

# Information Memorandum

**Non-convertible, Unsecured, Fully Redeemable, Floating Rate  
Prime Bank Subordinated Bond IV of BDT 3,000 million**

**Issuer:** Prime Bank Limited

**Head Office:** Adamjee Court Annex Building-2, 119-120,  
Motijheel C/A, Dhaka-1000



**Trustee to the Issue:** UCB Investment Limited

**Head Office:** Bulus Center (17<sup>th</sup> floor), Road: 34, Plot: CWS- (A)-1,  
Gulshan Avenue, Dhaka-1212



**Type of Security:** Non-convertible, Unsecured, Fully-Redeemable, Floating  
Rate Subordinated Bond

**Total Issue Amount:** BDT 3,000,000,000

**Coupon Range:** 6.00% - 10.00%

**Issue Date of Information Memorandum:** 26 JUNE 2023

**Credit Rating status of the Issue:**

**Long Term Rating:** AA-B, **Outlook:** Stable

**Validity Date:** December 14, 2022 to December 13, 2023

**Lead Arranger:** Prime Bank Investment Limited

**Head Office:** Tajwar Center (5<sup>th</sup> Floor), House: 34, Road: 19/A, Block: E,  
Banani, Dhaka-1213



"If you have any query about this document, you may consult the issuer and the trustee"

07 JUN 2023

Handwritten signature of Tanvir A Siddiqui.

Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023

Handwritten signature of M Habibur Rahman Chowdhury.

M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

Handwritten signature of Hassan O. Rashid.

Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

## Notice & Disclaimer

Prime Bank Limited (hereinafter referred as the “Bank” or the “PBL” or the “Issuer”) has authorized Prime Bank Investment Limited (hereinafter referred as “PBIL” or the “Lead Arranger”) to distribute this Information Memorandum (IM) in connection with the proposed transaction outlined in it (the “Transaction”) and the bond proposed to be issued in the Transaction (the “Bond”).

This Information Memorandum is provided to prospective investors on a private and confidential basis for use solely in connection with the issue, offer, sale or invitation to subscribe or purchase the Subordinated Bond. This Information Memorandum shall not be, in whole or in part, reproduced or used for any other purpose without prior written consent of the Arranger.

The Issuer has prepared this information memorandum and is solely responsible for its contents. The issuer will comply with all rules, laws and regulations and is responsible for obtaining all regulatory approvals for the issuance of the Bond. The Issuer, having made all reasonable inquiries, confirms that this Information Memorandum contains all the information with respect to itself and the Bond to be issued by it, which is material in the context of the Bond; that the information contained in this Information Memorandum is true and accurate in all material respects and is not misleading; that the opinions and intentions expressed in this Information Memorandum are honestly held and that there are no other facts the omission of which would make any of such information or the expression of any such opinions or intentions misleading. The Issuer accepts responsibility accordingly.

The Arranger has relied on the information provided by the Issuer and such information has not been independently verified by the Arranger. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arranger or any affiliate of the Arranger for the accuracy, completeness, reliability, correctness or fairness of this Information Memorandum or any of the information or opinions contained therein, and the Arranger hereby expressly disclaim, to the fullest extent permitted by law, any responsibility for the contents of this Information Memorandum and any liability, whether arising in tort or contract or otherwise, relating to or resulting from this Information Memorandum or any information or errors contained therein or any omissions therefore. By accepting this Information Memorandum, investors agree that the Arranger will not have any such liability.

Neither this Information Memorandum nor any other information supplied in connection with the Issue is intended to provide the complete basis of any credit or other evaluation, nor should it be considered as a recommendation by the Arranger to the Issue that any recipient of this Information Memorandum (or any other information supplied in connection with the Issue) should purchase or subscribe for any Bond. Each investor contemplating purchasing or subscribing for a Bond should make their own independent investigation of the financial condition and affairs, and their own appraisal of the creditworthiness of the Issuer. Investors are advised not to construe the contents of this Information Memorandum as investment, legal, accounting, regulatory or tax advice. Investors are also advised to consult with their own advisors as to all legal, accounting, regulatory, tax, financial and related matters, concerning an investment in the Bond.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IT IS RECOMMENDED THAT PROSPECTIVE INVESTORS CONSULT THEIR FINANCIAL, LEGAL AND OTHER ADVISERS BEFORE PURCHASING OR ACQUIRING OR INVESTING IN THE SUBORDINATED BOND.

07 JUN 2023



Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

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M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
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Hassan O. Rashid  
Managing Director & CEO  
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**Issuer's Disclaimer**

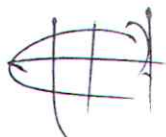
ALL THE FEATURES OF PRIME BANK SUBORDINATED BOND IV ARE DRAFT ONLY AND FINALIZATION OF THESE FEATURES ARE SUBJECT TO THE APPROVALS OF COMPETENT REGULATORS. THESE FEATURES MAY BE MODIFIED AS PER THE DIRECTIONS OF BANGLADESH BANK AND BANGLADESH SECURITIES AND EXCHANGE COMMISSION OR ANY OTHER COMPETENT REGULATORS.

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Page 5 of 87

Hassan O. Rashid  
Managing Director & CEO  
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**Contact Information**

Company Name & Address	Contact Person	Telephone & Fax Number, E-mail, Web Address
<b>Issuer</b>		
<b>Prime Bank Limited</b> Adamjee Court Annex Building-2 119-120, Motijheel C/A, Dhaka-1000	<b>Mr. Hassan O. Rashid</b> Managing Director & CEO	Tel: +88 02 55068713 Fax: +88 02 55068685 E-mail: hassan.rashid@primebank.com.bd Web: www.primebank.com.bd
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<b>Lead Arranger</b>		
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	<b>Mr. Khandoker Raihan Ali FCA</b> Chief Operating Officer	Tel: +88 02 48810315 Cell: +88 01730031810 Fax: +88 02 48810314 E-mail: raihan@pbil.com.bd Web: www.pbil.com.bd
<b>Trustee</b>		
<b>UCB Investment Limited</b> Bulus Center (17 <sup>th</sup> floor), Road: 34, Plot: CWS- (A)-1, Gulshan Avenue, Dhaka-1212.	<b>Mr. Tanzim Alamgir</b> Managing Director and CEO	Tel: +88 02 55668070-800094 Fax: +88 02 55034856 E-mail: tanzim.alamgir@ucb.com.bd Web: www.ucb-investment.com

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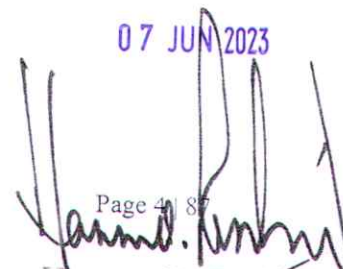
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Page 4 of 87  
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Managing Director & CEO  
Prime Bank Limited



**Table of Contents**

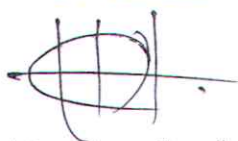
Notice & Disclaimer .....	2
Issuer's Disclaimer .....	3
Contact Information .....	4
Definitions and Acronyms or Elaborations .....	6
Section – 1: Report to the Eligible Investors .....	8
Section – 2: Risk Factors and Management Perception about the Risks .....	9
Section – 3: Detailed Description and Information of Issuer's Application .....	13
Section – 4: Details Plan of Utilization of Proceeds .....	17
Section – 5: Details Features of Debt Securities to be Issued .....	18
Section – 6: Description of Collateral Security and Type of Charges to Be Created against Issue .....	22
Section – 7: Rights and Obligations of the Issuer .....	23
Section – 8: Rights and Obligations of the Trustee .....	26
Section – 9: Rights and Obligation of the Issue Manager, Underwriter, or Any Other Contractual Parties .....	31
Section – 10: Rights and Obligation of the Investors .....	32
Section – 11: Description of the Issuer (Prime Bank Limited) .....	33
Section – 12: Auditors' Report Along with Audited Financial Statements of the Issuer (Prime Bank Limited) .....	49
Section – 13: Comparative Financial Statements of the Issuer for the Last (3) Years .....	66
Section – 14: Ratio Analysis of the Issuer for the Last Three Accounting Years .....	72
Section – 15: Rating Summary of the Issue and the Issuer .....	73
Section – 16: Latest Default Matrix and Transition Statistics of CRC .....	74
Section – 17: Description of Trustee, Board of Trustee, etc. ....	77
Section – 18: Modus Operandi of the Issue .....	79
Section – 19: Details of Fees Structure and Expenses .....	80
Section – 20: Declaration and Due Diligence Certificates as Per Annexure(s)- I and II .....	81
Annexure – I .....	84
(Declaration About the Responsibility of the Directors, Including The CEO of the Issuer or Originator in Respect of the Information Memorandum) .....	84
Annexure – II .....	85
(Due Diligence Certificate of the Trustee) .....	85
Annexure – 1 .....	86
(Auditor's report along with the Audited Financial Statements of Prime Bank Limited for the Period Ended 30 September, 2022) .....	86
Annexure – 2 .....	87
(Credit Rating of the Issue) .....	87

07 JUN 2023



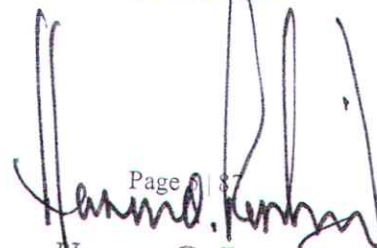
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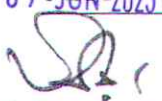
Page 118  
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Managing Director & CEO  
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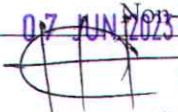
## Definitions and Acronyms or Elaborations

ALCO	Asset Liability Management Committee
ATB	Alternative Trading Board
ATM	Automated Teller Machine
ALM	Asset Liability Management
BACPS	Bangladesh Automated Cheque Processing System
BDT	Bangladeshi Taka
BEFTN	Bangladesh Electronic Funds Transfer Network
BRPD	Banking Regulation and Policy Department
BRMC	Board Risk Management Committee
BSEC	Bangladesh Securities and Exchange Commission
CAGR	Compound Annual Growth Rate
CBD	Commercial Banking Division
CDBL	Central Depository Bangladesh Limited
CNIB	Corporate and Institutional Banking
CRA	Credit Rating Agency
CRAR	Capital to Risk-weighted Asset Ratio
CRM	Credit Risk Management
CRR	Cash Reserve Requirement
CSR	Corporate Social Responsibility
CL	Classification of Loans
DP	Depository Participant
ECRL	Emerging Credit Rating Limited
EMI	Equated Monthly Installment
EPS	Earnings Per Share
FBP	Foreign Bill Purchase
FDBP	Foreign Documentary Bills for Purchase
FDR	Fixed Deposit Receipts
IAS	International Accounting Standards
IBP	Inland Bill Purchase
ICAB	Institute of Chartered Accountants of Bangladesh
IESBA	International Ethics Standards Board for Accountants
IFRS	International Financial Reporting Standards
IM	Information Memorandum
IT	Information Technology
IPO	Initial Public Offering
ISA	International Standards on Auditing
LATR	Loan Against Trust Receipt
MAT	Management Action Triggers
MAS	Monitory Authority of Singapore
MCR	Minimum Capital Requirement
MSME	Micro, Small and Medium Enterprise
NAV	Net Asset Value
	Non-Banking Financial Institute

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Page 6 | 87

  
 Hassan O. Rashid  
 Managing Director & CEO  
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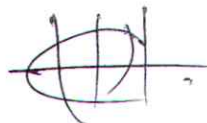
NFCD	Non-Resident Foreign Currency Deposit
NII	Net Interest Income
NIM	Net Interest Margin
NPA	Non-Performing Assets
NPL	Non-Performing Loan
NRB	Non-Resident Bangladeshi
OBU	Off-Shore Banking Unit
OD	Overdraft
PBL	Prime Bank Limited
PBIL	Prime Bank Investment Limited
PBSL	Prime Bank Securities Limited
PCB	Private Commercial Bank
PEC	Prime Exchange Co. Pte. Limited
POS	Point of Sale
RFCD	Resident Foreign Current Deposit
RMU	Risk Management Unit
ROA	Return on Assets
ROE	Return on Equity
RTGS	Real Time Gross Settlement
RJSCF	Registrar of Joint Stock Companies & Firms
RWA	Risk Weighted Assets
SB	Savings Bank
SLR	Statutory Liquidity Ratio
SME	Small and Medium-sized Enterprises
SND	Short Notice Deposit
SOD	Secured Overdraft
SWIFT	Society for Worldwide Interbank Financial Telecommunication
TREC	Trading Right Entitlement Certificate
VaR	Value at Risk
VAT	Value Added Tax

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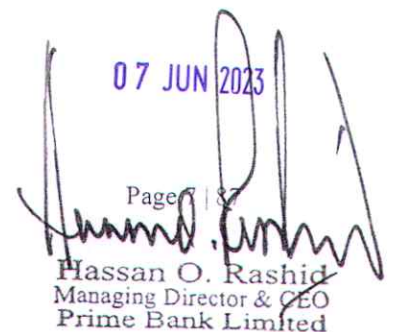
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Deputy Managing Director & CFO  
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07 JUN 2023



Page 7 | 87  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

**Section – 1: Report to the Eligible Investors from the Arranger**

Issuer learned about Bangladesh and its economy from a variety of government publications as well as other sources. Even if the issuer believes that its suppliers are trustworthy, there is no way for the issuer to independently verify the information by any authoritative sources. The information in the part labeled "The Trustee" was collected by Issuer from the Trustee, UCB Investment Limited. Issuer does not take any liability for the content in this section. Additionally, Issuer disclaims any liability with regard to the data in the "Credit Rating" section. Regarding the correctness or comprehensiveness of the material in the sections titled "The Trustee" and "Credit Rating," we are really not making an assertion to you.

Only Bangladesh is allowed to distribute this Information Memorandum and the Offering. No other jurisdiction is intended or prepared to accept the proposal or purchase of the Bond. The offerings will not be made available to the general public in Bangladesh or elsewhere.

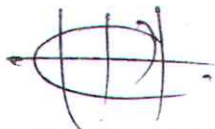
We have the discretion to refuse any offer to buy the Bonds in whole or in part, and to sell to any potential client lower than the entire amount of the Bond required by such investor. We may discontinue this offering at any moment.

07 JUN 2023




Tanvir A Siddiqui, ACS  
Company Secretary  
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07 JUN 2023



Page 87

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Managing Director & CEO  
Prime Bank Limited



## Section – 2: Risk Factors and Management Perception about the Risks

### a) Interest Rate Risk

Interest rate risk is the potential for changes in interest rates to impact the value of an investment or a financial institution's financial position.

#### *Management Perception*

Prime Bank uses duration gap analysis to track interest rate risk. The Asset Liability Committee (ALCO) of the Bank is responsible for managing the interest rate risk in the most significant way. Asset Liability Management (ALM) Desk is an independent part within the Treasury Division. The desk constantly monitors and analyzes cash flows and cash positions, balance sheet gaps, economic trends, investment choices, arbitrage opportunities, business growth, and liquidity and regularly presents the facts and conclusions with recommendations to the ALCO.

### b) Foreign Exchange Rate Risk

Foreign exchange risk is a financial risk that exists when a financial transaction is denominated in a currency other than that of the base currency of the company. This risk arises when investment's value changed due to the changes in currency exchange rates.

#### *Management's perception*

According to Bangladesh Bank (BB) guidelines and internal policies, the Treasury Department manages the bank's foreign exchange transactions. It is the responsibility of the Treasury department to independently monitor all applicable Foreign Exchange limit and counterparty limits.

### c) Non-repayment Risk

Non-payment risk is the risk that a borrower or counterparty will default on its obligations and fail to make payments as required.

#### *Management's perception*

The Bank makes ensuring that the function of extending credit is appropriately handled and that credit exposures are kept within reasonable bounds that are in line with internal and prudential norms. Internal controls and other procedures have been designed and implemented by the bank to guarantee that deviations from policies, procedures, and restrictions are promptly reported to the relevant level of management. The Bank has a mechanism in place for controlling problematic credits.

### d) Prepayment, Call or Refunding Risk

Prepayment, call or refunding risks are the risks associated with the principal amount of a bond. The risks connected to an early bond principal repayment include prepayment, call or refunding risks.

#### *Management's Perception*

The issue has no prepayment and refunding option, but it is callable at the option of issuer (as guided by the trust deed and relevant rules and regulations).

### e) Security Risk

Security risk is the process of recouping the bondholder's investment by a charge against the collateral securities in the event that the issuer is unable to pay the bond's face value(s).

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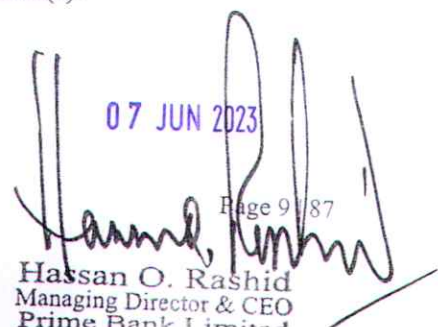
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07 JUN 2023



Page 9 / 87  
Hassan O. Rashid  
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Prime Bank Limited



**Management's Perception**

This bond is an unsecured bond. No specific assets or revenue sources are being pledged as collateral for the issuance of the bond. Investors will have the right to receive repayment from bank cash flow, although bond holders rank lower than depositors in terms of rights on assets or earnings.

**f) Liquidity Risk**

The risk that a company may be unable to meet short term financial demands. This usually occurs due to the inability to convert its current assets to cash without a loss of capital or income.

**Management's Perception**

To mitigate liquidity risk, the bank maintains a diversified and steady funding base made up of core retail, corporate, and institutional deposits. Treasury Division, which is supervised by Asset Liability Committee (ALCO), has primary responsibility for the Bank's liquidity risk management. Treasury Division maintains liquidity based on current liquidity position, anticipated future funding requirement, sources of funding, options for reducing funding needs, present and anticipated asset quality, present and anticipated earning capacity, present and planned capital position, etc.

**g) Management Risk**

The risk related with the management in charge of the company's operations. Management's ineffective, shortsighted or inadequate strategies may affect the interest of the shareholders. Absence of effective succession planning and managerial expertise are also important factors to consider when analyzing the risk.

**Management's Perception**

Prime Bank Limited (PBL) is one of the leading banking institutions in Bangladesh with a track record of consistent performance achieved through effective leadership and corporate governance. Prime Bank has an efficient management that is not only efficient but also dynamic in taking relevant decision to make the organization more effective and results oriented.

**h) Operational Risk**

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk may also arise from error and fraud due to lack of internal control and compliance across the company.

**Management's Perception**

Every corporate organization carries some level of operational risk, which can include a wide range of difficulties. The Bank has effective internal control and audit systems to mitigate this risk by using a robust and comprehensive monitoring and controlling framework which includes well-defined processes, independent internal and external audit, automatic reconciliation and monitoring etc.

**i) Business Risk**

Business risk refers to the potential for loss or failure that a company or organization may face in pursuit of its objectives. It is the uncertainty that arises from various internal and external factors that can affect the company's ability to achieve its goals and generate profits. Business risks can arise from a variety of sources, such as changes in the economy, shifts in consumer demand, new competition, changes in government regulations, natural disasters, and technology disruptions.

**Management's Perception**

Managing and mitigating business risks is a critical aspect of running a successful company, and it involves identifying potential risks, developing strategies to reduce or avoid them, and implementing

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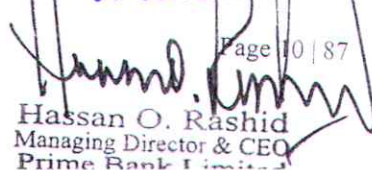


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measures to manage them effectively. To counter and mitigate the risk, the following mitigation measures are in place:

- Regular review of impact of global economic meltdown and taking appropriate measures
- Innovative and convenient financial products and services;
- Taking prompt action on customer complaints;
- Frequent assessment of clients satisfaction;
- Regular review of performance against budget and targets;
- Review and analysis of competitors' performance;

**j) Industry Risk**

Industry risk is the probability that a certain industry will not perform to expectations. When issues afflict one industry, they influence the individual organization within that industry. They may also spread to other industries. The banking industry is diversified and committed to various industries and the issuer is competing in a highly competitive market.

**Management's Perception**

To address the industry risk arising from cyclicalities of financial market PBL uses a diversified pool of products and services. Besides Core Banking business, the bank has strong foothold in the capital market and investment banking through its local subsidiaries namely Prime Bank Securities Limited & Prime Bank Investment Limited. For foreign remittance and financing business, the bank has foreign subsidiaries namely Prime Exchange Co. Pte Limited., Singapore, and PBL Finance (Hong Kong) Limited.

**k) Market and Technology Related Risk**

Market risk is the current or potential threat to the Bank's earnings resulting from changes in market prices, such as the prices of securities, commodities, profit rates, and foreign exchange rates. It is defined as the potential impact of unfavorable price movements, such as benchmark rates, foreign exchange rates and equity prices, on the economic value of an asset.

Technology-related risks refer to potential threats that arise from the use of technology. As technology continues to advance, organizations are increasingly relying on technology to automate their business, operations and improve customer service.

**Management's Perception**

The Treasury Division manages market risk covering liquidity, interest rate and foreign exchange risk which are over sighted by Asset Liability Management Committee (ALCO) of the Bank.

The bank has implemented Core Banking Software (T-24 R-16) to manage the core banking activities. The bank has a robust IT setup which managed by an efficient pool of IT professionals. In accordance with the Central Bank's guidelines, PBL has a team dedicated to IT audits and security. It periodically performs IT audits in each branch and makes recommendations to management.

**l) Risk Related to Potential or Existing Government Regulations**

The company operates under, the Bank Company Act-1991, Companies Act-1994, Income Tax Ordinance, 1984, Income Tax rules, 1984, Value Added Tax (VAT) Act, 2012, Value Added Tax (VAT) Rules, 2012, Customs Act, 1969, Bangladesh Securities and Exchange Rules, 1987 and other related regulations. The company also obtained license from Bangladesh Bank as a Bank under Bank Companies Act-1991. Any significant changes in the regulations may cause the Bank to be non-compliant, adversely impacting the Bank.

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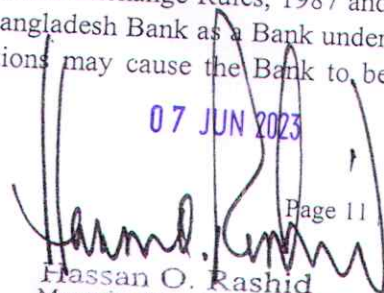
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**Management's Perception**

The laws and regulations or the regulatory or enforcement environment in Bangladesh may change and may have an adverse impact on the products or services bank offers. Unless any policy change that may negatively and materially affect the industry as a whole, the business of the bank is expected not to be affected significantly.

**m) Risk Related to Potential Changes in Global and National Policies**

The company may be benefitted or suffered from changes of current international or national policies. Unavoidable circumstances, such as political unrest, will have a negative impact on the Bank's performance in Bangladesh and around the world.

**Management's Perception**

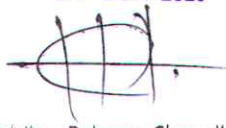
Any global changes are unlikely to have any effect on the security offered because it would be issued on the local market. Moreover, Bank has an efficient risk management team which responds to any regional or global changes event that might have an effect on the local market.

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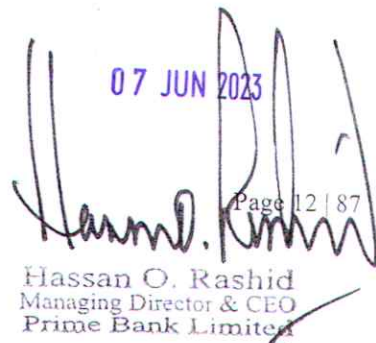
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Managing Director & CEO  
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### Section – 3: Detailed Description and Information of Issuer's Application

Detailed description and information as per Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021; Schedule- A (Part I) is given as below:

#### 1. Particulars of the Issuer:

Name of the Issuer	Prime Bank Limited
Legal Status	Public Limited Company, listed with Dhaka Stock Exchange Limited & Chittagong Stock Exchange PLC
Registered Address and Telephone Number of the Issuer	Adamjee Court Annex Building-2 119-120, Motijheel C/A, Dhaka-1000 Tel: +88 02 55068713
Name, Address, Contact Number of the Contact Person	Mr. Hassan O. Rashid Managing Director & CEO Simple Tree Anarkali, 8 <sup>th</sup> Floor, 89, Gulshan Avenue, Dhaka- 1212 Tel: +88 02 55068713
Date of Incorporation	12.02.1995
Date of Commencement of Business	12.02.1995
Authorized Capital	BDT 25,000.00 million (as on 30.09.2022)
Paid up Capital	BDT 11,322.83 million (as on 30.09.2022)
Total Equity of the Issuer	BDT 30,779.32 million (as on 30.09.2022)
Total Liabilities	BDT 391,654.20 million (as on 30.09.2022)
Total Financial Obligations	BDT 333,837.89 million (as on 30.09.2022)
Total Tangible Assets	BDT 8,525.95 million (as on 30.09.2022)
Net worth of the Issuer	BDT 30,779.32 million (as on 30.09.2022)

#### 2. Particulars of the Issue Manager:

Name of the Issue Manager	N/A
Legal status of the Issue Manager	N/A
Details of contact information of the issue manager	N/A
Name of the issue managed by the issue manager	N/A
Others	N/A

#### 3. Particulars of the Issue:

Name of the Issue	Prime Bank Subordinated Bond IV
Type of instruments to be issued	Unsecured, Non-convertible, Fully Redeemable, Floating Rate Subordinated Bond
Purpose of the Issue	To raise Tier 2 Capital
Number of Securities and total size of the issue to be offered	Denomination of each lot of Bond is indicated at BDT 10,000,000 (Taka Ten million) Face Value
Face Value and Issue Price of securities	BDT 3,000 million
Coupon rate or rate of profit or discount rate and yield to maturity (YTM)	Benchmark Rate + Margin
Tenor	7 years from issue date
Details of conversion/exchange option features	This Bond is Non-Convertible in nature

07 JUN 2023

07 JUN 2023

07 JUN 2023

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Company Secretary  
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Prime Bank Limited

Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



Mode of redemption

20% of the total bond value to be redeemed at the end of each year starting from 3<sup>rd</sup> year and the repayment schedule is depicted below:

Figures in BDT

Issue Size Years	3,000,000,000	
	Repayment	Balance
End of 1 <sup>st</sup> year	-	3,000,000,000
End of 2 <sup>nd</sup> year	-	3,000,000,000
End of 3 <sup>rd</sup> year	600,000,000	2,400,000,000
End of 4 <sup>th</sup> year	600,000,000	1,800,000,000
End of 5 <sup>th</sup> year	600,000,000	1,200,000,000
End of 6 <sup>th</sup> year	600,000,000	600,000,000
End of 7 <sup>th</sup> year	600,000,000	-

Mode of option (call or put) if any

The Bond has no put option however it is callable at the option of Issuer.

Rate of return

Coupon Rate

Applicable Tax Rate

All payments made by the Issuer or under or in respect of the Trust Deed or the Bond will be subject to any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Bangladesh or any political subdivision thereof or any authority thereof or therein having power to tax. The Issuer will not be Obligated pay any additional amounts in respect of such taxes, duties, assessments or governmental charges that may from time to time be deducted or withheld from such payments but will provide or procure the provision of original or authenticated tax receipts relating to any such deductions or withholdings to Bondholders.

Default Protection Mechanism  
(details of credit enhancement) if any

This Bond is unsecured in nature. No credit enhancement is applicable.

Type of collateral securities being  
offered, if any

Unsecured

Status of securities holders in case  
of priority of payment

Prime Bank Subordinated Bond IV is superior to the claims of investors in equity shares and subordinated to the claims of the depositors and the other creditors as Tier 2 Capital (as defined in the Basel III Guidelines) of the Bank.

Period within which securities to be  
issued

As per the Consent Letter of BSEC

Nature of tradability or listing in  
stock exchange(s)

As per the Consent Letter of BSEC

**Others:**

The Lead Arranger will select appropriate investor pool for offered product following any or both methods mentioned below:

Investors

Local Investors: A different group of high-net-worth individuals, Corporate Houses, Banks, Insurance Companies, NBFIs, Asset Management Companies, Mutual Funds, Merchant Banks, Stock Dealer, Alternative Investment Funds and any other eligible investors.


Foreign Investors: Non-resident Bangladeshi (NRBs), Foreign Nationals, Foreign Corporate Entities, Foreign Banks/ Financial Institutions, and Multilateral Agencies

07 JUN 2023

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07 JUN 2023

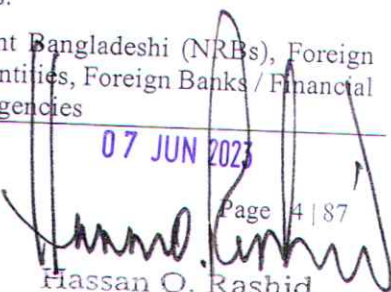
Page 4 | 87



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Mode of Placement	Private Placement on a best effort basis
Benchmark Rate	Latest average Fixed Deposit Rates (FDRs) of "6-month to less than 1 year" tenor of all private commercial schedule banks (excluding the banks incorporated after the year 2012 and foreign banks).
Margin	2.00% per annum
Coupon Payment	Semi-annually beginning at the end of 6 months from drawdown date.
Transferability/Liquidity	Transferable by the provisions of the Trust Deed as well as any instruction by the regulators.
Governing Law	The Bond is governed by and shall be construed by the laws of Bangladesh. Any dispute arising thereof shall be subject to the jurisdiction of the courts of Bangladesh.
Late Redemption	The Issuer shall pay a late payment penalty of 2% (two percent) higher than the Coupon Rate and be payable on the amount not paid on the due date up till the date of actual payment.

#### 4. Particulars of the Trustee:

Name of the Trustee	UCB Investment Limited
Paid-up capital of the trustee:	BDT 1,000,000,000 (as on 31 December 2021)
Net worth of the trustee:	BDT 1,132,493,978 (as on 31 December 2021)
Name of the issue(s) where performing as trustee:	<ol style="list-style-type: none"> <li>1. Mercantile Bank Perpetual Bond</li> <li>2. Bank Asia 1<sup>st</sup> Perpetual Bond</li> <li>3. NRBC Bank Subordinated Bond – I</li> <li>4. Mir Akhter Zero Coupon Bond</li> <li>5. Envoy Textiles Zero Coupon Bond</li> <li>6. EBL 3<sup>rd</sup> Subordinated Bond</li> <li>7. MTB 5<sup>th</sup> Subordinated Bond</li> </ol>
Others	N/A

\* Trustee shall also perform the roles/responsibilities of a Registrar, Paying Agent and Transfer Agent besides the roles and responsibilities of Trustee until listing with Alternative Trading Board (ATB).

#### 5. Particulars of the Credit Rating Company:

Name of credit rating company	Emerging Credit Rating Limited
Credit rating status of the issuer or originator	Long Term: AA; Short Term: ST-2; Outlook: Stable
Credit rating status of the issue	Long Term: AA-B; Outlook: Stable
Date and validity of rating along with surveillance rating for the issuer or originator and for the issue	01.07.2022 to 30.06.2023 (Issuer) 14.12.2022 to 13.12.2023 (Issue)
Latest default rate of the credit rating company	-
Average time to default of the rated category	-
Rating trigger, if any	N/A
Others	-

#### 6. Particulars of Originators (if Any): Not Applicable

07 JUN 2023



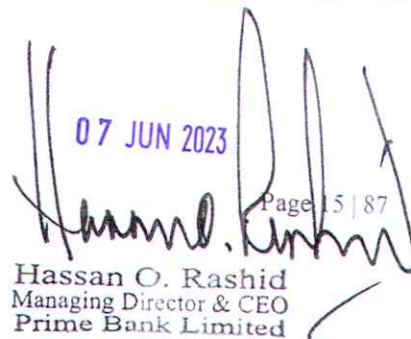
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**7. Particulars of other contractual parties:**

i) Lead Arranger:

Name of the Lead Arranger	Prime Bank Investment Limited
Details of contact information of the Lead Arranger	Tajwar Center (5 <sup>th</sup> Floor), House: 34, Road: 19/A, Block: E, Banani, Dhaka-1213. Tel: +88 02 48810315 Fax: +88 02 48810314 E-mail: info@pbil.com.bd Web: www.pbil.com.bd

ii) Credit Rating Agency: Emerging Credit Rating Limited

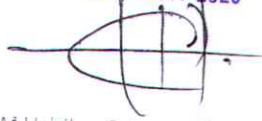
iii) Registrar, Paying Agent and Transfer Agent: UCB Investment Limited

07 JUN 2023



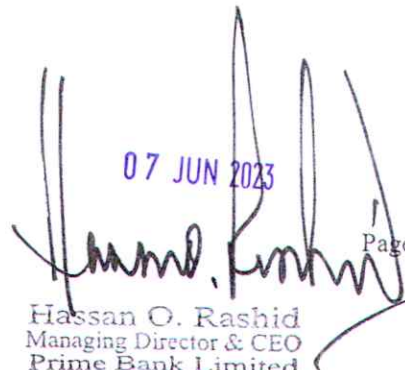
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## Section – 4: Details Plan of Utilization of Proceeds

### **Purpose of Issuance of Prime Bank Subordinated Bond IV**

Prime Bank Limited has decided to raise Tier 2 Capital through issuance of Unsecured, Non-Convertible, Fully-redeemable, Floating Rate Subordinated Bond in order to strengthen its capital base in accordance with Bangladesh Bank's Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with BASEL III). The proposed bond issue will allow the bank to enhance its capital strength and continue to grow its balance sheet in the future years.

### **Plan Regarding Use of Proceeds from Prime Bank Subordinated Bond IV**

The proposed bond will qualify as part of PBL's Tier 2 capital and will help maintain healthy capital adequacy ratios in the next few years. Besides, the BDT 3,000 million fund will be used for regular lending and general business activities of the bank which will help to grow the bank's loan and advance portfolio and other investment activities.

07 JUN 2023



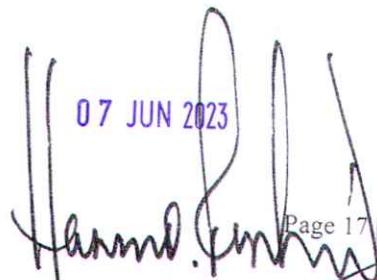
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## Section – 5: Details Features of Debt Securities to be Issued

### a. Basic features of the Instrument

Issuer:	Prime Bank Limited (PBL)
Name of the Instrument:	Prime Bank Subordinated Bond IV
Issue Type:	Unsecured, Non-convertible, Fully-redeemable Floating Rate Subordinated Bond
Purposes and Objectives:	To raise Tier 2 Regulatory Capital and thereby enhance Capital to Risk-Weighted Asset Ratio (CRAR) as per “Guidelines on Risk-Based Capital Adequacy” of Bangladesh Bank
Lead Arranger:	Prime Bank Investment Limited (PBIL)
Arrangement Basis:	Best Efforts / Strictly Non-Underwritten
Trustee:	UCB Investment Limited
Legal Counsel:	Lex Juris
Credit Rating Agency:	Emerging Credit Rating Limited
Issue Size/Total Face Value:	BDT 3,000,000,000 (Taka three thousand million)
No. of Bond to be issued:	300
Denomination/Face Value of each lot of Bond:	Denomination of each lot of Bond is indicated at BDT 10,000,000 (Taka ten million)
Minimum Subscription:	BDT 10,000,000 (Taka ten million)
Issue Price:	100% at Par
Currency:	Bangladeshi Taka (BDT)
Tenor:	7 years from the issue date
Prospective Investors:	<p>The Lead Arranger will select appropriate investor pool for offered product following any or both methods mentioned below:</p> <p>Local Investors: A different group of high-net-worth individuals, Corporate Houses, Banks, Insurance Companies, NBFIs, Asset Management Companies, Mutual Funds, Merchant Banks, Stock Dealer, Alternative Investment Funds and any other eligible investors.</p> <p>Foreign Investors: Non-resident Bangladeshi (NRBs), Foreign Nationals, Foreign Corporate Entities, Foreign Banks / Financial Institutions, and Multilateral Agencies</p>
Mode of Placement:	Private Placement
Expected Issue Date:	June 2023 or any other mutually agreeable date
Rate of Return, Yield to Maturity, Coupon/ Discount Rate:	Coupon Rate
Coupon Rate:	Benchmark Rate + Margin
Benchmark Rate:	Latest average Fixed Deposit Rates (FDRs) of “6-month to less than 1 year” tenor of all private commercial schedule banks (excluding the banks incorporated after the year 2012 and foreign banks).
Margin:	2.00% per annum
Range of Coupon Rate:	Floor: 6.00% - Ceiling: 10.00% at all times

07 JUN 2023



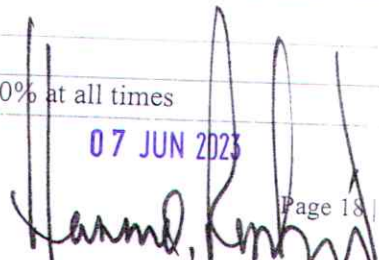
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Prime Bank Limited



Coupon Payment: Semi-annually beginning at the end of 6 months from drawdown date.

20% of the total bond value to be redeemed at the end of each year starting from 3<sup>rd</sup> year and the repayment schedule is depicted below:

Figure in BDT

Redemption Schedule:

Issue Size Years	3,000,000,000	
	Repayment	Balance
End of 1 <sup>st</sup> year	-	3,000,000,000
End of 2 <sup>nd</sup> year	-	3,000,000,000
End of 3 <sup>rd</sup> year	600,000,000	2,400,000,000
End of 4 <sup>th</sup> year	600,000,000	1,800,000,000
End of 5 <sup>th</sup> year	600,000,000	1,200,000,000
End of 6 <sup>th</sup> year	600,000,000	600,000,000
End of 7 <sup>th</sup> year	600,000,000	0

Prepayment, Call Refunding, Conversion Features: The Bond is non-convertible and has no prepayment and refunding option however it is callable at the option of Issuer.

Late Redemption: The Issuer shall pay a late payment penalty of 2% (two percent) higher than the Coupon Rate and be payable on the amount not paid on the due date up till the date of actual payment.

Description of Collateral Security and type of charges to be created against the issue: Unsecured

Transferability/Liquidity: Transferable by the provisions of the Trust Deed as well as any instruction by the regulators.

Credit Enhancement: Not applicable for the Bond.

Enforcement of Charges over securities:

At any time after the Bonds have become due and repayable, the Trustee may, at its sole discretion and without further notice, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed, but it will not be bound to take any such proceedings unless (a) it shall have been so requested in writing by the holders of not less than 66<sup>2/3</sup> percent in principal amount of the Bonds then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (b) it shall have been indemnified and/or secured to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

Particulars of the credit rating:

Name of Credit Rating Agency: Issuer: Emerging Credit Rating Limited

Issue: Emerging Credit Rating Limited

Credit rating status of the Issuer: Long Term: AA

Short Term: ST-2

Credit rating status of the Issue: Long Term Rating: AA-B

07 JUN 2023

07 JUN 2023

07 JUN 2023

Page 19 | 87



Date and validity of rating along with surveillance rating for the Issuer and for the Issue: Issuer:  
Date of Rating: 01.07.2022  
Validity of Rating: 30.06.2023

Issue:  
Date of Rating: 14.12.2022  
Validity of Rating: 13.12.2023

Rating Trigger:

If the credit rating of the Issue falls below the minimum investment grade i.e. "BBB" in the long term or "ST-3" in the short term, then the Issuer shall pay an additional fee on top of the stipulated Coupon Rate as a Risk Premium as mentioned in the below table:

Issue Rating	Risk Premium to be Added
BB to B	0.05%
C to D	0.10%

Tax Features:

All payments made by the Issuer or under or in respect of the Trust Deed or the Bond will be subject to any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Bangladesh or any political subdivision thereof or any authority thereof or therein having power to tax. The Issuer will not be Obligated pay any additional amounts in respect of such taxes, duties, assessments or governmental charges that may from time to time be deducted or withheld from such payments but will provide or procure the provision of original or authenticated tax receipts relating to any such deductions or withholdings to Bondholders.

Governing Law:

The Bond is governed by and shall be construed by the existing laws of Bangladesh. Any dispute arising thereof shall be subject to the jurisdiction of the courts of Bangladesh.

- |  |   |
|--|---|
| b. Rate of Return, Yield to Maturity, Coupon/Discount Rate | Benchmark Rate + Margin,<br>Range of Coupon Rate: 6.00% to 10.00%.  |
| c. Transferability/Liquidity                               | Transferable in accordance with the provisions of the Trust Deed as well as any instruction by regulators   |
| d. Prepayment, Call, Refunding, Conversion Feature         | The Bond is non-convertible and has no prepayment and refunding option however it is callable at the option of Issuer.  |
| e. Early Redemption or Late Redemption                     | Early redemption is only at the option of the Issuer. But the Issuer shall pay a late payment penalty of 2% (two percent) higher than the Coupon Rate and be payable on the amount not paid on the due date up till the date of actual payment. |

07 JUN 2023



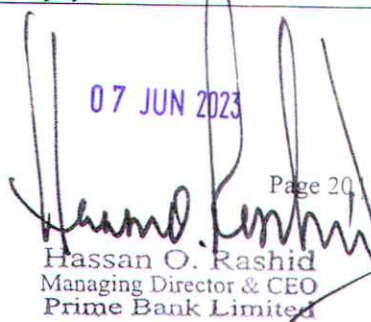
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Managing Director & CEO  
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**f. Tax Features**

All payments made by the Issuer or under or in respect of the Trust Deed or the Bond will be subject to any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Bangladesh or any political subdivision thereof or any authority thereof or therein having power to tax. The Issuer will not be Obligated to pay any additional amounts in respect of such taxes, duties, assessments or governmental charges that may from time to time be deducted or withheld from such payments but will provide or procure the provision of original or authenticated tax receipts relating to any such deductions or withholdings to Bondholders.

**g. Costs related to the issue**

Arrangement Fee: Total of 0.20% of the Face Value Amount of the Bond

Trustee Fee: BDT 300,000 p.a.

Credit Rating Fee: BDT 100,000 p.a.

Application Fee to BSEC: BDT 10,000

Consent Fee to BSEC: 0.10% on the Total Face Value

Other/Legal/Regulatory Cost (if any): At Actual

Details of fees and expenses mentioned in Section 19.

**h. Repayment Schedule**

Coupon on the bond shall be paid on semi-annual basis and 20% of the total bond value to be redeemed at the end of each year starting from 3<sup>rd</sup> year and the repayment schedule is depicted below:

Figure in BDT

Issue Size Years	3,000,000,000	
	Repayment	Balance
End of 1 <sup>st</sup> year	-	3,000,000,000
End of 2 <sup>nd</sup> year	-	3,000,000,000
End of 3 <sup>rd</sup> year	600,000,000	2,400,000,000
End of 4 <sup>th</sup> year	600,000,000	1,800,000,000
End of 5 <sup>th</sup> year	600,000,000	1,200,000,000
End of 6 <sup>th</sup> year	600,000,000	600,000,000
End of 7 <sup>th</sup> year	600,000,000	-

**i. Call or put option, and premium or discount thereof, if any**

It is callable at the option of Issuer but put option, premium or discount is not applicable.

**j. Credit Enhancement**

Not applicable

**k. Enforcement of Charges over securities**

At any time after the Bond has become due and repayable, the Trustee may, at its sole discretion and without further notice, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bond and to enforce the provisions of the Trust Deed, but it will not be bound to take any such proceedings unless (a) it shall have been so requested in writing by the holders of not less than 66<sup>2</sup>/<sub>3</sub> percent in principal amount of the Bond then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (b) it shall have been indemnified and/or secured to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

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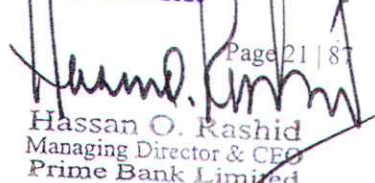
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**Section – 6: Description of Collateral Security and Type of Charges to Be Created against Issue**

Prime Bank Subordinated Bond IV is superior to the claims of investors in equity shares and Subordinated to the claims of the depositors and the other creditors as Tier 2 Capital (as defined in the Basel III Guidelines) of the Bank. It is neither secured nor covered by a guarantee of the issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis bank creditors.

07 JUN 2023



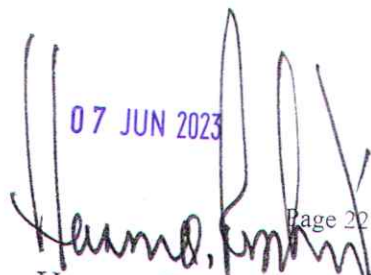
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## **Section – 7: Rights and Obligations of the Issuer**

(as per draft trust deed of Prime Bank Subordinated Bond IV)

- **Covenant to Repay**

The Issuer covenants with the Trustee that it will, as and when the Bonds or any of them become due to be redeemed or any principal on the Bonds or any of them becomes due to be repaid in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Trustee in Bangladesh Taka in Dhaka in immediately available freely transferable funds the principal amount of the Bonds or any of them becoming due for redemption or repayment on that date and shall (subject to the provisions of the Conditions) until all such payments (both before and after judgment or other order) are duly made unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid on the dates provided for in the Conditions coupon on the principal amount of the Bonds or any of them outstanding from time to time as set out in the Conditions *provided that:*

- every payment of principal in respect of the Bonds or any of them made to or to the account of the Bondholders shall satisfy, to the extent of such payment;
- if any payment of principal or coupon in respect of the Bonds or any of them is made after the due date, payment shall be deemed not to have been made until either the full amount is paid to the Bondholders or, if earlier, the seventh day after notice has been given to the Bondholders in accordance with the Conditions that the full amount has been received by the Trustee to the extent that there is failure in the subsequent payment to the Bondholders under the Conditions;
- in any case where payment of the whole or any part of the principal amount due in respect of any Bond is improperly withheld or refused coupon shall accrue at applicable coupon rate for the Bond on the whole or such part of such principal amount from the date of such withholding or refusal until the date either on which such principal amount due is paid to the Bondholders or, if earlier, the seventh day after which notice is given to the Bondholders in accordance with the Conditions that the full amount payable in respect of the said principal amount is available for collection by the Bondholders such payment is in fact made; and

The Trustee will hold the benefit of this covenant and the covenants in Clause 11.3 (*Covenant to comply with Trust Deed, Conditions, Schedules and applicable law*) and Clause 11.4 (*Covenants by the Issuer*) on trust for the Bondholders.

- **Following an Event of Default**

At any time after any Event of Default shall have occurred, the Trustee may:

by notice in writing to the Issuer, require it to make all subsequent payments in respect of Bonds to or to the order of the Trustee and with effect from the issue of any such notice until such notice is withdrawn, sub-clause 11.1.1 of Clause 11.1 (*Covenant to Repay*) and (so far as it concerns payments by the Issuer) Clause 21.2 (*Payment to Bondholders*) shall cease to have effect.

- **Covenant to comply with Trust Deed, Conditions, Schedules and applicable law**

- The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of this Trust Deed, the Conditions (including, without limitation, Condition 5 (*Covenants*)) and the other Schedules which are expressed to be binding on it and to perform and observe the same. The Bonds are subject to the provisions contained in this Trust Deed, all of which shall be binding upon the Issuer and the Bondholders and all persons claiming through or under them respectively. The Bondholders and all persons claiming under or through them

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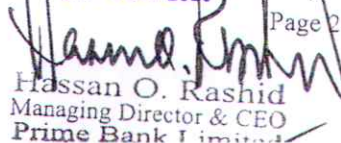


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respectively will also be entitled to the benefit of, and will be bound by, this Trust Deed and the other Bond Documents and will be deemed to have notice of all of the provisions of the Bond Documents applicable to them.

- The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of the applicable law including but is not limited to Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021. The Issuer agrees that Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, the applicable law and will be deemed to have notice of all of the provisions of the applicable law applicable to them.
- The Trustee shall itself be entitled to enforce the obligations of the Issuer under the Bonds and the Conditions and the applicable law as if the same were set out and contained in this Trust Deed which shall be read and construed as one document with the Bonds.

• **Covenants by the Issuer**

The Issuer hereby covenants with the Trustee that, so long as any of the Bonds remain outstanding, it will:

- **Books of account:**  
At all times keep and procure that all its Subsidiaries keep such books of account as may be necessary to comply with all applicable laws and so as to enable the financial statements of the Issuer to be prepared and allow, subject to confidentiality obligations under applicable law, the Trustee and any person appointed by it (subjected to maintenance of the confidentiality obligation) free access to the same at all reasonable times (subject to prior notification to the Issuer) and to discuss the same with responsible officers of the Issuer;
- **Event of Default:**  
Give notice in writing to the Trustee forthwith upon becoming aware of any Event of Default and without waiting for the Trustee to take any further action;
- **Corporate Governance:**  
Comply (and shall ensure that each member of the Group will) in all material respects with the corporate governance guidelines set out by the Bangladesh Bank and the Bangladesh Securities and Exchange Commission.
- **Information:**  
So far as permitted by applicable law, at all times give to the Trustee such information, opinions, certificates and other evidence as it shall require and, in such form, as it shall require in relation to Issuer for the performance of its obligations under the Bond Documents;
- **Execution of further Documents:**  
So far as permitted by applicable law, at all times execute all such further documents and do all such further acts and things as may be necessary at any time or times in the opinion of the Trustee to give effect to the provisions of this Trust Deed;
- **Notices to Bondholders:**  
Send or procure to be sent to the Trustee not less than 5 (five) business days prior to the date of publication, one copy of each notice to be given to the Bondholders in accordance with the Conditions and, upon publication, send to the Trustee two copies of such notice;

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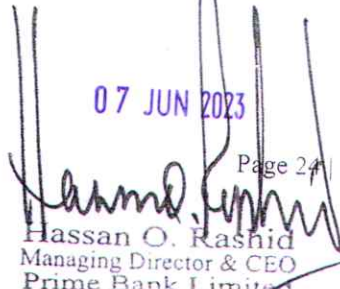
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Company Secretary  
Prime Bank Limited

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Deputy Managing Director & CFO  
Prime Bank Limited

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Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



- **Notification of non-payment:**  
Notify the Trustee forthwith in the event that it does not, on or before the due date for payment in respect of the Bonds or any of them, pay unconditionally the full amount in the relevant currency of the moneys payable on such due date on all such Bonds;
- **Notification of late payment:**  
In the event of the unconditional payment to the Trustee of any sum due in respect of the Bonds or any of them being made after the due date for payment thereof, forthwith give notice to the Bondholders that such payment has been made;
- **Notification of redemption or repayment:**  
14 (Fourteen) days prior to the Redemption Dates or purchase in respect of any Bond, give to the Trustee notice in writing of the amount of such redemption or purchase pursuant to the Conditions and duly proceed to redeem or purchase such Bonds accordingly;
- **Authorised Signatories:**  
Upon the execution hereof and thereafter forthwith upon any change of the same, deliver to the Trustee a list of the Authorised Signatories of the Issuer, together with certified specimen signatures of the same; and
- **Payments:**  
Pay moneys payable by it to the Trustee hereunder without set off, counterclaim, deduction or withholding, unless otherwise compelled by law and in the event of any deduction or withholding compelled by law will pay such additional amount as will result in the payment to the Trustee of the amount which would otherwise have been payable by it to the Trustee hereunder.
- **Risk Premium**  
In case where the credit rating of the Issue falls below the minimum investment grade i.e. "BBB" in the long term or "ST-3" in the short term, the Issuer shall pay an additional premium on top of the stipulated Coupon Rate as a Risk Premium as mentioned in the below table:

Issue Rating	Risk Premium to be Added
BB to B	0.05%
C to D	0.10%

- **Escrow Account:**  
Maintain an Escrow Account for the purpose of receiving the proceeds raised through the issuance of the Bonds and utilisation thereof.

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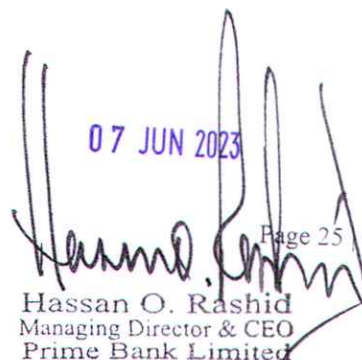
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Prime Bank Limited



## Section – 8: Rights and Obligations of the Trustee

(as per draft trust deed of Prime Bank Subordinated Bond IV)

### • **Trustee's Rights**

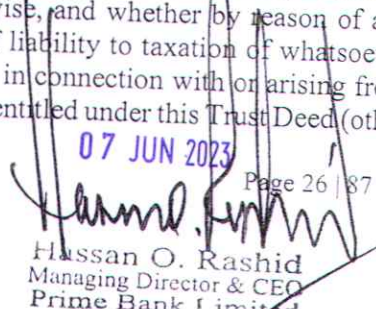
- **Applicable Law:** Notwithstanding anything contained in this Trust Deed the Trustee shall have all such rights and powers granted to it under the applicable law including but is not limited to the Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021.
- **Advice:** The Trustee may in relation to this Trust Deed act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert (whether obtained by the Trustee, the Issuer, or any Subsidiary) and which advice or opinion may be provided on such terms (including as to limitations on liability) as the Trustee may consider in its sole discretion to be consistent with prevailing market practice with regard to advice or opinions of that nature and shall not be responsible for any Liability occasioned by so acting; any such opinion, advice, certificate or information may be sent or obtained by letter, telegram, telex, cablegram or facsimile transmission;
- **Resolution or direction of Bondholders:** the Trustee shall not be responsible for acting upon any resolution purporting to be a Written Resolution or to have been passed at any meeting of the Bondholders in respect whereof minutes have been made and signed or a direction of a specified percentage of Bondholders, even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or the making of the directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the making of the directions was not valid or binding upon the Bondholders;
- **Trustee not responsible for investigations:** save as otherwise provided by applicable law, the Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in this Trust Deed, the Bonds, or any other agreement or document relating to the transactions herein or therein contemplated or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof;
- **Entry on the Register:** the Trustee shall not be liable to the Issuer or any Bondholder by reason of having accepted as valid or not having rejected any entry on the Register later found to be forged or not authentic and can assume for all purposes in relation hereto that any entry on the Register is correct;
- **Events of Default:** save as otherwise provided by applicable law, until it shall have actual knowledge or express notice to the contrary, the Trustee shall be entitled to assume that no such Event of Default has happened and that the Issuer is observing and performing all the obligations on its part contained in the Bonds and under this Trust Deed and no event has happened as a consequence of which any of the Bonds may become repayable; and
- **Right to Deduct or Withhold:** notwithstanding anything contained in this Trust Deed, to the extent required by any applicable law, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if the Trustee is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whenever made upon the Trustee, and whether in connection with or arising from sums received or distributed by it or to which it may be entitled under this Trust Deed (other

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 Managing Director & CEO  
 Prime Bank Limited



than in connection with its remuneration as provided for herein) or any investments or deposits from time to time representing the same, including any income or gains arising therefrom or any action of the Trustee in connection with the trusts of this Trust Deed (other than the remuneration herein specified) or otherwise, then the Trustee shall be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Trustee to tax from the funds held by the Trustee upon the trusts of this Trust Deed.

- **Liability:** The Trustee shall not be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to this Trust Deed or the Bonds save in relation to its own gross negligence, wilful default or fraud. This Clause 6.1.8 shall survive the termination or expiry of this Trust Deed or the removal or termination of the Trustee.
- **Force Majeure:** The Trustee shall not be liable for any failure or delay in the performance of its obligations under this Trust Deed or any other Bond Document because of circumstances beyond such Trustee's control, including, without limitation, acts of God, flood, war (whether declared or undeclared), terrorism, fire, riot, embargo, labour disputes, any laws, ordinances, regulations or the like which restrict or prohibit the performance of the obligations contemplated by this Trust Deed or any other Bond Document, inability to obtain or the failure of equipment, or interruption of communications or computer facilities, and other causes beyond such Trustee's control whether or not of the same class or kind as specifically named above.
- **Immunities:** The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Trust Deed shall extend to the Trustee's officers, directors and employees. Such immunities and protections and right to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the defeasance or discharge of this Trust Deed and final payment of the Bonds. The Issuer acknowledges that in any proceedings taken in relation to this Trust Deed, it will not be entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process.
- **Professional charges:** any trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his partner or firm on matters arising in connection with the trusts of this Trust Deed and also his properly incurred charges in addition to disbursements for all other work and business done and all time spent by him or his partner or firm on matters arising in connection with this Trust Deed, in each case as agreed pursuant to the Fee Letter (including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person);
- **Expenditure by the Trustee:** nothing contained in this Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it; and
- **Trustee may enter into financial transactions with the Issuer:** no Trustee and no director or officer of any corporation being a Trustee hereof shall by reason of the fiduciary position of such Trustee be in any way precluded from making any contracts or entering into any transactions in the ordinary course of business with the Issuer or any Subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, or from accepting the trusteeship of any other debenture stock, debentures or securities of the Issuer or

07 JUN 2023

07 JUN 2023

07 JUN 2023

Page 27 | 87

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Prime Bank Limited

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Managing Director & CEO  
Prime Bank Limited



any Subsidiary or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, and neither the Trustee nor any such director or officer shall be accountable to the Bondholders or the Issuer or any Subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, for any interest, fees, commissions, coupon, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions and the Trustee and any such director or officer shall also be at liberty to retain the same for its or his own benefit.

- **Trustee Liability:** The Trustee shall not be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to this Trust Deed or the Bonds save in relation to its own gross negligence, wilful default or fraud.
- **Right to Sue:** The Trustee may sue and may be sued on behalf of the Bondholders.
- **Trustee's powers and duties**
  - **Applicable Law:** Notwithstanding anything contained in this Trust Deed the Trustee shall have all such responsibility as set out in the applicable law including but is not limited to Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021.
  - **Act for Bondholders:** Subject to applicable law and terms and conditions of this Trust Deed, the Trustee shall act on behalf and for the exclusive interest of the Bondholders;
  - **Monitoring:** Trustee shall ensure that Issuer is observing the applicable law for the Bonds and the terms and conditions of the Bond Documents. As soon as the Trustee is aware of any breach by the Issuer it shall immediately inform the Bondholders and the Issuer of such breach;
  - **Report to BSEC:** Trustee shall submit an annual compliance report to the BSEC on the activities of the Issuer including repayment of dues to the Bondholders. When Trustee shall submit such report to the BSEC it shall provide copy to the Issuer and the Bondholders;
  - **Grievances of the Bondholders:** Upon receipt of a complaint from the Bondholders Trustee shall take necessary steps for redress of grievances of the Bondholders within one month of the date of receipt of the complaints and he shall keep the BSEC and the Issuer informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;
  - **Trustee's determination:** The Trustee may determine whether or not a default in the performance or observance by the Issuer of any obligation under the provisions of this Trust Deed or contained in the Bonds is capable of remedy and if the Trustee shall certify that any such default is, in its opinion, not capable of remedy, such certificate shall be conclusive and binding upon the Issuer and the Bondholders;
  - **Determination of questions:** the Trustee as between itself and the Bondholders shall have full power to determine all questions and doubts arising in relation to any of the provisions of this Trust Deed and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee and the Bondholders;
  - **Trustee's discretion:** the Trustee shall (save as expressly otherwise provided herein) as regards all the trusts, powers, authorities and discretions vested in it by this Trust Deed or by operation of law, have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and the Trustee shall not be responsible for any Liability that may result from the exercise or non-exercise thereof (save as otherwise provided by applicable law) but whenever the Trustee is under the provisions of this Trust Deed bound to act at the request or direction of the

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Bondholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing;

- **Trustee's consent:** any consent given by the Trustee for the purposes of this Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee may require;
- **Application of proceeds:** the Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Bonds;
- **Error of judgment:** the Trustee shall not be liable for any error of judgment made in good faith applying due diligence and without negligence by any officer or employee of the Trustee assigned by the Trustee to administer its corporate trust matters, save in relation to its own gross negligence, wilful default or fraud;
- **Agents:** Subject to the provisions of the Trust Act 1882 and Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021, the Trustee may, in the conduct of the trusts of this Trust Deed instead of acting personally, employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money) with the consent of Issuer and the Trustee shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person *provided that* the Trustee had exercised reasonable care in the appointment of such person;
- **Confidential information:** the Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Bondholder confidential information or other information made available to the Trustee by the Issuer in connection with this Trust Deed and no Bondholder shall be entitled to take any action to obtain from the Trustee any such information.
- **Determination of Coupon Rate:** the Trustee shall determine Applicable Coupon Rate in accordance with Condition of the Bond.
- **Rating Trigger:** in case a downgrade of credit rating (i.e. below the rating trigger) of the Issue under surveillance rating, the Trustee shall ensure the collection of Risk Premium from the Issuer or originator for the Bondholders/beneficiaries as per declaration in this Trust deed or IM, aimed at securing the lender claims from the borrower's higher risk level.
- **Exercise of Discretion**
  - Notwithstanding anything in this Trust Deed to the contrary, the Trustee shall not be obliged to exercise or consider exercising any discretion or consider making or make any determination (including, without limitation, any determination as to whether any fact or circumstance or activity or thing is material or substantial or complies with some such similar quantitative standard) or to consider taking or take any action whatsoever in connection with or under or pursuant to the Bonds unless directed to do so by the holders of not less than  $66\frac{2}{3}$  percent in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution of Bondholders (subject in all cases to the Trustee having been indemnified or provided with security to its satisfaction and otherwise being satisfied that it is lawful for it to so exercise discretion, make a determination or otherwise take any action). Such direction shall specify the way in which the Trustee shall exercise such discretion or, as the case may be, make the determination or take the action to be taken by the Trustee.

07 JUN 2023

07 JUN 2023

07 JUN 2023

Page 29 | 87

- The Trustee will be responsible for any loss, expense, damage, claim, cost, charge or liability which may be suffered as a result of any exercise or non-exercise of a discretion or the making or failure to make any determination or the taking or failure to take any action by the Trustee, acting on the directions of the Bondholders as aforesaid or pending the provision of such a direction.

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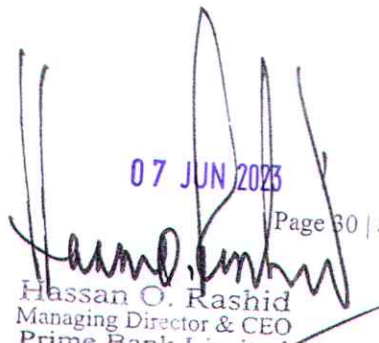
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07 JUN 2023



Page 60 | 87

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Managing Director & CEO  
Prime Bank Limited



**Section – 9: Rights and Obligation of the Issue Manager, Underwriter, or Any Other Contractual Parties**

Rights and obligations of the issue manager and underwriter is not applicable.

**Rights and Obligation of the Other Contractual Parties** (as per draft trust deed of Prime Bank Subordinated Bond IV)

• **Lead Arranger:**

Pursuant to the Mandate Letter (Ref: Prime/FAD/2022/235) dated 07.11.2022, Prime Bank Investment Limited has been appointed as the Lead Arranger for the issuance of Prime Bank Subordinated Bond IV having an aggregate issue size of BDT 3,000,000,000 (BDT three thousand million), setting out the terms and conditions of the appointment as stated therein for the purpose of the private issuance of the Bonds the terms of which is detailed under the Information Memorandum (as defined below) and subjected to the approval of BSEC.


• **Credit Rating Agency:**

For the purpose of conducting the bond rating service for the Prime Bank Subordinated Bond IV having issue size of BDT 3,000,000,000 (BDT three thousand million) (which shall be referred to as “Rated Subject”) the Issuer has appointed Emerging Credit Rating Ltd. the (“Credit Rating Agency” or “CRA”) under the terms and covenants as detailed under Credit Rating Agency Agreement dated 30.11.2022 executed by and between the Issuer and the CRA to be conducted as per the Bangladesh Securities and Exchange Commission (Credit Rating Companies) Rules, 2022 issued by the BSEC and the Standard Methodology and Ethical Code of the CRA etc.

• **Legal Counsel:**

Pursuant to the Letter issued under Ref. Prime/FAD/2022/237 dated 07.11.2022 the Issuer agrees to appoint Lex Juris as the Legal Counsel of the Prime Bank Subordinated Bond IV in order to provide legal advice and legal assistance or any other legal services deliverables to the Issuer in relation to the issuance.

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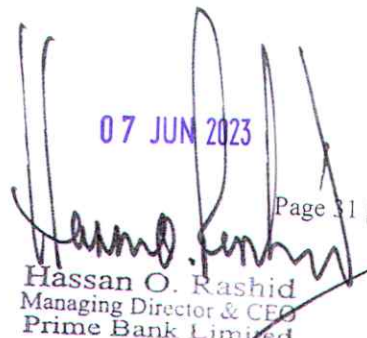
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**Section – 10: Rights of the Investors**

(as per draft trust deed of Prime Bank Subordinated Bond IV)

- Each Bondholder has the right to demand information from the Issuer as set out in this Trust Deed and the Condition attached in Schedule 1 (*Terms and Conditions of the Bonds*).
- Each Bondholder has the right to receive payment of principal amount of the Bonds on the Redemption Date as set out in the Condition attached in Schedule 1 (*Terms and Conditions of the Bonds*).
- Each Bondholder has the right to receive coupon on the Bonds on the Coupon Payment Date as set out in the Condition attached in Schedule 1 (*Terms and Conditions of the Bonds*).
- Each Bondholder has the right to attend meeting of the Bondholders and vote therein in accordance with Condition 12 (*Meetings of Bondholders, Modification, Waiver and Substitution*).

07 JUN 2023



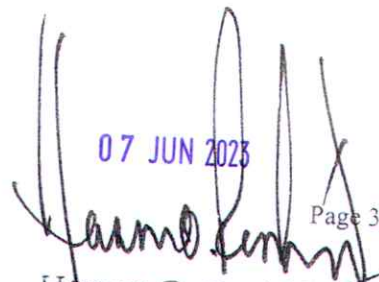
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## Section – 11: Description of the Issuer (Prime Bank Limited)

Prime Bank Limited 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, 1995 under the license issued by Bangladesh Bank. At present, the Bank has 146 (One Hundred Forty-Six) branches including 18 (Eighteen) SME Centers/ Branches all over Bangladesh and 3 (Three) booths located at Dhaka Club, Dhaka, at Star Market S.S.K Road Feni and at Iswardi EPZ, Pabna. 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) off-shore 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.

### (a) Capital Structure

Authorized Capital : BDT 25,000,000,000 (As on September 30, 2022)  
Paid-up Capital : BDT 11,322,834,770 (As on September 30, 2022)

### Shareholding Structure

SL	Shareholder Type	% Holding	
		As at Sept 30, 2022	As at Dec 31, 2021
1	Directors & Sponsors	39.03%	39.03%
2	Institutional Shareholders	37.69%	36.53%
3	General Investor	22.78%	23.91%
4	Foreign Investors	0.50%	0.53%
	<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

### Liabilities & Capital Structure (Consolidated)

Particulars	As at Sept 30, 2022	% of Assets	As at Dec 31, 2021	% of Assets
Borrowings from other banks, financial institutions and agents	71,143,350,566	16.84%	62,932,481,200	16.06%
Deposits and other accounts				
Current / Al-wadeeah current deposits	50,379,752,652	11.93%	47,420,761,550	12.10%
Bills payable	13,114,865,276	3.10%	4,923,791,928	1.26%
Savings bank / Mudaraba savings deposits	64,521,095,686	15.27%	70,358,701,527	17.95%
Term deposits / Mudaraba term deposits	134,678,829,892	31.88%	120,109,551,767	30.65%
Bearer certificate of deposit	-	-	-	-
Other deposits	-	-	-	-
<b>Other liabilities</b>	<b>262,694,543,506</b>	<b>62.19%</b>	<b>242,812,806,770</b>	<b>61.96%</b>
<b>Total liabilities</b>	<b>57,816,302,522</b>	<b>13.69%</b>	<b>56,394,612,364</b>	<b>14.39%</b>
<b>Capital / Shareholders' equity</b>	<b>391,654,196,594</b>	<b>92.71%</b>	<b>362,139,900,334</b>	<b>92.41%</b>
Paid-up capital	11,322,834,770	2.68%	11,322,834,770	2.89%
Share premium	1,211,881,786	0.29%	1,211,881,786	0.31%
Non-controlling Interest	57	0.00%	57	0.00%
Statutory reserve	10,353,413,584	2.45%	10,353,413,584	2.64%
Revaluation gain / loss on investments	167,312,423	0.04%	77,762,255	0.02%
Revaluation reserve	1,555,128,315	0.37%	1,507,173,559	0.38%
Foreign currency translation gain	91,256,249	0.02%	20,460,078	0.01%

07 JUN 2023

07 JUN 2023

07 JUN 2023

Page 33 | 87



Particulars	As at Sept 30, 2022	% of Assets	As at Dec 31, 2021	% of Assets
General reserve	28,002,888	0.01%	28,002,888	0.01%
Surplus in profit and loss account / Retained earnings	6,049,494,756	1.43%	5,213,854,021	1.33%
<b>Total Shareholders' equity</b>	<b>30,779,324,828</b>	<b>7.29%</b>	<b>29,735,382,998</b>	<b>7.59%</b>
<b>Total liabilities and Shareholders' equity</b>	<b>422,433,521,422</b>	<b>100.00%</b>	<b>391,875,283,332</b>	<b>100.00%</b>

**Minimum Capital Requirement Capital adequacy Ratio:**

Capital to Risk Weighted Assets Ratio (CRAR)	As at Sept 30, 2022		As at Dec 31, 2021	
	Consolidated			
<b>Core capital (Tier 1)</b>				
Paid up capital	11,322,834,770		11,322,834,770	
Non-repayable Share premium account	1,211,881,786		1,211,881,786	
Statutory reserve	10,353,413,584		10,353,413,584	
General reserve	28,002,888		28,002,888	
Non-controlling (minority) interest	57		57	
Retained earnings	6,049,494,757		5,213,854,021	
	<b>28,965,627,842</b>		<b>28,129,987,106</b>	
<b>Less:</b>				
For short provision against quoted shares	-		-	
For short provision against loans and advances	-		-	
Intangible assets	-		-	
Deferred tax assets	187,426,552		274,137,895	
Defined benefit pension fund assets	2,037,166,347		2,285,552,046	
Reciprocal cross holding of banking and NBFII shares	97,603,270.00		97,603,270	
	74,884,610		68,590,320	
<b>Total Core capital (Tier 1)</b>	<b>2,397,080,779</b>		<b>2,725,883,530</b>	
<b>Supplementary Capital (Tier 2)</b>				
General provision maintained against unclassified loan	8,726,289,296		8,541,666,133	
General provision on off-balance sheet exposure	2,348,090,000		2,163,090,000	
Subordinated bonds	2,800,000,000		4,200,000,000	
Start-up fund	-		-	
<b>Total Supplementary Capital (Tier 2)</b>	<b>13,874,379,296</b>		<b>14,904,756,133</b>	
<b>Total capital</b>	<b>40,442,926,359</b>		<b>40,308,859,709</b>	
<b>Total risk weighted assets</b>	<b>248,101,552,244</b>		<b>239,098,668,432</b>	
<b>Required capital (12.50% of RWA considering Buffer @ 2.50%)</b>	<b>31,012,694,031</b>		<b>29,887,333,554</b>	
<b>(Deficit)/Surplus (A-C)</b>	<b>9,430,232,329</b>		<b>10,421,526,155</b>	
<b>Capital adequacy ratio:</b>				
	<b>Actual</b>			
On core capital - against standard of minimum 6.00%	10.71%		10.63%	
On supplementary capital	5.59%		6.23%	
On total capital - including capital conservation buffer	16.30%		16.86%	

07 JUN 2023

07 JUN 2023

07 JUN 2023

Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

M Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

Page 34 | 87



**(b) Business****The Bank & its activities**

Prime Bank is rendering all types of commercial banking product and services under the regulation of Bank Companies Act, 1991 (as amended up to 2013) and it is a top-tier second generation local commercial bank in Bangladesh established in 1995. Headquartered in the heart of Dhaka's bustling financial hub Motijheel, the Bank's operational footprint is spread all over the country with 146 branches and 151 ATM locations. It was incorporated under the Companies Act, 1994. The activities of the bank mainly concentrated on Deposit procurement, advance, trade finance, guarantee business, inward and outward remittance, structured financing activities etc.

The Bank is offering a wide range of conventional and Islamic deposit and lending products, Forex and cash management products and other special services. The Bank continues its focus on CASA deposit as well as term deposit in deposit portfolio and corporate, MSME and consumer financing product in lending portfolio. PBL provides a full range of financial services to individuals, small and medium sized companies, entrepreneurs and corporate bodies. Various IT based products like internet banking and related apps were introduced. The Bank designed all deposits, investment products and services and formulated policy guideline and working procedure for Islamic Banking activities as per Bangladesh Bank and Shariah guideline.

The Bank is focused on a few strategic issues encompassing change management in the short to long periods through the implementation of various policies, processes and activities to ensure continuous, sustainable and qualitative growth, with the sole objective of "Institution building." An effective Cluster management (Mentorship) program was implemented.

Organizational and structural changes were made in managing the Bank's operations more effectively. Business Units like Wholesale Banking, Retail, MSME, Cards were restructured and established to provide a sharper business focus for each of these revenue earning sources. Credit approvals, quality and recovery departments were strengthened and separated from business sales to facilitate faster growth and maintain quality simultaneously. Support services to ensure greater customer satisfaction with a wider range of products and services were implemented.

PBL's superior service quality, strong corporate governance has given it an Excellent "Brand Image". To continue to reinforce the PBL Brand, the Bank is continuously improving its customer service, corporate governance and CSR activities by remaining innovative and caring.

PBL always try to maintain sustainable development to "meet the needs of the present without compromising the ability of the future generations to meet their own needs." There are many challenges to ensure this sustainable development. One of the key challenges of sustainable development is that it demands new and innovative choices and ways of thinking. While developments in knowledge and technology are contributing to economic development, they also have the potential to help resolve the risks and threats to the sustainability of our social relations, environment, and economies. New knowledge and innovations in technology, management, and public policy are challenging organizations to make new choices in the way their operations, products, services and activities impact the earth, people and economies.

**Subsidiaries of the Bank:**

Prime Bank Limited has 5 (Five) subsidiary Companies (3 Foreign subsidiaries & 2 Local subsidiaries). The financial statements of these subsidiary companies are included in the consolidated financial statements according to IFRS-10.

07 JUN 2023



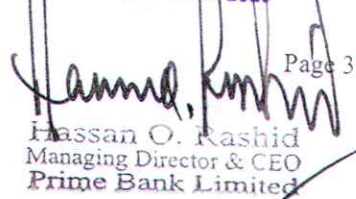
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07 JUN 2023



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Managing Director & CEO  
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i) **Prime Bank Investment Limited:**

Prime Bank Investment Ltd (PBIL) a subsidiary of Prime Bank Ltd. started its journey from April 28, 2010. It is one of the leading investment banks of the country with a paid-up capital of BDT 3,000 million. The PBIL has been operating actively in the capital market since 2006 and its management has over one decade of experience. Being one of the largest investment banks in the country, the PBIL offers various services such as mergers and acquisitions related services, business valuation, syndication and structured finance, issue management, corporate advisory, trustee, underwriting and portfolio management services to its clients. Considering its strong clientele base, expertise of its management and support from the parent company, the PBIL has the competitive advantage in providing investment banking related services to its clients.

ii) **Prime Bank Securities Limited:**

Prime Bank Securities Limited (PBSL) was established in April 29, 2010 as a subsidiary of Prime Bank. PBSL are registered as a TREC holder with both bourses - the Dhaka Stock Exchange and the Chittagong Stock Exchange. PBSL are fully licensed to work as a stock broker, stock dealer, and full service depository participant. Our services include the following:

- Providing stock brokering services to:
  - Non-discretionary clients
  - Discretionary clients
- Offering Margin loans to eligible clients.
- Provide Depository Participant (DP) services.

iii) **Prime Exchange Co. Pte. Ltd., Singapore (PEC)**

Prime Exchange Co. Pte. Ltd (PEC), the first fully owned overseas exchange company of Prime Bank Limited, started its journey in Singapore in January 06, 2006 through a single branch with license from Monetary Authority of Singapore (MAS). In 2011 the Company has also opened another Branch located at Jurong East Branch, Block: 134 #01-305 Jurong Gateway Road, Singapore 600134 and in 2016 it has opened its 3<sup>rd</sup> branch located at Joo Koon Branch, 55 Benoi Road, #01-14, Joo Koon Bus Interchange (Opposite KFC), Singapore-629907. It is also the first ever fully owned Exchange Company in Singapore established by any private commercial bank of Bangladesh.

iv) **Prime Bank Exchange (UK) Limited**


Prime Bank 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 6RF.

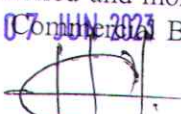
v) **Prime Bank Finance (Hong Kong) Limited**

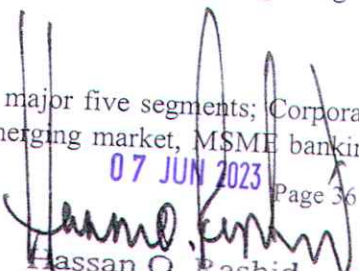
Prime Bank Finance (Hong Kong) Limited, a fully owned subsidiary of Prime Bank Limited. PBL Finance (Hong Kong) Limited was incorporated with Companies Registry of Hong Kong. Prime Bank Finance (Hong Kong) Limited obtained Money Lending Licenses # 307/2011 issued by Honorable Court of Hong Kong on 28th 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 Granville Road, Tsim Sha Tsui, Kowloon, Hong Kong.

**Product & Services:**

The banking business are controlled and monitored through its major five segments; Corporate and Institutional Banking (CNIB), ~~07 JUN 2023~~ ~~07 JUN 2023~~ Commercial Banking (CBD), Emerging market, MSME banking and

  
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Managing Director & CEO  
Prime Bank Limited



Retail banking. Besides conventional mode of business PBL gives parallel emphasis on its Islamic banking wing.

➤ **DEPOSIT PRODUCTS:**

**Conventional Deposit Products**

- Current Account
- Savings Account
- Short Notice Deposit (SND)
- Fixed Deposits
- My First Account (School Banking)
- Shukonna' (Female SB Account)
- Prime Premium
- Prime Excel
- Prime Power
- Prime DiGi
- Neera Current Account
- Neera Savings Account

**Single-Installment Based Deposit Scheme**

- Double Benefit Deposit Scheme
- Monthly Benefit Deposit Scheme
- Account 150% Deposit Scheme
- Brighter Tomorrow

**Monthly-Installment Based Deposit Scheme**

- House Building Deposit Scheme
- Laksma Puron Deposit Scheme
- Lakhopati Deposit Scheme
- Nobagoto Account
- Contributory Savings Scheme
- Prime Millionaire Scheme
- Kotipoti Deposit Scheme
- Neera Motherhood Scheme
- Neera Education Savings Scheme
- Prime Education Savings Scheme

**Islamic Deposit Products**

- Al-Wadeeah Current Account (AWCA)
- Mudaraba Savings Account (MSA)
- Mudaraba Payroll Account
- Mudaraba Special Notice Deposit (MSND)
- Other Mudaraba Deposit Accounts
- Mudaraba Term Deposit Receipt (MTDR)

**Single-Installment Based Deposit Schemes**

- Mudaraba Double Benefit Deposit Scheme (MDBDS)
- Mudaraba Monthly Benefit Deposit Scheme (MMBDS)
- Mudaraba 150% Deposit Scheme
- Mudaraba Education Savings Scheme (MESS)

07 JUN 2023



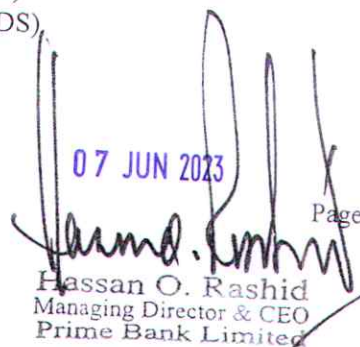
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07 JUN 2023



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07 JUN 2023



Hassan O. Rashid  
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**Monthly-Installment Based Deposit Scheme**

- Mudaraba House Building Deposit Scheme (MHBDS)
- Mudaraba Laksma Puron Deposit Scheme (MLPSS)
- Mudaraba Lakhopati Deposit Scheme (MLDS)
- Mudaraba Contributory Savings Scheme (MCSS)
- Mudaraba Hajj Savings Scheme (MHSS)
- Mudaraba Cash Waqf Deposit Scheme (MHSS)

➤ **CREDIT PRODUCTS:**

**Corporate Loan Products**

- Working Capital Finance
- Capital Machinery Finance
- Real Estate Finance
- Work order Financing
- Import and Trade Finance
- Export Finance
- Project Finance
- Structured Finance
- Lease Finance

**MSME Loan Products**

- Anchol (Women Entrepreneur's Loan)
- Chalti Rin (Working Capital Loan)
- Prime Sampad (Capital Loan)
- Sahaj Rin (Collateral Free Loan)
- Moushami Rin (Seasonal Loan)
- Prime Shomhabona
- Prime Emarat

**Retail Loan Products**

- Swapna Neer Home Loan
- Swapna Shaj Home Loan
- Abash Home Loan
- Car Loan
- Personal Loan
- Retail SOD (FO)
- Retail Secured EMI
- Loan against Gold


**Agriculture Loan Products**

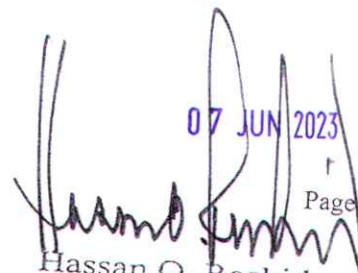
- Abad (Crop Loan)
- Khamar (Farm/Non-Crop Loan)
- Nabanno (for any Agri-purpose Loan)

**Islamic Banking Hasanah (Investments) Products**

- Home Investment (Manjeel)
- Auto Investment (Burak)
- Household Durables Investment (Asbab)
- Medical Investment (Shifa)
- Guard-e-Hasana

  
07 JUN 2023  
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07 JUN 2023  
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07 JUN 2023  
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Page 38 | 87



**MSME Islamic Investments Products**

- Hasanah Shombhanona
- Hasanah Emarat
- Hasanah Chalti
- Hasanah Sampad

**➤ OTHER PRODUCTS**

- Premium Banking "Monarch"
- Internet Banking "My Prime"
- Off-Shore Banking
- SMS Banking
- Phone Banking through IVR
- Locker Services
- Foreign Remittance
- Investment Bond for NRBs
- Accounts Facilities for NRBs
- Forex & Fund Management
- Money Market Services
- Primary Dealer Services
- ATM Services
- Prepaid Cards
- Debit Cards
  - Master Debit Card
  - JCB Debit Card
  - Proprietary Debit Card
- Credit Cards
  - MasterCard Gold Credit Card
  - MasterCard Silver Credit Card
  - VISA Gold Credit Card
  - VISA Classic Credit Card
  - International Credit Card
  - Platinum Credit Card
  - Hasanah Credit Card
  - JCB Credit Card
- Fund Transfer
  - SWIFT
  - Foreign Drafts
  - BEFTN
  - BACPS
  - RTGS

**(c) Management**

Prime Bank Limited's Top Management consists of the following officials:

Sl.	Name	Designation/Position
1	Mr. Hassan O. Rashid	Managing Director & CEO
2	Mr. Faisal Rahman	AMD
3	Mr. Md. Habibur Rahman Chowdhury	DMD & CFO
4	Mr. ANM Mahfuz	DMD
5	Mr. Shams Abdullah Muhaimin	DMD
6	Mr. Md. Ziaur Rahman	DMD

07 JUN 2023

07 JUN 2023

07 JUN 2023

Page 39 | 87

Sl.	Name	Designation/Position
7	Mr. Sk. Matiur Rahman	DMD
8	Mr. Syed Sazzad Haider Chowdhury	SEVP
9	Mr. Ziaur Rahman	SEVP
10	Mr. Md. Wasiul Alam	SEVP
11	Mr. Md. Feroz Al Azad	EVP & Head of ICCD
12	Mr. A Y M Mostafa	EVP

**(d) Description of Encumbered and Unencumbered Assets with Value thereof****Encumbered Assets:**

As of September 30, 2022, there is no encumbered asset of Prime Bank Limited.

**Unencumbered Assets:**

As of September 30, 2022, total unencumbered assets of Prime Bank Limited are BDT 70,375,601,485.

**(e) Brief profile of Directors/Owners of Prime Bank Limited****Board of Directors**

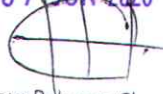
Sl.	Name of the Directors	Position
1	Mr. Tanjil Chowdhury (Representative of EC Holdings Ltd.)	Chairman
2	Mr. Md. Shahadat Hossain	Vice Chairman
3	Mrs. Nazma Haque	Vice Chairperson
4	Mr. Azam J Chowdhury (Representative of East Coast Shipping Lines Ltd.)	Director
5	Mr. Mohammed Nader Khan	Director
6	Mr. Quazi Sirazul Islam	Director
7	Mr. Mafiz Ahmed Bhuiyan	Director
8	Mrs. Salma Huq	Director
9	Mr. Nafis Sikder	Director
10	Mr. Imran Khan	Director
11	Mr. Mohammad Mushtaque Ahmed Tanvir (Representative of Uniglory Cycle Industries Ltd.)	Director
12	Mr. Zaeem Ahmed (Representative of Namreen Enterprise)	Director
13	Mr. S.M Tamjid	Director
14	Mr. C Q K Mustaq Ahmed	Independent Director
15	Mr. Anwaruddin Chowdhury FCA	Independent Director
16	Dr. Sharif M. N. U. Bhuiyan	Independent Director
17	Mr. Khan Ahmed Sayeed Murshid, PhD	Independent Director

07 JUN 2023



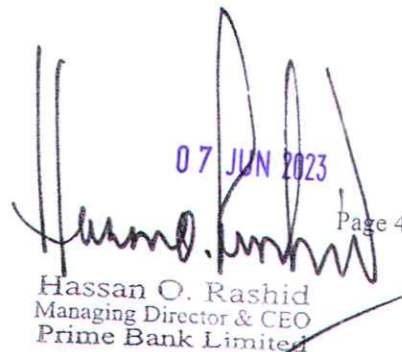
Tanvir A Siddiqui, ACS  
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07 JUN 2023



Mi Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
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07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

Page 40 | 87



**Short BIO of Board of Directors:**

**Mr. Tanjil Chowdhury**  
**Honorable Chairman**

Mr. Tanjil Chowdhury is the Chairman of Prime Bank Limited and previously served as both a Board Member and the Chairman of the Executive Committee of the Bank. He is also the Chairman of the Prime Exchange Singapore Pte. Ltd. and President of Prime Bank Cricket Club.

He is the Managing Director of East Coast Group, a diversified conglomerate with more than 44 years of experience in the Downstream Hydrocarbons & Energy sector.

Mr. Chowdhury served as President of Bangladesh Merchant Bankers Association (BMBA) for 2014 & 2015 and was the former President of Solar Module Manufacturers Association of Bangladesh (SMMAB). He served as Convener of the Standing Committee on Financial Institutions, Capital Market and Services-2014 and Co-Convener of the Standing Committee on National Energy Strategy for Private Sector Development-2013, Dhaka Chamber of Commerce & Industries (DCCI).

He completed his BA (Hons) in Accounting & Finance with distinction and went on to completing MSc in International Management (Finance) from King's College London (KCL).

Mr. Chowdhury is a regular speaker of various private universities. His lecture topic ranges from Financial Derivatives and Investment strategy to Ship Management and Organizational Behavior.

Mr. Chowdhury was an elected director of Bangladesh Cricket Board for two terms and served as Chairman of Facilities Management and Age Group Committees of BCB.

Tanjil Chowdhury is also an advisor to British International Investment, formerly CDC Group Plc, UKs development financial Institution and impact investor with assets of £7.5 billion across the world in emerging economies.

**Mr. Md. Shahadat Hossain**  
**Vice Chairman**

Md. Shahadat Hossain is a Sponsor Director of Prime Bank Limited and currently Vice Chairman of the Board of Directors.

He is a successful businessman and is associated with different social welfare organizations dedicated to the services of the general masses as an active social worker.

**Ms. Nazma Haque**  
**Vice Chairperson**

Nazma Haque is Vice Chairperson of the Board of Directors of Prime Bank Limited. She is a graduate in Economics from Dhaka University and a successful business personality as well. She is Executive Director of Bangla Trac Limited, Chairman of Anirban Enterprise Limited and also Director of Asian Gate Limited, ACORN Limited and THANE Technology Limited.

Outside business life, Mrs. Nazma Haque is an active social worker and deeply engaged in Social Welfare programs in Rajshahi. She is one of the founders of Bangla Trac Cricket Academy, located in Rajshahi and engaged in training underprivileged boys of the locality.

07 JUN 2023

07 JUN 2023

07 JUN 2023

Page 4 | 87



**Mr. Azam J Chowdhury**  
Director

Azam J Chowdhury is a Director and a member of the Nomination & Remuneration Committee of the Board of Prime Bank Limited. He is the immediate past Chairman of the Board of Directors of Prime Bank Limited and also the Chairman of the Foundation Management Committee of Prime Bank Foundation, a dedicated CSR wing of the Bank.

He is an elite industrialist and an entrepreneur and is the Chairman & owner of East Coast Group, a conglomerate focused on the fuel & energy sector for more than three decades.

In the past, he also served as Chairman of Green Delta Insurance Company Limited (2001-2005), one of the most successful general insurance companies in Bangladesh.

In recognition of his performance and repute, the Hungarian Government nominated him as their Honorary Consul in Bangladesh.

He is President of LPG Operators Association of Bangladesh (LOAB) and Chairman of Bangladesh Ocean Going Ship Owner's Association (BOGSOA).

**Mr. Mohammed Nader Khan**  
Director

Mohammed Nader Khan is a Sponsor Director and former Chairman of the Board of Prime Bank Limited. In addition, he is a member of the Audit Committee of the Board.

He is an entrepreneur and has the credentials of setting up many prestigious commercial establishments in different sectors with a particular focus on Agriculture & Tea Plantation. In 2010, he received the honorable Prime Minister's award for Tree Plantation while in 2018 he received another award from the PM for the highest Tea production (3,500 Kg) per hectare at the Halda Valley Tea Company Ltd. as against the average production of 1,500 Kg/hectare.

He is a philanthropist and involved in various CSR activities. He is the Chairman of Chittagong Club Limited, Lion Mukhlesur Rahman Foundation, Zero Club Foot Project, Founder of CIDER International School, Ex-Governor (2000- 2001) of Lions Club International- District 315 B4 Bangladesh to mention a few.

He is a Trustee Member of ESTCDT (Education, Science, Technology, and Cultural Development Trust) of IUB (Independent University, Bangladesh) & Chittagong Independent University (CIU) and Chairman, Finance Committee of CIU.

**Mr. Quazi Sirazul Islam**  
Director

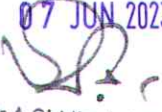
Quazi Sirazul Islam is a Sponsor Director & former Chairman of the Board of Directors. In addition, he is a member of the Executive Committee of the Board.

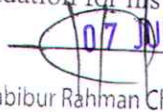
A philanthropist by nature, he was awarded Kabi Jasimuddin Gold Medal, Maulana Akram Khan Gold Medal, Sufi Motahar Hossain Gold Medal, and Atish Dipankar Gold Medal for his contribution to the education & social welfare sectors. He was also awarded MJF (Melvin Jones Fellow) Medal by the Lions International Foundation for his contribution to Society.

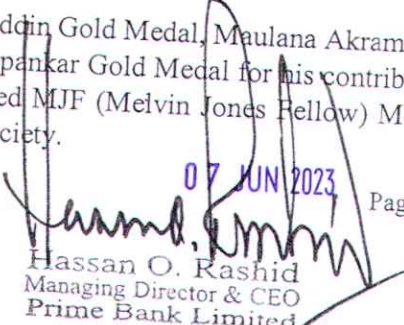
07 JUN 2023

07 JUN 2023

07 JUN 2023

  
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Managing Director & CEO  
Prime Bank Limited



He is the former Chairman of Bangladesh Jewelry Association and is a life member of Red Crescent Society, Bangladesh. He is also a member of Gulshan Society, Gulshan Club Limited and Gulshan North Club Limited.

He was an elected Member of Parliament in 1996 and 2001.

**Mr. Mafiz Ahmed Bhuiyan**  
Director

Mafiz Ahmed Bhuiyan is a Sponsor Director and former Vice Chairman of the Board of Directors of Prime Bank Limited. In addition, he is a member of the Risk Management Committee of the Board.

He is a former Trustee/Life Member of Eastern University & South East University and Director of Australian International School (International Holdings Ltd.).

As a Businessman, he can be termed as one of the pioneers in the field of RMG in terms of setting up backward linkage industries in collaboration with reputed overseas companies belonging to developed countries.

He takes a keen interest in Games and Sports and is a Member of Kurmitola and Army Golf Club, Dhaka.

**Ms. Salma Huq**  
Director

Salma Huq is a Sponsor Director and a member of the Audit Committee of Prime Bank Limited.

She is actively engaged in philanthropic activities like providing scholarships to needy students and arranging medical treatment for the poor.

She is one of the founders of Qazi Saleema Huq Women's College and Qazi Saleema Huq Girls' High School.

**Mr. Nafis Sikder**  
Director

Nafis Sikder is a Director of Prime Bank Limited.

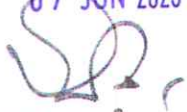
He is the Managing Director of renowned Palmal Group founded by his late father, Engr. Nurul Haque Sikder, a prominent business personality of the early eighties.

He went to Washington University, Saint Louis, Missouri, USA, after completion of 'O' and 'A' level and obtained a BS in Business Administration with distinction.


He is an avid philanthropist and actively contributes to the promotion and expansion of educational institutes by supporting the establishment of new Schools and Colleges.

He is also associated with numerous social welfare and charitable organizations actively supporting the causes of Health Care and poverty alleviation.

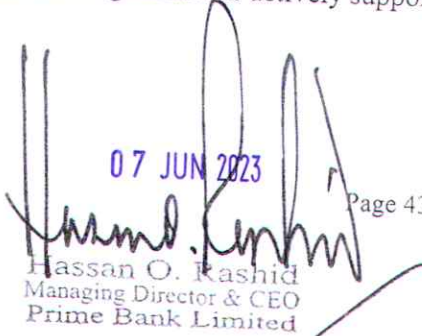
07 JUN 2023

  
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07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

**Mr. Imran Khan**  
Director

Imran Khan is a director of the Board of Directors and he is the chairman of the Executive Committee of the Board of Prime Bank Limited. He had also served in different committees of the Board in the past.

He is Director of the reputed company Pedrollo nk Limited, a market leader in terms of import of PEDROLLO (Italian Brand) Water pumps including sales & distribution in Bangladesh. The company also acts as the sole agent of renowned brands Itap, HCP, Rain Bird, and Maxwell in Bangladesh.

He is an Ex-Cadet of Fauzdarhat Cadet College, and completed his post-graduation from North South University, Dhaka.

He actively associates himself with CSR activities and is a member of the Governing body of Lion Mukhlesur Rahman Foundation, a renowned NGO and Charitable Organization operating from Chittagong for the underprivileged and poor masses across the country. He is also a member of Chittagong Club Ltd., Chittagong Boat Club, and Shaheen Golf & Country Club.

**Mr. Mohammad Mushtaque Ahmed Tanvir**  
Director

Mohammad Mushtaque Ahmed Tanvir is a Director and a member of the Executive Committee of the Board of Prime Bank Limited.

He, an architect from BUET, started his business career in his own discipline wherein he practiced for 6 years. Subsequently, he joined Uniglory Cycle Components Limited- a sister concern of the Meghna Group as the Managing Director.

He became the Chief Executive Officer (CEO) of the Transworld Bicycle Co. Ltd another unit of the same Group wherein he was largely responsible for planning, programming, designing, and managing the 100% export oriented industry. Within a short span of time, he became the Managing Director of the Uniglory Paper & Packaging Ltd. and director of some of the industries under the group. Finally, he became the Executive Director of Uniglory Cycle Industries Limited, the biggest unit of the group. During his tenure in various capacities, he made himself a symbol of innovation, persistence, and entrepreneurship for the Group.

He is a sportsman with having a deep attachment for playing and managing Basket Ball & Golf. He is also associated with a number of organizations like Cadet College Club Ltd. Gulshan Youth Club, Bogra Golf Club, Mirzapur Ex. Cadet Association. He was also General Secretary of the Athletic Club of EUCSU in BUET.

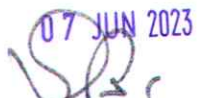
He is a widely traveled person and led a number of sports teams locally and regionally.

**Mr. Zaeem Ahmed**  
Director


Zaeem Ahmed is a Director and current Chairman of the Risk Management Committee and a member of the Executive Committee of the Board of Prime Bank Limited.

He is also the Chairman & Managing Director of Alliance Knit Composite Ltd. and involved in manufacturing, commodity trading, metal scrap trading, and various businesses worldwide.

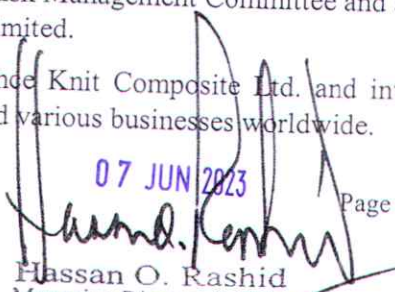
07 JUN 2023

  
Farvir A Siddiqui, ACS  
Company Secretary  
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07 JUN 2023

  
M Habibur Rahman Chowdhury, FCA  
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07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



He is a business graduate and has gathered vast experience in various businesses and financial services.  
He is a widely traveled person and an amiable personality as well.

**Mr. S. M. Tamjid**  
**Director**

S. M. Tamjid is a Director and a member of the Executive Committee of the Board of Prime Bank Limited.

He is an ex-cadet of the Rangpur Cadet College and a graduate of finance from the University of Dhaka. Later, he pursued his MBA from Texas A&M University and obtained his master's in information management systems from the prestigious Harvard University.

He has extensive exposure to the investment banking industry with several financial service companies in Boston. He has hands-on experience in the financial market and its technological alliance. Being educated on technology, he wants to portray himself as a tech-entrepreneur.

His favorite sport is basketball, and he started to show interest in yoga and golf. He is a current member of the Rangpur Golf Club.

**Mr. C. Q. K. Mustaq Ahmed**  
**Independent Director**

C. Q. K. Mustaq Ahmed is an Independent Director to the Board of Prime Bank Limited.

He has joined government service as a member of BCS (Admin.) in 1981 and held several important positions like Assistant Commissioner, Joint Secretary, Deputy Secretary, Additional Secretary, Secretary, and lastly retired from Senior Secretary, Ministry of Home Affairs in 2015. During his service period, he worked under several assignments on Banks and NGOs and has taken part in various training & conferences both locally and abroad.

He is also a former Chairman of the Financial Reporting Council (FRC) and a graduate from Dhaka University with Honours in Economics in 1975 and M.A in 1976.

**Mr. Anwaruddin Chowdhury FCA**  
**Independent Director**

Anwaruddin Chowdhury FCA, is an Independent Director to the Board of Prime Bank Limited.

He is a past president of the Institute of Chartered Accountants in Bangladesh (ICAB), and a council member of the Institute. He was the founder Managing Director of Credit Rating Agency of Bangladesh Ltd. (CRAB).

He is a Financial Management Specialist, with varied experience in the corporate financial services and development sectors. He is an internationally renowned accounting professional, acted as consultant for different international development agencies, regulatory bodies, corporations etc. He is the Technical Advisor of the CRAB since 2006 and an elected Director on the CAPA Board.

He has been engaged in diverse consultancy projects for the WB, ADB, DFID and other Development Partners. He served as a Director of Dhaka Stock Exchange Ltd. (DSE), National Housing Finance and Investments Limited (NHFIL) and of several other private and public sectors, including Power Grid Company of Bangladesh Ltd. (PGCB), Water Development Board and Dhaka WASA.

**Dr. Sharif M. N. U. Bhuiyan**  
**Independent Director**

Sharif M. N. U. Bhuiyan is an Independent Director to the Board of Prime Bank Limited.

He is an Advocate enrolled in the Dhaka Bar Association and both High Court Division & Appellate Division of the Supreme Court of Bangladesh. He is a Founder Partner and Deputy Head of the law firm, Dr. Kamal Hossain & Associates and leads the firm's international and commercial practices.

He was Honorary Director of the South Asian Institute of Advanced Legal and Human Rights Studies (2007-14), Co-Rapporteur of the Committee on International Trade Law, International Law Association (2009-14) and Visiting Fellow at the Lauterpacht Centre for International Law, University of Cambridge (2006). He also acts as a consultant in various matters, including as a consultant for the World Bank.

**Mr. Khan Ahmed Sayeed Murshid, PhD**  
**Independent Director**

Khan Ahmed Sayeed Murshid, PhD is an Independent Director to the Board of Prime Bank Limited. He is a Development Economist and the immediate past Director-General at the Bangladesh Institute of Development Studies (BIDS), Dhaka.

Mr. Murshid combines extensive research experience with familiarity with a wide range of development settings, including Bangladesh, sub-Saharan Africa, Sri Lanka, Indonesia, Pakistan, Myanmar, Thailand, Vietnam, Laos and Cambodia.

He holds a Ph. D. (Economics) degree and a Diploma (Development Economics) from Cambridge University, England. He also obtained M.A. (Economics) and B.A. from University of Dhaka.

Mr. Murshid is the author of several books along with numerous peer-reviewed articles published in leading journals, including the Bangladesh Development Studies, the European Journal of Human Development, World Development, Journal of Agrarian Change, Economic and Political Weekly and the Journal of Development Studies. He also has to his credit numerous other publications in the form of research reports, monographs and contributions to various edited volumes.

He is neither member/director/officer of any Stock Exchange nor shareholder/director/officer of any member of Stock Exchange. He is also not acting as an Independent Director in any other company.

07 JUN 2023



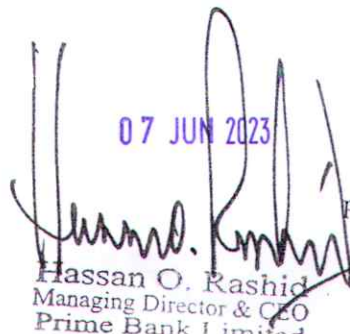
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



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Deputy Managing Director & CFO  
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07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



**(f) Description of Assets and Liabilities (Consolidated)****Description of Assets**

Particulars	30 Sept 2022	31 Dec 2021
<b>Cash</b>		
In hand (Including foreign currencies)	17,990,476,579	15,870,018,855
Balances with Bangladesh bank and Sonali bank (Including foreign currencies)	5,124,763,376	4,192,297,236
	12,865,713,203	11,677,721,619
<b>Balance with other banks and financial institution</b>		
In Bangladesh	6,011,859,886	12,391,565,858
Outside Bangladesh	1,865,950,289	9,050,122,540
	4,145,909,597	3,341,443,318
<b>Money at call and short notice</b>	-	-
<b>Investment in shares &amp; securities</b>		
Government	68,477,611,096	62,386,304,290
Others	58,880,042,096	53,969,145,650
	9,597,569,000	8,417,158,640
<b>Total Loan, advances and lease/investments</b>	<b>290,632,080,314</b>	<b>264,962,362,052</b>
Loans, cash credits, overdrafts/General Investments	245,011,822,809	220,623,213,932
Bills discounted and purchased	45,620,257,505	44,339,148,120
<b>Land, Building, Furniture and Fixtures (Including leased assets)</b>		
	8,525,947,548	8,394,441,334
<b>Other assets</b>		
	30,575,045,359	27,650,090,303
<b>Non-Banking Assets</b>		
	220,500,640	220,500,640
<b>Total Assets</b>	<b>422,433,521,422</b>	<b>391,875,283,332</b>

**Description of Liabilities**

<b>Borrowings from other banks, financial institutions and agents</b>		
	71,143,350,566	62,932,481,200
<b>Current /Al-Wadeeah current and other deposit accounts</b>		
Bills payable	50,379,752,652	47,420,761,550
Savings deposits/ Mudaraba Savings Deposits	13,114,865,276	4,923,791,928
Mudarabba Term and Fixed deposits	64,521,095,686	70,358,701,527
	134,678,829,892	120,109,551,767
<b>Total Deposits</b>	<b>262,694,543,506</b>	<b>242,812,806,770</b>
<b>Other liabilities</b>		
	57,816,302,522	56,394,612,364
<b>Total Liabilities</b>	<b>391,654,196,594</b>	<b>362,139,900,334</b>
<b>Capital/Shareholders Equity:</b>		
Paid up capital		
Share Premium	11,322,834,770	11,322,834,770
Statutory reserve	1,211,881,786	1,211,881,786
Revaluation Reserve on Govt Securities/ Revaluation Reserve	10,353,413,584	10,353,413,584
Non-Controlling Interest	1,555,128,315	1,507,173,559
Foreign Currency Translation Gain	57	57
Retained earnings	91,256,249	20,460,078
Revaluation Gain/ Loss on Investments	6,049,494,756	5,213,854,021
General reserves and others	167,312,423	77,762,255
	28,002,888	28,002,888
<b>Total Equity</b>	<b>30,779,324,828</b>	<b>29,735,382,998</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>422,433,521,422</b>	<b>391,875,283,332</b>

07 JUN 2023



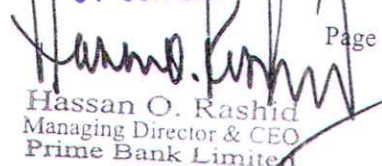
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

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Deputy Managing Director & CFO  
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07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

Page 47 | 87



**(g) Description of Previously Issued Debt Securities:**

The current status of previously issued debt as on September 30, 2022 of Prime Bank Limited is given below:

Year of Issue	Types of Issue	Redemption	Issue Size	Subscribers	Amount Invested (in BDT Crore)	Outstanding Amount as on Sep 30, 2022	Remarks/ Default (if any)				
2010	Subordinated Bond	Redeemed in 2 equal Instalments (50% on 07.02.2016 & 50% on 07.02.2017)	BDT 250 Crore	Agrani Bank Limited	18	Nil	Fully Redeemed on 07.02.2017				
				AB Bank Limited	9						
				Bank Asia Limited	14						
				A. K. Khan & Co. Limited	40						
				Delta Life Insurance Company Ltd.	10						
				Dutch-Bangla Bank Limited	40						
				Investment Corporation of Bangladesh	14						
				Janata Bank Limited	14						
				Mutual Trust Bank Limited	9						
				Pacific Jeans Limited	1						
				Popular Life Insurance Co. Limited	3						
				Pubali Bank Limited	9						
				Sonali Bank Limited	21						
				Trust Bank Limited	13						
				<b>RACE Management PCL on behalf of:</b>							
				EBL First Mutual Fund	6.50						
				Trust Bank First Mutual Fund	12						
IFIC Bank First Mutual Fund	6.50										
First Janata Bank Mutual Fund	10										
2015	Subordinated Bond - II	Redeemed in 5 equal annual Instalments starting from end of 3 <sup>rd</sup> year and each 12 months	BDT 700 Crore	Agrani Bank Limited	20	Nil	Fully Redeemed on 19.02.2022				
				BRAC Bank Limited	10						
				Janata Bank Limited	25						
				Mercantile Bank Limited	25						
				One Bank Limited	60						
				Rupali Bank Limited	60						
				Sonali Bank Limited	50						
2018	Subordinated Bond - III	Redeemed in 5 equal annual Installments starting from end of 3 <sup>rd</sup> year and each 12 months	BDT 500 Crore	Agrani Bank Limited	200	BDT 420 Crore	1 <sup>st</sup> Redemption Installment (20%) on 12.08.2021 & 2 <sup>nd</sup> Redemption Installment (20%) on 12.08.2022				
				Janata Bank Limited	150						
				Mercantile Bank Limited	50						
				Pubali Bank Limited	50						
				Rupali Bank Limited	150						
				Sonali Bank Limited	100						
<b>Total Amount (in BDT Crore)</b>				<b>1,200</b>	<b>420</b>						

07 JUN 2023

07 JUN 2023

07 JUN 2023



## Section – 12: Auditors' Report Along with Audited Financial Statements of the Issuer (Prime Bank Limited)



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(+88-02) 8189428 to 29 (Level-15)  
Facsimile: (+88-02) 410 20036  
E-mail: acnabin@itangla.net; Web: www.acnabin.com

### INDEPENDENT AUDITOR'S REPORT

To the Directors of Prime Bank Limited and It's Subsidiaries

#### Opinion

We have audited the financial statements of Prime Bank Limited which comprise the consolidated balance sheet of Prime Bank Limited and it's Subsidiaries and the separate balance sheet of Prime Bank Limited as at 30 September 2022, and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the period from 01 January to 30 September 2022, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company for the period ended 30 September 2022 are prepared in all material respects, in accordance with International Financial Reporting Standards (IFRSs), as explained in note # 2 to the financial statements.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw attention to Note # 2 to the financial statements, which describe the basis of accounting. The financial statements are prepared to assist the Company in complying with the financial reporting provisions of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021, for issuing the subordinated bond. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Company and Bangladesh Securities and Exchange Commission and should not be distributed to or used by parties other than the Company or other relevant regulators concerned.

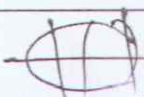
Our opinion is not modified in respect of the matter mentioned.



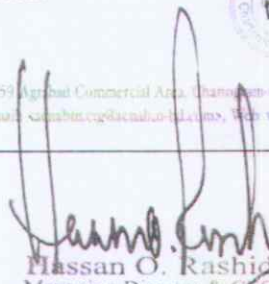
Branch Office: Jahan Building No.7 (1st Floor, North Side), 59 Agrabad Commercial Area, Dhaka-1000, Bangladesh.  
Tel: (+88-031) 333317352. Fax: (+88-031) 333317353. E-mail: acnabin.cpa@acnabin.com, Web: www.acnabin.com

07 JUN 2023

  
Tanvir A Siddiqul, ACS  
Company Secretary  
Prime Bank Limited

  
07 JUN 2023  
M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited



  
Hassan O. Rashid  
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Prime Bank Limited

Page 49 | 87

07 JUN 2023



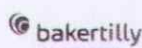
**Other Matter**

Consolidated financial statements of the Bank and its subsidiaries include the separate financial statements of the Bank and unaudited financial statements of its five subsidiaries, namely Prime Bank Investment Limited, Prime Bank Securities Limited, Prime Exchange Co (Pte) Limited, Singapore, PBL Exchange (UK) Limited, and PBL Finance (Hong Kong) Limited.


**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period ended on 30 September 2022. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of key audit matters	Our response to key audit matters
<b>1. Measurement of provision for loans, advances, and leases</b>	
<p>The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex.</p> <p>For the individual analysis, provisions consider the estimates of future business performance and the market value of the collaterals provided for credit transactions.</p> <p>For the collective analysis, these provisions are manually processed and deal with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation.</p> <p>At period end, the Group reported total gross loans and advances of BDT 290,632.08 million (2021: BDT 264,962.36 million) and provision for loans and advances of BDT 13,366.13 million (2021: BDT 13,927.09 million). On the other hand, the Bank reported loans and advances of BDT 288,992.50 million (2021: BDT 263,015.35 million) on a solo basis.</p> <p>We need to focus on the following significant judgements and estimates that may give rise</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process;</li> <li>• Identified the loss events, including early warning and default warning indicators; and</li> <li>• Reviewed the quarterly Classification of Loans (CL).</li> </ul> <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> <li>• Reviewed the adequacy of the Bank's general and specific provisions;</li> <li>• Assessed the methodologies on which the calculation of provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information;</li> <li>• Assessed the appropriateness and presentation of disclosures</li> </ul>

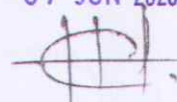


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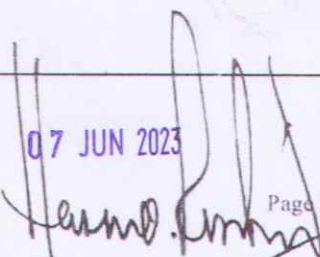
**Tanvir A Siddiqui, ACS**  
Company Secretary  
Prime Bank Limited

07 JUN 2023



**M Habibur Rahman Chowdhury, FCA**  
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Prime Bank Limited

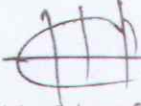


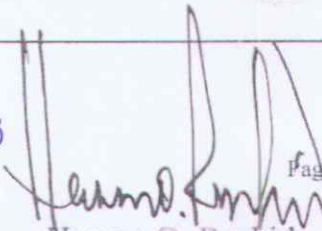


Description of key audit matters	Our response to key audit matters
<p>to material misstatement or management bias:</p> <ul style="list-style-type: none"> <li>• Completeness and timing of recognition of loss events in accordance with criteria set out in relevant BRPD and other relevant Circulars issued by Bangladesh Bank;</li> <li>• For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows.</li> </ul> <p>Provision measurement is primarily dependent upon key assumptions relating to the probability of default, ability to repossess collateral, and recovery rates.</p>	<p>against relevant accounting standards and Bangladesh Bank guidelines; and</p> <ul style="list-style-type: none"> <li>• Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</li> </ul> <p>For consolidation purposes we relied on the unaudited financial statements in the case of Prime Bank Investment Limited, Prime Bank Securities Limited, Prime Exchange Co (Pte) Limited, Singapore, PBL Finance (Hong Kong) Limited, and PBL Exchange (UK) Limited. The relevant figures of the subsidiaries are not material in the context of the Group as a whole.</p>
See note # 7, 8 and 14 to the financial statements	
<b>2. Valuation of Treasury Bills and Treasury Bonds</b>	
<p>The classification and measurement of Treasury Bills and Treasury Bonds require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, Treasury Bills and Treasury Bonds fair value is determined using Bangladesh Bank's guidelines and complex valuation techniques that may take into consideration direct or indirect unobservable market data and complex pricing models.</p>	<p>We assessed the processes and controls put in place by the Bank to identify and confirm the existence of Treasury Bills and Treasury Bonds.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the Treasury Bills and Treasury Bonds valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using various techniques, including comparing inputs to available market data.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures in</p>



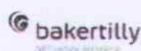
  
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Page 51 | 87  
07 JUN 2023  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



Description of key audit matters	Our response to key audit matters
	accordance with the Bangladesh Bank guidelines.
See note # 6(a) to the financial statements	
<b>3. Measurement of deferred tax assets and liabilities</b>	
<p>The Bank disclosed deferred tax assets and deferred tax liabilities of BDT 1,732.06 million (BDT 1,991.89 million in 2021) and BDT 955.79 million (BDT 761.53 million in 2021) respectively as of 30 September 2022.</p> <p>Significant judgment is required concerning deferred tax assets, and liabilities as their recoverability and adjustment depend on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding and evaluated the design, the operational effectiveness of the Bank's key controls over the recognition and measurement of deferred tax assets &amp; liabilities and the assumptions used in estimating the Bank's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We involved tax specialists in assessing key assumptions, controls, recognition, and measurement of deferred tax assets and liabilities.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>
See note # 10(a) and 14(a) to the financial statements	
<b>4. Carrying value of investments in subsidiaries by the Bank</b>	
<p>The Bank has invested in equity shares of its five subsidiaries, namely Prime Bank Investment Limited, Prime Bank Securities Limited, Prime Exchange Co (Pte) Limited, Singapore, PBL Exchange (UK) Limited and PBL Finance (Hong Kong) Limited. As at 30 September 2022 the carrying value of these investments was BDT 4,051.71 million (BDT 4,051.71 million in 2021).</p> <p>Operations of Prime Bank Investment Limited and Prime Bank Securities Limited (97.49% of total investment in subsidiaries) mainly deal with capital market investments. And by nature, the country's capital market is not stable. Hence, the investments in these</p>	<p>We reviewed Management's analysis of impairment assessment and recoverable value calculation of the investments in accordance with IAS 36.</p> <p>In particular, our discussions with the Management of the Bank were focused on the continued appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation.</p> <p>We also checked the mathematical accuracy of the model, recalculated the</p>

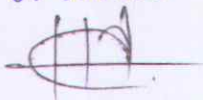


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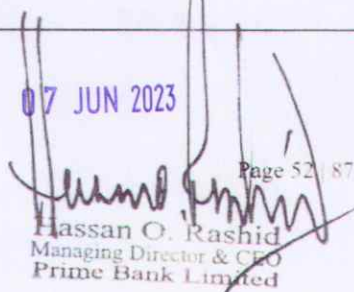
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Description of key audit matters	Our response to key audit matters
<p>subsidiaries are subject to impairment. While impairment testing, the management is required to consider various guidelines of Bangladesh Bank, Bangladesh Securities and Exchanges Commission and other regulators. As the impairment testing is complex and significant to the Group's preparation of financial statements, we have considered it a key audit matter.</p> <p>See note # 10(a) to the financial statements</p>	<p>discount rate used within the model, inputs used in the determination of assumptions within the model were challenged, and corroborating information was obtained with reference to external market information, and third-party sources.</p>
<p><b>5. IT systems and controls</b></p>	
<p>The Bank's key financial accounting and reporting processes are significantly dependent on the automated controls over the Bank's information systems. As such there exist risks that gaps in the IT control environment, including automated accounting procedures, IT-dependent manual controls and controls preventing unauthorized access to systems and data could result in the financial accounting and reporting records being materially misstated.</p> <p>The IT systems and controls, as they impact the financial recording and reporting of transactions, is a key audit matter.</p>	<p>We performed audit procedures to assess IT systems and controls over financial reporting, which included the following:</p> <ul style="list-style-type: none"> <li>• Tested the sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access, system change management and computer operations.</li> <li>• Assessed the management's evaluation of access rights granted to applicants relevant to financial accounting and reporting systems and tested resolution of a sample of exceptions.</li> <li>• Assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights.</li> <li>• Tested the specific application controls for key financial reporting controls.</li> </ul>

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



07 JUN 2023

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Managing Director & CEO  
Prime Bank Limited



In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

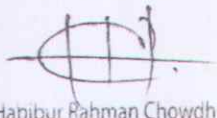
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

07 JUN 2023



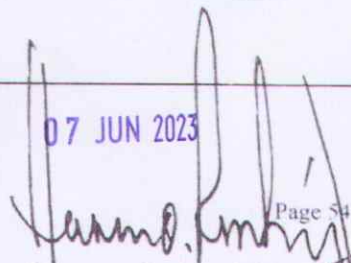
**Tanvir A Siddiqui, ACS**  
Company Secretary  
Prime Bank Limited

07 JUN 2023



**M Habibur Rahman Chowdhury, FCA**  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



**Hassan O. Rashid**  
Managing Director & CEO  
Prime Bank Limited



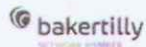


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Dated, Dhaka:  
11 JAN 2023

**ACNABIN, Chartered Accountants**

Signed by: Abu Sayed Mohammed Nayeem FCA  
Partner  
ICAB Enrollment# 353  
DVC:230111035300929669




07 JUN 2023



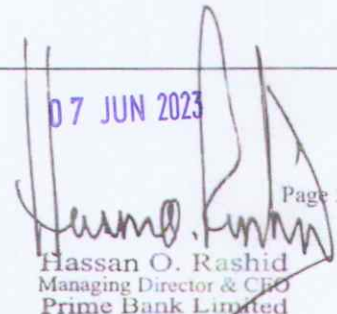
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

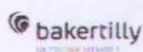


Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



Prime Bank Limited  
Consolidated Balance Sheet  
as at 30 September 2022

Particulars	Notes	Amount in Taka	
		30 Sep 2022	31 Dec 2021
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3		
Cash in hand (including foreign currencies)		5,124,763,376	4,192,297,236
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		12,865,713,203	11,677,721,619
		<b>17,990,476,579</b>	<b>15,870,018,855</b>
<b>Balance with other banks and financial institutions</b>	4		
In Bangladesh		1,865,950,289	9,050,122,540
Outside Bangladesh		4,145,909,597	3,341,443,118
		<b>6,011,859,886</b>	<b>12,391,565,858</b>
<b>Money at call on short notice</b>	5		
<b>Investments</b>	6		
Government		58,880,042,096	53,969,145,650
Others		9,597,569,000	8,417,158,640
		<b>68,477,611,096</b>	<b>62,386,304,290</b>
<b>Loans, advances and lease / investments</b>			
Loans, cash credits, overdrafts etc / investments	7	245,011,822,809	220,623,213,932
Bills purchased and discounted	8	45,620,257,505	44,339,148,120
		<b>290,632,080,314</b>	<b>264,962,362,052</b>
<b>Fixed assets including premises, furniture and fixtures</b>	9	8,525,947,548	8,394,441,334
<b>Other assets</b>	10	30,575,045,359	27,650,090,303
<b>Non - banking assets</b>	11	220,500,640	220,500,640
<b>Total assets</b>		<b>422,433,521,422</b>	<b>391,875,283,332</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	12	71,143,350,566	62,932,481,200
<b>Deposits and other accounts</b>	13		
Current / Al-wadeeah current deposits		50,379,752,652	47,420,761,550
Bills payable		13,114,865,276	4,923,791,928
Savings bank / Mudaraba savings deposits		64,521,095,686	70,358,701,527
Term deposits / Mudaraba term deposits		134,678,829,892	120,109,551,787
Bearer certificate of deposit		-	-
Other deposits		-	-
		<b>262,694,543,506</b>	<b>242,812,806,770</b>
<b>Other liabilities</b>	14	57,816,302,522	56,394,612,364
<b>Total liabilities</b>		<b>391,654,196,594</b>	<b>362,139,900,334</b>
<b>Capital / Shareholders' equity</b>			
Paid-up capital	15.2	11,322,834,770	11,322,834,770
Share premium	15.4	1,211,881,786	1,211,881,786
Non-controlling Interest	15.5	57	57
Statutory reserve	16	10,353,413,584	10,353,413,584
Revaluation gain / loss on investments	17	167,312,423	77,762,255
Revaluation reserve	18	1,555,128,315	1,507,173,559
Foreign currency translation gain	19	91,256,249	20,460,076
General reserve		28,002,888	28,002,888
Surplus in profit and loss account / Retained earnings	20	5,049,494,756	5,213,854,021
<b>Total Shareholders' equity</b>		<b>30,779,324,828</b>	<b>29,735,382,998</b>
<b>Total liabilities and Shareholders' equity</b>		<b>422,433,521,422</b>	<b>391,875,283,332</b>

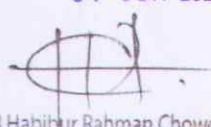


07 JUN 2023



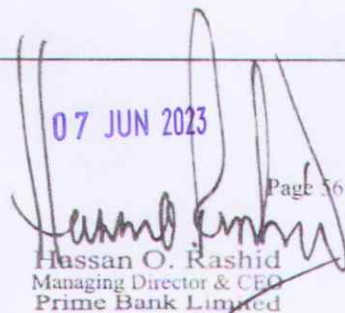
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited





Particulars	Notes	Amount in Taka	
		30 Sep 2022	31 Dec 2021
<b>OFF - BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>			
21			
21.1	75,442,077,245	71,189,112,961	
21.2	36,749,113,422	36,605,203,719	
21.3	40,759,338,063	46,643,694,270	
21.4	15,272,877,215	13,667,430,360	
	<b>168,223,405,945</b>	<b>168,105,441,310</b>	
<b>Other commitments</b>			
	6,172,640,641	1,758,763,902	
	6,172,640,641	1,758,763,902	
	<b>174,396,046,586</b>	<b>169,864,205,212</b>	
<b>Total Off-Balance Sheet items including contingent liabilities</b>			

These financial statements should be read in conjunction with the annexed notes 1 to 48.

Chairman

Director

Director

Managing Director

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

ACNABIN, Chartered Accountants

Abu Sayed Mollammed Naveem FCA  
Partner  
ICAB Enrollment # 353

DVC: 230111035300929669

Dated, Dhaka:

27 DEC 2022



07 JUN 2023

Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023

M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



Prime Bank Limited  
Consolidated Profit and Loss Account  
for the period from 01 January to 30 September 2022

Particulars	Notes	Amount in Taka		Amount in Taka	
		Jan to Sep 2022	Jan to Sep 2021	Jul to Sep 2022	Jul to Sep 2021
Interest income / profit on investments	23	13,335,140,516	11,159,036,454	4,734,822,423	3,590,276,835
Interest / profit paid on deposits, borrowings, etc.	24	(6,874,343,491)	(4,988,019,683)	(2,487,206,419)	(1,629,905,537)
<b>Net interest / net profit on investments</b>		<b>6,460,797,025</b>	<b>6,171,016,772</b>	<b>2,247,616,004</b>	<b>1,960,371,298</b>
Investment income	25	3,013,977,149	3,553,942,352	1,440,711,833	755,169,837
Commission, exchange and brokerage	26	2,293,500,894	1,525,294,806	33,005,195	564,540,913
Other operating income	27	816,577,497	672,500,066	251,151,930	214,922,691
<b>Total operating income (A)</b>		<b>12,584,852,565</b>	<b>11,922,753,995</b>	<b>3,972,484,961</b>	<b>3,495,004,740</b>
Salaries and allowances	28	3,583,726,960	3,307,416,161	1,113,175,452	1,033,122,900
Rent, taxes, insurance, electricity, etc.	29	479,632,368	352,631,022	171,169,614	105,800,035
Legal expenses	30	42,736,684	23,277,713	8,914,206	4,541,592
Postage, stamp, telecommunication, etc.	31	83,316,143	68,957,262	26,894,834	36,347,436
Stationery, printing, advertisements, etc.	32	191,922,473	201,809,947	54,225,899	103,394,397
Managing Director's salary and fees	33	12,729,194	8,571,774	3,802,500	3,600,000
Directors' fees	34	5,694,131	3,665,264	2,227,296	1,615,181
Auditors' fees	35	2,116,523	2,269,930	723,446	773,218
Charges on loan losses	36	-	-	-	-
Depreciation and repair of Bank's assets	37	558,198,193	708,754,858	176,387,414	233,129,252
Other expenses	38	1,016,083,616	757,622,330	320,897,571	133,247,850
<b>Total operating expenses (B)</b>		<b>5,976,156,284</b>	<b>5,434,976,258</b>	<b>1,878,418,234</b>	<b>1,655,571,860</b>
<b>Profit / (loss) before provision (C=A-B)</b>		<b>6,608,696,281</b>	<b>6,487,777,736</b>	<b>2,094,066,727</b>	<b>1,839,432,879</b>
Provision for loans & advances	39	1,070,623,163	1,585,000,000	301,905,863	445,000,000
Provision for diminution in value of investments	39	97,333,474	(152,359,393)	43,519,403	(163,079,442)
Provision for impairment of client margin loan	39	252,210,331	314,130,568	43,902,893	182,912,336
Other provisions	39	29,376,837	540,878,429	48,091,137	160,878,429
<b>Total provision (D)</b>		<b>1,449,543,805</b>	<b>2,287,649,604</b>	<b>437,422,296</b>	<b>625,711,323</b>
<b>Total profit / (loss) before taxes (C-D)</b>		<b>5,159,152,476</b>	<b>4,200,128,132</b>	<b>1,656,644,431</b>	<b>1,213,721,556</b>
Provision for taxation:					
Current tax	40	1,996,792,591	2,098,149,197	754,510,347	676,054,381
Deferred tax		366,942,697	(471,531,505)	(91,512,834)	13,464,432
<b>Net profit after taxation</b>		<b>2,795,417,188</b>	<b>2,573,510,439</b>	<b>810,621,249</b>	<b>527,131,607</b>
Retained earnings brought forward from previous year	20.1	3,254,077,565	1,886,255,253	3,254,077,565	1,886,255,253
		<b>6,049,494,753</b>	<b>4,459,765,692</b>	<b>4,247,724,483</b>	<b>2,410,457,996</b>
<b>Appropriations</b>					
Statutory reserve		(3)	(3)	0.28	2
Non controlling interest		(3)	(3)	0.28	2
General reserve		(3)	(3)	0.28	2
<b>Retained surplus</b>	20	<b>6,049,494,756</b>	<b>4,459,765,695</b>	<b>4,247,724,483</b>	<b>2,410,457,994</b>
<b>Earnings per share (EPS)</b>	41	<b>2.47</b>	<b>2.27</b>	<b>0.88</b>	<b>0.46</b>

These financial statements should be read in conjunction with the annexed notes 1 to 41

Chairman

Director

Director

Managing Director

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

Dated, Dhaka:

27 DEC 2022

ACNABIN, Chartered Accountants

Abu Sayed Mohammed Nayeem FCA  
Partner  
ICAB Enrolment # 353

DVC: 230111035300929669



07 JUN 2023

Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023

M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



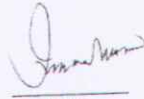


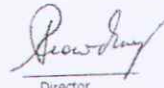
**Prime Bank Limited**  
**Consolidated Cash Flow Statement**  
for the period from 01 January to 30 September 2022

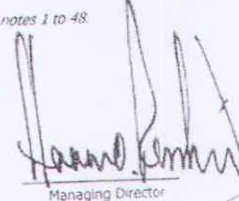
Particulars	Amount in Taka	
	Jan-Sep-2022	Jan-Sep-2021
<b>A) Cash flows from operating activities</b>	15,745,385,635	12,482,042,290
Interest receipts in cash	(6,121,202,842)	(5,648,974,615)
Interest payments	156,864,620	63,763,626
Dividend receipt	2,293,500,894	1,525,294,806
Fees and commission receipts in cash	139,786,077	96,901,337
Recoveries of loans previously written off	(3,599,502,751)	(3,258,285,951)
Cash payments to employees	(601,805,091)	(545,981,844)
Cash payments to suppliers	(2,350,054,171)	(2,115,306,956)
Income taxes paid	889,995,763	2,219,935,251
Receipts from other operating activities	(1,206,030,255)	(1,219,987,513)
Payments for other operating activities		
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>	<b>5,346,937,878</b>	<b>3,599,400,432</b>
<b>Increase / (decrease) in operating assets and liabilities</b>	<b>(4,925,510,579)</b>	<b>3,702,629,761</b>
Purchase/sale of trading securities (Bills/Bonds)	(27,218,631,599)	(7,028,144,359)
Loans and advances to customers	(287,792,837)	(508,629,887)
Other assets	13,721,874,957	17,501,944,874
Deposits from other banks / borrowings	6,747,348,368	(9,679,348,381)
Deposits from customers	8,191,073,348	(1,639,387,131)
Other liabilities account of customers	(127,793,487)	839,783,557
Other liabilities	(3,899,431,830)	3,188,848,434
	<b>1,447,506,047</b>	<b>6,788,248,867</b>
<b>Net cash from operating activities</b>		
<b>B) Cash flows from investing activities</b>	(1,166,659,026)	(686,730,189)
Payments for purchases of securities	(524,893,109)	(441,172,816)
Purchase of property, plant and equipment	1,219,498	1,726,814
Proceeds from sale of property, plant and equipment	(1,690,332,637)	(1,126,176,191)
<b>Net cash used in investing activities</b>		
<b>C) Cash flows from financing activities</b>	(1,900,000,000)	(1,900,000,000)
Redemption of Prime Bank sub-ordinated bond	(174,622,150)	(288,391,948)
Repayment of borrowings and leasing liabilities	(42,503,440)	(49,099,071)
Interest paid on lease liabilities	(1,981,496,065)	(1,735,001,284)
Dividend paid	(4,098,621,675)	(3,972,492,303)
<b>Net cash used in financing activities</b>		
<b>D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)</b>	(4,341,448,265)	1,689,580,373
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>	81,337,217	7,891,432
<b>F) Cash and cash equivalents at beginning of the year</b>	28,265,687,613	24,980,110,856
<b>G) Cash and cash equivalents at end of the period (D+E+F)</b>	<b>24,005,576,565</b>	<b>26,677,582,661</b>
<b>Cash and cash equivalents at end of the period</b>		
Cash in hand (including foreign currencies) (note-3)	5,124,763,376	4,069,166,891
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies) (note-3)	12,865,713,203	11,879,227,410
Balance with other banks and financial institutions (note-4)	6,011,859,886	10,721,629,060
Prize bonds (note-6a)	3,240,100	7,559,300
	<b>24,005,576,565</b>	<b>26,677,582,661</b>

These financial statements should be read in conjunction with the annexed notes 1 to 48.

  
Chairman

  
Director

  
Director

  
Managing Director

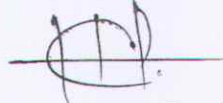


07 JUN 2023



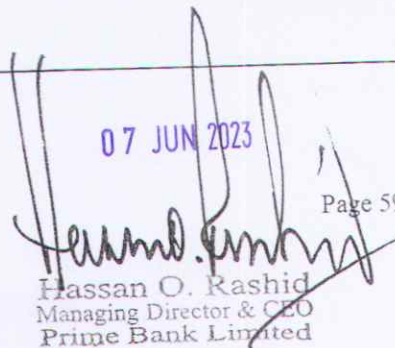
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



Prime Bank Limited  
Consolidated Statement of Changes in Equity  
for the period from 01 January to 30 September 2022

Particulars	Paid up capital		Statutory reserve		General reserve		Share premium		Non controlling interest		Revaluation reserve		Revaluation gain / loss on investments		F.C. translation gain		Retained earnings		Total		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Balance as at 1 January 2022	11,322,834,770	11,322,834,770	10,353,413,584	10,353,413,584	28,002,888	1,211,881,786	57	1,507,173,559	77,762,255	20,460,078	5,213,854,021	29,735,382,998	29,735,382,998								
Changes in accounting policy / last year's error																					
Balance as at 1 January 2022	11,322,834,770	11,322,834,770	10,353,413,584	10,353,413,584	28,002,888	1,211,881,786	57	1,507,173,559	77,762,255	20,460,078	5,213,854,021	29,735,382,998	29,735,382,998								
Intercompany transaction																					
Surplus / (deficit) on account of revaluation of properties																					
Adjustment of last year revaluation gain on investments																					
Surplus / (deficit) on account of revaluation of investments																					
Currency translation differences																					
Net gains and losses not recognized in the income statement																					
Net profit for the period																					
Dividend (bonus shares)																					
Cash dividend																					
Share Premium																					
Reassessment gain/(loss) of defined benefits liability/assets																					
Minority interest																					
Issue of share capital-right share																					
Balance as at 30 September 2022	11,322,834,770	11,322,834,770	10,353,413,584	10,353,413,584	28,002,888	1,211,881,786	57	1,555,128,315	167,217,423	91,256,249	6,049,494,756	30,779,324,825	30,779,324,825								
Balance as at 30 September 2021	11,322,834,770	11,322,834,770	10,353,413,584	10,353,413,584	28,002,888	1,211,881,786	57	1,507,173,559	103,846,387	18,530,093	4,459,765,694	29,005,448,818	29,005,448,818								

These financial statements should be read in conjunction with the annexed notes 1 to 16.

Managing Director

Director

Director

Chairman



07 JUN 2023

Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023

M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited





Prime Bank Limited  
Balance Sheet  
as at 30 September 2022

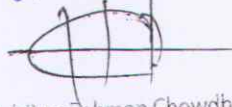
Particulars	Notes	Amount in Taka	
		30 Sep 2022	31 Dec 2021
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3a		
Cash in hand (including foreign currencies)		5,115,061,914	4,175,754,565
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		12,865,713,203	11,677,721,619
		<b>17,980,775,116</b>	<b>15,853,476,184</b>
<b>Balance with other banks and financial institutions</b>	4a		
In Bangladesh		1,665,083,384	8,942,695,539
Outside Bangladesh		4,032,500,689	3,204,311,794
		<b>5,697,584,073</b>	<b>12,147,007,333</b>
<b>Money at call on short notice</b>	5		
<b>Investments</b>	6a		
Government		58,880,042,096	53,969,145,650
Others		6,283,637,373	5,174,741,977
		<b>65,163,679,469</b>	<b>59,143,887,627</b>
<b>Loans, advances and lease / investments</b>	7a		
Loans, cash credits, overdrafts, etc./ investments		246,232,727,956	221,701,136,687
Bills purchased and discounted	8a	42,759,773,089	41,314,211,162
		<b>288,992,501,045</b>	<b>263,015,347,849</b>
<b>Fixed assets including premises, furniture and fixtures</b>	9a		
		8,456,294,747	8,325,699,812
<b>Other assets</b>	10a		
		34,172,284,490	31,172,459,495
<b>Non - banking assets</b>	11		
		220,500,640	220,500,640
<b>Total assets</b>		<b>420,683,619,580</b>	<b>389,878,378,940</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	12a	<b>70,664,875,780</b>	<b>62,061,332,558</b>
<b>Deposits and other accounts</b>	13a.1.c		
Current / Al-wadeeah current deposits		50,465,491,006	47,678,047,146
Bills payable		13,114,865,276	4,923,791,928
Savings bank / Mudaraba savings deposits		64,521,095,686	70,358,701,527
Term deposits / Mudaraba term deposits		134,679,247,507	120,109,951,192
Bearer certificate of deposit		-	-
Other deposits		-	-
		<b>262,780,699,476</b>	<b>243,070,491,793</b>
<b>Other liabilities</b>	14a	<b>56,319,412,405</b>	<b>54,857,681,566</b>
<b>Total liabilities</b>		<b>389,764,987,661</b>	<b>359,989,505,917</b>
<b>Capital / Shareholders' equity</b>	15.2		
Paid up capital		11,322,834,770	11,322,834,770
Share premium	15.4	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	111,287,389	32,533,614
Revaluation reserve	18	1,555,128,315	1,507,173,559
Foreign currency translation gain	19a	85,254,137	20,121,408
Other reserve		-	-
Surplus in profit and loss account / Retained earnings	20a	6,278,831,940	5,440,914,302
<b>Total Shareholders' equity</b>		<b>30,918,631,920</b>	<b>29,888,873,023</b>
<b>Total liabilities and Shareholders' equity</b>		<b>420,683,619,580</b>	<b>389,878,378,940</b>

07 JUN 2023



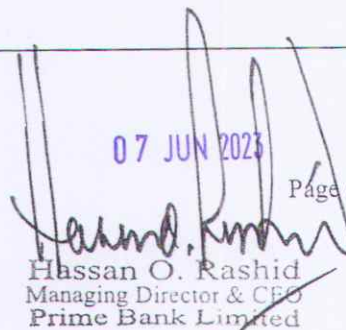
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



Particulars	Notes	Amount in Taka	
		30 Sep 2022	31 Dec 2021
<b>OFF - BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>	<b>21a</b>		
Acceptances and endorsements	21a.1	75,442,077,245	71,189,112,961
Letters of guarantee	21a.2	36,749,113,422	36,605,203,719
Irrevocable letters of credit	21a.3	40,759,338,063	46,643,694,270
Bills for collection	21a.4	15,272,877,215	13,667,430,360
Other contingent liabilities		-	-
		<b>168,223,405,945</b>	<b>168,105,441,310</b>
<b>Other commitments</b>			
Documentary credits and short term trade -related transactions		-	-
Forward assets purchased and forward deposits placed		6,172,640,641	1,758,763,902
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities , credit lines and other commitments		-	-
Liabilities against forward purchase and sale		-	-
		<b>6,172,640,641</b>	<b>1,758,763,902</b>
<b>Total Off-Balance Sheet items including contingent liabilities</b>		<b>174,396,046,586</b>	<b>169,864,205,212</b>

These financial statements should be read in conjunction with the annexed notes 1 to 48.

Chairman

Director

Director

Managing Director

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

ACNABIN, Chartered Accountants

Abu Sayed Mohammed Nayeem FCA  
Partner  
ICAB Enrollment # 353

DVC:230111035300929669

Dated ,Dhaka:  
27 DEC 2022



07 JUN 2023

Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023

M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited





Prime Bank Limited  
Profit and Loss Account  
for the period from 01 January to 30 September 2022

Particulars	Notes	Amount in Taka		Amount in Taka	
		Jan to Sep 2022	Jan to Sep 2021	Jul to Sep 2022	Jul to Sep 2021
Interest income / profit on investments	23a	13,056,130,464	11,050,870,190	4,684,513,472	3,529,864,500
Interest / profit paid on deposits, borrowings, etc.	24a	(6,872,479,980)	(4,977,580,948)	(2,509,701,966)	(1,622,557,703)
<b>Net interest / net profit on investments</b>		<b>6,183,650,484</b>	<b>6,073,289,241</b>	<b>2,174,811,506</b>	<b>1,907,306,797</b>
Investment income	25a	2,882,926,124	3,286,158,750	1,389,279,763	606,573,293
Commission, exchange and brokerage	26a	2,114,887,233	1,205,123,027	(19,332,232)	452,523,796
Other operating income	27a	793,638,048	652,540,243	242,221,399	212,236,160
<b>Total operating income (A)</b>		<b>11,975,101,889</b>	<b>11,218,111,261</b>	<b>3,786,980,436</b>	<b>3,178,640,046</b>
Salaries and allowances	28a	3,440,794,946	3,169,856,545	1,066,766,067	988,383,269
Rent, taxes, insurance, electricity, etc.	29a	459,825,024	336,496,890	166,317,173	101,834,623
Legal expenses	30a	36,394,816	14,236,794	7,340,338	3,006,383
Postage, stamp, telecommunication, etc.	31a	77,072,851	63,426,852	25,397,100	34,034,248
Stationery, printing, advertisements, etc.	32a	188,025,525	198,280,071	52,995,796	102,075,401
Managing Director's salary and fees	33	12,729,194	8,571,774	3,802,500	3,600,000
Directors' fees	34a	3,501,519	3,167,510	808,223	1,362,415
Auditors' fees	35a	1,138,500	1,035,000	379,500	345,000
Charges on loan losses	36	-	-	-	-
Depreciation and repair of Bank's assets	37a	526,091,163	677,092,025	164,617,946	220,026,304
Other expenses	38a	971,671,304	676,496,865	306,480,241	113,286,913
<b>Total operating expenses (B)</b>		<b>5,717,244,842</b>	<b>5,148,660,326</b>	<b>1,794,904,885</b>	<b>1,567,954,560</b>
<b>Profit / (loss) before provision (C=A-B)</b>		<b>6,257,857,047</b>	<b>6,069,450,935</b>	<b>1,992,075,551</b>	<b>1,610,685,486</b>
Provision for loans & advances	39a	1,070,623,163	1,585,000,000	301,905,663	445,000,000
Provision for diminution in value of investments	39a	-	-	-	-
Other provisions	39a	29,376,837	540,878,429	48,094,137	160,878,429
<b>Total provision (D)</b>		<b>1,100,000,000</b>	<b>2,125,878,429</b>	<b>350,000,000</b>	<b>605,878,429</b>
<b>Total profit / (loss) before taxes (C-D)</b>		<b>5,157,857,047</b>	<b>3,943,572,506</b>	<b>1,642,075,551</b>	<b>1,004,807,057</b>
Provision for taxation	40a	1,959,963,753	2,033,813,056	730,449,219	640,401,079
Current tax		378,479,572	(471,531,505)	(84,381,704)	13,464,432
Deferred tax		2,338,443,325	1,562,281,552	646,067,515	653,865,511
<b>Net profit after taxation</b>		<b>2,819,413,722</b>	<b>2,381,290,954</b>	<b>996,008,035</b>	<b>350,941,546</b>
Retained earnings brought forward from previous years	20.1a	3,459,418,217	2,288,496,966	3,459,418,217	2,288,496,966
		<b>6,278,831,940</b>	<b>4,669,787,921</b>	<b>4,455,426,253</b>	<b>2,639,438,512</b>
Appropriations					
Statutory reserve					
General reserve					
<b>Retained surplus</b>	20a	<b>6,278,831,940</b>	<b>4,669,787,921</b>	<b>4,455,426,253</b>	<b>2,639,438,512</b>
<b>Earnings per share (EPS)</b>	42	<b>2.49</b>	<b>2.10</b>	<b>0.88</b>	<b>0.31</b>

These financial statements should be read in conjunction with the annexed notes 1 to 48.

Chairman

Director

Director

Managing Director

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

ACNABIN, Chartered Accountants

Abu Sayed Mohammed Nayeem FCA  
Partner  
ICAB Enrollment # 353

DVC: 230111035300929669

Dated, Dhaka:

27 DEC 2022



07 JUN 2023

Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023

M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

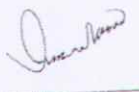


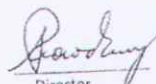
**Prime Bank Limited**  
**Cash Flow Statement**  
for the period from 01 January to 30 September 2022

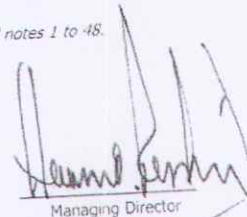
Particulars	Amount in Taka	
	Jan-Sep-2022	Jan-Sep-2021
<b>A) Cash flows from operating activities</b>		
Interest receipts in cash	15,275,881,955	12,195,747,649
Interest payments	(5,928,597,993)	(5,481,916,637)
Dividend receipt	156,864,620	63,763,526
Fees and commission receipts in cash	2,114,887,233	1,206,123,027
Recoveries of loans previously written off	139,786,077	96,901,337
Cash payments to employees	(3,456,570,737)	(3,120,726,335)
Cash payments to suppliers	(597,908,142)	(542,451,969)
Income taxes paid	(2,350,054,171)	(2,115,306,956)
Receipts from other operating activities	708,699,514	1,932,030,661
Payments for other operating activities	(1,126,054,804)	(1,106,423,903)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>	<b>4,936,933,550</b>	<b>3,127,740,501</b>
<b>Increase / (decrease) in operating assets and liabilities</b>		
Purchase/sale of trading securities (Bills/Bonds)	(4,925,510,579)	3,702,629,761
Loans and advances to customers	(27,695,811,615)	(6,019,256,786)
Other assets	(301,476,332)	(260,814,698)
Deposits from other banks / borrowings	14,496,504,225	16,579,553,685
Deposits from customers	6,747,348,368	(9,679,348,381)
Other liabilities account of customers	8,191,073,348	(1,639,387,131)
Other liabilities	(136,210,492)	459,184,386
	<b>(3,624,083,077)</b>	<b>3,142,560,836</b>
<b>Net cash from operating activities</b>	<b>1,312,850,473</b>	<b>6,270,301,337</b>
<b>B) Cash flows from investing activities</b>		
Payments for purchases of securities (Shares)	(1,095,144,063)	(161,190,554)
Purchase of property, plant and equipment	(508,424,089)	(438,860,141)
Proceeds from sale of property, plant and equipment	1,219,498	1,726,814
<b>Net cash used in investing activities</b>	<b>(1,602,348,654)</b>	<b>(598,323,881)</b>
<b>C) Cash flows from financing activities</b>		
Redemption of Prime Bank sub-ordinated bond	(1,900,000,000)	(1,900,000,000)
Repayment of borrowings and leasing liabilities	(174,622,150)	(288,391,948)
Interest paid on lease liabilities	(42,503,440)	(49,099,071)
Dividend paid	(1,981,496,085)	(1,698,425,216)
<b>Net cash used in financing activities</b>	<b>(4,098,621,675)</b>	<b>(3,935,916,235)</b>
<b>D) Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(4,388,119,857)</b>	<b>1,736,061,222</b>
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>	<b>65,132,729</b>	<b>8,050,459</b>
<b>F) Cash and cash equivalents at beginning of the year</b>	<b>28,004,586,417</b>	<b>24,633,900,854</b>
<b>G) Cash and cash equivalents at end of the period (D+E+F)</b>	<b>23,681,599,289</b>	<b>26,378,012,536</b>
<b>Cash and cash equivalents at end of the period</b>		
Cash in hand (including foreign currencies) (note-3a)	5,115,061,914	4,069,010,178
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies) (note-3a)	12,865,713,203	11,879,227,410
Balance with other banks and financial institutions (note-4a)	5,697,584,073	10,422,215,648
Prize bonds (note-6a)	3,240,100	7,559,300
	<b>23,681,599,289</b>	<b>26,378,012,536</b>

These financial statements should be read in conjunction with the annexed notes 1 to 48.

  
Chairman

  
Director

  
Director

  
Managing Director

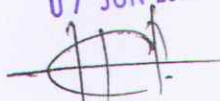


07 JUN 2023



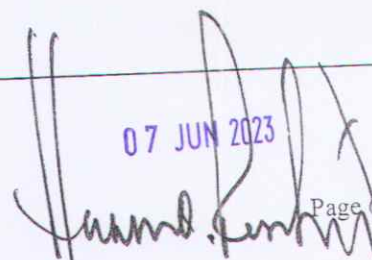
Tanvir A Siddiqui, ACS  
Company Secretary

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited





Prime Bank Limited  
Statement of Changes in Equity  
for the period from 01 January to 30 September 2022

Particulars	Paid-up Capital		Share premium		Statutory reserve		Revaluation reserve		Revaluation gain / loss on investments		F.C. Translation gain		Retained earnings		Total		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Balance as at 1 January 2022	11,322,834,770	1,211,881,786	10,353,413,584	1,507,173,559	32,533,614	20,121,408	5,440,914,302	29,888,873,023									
Changes in accounting policy / Last year's profit																	
Balance as at 1 January 2022	11,322,834,770	1,211,881,786	10,353,413,584	1,507,173,559	32,533,614	20,121,408	5,440,914,302	29,888,873,023									
Surplus / deficit on account of revaluation of properties				47,954,756													
Adjustment of last year revaluation gain on investments																	
Surplus / deficit on account of revaluation of investments																	
Currency translation differences																	
Net gains and losses not recognized in the income statement																	
Net profit for the period																	
Dividend (Bonus shares)																	
Cash dividend																	
Remeasurement gain/(loss) of defined benefits liability/assets																	
Share premium																	
Appropriation made during the year																	
Balance as at 30 September 2022	11,322,834,770	1,211,881,786	10,353,413,584	1,555,128,315	111,287,389	85,254,137	6,278,831,940	30,918,631,920									
Balance as at 30 September 2021	11,322,834,770	1,211,881,786	10,353,413,584	1,507,173,559	59,199,356	18,607,019	4,669,787,921	29,142,897,995									

These financial statements should be read in conjunction with the annexed notes 1 to 48.

Chairman  
  
  
 Director  
  
  
 Managing Director



Details Auditor's Report along with audited financial statements of Prime Bank Limited is also annexed with this Information Memorandum. **Annexure - 1**

07 JUN 2023  
  
 Tanvir A Siddiqui, ACS  
 Company Secretary  
 Prime Bank Limited

07 JUN 2023  
  
 M Habibur Rahman Chowdhury, FCA  
 Deputy Managing Director & CFO  
 Prime Bank Limited

07 JUN 2023  
  
 Hassan O. Rashid  
 Managing Director & CEO  
 Prime Bank Limited

## Section – 13: Comparative Financial Statements of the Issuer for the Last (3) Years

### Consolidated Balance Sheet of Prime Bank Limited

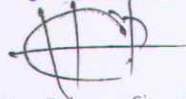
Particulars	30 Sept 2022	31 Dec 2021	31 Dec 2020	31 Dec 2019
Cash	17,990,476,579	15,870,018,855	17,480,758,669	19,584,637,894
In hand (Including foreign currencies)	5,124,763,376	4,192,297,236	3,260,482,339	3,655,952,159
Balances with Bangladesh bank and Sonali bank (Including foreign currencies)	12,865,713,203	11,677,721,619	14,220,276,330	15,928,685,735
<b>Balance with other banks and financial institution</b>	<b>6,011,859,886</b>	<b>12,391,565,858</b>	<b>7,280,554,988</b>	<b>8,838,068,439</b>
In Bangladesh	1,865,950,289	9,050,122,540	3,394,160,257	3,950,337,390
Outside Bangladesh	4,145,909,597	3,341,443,318	3,886,394,731	4,887,731,049
Money at call and short notice	-	-	210,000,000	1,080,000,000
<b>Investment in shares &amp; securities</b>	<b>68,477,611,096</b>	<b>62,386,304,290</b>	<b>57,226,723,418</b>	<b>49,101,115,787</b>
Government	58,880,042,096	53,969,145,650	53,054,038,697	45,188,069,017
Others	9,597,569,000	8,417,158,640	4,172,684,721	3,913,046,770
<b>Total Loans, advances and lease/investments</b>	<b>290,632,080,314</b>	<b>264,962,362,052</b>	<b>234,024,292,594</b>	<b>215,885,731,225</b>
Loans, cash credits, overdrafts/General Investments	245,011,822,809	220,623,213,932	211,720,953,415	197,345,646,833
Bills discounted and purchased	45,620,257,505	44,339,148,120	22,303,339,179	18,540,084,393
<b>Land, Building, Furniture and Fixtures (Including leased assets)</b>	<b>8,525,947,548</b>	<b>8,394,441,334</b>	<b>8,233,921,143</b>	<b>8,297,557,716</b>
Other assets	30,575,045,359	27,650,090,303	23,616,803,839	22,064,150,533
Non-Banking Assets	220,500,640	220,500,640	220,500,640	220,500,640
<b>Total Assets</b>	<b>422,433,521,422</b>	<b>391,875,283,332</b>	<b>348,293,555,291</b>	<b>325,071,762,234</b>
Borrowings from other banks, financial institutions and agents	71,143,350,566	62,932,481,200	37,613,110,557	36,688,074,764
<b>Total Deposits and other accounts</b>	<b>262,694,543,506</b>	<b>242,812,806,770</b>	<b>232,745,801,398</b>	<b>216,422,949,878</b>
Current /Al-Wadeeah current and other deposit accounts	50,379,752,652	47,420,761,550	41,322,385,560	36,079,113,854
Bills payable	13,114,865,276	4,923,791,928	4,528,972,457	4,062,714,217
Savings deposits/ Mudaraba Savings Deposits	64,521,095,686	70,358,701,527	55,756,396,701	46,785,160,532
Mudaraba Term and Fixed deposits	134,678,829,892	120,109,551,767	131,138,046,680	129,495,961,275
<b>Other liabilities</b>	<b>57,816,302,522</b>	<b>56,394,612,364</b>	<b>49,461,817,719</b>	<b>44,026,642,978</b>
<b>Total Liabilities</b>	<b>391,654,196,594</b>	<b>362,139,900,334</b>	<b>319,820,729,674</b>	<b>297,137,667,620</b>
Paid up capital	11,322,834,770	11,322,834,770	11,322,834,770	11,322,834,770
Share Premium	1,211,881,786	1,211,881,786	1,211,881,786	1,211,881,786
Statutory reserve	10,353,413,584	10,353,413,584	10,353,413,584	10,353,413,584
Revaluation Reserve on Govt. Securities/ Revaluation Reserve	1,555,128,315	1,507,173,559	1,507,173,559	1,496,759,104
Non-Controlling Interest	57	57	56	56
Foreign Currency Translation Gain	91,256,249	20,460,078	16,769,536	17,316,748
Retained earnings	6,049,494,756	5,213,854,021	3,620,860,953	3,393,214,109
Revaluation Gain/ Loss on Investments	167,312,423	77,762,255	411,888,485	110,671,570
General reserves and others	28,002,888	28,002,888	28,002,888	28,002,888
<b>Total Equity</b>	<b>30,779,324,828</b>	<b>29,735,382,998</b>	<b>28,472,825,617</b>	<b>27,934,094,614</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>422,433,521,422</b>	<b>391,875,283,332</b>	<b>348,293,555,291</b>	<b>325,071,762,234</b>
NAV	27.18	26.26	25.15	24.67

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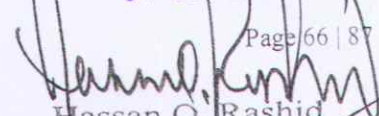
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

Page 66 | 87



**Consolidated Income Statement of Prime Bank Limited**

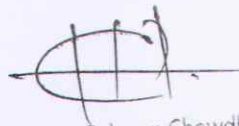
Particulars	30 Sept 2022	31 Dec 2021	31 Dec 2020	31 Dec 2019
Interest income	13,335,140,516	14,883,464,368	15,851,900,455	19,888,509,277
Interest paid on deposits and borrowings	(6,874,343,491)	(6,794,530,559)	(10,348,259,152)	(11,688,044,915)
<b>Net interest income</b>	<b>6,460,797,025</b>	<b>8,088,933,809</b>	<b>5,503,641,303</b>	<b>8,200,464,362</b>
Income from investments	3,013,977,149	4,366,920,350	4,635,668,871	2,941,796,473
Commission, exchange, and brokerage Income	2,293,500,894	2,270,599,410	1,969,676,171	2,388,941,646
Other operating income	816,577,497	1,026,426,319	816,717,664	855,013,428
<b>Total operating income</b>	<b>12,584,852,565</b>	<b>15,752,879,888</b>	<b>12,925,704,009</b>	<b>14,386,215,910</b>
Rent, Taxes, Insurance, Electricity etc.	479,632,368	536,182,196	445,398,223	707,792,509
Salaries and allowances	3,583,726,960	4,285,048,219	4,286,691,671	4,227,414,065
Legal Expenses	42,736,684	56,160,733	32,440,556	52,631,371
Postage, Stamps, Telecommunication etc.	83,316,143	88,463,056	103,546,145	100,966,662
Stationery, Printing, Advertisement etc.	191,922,473	219,758,403	187,240,934	280,273,865
Directors' Fees and Expenses	5,694,131	6,080,679	4,014,475	4,060,678
Salary and allowances paid to Managing Director/Chief Executive	12,729,194	12,846,774	11,214,452	10,905,129
Auditors' Fee	2,116,523	3,039,752	3,070,109	2,939,411
Depreciation and Repairs to Bank's Assets	558,198,193	890,565,711	927,268,560	815,063,198
Other Expenses	1,016,083,616	1,122,476,462	1,350,267,740	1,378,425,423
<b>Total operating expenses</b>	<b>5,976,156,284</b>	<b>7,220,621,985</b>	<b>7,351,152,865</b>	<b>7,580,472,311</b>
<b>Operating Profit</b>	<b>6,608,696,281</b>	<b>8,532,257,903</b>	<b>5,574,551,144</b>	<b>6,805,743,599</b>
Specific provision (Loan and Advances)	1,070,623,163	1,897,414,706	1,441,707,703	2,292,400,000
Provision for Impairment of Client margin loan	252,210,331	193,986,044	0	2,751,173
Diminution in value of investment	97,333,474	(93,118,558)	(1,992,935)	274,990,991
Others Provision	29,376,837	746,988,687	271,285,232	(79,038,895)
Total provision	1,449,543,805	2,745,270,879	1,711,000,000	2,491,103,269
<b>Profit for the year before taxation</b>	<b>5,159,152,476</b>	<b>5,786,987,024</b>	<b>3,863,551,144</b>	<b>4,314,640,330</b>
Current Tax	1,996,792,591	3,117,306,973	2,493,946,894	2,671,739,148
Deferred tax	366,942,697	(579,936,733)	(458,332,488)	315,303,012
Provision for tax	2,363,735,288	2,537,370,240	2,035,614,407	2,987,042,160
<b>Net profit after tax for the year</b>	<b>2,795,417,188</b>	<b>3,249,616,784</b>	<b>1,827,936,737</b>	<b>1,327,598,170</b>
EPS	2.47	2.87	1.61	1.17

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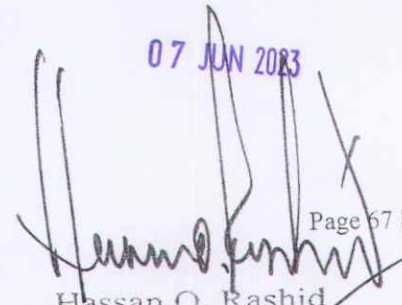
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

**Consolidated Cash Flow Statement of Prime Bank Limited**

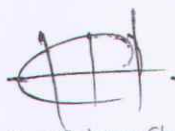
Particulars	30 Sept 2022	31 Dec 2021	31 Dec 2020	31 Dec 2019
Interest receipts/Investment income in cash	15,745,385,635	17,316,405,256	17,908,960,787	22,131,148,127
Interest payments/Profit paid on Mudaraba deposits	(6,121,202,842)	(7,632,264,582)	(11,366,040,303)	(10,893,293,315)
Dividend receipts	156,864,620	51,435,512	98,488,677	74,589,037
Fee and commission receipts	2,293,500,894	2,281,723,057	1,969,676,171	2,388,941,646
Recoveries on loans previously written off	139,786,077	153,582,630	468,066,972	615,846,215
Payments to employees	(3,599,502,751)	(4,174,090,424)	(4,381,102,924)	(4,270,383,154)
Payments to suppliers	(601,805,091)	(707,150,978)	(629,366,971)	(944,309,551)
Income taxes paid	(2,350,054,171)	(2,675,129,375)	(1,698,064,996)	(1,411,631,681)
Receipts from other operating activities	889,995,763	2,612,573,355	3,516,288,248	1,734,492,794
Payments for other operating activities	(1,206,030,255)	(1,382,611,584)	(1,611,668,983)	(1,756,976,849)
<b>Operating profit before changes in operating assets &amp; liabilities</b>	<b>5,346,937,878</b>	<b>5,844,472,866</b>	<b>4,275,236,679</b>	<b>7,668,423,270</b>
Purchase Of trading securities (Treasury bills)	(4,925,510,579)	21,705,417,061	1,373,518,617	(22,027,001,033)
Loans and advances to customers	(27,218,631,599)	(31,521,194,929)	(18,621,856,898)	(8,589,317,508)
Other assets	(287,792,837)	(24,240,520,307)	(9,175,475,072)	2,564,258,745
Deposits from other banks	13,721,874,957	28,468,534,912	1,528,026,272	25,944,902
Deposits from customers	6,747,348,368	9,268,604,978	17,389,143,444	19,975,602,199
Other liabilities account of customers	8,191,073,348	394,819,471	466,258,240	1,016,838,627
Increase/(decrease) of other liabilities	(127,793,487)	1,011,718,082	1,257,003,302	1,224,104,591
<b>Net cash flow from operating activities (a)</b>	<b>1,447,506,047</b>	<b>10,931,852,135</b>	<b>(1,508,145,416)</b>	<b>1,858,853,794</b>
(Purchase)/ sale of government securities	(1,166,659,026)	(3,073,774,266)	(265,471,285)	(551,777,783)
Purchase of property, plant and equipment	(524,893,109)	(543,724,286)	(853,210,037)	(2,060,604,829)
Sale of property, plant & equipment	1,219,498	5,246,243	28,595,857	4,809,374
<b>Net cash used in investing activities (b)</b>	<b>(1,690,332,637)</b>	<b>(3,612,252,309)</b>	<b>(1,090,085,465)</b>	<b>(2,607,573,238)</b>
Proceeds from borrowings and leasing liabilities	-	-	608,680,952	1,190,212,555
Paid for repayment of loan and debt securities	(174,622,150)	(374,637,831)	(357,730,973)	(221,477,112)
Interest paid on lease liabilities	(42,503,440)	(64,913,887)	(76,644,703)	(60,922,411)
Adjustment of subordinated non-convertible zero coupon bond	(1,900,000,000)	(1,900,000,000)	(500,000,000)	(500,000,000)
Dividend paid	(1,981,496,085)	(1,698,425,216)	(1,599,702,891)	(1,468,031,992)
<b>Net cash (used in) Flow from financing activities (c)</b>	<b>(4,098,621,675)</b>	<b>(4,037,976,934)</b>	<b>(1,925,397,615)</b>	<b>(1,060,218,960)</b>
<b>Net (decrease)/ increase in cash and cash equivalents (a+b+c)</b>	<b>(4,341,448,265)</b>	<b>3,281,622,892</b>	<b>(4,523,628,496)</b>	<b>(1,808,938,404)</b>
Effects of exchange rate changes on cash and cash equivalents	81,337,217	3,953,865	(3,435,580)	12,428,165
Cash and cash equivalents at beginning of the year	28,265,687,613	24,980,110,856	29,507,174,932	31,303,685,171
<b>Cash and cash equivalents at end of the year</b>	<b>24,005,576,565</b>	<b>28,265,687,613</b>	<b>24,980,110,856</b>	<b>29,507,174,933</b>

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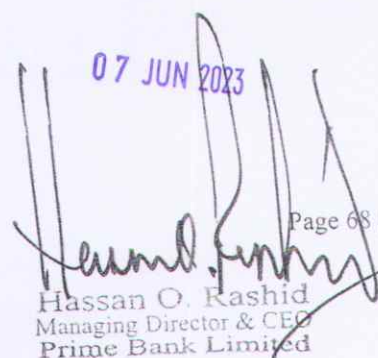
07 JUN 2023


Tanvir A Siddiqui, ACS  
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Prime Bank Limited

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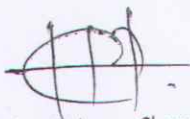
**Balance Sheet of Prime Bank Limited (Solo)**

Particulars	30 Sept 2022	31 Dec 2021	31 Dec 2020	31 Dec 2019
<b>PROPERTY AND ASSETS</b>				
<b>Cash</b>				
Cash in hand (including foreign currencies)	5,115,061,914	4,175,754,565	3,260,377,193	3,655,815,790
Balance with Bangladesh Bank and its agent bank (s) (Including foreign currencies)	12,865,713,203	11,677,721,619	14,220,276,330	15,928,685,735
	<b>17,980,775,116</b>	<b>15,853,476,184</b>	<b>17,480,653,523</b>	<b>19,584,501,525</b>
<b>Balance with other banks and financial institutions</b>				
In Bangladesh	1,665,083,384	8,942,695,539	3,273,317,675	3,597,748,289
Outside Bangladesh	4,032,500,689	3,204,311,794	3,661,132,456	4,698,466,957
	<b>5,697,584,073</b>	<b>12,147,007,333</b>	<b>6,934,450,131</b>	<b>8,296,215,246</b>
<b>Money at call on short notice</b>			210,000,000	1,080,000,000
<b>Investments</b>				
Government	58,880,042,096	53,969,145,650	53,054,038,697	45,188,069,017
Others	6,283,637,373	5,174,741,977	1,826,685,104	1,726,352,038
	<b>65,163,679,469</b>	<b>59,143,887,627</b>	<b>54,880,723,801</b>	<b>46,914,421,055</b>
<b>Loans, advances and lease / investments</b>				
Loans, cash credits, overdrafts, etc / investments	246,232,727,956	221,701,136,687	212,445,715,630	197,211,317,497
Bills purchased and discounted	42,759,773,089	41,314,211,162	19,954,367,303	16,743,420,445
	<b>288,992,501,045</b>	<b>263,015,347,849</b>	<b>232,400,082,933</b>	<b>213,954,737,941</b>
<b>Fixed assets including premises, furniture and fixtures</b>	8,456,294,747	8,325,699,812	8,150,428,200	8,138,891,579
<b>Other assets</b>	34,172,284,490	31,172,459,495	27,225,018,123	25,598,629,871
Non - banking assets	220,500,640	220,500,640	220,500,640	220,500,640
<b>Total assets</b>	<b>420,683,619,580</b>	<b>389,878,378,940</b>	<b>347,501,857,351</b>	<b>323,787,897,857</b>
<b>LIABILITIES AND CAPITAL</b>				
<b>Liabilities</b>				
<b>Borrowings from other banks, financial institutions and agents</b>	70,664,875,780	62,061,332,558	37,454,834,664	36,536,574,764
<b>Deposits and other accounts</b>				
Current / Al-wadeeah current deposits	50,465,491,006	47,678,047,146	41,598,926,269	36,098,642,375
Bills payable	13,114,865,276	4,923,791,928	4,528,972,457	4,062,714,217
Savings bank / Mudaraba savings deposits	64,521,095,686	70,358,701,527	55,756,396,701	46,785,160,532
Term deposits / Mudaraba term deposits	134,679,247,507	120,109,951,192	131,143,907,737	129,497,626,450
Bearer certificate of deposit	-	-	-	-
Other deposits	-	-	-	-
	<b>262,780,699,476</b>	<b>243,070,491,793</b>	<b>233,028,203,164</b>	<b>216,444,143,574</b>
<b>Other liabilities</b>	56,319,412,405	54,857,681,566	48,253,633,599	42,656,691,430
<b>Total liabilities</b>	<b>389,764,987,661</b>	<b>359,989,505,917</b>	<b>318,736,671,426</b>	<b>295,637,409,767</b>
<b>Capital / Shareholders' equity</b>				
Paid-up capital	11,322,834,770	11,322,834,770	11,322,834,770	11,322,834,770
Share premium	1,211,881,786	1,211,881,786	1,211,881,786	1,211,881,786
Statutory reserve	10,353,413,584	10,353,413,584	10,353,413,584	10,353,413,584
Revaluation gain / loss on investments	111,287,389	32,533,614	366,668,195	30,573,856
Revaluation reserve	1,555,128,315	1,507,173,559	1,507,173,559	1,496,759,104
Foreign currency translation gain	85,254,137	20,121,408	16,291,848	16,592,712
Surplus in profit and loss account / Retained earnings	6,278,831,940	5,440,914,302	3,986,922,182	3,718,432,277
	<b>30,918,631,920</b>	<b>29,888,873,023</b>	<b>28,765,185,924</b>	<b>28,150,488,089</b>
<b>Total Shareholders' equity</b>	<b>420,683,619,580</b>	<b>389,878,378,940</b>	<b>347,501,857,351</b>	<b>323,787,897,857</b>
<b>Total liabilities and Shareholders' equity</b>	<b>420,683,619,580</b>	<b>389,878,378,940</b>	<b>347,501,857,351</b>	<b>323,787,897,857</b>

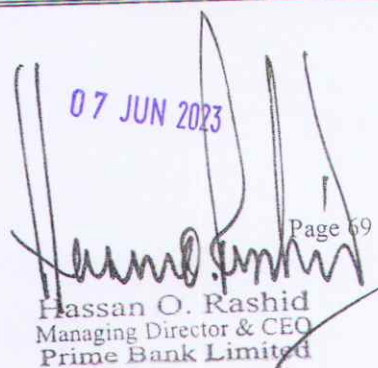
07 JUN 2023


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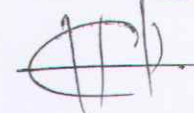
**Income Statement of Prime Bank Limited (Solo)**

Particulars	30 Sept 2022	31 Dec 2021	31 Dec 2020	31 Dec 2019
Interest income / profit on investments	13,056,130,464	14,851,645,019	15,912,904,591	19,957,165,815
Interest / profit paid on deposits, borrowings, etc.	(6,872,479,980)	(6,788,926,990)	(10,339,311,628)	(11,683,913,380)
<b>Net interest / net profit on investments</b>	<b>6,183,650,484</b>	<b>8,062,718,029</b>	<b>5,573,592,963</b>	<b>8,273,252,435</b>
Investment income	2,882,926,124	4,115,098,793	4,581,288,398	2,864,783,622
Commission, exchange and brokerage	2,114,887,233	1,865,324,181	1,713,520,639	2,168,347,205
Other operating income	793,638,048	1,006,255,919	784,638,037	824,625,635
<b>Total operating income (A)</b>	<b>11,975,101,889</b>	<b>15,049,396,922</b>	<b>12,653,040,037</b>	<b>14,131,008,897</b>
Salaries and allowances	3,440,794,946	4,091,407,906	4,102,546,881	4,022,748,973
Rent, taxes, insurance, electricity, etc.	459,825,024	516,005,024	416,221,281	675,228,108
Legal expenses	36,394,816	45,520,081	23,903,220	45,675,588
Postage, stamp, telecommunication, etc.	77,072,851	80,800,436	96,608,416	91,955,834
Stationery, printing, advertisements, etc.	188,025,525	214,862,736	182,334,537	273,533,305
Managing Director's salary and fees	12,729,194	12,846,774	11,214,452	10,905,129
Directors' fees	3,501,519	5,318,946	3,105,379	3,198,278
Auditors' fees	1,138,500	1,380,000	1,380,000	1,380,000
Charges on loan losses	-	-	-	-
Depreciation and repair of Bank's assets	526,091,163	847,481,350	880,441,472	761,198,436
Other expenses	971,671,304	993,059,181	1,226,054,738	1,295,624,455
<b>Total operating expenses (B)</b>	<b>5,717,244,842</b>	<b>6,808,682,435</b>	<b>6,943,810,376</b>	<b>7,181,448,105</b>
<b>Profit/(loss) before provision (C=A-B)</b>	<b>6,257,857,047</b>	<b>8,240,714,487</b>	<b>5,709,229,660</b>	<b>6,949,560,792</b>
Provision for loans & advances	1,070,623,163	1,897,414,706	1,441,707,703	2,292,400,000
Provision for diminution in value of investments	-	-	-	86,500,000
Other provisions	29,376,837	746,988,687	269,292,297	(78,900,000)
<b>Total provision (D)</b>	<b>1,100,000,000</b>	<b>2,644,403,393</b>	<b>1,711,000,000</b>	<b>2,300,000,000</b>
<b>Total profit/(loss) before taxes (C-D)</b>	<b>5,157,857,047</b>	<b>5,596,311,094</b>	<b>3,998,229,660</b>	<b>4,649,560,792</b>
Provision for taxation				
Current tax	1,959,963,753	3,024,268,492	2,466,348,850	2,645,755,415
Deferred tax	378,479,572	(538,983,219)	(265,191,789)	341,752,550
	2,338,443,325	2,485,285,273	2,201,157,061	2,987,507,965
<b>Net profit after taxation</b>	<b>2,819,413,722</b>	<b>3,111,025,821</b>	<b>1,797,072,599</b>	<b>1,662,052,827</b>
Retained earnings brought forward from previous years	3,459,418,217	2,329,888,481	2,189,849,583	2,056,379,450
	<b>6,278,831,940</b>	<b>5,440,914,302</b>	<b>3,986,922,182</b>	<b>3,718,432,277</b>
<b>Appropriations</b>				
Statutory reserve	-	-	-	-
General reserve	-	-	-	-
	-	-	-	-
<b>Retained surplus</b>	<b>6,278,831,940</b>	<b>5,440,914,302</b>	<b>3,986,922,182</b>	<b>3,718,432,277</b>
<b>Earnings per share (EPS)</b>	<b>2.49</b>	<b>2.75</b>	<b>1.59</b>	<b>1.47</b>

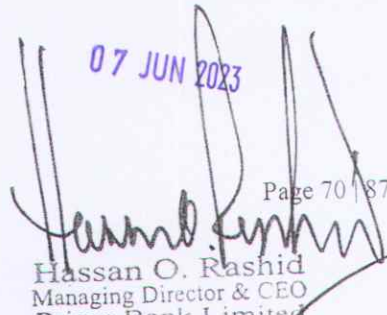
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 Company Secretary  
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07 JUN 2023

  
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 Deputy Managing Director & CFO  
 Prime Bank Limited

07 JUN 2023

  
**Hassan O. Rashid**  
 Managing Director & CEO  
 Prime Bank Limited

Page 70 / 87



**Cash Flow Statement of Prime Bank Limited (Solo)**

Particulars	30 Sept 2022	31 Dec 2021	31 Dec 2020	31 Dec 2019
<b>Cash flows from operating activities</b>				
Interest receipts in cash	15,275,881,955	17,035,522,863	17,756,450,260	21,936,347,165
Interest payments	(5,928,597,993)	(7,377,295,665)	(11,143,328,470)	(10,625,526,884)
Dividend receipt	156,864,620	88,011,581	98,488,677	74,589,037
Fees and commission receipts in cash	2,114,887,233	1,865,324,181	1,713,520,639	2,168,347,205
Recoveries of loans previously written off	139,786,077	153,582,630	468,066,972	-
Cash payments to employees	(3,456,570,737)	(3,980,450,112)	(4,196,958,134)	(4,055,664,504)
Cash payments to suppliers	(597,908,142)	(702,255,311)	(624,460,574)	(787,058,142)
Income taxes paid	(2,350,054,171)	(2,675,129,375)	(1,698,064,996)	(1,411,631,681)
Receipts from other operating activities	708,699,514	2,303,703,026	3,429,578,501	1,626,914,754
Payments for other operating activities	(1,126,054,804)	(1,212,292,374)	(1,440,204,769)	(1,623,223,057)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>	<b>4,936,933,550</b>	<b>5,498,721,444</b>	<b>4,363,088,107</b>	<b>7,918,940,108</b>
<b>Increase / (decrease) in operating assets and liabilities</b>				
Purchase/sale of trading securities (Bills/Bonds)	(4,925,510,579)	21,705,417,061	1,373,518,617	(22,027,001,033)
Loans and advances to customers	(27,695,811,615)	(30,759,069,501)	(18,420,939,539)	(9,198,890,525)
Other assets	(301,476,332)	(24,058,030,077)	(8,971,652,660)	2,530,230,532
Deposits from other banks / borrowings	14,496,504,225	27,433,453,106	1,027,579,352	28,571,177
Deposits from customers	6,747,348,368	9,268,604,978	17,389,143,444	19,975,602,199
Other liabilities account of customers	8,191,073,348	394,819,471	466,258,240	1,016,838,627
Other liabilities	(136,210,492)	627,219,848	1,226,849,013	868,900,452
	<b>(3,624,083,077)</b>	<b>4,612,414,886</b>	<b>(5,909,243,535)</b>	<b>(6,805,748,570)</b>
<b>Net cash from operating activities</b>	<b>1,312,850,473</b>	<b>10,111,136,330</b>	<b>(1,546,155,428)</b>	<b>1,113,191,538</b>
<b>Cash flows from investing activities</b>				
Payments for purchases of securities (Shares)	(1,095,144,063)	(2,177,357,221)	(106,166,399)	(306,935,873)
Purchase of property, plant and equipment	(508,424,089)	(534,192,414)	(850,678,931)	(1,899,298,238)
Proceeds from sale of property, plant and equipment	1,219,498	5,246,243	28,595,857	4,809,374
<b>Net cash used in investing activities</b>	<b>(1,602,348,654)</b>	<b>(2,706,303,392)</b>	<b>(928,249,474)</b>	<b>(2,201,424,738)</b>
<b>Cash flows from financing activities</b>				
Redemption of Prime Bank sub-ordinated bond	(1,900,000,000)	(1,900,000,000)	(500,000,000)	(500,000,000)
Proceeds from borrowings and leasing liabilities	-	-	608,680,952	1,190,212,555
Repayment of borrowings and leasing liabilities	(174,622,150)	(374,637,831)	(357,730,973)	(221,477,112)
Interest paid on lease liabilities	(42,503,440)	(64,913,887)	(76,644,703)	(60,922,411)
Dividend paid	(1,981,496,085)	(1,698,425,216)	(1,528,582,694)	(1,415,354,346)
<b>Net cash used in financing activities</b>	<b>(4,098,621,675)</b>	<b>(4,037,976,934)</b>	<b>(1,854,277,418)</b>	<b>(1,007,541,314)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(4,388,119,857)</b>	<b>3,366,856,004</b>	<b>(4,328,682,318)</b>	<b>(2,095,774,513)</b>
Effects of exchange rate changes on cash and cash equivalents	65,132,729	3,829,559	(2,602,198)	12,875,848
Cash and cash equivalents at beginning of the year	28,004,586,417	24,633,900,854	28,965,185,371	31,048,084,036
<b>Cash and cash equivalents at end of the period (D+E+F)</b>	<b>23,681,599,289</b>	<b>28,004,586,417</b>	<b>24,633,900,854</b>	<b>28,965,185,371</b>
<b>Cash and cash equivalents at end of the period</b>				
Cash in hand (including foreign currencies) (note-3a)	5,115,061,914	4,175,754,565	3,260,377,193	3,655,815,790
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies) (note-3a)	12,865,713,203	11,677,721,619	14,220,276,330	15,928,685,735
Balance with other banks and financial institutions (note-4a)	5,697,584,073	12,147,007,333	6,934,450,131	8,296,215,246
Money at call and short notice	-	-	210,000,000	1,080,000,000
Prize bonds (note-6a)	3,240,100	4,102,900	8,797,200	4,468,600
	<b>23,681,599,289</b>	<b>28,004,586,417</b>	<b>24,633,900,854</b>	<b>28,965,185,371</b>

07 JUN 2023



Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

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M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

### Section – 14: Ratio Analysis of the Issuer for the Last Three Accounting Years

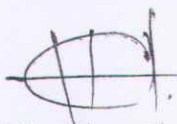
Sl.	Particulars	Sep-22	Dec-21	Dec-20	Dec-19
1	Current Ratio	N/A	N/A	N/A	N/A
2	Quick Ratio	N/A	N/A	N/A	N/A
3	Break Even Point	N/A	N/A	N/A	N/A
4	Debt to Equity Ratio (Times)	12.61	12.04	11.08	10.50
5	Debt to Total Assets Ratio (Times)	0.93	0.92	0.92	0.91
6	Accounts Receivable Turnover Ratio	N/A	N/A	N/A	N/A
7	Gross Margin Ratio	N/A	N/A	N/A	N/A
8	Operating Income Ratio	N/A	N/A	N/A	N/A
9	Net Income Ratio	N/A	N/A	N/A	N/A
10	Return on Assets (ROA)	0.93	0.84	0.54	0.54
11	Return on Equity (ROE)	12.36	10.61	6.31	5.93
12	Earnings-Per-Share (EPS) (Solo)	2.49	2.75	1.59	1.47
13	Net Asset Value (NAV) per Share (Solo)	27.31	26.40	25.40	24.86
14	Net Operating Cash Flow to Net Income (Solo)	0.47	3.25	(0.86)	0.67
15	Total Debt to Tangible Assets Ratio (Times)	47.13	44.70	40.96	38.19
16	Capital Adequacy Ratio	16.53	17.17	17.28	17.42
17	NPL	4.46	4.83	3.46	4.66

07 JUN 2023



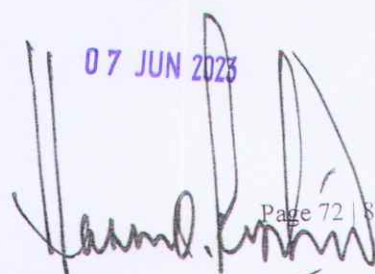
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Prime Bank Limited

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M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



**Section – 15: Rating Summary of the Issue and the Issuer**

**Credit Rating of the Issue: Prime Bank Subordinated Bond IV**

Valid From	Valid Till	Rating Action	Long Term	Short Term	Rated By	Outlook
14.12.2022	13.12.2023	-	AA-B	-	Emerging Credit Rating Limited	Stable

**Credit Rating Report of the Issuer: Prime Bank Limited**

Valid From	Valid Till	Rating Action	Long Term	Short Term	Rated By	Outlook
01.07.2022	30.06.2023	Surveillance	AA	ST-2	Emerging Credit Rating Limited	Stable

Credit Rating Report for Prime Bank Subordinated Bond IV, issued by Emerging Credit Rating Limited is annexed to this Information Memorandum. **Annexure – 2.**

07 JUN 2023



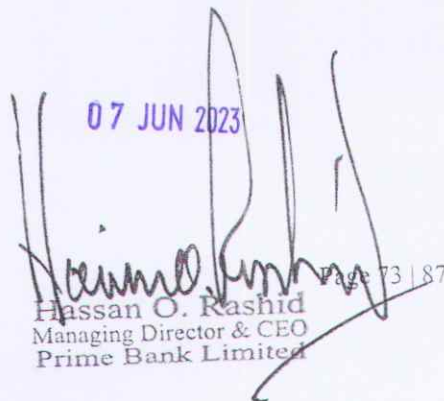
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Prime Bank Limited

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Deputy Managing Director & CFO  
Prime Bank Limited

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Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

## Section – 16: Latest Default Matrix and Transition Statistics of CRC

### ECRL Default Studies 2021

#### Default Summary by Rating Category

Year	Issuers as of 31st December	Default count (High Grade)	Default count (High Yield)	High grade default rate	High yield default rate	All corporate default rate
2011	223	0	0	0.0%	0.0%	0.0%
2012	834	0	0	0.0%	0.2%	0.2%
2013	1136	0	2	0.0%	0.0%	0.0%
2014	1128	0	0	0.0%	0.0%	0.0%
2015	875	0	0	0.0%	0.0%	0.0%
2016	916	0	1	0.0%	0.1%	0.1%
2017	780	1	0	0.4%	0.0%	0.1%
2018	878	0	0	0.0%	0.0%	0.0%
2019	993	0	1	0.0%	0.1%	0.1%
2020	1010	0	1	0.0%	0.1%	0.1%
2021	1068	0	0	0.0%	0.0%	0.0%
Arithmetic Mean	n.a.	n.a.	n.a.	0.0%	0.1%	0.1%

#### Cumulative Default Rate by Rating Band

Rating band	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
AAA	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
A	0.1%	0.1%	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
BBB	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%
BB	0.4%	0.5%	0.7%	0.7%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
B	0.0%	0.0%	0.0%	0.0%	0.0%	3.1%	3.1%	3.1%	3.1%	3.1%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
B & Lower	0.0%	0.0%	0.0%	0.0%	0.0%	3.0%	3.0%	3.0%	3.0%	3.0%
High Grade	0.0%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
High Yield	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%	0.3%
All Corporate	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%

07 JUN 2023



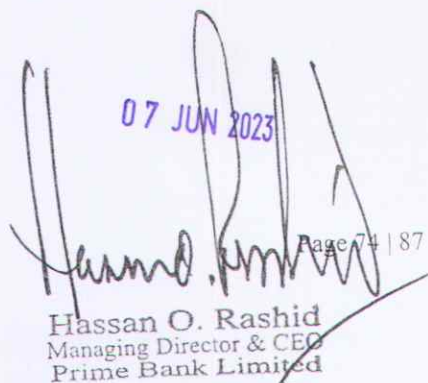
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Prime Bank Limited

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Deputy Managing Director & CFO  
Prime Bank Limited

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Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



### Average Time (Month) to Default from Original Rating

Original Band	Defaulted Issuers	Average Months from Original Rating
AAA	0	n.a.
AA	0	n.a.
A	1	57
BBB	3	60
BB	2	30
B	0	n.a.
C	0	n.a.
*High Grade	1	57
**High Yield	5	48
All Corporate	6	49

\* High Grade represents AAA, AA & A ratings

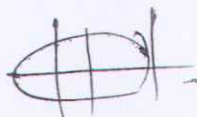
\*\*High Yield represents BBB, BB, B & C ratings

07 JUN 2023



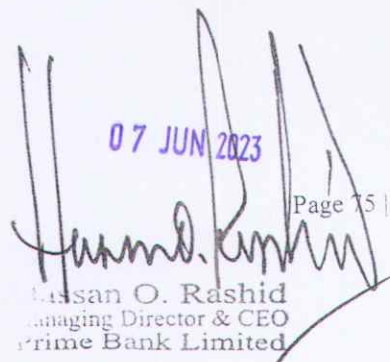
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Managing Director & CEO  
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### Rating Transition Matrix (2011 – 2021)

#### 1-year cumulative rating transition matrix

From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	98.6%	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	1.3%	98.4%	0.3%	0.0%	0.0%	0.0%	0.0%	0.1%
A	0.0%	1.6%	96.2%	2.1%	0.1%	0.0%	0.0%	0.0%
BBB	0.0%	0.0%	1.9%	96.6%	1.4%	0.0%	0.0%	0.5%
BB	0.0%	0.0%	0.0%	12.4%	86.4%	0.7%	0.0%	0.0%
B	0.0%	0.0%	0.0%	0.0%	14.3%	85.7%	0.0%	0.0%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

#### 2-year cumulative rating transition matrix

From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	97.3%	2.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	2.6%	96.9%	0.5%	0.0%	0.0%	0.0%	0.0%	0.1%
A	0.0%	3.2%	92.6%	4.0%	0.1%	0.0%	0.0%	0.0%
BBB	0.0%	0.1%	3.6%	93.6%	2.6%	0.1%	0.0%	0.0%
BB	0.0%	0.0%	0.2%	22.7%	74.9%	1.2%	0.0%	1.0%
B	0.0%	0.0%	0.0%	1.8%	24.6%	73.6%	0.0%	0.1%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

#### 3-year cumulative rating transition matrix

From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	96.0%	4.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	3.9%	95.4%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%
A	0.1%	4.6%	89.2%	5.8%	0.2%	0.0%	0.0%	0.2%
BBB	0.0%	0.1%	5.2%	90.8%	3.6%	0.1%	0.0%	0.0%
BB	0.0%	0.0%	0.6%	31.2%	65.2%	1.5%	0.0%	1.3%
B	0.0%	0.0%	0.0%	4.8%	31.8%	63.2%	0.0%	0.2%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

#### 4-year cumulative rating transition matrix

From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	94.7%	5.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	5.1%	93.9%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%
A	0.1%	6.0%	85.9%	7.5%	0.3%	0.0%	0.0%	0.2%
BBB	0.0%	0.2%	6.7%	88.3%	4.5%	0.2%	0.0%	0.0%
BB	0.0%	0.0%	1.2%	38.2%	57.0%	1.8%	0.0%	1.7%
B	0.0%	0.0%	0.1%	8.5%	36.6%	54.4%	0.0%	0.4%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

#### 5-year cumulative rating transition matrix

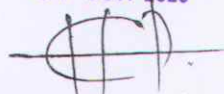
From / To	AAA	AA	A	BBB	BB	B	C	Default
AAA	93.5%	6.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
AA	6.2%	92.5%	1.2%	0.1%	0.0%	0.0%	0.0%	0.0%
A	0.2%	7.3%	82.8%	9.0%	0.4%	0.0%	0.0%	0.3%
BBB	0.0%	0.4%	8.1%	86.0%	5.2%	0.2%	0.0%	0.1%
BB	0.0%	0.1%	1.9%	44.0%	50.1%	1.9%	0.0%	2.0%
B	0.0%	0.0%	0.3%	12.8%	39.5%	46.9%	0.0%	0.6%
C	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
D	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

07 JUN 2023



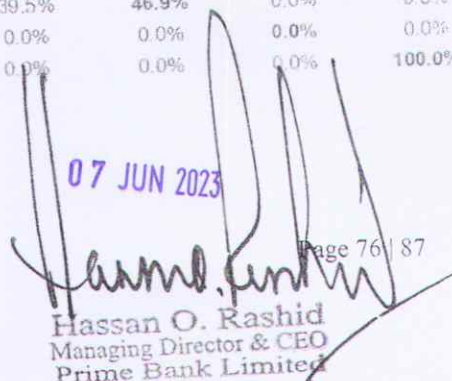
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



## Section – 17: Description of Trustee, Board of Trustee, etc.

### Background/Profile:

UCB Investment limited (UCBIL) is a fully owned subsidiary of United Commercial Bank PLC. – one of the leading private commercial banks in Bangladesh. It was incorporated in Bangladesh with the Registrar of Joint Stock Companies & Firms (RJSCF), vide registration number: C-94654/11 dated 3<sup>rd</sup> August 2011 as a private limited company under the Companies Act (Act XVIII) of 1994. It obtained full-fledged Merchant Banker & Portfolio Management license (Reg. No: MB- 97/2020) from Bangladesh Security and Exchange Commission on 5<sup>th</sup> October 2020.

The key strength of UCBIL comes from its people, who are highly talented investment managers with vast and versatile experience in the investment landscape, both locally and globally. Utilizing this knowledge and expertise, UCBIL intends to provide and promote unique financial solutions for some of the nation's most successful institutions and corporations. Keeping innovation and sustainable growth at the core of its operations, UCBIL intends to lead its clients and the country to a brighter and wealthier future.

The head office of UCB Investment Limited is located at BULUS Center, Plot- CWS (A)-1 Road: 34, Gulshan Avenue Dhaka- 1212, Bangladesh.

- Authorized Capital: BDT 1,000,000,000 (as on 31 December 2021)
- Paid-up Capital: BDT 1,000,000,000 (as on 31 December 2021)
- Net worth: BDT 1,132,493,978 (as on 31 December 2021)

### Business Activities of the Trustee:

With its group of versatile financial consultants, UCBIL aims at delivering top-class, customized investment solutions to its clients to cater to their specific needs and be their long-term growth partner. The services UCBIL provide are:

#### Investment Banking Services:

- Bond Issuance
- Corporate Advisory
- Mergers and Acquisitions

#### Primary Market Services:

- Issue Management Services
- Underwriting
- Capital Raising and Private Placement

#### Secondary Market Services:

- Portfolio Management

### Board of Directors of the Trustee (UCB Investment Limited):

Sl.	Board of Directors	Position
1	Mr. Nabil Mustafizur Rahman	Chairman
2	Mr. Md. Shah Alam Bhuiyan	Director
3	Mr. Md. Abdullah Al Mamoon	Director
4	Mr. Alamgir Kabir	Director
5	Mr. Touhid Shipar Raquib	Independent Director

07 JUN 2023

07 JUN 2023

07 JUN 2023

Page 5 of 87

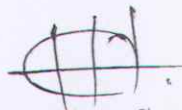
**Name and status of the issues where UCBI performing as trustee:**

Sl.	Name of the Issuer	Name of the Issue	Maturity Period	IM Issue Date	Date of Completion of subscription	Issue Amount (BDT Million)	Repayment Amount (BDT Million)	Outstanding as on July 20, 2022 (BDT Million)	Default (If Any)	Remarks
1	NRB Commercial Bank Limited	NRBC Bank Subordinated Bond-I	07 years	Nov 23, 2021	Dec 26, 2021	3,000	-	3,000	Nil	-
2	Bank Asia Limited	Bank Asia Perpetual Bond	Perpetual	Mar 02, 2022	N/A	5,000	-	5,000	Nil	-
3	Mercantile Bank Limited	Mercantile Bank Perpetual Bond	Perpetual	May 24, 2022	N/A	5,000	-	5,000	Nil	-
4	Mir Akhter Hossain Limited	Mir Akhter Zero Coupon Bond	04 Years	Apr 04, 2022	N/A	2,499	-	2,499	Nil	-
5	Envoy Textile Limited	Envoy Textiles Zero Coupon Bond	05 Years	May 24, 2022	N/A	2,000	-	2,000	Nil	-
6	Eastern Bank Limited	3 <sup>rd</sup> Subordinated Bond of BDT 500 Crore	07 years	August 14, 2022	N/A	5,000	-	5,000	Nil	-
7	Mutual Trust Bank Limited	MTB 5 <sup>th</sup> Subordinated Bond	07 years	October 16, 2022	N/A	5,000	-	5,000	Nil	-

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Tanvir A Siddiqui, ACS  
Company Secretary

07 JUN 2023


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Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023


Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



## **Section – 18: Modus Operandi of the Issue**


(as per draft trust deed of Prime Bank Subordinated Bond IV)

- **Application Procedure**  
The Bonds shall be issued in dematerialised form as per the CDBL Bye Laws and distributed 100% through private placement. Each Investor (Bondholder) shall enter into a separate Subscription Agreement with respect to their investment with the Issuer and shall be bound by the terms and conditions contained in the Subscription Agreement and the Trust Deed containing in details the rights and obligations of the Investor(s).
- **Allotment**  
On the Closing Date, to be determined, the Issuer shall allot and issue the Bonds to the Investor(s). The Bonds will be allotted according to the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021.
- **Refund**  
Not applicable at the time of Issuance. However, subject to receiving proper consent from the regulatory authorities Refund in relation to the subscription may be possible upon mutual agreement between the Issuer and each Bondholder.
- **Transfer**  
Bonds are transferable subject to the Terms and Conditions set out in the Trust Deed.
- **Repayment and Redemption features of the Bond**  
Coupon on the Bonds shall be paid on semi-annual basis on the Coupon Payment Dates. The Coupon Payment Dates shall be determined depending upon the Issue Date. Unless previously redeemed or purchased or cancelled, the principal of the Bonds will amortize, and paid annually on a pro rata basis to the Bondholders in instalments of 20% per year commencing at the third anniversary of the Bonds from the Issue Date. The final maturity of the Bonds will at the end of seventh year from the Issue Date of the Bonds.
- **Trading or listing with the stock exchange**  
The Issuer may apply to the respective stock exchange(s) for listing in the Alternative Trading Board (ATB) immediately from the date of availing ATB facilities under the Bangladesh Securities and Exchange Commission (Alternative Trading System) Rules, 2019 and respective regulations of the stock exchange(s) in this regard.
- **Details of conversion or exchange option**  
Not Applicable

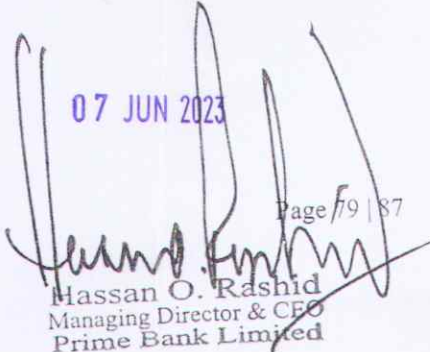
07 JUN 2023

  
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023

  
M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

**Section – 19: Details of Fees Structure and Expenses**

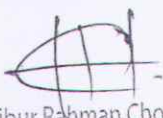
<b>A. Bangladesh Securities &amp; Exchange Commission (BSEC) Fees:</b>			<b>3,010,000</b>
Application Fee	Fixed	10,000	10,000
Consent Fee	0.10% on the issue size	3,000,000	3,000,000
			<b>1,134,500</b>
<b>B. CDBL Fees and Expenses:</b>			
Security Fee	Fixed (Refundable)	500,000	500,000
Documentation Fee	Fixed	2,500	2,500
Annual Fee (7 years)	BDT 5,000 up to BDT 5 Crore Issue Size	-	140,000
	BDT 10,000 up to BDT 20 Crore Issue Size	-	
	BDT 20,000 above BDT 20 Crore Issue Size	20,000	
Distribution Fee	0.00015 of the issue size	450,000	450,000
Connection Fee (7 years)	Tk. 500 Per Month	42,000	42,000
			<b>910,000</b>
<b>D. ATB Fees and Expenses</b>			
Application Fee	Fixed	10,000	10,000
Listing Fee	Above BDT 250 Crore of size of the issue	200,000	200,000
Annual Listing Fee	Above BDT 250 Crore of size of the issue (For 7 Years)	100,000	700,000
			<b>11,850,000</b>
<b>E. Fees related to the Issue</b>			
Fund Arrangement Fee	0.25% of the issue size	6,000,000	6,000,000
VAT on Fund Arrangement Fee	15% of the Fund Arrangement Fee	900,000	900,000
Trustee Fee	Negotiable (For 7 Years)	300,000	2,100,000
Trustee Regulatory Fee	Application Fee: 50,000, Registration Fee: 100,000, Annual Fee: 50,000 for 7 years	500,000	500,000
Trust Deed Registration Fee	0.1% of the total issue size and maximum BDT 1,000,000	1,000,000	1,000,000
Credit Rating Fee	Negotiable (For 7 Years)	100,000	700,000
Lawyer Fee	Negotiable	150,000	150,000
Miscellaneous	Certificates and others if applicable	500,000	500,000
<b>Grand Total</b>			<b>16,904,500</b>

07 JUN 2023



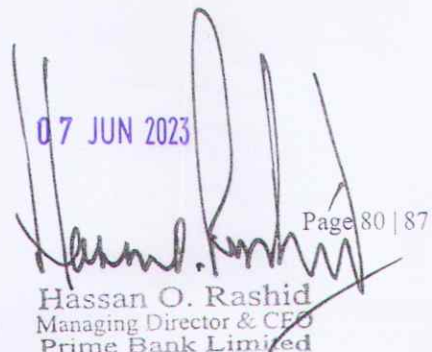
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



**Section – 20: Declaration and Due Diligence Certificates as Per Annexure(s)-  
I and II**

**Annexure- I**

**Declaration about the responsibility of the Managing Director of  
Prime Bank Limited in respect of the Information Memorandum**

**[Rule 4(2)(a)]**

This information memorandum has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this information memorandum to enable the investors to make a well-informed decision for investment.

Sd/-

**Hassan O. Rashid**

Managing Director & CEO

Place: Dhaka

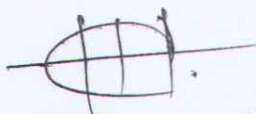
Date:

07 JUN 2023



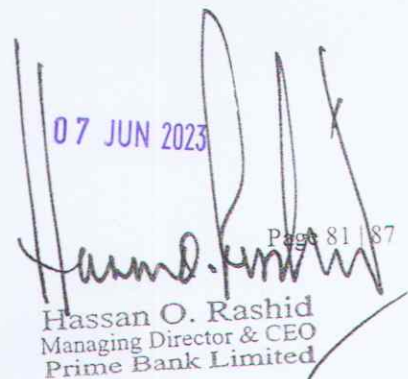
**Tanvir A Siddiqui, ACS**  
Company Secretary  
Prime Bank Limited

07 JUN 2023



**M Habibur Rahman Chowdhury, FCA**  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



**Hassan O. Rashid**  
Managing Director & CEO  
Prime Bank Limited

Annexure-II

[Rule 3(1)(m), 4(1)(c) and 4(2) (a)]  
Due diligence certificate of the Trustee  
UCB Investment Limited

To  
The Bangladesh Securities and Exchange Commission

Sub: Issuance of Unsecured, Non-Convertible and Fully-Redeemable Subordinated Bond worth BDT  
3,000 Million issued by Prime Bank Limited

We, the under-noted trustee to the above-mentioned forthcoming issue, state as follows:

1. We, while act as trustee to the above-mentioned issue on behalf of the investors, have examined the draft Information Memorandum, legal and other documents and materials as relevant to our decision; and
2. On the basis of such examination and the discussions with the issuer, its directors and officers, and other agencies; independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

**WE CONFIRM THAT:**

- (a) all information and documents as are relevant to the issue have been received and examined by us and the draft IM, draft deed of trust and draft subscription agreement forwarded to the Commission has been approved by us;
- (b) we have also examined all documents of the assets to be charged with the trust and are satisfied that the assets bear the value, title and charge status as disclosed in the IM: N/A;
- (c) while examining the above documents, we find that all the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been complied with;
- (d) we shall act as trustee to the issue as mentioned above as per provisions of the deed of trust to be executed with the issuer or the originator, as applicable and shall assume the duties and responsibilities as described in the deed of trust and in the IM;
- (e) we shall also abide by the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and conditions imposed by the Commission as regards of the issue; and
- (f) the above declarations are unequivocal and irrevocable.

For Trustee

Sd/-

**Tanzim Alamgir**

Managing Director and CEO

UCB Investment Limited

07 JUN 2023



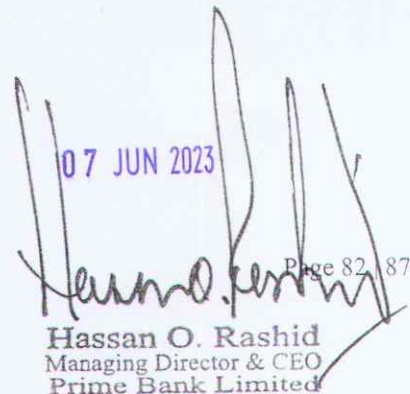
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



The Declaration of the Issuer and Due Diligence Certificates are also annexed to this Information Memorandum as mentioned below:

- a) Declaration about the responsibility of directors, including the CEO of the Issuer as per **Rule 4(2)(a)** of Bangladesh Securities and Exchange Commission (Debt Securities) Rule 2021.  
**Annexure-I**
- b) Due Diligence Certificate of the Trustee as per **Rule 3(1)(m), 4(1)(c) and 4(2) (a)** is attached with this information memorandum. **Annexure - II**
- c) Due Diligence Certificate of the Issue Manager is **Not Applicable** for the Prime Bank Subordinated Bond IV.
- d) Due Diligence Certificate of the Underwriter is **Not Applicable** for the Prime Bank Subordinated Bond IV.

07 JUN 2023



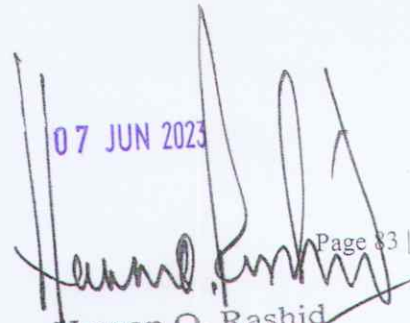
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

**Annexure – I**

(Declaration About the Responsibility of the Directors, Including the CEO of the Issuer or  
Originator in Respect of the Information Memorandum)


[Separately Enclosed]

07 JUN 2023



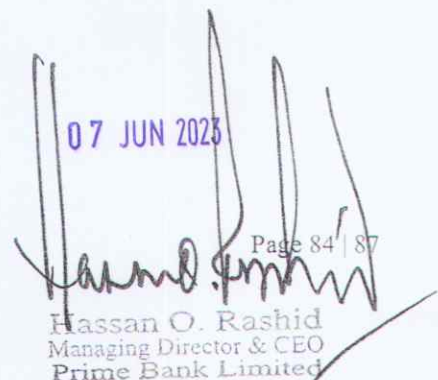
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



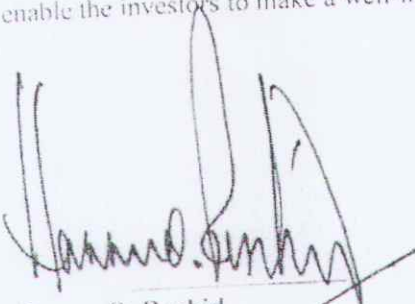
Annexure- I

Declaration about the responsibility of the Managing Director of  
Prime Bank Limited in respect of the information memorandum

[Rule 4(2)(a)]

This information memorandum has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this information memorandum to enable the investors to make a well-informed decision for investment.



Hassan O. Rashid  
Managing Director & CEO

Date:

07 JUN 2023



Tanvir A Siddiqui, ACS

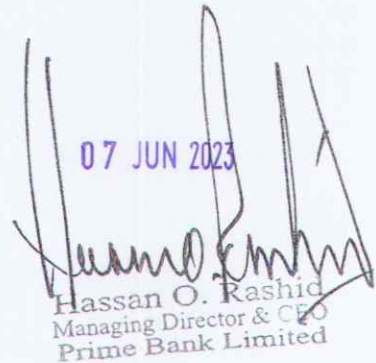
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

**Annexure – II**

(Due Diligence Certificate of the Trustee)

[Separately Enclosed]

07 JUN 2023



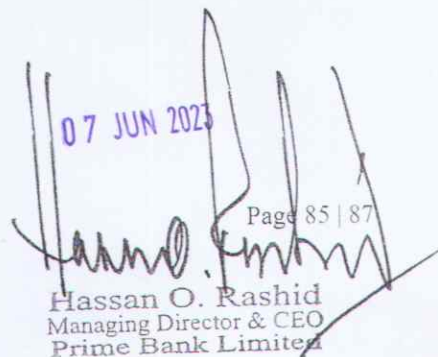
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



**Due Diligence Certificate of the Trustee**  
**UCB Investment Limited**

To  
The Bangladesh Securities and Exchange Commission

Sub: Issuance of Unsecured, Non-convertible and Fully-Redeemable Subordinated Bond worth BDT 3,000 Million issued by Prime Bank Limited


We, the under-noted trustee to the above-mentioned forthcoming issue, state as follows:

1. We, while act as trustee to the above-mentioned issue on behalf of the investors, have examined the draft Information Memorandum, legal and other documents, and materials as relevant to our decision; and
2. On the basis of such examination and the discussions with the issuer, its directors and officers, and other agencies; independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

**WE CONFIRM THAT:**

- (a) all information and documents as are relevant to the issue have been received and examined by us and the draft IM, draft deed of trust and draft subscription agreement forwarded to the Commission has been approved by us;
- (b) we have also examined all documents of the assets to be charged with the trust and are satisfied that the assets bear the value, title and charge status as disclosed in the IM: N/A;
- (c) while examining the above documents, we find that all the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been complied with;
- (d) we shall act as trustee to the issue as mentioned above as per provisions of the deed of trust to be executed with the issuer or the originator, as applicable and shall assume the duties and responsibilities as described in the deed of trust and in the IM;
- (e) we shall also abide by the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and conditions imposed by the Commission as regards of the issue; and
- (f) the above declarations are unequivocal and irrevocable.

For Trustee



Tanzim Alamgir  
Managing Director & CEO  
UCB Investment Limited

07 JUN 2023



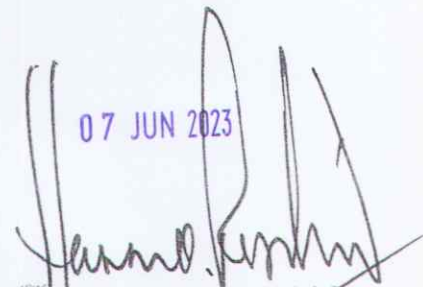
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



Bulus Center (17th Floor), Plot-CWS-(A)-1, Road No-34, Gulshan Avenue, Dhaka-1212  
E-mail: [habibur@ucbinvestment.com](mailto:habibur@ucbinvestment.com)  
Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

**Annexure – 1**

(Auditor's report along with the Audited Financial Statements of Prime Bank Limited for the  
Period Ended 30 September, 2022)

[Separately Enclosed]

07 JUN 2023



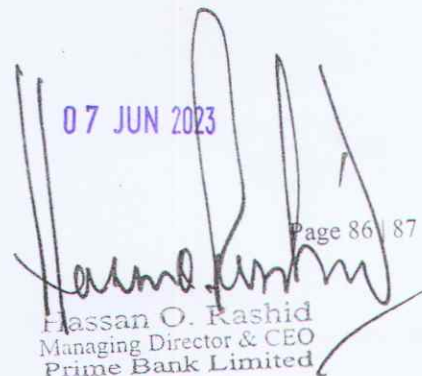
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



Independent Auditor's Report and Financial Statements  
of  
Prime Bank Limited and Its Subsidiaries  
For the period from 01 January 2022 to 30 September 2022

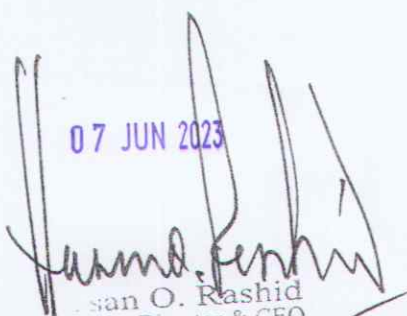
07 JUN 2023

  
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023

  
Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

## INDEPENDENT AUDITOR'S REPORT

To the Directors of Prime Bank Limited and It's Subsidiaries

### Opinion

We have audited the financial statements of Prime Bank Limited which comprise the consolidated balance sheet of Prime Bank Limited and it's Subsidiaries and the separate balance sheet of Prime Bank Limited as at 30 September 2022, and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the period from 01 January to 30 September 2022, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company for the period ended 30 September 2022 are prepared in all material respects, in accordance with International Financial Reporting Standards (IFRSs), as explained in note # 2 to the financial statements.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note # 2 to the financial statements, which describe the basis of accounting. The financial statements are prepared to assist the Company in complying with the financial reporting provisions of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021, for issuing the subordinated bond. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Company and Bangladesh Securities and Exchange Commission and should not be distributed to or used by parties other than the Company or other relevant regulators concerned.

Our opinion is not modified in respect of the matter mentioned.

07 JUN 2023

07 JUN 2023

07 JUN 2023



Tanvir A Siddiqui, ACS  
Company Secretary

Branch Office: Jahan Building No.7 (1st Floor, North Side), 59 Agrabad Commercial Area, Dhaka-1215, Bangladesh.  
Tel: (+88-031) 8189428 to 29, 410 20030 to 35, E-mail: <acnabin.ctg@acnabin-bd.com>, Web: www.acnabin.com  
Deputy Managing Director & CFO  
Prime Bank Limited

Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



**Other Matter**

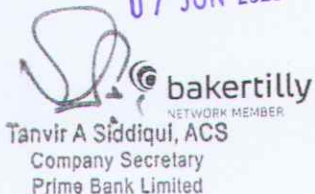
Consolidated financial statements of the Bank and its subsidiaries include the separate financial statements of the Bank and unaudited financial statements of its five subsidiaries, namely Prime Bank Investment Limited, Prime Bank Securities Limited, Prime Exchange Co (Pte) Limited, Singapore, PBL Exchange (UK) Limited, and PBL Finance (Hong Kong) Limited.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period ended on 30 September 2022. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.


Description of key audit matters	Our response to key audit matters
<b>1. Measurement of provision for loans, advances, and leases</b>	
<p>The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex.</p> <p>For the individual analysis, provisions consider the estimates of future business performance and the market value of the collaterals provided for credit transactions.</p> <p>For the collective analysis, these provisions are manually processed and deal with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation.</p> <p>At period end, the Group reported total gross loans and advances of BDT 290,632.08 million (2021: BDT 264,962.36 million) and provision for loans and advances of BDT 13,366.13 million (2021: BDT 13,927.09 million). On the other hand, the Bank reported loans and advances of BDT 288,992.50 million (2021: BDT 263,015.35 million) on a solo basis.</p> <p>We need to focus on the following significant judgements and estimates that may give rise</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process;</li> <li>• Identified the loss events, including early warning and default warning indicators; and</li> <li>• Reviewed the quarterly Classification of Loans (CL).</li> </ul> <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> <li>• Reviewed the adequacy of the Bank's general and specific provisions;</li> <li>• Assessed the methodologies on which the calculation of provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information;</li> <li>• Assessed the appropriateness and presentation of disclosures</li> </ul>

07 JUN 2023



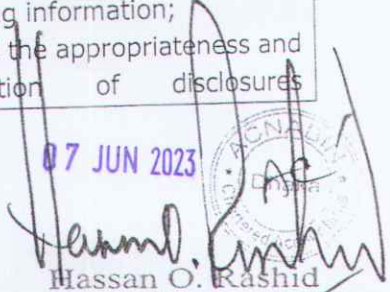
**Tanvir A Siddiqui, ACS**  
Company Secretary  
Prime Bank Limited

07 JUN 2023



**M Habibur Rahman Chowdhury, FCA**  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



**Hassan O. Rashid**  
Managing Director & CEO  
Prime Bank Limited





Description of key audit matters	Our response to key audit matters
<p>to material misstatement or management bias:</p> <ul style="list-style-type: none"> <li>Completeness and timing of recognition of loss events in accordance with criteria set out in relevant BRPD and other relevant Circulars issued by Bangladesh Bank;</li> <li>For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows.</li> </ul> <p>Provision measurement is primarily dependent upon key assumptions relating to the probability of default, ability to repossess collateral, and recovery rates.</p>	<p>against relevant accounting standards and Bangladesh Bank guidelines; and</p> <ul style="list-style-type: none"> <li>Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</li> </ul> <p>For consolidation purposes we relied on the unaudited financial statements in the case of Prime Bank Investment Limited, Prime Bank Securities Limited, Prime Exchange Co (Pte) Limited, Singapore, PBL Finance (Hong Kong) Limited, and PBL Exchange (UK) Limited. The relevant figures of the subsidiaries are not material in the context of the Group as a whole.</p>

See note # 7, 8 and 14 to the financial statements


**2. Valuation of Treasury Bills and Treasury Bonds**

<p>The classification and measurement of Treasury Bills and Treasury Bonds require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, Treasury Bills and Treasury Bonds fair value is determined using Bangladesh Bank's guidelines and complex valuation techniques that may take into consideration direct or indirect unobservable market data and complex pricing models.</p>	<p>We assessed the processes and controls put in place by the Bank to identify and confirm the existence of Treasury Bills and Treasury Bonds.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the Treasury Bills and Treasury Bonds valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using various techniques, including comparing inputs to available market data.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures in</p>
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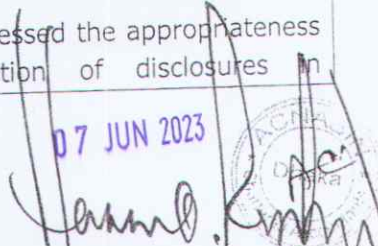
07 JUN 2023

 **bakertilly**  
NETWORK MEMBER  
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023

  
Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited






Description of key audit matters	Our response to key audit matters
	accordance with the Bangladesh Bank guidelines.
See note # 6(a) to the financial statements	
<b>3. Measurement of deferred tax assets and liabilities</b>	
<p>The Bank disclosed deferred tax assets and deferred tax liabilities of BDT 1,732.06 million (BDT 1,991.89 million in 2021) and BDT 955.79 million (BDT 761.53 million in 2021) respectively as of 30 September 2022.</p> <p>Significant judgment is required concerning deferred tax assets, and liabilities as their recoverability and adjustment depend on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding and evaluated the design, the operational effectiveness of the Bank's key controls over the recognition and measurement of deferred tax assets &amp; liabilities and the assumptions used in estimating the Bank's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We involved tax specialists in assessing key assumptions, controls, recognition, and measurement of deferred tax assets and liabilities.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>
See note # 10(a) and 14(a) to the financial statements	
<b>4. Carrying value of investments in subsidiaries by the Bank</b>	
<p>The Bank has invested in equity shares of its five subsidiaries, namely Prime Bank Investment Limited, Prime Bank Securities Limited, Prime Exchange Co (Pte) Limited, Singapore, PBL Exchange (UK) Limited and PBL Finance (Hong Kong) Limited. As at 30 September 2022 the carrying value of these investments was BDT 4,051.71 million (BDT 4,051.71 million in 2021).</p> <p>Operations of Prime Bank Investment Limited and Prime Bank Securities Limited (97.49% of total investment in subsidiaries) mainly deal with capital market investments. And by nature, the country's capital market is not stable. Hence, the investments in these</p>	<p>We reviewed Management's analysis of impairment assessment and recoverable value calculation of the investments in accordance with IAS 36.</p> <p>In particular, our discussions with the Management of the Bank were focused on the continued appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation.</p> <p>We also checked the mathematical accuracy of the model, recalculated the</p>

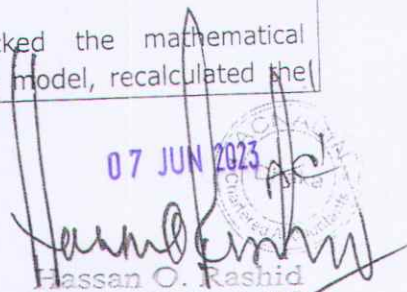
07 JUN 2023

 **bakertilly**  
NETWORK MEMBER  
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023

 4  
M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



Description of key audit matters	Our response to key audit matters
<p>subsidiaries are subject to impairment. While impairment testing, the management is required to consider various guidelines of Bangladesh Bank, Bangladesh Securities and Exchanges Commission and other regulators. As the impairment testing is complex and significant to the Group's preparation of financial statements, we have considered it a key audit matter.</p>	<p>discount rate used within the model, inputs used in the determination of assumptions within the model were challenged, and corroborating information was obtained with reference to external market information, and third-party sources.</p>
<p>See note # 10(a) to the financial statements</p>	
<p><b>5. IT systems and controls</b></p>	
<p>The Bank's key financial accounting and reporting processes are significantly dependent on the automated controls over the Bank's information systems. As such there exist risks that gaps in the IT control environment, including automated accounting procedures, IT-dependent manual controls and controls preventing unauthorized access to systems and data could result in the financial accounting and reporting records being materially misstated.</p> <p>The IT systems and controls, as they impact the financial recording and reporting of transactions, is a key audit matter.</p>	<p>We performed audit procedures to assess IT systems and controls over financial reporting, which included the following:</p> <ul style="list-style-type: none"> <li>• Tested the sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access, system change management and computer operations.</li> <li>• Assessed the management's evaluation of access rights granted to applicants relevant to financial accounting and reporting systems and tested resolution of a sample of exceptions.</li> <li>• Assessed the operating effectiveness of controls over granting, removal and appropriateness of access rights.</li> <li>• Tested the specific application controls for key financial reporting controls.</li> </ul>

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

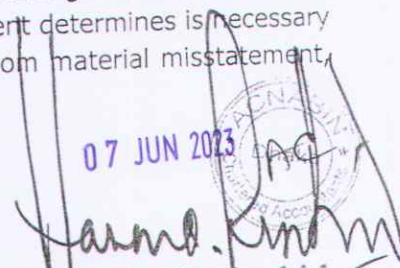
07 JUN 2023

07 JUN 2023

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited





In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

07 JUN 2023

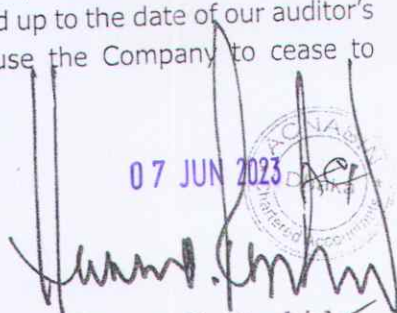
 **bakertilly**  
NETWORK MEMBER  
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023

 6

M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Dated, Dhaka:

11 JAN 2023

**ACNABIN, Chartered Accountants**




Signed by: Abu Sayed Mohammed Nayeem FCA  
Partner

ICAB Enrollment# 353

DVC: 230111035300929669

07 JUN 2023

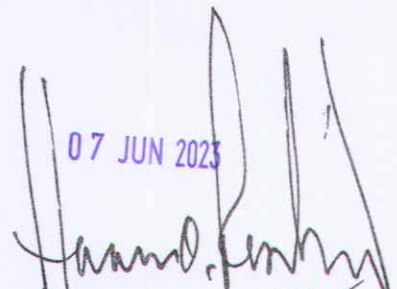
 **bakertilly**  
NETWORK MEMBER  
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



Prime Bank Limited  
Consolidated Balance Sheet  
as at 30 September 2022

Particulars	Notes	Amount in Taka	
		30 Sep 2022	31 Dec 2021
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3		
Cash in hand (including foreign currencies)		5,124,763,376	4,192,297,236
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		12,865,713,203	11,677,721,619
		<b>17,990,476,579</b>	<b>15,870,018,855</b>
<b>Balance with other banks and financial institutions</b>	4		
In Bangladesh		1,865,950,289	9,050,122,540
Outside Bangladesh		4,145,909,597	3,341,443,318
		<b>6,011,859,886</b>	<b>12,391,565,858</b>
<b>Money at call on short notice</b>	5		
		-	-
<b>Investments</b>	6		
Government		58,880,042,096	53,969,145,650
Others		9,597,569,000	8,417,158,640
		<b>68,477,611,096</b>	<b>62,386,304,290</b>
<b>Loans, advances and lease / investments</b>	7		
Loans, cash credits, overdrafts etc./ investments		245,011,822,809	220,623,213,932
Bills purchased and discounted	8	45,620,257,505	44,339,148,120
		<b>290,632,080,314</b>	<b>264,962,362,052</b>
<b>Fixed assets including premises, furniture and fixtures</b>	9		
		8,525,947,548	8,394,441,334
<b>Other assets</b>	10		
		30,575,045,359	27,650,090,303
<b>Non - banking assets</b>	11		
		220,500,640	220,500,640
<b>Total assets</b>		<b>422,433,521,422</b>	<b>391,875,283,332</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	12	71,143,350,566	62,932,481,200
<b>Deposits and other accounts</b>	13		
Current / Al-wadeeah current deposits		50,379,752,652	47,420,761,550
Bills payable		13,114,865,276	4,923,791,928
Savings bank / Mudaraba savings deposits		64,521,095,686	70,358,701,527
Term deposits / Mudaraba term deposits		134,678,829,892	120,109,551,767
Bearer certificate of deposit		-	-
Other deposits		-	-
		<b>262,694,543,506</b>	<b>242,812,806,770</b>
<b>Other liabilities</b>	14	57,816,302,522	56,394,612,364
<b>Total liabilities</b>		<b>391,654,196,594</b>	<b>362,139,900,334</b>
<b>Capital / Shareholders' equity</b>			
Paid-up capital	15.2	11,322,834,770	11,322,834,770
Share premium	15.4	1,211,881,786	1,211,881,786
Non-controlling Interest	15.5	57	57
Statutory reserve	16	10,353,413,584	10,353,413,584
Revaluation gain / loss on investments	17	167,312,423	77,762,255
Revaluation reserve	18	1,555,128,315	1,507,173,559
Foreign currency translation gain	19	91,256,249	20,460,078
General reserve	20	28,002,888	28,002,888
Surplus in profit and loss account / Retained earnings		6,049,494,756	5,213,854,021
		<b>30,779,324,828</b>	<b>29,735,382,998</b>
<b>Total Shareholders' equity</b>		<b>422,433,521,422</b>	<b>391,875,283,332</b>
<b>Total liabilities and Shareholders' equity</b>		<b>422,433,521,422</b>	<b>391,875,283,332</b>

07 JUN 2023


07 JUN 2023

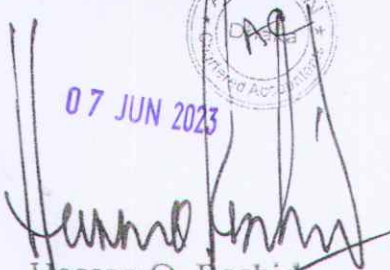
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07 JUN 2023

 **bakertilly**  
NETWORK MEMBER

Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

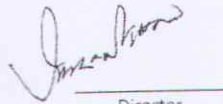
  
M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

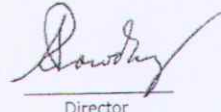
  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

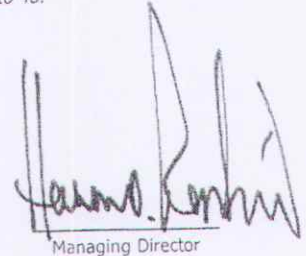
Particulars	Notes	Amount in Taka	
		30 Sep 2022	31 Dec 2021
<b>OFF - BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>			
Acceptances and endorsements	21		
Letters of guarantee	21.1	75,442,077,245	71,189,112,961
Irrevocable letters of credit	21.2	36,749,113,422	36,605,203,719
Bills for collection	21.3	40,759,338,063	46,643,694,270
Other contingent liabilities	21.4	15,272,877,215	13,667,430,360
		<b>168,223,405,945</b>	<b>168,105,441,310</b>
<b>Other commitments</b>			
Documentary credits and short term trade -related transactions		-	-
Forward assets purchased and forward deposits placed		6,172,640,641	1,758,763,902
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities , credit lines and other commitments		-	-
Liabilities against forward purchase and sale		-	-
		<b>6,172,640,641</b>	<b>1,758,763,902</b>
<b>Total Off-Balance Sheet items including contingent liabilities</b>		<b>174,396,046,586</b>	<b>169,864,205,212</b>

These financial statements should be read in conjunction with the annexed notes 1 to 48.

  
Chairman

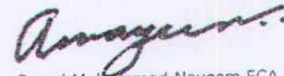
  
Director

  
Director

  
Managing Director

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

ACNABIN, Chartered Accountants



Abu Sayed Mohammed Nayeem FCA  
Partner  
ICAB Enrollment # 353

DVC:230111035300929669

Dated ,Dhaka:

27 DEC 2022

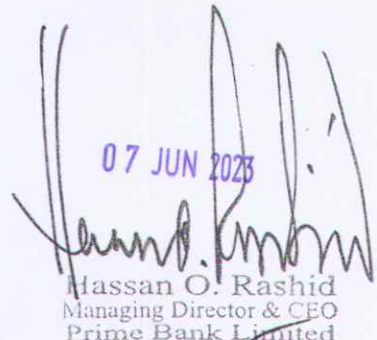
07 JUN 2023

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

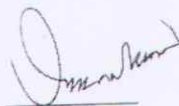


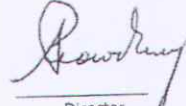
Prime Bank Limited  
Consolidated Profit and Loss Account  
for the period from 01 January to 30 September 2022

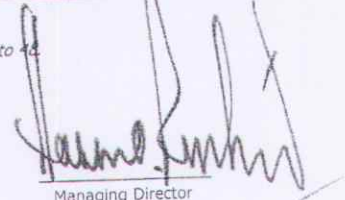
Particulars	Notes	Amount in Taka		Amount in Taka	
		Jan to Sep 2022	Jan to Sep 2021	Jul to Sep 2022	Jul to Sep 2021
Interest income / profit on investments	23	13,335,140,516	11,159,036,454	4,734,822,423	3,590,276,835
Interest / profit paid on deposits, borrowings, etc.	24	(6,874,343,491)	(4,988,019,683)	(2,487,206,419)	(1,629,905,537)
<b>Net interest / net profit on investments</b>		<b>6,460,797,025</b>	<b>6,171,016,772</b>	<b>2,247,616,004</b>	<b>1,960,371,298</b>
Investment income	25	3,013,977,149	3,553,942,352	1,440,711,833	755,169,837
Commission, exchange and brokerage	26	2,293,500,894	1,525,294,806	33,005,195	564,540,913
Other operating income	27	816,577,497	672,500,066	251,151,930	214,922,691
<b>Total operating income (A)</b>		<b>12,584,852,565</b>	<b>11,922,753,995</b>	<b>3,972,484,961</b>	<b>3,495,004,740</b>
Salaries and allowances	28	3,583,726,960	3,307,416,161	1,113,175,452	1,033,122,900
Rent, taxes, insurance, electricity, etc.	29	479,632,368	352,631,022	171,169,614	105,800,035
Legal expenses	30	42,736,684	23,277,713	8,914,206	4,541,592
Postage, stamp, telecommunication, etc.	31	83,316,143	68,957,262	26,894,834	36,347,436
Stationery, printing, advertisements, etc.	32	191,922,473	201,809,947	54,225,899	103,394,397
Managing Director's salary and fees	33	12,729,194	8,571,774	3,802,500	3,600,000
Directors' fees	34	5,694,131	3,665,264	2,227,296	1,615,181
Auditors' fees	35	2,116,523	2,269,930	723,446	773,218
Charges on loan losses	36	-	-	-	-
Depreciation and repair of Bank's assets	37	558,198,193	708,754,858	176,387,414	233,129,252
Other expenses	38	1,016,083,616	757,622,330	320,897,571	133,247,850
<b>Total operating expenses (B)</b>		<b>5,976,156,284</b>	<b>5,434,976,258</b>	<b>1,878,418,234</b>	<b>1,655,571,860</b>
<b>Profit / (loss) before provision (C=A-B)</b>		<b>6,608,696,281</b>	<b>6,487,777,736</b>	<b>2,094,066,727</b>	<b>1,839,432,879</b>
Provision for loans & advances	39	1,070,623,163	1,585,000,000	301,905,863	445,000,000
Provision for diminution in value of investments	39	97,333,474	(152,359,393)	43,519,403	(163,079,442)
Provision for impairment of client margin loan	39	252,210,331	314,130,568	43,902,893	182,912,336
Other provisions	39	29,376,837	540,878,429	48,094,137	160,878,429
<b>Total provision (D)</b>		<b>1,449,543,805</b>	<b>2,287,649,604</b>	<b>437,422,296</b>	<b>625,711,323</b>
<b>Total profit / (loss) before taxes (C-D)</b>		<b>5,159,152,476</b>	<b>4,200,128,132</b>	<b>1,656,644,431</b>	<b>1,213,721,556</b>
Provision for taxation:					
Current tax	40	1,996,792,591	2,098,149,197	754,510,347	676,054,381
Deferred tax		366,942,697	(471,531,505)	(91,512,834)	13,464,432
<b>Net profit after taxation</b>		<b>2,795,417,188</b>	<b>2,573,510,439</b>	<b>993,646,918</b>	<b>524,202,743</b>
Retained earnings brought forward from previous year	20.1	3,254,077,565	1,886,255,253	3,254,077,565	1,886,255,253
		<b>6,049,494,753</b>	<b>4,459,765,692</b>	<b>4,247,724,483</b>	<b>2,410,457,996</b>
<b>Appropriations</b>					
Statutory reserve		(3)	(3)	0.28	2
Non controlling interest					
General reserve		(3)	(3)	0.28	2
<b>Retained surplus</b>	20	<b>6,049,494,756</b>	<b>4,459,765,695</b>	<b>4,247,724,483</b>	<b>2,410,457,994</b>
<b>Earnings per share (EPS)</b>	41	<b>2.47</b>	<b>2.27</b>	<b>0.88</b>	<b>0.46</b>

These financial statements should be read in conjunction with the annexed notes 1 to 42

  
Chairman

  
Director

  
Director

  
Managing Director

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

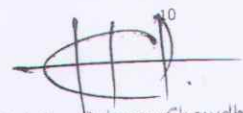
Dated, Dhaka:  
27 DEC 2022

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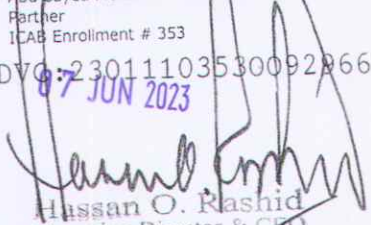
Tanvir A Siddiqui, ACS  
Company Secretary

  
M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

ACNABIN, Chartered Accountants

  
Abu Sayed Mohammed Nayeem FCA  
Partner  
ICAB Enrollment # 353

DVC: 230111035300928669  
07 JUN 2023

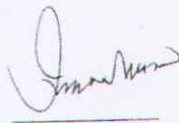
  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

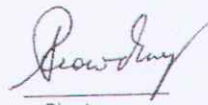
Prime Bank Limited  
Consolidated Cash Flow Statement  
for the period from 01 January to 30 September 2022

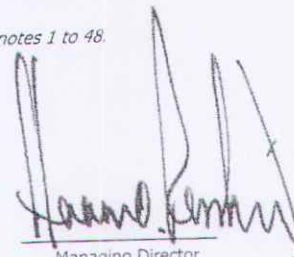
Particulars	Amount in Taka	
	Jan-Sep-2022	Jan-Sep-2021
<b>A) Cash flows from operating activities</b>	15,745,385,635	12,482,042,290
Interest receipts in cash	(6,121,202,842)	(5,648,974,615)
Interest payments	156,864,620	63,763,626
Dividend receipt	2,293,500,894	1,525,294,806
Fees and commission receipts in cash	139,786,077	96,901,337
Recoveries of loans previously written off	(3,599,502,751)	(3,258,285,951)
Cash payments to employees	(601,805,091)	(545,981,844)
Cash payments to suppliers	(2,350,054,171)	(2,115,306,956)
Income taxes paid	889,995,763	2,219,935,251
Receipts from other operating activities	(1,206,030,255)	(1,219,987,513)
Payments for other operating activities		
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>	<b>5,346,937,878</b>	<b>3,599,400,432</b>
<b>Increase / (decrease) in operating assets and liabilities</b>		
Purchase/sale of trading securities (Bills/Bonds)	(4,925,510,579)	3,702,629,761
Loans and advances to customers	(27,218,631,599)	(7,028,144,359)
Other assets	(287,792,837)	(508,629,887)
Deposits from other banks / borrowings	13,721,874,957	17,501,944,874
Deposits from customers	6,747,348,368	(9,679,348,381)
Other liabilities account of customers	8,191,073,348	(1,639,387,131)
Other liabilities	(127,793,487)	839,783,557
	<b>(3,899,431,830)</b>	<b>3,188,848,434</b>
<b>Net cash from operating activities</b>	<b>1,447,506,047</b>	<b>6,788,248,867</b>
<b>B) Cash flows from investing activities</b>		
Payments for purchases of securities	(1,166,659,026)	(686,730,189)
Purchase of property, plant and equipment	(524,893,109)	(441,172,816)
Proceeds from sale of property, plant and equipment	1,219,498	1,726,814
<b>Net cash used in investing activities</b>	<b>(1,690,332,637)</b>	<b>(1,126,176,191)</b>
<b>C) Cash flows from financing activities</b>		
Redemption of Prime Bank sub-ordinated bond	(1,900,000,000)	(1,900,000,000)
Repayment of borrowings and leasing liabilities	(174,622,150)	(288,391,948)
Interest paid on lease liabilities	(42,503,440)	(49,099,071)
Dividend paid	(1,981,496,085)	(1,735,001,284)
<b>Net cash used in financing activities</b>	<b>(4,098,621,675)</b>	<b>(3,972,492,303)</b>
<b>D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)</b>	<b>(4,341,448,265)</b>	<b>1,689,580,373</b>
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>	<b>81,337,217</b>	<b>7,891,432</b>
<b>F) Cash and cash equivalents at beginning of the year</b>	<b>28,265,687,613</b>	<b>24,980,110,856</b>
<b>G) Cash and cash equivalents at end of the period (D+E+F)</b>	<b>24,005,576,565</b>	<b>26,677,582,661</b>
<b>Cash and cash equivalents at end of the period</b>		
Cash in hand (including foreign currencies) (note-3)	5,124,763,376	4,069,166,891
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies) (note-3)	12,865,713,203	11,879,227,410
Balance with other banks and financial institutions (note-4)	6,011,859,886	10,721,629,060
Prize bonds (note-6a)	3,240,100	7,559,300
	<b>24,005,576,565</b>	<b>26,677,582,661</b>

These financial statements should be read in conjunction with the annexed notes 1 to 48.

  
Chairman

  
Director

  
Director

  
Managing Director

07 JUN 2023

 **bakertilly**  
NETWORK MEMBER


Tanvir A Siddiqui, ACS  
Company Secretary

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Massan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



Prime Bank Limited  
Consolidated Statement of Changes in Equity  
for the period from 01 January to 30 September 2022

Particulars	Paid up capital		Statutory reserve		General reserve		Share premium		Non controlling interest		Revaluation reserve		Revaluation gain / loss on investments		F.C. translation gain		Retained earnings		Total	
	Taka		Taka		Taka		Taka		Taka		Taka		Taka		Taka		Taka		Taka	
Balance as at 1 January 2022	11,322,834,770		10,353,413,584		28,002,888		1,211,881,786		57		1,507,173,559		77,762,255		20,460,078		5,213,854,021		29,735,382,998	
Changes in accounting policy / Last year's profit																				
Balance as at 1 January 2022	11,322,834,770		10,353,413,584		28,002,888		1,211,881,786		57		1,507,173,559		77,762,255		20,460,078		5,213,854,021		29,735,382,998	
Intercountry transaction											47,954,756						27,058,065		47,954,756	
Surplus / (deficit) on account of revaluation of properties													(215,430,387)						(215,430,387)	
Adjustment of last year revaluation gain on investments													304,980,555						304,980,555	
Surplus / (deficit) on account of revaluation of investments															70,796,171		(5,238,433)		65,457,738	
Currency translation differences													167,312,423		91,256,249		5,235,577,653		29,965,403,725	
Net gains and losses not recognized in the income statement																	2,795,417,188		2,795,417,188	
Net profit for the period																	(1,981,496,085)		(1,981,496,085)	
Dividend (Bonus shares)																				
Cash dividend																				
Share Premium																				
Reassessment gain/(loss) of defined benefits liability/assets																				
Minority interest										0.30										0.30
Issue of share capital-right share																				
Balance as at 30 September 2022	11,322,834,770		10,353,413,584		28,002,888		1,211,881,786		57		1,555,128,315		167,312,423		91,256,249		6,049,494,756		30,779,324,828	
Balance as at 30 September 2021	11,322,834,770		10,353,413,584		28,002,888		1,211,881,786		57		1,507,173,559		103,846,387		18,530,093		4,459,765,694		29,005,448,818	

These financial statements should be read in conjunction with the annexed notes 1 to 48.

  
Chairman

  
Director

  
Director

  
Managing Director



07 JUN 2023

07 JUN 2023

07 JUN 2023

  
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

M Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

Prime Bank Limited  
Balance Sheet  
as at 30 September 2022

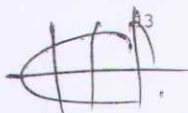
Particulars	Notes	Amount in Taka	
		30 Sep 2022	31 Dec 2021
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3a		
Cash in hand (including foreign currencies)		5,115,061,914	4,175,754,565
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		12,865,713,203	11,677,721,619
		<b>17,980,775,116</b>	<b>15,853,476,184</b>
<b>Balance with other banks and financial institutions</b>	4a		
In Bangladesh		1,665,083,384	8,942,695,539
Outside Bangladesh		4,032,500,689	3,204,311,794
		<b>5,697,584,073</b>	<b>12,147,007,333</b>
<b>Money at call on short notice</b>	5	-	-
<b>Investments</b>	6a		
Government		58,880,042,096	53,969,145,650
Others		6,283,637,373	5,174,741,977
		<b>65,163,679,469</b>	<b>59,143,887,627</b>
<b>Loans, advances and lease / investments</b>	7a		
Loans, cash credits, overdrafts, etc./ investments		246,232,727,956	221,701,136,687
Bills purchased and discounted	8a	42,759,773,089	41,314,211,162
		<b>288,992,501,045</b>	<b>263,015,347,849</b>
<b>Fixed assets including premises, furniture and fixtures</b>	9a	8,456,294,747	8,325,699,812
<b>Other assets</b>	10a	34,172,284,490	31,172,459,495
<b>Non - banking assets</b>	11	220,500,640	220,500,640
<b>Total assets</b>		<b>420,683,619,580</b>	<b>389,878,378,940</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	12a	70,664,875,780	62,061,332,558
<b>Deposits and other accounts</b>	13a.1.c		
Current / Al-wadeeah current deposits		50,465,491,006	47,678,047,146
Bills payable		13,114,865,276	4,923,791,928
Savings bank / Mudaraba savings deposits		64,521,095,686	70,358,701,527
Term deposits / Mudaraba term deposits		134,679,247,507	120,109,951,192
Bearer certificate of deposit		-	-
Other deposits		-	-
		<b>262,780,699,476</b>	<b>243,070,491,793</b>
<b>Other liabilities</b>	14a	56,319,412,405	54,857,681,566
<b>Total liabilities</b>		<b>389,764,987,661</b>	<b>359,989,505,917</b>
<b>Capital / Shareholders' equity</b>			
Paid up capital	15.2	11,322,834,770	11,322,834,770
Share premium	15.4	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	111,287,389	32,533,614
Revaluation reserve	18	1,555,128,315	1,507,173,559
Foreign currency translation gain	19a	85,254,137	20,121,408
Other reserve		-	-
Surplus in profit and loss account / Retained earnings	20a	6,278,831,940	5,440,914,302
<b>Total Shareholders' equity</b>		<b>30,918,631,920</b>	<b>29,888,873,023</b>
<b>Total liabilities and Shareholders' equity</b>		<b>420,683,619,580</b>	<b>389,878,378,940</b>

07 JUN 2023

07 JUN 2023

07 JUN 2023

 **bakertilly**  
NETWORK MEMBER  
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited


  
M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

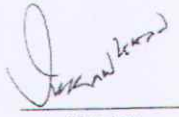
  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

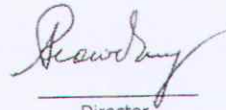


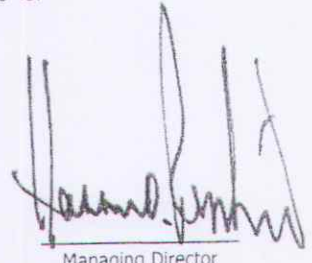
Particulars	Notes	Amount in Taka	
		30 Sep 2022	31 Dec 2021
<b>OFF - BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>			
Acceptances and endorsements	21a		
Letters of guarantee	21a.1	75,442,077,245	71,189,112,961
Irrevocable letters of credit	21a.2	36,749,113,422	36,605,203,719
Bills for collection	21a.3	40,759,338,063	46,643,694,270
Other contingent liabilities	21a.4	15,272,877,215	13,667,430,360
		<b>168,223,405,945</b>	<b>168,105,441,310</b>
<b>Other commitments</b>			
Documentary credits and short term trade -related transactions		-	-
Forward assets purchased and forward deposits placed		6,172,640,641	1,758,763,902
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities , credit lines and other commitments		-	-
Liabilities against forward purchase and sale		-	-
		<b>6,172,640,641</b>	<b>1,758,763,902</b>
<b>Total Off-Balance Sheet items including contingent liabilities</b>		<b>174,396,046,586</b>	<b>169,864,205,212</b>

These financial statements should be read in conjunction with the annexed notes 1 to 48.

  
Chairman

  
Director

  
Director

  
Managing Director

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

ACNABIN, Chartered Accountants



Abu Sayed Mohammed Nayeem FCA  
Partner  
ICAB Enrollment # 353

DVC: 230111035300929669

Dated ,Dhaka:

27 DEC 2022

07 JUN 2023

 **bakertilly**  
NETWORK MEMBER

Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited


07 JUN 2023

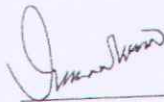
  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

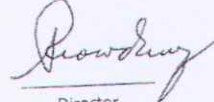
Prime Bank Limited  
Profit and Loss Account  
for the period from 01 January to 30 September 2022

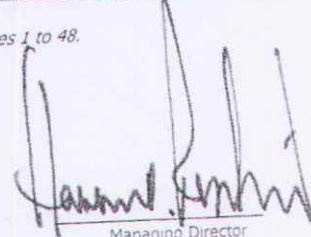
Particulars	Notes	Amount in Taka		Amount in Taka	
		Jan to Sep 2022	Jan to Sep 2021	Jul to Sep 2022	Jul to Sep 2021
Interest income / profit on investments	23a	13,056,130,464	11,050,870,190	4,684,513,472	3,529,864,500
Interest / profit paid on deposits, borrowings, etc.	24a	(6,872,479,980)	(4,977,580,948)	(2,509,701,966)	(1,622,557,703)
<b>Net interest / net profit on investments</b>		<b>6,183,650,484</b>	<b>6,073,289,241</b>	<b>2,174,811,506</b>	<b>1,907,306,797</b>
Investment income	25a	2,882,926,124	3,286,158,750	1,389,279,763	606,573,293
Commission, exchange and brokerage	26a	2,114,887,233	1,206,123,027	(19,332,232)	452,523,796
Other operating income	27a	793,638,048	652,540,243	242,221,399	212,236,160
<b>Total operating income (A)</b>		<b>11,975,101,889</b>	<b>11,218,111,261</b>	<b>3,786,980,436</b>	<b>3,178,640,046</b>
Salaries and allowances	28a	3,440,794,946	3,169,856,545	1,066,766,067	988,383,269
Rent, taxes, insurance, electricity, etc.	29a	459,825,024	336,496,890	166,317,173	101,834,623
Legal expenses	30a	36,394,816	14,236,794	7,340,338	3,006,383
Postage, stamp, telecommunication, etc.	31a	77,072,851	63,426,852	25,397,100	34,034,248
Stationery, printing, advertisements, etc.	32a	188,025,525	198,280,071	52,995,796	102,075,404
Managing Director's salary and fees	33	12,729,194	8,571,774	3,802,500	3,600,000
Directors' fees	34a	3,501,519	3,167,510	808,223	1,362,415
Auditors' fees	35a	1,138,500	1,035,000	379,500	345,000
Charges on loan losses	36	-	-	-	-
Depreciation and repair of Bank's assets	37a	526,091,163	677,092,025	164,617,946	220,026,304
Other expenses	38a	971,671,304	676,496,865	306,480,241	113,286,913
<b>Total operating expenses (B)</b>		<b>5,717,244,842</b>	<b>5,148,660,326</b>	<b>1,794,904,885</b>	<b>1,567,954,560</b>
<b>Profit / (loss) before provision (C=A-B)</b>		<b>6,257,857,047</b>	<b>6,069,450,935</b>	<b>1,992,075,551</b>	<b>1,610,685,486</b>
Provision for loans & advances	39a	1,070,623,163	1,585,000,000	301,905,863	445,000,000
Provision for diminution in value of investments	39a	-	-	-	-
Other provisions	39a	29,376,837	540,878,429	48,094,137	160,878,429
<b>Total provision (D)</b>		<b>1,100,000,000</b>	<b>2,125,878,429</b>	<b>350,000,000</b>	<b>605,878,429</b>
<b>Total profit / (loss) before taxes (C-D)</b>		<b>5,157,857,047</b>	<b>3,943,572,506</b>	<b>1,642,075,551</b>	<b>1,004,807,057</b>
Provision for taxation	40a	1,959,963,753	2,033,813,056	730,449,219	640,401,079
Current tax		378,479,572	(471,531,505)	(84,381,704)	13,464,432
Deferred tax		2,338,443,325	1,562,281,552	646,067,515	653,865,511
<b>Net profit after taxation</b>		<b>2,819,413,722</b>	<b>2,381,290,954</b>	<b>996,008,035</b>	<b>350,941,546</b>
Retained earnings brought forward from previous years	20.1a	3,459,418,217	2,288,496,966	3,459,418,217	2,288,496,966
		<b>6,278,831,940</b>	<b>4,669,787,921</b>	<b>4,455,426,253</b>	<b>2,639,438,512</b>
<b>Appropriations</b>					
Statutory reserve		-	-	-	-
General reserve		-	-	-	-
<b>Retained surplus</b>	20a	<b>6,278,831,940</b>	<b>4,669,787,921</b>	<b>4,455,426,253</b>	<b>2,639,438,512</b>
<b>Earnings per share (EPS)</b>	42	<b>2.49</b>	<b>2.10</b>	<b>0.88</b>	<b>0.31</b>

These financial statements should be read in conjunction with the annexed notes 1 to 48.

  
Chairman

  
Director

  
Director


  
Managing Director

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

ACNABIN, Chartered Accountants

  
Abu Sayed Mohammed Nayeem FCA  
Partner  
ICAE Enrollment # 353

DVC: 230111035300929669  
07 JUN 2023

  
Mussan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

Dated, Dhaka:

27 DEC 2022

07 JUN 2023

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

  
bakertilly  
NETWORK MEMBER

Tanvir A Siddiqui, ACS  
Company Secretary




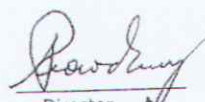
Prime Bank Limited  
Cash Flow Statement  
for the period from 01 January to 30 September 2022

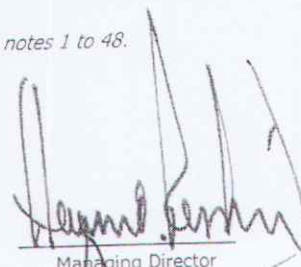
Particulars	Amount in Taka	
	Jan-Sep-2022	Jan-Sep-2021
<b>A) Cash flows from operating activities</b>		
Interest receipts in cash	15,275,881,955	12,195,747,649
Interest payments	(5,928,597,993)	(5,481,916,637)
Dividend receipt	156,864,620	63,763,626
Fees and commission receipts in cash	2,114,887,233	1,206,123,027
Recoveries of loans previously written off	139,786,077	96,901,337
Cash payments to employees	(3,456,570,737)	(3,120,726,335)
Cash payments to suppliers	(597,908,142)	(542,451,969)
Income taxes paid	(2,350,054,171)	(2,115,306,956)
Receipts from other operating activities	708,699,514	1,932,030,661
Payments for other operating activities	(1,126,054,804)	(1,106,423,903)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>	<b>4,936,933,550</b>	<b>3,127,740,501</b>
<b>Increase / (decrease) in operating assets and liabilities</b>		
Purchase/sale of trading securities (Bills/Bonds)	(4,925,510,579)	3,702,629,761
Loans and advances to customers	(27,695,811,615)	(6,019,256,786)
Other assets	(301,476,332)	(260,814,698)
Deposits from other banks / borrowings	14,496,504,225	16,579,553,685
Deposits from customers	6,747,348,368	(9,679,348,381)
Other liabilities account of customers	8,191,073,348	(1,639,387,131)
Other liabilities	(136,210,492)	459,184,386
	<b>(3,624,083,077)</b>	<b>3,142,560,836</b>
<b>Net cash from operating activities</b>	<b>1,312,850,473</b>	<b>6,270,301,337</b>
<b>B) Cash flows from investing activities</b>		
Payments for purchases of securities (Shares)	(1,095,144,063)	(161,190,554)
Purchase of property, plant and equipment	(508,424,089)	(438,860,141)
Proceeds from sale of property, plant and equipment	1,219,498	1,726,814
<b>Net cash used in investing activities</b>	<b>(1,602,348,654)</b>	<b>(598,323,881)</b>
<b>C) Cash flows from financing activities</b>		
Redemption of Prime Bank sub-ordinated bond	(1,900,000,000)	(1,900,000,000)
Repayment of borrowings and leasing liabilities	(174,622,150)	(288,391,948)
Interest paid on lease liabilities	(42,503,440)	(49,099,071)
Dividend paid	(1,981,496,085)	(1,698,425,216)
<b>Net cash used in financing activities</b>	<b>(4,098,621,675)</b>	<b>(3,935,916,235)</b>
<b>D) Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(4,388,119,857)</b>	<b>1,736,061,222</b>
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>	<b>65,132,729</b>	<b>8,050,459</b>
<b>F) Cash and cash equivalents at beginning of the year</b>	<b>28,004,586,417</b>	<b>24,633,900,854</b>
<b>G) Cash and cash equivalents at end of the period (D+E+F)</b>	<b>23,681,599,289</b>	<b>26,378,012,536</b>
<b>Cash and cash equivalents at end of the period</b>		
Cash in hand (including foreign currencies) (note-3a)	5,115,061,914	4,069,010,178
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies) (note-3a)	12,865,713,203	11,879,227,410
Balance with other banks and financial institutions (note-4a)	5,697,584,073	10,422,215,648
Prize bonds (note-6a)	3,240,100	7,559,300
	<b>23,681,599,289</b>	<b>26,378,012,536</b>

These financial statements should be read in conjunction with the annexed notes 1 to 48.

  
Chairman

  
Director

  
Director

  
Managing Director

07 JUN 2023

 **bakertilly**  
NETWORK MEMBER


Tanvir A Siddiqui, ACS  
Company Secretary

07 JUN 2023

  
16

M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



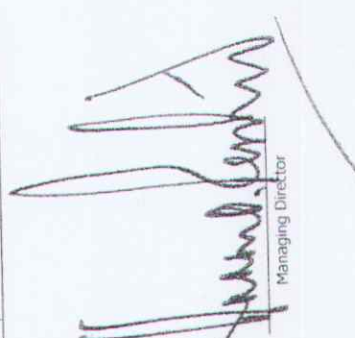
Prime Bank Limited  
Statement of Changes in Equity  
for the period from 01 January to 30 September 2022

Particulars	Paid-up Capital		Share premium		Statutory reserve		Revaluation reserve		Revaluation gain / loss on investments		F.C. Translation gain		Retained earnings		Total		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Balance as at 1 January 2022	11,322,834,770	1,211,881,786	10,353,413,584	1,507,173,559	32,533,614	20,121,408	5,440,914,302	29,888,873,023									
Changes in accounting policy / Last year's profit																	
Balance as at 1 January 2022	11,322,834,770	1,211,881,786	10,353,413,584	1,507,173,559	32,533,614	20,121,408	5,440,914,302	29,888,873,023									
Surplus / deficit on account of revaluation of properties				47,954,756				47,954,756									
Adjustment of last year revaluation gain on investments					(215,430,387)			(215,430,387)									
Surplus / deficit on account of revaluation of investments					294,184,161			294,184,161									
Currency translation differences						65,132,729											
Net gains and losses not recognized in the income statement						85,254,137											
Net profit for the period																	
Dividend (Bonus shares)																	
Cash dividend																	
Remeasurement gain/(loss) of defined benefits liability/assets																	
Share premium																	
Appropriation made during the year																	
Balance as at 30 September 2022	11,322,834,770	1,211,881,786	10,353,413,584	1,555,128,315	111,287,389	85,254,137	6,278,831,940	30,918,631,920									
Balance as at 30 September 2021	11,322,834,770	1,211,881,786	10,353,413,584	1,507,173,559	59,199,356	18,607,019	4,669,787,921	29,142,897,995									

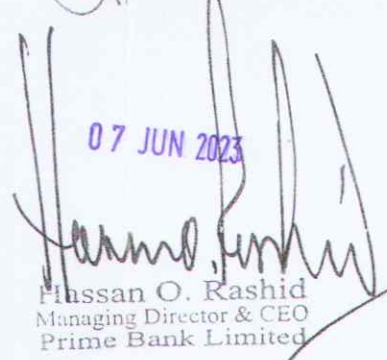
These financial statements should be read in conjunction with the annexed notes 1 to 48.

  
Chairman

  
Director

  
Managing Director

  
Chairman

07 JUN 2023  
  
Hossain O. Rashid  
Managing Director & CEO  
Prime Bank Limited

07 JUN 2023  
  
M. Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Tanvir A Siddiqui, ACS  
Company Secretary



**Notes to the Financial Statements  
as at and for the period ended 30 September 2022**

**1 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, 1995 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 and 2 (Two) booths located at Dhaka Club, Dhaka and at Chittagong Port, Chattogram. 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) Off-shore 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.

**1.1 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).

**2 Accounting policies**

**2.1** Accounting policies in the interim financial statements are same as that were applied in its last annual financial statements of 31 December 2021. 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. (Pte) Limited, Singapore, PBL Exchange (UK) Limited and PBL Finance (Hong Kong) Limited.

**2.2 Basis of preparation**

The financial statements for the 9-month ended on 30 September 2022 have been prepared in condensed form to comply with the requirements of Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021, and following the provisions of International Accounting Standard (IAS)-34 "Interim Financial Reporting" and all other International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as applicable for the Banks.

**2.3** Adequate provision has been made against loans and advances, off-balance sheet items, investments and other assets as per Bangladesh Bank's circulars.

**2.4** 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 Ordinance 1984 as amended by Finance Act-2022.

**2.5** The consolidated financial statements have been prepared for the period ended on 30 September 2022 in accordance with International Accounting Standard (IAS)-27, "Separate Financial Statements" and International Financial Reporting Standard (IFRS)- 10, "Consolidated Financial Statements".

**2.6** The financial statements were approved by the Board of Directors on 27 December 2022.


**2.7 General**

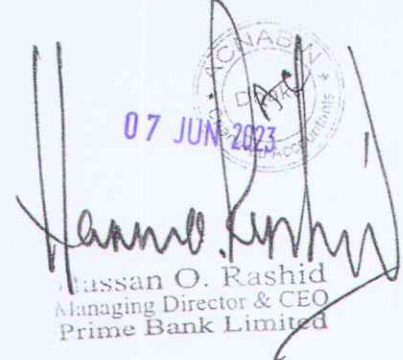
- a) These financial statements are presented in Taka, which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.
- b) Figures of previous year have been rearranged and/or restated whenever necessary to conform to current year's presentation.

07 JUN 2023

07 JUN 2023

18

  
M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

  
Nassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

**3 Consolidated cash**

**i Cash in hand**

Prime Bank Limited (note-3a.1)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

Amount in Taka	
30 Sep 2022	31 Dec 2021

5,115,061,914	4,175,754,565
19,597	56,274
100,000	28,500
9,581,865	16,457,897
-	-
-	-
<b>5,124,763,376</b>	<b>4,192,297,236</b>

**ii Balance with Bangladesh Bank and its agent bank(s)**

Prime Bank Limited (note-3a.2)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

12,865,713,203	11,677,721,619
-	-
-	-
-	-
-	-
-	-
<b>12,865,713,203</b>	<b>11,677,721,619</b>
<b>17,990,476,578</b>	<b>15,870,018,855</b>

**3a Cash of the Bank**

**3a.1 Cash in hand**

In local currency  
In foreign currency

5,076,757,056	4,132,694,695
38,304,858	43,059,870
<b>5,115,061,914</b>	<b>4,175,754,565</b>

**3a.2 Balance with Bangladesh Bank and its agent bank(s)**

In local currency  
In foreign currency

Sonali Bank as agent of Bangladesh Bank (Local currency)

11,062,497,292	10,156,474,355
1,352,931,154	660,695,128
12,415,428,447	10,817,169,482
450,284,756	860,552,136
<b>12,865,713,203</b>	<b>11,677,721,619</b>
<b>17,980,775,116</b>	<b>15,853,476,184</b>

**4 Consolidated balance with other banks and financial institutions In Bangladesh**

Prime Bank Limited (note-4a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

Less: Inter-company transaction

**Outside Bangladesh**

Prime Bank Limited (note-4a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

1,665,083,384	8,942,695,539
86,242,767	87,419,736
200,780,107	277,692,287
-	-
-	-
1,952,106,258	9,307,807,562
86,155,970	257,685,022
<b>1,865,950,289</b>	<b>9,050,122,540</b>

4,032,500,689	3,204,311,794
-	-
86,890,815	95,909,804
8,808,815	19,481,729
17,709,278	21,739,991
<b>4,145,909,597</b>	<b>3,341,443,318</b>
<b>6,011,859,886</b>	<b>12,391,565,858</b>

**4a Balance with other banks and financial institutions of the Bank**

In Bangladesh  
Outside Bangladesh

1,665,083,384	8,942,695,539
4,032,500,689	3,204,311,794
<b>5,697,584,073</b>	<b>12,147,007,333</b>

**5 Money at call on short notice**

07 JUN 2023

07 JUN 2023

07 JUN 2023



Tanvir A Siddiqui, ACS  
Company Secretary

M Habibur Rakman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

M Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited





**6 Consolidated investments**

**Government**

Prime Bank Limited (note-6a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

**Others**

Prime Bank Limited (note-6a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

**6a Investments of the Bank**

i) Investment classified as per Bangladesh Bank Circular:

Held for trading (HFT)  
Held to maturity (HTM)  
Other securities

a) Government securities:

ii) Investment classified as per nature:

a) Government securities:

28 days treasury bills  
91 days treasury bills  
182 days treasury bills  
364 days treasury bills  
5 years treasury bills

30 days Bangladesh Bank bills

Government bonds:

Prize bonds  
Government bonds

b) Other investments:

Alarafah Islami Bank Subordinated Bond  
MTBL Perpetual Bond  
Beximco Green Sukuk al Istisna'a  
Shares (note-6a.1)

**6a.1 Investment in shares**

**Quoted**

Baraka Power  
BATBC  
BSCCL  
BerqerPBL  
DESCO  
UnileverCL  
Union Capital  
IDLC  
National Bank Ltd.  
Sinaer BD  
UPGDCL  
Uttara Bank Ltd.

Amount in Taka	
30 Sep 2022	31 Dec 2021

58,880,042,096	53,969,145,650
-	-
-	-
-	-
-	-
-	-
<b>58,880,042,096</b>	<b>53,969,145,650</b>

6,283,637,373	5,174,741,977
1,185,325,270	1,172,619,979
2,128,606,356	2,069,796,684
-	-
-	-
-	-
<b>9,597,569,000</b>	<b>8,417,158,640</b>
<b>68,477,611,095</b>	<b>62,386,304,290</b>

9,714,124,390	11,166,217,890
49,162,677,606	42,798,824,860
6,286,877,473	5,178,844,877
<b>65,163,679,469</b>	<b>59,143,887,627</b>

-	-
1,478,521,185	-
31,655,769	1,998,452,000
1,474,429,955	1,949,613,355
<b>2,984,606,909</b>	<b>3,948,065,355</b>

3,240,100	4,102,900
55,892,195,087	50,016,977,395
<b>55,895,435,187</b>	<b>50,021,080,295</b>
<b>58,880,042,096</b>	<b>53,969,145,650</b>

827,066,667	809,333,333
861,187,653	876,419,653
512,250,000	501,000,000
4,083,133,054	2,987,988,991
<b>6,283,637,373</b>	<b>5,174,741,977</b>
<b>65,163,679,469</b>	<b>59,143,887,627</b>

46,126,653	46,126,653
237,197,218	237,197,218
57,451,813	57,451,813
34,368,643	34,368,643
19,262,511	19,262,511
7,093,115	7,093,115
8,229,938	-
8,256,150	8,256,150
27,970,098	27,970,098
103,836,021	103,836,021
96,111,263	96,111,263
37,009,980	37,009,980
<b>682,913,402</b>	<b>674,683,465</b>

07 JUN 2023

07 JUN 2023

07 JUN 2023

**Tanvir A Siddiqui, ACS**  
Company Secretary  
Prime Bank Limited

**M Habibur Rahman Chowdhury, FCA**  
Deputy Managing Director & CFO  
Prime Bank Limited

**Nassan O. Rashid**  
Managing Director & CEO  
Prime Bank Limited

**Unquoted**

Central Depository Bangladesh Limited (CDBL)  
Central Counterparty Bangladesh Limited (CCBL)  
Investment in SWIFT  
Blue-wealth 1st Balanced Fund  
Preference Share (United Mymensingh Power)  
Preference Share (Summit Gazipur-2)  
Golden Harvest Ice Cream Ltd

Amount in Taka	
30 Sep 2022	31 Dec 2021

15,694,430	15,694,430
37,500,000	37,500,000
4,184,430	4,184,430
20,000,000	-
2,088,916,667	2,016,166,667
994,164,125	-
239,760,000	239,760,000
<b>3,400,219,651</b>	<b>2,313,305,526</b>
<b>4,083,133,054</b>	<b>2,987,988,991</b>

**7 Consolidated loans, advances and lease / investments**

Prime Bank Limited (note-7a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

Less: Inter-company transactions

246,232,727,956	221,701,136,687
4,530,573,407	4,932,098,760
177,398,179	300,810,631
-	-
-	-
250,940,699,542	226,934,046,078
5,928,876,733	6,310,832,146
<b>245,011,822,809</b>	<b>220,623,213,932</b>

**Consolidated bills purchased and discounted (note-8)**

45,620,257,505	44,339,148,120
<b>290,632,080,314</b>	<b>264,962,362,052</b>

**7a Loans, advances and lease / investments of the Bank**  
**i) Loans, cash credits, overdrafts, etc.**

**Inside Bangladesh**

Secured overdraft / Quard against TDR  
Cash credit / Murabaha  
Loans (General)  
House building loan  
Loan against trust receipt  
Payment against document  
Retail loan  
Lease finance / Izara  
Credit card  
Hire purchase  
Other loans and advances

52,044,888,311	47,901,648,192
23,994,379,982	21,052,961,364
68,923,817,387	68,743,387,096
1,464,065,038	1,437,498,456
5,164,869,367	3,955,975,373
19,691,040	23,846,325
18,248,847,445	16,835,739,547
761,114,752	1,155,961,940
1,654,842,232	1,391,192,439
13,118,105,793	13,216,215,541
60,838,106,609	45,986,710,412
<b>246,232,727,956</b>	<b>221,701,136,687</b>

**Outside Bangladesh**

<b>246,232,727,956</b>	<b>221,701,136,687</b>
------------------------	------------------------

**ii) Bills purchased and discounted (note-8a)**

**Payable Inside Bangladesh**

Inland bills purchased

**Payable Outside Bangladesh**

Foreign bills purchased and discounted

7,106,377,607	6,895,679,420
35,653,395,482	34,418,531,742
<b>42,759,773,089</b>	<b>41,314,211,162</b>
<b>288,992,501,045</b>	<b>263,015,347,849</b>

**8 Consolidated bills purchased and discounted**

Prime Bank Limited (note-8a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

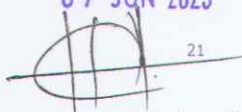
42,759,773,089	41,314,211,162
-	-
-	-
-	-
2,860,484,416	3,024,936,958
<b>45,620,257,505</b>	<b>44,339,148,120</b>

07 JUN 2023



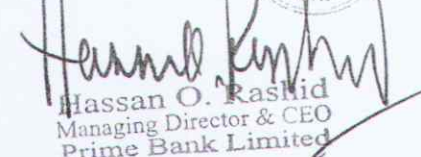
**bakertilly**  
Tanvir A Siddiqui, ACC  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Haqibul Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rasheed  
Managing Director & CEO  
Prime Bank Limited



8a **Bills purchased and discounted**  
Payable in Bangladesh  
Payable outside Bangladesh

Amount in Taka	
30 Sep 2022	31 Dec 2021
7,106,377,607	6,895,679,420
35,653,395,482	34,418,531,742
<b>42,759,773,089</b>	<b>41,314,211,162</b>

9 **Consolidated fixed assets including premises, furniture and fixtures**  
Prime Bank Limited (note-9a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

8,456,294,747	8,325,699,812
38,961,925	42,107,130
16,062,917	17,180,974
14,419,986	8,570,445
	524,744
207,973	358,229
<b>8,525,947,548</b>	<b>8,394,441,334</b>

9a **Fixed assets including premises, furniture and fixtures of the Bank Property, Plant & Equipment**

Land  
Building  
Capital work in progress (Building)  
Furniture and fixtures  
Capital work in progress (Furniture & Fixtures)  
Office equipment and machinery  
Capital work in progress (Equipment's)  
Vehicles

3,750,383,000	3,719,444,788
1,592,539,568	1,571,933,729
1,173,283,648	845,093,710
1,127,373,701	1,094,743,900
-	15,523,898
2,738,384,646	2,665,889,485
47,397,243	-
348,178,340	319,395,465
<b>10,777,540,147</b>	<b>10,192,024,975</b>
3,558,539,028	3,401,688,176
<b>7,219,001,119</b>	<b>6,790,336,799</b>

Less: Accumulated depreciation

**Lease assets-Premises**

Right-of-use assets  
Less: Accumulated amortization

2,457,013,562	2,457,013,562
1,406,137,633	1,194,670,506
<b>1,050,875,930</b>	<b>1,262,343,056</b>

**Intangible assets**

Software-core banking  
Software-ATM  
Capital work in progress (Software)  
Total Cost of intangibles assets  
Less: Accumulated amortization

864,701,383	856,201,383
58,492,614	58,492,614
4,190,000	6,300,000
<b>927,383,997</b>	<b>920,993,997</b>
740,966,299	647,974,041
<b>186,417,698</b>	<b>273,019,956</b>
<b>8,456,294,747</b>	<b>8,325,699,812</b>

10 **Consolidated other assets**

Prime Bank Limited (note-10a)  
Less: Investment in Prime Bank Investment Limited (note-10a.5)  
Less: Investment in Prime Bank Securities Limited (note-10a.5)  
Less: PBIL investment in Prime Bank Securities Ltd.(below)  
Less: Investment in PBL Exchange (UK) Ltd. (note-10a.5)  
Less: Investment in Prime Exchange Co. Pte. Ltd., Singapore (note-10a.5)  
Less: Investment in PBL Finance (Hong Kong) Limited (note-10a.5)

34,172,284,490	31,172,459,495
(2,999,999,940)	(2,999,999,940)
(950,000,000)	(950,000,000)
(50,000,000)	(50,000,000)
(56,352,624)	(56,352,624)
(10,993,235)	(10,993,235)
(34,365,722)	(34,365,722)
<b>30,070,572,969</b>	<b>27,070,747,973</b>

Prime Bank Investment Limited (investment in PBSL)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

50,000,000	50,000,000
331,939,272	396,515,148
239,452,618	235,641,175
5,559,188	4,787,270
14,687,928	5,025,975
41,844,383	29,049,718
<b>683,483,388</b>	<b>721,019,287</b>
179,010,998	141,676,958
<b>30,575,045,359</b>	<b>27,650,090,303</b>

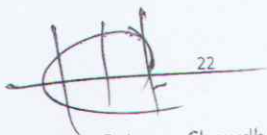
Less: Inter-company transactions

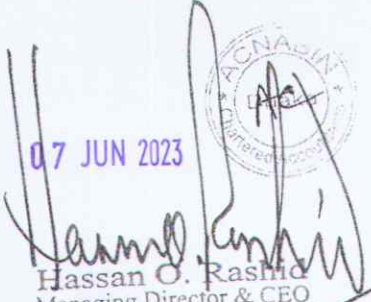
07 JUN 2023

07 JUN 2023

07 JUN 2023

  
**Tanvir A Siddiqui, ACS**  
Company Secretary  
Prime Bank Limited

  
M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

Amount in Taka	
30 Sep 2022	31 Dec 2021

**10a Other assets of the Bank**

Stationery and stamps  
Exchange adjustment account  
Investment in subsidiary (note-10a.5)  
Off-shore Banking Units  
Due from Off-shore Banking Units  
Prepaid expenses  
Interest / profit receivable on loan (note-10a.1)  
Interest receivable on Govt. securities (note-10a.1)  
Receivable from employees provident fund  
Dividend Receivable  
Advance deposits and advance rent  
Prepaid expenses against house furnishing  
Balance with PBSL  
Branch adjustments account  
Suspense account (note -10a.2)  
Encashment of PSP / BSP  
Advance income tax paid (note-10a.6)  
Deferred Tax assets (note -10a.7)  
Net plan assets-Employees Gratuity Fund  
Credit card & ATM Card  
Sundry assets ( note -10a.3)

55,835,137	52,287,507
-	-
4,051,711,521	4,051,711,521
11,942,302,905	10,737,750,738
577,324,825	458,841,203
14,827,153	53,397,100
1,557,666,417	1,443,734,210
975,562,663	504,627,168
11,444,088	11,444,088
6,256,561	-
115,560,851	40,237,869
21,656,940	14,676,351
97,464,056	105,694,443
152,498	-
228,732,532	57,353,364
194,671,120	171,333,234
24,808,858,397	22,458,804,225
1,732,063,875	1,991,891,003
97,603,270	97,603,270
12,526,824	3,144,716
189,690,591	114,519,425
<b>46,691,912,220</b>	<b>42,369,051,436</b>
<b>12,519,627,730</b>	<b>11,196,591,941</b>
<b>34,172,284,490</b>	<b>31,172,459,495</b>

Less: Off-shore Banking Units

**10a.1** Interest / profit receivable: Amount represents interest / profit receivable on loans, advances and lease / investments, interest on term placement, Government securities & foreign currency balance, etc.

**10a.2** Suspense account includes TT / DD in transit, advance against Land/ Building, advance against new branch, advance against TA/ DA, printing and stationery, postage, suspense- others, clearing adjustment account etc.

**10a.3 Sundry assets**

Protested Bills  
Others

14,570,423	14,570,423
175,120,168	99,949,001
<b>189,690,591</b>	<b>114,519,425</b>

**10a.4 Particulars of required provision for other assets**

		Rate		
Protested bills	14,570,423	100%	14,570,423	14,570,423
Prepaid expenses	22,683,379	50%	11,341,690	-
Others	4,609,070	100%	4,609,070	7,737,234
Required provision for other assets			30,521,183	22,307,658
Total provision maintained (note - 14a.6)			30,620,519	67,220,519
Excess / (short) provision			<b>99,336</b>	<b>44,912,861</b>

**10a.5 Investment in subsidiaries**

Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

2,999,999,940	2,999,999,940
950,000,000	950,000,000
10,993,235	10,993,235
56,352,624	56,352,624
34,365,722	34,365,722
<b>4,051,711,521</b>	<b>4,051,711,521</b>

**10a.6 Advance income tax paid**

Opening Balance  
Add: Paid during the year

22,458,804,225	19,783,674,850
2,350,054,171	2,675,129,375
<b>24,808,858,397</b>	<b>22,458,804,225</b>

**10a.7 Deferred tax assets**

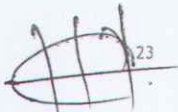
Opening balance  
Add: Addition during the year  
Less: Adjustment during the year

1,991,891,003	1,378,849,028
287,967,518	613,041,975
(547,794,647)	
<b>1,732,063,875</b>	<b>1,991,891,003</b>

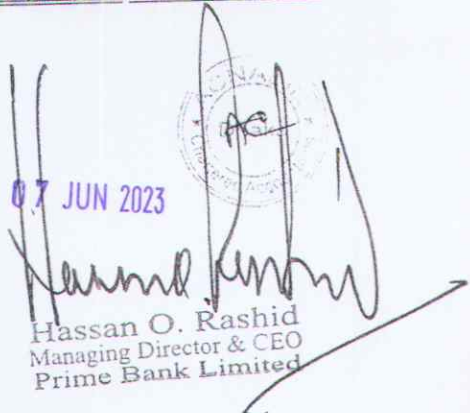
07 JUN 2023

  
**Tanvir A Siddiqui, ACS**  
Company Secretary  
Prime Bank Limited

07 JUN 2023

  
**M Habibur Rahman Chowdhury, FCA**  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
**Hassan O. Rashid**  
Managing Director & CEO  
Prime Bank Limited



**10a.7.1 Deferred tax assets detail**  
Specific Provision for Loans and Advances  
Tax rate  
Deferred tax assets

Amount in Taka	
30 Sep 2022	31 Dec 2021
4,618,836,999	5,311,709,342
37.50%	37.50%
<b>1,732,063,875</b>	<b>1,991,891,003</b>

**11 Non-Banking Assets**

**Name of Parties**  
M/s Rima Flour Mills  
M/s Ripon Motors  
M/s Megna Bangla Trade  
M/s Ampang Food Industries

124,438,400	124,438,400
51,902,240	51,902,240
18,399,360	18,399,360
25,760,640	25,760,640
<b>220,500,640</b>	<b>220,500,640</b>

The Bank has been awarded ownership of the mortgaged properties of the above mentioned parties as per verdicts of the respective Artha Rin Courts under section 33(7) of "Artha Rin Adalat Ain-2003". Accordingly, a total amount of Tk 220,500,640/- is reported in the financial statements as Non-Banking assets. The value of Non-Banking Assets has been determined on the basis of valuation reports of independent valuers.

**12 Consolidated borrowings from other banks, financial institutions and agents**

Prime Bank Limited (note-12a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

70,664,875,780	62,061,332,558
2,289,272,321	2,759,161,058
1,379,545,414	1,452,642,905
-	-
-	-
2,738,533,784	2,970,176,824
77,072,227,299	69,243,313,346
5,928,876,733	6,310,832,146
<b>71,143,350,566</b>	<b>62,932,481,200</b>

Less: Inter-company transactions

**12a Borrowings from other banks, financial institutions and agents of the Bank**

In Bangladesh (note-12a.1)  
Outside Bangladesh

35,811,415,675	27,665,712,468
34,853,460,106	34,395,620,090
<b>70,664,875,780</b>	<b>62,061,332,558</b>

**12a.1 In Bangladesh**

Call deposits  
Borrowings from other Banks and FIS  
Prime Bank Subordinated Bond  
Borrowings from Bangladesh Bank (FSSP)  
Borrowings from Bangladesh Bank (EDF)  
Borrowings from Bangladesh Bank (GTF)  
Borrowings from Bangladesh Bank (FSF)  
Borrowings from Bangladesh Bank (IPFF)  
Borrowings from Bangladesh Bank (TDF)  
Borrowings from Bangladesh Bank (UBSP)  
Borrowings from Bangladesh Bank (RFS-PC)  
Refinance against Agriculture loan  
Refinance against SME loan

2,000,000,000	-
590,000,000	-
4,200,000,000	6,100,000,000
1,541,732,906	1,446,495,030
20,800,230,501	15,747,808,578
1,978,475,468	1,667,750,929
2,923,151,933	1,076,796,021
198,899,662	233,557,461
365,000,001	400,000,000
97,949,219	42,503,125
31,999,999	-
24,390,000	425,656,035
1,059,585,986	525,145,288
<b>35,811,415,675</b>	<b>27,665,712,468</b>

**13 Consolidated deposits and other accounts**  
**Current deposits and other accounts**

Prime Bank Limited (note-13a.1.c)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

50,465,491,006	47,678,047,146
-	-
-	-
-	-
-	-
-	-
<b>50,465,491,006</b>	<b>47,678,047,146</b>
85,738,354	257,285,597
<b>50,379,752,652</b>	<b>47,420,761,550</b>


Less: Inter-company transactions

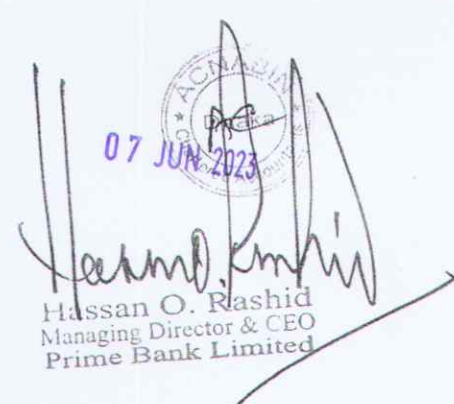
07 JUN 2023

07 JUN 2023

07 JUN 2023

  
**Tanvir A Siddiqui, ACS**  
NETWORK MEMBER  
Company Secretary  
Prime Bank Limited

  
**M Habibur Rahman Chowdhury, FCA**  
Deputy Managing Director & CFO  
Prime Bank Limited

  
**Hassan O. Rashid**  
Managing Director & CEO  
Prime Bank Limited

**Bills payable**

Prime Bank Limited (note-13a.1.c)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

**Savings bank / Mudaraba savings deposits**

Prime Bank Limited (note-13a.1.c)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

**Term / Fixed deposits**

Prime Bank Limited (note-13a.1.c)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

Less: Inter-company transactions

**13a Deposits and other accounts of the Bank**

Deposits from banks (note -13a.1.a)  
Deposits from customers (note-13a.1.b)

**13a.1 a) Deposits from Banks**

Current deposits and other accounts  
Savings bank / Mudaraba savings deposits  
Special notice deposits  
Fixed deposits

**b) Customer Deposits**

**i) Current deposits and other accounts**

Current / Al-wadeeah current deposits  
Foreign currency deposits  
Security deposits  
Sundry deposits (note - 13a.2)

Less: Off-shore Banking Units

**ii) Bills payable**

Pay orders issued  
Pay slips issued  
Demand draft payable  
Foreign demand draft  
T. T. payable  
Bill Pay ATM

**iii) Savings bank / Mudaraba savings deposits**

**iv) Term / Fixed deposits**

Fixed deposits / Mudaraba fixed deposits  
Special notice deposits  
Scheme deposits

Amount in Taka	
30 Sep 2022	31 Dec 2021

13,114,865,276	4,923,791,928
-	-
-	-
-	-
-	-
-	-
<b>13,114,865,276</b>	<b>4,923,791,928</b>

64,521,095,686	70,358,701,527
-	-
-	-
-	-
-	-
-	-
<b>64,521,095,686</b>	<b>70,358,701,527</b>

134,679,247,507	120,109,951,192
-	-
-	-
-	-
-	-
-	-
<b>134,679,247,507</b>	<b>120,109,951,192</b>
417,615	399,425
<b>134,678,829,892</b>	<b>120,109,551,767</b>
<b>262,694,543,506</b>	<b>242,812,806,771</b>

5,003,065,421	1,132,658,001
257,777,634,054	241,937,833,792
<b>262,780,699,476</b>	<b>243,070,491,793</b>

18,170,803	11,296,209
20,957,587	20,680,470
3,463,937,031	1,100,681,321
1,500,000,000	-
<b>5,003,065,421</b>	<b>1,132,658,000</b>

22,123,440,093	24,509,076,345
7,260,719,187	7,560,123,821
6,459,947	6,553,647
21,364,863,357	15,776,605,923
<b>50,755,482,584</b>	<b>47,852,359,736</b>
308,162,381	185,608,799
<b>50,447,320,203</b>	<b>47,666,750,937</b>

13,108,177,629	4,915,957,408
298,850	578,514
6,049,352	6,916,907
313,592	313,592
425	79
25,429	25,429
<b>13,114,865,276</b>	<b>4,923,791,928</b>

<b>64,500,138,099</b>	<b>70,338,021,057</b>
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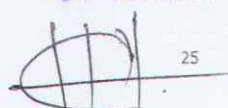
88,861,497,865	75,321,620,860
13,015,039,471	14,519,690,184
27,838,773,141	29,167,958,827
<b>129,715,310,476</b>	<b>119,009,269,870</b>
257,777,634,054	241,937,833,792
<b>262,780,699,476</b>	<b>243,070,491,793</b>

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 **bakertilly**  
NETWORK MEMBER

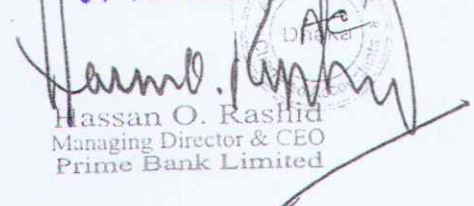
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited





**c) Deposits and other accounts**

**Current deposits and other accounts**

Deposits from banks (note -13a.1.a)  
Deposits from customers (note-13a.1.b.i)

**Bills payable**

Deposits from banks (note -13a.1.a)  
Deposits from customers (note-13a.1.b.ii)

**Savings bank / mudaraba savings deposits**

Deposits from banks (note -13a.1.a)  
Deposits from customers (note-13a.1.b.iii)

**Term / Fixed deposits**

Deposits from banks (note -13a.1.a)  
Deposits from customers (note-13a.1.b.iv)

Amount in Taka	
30 Sep 2022	31 Dec 2021
18,170,803	11,296,209
50,447,320,203	47,666,750,937
<b>50,465,491,006</b>	<b>47,678,047,146</b>
-	-
13,114,865,276	4,923,791,928
<b>13,114,865,276</b>	<b>4,923,791,928</b>
20,957,587	20,680,470
64,500,138,099	70,338,021,057
<b>64,521,095,686</b>	<b>70,358,701,527</b>
4,963,937,031	1,100,681,321
129,715,310,476	119,009,269,870
<b>134,679,247,507</b>	<b>120,109,951,192</b>
<b>262,780,699,476</b>	<b>243,070,491,793</b>

**13a.2 Sundry deposits**

F.C. held against back to back L/C  
Sundry creditors  
Risk fund and service charges (CCS and lease finance)  
Sale proceeds of PSP / BSP  
Margin on letters of guarantee  
Margin on letters of credit  
Margin on FDBP / IDBP, export bills, etc.  
Unclaimed dividend  
Interest / profit payable on deposits  
Withholding VAT/Tax /Excise duty payable to Government Authority  
Others

9,708,730,318	8,308,110,005
226,165,271	330,021,589
56,356,428	56,355,521
239,506,050	13,096,050
789,396,706	757,225,407
5,800,089,484	2,535,956,293
262,059,906	129,734,260
52,676,790	53,917,661
2,190,556,938	1,289,178,392
431,701,646	281,998,732
1,607,623,819	2,021,012,012
<b>21,364,863,357</b>	<b>15,776,605,923</b>

**13a.3 Payable on demand and time deposits**

**a) Demand deposits**

Current deposits  
Savings deposits (9%)  
Foreign currency deposits (Non interest bearing)  
Security deposits  
Sundry deposits  
Bills payable

22,141,610,897	24,520,372,554
5,806,898,612	6,332,283,137
6,952,556,806	7,374,515,023
6,459,947	6,553,647
21,364,863,357	15,776,605,923
13,114,865,276	4,923,791,928
<b>69,387,254,894</b>	<b>58,934,122,212</b>

**b) Time deposits**

Savings deposits (91%)  
Fixed deposits  
Special notice deposits  
Deposits under schemes

58,714,197,074	64,026,418,389
90,361,497,865	75,321,620,860
16,478,976,501	15,620,371,505
27,838,773,141	29,167,958,827
<b>193,393,444,581</b>	<b>184,136,369,581</b>
<b>262,780,699,476</b>	<b>243,070,491,793</b>

**14 Consolidated other liabilities**

Prime Bank Limited (note-14a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

56,319,412,405	54,857,681,566
1,050,008,770	1,053,024,960
524,181,349	527,563,608
44,166,718	63,119,683
37,200,206	18,352,747
20,344,072	5,423,111
<b>57,995,313,520</b>	<b>56,525,165,675</b>
179,010,998	130,553,311
<b>57,816,302,522</b>	<b>56,394,612,364</b>

Less: Inter-company transactions

**14a Other liabilities of the Bank**

Exchange adjustment account  
Expenditure and other payables  
Provision for bonus  
Lease liabilities

159,625,050	2,956,625
230,220,357	251,839,847
308,132,864	311,102,582
1,132,342,214	3,306,964,364

07 JUN 2023



**bakertilly**  
NETWORK MEMBER

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Company Secretary  
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Deputy Managing Director & CFO  
Prime Bank Limited

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Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

Provision for income tax (note - 14a.1)	
Deferred tax liability (note-14a.2)	
Unearned commission on bank guarantee	
Unearned income	
Unearned profit (Markup)	
Provision for off-balance sheet exposures (note-14a.4)	
Provision for Off-shore Banking Units (note-14a.5)	
Fund for employee welfare fund (EWF)	
Fund for Prime Bank Foundation (PBF)	
Provision for loans and advances / investments (note - 14a.3)	
Provision for Non-Banking Assets	
Start-up fund	
Special general provision-COVID 19	
Provision for Interest receivable on loans and advances / investments	
Provision for diminution in value of investments	
Interest suspense account	
CSR Fund Treasury	
Provision for CSR activities	
Provision for Impairment loss for investment in subsidiaries	
Climate risk fund	
Provision of rebate for good borrower	
Other liabilities	
Other provision (note - 14a.6)	

Amount in Taka	
30 Sep 2022	31 Dec 2021
30,181,888,481	28,221,924,728
955,790,401	761,530,856
12,000,916	12,000,916
6,667,595	2,214,548
262,918,334	187,508,901
2,348,090,000	2,163,090,000
560,550,000	537,550,000
5,000,000	5,000,000
93,330,774	71,882,904
12,075,976,295	12,607,225,475
220,500,640	220,500,640
77,275,121	49,080,984
708,600,000	708,600,000
21,000,000	73,717,300
122,128,249	122,128,249
5,983,736,441	6,647,869,301
370,466,660	-
21,777,694	-
376,944,092	471,444,092
31,004,390	31,004,390
15,207,111	15,207,111
7,618,207	8,117,234
30,620,519	67,220,519
<b>56,319,412,405</b>	<b>54,857,681,566</b>

**14a.1 Provision for income tax**  
Opening Balance  
Add: Addition during the year

28,221,924,728	25,197,656,236
1,959,963,753	3,024,268,492
<b>30,181,888,481</b>	<b>28,221,924,728</b>

**14a.1.1 Reconciliation of effective tax rate of the bank**

(i) A numerical reconciliation between tax expenses (income) and the product of accounting profit multiplied by the applicable tax rate(s), disclosing also the basis on which the applicable tax rate(s) is (are) computed.

Profit before provision and income tax as per profit and loss account	6,257,857,047	6,069,450,935
Income tax as per applicable tax rate (37.5%)	2,346,696,393	2,276,044,101
<b>Factors affecting the tax charged</b>		
On non deductible expenses (netting of deductible income)	(358,186,433)	199,746,179
Tax savings from exempted income (on govt. treasury securities)	-	(422,296,031)
Tax savings from reduced tax rates (on dividend income)	(28,546,207)	(11,158,635)
Tax savings from reduced tax rates (on gain on sale of quoted securities)	-	(8,522,557)
<b>Total income tax expenses</b>	<b>1,959,963,753</b>	<b>2,033,813,056</b>

(ii) A numerical reconciliation between the average effective tax rate and the applicable tax rate, disclosing also the basis on which the applicable tax rate is computed.

<b>Applicable tax rate</b>		
Tax effect of expenses that are not deductible for tax purposes	37.50%	37.50%
On non deductible expenses (netting of deductible income)	-5.72%	3.29%
Tax savings from exempted income (on govt. treasury securities)	0.00%	-6.96%
Tax savings from reduced tax rates (on dividend income)	-0.46%	-0.18%
Tax savings from reduced tax rates (on gain on sale of quoted securities)	0.00%	-0.14%
<b>Average effective tax rate (tax expense divided by profit before provision and tax)</b>	<b>31.32%</b>	<b>33.51%</b>

**14a.2 Deferred tax liability**

Opening balance  
Add/(Less): For revaluation of land and building  
Add: Addition / Adjustment during the year

761,530,856	662,637,191
75,607,102	-
118,652,443	98,893,665
<b>955,790,401</b>	<b>761,530,856</b>

**14a.2.1 Deferred tax liability**

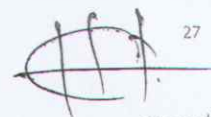
Temporary timing difference in written down value of fixed assets between tax base and carrying value:  
Carrying amount of fixed assets including RoU Assets  
Tax base

3,573,569,533	3,299,290,660
1,985,543,432	2,027,671,074

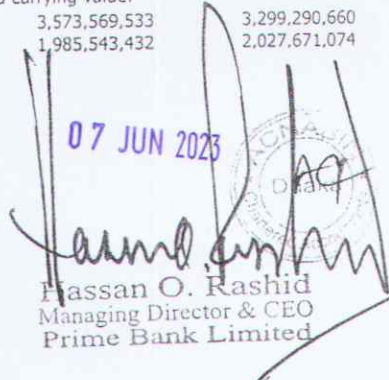
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Company Secretary  
Prime Bank Limited

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Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
**Hassan O. Rashid**  
Managing Director & CEO  
Prime Bank Limited





Taxable temporary difference  
Tax Rate  
Deferred tax liability on fixed assets  
Deferred tax on revaluation of land and building  
Deferred tax on actuarial valuation on employees gratuity fund  
Total Deferred tax liability

Amount in Taka	
30 Sep 2022	31 Dec 2021
1,588,026,101	1,271,619,586
37.50%	37.50%
595,509,788	476,857,345
335,445,704	259,838,602
24,834,909	24,834,909
<b>955,790,401</b>	<b>761,530,856</b>

**14a.3 Provision for loans, advances and lease / investments**

Movement in specific provision on classified loans / investments:  
Provision held as on 1 January  
Less: Fully provided debts written off during the year  
Add: Recoveries of amounts previously written off  
Add: Specific provision made during the year for other accounts  
Add: Transferred from General Provision  
Less: Transferred to provision against Non Banking Assets  
Add: Net charge to profit and loss account (note-39a)  
Provision held at the end of the period/year

5,228,309,342	3,593,530,741
(1,718,658,420)	(103,303,389)
139,786,077	153,582,630
-	-
-	-
-	(220,500,640)
880,000,000	1,805,000,000
<b>4,529,436,999</b>	<b>5,228,309,342</b>

**Movement in general provision on unclassified loans / investments**

Provision held as on 1 January  
Add: Amount transferred to classified provision  
Add: General provision made during the year (note-39a)  
Provision held at the end of the period/year

7,378,916,133	7,726,301,427
-	-
167,623,163	(347,385,294)
<b>7,546,539,296</b>	<b>7,378,916,133</b>
<b>12,075,976,295</b>	<b>12,607,225,475</b>

**14a.4 Provision for off-balance sheet exposures**

Provision held as on 1 January  
Add: Provision made during the year (note-39a)  
Provision held at the end of the period/year

2,163,090,000	1,458,090,000
185,000,000	705,000,000
<b>2,348,090,000</b>	<b>2,163,090,000</b>

**14a.5 Provision for Off-shore Banking Units**

Movement in specific provision on classified loans / investments:  
Provision held as on 1 January  
Add: Net charge to profit and loss account (note-39a)  
Provision held at the end of the period/year

83,400,000	83,400,000
6,000,000	-
<b>89,400,000</b>	<b>83,400,000</b>

**Movement in general provision on unclassified loans / investments**

Provision held as on 1 January  
Add: General provision made during the year (note-39a)  
Provision held at the end of the period/year

454,150,000	234,150,000
17,000,000	220,000,000
<b>471,150,000</b>	<b>454,150,000</b>
<b>560,550,000</b>	<b>537,550,000</b>

**14a.6 Other provision for classified assets**

Balance as on 1 January  
Add: Addition during the year (note-39a)  
Less: Adjustment during the year  
Provision held at the end of the period/year

67,220,519	67,220,519
(36,600,000)	-
-	-
<b>30,620,519</b>	<b>67,220,519</b>

**15 Share capital**

**15.1 Authorized capital**

2,500,000,000 ordinary shares of Taka 10 each

25,000,000,000	25,000,000,000
----------------	----------------

**15.2 Issued, subscribed and fully paid up capital**

30,000,000 ordinary shares of Taka 10 each issued for cash  
986,756,137 ordinary shares of Taka 10 each issued as bonus shares  
115,527,340 ordinary shares of Taka 10 each issued as right shares

300,000,000	300,000,000
9,867,561,370	9,867,561,370
1,155,273,400	1,155,273,400
<b>11,322,834,770</b>	<b>11,322,834,770</b>

07 JUN 2023

07 JUN 2023

07 JUN 2023

**Tanvir A Siddiqui, ACS**  
Company Secretary  
Prime Bank Limited

**M Habibur Rahman Chowdhury, FCA**  
Deputy Managing Director & CFO  
Prime Bank Limited

**Hassan O. Rashid**  
Managing Director & CEO  
Prime Bank Limited

Amount in Taka	
30 Sep 2022	31 Dec 2021

**15.3 History of paid-up capital**

Given below the history of raising of share capital of Prime Bank Limited:

Accounting year	Declaration	No of share	Value in capital	Cumulative
1995	Opening capital	10,000,000	100,000,000	100,000,000
1996	60% Bonus share	6,000,000	60,000,000	160,000,000
1997	25% Bonus share	4,000,000	40,000,000	200,000,000
1999	Initial Public Offer (IPO)	20,000,000	200,000,000	400,000,000
2000	25% Bonus share	10,000,000	100,000,000	500,000,000
2001	20% Bonus share	10,000,000	100,000,000	600,000,000
2002	16.67% Bonus share	10,000,000	100,000,000	700,000,000
2003	42.86% Bonus share	30,000,000	300,000,000	1,000,000,000
2004	40% Bonus share	40,000,000	400,000,000	1,400,000,000
2005	25% Bonus share	35,000,000	350,000,000	1,750,000,000
2006	30% Bonus share	52,500,000	525,000,000	2,275,000,000
2007	25% Bonus share	56,875,000	568,750,000	2,843,750,000
2008	25% Bonus share	71,093,750	710,937,500	3,554,687,500
2009	30% Bonus share	106,640,620	1,066,406,200	4,621,093,700
2009	25% right share	115,527,340	1,155,273,400	5,776,367,100
2010	35% Bonus share	202,172,848	2,021,728,480	7,798,095,580
2011	20% Bonus share	155,961,911	1,559,619,110	9,357,714,690
2012	10% Bonus share	93,577,147	935,771,470	10,293,486,160
2017	10% Bonus share	102,934,861	1,029,348,610	11,322,834,770
		<b>1,132,283,477</b>	<b>11,322,834,770</b>	

**15.4 Share premium**

11,552,734 ordinary shares of Taka 200 each per share  
Less: Income tax deduction at source @ 3% on total premium

2,310,546,800	2,310,546,800
69,316,404	69,316,404
2,241,230,396	2,241,230,396
1,029,348,610	1,029,348,610
<b>1,211,881,786</b>	<b>1,211,881,786</b>

Less: Transferred to Paid-up Capital

**15.5 Non controlling interest**

Share capital  
Retained earnings

60	60
(3)	(3)
<b>57</b>	<b>57</b>

**16 Statutory reserve**

Balance on 1 January  
Addition ( 20% of pre-tax profit)  
Balance at the end of the period/year

10,353,413,584	10,353,413,584
-	-
<b>10,353,413,584</b>	<b>10,353,413,584</b>

**17 Consolidated revaluation gain / loss on investments**

Prime Bank Limited (note-17a)  
Gain on revaluation of Investment at Prime Exchange Co. Pte. Ltd., Singapore  
Gain on revaluation of Investment at Prime Exchange (UK) Ltd.  
Gain on revaluation of Investment at PBL Finance (Hong Kong) Limited

111,287,389	32,533,614
46,036,077	40,416,428
(989,574)	1,015,018
10,978,531	3,797,195
<b>167,312,423</b>	<b>77,762,255</b>

**17(a) Revaluation gain / loss on investments of the Bank**

Opening balance on 1 January  
Add: Amortized/Revaluation Gain  
Less: Adjustment of amortization/revaluation gain against sale/maturity  
Add: Adjustment of revaluation gain/(loss) of OBU fixed assets  
Less: Adjustment of Revaluation loss

32,533,614	366,668,195
294,184,161	79,771,905
(215,218,906)	(413,891,844)
(211,481)	(14,642)
-	-
<b>111,287,389</b>	<b>32,533,614</b>

**18 Revaluation reserve**

Balance on 1 January  
Adjustment/Addition during the year  
Balance at the end of the period/year  
Less: Provision for deferred tax

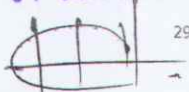
1,767,012,161	1,767,012,161
123,561,858	-
1,890,574,019	1,767,012,161
(335,445,704)	(259,838,602)
<b>1,555,128,315</b>	<b>1,507,173,559</b>

07 JUN 2023

 **bakertilly**  
NETWORK MEMBER

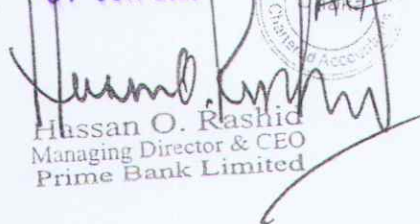
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



**19 Consolidated foreign currency translation gain/ (loss)**

Prime Bank Limited (note-19a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

Amount in Taka	
30 Sep 2022	31 Dec 2021
85,254,137	20,121,408
-	-
-	-
461,529	(404,203)
452,250	279,140
5,088,333	463,734
<b>91,256,249</b>	<b>20,460,078</b>

**19a Foreign currency translation gain/ (loss)**

Balance on 1 January  
Addition during the year  
Balance at the end of the period/year

20,121,408	16,291,848
65,132,729	3,829,559
<b>85,254,137</b>	<b>20,121,408</b>

**20 Consolidated retained earnings / movement of profit and loss account**

Prime Bank Limited (note-20a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

6,343,964,669	5,444,743,861
(144,221,741)	(159,371,879)
(141,326,585)	(79,056,262)
21,512,384	27,993,963
(69,066,512)	(51,175,249)
136,825,444	82,120,306
<b>6,147,687,659</b>	<b>5,265,254,741</b>
3	3
-	(11,123,646)
(6,256,561)	(16,434,798)
(20,801,504)	(20,141,270)
(71,134,841)	(3,701,008)
<b>6,049,494,756</b>	<b>5,213,854,021</b>

Less: Minority Interest  
Less: Inter company transaction  
Less: Profit Remitted by Prime Exchange Co. Pte. Ltd., Singapore  
Less: Profit Remitted by PBL Finance (Hong Kong) Limited  
Less: Foreign currency translation gains

**20a Retained earnings / movement of profit and loss account of the Bank**

Balance on 1 January  
Addition during the year  
Cash dividend  
Remeasurement gain/(loss) of defined benefits liability/assets  
Balance at the end of the period/year  
Add: Foreign currency translation gain/ (loss)

5,440,914,302	3,986,922,182
2,819,413,722	3,111,025,821
(1,981,496,085)	(1,698,425,216)
-	41,391,515
<b>6,278,831,940</b>	<b>5,440,914,302</b>
65,132,729	3,829,559
<b>6,343,964,669</b>	<b>5,444,743,861</b>

**20.1 Consolidated retained earnings brought forward from previous year**

Prime Bank Limited (note-20.1 a)  
Prime Bank Investment Ltd.  
Prime Bank Securities Ltd.  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

3,459,418,217	2,329,888,481
(159,371,879)	(219,463,516)
(79,056,262)	(191,240,287)
5,779,582	-
(51,175,249)	(11,862,584)
41,222,715	20,553,436
3,216,817,125	1,927,875,529
10,202,376	(214,365)
27,058,065	36,576,068
<b>3,254,077,565</b>	<b>1,964,237,234</b>

Foreign currency translation gain on 1 January  
Add: Inter-company transactions

**20.1.a Retained earnings brought forward from previous year of the Bank**

Balance on 1 January  
Remeasurement gain/(loss) of defined benefits liability/assets  
Cash dividend paid  
Balance at the end of the period/year  
Foreign currency translation gain on 1 January

5,440,914,302	3,986,922,182
-	41,391,515
(1,981,496,085)	(1,698,425,216)
<b>3,459,418,217</b>	<b>2,329,888,482</b>
-	-
<b>3,459,418,217</b>	<b>2,329,888,481</b>

**21 Consolidated contingent liabilities**

**21.1 Acceptances and endorsements**

Prime Bank Limited (note-21a.1)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

75,442,077,245	71,189,112,961
-	-
-	-
-	-
-	-
-	-
<b>75,442,077,245</b>	<b>71,189,112,961</b>

07 JUN 2023

 **bakertilly**  
NETWORK MEMBER

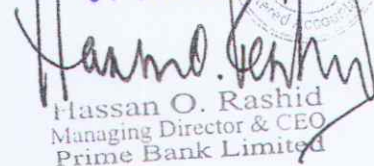
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

**21.2 Letters of guarantee**

Prime Bank Limited (note-21a.2)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

Amount in Taka	
30 Sep 2022	31 Dec 2021
36,749,113,422	36,605,203,719
-	-
-	-
-	-
-	-
<b>36,749,113,422</b>	<b>36,605,203,719</b>

**21.3 Irrevocable Letters of Credit**

Prime Bank Limited (note-21a.3)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

40,759,338,063	46,643,694,270
-	-
-	-
-	-
-	-
<b>40,759,338,063</b>	<b>46,643,694,270</b>

**21.4 Bills for collection**

Prime Bank Limited (note-21a.4)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

15,272,877,215	13,667,430,360
-	-
-	-
-	-
-	-
<b>15,272,877,215</b>	<b>13,667,430,360</b>
<b>168,223,405,945</b>	<b>168,105,441,310</b>

**21a Contingent liabilities of the Bank**

**21a.1 Acceptances and endorsements**

Back to back bills (Foreign)  
Back to back bills (Local)  
Back to back bills (EPZ)

Less: Margin

63,616,746,677	62,161,886,522
8,734,122,232	7,252,608,138
3,091,208,336	1,774,618,301
75,442,077,245	71,189,112,961
(9,708,730,318)	(8,308,110,005)
<b>65,733,346,927</b>	<b>62,881,002,956</b>

**21a.2 Letters of guarantee**

Letters of guarantee (Local)  
Letters of guarantee (Foreign)  
Foreign counter guarantees

Less: Margin

16,026,574,100	17,304,337,587
20,722,539,322	19,300,866,132
-	-
36,749,113,422	36,605,203,719
(789,396,706)	(757,225,407)
<b>35,959,716,716</b>	<b>35,847,978,313</b>

**21a.3 Irrevocable Letters of Credit**

Letters of credit (Sight)  
Letters of credit (Deferred)  
Back to back L/C

Less: Margin

9,002,307,713	7,405,831,392
18,350,835,147	21,928,713,424
13,406,195,203	17,309,149,453
40,759,338,063	46,643,694,270
(5,800,089,484)	(2,535,956,293)
<b>34,959,248,578</b>	<b>44,107,737,976</b>

**21a.4 Bills for collection**

Outward bills for collection

Less: Margin

15,272,877,215	13,667,430,360
15,272,877,215	13,667,430,360
(262,059,906)	(129,734,260)
<b>15,010,817,309</b>	<b>13,537,696,100</b>
<b>168,223,405,945</b>	<b>168,105,441,310</b>

07 JUN 2023

07 JUN 2023

07 JUN 2023



Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

*(Signature)*

M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

*(Signature)*  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



**22 Income statement**

**Income:**

Interest, discount and similar income (note-22.1)  
Dividend income (note-25a)  
Fees, commission and brokerage (note-22.2)  
Gains *less* losses arising from dealing in securities  
Gains *less* losses arising from investment securities  
Gains *less* losses arising from dealing in foreign currencies (note-26a.1)  
Income from non-banking assets  
Other operating income (note-27a)  
Profit *less* losses on interest rate changes

**Expenses:**

Interest / profit paid on deposits, borrowings, etc. (note-24a)  
Losses on loans, advances and lease/ investments  
Administrative expenses (note-22.3)  
Other operating expenses (note-38a)  
Depreciation on banking assets (note-37a)

**22.1 Interest, discount and similar income**

Interest income / Profit on investments (note-23a)  
Interest income on treasury bills / reverse repo / bonds (note-25a)  
Gain on Discounted bond / bills (note-25a)  
Gain on sale of shares (note-25a)  
Gain on Govt. security trading (note-25a)  
Interest on debentures (note-25a)

Less: Loss on revaluation of security trading (note-25a)

**22.2 Fees, commission and brokerage**

Commission (note-26a)  
Settlement fee-PBIL (note-26a)

**22.3 Administrative expenses**

Salary and allowances (note-28a)  
Rent, taxes, insurance, electricity, etc. (note-29a)  
Legal expenses (note-30a)  
Postage, stamp, telecommunication, etc. (note-31a)  
Stationery, printing, advertisement, etc. (note-32a)  
Managing Director's salary and fees (note-33)  
Directors' fees (note-34a)  
Auditors' fees (note-35a)  
Repair of Bank's assets (note-37a)

**23 Consolidated interest income / profit on investments**

Prime Bank Limited (note-23a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

Less: Inter-company transactions

Amount in Taka	
Jan-Sep-2022	Jan-Sep-2021

15,775,935,407	13,116,151,447
163,121,180	63,763,626
892,731,609	790,169,218
-	1,126,122,751
-	30,991,116
1,222,155,624	415,953,809
-	-
793,638,048	652,540,243
-	-
<b>18,847,581,869</b>	<b>16,195,692,209</b>

6,872,479,980	4,977,580,948
-	-
4,277,891,688	3,839,022,421
971,671,304	676,496,865
467,681,850	633,141,039
<b>12,589,724,822</b>	<b>10,126,241,274</b>
<b>6,257,857,047</b>	<b>6,069,450,935</b>

13,056,130,464	11,050,870,190
2,606,332,009	1,822,387,061
123,750,148	413,089,497
-	-
143,513,127	-
198,287,183	119,597,217
<b>16,128,012,931</b>	<b>13,405,943,964</b>
352,077,524	289,792,518
<b>15,775,935,407</b>	<b>13,116,151,447</b>

892,731,609	790,169,218
-	-
<b>892,731,609</b>	<b>790,169,218</b>

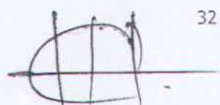
3,440,794,946	3,169,856,545
459,825,024	336,496,890
36,394,816	14,236,794
77,072,851	63,426,852
188,025,525	198,280,071
12,729,194	8,571,774
3,501,519	3,167,510
1,138,500	1,035,000
58,409,313	43,950,986
<b>4,277,891,688</b>	<b>3,839,022,421</b>

13,056,130,464	11,050,870,190
341,540,168	196,310,770
22,309,073	18,244,379
-	-
-	-
105,654,439	71,739,492
<b>13,525,634,144</b>	<b>11,337,164,831</b>
190,493,628	178,128,377
<b>13,335,140,516</b>	<b>11,159,036,454</b>

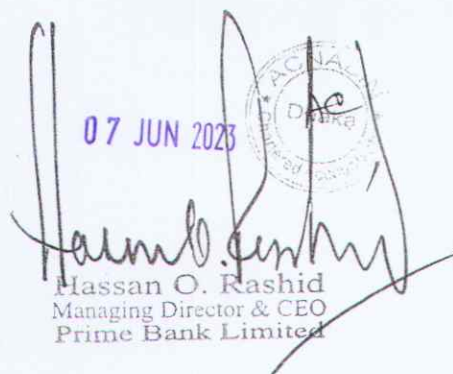
07 JUN 2023

  
**Tanvir A Siddiqui, ACS**  
Company Secretary  
Prime Bank Limited

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**M Habibur Rahman Chowdhury, FCA**  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
**Hassan O. Rashid**  
Managing Director & CEO  
Prime Bank Limited

Amount in Taka	
Jan-Sep-2022	Jan-Sep-2021

**23a Interest income / profit on investments of the Bank**

Loans (General) / Musharaka	
Loans against trust receipts	
Packing credit	
House building loan	
Lease finance / Izara	
Hire purchase	
Payment against documents	
Cash credit / Bai-Muajjal	
Secured overdraft	
Consumer credit scheme	
Staff loan	
Agricultural Loan	
Forced loan	
Documentary bills purchased	
Interest income from credit card	
Other loans and advances / Investments	
<b>Total interest / profit on loans and advances / investments</b>	
Interest / profit on balance with other banks and financial institutions	
Interest on call loans	
Interest / profit received from foreign banks (note-23a.1)	

3,558,115,026	3,001,527,502
270,503,437	291,515,276
67,023,177	22,051,627
78,865,464	96,035,158
63,025,954	113,306,614
743,746,158	747,381,801
1,250,473	1,272,009
1,058,456,175	999,620,579
1,907,764,544	1,477,339,438
1,025,990,996	945,734,446
58,934,820	52,663,769
6,178,128	21,589,074
19,350,294	3,862,920
1,305,447,098	651,054,392
141,173,567	98,599,918
2,620,526,161	2,442,211,727
12,926,351,471	10,965,766,251
103,580,616	78,148,631
1,644,736	1,294,458
24,553,641	5,660,848
<b>13,056,130,464</b>	<b>11,050,870,190</b>

**23a.1 Interest received from foreign banks**  
Less: Inter-company transactions

158,834,868	137,975,284
134,281,227	132,314,435
<b>24,553,641</b>	<b>5,660,848</b>

**24 Consolidated interest / profit paid on deposits, borrowings, etc.**

Prime Bank Limited (note-24a)
Prime Bank Investment Limited
Prime Bank Securities Limited
Prime Exchange Co. Pte. Ltd., Singapore
PBL Exchange (UK) Ltd.
PBL Finance (Hong Kong) Limited

6,872,479,980	4,977,580,948
78,344,111	109,185,323
72,860,204	45,431,934
312,598	277,757
41,087,936	33,833,261
<b>7,065,084,829</b>	<b>5,166,309,223</b>
190,741,338	178,289,541
<b>6,874,343,491</b>	<b>4,988,019,683</b>

Less: Inter-company transactions

**24a Interest / profit paid on deposits, borrowings, etc. of the Bank**

i) Interest / profit paid on deposits:
Savings bank / Mudaraba savings deposits
Special notice deposits
Term deposits / Mudaraba term deposits
Deposits under scheme
Foreign currency deposits (note-24a.1)
Others

716,459,918	552,593,365
184,857,386	114,697,815
3,027,621,163	1,821,418,780
1,562,310,430	1,676,774,729
20,607,350	32,698,124
35,688,729	23,667,870
<b>5,547,544,976</b>	<b>4,221,850,684</b>

ii) Interest / Profit paid for borrowings:

Call deposits
Repurchase agreement (repo)
Interest expenses of lease liabilities
Banqladesh Bank-refinance
Local bank accounts
Foreign bank accounts
PBL bond

51,160,931	1,291,333
64,672,806	92,169
42,503,440	49,099,071
145,591,961	32,399,143
134,281,227	132,314,435
709,542,688	261,079,781
311,463,178	411,768,767
<b>1,459,216,231</b>	<b>888,044,700</b>
134,281,227	132,314,435
<b>1,324,935,004</b>	<b>755,730,265</b>
<b>6,872,479,980</b>	<b>4,977,580,948</b>

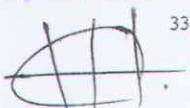
Less: Inter-company transactions

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NETWORK MEMBER

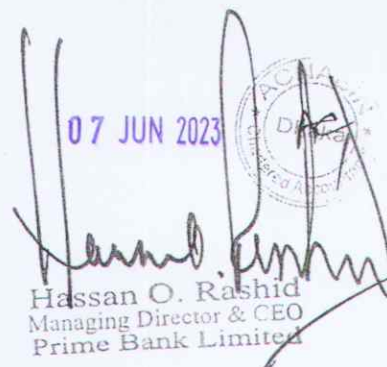
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023



Mi Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



**24a.1 Foreign currency deposits**

Interest / profit paid on F.C  
Interest / profit paid on N.F.C.D

Amount in Taka	
Jan-Sep-2022	Jan-Sep-2021
20,607,350	32,698,124
-	-
<b>20,607,350</b>	<b>32,698,124</b>

**25 Consolidated investment income**

Prime Bank Limited (note-25a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

Less: Inter-company transactions

2,882,926,124	3,286,158,750
50,348,064	109,823,793
107,761,026	157,959,810
-	-
-	-
-	-
<b>3,041,035,214</b>	<b>3,553,942,352</b>
27,058,065	-
<b>3,013,977,149</b>	<b>3,553,942,352</b>

**25a Investment income of the bank**

Interest on treasury bills / Reverse repo / bonds  
Interest on debentures / bonds  
Gain on discounted bond / bills  
Gain on sale of shares  
Gain on Govt. security trading  
Dividend on shares

Less: Loss on sale/revaluation of security trading

2,606,332,009	1,822,387,061
198,287,183	119,597,217
123,750,148	413,089,497
-	30,991,116
143,513,127	1,126,122,751
163,121,180	63,763,626
<b>3,235,003,648</b>	<b>3,575,951,268</b>
352,077,524	289,792,518
<b>2,882,926,124</b>	<b>3,286,158,750</b>

**26 Consolidated commission, exchange and brokerage**

Prime Bank Limited (note-26a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

Less: Inter-company transactions

2,114,887,233	1,206,123,027
55,970,629	72,363,941
48,001,196	115,618,504
52,907,892	58,676,241
16,131,301	63,953,214
5,602,644	8,559,879
2,293,500,894	1,525,294,806
-	-
<b>2,293,500,894</b>	<b>1,525,294,806</b>

**26a Commission, exchange and brokerage of the Bank**

Commission on L/Cs  
Commission on L/Cs-back to back  
Commission on L/Gs  
Commission on remittance  
Merchant Commission  
Underwriting Commission regarding Treasury bill/ Bond  
Commission from sale of BSP /PSP/Others

Exchange gain (note - 26a.1) - including gain from FC dealings  
Settlement fees / Brokerage

211,672,073	202,186,868
379,268,811	350,963,210
169,440,919	128,007,404
24,694,975	28,171,196
3,416,775	1,395,144
3,940,561	17,861,643
100,297,495	61,583,753
892,731,609	790,169,218
1,222,155,624	415,953,809
-	-
<b>2,114,887,233</b>	<b>1,206,123,027</b>

**26a.1 Exchange gain**

Exchange gain  
Exchange gain-credit card  
Less: Exchange loss


1,440,837,674	428,581,496
-	-
(218,682,050)	(12,627,687)
<b>1,222,155,624</b>	<b>415,953,809</b>

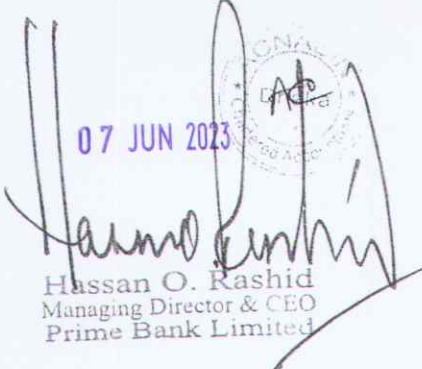
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 **bakertilly**  
NETWORK MEMBER  
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

  
M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

**27 Consolidated other operating income**

Prime Bank Limited (note-27a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

Less: Inter-company transactions

Amount in Taka	
Jan-Sep-2022	Jan-Sep-2021
793,638,048	652,540,243
4,507,680	2,040,043
537,122	2,806,992
1,451,124	2,084,493
-	2,601,285
16,691,233	10,588,175
<b>816,825,207</b>	<b>672,661,230</b>
247,710	161,164
<b>816,577,497</b>	<b>672,500,066</b>

**27a Other operating income of the Bank**

Locker rent  
Service and other charges  
Retail Income  
Income from ATM service  
Credit card income (note-27a.2)  
Postage / telex / SWIFT/ fax  
Rebate from foreign Bank outside Bangladesh  
Profit on sale of fixed assets  
Miscellaneous earnings (note-27a.1)

15,730,224	14,794,818
236,248,861	200,272,173
184,247,790	140,725,133
27,386,647	13,973,525
119,038,292	75,936,667
37,090,602	38,957,401
76,516,504	76,826,612
124,285	920,426
97,254,844	90,133,488
<b>793,638,048</b>	<b>652,540,243</b>

**27a.1** Miscellaneous earnings include syndication fee, commission/rebate from foreign remittance house / bank, notice fee and sale proceeds of various items, etc.

**27a.2 Credit card income**

Annual fees  
Inter-change fees  
Others

29,331,048	23,497,692
35,863,156	23,100,110
53,844,088	29,338,866
<b>119,038,292</b>	<b>75,936,667</b>

**28 Consolidated salaries and allowances**

Prime Bank Limited (note-28a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

3,440,794,946	3,169,856,545
47,074,541	38,304,372
40,675,516	36,423,529
21,958,733	21,970,304
19,090,593	25,957,031
14,132,632	14,904,380
<b>3,583,726,960</b>	<b>3,307,416,161</b>

**28a Salaries and allowances of the Bank**

Basic pay  
Allowances  
Bonus  
Bank's contribution to provident fund  
Retirement benefits/ Leave encashment  
Gratuity

1,458,411,178	1,354,295,293
1,020,467,134	937,785,856
651,985,638	555,520,461
132,731,513	133,683,599
19,699,484	10,571,337
157,500,000	178,000,000
<b>3,440,794,946</b>	<b>3,169,856,545</b>

**29 Consolidated rent, taxes, insurance, electricity, etc.**

Prime Bank Limited (note-29a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

459,825,024	336,496,890
1,547,554	1,489,570
6,751,810	3,744,067
1,309,368	1,971,224
6,100,639	6,043,532
4,097,973	2,885,739
<b>479,632,368</b>	<b>352,631,022</b>

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 **bakertilly**  
NETWORK MEMBER

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Company Secretary  
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07 JUN 2023



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Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



**29a Rent, taxes, insurance, electricity, etc. of the Bank**  
Rent, rates and taxes  
Lease rent  
Insurance  
Power and electricity

Amount in Taka	
Jan-Sep-2022	Jan-Sep-2021
204,385,462	114,867,310
-	-
159,487,859	136,139,526
95,951,703	85,490,054
<b>459,825,024</b>	<b>336,496,890</b>

**30 Consolidated legal expenses**  
Prime Bank Limited (note-30a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

36,394,816	14,236,794
1,001,058	577,190
115,000	113,139
850,274	1,187,171
4,375,536	7,163,420
<b>42,736,684</b>	<b>23,277,713</b>

**30a Legal expenses of the Bank**  
Legal expenses  
Other professional charges

29,712,623	7,492,694
6,682,193	6,744,099
<b>36,394,816</b>	<b>14,236,794</b>

**31 Consolidated postage, stamp, telecommunication, etc.**  
Prime Bank Limited (note-31a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

77,072,851	63,426,852
717,267	686,568
7,192	2,676
1,322,737	1,095,675
394,904	538,711
3,801,192	3,206,781
<b>83,316,143</b>	<b>68,957,262</b>

**31a Postage, stamp, telecommunication, etc. of the Bank**  
Postage & Courier  
Telegram, telex, fax and internet  
Data communication  
Telephone - office  
Telephone - residence

7,658,716	5,802,211
1,259,745	1,246,927
51,440,629	40,556,085
16,632,123	15,775,670
81,638	45,958
<b>77,072,851</b>	<b>63,426,852</b>

**32 Consolidated stationery, printing and advertisements, etc.**  
Prime Bank Limited (note-32a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

188,025,525	198,280,071
1,326,647	907,726
701,009	542,071
1,376,257	1,273,359
253,155	547,995
239,881	258,725
<b>191,922,473</b>	<b>201,809,947</b>

**32a Stationery, printing and advertisements, etc. of the Bank**  
Office and security stationery  
Computer consumable stationery  
Publicity and advertisement

36,217,332	30,622,419
137,671,846	158,605,312
14,136,346	9,052,340
<b>188,025,525</b>	<b>198,280,071</b>

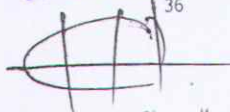
**33 Managing Director's salary and fees**  
Basic salary  
Bonus  
House rent allowance  
Utility allowance  
House maintenance allowance  
Others

6,519,194	4,441,935
1,485,000	675,000
1,575,000	1,151,613
675,000	537,097
675,000	450,000
1,800,000	1,316,129
<b>12,729,194</b>	<b>8,571,774</b>

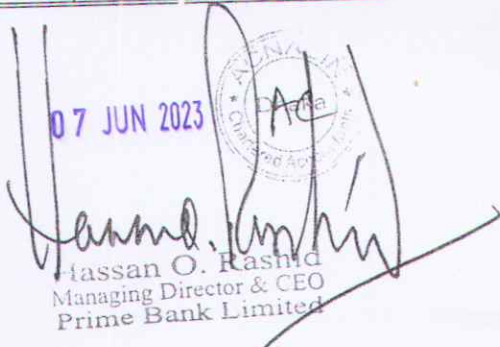
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 **bakertilly**  
NETWORK MEMBER  
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023

  
M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

**34 Consolidated Directors' fees**

Prime Bank Limited (note-34a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

Amount in Taka	
Jan-Sep-2022	Jan-Sep-2021
3,501,519	3,167,510
676,500	299,200
281,600	182,400
1,207,906	16,154
26,606	-
-	-
<b>5,694,131</b>	<b>3,665,264</b>

**34a Directors' fees of the Bank**

Meeting fees  
Other benefits

1,434,400	1,777,600
2,067,119	1,389,910
<b>3,501,519</b>	<b>3,167,510</b>

As per BRPD circular letter no. 11 dated 04 October 2015 Taka 8,000/- has been paid as Honorarium to the Directors, for attending per Board Meeting, Board Audit Committee Meeting and Risk Management Committee Meeting held during the period ended 30 September 2022.

**35 Consolidated Auditors' fees**

Prime Bank Limited (note-35a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

1,138,500	1,035,000
307,625	218,500
142,313	129,375
247,786	213,801
-	426,670
280,299	246,583
<b>2,116,523</b>	<b>2,269,930</b>

**35a Auditors' fees of the Bank**

External Audit fee

1,138,500	1,035,000
<b>1,138,500</b>	<b>1,035,000</b>

**36 Charges on loan losses**

Loan -written off  
Interest waived

-	-
-	-
-	-

**37 Consolidated depreciation and repair of Bank's assets**

Prime Bank Limited (note-37a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

526,091,163	677,092,025
14,745,966	13,677,892
6,205,780	6,573,920
9,699,345	8,784,511
1,258,192	2,133,065
197,747	493,444
<b>558,198,193</b>	<b>708,754,858</b>

**37a Depreciation and repair of Bank's assets**

**Depreciation -**

Fixed assets  
Leased assets

163,222,465	178,688,643
211,467,127	362,369,460
<b>374,689,592</b>	<b>541,058,104</b>

**Amortization -**

Software-core banking  
Software-ATM

90,700,258	89,808,436
2,292,000	2,274,500
<b>92,992,258</b>	<b>92,082,936</b>

**Repairs**

Building  
Furniture and fixtures  
Office equipment  
Bank's vehicles  
Maintenance

22,185,961	9,712,997
9,669,403	3,935,327
23,197,795	25,714,436
2,905,989	4,162,052
450,165	426,175
<b>58,409,313</b>	<b>43,950,986</b>
<b>526,091,163</b>	<b>677,092,025</b>

07 JUN 2023

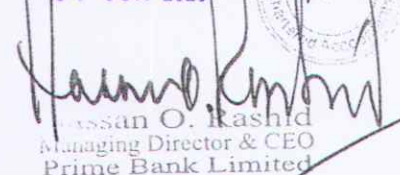
  
**Tanvir A Siddiqui, ACS**  
Company Secretary  
Prime Bank Limited

07 JUN 2023

  
37

M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited





**38 Consolidated other expenses**

Prime Bank Limited (note-38a)  
Prime Bank Investment Limited  
Prime Bank Securities Limited  
Prime Exchange Co. Pte. Ltd., Singapore  
PBL Exchange (UK) Ltd.  
PBL Finance (Hong Kong) Limited

Amount in Taka	
Jan-Sep-2022	Jan-Sep-2021
971,671,304	676,496,865
16,710,826	12,011,996
13,066,857	22,909,848
7,736,674	8,910,554
5,179,384	35,760,419
1,718,571	1,532,648
<b>1,016,083,616</b>	<b>757,622,330</b>

**38a Other expenses of the Bank**

Security and cleaning  
Entertainment  
Car expenses  
ATM expenses  
Retail expenses (Service Charge & Others)  
Books, magazines and newspapers, etc.  
Liveries and uniforms  
Bank charges and commission  
Loss on sale of fixed assets  
Impairment of fixed assets  
House furnishing expenses  
Subscription to institutions  
Donations  
Sponsorship  
Prime Bank Cricket Club  
Traveling expenses  
Corporate action fees  
Local conveyance, labor, etc.  
Business development  
Training and internship  
Remittance charges  
Cash reward to branches  
Laundry, cleaning and photographs, etc.  
Credit card expenses  
Consolidated salary (staff)  
Annual General Meeting  
Exgratia  
Welfare fund  
Prime Bank Foundation  
Miscellaneous expenses

137,229,141	142,928,696
17,768,945	7,017,424
196,071,757	150,224,542
125,995,739	111,049,405
649,557	586,024
129,702	50,249
273,760	-
10,306,971	5,341,678
596,142	631,006
32,017,807	-
3,200,000	2,250,000
15,272,855	14,808,002
90,692,292	38,054,726
23,974,761	5,915,972
61,173,753	27,459,052
9,630,438	3,180,233
59,967	450
9,245,702	7,383,877
32,410,939	13,942,087
12,072,362	973,521
7,795,780	7,125,506
16,780,117	6,403,028
4,720,743	3,448,981
35,949,788	26,977,177
22,036,840	19,226,390
52,500	63,889
6,495,875	2,378,500
-	5,000,000
93,330,774	67,500,000
5,736,296	6,576,450
<b>971,671,304</b>	<b>676,496,865</b>

**39 Consolidated provision for loans, investments, off balance sheet exposure & other assets**

Provision for bad and doubtful loans and advances/investments-PBL (note-39a)  
Provision for unclassified loans and advances/investments-PBL (note-39a)  
Provision for bad and doubtful loans and advances (OBU) (note-39a)  
Provision for unclassified loans and advances/investments (OBU) (note-39a)  
Special general provision-COVID 19  
Provision for off-balance sheet exposure-PBL (note-39a)  
Provision for interest receivable  
Provision for diminution in value of investments-PBIL  
Provision for impairment of client margin loan-PBIL  
Provision for impairment loss for investment (PBSL)-PBIL  
Provision for diminution in value of investments-PBSL  
Provision for impairment of client margin loan-PBSL  
Provision for impairment loss for investment in subsidiaries (note-39a)  
Provision for Start-up fund (note-39a)  
Provision for other assets (note-39a)

880,000,000	1,280,000,000
167,623,163	180,000,000
6,000,000	-
17,000,000	125,000,000
-	-
185,000,000	530,000,000
(52,717,300)	-
12,461,054	(163,079,442)
252,210,331	293,652,371
-	-
84,872,420	10,720,049
-	20,478,197
(94,500,000)	50,000,000
28,194,137	(39,121,571)
(36,600,000)	-
<b>1,449,543,805</b>	<b>2,287,649,604</b>

07 JUN 2023

**Tanvir A Siddiqui, ACS**  
Company Secretary  
Prime Bank Limited

07 JUN 2023

**M. Habibur Rahman Chowdhury, FCA**  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

**Hassan O. Rashid**  
Managing Director & CEO  
Prime Bank Limited

Amount in Taka	
Jan-Sep-2022	Jan-Sep-2021

**39a Provision for loans, investments, off balance sheet exposure & other assets of the Bank**

Provision for bad and doubtful loans and advances / investments	880,000,000	1,280,000,000
Provision for unclassified loans and advances / investments	167,623,163	180,000,000
Provision for bad and doubtful loans and advances (OBU)	6,000,000	-
Provision for unclassified loans and advances / investments (OBU)	17,000,000	125,000,000
Special general provision-COVID 19	-	-
Provision for off-balance sheet exposure	185,000,000	530,000,000
Provision for interest receivable	(52,717,300)	-
Provision for impairment loss for investment in subsidiaries	(94,500,000)	50,000,000
Provision for Start-up fund	28,194,137	(39,121,571)
Provision for other assets	(36,600,000)	-
	<b>1,100,000,000</b>	<b>2,125,878,429</b>

**40 Consolidated tax expenses**

**Current tax**

Prime Bank Limited (note-40a)	1,959,963,753	2,033,813,056
Prime Bank Investment Limited	10,092,923	18,273,456
Prime Bank Securities Limited	26,735,915	45,529,453
Prime Exchange Co. Pte. Ltd., Singapore	-	18,146
PBL Exchange (UK) Ltd.	-	-
PBL Finance (Hong Kong) Limited	-	515,085
	<b>1,996,792,591</b>	<b>2,098,149,197</b>

**Deferred tax**

Prime Bank Limited (note-40a)	378,479,572	(471,531,505)
Prime Bank Investment Limited	-	-
Prime Bank Securities Limited	(11,536,875)	-
Prime Exchange Co. Pte. Ltd., Singapore	-	-
PBL Exchange (UK) Ltd.	-	-
PBL Finance (Hong Kong) Limited	-	-
	<b>366,942,697</b>	<b>(471,531,505)</b>
	<b>2,363,735,288</b>	<b>1,626,617,693</b>

**40a Tax expenses of the Bank**

Current tax	1,959,963,753	2,033,813,056
Deferred tax (note-40a.1)	378,479,572	(471,531,505)
	<b>2,338,443,325</b>	<b>1,562,281,552</b>

**40a.1 Deferred tax**

Decrease/(Increase) in Deferred Tax Asset	259,827,129	(433,650,262)
Increase/(Decrease) in Deferred Tax Liability	118,652,443	(37,881,243)
<b>Deferred tax Expense/(Income)</b>	<b>378,479,572</b>	<b>(471,531,505)</b>

**41 Consolidated earnings per share (CEPS)**

Net profit after tax (Numerator)	2,795,417,188	2,573,510,439
Number of Ordinary shares outstanding (Denominator)	1,132,283,477	1,132,283,477
<b>Consolidated earnings per share (CEPS)</b>	<b>2.47</b>	<b>2.27</b>

Earnings per share has been calculated in accordance with IAS - 33: "Earnings Per Share (EPS)".

**42 Earnings per share (EPS) of the Bank**

Net profit after tax (Numerator)	2,819,413,722	2,381,290,954
Number of Ordinary shares outstanding (Denominator)	1,132,283,477	1,132,283,477
<b>Earnings per share (EPS)</b>	<b>2.49</b>	<b>2.10</b>

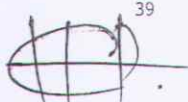
Earnings per share has been calculated in accordance with IAS - 33: "Earnings Per Share (EPS)".


07 JUN 2023

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**bakertilly**  
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

  
M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

  
Massan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



Amount in Taka	
Jan-Sep-2022	Jan-Sep-2021

**43 Significant deviations between financial statements of Q3 2022 and financial statements Q3 2021:**

Following significant deviations observed during the period ended 30 September 2022 compared to the same period of last year:

**Investment income (Consolidated) decreased by BDT 54 crore**

Consolidated investment income decreased significantly during this period compared to the same period of last year due to decrease of capital gain from sale of govt. securities.

**Commission, exchange and brokerage (Consolidated) increased by BDT 77 crore**

Consolidated commission, exchange and brokerage income increased significantly during this period, compared to the same period of last year due to increase of exchange earnings.

**Net Profit after Tax (Consolidated) increased by BDT 22 crore**

Consolidated operating expenses and tax provision has increased by taka 54 crore and 74 crore respectively for the period ended 30 September 2022 compared to the same period of last year. On the other hand operating income increased by taka 66 crore and provision for loans & others has decreased by taka 84 crore in the same period of last year which resulting increased of consolidated Net Profit after tax (NPAT) by taka 22 crore.

**Earnings Per Share (Consolidated) increased by BDT 0.20**

Earnings per share (EPS) on consolidated basis increased due to the above mentioned reasons.

**Net operating cash flow per share (Consolidated) decreased during the period ended 30 September 2022**

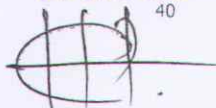
Net operating cash flow decreased by BDT 534 crore during the period ended 30 September 2022 compared to the same period of previous year mainly due to purchases of govt. securities and increased of loans and advances etc. As a result, Net operating cash flow per share (NOCFPS) stood at BDT 1.28 for the period ended 30 September 2022.

07 JUN 2023



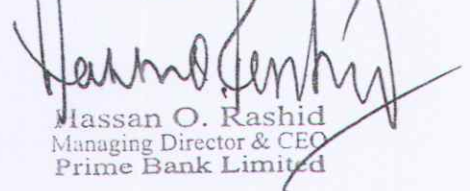
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Managing Director & CEO  
Prime Bank Limited



**44 Shareholders' Equity**

Paid up capital  
Share premium  
Statutory reserve  
Revaluation gain / (loss) on investments  
Revaluation reserve  
Foreign currency translation gain  
Surplus in profit and loss account / Retained earnings

Amount in Taka	
30 Sep 2022	30 Sep 2021
11,322,834,770	11,322,834,770
1,211,881,786	1,211,881,786
10,353,413,584	10,353,413,584
111,287,389	59,199,356
1,555,128,315	1,507,173,559
85,254,137	18,607,019
6,278,831,940	4,669,787,921
<b>30,918,631,920</b>	<b>29,142,897,995</b>

**45 Earning Per Share (EPS) has been calculated in accordance with IAS-33: "Earnings Per Share (EPS)".**

**Calculation of EPS**

Profit after tax for the year (Solo)  
Profit after tax for the year (Consolidated)  
Weighted average number of share  
Earnings per share (Solo)  
Earnings per share (Consolidated)

2,819,413,722	2,381,290,954
2,795,417,188	2,573,510,439
1,132,283,477	1,132,283,477
<b>2.49</b>	<b>2.10</b>
<b>2.47</b>	<b>2.27</b>

The bank has no dilutive instruments that is why we are not considering the diluted earnings per share.

**46 Calculation of Net Asset value per Share (NAVPS)**

Shareholders' Equity (Solo)  
Shareholders' Equity (Consolidated)  
Weighted average number of share  
Net Asset value per Share (NAVPS) (Solo)  
Net Asset value per Share (NAVPS) (Consolidated)

30,918,631,920	29,142,897,995
30,779,324,828	29,005,448,818
1,132,283,477	1,132,283,477
<b>27.31</b>	<b>25.74</b>
<b>27.18</b>	<b>25.62</b>

**47 Calculation of Net Cash Flow Per Share (NOCFPS)**

Net Cash from Operating Activities (Solo)  
Net Cash from Operating Activities (Consolidated)  
Weighted average number of share  
Net operating cash flow per share (Solo)  
Net operating cash flow per share (Consolidated)

1,312,850,473	6,270,301,337
1,447,506,047	6,788,248,867
1,132,283,477	1,132,283,477
<b>1.16</b>	<b>5.54</b>
<b>1.28</b>	<b>6.00</b>

**48 Reconciliation of statement of cash flows from operating activities**

Profit before provision  
Adjustment for non cash items:  
Depreciation on fixed asset  
Impairment of fixed assets  
Amortization on software  
Amortization on House Furnishing  
**Adjustment with non-operating activities**

6,257,857,047	6,069,450,935
374,689,592	541,058,104
32,017,807	-
92,992,258	92,082,936
3,200,000	2,250,000
<b>502,899,657</b>	<b>635,391,039</b>

Recovery of write-off loan  
Accounts Receivable  
Accounts payable on deposits  
Dividend Receivable  
Gain on sale of asset  
Loss on sale of asset  
Provision for Audit fee  
Finance cost of lease liabilities  
Prime Bank Foundation  
Lease rent expenses  
Employees Welfare fund  
Employees salary/benefits

139,786,077	96,901,337
(584,867,701)	(797,106,819)
901,378,546	(553,434,760)
(6,256,561)	-
(124,285)	(920,426)
596,142	631,006
1,138,500	1,035,000
42,503,440	49,099,071
21,447,870	67,500,000
13,675,586	(388,200,910)
-	5,000,000
(3,046,597)	57,701,984
<b>526,231,017</b>	<b>(1,461,794,517)</b>

**Changes in operating assets and liabilities**

Changes in loans & advances  
Changes in deposit and other accounts  
Changes in investment  
Changes in borrowings  
Changes in other assets  
Changes in other liabilities

(27,695,811,615)	(6,019,256,786)
14,938,421,716	(11,318,735,512)
(4,925,510,579)	3,702,629,761
14,496,504,225	16,579,553,685
(301,476,332)	(260,814,698)
(136,210,492)	459,184,386
(3,624,083,078)	3,142,560,836
(2,350,054,171)	(2,115,306,956)
<b>1,312,850,473</b>	<b>6,270,301,337</b>

Income Tax Paid  
**Net cash flows from operating activities**

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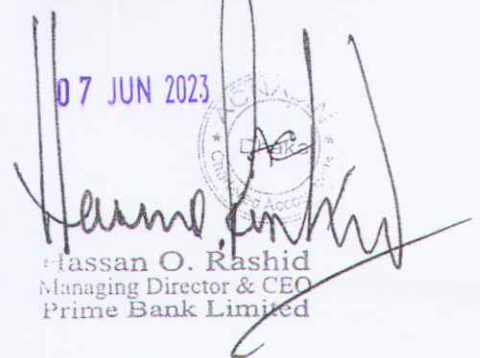
**Tanvir A Siddiqui, ACS**  
Company Secretary  
Prime Bank Limited

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**M Habibur Rahman Chowdhury, FCA**  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



**Hassan O. Rashid**  
Managing Director & CEO  
Prime Bank Limited



Schedule of fixed assets of the Bank  
as at 30 September 2022

Particulars	COST				DEPRECIATION				Net book value as at 30.09.22
	Opening balance as on 01.01.22	Additions/ (Adjustments) for revaluation	Additions during the year	Disposals/ adjustments during the year	Total balance as at 30.09.22	Opening balance as on 01.01.22	Charge for the year	Disposals/ adjustments during the year	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Land	3,719,444,788	30,938,212	-	-	3,750,383,000	-	-	-	3,750,383,000
Building	1,531,933,729	60,605,839	-	-	1,592,539,568	286,945,243	23,343,534	-	1,282,250,791
Capital work in progress (Building)	845,093,710	-	328,189,939	-	1,173,283,648	-	-	-	1,173,283,648
Furniture and fixtures	1,094,743,900	-	34,521,077	1,891,276	1,127,373,701	712,362,222	31,598,568	1,190,629	384,603,539
Capital work in progress (Furniture's)	15,523,898	-	4,957,486	20,481,384	2,738,384,646	2,099,401,039	96,066,599	1,970,491	544,887,500
Office equipment and machinery	2,665,889,485	-	74,664,854	2,169,693	47,397,243	-	-	-	47,397,243
Capital work in progress (Equipment)	319,395,465	-	32,784,875	4,002,000	348,179,240	302,979,671	12,213,764	3,210,493	311,982,942
Vehicles	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>10,192,024,975</b>	<b>91,544,051</b>	<b>522,515,473</b>	<b>28,544,352</b>	<b>10,777,540,147</b>	<b>3,401,688,176</b>	<b>163,222,465</b>	<b>6,371,613</b>	<b>7,219,001,119</b>
<b>Lease assets- Premises</b>									
Right-of-use assets	2,457,013,562	-	-	-	2,457,013,562	1,194,670,506	211,467,127	-	1,406,137,633
<b>Sub-total</b>	<b>2,457,013,562</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,457,013,562</b>	<b>1,194,670,506</b>	<b>211,467,127</b>	<b>-</b>	<b>1,406,137,633</b>
<b>Software-Amortization</b>									
Software-Core Banking	856,201,383	-	8,500,000	-	864,701,383	594,777,064	90,700,258	-	685,477,322
Software-ATM	58,492,614	-	-	-	58,492,614	53,196,976	2,292,000	-	3,003,638
Capital work in progress (Software)	6,300,000	-	2,140,000	4,250,000	4,190,000	-	-	-	4,190,000
<b>Sub-total</b>	<b>920,993,997</b>	<b>-</b>	<b>10,640,000</b>	<b>4,250,000</b>	<b>927,383,997</b>	<b>647,974,041</b>	<b>92,992,258</b>	<b>-</b>	<b>740,966,299</b>
<b>As at 30 September 2022</b>	<b>13,570,032,534</b>	<b>91,544,051</b>	<b>533,155,473</b>	<b>32,794,352</b>	<b>14,161,937,707</b>	<b>5,244,332,722</b>	<b>467,681,850</b>	<b>6,371,613</b>	<b>8,456,294,747</b>
<b>As at 31 December 2021</b>	<b>12,675,422,435</b>	<b>-</b>	<b>1,026,055,380</b>	<b>131,445,281</b>	<b>13,570,032,535</b>	<b>4,524,994,235</b>	<b>771,952,858</b>	<b>52,614,371</b>	<b>8,325,699,812</b>

During the period, the Bank has appointed an Independent Valuer for the purpose of Revaluation of all Land and Buildings. The valuer has physically identified all the Land and Buildings of the Bank accordingly. Thereafter all the land and buildings have been revalued following the guidelines of BSEC, IFRS 13, IAS and other applicable rules & regulations. For valuation of Land and Building, the valuer applied cost approach and found Revaluation Surplus of BDT 91,544,051 which was subsequently accepted and approved by the Board of Directors of the Bank. The effect of Revaluation is reflected from 31 August 2022.



07 JUN 2023



Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

07 JUN 2023

*(Signature)*

M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023

*(Signature)*  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

**Annexure – 2**

(Credit Rating of the Issue)

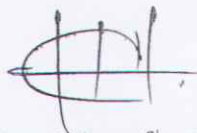
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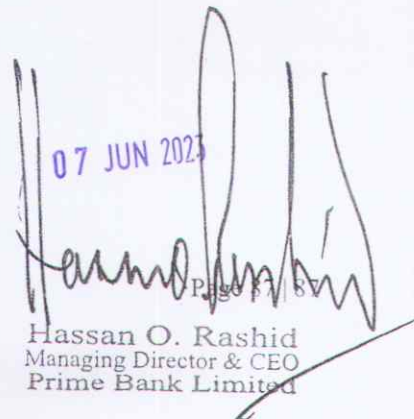
Tanvir A Siddiqui, ACS  
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Prime Bank Limited

07 JUN 2023



W Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



**Credit Rating Report  
Of  
Prime Bank Subordinated Bond IV**

07 JUN 2023



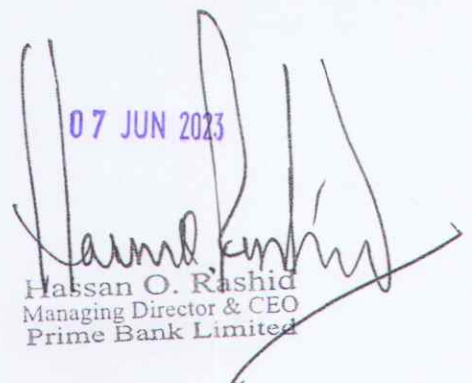
Tanvir A Siddiqui, ACS  
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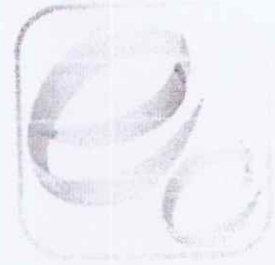


M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



# EMERGING Credit Rating Ltd

## Prime Bank Subordinated Bond IV

Corporate Bond Rating (Agreement Number: 2022-11-07--66453)


Valid From	Valid Till	Rating Action	Long Term Rating	Outlook
December 14, 2022	December 13, 2023	Initial	AA-B	Stable

\* B denotes bond

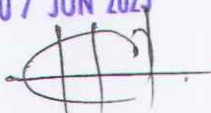
\*Emerging Credit Rating Limited (ECRL) has reviewed the initial credit rating of Prime Bank Subordinated Bond IV based on the updated Draft IM received on June 05, 2023 from the issuer. The rating and validities have remained unchanged as above.

**Date of Incorporation** : February 12, 1995  
**Managing Director & CEO** : Mr. Hassan O. Rashid  
**Issue** : Fourth Subordinated Bond of BDT 3,000.00 million in face value  
**Program Tenure** : 7 years  
**Issuer** : Prime Bank Limited  
**Lead Arranger** : Prime Bank Investment Limited  
**Trustee** : UCB Investment Limited  
**Expected Issue Date** : June 2023  
**Contact Analysts** : **Md. Fahad Bhuiyan**  
[fahad.bhuiyan@emergingrating.com](mailto:fahad.bhuiyan@emergingrating.com)  
**Md. Harun Chowdhury**  
[harun@emergingrating.com](mailto:harun@emergingrating.com)

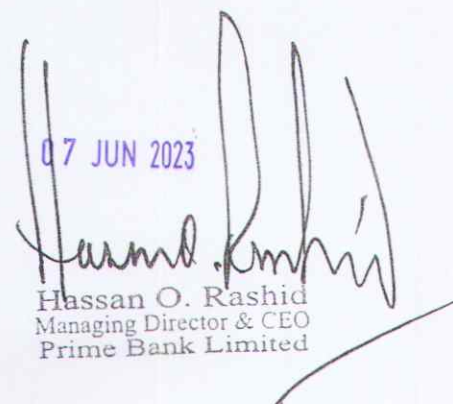
Credit  
Analysis

  
Kazi Mohammed Saami Alam  
Chief Rating Officer  
Emerging Credit Rating Limited


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Company Secretary  
Prime Bank Limited

Corporate Bond



# Emerging Credit Rating Ltd

## CREDIT ANALYSIS

Corporate Bond

### 2022 Initial Review

#### Prime Bank Subordinated Bond IV

##### Major Rating Factors

- Strengths**
- Increased profit after tax in 2021
  - Consecutive growth of total asset, gross loans, investment portfolio in 2018-2021 periods
  - Good capital base
- Challenge/Risks**
- Minimizing impact on asset quality by lowering NPL
  - Large loan dependency in the total loan portfolio
  - Low deposit growth in 2021


**Rationale** Emerging Credit Rating Limited (ECRL) has assigned **AA-B** (Pronounced as 'Double A Minus Bond') long term credit rating to Prime Bank Limited's (PBL) Fourth Subordinated Bond (hereinafter referred to as "The Subordinated Bond" or "The Bond" or "The Issue") issuance of BDT 3,000.00 million in face value. The outlook on the rating is **Stable**. The rating is consistent with ECRL's methodology for this type of financial institutions and bond rating.

The Subordinated Bond, which qualifies as Tier-II Capital for Prime Bank Limited (hereinafter referred to as "PBL" or "The Bank" or "The Issuer"), is rated lower than PBL's standalone rating, because of the Subordinated position of the bond relative to the PBL's depositors and other senior creditors. **The rating was assigned on the basis of draft information memorandum and the rating may significantly change if the covenants are altered.**

The affirmed rating reflects the strengths of the bank which is backed by increased post tax profit, consecutive growth of total asset, gross loans, investment portfolio in recent periods, good capital base while ECRL is concerned about the large loan dependency, increased non-performing loans as well as low deposit growth.

Successful issuance of the Bond will strengthen the capital base of Prime Bank Limited. The proceeds from the Bond will facilitate the long term business of the bank leading towards business expansion, enriching credit portfolio and providing supportive cushion to the minimum capital requirement. Features of the bond include seven years of tenor, redemption will start at the end of year three and there will be five consecutive repayments till the end of the year seven. The bond is featured as Unsecured, Non-convertible and Redeemable Bond with floor rate at 6.00% and capped at 10.00%, half yearly coupon payment. The rate will be determined as benchmark rate plus a margin of 2.00%. Benchmark rate will be calculated as average of most recent month's published fixed deposit rates (6-month to less than 1 year tenor) of all Private Commercial Banks (excluding the banks incorporated after the year 2012 and foreign banks). Prime Bank Investment Limited is playing the role of mandated lead arranger and UCB Investment Limited is acting as a trustee of the bond.

At the end of FY2021, the total capital (Tier-I and Tier-II) of the bank had a minimal 0.09% growth while the risk weighted asset of the Bank has seen a growth of

  
Kazi Mohammad Saami Alam  
Chief Rating Officer  
Emerging Credit Rating Limited

07 JUN 2023

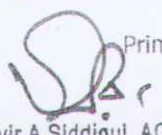
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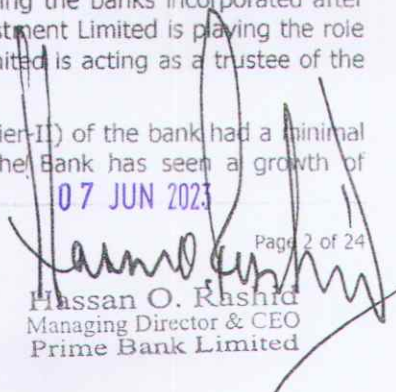
Prime Bank Subordinated Bond IV

EMERGING  
Credit Rating Ltd

Page 2 of 24

  
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0.74%. The capital adequacy ratio of the bank marginally lowered to 17.17% in 2021 from 17.28% of 2020 and 17.42% of 2019. However, the bank exceeded the minimum capital requirement of 12.50%. By the end of the 3<sup>rd</sup> quarter of FY2022, the growth of risk weighted assets surpassed the growth of total eligible capital and the CRAR has decreased from 17.17% in 2021 to 16.53% at the end of the 3<sup>rd</sup> quarter of FY2022.

Prime Bank Limited's total asset base was raised by 12.19% in FY2021 to BDT 389,878.38 million from BDT 347,501.86 million of the preceding year accompanied by the loans and advances portfolio with its 13.17% uplift in the recent year. The asset base further grew by 7.90% during the first nine months of the FY2022 and reached to BDT 420,683.62 million. Again, the major components of the total asset - loans and investment have shown improved position during the same time.


The asset quality of Prime Bank Limited in 2021 has deteriorated by the increasing non-performing loan base in 2021. The bank's newly classified loans in 2021 had an outstanding amount of BDT 5,369.78 million at the end of 2021. There is a significant 58.24% increase of the classified loans to BDT 12,712.82 million from BDT 8,033.95 million in FY2020. NPL to gross loan ratio increased to 4.83% from 3.46% in FY2020. For safety against non-performing loan, the bank has maintained provision against loans and advances in FY2021 with surplus of BDT 91.23 million. Loan portfolio grew at a higher rate and the NPL ratio as a result turned out to be 4.46% during this period from 4.83% at the end of FY2021. At the end of September 30, 2022, the top 30 classified loans covered 64.80% of the total NPL which shows that large non-performing loans are dominating the total NPL base. The bank has kept provisions against loans and advances with surplus during this time.

PBL had rescheduled a total of BDT 2,083.63 million loans in FY2021 representing 0.79% of the total loan portfolio. PBL has also written off BDT 147.94 million loans in the FY2021. At the end of the 3<sup>rd</sup> quarter of FY2022, the bank has further rescheduled BDT 726.15 million loans and written off BDT 2,649.66 million of non-performing loans. NPLs, rescheduled loans and written-off loans together represented only 5.63% of the loan book of the bank at the end of third quarter of 2022.

The bank's exposure to large loans (funded and non-funded together exceeding 10% of bank's capital) has increased to BDT 131,951.40 million in FY2021 covering 50.17% of the bank's gross loans and advances which was 46.28% in the preceding year. At the same time, the top 30 loans (funded & non funded together) covered 49.17% of the total loan portfolio at the end of FY2021. By the end of the third quarter of 2022, the top 30 funded loans together represented 31.58% of the total loan portfolio which has increased from the 27.65% at the end of 2021.

Among the total funding base of the bank, the deposit contributed 62.35% while it was at 67.06% in the previous year. The bank's ADR was 77.01% at the end of 2021 and 77.24% by the end of Q3 2022. The loan to deposit ratio shows further room for credit facilities being offered.

The interest income of PBL lowered by 6.67% in FY2021 compared to the previous year despite the 13.17% of gross loan growth in the year. On the other hand, the banks interest expense has diminished by 34.34% due to lower interest expenses against deposits and borrowings. This has led to a substantial 44.66% increase of net interest income in FY2021 from FY2020. The non-interest income reduced by 1.31% however, higher growth of net interest income has paved the way for the bank to generate 18.94% improved total operating income in 2021 from the previous year. The cost to income ratio of the bank improved in the latest year as the operating expenses were reduced by 1.95% in 2021. As a result of the decreasing operating expenses and higher total operating income, the bank saw a 44.34% improvement of profit before provision standing at BDT 8,240.71 million in FY2021. In FY2021, the bank's provision expense and tax expenses have increased. The good growth of operating income and reduction of operating expenses was primary factor to negate the increased provision and tax expenses impact in FY2021 which eventually resulted


  
Kazi Mohammad Saami Alam  
Chief Rating Officer  
Emerging Credit Rating Limited

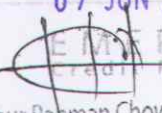
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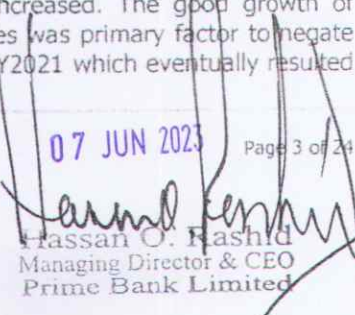
07 JUN 2023

07 JUN 2023

Page 3 of 24

  
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in post-tax profit of BDT 3,111.03 million in FY2021 from BDT 1,797.07 million in FY2020.

The bank's generated net interest income at the end of the 3rd quarter of FY2022 projects that the bank may generate very similar net interest income at the end of 2022 compared to 2021. At the same time, the net profit after tax shows improvement when the growth is considered annually considering that similar level of growth will be maintained by the end of the year. Moreover, during the first nine months of FY2022 (January-September), PBL's net interest income increased by 1.82% as compared to the Q3 2021 whereas non-interest income grew by 12.57% cumulatively increasing the operating income by 6.75%. During the same time, net profit of the bank experienced a growth of 18.40% to BDT 2,819.41 million compared to BDT 2,381.29 million of the same period of prior financial year. As a result of the non-interest income growth as well as lower provision expenses by the end of Q3 2022 compared to Q3 2021, the bank has generated higher net profit after tax during the time from the position at the previous year.

ECRL views PBL's outlook as **Stable** considering its business growth and growing post tax profit and the bank will adopt stricter policies and actions to improve asset quality.


**Exhibit 1: Financial Highlights: Prime Bank Limited**

FY 31 December	9M 2022	9M 2021	2021	2020	2019	2018
Total Assets (BDT million)	420,683.62	355,059.21	389,878.38	347,501.86	323,787.90	295,613.46
Total Assets Growth (%)	18.48	-	12.19	7.32	9.53	5.03
Gross Loans (BDT Million)	288,992.50	238,479.70	263,015.35	232,400.08	213,954.74	205,809.52
Gross Loans Growth (%)	21.18	-	13.17	8.62	3.96	3.78
Deposits (BDT Million)	262,780.70	221,158.31	243,070.49	233,028.20	216,444.14	197,517.73
Deposit Growth (%)	18.82	-	4.31	7.66	9.58	(0.75)
Gross NPL Ratio (%)	4.46	-	4.83	3.46	4.66	6.16
Loan to Deposit Ratio (%)	77.24	-	77.01	79.50	80.11	82.65
Net Interest Income (BDT million)	6,183.65	6,073.29	8,062.72	5,573.59	8,273.25	7,649.53
Net Interest Income Growth (%)	1.82	-	44.66	(32.63)	8.15	56.31
Non-Interest Income (BDT million)	5,791.45	5,144.82	6,986.68	7,079.45	5,857.76	5,249.91
Non-Interest Income Growth (%)	12.57	-	(1.31)	20.86	11.58	(27.63)
Post-Tax Profit (BDT million)	2,819.41	2,381.29	3,111.03	1,797.07	1,662.05	2,192.89
Post-Tax Profit Growth (%)	18.40	-	73.12	8.12	(24.21)	75.19
Post-Tax ROAE (%)	**12.36	-	10.61	6.31	5.93	8.31
CRAR (%)	16.53	-	17.17	17.28	17.42	17.04

FY2018-2021 data extracted from Audited Financial Statements

9M 2022 data extracted from nine months audited Financial Statements

\*\*Annualized data

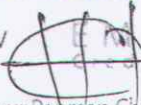
  
Kazi Mohammad Saami Alam  
Chief Rating Officer  
Emerging Credit Rating Limited


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07 JUN 2023

  
Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited

  
M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

  
Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



## A. BUSINESS DESCRIPTION

### A.1. Company Background

Prime Bank Limited (PBL), a second generation Private Commercial Bank (PCB) was incorporated in Bangladesh as a public limited company with limited liability under Companies Act 1994 to carry out banking business and is headquartered in Dhaka, Bangladesh. PBL was established by a group of highly acclaimed businessman and it commenced its banking business with one branch from April 17, 1999 under the license issued by Bangladesh Bank. 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. With a mission to build an efficient, market driven, customer focused institution with good corporate governance structure, continuous improvement of business policies, procedure and efficiency through integration of technology at all levels. PBL has expanded rapidly since its inception and has built a strong asset base of BDT 389,878.38 million at the end of FY2021. 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. Alongside conventional banking services, the bank also offers Shariah-based Islamic banking services and has also off-shore banking operations. Moreover, the bank has five fully owned subsidiary companies namely Prime Bank Investment Limited, Prime Bank Securities Limited, Prime Exchange Co. (Pte) Limited, Singapore, PBL Exchange (UK) Limited, PBL Finance (Hong Kong) Limited.

### A.2. Shareholding Structure

Prime Bank Limited presently has an authorized capital of BDT 25,000.00 million and paid-up capital of BDT 11,322.83 million as on September 30, 2022. Majority of the share is held by Sponsors (39.03%) followed by Financial Institutions (37.69%). Moreover, 22.78% share is held by General Public and the rest 0.50% is held by Foreign Investors. The diagram depicts the shareholding structure of PBL as on September 30, 2022.

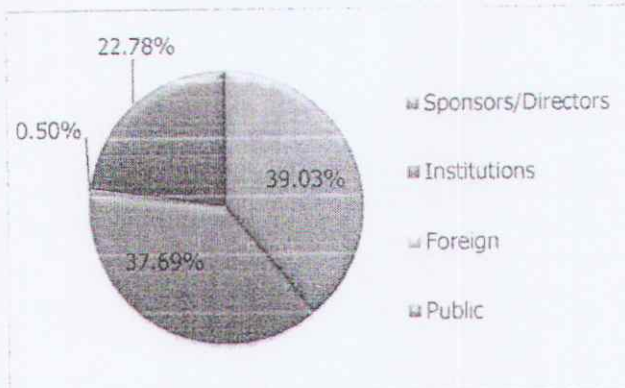


Figure 1: Shareholding structure of Prime Bank

### A.3. Products & Services

A wide range of commercial banking products and services which includes deposit banking, loans & advances, export import financing, inland and international remittance facility etc. are offered by Prime Bank as a commitment to Excellence in Banking. The bank maintains a diverse product portfolio under various categories namely consumer banking, wholesale banking, Islamic banking, MSME banking, NRB banking. The bank has a number of deposit facilities tailored to match the needs of different customer segments. In addition, the bank offers Wire Transfer Facilities, SMS Banking Service, Online service, Inward & Outward Remittances, Primary Dealer Services, Money Market Services, locker service, off-shore banking etc. to facilitate trade many technologies driven services including internet banking, mobile banking, ATM card etc.

### A.4. Operational Network

The Bank has been engaged in banking activities through country-wide network of total 146 branches including 18 SME branches/centers in urban and rural areas to support the growth of SME. The branches cover Dhaka, Chattogram, Rajshahi, Khulna, Barisal, Sylhet, Rangpur and all the major districts of the country. Among 146 branches, 5 branches are designed as Islamic banking wings

#### Exhibit 2: Operational Network:

Category	Number
Total Number of Branch	146
SME Branch	18
Islamic Branch	05
Off-Shore Banking Units	03
ATM Booth	154

07 JUN 2023

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07 JUN 2023

Hassan O. Rashid  
 Managing Director & CEO  
 Prime Bank Limited



which are governed by Islami Shariah. The Bank has three Off-shore Banking Units (OBU) located at Dhaka EPZ, Chittagong EPZ and Adamjee EPZ. All over the country, the bank has a total of 154 ATM Booths. The bank also offers SMS Banking and Internet Banking services.

#### A.5. Market Share

Prime Bank's loan and deposit position was BDT 263,015.35 million and BDT 243,070.49 million respectively at the end of FY2021. PBL had 2.13% of market share in terms of loans & advances and 1.72% of market share in terms of deposit by the end of 2021.

Figure 2: PBL's Market share by Loans & Advances

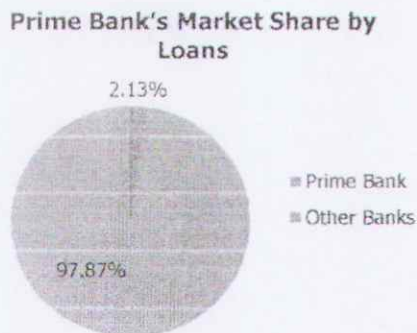
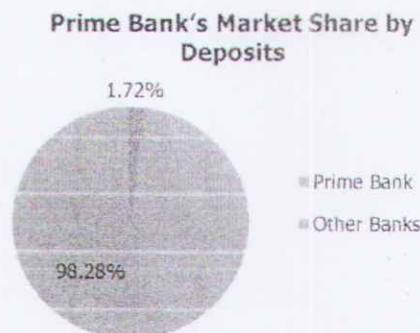


Figure 3: PBL's Market share by Deposits



#### A.6. PBL Subordinated Bond IV Issuance Objective

The objective behind issuance of the Subordinated Bond is to further strengthen the capital base as supplementary (Tier-II) capital of the bank and to comply with the capital adequacy requirements as per Basel-III, which will enable the bank to reach sustainable growth in business. The fund raised through issuing the bond will provide the bank additional capital cushion under risk based capital adequacy framework, and will help the bank to grow its balance sheet.

#### A.7. Structure of PBL Subordinated Bond IV and Terms

Exhibit 2: Structure of PBL Subordinated Bond IV

Issuer:	Prime Bank Limited (PBL)
Name of the Instrument:	Prime Bank Subordinated Bond IV
Issue Type:	Unsecured, Non-convertible, Fully-redeemable Floating Rate Subordinated Bond
Purposes and Objectives:	To raise Tier-II Regulatory Capital and thereby enhance Capital to Risk-weighted Asset Ratio (CRAR) as per "Guidelines on Risk-Based Capital Adequacy" of Bangladesh Bank
Lead Arranger:	Prime Bank Investment Limited (PBIL)
Arrangement Basis:	Best Efforts / Strictly Non-Underwritten
Trustee:	UCB Investment Limited
Legal Counsel:	Lex Juris
Issue Size/Total Face Value:	BDT 3,000,000,000 (Taka three thousand million)
No. of Bonds to be issued:	300
Denomination/Face Value of each lot of Bond:	Denomination of each lot of Bonds is indicated at BDT 10,000,000 (Taka ten million)
Minimum Subscription:	BDT 10,000,000 (Taka ten million)
Issue Price:	100% at Par
Currency:	Bangladeshi Taka (BDT)
Tenure:	7 years from the issue date
Prospective Investors:	The Lead Arranger will select appropriate investor pool for offered product following any or both methods mentioned below:

07 JUN 2023

07 JUN 2023

07 JUN 2023

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Company Secretary  
Prime Bank Limited

Mi Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited



Page 6 of 24  
Hassan O Rashid  
Managing Director & CEO  
Prime Bank Limited



	Local Investors: A different group of high-net-worth individuals, Corporate Houses, Banks, Insurance Companies, NBFIs, Asset Management Companies, Mutual Funds, Merchant Banks, Stock Dealer, Alternative Investment Funds and any other eligible investors. Foreign Investors: Non-resident Bangladeshi (NRBs), Foreign Nationals, Foreign Corporate Entities, Foreign Banks / Financial Institutions, and Multilateral Agencies																																		
Mode of Placement:	Private Placement																																		
Expected Issue Date:	June 2023 or any other mutually agreeable date																																		
Rate of Return, Yield to Maturity, Coupon/ Discount Rate:	Coupon Rate																																		
Coupon Rate:	Benchmark Rate + Margin																																		
Benchmark Rate:	Latest average Fixed Deposit Rates (FDRs) of "6-month to less than 1 year" tenor of all private commercial schedule banks (excluding the banks incorporated after the year 2012 and foreign banks).																																		
Margin:	2.00% per annum																																		
Range of Coupon or Interest Rate:	Floor: 6.00% - Ceiling: 10.00% at all times																																		
Coupon Payment:	Semi-annually beginning at the end of 6 months from drawdown date.																																		
Redemption Schedule:	20% of the total bond value to be redeemed at the end of each year starting from 3 <sup>rd</sup> year and the repayment schedule is depicted below:  Figure in BDT																																		
	<table border="1"> <thead> <tr> <th rowspan="2">Issue Size</th> <th colspan="2">3,000,000,000</th> </tr> <tr> <th>Years</th> <th>Repayment</th> <th>Balance</th> </tr> </thead> <tbody> <tr> <td>End of 1<sup>st</sup> year</td> <td>-</td> <td>-</td> <td>3,000,000,000</td> </tr> <tr> <td>End of 2<sup>nd</sup> year</td> <td>-</td> <td>-</td> <td>3,000,000,000</td> </tr> <tr> <td>End of 3<sup>rd</sup> year</td> <td>600,000,000</td> <td>600,000,000</td> <td>2,400,000,000</td> </tr> <tr> <td>End of 4<sup>th</sup> year</td> <td>600,000,000</td> <td>600,000,000</td> <td>1,800,000,000</td> </tr> <tr> <td>End of 5<sup>th</sup> year</td> <td>600,000,000</td> <td>600,000,000</td> <td>1,200,000,000</td> </tr> <tr> <td>End of 6<sup>th</sup> year</td> <td>600,000,000</td> <td>600,000,000</td> <td>600,000,000</td> </tr> <tr> <td>End of 7<sup>th</sup> year</td> <td>600,000,000</td> <td>600,000,000</td> <td>-</td> </tr> </tbody> </table>	Issue Size	3,000,000,000		Years	Repayment	Balance	End of 1 <sup>st</sup> year	-	-	3,000,000,000	End of 2 <sup>nd</sup> year	-	-	3,000,000,000	End of 3 <sup>rd</sup> year	600,000,000	600,000,000	2,400,000,000	End of 4 <sup>th</sup> year	600,000,000	600,000,000	1,800,000,000	End of 5 <sup>th</sup> year	600,000,000	600,000,000	1,200,000,000	End of 6 <sup>th</sup> year	600,000,000	600,000,000	600,000,000	End of 7 <sup>th</sup> year	600,000,000	600,000,000	-
Issue Size	3,000,000,000																																		
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End of 7 <sup>th</sup> year	600,000,000	600,000,000	-																																
Prepayment, Call Refunding, Conversion Features:	The Bond is non-convertible and has no prepayment and refunding option however it is callable at the option of Issuer.																																		
Late Redemption:	The Issuer shall pay a late payment penalty of 2% (two percent) higher than the Coupon Rate and be payable on the amount not paid on the due date up till the date of actual payment.																																		
Description of Collateral Security and type of charges to be created against the issue:	Unsecured																																		
Transferability/Liquidity:	Transferable by the provisions of the Trust Deed as well as any instruction by the regulators.																																		
Credit Enhancement:	Not applicable for the Bonds.																																		
Enforcement of Charges over securities:	At any time after the Bonds have become due and repayable, the Trustee may, at its sole discretion and without further notice, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed, but it will not be bound to take any such proceedings unless																																		

07 JUN 2023

07 JUN 2023

07 JUN 2023

Page 7 of 24

Prime Bank Subordinated Bond IV

EMERGING  
Credit Rating LtdM Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank LimitedHassan O. Rashid  
Managing Director & CEO  
Prime Bank LimitedTanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited



	(a) it shall have been so requested in writing by the holders of not less than 66 <sup>2/3</sup> percent in principal amount of the Bonds then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (b) it shall have been indemnified and/or secured to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.						
Rating Trigger:	If the credit rating of the Issue falls below the minimum investment grade i.e. "BBB" in the long term or "ST-3" in the short term, then the Issuer shall pay an additional fee on top of the stipulated Coupon Rate as a Risk Premium as mentioned in the below table: <table border="1" data-bbox="641 712 1388 806"> <thead> <tr> <th>Issue Rating</th> <th>Risk Premium to be Added</th> </tr> </thead> <tbody> <tr> <td>BB to B</td> <td>0.05%</td> </tr> <tr> <td>C to D</td> <td>0.10%</td> </tr> </tbody> </table>	Issue Rating	Risk Premium to be Added	BB to B	0.05%	C to D	0.10%
Issue Rating	Risk Premium to be Added						
BB to B	0.05%						
C to D	0.10%						
Tax Features:	All payments made by the Issuer or under or in respect of the Trust Deed or the Bond will be subject to any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Bangladesh or any political subdivision thereof or any authority thereof or therein having power to tax. The Issuer will not be Obligated pay any additional amounts in respect of such taxes, duties, assessments or governmental charges that may from time to time be deducted or withheld from such payments but will provide or procure the provision of original or authenticated tax receipts relating to any such deductions or withholdings to Bondholders.						
Governing Law:	The Bond is governed by and shall be construed by the existing laws of Bangladesh. Any dispute arising thereof shall be subject to the jurisdiction of the courts of Bangladesh.						

#### A.8. Rate of Return

- **Benchmark Rate:** The benchmark rate shall be determined by latest average Fixed Deposit Rates (FDRs) of "6-month to less than 1 year" tenor of all private commercial schedule banks (excluding the banks incorporated after the year 2012 and foreign banks).
- **Margin:** 2.00% p.a.
- **Coupon Floor Rate:** 6.00% p.a.
- **Coupon Ceiling Rate:** 10.00% p.a.

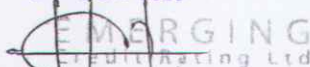
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Prime Bank Subordinated Bond IV

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07 JUN 2023

Page 8 of 14



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

## B. FINANCIAL RISK ANALYSIS

### B.1. Capital Adequacy

*Exhibit 4: Selected indicators of PBL*

FY 31 December	9M 2022	2021	2020	2019	2018
Tier-I Capital (BDT Million)	27,128.20	25,944.93	25,105.05	24,817.56	24,334.78
Total Capital (BDT Million)	41,002.58	40,849.69	40,812.39	40,289.19	38,259.02
Total Risk Weighted Assets (BDT Million)	248,114.08	237,968.11	236,219.80	231,299.73	224,516.53
Tier-I Ratio (%)	10.93	10.90	10.63	10.73	10.84
CRAR (%)	16.53	17.17	17.28	17.42	17.04

FY2018-2021 data extracted from Audited Financial Statements

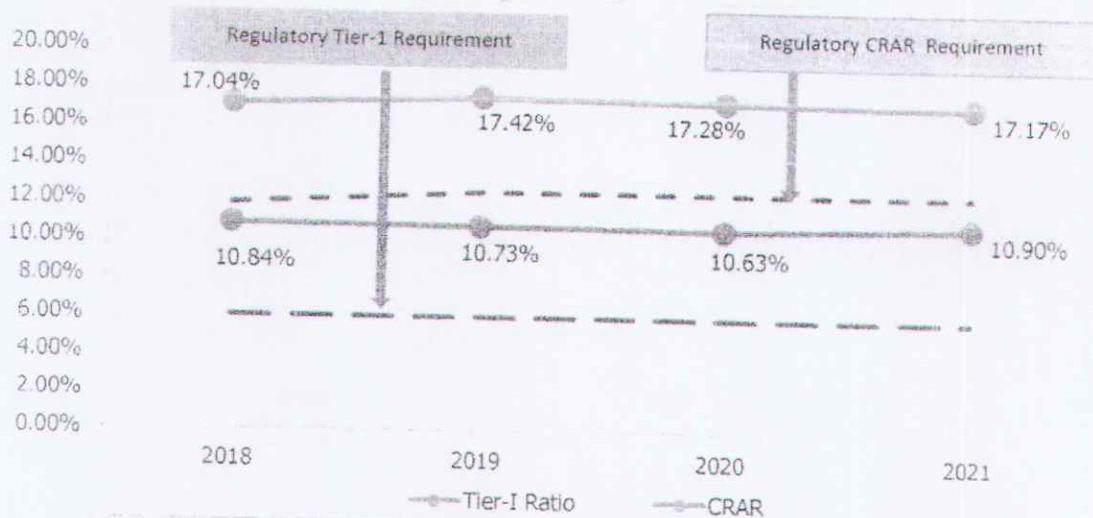
9M 2022 data extracted from nine months audited Financial Statements

As per the regulatory requirement directed by the Bangladesh Bank under the Basel - III, every bank has to maintain a minimum capital to risk weighted assets (CRAR) of 12.50% in total from which minimum required Tier-1 capital ratio of 6.00%.

In 2021, the tier-I capital of the bank increased by 3.35% with retained earnings. On the other hand, the tier-II capital of the bank lowered very slightly with the reduction of sub-ordinated bond amount. As a result, the total capital (Tier-I and Tier-II) of the bank stood at BDT 40,849.69 million at the end of FY2021 which was BDT 40,812.39 million in FY2020 growing by a very low 0.09%.

At the same time, the risk weighted asset of the Bank has seen a growth of 0.74% standing at BDT 237,968.11 million by FY2021. With higher growth of Tier-I capital, the Tier-I ratio improved to 10.90% from 10.63% previously. However, almost stable total capital along with slight increase of risk weighted assets has marginally lowered the capital adequacy ratio of the bank to 17.17% from 17.28% of 2020 and 17.42% of 2019. However, the bank exceeded the minimum capital requirement of 12.50%.

*Figure 4: Capital Adequacy Position of PBL*



By the end of the 3<sup>rd</sup> quarter of FY2022, the total eligible capital of the bank experienced a slight growth of 0.37% and stood at BDT 41,002.58 million growing slightly from the position at the end of FY2021. During this period, an increase of 4.56% has been observed in tier-I capital which resulted in tier-I ratio of 10.93%. On the other hand, tier-II capital went through a decrease of 6.91%. However, the risk weighted assets surged by 4.26% by the end of September, 2022. Since the growth of risk weighted assets surpassed the growth of total eligible capital, the CRAR has decreased from 17.17% in 2021 to 16.53% at the end of the 3<sup>rd</sup> quarter of FY2022.

07 JUN 2023



Prime Bank Subordinated Bond IV

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Company Secretary  
Prime Bank Limited

07 JUN 2023

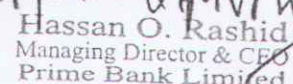


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07 JUN 2023



Page 9 of 12

  
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## B.2. Asset Composition & Trends

*Exhibit 5: Selected Indicators for PBL*  
FY 31 December

	9M 2022	2021	2020	2019	2018
Total Asset (BDT Million)	420,683.62	389,878.38	347,501.86	323,787.90	295,613.46
Asset Growth (%)	7.90	12.19	7.32	9.53	5.03
Gross Loans (BDT Million)	288,992.50	263,015.35	232,400.08	213,954.74	205,809.52
Gross Loans Growth (%)	9.88	13.17	8.62	3.96	3.78
Investments (BDT Million)	65,163.68	59,143.89	54,880.72	46,914.42	26,046.42
Investments Growth (%)	10.18	7.77	16.98	80.12	9.41
NPLs (BDT Million)	12,897.81	12,712.82	8,033.95	9,965.62	12,685.77
NPLs Growth (%)	1.46	58.24	(19.38)	(21.44)	17.47
Gross Loans to Total Assets (%)	68.70	67.46	66.88	66.08	69.62
Gross NPL Ratio (%)	4.46	4.83	3.46	4.66	6.16
Net NPL Ratio (%)	(1.91)	(3.24)	(4.70)	(2.63)	0.19
Loan Loss Reserve Coverage (%)	93.79	109.55	151.85	103.27	65.38
NPLs to Equity & Loan Loss Reserve (%)	29.98	29.01	19.61	25.92	35.06

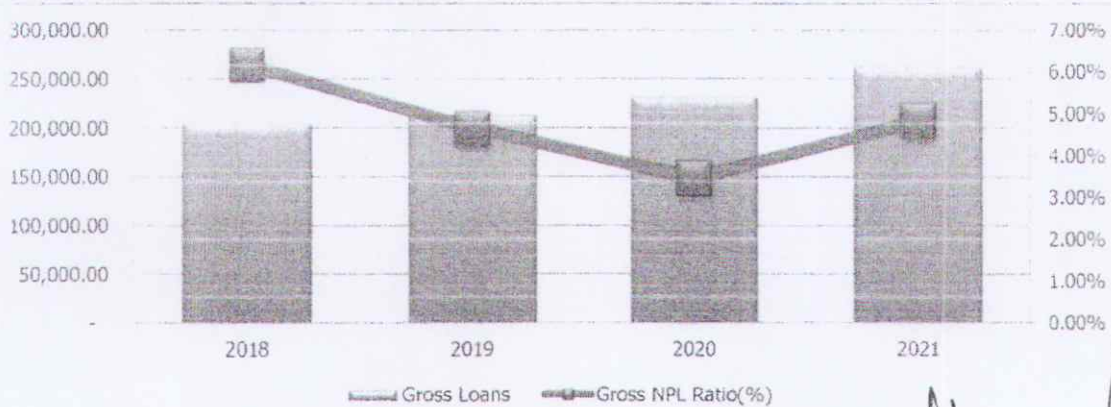
FY2018-2021 data extracted from Audited Financial Statements  
9M 2022 data extracted from nine months audited Financial Statements

PBL's total asset base has continued its growth in FY2021 as shown in the table above. The total asset portfolio reached to BDT 389,878.38 million with a 12.19% growth from BDT 347,501.86 million in FY2020. The growth was a result of improvements in the two major components of the total assets such as loans and advances as well as investments. The concentration of loans & advances (67.46%) in total asset has slightly escalated from previous year (66.88%) while the bank has also increased its investments over the years. In FY2021, investments constituted around 15.17% of the total assets compared to 15.79% in the prior year. The asset base further grew by 7.90% during the first nine months of the FY2022 and reached to BDT 420,683.62 million. The major components of the total asset – loans and investment have shown improved position during the same time.

### B.2.1. Asset Quality

The gross loans and advances of PBL grew by 13.17% in FY2021 as opposed to 8.62% in FY2020. The COVID-19 pandemic as well as interest rate cap has lowered the growth on loans and advances in 2020 of the banking industry; however, the situation is improving gradually as the economy is rebounding. In FY2021, the bank's loans and advances portfolio reached BDT 263,015.35 million from BDT 232,400.08 million in FY2020. However, non-repayment of loans may have elevated the outstanding loan portfolio, which should be taken into account when evaluating the bank's asset quality. The bank has provided COVID-19 stimulus facilities in FY2021 under CMSME, WB (WC) and Agriculture sectors and disbursed total BDT 5,500.53 million as part of a stimulus package from January to December of 2021. In the first nine months of FY2022, the gross loans portfolio exhibited 9.88% uplift from the end of FY2021.

*Figure 5: Selected Indicators of PBL*



07 JUN 2023

The banking industry were prone to diversify their assets by increasing investment portfolio in an effort to counter the lower interest earnings brought on by the pandemic and interest rate cap

07 JUN 2023

Prime Bank Subordinated Bond IV

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07 JUN 2023

Page 10 of 24

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Managing Director & CEO  
Prime Bank Limited



imposed from April 2020. Investment portfolio of PBL had continuous growth in the recent four financial years however it slowed down considerably in FY2021 with a 7.77% growth in FY2021 compared to 16.98% of FY2020. The bank lowered its investment in government treasury bills while increased its exposure to government treasury bonds as well as bonds offered by various banks and shares of various companies in 2021.

The asset quality of Prime Bank Limited in FY2021 has deteriorated by the increasing non-performing loan base in 2021. The bank's newly classified loans in 2021 had an outstanding amount of BDT 5,369.78 million at the end of 2021. There is a significant 58.24% increase of the classified loans to BDT 12,712.82 million from BDT 8,033.95 million in the FY2020 period and BDT 9,965.62 million in FY2019. Loan payment relaxation and prohibition on downwards loan classification due to the COVID-19 pandemic allowed borrowers to be lenient in repaying their dues on time. However, these facilities have been gradually withdrawn during 2021 which may have contributed towards the increase of NPL of PBL in the same year. The gross NPL in FY2021 consisted of 10.74% sub-standard, 2.78% doubtful and a significant 86.48% of bad/loss loans. Large amount of bad/loss loan has been the majority of NPL over the years for the bank. The asset quality was impacted further by the bad/loss loans increasing from BDT 6,452.71 million to BDT 10,994.03 million in FY2021 which is concerning as these may not be recoverable anymore. With higher NPL growth compared to the total loan growth, the gross NPL ratio increased to 4.83% from 3.46% in the previous year. Notably, 1,643 accounts with an outstanding of BDT 5,038.15 million have been in bad/loss loan status for more than 2 years as of December 31, 2021. Among the NPLs of 2021, the top 30 NPLs covered 66.65% of the total NPL which shows high concentration of large loans in the total non-performing loan base. For safety against non-performing loan, the bank has maintained the required provision against loans and advances in FY2021 with surplus of BDT 91.23 million. The provision shows 109.55% coverage of the total NPL of the bank.

Loan portfolio grew at a higher rate and the NPL ratio as a result turned out to be 4.46% at the end of Q3 2022 from 4.83% at the end of FY2021. The NPLs reached to BDT 12,897.81 million at the end of the 3<sup>rd</sup> quarter of FY2022. A substantial amount of bad/loss loan was the major contributor of gross NPL for the bank. At the end of September 30, 2022, the top 30 classified loans covered 64.80% of the total NPL which shows that large non-performing loans are dominating the total NPL base. The bank has kept provisions against loans and advances with surplus during this time.

Figure 6: Selected Indicators of PBL



### B.2.2. Loan Diversification & Concentration

PBL has a diversified portfolio with concentration in different sectors of the economy including small and medium enterprises, export financing, retail loan, service industries, textile industries, commercial lending and others reflected by its sectoral loans & advances. Sector wise concentration shows that loans and advances portfolio was dominated by Small and medium enterprises loans (12.90%) followed by Export Financing (8.94%) and Retail Loans (6.40%) by the end of 2021. Moreover, a significant 37.53% of the loans portfolio is comprised of uncategorized industries including bills purchase and discounted.

07 JUN 2023

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07 JUN 2023

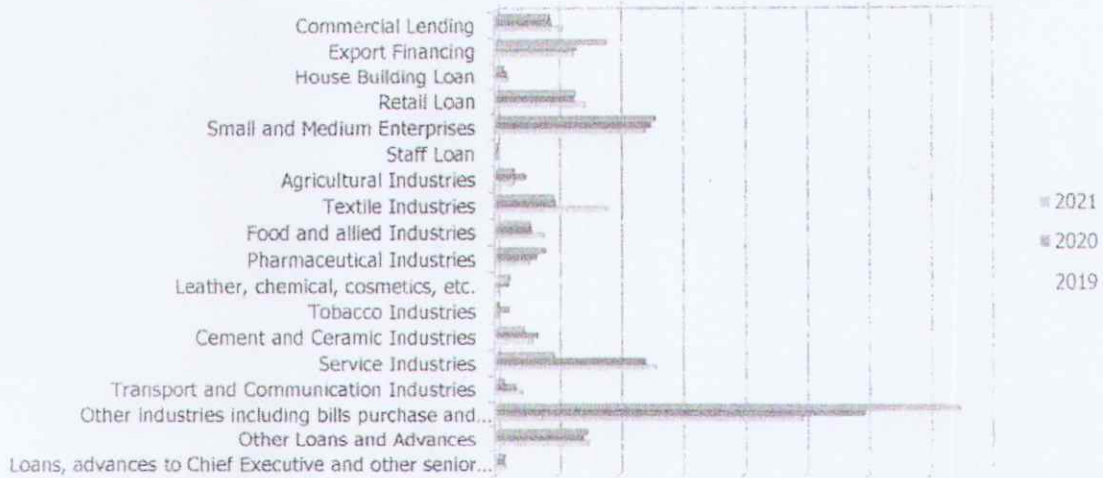
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Figure 6: Industry-wise composition of PBL's gross loans



The maturity wise grouping shows that the loan portfolio is 67.57% comprised of short term loans in FY2021. Geographically, only 2.16% of the bank's loans are in rural areas and the remaining 97.84% loans are in urban areas. The bank has the highest concentration of loans in the Dhaka region (84.85%) followed by Chattogram region (9.21%).

### B.2.3. Rescheduled and Written-Off Loans

Along with higher NPL in FY2021, the bank's rescheduling of loans has also increased by 36.83% in FY2021. PBL had rescheduled a total of BDT 2,083.63 million loans which was at a much lower BDT 1,522.84 million by the end of FY2020. The higher rescheduling amount in FY2021 may have been an effect of the withdrawal of restrictions on loan downwards classification and the easiness of loan repayment imposed during COVID-19 in 2020. In 2021, the rescheduled loans represented 0.79% of the total loan portfolio while it was 0.66% in the FY2020. PBL has also written off BDT 147.94 million loans in the FY2021 whereas no written off took place in FY2020. If there was no reschedule or written off performed during the year of 2021, the NPLs would have represented 5.68% of the loan book of the bank compared to 4.11% of the same in FY2020 and 8.08% in 2019.

At the end of the 3<sup>rd</sup> quarter of FY2022, the bank has rescheduled BDT 726.15 million loans. The rescheduled loans represent 0.25% of the total loan portfolio while it was 0.79% in 2021. However, PBL has written off BDT 2,649.66 million of non-performing loans during this nine months period. NPLs, rescheduled loans and written-off loans together represented only 5.63% of the loan book of the bank.

### B.2.4. Large Loan Exposure

The bank's exposure to large loans (funded and non-funded together exceeding 10% of bank's capital) has increased by the end of FY2021 from a year ago. The number of these large loan accounts was 34 individual accounts with total outstanding amounting to BDT 131,951.40 million in FY2021 from BDT 107,546.62 million in FY2020 against 34 accounts. These loans covered 50.17% of the bank's gross loans and advances which was 46.28% in the preceding year. The top 30 loans (funded & non funded together) covered 49.17% of the total loan portfolio at the end of FY2021.

### B.2.5. Treasury Assets

The total investment portfolio of PBL has increased in the recent years. Higher investment has been made in government bonds has facilitated the 10.18% increase in overall investments at the end of 3<sup>rd</sup> quarter of FY2022 as opposed to 7.77% growth in FY2021. During this time, PBL's total investment portfolio stood at BDT 65,163.68 million which was BDT 59,143.89 million in FY2021.

### B.2.6. Off-Balance sheet exposure

Total contingent liabilities of the bank stood at BDT 168,105.44 million in FY2021 compared to BDT 137,229.82 million in FY2020. PBL's off balance sheet contingent liabilities comprised of 42.35%

07 JUN 2023

07 JUN 2023

07 JUN 2023

Prime Bank Subordinated Bond IV

Page 13 of 24

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acceptance and endorsements, 27.75% letters of credit, 21.78% letter of guarantee, 8.13% bills of collection at the end of December 2021. The off-balance sheet contingent liabilities of PBL amounted to 43.12% of the total assets in FY2021 which has increased from the 39.49% in FY2020.

### B.3. Earning Trends and Profitability

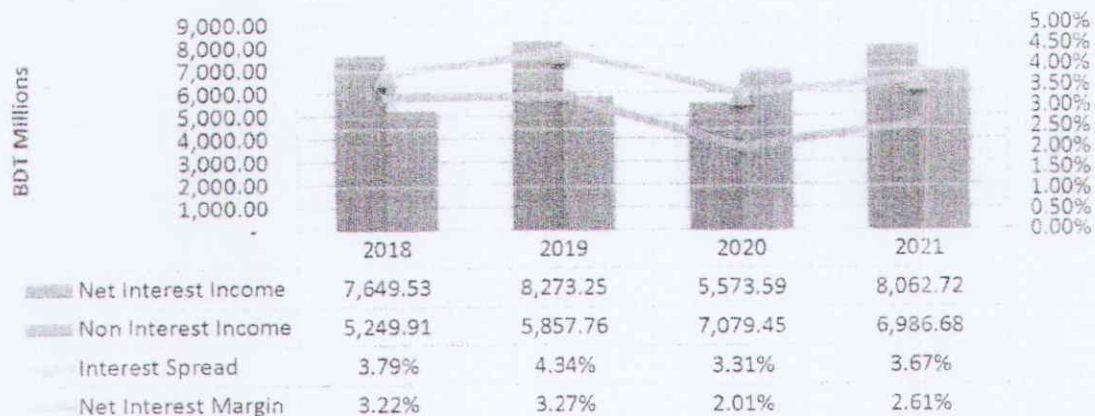
*Exhibit 6: Selected Indicators of PBL*

FY 31 December	9M 2022	2021	2020	2019	2018
Net Interest Income (BDT Million)	6,183.65	8,062.72	5,573.59	8,273.25	7,649.53
Net Interest Income Growth (%)	*2.26	44.66	(32.63)	8.15	56.31
Non-Interest Income (BDT Million)	5,791.45	6,986.68	7,079.45	5,857.76	5,249.91
Non-Interest Income Growth (%)	*10.52	(1.31)	20.86	11.58	-27.63
Pre-Provision Profit (BDT Million)	6,257.86	8,240.71	5,709.23	6,949.56	5,719.40
Pre-Tax Profit (BDT Million)	5,157.86	5,596.31	3,998.23	4,649.56	3,937.80
Post-Tax Profit (BDT Million)	2,819.41	3,111.03	1,797.07	1,662.05	2,192.89
Post-Tax Profit Growth (%)	*20.84	73.12	8.12	(24.21)	75.19
Post - Tax ROAE (%)	*12.36	10.61	6.31	5.93	8.31
Interest Spread (%)	3.97	3.67	3.31	4.34	3.79
Net Interest Margin (%)	*2.43	2.61	2.01	3.27	3.22
Cost to Income Ratio (%)	47.74	45.24	54.88	50.82	55.66

FY2018-FY2021 data extracted from Audited Financial Statements  
 9M 2022 data extracted from nine months audited Financial Statements  
 \*Annualized data

The interest income of PBL lowered by 6.67% in FY2021 compared to the previous year despite the 13.17% of gross loan growth in the year. On the other hand, the banks interest expense has diminished by 34.34% due to lower interest expenses against deposits and borrowings. This has led to a substantial 44.66% increase of net interest income in FY2021 from FY2020. However, the growth rate of the net interest income has been fluctuating over the four year period in review here which makes it difficult to predict certainty of the growth of net interest income position of the next year.

*Figure 8: Selected indicators of PBL*



The non-interest income of the bank exhibited a reduction by 1.31% than preceding year. The income from investments has reduced by 10.18% despite the investment portfolio growing during the year. On the other hand, 8.86% improvement in commission, exchange and brokerage earnings and 28.24% improvement in other operating income has been observed. Despite the minor reduction of non-interest income, higher growth of net interest income has paved the way for the bank to generate 18.94% improved total operating income in FY2021 from the previous year.

07 JUN 2023

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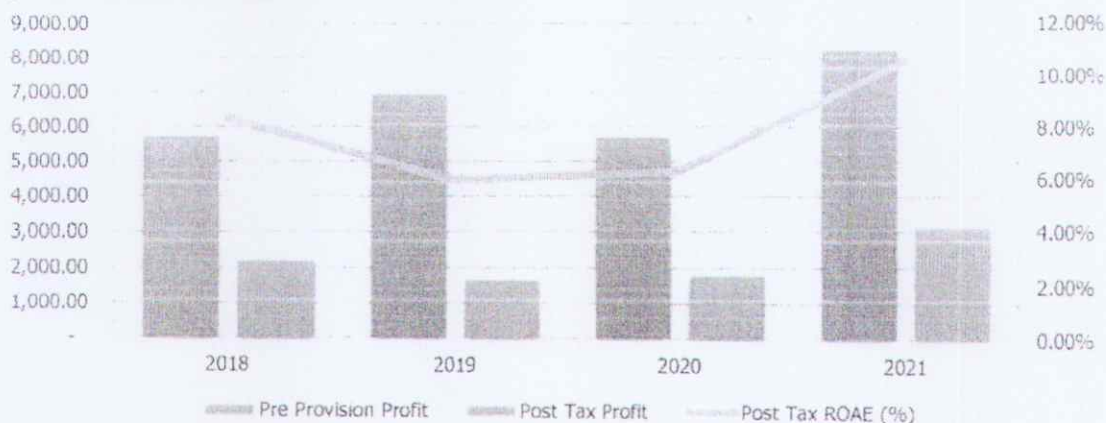
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*[Signature]*

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 Managing Director & CEO  
 Prime Bank Limited



Figure 9: Selected indicators PBL



PBL's operating expenses decreased by 1.95% in 2021 to stand at BDT 6,808.68 million. Accordingly, the cost to income ratio of the bank improved in the latest year. As a result of the decreasing operating expenses and higher total operating income, the bank saw a 44.34% improvement of profit before provision standing at BDT 8,240.71 million in FY2021. In FY2021, the bank's provision expense increased however the pre-tax profit of the bank was still higher than previous year. Moreover, tax expenses of PBL have also increased in FY2021. The good growth of operating income and reduction of operating expenses was primary factor to negate the increased provision and tax expenses impact in FY2021 which eventually resulted in post-tax profit of BDT 3,111.03 million in FY2021 from BDT 1,797.07 million in FY2020. Although the post-tax profit increased heavily in 2021, uncertain fluctuation tendency of growth has been observed over the four year period (FY2018-FY2021) which impacts judgment on the stable profitability of the bank. With higher net interest income generated in 2021, the net interest margin of the bank was calculated at 2.61% from 2.01% in the previous year. With higher post tax-profit, the bank showed higher utilization of its assets with regards to the profit generation as depicted in the Post-Tax ROAE of 2021.

The bank's generated net interest income at the end of the 3rd quarter of FY2022 projects that the bank may generate very similar net interest income at the end of 2022 compared to 2021. At the same time, the net profit after tax shows improvement when the growth is considered annually considering that similar level of growth will be maintained by the end of the year.

Moreover, during the first nine months of FY2022 (January-September), PBL's net interest income increased by 1.82% as compared to the Q3 2021 whereas non-interest income grew by 12.57% cumulatively increasing the operating income by 6.75%. During the same time, net profit of the bank experienced a growth of 18.40% to BDT 2,819.41 million compared to BDT 2,381.29 million of the same period of prior financial year. As a result of the non-interest income growth as well as lower provision expenses by the end of Q3 2022 compared to Q3 2021, the bank has generated higher net profit after tax during the time.

#### B.4. Funding and Liquidity

Exhibit 7: Selected indicators of PBL

FY 31 December	9M 2022	2021	2020	2019	2018
Deposits (BDT Million)	262,780.70	243,070.49	233,028.20	216,444.14	197,517.73
Deposit Growth (%)	8.11	4.31	7.66	9.58	(0.75)
Loan to Deposit (%)	77.24	77.01	79.50	80.11	82.65
Net Loans to Stable Funding Base (%)	176.96	176.16	145.07	136.42	140.83
Net Loans to Customer Deposits (%)	103.09	99.74	91.96	91.83	97.96
Deposits to Total Funding (%)	62.47	62.35	67.06	66.85	66.82
Interbank Liabilities to Total Funding (%)	16.80	15.92	10.78	11.28	11.48

FY2018-2021 data extracted from Audited Financial Statement  
9M 2022 data extracted from nine months audited Financial Statements

07 JUN 2023

07 JUN 2023

07 JUN 2023

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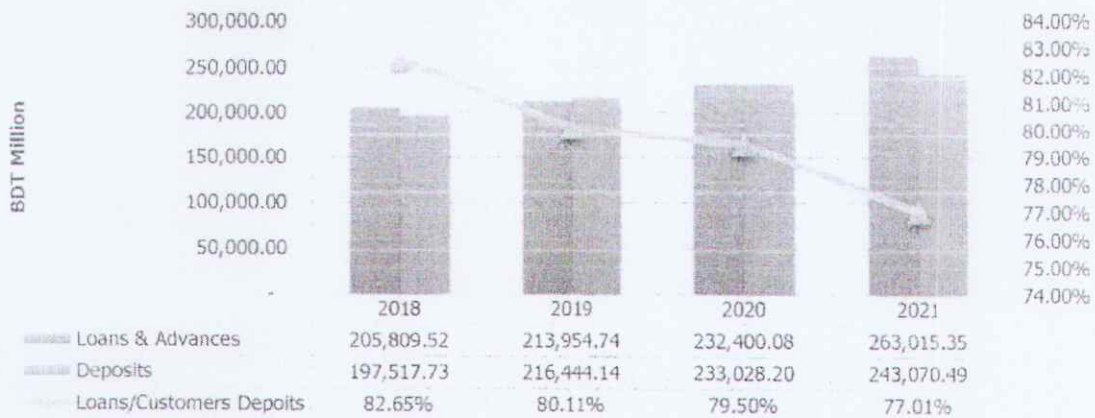


### B.4.1. Fund Management

The bank's total funding base was BDT 389,878.38 million at the end of FY2021. Among the total funding base, the deposit base being the largest contributor of the funding base contributed 62.35% while the contribution was higher at 67.06% in the previous year. At the same time the deposit growth was lower than previous year as well. The reduction of term/fixed deposits base has hindered the growth of total deposits in FY2021.

In the recent year, the dependency on interbank liabilities increased which covered 15.92% of the total funding base compared to 10.78% in 2020. The bank has significantly increased its borrowings from foreign banks in FY2021 compared to local banks.

Figure 10: Selected indicators of PBL



The rest of the deposit base includes 14.07% uncategorized other liabilities and equity covering the rest 7.67%. The bank has kept its ADR ratio within the regulatory requirement of Bangladesh Bank at 87% during FY2021 and scored 77.01% in the loan to deposit ratio which shows further room for credit facilities being offered. The net loans (subtracting provision and interest suspense account from gross loans) were 176.16% of the stable funding base and 99.74% of deposits in 2021.

Taking a look at the first nine months performance of FY2022, it has been observed that the deposit base remained the largest contributor of the total funding base and its contribution was 62.47%, a slight increase from that of FY2021. The deposit growth was 8.11% as of the 3<sup>rd</sup> quarter of FY2022 as opposed to 4.31% in FY2021. The growth of term/fixed deposits and current deposits base has contributed to the growth of total deposits during this period. The ADR stayed at 77.24% at the end of Q3 2022 which was also within the requirement and shows more room for further loan disbursement. The net loans were 176.96% of the stable funding base which is lower than previous year. The dependency on interbank liabilities has increased which covered 16.80% of the total funding base compared to 15.92% in FY2021.

### B.4.2. Liquidity Management

PBL has been maintaining Cash Reserve Ratio (CRR) and Statutory Liquidity Requirement (SLR) in line with Bangladesh Bank requirement. As per Bangladesh Bank's regulatory requirement statutory liquidity reserve (SLR) of 13.00% and cash reserve ratio (CRR) of 4.00% are to be maintained by conventional banks operating in Bangladesh while SLR is 5.50% for Islamic Banking.

The CRR and SLR requirement of PBL was BDT 9,709.88 million and BDT 31,878.80 million as on December 31, 2021. PBL maintained BDT 10,106.99 million and BDT 59,402.16 million respectively with surplus amount of CRR and SLR standing at BDT 397.10 million and BDT 27,523.36 million in FY2021 respectively.

The asset and liability maturity profile of PBL indicates deficit in net liquidity in 1 – 5 years bracket and showed positive net liquidity in other brackets and the cumulative liquidity shows no liquidity gap.

07 JUN 2023

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07 JUN 2023

Page 15 of 24

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## C. MARKET RISK ANALYSIS

Markets risks of a Subordinated Bond may arise due to uncertainty related to interest rate risk and pricing risk of the bond. Moreover bond by nature are exposed to many sources of risk. The term structure of the interest rate can shift and twist in different ways. Issuers may default due to sector wide problems or individual credit difficulties. However, the debt instrument that Prime Bank Limited is issuing is sensitive towards both market and company specific risks. All investments which offer a balance between risk and potential return are graded to be the higher rated investment. The balance between risk and return varies by the type of investment (in this case Subordinated Bond), the entity that issues it, the state of the economy and the cycle of the securities markets (this risk is eliminated as it will not be publically traded in secondary market).

The entity in discussion is planning to issues its Fourth Subordinated bond for the purpose of strengthening its Tire II capital base. Prime Bank Investment Limited is acting as the mandated lead arranger whereas UCB Investment Limited is acting as the trustee. To evaluate the proper pricing and coupon rate structure offered for the instruments ECRL has considered the following risk analysis related to the both market and instrument specific risk.

### C.1. Interest Rate Risk of the Bond

Interest rate risk affects the value of bonds that arises when an investment's value will change due to a change in the absolute level of interest rates. Coupon rate of the bond will be determined by the benchmark rate and then a margin of 2.00% p.a. added to the benchmark rate. The benchmark rate shall be determined by latest average Fixed Deposit Rates (FDRs) of "6-month to less than 1 year" tenor of all private commercial schedule banks (excluding the banks incorporated after the year 2012 and foreign banks). However, the Fourth Subordinated Bond of PBL has a floor of 6.00% and ceiling of 10.00%. Thus the interest rate risk on the part of the investors is minimized.

### C.2. Pricing Risk

Maturity profile of bonds affects the bond price. There are two primary reasons why long-term bonds are subject to greater interest rate risk than shorter term bonds. Firstly, there is greater probability that interest rates will move significantly upward or downward, thus upon upward movement it will negatively affect a bond's market price within a longer time period than within a shorter time period. As a result, investors who buy long term bonds but attempt to sell them before maturity may be faced with a deeply discounted market price when they want to sell their bonds. With short term bonds, the risk is not as significant because interest rates are less likely to substantially change in the short term. Shorter term bonds are also easier to hold until maturity, thereby, alleviating an investor's concern about the effect off profit rate driven changes in the price of bonds. Secondly, long term bonds have greater maturity than short term bonds. Because of this, a given interest rate change will have greater effect on long term bonds than short term bonds.

## D. COMPANY SPECIFIC RISK ANALYSIS

Risk is an integral part of financing business and thus every financial institution is exposed to risk of different type and magnitude. So, the prime responsibility of every financial institution is to manage its risk such that its return from business can be maximized. Banks are exposed to six core risks through their operation, which are Credit Risk, Asset/Liability Risk, Foreign Exchange Risk, Internal Control & Compliance Risk, Money Laundering Risk, and Information & Communication Technology (ICT) Security Risk. As a prudent and responsible financial institution, the Company attaches top priority to ensuring safety and security of the finances that are being extended.

### D.1. Credit Risk

Credit risk is one of the most vital risks for any commercial bank as like Prime Bank Limited. Credit risk arises from non-performance by a borrower. It may arise from either an inability or an unwillingness to perform in the pre-commitment contracted manner. The real risk from credit is the deviation of portfolio performance from its expected value. In order to mitigate credit risk PBL has created credit risk awareness amongst its employees through implementing various awareness programs. To address the risks, PBL follows a guideline on Credit Risk Management which has been prepared in the light of broad guidelines provided by Bangladesh Bank for the banking industry. The Bank's formulated investment policies in compliance with regulatory requirement covers investment

07 JUN 2023



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07 JUN 2023



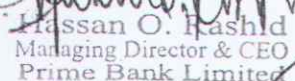
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assessment, collateral requirements, risk grading and reporting, documentation and legal formalities and procedures along with up to date clean CIB report of the client. A separate Corporate Division has been formed at Head Office which is entrusted with the duties of maintaining effective relationship with the customers, marketing of credit products, exploring new business opportunities, etc. Moreover, credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate units have been formed within the credit division. These are (a) Credit Risk Management Unit (b) Credit Administration Unit and (c) Credit Monitoring and Recovery Unit. Credit Risk Management Unit is entrusted with the duties of maintaining asset quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy/strategy for lending operation, etc.

## D.2. Asset Liability Management Risk

Asset Liability Management (ALM) is an integral part of Bank Management; and so it is essential to have a structured and systematic process to manage the Balance Sheet. Prime Bank has developed an "Assets Liability Management Committee" comprising of the senior management of the bank to make important decisions related to the Balance Sheet of the bank. Asset-Liability Committee (ALCO) reviews country's overall economic position, the Bank's liquidity position, key performance ratios, interest rate risk, deposit and advance growth, cost of deposit & yield on advances, deposit & lending pricing strategy and different forecasted balance sheet risks of the Bank. It also developed a guideline in line with Bangladesh Bank guidelines to meet above mentioned purpose. ALM of the bank has specifically been designed to diversify and pricing of assets and liabilities, monitor liquidity & reserve management, reduce the fund cost & maximize asset yields, address the company's liquidity risk with some focus on interest rate risk, GAP analysis of assets and liabilities and search for alternative funding & investment. Under this policy ideal loan to fund ratio, liquidity contingency plan, medium term ratio, short term dynamic liquidity, statement of structural liquidity, maturity profile mismatch analysis as well as interest rate sensitivity analysis has been addressed.

Asset Liability Management risk can be classified into three major categories such as liquidity risk, interest risk, foreign exchange risk.

### D.2.1. Liquidity Risk

Liquidity risk refers to the risk of a bank's inability to meet its financial obligations as they fall due without incurring unacceptable costs or losses through fund raising and assets liquidation. Liquidity risk can also arise due to bank's incapability to manage unexpected decrease or change in funding sources. It can negatively affect the earnings and growth potential if the liquidity position constrains a bank from undertaking a transaction at normal market rates/prices. Liquidity risk is often triggered by the consequences of other financial risks such as credit risk, interest rate risk, foreign exchange risk, etc. Prime Bank manages its liquidity in such a way that it avoids running into liquidity constraints. That means, the asset and liability positions, both on-and off-the balance sheet are matched in such a way that the bank is able to meet its obligations immediately and continuously without adversely affecting its solvency. To address the liquidity risk the bank is regularly monitoring the overall liquidity of the bank, payment obligations, off balance sheet commitment and exposures, the borrowing capacity of the bank etc. Prime Bank's Asset Liability Committee (ALCO) is entrusted with the responsibility of managing short-term and long-term assets and ensuring adequate liquidity at optimal funding cost. The Asset Liability Committee (ALCO) of the Bank monitors market risk and liquidity risk of the Bank.

### D.2.2. Interest Rate Risk

Interest rate risk is the possible loss from adverse movements in market interest rates. Interest rate risk may arise either from trading portfolio or non-trading portfolio. The trading portfolio of the bank consists of government treasury bills. The short-term movement in interest rate is negligible or nil. Interest rate risk of non-trading business arises from mismatches between the future yield of an asset and its funding cost. Changes in interest rates affect a bank's earnings by changing its net interest income and the level of other interest-sensitive income and operating expenses. The Asset Liability Committee (ALCO) of the bank is the main body which looks after and monitors investment profit rate structure. The committee also evaluates any market risk arises from the regulatory pressure thus reducing the profit rate. Moreover, ALCO committee is always watchful to adverse movement of the different market variables.

07 JUN 2023

07 JUN 2023

07 JUN 2023



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Prime Bank Subordinated Bond IV

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Prime Bank Limited



Page 17 of 24

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Prime Bank Limited



### D.2.3. Foreign Exchange Risk

Foreign exchange risk is the current or prospective risk to earnings and capital arising from adverse movements in currency exchange rates. Foreign exchange risk is defined as the potential change in earnings due to change in market prices. Managing foreign exchange risk involves prudently managing foreign currency positions in order to control, within set parameters, the impact of changes in exchange rates on the financial position of the bank. Introduction of market based exchange rate of Taka has resulted in both trading opportunities and associated foreign exchange volatility risk. The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance requirements.

Treasury Department independently conducts the transactions and the back office of treasury is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at Mark-to-Market rate as determined by Bangladesh Bank at the month-end. All Nostro accounts are reconciled on a monthly basis and outstanding entry beyond 30 days is reviewed by the management for its settlement. The position maintained by the bank at the end of day was within the stipulated limit prescribed by the Bangladesh Bank.

### D.3. Operational Risk

Bangladesh Bank defines operational risk as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk may arise from error and fraud due to lack of internal control and compliance. Management through Internal Control and Compliance Division controls operational procedure of the Bank. Internal Control and Compliance Division undertakes periodical and special audit of the branches and divisions at the Head Office for review of the operation and compliance of statutory requirements. The Audit Committee of the Board subsequently reviews the reports of the Internal Control and Compliance Division. This operational risk also includes legal risks but not strategic and reputational risks. Operational risk is Prime Bank's exposure to potential losses that may be caused from inadequate internal process or systems, inadequate employee performance, external events and may also cause from the breach of compliance, contracts or internal regulation.

#### D.3.1. Anti Money Laundering Policy

Money laundering risk refers to acquired or earned properties directly or indirectly through illegal means. In broader sense, illegal transfer, conversion, concealment of location or assistance in the above act of the properties acquired or earned directly or indirectly through legal or illegal means. So Anti Money Laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering activities. Prime Bank has implemented an enterprise-wide AML (Anti-Money Laundering) and CFT (Combating the Financing of Terrorism) compliance program, which covers all the activities of the bank and is reasonably designed to comply with applicable laws and regulations. The bank has developed and implemented written AML and CFT policies, procedures, internal controls and systems, which include (but are not limited) a customer identification program and procedures; procedures to collect and refresh, as appropriate, customer due diligence information; processes to assess risk; processes and systems to monitor customer transactions and activity; processes and systems to identify and report suspicious activity; and, processes to keep required records. The bank educates its all employees on AML and CFT requirements and activities and also subjects its AML and CFT program to regular independent testing. The bank cooperates fully with law enforcement and regulatory investigations and inquiries in identifying the criminals involve in Money Laundering and Terrorist Activities/Financing.

#### D.3.2. Internal Control and Compliance (ICC)

Operational loss may arise from error and fraud due to lack of internal control and compliance. Management, through Internal Control and Compliance Division controls operational procedure of the Bank. Internal control is fundamental to the successful operation and day-to-day running of a business and it assists the bank in achieving its business objectives. It encompasses all controls incorporated into the strategic, governance and management processes, covering the bank's entire range of activities and operations, and not just those directly related to financial operations and reporting. Its scope is not confined to those aspects of a business that could broadly be defined as compliance matters, but extends also to the performance aspects of a business. Internal Control and Compliance Division undertakes periodical and special audit of the branches and departments at the

07 JUN 2023

07 JUN 2023

07 JUN 2023

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Prime Bank Subordinated Bond IV

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Prime Bank Limited



Page 18 of 24

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Managing Director & CEO  
Prime Bank Limited



Office for review of the operation and compliance of statutory requirement. The Audit Committee of the Board subsequently reviews the reports of the Internal Control and Compliance Division.

Prime Bank has established a System of Internal Control, which is designed to manage all the risks of failure to a reasonable level, achieve aims and objectives/goals of the bank and this system provides reasonable assurance of effective & efficient operations covering all controls including financial & operational controls, reliability of the financial information, compliance with applicable laws & regulations, adherence to management policies, safeguarding of bank's assets, prevention & detection of fraud & errors, and accuracy & completeness of the accounting records.

#### D.3.3. Information & Communication Technology (ICT) Security System

The rapid development of information and communication technologies (ICTs) has effectively facilitated in reorganizing business processes and streamlining the provision of its products and services in today's dynamic business environment. Such adoption helps the bank to develop and maintain competitive advantage for ensuring bank's profitability and survivability in the market place. The competitive advantage often brings bank numerous benefits including fast business transactions, increasing automation of business processes, improved customer service, and provision of effective decision support in a timely manner. In order to minimize and control these risks successfully, The Bank has developed and implemented ICT risk management policies and strategies, strengthened ICT security infrastructure, acquired centralized real time security monitoring system, implemented centralized hardware system with high availability facility and implemented Disaster Recover Site (DRS), developed Business Continuity Plan (BCP) and human resource backup plan with segregation of duties for different ICT tasks.

#### D.4. Other Risks

Reputational risk is another risk faced by most banks which refers to the risk of failure to meet the standards of performances or behaviors mandated by the banks & expected by stakeholders in the way in which business is conducted. It arises from the failure of managing credit, market, liquidity risks etc. It may also arise from non-compliance of social, environmental & ethical standards. To mitigate reputation risk, the bank is aware of market perception at an early stage. To this effect, relevant measures and activities relating to business policy are brought under careful scrutiny. All relevant credit decisions are subjected to individual vote of the members of the credit committee. The votes may result in decline of the credit proposal.

Equity risk arises from movement in market value of equities held. The risks are monitored by Investment Committee under a well designed policy framework. The market value of equities held was, however, lower than the cost price at the balance sheet date of the bank.

Adaptability risk is a fundamental challenge and a potential source of competitive advantage for every organization. Banks also face adaptability risks to cope up with the up to date needs and wants of the customers. The bank provides internal & external training and continuous learning programs to upgrade the level of employee competence and qualification to the current state of developments to fulfill contemporary needs of the customers. To make the employees motivated, the bank provides different types of rewards and benefits to their employees and also inspires a long-grown loyalty and vibrant relationship.

Regulatory risk includes the risk of loss arising from failure to comply with the laws, regulations or codes applicable to the financial services industry. The regulatory risk function within banks compliance & assurance is responsible for developing & maintaining an appropriate framework of regulatory compliance policies & procedures which is the responsibilities of all the employees & monitored by the compliance & awareness function.

### E. MANAGEMENT & OTHER QUALITATIVE FACTORS

#### E.1. Corporate Governance

Implementation of effective internal controls, innovation and transparency in order to establish well organized corporate governance within the company is the prime focus of Prime Bank Limited. PBL's corporate governance strives to ensure fair disclosure and transparency, to define the rights and roles of shareholders and stakeholders, to define the responsibilities of the board and the management, to ensure the equitable treatment of shareholders and to avoid conflicts of interest. The bank aims to

07 JUN 2023

07 JUN 2023

07 JUN 2023

Prime Bank Subordinated Bond IV

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M Habibur Rahman Chowdhury, FCI  
Deputy Managing Director & CFO  
Prime Bank Limited



Page 19 of 24

Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

Tanvir A Siddiqui, ACS  
Company Secretary  
Prime Bank Limited



maintain a good corporate governance standard as per the regulatory requirements and guidelines set by the Bangladesh Bank and Bangladesh Securities & Exchange Commission (BSEC). The Board of Directors (BoD) of the bank consists of 17 eminent, qualified and experienced members, and is headed by Mr. Tanjil Chowdhury, the Chairman of BoD. The Managing Director & CEO of the bank is Mr. Hassan O. Rashid. In order to adhere to good corporate governance guidelines, the bank ensures that the duties and responsibilities are appropriately segregated between the BoD and management to provide sufficient checks, balance and flexibility for smooth business operation. The BoD approves the bank's budget and business plan and reviews them from time to time in order to give directions as per changing economic and market environments.

With an objective to monitor and manage the bank's operations, performance and strategy in line with Bangladesh Bank's guidelines, the BoD of PBL has three sub-committees. Details of these committees are presented below.

#### E.1.1. Executive Committee

The Executive Committee of the Board of PBL is comprised of 06 members from the BoD and chaired by Mr. Imran Khan. The Committee makes decisions on credits and exposure to related parties. The Committee is responsible for reviewing policies and guidelines issued by the central bank regarding credit and other aspects of banking industry. The committee oversees the degree of execution of policies and guidelines entrusted with the management. The Committee also approves credit proposals in line with approved policies of the BoD.

#### E.1.2. Audit Committee

The Audit Committee of the Board of PBL is comprised of 04 members from the BoD and chaired by Mr. Anwaruddin Chowdhury, FCA. This Audit Committee bridges the gap between the BoD, Executive Authority, Depositors and Shareholders etc. The committee reviews the financial statement of the bank at least on quarterly basis, discusses accounting principles and changes thereto. The committee consults and advises the Board on the scope of internal audits.

The Committee also conducts various special reviews by the Internal Audit Department of PBL, a highly empowered team working under the direct supervision of the Committee. The Committee meets with the external auditors to discuss audit plans and risk management processes of the bank

#### E.1.3. Risk Management Committee

The Risk Management Committee of the Board of PBL is comprised of 05 members from the BoD and chaired by Mr. Zaeem Ahmed. The Committee has been formed to carry out the analysis of risk management processes of the bank and monitoring of implementation of overall risk management policies. The committee also provides necessary suggestions and guidelines to the management. The Committee oversees whether proper risk mitigation processes/methods are being applied and required capital and provisions are being maintained by management after they have duly identified and measured credit risks, foreign exchange risks, internal control & compliance risks, money laundering risks, ICT risks, operating risks, interest risks, liquidity risks and other risks. The prime responsibilities of the Committee is to define the risk appetite, designing organizational structure to manage risk within the bank, understanding the inherent risks of the bank, then reviewing and approving risk management policies.

#### E.2. Senior Management

The strategic management activities and overall business operations of PBL are supervised and directed by the core management team of the bank. The core management team, as well as the whole bank, is led by the Managing Director & CEO, Mr. Hassan O. Rashid who has extensive experience in banking industry both in local and multinational banks in senior positions in Corporate, Risk Management, SME, and Retail Banking. Prior to joining Prime Bank, he was the Additional Managing Director at Eastern Bank Limited. During his tenure at Eastern Bank Limited, he was lauded for his leadership role in achieving balance sheet growth and driving the transformation journey of the Bank. Mr. Rashid started his career with Credit Agricole Indosuez and later moved to HSBC and Standard Chartered Bank (SCB) in different senior leadership positions. He is a graduate of the Capital University of USA in Economics and Business Administration and completed his Master's degree in International Management from Garvin School of Management, Thunderbird, USA. He is also certified "Credit Professional" of Omega, UK.

07 JUN 2023

07 JUN 2023

07 JUN 2023

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Company Secretary  
Prime Bank Limited

Prime Bank Subordinated Bond IV

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Credit Rating Ltd

Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited



Page 20 of 24

Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



Alongside having long term experience, the members of the core management team come from impressive educational backgrounds. The members of the team have also attended numerous training and development programs both at home and abroad which enabled them to build enormous knowledge base in banking. Several Management committees have been formed to handle the banking operation and identify and manage the risk associated with the business.

**Executive Risk Management Committee (ERMC):** ERMC of PBL consists with 18 members as per the information provided by the bank, which comprises of senior executives of the management comprising of members from all key business/risk areas and following up for rectification. As per Bangladesh Bank (BB) requirement, Risk Management Division (RMD) prepares Risk Management Report which is presented in the meeting of Executive Risk Management Committee (ERMC) on monthly basis. At the end of each quarter, Risk Management Report along with the minutes is submitted to Bangladesh Bank by Risk Management Division. Risk Management Report is a comprehensive document related to risk issues which is being placed in the ERMCs' monthly meeting. It also allows identification and mitigation of risk under necessary guidance of the Senior Management of the Bank.

**Asset Liability Committee (ALCO):** The bank has set up Asset Liability Committee consists of 10 members as per information provided by the bank. The committee's prime roles and responsibilities include receiving and reviewing reports on liquidity risks, market risks and capital management, identifying balance sheet management issues, reviewing deposit-pricing and lending rate strategies, reviewing contingency plans and fund transfer pricing policies. As per management correspondence, the committee calls for a meeting once every month to set and review strategies on Asset-Liability Management. Asset-Liability Committee (ALCO) reviews country's overall economic position, the Bank's liquidity contingency plan, key performance ratios, interest rate risk, deposit and advance growth, cost of deposit & yield on advances, deposit & lending pricing strategy and different forecasted balance sheet risks of the Bank.

**Sustainable Finance Committee (SFC):** Prime Bank established Sustainable Finance Committee chaired by AMD & CBO which has 18 members. The committee set annual objective of Sustainable Finance Unit and to evaluate its performance. This committee ensures appropriate coordination and support among all the relevant divisions of the Bank to accomplish the activities of Sustainable Finance Unit. All these activities of the Bank are reported separately by another committee named 'Sustainability Reporting Committee' through Sustainability Report following GRI standards and receive GRI 'Materiality Disclosure Certification' every year which ensure transparency of its sustainable initiatives to a larger extent to the internal and external stakeholders.

### E.3. Human Resources Management

Prime Bank is an equal opportunity employer which emphasizes on recruiting the best professionals while developing and retaining new talents through implementation of various programs. The bank is continuing its efforts towards the development of its employees by providing required trainings, workshops, seminars, etc. both at home and abroad. The bank ensures a congenial and respectful working environment which allows its employees to work with maximum effectiveness and efficiency. To attract and retain qualified and efficient employees, the bank has formulated a number of policies for the welfare of its employees in the form of contributory provident fund, gratuity fund, employees' social security and benevolent fund, employee house building investment scheme, employees' car financing scheme etc. According to the manpower requirement, the HRD makes plans for recruitment of new employees and takes recruitment initiatives as per plan. The total human resources strength of the bank stood at 2,956 persons as on September 30, 2022.

#### E.3.1. Training & Development

The HRD of PBL thoroughly identifies the training and development needs of the employees and arranges a range of in-house, local and foreign training for the employees. In recognition of the requirement of professional excellence in the employees of PBL, the bank has established its own training and development center namely HR Training and Development Center (HR-TDC). The bank arranges foreign training to enhance skills to combat money laundering and financing of terrorism, foreign trade operation and Information technologies. In 2021, Bank's internal HR Training and Development Centre arranged training on different topics for 7,960 enthusiastic participants. Besides, a total of 266 employees were sent to participate in various training programs/conferences in home and abroad.

07 JUN 2023



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Prime Bank Limited

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07 JUN 2023

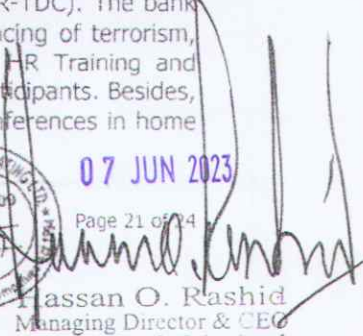


M Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited



07 JUN 2023

Page 21 of 24



Tassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



#### E.4. Information Technology

Prime Bank has been using Core Banking Software (CBS), T24 of TEMENOS, one of the best available in the global market with cutting-edge technology since 2007. Recently, it has upgraded its CBS T24 to the latest version R16 to offer new products and open new avenues to serve its customer in more flexible and cost-efficient ways. With the latest version of Core Banking Software i.e. T24 (R16), Prime Bank is now running all three types of banking services i.e. Conventional Banking, Islamic Banking, and Off-Shore Banking as well through a single platform and has managed to reduce infrastructure and administrative costs significantly. After implementing this latest version of CBS, Bank has acquired the capability to run all of its foreign operations and subsidiaries with T24-R16 and now running its business operations under T24 (R16), while all CBS related functional & technical supports and day end processes are being provided and managed centrally from Bangladesh. In addition to PBL's main data center, it has another recovery center situated at Uttara for backing-up of data. The bank has put in place a disaster recovery management policy wherein a detailed and complete disaster recovery plan has been outlined. The bank routinely test-runs the plan and arranges internal training on disaster management to its staff. In order to minimize and control these risks successfully, The Bank has developed and implemented ICT risk management policies and strategies, strengthened ICT security infrastructure, acquired centralized real time security monitoring system, implemented centralized hardware system with high availability facility and implemented Disaster Recover Site (DRS), developed Business Continuity Plan (BCP) and human resource backup plan with segregation of duties for different ICT tasks.

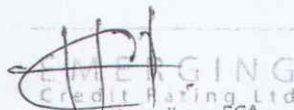
07 JUN 2023



Prime Bank Subordinated Bond IV

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Prime Bank Limited

07 JUN 2023



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited

Page 22 of 22

## CORPORATE INFORMATION

### BOARD OF DIRECTORS (As on September 30, 2022)

Mr. Tanjil Chowdhury	Chairman
Mr. Md. Shahadat Hossain	Vice Chairman
Mrs. Nazma Haque	Vice Chairperson
Mr. Azam J Chowdhury	Director
Mr. Mohammed Nader Khan	Director
Mr. Quazi Sirazul Islam	Director
Mr. Mafiz Ahmed Bhuiyan	Director
Mrs. Salma Huq	Director
Mr. Nafis Sikder	Director
Mr. Imran Khan	Director
Mr. Mohammad Mushtaque Ahmed Tanvir	Director
Mr. Zaeem Ahmed	Director
Mr. S.M Tamjid	Director
Mr. C Q K Mustaq Ahmed	Independent Director
Mr. Anwaruddin Chowdhury FCA	Independent Director
Dr. Sharif M. N. U. Bhuiyan	Independent Director
Mr. Khan Ahmed Sayeed Murshid, PhD	Independent Director

### SHAREHOLDERS (As on September 30, 2022)

Sponsors/Directors	39.03%
Institutions	37.69%
Foreign	0.50%
Public	22.78%

### AUDITOR

ACNABIN Chartered Accountants  
BPBL Bhaban (Level-13)  
12 Kawran Bazar Commercial Area, Dhaka-1215, Bangladesh.

### HEAD OFFICE

Adamjee Court Annex Building-2,  
119-120, Motijheel C/A, Dhaka-1000  
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Fax: 880-2-9567230, 9560977, 9566215, 9560960  
E-mail: info@primebank.com.bd  
Web: www.primebank.com.bd

07 JUN 2023



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Prime Bank Limited

Prime Bank Subordinated Bond IV

07 JUN 2023



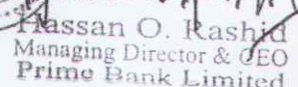
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vi Habibur Rahman Chowdhury, FCA  
Deputy Managing Director & CFO  
Prime Bank Limited

07 JUN 2023



Page 23 of 24



Hassan O. Rashid  
Managing Director & CEO  
Prime Bank Limited



# BOND RATING SYMBOL

## LONG-TERM RATINGS

ECRL's Long-Term Ratings are assigned to debt with maturities of more than one year. These debt ratings specifically assess the likelihood of timely repayment of principal and payment of interest over the term to maturity of such debts.

### RATING

AAA	Indicates that the ability to repay principal and pay interest on a timely basis is extremely high.
AA	Indicates a very strong ability to repay principal and pay interest on a timely basis, with limited increment risk compared to issues rated in the highest category.
A	Indicates the ability to repay principal and pay interest is strong. These issues could be more vulnerable to adverse developments, both internal and external, than obligations with higher ratings.
BBB	This grade indicates an adequate capacity to repay principal and pay interest. More vulnerable to adverse developments, both internal and external, than obligations with higher ratings.
BB	This rating suggests that likelihood of default is considerably less than for lower-rated issues. However, there are significant uncertainties that could affect the ability to adequately service debt obligations.
B	Indicates a higher degree of uncertainty, and therefore, greater likelihood of default. Adverse developments could negatively affect repayment of principal and payment of interest on a timely basis.
C	High likelihood of default, with little capacity to address further adverse changes in financial circumstances.
D	Payment in default.

Notes: Long-Term Ratings from AA to B may be modified by the addition of a plus (+) or minus (-) suffix to show relative standing within the major rating categories. Bank-guaranteed issues will carry a suffix (bg), corporate-guaranteed issues, a (cg), issues guaranteed by a financial guarantee insurer (FGI), an (fg), bond issues will carry a suffix (B) and all other supports, an (s) when such guarantees or supports give favourable effect to the assigned rating.

### Rating Outlook

ECRL's Rating Outlook assesses the potential direction of the Bond Issuers over the intermediate term (typically over a one to two-year period). The Rating Outlook may either be :

POSITIVE	which indicates that a rating may be raised;
NEGATIVE	which indicates that a rating may be lowered;
STABLE	which indicates that a rating is likely to remain unchanged; or
DEVELOPING	Which indicates that a rating may be raised, lowered or remain unchanged.

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07 JUN 2023

Prime Bank Subordinated Bond IV

07 JUN 2023

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