বাংলার ব্যাংক

মার্কেন্টাইল ব্যাংক পিএলসি.
Mercantile Bank PLC.
দক্ষতাই আমাদের শক্তি

Un-audited Financial Statements
Of
Mercantile Bank PLC.

For the period ended 30 June 2026

Office of the CFO, Head Office
61, Dilkusha Commercial Area, Dhaka – 1000, Bangladesh

Mercantile Bank PLC. and its Subsidiaries
Un-audited Consolidated Balance Sheet
As at 30 June 2026

	Amount in BDT	
	Jun-26	**Dec-25**
PROPERTY AND ASSETS		
Cash	**21,082,829,891**	**29,094,583,277**
Cash in hand (Including foreign currency)	3,658,588,334	4,163,713,148
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)	17,424,241,557	24,930,870,128
Balance with other banks and financial institutions	**3,482,243,606**	**15,862,147,900**
In Bangladesh	820,196,154	1,886,715,135
Outside Bangladesh	2,662,047,453	13,975,432,766
Money at call on short notice	**3,933,600,000**	**3,471,054,000**
Investments	**136,638,465,158**	**129,888,387,555**
Government	126,536,019,786	119,757,554,460
Others	10,102,445,372	10,130,833,094
Loans and Advances/investments	**305,845,574,460**	**290,104,557,208**
Loans, Cash Credit, Overdraft etc/investments	296,439,704,186	282,337,558,784
Bills purchased and discounted	9,405,870,275	7,766,998,424
Fixed assets including premises, furniture and fixtures	**3,139,946,849**	**3,244,604,924**
Other assets	**9,041,093,046**	**8,301,354,587**
Non- banking assets	**1,010,150,332**	**1,010,150,332**
Total Assets	**484,173,903,342**	**480,976,839,782**
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	**27,618,069,947**	**14,967,172,991**
Mercantile Bank Perpetual Bond	**3,630,000,000**	**3,630,000,000**
Deposits and other Accounts	**368,540,803,244**	**379,758,048,424**
Current/ Al-wadeeah current accounts and other accounts	103,425,200,069	107,682,411,328
Bills Payable	5,824,408,252	3,122,006,246
Savings Bank/Mudaraba savings bank deposits	44,173,919,510	41,152,368,733
Fixed deposits/Mudaraba fixed deposits	123,129,964,296	143,333,705,572
Deposit under schemes/Mudaraba deposit schemes	91,987,311,117	84,467,556,545
Other Liabilities	**57,500,737,387**	**55,672,894,863**
Total Liabilities	**457,289,610,578**	**454,028,116,279**
Capital/Shareholders' Equity	**26,769,343,722**	**26,837,922,222**
Paid up Capital	11,065,754,350	11,065,754,350
Statutory Reserve	11,065,754,350	11,041,529,482
General Reserve	2,480,000,000	2,480,000,000
Other Reserve	1,289,370,972	1,423,252,689
Foreign currency translation gain/(loss)	17,402,853	17,095,140
Surplus in Profit & Loss Account	851,061,197	810,290,560
Non Controlling Interest	114,949,042	110,801,282
Total Shareholders' Equity	**26,884,292,765**	**26,948,723,504**
Total Liabilities & Shareholders' Equity	**484,173,903,342**	**480,976,839,782**

Un-audited Consolidated Balance Sheet
As at 30 June 2026

	Amount in BDT	
	Jun-26	Dec-25
OFF-BALANCE SHEET ITEMS		
Contingent liabilities		
Acceptances and Endorsements	48,530,588,138	55,580,552,033
Letters of Guarantee	19,884,103,687	19,247,512,905
Irrevocable Letters of Credit	99,829,371,692	98,339,091,366
Bills for Collection	9,230,772,189	11,007,287,618
Other Contingent Liabilities	-	-
Total	177,474,835,706	184,174,443,922
Other commitments		
Documentary credits and short term trade related transactions	-	-
Forward assets purchased and forward deposits placed	(12,656,272)	-
Undrawn note issuance and revolving underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
Total	(12,656,272)	-
Total Off-Balance Sheet Items including contingent liabilities	177,462,179,435	184,174,443,922
Net Asset Value Per Share (NAVPS)	24.30	24.35

Company Secretary

Chief Financial Officer

Managing Director

Director

Chairman

Dhaka

Date: 30 July 2026

Mercantile Bank PLC. and its Subsidiaries
Un-audited Consolidated Profit & Loss Account
For the period ended 30 June 2026

	Amount in BDT	
	Jan-26 to Jun-26	Jan-25 to Jun-25
Interest income/Profit on investment	21,638,023,311	17,897,411,256
Interest/Profit Paid on deposits, borrowings etc.	20,525,268,518	14,263,748,036
Net interest income	**1,112,754,793**	**3,633,663,220**
Investment income	2,077,829,515	1,775,745,903
Commission, exchange and brokerage	1,125,852,028	1,695,039,583
Other operating income	726,761,420	756,517,099
	3,930,442,962	**4,227,302,585**
Total operating income	**5,043,197,755**	**7,860,965,805**
Salaries and allowances	2,301,389,618	2,454,222,647
Rent, taxes, insurances, electricity etc.	442,745,141	367,443,187
Legal expenses	30,742,765	23,329,545
Postage, stamps, telecommunication etc.	55,383,925	53,933,440
Stationery, Printings, Advertisements etc.	218,281,549	364,339,877
Chief Executive's salary and fees	9,850,000	9,850,000
Directors' fees	2,989,788	2,746,000
Auditors' fees	405,286	348,067
Depreciation and repair of bank's assets	326,573,644	374,504,101
Other expenses	786,841,267	1,295,038,486
Total operating expenses	**4,175,202,981**	**4,945,755,349**
Profit/(Loss) before provision	**867,994,774**	**2,915,210,456**
Provision for loans and advances/investments including Off Balance Sheet items	405,278,002	383,193,751
Provision for diminution in value of investments in shares	10,000,000	10,000,000
Other provision	-	-
Total provision	**415,278,002**	**393,193,751**
Total Profit/(Loss) before Taxes	**452,716,771**	**2,522,016,705**
Provision for Current Tax	220,234,389	542,587,568
Provision for Deferred Tax	(15,336,539)	(32,667,918)
	204,897,850	**509,919,650**
Net Profit after Taxation	**247,818,921**	**2,012,097,055**
Appropriations		
Statutory Reserve	24,224,868	499,856,874
Startup Fund	2,392,489	19,992,844
General Reserve	-	700,000,000
Other Reserve	205,916	-
Coupan Interest on MBL Perpetual Bond	181,500,006	181,500,000
	208,323,279	**1,401,349,718**
Retained surplus	**39,495,642**	**610,747,336**
Net profit after Tax attributable to:		
Equity holders of Mercantile Bank Ltd.	35,347,882	608,644,736
Non Controlling Interest	4,147,760	2,102,600
	39,495,642	**610,747,336**
Earnings Per Share (EPS)	**0.22**	**1.82**

Company Secretary | **Chief Financial Officer**

Director | **Managing Director** | **Chairman**

Dhaka
Date: 30 July 2026

Mercantile Bank PLC. and its Subsidiaries
Un-audited Consolidated Profit & Loss Account
For the period ended 30 June 2026

	Amount in BDT			
	Jan-26 to Jun-26	Jan-25 to Jun-25	Apr'26-Jun'26	Apr'25-Jun'25
Interest income/Profit on investment	21,638,023,311	17,897,411,256	14,854,402,889	10,973,531,219
Interest/Profit Paid on deposits, borrowings etc.	20,525,268,518	14,263,748,036	13,845,294,782	7,481,842,071
Net Interest Income	**1,112,754,793**	**3,633,663,220**	**1,009,108,107**	**3,491,689,148**
Investment Income	2,077,829,515	1,775,745,903	(98,365,535)	(994,306,907)
Commission, Exchange and Brokerage	1,125,852,028	1,695,039,583	615,810,489	734,792,571
Other Operating Income	726,761,420	756,517,099	461,095,461	456,196,860
	3,930,442,962	**4,227,302,585**	**978,540,415**	**196,682,525**
Total Operating Income	**5,043,197,755**	**7,860,965,805**	**1,987,648,522**	**3,688,371,673**
Salaries and Allowances	2,301,389,618	2,454,222,647	1,204,617,882	1,496,914,487
Rent, Taxes, Insurances, Electricity etc.	442,745,141	367,443,187	239,446,280	193,078,044
Legal Expenses	30,742,765	23,329,545	14,013,291	11,489,334
Postage, Stamps, Telecommunication etc.	55,383,925	53,933,440	36,618,393	35,792,465
Stationery, Printings, Advertisements etc.	218,281,549	364,339,877	65,386,455	112,948,740
Chief Executive's Salary and Fees	9,850,000	9,850,000	4,925,000	4,925,000
Directors' Fees	2,989,788	2,746,000	2,023,788	1,158,000
Auditors' Fees	405,286	348,067	202,490	179,042
Depreciation and Repair to bank's property	326,573,644	374,504,101	161,776,684	171,773,810
Other Expenses	786,841,267	1,295,038,486	411,977,531	422,358,789
Total Operating Expenses	**4,175,202,981**	**4,945,755,349**	**2,140,987,793**	**2,450,617,710**
Profit/(loss) before provision	**867,994,774**	**2,915,210,456**	**(153,339,271)**	**1,237,753,963**
Provision for loans and advances/investments including Off Balance Sheet items	405,278,002	383,193,751	(82,887,813)	56,591,209
Provision for diminution in value of investments in shares	10,000,000	10,000,000	7,000,000	5,000,000
Other Provision	-	-	-	(11,731,177)
Total Provision	**415,278,002**	**393,193,751**	**(75,887,813)**	**49,860,032**
Total Profit before taxes	**452,716,771**	**2,522,016,705**	**(77,451,458)**	**1,187,893,931**
Provision for Current Tax	220,234,389	542,587,568	4,449,174	118,834,226
Provision for Deferred Tax	(15,336,539)	(32,667,918)	(4,428,229)	(15,559,156)
	204,897,850	**509,919,650**	**20,945**	**103,275,070**
Net Profit after Taxation	**247,818,921**	**2,012,097,055**	**(77,472,404)**	**1,084,618,861**
Appropriations				
Statutory Reserve	24,224,868	499,856,874	(78,641,147)	237,914,873
Startup Fund	2,392,489	19,992,844	(750,812)	10,895,744
General Reserve	-	700,000,000	-	700,000,000
Other Reserve	205,916	-	205,916	-
Coupan Interest on MBL Perpetual Bond	181,500,006	181,500,000	90,750,004	90,750,000
	208,323,279	**1,401,349,718**	**11,563,961**	**1,039,560,616**
Retained surplus	**39,495,642**	**610,747,337**	**(89,036,365)**	**45,058,245**
Net profit after Tax attributable to:				
Equity holders of Mercantile Bank Ltd.	35,347,882	608,644,737	(91,306,717)	44,030,100
Non Controlling Interest in Profit	4,147,760	2,102,600	2,270,352	1,028,145
	39,495,642	**610,747,337**	**(89,036,365)**	**45,058,246**
Consolidated Earnings Per Share (EPS)	**0.22**	**1.82**	**(0.07)**	**0.98**

Company Secretary

Chief Financial Officer

Director

Managing Director

Chairman

Dhaka
Date: 30 July 2026

Mercantile Bank PLC. and its Subsidiaries
Un-audited Consolidated Cash Flow Statement
For the period ended 30 June 2026

	Amount in BDT	
	Jan-26 to Jun-26	Jan-25 to Jun-25
A) Cash flows from operating activities		
	10,316,601,964	**5,223,848,833**
Interest received	20,774,499,221	13,886,380,317
Interest paid	(7,663,330,260)	(6,463,010,418)
Dividends receipts	31,249,445	28,859,160
Fees and commission received	784,952,455	924,590,240
Recoveries on loans previously written off	26,339,643	45,372,316
Payment to the employees	(2,301,389,618)	(2,447,672,647)
Payment to suppliers	(218,281,549)	(364,339,877)
Income taxes paid	(1,117,437,374)	(386,330,258)
Received from other operating activities	**2,985,890,126**	**6,602,485,501**
Exchange gain	340,899,573	770,449,344
Other operating income	2,644,990,553	5,832,036,157
Payment for other operating activities	**(1,560,611,904)**	**(1,870,654,802)**
Rent, taxes, insurances and electricity	(228,991,252)	(180,569,480)
Legal expenses	(30,742,765)	(23,329,545)
Postage, stamps and telecommunication	(54,777,848)	(53,720,521)
Auditors' fees	1,779,714	226,933
Repair and maintenance	(67,877,902)	(79,166,593)
Chief Executive's salary and fees	(9,850,000)	(16,400,000)
Directors' fees	(2,989,788)	(2,746,000)
Other expenses	(1,167,162,063)	(1,514,949,596)
Operating profit before changes in operating assets & liabilities	**11,741,880,186**	**9,955,679,532**
(Increase)/ decrease in operating assets and liabilities	**(923,783,284)**	**(25,671,636,503)**
Trading securities	10,704,088,936	(19,377,653,477)
Loans and advances to other banks	-	-
Loans and advances to customer	(11,627,872,219)	(6,293,983,025)
Other assets (Item-wise)	**(739,738,459)**	**1,207,600,644**
Income generating other assets:		
Investment in shares of subsidiary companies		
Investment in Shares of subsidiary company (In Bangladesh) Mercantile Bank Securities Limited	(35,512,914)	(13,183,159)
Investment in Shares of subsidiary company (In Bangladesh) MBL Asset Management Limited	(763,113)	(4,741,243)
Investment in Shares of subsidiary company (outside Bangladesh) Mercantile Exchange House (UK) Limited	2,032,004	(1,380,420)
Mercantile Bank OBU Unit	-	-
Islamic-Conv. Adjustment Account	-	-
Non-income generating other assets:		
Stationery, stamps,printing materials in stock etc	4,248,410	(8,345,557)
Advance rent and advertisement	105,064,808	89,749,063
Interest accued on investment but not collected,commission and brokerage receivable on shares and debenture and other income receivable	(391,643,498)	(474,790,827)
Security deposit	104,525	(10,620)
Preliminery, formation and organization expenses, renovation/development expenses and prepaid expenses	(334,075,658)	(203,534,162)
Branch adjustment	-	-
Inter Branch Settlement Account	62,622,963	1,389,891,813
Suspense Account	(228,229,180)	319,943,865
Right Of Use (ROU) Assets as per IFRS-16	76,413,194	114,001,888
	(9,263,957,357)	**18,495,081,558**
Deposit from other banks	12,650,896,956	464,252,943
Deposit from customers	(11,217,245,180)	13,385,012,242
Other liabilities	(10,697,609,133)	4,645,816,373
Net cash flows from operating activities	**814,401,086**	**3,986,725,231**

Un-audited Consolidated Cash Flow Statement
For the period ended 30 June 2026

	Amount in BDT	
	Jan-26 to Jun-26	Jan-25 to Jun-25
B) Cash flows from investing activities		
Brokerage House customer account	-	-
(Purchase)/ sale of property, plant and equipment	(77,350,117)	(105,736,194)
(Purchase)/sale of shares	50,828,542	8,587,956
(Purchase)/sale of bond	-	-
Other investment	(20,732,175,206)	(7,228,499,136)
Net cash flows from investing activities	**(20,758,696,781)**	**(7,325,647,374)**
C) Cash flows from financing activities		
Receipts from issue of loan capital and debt Securities	-	-
Payments for redemption of loan capital and debt securities	-	-
Paid for Interest on Subordinated bond	-	(5,293,242)
Received by issue of right share	-	-
Dividend paid	-	-
Net cash flows from financing activities	**-**	**(5,293,242)**
Net increase/(decrease) in cash & cash equivalent (A+B+C)	**(19,944,295,695)**	**(3,344,215,385)**
Effects of Exchange rate changes on cash and cash equivalents	15,929,515	45,576,593
Cash and cash equivalent at beginning of the year	48,434,156,977	42,308,425,872
Cash and cash equivalent at the end of the period	**28,505,790,797**	**39,009,787,080**
** **Net Operating Cash Flow Per Share (NOCFPS)**	**0.74**	**3.60**
Cash and cash equivalents at the end of the period		
Cash in hand (Including foreign currencies)	3,658,588,334	3,947,787,825
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)	17,424,241,557	19,073,359,447
Balance with other banks and financial institutions	3,482,243,606	13,671,940,008
Prize Bonds	7,117,300	8,766,700
Money at call on short notice	3,933,600,000	2,307,933,100
	28,505,790,797	**39,009,787,080**

** **Net Operating Cash Flow Per Share (NOCFPS) has decreased compared to the previous period due to a decrease in Net Cash flows from operating activities.**

Company Secretary **Chief Financial Officer**

Managing Director

Director **Chairman**

Dhaka

Date: 30 July 2026

Mercantile Bank PLC. and its Subsidiaries
Un-audited Consolidated Statement of Changes in Equity
For the period ended 30 June 2026

Amount in BDT

Particulars	Paid-up Capital	Statutory Reserve	General reserve	Foreign currency translation gain/(loss)	Other Reserve: Dividend Equalization Fund	Other Reserve: Adjustment for Approved Securities	Other Reserve: Revaluation Surplus for Fixed Assets/Other	Other Reserve: Net Balance of Other Reserve	Surplus: Profit/(loss)	Total	Non Controlling Interest	Grand Total
	A	B	C	D	E	F	G	H=(E+F+G)	I	J=(A+B+C+D+H+I)	K	L=(J+K)
Balance as at 1 January 2026	**11,065,754,350**	**11,041,529,482**	**2,480,000,000**	**17,095,140**	**45,680,250**	**690,719,542**	**687,058,813**	**1,423,458,604**	**810,290,560**	**26,838,128,137**	**110,801,282**	**26,948,929,419**
Changes in accounting policy	-	-	-	-	-	-		-	-	-	-	-
Statutory reserve	-	24,224,868	-	-	-	-	-	-	(24,224,868)	-	-	-
Coupan Interest on MBL Perpetual Bond	-	-	-	-	-	-	-	-	(181,500,006)	(181,500,006)	-	(181,500,006)
Startup Fund	-	-	-	-	-	-	-	-	(2,392,489)	(2,392,489)	-	(2,392,489)
General reserve	-	-	-	-	-	-	-	-	-	-	-	-
Market adjustment of approved securities (HTM)	-	-	-	-	-	(134,087,632)	43,446,858	(90,640,775)	-	(90,640,775)	-	(90,640,775)
Surplus/deficit on account of revaluation/Reserve of properties/others	-	-	-	-	-	-	(43,446,858)	(43,446,858)	-	(43,446,858)	-	(43,446,858)
Surplus/deficit on account of revaluation of investments	-	-	-		-	-	-	-		-	-	-
Currency translation difference	-	-	-	307,713	-	-	-	-	1,069,079	1,376,792	-	1,376,792
Net gains and losses not recognised in Income Statement			-	-	-	-	-	-	-	-		-
Net profit for the period after taxation	-		-	-	-	-	-	-	247,818,921	247,818,921	4,147,760	251,966,681
Transfer	-		-	-	-	-	-	-	-	-	-	-
Issuance of bonus shares	-	-	-	-	-	-	-	-	-	-	-	-
Bonus share premium	-		-	-	-	-	-	-	-	-		-
Cash dividend	-	-	-	-	-	-	-	-	-	-	-	-
Dividend equalization fund	-	-	-	-	-	-	-	-	-	-	-	-
Non controlling share capital/profit	-	-	-	-	-	-	-	-	-	-	-	-
Issue of right share	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30.06.2026	**11,065,754,350**	**11,065,754,350**	**2,480,000,000**	**17,402,853**	**45,680,250**	**556,631,909**	**687,058,813**	**1,289,370,972**	**851,061,197**	**26,769,343,722**	**114,949,042**	**26,884,292,765**
Balance as at 30.06.2025	**11,065,754,350**	**11,167,412,211**	**3,180,000,000**	**17,799,090**	**45,680,250**	**559,425,707**	**686,261,417**	**1,291,367,374**	**959,388,862**	**27,681,721,887**	**109,217,484**	**27,790,939,371**

Company Secretary

Managing Director

Chief Financial Officer

Director

Chairman

Dhaka

Date: 30 July 2026

Mercantile Bank PLC. and its Subsidiaries
Un-audited Consolidated Liquidity Statement
Asset and Liability Maturity Analysis
As at 30 June 2026

Amount in BDT

Particulars	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	More than 5 years	Total
Assets:						
Cash in hand	3,658,270,910	3,392,052,557	317,424	-	14,032,189,000	21,082,829,891
Balance with other banks and financial institutions	20,088,281	263,698,517	3,198,456,808	-	-	3,482,243,606
Money at call on short notice	3,933,600,000	-	-	-	-	3,933,600,000
Investments	2,701,989,323	3,840,830,715	16,152,038,808	50,475,242,019	63,468,364,293	136,638,465,158
Loans and advances/investments	68,253,611,750	24,440,566,641	56,847,326,566	85,964,822,471	70,339,247,032	305,845,574,460
Fixed assets including premises, furniture and fixtures	-	-	379,512,806	2,760,434,043	-	3,139,946,849
Other assets	2,953,771,911	2,088,029,874	3,202,361,363	81,941,896	714,988,003	9,041,093,046
Non-banking assets Land	-	-	-	-	1,010,150,332	1,010,150,332
Total Assets	**81,521,332,175**	**34,025,178,304**	**79,780,013,775**	**139,282,440,429**	**149,564,938,660**	**484,173,903,342**
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	-	-	27,618,069,947	-	-	27,618,069,947
Deposits (Conventional and Islamic banking)	71,101,354,967	29,114,249,950	25,545,714,460	97,354,072,802	139,601,002,813	362,716,394,992
Other accounts	5,824,408,252	-	-	-	-	5,824,408,252
Non-convertible Subordinated Bond	-	-	-	-	-	-
Mercantile Bank Perpetual Bond	-	-	-	-	3,630,000,000	3,630,000,000
Provision and other liabilities	-	202,923,165	21,574,485,756	35,723,328,465		57,500,737,387
Total Liabilities	**76,925,763,219**	**29,317,173,115**	**74,738,270,163**	**133,077,401,267**	**143,231,002,813**	**457,289,610,578**
Net Liquidity Gap	**4,595,568,956**	**4,708,005,188**	**5,041,743,612**	**6,205,039,162**	**6,333,935,846**	**26,884,292,765**

Mercantile Bank PLC.
Un-audited Balance Sheet
As at 30 June 2026

	Amount in BDT	
	Jun-26	**Dec-25**
PROPERTY AND ASSETS		
Cash	**21,082,512,467**	**29,094,536,109**
Cash in hand (Including foreign currencies)	3,658,270,910	4,163,665,980
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)	17,424,241,557	24,930,870,128
Balance with other banks and financial institutions	**3,437,650,485**	**15,799,296,237**
In Bangladesh	790,596,230	1,859,240,158
Outside Bangladesh	2,647,054,255	13,940,056,079
Money at call on short notice	**3,933,600,000**	**3,471,054,000**
Investments	**134,581,222,521**	**127,853,585,736**
Government	126,536,019,786	119,757,554,460
Others	8,045,202,734	8,096,031,276
Loans and Advances/investments	**301,745,766,458**	**285,935,574,074**
Loans, Cash Credit, Overdraft etc/investments	292,339,896,183	278,168,575,650
Bills purchased and discounted	9,405,870,275	7,766,998,424
Fixed assets including premises, furniture and fixtures	**3,028,599,559**	**3,131,089,404**
Other assets	**12,296,832,432**	**11,592,242,363**
Non- banking assets	**1,010,150,332**	**1,010,150,332**
Total Assets	**481,116,334,253**	**477,887,528,253**
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	**27,158,768,621**	**14,427,279,690**
Mercantile Bank Perpetual Bond	**3,630,000,000**	**3,630,000,000**
Deposits and other Accounts	**368,573,050,603**	**379,787,527,443**
Current/ Al-wadeeah current accounts and other accounts	103,457,447,429	107,711,890,347
Bills Payable	5,824,408,252	3,122,006,246
Savings Bank/Mudaraba savings bank deposits	44,173,919,510	41,152,368,733
Fixed deposits/Mudaraba fixed deposits	123,129,964,296	143,333,705,572
Deposit under schemes/Mudaraba deposit schemes	91,987,311,117	84,467,556,545
Other Liabilities	**55,367,533,282**	**53,577,315,869**
Total Liabilities	**454,729,352,506**	**451,422,123,002**
Capital/Shareholders' Equity		
Paid up capital	11,065,754,350	11,065,754,350
Statutory reserve	11,065,754,350	11,041,529,482
General reserve	2,480,000,000	2,480,000,000
Other reserve	1,245,924,114	1,380,011,747
Foreign currency translation gain/(loss)	17,402,853	17,095,140
Surplus in Profit & Loss Account	512,146,080	481,014,532
Total shareholders' Equity	**26,386,981,747**	**26,465,405,251**
Total Liabilities & Shareholders' Equity	**481,116,334,253**	**477,887,528,253**

Un-audited Balance Sheet
As at 30 June 2026

	Amount in BDT	
	Jun-26	Dec-25
OFF-BALANCE SHEET ITEMS		
Contingent liabilities		
Acceptances and Endorsements	48,530,588,138	55,580,552,033
Letters of Guarantee	19,884,103,687	19,247,512,905
Irrevocable Letters of Credit	99,829,371,692	98,339,091,366
Bills for Collection	9,230,772,189	11,007,287,618
Other Contingent Liabilities	-	-
Total	**177,474,835,706**	**184,174,443,922**
Other commitments		
Documentary credits and short term trade related transactions	-	-
Forward assets purchased and forward deposits placed	(12,656,272)	-
Undrawn note issuance and revolving underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
Total	**(12,656,272)**	**-**
Total Off-Balance Sheet items including contingent liabilities	**177,462,179,435**	**184,174,443,922**
Net Asset Value Per Share (NAVPS)	**23.85**	**23.92**

Company Secretary

Chief Financial Officer

Managing Director

Director

Chairman

Dhaka

Date: 30 July 2026

Mercantile Bank PLC.
Un-audited Profit and Loss Account
For the period ended 30 June 2026

	Amount in BDT	
	Jan-26 to Jun-26	Jan-25 to Jun-25
Interest income/Profit on investment	21,565,514,062	17,820,937,980
Interest/Profit Paid on deposits, borrowings etc.	20,479,227,939	14,210,810,443
Net interest income	**1,086,286,124**	**3,610,127,536**
Investment income	2,048,761,720	1,745,128,880
Commission, exchange and brokerage	1,043,245,182	1,628,931,794
Other operating income	721,775,024	752,415,181
	3,813,781,926	**4,126,475,855**
Total operating income	**4,900,068,050**	**7,736,603,392**
Salaries and allowances	2,268,125,119	2,416,938,399
Rent, taxes, insurances, electricity etc.	434,258,963	357,836,244
Legal expenses	27,539,838	22,015,905
Postage, stamps, telecommunication etc.	54,419,187	52,971,701
Stationery, Printings, Advertisements etc.	217,705,393	363,936,939
Chief Executive's Salary and fees	9,850,000	9,850,000
Directors' fees	2,764,688	2,548,000
Auditors' fees	-	-
Depreciation and repair of bank's assets	323,736,952	372,511,515
Other expenses	764,852,374	1,276,544,854
Total operating expenses	**4,103,252,514**	**4,875,153,557**
Profit/(Loss) before provision	**796,815,536**	**2,861,449,834**
Provision for loans and advances/investments including Off Balance Sheet items	357,566,625	362,165,463
Provision for diminution in value of investments in shares	-	-
Other provision	-	-
Total provision	**357,566,625**	**362,165,463**
Total profit/(Loss) before taxes	**439,248,911**	**2,499,284,371**
Provision for Current Tax	215,307,671	532,635,927
Provision for Deferred Tax	(15,307,671)	(32,635,927)
	200,000,000	**500,000,000**
Net profit after taxation	**239,248,911**	**1,999,284,371**
Appropriations		
Statutory reserve	24,224,868	499,856,874
Startup Fund	2,392,489	19,992,844
General reserve	-	700,000,000
Coupan Interest on MBL Perpetual Bond	181,500,006	181,500,000
	208,117,363	**1,401,349,718**
Retained surplus	**31,131,548**	**597,934,653**
Earnings per share (EPS)	**0.22**	**1.81**

Company Secretary **Chief Financial Officer**

Managing Director

Director **Chairman**

Dhaka
Date: 30 July 2026

Mercantile Bank PLC.
Un-audited Profit & Loss Account
For the period ended 30 June 2026

	Amount in BDT			
	Jan-26 to Jun-26	Jan-25 to Jun-25	Apr'26-Jun'26	Apr'25-Jun'25
Interest income/Profit on investment	21,565,514,062	17,820,937,980	14,817,870,074	10,940,994,823
Interest/Profit Paid on deposits, borrowings etc.	20,479,227,939	14,210,810,443	13,823,209,738	7,454,951,928
Net Interest Income	**1,086,286,124**	**3,610,127,536**	**994,660,336**	**3,486,042,895**
Investment Income	2,048,761,720	1,745,128,880	(120,582,638)	(1,014,289,910)
Commission, Exchange and Brokerage	1,043,245,182	1,628,931,794	569,720,051	712,490,472
Other Operating Income	721,775,024	752,415,181	458,020,472	454,120,704
	3,813,781,926	**4,126,475,855**	**907,157,885**	**152,321,266**
Total Operating Income	**4,900,068,050**	**7,736,603,392**	**1,901,818,221**	**3,638,364,160**
Salaries and Allowances	2,268,125,119	2,416,938,399	1,188,161,188	1,478,478,561
Rent, Taxes, Insurances, Electricity etc.	434,258,963	357,836,244	235,708,708	187,934,293
Legal Expenses	27,539,838	22,015,905	11,164,570	10,598,902
Postage, Stamps, Telecommunication etc.	54,419,187	52,971,701	36,075,173	35,300,838
Stationery, Printings, Advertisements etc.	217,705,393	363,936,939	65,167,696	112,809,106
Chief Executive's Salary and Fees	9,850,000	9,850,000	4,925,000	4,925,000
Directors' Fees	2,764,688	2,548,000	1,879,188	1,081,000
Auditors' Fees	-	-	-	-
Depreciation and Repair to bank's property	323,736,952	372,511,515	159,721,419	170,854,846
Other Expenses	764,852,374	1,276,544,854	399,000,157	412,139,928
Total Operating Expenses	**4,103,252,514**	**4,875,153,557**	**2,101,803,099**	**2,414,122,474**
Profit/(loss) before provision	**796,815,536**	**2,861,449,834**	**(199,984,877)**	**1,224,241,686**
Provision for loans and advances/investments including Off Balance Sheet items	357,566,625	362,165,463	(124,903,713)	46,398,499
Provision for diminution in value of investment	-	-	-	-
Other Provision	-	-	-	(11,731,177)
Total Provision	**357,566,625**	**362,165,463**	**(124,903,713)**	**34,667,322**
Total Profit before taxes	**439,248,911**	**2,499,284,371**	**(75,081,164)**	**1,189,574,364**
Provision for Current Tax	215,307,671	532,635,927	3,785,118	115,542,458
Provision for Deferred Tax	(15,307,671)	(32,635,927)	(3,785,118)	(15,542,458)
	200,000,000	**500,000,000**	**-**	**100,000,000**
Net Profit after Taxation	**239,248,911**	**1,999,284,371**	**(75,081,164)**	**1,089,574,364**
Profit available for appropriation	**239,248,911**	**1,999,284,371**	**(75,081,165)**	**1,089,574,364**
Appropriation				
Statutory Reserve	24,224,868	499,856,874	(78,641,147)	237,914,873
Startup Fund	2,392,489	19,992,844	(750,812)	10,895,744
General reserve	-	700,000,000	-	700,000,000
Coupan Interest on MBL Perpetual Bond	181,500,006	181,500,000	90,750,004	90,750,000
	208,117,363	**1,401,349,718**	**11,358,045**	**1,039,560,616**
Retained Surplus	**31,131,548**	**597,934,653**	**(86,439,209)**	**50,013,748**
Earnings Per Share (EPS)	**0.22**	**1.81**	**(0.06)**	**0.99**

Company Secretary

Chief Financial Officer

Managing Director

Director

Chairman

Dhaka
Date: 30 July 2026

Mercantile Bank PLC.
Un-audited Cash Flow Statement
For the period ended 30 June 2026

	Amount in BDT	
	Jan-26 to Jun-26	**Jan-25 to Jun-25**
A) Cash flows from operating activities		
	10,225,437,589	**5,126,315,952**
Interest received	20,701,989,973	13,809,907,040
Interest paid	(7,617,289,681)	(6,410,072,825)
Dividends receipts	31,249,445	28,859,160
Fees and commission received	686,416,094	812,905,857
Recoveries on loans previously written off	26,339,643	45,372,316
Payment to the employees	(2,268,125,119)	(2,410,388,399)
Payment to suppliers	(217,705,393)	(363,936,939)
Income taxes paid	(1,117,437,374)	(386,330,258)
Received from other operating activities	**2,950,459,144**	**6,568,916,463**
Exchange gain	339,522,781	771,599,246
Other operating income	2,610,936,363	5,797,317,217
Payment for other operating activities	**(1,525,338,784)**	**(1,839,732,782)**
Rent, taxes, insurances and electricity	(220,505,075)	(170,962,538)
Legal expenses	(27,539,838)	(22,015,905)
Postage, stamps and telecommunication	(53,813,110)	(52,758,782)
Auditors' fees	2,185,000	575,000
Repair and maintenance	(67,877,902)	(79,166,593)
Chief Executive's Salary and fees	(9,850,000)	(16,400,000)
Directors' fees	(2,764,688)	(2,548,000)
Other expenses	(1,145,173,170)	(1,496,455,964)
Operating profit before changes in operating assets and liabilities	**11,650,557,950**	**9,855,499,633**
(Increase)/ decrease in operating assets and liabilities	**(5,106,103,448)**	**(25,506,511,641)**
Trading securities	10,704,088,936	(19,377,653,477)
Loans and advances to other banks	-	-
Loans and advances to customers	(15,810,192,384)	(6,128,858,163)
Other assets (Item-wise)	**(704,590,069)**	**1,220,959,748**
Income generating other assets:		
Investment in shares of subsidiary companies		
Investment in Shares of subsidiary company (In Bangladesh) Mercantile Bank Securities Ltd.	-	-
Investment in Shares of subsidiary company (In Bangladesh) MBL Asset Management Ltd.	-	-
Investment in Shares of subsidiary company (outside Bangladesh) Mercantile Exchange House (UK) Ltd.	904,366	(5,945,716)
Mercantile Bank OBU Unit	-	-
Islamic-Conv. Adjustment Account	-	-
Non-income generating other assets:		
Stationery, stamps,printing materials in stock etc	4,248,410	(8,345,557)
Advance rent and advertisement	105,064,808	89,749,063
Interest accued on investment but not collected,commission and brokerage receivable on shares and debenture and other income receivable	(391,643,498)	(474,790,827)
Security deposit	104,525	(10,620)
Preliminery, formation and organization expenses, renovation/development expenses and prepaid expenses	(334,075,658)	(203,534,162)
Branch adjustment	-	-
Inter Branch Settlement Account	62,622,963	1,389,891,813
Suspense Account	(228,229,180)	319,943,865
Right Of Use (ROU) Assets as per IFRS-16	76,413,194	114,001,888
	(5,009,714,918)	**18,407,451,740**
Deposit from other banks	12,731,488,931	358,420,857
Deposit from customers	1,647,461,418	13,350,595,428
Other liabilities	(19,388,665,266)	4,698,435,455
Net Cash flows from operating activities	**830,149,514**	**3,977,399,482**

Un-audited Cash Flow Statement
For the period ended 30 June 2026

	Amount in BDT	
	Jan-26 to Jun-26	Jan-25 to Jun-25
B) Cash flows from investing activities		
(Purchase)/sale of property, plant and equipment	(76,487,049)	(107,418,338)
(Purchase)/sale of shares	50,828,542	8,587,956
Purchase/sale of bond	-	-
Other investment activities	(20,732,175,206)	(7,228,499,136)
Net cash flows from investing activities	**(20,757,833,714)**	**(7,327,329,518)**
C) Cash flows from financing activities		
Receipts from Issue of loan capital and debt securities	-	-
Payments for redemption of loan capital and debt securities	-	-
Paid for Interest on Subordinated bond	-	(5,293,242)
Received by issue of right share	-	
Dividend paid	-	
Net cash flows from financing activities	**-**	**(5,293,242)**
Net increase/(decrease)in cash & cash equivalent (A+B+C)	**(19,927,684,200)**	**(3,355,223,279)**
Effects of Exchange rate changes on cash and cash equivalents	17,306,306	44,426,691
Cash and cash equivalent at the beginning of the year	48,371,258,145	42,260,828,946
Cash and cash equivalent at the end of the period	**28,460,880,252**	**38,950,032,358**
** **Net Operating Cash Flow Per Share (NOCFPS)**	**0.75**	**3.59**
Cash and cash equivalents at end of the period		
Cash in hand (Including foreign currencies)	3,658,270,910	3,947,167,132
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)	17,424,241,557	19,073,359,447
Balance with other banks and financial institutions	3,437,650,485	13,612,805,979
Prize Bonds	7,117,300	8,766,700
Money at call on short notice	3,933,600,000	2,307,933,100
	28,460,880,252	**38,950,032,358**

** **Net Operating Cash Flow Per Share (NOCFPS) has decreased compared to the previous period due to a decrease in Net Cash flows from operating activities.**

Company Secretary

Chief Financial Officer

Managing Director

Director

Chairman

Dhaka

Date: 30 July 2026

Mercantile Bank PLC.
Un-audited Statement of Changes in Equity
For the period ended 30 June 2026

Amount in BDT

Particulars	Paid-up capital	Statutory reserve	General reserve	Foreign currency translation gain/(loss)	Other reserve				Surplus profit/(loss)	Total
					Dividend Equalization Fund	Adjustment for Approved Securities	Revaluation surplus for Fixed assets/Other	Net balance of other reserve		
	A	B	C	D	E	F	G	H=E+F+G	I	J=A+B+C+D+H+I
Balance as at 1 January 2026	**11,065,754,350**	**11,041,529,482**	**2,480,000,000**	**17,095,140**	**45,680,250**	**690,719,542**	**643,611,955**	**1,380,011,747**	**481,014,532**	**26,465,405,251**
Changes in accounting policy	-	-	-	-	-		-	-	-	-
Transfer from income of OBU			-	-				-	-	-
Statutory reserve	-	24,224,868	-	-	-	-	-	-	(24,224,868)	-
Coupan Interest on MBL Perpetual Bond									(181,500,006)	**(181,500,006)**
Startup Fund	-	-	-	-	-	-	-	-	(2,392,489)	**(2,392,489)**
General reserve	-	-	-	-	-	-	-	-	-	-
Market adjustment of approved	-	-	-	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation/Reserve of properties	-	-	-	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	(134,087,632)	-	(134,087,632)	-	**(134,087,632)**
Currency translation difference	-	-	-	307,713	-	-	-	-	-	**307,713**
Net gains and losses not recognised			-	-		-	-	-	-	-
in the income statement	-	-	-	-	-		-	-	-	-
Net profit for the period after taxation	-	-	-	-	-	-	-	-	239,248,911	**239,248,911**
Transfer	-	-	-	-	-	-	-	-	-	-
Issuance of bonus share	-	-	-	-	-	-	-	-	-	-
Bonus share premium	-	-	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	-	-	-	-	-
Dividend equalization fund	-	-	-	-	-	-	-	-	-	-
Issue of right share	-	-	-	-	-	-	-	-	-	-
Balance as at 30.06.2026	11,065,754,350	11,065,754,350	2,480,000,000	17,402,853	45,680,250	556,631,909	643,611,955	1,245,924,114	512,146,080	26,386,981,747
Balance as at 30.06.2025	11,065,754,350	11,167,412,211	3,180,000,000	17,799,090	45,680,250	559,425,707	643,611,955	1,248,717,912	628,051,310	27,307,734,873

Company Secretary

Managing Director

Chief Financial Officer

Director

Chairman

Dhaka

Date: 30 July 2026

Mercantile Bank PLC.
Un-audited Liquidity Statement
Asset and Liability Maturity Analysis
As at 30 June 2026

Amount in BDT

Particulars	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	More than 5 years	Total
Assets:						
Cash in hand	3,658,270,910	3,392,052,557	-	-	14,032,189,000	21,082,512,467
Balance with other banks and financial institutions	20,088,281	263,698,517	3,153,863,686	-	-	3,437,650,485
Money at call on short notice	3,933,600,000	-	-	-	-	3,933,600,000
Investments	2,701,989,323	3,840,830,715	14,094,796,170	50,475,242,019	63,468,364,293	134,581,222,521
Loans and advances/investments	68,253,611,750	24,440,566,641	52,747,518,564	85,964,822,471	70,339,247,032	301,745,766,458
Fixed assets including premises, furniture and fixtures	-	-	379,512,806	2,649,086,754	-	3,028,599,559
Other assets	2,953,771,911	2,088,029,874	3,202,361,363	81,941,896	3,970,727,389	12,296,832,432
Non-banking assets Land	-	-	-	-	1,010,150,332	1,010,150,332
Total assets	**81,521,332,175**	**34,025,178,304**	**73,578,052,590**	**139,171,093,140**	**152,820,678,046**	**481,116,334,253**
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	-	-	27,158,768,621	-	-	27,158,768,621
Deposits (Conventional and Islamic banking)	71,101,354,967	29,114,249,950	19,041,135,675	100,811,968,227	142,679,933,532	362,748,642,351
Other accounts	5,824,408,252	-	-	-	-	5,824,408,252
Non-convertible Subordinated Bond	-	-	-	-	-	-
Mercantile Bank Perpetual Bond	-	-	-	-	3,630,000,000	3,630,000,000
Provision and other liabilities	-	202,923,165	21,574,485,756	33,590,124,360	-	55,367,533,282
Total liabilities	**76,925,763,219**	**29,317,173,115**	**67,774,390,052**	**134,402,092,587**	**146,309,933,532**	**454,729,352,506**
Net Liquidity Gap	**4,595,568,956**	**4,708,005,188**	**5,803,662,538**	**4,769,000,552**	**6,510,744,514**	**26,386,981,747**

Mercantile Bank PLC.

Selected Notes to the Financial Statements
As at and for the year ended 30 June, 2026

1.0 Legal Status of the Bank

Mercantile Bank PLC. ("the Bank") is one of the third generation Private Commercial Banks (PCBs) incorporated in Bangladesh as a Public Company, Limited by shares under the Companies Act 1994 on 20 May, 1999 and subsequently obtained Banking operation license from Bangladesh Bank under the Bank Company Act, 1991 as amended in 2023. The bank commenced its commercial operation on 2 June, 1999. Afterward, the Bank went for public issue of shares in the year 2003 and its shares are listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE). As per BRPD Circular letter # 34 dated: 27 August 2023 Mercantile Bank Limited change it's Name as Mercantile Bank PLC. At present, the Bank has 153 Branches including 2 Islamic Banking Branch, 52 Sub-branches, 188 agent banking outlets, 200 own Automated Teller Machines (ATMs), 11 own Cash Recycler Machines (CRM), 2 Off-shore Banking Units (OBU), 45 Islamic Banking Windows and 2,569 employees all over Bangladesh. The Bank has 3 subsidiary companies namely Mercantile Bank Securities Ltd. (MBSL), MBL Asset Management Limited and Mercantile Exchange House (UK) Limited as on 30 June, 2026. It is to be mentioned here that MBPLC (Having 10% share holding) has obtained Letter of Intent (LOI) to start a Digital Banking Operation under consortium method in the name "Digi10 Bank PLC.". Apart, the establishment of another one subsidiary- namely MBL MyCash Limited is in the process of finalization. The registered office of the bank is situated at 61, Dilkusha C/A, Dhaka-1000, and Bangladesh.

1.1 Nature of Business Activities

MBPLC has been able to establish itself as a leading third generation private commercial bank by dint of its prudent policy guidelines coupled with proper execution, wider range of banking products and admirable customer services. The core activities of the Bank are to provide all kinds of commercial banking services including Deposits Mobilization, Corporate Banking, SME and Consumer Businesses, Discounting bills, Foreign Exchange Business, Off Shore Banking, Treasury function, Card business, Mobile Banking (MyCash), Internet Banking, Locker Service agent banking and Islamic Banking etc. MBPLC caters card services to its customers by VISA dual prepaid card, Credit Card, Debit card, VISA Medical Card, VISA International Student Card, VISA Dual Hajj Card and International/Dual cards with various up-to-date facilities. Mercantile Bank PLC. has started centralized 'MBPLC Contact Center' to provide banking services to customers' doorstep on 24/7 basis through 16225.

2. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all the period presented in these financial statements and have been applied consistently by the Bank.

2.1 Basis of Preparation of the Financial Statements

The financial statements of the Bank and its subsidiaries have been prepared for the year ended on 30 June, 2026 on a going concern basis in accordance with the First Schedule (Sec-38) of the Bank Companies Act, 1991 (as

Office of the Chief Financial Officer, Mercantile Bank PLC, HEAD OFFICE, DHAKA amended up to 2018), BRPD Circular #14 dated 25 June 2003, other Bangladesh Bank circulars, International Accounting Standards (IASs) & International Financial Reporting Standards (IFRSs) adopted by Financial Reporting Council (FRC) etc.

The Bank has complied with the requirements of following laws and regulations from various Government bodies:

I. The Bank Company Act, 1991(amendment thereon 2023).
II. The Companies Act, 1994 and amendment thereon.
III. Circulars, Regulations and Guidelines issued by Bangladesh Bank time to time.
IV. Securities and Exchange Ordinance 1969, Bangladesh Securities and Exchange Rules 2020, Bangladesh Securities and Exchange Commission Act 1993, Bangladesh Securities and Exchange Commission IPO Rules 2006, Gazette Notification (No. BSEC/CMRRCD/2006-158/208/Admin/81 Dated: 20 June 2018) on Financial Reporting and Disclosure, Any other directives, Orders and Circulars issued by Bangladesh Securities and Exchange Commission (BSEC).
V. Dhaka Stock Exchange (DSE) Listing Regulations, 2015, Chittagong Stock Exchange (CSE) (Listing) Regulations, 2015 and Central depository Bangladesh Limited (CDBL) rules & regulations.
VI. The Income Tax Act 2023.
VII. Statutory Regulatory Orders (SROs), General Orders, Notifications issued by NBR time to time
VIII. The VAT and Supplementary Duty Act, 2012 and amendment thereon; The VAT and Supplementary Duty Rules 2016.
IX. The Financial Reporting Act, 2015.

The consolidated financial statements of the Bank as at and for the year ended 30 June, 2026 have been prepared under the historical cost convention except investments and in accordance with the "first schedule" (section 38) of the Bank Companies Act 1991 as amended by Bangladesh Bank (the Central Bank of Bangladesh) through BRPD Circular No. 14 dated 25 June 2003, other Bangladesh Bank Circulars, International Accounting Standards, International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and exchange Rules 2020, Dhaka and Chittagong Stock Exchange's listing regulations. In case, any requirement of provisions and circulars issued by Bangladesh Bank differ with those of other regulatory authorities, the provisions and circulars issued by Bangladesh Bank shall prevail.

2.2 Basis of Consolidation

The Consolidated Financial Statements include the financial statements of Mercantile Bank PLC., Off-shore Banking Units and its subsidiaries- Mercantile Bank Securities Limited, MBL Asset Management Limited and Mercantile Bank Exchange House (UK) Limited, prepared as at and for the year ended 30 June, 2026. The Consolidated Financial Statements have been prepared in accordance with IAS 27 "Separate Financial Statements" and IFRS-10 "Consolidated Financial Statements".

2.3 Functional and Presentation Currency

The Bank has determined Bangladesh Taka (BDT) as functional currency. Moreover, functional currency for Off-shore banking unit is US Dollar (USD) and Mercantile Exchange House (UK) Limited is Pound Sterling (GBP).

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The financial statements of Bank and its subsidiaries are presented in Bangladesh Taka (BDT) except as indicated above; financial information has been rounded off to the nearest Taka.

2.4 Statement of Cash Flows

The statement of cash flows has been prepared in accordance with the guideline of BRPD Circular # 14, dated 25 June 2003 issued by the Banking Regulation and Policy Department of Bangladesh Bank which is a combination of direct and indirect methods. In addition to BRPD Circular 14, dated 25 June 2003 as stated, MBPLC. also follows IAS-7 for areas not covered in the above circular.

3. Break-up of Paid-up Capital

Accounting year	Declaration	No. of shares	Value in capital (BDT)	Cumulative (BDT)
1999	Initial	24,500,000	245,000,000	245,000,000
2000	No Dividend Declared	-	-	245,000,000
2001	Bonus	3,185,000	31,850,000	276,850,000
2002	Bonus	2,768,500	27,685,000	304,535,000
2003	Bonus	1,523,000	15,230,000	319,765,000
2003	IPO	31,976,500	319,765,000	639,530,000
2004	Bonus	15,988,250	159,882,500	799,412,500
2005	Bonus	19,985,310	199,853,100	999,265,600
2006	Bonus	19,985,310	199,853,100	1,199,118,700
2007	Bonus	29,977,960	299,779,600	1,498,898,300
2008	Bonus	29,977,960	299,779,600	1,798,677,900
2009	Bonus	35,973,550	359,735,500	2,158,413,400
2010	Bonus	47,485,090	474,850,900	2,633,264,300
2010	Right Share	143,894,230	1,438,942,300	4,072,206,600
2011	Bonus	89,588,540	895,885,400	4,968,092,000
2012	Bonus	114,266,116	1,142,661,160	6,110,753,160
2013	Bonus	48,886,025	488,860,250	6,599,613,410
2014	Bonus	79,195,360	791,953,600	7,391,567,010
2015	-	-	-	7,391,567,010
2016	-	-	-	7,391,567,010
2017	Bonus	36,957,836	369,578,360	7,761,145,370
2018	Bonus	38,805,726	388,057,260	8,149,202,630
2019	Bonus	122,238,039	1,222,380,390	9,371,583,020
2020	Bonus	46,857,915	468,579,150	9,840,162,170
2021	Bonus	49,200,810	492,008,100	10,332,170,270
2022	Bonus	51,660,851	516,608,510	10,848,778,780
2023	Bonus	21,697,557	216,975,570	11,065,754,350
2024	-	-	-	11,065,754,350
2025	-	-	-	11,065,754,350
Total		**1,106,575,435**	**11,065,754,350**	

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4. Calculation of Net Asset Value (NAV) per Share

Particulars	Jun-26		Dec-25	
	Consolidated	Solo	Consolidated	Solo
Net Asset Value (in BDT)	26,884,292,765	26,386,981,747	26,948,723,504	26,465,405,251
No. of Shares Outstanding	1,106,575,435	1,106,575,435	1,106,575,435	1,106,575,435
Net Asset Value (NAV) per Share	**24.30**	**23.85**	**24.35**	**23.92**

*Net Asset Value per Share (NAVPS) reduced compared to previous period due to the decrease of total shareholders' Equity.

5. Earnings per Share (EPS)

Earnings per Share was calculated in accordance with IAS 33 "Earning per Share". The calculation of EPS is as under:

Particulars	Jun-26		Jun-25	
	Consolidated	Solo	Consolidated	Solo
Net Profit attributable to equity shareholders (in BDT)	243,671,161	239,248,911	2,009,994,455	1,999,284,371
Weighted Average number of ordinary shares outstanding during the period	1,106,575,435	1,106,575,435	1,106,575,435	1,106,575,435
*** Earnings Per Share (Taka)**	**0.22**	**0.22**	**1.82**	**1.81**

*Earnings Per Share (EPS) reduced compared to previous period due to the decrease of Profit before provision.

6. Calculation of Net Operating Cash Flows per Share (NOCFPS)

Particulars	Jun-26		Jun-25	
	Consolidated	Solo	Consolidated	Solo
Net cash flows from operating activities (in BDT)	814,401,086	830,149,664	3,986,725,231	3,977399,482
Number of Shares outstanding	1,106,575,435	1,106,575,435	1,106,575,435	1,106,575,435
**** Net Operating Cash Flows per Share (NOCFPS)**	**0.74**	**0.75**	**3.60**	**3.59**

** Net Operating Cash Flows per Share (NOCFPS) has decreased compared to the previous period due to a decrease in Net Cash flows from Operating activities.

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07. Reconciliation of Net Profit after tax with Cash flows from Operating Activities (Solo)

(BDT)

	30.06.2026	30.06.2025
Net profit after taxation	**239,248,911**	**1,999,284,371**
Adjustment to reconcile net income to net cash provided by operating activities		
Interest Income	(863,524,089)	(4,011,030,939)
Interest Expense	12,861,938,258	7,800,737,618
Dividends receipts	31,249,445	28,859,160
Fees and commission income	-	-
Payment to the employees	-	-
Income taxes paid	(917,437,374)	113,669,742
Other Operating Income	(150,567,044)	3,300,718,780
Other Operating Expenses	92,083,219	261,095,438
Provision for Loans & Advances/Investments/Other Assets	357,566,625	362,165,463
Operating Profit before changes in Operating Assets and Liabilities	**11,411,309,038**	**7,856,215,262**
Increase/(Decrease) in operating assets & liabilities		
Net Investment in trading securities	10,704,088,936	(19,377,653,477)
Loan & Advance to Customers	(15,810,192,384)	(6,128,858,163)
Other Assets	(704,590,070)	1,220,959,748
Deposits from other Bank	12,731,488,931	358,420,857
Deposits from customers	1,647,461,418	13,350,595,428
Other Liabilities	(19,388665116)	4,698,435,455
	(10,820,408,287)	**(5,878,100,152)**
Net Cash Flows from Operating activities	**830,149,664**	**3,977,399,482**

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08. Ratings

Credit Rating Information and Services Limited (CRISL), on the basis of Financial Statements has rated Mercantile Bank PLC. CRISL rated the Mercantile Bank PLC. to "AA" (Pronounced as Double A) in the long term. The above gradation has been done in consideration with its financial viability and consequent improvement in asset quality, capital adequacy, stable source of fund, diversified product lines etc. Financial institutions rated in this category are adjudged the financial institution that is subservient to have high safety to timely repayment of financial obligations. It means Bank rated in the category is adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicate a corporate entity a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions. CRISL rated the Mercantile Bank PLC. to ST-2 in the short term. This rate shows High Grade of the Bank it indicates high certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small. Both long-term and short-term rating is valid i.e. from 10 July, 2025 to 09 July, 2026.

09. General

a) The financial information has been rounded off to the nearest Taka.

b) Figures of previous period have been rearranged whenever necessary to confirm to current periods presentation.

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