Un-audited Financial Statements
of
Prime Finance & Investment Limited
As at and for the half year ended 30 June 2018

AMAR STOCK

Prime Finance & Investment Limited
Consolidated Balance Sheet
As at 30 June 2018

	Amount in Taka	
	(Un-audited) 30-Jun-18	(Audited) 31-Dec-17
PROPERTY AND ASSETS		
Cash		
In hand (including foreign currencies)	70,106	67,219
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	143,252,836	165,517,864
Total Cash	**143,322,942**	**165,585,083**
Balance with other banks and financial institutions		
In Bangladesh	603,232,121	972,746,274
Outside Bangladesh	-	-
Total balance with other banks and financial institutions	**603,232,121**	**972,746,274**
Money at call and on short notice	-	-
Investments		
Government	-	-
Others	1,081,163,688	1,196,532,642
Total Investments	**1,081,163,688**	**1,196,532,642**
Loans, advances and leases		
Loans, advances and leases etc.	11,122,994,064	12,213,504,923
Bills purchased and discounted	-	-
Total loans, advances and leases	**11,122,994,064**	**12,213,504,923**
Fixed assets including premises, furniture and fixtures	**348,131,735**	**350,419,373**
Other assets	**2,060,404,960**	**2,098,206,115**
Non - banking assets	**176,097,907**	**176,097,907**
Total assets	**15,535,347,417**	**17,173,092,317**
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	2,234,752,741	2,142,490,132
Deposits and other accounts		
Current and other accounts	-	-
Bills payable	-	-
Savings accounts	-	-
Term deposits	7,470,385,478	8,938,854,327
Bearer certificates of deposit	-	-
Other deposits	-	-
Total deposits and other accounts	**7,470,385,478**	**8,938,854,327**
Other liabilities	**3,173,175,189**	**2,956,984,196**
Total liabilities	**12,878,313,408**	**14,038,328,655**
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 reserves	-	-
Retained earnings	(2,026,387,433)	(1,551,843,270)
Revaluation reserve	221,943,750	221,943,750
Equity attributable to shareholders' of the company	**1,851,829,657**	**2,326,373,820**
Non-controlling interest	805,204,352	808,389,842
Total shareholders' equity	**2,657,034,009**	**3,134,763,662**
Total liabilities and shareholders' equity	**15,535,347,417**	**17,173,092,317**
OFF-BALANCE SHEET ITEMS		
Contingent liabilities	-	-
Other commitments	3,000,000	10,000,000
Total off-balance sheet items including contingent liabilities	**3,000,000**	**10,000,000**
Net Asset Value per share (NAV)	**6.79**	**8.52**

Company Secretary | Chief Financial Officer | Managing Director | Director | Chairman

PRIME FINANCE & INVESTMENT LIMITED
Consolidated Profit and Loss Account (Un-audited)

for the period ended 30 June 2018

Amount In Taka

	for the half year ended		for the 2nd quarter ended	
PARTICULARS	30-Jun-18	30-Jun-17	30-Jun-18	30-Jun-17
Interest income	226,314,250	381,566,472	96,708,966	164,934,963
Interest paid on deposits, borrowings, etc.	(492,772,909)	(499,666,078)	(257,828,808)	(259,722,624)
Net interest income	**(266,458,659)**	**(118,099,606)**	**(161,119,842)**	**(94,787,661)**
Investment income	52,007,438	71,477,979	3,968,697	16,511,678
Fees, commission, exchange and brokerage	6,021,289	16,913,775	2,944,978	5,097,275
Other operating income	(7,124,548)	(9,553,213)	(2,938,066)	(3,012,830)
Other operating income	**50,904,179**	**78,838,541**	**3,975,609**	**18,596,123**
Total operating income (A)	**(215,554,480)**	**(39,261,065)**	**(157,144,233)**	**(76,191,538)**
Salaries and other employee benefits	68,399,480	98,454,412	37,173,804	62,389,266
Rent, taxes, insurance, electricity etc.	19,659,314	20,226,064	9,685,393	9,719,783
Legal expenses	330,952	951,400	304,750	929,475
Postage, stamp, telecommunication etc.	1,818,219	2,070,234	860,246	1,171,588
Stationery, printing, advertisements etc.	2,126,470	4,499,837	1,405,131	3,082,456
Managing Director's salary and fees	3,611,000	7,800,000	1,661,000	3,900,000
Directors' fees	520,002	680,004	264,890	568,004
Auditors' fees	37,374	31,625	18,687	15,812
Depreciation and repair of assets	9,561,261	8,851,122	4,771,217	4,434,166
Other expenses	7,653,300	8,207,618	3,263,867	906,716
Total operating expenses (B)	**113,717,372**	**151,772,316**	**59,408,985**	**87,117,266**
Profit before provision (C=A-B)	**(329,271,852)**	**(191,033,381)**	**(216,553,218)**	**(163,308,804)**
Provision for loans, advances and leases				
General provision	(20,662,698)	25,058,233	(16,235,669)	(143,839,197)
Specific provision	158,417,072	159,031,592	128,366,228	225,757,437
Provision for diminution in value of investments	1,423,543	14,474,160	746,537	(1,425,252)
Other provisions	-	-	-	-
Total provision (D)	**139,177,917**	**198,563,985**	**112,877,096**	**80,492,988**
Profit before tax (C-D)	**(468,449,769)**	**(389,597,366)**	**(329,430,314)**	**(243,801,792)**
Provision for taxation				
Current	10,434,166	7,024,808	8,630,819	2,727,418
Deferred	(1,154,282)	(758,250)	(632,738)	(2,391,655)
Total provision for tax	**9,279,884**	**6,266,558**	**7,998,081**	**335,763**
Net profit after tax	**(477,729,653)**	**(395,863,924)**	**(337,428,395)**	**(244,137,555)**
Attributable to				
Shareholders of the company	(474,544,163)	(394,494,198)	(334,922,713)	(242,162,099)
Non-controlling interest	(3,185,490)	(1,369,726)	(2,505,682)	(1,975,456)
Earnings per share (EPS)	**(1.74)**	**(1.45)**	**(1.23)**	**(0.89)**
No. of outstanding shares	**272,916,483**	**272,916,483**	**272,916,483**	**272,916,483**

Company Secretary | Chief Financial Officer | Managing Director | Director | Chairman

Prime Finance & Investment Limited
Consolidated Cash Flow Statement (Un-audited)
for the period ended 30 June 2018

PARTICULARS	Amount in Taka	
	30-Jun-18	30-Jun-17
A) Operating Activities		
Interest receipts	356,609,408	387,257,200
Interest payments	(488,877,789)	(455,777,183)
Fees and commission receipts	1,612,485	3,839,525
Dividend and gain receipts	60,288,474	44,438,473
Cash payments to employees	(69,722,461)	(76,098,914)
Cash payments for operational expenses	(42,710,730)	(66,671,321)
Income taxes paid	(11,956,561)	(4,981,530)
Receipts from other operating activities	30,246,003	99,804,672
Payments for other operating activities	(252,125)	(80,000)
Cash generated before changes in operating assets and liabilities	**(164,763,296)**	**(68,269,078)**
Increase/ (decrease) in operating assets and liabilities		
Net loans and advances to customers	919,522,925	832,880,802
Net loans and deposits from banks and other depositors	(1,264,964,030)	(560,803,750)
Cash generated from operating assets and liabilities	**(345,441,105)**	**272,077,052**
Net cash from operating activities	**(510,204,401)**	**203,807,974**
B) Investing Activities		
Acquisition of fixed assets	(6,393,450)	(7,564,135)
Sale of securities	174,026,349	317,947,955
Investment in securities	(58,473,481)	(432,212,115)
Net cash used in investing activities	**109,159,418**	**(121,828,295)**
C) Financing Activities		
Cash dividend paid	-	-
Net receipt/ (payment) for loan	9,268,689	-
Net cash used in financing activities	**9,268,689**	**-**
D) Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(391,776,294)**	**81,979,679**
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	**1,138,331,357**	**501,930,585**
G) Cash and cash equivalents at end of the period (D+E+F)	**746,555,063**	**583,910,264**
Cash and cash equivalents represents		
Cash in hand	70,106	76,882
Balance with Bangladesh Bank and its agent bank	143,252,836	162,229,112
Balance with other banks and financial institutions	603,232,121	421,604,270
Total cash and cash equivalents	**746,555,063**	**583,910,264**
Net operating cash flow per share (NOCFPS)	**(1.87)**	**0.75**

AMARSTOCK

Prime Finance & Investment Limited
Consolidated Statement of Changes in Equity (Un-audited)
for the period ended 30 June 2018

Amount in Taka

PARTICULARS	Attributable to equity holders of Prime Finance & Investment Ltd.				Non-controlling Interest	Total
	Paid up capital	Statutory reserve	Revaluation reserve	Retained earnings		
Balance as at 1 January 2018	**2,729,164,830**	**927,108,510**	**221,943,750**	**(1,551,843,270)**	**808,389,842**	**3,134,763,662**
Net profit/ (loss) for the period (2018)	-	-	-	(474,544,163)	(3,185,490)	(477,729,653)
Transfer to statutory reserve	-	-	-	-	-	-
Issue of bonus share	-	-	-	-	-	-
Payment of cash dividend	-	-	-	-	-	-
Balance as at 30 June 2018	**2,729,164,830**	**927,108,510**	**221,943,750**	**(2,026,387,433)**	**805,204,352**	**2,657,034,009**
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**
Net profit/ (loss) for the period (2017)	-	-	-	(394,494,198)	(1,369,726)	(395,863,924)
Transfer to statutory reserve	-	-	-	-	-	-
Issue of bonus share	-	-	-	-	-	-
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**

Prime Finance & Investment Limited
Balance Sheet
As at 30 June 2018

	Amount in Taka	
	(Un-audited) 30-Jun-18	(Audited) 31-Dec-17
PROPERTY AND ASSETS		
Cash		
In hand (including foreign currencies)	60,000	60,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	143,252,836	165,517,864
Total cash	**143,312,836**	**165,577,864**
Balance with other banks and financial institutions		
In Bangladesh	564,886,973	936,184,346
Outside Bangladesh	-	-
Total balance with other banks and financial institutions	**564,886,973**	**936,184,346**
Money at call and on short notice	-	-
Investments		
Government	-	-
Others	311,519,252	419,456,320
Total investments	**311,519,252**	**419,456,320**
Loans, advances and leases		
Loans, advances and Leases etc.	9,693,482,906	10,744,017,271
Bills purchased and discounted	-	-
Total loans, advances and leases	**9,693,482,906**	**10,744,017,271**
Fixed assets including premises, furniture and fixtures	**330,242,451**	**334,410,421**
Other assets	**2,309,377,055**	**2,347,275,372**
Non - banking assets	**176,097,907**	**176,097,907**
Total assets	**13,528,919,380**	**15,123,019,501**
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	1,727,114,321	1,644,162,863
Deposits and other accounts		
Current and other accounts	-	-
Bills payable	-	-
Savings accounts	-	-
Term deposits	7,470,385,478	8,938,854,327
Bearer certificates of deposit	-	-
Other deposits	-	-
Total deposits and other accounts	**7,470,385,478**	**8,938,854,327**
Other liabilities	**2,727,396,453**	**2,466,213,255**
Total liabilities	**11,924,896,252**	**13,049,230,445**
Capital/ shareholders' equity		
Paid up capital	2,729,164,830	2,729,164,830
Statutory reserve	927,108,510	927,108,510
Other reserves	-	-
Retained earnings	(2,274,193,962)	(1,804,428,034)
Revaluation reserve	221,943,750	221,943,750
Total shareholders' equity	**1,604,023,128**	**2,073,789,056**
Total liabilities and shareholders' equity	**13,528,919,380**	**15,123,019,501**
OFF-BALANCE SHEET ITEMS		
Contingent liabilities	-	-
Other commitments	3,000,000	10,000,000
Total off-balance sheet items including contingent liabilities	**3,000,000**	**10,000,000**
Net Asset Value per share (NAV)	**5.88**	**7.60**

Company Secretary | Chief Financial Officer | Managing Director | Director | Chairman

AMARSTOCK

PRIME FINANCE & INVESTMENT LIMITED
Profit and Loss Account (Un-audited)

for the period ended 30 June 2018

Amount In Taka

PARTICULARS	for the half year ended		for the 2nd quarter ended	
	30-Jun-18	30-Jun-17	30-Jun-18	30-Jun-17
Interest income	211,054,158	361,898,827	89,214,830	155,637,395
Interest paid on deposits, borrowings, etc.	(480,501,858)	(479,936,245)	(250,733,855)	(249,468,279)
Net interest income	**(269,447,700)**	**(118,037,418)**	**(161,519,025)**	**(93,830,884)**
Investment income	48,982,741	39,643,731	3,277,102	11,439,688
Fees, commission, exchange and brokerage	807,052	2,719,525	332,646	1,235,842
Other operating income	(18,492,779)	(14,418,002)	(7,154,754)	(3,759,995)
Other operating income	**31,297,014**	**27,945,254**	**(3,545,006)**	**8,915,535**
Total operating income (A)	**(238,150,686)**	**(90,092,164)**	**(165,064,031)**	**(84,915,349)**
Salaries and other employee benefits	54,323,574	77,449,475	29,695,312	53,407,719
Rent, taxes, insurance, electricity etc.	15,818,616	15,820,419	7,798,221	7,748,835
Legal expenses	308,200	908,500	304,750	904,475
Postage, stamp, telecommunication etc.	1,628,260	1,850,407	773,686	1,064,003
Stationery, printing, advertisements etc.	1,155,770	3,402,381	1,009,850	2,421,815
Managing Director's salary and fees	1,661,000	4,200,000	1,661,000	2,100,000
Directors' fees	360,000	360,000	176,000	248,000
Auditors' fees	-	-	-	-
Depreciation and repair of assets	5,851,598	5,822,000	2,916,212	2,853,232
Other expenses	6,037,582	6,320,857	2,536,482	1,926,314
Total operating expenses (B)	**87,144,600**	**116,134,039**	**46,871,513**	**72,674,393**
Profit before provision (C=A-B)	**(325,295,286)**	**(206,226,203)**	**(211,935,544)**	**(157,589,742)**
Provision for loans, advances and leases				
General provision	(20,662,698)	25,058,233	(16,235,669)	(143,839,197)
Specific provision	158,417,072	159,031,592	128,366,228	225,757,437
Provision for diminution in value of investments	-	-	-	-
Other provisions	-	-	-	-
Total provision (D)	**137,754,374**	**184,089,825**	**112,130,559**	**81,918,240**
Profit before tax (C-D)	**(463,049,660)**	**(390,316,028)**	**(324,066,103)**	**(239,507,982)**
Provision for taxation				
Current	7,870,550	2,881,835	7,730,822	2,082,590
Deferred	(1,154,282)	(758,250)	(632,738)	(2,391,655)
Total provision for tax	**6,716,268**	**2,123,585**	**7,098,084**	**(309,065)**
Net profit after tax	**(469,765,928)**	**(392,439,613)**	**(331,164,187)**	**(239,198,917)**
Earnings per share (EPS)	**(1.72)**	**(1.44)**	**(1.21)**	**(0.88)**
No. of outstanding shares	**272,916,483**	**272,916,483**	**272,916,483**	**272,916,483**

Company Secretary | Chief Financial Officer | Managing Director | Director | Chairman

Prime Finance & Investment Limited
Cash Flow Statement (Un-audited)
for the period ended 30 June 2018

PARTICULARS	Amount in Taka	
	30-Jun-18	30-Jun-17
A) Operating Activities		
Interest receipts	206,949,249	366,182,026
Interest payments	(476,376,112)	(437,901,700)
Fees and commission receipts	807,052	2,719,525
Dividend and gain receipts	48,982,741	39,643,732
Cash payments to employees	(55,984,574)	(61,853,532)
Cash payments for operational expenses	(31,757,117)	(59,748,115)
Income taxes paid	(9,639,371)	(3,998,022)
Receipts from other operating activities	30,246,003	30,701,443
Payments for other operating activities	(252,125)	(80,000)
Cash generated before changes in operating assets and liabilities	**(287,024,254)**	**(124,334,643)**
Increase/ (decrease) in operating assets and liabilities:		
Net loans and advances to customers	1,050,534,365	850,880,802
Net loans and deposits from banks and other depositors	(1,264,964,030)	(494,346,436)
Cash generated from operating assets and liabilities	**(214,429,665)**	**356,534,366**
Net cash from operating activities	**(501,453,919)**	**232,199,723**
B) Investing Activities		
Acquisition of fixed assets	(45,550)	(3,691,635)
Sale of securities	174,026,349	317,947,955
Investment in securities	(66,089,281)	(442,673,215)
Net cash from investing activities	**107,891,518**	**(128,416,895)**
C) Financing Activities		
Cash dividend paid	-	-
Issuance of shares	-	-
Net cash from financing activities	**-**	**-**
D) Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(393,562,401)**	**103,782,828**
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	1,101,762,210	476,852,487
G) Cash and cash equivalents at end of the period (D+E+F)	**708,199,809**	**580,635,315**
Cash and cash equivalents at end of the period represents		
Cash in hand	60,000	60,000
Balance with Bangladesh Bank and its agent bank	143,252,836	162,229,112
Balance with other banks and financial institutions	564,886,973	418,346,203
Total cash and cash equivalents	**708,199,809**	**580,635,315**
Net operating cash flow per share (NOCFPS)	**(1.84)**	**0.85**

AMARSTOCK

Prime Finance & Investment Limited
Statement of Changes in Equity (Un-audited)
for the period ended 30 June 2018

Amount in Taka

PARTICULARS	Paid up capital	Statutory reserve	Revaluation reserves	Retained earnings	Total
Balance as at 1 January 2018	**2,729,164,830**	**927,108,510**	**221,943,750**	**(1,804,428,034)**	**2,073,789,056**
Net profit/ (loss) for the period (2018)	-	-	-	(469,765,928)	(469,765,928)
Transfer to statutory reserve	-	-	-	-	-
Issue of bonus share	-	-	-	-	-
Payment of cash dividend	-	-	-	-	-
Balance as at 30 June 2018	**2,729,164,830**	**927,108,510**	**221,943,750**	**(2,274,193,962)**	**1,604,023,128**
Balance as at 1 January 2017	**2,729,164,830**	**927,108,510**	**221,943,750**	**(1,342,421,737)**	**2,535,795,353**
Net profit/ (loss) for the period (2017)	-	-	-	(392,439,613)	(392,439,613)
Transfer to statutory reserve	-	-	-	-	-
Issue of bonus share	-	-	-	-	-
Payment of cash dividend	-	-	-	-	-
Balance as at 30 June 2017	**2,729,164,830**	**927,108,510**	**221,943,750**	**(1,734,861,350)**	**2,143,355,740**

PRIME FINANCE & INVESTMENT LIMITED
Selected explanatory notes
as at and for the period ended 30 June 2018

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 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 2017.

Approval of half yearly report

These half yearly financial statements for the period ended 30 June 2018 were approved by the Board of Directors on 29 July 2018.

Significant deviation in financial results

The main reason for significant deviation in Net Operating Cash Flow is settlement of borrowings and deposits with banks and other depositors.

General

The half yearly financial statements for the period ended 30 June 2018 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.

AMARSTOCK