



# DBH Finance PLC.



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# Financial Statements

## For the half year ended 30 June 2023

In compliance with the Regulation 17(3) of the Dhaka and Chittagong Stock Exchanges (Listing) Regulations, 2015, we are pleased to publish Half Yearly (2<sup>nd</sup> quarter) Un-audited Financial Statements of DBH Finance PLC. as at and for the Half Year ended 30 June 2023 approved by the Board of Directors of the Company in its 141<sup>th</sup> Meeting held on Sunday, July 30, 2023 at 4:30 PM. The following Financial Statements without the detailed notes/ disclosures have been termed as "condensed" in line with the IAS34.

### Balance Sheet (Unaudited)

As at 30 June 2023

Particulars	30 June 2023 Amount (TK)	31 December 2022 Amount (TK)
<b>PROPERTY AND ASSETS</b>		
<b>Cash</b>	586,979,019	575,264,085
In hand	112,396	99,203
Balance with Bangladesh Bank and its agent bank	586,866,623	575,164,882
<b>Balance with other banks and financial institutions</b>	20,650,751,450	11,018,065,981
In Bangladesh	20,650,751,450	11,018,065,981
Outside Bangladesh	-	-
<b>Money at call on short notice</b>	3,050,000,000	2,700,000,000
<b>Investments</b>	2,536,063,285	2,516,950,591
Government	1,657,004,444	1,658,567,002
Others	879,058,841	858,383,589
<b>Loans and advances</b>	44,381,343,975	44,535,972,899
Fixed assets including land, building, furniture & equipments	295,574,268	254,482,380
Other assets	235,603,352	145,349,837
<b>Total assets</b>	<b>71,736,315,349</b>	<b>61,746,085,773</b>
<b>LIABILITIES AND CAPITAL</b>		
<b>LIABILITIES</b>		
Borrowings from other banks, financial institutions and agents	16,085,182,297	11,080,141,587
Deposits and other accounts: Fixed deposits	44,976,404,525	40,060,590,590
Other liabilities	2,482,227,375	2,610,392,699
<b>Total liabilities</b>	<b>63,543,814,197</b>	<b>53,751,124,876</b>
<b>SHAREHOLDERS' EQUITY</b>		
Paid-up capital	1,988,901,710	1,949,903,640
Share premium	55,000,000	55,000,000
Statutory reserve	1,933,901,711	1,894,903,641
Other reserves	3,575,040,000	3,575,040,000
Retained earnings	639,657,731	520,113,616
<b>Total shareholders' equity</b>	<b>8,192,501,152</b>	<b>7,994,960,897</b>
<b>Total liabilities and shareholders' equity</b>	<b>71,736,315,349</b>	<b>61,746,085,773</b>
<b>OFF BALANCE SHEET ITEMS</b>		
<b>Contingent liabilities</b>		
Acceptance and endorsements	-	-
Letters of guarantee	-	-
Irrevocable letters of credit	-	-
Bills for collection	-	-
Other contingent liabilities	-	-
<b>Total contingent liabilities</b>	<b>-</b>	<b>-</b>
<b>Other commitments</b>		
Documentary credits and short term trade related transaction	-	-
Forward assets purchased and forward deposit placed	-	-
Undrawn note issuance and revolving underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
<b>Total other commitments</b>	<b>-</b>	<b>-</b>
<b>Total off balance sheet items including contingent liabilities</b>	<b>-</b>	<b>-</b>
<b>Net Assets Value (NAV) per share</b>	<b>41.19</b>	<b>40.20</b>

### Comparative Statement of Information for the Shareholders

SL	Particulars	As at 30 June 2023	As at 31 December 2022
1	Net Assets Value (NAV) per share	41.19	40.20
		For the quarter ended 30 June 2023	For the quarter ended 30 June 2022
2	Earnings Per Share	2.46	2.76
3	Net operating cash flow per share	26.93	(19.53)

### Profit or Loss Account (Unaudited)

For the half year ended 30 June 2023

Particulars	2023 January to June Amount (TK)	2022 January to June Amount (TK)	2023 April to June Amount (TK)	2022 April to June Amount (TK)
Interest income	2,830,748,661	2,389,134,698	1,491,356,976	1,155,562,066
Interest paid on deposits and borrowings, etc.	1,927,758,080	1,454,875,121	1,039,393,349	734,134,484
<b>Net interest income</b>	<b>902,990,581</b>	<b>934,259,577</b>	<b>451,963,627</b>	<b>421,427,582</b>
<b>Income from investment</b>	<b>69,359,604</b>	<b>39,192,056</b>	<b>38,418,201</b>	<b>26,860,446</b>
Commission, exchange & brokerage	86,674,506	92,527,201	41,901,498	44,926,190
Other operating income	10,042,958	12,371,868	5,340,333	7,032,417
<b>Total operating income</b>	<b>1,069,067,649</b>	<b>1,078,350,702</b>	<b>537,623,659</b>	<b>500,246,635</b>
<b>Salary and allowances</b>	<b>217,192,705</b>	<b>195,470,465</b>	<b>120,415,627</b>	<b>107,805,022</b>
Rent, taxes, insurance, electricity, etc.	14,392,238	17,930,095	6,360,284	10,605,051
Legal & professional expenses	12,134,538	10,311,898	4,788,971	5,445,735
Postage, stamp, telecommunication, etc.	3,974,122	4,252,523	2,045,350	2,146,913
Stationery, printing, advertisements, etc.	8,524,197	10,284,909	5,028,039	5,470,895
Managing director's salary and fees	7,600,000	7,600,000	4,900,000	3,900,000
Directors' fees and expenses	476,054	481,190	224,896	317,190
Auditors' fees	287,500	322,000	143,750	178,250
Depreciation, repair & maintenance	34,254,955	36,546,555	18,831,339	17,826,583
Other expenses	38,021,269	31,559,770	17,191,858	18,119,775
<b>Total operating expenses</b>	<b>336,857,578</b>	<b>314,759,405</b>	<b>179,930,114</b>	<b>171,815,414</b>
<b>Profit before provisions</b>	<b>732,210,071</b>	<b>763,591,297</b>	<b>357,693,545</b>	<b>328,431,221</b>
<b>Provision for</b>				
Loans and advances	(29,251,479)	(125,862,900)	1,323,816	(49,691,675)
Diminution in value of investment	(2,660,348)	57,392,349	(5,479,722)	14,871,929
Other Assets	309,435	-	155,372	-
<b>Total provisions</b>	<b>(31,602,392)</b>	<b>(68,470,551)</b>	<b>(4,000,534)</b>	<b>(34,819,746)</b>
<b>Profit before tax</b>	<b>763,812,463</b>	<b>832,061,848</b>	<b>361,694,079</b>	<b>363,250,967</b>
<b>Provision for tax</b>				
Current	274,171,162	283,332,598	133,374,775	124,091,398
Deferred	(384,500)	(140,716)	(610,429)	(80,987)
<b>Total tax</b>	<b>273,786,662</b>	<b>283,191,882</b>	<b>132,764,346</b>	<b>124,010,411</b>
<b>Profit after tax</b>	<b>490,025,801</b>	<b>548,869,966</b>	<b>228,929,733</b>	<b>239,240,556</b>
<b>Appropriation</b>				
Statutory reserve	38,998,070	109,773,993	38,998,070	23,942,982
Dividend on preference shares	-	-	-	-
<b>Total appropriations</b>	<b>38,998,070</b>	<b>109,773,993</b>	<b>38,998,070</b>	<b>23,942,982</b>
<b>Retained surplus</b>	<b>451,027,731</b>	<b>439,095,973</b>	<b>189,931,663</b>	<b>215,297,574</b>
<b>Earnings Per Share</b>	<b>2.46</b>	<b>2.76</b>	<b>1.15</b>	<b>1.20</b>

### Selected explanatory notes to the Financial Statements for 2<sup>nd</sup> quarter ended 30 June 2023

**1.01 Principal activities and nature of operation**  
i) The principal activities of the Company are providing loans for construction of houses, purchases of flats or houses, extensions and improvements of existing houses or flats and purchase of housing plots.  
ii) The Company has also various investment and financing products like term deposit scheme, cumulative deposit, triple money deposit, double money deposit, annual income deposit, quarterly income deposit, monthly income deposit, easy way deposit etc. for its individual and corporate clients.  
**Islamic Finance Wing**  
iii) The company obtained permission from Bangladesh Bank to operate Islamic Finance Wing on 10 April 2023 vide letter No.-DFIM (L)1053/46/2023-1298. It started its operation of Islamic Finance Wing on 07 May 2023. DBH now provides both conventional and Islamic financial services to its customers.  
**1.02 Reporting:** The half yearly (2nd quarter) Financial Statements have been prepared based on International Accounting Standards (IAS) 34: "Interim Financial Reporting". These Financial Statements should be read in conjunction with the published Financial Statements for the year ended December 31, 2022 as they provide an update to previously reported information.  
**2.01 Accounting policies and method of computations:** Accounting policies and method of computations followed in preparing these Financial Statements are in consistent with those used in the annual Financial Statements, prepared and published for the year ended December 31, 2022.  
**2.02 Earnings Per Share (EPS):** Earnings per share has been calculated based on the number of shares outstanding as of 30 June 2023 and profit for the period from January to June 2023. The number of shares outstanding as of 30 June 2023 was 19,88,90,171. Earnings per share for the preceding period (January to June 2022) has also been calculated based on the same number of shares.  
**2.03 Subsequent events:** No material events occurred after the reporting date, non-disclosure of which could affect the ability of the users of these Financial Statements to make proper evaluation and decision.  
**2.04 General**  
a) Figures appearing in these Financial Statements have been rounded off to the nearest Taka.  
b) Previous year's figures have been rearranged where necessary, in order to conform the current period's presentation.

### Cash Flow Statement (Unaudited)

For the 2<sup>nd</sup> quarter ended 30 June 2023

Particulars	2023 January to June Amount (TK.)	2022 January to June Amount (TK.)
<b>Cash flows from operating activities</b>		
Interest receipts in cash	2,730,124,106	2,399,069,990
Interest payments	(1,843,880,751)	(1,564,792,782)
Dividend receipts	10,324,963	10,012,320
Fees and commission receipts in cash	86,674,507	92,527,201
Cash payments to employees, suppliers and various operating expense	(350,092,471)	(335,895,446)
Income tax paid	(302,659,416)	(332,895,311)
Receipts from other operating activities	72,081,184	34,708,709
<b>Cash generated/(utilized) from operating activities before changes in operating assets and liabilities</b>	<b>402,572,122</b>	<b>302,734,681</b>
<b>Increase/(decrease) in operating assets and liabilities</b>		
Loans and advances to customers	153,232,683	(558,737,307)
Investment in trading securities	(18,468,573)	(127,918,405)
Other assets	(56,610,260)	(29,189,921)
Deposits from banks and other customers	4,915,813,935	(3,415,108,186)
Interest suspenses	(3,580,298)	(2,967,743)
Other liabilities	(36,626,240)	(53,916,418)
Cash generated/(utilized) from operating assets and liabilities	4,953,761,247	(4,187,837,980)
<b>Net cash from operating activities</b>	<b>5,356,333,369</b>	<b>(3,885,103,299)</b>
<b>Cash flows from investing activities</b>		
Net Proceeds (payments) for sale/purchase of Treasury Bills	1,562,558	(1,765,399,378)
Other investments	200,000	1,000,000
Purchase of property, plant & equipment	(4,225,762)	(23,713,050)
Proceeds from disposal of property, plant & equipment	94,653	1,719,565
<b>Net cash used in investing activities</b>	<b>(2,368,551)</b>	<b>(1,786,392,863)</b>
<b>Cash flows from financing activities</b>		
Cash dividend paid	(292,485,546)	(265,895,952)
Net Receipt of Loan & Zero Coupon Bond	5,060,422,080	8,947,487,141
<b>Net cash used in financing activities</b>	<b>4,767,936,534</b>	<b>8,681,591,189</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>10,121,901,352</b>	<b>3,010,095,027</b>
Effects of exchange rate changes on cash and cash equivalents	11,300	16,660
<b>Cash and cash equivalents (net off overdraft) at the beginning of the period</b>	<b>14,001,458,055</b>	<b>15,121,649,494</b>
<b>Cash and cash equivalents (net off overdraft) at the end of the period</b>	<b>24,123,370,707</b>	<b>18,131,761,181</b>
<b>Net operating cash flow per share</b>	<b>26.93</b>	<b>(19.53)</b>

### Statement of Changes in Equity (Unaudited)

For the 2<sup>nd</sup> quarter ended 30 June 2023

Amount In Taka

Particulars	Paid up capital	Share premium	Statutory reserve	General & other reserves	Retained earnings	Total
Balance as on 1 January 2023	1,949,903,640	55,000,000	1,894,903,641	3,575,040,000	520,113,616	7,994,960,897
Net profit (after tax) for the period	-	-	-	-	490,025,801	490,025,801
Transferred to reserve funds	-	-	38,998,070	-	(38,998,070)	-
Stock dividend issued	38,998,070	-	-	-	(38,998,070)	-
Cash dividend paid	-	-	-	-	(292,485,546)	(292,485,546)
<b>Balance as on 30 June 2023</b>	<b>1,988,901,710</b>	<b>55,000,000</b>	<b>1,933,901,711</b>	<b>3,575,040,000</b>	<b>639,657,731</b>	<b>8,192,501,152</b>
<b>Balance as on 30 June 2022</b>	<b>1,949,903,640</b>	<b>55,000,000</b>	<b>1,803,688,182</b>	<b>3,125,040,000</b>	<b>593,473,282</b>	<b>7,527,105,104</b>

Sd/-  
Chairman

Sd/-  
Director

Sd/-  
Managing Director & CEO

Sd/-  
Head of Finance

Sd/-  
Company Secretary

The Published Financial Statements are Available in the web-site of the Company, [www.dbhfinance.com](http://www.dbhfinance.com)