

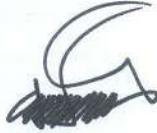
**UNITED FINANCE LIMITED**  
**Balance Sheet (Un-audited)**  
as at 30 June, 2023

<b>PROPERTY AND ASSETS</b>	<b>Notes</b>	<b>30-Jun-23 Taka</b>	<b>31-Dec-22 Taka</b>
<b>Cash</b>	6		
In hand		1,539,500	1,290,000
Balance with Bangladesh Bank and its agent bank(s)		294,289,743	291,849,869
		<b>295,829,243</b>	<b>293,139,869</b>
<b>Balance with banks and other financial institutions</b>	7		
In Bangladesh		3,039,316,705	3,031,275,489
Outside Bangladesh		-	-
		<b>3,039,316,705</b>	<b>3,031,275,489</b>
<b>Money at call and short notice</b>	8	-	-
<b>Investments</b>	9		
Government		501,347	502,665
Others		1,384,056,389	1,041,644,369
		<b>1,384,557,735</b>	<b>1,042,147,034</b>
<b>Lease, loans and advances</b>	10		
Lease receivable		7,225,150,891	6,817,143,448
Loans, cash credits, overdrafts etc.		14,173,871,600	13,403,451,362
		<b>21,399,022,491</b>	<b>20,220,594,810</b>
<b>Fixed assets including land, building, furniture and fixtures</b>	11	409,779,703	446,603,481
<b>Other assets</b>	12	2,239,724,462	2,149,458,067
<b>Non - financial institutional assets</b>		-	-
<b>Total assets</b>		<b>28,768,230,339</b>	<b>27,183,218,750</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowing from banks, other financial institutions and agents</b>	13	7,973,944,707	5,617,589,299
<b>Deposits and other accounts</b>	14		
Current deposits & other accounts etc.		-	-
Bills payable		-	-
Savings bank deposits		-	-
Term deposits		13,355,329,568	14,178,306,705
Bearer certificates of deposit		-	-
Other deposits		430,550,973	448,968,336
		<b>13,785,880,541</b>	<b>14,627,275,041</b>
<b>Other liabilities</b>	15	3,899,861,448	3,746,663,698
<b>Total liabilities</b>		<b>25,659,686,696</b>	<b>23,991,528,037</b>
<b>Capital / Shareholders' equity</b>			
Paid-up capital	16	1,871,146,140	1,871,146,140
Share premium	17	3,750,000	3,750,000
Statutory reserve	18	995,050,000	995,050,000
General reserve	19	190,000,000	190,000,000
Retained earnings	20	48,597,503	131,744,572
<b>Total Shareholders' equity</b>		<b>3,108,543,643</b>	<b>3,191,690,712</b>
<b>Total liabilities and Shareholders' equity</b>		<b>28,768,230,339</b>	<b>27,183,218,750</b>
<b>Net asset value per share (NAV)</b>	21	<b>16.61</b>	<b>17.06</b>
<b>Restatement of NAV:</b>			
Net asset		3,108,543,643	3,191,690,712
Number of outstanding shares (current year's)		187,114,614	187,114,614
NAV per share		<b>16.61</b>	<b>17.06</b>

*mt*  
*Amab,*

**UNITED FINANCE LIMITED**  
**Balance Sheet (Un-audited)**  
as at 30 June, 2023

	<u>Notes</u>	<u>30-Jun-23</u> <u>Taka</u>	<u>31-Dec-22</u> <u>Taka</u>
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>			
Acceptances and endorsements	22	-	-
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
<b>Other commitments</b>			
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		-	-
<b>Total Off-Balance Sheet items including contingent liabilities</b>		<b>-</b>	<b>-</b>



\_\_\_\_\_  
**Chief Financial  
Officer**

*For Shah*

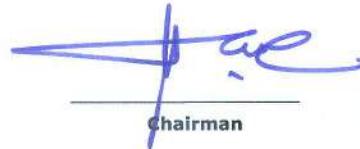
\_\_\_\_\_  
**Company  
Secretary**



\_\_\_\_\_  
**Managing Director  
(Acting)**



\_\_\_\_\_  
**Director**



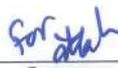
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**Chairman**

**UNITED FINANCE LIMITED**  
**Profit and Loss Account (Un-audited)**  
For the half year ended 30 June, 2023

		Jan-Jun '23	Jan-Jun '22	Apr-Jun '23	Apr-Jun '22
	Notes	Taka	Taka	Taka	Taka
<b>OPERATING INCOME</b>					
Interest income	23	1,022,837,303	1,003,953,684	526,166,518	523,591,452
Interest paid on deposits, borrowings etc.	24	(658,301,932)	(566,617,393)	(330,709,514)	(297,776,643)
<b>Net interest income</b>		<b>364,535,371</b>	<b>437,336,291</b>	<b>195,457,004</b>	<b>225,814,809</b>
Investment income	25	50,102,815	36,224,922	28,302,639	19,803,347
Commission, exchange and brokerage		-	-	-	-
Other operating income	26	62,761,093	76,610,074	29,659,459	38,640,265
<b>Total operating income (A)</b>		<b>477,399,278</b>	<b>550,171,287</b>	<b>253,419,102</b>	<b>284,258,421</b>
<b>OPERATING EXPENSES</b>					
Salaries and allowances	27	283,527,297	280,617,157	140,983,084	146,865,842
Rent, taxes, insurance, electricity etc.	28	8,926,687	12,660,966	5,031,472	6,226,627
Legal expenses	29	13,388,591	10,655,482	9,463,079	7,193,452
Postage, stamp, telecommunication etc.	30	9,508,768	12,191,675	4,601,858	6,207,205
Stationery, printing, advertisements etc.	31	1,307,658	2,462,698	593,789	1,392,741
Managing Director's salary and benefits	32	-	5,297,500	-	2,811,250
Directors' fees	33	268,889	226,110	134,445	128,333
Auditors' fees	34	402,500	402,500	201,250	201,250
Charges on loan losses		-	-	-	-
Depreciation and repair of assets	35	47,357,573	48,450,926	23,735,489	26,447,340
Other expenses	36	18,784,046	26,639,890	9,548,804	13,545,410
<b>Total operating expenses (B)</b>		<b>383,472,008</b>	<b>399,604,904</b>	<b>194,293,270</b>	<b>211,019,450</b>
<b>Profit before provision against lease, loans and advances (C=A-B)</b>		<b>93,927,270</b>	<b>150,566,383</b>	<b>59,125,832</b>	<b>73,238,971</b>
Provision for lease, loans and advances	37	60,624,968	72,053,363	32,926,667	34,966,586
Provision for diminution in value of investments		-	-	-	-
Other provision		6,250,000	5,000,000	-	5,000,000
<b>Total provision (D)</b>		<b>66,874,968</b>	<b>77,053,363</b>	<b>32,926,667</b>	<b>39,966,586</b>
<b>Operating profit before taxes E=(C-D)</b>		<b>27,052,302</b>	<b>73,513,020</b>	<b>26,199,165</b>	<b>33,272,385</b>
Provision for taxation					
Current tax expense	38	19,297,006	41,092,077	20,815,997	18,989,403
Deferred tax (income)/expense	38	(2,654,942)	1,356,916	68,874	744,647
<b>Total provision for taxation (F)</b>		<b>16,642,064</b>	<b>42,448,994</b>	<b>20,884,870</b>	<b>19,734,050</b>
<b>Net profit after tax (E-F)</b>		<b>10,410,238</b>	<b>31,064,027</b>	<b>5,314,295</b>	<b>13,538,335</b>
<b>Appropriations</b>					
Statutory reserve		-	-	-	-
General reserve		-	-	-	-
<b>Retained surplus</b>		<b>10,410,238</b>	<b>31,064,027</b>	<b>5,314,295</b>	<b>13,538,335</b>
<b>Earnings Per Share in Taka</b>	39	<b>0.06</b>	<b>0.17</b>	<b>0.03</b>	<b>0.07</b>



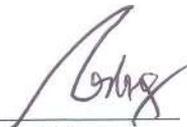
Chief Financial Officer



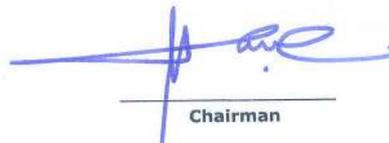
Company Secretary



Managing Director (Acting)



Director



Chairman

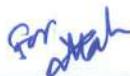
**UNITED FINANCE LIMITED**  
**Cash Flow Statement (Un-audited)**

For the half year ended 30 June, 2023

	Notes	30-Jun-2023 Taka	30-Jun-2022 Taka
<b>A) Cash flows from operating activities</b>			
Interest receipts		1,027,294,217	976,107,366
Interest payments		(689,397,421)	(516,210,650)
Dividend receipts		29,751,222	24,290,281
Amount realised from written off clients		13,912,148	12,456,687
Payments to employees		(283,527,298)	(270,350,330)
Payments to suppliers		(126,013,726)	(148,320,984)
Income tax paid		(43,112,894)	(45,114,828)
Receipts from other operating activities		60,693,701	76,089,864
Payments for other operating activities		(30,680,928)	(56,918,711)
<b>Cash (used in)/generated from operating activities before changes in operating assets and liabilities</b>		<b>(41,080,979)</b>	<b>52,028,695</b>
<b>Changes in operating assets and liabilities</b>			
Increase in lease, loans and advances		(1,184,857,092)	(3,396,201,080)
(Increase)/decrease in other assets		(22,762,019)	3,164,639
(Decrease)/increase in term and other deposits		(841,394,499)	1,549,344,270
Increase in accrued expenses and payables		50,072,467	86,586,315
Increase/(decrease) in short term loan		1,440,404,113	(78,128,437)
Increase in interest suspense		31,379,905	24,122,588
Decrease in provision for gratuity		(955,448)	(3,601,077)
Increase in other liabilities		86,834,843	119,582,115
		(441,277,730)	(1,695,130,666)
<b>Net cash used in operating activities</b>		<b>(482,358,709)</b>	<b>(1,643,101,970)</b>
<b>B) Cash flows from investing activities</b>			
Investment in shares		(403,200,000)	(200,075,710)
Redemption of Govt. securities		1,318	497,599
Redemption/sale of shares		40,787,980	57,106,449
Redemption of commercial bond		20,000,000	20,000,000
Purchase of fixed assets		(8,558,802)	(43,982,306)
Proceeds from sale of fixed assets		4,200,450	2,110,578
<b>Net cash used in investing activities</b>		<b>(346,769,053)</b>	<b>(164,343,390)</b>
<b>C) Cash flows from financing activities</b>			
Receipts of long term loan		2,236,005,411	1,060,661,795
Repayment of long term loan		(1,320,054,117)	(840,903,616)
Dividend paid		(76,092,942)	(185,610,856)
<b>Net Cash from financing activities</b>		<b>839,858,352</b>	<b>34,147,323</b>
D) Net increase in cash and cash equivalents (A+ B + C)		10,730,590	(1,773,298,038)
E) Effects of exchange rate changes on cash and cash equivalents		-	-
F) Cash and cash equivalents at beginning of the period		3,324,415,358	5,384,506,129
<b>G) Cash and cash equivalents at end of the period (D+E+F)</b>		<b>3,335,145,948</b>	<b>3,611,208,091</b>
<b>Cash and cash equivalents at end of the period</b>			
Cash in hand		1,539,500	1,290,000
Balance with Bangladesh Bank and its agent bank(s)		294,289,743	242,811,308
Balance with banks and other financial institutions		3,039,316,705	3,367,106,783
Money at call and short notice		-	-
		<b>3,335,145,948</b>	<b>3,611,208,091</b>
<b>Net operating cash flows per share</b>	40	<b>(2.58)</b>	<b>(8.78)</b>



Chief Financial  
Officer



Company  
Secretary



Managing Director  
(Acting)



Director



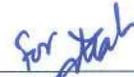
Chairman

**UNITED FINANCE LIMITED**  
**Statement of Changes in Equity (Un-audited)**  
For the half year ended 30 June, 2023

Particulars	Paid-up Capital	Share Premium	Statutory Reserve	General Reserve	Retained Earnings	Total
Balance as at 31 December, 2022	1,871,146,140	3,750,000	995,050,000	190,000,000	131,744,572	3,191,690,712
Cash dividend for the year 2022	-	-	-	-	(93,557,307)	(93,557,307)
Movement of general reserve	-	-	-	-	-	-
Net profit for the half year ended 30 June, 2023	-	-	-	-	10,410,238	10,410,238
<b>Balance as at 30 June, 2023</b>	<b>1,871,146,140</b>	<b>3,750,000</b>	<b>995,050,000</b>	<b>190,000,000</b>	<b>48,597,503</b>	<b>3,108,543,643</b>
<b>Balance as at 30 June, 2022</b>	<b>1,871,146,140</b>	<b>3,750,000</b>	<b>966,450,000</b>	<b>190,000,000</b>	<b>48,871,702</b>	<b>3,080,217,842</b>



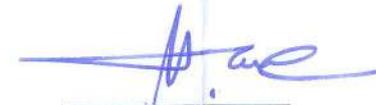
Chief Financial  
Officer

for  
  
Company  
Secretary



Managing Director  
(Acting)

  
Director

  
Chairman

**United Finance Limited**  
**Notes to the financial statements (Un-audited)**  
For the half year ended 30 June, 2023

**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, 1913 (amended in 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 which is stated at market value in accordance with International Financial Reporting Standards (IFRSs) 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 and 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 27 July 2023.

*Abwab*

	<u>30-Jun-23</u>	<u>31-Dec-22</u>
<b>6 Cash</b>		
Cash in hand (Note-6.1)	1,539,500	1,290,000
Balance with Bangladesh Bank and its agent bank(s) (Note-6.2)	294,289,743	291,849,869
	<b><u>295,829,243</u></b>	<b><u>293,139,869</u></b>
<b>6.1</b>	Cash in hand includes petty cash balances of all offices.	
<b>6.2</b>	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.	
<b>7 Balance with banks and other financial institutions</b>		
In Bangladesh (Note-7.1)	3,039,316,705	3,031,275,489
Outside Bangladesh	-	-
	<b><u>3,039,316,705</u></b>	<b><u>3,031,275,489</u></b>
<b>7.1 In Bangladesh</b>		
<b><u>Current deposits</u></b>		
Bank Al-Falah Limited	4,089	4,239
Bank Asia Limited	123,943	178,682
Brac Bank Limited	18,727,920	12,029,338
Dhaka Bank Limited	1,938	-
Dutch-Bangla Bank Limited	527,829	1,277,561
Eastern Bank Limited	39,056,321	9,583,183
IFIC Bank PLC	13,885	330,668
National Bank Limited	13,155	259,500
One Bank Limited	20,338,457	102,079,612
Pubali Bank Limited	3,782,440	87,327,467
Sonali Bank PLC	7,257	267,718
Standard Bank Limited	7,826	7,906
Standard Chartered Bank	-	3,100,021
The City Bank Limited	12,363,202	217,458
United Commercial Bank PLC	25,410,464	108,230,028
	<b><u>120,378,726</u></b>	<b><u>324,893,379</u></b>
<b><u>Short-term deposit (STD)</u></b>		
Bank Asia Limited	9,061,884	14,812,768
Commercial Bank of Ceylon PLC	374	-
Dutch-Bangla Bank Limited	834,565	1,393,670
Mutual Trust Bank Limited	1,640,440	805,174
National Credit & Commerce Bank Limited	18,729	149,629
Standard Bank Limited	12,085,328	12,976,308
Standard Chartered Bank	14,763,067	31,666,372
United Commercial Bank PLC	25,533,593	29,997,494
	<b><u>63,937,979</u></b>	<b><u>91,801,414</u></b>
<b><u>Fixed deposits</u></b>		
AB Bank Limited	-	5,000,000
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
Eastern Bank Limited	200,000,000	200,000,000
Mercantile Bank Limited	35,000,000	35,015,000
Mutual Trust Bank Limited	400,000,000	200,000,000
National Credit & Commerce Bank Limited	160,000,000	160,000,000
One Bank Limited	35,000,000	135,000,000
Pubali Bank Limited	350,000,000	354,565,695
Standard Bank Limited	100,000,000	100,000,000
The City Bank Limited	200,000,000	-
United Commercial Bank PLC	350,000,000	350,000,000
IDLC Finance Limited	200,000,000	100,000,000
IPDC Finance Limited	300,000,000	300,000,000
Bangladesh Industrial Finance Company Limited (BIFC)	115,000,000	115,000,000
Foreast Finance and Investment Limited	110,000,000	110,000,000
	<b><u>2,855,000,000</u></b>	<b><u>2,614,580,695</u></b>
	<b><u>3,039,316,705</u></b>	<b><u>3,031,275,489</u></b>

*Asrab*

	<u>30-Jun-23</u>	<u>31-Dec-22</u>
<b>8 Money at call and short notice</b>	-	-
<b>9 Investments</b>		
Investment classified as per nature		
<b>a) Government securities</b>		
Treasury bill	-	-
Treasury bond	501,347	502,665
National investment bonds	-	-
Bangladesh Bank bills	-	-
Government bonds	-	-
Prize bonds	-	-
	<u>501,347</u>	<u>502,665</u>
<b>b) Other investment</b>		
Investment in ordinary shares (Note-9.1)	15,262,370	15,350,350
Investment in preference shares	1,328,794,019	966,294,019
Investment in bonds	40,000,000	60,000,000
	<u>1,384,056,389</u>	<u>1,041,644,369</u>
	<u>1,384,557,735</u>	<u>1,042,147,034</u>

**9.1 Investment in ordinary shares**

9.1a Investment in United Insurance Company Limited

As on 30 June 2023 the market value (closing market price) of 4,450,000 shares held was BDT 169,545,000 (@ BDT 38.10 per share) against cost price of BDT 15,000,000 for 600,000 shares initially purchased (@ BDT 25 per share).

9.1b Investment in other companies

Business Segment	No. of shares	Cost price	Market price
Telecommunication	26,237	262,370	787,110
	<u>26,237</u>	<u>262,370</u>	<u>787,110</u>

Investments in marketable securities are valued at cost at the Balance Sheet date, if market price is lower than cost in that case required provision is kept in Profit and Loss account. Unrealized gain is not accounted for in financial statements.

As of 30 June 2023 the market value (closing market price) of the above shares was Taka 787,110 against cost price of Taka 262,370.

**10 Lease, loans and advances**

Lease receivable (Note-10.1)	7,225,150,891	6,817,143,448
Loans (Note-10.2)	14,173,871,600	13,403,451,362
	<u>21,399,022,491</u>	<u>20,220,594,810</u>
<b>10.1 Lease receivable</b>		
Net lease receivable	7,141,001,616	6,742,951,655
Interest receivable	84,149,275	74,191,794
	<u>7,225,150,891</u>	<u>6,817,143,448</u>
<b>10.2 Loans</b>		
Term loan	9,676,903,117	8,860,053,500
Home loan	3,254,285,013	3,242,644,652
Short term loan and CSF advances	1,027,443,460	1,069,126,306
Interest receivable	215,240,011	231,626,904
	<u>14,173,871,600</u>	<u>13,403,451,362</u>
<b>10.3 Size wise lease, loan portfolio concentration</b>		
Cottage, Micro, Small & Medium Enterprise Financing (CMSME)	10,436,640,590	10,690,876,866
Other than CMSME	10,962,381,901	9,529,717,945
	<u>21,399,022,491</u>	<u>20,220,594,810</u>

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	<u>30-Jun-23</u>	<u>31-Dec-22</u>
<b>11 Fixed assets including land, building, furniture and fixtures</b>		
<b>Cost</b>		
Furniture and fixtures	124,679,081	125,636,766
Office equipment	589,601	589,601
Electrical equipment	181,951,484	181,725,498
Software	45,088,157	44,808,157
Motor vehicles	50,422,061	52,759,756
Office space	177,890,411	177,890,411
Right-of-use assets	220,913,801	220,913,801
	<u>801,534,595</u>	<u>804,323,989</u>
Less: Accumulated depreciation	<u>(391,754,892)</u>	<u>(357,720,508)</u>
	<u>409,779,703</u>	<u>446,603,481</u>
<b>12 Other assets</b>		
<b>Income generating:</b>		
Income receivable (Note-12.1)	154,496,611	130,105,129
<b>Non-income generating:</b>		
Deferred tax asset (Note-12.2)	8,354,024	5,699,082
Advance, deposit and prepaid expenses	64,008,324	43,901,247
Receivable from provident fund account	6,508,175	6,508,175
Advance corporate tax	2,006,357,327	1,963,244,433
	<u>2,239,724,462</u>	<u>2,149,458,067</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.

	<u>Carrying amount at balance sheet</u>	<u>Tax base</u>	<u>Deductible temporary differences</u>
<b>Deferred tax asset:</b>			
Fixed assets at book value	289,585,694	305,863,091	16,277,397
<b>Deferred tax liability:</b>			
Liability to employees gratuity	6,000,000	-	6,000,000
			<u>22,277,397</u>
Applicable tax rate			37.50%
Deferred tax asset as on 30 June, 2023			8,354,024
Deferred tax asset as on 31 December, 2022			5,699,082
Deferred tax income for the period ended 30 June, 2023			<u>2,654,942</u>

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	<u>30-Jun-23</u>	<u>31-Dec-22</u>
<b>13 Borrowing from banks, other financial institutions and agents</b>		
In Bangladesh (Note-13.1)	7,973,944,707	5,617,589,299
Outside Bangladesh	-	-
	<u>7,973,944,707</u>	<u>5,617,589,299</u>
<b>13.1 In Bangladesh</b>		
<b><u>Secured loans</u></b>		
<b>Secured long term loans</b>	-	-
<b>Secured short term loans</b>		
<b>Bank overdraft</b>		
Private Commercial Bank	1,242,144,268	772,625,319
Foreign Commercial Bank	305,363,016	254,477,851
	<u>1,547,507,284</u>	<u>1,027,103,170</u>
<b>Short term loan</b>		
Foreign Commercial Bank	170,000,000	-
	<u>170,000,000</u>	-
<b>Total secured loan</b>	<u>1,717,507,284</u>	<u>1,027,103,170</u>
<b><u>Unsecured loans</u></b>		
<b>Unsecured long term loans</b>		
Bangladesh Bank (Refinance)	4,106,902,434	3,921,840,101
Bangladesh Bank (Prefinance)	853,400,000	-
Kreditanstalt Für Wiederaufbau (KFW)	-	13,173,847
Non-Convertible Zero Coupon Bond	346,134,989	455,472,181
	<u>5,306,437,423</u>	<u>4,390,486,129</u>
<b>Unsecured short term loans</b>		
<b>Short term loans</b>		
Non Banking Financial Institutions	950,000,000	200,000,000
	<u>950,000,000</u>	<u>200,000,000</u>
<b>Total unsecured loans</b>	<u>6,256,437,423</u>	<u>4,590,486,129</u>
	<u>7,973,944,707</u>	<u>5,617,589,299</u>
<b>14 Deposits and other accounts</b>		
Current deposits & other accounts etc.	-	-
Bills payable	-	-
Savings bank deposits	-	-
Term deposits	13,355,329,568	14,178,306,705
Bearer certificates of deposit	-	-
Other deposits	430,550,973	448,968,336
	<u>13,785,880,541</u>	<u>14,627,275,041</u>
<b>15 Other liabilities</b>		
Provision for gratuity	6,000,000	6,955,448
Interest suspense account	212,351,462	180,971,557
Accrued expenses and payables	730,645,746	712,264,981
Lease liabilities	145,642,227	158,798,185
Provision for lease, loans and advances	634,270,264	559,733,148
Provision on others	46,250,000	40,000,000
Provision for income tax	2,094,811,164	2,075,514,158
Provision on receivable from provident fund account	6,508,175	6,508,175
Unpaid/unclaimed Dividend	23,382,411	5,918,046
	<u>3,899,861,448</u>	<u>3,746,663,698</u>

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30-Jun-23

31-Dec-22

**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

**1,871,146,140** **1,871,146,140**

**16.3 Composition of shareholders' equity****30 June 2023**

<b>Particulars</b>	<b>No. of shares</b>	<b>Face value</b>	<b>Amount</b>
Paid-up capital	187,114,614	10	1,871,146,140
Share premium			3,750,000
Preference share capital			-
Statutory reserve			995,050,000
General reserve			190,000,000
Retained earnings			48,597,503
<b>Total shareholders' equity</b>			<b>3,108,543,643</b>

**Date of issue & other information**

<b>Date</b>	<b>Types of paid-up capital</b>	<b>No. of shares</b>	<b>Face value per share</b>	<b>Amount</b>
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
	<b>Before split</b>	<b>9,240,000</b>		<b>924,000,000</b>
	<b>After split</b>	<b>92,400,000</b>	<b>10</b>	<b>924,000,000</b>
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
	<b>Paid up capital</b>	<b>187,114,614</b>		<b>1,871,146,140</b>

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	<u>30-Jun-23</u>	<u>31-Dec-22</u>
<b>17 Share premium</b>		
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.		
<b>18 Statutory reserve</b>		
Balance as at January 01	995,050,000	966,450,000
Addition during the year	-	28,600,000
	<u>995,050,000</u>	<u>995,050,000</u>
<b>19 General reserve</b>		
Balance as at January 01	190,000,000	190,000,000
Transfer to retained earnings during the year	-	-
Transfer from retained earnings during the year	-	-
	<u>190,000,000</u>	<u>190,000,000</u>
<b>20 Retained earnings</b>		
Balance as at January 01	131,744,572	204,922,289
Less: Cash dividend for the year 2022	(93,557,307)	(187,114,614)
Less: Issue of bonus shares for the year 2022	-	-
Add: Transfer from general reserve during the year	-	-
<b>Balance remaining</b>	<u>38,187,265</u>	<u>17,807,675</u>
<b>Addition during the year</b>		
Net profit after taxation	10,410,238	142,536,897
Transfer to general reserve during the year	-	-
Transfer to statutory reserve during the year	-	(28,600,000)
	<u>10,410,238</u>	<u>113,936,897</u>
	<u>48,597,503</u>	<u>131,744,572</u>
<b>21 Net Asset Value Per Share (NAV)</b>		
Total Shareholders' equity	3,108,543,643	3,191,690,712
Number of shares outstanding	187,114,614	187,114,614
<b>NAV per share</b>	<b>16.61</b>	<b>17.06</b>
<b>NAV per share (Restated)</b>	<b>16.61</b>	<b>17.06</b>
<b>22 Contingent liabilities</b>		
<b>Off-Balance sheet items</b>		
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)	-	-
Letters of guarantee (Foreign)	-	-
Foreign counter guarantee	-	-
	<u>-</u>	<u>-</u>

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	<u>30-Jun-23</u>	<u>30-Jun-22</u>
<b>23 Interest income</b>		
Lease	315,775,701	327,500,083
Term loan and home loan	575,197,711	547,424,553
Short term financing	47,092,139	59,088,489
	<u>938,065,551</u>	<u>934,013,124</u>
Interest on balance with banks and other financial institutions	56,801,455	29,905,467
Interest on deposits under lien for credit line facilities	27,970,298	40,035,092
	<u>1,022,837,303</u>	<u>1,003,953,684</u>
<b>24 Interest paid on deposits, borrowings etc.</b>		
<b>a) Interest paid on deposits</b>		
Deposits from other than banks and financial institutions	491,192,177	412,333,368
Deposits from banks and financial institutions	16,402,778	42,261,111
Interest bearing security deposits	949,654	925,155
	<u>508,544,608</u>	<u>455,519,634</u>
<b>b) Interest paid for borrowing</b>		
Bank loans	30,866,042	11,969,306
Bangladesh Bank refinance and KFW	66,849,352	58,008,426
Call loan	-	2,801,319
Overdraft	29,907,168	7,461,430
Zero Coupon Bond	15,662,808	24,051,891
	<u>143,285,369</u>	<u>104,292,372</u>
<b>c) Interest expenses-lease liabilities</b>		
	6,471,955	6,805,387
	<u>6,471,955</u>	<u>6,805,387</u>
	<u>658,301,932</u>	<u>566,617,393</u>
<b>25 Investment income</b>		
Interest on Government securities	10,673	12,500
Interest on bonds	1,600,212	6,797,608
Dividend on shares	48,491,930	29,414,815
	<u>50,102,815</u>	<u>36,224,922</u>
<b>26 Other operating income</b>		
Reimbursement - invoice, disbursement processing and collection costs	6,548,509	7,129,571
Early repayment premium	4,037,812	12,308,673
Reimbursement - documentation costs	38,873,625	44,174,184
Late payment interest	7,217,654	9,969,638
Profit on sale of fixed assets	682,996	520,210
Profit on sale of share	328,309	874,518
Miscellaneous earnings	5,072,188	1,633,280
	<u>62,761,093</u>	<u>76,610,074</u>
<b>27 Salaries and allowances</b>		
Basic salary, provident fund contribution and all other allowances	265,914,684	257,120,819
Festival and incentive bonus	17,612,613	23,496,338
	<u>283,527,297</u>	<u>280,617,157</u>
<b>28 Rent, taxes, insurance, electricity etc.</b>		
Rent, rate and taxes (Note-28.1)	263,566	187,216
Insurance	4,268,081	8,608,465
Electricity, gas and water	4,395,039	3,865,285
	<u>8,926,687</u>	<u>12,660,966</u>
<b>28.1 Movement of rent, rate and taxes</b>		
Rent expenses charged	19,891,480	18,551,598
Less: Reclassification of rent (as per IFRS 16 Leases)	19,627,913	18,364,382
	<u>263,566</u>	<u>187,216</u>

Movement of rent, rate and taxes have been included due to implementation of IFRS-16 Leases (office rent).

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	<u>30-Jun-23</u>	<u>30-Jun-22</u>
<b>29 Legal expenses</b>		
Legal fees	10,417,480	7,438,867
Professional fees	2,971,111	3,216,615
	<u>13,388,591</u>	<u>10,655,482</u>
<b>30 Postage, stamp, telecommunication etc.</b>		
Stamp expenses	4,519,239	4,297,072
Postage and courier	345,421	478,105
Telephone, mobile and internet	4,644,109	7,416,498
	<u>9,508,768</u>	<u>12,191,675</u>
<b>31 Stationery, printing and advertisements etc.</b>		
Printing and stationeries	1,307,658	2,459,128
Publicity and advertisements	-	3,570
	<u>1,307,658</u>	<u>2,462,698</u>
<b>32 Managing Director's salary and benefits</b>		
Remuneration	-	3,737,500
Other benefits	-	1,560,000
	<u>-</u>	<u>5,297,500</u>
<b>33 Directors' fees</b>		
Directors' fees	268,889	226,110
	<u>268,889</u>	<u>226,110</u>
<b>34 Auditors' fees</b>		
Statutory audit fees	402,500	402,500
	<u>402,500</u>	<u>402,500</u>
<b>35 Depreciation and repair of assets</b>		
<b>Depreciation</b>		
Furniture and fixture	4,039,934	4,209,642
Office equipment	19,720	16,752
Electrical equipment	11,889,495	10,257,823
Software	5,811,182	4,458,696
Motor vehicles	3,761,953	4,402,908
Office space	2,223,630	2,223,630
Right-of-use assets	14,119,210	14,157,874
	<u>41,865,125</u>	<u>39,727,325</u>
<b>Repairs of assets</b>		
Maintenance of electrical equipment, office equipment and other assets	5,492,448	8,723,602
	<u>5,492,448</u>	<u>8,723,602</u>
	<u>47,357,573</u>	<u>48,450,926</u>

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

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	<u>30-Jun-23</u>	<u>30-Jun-22</u>
<b>36 Other expenses</b>		
Training expenses	5,777	146,127
Books, magazines and newspapers etc.	37,748	30,069
Staffs' uniforms	311,222	613,520
Medical expenses	233,376	505,018
Fees and subscriptions	1,432,121	2,230,576
Bank charges	2,232,003	1,951,908
Excise duty expenses	811,150	1,493,000
Car expenses	375,768	465,808
Entertainment	1,316,475	2,243,724
Office expenses	1,118,778	1,842,590
Security services	1,846,064	4,378,141
Business promotion expenses	3,009,544	3,325,632
Annual General Meeting expenses	600,737	884,230
Travelling and conveyance expenses	5,453,283	6,529,548
	<u><b>18,784,046</b></u>	<u><b>26,639,890</b></u>
<b>37 Provision for lease, loans and advances</b>		
General provision on lease, loans and advances	4,029,166	25,694,822
Special provision 2% (15% payment for deferral clients)	(1,291,255)	(2,655,941)
Specific Provision on unclassified lease, loans and advances	5,505,867	12,459,877
Specific Provision on classified lease, loans and advances	52,381,189	36,554,604
	<u><b>60,624,968</b></u>	<u><b>72,053,363</b></u>

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**30-Jun-23****30-Jun-22****38 Provision for taxation****Current tax expense**

Corporate tax for the year on operating profit	33,705,641	41,092,077
Settlement of previous year's tax liability	(14,408,635)	-
	<b>19,297,006</b>	<b>41,092,077</b>

**Deferred tax**

Deferred tax (income)/expense	(2,654,942)	1,356,916
	<b>16,642,064</b>	<b>42,448,994</b>

**Reconciliation of Effective Tax Rate**

	30-Jun-23		30-Jun-22	
	%	Taka	%	Taka
Profit before income tax as per profit and loss account		27,052,302		73,513,020
Income tax as per applicable tax rate	37.50%	10,144,613	37.50%	27,567,383
Net inadmissible expenses (due to difference between accounting & tax depreciation, lease/loan provision, gratuity provision and others)	118.80%	32,137,400	25.73%	18,912,780
Reduced tax due to tax rate being lower than business tax rate (dividend income @ 20% and capital gain on sale of shares @ 10%)	-31.70%	(8,576,373)	-7.33%	(5,388,085)
Settlement of previous years' tax liability	-53.26%	(14,408,635)	-	-
Deferred tax	-9.81%	(2,654,942)	1.85%	1,356,916
	<b>61.52%</b>	<b>16,642,064</b>	<b>57.74%</b>	<b>42,448,994</b>

**39 Earnings Per Share (EPS)**

Net profit after tax	10,410,238	31,064,027
Number of shares outstanding	187,114,614	187,114,614
<b>EPS</b>	<b>0.06</b>	<b>0.17</b>
<b>EPS (Restated)</b>	<b>0.06</b>	<b>0.17</b>

EPS for the period ended 30 June 2023 is BDT 0.06, which was BDT 0.17 in the same period of the previous year. Principal reason behind this decrease is the reduction of operating income by BDT 72.77 million compared to same period last year. On the other hand operating expense, lease/loan provision and tax expense decreased by BDT 16.13 million, BDT 10.18 million and BDT 25.81 million respectively. In aggregate these resulted in the reduction of net profit after tax by BDT 20.65 million in comparison to same period last year causing the decrease in EPS.

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**30-Jun-23****30-Jun-22****40 Net Operating Cash Flow Per Share (NOCFPS)**

Net cash from operating activities	(482,358,709)	(1,643,101,970)
Number of shares outstanding	187,114,614	187,114,614
<b>NOCFPS</b>	<b>(2.58)</b>	<b>(8.78)</b>
<b>NOCFPS (Restated)</b>	<b>(2.58)</b>	<b>(8.78)</b>

NOCFPS for the period ended 30 June 2023 is BDT (2.58) which was BDT (8.78) in the same period of previous year. Principal reason behind this variance is decrease in cash utilisation for disbursement of loans and advances by BDT 2,211.34 million and increase in receipt of short term loan by BDT 1,518.53 million. Moreover utilisation of cash in operating activities increased by BDT 93.11 million. On the other hand cash generation from term and other deposits decreased by BDT 2,390.74 million while cash utilisation in various other assets and liabilities in aggregate increased by BDT 85.28 million. As a result cash utilisation in aggregate decreased by BDT 1,160.74 million.

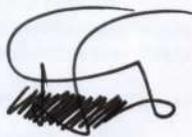
**41 Reconciliation of net cash flows from operating activities****Particulars**

Net profit after tax	10,410,238	31,064,027
Depreciation	41,865,125	39,727,325
Provision for lease, loans and advances	80,787,116	89,510,050
Provision for taxation	19,297,006	41,092,077
Profit on sale of fixed assets	(682,996)	(520,210)
Increase/(decrease) in short term loan	1,440,404,113	(78,128,437)
Increase in lease, loans and advances	(1,178,427,681)	(3,425,322,743)
Income tax paid	(43,112,894)	(45,114,828)
(Decrease)/increase in term and other deposits	(841,394,499)	1,549,344,270
Increase in other liabilities	35,649,264	162,741,156
Increase in other assets	(47,153,501)	(7,494,656)
<b>Cash flows from operating activities</b>	<b>(482,358,709)</b>	<b>(1,643,101,970)</b>

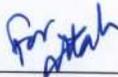
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42 Transactions with Directors and their related entities

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	5,881,020	
	Susan Ann Walker	-Do-	Office rent	2,009,556	
Duncan Properties Ltd.	Imran Ahmed	-Do-	Term deposit	36,463,138	
	A. Rouf	-Do-	Office rent	61,824	
Macalms Bangladesh Trust	Imran Ahmed	Trustee	Term deposit	34,728,903	
	A. Rouf	-Do-			
	A.F.M.M. Samad Choudhury	-Do-			
National Brokers Limited	L. H. Khan	Common Director	Term deposit	98,546,254	
	Ormaan Rafay Nizam	-Do-			
Duncan Brothers (BD) Ltd.	Imran Ahmed	-Do-	Term deposit	46,000,000	
	A. Rouf	-Do-	Office rent	1,437,394	
Eastland Camellia Ltd.	Imran Ahmed	-Do-	Term deposit	55,477,839	
	A. Rouf	-Do-			
United Insurance Co. Ltd.	A. Rouf	Nominated Director	Lease	4,057,356	Regular
	L. H. Khan	-Do-	Term deposit	28,000,000	
	A.F.M.M. Samad Choudhury	-Do-	Insurance premium	24,438	
Duncan Products Ltd.	A. Rouf	Common Director	Term deposit	8,000,000	
	Imran Ahmed	-Do-	Drinking water bill	15,264	
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	51,740,162	
	A. Rouf	-Do-			
Octavius Steel & Company of Bangladesh Limited	Imran Ahmed	Common Director	Term deposit	13,420,092	
	A. Rouf	-Do-			



Chief Financial Officer



Company Secretary



Managing Director (Acting)



Director



Chairman