

## CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (UN-AUDITED)

AS AT AND FOR THE HALF-YEAR ENDED 30 JUNE 2019

LANKABANGLA FINANCE LIMITED Safura Tower (Level-11) 20 Kemal Ataturk Avenue, Banani Dhaka-1213, Bangladesh. Phone: +88 02 988 3701-10 Fax: (88 02) 88 10998 www.lankabangla.com

		Separate Balanc	e She	et	
As at 30 June	2019				
				30.06.2019	nt in Taka 31.12.2018
		eign currencies) agent banks (including foreign curre	ncies)	1,003,213,902 454,695 1,002,759,207	1,001,794,766 670,916 1,001,123,850
Balance with o Inside Banglade Outside Bangla	esh	and financial institutions		<b>5,353,594,328</b> 5,353,594,328	<b>6,706,544,902</b> 6,706,544,902
Money at call a	and short no	otice		-	-
Investment Government se				3,335,631,861	2,409,307,374
Leases, loans a Loans, cash cre Bills discounted	<b>nd advance</b> dit and over	rdraft etc.		65,888,737,978 65,888,737,978	<b>63,784,580,057</b> 63,784,580,057
Fixed assets inclu	ıding land, b	uilding, furniture and fixture	s	1,395,483,945	1,357,931,214
Other assets				5,552,625,405	5,407,983,420
Non-Banking a	ssets			-	
TOTAL PROPER	TY AND ASS	SETS		82,529,287,420	80,668,141,733
LIABILITY AND	SHAREHOL	DERS' EQUITY			
Liabilities					
Borrowings from Ba	ngladesh Bank,	other banks and financial instituti	ons	16,263,402,290	12,639,198,866
Deposits and o Current deposit Bills payable Savings bank de Term deposits Bearer certifica Other deposits	ts and other	raccounts		51,515,277,366 - - - 51,323,878,090 - 191,399,276	53,425,834,494 - - - 53,252,420,679 - 173,413,815
Other liabilities	s			6,072,505,414	5,558,400,989
TOTAL LIABILIT				73,851,185,070	71,623,434,349
Shareholders' I Paid up capital Share money d Statutory reser Retained earnin	eposit for ri ve	ght issue		8,678,102,350 5,131,796,410 - 1,696,066,233 1,850,239,707	9,044,707,384 5,131,796,410 - 1,615,433,348 2,297,477,627
TOTAL LIABILIT	IES AND SH	AREHOLDERS' EQUITY		82,529,287,420	80,668,141,733
Net asset value	per share-	(NAV)		16.91	17.62
OFF-BALANCE SH	IEET ITEMS				
CONTINGENT LIB Acceptances and Letter of guarante Irrevocable letter Bill for collection Other contingent TOTAL CONTINGE	endorsemen ee s of credit liabilities			39,027,000 - - 39,027,000	357,182,217 - - - 357,182,217
Forward assets pullindrawn note iss	dits and short urchased and suance and reindby facilities, MMITMENT		S	3,269,438,031 3,269,438,031 3,308,465,031	3,691,862,631 3,691,862,631 4,049,044,848
sd/- Director	sd/- Director	sd/- Managing Director		d/- y Secretary Ch	sd/- ief Financial Officer

For the period ended 30 June 2019	Amount in Taka						
Operating Income	Jan-Jun 2019	Jan-Jun 2018	Apr-Jun 2019	Apr-Jun 2018			
Interest income	4,640,964,176	4.032.059.502	2,365,075,037	2,161,476,014			
Less: Interest expenses on deposits & borrowings	3,397,123,447		1.726,551,674				
Net interest income	1,243,840,729		638,523,364	595,583,151			
Income from investment	201,920,539	52,401,757	34,054,235	17,106,959			
Commission, exchange and brokerage income	-	-	-	-			
Other operational income	291,384,951	251,278,804	148,650,621	130,635,637			
Total operating income	1,737,146,219	1,421,435,323	821,228,220	743,325,746			
Operating Expenses							
Salary and allowances	466,711,210	442,310,363	233,907,742	221,238,198			
Rent, taxes, insurance, electricity etc.	90,592,985	88,388,778	45,139,914	46,744,858			
Legal and professional fees	7,240,020	5,119,123	5,599,938	4,263,685			
Postage, stamp, telecommunication etc.	9,941,923	8,931,691	5,501,498	5,459,229			
Stationery, printing, advertisement	16,727,654	15,550,140	10,485,628	11,013,545			
Managing director's salary and allowance	7,738,123	7,738,123	3,869,521	3,869,521			
Director fees and expenses	312,800	264,000	193,200	200,000			
Audit fees	316,250	609,501	158,125	465,750			
Repairs, maintenance and depreciation	91,379,695	63,696,175	39,871,041	31,845,252			
Other expenses	232,011,920	185,264,868	134,123,964	107,458,616			
Total operating expenses	922,972,580	817,872,762	478,850,572	432,558,653			
Net Operating Income	814,173,639	603,562,561	342,377,647	310,767,094			
Provisions for loans, investments and other assets	349,186,030	295,442,147	126,322,175	152,699,673			
Provisions for leases and loans	300,162,431	268,452,877	118,068,486	125,710,403			
Provision for diminution in value of investments	49,023,599		-	-			
General provision for other assets	-	26,989,270	8,253,689	26,989,270			
Profit before tax and reserve	464,987,609	308,120,414	216,055,472	158,067,420			
Provision for tax	61,823,182	49,017,113	29,774,625	36,671,839			
Current tax	61,823,182	49,017,113	29,774,625	36,671,839			
Deferred tax	-		-	-			
Net profit after tax	403,164,428	259,103,301	186,280,847	121,395,582			
Earnings Per Share- (EPS)	0.79	0.51	0.36	0.24			
sd/- sd/- sd/- Director Director Managing Dire		sd/-		sd/-			

Separate Statement	t of Cash Flows	
For the period ended 30 June 2019		
·		unt in Taka
	Jan-Jun 2019	Jan-Jun 2018
A) Cash flows from operating activities		
Interest received	4,697,001,956	4,034,657,595
Interest paid	(3,303,955,349)	(2,898,160,970)
Dividend received Fees and commission received	43,162,800	16,089,144
Income from investment	197,100,772 41,680,143	167,599,720 49,991,566
Cash paid to employees (including directors)	(457,330,845)	(426,490,142)
Cash paid to suppliers	(38,622,751)	(20,372,259)
Income taxes paid	(42,979,325)	(30,216,611)
Received from other operating activities	94,219,150	83,791,284
Paid for other operating activities	(321,816,654)	(281,937,965)
Cash generated from operating activities before changes in operating		
assets and liabilities	908,459,897	694,951,362
Increase/(decrease) in operating assets & liabilities:		
Leans and advances to sustamore	(1.011.677.045)	(71 250 107)
Loans and advances to customers Other assets	(1,911,677,945) (40,671,146)	(71,258,187) (55,932,900)
Deposits from customers	(1,910,557,128)	(205,659,176)
Other liabilities	(287,217,844)	457,757,159
Total Increase/(decrease) in operating assets & liabilities		124,906,897
Net cash flows from/(used in) operating activities	(3,241,664,166)	819,858,259
B) Cash flows from investing activities		
Investment in securities	77,948,028	(139,663,833)
Purchase of fixed assets	(112,115,874)	(47,869,668)
Sales proceeds of fixed assets	83,400	38,002,646
Investment in commercial paper	(004 070 545)	450,000,000
Investment in discretionary corporate fund Investment in Subordinated bond	(204,272,515)	-
Investment in Subordinated bond Investment in subsidiaries	(800,000,000)	_
Net cash flows from investing activities	(1,038,356,961)	300,469,146
C) Cash flows from financing activities		
Receipt of term loan, overdraft and REPO	3,611,168,781	(2,968,809,552)
Right Share Subscription	5,011,100,781	1,430,947,040
Transaction cost against right issue		(10,170,363)
Dividend paid	(682,679,793)	(368,133,010)
Net cash flows from/(used in) financing activities	2,928,488,988	(1,916,165,885)
D) Net increase/(decrease) in cash & cash equivalents	(1,351,532,139)	(795,838,480)
<ul> <li>E) Effect of exchange rates on cash and cash equivalents</li> <li>F) Cash and cash equivalents at the beginning of the period</li> </ul>	702 7,708,339,668	664 8,022,729,250
G) Cash and cash equivalents at the beginning of the period	6,356,808,230	7,226,891,434
		-,,,
* Closing cash and cash-equivalents	45.4.655	040.4:-
Cash in hand (including foreign currencies)	454,695	912,417
Balance with Bangladesh Bank and its agent bank (s) Balance with other banks and financial institutions	1,002,759,207 5,353,594,328	896,368,360 6,329,610,657
paratice with other parks and illiantial institutions	6,356,808,230	7,226,891,434
	0,330,000,230	7,220,031,434
Net Operating Cash Flows Per Share - (NOCFPS)	(6.32)	1.63
sd/- sd/- sd/-	sd/-	sd/-
	mpany Secretary	Chief Financial Officer
30 JULY 2019		

		Separate State	ment of Changes in Ec	quity		
For the period ended 30 June 2019						
Particulars	Share Capital	Share money deposit for right issue	Statutory Reserve	General Reserve	Retained Earnings	Total Equity
Balance as at 01 January 2019	5,131,796,410	-	1,615,433,348	-	2,297,477,627	9,044,707,384
tems involved in changes in equity						
Right Share Subscription	-	-	-	-	-	
Net profit for the period	-	-		-	403,164,428	403,164,428
Fransaction cost against right issue	-	-	-	-	-	-
Appropriation to statutory reserve	-	-	80,632,886	-	(80,632,886)	-
Dividend						
Cash dividend (15%)	-	-	-	-	(769,769,462)	(769,769,462)
Balance as at 30 June 2019	5,131,796,410	-	1,696,066,233	-	1,850,239,707	8,678,102,350
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
tems involved in changes in equity						
Right share money deposit received	160,307,660	(160,307,660)	_	-	-	
ight Share Subscription	1,430,947,040			-	-	1,430,947,040
let profit for the period	-	-	-	-	259,103,301	259,103,301
ransaction cost against right issue	-	-	-	-	(10,170,363)	(10,170,363)
ppropriation to statutory reserve	-	-	51,820,660	-	(51,820,660)	
Dividend						
tock dividend (7.5%)	358,032,300	-	-	-	(358,032,300)	-
Cash dividend (7.5%)	-	-	-	-	(358,032,317)	(358,032,317)
alance as at 30 June 2018	5,131,796,410	-	1,524,422,681	-	1,933,434,962	8,589,654,053

Consolidated Balance Shee	et	
As at 30 June 2019	A	ont in Tales
PROPERTY AND ASSETS	30.06.2019	nt in Taka 31.12.2018
Cash	1,003,739,185	1,002,028,777
Cash in hand (including foreign currencies) Balance with Bangladesh Bank and its agent banks (including foreign currencies)	979,978 1,002,759,207	904,927
Balance with other banks and financial institutions	6,852,082,068	8,431,276,535
Inside Bangladesh	6,852,082,068	8,431,276,535
Outside Bangladesh	-	_
Money at call and short notice	-	-
Investment	6,582,864,371	5,713,587,671
Government securities Other investments	6,582,864,371	5,713,587,671
Leases, loans and advances	70,754,733,831	68,676,032,831
Loans, cash credit and overdraft etc.	70,754,733,831	68,676,032,831
Bills discounted and purchased		-
Fixed assets including land, building, furniture and fixtures	2,448,772,084	2,405,753,963
Other assets	1,692,620,119	1,660,000,929
Non-Banking assets	-	-
TOTAL PROPERTY AND ASSETS	89,334,811,658	87,888,680,706
LIABILITY AND SHAREHOLDERS' EQUITY		
·		
Liabilities	40.040.040	
Borrowings from Bangladesh Bank, other banks and financial institutions	19,869,793,710	16,263,240,621
<b>Deposits and other accounts</b> Current deposits and other accounts etc.	51,493,446,445	53,404,546,419
Bills payable Saving bank deposit		-
Term deposits	51,302,047,169	53,231,132,604
Bearer certificate of deposits Other deposits	191,399,276	173,413,815
Other liabilities	8,538,807,635	8,286,435,375
TOTAL LIABILITIES	79,902,047,789	77,954,222,415
<b>Shareholders' Equity</b> Paid up capital	<b>9,275,128,187</b> 5,131,796,410	<b>9,823,214,683</b> 5,131,796,410
Share money deposit for right issue Share premium	1,090,888,800	1,090,888,800
Statutory reserve	1,696,066,233	1,615,433,347
General reserve Retained earnings	53,048,686 1,303,328,059	53,048,686 1,932,047,440
Non controlling interest	157,635,682	111,243,608
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	89,334,811,658	87,888,680,706
Net asset value per share- (NAV)	18.07	19.14
OFF-BALANCE SHEET ITEMS		
CONTINGENT LIBILITIES		
Acceptances and endorsements Letter of guarantee	39,027,000	357,182,217
Irrevocable letters of credit	-	-
Bill for collection Other contingent liabilities		
TOTAL CONTINGENT LIBILITIES	39,027,000	357,182,217
OTHER COMMITMENTS Documentary credits and short term trade-related transactions		
Forward assets purchased and forward deposits placed	-	-
Undrawn note issuance and revolving underwriting facilities Undrawn formal standby facilities, credit lines and other commitments	3,269,438,031	3,691,862,631
TOTAL OTHER COMMITMENTS	3,269,438,031	3,691,862,631
TOTAL OFF BALANCE SHEET ITEMS	3,308,465,031	4,049,044,848

		Amount	in Taka	,
Operating Income	Jan-Jun 2019	Jan-Jun 2018	Apr-Jun 2019	Apr-Jun 2018
	F 025 F24 500	4 200 074 544	2 500 000 100	2 200 444 602
nterest income	5,026,524,690		2,598,090,100	
ess : Interest expenses on deposits & borrowings			1,821,976,428	
let interest income		1,172,256,370	776,113,672	623,355,654
ncome from investment	125,296,133	280,195,675	47,244,764	235,853,416
Commission, exchange and brokerage income Other operational income	280,378,585	300,685,263	82,845,382	162,232,397
other operational income	402,288,590	386,102,984	205,986,140	196,962,575
otal operating income	2,231,906,935	2,139,240,292	1,112,189,958	1,218,404,042
Operating Expenses				
alary and allowances	740.520.789	690.748.426	361.354.867	341.318.549
Rent, taxes, insurance, electricity etc.	129,786,166	127,317,418	65,024,589	66,496,421
egal and professional fees	9,105,420	8,113,956	6,647,988	6,910,690
ostage, stamp, telecommunication etc.	13,340,138	12,455,589	7,199,133	7,249,785
stationery, printing, advertisement	24,266,637	23,892,193	14,557,475	14,723,945
Managing director's salary and allowance	7,738,123	7,738,123	3,869,521	3,869,521
Director fees and expenses	1,095,950	977,000	593,400	677,250
Audit fees	399,624	894,081	159,562	711,540
Repairs, maintenance and depreciation	124,730,625	96,642,996	56,595,055	48,548,984
Other expenses	380.828.950	349.211.112	199.356.551	189,529,000
otal operating expenses	1,431,812,420		715,358,141	680,035,683
Net Operating Income	800,094,515	821,249,399	396,831,817	538,368,359
handstone for larger to contain and other contain	207 774 006	422 724 570	426 706 750	250 247 450
Provisions for loans, investments and other assets	397,771,996	423,734,578	126,706,758	258,217,150
Provisions for leases and loans Provision for margin loan	300,162,431	268,452,877	118,068,486	125,710,403
	43,750,000	12,500,000	1 0 620 271	130,009,489
Provision for diminution in value of investments	53,859,565	140,284,443	8,638,271	2 407 250
General provision for other assets	_	2,497,258	_	2,497,258
Profit before tax and reserve	402,322,518	397,514,821	270,125,059	280,151,209
Provision for tax	129,609,733	132,295,309	59,000,123	95,992,583
Current tax	127,451,750	127,027,893	56,842,140	90,725,167
Deferred tax	2,157,983	5,267,416	2,157,983	5,267,416
Net profit after tax	272,712,785	265,219,512	211,124,936	184,158,626
Attributed to				
hareholders of the Company	267 002 567	250 521 220	200 710 112	170 755 240
Inarenoiders of the Company Non-controlling interest	267,902,567	258,521,330	208,719,112 2.405.825	178,755,248
NOTI-CONTROLLING INTEREST	4,810,218 <b>272,712,785</b>	6,698,182 265,219,512	211,124,936	5,403,378 <b>184,158,626</b>
arnings Per Share- (EPS)	0.52	0.51	0.41	0.35
arinings i er stidie- (El s)	0.32	0.51	0.41	0.33

Consolidated Statement of Ca	311 Flows	
For the period ended 30 June 2019	_	
		t in Taka
A) Cash flows from operating activities	Jan-Jun 2019	Jan-Jun 2018
Interest received	5,083,134,454	4,294,059,147
Interest paid	(3,536,269,473)	(3,096,764,584)
Dividend received	95,341,516	49,280,832
Fees and commission received	489,440,792	493,027,948
Income from investment	50,703,297	257,121,691
Cash paid to employees (including directors)	(748,924,113)	(748,313,435)
Cash paid to suppliers	(64,767,069)	(98,964,651)
Income taxes paid	(106,238,413)	(104,810,245)
Received from other operating activities	191,293,018	192,421,165
Paid for other operating activities	(502,754,102)	(440,203,144)
Cash generated from operating activities before changes in		
operating assets and liabilities	950,959,906	796,854,725
Increase/(decrease) in operating assets & liabilities:		
Loans and advances to customers	(1,886,221,025)	92,627,685
Other assets	(3,766,436)	(181,503,077)
Deposits from customers	(1,911,099,974)	(226,142,926)
Other liabilities	(622,070,851)	155,037,573
Total increase/(decrease) in operating assets & liabilities	(4,423,158,286)	(159,980,746)
Net cash flows/(used in) from operating activities	(3,472,198,380)	636,873,979
) Cash flows from investing activities		
Investment in securities	134,995,816	(216,139,705)
Purchase of fixed assets	(146,195,334)	(446,581,339)
Investment in commercial paper	-	450,000,000
Investment in Subordinated bond	(800,000,000)	· · · -
Investment in discretionary corporate fund	(204,272,515)	
Sales proceeds of fixed assets	3,379,375	39,454,646
Acquisition of shares from non-controlling interest		(1,250,000)
Net cash used in investing activities	(1,012,092,658)	(174,516,397)
C) Cash flows from financing activities		
Receipt of term loan, overdraft and REPO	3,593,347,203	(2,969,533,988)
Right Share Subscription	-	1,430,947,040
Transaction cost against right issue	-	(10,170,363)
Dividend paid	(686,540,926)	(369,016,175)
Net cash flows from/(used in) financing activities	2,906,806,277	(1,917,773,486)
O) Net increase/(decrease) in cash & cash equivalents	(1,577,484,761)	(1,455,415,904)
E) Effect of exchange rates on cash and cash equivalents E) Cash and cash equivalents at the beginning of the period	702 9,433,305,313	664 10,030,212,456
Cash and cash equivalents at the beginning of the period  Cash and cash equivalents at the end of the period	7,855,821,253	
Cash and cash equivalents at the end of the period	7,855,821,253	8,574,797,217
* Closing cash and cash-equivalents		
Cash in hand (including foreign currencies)	979,978	2,473,701
Balance with Bangladesh Bank and its agent bank (s)	1,002,759,207	896,368,360
Balance with other banks and financial institutions	6,852,082,068	7,675,955,155
Net Operating Cash Flows Per Share - (NOCFPS)	7,855,821,253	8,574,797,217 1.26
Net Operating Cash Flows Fer Share - (NOCFPS)	(6.77)	1.26
	sd/-	sd/-
Director Director Managing Director Compar	y Secretary C	Chief Financial Officer
30 JULY 2019		

30 JULY 2019				30 JULY 201	9					
Consolidated Statement of Changes in Equity										
Consolidated Statement of Changes in Equity  For the period ended 30 June 2019  Amount in Taka										
For the period ended 30 June 2019  Equity attributable to the shareholders of the Company								A	nount in Taka	
	Chara manan							Non Controlling	Total	
Particulars	Share Capital	deposit for right issue	Share Premium	Statutory Reserve	General Reserve	Retained Earnings	Total	Interest	Equity	
Balance as at 01 January 2019	5,131,796,410	-	1,090,888,800	1,615,433,347	53,048,686	1,932,047,440	9,823,214,683	111,243,608	9,934,458,291	
Items Involved in Changes in Equity										
Right Share Subscription	-	-	-	-	-	-	-	-	-	
Changes in non-controlling interest	-	-	-	-	-	(46,219,601)	(46,219,601)	46,219,601	-	
Net profit for the period	-	-	-	-	-	267,902,567	267,902,567	4,810,218	272,712,785	
Transaction cost against right issue	-	-	-	<del>.</del> .	-		-	-	-	
Appropriation to statutory reserve	-	-	-	80,632,886	-	(80,632,886)	-	-	-	
Appropriation to general reserve  Dividend	-	-	-	- 1	-	-	-	-	-	
Cash dividend (15%)						(769,769,462)	(769,769,462)	(4,637,745)	(774,407,207)	
` ,	F 424 70C 440	_	1 000 000 000	1 505 055 222	F2.040.000				` ' ' '	
Balance as at 30 June 2019	5,131,796,410	-	1,090,888,800	1,696,066,233	53,048,686	1,303,328,059	9,275,128,187	157,635,682	9,432,763,869	
Balance as at 01 January 2018	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	
Items Involved in Changes in Equity										
Right share money deposit received	160.307.660	(160,307,660)	-	- 1	-	-	-	-	-	
Right Share Subscription	1,430,947,040	` ´ ´ - ´	-	- 1	-	-	1,430,947,040	-	1,430,947,040	
Changes in non-controlling interest	-	-	-	-	-	(839,001)	(839,001)	(410,999)	(1,250,000)	
Net profit for the period	-	-	-	-	-	258,521,330	258,521,330	6,698,182	265,219,512	
Transaction cost against right issue	-	-	-	l	-	(10,170,363)	(10,170,363)	-	(10,170,363)	
Appropriation to statutory reserve	-	-	-	51,820,660	(4.205.045)	(51,820,660)	-	-	-	
Appropriation to general reserve  Dividend	-	-	-	-	(1,386,916)	1,386,916	-	-	-	
Stock dividend (7.5%)	358,032,300				_	(358,032,300)				
Cash dividend (7.5%)			-		-	(358,032,300)	(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	1,850,838,745	9,647,427,158	107,806,545	9,755,233,703	
sd/- 30 JULY 2019 Director	sd/- Direct		Mana	sd/- ging Director		sd/- Company Secretary	y	Chief I	sd/- inancial Officer	