



## Price Sensitive Information

This is for information of all concerned that the Board of Directors of Union Capital Limited in its 288<sup>th</sup> Meeting held on 27 April 2022 has approved the Audited Financial Statements of the Company for the year ended 31 December 2021 and taken the following decisions:

| Items             | Decision                        |
|-------------------|---------------------------------|
| Proposed Dividend | Nil                             |
| Record Date       | 29 May 2022                     |
| Date of AGM       | 17 July 2022                    |
| Venue             | Virtual AGM on digital platform |
| Time              | 11:00 a.m.                      |

The following information is published as per the regulatory requirements based on the approved Financial Statements:

| Particulars                                       | 2021         |                       | 2020         |                       |
|---|--------------|-----------------------|--------------|-----------------------|
|   | Consolidated | Union Capital Limited | Consolidated | Union Capital Limited |
| Net Profit/(Loss) After Tax (in million Tk.)      | (1,385.59)   | (1,435.88)            | (532.37)     | (498.71)              |
| Earnings Per Share (EPS) in Tk.                   | (8.03)       | (8.32)                | (3.08)       | (2.89)                |
| NAV Per Share in Tk.                              | (3.91)       | (4.18)                | 4.12         | 4.14                  |
| Net Operating Cash Flow Per Share (NOCFPS) in Tk. | (0.76)       | 0.57                  | (0.65)       | (1.14)                |

### Explanation:

- Consolidated EPS for 2021 has been decreased from previous year due to enhancing provision requirement as result of increased NPL, decreasing interest income resulting from no new disbursement & increased NPL, decreasing other operating income resulting from less recovery from written off clients; and
- NAV for 2021 has been decreased from previous year due to incurring loss of about Tk. 143 during 2021 and the main reasons for this loss are extra provision required for increased NPL, less interest income resulting from increased NPL and no new disbursement during 2021.

### Emphasis of Matter disclosed by the Auditors:

- We draw attention to Note 17.00 and Profit or Loss Account in the financial statements, which indicates that the Company incurred a net loss of Tk. 1,435,881,180 and Retained Earnings/(Loss) (2,899,798,429) during the year ended December 31, 2021 and, as of that date, the Company's total liabilities exceeded its total assets by Tk. 722,162,600 and its financial statements shown Net assets value per share (NAV) is (4.18), Earnings per share (EPS) is (8.32) and Capital adequacy ratio (CAR) is (3.05) % respectively. In connection with our audit, we have performed audit procedures to evaluate management's assumptions as to the Company's ability to continue as a going concern.
- As reference to the note # 15.00, Regulatory capital (core capital and supplementary capital) should have been maintained at Taka 1,689,825,854 as per section 4 (Gha) of the Financial Institutions Regulations 1994 (as amended) and Bangladesh Bank circular no. 05 and 08 dated 24 July 2011 and 02 August 2010 respectively of The Department of Financial Institutions and Markets (DFIM). However, the eligible capital of the company is Taka (515,159,317). The shortfall in regulatory capital of Taka 2,204,985,171 compare to minimum requirement.
- We draw attention to the Note # 5.00, which shown Fixed Deposit with Bangladesh Industrial Finance Company Limited and International Leasing and Financial Services Limited.
- We draw attention to the Note # 14.03 and Note # 14.03.01 which describes provision against Other Assets and Accrued Interest.

### Note:

- The share holders whose name shall appear in the Depository Register of the Company on the Record Date shall be entitled to attend the 24<sup>th</sup> Annual General Meeting.
- The honorable shareholders are requested kindly to update the respective BO Account with email address so that we can send the Annual Report of the Company for the year 2021 through email.
- Pursuant to Bangladesh Securities and Exchanges Commission's Order No. SEC/SRMIC/94-231/91 dated 31 March 2021, the AGM will be conducted via live webcast through digital platform.

By order of the Board  
Sd/-

**Md. Abdul Hannan**  
Manager & Company Secretary (CC)