

Un-audited Financial Statements

of

Prime Finance & Investment Limited

As at and for the half year ended 30 June 2017

Prime Finance & Investment Limited
Consolidated Balance Sheet

as at 30 June 2017

(Figures in Taka)

	30 June 2017 (Un-audited)	31 December 2016 (Audited)
PROPERTY AND ASSETS		
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 and 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 banking 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
Other reserve	-	-
Share money deposit	-	-
Retained earnings	(1,487,260,500)	(1,092,766,302)
Revaluation reserve	221,943,750	221,943,750
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

Contingent liabilities	-	-
Other commitments	24,700,000	117,000,000
Total off-balance sheet items including contingent liabilities	24,700,000	117,000,000

Net asset value per share (NAV)

8.76

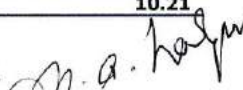
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 Company Secretary
 (In-charge)


 Chief Financial Officer


 Managing Director



 Director


 Chairman

Prime Finance & Investment Limited
Consolidated Profit and Loss Account (Un-audited)

for the period ended 30 June 2017


(Figures in Taka)	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)
Other provisions	-	-	-	-
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)
Provision for taxation				
Current	7,024,808	8,205,264	2,727,418	6,836,808
Deferred	(758,250)	(1,394,709)	(2,391,655)	(1,028,707)
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)
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


 Company Secretary
 (In-charge)


 Chief Financial Officer


 Managing Director


 Director


 Chairman

Prime Finance & Investment Limited
Consolidated Cash Flow Statement (Un-audited)

for the period ended 30 June 2017

(Figures in Taka)

	30-June-2017	30-June-2016
A) OPERATING ACTIVITIES		
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 payment 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 property, plant and equipment	(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 receipt/ (payment) for loan	-	(43,978,325)
Net cash from financing activities	-	(43,978,325)
D) Net increase/ (decrease) in cash and cash equivalents (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
G) Cash and cash equivalents at end of the period (D+E+F)	583,910,264	754,690,015
Cash and cash equivalents 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)

Prime Finance & Investment Limited
Consolidated Statement of Changes in Equity (Un-audited)
for the period ended 30 June 2017

Attributable to equity holders of Prime Finance & Investment Ltd.

(Figures in Taka)

	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)
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
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)
Transfer to statutory reserve	-	-	-	-	-	-
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

Prime Finance & Investment Limited
Balance Sheet

as at 30 June 2017

(Figures in Taka)

30 June 2017
 (Un-audited)

31 December 2016
 (Audited)

PROPERTY AND ASSETS
Cash

In hand (including foreign currencies)	60,000	60,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	162,229,112	146,370,632
Total cash	162,289,112	146,430,632

Balance with other banks and financial institutions

In Bangladesh	418,346,203	330,421,855
Outside Bangladesh	-	-
Total balance with other banks and financial institutions	418,346,203	330,421,855

Money at call and on short notice

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Investments

Government	-	-
Others	540,955,656	416,230,396
Total investments	540,955,656	416,230,396

Loans, advances and leases

Loans, advances and leases etc.	12,094,662,201	12,945,543,003
Bills purchased and discounted	-	-
Total loans, advances and leases	12,094,662,201	12,945,543,003

Fixed assets including premises, furniture and fixtures

340,124,684

342,255,048

Other assets 2,385,948,413 2,543,878,546

Non banking assets - -

Total assets 15,942,326,269 16,724,759,480

LIABILITIES AND CAPITAL
Liabilities
Borrowings from other banks, financial institutions and agents 2,228,621,090 2,669,090,183

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 2,697,394,269 2,503,679,165

Total liabilities 13,798,970,529 14,188,964,127

Capital/shareholders' equity

Paid up capital	2,729,164,830	2,729,164,830
Statutory reserve	927,108,510	927,108,510
Other reserve	-	-
Retained earnings	(1,734,861,350)	(1,342,421,737)
Revaluation reserve	221,943,750	221,943,750
Total shareholders' equity	2,143,355,740	2,535,795,353

Total liabilities and shareholders' equity 15,942,326,269 16,724,759,480

OFF-BALANCE SHEET ITEMS

Contingent liabilities	-	-
Other commitments	24,700,000	117,000,000
Total off-balance sheet items including contingent liabilities	24,700,000	117,000,000

Net asset value per share (NAV)

7.85

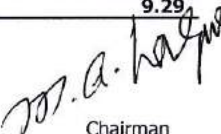
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 Company Secretary
 (In-charge)


 Chief Financial Officer



 Managing Director


 Director


 Chairman

Prime Finance & Investment Limited
Profit and Loss Account (Un-audited)

(Figures in Taka)	for the half year ended		for the 2nd quarter ended	
	30-June-2017	30-June-2016	30-June-2017	30-June-2016
Interest income	361,898,827	415,773,149	155,637,395	215,647,502
Interest paid on deposits, borrowings, etc.	(479,936,245)	(523,504,302)	(249,468,279)	(257,560,442)
Net interest income	(118,037,418)	(107,731,153)	(93,830,884)	(41,912,940)
Investment income	39,643,731	(14,012,487)	11,439,688	(1,363,926)
Fees, commission, exchange and brokerage	2,719,525	3,210,116	1,235,842	1,540,871
Other operating income	(14,418,002)	(37,559,435)	(3,759,995)	(38,777,946)
Other operating income	27,945,254	(48,361,806)	8,915,535	(38,601,001)
Total operating income (A)	(90,092,164)	(156,092,959)	(84,915,349)	(80,513,941)
Salaries and other employee benefits	77,449,475	53,436,398	53,407,719	32,777,479
Rent, taxes, insurance, electricity etc.	15,820,419	15,088,814	7,748,835	8,850,434
Legal expenses	908,500	2,280,819	904,475	1,911,300
Postage, stamp, telecommunication etc.	1,850,407	1,879,210	1,064,003	1,110,331
Stationery, printing, advertisements etc.	3,402,381	3,977,953	2,421,815	2,268,620
Managing Director's salary and fees	4,200,000	4,200,000	2,100,000	2,100,000
Directors' fees	360,000	461,600	248,000	333,600
Auditors' fees	-	-	-	-
Depreciation and repair of assets	5,822,000	5,450,547	2,853,232	2,819,109
Other expenses	6,320,857	8,329,514	1,926,314	2,553,872
Total operating expenses (B)	116,134,039	95,104,855	72,674,393	54,724,745
Profit before provision (C=A-B)	(206,226,203)	(251,197,814)	(157,589,742)	(135,238,686)
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	-	(18,368,044)	-	(11,998,715)
Other provisions	-	-	-	-
Total provision (D)	184,089,825	326,021,169	81,918,240	254,930,878
Profit before tax (C-D)	(390,316,028)	(577,218,983)	(239,507,982)	(390,169,564)
Provision for taxation				
Current	2,881,835	6,735,232	2,082,590	5,949,838
Deferred	(758,250)	(1,394,709)	(2,391,655)	(1,028,707)
Total provision for tax	2,123,585	5,340,523	(309,065)	4,921,131
Net profit after tax	(392,439,613)	(582,559,506)	(239,198,917)	(395,090,695)
Earnings per share (EPS)	(1.44)	(2.13)	(0.88)	(1.45)
No. of outstanding shares	272,916,483	272,916,483	272,916,483	272,916,483


 Company Secretary
 (In-charge)


 Chief Financial Officer


 Managing Director


 Director


 Chairman

Prime Finance & Investment Limited
Cash Flow Statement (Un-audited)

for the period ended 30 June 2017

(Figures in Taka)

	30-June-2017	30-June-2016
A) OPERATING ACTIVITIES		
Interest receipts	366,182,026	437,654,998
Interest payments	(437,901,700)	(507,686,183)
Fees and commission receipts	2,719,525	3,210,116
Dividend receipts	7,077,267	14,600,543
Capital gain from sale of listed shares	32,566,465	(28,613,030)
Cash payments to employees	(61,853,532)	(59,878,398)
Cash payment to suppliers and management expenses	(59,748,115)	(37,063,988)
Income taxes paid	(3,998,022)	(10,900,287)
Receipts from other operating activities	30,701,443	38,361,412
Payments for other operating activities	(80,000)	(240,000)
Cash generated before changes in operating assets and liabilities	(124,334,643)	(150,554,817)
Increase/(decrease) in operating assets and liabilities		
Net loans and advances to customers	850,880,802	(497,173,368)
Net loans and deposits from banks and other depositors	(494,346,436)	(201,543,692)
Cash generated from operating assets and liabilities	356,534,366	(698,717,060)
Net cash from operating activities	232,199,723	(849,271,877)
B) INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(3,691,635)	(11,874,426)
Advance for purchase of fixed assets	-	-
Sale of invested securities	317,947,955	310,949,225
Investment in securities	(442,673,215)	(219,946,493)
Net cash from investing activities	(128,416,895)	79,128,306
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)	103,782,828	(770,143,571)
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	476,852,487	1,484,310,595
G) Cash and cash equivalents at end of the period (D+E+F)	580,635,315	714,167,024
Cash and cash equivalents at the end of the period represents		
Cash in hand (including foreign currencies)	60,000	60,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	162,229,112	155,970,262
Balance with other banks and financial institutions	418,346,203	558,136,762
Total cash and cash equivalents	580,635,315	714,167,024
Net operating cash flow per share (NOCFPS)	0.85	(3.11)

Prime Finance & Investment Limited
Statement of Changes in Equity (Un-audited)
for the period ended 30 June 2017

(Figures in Taka)	Paid up capital	Statutory Reserve	Revaluation reserve	Retained Earnings	Total
Balance as at 1 January 2017	2,729,164,830	927,108,510	221,943,750	(1,342,421,737)	2,555,795,353
Changes during the period					
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
Balance as at 1 January 2016					
Balance as at 1 January 2016	2,729,164,830	927,108,510	221,943,750	(390,407,393)	3,487,809,697
Changes during the period					
Net profit / (loss) for the period (2016)	-	-	-	(582,559,506)	(582,559,506)
Transfer to statutory reserve	-	-	-	-	-
Issue of bonus share	-	-	-	-	-
Payment of cash dividend	-	-	-	-	-
Balance as at 30 June 2016	2,729,164,830	927,108,510	221,943,750	(972,966,899)	2,905,250,191

Prime Finance & Investment Limited

Selected Explanatory Notes

as at and for the period ended 30 June 2017

Legal Framework

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 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.

