



Prime Finance & Investment Limited

Un-audited Financial Statements

as at and for the 3rd quarter ended 30 September 2020

Consolidated Balance Sheet

as at 30 September 2020

(Figures in BDT)

PROPERTY AND ASSETS	30-Sep-2020 (un-audited)	31-Dec-2019 (audited)
Cash		
In hand (including foreign currencies)	86,797	74,064
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	58,654,929	109,656,836
Total cash	58,741,726	109,730,900
Balance with other banks and financial institutions		
In Bangladesh	355,298,037	340,582,799
Outside Bangladesh	-	-
Total balance with other banks and financial institutions	355,298,037	340,582,799
Money at call and on short notice	-	-
Investments		
Government	-	-
Others	609,670,999	790,626,389
Total investments	609,670,999	790,626,389
Loans, advances and leases		
Loans, advances, leases etc.	8,723,616,531	9,046,121,796
Bills purchased and discounted	-	-
Total loans, advances and leases	8,723,616,531	9,046,121,796
Fixed assets including premises, furniture and fixtures	325,663,295	340,359,798
Other assets	1,964,611,327	1,905,357,452
Non-banking assets	389,474,105	176,097,907
Total assets	12,427,076,020	12,708,877,041
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	1,275,682,212	1,373,688,531
Deposits and other accounts		
Current and other accounts	-	-
Bills payable	-	-
Savings account	-	-
Term deposits	5,350,109,175	5,510,070,060
Bearer certificates of deposit	-	-
Other deposits	-	-
Total deposits and other accounts	5,350,109,175	5,510,070,060
Other liabilities	2,552,829,504	2,582,511,497
Total liabilities	9,178,620,891	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 reserve	-	-
Revaluation reserve	221,943,750	221,943,750
Retained earnings	(1,454,611,468)	(1,462,611,523)
Equity attributable to shareholders' of the company	2,448,131,394	2,440,131,339
Non-controlling interest	800,323,735	802,475,614
Total shareholders' equity	3,248,455,129	3,242,606,953
Total liabilities and shareholders' equity	12,427,076,020	12,708,877,041
Total off-balance sheet items including contingent liabilities	-	10,000,000
Net asset value per share (NAV)	8.97	8.94

Consolidated Profit and Loss Account

for the period ended 30 September 2020

(Figures in BDT)

	for the 9 months ended		for the 3rd quarter ended	
	30-Sep-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019
Interest income	609,438,440	771,199,430	250,042,344	221,219,974
Interest paid on deposits, borrowings, etc.	(492,174,993)	(639,987,764)	(158,112,646)	(199,317,412)
Net interest income	117,263,447	131,211,666	91,929,698	21,902,562
Investment income	(2,555,327)	(64,324,137)	3,235,419	(23,853,368)
Fees, commission, exchange and brokerage	9,432,645	25,006,870	8,114,605	7,073,515
Other operating income	17,006,026	55,440,113	5,422,402	3,038,468
Other operating income	23,883,344	16,122,846	16,772,426	(13,741,385)
Total operating income (A)	141,146,791	147,334,512	108,702,124	8,161,177
Salaries and other employee benefits	90,154,239	91,988,257	32,508,804	33,865,114
Rent, taxes, insurance, electricity etc.	11,767,872	29,048,146	5,779,256	9,434,744
Legal expenses	680,320	1,044,786	615,831	1,022,536
Postage, stamp, telecommunication etc.	1,272,932	2,270,392	588,688	818,539
Stationery, printing, advertisements etc.	1,413,802	2,992,494	485,752	1,416,318
Managing Director's salary and fees	6,795,000	6,795,000	2,265,000	2,265,000
Directors' fees	223,112	858,671	159,112	311,113
Auditors' fees	56,061	56,061	18,687	18,687
Depreciation and repair of assets	17,350,867	11,396,531	5,166,586	3,633,253
Other expenses	8,199,494	10,223,942	3,584,965	3,026,732
Total operating expenses (B)	137,913,699	156,674,280	51,172,681	55,812,036
Profit before provision (C=A-B)	3,233,092	(9,339,768)	57,529,443	(47,650,859)
Provision for loans, advances and leases				
General provision	(2,224,096)	12,165,222	(2,171,679)	(10,017,981)
Specific provision	(9,977,309)	-	1,532,336	(40,847,243)
Provision for diminution in value of investments	2,361,242	2,137,227	644,140	1,249,226
Other Provision	4,884,750	-	1,628,250	-
Total provision (D)	(4,955,413)	(24,829,806)	1,633,047	(49,615,998)
Profit before tax (C-D)	8,188,505	15,490,038	55,896,396	1,965,139
Total provision for tax	2,340,329	1,855,415	1,672,821	92,059
Net profit after tax	5,848,176	13,634,623	54,223,575	1,873,080
Net profit attributable to				
Shareholders of the company	8,000,055	20,035,405	33,497,195	4,937,644
Non-controlling interest	(2,151,879)	(6,400,782)	20,726,380	(3,064,564)
Earnings per share (EPS)	0.03	0.07	0.12	0.02
No. of outstanding shares	272,916,483	272,916,483	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 period ended 30 September 2020

(Figures in BDT)

	30-Sep-2020	30-Sep-2019
A) OPERATING ACTIVITIES		
Interest receipts	575,363,489	802,302,705
Interest payments	(424,757,285)	(748,288,930)
Fees and commission receipts	133,598	6,607,697
Dividend and gain receipts	6,499,512	21,101,882
Cash payments to employees	(91,553,799)	(93,044,195)
Cash payments for operational expenses	(13,281,598)	(50,868,672)
Income taxes paid	(4,999,882)	(7,205,313)
Cash receipts from other operating activities	(172,307)	44,311,661
Payments for other operating activities	(16,797,592)	(3,231,979)
Cash generated before changes in operating assets and liabilities	30,434,136	(28,315,144)
Increase/(decrease) in operating assets and liabilities		
Net loans and advances and other asset	357,515,882	477,478,846
Net loans and deposits from banks and other customers and trading liabilities	(380,488,072)	(469,657,744)
Cash generated from operating assets and liabilities	(22,972,190)	7,821,102
Net cash from operating activities	7,461,946	(20,494,042)
B) INVESTING ACTIVITIES		
Acquisition of fixed assets	(2,723,126)	29,610,493
Sale of securities	-	111,896,872
Investment in securities	-	(2,242,899)
Net cash from investing activities	(2,723,126)	139,264,466
C) FINANCING ACTIVITIES		
Cash dividend paid	-	-
Net receipts/ (payments) for loan	(41,012,756)	(63,123,301)
Net cash from financing activities	(41,012,756)	(63,123,301)
D) Net increase/(decrease) in cash and cash equivalents (A+B+C)	(36,273,936)	55,647,123
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)	414,039,763	586,028,329
Cash and cash equivalents at end of the period represents		
Cash in hand (including foreign currencies)	86,797	89,308
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	58,654,929	118,930,473
Balance with other banks and financial institutions	355,298,037	467,008,548
Total cash and cash equivalents	414,039,763	586,028,329
Net operating cash flow per share (NOCFPS)	0.03	(0.08)

Consolidated Statement of Changes in Equity

for the period ended 30 September 2020

(Figures in BDT)

Particulars	Paid up capital	Statutory reserve	Revaluation reserve	Retained earnings	Non-controlling Interest	Total
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/(loss) for the period (2020)	-	-	-	8,000,055	(2,151,879)	5,848,176
Transfer to statutory reserve	-	-	-	-	-	-
Payment of cash dividend	-	-	-	-	-	-
Balance as at 30 September 2020	2,729,164,830	951,634,282	221,943,750	(1,454,611,468)	800,323,735	3,248,455,129
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/(loss) for the period (2019)	-	-	-	20,035,405	(6,400,782)	13,634,623
Transfer to statutory reserve	-	5,927,315	-	(5,927,315)	-	-
Payment of cash dividend	-	-	-	-	-	-
Balance as at 30 September 2019	2,729,164,830	945,655,861	221,943,750	(1,489,803,443)	800,290,120	3,207,251,118

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 third 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:

	30-Sep-20 (Un-audited)	31-Dec-19 (Audited)
Total shareholders' equity (A)	2,207,645,791	2,196,417,917
Number of shares outstanding (B)	272,916,483	272,916,483
Net Asset Value (NAV) per share (A÷B)	8.09	8.05

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

	30-Sep-20 (Un-audited)	31-Dec-19 (Un-audited)
Total shareholders' equity (A)	2,448,131,394	2,440,131,339
Number of shares outstanding (B)	272,916,483	272,916,483
Net Asset Value (NAV) per share (A÷B)	8.97	8.94

6. EARNINGS PER SHARE:

	30-Sep-20 (Un-audited)	30-Sep-19 (Un-audited)
Profits attributable to ordinary shareholders of the Company		
Net profit for the year (A)	11,227,874	(9,495,679)
Weighted average number of ordinary shares (B)	272,916,483	272,916,483
Earnings per share (A÷B)	0.04	(0.03)

6.a EARNINGS PER SHARE (consolidated):

	30-Sep-20 (Un-audited)	30-Sep-19 (Un-audited)
Profits attributable to ordinary shareholders of the Company		
Net profit for the year (A)	8,000,055	20,035,405
Weighted average number of ordinary shares (B)	272,916,483	272,916,483
Earnings per share (A÷B)	0.03	0.07

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

	30-Sep-20 (Un-audited)	30-Sep-19 (Un-audited)
Net cash flow from operating activities (A)	(32,328,559)	25,843,470
Number of shares outstanding (B)	272,916,483	272,916,483
Net operating cash flow per share (NOCFPS) (A÷B)	(0.12)	0.09

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

	30-Sep-20 (Un-audited)	30-Sep-19 (Un-audited)
Net cash flow from operating activities (A)	7,461,946	(20,494,042)
Number of shares outstanding (B)	272,916,483	272,916,483
Net operating cash flow per share (NOCFPS) (A÷B)	0.03	(0.08)

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

	Separate (30-Sep-20) (Un-audited)	Consolidated (30-Sep-20) (Un-audited)
Net profit after tax	11,227,874	5,848,176
Add: Adjustments for non-cash items:		
Depreciation of company's assets	13,707,773	17,350,866
Provisions for loans, advances and leases	-	-
General provision	(2,224,096)	(2,224,096)
Specific provision	(9,977,309)	(9,977,309)
Other provision	4,884,750	4,884,750
Provisions for the diminution in the value of investments	2,361,242	2,361,242
Provision for taxation	1,084,047	2,340,329
(Increase)/decrease in operating assets	294,855,083	263,251,390
(Increase)/decrease in trading securities	188,212,466	180,955,390
Increase/(decrease) in operating liabilities and accruals	(534,	