

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AUDITED

FOR THE HALF-YEAR ENDED ON JUNE 30, 2018

LANKABANGLA FINANCE LIMITED
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Consolidated Balance	e Sheet	
As at 30 June 2018		
PROPERTY AND ASSETS	30.06.2018	unt in Taka 31.12.2017
Cash	898,842,061	1,155,230,423
Cash in hand (including foreign currencies) Balance with Bangladesh Bank (including foreign currencies)	2,473,701 896,368,360	476,721 1,154,753,702
Balance with other banks and financial institutions Inside Bangladesh Outside Bangladesh	7,675,955,155 7,675,955,155	8,874,982,033 8,874,982,033
Money at Call and Short Notice	-	-
Investments	5,235,309,416	5,469,169,711
Government securities Other investments	5,235,309,416	5,469,169,711
Leases, loans and advances Loans, cash credit and overdraft etc. Bills discounted and purchased	66,571,246,339 66,571,246,339	66,544,357,447 66,544,357,447
Fixed Assets including Land, Building, Furniture & Fixtures	2,090,878,088	1,761,772,474
Other assets	1,896,473,211	1,637,203,086
Non-Banking assets		
TOTAL PROPERTY AND ASSETS	84,368,704,271	85,442,715,174
LIABILITY AND SHAREHOLDERS' EQUITY		
Borrowings from Bangladesh Bank, other banks & financial institutions	15,594,152,225	18,563,686,212
Deposits and other accounts Current deposits and other accounts etc.	51,449,015,212	51,675,158,138
Bills payable	-	-
Saving bank deposit Term deposits	51,328,393,679	51,552,816,766
Bearer certificate of deposits	-	
Other deposits	120,621,533	122,341,372
Other liabilities	7,570,303,131	6,775,350,993
TOTAL LIABILITIES	74,613,470,568	77,014,195,343
Shareholders' Equity	9,647,427,158	8,327,000,468
Paid up capital	5,131,796,410	3,182,509,410 160,307,660
Share money deposit for right issue Share premium	1,090,888,800	1,090,888,800
Statutory reserve	1,524,422,681	1,472,602,021
General reserve	49,480,521	50,867,438
Retained earnings	1,850,838,746	2,369,825,140
Non controlling interest	107,806,546	101,519,363
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	84,368,704,271	85,442,715,174
Net asset value per share- (NAV) (restated: 2017)	18.80	18.03
sd/- sd/- sd/- Director Director Managing Director Con	sd/- npany Secretary	sd/- Chief Financial Officer
Director Ivianaging Director Con	iipaiiy secretary	sd/-
		S. F. Ahmed & Co.
		Chartered Accountants

Consolidated Pro	fit and Los	s Accour	nt	
For the period ended on 30 June 2018		Amount		
Operating Income	Jan '18 - Jun '18	Jan '17 - Jun '17	"Q-2 of 2018 (April to June)"	"Q-2 of 2017 (April to June)"
Interest income			2,298,114,692	
Less: Interest expenses on deposits and borrowings	3,118,618,175	2,198,947,658	1,674,759,038	
Net interest income	1,172,256,370	970,353,373	623,355,654	537,531,259
Income from investment	280,195,675	189,414,644	235,853,416	70,844,912
Commission, Exchange and Brokerage Income	300,685,263	575,894,965	162,232,397	209,430,208
Other operational income	386,102,984	419,554,721	196,962,575	213,361,810
Total Operating Income	2,139,240,292	2,155,217,703	1,218,404,042	1,031,168,189
Operating Expenses				
Salary and allowances	690,748,426	604,411,430	341,318,549	301,819,396
Rent, taxes, insurance, electricity etc.	127,317,418		66,496,421	51,479,405
Legal and professional fees	8,113,956	10,203,442		6,700,902
Postage, stamp, telecommunication etc.	12,455,589			
Stationery, printing, advertisement	23,892,193			7,317,465
				20,142,606
Managing director's salary and allowance	7,738,123			948,722
Director fees and expenses	977,000			562,000
Audit fees	894,081	373,234		207,263
Repairs, maintenance and depreciation	96,642,996			44,850,426
Other expenses	349,211,112	372,673,346		196,618,285
Total Operating Expenses	1,317,990,893	1,220,202,358	680,035,683	630,646,471
Net Operating Income	821,249,399	935,015,345	538,368,359	400,521,719
Provision for loans, investments and other assets	423,734,578	114,129,195	258,217,150	(10,636,131)
Provision for leases and loans	268,452,877	164,744,503	125,710,403	51,746,517
Provision for diminution in value of investments	140,284,443	(74,881,913)	130,009,489	(74,881,913)
Provision for margin loan	12,500,000	24,266,605	-	12,499,265
General provision for other assets	2,497,258	-	2,497,258	-
Profit before tax and reserve	397,514,821	820,886,150	280,151,209	411,157,850
Provision for tax	132,295,309	172,064,507	95,992,583	68,372,515
Current tax	127,027,893		90,725,167	63,740,847
Deferred tax	5,267,416			4,631,668
Net profit after tax	265,219,512	648,821,644	184,158,626	342,785,335
Assette de de				
Attributed to	250 521 220	C2C 7C0 074	170 755 240	227 207 657
Shareholders of the Company Non controlling interest	258,521,330			337,307,657
Non controlling interest	6,698,182	12,052,570	5,403,378	5,477,678
	265,219,512	648,821,644	184,158,626	342,785,335
Appropriations	50,433,744	104,995,478	25,328,618	89,869,903
Statutory reserve	51,820,660			
General reserve	(1,386,916)			749,940
Retained surplus	208,087,586	531,773,596	153,426,630	247,437,754
Earning per share (EPS) (restated: 2017)	0.51	1.38	0.35	0.73
sd/- sd/- sd/-		sd/-	- 3,00	sd/-
Director Director Managing Dir	ector Cor	npany Secreta	ry Chief Fir	nancial Officer
Director Director Managing Dir	ector Cor	npany Secreta	•	sd/- Ahmed & Co.

Consolidated Statement of Cash Flows								
For the period ended on 30 June 2018								
		t in Taka						
A) Cash flows from operating activities	Jan '18 - Jun '18	Jan '17 - Jun '17						
Interest received	4,294,059,147	3,151,012,384						
Interest paid	(3,096,764,584)							
Dividend received Fees and commission received	49,280,832	41,803,988						
Income from investment	493,027,948 257,121,691	843,614,519 170,151,286						
Cash paid to employees (including directors)	(748,313,435)	(627,078,767)						
Cash paid to suppliers	(98,964,651)	(91,826,250)						
Income taxes paid	(104,810,245)	(165,292,055)						
Received from other operating activities Paid for other operating activities	192,421,165 (440,202,480)	150,122,011 (449,382,336)						
Cash generated from operating activities before changes	796,855,389	1,089,234,067						
in operating assets and liabilities								
Increase/(decrease) in operating assets & liabilities								
Loans and advances to customers	92,627,685	(8,511,350,929)						
Other assets	(181,503,077)	149,826,697						
Deposits from customers and others Other liabilities	(226,142,926) 153,787,573	6,894,831,048 908,652,113						
Total increase/(decrease) in operating assets & liabilities	(161,230,746)	(558,041,070)						
Net Cash flows from Operating Activities (Total of "A"):	635,624,643	531,192,996						
B) Cash flows from investing activities								
Changes in investment in securities	(216,139,705)	(359,922,442)						
Purchase of property, plant and equipment	(446,581,339)	(313,015,225)						
Investment in commercial paper	450,000,000	250,000,000						
Sales proceeds of fixed assets	39,454,646	2,396,503						
Net Cash used in Investing Activities (Total of "B"):	(173,266,397)	(420,541,164)						
c) Cash flows from financing activities								
Drawdown of Term Loan, OD and REPO	(2,969,533,988)	3,417,672,327						
Proceeds from right issue Transaction cost against right issue	1,430,947,040 (10,170,363)	-						
Dividend paid	(369,016,175)	48,708,485						
Net Cash flow from Financing Activities (Total of "C"):	(1,917,773,486)	3,466,380,813						
D) Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	(1,455,415,239)	3,577,032,645						
E) Opening cash and cash-equivalents	10,030,212,456	5,043,583,829						
F) Closing cash and cash equivalents (D+E)*	8,574,797,217	8,620,616,474						
* Closing cash and cash-equivalents								
Cash in hand (including foreign currencies) Balance with Bangladesh Bank and its agent bank (s)	2,473,701 896,368,360	1,176,623 740,899,789						
Balance with other Banks and Financial Institutions	7,675,955,155	7,878,540,062						
Total:	8,574,797,217	8,620,616,474						
Net Operating Cash Flows Per Share - (NOCFPS) (restated: 2017)	1.26	1.15						
	-4/							
	sd/- y Secretary	sd/- f Financial Officer						
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Consolidated Statement of Changes in Equity									
For the period ended on 30 June 2018									Amount in Taka
Particulars	Share Capital	Share money deposit for right issue	Share Premium	Statutory Reserve	General Reserve	Retained Earnings	Total	Non Controlling Interest	Total
Balance as at 01 January 2018 Items Involved in Changes in Equity	3,182,509,410	160,307,660	1,090,888,800	1,472,602,021	50,867,438	2,369,825,140	8,327,000,468	101,519,363	8,428,519,831
Right share money deposit received	160,307,660	(160,307,660)	-	-	-	-	-	-	-
Changes in non controlling interest Right Share Subscription	- 1,430,947,040	-	-	-	-	(839,001)	(839,001) 1,430,947,040	(410,999)	(1,250,000) 1,430,947,040
Net profit for the period	· · · -		-	-	-	258,521,330	258,521,330	6,698,182	265,219,512
Transaction cost against right issue	-	-	-	-	-	(10,170,363)	(10,170,363)	-	(10,170,363)
Appropriation to statutory reserve	-		-	51,820,660	-	(51,820,660)	-	-	-
Appropriation to General reserve	-			-	(1,386,916)	1,386,916	-	-	-
Dividend									-
Stock dividend (7.5%)	358,032,300		-	-	-	(358,032,300)		-	
Cash dividend (7.5%)	-		-	-	-	(358,032,317)	(358,032,317)	-	(358,032,317)
Balance as at 30 June 2018	5,131,796,410	-	1,090,888,800	1,524,422,681	49,480,521	1,850,838,746	9,647,427,158	107,806,546	9,755,233,703

sd/- sd/- sd/- sd/- sd/- Director Director Managing Director Company Secretary Chief Financial Officer

Separate Balance Sheet									
As at 30 June 2018 Amount in Taka									
PROPERTY AND ASSETS	30.06.2018	31.12.2017							
Cash Cash in hand (including foreign currencies) Balance with Bangladesh Bank and its agent Bank (including foreign currencies)	897,280,777 912,417 896,368,360	1,155,072,909 319,207 1,154,753,702							
Balance with other Banks and Financial Institutions Inside Bangladesh Outside Bangladesh	6,329,610,657 6,329,610,657	6,867,656,341 6,867,656,341 -							
Money at Call and Short Notice	-								
Investment Government securities Others investment	1,817,323,875 - 1,817,323,875	2,127,660,042 - 2,127,660,042							
Leases, loans and advances Loans, cash credit and overdraft etc. Bills discounted and purchased	62,113,389,285 62,113,389,285	61,913,587,489 61,913,587,489							
Fixed Assets including Land, Building, Furniture & Fixtures	1,029,009,335	1,072,694,198							
Other assets	5,174,511,443	5,110,935,231							
Non-Banking assets	-								
TOTAL PROPERTY AND ASSETS	77,361,125,372	78,247,606,210							
LIABILITIES & SHAREHOLDERS' EQUITY									
Liabilities Borrowings from Bangladesh Bank, Other Banks and Financial Institutions	12,092,980,902	15,061,790,454							
Deposits and other accounts Current deposits and other accounts Bills payable Saving bank deposit Term deposits Bearer certificate of deposit Other deposits	51,469,498,962 	51,675,158,138 - - - 51,552,816,766 - 122,341,372							
Other liabilities	5,208,991,455	4,242,851,226							
TOTAL LIABILITIES	68,771,471,318	70,979,799,818							
Shareholders' Equity Paid up capital Share money deposit for right issue Statutory reserve Retained earnings	8,589,654,053 5,131,796,410 - 1,524,422,681 1,933,434,962	7,267,806,392 3,182,509,410 160,307,660 1,472,602,021 2,452,387,301							
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	77,361,125,372	78,247,606,210							
Net asset value per share- (NAV) (restated: 2017)	16.74	15.74							
sd/- sd/- sd/- Director Director Managing Director Con	sd/- npany Secretary Cl	sd/- nief Financial Officer							

Separate Profit and Loss Account									
For the period ended 30 June 2018 Amount in Taka									
Operating Income	Jan '18 - Jun '18	Jan '17 - Jun '17		"Q-2 of 2017 (April-June)"					
Interest income	4,032,059,502	2,970,130,475	2,161,476,014	1,564,472,662					
Less :Interest expenses on deposits and borrowings	2,914,304,741	2,075,445,911	1,565,892,864	1,072,478,910					
Net interest income	1,117,754,761	894,684,564	595,583,151	491,993,752					
Income from investment	52,401,757	315,617,166	17,106,959	279,483,669					
Commission, exchange and brokerage income	-	-	-	-					
Other operational income	251,278,804	275,376,572	130,635,637	149,604,019					
Total Operating Income	1,421,435,323	1,485,678,302	743,325,746	921,081,440					
Operating Expenses									
Salary and allowances	442,310,363	390,807,611	221,238,198	196,057,218					
Rent, taxes, insurance, electricity etc.	88,388,778	67,811,316	46,744,858	35,330,751					
Legal and professional fees	5,119,123	9,211,964	4,263,685	6,012,624					
Postage, stamp, telecommunication etc.	8,931,691	9,302,586	5,459,229	5,749,258					
Stationery, printing, advertisement	15,550,140	25,220,711	11,013,545	17,217,327					
Managing director's salary and allowance	7,738,123	3,549,222	3,869,521	948,722					
Director fees and expenses	264,000	320,000	200,000	240,000					
Audit fees	609,501	278,354	465,750	148,323					
Repairs, maintenance and depreciation	63,696,175	60,422,337	31,845,252	32,472,094					
Other expenses	185,264,868	188,596,938	107,458,616	118,584,610					
Total Operating Expenses	817,872,762	755,521,040	432,558,653	412,760,928					
Net Operating Income	603,562,561	730,157,262	310,767,094	508,320,513					
Provision for loans, investments and other assets	295,442,147	164,744,503	152,699,673	51,746,517					
Provision for leases and loans	268,452,877	164,744,503	125,710,403	51,746,517					
Provision for diminution in value of investments	26,989,270		26,989,270	-					
General provision for other assets		_		_					
Profit before tax and reserve	308,120,414	565,412,759	158,067,420	456,573,996					
Provision for tax	49,017,113	20,458,365	36,671,839	10,974,182					
Current tax	49,017,113	20,458,365	36,671,839	10,974,182					
Deferred tax									
Net profit after tax	259,103,301	544,954,393	121,395,582	445,599,813					
Appropriations	51,820,660	108,990,879	24,279,116	89,119,963					
Statutory reserve	51,820,660	108,990,879	24,279,116	89,119,963					
General reserve				-					
Retained surplus	207,282,641	435,963,515	97,116,465	356,479,851					
Earning per share (EPS) (restated: 2017)	0.51	1.18	0.24	0.96					
sd/- sd/- sd/- sd/- Director Director Managing Director Company Secretary Chief Financial Officer sd/- S. F. Ahmed & Co. Chartered Accountants									

	Sen	arate Statement	of Cas	h Elows		
Fo	r the period ended 30 J		. OI Cas	II FIOWS		
	,		ļ	Amoı	ınt	in Taka
۸۱	Cash flows from operat	ing activities	[Jan '18 - Jun '1	.8	Jan '17 - Jun '17
A)	Cash nows from operat	ang activities				
	Interest received			4,034,657,59		2,950,779,274
	Interest paid			(2,898,160,97		(1,822,458,052)
	Dividend received Fees and commission re	accived		16,089,14 167,599,72		252,998,598 211,525,940
	Income from investmen			49,991,56		85,718,767
	Cash paid to employees	(including directors)		(426,490,14		(393,181,935)
	Cash paid to suppliers 8	k others		(20,372,25		(21,810,192)
	Income taxes paid Received from other op	erating activities		(30,216,61 83,791,9 ⁴		(64,620,571) 64,026,044
	Paid for other operating			(281,937,96		(277,686,928)
		ating activities before cha	nges	694,952,02		985,290,946
	Increase/ (decrease) in o	operating assets & liabili	ties			
	Loans and advances to	customers		(71,258,18	37)	(8,212,389,044)
	Other assets	t attace.		(55,932,90		(33,117,365)
	Deposits from customer Other liabilities	rs and others		(205,659,17		6,894,831,048
		in operating assets & liabil	lities	457,757,15 124,906,89		562,470,529 (788,204,833)
	Net Cash from Operatin			819,858,92		197,086,113
B)	Cash flows from investi			019,030,92	2.5	137,000,113
	Changes in investment i	in securities		(139,663,83	13)	(70,033,968)
	Purchase of property, p			(47,869,66		(60,972,193)
	Sales proceeds of fixed			38,002,64		467,372
	Investment in commerc Investment in subsidiari			450,000,00	00 -	250,000,000 (50,000,000)
	Net Cash used in Invest	ing Activities		300,469,14	16	69,461,212
C)	Cash flows from financi	ing activities				
	Drawdown of Term Loan			(2,968,809,55		3,114,843,944
	Proceeds from right issu Transaction cost against			1,430,947,04		-
	Dividend paid (cash divi			(10,170,36 (368,133,01		(206,167)
	Net Cash used in Financ			(1,916,165,88		3,114,637,777
	Net Increase/ (Decrease) in		+B+C)	(795,837,81		3,381,185,103
	Opening cash and cash- Closing cash and cash-			8,022,729,25 7,226,891,43		2,929,885,697 6,311,070,800
	* Closing cash and cash	-equivalents			_	
	Cash in hand	h Bank and its agent ba	nk(s)	912,41 896,368,36		935,493 740,899,789
		ks and Financial Instituti		6,329,610,65		5,569,235,518
	Total:			7,226,891,43		6,311,070,800
	Net Operating Cash Flows Pe	er Share - (NOCFPS) (restated	l: 2017)	1.6	52	0.43
_	d/- sd/-	sd/-		sd/-		sd/-
	ector Director	Managing Director		ny Secretary	Chie	f Financial Officer

Separate Statement of Changes in Equity									
For the period ended 30 June 2018									
Particulars	Share Capital	Share money deposit for right issue	Statutory Reserve	General Reserve	Retained Earnings	Total			
Balance as at 01 January 2018	3,182,509,410	160,307,660	1,472,602,021	-	2,452,387,301	7,267,806,392			
Items involved in changes in equity Right share money deposit received Right share subscription Net profit for the period Appropriation to statutory reserve Transaction cost against right issue Stock dividend (7.50%) Cash dividend (7.50%)	160,307,660 1,430,947,040 - - - - 358,032,300	(160,307,660) - -	- - 51,820,660 - - -	- - - - -	259,103,301 (51,820,660) (10,170,363) (358,032,300) (358,032,317)	1,430,947,040 259,103,301 (10,170,363) - (358,032,317)			
Balance as at 30 June 2018	5,131,796,410	-	1,524,422,681	-	1,933,434,962	8,589,654,053			