,146,094,935)        |
| Proceeds from sale of securities   | (370,549,039)          | (352,343,772)          |
| Purchase of property, plant and equipment  | -                      | 375,576                |
| Proceeds from sale of property, plant and equipment  | -                      | 375,576                |
| <b>Net cash used in investing activities</b>   | <b>(328,515,069)</b>   | <b>(1,498,063,131)</b> |
| <b>C) Cash flows from financing activities</b>   |                        |                        |
| Redemption of Prime Bank subordinated bond   | -                      | (500,000,000)          |
| Dividend paid  | (1,981,496,085)        | (1,981,496,085)        |
| <b>Net cash used in financing activities</b>   | <b>(1,981,496,085)</b> | <b>(2,481,496,085)</b> |
| <b>D) Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>                           | <b>(3,201,529,545)</b> | <b>(5,406,314,094)</b> |
| <b>E) Effects of exchange rate changes on cash and cash equivalents</b>                            | <b>5,795,714</b>       | <b>29,294,526</b>      |
| <b>F) Cash and cash equivalents at beginning of the year</b>                                       | <b>22,946,687,280</b>  | <b>28,265,687,613</b>  |
| <b>G) Cash and cash equivalents at end of the period (D+E+F)</b>                                   | <b>19,750,953,449</b>  | <b>22,888,668,045</b>  |

sd/- Company Secretary, sd/- Chief Financial Officer, sd/- Managing Director, sd/- Director, Dated, 16 July 2023

### Cash Flow Statement

for the period from 01 January to 30 June 2023

| Particulars  | Amount in Taka         |                        |
|--|------------------------|------------------------|
|  | Jan-Jun-2023           | Jan-Jun-2022           |
| <b>A) Cash flows from operating activities</b>   |                        |                        |
| Interest receipts in cash  | 12,888,294,050         | 10,408,442,298         |
| Interest payments  | (5,924,721,248)        | (3,816,584,730)        |
| Dividend receipt   | 151,273,708            | 117,216,708            |
| Fees and commission receipts in cash   | 1,077,530,880          | 2,134,219,465          |
| Recoveries of loans previously written off   | 196,746,624            | 83,614,633             |
| Cash payments to employees   | (2,722,838,557)        | (2,472,838,557)        |
| Cash payments to suppliers   | (402,149,644)          | (408,396,620)          |
| Income taxes paid  | (1,154,504,830)        | (1,348,331,888)        |
| Receipts from other operating activities   | 699,516,061            | 779,979,520            |
| Payments for other operating activities (Restated)   | (1,144,317,365)        | (973,105,633)          |
| <b>Cash generated from operating activities before changes in operating assets and liabilities</b> | <b>3,359,835,049</b>   | <b>3,790,951,600</b>   |
| <b>Increase / (decrease) in operating assets and liabilities</b>                                   |                        |                        |
| Purchase/sale of trading securities (Bills/Bonds)  | (14,360,832,670)       | (6,837,338,931)        |
| Disposals and advances to customers  | (3,285,263,205)        | (18,120,817,358)       |
| Other assets   | (643,730,397)          | (396,790,517)          |
| Deposits from other banks / borrowings   | 1,814,837,934          | 11,504,536,269         |
| Deposits from customers  | 20,069,981,386         | 1,179,553,393          |
| Other liabilities account of customers   | (7,955,874,289)        | (8,098,204,274)        |
| Other liabilities  | 326,273,411            | (789,624,754)          |
| <b>(4,334,697,833)</b>   | <b>(5,372,838,873)</b> |                        |
| <b>Net cash from operating activities</b>  | <b>(874,772,784)</b>   | <b>(1,586,887,273)</b> |
| <b>B) Cash flows from investing activities</b>   |                        |                        |
| Payments for purchases of securities (Shares)  | 157,542,220            | (1,027,466,834)        |
| Proceeds from sale of securities   | (362,862,173)          | (352,343,772)          |
| Purchase of property, plant and equipment  | -                      | 375,576                |
| Proceeds from sale of property, plant and equipment  | -                      | 375,576                |
| <b>Net cash used in investing activities</b>   | <b>(205,319,953)</b>   | <b>(1,379,435,030)</b> |
| <b>C) Cash flows from financing activities</b>   |                        |                        |
| Redemption of Prime Bank subordinated bond   | -                      | (500,000,000)          |
| Dividend paid  | (1,981,496,085)        | (1,981,496,085)        |
| <b>Net cash used in financing activities</b>   | <b>(1,981,496,085)</b> | <b>(2,481,496,085)</b> |
| <b>D) Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>                           | <b>(3,161,588,819)</b> | <b>(5,441,256,988)</b> |
| <b>E) Effects of exchange rate changes on cash and cash equivalents</b>                            | <b>5,795,714</b>       | <b>29,294,526</b>      |
| <b>F) Cash and cash equivalents at beginning of the year</b>                                       | <b>22,928,102,791</b>  | <b>28,004,586,417</b>  |
| <b>G) Cash and cash equivalents at end of the period (D+E+F)</b>                                   | <b>19,376,611,456</b>  | <b>22,588,791,972</b>  |

sd/- Company Secretary, sd/- Chief Financial Officer, sd/- Managing Director, sd/- Director, Dated, 16 July 2023

### Notes to the Financial Statements

as at and for the period ended 30 June 2023

- Status of the bank**  
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 Motijheel C/A, Dhaka-1000. It commenced its banking business with one branch on April 17, 1999 under the license issued by Bangladesh Bank. At present, the Bank has 146 (One Hundred Forty Six) branches including 18 (Eighteen) SME Centres/ Branches all over Bangladesh & 2 (Two) branches located at Dhaka Club, Dhaka and at Chittagong Fort, Chittagong. Out of the above 146 branches, 05 (Five) branches are designated as Islamic Banking Branch complying with the rules of Islamic Shariah. Also, the Bank has 3 (Three) Offshore Banking Units (OBUs), 5 (Five) subsidiary Companies (3 Foreign subsidiaries & 2 Local subsidiaries). The Bank went for Initial Public Offering (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 centenary branches in Bangladesh. The Bank also provides off-shore banking services through its 3 (Three) Off-shore Banking Units (OBUs).
- Accounting policies**  
Accounting policies in the interim financial statements are same as that were applied in its last annual financial statements of 31 December 2022. The consolidated financial statements included the financial statements of Prime Bank Limited and its subsidiaries, i.e. Prime Bank Investment Limited, Prime Bank Securities Limited, Prime Exchange Co. (Prel) Limited, Singapore, PBL Exchange (UK) Limited and PBL Finance (Hong Kong) Limited.
- Basic of preparation**  
The financial statements for 6 months ended on 30 June 2023 had been prepared in condensed form in accordance with the requirements of International Accounting Standard (IAS)-34 "Interim Financial Reporting" and Bangladesh Securities and Exchange Commission Rules, 2020, and following the provisions of International Financial Reporting Standards (IFRS) and all other International Accounting Standards (IAS) as applicable for the Banks.
- Adequate provision has been made against loans and advances, off-balance sheet items, investments and other assets as per Bangladesh Bank's circulars.**
- Provision for income tax has been made on the accounting profit made by the Bank after considering some taxable income add-back and disallowances of expenditures in accordance with the provision of the Income Tax Act 2023.**
- The consolidated financial statements have been prepared for the period ended on 30 June 2023 in accordance with International Accounting Standard (IAS)-27, "Separate Financial Statements" and International Financial Reporting Standard (IFRS)-10, "Consolidated Financial Statements".**
- The financial statements were approved by the Board of Directors on 16 July 2023.**
- As per BRPD circular no. 6 dated 5 July 2006, the Bank has done its credit rating by "Emerging Credit Rating Limited" based on the financial statements for the year ended 31 December 2022. The following ratings have been awarded.**

| Particulars   | Long Term                      | Short Term |
|---------------|--------------------------------|------------|
| Credit Rating | BB+                            | Stable     |
| Outlook       | -                              | -          |
| Validity      | July 01, 2023 to June 30, 2024 | -          |
- General**
  - These financial statements are presented in Taka, which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.
  - Figures of previous year have been rechecked and/or restated whenever necessary to conform to current year's presentation.
- Shareholders' Equity**

|  | 30 June 2023          | 31 Dec 2022           |
|--|-----------------------|-----------------------|
| Share premium  | 1,211,881,786         | 1,211,881,786         |
| Statutory reserve                                      | 10,353,413,584        | 10,353,413,584        |
| Revaluation reserve                                    | 1,441,619,025         | 1,555,128,315         |
| Foreign currency translation gain                      | 110,139,077           | 105,135,102           |
| General reserve  | 28,002,888            | 28,002,888            |
| Surplus in profit and loss account / Retained earnings | 7,677,745,519         | 7,473,288,815         |
| <b>Total Shareholders' equity</b>                      | <b>32,336,976,024</b> | <b>32,170,676,811</b> |
- Earnings Per Share (EPS) has been calculated in accordance with IAS-33 "Earnings Per Share (EPS)".**

|  | 2023          | 2022          |
|--|---------------|---------------|
| Profit after tax for the year (Taka)         | 2,140,844,637 | 1,384,878,772 |
| Profit after tax for the year (Consolidated) | 2,140,844,637 | 1,3           |