



Prime Finance & Investment Limited

Un-audited Financial Statements

as at and for the 1st quarter ended 31 March 2020

Consolidated Balance Sheet

as at 31 March 2020

(Figures in BDT)

	31-Mar-2020 (un-audited)	31-Dec-2019 (audited)		
PROPERTY AND ASSETS				
Cash				
In hand (including foreign currencies)	83,705	74,064		
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	113,176,170	109,656,836		
Total cash	113,259,875	109,730,900		
Balance with other banks and financial institutions				
In Bangladesh	348,095,446	340,582,799		
Outside Bangladesh	-	-		
Total balance with other banks and financial institutions	348,095,446	340,582,799		
Money at call and on short notice	-	-		
Investments				
Government	-	-		
Others	600,855,854	790,626,389		
Total investments	600,855,854	790,626,389		
Loans, advances and leases				
Loans, advances and leases etc.	8,939,320,463	9,046,121,796		
Bills purchased and discounted	-	-		
Total loans, advances and leases	8,939,320,463	9,046,121,796		
Fixed assets including premises, furniture and fixtures	334,227,943	340,359,798		
Other assets	1,936,153,953	1,905,357,452		
Non-banking assets	176,097,907	176,097,907		
Total assets	12,448,011,441	12,708,877,041		
LIABILITIES AND CAPITAL				
Liabilities				
Borrowings from other banks, financial institutions and agents				
Deposits and other accounts	1,326,186,253	1,373,688,531		
Current and other accounts	-	-		
Bills payable	-	-		
Savings accounts	-	-		
Term deposits	5,287,533,441	5,510,070,060		
Bearer certificates of deposit	-	-		
Other deposits	-	-		
Total deposits and other accounts	5,287,533,441	5,510,070,060		
Other liabilities	2,617,003,498	2,582,511,497		
Total liabilities	9,230,723,192	9,466,270,088		
Capital/shareholders' equity				
Paid up capital	2,729,164,830	2,729,164,830		
Statutory reserve	951,634,282	951,634,282		
Share money deposit	-	-		
Other reserves	-	-		
Revaluation reserve	221,943,750	221,943,750		
Retained earnings	(1,475,739,163)	(1,462,611,523)		
Equity attributable to shareholders of the company	2,427,003,699	2,440,131,339		
Non-controlling interest	790,284,550	802,475,614		
Total shareholders' equity	3,217,288,249	3,242,606,953		
Total liabilities and shareholders' equity	12,448,011,441	12,708,877,041		
Total off-balancesheet items including contingent liabilities				
	-	10,000,000		
Net Asset Value per share (NAV)	8.89	8.94		
sd/-	sd/-	sd/-	sd/-	sd/-
Company Secretary	Chief Financial Officer	Managing Director	Director	Chairman

Consolidated Profit and Loss Account

for the 1st quarter ended 31 March 2020

(Figures in BDT)

	31-Mar-2020	31-Mar-2019		
Interest income	172,421,230	308,080,501		
Interest paid on deposits, borrowings, etc.	(162,166,187)	(207,079,194)		
Net interest income	10,255,043	101,001,307		
Investment income	(5,790,746)	(17,710,131)		
Fees, commission, exchange and brokerage	851,980	9,933,615		
Other operating income	10,113,876	35,618,226		
Other operating income	5,175,110	27,841,710		
Total operating income (A)	15,430,153	128,843,017		
Salaries and other employee benefits	31,704,245	28,325,380		
Rent, taxes, insurance, electricity etc.	4,575,061	9,431,393		
Legal expenses	41,489	-		
Postage, stamp, telecommunication etc.	416,263	804,582		
Stationery, printing, advertisements etc.	895,593	732,961		
Managing Director's salary and fees	2,265,000	2,265,000		
Directors' fees	-	308,446		
Auditors' fees	18,687	18,687		
Depreciation and repair of assets	6,221,125	4,201,066		
Other expenses	2,792,818	4,241,318		
Total operating expenses (B)	48,930,281	50,328,833		
Profit before provision (C=A-B)	(33,500,128)	78,514,184		
Provision for loans, advances and leases				
General provision	(1,365,687)	33,102,870		
Specific provision	(12,681,070)	32,567,420		
Provision for diminution in value of investments	1,431,325	2,690,679		
Other provisions	1,628,250	-		
Total provision (D)	(10,987,182)	68,360,969		
Profit before tax (C-D)	(22,512,946)	10,153,215		
Total Provision for tax	2,805,758	1,030,301		
Net profit after tax	(25,318,704)	9,122,914		
Attributable to				
Shareholders of the company	(13,127,640)	11,061,234		
Non-controlling interest	(12,191,064)	(1,938,320)		
Earnings per share (EPS)	(0.05)	0.04		
No. of outstanding shares	272,916,483	272,916,483		
sd/-	sd/-	sd/-	sd/-	sd/-
Company Secretary	Chief Financial Officer	Managing Director	Director	Chairman

Consolidated Cash Flow Statement

for the 1st quarter ended 31 March 2020

(Figures in BDT)

	31-Mar-2020	31-Mar-2019
A) OPERATING ACTIVITIES		
Interest receipts	207,574,031	308,766,474
Interest payments	(129,476,118)	(232,860,219)
Fees and commission receipts	70,750	1,594,288
Dividend and gain receipts	4,259,124	19,629,946
Cash payments to employees	(33,625,494)	(29,500,631)
Cash payments to suppliers and management expenses	(7,900,611)	(14,476,839)
Income taxes paid	(3,313,498)	(3,825,996)
Receipts from other operating activities	11,693,942	30,068,347
Payments for other operating activities	(7,164,848)	(690,205)
Cash generated before changes in operating assets and liabilities	42,117,278	78,705,165
Increase/(decrease) in operating assets and liabilities		
Net loans and advances and other assets	81,950,826	236,519,429
Net Loans and deposits from banks and other customers and trading liabilities	(90,444,954)	(353,978,726)
Cash generated from operating assets and liabilities	(8,494,128)	(117,459,297)
Net cash from operating activities	33,623,150	(38,754,132)
B) INVESTING ACTIVITIES		
Acquisition of fixed assets	(152,612)	210,643
Disposal of fixed assets	-	-
Sale of securities	-	13,163,274
Investment in securities	-	35,755,636
Net cash used in investing activities	(152,612)	49,129,553
C) FINANCING ACTIVITIES		
Cash dividend paid	-	-
Net receipt/ (payment) for loan	(22,428,916)	-
Net cash used in financing activities	(22,428,916)	-
D) Net increase/(decrease) in cash and cash equivalents (A+B+C)	11,041,622	10,375,421
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	450,313,699	530,381,206
G) Cash and cash equivalents at end of the period (D+E+F)	461,355,321	540,756,627
Cash and cash equivalents at end of the period represents		
Cash in hand (including foreign currencies)	83,705	83,705
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	113,176,170	119,736,464
Balance with other banks and financial institutions	348,095,446	420,936,458
Total cash and cash equivalents	461,355,321	540,756,627
Net operating cash flow per share (NOCFPS)	0.12	(0.14)

Consolidated Statement of Changes in Equity

for the 1st quarter ended 31 March 2020

Attributable to equity holders of Prime Finance & Investment Limited (Figures in BDT)

Particulars	Attributable to equity holders of Prime Finance & Investment Limited					Total
	Paid up capital	Statutory reserve	Revaluation reserve	Retained earnings	Non-controlling interest	
Balance as at 1 January 2020	2,729,164,830	951,634,282	221,943,750	(1,462,611,523)	802,475,614	3,242,606,953
Net profit for the period (2020)	-	-	-	(13,127,640)	(12,191,064)	(25,318,704)
Transfer to statutory reserve	-	-	-	-	-	-
Payment of cash dividend	-	-	-	-	-	-
Balance as at 31 March 2020	2,729,164,830	951,634,282	221,943,750	(1,475,739,163)	790,284,550	3,217,288,249
Balance as at 1 January 2019	2,729,164,830	939,728,546	221,943,750	(1,503,911,533)	806,690,902	3,193,616,495
Net profit for the period (2019)	-	-	-	11,061,234	(1,938,320)	9,122,914
Transfer to statutory reserve	-	2,793,743	-	(2,793,743)	-	-
Payment of cash dividend	-	-	-	-	-	-
Balance as at 31 March 2019	2,729,164,830	942,522,289	221,943,750	(1,495,644,042)	804,752,582	3,202,739,409

Selected Explanatory Notes

1. 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.

2. Basis of preparation

These first quarterly 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.

3. 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 2019.

4. Provision for loans, advances and leases, other assets

Total provision has been maintained as per DFIM letter ref no. DFIM(C)1054/24/2020-1321, DFIM(C)1054/24/2020-1467 & DFIM(C)1054/24/2020-1493 dated 12 August 2020, 31 August 2020 & 03 September 2020 respectively.

5. NET ASSET VALUE (NAV) PER SHARE:

	31-Mar-20 (Un-audited)	31-Dec-19 (Audited)
Total shareholders' equity (A)	2,201,576,875	2,196,417,917
Number of shares outstanding (B)	272,916,483	272,916,483
Net Asset Value (NAV) per share (A÷B)	8.07	8.05

5.a Net Asset Value (NAV) per share (consolidated):

	31-Mar-20 (Un-audited)	31-Dec-19 (Audited)
Total shareholders' equity (A)	2,427,003,699	2,440,131,339
Number of shares outstanding (B)	272,916,483	272,916,483
Net Asset Value (NAV) per share (A÷B)	8.89	8.94

6. EARNINGS PER SHARE:

	31-Mar-20 (Un-audited)	31-Mar-19 (Un-audited)
Profits attributable to ordinary shareholders of the Company		
Net profit for the year (A)	5,158,958	13,968,713
Weighted average number of ordinary shares (B)	272,916,483	272,916,483
Earnings per share (consolidated) (A÷B)	0.02	0.05

6.a EARNINGS PER SHARE (consolidated):

	31-Mar-20 (Un-audited)	31-Mar-19 (Un-audited)
Profits attributable to ordinary shareholders of the Company		
Net profit for the year (A)	(13,127,640)	11,061,234
Weighted average number of ordinary shares (B)	272,916,483	272,916,483
Earnings per share (consolidated) (A÷B)	(0.05)	0.04

7. Net operating cash flow per share (NOCFPS):

	31-Mar-20 (Un-audited)	31-Mar-19 (Un-audited)
Net cash flow from operating activities (A)	8,458,924	3,745,277
Number of shares outstanding (B)	272,916,483	272,916,483
Net operating cash flow per share (NOCFPS) (A÷B)	0.03	0.01

7.a Net operating cash flow per share (NOCFPS) (consolidated):

	31-Mar-20 (Un-audited)	31-Mar-19 (Un-audited)
Net cash flow from operating activities (A)	33,623,150	(38,754,132)
Number of shares outstanding (B)	272,916,483	272,916,483
Net operating cash flow per share (NOCFPS) (A÷B)	0.12	(0.14)

8. Reconciliation of Net Profit with Cash Flows from Operating Activities:

	Separate (31-Mar-20) (Un-audited)	Consolidated (31-Mar-20) (Un-audited)
Net profit after tax	5,158,958	(25,318,704)
Add: Adjustments for non-cash items:		
Depreciation of company's assets	4,897,497	6,221,125
Provisions for loans, advances and leases		
General provision	(1,365,687)	(1,365,687)
Specific provision	(12,681,070)	(12,681,070)
Other provision	1,628,250	1,628,250
Provisions for the diminution in the value of investments	61,805	1,431,325
Provision for taxation	1,694,031	2,805,758
(Increase)/decrease in operating assets	51,724,944	76,004,832
(Increase)/decrease in trading securities	186,402,702	189,770,535
Increase/(decrease) in operating liabilities and accruals	(229,062,506)	(204,873,214)
Net cash flows from / (used in) operating activities	8,458,924	33,623,150

9. Significant deviation in financial results

The main reason for significant deviation in net profit/ (loss), Net asset and Net Operating Cash Flow between two quarters is decrease in revenue income due to slow recovery and loss incurred for capital market operation of the company.

10. Approval of first quarterly report

These first quarterly financial statements for the period ended 31 March 2020 were approved by the Board of Directors on 30 September, 2020.

11. General

The first quarterly financial statements for the period ended 31 March 2020 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 1st quarter ended 31 March 2020 are published as per BSEC's Notification No.BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018 and Regulation 17 of DSE & CSE (Listing) Regulations, 2015.