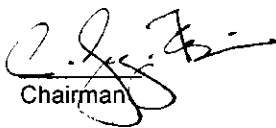


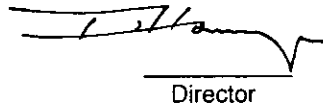
Union Capital Limited
Consolidated Financial Statements (Un-Audited)
As at and for the First Quarter ended 31 March 2021

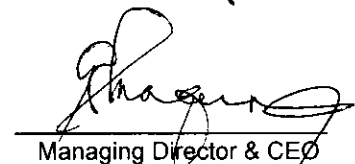
Union Capital Limited
Consolidated Balance Sheet (Un-audited) as at 31 March 2021

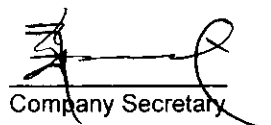
Figures in BDT

Particulars	Notes	31-Mar-21	31-Dec-20
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)		68,026	68,026
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4.a	100,193,621	93,413,504
		100,261,647	93,481,530
Balance with other banks and financial institutions			
In Bangladesh		1,188,630,875	1,110,544,571
Outside Bangladesh	5.a	1,188,630,875	1,110,544,571
Money at call and short notice			
Investments			
Government		-	-
Others	6.a	1,021,566,324	1,000,867,776
		1,021,566,324	1,000,867,776
Loans, advances and leases			
Loans, advances and leases		13,368,678,177	13,292,412,646
Bills purchased and discounted	7.a	13,368,678,177	13,292,412,646
		13,368,678,177	13,292,412,646
Fixed assets including land, building, furniture and fixtures			
	8.a	457,829,783	467,810,752
Other assets			
	9.a	611,202,534	608,684,030
Non-banking assets			
	10	523,770,004	523,770,004
TOTAL ASSETS		17,271,939,345	17,097,571,308
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11.a	3,808,455,630	3,789,955,056
Deposits and other accounts			
Term deposits	12.a	8,508,353,953	8,621,712,648
Other deposits	13	217,089,859	175,724,824
		8,725,443,812	8,797,437,472
Other liabilities	14.a	4,127,462,953	3,798,609,301
Total liabilities		16,661,362,395	16,386,001,829
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/(loss)	17.a	(1,567,059,095)	(1,466,066,561)
Total equity attributable to equity holders of the Company		610,576,733	711,569,268
Non-controlling interest		217	211
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		17,271,939,345	17,097,571,308
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Other contingent liabilities		-	-
Other commitments			
Undisbursed contracted loans, advances and leases		-	-
TOTAL OFF BALANCE SHEET ITEMS		-	-
Net assets value per share (NAV)	39.a	3.54	4.12


Chairman


Director


Managing Director & CEO


Company Secretary

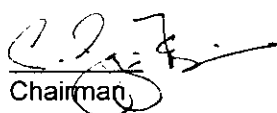
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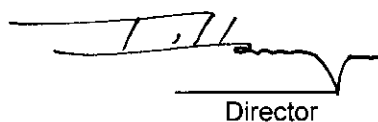


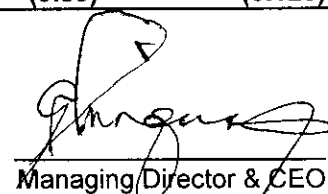

Chief Financial Officer (CC)

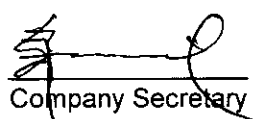
Union Capital Limited
Consolidated Profit and Loss Account (Un-Audited)
For the first quarter (Q1) ended 31 March 2021

Particulars	Notes	31-Mar-21	31-Mar-20
Interest income	18.a	214,654,094	273,760,185
Interest paid on deposits and borrowings etc.	19.a	(290,641,730)	(348,620,510)
Net interest income		(75,987,635)	(74,860,324)
Investment income	20.a	19,989,955	1,006,023
Fees, commissions, exchange and brokerage	21.a	43,087,814	31,412,813
Other operating income	22.a	6,532,406	69,511,353
Total operating income		(6,377,460)	27,069,864
Salaries and other employee benefits	23.a	35,822,427	46,803,020
Rent, taxes, insurance, electricity etc.	24.a	712,990	604,020
Legal expenses	25.a	2,445,357	444,667
Postage, stamp, telecommunication etc.	26.a	1,051,719	1,366,973
Stationery, printing, advertisements etc.	27.a	772,426	670,677
Managing Director's salary and fees	28	1,830,000	1,830,000
Directors' fees	29.a	35,000	30,000
Depreciation and repair of assets	30.a	9,907,193	12,970,198
Other expenses	31.a	11,210,820	10,204,340
Total operating expenses		63,787,933	74,923,894
Profit /(loss) before provision		(70,165,393)	(47,854,030)
Provision for loans, advances, leases and investments			
Provision for loans, advances and leases		14,821,353	(51,463,268)
Provision for diminution in value of investments		1,650,734	321,660
Total provision (release)		16,472,087	(51,141,608)
Total profit/(loss) before tax		(86,637,480)	3,287,578
Provision for taxation			
Current tax		11,522,266	25,005,915
Deferred tax		2,832,784	-
		14,355,050	25,005,915
Net profit/(loss) after tax		(100,992,530)	(21,718,337)
Retained surplus/(loss)		(100,992,530)	(21,718,337)
Attributable to			
Shareholders of the Company		(100,992,535)	(21,718,335)
Non-controlling interest		5.3	(2.06)
Weighted average no. of outstanding share		172,573,843	172,573,843
Earnings per share	36.a	(0.59)	(0.126)


Chairman


Director


Managing Director & CEO


Company Secretary



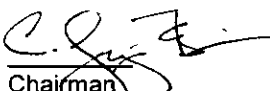

Chief Financial Officer (CC)

Union Capital Limited


Consolidated Cash Flow Statement (Un-audited) for the first quarter ended 31 March 2021


Figures in BDT

Particulars	31-Mar-21	31-Mar-20
Cash flows from operating activities		
Interest receipts	110,817,207	148,297,946
Interest payments	(170,627,142)	(185,343,926)
Fee and commission receipts	43,037,912	30,830,303
Recoveries of loans previously written off	5,408,943	68,920,580
Dividend receipts	3,568,237	6,778,331
Cash payments to employees	(37,992,073)	(51,162,638)
Cash payments to suppliers and management expenses	(4,620,040)	(10,606,075)
Income taxes paid	(7,953,847)	(7,782,957)
Receipts from other operating activities	1,173,365	1,173,283
Payments for other operating activities	(11,210,820)	(10,204,340)
Cash generated before changes in operating assets and liabilities	(68,398,258)	(9,099,493)
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	(86,512,343)	470,371,878
Other assets	3,805,772	138,349,281
Deposits from banks and other financial institutions	(93,186,212)	29,711,432
Deposits from customers	21,192,552	(691,068,460)
Net draw down/(payment) of short term loan	91,400,000	(107,722,101)
Other liabilities	297,502,058	396,412,160
Cash generated from operating assets and liabilities	234,201,827	236,054,190
Net cash generated from/(used in) operating activities	165,803,569	226,954,697
Cash flows from investing activities		
Proceeds from sale of securities	252,509,695	135,597,147
Payments for purchases of securities	(256,016,184)	(142,568,460)
Purchase of property, plant and equipment	(5,178,394)	(4,789,024)
Proceeds from sale of property, plant and equipment	647,162	-
Net cash generated from/(used in) investing activities	(8,037,720)	(11,760,337)
Cash flows from financing activities		
Receipts of long term loan	-	8,704,918
Repayment of long term loan	(72,899,426)	(296,701,444)
Net cash generated from/(used in) financing activities	(72,899,426)	(287,996,526)
Net (decrease)/increase in cash and cash equivalents	84,866,423	(72,802,165)
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the first quarter	1,204,026,101	1,624,247,726
Cash and cash equivalents at end of the first quarter	1,288,892,523	1,551,445,561
Cash and cash equivalents at end of the first quarter represents		
Cash in hand	68,026	73,026
Balance with Bangladesh Bank and its agent bank	100,193,621	168,669,548
Balance with other banks and financial institutions	1,188,630,875	1,382,702,987
	1,288,892,522	1,551,445,561
Net operating cash flows per share	38.a	0.96
		1.32


Chairman


Director


Managing Director & CEO


Company Secretary



Chief Financial Officer (CC)

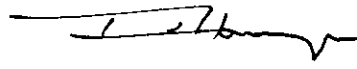



Union Capital Limited
Consolidated statement of changes in shareholders' equity (Un-audited)
For the first quarter (Q1) ended 31 March 2021

Figures in BDT

Particulars	Paid-up capital	Statutory reserve	Retained earnings/(loss)	Non-controlling interest	Total
Balance as at 1 January 2021	1,725,738,430	451,897,399	(1,466,066,561)	211	711,569,479
Net profit/(loss) for the first quarter ended 2021	-	-	(100,992,535)	5.3	(100,992,530)
Balance as at 31 March 2021	1,725,738,430	451,897,399	(1,567,059,096)	217	610,576,950
Balance as at 1 January 2020	1,725,738,430	451,897,399	(933,699,011)	218	1,243,937,036
Net profit/(loss) for the first quarter ended 2020	-	-	(21,718,335)	(2.06)	(21,718,337)
Balance as at 31 March 2020	1,725,738,430	451,897,399	(955,417,345)	216	1,222,218,699


Chairman


Director


Managing Director & CEO


Company Secretary

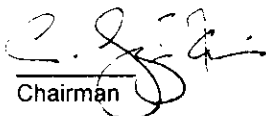



Chief Financial Officer (CC)

Union Capital Limited
Balance Sheet (Un-audited) as at 31 March 2021

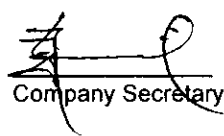
Figures in BDT

Particulars	Notes	31-Mar-21	31-Dec-20
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)		34,000	34,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4	100,193,621	93,413,504
		100,227,621	93,447,504
Balance with other banks and financial institutions			
In Bangladesh		848,411,452	874,810,849
Outside Bangladesh	5	848,411,452	874,810,849
Money at call and short notice			
Investments			
Government		-	-
Others	6	40,505,541	42,042,303
		40,505,541	42,042,303
Loans, advances and leases			
Loans, advances and leases		11,816,293,568	11,803,304,768
Bills purchased and discounted	7	11,816,293,568	11,803,304,768
Fixed assets including land, building, furniture and fixtures			
Other assets	8	425,118,518	430,606,491
Non-banking assets	9	1,250,199,034	1,240,049,829
	10	523,770,004	523,770,004
TOTAL ASSETS		15,004,525,738	15,008,031,748
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	3,454,209,653	3,425,304,822
Deposits and other accounts			
Term deposits	12	8,508,353,953	8,621,712,648
Other deposits	13	217,089,859	175,724,824
		8,725,443,812	8,797,437,472
Other liabilities	14	2,234,994,532	2,071,570,874
Total liabilities		14,414,647,997	14,294,313,168
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/(loss)	17	(1,587,758,088)	(1,463,917,249)
Total shareholders' equity		589,877,741	713,718,580
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		15,004,525,738	15,008,031,748
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Other contingent liabilities		-	-
Other commitments			
Undisbursed contracted loans, advances and leases		-	-
TOTAL OFF BALANCE SHEET ITEMS		-	-
Net assets value per share (NAV)	39	3.42	4.14


Chairman


Director


Managing Director & CEO


Company Secretary

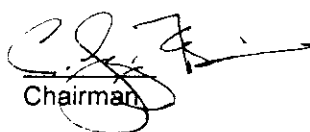


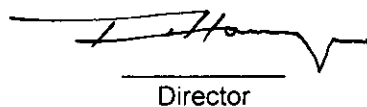

Chief Financial Officer (CC)

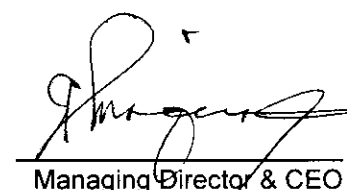
Union Capital Limited
Profit and Loss Account (Un-Audited)
For the first quarter (Q1) ended 31 March 2021

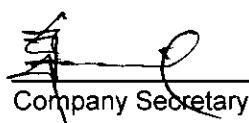
Figures in BDT

Particulars	Notes	31-Mar-21	31-Mar-20
Interest income	18	209,490,146	265,598,349
Interest paid on deposits and borrowings etc.	19	(278,010,915)	(333,561,935)
Net interest income		(68,520,769)	(67,963,586)
Investment income	20	(6,079,849)	743,539
Fees, commissions, exchange and brokerage	21	40,624	608,160
Other operating income	22	5,641,754	68,920,580
Total operating income		(68,918,240)	2,308,693
Salaries and other employee benefits	23	19,857,740	28,779,016
Rent, taxes, insurance, electricity etc.	24	383,916	295,476
Legal expenses	25	2,445,357	444,667
Postage, stamp, telecommunication etc.	26	244,032	454,276
Stationery, printing, advertisements etc.	27	417,892	396,878
Managing Director's salary and fees	28	1,830,000	1,830,000
Directors' fees	29	35,000	30,000
Depreciation and repair of assets	30	5,159,032	6,139,031
Other expenses	31	4,720,301	4,985,834
Total operating expenses		35,093,270	43,355,178
Profit /(loss) before provision		(104,011,510)	(41,046,485)
Provision for loans, advances, leases and investments			
Provision for loans, advances and leases		14,821,353	(51,463,268)
Provision for diminution in value of investments		1,650,734	321,660
Total provision (release)		16,472,087	(51,141,608)
Total profit/(loss) before tax		(120,483,597)	10,095,123
Provision for taxation			
Current tax		-	20,685,870
Deferred tax		3,357,242	-
		3,357,242	20,685,870
Net profit/(loss) after tax		(123,840,839)	(10,590,747)
Retained surplus/(loss)		(123,840,839)	(10,590,747)
Weighted average no. of outstanding share		172,573,843	172,573,843
Earnings per share	36	(0.72)	(0.06)


Chairman


Director


Managing Director & CEO


Company Secretary


Chief Financial Officer (CC)



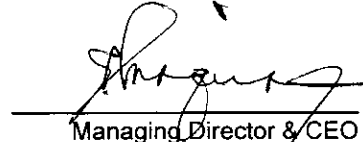
Union Capital Limited
Cash Flow Statement (Un-audited) for the first quarter ended 31 March 2021

Figures in BDT

Particulars	Notes	31-Mar-21	31-Mar-20
Cash flows from operating activities			
Interest receipts		105,653,258	140,136,103
Interest payments		(160,839,071)	(200,141,299)
Fee and commission receipts		(9,278)	25,650
Recoveries of loans previously written off		5,408,943	68,920,580
Dividend receipts		113,901	586,175
Cash payments to employees		(22,252,740)	(32,550,484)
Cash payments to suppliers and management expenses		(4,254,265)	(4,914,022)
Income taxes paid		(125,308)	(1,290,253)
Receipts from other operating activities	34	49,902	582,510
Payments for other operating activities	35	(4,720,301)	(4,985,834)
Cash generated before changes in operating assets and liabilities		(80,974,959)	(33,630,874)
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		(23,235,612)	639,564,326
Other assets	40	(10,149,205)	16,486,236
Deposits from banks and other financial institutions		(93,186,212)	29,711,432
Deposits from customers		21,192,552	(752,609,477)
Net draw down/(payment) of short term loan		91,400,000	(107,722,101)
Other liabilities account of customers		-	-
Other liabilities	41	143,719,638	165,115,177
Cash generated from operating assets and liabilities		129,741,161	(9,454,407)
Net cash generated from/(used in) operating activities		48,766,202	(43,085,281)
Cash flows from investing activities			
Proceeds from sale of securities		63,567,209	536,654
Payments for purchases of securities		(68,224,197)	-
Purchase of property, plant and equipment		(1,856,488)	(4,039,443)
Proceeds from sale of property, plant and equipment		623,162	-
Investment in UniCap Investments Limited		-	-
Net cash used in investing activities		(5,890,314)	(3,502,789)
Cash flows from financing activities			
Receipts of long term loan		-	-
Repayment of long term loan		(62,495,168)	(34,237,300)
Net cash generated from/(used in) financing activities		(62,495,168)	(34,237,300)
Net (decrease)/increase in cash and cash equivalents		(19,619,280)	(80,825,370)
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the first quarter		968,258,353	1,365,738,909
Cash and cash equivalents at end of the first quarter		948,639,073	1,284,913,539
Cash and cash equivalents at end of the first quarter represents			
Cash in hand		34,000	39,000
Balance with Bangladesh Bank and its agent bank		100,193,621	168,669,548
Balance with other banks and financial institutions		848,411,452	1,116,204,991
		948,639,073	1,284,913,539
Net operating cash flows per share	38	0.28	(0.25)

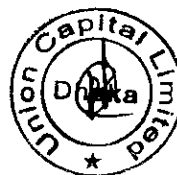

Chairman


Director


Managing Director & CEO


Company Secretary

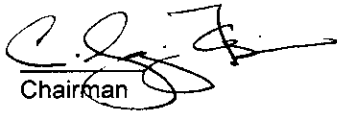

Chief Financial Officer (CC)

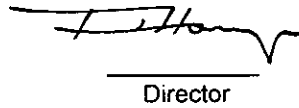


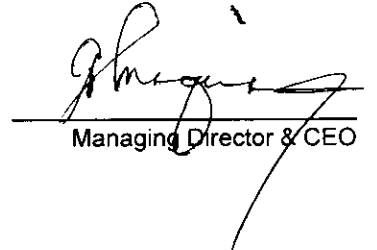
Union Capital Limited
Statement of Changes in shareholders' equity (Un-audited)
For the first quarter (Q1) ended 31 March 2021

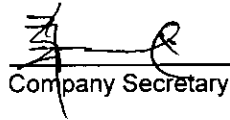
Figures in BDT

Particulars	Paid-up capital	Statutory reserve	Retained earnings/(loss)	Total
Balance as at 1 January 2021	1,725,738,430	451,897,399	(1,463,917,249)	713,718,580
Net profit/(loss) for the first quarter ended 2021	-	-	(123,840,839)	(123,840,839)
Balance as at 31 March 2021	1,725,738,430	451,897,399	(1,587,758,088)	589,877,741
Balance as at 1 January 2020	1,725,738,430	451,897,399	(965,211,171)	1,212,424,658
Net profit/(loss) for the first quarter ended 2020	-	-	(10,590,747)	(10,590,747)
Balance as at 31 March 2020	1,725,738,430	451,897,399	(975,801,918)	1,201,833,911

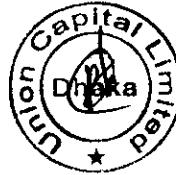

Chairman


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 first quarter ended 31 March 2021

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 5 (five) offices located in Dhaka, Gazipur, Chattogram, Sylhet and Bogura.

2.0 Reporting

This first quarter 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 2020 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 2020.

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-controlling interest'.

3.3 Earnings per share (EPS)

Earnings per share has been calculated based on number of shares outstanding for the period ended 31 March 2021 and profit for the same period. The number of shares outstanding for the period was 172.57 million. Earnings per share for the first quarter ended 31 March 2020 has also been calculated based on 172.57 million shares.

EPS for the period ended 31 March 2021 has been decreased from the same period of previous year due to decrease of other operating income (e.g. recovery from write off clients) and increase of provision requirement.

3.4 Net assets value per share (NAV)

During the period ended 31 March 2021, NAV stands at BDT 3.54 per share which was BDT 4.12 as on 31 December 2020. NAV for the first quarter of 2021 has been decreased from the 31 December 2020 due to incurring consolidated loss of Tk.10 crore which has decreased net assets value by the same amount as on 31 March 2021.

3.5 Date of authorization

The Board of Directors has authorized these financial statements for public issue on 30 May 2021.

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 31 March 2021

Figures in BDT

As at	31-Mar-21	31-Dec-20
4 CASH		
In hand		
Local currency	34,000	34,000
Foreign currencies	-	-
	<u>34,000</u>	<u>34,000</u>
Balance with Bangladesh Bank		
Local currency	100,193,621	93,413,504
Foreign currencies	-	-
	<u>100,193,621</u>	<u>93,413,504</u>
Balance as at 31 March	100,227,621	93,447,504
4.a CASH (Consolidated)		
In hand		
Union Capital Ltd.	34,000	34,000
UniCap Securities Ltd.	25,000	25,000
UniCap Investments Ltd.	9,026	9,026
	<u>68,026</u>	<u>68,026</u>
Balance with Bangladesh Bank		
Union Capital Ltd.	100,193,621	93,413,504
UniCap Securities Ltd.	-	-
UniCap Investments Ltd.	-	-
	<u>100,193,621</u>	<u>93,413,504</u>
Balance as at 31 March	100,261,647	93,481,530
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	163,493,729	157,164,842
International Leasing and Financial Services Ltd.	591,892,188	571,050,853
	<u>755,385,917</u>	<u>728,215,695</u>
Current account		
Bank Alfalah Limited, Gulshan Branch	1,406	1,406
Agrani Bank Limited, Panthpath Branch	1,221,825	1,221,825
Bank Asia Limited, Bashundhara Branch	7,982	7,982
BASIC Bank Limited, Shantinagar Branch	1	1
Dhaka Bank Limited, Kakrail Branch	242,089	2,841,478
Midland Bank Ltd, Gulshan Branch	5,506	25,765
Modhumoti Bank Limited, Dhanmondi Branch	343,144	343,144
National Credit and Commerce Bank Ltd., Banani Branch	36,917	36,917
NRB Bank Limited, Corporate Branch	1,349,794	1,353,139
Shahjalal Islami Bank Limited, Elephant Road Branch	6,257	48,534
Social Islami Bank Limited, Eskaton Branch	431,222	431,282
Southeast Bank Limited, Mirpur Branch	10,446	10,446
Southeast Bank Limited, Satmosjid Road Branch	975	975
Sonali Bank Limited Sonargaon Road Branch	194,725	194,725
United Commercial Bank Limited, New Eskaton Branch	5,161,963	5,768,987
WooriBank-Dhaka Branch	424	424
Uttara Bank Limited, Local Office	14,648	15,338
	<u>9,029,324</u>	<u>12,302,368</u>



Union Capital Limited

Notes to the financial statements

As at and for the period ended 31 March 2021

Figures in BDT

As at	31-Mar-21	31-Dec-20
Short term deposit		
Bank Asia Limited, Corporate Branch	205,723	131,913
Bank Asia Limited, Corporate Branch	508,838	202,328
Bank Asia Limited, Gulshan Branch	488,038	520,623
Dhaka Bank Limited, Local Office	2,120,405	2,035,005
Dutch Bangla Bank Limited, Karwan Bazar Branch	35,016	34,771
Dutch Bangla Bank Limited, Karwan Bazar Branch	1,400,723	2,040,732
IFIC Bank Limited, Gulshan Branch	74,173,798	125,008,139
Jamuna Bank Limited, Sonargaon Road Branch	7,114	7,114
Modhumoti Bank Limited, Banglamotor-Branch	49,149	49,149
AB Bank Limited, Kakrail Branch	5,011	5,011
AB Bank Limited, Gulshan Branch	341,437	321,437
Mutual Trust Bank Limited, Principal Branch	40,074	40,619
Southeast Bank Limited, Islamic Banking Branch	2,750,676	2,750,676
Southeast Bank Limited, R k Mission Road Branch	1,870,209	1,145,269
	83,996,211	134,292,786
Balance as at 31 March	848,411,452	874,810,849

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

Union Capital Ltd.	848,411,452	874,810,849
UniCap Securities Ltd.	212,856,967	118,849,362
UniCap Investments Ltd.	127,362,456	116,884,360
	1,188,630,875	1,110,544,571
Less: Inter-company transactions	-	-
Balance as at 31 March	1,188,630,875	1,110,544,571

6 INVESTMENTS

The investment is made up as under:

Government securities	-	-
Other investments	40,505,541	42,042,303
Balance as at 31 March	40,505,541	42,042,303

This represents investment made by the Company in listed securities.

6.a INVESTMENTS (consolidated)

Union Capital Ltd.	40,505,541	42,042,303
UniCap Securities Ltd.	616,939,101	590,413,138
UniCap Investments Ltd.	364,121,682	368,412,335
Balance as at 31 March	1,021,566,324	1,000,867,776

7 LOANS, ADVANCES AND LEASES

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

Lease finance	1,373,897,892	1,276,756,015
Advance against lease finance	120,747,321	213,118,053
Term finance	5,569,247,685	5,514,972,912
Home loan	963,930	963,930
Loan to subsidiaries	4,727,645,430	4,771,645,430
Loan against deposits	16,149,811	16,449,811
Staff loan	7,641,499	9,398,617
Balance as at 31 March	11,816,293,568	11,803,304,768



Union Capital Limited

Notes to the financial statements

As at and for the period ended 31 March 2021

Figures in BDT

As at	31-Mar-21	31-Dec-20
7.a LOANS, ADVANCES AND LEASES (consolidated)		
Union Capital Ltd.	11,816,293,568	11,803,304,768
UniCap Securities Ltd.	599,020,492	542,181,833
UniCap Investments Ltd	5,681,009,547	5,718,571,475
	18,096,323,607	18,064,058,076
Less: Inter-company transactions	4,727,645,430	4,771,645,430
Balance as at 31 March	13,368,678,177	13,292,412,646

8 FIXED ASSETS INCLUDING LAND, BUILDING, FURNITURE AND FIXTURES

Furniture and fixtures	9,329,071	10,473,179
Floor Space	415,891,104	415,891,104
Office decoration	18,427,353	25,504,350
Electric equipment	29,599,425	32,900,107
Owned vehicles	10,825,597	10,825,597
Leased vehicles	2,230,000	2,230,000
Right-of-use assets	5,319,310	5,806,130
Intangible assets (software)	1,740,528	1,919,528
Mobile phones	452,600	452,600
Total cost	493,814,988	506,002,595
Less: Accumulated depreciation and amortization	68,696,470	75,396,104
Written down value as at 31 March	425,118,518	430,606,491

Details are shown in Annexure - A

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

Union Capital Ltd.	425,118,518	430,606,491
UniCap Securities Ltd.	26,540,593	30,131,731
UniCap Investments Ltd.	6,170,672	7,072,530
Balance as at 31 March	457,829,783	467,810,752

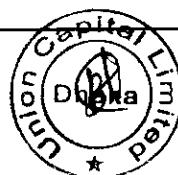
9 OTHER ASSETS

Investment in subsidiary	997,498,641	997,498,641
Accrued interest	21,897,054	24,324,019
Others	25,451,556	26,760,943
Income generating other assets	1,044,847,251	1,048,583,603
Advance office rent	1,971,354	3,511,854
Advance to employees	680,900	698,901
Deposits with T & T, water etc.	87,500	87,500
Receivable from brokerage house against sale of shares	19,758,295	5,473,601
Transfer price receivable	1,287,376	1,287,376
Deferred tax assets (note 9.1.b)	-	-
Process Sharing receivable	178,631,941	178,631,941
Others	2,934,417	1,775,053
Non income generating other assets	205,351,783	191,466,226
Balance as at 31 March	1,250,199,034	1,240,049,829

Management considers all the other assets as good.

9.1.a Deferred tax asset (consolidated)

Union Capital Limited	-	-
UniCap Securities Limited	8,182,409	7,996,148
UniCap Investments Limited	388,377	50,179
Balance as at 31 March	8,570,786	8,046,328



Union Capital Limited

Notes to the financial statements

As at and for the period ended 31 March 2021

Figures in BDT

As at

31-Mar-21

31-Dec-20

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	419,799,207	5,255,884	2,074,045
		Tax base	357,518,656	20,923,658	2,894,562
	ROU	Carrying amount	5,319,310	21,284,710	4,096,627
Liabilities	Employee gratuity fund	Carrying amount	-	11,477,588	-
		Tax base	-	-	-
	Lease obligation	Carrying amount	5,407,412.0	19,315,992.0	4,311,781
			(62,192,449)	25,176,644	1,035,671
Applicable tax rate			37.50%	32.50%	37.50%
Deferred tax assets/(liabilities) as on March 31,2021			(23,322,168)	8,182,409	388,377
Deferred tax assets/(Liabilities) as on December 31,2020			(19,964,926)	7,996,148	50,179
Deferred tax expense/(income) during the period			3,357,242	(186,261)	(338,198)

9.a OTHER ASSETS (consolidated)

Union Capital Ltd.	1,250,199,034	1,240,049,829
UniCap Securities Ltd.	410,847,986	404,103,596
UniCap Investments Ltd.	356,823,334	321,089,379
	2,017,870,354	1,965,242,804
Less: Inter-company transactions	1,406,667,820	1,356,558,774
Balance as at 31 March	611,202,534	608,684,030

10 NON-BANKING ASSETS

Non-banking assets	523,770,004	523,770,004
Total	523,770,004	523,770,004

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	2,269,250,790	2,314,052,753
Preference share	76,000,000	80,000,000
	2,345,250,790	2,394,052,753
Bangladesh Bank (Small Enterprise refinancing scheme-JICA)	49,804,730	61,585,436
Bangladesh Bank (Women entrepreneur refinance scheme)	4,550,000	5,962,500
Bangladesh Bank (Agriculture refinance scheme)	-	500,000
Bangladesh Bank (Small Enterprise refinancing scheme-DP2)	3,310,000	3,310,000
Bangladesh Bank (Renewable energy and environment friendly sector)	77,716,345	77,716,345
Short term borrowing and call loan	973,577,788	882,177,788
	1,108,958,863	1,031,252,069
	3,454,209,653	3,425,304,822
Outside Bangladesh		
Borrowings from banks	3,454,209,653	3,425,304,822
Balance as at 31 March	3,454,209,653	3,425,304,822



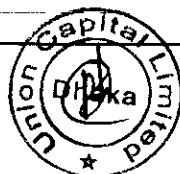
Union Capital Limited

Notes to the financial statements

As at and for the period ended 31 March 2021

Figures in BDT

As at	31-Mar-21	31-Dec-20
11.a Borrowings from other banks, financial institutions and agents (consolidated)		
Union Capital Limited	3,454,209,653	3,425,304,822
UniCap Securities Limited	612,265,665	633,246,693
UniCap Investments Limited	3,540,764,409	3,574,187,638
	7,607,239,727	7,632,739,153
Less: Inter-company transactions	3,798,784,097	3,842,784,097
Balance as at 31 March	3,808,455,630	3,789,955,056
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	3,254,690,358	3,347,876,570
Other institutions	4,393,456,622	4,392,099,959
Total institutional deposits	7,648,146,980	7,739,976,529
Term deposit	613,272,935	626,521,358
Income deposit	234,948,738	241,695,461
Monthly savings scheme	11,985,300	13,519,300
Total individual deposits	860,206,973	881,736,119
Balance as at 31 March	8,508,353,953	8,621,712,648
12.a Term deposits (consolidated)		
Union Capital Limited	8,508,353,953	8,621,712,648
UniCap Securities Limited	-	-
UniCap Investments Limited	-	-
	8,508,353,953	8,621,712,648
Less: Inter-company transactions	-	-
Balance as at 31 March	8,508,353,953	8,621,712,648
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	70,858,669	62,291,824
Term finance advance	92,958,787	59,339,840
Cash security	53,272,403	54,093,160
Balance as at 31 March	217,089,859	175,724,824
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	472,094,788	457,273,436
Provision for diminution in value of investments	3,087,755	1,437,021
Provision for other assets	12,581,556	12,581,556
Interest suspense	321,651,730	324,211,358
Provision for tax	88,492,415	88,617,723
Deferred tax liabilities (note 9.1.b)	23,322,168	19,964,926
Financial expenses payable	993,634,358	876,462,514
Lease liability	5,407,412	5,845,442
Deferred liability-employee gratuity	13,722,683	13,722,683
Dividend on preference shares	23,250,644	20,892,082
Excise duty	1,579,270	4,099,350
Withholding tax payable	6,153,099	953,378
VAT payable	606,732	1,351,914
Accrued expenses and other payable (note 14.1)	269,409,922	244,157,491
Balance as at 31 March	2,234,994,532	2,071,570,874



Union Capital Limited

Notes to the financial statements

As at and for the period ended 31 March 2021

Figures in BDT

As at	31-Mar-21	31-Dec-20
14.1 Accrued expenses and other payable		
Management expenses	4,294,184	5,644,640
Unclaim dividend by shareholder (note 14.1.1)	1,399,558	1,399,558
Payable for purchase of assets	51,711,025	53,091,091
Others payables	212,005,155	184,022,202
Balance as at 31 March	269,409,922	244,157,491

14.1.1 Unclaim dividend by shareholder

Year	Stock dividend in number	Cash and Fractional Dividend
2008 Fractional stock dividend	-	254
2009 Fractional stock dividend	-	4,233
2010 Fractional stock dividend	2,535	190
2011 Cash & Fractional stock dividend	249	524,719
2012 Fractional stock dividend	136	1,506
2013 Fractional stock dividend	291	2,079
2014 Fractional stock dividend	317	10,147
2015 Cash & Fractional stock dividend	242	824,164
2016 Fractional stock dividend	427	15,942
2017 Fractional stock dividend	207	9,398
2018 Fractional stock dividend	379	6,927
Balance as at 31 March	4,783	1,399,558

14.a OTHER LIABILITIES (consolidated)

Union Capital Limited	2,234,994,532	2,071,570,874
UniCap Securities Limited	806,074,332	614,903,596
UniCap Investments Limited	2,424,424,601	2,400,056,298
	5,465,493,465	5,086,530,767
Less: Inter-company transactions	1,338,030,512	1,287,921,466
Balance as at 31 March	4,127,462,953	3,798,609,301

15 Share capital

As at 31 March 2021, a total number of 172,573,843 (2020: 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
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Issued, subscribed and paid up capital:

172,573,843 ordinary shares of Tk.10 each	1,725,738,430	1,725,738,430
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 31 March	451,897,399	451,897,399



Union Capital Limited
Notes to the financial statements
As at and for the period ended 31 March 2021

Figures in BDT

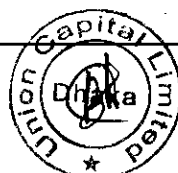
As at	31-Mar-21	31-Dec-20
17 Retained earnings/(loss)		
Balance as on 1 January	(1,463,917,249)	(965,211,171)
Add: Profit/(loss) after tax during the period	(123,840,839)	(498,706,078)
Balance as at 31 March	(1,587,758,088)	(1,463,917,249)
17.a RETAINED EARNINGS/(loss) (consolidated)		
Balance as on 1 January	(1,466,066,561)	(933,699,011)
Add: Profit/(loss) after tax during the year	(100,992,535)	(532,367,550)
Balance as at 31 March	(1,567,059,095)	(1,466,066,561)



Union Capital Limited
Notes to the financial statements
As at and for the period ended 31 March 2021

Figures in BDT

For the period ended	31-Mar-21	31-Mar-20
18 INTEREST INCOME		
Income from lease finance	36,596,326	45,994,019
Income from term finance	159,053,329	174,821,126
Interest on loan to subsidiaries	13,695,176	14,656,234
Interest on bank deposits	25,283	29,876,486
Income from other finance	120,032	250,484
Total	209,490,146	265,598,349
18.a INTEREST INCOME (consolidated)		
Union Capital Limited	209,490,146	265,598,349
UniCap Securities Limited	11,902,374	15,791,760
UniCap Investments Limited	6,956,750	7,026,311
	228,349,270	288,416,419
Less: Inter-company transactions	13,695,176	14,656,234
	214,654,094	273,760,185
19 INTEREST PAID ON DEPOSITS, BORROWINGS, etc.		
Interest on bank loan	52,676,903	70,437,021
Interest on JICA fund	708,777	1,514,717
Interest on Agriculture refinance fund	4,931	54,890
Interest on women entrepreneur fund	59,745	170,150
Interest on SMEDP2 fund	35,950	254,260
Interest on financing brick kiln efficiency project	971,454	982,249
Interest on term deposits	203,372,742	230,421,862
Interest on money at call & short notice	16,360,116	23,129,174
Interest on cash security deposit	907,872	1,598,055
Interest on preference share	2,358,562	3,082,192
Bank charges	455,128	1,818,630
Interest on lease rent	98,735	98,735
Total	278,010,915	333,561,935
19.a INTEREST PAID ON DEPOSITS, BORROWINGS etc. (consolidated)		
Union Capital Limited	278,010,915	333,561,935
UniCap Securities Limited	23,511,597	26,895,986
UniCap Investments Limited	2,814,394	2,818,823
	304,336,906	363,276,744
Less: Inter-company transactions	13,695,176	14,656,234
	290,641,730	348,620,510
20 INVESTMENT INCOME		
Capital gain/(loss) on sale of securities	(6,193,750)	157,364
Dividend income	113,901	586,175
Total	(6,079,849)	743,539
20.a INVESTMENT INCOME (consolidated)		
Union Capital Limited	(6,079,849)	743,539
UniCap Securities Limited	15,553,462	961,224
UniCap Investments Limited	10,516,342	(698,741)
	19,989,955	1,006,023
Less: Inter-company transactions	-	-
	19,989,955	1,006,023



For the period ended	31-Mar-21	31-Mar-20
21 FEES, COMMISSIONS, EXCHANGE AND BROKERAGE		
Processing and documentation fees	(9,278)	25,650
Renewals and proceeds	49,902	582,510
Total	40,624	608,160
21.a FEES, COMMISSIONS, EXCHANGE AND BROKERAGE (consolidated)		
Union Capital Limited	40,624	608,160
UniCap Securities Limited	36,835,190	27,812,982
UniCap Investments Limited	6,212,000	2,991,670
	43,087,814	31,412,813
22 OTHER OPERATING INCOME		
Gain/(loss) on sale of fixed assets	232,811	-
Recoveries of loans written off	5,408,943	68,920,580
Total	5,641,754	68,920,580
22.a OTHER OPERATING INCOME (consolidated)		
Union Capital Limited	5,641,754	68,920,580
UniCap Securities Limited	761,561	410,571
UniCap Investments Limited	129,090	180,202
	6,532,406	69,511,353
Less: Inter-company transactions	-	-
	6,532,406	69,511,353
23 SALARIES AND OTHER EMPLOYEE BENEFITS		
Salaries & allowances	19,857,740	28,779,016
Total	19,857,740	28,779,016
23.a SALARIES AND OTHER EMPLOYEE BENEFITS (consolidated)		
Union Capital Limited	19,857,740	28,779,016
UniCap Securities Limited	11,637,899	15,252,596
UniCap Investments Limited	4,326,789	2,771,408
Total	35,822,427	46,803,020
24 RENT, TAXES, INSURANCE, ELECTRICITY etc.		
Office rent, rates and taxes	233,916	198,502
Insurance	109,794	49,430
Power and electricity	40,206	47,544
Total	383,916	295,476
24.1 DISCLOSURE RELATED TO RENT, RATE AND TAXES:		
Actual rent expenses	770,682	774,229
Less: Reclassification of rent expenses (as per IFRS 16:)	536,766	575,727
Total	233,916	198,502

In addition to the above mentioned change in rent expense, implementation of IFRS 16 has resulted in charging of depreciation against Right-of-use asset as disclosed in Annexure A and of Interest expense on lease rent, as disclosed in Note 19.



Union Capital Limited
Notes to the financial statements
As at and for the period ended 31 March 2021

Figures in BDT

For the period ended	31-Mar-21	31-Mar-20
24.a RENT, TAXES, INSURANCE, ELECTRICITY etc. (consolidated)		
Union Capital Limited	383,916	295,476
UniCap Securities Limited	207,506	197,813
UniCap Investments Limited	121,569	110,730
Total	712,990	604,020

24.a.1 DISCLOSURE RELATED TO RENT, RATE AND TAXES:

Actual rent , taxes, insurance, electricity		
Union Capital Limited	920,682	871,203
UniCap Securities Limited	4,319,308	4,117,176
UniCap Investments Limited	856,777	355,800
Less: Reclassification of rent expenses (as per IFRS 16:)		
Union Capital Limited	536,766	575,727
UniCap Securities Limited	4,111,803	3,919,363
UniCap Investments Limited	735,208	245,070
Total	712,990	604,020

25 LEGAL EXPENSES

Court fees	532,500	-
Professional Fees	1,912,857	444,667
Total	2,445,357	444,667

25.a LEGAL EXPENSES (consolidated)

Union Capital Limited	2,445,357	444,667
UniCap Securities Limited	-	-
UniCap Investments Limited	-	-
Total	2,445,357	444,667

26 POSTAGE, STAMP, TELECOMMUNICATION etc.

Postage	12,660	34,807
Telegram, telex, fax and e-mail	131,846	151,182
Telephone - office	99,526	268,287
Total	244,032	454,276

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

Union Capital Limited	244,032	454,276
UniCap Securities Limited	666,438	774,845
UniCap Investments Limited	141,249	137,852
Total	1,051,719	1,366,973

27 STATIONERY, PRINTING, ADVERTISEMENTS etc.

Printing and stationery	231,175	239,850
Advertisement	186,717	157,028
Publicity	-	-
Total	417,892	396,878

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

Union Capital Limited	417,892	396,878
UniCap Securities Limited	315,778	210,477
UniCap Investments Limited	38,756	63,322
Total	772,426	670,677



Union Capital Limited
Notes to the financial statements
As at and for the period ended 31 March 2021

Figures in BDT

For the period ended	31-Mar-21	31-Mar-20
28 MANAGING DIRECTOR'S SALARY AND FEES	1,830,000	1,830,000
In addition to remuneration, the Managing Director & CEO is also provided with Company's car and cell phone.		
29 DIRECTORS' FEES		
Total fees paid	35,000	30,000
Total	35,000	30,000
29.a DIRECTORS' FEES (consolidated)		
Union Capital Limited	35,000	30,000
UniCap Securities Limited	-	-
UniCap Investments Limited	-	-
Total	35,000	30,000
30 DEPRECIATION AND REPAIR OF ASSETS		
Depreciation of fixed assets-freehold	4,604,527	5,449,033
Depreciation of right-of-use assets	486,820	486,820
Amortization of intangible assets	44,667	40,545
Repairs and maintenance of assets	23,018	162,633
Total	5,159,032	6,139,031
30.a DEPRECIATION AND REPAIR OF ASSETS (consolidated)		
Union Capital Limited	5,159,032	6,139,031
UniCap Securities Limited	3,591,138	5,660,678
UniCap Investments Limited	1,157,023	1,170,489
Total	9,907,193	12,970,198
31 OTHER EXPENSES		
HR development	2,556	-
Travelling and conveyance	1,153,330	1,342,914
Office expenses	613,827	618,402
Motor vehicle fuel expenses	165,872	156,958
Motor vehicle spare part expenses	110,161	50,896
Subscription and fees	1,579,645	1,637,478
Books, magazines, newspapers, etc	946	5,305
Entertainment and public relation & others	78,908	84,372
Staff Welfare	1,015,056	1,089,509
Total	4,720,301	4,985,834
31.a OTHER EXPENSES (consolidated)		
Union Capital Limited	4,720,301	4,985,834
UniCap Securities Limited	6,312,721	4,868,779
UniCap Investments Limited	177,798	349,727
	11,210,820	10,204,340
Less: Inter-company transactions	-	-
Total	11,210,820	10,204,340
34 RECEIPTS FROM OTHER OPERATING ACTIVITIES		
Renewals and proceeds	49,902	582,510
Total	49,902	582,510



Union Capital Limited
Notes to the financial statements
As at and for the period ended 31 March 2021

Figures in BDT

For the period ended	31-Mar-21	31-Mar-20
35 PAYMENTS FOR OTHER OPERATING ACTIVITIES		
HR development	2,556	-
Travelling and conveyance	1,153,330	1,342,914
Motor vehicle expenses	276,033	207,854
Subscription and fees	1,579,645	1,637,478
Office expenses	613,827	618,402
Books, magazines, newspapers, etc	946	5,305
Entertainment and public relation & staff welfare	1,093,964	1,173,881
Total	4,720,301	4,985,834

36 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.

36.1 Basic earnings per share

The calculation of basic earnings per share at 31 March 2021 was based on the profit/(loss) attributable to ordinary shareholders of Tk. -12.38 crore (31 March 2020: Tk. -1.06 crore) and a weighted average number of ordinary shares outstanding for the first quarter ended 31 March 2021 was 172.57 crore.

EPS for the 1st quarter of 2021 has been decreased from the same period of previous year due to decrease of other operating income (e.g. recovery from write off clients) and increase of provision requirement.

Profits attributable to ordinary shareholders

Net profit for the period	(123,840,839)	(10,590,747)
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Weighted average number of ordinary shares

Ordinary shares at 1 January	172,573,843	172,573,843
Bonus shares issued	-	-
Weighted average number of ordinary shares at reporting date	172,573,843	172,573,843
Restated weighted average number of ordinary shares	172,573,843	172,573,843
Earnings per share	(0.72)	(0.06)
Earnings per share	(0.72)	(0.06)

36.a EARNINGS PER SHARE (consolidated)

Profits attributable to ordinary shareholders

Net profit for the period (consolidated)	(100,992,535)	(21,718,335)
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EPS for the 1st quarter of 2021 has been decreased from the same period of previous year due to decrease of other operating income (e.g. recovery from write off clients) and increase of provision requirement.

Weighted average number of ordinary shares

Ordinary shares at 1 January	172,573,843	172,573,843
Bonus shares issued	-	-
Weighted average number of ordinary shares at reporting date	172,573,843	172,573,843
Restated weighted average number of ordinary shares	172,573,843	172,573,843
Earnings per share- consolidated	(0.59)	(0.13)
Earnings per share- consolidated	(0.59)	(0.13)

37 AVERAGE EFFECTIVE TAX RATE

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

	2021	2020
Tax expenses	3,357,242	20,685,870
Accounting profit before tax	(120,483,597)	10,095,123
Average effective tax rate	-2.79%	204.91%



Union Capital Limited
Notes to the financial statements
As at and for the period ended 31 March 2021

Figures in BDT

For the period ended	31-Mar-21	31-Mar-20
37.1 RECONCILIATION OF EFFECTIVE TAX RATE		
	2021	2020
Profit/(loss) before income tax as per profit & loss account	(120,483,597)	10,095,123
Income tax as per applicable tax rate	37.50%	3,785,671
Net inadmissible expenses (including prior years' adjustments)	0.00%	20,685,870
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	-2.79%	3,357,242
Reported average effective tax rate & total tax expenses	-2.79%	3,357,242
		24,471,541

37.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	14,355,050	25,005,915
Accounting profit before tax	(86,637,480)	3,287,578
Average effective tax rate	-16.57%	760.62%

37.a.1 RECONCILIATION OF EFFECTIVE TAX RATE

	2021	2020
Profit/(loss) before income tax as per profit & loss account	(86,637,480)	3,287,578
Income tax as per applicable tax rate	35.83%	1,232,842
Net inadmissible expenses (including prior years' adjustments)	9.77%	21,413,594
Tax saving from reduced tax rates (from 0% to 20% for exempted investments income, dividend income, capital gains, etc.)	-23.07%	3,592,321
Effect of deferred tax	-3.27%	2,832,784
Reported average effective tax rate & total tax expenses	-16.57%	26,238,757

38 NET OPERATING CASH FLOWS PER SHARE

Net cash flows from operating activities	48,766,202	(43,085,281)
Total number of ordinary shares outstanding	172,573,843	172,573,843
Net operating cash flows per share	0.28	(0.25)

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

Net cash flows from operating activities	165,803,569	226,954,697
Total number of ordinary shares outstanding	172,573,843	172,573,843
Net operating cash flows per share	0.96	1.32

During the 1st quarter of 2021, the Company has received Tk. 11.08 crore as interest compared to Tk. 14.83 crore in previous period due to negative impact of COVID-19 pandemic. We have received Tk.6.35 crore less than the same period of 2020 from recovery from write off clients. These two heads have affected mostly to decrease NOCFPS in first quarter of 2021 compared to same period of 2020.

39 NET ASSET VALUE PER SHARE (NAV)

	2021	2020
Net asset (total assets less total liabilities)	589,877,741	713,718,580
Total number of ordinary shares outstanding	172,573,843	172,573,843
Net asset value per share (NAV)	3.42	4.14

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

Net asset (total assets less total liabilities)	610,576,950	711,569,479
Total number of ordinary shares outstanding	172,573,843	172,573,843
Net asset value per share (NAV)	3.54	4.12



Union Capital Limited
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Figures in BDT

For the period ended	31-Mar-21	31-Mar-20
40 (INCREASE)/DECREASE IN OTHER ASSETS		
Accrued interest	2,426,965	17,621,182
Advance office rent	1,540,500	40,500
Advance to employees	18,001	(1,009,920)
Receivable from brokerage houses against sale of shares	(14,284,694)	(536,654)
Process Sharing receivable	-	-
Advance to purchase of office space	-	-
Receivable from subsidiary companies	-	-
Others	150,023	371,128
	(10,149,205)	16,486,236
41 INCREASE/(DECREASE) IN OTHER LIABILITIES		
Interest suspense	(2,559,628)	33,127,222
Financial expenses payable	117,171,844	133,321,901
Excise duty	(2,520,080)	(4,554,759)
Withholding tax payable	5,199,721	4,180,129
VAT payable	(745,182)	(514,115)
Accrued expenses and other payable	27,172,963	(445,201)
	143,719,638	165,115,177
42 RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES		
Net profit after tax	(123,840,839)	(10,590,747)
Items not involved in cash movement:		
Add: Depreciation	5,136,015	5,489,578
Add: Provision for loans and investments	16,472,087	(51,141,608)
Add: Provision for taxation	-	20,685,870
Add/ (Less): Accrued expenses	115,901,793	128,826,068
Add/ (Less): Accrued Income	11,052,305	36,536,819
Less: Gain on disposal of fixed assets	(232,811)	-
Add/(Less): Loss/(gain) on sale of share	6,193,750	(157,364)
Increase/(Decrease) in employee gratuity	-	-
Increase/(Decrease) in Deferred tax	3,357,242	-
Adjustments to reconcile net profit after tax to net cash provided by operating activities	34,039,542	129,648,616
Increase/decrease in operating assets and liabilities		
(Increase)/decrease in loans, advances	(23,235,613)	614,073,190
(Increase)/decrease in other assets	(10,954,698)	5,450,382
(Increase)/decrease in non-banking assets	-	-
Increase/(decrease) in term & other deposits	(189,165,504)	(856,219,946)
Increase/(decrease) in short term borrowing	91,400,000	(107,722,101)
Increase/(decrease) in payable and accrued expenses	149,367,411	139,847,609
Increase/(decrease) in income tax	(125,308)	(1,290,253)
Increase/(decrease) in interest suspenses	(2,559,628)	33,127,222
	14,726,660	(172,733,897)
Net cash flows from/(used in) operating activities	48,766,202	(43,085,281)



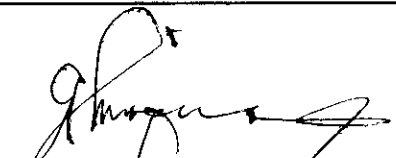
Union Capital Limited
Notes to the financial statements
As at and for the period ended 31 March 2021

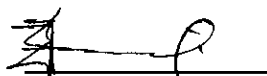
Figures in BDT

For the period ended	31-Mar-21	31-Mar-20
42.a RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES (consolidated)		
Net profit after tax	(100,992,530)	(21,718,337)
Items not involved in cash movement:		
Add: Depreciation	9,629,011	8,221,152
Add: Provision for loans and investments	16,472,087	(51,141,608)
Add: Provision for taxation	11,522,266	25,005,915
Add/ (Less): Accrued expenses	124,483,252	117,000,296
Add/ (Less): Accrued Income	(35,152)	(15,396,173)
Less: Gain on disposal of fixed assets	(256,811)	-
Add/(Less): Loss/(gain) on sale of share	(17,192,059)	2,904,007
Increase/(Decrease) in employee gratuity	225,354	(588,151)
Increase/(Decrease) in Deferred tax	(5,213,543)	-
Adjustments to reconcile net profit after tax to net cash provided by operating activities	38,641,875	64,287,102
Increase/decrease in operating assets and liabilities		
(Increase)/decrease in loans, advances	(76,265,531)	495,863,015
(Increase)/decrease in other assets	5,470,494	160,129,804
(Increase)/decrease in non-banking assets	-	-
Increase/(decrease) in term & other deposits	(71,993,660)	(661,357,028)
Increase/(decrease) in short term borrowing	91,400,000	(107,722,101)
Increase/(decrease) in payable and accrued expenses	189,063,865	250,409,640
Increase/(decrease) in income tax	(7,953,847)	(7,782,957)
Increase/(decrease) in interest suspenses	(2,559,628)	33,127,222
	127,161,694	162,667,595
Net cash flows from/(used in) operating activities	165,803,569	226,954,697

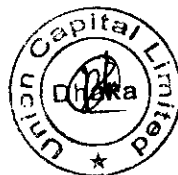

Chairman


Director


Managing Director & CEO


Company Secretary


Chief Financial Officer (CC)



Union Capital Limited
Schedule of fixed assets as at 31 March 2021

Particulars	Cost			Depreciation			Written down Value
	As at 1 Jan 2021	Addition during the period/ year	Disposal/ adjustment during the period/ year	As at 31 Mar 2021	Rate of depreciation	Charged during the period/ year	
Freehold assets							
Office space	415,891,104	-	-	415,891,104	2.50%	2,599,319	14,729,477
Furniture and fixtures	10,473,178	-	1,144,107	9,329,071	20%	336,763	5,078,543
Office decoration	25,504,350	-	7,076,997	18,427,353	33%	699,585	13,829,057
Electrical equipment	32,900,107	38,392	3,339,074	29,599,425	20%	613,417	22,997,102
Owned vehicles	10,825,597	-	-	10,825,597	20%	351,168	8,127,565
Software	1,919,528	-	179,000	1,740,528	20%	44,668	1,270,675
Mobile Phone	452,600	-	-	452,600	20%	4,275	434,052
Staff appliance	-	-	-	-	20%	-	-
	497,966,464	38,392	11,739,178	486,265,678		4,649,195	66,466,471
Leasehold assets							
Right-of-use assets	7,753,409	-	-	7,753,409	lease term	486,820	2,434,099
Leased vehicles	2,230,000	-	-	2,230,000	20%	-	2,229,999
As at 31 March 2021	507,949,873	38,392	11,739,178	496,249,087		5,136,015	71,130,569
As at 31 December 2020	508,010,734	10,308,226	10,369,087	507,949,873		21,930,197	77,343,382

Consolidated schedule of fixed assets as at 31 March 2021

Particulars	Cost			Depreciation			Written down Value
	As at 1 Jan 2021	Addition during the period/ year	Disposal/ adjustment during the period/ year	As at 31 Mar 2021	Rate of depreciation	Charged during the period/ year	
Freehold assets							
Office space	415,891,104	-	-	415,891,104	2.50%	2,599,319	14,729,479
Furniture and fixtures	14,307,595	-	1,144,107	13,163,488	20%	422,388	8,376,694
Office decoration	51,411,693	-	7,076,997	44,334,696	33%	1,303,459	37,600,193
Electrical equipment	51,656,572	38,392	3,339,074	48,355,890	20%	1,114,341	38,096,492
Owned vehicles	18,991,034	-	-	18,991,034	20%	484,439	15,804,340
Software	6,426,691	-	179,000	6,247,691	20%	138,426	5,266,138
Mobile Phone	512,500	-	-	512,500	20%	4,275	493,932
Staff appliance	-	-	-	-	20%	-	-
	559,197,189	38,392	11,739,178	547,496,403		6,066,647	120,367,268
Leasehold assets							
Right-of-use assets	52,040,087	-	-	52,040,087	lease term	3,562,364	21,339,440
Leased vehicles	2,230,000	-	-	2,230,000	20%	-	2,229,999
As at 31 March 2021	613,467,276	38,392	11,739,178	601,766,490		9,629,011	143,936,707
As at 31 December 2020	568,735,710	55,684,653	10,953,087	613,467,276		45,583,977	145,656,524

