Prime Finance & Investment Limited

Un-audited Financial Statements
as at and for the half year ended 30 June 2017

Consolidated Balance Sheet

as at 30 June 2017

(Figures in BDT)

PROPERTY AND ASSETS	30-June-2017 (un-audited)	31-Dec-2016 (audited)
Cash		
In hand (including foreign currencies)	76,882	81,663
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	162,229,112	146,370,632
Total cash	**162,305,994**	**146,452,295**
Balance with other banks and financial institutions		
In Bangladesh	421,604,270	355,478,290
Outside Bangladesh	-	-
Total balance with other banks and financial institutions	**421,604,270**	**355,478,290**
Money at call and on short notice	-	-
Investments		
Government	-	-
Others	1,050,232,932	893,366,521
Total investments	**1,050,232,932**	**893,366,521**
Loans, advances and leases		
Loans, advances, leases etc.	13,911,330,856	14,800,363,094
Bills purchased and discounted	-	-
Total loans, advances and leases	**13,911,330,856**	**14,800,363,094**
Fixed assets including premises, furniture and fixtures	359,047,256	360,154,552
Other assets	2,174,546,936	2,358,186,133
Non business assets	-	-
Total assets	**18,079,068,244**	**18,914,000,885**
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	**2,769,901,421**	**3,299,527,828**
Deposits and other accounts		
Current and other accounts	-	-
Bills payable	-	-
Savings account	-	-
Term deposits	8,872,955,170	9,016,194,779
Bearer certificates of deposit	-	-
Other deposits	-	-
Total deposits and other accounts	**8,872,955,170**	**9,016,194,779**
Other liabilities	**3,240,187,832**	**3,006,390,533**
Total liabilities	**14,883,044,423**	**15,322,113,140**
Capital/Shareholders' equity		
Paid up capital	2,729,164,830	2,729,164,830
Statutory reserve	927,108,510	927,108,510
Share money deposit	-	-
Other reserve	-	-
Revaluation reserve	221,943,750	221,943,750
Retained earnings	(1,487,260,500)	(1,092,766,302)
Equity attributable to shareholders' of the company	**2,390,956,590**	**2,785,450,788**
Non-controlling interest	805,067,231	806,436,957
Total shareholders' equity	**3,196,023,821**	**3,591,887,745**
Total liabilities and shareholders' equity	**18,079,068,244**	**18,914,000,885**
OFF-BALANCE SHEET ITEMS	**24,700,000**	**117,000,000**
Net asset value per share (NAV)	**8.76**	**10.21**

sd/- Company Secretary (In-charge) | sd/- Chief Financial Officer | sd/- Managing Director | sd/- Director | sd/- Chairman

Consolidated Profit and Loss Account

for the period ended 30 June 2017

(Figures in BDT)

	for the half year ended		for the 2nd quarter ended	
	30-June-2017	30-June-2016	30-June-2017	30-June-2016
Interest income	381,566,472	426,439,236	164,934,963	220,750,851
Interest paid on deposits, borrowings, etc.	(499,666,078)	(543,016,692)	(259,722,624)	(268,230,443)
Net interest income	**(118,099,606)**	**(116,577,456)**	**(94,787,661)**	**(47,479,592)**
Investment income	71,477,979	(7,691,556)	16,511,678	1,063,920
Fees, commission, exchange and brokerage	16,913,775	13,216,025	5,097,275	4,900,387
Other operating income	(9,553,213)	(33,268,858)	(3,012,830)	(35,458,139)
Other operating income	**78,838,541**	**(27,744,389)**	**18,596,123**	**(29,493,832)**
Total operating income (A)	**(39,261,065)**	**(144,321,845)**	**(76,191,538)**	**(76,973,424)**
Salaries and other employee benefits	98,454,412	68,699,233	62,389,266	40,753,011
Rent, taxes, insurance, electricity etc.	20,226,064	19,107,966	9,719,783	10,662,459
Legal expenses	951,400	2,330,103	929,475	1,932,384
Postage, stamp, telecommunication etc.	2,070,234	2,008,246	1,171,588	1,178,572
Stationery, printing, advertisements etc.	4,499,837	4,169,939	3,082,456	2,379,229
Managing Director's salary and fees	7,800,000	7,500,000	3,900,000	3,750,000
Directors' fees	680,004	572,720	568,004	444,720
Auditors' fees	31,625	28,750	15,812	14,375
Depreciation and repair of assets	8,851,122	8,293,749	4,434,166	4,252,329
Other expenses	8,207,618	13,246,491	906,716	6,635,658
Total operating expenses (B)	**151,772,316**	**125,957,197**	**87,117,266**	**72,002,737**
Profit before provision (C=A-B)	**(191,033,381)**	**(270,279,042)**	**(163,308,804)**	**(148,976,161)**
Provision for loans, advances and leases				
General provision	25,058,233	(75,705,236)	(143,839,197)	(10,975,330)
Specific provision	159,031,592	420,094,449	225,757,437	277,904,923
Provision for diminution in value of investments	14,474,160	(8,295,938)	(1,425,252)	(8,120,482)
Total provision (D)	**198,563,985**	**336,093,275**	**80,492,988**	**258,809,111**
Profit before tax (C-D)	**(389,597,366)**	**(606,372,317)**	**(243,801,792)**	**(407,785,272)**
Total provision for tax	6,266,558	6,810,555	335,763	5,808,101
Net profit after tax	**(395,863,924)**	**(613,182,872)**	**(244,137,555)**	**(413,593,373)**
Net profit attributable to				
Shareholders of the company	(394,494,198)	(600,933,524)	(242,162,099)	(406,192,300)
Non-controlling interest	(1,369,726)	(12,249,348)	(1,975,456)	(7,401,073)
Earnings per share (EPS)	**(1.45)**	**(2.20)**	**(0.89)**	**(1.49)**
No. of outstanding shares	**272,916,483**	**272,916,483**	**272,916,483**	**272,916,483**

sd/- Company Secretary (In-charge) | sd/- Chief Financial Officer | sd/- Managing Director | sd/- Director | sd/- Chairman

Consolidated Cash Flow Statement

for the period ended 30 June 2017

(Figures in BDT)

A) OPERATING ACTIVITIES	30-June-2017	30-June-2016
Interest receipts	387,257,200	555,988,318
Interest payments	(455,777,183)	(507,686,183)
Fees and commission receipts	3,839,525	5,952,333
Dividend receipts	11,872,008	18,762,698
Capital gain from sale of listed shares	32,566,465	(28,613,030)
Cash payments to employees	(76,098,914)	(59,878,398)
Cash payments to suppliers and management expenses	(66,671,321)	(75,151,908)
Income taxes paid	(4,981,530)	(13,669,161)
Receipts from other operating activities	99,804,672	38,361,412
Payments for other operating activities	(80,000)	(248,807)
Cash generated before changes in operating assets and liabilities	**(68,269,078)**	**(66,182,726)**
Increase/(decrease) in operating assets and liabilities		
Net loans and advances to customers	832,880,802	(497,173,368)
Net loans and deposits from banks and other depositors	(560,803,750)	(201,543,692)
Cash generated from operating assets and liabilities	**272,077,052**	**(698,717,060)**
Net cash from operating activities	**203,807,974**	**(764,899,786)**
B) INVESTING ACTIVITIES		
Acquisition of fixed assets	(7,564,135)	(12,532,239)
Advance for purchase of fixed assets	-	-
Sale of invested securities	317,947,955	310,949,225
Investment in securities	(432,212,115)	(220,511,718)
Net cash from investing activities	**(121,828,295)**	**77,905,268**
C) FINANCING ACTIVITIES		
Cash dividend paid	-	-
Net receipts/ (payments) for loan	-	(43,978,325)
Net cash from financing activities	**-**	**(43,978,325)**
D) Net increase/(decrease) in cash and cash equivalents (D=A+ B + C)	81,979,679	(730,972,843)
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	501,930,585	1,485,662,858
Cash and cash equivalents at end of the period (D+E+F)	**583,910,264**	**754,690,015**
Cash and cash equivalents at end of the period represents		
Cash in hand	76,882	68,480
Balance with Bangladesh Bank and its agent bank	162,229,112	155,970,262
Balance with other banks and financial institutions	421,604,270	598,651,273
Total cash and cash equivalents	**583,910,264**	**754,690,015**
Net operating cash flow per share (NOCFPS)	**0.75**	**(2.80)**

Consolidated Statement of Changes in Equity

for the period ended 30 June 2017

(Figures in BDT)

Particulars	Paid up capital	Statutory reserve	Revaluation reserve	Retained earnings	Non-controlling Interest	Total
Balance as at 1 January 2017	**2,729,164,830**	**927,108,510**	**221,943,750**	**(1,092,766,302)**	**806,436,957**	**3,591,887,745**
Changes during the period						
Net profit/(loss) for the period (2017)	-	-	-	(394,494,198)	(1,369,726)	(395,863,924)
Payment of cash dividend	-	-	-	-	-	-
Balance as at 30 June 2017	**2,729,164,830**	**927,108,510**	**221,943,750**	**(1,487,260,500)**	**805,067,231**	**3,196,023,821**
Balance as at 1 January 2016	**2,729,164,830**	**927,108,510**	**221,943,750**	**(142,161,088)**	**805,497,537**	**4,541,553,539**
Changes during the period						
Net profit/(loss) for the period (2016)	-	-	-	(600,933,524)	(12,249,348)	(613,182,872)
Issue of bonus share	-	-	-	-	-	-
Payment of cash dividend	-	-	-	-	-	-
Balance as at 30 June 2016	**2,729,164,830**	**927,108,510**	**221,943,750**	**(743,094,612)**	**793,248,189**	**3,928,370,667**

These un-audited Financial Statements of the Company for the half year ended 30 June 2017 are published as per Regulation 17(2) of DSE and CSE (Listing) Regulations, 2015.

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 and presented in condensed form in accordance with the requirements of Bangladesh Accounting Standard (BAS-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 2016.

Approval of half yearly report

These half-yearly financial statements for the period ended 30 June 2017 were approved by the Board of Directors on 26 July 2017.

General

The half-yearly financial statements for the period ended 30 June 2017 are un-audited. The comparative figures have been restated and rearranged whenever considered necessary to ensure comparability with the current financial statements. Figures are rounded-off to the nearest integer.