

bKash Limited

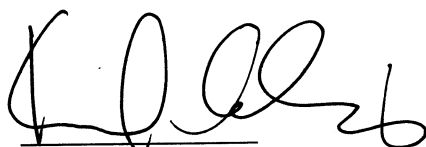
Interim condensed financial statements (un-audited)
as at and for the period ended 30 June 2019

bKash Limited

Interim condensed statement of financial position (un-audited)

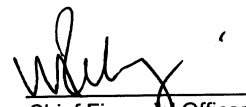
<i>In Taka</i>	30 June 2019	31 December 2018
Assets		
Property, plant and equipment	1,051,051,078	1,155,963,250
Intangible assets	930,379,347	684,505,279
Non-current assets	1,981,430,425	1,840,468,529
Operational and other receivables	630,414,665	965,103,088
Advances, deposits and prepayments	884,254,727	526,366,646
Contract assets	528,209,017	301,787,164
Advance income tax	1,056,786,303	847,710,297
Airtime balance	462,685,243	1,259,965,976
Trust cum settlement account and investments	28,820,260,245	27,689,567,048
Investment in fixed deposits	8,354,200,000	9,204,200,000
Cash and cash equivalents	1,334,494,952	260,934,183
Current assets	42,071,305,152	41,055,634,402
Total assets	44,052,735,577	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 - preference shares	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	1,041,840,710	1,069,682,559
Total equity	10,680,937,951	10,708,779,800
Liabilities		
Deferred tax liabilities	2,380,548	1,587,238
Other non-current liabilities	7,145,802	7,145,802
Finance lease liabilities	26,421,104	33,308,961
Non-current liabilities	35,947,454	42,042,001
Defined benefit plan - gratuity	120,808,748	90,183,748
Customer and other deposits	28,482,138,357	27,488,565,715
Operational and other payables	686,109,148	1,182,220,350
Finance lease liabilities	24,333,063	22,297,603
Grant funds	76,781,723	12,872,051
Accrued expenses	2,891,383,984	2,364,981,679
Provision for tax	1,054,295,149	984,159,984
Current liabilities	33,335,850,172	32,145,281,130
Total liabilities	33,371,797,626	32,187,323,131
Total equity and liabilities	44,052,735,577	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 Rahgir
Chief Financial Officer
bKash Limited

bKash Limited

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

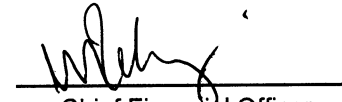
<i>In Taka</i>	For the period ended			
	Jan to Jun 2019	Jan to Jun 2018	Apr to Jun 2019	Apr to Jun 2018
Gross revenue	12,716,819,569	10,731,040,961	6,564,125,276	5,577,854,652
VAT	(1,470,849,184)	(1,248,931,211)	(751,795,568)	(644,529,131)
Net revenue	11,245,970,385	9,482,109,750	5,812,329,708	4,933,325,521
Cost of services	(8,365,370,607)	(6,806,146,372)	(4,263,145,003)	(3,532,012,929)
Gross profit	2,880,599,778	2,675,963,378	1,549,184,705	1,401,312,592
Operating and administrative expenses	(2,041,669,072)	(1,421,593,394)	(1,116,966,592)	(715,017,369)
Marketing and promotional expenses	(1,233,643,299)	(836,027,729)	(660,350,708)	(568,340,787)
Operating profit	(394,712,593)	418,342,255	(228,132,595)	117,954,436
Net finance income	440,066,937	119,178,974	219,291,624	72,637,078
Profit before contribution to WPPF	45,354,344	537,521,229	(8,840,971)	190,591,514
Contribution to WPPF	(2,267,717)	(26,876,061)	442,049	(10,355,598)
Profit before tax	43,086,627	510,645,168	(8,398,922)	180,235,916
Income tax expenses	(70,928,475)	(194,583,153)	(34,563,427)	(71,214,534)
Total comprehensive income	(27,841,848)	316,062,015	(42,962,349)	109,021,382

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 changes in equity (un-audited)

<i>In Taka</i>	Ordinary shares	Share premium - ordinary shares	Preference shares	Share premium - preference shares	Capital reserve	For the period ended 30 June 2019		
						Share money deposit	Retained earnings	Total equity
Balance at 1 January 2019	38,194,900	1,286,205,568	8,796,300	8,286,915,782	18,479,529	505,162	1,069,682,559	10,708,779,800
Transactions with owners of the company								
Contributions and distributions								
Issue of preference share - net of issue cost	-	-	-	-	-	-	-	-
Total comprehensive income								
Profit for the period	-	-	-	-	-	-	(27,841,848)	(27,841,848)
Total	-	-	-	-	-	-	(27,841,848)	(27,841,848)
Balance at 30 June 2019	38,194,900	1,286,205,568	8,796,300	8,286,915,782	18,479,529	505,162	1,041,840,710	10,680,937,951
For the period ended 30 June 2018								
<i>In Taka</i>	Ordinary shares	Share premium - ordinary shares	Preference shares	Share premium - preference shares	Capital reserve	Share money deposit	Retained earnings	Total equity
Balance at 1 January 2018	38,194,900	1,286,205,568	4,097,000	847,412,828	-	505,162	903,366,796	3,079,782,254
Transactions with owners of the Company								
Contributions and distributions								
Issue of preference share - net of issue cost	-	-	3,677,600	4,689,410,733	-	-	-	4,693,088,333
Total comprehensive income								
Profit for the period	-	-	-	-	-	-	316,062,015	316,062,015
Total	-	-	3,677,600	4,689,410,733	-	-	316,062,015	5,009,150,348
Balance at 30 June 2018	38,194,900	1,286,205,568	7,774,600	5,536,823,561	-	505,162	1,219,428,811	8,088,932,602

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

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

<i>In Taka</i>	For the period ended 30 June	
	2019	2018
Cash flows from operating activities		
Cash receipt from customers	14,099,722,526	13,944,688,529
Cash paid to suppliers, employees and others	(10,697,816,554)	(9,156,216,532)
Cash generated from operating activities	3,401,905,972	4,788,471,997
Interest received from deposits	450,220,888	47,752,423
Paid to government exchequer	(1,814,199,836)	(1,327,023,690)
Net cash flows from operating activities	2,037,927,024	3,509,200,730
Cash flows from investing activities		
Acquisition of property, plant and equipment	(309,891,886)	(71,143,527)
Acquisition of intangible assets	(362,978,776)	(161,655,188)
Encashment of/(investment in) fixed deposits	850,000,000	(4,000,000,000)
Net cash flows from/(used in) investing activities	177,129,338	(4,232,798,715)
Cash flows from financing activities		
Finance lease liabilities	(10,802,397)	(8,368,441)
Proceeds from issue of convertible preference shares	-	4,693,088,333
Net cash flows from/(used in) financing activities	(10,802,397)	4,684,719,892
Net increase in cash and cash equivalents	2,204,253,965	3,961,121,908
Cash and cash equivalents including trust cum settlement account and investments as at 1 January	27,950,501,232	22,172,512,748
Cash and cash equivalents including trust cum settlement account and investments as at 30 June	30,154,755,197	26,133,634,656
Less: Trust cum settlement account and investments	28,820,260,245	25,774,281,088
Cash and cash equivalents as at 30 June	1,334,494,952	359,353,568

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 June 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.

3 Reporting period

The financial statements of the Company covers the 6 months period ended 30 June 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.