

UNITED FINANCE LIMITED
Balance Sheet (Un-audited)
as at 30 June, 2022

PROPERTY AND ASSETS	Notes	30-Jun-22	31-Dec-21
		Taka	Taka
Cash	6		
In hand		1,290,000	1,290,000
Balance with Bangladesh Bank and its agent bank(s)		242,811,308	220,551,075
		244,101,308	221,841,075
Balance with banks and other financial institutions	7		
In Bangladesh		3,367,106,783	5,162,665,054
Outside Bangladesh		-	-
		3,367,106,783	5,162,665,054
Money at call and short notice	8	-	-
Investments	9		
Government		503,956	1,001,555
Others		919,056,389	796,087,128
		919,560,345	797,088,683
Lease, loans and advances	10		
Lease receivable		7,242,600,345	6,357,168,031
Loans, cash credits, overdrafts etc.		13,410,988,786	10,871,098,356
		20,653,589,131	17,228,266,388
Fixed assets including land, building, furniture and fixtures	11	433,986,443	431,321,830
Other assets	12	2,071,172,239	2,018,562,755
Non - financial institutional assets		-	-
Total assets		27,689,516,250	25,859,745,784
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from banks, other financial institutions and agents	13	5,519,809,944	5,378,180,201
Deposits and other accounts	14		
Current deposits & other accounts etc.		-	-
Bills payable		-	-
Savings bank deposits		-	-
Term deposits		14,805,169,556	13,312,007,103
Bearer certificates of deposit		-	-
Other deposits		409,534,902	353,353,085
		15,214,704,458	13,665,360,188
Other liabilities	15	3,874,784,006	3,579,936,966
Total liabilities		24,609,298,408	22,623,477,355
Capital / Shareholders' equity			
Paid- up capital	16	1,871,146,140	1,871,146,140
Share premium	17	3,750,000	3,750,000
Statutory reserve	18	966,450,000	966,450,000
General reserve	19	190,000,000	190,000,000
Retained earnings	20	48,871,702	204,922,289
Total Shareholders' equity		3,080,217,842	3,236,268,429
Total liabilities and Shareholders' equity		27,689,516,250	25,859,745,784
Net asset value per share (NAV)	21	16.46	17.30
Restatement of NAV:			
Net asset		3,080,217,842	3,236,268,429
Number of outstanding shares (current year's)		187,114,614	187,114,614
NAV per share		16.46	17.30

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UNITED FINANCE LIMITED
Balance Sheet (Un-audited)
as at 30 June, 2022

	<u>Notes</u>	<u>30-Jun-22</u> <u>Taka</u>	<u>31-Dec-21</u> <u>Taka</u>
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
	22		
Acceptances and endorsements		-	-
Letters of guarantee		2,837,915	2,837,915
Irrevocable letters of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
		2,837,915	2,837,915
Other commitments			
Documentary credits and short term trade -related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
		-	-
Total Off-Balance Sheet items including contingent liabilities		2,837,915	2,837,915



Chief Financial Officer



Company Secretary



Managing Director



Director



Chairman

UNITED FINANCE LIMITED
Profit and Loss Account (Un-audited)
For the half year ended 30 June, 2022

		Jan-Jun '22	Jan-Jun '21	Apr-Jun '22	Apr-Jun '21
	Notes	Taka	Taka	Taka	Taka
OPERATING INCOME					
Interest income	23	1,003,953,684	910,630,028	523,591,452	432,342,706
Interest paid on deposits, borrowings etc.	24	(573,500,621)	(573,474,533)	(301,657,097)	(261,655,202)
Net interest income		430,453,062	337,155,494	221,934,355	170,687,504
Investment income	25	36,224,922	29,760,731	19,803,347	15,170,434
Commission, exchange and brokerage		-	-	-	-
Other operating income	26	76,610,074	83,129,733	38,640,265	37,472,788
Total operating income (A)		543,288,059	450,045,958	280,377,967	223,330,725
OPERATING EXPENSES					
Salaries and allowances	27	273,733,928	227,005,338	142,985,388	116,969,605
Rent, taxes, insurance, electricity etc.	28	12,660,966	8,398,370	6,226,627	4,385,287
Legal expenses	29	10,655,482	5,709,429	7,193,452	2,322,688
Postage, stamp, telecommunication etc.	30	12,191,675	11,236,666	6,207,205	4,885,917
Stationery, printing, advertisements etc.	31	2,462,698	2,856,672	1,392,741	1,166,394
Managing Director's salary and benefits	32	5,297,500	5,297,500	2,811,250	2,811,250
Directors' fees	33	226,110	232,221	128,333	140,555
Auditors' fees	34	402,500	402,500	201,250	201,250
Charges on loan losses		-	-	-	-
Depreciation and repair of assets	35	48,450,926	40,622,161	26,447,340	20,358,683
Other expenses	36	26,639,890	17,756,625	13,545,410	8,829,109
Total operating expenses (B)		392,721,676	319,517,481	207,138,996	162,070,737
Profit before provision against lease, loans and advances (C=A-B)		150,566,383	130,528,477	73,238,971	61,259,988
Provision for lease, loans and advances	37	72,053,363	19,767,694	34,966,586	(42,073,425)
Provision for diminution in value of investment:	37	-	(103,208)	-	(103,208)
Other provisions		5,000,000	-	5,000,000	-
Total provision (D)		77,053,363	19,664,486	39,966,586	(42,176,633)
Operating profit before taxes E=(C-D)		73,513,020	110,863,991	33,272,385	103,436,621
Provision for taxation					
Current Tax	38	41,092,077	18,180,000	18,989,403	30,992,807
Deferred Tax	38	1,356,916	(711,400)	744,647	907,318
Total provision for taxation (F)		42,448,994	17,468,600	19,734,050	31,900,125
Net profit after tax (E-F)		31,064,027	93,395,391	13,538,335	71,536,495
Appropriations					
Statutory reserve		-	-	-	-
General reserve		-	-	-	-
Retained surplus		31,064,027	93,395,391	13,538,335	71,536,495
Earnings Per Share in Taka	39	0.17	0.50	0.07	0.38


Chief Financial Officer


Company Secretary


Managing Director


Director


Chairman

UNITED FINANCE LIMITED
Cash Flow Statement (Un-audited)
For the half year ended 30 June, 2022

	Notes	30-Jun-2022 Taka	30-Jun-2021 Taka
A) Cash flows from operating activities			
Interest receipts		976,107,366	876,318,130
Interest payments		(516,210,650)	(542,945,314)
Dividend receipts		24,290,281	12,720,496
Amount realised from written off clients		12,456,687	10,335,514
Payments to employees		(270,350,330)	(226,062,273)
Payments to suppliers		(148,320,984)	(56,258,326)
Income tax paid		(45,114,828)	(41,066,423)
Receipts from other operating activities		76,089,864	83,651,658
Payments for other operating activities		(56,918,711)	(42,480,032)
Cash generated from operating activities before changes in operating assets and liabilities		52,028,695	74,213,431
Changes in operating assets and liabilities			
Increase in lease, loans and advances		(3,396,201,080)	(2,526,473,688)
Decrease/(Increase) in other assets		3,164,639	(13,750,339)
Increase in Right-of-use assets		-	(6,578,848)
Increase in term and other deposits		1,549,344,270	887,751,555
Increase/(Decrease) in accrued expenses and payables		86,586,315	(12,583,777)
(Decrease)/Increase in short term loan		(78,128,437)	1,003,802,186
Increase in interest suspense		24,122,588	48,105,803
(Decrease)/Increase in provision for gratuity		(3,601,077)	3,198,773
Increase in other liabilities		119,582,115	46,786,780
		(1,695,130,666)	(569,741,554)
Net cash from operating activities		(1,643,101,970)	(495,528,124)
B) Cash flows from investing activities			
Investment in Shares		(200,075,710)	(125,000,000)
Investment in Govt. Securities		-	-
Redemption of Govt. Securities		497,599	-
Redemption/sale of shares		57,106,449	19,836,359
Redemption of Commercial Bond		20,000,000	66,000,000
Purchase of fixed assets		(43,982,306)	(36,250,397)
Proceeds from sale of fixed assets		2,110,578	951,577
Net cash from investing activities		(164,343,390)	(74,462,461)
C) Cash flows from financing activities			
Receipts of long term loan		1,060,661,795	1,646,733,427
Repayment of long term loan		(840,903,616)	(518,660,212)
Dividend paid		(185,610,856)	(179,153,153)
Net Cash from financing activities		34,147,323	948,920,061
D) Net increase in cash and cash equivalents (A+ B + C)		(1,773,298,038)	378,929,477
E) Effects of exchange rate changes on cash and cash equivalents		-	-
F) Cash and cash equivalents at beginning of the period		5,384,506,129	3,445,413,723
G) Cash and cash equivalents at end of the period (D+E+F)		3,611,208,091	3,824,343,200
Cash and cash equivalents at end of the period			
Cash in hand		1,290,000	1,290,000
Balance with Bangladesh Bank and its agent bank(s)		242,811,308	258,259,866
Balance with banks and other financial institutions		3,367,106,783	3,254,793,333
Money at call and short notice		-	310,000,000
		3,611,208,091	3,824,343,200
Net operating cash flows per share	40	(8.78)	(2.65)


Chief Financial Officer


Company Secretary


Managing Director


Director


Chairman

UNITED FINANCE LIMITED
Statement of Changes in Equity (Un-audited)
For the half year ended 30 June, 2022

Particulars	Paid- up capital	Share Premium	Statutory Reserve	General Reserve	Retained Earnings	Total
Balance as at 31 December, 2021	1,871,146,140	3,750,000	966,450,000	190,000,000	204,922,289	3,236,268,429
Cash dividend for the year 2021	-	-	-	-	(187,114,614)	(187,114,614)
Movement of general reserve	-	-	-	-	-	-
Net profit for the half year ended 30 June, 2022	-	-	-	-	31,064,027	31,064,027
Balance as at 30 June, 2022	1,871,146,140	3,750,000	966,450,000	190,000,000	48,871,702	3,080,217,842
Balance as at 30 June, 2021	1,871,146,140	3,750,000	921,950,000	190,000,000	120,575,763	3,107,421,903



Chief Financial Officer



Company Secretary



Managing Director



Director



Chairman

United Finance Limited
Notes to the financial statements (Unaudited)
For the half year ended 30 June, 2022

1 General Information

1.1 Domicile and legal form

The Company is domiciled in Bangladesh. It was granted license under the Financial Institutions Act, 1993. The Company was incorporated on 27 April, 1989 under the Companies Act, 1994. Its registration number is C-18484(338)/89. The shares of the Company are quoted on the Dhaka Stock Exchange Limited since 1994 and are transacted in dematerialized form through Central Depository Bangladesh Limited since 14 October, 2004. The Company has its registered office at Camellia House, 22 Kazi Nazrul Islam Avenue, Dhaka.

1.2 Nature of operations and principal activities

The Company provides financial services which includes lease finance for acquiring assets for industrial and commercial use, term loans for meeting long term funding requirement, short-term working capital solutions and home loans to cater the needs of its diverse client base. To fund its lending activities, the Company offers deposit investment opportunities of varying tenures and non-convertible Zero Coupon Bonds in addition to bank credit line and Bangladesh Bank refinancing facilities.

2 Summary of significant accounting policies and basis of preparation of the financial statements

2.1 Basis of preparation of the financial statements

The financial statements of the Company have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement and investment in marketable securities which are stated at market value in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB) and as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh, except the circumstances where local regulations differ, and the Companies Act, 1994, the Financial Institutions Act, 1993, Securities and Exchange Rules, 1987 & the (Listing) Regulations, 2015 of Dhaka Stock Exchanges and other applicable laws and regulations.

The presentation of the financial statements has been made as per the requirements of DFIM Circular no 11 dated 23 December 2009 issued by the Department of Financial Institutions and Market (DFIM) of Bangladesh Bank. The activities and accounting heads mentioned in the prescribed form, which are not applicable for the financial institutions, have been kept blank in the financial statements.

2.2 Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Financial Institutions Act, 1993, the rules and regulations issued by Bangladesh Bank, the Companies Act, 1994. In case of any requirements of the Financial Institutions Act, 1993 and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the Financial Institutions Act, 1993, and provisions and circulars issued by Bangladesh Bank have been followed.

3 Comparative information

Prior year figures and account titles have been rearranged to conform current year presentation in accordance with the Bangladesh Bank DFIM Circular No. 11 dated 23 December, 2009.

4 Reporting currency and level of exactitude

The figures in the financial statements have been stated in Bangladeshi Taka (BDT/Taka/Tk.) which is the functional currency of the Company and have been rounded off to the nearest integer.

5 Authorisation for issue of the financial statements

The Board of Directors of the Company has authorised these financial statements for issue on July 28, 2022.

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	<u>30-Jun-22</u>	<u>31-Dec-21</u>
6 Cash		
Cash in hand (Note-6.1)	1,290,000	1,290,000
Balance with Bangladesh Bank and its agent bank(s) (Note-6.2)	242,811,308	220,551,075
	<u>244,101,308</u>	<u>221,841,075</u>
6.1	Cash in hand includes petty cash balances of all offices.	
6.2	Cash Reserve Requirement and Statutory Liquidity Reserve have been calculated and maintained in accordance with section 19 of the Financial Institutions Act 1993, regulation 5 of the Financial Institution Regulations 1994 and FID Circular No. 6 dated 06 November 2003 and FID Circular No. 02 dated 10 November 2004 and DFIM circular no. 03 dated 21 June, 2020 and DFIM circular no. 27 dated 23 August, 2021.	
7 Balance with banks and other financial institutions		
In Bangladesh (Note-7.1)	3,367,106,783	5,162,665,054
Outside Bangladesh	-	-
	<u>3,367,106,783</u>	<u>5,162,665,054</u>
7.1 In Bangladesh		
<u>Current deposits</u>		
Bank Al-Falah Limited	4,584	99,641
Bank Asia Limited	498,142	771,743
Brac Bank Limited	26,735,612	416,392,777
Dutch Bangla Bank Limited	1,515,507	6,552,298
Eastern Bank Limited	15,858,549	12,280,036
IFIC Bank Limited	337,519	186,276
National Bank Limited	171,216	114,561
One Bank Limited	111,899,739	122,322,977
Pubali Bank Limited	62,939,106	408,566,432
Sonali Bank Limited	148,790	78,790
Standard Bank Limited	8,481	56,685
Standard Chartered Bank	19,517,933	24,226,082
United Commercial Bank Limited	354,028,186	281,635,373
	<u>593,663,363</u>	<u>1,273,283,670</u>
<u>Short-term deposit (STD)</u>		
Bank Asia Limited	10,080,780	12,758,962
Commercial Bank Of Ceylon PLC	3,000	197
Dutch Bangla Bank Limited	471,388	5,573,836
Mutual Trust Bank Limited	4,881,456	6,954,976
National Credit & Commerce Bank Limited	3,732	1,096,778
Standard Bank Limited	14,859,465	15,406,686
Standard Chartered Bank	18,301,283	12,082,051
United Commercial Bank Limited	19,842,317	170,507,898
	<u>68,443,420</u>	<u>224,381,385</u>
<u>Fixed deposits</u>		
Brac Bank Limited	200,000,000	200,000,000
Commercial Bank Of Ceylon PLC	100,000,000	100,000,000
Dhaka Bank Limited	150,000,000	150,000,000
Eastern Bank Limited	200,000,000	-
Mercantile Bank Limited	35,000,000	235,000,000
Mutual Trust Bank Limited	200,000,000	200,000,000
National Credit & Commerce Bank Limited	460,000,000	460,000,000
One Bank Limited	135,000,000	335,000,000
Pubali Bank Limited	350,000,000	350,000,000
Standard Bank Limited	100,000,000	100,000,000
United Commercial Bank Limited	350,000,000	350,000,000
DBH Finance Corporation Ltd	-	470,000,000
IPDC Finance Limited	200,000,000	480,000,000
BIFC	115,000,000	115,000,000
Fareast Finance & Investment Limited	110,000,000	120,000,000
	<u>2,705,000,000</u>	<u>3,665,000,000</u>
	<u>3,367,106,783</u>	<u>5,162,665,054</u>

Amrab Das.

	<u>30-Jun-22</u>	<u>31-Dec-21</u>
8 Money at call and short notice	-	-
9 Investments		
Investment classified as per nature		
a) Government securities		
Treasury bill	-	496,335
Treasury bond	503,956	505,220
National investment bonds	-	-
Bangladesh Bank bills	-	-
Government bonds	-	-
Prize bonds	-	-
	<u>503,956</u>	<u>1,001,555</u>
b) Other investments		
Investment in ordinary shares (Note-9.1)	15,262,370	15,396,170
Investment in preference shares	753,794,019	610,690,958
Investment in bonds	150,000,000	170,000,000
	<u>919,056,389</u>	<u>796,087,128</u>
	<u>919,560,345</u>	<u>797,088,683</u>

9.1 Investment in ordinary shares

Business Segment	No. of shares	Cost price	Market price
Insurance	4,450,000	15,000,000	213,155,000
Telecommunication	26,237	262,370	789,734
Textile Industries	462	-	4,712
	<u>4,476,699</u>	<u>15,262,370</u>	<u>213,949,446</u>

Investments in marketable securities are valued at cost at the Balance Sheet date. If market price is lower than cost, required provision is kept in profit & loss account. Unrealized gain is not accounted for in financial statements.

As of 30 June, 2022 the market value (closing market price) of the above shares was Taka 213,949,446 against cost price of Taka 15,262,370.

10 Lease, loans and advances		
Lease receivable (Note-10.1)	7,242,600,345	6,357,168,031
Loans (Note-10.2)	13,410,988,786	10,871,098,356
	<u>20,653,589,131</u>	<u>17,228,266,388</u>
10.1 Lease receivable		
Net lease receivable	7,170,972,775	6,294,951,747
Interest receivable	71,627,569	62,216,285
	<u>7,242,600,345</u>	<u>6,357,168,031</u>
10.2 Loans		
Term loan	8,794,132,481	7,123,401,639
Home loan	2,980,390,472	2,232,949,149
Short term loan and CSF advances	1,408,125,591	1,306,117,705
Interest receivable	228,340,243	208,629,864
	<u>13,410,988,786</u>	<u>10,871,098,356</u>

Arnab Das,

	<u>30-Jun-22</u>	<u>31-Dec-21</u>
11 Fixed assets including land, building, furniture and fixtures		
Cost		
Furniture and fixtures	126,708,178	124,443,838
Office equipment	621,586	621,586
Electrical equipment	159,561,073	140,354,525
Software	38,709,382	25,003,000
Motor vehicles	54,521,783	69,155,996
Office space	177,890,411	177,890,411
Right-of-use assets	208,700,949	208,700,949
	<u>766,713,362</u>	<u>746,170,304</u>
Less: Accumulated depreciation	<u>(332,726,919)</u>	<u>(314,848,475)</u>
	<u>433,986,443</u>	<u>431,321,830</u>
12 Other assets		
Income generating:		
Income receivable (Note-12.1)	109,065,796	98,406,500
Non-income generating:		
Deferred tax asset (Note-12.2)	5,239,910	6,596,827
Advance, deposit and prepaid expenses	48,232,847	50,040,570
Receivable from provident fund account	6,508,175	6,508,175
Advance corporate tax	1,902,125,510	1,857,010,682
	<u>2,071,172,239</u>	<u>2,018,562,755</u>

12.1 Income receivable amount represents interest receivable on other investment and fixed deposits.

12.2 Deferred tax asset

Deferred tax has been recognised based on deductible/taxable temporary differences arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS) 12 Income Taxes and under the guidelines of Bangladesh Bank DFIM Circular no. 07 dated 31 July 2011.

	Carrying amount at balance sheet	Tax base	Deductible temporary differences
Fixed assets at book value	305,113,185	314,259,088	9,145,903
Liability to employees gratuity	4,827,192	-	4,827,192
	<u>309,940,377</u>	<u>314,259,088</u>	<u>13,973,094</u>
Applicable tax rate			37.50%
Deferred tax asset as on 30 June, 2022			5,239,910
Deferred tax asset as on 31 December, 2021			6,596,827
Deferred tax income/(expense) for the period ended 30 June, 2022			<u>(1,356,916)</u>

Amab Das,

	<u>30-Jun-22</u>	<u>31-Dec-21</u>
13 Borrowing from banks, other financial institutions and agents		
In Bangladesh (Note-13.1)	5,519,809,944	5,378,180,201
Outside Bangladesh	-	-
	<u>5,519,809,944</u>	<u>5,378,180,201</u>
13.1 In Bangladesh		
<u>Bank overdraft</u>		
Private Commercial Bank	715,250,219	746,024,623
Foreign Commercial Bank	247,933,121	295,287,154
	<u>963,183,340</u>	<u>1,041,311,777</u>
<u>Short term loan</u>		
Private Commercial Bank	100,000,000	-
Foreign Commercial Bank	230,000,000	230,000,000
Non Banking Financial Institutions	400,000,000	-
	<u>730,000,000</u>	<u>230,000,000</u>
<u>Call borrowing</u>		
Nationalised Commercial Bank	-	200,000,000
Private Commercial Bank	-	300,000,000
	<u>-</u>	<u>500,000,000</u>
<u>Long term loan</u>		
Bangladesh Bank (Refinance)	3,257,032,465	2,923,779,656
Kreditanstalt Für Wiederaufbau (KfW)	13,173,847	25,720,367
Non-Convertible Zero Coupon Bond	556,420,293	657,368,402
	<u>3,826,626,604</u>	<u>3,606,868,425</u>
	<u>5,519,809,944</u>	<u>5,378,180,201</u>
14 Deposits and other accounts		
Current deposits & other accounts etc.	-	-
Bills payable	-	-
Savings bank deposits	-	-
Term deposits	14,805,169,556	13,312,007,103
Bearer certificates of deposit	-	-
Other deposits	409,534,902	353,353,085
	<u>15,214,704,458</u>	<u>13,665,360,188</u>
15 Other liabilities		
Provision for gratuity	4,827,192	8,428,268
KfW interest differential fund	1,246,186	1,246,186
Interest suspense account	183,362,097	159,239,508
Accrued expenses and payables	806,713,689	652,935,050
Lease liabilities	153,334,409	164,893,404
Provision for lease, loans and advances	587,433,008	502,922,958
Provision on others	25,000,000	20,000,000
Provision for income tax	2,098,048,048	2,056,955,970
Provision on receivable from provident fund account	6,508,175	6,508,175
Dividend payable	8,311,203	6,807,445
	<u>3,874,784,006</u>	<u>3,579,936,966</u>

Asrab Das.

	<u>30-Jun-22</u>	<u>31-Dec-21</u>
16 Share capital		
16.1 Authorized capital		
300,000,000 ordinary shares of BDT 10 each	3,000,000,000	3,000,000,000
16.2 Issued, subscribed and fully paid-up capital		
7,000,000 ordinary shares of BDT 10 each issued for cash	70,000,000	70,000,000
180,114,614 ordinary shares of BDT 10 each issued as bonus shares	1,801,146,140	1,801,146,140
	<u>1,871,146,140</u>	<u>1,871,146,140</u>

16.3 Composition of shareholders' equity

30 June 2022

<u>Particulars</u>	<u>No. of shares</u>	<u>Face value</u>	<u>Taka</u>
Paid-up capital	187,114,614	10	1,871,146,140
Share premium			3,750,000
Preference share capital			-
Statutory reserve			966,450,000
General reserve			190,000,000
Retained earnings			48,871,702
Total shareholders' equity			<u>3,080,217,842</u>

Date of issue & other information

<u>Date</u>	<u>Types of paid-up capital</u>	<u>No. of shares</u>	<u>Face value per share</u>	<u>Taka</u>
27-04-1989	Sponsors Share Capital	7,000	100	700,000
23-11-1989	Sponsors Share Capital	618,000	100	61,800,000
27-03-1994	Initial Public Offering	75,000	100	7,500,000
18-04-2005	Bonus (100%)	700,000	100	70,000,000
20-04-2006	Bonus (50%)	700,000	100	70,000,000
25-03-2008	Bonus (10%)	210,000	100	21,000,000
31-03-2009	Bonus (14.29%)	330,000	100	33,000,000
25-03-2010	Bonus (100%)	2,640,000	100	264,000,000
09-06-2011	Bonus (75%)	3,960,000	100	396,000,000
	Before split	9,240,000		924,000,000
	After split	92,400,000	10	924,000,000
09-04-2012	Bonus (20%)	18,480,000	10	184,800,000
28-03-2013	Bonus (15%)	16,632,000	10	166,320,000
10-04-2014	Bonus (10%)	12,751,200	10	127,512,000
23-04-2015	Bonus (10%)	14,026,320	10	140,263,200
21-04-2016	Bonus (10%)	15,428,952	10	154,289,520
27-04-2017	Bonus (5%)	8,485,923	10	84,859,230
26-04-2018	Bonus (5%)	8,910,219	10	89,102,190
	Paid up capital	187,114,614		1,871,146,140

Arbab Das,

	<u>30-Jun-22</u>	<u>31-Dec-21</u>
17 Share premium		
This represents a premium of 50% over the par value of share received against the issue of 750,000 shares in 1994 amounting to Taka 3,750,000.		
18 Statutory reserve		
Balance as at January 01	966,450,000	921,950,000
Addition during the year	-	44,500,000
	<u>966,450,000</u>	<u>966,450,000</u>
19 General reserve		
Balance as at January 01	190,000,000	225,000,000
Transfer to retained earnings during the year	-	(35,000,000)
Transfer from retained earnings during the year	-	-
	<u>190,000,000</u>	<u>190,000,000</u>
20 Retained earnings		
Balance as at January 01	204,922,289	179,294,986
Less: Cash dividend for the year 2021	(187,114,614)	(187,114,614)
Less: Issue of bonus shares for the year 2021	-	-
Add: Transfer from general reserve during the year	-	35,000,000
Balance remaining	<u>17,807,675</u>	<u>27,180,372</u>
Addition during the year		
Net profit after taxation	31,064,027	222,241,917
Transfer to general reserve during the year	-	-
Transfer to statutory reserve during the year	-	(44,500,000)
	<u>31,064,027</u>	<u>177,741,917</u>
	<u>48,871,702</u>	<u>204,922,289</u>
21 Net Asset Value Per Share (NAV)		
Total Shareholders' equity	3,080,217,842	3,236,268,429
Number of shares outstanding	187,114,614	187,114,614
NAV per share	16.46	17.30
NAV per share (Restated)	16.46	17.30
22 Contingent liabilities		
Off-Balance sheet items		
The Company issues guarantees on behalf of customers. A financial guarantee represents an irrevocable undertaking that the Company will pay to third parties and it converts into lease or loan on the basis of an agreement with the customers. The maximum amount that the Company could be required to pay under a guarantee is its principal amount.		
Letters of guarantee (Local)	2,837,915	2,837,915
Letters of guarantee (Foreign)	-	-
Foreign counter guarantees	-	-
	<u>2,837,915</u>	<u>2,837,915</u>

Attab Das,

	<u>30-Jun-22</u>	<u>30-Jun-21</u>
23 Interest income		
Lease	327,500,083	358,390,656
Term loan and home loan	547,424,553	417,768,485
Short term financing	59,088,489	72,369,739
	<u>934,013,124</u>	<u>848,528,880</u>
Interest on balance with banks and other financial institutions	29,905,467	19,237,348
Interest on deposits under lien for credit line facilities	40,035,092	42,863,800
	<u>1,003,953,684</u>	<u>910,630,028</u>
24 Interest paid on deposits, borrowings etc.		
a) Interest paid on deposits		
Deposits from other than banks and financial institutions	412,333,368	497,972,042
Deposits from banks and financial institutions	42,261,111	3,011,111
Direct deposit expenses	6,883,229	8,476,076
Interest bearing security deposits	925,155	933,170
	<u>462,402,863</u>	<u>510,392,399</u>
b) Interest paid for borrowing		
Bank loans	11,969,306	307,500
Bangladesh Bank refinance	58,008,426	42,707,899
Call loan	2,801,319	-
Overdraft	7,461,430	742,150
Zero Coupon Bond	24,051,891	13,183,770
	<u>104,292,372</u>	<u>56,941,319</u>
c) Interest expenses-lease liabilities	6,805,387	6,140,815
	<u>6,805,387</u>	<u>6,140,815</u>
	<u>573,500,621</u>	<u>573,474,533</u>
25 Investment income		
Interest on Government security	12,500	-
Interest on bonds	6,797,608	13,844,401
Dividend on shares	29,414,815	15,916,331
	<u>36,224,922</u>	<u>29,760,731</u>
26 Other operating income		
Reimbursement - invoice, disbursement processing and collection costs	7,129,571	16,454,011
Early repayment premium	12,308,673	16,220,892
Reimbursement-documentation costs	44,174,184	42,436,344
Late payment interest	9,969,638	6,048,969
Profit on sale of fixed assets	520,210	606,486
Profit on sale of share	874,518	205,885
Miscellaneous earnings	1,633,280	1,157,146
	<u>76,610,074</u>	<u>83,129,733</u>
27 Salaries and allowances		
Basic salary, provident fund contribution and all other allowances	250,237,590	206,412,493
Festival and incentive bonus	23,496,338	20,592,845
	<u>273,733,928</u>	<u>227,005,338</u>

Amab Das,

	<u>30-Jun-22</u>	<u>30-Jun-21</u>
28 Rent, taxes, insurance, electricity etc.		
Rent, rate and taxes (Note-28.1)	187,216	236,174
Insurance	8,608,465	4,488,014
Electricity, gas and water	3,865,285	3,674,183
	<u>12,660,966</u>	<u>8,398,370</u>
28.1 Movement of Rent, rate and taxes:		
Rent expenses charged	18,551,598	16,868,110
Less: Reclassification of rent (as per IFRS 16 Leases)	<u>18,364,382</u>	<u>16,631,936</u>
	<u>187,216</u>	<u>236,174</u>
Movement of Rent, rate and taxes have been included due to implementation of IFRS-16 Leases (office rent).		
29 Legal expenses		
Legal fees	7,438,867	3,746,025
Professional fees	<u>3,216,615</u>	<u>1,963,404</u>
	<u>10,655,482</u>	<u>5,709,429</u>
30 Postage, stamp, telecommunication etc.		
Stamp expenses	4,297,072	4,202,762
Postage and courier	478,105	501,871
Telephone, mobile and internet	7,416,498	6,532,033
	<u>12,191,675</u>	<u>11,236,666</u>
31 Stationery, printing and advertisements etc.		
Printing and stationeries	2,459,128	2,336,361
Publicity and advertisements	<u>3,570</u>	<u>520,311</u>
	<u>2,462,698</u>	<u>2,856,672</u>
32 Managing Director's salary and benefits		
Remuneration	3,737,500	3,737,500
Other benefits	<u>1,560,000</u>	<u>1,560,000</u>
	<u>5,297,500</u>	<u>5,297,500</u>
33 Directors' fees		
Directors' fees	<u>226,110</u>	<u>232,221</u>
	<u>226,110</u>	<u>232,221</u>
34 Auditors' fees		
Statutory audit fees	<u>402,500</u>	<u>402,500</u>
	<u>402,500</u>	<u>402,500</u>
35 Depreciation and repair of assets		
Depreciation:		
Furniture and fixture	4,209,642	4,309,802
Office equipment	16,752	20,816
Electrical equipment	10,257,823	8,934,473
Software	4,458,696	2,616,600
Motor vehicles	4,402,908	4,785,151
Office space	2,223,630	2,223,630
Right-of-use assets	14,157,874	14,893,058
	<u>39,727,325</u>	<u>37,783,531</u>
Repairs of assets:		
Maintenance of electrical equipment, office equipment and other assets	8,723,602	2,838,631
	<u>8,723,602</u>	<u>2,838,631</u>
	<u>48,450,926</u>	<u>40,622,161</u>

Movement of right-of-use assets have been included due to implementation of IFRS-16 Leases (office rent).

Arvab Das,

	<u>30-Jun-22</u>	<u>30-Jun-21</u>
36 Other expenses		
Training expenses	146,127	453,900
Books, magazines and newspapers etc.	30,069	22,469
Staffs' uniforms	613,520	607,289
Medical expenses	505,018	377,893
Fees and subscriptions	2,230,576	1,683,525
Bank charges	1,951,908	1,618,481
Excise duty expenses	1,493,000	622,950
Car expenses	465,808	444,112
Entertainment	2,243,724	2,161,965
Office expenses	1,842,590	762,662
Security services	4,378,141	4,277,494
Business promotion expenses	3,325,632	319,234
Annual General Meeting expenses	884,230	257,500
Travelling and conveyance expenses	6,529,548	4,147,152
	<u>26,639,890</u>	<u>17,756,625</u>
37 Provision for lease, loans and advances		
General provision on lease, loans and advances	25,694,822	(7,181,102)
Special provision 2% (15% payment for deferral clients)	(2,655,941)	-
Specific Provision on unclassified lease, loans and advances	12,459,877	16,000,174
Specific Provision on classified lease, loans and advances	36,554,604	11,453,622
Provision on receivable others and off balance sheet item	-	(505,000)
Provision for investment	-	(103,208)
Provision for others	5,000,000	-
	<u>77,053,363</u>	<u>19,664,486</u>

Aswab Das,

	<u>30-Jun-22</u>	<u>30-Jun-21</u>
38 Provision for taxation		
<u>Current tax</u>		
Corporate tax for the year on operating profit	41,092,077	51,467,322
Settlement of previous year's tax liability	-	(33,287,322)
	<u>41,092,077</u>	<u>18,180,000</u>
<u>Deferred tax</u>		
Deferred tax	1,356,916	(711,400)
	<u>42,448,994</u>	<u>17,468,600</u>

Reconciliation of Effective Tax Rate:	30-Jun-22		30-Jun-21	
	%	Taka	%	Taka
Profit before income tax as per profit and loss account		73,513,020		110,863,991
Income tax as per applicable tax rate	37.50%	27,567,383	37.50%	41,573,997
Net inadmissible expenses (due to difference between accounting & tax depreciation, lease/loan provision, gratuity provision and others)	25.73%	18,912,780	11.49%	12,735,301
Reduced tax due to tax rate being lower than business tax rate (dividend income @ 20% and capital gain on sale of shares @ 10%)	-7.33%	(5,388,085)	-2.56%	(2,841,976)
Settlement of previous years' tax liabilities	0.00%	-	-30.03%	(33,287,322)
Deferred tax	1.85%	1,356,916	-0.64%	(711,400)
	<u>57.74%</u>	<u>42,448,994</u>	<u>15.76%</u>	<u>17,468,600</u>

39 Earnings Per Share (EPS)

Net profit after tax	31,064,027	93,395,391
Number of shares outstanding	187,114,614	187,114,614
EPS	0.17	0.50
EPS (Restated)	0.17	0.50

EPS for the period ended 30 June, 2022 is BDT 0.17, which was BDT 0.50 in the same period of the previous year. This is due to BDT 73.20 million increase in operating expense, BDT 57.39 million increase in total provision and BDT 24.98 million increase in taxation expense. On the other hand total operating income increased by BDT 93.24 million. As a result net profit after tax reduced by BDT 62.33 million.

Arnab Das,

30-Jun-2230-Jun-21**40 Net Operating Cash Flow Per Share (NOCFPS)**

Net cash from operating activities	(1,643,101,970)	(495,528,124)
Number of shares outstanding	187,114,614	187,114,614
NOCFPS	(8.78)	(2.65)
NOCFPS (Restated)	(8.78)	(2.65)

NOCFPS for the period ended 30 June, 2022 is BDT (8.78), which was BDT (2.65) in the same period of previous year. Principal reason behind this variance is increase in utilisation of cash for disbursement of loans and advances by BDT 869.73 million and increase in payment of short term loan by BDT 1,081.93 million. Moreover cash generation from operating activities decreased by BDT 22.18 million. On the other hand cash generation from term and other deposits increased by BDT 661.59 million while cash generated from various other assets and liabilities in aggregate increased by BDT 164.68 million. As a result cash generation in aggregate decreased by BDT 1,147.57 million.

41 Reconciliation of net cash flows from operating activities**Particulars**

Net profit after tax	31,064,027	93,395,391
Depreciation	39,727,325	37,783,531
Provision for lease, loans and advances	89,510,050	30,000,000
Provision for taxation	41,092,077	18,180,000
Profit on sale of fixed assets	(520,210)	(606,486)
Decrease/(increase) in short term loan	(78,128,437)	1,003,802,186
Increase in lease, loans and advances	(3,425,322,743)	(2,590,474,859)
Income tax paid	(45,114,828)	(41,066,423)
Increase in term and other deposits	1,549,344,270	887,751,555
Increase in other liabilities	162,741,156	74,687,190
(Increase)/Decrease in other assets	(7,494,656)	27,109
Addition of right-of-use assets	-	(9,007,317)
Cash flows from operating activities	(1,643,101,970)	(495,528,124)

Arnav Das,

42 Transactions with Directors and their related entities

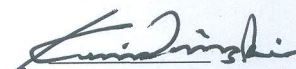
Name of the Party	Name of Directors	Related by	Nature of transaction	Amount	Status of loan and advances
The Lungla (Sylhet) Tea Co. Ltd.	Imran Ahmed	Common Director	Term Deposit	5,611,524	
	Susan Ann Walker	-Do-	Office rent	2,009,556	
Duncan Properties Ltd.	Imran Ahmed	-Do-	Term deposit	34,807,384	
	A. Rouf	-Do-	Office rent	61,824	
Macalms Bangladesh Trust	Imran Ahmed	Trustee			
	A. Rouf	-Do-	Term Deposit	32,880,431	
	A.F.M.M Samad Choudhury	-Do-			
National Brokers Limited	L. H. Khan	Common Director	Term Deposit	98,658,889	
Duncan Brothers (BD) Ltd.	Imran Ahmed	-Do-	Term Deposit	58,523,244	
	A. Rouf	-Do-	Office rent	1,437,394	
Eastland Camellia Ltd.	Imran Ahmed	-Do-	Term Deposit	90,343,457	
	A. Rouf	-Do-			
United Insurance Co. Ltd.	A. Rouf	Nominated Director	Lease	5,398,549	Regular
	L. H. Khan	-Do-	Term Deposit	61,500,000	
	A.F.M.M. Samad Choudhury	-Do-	Insurance premium	110,194	
Duncan Products Ltd.	A. Rouf	Common Director	Drinking Water Bill	22,968	
	Imran Ahmed	-Do-			
Amo Tea Co. Ltd.	Imran Ahmed	-Do-	Office rent	1,437,394	
	Susan Ann Walker	-Do-			
The Chandpore Tea Co. Ltd.	Imran Ahmed	-Do-	Office rent	348,885	
	Susan Ann Walker	-Do-			
The Mazdehee Tea Co. Ltd	Imran Ahmed	-Do-	Office rent	348,885	
	Susan Ann Walker	-Do-			
Camellia Duncan Foundation	Imran Ahmed	Trustee	Term Deposit	40,868,495	
	A. Rouf	-Do-			
Octavius Steel & Company of Bangladesh Limited	Imran Ahmed	Common Director	Term Deposit	12,721,681	
	A. Rouf	-Do-			



Chief Financial Officer



Company Secretary



Managing Director



Director



Chairman