

bKash Limited

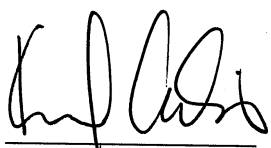
Interim condensed financial statements (un-audited)
as at and for the period ended 30 September 2019

bKash Limited

Interim condensed statement of financial position (un-audited)

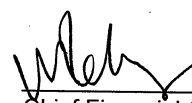
<i>In Taka</i>	30 September 2019	31 December 2018
Assets		
Property, plant and equipment	1,096,660,454	1,155,963,250
Intangible assets	867,905,717	684,505,279
Deferred tax assets	112,320,208	-
Non-current assets	2,076,886,379	1,840,468,529
Operational and other receivables	1,565,766,973	965,103,088
Advances, deposits and prepayments	1,054,907,022	526,366,646
Contract assets	676,728,212	301,787,164
Advance income tax	1,077,841,365	847,710,297
Airtime balance	996,923,723	1,259,965,976
Trust cum settlement account and investments	31,331,073,153	27,689,567,048
Investment in fixed deposits	7,854,200,000	9,204,200,000
Cash and cash equivalents	815,918,173	260,934,183
Current assets	45,373,358,621	41,055,634,402
Total assets	47,450,245,000	42,896,102,931
Equity		
Ordinary shares	38,194,900	38,194,900
Share premium - ordinary shares	1,286,205,568	1,286,205,568
Ordinary share capital and premium	1,324,400,468	1,324,400,468
Preference shares	8,796,300	8,796,300
Share premium	8,286,915,782	8,286,915,782
Preference share capital and premium	8,295,712,082	8,295,712,082
Capital Reserve	18,479,529	18,479,529
Share money deposit	505,162	505,162
Retained earnings	635,575,992	1,069,682,559
Total equity	10,274,673,233	10,708,779,800
Liabilities		
Deferred tax liabilities	-	1,587,238
Other non-current liabilities	7,145,802	7,145,802
Finance lease liabilities	21,265,310	33,308,961
Non-current liabilities	28,411,112	42,042,001
Defined benefit plan - gratuity	45,937,500	90,183,748
Customer and other deposits	31,118,139,884	27,488,565,715
Operational and other payables	704,128,072	1,182,220,350
Finance lease liabilities	23,543,020	22,297,603
Grant funds	76,351,196	12,872,051
Accrued expenses	4,090,363,112	2,364,981,679
Provision for tax	1,088,697,871	984,159,984
Current liabilities	37,147,160,655	32,145,281,130
Total liabilities	37,175,571,767	32,187,323,131
Total equity and liabilities	47,450,245,000	42,896,102,931

The annexed notes 1 to 4 form an integral part of these financial statements.



Chief Executive Officer

Kamal S Quadir
Chief Executive Officer
bKash Ltd.



Chief Financial Officer

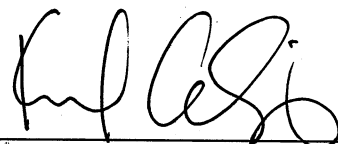
Moinuddin Mohammed Rahgr
Chief Financial Officer
bKash Limited

bKash Limited

Interim condensed statement of profit or loss and other comprehensive income (un-audited)

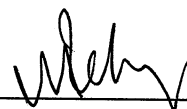
<i>In Taka</i>	For the period ended			
	Jan to Sep 2019	Jan to Sep 2018	Jul to Sep 2019	Jul to Sep 2018
Gross revenue	18,931,806,596	16,087,999,753	6,214,987,027	5,356,958,792
VAT	(2,169,377,464)	(1,859,508,549)	(698,528,280)	(610,577,338)
Net revenue	16,762,429,132	14,228,491,204	5,516,458,747	4,746,381,454
Cost of services	(12,383,773,138)	(10,281,923,663)	(4,018,402,531)	(3,475,777,290)
Gross profit	4,378,655,994	3,946,567,541	1,498,056,216	1,270,604,164
Operating and administrative expenses	(3,225,827,941)	(2,344,333,330)	(1,184,158,869)	(922,739,936)
Marketing and promotional expenses	(2,252,045,499)	(1,521,449,258)	(1,018,402,200)	(685,421,529)
Operating profit	(1,099,217,446)	80,784,953	(704,504,853)	(337,557,301)
Net finance income	655,741,320	274,964,153	215,674,383	155,785,179
Profit before contribution to WPPF	(443,476,126)	355,749,106	(488,830,470)	(181,772,122)
Contribution to WPPF	-	(17,787,455)	2,267,717	9,088,606
Profit before tax	(443,476,126)	337,961,651	(486,562,753)	(172,683,516)
Income tax expenses	9,369,559	(143,813,570)	80,298,034	50,769,583
Total comprehensive income	(434,106,567)	194,148,081	(406,264,719)	(121,913,933)

The annexed notes 1 to 4 form an integral part of these financial statements.



Chief Executive Officer

Kamal S Quadir
Chief Executive Officer
bKash Ltd.



Chief Financial Officer

Moinuddin Mohammed Rahgir
Chief Financial Officer
bKash Limited

bKash Limited
Interim condensed statement of cash flows (un-audited)

<i>In Taka</i>	For the period ended 30 September	
	2019	2018
Cash flows from operating activities		
Cash receipt from customers	22,215,425,405	17,876,991,226
Cash paid to suppliers, employees and others	(16,703,301,537)	(13,658,663,956)
Cash generated from operating activities	5,512,123,868	4,218,327,270
Interest received from deposits	465,828,638	51,900,022
Paid to government exchequer	(2,391,499,341)	(2,023,565,664)
Net cash flows from operating activities	3,586,453,165	2,246,661,628
Cash flows from investing activities		
Acquisition of property, plant and equipment	(359,897,961)	(163,134,969)
Acquisition of intangible assets	(363,316,876)	(191,259,031)
Encashment of/(investment in) fixed deposits	1,350,000,000	(4,000,000,000)
Net cash used in investing activities	626,785,163	(4,354,394,000)
Cash flows from financing activities		
Finance lease liabilities	(16,748,233)	(12,750,088)
Adjustments from proceeds of share premium	-	(51,007,191)
Proceeds from issue of convertible preference shares	-	4,693,088,333
Net cash used in financing activities	(16,748,233)	4,629,331,054
Net increase in cash and cash equivalents	4,196,490,095	2,521,598,682
Cash and cash equivalents (including restricted cash and cash equivalents)	27,950,501,231	22,172,512,748
Cash and cash equivalents including restricted cash and cash equivalents as at 30 September	32,146,991,326	24,694,111,430
Less: Restricted cash and cash equivalents	31,331,073,153	24,471,298,241
Cash and cash equivalents as at 30 September	815,918,173	222,813,189

The annexed notes 1 to 4 form an integral part of these financial statements.

Notes to the interim condensed financial statements (un-audited) as at and for the period ended 30 September 2019

1 Reporting entity

1.1 Company profile

bKash Limited (hereinafter referred to as "the Company"), a subsidiary of BRAC Bank Limited, started as a joint venture between BRAC Bank Limited, Bangladesh and Money in Motion LLC, USA. It was incorporated as a private company limited by shares under the Companies Act, 1994 on 1 March 2010 having its registered office in Dhaka. Subsequently, International Finance Corporation (IFC) (by subscribing for fresh ordinary shares in April 2013) and Alipay Singapore E-Commerce Private Limited ("Alipay") (by purchasing ordinary shares from existing shareholders in April 2018) became equity partners of the Company. Apart from the above, the Bill & Melinda Gates Foundation and Alipay hold non-voting preference shares in the Company.

The Company has an authorised share capital of Tk. 500,000,000 divided into 4,900,000 ordinary shares of Tk. 100 each and 100,000 preference shares of Tk. 100 each.

1.2 Nature of business

bKash provides different financial services via mobile phones to its customers under a Payment Services Provider (PSP) license issued by Bangladesh Bank. The ultimate objective of the Company is to ensure access to a broader range of financial services for the people of Bangladesh. It has a special focus to serve the low income masses of the country in order to achieve broader financial inclusion by providing services that are convenient, affordable and reliable.

2 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The presentation of these financial statements have been made in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting and should be read in conjunction with the financial statements of bKash Ltd. as at and for the year ended 31 December 2018, the year for which the last full financial statements were prepared.

These financial statements have been prepared on the historical cost and going concern basis. These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT), which is both the functional and the presentation currency of the Company.

The same accounting policies and methods of computation have been followed in these condensed interim financial information as were applied in the preparation of the financial statements of bKash Ltd. as at and for the year ended 31 December 2018.

There is no seasonality or cyclicity impact on the business of bKash Ltd. except on the occasion of Boi-Mela and Pohela Boishakh, Eid ul Fitr and Eid ul Adha.

3 Reporting period

The financial statements of the Company covers the 9 months period ended 30 September 2019.

4 Reclassification & re-arrangements

Certain figures for 2018 have been rearranged wherever considered necessary, to ensure better comparability with the current year's financial and to comply with relevant IAS.