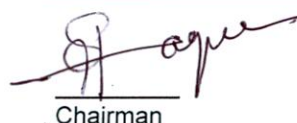


Union Capital Limited
Consolidated Financial Statements (Un-Audited)
As at and for the First Quarter ended 31 March 2023

Union Capital Limited
Consolidated Balance Sheet (Un-audited) as at 31 March 2023

Figures in BDT

Particulars	Notes	31-Mar-23	31-Dec-22
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)		83,026	83,026
Balance with Bangladesh Bank and its agent bank (including foreign currencies)		86,755,809	86,337,246
	4.a	86,838,835	86,420,272
Balance with other banks and financial institutions			
In Bangladesh		1,246,735,567	1,256,371,889
Outside Bangladesh		-	-
	5.a	1,246,735,567	1,256,371,889
Money at call and short notice			
		-	-
Investments			
Government		-	-
Others		535,681,362	547,594,443
	6.a	535,681,362	547,594,443
Loans, advances and leases			
Loans, advances and leases		12,973,541,026	12,996,132,409
Bills purchased and discounted		-	-
	7.a	12,973,541,026	12,996,132,409
Fixed assets including land, building, furniture and fixtures			
	8.a	436,256,531	437,336,382
Other assets			
	9.a	706,141,469	754,602,298
Non-banking assets			
	10	435,539,159	435,539,159
TOTAL ASSETS		16,420,733,949	16,513,996,851
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11.a	3,109,005,409	3,210,588,407
Deposits and other accounts			
Term deposits	12.a	8,284,568,054	8,318,252,524
Other deposits	13	165,750,483	160,342,897
		8,450,318,537	8,478,595,421
Other liabilities	14.a	7,852,345,970	7,561,182,859
Total liabilities		19,411,669,916	19,250,366,687
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	(5,168,571,584)	(4,914,005,454)
Total equity attributable to equity holders of the Company		(2,990,935,755)	(2,736,369,625)
Non-controlling interest		(212)	(210)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		16,420,733,949	16,513,996,851
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	(17.33)	(15.86)


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 2023

Figures in BDT

Particulars	Notes	31-Mar-23	31-Mar-22
Interest income	18.a	67,901,642	167,633,722
Interest paid on deposits and borrowings etc.	19.a	(183,747,903)	(264,441,785)
Net interest income		(115,846,261)	(96,808,063)
Investment income	20.a	67,713	8,396,135
Fees, commissions, exchange and brokerage	21.a	18,336,242	47,364,943
Other operating income	22.a	1,369,023	4,098,119
		19,772,978	59,859,198
Total operating income		(96,073,282)	(36,948,865)
Salaries and other employee benefits	23.a	37,264,211	37,480,480
Rent, taxes, insurance, electricity etc.	24.a	736,517	747,725
Legal expenses	25.a	403,069	25,556
Postage, stamp, telecommunication etc.	26.a	1,112,532	1,003,922
Stationery, printing, advertisements etc.	27.a	761,278	650,171
Managing Director's salary and fees	28	-	-
Directors' fees	29.a	76,250	26,250
Depreciation and repair of assets	30.a	8,036,288	9,787,835
Other expenses	31.a	7,094,876	13,155,363
Total operating expenses		55,485,021	62,877,302
Profit /(loss) before provision		(151,558,303)	(99,826,167)
Provision for loans, advances, leases and investments			
Provision for loans, advances and leases		94,706,360	5,844,204
Provision for diminution in value of investments		145,995	1,233,402
Total provision		94,852,355	7,077,606
Total profit/(loss) before tax		(246,410,658)	(106,903,773)
Provision for taxation			
Current tax		6,673,024	9,287,916
Deferred tax		1,482,449	1,989,103
		8,155,473	11,277,019
Net profit/(loss) after tax		(254,566,132)	(118,180,792)
Retained surplus/(loss)		(254,566,132)	(118,180,792)
Attributable to			
Shareholders of the Company		(254,566,130)	(118,180,797)
Non-controlling interest		(1.7)	5.71
Weighted average no. of outstanding share		172,573,843	172,573,843
Earnings per share	34.a	(1.48)	(0.68)



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 2023

Figures in BDT

Particulars	31-Mar-23	31-Mar-22	
Cash flows from operating activities			
Interest receipts	69,261,472	97,820,028	
Interest payments	(79,190,578)	(195,871,734)	
Fee and commission receipts	18,307,335	46,802,119	
Recoveries of loans previously written off	1,166,775	4,013,444	
Dividend receipts	12,880,982	7,879,084	
Cash payments to employees	(36,541,251)	(37,857,072)	
Cash payments to suppliers and management expenses	(4,098,922)	(3,992,394)	
Income taxes paid	(5,064,375)	(9,367,190)	
Receipts from other operating activities	231,155	647,499	
Payments for other operating activities	(7,094,876)	(13,155,363)	
Cash generated before changes in operating assets and liabilities	(30,142,282)	(103,081,579)	
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	21,202,428	(32,710,898)	
Other assets	41,217,180	53,687,225	
Deposits from banks and other financial institutions	(2,900,000)	20,376,995	
Deposits from customers	(25,376,884)	(1,939,301)	
Net draw down/(payment) of short term loan	(7,150,000)	(8,350,000)	
Other liabilities	80,686,494	152,055,754	
Cash generated from operating assets and liabilities	107,679,219	183,119,774	
Net cash generated from/(used in) operating activities	77,536,937	80,038,195	
Cash flows from investing activities			
Proceeds from sale of securities	40,843,349	161,470,925	
Payments for purchases of securities	(29,636,556)	(151,355,968)	
Purchase of property, plant and equipment	(3,528,493)	(5,930,095)	
Proceeds from sale of property, plant and equipment	-	-	
Net cash generated from/(used in) investing activities	7,678,300	4,184,861	
Cash flows from financing activities			
Receipts of long term loan	-	-	
Repayment of long term loan	(94,432,996)	(111,227,975)	
Net cash generated from/(used in) financing activities	(94,432,996)	(111,227,975)	
Net (decrease)/increase in cash and cash equivalents	(9,217,759)	(27,004,919)	
Effects of exchange rate changes on cash and cash equivalents	-	-	
Cash and cash equivalents at beginning of the first quarter	1,342,792,161	1,328,196,112	
Cash and cash equivalents at end of the first quarter	1,333,574,402	1,301,191,193	
Cash and cash equivalents at end of the first quarter represents			
Cash in hand	83,026	68,026	
Balance with Bangladesh Bank and its agent bank	86,755,809	99,102,638	
Balance with other banks and financial institutions	1,246,735,567	1,202,020,529	
	1,333,574,402	1,301,191,193	
Net operating cash flows per share	36.a	0.45	0.46


Chairman


Director


Managing Director & CEO (CC)


Company Secretary (CC)


Chief Financial Officer



Union Capital Limited
Consolidated statement of changes in shareholders' equity
For the first quarter (Q1) ended 31 March 2023

Figures in BDT

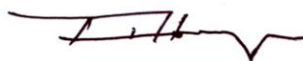
Particulars	Paid-up capital	Statutory reserve	Retained earnings/(loss)	Non-controlling interest	Total
Balance as at 1 January 2023	1,725,738,430	451,897,399	(4,914,005,454)	(210)	(2,736,369,836)
Net profit/(loss) for the first quarter ended 2023	-	-	(254,566,130)	(2)	(254,566,132)
Balance as at 31 March 2023	1,725,738,430	451,897,399	(5,168,571,584)	(212)	(2,990,935,967)

For the period ended 31 March 2022

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 first quarter ended 2022	-	-	(118,180,797)	6	(118,180,792)
Balance as at 31 March 2022	1,725,738,430	451,897,399	(2,969,836,540)	227	(792,200,483)



Chairman



Director



Managing Director & CEO (CC)



Company Secretary (CC)



Chief Financial Officer



Union Capital Limited
Balance Sheet (Un-audited) as at 31 March 2023

Figures in BDT

Particulars	Notes	31-Mar-23	31-Dec-22
PROPERTY AND ASSETS			
Cash			
In hand (including foreign currencies)		34,000	34,000
Balance with Bangladesh Bank and its agent bank (including foreign currencies)		86,755,809	86,337,246
	4	86,789,809	86,371,246
Balance with other banks and financial institutions			
In Bangladesh		1,066,925,979	1,017,442,143
Outside Bangladesh		-	-
	5	1,066,925,979	1,017,442,143
Money at call and short notice			
Investments			
Government		-	-
Others		36,854,892	36,188,733
	6	36,854,892	36,188,733
Loans, advances and leases			
Loans, advances and leases		12,720,600,676	12,817,124,812
Bills purchased and discounted		-	-
	7	12,720,600,676	12,817,124,812
Fixed assets including land, building, furniture and fixtures	8	394,708,061	398,877,480
Other assets	9	1,237,883,592	1,244,558,909
Non-banking assets	10	435,539,159	435,539,159
TOTAL ASSETS		15,979,302,168	16,036,102,482
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	3,005,252,708	3,088,344,023
Deposits and other accounts			
Term deposits	12	8,284,568,054	8,318,252,524
Other deposits	13	165,750,483	160,342,897
		8,450,318,537	8,478,595,421
Other liabilities	14	7,426,783,620	7,127,981,734
Total liabilities		18,882,354,865	18,694,921,178
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	(5,080,688,526)	(4,836,454,525)
Total shareholders' equity		(2,903,052,697)	(2,658,818,696)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		15,979,302,168	16,036,102,482
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	(16.82)	(15.41)


Chairman


Director


Managing Director & CEO (CC)


Company Secretary (CC)


Chief Financial Officer



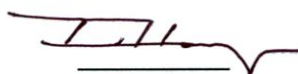
Union Capital Limited
Profit and Loss Account (Un-Audited)
For the first quarter (Q1) ended 31 March 2023

Figures in BDT

Particulars	Notes	31-Mar-23	31-Mar-22
Interest income	18	54,287,242	144,340,806
Interest paid on deposits and borrowings etc.	19	(177,241,433)	(255,177,367)
Net interest income		(122,954,191)	(110,836,561)
Investment income	20	611,403	1,767,702
Fees, commissions, exchange and brokerage	21	57,407	618,824
Other operating income	22	1,166,775	4,013,444
		1,835,585	6,399,970
Total operating income		(121,118,606)	(104,436,591)
Salaries and other employee benefits	23	17,803,364	19,593,423
Rent, taxes, insurance, electricity etc.	24	368,062	355,683
Legal expenses	25	403,069	25,556
Postage, stamp, telecommunication etc.	26	306,171	212,876
Stationery, printing, advertisements etc.	27	380,776	323,364
Managing Director's salary and fees	28	-	-
Directors' fees	29	60,000	20,000
Depreciation and repair of assets	30	4,179,319	5,041,349
Other expenses	31	3,319,194	5,123,510
Total operating expenses		26,819,955	30,695,761
Profit /(loss) before provision		(147,938,561)	(135,132,352)
Provision for loans, advances, leases and investments			
Provision for loans, advances and leases		94,706,360	5,844,204
Provision for diminution in value of investments		145,995	1,233,402
Total provision		94,852,355	7,077,606
Total profit/(loss) before tax		(242,790,916)	(142,209,958)
Provision for taxation			
Current tax		-	-
Deferred tax		1,443,085	1,171,350
		1,443,085	1,171,350
Net profit/(loss) after tax		(244,234,001)	(143,381,308)
Retained surplus/(loss)		(244,234,001)	(143,381,308)
Weighted average no. of outstanding share		172,573,843	172,573,843
Earnings per share	34	(1.42)	(0.83)



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 2023

Figures in BDT

Particulars	Notes	31-Mar-23	31-Mar-22
Cash flows from operating activities			
Interest receipts		55,676,197	66,507,882
Interest payments		(80,069,303)	(182,253,707)
Fee and commission receipts		28,500	56,000
Recoveries of loans previously written off		1,166,775	4,013,444
Dividend receipts		726,250	1,485,530
Cash payments to employees		(16,981,900)	(19,215,960)
Cash payments to suppliers and management expenses		(2,107,680)	(1,595,124)
Income taxes paid		(216,506)	(341,789)
Receipts from other operating activities		28,907	562,824
Payments for other operating activities		(3,319,194)	(5,123,510)
Cash generated before changes in operating assets and liabilities		(45,067,954)	(135,904,410)
Increase/decrease in operating assets and liabilities			
Loans, advances and leases to customers		95,135,181	129,130,413
Other assets		6,560,567	4,782,313
Deposits from banks and other financial institutions		(2,900,000)	20,376,995
Deposits from customers		(25,376,884)	(1,939,301)
Net draw down/(payment) of short term loan		(7,150,000)	(8,350,000)
Other liabilities		105,693,408	131,678,230
Cash generated from operating assets and liabilities		171,962,272	275,678,650
Net cash generated from/(used in) operating activities		126,894,318	139,774,240
Cash flows from investing activities			
Proceeds from sale of securities		1,573	6,688,064
Payments for purchases of securities		(667,829)	(7,879,023)
Purchase of property, plant and equipment		(384,348)	(628,533)
Proceeds from sale of property, plant and equipment		-	-
Net cash used in investing activities		(1,050,604)	(1,819,492)
Cash flows from financing activities			
Receipts of long term loan		-	-
Repayment of long term loan		(75,941,315)	(91,676,418)
Net cash generated from/(used in) financing activities		(75,941,315)	(91,676,418)
Net (decrease)/increase in cash and cash equivalents		49,902,399	46,278,330
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the first quarter		1,103,813,389	1,043,709,712
Cash and cash equivalents at end of the first quarter		1,153,715,788	1,089,988,042
Cash and cash equivalents at end of the first quarter represents			
Cash in hand		34,000	34,000
Balance with Bangladesh Bank and its agent bank		86,755,809	99,102,638
Balance with other banks and financial institutions		1,066,925,979	990,851,404
		1,153,715,788	1,089,988,042
Net operating cash flows per share	36	0.74	0.81


Chairman


Director


Managing Director & CEO (CC)


Company Secretary (CC)


Chief Financial Officer



Union Capital Limited
Statement of Changes in equity
For the first quarter (Q1) ended 31 March 2023

Figures in BDT

Particulars	Paid-up capital	Statutory reserve	Retained earnings/(loss)	Total
Balance as at 1 January 2023	1,725,738,430	451,897,399	(4,836,454,525)	(2,658,818,696)
Net profit/(loss) for the first quarter ended 2023	-	-	(244,234,001)	(244,234,001)
Balance as at 31 March 2023	1,725,738,430	451,897,399	(5,080,688,526)	(2,903,052,697)

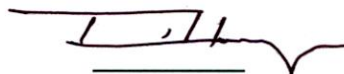
For the first quarter (Q1) ended 31 March 2022

Figures in BDT

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)
Balance as at 31 March 2022	1,725,738,430	451,897,399	(3,043,179,737)	(865,543,908)



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 2023

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 2022 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 2022.

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 first quarter ended 31 March 2023 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 2022 has also been calculated based on 172.57 million shares.

EPS for the period ended 31 March 2023 has been decreased from the same period of previous year due to i) decreasing interest income resulting from increased non-performing loans, ii) increasing provision requirement for increased non-performing loans and iii) decreasing brokerage commission due to sluggish trend in capital market.

3.4 Net assets value per share (NAV)

During the period ended 31 March 2023, NAV stands at BDT (17.33) per share which was BDT (15.86) as on 31 December 2022. NAV for the first quarter of 2023 has been decreased from the 31 December 2022 due to incurring consolidated loss of Tk.25.46 crore which has decreased net assets value by the same amount as on 31 March 2023.

3.5 Date of authorization

The Board of Directors has authorized these financial statements for public issue on 07 Sep 2023.

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 2023

Figures in BDT

As at	31-Mar-23	31-Dec-22
4 CASH		
In hand		
Local currency	34,000	34,000
Foreign currencies	-	-
	34,000	34,000
Balance with Bangladesh Bank		
Local currency	86,755,809	86,337,246
Foreign currencies	-	-
	86,755,809	86,337,246
Balance as at 31 March	86,789,809	86,371,246
4.a CASH (Consolidated)		
In hand		
Union Capital Ltd.	34,000	34,000
UniCap Securities Ltd.	40,000	40,000
UniCap Investments Ltd.	9,026	9,026
	83,026	83,026
Balance with Bangladesh Bank		
Union Capital Ltd.	86,755,809	86,337,246
UniCap Securities Ltd.	-	-
UniCap Investments Ltd.	-	-
	86,755,809	86,337,246
Balance as at 31 March	86,838,835	86,420,272
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	226,575,500	209,667,767
International Leasing and Financial Services Ltd.	805,185,718	775,669,366
Community Bank Bangladesh Limited	2,418,122	2,418,122
	1,034,179,340	987,755,255
Current account		
Bank Alfalah Limited, Gulshan Branch	256	256
Agrani Bank Limited, Panthpath Branch	214,445	214,445
BASIC Bank Limited, Shantinagar Branch	1	1
Dhaka Bank Limited, Kakrail Branch	4,902,528	4,058,346
Midland Bank Ltd, Gulshan Branch	318	378
Modhumoti Bank Limited, Dhanmondi Branch	90,969	91,104
National Credit and Commerce Bank Ltd., Banani Branch	345	345
NRB Bank Limited, Corporate Branch	25,683	25,683
Shahjalal Islami Bank Limited, Elephant Road Branch	1,684	1,951
Shahjalal Islami Bank Limited, Gulshan Branch	2,238	2,238
Social Islami Bank Limited, Eskaton Branch	76,504	76,564
United Commercial Bank Limited, New Eskaton Branch	1,061,599	3,843,614
WooriBank-Dhaka Branch	6,656	18,155
Uttara Bank Limited, Local Office	13,785	13,785
	6,397,011	8,346,865



Union Capital Limited
Notes to the financial statements
As at and for the period ended 31 March 2023

Figures in BDT

As at	31-Mar-23	31-Dec-22
Short term deposit		
Community Bank BD Limited, Gulshan Branch	2,829	2,829
Bank Asia Limited, Corporate Branch	306,249	305,249
Bank Asia Limited, Corporate Branch	46,438	46,438
Bank Asia Limited, Gulshan Branch	75,153	75,188
Dhaka Bank Limited, Local Office	788,766	1,268,896
Dhaka Bank Limited, Kakrail Branch	232,725	332,825
Dutch Bangla Bank Limited, Karwan Bazar Branch	29,666	29,666
Dutch Bangla Bank Limited, Karwan Bazar Branch	1,391,461	4,381,105
IFIC Bank Limited, Gulshan Branch	22,700,871	9,631,157
Jamuna Bank Limited, Sonargaon Road Branch	5,017	5,017
Modhumoti Bank Limited, Banglamotor-Branch	48,586	48,586
AB Bank Limited, Gulshan Branch	209	209
Mutual Trust Bank Limited, Principal Branch	6,731	6,731
Southeast Bank Limited, Islamic Banking Branch	2,500	2,500
Southeast Bank Limited, R k Mission Road Branch	712,427	5,203,627
	26,349,628	21,340,023
Balance as at 31 March	1,066,925,979	1,017,442,143

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

Union Capital Ltd.	1,066,925,979	1,017,442,143
UniCap Securities Ltd.	81,884,055	182,483,937
UniCap Investments Ltd.	97,925,532	56,445,809
	1,246,735,567	1,256,371,889
Less: Inter-company transactions	-	-
Balance as at 31 March	1,246,735,567	1,256,371,889

6 INVESTMENTS

The investment is made up as under:

Government securities	-	-
Other investments	36,854,892	36,188,733
Balance as at 31 March	36,854,892	36,188,733

This represents investment made by the Company in listed securities and unlisted securities.

6.a INVESTMENTS (consolidated)

Union Capital Ltd.	36,854,892	36,188,733
UniCap Securities Ltd.	234,098,734	223,244,315
UniCap Investments Ltd.	264,727,737	288,161,394
Balance as at 31 March	535,681,362	547,594,443

7 LOANS, ADVANCES AND LEASES

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

Lease finance	1,360,122,077	1,382,162,287
Term finance	5,546,187,459	5,524,658,387
Home loan	274,426,604	274,426,604
Loan to subsidiaries	5,514,956,950	5,610,815,536
Loan against deposits	22,484,933	22,086,819
Staff loan	2,422,653	2,975,179
Balance as at 31 March	12,720,600,676	12,817,124,812



Union Capital Limited

Notes to the financial statements

As at and for the period ended 31 March 2023

Figures in BDT

As at	31-Mar-23	31-Dec-22
7.a LOANS, ADVANCES AND LEASES (consolidated)		
Union Capital Ltd.	12,720,600,676	12,817,124,812
UniCap Securities Ltd.	609,346,115	559,396,751
UniCap Investments Ltd.	5,158,551,186	5,230,426,382
	18,488,497,976	18,606,947,945
Less: Inter-company transactions	5,514,956,950	5,610,815,536
Balance as at 31 March	12,973,541,026	12,996,132,409

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	30,588,523	30,588,523
Owned vehicles	10,825,597	10,825,597
Leased vehicles	2,230,000	2,230,000
Right-of-use assets	8,559,896	8,979,849
Intangible assets (software)	2,310,528	2,310,528
Mobile phones	452,600	452,600
Total cost	498,614,672	499,034,625
Less: Accumulated depreciation and amortization	103,906,611	100,157,145
Written down value as at 31 March	394,708,061	398,877,480

Details are shown in Annexure - A

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

Union Capital Ltd.	394,708,061	398,877,480
UniCap Securities Ltd.	34,730,881	37,753,834
UniCap Investments Ltd.	6,817,589	705,068
Balance as at 31 March	436,256,531	437,336,382

9 OTHER ASSETS

Investment in subsidiary	997,498,641	997,498,641
Accrued interest	6,396,155	14,889,589
Others	36,338,124	34,680,821
Income generating other assets	1,040,232,920	1,047,069,051
Advance office rent	2,214,854	2,214,854
Advance to employees	665,905	665,905
Deposits with T & T, water etc.	134,000	134,000
Receivable from brokerage house against sale of shares	8,795,573	8,963,636
Transfer price receivable	1,287,376	1,287,376
Process Sharing receivable	178,631,941	178,631,941
Others	5,921,023	5,592,146
Non income generating other assets	197,650,672	197,489,858
Balance as at 31 March	1,237,883,592	1,244,558,909

Management considers all the other assets as good.

9.1.a Deferred tax asset (consolidated)

Union Capital Limited	-	-
UniCap Securities Limited	9,017,646	8,911,501
UniCap Investments Limited	68,244	123,072
Balance as at 31 March	9,085,890	9,034,573



Union Capital Limited

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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	386,148,165	2,964,651	648,893
		Tax base	287,923,154	25,457,433	1,037,808
	ROU	Carrying amount	8,559,896	31,766,232	6,168,697
Liabilities	Employee gratuity fund	Carrying amount	-	14,703,462	-
		Tax base	-	-	-
	Lease obligation	Carrying amount	8,772,621	27,361,428	5,961,765
			(98,012,286)	32,791,440	181,983
	Applicable tax rate		37.50%	27.50%	37.50%
	Deferred tax assets/(liabilities) as on March 31,2023		(36,754,607)	9,017,646	68,244
	Deferred tax assets/(Liabilities) as on December 31,2022		(35,311,522)	9,002,182	123,072
	Deferred tax expense/(income) during the period		1,443,085	(15,464)	54,828

9.a OTHER ASSETS (consolidated)

Union Capital Ltd.	1,237,883,592	1,244,558,909
UniCap Securities Ltd.	464,980,848	497,814,552
UniCap Investments Ltd.	190,785,856	207,362,486
	1,893,650,296	1,949,735,947
Less: Inter-company transactions	1,187,508,827	1,195,133,649
Balance as at 31 March	706,141,469	754,602,298

10 NON-BANKING ASSETS

Non-banking assets	435,539,159	435,539,159
Total	435,539,159	435,539,159

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	2,184,696,192	2,258,139,466
Preference share	26,300,000	26,500,000
	2,210,996,192	2,284,639,466

Bangladesh Bank (Small Enterprise refinancing scheme-JICA)	8,418,672	10,491,713
Bangladesh Bank (Women entrepreneur refinance scheme)	1,125,000	1,350,000
Bangladesh Bank (Small Enterprise refinancing scheme-DP2)	250,000	250,000
Bangladesh Bank (Renewable energy and environment friendly sector)	61,062,844	61,062,844
Short term borrowing and call loan	723,400,000	730,550,000
	794,256,516	803,704,557
	3,005,252,708	3,088,344,023

Outside Bangladesh

Borrowings from banks	3,005,252,708	3,088,344,023
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Borrowings from financial institutions

The UAE-Bangladesh Investment Company Limited	-	-
Balance as at 31 March	3,005,252,708	3,088,344,023



Union Capital Limited

Notes to the financial statements

As at and for the period ended 31 March 2023

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As at	31-Mar-23	31-Dec-22
11.a Borrowings from other banks, financial institutions and agents (consolidated)		
Union Capital Limited	3,005,252,708	3,088,344,023
UniCap Securities Limited	224,994,435	257,955,976
UniCap Investments Limited	3,163,983,947	3,245,343,550
	6,394,231,090	6,591,643,549
Less: Inter-company transactions	3,285,225,681	3,381,055,142
Balance as at 31 March	3,109,005,409	3,210,588,407
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	3,279,521,116	3,282,421,116
Other institutions	4,268,890,403	4,290,760,295
Total institutional deposits	7,548,411,519	7,573,181,411
Term deposit	521,702,600	527,765,758
Income deposit	206,924,285	209,324,285
Monthly savings scheme	7,529,650	7,981,070
Total individual deposits	736,156,535	745,071,113
Balance as at 31 March	8,284,568,054	8,318,252,524
12.a Term deposits (consolidated)		
Union Capital Limited	8,284,568,054	8,318,252,524
UniCap Securities Limited	-	-
UniCap Investments Limited	-	-
	8,284,568,054	8,318,252,524
Less: Inter-company transactions	-	-
Balance as at 31 March	8,284,568,054	8,318,252,524
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.		
Breakup of other deposits on the basis of category of finance is as under		
Lease advance	47,879,793	46,135,975
Term finance advance	89,385,431	78,821,663
Cash security	28,485,259	35,385,259
Balance as at 31 March	165,750,483	160,342,897
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	2,285,259,662	2,190,553,302
Provision for diminution in value of investments	3,241,718	3,095,723
Provision for other assets and accrued interest	344,895,914	344,895,914
Special provision	100,920,410	100,920,410
Interest suspense	2,438,802,862	2,372,295,608
Interest suspense others	482,684,704	444,496,377
Provision for tax	91,245,958	91,462,464
Deferred tax liabilities (note 9.1.b)	36,754,607	35,311,522
Financial expenses payable	1,517,606,991	1,421,249,519
Lease liability	8,772,621	9,156,969
Deferred liability-employee gratuity	18,679,441	17,907,114
Dividend on preference shares	38,864,520	38,049,862
Excise duty	348,250	129,300
Withholding tax payable	1,186,498	899,063
VAT payable	90,474	532,198
Accrued expenses and other payable (note 14.1)	57,428,990	57,026,389
Balance as at 31 March	7,426,783,620	7,127,981,734



Union Capital Limited

Notes to the financial statements

As at and for the period ended 31 March 2023

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As at	31-Mar-23	31-Dec-22
14.1 Accrued expenses and other payable		
Management expenses	3,606,684	4,137,249
Unclaim dividend account (note 14.1.1)	-	-
Payable for purchase of assets	51,701,925	51,701,925
Others payables	2,120,381	1,187,215
Balance as at 31 March	57,428,990	57,026,389

14.1.1 Unclaim dividend account

Year	Stock dividend in number	Fractional Dividend
Balance as at 31 March	-	-

In accordance to comply with the BSEC's Directive No. BSEC/CMRRCD/2021/03 dated 14 January 2021 and BSEC's letter having reference no. SEC/SRMIC/165-2020/pat-1/182 dated 19 July 2021, we have already deposited Tk. 1,399,558 against unclaimed or undistributed or unsettled Cash & Fractional Dividend for the year 2008 to 2018 to Capital Market Stabilization Fund (CMSF) SND A/C No: 00310311521301 of Community Bank Bangladesh Limited, Corporate Branch, Gulshan.

14.a OTHER LIABILITIES (consolidated)

Union Capital Limited	7,426,783,620	7,127,981,734
UniCap Securities Limited	730,993,615	757,515,065
UniCap Investments Limited	3,649,210,671	3,637,981,944
	11,806,987,906	11,523,478,742
Less: Inter-company transactions	3,954,641,936	3,962,295,883
Balance as at 31 March	7,852,345,970	7,561,182,859

15 Share capital

As at 31 March 2023, 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
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Issued, subscribed and paid up capital:

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

17 Retained earnings/(loss)

Balance as on 1 January	(4,836,454,525)	(2,899,798,429)
Add: Profit/(loss) after tax during the period	(244,234,001)	(1,936,656,096)
Balance as at 31 March	(5,080,688,526)	(4,836,454,525)

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

Balance as on 1 January	(4,914,005,454)	(2,851,655,742)
Add: Profit/(loss) after tax during the period	(254,566,130)	(2,062,349,712)
Balance as at 31 March	(5,168,571,584)	(4,914,005,454)



Union Capital Limited
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For the period ended	31-Mar-23	31-Mar-22
18 INTEREST INCOME		
Income from lease finance	15,211,054	28,670,274
Income from term finance	34,836,439	105,553,413
Interest on loan to subsidiaries	4,141,414	9,951,699
Interest on bank deposits	68,597	104,619
Income form other finance	29,738	60,801
Total	54,287,242	144,340,806

18.a INTEREST INCOME (consolidated)

Union Capital Limited	54,287,242	144,340,806
UniCap Securities Limited	5,212,443	18,385,098
UniCap Investments Limited	12,543,371	14,859,517
	72,043,056	177,585,421
Less: Inter-company transactions	4,141,414	9,951,699
	67,901,642	167,633,722

19 INTEREST PAID ON DEPOSITS, BORROWINGS, etc.

Interest on bank loan	49,805,772	53,712,005
Interest on JICA fund	109,397	269,123
Interest on women entrepreneur fund	14,875	29,195
Interest on SMEDP2 fund	3,125	11,915
Interest on financing brick kiln efficiency project	763,286	902,065
Interest on term deposits	112,654,564	180,540,183
Interest on money at call & short notice	12,562,764	17,521,961
Interest on cash security deposit	282,458	642,836
Interest on preference share	814,658	1,333,733
Bank charges	81,918	83,078
Interest on lease rent	148,616	131,273
Total	177,241,433	255,177,367

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

Union Capital Limited	177,241,433	255,177,367
UniCap Securities Limited	10,087,000	17,310,136
UniCap Investments Limited	560,884	1,905,981
	187,889,317	274,393,484
Less: Inter-company transactions	4,141,414	9,951,699
	183,747,903	264,441,785

20 INVESTMENT INCOME

Capital gain/(loss) on sale of securities	(97)	660,492
Dividend income	611,500	1,107,210
Total	611,403	1,767,702

20.a INVESTMENT INCOME (consolidated)

Union Capital Limited	611,403	1,767,702
UniCap Securities Limited	(3,811)	4,342,101
UniCap Investments Limited	(539,879)	2,286,332
	67,713	8,396,135
Less: Inter-company transactions	-	-
	67,713	8,396,135



Union Capital Limited
Notes to the financial statements
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For the period ended	31-Mar-23	31-Mar-22
21 FEES, COMMISSIONS, EXCHANGE AND BROKERAGE		
Processing and documentation fees	28,500	56,000
Renewals and proceeds	28,907	562,824
Total	57,407	618,824
21.a FEES, COMMISSIONS, EXCHANGE AND BROKERAGE (consolidated)		
Union Capital Limited	57,407	618,824
UniCap Securities Limited	14,729,393	40,151,142
UniCap Investments Limited	3,549,442	6,594,977
	18,336,242	47,364,943
22 OTHER OPERATING INCOME		
Recoveries of loans written off	1,166,775	4,013,444
Total	1,166,775	4,013,444
22.a OTHER OPERATING INCOME (consolidated)		
Union Capital Limited	1,166,775	4,013,444
UniCap Securities Limited	119,790	(8,419)
UniCap Investments Limited	82,458	93,094
	1,369,023	4,098,119
Less: Inter-company transactions	-	-
	1,369,023	4,098,119
23 SALARIES AND OTHER EMPLOYEE BENEFITS		
Salaries & allowances	17,803,364	19,593,423
Total	17,803,364	19,593,423
23.a SALARIES AND OTHER EMPLOYEE BENEFITS (consolidated)		
Union Capital Limited	17,803,364	19,593,423
UniCap Securities Limited	15,830,626	14,260,476
UniCap Investments Limited	3,630,221	3,626,581
Total	37,264,211	37,480,480
24 RENT, TAXES, INSURANCE, ELECTRICITY etc.		
Office rent, rates and taxes	-	-36,432
Insurance	234,413	112,322
Power and electricity	133,649	279,793
Total	368,062	355,683
24.1 DISCLOSURE RELATED TO RENT, RATE AND TAXES:		
Actual rent expenses	532,962	525,372
Less: Reclassification of rent expenses (as per IFRS 16:)	532,962	561,806
Total	-	-36,434
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.		
24.a RENT, TAXES, INSURANCE, ELECTRICITY etc. (consolidated)		
Union Capital Limited	368,062	355,683
UniCap Securities Limited	166,590	301,534
UniCap Investments Limited	201,865	90,508
Total	736,517	747,725



Union Capital Limited
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For the period ended	31-Mar-23	31-Mar-22
24.a.1 DISCLOSURE RELATED TO RENT, RATE AND TAXES:		
Actual rent , taxes, insurance, electricity		
Union Capital Limited	901,024	917,489
UniCap Securities Limited	3,598,237	3,676,520
UniCap Investments Limited	785,851	692,371
Less: Reclassification of rent expenses (as per IFRS 16:)		
Union Capital Limited	532,962	561,806
UniCap Securities Limited	3,431,647	3,374,986
UniCap Investments Limited	583,986	601,863
Total	736,517	747,725
25 LEGAL EXPENSES		
Legal Expenses	108,611	-
Professional Fees	294,458	25,556
Total	403,069	25,556
25.a LEGAL EXPENSES (consolidated)		
Union Capital Limited	403,069	25,556
UniCap Securities Limited	-	-
UniCap Investments Limited	-	-
Total	403,069	25,556
26 POSTAGE, STAMP, TELECOMMUNICATION etc.		
Postage	12,428	13,308
Telegram, telex, fax and e-mail	224,115	109,460
Telephone - office	69,628	90,108
Total	306,171	212,876
26.a POSTAGE, STAMP, TELECOMMUNICATION etc. (consolidated)		
Union Capital Limited	306,171	212,876
UniCap Securities Limited	702,039	679,263
UniCap Investments Limited	104,322	111,782
Total	1,112,532	1,003,922
27 STATIONERY, PRINTING, ADVERTISEMENTS etc.		
Printing and stationery	213,192	223,343
Advertisement	167,584	100,021
Total	380,776	323,364
27.a STATIONERY, PRINTING, ADVERTISEMENTS etc.(consolidated)		
Union Capital Limited	380,776	323,364
UniCap Securities Limited	288,295	280,067
UniCap Investments Limited	92,207	46,740
Total	761,278	650,171



Union Capital Limited
Notes to the financial statements
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For the period ended	31-Mar-23	31-Mar-22
28 MANAGING DIRECTOR'S SALARY AND FEES	-	-

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

As per the paragraph 17 of IAS 24: "Related party Disclosures" regarding key management personnel, Managing Director is the key management personnel. His benefit is given below:

(a) Short term employee benefits:	-	-
(b) Post-employment benefits;	-	-
(c) Other long-term benefits	-	-
(d) Termination benefits; and	-	-
(e) Share-based payment	-	-
Total	-	-

Managing Director & CEO is the key management personnel of Union Capital Limited which was vacant since 01 January 2022. Therefore, the amount of compensation paid to key management personnel was nil during the period from January 2023 to March 2023.

29 DIRECTORS' FEES

Total fees paid	60,000	20,000
Total	60,000	20,000

29.a DIRECTORS' FEES (consolidated)

Union Capital Limited	60,000	20,000
UniCap Securities Limited	6,250	6,250
UniCap Investments Limited	10,000	-
Total	76,250	26,250

30 DEPRECIATION AND REPAIR OF ASSETS

Depreciation of fixed assets-freehold	3,697,223	4,481,492
Depreciation of right-of-use assets	419,953	472,376
Amortization of intangible assets	52,243	49,668
Repairs and maintenance of assets	9,900	37,813
Total	4,179,319	5,041,349

30.a DEPRECIATION AND REPAIR OF ASSETS (consolidated)

Union Capital Limited	4,179,319	5,041,349
UniCap Securities Limited	3,022,952	3,667,246
UniCap Investments Limited	834,017	1,079,240
Total	8,036,288	9,787,835

31 OTHER EXPENSES

Travelling and conveyance	442,337	683,671
Office expenses	375,887	732,139
Motor vehicle fuel expenses	122,421	74,052
Motor vehicle spare part expenses	3,840	137,967
Subscription and fees	1,561,097	1,751,338
Books, magazines, newspapers, etc	3,043	1,570
Entertainment and public relation & others	17,592	59,859
Staff Welfare	792,977	1,682,914
Total	3,319,194	5,123,510



Union Capital Limited
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For the period ended	31-Mar-23	31-Mar-22
31.a OTHER EXPENSES (consolidated)		
Union Capital Limited	3,319,194	5,123,510
UniCap Securities Limited	3,239,291	7,691,852
UniCap Investments Limited	536,391	340,001
	7,094,876	13,155,363
Less: Inter-company transactions	-	-
Total	7,094,876	13,155,363

32 RECEIPTS FROM OTHER OPERATING ACTIVITIES

Renewals and proceeds	28,907	562,824
Total	28,907	562,824

33 PAYMENTS FOR OTHER OPERATING ACTIVITIES

HR development	-	-
Travelling and conveyance	442,337	683,671
Motor vehicle expenses	126,261	212,019
Subscription and fees	1,561,097	1,751,338
Office expenses	375,887	732,139
Books, magazines, newspapers, etc	3,043	1,570
Entertainment and public relation & staff welfare	810,569	1,742,773
Total	3,319,194	5,123,510

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 2023 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	(244,234,001)	(143,381,308)
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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	(1.42)	(0.83)



Union Capital Limited
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For the period ended	31-Mar-23	31-Mar-22
34.a EARNINGS PER SHARE (consolidated)		
Profits attributable to ordinary shareholders		
Net profit for the period (consolidated)	(254,566,130)	(118,180,797)
EPS for the period ended 31 March 2023 has been decreased from the same period of previous year due to i) decreasing interest income resulting from increased non-performing loans, ii) increasing provision requirement for increased non-performing loans and iii) decreasing brokerage commission due to sluggish trend in capital market.		
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	(1.48)	(0.68)

35 AVERAGE EFFECTIVE TAX RATE

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

	2023	2022
Tax expenses	1,443,085	1,171,350
Accounting profit before tax	(242,790,916)	(142,209,958)
Average effective tax rate	-0.59%	-0.82%

35.1 RECONCILIATION OF EFFECTIVE TAX RATE

		2023	2022
Profit/(loss) before income tax as per profit & loss account		(242,790,916)	(142,209,958)
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	0.00%	-	-
Effect of deferred tax	-0.59%	1,443,085	1,171,350
Reported average effective tax rate & total tax expenses	-0.59%	1,443,085	1,171,350

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*.

		2023	2022
Tax expenses		8,155,473	11,277,019
Accounting profit before tax		(246,410,658)	(106,903,773)
Average effective tax rate		-3.31%	-10.55%

35.a.1 RECONCILIATION OF EFFECTIVE TAX RATE

		2023	2022
Profit/(loss) before income tax as per profit & loss account		(246,410,658)	(106,903,773)
Income tax as per applicable tax rate	35.83%	-	-
Net inadmissible expenses (including prior years' adjustments)	-2.68%	6,605,311	891,780
Tax saving from reduced tax rates (from 0% to 20% for exempted investments income, dividend income, capital	-0.03%	67,713	8,396,135
Effect of deferred tax	-0.60%	1,482,449	1,989,103
Reported average effective tax rate & total tax expenses	-3.31%	8,155,473	11,277,018



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For the period ended	31-Mar-23	31-Mar-22
36 NET OPERATING CASH FLOWS PER SHARE		
Net cash flows from operating activities	126,894,318	139,774,240
Total number of ordinary shares outstanding	172,573,843	172,573,843
Net operating cash flows per share	0.74	0.81

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

Net cash flows from operating activities	77,536,937	80,038,195
Total number of ordinary shares outstanding	172,573,843	172,573,843
Net operating cash flows per share	0.45	0.46

During the first three month of 2023 the company has received less commission income compared to the previous period due to sluggish trend in capital market, less recovery from written off clients. As a result NOCFPS has been decreased significantly for the period ended 31 March 2023.

	2023	2022
37 NET ASSET VALUE PER SHARE (NAV)		
Net asset (total assets less total liabilities)	(2,903,052,697)	(2,658,818,696)
Total number of ordinary shares outstanding	172,573,843	172,573,843
Net asset value per share (NAV)	(16.82)	(15.41)

During the period ended 31 March 2023, NAV has been decreased from previous year due to incurring loss of about Tk. 24.42 crore 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 the period.

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

Net asset (total assets less total liabilities)	(2,990,935,967)	(2,736,369,836)
Total number of ordinary shares outstanding	172,573,843	172,573,843
Net asset value per share (NAV)	(17.33)	(15.86)

38 (INCREASE)/DECREASE IN OTHER ASSETS

Accrued interest	8,493,434	391,163
Advance office rent	-	40,500
Receivable from brokerage houses against sale of shares	168,063	730,539
Others	(2,100,930)	3,620,111
	6,560,567	4,782,313

39 INCREASE/(DECREASE) IN OTHER LIABILITIES	105,692,132	131,678,230
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Union Capital Limited
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For the period ended	31-Mar-23	31-Mar-22
40 RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES		
Net profit after tax	(244,234,001)	(143,381,308)
Items not involved in cash movement:		
Add: Depreciation	4,169,419	5,003,536
Add: Provision for loans and investments	94,852,355	7,077,606
Add: Provision for taxation	-	-
Add/ (Less): Accrued expenses	96,641,565	72,681,291
Add/ (Less): Accrued Income	1,503,705	53,459,354
Less: Gain on disposal of fixed assets	-	-
Add/(Less): Loss/(gain) on sale of share	97	(660,492)
Increase/(Decrease) in employee gratuity	772,327	407,463
Increase/(Decrease) in Deferred tax	1,443,085	1,171,350
Adjustments to reconcile net profit after tax to net cash provided by operating activities	(44,851,448)	(4,241,200)
Increase/decrease in operating assets and liabilities		
(Increase)/decrease in loans, advances	95,135,180.84	75,477,705
(Increase)/decrease in other assets	6,560,567.16	5,353,988
(Increase)/decrease in non-banking assets	-	-
Increase/(decrease) in term & other deposits	(28,276,884.00)	(54,485,966)
Increase/(decrease) in short term borrowing	(7,150,000.00)	(8,350,000)
Increase/(decrease) in payable and accrued expenses	997,827	101,157,924
Increase/(decrease) in income tax	(216,506)	(341,789)
Increase/(decrease) in interest suspenses	104,695,581	25,203,578
	171,745,766	144,015,440
Net cash flows from/(used in) operating activities	126,894,318	139,774,240

40.a RECONCILIATION OF NET PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES (consolidated)

Net profit after tax	(254,566,132)	(118,180,792)
Items not involved in cash movement:		
Add: Depreciation	7,871,794	9,494,190
Add: Provision for loans and investments	94,852,355	7,077,606
Add: Provision for taxation	6,673,024	9,287,916
Add/ (Less): Accrued expenses	103,663,177	53,073,599
Add/ (Less): Accrued Income	13,466,812	5,436,239
Add/(Less): Loss/(gain) on sale of share	706,287	(5,759,935)
Increase/(Decrease) in employee gratuity	772,327	(346,592)
Increase/(Decrease) in Deferred tax	1,482,449	1,989,102
Adjustments to reconcile net profit after tax to net cash provided by operating activities	(25,077,906)	(37,928,668)
Increase/decrease in operating assets and liabilities		
(Increase)/decrease in loans, advances	21,202,428	(32,710,898)
(Increase)/decrease in other assets	41,217,180	55,837,357
Increase/(decrease) in term & other deposits	(28,276,885)	18,437,694
Increase/(decrease) in short term borrowing	(7,150,000)	(8,350,000)
Increase/(decrease) in payable and accrued expenses	(24,009,087)	68,916,322
Increase/(decrease) in income tax	(5,064,375)	(9,367,190)
Increase/(decrease) in interest suspenses	104,695,581	25,203,578
	102,614,844	117,966,862
Net cash flows from/(used in) operating activities	77,536,937	80,038,195



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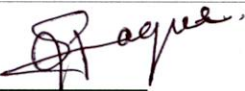
For the period ended **31-Mar-23** **31-Mar-22**

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.

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 2023 was as under:

Name of the related party	Relationship	Nature of transaction	31-Mar-23	31-Dec-22
Progressive Life Insurance Co. Ltd.	Father of Waqar A. Choudhury, Director, is a Director of Progressive life insurance	Term deposit	113,294,458	112,914,698
Vanguard AML BD Finance Mutual	Common Directors	Term deposit	15,075,000	15,075,000
Vanguard AML Rupali Bank Balanc	Common Directors	Term deposit	29,999,002	34,144,529
UniCap Securities Limited	Subsidiary Company	Inter-company	134,290,447	158,149,033
UniCap Investments Limited	Subsidiary Company	Inter-company	5,559,298,444	4,096,397,964



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 31 March 2023

Particulars	Cost			Rate of depreciation	Depreciation			Written down Value
	As at 1 st January 2023	Addition during the period/ year	Disposal/ adjustment during the period/ year		As at 1 st January 2023	Charged during the period/ year	Disposal/ adjustment during the period/ year	
Freehold assets								
Office space	415,891,104	-	-	2.50%	32,924,718	2,599,319	-	380,367,067
Furniture and fixtures	9,329,071	-	-	20%	7,375,768	289,239	-	1,664,084
Office decoration	18,427,353	-	-	33%	18,264,176	47,223	-	115,954
Electrical equipment	30,588,523	-	-	20%	27,098,234	484,836	-	3,025,453
Owned vehicles	13,055,597	-	-	20%	12,433,792	296,605	-	325,200
Software	2,310,528	-	-	20%	1,607,881	52,243	-	650,403
Mobile Phone	452,600	-	-	20%	452,576	-	-	24
Staff appliance	-	-	-	20%	-	-	-	-
Leasehold assets								
Right-of-use assets	14,561,441	-	-	lease term	5,581,592	419,953	-	8,559,896
As at 31 March 2023	504,616,217	-	-		105,738,737	4,169,419	-	394,708,061
As at 31 December 2022	497,151,185	7,465,032	-		86,390,576	19,348,161	-	398,877,480

Consolidated Schedule of Fixed assets including land, building, furniture and fixtures
As at 31 March 2023

Particulars	Cost			Rate of depreciation	Depreciation			Written down Value
	As at 1 st January 2023	Addition during the period/ year	Disposal/ adjustment during the period/ year		As at 1 st January 2023	Charged during the period/ year	Disposal/ adjustment during the period/ year	
Freehold assets								
Office space	415,891,104	-	-	2.50%	32,924,719	2,599,319	-	380,367,065
Furniture and fixtures	13,377,758	-	-	20%	11,190,462	327,545	-	1,859,751
Office decoration	45,571,902	-	-	33%	44,450,780	174,604	-	946,518
Electrical equipment	50,172,935	39,262	-	20%	43,946,628	764,393	-	5,501,176
Owned vehicles	21,221,034	-	-	20%	20,599,230	296,605	-	325,199
Software	7,180,358	-	-	20%	6,280,502	137,903	-	761,953
Mobile Phone	512,500	-	-	20%	512,456	-	-	44
Staff appliance	-	-	-	20%	-	-	-	-
Leasehold assets								
Right-of-use assets	90,740,287	6,752,683	-	lease term	47,426,720	3,571,425	7,022,790	48,494,824
Leased vehicles	-	-	-	20%	-	-	-	-
As at 31 March 2023	644,667,878	6,791,945	7,022,790		207,331,497	7,871,794	7,022,790.00	436,256,531
As at 31 December 2022	602,164,601	42,503,277	-		171,821,088	35,510,409	-	437,336,382

