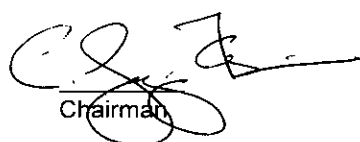


Union Capital Limited
Consolidated Financial Statements (Un-Audited)
As at and for the third quarter ended 30 September 2020

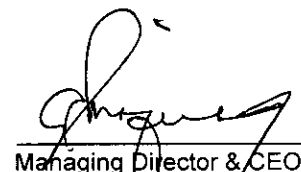
Union Capital Limited
Consolidated Balance Sheet (Un-audited) as at 30 September 2020

Figures in BDT

Particulars	Notes	30-Sep-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	94,794,411	163,584,144
		94,867,437	163,657,170
Balance with other banks and financial institutions			
In Bangladesh		909,529,050	1,460,590,556
Outside Bangladesh	5.a	-	-
		909,529,050	1,460,590,556
Money at call and short notice			
		-	-
Investments			
Government		-	-
Others	6.a	986,491,597	949,196,023
		986,491,597	949,196,023
Loans, advances and leases			
Loans, advances and leases		13,523,722,178	13,983,689,513
Bills purchased and discounted	7.a	-	-
		13,523,722,178	13,983,689,513
Fixed assets including land, building, furniture and fixtures			
	8.a	438,743,817	457,784,670
Other assets			
	9.a	2,074,530,602	2,153,636,141
Non-banking assets			
	10	469,521,891	469,521,891
TOTAL ASSETS		18,497,406,571	19,638,075,965
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11.a	3,660,027,470	4,133,717,142
Deposits and other accounts			
Term deposits	12.a	8,636,489,284	9,699,968,128
Other deposits	13	214,584,152	214,129,016
		8,851,073,436	9,914,097,144
Other liabilities	14.a	5,196,289,568	4,346,324,645
Total liabilities		17,707,390,475	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	(1,387,619,942)	(933,699,012)
Total equity attributable to equity holders of the Company		790,015,887	1,243,936,817
Non-controlling interest		210	218
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		18,497,406,571	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
TOTAL OFF BALANCE SHEET ITEMS		-	948,100,000
Net assets value per share (NAV)	37.a	4.58	7.21


Chairman


Director


Managing Director & CEO


Company Secretary





Chief Financial Officer (CC)


Union Capital Limited
Consolidated Profit and Loss Account (Un-Audited)
For the third quarter ended 30 September 2020

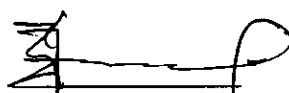
Figures in BDT

Particulars	Notes	30-Sep-20	30-Sep-19	1 July to 30 Sep 2020	1 July to 30 Sep 2019
Interest income	18.a	615,067,547	1,412,489,393	168,192,431	442,949,895
Interest paid on deposits and borrowings etc.	19.a	(951,160,692)	(1,297,935,644)	(302,577,083)	(512,494,191)
Net interest income		(336,093,146)	114,553,749	(134,384,652)	(69,544,296)
Investment income	20.a	18,484,204	(90,187,637)	18,018,097	(2,206,949)
Fees, commissions, exchange and brokerage	21.a	79,322,607	107,068,004	46,023,526	25,285,476
Other operating income	22.a	70,666,588	36,409,447	730,969	23,201,630
Total operating income		(167,619,747)	167,843,563	(69,612,061)	(23,264,139)
Salaries and other employee benefits	23.a	134,155,669	182,495,928	41,371,072	59,822,142
Rent, taxes, insurance, electricity etc.	24.a	17,031,139	37,187,468	5,880,662	13,905,130
Legal expenses	25.a	1,828,850	5,323,270	1,142,516	1,243,242
Postage, stamp, telecommunication etc.	26.a	3,603,584	4,882,016	1,036,869	1,698,270
Stationery, printing, advertisements etc.	27.a	2,358,542	6,394,909	1,637,183	1,499,292
Managing Director's salary and fees	28	6,020,000	-	2,360,000	-
Directors' fees	29.a	60,000	1,210,500	30,000	327,000
Depreciation and repair of assets	30.a	21,895,508	14,885,839	6,418,019	3,827,075
Other expenses	31.a	25,157,270	43,942,780	10,548,335	13,149,633
Total operating expenses		212,110,561	296,322,709	70,424,655	95,471,784
Profit/(loss) before provision		(379,730,308)	(128,479,147)	(140,036,716)	(118,735,923)
Provision for loans, advances, leases and investments					
Provision for loans, advances and leases		10,852,906	165,641,421	37,061,402	113,559,739
Provision for diminution in value of investments		15,794,761	(84,077,055)	15,473,101	(154,624)
Total provision (release)		26,647,667	81,564,366	52,534,503	113,405,115
Total profit/(loss) before tax		(406,377,975)	(210,043,513)	(192,571,218)	(232,141,038)
Provision for taxation					
Current tax		34,163,788	18,533,766	6,546,098	4,312,000
Deferred tax		13,379,176	(2,324,038)	13,379,176	(591,382)
		47,542,964	16,209,728	19,925,274	3,720,618
Net profit/(loss) after tax		(453,920,939)	(226,253,241)	(212,496,492)	(235,861,656)
Retained surplus		(453,920,939)	(226,253,241)	(212,496,492)	(235,861,656)
Attributable to					
Shareholders of the Company		(453,920,931)	(226,253,237)	(212,496,493)	(235,861,652)
Non-controlling interest		(8.1)	(3.28)	0.6	(4.2)
Weighted average no. of outstanding share		172,573,842	172,573,842	172,573,842	172,573,842
Earnings per share	34.a	(2.63)	(1.31)	(1.23)	(1.37)


 Chairman


 Director


 Managing Director & CEO


 Company Secretary


 Chief Financial Officer (CC)



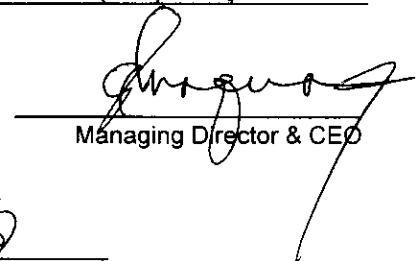
Union Capital Limited

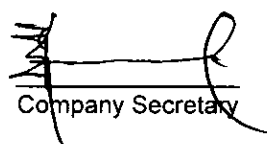
Consolidated Cash Flow Statement (Un-audited) for the third quarter ended 30 September 2020

Particulars	Notes	Figures in BDT	
		30-Sep-20	30-Sep-19 Restated
Cash flows from operating activities			
Interest receipts		129,381,919	1,419,210,092
Interest payments		(438,715,726)	(1,312,440,576)
Fee and commission receipts		78,716,235	104,630,782
Recoveries of loans previously written off		69,150,580	34,373,660
Dividend receipts		14,963,831	19,923,998
Cash payments to employees		(139,622,131)	(171,594,831)
Cash payments to suppliers and management expenses		(29,334,753)	(42,654,593)
Income taxes paid		(25,880,037)	(30,793,935)
Receipts from other operating activities		2,122,380	4,473,009
Payments for other operating activities		(25,157,270)	(43,942,780)
Cash generated before changes in operating assets and liabilities		(364,374,972)	(18,815,173)
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		446,918,725	1,196,986,495
Other assets		100,338,448	(61,813,476)
Deposits from banks and other financial institutions		(295,140,348)	(1,093,047,500)
Deposits from customers		(767,883,360)	227,937,097
Net draw down/(payment) of short term loan		(96,722,101)	387,518,444
Other liabilities		772,667,556	(437,387,514)
Cash generated from operating assets and liabilities		160,178,919	220,193,547
Net cash generated from/(used in) operating activities		(204,196,053)	201,378,374
Cash flows from investing activities			
Proceeds from sale of securities		446,545,690	885,344,203
Payments for purchases of securities		(479,725,382)	(558,229,741)
Purchase of property, plant and equipment		(5,542,924)	(42,227,824)
Proceeds from sale of property, plant and equipment		35,000	13,329
Net cash generated from/(used in) investing activities		(38,687,615)	284,899,967
Cash flows from financing activities			
Receipts of long term loan		26,320,405	258,777,548
Repayment of long term loan		(403,287,976)	(1,089,882,979)
Net cash generated from/(used in) financing activities		(376,967,571)	(831,105,431)
Net (decrease)/increase in cash and cash equivalents		(619,851,239)	(344,827,090)
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the third quarter		1,624,247,726	3,377,758,866
Cash and cash equivalents at end of the third quarter		1,004,396,487	3,032,931,776
Cash and cash equivalents at end of the third quarter represents			
Cash in hand		73,026	73,026
Balance with Bangladesh Bank and its agent bank		94,794,411	174,491,002
Balance with other banks and financial institutions		909,529,050	2,858,367,748
		1,004,396,487	3,032,931,776
Net operating cash flows per share	36.a	(1.18)	1.17


Chairman


Director


Managing Director & CEO


Company Secretary


Chief Financial Officer (CC)

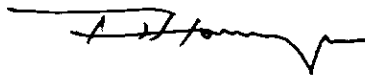


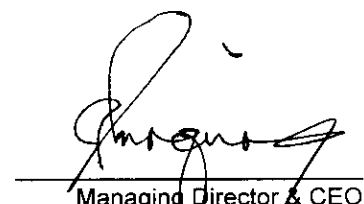
Union Capital Limited
Consolidated statement of changes in shareholders' equity (Un-audited)
For the third quarter ended 30 September 2020


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 third quarter 2020	-	-	(453,920,931)	(8.1)	(453,920,939)
Balance as at 30 September 2020	1,725,738,430	451,897,399	(1,387,619,943)	210	790,016,097
Balance as at 1 January 2019	1,643,560,419	451,897,399	205,864,936	232	2,301,322,986
Net profit/(loss) for the third quarter 2019	-	-	(226,253,237)	(3)	(226,253,241)
Issuance of bonus share (year 2018)	82,178,011	-	(82,178,011)	-	-
Balance as at 30 September 2019	1,725,738,430	451,897,399	(102,566,312)	229	2,075,069,745

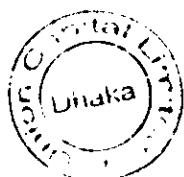

 Chairman


 Director


 Managing Director & CEO


 Company Secretary

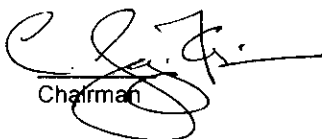

 Chief Financial Officer (CC)



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

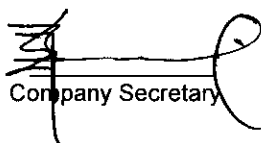
Figures in BDT

Particulars	Notes	30-Sep-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	94,794,411	163,584,144
		94,833,411	163,623,144
Balance with other banks and financial institutions			
In Bangladesh		756,131,191	1,202,115,765
Outside Bangladesh	5	-	-
		756,131,191	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		12,369,125,169	12,838,063,023
Bills purchased and discounted	7	-	-
		12,369,125,169	12,838,063,023
Fixed assets including land, building, furniture and fixtures	8	428,448,160	442,292,055
Other assets	9	2,888,228,883	2,909,244,820
Non-banking assets	10	469,521,891	469,521,891
TOTAL ASSETS		17,032,579,110	18,051,530,393
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	3,287,550,904	3,462,391,448
Deposits and other accounts			
Term deposits	12	8,636,489,284	9,761,509,145
Other deposits	13	214,584,152	214,129,016
		8,851,073,436	9,975,638,161
Other liabilities	14	4,095,054,917	3,401,076,127
Total liabilities		16,233,679,257	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	(1,378,735,976)	(965,211,172)
Total shareholders' equity		798,899,853	1,212,424,657
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		17,032,579,110	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
TOTAL OFF BALANCE SHEET ITEMS		-	948,100,000
Net assets value per share (NAV)	37	4.63	₹ 7.03

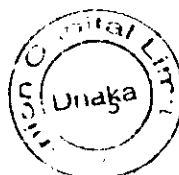

Chairman


Director


Managing Director & CEO


Company Secretary



Chief Financial Officer (CC)



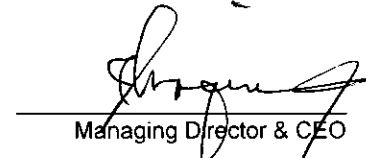
Union Capital Limited
Profit and Loss Account (Un-Audited)
For the third quarter ended 30 September 2020

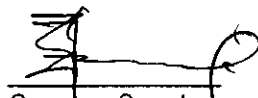
Figures in BDT

Particulars	Notes	1 July to 30 Sep			
		30-Sep-20	30-Sep-19	2020	2019
Interest income	18	593,240,490	975,129,686	164,323,593	313,004,927
Interest paid on deposits and borrowings etc.	19	(910,631,501)	(1,238,345,911)	(289,428,416)	(490,207,877)
Net interest income		(317,391,011)	(263,216,225)	(125,104,823)	(177,202,950)
Investment income	20	743,539	(88,798,988)	-	(683,742)
Fees, commissions, exchange and brokerage	21	683,022	2,864,201	51,132	491,947
Other operating income	22	69,150,580	406,722,711	210,000	147,499,760
Total operating income		(246,813,870)	57,571,699	(124,843,691)	(29,894,985)
Salaries and other employee benefits	23	79,287,103	116,058,987	24,996,528	38,267,461
Rent, taxes, insurance, electricity etc.	24	4,442,107	13,355,494	3,196,025	5,655,095
Legal expenses	25	1,828,850	5,236,645	1,142,516	1,211,617
Postage, stamp, telecommunication etc.	26	1,272,009	1,752,822	526,626	657,450
Stationery, printing, advertisements etc.	27	1,748,016	5,610,178	1,347,818	1,305,765
Managing Director's salary and fees	28	6,020,000	-	2,360,000	-
Directors' fees	29	60,000	728,000	30,000	152,000
Depreciation and repair of assets	30	15,280,286	4,798,207	4,933,701	1,573,788
Other expenses	31	11,524,671	20,711,666	3,502,295	7,161,734
Total operating expenses		121,463,042	168,251,999	42,035,509	55,984,910
Profit/(loss) before provision		(368,276,912)	(110,680,300)	(166,879,200)	(85,879,895)
Provision for loans, advances, leases and investments					
Provision for loans, advances and leases		6,852,906	185,641,421	33,061,402	133,559,739
Provision for diminution in value of investments		84,711	(84,077,055)	(236,949)	(154,624)
Total provision (release)		6,937,617	101,564,366	32,824,453	133,405,115
Total profit/(loss) before tax		(375,214,529)	(212,244,666)	(199,703,653)	(219,285,010)
Provision for taxation					
Current tax		20,685,870	436,905	-	-
Deferred tax		17,624,405	(2,324,038)	17,624,405	(591,382)
		38,310,275	(1,887,133)	17,624,405	(591,382)
Net profit/(loss) after tax		(413,524,804)	(210,357,533)	(217,328,058)	(218,693,628)
Retained surplus		(413,524,804)	(210,357,533)	(217,328,058)	(218,693,628)
Weighted average no. of outstanding share		172,573,842	172,573,842	172,573,842	172,573,842
Earnings per share	34	(2.40)	(1.22)	(1.26)	(1.27)


Chairman


Director


Managing Director & CEO

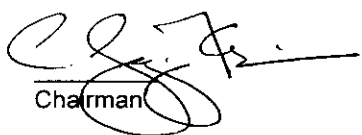

Company Secretary


Chief Financial Officer (CC)

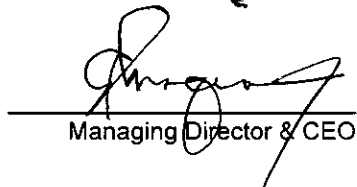


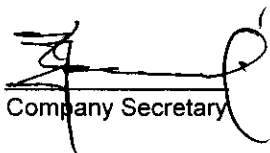
Union Capital Limited
Cash Flow Statement (Un-audited) for the third quarter ended 30 September 2020

Particulars	Notes	Figures in BDT	
		30-Sep-20	30-Sep-19 Restated
Cash flows from operating activities			
Interest receipts		121,554,372	1,004,250,382
Interest payments		(424,348,507)	(1,236,690,009)
Fee and commission receipts		76,650	426,979
Recoveries of loans previously written off		69,150,580	34,373,660
Dividend receipts		586,175	8,098,454
Cash payments to employees		(83,634,060)	(111,603,349)
Cash payments to suppliers and management expenses		(10,237,294)	(28,056,204)
Income taxes paid		(7,190,922)	(12,002,544)
Receipts from other operating activities	32	606,372	2,437,222
Payments for other operating activities	33	(11,524,671)	(20,711,666)
Cash generated before changes in operating assets and liabilities		(344,961,304)	(359,477,074)
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		455,889,244	1,011,885,924
Other assets	38	28,206,859	(138,532,910)
Deposits from banks and other financial institutions		(295,140,348)	(1,093,047,500)
Deposits from customers		(829,424,377)	227,937,097
Net draw down/(payment) of short term loan		(96,722,101)	387,518,444
Other liabilities account of customers		-	-
Other liabilities	39	649,540,934	17,414,295
Cash generated from operating assets and liabilities		(87,649,789)	413,175,350
Net cash generated from/(used in) operating activities		(432,611,093)	53,698,276
Cash flows from investing activities			
Proceeds from sale of securities		536,654	387,573,955
Payments for purchases of securities		-	(47,635,044)
Purchase of property, plant and equipment		(4,581,425)	(35,613,217)
Proceeds from sale of property, plant and equipment		-	13,329
Investment in UniCap Investments Limited		-	-
Net cash used in investing activities		(4,044,771)	304,339,023
Cash flows from financing activities			
Receipts of long term loan		26,320,405	222,177,548
Repayment of long term loan		(104,438,848)	(879,237,008)
Net cash generated from/(used in) financing activities		(78,118,443)	(657,059,460)
Net (decrease)/increase in cash and cash equivalents		(514,774,307)	(299,022,161)
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the third quarter		1,365,738,909	3,228,085,934
Cash and cash equivalents at end of the third quarter		850,964,602	2,929,063,773
Cash and cash equivalents at end of the third quarter represents			
Cash in hand		39,000	39,000
Balance with Bangladesh Bank and its agent bank		94,794,411	174,491,002
Balance with other banks and financial institutions		756,131,191	2,754,533,771
		850,964,602	2,929,063,773
Net operating cash flows per share	36	(2.51)	0.31


Chairman


Director


Managing Director & CEO


Company Secretary


Chief Financial Officer (CC)



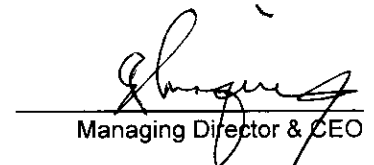
Union Capital Limited
Statement of Changes in shareholders' equity (Un-audited)
For the third quarter ended 30 September 2020

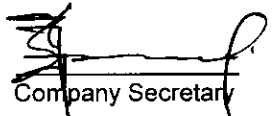
Figures in BDT

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 third quarter 2020	-	-	(413,524,804)	(413,524,804)
Balance as at 30 September 2020	1,725,738,430	451,897,399	(1,378,735,976)	798,899,853
Balance as at 1 January 2019	1,643,560,419	451,897,399	105,393,785	2,200,851,603
Net profit/(loss) for the third quarter 2019	-	-	(210,357,533)	(210,357,533)
Issuance of bonus share (year 2018)	82,178,011	-	(82,178,011)	-
Balance as at 30 September 2019	1,725,738,430	451,897,399	(187,141,759)	1,990,494,070


 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 third quarter ended 30 September 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 third quarterly 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/(loss) of the Company and its subsidiaries are shown in the consolidated profit and loss account with the proportion of profit/(loss) after taxation pertaining to minority shareholders being deducted as 'non-controlling interest'.

3.3 Earnings per share (EPS)

Earnings per share has been calculated based on number of shares outstanding for the period ended 30 September 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 September 2019 has also been calculated based on 172.57 million shares.

EPS for the period ended 30 September 2020 has been decreased compared to the same period of 2019 due to declined of interest income as well as maintaining portion of provision that had been deferred from 2019. This declined interest income has been created due to not account for interest income on loan exposure of UniCap Investments Limited as well as decreasing of income generating assets.

3.4 Net assets value per share (NAV)

During the period ended 30 September 2020, NAV has been arrived at BDT 4.58 per share which is BDT 7.21 as on 31 December 2019. Declining of income generating assets, maintaining portion of provision that had been deferred from 2019 and not charging interest on Margin loan exposure of UniCap Investments Limited have induced NAV lower than previous period.

3.5 Date of authorization

The Board of Directors has authorized these financial statements for public issue on 29 October 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.



Union Capital Limited

Notes to the financial statements

As at and for the period ended 30 September 2020

Figures in BDT

As at	30-Sep-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	94,794,411	163,584,144
Foreign currencies	-	-
	94,794,411	163,584,144
Balance as at 30 September	94,833,411	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.	94,794,411	163,584,144
UniCap Securities Ltd.	-	-
UniCap Investments Ltd.	-	-
	94,794,411	163,584,144
Balance as at 30 September	94,867,437	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	151,081,974	134,101,679
International Leasing and Financial Services Ltd.	553,344,758	499,732,468
Modhumoti Bank Limited, Dhanmondi Branch	-	350,000,000
Woori Bank	-	200,000,000
	704,426,732	1,183,834,147
Current account		
Bank Alfalah Limited, Gulshan Branch	2,096	2,096
Agrani Bank Limited, Panthpath Branch	1,225,285	25,475
Bank Asia Limited, Bashundhara Branch	8,327	8,672
BASIC Bank Limited, Shantinagar Branch	1	1
Dhaka Bank Limited, Kakrail Branch	3,040,410	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	1,452,979	12,949
Social Islami Bank Limited, Eskaton Branch	434,972	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	891,261	70,025
WooriBank-Dhaka Branch	35,291	2,056,404
Uttara Bank Limited, Local Office	15,338	15,338
	8,643,208	3,929,375



Union Capital Limited

Notes to the financial statements

As at and for the period ended 30 September 2020

Figures in BDT

As at	30-Sep-20	31-Dec-19
Short term deposit		
Bank Asia Limited, Corporate Branch	90,647	478,532
Bank Asia Limited, Corporate Branch	114,992	5,788,251
Bank Asia Limited, Gulshan Branch	247,965	419,263
Dhaka Bank Limited, Local Office	552,692	38,845
Dutch Bangla Bank Limited, Karwan Bazar Branch	35,116	35,742
Dutch Bangla Bank Limited, Karwan Bazar Branch	1,868	3,701,506
IFIC Bank Limited, Gulshan Branch	38,713,324	-
Jamuna Bank Limited, Sonargaon Road Branch	19,116	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	60,860	61,253
Southeast Bank Limited, Islamic Banking Branch	2,722,937	2,692,881
Southeast Bank Limited, R k Mission Road Branch	123,440	867,840
	43,061,251	14,352,243
Balance as at 30 September	756,131,191	1,202,115,765

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

Union Capital Ltd.	756,131,191	1,202,115,765
UniCap Securities Ltd.	35,070,570	102,370,672
UniCap Investments Ltd.	118,327,289	217,645,136
	909,529,050	1,522,131,573
Less: Inter-company transactions	-	61,541,017
Balance as at 30 September	909,529,050	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 September	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.	585,358,341	575,147,948
UniCap Investments Ltd.	374,842,851	347,378,380
Balance as at 30 September	986,491,597	949,196,023

7 LOANS, ADVANCES AND LEASES

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

Lease finance	1,529,038,736	1,489,818,193
Term finance	5,513,676,891	6,008,375,422
Loan to subsidiaries	5,297,514,406	5,303,514,890
Loan against deposits	16,449,811	18,482,233
Staff loan	12,445,325	17,872,285
Balance as at 30 September	12,369,125,169	12,838,063,023



Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 September 2020
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7.a LOANS, ADVANCES AND LEASES (consolidated)

Union Capital Ltd.	12,369,125,169	12,838,063,023
UniCap Securities Ltd.	653,694,991	660,847,820
UniCap Investments Ltd	5,798,416,424	5,788,293,561
	18,821,236,584	19,287,204,403
Less: Inter-company transactions	5,297,514,406	5,303,514,890
Balance as at 30 September	13,523,722,178	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	80,830,276	65,718,679
Written down value as at 30 September	428,448,160	442,292,055

Details are shown in **Annexure - A**

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

Union Capital Ltd.	428,448,160	442,292,055
UniCap Securities Ltd.	7,850,345	12,599,860
UniCap Investments Ltd.	2,445,312	2,892,755
Balance as at 30 September	438,743,817	457,784,670

9 OTHER ASSETS

Investment in subsidiary	997,498,641	997,498,641
Accrued interest	25,812,215	57,366,782
Others	29,303,997	26,049,765
Income generating other assets	1,052,614,853	1,080,915,188
Advance office rent	3,565,854	3,684,155
Advance to employees	1,630,823	722,501
Deposits with T & T, water etc.	87,500	87,500
Advance corporate tax	1,434,776,988	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.b)	-	809,949
Process Sharing receivable	391,931,941	391,931,941
Others	1,790,703	2,213,953
Non income generating other assets	1,835,614,030	1,828,329,632
Balance as at 30 September	2,888,228,883	2,909,244,820

Management considers all the other assets as good.

9.1.a Deferred tax asset (consolidated)

Union Capital Limited	-	809,949
UniCap Securities Limited	3,854,064	-
UniCap Investments Limited	62,710	-
Balance as at 30 September	3,916,774	809,949



Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 September 2020
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9.1.b Deferred tax asset/(liabilities) (consolidated)

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:

			Union Capital Limited	UniCap Securities Limited	UniCap Investments Ltd.
Assets	Fixed assets net of depreciation	Carrying amount	428,448,160	7,850,349	2,445,312
		Tax base	383,609,610	11,211,288	2,612,539
Liabilities	Employee gratuity fund	Carrying amount	-	7,650,673	-
		Tax base	-	-	-
			(44,838,550)	11,011,612	167,227
Applicable tax rate			37.50%	35.00%	37.50%
Deferred tax assets/(liabilities) as on September 30,2020			(16,814,456)	3,854,064	62,710
Deferred tax assets/(Liabilities) as on December 31,2019			809,949	(271,455)	(57,000)
Deferred tax expense/(income) during the period			17,624,405	(4,125,519)	(119,710)

9.a OTHER ASSETS (consolidated)

Union Capital Ltd.	2,888,228,883	2,909,244,820
UniCap Securities Ltd.	445,309,839	511,834,657
UniCap Investments Ltd.	981,675,712	1,130,052,673
	4,315,214,435	4,551,132,149
Less: Inter-company transactions	2,240,683,833	2,397,496,008
Balance as at 30 September	2,074,530,602	2,153,636,141

10 NON-BANKING ASSETS

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

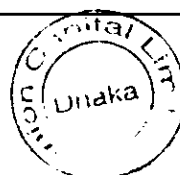
This represents assets owned under the 'Certificate of Ownership' given by the competent court under section 33(7) of Artha Rin Adalat Ain 2003.

11 BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS

Borrowings from other banks

In Bangladesh

Bank loan	2,122,814,251	2,104,372,649
Preference share	100,000,000	100,000,000
	2,222,814,251	2,204,372,649
Bangladesh Bank (Small Enterprise refinancing scheme-JICA)	77,827,236	138,929,365
Bangladesh Bank (Women entrepreneur refinance scheme)	8,718,750	24,154,167
Bangladesh Bank (Agriculture refinance scheme)	1,000,000	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	888,412,655	985,134,756
	1,064,736,653	1,258,018,799
	3,287,550,904	3,462,391,448
Outside Bangladesh	-	-
Balance as at 30 September	3,287,550,904	3,462,391,448



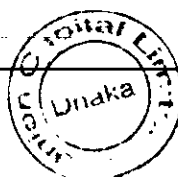
Union Capital Limited

Notes to the financial statements

As at and for the period ended 30 September 2020

Figures in BDT

As at	30-Sep-20	31-Dec-19
11.a Borrowings from other banks, financial institutions and agents (consolidated)		
Union Capital Limited	3,287,550,904	3,462,391,448
UniCap Securities Limited	641,073,026	752,499,291
UniCap Investments Limited	3,581,187,638	3,788,610,500
	7,509,811,567	8,003,501,239
Less: Inter-company transactions	3,849,784,097	3,869,784,097
Balance as at 30 September	3,660,027,470	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	3,330,971,570	3,626,111,918
Other institutions	4,374,947,668	4,899,750,328
Total institutional deposits	7,705,919,238	8,525,862,246
Term deposit	667,844,715	915,645,497
Income deposit	245,392,281	299,428,752
Monthly savings scheme	17,333,050	20,572,650
Total individual deposits	930,570,046	1,235,646,899
Balance as at 30 September	8,636,489,284	9,761,509,145
12.a Term deposits (consolidated)		
Union Capital Limited	8,636,489,284	9,761,509,145
UniCap Securities Limited	-	-
UniCap Investments Limited	-	-
	8,636,489,284	9,761,509,145
Less: Inter-company transactions	-	61,541,017
Balance as at 30 September	8,636,489,284	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	66,651,266	27,192,484
Term finance advance	68,241,451	85,075,708
Cash security	79,691,435	101,860,824
Balance as at 30 September	214,584,152	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	438,910,966	464,197,060
Provision for diminution in value of investments	275,986	191,275
Provision for other assets	150,326,000	118,187,000
Interest suspense	791,126,787	661,006,393
Provision for tax	1,473,365,762	1,452,679,979
Deferred tax liabilities (note 9.1.b)	16,814,456	-
Financial expenses payable	1,002,684,462	516,401,468
Deferred liability-employee gratuity	13,722,683	9,245,839
Dividend on preference shares	18,750,006	9,417,815
Excise duty	3,031,930	6,804,889
Withholding tax payable	23,489,072	8,156,227
VAT payable	834,535	2,138,056
Accrued expenses and other payable	161,722,272	152,650,126
Balance as at 30 September	4,095,054,917	3,401,076,127



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

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30-Sep-20

31-Dec-19

14.a OTHER LIABILITIES (consolidated)

Union Capital Limited	4,095,054,917	3,401,076,127
UniCap Securities Limited	656,732,449	640,245,548
UniCap Investments Limited	3,135,417,703	3,138,731,130
	7,887,205,069	7,180,052,805
Less: Inter-company transactions	2,690,915,501	2,833,728,160
Balance as at 30 September	5,196,289,568	4,346,324,645

15 Share capital

As at 30 September 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 September 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 (413,524,804) (988,426,946)

Balance as at 30 September (1,378,735,976) (965,211,172)

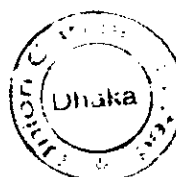
17.a RETAINED EARNINGS (consolidated)

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 (453,920,931) (1,057,385,936)

Balance as at 30 September (1,387,619,942) (933,699,011)



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

Figures in BDT

For the third quarter ended	30-Sep-20	30-Sep-19
18 INTEREST INCOME		
Income from lease finance	93,256,116	148,316,529
Income from term finance	378,427,211	637,091,970
Interest on loan to subsidiaries	42,538,647	49,281,248
Interest on bank deposits	78,393,942	139,411,811
Income from other finance	624,574	1,004,794
Total	593,240,490	975,129,686

18.a INTEREST INCOME (consolidated)

Union Capital Limited	593,240,490	975,129,686
UniCap Securities Limited	41,326,558	79,103,852
UniCap Investments Limited	23,039,146	407,537,103
	657,606,194	1,461,770,641
Less: Inter-company transactions	42,538,647	49,281,248
	615,067,547	1,412,489,393

19 INTEREST PAID ON DEPOSITS, BORROWINGS, etc.

Interest on bank loan	162,946,678	218,939,406
Interest on JICA fund	3,450,058	7,831,881
Interest on Agriculture refinance fund	107,233	486,014
Interest on women entrepreneur fund	443,968	1,288,597
Interest on SMEDP2 fund	423,582	1,600,805
Interest on financing brick kiln efficiency project	2,968,333	-
Interest on term deposits	655,012,202	916,271,977
Interest on money at call & short notice	69,579,269	68,621,492
Interest on cash security deposit	4,445,152	8,249,253
Interest on preference share	9,332,191	12,431,507
Bank charges	1,922,835	2,624,979
Total	910,631,501	1,238,345,911

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

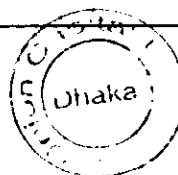
Union Capital Limited	910,631,501	1,238,345,911
UniCap Securities Limited	73,391,313	88,618,732
UniCap Investments Limited	9,676,525	20,252,249
	993,699,339	1,347,216,892
Less: Inter-company transactions	42,538,647	49,281,248
	951,160,692	1,297,935,644

20 INVESTMENT INCOME

Capital gain/(loss) on sale of securities	157,364	(94,272,284)
Dividend income	586,175	5,473,296
Total	743,539	(88,798,988)

20.a INVESTMENT INCOME (consolidated)

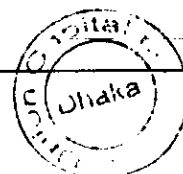
Union Capital Limited	743,539	(88,798,988)
UniCap Securities Limited	6,845,100	(874,314)
UniCap Investments Limited	10,895,564	(514,335)
	18,484,204	(90,187,637)
Less: Inter-company transactions	-	-
	18,484,204	(90,187,637)



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

Figures in BDT

For the third quarter ended	30-Sep-20	30-Sep-19
21 FEES, COMMISSIONS, EXCHANGE AND BROKERAGE		
Processing and documentation fees	76,650	426,979
Renewals and proceeds	606,372	2,437,222
Total	683,022	2,864,201
21.a FEES, COMMISSIONS, EXCHANGE AND BROKERAGE (consolidated)		
Union Capital Limited	683,022	2,864,201
UniCap Securities Limited	68,927,664	94,104,429
UniCap Investments Limited	9,711,921	10,099,374
	79,322,607	107,068,004
22 OTHER OPERATING INCOME		
Gain/(loss) on sale of fixed assets	-	(20,412)
Portfolio management income	-	372,369,463
Recoveries of loans written off	69,150,580	34,373,660
Total	69,150,580	406,722,711
22.a OTHER OPERATING INCOME (consolidated)		
Union Capital Limited	69,150,580	406,722,711
UniCap Securities Limited	950,867	1,529,597
UniCap Investments Limited	565,141	526,602
	70,666,588	408,778,910
Less: Inter-company transactions	-	372,369,463
	70,666,588	36,409,447
23 SALARIES AND OTHER EMPLOYEE BENEFITS		
Salaries & allowances	79,287,103	116,058,987
Total	79,287,103	116,058,987
23.a SALARIES AND OTHER EMPLOYEE BENEFITS (consolidated)		
Union Capital Limited	79,287,103	116,058,987
UniCap Securities Limited	45,548,063	56,265,659
UniCap Investments Limited	9,320,503	10,171,282
Total	134,155,669	182,495,928
24 RENT, TAXES, INSURANCE, ELECTRICITY etc.		
Office rent, rates and taxes	3,265,760	10,176,058
Insurance	691,163	1,616,826
Power and electricity	485,184	1,562,610
Total	4,442,107	13,355,494
24.a RENT, TAXES, INSURANCE, ELECTRICITY etc. (consolidated)		
Union Capital Limited	4,442,107	13,355,494
UniCap Securities Limited	10,098,474	20,000,776
UniCap Investments Limited	2,490,557	3,831,197
Total	17,031,139	37,187,468
25 LEGAL EXPENSES		
Court fees	-	551,938
Professional Fees	1,828,850	4,684,707
Total	1,828,850	5,236,645



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

Figures in BDT

For the third quarter ended	30-Sep-20	30-Sep-19
25.a LEGAL EXPENSES (consolidated)		
Union Capital Limited	1,828,850	5,236,645
UniCap Securities Limited	-	-
UniCap Investments Limited	-	86,625
Total	1,828,850	5,323,270

26 POSTAGE, STAMP, TELECOMMUNICATION etc.

Postage	86,456	158,720
Telegram, telex, fax and e-mail	590,195	683,044
Telephone - office	595,358	911,058
Total	1,272,009	1,752,822

26.a POSTAGE, STAMP, TELECOMMUNICATION etc. (consolidated)

Union Capital Limited	1,272,009	1,752,822
UniCap Securities Limited	1,907,137	2,715,639
UniCap Investments Limited	424,438	413,555
Total	3,603,584	4,882,016

27 STATIONERY, PRINTING, ADVERTISEMENTS etc.

Printing and stationery	595,970	1,425,182
Advertisement	1,152,046	3,310,415
Publicity	-	874,581
Total	1,748,016	5,610,178

27.a STATIONERY, PRINTING, ADVERTISEMENTS etc.(consolidated)

Union Capital Limited	1,748,016	5,610,178
UniCap Securities Limited	432,879	571,721
UniCap Investments Limited	177,647	213,010
Total	2,358,542	6,394,909

28 MANAGING DIRECTOR'S SALARY AND FEES 6,020,000 -

In addition to remuneration, the Managing Director & CEO is also provided with Company's car and cell phone.

29 DIRECTORS' FEES

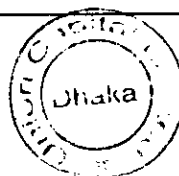
Total fees paid	60,000	728,000
Total	60,000	728,000

29.a DIRECTORS' FEES (consolidated)

Union Capital Limited	60,000	728,000
UniCap Securities Limited	-	357,500
UniCap Investments Limited	-	125,000
Total	60,000	1,210,500

30 DEPRECIATION AND REPAIR OF ASSETS

Depreciation of fixed assets-freehold	14,989,962	4,644,966
Amortization of intangible assets	121,635	103,851
Repairs and maintenance of assets	168,689	49,390
Total	15,280,286	4,798,207



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

Figures in BDT

For the third quarter ended	30-Sep-20	30-Sep-19
30.a DEPRECIATION AND REPAIR OF ASSETS (consolidated)		
Union Capital Limited	15,280,286	4,798,207
UniCap Securities Limited	5,079,046	8,293,075
UniCap Investments Limited	1,536,176	1,794,557
Total	21,895,508	14,885,839

31 OTHER EXPENSES

HR development	-	235,539
Travelling and conveyance	3,893,845	7,384,647
Office expenses	1,643,983	1,164,518
Motor vehicle fuel expenses	380,072	676,663
Motor vehicle spare part expenses	245,701	219,669
Subscription and fees	2,097,045	2,155,704
Books, magazines, newspapers, etc	13,582	41,346
AGM expenses	20,700	1,243,078
Entertainment and public relation & others	126,729	1,128,337
Staff Welfare	3,103,014	6,462,165
Total	11,524,671	20,711,666

31.a OTHER EXPENSES (consolidated)

Union Capital Limited	11,524,671	20,711,666
UniCap Securities Limited	12,989,302	22,145,164
UniCap Investments Limited	643,297	373,455,413
	25,157,270	416,312,243
Less: Inter-company transactions	-	372,369,463
Total	25,157,270	43,942,780

32 RECEIPTS FROM OTHER OPERATING ACTIVITIES

Renewals and proceeds	606,372	2,437,222
Total	606,372	2,437,222

33 PAYMENTS FOR OTHER OPERATING ACTIVITIES

HR development	-	235,539
Travelling and conveyance	3,893,845	7,384,647
Motor vehicle expenses	625,773	896,332
Subscription and fees	2,097,045	2,155,704
Office expenses	1,643,983	1,164,518
Books, magazines, newspapers, etc	13,582	41,346
AGM expenses	20,700	1,243,078
Entertainment and public relation & staff welfare	3,229,743	7,590,502
Total	11,524,671	20,711,666



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

Figures in BDT

For the third quarter ended **30-Sep-20** **30-Sep-19**

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 September 2020 was based on the profit/(loss) attributable to ordinary shareholders of Tk. (41.35) crore (30 September 2019: Tk. (21.04) crore) and a weighted average number of ordinary shares outstanding for the period ended 30 September 2020 was 172.57 crore.

EPS for the period ended 30 September 2020 has been decreased compared to the same period of 2019 due to declined of interest income as well as maintaining portion of provision that had been deferred from 2019. This declined interest income has been created due to not account for interest income on loan exposure of UniCap Investments Limited as well as decreasing of income generating assets.

Profits attributable to ordinary shareholders

Net profit for the period	(413,524,804)	(210,357,533)
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Weighted average number of ordinary shares

Ordinary shares at 1 January	172,573,842	164,356,041
Bonus shares issued	-	8,217,801
Weighted average number of ordinary shares at reporting date	172,573,842	172,573,842
Restated weighted average number of ordinary shares	172,573,842	172,573,842
Earnings per share	(2.40)	(1.22)
Earnings per share	(2.40)	(1.22)

34.a EARNINGS PER SHARE (consolidated)

Profits attributable to ordinary shareholders

Net profit for the period (consolidated)	(453,920,931)	(226,253,237)
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EPS for the period ended 30 September 2020 has been decreased compared to the same period of 2019 due to declined of total operating income. During first nine months of 2020, total operating income of UniCap Investments Limited has been decreased by Tk.36 crore and Income tax provision of UCL has been increased compared to the same period of 2019 due to settlement of previous years' income tax assessment.

Weighted average number of ordinary shares

Ordinary shares at 1 January	172,573,842	164,356,041
Bonus shares issued	-	8,217,801
Weighted average number of ordinary shares at reporting date	172,573,842	172,573,842
Restated weighted average number of ordinary shares	172,573,842	172,573,842
Earnings per share- consolidated	(2.63)	(1.31)
Earnings per share- consolidated	(2.63)	(1.31)

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	38,310,275	(1,887,133)
Accounting profit before tax	(375,214,529)	(212,244,666)
Average effective tax rate	-10.21%	0.89%



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

Figures in BDT

For the third quarter ended		30-Sep-20	30-Sep-19
35.1 RECONCILIATION OF EFFECTIVE TAX RATE			
		2020	2019
Profit/(loss) before income tax as per profit & loss account		(375,214,529)	(212,244,666)
Income tax as per applicable tax rate	37.50%	-	-
Net inadmissible expenses (including prior years' adjustments)	-5.51%	20,685,870	436,905
Tax saving from reduced tax rates (from 0% to 20% for exempted investments income, dividend income, capital gains, etc.)	0.00%	-	-
Effect of deferred tax	-4.70%	17,624,405	(2,324,038)
Reported average effective tax rate & total tax expenses	-10.21%	38,310,275	(1,887,133)

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	47,542,964	16,209,728
Accounting profit before tax	(406,377,975)	(210,043,513)
Average effective tax rate	-11.70%	-7.72%

35.a1 RECONCILIATION OF EFFECTIVE TAX RATE

		2020	2019
Profit/(loss) before income tax as per profit & loss account		(406,377,975)	(210,043,513)
Income tax as per applicable tax rate	36.67%	-	-
Net inadmissible expenses (including prior years' adjustments)	-3.86%	15,679,584	1,140,319
Tax saving from reduced tax rates (from 0% to 20% for exempted investments income, dividend income, capital gains, etc.)	-4.55%	18,484,204	17,393,447
Effect of deferred tax	-3.29%	13,379,176	(2,324,038)
Reported average effective tax rate & total tax expenses	-11.70%	47,542,964	16,209,728

36 NET OPERATING CASH FLOWS PER SHARE

Net cash flows from operating activities	(432,611,093)	53,698,276
Total number of ordinary shares outstanding	172,573,842	172,573,842
Net operating cash flows per share	(2.51)	0.31

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

Net cash flows from operating activities	(204,196,053)	201,378,374
Total number of ordinary shares outstanding	172,573,842	172,573,842
Net operating cash flows per share	(1.18)	1.17

During the period ended 30 September 2020, the Company has received Tk. 12.93 crore as interest compared to Tk. 141.92 crore in previous period due to drastical fall of cash inflow for COVID-19 pandemic. We have paid Tk. 76.78 crore to deposit customers in 2020 whereas Tk. 22.79 crore has been received in the same period of 2019. These two heads have affected mostly to decrease NOCFPS in first nine months of 2020 compared to same period of 2019.

37 NET ASSET VALUE PER SHARE (NAV)

Net asset (total assets less total liabilities)	798,899,853	1,212,424,657
Total number of ordinary shares outstanding	172,573,842	172,573,842
Net asset value per share (NAV)	4.63	7.03

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

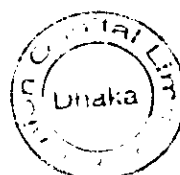
Net asset (total assets less total liabilities)	790,016,097	1,243,937,035
Total number of ordinary shares outstanding	172,573,842	172,573,842
Net asset value per share (NAV)	4.58	7.21



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

Figures in BDT

For the third quarter ended	30-Sep-20	30-Sep-19
38 (INCREASE)/DECREASE IN OTHER ASSETS		
Accrued interest	31,554,567	(9,429,166)
Advance office rent	118,301	171,500
Advance to employees	(908,322)	139,287
Receivable from brokerage houses against sale of shares	(536,654)	71,254,189
Process Sharing receivable	-	-
Advance to purchase of office space	-	(32,682,920)
Receivable from subsidiary companies	-	-
Others	(2,021,033)	(167,985,800)
	28,206,859	(138,532,910)
39 INCREASE/(DECREASE) IN OTHER LIABILITIES		
Interest suspense	130,120,394	51,431,281
Financial expenses payable	486,282,994	(31,027,018)
Excise duty	(3,772,959)	(1,282,835)
Withholding tax payable	15,332,845	(1,532,040)
VAT payable	(1,303,521)	(2,259,632)
Accrued expenses and other payable	22,881,181	2,084,539
	649,540,934	17,414,295
40 RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES		
Net profit after tax	(413,524,804)	(210,357,533)
Items not involved in cash movement:		
Add: Depreciation	15,111,597	4,748,820
Add: Provision for loans and investments	6,937,617	101,564,366
Add: Provision for taxation	20,685,870	436,905
Add/ (Less): Accrued expenses	487,238,414	(27,895,055)
Add/ (Less): Accrued Income	(12,812,878)	(342,959,392)
Less: Gain on disposal of fixed assets	-	(20,412)
Add/(Less): Loss/(gain) on sale of share	(157,364)	94,272,284
Increase/(Decrease) in employee gratuity	4,476,844	4,485,638
Increase/(Decrease) in Deferred tax	17,624,405	(2,324,038)
Adjustments to reconcile net profit after tax to net cash provided by operating activities	125,579,701	(378,048,417)
Increase/decrease in operating assets and liabilities		
(Increase)/decrease in loans, advances	455,889,244	983,707,991
(Increase)/decrease in other assets	53,258,398	56,967,679
(Increase)/decrease in non-banking assets	-	(160,493,631)
Increase/(decrease) in term & other deposits	(1,610,847,719)	(837,215,348)
Increase/(decrease) in short term borrowing	(96,722,101)	387,518,444
Increase/(decrease) in payable and accrued expenses	517,301,912	(38,167,180)
Increase/(decrease) in income tax	(7,190,922)	(12,002,544)
Increase/(decrease) in interest suspenses	130,120,394	51,431,281
	(558,190,794)	431,746,693
Net cash flows from/(used in) operating activities	(432,611,093)	53,698,276



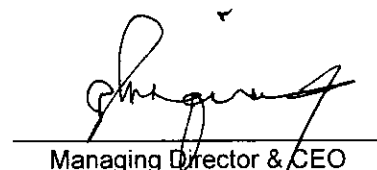
Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 September 2020

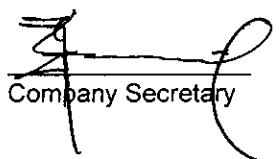
Figures in BDT

For the third quarter ended	30-Sep-20	30-Sep-19
40.a RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES (consolidated)		
Net profit after tax	(453,920,939)	(226,253,241)
Items not involved in cash movement:		
Add: Depreciation	21,259,051	14,382,542
Add: Provision for loans and investments	26,647,667	81,564,366
Add: Provision for taxation	34,163,788	18,533,766
Add/ (Less): Accrued expenses	518,514,511	26,509,920
Add/ (Less): Accrued Income	26,456,998	(33,844,448)
Less: Gain on disposal of fixed assets	(24,000)	20,412
Add/(Less): Loss/(gain) on sale of share	(4,115,882)	107,581,084
Increase/(Decrease) in employee gratuity	3,357,339	4,473,620
Increase/(Decrease) in Deferred tax	13,379,176	(2,324,038)
Adjustments to reconcile net profit after tax to net cash provided by operating activities	185,717,707	(9,356,017)
Increase/decrease in operating assets and liabilities		
(Increase)/decrease in loans, advances	459,967,335	1,226,107,191
(Increase)/decrease in other assets	78,528,579	144,386,401
(Increase)/decrease in non-banking assets	-	(160,493,631)
Increase/(decrease) in term & other deposits	(1,063,023,708)	(890,237,684)
Increase/(decrease) in short term borrowing	(96,722,101)	387,518,444
Increase/(decrease) in payable and accrued expenses	127,095,777	(414,321,115)
Increase/(decrease) in income tax	(25,880,037)	(30,793,935)
Increase/(decrease) in interest suspenses	130,120,394	(51,431,281)
	(389,913,761)	210,734,391
Net cash flows from/(used in) operating activities	(204,196,053)	201,378,374


Chairman


Director


Managing Director & CEO


Company Secretary


Chief Financial Officer (CC)



Union Capital Limited
Schedule of fixed assets as at 30 September 2020

Particulars	Cost			Depreciation			Written down Value
	As at 1 Jan 2020	Addition during the period/ year	Disposal/ adjustment during the period/ year	As at 1 Jan 2020	Charged during the period/ year	Disposal/ adjustment during the period/ year	
Freehold assets							
Office space	415,891,104	-	-	1,732,878	7,797,959	-	406,360,267
Furniture and fixtures	13,216,972	53,002	-	6,988,318	1,129,494	-	5,152,162
Office decoration	27,577,287	-	-	19,196,226	2,840,378	-	5,540,683
Electrical equipment	36,062,367	1,214,700	-	27,897,158	1,828,405	-	7,551,504
Owned vehicles	10,825,597	-	-	5,935,198	1,380,895	-	3,509,504
Software	1,754,807	-	-	1,326,228	121,639	-	306,940
Mobile Phone	452,600	-	-	412,674	12,827	-	27,099
Staff appliance	-	-	-	-	-	-	-
	505,780,734	1,267,702	-	63,488,680	15,111,597	-	428,448,159
Leasehold assets							
Leased vehicles	2,230,000	-	-	2,229,999	-	-	1
As at 30 September 2020	508,010,734	1,267,702	-	65,718,679	15,111,597	-	428,448,160
As at 31 December 2019	75,974,628	435,814,354	3,778,248	60,844,373	8,618,811	3,744,505	442,292,055

Consolidated schedule of fixed assets as at 30 September 2020

Particulars	Cost			Depreciation			Written down Value
	As at 1 Jan 2020	Addition during the period/ year	Disposal/ adjustment during the period/ year	As at 1 Jan 2020	Charged during the period/ year	Disposal/ adjustment during the period/ year	
Freehold assets							
Office space	415,891,104	-	-	1,732,880	7,797,959	-	406,360,265
Furniture and fixtures	17,270,764	146,295	364,000	10,228,372	1,525,762	364,000	5,662,925
Office decoration	52,660,638	824,006	-	38,666,282	5,805,442	-	9,012,920
Electrical equipment	55,001,382	1,239,200	220,000	40,181,630	3,456,501	209,000	12,591,451
Owned vehicles	18,991,034	-	-	12,578,948	2,147,379	-	4,264,707
Software	6,178,288	19,700	-	4,860,376	513,181	-	824,431
Mobile Phone	512,500	-	-	472,554	12,827	-	27,119
Staff appliance	-	-	-	-	-	-	-
	566,505,710	2,229,201	584,000	108,721,042	21,259,051	573,000	438,743,819
Leasehold assets							
Leased vehicles	2,230,000	-	-	2,229,999	-	-	1
As at 30 September 2020	568,735,710	2,229,201	584,000	110,951,041	21,259,051	573,000	438,743,820
As at 31 December 2019	141,139,197	443,059,761	15,463,248	100,922,789	19,882,931	9,854,679	457,784,670

