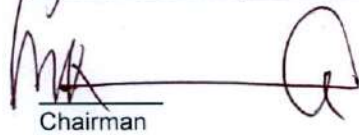


Union Capital Limited
Consolidated Financial Statements (Un-Audited)
As at and for the third quarter ended 30 September 2022

Union Capital Limited
Consolidated Balance Sheet (Un-audited) as at 30 September 2022

Figures in BDT

Particulars	Notes	30-Sep-22	31-Dec-21
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)		83,026	68,026
Balance with Bangladesh Bank and its agent bank (including foreign currencies)		95,724,785	122,943,914
	4.a	95,807,811	123,011,940
Balance with other banks and financial institutions			
In Bangladesh		1,045,799,568	1,205,184,172
Outside Bangladesh		-	-
	5.a	1,045,799,568	1,205,184,172
Money at call and short notice			
		-	-
Investments			
Government		-	-
Others		574,809,756	594,117,690
	6.a	574,809,756	594,117,690
Loans, advances and leases			
Loans, advances and leases		13,324,316,332	13,356,830,468
Bills purchased and discounted		-	-
	7.a	13,324,316,332	13,356,830,468
Fixed assets including land, building, furniture and fixtures	8.a	412,861,886	430,343,514
Other assets	9.a	682,578,651	720,490,234
Non-banking assets	10	435,539,159	519,570,004
TOTAL ASSETS		16,571,713,164	16,949,548,021
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11.a	3,279,893,318	3,617,967,788
Deposits and other accounts			
Term deposits	12.a	8,376,927,904	8,605,845,739
Other deposits	13	159,064,468	181,197,248
		8,535,992,372	8,787,042,987
Other liabilities	14.a	6,372,370,778	5,218,556,937
Total liabilities		18,188,256,468	17,623,567,712
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	(3,794,179,364)	(2,851,655,742)
Total equity attributable to equity holders of the Company		(1,616,543,535)	(674,019,913)
Non-controlling interest		232	222
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		16,571,713,164	16,949,548,021
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)	37.a	(9.37)	(3.91)


Chairman


Director


Managing Director & CEO (CC)


Company Secretary (CC)

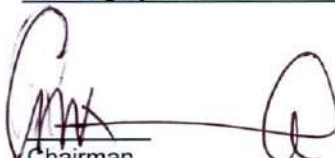

Chief Financial Officer



Union Capital Limited
Consolidated Profit and Loss Account (Un-Audited)
For the third quarter ended 30 September 2022

Figures in BDT

Particulars	Notes	30-Sep-22	30-Sep-21	Jul,22- Sep,22	Jul,21- Sep,21
Interest income	18.a	432,868,491	658,670,898	143,812,181	199,170,368
Interest paid on deposits and borrowings etc.	19.a	(679,824,688)	(851,049,206)	(188,643,100)	(300,313,410)
Net interest income		(246,956,197)	(192,378,308)	(44,830,919)	(101,143,042)
Investment income	20.a	17,485,189	66,294,387	4,004,887	27,859,693
Fees, commissions, exchange and brokerage	21.a	124,097,379	191,293,974	50,429,103	81,592,853
Other operating income	22.a	19,802,160	16,312,787	3,872,646	3,879,041
		161,384,728	273,901,148	58,306,636	113,331,587
Total operating income		(85,571,469)	81,522,840	13,475,717	12,188,545
Salaries and other employee benefits	23.a	135,543,204	117,867,514	41,666,345	40,098,066
Rent, taxes, insurance, electricity etc.	24.a	3,257,637	4,158,006	1,353,663	2,123,431
Legal expenses	25.a	1,128,826	3,357,948	750,220	480,851
Postage, stamp, telecommunication etc.	26.a	3,652,181	3,500,960	1,308,598	1,200,889
Stationery, printing, advertisements etc.	27.a	2,919,568	2,237,018	1,513,630	909,842
Managing Director's salary and fees	28	-	6,290,000	-	2,230,000
Directors' fees	29.a	181,250	130,000	108,750	55,000
Depreciation and repair of assets	30.a	27,842,218	29,030,990	8,911,040	9,136,891
Other expenses	31.a	36,736,847	42,350,538	15,599,404	16,539,568
Total operating expenses		211,261,731	208,922,974	71,211,651	72,774,537
Profit/(loss) before provision		(296,833,200)	(127,400,134)	(57,735,934)	(60,585,992)
Provision for loans, advances, leases and investments					
Provision for loans, advances and leases		605,951,318	219,417,479	67,913,149	182,576,577
Provision for diminution in value of investments		3,007,493	(5,099,485)	633,985	(16,989,745)
Total provision		608,958,811	214,317,994	68,547,134	165,586,832
Total profit/(loss) before tax		(905,792,011)	(341,718,128)	(126,283,068)	(226,172,824)
Provision for taxation					
Current tax		30,477,023	45,928,200	13,631,668	20,686,830
Deferred tax		6,254,578	6,761,303	2,048,327	1,999,220
		36,731,601	52,689,503	15,679,996	22,686,050
Net profit/(loss) after tax		(942,523,612)	(394,407,632)	(141,963,064)	(248,858,874)
Retained surplus/(loss)		(942,523,612)	(394,407,632)	(141,963,064)	(248,858,874)
Attributable to					
Shareholders of the Company		(942,523,622)	(394,407,653)	(141,963,069)	(248,858,885)
Non-controlling interest		9.9	22	4.7	10.5
Weighted average no. of outstanding share		172,573,843	172,573,843	172,573,843	172,573,843
Earnings per share	34.a	(5.46)	(2.29)	(0.82)	(1.44)


Chairman


Director


Managing Director & CEO (CC)


Company Secretary (CC)


Chief Financial Officer



Union Capital Limited

Consolidated Cash Flow Statement (Un-audited) for the third quarter ended 30 September 2022

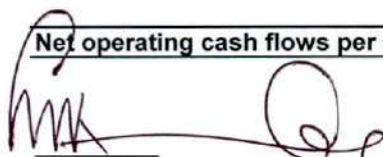
Figures in BDT

Particulars	30-Sep-22	30-Sep-21
Cash flows from operating activities		
Interest receipts	412,552,582	497,030,505
Interest payments	(398,128,525)	(613,566,199)
Fee and commission receipts	123,521,020	191,103,926
Recoveries of loans previously written off	18,524,218	15,196,544
Dividend receipts	15,360,553	16,108,619
Cash payments to employees	(134,672,652)	(129,224,936)
Cash payments to suppliers and management expenses	(12,169,895)	(15,892,711)
Income taxes paid	(25,581,231)	(34,366,523)
Receipts from other operating activities	1,854,301	1,306,291
Payments for other operating activities	(36,736,847)	(42,350,538)
Cash generated before changes in operating assets and liabilities	(35,476,477)	(114,655,022)
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	(252,501,753)	(362,803,126)
Other assets	127,695,342	(147,628,551)
Deposits from banks and other financial institutions	14,922,575	(69,162,848)
Deposits from customers	(265,973,190)	(8,472,009)
Net draw down/(payment) of short term loan	(29,040,283)	16,032,965
Other liabilities	546,009,945	616,426,312
Cash generated from operating assets and liabilities	141,112,636	44,392,743
Net cash generated from/(used in) operating activities	105,636,158	(70,262,278)
Cash flows from investing activities		
Proceeds from sale of securities	276,912,908	810,664,994
Payments for purchases of securities	(246,452,008)	(656,171,522)
Purchase of property, plant and equipment	(13,651,604)	(13,108,286)
Proceeds from sale of property, plant and equipment	-	647,161
Net cash generated from/(used in) investing activities	16,809,296	142,032,346
Cash flows from financing activities		
Receipts of long term loan	-	40,000,000
Repayment of long term loan	(309,034,187)	(123,791,395)
Net cash generated from/(used in) financing activities	(309,034,187)	(83,791,395)
Net (decrease)/increase in cash and cash equivalents	(186,588,733)	(12,021,327)
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the third quarter	1,328,196,112	1,204,026,101
Cash and cash equivalents at end of the third quarter	1,141,607,379	1,192,004,774

Cash and cash equivalents at end of the third quarter represents

Cash in hand	83,026	68,026
Balance with Bangladesh Bank and its agent bank	95,724,785	98,387,420
Balance with other banks and financial institutions	1,045,799,568	1,093,549,328
	1,141,607,379	1,192,004,774

Net operating cash flows per share	36.a	0.61	(0.41)
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Chairman


Director


Managing Director & CEO (CC)


Company Secretary (CC)




Chief Financial Officer

Union Capital Limited

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

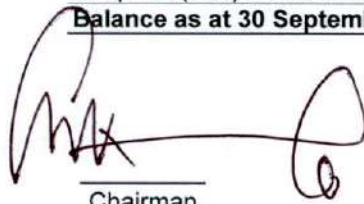
For the third quarter ended 30 September 2022

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 third quarter 2022	-	-	(942,523,622)	10	(942,523,612)
Balance as at 30 September 2022	1,725,738,430	451,897,399	(3,794,179,364)	232	(1,616,543,304)

For the third quarter ended 30 September 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 third quarter 2021	-	-	(394,407,653)	22	(394,407,631)
Balance as at 30 September 2021	1,725,738,430	451,897,399	(1,860,474,214)	233	317,161,848



Chairman



Director



Managing Director & CEO (CC)



Company Secretary (CC)

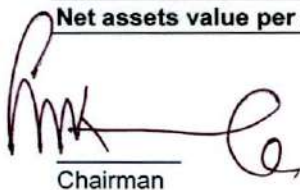



Chief Financial Officer

Union Capital Limited
Balance Sheet (Un-audited) as at 30 September 2022

Figures in BDT

Particulars	Notes	30-Sep-22	31-Dec-21
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	95,724,785	122,943,914
		95,758,785	122,977,914
Balance with other banks and financial institutions			
In Bangladesh		981,518,373	920,731,798
Outside Bangladesh	5	-	-
		981,518,373	920,731,798
Money at call and short notice			
		-	-
Investments			
Government		-	-
Others	6	38,219,583	47,410,131
		38,219,583	47,410,131
Loans, advances and leases			
Loans, advances and leases		11,448,762,113	11,712,581,595
Bills purchased and discounted	7	-	-
		11,448,762,113	11,712,581,595
Fixed assets including land, building, furniture and fixtures			
	8	403,377,799	410,760,609
Other assets			
	9	1,237,067,406	1,238,199,680
Non-banking assets			
	10	435,539,159	519,570,004
TOTAL ASSETS		14,640,243,218	14,972,231,731
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	3,146,956,489	3,415,706,133
Deposits and other accounts			
Term deposits	12	8,376,927,904	8,605,845,739
Other deposits	13	159,064,468	181,197,248
		8,535,992,372	8,787,042,987
Other liabilities	14	4,662,865,291	3,491,645,211
Total liabilities		16,345,814,152	15,694,394,331
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	(3,883,206,763)	(2,899,798,429)
Total shareholders' equity		(1,705,570,934)	(722,162,600)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		14,640,243,218	14,972,231,731
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)	37	(9.88)	(4.18)


Chairman


Director


Managing Director & CEO (CC)


Company Secretary (CC)

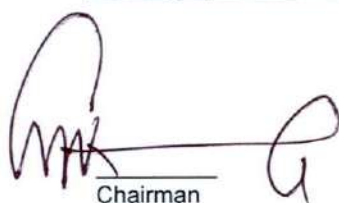



Chief Financial Officer

Union Capital Limited
Profit and Loss Account (Un-Audited)
For the third quarter ended 30 September 2022

Figures in BDT

Particulars	Notes	30-Sep-22	30-Sep-21	Jul,22- Sep,22	Jul,21- Sep,21
Interest income	18	367,393,014	624,944,240	121,616,241	186,550,338
Interest paid on deposits and borrowings etc.	19	(654,920,121)	(816,665,732)	(179,936,989)	(287,839,267)
Net interest income		(287,527,107)	(191,721,492)	(58,320,748)	(101,288,929)
Investment income	20	3,518,165	968,593	125,373	5,655,769
Fees, commissions, exchange and brokerage	21	763,606	338,868	52,775	185,485
Other operating income	22	18,524,218	15,429,355	3,048,594	2,917,732
		22,805,989	16,736,816	3,226,742	8,758,986
Total operating income		(264,721,118)	(174,984,676)	(55,094,006)	(92,529,943)
Salaries and other employee benefits	23	69,340,137	64,637,319	22,080,458	21,760,979
Rent, taxes, insurance, electricity etc.	24	1,775,424	2,625,697	786,427	1,496,482
Legal expenses	25	1,006,748	3,342,948	628,142	465,851
Postage, stamp, telecommunication etc.	26	1,029,633	1,063,523	358,886	354,651
Stationery, printing, advertisements etc.	27	1,437,574	1,203,204	725,497	550,409
Managing Director's salary and fees	28	-	6,290,000	-	2,230,000
Directors' fees	29	150,000	105,000	90,000	30,000
Depreciation and repair of assets	30	14,809,330	15,375,499	4,894,254	5,109,859
Other expenses	31	15,580,328	13,909,528	7,982,256	5,213,622
Total operating expenses		105,129,174	108,552,718	37,545,920	37,211,853
Profit/(loss) before provision		(369,850,292)	(283,537,394)	(92,639,926)	(129,741,796)
Provision for loans, advances, leases and investments					
Provision for loans, advances and leases		605,951,318	202,427,734	67,913,149	165,586,832
Provision for diminution in value of investments		3,007,493	(1,437,021)	633,985	-
Total provision		608,958,811	200,990,713	68,547,134	165,586,832
Total profit/(loss) before tax		(978,809,103)	(484,528,107)	(161,187,060)	(295,328,628)
Provision for taxation					
Current tax		-	-	-	-
Deferred tax		4,599,231	7,272,177	1,547,375	2,058,444
		4,599,231	7,272,177	1,547,375	2,058,444
Net profit/(loss) after tax		(983,408,334)	(491,800,284)	(162,734,435)	(297,387,072)
Retained surplus/(loss)		(983,408,334)	(491,800,284)	(162,734,435)	(297,387,072)
Weighted average no. of outstanding share		172,573,843	172,573,843	172,573,843	172,573,843
Earnings per share	34	(5.70)	(2.85)	(0.94)	(1.72)


Chairman


Director



Managing Director & CEO (CC)


Company Secretary (CC)



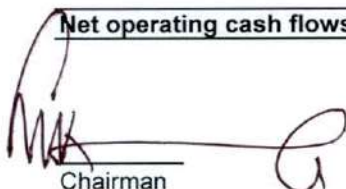

Chief Financial Officer

Union Capital Limited

Cash Flow Statement (Un-audited) for the third quarter ended 30 September 2022

Figures in BDT

Particulars	Notes	30-Sep-22	30-Sep-21
Cash flows from operating activities			
Interest receipts		347,077,105	489,803,846
Interest payments		(375,529,283)	(573,081,855)
Fee and commission receipts		187,247	148,820
Recoveries of loans previously written off		18,524,218	15,196,544
Dividend receipts		2,657,530	1,213,989
Cash payments to employees		(67,330,577)	(75,933,530)
Cash payments to suppliers and management expenses		(7,284,298)	(11,218,659)
Income taxes paid		(3,038,065)	(1,073,193)
Receipts from other operating activities	32	576,359	190,048
Payments for other operating activities	33	(15,580,328)	(13,909,528)
Cash generated before changes in operating assets and liabilities		(99,740,092)	(168,663,519)
Increase/decrease in operating assets and liabilities			
Loans, advances and leases to customers		(880,420)	(123,764,785)
Other assets	38	84,564,799	(2,229,048)
Deposits from banks and other financial institutions		14,922,575	(69,162,848)
Deposits from customers		(265,973,190)	(8,472,009)
Net draw down/(payment) of short term loan		(29,040,283)	16,032,965
Other liabilities	39	560,701,378	354,986,577
Cash generated from operating assets and liabilities		364,294,859	167,390,852
Net cash generated from/(used in) operating activities		264,554,767	(1,272,667)
Cash flows from investing activities			
Proceeds from sale of securities		32,551,826	126,615,318
Payments for purchases of securities		(21,902,323)	(124,504,918)
Purchase of property, plant and equipment		(1,927,463)	(3,509,648)
Proceeds from sale of property, plant and equipment		-	623,161
Net cash used in investing activities		8,722,040	(776,087)
Cash flows from financing activities			
Receipts of long term loan		-	-
Repayment of long term loan		(239,709,361)	16,317,980
Net cash generated from/(used in) financing activities		(239,709,361)	16,317,980
Net (decrease)/increase in cash and cash equivalents		33,567,446	14,269,226
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the third quarter		1,043,709,712	968,258,353
Cash and cash equivalents at end of the third quarter		1,077,277,158	982,527,579
Cash and cash equivalents at end of the third quarter represents			
Cash in hand		34,000	34,000
Balance with Bangladesh Bank and its agent bank		95,724,785	98,387,420
Balance with other banks and financial institutions		981,518,373	884,106,159
		1,077,277,158	982,527,579
Net operating cash flows per share	36	1.53	(0.01)


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 third quarter ended 30 September 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 third quarter 2022	-	-	(983,408,334)	(983,408,334)
Balance as at 30 September 2022	1,725,738,430	451,897,399	(3,883,206,763)	(1,705,570,934)

For the third quarter ended 30 September 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 third quarter 2021	-	-	(491,800,284)	(491,800,284)
Balance as at 30 September 2021	1,725,738,430	451,897,399	(1,955,717,533)	221,918,296


 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 third quarter ended 30 September 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 third 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 third quarter ended 30 September 2022 and profit for the same period. The number of shares outstanding for the period was 172.57 million. Earnings per share for the third quarter ended 30 Septemebr 2021 has also been calculated based on 172.57 million shares.

EPS for the period ended 30 September 2022 has been decreased from the same period of previous year due to i) decreasing interest income resulting from increased non-performing loans and ii) increasing provision requirement for increased non-performing loans.

3.4 Net assets value per share (NAV)

During the third quarter ended 30 September 2022, NAV stands at BDT (9.37) per share which was BDT (3.91) as at 31 December 2021. NAV as at 30 September 2022 has been decreased from the 31 December 2021 due to incurring consolidated net loss after tax of Tk.94.25 crore which has reduced net assets value by the same amount as at 30 September 2022.

3.5 Date of authorization

The Board of Directors has authorized these financial statements for public issue on 25 October 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 30 September 2022

Figures in BDT

As at	30-Sep-22	31-Dec-21
4 CASH		
In hand		
Local currency	34,000	34,000
Foreign currencies	-	-
	34,000	34,000
Balance with Bangladesh Bank		
Local currency	95,724,785	122,943,914
Foreign currencies	-	-
	95,724,785	122,943,914
Balance as at 30 September	95,758,785	122,977,914
4.a CASH (Consolidated)		
In hand		
Union Capital Ltd.	34,000	34,000
UniCap Securities Ltd.	40,000	25,000
UniCap Investments Ltd.	9,026	9,026
	83,026	68,026
Balance with Bangladesh Bank		
Union Capital Ltd.	95,724,785	122,943,914
UniCap Securities Ltd.	-	-
UniCap Investments Ltd.	-	-
	95,724,785	122,943,914
Balance as at 30 September	95,807,811	123,011,940
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	209,975,556	186,251,367
International Leasing and Financial Services Ltd.	747,244,201	668,428,489
Community Bank Bangladesh Limited	2,324,000	2,324,000
	959,543,757	857,003,856
Current account		
Bank Alfalah Limited, Gulshan Branch	256	601
Agrani Bank Limited, Panthpath Branch	217,790	1,218,135
Bank Asia Limited, Bashundhara Branch	6,372	6,717
BASIC Bank Limited, Shantinagar Branch	1	1
Dhaka Bank Limited, Kakrail Branch	5,608,815	1,929,240
Midland Bank Ltd, Gulshan Branch	4,352	142
Modhumoti Bank Limited, Dhanmondi Branch	94,540	1,124,173
National Credit and Commerce Bank Ltd., Banani Branch	36,198	36,342
NRB Bank Limited, Corporate Branch	33,012	33,357
Shahjalal Islami Bank Limited, Elephant Road Branch	783	-
Shahjalal Islami Bank Limited, Gulshan Branch	2,238	2,583
Social Islami Bank Limited, Eskaton Branch	425,579	426,629
Southeast Bank Limited, Mirpur Branch	9,411	9,411
Southeast Bank Limited, Satmosjid Road Branch	-	285
Sonali Bank Limited Sonargaon Road Branch	194,230	194,230
United Commercial Bank Limited, New Eskaton Branch	2,957,487	4,756,308
WooriBank-Dhaka Branch	78,695	5,417
Uttara Bank Limited, Local Office	13,785	13,785
	9,683,999	9,757,356



Union Capital Limited

Notes to the financial statements

As at and for the period ended 30 September 2022

Figures in BDT

As at	30-Sep-22	31-Dec-21
Short term deposit		
Community Bank BD Limited, Gulshan Branch	4,149	4,149
Bank Asia Limited, Corporate Branch	253,271	824,291
Bank Asia Limited, Corporate Branch	13,684	1,121,215
Bank Asia Limited, Gulshan Branch	74,896	74,511
Dhaka Bank Limited, Local Office	114,623	1,538,452
Dhaka Bank Limited, Kakrail Branch	309,488	2,498,620
Dutch Bangla Bank Limited, Karwan Bazar Branch	29,666	33,578
Dutch Bangla Bank Limited, Karwan Bazar Branch	1,528,007	25,596,965
IFIC Bank Limited, Gulshan Branch	9,447,129	16,167,425
Jamuna Bank Limited, Sonargaon Road Branch	5,545	6,071
Modhumoti Bank Limited, Banglamotor-Branch	48,763	48,895
AB Bank Limited, Gulshan Branch	47,375	346,850
Mutual Trust Bank Limited, Principal Branch	23,681	24,120
Southeast Bank Limited, Islamic Banking Branch	3,059	3,610
Southeast Bank Limited, R k Mission Road Branch	387,281	5,681,834
	12,290,617	53,970,586
Balance as at 30 September	981,518,373	920,731,798

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

Union Capital Ltd.	981,518,373	920,731,798
UniCap Securities Ltd.	29,025,763	240,698,517
UniCap Investments Ltd.	35,255,432	43,753,857
	1,045,799,568	1,205,184,172
Less: Inter-company transactions	-	-
Balance as at 30 September	1,045,799,568	1,205,184,172

6 INVESTMENTS

The investment is made up as under:

Government securities	-	-
Other investments	38,219,583	47,410,131
Balance as at 30 September	38,219,583	47,410,131

This represents investment made by the Company in listed securities.

6.a INVESTMENTS (consolidated)

Union Capital Ltd.	38,219,583	47,410,131
UniCap Securities Ltd.	262,617,141	272,323,814
UniCap Investments Ltd.	273,973,032	274,383,744
Balance as at 30 September	574,809,756	594,117,690

7 LOANS, ADVANCES AND LEASES

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

Lease finance	1,406,258,231	1,465,296,333
Term finance	5,581,238,732	5,482,975,074
Home loan	251,699,478	251,699,478
Loan to subsidiaries	4,191,069,632	4,491,676,875
Loan against deposits	15,259,811	15,879,811
Staff loan	3,236,229	5,054,024
Balance as at 30 September	11,448,762,113	11,712,581,595



Union Capital Limited

Notes to the financial statements

As at and for the period ended 30 September 2022

Figures in BDT

As at	30-Sep-22	31-Dec-21
7.a LOANS, ADVANCES AND LEASES (consolidated)		
Union Capital Ltd.	11,448,762,113	11,712,581,595
UniCap Securities Ltd.	815,245,989	659,804,864
UniCap Investments Ltd.	5,251,377,862	5,476,120,885
	17,515,385,964	17,848,507,343
Less: Inter-company transactions	4,191,069,632	4,491,676,875
Balance as at 30 September	13,324,316,332	13,356,830,468

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	9,399,802	3,858,850
Intangible assets (software)	2,310,528	1,840,528
Mobile phones	452,600	452,600
Total cost	499,344,578	493,256,626
Less: Accumulated depreciation and amortization	95,966,779	82,496,017
Written down value as at 30 September	403,377,799	410,760,609

Details are shown in **Annexure - A**

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

Union Capital Ltd.	403,377,799	410,760,609
UniCap Securities Ltd.	8,094,086	15,892,967
UniCap Investments Ltd.	1,390,001	3,689,938
Balance as at 30 September	412,861,886	430,343,514

9 OTHER ASSETS

Investment in subsidiary	997,498,641	997,498,641
Accrued interest	13,148,095	16,535,781
Others	33,661,254	33,966,316
Income generating other assets	1,044,307,990	1,048,000,738
Advance office rent	2,228,354	1,849,854
Advance to employees	705,905	665,905
Deposits with T & T, water etc.	134,000	84,000
Receivable from brokerage house against sale of shares	7,625,044	1,864,820
Transfer price receivable	1,287,376	1,287,376
Process Sharing receivable	178,631,941	178,631,941
Others	2,146,796	5,815,046
Non income generating other assets	192,759,416	190,198,942
Balance as at 30 September	1,237,067,406	1,238,199,680

Management considers all the other assets as good.

9.1.a Deferred tax asset (consolidated)

Union Capital Limited	-	-
UniCap Securities Limited	6,174,666	7,996,148
UniCap Investments Limited	496,713	50,179
Balance as at 30 September	6,671,380	8,046,328



Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 September 2022

Figures in BDT

As at	30-Sep-22	31-Dec-21
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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	393,977,996	2,989,172	804,770
		Tax base	304,018,121	16,158,940	2,245,375
	ROU	Carrying amount	9,399,802	5,104,915	585,232
Liabilities	Employee gratuity fund	Carrying amount	-	12,163,077	-
		Tax base	-	-	-
	Lease obligation	Carrying amount	9,541,317	2,225,402	469,196
			(89,818,360)	22,453,332	1,324,569
Applicable tax rate			37.50%	27.50%	37.50%
Deferred tax assets/(liabilities) as on September 30,2022			(33,681,877)	6,174,666	496,713
Deferred tax assets/(Liabilities) as on December 31,2021			(29,082,646)	7,952,335	374,392
Deferred tax expense/(income) during the period			4,599,231	1,777,669	(122,321)

9.a OTHER ASSETS (consolidated)

Union Capital Ltd.	1,237,067,406	1,238,199,680
UniCap Securities Ltd.	484,036,049	513,060,059
UniCap Investments Ltd.	420,812,423	393,246,818
	2,141,915,878	2,144,506,556
Less: Inter-company transactions	1,459,337,227	1,424,016,323
Balance as at 30 September	682,578,651	720,490,234

10 NON-BANKING ASSETS

Non-banking assets	435,539,159	519,570,004
Total	435,539,159	519,570,004

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	2,289,883,762	2,377,391,835
Preference share	37,000,000	47,500,000
	2,326,883,762	2,424,891,835
Bangladesh Bank (Small Enterprise refinancing scheme-JICA)	13,283,716	25,323,015
Bangladesh Bank (Women entrepreneur refinance scheme)	1,575,000	2,625,000
Bangladesh Bank (Small Enterprise refinancing scheme-DP2)	500,000	1,008,333
Bangladesh Bank (Renewable energy and environment friendly sector)	66,614,011	72,165,179
Short term borrowing and call loan	738,100,000	889,692,771
	820,072,727	990,814,298
	3,146,956,489	3,415,706,133
Outside Bangladesh	-	-
Balance as at 30 September	3,146,956,489	3,415,706,133



Union Capital Limited

Notes to the financial statements

As at and for the period ended 30 September 2022

Figures in BDT

As at	30-Sep-22	31-Dec-21
11.a Borrowings from other banks, financial institutions and agents (consolidated)		
Union Capital Limited	3,146,956,489	3,415,706,133
UniCap Securities Limited	294,403,847	418,555,368
UniCap Investments Limited	3,333,134,412	3,444,269,683
	6,774,494,748	7,278,531,184
Less: Inter-company transactions	3,494,601,430	3,660,563,396
Balance as at 30 September	3,279,893,318	3,617,967,788
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	3,289,621,116	3,274,698,541
Other institutions	4,326,590,386	4,463,485,061
Total institutional deposits	7,616,211,502	7,738,183,602
Term deposit	536,982,377	620,862,599
Income deposit	215,924,285	235,822,738
Monthly savings scheme	7,809,740	10,976,800
Total individual deposits	760,716,402	867,662,137
Balance as at 30 September	8,376,927,904	8,605,845,739
12.a Term deposits (consolidated)		
Union Capital Limited	8,376,927,904	8,605,845,739
UniCap Securities Limited	-	-
UniCap Investments Limited	-	-
	8,376,927,904	8,605,845,739
Less: Inter-company transactions	-	-
Balance as at 30 September	8,376,927,904	8,605,845,739
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	48,783,301	79,088,490
Term finance advance	73,135,486	61,696,598
Cash security	37,145,681	40,412,160
Balance as at 30 September	159,064,468	181,197,248
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	1,699,635,939	1,093,606,121
Provision for diminution in value of investments	3,007,493	-
Provision for other assets and accrued interest	84,747,032	84,747,032
Special provision	146,489,110	146,568,885
Interest suspense	751,428,580	468,785,275
Provision for tax	88,703,848	91,741,913
Deferred tax liabilities	33,681,877	29,082,646
Financial expenses payable	1,319,999,893	1,040,609,055
Lease liability	9,541,317	4,086,748
Deferred liability-employee gratuity	17,275,287	15,250,227
Dividend on preference shares	34,007,492	30,290,199
Excise duty	316,870	4,536,370
Withholding tax payable	2,116,990	3,791,625
VAT payable	257,991	1,050,222
Accrued expenses and other payable (note 14.1)	471,655,572	477,498,893
Balance as at 30 September	4,662,865,291	3,491,645,211



Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 September 2022

Figures in BDT

As at	30-Sep-22	31-Dec-21
14.1 Accrued expenses and other payable		
Management expenses	3,244,830	5,073,761
Unclaim dividend account (note 14.1.1)	6,926	6,926
Payable for purchase of assets	51,795,925	51,822,925
Others payables (suspended interest)	434,551,294	420,595,281
Balance as at 30 September	489,598,975	477,498,893

14.1.1 Unclaim dividend account

Year	Stock dividend in number	Fractional Dividend
2018 Fractional dividend	379	6,926
Balance as at 30 September	379	6,926

14.a OTHER LIABILITIES (consolidated)

Union Capital Limited	4,662,865,291	3,491,645,211
UniCap Securities Limited	809,590,817	799,944,798
UniCap Investments Limited	2,058,221,458	2,184,598,088
	7,530,677,566	6,476,188,098
Less: Inter-company transactions	1,158,306,788	1,257,631,161
Balance as at 30 September	6,372,370,778	5,218,556,937

15 Share capital

As at 30 September 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:

Authorized capital

200,000,000 ordinary shares of Tk. 10 each 2,000,000,000 2,000,000,000

Issued, subscribed and paid up capital:

172,573,843 ordinary shares of Tk.10 each 1,725,738,430 1,725,738,430

bonus shares - -

Total 172,573,843 1,725,738,430 1,725,738,430

16 STATUTORY RESERVE

Balance as on 1 January 451,897,399 451,897,399

Add: Transferred from profit during the year - -

Balance as at 30 September 451,897,399 451,897,399

17 Retained earnings/(loss)

Balance as on 1 January (2,899,798,429) (1,463,917,249)

Add: Profit/(loss) after tax during the period (983,408,334) (1,435,881,180)

Balance as at 30 September (3,883,206,763) (2,899,798,429)

17.a RETAINED EARNINGS/(loss) (consolidated)

Balance as on 1 January (2,851,655,742) (1,466,066,561)

Add: Profit/(loss) after tax during the period (942,523,622) (1,385,589,182)

Balance as at 30 September (3,794,179,364) (2,851,655,742)



Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 September 2022

Figures in BDT

For the period ended	30-Sep-22	30-Sep-21
18 INTEREST INCOME		
Income from lease finance	59,065,215	108,789,860
Income from term finance	281,601,077	475,343,623
Interest on loan to subsidiaries	24,392,757	39,026,478
Interest on bank deposits	2,215,870	1,494,997
Income form other finance	118,095	289,282
Total	367,393,014	624,944,240

18.a INTEREST INCOME (consolidated)

Union Capital Limited	367,393,014	624,944,240
UniCap Securities Limited	44,678,507	40,511,629
UniCap Investments Limited	45,189,727	32,241,508
	457,261,248	697,697,376
Less: Inter-company transactions	24,392,757	39,026,478
	432,868,491	658,670,898

19 INTEREST PAID ON DEPOSITS, BORROWINGS, etc.

Interest on bank loan	131,623,486	197,359,272
Interest on JICA fund	660,571	1,721,158
Interest on Agriculture refinance fund	-	4,931
Interest on women entrepreneur fund	85,250	151,748
Interest on SMEDP2 fund	8,472	45,350
Interest on financing brick kiln efficiency project	2,559,943	2,892,705
Interest on term deposits	467,923,630	549,385,355
Interest on money at call & short notice	46,294,295	54,924,039
Interest on cash security deposit	1,665,497	2,707,215
Interest on preference share	3,717,293	6,649,658
Bank charges	143,845	528,096
Interest on lease rent	237,839	296,205
Total	654,920,121	816,665,732

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

Union Capital Limited	654,920,121	816,665,732
UniCap Securities Limited	43,802,916	64,885,755
UniCap Investments Limited	5,494,408	8,524,197
	704,217,445	890,075,684
Less: Inter-company transactions	24,392,757	39,026,478
	679,824,688	851,049,206

20 INVESTMENT INCOME

Capital gain/(loss) on sale of securities	1,458,955	(245,396)
Dividend income	2,059,210	1,213,989
Total	3,518,165	968,593

20.a INVESTMENT INCOME (consolidated)

Union Capital Limited	3,518,165	968,593
UniCap Securities Limited	6,601,297	44,511,770
UniCap Investments Limited	7,365,727	20,814,024
	17,485,189	66,294,387
Less: Inter-company transactions	-	-
	17,485,189	66,294,387



Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 September 2022

Figures in BDT

For the period ended	30-Sep-22	30-Sep-21
21 FEES, COMMISSIONS, EXCHANGE AND BROKERAGE		
Processing and documentation fees	187,247	148,820
Renewals and proceeds	576,359	190,048
Total	763,606	338,868

21.a FEES, COMMISSIONS, EXCHANGE AND BROKERAGE (consolidated)

Union Capital Limited	763,606	338,868
UniCap Securities Limited	107,516,955	159,553,724
UniCap Investments Limited	15,816,818	31,401,382
Total	124,097,379	191,293,974

22 OTHER OPERATING INCOME

Gain/(loss) on sale of fixed assets	-	232,811
Recoveries of loans written off	18,524,218	15,196,544
Total	18,524,218	15,429,355

22.a OTHER OPERATING INCOME (consolidated)

Union Capital Limited	18,524,218	15,429,355
UniCap Securities Limited	1,014,649	568,432
UniCap Investments Limited	263,293	315,000
Total	19,802,160	16,312,787
Less: Inter-company transactions	-	-
Total	19,802,160	16,312,787

23 SALARIES AND OTHER EMPLOYEE BENEFITS

Salaries & allowances	69,340,137	64,637,319
Total	69,340,137	64,637,319

23.a SALARIES AND OTHER EMPLOYEE BENEFITS (consolidated)

Union Capital Limited	69,340,137	64,637,319
UniCap Securities Limited	51,277,314	42,000,751
UniCap Investments Limited	14,925,753	11,229,444
Total	135,543,204	117,867,514

24 RENT, TAXES, INSURANCE, ELECTRICITY etc.

Office rent, rates and taxes	-	233,918
Insurance	439,696	1,275,158
Power and electricity	1,335,728	1,116,621
Total	1,775,424	2,625,697

24.1 DISCLOSURE RELATED TO RENT, RATE AND TAXES:

Actual rent expenses	1,094,766	1,844,213
Less: Reclassification of rent expenses (as per IFRS 16:)	1,094,766	1,610,295
Total	-	233,918

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 30 September 2022

Figures in BDT

For the period ended	30-Sep-22	30-Sep-21
24.a RENT, TAXES, INSURANCE, ELECTRICITY etc. (consolidated)		
Union Capital Limited	1,775,424	2,625,697
UniCap Securities Limited	1,069,444	993,415
UniCap Investments Limited	412,769	538,894
Total	3,257,637	4,158,006
24.a.1 DISCLOSURE RELATED TO RENT, RATE AND TAXES:		
Actual rent , taxes, insurance, electricity		
Union Capital Limited	2,870,190	4,235,992
UniCap Securities Limited	7,912,586	11,118,375
UniCap Investments Limited	1,883,185	2,744,518
Less: Reclassification of rent expenses (as per IFRS 16:)		
Union Capital Limited	1,094,766	1,610,295
UniCap Securities Limited	6,843,142	10,124,960
UniCap Investments Limited	1,470,416	2,205,624
Total	3,257,637	4,158,006
25 LEGAL EXPENSES		
Court fees	-	649,500
Professional Fees	1,006,748	2,693,448
Total	1,006,748	3,342,948
25.a LEGAL EXPENSES (consolidated)		
Union Capital Limited	1,006,748	3,342,948
UniCap Securities Limited	-	-
UniCap Investments Limited	122,078	15,000
Total	1,128,826	3,357,948
26 POSTAGE, STAMP, TELECOMMUNICATION etc.		
Postage	50,042	53,585
Telegram, telex, fax and e-mail	598,219	539,820
Telephone - office	381,372	470,118
Total	1,029,633	1,063,523
26.a POSTAGE, STAMP, TELECOMMUNICATION etc. (consolidated)		
Union Capital Limited	1,029,633	1,063,523
UniCap Securities Limited	2,207,530	1,984,000
UniCap Investments Limited	415,018	453,438
Total	3,652,181	3,500,960
27 STATIONERY, PRINTING, ADVERTISEMENTS etc.		
Printing and stationery	746,069	574,255
Advertisement	691,505	617,017
Publicity	-	11,932.00
Total	1,437,574	1,203,204
27.a STATIONERY, PRINTING, ADVERTISEMENTS etc.(consolidated)		
Union Capital Limited	1,437,574	1,203,204
UniCap Securities Limited	1,300,467	899,168
UniCap Investments Limited	181,527	134,646
Total	2,919,568	2,237,018



Union Capital Limited
Notes to the financial statements
As at and for the period ended 30 September 2022

Figures in BDT

For the period ended	30-Sep-22	30-Sep-21
28 MANAGING DIRECTOR'S SALARY AND FEES	-	6,290,000

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

29 DIRECTORS' FEES

Total fees paid	150,000	105,000
Total	150,000	105,000

29.a DIRECTORS' FEES (consolidated)

Union Capital Limited	150,000	105,000
UniCap Securities Limited	18,750	12,500
UniCap Investments Limited	12,500	12,500
Total	181,250	130,000

30 DEPRECIATION AND REPAIR OF ASSETS

Depreciation of fixed assets-freehold	13,333,135	13,711,597
Depreciation of right-of-use assets	1,267,080	1,460,460
Amortization of intangible assets	137,627	142,336
Repairs and maintenance of assets	71,488	61,106
Total	14,809,330	15,375,499

30.a DEPRECIATION AND REPAIR OF ASSETS (consolidated)

Union Capital Limited	14,809,330	15,375,499
UniCap Securities Limited	9,875,266	10,015,252
UniCap Investments Limited	3,157,622	3,640,239
Total	27,842,218	29,030,990

31 OTHER EXPENSES

HR development	-	2,556
Travelling and conveyance	1,722,455	3,000,172
Office expenses	6,774,303	3,470,023
Motor vehicle fuel expenses	424,403	573,927
Motor vehicle spare part expenses	578,285	250,652
Subscription and fees	2,002,632	1,791,603
Books, magazines, newspapers, etc	9,160	1,987
AGM expenses	272,130	306,362
Entertainment and public relation & others	308,221	128,001
Staff Welfare	3,488,739	4,384,245
Total	15,580,328	13,909,528

31.a OTHER EXPENSES (consolidated)

Union Capital Limited	15,580,328	13,909,528
UniCap Securities Limited	19,967,740	26,949,932
UniCap Investments Limited	1,188,779	1,491,078
	36,736,847	42,350,538
Less: Inter-company transactions	-	-
Total	36,736,847	42,350,538

32 RECEIPTS FROM OTHER OPERATING ACTIVITIES

Renewals and proceeds	576,359	190,048
Total	576,359	190,048



Union Capital Limited
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Figures in BDT

For the period ended	30-Sep-22	30-Sep-21
33 PAYMENTS FOR OTHER OPERATING ACTIVITIES		
HR development	-	2,556
Travelling and conveyance	1,722,455	3,000,172
Motor vehicle expenses	1,002,688	824,579
Subscription and fees	2,002,632	1,791,603
Office expenses	6,774,303	3,470,023
Books, magazines, newspapers, etc	9,160	1,987
Entertainment and public relation & staff welfare	3,796,960	4,512,246
Total	15,580,328	13,909,528

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 third quarter ended 30 September 2022 has been decreased from the same period of previous year due to decreasing interest income resulting from increased non-performing loans and increasing provision requirement for increased non-performing loans.

Profits attributable to ordinary shareholders

Net profit for the period	(983,408,334)	(491,800,284)
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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	(5.70)	(2.85)
Earnings per share	(5.70)	(2.85)

34.a EARNINGS PER SHARE (consolidated)

Profits attributable to ordinary shareholders

Net profit for the period (consolidated)	(942,523,622)	(394,407,653)
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Consolidated EPS for the half-year of 2022 has been decreased from the same period of previous year due to decreasing interest income resulting from increased non-performing loans, decreasing income from fees, commission, exchange & brokerage because of downward trend of capital market and increasing provision requirement for increased non-performing loans.

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	(5.46)	(2.29)
Earnings per share- consolidated	(5.46)	(2.29)



Union Capital Limited
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For the period ended	30-Sep-22	30-Sep-21
35 AVERAGE EFFECTIVE TAX RATE		
The average effective tax rate is calculated below as per International Accounting Standard (IAS) 12: <i>Income Taxes</i> .		
	2022	2021
Tax expenses	4,599,231	7,272,177
Accounting profit before tax	(978,809,103)	(484,528,107)
Average effective tax rate	-0.47%	-1.50%

35.1 RECONCILIATION OF EFFECTIVE TAX RATE

	2022	2021
Profit/(loss) before income tax as per profit & loss account	(978,809,103)	(484,528,107)
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	-0.47%	7,272,177
Reported average effective tax rate & total tax expenses	-0.47%	7,272,177

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	36,731,601	52,689,503
Accounting profit before tax	(905,792,011)	(341,718,128)
Average effective tax rate	-4.06%	-15.42%

35.a.1 RECONCILIATION OF EFFECTIVE TAX RATE

	2022	2021
Profit/(loss) before income tax as per profit & loss account	(905,792,011)	(341,718,128)
Income tax as per applicable tax rate	35.83%	-
Net inadmissible expenses (including prior years' adjustments)	-1.43%	(20,366,187)
Tax saving from reduced tax rates (from 0% to 20% for exempted investments income, dividend income, capital gains, etc.)	-1.93%	66,294,387
Effect of deferred tax	-0.69%	6,761,303
Reported average effective tax rate & total tax expenses	-4.06%	52,689,503

36 NET OPERATING CASH FLOWS PER SHARE

Net cash flows from operating activities	264,554,767	(1,272,667)
Total number of ordinary shares outstanding	172,573,843	172,573,843
Net operating cash flows per share	1.53	(0.01)

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

Net cash flows from operating activities	105,636,158	(70,262,278)
Total number of ordinary shares outstanding	172,573,843	172,573,843
Net operating cash flows per share	0.61	(0.41)

During the first nine month of 2022 the company has paid less interest expenses compared to the previous period due to less recovery from loans/leases portfolio. As a result NOCFPS has been increased significantly for the period ended 30 September 2022.

37 NET ASSET VALUE PER SHARE (NAV)

	2022	2021
Net asset (total assets less total liabilities)	(1,705,570,934)	(722,162,600)
Total number of ordinary shares outstanding	172,573,843	172,573,843
Net asset value per share (NAV)	(9.88)	(4.18)

NAV as at 30 September 2022 has been decreased from the 31 December 2021 due to incurring net loss after tax of Tk.98.34 crore which has reduced net assets value by the same amount as at 30 September 2022.



Union Capital Limited
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For the period ended	30-Sep-22	30-Sep-21
37.a NET ASSET VALUE PER SHARE (NAV) (consolidated)		
Net asset (total assets less total liabilities)	(1,616,543,304)	(674,019,691)
Total number of ordinary shares outstanding	172,573,843	172,573,843
Net asset value per share (NAV)	(9.37)	(3.91)
38 (INCREASE)/DECREASE IN OTHER ASSETS		
Accrued interest	3,387,686	(494,488)
Advance office rent	(378,500)	1,621,500
Advance to employees	(90,000)	21,496
Receivable from brokerage houses against sale of shares	(5,760,224)	4,875,998
Others	87,405,837	(8,253,554)
	84,564,799	(2,229,048)
39 INCREASE/(DECREASE) IN OTHER LIABILITIES		
Interest suspense	264,699,902	25,183,281
Financial expenses payable	279,390,838	243,583,877
Excise duty	(4,219,500)	(602,678)
Withholding tax payable	(1,674,635)	4,408,274
VAT payable	(792,231)	(1,219,226)
Accrued expenses and other payable	23,297,004	83,633,049
	560,701,378	354,986,577
40 RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES		
Net profit after tax	(983,408,334)	(491,800,284)
Items not involved in cash movement:		
Add: Depreciation	14,737,842	15,314,395
Add: Provision for loans and investments	608,958,811	200,990,713
Add/ (Less): Accrued expenses	279,586,967	235,760,484
Add/ (Less): Accrued Income	140,777,565	101,208,035
Less: Gain on disposal of fixed assets	-	(232,811)
Add/(Less): Loss/(gain) on sale of share	(1,458,955)	245,396
Increase/(Decrease) in employee gratuity	2,025,060	(4,500,000)
Increase/(Decrease) in Deferred tax	4,599,231	7,272,177
Adjustments to reconcile net profit after tax to net cash provided by operating activities	65,818,187	64,258,105
Increase/decrease in operating assets and liabilities		
(Increase)/decrease in loans, advances	123,599,106	(123,764,785)
(Increase)/decrease in other assets	573,810	(9,314,191)
(Increase)/decrease in non-banking assets	84,030,845	4,200,000
Increase/(decrease) in term & other deposits	(530,441,453)	(321,218,734)
Increase/(decrease) in short term borrowing	(29,040,283)	16,032,965
Increase/(decrease) in payable and accrued expenses	288,352,718	344,423,885
Increase/(decrease) in income tax	(3,038,065)	(1,073,193)
Increase/(decrease) in interest suspenses	264,699,902	25,183,281
	198,736,580	(65,530,772)
Net cash flows from/(used in) operating activities	264,554,767	(1,272,667)



Union Capital Limited
Notes to the financial statements
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Figures in BDT

For the period ended	30-Sep-22	30-Sep-21
40.a RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES (consolidated)		
Net profit after tax	(942,523,612)	(394,407,632)
Items not involved in cash movement:		
Add: Depreciation	26,940,544	28,047,496
Add: Provision for loans and investments	608,958,811	214,317,994
Add: Provision for taxation	30,477,023	45,928,200
Add/ (Less): Accrued expenses	270,979,281	239,532,812
Add/ (Less): Accrued Income	8,469,866	360,798
Less: Gain on disposal of fixed assets	-	(256,811)
Add/(Less): Loss/(gain) on sale of share	(11,152,966)	(53,431,709)
Increase/(Decrease) in employee gratuity	868,051	(4,591,210)
Increase/(Decrease) in Deferred tax	6,254,578	6,761,302
Adjustments to reconcile net profit after tax to net cash provided by operating activities	(728,424)	82,261,241
Increase/decrease in operating assets and liabilities		
(Increase)/decrease in loans, advances	32,514,136	(268,680,234)
(Increase)/decrease in other assets	55,022,948	(147,321,795)
Increase/(decrease) in term & other deposits	(251,050,615)	(77,634,857)
Increase/(decrease) in short term borrowing	(29,040,283)	16,032,965
Increase/(decrease) in payable and accrued expenses	(24,231,120)	330,063,643
Increase/(decrease) in income tax	(25,581,231)	(34,366,523)
Increase/(decrease) in interest suspenses	264,699,902	25,183,281
	106,364,582	(152,523,519)
Net cash flows from/(used in) operating activities	105,636,157	(70,262,278)

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 30 September 2022 was as under:

Name of the related party	Relationship	Nature of transaction	30-Sep-22	31-Dec-21
Progressive Life Insurance Co. Ltd.	Father of Waqar A. Choudhury, Director, is a Director of Progressive life insurance	Term deposit	111,431,659	98,628,409
Vanguard AML BD Finance Mutual F	Common Directors	Term deposit	15,235,167	15,000,000
Vanguard AML Rupali Bank Balance	Common Directors	Term deposit	37,538,626	41,700,000
UniCap Securities Limited	Subsidiary Company	Inter-company	198,303,609	273,910,852
UniCap Investments Limited	Subsidiary Company	Inter-company	4,171,397,964	4,396,397,964


Chairman


Director


Managing Director & CEO (CC)


Company Secretary (CC)




Chief Financial Officer

UNION CAPITAL LIMITED
Schedule of Fixed assets including land, building, furniture and fixtures
As at 30 September 2022

Particulars	Cost			Rate of depreciation	Depreciation			Written down Value
	As at 1 st January 2022	Addition during the period/ year	Disposal/ adjustment during the period/ year		As at 30 th September 2022	Charged during the period/ year	Disposal/ adjustment during the period/ year	
Freehold assets								
Office space	415,891,104	-	-	2.50%	22,527,438	7,797,960	30,325,398	385,565,706
Furniture and fixtures	9,329,071	-	-	20%	6,085,229	977,343	7,062,572	2,266,499
Office decoration	18,427,353	-	-	33%	15,927,813	2,007,090	17,934,903	492,450
Electrical equipment	30,401,523	77,000	-	20%	24,843,273	1,655,230	26,498,503	3,980,020
Owned vehicles	10,825,597	-	-	20%	9,017,377	889,812	9,907,189	918,408
Software	1,840,528	470,000	-	20%	1,418,011	137,627	1,555,638	754,890
Mobile Phone	452,600	-	-	20%	446,877	5,700	452,577	23
Staff appliance	-	-	-	20%	-	-	-	-
	487,167,776	547,000	-		80,266,018	13,470,762	93,736,780	393,977,996
Leasehold assets								
Right-of-use assets	7,753,409	6,808,032	-	lease term	3,894,559	1,267,080	5,161,639	9,399,802
Leased vehicles	2,230,000	-	-	20%	2,229,999	-	2,229,999	1
As at 30 September 2022	497,151,185	7,355,032	-		86,390,576	14,737,842	101,128,418	403,377,799
As at 31 December 2021	507,949,873	940,490	11,739,178		77,343,382	20,395,022	86,390,576	410,760,609

Consolidated Schedule of Fixed assets including land, building, furniture and fixtures
As at 30 September 2022

Particulars	Cost			Rate of depreciation	Depreciation			Written down Value
	As at 1 st January 2022	Addition during the period/ year	Disposal/ adjustment during the period/ year		As at 30 th September 2022	Charged during the period/ year	Disposal/ adjustment during the period/ year	
Freehold assets								
Office space	415,891,104	-	-	2.50%	22,527,440	7,797,960	30,325,400	385,565,704
Furniture and fixtures	13,253,488	124,270	-	20%	9,640,111	1,224,846	10,864,957	2,512,801
Office decoration	44,334,696	1,237,206	-	33%	41,017,324	2,927,440	43,944,764	1,627,138
Electrical equipment	48,353,876	791,909	-	20%	40,273,927	2,736,396	43,010,322	6,135,463
Owned vehicles	18,991,034	-	-	20%	17,093,968	912,024	18,005,992	985,042
Software	6,557,816	497,500	-	20%	5,690,523	419,048	6,109,571	945,745
Mobile Phone	512,500	-	-	20%	506,757	5,700	512,457	43
Staff appliance	-	-	-	20%	-	-	-	-
	547,894,514	2,650,885	-		136,750,049	16,023,414	152,773,462	397,771,937
Leasehold assets								
Right-of-use assets	52,040,087	6,808,032	-	lease term	32,841,040	10,917,131	43,758,171	15,089,948
Leased vehicles	2,230,000	-	-	20%	2,229,999	-	2,229,999	1
As at 30 September 2022	602,164,601	9,458,917	-		171,821,088	26,940,544	198,761,632	412,861,886
As at 31 December 2021	613,467,276	1,801,803	13,104,478		145,656,524	38,491,452	171,821,088	430,343,514

