

Un-audited Financial Statements

of

Prime Finance & Investment Limited

As at and for the half year ended 30 June 2015

Prime Finance & Investment Limited
Consolidated Balance Sheet

as at 30 June 2015

(Figures in Taka)

	30 June 2015 (Un-audited)	31 December 2014 (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)	151,904,438	121,840,663
Total cash	151,964,438	121,900,663
Balance with other banks and financial institutions		
In Bangladesh	1,126,822,465	577,851,754
Outside Bangladesh	-	-
Total balance with other banks and financial institutions	1,126,822,465	577,851,754
Money at call and on short notice		
	-	-
Investments		
Government	-	-
Others	947,178,297	1,259,607,748
Total investments	947,178,297	1,259,607,748
Loans, advances and leases		
Loans, advances and leases etc.	13,305,856,390	13,443,614,332
Bills purchased and discounted	-	-
Total loans, advances and leases	13,305,856,390	13,443,614,332
Fixed assets including premises, furniture and fixtures		
	368,741,736	361,523,962
Other assets	3,065,769,307	2,702,122,325
Non banking assets	-	-
Total assets	18,966,332,633	18,466,620,784
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents		
	3,196,038,469	3,294,967,451
Deposits and other accounts		
Current and other accounts	-	-
Bills payable	-	-
Savings account	-	-
Term deposits	8,675,926,832	7,763,327,204
Bearer certificates of deposit	-	-
Other deposits	-	-
Total deposits and other accounts	8,675,926,832	7,763,327,204
Other liabilities	2,397,239,739	2,098,132,097
Total liabilities	14,269,205,040	13,156,426,752
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	42,417,674	616,137,297
Revaluation reserve	221,943,750	221,943,750
Equity attributable to shareholders' of the company	3,920,634,764	4,494,354,387
Non-controlling interest	776,492,829	815,839,645
Total shareholders' equity	4,697,127,593	5,310,194,032
Total liabilities and shareholders' equity	18,966,332,633	18,466,620,784
OFF-BALANCE SHEET ITEMS		
Contingent liabilities	-	-
Other commitments	689,107,350	209,694,854
Total off-balance sheet items including contingent liabilities	689,107,350	209,694,854
Net asset value per share (NAV)	14.37	16.47


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 2015

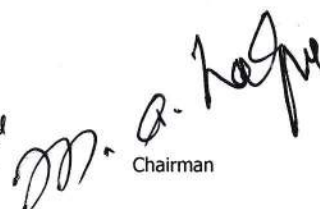
(Figures in Taka)	for the half year ended		for the 2nd quarter ended	
	30-June-2015	30-June-2014	30-June-2015	30-June-2014
Interest income	649,073,491	916,990,714	327,362,104	507,473,388
Interest paid on deposits, borrowings, etc.	(577,870,314)	(693,838,463)	(268,800,289)	(354,112,979)
Net interest income	71,203,177	223,152,251	58,561,815	153,360,409
Investment income	2,280,149	84,125,780	(2,321,591)	37,151,571
Fees, commission, exchange and brokerage	24,444,956	45,097,007	13,515,475	23,729,981
Other operating income	33,812,176	72,707,637	21,887,169	13,119,469
Other operating income	60,537,281	201,930,423	33,081,053	74,001,020
Total operating income (A)	131,740,458	425,082,674	91,642,868	227,361,430
Salaries and other employee benefits	79,568,992	86,172,799	31,258,036	30,416,513
Rent, taxes, insurance, electricity etc.	19,466,846	19,304,908	9,882,648	12,220,211
Legal expenses	467,373	432,177	150,748	223,172
Postage, stamp, telecommunication etc.	1,891,239	1,897,608	1,130,018	1,110,754
Stationery, printing, advertisements etc.	4,968,614	7,038,499	3,953,407	4,796,586
Managing Director's salary and fees	7,500,000	6,250,000	3,750,000	3,550,000
Directors' fees	485,000	640,000	255,000	445,000
Auditors' fees	28,750	28,750	14,375	14,375
Depreciation and repair of assets	7,937,896	5,533,511	4,133,212	3,018,335
Other expenses	9,367,158	9,392,086	5,214,068	3,745,115
Total operating expenses (B)	131,681,868	136,690,338	59,741,512	59,540,061
Profit before provision (C=A-B)	58,590	288,392,337	31,901,356	167,821,369
Provision for loans, advances and leases				
General provision	22,639,768	3,724,012	32,156,229	9,359,470
Specific provision	179,618,520	21,837,608	136,153,248	3,602,151
Provision for diminution in value of investments	70,053,457	25,895,921	6,983,633	21,321,501
Other provisions	-	-	-	-
Total provision (D)	272,311,745	51,457,541	175,293,110	34,283,121
Profit before tax (C-D)	(272,253,155)	236,934,796	(143,391,754)	133,538,247
Provision for taxation				
Current	3,947,510	69,239,139	2,658,668	43,060,852
Deferred	(4,279,830)	-	(3,308,464)	-
Total provision for tax	(332,320)	69,239,139	(649,796)	43,060,852
Net profit after tax	(271,920,835)	167,695,657	(142,741,958)	90,477,395
Attributable to				
Shareholders of the company	(232,574,019)	137,857,779	(124,520,997)	74,641,016
Non-controlling interest	(39,346,816)	29,837,878	(18,220,961)	15,836,380
Earnings per share	(0.85)	0.51	(0.46)	0.27
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 2015

(Figures in Taka)

	30-June-2015	30-June-2014
A) OPERATING ACTIVITIES		
Interest receipts	805,107,036	999,241,271
Interest payments	(557,382,213)	(713,557,795)
Fees and commission receipts	5,371,221	5,630,127
Dividend receipts	20,727,886	5,209,855
Capital gain from sale of listed shares	(19,912,970)	53,962,530
Cash payments to employees	(87,028,992)	(55,309,905)
Cash payment to suppliers and management expenses	(47,017,442)	(76,846,229)
Income taxes paid	(5,792,989)	(84,741,240)
Receipts from other operating activities	25,218,834	98,844,501
Payments for other operating activities	(18,142,717)	(5,180,918)
Cash generated before changes in operating assets and liabilities	121,147,654	227,252,197
Increase/(decrease) in operating assets and liabilities		
Net loans and advances to customers	(28,105,501)	160,337,011
Net loans and deposits from banks and other depositors	628,581,830	280,213,956
Cash generated from operating assets and liabilities	600,476,329	440,550,966
Net cash from operating activities	721,623,983	667,803,163
B) INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(15,808,534)	(18,490,083)
Advance for purchase of fixed assets	(30,225,000)	(10,869,388)
Sale of invested securities	505,736,179	615,495,714
Investment in securities	(187,872,592)	(685,595,853)
Net cash from investing activities	271,830,053	(99,459,610)
C) FINANCING ACTIVITIES		
Cash dividend paid	(341,145,604)	(409,374,725)
Net receipt/ (payment) for loan	(73,273,946)	(74,106,279)
Net cash from financing activities	(414,419,550)	(483,481,004)
D) Net increase/ (decrease) in cash and cash equivalents (A + B + C)	579,034,486	84,862,549
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	699,752,417	618,098,170
G) Cash and cash equivalents at end of the period (D+E+F)	1,278,786,903	702,960,719
Cash and cash equivalents represents		
Cash in hand	60,000	55,000
Balance with Bangladesh Bank and its agent bank	151,904,438	138,973,177
Balance with other banks and financial institutions	1,126,822,465	563,932,542
Total cash and cash equivalents	1,278,786,903	702,960,719
Net operating cash flow per share (NOCFPS)	2.64	2.45

Prime Finance & Investment Limited
Consolidated Statement of Changes in Equity (Un-audited)
for the period ended 30 June 2015

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 2015	2,729,164,830	927,108,510	221,943,750	616,137,297	815,839,645	5,310,194,032
Changes during the period						
Net profit for the period (2015)	-	-	-	(232,574,019)	(39,346,816)	(271,920,835)
Transfer to statutory reserve	-	-	-	-	-	-
Issue of bonus share	-	-	-	-	-	-
Payment of cash dividend (2014)	-	-	-	(341,145,604)	-	(341,145,604)
Balance as at 30 June 2015	2,729,164,830	927,108,510	221,943,750	42,417,674	776,492,829	4,697,127,593
Balance as at 1 January 2014	2,729,164,830	851,649,949	221,943,750	668,214,189	778,863,918	5,249,836,636
Changes during the period						
Net profit for the period (2014)	-	-	-	137,857,779	29,837,878	167,695,657
Transfer to statutory reserve	-	-	-	-	-	-
Issue of bonus share	-	-	-	-	-	-
Payment of cash dividend (2013)	-	-	-	(409,374,725)	-	(409,374,725)
Balance as at 30 June 2014	2,729,164,830	851,649,949	221,943,750	396,697,243	808,701,796	5,008,157,568

Prime Finance & Investment Limited
Balance Sheet

as at 30 June 2015

(Figures in Taka)

30 June 2015
 (Un-audited)

31 December 2014
 (Audited)

PROPERTY AND ASSETS
Cash

In hand (including foreign currencies)	50,000	50,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	151,904,438	121,840,663
Total cash	151,954,438	121,890,663

Balance with other banks and financial institutions

In Bangladesh	1,125,604,229	554,287,222
Outside Bangladesh	-	-
Total balance with other banks and financial institutions	1,125,604,229	554,287,222

Money at call and on short notice

-

Investments

Government	-	-
Others	589,853,812	877,212,093
Total investments	589,853,812	877,212,093

Loans, advances and leases

Loans, advances and leases etc.	11,476,150,829	11,453,231,600
Bills purchased and discounted	-	-
Total loans, advances and leases	11,476,150,829	11,453,231,600

Fixed assets including premises, furniture and fixtures

341,698,474

Other assets

3,300,585,050

Non banking assets

-

Total assets	16,985,846,832	16,317,786,821
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LIABILITIES AND CAPITAL
Liabilities

Borrowings from other banks, financial institutions and agents	2,588,775,709	2,872,793,507
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Deposits and other accounts

Current and other accounts	-	-
Bills payable	-	-
Savings account	-	-
Term deposits	8,675,926,832	7,763,327,204
Bearer certificates of deposit	-	-
Other deposits	-	-
Total deposits and other accounts	8,675,926,832	7,763,327,204

Other liabilities

2,005,248,770

Total liabilities	13,269,951,311	12,087,191,901
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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	(162,321,569)	352,377,830
Revaluation reserve	221,943,750	221,943,750
Total shareholders' equity	3,715,895,521	4,230,594,920

Total liabilities and shareholders' equity	16,985,846,832	16,317,786,821
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OFF-BALANCE SHEET ITEMS


Contingent liabilities	-	-
Other commitments	689,107,350	209,694,854
Total off-balance sheet items including contingent liabilities	689,107,350	209,694,854

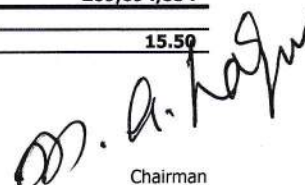
Net asset value per share (NAV)	13.62	15.50
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 Company Secretary


 Chief Financial Officer


 Managing Director


 Director


 Chairman

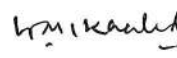
Prime Finance & Investment Limited
Profit and Loss Account (Un-audited)

(Figures in Taka)	for the half year ended		for the 2nd quarter ended	
	30-June-2015	30-June-2014	30-June-2015	30-June-2014
Interest income	739,167,457	799,580,093	372,202,725	424,843,700
Interest paid on deposits, borrowings, etc.	(571,746,730)	(661,620,334)	(274,378,285)	(337,753,845)
Net interest income	167,420,727	137,959,759	97,824,440	87,089,855
Investment income	(2,630,985)	58,628,846	(1,439,363)	40,219,667
Fees, commission, exchange and brokerage	3,317,030	3,558,687	1,720,192	2,634,962
Other operating income	30,048,247	71,997,765	18,124,240	13,069,821
Other operating income	30,734,292	134,185,297	18,405,069	55,924,449
Total operating income (A)	198,155,019	272,145,056	116,229,509	143,014,305
Salaries and other employee benefits	69,234,669	68,776,985	25,190,301	26,728,677
Rent, taxes, insurance, electricity etc.	15,174,198	13,870,187	7,626,351	7,470,858
Legal expenses	432,373	401,427	115,748	223,172
Postage, stamp, telecommunication etc.	1,763,778	1,785,353	1,038,597	1,048,716
Stationery, printing, advertisements etc.	4,702,858	6,852,404	3,728,574	4,765,239
Managing Director's salary and fees	4,200,000	2,950,000	2,100,000	1,600,000
Directors' fees	300,000	330,000	205,000	250,000
Auditors' fees	-	-	-	-
Depreciation and repair of assets	4,515,265	4,539,876	2,421,619	2,472,692
Other expenses	6,552,345	7,430,745	3,154,677	3,061,386
Total operating expenses (B)	106,875,486	106,936,977	45,580,867	47,620,740
Profit before provision (C=A-B)	91,279,533	165,208,080	70,648,642	95,393,565
Provision for loans, advances and leases				
General provision	22,639,768	3,724,012	32,156,229	9,359,470
Specific provision	179,618,520	21,837,608	136,153,248	3,602,151
Provision for diminution in value of investments	63,398,473	16,545,498	328,649	16,545,498
Other provisions	-	-	-	-
Total provision (D)	265,656,761	42,107,118	168,638,126	29,507,118
Profit before tax (C-D)	(174,377,228)	123,100,962	(97,989,484)	65,886,446
Provision for taxation				
Current	3,456,397	30,000,000	2,508,534	15,000,000
Deferred	(4,279,830)	-	(3,308,464)	-
Total provision for tax	(823,433)	30,000,000	(799,930)	15,000,000
Net profit after tax	(173,553,795)	93,100,962	(97,189,554)	50,886,446
Earnings per share	(0.64)	0.34	(0.36)	0.19
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 2015

(Figures in Taka)

	30-June-2015	30-June-2014
A) OPERATING ACTIVITIES		
Interest receipts	687,975,979	844,597,587
Interest payments	(524,124,704)	(684,596,432)
Fees and commission receipts	3,317,030	3,558,342
Dividend receipts	17,281,984	4,666,316
Capital gain from sale of listed shares	(19,912,970)	53,962,530
Cash payments to employees	(73,434,669)	(71,726,985)
Cash payment to suppliers and management expenses	(28,925,551)	(34,154,307)
Income taxes paid	(5,792,989)	(19,741,240)
Receipts from other operating activities	25,175,936	98,844,501
Payments for other operating activities	(15,958,800)	(5,162,498)
Cash generated before changes in operating assets and liabilities	65,601,246	190,247,814
Increase/(decrease) in operating assets and liabilities		
Net loans and advances to customers	(23,067,828)	160,337,012
Net loans and deposits from banks and other depositors	628,581,830	280,213,956
Cash generated from operating assets and liabilities	605,514,002	440,550,967
Net cash from operating activities	671,115,248	630,798,781
B) INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(15,133,320)	(15,566,049)
Advance for purchase of fixed assets	(225,000)	-
Sale of invested securities	474,642,050	557,874,394
Investment in securities	(187,872,592)	(685,595,853)
Net cash from investing activities	271,411,138	(143,287,508)
C) FINANCING ACTIVITIES		
Cash dividend paid	(341,145,604)	(409,374,725)
Issuance of shares	-	-
Net cash from financing activities	(341,145,604)	(409,374,725)
D) Net increase/ (decrease) in cash and cash equivalents (A + B + C)	601,380,782	78,136,548
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the period	676,177,885	615,915,994
G) Cash and cash equivalents at end of the period (D+E+F)	1,277,558,667	694,052,542
Cash and cash equivalents at the end of the period represents		
Cash in hand (including foreign currencies)	50,000	50,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	151,904,438	138,973,177
Balance with other banks and financial institutions	1,125,604,229	555,029,365
Total cash and cash equivalents	1,277,558,667	694,052,542
Net operating cash flow per share (NOCFPS)	2.46	2.31

Prime Finance & Investment Limited
Statement of Changes in Equity (Un-audited)
for the period ended 30 June 2015

(Figures in Taka)	Paid up capital	Statutory Reserve	Revaluation reserve	Retained Earnings	Total
Balance as at 1 January 2015	2,729,164,830	927,108,510	221,943,750	352,377,830	4,230,594,920
Changes during the period					
Net profit for the period (2015)	-	-	-	(173,553,795)	(173,553,795)
Transfer to statutory reserve	-	-	-	-	-
Issue of bonus share	-	-	-	-	-
Payment of cash dividend (2014)	-	-	-	(341,145,604)	(341,145,604)
Balance as at 30 June 2015	2,729,164,830	927,108,510	221,943,750	(162,321,569)	3,715,895,521
Balance as at 1 January 2014	2,729,164,830	851,649,949	221,943,750	459,918,313	4,262,676,842
Changes during the period					
Net profit for the period (2014)	-	-	-	93,100,961	93,100,961
Transfer to statutory reserve	-	-	-	-	-
Issue of bonus share	-	-	-	-	-
Payment of cash dividend (2013)	-	-	-	(409,374,725)	(409,374,725)
Balance as at 30 June 2014	2,729,164,830	851,649,949	221,943,750	143,644,549	3,946,403,078

Prime Finance & Investment Limited
Selected Explanatory Notes

as at and for the period ended 30 June 2015

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 2014.

Approval of half-yearly report

These half-yearly financial statements for the period ended 30 June 2015 were approved by the Board of Directors on 29 July 2015.

General

The half-yearly financial statements for the period ended 30 June 2015 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.