



# Prime Finance & Investment Limited

## Un-audited Financial Statements as at and for the half year ended 30 June 2019

### Consolidated Balance Sheet

as at 30 June 2019

(Figures in BDT)

	30-June-2019 (un-audited)	31-Dec-2018 (audited)
<b>PROPERTY AND ASSETS</b>		
<b>Cash</b>		
In hand (including foreign currencies)	82,789	85,943
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	140,320,551	131,825,491
<b>Total cash</b>	<b>140,403,340</b>	<b>131,911,434</b>
<b>Balance with other banks and financial institutions</b>		
In Bangladesh	411,095,930	398,469,772
Outside Bangladesh	-	-
<b>Total balance with other banks and financial institutions</b>	<b>411,095,930</b>	<b>398,469,772</b>
Money at call and on short notice	-	-
<b>Investments</b>		
Government	-	-
Others	917,976,769	1,029,702,639
<b>Total investments</b>	<b>917,976,769</b>	<b>1,029,702,639</b>
<b>Loans, advances and leases</b>		
Loans, advances, leases etc.	9,587,748,072	9,935,365,022
Bills purchased and discounted	-	-
<b>Total loans, advances and leases</b>	<b>9,587,748,072</b>	<b>9,935,365,022</b>
Fixed assets including premises, furniture and fixtures	331,053,257	338,595,949
Other assets	1,998,371,731	2,001,281,442
Non - banking assets	176,097,907	176,097,907
<b>Total assets</b>	<b>13,562,747,006</b>	<b>14,011,424,165</b>
<b>LIABILITIES AND CAPITAL</b>		
<b>Liabilities</b>		
<b>Borrowings from other banks, financial institutions and agents</b>	<b>1,336,211,615</b>	<b>1,735,730,678</b>
<b>Deposits and other accounts</b>		
Current and other accounts	-	-
Bills payable	-	-
Savings account	-	-
Term deposits	6,022,473,257	6,634,959,037
Bearer certificates of deposit	-	-
Other deposits	-	-
<b>Total deposits and other accounts</b>	<b>6,022,473,257</b>	<b>6,634,959,037</b>
<b>Other liabilities</b>	<b>2,998,684,097</b>	<b>2,447,117,955</b>
<b>Total liabilities</b>	<b>10,357,368,969</b>	<b>10,817,807,670</b>
<b>Capital/Shareholders' equity</b>		
Paid up capital	2,729,164,830	2,729,164,830
Statutory reserve	943,748,963	939,728,546
Share money deposit	-	-
Other reserve	-	-
Revaluation reserve	221,943,750	221,943,750
Retained earnings	(1,492,834,192)	(1,503,911,533)
<b>Equity attributable to shareholders' of the company</b>	<b>2,402,023,351</b>	<b>2,386,925,593</b>
Non-controlling interest	803,354,686	806,690,902
<b>Total shareholders' equity</b>	<b>3,205,378,037</b>	<b>3,193,616,495</b>
<b>Total liabilities and shareholders' equity</b>	<b>13,562,747,006</b>	<b>14,011,424,165</b>
<b>OFF-BALANCE SHEET ITEMS</b>	<b>6,500,000</b>	<b>25,000,000</b>
<b>Net asset value per share (NAV)</b>	<b>8.80</b>	<b>8.75</b>
sd/-	sd/-	sd/-
Company Secretary	Chief Financial Officer	Chairman

### Consolidated Profit and Loss Account

for the period ended 30 June 2019

	for the half year ended		for the 2nd quarter ended	
	30-June-2019	30-June-2018	30-June-2019	30-June-2018
Interest income	549,979,456	226,314,250	241,898,955	96,708,966
Interest paid on deposits, borrowings, etc.	(440,670,352)	(492,772,909)	(233,591,158)	(257,828,808)
<b>Net interest income</b>	<b>109,309,104</b>	<b>(266,458,659)</b>	<b>8,307,797</b>	<b>(161,119,842)</b>
Investment income	(40,470,769)	52,007,438	(22,760,638)	3,968,697
Fees, commission, exchange and brokerage	17,933,355	6,021,289	7,999,740	2,944,978
Other operating income	52,401,645	(7,124,548)	16,783,419	(2,938,066)
<b>Other operating income</b>	<b>29,864,231</b>	<b>50,904,179</b>	<b>2,022,521</b>	<b>3,975,609</b>
<b>Total operating income (A)</b>	<b>139,173,335</b>	<b>(215,554,480)</b>	<b>10,330,318</b>	<b>(157,144,233)</b>
Salaries and other employee benefits	58,123,143	68,399,480	29,797,763	37,173,804
Rent, taxes, insurance, electricity etc.	19,613,402	19,659,314	10,182,009	9,685,393
Legal expenses	22,250	330,952	22,250	304,750
Postage, stamp, telecommunication etc.	1,451,853	1,818,219	647,271	860,246
Stationery, printing, advertisements etc.	1,576,176	2,126,470	843,215	1,405,131
Managing Director's salary and fees	4,530,000	3,611,000	2,265,000	1,661,000
Directors' fees	547,558	520,002	239,112	264,890
Auditors' fees	37,374	37,374	18,687	18,687
Depreciation and repair of assets	7,763,278	9,561,261	3,562,212	4,771,217
Other expenses	7,197,210	7,653,300	2,955,892	3,263,867
<b>Total operating expenses (B)</b>	<b>100,862,244</b>	<b>113,717,372</b>	<b>50,533,411</b>	<b>59,408,985</b>
<b>Profit before provision (C=A-B)</b>	<b>38,311,091</b>	<b>(329,271,852)</b>	<b>(40,203,093)</b>	<b>(216,553,218)</b>
<b>Provision for loans, advances and leases</b>				
General provision	22,183,203	(20,662,698)	(10,919,667)	(16,235,669)
Specific provision	1,714,988	158,417,072	(30,852,432)	128,366,228
Provision for diminution in value of investments	888,001	1,423,543	(1,802,678)	746,537
<b>Total provision (D)</b>	<b>24,786,192</b>	<b>139,177,917</b>	<b>(43,574,777)</b>	<b>112,877,096</b>
<b>Profit before tax (C-D)</b>	<b>13,524,899</b>	<b>(468,449,769)</b>	<b>3,371,684</b>	<b>(329,430,314)</b>
Total provision for tax	1,763,356	9,279,884	733,055	7,998,081
<b>Net profit after tax</b>	<b>11,761,543</b>	<b>(477,729,653)</b>	<b>2,638,629</b>	<b>(337,428,395)</b>
<b>Net profit attributable to</b>				
Shareholders of the company	15,097,761	(474,544,163)	4,036,527	(334,922,713)
Non-controlling interest	(3,336,218)	(3,185,490)	(1,397,898)	(2,505,682)
<b>Earnings per share (EPS)</b>	<b>0.06</b>	<b>(1.74)</b>	<b>0.01</b>	<b>(1.23)</b>
<b>No. of outstanding shares</b>	<b>272,916,483</b>	<b>272,916,483</b>	<b>272,916,483</b>	<b>272,916,483</b>
sd/-	sd/-	sd/-	sd/-	sd/-
Company Secretary	Chief Financial Officer	Managing Director	Director	Chairman

### Consolidated Cash Flow Statement

for the period ended 30 June 2019

(Figures in BDT)

	30-June-2019	30-June-2018
<b>A) OPERATING ACTIVITIES</b>		
Interest receipts	522,979,924	356,609,408
Interest payments	(505,267,109)	(488,877,789)
Fees and commission receipts	3,074,101	1,612,485
Dividend and gain receipts	25,910,007	60,288,474
Cash payments to employees	(64,803,669)	(69,722,461)
Cash payments for operational expenses	(34,346,022)	(42,710,730)
Income taxes paid	(6,406,251)	(11,956,561)
Receipts from other operating activities	41,567,440	30,246,003
Payments for other operating activities	(4,121,589)	(252,125)
<b>Cash generated before changes in operating assets and liabilities</b>	<b>(21,413,168)</b>	<b>(164,763,296)</b>
<b>Increase/(decrease) in operating assets and liabilities</b>		
Net loans and advances to customers	386,017,007	919,522,925
Net loans and deposits from banks and other depositors	(371,459,840)	(1,264,964,030)
<b>Cash generated from operating assets and liabilities</b>	<b>14,557,167</b>	<b>(345,441,105)</b>
<b>Net cash from operating activities</b>	<b>(6,856,001)</b>	<b>(510,204,401)</b>
<b>B) INVESTING ACTIVITIES</b>		
Acquisition of fixed assets	30,160,493	(6,393,450)
Disposal of fixed assets	-	-
Sale of securities	15,436,701	174,026,349
Investment in securities	16,398,269	(58,473,481)
<b>Net cash from investing activities</b>	<b>61,995,463</b>	<b>109,159,418</b>
<b>C) FINANCING ACTIVITIES</b>		
Cash dividend paid	-	-
Net receipts/ (payments) for loan	(34,021,398)	9,268,689
<b>Net cash from financing activities</b>	<b>(34,021,398)</b>	<b>9,268,689</b>
<b>D) Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>21,118,064</b>	<b>(391,776,294)</b>
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>	<b>-</b>	<b>-</b>
<b>F) Cash and cash equivalents at beginning of the period</b>	<b>530,381,206</b>	<b>1,138,331,357</b>
<b>G) Cash and cash equivalents at end of the period (D+E+F)</b>	<b>551,499,270</b>	<b>746,555,063</b>
<b>Cash and cash equivalents at end of the period represents</b>		
Cash in hand (including foreign currencies)	82,789	70,106
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	140,320,551	143,252,836
Balance with other banks and financial institutions	411,095,930	603,232,121
<b>Total cash and cash equivalents</b>	<b>551,499,270</b>	<b>746,555,063</b>
<b>Net operating cash flow per share (NOCFPS)</b>	<b>(0.03)</b>	<b>(1.87)</b>

### Consolidated Statement of Changes in Equity

for the period ended 30 June 2019

(Figures in BDT)

Particulars	Paid up capital	Statutory reserve	Revaluation reserve	Retained earnings	Non-controlling Interest	Total
<b>Balance as at 1 January 2019</b>	<b>2,729,164,830</b>	<b>939,728,546</b>	<b>221,943,750</b>	<b>(1,503,911,533)</b>	<b>806,690,902</b>	<b>3,193,616,495</b>
Net profit/(loss) for the period (2019)	-	-	-	15,097,758	(3,336,218)	11,761,543
Transfer to statutory reserve	-	4,020,417	-	(4,020,417)	-	-
Payment of cash dividend	-	-	-	-	-	-
<b>Balance as at 30 June 2019</b>	<b>2,729,164,830</b>	<b>943,748,963</b>	<b>221,943,750</b>	<b>(1,492,834,192)</b>	<b>803,354,684</b>	<b>3,205,378,037</b>
<b>Balance as at 1 January 2018</b>	<b>2,729,164,830</b>	<b>927,108,510</b>	<b>221,943,750</b>	<b>(1,551,843,270)</b>	<b>808,389,842</b>	<b>3,134,763,662</b>
Net profit/(loss) for the period (2018)	-	-	-	(474,544,163)	(3,185,490)	(477,729,653)
Transfer to statutory reserve	-	-	-	-	-	-
Payment of cash dividend	-	-	-	-	-	-
<b>Balance as at 30 June 2018</b>	<b>2,729,164,830</b>	<b>927,108,510</b>	<b>221,943,750</b>	<b>(2,026,387,433)</b>	<b>805,204,352</b>	<b>2,657,034,009</b>

### Selected Explanatory Notes

#### Reporting entity

Prime Finance & Investment Limited is one of the leading Non Banking Financial Institutions, known for its diversified financial services. The company was incorporated in the year 1996 as a Public Limited Company under the Companies Act, 1994 and licensed by Bangladesh Bank under the Financial Institutions Act, 1993.

#### Basis of preparation

These half yearly financial statements are being prepared in condensed form in accordance with the requirements of International Accounting Standard (IAS-34) 'Interim Financial Reporting', Securities and Exchange Rules 1987, Regulations issued by Bangladesh Bank and other applicable laws and regulations.

#### Accounting policies

The Accounting policies and method of computation adopted for the preparation of these interim financial statements are the same as those applied in preparation of annual financial statements for the year ended 31 December 2018.

#### Approval of half yearly report

These half yearly financial statements for the period ended 30 June 2019 were approved by the Board of Directors on 28 July 2019.

#### Significant deviation in financial results

The main reason for significant deviation in net profit/ (loss) and Net Operating Cash Flow between two quarters is increase of the interest income on loans, advances and leases and decrease of provision for Loans, advances and leases.

#### General

The half yearly financial statements for the period ended 30 June 2019 are un-audited. The comparative figures have been re-stated and re-arranged whenever considered necessary to ensure comparability with the current financial statements. Figures are rounded-off to the nearest integer.

These un-audited Financial Statements of the Company for the half year ended 30 June 2019 are published as per Regulation 17(2) of DSE and CSE (Listing) Regulations, 2015.