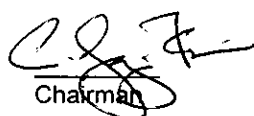



Union Capital Limited
Consolidated Financial Statements (Un-Audited)
As at and for the half year ended 30 June 2020

Union Capital Limited
Consolidated Balance Sheet (Un-audited) as at 30 June 2020

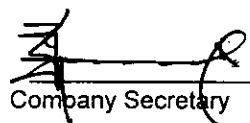
Figures in BDT

Particulars	Notes	30-Jun-20	31-Dec-19
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)		73,026	73,026
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4.a	149,203,329	163,584,144
		149,276,355	163,657,170
Balance with other banks and financial institutions			
In Bangladesh		793,057,661	1,460,590,556
Outside Bangladesh	5.a	793,057,661	1,460,590,556
Money at call and short notice			
Investments			
Government		-	-
Others	6.a	942,750,800	949,196,023
		942,750,800	949,196,023
Loans, advances and leases			
Loans, advances and leases		13,694,221,849	13,983,689,513
Bills purchased and discounted	7.a	13,694,221,849	13,983,689,513
Fixed assets including land, building, furniture and fixtures			
Other assets	8.a	444,712,540	457,784,670
Non-banking assets	9.a	2,024,806,068	2,153,636,141
	10	469,521,891	469,521,891
TOTAL ASSETS		18,518,347,163	19,638,075,965
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11.a	3,715,650,189	4,133,717,142
Deposits and other accounts			
Term deposits	12.a	8,665,644,891	9,699,968,128
Other deposits	13	206,705,463	214,129,016
		8,872,350,354	9,914,097,144
Other liabilities	14.a	4,927,834,032	4,346,324,645
Total liabilities		17,515,834,574	18,394,138,930
Shareholders' equity			
Paid up capital	15	1,725,738,430	1,725,738,430
Statutory reserve	16	451,897,399	451,897,399
Retained earnings	17.a	(1,175,123,449)	(933,699,012)
Total equity attributable to equity holders of the Company		1,002,512,380	1,243,936,817
Non-controlling interest		209	218
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		18,518,347,163	19,638,075,965
Contingent liabilities			
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Other contingent liabilities		-	-
Other commitments			
Undisbursed contracted loans, advances and leases		948,100,000	948,100,000
TOTAL OFF BALANCE SHEET ITEMS		948,100,000	948,100,000
Net assets value per share (NAV) (2019: Restated)	37.a	5.81	7.21


Chairman


Director


Managing Director & CEO


Company Secretary


Chief Financial Officer (CCO)




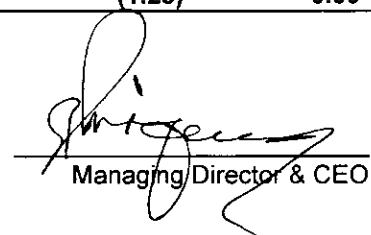
Union Capital Limited
Consolidated Profit and Loss Account (Un-Audited)
For the half year ended 30 June 2020

Figures in BDT

Particulars	Notes	30-Jun-20	30-Jun-19	Apr,20- Jun,20	Apr,19- Jun,19
Interest income	18.a	446,875,116	969,539,498	174,655,946	488,356,998
Interest paid on deposits and borrowings etc.	19.a	(648,583,610)	(785,441,453)	(301,962,034)	(395,324,706)
Net interest income		(201,708,494)	184,098,045	(127,306,087)	93,032,291
Investment income	20.a	466,107	(87,980,688)	(834,347)	(50,579,823)
Fees, commissions, exchange and brokerage	21.a	33,299,081	81,782,528	1,886,269	24,684,680
Other operating income	22.a	69,935,619	13,207,817	424,266	11,347,336
Total operating income		(98,007,686)	191,107,702	(125,829,900)	78,484,484
Salaries and other employee benefits	23.a	92,784,597	122,673,786	45,981,578	66,244,626
Rent, taxes, insurance, electricity etc.	24.a	11,150,477	23,282,337	5,806,297	11,904,325
Legal expenses	25.a	686,334	4,080,028	241,667	2,198,654
Postage, stamp, telecommunication etc.	26.a	2,566,715	3,183,746	1,199,742	1,649,559
Stationery, printing, advertisements etc.	27.a	721,359	4,895,617	50,682	2,534,672
Managing Director's salary and fees	28	3,660,000	-	1,830,000	-
Directors' fees	29.a	30,000	883,500	-	517,000
Depreciation and repair of assets	30.a	15,477,489	11,058,764	6,951,560	5,565,645
Other expenses	31.a	14,608,936	30,793,148	4,404,596	11,440,585
Total operating expenses		141,685,906	200,850,925	66,466,122	102,055,065
Profit/(loss) before provision		(239,693,593)	(9,743,223)	(192,296,022)	(23,570,581)
Provision for loans, advances, leases and investments					
Provision for loans, advances and leases		(26,208,496)	52,081,682	25,254,772	20,434,782
Provision for diminution in value of investments		321,660	(83,922,431)	-	(48,852,187)
Total provision (release)		(25,886,836)	(31,840,749)	25,254,772	(28,417,405)
Total profit/(loss) before tax		(213,806,757)	22,097,526	(217,550,794)	4,846,824
Provision for taxation					
Current tax		27,617,690	14,221,766	2,611,775	4,274,191
Deferred tax		-	(1,732,656)	-	-
		27,617,690	12,489,110	2,611,775	4,274,191
Net profit/(loss) after tax		(241,424,447)	9,608,416	(220,162,569)	572,633
Retained surplus		(241,424,447)	9,608,416	(220,162,569)	572,633
Attributable to					
Shareholders of the Company		(241,424,438)	9,608,414	(220,162,563)	572,633
Non-controlling interest		(8.7)	1	(6.2)	-
Weighted average no. of outstanding share		172,573,842	172,573,842	172,573,842	172,573,842
Earnings per share (2019: Restated)	34.a	(1.40)	0.06	(1.28)	0.00


Chairman


Director


Managing Director & CEO


Company Secretary


Chief Financial Officer (CC)




Union Capital Limited

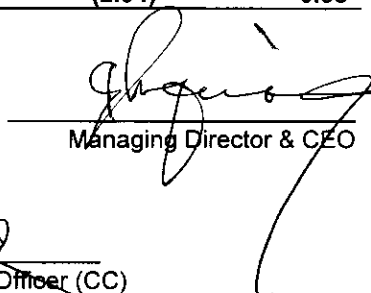
Consolidated Cash Flow Statement (Un-audited) for the half year ended 30 June 2020

Figures in BDT

Particulars	30-Jun-20	30-Jun-19 Restated
Cash flows from operating activities		
Interest receipts	155,251,635	964,532,636
Interest payments	(337,955,733)	(905,633,541)
Fee and commission receipts	32,707,841	79,790,253
Recoveries of loans previously written off	68,940,580	12,361,045
Dividend receipts	12,466,246	19,863,998
Cash payments to employees	(99,783,611)	(111,831,327)
Cash payments to suppliers and management expenses	(17,721,950)	(19,890,864)
Income taxes paid	(16,226,814)	(25,447,029)
Receipts from other operating activities	1,586,279	2,839,047
Payments for other operating activities	(14,608,936)	(30,793,148)
Cash generated before changes in operating assets and liabilities	(215,344,462)	(14,208,929)
Increase/decrease in operating assets and liabilities		
Purchase of trading securities (treasury bills)	-	-
Loans, advances and leases to banks and financial institutions	-	-
Loans, advances and leases to customers	277,748,881	922,472,329
Other assets	141,091,064	43,943,186
Deposits from banks and other financial institutions	(315,055,080)	(1,021,188,750)
Deposits from customers	(726,691,710)	121,096,547
Net draw down/(payment) of short term loan	(93,022,101)	426,800,000
Other liabilities	579,778,620	(378,474,261)
Cash generated from operating assets and liabilities	(136,150,326)	114,649,050
Net cash generated from/(used in) operating activities	(351,494,788)	100,440,122
Cash flows from investing activities		
Proceeds from sale of securities	146,305,798	819,355,475
Payments for purchases of securities	(146,383,863)	(458,481,241)
Purchase of property, plant and equipment	(5,331,006)	(41,203,934)
Proceeds from sale of property, plant and equipment	35,000	13,329
Net cash generated from/(used in) investing activities	(5,374,071)	319,683,629
Cash flows from financing activities		
Receipts of long term loan	16,000,780	221,145,081
Repayment of long term loan	(341,045,632)	(888,053,350)
Net cash generated from/(used in) financing activities	(325,044,852)	(666,908,269)
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the half year	1,624,247,726	3,377,758,866
Cash and cash equivalents at end of the half year	942,334,015	3,130,974,348
Cash and cash equivalents at end of the half year represents		
Cash in hand	73,026	73,026
Balance with Bangladesh Bank and its agent bank	149,203,329	173,538,126
Balance with other banks and financial institutions	793,057,661	2,957,363,196
	942,334,016	3,130,974,348
Net operating cash flows per share (2019: Restated)	36.a	(2.04)
		0.58


Chairman


Director


Managing Director & CEO


Company Secretary


Chief Financial Officer (CC)



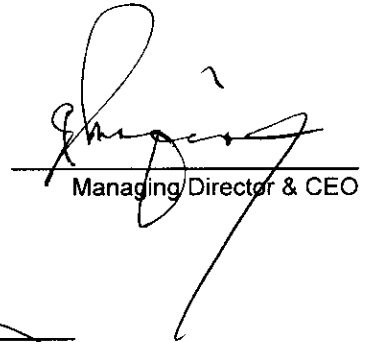
Union Capital Limited
Consolidated statement of changes in shareholders' equity (Un-audited)
For the half year ended 30 June 2020

Figures in BDT

Particulars	Paid-up capital	Statutory reserve	Retained earnings	Non-controlling interest	Total
Balance as at 1 January 2020	1,725,738,430	451,897,399	(933,699,012)	218	1,243,937,035
Net profit/(loss) for the half year ended 2020	-	-	(241,424,438)	(8.7)	(241,424,447)
Balance as at 30 June 2020	1,725,738,430	451,897,399	(1,175,123,450)	209	1,002,512,589
Balance as at 1 January 2019	1,643,560,419	451,897,399	205,864,936	232	2,301,322,986
Net profit for the half year ended 2019	-	-	9,608,415	1	9,608,416
Issuance of bonus share (year 2018)	82,178,011	-	(82,178,011)	-	-
Balance as at 30 June 2019	1,725,738,430	451,897,399	133,295,340	233	2,310,931,401


 Chairman


 Director


 Managing Director & CEO


 Company Secretary



 Chief Financial Officer (CFO)



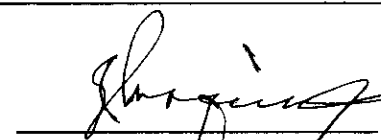
Union Capital Limited
Balance Sheet (Un-Audited) as at 30 June 2020

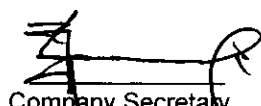
Figures in BDT.

Particulars	Notes	30-Jun-20	31-Dec-19
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)		39,000	39,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4	149,203,329	163,584,144
		149,242,329	163,623,144
Balance with other banks and financial institutions			
In Bangladesh		703,772,266	1,202,115,765
Outside Bangladesh	5	703,772,266	1,202,115,765
Money at call and short notice			
Investments			
Government		-	-
Others	6	26,290,405	26,669,695
		26,290,405	26,669,695
Loans, advances and leases			
Loans, advances and leases		12,308,575,434	12,838,063,023
Bills purchased and discounted	7	12,308,575,434	12,838,063,023
Fixed assets including land, building, furniture and fixtures			
	8	433,375,805	442,292,055
Other assets			
	9	2,900,550,109	2,909,244,820
Non-banking assets			
	10	469,521,891	469,521,891
TOTAL ASSETS		16,991,328,239	18,051,530,393
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	3,301,177,170	3,462,391,448
Deposits and other accounts			
Term deposits	12	8,665,644,891	9,761,509,145
Other deposits	13	206,705,463	214,129,016
		8,872,350,354	9,975,638,161
Other liabilities	14	3,801,572,804	3,401,076,127
Total liabilities		15,975,100,328	16,839,105,736
Shareholders' equity			
Paid up capital	15	1,725,738,430	1,725,738,430
Statutory reserve	16	451,897,399	451,897,399
Retained earnings	17	(1,161,407,918)	(965,211,172)
Total shareholders' equity		1,016,227,911	1,212,424,657
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		16,991,328,239	18,051,530,393
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Other contingent liabilities		-	-
Other commitments			
Undisbursed contracted loans, advances and leases		948,100,000	948,100,000
TOTAL OFF BALANCE SHEET ITEMS		948,100,000	948,100,000
Net assets value per share (NAV) (2019: Restated)	37	5.89	7.03


Chairman


Director


Managing Director & CEO


Company Secretary




Chief Financial Officer (CC)

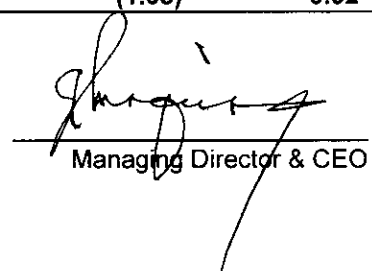
Union Capital Limited
Profit and Loss Account (Un-Audited)
For the half year ended 30 June 2020

Figures in BDT

Particulars	Notes	30-Jun-20	30-Jun-19	Apr,20- Jun,20	Apr,19- Jun,19
Interest income	18	428,916,897	662,124,759	163,318,547	335,529,970
Interest paid on deposits and borrowings etc.	19	(621,203,085)	(748,138,034)	(287,739,885)	(386,024,625)
Net interest income		(192,286,188)	(86,013,275)	(124,421,338)	(50,494,655)
Investment income	20	743,539	(88,115,246)	-	(53,016,229)
Fees, commissions, exchange and brokerage	21	631,890	2,372,254	23,730	1,470,940
Other operating income	22	68,940,580	259,222,951	20,000	135,012,904
Total operating income		(121,970,179)	87,466,684	(124,377,608)	32,972,960
Salaries and other employee benefits	23	54,290,575	77,791,526	25,511,559	41,845,856
Rent, taxes, insurance, electricity etc.	24	1,246,082	7,700,399	374,879	4,132,709
Legal expenses	25	686,334	4,025,028	241,667	2,188,654
Postage, stamp, telecommunication etc.	26	745,383	1,095,372	291,107	622,548
Stationery, printing, advertisements etc.	27	400,198	4,304,413	3,320	2,271,996
Managing Director's salary and fees	28	3,660,000	-	1,830,000	-
Directors' fees	29	30,000	576,000	-	392,000
Depreciation and repair of assets	30	10,346,585	3,224,419	4,694,374	1,547,540
Other expenses	31	8,022,376	13,549,932	3,036,542	5,445,082
Total operating expenses		79,427,533	112,267,089	35,983,448	58,446,385
Profit /(loss) before provision		(201,397,712)	(24,800,405)	(160,361,056)	(25,473,425)
Provision for loans, advances, leases and investments					
Provision for loans, advances and leases		(26,208,496)	52,081,682	25,254,772	20,434,782
Provision for diminution in value of investments		321,660	(83,922,431)	-	(48,852,187)
Total provision (release)		(25,886,836)	(31,840,749)	25,254,772	(28,417,405)
Total profit/(loss) before tax		(175,510,876)	7,040,344	(185,615,828)	2,943,980
Provision for taxation					
Current tax		20,685,870	436,905	-	-
Deferred tax		-	(1,732,656)	-	-
		20,685,870	(1,295,751)	-	-
Net profit/(loss) after tax		(196,196,746)	8,336,095	(185,615,828)	2,943,980
Retained surplus		(196,196,746)	8,336,095	(185,615,828)	2,943,980
Weighted average no. of outstanding share		172,573,842	172,573,842	172,573,842	172,573,842
Earnings per share (2019: Restated)	34	(1.14)	0.05	(1.08)	0.02


Chairman


Director


Managing Director & CEO


Company Secretary

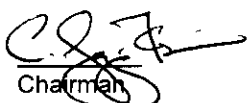

Chief Financial Officer (CC)



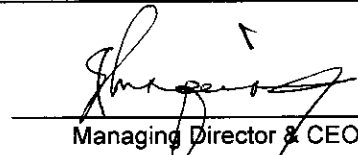
Union Capital Limited
Cash Flow Statement (Un-audited) for the half year ended 30 June 2020

Figures in BDT

Particulars	Notes	30-Jun-20	30-Jun-19 Restated
Cash flows from operating activities			
Interest receipts		151,176,310	754,541,892
Interest payments		(323,067,075)	(837,284,672)
Fee and commission receipts		40,650	379,979
Recoveries of loans previously written off		68,940,580	12,361,045
Dividend receipts		586,175	8,098,454
Cash payments to employees		(60,754,376)	(72,821,526)
Cash payments to suppliers and management expenses		(5,829,833)	(18,939,984)
Income taxes paid		(6,257,164)	(10,268,058)
Receipts from other operating activities	32	591,240	1,992,275
Payments for other operating activities	33	(8,022,376)	(13,549,932)
Cash generated before changes in operating assets and liabilities		(182,595,868)	(175,490,526)
Increase/decrease in operating assets and liabilities			
Purchase of trading securities (treasury bills)		-	-
Loans, advances and leases to banks and financial institutions		-	-
Loans, advances and leases to customers		517,768,805	798,117,738
Other assets	38	14,951,875	(99,199,363)
Deposits from banks and other financial institutions		(315,055,080)	(1,021,188,750)
Deposits from customers		(788,232,727)	121,096,547
Net draw down/(payment) of short term loan		(93,022,101)	416,800,000
Other liabilities account of customers		-	-
Other liabilities	39	405,697,730	(92,557,358)
Cash generated from operating assets and liabilities		(257,891,498)	123,068,814
Net cash generated from/(used in) operating activities		(440,487,366)	(52,421,712)
Cash flows from investing activities			
Proceeds from sale of securities		536,654	385,414,179
Payments for purchases of securities		-	(47,635,044)
Purchase of property, plant and equipment		(4,581,425)	(35,530,565)
Proceeds from sale of property, plant and equipment		-	13,329
Investment in UniCap Investments Limited		-	-
Net cash used in investing activities		(4,044,771)	302,261,899
Cash flows from financing activities			
Receipts of long term loan		16,000,780	221,145,081
Repayment of long term loan		(84,192,957)	(733,990,076)
Net cash generated from/(used in) financing activities		(68,192,177)	(512,844,995)
Net (decrease)/increase in cash and cash equivalents		(512,724,314)	(263,004,808)
Cash and cash equivalents at beginning of the half year		1,365,738,909	3,228,085,934
Cash and cash equivalents at end of the half year		853,014,595	2,965,081,126
Cash and cash equivalents at end of the half year represents			
Cash in hand		39,000	39,000
Balance with Bangladesh Bank and its agent bank		149,203,329	173,538,126
Balance with other banks and financial institutions		703,772,266	2,791,504,000
		853,014,595	2,965,081,126
Net operating cash flows per share (2019: Restated)	36	(2.55)	(0.30)


Chairman


Director


Managing Director & CEO


Company Secretary


Chief Financial Officer (CO)



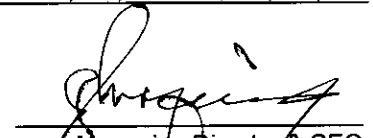
Union Capital Limited
Statement of Changes in shareholders' equity (Un-audited)
For the half year ended 30 June 2020

Figures in BDT

Particulars	Paid-up capital	Statutory reserve	Retained earnings	Total
Balance as at 1 January 2020	1,725,738,430	451,897,399	(965,211,172)	1,212,424,657
Net profit/(loss) for the half year ended 2020	-	-	(196,196,746)	(196,196,746)
Balance as at 30 June 2020	1,725,738,430	451,897,399	(1,161,407,918)	1,016,227,911
Balance as at 1 January 2019	1,643,560,419	451,897,399	105,393,785	2,200,851,603
Net profit for the half year ended 2019	-	-	8,336,095	8,336,095
Issuance of bonus share (year 2018)	82,178,011	-	(82,178,011)	-
Balance as at 30 June 2019	1,725,738,430	451,897,399	31,551,869	2,209,187,698

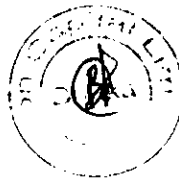

 Chairman


 Director


 Managing Director & CEO


 Company Secretary


 Chief Financial Officer (CC)



Union Capital Limited

Selected explanatory notes to the Consolidated Financial Statements (Un-audited) as at and for the half year ended 30 June 2020

1.0 Domicile, legal form and country of incorporation

Union Capital Limited (The Company) is registered as a public limited company under the Companies Act, 1994 with the Registrar of Joint Stock Companies and Firms (RJSC) of Bangladesh on 09 August 1998. On 12 August 1998, the Company obtained permission from Bangladesh Bank to operate as a non-banking financial institution under the Financial Institutions Act, 1993. The Company went for Initial Public Offer in May 2007 and listed its shares in both Dhaka Stock Exchange and Chittagong Stock Exchange in July 2007.

The registered office of the Company is located at bti Landmark, Level 8, Plot-16, Gulshan Avenue, Gulshan-1, Dhaka 1212. The operations of the Company is being carried out through its 7 (seven) offices located in Dhaka, Gazipur, Narshingdi, Chattogram, Sylhet and Bogura.

2.0 Reporting

This half yearly financial statements have been prepared based on International Accounting Standard (IAS) 34: *Interim Financial Reporting*.

These interim financial statements should be read in conjunction with the published financial statements for the year ended 31 December 2019 as they provide an update to previously reported information.

3.0 Accounting policies and method of computations

Accounting policies and method of computations followed in preparing these financial statements are consistent with those used in the annual financial statements prepared and published for the year ended 31 December 2019.

3.1 Statement of compliance

These financial statements have been prepared on going concern concept following accrual basis of accounting in accordance with International Accounting Standards and International Financial Reporting Standards and the Companies Act 1994, the Financial Institutions Act 1993, Securities Exchange Rules 1987, the Listing Regulations and other applicable laws and regulations. The presentation of financial statements has been made as per the requirement of DFIM Circular no. 11 issued on 23 December 2009 by Bangladesh Bank.

3.2 Consolidation of operations of subsidiaries

The consolidation of the financial statements have been made after eliminating all material intra group transactions. The total profit of the Company and its subsidiaries are shown in the consolidated profit and loss account with the proportion of profit after taxation pertaining to minority shareholders being deducted as 'non-

3.3 Earnings per share (EPS)

Earnings per share has been calculated based on number of shares outstanding for the period ended 30 June 2020 and profit for the same period. The number of shares outstanding for the period was 172.57 million. Earnings per share for the third quarter ended 30 June 2019 has also been calculated based on 172.57 million shares.

EPS for the period ended 30 June 2020 has been decreased compared to the same period of 2019 due to declined of interest income. This declined interest income has been created due to not account for interest income of loan exposure of UniCap Investments Limited.

3.4 Net assets value per share (NAV)

During the period ended 30 June 2020, NAV has been arrived at BDT 5.81 per share which is BDT 7.21 as on 31 December 2019. Not charging interest on loan exposure of UniCap Investments Limited has induced NAV lower than previous period.

3.5 Date of authorization

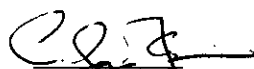
The Board of Directors has authorized these financial statements for public issue on 30 July 2020.

3.6 Subsequent events

No material events occurred after the reporting date, non-disclosure of which could affect the ability of the users of these financial statements to make proper evaluation and decision.

3.7 Reclassification

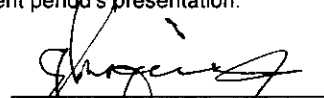
To facilitate comparison, certain relevant figures pertaining to previous period/year have been rearranged/restated/reclassified, whenever considered necessary, to conform to current period's presentation.



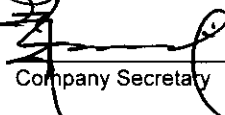
Chairman



Director



Managing Director & CEO



Company Secretary



Chief Financial Officer (CC)



Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 June 2020

Figures in BDT

As at	30-Jun-20	31-Dec-19
4 CASH		
In hand		
Local currency	39,000	39,000
Foreign currencies	-	-
	39,000	39,000
Balance with Bangladesh Bank		
Local currency	149,203,329	163,584,144
Foreign currencies	-	-
	149,203,329	163,584,144
Balance as at 30 June	149,242,329	163,623,144
4.a CASH (Consolidated)		
In hand		
Union Capital Ltd.	39,000	39,000
UniCap Securities Ltd.	25,000	25,000
UniCap Investments Ltd.	9,026	9,026
	73,026	73,026
Balance with Bangladesh Bank		
Union Capital Ltd.	149,203,329	163,584,144
UniCap Securities Ltd.	-	-
UniCap Investments Ltd.	-	-
	149,203,329	163,584,144
Balance as at 30 June	149,276,355	163,657,170
5 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
This represents balance with various banks and financial institutions in Bangladesh.		
Fixed deposit account		
Bangladesh Industrial Finance Company Limited	145,173,838	134,101,679
International Leasing and Financial Services Ltd.	521,007,730	499,732,468
Modhumoti Bank Limited, Dhanmondi Branch	-	350,000,000
Woori Bank	-	200,000,000
	666,181,568	1,183,834,147
Current account		
Bank Alfalah Limited, Gulshan Branch	2,096	2,096
Agrani Bank Limited, Panthpath Branch	1,142,960	25,475
Bank Asia Limited, Bashundhara Branch	8,327	8,672
BASIC Bank Limited, Shantinagar Branch	1	1
Dhaka Bank Limited, Kakrail Branch	1,594,387	142,025
Midland Bank Ltd, Gulshan Branch	29,136	29,429
Modhumoti Bank Limited, Dhanmondi Branch	346,729	383,402
National Credit and Commerce Bank Ltd., Banani Branch	36,917	36,917
NRB Bank Limited, Corporate Branch	917,480	917,824
Shahjalal Islami Bank Limited, Elephant Road Branch	1,052,979	12,949
Social Islami Bank Limited, Eskaton Branch	273,645	20,771
Southeast Bank Limited, Mirpur Branch	10,446	10,791
Southeast Bank Limited, Satmosjid Road Branch	1,320	1,665
Sonali Bank Limited Sonargaon Road Branch	195,220	195,565
United Commercial Bank Limited, New Eskaton Branch	10,100,175	70,025
WooriBank-Dhaka Branch	35,291	2,056,404
Uttara Bank Limited, Local Office	15,338	15,338
	15,762,447	3,929,375



Union Capital Limited

Notes to the financial statements

As at and for the period ended 30 June 2020

Figures in BDT

As at	30-Jun-20	31-Dec-19
Short term deposit		
Bank Asia Limited, Corporate Branch	507,176	478,532
Bank Asia Limited, Corporate Branch	1,597,535	5,788,251
Bank Asia Limited, Gulshan Branch	3,967,500	419,263
Dhaka Bank Limited, Local Office	115,850	38,845
Dutch Bangla Bank Limited, Karwan Bazar Branch	35,506	35,742
Dutch Bangla Bank Limited, Karwan Bazar Branch	5,526,681	3,701,506
Jamuna Bank Limited, Sonargaon Road Branch	3,029,951	37,946
Modhumoti Bank Limited, Banglamotor-Branch	49,271	49,286
AB Bank Limited, Kakrail Branch	7,586	8,161
AB Bank Limited, Gulshan Branch	321,437	172,737
Mutual Trust Bank Limited, Principal Branch	61,689	61,253
United Commercial Bank Limited, Gulshan Branch	99,692	-
Southeast Bank Limited, Islamic Banking Branch	2,722,937	2,692,881
Southeast Bank Limited, R k Mission Road Branch	3,785,440	867,840
	21,828,251	14,352,243
Balance as at 30 June	703,772,266	1,202,115,765

5.a BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS (consolidated)

Union Capital Ltd.	703,772,266	1,202,115,765
UniCap Securities Ltd.	17,751,616	102,370,672
UniCap Investments Ltd.	71,533,779	217,645,136
	793,057,661	1,522,131,573
Less: Inter-company transactions	-	61,541,017
Balance as at 30 June	793,057,661	1,460,590,556

6 INVESTMENTS

The investment is made up as under:

Government securities	-	-
Other investments	26,290,405	26,669,695
Balance as at 30 June	26,290,405	26,669,695

This represents investment made by the Company in listed securities.

6.a INVESTMENTS (consolidated)

Union Capital Ltd.	26,290,405	26,669,695
UniCap Securities Ltd.	571,770,581	575,147,948
UniCap Investments Ltd.	344,689,813	347,378,380
Balance as at 30 June	942,750,800	949,196,023

7 LOANS, ADVANCES AND LEASES

This represents loans, advances and leases financed fully in Bangladesh.

Lease finance	1,527,230,292	1,489,818,193
Term finance	5,453,501,823	6,008,375,422
Loan to subsidiaries	5,297,397,790	5,303,514,890
Loan against deposits	16,899,811	18,482,233
Staff loan	13,545,718	17,872,285
Balance as at 30 June	12,308,575,434	12,838,063,023



Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 June 2020

Figures in BDT

As at 30-Jun-20 31-Dec-19

7.a LOANS, ADVANCES AND LEASES (consolidated)

Union Capital Ltd.	12,308,575,434	12,838,063,023
UniCap Securities Ltd.	683,428,483	660,847,820
UniCap Investments Ltd	5,999,615,722	5,788,293,561
	18,991,619,639	19,287,204,403
Less: Inter-company transactions	5,297,397,790	5,303,514,890
Balance as at 30 June	13,694,221,849	13,983,689,513

8 FIXED ASSETS INCLUDING LAND, BUILDING, FURNITURE AND FIXTURES

Furniture and fixtures	13,269,974	13,216,972
Floor Space	415,891,104	415,891,104
Office decoration	27,577,287	27,577,287
Electric equipment	37,277,067	36,062,367
Owned vehicles	10,825,597	10,825,597
Leased vehicles	2,230,000	2,230,000
Intangible assets (software)	1,754,807	1,754,807
Mobile phones	452,600	452,600
Total cost	509,278,436	508,010,734
Less: Accumulated depreciation and amortization	75,902,631	65,718,679
Written down value as at 30 June	433,375,805	442,292,055

Details are shown in Annexure - A

8.a FIXED ASSETS INCLUDING LAND, BUILDING, FURNITURE AND FIXTURES (consolidated)

Union Capital Ltd.	433,375,805	442,292,055
UniCap Securities Ltd.	8,535,286	12,599,860
UniCap Investments Ltd.	2,801,449	2,892,755
Balance as at 30 June	444,712,540	457,784,670

9 OTHER ASSETS

Investment in subsidiary	997,498,641	997,498,641
Accrued interest	41,404,790	57,366,782
Others	26,183,011	26,049,765
Income generating other assets	1,065,086,442	1,080,915,188
Advance office rent	3,603,155	3,684,155
Advance to employees	1,658,418	722,501
Deposits with T & T, water etc.	87,500	87,500
Advance corporate tax	1,433,843,230	1,427,586,066
Receivable from brokerage house against sale of shares	542,845	6,191
Transfer price receivable	1,287,376	1,287,376
Deferred tax assets (note 9.1)	809,949	809,949
Process Sharing receivable	391,931,941	391,931,941
Others	1,699,253	2,213,953
Non income generating other assets	1,835,463,667	1,828,329,632
Balance as at 30 June	2,900,550,109	2,909,244,820

Management considers all the other assets as good.



Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 June 2020

Figures in BDT

As at **30-Jun-20** **31-Dec-19**

9.1 Deferred tax asset

Deferred tax has been calculated based on deductible/taxable temporary difference 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.

Deferred tax asset is arrived at as follows:

		Carrying amount at balance sheet date	Tax base at balance sheet date	(Taxable)/ deductible temporary difference
Assets	Fixed assets net of depreciation	433,375,805	405,592,440	(27,783,365)
Liabilities	Employee gratuity fund	29,943,229	-	29,943,229
		463,319,034	405,592,440	2,159,864
	Applicable tax rate			37.50%
	Deferred tax assets as on June 30,2020			809,949
	Deferred tax assets as on December 31,2019			809,949
	Deferred tax expense/(income) during the period 2020			-

9.1.a Deferred tax asset (consolidated)

Union Capital Limited	809,949	809,949
UniCap Securities Limited	-	-
UniCap Investments Limited	-	-
Balance as at 30 June	809,949	809,949

9.a OTHER ASSETS (consolidated)

Union Capital Ltd.	2,900,550,109	2,909,244,820
UniCap Securities Ltd.	385,188,413	511,834,657
UniCap Investments Ltd.	816,948,564	1,130,052,673
	4,102,687,085	4,551,132,149
Less: Inter-company transactions	2,077,881,017	2,397,496,008
Balance as at 30 June	2,024,806,068	2,153,636,141

10 NON-BANKING ASSETS

Non-banking assets	469,521,891	469,521,891
Total	469,521,891	469,521,891

This represents assets owned under the 'Certificate of Ownership' given by the competent court under section 33(7) of Artha Rin Adalat Ain 2003.

11 BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS

Borrowings from other banks

In Bangladesh

Bank loan	2,110,097,633	2,104,372,649
Preference share	100,000,000	100,000,000
	2,210,097,633	2,204,372,649
Bangladesh Bank (Small Enterprise refinancing scheme-JICA)	95,151,370	138,929,365
Bangladesh Bank (Women entrepreneur refinance scheme)	12,475,000	24,154,167
Bangladesh Bank (Agriculture refinance scheme)	2,562,500	6,937,500
Bangladesh Bank (Small Enterprise refinancing scheme-DP2)	11,061,667	25,146,666
Bangladesh Bank (Renewable energy and environment friendly sector)	77,716,345	77,716,345
Short term borrowing and call loan	892,112,655	985,134,756
	1,091,079,537	1,258,018,799
	3,301,177,170	3,462,391,448

Outside Bangladesh

Balance as at 30 June	3,301,177,170	3,462,391,448
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Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 June 2020

Figures in BDT

As at	30-Jun-20	31-Dec-19
11.a Borrowings from other banks, financial institutions and agents (consolidated)		
Union Capital Limited	3,301,177,170	3,462,391,448
UniCap Securities Limited	669,808,462	752,499,291
UniCap Investments Limited	3,594,448,654	3,788,610,500
	7,565,434,286	8,003,501,239
Less: Inter-company transactions	3,849,784,097	3,869,784,097
Balance as at 30 June	3,715,650,189	4,133,717,142
12 Term Deposits		
This comprises interest bearing deposits from individuals and organizations for period ranging from 3 months to 10 years.		
Banks and financial institutions	3,311,056,838	3,626,111,918
Other institutions	4,390,315,622	4,899,750,328
Total institutional deposits	7,701,372,460	8,525,862,246
Term deposit	690,363,092	915,645,497
Income deposit	256,461,489	299,428,752
Monthly savings scheme	17,447,850	20,572,650
Total individual deposits	964,272,431	1,235,646,899
Balance as at 30 June	8,665,644,891	9,761,509,145
12.a Term deposits (consolidated)		
Union Capital Limited	8,665,644,891	9,761,509,145
UniCap Securities Limited	-	-
UniCap Investments Limited	-	-
	8,665,644,891	9,761,509,145
Less: Inter-company transactions	-	61,541,017
Balance as at 30 June	8,665,644,891	9,699,968,128
13 Other deposits		
The amount received from clients as advance against finance and cash security deposit on the stipulation that the amount will be either adjusted with the outstanding rentals/installments or repaid at the end of term. This is		
Breakup of other deposits on the basis of category of finance is as under		
Lease advance	61,070,652	27,192,484
Term finance advance	61,363,366	85,075,708
Cash security	84,271,445	101,860,824
Balance as at 30 June	206,705,463	214,129,016
Advance and security deposit reduce the exposure with the clients and thereby reduce the risks. No interest is payable on advances while cash security deposits are interest bearing.		
14 OTHER LIABILITIES		
Provision for loans, advances and leases	437,988,564	464,197,060
Provision for diminution in value of investments	512,935	191,275
Provision for other assets	118,187,000	118,187,000
Interest suspense	754,567,893	661,006,393
Provision for tax	1,473,365,762	1,452,679,979
Financial expenses payable	814,537,478	516,401,468
Deferred liability-employee gratuity	9,245,839	9,245,839
Dividend on preference shares	15,607,930	9,417,815
Excise duty	2,555,980	6,804,889
Withholding tax payable	19,413,600	8,156,227
VAT payable	1,648,581	2,138,056
Accrued expenses and other payable	153,941,242	152,650,126
Balance as at 30 June	3,801,572,804	3,401,076,127



Union Capital Limited

Notes to the financial statements

As at and for the period ended 30 June 2020

Figures in BDT

As at	30-Jun-20	31-Dec-19
14.a OTHER LIABILITIES (consolidated)		
Union Capital Limited	3,801,572,804	3,401,076,127
UniCap Securities Limited	578,504,710	640,245,548
UniCap Investments Limited	3,075,752,587	3,138,731,130
	7,455,830,101	7,180,052,805
Less: Inter-company transactions	2,527,996,069	2,833,728,160
Balance as at 30 June	4,927,834,032	4,346,324,645
15 Share capital		
As at 30 June 2020, a total number of 172,573,843 (2019: 172,573,843) ordinary shares of Tk.10 each were issued, subscribed and fully paid up. Details are as follows:		
Authorized capital		
200,000,000 ordinary shares of Tk. 10 each	2,000,000,000	2,000,000,000
Issued, subscribed and paid up capital:		
164,356,041 ordinary shares of Tk.10 each	1,725,738,430	1,643,560,419
8,217,811 bonus shares	-	82,178,011
Total 172,573,843	1,725,738,430	1,725,738,430
16 STATUTORY RESERVE		
Balance as on 1 January	451,897,399	451,897,399
Add: Transferred from profit during the year	-	-
Balance as at 30 June	451,897,399	451,897,399
17 Retained earnings		
Balance as on 1 January	(965,211,172)	105,393,785
Less: Issuance of bonus shares (2018)	-	(82,178,011)
Add: Profit/(loss) after tax during the period	(196,196,746)	(988,426,946)
Balance as at 30 June	(1,161,407,918)	(965,211,172)
17.a RETAINED EARNINGS (consolidated)		
Balance as on 1 January	(933,699,011)	205,864,936
Less: Issuance of bonus shares (2018)	-	(82,178,011)
Add: Profit/(loss) after tax during the year	(241,424,438)	(1,057,385,936)
Balance as at 30 June	(1,175,123,449)	(933,699,011)



Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 June 2019

Figures in BDT

For the half year ended 30 June	30-Jun-20	30-Jun-19
18 INTEREST INCOME		
Income from lease finance	83,499,222	113,727,989
Income from term finance	258,643,910	427,960,008
Interest on loan to subsidiaries	28,539,134	32,877,290
Interest on bank deposits	57,799,553	86,864,733
Income form other finance	435,078	694,739
Total	428,916,897	662,124,759

18.a INTEREST INCOME (consolidated)

Union Capital Limited	428,916,897	662,124,759
UniCap Securities Limited	28,699,292	57,403,492
UniCap Investments Limited	17,798,061	282,888,537
	475,414,250	1,002,416,788
Less: Inter-company transactions	28,539,134	32,877,290
	446,875,116	969,539,498

19 INTEREST PAID ON DEPOSITS, BORROWINGS, etc.

Interest on bank loan	113,541,508	144,619,925
Interest on JICA fund	2,359,419	5,472,788
Interest on Agriculture refinance fund	90,645	362,508
Interest on women entrepreneur fund	287,519	878,516
Interest on SMEDP2 fund	310,507	1,178,815
Interest on financing brick kiln efficiency project	1,975,291	-
Interest on term deposits	445,070,532	541,275,190
Interest on money at call & short notice	46,434,910	37,309,554
Interest on cash security deposit	3,048,706	5,887,262
Interest on preference share	6,190,115	9,280,822
Bank charges	1,893,933	1,872,654
Total	621,203,085	748,138,034

19.a INTEREST PAID ON DEPOSITS, BORROWINGS etc. (consolidated)

Union Capital Limited	621,203,085	748,138,034
UniCap Securities Limited	50,631,109	56,651,151
UniCap Investments Limited	5,288,550	13,529,558
	677,122,744	818,318,743
Less: Inter-company transactions	28,539,134	32,877,290
	648,583,610	785,441,453

20 INVESTMENT INCOME

Capital gain/(loss) on sale of securities	157,364	(93,588,542)
Dividend income	586,175	5,473,296
Total	743,539	(88,115,246)

20.a INVESTMENT INCOME (consolidated)

Union Capital Limited	743,539	(88,115,246)
UniCap Securities Limited	(2,919,941)	(1,714,341)
UniCap Investments Limited	2,642,509	1,848,899
	466,107	(87,980,688)
Less: Inter-company transactions	-	-
	466,107	(87,980,688)



Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 June 2019

Figures in BDT

For the half year ended 30 June	30-Jun-20	30-Jun-19
21 FEES, COMMISSIONS, EXCHANGE AND BROKERAGE		
Processing and documentation fees	40,650	379,979
Renewals and proceeds	591,240	1,992,275
Total	631,890	2,372,254
21.a FEES, COMMISSIONS, EXCHANGE AND BROKERAGE (consolidated)		
Union Capital Limited	631,890	2,372,254
UniCap Securities Limited	29,250,528	72,378,739
UniCap Investments Limited	3,416,664	7,031,535
	33,299,081	81,782,528
22 OTHER OPERATING INCOME		
Gain/(loss) on sale of fixed assets	-	(20,412)
Portfolio management income	-	246,882,318
Recoveries of loans written off	68,940,580	12,361,045
Total	68,940,580	259,222,951
22.a OTHER OPERATING INCOME (consolidated)		
Union Capital Limited	68,940,580	259,222,951
UniCap Securities Limited	675,279	548,160
UniCap Investments Limited	319,761	319,024
	69,935,619	260,090,135
Less: Inter-company transactions	-	246,882,318
	69,935,619	13,207,817
23 SALARIES AND OTHER EMPLOYEE BENEFITS		
Salaries & allowances	54,290,575	77,791,526
Total	54,290,575	77,791,526
23.a SALARIES AND OTHER EMPLOYEE BENEFITS (consolidated)		
Union Capital Limited	54,290,575	77,791,526
UniCap Securities Limited	31,756,526	37,827,916
UniCap Investments Limited	6,737,496	7,054,344
Total	92,784,597	122,673,786
24 RENT, TAXES, INSURANCE, ELECTRICITY etc.		
Office rent, rates and taxes	954,676	6,643,272
Insurance	77,601	234,873
Power and electricity	213,805	822,254
Total	1,246,082	7,700,399
24.a RENT, TAXES, INSURANCE, ELECTRICITY etc. (consolidated)		
Union Capital Limited	1,246,082	7,700,399
UniCap Securities Limited	8,268,380	13,147,077
UniCap Investments Limited	1,636,016	2,434,861
Total	11,150,477	23,282,337
25 LEGAL EXPENSES		
Court fees	-	374,938
Professional Fees	686,334	3,650,090
Total	686,334	4,025,028



Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 June 2019

Figures in BDT

For the half year ended 30 June	30-Jun-20	30-Jun-19
25.a LEGAL EXPENSES (consolidated)		
Union Capital Limited	686,334	4,025,028
UniCap Securities Limited	-	-
UniCap Investments Limited	-	55,000
Total	686,334	4,080,028
26 POSTAGE, STAMP, TELECOMMUNICATION etc.		
Postage	51,673	82,640
Telegram, telex, fax and e-mail	310,264	459,776
Telephone - office	383,446	552,956
Total	745,383	1,095,372
26.a POSTAGE, STAMP, TELECOMMUNICATION etc. (consolidated)		
Union Capital Limited	745,383	1,095,372
UniCap Securities Limited	1,545,629	1,825,800
UniCap Investments Limited	275,703	262,575
Total	2,566,715	3,183,746
27 STATIONERY, PRINTING, ADVERTISEMENTS etc.		
Printing and stationery	243,170	1,008,899
Advertisement	157,028	2,514,811
Publicity	-	780,703
Total	400,198	4,304,413
27.a STATIONERY, PRINTING, ADVERTISEMENTS etc.(consolidated)		
Union Capital Limited	400,198	4,304,413
UniCap Securities Limited	226,178	447,546
UniCap Investments Limited	94,983	143,658
Total	721,359	4,895,617
28 MANAGING DIRECTOR'S SALARY AND FEES	3,660,000	-
In addition to remuneration, the Managing Director & CEO is also provided with Company's car and cell phone.		
29 DIRECTORS' FEES		
Total fees paid	30,000	576,000
Total	30,000	576,000
29.a DIRECTORS' FEES (consolidated)		
Union Capital Limited	30,000	576,000
UniCap Securities Limited	-	182,500
UniCap Investments Limited	-	125,000
Total	30,000	883,500
30 DEPRECIATION AND REPAIR OF ASSETS		
Depreciation of fixed assets-freehold	10,102,862	3,142,349
Amortization of intangible assets	81,090	63,306
Repairs and maintenance of assets	162,633	18,764
Total	10,346,585	3,224,419



Union Capital Limited
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For the half year ended 30 June	30-Jun-20	30-Jun-19
30.a DEPRECIATION AND REPAIR OF ASSETS (consolidated)		
Union Capital Limited	10,346,585	3,224,419
UniCap Securities Limited	4,182,187	6,716,558
UniCap Investments Limited	948,717	1,117,787
Total	15,477,489	11,058,764

31 OTHER EXPENSES

HR development	-	225,573
Travelling and conveyance	2,695,279	4,943,885
Office expenses	1,031,090	764,478
Motor vehicle fuel expenses	229,671	392,617
Motor vehicle spare part expenses	52,901	169,411
Subscription and fees	1,837,478	1,698,942
Books, magazines, newspapers, etc	7,942	25,421
AGM expenses	-	12,321
Entertainment and public relation & others	114,308	909,699
Staff Welfare	2,053,707	4,407,585
Total	8,022,376	13,549,932

31.a OTHER EXPENSES (consolidated)

Union Capital Limited	8,022,376	13,549,932
UniCap Securities Limited	6,153,059	16,525,829
UniCap Investments Limited	433,501	247,599,704
	14,608,936	277,675,466
Less: Inter-company transactions	-	246,882,318
Total	14,608,936	30,793,148

32 RECEIPTS FROM OTHER OPERATING ACTIVITIES

Renewals and proceeds	591,240	1,992,275
Interest on deposits	-	-
Others	-	-
Total	591,240	1,992,275

33 PAYMENTS FOR OTHER OPERATING ACTIVITIES

HR development	-	225,573
Travelling and conveyance	2,695,279	4,943,885
Motor vehicle expenses	282,572	562,028
Subscription and fees	1,837,478	1,698,942
Office expenses	1,031,090	764,478
Books, magazines, newspapers, etc	7,942	25,421
AGM expenses	-	12,321
Entertainment and public relation & staff welfare	2,168,015	5,317,284
Total	8,022,376	13,549,932



For the half year ended 30 June	30-Jun-20	30-Jun-19
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34 EARNINGS PER SHARE

Earnings Per Share (EPS) is calculated in accordance with International Accounting Standard 33: *Earnings Per Share* which has been shown on the face of Profit and Loss account.

34.1 Basic earnings per share

The calculation of basic earnings per share at 30 June 2020 was based on the profit attributable to ordinary shareholders of Tk. (24.14) crore (30 June 2019: Tk. 0.96 crore) and a weighted average number of ordinary shares outstanding for the year ended 30 June 2020 was 172.57 crore.

EPS for the period ended 30 June 2020 has been decreased compared to the same period of 2019 due to declined of interest income. This declined interest income has been created due to not account for interest income of loan exposure of UniCap Investments Limited.

Profits attributable to ordinary shareholders

Net profit for the period	(196,196,746)	8,336,095
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Weighted average number of ordinary shares

Ordinary shares at 1 January	164,356,041	156,529,563
Bonus shares issued	8,217,801	7,826,479
Weighted average number of ordinary shares at reporting date	172,573,842	164,356,041
Restated weighted average number of ordinary shares	172,573,842	172,573,842
Earnings per share	(1.14)	0.05
Earnings per share (restated)	(1.14)	0.05

34.a EARNINGS PER SHARE (consolidated)

Profits attributable to ordinary shareholders

Net profit for the period (consolidated)	(241,424,438)	9,608,414
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Weighted average number of ordinary shares

Ordinary shares at 1 January	164,356,041	156,529,563
Bonus shares issued	8,217,801	7,826,479
Weighted average number of ordinary shares at reporting date	172,573,842	164,356,041
Restated weighted average number of ordinary shares	172,573,842	172,573,842
Earnings per share- consolidated	(1.40)	0.06
Earnings per share- consolidated (restated)	(1.40)	0.06

35 AVERAGE EFFECTIVE TAX RATE

The average effective tax rate is calculated below as per International Accounting Standard (IAS) 12: *Income Taxes*.

	2020	2019
Tax expenses	20,685,870	(1,295,751)
Accounting profit before tax	(175,510,876)	7,040,344
Average effective tax rate	-11.79%	-18.40%

35.a AVERAGE EFFECTIVE TAX RATE (consolidated)

The consolidated average effective tax rate is calculated below as per International Accounting Standard (IAS) 12: *Income Taxes*.

Tax expenses	27,617,690	12,489,110
Accounting profit before tax	(213,806,757)	22,097,526
Average effective tax rate	-12.92%	56.52%



Union Capital Limited
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For the half year ended 30 June	30-Jun-20	30-Jun-19
36 NET OPERATING CASH FLOWS PER SHARE		
Net cash flows from operating activities	(440,487,366)	(52,421,712)
Total number of ordinary shares outstanding	172,573,842	172,573,842
Net operating cash flows per share (restated)	(2.55)	(0.30)

36.a NET OPERATING CASH FLOWS PER SHARE (consolidated)

Net cash flows from operating activities	(351,494,788)	100,440,122
Total number of ordinary shares outstanding	172,573,842	172,573,842
Net operating cash flows per share (restated)	(2.04)	0.58

During the period ended 30 June 2020, the Company has received Tk. 15.37 crore as interest compared to Tk. 96.45 crore in previous period due to increasing rate of non-performing loan/leases portfolio and downturn capital market. We have paid Tk. 72.67 crore and 9.30 crore to deposit customers and short term loan respectively in 2020 whereas Tk.12.11 crore and 42.68 crore have been received the same period in 2019. These two heads have affected mostly to decrease NOCFPS in 2020 compared to same period of 2019.

37 NET ASSET VALUE PER SHARE (NAV)

Net asset (total assets less total liabilities)	1,016,227,911	1,212,424,657
Total number of ordinary shares outstanding	172,573,842	172,573,842
Net asset value per share (NAV)	5.89	7.03

37.a NET ASSET VALUE PER SHARE (NAV) (consolidated)

Net asset (total assets less total liabilities)	1,002,512,589	1,243,937,035
Total number of ordinary shares outstanding	172,573,842	172,573,842
Net asset value per share (NAV)	5.81	7.21

38 (INCREASE)/DECREASE IN OTHER ASSETS

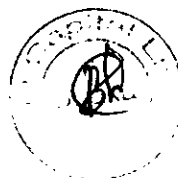
Accrued interest	15,961,992	25,985,239
Advance office rent	81,000	131,000
Advance to employees	(935,917)	142,623
Receivable from brokerage houses against sale of shares	(536,654)	70,053,465
Advance to purchase of office space	-	(32,682,920)
Others	381,454	(162,828,770)
	14,951,875	(99,199,363)

39 INCREASE/(DECREASE) IN OTHER LIABILITIES

Interest suspense	93,561,500	43,367,033
Financial expenses payable	298,136,010	(121,829,557)
Excise duty	(4,248,909)	(2,653,335)
Withholding tax payable	11,257,373	(14,139,817)
VAT payable	(489,475)	(2,590,468)
Accrued expenses and other payable	7,481,231	5,288,786
	405,697,730	(92,557,358)

40 RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES

Net profit after tax	(196,196,746)	8,336,095
Items not involved in cash movement:		
Add: Depreciation	10,183,952	3,205,655
Add: Provision for loans and investments	(25,886,836)	(31,840,749)
Add: Provision for taxation	20,685,870	436,905



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For the half year ended 30 June	30-Jun-20	30-Jun-19
Add/ (Less): Accrued expenses	292,773,006	(118,079,565)
Add/ (Less): Accrued Income	963,714	(199,015,027)
Less: Gain on disposal of fixed assets	-	(20,412)
Add/(Less): Loss/(gain) on sale of share	(157,364)	93,588,542
Increase/(Decrease) in employee gratuity	-	5,000,000
Increase/(Decrease) in Deferred tax	-	(1,732,656)
Adjustments to reconcile net profit after tax to net cash provided by operating activities	102,365,596	(240,121,212)
Increase/decrease in operating assets and liabilities		
(Increase)/decrease in loans, advances	517,768,805	747,832,372
(Increase)/decrease in other assets	25,706,945	68,359,530
(Increase)/decrease in non-banking assets	-	(160,493,631)
Increase/(decrease) in term & other deposits	(1,401,423,817)	(778,262,646)
Increase/(decrease) in short term borrowing	(93,022,101)	416,800,000
Increase/(decrease) in payable and accrued expenses	320,812,870	(139,635,100)
Increase/(decrease) in income tax	(6,257,164)	(10,268,058)
Increase/(decrease) in interest suspenses	93,561,500	43,367,033
	(542,852,962)	187,699,501
Net cash flows from/(used in) operating activities	(440,487,366)	(52,421,711)

40.a RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES (consolidated)

Net profit after tax	(241,424,447)	9,608,416
Items not involved in cash movement:		
Add: Depreciation	15,078,413	10,774,568
Add: Provision for loans and investments	(25,886,836)	(31,840,749)
Add: Provision for taxation	27,617,690	14,221,766
Add/ (Less): Accrued expenses	323,803,139	(77,768,708)
Add/ (Less): Accrued Income	16,231,920	5,238,000
Less: Gain on disposal of fixed assets	(24,000)	20,412
Add/(Less): Loss/(gain) on sale of share	6,523,289	105,314,135
Increase/(Decrease) in employee gratuity	(535,213)	7,270,893
Increase/(Decrease) in Deferred tax	-	(1,732,656)
Adjustments to reconcile net profit after tax to net cash provided by operating activities	121,383,955	41,106,077
Increase/decrease in operating assets and liabilities		
(Increase)/decrease in loans, advances	289,467,665	922,472,329
(Increase)/decrease in other assets	128,824,967	102,338,371
(Increase)/decrease in non-banking assets	-	(160,493,631)
Increase/(decrease) in term & other deposits	(1,041,746,790)	(900,092,203)
Increase/(decrease) in short term borrowing	(93,022,101)	426,800,000
Increase/(decrease) in payable and accrued expenses	166,262,830	(291,724,777)
Increase/(decrease) in income tax	(16,226,814)	(25,447,029)
Increase/(decrease) in interest suspenses	93,561,500	(14,519,014)
	(472,878,743)	59,334,045
Net cash flows from/(used in) operating activities	(351,494,788)	100,440,122

