

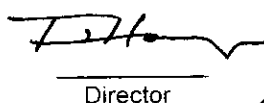
**Union Capital Limited**  
**Consolidated Financial Statements (Un-Audited)**  
**As at and for the First Quarter ended 31 March 2022**

**Union Capital Limited**  
**Consolidated Balance Sheet (Un-audited) as at 31 March 2022**

Figures in BDT

Particulars	Notes	31-Mar-22	31-Dec-21
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>			
In hand (including foreign currencies)		68,026	68,026
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4.a	99,102,638	122,943,914
		99,170,664	123,011,940
<b>Balance with other banks and financial institutions</b>			
In Bangladesh		1,202,020,529	1,205,184,172
Outside Bangladesh	5.a	-	-
		1,202,020,529	1,205,184,172
<b>Money at call and short notice</b>		-	-
<b>Investments</b>			
Government		-	-
Others	6.a	589,762,668	594,117,690
		589,762,668	594,117,690
<b>Loans, advances and leases</b>			
Loans, advances and leases		13,389,541,367	13,356,830,468
Bills purchased and discounted	7.a	-	-
		13,389,541,367	13,356,830,468
<b>Fixed assets including land, building, furniture and fixtures</b>	8.a	428,531,006	430,343,514
<b>Other assets</b>	9.a	668,583,828	720,490,234
<b>Non-banking assets</b>	10	519,570,004	519,570,004
<b>TOTAL ASSETS</b>		<b>16,897,180,066</b>	<b>16,949,548,021</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other banks, financial institutions and agents	11.a	3,498,389,813	3,617,967,788
<b>Deposits and other accounts</b>			
Term deposits	12.a	8,505,613,788	8,605,845,739
Other deposits	13	299,866,893	181,197,248
		<b>8,805,480,681</b>	<b>8,787,042,987</b>
Other liabilities	14.a	5,385,510,055	5,218,556,937
<b>Total liabilities</b>		<b>17,689,380,549</b>	<b>17,623,567,712</b>
<b>Shareholders' equity</b>			
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	(2,969,836,540)	(2,851,655,742)
<b>Total equity attributable to equity holders of the Company</b>		<b>(792,200,711)</b>	<b>(674,019,913)</b>
Non-controlling interest		227	222
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>16,897,180,066</b>	<b>16,949,548,021</b>
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>			
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Other contingent liabilities		-	-
<b>Other commitments</b>			
Undisbursed contracted loans, advances and leases		-	-
<b>TOTAL OFF BALANCE SHEET ITEMS</b>		<b>-</b>	<b>-</b>
<b>Net assets value per share (NAV)</b>	<b>37.a</b>	<b>(4.59)</b>	<b>(3.91)</b>

  
Chairman

  
Director



Managing Director & CEO (CC)

  
Company Secretary (CC)

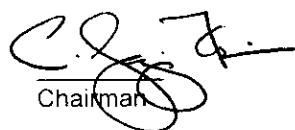


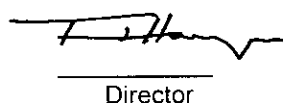
  
Chief Financial Officer

**Union Capital Limited**  
**Consolidated Profit and Loss Account (Un-Audited)**  
**For the first quarter (Q1) ended 31 March 2022**

Figures in BDT

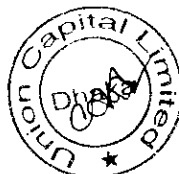
Particulars	Notes	31-Mar-22	31-Mar-21
Interest income	18.a	167,633,722	214,654,094
Interest paid on deposits and borrowings etc.	19.a	(264,441,785)	(290,641,730)
<b>Net interest income</b>		<b>(96,808,063)</b>	<b>(75,987,635)</b>
Investment income	20.a	8,396,135	19,989,955
Fees, commissions, exchange and brokerage	21.a	47,364,943	43,087,814
Other operating income	22.a	4,098,119	6,532,406
		<b>59,859,198</b>	<b>69,610,175</b>
<b>Total operating income</b>		<b>(36,948,865)</b>	<b>(6,377,460)</b>
Salaries and other employee benefits	23.a	37,480,480	35,822,427
Rent, taxes, insurance, electricity etc.	24.a	747,725	712,990
Legal expenses	25.a	25,556	2,445,357
Postage, stamp, telecommunication etc.	26.a	1,003,922	1,051,719
Stationery, printing, advertisements etc.	27.a	650,171	772,426
Managing Director's salary and fees	28	-	1,830,000
Directors' fees	29.a	26,250	35,000
Depreciation and repair of assets	30.a	9,787,835	9,907,193
Other expenses	31.a	13,155,363	11,210,820
<b>Total operating expenses</b>		<b>62,877,302</b>	<b>63,787,933</b>
<b>Profit/(loss) before provision</b>		<b>(99,826,167)</b>	<b>(70,165,393)</b>
<b>Provision for loans, advances, leases and investments</b>			
Provision for loans, advances and leases		5,844,204	14,821,353
Provision for diminution in value of investments		1,233,402	1,650,734
<b>Total provision</b>		<b>7,077,606</b>	<b>16,472,087</b>
<b>Total profit/(loss) before tax</b>		<b>(106,903,773)</b>	<b>(86,637,480)</b>
Provision for taxation			
Current tax		9,287,916	11,522,266
Deferred tax		1,989,103	2,832,784
		<b>11,277,019</b>	<b>14,355,050</b>
<b>Net profit/(loss) after tax</b>		<b>(118,180,792)</b>	<b>(100,992,530)</b>
<b>Retained surplus/(loss)</b>		<b>(118,180,792)</b>	<b>(100,992,530)</b>
<b>Attributable to</b>			
Shareholders of the Company		(118,180,797)	(100,992,535)
Non-controlling interest		5.7	5.32
<b>Weighted average no. of outstanding share</b>		<b>172,573,843</b>	<b>172,573,843</b>
<b>Earnings per share</b>	34.a	<b>(0.68)</b>	<b>(0.59)</b>

  
Chairman

  
Director

  
Managing Director & CEO (CC)

  
Company Secretary (CC)

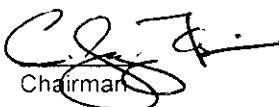


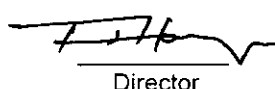
  
Chief Financial Officer

**Union Capital Limited**
**Consolidated Cash Flow Statement (Un-audited) for the first quarter ended 31 March 2022**

Figures in BDT

Particulars	31-Mar-22	31-Mar-21	
<b>Cash flows from operating activities</b>			
Interest receipts	97,820,028	110,817,207	
Interest payments	(195,871,734)	(170,627,142)	
Fee and commission receipts	46,802,119	43,037,912	
Recoveries of loans previously written off	4,013,444	5,408,943	
Dividend receipts	7,879,084	3,568,237	
Cash payments to employees	(37,857,072)	(37,992,073)	
Cash payments to suppliers and management expenses	(3,992,394)	(4,620,040)	
Income taxes paid	(9,367,190)	(7,953,847)	
Receipts from other operating activities	647,499	1,173,365	
Payments for other operating activities	(13,155,363)	(11,210,820)	
Cash generated before changes in operating assets and liabilities	(103,081,579)	(68,398,258)	
<b>Increase/decrease in operating assets and liabilities</b>			
Purchase of trading securities (treasury bills)	-	-	
Loans, advances and leases to banks and financial institutions	-	-	
Loans, advances and leases to customers	(32,710,898)	(86,512,343)	
Other assets	53,687,225	3,805,772	
Deposits from banks and other financial institutions	20,376,995	(93,186,212)	
Deposits from customers	(1,939,301)	21,192,552	
Net draw down/(payment) of short term loan	(8,350,000)	91,400,000	
Other liabilities	152,055,754	297,502,058	
<b>Cash generated from operating assets and liabilities</b>	<b>183,119,774</b>	<b>234,201,827</b>	
<b>Net cash generated from/(used in) operating activities</b>	<b>80,038,195</b>	<b>165,803,569</b>	
<b>Cash flows from investing activities</b>			
Proceeds from sale of securities	161,470,925	252,509,695	
Payments for purchases of securities	(151,355,968)	(256,016,184)	
Purchase of property, plant and equipment	(5,930,095)	(5,178,394)	
Proceeds from sale of property, plant and equipment	-	647,162	
<b>Net cash generated from/(used in) investing activities</b>	<b>4,184,861</b>	<b>(8,037,721)</b>	
<b>Cash flows from financing activities</b>			
Receipts of long term loan	-	-	
Repayment of long term loan	(111,227,975)	(72,899,426)	
<b>Net cash generated from/(used in) financing activities</b>	<b>(111,227,975)</b>	<b>(72,899,426)</b>	
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(27,004,919)</b>	<b>84,866,422</b>	
Effects of exchange rate changes on cash and cash equivalents	-	-	
Cash and cash equivalents at beginning of the first quarter	1,328,196,112	1,204,026,101	
<b>Cash and cash equivalents at end of the first quarter</b>	<b>1,301,191,193</b>	<b>1,288,892,522</b>	
<b>Cash and cash equivalents at end of the first quarter represents</b>			
Cash in hand	68,026	68,026	
Balance with Bangladesh Bank and its agent bank	99,102,638	100,193,621	
Balance with other banks and financial institutions	1,202,020,529	1,188,630,875	
	<b>1,301,191,193</b>	<b>1,288,892,522</b>	
<b>Net operating cash flows per share</b>	<b>36. a</b>	<b>0.46</b>	<b>0.96</b>

  
 Chairman

  
 Director

  
 Managing Director & CEO (CC)

  
 Company Secretary (CC)

  
 Chief Financial Officer

**Union Capital Limited**

**Consolidated Statement of Changes in shareholders' equity (Un-audited)**


For the first quarter (Q1) ended 31 March 2022

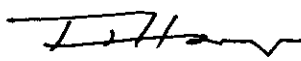
Figures in BDT

Particulars	Paid-up capital	Statutory reserve	Retained earnings/(loss)	Non-controlling interest	Total
Balance as at 1 January 2022	1,725,738,430	451,897,399	(2,851,655,742)	222	(674,019,691)
Net profit/(loss) for the 1st quarter ended 2022	-	-	(118,180,797)	6	(118,180,792)
<b>Balance as at 31 March 2022</b>	<b>1,725,738,430</b>	<b>451,897,399</b>	<b>(2,969,836,540)</b>	<b>227</b>	<b>(792,200,483)</b>

For the first quarter (Q1) ended 31 March 2021

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 1st quarter ended 2021	-	-	(100,992,535)	5.3	(100,992,530)
<b>Balance as at 31 March 2021</b>	<b>1,725,738,430</b>	<b>451,897,399</b>	<b>(1,567,059,096)</b>	<b>217</b>	<b>610,576,950</b>

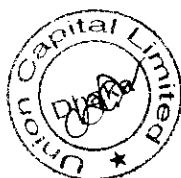
  
Chairman

  
Director

  
Managing Director & CEO (CC)

  
Company Secretary (CC)


  
Chief Financial Officer



**Union Capital Limited**  
**Balance Sheet (Un-audited) as at 31 March 2022**

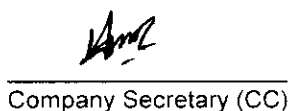
Figures in BDT

Particulars	Notes	31-Mar-22	31-Dec-21
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>			
In hand (including foreign currencies)		34,000	34,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4	99,102,638 <b>99,136,638</b>	122,943,914 <b>122,977,914</b>
<b>Balance with other banks and financial institutions</b>			
In Bangladesh		990,851,404	920,731,798
Outside Bangladesh	5	- <b>990,851,404</b>	- <b>920,731,798</b>
<b>Money at call and short notice</b>		-	-
<b>Investments</b>			
Government		-	-
Others	6	49,261,582 <b>49,261,582</b>	47,410,131 <b>47,410,131</b>
<b>Loans, advances and leases</b>			
Loans, advances and leases		11,583,451,182	11,712,581,595
Bills purchased and discounted	7	- <b>11,583,451,182</b>	- <b>11,712,581,595</b>
<b>Fixed assets including land, building, furniture and fixtures</b>	8	411,537,240	410,760,609
<b>Other assets</b>	9	1,233,039,047	1,238,199,680
<b>Non-banking assets</b>	10	519,570,004	519,570,004
<b>TOTAL ASSETS</b>		<b>14,886,847,097</b>	<b>14,972,231,731</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
Borrowings from other banks, financial institutions and agents	11	3,315,679,715	3,415,706,133
<b>Deposits and other accounts</b>			
Term deposits	12	8,505,613,788	8,605,845,739
Other deposits	13	299,866,893 <b>8,805,480,681</b>	181,197,248 <b>8,787,042,987</b>
Other liabilities	14	3,631,230,609	3,491,645,211
<b>Total liabilities</b>		<b>15,752,391,005</b>	<b>15,694,394,331</b>
<b>Shareholders' equity</b>			
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	(3,043,179,737) <b>(865,543,908)</b>	(2,899,798,429) <b>(722,162,600)</b>
<b>Total shareholders' equity</b>		<b>(865,543,908)</b>	<b>(722,162,600)</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>14,886,847,097</b>	<b>14,972,231,731</b>
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>			
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Other contingent liabilities		-	-
<b>Other commitments</b>			
Undisbursed contracted loans, advances and leases		-	-
<b>TOTAL OFF BALANCE SHEET ITEMS</b>		-	-
<b>Net assets value per share (NAV)</b>	37	<b>(5.02)</b>	<b>(4.18)</b>

  
Chairman

  
Director

  
Managing Director & CEO (CC)

  
Company Secretary (CC)



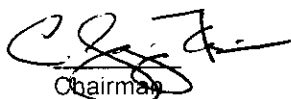
  
Chief Financial Officer

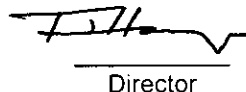
**Union Capital Limited**  
**Profit and Loss Account**

For the first quarter (Q1) ended 31 March 2022

Figures in BDT

Particulars	Notes	31-Mar-22	31-Mar-21
Interest income	18	144,340,806	209,490,146
Interest paid on deposits and borrowings etc.	19	(255,177,367)	(278,010,915)
<b>Net interest income</b>		<b>(110,836,561)</b>	<b>(68,520,769)</b>
Investment income	20	1,767,702	(6,079,849)
Fees, commissions, exchange and brokerage	21	618,824	40,624
Other operating income	22	4,013,444	5,641,754
		<b>6,399,970</b>	<b>(397,471)</b>
<b>Total operating income</b>		<b>(104,436,591)</b>	<b>(68,918,240)</b>
Salaries and other employee benefits	23	19,593,423	19,857,740
Rent, taxes, insurance, electricity etc.	24	355,683	383,916
Legal expenses	25	25,556	2,445,357
Postage, stamp, telecommunication etc.	26	212,876	244,032
Stationery, printing, advertisements etc.	27	323,364	417,892
Managing Director's salary and fees	28	-	1,830,000
Directors' fees	29	20,000	35,000
Depreciation and repair of assets	30	5,041,349	5,159,032
Other expenses	31	5,123,510	4,720,301
<b>Total operating expenses</b>		<b>30,695,761</b>	<b>35,093,270</b>
<b>Profit/(loss) before provision</b>		<b>(135,132,352)</b>	<b>(104,011,510)</b>
<b>Provision for loans, advances, leases and investments</b>			
Provision for loans, advances and leases		5,844,204	14,821,353
Provision for diminution in value of investments		1,233,402	1,650,734
<b>Total provision</b>		<b>7,077,606</b>	<b>16,472,087</b>
<b>Total profit/(loss) before tax</b>		<b>(142,209,958)</b>	<b>(120,483,597)</b>
Provision for taxation		-	-
Current tax		-	-
Deferred tax		1,171,350	3,357,242
		<b>1,171,350</b>	<b>3,357,242</b>
<b>Net profit/(loss) after tax</b>		<b>(143,381,308)</b>	<b>(123,840,839)</b>
<b>Retained surplus/(loss)</b>		<b>(143,381,308)</b>	<b>(123,840,839)</b>
<b>Weighted average no. of outstanding share</b>		<b>172,573,843</b>	<b>172,573,843</b>
<b>Earnings per share</b>	<b>34</b>	<b>(0.83)</b>	<b>(0.72)</b>

  
Chairman

  
Director

  
Managing Director & CEO (CC)

  
Company Secretary (CC)

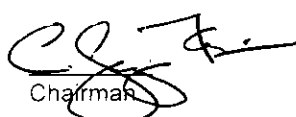
  
Chief Financial Officer



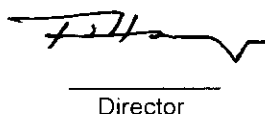
**Union Capital Limited**
**Cash Flow Statement (Un-audited) for the first quarter ended 31 March 2022**

Figures in BDT

Particulars	Notes	31-Mar-22	31-Mar-21
<b>Cash flows from operating activities</b>			
Interest receipts		66,507,882	105,653,258
Interest payments		(182,253,707)	(160,839,071)
Fee and commission receipts		56,000	(9,278)
Recoveries of loans previously written off		4,013,444	5,408,943
Dividend receipts		1,485,530	113,901
Cash payments to employees		(19,215,960)	(22,252,740)
Cash payments to suppliers and management expenses		(1,595,124)	(4,254,265)
Income taxes paid		(341,789)	(125,308)
Receipts from other operating activities	32	562,824	49,902
Payments for other operating activities	33	(5,123,510)	(4,720,301)
Cash generated before changes in operating assets and liabilities		(135,904,410)	(80,974,959)
<b>Increase/decrease in operating assets and liabilities</b>			
Loans, advances and leases to customers		129,130,413	(23,235,612)
Other assets	38	4,782,313	(10,149,205)
Deposits from banks and other financial institutions		20,376,995	(93,186,212)
Deposits from customers		(1,939,301)	21,192,552
Net draw down/(payment) of short term loan		(8,350,000)	91,400,000
Other liabilities account of customers		-	-
Trading liabilities		-	-
Other liabilities	39	131,678,230	143,719,638
<b>Cash generated from operating assets and liabilities</b>		<b>275,678,650</b>	<b>129,741,161</b>
<b>Net cash generated from/(used in) operating activities</b>		<b>139,774,240</b>	<b>48,766,202</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of securities		6,688,064	63,567,209
Payments for purchases of securities		(7,879,023)	(68,224,197)
Purchase of property, plant and equipment		(628,533)	(1,856,488)
Proceeds from sale of property, plant and equipment		-	623,162
<b>Net cash used in investing activities</b>		<b>(1,819,492)</b>	<b>(5,890,314)</b>
<b>Cash flows from financing activities</b>			
Receipts of long term loan		-	-
Repayment of long term loan		(91,676,418)	(62,495,168)
<b>Net cash generated from/(used in) financing activities</b>		<b>(91,676,418)</b>	<b>(62,495,168)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>46,278,330</b>	<b>(19,619,280)</b>
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the first quarter		1,043,709,712	968,258,353
<b>Cash and cash equivalents at end of the first quarter</b>		<b>1,089,988,042</b>	<b>948,639,073</b>
<b>Cash and cash equivalents at end of the first quarter represents</b>			
Cash in hand		34,000	34,000
Balance with Bangladesh Bank and its agent bank		99,102,638	100,193,621
Balance with other banks and financial institutions		990,851,404	848,411,452
		<b>1,089,988,042</b>	<b>948,639,073</b>
<b>Net operating cash flows per share</b>	36	<b>0.81</b>	<b>0.28</b>



Chairman



Director



Managing Director & CEO (CC)



Company Secretary (CC)




Chief Financial Officer



**Union Capital Limited****Statement of Changes in shareholders' equity (Un-audited)**For the first quarter (Q1) ended 31 March 2022

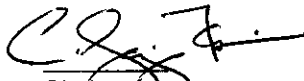

Figures in BDT

Particulars	Paid-up capital	Statutory reserve	Retained earnings/(loss)	Total
Balance as at 1 January 2022	1,725,738,430	451,897,399	(2,899,798,429)	(722,162,600)
Net profit/(loss) for the first quarter ended 2022	-	-	(143,381,308)	(143,381,308)
<b>Balance as at 31 March 2022</b>	<b>1,725,738,430</b>	<b>451,897,399</b>	<b>(3,043,179,737)</b>	<b>(865,543,908)</b>

For the year ended 31 March 2021

Figures in BDT

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)
<b>Balance as at 31 March 2021</b>	<b>1,725,738,430</b>	<b>451,897,399</b>	<b>(1,587,758,088)</b>	<b>589,877,741</b>

  
Chairman  
Director  
Managing Director & CEO (CC)  
Company Secretary (CC)  
Chief Financial Officer

## **Union capital Limited**

### **Selected explanatory notes to the Consolidated Financial Statements (Un-audited) as at and for the first quarter ended 31 March 2022**

#### **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 2021 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 2021.

#### **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 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 2022 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 2021 has also been calculated based on 172.57 million shares.

EPS for the period ended 31 March 2022 has been decreased from the same period of previous year due to decrease interest income resulting from increased non-performing loans, investment income and other operating income.

#### **3.4 Net assets value per share (NAV)**

During the period ended 31 March 2022, NAV stands at BDT (4.59) per share which was BDT (3.91) as on 31 December 2021. NAV for the first quarter of 2022 has been decreased from the 31 December 2021 due to incurring consolidated loss of Tk.11.82 crore which has decreased net assets value by the same amount as on 31 March 2022.

#### **3.5 Date of authorization**

The Board of Directors has authorized these financial statements for public issue on 27 April 2022.

#### **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 2022**

Figures in BDT

As at	31-Mar-22	31-Dec-21
<b>4 CASH</b>		
<b>In hand</b>		
Local currency	34,000	34,000
Foreign currencies	-	-
	34,000	34,000
<b>Balance with Bangladesh Bank</b>		
Local currency	99,102,638	122,943,914
Foreign currencies	-	-
	99,102,638	122,943,914
<b>Balance as at 31 March</b>	<b>99,136,638</b>	<b>122,977,914</b>
<b>4.a CASH (Consolidated)</b>		
<b>In hand</b>		
Union Capital Ltd.	34,000	34,000
UniCap Securities Ltd.	25,000	25,000
UniCap Investments Ltd.	9,026	9,026
	<b>68,026</b>	<b>68,026</b>
<b>Balance with Bangladesh Bank</b>		
Union Capital Ltd.	99,102,638	122,943,914
UniCap Securities Ltd.	-	-
UniCap Investments Ltd.	-	-
	<b>99,102,638</b>	<b>122,943,914</b>
<b>Balance as at 31 March</b>	<b>99,170,664</b>	<b>123,011,940</b>
<b>5 BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS</b>		
<b>This represents balance with various banks and financial institutions in Bangladesh.</b>		
<b>Fixed deposit account</b>		
Bangladesh Industrial Finance Company Limited	193,650,577	186,251,367
International Leasing and Financial Services Ltd.	693,828,596	668,428,489
Community Bank Bangladesh Limited	2,324,000	2,324,000
	<b>889,803,173</b>	<b>857,003,856</b>
<b>Current account</b>		
Bank Alfalah Limited, Gulshan Branch	601	601
Agrani Bank Limited, Panthpath Branch	1,218,135	1,218,135
Bank Asia Limited, Bashundhara Branch	6,717	6,717
BASIC Bank Limited, Shantinagar Branch	1	1
Dhaka Bank Limited, Kakrail Branch	1,164,405	1,929,240
Midland Bank Ltd, Gulshan Branch	5,142	142
Modhumoti Bank Limited, Dhanmondi Branch	95,295	1,124,173
National Credit and Commerce Bank Ltd., Banani Branch	36,342	36,342
NRB Bank Limited, Corporate Branch	33,357	33,357
Shahjalal Islami Bank Limited, Elephant Road Branch	783	-
Shahjalal Islami Bank Limited, Gulshan Branch	2,583	2,583
Social Islami Bank Limited, Eskaton Branch	426,449	426,629
Southeast Bank Limited, Mirpur Branch	9,411	9,411
Southeast Bank Limited, Satmosjid Road Branch	285	285
Sonali Bank Limited Sonargaon Road Branch	194,230	194,230
United Commercial Bank Limited, New Eskaton Branch	2,891,162	4,756,308
WooriBank-Dhaka Branch	81,469	5,417
Uttara Bank Limited, Local Office	13,785	13,785
	<b>6,180,152</b>	<b>9,757,356</b>



# Union Capital Limited

## Notes to the financial statements

As at and for the period ended 31 March 2022

Figures in BDT

As at	31-Mar-22	31-Dec-21
<b>Short term deposit</b>		
Community Bank BD Limited, Gulshan Branch	4,149	4,149
Bank Asia Limited, Corporate Branch	131,434	824,291
Bank Asia Limited, Corporate Branch	367,353	1,121,215
Bank Asia Limited, Gulshan Branch	74,511	74,511
Dhaka Bank Limited, Local Office	3,677,946	1,538,452
Dhaka Bank Limited, Kakrail Branch	2,498,620	2,498,620
Dutch Bangla Bank Limited, Karwan Bazar Branch	33,736	33,578
Dutch Bangla Bank Limited, Karwan Bazar Branch	10,688,069	25,596,965
IFIC Bank Limited, Gulshan Branch	71,752,090	16,167,425
Jamuna Bank Limited, Sonargaon Road Branch	6,071	6,071
Modhumoti Bank Limited, Banglamotor-Branch	48,895	48,895
AB Bank Limited, Gulshan Branch	346,620	346,850
Mutual Trust Bank Limited, Principal Branch	24,060	24,120
Southeast Bank Limited, Islamic Banking Branch	3,610	3,610
Southeast Bank Limited, R k Mission Road Branch	5,210,915	5,681,834
	<b>94,868,079</b>	<b>53,970,586</b>
<b>Balance as at 31 March</b>	<b>990,851,404</b>	<b>920,731,798</b>

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

Union Capital Ltd.	990,851,404	920,731,798
UniCap Securities Ltd.	172,468,219	240,698,517
UniCap Investments Ltd.	38,700,906	43,753,857
	1,202,020,529	1,205,184,172
Less: Inter-company transactions	-	-
<b>Balance as at 31 March</b>	<b>1,202,020,529</b>	<b>1,205,184,172</b>

## 6 INVESTMENTS

The investment is made up as under:

Government securities	-	-
Other investments	49,261,582	47,410,131
<b>Balance as at 31 March</b>	<b>49,261,582</b>	<b>47,410,131</b>

This represents investment made by the Company in listed securities.

## 6.a INVESTMENTS (consolidated)

Union Capital Ltd.	49,261,582	47,410,131
UniCap Securities Ltd.	268,772,344	272,323,814
UniCap Investments Ltd.	271,728,742	274,383,744
<b>Balance as at 31 March</b>	<b>589,762,668</b>	<b>594,117,690</b>

## 7 LOANS, ADVANCES AND LEASES

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

Lease finance	1,468,329,737	1,465,296,333
Term finance	5,476,366,111	5,482,975,074
Home loan	251,699,478	251,699,478
Loan to subsidiaries	4,366,628,574	4,491,676,875
Loan against deposits	15,699,811	15,879,811
Staff loan	4,727,471	5,054,024
<b>Balance as at 31 March</b>	<b>11,583,451,182</b>	<b>11,712,581,595</b>



**Union Capital Limited**

**Notes to the financial statements**

**As at and for the period ended 31 March 2022**

Figures in BDT

As at	31-Mar-22	31-Dec-21
<b>7.a LOANS, ADVANCES AND LEASES (consolidated)</b>		
Union Capital Ltd.	11,583,451,182	11,712,581,595
UniCap Securities Ltd.	767,213,715	659,804,864
UniCap Investments Ltd	5,405,505,044	5,476,120,885
	<b>17,756,169,941</b>	<b>17,848,507,343</b>
Less: Inter-company transactions	4,366,628,574	4,491,676,875
<b>Balance as at 31 March</b>	<b>13,389,541,367</b>	<b>13,356,830,468</b>

**8 FIXED ASSETS INCLUDING LAND, BUILDING, FURNITURE AND FIXTURES**

Furniture and fixtures	9,329,071	9,329,071
Floor Space	415,891,104	415,891,104
Office decoration	18,427,353	18,427,353
Electric equipment	30,478,523	30,401,523
Owned vehicles	10,825,597	10,825,597
Leased vehicles	2,230,000	2,230,000
Right-of-use assets	9,089,641	3,858,850
Intangible assets (software)	1,840,528	1,840,528
Mobile phones	452,600	452,600
<b>Total cost</b>	<b>498,564,417</b>	<b>493,256,626</b>
Less: Accumulated depreciation and amortization	87,027,177	82,496,017
<b>Written down value as at 31 March</b>	<b>411,537,240</b>	<b>410,760,609</b>

Details are shown in **Annexure - A**

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

Union Capital Ltd.	411,537,240	410,760,609
UniCap Securities Ltd.	14,127,236	15,892,967
UniCap Investments Ltd.	2,866,530	3,689,938
<b>Balance as at 31 March</b>	<b>428,531,006</b>	<b>430,343,514</b>

**9 OTHER ASSETS**

Investment in subsidiary (note 9.1)	997,498,641	997,498,641
Accrued interest	16,144,618	16,535,781
Others	33,465,063	33,966,316
<b>Income generating other assets</b>	<b>1,047,108,322</b>	<b>1,048,000,738</b>
Advance office rent	1,809,354	1,849,854
Advance to employees	665,905	665,905
Deposits with T & T, water etc.	84,000	84,000
Receivable from brokerage house against sale of shares	1,134,281	1,864,820
Transfer price receivable	1,287,376	1,287,376
Process Sharing receivable	178,631,941	178,631,941
Others	2,317,868	5,815,046
<b>Non income generating other assets</b>	<b>185,930,725</b>	<b>190,198,942</b>
<b>Balance as at 31 March</b>	<b>1,233,039,047</b>	<b>1,238,199,680</b>

Management considers all the other assets as good.

**9.1.a Deferred tax asset (consolidated)**

Union Capital Limited	-	-
UniCap Securities Limited	7,106,877	7,996,148
UniCap Investments Limited	402,098	50,179
<b>Balance as at 31 March</b>	<b>7,508,975</b>	<b>8,046,328</b>



Union Capital Limited  
Notes to the financial statements  
As at and for the period ended 31 March 2022  
As at

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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	402,447,598	3,949,760	1,110,833
		Tax base	321,500,523	15,679,376	2,475,228
	ROU	Carrying amount	9,089,641	10,177,477	1,755,697
Liabilities	Employee gratuity fund	Carrying amount	-	12,863,931	-
		Tax base	-	-	-
	Lease obligation	Carrying amount	9,359,382	7,451,245	1,463,562
			<b>(80,677,334)</b>	<b>21,867,315</b>	<b>1,072,260</b>
Applicable tax rate			37.50%	32.50%	37.50%
Deferred tax assets/(liabilities) as on March 31, 2022			(30,253,996)	7,106,877	402,098
Deferred tax assets/(Liabilities) as on December 31, 2021			(29,082,646)	7,952,335	374,392
<b>Deferred tax expense/(income) during the period</b>			<b>1,171,350</b>	<b>845,458</b>	<b>(27,706)</b>

9.a OTHER ASSETS (consolidated)

Union Capital Ltd.	1,233,039,047	1,238,199,680
UniCap Securities Ltd.	465,724,796	513,060,059
UniCap Investments Ltd.	399,850,875	393,246,818
	<b>2,098,614,718</b>	<b>2,144,506,556</b>
Less: Inter-company transactions	1,430,030,889	1,424,016,323
<b>Balance as at 31 March</b>	<b>668,583,828</b>	<b>720,490,234</b>

10 NON-BANKING ASSETS

Non-banking assets	519,570,004	519,570,004
<b>Total</b>	<b>519,570,004</b>	<b>519,570,004</b>

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	2,425,530,690	2,377,391,835
Preference share	39,000,000	47,500,000
	<b>2,464,530,690</b>	<b>2,424,891,835</b>
Bangladesh Bank (Small Enterprise refinancing scheme-JICA)	20,700,513	25,323,015
Bangladesh Bank (Women entrepreneur refinance scheme)	2,275,000	2,625,000
Bangladesh Bank (Small Enterprise refinancing scheme-DP2)	1,008,334	1,008,333
Bangladesh Bank (Renewable energy and environment friendly sector)	72,165,178	72,165,179
Short term borrowing and call loan	755,000,000	889,692,771
	<b>851,149,025</b>	<b>990,814,298</b>
	<b>3,315,679,715</b>	<b>3,415,706,133</b>
Outside Bangladesh	-	-
<b>Balance as at 31 March</b>	<b>3,315,679,715</b>	<b>3,415,706,133</b>



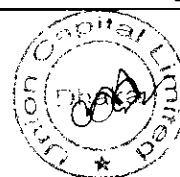
**Union Capital Limited**

**Notes to the financial statements**

**As at and for the period ended 31 March 2022**

Figures in BDT

As at	31-Mar-22	31-Dec-21
<b>11.a Borrowings from other banks, financial institutions and agents (consolidated)</b>		
Union Capital Limited	3,315,679,715	3,415,706,133
UniCap Securities Limited	359,055,188	418,555,368
UniCap Investments Limited	3,412,624,065	3,444,269,683
	<b>7,087,358,968</b>	<b>7,278,531,184</b>
Less: Inter-company transactions	3,588,969,155	3,660,563,396
<b>Balance as at 31 March</b>	<b>3,498,389,813</b>	<b>3,617,967,788</b>
<b>12 Term Deposits</b>		
This comprises interest bearing deposits from individuals and organizations for period ranging from 3 months to 10 years.		
Banks and financial institutions	3,295,075,536	3,274,698,541
Other institutions	4,412,916,542	4,463,485,061
<b>Total institutional deposits</b>	<b>7,707,992,078</b>	<b>7,738,183,602</b>
Term deposit	556,823,775	620,862,599
Income deposit	230,774,135	235,822,738
Monthly savings scheme	10,023,800	10,976,800
<b>Total individual deposits</b>	<b>797,621,710</b>	<b>867,662,137</b>
<b>Balance as at 31 March</b>	<b>8,505,613,788</b>	<b>8,605,845,739</b>
<b>12.a Term deposits (consolidated)</b>		
Union Capital Limited	8,505,613,788	8,605,845,739
UniCap Securities Limited	-	-
UniCap Investments Limited	-	-
	8,505,613,788	8,605,845,739
Less: Inter-company transactions	-	-
<b>Balance as at 31 March</b>	<b>8,505,613,788</b>	<b>8,605,845,739</b>
<b>13 Other deposits</b>		
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		
<b>Breakup of other deposits on the basis of category of finance is as under</b>		
Lease advance	77,962,604	79,088,490
Term finance advance	183,492,129	61,696,598
Cash security	38,412,160	40,412,160
<b>Balance as at 31 March</b>	<b>299,866,893</b>	<b>181,197,248</b>
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.		
<b>14 OTHER LIABILITIES</b>		
Provision for loans, advances and leases	1,099,478,430	1,093,606,121
Provision for diminution in value of investments	1,233,402	-
Provision for other assets and accrued interest	84,747,032	84,747,032
Special provision	146,540,781	146,568,885
Interest suspense	493,988,853	468,785,275
Provision for tax	91,400,124	91,741,913
Deferred tax liabilities	30,253,996	29,082,646
Financial expenses payable	1,113,532,715	1,040,609,055
Lease liability	9,359,382	4,086,748
Deferred liability-employee gratuity	15,657,690	15,250,227
Dividend on preference shares	31,623,932	30,290,199
Excise duty	440,670	4,536,370
Withholding tax payable	3,510,261	3,791,625
VAT payable	100,055	1,050,222
Accrued expenses and other payable (note 14.1)	509,363,286	477,498,893
<b>Balance as at 31 March</b>	<b>3,631,230,609</b>	<b>3,491,645,211</b>



Union Capital Limited  
Notes to the financial statements  
As at and for the period ended 31 March 2022

Figures in BDT

As at	31-Mar-22	31-Dec-21
<b>14.1 Accrued expenses and other payable</b>		
Management expenses	4,423,929	5,073,761
Unclaim dividend account (note 14.1.1)	6,926	6,926
Payable for purchase of assets	51,701,925	51,822,925
Others payables (suspended interest)	453,230,506	420,595,281
<b>Balance as at 31 March</b>	<b>509,363,286</b>	<b>477,498,893</b>
<b>14.1.1 Unclaim dividend account</b>		
<b>Year</b>	<b>Stock dividend in number</b>	<b>Fractional Dividend</b>
2018 Fractional dividend	379	6,926
<b>Balance as at 31 March</b>	<b>379</b>	<b>6,926</b>
<b>14.a OTHER LIABILITIES (consolidated)</b>		
Union Capital Limited	3,631,230,609	3,491,645,211
UniCap Securities Limited	831,943,428	799,944,798
UniCap Investments Limited	2,132,527,686	2,184,598,088
	6,595,701,722	6,476,188,098
Less: Inter-company transactions	1,210,191,667	1,257,631,161
<b>Balance as at 31 March</b>	<b>5,385,510,055</b>	<b>5,218,556,937</b>
<b>15 Share capital</b>		
As at 31 March 2022, a total number of 172,573,843 (2021: 172,573,843) ordinary shares of Tk.10 each were issued, subscribed and fully paid up. Details are as follows:		
<b>Authorized capital</b>		
200,000,000 ordinary shares of Tk. 10 each	2,000,000,000	2,000,000,000
<b>Issued, subscribed and paid up capital:</b>		
172,573,843 ordinary shares of Tk.10 each	1,725,738,430	1,725,738,430
bonus shares	-	-
<b>Total 172,573,843</b>	<b>1,725,738,430</b>	<b>1,725,738,430</b>
<b>16 STATUTORY RESERVE</b>		
Balance as on 1 January	451,897,399	451,897,399
Add: Transferred from profit during the year	-	-
<b>Balance as at 31 March</b>	<b>451,897,399</b>	<b>451,897,399</b>
<b>17 Retained earnings/(loss)</b>		
Balance as on 1 January	(2,899,798,429)	(1,463,917,249)
Add: Profit/(loss) after tax during the period	(143,381,308)	(1,435,881,180)
<b>Balance as at 31 March</b>	<b>(3,043,179,737)</b>	<b>(2,899,798,429)</b>
<b>17.a RETAINED EARNINGS/(loss) (consolidated)</b>		
Balance as on 1 January	(2,851,655,742)	(1,466,066,561)
Add: Profit/(loss) after tax during the period	(118,180,797)	(1,385,589,182)
<b>Balance as at 31 March</b>	<b>(2,969,836,540)</b>	<b>(2,851,655,742)</b>





**Union Capital Limited**  
**Notes to the financial statements**  
**As at and for the period ended 31 March 2022**

Figures in BDT

For the period ended	31-Mar-22	31-Mar-21
<b>18 INTEREST INCOME</b>		
Income from lease finance	28,670,274	36,596,326
Income from term finance	105,553,413	159,053,329
Interest on loan to subsidiaries	9,951,699	13,695,176
Interest on bank deposits	104,619	25,283
Income from other finance	60,801	120,032
<b>Total</b>	<b>144,340,806</b>	<b>209,490,146</b>

**18.a INTEREST INCOME (consolidated)**

Union Capital Limited	144,340,806	209,490,146
UniCap Securities Limited	18,385,098	11,902,374
UniCap Investments Limited	14,859,517	6,956,750
	177,585,421	228,349,270
Less: Inter-company transactions	9,951,699	13,695,176
	<b>167,633,722</b>	<b>214,654,094</b>

**19 INTEREST PAID ON DEPOSITS, BORROWINGS, etc.**

Interest on bank loan	53,712,005	52,676,903
Interest on JICA fund	269,123	708,777
Interest on Agriculture refinance fund	-	4,931
Interest on women entrepreneur fund	29,195	59,745
Interest on SMEDP2 fund	11,915	35,950
Interest on financing brick kiln efficiency project	902,065	971,454
Interest on term deposits	180,540,183	203,372,742
Interest on money at call & short notice	17,521,961	16,360,116
Interest on cash security deposit	642,836	907,872
Interest on preference share	1,333,733	2,358,562
Bank charges	83,078	455,128
Interest on lease rent	131,273	98,735
<b>Total</b>	<b>255,177,367</b>	<b>278,010,915</b>

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

Union Capital Limited	255,177,367	278,010,915
UniCap Securities Limited	17,310,136	23,511,597
UniCap Investments Limited	1,905,981	2,814,394
	274,393,484	304,336,906
Less: Inter-company transactions	9,951,699	13,695,176
	<b>264,441,785</b>	<b>290,641,730</b>

**20 INVESTMENT INCOME**

Capital gain/(loss) on sale of securities	660,492	(6,193,750)
Dividend income	1,107,210	113,901
<b>Total</b>	<b>1,767,702</b>	<b>(6,079,849)</b>

**20.a INVESTMENT INCOME (consolidated)**

Union Capital Limited	1,767,702	(6,079,849)
UniCap Securities Limited	4,342,101	15,553,462
UniCap Investments Limited	2,286,332	10,516,342
	8,396,135	19,989,955
Less: Inter-company transactions	-	-
	<b>8,396,135</b>	<b>19,989,955</b>



Union Capital Limited  
Notes to the financial statements  
As at and for the period ended 31 March 2022

Figures in BDT

For the period ended	31-Mar-22	31-Mar-21
<b>21 FEES, COMMISSIONS, EXCHANGE AND BROKERAGE</b>		
Processing and documentation fees	56,000	(9,278)
Renewals and proceeds	562,824	49,902
<b>Total</b>	<b>618,824</b>	<b>40,624</b>
<b>21.a FEES, COMMISSIONS, EXCHANGE AND BROKERAGE (consolidated)</b>		
Union Capital Limited	618,824	40,624
UniCap Securities Limited	40,151,142	36,835,190
UniCap Investments Limited	6,594,977	6,212,000
	<b>47,364,943</b>	<b>43,087,814</b>
<b>22 OTHER OPERATING INCOME</b>		
Gain/(loss) on sale of fixed assets	-	232,811
Income from forfeited fund	-	-
Recoveries of loans written off	4,013,444	5,408,943
<b>Total</b>	<b>4,013,444</b>	<b>5,641,754</b>
<b>22.a OTHER OPERATING INCOME (consolidated)</b>		
Union Capital Limited	4,013,444	5,641,754
UniCap Securities Limited	(8,419)	761,561
UniCap Investments Limited	93,094	129,090
	<b>4,098,119</b>	<b>6,532,406</b>
Less: Inter-company transactions	-	-
	<b>4,098,119</b>	<b>6,532,406</b>
<b>23 SALARIES AND OTHER EMPLOYEE BENEFITS</b>		
Salaries & allowances	19,593,423	19,857,740
<b>Total</b>	<b>19,593,423</b>	<b>19,857,740</b>
<b>23.a SALARIES AND OTHER EMPLOYEE BENEFITS (consolidated)</b>		
Union Capital Limited	19,593,423	19,857,740
UniCap Securities Limited	14,260,476	11,637,899
UniCap Investments Limited	3,626,581	4,326,789
<b>Total</b>	<b>37,480,480</b>	<b>35,822,427</b>
<b>24 RENT, TAXES, INSURANCE, ELECTRICITY etc.</b>		
Office rent, rates and taxes	-36,432	233,916
Insurance	112,322	109,794
Power and electricity	279,793	40,206
<b>Total</b>	<b>355,683</b>	<b>383,916</b>
<b>24.1 DISCLOSURE RELATED TO RENT, RATE AND TAXES:</b>		
Actual rent expenses	2,387,551	770,682
Less: Reclassification of rent expenses (as per IFRS 16:)	2,153,634	536,766
<b>Total</b>	<b>233,917</b>	<b>233,916</b>

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 2022**

Figures in BDT

For the period ended	31-Mar-22	31-Mar-21
<b>24.a RENT, TAXES, INSURANCE, ELECTRICITY etc. (consolidated)</b>		
Union Capital Limited	355,683	383,916
UniCap Securities Limited	301,534	207,506
UniCap Investments Limited	90,508	121,569
<b>Total</b>	<b>747,725</b>	<b>712,990</b>

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

Actual rent , taxes, insurance, electricity		
Union Capital Limited	2,509,317	920,682
UniCap Securities Limited	3,733,182	3,582,493
UniCap Investments Limited	825,716	856,777
Less: Reclassification of rent expenses (as per IFRS 16:)		
Union Capital Limited	2,153,634	536,766
UniCap Securities Limited	3,431,648	3,374,987
UniCap Investments Limited	735,208	735,208
<b>Total</b>	<b>747,725</b>	<b>712,990</b>

**25 LEGAL EXPENSES**

Court fees	-	532,500
Professional Fees	25,556	1,912,857
<b>Total</b>	<b>25,556</b>	<b>2,445,357</b>

**25.a LEGAL EXPENSES (consolidated)**

Union Capital Limited	25,556	2,445,357
UniCap Securities Limited	-	-
UniCap Investments Limited	-	-
<b>Total</b>	<b>25,556</b>	<b>2,445,357</b>

**26 POSTAGE, STAMP, TELECOMMUNICATION etc.**

Postage	13,308	12,660
Telegram, telex, fax and e-mail	109,460	131,846
Telephone - office	90,108	99,526
<b>Total</b>	<b>212,876</b>	<b>244,032</b>

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

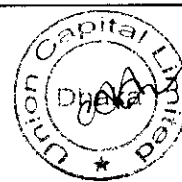
Union Capital Limited	212,876	244,032
UniCap Securities Limited	679,263	666,438
UniCap Investments Limited	111,782	141,249
<b>Total</b>	<b>1,003,922</b>	<b>1,051,719</b>

**27 STATIONERY, PRINTING, ADVERTISEMENTS etc.**

Printing and stationery	223,343	231,175
Advertisement	100,021	186,717
Publicity	-	-
<b>Total</b>	<b>323,364</b>	<b>417,892</b>

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

Union Capital Limited	323,364	417,892
UniCap Securities Limited	280,067	315,778
UniCap Investments Limited	46,740	38,756
<b>Total</b>	<b>650,171</b>	<b>772,426</b>



**Union Capital Limited**  
**Notes to the financial statements**  
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Figures in BDT

For the period ended	31-Mar-22	31-Mar-21
<b>28 MANAGING DIRECTOR'S SALARY AND FEES</b>	-	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	20,000	35,000
<b>Total</b>	<b>20,000</b>	<b>35,000</b>

**29.a DIRECTORS' FEES (consolidated)**

Union Capital Limited	20,000	35,000
UniCap Securities Limited	6,250	-
UniCap Investments Limited	-	-
<b>Total</b>	<b>26,250</b>	<b>35,000</b>

**30 DEPRECIATION AND REPAIR OF ASSETS**

Depreciation of fixed assets-freehold	4,481,492	4,604,527
Depreciation of right-of-use assets	472,376	486,820
Amortization of intangible assets	49,668	44,667
Repairs and maintenance of assets	37,813	23,018
<b>Total</b>	<b>5,041,349</b>	<b>5,159,032</b>

**30.a DEPRECIATION AND REPAIR OF ASSETS (consolidated)**

Union Capital Limited	5,041,349	5,159,032
UniCap Securities Limited	3,667,246	3,591,138
UniCap Investments Limited	1,079,240	1,157,023
<b>Total</b>	<b>9,787,835</b>	<b>9,907,193</b>

**31 OTHER EXPENSES**

HR development	-	2,556
Travelling and conveyance	683,671	1,153,330
Office expenses	732,139	613,827
Motor vehicle fuel expenses	74,052	165,872
Motor vehicle spare part expenses	137,967	110,161
Subscription and fees	1,751,338	1,579,645
Books, magazines, newspapers, etc	1,570	946
Entertainment and public relation & others	59,859	78,908
Staff Welfare	1,682,914	1,015,056
<b>Total</b>	<b>5,123,510</b>	<b>4,720,301</b>

**31.a OTHER EXPENSES (consolidated)**

Union Capital Limited	5,123,510	4,720,301
UniCap Securities Limited	7,691,852	6,312,721
UniCap Investments Limited	340,001	177,798
	13,155,363	11,210,820
Less: Inter-company transactions	-	-
<b>Total</b>	<b>13,155,363</b>	<b>11,210,820</b>

**32 RECEIPTS FROM OTHER OPERATING ACTIVITIES**

Renewals and proceeds	562,824	49,902
<b>Total</b>	<b>562,824</b>	<b>49,902</b>



**Union Capital Limited**  
**Notes to the financial statements**  
**As at and for the period ended 31 March 2022**

Figures in BD

For the period ended	31-Mar-22	31-Mar-21
<b>33 PAYMENTS FOR OTHER OPERATING ACTIVITIES</b>		
HR development	-	2,550
Travelling and conveyance	683,671	1,153,330
Motor vehicle expenses	212,019	276,030
Subscription and fees	1,751,338	1,579,640
Office expenses	732,139	613,827
Books, magazines, newspapers, etc	1,570	940
Entertainment and public relation & staff welfare	1,742,773	1,093,960
<b>Total</b>	<b>5,123,510</b>	<b>4,720,307</b>

**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**

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. EPS for the first quarter of 2022 has been decreased from the same period of previous year due to decreasing interest income resulting from increased non-performing loan, investment income and other operating income resulting from less recovery from written off clients.

**Profits attributable to ordinary shareholders**

Net profit for the period	(143,381,308)	(123,840,839)
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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
<b>Earnings per share</b>	<b>(0.83)</b>	<b>(0.72)</b>
<b>Earnings per share</b>	<b>(0.83)</b>	<b>(0.72)</b>

**34.a EARNINGS PER SHARE (consolidated)**

**Profits attributable to ordinary shareholders**

Net profit for the period (consolidated)	(118,180,797)	(100,992,535)
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Consolidated EPS for the first quarter of 2022 has been decreased from the same period of previous year due to decreasing interest income resulting from no new disbursement & increased NPL, other operating income resulting from less recovery from written off clients and other investment income.

**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
<b>Earnings per share- consolidated</b>	<b>(0.68)</b>	<b>(0.59)</b>
<b>Earnings per share- consolidated</b>	<b>(0.68)</b>	<b>(0.59)</b>

**35 AVERAGE EFFECTIVE TAX RATE**

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

	2022	2021
Tax expenses	1,171,350	3,357,240
Accounting profit before tax	(142,209,958)	(120,483,597)
<b>Average effective tax rate</b>	<b>-0.82%</b>	<b>-2.79%</b>



**Union Capital Limited**  
**Notes to the financial statements**  
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Figures in BDT

For the period ended		31-Mar-22	31-Mar-21
<b>35.1 RECONCILIATION OF EFFECTIVE TAX RATE</b>			
		<b>2022</b>	<b>2021</b>
Profit/(loss) before income tax as per profit & loss account		(142,209,958)	(120,483,597)
Income tax as per applicable tax rate	37.50%	-	-
Net inadmissible expenses (including prior years' adjustments)	0.00%	-	-
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	-0.82%	1,171,350	3,357,242
<b>Reported average effective tax rate &amp; total tax expenses</b>	<b>-0.82%</b>	<b>1,171,350</b>	<b>3,357,242</b>

**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	11,277,019	14,355,050
Accounting profit before tax	(106,903,773)	(86,637,480)
<b>Average effective tax rate</b>	<b>-10.55%</b>	<b>-16.57%</b>

**35.a.1 RECONCILIATION OF EFFECTIVE TAX RATE**

		<b>2022</b>	<b>2021</b>
Profit/(loss) before income tax as per profit & loss account		(106,903,773)	(86,637,480)
Income tax as per applicable tax rate	35.83%	-	-
Net inadmissible expenses (including prior years' adjustments)	-0.83%	891,780	(8,467,690)
Tax saving from reduced tax rates (from 0% to 20% for exempted investments income, dividend income, capital gains, etc.)	-7.85%	8,396,135	19,989,955
Effect of deferred tax	-1.86%	1,989,103	2,832,784
<b>Reported average effective tax rate &amp; total tax expenses</b>	<b>-10.55%</b>	<b>11,277,018</b>	<b>14,355,049</b>

**36 NET OPERATING CASH FLOWS PER SHARE**

Net cash flows from operating activities	139,774,240	48,766,202
Total number of ordinary shares outstanding	172,573,843	172,573,843
<b>Net operating cash flows per share</b>	<b>0.81</b>	<b>0.28</b>

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

Net cash flows from operating activities	80,038,195	165,803,569
Total number of ordinary shares outstanding	172,573,843	172,573,843
<b>Net operating cash flows per share</b>	<b>0.46</b>	<b>0.96</b>

The receipts from operating activities during the first quarter of 2022 have been declined significantly due to less recovery from interest resulting from effect of Covid-19 Pandemic, less recovery from written off clients, increased payment against tax and other operating expenses.

**37 NET ASSET VALUE PER SHARE (NAV)**

	<b>2022</b>	<b>2021</b>
Net asset (total assets less total liabilities)	(865,543,908)	(722,162,600)
Total number of ordinary shares outstanding	172,573,843	172,573,843
<b>Net asset value per share (NAV)</b>	<b>(5.02)</b>	<b>(4.18)</b>

NAV for the first quarter of 2022 has been decreased from the same period of previous year due to incurring loss of about Tk. 14.34 crore during the first quarter of 2022 and this loss results from decreased interest income due to increasing non-performing loan & no new investments, decreased other investment income and other operating income.



**Union Capital Limited**  
**Notes to the financial statements**  
**As at and for the period ended 31 March 2022**

Figures in BDT

For the period ended	31-Mar-22	31-Mar-21
<b>37.a NET ASSET VALUE PER SHARE (NAV) (consolidated)</b>		
Net asset (total assets less total liabilities)	(792,200,483)	(674,019,691)
Total number of ordinary shares outstanding	172,573,843	172,573,843
<b>Net asset value per share (NAV)</b>	<b>(4.59)</b>	<b>(3.91)</b>
<b>38 (INCREASE)/DECREASE IN OTHER ASSETS</b>		
Accrued interest	391,163	2,426,965
Advance office rent	40,500	1,540,500
Advance to employees	-	18,001
Receivable from brokerage houses against sale of shares	730,539	(14,284,694)
Others	3,620,111	150,023
	<b>4,782,313</b>	<b>(10,149,205)</b>
<b>39 INCREASE/(DECREASE) IN OTHER LIABILITIES</b>		
Interest suspense	25,203,578	(2,559,628)
Financial expenses payable	72,923,660	117,171,844
Excise duty	(4,095,700)	(2,520,080)
Withholding tax payable	(281,364)	5,199,721
VAT payable	(950,167)	(745,182)
Accrued expenses and other payable	38,878,223	27,172,963
	<b>131,678,230</b>	<b>143,719,638</b>
<b>40 RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net profit after tax</b>	<b>(143,381,308)</b>	<b>(123,840,839)</b>
<b>Items not involved in cash movement:</b>		
Add: Depreciation	5,003,536	5,136,015
Add: Provision for loans and investments	7,077,606	16,472,087
Add: Provision for taxation	-	-
Add/ (Less): Accrued expenses	72,681,291	115,901,793
Add/ (Less): Accrued Income	53,459,354	11,052,305
Less: Gain on disposal of fixed assets	-	(232,811)
Add/(Less): Loss/(gain) on sale of share	(660,492)	6,193,750
Increase/(Decrease) in employee gratuity	407,463	-
Increase/(Decrease) in Deferred tax	1,171,350	3,357,242
<b>Adjustments to reconcile net profit after tax to net cash provided by operating activities</b>	<b>(4,241,200)</b>	<b>34,039,542</b>
<b>Increase/decrease in operating assets and liabilities</b>		
(Increase)/decrease in loans, advances	75,477,705	(23,235,613)
(Increase)/decrease in other assets	5,353,988	(10,954,698)
(Increase)/decrease in non-banking assets	-	-
Increase/(decrease) in term & other deposits	(54,485,966)	(189,165,504)
Increase/(decrease) in short term borrowing	(8,350,000)	91,400,000
Increase/(decrease) in payable and accrued expenses	101,157,924	149,367,411
Increase/(decrease) in income tax	(341,789)	(125,308)
Increase/(decrease) in interest suspenses	25,203,578	(2,559,628)
	<b>144,015,440</b>	<b>14,726,660</b>
<b>Net cash flows from/(used in) operating activities</b>	<b>139,774,240</b>	<b>48,766,202</b>



**Union Capital Limited**  
**Notes to the financial statements**  
**As at and for the period ended 31 March 2022**

Figures in BDT

For the period ended	31-Mar-22	31-Mar-21
<b>40.a RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES (consolidated)</b>		
<b>Net profit after tax</b>	(118,180,792)	(100,992,530)
<b>Items not involved in cash movement:</b>		
Add: Depreciation	9,494,190	9,629,011
Add: Provision for loans and investments	7,077,606	16,472,087
Add: Provision for taxation	9,287,916	11,522,266
Add/ (Less): Accrued expenses	53,073,599	124,483,252
Add/ (Less): Accrued Income	5,436,239	(35,152)
Less: Gain on disposal of fixed assets	-	(256,811)
Add/(Less): Loss/(gain) on sale of share	(5,759,935)	(17,192,059)
Increase/(Decrease) in employee gratuity	(346,592)	225,354
Increase/(Decrease) in Deferred tax	1,989,102	(5,213,543)
<b>Adjustments to reconcile net profit after tax to net cash provided by operating activities</b>	<b>(37,928,668)</b>	<b>38,641,875</b>
<b>Increase/decrease in operating assets and liabilities</b>		
(Increase)/decrease in loans, advances	(32,710,898)	(76,265,531)
(Increase)/decrease in other assets	55,837,357	5,470,494
Increase/(decrease) in term & other deposits	18,437,694	(71,993,660)
Increase/(decrease) in short term borrowing	(8,350,000)	91,400,000
Increase/(decrease) in payable and accrued expenses	68,916,322	189,063,865
Increase/(decrease) in income tax	(9,367,190)	(7,953,847)
Increase/(decrease) in interest suspenses	25,203,578	(2,559,628)
	<b>117,966,862</b>	<b>127,161,694</b>
<b>Net cash flows from/(used in) operating activities</b>	<b>80,038,195</b>	<b>165,803,569</b>

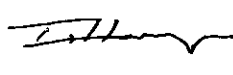
**41 RELATED PARTY TRANSACTIONS**


Union Capital in normal course of business carried out a number of transactions with other entities that fall within the definition of related party contained in International Accounting Standard 24: Related Party Disclosures. The Company extends loans/leases to related parties including its directors and related companies. These related party loans/leases were made at the competitive terms including interest rates and collateral requirements, as those offered to other customers of similar credentials. During 2022, there were no loans/leases to related parties that were charged off except Unicap Investments Limited whose interest has been stopped as per approval from the Board of Directors due to the sluggish capital market for a couple of years and financial condition of UIL.

Union Capital also takes term deposits from its related parties. The rates on the term deposits offered to them are also similar to those offered to other depositors. Total exposure with the related parties as at 31 March 2022 was as under:

Name of the related party	Relationship	Nature of transaction	31-Mar-22	31-Dec-21
Progressive Life Insurance Co. Ltd.	Father of Waqar A. Choudhury, Director, is a Director of Progressive life insurance	Term deposit	99,055,240	98,628,409
Vanguard AML BD Finance Mutual f	Common Directors	Term deposit	15,000,000	15,000,000
Vanguard AML Rupali Bank Balance	Common Directors	Term deposit	41,700,000	41,700,000
UniCap Securities Limited	Subsidiary Company	Inter-company	223,862,551	273,910,852
UniCap Investments Limited	Subsidiary Company	Inter-company	4,321,397,964	4,396,397,964

  
Chairman

  
Director

  
Managing Director & CEO (CC)

  
Company Secretary (CC)



  
Chief Financial Officer



## Annexure-A

**UNION CAPITAL LIMITED**  
**Schedule of Fixed assets including land, building, furniture and fixtures**  
**As at 31 March 2022**

Particulars	Cost			Rate of depreciation	Depreciation			Written down Value
	As at 1 <sup>st</sup> January 2022	Addition during the period/ year	Disposal/ adjustment during the period/ year		As at 1 <sup>st</sup> January 2022	Charged during the period/ year	Disposal/ adjustment during the period/ year	
<b>Freehold assets</b>								
Office space	415,891,104	-	-	2.50%	22,527,438	2,599,320	-	390,764,346
Furniture and fixtures	9,329,071	-	-	20%	6,085,229	325,968	-	2,917,874
Office decoration	18,427,353	-	-	33%	15,927,813	671,593	-	1,827,947
Electrical equipment	30,401,523	77,000	-	20%	24,843,273	583,732	-	5,051,518
Owned vehicles	10,825,597	-	-	20%	9,017,377	296,604	-	1,511,616
Software	1,840,528	-	-	20%	1,418,011	49,668	-	372,849
Mobile Phone	452,600	-	-	20%	446,877	4,275	-	1,448
Staff appliance	-	-	-	20%	-	-	-	-
<b>Leasehold assets</b>	<b>487,167,776</b>	<b>77,000</b>	<b>-</b>		<b>80,266,018</b>	<b>4,531,160</b>	<b>-</b>	<b>402,447,598</b>
Right-of-use assets	7,753,409	5,703,167	-	lease term	3,894,559	472,376	-	9,089,641
Leased vehicles	2,230,000	-	-	20%	2,229,999	-	-	1
<b>As at 31 March 2022</b>	<b>497,151,185</b>	<b>5,780,167</b>	<b>-</b>		<b>86,390,576</b>	<b>5,003,536</b>	<b>-</b>	<b>411,537,240</b>
<b>As at 31 December 2021</b>	<b>507,949,873</b>	<b>940,490</b>	<b>11,739,178</b>		<b>77,343,382</b>	<b>20,396,022</b>	<b>11,348,828</b>	<b>410,760,609</b>

**Consolidated Schedule of Fixed assets including land, building, furniture and fixtures**  
**As at 31 March 2022**

Particulars	Cost			Rate of depreciation	Depreciation			Written down Value
	As at 1 <sup>st</sup> January 2022	Addition during the period/ year	Disposal/ adjustment during the period/ year		As at 1 <sup>st</sup> January 2022	Charged during the period/ year	Disposal/ adjustment during the period/ year	
<b>Freehold assets</b>								
Office space	415,891,104	-	-	2.50%	22,527,440	2,599,320	-	390,764,344
Furniture and fixtures	13,253,488	124,270	-	20%	9,640,111	413,875	-	3,323,772
Office decoration	44,334,696	1,151,841	-	33%	41,017,324	1,123,451	-	3,345,762
Electrical equipment	48,353,876	702,404	-	20%	40,273,927	978,790	-	7,803,564
Owned vehicles	18,991,034	-	-	20%	17,093,968	351,604	-	1,545,462
Software	6,557,816	-	-	20%	5,690,523	143,475	-	723,818
Mobile Phone	512,500	-	-	20%	506,757	4,275	-	1,468
Staff appliance	-	-	-	20%	-	-	-	-
<b>Leasehold assets</b>	<b>547,894,514</b>	<b>1,978,515</b>	<b>-</b>		<b>136,750,049</b>	<b>5,614,790</b>	<b>-</b>	<b>407,508,191</b>
Right-of-use assets	52,040,087	5,703,167	-	lease term	32,841,040	3,879,400	-	21,022,814
Leased vehicles	2,230,000	-	-	20%	2,229,999	-	-	1
<b>As at 31 March 2022</b>	<b>602,164,601</b>	<b>7,681,682</b>	<b>-</b>		<b>171,821,088</b>	<b>9,494,190</b>	<b>-</b>	<b>428,531,005</b>
<b>As at 31 December 2021</b>	<b>613,467,276</b>	<b>1,801,803</b>	<b>13,104,478</b>		<b>145,656,524</b>	<b>38,491,452</b>	<b>12,326,888</b>	<b>430,343,513</b>

