BUILDING RESILIENCE STEERING TOWARDS SUSTAINABILITY

Annual Report 2024



CONCEPT NOTE:

The theme of this year's Annual Report, "Building Resilience, Steering Towards Sustainability," underscores Bangladesh's approach to navigating a rapidly changing global landscape marked by climate risks, economic uncertainties, and social inequalities. Resilience and sustainability are now central to the nation's long-term development strategy.

Resilience goes beyond recovering from shocks; it encompasses the capacity to adapt, reform, and thrive amidst ongoing challenges. For Bangladesh, a country vulnerable to climate change, urbanization, and global trade fluctuations, resilience must be deeply ingrained in its institutions, infrastructure, and human capital. This focus ensures that the country remains stable and adaptable in the face of both predictable and unforeseen disruptions.

Sustainability once an aspirational goal, is now a critical operational necessity. Bangladesh aims to balance economic growth with environmental preservation and social equity. Policies are being redefined to ensure that current development efforts do not compromise future generations' needs. This includes embracing green energy solutions, fostering financial inclusion, and ensuring that urbanization and agricultural growth are both inclusive and eco-friendly. The report highlights how these two pillars resilience and sustainability are interdependent. Resilience supports sustainability by maintaining continuity during disruptions, while sustainability enhances resilience by reducing long-term vulnerabilities. Bangladesh's development strategy is built on this interconnected approach, ensuring that the country's growth is both stable and sustainable.

As the country progresses, its alignment with global frameworks like the SDGs and the Paris Agreement demonstrates a commitment to creating a resilient, sustainable future that benefits all segments of society while protecting the environment for generations to come.

Letter of Transmittal

To
The Shareholders of Bangladesh Finance PLC,
Bangladesh Bank,
Bangladesh Securities and Exchange Commission,
The Registrar of Joint Stock Companies & Firms,
Dhaka Stock Exchange PLC,
Chittagong Stock Exchange PLC,
Central Depository Bangladesh Limited,
Financial Reporting Council, and
All other Stakeholders of Bangladesh Finance Limited

Subject: Annual Report for the year ended December 31, 2024.

Dear Sir(s):
We are pleased to present the Annual Report 2024, including the audited consolidated and solo financial statements for the year ended December 31, 2024. These include the Balance Sheet, Profit and Loss Account, Cash Flow Statement, Statement of Changes in Shareholders' Equity, and the notes to the financial statements of Bangladesh Finance PLC for your kind information and record. This report comprises a detailed overview of the financial performance, operational highlights, strategic initiatives, and stakeholder's engagement efforts, among others.

We, in our endeavor have tried our best to make fair disclosures on our financial and non-financial matter as part of our integrated reporting for your kind perusal and record. PDFs of the Annual Report, AGM Notice and relevant forms are available on Bangladesh Finance's website www.bd.finance.

Please let us know if you have any questions or require further information. Thank you for your ongoing support for Bangladesh Finance PLC.

Thanking you,
Yours sincerely,



Munshi Abu Naim FCS
Group Company Secretary

NOTICE OF THE 26TH ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting (AGM) of Bangladesh Finance PLC. will be held on Thursday, **29 May 2025, at 11.30 AM** in Hybrid System (Physically at BCIC Auditorium, BCIC Bhaban, 30-31 Dilkusha, Dhaka-1000 and online) to transact the following businesses:

1. To receive and adopt the Audited Financial Statements for the year ended on December 31, 2024 together with the Report of the Directors and the Auditors thereon.
2. To declare Dividend for the year ended on December 31, 2024.
3. To appoint/re-elect Directors according to the provisions of the Articles of Association of the Company.
4. To approve the appointment of Independent Director as per the Corporate Governance Code.
5. To appoint Statutory Auditors for the year 2025 and to fix their remuneration.
6. To appoint Compliance Auditors as per the Corporate Governance Code for the year 2025 and to fix their remuneration.

By the order of the Board,

Sd/-
Munshi Abu Naim FCS
Company Secretary

Dated, Dhaka
May 08, 2025

NOTES:

a) The Record Date: **May 08, 2025**.

b) The shareholders' names appearing in the Members'/Depository Register on Record Date will be eligible to attend and vote in the Annual General Meeting (AGM).

c) A Member entitled to attend and vote in the AGM, may appoint a proxy on his behalf. A copy of the proxy form duly stamped shall be sent to the head office (64 Motijheel C/A, Dhaka-1000.) or emailed at **secy@bd.finance** at least 48 hours before the meeting.

d) As per BSEC Notification No. BSEC/CMRRCD/2006 158/208/Admin/81 dated 20 June 2018, soft copies of the Annual Report 2024 along with a Proxy Form will be sent to the Members' respective email address available with us through CDBL record. The Annual Report will be available on the Company's website at: www.bd.finance.

e) Members are requested to update their particulars, including e-mail addresses and bank account information (if required) through their respective Depository Participants.

Please follow bangladeshfinance.bdvirtualagm.com for joining the 26th Annual General Meeting of Bangladesh Finance PLC. through online.



বাংলাদেশের শিল্পায়নের
রূপকার ও স্বপ্নজয়ী উদ্যোক্তা

আমাদের বড় সাহেব

বাংলাদেশ ফাইন্যান্স-এর প্রতিষ্ঠাতা চেয়ারম্যান

আলহাজ্ব আনোয়ার হোসেন -এর

প্রতি রইলো অসীম শ্রদ্ধা

আপনার দেখানো পথই আমাদের অনুপ্রেরণা জোগায়
বাংলাদেশের অর্থনীতিকে আরো সমৃদ্ধশীল করতে

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OUR 2024 INTEGRATED REPORT

Our integrated report is the outcome of a groupwide reporting process. Our integrated thinking approach to decision-making, management and reporting enables us to create and preserve value as we fulfill our purpose to use our financial expertise to do good for individuals, businesses and society

01 Our Purpose

Vision

To be the most innovative and popular financial service provider in the country with special focus on creating value for all stakeholders.

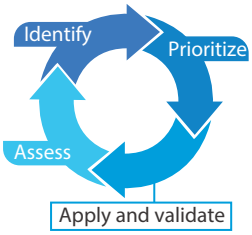
Values

How do we approach value creation, preservation and erosion?
Value creation, preservation and erosion are the consequences of how we apply and leverage our capitals as part of our strategy execution and are evident in how these capitals change over time, our financial performance, the outputs and outcomes for all stakeholders. Our value creation and preservation processes are embedded in our purpose, described as part of our business model, and are integrated into the way we think and make decisions. In our report, we use the icons in the next page to denote value creation, preservation and erosion.

02 Integrated Thinking

Risk	Short, medium and long-term outlook	Board and Board Committees
↕	↕	↕
Determining our materials matters	Developing our strategy	Delivering on our strategy
↕	↕	↕
Opportunities	Financial and Non-Financial targets	MANCOM and EMT Committees

How do we consider materiality and our material matters? We apply the principle of materiality in assessing what information should be included in our integrated report. This report focuses particularly on those issues, opportunities and challenges that impact materially on our six capitals and the company's ability to be a sustainable business that consistently creates, protects and minimizes the erosion of value for all stakeholders. Identifying our material matters is a responsibility and requires input from all business units and departments, an assessment of the risks and opportunities in our operating environment and input and feedback from all our stakeholders. Our material matters influence Bangladesh Finance's strategy, inform the evolution of our business model, our long-term business strategies as well as our short medium- and long-term targets.



Identify issues that have the potential to impact our sustainability and create, preserve or erode value for our stakeholders.
Prioritize those with the greatest relevance in our operating context as material matters.
Apply and validate the material matters to inform our strategy, our six capitals and targets.
Assess continually to ensure our strategy remains relevant.

Our Reporting Frameworks Suite

Integrated Reporting	Integrated Reporting Framework of the International Integrated Reporting Council (including Revisions to the framework published in January (2021)
Sustainable Reporting	• GRI standards -In Accordance (Core) • Sustainable Development Goals (SDG) Reporting
Financial Reporting	• International Financial Reporting Standards (IFRS) as adopted by the institute of Chartered Accountants of Bangladesh • The Finance Company Act 2023 and amendments thereto • Relevant circulars issued on reporting format by Bangladesh Bank • The Companies Act 1994 and amendments thereto • The Income Tax Act 2023 and VAT and supplementary Act 2012 and amendments thereto • Snehasish Mahmud & Co., Chartered Accountants
Corporate Governance	• Corporate Governance Code 2018 of The Bangladesh Securities and Exchange Commission (BSEC) • Corporate Governance Guideline of Bangladesh Bank • Listing Regulation, 2015 of Dhaka Stock Exchange • Relevant circulars of Bangladesh Bank, relevant directives of Bangladesh Securities and Exchange Commission • Bangladesh Secretarial Standards (BSS) issued by the Institute of Chartered Secretaries of Bangladesh (ICSB) • MNA Associates, Chartered Secretaries

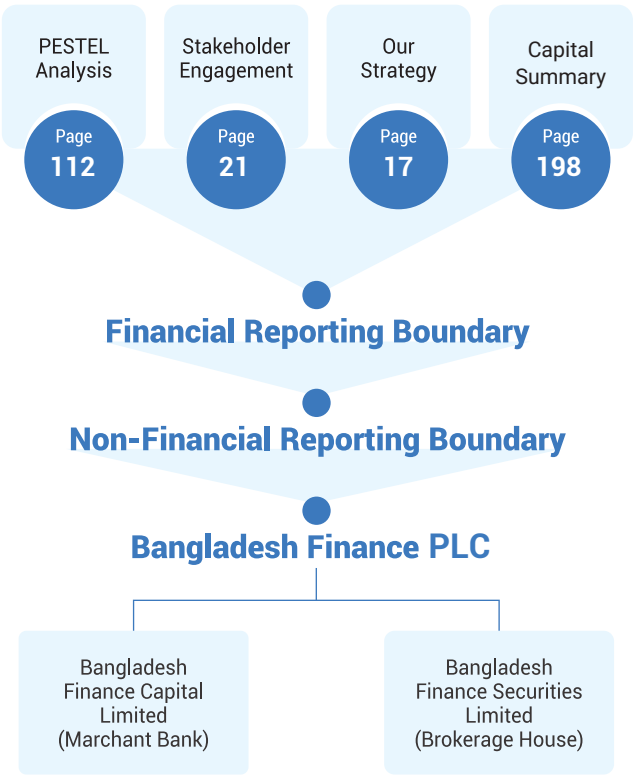
03 Integrated Reporting Process

International <IR> Framework	Coordinate assurance model	Bangladesh Finance sign off
Compiling our report	Validating the integrity of the report	Approving the integrated report
Reporting standards	Board and MANCOM review	Board approval

04 How to Navigate through This Report

Matters of interest To stakeholders	Where to find it in this report	Page Reference
How we bring our vision to life	Our Strategy and Value Creation Model	17,32
Our leaders' views	Chairman's Message, MD& CEO's Statement	74,80
Delivering on our strategy	Segment Analysis & Business Reports	150-162
How our business is governed and managed	Risk Management, Corporate governance	329,250
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INTEGRATED REPORTING BOUNDARY



NAVIGATION ICON

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STAKEHOLDERS

- Investors
- Customers
- Employees
- Suppliers & Business Partners
- Community & Environment
- Government & Regulatory Institutions

STRATEGIC PRIORITIES

- Customer Solutions
- Digital Transformation
- Innovative Business
- Organizational Realignment
- Empowered Staff

Scope and Boundary

Content Elements	What to look for	Referred topic	Page no.
Organizational overview and external environment	Organization's strategic objectives	Our Strategic	17
	Mission vision and values	Mission, Vision & Core Values	14,31
	Ownership and operating structure	Distribution of Shareholding	
	Principal activities and markets	Financial Statements (note 1.2)	375
	Competitive landscape and market positioning	Competitiveness and Our responses	118
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	Significant factors affecting the external environment	PESTEL Analysis	112
Governance	Leadership structure and their skills and diversity	Board of Directors Management Committee Senior Officials	53,59,52
	Overall corporate governance compliance and monitoring	Corporate Governance Report Corporate Governance Compliance Report	251,293,294
	Processes used to make strategic decisions and establish and monitor the culture of the organization	Our Value Creation Model Directors Responsibility Statement	32,136,313
	Attitude to risk and mechanisms for addressing integrity and ethical issues	From the Desk of Chief Risk Officer Corporate Governance Report	324,251
Business model	Entity's business model including key inputs, business activities, outputs & outcomes	Our Value Creation Model	32
Risks and opportunities	The sources of risks and opportunities	Risk Management Framework	329
	Assessment of the likelihood of occurrence and the magnitude of effect		
	Steps taken to mitigate or manage key risks		
Strategy and resource allocation	Organization's short, medium and long-term strategic objectives	Overall Strategic Objectives Strategy & Resource Allocation	16,17
	Strategies in place to achieve those strategic objectives		
	The resource allocation plans it has to implement its strategy		
Performance	Quantitative performance indicators with respect to targets, risks and opportunities	Financial Statements	362
	The organization's effects on the capitals	Our Six Capitals	199-236
	Key stakeholder relationships and the organization's response to them	Stakeholders Identification Stakeholder Engagement	21,22
	Linkages between organization's past and current performance	Five Years' Financial Summary	36

Content Elements	What to look for	Referred topic	Page no.
Outlook	Organization's expectations about external environment, risks, opportunities and challenges and their effects	SWOT Analysis PESTEL Analysis	110,112
	Availability, quality and affordability of capitals the organization uses or affects including how key relationships are managed	Our Six Capitals Stakeholder Engagement	199-236,22
	Organization's ability to create value over time	Value for Stakeholders	22-28,32
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	Identification of the reporting boundary and its determination process	About the Integrated Annual Report	8
	Significant frameworks and methods used to quantify or evaluate material matters	Financial Statements (Accounting policy notes)	375
	Risks, opportunities and outcomes attributable to or associated with other entities/stakeholders	Subsidiaries Financial Statements	427-467

Reporting period

This report covers the year 1 January to 31 December 2024. Any material events after this date and up to the Annual General Meeting Date of 29 May 2025 have also been included.

Operating businesses

We report on the primary activities of the group, our business clusters, key support areas and subsidiaries in our all operations.

Financial and non-financial reporting

In line with the concept of double materiality, our integrated report extends beyond financial reporting and includes non-financial performance, opportunities, risks and outcomes attributable to or associated with our key stakeholders, which have a significant influence on our ability to create and preserve value sustainably, while minimizing value erosion.

Targets and strategy

We provide insight into the group's future strategy and financial and non-financial targets for the short, medium (two to three years) and long term (five years or more).

Governance and risk management

We have integrated our governance and risk management principles, practices and outcomes throughout our integrated report. In addition, specific board committee reports are placed in the relevant sections given the integrated nature of governance.

Targeted readers

This report is intended to address the information requirements of long-term investors (our equity shareholders, and prospective investors), but we also present information relevant to how we create, preserve and minimize the erosion of value for other key stakeholders, including our employees, clients, regulators and society.

SDGs and ESG reporting

We report on the sustainable-development actions and investments we have made in support of purpose-led business and our contribution to the United Nations (UN) Sustainable Development Goals (SDGs).

On behalf of the Board of Directors, I uphold our obligation to maintain the integrity of this Integrated Annual Report. We believe the Report adheres to the International Integrated Reporting Council (IIRC)'s Integrated Reporting <IR> Framework 2021, following its core principles and content requirements.

Sincerely,



Manwar Hossain
Chairman
Bangladesh Finance PLC

Joint Impact MODEL

UK International Development
Partnership | Progress | Prosperity

CERTIFICATE OF COMPLETION

This certificate is proudly presented to

Bangladesh Finance Limited

For successfully completing the Joint Impact Model Foundation's in-depth training on carbon accounting for financed emissions.

March 2025

ALEX MACGILLIVRAY
Executive Director

The Most Trusted Financial Partner of Bangladeshi People

Bangladesh Finance PLC is one of the most widely acclaimed Financial Institutions. As we carry the name of Bangladesh, we aim to deliver all financial products under one roof to meet our customers' evolving needs in a competitive market.

ICSB AWARD 2020, 2021, 2022

ICAB AWARD 2020, 2021, 2022

SAFA AWARD 2020, 2021, 2022

SUSTAINABLE FINANCIAL INSTITUTIONS 2022, 2023

AA & ST-1 CREDIT RATED

1999
INCORPORATION

720
TOTAL LENDING CUSTOMER

6,958
TOTAL DEPOSIT CUSTOMER

07
NUMBER OF BRANCH

146
NUMBER OF EMPLOYEE

Mission

To reach out our financial services to the wider sections of the populace as part of our contribution towards inclusive, sustainable and quality growth with trust and confidence.

Vision

To be the most innovative and popular financial services provider in the country with special focus on creating value for all stakeholders.

Our Corporate Priorities

- Managing adverse credit impacts
- Redesign/ enhance the digital experience
- Increase investment in innovation
- Enhance data analytics capabilities to identify customer needs
- Update/ replace components of a legacy operating system
- Invest in and/ or partner with alternative fintech providers
- Cost discipline through end-to-end process streamlining and organizational simplification
- Enhance data analytics capabilities to identify customer needs

Our Key Differentiators

Skilled and loyal workforce

One-stop financial solution provider

Diversified portfolio

Being a responsible corporate citizen

Agility in responding to industry trends

NATIONAL FOOTPRINT



Head Office
Bangladesh Finance Tower
64, Motijheel C/A
Dhaka-1000

Principal Branch
Bangladesh Finance Tower
64, Motijheel C/A
Dhaka-1000

Jashore Branch
Rashid Center (3rd Floor),
7/A RN Road, Jashore

Bangshal Branch
Mahmud Tower 19 (7th
Floor), Siddique Bazar,
Bangshal, Dhaka

Uttara Branch
Zeenat Center-2 (5th Floor),
Plot No. 111/4 Road No.7,
Sector No. 4, Uttara,
Dhaka-1230

Gazipur Branch
Riaz Tower (4th Floor),
Chandana Chowrasta,
Gazipur

Sylhet Branch
Firoz Center (5th Floor),
891/Ka Chouhatta, Sylhet
Sadar-3100

Chattogram Branch
Aziz Court (19th floor),
North Side 88-90, Agrabad
C/A, Chattogram

BUSINESS ETHICS

Bangladesh Finance conducts its business in accordance with the law and regulations set by the Central Bank and other regulatory authorities. Bangladesh Finance does not finance in any project, detrimental to the community or country and thus prohibited by the credit policy of the company.

To remain compliant in the spirit of law and industry practice

Bangladesh Finance provides activities.employees with a workplace that offers equal employment opportunities without being hindered in or prevented from doing so by discriminatory practices on a person's race or ethnic origin, religion, age, sex, gender identity or expression, marital status, family status, disability, genetic characteristics or a conviction for which a pardon has been granted or a record suspended.

Bangladesh Finance offers quality services to its customers with the principles of warm friendship and mutual support

We strive for excellence through leading-edge research and analysis, through collaboration within the organization and with outside organizations, and through innovation in all aspects of our work.

To continue and increase CSR

Corporate Philosophy

Our customers, employees and shareholders are equally important to us. We want to achieve strong corporate growth through financial inclusion. With a firm commitment to provide better customer services, we are constantly developing innovative and technologically advanced products and services that satisfy our customers needs. We offer cutting-edge compensation package and good-work environment to our employees. We never forget our shareholders to make them pleased with financial well-being and increase the value their shares. This has given us a path to the growth and progress

Strategic Objectives

1. To increase shareholders' value.
2. To be the market leader in product innovation.
3. To be one of the top financial institutions in Bangladesh in terms of efficiency.
4. To be the best financial institutions in terms of market share in all significant market segments we 2 serve.
5. To achieve 5 economic value addition.

OUR STRATEGY

INTEGRATED APPROACH TO STRATEGY FORMULATION AND VALUE CREATION

OUR CONTEXT

PESTLE Analysis

Stakeholder Engagement

Competitiveness & Our Responses

Risk Management

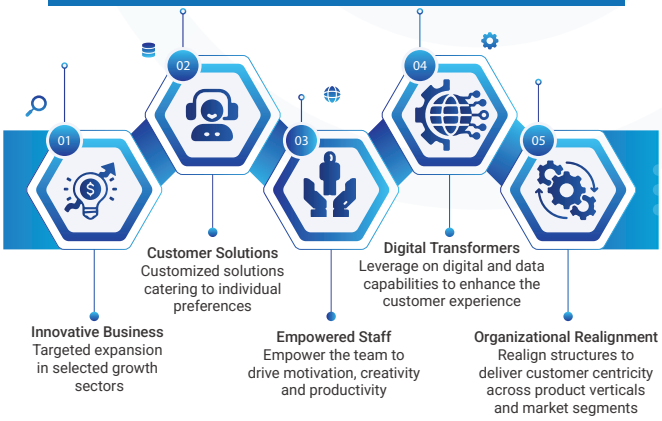
Material Matters

Out Strategy

Stakeholder's Engagement

Generated through actively managing our resources and relationships, categorized into 6 capitals.

STRATEGY OF BANGLADESH FINANCE



UNDERPINNED BY

Commitment to Strong ESG Practice

Operational Excellence

DELIVERED OVER 3 TIME HORIZONS

Short Term Goals

Strengthen competitive edge by enhancing digital capabilities, offering multifaceted value propositions, and providing ongoing assistance to clients as they navigate the current hurdles.

Mid Term Goals

Grow total assets-

- Increased diversity of revenue streams.
- Harnessing Group expertise and specialization to provide customized solutions.

Long Term Goals

Becoming one of the "Top FIs" for all Bangladeshi people with focus on improving financial inclusivity, digital financial product and services and social resilience.

Customer Solution

We aim to shift from a product-focused approach to a customer-centric strategy, delivering personalized solutions that address individual needs at every stage of the customer journey.

Highlights of 2024

Strategic Initiatives

We have implemented company-wide data warehousing to enhance data-driven decision-making and leveraged machine learning to gain deeper insights into customer behavior.

Resource Allocation

- Strengthen customer relationships through targeted engagement
- Invest in customer service training programs
- Foster a company-wide culture of customer-centricity

Measuring Progress

Key Performance Indicators

- Improvement in customer retention rates
- Growth in overall brand value

Measuring Progress

Risk and Opportunities in delivering strategy

- Opportunity: Enhanced customer trust driven by the adoption of seamless and secure digital solutions
- Risk: Macroeconomic volatility potentially impacting customer sentiment and engagement

Outlook for 2025

Priorities in 2025

- Support customers in transforming their business models to seize emerging market opportunities
- Introduce loyalty programs to strengthen the customer value proposition and encourage long-term engagement.

Innovative Business

Our strategy focuses on shifting from a product-centric to a customer-centric approach, delivering personalized solutions that address individual needs throughout the entire customer journey.

Highlights of 2024

Strategic Initiatives

We offer holistic solutions to customers, aligning our growth with key economic sectors while providing focused support to vulnerable customer segments. We have also strengthened portfolio monitoring and launched several initiatives aimed at empowering women.

Resource Allocation

- Deployed a dedicated team to drive strategic initiatives
- Leveraged partnerships with key stakeholders to enhance service delivery
- Implemented proactive portfolio monitoring to manage risks effectively

Measuring Progress

Key Performance Indicators

- 1.53% growth in loans and advances
- 5.34% increase in deposit customers, supporting a more diversified funding base

Measuring Progress

Risk and Opportunities in delivering strategy

- Opportunity: Policy support and regulatory incentives aimed at enhancing overall organizational performance
- Risk: Macroeconomic turbulence that could impact business stability and customer behavior

Outlook for 2025

Priorities in 2025

Increase lending to climate-positive industry sectors and customers, with a focus on renewable energy and sustainable agriculture

Digital Transformation

Utilize digital infrastructure and data analytics to gain deeper insights into customer behavior and deliver tailored, customer-centric solutions.

Highlights of 2024

Strategic Initiatives

We implemented company-wide data warehousing to enhance decision-making through richer insights and leveraged machine learning to better understand customer behavior and preferences.

Measuring Progress

Key Performance Indicators

- 7,234 transactions successfully conducted through the digital platform.
- Enhanced customer convenience and accessibility, leading to greater user engagement and satisfaction.

Outlook for 2025

Priorities in 2025

- Focusing on group digitalization.
- Increase use of machine learning models.
- Upgrade the core system, risk management module etc.

Resource Allocation

- Investment in digital infrastructure
- Training to develop IT Skills
- Data-driven decision making

Measuring Progress

Risk and Opportunities in delivering strategy

- Rapid advancements in technology enabling innovation and efficiency improvements.
- Evolving customer needs creating new avenues for product and service development.
- Increased cybersecurity threats posing risks to data integrity and customer trust.
- Potential system failures impacting service continuity and operational performance.

Organizational Realignment

We are committed to driving cohesive changes across the organizational structure to significantly enhance client centricity.

Highlights of 2024

Strategic Initiatives

As the Group progressively transitions to a matrix structure, we are prioritizing the needs of strategically important customers. Additionally, we are providing corporate clients with a consolidated view of the Group's services to deliver a more integrated and seamless experience.

Measuring Progress

Key Performance Indicators

- Strengthening customer relationships and achieving a higher wallet share.
- Increasing the diversity of the earnings profile to enhance revenue stability and growth.

Outlook for 2025

Priorities in 2025

•Deploy dedicated Group Relationship Managers to strengthen client engagement and service delivery.
•Embed customer centricity across all branches to ensure a unified and superior customer experience.
•Enhance inter-departmental collaboration and cohesion to drive efficiency and integrated service offerings.

Resource Allocation

- Deployment of dedicated Group Relationship Managers to strengthen key client relationships.
- Promotion of customer centricity across all branches to ensure a consistent and personalized service experience.
- Enhancement of inter-departmental collaboration and cohesion to drive seamless service delivery and operational efficiency.

Measuring Progress

Risk and Opportunities in delivering strategy

- Nurturing a cohesive and goal-oriented business culture to drive alignment and performance.
- Challenges in realigning the organizational structure, which may impact agility and execution.

Empowered Staff

Foster a motivated, empowered, and high-performing team by enabling employee ownership and cultivating a culture of innovation and customer centricity.

Highlights of 2024

Strategic Initiatives

As we prioritize equipping employees with the necessary competencies, we remain committed to ongoing training and development. At the same time, the Group is leveraging its digital capabilities to enhance the meaningfulness, productivity, and fulfillment of work.

Measuring Progress

Key Performance Indicators

- 79% employee retention rate, reflecting strong workforce stability and satisfaction.
- 14% female representation across the organization, emphasizing diversity and inclusion efforts.
- 29 average training hours per employee, showcasing commitment to continuous learning and development.

Outlook for 2025

Priorities in 2025

- Competency-based talent acquisition to ensure alignment with organizational needs and future growth.
- Succession planning and the establishment of new pathways for growth and specialization within the organization.
- Conducting salary surveys to ensure compensation remains competitive and aligned with market standards.

Resource Allocation

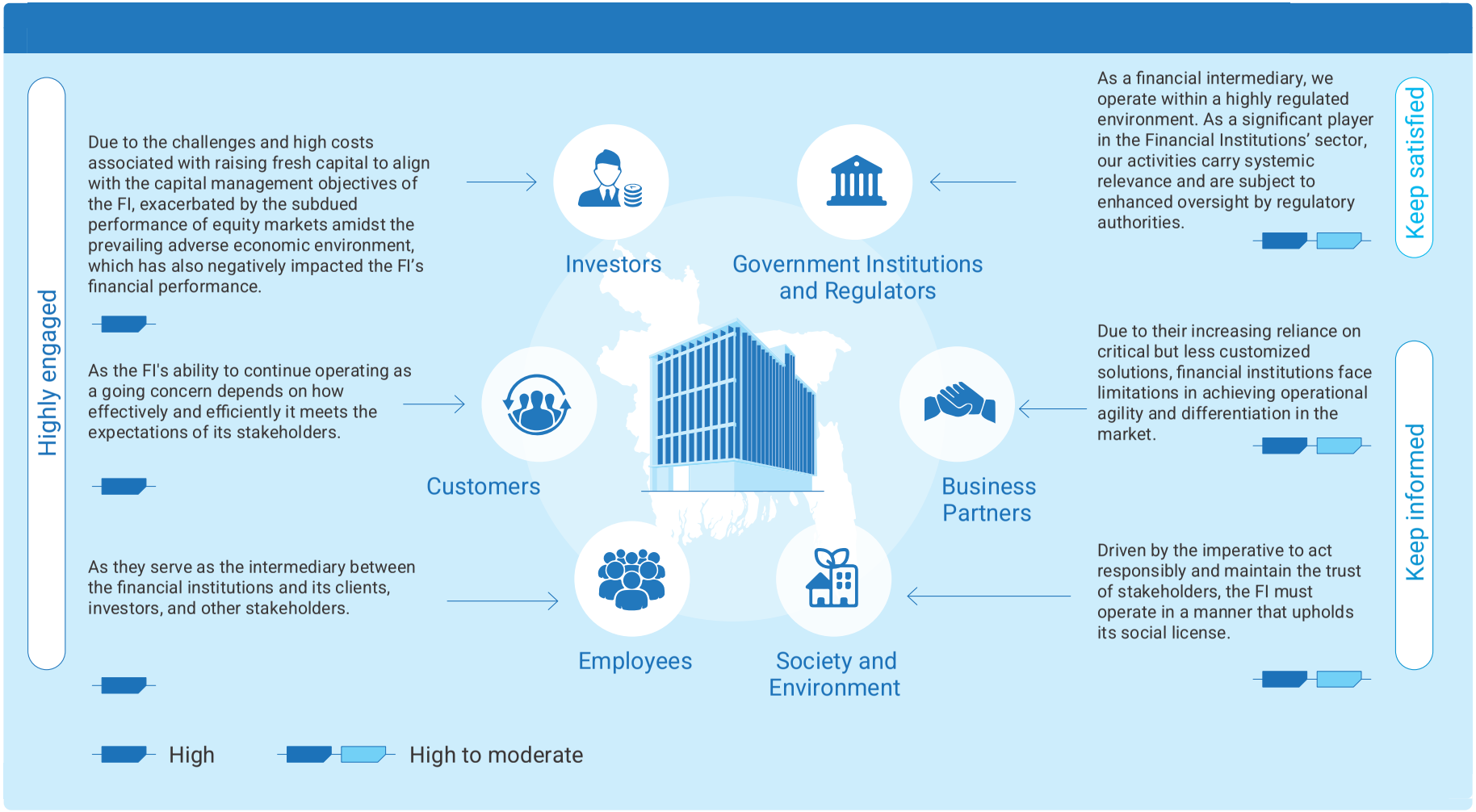
- 202 million BDT payment allocated to employees to support their well-being and motivation.
- Investment in training and development to enhance skills and capabilities across the organization.
- Fostering a customer-centric culture to ensure alignment with customer needs and improve service delivery.

Measuring Progress

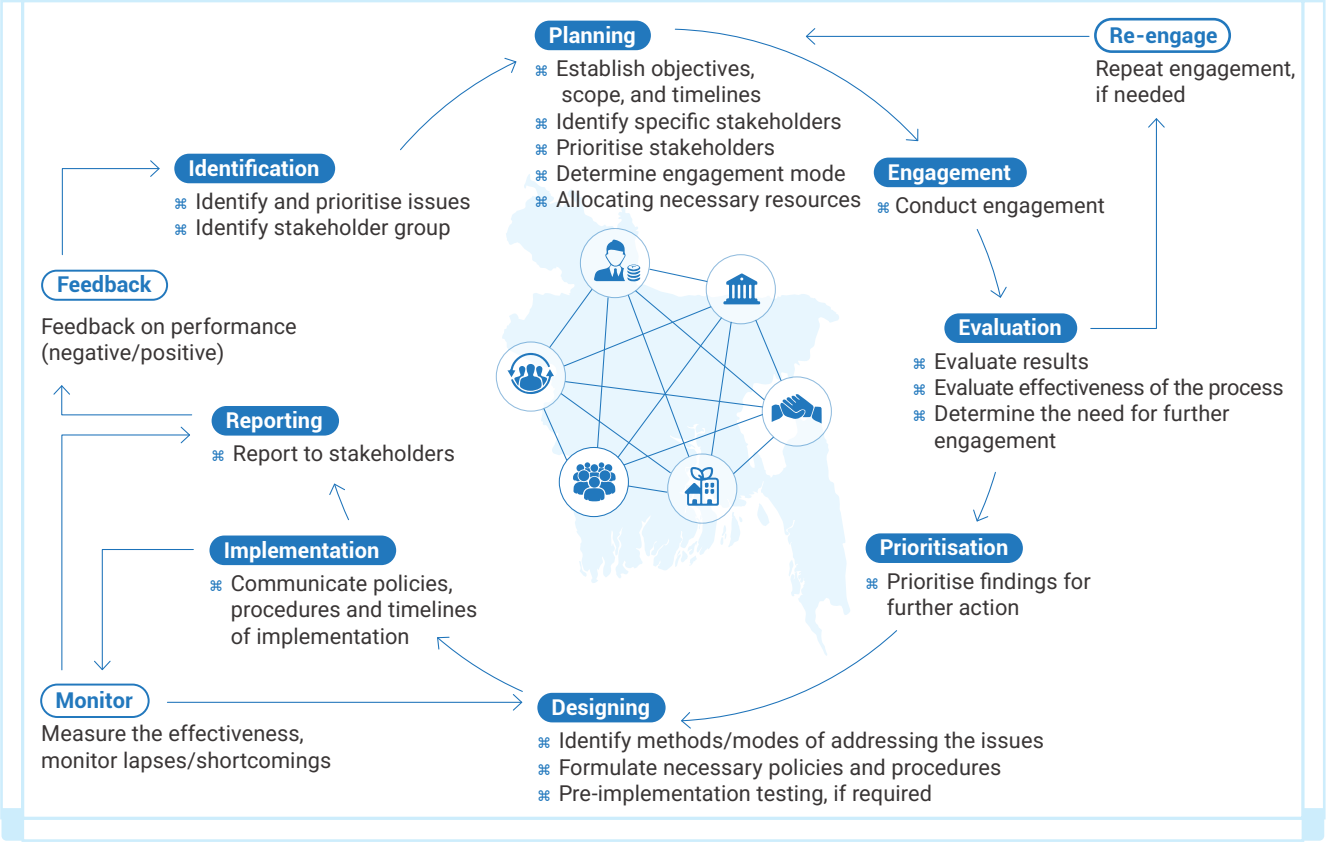
Risk and Opportunities in delivering strategy

- Growing technophile workforce, offering potential for innovation and enhanced digital capabilities.
- Agility of staff in responding to emerging challenges, ensuring the organization remains adaptive and competitive.
- Challenges in attracting and retaining the right talent, which may impact long-term growth and performance.

STAKEHOLDER ENGAGEMENT



Our stakeholder engagement process



We believe that regularly engaging with our stakeholders helps to draw on their knowledge and insights to inform strategic directions and inspire innovation on our part

Stakeholders Identification

Being a responsible and inclusive 08 financial solutions provider, we strive to promote sustainable development in our organization. From our vision, mission, purpose, and our code of ethics, we uphold our commitment to act responsibly towards our most valued stakeholders. Our stakeholders are the individuals, groups, and organizations that significantly affect or could be significantly affected by our strategy execution and how we conduct our business activities.

Stakeholders Engagement

We engage with our stakeholders through a decentralized stakeholder engagement approach all the year round and we use various engagement platforms appropriate to the needs of each stakeholder group. We understand that our sustainable growth is dependent on our key stakeholder's perception of the value we create for them. Hence, we value feedback from them about their concerns and perceptions of value engaging with our stakeholders through the following channels.

	Matters Relevant to the Stakeholder	Our Strategic Response to Stakeholder	Engagement Mechanism	Engagement Frequency
Shareholders and Other Investors **Management Philosophy** Ensuring long-term shareholder value and upholding the rights of the shareholder and supporting a broader shareholder constituency to ensure their wealth maximization	• Shareholder satisfaction regarding financial Position • Shareholder views on key governance and policy matters • Development of shareholder communication channels • Return on equity • Financial performance	• Ensuring sustainable return on investment • Engaging in greater transparency according to corporate governance code • Maintaining the FI's reputation and credibility Safeguarding asset quality	General Meetings	Annually/ Periodically
			Annual Report	Annually
			Interim Financial Statements	Quarterly
			Disclosures and announcements on DSE & CSE	Periodically
			Corporate website	24 hours 7 days

QUALITY OF RELATIONSHIP : STRONG

VALUE DELIVERED

(39.02) BDT EPS

2,221 MN MARKET CAPITALIZATION

787% PROVISION & SUSPENSE COVERAGE

9.26% NPL

	Matters Relevant to the Stakeholder	Our Strategic Response to Stakeholder	Engagement Mechanism	Engagement Frequency
Employees **Management Philosophy** Commitment to create a conductive environment for the employees to develop and reach their potential, both professionally and personally.	• Ethical employment practices • Career development opportunities • Employee communication and Feedback • Rewards/recognition • Employee well-being • Work-life balance	• Competitive rewards and benefits to attract and retain best talent in the market • Promote greater diversity and inclusion • Develop from within through training and development • Encourage greater engagement and discourage grievance • Performance-based incentives • Maintain high standards of occupational health and safety • Foster a sense of belongingness	Employee forums	Regularly
			Grievance-handling Procedure	Regularly
			Business unit level Meetings	Regularly
			Intranet	24 hours 7 days
			Training	Regularly
			Get-togethers/ Events	Regularly
			CSR projects	Regularly

QUALITY OF RELATIONSHIP : STRONG

35
PROMOTION

VALUE DELIVERED

79%
RETENTION RATE

BDT
202 MN
INVESTMENT IN PERSONNEL

	Matters Relevant to the Stakeholder	Our Strategic Response to Stakeholder	Engagement Mechanism	Engagement Frequency
Customers **Management Philosophy** Uphold the customers' right to demand a stable and progressive banking environment which provides a superior service platform and promotes customer choice/convenience.	• Customer service • Customer security • Satisfaction on existing products • Brand perception and reputation • Need for innovations and customized solutions • Communication methods • Timely and relevant information on products and services • Customer touch-points	• Effective complaint resolution • Maintain service excellence • Deliver technology-driven solutions • Continuous introduction of innovative products which promote greater customer convenience • Effective marketing communication • Maintaining data security and customer privacy • Better market share	One-on-one feedback from customers	Regularly
			Social media interactions	24 hours 7 days
			Customer complaint handling mechanism	24 hours 7 days
			ATL, BTL and digital Communications	Regularly
			SMS Alerts	24 hours 7 days
			Corporate website	24 hours 7 days
			Call Center	24 hours 7 days

QUALITY OF RELATIONSHIP : STRONG

24.28%
OF LOAN BOOK SME

6,958
NUMBER OF DEPOSIT CUSTOMERS

VALUE DELIVERED

CUSTOMER EDUCATION & FINANCIAL LITERACY PROGRAMMES

720
NUMBER OF LOAN CUSTOMERS

	Matters Relevant to the Stakeholder	Our Strategic Response to Stakeholder	Engagement Mechanism	Engagement Frequency
Community **Management Philosophy** Working in tandem with global and local mandates which safeguard the environment and promote community empowerment.	• Community capacity building • Community empowerment • Social welfare of communities • Environmental degradation • Preservation of local culture	• Socially-responsive transformative CSR model • Transparency and governance • Community engagement • Employee volunteerism • Become a catalyst for change	Ground-level interactions with community leaders by staff	Regularly
			Interactions with social groups and volunteer organizations	Regularly
			Environment grievance handling mechanism	Regularly
			Discussions with Government Organizations	Regularly
			Digital media-based Forums	Regularly
			CSR projects	Regularly

QUALITY OF RELATIONSHIP : GOOD

VALUE DELIVERED

BDT **1.44** MN SPEND IN SOCIO-ECONOMIC PROGRAMMES

881 VOLUNTEERING HOURS

+59 EXTENDED FINANCE FACILITY FOR NEW ENTERPRENEURS

	Matters Relevant to the Stakeholder	Our Strategic Response to Stakeholder	Engagement Mechanism	Engagement Frequency
Suppliers and Service Providers **Management Philosophy** Striking the right balance between cost and quality and promoting ethical and transparent sourcing practices.	• Developing strategic partnerships • Promoting transparent and ethically responsible business practices • Continuous communication with suppliers and service providers • Regular reviews on quality of goods and services	• Engaging in fair and equitable procurement • Supplier risk assessment mechanism • Contractual agreements to promote sustainable procurement • Local sourcing • Maintenance of suppliers and service providers register	Interactions through the purchasing policy	Regularly
			Feedback evaluations	As and when required
			Meetings	As and when required
			Visits to supplier workshop/offices	Periodically
			Written communications (letters and e-mails)	Regularly
			Reviews and assessments	Regularly

QUALITY OF RELATIONSHIP : GOOD

+55
SUPPLIERS

VALUE DELIVERED

APPROX. BDT
45 MN
PAYMENT TO SUPPLIERS

	Matters Relevant to the Stakeholder	Our Strategic Response to Stakeholder	Engagement Mechanism	Engagement Frequency
Government & Regulators **Management Philosophy** Ensure compliance with all legal and regulatory requirements.	• Proper and prompt action on regulatory requirements introduced from time to time • Formulate the FI's policies in line with the broad objectives of the Central Bank.	• Compliance with regulations • Rectification actions on supervisory concerns • On-time submission of statutory returns and statutory payments • Response and contribution at meetings/forums and to initiatives of the regulators • Help investors to make better investment decisions	Policy directives/ circulars, guidelines and operating instructions	Regularly
			Meetings and forums	Periodically
			Press releases	Regularly
			Periodic and one-off returns	Periodically
			On-site Off-site supervision	Periodically
			Training programmes	Regularly

QUALITY OF RELATIONSHIP : GOOD

VALUE DELIVERED

BDT 24.60 MN WITHHOLDING TAX

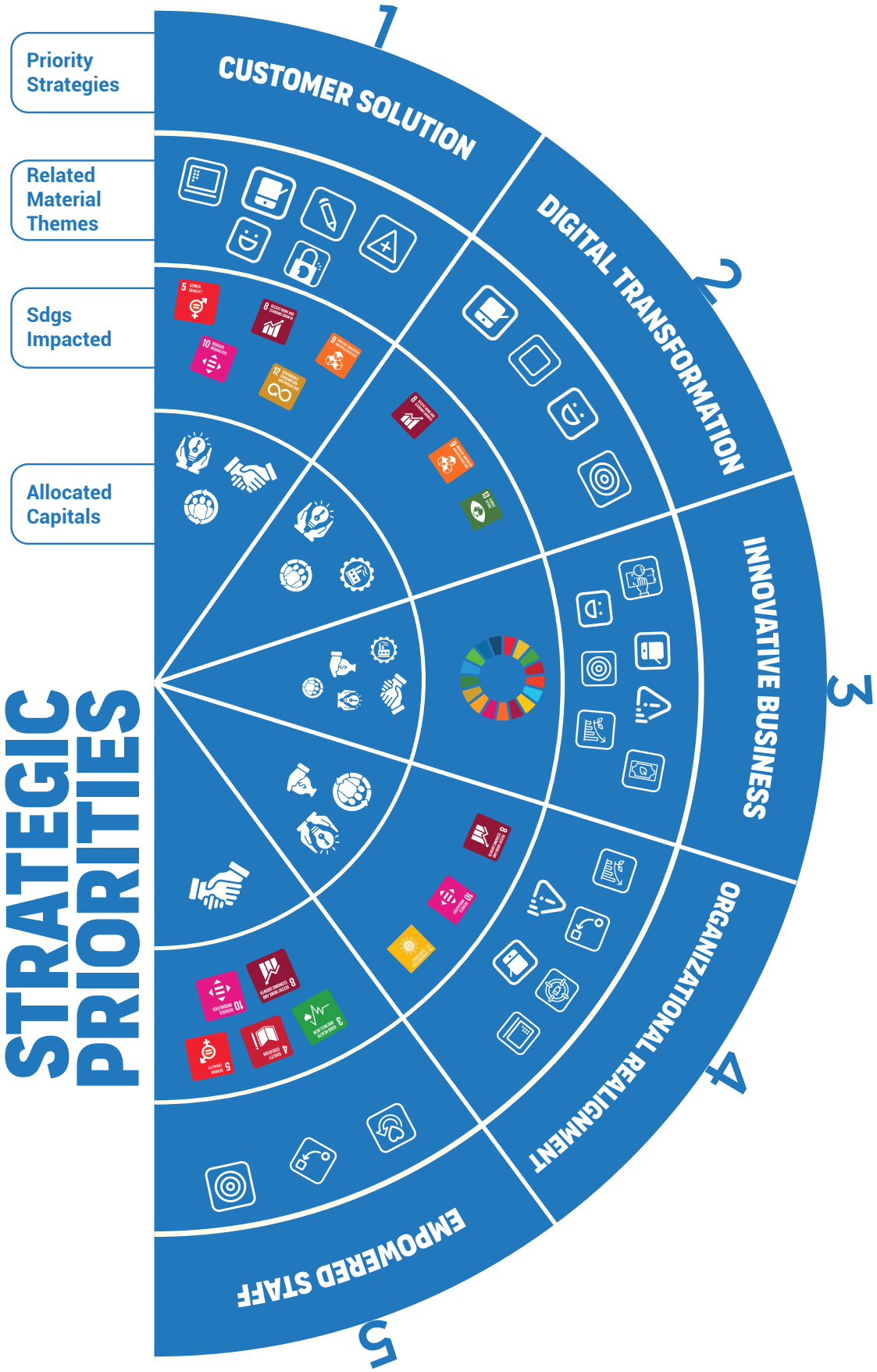
BDT 59.06 MN TOTAL CONTRIBUTION

BDT 10.99 MN VAT

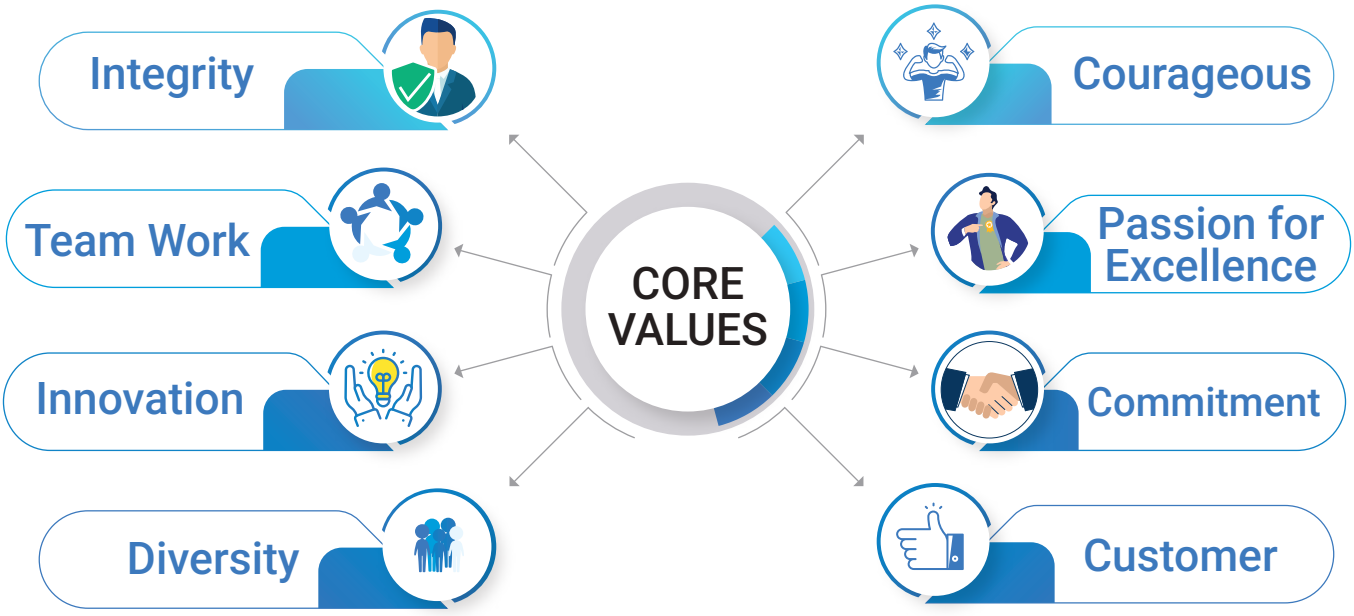
BDT 23.43 MN CORPORATE TAX

MATERIALITY

Material topic	Prioritization		Changes in materiality compared to last year	Stakeholder group impacted	Impact to SDGs	Topics Related
	Stakeholder impact	Impact on organisation				
Sustainable Growth	H	H	Significant groth in sustainable business development			Sustainability Highlights
Health and Safety	H	H	Increase in importance given evolving nature of pandemic			Human Capital Human Resource Accounting
Customer Satisfaction	H	H	Achieving sustainable growth through customer satisfaction			Stakeholder Engagement
Resource Optimization	M	H	Managing scarce resources to optimize economic outcomes			Manufactured Capital
Market and Liquidity Management	H	H	New topic reflecting market conditions			Performance Analysis of MANCOM
Human Talent Development	M	H	Combined with other people-related aspects			Human Capital
Facilitating Financial Inclusion and Literacy	H	M	Combined with literacy			Social & Relationship Capital
Innovation	M	H	Increased focus on digital channels with Voyage 2025 aspirations			Manufactured Capital Social & Relationship Capital
Responsible Lending	H	H	Concentration on agricultural and economic development			Social & Relationship Capital
Customer Privacy	H	H	Maintaining high-end security for customer data			Intellectual Capital
Community Engagement	H	M	New topic regarding stakeholder engagement			Stakeholder Engagement
Adapting to Post Pandemic Realities	M	H	New topic given evolving post pandemic and economic dynamic			Economic Outlook World Economic Outlook
Ethics, Integrity and Compliance	H	H	Maintaining compliance with all applicable laws, regulations and standards safeguard our social license to operate			Corporate Governance
Brand Positioning	M	H	New topic reflecting increased competitive intensity			Intellectual Capital
Elevated Importance of Risk Management	M	H	New topic given changes in external dynamics			Risk Management
Green Finance	M	H	To help businesses affected by climate change to adapt and contribute with our capacity as a financial services provider to build a low carbon economy as a participating Financial Institution.			Sustainability Highlights


Priority Strategies
Related Material Themes
Sdgs Impacted
Allocated Capitals
STRATEGIC PRIORITIES
1
CUSTOMER SOLUTION
2
DIGITAL TRANSFORMATION
3
INNOVATIVE BUSINESS
4
ORGANIZATIONAL REALIGNMENT
5
EMPOWERED STAFF

CORE VALUES



CODE OF CONDUCT

Our Code of Conduct is driven by the ethical values that we nurture in all our endeavors. In principle, following norms are in grained in us:

- ◊ No deviation from the standardized principle or policy;
- ◊ Acting with integrity & dignity along with ethical standard;
- ◊ Fair and truthful disclosures and thereby remaining transparent;
- ◊ Committed to deliver topnotch hassle-free services to our clientele;
- ◊ Want to remain law abiding corporate citizen.



VALUE CREATION MODEL

INPUTS

OUR RESOURCES & RELATIONSHIPS

Financial Capital

Equity Capital: Tk. (5,425) mn (2023: Tk. 1,882 mn)
- Customer Deposits: Tk. 8,637 mn (2023: Tk. 8,878 mn)
- Borrowings: Tk 3,795 mn (2023: Tk 4,201 mn)
- Capital Management: CAR -33.81% (2023: 10.68%)
- Market Capitalization (amount): Tk. 2,221 mn (2023: Tk. 8,301 mn)

Manufactured Capital

- 12 IT systems (2023: 10), which are being modernized as part of our technology journey
- Innovative digital channels for customer acquisition
- Market-leading digital products, services and client value propositions

Intellectual Capital

- Institutionalized knowledge
- Strong corporate brand image and value
- Good governance framework
- Market-leading IT capabilities (Managed Evolution and Digital Fast Lane)
- Effective internal control system
- Ethical business conduct

Social & Relationship Capital

- Over (7,678) customers in loans and deposits
- Healthy client relationships
- Over (55+) suppliers
- Transparent procurement policy
- Three-pillar focused CSR framework
- ESG considerations towards sustainable operations
- Promoting UN Sustainable Development Goals
- Compliance with GRI standards

Human Capital

A total of 146 employees, in 2024 (2023: 146), embracing a culture that is:
- client-driven and people-centered
- increasingly innovative and competitive
- strong in compliance and governance
- Reward structures linked to performance
- Experienced and diverse executive team and board
- A transformed workforce

Natural Capital

- Green lending products
- State-of-the-art core IT systems: Managed Evolution and Digital Fast Lane
- Handling garbage in a responsible manner
- Commitment towards paperless finance
- Four-pillared approach towards environmental stewardship

BUSINESS

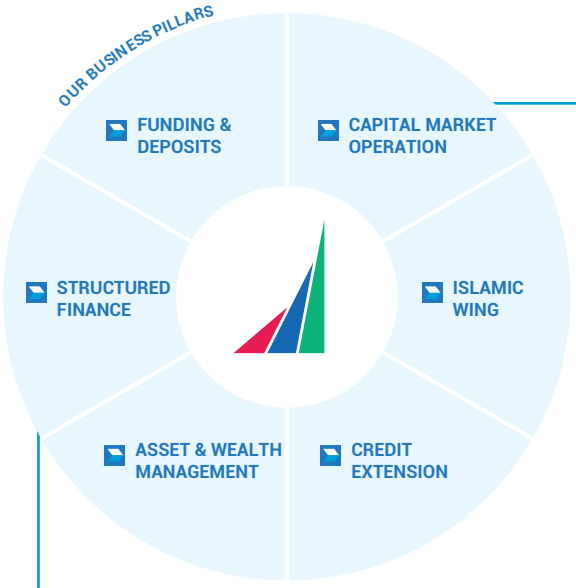
OUR STRATEGY AND FOCUS AREAS

OUR VISION

To be the most innovative and popular financial services provider in the country with special focus on creating value for all stakeholders.

OUR MISSION

To reach out our financial services to the wider sections of the populace as part of our contribution towards inclusive, sustainable and quality growth with trust and confidence



STRATEGY

- INNOVATIVE BUSINESS
- CUSTOMER SOLUTION
- DIGITAL TRANSFORMATION
- ORGANIZATIONAL REALIGNMENT
- EMPOWERED STAFF

MATERIAL MATTERS

Highly Material Topics

- Sustainable Growth
- Responsible Lending
- Health and Safety
- Customer Privacy
- Customer Satisfaction
- Community Engagement
- Resource Optimization
- Adapting to Post Pandemic Realities
- Market and Liquidity Management
- Ethics, Integrity and Compliance
- Human Talent Development
- Brand Positioning
- Facilitating Financial Inclusion and Literacy
- Elevated Importance of Risk Management
- Innovation
- Green Finance

OUR KPIs (2024)

Loans & Advances	BDT 14,024 mn
Deposits mobilized	BDT 8,637 mn
NPL	9.26%
Provision & Interest Suspense Coverage Ratio	786.93%
Liquid Asset Ratio	15.12%
Statutory Liquidity Reserve Ratio	6.62%

PURPOSE

OUR STAKEHOLDER PROPOSITIONS

CUSTOMER VALUE PROPOSITION

We prioritize our customers in every aspect of our service by:
- Delivering seamless and efficient banking experiences
- Offering tailored financial solutions to meet individual needs
- Ensuring secure and reliable digital platforms
- Upholding fairness and transparency in every interaction

EMPLOYEE VALUE PROPOSITION

We strive to make Bangladesh Finance the employer of choice by offering:
- Attractive compensation and comprehensive benefits
- Continuous learning and professional development opportunities
- A commitment to diversity, sustainability, and corporate responsibility
- A strong focus on employee health, safety, well-being, and welfare

SUPPLIERS & SERVICE PROVIDERS VALUE PROPOSITION

We build partnerships that promote shared goals by focusing on:
- Ensuring the safety, well-being, and continuity of our suppliers' operations
- Embedding sustainable procurement practices in our supply chain
- Fostering a competitive environment aligned with our strategic vision, enabling supplier growth and development

INVESTOR VALUE PROPOSITION

We uphold the highest standards of governance and integrity to foster trust by:
- Ensuring timely, accurate, and transparent disclosures
- Adopting a responsible and strategic approach to growth planning and execution
- Maintaining strong oversight, internal controls, independent assurance, and robust reporting mechanisms

COMMUNITY VALUE PROPOSITION

We are committed to fostering healthy, resilient communities across Bangladesh by:
- Supporting the lowest income groups through inclusive initiatives
- Prioritizing the needs of at-risk and vulnerable populations
- Mobilizing finance to promote a low-carbon, equitable, and sustainable economy

ACCOUNTABILITY

OUR INTERNAL CONTROLS

GOVERNANCE AND LEADERSHIP

Focus

Governance for oversight of effectiveness, adequacy and integrity of BDF's system of internal controls and risk management

Accountability

Board of Directors (BOD), Executive Committee (EC), Management Committee (MANCOM)

Controls

Internal and External Independent Audits and Assurance

GROUP KPIs AND SCORECARDS

Focus

Key measures on profitability, cost, capital, mid- to long-term strategic initiatives, people and sustainability, risk, audit and compliance positions

Accountability

BOD, CEO and Management Committee (MANCOM)

Controls

Management Committee (MANCOM)

CORE VALUES

Focus

Values to deliver impact the right way

Accountability

Head of Human Resources

Controls

People Engagement/Enculturation

KEY POLICIES

Focus

Progressive and inclusive policies that address material matters in addition to driving operational efficiencies and beyond-compliance motives lues to deliver impact the right way

Accountability

Functional Heads

Controls

Risk Management Committee
Board Audit Committee
Policy Review Committee

IMPACT

OUR VALUE CREATION 2024

Financial Capital
- BDT (707) mn Net interest income
- BDT (7,345) mn Profit generated
- NAV per share decreased to (28.82) BDT
- Earnings per share (39.02)

Manufactured Capital
- 7,354 Nos. of payment through digitally
- Customer on-boarding through e-KYC
- Digital Partnership Lending Solution Stakeholders Impacted

Intellectual Capital
- Market leading digital capabilities
- Attraction and retention of critical skills
- 8 Audit conducted by Internal Audit Dept
- Online treasury system integration with Bangladesh Bank

Social & Relationship Capital
- Improvements of customer satisfaction indicators
- 28 customer complaints resolved within 6 hours out of 28 customer complaints
- BDT 11 mn tax contribution
- BDT 1.44 mn Socioeconomic spend

Human Capital

Maintained employee motivation, skills and diversity through:
- BDT 202.31 mn paid as salaries and benefits
- 4,074 hours of training
- Certified as great place to work
- 21% Attrition
- 79% Retention rate

Natural Capital
- Extended Finance Facility to new Entrepreneurs
- Extended Finance Facility to Rural Farmers & Introduced Exclusive Apps for Agriculture Finance under green finance
- 110 women entrepreneurs loan disbursed
- Digital office approval of 3,915 Nos

শ্রেষ্ঠত্বের স্বীকৃতি






















SAFA
SOUTH ASIAN FEDERATION OF ACCOUNTANTS
Gold
Bangladesh Finance Limited
ICSB
2021
BRONZE AWARD
SAFA
SOUTH ASIAN FEDERATION OF ACCOUNTANTS
First Runner Up
Bangladesh Finance Limited
ICSB
Institute of Chartered Secretaries of Bangladesh
2022
SILVER AWARD
ICSB
2020
BRONZE AWARD
Bangladesh Bank
Sustainability Rating Recognition 2021
Congratulations
Bangladesh Finance Limited


9th Annual Banking Conference 2022
Congratulations
Bangladesh Finance
For being selected as one of the Top 5 NBFIs in the Sustainability Rating 2021
SECOND
Best Presented Annual Reports: Financial Services Sector
Bangladesh Finance Ltd.
11 December 2021, Dhaka
First Runner-up
Financial Services Sector
Bangladesh Finance Ltd.
Sustainability Rating 2021
Congratulations
Bangladesh Finance Limited
Sustainable Finance Department
Bangladesh Bank
ICSB
10th ICSB National Award 2022
Silver Award
Bangladesh Finance Limited
INTERNATIONAL FINANCE AWARDS

FINANCIAL HIGHLIGHTS (SOLO)

TOTAL DEPOSITS

2024: BDT 8,637 mn | 2023: BDT 8,879 mn | -2.73%

LOAN, LEASE & ADVANCES

2024: BDT 14,024 mn | 2023: BDT 13,813 mn | 1.53%

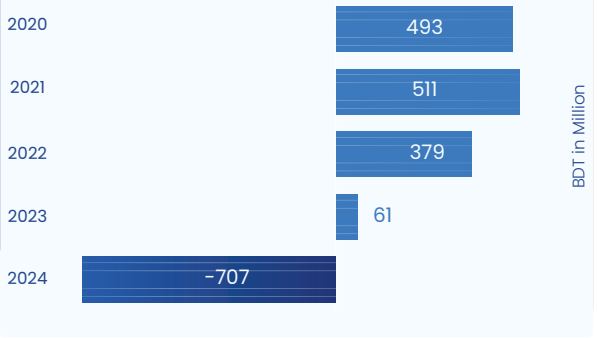
TOTAL ASSETS

2024: BDT 18,532 mn | 2023: BDT 18,068 mn | 2.57%

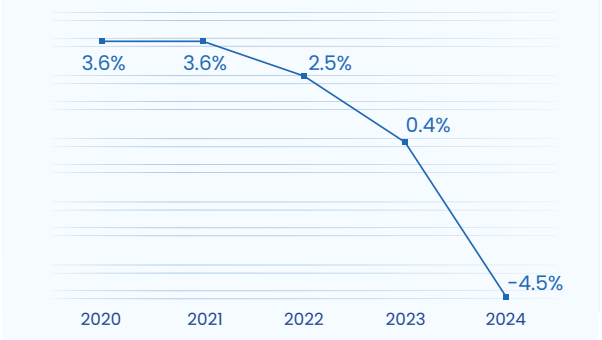
NPL

2024: 9.26% | 2023: 11.20% | -1.94%

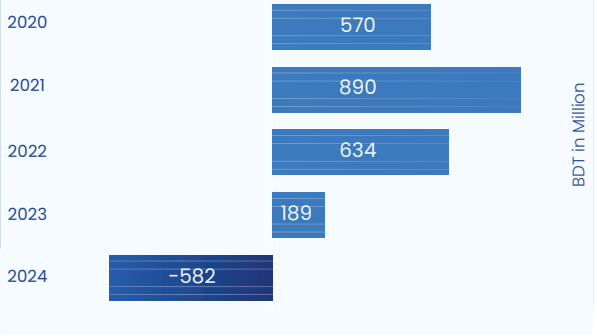
Net Interest Income



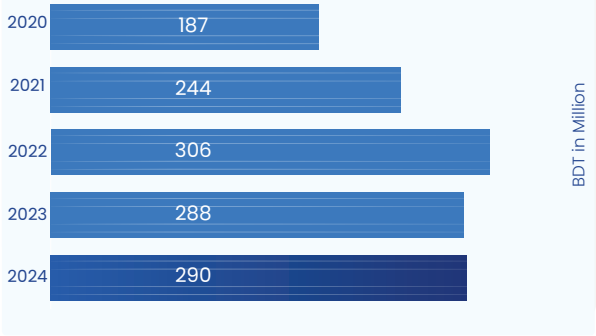
NIM (Gross Margin Ratio)



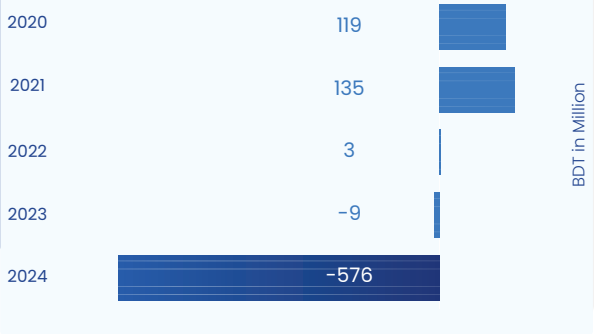
Total Operaitng Income



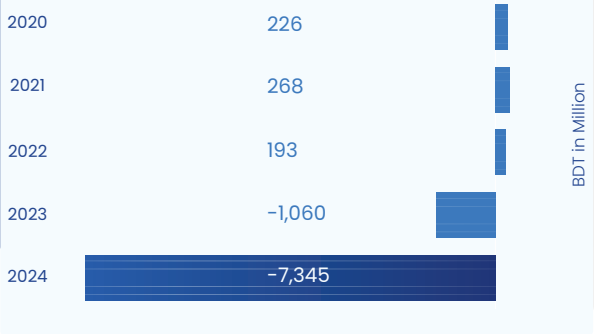
Operating Expenses



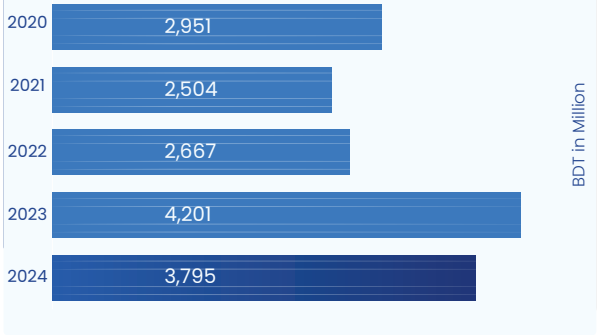
Net Income Tax Expense



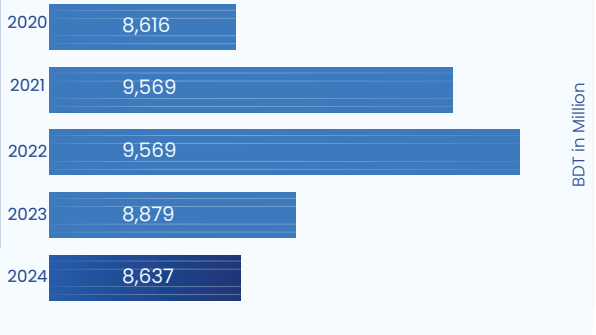
Profit After Tax



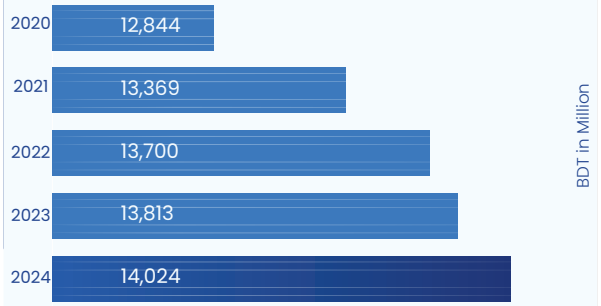
Borrowings



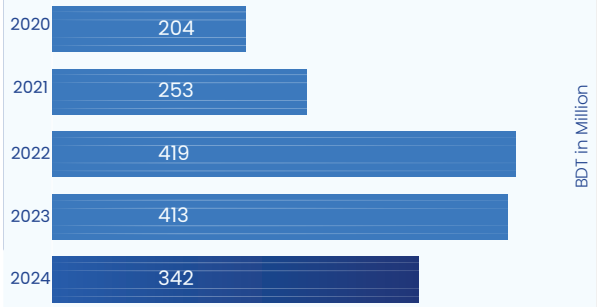
Total Deposit



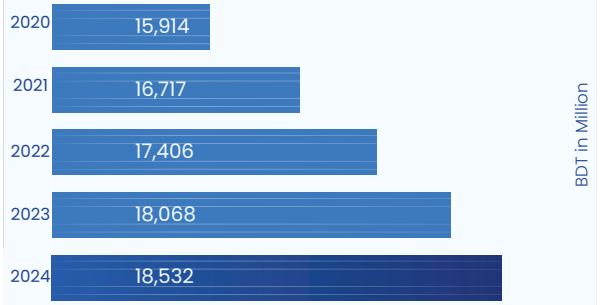
Loan Lease & Advances



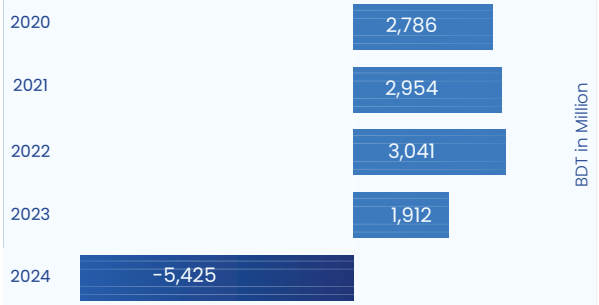
Investment



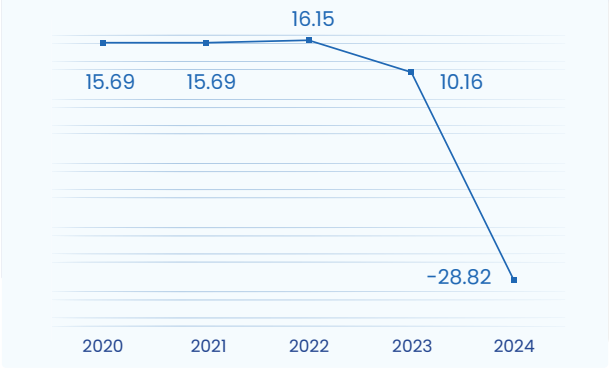
Total Asset



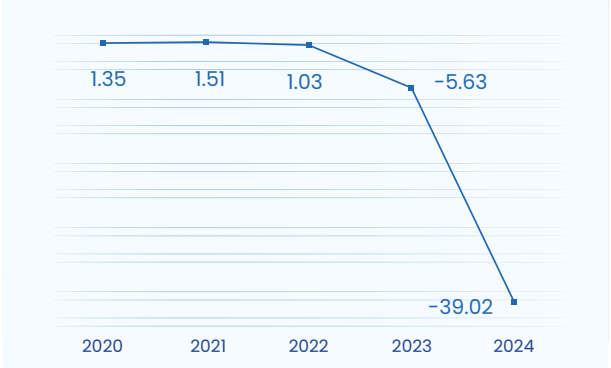
Shareholder Equity



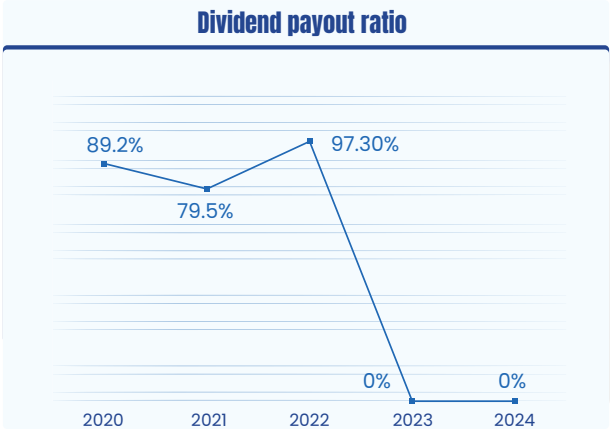
Net Asset Value Per Share



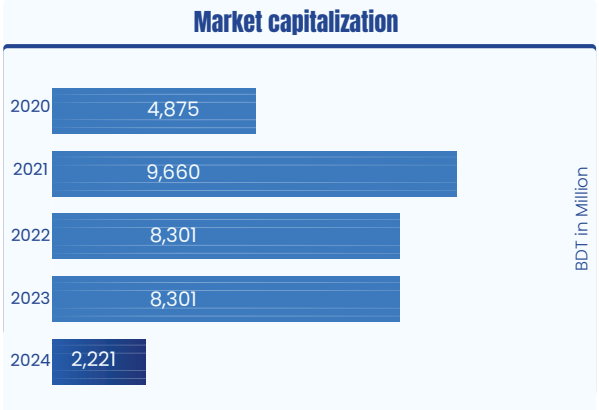
Earnings Per Share



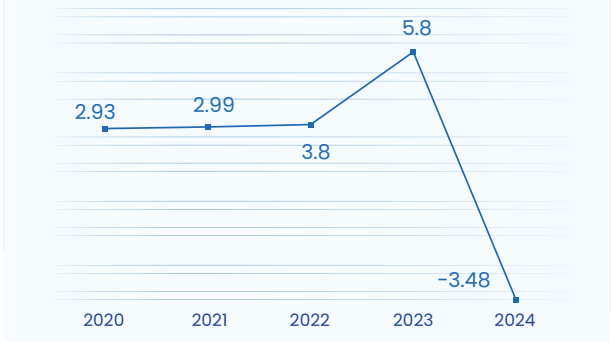
Dividend payout ratio



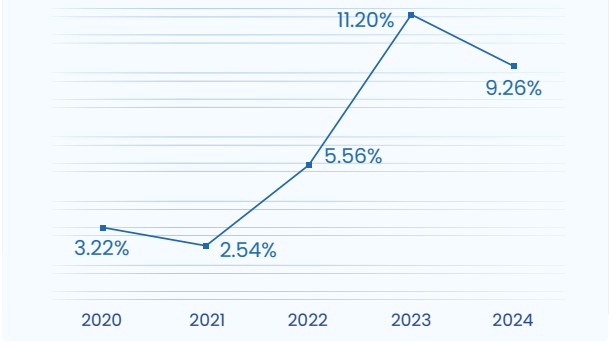
Market capitalization



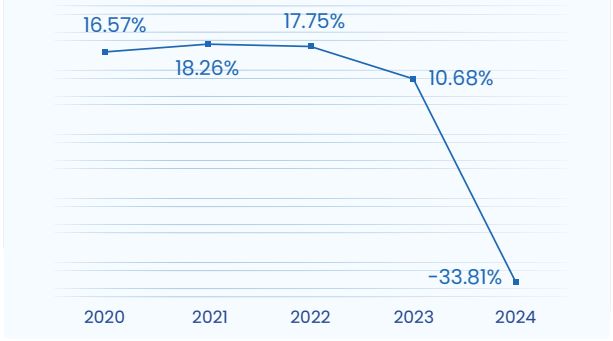
Debt to equity ratio



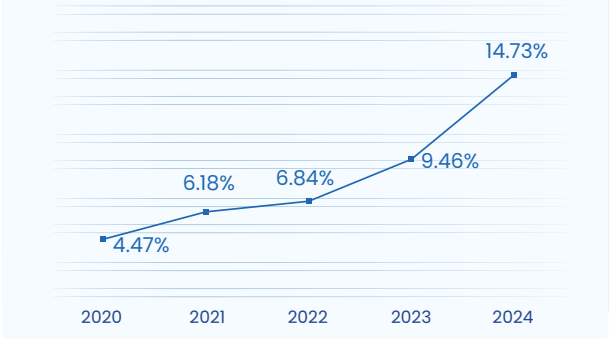
Non-performing loan ratio



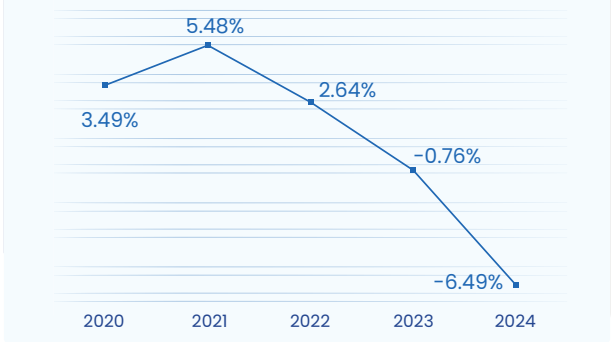
Capital Adequacy Ratio



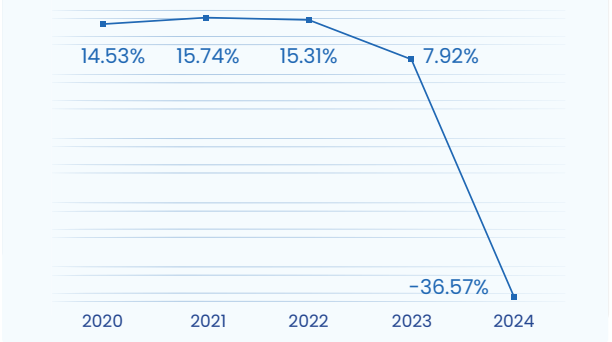
Liquid Assets Ratio (Quick Ratio)



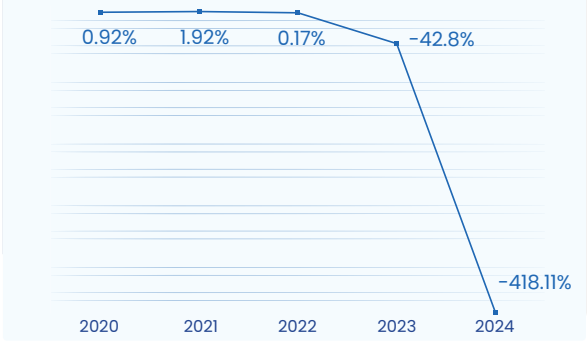
ROCE



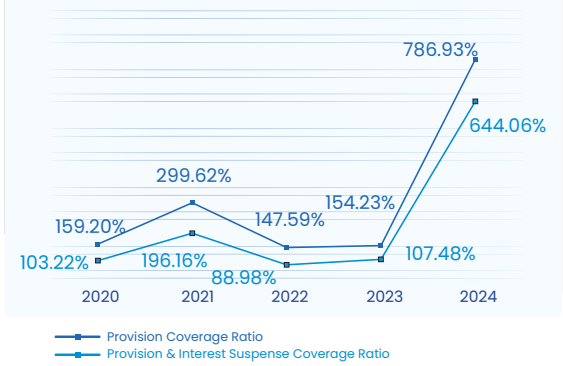
CET1 Ratio



ICGR



Provision Coverge Ratio



SUMMARY OF FINANCIAL HIGHLIGHTS (SOLO)

	2020	2021	2022	2023	2024
Profitability					
Net Interest Income	493	511	379	61	-707
NIM (Gross Profit Ratio)	3.6%	3.6%	2.5%	0.4%	-4.5%
Total Operaitng Income	570	890	634	189	-582
Total Operating Expense	187	244	306	288	290
Cost/Income Ratio(%)	32.89%	27.41%	48.31%	152.18%	-49.79%
Profit Before Depreciation and Taxes	387	442	241	-1021	-7879
Profit before income tax	345	403	196	-1069	-7921
Income tax expense(net)	119	135	3	-9	-576
Net profit after tax	226	268	193	-1060	-7345
Net Profit Ratio	13.61%	17.92%	14.06%	-97.64%	-1014.80%
Assets,Liabilities & Equity					
Borrowings	2,951	2,504	2,667	4,201	3,795
Deposits	8,616	9,569	9,862	8,879	8,637
Loan Lease & Advances	12,844	13,369	13,700	13,813	14,024
Investment	204	253	419	413	342
Total assets	15,914	16,717	17,406	18,068	18,532
Loan Fund Ratio	89.48%	88.97%	87.99%	92.14%	200.16%
Total equity	2,786	2,954	3,041	1,912	(5,425)
Investor Information					
Net asset value per share	15.69	15.69	16.15	10.16	(28.82)
Market value per share	29.10	54.40	44.10	44.10	11.80
Earnings per share	1.35	1.51	1.03	(5.63)	(39.02)
Number of Outstanding Share	167.5	177.6	188.2	188.2	188.2
Market capitalization	4,875	9,660	8,301	8,301	2,221
Other Ratios					
Dividend yield	4.1%	2.2%	2.3%	0	0
Price earnings ratio	21.59	36.03	42.91	(7.83)	(0.30)
Non-performing loan ratio	3.22%	2.54%	5.56%	11.20%	9.26%
Liquid assets ratio	4.47%	6.18%	6.84%	9.46%	15.12%
Current Ratios	1.16	1.16	1.20	1.27	1.26
Debt to equity ratio (Leverage Ratio)	2.93	2.99	3.08	5.80	-3.48
Long Term Credit Rating	AA-	AA-	AA	AA	AA
Short Term Credit Rating	ST-2	ST-2	ST-1	ST-1	ST-1
Key Performance Indicator					
ROA	1.41%	1.64%	1.13%	-5.98%	-40.14%
ROE	8.37%	9.34%	6.45%	-42.80%	-418.11%
ROCE	3.49%	5.48%	2.64%	-0.76%	-6.49%
Capital Adequacy Ratio	16.57%	18.26%	17.75%	10.68%	-33.81%
Common Equity Tier 1 (%)	14.53%	15.74%	15.31%	7.92%	-36.57%
CRAR	16.57%	18.26%	17.75%	10.68%	-33.81%
Provision Coverage Ratio	103.22%	196.16%	88.98%	107.48%	644.06%
Provision & Interest Suspense Coverage Ratio	159.20%	299.62%	147.59%	154.23%	786.93%
ROI	18.64%	136.40%	46.47%	12.97%	23.95%
Customer Satisfaction Ratio	81.26%	84.56%	82.41%	88.21%	86.95%
Project Overdue (%)	21.25%	90.03%	17.51%	18.43%	15.42%

Bangladesh finance
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নতুন উদ্যোক্তা লোনে শুরু হোক আপনার ব্যবসায়িক যাত্রা



FINANCIAL HIGHLIGHTS (CONSO)

TOTAL DEPOSITS

2024: BDT 8,637 mn | 2023: BDT 8,879 mn | -2.73%

LOAN, LEASE & ADVANCES

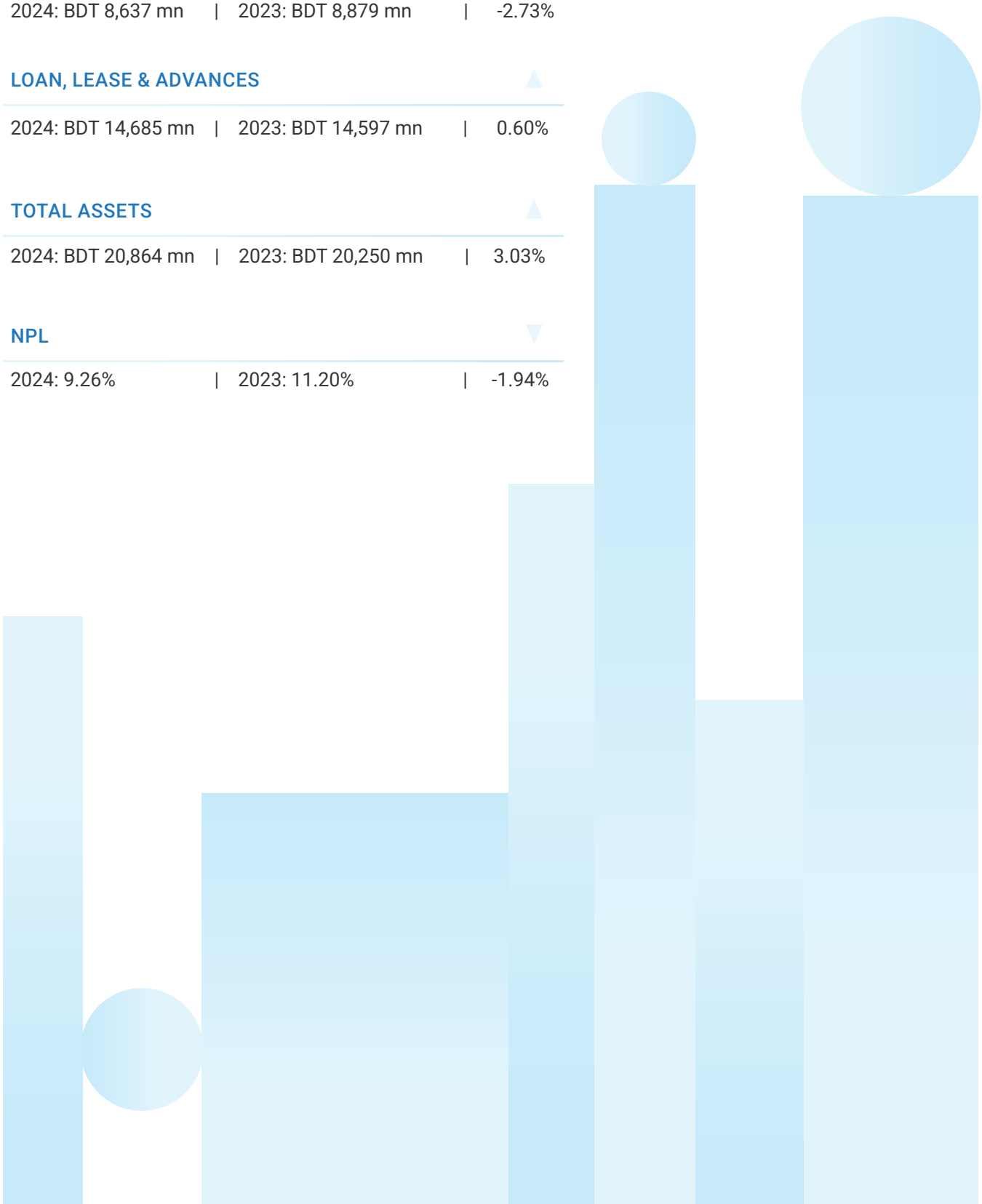
2024: BDT 14,685 mn | 2023: BDT 14,597 mn | 0.60%

TOTAL ASSETS

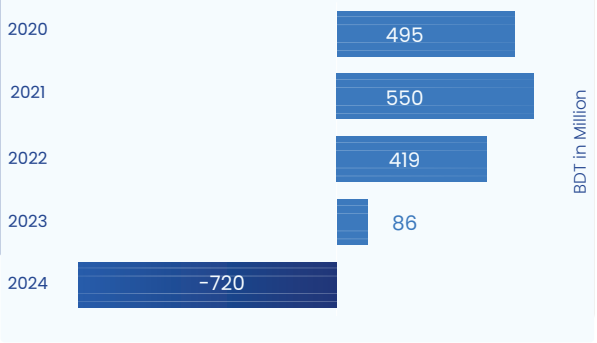
2024: BDT 20,864 mn | 2023: BDT 20,250 mn | 3.03%

NPL

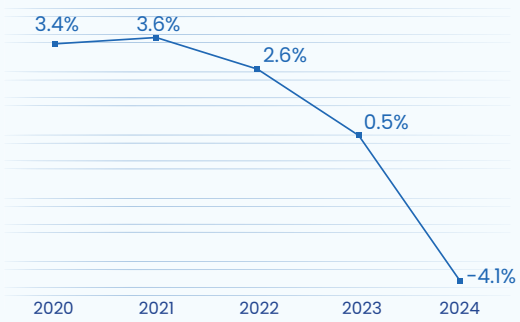
2024: 9.26% | 2023: 11.20% | -1.94%



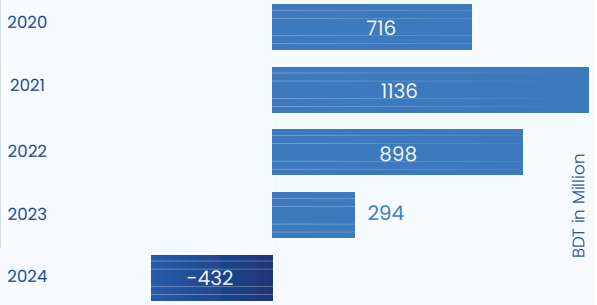
Net Interest Income



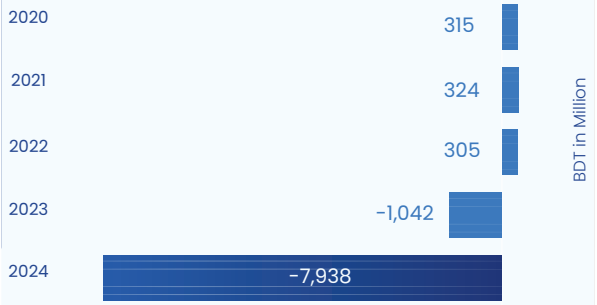
NIM



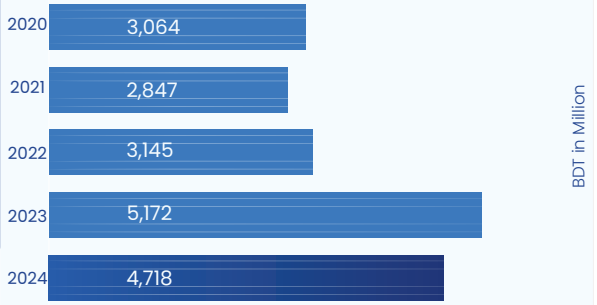
Total Operation Income



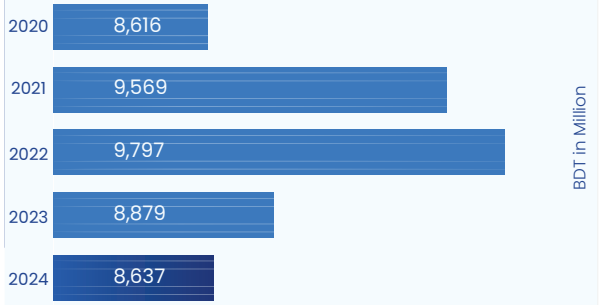
Profit After Tax



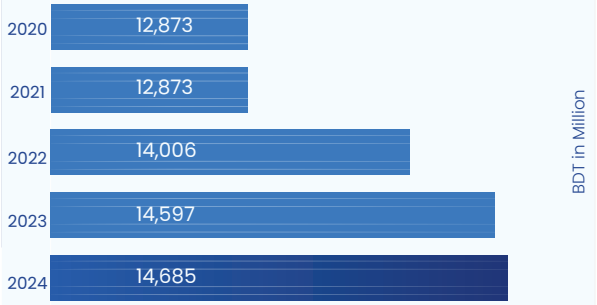
Borrowings



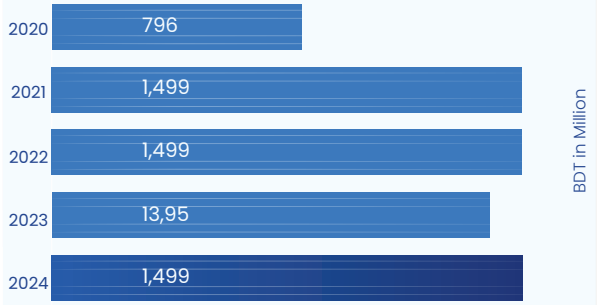
Total Deposit



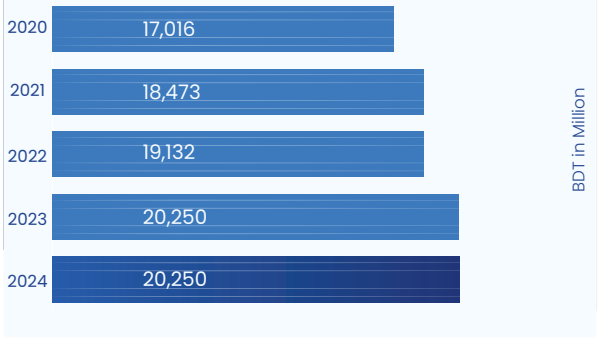
Loan Lease & Advances



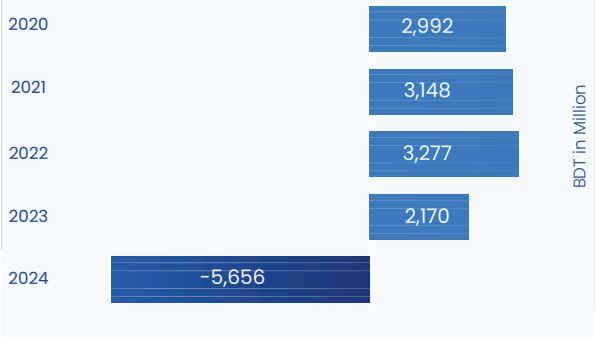
Investment



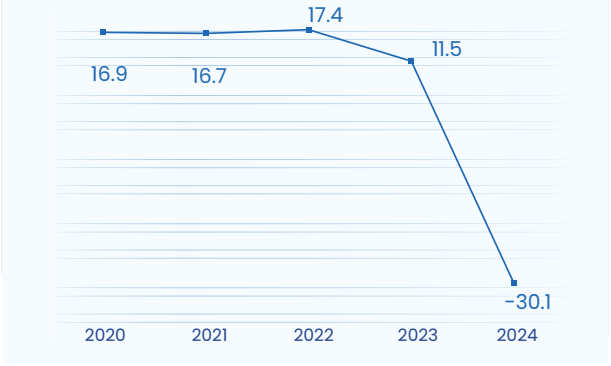
Total Asset



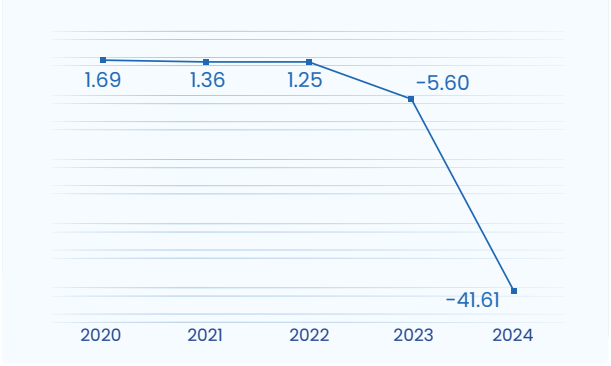
Shareholder Equity



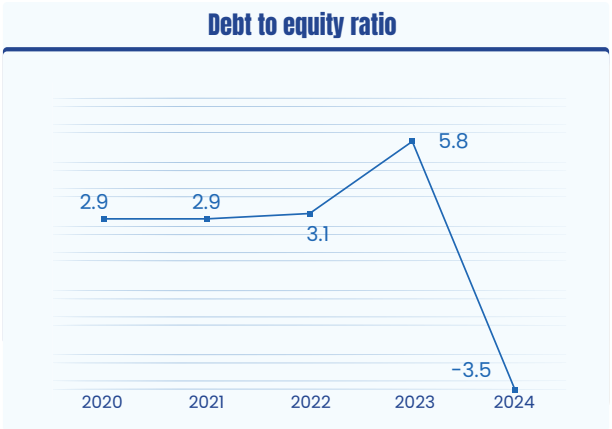
Net Asset Value Per Share



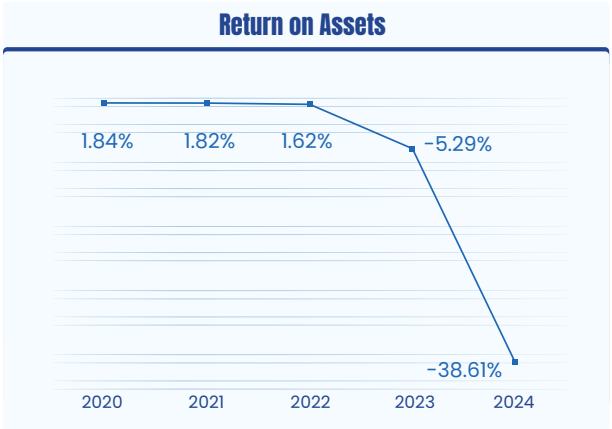
Earnings Per Share



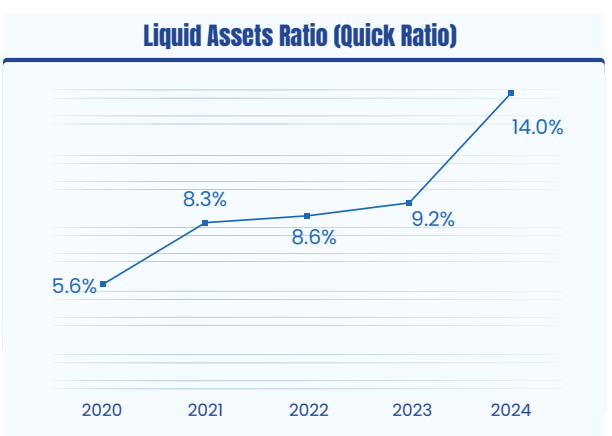
Debt to equity ratio



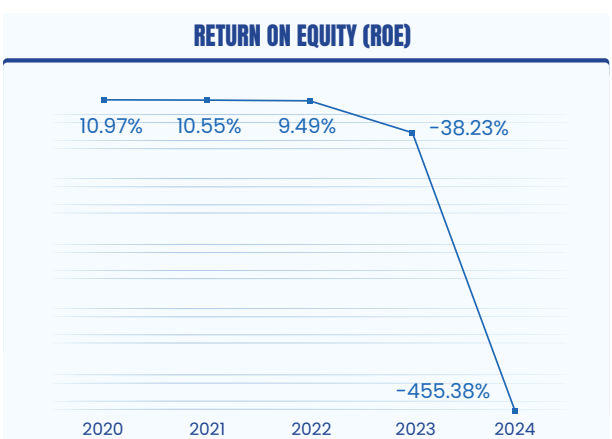
Return on Assets



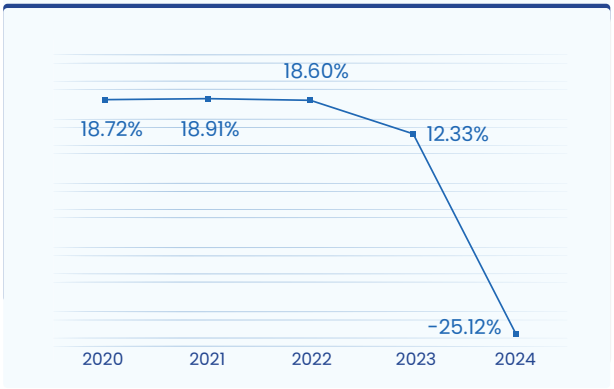
Liquid Assets Ratio (Quick Ratio)



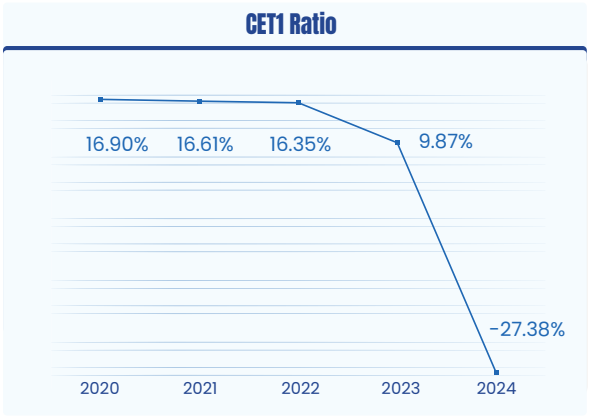
RETURN ON EQUITY (ROE)



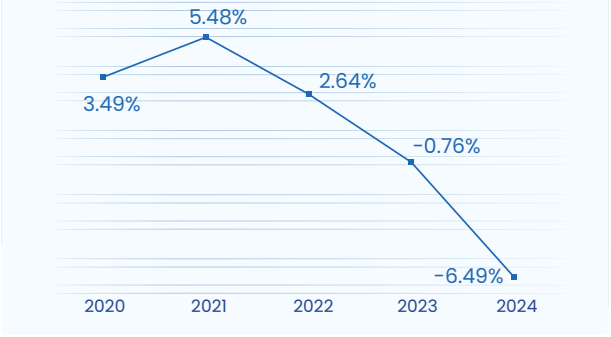
Capital Adequacy Ratio



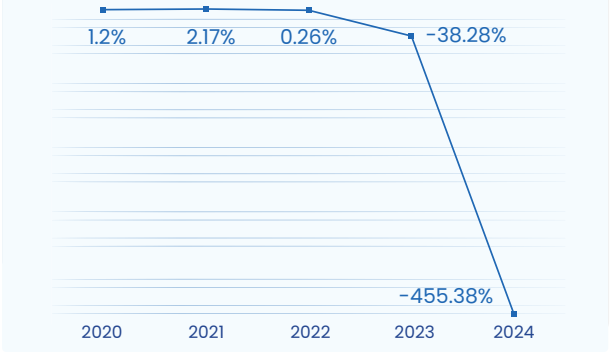
CET1 Ratio



ROCE



ICGR



SUMMARY OF FINANCIAL HIGHLIGHTS (CONSO)

	2020	2021	2022	2023	2024
Profitability (Consolidated)					
Net Interest Income	495	550	419	86	-720
NIM (%)	3.4%	3.6%	2.6%	0.5%	-4.1%
Total Operaitng Income	716	1136	898	294	-432
Total Operating Expense	231	297	379	360	354
Cost/Income Ratio(%)	32.27%	26.17%	42.26%	122.29%	-81.87%
Profit before income tax	451	523	313	-1046	-8633
Income tax expense(net)	137	200	9	-4	-695
Net profit after tax	315	324	305	-1042	-7938
Net Profit Margin	18.63%	20.88%	21.04%	-89.35%	-975.45%
Assets,Liabilities & Equity (Consolidated)					
Borrowings	3,064	2,847	3,145	5,172	4,718
Deposits	8,616	9,569	9,797	8,879	8,637
Loan Lease & Advances	12,873	13,692	14,006	14,597	14,685
Investment	796	987	1,136	1,395	1,499
Total assets	17,016	18,473	19,132	20,250	20,864
Total equity	2,992	3,148	3,277	2,170	(5,656)
Investor Information					
Net asset value per share	16.85	16.72	17.41	11.53	(30.05)
Market value per share	29.10	54.40	44.10	44.10	11.80
Earnings per share	1.69	1.36	1.25	(5.60)	(41.61)
Market capitalization	4,875	9,660	8,301	8,301	2,221
Other Ratios					
Dividend yield	4.12%	2.21%	2.27%	0.00%	0.00%
Price earnings ratio	17.17	40.02	35.17	(7.88)	(0.28)
Non-performing loan ratio	3.22%	2.54%	5.56%	11.20%	9.26%
Liquid assets ratio	5.63%	8.31%	8.64%	9.06%	13.13%
Current Ratios	1.16	1.16	1.20	1.27	1.26
Debt to equity ratio	2.93	2.99	3.08	5.80	-3.48
Long Term Credit Rating	AA-	AA-	AA	AA	AA
Short Term Credit Rating	ST-2	ST-2	ST-1	ST-1	ST-1
Key Performance Indicator					
ROA	1.84%	1.82%	1.62%	-5.29%	-38.61%
ROE	10.97%	10.55%	9.49%	-38.28%	-455.38%
ROCE	3.49%	5.48%	2.64%	-0.76%	-6.49%
Capital Adequacy Ratio	18.72%	18.91%	18.60%	12.33%	-25.12%
Common Equity Tier 1 (%)	16.90%	16.61%	16.35%	9.87%	-27.38%
ICGR	1.20%	2.17%	0.26%	-38.28%	-455.38%

NON-FINANCIAL HIGHLIGHTS

PEOPLE

8,120
Beneficiaries from CSR Programme

146
People Trained under AML-CFT Programme

15
Internship Opportunities Provided

PLANET

IN 8 DECIMAL
Land trees planted through CSR activities

84 TREES
Saved through digital transactions and digital approval

13 CSR
Projects conducted under this year

BDT 389 MN
Financing of sustainaible linkage projects

PROFIT

BDT 0 MN
Value distributed to providers of capital

BDT 1.44 MN
Value distributed to the community

BDT 1431.09 MN
Value distributed to depositors and lenders

BDT 59.06 MN
Value distributed to the Government

Revenue per Employee: **4.9 Mn**	Average Loan Processing Time: 4 Working Days for Women Loan/ 7 Working Days for SME Loan	Average Loan Size: **1.94 Mn**	Customer Acquisition Cost (CAC): **Tk. 6,722**	Customer Retention Ratio: **79%**
Turnaround Time (TAT): For Deposit Customer: 6 Hours, For Loan Customer: **12 Hours**	Training Hours per Employee: **28.31 Hours**	Employee Turnover Rate: **21%**	Compliance Ratios: **99%**	IT Spending as a Percentage of Total Expenditure: **13%**

OUR JOURNEY

1999 MAY 10 Incorporation of the Company & Commencement of Business

1999 DEC 22, Obtained License from Bangladesh Bank

2000 FEB 15, Commercial Operation

2005 JULY 12, Second Branch opening at Chattogram

2007 JUN 10, Initial Public offering

2007 AUG 28, Listing on Chattogram Stock Exchange

2007 SEP 06, Listing on Dhaka Stock Exchange

2021 JAN 21, Achieved AA- Credit Rating

2021 JULY 28, Rebranding of Bangladesh Finance

2021 Dec, SAFA, ICAB And ICSB Awards on Best Published Annual Report 2021

2022 Dec, SAFA, ICAB And ICSB Awards on Best Published Annual Report 2022

2023 Sep 30, Most Sustainable Financial Intitution Declared By Bangladesh Bank

2024 May 23, Awarded as The Best Climate Focused Financial Institute, Bangladesh

2025

2007
SEP 11,
Trading on
DSE & CSE

2010
DEC 28,
Equity Participation in
Bangladesh Finance
Securities Limited

2010
JUNE 08,
Third Branch
Opening at
Bangshal

2011
AUG 10,
Equity Participation
on Bangladesh
Finance Capital Ltd.

2014
SEP 08,
Fourth and
Fifth Branch
Opening at
Sylhet and
Uttara

2016
JUNE 17,
Launching of
Bangladesh
Finance First
Mutual Fund

2017
SEP 07,
Sixth Branch
Opening at
Gazipur

2018
DEC 27,
Seventh Branch
Opening at
Jashore

2020
NOV 12,
Primary Approval
for Opening
Islamic Shariah
Based Wing

2020
JAN 23,
International
Finance Award
2019

PRODUCTS & SERVICES

বীর প্রবাসীর স্বপ্নপূরণের প্ল্যাটফর্ম		টার্ম ডিপোজিট		বিজয়	
	Green Deposit		WORKING CAPITAL FINANCE		প্রফিট ফার্স্ট স্কিম
Bangladesh Finance DOCTORS LOAN		ঘর AFFORDABLE HOME LOAN		Retirement Plan	
	গুণন		হোম লোন		Bangladesh Finance কৃষি ঋণ
BLUE SIP		Bangladesh finance সুরক্ষা		মুদারাবাহ টিডিআর	
	মুদারাবাহ ওমরাহ স্কিম		মুদারাবাহ রিটায়ারমেন্ট প্ল্যান		মুদারাবাহ হজস্কিম
মুদারাবাহ মাসিক ডিপিএস		HOME FINANCE		AUTO FINANCE	
	INDUSTRIAL FINANCE		CAPITAL MECHINERIES & EXPENSION FINANCE		Others..

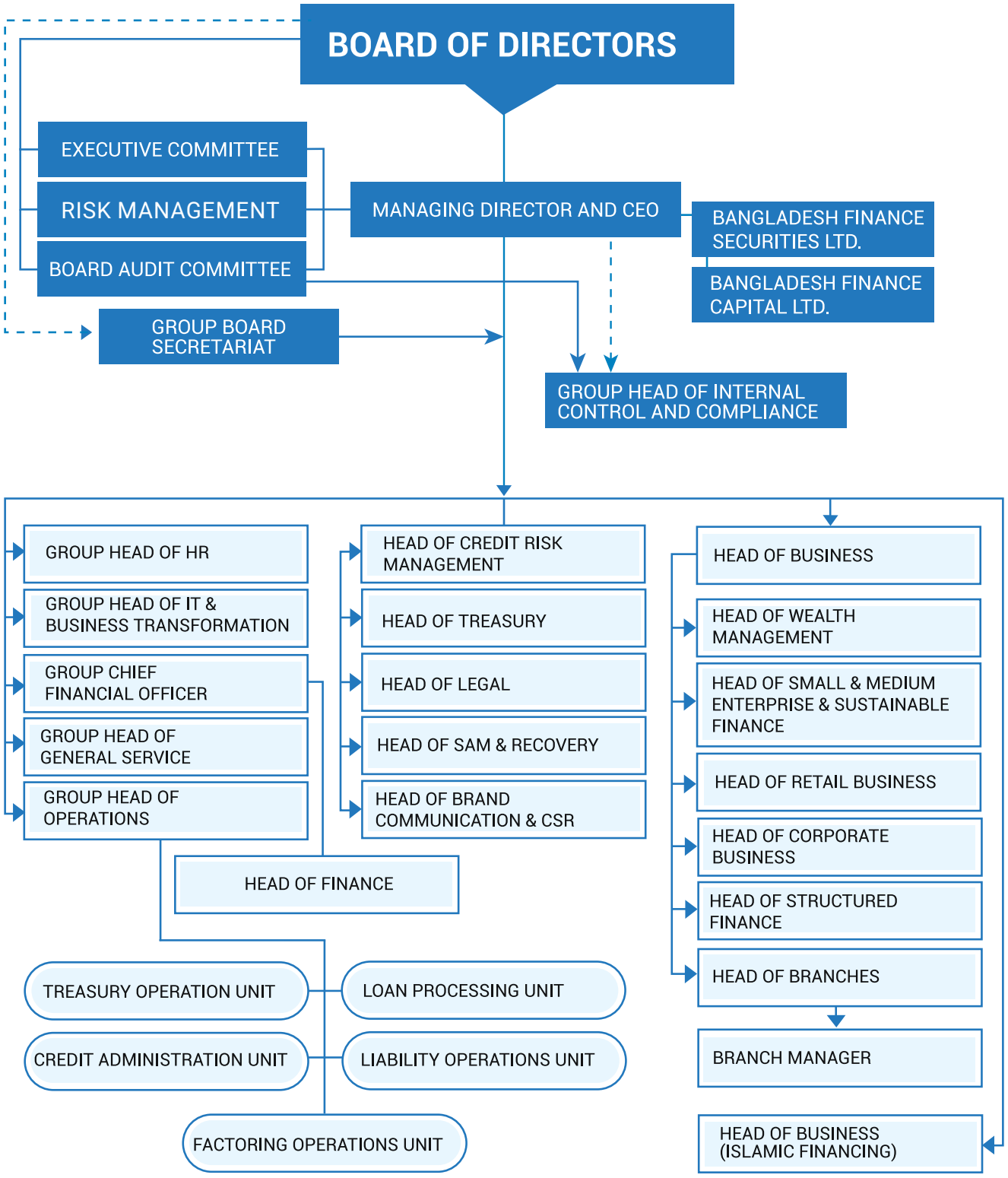
Bangladesh finance
এখনই সময়

বীর

প্রবাসীর স্বপ্নপূরণের প্ল্যাটফর্ম



GROUP CORPORATE ORGANOGRAM



DIRECTOR'S PROFILE



Mr. Manwar Hossain

Chairman

As Group Chairman, Mr. Manwar Hossain presides over Anwar Group of Industries, a distinguished conglomerate with a 190-year heritage, profoundly influenced by his father, the esteemed business philanthropist, the late Al-Hajj Anwar Hossain. Acknowledged by Dun & Bradstreet as the most diversified business conglomerate in Bangladesh, the Group flourishes under his strategic leadership.

Mr. Manwar Hossain began his business career in the Group following the completion of his Bachelor of Business Administration and Master of Business Administration degrees from the University of New Hampshire, United States. In addition to his role at Anwar Group, he serves as a Director of Modhumoti Bank Limited and has previously held directorships at Bangladesh Commerce Bank Limited and served as Vice Chairman of City Bank Limited.

Mr. Hossain has made significant contributions to Bangladesh's business community, notably as a Director of the Dhaka Chamber of Commerce and Industry (DCCI). He holds prominent leadership positions in the industrial sector, serving as President of the Steel Manufacturers Association of Bangladesh and Senior Vice President of the Bangladesh Cement Manufacturers Association (BCMA). Furthermore, he is an active member of several prestigious organizations, including Dhaka Club Limited, North Gulshan Club, Army Golf Club Limited, Kurmitola Golf Club Limited, and the American Alumni Association (AAA).



Mr. Iqbal Uddin Ahmed

Vice-Chairman, Independent Director

Member of EC & RMC

Mr. Iqbal Uddin Ahmed, an accomplished banker with 37 years of experience, held the position of Managing Director at esteemed institutions, including Trust Bank Limited. During his tenure, he implemented substantial reforms to the bank's financial systems and restructured its corporate framework.

In recognition of his exemplary contributions to the banking and financial sector, Mr. Ahmed has been honored with several prestigious awards. These include the Bangladesh Bank Award for his pivotal role in the "Managing Core Risk in Banking" Project of 2003, the Dhaka Post Gold Medal in 2007, conferred by a prominent U.K.-based weekly publication, and the Mother Teresa Golden Award in 2015, presented by the Global Human Rights Organization, Bangladesh Foundation.



Mr. Md. Asaduzzaman Khan

Director, Member of AC & RMC

Mr. Md. Asaduzzaman Khan is a distinguished financial professional with over 47 years of experience in central banking, commercial banking, financial administration, and credit rating.

As Executive Director of Bangladesh Bank, he oversaw critical departments, including Banking Regulation and Policy, Foreign Exchange Inspection, Vigilance, Banking Inspection, and Money Laundering Prevention. From July 2006 to March 2008, he served as Administrator/Managing Director of The Oriental Bank Limited (now ICB Islamic Bank), addressing its operational challenges. Following his retirement from Bangladesh Bank in 2008, Mr. Khan led the Industrial and Infrastructure Development Finance Company (IDFC) as Managing Director for approximately a decade.

Currently, he serves as the Chief Executive Officer of CRISL, a prominent credit rating agency in Bangladesh. Throughout his career, Mr. Khan has enriched his expertise through participation in numerous seminars and training programs, both domestically and internationally.



Mr. Md. Rokonuzzaman FCA

Independent Director, Chairman of AC

Mr. Md. Rokonuzzaman FCA currently serves as the Country Managing Director of AMANN Bangladesh Limited, a distinguished German multinational corporation. He holds a Bachelor of Business Administration degree, specializing in Accounting & Information Systems, from the University of Dhaka. Additionally, he is a qualified Chartered Accountant, accredited by both the Institute of Chartered Accountants of Bangladesh (ICAB) and the esteemed Institute of Chartered Accountants in England & Wales (ICAEW).

As one of the youngest chief executives of a multinational corporation in Bangladesh, Mr. Rokonuzzaman has led AMANN Bangladesh since October 2016. Prior to this, he served as the company's Finance Director and Company Secretary from its establishment in Bangladesh. Under his visionary leadership, AMANN has rapidly secured a prominent position in the Sewing Threads Industry.

Mr. Rokonuzzaman brings a wealth of experience from prior roles at leading multinational and local organizations, including Coats, Robi Axiata, and Pran-RFL Group, where he demonstrated versatility and strategic expertise across various functions.

Presently, he holds the position of Chairman of the Audit Committee at Bangladesh Finance PLC, where he continues to leverage his exceptional financial expertise and leadership capabilities.



Mr. Md Helal Chowdhury

Director, Member of EC

Mr. Md Helal Chowdhury, who was appointed to the Board on 21 May 2024, and nominated by Anwar Ispat Limited, is a highly accomplished Bangladeshi executive with over 36 years of distinguished service in the judiciary.

A graduate of the University of Dhaka, Mr. Chowdhury holds an LL.B (Hon's) and LL.M (1984). His extensive career includes holding critical positions such as Director General of the SAARC Arbitration Council (2021-2024), District and Session Judge in Dhaka and Chattagram, Joint Secretary (Legal Support) at the Bangladesh Parliament Secretariat, Chairman of the Labour Court in Chattagram, and Chief Metropolitan Magistrate in Chattagram.

In addition to his judicial roles, Mr. Chowdhury has made significant contributions as an author, penning key legal manuals like the Union Parishad Administrative and Electoral Manual and the Parliament Handbook, 2015. He has actively participated in and contributed to numerous national and international training programs, seminars, and workshops. He has also served as a resource person for various training institutions, specializing in banking laws.

A respected figure in the legal community, Mr. Chowdhury has presided over numerous landmark cases and held several prestigious positions, including President of the Bangladesh Judicial Service Association. He is also a member of the Bangladesh Judicial Service Commission and the Bangladesh Law Association. His remarkable career reflects his dedication to the legal profession and his invaluable expertise in the field.



Ms. Fatema Begum

Director, Member of AC

Ms. Fatema Begum is a trailblazer and the first woman in Bangladesh to pursue a career in the police force after successfully passing the Bangladesh Civil Service (BCS) examination in 1984. With an illustrious career spanning over 32 years, she retired in 2017 as the Additional Inspector General of the Bangladesh Police, leaving behind a legacy of exceptional leadership and remarkable achievements across various units within the force.

Ms. Fatema's career has been marked by a diverse range of roles and environments, from field operations and desk work to administration, training institutions, and the finance and development sector. Her comprehensive experience has contributed significantly to each area she served. Additionally, her tenure in a United Nations peacekeeping mission provided her with invaluable exposure to multicultural settings, enhancing her expertise in international law enforcement and peacekeeping operations.

Academically, Ms. Fatema is highly accomplished. She holds a master's degree from the University of Dhaka and an MS in Environmental Studies from the prestigious Adelaide University in South Australia, an achievement made possible through the esteemed Aus-Aid scholarship program. Her academic pursuits reflect her unwavering commitment to both personal and professional development.

Throughout her career, Ms. Fatema has demonstrated steadfast dedication to maintaining law and order, safeguarding public safety, and serving her community with the utmost integrity. Her exemplary leadership and tireless service have earned her widespread respect and admiration within Bangladesh's law enforcement community.



Mr. Furkaan Muhammad N Hossain

Director, Member of AC

Mr. Furkaan Muhammad N. Hossain currently serves as the Deputy Managing Director of Anwar Cement Ltd. He also holds directorial roles at Anwar Enterprise System Ltd. and Anwar Galvanizing Ltd., and remains actively engaged with several other concerns under the umbrella of Anwar Group of Industries.

Mr. Furkaan holds a Bachelor of Business Administration (BBA) degree from the University of British Columbia and a Master's degree in Computer Science from Colorado State University, USA. In addition to his professional achievements, he carries the distinguished legacy of being the eldest grandson of the late Al-Hajj Anwar Hossain, the esteemed business pioneer and founder of Anwar Group of Industries.

A dynamic and forward-thinking entrepreneur, Mr. Furkaan brings specialized expertise in the field of Information and Communication Technology. Beyond his corporate responsibilities, he is deeply committed to social and community development and is actively involved in a range of voluntary and philanthropic initiatives aimed at contributing to the greater good of society.



Mr. Imtiyaj Yousuf

Director, Member of EC

Mr. Imtiyaj Yousuf is a dynamic new-generation entrepreneur with a strong business acumen shaped by his early exposure to enterprise through his family's longstanding involvement in commerce. Coming from a well-established business-oriented background, he developed a keen understanding of business operations from a young age.

He is the proprietor of Imtiyaj Steel and Omega International and has been actively engaged in the automobile industry in recent years. With his innovative outlook and entrepreneurial spirit, Mr. Imtiyaj continues to make notable contributions to the sectors he operates in, steadily establishing his presence as a forward-thinking leader in the business landscape.



Mr. Md. Hasan Khan

Director

Mr. Md. Hasan Khan is a highly distinguished professional with over four decades of extensive experience in the fields of insurance, accounting, auditing, administration, and secretarial functions. His career reflects a strong combination of leadership, strategic management, and operational expertise, positioning him as a highly respected figure in the industries he has contributed to.

Academically, Mr. Khan holds a Master of Commerce (M.Com) degree in Management from the University of Dhaka, providing a solid foundation for his successful career. He is also an Associate Member of the Bangladesh Insurance Academy (ABIA), highlighting his specialized expertise in the insurance sector.

Throughout his career, Mr. Khan has held several key positions, demonstrating his leadership and strategic insights. His long-term association with City Insurance PLC is particularly noteworthy, where he served in various leadership roles, including Additional Managing Director, and is currently serving as the Managing Director. In this role, he played an instrumental part in guiding the company through key strategic initiatives, driving its success.

In addition to his work with City Insurance, Mr. Khan currently serves as the Finance Controller at Anwar Group of Industries, one of the leading conglomerates in Bangladesh. His extensive experience, coupled with his professional qualifications, underscores his commitment to excellence and his significant contributions to the organizations with which he has been affiliated. Mr. Khan's career is a testament to his leadership, professionalism, and unwavering dedication to the industries he serves.



Md. Kyser Hamid

Managing Director & CEO

Md. Kyser Hamid is a visionary leader who has played a transformative role in shaping the future of Bangladesh's financial sector. With decades of dynamic leadership, he has redefined industry standards, leading Bangladesh Finance to new heights of excellence and innovation.

Kyser's career journey reflects a deep commitment to driving change and fostering progress. He has held pivotal roles in leading organizations, including IDLC Finance, DBH, BRAC Bank, and IPDC, where his strategic vision and bold initiatives led to groundbreaking achievements in the financial industry. His ability to drive success through innovative strategies has earned him a reputation as a key figure in the sector.

Kyser holds an MBA in Marketing from North South University and a BBA with a specialization in Accounting and Information Systems from the University of Dhaka. His professional expertise has been further enriched through extensive training programs in India, Malaysia, and Singapore, where he gained valuable insights into global industry practices. Additionally, he actively participates in knowledge-sharing platforms and business engagements across South Asia, the Middle East, Asia Pacific, the United Kingdom, and the United States to stay updated on global developments.

Beyond his professional accomplishments, Mr. Hamid is a dedicated contributor to various industry associations and social welfare initiatives. He serves as an Executive Committee Member of the Bangladesh Association of Publicly Listed Companies (BAPLC), where he advocates for the interests of publicly listed entities. Additionally, he is a Standing Committee Member of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) on Non-Banking Financial Institutions and holds the position of Vice-Chairman of the Bangladesh Leasing & Finance Companies Association (BLFCA), where he plays a key role in policy development and industry advancement.

In academia, Kyser Hamid has made significant contributions as a visiting professor and adjunct faculty member at ASA University and BGMEA University, and as a guest faculty member at the University of Dhaka. He also contributes to academic development as a syllabus committee member at BRAC University and United International University.

Through his visionary leadership, dedication to innovation, and unwavering commitment to excellence, Kyser Hamid continues to inspire and transform Bangladesh's financial sector, shaping a brighter future for the industry and its stakeholders.

SHARI'AH SUPERVISORY COMMITTEE 2024



Prof. Dr. Giash Uddin Talukder
Chairman

Dr. Md. Giash Uddin, currently serves as the Chairman of the Shari'ah Supervisory Committee (SSC) of Bangladesh Finance PLC, where he leverages his extensive expertise in Islamic finance to guide the institution's Islamic operations. He holds a Diploma in Arabic and Islamic Culture from King Saud University, Riyadh, Saudi Arabia, and a PhD in The Miracle of the Holy Quran from the University of Chittagong, reflecting his deep academic grounding in Islamic studies.

In addition to his role at Bangladesh Finance PLC, Dr. Giash holds prominent leadership positions within the Islamic finance sector. He chairs the Central Shari'ah Board for Islamic Banks of Bangladesh (CSBIB) and serves as a member of the Shari'ah Advisory Committee of Bangladesh Bank, contributing to the development and oversight of Shariah-compliant banking practices nationwide. Furthermore, he holds chairmanships in the Shariah supervisory committees of several other leading banks in Bangladesh, underscoring his influential role in the industry.

Alongside his contributions to Islamic finance, Dr. Giash is an esteemed academic, serving as a Professor in the Department of Arabic at the University of Chittagong. His multifaceted roles in academia, regulatory advisory, and financial governance highlight his commitment to advancing Islamic finance and education in Bangladesh.



Md. Abdul Awwal Sarker
Member

Mr. Abdul Awwal serves as a valued member of the Shari'ah Supervisory Committee at Bangladesh Finance PLC's Islamic Wing, where he applies his deep expertise in Islamic banking and finance. His academic background includes an MS in International Finance from Loughborough University School of Business and Economics and an MA in Economics from Rajshahi University, equipping him with a strong foundation in financial and economic principles.

Mr. Awwal has held prominent roles, including Executive Director (Research) at Bangladesh Bank, Director General at Al-Arafah Islami Bank Training and Research Institute, and Director General at the Bangladesh Office of the Institute of Islamic Banking and Insurance (IIBI), London, UK. These positions highlight his leadership in advancing Islamic finance research and policy. A distinguished researcher, Mr. Sarker has published more than 40 Research papers on Islamic finance and Islamic monetary policy instruments both at national and international reputed finance journals. At Bangladesh Bank he played an instrumental role in developing BGIB and Government Ijarah Sukuk.

Additionally, he serves on the Shari'ah Supervisory Committees of several leading banks in Bangladesh and is a Working Committee member of the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) in Bahrain, contributing to global Islamic finance standards.



Dr. Zubair Muhammad Ehsanul Haque, CSAA
Member

Dr. Md. Zubair Hossain currently serves as a member of the Shari'ah Supervisory Committee at Bangladesh Finance PLC's Islamic Wing, where he contributes his expertise in Islamic finance and Shariah compliance. He is a distinguished academic, holding the position of the Chairman and Professor in the Department of Arabic at the University of Dhaka, where he also earned his PhD, reflecting his deep knowledge in Islamic studies.

His professional experience extends beyond academia, having served the Government of the People's Republic of Bangladesh as a District Information Officer (20th BCS), demonstrating his versatility in public administration. Dr. Zubair is also actively involved in the Islamic finance sector, serving on the Shari'ah Supervisory Committees of several prominent banks in Bangladesh. Additionally, he contributes to the Centre for Zakat Management (CZM) as a member of its Shari'ah Supervisory Committee.

Further enhancing his credentials, Dr. Zubair is a Certified Shari'ah Supervisor and Auditor (CSAA), accredited by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) in Bahrain, underscoring his commitment to upholding global standards in Islamic financial governance.



Dr. Md. Ruhul Amin Rabbani
Member

Dr. Ruhul is currently working as a member to the Shari'ah Supervisory Committee of Bangladesh Finance Islamic Wing. He studied Doctor of Philosophy, Department of Fiqh and Usul al Fiqh at International Islamic University Malaysia and completed Master of Theology & Islamic Studies from Islamic University, Kushtia. Currently he is working as an Assistant Professor of Islamic Studies at Asian University of Bangladesh. He is also contributing as a member to the Shari'ah Supervisory Committee of several banks. Apart from this, he is also holding the position of Assistant Director at Bangladesh Islamic Law Research and Legal Aid Centre.



Md. Kyser Hamid
Member

Mr. Md. Kyser Hamid currently serves as the Managing Director and Chief Executive Officer of Bangladesh Finance, bringing with him 20 years of extensive experience in Bangladesh's financial services sector. He is widely recognized for his pivotal role in transforming BRAC Bank's retail banking segment during his tenure as Head of Retail Sales and Regional Distribution. Additionally, he played a key role in establishing strong customer bases and sustainable business models at both IDLC Finance and Delta Brac Housing (DBH), serving as a catalyst for organizational change in both institutions.

Under his dynamic leadership, Bangladesh Finance has earned several prestigious accolades, including an AA credit rating, the ICAB Award, the ICSB Award, the SAFA Award, and the Most Sustainable Financial Institution Award, among other notable recognitions.

Prior to joining Bangladesh Finance, Mr. Hamid significantly contributed to the development of IPDC, where he served as Deputy Managing Director. His leadership was instrumental in elevating the institution to a AAA credit rating and positioning it among the top financial institutions in the country. Mr. Hamid holds an MBA in Marketing from North South University and a BBA in Accounting and Information Systems from the University of Dhaka. He has received comprehensive professional training in India, Malaysia, and Singapore, and has actively participated in knowledge-sharing forums and business visits across South Asia, the Middle East, the Asia-Pacific region, the United Kingdom, and the United States.

In addition to his corporate achievements, Mr. Hamid has made significant contributions to various financial and social development organizations. He is an Executive Committee Member of the Bangladesh Association of Publicly Listed Companies (BAPLC), a Standing Committee Member on Non-Bank Financial Institutions (NBFIs) under the FBCCI, and a key figure in the Bangladesh Leasing and Finance Companies Association (BLFCA). A veteran Rotarian and Paul Harris Fellow (PHF), he remains actively engaged in social welfare initiatives across the country. Furthermore, he served as a visiting professor and adjunct faculty member at ASA University and BGMEA University for five years, sharing his expertise with future generations.

MANAGEMENT COMMITTEE



Md. Kyser Hamid

Managing Director & CEO
Bangladesh Finance PLC

Mr. Md. Kyser Hamid stands as a visionary leader in Bangladesh's financial sector, ushering in a transformative period distinguished by innovation, excellence, and forward-thinking leadership. With over a decade of dynamic experience, he has played a crucial role in setting industry benchmarks and driving Bangladesh Finance toward exceptional successes and acclaim.

Mr. Hamid's career journey displays an unyielding drive to generate effective change. He has continuously shown that he is capable of carrying out audacious plans and achieving long-term success, as seen by his strategic contributions at IDLC Finance and Delta Brac Housing (DBH) as well as his revolutionary leadership positions at BRAC Bank and IPDC. His reputation as a driving force behind advancement in the financial sector has been strengthened by the way his strategic vision has taken institutions to new heights.

He graduated from the University of Dhaka with a BBA in Accounting and Information Systems and North South University with an MBA in Marketing. Specialized training received in Singapore, Malaysia, and India has further enhanced his professional development. Through his involvement in knowledge-sharing conferences and business trips around South Asia, the Middle East, Asia-Pacific, the United Kingdom, and the United States, Mr. Hamid also continues to be actively involved in the global industrial conversation.

Apart from his executive duties, Mr. Hamid makes significant contributions to a number of important industry organizations. He is the Vice-Chairman of the Bangladesh Leasing and Finance Companies Association (BLFCA), a member of the Standing Committee on Non-Bank Financial Institutions (NBFIs) at the Federation of Bangladesh Chambers of Commerce & Industry (FBCCI), and an Executive Committee member of the Bangladesh Association of Publicly Listed Companies (BAPLC). He actively participates in industry advocacy and policy creation in these capacities.

Mr. Hamid has made important contributions to academia outside of the business world. He has served as a guest lecturer at the University of Dhaka and held adjunct faculty and visiting professor positions at ASA University and BGMEA University. He has also developed academic programs that are focused on the future by serving as a member of the syllabus committees at both BRAC University and United International University.

The financial sector in Bangladesh has discovered a game-changing leader in Mr. Kyser Hamid, whose dedication to innovation, quality, and inclusive growth will continue to motivate and influence the country's financial future.



Kh. Mahmudul Hasan

Managing Director & CEO
Bangladesh Finance Securities Limited

Mr. Khondokar Mahmudul Hasan is a distinguished professional with nearly two decades of dedicated service and leadership within Bangladesh's capital market. He currently serves as the Managing Director and Chief Executive Officer of Bangladesh Finance Securities Limited, where his strategic leadership continues to guide the organization toward innovation, growth, and sustained excellence.

Over the course of his accomplished career, Mr. Hasan has held a series of key leadership roles that highlight his strategic insight, operational expertise, and transformative impact. As the former Head of Operations at Remons Investment & Securities Limited, he demonstrated an unwavering commitment to efficiency and client-centric service, implementing process optimizations that significantly enhanced operational performance and customer satisfaction.

In subsequent roles as Chief Operating Officer at ANF Management Co. Ltd. and later at Bangladesh Finance Securities Limited, Mr. Hasan continued to showcase his leadership capabilities. His visionary strategies and growth-oriented initiatives played a vital role in driving organizational expansion, increasing profitability, and building a strong foundation for long-term success.

Beyond his executive responsibilities, Mr. Hasan actively contributes to industry development through his participation in professional training programs and seminars. His dedication to continuous learning reflects a strong commitment to staying abreast of industry trends and emerging challenges within the ever-evolving financial landscape. Mr. Hasan is widely recognized for his integrity, transparency, and ethical approach to business. A staunch advocate of investor empowerment, he excels in stakeholder engagement and relationship-building, fostering a culture of trust, collaboration, and accountability across all levels of the organization.

Under his capable leadership, Bangladesh Finance Securities Limited is well-positioned for continued growth and innovation. Mr. Hasan's proven track record, coupled with his deep expertise and visionary outlook, underscores his invaluable contribution to the capital market of Bangladesh and affirms his standing as a transformative leader in the industry.



Suman Kumar Kundu

Chief Executive Officer
Bangladesh Finance Capital Limited

Mr. Suman Kumar Kundu is a seasoned professional with over 16 years of extensive experience in Credit Risk Management and Business Analysis within the financial services industry. His deep understanding of financial risk and strategic business assessment has positioned him as a respected figure in the sector.

Mr. Kundu joined Bangladesh Finance in 2016, building upon a solid career foundation shaped by his previous roles at Alliance Financial Services Limited (AFSL) and Credit Rating Information and Services Limited (CRISL). In each of these roles, he consistently demonstrated a high level of analytical acumen and leadership capability, contributing to enhanced risk assessment frameworks and improved business performance.

Academically accomplished, Mr. Kundu holds both a Bachelor of Business Administration (BBA) and a Master of Business Administration (MBA) in Finance from the University of Dhaka. He has further broadened his professional qualifications by earning an LLB degree, completing Level I of the Chartered Financial Analyst (CFA) program, and achieving Executive Level II certification as a Chartered Secretary. His commitment to professional development is reflected in his active participation in numerous training programs, workshops, seminars, and conferences, particularly in the areas of financial analysis and credit risk.

Recently appointed as the Managing Director and Chief Executive Officer of Bangladesh Finance Capital Limited—a subsidiary of Bangladesh Finance—Mr. Kundu's elevation marks a significant milestone in his distinguished career. His strategic vision, robust financial expertise, and dedication to excellence are expected to drive the continued growth and success of the organization.



Md. Sajjadur Rahman Bhuiyan

Group Chief Financial Officer

Md. Sajjadur Rahman Bhuiyan is an accomplished finance professional with nearly 18 years of extensive experience in finance and accounts, internal control and compliance, planning and budgeting, and risk management within the financial sector. He joined Bangladesh Finance in 2007 and has held various key positions before being appointed as the Chief Financial Officer in 2015. He also serves as the Chief Anti Money Laundering Compliance Officer (CAMLCO) of Bangladesh Finance.

Before joining Bangladesh Finance, Mr. Bhuiyan worked as an Audit Supervisor at Hoda Vasi Chowdhury & Co. (Chartered Accountants), where he gained hands-on experience in auditing and compliance.

His core areas of expertise include financial modeling, financial reporting, strategic planning and forecasting, business analysis, control and compliance, and policy development.

Mr. Bhuiyan holds a post-graduate degree in Accounting from Dhaka College. With extensive knowledge in financial analysis, tax and VAT, credit risk management, asset liability management, and AML/CFT regulations, he continues to play a pivotal role in driving financial excellence and ensuring regulatory compliance within the organization.



Md. Faisal Hossain

Chief Technology Officer

Md. Faisal Hossain is a distinguished and forward-thinking professional with over a decade of exemplary experience in the financial and technology sectors. Known for his innovative mindset and steadfast dedication to excellence, he has earned a strong reputation as a leader in the areas of Information and Communication Technology and Cybersecurity.

Mr. Faisal brings a multifaceted background, having served in prominent roles across leading banks, Mobile Financial Services (MFS) providers, and a globally recognized Big Four audit firm. His extensive expertise spans across Information and Cyber Security, ICT Governance, Risk and Compliance (GRC) Management, ICT standardization, IT audit, fraud investigations, and large-scale core platform migrations.

His thought leadership is particularly evident through his contributions to national policy, most notably his involvement in the development of the Bangladesh Bank's "Guideline on ICT Security for Banks, v4.0, 2023." Mr. Faisal is also well-regarded for fostering a culture of cybersecurity awareness, spearheading Cyber Security Awareness Month initiatives in several organizations.

Academically, Mr. Faisal holds a Bachelor of Science in Computer Science and Engineering (CSE) and an MBA in Management Information Systems (MIS), both from the prestigious University of Dhaka. His career is marked by a continuous pursuit of knowledge, as he actively seeks advanced certifications and engages in numerous national and international workshops, seminars, and summits.

Before joining Bangladesh Finance Limited, Mr. Faisal served as the Chief Information Security Officer (CISO) at Mercantile Bank. His earlier roles include Head of IT Security at bKash and key technology and security positions at Mutual Trust Bank, Eastern Bank, Islami Bank Bangladesh Limited, and KPMG Bangladesh.

In addition to his corporate contributions, Mr. Faisal remains committed to academic and professional development. He serves as a guest faculty member in the Department of Computer Science & Engineering at the University of Dhaka, where he shares his expertise with aspiring professionals.

Mr. Faisal's career reflects a powerful blend of technical acumen, strategic leadership, and a passion for continuous improvement, positioning him as a transformative force in both the financial and cybersecurity landscapes of Bangladesh.



Md. Rafiqul Amin

Group Head of Operations

Mr. Md. Rafiqul Amin brings over two decades of valuable experience in the Non-Bank Financial Institution (NBFI) sector, showcasing a steadfast commitment to operational excellence and strategic growth. Since beginning his professional journey with Bangladesh Finance in 2004, he has played an integral role in the organization's evolution and success.

Starting his career in the Accounts & Finance Department, Mr. Amin quickly distinguished himself through his expertise and dedication, eventually rising to the position of Head of Financial Accounting and Reporting (FAD). In 2019, he was entrusted with leading the Operations team, further expanding his impact across the organization.

Mr. Amin's professional strengths encompass a wide range of functional areas, including process development, project implementation, such as Core Banking System (CBS) deployment, strategic planning, credit administration, loan processing, liability operations, channel financing, and regulatory compliance. His ability to manage complex operations while maintaining a high standard of regulatory alignment has made him a key asset to the organization.

An alumnus of the University of Dhaka, Mr. Amin holds both BBA and MBA degrees in Accounting and Information Systems. As a true example of homegrown leadership, he reflects Bangladesh Finance's commitment to nurturing talent from within and empowering professionals to reach their full potential.

With a deep understanding of the NBFI landscape and a strong foundation in finance and operations, Mr. Amin continues to contribute significantly to the organization's growth and to the broader financial services sector in Bangladesh.



Munshi Abu Naim

Group Company Secretary

Mr. Munshi Abu Naim is a seasoned professional with over 19 years of multifaceted experience across both domestic and international platforms. His expertise spans a broad spectrum of areas, including customer service, accounting, auditing, taxation, and corporate secretarial functions.

Before joining Bangladesh Finance Limited, Mr. Naim held key positions at J Sainsbury's Plc, a prominent publicly listed company in the United Kingdom. His tenure there provided him with valuable insights into global business practices and operational excellence within a highly regulated corporate environment.
Mr. Naim holds a Postgraduate Diploma from Anglia Ruskin University in the UK and an MBA in Accounting and Information Systems from the University of Dhaka. He is also a Fellow of the Institute of Chartered Secretaries of Bangladesh (ICSB), a testament to his professional qualifications and dedication to corporate governance and regulatory compliance.

Throughout his career, Mr. Naim has actively engaged in numerous seminars and training programs, both locally and abroad, continually enhancing his professional knowledge and skillset. His extensive travel across Europe has further enriched his perspective, allowing him to adapt to and appreciate diverse cultures and multidimensional working environments.

Mr. Munshi Abu Naim's diverse experience, global exposure, and professional dedication position him as a valuable asset to Bangladesh Finance Limited and the broader financial industry.



Suman Kumar Kundu

Chief Risk Officer

Mr. Suman Kumar Kundu brings over 15 years of expertise in Credit Risk Management and Business Analysis within the financial services sector. He joined Bangladesh Finance in 2016, following a distinguished career path encompassing various roles at Alliance Financial Services Limited (AFSL) and Credit Rating Information and Services Limited (CRISL).

With a strong academic foundation, Mr. Kundu holds a BBA and MBA in Finance from the University of Dhaka. Furthermore, he has pursued additional qualifications, including an LLB degree, as well as certifications as a Chartered Financial Analyst (Level – I) and Chartered Secretary (Executive Level – II). Mr. Kundu has actively engaged in numerous training programs, workshops, seminars, and conferences focused on enhancing his expertise in Financial Analysis and Credit Risk Management.



Md. Jubraj Hossain

Head of Treasury

Md. Jubraj Hossain is an accomplished financial professional with over 15 years of experience in treasury and investment management. He assumed the role of Head of Treasury at Bangladesh Finance Ltd in November 2021, bringing with him a wealth of expertise gained from previous roles at Delta Brac Housing Finance Corporation Ltd and VIPB Asset Management Company Ltd. Throughout his career, Jubraj has collaborated with Bangladesh Bank and various prestigious local and international entities, contributing to the adoption of best practices in treasury management, fund management, and investment.

In his current role, Mr. Jubraj leads strategic initiatives in treasury and fund management at Bangladesh Finance PLC. His leadership has been instrumental in strengthening the company's position as a compliant, transparent, and high-performing financial institution, while driving significant growth in key areas.

Mr. Jubraj holds a BBA and an MBA with a specialization in Finance from the University of Dhaka. His areas of proficiency include Treasury operations, Portfolio Management, Investment strategies, and Risk Management. He has actively participated in numerous training programs and workshops related to Treasury management, Bond Market Development, Risk Mitigation, BASEL II compliance, and Stress Testing methodologies.

Outside of his professional accomplishments, Jubraj has a keen interest in sports and travel, reflecting his well-rounded personality and diverse passions. His ongoing commitment to professional development and leadership makes him a valuable asset to Bangladesh Finance Ltd.



Md. Anwar Hossain

Head of SAM and Monitoring

Mr. Md. Anwar Hossain is a seasoned banking professional with over 26 years of experience, specializing in Special Asset Management for the past 15 years. He joined Bangladesh Finance in 2020, bringing with him a wealth of experience from his previous leadership roles, including Head of Special Asset Management at NRB Bank and Head of the Recovery Division at Prime Bank Limited.

Mr. Anwar's academic background is impressive, holding an MA from the National University and an MBA from Newcastle University. In addition, he is a registered Advocate and a member of the Dhaka Bar Association, reflecting his strong foundation in legal matters within the banking sector.

Throughout his career, Mr. Anwar has been committed to continuous professional development, actively participating in numerous training programs, workshops, seminars, and conferences focused on Special Asset Management. His deep expertise in this area, combined with his extensive experience, makes him a valuable asset to Bangladesh Finance.



Munshi Md. Ashfaqul Alam

Head of Islamic Wing

Mr. Munshi Md. Ashfaqul Alam has over 16 years of extensive experience in the banking and financial services sector. He currently serves as a member of the Shariáh Supervisory Committee for the Islamic wing at Bangladesh Finance and holds the position of Head of the Islamic Finance Division.

Throughout his career, Mr. Munshi has demonstrated exceptional professional achievements in various banking and financial institutions, both within Bangladesh and internationally. His areas of expertise include Islamic finance, branch banking, inward foreign remittance, correspondent banking, channel development, sales force management, and investment risk management. He has previously held prominent roles at institutions such as Social Islami Bank Limited, Jamuna Bank Limited, BRAC Bank Limited, Asia Exchange Centre LLC (UAE), UAE Exchange Centre LLC (UAE), Atish Dipankar University of Science and Technology, and the University of Information Technology & Sciences.

Mr. Munshi earned his MBA and BBA degrees from the Department of Accounting & Information Systems at the University of Dhaka. He is a Certified Shariáh Advisor & Auditor (CSAA) from the Accounting & Auditing Organization for Islamic Financial Institutions (AAOIFI) in Bahrain and a Certified Islamic Banking & Finance Professional (CIBFP) from the Bangladesh Institute of Bank Management (BIBM). With his vast expertise and international experience, Mr. Munshi continues to contribute significantly to the advancement of Islamic finance and the banking sector.



Amitav Debnath, FCA

Group Head of ICC

Mr. Amitav Debnath brings over 14 years of comprehensive experience in finance and accounting, taxation, internal control and compliance, planning and budgeting, and risk management within the financial sector. He has held prominent roles such as Deputy Chief Financial Officer at NCC Bank Limited, Head of Head Office Audit at BRAC Bank Limited, and Manager of Audit and Consultancy at ACNABIN, Chartered Accountants.

Mr. Debnath's expertise spans corporate reporting, financial management, strategic planning, forecasting, financial and business analysis, internal control, compliance, and policy development. His in-depth knowledge and strategic vision have enabled him to contribute significantly to financial excellence and organizational growth.

A Fellow Chartered Accountant (FCA), Mr. Debnath, completed his Bachelor of Business Administration degree from BRAC University. His extensive skill set and leadership experience make him a highly valuable asset in driving financial performance and business success. He has also achieved the National Integrity Award 2024.



M. Kohinoor Hossain

Head of SME & Sustainable Finance

Mr. M. Kohinoor Hossain is a seasoned business analyst with 22 years of extensive experience in the financial sector, specializing in small business financing, corporate and sustainable finance, CMSME risk management, credit control, and financial product innovation. His profound understanding of global best practices has positioned him as a key driver of financial growth and sustainability within Bangladesh's evolving economic landscape.

Currently, Mr. Hossain serves as the Head of Sustainable Finance & SME at Bangladesh Finance, where he plays a crucial role in developing SME financing strategies, promoting sustainable investment initiatives, and implementing comprehensive credit risk management frameworks. His leadership is integral to enhancing financial inclusion and building economic resilience in the country.

Before joining Bangladesh Finance, Mr. Hossain held significant positions at Brac Bank Limited, Bangladesh Development Bank Limited, Union Capital, and CVC Finance Limited. In these roles, he contributed extensively to credit monitoring, product development, and strategic financial planning, showcasing a proven track record of driving financial innovation and executing impactful business strategies.

Mr. Hossain holds both a BSS Honors and an MSS in Economics from the University of Dhaka. He has further developed his expertise by actively participating in specialized training programs, workshops, and seminars on SME financing, green project financing, professional management development, and credit risk management.

With over two decades of experience, Mr. Hossain continues to lead in sustainable financial growth, SME empowerment, and the implementation of risk-optimized banking solutions, ensuring that Bangladesh Finance remains a frontrunner in the financial sector.



Mohammad Abu Obayed

Head of Wealth Management

With over 16 years of experience in the financial industry, Mohammad Abu Obayed joined Bangladesh Finance in 2020 as the Head of Wealth Management. He began his career at DBH, where he steadily advanced to the position of Sales Team Manager over the course of eight years. Subsequently, Mr. Obayed served as Regional Sales Manager at Brac Bank Ltd for two years before being appointed as the Regional Sales Head at IPDC Finance.

Throughout his career, Mr. Obayed has demonstrated exceptional skills in driving deposit portfolio growth, increasing profitability, and developing innovative onboarding methods, which contributed to his swift promotion to the role of Head of Liability. He is well-regarded for his innovative leadership, effective sales strategies, and strong relationship management abilities.

Mr. Obayed holds a BA in English and an MBA in Finance. He has actively participated in numerous sales and communication training programs and has conducted workshops on sales, customer service, and communication. His outstanding performance in these areas has earned him several medals and diplomas. He has also achieved the National Integrity Award 2024.



Barrister M.Ibrahim Khalil

Head of Legal & Corporate Affairs

Barrister M. Ibrahim Khalil is a distinguished Advocate of the Bangladesh Supreme Court and a Barrister of the Honorable Society of the Middle Temple Inn, United Kingdom, with 12 years of extensive experience in the legal field. His expertise encompasses corporate law, litigation, legal strategy, and dispute resolution, positioning him as a leading legal professional in the financial sector.

Before joining Bangladesh Finance, Mr. Khalil developed a solid foundation in top-tier corporate and litigation law firms, where he provided expert legal advice, crafted effective legal strategies, and facilitated swift dispute resolution. His comprehensive experience in both corporate advisory and litigation has earned him widespread recognition for his professional acumen and strategic legal insight.

Mr. Khalil holds an LL.B. (Hons) from BPP Law School, London, UK, completed in 2013, and pursued his Bar Professional Training Course (BPTC) in 2015. He is a proud Advocate of the Supreme Court of Bangladesh, a member of the Honorable Society of the Middle Temple Inn, UK, and holds memberships in the Dhaka Bar Association, the Supreme Court Bar Association, and the Dhaka Taxes Bar Association.

Mr. Khalil is committed to continuous professional development and has actively participated in numerous training programs, workshops, seminars, and legal conferences, further enhancing his expertise in regulatory compliance, financial law, and corporate governance.

With over a decade of legal excellence, Mr. Khalil continues to play a pivotal role in safeguarding corporate interests, ensuring legal compliance, and driving strategic legal initiatives at Bangladesh Finance. He has also achieved the National Integrity Award 2024.

EXTENDED MANAGEMENT COMMITTEE



Mohammad Masud Rana

Head of Sales, SME & Retail

Mohammad Masud Rana brings 20 years of extensive experience in sales, business development, and customer relationship management. In 2022, he took on the role of Head of Sales at the SME & Retail Department of Bangladesh Finance, following his tenure as Regional Sales Head at IPDC Finance.

Mr. Rana holds Honors and Master's degrees in Accounting from the National University, along with an MBA in Bank Management from Stamford University, Bangladesh.

Beyond his academic credentials, Mr. Rana's leadership is pivotal in driving strategic initiatives, including asset sales and alternative channel development. His expertise in these areas highlights his dedication to optimizing performance and improving customer experiences. His strategic vision and hands-on approach position Bangladesh Finance for continued growth and success in the ever-evolving financial sector.



Md. Emran Hossain

Head of General Service Department

Mr. Md. Emran Hossain brings 14 years of extensive experience within financial institutions. Since joining Bangladesh Finance Limited in 2012, he has held key roles across various divisions, including Planning, Human Resources, Branch Control, Public Relations, and General Services. In 2020, he was appointed as the Head of the General Service Department.

With more than a decade of experience, Mr. Hossain's expertise spans strategy and policy formulation, effective communication strategies, resource and space optimization, marketing, and the development of value propositions tailored to a variety of enterprises.

Mr. Hossain holds an M.Phil. degree in Marketing from the Faculty of Business Studies at the University of Dhaka. Additionally, he earned his MSS and BSS in Mass Communication from Rajshahi University, as well as an MBA in Marketing from a well-regarded private university in Bangladesh. Throughout his career, he has actively participated in numerous training programs, workshops, seminars, and conferences, further enhancing his professional expertise. Mr. Hossain has also received various awards and recognitions, including the National Integrity Award 2020-2021 under the National Integrity Strategy of Bangladesh Bank.



Md. Ashekul Arifin Patwary

Acting Head of Human Resources

Md. Ashekul Arifin Patwary is an accomplished AON-Certified Talent Management Professional with 13 years of extensive experience in Human Resources management within the financial sector. His expertise spans across Talent Management, Organizational Development, Training & Evaluation, Performance Management, Employee Engagement, and Employee Lifecycle Management.

Since joining Bangladesh Finance Limited in February 2021, Mr. Patwary has played a pivotal role in overseeing key HR functions within the Bangladesh Finance Group. His responsibilities include Talent Management, Training & Development, Performance Management, Organizational Development, and HR Project & Compliance, contributing significantly to fostering a high-performing and engaged workforce.

Before joining Bangladesh Finance, Mr. Patwary served as Assistant Manager (HR) at United Finance for nearly three years, where he made significant contributions to HR strategy and employee engagement. His prior four-year tenure at LankaBangla Finance Limited further strengthened his expertise in Recruitment & Employer Branding, Performance Management, Organizational Development, HR Operations, and Learning & Development.

Mr. Patwary is an alumnus of the University of Dhaka, where he earned his BBA in Management and an MBA in Human Resource Management. His dedication to continuous learning and professional growth is demonstrated through his active participation in volunteering activities and specialized HR management courses affiliated with the University of Dhaka.

With over a decade of leadership in HR, Mr. Patwary continues to drive organizational growth, talent development, and people-first strategies, reinforcing Bangladesh Finance's position as an employer of choice.



Md. Ashikur Rahman

Lead-Brand, Communication & Marketing

Md. Ashikur Rahman is a seasoned marketing professional with over eight years of experience across diverse sectors, including consumer goods, technology, financial services, and e-commerce. His core competencies are focused on brand strategy, digital marketing, customer engagement, public relations, and corporate communications, with a proven track record of delivering impactful brand initiatives and elevating organizational visibility.

Before joining Bangladesh Finance, Mr. Ashikur held key roles at renowned organizations such as Evaly, UNICEF, Shohoz, and Square Toiletries Ltd. In these roles, he was instrumental in redefining brand positioning, developing data-driven marketing strategies, and executing high-impact campaigns to enhance market share and consumer loyalty.

A graduate of North South University, he holds both BBA and MBA degrees in Marketing. He has also earned professional certifications from Google and Facebook Blueprint, with expertise in digital sales, campaign management, ad auction and delivery, and Google Analytics.

At Bangladesh Finance, Mr. Ashikur leads strategic brand transformation, media relations, CSR initiatives, and customer experience management. His leadership has played a pivotal role in the company's rebranding efforts, significantly strengthening brand equity, stakeholder engagement, and overall market standing. Mr. Ashikur has received multiple accolades for his contributions to marketing and communications, including the prestigious CEO's Excellence Award at Bangladesh Finance. Beyond his professional work, he actively engages in various social initiatives along with serving as a Director to the board of the Rotary Club of Dhaka Mega City, supporting projects in education, health, and youth empowerment.

Bangladesh finance
এখনই সময়

নিরাপদ সঞ্চয়

মানেই নির্ভরতার প্রতিশ্রুতি



CHAIRMAN'S MESSAGE



"In a year of exceptional financial challenges, Bangladesh Finance PLC prioritized transparency and long-term resilience over short-term gains. Through full provisioning and a strengthened credit risk buffer, we reaffirmed our commitment to prudent governance and protecting stakeholder value."

Dear Valued Shareholders, Partners, and Stakeholders, Assalamualaikum.

It is both an honor and a solemn duty to welcome you to the 26th Annual General Meeting of Bangladesh Finance PLC and to present before you the Annual Report and Audited Financial Statements for the year ended December 31, 2024.

As we reflect on the journey of the past year, we do so with a clear-eyed view of the headwinds we faced and a deep sense of pride in the resilience, foresight, and collective effort that has enabled Bangladesh Finance to endure, adapt, and persevere. The year 2024 was not merely another financial period—it was a defining moment of recalibration, innovation, and determination.

Navigating the Global and National Economic Landscape

Globally, 2024 continued to be a year of complex economic adjustments. The global GDP maintained a modest growth rate of 3.2%, but this number belied a wide range of divergences across economies. Inflationary pressures, rising interest rates, supply chain realignments, and geopolitical conflicts—especially in Eastern Europe and the Middle East—have posed significant challenges to international trade, capital flows, and investor confidence.

Central banks worldwide walked a tightrope between taming inflation and supporting growth. While inflation is expected to moderate to around 5.9% globally, the cumulative effects of monetary tightening and high borrowing costs have slowed investment momentum and increased consumer distress.

For Bangladesh, the ripple effects of global volatility have not spared us. With GDP growth tapering to an estimated 5.6% in FY2023–24, below the pre-pandemic trajectory, the economy remains under pressure from external sector imbalances, persistent inflation (averaging 9.2% by end-2024), and foreign currency constraints. The devaluation of the taka, rising energy prices, and reduced import flows have strained both consumers and businesses. However, this adversity has also underlined the resilience of our economy and the latent strength of our entrepreneurial class. The Government of Bangladesh and the Bangladesh Bank have undertaken several commendable initiatives to stabilize the macroeconomic environment—introducing market-based fuel pricing, reducing export subsidies, implementing tighter monetary policies, and launching structural reforms in the banking sector. These measures, although sometimes painful in the short term, are necessary steps toward long-term sustainability.

Bangladesh Finance PLC – A Year of Realignment and Resilience

In 2024, Bangladesh Finance PLC operated in a challenging financial climate marked by inflation, tight liquidity, and post-pandemic instability. Demonstrating a commitment to long-term stability over short-term gains, the company adopted a prudent and transparent approach, prioritizing financial integrity and risk management.

A key strategic move was the implementation of a robust, forward-looking provisioning policy. The company made full provisions for all classified assets without relying on regulatory relief—highlighting its strong governance standards. As a result, the Non-Performing Loan (NPL) ratio improved to 9.26% from 11.20% in 2023, while the provision and suspense coverage ratio reached a notable 786.93%, reflecting a strong buffer against future risks.

To mitigate exposure-related stress, BDT 1,233.06 million was moved to the interest suspense account and BDT 7,846.77 million was allocated for provisioning. These actions, while prudent, led to a consolidated net loss after tax of BDT 7,937.86 million—up from BDT 1,042.47 million in 2023.

Strategic Focus Areas and Transformation

2024 was a pivotal year in shaping our long-term strategy. We focused heavily on **digitization**, **risk governance**, **product diversification**, and **human capital development**.

- **Digital Innovation:** Bangladesh Finance has accelerated its digital transformation agenda. From automating loan processing to introducing mobile-based deposit products and expanding digital customer service channels, we are evolving into a digitally-enabled NBFI focused on simplicity, speed, and security.
- **Islamic Financing:** Our Islamic Finance portfolio continues to gain traction. With growing demand for Shariah-compliant financial solutions, we are scaling this vertical to reach a broader customer segment across urban and rural Bangladesh.
- **Green and Sustainable Finance:** We are aligned with Bangladesh Bank's Sustainable Finance Policy and have launched green financing initiatives in renewable energy, sustainable housing, and environment-friendly enterprises.
- **Human Capital:** People are the heart of our organization. We invested heavily in talent development, wellness, and inclusive workplace practices. In 2024, we introduced new learning pathways, leadership development programs, and mental health support systems for our teams.

Subsidiary Performance and Capital Market Engagement

Our two subsidiaries—**Bangladesh Finance Securities Limited** and **Bangladesh Finance Capital Holdings Limited**—continued to perform their roles with integrity and professionalism. Despite a turbulent capital market, both entities focused on strategic client engagement, product innovation, and compliance excellence. Together, they enhance our ecosystem by bridging NBFI lending with investment banking and capital markets.

Outlook for 2025 and Beyond

Looking ahead, we are cautiously optimistic. While short-term economic recovery remains fragile, we see **emerging opportunities** in digital financial services, SME lending, Islamic finance, and sustainable financing. Bangladesh Finance will continue to invest in core areas that align with national development goals and regulatory priorities.

We believe that a **resilient balance sheet**, **risk-conscious strategy**, and **customer-centric innovation** will be the pillars of our success. We will remain focused on quality over quantity, prudence over haste, and stakeholder value over aggressive expansion.

Gratitude and Commitment

On behalf of the Board, I express my profound appreciation to our shareholders for their trust, our customers for their loyalty, and our regulators—Bangladesh Bank, BSEC, and the stock exchanges—for their continued guidance and partnership.

To the management and every employee of Bangladesh Finance—I offer my heartfelt thanks. Your dedication, adaptability, and excellence are the driving force behind our enduring legacy.

We are committed to a future that is financially inclusive, digitally advanced, ethically governed, and socially responsible. As we embark on the next chapter, let us remain united in our purpose and bold in our aspirations.

May Allah bless us with strength, wisdom, and success.

Warm regards,



Manwar Hossain
Chairman
Bangladesh Finance PLC

মুদারাবাহ্ টিডিআর

Bangladesh finance islamic

শরিয়াহভিত্তিক সঞ্চয়ে
মুনাফায় থাকুক বরকতের ছোঁয়া



Remittance Flows: Sustaining Growth and Inclusion

Remittance is a key pillar of Bangladesh's economy, bolstering foreign exchange, reducing poverty, and promoting financial inclusion. It supports millions of families, fuels rural economies, and drives investment in human capital. Amid global uncertainty, it remains a stabilizing force in the nation's path to sustainable development.





MANAGING DIRECTOR & CEO'S STATEMENT



Our vision isn't quarter to quarter, but decade to decade

At Bangladesh Finance, we believe resilience isn't built through shortcuts, it's forged by facing challenges head-on and making difficult decisions today for a stronger tomorrow. Over the past year, we made a bold strategic choice: to take full provisions against all stressed and classified loans; without seeking regulatory waivers or phased options. The short-term cost was real, but it was the right decision and it was ours.

Why did we do this?

Because transparency is our commitment to stakeholders & we want to start the next chapter on a clean slate free from legacy burdens. Our vision isn't quarter-to-quarter, but decade-to-decade.

By absorbing the full impact now, our balance sheet reflects true risk not deferred risk. Our capital is genuinely stronger not artificially preserved. And every recovery going forward will directly strengthen our bottom line, free from accounting shadows. This decision is already driving a cultural shift across the organization towards accountability, sharper credit discipline, and a future-facing mindset. We're investing in smarter underwriting, stronger risk systems, and agile recovery. We're not just building a finance company we're building an institution.

Global leaders like HDFC Ltd and DBS Bank, and even progressive local players, have shown how proactive provisioning and prudent risk management create long-term shareholder value. We're aligning ourselves with that standard.

This moment may seem like a pause; but it's actually a launchpad. We're emerging more resilient, more focused, and better prepared for sustainable growth.

Thank you for your continued trust. Together, we are not just navigating change, we are leading it.

As we present our Annual Report for 2024, I reflect on a year defined by global uncertainty, local economic adjustment, and deep institutional introspection. Yet, amidst these challenges, Bangladesh Finance has emerged not weakened, but refocused poised for transformation, resilience, and sustainable growth.

We live in a world of growing complexities. The global economy in 2024 remained under strain from persistent inflationary pressure, war-induced disruptions, geopolitical fragmentation, and a heightened cost of capital. At the same time, climate urgency, digital acceleration, and the shifting preferences of consumers and investors have dramatically altered the operating canvas for financial institutions across markets. These transitions are neither temporary nor peripheral they represent a fundamental reshaping of the financial industry.

Bangladesh, too, faced formidable headwinds. Growth moderated, inflation remained stubbornly high, and liquidity challenges reverberated across the banking and non-bank financial institution (NBFI) sectors. Nevertheless, at Bangladesh Finance, we have chosen not merely to survive these shocks, but to respond to them with strategy, structure, and an unwavering commitment to sustainable, inclusive progress.

Global Economic Landscape: Persistent Volatility and Shifting Priorities

The global economy in 2024 continued to experience dislocation. Although pandemic recovery progressed in many advanced economies, inflation proved more persistent than expected, with global consumer prices driven higher by energy costs, input shortages, and wage pressures. In response, major central banks including the U.S. Federal Reserve, the European Central Bank, and others tightened monetary policy through multiple interest rate hikes.

This tightening, while necessary to anchor inflation expectations, came at the cost of dampened investment, constrained liquidity, and increased debt servicing pressure, particularly in developing economies. Financial markets experienced pronounced volatility, and credit appetite shrank across sectors. Meanwhile, ongoing geopolitical instability from the prolonged Russia-Ukraine conflict to tensions in the Middle East further disrupted supply chains and eroded investor confidence.

In parallel, the world witnessed rapid technological transformation. Artificial intelligence, digital finance, and green technology emerged not as niche innovations, but as foundational forces shaping the future of work, business, and consumption. Sustainability, once a peripheral consideration, has now taken center stage in the global financial system with ESG metrics increasingly influencing capital flows and investor sentiment.

Bangladesh: Economic Resilience Amid Fiscal and Structural Pressure

In this environment, Bangladesh continued to exhibit structural resilience, but not without sacrifice. Real GDP growth moderated to 6.1% in FY 2022–23, well below the decade's highs, reflecting the compounded impact of global demand contraction, import restrictions, and inflation that averaged 9.48% over the year. Domestic consumption slowed, export growth decelerated, and investor confidence in the capital market remained subdued.

Remittance inflows, although stable in absolute terms, were insufficient to cover a widening current account deficit. The foreign exchange reserve declined further as external debt repayments grew and the taka experienced depreciation. Liquidity stress intensified across financial institutions, and the cost of funds increased in tandem with market-based interest rate adjustments.

The enactment of the Finance Companies Act 2023 introduced structural reforms for NBFIs but also introduced transitional challenges, particularly in deposit mobilization and regulatory compliance.

Bangladesh Finance in 2024: A Year of Hard Decisions and Bold Redirection

In 2024, Bangladesh Finance PLC navigated one of the most demanding financial environments in recent memory both domestically and globally. Against a backdrop of inflationary pressures, tightened liquidity, market volatility, and the lingering aftershocks of the pandemic, the company undertook a bold and disciplined approach to preserve long-term stability, anchored firmly in transparency, prudence, and institutional integrity.

Recognizing that short-term optics must not come at the cost of long-term sustainability, Bangladesh Finance embraced a forward-looking provisioning strategy aimed at fully absorbing potential credit risk and fortifying the company's balance sheet. The institution undertook comprehensive provisioning across all classified loans, leases, and investments without seeking any regulatory forbearance. This was not merely a compliance exercise, but a conscious and values-driven decision to uphold the highest standards of financial governance.

As of December 31, 2024, the company successfully reduced its Non-Performing Loan (NPL) ratio to **9.26%**, a significant improvement from **11.20%** in 2023. Simultaneously, Bangladesh Finance maintained an exceptionally high provision and suspense coverage ratio of **786.93%**,

2024 was a year of deliberate choices and disciplined execution. We did not chase short-term profits—we prioritized the foundation for long-term strength. By embracing transparency, enhancing risk buffers, and making bold provisions without compromise, we reaffirmed our commitment to responsible governance and stakeholder trust. The road ahead is challenging, but we are now better positioned—stronger, sharper, and more aligned with our mission to be a resilient and trusted partner in national economic development.

"Our pivot toward retail, SME, and green finance is not just a business shift—it's a strategic commitment to inclusive, sustainable growth. In 2024, we took bold steps to rebalance our portfolio, reduce concentration risk, and directly support the grassroots economy. Through innovative partnerships and pioneering products like 'Bijoy', we are expanding access to finance for underserved communities, especially women, and reinforcing our role as a catalyst for equitable economic development."

signaling a deep buffer against future credit losses and demonstrating the management's foresight and accountability to stakeholders.

To further shield its financial position from residual stress especially from corporate exposures and negative equity in margin loans Bangladesh Finance transferred **BDT 1,233.06 million** to its interest suspense account and allocated **BDT 7,846.77 million** toward provisioning during the year. These decisive actions resulted in a reported **consolidated net loss after tax of BDT 7,937.86 million**, compared to **BDT 1,042.47 million** in 2023.

Despite the gravity of this financial impact, the company's leadership remains confident that this recalibration positions Bangladesh Finance on a stronger and more resilient footing. "2024 was not a year of record profits, it was a year of realignment," remarked the Managing Director & CEO. "We made tough decisions, not for immediate gains, but for long-term strength, accountability, and stakeholder trust."

Looking ahead, Bangladesh Finance is executing a comprehensive recovery roadmap that emphasizes:

- **Asset quality improvement** through robust risk screening and enhanced collections
- **Diversification of the loan portfolio**, with a strategic shift toward SME, retail, and Shariah-compliant financing
- **Technology-driven credit risk controls** and operational efficiency
- **Proactive recovery mechanisms** including legal proceedings, client renegotiation, out-of-court settlements, and third-party collection partnerships
- And **cost optimization** alongside liquidity preservation to rebuild financial strength

The company's provisioning strategy, though initially exerting pressure on capital and earnings, is expected to yield long-term benefits in terms of asset quality, earnings predictability, and stakeholder confidence. Bangladesh Finance is fully committed to restoring profitability through recoveries, operational excellence, and responsible lending practices.

As the Board of Directors formally approved the audited financial statements for the year ending December 31, 2024, in its meeting held on April 17, 2025, the company looks to the future with clarity and conviction.

Bangladesh Finance's unwavering stance in 2024 reinforces its core identity not just as a financial institution, but as a trusted partner in national economic development. The decisions made this year were not reactive, they were foundational. In prioritizing transparency over expediency, sustainability over speculation, and long-term value over short-term gain, Bangladesh Finance has demonstrated what it truly means to be a resilient, future-ready, and principled institution.

Strategic Transformation: A Clear Pivot to Retail, SME, and Green Finance

Amid the challenges, we remained firmly anchored to our long-term strategy: to shift from a heavily corporate-centric model to one that is inclusive, diversified, and impact-driven.

In 2024, our loans and leases portfolio increased by 4%, led by a 7.55% growth in retail finance and a 2.71% increase in SME lending. At the same time, our corporate portfolio was strategically reduced by 2.72%, consistent with our de-risking roadmap.

Our innovative **collaboration model** partnering with corporates, NGOs, and distribution networks has enabled us to reach the grassroots economy without extensive branch expansion. This model delivers short-term, collateral-free loans to micro-entrepreneurs, farmers, and rural consumers with exceptional recovery rates, often approaching 100%. Through partnerships with Akij Group, Bangla Mark, and others, we now finance the value chains of agriculture, construction, and retail helping build economic capacity at the last mile.

Women's financial inclusion remained central to our mission. Our signature product, **'Bijoy'**, offers collateral-free loans up to BDT 50 lakh at only 4% interest, disbursed within four working days. This initiative not only empowers women entrepreneurs but also positions Bangladesh Finance as a leader in gender-responsive financing in the NBFI sector.

Digital and Operational Excellence

Our digital transformation journey accelerated in 2024. We expanded paperless onboarding, automated credit assessment workflows, and enhanced our mobile and web platforms for customer interaction. These efforts are not merely about convenience they are about scale, agility, and access.

We recognize that digital is not just a delivery channel it is an operating philosophy. In 2025, we will launch our end-to-end **digital financial ecosystem**, integrating deposits, lending, investments, and insurance into a seamless user experience.

Internally, we adopted agile work models, upskilled teams for data analytics and risk modeling, and initiated organization-wide digitization of operations. As part of our people-first strategy, we also invested in employee wellness, remote-work enablement, and digital training.

"We anticipated many of the challenges that emerged in 2025 and were well prepared to respond. The environment in which we operate is continuously evolving, and to remain both successful and sustainable, we must adapt to ongoing economic, social, environmental, regulatory, technological, and industry shifts."

Commitment to Sustainability and Governance

Sustainability has evolved from a vision to a strategic imperative. In 2024, we committed to increasing our **green finance portfolio by 25%**, reducing our carbon footprint by 15%, and deepening ESG integration across all credit decisions.

We continue to finance environmentally responsible sectors such as renewable energy, climate-smart agriculture, and low-carbon manufacturing. Our reporting adheres to international sustainability standards, and we actively engage with stakeholders to ensure alignment of interests, transparency, and accountability.

In corporate governance, we strengthened board oversight, enhanced internal audit functions, and prepared to onboard an international rating agency potentially becoming the first NBFI in Bangladesh to receive global credit certification.

Looking Ahead: The Strategic Roadmap for 2025

In 2025, Bangladesh Finance will build on the groundwork laid in recent years. Our strategic goals include:

1. **Retail and SME Growth**: Deepening market penetration through technology, partnerships, and tailored financial products that serve micro and small enterprises, farmers, and household businesses.
2. **Wealth Management and Liability Diversification**: Launching our integrated wealth platform to attract long-term deposits, insurance-linked savings, and investment products to reduce dependency on institutional borrowings.
3. **Islamic Financial Services**: Expanding our Shariah-compliant business line, leveraging our Central Bank approval and market-leading experience to serve new customer segments.
4. **Green and Inclusive Finance**: Scaling sustainable lending and gender-responsive financing to become a market leader in ESG-aligned credit.
5. **Digital Innovation**: Enhancing customer experience through advanced analytics, AI-led credit scoring, real-time service delivery, and mobile-first customer journeys.
6. **Risk Management and Governance**: Embedding advanced risk models, stress testing, and regulatory compliance frameworks to ensure institutional resilience and trustworthiness.

A Closing Note of Gratitude and Resolve

As I complete my Fifth year as Managing Director & CEO, I wish to express my deep gratitude to our Board of Directors for their guidance, to our regulators for their support, to our partners and stakeholders for their belief, and to our colleagues across the organization for their dedication.

The journey of Bangladesh Finance is far from over. We are not defined by quarterly numbers, but by the **values we uphold**, the **lives we impact**, and the **future we are shaping**.

Let us move into 2025 with optimism not because the world will be easier, but because we are now better prepared, stronger in our convictions, and clearer in our mission.



Md. Kyser Hamid
Managing Director & CEO
Bangladesh Finance PLC

CFO'S STATEMENT

787%

PROVISION & SUSPENSE COVERAGE RATIO

Credit Rating
Long Term: AA
Short Term: ST-1

NPL
9.26%



14.69B
Loan Portfolio

13.35B
Deposit & Borrowing

20.86B
Group Balance Sheet Size

The year 2024 was a pivotal period of strategic realignment for Bangladesh Finance PLC, a year in which we made bold, forward-looking decisions to strengthen our foundation and enhance our readiness for the future. We reported a net loss of BDT 7.94 billion, primarily driven by significant provisions and suspense allocations for stressed loans, leases, and investments. These were deliberate, proactive measures aimed at mitigating potential future losses. By taking these steps, we positioned the company to meet heightened compliance standards and reinforced our financial health.

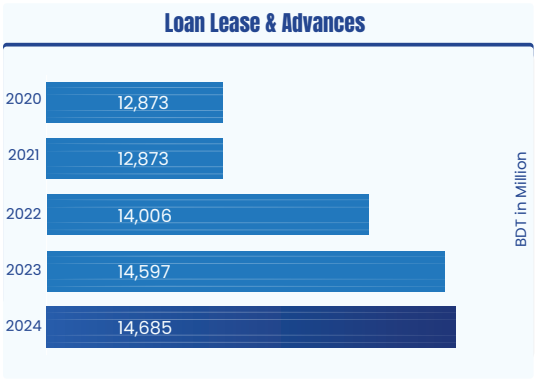
Despite the headline numbers, our core fundamentals remained resilient. The Non-Performing Loan (NPL) ratio improved from 11.20% to 9.26%, while the Provision and suspense coverage Ratio reached a record 786%. These outcomes underscore our disciplined risk management and steadfast commitment to protecting stakeholder value.

Our total portfolio of loans, leases, and investments grew modestly to BDT 14.69 billion, while deposits and borrowings slightly declined to BDT 13.35 billion, reflecting the repayment of bank borrowings and a deliberate shift toward a more stable, retail-focused funding base. We prioritized building retail deposits to strengthen liquidity, alongside maintaining disciplined cost management throughout the year. Although capital adequacy and earnings per share faced temporary setbacks, we have already launched a robust capital restoration strategy and are accelerating initiatives in digital transformation and portfolio diversification.

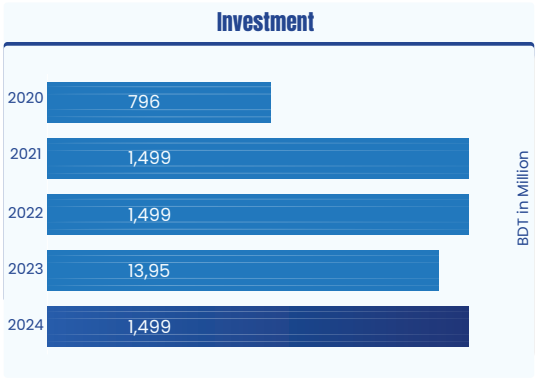
We view 2024 as a necessary reset, a decisive step toward sustainable growth. The strategic actions taken this year will enable us to emerge stronger, more resilient, and better positioned to deliver long-term value for our investors.

Md. Sajjadur Rahman Bhuiyan
Group Chief Financial Officer
Bangladesh Finance PLC

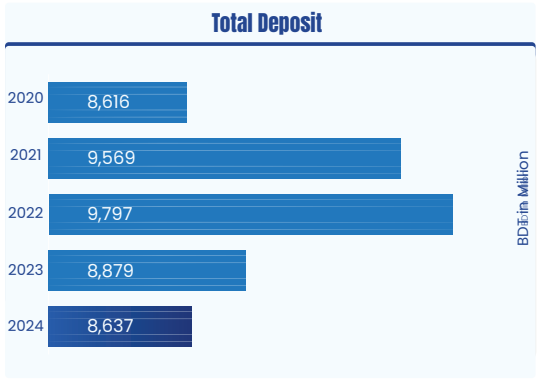
PERFORMANCE ANALYSIS (CONSO)



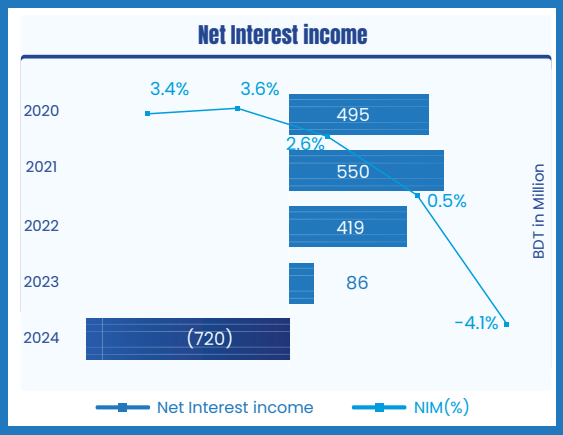
↑1%
Loan lease & Advance



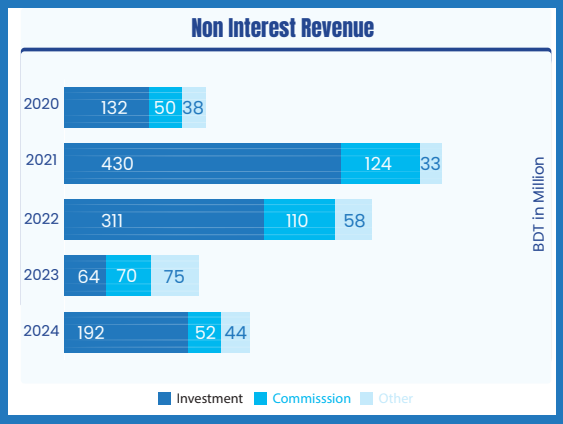
↑7%
Investment



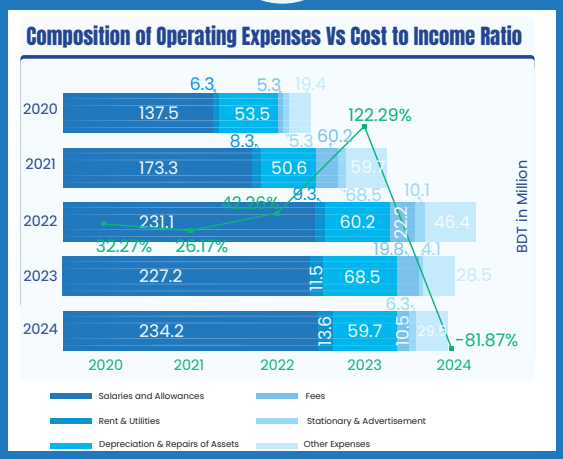
↓3%
Deposit

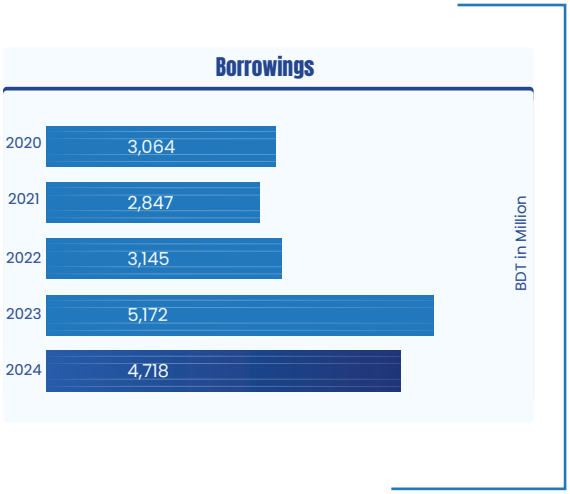


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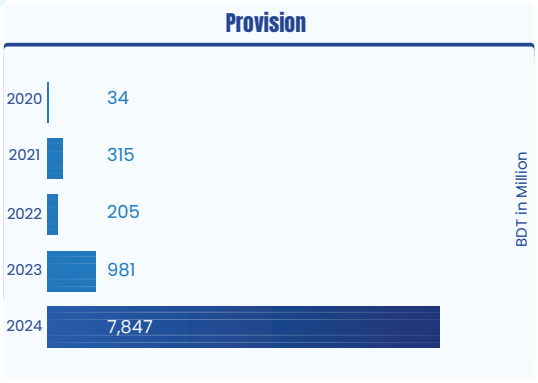


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↓9%
Borrowings



Net Interest Income

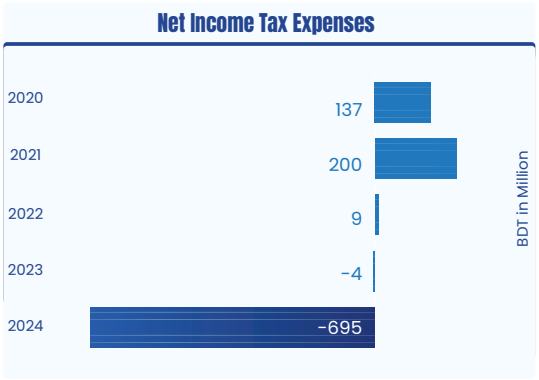
Net interest income decreased by 942% from 2023 due to providing of additional interest suspense of Tk. 123.31 Crore for stressed loans and advances though total loan, lease & advances increased by 0.60%. Net interest margin (NIM) decreased year-on-year from 0.5% to -4.1%.

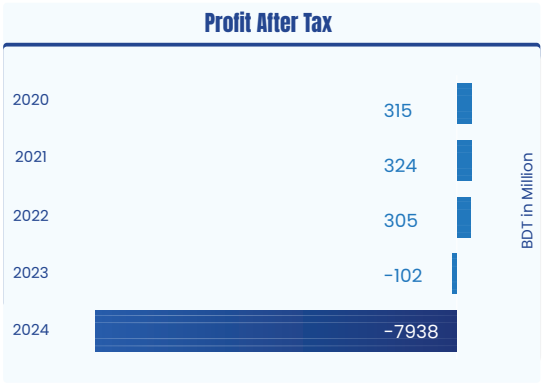
Non-Interest Income

Non-interest income increased by 38.21% from 2023 due to realized capital gains and dividend income from strategic investments from capital market and there is an increase in fee-based income and penal interest.

Operating Expense

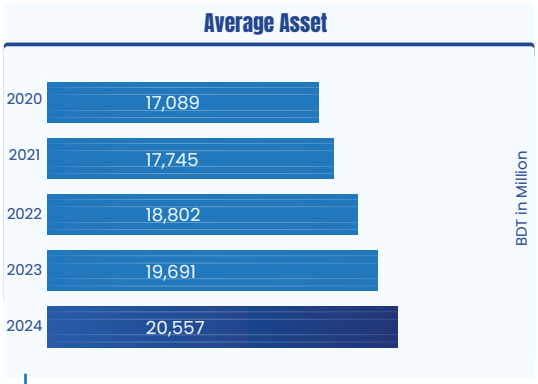
Operating expense decreased by 1.63% from 2023. Besides, rent & utilities also increased by 17.85% and Legal & Professional Fees is also increased significantly by 70.29%. The group purposefully continued developing and rolling out innovative digital solutions to improve service efficiency and client experience as against decreased net interest income due to building of interest suspenses.





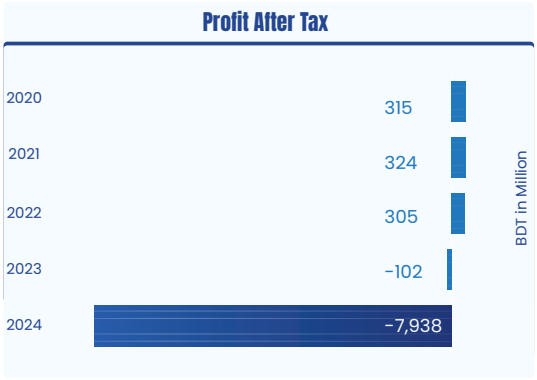
Return on equity

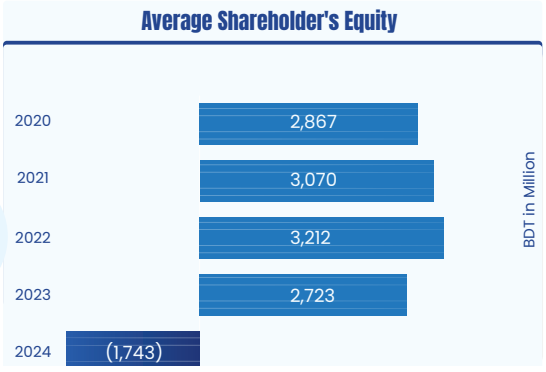
Our ROE is the most appropriate measure of our financial performance over time as it combines all of our critical drivers, including earnings growth and capital utilization, into a single metric. Internally we measure our return on equity by return on asset (ROA) & financial leverage as a more direct measure of earnings.



Average Asset

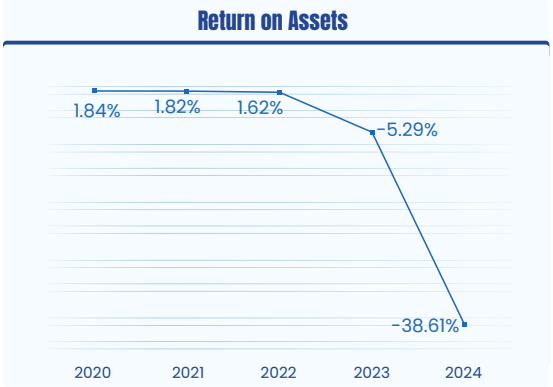
Group average asset Increased by 4.40% in 2024 to BDT 20,557 million, from BDT 19,691 million in 2023, mainly due to increase in loan, lease & advances & investment in securities.





Average Shareholder's Equity

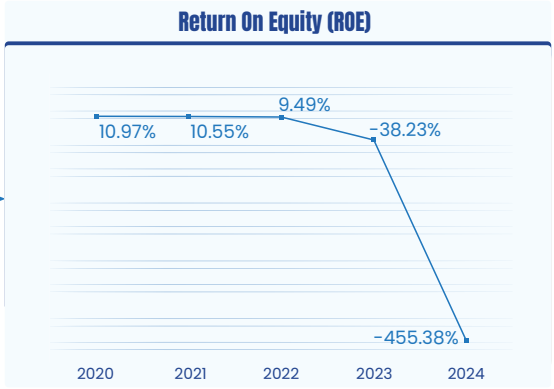
Group average shareholder's equity decreased by 164% in 2024 to BDT (1,743) million, from BDT 2,723 million in 2023.



Return on Asset

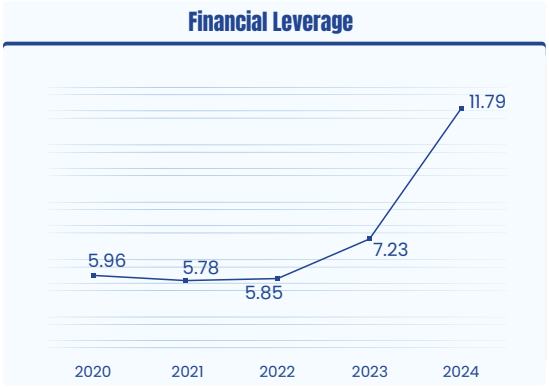
The group's ROA decreased to -38.61% in 2024 from -5.29% in 2023, driven by the net loss after tax (year-on-year basis)

X



Return on Equity

Our return on equity decreased to -455.38% in 2024 from -38.28% in 2023. The main impact of increased provision and suspense from previous year has decreased Net Profit, which impacted significantly. Besides the higher financial leverage also reflects the lower solvency risk of Bangladesh Finance PLC group.



Financial Leverage

The group's financial leverage is the ratio of average asset to average shareholders' equity. Financial leverage measures the value of assets funded with each taka of equity capital. For 2024, financial leverage was 11.79 times, higher than 2023, due to lower average shareholder's equity in relation to average assets.

OUR PERFORMANCE

The Income Statement below reflects the revenue generated and costs incurred by our business activities, with material income statement line items explained. A detailed analysis on the group's financial performance and the principal headline earnings drivers for growth in our ROE, is on Dupont Analysis part.

Net Interest Income

What it is: The interest received on lending products that we offer to our clients and investment in debt instruments, less the interest paid on the deposits that our clients place with us and debt funding sourced from other lenders.

Drivers: Number of clients, product offerings and pricing, level of economic and client activity, pricing in commodities and equity capital markets, competition, and market volatility.

Non-Interest Revenue

What it is: Comprises income from investment in securities, fees from commission exchange & brokerage & other operating income.

Drivers: Number of clients, transactional banking volumes and pricing, capital markets activity, trading volumes and market volatility, property related revenue and income from unquoted investments.

Operating Expense

What it is: Costs that are incurred to generate future and current revenues.

Drivers: Salaries and Allowances, Rent, Taxes, Insurances, Electricity, Legal & Professional Fees ,Postage, Stamps, Telecommunication, Stationery, Printings, Advertisements, Managing Director's Salary and Allowances, Directors' Fees and Conveyance, Auditors' Fees, Depreciation & Repairs of Assets, Other Expenses.

Provision

What it is: Provisions are created by recording an expense in the Income Statement and then establishing a corresponding liability in the Balance Sheet.

Drivers: Classified Investment, Unclassified Investment, Other Receivables & Investment in Securities.

Taxation

What it is: Includes current tax expense & adjustment with deffered tax expense/benefit.

Drivers: Corporate tax rates in the countries in which the group operates, level of profitability of our operations, interest income from certain bonds and treasury bills, dividends on investments that are exempted, and costs that are not tax deductible.

Group Income Statement

For the year Ended December 31, 2024

	YOY(%)	2023	2024
Net Interest Income	-942%	86	(720)
Interest Income	-30%	1,167	814
Interest Paid	42%	1,081	1,534
Non Interest Revenue	38%	209	288
Income from Investment in securities	200%	64	192
Commission, Exchange and Brokerage	-26%	70	52
Other Operating Income	-41%	75	44
Total Income	-247%	294	(432)
Operating expenses	-2%	360	354
Salary & Allowance	3%	227	234
Other operating expenses	-10%	132	120
Profit Before Provision & Taxation	1099%	(66)	(786)
Provision	700%	981	7,847
Profit Before Taxation	725%	(1,046)	(8,633)
Tax	17468%	(4)	(695)
Net Profit After Tax	661%	(1,042)	(7,938)
Attributable to	661%	(1,042)	(7,938)
Shareholder of the Company	643%	(1,054)	(7,833)
Non-controlling Interest	-1023%	11	(105)
Net Profit available for distribution	**643%**	**(1,054)**	**(7,833)**

OUR RESILIENT BALANCE SHEET

Investment in Securities

What it is: Includes investing in quoted & unquoted securities.

Drivers: Stock market volatility, expected level of economic activity, GDP growth etc.

Lease, Loan & Advances

What it is: Includes our lending to our clients, corporations & banks.

Drivers: Number of clients, product offerings, competition, level of economic and client activity, repayments, inflation, real income of households & volatility in interest rate.

Non-Interest Earning Asset

What it is: Includes cash, investment in securities, fixed assets, other assets & non-banking assets.

Drivers: Depreciation of asset, investing in new assets to generate revenue, expected level of economic activity, capital market volatility.

Borrowings

What it is: Includes taking term loan & short term loan from other banks & FI's.

Drivers: Volatility in interest rate, volatility in demand for credit, shortage of capital & increasing business activity.

Deposits

What it is: It reflects our interest paying liabilities like term deposit, scheme deposit & other deposit. Increasing amount of deposit is also preferable as it allows us to give more lease, loan & advances & earn more as a form of spread & contribute to the broader financial system.

Drivers: Shortage of fund, volatility in interest rate, inflation, public spending, economic activity, client demands, transactions etc.

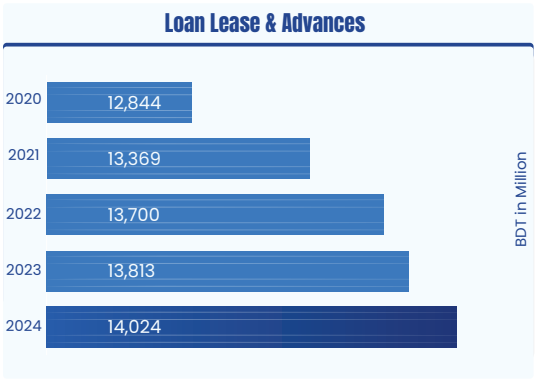
The balance sheet or statement of financial position shows the position of the group's assets, liabilities and equity, and reflects what the group owns, owes and the equity attributable to shareholders. Material line items have been discussed below.

Group Balance Sheet

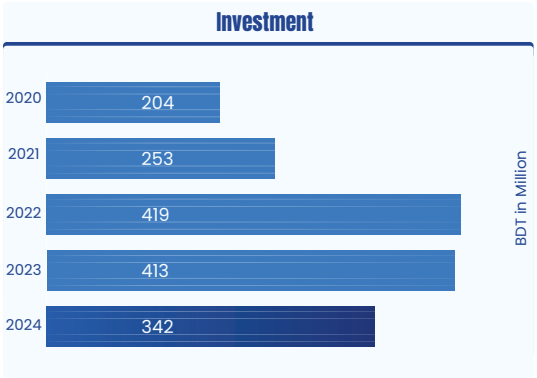
As at December 31, 2024

	YOY (%)	2023	2024
PROPERTY AND ASSETS			
Cash	11.0%	118	131
Balance with other Banks and Financial Institutions	-4.6%	1,684	1,607
Investment in Securities	7.4%	1,395	1,499
Lease, Loans and Advances	0.6%	14,597	14,685
Fixed Assets including Premises, Furniture	-4.7%	732	698
Other Assets	37.3%	1,510	2,073
Non-Banking Assets	-19.9%	213	171
Total Interest Earning Asset	0.1%	16,281	16,293
Total Non-interest Earning Asset	15.2%	3,969	4,572
Total Assets	3.03%	20,250	20,864
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings	-8.8%	5,172	4,718
Deposits	-2.7%	8,879	8,637
Other Liabilities	261.9%	3,529	12,769
Total Liabilities	48.6%	17,579	26,124
Shareholders' Equity			
Total Shareholders' Equity	-360.7%	2,170	(5,656)
Non-Controlling Interest	-20.9%	501	396
Total Liabilities & Shareholders' Equity	3.03%	20,250	20,864

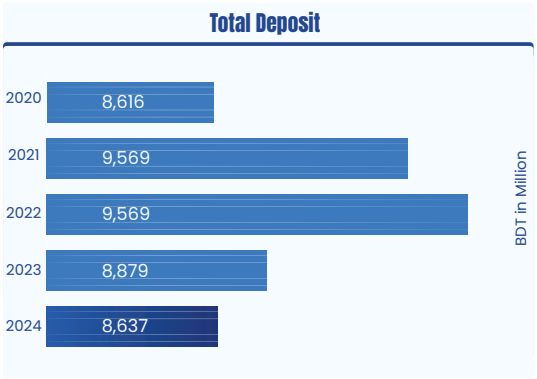
PERFORMANCE ANALYSIS SOLO



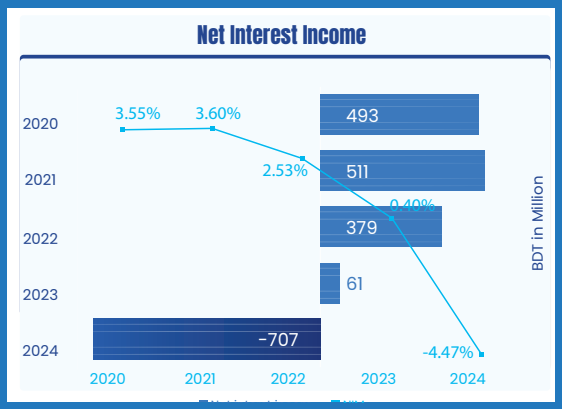
2% Loan lease & Advance



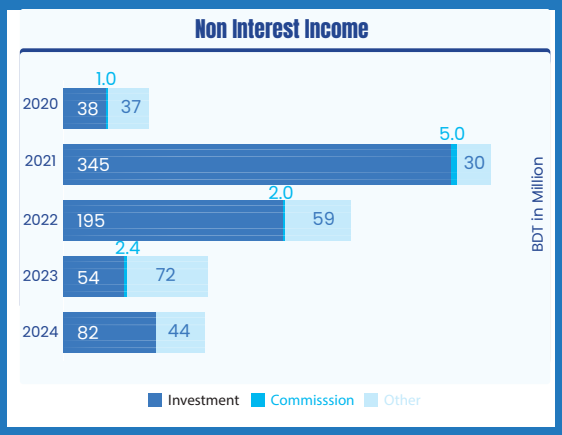
17% Investment



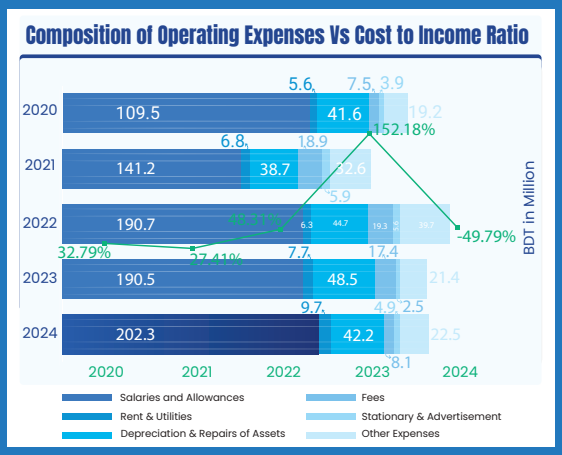
3% Deposit

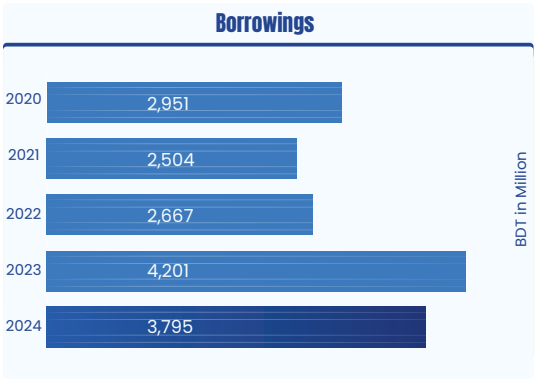


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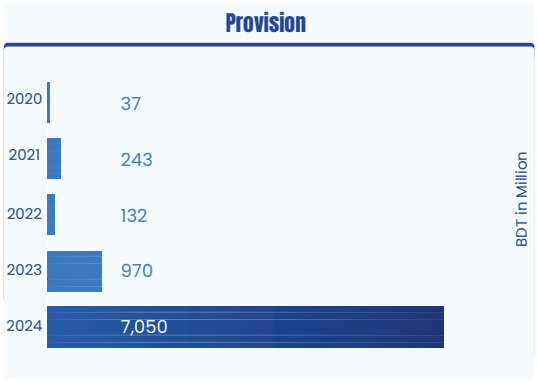


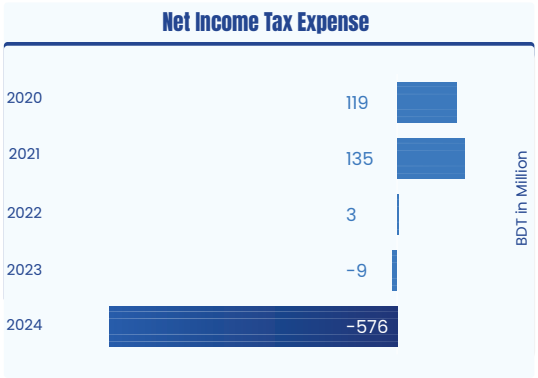
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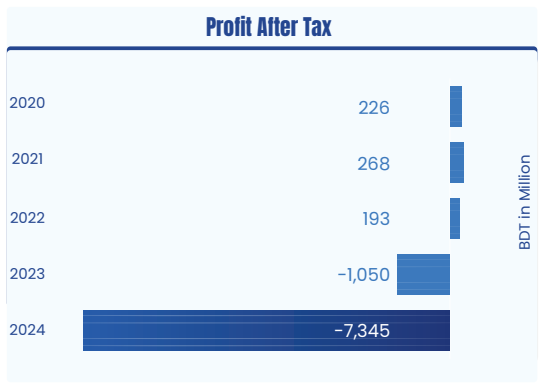




10%
Borrowings







Net Interest Income

Net interest income decreased significantly from 2023 due to providing of additional interest suspense of Tk. 123.31 Crore for stressed loans and advances though total loan, lease & advances increased by 1.53%. Net interest margin (NIM) decreased year-on-year from 0.4% to -4.5%

Non-Interest Income

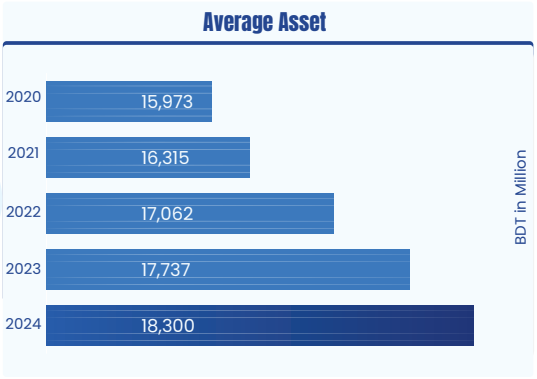
Non-interest income decreased by 1.80% from 2023 due to the volatility of the capital market and non-realization of expected return from strategic investment and there is also decrease in fee-based income and penal interest.

Operating Expense

Operating expense increased by 0.60% from 2023 though the major weight, salary & allowance increased by 6.32%. Besides, legal and professional fees also increased significantly by 165.91%. The company purposefully continued developing and rolling out innovative digital solutions to improve service efficiency and client experience as against decreased net interest income due to building of interest suspenses.

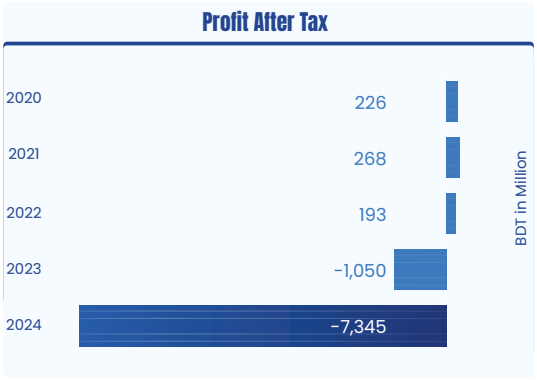
Return on equity

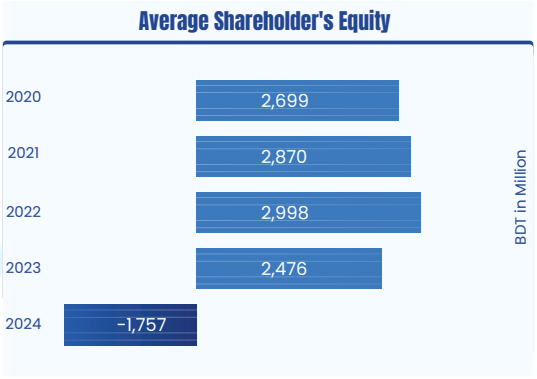
Our ROE is the most appropriate measure of our financial performance over time as it combines all of our critical drivers, including earnings growth and capital utilization, into a single metric. Internally we measure our return on equity by return on asset (ROA) & financial leverage as a more direct measure of earnings.



Average Asset

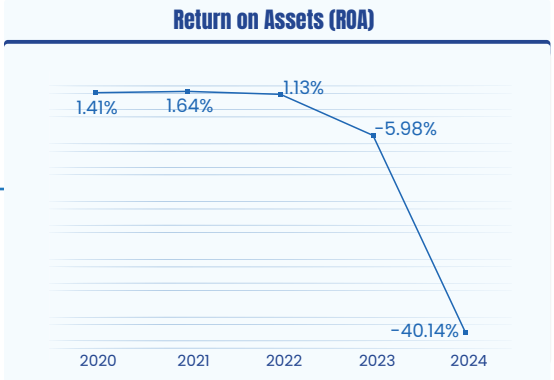
Bangladesh Finance's average asset Increased by 3.17% in 2024 to BDT 18,300 million, from BDT 17,737 million in 2023, mainly due to increase in loan, lease & advances.





Average Shareholder's Equity

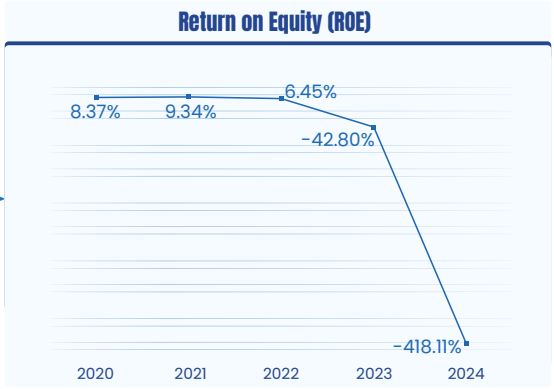
Average shareholder's equity decreased by 170.94% in 2024 to BDT (1,757) million, from BDT 2,476 million in 2023.



Return on Asset

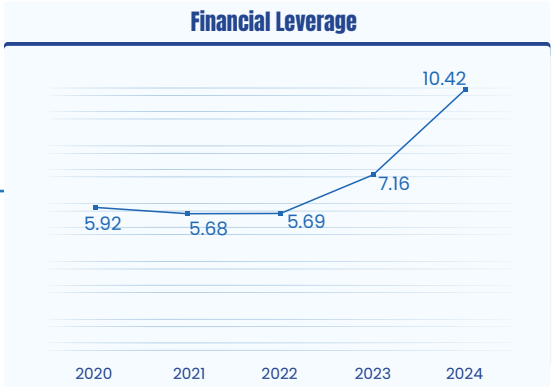
The company's ROA decreased to -40.14% in 2024 from -5.98% in 2023, driven by the decreased net loss after tax (year-on-year basis)

X



Return on Equity

Our return on equity decreased to -42.80% in 2023 from 6.45% in 2022. The main impact of increased provision from previous year has decreased Net Profit, which impacted significantly. Besides the higher financial leverage also reflects the lower solvency risk of Bangladesh Finance PLC



Financial Leverage

The group's financial leverage is the ratio of average asset to average shareholders' equity. Financial leverage measures the value of assets funded with each taka of equity capital. For 2024, financial leverage was 10.42 times, higher than 2023 due to lower average shareholder's equity in relation to average assets.

OUR PERFORMANCE

Net Interest Income

What it is: The interest received on lending products that we offer to our clients and investment in debt instruments, less the interest paid on the deposits that our clients place with us and debt funding sourced from other lenders.

Drivers: Number of clients, product offerings and pricing, level of economic and client activity, pricing in commodities and equity capital markets, competition, and market volatility.

Non-Interest Revenue

What it is: Comprises income from investment in securities, fees from commission exchange & brokerage & other operating income.

Drivers: Number of clients, transactional banking volumes and pricing, capital markets activity, trading volumes and market volatility, property related revenue and income from unquoted investments.

Operating Expense

What it is: Costs that are incurred to generate future and current revenues.

Drivers: Salaries and Allowances, Rent, Taxes, Insurances, Electricity, Legal & Professional Fees ,Postage, Stamps, Telecommunication, Stationery, Printings, Advertisements, Managing Director's Salary and Allowances, Directors' Fees and Conveyance, Auditors' Fees, Depreciation & Repairs of Assets, Other Expenses.

Provision

What it is: Provisions are created by recording an expense in the Income Statement and then establishing a corresponding liability in the Balance Sheet.

Drivers: Classified Investment, Unclassified Investment, Other Receivables & Investment in Securities.

Taxation

What it is: Includes current tax expense & adjustment with deffered tax expense/benefit.

Drivers: Corporate tax rates in the countries in which the group operates, level of profitability of our operations, interest income from certain bonds and treasury bills, dividends on investments that are exempted, and costs that

The Income Statement below reflects the revenue generated and costs incurred by our business activities, with material income statement line items explained. A detailed analysis on the group's financial performance and the principal headline earnings drivers for growth in our ROE, is on Dupont Analysis part.

Bangladesh Finance Income Statement

For the year Ended December 31, 2024

	YOY(%)	2023	2024
Net Interest Income	-1252.5%	61	(707)
Interest Income	-33.3%	1,086	724
Interest Paid	39.7%	1,024	1,431
Non Interest Revenue	-1.8%	128	126
Income from Investment in securities	53.0%	54	82
Commission, Exchange and Brokerage	-100.0%	2	-
Other Operating Income	-39.4%	72	44
Total Income	-407.5%	189	(582)
Operating expenses	0.6%	288	290
Salary & Allowance	6.2%	190	202
Other operating expenses	-10.4%	97	87
Profit Before Provision & Taxation	782.7%	(99)	(871)
Provision	626.5%	970	7,050
Profit Before Taxation	640.9%	(1,069)	(7,921)
Tax	6135.3%	(9)	(576)
Net Profit After Tax	593.0%	(1,060)	(7,345)
Appropriations	593.0%	(1,060)	(7,345)
Statutory Reserve		-	-
Retained Earnings	593.0%	(1,060)	(7,345)

OUR RESILIENT BALANCE SHEET

Investment in Securities

What it is: Includes investing in quoted & unquoted securities.

Drivers: Stock market volatility, expected level of economic activity, GDP growth etc.

Lease, Loan & Advances

What it is: Includes our lending to our clients, corporations & banks.

Drivers: Number of clients, product offerings, competition, level of economic and client activity, repayments, inflation, real income of households & volatility in interest rate.

Non-Interest Earning Asset

What it is: Includes cash, investment in securities, fixed assets, other assets & non-banking assets.

Drivers: Depreciation of asset, investing in new assets to generate revenue, expected level of economic activity, capital market volatility.

Borrowings

What it is: Includes taking term loan & short term loan from other banks & FI's.

Drivers: Volatility in interest rate, volatility in demand for credit, shortage of capital & increasing business activity.

Deposits

What it is: It reflects our interest paying liabilities like term deposit, scheme deposit & other deposit. Increasing amount of deposit is also preferable as it allows us to give more lease, loan & advances & earn more as a form of spread & contribute to the broader financial system.

Drivers: Shortage of fund, volatility in interest rate, inflation, public spending, economic

The balance sheet or statement of financial position shows the position of the group's assets, liabilities and equity, and reflects what the group owns, owes and the equity attributable to shareholders. Material line items have been discussed below.

Bangladesh Finance Balance Sheet

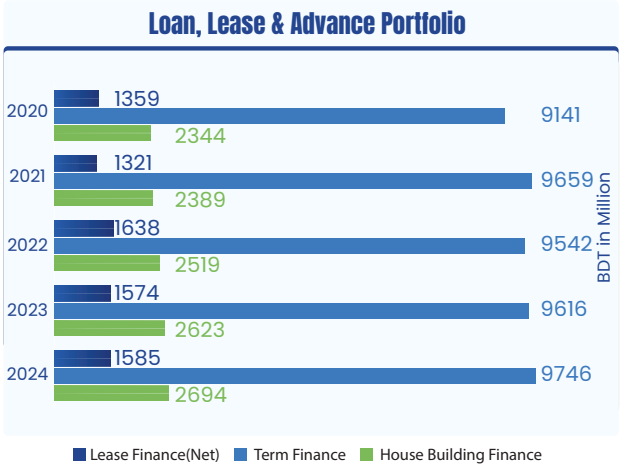
As at December 31, 2024

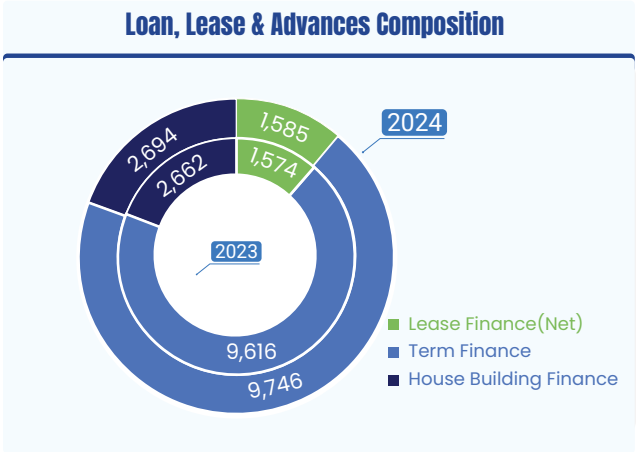
	YOY (%)	2023	2024
PROPERTY AND ASSETS			
Cash	11.0%	118	131
Balance with other Banks and Financial Institutions	-3.5%	1,552	1,498
Investment in Securities	-17.1%	413	342
Lease, Loans and Advances	1.5%	13,813	14,024
Fixed Assets including Premises, Furniture	-3.1%	685	664
Other Assets	33.7%	1,273	1,702
Non-Banking Assets	-19.9%	213	171
Total Interest Earning Asset	1.0%	15,366	15,522
Total Non-interest Earning Asset	11.4%	2,702	3,010
Total Assets	2.6%	18,068	18,532
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings	-9.7%	4,201	3,795
Deposits	-2.7%	8,879	8,637
Other Liabilities	274.7%	3,076	11,525
Total Liabilities	48.3%	16,156	23,957
Shareholders' Equity			
Total Shareholders' Equity	-383.8%	1,912	(5,425)
Total Liabilities & Shareholders' Equity	2.6%	18,068	18,532

MAINTAINING OUR ROBUST BALANCE SHEET

Loan, Lease & Advances

Typically, the prime contributor for total asset of Bangladesh Finance is loan-lease & advances. However due to conservative disbursement, Leases, Loans and Advances portfolio increased by 1.53% to BDT 14,024 million from BDT 13,813 in 2023. Term loan concentrates 69.49% in the loan portfolio and stood at BDT 9,746 million in 2024 accounted for the majority portion. Subsequently housing finance was 19.21%, lease finance was 11.30%. In 2024 housing finance stood at BDT 2,694 million and lease finance stood at BDT 585 miilion.

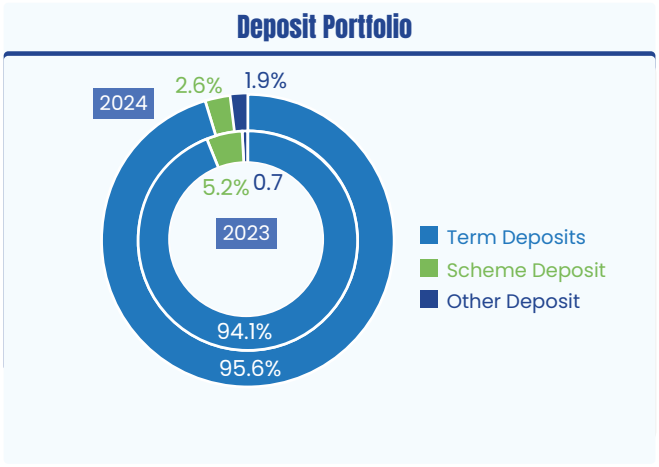




Funding & Liquidity

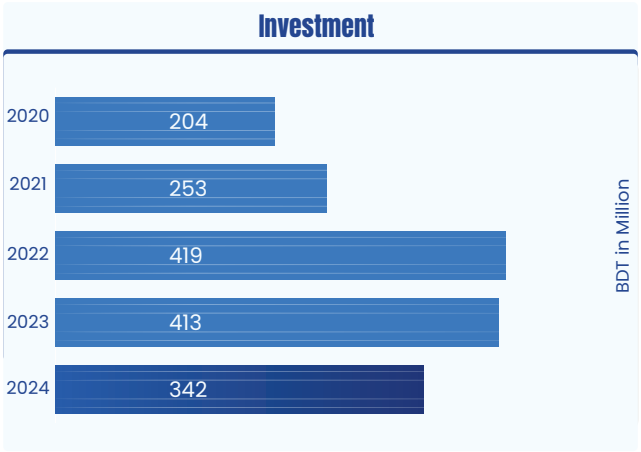
Deposits

Total depository portfolio of Bangladesh Finance decreased by 2.73% from 2023 to 2024 & stood at BDT 8,637 million. The biggest contribution in the depository portfolio came from term deposit which constitutes 94.1% of total deposit besides scheme deposit, advance rent & installments & other deposits are comprised of 5.2%, 0.4%, 0.2% respectively.



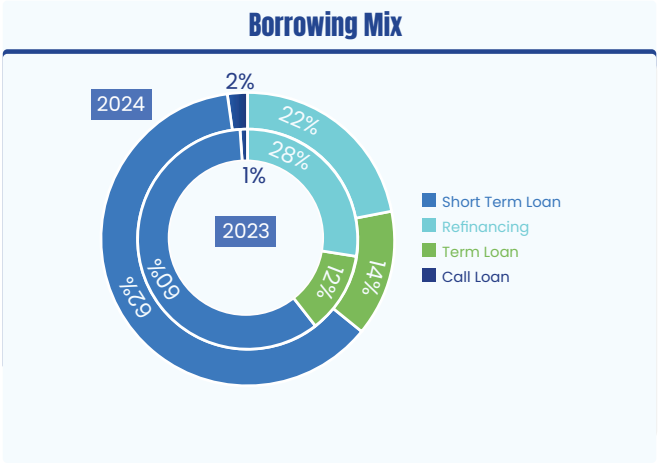
Investment in securities

The investment portfolio of the Bangladesh Finance came to BDT 342 million from 413 million in 2024, which is 17.12% percent lower than that of preceding year. This decline in investment is strategical mainly due to the volatility risk in the context of present market situation.



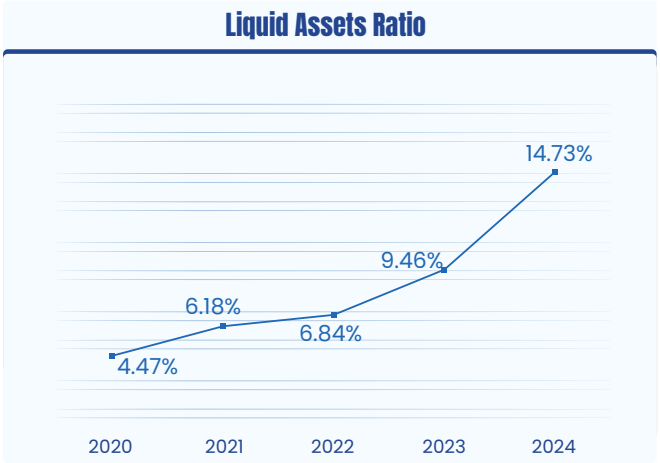
Borrowings

With the aim of minimizing our weighted average cost of funding and reducing our maturity gaps, we maintained the right funding blend between deposits and borrowings. At the end of 2024, bank borrowing stood at BDT 3,795 million and that depicts 9.67% decrease. Short term loan represents 60% of the total borrowing mix of Bangladesh Finance PLC. Term loan, call loan & refinancing represents 12%, 1% & 28% of total borrowing mix respectively.



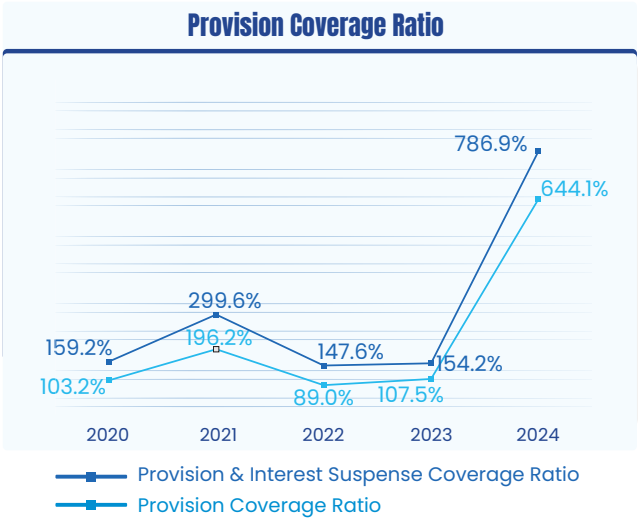
Liquid Asset Ratio

In general, Bangladesh Bank has determined liquid asset requirement in various form. The eligible range of asset varies, but in general it includes cash in hand, balance with Bangladesh Bank, balance with other bank & FIs. Liquid asset ratio provides an indication of liquidity available to meet the expected & unexpected demand for cash. At the end of 2024, liquid asset ratio of Bangladesh Finance stood at 15.12% which portrays an increase of 5.66% growth from previous year.



Provision Coverage ratio

Financial institutions set an amount of fund aside to recover when potential loan gets classified. Provision coverage ratio indicates the ability of financial institutions to pull through against non-performing loans. A high PCR can be beneficial to FIs to buffer themselves against losses if the NPAs start increasing faster. Provision and Interest suspense coverage ratio of Bangladesh Finance stood at 786.9%. This excess provision coverage of Bangladesh Finance depicts the resilience against classified loan.



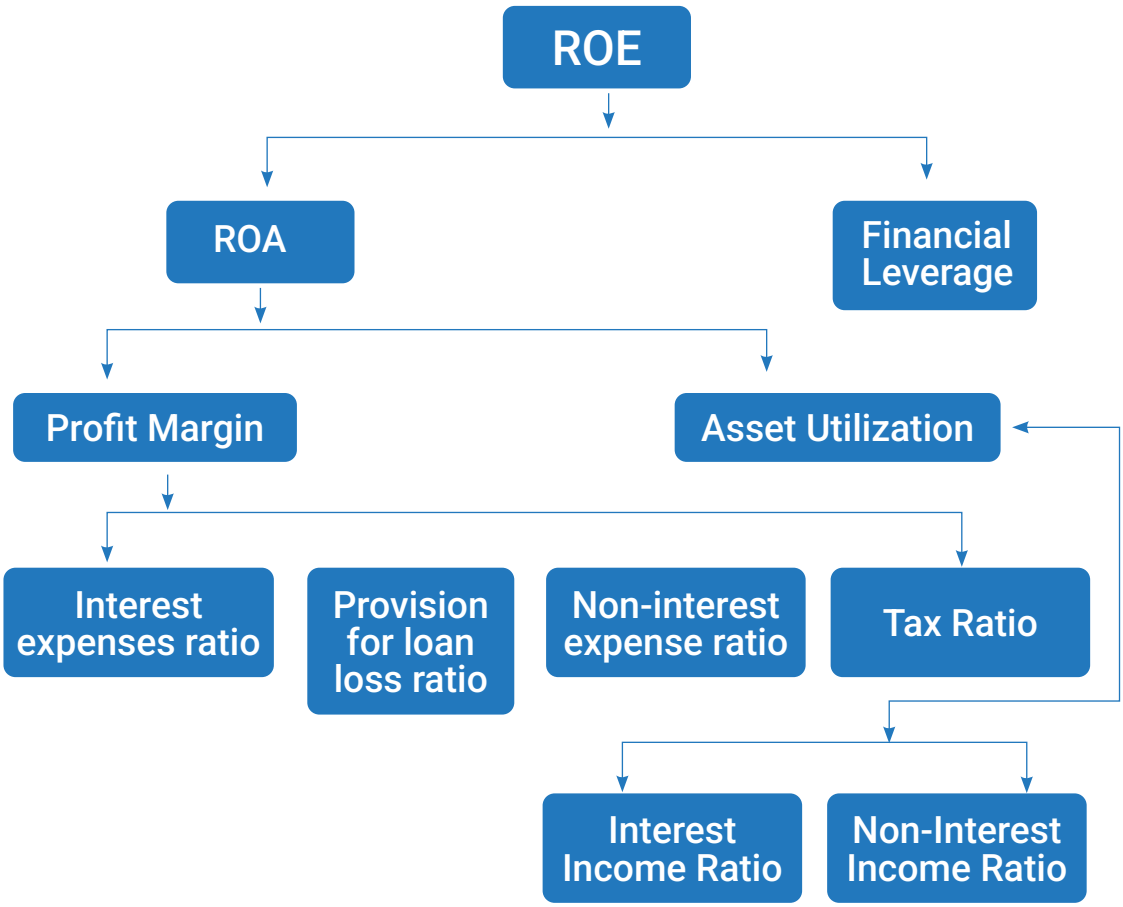
DUPONT ANALYSIS

DuPont 2024

First Level Breakdown

Second Level Breakdown

Third Level Breakdown



DuPont Consolidated

SL	Ratio	Description	2020	2021	2022	2023	2024
1	Net Interest Income	% of average asset	2.90%	3.10%	2.23%	0.43%	-3.50%
2	Non Interest income	% of average asset	1.29%	3.31%	2.55%	1.06%	1.40%
3	Operating Income	% of Avg Assets	4.19%	6.40%	4.77%	1.49%	-2.10%
4	Operating Expenses	% of Avg Assets	1.35%	1.68%	2.02%	1.83%	1.72%
5	Cost/Income	% of operating income	32.3%	26.2%	42.3%	122.3%	-81.9%
6	Operating Profit	% of Avg Assets	2.8%	4.7%	2.8%	-0.3%	-3.8%
7	Provisions	% of Avg Assets	0.20%	1.78%	1.09%	4.98%	38.17%
8	Profit Before Tax (PBT)	% of Avg Assets	2.6%	2.9%	1.7%	-5.3%	-42.0%
9	Tax ratio	% of PBT	30.3%	38.1%	2.8%	0.4%	8.0%
10	Profit Margin Ratio	% of total operating income	43.9%	28.5%	34.0%	-354.5%	1837.2%
11	ROA	% of Avg Asset	1.84%	1.82%	1.62%	-5.29%	-38.61%
12	Financial Leverage	Avg Asset / Avg Equity	5.96	5.78	5.85	7.23	11.79
13	ROE	(ROA * Equity Multiplier)	10.97%	10.55%	9.49%	-38.28%	-455.38%

DuPont analysis breaks down the ROE into three level and this break down provides a convenient and systematics method to identify strength and weakness of FI's profitability. Generally, stockholders of FIs expect a higher ROE however an increase in ROE can simply result from an increase in financial leverage or from an increase of ROA. Identifying the source of increasing ROE is critical. An increase of ROE due to increase in financial leverage indicates towards increasing solvency risk. In the last five years, ROE of Bangladesh Finance Group has been fluctuating. At the end of 2024, the ROE of Bangladesh Finance Group stood at -455.38% and the financial leverage is going up to 11.79 times however ROA is facing also decrease in 2024. The group's ROA reached to -38.61% at the end of 2024.

DuPont Solo

SL	Ratio	Description	2020	2021	2022	2023	2024
1	Interest income ratio	% of average asset	3.09%	3.13%	2.22%	0.35%	-3.87%
2	Noninterest income ratio	% of average asset	0.48%	2.33%	1.50%	0.72%	0.69%
3	Operating Income	% of AvgAssets	3.57%	5.46%	3.72%	1.07%	-3.18%
4	Operating Expenses	%of Avg Assets	1.17%	1.50%	1.80%	1.62%	1.58%
5	Cost/Income	% of operating income	32.89%	27.41%	48.31%	152.18%	-49.79%
6	Operating Profit	% of Avg Assets	2.39%	3.96%	1.92%	-0.56%	-4.76%
7	Provisions	% of average asset	0.23%	1.49%	0.77%	5.47%	38.52%
8	Profit Before Tax (PBT)	% of Avg Assets	2.16%	2.47%	1.15%	-6.03%	-43.29%
9	Tax ratio	% of PBT	36.9%	42.1%	11.3%	-0.9%	-0.1%
10	Profit Margin Ratio	% of total operating income	39.6%	30.1%	30.5%	-560.2%	1262.5%
11	ROA	(Profit Margin*Operating Income)	1.41%	1.64%	1.13%	-5.98%	-40.14%
12	Financial Leverage	Avg Asset / Avg Equity	5.92	5.68	5.69	7.16	10.42
13	ROE	(ROA * Equity Multiplier)	8.37%	9.34%	6.45%	-42.80%	-418.11%

DuPont analysis breaks down the ROE into three level and this break down provides a convenient and systematics method to identify strength and weakness of FI's profitability. Generally, stockholders of FIs expect a higher ROE however an increase in ROE can simply result from an increase in financial leverage or from an increase of ROA. Identifying the source of increasing ROE is critical. An increase of ROE due to increase in financial leverage indicates towards increasing solvency risk. In the last five years, ROE of Bangladesh Finance PLC has been fluctuating. At the end of 2024, the ROE of Bangladesh Finance stood at -418.11% and the financial leverage is increased to 10.42 times. However, ROA is facing also decrease in 2024. The company's ROA reached to -40.14% at the end of 2024.

SHARE PRICE SENSITIVITY ANALYSIS

Current Financial Position (In Million BDT)	
Loan Outstanding	14,024
Total Deposit	8,637
Total Provision	8,624
Shares Outstanding	188
Market Price per Share	11.80
Net Profit after Tax	(7,345)
EPS	(39.02)
P/E Ratio	(0.30)

Share Price Sensitivity Analysis Using Key Variables

+2% Increase in Lending Interest Rates

After Tax Incremental Income	175
Revised Net Profit after Tax	(7,170)
Revised EPS	(38.09)
Revised P/E Ratio	**(0.31)**

-2% Decrease in Lending Interest Rates

After Tax Incremental Income	(175)
Revised Net Profit after Tax	(7,520)
Revised EPS	(39.95)
Revised P/E Ratio	**(0.30)**

+2% Increase in Deposit Interest Rates

After Tax Incremental Expense	108
Revised Net Profit after Tax	(7,453)
Revised EPS	(39.59)
Revised P/E Ratio	**(0.30)**

-2% Decrease in Deposit Interest Rates

After Tax Incremental Expense	(108)
Revised Net Profit after Tax	(7,237)
Revised EPS	(38.45)
Revised P/E Ratio	**(0.31)**

+2% Increase in Provision

Incremental Provision	280
Revised Net Profit after Tax	(7,625)
Revised EPS	(40.51)
Revised P/E Ratio	**(0.29)**

-2% Decrease in Provision

Incremental Provision	(280)
Revised Net Profit after Tax	(7,065)
Revised EPS	(37.53)
Revised P/E Ratio	**(0.31)**

HORIZONTAL ANALYSIS
CONSOLIDATED BALANCE SHEET

Particulars	2024	2023	2022	2021	2020
Property & Asset					
Cash	**11.03%**	**0.16%**	**18.52%**	**32.34%**	**-35.35%**
Cash in hand	-2.24%	10.66%	32.34%	-47.46%	15.13%
Balance with Bangladesh Bank	11.04%	0.15%	18.52%	32.48%	-35.40%
Balance with other Banks and Financial Institutions	**-4.56%**	**6.91%**	**7.75%**	**57.35%**	**32.32%**
Inside Bangladesh	-4.56%	6.91%	7.75%	57.35%	32.32%
Outside Bangladesh	0.00%	0.00%	0.00%	0.00%	0.00%
Money at call and short notice	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Investment in Securities	**7.44%**	**22.83%**	**15.07%**	**24.03%**	**-1.31%**
Government	-	-	-	-	-
Others	7.44%	22.83%	15.07%	24.03%	-1.31%
Lease, Loans and Advances	**0.60%**	**4.22%**	**2.29%**	**6.36%**	**-3.69%**
In Bangladesh	0.60%	4.22%	2.29%	6.36%	-3.69%
Outside Bangladesh	-	-	-	-	-
Fixed Assets including Premises, Furniture and Fixtures	**-4.71%**	**17.24%**	**14.82%**	**0.83%**	**29.80%**
Other Assets	**37.29%**	**3.52%**	**-1.18%**	**-6.24%**	**2.05%**
Non-Banking Assets	**-19.94%**	**0.00%**	**0.47%**	**0.00%**	**0.00%**
Total Assets	**3.03%**	**5.85%**	**3.56%**	**8.67%**	**-0.95%**
Liabilities & Capital					
Liabilities					
Financing (Borrowings) from other Banks, Financial Institutions and Agents	**-8.78%**	**64.43%**	**10.46%**	**-7.07%**	**-7.98%**
Deposits and other Accounts	**-2.73%**	**-9.38%**	**2.39%**	**11.05%**	**-2.50%**
Term Deposits	-5.92%	-10.54%	3.26%	29.67%	-1.19%
Scheme Deposit	162.76%	-7.15%	21.65%	-78.70%	-14.74%
Other Deposits	-74.80%	157.35%	-65.05%	-65.33%	12.28%
Advance Rent & Installments	17.82%	59.60%	-36.11%	-84.23%	-18.48%
Bills Payable	0.00%	0.00%	0.00%	0.00%	0.00%
Other Liabilities	**261.87%**	**46.62%**	**0.11%**	**32.01%**	**3.38%**
Total Liabilities	**48.60%**	**14.53%**	**3.57%**	**9.77%**	**-3.06%**
Capital/ Shareholders' Equity					
Share Capital	0.00%	0.00%	6.00%	6.00%	0.00%
Statutory Reserve	0.00%	0.00%	8.37%	13.12%	12.42%
General Reserve	-	-	0.00%	0.00%	0.00%
Capital Reserve	0.00%	193.29%	0.00%	0.00%	0.00%
Revaluation Surplus on Land & Building	-0.34%	28.81%	-0.34%	-0.34%	39.51%
Retained Earnings	931.71%	-286.25%	-3.09%	0.56%	23.56%
Total Shareholders' Equity	**-360.68%**	**-33.79%**	**4.11%**	**5.19%**	**9.12%**
Non-Controlling Interest	**-20.90%**	**-0.78%**	**0.03%**	**-0.13%**	**2.78%**
Total Liabilities & Shareholders' Equity	**3.03%**	**5.85%**	**3.56%**	**8.67%**	**-0.95%**
Net Asset Value Per Share	**-360.68%**	**-33.79%**	**4.11%**	**-0.76%**	**2.94%**

HORIZONTAL ANALYSIS
CONSOLIDATED PROFIT & LOSS ACCOUNT

Particulars	2024	2023	2022	2021	2020
Interest Income	-30.25%	-19.45%	-6.60%	-8.18%	-14.83%
Less: Interest paid on Deposits & Borrowings etc.	41.88%	5.04%	2.80%	-16.11%	-14.80%
Net Interest Income	**-942.05%**	**-79.59%**	**-23.75%**	**10.94%**	**-14.89%**
Income from Investment in securities	200.38%	-79.42%	-27.74%	225.63%	-169.25%
Commission, Exchange and Brokerage	-25.80%	-36.37%	-11.33%	72.87%	6.36%
Other Operating Income	-40.58%	28.35%	75.72%	-13.81%	-76.10%
Non-interest Income	**38.21%**	**-56.42%**	**-18.43%**	**142.38%**	**540.63%**
Total Operating Income	**-246.93%**	**-67.24%**	**-21.00%**	**54.09%**	**18.97%**
Salaries and Allowances	3.02%	-1.53%	34.89%	27.34%	-7.34%
Rent, Taxes, Insurances, Electricity etc.	17.85%	23.99%	11.65%	31.15%	-33.33%
Legal & Professional Fees	70.29%	-71.40%	46.89%	65.41%	85.81%
Postage, Stamps, Telecommunication etc.	-16.60%	-7.85%	21.67%	12.19%	-6.87%
Stationery, Printings, Advertisements etc.	-56.60%	-11.84%	5.58%	214.77%	-32.34%
Managing Director's Salary and Allowances	3.80%	-5.73%	0.00%	81.96%	-39.55%
Directors' Fees and Conveyance	58.93%	-34.88%	11.19%	47.61%	6.37%
Auditors' Fees	0.87%	-0.19%	-19.91%	-22.10%	253.35%
Depreciation & Repairs of Assets	-12.90%	13.76%	19.06%	-5.51%	-0.87%
Other Expenses	3.68%	-38.60%	25.08%	-15.92%	-26.00%
Total Operating Expenses	**-1.63%**	**-5.20%**	**27.56%**	**17.77%**	**-11.45%**
Profit before Provision	**1099.06%**	**-112.65%**	**-38.22%**	**73.01%**	**44.90%**
Specific provisions for Classified Investment	-121.38%	536.89%	-253.57%	-236.71%	675.49%
General Provisions for Unclassified Investment	1408.94%	1022.86%	-78.68%	3700.00%	-36.69%
Special Provisions for Unclassified Investment	0.00%	-100.00%	-101.99%	0.00%	0.00%
Provisions for Other Receivables	-382.57%	-550.00%	-33.33%	50.00%	1.51%
Provision for Off- Balance Sheet exposures	-100.00%	33.33%	-142.86%	0.00%	0.00%
Provisions for Investment in Securities	5137.42%	-69.07%	-23.45%	-290.84%	-65.56%
Total Provision	**699.96%**	**378.87%**	**-35.05%**	**835.77%**	**-146.81%**
Total Profit before Provisions for Taxation	**724.96%**	**-433.91%**	**-40.13%**	**16.03%**	**10.96%**
Current Tax Expenses	33.17%	-60.44%	-70.85%	65.59%	-30.18%
Deferred Tax Expenses/(benefit)	2211.34%	-48.41%	51.38%	377.36%	-48.41%
Net Tax Expense	**17468.36%**	**-145.67%**	**-95.66%**	**46.21%**	**-36.77%**
Net Profit after Taxation	**661.45%**	**-442.10%**	**-5.89%**	**2.93%**	**65.03%**
Earnings Per Share	**643.31%**	**-546.50%**	**-7.75%**	**-19.58%**	**50.50%**

HORIZONTAL ANALYSIS
SOLO BALANCE SHEET

Particulars	2024	2023	2022	2021	2020
PROPERTY AND ASSETS					
Cash	**11.02%**	**0.17%**	**18.54%**	**32.40%**	**-35.38%**
Cash in hand	-12.03%	57.33%	211.17%	-76.82%	14.22%
Balance with Bangladesh Bank	11.04%	0.15%	18.52%	32.48%	-35.40%
Balance with other Banks and Financial Institutions	**-3.49%**	**35.77%**	**15.33%**	**43.37%**	**13.58%**
Inside Bangladesh	-3.49%	35.77%	15.33%	43.37%	13.58%
Outside Bangladesh	-	-	0.00%	0.00%	0.00%
Money at call and short notice	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Investment in Securities	**-17.12%**	**-1.41%**	**65.76%**	**23.82%**	**-28.02%**
Government	-	-	-	-	-
Others	-17.12%	-1.41%	65.76%	23.82%	-28.02%
Lease, Loans and Advances	**1.53%**	**0.83%**	**2.47%**	**4.09%**	**-2.28%**
In Bangladesh	1.53%	0.83%	2.47%	4.09%	-2.28%
Outside Bangladesh	-	-	-	-	-
Fixed Assets including Premises, Furniture and Fixtures	**-3.15%**	**20.57%**	**8.70%**	**-0.29%**	**29.58%**
Other Assets	**33.72%**	**2.23%**	**-1.91%**	**-6.85%**	**9.38%**
Non-Banking Assets	**-19.94%**	**0.00%**	**0.47%**	**0.00%**	**0.00%**
Total Assets	**2.57%**	**3.80%**	**4.12%**	**5.05%**	**-0.63%**
LIABILITIES AND CAPITAL					
Liabilities					
Financing (Borrowings) from other Banks, Financial Institutions & Agents	**-9.67%**	**57.56%**	**6.52%**	**-15.15%**	**-4.74%**
Deposits and other Accounts	**-2.73%**	**-9.97%**	**3.07%**	**11.05%**	**-2.50%**
Term Deposits	-1.53%	-11.05%	4.35%	16.94%	-3.00%
Other Deposits	-74.80%	157.35%	-65.05%	-65.33%	12.28%
Advance Rent & Installments	17.82%	59.60%	-36.11%	-84.23%	-18.48%
Bills Payable	-	-	-	-	-
Other Liabilities	**274.74%**	**67.49%**	**8.64%**	**8.34%**	**6.20%**
Total Liabilities	**48.29%**	**12.46%**	**4.38%**	**4.84%**	**-2.06%**
Capital/ Shareholders' Equity					
Share Capital	0.00%	0.00%	6.00%	6.00%	0.00%
Statutory Reserve	0.00%	0.00%	8.37%	13.12%	12.42%
General Reserve	-	-	0.00%	0.00%	0.00%
Revaluation Surplus on Land & Building	-0.34%	28.81%	-0.34%	-0.34%	39.51%
Retained earnings	734.71%	-502.05%	-18.65%	5.14%	4.74%
Total Shareholders' Equity	**-383.75%**	**-37.12%**	**2.94%**	**6.02%**	**6.70%**
Total Liabilities & Shareholders' Equity	**2.57%**	**3.80%**	**4.12%**	**5.05%**	**-0.63%**
Net Asset Value per share (NAV)	**-383.75%**	**-37.12%**	**2.94%**	**0.02%**	**0.66%**

HORIZONTAL ANALYSIS
SOLO PROFIT & LOSS ACCOUNT

Particulars	2024	2023	2022	2021	2020
Interest Income	-33.32%	-21.10%	-8.07%	-9.82%	-14.62%
Less: Interest paid on Deposits & Borrowings etc.	39.73%	2.70%	1.18%	-15.49%	-14.58%
Net Interest Income	**-1252.47%**	**-83.79%**	**-25.93%**	**3.58%**	**-14.73%**
Income from Investment in securities	53.03%	-72.48%	-43.53%	805.91%	-121.46%
Commission, Exchange and Brokerage	-100.00%	16.14%	-59.36%	400.97%	105.61%
Other Operating Income	-39.45%	21.59%	100.23%	-20.59%	-77.60%
Non-interest Income	**-1.80%**	**-50.04%**	**-32.55%**	**397.54%**	**-799.46%**
Total Operating Income	**-407.48%**	**-70.18%**	**-28.75%**	**56.31%**	**0.34%**
Salaries and Allowances	6.32%	0.09%	37.16%	26.73%	-7.26%
Rent, Taxes, Insurances, Electricity etc.	25.87%	22.09%	-6.89%	20.65%	83.51%
Legal & Professional Fees	165.91%	-70.13%	-14.30%	85.05%	55.97%
Postage, Stamps, Telecommunication etc.	-26.83%	-13.69%	17.52%	31.13%	-7.21%
Stationery, Printings, Advertisements etc.	-59.95%	-9.04%	-1.19%	219.72%	-32.33%
Managing Director's Salary and Allowances	3.80%	-5.73%	0.00%	81.96%	-39.55%
Directors' Fees and Conveyance	56.54%	-34.76%	27.13%	25.46%	43.16%
Auditors' Fees	1.25%	-0.28%	8.60%	-35.60%	193.11%
Depreciation & Repairs of Assets	-13.00%	8.43%	15.65%	-7.05%	-17.74%
Other Expenses	5.09%	-46.20%	21.88%	69.40%	-40.72%
Total Operating Expenses	**0.60%**	**-6.05%**	**25.59%**	**30.25%**	**-14.44%**
Profit before Provision	**782.70%**	**-130.10%**	**-49.26%**	**69.09%**	**9.62%**
Specific provisions for Classified Investment	-121.38%	536.89%	-253.57%	-236.71%	675.49%
General Provisions for Unclassified Investment	1408.94%	1022.86%	-78.68%	3700.00%	-36.69%
Special Provisions for Unclassified Investment	0.00%	-100.00%	100.00%	100.00%	0.00%
Provisions for Other Receivables	-382.57%	-550.00%	-33.33%	50.00%	1.51%
Provisions for Off-Balance Sheet exposures	100.00%	100.00%	100.00%	100.00%	0.00%
Provisions for Investment in Securities	941.64%	-129.90%	607.72%	-91.44%	-69.23%
Total Provision	**626.45%**	**636.31%**	**-45.82%**	**557.44%**	**-150.11%**
Total Profit before Provisions for Taxation	**640.88%**	**-645.14%**	**-51.34%**	**16.75%**	**-18.29%**
Deferred Tax Expenses/(benefit)	3072.53%	-5.32%	-43.64%	339.84%	-195.72%
Current Tax Expenses	17.18%	-58.33%	-86.88%	33.20%	-35.06%
Net Tax Expense	**6135.30%**	**-443.77%**	**-98.01%**	**12.94%**	**-41.54%**
Net Profit after Taxation	**592.96%**	**-647.94%**	**-27.87%**	**18.76%**	**3.46%**
Earnings Per Share	**592.96%**	**-647.94%**	**-27.87%**	**12.19%**	**-2.52%**

VERTICAL ANALYSIS
CONSOLIDATED BALANCE SHEET

Particulars	2024	2023	2022	2021	2020
Property & Asset					
Cash	**0.63%**	**0.58%**	**0.62%**	**0.54%**	**0.44%**
Cash in hand	0.00%	0.00%	0.00%	0.00%	0.00%
Balance with Bangladesh Bank	0.63%	0.58%	0.62%	0.54%	0.44%
Balance with other Banks and Financial Institutions	**7.70%**	**8.32%**	**8.23%**	**7.91%**	**5.47%**
Inside Bangladesh	7.70%	8.32%	8.23%	7.91%	5.47%
Outside Bangladesh					
Money at call and short notice	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Investment in Securities	**7.18%**	**6.89%**	**5.94%**	**5.34%**	**4.68%**
Government					
Others	7.18%	6.89%	5.94%	5.34%	4.68%
Lease, Loans and Advances	**70.38%**	**72.08%**	**73.21%**	**74.12%**	**75.73%**
In Bangladesh	70.38%	72.08%	73.21%	74.12%	75.73%
Outside Bangladesh	-	-	-	-	-
Fixed Assets including Premises, Furniture and Fixtures	**3.35%**	**3.62%**	**3.27%**	**2.95%**	**3.17%**
Other Assets	**9.94%**	**7.46%**	**7.63%**	**7.99%**	**9.26%**
Non-Banking Assets	**0.82%**	**1.05%**	**1.11%**	**1.15%**	**1.25%**
Total Assets	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
Liabilities and Capital					
Liabilities					
Financing (Borrowings) from other Banks, Financial Institutions and Agents	**22.61%**	**25.54%**	**16.44%**	**15.41%**	**18.02%**
Deposits and other Accounts	**41.40%**	**43.85%**	**51.21%**	**51.80%**	**50.69%**
Term Deposits	38.26%	41.90%	49.57%	49.72%	41.66%
Scheme Deposit	2.86%	1.12%	1.28%	1.09%	5.55%
Other Deposits	0.18%	0.74%	0.30%	0.90%	2.83%
Advance Rent & Installments	0.10%	0.09%	0.06%	0.09%	0.64%
Bills Payable	0.00%	0.00%	0.00%	0.00%	0.00%
Other Liabilities	**61.20%**	**17.43%**	**12.58%**	**13.01%**	**10.71%**
Total Liabilities	**125.21%**	**86.81%**	**80.23%**	**80.23%**	**79.42%**
Capital/ Shareholders' Equity					
Share Capital	9.02%	9.30%	9.84%	9.61%	9.85%
Statutory Reserve	2.40%	2.47%	2.62%	2.50%	2.40%
General Reserve	0.00%	0.00%	0.00%	0.00%	0.00%
Capital Reserve	0.47%	0.49%	0.18%	0.18%	0.20%
Revaluation Surplus on Land & Building	2.52%	2.60%	2.14%	2.22%	2.42%
Retained Earnings	-41.52%	-4.15%	2.36%	2.52%	2.72%
Total Shareholders' Equity	**-27.11%**	**10.71%**	**17.13%**	**17.04%**	**17.60%**
Non-Controlling Interest	**1.90%**	**2.47%**	**2.64%**	**2.73%**	**2.97%**
Total Liabilities & Shareholders' Equity	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

VERTICAL ANALYSIS
CONSOLIDATED PROFIT & LOSS ACCOUNT

Particulars	2024	2023	2022	2021	2020
Interest Income	-188.35%	396.77%	161.37%	136.49%	229.06%
Less: Interest paid on Deposits & Borrowings etc.	-355.05%	367.68%	114.69%	88.13%	161.88%
Net Interest Income	**166.70%**	**29.09%**	**46.68%**	**48.36%**	**67.17%**
Income from Investment in securities	-44.43%	21.73%	34.60%	37.83%	17.90%
Commission, Exchange and Brokerage	-11.99%	23.74%	12.22%	10.89%	9.71%
Other Operating Income	-10.29%	25.44%	6.50%	2.92%	5.22%
Non-interest Income	**-66.70%**	**70.91%**	**53.32%**	**51.64%**	**32.83%**
Total Operating Income	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
Salaries and Allowances	-52.45%	74.81%	24.89%	14.58%	17.64%
Rent, Taxes, Insurances, Electricity etc.	-3.14%	3.92%	1.04%	0.73%	0.86%
Legal & Professional Fees	-0.86%	0.74%	0.85%	0.46%	0.42%
Postage, Stamps, Telecommunication etc.	-0.91%	1.61%	0.57%	0.37%	0.51%
Stationery, Printings, Advertisements etc.	-1.51%	5.11%	1.90%	1.42%	0.70%
Managing Director's Salary and Allowances	-1.74%	2.47%	0.86%	0.68%	0.57%
Directors' Fees and Conveyance	-0.45%	0.42%	0.21%	0.15%	0.16%
Auditors' Fees	-0.15%	0.22%	0.07%	0.07%	0.14%
Depreciation & Repairs of Assets	-13.81%	23.30%	6.71%	4.45%	7.26%
Other Expenses	-6.83%	9.68%	5.17%	3.26%	5.98%
Total Operating Expenses	**-81.87%**	**122.29%**	**42.26%**	**26.17%**	**34.25%**
Profit before Provision	**181.87%**	**-22.29%**	**57.74%**	**73.83%**	**65.75%**
Specific provisions for Classified Investment	29.78%	204.63%	10.53%	-5.41%	6.10%
General Provisions for Unclassified Investment	0.00%	0.00%	4.51%	16.72%	0.68%
Special Provisions for Unclassified Investment	0.00%	0.00%	-0.19%	7.40%	0.00%
Provisions for Other Receivables	0.00%	0.00%	2.23%	2.64%	2.71%
Provisions for Off-Balance Sheet exposures	0.00%	-0.68%	-0.17%	0.31%	0.00%
Provisions for Investment in Securities	-198.83%	5.58%	5.91%	6.10%	-4.92%
Total Provision	**-1816.15%**	**333.57%**	**22.82%**	**27.76%**	**4.57%**
Total Profit before Provisions for Taxation	**1998.02%**	**-355.85%**	**34.92%**	**46.07%**	**61.18%**
Current Tax Expenses	-8.54%	9.42%	7.80%	21.14%	19.67%
Deferred Tax Expenses/(benefit)	169.33%	-10.76%	-6.84%	-3.57%	-1.15%
Net Tax Expense	**160.79%**	**-1.34%**	**0.96%**	**17.57%**	**18.52%**
Net Profit after Taxation	**1837.23%**	**-354.51%**	**33.95%**	**28.50%**	**42.67%**

VERTICAL ANALYSIS
SOLO BALANCE SHEET

Particulars	2024	2023	2022	2021	2020
PROPERTY AND ASSETS					
Cash	**0.71%**	**0.65%**	**0.68%**	**0.59%**	**0.47%**
Cash in hand	0.00%	0.00%	0.00%	0.00%	0.00%
Balance with Bangladesh Bank	0.71%	0.65%	0.68%	0.59%	0.47%
Balance with other Banks and Financial Institutions	**8.08%**	**8.59%**	**6.57%**	**5.93%**	**4.34%**
Inside Bangladesh	8.08%	8.59%	6.57%	5.93%	4.34%
Outside Bangladesh	0.00%	0.00%	0.00%	0.00%	0.00%
Money at call and short notice	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Investment in Securities	**1.85%**	**2.29%**	**2.41%**	**1.51%**	**1.28%**
Government	0.00%	0.00%	-	-	-
Others	1.85%	2.29%	2.41%	1.51%	1.28%
Lease, Loans and Advances	**75.68%**	**76.45%**	**78.71%**	**79.97%**	**80.71%**
In Bangladesh	75.68%	76.45%	78.71%	79.97%	80.71%
Outside Bangladesh	-	-	-	-	-
Fixed Assets including Premises, Furniture and Fixtures	**3.58%**	**3.79%**	**3.27%**	**3.13%**	**3.30%**
Other Assets	**9.18%**	**7.04%**	**7.15%**	**7.59%**	**8.56%**
Non-Banking Assets	**0.92%**	**1.18%**	**1.22%**	**1.27%**	**1.33%**
Total Assets	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
LIABILITIES AND CAPITAL					
Liabilities					
Financing (Borrowings) from other Banks, Financial Institutions and Agents	**20.48%**	**23.25%**	**15.32%**	**14.98%**	**18.54%**
Deposits and other Accounts	**46.60%**	**49.14%**	**56.66%**	**57.24%**	**54.15%**
Term Deposits	46.29%	48.21%	56.26%	56.14%	50.43%
Other Deposits	0.20%	0.83%	0.34%	1.00%	3.03%
Advance Rent & Installments	0.11%	0.10%	0.06%	0.10%	0.69%
Bills Payable					
Other Liabilities	**62.19%**	**17.02%**	**10.55%**	**10.11%**	**9.80%**
Total Liabilities	**129.28%**	**89.42%**	**82.53%**	**82.33%**	**82.49%**
Capital/ Shareholders' Equity					
Share Capital	10.16%	10.42%	10.81%	10.62%	10.53%
Statutory Reserve	2.70%	2.77%	2.88%	2.77%	2.57%
General Reserve	0.00%	0.00%	0.00%	0.00%	0.00%
Revaluation Surplus on Land & Building	2.83%	2.92%	2.35%	2.46%	2.59%
Retained earnings	-44.97%	-5.53%	1.43%	1.83%	1.82%
Total Shareholders' Equity	**-29.28%**	**10.58%**	**17.47%**	**17.67%**	**17.51%**
Total Liabilities & Shareholders' Equity	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

VERTICAL ANALYSIS
SOLO PROFIT & LOSS ACCOUNT

Particulars	2024	2023	2022	2021	2020
Interest Income	-124.41%	573.73%	216.86%	168.09%	291.35%
Less: Interest paid on Deposits & Borrowings etc.	-245.99%	541.30%	157.19%	110.69%	204.74%
Net Interest Income	**121.58%**	**32.44%**	**59.67%**	**57.40%**	**86.62%**
Income from Investment in securities	-14.10%	28.32%	30.69%	38.73%	6.68%
Commission, Exchange and Brokerage	0.00%	1.25%	0.32%	0.56%	0.18%
Other Operating Income	-7.48%	37.99%	9.32%	3.32%	6.53%
Non-Interest Income	**-21.58%**	**67.56%**	**40.33%**	**42.60%**	**13.38%**
Total Operating Income	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
Salaries and Allowances	-33.48%	96.83%	28.85%	14.99%	18.49%
Rent, Taxes, Insurances, Electricity etc.	-1.66%	4.06%	0.99%	0.76%	0.98%
Legal & Professional Fees	-0.51%	0.59%	0.59%	0.49%	0.41%
Postage, Stamps, Telecommunication etc.	-0.43%	1.83%	0.63%	0.38%	0.46%
Stationery, Printings, Advertisements etc.	-0.96%	7.37%	2.42%	1.74%	0.85%
Managing Director's Salary and Allowances	-1.30%	3.84%	1.21%	0.86%	0.74%
Directors' Fees and Conveyance	-0.25%	0.50%	0.23%	0.13%	0.16%
Auditors' Fees	-0.08%	0.24%	0.07%	0.05%	0.12%
Depreciation & Repairs of Assets	-7.25%	25.63%	7.05%	4.34%	7.30%
Other Expenses	-3.86%	11.30%	6.26%	3.66%	3.38%
Total Operating Expenses	**-49.79%**	**152.18%**	**48.31%**	**27.41%**	**32.89%**
Profit before Provision	**149.79%**	**-52.18%**	**51.69%**	**72.59%**	**67.11%**
Specific provisions for Classified Investment	22.12%	318.03%	14.89%	-6.91%	7.90%
General Provisions for Unclassified Investment	0.00%	0.00%	6.38%	21.34%	0.88%
Special provisions for Unclassified Investment	0.00%	0.00%	-0.26%	9.45%	0.00%
Provisions for Other Receivables	-43.71%	-47.57%	3.15%	3.37%	3.51%
Provisions for Off-Balance Sheet exposures	0.00%	0.00%	-0.24%	0.39%	0.00%
Provisions for Investment in Securities	-10.71%	3.16%	-3.15%	-0.32%	-5.79%
Total Provision	**-1211.81%**	**512.92%**	**20.78%**	**27.32%**	**6.50%**
Total Profit before Provisions for Taxation	**1361.60%**	**-565.10%**	**30.92%**	**45.27%**	**60.61%**
Deferred Tax Expenses/(benefit)	100.95%	-9.78%	-3.08%	-3.90%	-1.38%
Current Tax Expenses	-1.87%	4.90%	3.51%	19.05%	22.35%
Net Tax Expense	**99.08%**	**-4.89%**	**0.42%**	**12.94%**	**20.97%**
Net Profit after Taxation	**1262.52%**	**-560.21%**	**30.49%**	**30.12%**	**39.65%**

SWOT ANALYSIS

With 26 years of successful operation as a trusted financial partner, Bangladesh Finance PLC has established itself as a leading financial solutions provider in the country. To better understand both its internal capabilities and external challenges, the company has employed the SWOT framework—analyzing its strengths, weaknesses, opportunities, and threats. This strategic approach enables Bangladesh Finance PLC to accurately assess its current market position, support informed decision-making, develop effective strategies, and proactively address potential risks. Through this continuous evaluation, the company is steadily strengthening its competitive edge and advancing toward its long-term strategic objectives.

Strength

- 26 years of heritage along with serving more than 40 thousand people in Bangladesh
- Stability and strength of finances
- A diversified and well-capitalized financial solution
- Leveraging high creditworthiness and financial stability
- Effective reduction of loan defaults
- Implementation of cutting-edge technologies with adaptable infrastructure.
- A capital adequacy ratio over the required level

Weakness

- Limited geographical presence outside major urban areas.
- Higher cost of capital as a result of constrained access to funding
- Lack of cohesive plan to implement in-house automation technology
- The reliance on regional economies and business culture necessitates increased R&D to generate new revenue opportunities

- Rigorous competition among growing non-banking financial institution
- Escalated liquidity risk due to potential regulatory changes
- Intense competition from banks appearing in corporate-lending
- Overexposure to cyber security threats along with advent of FinTech disruption
- Generated political and economic unrest that is impeding Bangladesh's export trade.
- Turbulent foreign exchange market

Threat

Opportunity

- Intensifying the financial inclusion and literacy through serving the large underserved market in the age of marginalized profit
- Volatility of the stock market
- Positive economic recovery as evidenced by Bangladesh's rising GDP
- Curtailed deposit rates by the commercial banks.
- Expanding into different geographic regions to meet evolving customer needs

PESTEL ANALYSIS

Political and Geopolitical Shift

Client Impact:
Adverse impact on revenue, disruption, constrained ability to access finance and unemployment.

Related risk for Bangladesh Finance PLC:
Regulatory risk, Strategic risk.

Impact On The Industry
• Stability in government policies can be beneficial for the overall growth of the financial industry.
• Arbitrary changes in regulations and policies may have an adverse impact on the industry.
• Future uncertainty may intensify as a result of political instability brought on by the public's shrinking faith

Opportunities

Bangladesh is becoming a key player geopolitically in shaping the future of Asia. Therefore, as a center of trade, Banking and Financial Institution sectors will play a crucial role.

Bangladesh Finance PLC interacts with regulatory bodies directly and through various associations, advocating for enabling policy environments that promote national and regional objectives, and beneficial socio-economic outcomes.

PURPOSE-DRIVEN ORGANIZATION

STRATEGIC RESPONSE
Bangladesh Finance PLC plans to monitor and scrutinize the government policies and regulations on a frequent manner to modify their offerings and internal guidelines accordingly. Such as disbursing more long-term loans to tackle to short term political instability.

DEGREE OF IMPACT

Economic Trends

Client Impact:
Adverse impact on revenue, constrained ability to access finance, unemployment and high gearing.

Related Risk for Bangladesh Finance PLC:
Financial crime risk, Credit risk, Market risk, Liquidity and funding risk.

Impact on the Industry

• Despite the economic slowdown, demand for private sector lending is increasing, which aligns with the observed rise in GDP growth rates in certain periods, possibly reflecting targeted recovery efforts or increased credit needs.
• Higher inflation may have suppressed demand for deposit products, as consumers could be altering their purchase behaviors due to decreased purchasing power or inflation expectations.
• Market Liquidity and Cost of Funds—particularly reduced deposit demand—may impact market liquidity and increase the cost of funds for financial institutions, affecting their lending capacity and financial stability.

Opportunities

Since Bangladesh's as well as global economy are sustaining economic reformation after COVID-19, investment and economic growth will heighten. Through strategic investments, Bangladesh Finance PLC can rip the advantage of such economic expansion and inaugurate itself as a prominent player in the sector. Also, increasing spread in FI sector directs toward higher interest income of Bangladesh Finance PLC.

STRONG GROWTH PROSPECTS

STRATEGIC RESPONSE
Bangladesh Finance PLC aims to intensely diversify its portfolio and investments to diminish the impact of economic fluctuations. Another measurement to consider is strengthening the credit-risk management team to deal with changing markets risk.

DEGREE OF IMPACT



Socio-cultural State

Client Impact:
Need to update skill sets and adapt business practices

Related risk for Bangladesh Finance PLC:
Strategic risk, Reputation risk.

Impact on the Industry

Improved social standards and quality of life are the result of rising GDP and per capita income driven by economic advancement in Bangladesh.

• The needs of consumers do, however, vary depending on where they are geographically located, as evidenced by the rising demand towards ecofriendly sustainable products.
• Income inequality and debatable per capita income still indicates towards the dynamism of Bangladesh's social structure.
• Digitalization and urbanization draw in more clients to meet the financing demands.

Opportunities

53% adult in Bangladesh is still outside the reach of financial services representing the under saturation of the financial industry. Bangladesh Finance intends to grab this portion as an opportunity to capture the financially excluded market. By maintaining a strong capital base, liquidity position and steady profitability level while adhering to regulatory requirements, Bangladesh Finance is able to maintain its reputation for reliability among customers and general public.

GROWING CLIENT BASE

STRATEGIC RESPONSE

Bangladesh Finance PLC plans to monitor and scrutinize the government policies and regulations on a frequent manner to modify their offerings and internal guidelines accordingly. Such as disbursing more long-term loans to tackle to short term political instability.

DEGREE OF IMPACT

Technological Future

Client Impact:

Enterprises and corporates expect embedded financial services, intuitive experiences, real-time individualized interactions and seamless service regardless of location

Related risk for Bangladesh Finance PLC:

Credit risk, Operational risk & Technological risk.

Impact on the Industry

• Adaption of Fintech is revolutionizing conventional financial products and service delivery.
• Govt. initiatives in Digital Bangladesh is immensely transforming the financial sector.
• Financial institutions can appraise the viability of investments, improve customer convenience, and operate more efficiently due to cashless transactions, big data, machine learning, artificial intelligence.
• However, Bangladesh has lower than 40% technology penetration rate, which require careful consideration immediately.

Opportunities

Bangladesh Finance is rapidly digitizing, and as a result, it will be able to offer customers with complete automated financial services. Thus, it is expecting the prospect to minimize transaction costs as a result of suboptimality.
Services and reporting would continue uninterrupted due to its adaption of remote access facilities and digitized account opening system.

DIGITIZATION OF BANGLADESH FINANCE PLC

STRATEGIC RESPONSE

To provide clients with improved value propositions, Bangladesh Finance strives to move fundamentally toward a sound digital eco financing through task automation along with product digitization. It aims update IT security systems to eradicate the risk of cyber threats.

DEGREE OF IMPACT

Environmental State

Client Impact:
Have to adapt with the changing business behavior

Related risk for Bangladesh Finance PLC:
Strategic Risk, Operational risk.

Impact on the Industry
Bangladesh is extremely susceptible to the environmental deterioration brought on by climate change.
• The financial sector is mandated to invest in green practices, with a higher priority placed on environmental compliance.
• To promote sustainability, the government may commence giving tax rebate to industries that operate sustainably

Opportunities

Bangladesh Finance is focusing on reducing usage of energy, water & waste. Usage of energy & water is reduced by 9.8% from last year in Bangladesh Finance. Employees of Bangladesh Finance are encouraged to use electronic platform form communication, thereby minimizing the need of print. During 2024 we saved 1,040,000 Paper Sheets by transferred to digital platforms. In a nutshell Bangladesh Finance is taking strategic initiatives to be a green financial institution.

TOWARDS BECOMING A GREEN FINANCIAL INSTITUTION

STRATEGIC RESPONSE
Bangladesh Finance PLC intends to be known as a model environmental steward. Hence, it integrates sustainability into the core business strategy in order to avoid contributing to adverse social and environmental impacts at any level across the business.

DEGREE OF IMPACT

Legal/Regulatory State

Client Impact:
Costly and time-consuming processes to ensure regulatory compliance.

Related risk for Bangladesh Finance PLC:
Market Risk, Strategic Risk, Legal Risk, Liquidity Risk.

Impact on the Industry

• To prevent corporate failures and discrepancies, regulatory measures are being reinforced in the industry.
• In order to resurrect the post-pandemic economy, Bangladesh Bank has been actively providing the necessary policy support.
• The main objective of the policies is to provide Banks and FIs with low-cost funding.
• Due to the rising usage of e-commerce in this industry, there are stringent compliance laws to prevent money laundering, and online payment fraud.

Opportunities

Bangladesh Finance PLC seeks to assist its clients manage their regulatory and compliance risk profiles by utilizing its understanding of various laws, regulations, and legislation in different nations. The risks associated with legal factors can be eliminated by close monitoring and reporting to the Board by the compliance unit on the company's adherence to different regulatory standards.

STRONG ETHICAL CULTURE

STRATEGIC RESPONSE
Bangladesh Finance PLC ensures strict verification of documents to comply with all applicable laws, regulations, and industry standards. Along with securing departmental compliance, it aims to confirm that every employee is informed and equipped to identify and report suspicious actions.

DEGREE OF IMPACT

COMPETITIVENESS AND OUR RESPONSES

At Bangladesh Finance, we remain mindful of our operating environment that is characterized by a high degree of competitive intensity. Yet, we are also focused on growing the share of the market in the true spirit of financial inclusion, as nearly half of Bangladesh remains outside of the formal banking territory. Thus, onboarding the SME customers, women entrepreneurs, small shopkeepers, agro-based industries are our main focus. We fulfill our objectives through key thrusts, including:

- Digital innovation
- Personalized solutions
- Superlative customer experiences
- Service excellence

As a financial institution with a longstanding heritage, we are focused on operating our business efficiently, managing risk prudently and delivering value to our clients and stakeholders. Thus, though the competitive intensity is high, our key competitive differentiators enable us to carve a niche and hence ensure sustainable growth.

THREAT OF SUBSTITUTE PRODUCTS

Factors influencing Threat of Substitute Products

- Threat of substitutes is negligible in the context of Bangladesh, as there is no direct replacement of credit/ deposit products in the economy
- However, suppliers accepting payments from customers in EMI (equated monthly installments), as a means of financing is a rising threat
- FinTech/digital first entities, although operating on a limited scale in the country, may represent a threat in the future

Our Response and Strategy formulation

- We focus on innovation on digitization of products and services that enable us to stave-off any substitute threats
- With our proven financing solutions, we ensure that our customers enjoy a diverse choice of financing options that meet their specific needs, thus ensuring another front to counter the risk of substitution

THREAT OF NEW ENTRANTS

Factors influencing Threat of New Entrants

- The threat of new entrants in the financial sector is relatively low on account of enormous upfront capital requirements being a deterrent to new players
- This threat is contingent on regulators' decision to award new FI licenses
- However, established FIs in other countries could enforce greater competitive intensity if regulator permits them to operate in Bangladesh

Our Response and Strategy formulation

- Entering the market and competing on the same scale is not easy for a new FI. New entrant/s would have to establish a significant brand identity and delivery channel
- We are relentlessly focusing on tech and digital banking to maintain our competitive lead
- As a FI with a customer-first philosophy, we believe our continuous focus on excellence will help prevent any competitive pressures from new entrants.

LOW **MODERATE**

RIVALRY AMONG COMPETITORS

Factors influencing Rivalry among Competitors

- Competition in the domestic banking industry is very high, with 61 scheduled banks, 5 non-scheduled banks and 34 financial institutions (FIs) competing for share of a highly concentrated industry
- Non-differentiated products and services among competitors, insignificant brand loyalty of customers and high exit barriers induce greater competitive intensity

Our Response and Strategy formulation

- We focus on financial inclusion and empowerment as a means to onboard customers that are unbanked or underserved
- We offer the most favorable rates on our deposit products with personalized service
- We foster enhanced customer trust through our strong and dependable governance practices
- We demonstrate empathetic, speedy and sensitive customer service and prompt grievance resolution that only helps build customer confidence

BARGAINNING POWER OF SUPPLIER

Factors influencing Bargainning Power of Supplier

- Depositors comprise the primary source of fund providers and hence they are a major supplier group for the industry
- The threat from individual depositors is higher, similar to their bargaining power
- Major corporate customers and high net-worth individuals have influence on account of their typically more sizeable deposits
- Suppliers of goods and services have very low bargaining power, but large IT service/infrastructure providers exercise a higher power because of their size

Our Response and Strategy formulation

- We offer the most attractive interest rates on deposits, strengthened by our ability to draw low-cost funds through our superior credit ratings
- We offer a wide range of fixed deposit products across varying maturities that meet the myriad financial and socio-economic needs of our deposit-holders
- We manage bargaining power of goods and services suppliers through best practices in terms of our procurement policy

HIGH



BARGAINING POWER OF BUYER

Factors influencing Bargaining Power of Buyer

- Large corporates and high net-worth individuals can exert influence on us
- Low switching costs enforces higher competitive intensity
- Location-agnostic services (alternative delivery channels, digital channels, etc.) can help sway customer decisions

Our Response and Strategy formulation

- We focus on service as key differentiator. While it may be easy to copy a product, it is impossible to replicate service
- We offer amongst the industry's lowest loan TAT (turnaround time) to eligible borrowers
- Our digital product ensure banking at the fingertips.
- We focus on developing best-fit personalized product offerings that meet precise customer needs and expectations

STRATEGIC URBANIZATION FOR NATIONAL TRANSFORMATION

Urban planning in Bangladesh faces a turning point as rapid urbanization demands sustainable, inclusive, and resilient solutions. With over a third of the population in cities, planning must address housing, congestion, and inequality. Guided by national goals and the SDGs, efforts focus on balanced growth, infrastructure, and governance for future-ready cities.





DIRECTOR'S REPORT TO THE SHAREHOLDERS

Dear Shareholders,

The Board of Directors of Bangladesh Finance PLC is pleased to welcome you to the 26th Annual General Meeting (AGM) of the company and present before you the Annual Report along with the Audited Standalone and Consolidated Financial Statements for the year ended December 31, 2024. The report includes a brief elaboration on the review of the business and its financial performance, as well as the underlying forces that have had an influence on them. This report has been prepared in compliance with section 184 of the Companies Act 1994, The Finance Company Act 2023 and the guidelines issued by Bangladesh Securities and Exchange Commission (BSEC), Bangladesh Bank and other regulatory authorities.

Global Economy

In 2024, the global economy continued its trajectory toward stabilization, supported by decreasing inflationary pressures, moderated interest rates, and improved supply chain conditions. However, several challenges persisted, including geopolitical conflicts, the ongoing energy transition, and increasing sovereign debt. Despite these hurdles, the year was marked by cautious optimism. Major economies managed to balance the normalization of monetary policies with the necessity to sustain economic recovery.

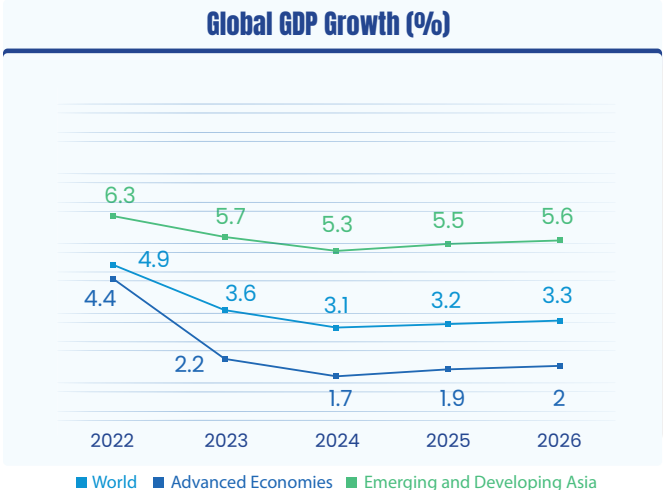
The emphasis on green investments, digital transformation, and regional supply chain integration became more prominent as countries aimed to enhance long-term resilience. The global macroeconomic environment saw modest improvements due to stronger consumer spending in advanced economies, fiscal support in key emerging markets, and China's continued economic reopening. Nonetheless, uncertainty remained due to the enduring impacts of the Russia-Ukraine conflict, climate-related disasters, and the potential fragmentation of global trade and investment flows.

Global GDP Growth

The global economy has experienced a notable slowdown in growth following a strong post-pandemic rebound. After expanding by 4.9% in 2022, global GDP growth moderated to 3.6% in 2023 and is projected to ease further to 3.1% in 2024. However, a gradual stabilization is expected, with growth forecast to reach 3.2% in 2025 and 3.3% in 2026.

Advanced economies have faced a sharper deceleration. Growth declined from 4.5% in 2022 to 2.2% in 2023 and is expected to slow further to 1.7% in 2024. A modest recovery is anticipated thereafter, with growth picking up to 1.9% in 2025 and 2.0% in 2026. The weaker outlook reflects tighter monetary policies, subdued consumer demand, and lingering inflationary pressures.

Meanwhile, emerging and developing Asia continues to be the key engine of global growth. The region posted a robust 6.3% growth rate in 2022 and 5.7% in 2023. While a slight dip to 5.3% is expected in 2024, growth is projected to rebound to 5.5% in 2025 and 5.6% in 2026. This resilience is underpinned by strong domestic demand and investment, particularly in major economies such as China, India, and those in the ASEAN bloc.



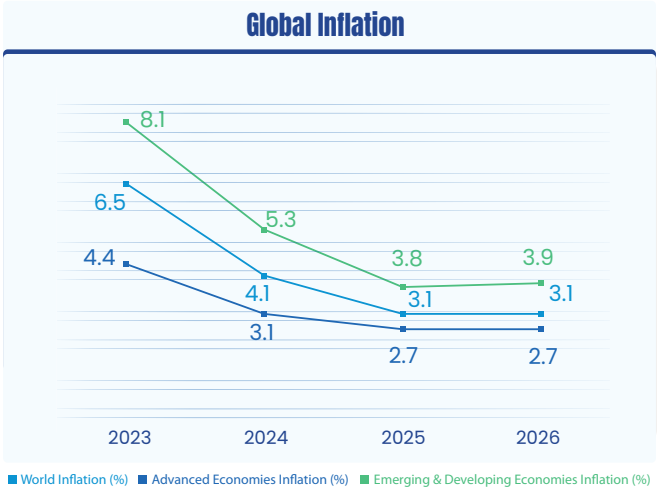
Global Inflation

Global inflation surged in 2022 due to supply chain disruptions, soaring energy prices, and geopolitical tensions, notably the Russia-Ukraine conflict. According to the IMF, inflation reached unprecedented levels in 2022. However, a decline to 6.8% was observed in 2023, primarily due to aggressive interest rate hikes by central banks, easing supply-side issues, and the stabilization of commodity prices.

Despite this reduction, inflation remains elevated, especially in energy-dependent economies and regions still facing food and energy shortages. By 2024, global inflation is expected to decrease to 5.9%, driven by continued monetary tightening in advanced economies and stabilized energy prices. The IMF notes that inflationary pressures will persist in emerging markets due to structural challenges and geopolitical instability, particularly as these regions rely heavily on imports of energy and food.

In 2025, inflation is projected to moderate to 4.5% as central bank measures take full effect. However, emerging markets may continue to face inflation challenges due to structural issues, limited access to affordable energy, and political instability. The IMF emphasizes that

while inflation will stabilize in most regions, developing economies may struggle with higher inflation rates due to external shocks.

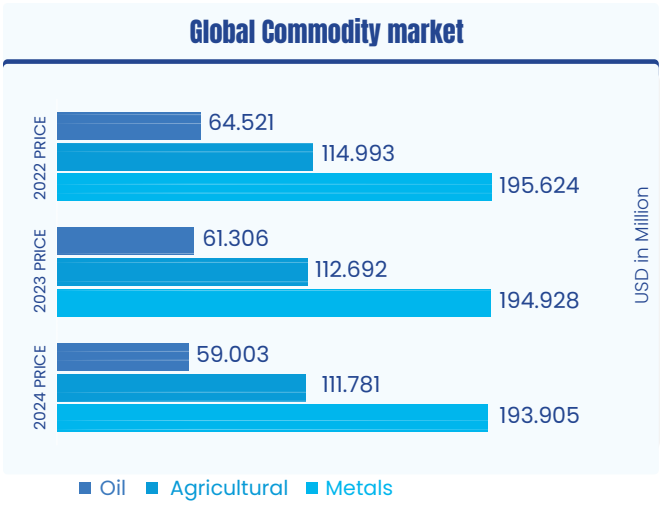


By 2026, global inflation is expected to stabilize at 3.5%, signaling the end of the post-pandemic inflation surge. The IMF projects a more balanced inflationary environment, supported by monetary and fiscal policies, improved energy markets, and more efficient supply chains. Despite this, risks such as climate change, energy price volatility, and geopolitical tensions could cause temporary inflation spikes in certain regions.

The IMF's analysis underscores the need for sustained cooperation between governments, central banks, and international organizations. Structural reforms to improve productivity and ease supply constraints are crucial to combating persistent inflation. While monetary policies will be key, fiscal policies to support vulnerable populations are equally important. Multilateral cooperation, especially in accelerating the transition to green energy, is also vital for long-term inflation management.

Global Commodity Market

The Global Commodity Market graph displays the prices of Oil, Agricultural commodities, and Metals for the years 2022, 2023, and 2024. The graph shows a noticeable decline in prices across all three commodities over the period, with Oil experiencing the sharpest drop. In 2022, the price of oil stood at $64.521 per barrel, reflecting the surge in oil prices due to the Russia-Ukraine conflict. However, by 2023, the price decreased to $61.306 per barrel and continued to decline to

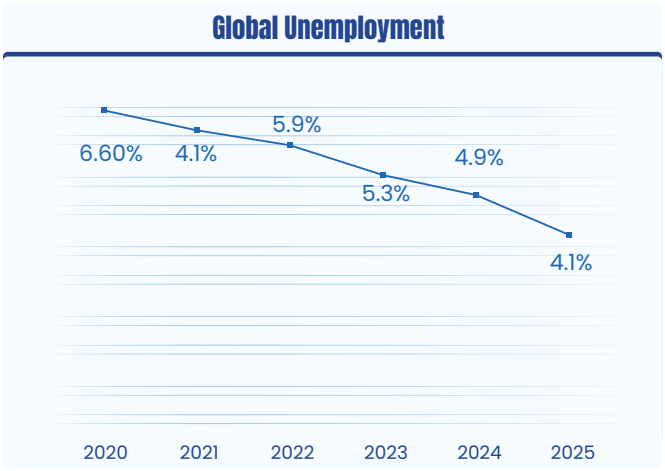


$59.003 per barrel in 2024. This decline is attributed to synchronized interest rate hikes by central banks and a slowing global economy, particularly in energy demand.

In contrast, Agricultural commodities saw a relatively smaller decrease in price, moving from $114.993 in 2022 to $112.692 in 2023, and then to $111.781 in 2024. While agricultural prices also faced downward pressure due to broader economic challenges and geopolitical tensions, they remained more stable than oil. Similarly, Metals prices, which were $195.624 in 2022, decreased slightly to $194.928 in 2023 and $193.905 in 2024. Metals experienced a more gradual decline, likely driven by steady demand from industrial sectors and infrastructure projects, particularly in emerging economies.

Global Unemployment

As of April 2025, the global unemployment rate has stabilized at approximately 5.0%, maintaining the historic low reached in 2024. The International Labour Organization (ILO) projects this rate to remain



steady through 2025, with a slight decrease to 4.9% anticipated by 2026.

This stability reflects a broader economic recovery following the COVID-19 pandemic. However, the recovery is uneven across different regions and demographic groups. Youth unemployment remains significantly higher, with a global rate of 12.6% in 2024. The ILO forecasts a modest decline to 12.8% by 2025.

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This stability reflects a broader economic recovery following the COVID-19 pandemic. However, the recovery is uneven across different regions and demographic groups. Youth unemployment remains significantly higher, with a global rate of 12.6% in 2024. The ILO forecasts a modest increase to 12.8% by 2025.

Gender disparities persist, particularly in low-income countries. In 2024, the jobs gap for women in these regions was 22.8%, compared to 15.3% for men. This gap is attributed to factors such as unequal access to employment opportunities and a disproportionate share of unpaid care responsibilities borne by women.

The ILO emphasizes the need for inclusive policies that address these

disparities. Recommendations include investing in education and skills development, promoting gender equality in the labor market, and creating opportunities for youth employment. Such measures are crucial to ensure a more equitable and sustainable recovery in the global labor market.

World Economic Outlook 2025

According to the **January 2025 edition** of the *World Economic Outlook (WEO)*, global growth is projected to remain steady at **3.3%** in both **2025 and 2026**. This forecast aligns with the projections made in October 2024 and reflects resilience in certain advanced economies—particularly the United States. However, growth prospects in many emerging markets and developing economies remain subdued. Overall, global growth continues to lag behind the **2000–2019 average of 3.8%**.

The stabilization in economic activity is being supported by **moderating inflation**, **cautious monetary policy**, and **improving supply conditions**. Global inflation is forecast to decline from **5.8% in 2024** to **4.2% in 2025**, and further to **3.5% in 2026**. Despite this progress, inflation will still remain slightly above the pre-pandemic average of 3.5%. Disinflation is proceeding at varying speeds across regions, with **advanced economies** expected to reach their inflation targets more quickly than **emerging and developing economies**, due to differing monetary frameworks, wage trends, and currency movements.

While risks to the outlook remain tilted to the downside, they have moderated since late 2024. **Potential upside risks** include stronger-than-expected boosts from real income gains and faster normalization of global supply chains. **Key downside risks** include:

- Renewed inflationary pressures from **commodity price shocks**,
- Intensified **geopolitical tensions**, particularly in the Middle East,
- And **financial market volatility** linked to tighter global financing conditions.

High **public and private debt levels**—especially in emerging markets and low-income countries—pose additional financial vulnerabilities. In this context, the priority for most economies remains achieving **durable disinflation**, while ensuring **financial stability** through vigilant use of macroprudential tools.

The WEO emphasizes the need for:

- **Stronger sovereign debt resolution frameworks**, particularly to mitigate default risks in low-income countries,
- Continued structural reforms, including investment in **digital infrastructure** and **productivity improvements**, to bolster medium-term growth,
- Better-targeted **fiscal support** for vulnerable households still impacted by elevated food and energy costs, while gradually phasing out broad-based fiscal measures to rebuild buffers and avoid reigniting inflation.

Lastly, the report underscores the importance of **multilateral cooperation** to safeguard the rules-based international economic order and to address pressing global challenges—most notably **climate change**. Meeting emissions targets, scaling up green investments, and mobilizing **climate finance** for a just transition in developing economies are crucial to ensuring long-term sustainability and shared prosperity.

Gender disparities persist, particularly in low-income countries. In 2024, the jobs gap for women in these regions was 22.8%, compared to 15.3% for men. This gap is attributed to factors such as unequal access to employment opportunities and a disproportionate share of unpaid care responsibilities borne by women.

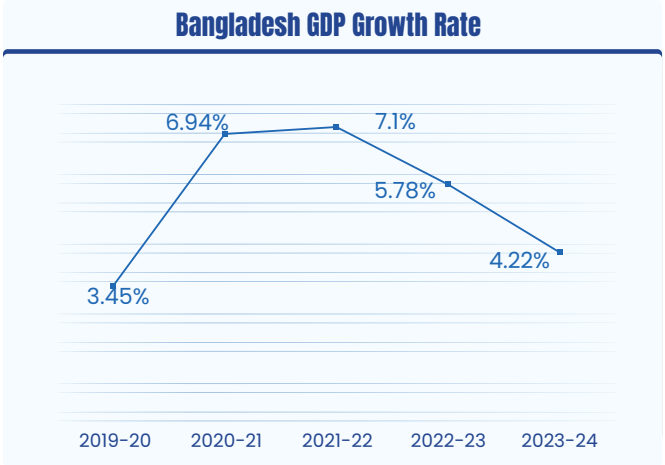
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Economy of Bangladesh

In 2024, Bangladesh's GDP growth declined to 4.22%, marking the second consecutive year of slowdown and the lowest rate in four years, amid global economic challenges including inflation, high interest rates, and geopolitical tensions. Key domestic issues such as weak industrial output, declining exports, currency depreciation, and structural weaknesses in banking, energy, and trade further strained the economy.

A major political shift occurred with the removal of Prime Minister Sheikh Hasina and the appointment of Muhammad Yunus as interim leader. Yunus prioritized structural reforms, youth empowerment, and entrepreneurship to stabilize the economy and address long-term vulnerabilities.

Despite transitional turbulence and policy execution challenges, international support and targeted interventions helped sustain economic momentum. Bangladesh's recovery will depend on maintaining fiscal discipline, driving sectoral modernization, and fostering inclusive growth to restore investor confidence and unlock long-term potential.

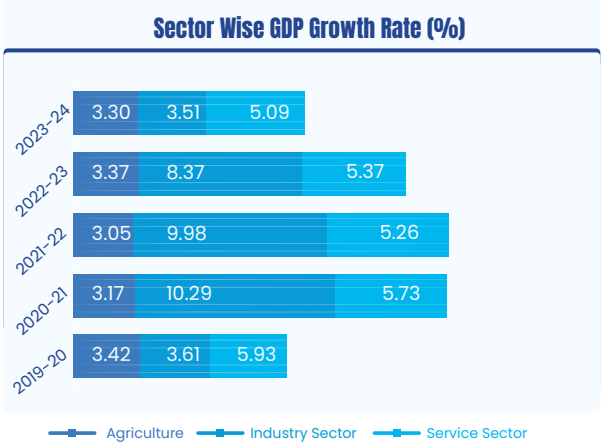


Sector wise economic progress

Bangladesh's sectoral economic performance in FY 2023–24 reflects a pressing need for strategic reforms to restore growth momentum. According to the Bangladesh Bureau of Statistics and Bangladesh Bank:

- **Agriculture** grew modestly at **3.30%**, supported by favorable weather and subsidies, but hampered by high input costs and labor shortages.
- **Industry** contracted by **3.51%**, driven by weakened global demand, energy supply issues, and challenges in the RMG and construction sectors.
- **Services** expanded by **5.09%**, led by ICT and finance, though inflation dampened consumer-facing services.

To foster sustainable recovery, the focus must be on modernizing agriculture, diversifying industry, boosting service sector innovation, and maintaining macroeconomic stability through coordinated policy action.



Bangladesh Budget at a Glance – FY24

Based on data from Bangladesh Bank, the national budget for Fiscal Year 2023–24 (FY24) was designed to tackle key macroeconomic challenges such as inflation, fiscal discipline, and economic recovery. The government set a total revenue target of BDT 5,00,000 crore, marking a 15.5% increase from the revised target of the previous fiscal year.

During the first quarter (July–September 2023), revenue collection amounted to BDT 93,787.2 crore, representing a 23.1% year-on-year increase, though it was 18.8% lower than the previous quarter. The National Board of Revenue (NBR) accounted for the majority of this, generating BDT 76,751.3 crore—comprising BDT 23,641.2 crore in direct taxes and BDT 53,110.2 crore in indirect taxes. Additionally, non-tax revenue stood at BDT 15,240.5 crore.

On the expenditure side, total government spending reached BDT 918.2 billion, which is 12.1% of the annual target. The quarter concluded with a fiscal surplus of BDT 71.2 billion, primarily financed through domestic sources, particularly from the banking sector.

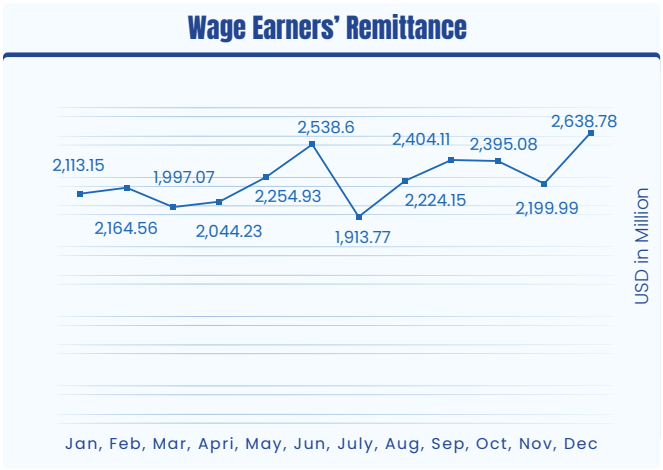
Remittance

In 2024, Bangladesh witnessed a resilient and seasonally influenced remittance inflow pattern, according to data from the Bangladesh Bureau of Statistics. The year began with stable inflows of around USD 2,100 million in both January and February. A modest decline occurred in March and April, with remittances dipping below USD 2,000 million, likely due to global economic conditions and post-holiday slowdowns.

Remittance flows rebounded in May, culminating in a peak of approximately USD 2,600 million in June, driven by increased transfers ahead of Eid-ul-Adha. This was followed by a typical post-festival dip in July, with inflows easing to just over USD 2,200 million.

August and September saw a gradual recovery, with remittances stabilizing between USD 2,300 and 2,400 million, a trend sustained through October. A brief decline occurred in November, before December closed the year on a high, again exceeding USD 2,600 million due to seasonal year-end transfers.

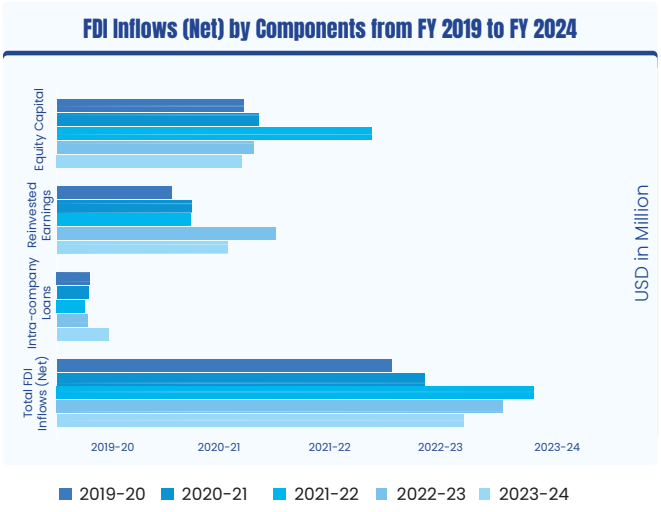
Overall, the 2024 remittance trend highlighted the enduring importance of the Bangladeshi diaspora in supporting the national economy—helping to strengthen foreign exchange reserves, stabilize the current



account, and bolster rural consumption across the country.

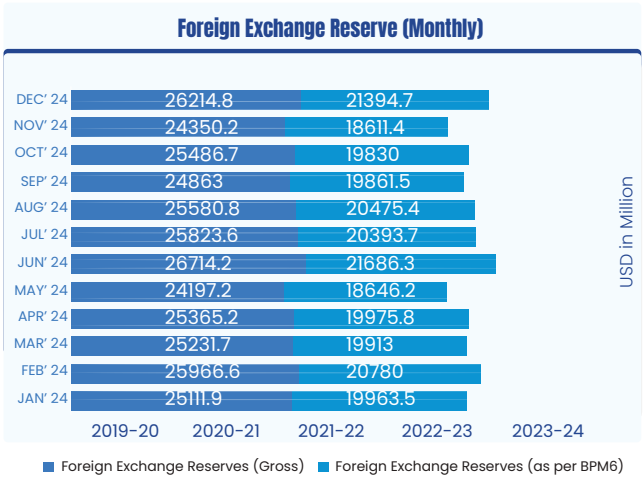
Direct Investment

According to data from the Bangladesh Bank, net Foreign Direct Investment (FDI) inflows for FY 2023–24 totaled USD 1,468.17 million—a slight decline from USD 1,609.77 million in FY 2022–23. Despite the dip, the FDI landscape remains relatively stable. Equity capital continued to lead among FDI components, while reinvested earnings saw notable growth. Intra-company loans, though the smallest contributor, also experienced a modest increase. This trend indicates sustained, albeit slightly moderated, investor confidence. To regain momentum and attract higher-quality, export-oriented FDI, Bangladesh must prioritize policy reforms and improvements in the ease of doing business.



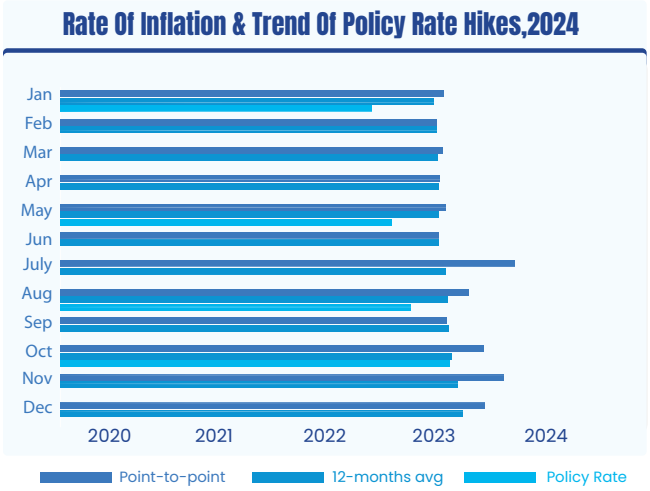
Foreign Exchange Reserve

In 2024, Bangladesh's foreign exchange reserves saw significant fluctuations. By December, gross reserves stood at USD 26.21 billion, while reserves adjusted under the BPM6 methodology were USD 21.42 billion—down from USD 27.13 billion in December 2023. This decline highlights persistent economic challenges, including a dollar shortage and rising import costs. Nevertheless, the reserves remained adequate, covering approximately 4.8 months of projected imports.



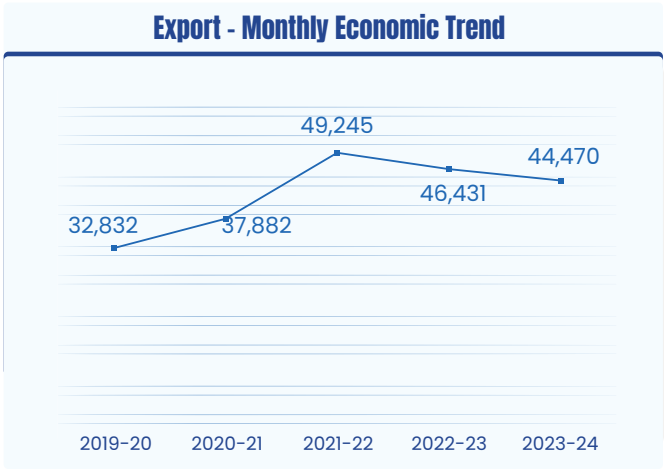
Inflation

Throughout 2024, Bangladesh faced persistent inflation, fueled by political instability, supply-side disruptions, and currency depreciation. In response, the Bangladesh Bank implemented several policy rate adjustments aimed at curbing inflationary pressures and maintaining macroeconomic stability. Inflation is projected to reach double digits in FY 2024–25, with the World Bank forecasting a high yet moderate rate of 9%. The IMF has recommended further policy rate hikes to help contain inflation. According to IMF projections, inflation is expected to stabilize around 10% in 2025 and gradually decline to 7% by late 2026.



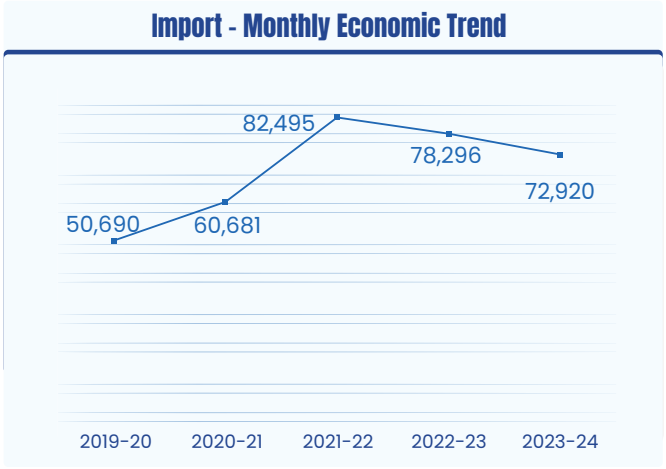
Export

Between FY2019 and FY2024, Bangladesh's export performance experienced significant fluctuations. Exports reached a peak of USD 49,245 million in FY2021–22, before declining to USD 46,431 million in FY2022–23 and an estimated USD 44,470 million in FY2023–24, according to revised data from the Bangladesh Bank. This downward trend—driven in part by a slowdown in the ready-made garments sector—highlights the urgent need for strategic measures to strengthen export resilience and boost competitiveness.



Import

Between 2019 and 2024, Bangladesh's import performance saw notable volatility. In FY2022–23, imports fell by 5.09% to USD 78,296 million, largely due to central bank-imposed restrictions intended to address a dollar shortage. These measures led to reduced imports of capital machinery and industrial raw materials. The downward trend persisted in FY2023–24, with imports declining further by 6.87% to USD 72,920 million, reflecting continued economic challenges and the impact of ongoing policy interventions.



Capital Market Overview

Dhaka Stock Exchange (DSE)

The Dhaka Stock Exchange (DSE) reported an annual market capitalization of BDT 6,621,373 million in 2024, marking a decline from BDT 7,702,322 million in 2023. In 2024, the Dhaka Stock Exchange (DSE) experienced significant volatility. In 2024, the Dhaka Stock Exchange (DSE) faced a challenging year, with the benchmark DSEX index declining by 16.5%, marking its steepest annual drop in four years. The blue-chip DS30 index also fell by 7%, closing the year at 1,918.06, down from its 52-week high of 2,197.04. Sectors such as Non-Bank Financial Institutions (NBFIs) underperformed significantly

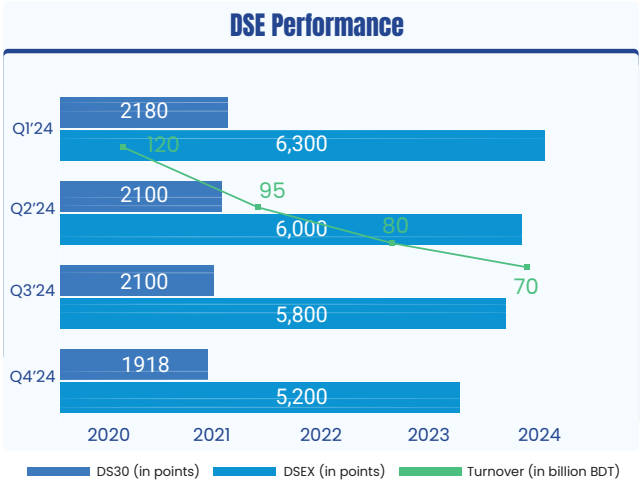
while banking and telecommunications showed relative resilience. Despite these setbacks, the market witnessed a brief rally in August following political changes, with the DSEX surging 3.77% in a single day.

Economic Outlook of Bangladesh 2025

Bangladesh's economic outlook for 2025 remains cautiously optimistic, marked by resilience amid ongoing macroeconomic headwinds. In 2024, the country contended with high inflation—averaging 10.26% as of March 2025—driven by surging food and energy prices. In response, the Bangladesh Bank upheld a contractionary monetary policy, maintaining the policy rate at 10% to rein in inflation. However, real GDP growth slowed to 1.81% in Q1 FY25, down from 3.91% in Q4 FY24, largely due to agricultural disruptions caused by severe flooding.

The World Bank has revised its 2024 growth projection for Bangladesh to 4.0%, citing a downturn in ready-made garment exports and episodes of social unrest. Despite these challenges, the IMF forecasts a gradual recovery, supported by ongoing monetary tightening and targeted fiscal reforms. To reinforce economic stability, Bangladesh secured over USD 2 billion in financing from the World Bank for structural reforms and disaster response initiatives.

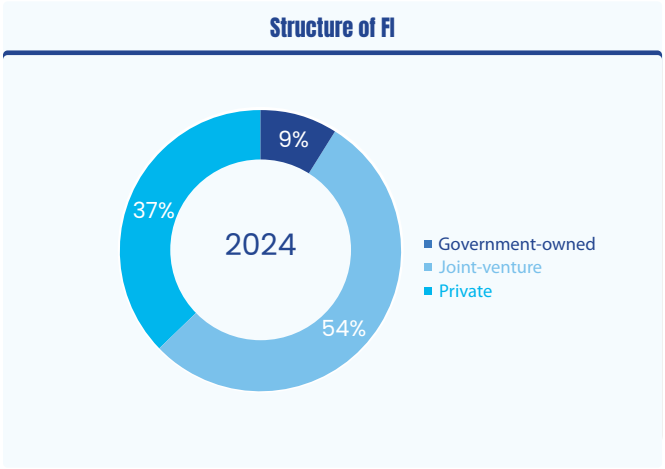
Looking ahead, the country's path to sustainable growth in 2025 will depend on continued policy reforms, improved governance, and strategic investments that can address structural vulnerabilities and enhance resilience.



NBFI Industry Outlook & Prospects

Finance Companies play a vital role in driving economic growth, supporting production, and generating employment in Bangladesh. They provide a diverse range of financial services, including term financing, SME financing, factoring, syndicated financing, equity investment, merchant banking, venture capital, and working capital financing. Finance Companies also offer specialized facilities such as asset-based lending, which requires minimal collateral—an important advantage for emerging and small enterprises, particularly SMEs. Additionally, their services in sales and service delivery help bridge connections between suppliers and purchasers, further facilitating business activities.

As of end-December 2024, a total of 35 Finance Companies were operating in Bangladesh, with one in the process of liquidation. Of these, 3 are fully government-owned, 19 are privately owned by local entities, and the remaining 13 operate under joint ownership involving both local and foreign stakeholders.



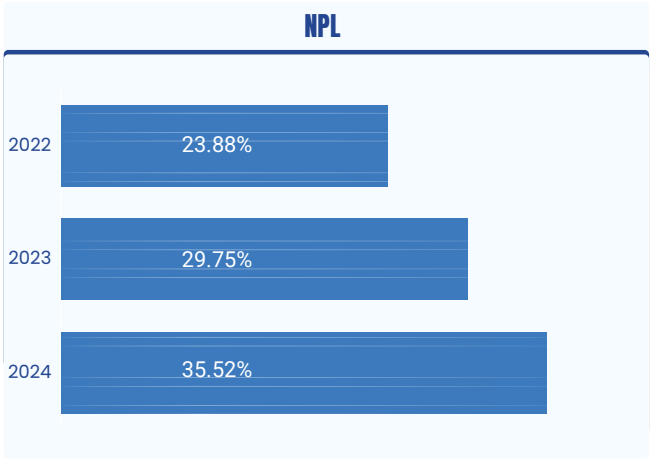
Industry Loan Portfolio

As of December 2024, the total loan portfolio of Bangladesh's non-bank financial institutions (NBFIs) stood at approximately BDT 736.63 billion, encompassing a broad spectrum of corporate and retail accounts. Although detailed data on the number of accounts and average loan sizes remain undisclosed, NBFIs continue to play a pivotal role in financing key sectors such as industry, trade, commerce, infrastructure, and consumer finance.

Despite their importance, the sector faces ongoing challenges, most notably a sharp rise in non-performing loans (NPLs), which reached 35.52% by the end of 2024. This alarming increase stems from longstanding issues including weak borrower selection processes, corporate governance deficiencies, and unresolved legacy defaults. In response, Bangladesh Bank has initiated a series of governance reforms aimed at restoring stability—such measures include the appointment of independent directors and strengthened regulatory oversight to enhance transparency and safeguard the financial health of the NBFI sector.

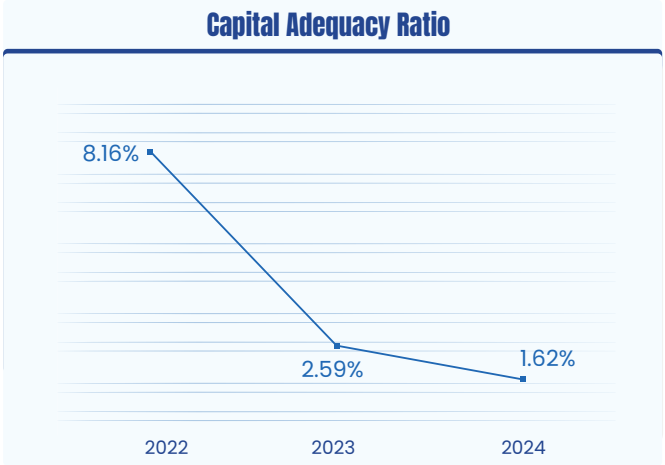
Classified Loans and Leases

As of September 2024, classified loans and leases in Bangladesh's non-bank financial institutions (NBFIs) sector rose to approximately BDT 261.63 billion, up from BDT 216.58 billion in September 2023. This reflects a year-on-year increase of 20.8%. As a result, the classified loan ratio climbed to 35.52% of total disbursed loans by September 2024, compared to 29.75% a year earlier—an increase of 5.77 percentage points, underscoring growing stress within the sector.



Industry CAR

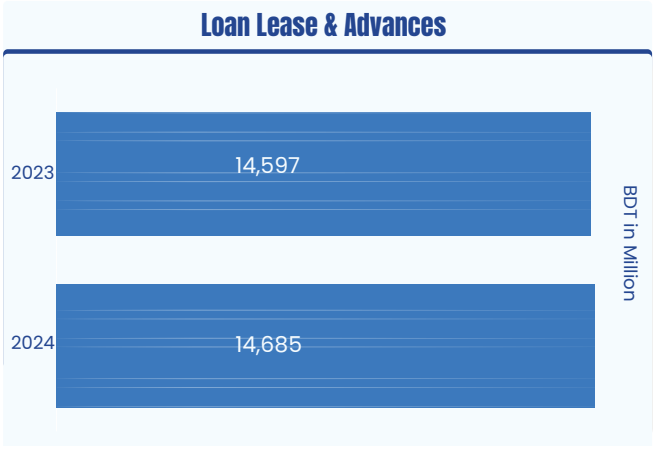
As of December 2024, the Capital Adequacy Ratio (CAR) of Bangladesh's Finance Companies fell sharply to 1.62%, well below the regulatory minimum of 10% mandated under the Basel II framework. This significant decline from 2.59% in the previous year underscores the mounting financial strain within the sector. The drop in CAR is largely attributed to increased provisioning requirements for non-performing loans and a continued deterioration in asset quality. Persistently high default levels have severely weakened the capital base of many NBFIs, compromising their financial stability and overall resilience.



KPIs of Bangladesh Finance in 2024

Loans, Leases, and Advances

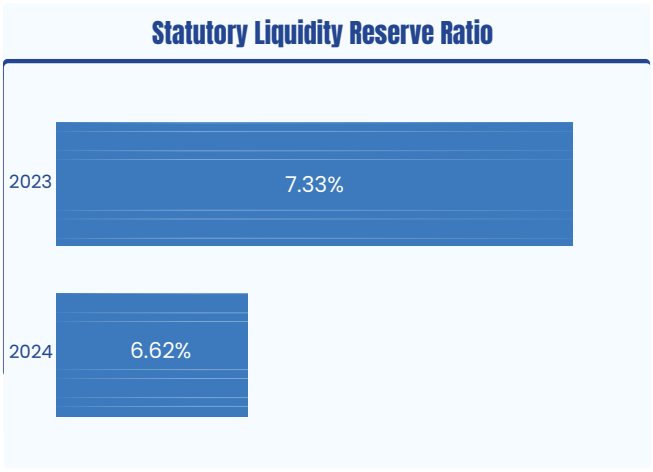
Bangladesh Finance aims to enhance its portfolio by acquiring high-quality assets and ensuring long-term growth. For a while, the banking industry has faced significant headwinds. Severe liquidity crises, reputational issues, and rising non-performing loans continue to be major concerns for the industry. Yet, during Bangladesh's 2024 economic recovery, Bangladesh Finance focused more on Bangladesh Bank refinance schemes to expand its loan portfolio and leveraged improved liquidity and credit demand to help productive sectors. As a result, the consistent rise in Loans, Leases, and Advances, which is total BDT 14,685 million by 2024, reflects responsible portfolio expansion. Stakeholders are assured that this expansion is consistent with risk-adjusted return targets, high asset quality, and national financial inclusion initiatives.



Statutory Liquidity Reserve Ratio

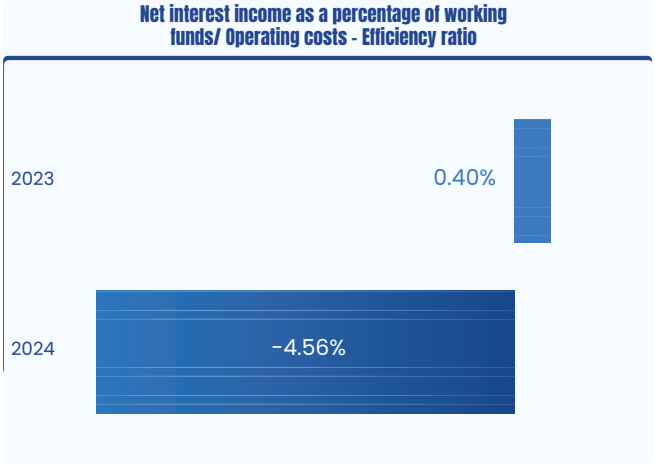
The reduction in the SLR to 6.62%, while remaining well above the regulatory requirement of 5%, reflects our strategic intent to enhance return on assets without compromising liquidity stability. The released capital has been prudently reallocated to high-performing, secured lending segments to drive long-term shareholder value.

Net interest income as a percentage of working funds/operating



Costs-Efficiency Ratio

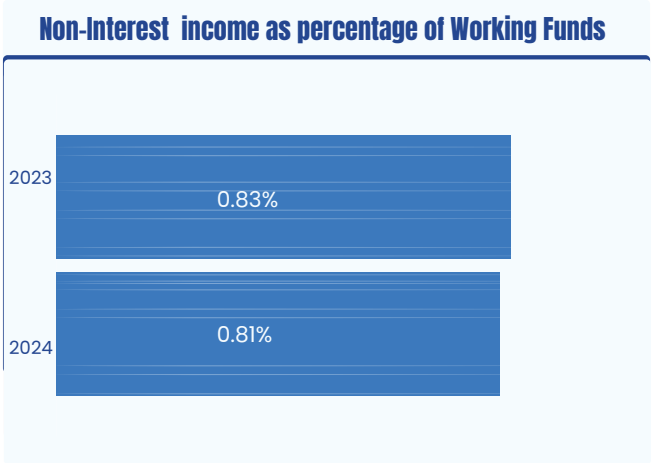
In response to deteriorating asset quality and in alignment with prudent accounting practices, Bangladesh Finance has opted to build up its interest suspense reserves to reflect a more resilient and risk-aligned income structure. Complimentarily, the FI is undergoing a comprehensive portfolio review, strengthening collection mechanisms, and implementing cost rationalization and asset recovery initiatives to restore profitability despite a short-term operating margin shrinkage.



Non-Interest income as percentage of Working Funds

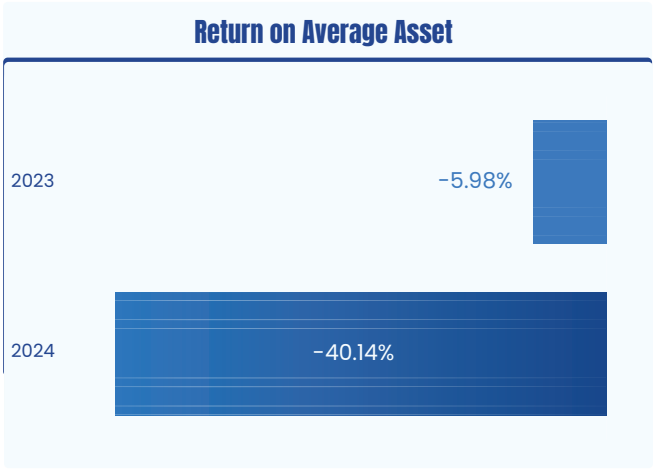
A decline in Non-Interest Income as a percentage of Working Funds from 0.83% to 0.81% during 2024, though numerically modest, holds strategic significance for Bangladesh Finance. It reflects a cautious recalibration of ancillary revenue streams in a challenging macro environment. To address this, the FI is initiating targeted strategies to scale diversified income channels while safeguarding core margins.

Return on Average Asset

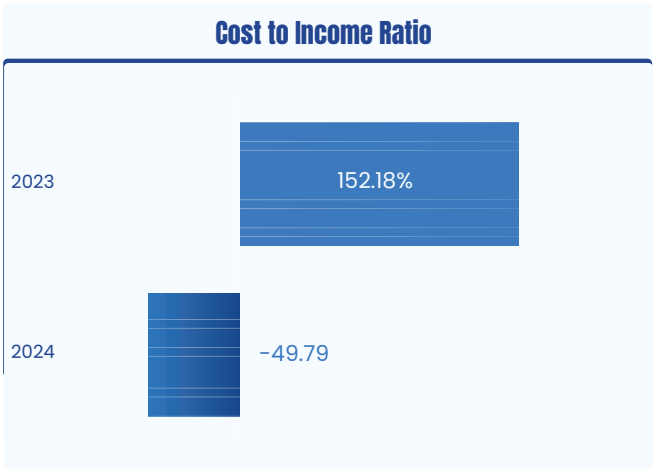


The steep decline in Return on Average Assets is attributed to exceptional one-time charges, portfolio stress in specific sectors, and strategic investments that have yet to yield returns. While the headline figure appears severe, the management has initiated a multi-pronged recovery strategy focused on asset quality improvement, operating cost rationalization, and revenue diversification. Bangladesh Finance remains committed to restoring profitability and ensuring long-term shareholder value.

Cost to Income Ratio

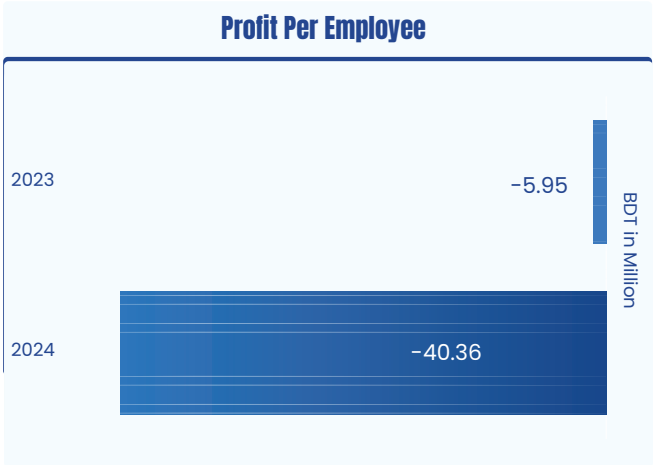


The negative cost-to-income ratio reflects a period of extraordinary stress, driven by a sharp drop in operating income due to market volatility, provisioning requirements, and a strategic pause in aggressive lending. While headline figures may appear distorted, the management of Bangladesh Finance is proactively executing a structural turnaround, focused on restoring income momentum, rationalizing operating costs, and strengthening the balance sheet to emerge more resilient and efficient in the coming quarters.



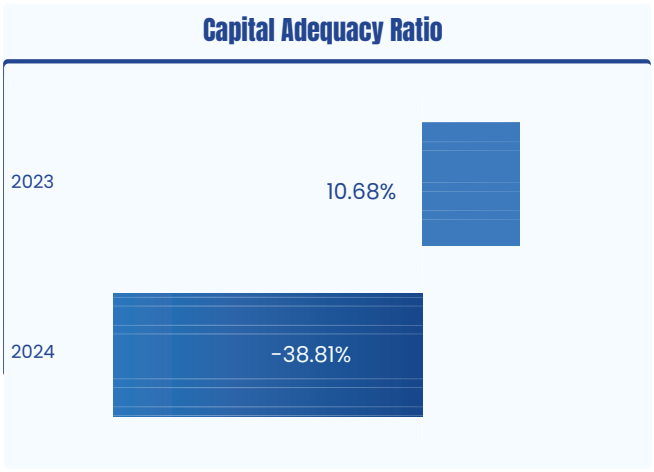
Profit per Employee

The decline in Profit per Employee reflects a confluence of elevated provisioning, revenue shortfall, and lagging cost rationalization during a turbulent financial period. While the headline number is adverse, it is a temporary reflection of our strategic pivot. The management has initiated a workforce productivity and cost optimization strategy to ensure alignment between human capital deployment and financial outcomes.



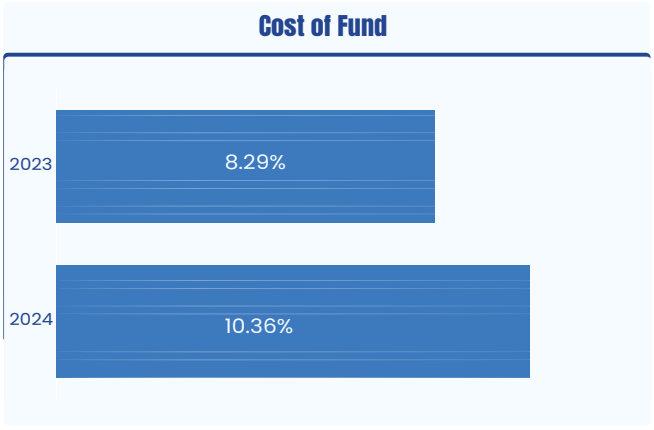
Capital Adequacy Ratio

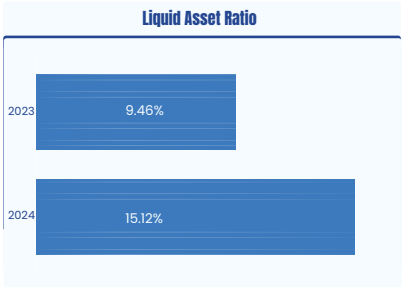
The negative Capital Adequacy Ratio reflects a series of extraordinary losses stemming from asset impairments and provisioning for non-performing loans. While this has resulted in regulatory non-compliance, the Board and management are engaged in an aggressive recapitalization and recovery strategy. We are in active discussions with potential investors and regulators to restore capital adequacy and ensure long-term institutional viability.



Costs of Fund

The rise in Cost of Fund to 10.36% is a reflection of market-wide interest rate pressures and a conservative shift in our funding mix towards more secure but slightly higher-cost instruments. While this has compressed margins in the short term, our liquidity profile remains strong, and we are actively pursuing strategies to diversify funding sources and reprice assets to protect long-term profitability.





Liquid Asset Ratio

The rise in our liquid asset ratio to 15.12% reflects a deliberate move to safeguard the institution's liquidity in a volatile environment. While profitability challenges remain under active remediation, Bangladesh Finance has prioritized balance sheet resilience and cash flow readiness to ensure uninterrupted obligations to customers, counterparties, and regulators. Our liquidity management framework remains aligned with prudential standards and supports our broader recovery strategy.

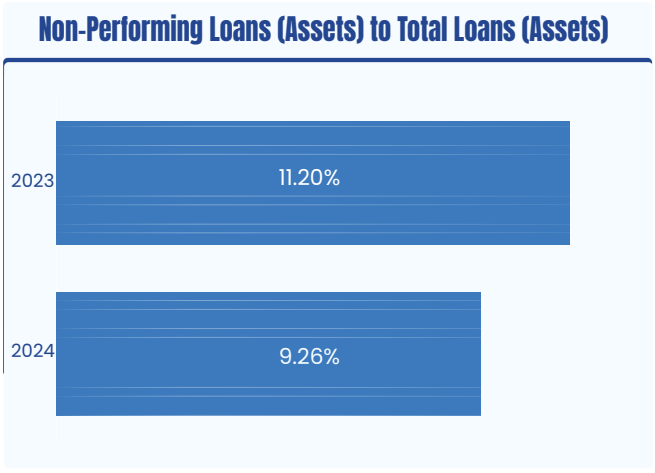
Dividend Cover Ratio

In 2024, the Dividend Cover Ratio for Bangladesh Finance remained zero. Given the institution's current financial position, including accumulated losses and regulatory capital shortfalls, the Board has prudently chosen to withhold dividend payments to preserve capital and strengthen the balance sheet. This conservative stance is aligned with regulatory guidance and reflects our commitment to long-term institutional stability and shareholder value protection. Once profitability and capital adequacy are restored, dividend distributions will be reviewed with the highest level of fiduciary responsibility.



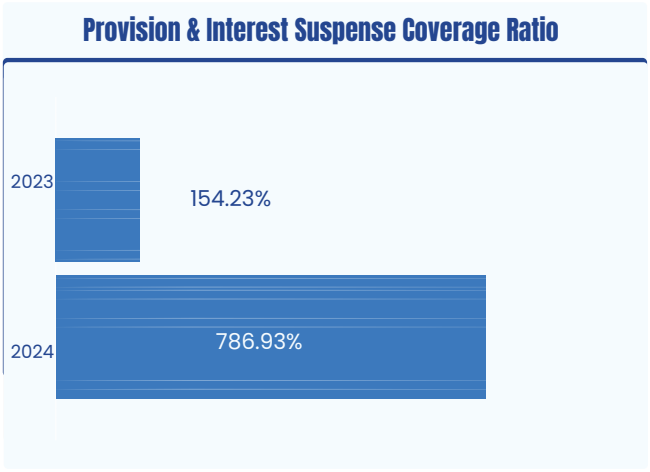
Non-Performing Loans (Assets) to Total Loans (Assets)

Bangladesh Finance is pleased to report a reduction in Non-Performing Loan ratio from 11.20% to 9.26%, reflecting the success of our enhanced credit risk management framework. This outcome stems from strengthened underwriting standards, targeted recovery efforts, and a disciplined approach to portfolio management. While challenges remain, this improvement marks an important step toward restoring asset quality and long-term financial stability.



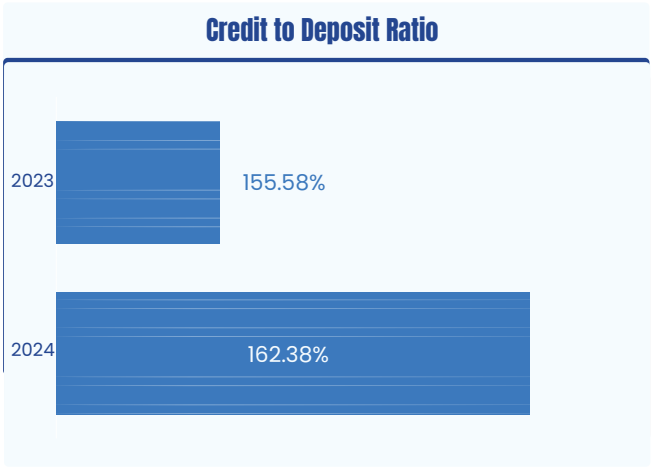
Provision & Interest Suspense Coverage Ratio

The significant increase in our Provision & Interest Suspense Coverage Ratio underscores our prudent, forward-looking approach to credit risk management. In light of evolving macroeconomic conditions and a comprehensive review of our loan book, we have taken the strategic decision to increase our provisioning buffers. This action is not a reflection of panic, but a calculated move to position the institution for sustainable recovery, greater transparency, and regulatory confidence.

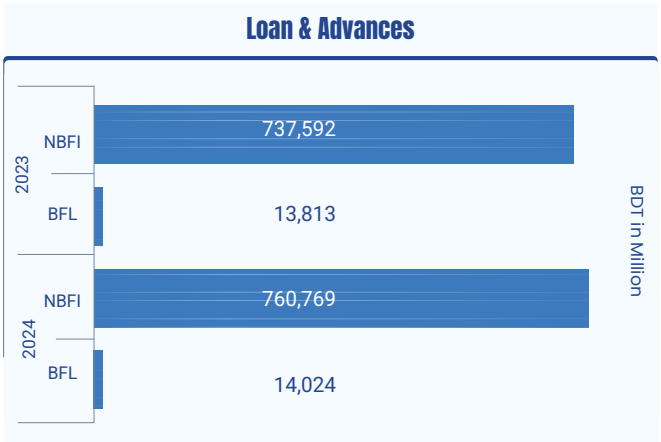


Credit Deposit Ratio

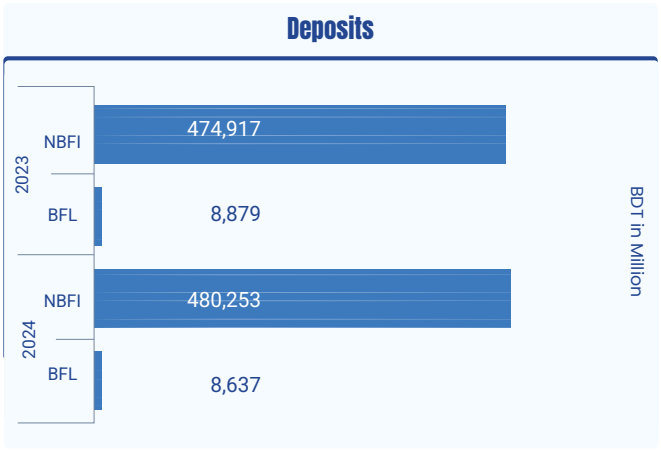
The Credit-Deposit Ratio has increased due to strategic credit expansion in high-yield, secured sectors and limited deposit mobilization capacity in the current environment. While this has helped grow our asset book, we recognize the structural imbalance it presents. Management has initiated a shift toward diversified funding sources and improved liability duration management to ensure long-term financial sustainability



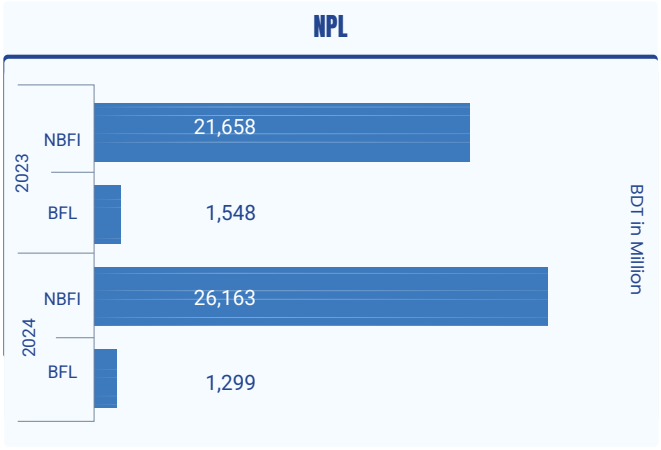
Market Share of Bangladesh Finance



Loan & Advances presents a comparative analysis of all the Financial Institutions (FIs) and Bangladesh Finance PLC over two fiscal years: 2023 and 2024. In 2023, FIs recorded a significant loan portfolio of 737,592 million BDT, whereas BFL posted a relatively marginal figure of 13,813 million BDT. By 2024, both entities showed an upward trend. FIs increased their loans and advances to 760,769 million BDT, reflecting a modest year-on-year growth. Whereby, BFL contributed a slight uptick to 14,024 million BDT.



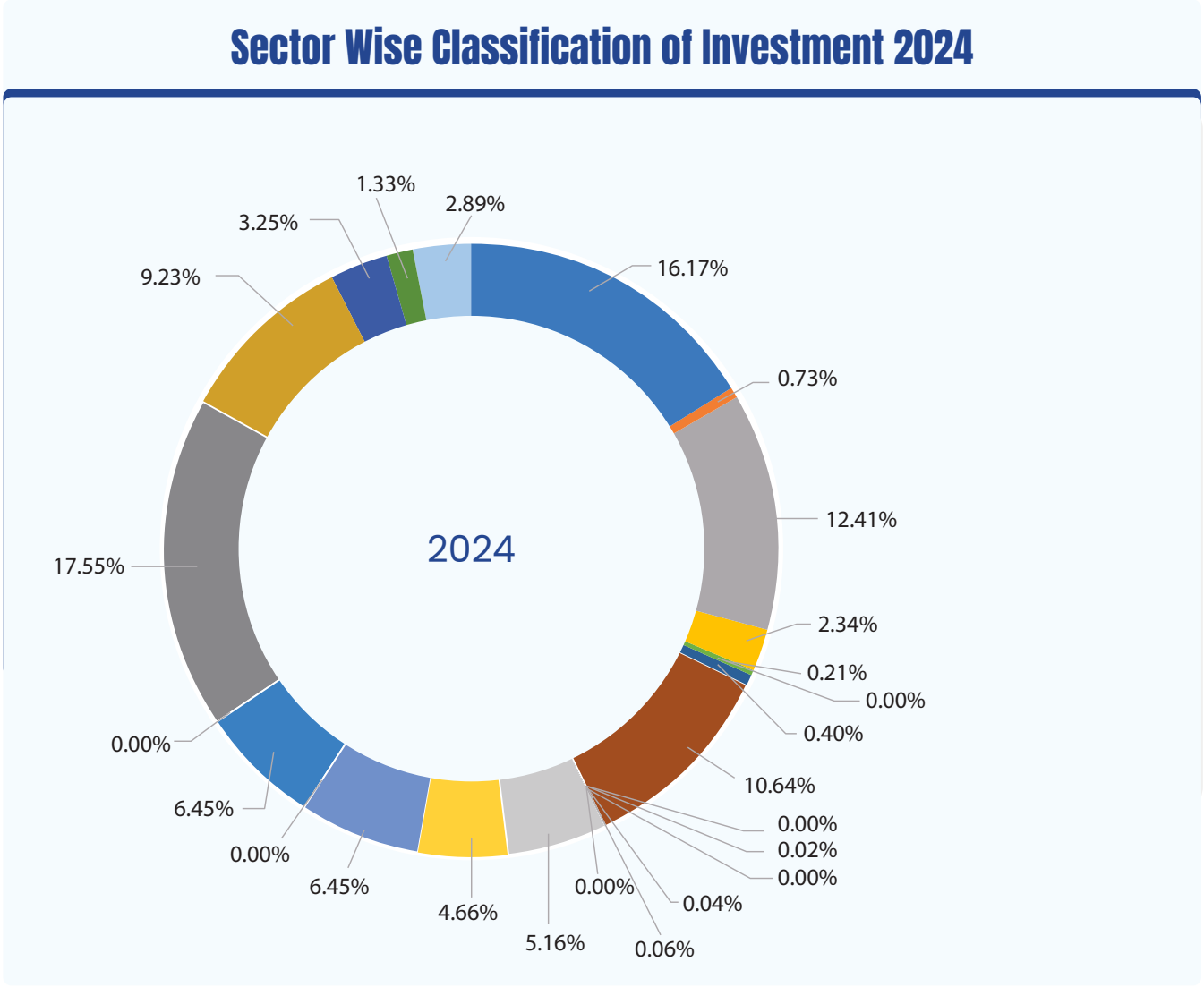
A comparative assessment of deposit volumes held by all the Financial Institutions (FIs) and Bangladesh Finance PLC, for the years 2023 and 2024. In 2023, FIs accumulated deposits totaling 474,917 million BDT, while BFL reported 8,879 million BDT. In 2024, deposits for FIs increased marginally to 480,253 million BDT, indicating stable but slow growth. Conversely, BFL experienced a slight decline and contributed 8,637 million BDT.



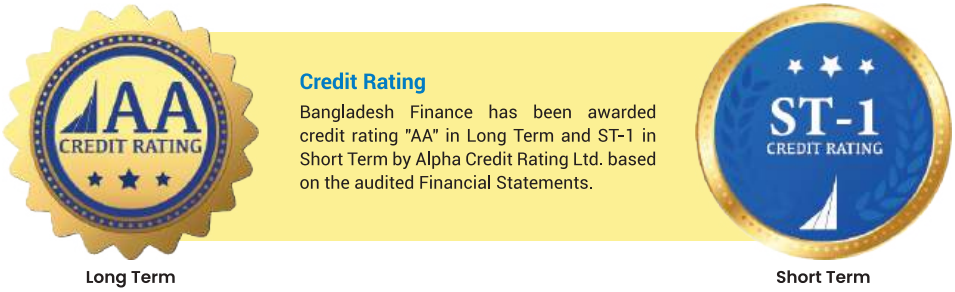
The NPL (Non-Performing Loans) provides a comparative analysis of asset quality between all the Financial Institutions (FIs) and Bangladesh Finance PLC for the years 2023 and 2024. In 2023, FIs reported NPLs totaling 21,658 million BDT, which escalated significantly to 26,163 million BDT in 2024—highlighting a deterioration in credit quality and potential stress in their lending portfolio.

In contrast, BFL demonstrated a more favorable trend. Its NPLs decreased from 1,548 million in 2023 to 1,299 million in 2024, indicating improved asset quality, more prudent lending practices, or effective recovery mechanisms.

Sector wise classification of Investment 2024



Credit Rating of Bangladesh Finance



Risk Management

Credit exposure is a core aspect of our business, and managing the associated risks in lending activities remains a critical challenge. At Bangladesh Finance, our risk management practices are undergoing a significant transformation, with an increased focus on the systematic analysis and assessment of lease and loan quality. We are developing both qualitative and quantitative measures to mitigate internal and external risks effectively.

Our credit operations are guided by a comprehensive credit policy, carefully designed to address all relevant risk factors. To ensure robust risk oversight, we have established several specialized committees, including the Credit Committee, Risk Management Forum, Internal Control and Compliance, and the Anti-Money Laundering/Central Compliance Unit. These committees meet regularly to evaluate risk-related issues and implement strategies for effective risk mitigation.

The Board of Directors plays a pivotal role in overseeing risk exposure, regularly reviewing and updating policies to strike a balance between risk and sustainable growth. While the Board defines the overarching risk policies, it is the responsibility of management to ensure their consistent implementation across the organization.

Appointment/Re-election of Directors

As per Articles 121, 126 and 127 of the Articles of Association of the Company which complying with the pertinent company law of the country, one-third of the Board of Directors (Excluding Managing Director and Independent Directors) shall retire by rotation. The following Directors were retiring from the office by rotation at the 25th Annual General Meeting held on 30 July 2024:

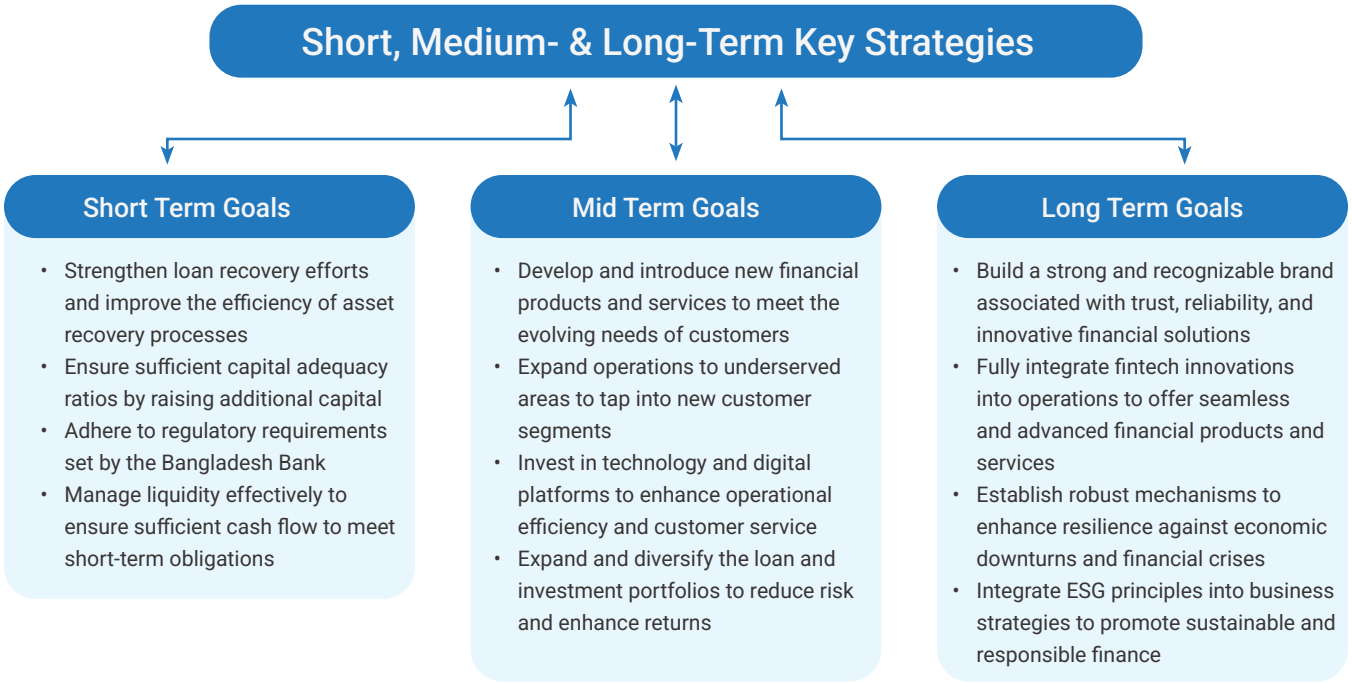
1. Ms. Fatema Begum
2. Mr. Md. Helal Chowdhury

The appointment of the following directors will be ratified/approved in the 26th AGM in line with DFIM Circular No. 1 dated 29 February 2024.

1. Mr. Kazi Rafiqul Hassan (Appointment of Independent Director Subject to approval of Bangladesh Bank)
2. Mr. Md. Asaduzzaman Khan (Nominated by Khaled Iron & Steels Ltd. Subject to approval of Bangladesh Bank)
3. Mr. Manwar Hossain (not eligible for re-election)
4. Mr. Furkaan Muhammad N Hossain (not eligible for re-election)

Short, Medium- & Long-Term Key Strategies of Bangladesh Finance and Process of Resource Allocation:

Bangladesh Finance prioritizes strategic target areas based on short-term, mid-term, and long-term goals to adapt to the changing financial market. It prioritizes sustainable business growth while protecting the interests of investors and stakeholders.



SUSTAINABILITY STRATEGY WITH MEASURABLE TARGETS

	Sustainable Strategy	Objectives/Targets
Financial capital	• Quality asset growth • Rationalize deposit and operational Expenses • Income increase through sustainable business	• Streamlined investment • operations and continuous follow up • Obtain small ticket size deposit and avoid unnecessary operating expenses • Introduced new products & restructuring existing products
Human Capital	• Create a performance driven Culture • Develop a highly motivated, qualified and experienced Team • Provide safe and healthy work environment	• Linking performance with reward • Attract qualified employees and provide learning opportunities • Recruit employees in line with growth of business • Arrange effective and timely training programs
Manufactured Capital	• Increase customer touch point • Provide a superior customer • experience • Deliver operational excellence by improving efficiency	• Expansion in geographical presence • Relocation with modern layouts • Investment in IT infrastructure and digitalization
Social and Relationship Capital	• Experience superior customer service • Improve customer loyalty • Sustain investor confidence • Supplier networking	• Continuous training on service excellence • Uninterrupted customer support during pandemic • Strengthen partnerships with suppliers • Engaging with the community

Responsibilities Towards the Staff (Including Health and Safety)

- **Respectful and Inclusive Work Environment:** Promote a culture of respect, openness, and collaboration that nurtures creativity and innovation among employees.
- **Ongoing Training and Professional Development:** Offer continuous learning opportunities to help employees stay ahead in the evolving financial services industry.
- **Competitive Compensation and Benefits:** Provide attractive salary packages complemented by bonuses, allowances, and comprehensive retirement benefits, demonstrating our commitment to employee welfare and financial stability.
- **Health and Safety Assurance:** Maintain a safe and secure workplace through the implementation of rigorous health and safety protocols. Additionally, promote staff well-being through wellness initiatives that support both physical and mental health.
- **Dedicated Medical Support:** Engage a full-time Medical Consultant to address health concerns, provide guidance, and raise health awareness within the organization.
- **Support for Employees' Families:** Extend support beyond the workplace by offering annual financial awards to employees' families and providing maternity leave benefits to assist new mothers during a vital period of transition.

IT Systems and Controls Including Data Privacy and Cyber Security:

Ensuring robust infrastructure and network security is a top priority for Bangladesh Finance. We deploy secure network systems fortified with advanced firewalls and encrypted data protocols to prevent unauthorized access and safeguard against cyber threats. Regular IT audits are conducted to identify vulnerabilities and ensure adherence to industry security standards.

To further enhance protection, we implement stringent access control mechanisms such as Role-Based Access Control (RBAC) and Multi-Factor Authentication (MFA), limiting access to sensitive data to authorized personnel only. Data privacy is maintained through comprehensive data

protection policies aligned with international regulations, including the General Data Protection Regulation (GDPR).

Our cybersecurity framework includes well-defined incident response plans, routine simulation drills, and rigorous third-party vendor management to ensure operational resilience. Additionally, we place strong emphasis on employee training and awareness programs to reduce the risk of internal breaches and social engineering attacks.

By embedding cybersecurity into our overall business strategy, Bangladesh Finance ensures that security initiatives are closely aligned with organizational objectives and regulatory requirements, promoting a proactive and resilient approach to cyber risk management.

Related Party Transactions:

In the normal course of business, Bangladesh Finance has entered into very few transactions with related parties during the year 2024. Disclosure of all related party transactions including nature and basis of such transactions have been furnished in Financial Statements, note no. 43.

Quarterly Operating Results

Bangladesh Finance registered an increasing growth in loans and advances on 4th Quarter over 1st, 2nd and 3rd Quarters (QoQ) respectively and increasing trend on Year over Year (YoY) basis. Deposit was grown over 4th Quarter over 2nd and 3rd Quarters (QoQ) in spite of the unhealthy competition to the tight money market and liquidity crisis and global economic slowdown. Revenue decreased in QoQ basis in Q4'24 due to providing interest suspense against loans and leases. Operating profit and net profit also decreased on Q4'24 compared to Q4 of 2023. However, overall net profit after tax decreased due to providing of full provision against all stressed loans and advances for building a resilient balance sheet.

Quarterly Operating Results

Particulars	Q1'24	Q2'24
Loan & Advances	**13,627**	**13,627**
Growth (%)-QoQ	-1.35%	0.00%
Growth (%)-YoY	2.47%	1.78%
Deposit & Other Accounts	**8,610**	**8,647**
Growth (%)-QoQ	-3.03%	0.43%
Growth (%)-YoY	-11.79%	-3.30%
Revenue	**407**	**400**
Growth (%)-QoQ	129.14%	-1.61%
Growth (%)-YoY	22.59%	18.67%
Operating Profit	**37**	**25**
Growth (%)-QoQ	-121.43%	-30.67%
Growth (%)-YoY	90.27%	26.66%
Profit After Tax	**16**	**2**
Growth (%)-QoQ	-101.42%	-86.01%
Growth (%)-YoY	22.87%	-90.29%
Cost to Income Ratio	**65.33%**	**69.12%**
Growth (%)-QoQ	-86.85%	3.79%
Growth (%)-YoY	-12.94%	-9.13%

Quarterly Operating Results

Particulars	Q3'24	Q4'24
Loan & Advances	**13,571**	**14,024**
Growth (%)-QoQ	-0.42%	3.34%
Growth (%)-YoY	0.85%	1.53%
Deposit & Other Accounts	**8,590**	**8,637**
Growth (%)-QoQ	-0.66%	0.54%
Growth (%)-YoY	-0.54%	-2.73%
Revenue	**298**	**(256)**
Growth (%)-QoQ	-25.49%	-185.86%
Growth (%)-YoY	-18.64%	-244.25%
Operating Profit	**(122)**	**(811)**
Growth (%)-QoQ	-581.08%	562.66%
Growth (%)-YoY	-469.09%	373.62%
Profit After Tax	**(163)**	**(7,200)**
Growth (%)-QoQ	-7515.82%	4324.40%
Growth (%)-YoY	-1418.10%	550.03%
Cost to Income Ratio	**139.04%**	**-49.79%**
Growth (%)-QoQ	69.92%	-188.83%
Growth (%)-YoY	64.85%	-201.97%

Classified Loan Ratio (%)	**31.96%**	**30.08%**
Growth (%)-QoQ	20.76%	-1.88%
Growth (%)-YoY	24.61%	20.33%

Classified Loan Ratio (%)	**44.34%**	**9.26%**
Growth (%)-QoQ	14.26%	-35.08%
Growth (%)-YoY	36.54%	-1.94%

Insider Trading

The members of the Board of Bangladesh Finance as well as its sub-committees, or its senior management and their family members did not engage in any insider trading and did not violate the provision with regard to insider trading. Management's Discussion and Analysis A detailed discussion and analysis of financials, as delivered by the MD & CEO in line with the Corporate Governance Code, is appended on page no 80 .

A declaration by the Managing Director & CEO and the Chief Financial Officer, as prescribed in the Corporate Governance Code has been appended on page no 292.

Statement of Directors on Financial Reporting Framework:

The directors are responsible for the governance of the company and as part of preparation and presentation of the financial statements. We, the directors confirm compliance with the financial reporting framework in line with the Corporate Governance Code issued by Bangladesh Securities & Exchange Commission in the following matters:

- The financial statements prepared by the management present fairly its state of affairs, the result of its operation, cash flow and statement of changes in shareholders' equity;
- Proper books of accounts of the company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable & prudent judgment;
- The International Accounting Standards (IAS) or applicable International Financial Reporting Standards (IFRS), as applied in Bangladesh, have been followed in preparation of the financial statements any departure therefrom has been adequately disclosed;
- Internal Control System is sound in design and has been effectively implemented & monitored;
- There is no significant doubt upon the ability of the company to continue as a going concern.
- Although there are some quarterly deviations due to the change in funding cost, at the year-end there are no significant deviations from the last year's operating results.

We (Board of Directors) also hereby confirm that to the best of our knowledge:

- The financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, profit or loss of the company;
- Adequate disclosures have been provided for the users of financial statements to understand the impact of financial information, other events and conditions on the entity's financial position and financial performance.
- Reasonable effort has been made to safeguard company's assets and to detect/prevent any fraud or irregularities.
- The minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.

Internal Control and Compliance at Bangladesh Finance

The Internal Control and Compliance (ICC) function at Bangladesh Finance is essential for achieving the FI's objectives. It ensures a systematic, methodical, and consistent approach to risk governance, thereby promoting overall effectiveness in operations and compliance.

Key Responsibilities of the ICC Division

1. **Risk Management Systems:**
   - Assessment: Evaluating the adequacy improvements and effectiveness of the FI's risk management systems.
   - Enhancement: Implementing to mitigate identified risks.
2. **Financial and Operational Information:**
   - Accuracy: Ensuring that financial and operational information is accurate and reliable.
   - Timeliness: Guaranteeing the timely reporting of significant information.
3. **Compliance:**
   - Policy Adherence: Monitoring employee actions to ensure compliance with internal policies, standards, and procedures.
   - Regulatory Compliance: Ensuring adherence to laws and regulations governing the financial sector.

4. **Resource Utilization:**
   - Efficiency: Promoting the economical and efficient use of available resources.
   - Effectiveness: Ensuring resources are used to achieve the FI's programs, plans, and objectives.
5. **Control Process Improvement:**
   - Quality Assurance: Fostering continuous improvement in the FI's control processes.
   - Remediation: Identifying deficiencies and initiating appropriate remedial measures.
6. **Legislative and Regulatory Management:**
   - Legislative Compliance: Managing legislative issues that impact the FI.
   - Regulatory Updates: Keeping up-to-date with regulatory changes and ensuring compliance.

Primary Objectives of Bangladesh Finance's Internal Control System

The internal control system at Bangladesh Finance aims to ensure overall control, risk mitigation, and provide a reasonable level of assurance regarding the sustainability of the framework. The primary objectives and key functions established to assure the integrity and adequacy of internal controls are outlined below.

Primary Objectives

1. **Efficient and Effective Operating Model:**
   - Establish an efficient and effective operating model that enhances the overall performance and productivity of the FI.
2. **Risk-Aware Culture:**
   - Develop and promote a "risk-aware" culture across the FI, ensuring that employees at all levels understand and manage risks appropriately.
3. **Information Reliability:**
   - Ensure the reliability of both internal and external information, including accounting and financial data, to support informed decision-making.
4. **Safeguard Operations and Assets:**
   - Protect the FI's operations and assets, ensuring compliance with laws, regulatory requirements, and internal policies.

Key Functions

1. **Effectiveness of Daily Operations:**
   - The FI has established various committees by the Board to oversee and ensure the effectiveness of daily operations.
2. **Alignment with Corporate Objectives:**
   - Ensure that the FI's operations align with corporate objectives, strategic priorities, annual budget, and long-term goals.
3. **Internal Audit Compliance Checks:**
   - The internal audit department is tasked with checking compliance with established policies and procedures to ensure adherence and identify areas for improvement.

By focusing on these objectives and functions, Bangladesh Finance's internal control system aims to provide a robust framework for risk management, operational efficiency, and regulatory compliance, ultimately ensuring the sustainability and integrity of the FI's operations.

The Audit Department at Bangladesh Finance serves as an independent assurance provider, enhancing the overall effectiveness of the FI's internal controls and compliance framework. The department is composed of a diverse team of professional accountants, technology specialists, and experienced techno-commercial personnel. It adheres to best professional practices and employs risk-based internal audit methodologies to conduct comprehensive audits.

Key Functions and Structure

The Audit Department conducts its activities through Two specialized units:

1. Head Office Audit Unit: Focuses on auditing the centralized functions of various divisions, departments, and subsidiaries.
2. Branch Audit Unit: Conducts audits on branches.

Audit Process and Reporting

- Risk-Based Audits: Audits are conducted based on the level of risk assessed independently and objectively.
- Audit Committee: Findings are submitted to the Audit Committee of the Board, which reviews internal control issues and evaluates the adequacy and effectiveness of risk management and internal control systems. The minutes of these meetings are periodically tabled at the Board meetings.
- Anti-Fraud Controls: Self-assessment of anti-fraud internal controls is conducted semi-annually and reported to Bangladesh FI as required by regulatory guidelines.

The Audit Department aims to assist the FI in achieving its objectives by providing a systematic approach to assessing and enhancing the efficacy of risk management, controls, and governance processes.

Compliance Department

The Compliance Department at Bangladesh Finance fosters a strong compliance culture, ensuring adherence to policies, procedures, and regulatory requirements. It operates under the Internal Control and Compliance Division (ICCD) and is divided into three wings:

1. **Regulatory Compliance Unit:**
   - Supports regulatory inspections and ensures timely submission of compliance responses.
   - Monitors compliance across branches, divisions, and departments.
   - Conducts compliance testing and reviews on regulatory requirements.
   - Verifies internal control systems as per regulatory guidelines.

2. **Internal Compliance Unit:**
   - Implements observations from internal and concurrent auditors.
   - Reports compliance status to the Monitoring Department for further verification.

The Compliance Department meets the reporting obligations of management, the Board Audit Committee, and regulators.

Extra-Ordinary Gain or Loss

During the year 2024, Bangladesh Finance realized gain/loss of 82.00 million (solo) and 191.94 million (consolidated) respectively from the investment in shares from capital market.

Key Operating and Financial Data

Key operating & financial data over the last five years as per requirement of BSEC Notification No. BSEC/ CMRRCD/2006-158/207/ Admin/80 dated June 03, 2018 are presented in annexure-III to this report on page no. 145. Highlights of overall operations of the company as per DFIM Circular No. 11 dated December 23, 2009 have also been presented on page no. 41.

Dividend

The Board of Directors of Bangladesh Finance has not recommended any dividend for the year ended December 31, 2024, in view of the net loss after tax and resulting negative equity on a consolidated basis.

The loss primarily stems from significant provisions made against stressed loans, leases, and advances, in line with Bangladesh Bank's directives. Additional provisions were also required for negative equity from margin loans, equity investments, and private placements—reflecting the company's prudent risk management approach.

These measures, though affecting short-term profitability, were essential to reinforce the company's balance sheet and build resilience. Accordingly, the Board has prioritized capital preservation and financial stability over dividend distribution, with a continued focus on recovery and long-term shareholder value

Shareholding Pattern

According to the CDBL report there were 9,903 number of registered ordinary shareholders as on December 31, 2024. The shareholding pattern of the company as on December 31, 2024 is disclosed as per new Corporate Governance Code of BSEC in Annexure-I of this Director's Report.

Meetings Attendance & Remuneration

During the year 2024 a total 6 (Six) Board Meetings, 4 (Four) Audit Committee meetings and 2 (Two) Risk Management Committee meetings were held. The detail of meeting attendance by the Directors along with remuneration paid to them are disclosed in Annexure- II of this Director's Report.

Contribution to National Economy

Like many other financial institutions, Bangladesh Finance also has a contribution towards the national economy. The contribution is done through the national exchequer, and also through financing in productive enterprises and creating employment thereby. Bangladesh Finance has a financial contribution towards various successful projects in the private sector over the last two decades.

The total deposit by Bangladesh Finance is BDT. 59.06 million during the year 2024 in the form of corporate tax, withholding tax, excise duty and VAT to the national exchequer.

Contribution to the Society and Environment

Bangladesh Finance always cares about the society and its people. Therefore, it always makes sure to contribute towards the society and environment as a corporate citizen. Bangladesh Finance mainly focuses on CMSME sector in order to support the small entrepreneurs who play a prominent role in the country's economy. As a part of its CSR activities, Bangladesh Finance is associated with numerous social and environmental initiatives.

Appointment of Independent Director

The Independent Directors were duly appointed according to the Corporate Governance Code as prescribed by Bangladesh Securities and Exchange Commission (BSEC). The Board of directors reappointed Mr. Md. Rokonuzzaman FCA as the independent director of Bangladesh Finance on its 256th Board meeting held on 21 June 2022. Again, Mr. Iqbal Uddin Ahmed also reappointed as another independent director in the 263rd Board meeting held on 29 December 2022. Both the appointment of the directors are duly approved by the Bangladesh Securities and Exchange Commission and Bangladesh Bank.

Contribution to the Society & Environment

As a corporate citizen, Bangladesh Finance always considers to contribute towards the society and environment. Bangladesh finance is focusing in CMSME sector with a view to support the small entrepreneurs who play an important role in the economy of the country. BANGLADESH Finance is engaged with various social and environmental initiatives as part of its CSR activities.

Statutory Auditor

Snehasish Mahmud & Co., Chartered Accountants are the current statutory Auditors of Bangladesh Finance who (the audit firm) were appointed in the 25th Annual General Meeting held on July 30, 2024 for the year 2024 until 26th Annual General Meeting. On the basis of the proposal of the Board Audit Committee, the Board recommends Snehasish Mahmud & Co., chartered Accountants to be appointed as the statutory auditor of the company for the year 2025 at a remuneration of BDT 325,000.00 only (excluding VAT) up-to the 27th Annual General Meeting.

Compliance Auditor

MNA Associates, Chartered Secretaries in practice are the current compliance auditor of Bangladesh Finance who (the audit firm) were appointed in the 25th Annual General Meeting held on July 30, 2025 for the year 2024 until 26th Annual General Meeting. On the basis of the proposal the Board recommends MNA Associates, Chartered Secretaries in practice to be reappointed as the compliance auditor of the company for the year 2024 at a remuneration of BDT 50,000.00 only (excluding VAT) up-to the 26th Annual General Meeting.

Status of Compliance on Corporate Governance

Status of the compliance of conditions of Corporate Governance Code imposed by Bangladesh Securities and Exchange Commission under Notification No. SEC/ CMRRCD/2006-158/207/Admin/80 dated June 03 2018 along with a certificate from a compliance auditor in practice has been enclosed as page no. 293 to the Corporate Governance Section. We also appended a statement of compliance on the good governance guidelines issued by Bangladesh Bank as additional Disclosure in the Corporate Governance Section.

Going Concern

Going Concern is one of the fundamental accounting concepts that determines the basis of preparation of the financial statement. According to going concern concept, an entity is deemed to have perpetual succession; i.e. to be continued in operation for foreseeable future. The management of an entity is responsible to assess the entity's ability to continue as a going concern company before preparing the financial statement. The assessment is pertinent as it is required/guided by International Accounting Standard, Companies Act, Listing Rules of concern issue and Corporate Governance Code of BSEC. The financial statements of the company for the year ended 31 December 2024 have been prepared on a going concern basis, which assumes that the company will continue to realize its assets and discharge its liabilities in the ordinary course of business. After a thorough assessment of the company's financial position, liquidity, capital structure, and operational resilience, the Board of Directors and management are confident in the company's ability to continue its operations in the foreseeable future. Considering the following major indicators, the management of Bangladesh Finance has come to the decision that preparation of financial statement of Bangladesh Finance for the year 2024 on going concern assumption is appropriate:

Indicating Factors	Response/Status of the Company
Dependency on Bank Borrowing	As on 31 December 2024, the bank borrowing of Bangladesh Finance is Taka 3,795 million against Term and Scheme deposit of Taka 8,637 million. Again, the bank borrowing is 16% of total liabilities which indicates that the company has no significant dependency on bank borrowings.
Equity Base	Bangladesh Finance has equity base which stands at Taka (5,425) million as of December 31, 2024.
Credibility in payment of loan obligations and encashment of deposit	Bangladesh Finance has strong credibility in terms of payment of its obligations to lenders. The payment history of the company is smooth towards both the lenders and depositors.
Renew of borrowing facility	At the end of year 2024, total borrowing from other banks and financial institutions becomes Taka 3,795 million. Based on our relation, reputation and past experience, it can be said that a major part of the debt would be renewed further.
Faith and confidence of depositors towards the company	Bangladesh Finance has good relationship with the depositors and good track record in settling its obligation towards its depositors. The confidence and continues support from the depositors helped the company to maintain a good amount of deposit consistently.
Financial Ratios	The key operating and financial ratios have given in Financial Highlight part.

Non-performing Loan	The company has an excellent track record for improvement of non-performing loan. As of 31 December 2024, the NPL stands at 9.26% whereas the industry average is 33%
Payment of Dividend	Bangladesh Finance has been paying dividend consistently to its shareholders over the years. However, the Board of Directors did not recommend a dividend for the year 2024 due to the allocation of additional provisions and suspense against stressed loans, leases, and advances. This is a Road to Safety strategy aims to recognize potential credit risk early, ensuring adequate reserves, and safeguard the company's overall financial health.
Working Environment and Employee Satisfaction	The employees of Bangladesh Finance enjoy a good working environment. They dedicatedly work for the company and the company cares for them by providing benefits and recognition.
Ability to meet operational expenses	Bangladesh Finance has not faced difficulties in paying its day-to day operational expenses. It has a culture to pay the vendors on time.
Off Balance sheet Liability	Bangladesh Finance has no amount of off-balance sheet liability.
Maintenance of Capital Adequacy Ratio	Bangladesh Finance has been maintaining the required CAR consistently as per the instruction of Bangladesh Bank (DFIM Circular Number 14, dated December 28, 2011). But due to providing of full provision against stressed loans and leases, as of December 31, 2024, the CAR stands at -33.81% against the required rate of 10.00%
Change in Government Policy	The management of Bangladesh Finance does not anticipate any significant changes in legislation or government policy, which may materially affect the business of the Company.

Review of Subsidiaries

Performance Bangladesh Finance has mainly two subsidiaries:

1. Bangladesh Finance Securities Limited (BD Securities)

2. Bangladesh Finance Capital Limited (BD Capital)

Bangladesh Finance Securities Limited (BD Securities)

The First subsidiary (56.34%) of Bangladesh Finance is BD Securities that offers full-fledged international standard brokerage service for retail and institutional clients. It started its operation from November 2011. It also has seats on Dhaka Stock Exchange Limited. Bangladesh Finance Securities has managed to come out as a strong market player in the sector within a short period of time. The total investment portfolio size of Bangladesh Finance Securities stood at Tk. 487.05 million at the end of the year 2024. While the total asset is Tk. 2,226.53 million. Earnings Per Share (EPS) is Tk. (2.29).

Bangladesh Finance Capital Limited (BD Capital)

Bangladesh Finance Capital Limited, known as BD Capital is a 99.972% subsidiary of Bangladesh Finance. It started its operation from February 26, 2012 as a full-fledged Merchant Bank. Portfolio management, issue management, underwriting of securities and advisory services are the main activities of the company. BD Capital has achieved a sustainable growth in the Merchant Banking Industry within a short time period. It indicates a further potential growth of the company in the near future. The Total Asset of BD Capital stood at Tk. 1,154.97 million at the end of the year 2024.

Outlook 2025

The year 2025 marks a critical phase of economic recovery for Bangladesh Finance Limited, as we emerge from the challenges of a global recession. The persistent high level of non-performing loans (NPLs) across the banking and financial sector in Bangladesh remains a pressing concern. The economic downturn has significantly weakened borrower risk profiles, and Bangladesh is no exception. Coupled with policy-imposed lending rate caps, which hinder risk-adjusted pricing, the sector faces a difficult dual challenge. Additionally, persistent inflation and liquidity constraints are expected to create further headwinds for both businesses and savers.

In 2025, our primary focus will be on maintaining a high-quality asset portfolio, reducing classified loans, and expanding our retail and SME segments in both deposits and loans & advances. Securing low-cost refinance schemes will be essential to lowering our funding costs and enabling a sustainable reduction in lending rates.

Our strategic priorities for 2025 include:

- **Expanding Rural Deposits**: We will strengthen our Sales team to tap into the growing rural deposit base.
- **Cross-Selling Initiatives**: Emphasis will be placed on cross-selling products and services, including retail offerings to corporate clients, to enhance customer value and revenue streams.
- **Loan Portfolio Diversification**: We will restructure our loan portfolio by emphasizing well-rated businesses, and increasing our focus on SME and retail lending.
- **Structured Finance Growth**: Enhancing fee-based income through the development of our 'Structured Finance' department will be a key objective.
- **Emerging Sector Emphasis**: Greater focus will be given to high-potential sectors such as ICT, Energy and Power, Healthcare, Light Engineering, Tourism, and Ceramics.
- **SME Expansion**: Special attention will be directed toward expanding the SME credit portfolio, which offers higher yields and lowers the risks associated with large loan defaults.
- **Strengthening Existing Sectors**: We will continue to support and grow in established thrust sectors such as agro-based industries, leather, frozen food, and textiles.
- **Agri-Business Focus**: Key agricultural industries including sugar, edible oil, wheat, rice, maize, pulses, peas, and food & beverage will be prioritized.
- **Islamic Financing Initiative**: We are also set to introduce a dedicated 'Islamic Financing Wing' to explore new business avenues and provide a broader range of Shariah-compliant financial services.

Through these targeted initiatives, Bangladesh Finance aims to navigate the economic recovery period with resilience, while positioning itself for sustainable growth and value creation in the years ahead.

Acknowledgement

The Board of Directors extends its heartfelt appreciation and sincere gratitude to our valued clients, lenders, depositors, bankers, and business associates for their unwavering support and cooperation throughout the year. We also wish to acknowledge and thank Bangladesh Bank, the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, National Board of Revenue, the Registrar of Joint Stock Companies & Firms, and other regulatory authorities for their continued guidance and support.

Our deepest appreciation goes to the dedicated employees of Bangladesh Finance for their loyalty, hard work, and unwavering commitment to the organization's success.

Finally, we express our profound thanks to our esteemed shareholders for their trust in the Board and Management. We assure you that our efforts to strengthen and grow the company will continue with renewed focus, aiming to enhance long-term value for all stakeholders.

For and on behalf of the Board of Directors,



Manwar Hossain
Chairman
Bangladesh Finance PLC

ANNEXURE-I

Shareholders	Position	No. of shares held	% of total shares of BDFINANCE
A) Parent/Subsidiary/Associated Companies and other related parties (name-wise details)			
Bangladesh Finance Securities Ltd.	57.36% (owned by Bangladesh Finance)		
Bangladesh Finance Capital Ltd.	99.97% (owned by Bangladesh Finance)		
B) Directors, Sponsors, CEO, Company Secretary, CFO, Head of Internal Audit and Compliance and their spouse and minor children			
ANWAR STEEL MILLS LTD.	Director	9,004,232	4.78%
MR. FURKAAN MUHAMMAD N HOSSAIN (NOMINATED BY ANWAR STEEL MILLS LTD)	Nominated Director	-	-
ANWAR ISPAT LTD	Director	14,223,130	7.56%
MR. MD. HELAL CHOWDHURY (NOMINATED BY ANWAR ISPAT LTD)	Nominated Director	-	-
HOSSAIN DYEING & PRNTING MILLS LTD.	Director	7,857,468	4.17%
MR. MANWAR HOSSAIN (NOMINATED BY HOSSAIN DYEING & PRNTING MILLS LTD)	Nominated Director	1,219,240	0.65%
KHALED IRON & STEELS MILLS LTD.	Director	3,797,998	2.02%
MR. MD. ASADUZZAMAN KHAN (NOMINATED BY KHALED IRON & STEELS LTD)	Nominated Director	-	
ANWAR SILK MILLS LTD.	Director	3,805,265	2.02%
MS. FATEMA BEGUM (NOMINATED BY ANWAR SILK MILLS LTD)	Nominated Director	-	-
MEHMUD INDUSTRIES (PVT.) LTD.	Director	7,125,828	3.79%
MR. MD. HASAN KHAN (NOMINATED BY MEHMUD INDUSTRIES (PVT.) LTD)	Nominated Director	-	-
MR. IMTIYAJ YOUSUF	Director	8,189,251	4.35%
MR. ABDUR RASHID SALAM	Sponsor	1,363,052	0.72%
MR. CHOWDHURY MONWAR AHMED SIDDIQUI	Sponsor	432,339	0.23%
MR. IHTESHAMUR RAHMAN	Sponsor	402,260	0.21%
MR. CHOWDHURY ERTEZA AHMED SIDDIQUI	Sponsor	10,321	0.01%
MR. IQBAL UDDIN AHMED	Independent Director	-	-
MR. MD. KYSER HAMID	Managing Director &CEO	-	-
Sub-total:		**57,430,384**	**30.51%**
C) Executive (Top five person other than CEO, CFO, CS, HIAC)			
Mr. Md. Anwar Hossain	Sr. Executive Vice President	Nil	-
Mr. Md. Faisal Hossain	Senior Vice President	Nil	-
Mr. Md. Kohinoor Hossain	Senior Vice President	Nil	-
Mr. Munshi Md. Ashafaqul Alam	Senior Vice President	Nil	-
Mr. Mohammad Abu Obayed	Senior Vice President	Nil	-
D) Shareholders holding 10% or more voting right	-	Nil	-

N.B: There is no shareholders' who soley holds 10% or more shares in Bangladesh Finance PLC.

ANNEXURE-II

Meeting Attended by the Directors of Bangladesh Finance during 2024

Name of Director	Designation	Board of Directors Meeting			Audit Committee Meeting			Risk Management Committee Meeting			Total Remuneration paid for the year-2024
		Attend Ratio	Attendance as % of total Meeting held	Remuneration Paid for attending the meeting	Attend Ratio	Attendance as % of total Meeting held	Remuneration Paid for attending the meeting	Attend Ratio	Attendance as % of total Meeting held	Remuneration Paid for attending the meeting	
MR. MANWAR HOSSAIN (NOMINATED BY HOSSAIN DYING & PRNTING MILLS LTD)	Chairman	4/6	67	36,000	-	-	-	1/2	50	9,000	45,000
MR. IQBAL UDDIN AHMED	Independent Director	6/6	100	54,000	1/4	25	9,000	2/2	100	18,000	81,000
MR. MD. ROKONUZZAMAN, FCA	Independent Director	6/6	100	54,000	4/4	100	36,000	2/2	100	18,000	108,000
MR. FURKAAN MUHAMMAD N HOSSAIN (NOMINATED BY ANWAR STEEL MILLS LTD)	Director	4/6	67	36,000	3/4	75	27,000	-	-	-	63,000
MR. MD. HELAL CHOWDHURY (NOMINATED BY ANWAR ISPAT LTD)	Director	4/6	67	36,000	-	-	-	-	-	-	36,000
MR. MD. ASADUZZAMAN KHAN (NOMINATED BY KHALED IRON & STEEL MILLS LTD)	Director	6/6	100	54,000	4/4	100	36,000	2/2	100	18,000	108,000

MS. FATEMA BEGUM (NOMINATED BY ANWAR SILK MILLS LTD)	**Director**	6/6	100	54,000	4/4	100	36,000	-	-	-	90,000
MR. IMTIYAJ YOUSUF	**Director**	4/6	67	36,000	-	-	-	-	-	-	36,000
MR. MD. HASAN KHAN (NOMINATED BY MEHMUD INDUSTRIES (PVT.) LTD)	**Director**	2/6	33	18,000	-	-	-	-	-	-	18,000
Mr. Ihtiaz Yousuf (NOMINATED BY MEHMUD INDUSTRIES (PVT.) LTD.)	**Director**	1/6	16.67	9,000							9,000
MR. MD. KYSER HAMID	**Managing Director & CEO**	6/6	100	-	-	-	-	-	-	-	-
Total Remuneration paid			**-**	**387,000**	**-**	**-**	**144,000**	**-**	**-**	**63,000**	**594,000**

N.B: Mr. Ihtiaz Yousuf (Nominated by Mehmud Industries (Pvt.) Ltd.) was resigned from the Board of Directors in the last AGM

Shariah Supervisory Committee					
Sl No.	**Name of the Members**	**Designation**	**Attend Ratio**	**Attend (%)**	**Remuneration (BDT)**
1	Prof. Dr. Mohammad Gias Uddin Talukder	Chairman	1/1	100%	9,000
2	Mr. Md. Abdul Awwal Sarker	Member	1/1	100%	9,000
3	Dr. Zubair Mohammad Ehsanul Hoque CSAA	Member	1/1	100%	9,000
4	Dr. Md. Ruhul Amin Rabbani	Member	1/1	100%	9,000
5	Mr. Md. Kyser Hamid	Member	1/1	100%	-
	Total				**36,000**

ANNEXURE-III

Five Year's Financial Performance Highlights

BDT in Million

	2020	2021	2022	2023	2024
BALANCE SHEET MATRIX					
Authorized Capital	2,000.00	6,000.00	6,000.00	6,000.00	6,000.00
Paid-up Capital	1,675.30	1,775.81	1,882.36	1,882.36	1,882.36
Shareholders' Equity	2,786.38	2,954.06	3,040.95	1,912.03	(5,425.45)
Deposits	8,616.44	9,568.98	9,862.35	8,878.84	8,636.73
Loans, Leases and Advances	12,843.74	13,369.10	13,699.68	13,813.48	14,024.29
Investments	204.16	252.78	419.00	413.09	342.37
Fixed Assets	524.37	522.84	568.33	685.24	663.69
Total Assets	15,913.53	16,716.79	17,406.25	18,067.89	18,531.93
Interest Earning Assets	13,535.18	14,360.45	14,843.00	15,365.72	15,522.38
Non-Interest Earnings Assets	2,378.35	2,356.34	2,563.26	2,702.17	3,009.55
INCOME STATEMENT MATRIX					
Interest Income	1,659.54	1,496.58	1,375.75	1,085.53	723.79
Interest Expenses	1,166.18	985.56	997.21	1,024.16	1,431.09
Net Interest Income	493.36	511.02	378.53	61.37	(707.30)
Non-Interest Income	76.24	379.33	255.86	127.83	125.53
Profit before Provision and Tax	382.24	646.32	327.93	(98.72)	(871.43)
Provision for Loans and Advances & Other Provision	37.00	243.25	131.80	970.47	7,050.00
Profit Before Taxation	345.24	403.07	196.13	(1,069.19)	(7,921.43)
Net Profit After Tax	225.82	268.19	193.44	(1,059.95)	(7,344.99)
CAPITAL MEASURES					
Total Risk Weighted Assets (RWA)	16,340.19	16,156.55	17,186.67	17,480.97	16,269.98
Tier-1 Capital	2,374.48	2,543.56	2,631.85	1,385.07	(5,950.61)
Tier-2 Capital	332.53	407.21	419.38	481.99	449.01
Total Capital/Regulatory Capital	2,707.01	2,950.76	3,051.23	1,867.06	(5,501.60)
Capital Surplus/ (Deficit)	1,072.99	1,335.11	1,332.57	118.97	(7,128.60)
Tier-1 Capital to RWA	14.53%	15.74%	15.31%	7.92%	-36.57%
Tier-2 Capital to RWA	2.04%	2.52%	2.44%	2.76%	2.76%
Capital Adequacy Ratio (CAR)	16.57%	18.26%	17.75%	10.68%	-33.81%
CREDIT QUALITY					
Non-performing Loans (NPLs)	413.20	340.03	762.00	1,547.71	1,298.59
Provision for Unclassified Loan	123.35	234.75	439.50	899.79	7,766.17
Provision for classified Loan	113.64	142.36	117.93	732.71	857.33
NPLs to total Loans and Advances	3.22%	2.54%	5.56%	11.20%	9.26%

BDT in Million

	2020	2021	2022	2023	2024
INVESTORS INFORMATION					
Market price per share	29.10	54.40	44.10	44.10	11.80
No. of Shares Outstanding	167.53	177.58	188.24	188.24	188.24
Earnings per Share (BDT)	1.35	1.51	1.03	(5.63)	(39.02)
Dividend					
Cash	6%	6%	10%	0%	0%
Stock	6%	6%	0%	0%	0%
Market Capitalization	4,875.11	9,660.43	8,301.22	8,301.22	2,221.19
Net Asset Value per Share	15.69	15.69	16.15	10.16	-28.82
OPERATING PROFIT RATIO					
Net Interest Margin (NIM)	3.55%	3.60%	2.53%	0.40%	-4.47%
Cost of Deposit	10.87%	8.65%	7.99%	8.22%	10.71%
Spread	2.78%	3.09%	2.89%	2.46%	2.94%
Return on Average Assets	1.41%	1.64%	1.13%	-5.98%	-40.14%
Return on Average Equity	8.37%	9.34%	6.45%	-42.80%	-418.11%
PERFORMANCE RATIO					
Profit per Employee	1.43	1.60	1.28	(5.95)	(40.36)
Salary Exp. to total Operating Exp.	58.46%	57.84%	62.24%	66.15%	69.84%
Cost to Income /Efficiency Ratio	32.89%	27.41%	48.31%	152.18%	-49.79%
OTHER INFORMATION					
No. of Branches	7	7	7	7	7
No. of Employees	158	168	151	178	182
Credit Rating					
Rating	**2020**	**2021**	**2022**	**2023**	**2024**
Long Term	AA-	AA-	AA	AA	AA
Short Term	ST-2	ST-2	ST-1	ST-1	ST-1
Capital Adequacy Ratio	16.57%	18.26%	17.75%	10.68%	-33.81%

প্রফিট ফার্স্ট

Bangladesh finance

বিনিয়োগের শুরুতেই প্রফিট!



BUILDING THE INFRASTRUCTURE FOR ECONOMIC INTEGRATION

Connectivity is key to Bangladesh's economic efficiency and regional integration. Investments in highways, rail, ports, and waterways are transforming transport infrastructure and reducing disparities. As the country aspires to be a trade hub, smart, sustainable, and coordinated transport systems are vital for inclusive growth and competitiveness.





SEGMENT ANALYSIS

BDT in Million

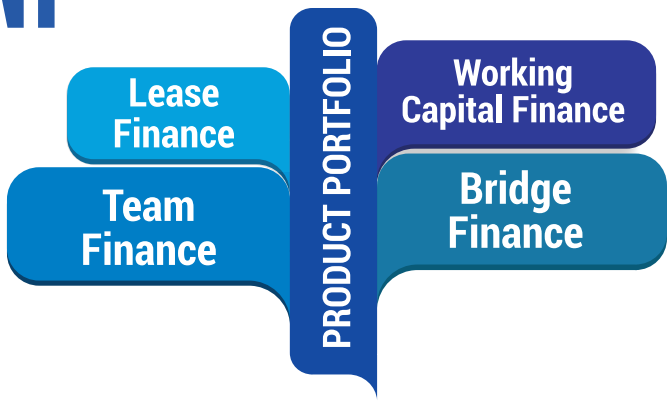
Segment's Profit & Loss						31st Dec, 2024
Segments	Corporate	Retail	SME	Capital Market	Others	Total
Interest Income	354	115	150	-	104	724
Interest Expense	819	265	347	-	-	1,431
Net Interets Income	**-464**	**-150**	**-197**	**-**	**104**	**-707**
Income From Investment in securities	-	-	-	67	15	82
Commission, Exchange & Brokerage	-	-	-	-	-	-
Other operating income	-	-	-	-	44	44
Total Operating Income	**-464**	**-150**	**-197**	**67**	**163**	**-582**
Operating Expense	-	-	-	-	-	290
Profit Before provision & Taxation	-	-	-	-	-	-871
Provision	-	-	-	-	-	7,050
Tax	-	-	-	-	-	-576
Net Profit After Taxation	**-**	**-**	**-**	**-**	**-**	**-7,345**

BDT in Million

Segment's Asset & Liability						31st Dec,2024
Segments	Corporate	Retail	SME	Capital Market	Others	Total
Cash	-	-	-	-	131	131
Balance with Banks & FIs	-	-	-	-	1,498	1,498
Investment in securities	-	-	-	202	140	342
Lease, Loan & Advances	8,024	2,596	3,405	-	-	14,024
Fixed Asset	-	-	-	-	664	664
Other Assets	-	-	-	-	1,702	1,702
Non Banking Asset	-	-	-	-	171	171
Total Asset	**8,024**	**2,596**	**3,405**	**202**	**4,305**	**18,532**
Liability						
Financing (borrowing)	-	-	-	-	3,795	3,795
Deposits	2,335	6,243	-	-	59	8,637
Other Liabilities	-	-	-	-	11,525	11,525
Total Liabilities	**2,335**	**6,243**	**-**	**-**	**15,379**	**23,957**
Equity						
Shareholder's Equity					(5,425)	(5,425)
Total Liability & Shareholder's Equity	**-**	**-**	**-**	**-**	**-**	**18,532**

CORPORATE SEGMENT

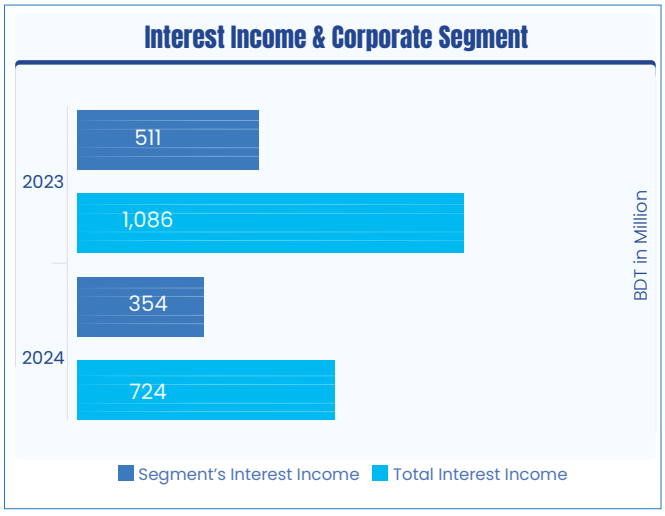
Bangladesh Finance prioritizes small-scale corporate loans as part of its risk mitigation strategy, focusing on high-potential sectors such as Agriculture, Construction, ICT, Power, Home Textiles, and Ready-Made Garments. The institution places strong emphasis on deepening relationships with existing clients who demonstrate high creditworthiness and a proven track record. Rather than focusing solely on lending revenue, Bangladesh Finance values building strong, lasting corporate relationships to enhance customer retention in an increasingly competitive market environment.

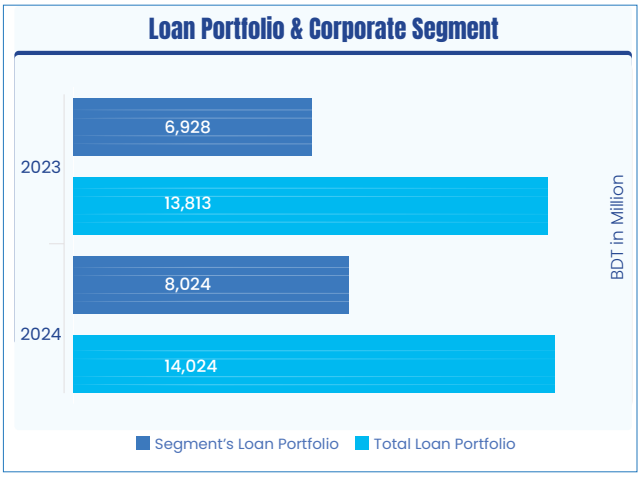


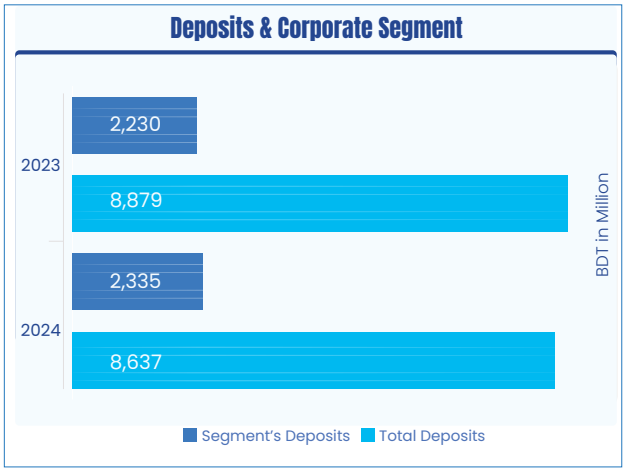
Operating Environment	Consumer spending, borrowing costs, and overall business investment decisions	Effective supply chain management sourcing, logistics, and distribution	Financial performance metrics, including profitability, liquidity management, and capital structure, serve as essential benchmarks
Strategy	Client targeting, segmentation, and relationship management	Digital transformation along with regulatory compliances	Sustainable projects, cross-selling and upselling
Performance	Interest Income of BDT 354 MN	Loan Portfolio of BDT 8,024 MN	Deposits of BDT 2,335 MN
Risk & Opportunity	Risks include market volatility and competitive pressures	Opportunities for innovation market differentiation and technological advancements	Transformation of strategic alliances, mergers and diversification of business portfolios
Way Forward	ESG-focused financial products can attract a new wave of clients	Upskilling of staff and fostering a culture of innovation will ensure responsive market changes	Digital technologies to streamline operations & innovative financial solutions

Strategy and Performance Review

In the year 2024, we have gone through strong loan monitoring rather than aggressive lending. Total corporate loan portfolio concentration increased as per the strategic decision & stood at BDT 8,024 million at the end of 2024 which is a 15.82 % increase from the previous year. Corporate loan, lease & advances consist 57.21% of the total loan, lease & advances. Deposit from the corporate segment stood at BDT 2,335 million at the end of 2024 which embodies 27.04% of the total deposit. The corporate segment is the largest contributor of interest income. At the end of the year 2024, Bangladesh Finance had a gross interest income of BDT 354 million.







Operating Environment

BDT 8,024 MN Corporate Loan Portfolio	Increased work force, networking	Proactive customer engagement facilities	Digital workflow system	Concentration on green financing
Financial Capital	Human Capital	Social and Relationship Capital	Intellectual Capital	Manufactured Capital
BDT 354 MN interest income earned	Technical & soft skill development	Customer satisfaction and retention	Improved turnaround time for onboarding	More focused on renewable energy and other green sector

Value Creation

Product Strategy

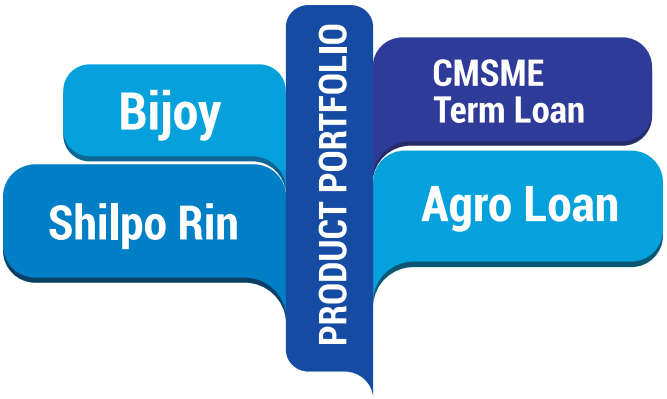
Bangladesh Finance is committed to developing customized lending products designed to meet diverse business needs. Our strategy focuses on enhancing digital lending capabilities to deliver a seamless borrowing experience through online loan applications, digital disbursements, and intuitive loan management tools. By offering personalized financing solutions, we aim to differentiate ourselves from competitors and create greater value for our customers. Additionally, Bangladesh Finance is actively developing sustainable financing options to support environmentally and socially responsible projects, including renewable energy initiatives, sustainable agriculture, and socially impactful businesses.

Outlook

Looking ahead to 2025, we anticipate that the global fiscal environment will create new opportunities for corporate lending as businesses seek to invest and expand. However, the regulatory landscape is expected to remain stringent, requiring Bangladesh Finance to maintain strong compliance practices and robust risk management frameworks to mitigate credit risks effectively. Staying attuned to industry trends and continuously adapting lending strategies will be critical to sustaining our competitive edge. Economic and political stability will play a vital role in supporting industry growth, with the Central Bank's cautiously accommodative monetary policy likely to contribute to credit portfolio expansion over the medium term. In the short term, however, challenges are expected to persist, including pressure on portfolio quality, profitability, and continued compliance with Basel II obligations. In 2025, Bangladesh Finance will prioritize the automation of routine processes to optimize cost efficiency and enhance profitability, while driving digital transformation initiatives. This strategic shift will be supported by upskilling and recruiting talent to meet evolving technological demands.

SME SEGMENT

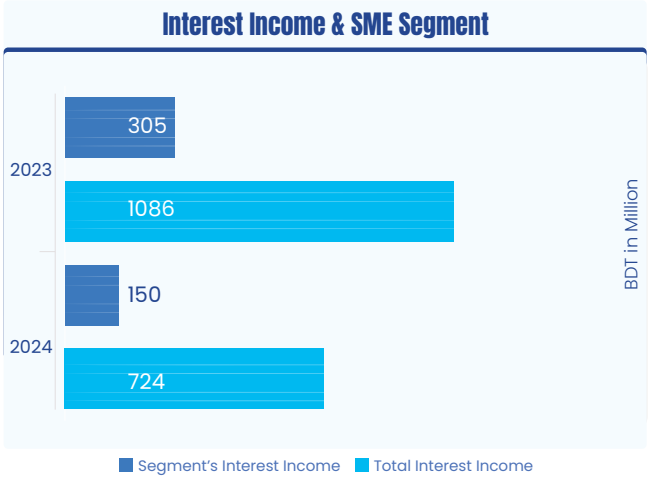
Bangladesh Finance remains optimistic that the Government's expansionary monetary and fiscal policies will create new opportunities for CMSME credit growth. Our focus for small entrepreneurs, including women, will be on enhancing profitability and maintaining portfolio quality through digital collaboration financing and a cluster-based business model. In line with this vision, we aim to build more partnerships and develop digital collaboration models to expand CMSME financing, particularly reaching rural customers through digital business transformation. Our goal is to become the most CMSME-friendly financial institution in the country. Reflecting this commitment, CMSME currently represents 24.28% of our total portfolio, and we are targeting to increase this share to 40% in the coming year.

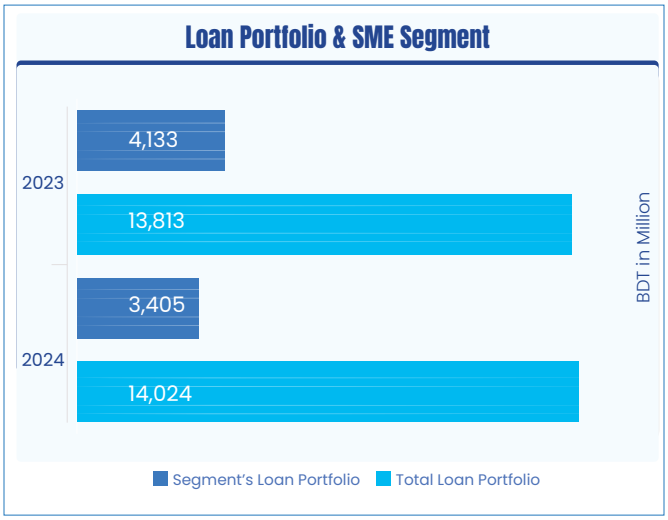


Operating Environment	Operating SME business through seven branches in Jashore, Sylhet, Chattogram, Gazipur, and Dhaka	Prefinancing schemes include new refinance, women entrepreneur refinance, Agro processing refinance, and JICA refinance.	NGO-linked CMSME financing available in Jashore, Jhenaida, Chuadanga, Meherpur, Magura, Kushtia, Pabna, Sirajganj, Mymensingh, and Gazipur.
Strategy	We began with SME & Sustainable finance and are now a leading provider of innovative financial services for small businesses.	Bangladesh Finance offers exclusive products to empower women and help them achieve their dreams.	Financing landmark projects, advising, and connecting local entrepreneurs with international technical partners.
Performance	Interest Income of **BDT 150 MN**	Loan Portfolio **BDT 3,405 MN**	Loan book declines **17.63%**
Risk & Opportunity	Opportunities for digital financing facilities to unbanked and backward CMSME's	The national microenterprise segment is poised for growth, driving sustained demand for rural microenterprise loans.	Capacity to assist 2500+ rural enterprises via NGO, digital financing partners, and our branch network
Way Forward	33% of female entrepreneurs can be offered concessional rated loan benefits	Promoting unified collaboration among corporations, micro and small enterprises	Positive environmental impact through community initiatives

Strategy and Performance Review

In 2024, Bangladesh Finance expanded its operations to support over 2,500 rural enterprises through partnerships with NGOs and digital financing initiatives, alongside our branch network. By leveraging digital platforms, we facilitated access to funding for unbanked and underserved CMSMEs, driving meaningful improvements in their businesses. Our emphasis on digital financing and NGO-linked collaboration, delivered through both branches and strategic partnerships, has generated significant societal impact. By the end of 2024, our SME loan portfolio stood at BDT 3,405 million, reflecting a 17.63% decrease from the previous year, and generated a gross interest income of BDT 150 million.





Operating Environment

BDT 3,405 MN Loan Portfolio	Increased Sales Force	Proactive customer engagement facilities	Digital workflow system	Concentration on green financing
Financial Capital	Human Capital	Social and Relationship Capital	Intellectual Capital	Manufactured Capital
BDT 150 MN Interest Income earned	Technical skill development	Customer satisfaction and retention	Improved turnaround time for onboarding	More focused on renewable energy and other green sector

Value Creation

Product Strategy

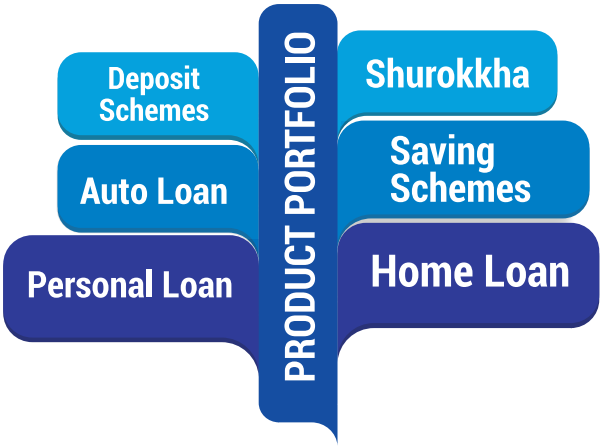
Bangladesh Finance began its journey with a strong focus on SME and Sustainable Finance and has since evolved into one of the most innovative providers of financial services to small businesses in Bangladesh. Through a targeted growth strategy, we achieved industry-leading absolute portfolio growth in CMSME finance over the year.

Outlook

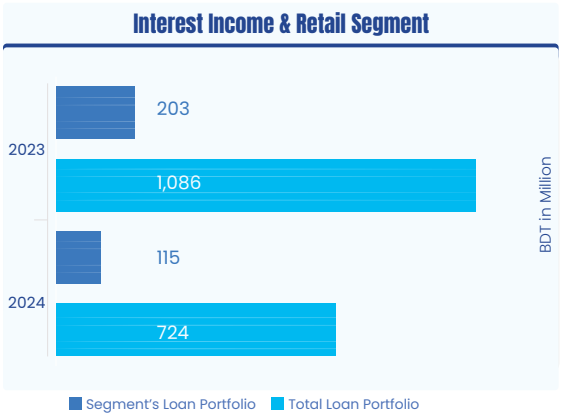
Fostering the establishment of new enterprises across the country remains a core commitment of Bangladesh Finance. There is a growing entrepreneurial spirit among the younger demographic; however, many emerging entrepreneurs face significant financial barriers due to limited business experience and a lack of essential skills and knowledge to effectively commercialize their ideas. To address this, Bangladesh Finance sees strong potential to stimulate new entrepreneurial ventures by forging strategic partnerships with key market participants, enabling access to appropriate financing solutions such as venture capital and supply chain finance.

RETAIL SEGMENT

Over the past 25 years, Bangladesh Finance has been fortunate to build a strong and loyal base of asset clients, growing alongside them each day. Competitive interest rates and a fast-track sanction process have enabled our clients to meet their financing needs efficiently. In 2024, new product development initiatives were undertaken to further strengthen the retail portfolio. During the year, Bangladesh Finance introduced Personal Loans for salaried individuals and professionals, while continuing to offer Affordable Home Loans, Doctor's Loans, and Auto Loans under a partnership model—products initially launched the previous year. Through these efforts, the management aimed to expand the existing Retail Credit portfolio, which reached BDT 2,596 million by the end of 2024.

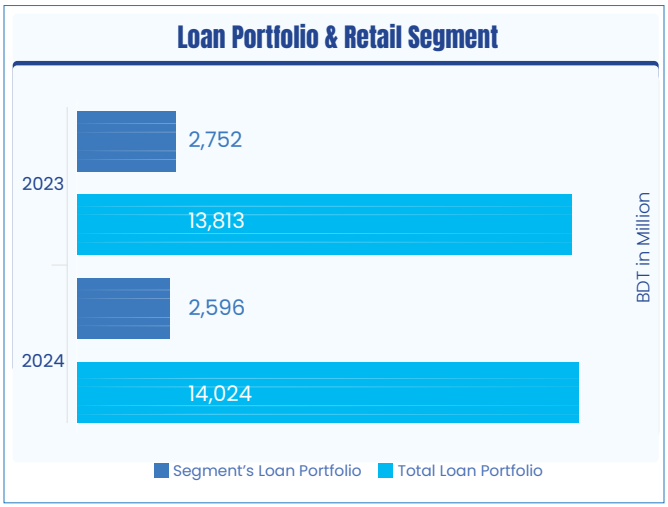


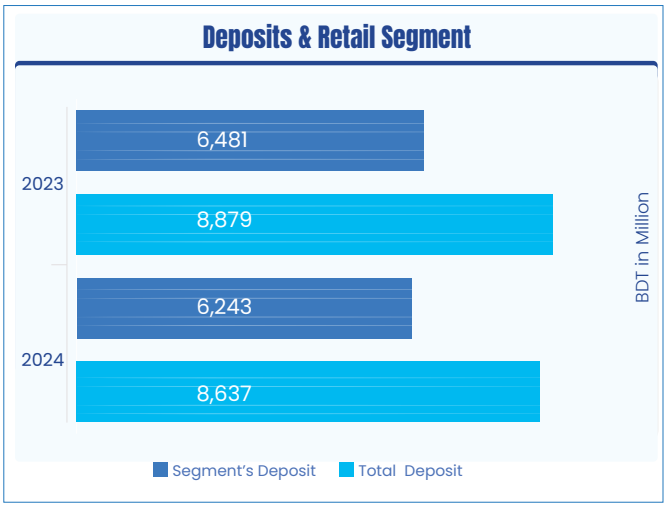
Operating Environment	Subject to stringent regulations ensuring financial stability, consumer protection, and anti-money laundering (AML) compliance	Intense Competition with numerous players vying for products planning	Online banking, mobile apps, and digital wallets are increasingly popular for their convenience and accessibility
Strategy	Expanding into rural areas via digital platforms and branch networks	Offering packages that combine multiple banking services, often at a discounted rate	Ensuring a consistent experience across all channels (branch, online, mobile, call center)
Performance	Interest Income of BDT 115 MN	Loan portfolio of BDT 2,596 MN	Total Deposit Portfolio BDT 6,243 MN
Risk & Opportunity	Increased risk of loan defaults, interest rate fluctuations, legal Penalties	Opportunities of digital banking growth, omni-channel Integration and green projects.	Leveraging government incentives and programs aimed at boosting economic growth and financial stability
Way Forward	Capitalizing on economic recovery phases to expand lending and investment services	Taking advantage of regulatory changes that promote financial innovation and inclusion	Engaging in community development and social responsibility initiatives to build brand loyalty and trust



Strategy and Performance Review

In 2024, Bangladesh Finance implemented priority programs aimed at delivering specialized services to retail customers, with an increased focus on regularizing early-stage irregular accounts. This was accomplished through close monitoring, proactive follow-ups on stressed accounts, and continuous client engagement. By the end of 2024, the retail loan portfolio stood at BDT 2,596 million, while retail deposits reached BDT 6,243 million. During the year, the retail segment generated a gross interest income of BDT 115 million, contributing 18.51% of the total interest income of Bangladesh Finance.





Operating Environment

BDT 2,596 MN Loan Portfolio	Employee training & community outreach programs	Customer Engagement and demographic programs	Digital workflow system	Concentration on green financing
Financial Capital	Human Capital	Social and Relationship Capital	Intellectual Capital	Manufactured Capital
BDT 115 MN Interest Income earned	Technical and communication skill development	Improved customer satisfaction	Inhouse innovation for digital work flow	Reduced Cost of providing Services

Value Creation

Product Strategy

Bangladesh Finance's management has successfully achieved an 18.51% portfolio share in the retail credit segment out of the total loan portfolio and is targeting over 30% in the near future. This will be driven by a focus on product diversification, particularly through affordable home loans for lower-middle-income groups, such as teachers, government employees, and small business owners. To achieve industry-leading growth, the company will prioritize enhancing the customer experience with personalized services, including offerings like salary advances. Innovation will be a key strategy, with the introduction of new products designed to differentiate Bangladesh Finance from its competitors by offering unique features and enhanced functionality. While continuing to provide attractive offers, the company will also tighten its credit criteria to maintain the quality of its portfolio. Overall, their strategy focuses on delivering tailored services to retail customers, especially those in the middle-income segment.

Outlook

Bangladesh's retail sector has experienced steady growth in recent years, driven by rising consumer spending, increased disposable income, and a growing middle class. Despite challenges posed by the economic recession, 2025 is poised for continued expansion as the economy recovers post-pandemic, leading to increased consumer spending and creating opportunities for retailers to broaden their customer base and boost sales. The rise of e-commerce and online platforms will also fuel industry growth, providing adaptable retailers with a competitive advantage. However, the sector faces intense competition, particularly from numerous small and medium-sized retailers. Those who prioritize efficiency, cost reduction, and enhancing customer experiences will be well-positioned to succeed in this competitive landscape.

ISLAMIC FINANCING WING

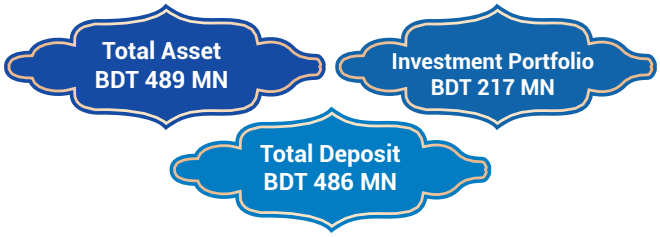
Bangladesh Finance PLC became the first financial institution in Bangladesh to launch branch-based Islamic financing operations in 2022. Following the final approval from Bangladesh Bank on January 4, 2022, the Islamic wing officially commenced operations across six branches on January 5, 2022.



Operating Environment	Operates under Shari'ah principles	Shari'ah-compliant financial instruments and contracts	Global efforts to standardize and harmonize Islamic finance practices and regulations are ongoing
Strategy	Creating a wide variety of Shari'ah-compliant financial products like Murabaha, Ijarah, Musharakah, and Sukuk to meet diverse customer needs and market demands	Forming a Shari'ah Supervisory Board of Islamic scholars to oversee and authorize all Islamic financial products and operations	Utilizing cutting-edge technology to improve customer access and management of Sharia-compliant financial products via digital platforms
Performance	Total Asset of **BDT 489 MN**	Investment Portfolio of **BDT 217 MN**	Total Deposit Portfolio **BDT 486 MN**
Risk & Opportunity	Volatility in Shari'ah-compliant assets and investments, which may affect portfolio performance	Opportunities of digital banking growth, omni-channel Integration and green projects.	Offering financial services to Muslim communities that are underserved and seeking ethical finance options
Way Forward	Contributing to financial stability by promoting ethical investments and responsible financing practices	Integrating technology to enhance customer experience and operational efficiency in Islamic banking services	Collaborating with international partners and institutions to promote cross-border Islamic financial transactions

Strategy and Performance Review

The Islamic wing of Bangladesh Finance launched its operations across six branches nationwide. By the end of 2024, the wing's investment portfolio stood at BDT 217 million, while deposits totaled BDT 486 million. During the year, the division generated BDT 31 million in gross investment income and paid BDT 46 million as profit on deposits, resulting in a net investment income of BDT negative 15 million.



Investment Income BDT 31 MN

Profit on Deposit BDT 46 MN

Other Operating Income BDT 0.8 MN

Operating Expenses BDT 7 MN

Operating Profit BDT(21)MN

Operating Environment

BDT 217 MN Investment	Increased expert sales force	Proactive customer engagement facilities	Digital workflow system	Concentration on small client base
Financial Capital	Human Capital	Social and Relationship Capital	Intellectual Capital	Manufactured Capital
BDT 31 MN Profit on investment earned	Modern and Technical skill development	Customer satisfaction and retention	Improved turnaround time for onboarding	More focused on SME and retail client groups

Value Creation

Product Strategy

In its financing operations, Bangladesh Finance offers Shari'ah-compliant solutions through modes such as Bai' Murabaha, Bai' Muazzal, and Hire Purchase under Shirkatul Melk (HPSM). The institution provides financing across various sectors, including agriculture, women entrepreneurship, business expansion, working capital, construction, auto finance, home finance, Hajj and Umrah finance, and personal finance, with the goal of promoting sustainable socio-economic development in the country. Bangladesh Finance also offers a wide range of Shari'ah-compliant retail, CMSME (Cottage, Micro, Small, and Medium Enterprises), and corporate financing facilities to meet the diverse needs of its customers.

Outlook

Bangladesh Finance has developed comprehensive Product Program Guidelines (PPG) and Shari'ah Manuals to govern both its asset and liability operations. The institution offers a diverse range of deposit products based on Mudaraba principles, including Mudarabah Term Deposit Receipts (TDR), Mudarabah Profit Earners Scheme, Mudarabah Cash Waqf Scheme, as well as specialized offerings such as the Mudarabah Monthly DPS, Mudarabah Hajj Scheme, Mudarabah Umrah Scheme, Mudarabah Retirement Plan, and the Barakah SME Deposit Scheme.

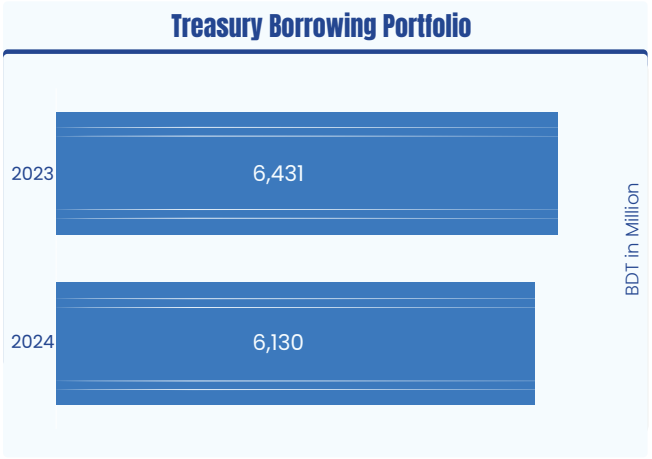
TREASURY & FUND MANAGEMENT

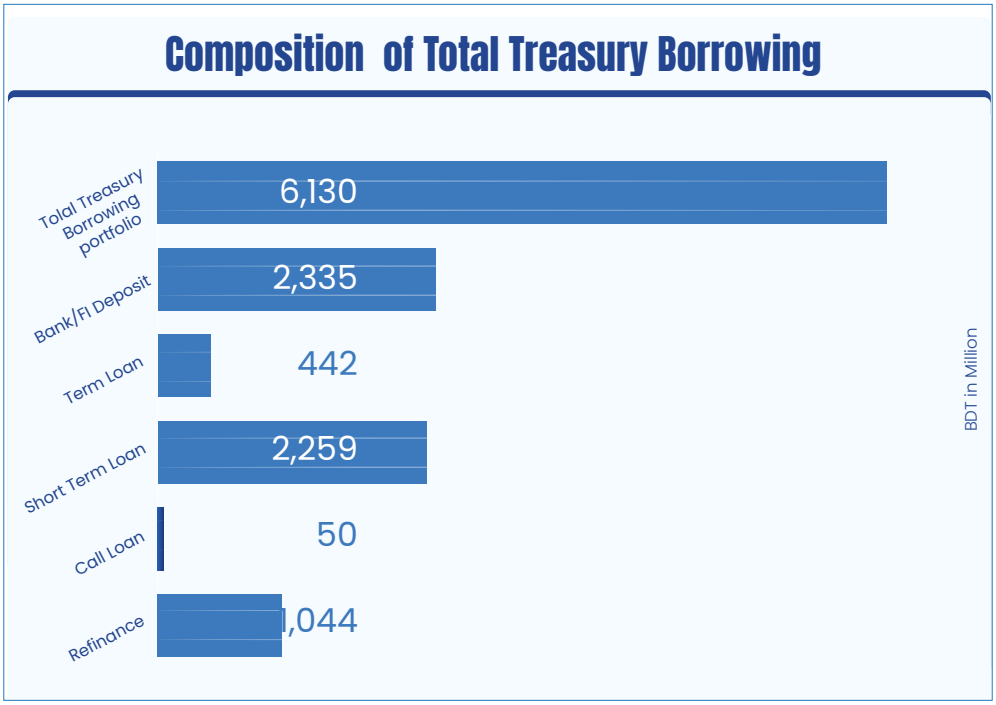
The year 2024 continued to pose significant economic and financial challenges for the treasury. The lingering crisis in the forex market, sluggish deposit growth, erosion of trust in certain shariah-based banks, an increased volume of bad loans, and slow loan recoveries remained key contributors to liquidity stress. In addition, the prolonged effects of the COVID-19 aftermath and the ongoing Russia-Ukraine war further hindered the country's economic recovery, leading to persistently high interest rates. Throughout the year, we stayed vigilant and adaptive to the evolving market dynamics. Despite facing these economic pressures, the treasury successfully implemented strategies focused on profit margin improvement, risk minimization, and efficient working capital management, thereby supporting the company's financial resilience.

Operating Environment	Tight liquidity situation raised the interest rate in the money market	Market based interest rate	Exchange rate volatility
Strategy	Maintained the surplus Liquidity and a steady revenue generation	Maintained Asset-Liability Position (ALM) swiftly to conserve a healthy balance sheet to generate a noticeable amount of revenue	Efficient management of fund mobilization through effective asset-liability pricing
Performance	Interest Income on placement with other banks & FIS BDT 10 MN	Treasury Borrowing Portfolio BDT 6,130 MN	Bank Deposits BDT 2,335 MN
Risk & Opportunity	Foreign exchange reserves and exchange rate volatility	Opportunities towards green investments and sustainable finance	Leveraging FDI opportunities and positioning in money market
Way Forward	Strengthens capital markets with effective asset-liability pricing.	Innovation of client centric products with Fintech solutions.	Building resilience with Islamic and conventional treasury

Strategy and Performance Review

In 2024, amid continued volatility in foreign exchange reserves and exchange rates, the core challenge for the treasury was managing surplus liquidity while ensuring steady revenue generation. We successfully maintained the company's liquidity position with prudence, fully complying with regulatory requirements, and achieved a healthy profit margin through active participation in the money market. The treasury's borrowing portfolio expanded to BDT 6,130 million, while interest income from funds placed with other banks and financial institutions reached BDT 10 million. Throughout the year, with cost minimization as a key objective, the treasury focused on sourcing stable funds and securing term deposits from the public to gradually replace reliance on interbank borrowings. We also leveraged the overnight market to reduce the overall cost of funds and strengthen treasury income.





Asset-Liability Management (ALM)

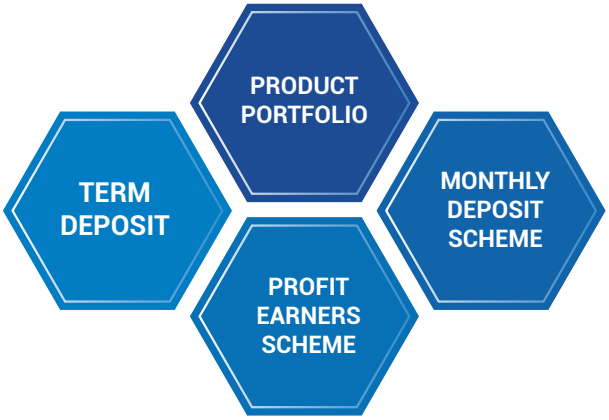
Asset-Liability Management (ALM) is the strategic process of maintaining a careful balance between a company's assets and liabilities to ensure it has sufficient liquidity to meet its obligations and support ongoing operations. In 2024, Bangladesh Finance PLC placed significant emphasis on liquidity management by regularly monitoring its liquidity position and conducting frequent stress tests to assess its resilience against market shocks. The company also maintained a robust contingency funding plan to address potential liquidity challenges. To mitigate interest rate risk, Bangladesh Finance Ltd actively aligned the interest rate sensitivity of its assets and liabilities, helping to stabilize earnings and reduce the impact of interest rate fluctuations on profitability. This strong focus on ALM contributed to maintaining a stable financial position and delivering a high standard of service to its customers. Additionally, to preserve overall financial stability, the ALM Committee consistently monitored key regulatory benchmarks such as Maximum Cumulative Outflow (MCO), Maturity Mismatch.

Outlook

The financial industry in Bangladesh is expected to remain under considerable pressure in 2025. The facilitation of letters of credit, critical for supporting economic growth, will likely continue to be difficult due to the sharp decline in foreign exchange reserves. If the downward trend in reserves persists and the dollar strengthens further, businesses particularly non-exporters will face mounting challenges. The banking sector, which struggled with deposit mobilization in late 2024, is expected to experience continued liquidity constraints in 2025. This tight liquidity environment may limit profit-generating opportunities across the sector. In this context, our company will prioritize continuous and proactive asset-liability management, while also exploring new investment avenues, to sustain favourable financial results throughout the year.

WEALTH MANAGEMENT DEPARTMENT

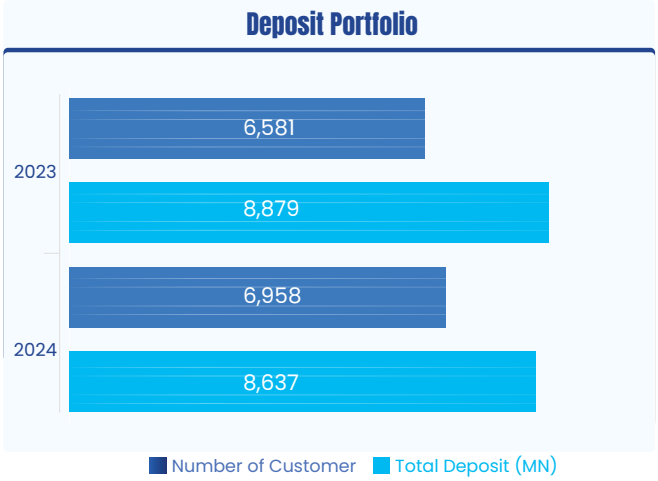
The Wealth Management division of Bangladesh Finance PLC offers a comprehensive suite of services tailored to meet the financial needs and objectives of high-net-worth individuals (HNWIs) and affluent clients. Its focus extends to self-employed individuals, salaried professionals, and entrepreneurs, particularly for individual retail deposit mobilization. In addition, the division prioritizes deposits from SME sectors such as Agriculture, Pharmaceuticals, Construction, ICT, Power, Home Textiles, and Ready-Made Garments to ensure sustainable portfolio growth. Bangladesh Finance places strong emphasis on service excellence and client retention through dedicated relationship management with existing clients. Client service operations are streamlined and supported by a specialized sales force comprising teams from the Head Office, branches, sales offices, portfolio managers, priority teams, and a call center.



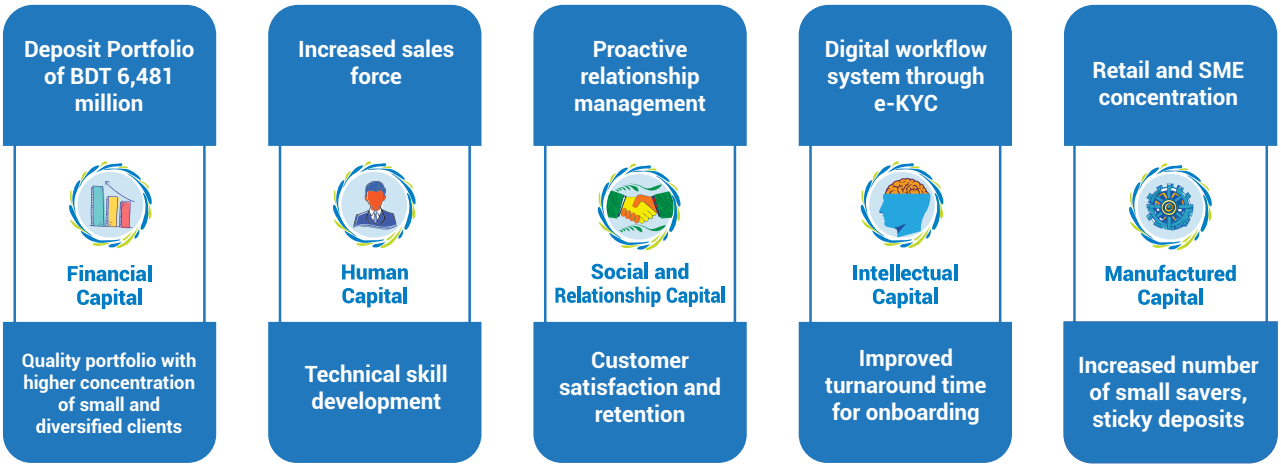
Operating Environment	Ensuring all investment advisory and financial planning, complying with local regulations and ethical standards	Providing thorough financial planning services, including retirement, education funding, estate planning, and tax optimization	Differentiating through specialized expertise, quality of service, and innovative product offerings
Strategy	Customizing financial solutions to fit each client's unique needs, goals, and risk tolerance, including personalized investment plans, retirement strategies, and tax planning	Creating innovative financial products and services to meet emerging market demands and client preferences, including digital financial services	Engaging in industry forums, conferences, and associations to stay updated on market trends and regulatory changes
Performance	Deposit Portfolio of BDT 8,637 MN	Increase in total number of customers by 5.73%	Increase in cost of deposit by 2.49%
Risk & Opportunity	Fluctuations in financial markets can impact investment returns, affecting portfolio performance and client satisfaction	Offering a diverse range of products to cater to clients looking to rebalance or diversify their portfolios in a recovering economy	Participating in CSR initiatives can boost the institution's reputation and attract socially conscious investors
Way Forward	Increasing client interest in ESG factors creates opportunities to offer sustainable investment products	Regularly incorporating client feedback to improve service offerings and address client needs effectively	Economic recessions or slowdowns can lead to decreased asset values and lower investment activity

Strategy and Performance Review

In 2024, Bangladesh Finance composites its deposit portfolio by focusing on small deposits and retaining existing depositors. They reduced deposits from corporate clients to decrease portfolio risk, while enhancing concentration from individual and retail depositors. The total deposit portfolio reached BDT 8,637 million by year-end, reflecting a 2.73 % decrease from 2023.



Operating Environment



Value Creation

Outlook

Despite the anticipated economic challenges in 2025, we remain confident in our ability to achieve organizational goals through proactive customer relationship management. We view the current environment as an opportunity to strengthen the quality of our deposit portfolio by attracting stable, loyal deposits from self-employed professionals, salaried individuals, women savers, entrepreneurs, and small and medium enterprises. Our strategic priorities for 2025 include automating routine processes to reduce operating costs, enhance profitability, and preserve portfolio quality. With a strong emphasis on digital transformation, we aim to expand service channels and introduce innovative products to cater to a broader client base, thereby diversifying risk and supporting sustainable growth.

OPERATIONS DEPARTMENT

Bangladesh Finance is undertaking a strategic shift by placing greater emphasis on SME and Retail customers over corporate clients. This deliberate repositioning aims to mitigate risk while leveraging the growth opportunities offered by a more diversified customer base. While this transition has contributed to a reduction in the overall risk profile, it has also resulted in a significant increase in operational activities.

Operating Environment	Ensure uninterrupted digital services for deposit and asset operation	Prioritizing promptness and accuracy in customers' demand	Abiding regulatory policies and standards remains paramount through compliance
Strategy	Enhancing efficiency and automation	Optimizing asset-liability management with digital solutions	Strengthening service quality, operational agility and promote green operations
Performance	Growth in new deposit and loan accounts. Attracted and retained customers through prompt service	100% utilization of automation in deposit and loan customers services	Earned customers satisfaction and loyalty through interest and principal payment choices, online and MFS services
Risk & Opportunity	Innovative platforms of AI, IoT and blockchains to shape customers services	Counterfeit, cybercrime and compliance and regulatory challenges. But complying with regulatory changes along with digital archiving of documents can mitigate environmental risk	Expanded customer base, tapping into new market segments and driving sustainable for growth opportunities
Way Forward	Building a centralized service center for priority based and seamless operations	Paperless operations towards sustainable business practices	Implementing automation for operational effectiveness

Strategy and Performance Review:

The Operations department is now responsible for managing a larger volume of customers, each requiring comprehensive support in areas such as loan processing, documentation, regular payment issuance, and compliance throughout 2024. Despite the increased operational demands, the department remains committed to delivering seamless and efficient service to its core customers and all stakeholders. By leveraging advanced technologies and optimizing processes, the department is successfully handling the increased workload while maintaining the highest standards of accuracy, compliance, and customer satisfaction.

Operational Strategy:

Operations are fully centralized, covering the entire process from customer onboarding to loan and deposit settlements within the Core Banking System (CBS). This unified approach enhances workflow efficiency, control, and service quality. The department focuses on reducing Turnaround Time (TAT) across all activities to ensure prompt and exceptional customer service. Through continuous process refinement, advanced technology, and automation, we minimize errors, reduce manual tasks, and boost operational effectiveness—supporting a seamless customer experience and sustainable organizational growth.

Outlook:

The Operations Department is aligning its processes with the institution's strategic goals through a customer-centric, innovation-driven approach. We are continuously enhancing products and services while integrating improvements into our efficient operational framework. Anticipating future technological advancements, we are proactively upgrading our systems and investing in employee training to stay ahead. This strategy ensures agility, responsiveness, and operational excellence, positioning the department as a key driver of Bangladesh Finance's continued industry leadership and exceptional customer service.

CRM DEPARTMENT

The Credit Risk Management function at Bangladesh Finance is designed to thoroughly identify, assess, and mitigate both financial and non-financial risks. With a robust and comprehensive framework in place, the institution effectively addresses a wide spectrum of risks, ranging from credit-related to social and environmental risks. The Credit Risk Management Department ensures the institution adheres to a strong credit and investment culture across all lending operations. It conducts independent evaluations of credit and business risks, maintaining a high standard of asset quality. Recognizing the critical importance of identifying, measuring, monitoring, and controlling credit risks, the department ensures adequate capital allocation to cover these risks and provides appropriate compensation for risk exposure. Operating within clearly defined credit granting criteria, the department maintains a strong understanding of the company's target market, as well as a deep knowledge of borrowers or counterparties. This includes a comprehensive understanding of the purpose, structure, and repayment sources of the credits extended.

Operating Environment	Offers clear indication of the company's target market by understanding borrowers, purpose and structure of the credit and repayment sources	Aware of the necessity to identify, measure, monitor, and control credit risks by ensuring sufficient capital	Overseeing credit policies, procedures, and controls across all credit risks and comply local regulations
Strategy	We prioritize digitization of credit risk processes through an online loan origination system to enhance risk transparency	With enhanced risk management, the FI aims to expand business via targeted risk-based pricing, faster client service, and effective CRM with pre-sanction, post-sanction approval stages	Maximize risk-adjusted return within acceptable limits, maintain portfolio quality and diversity per regulatory guidelines
Performance	No. of Credit File Processed 768	No. of Proposal Approved 504	Approved Amount BDT 1,375.20 MN
Risk & Opportunity	Innovative digital solutions backed by integrated credit processes; opportunity of continuity of essential services	Preserve portfolio quality through early identification strategies for distressed portfolios and concentration risks; seize opportunities for financial packages and digital solutions	Ensuring staff and customer safety while collaborating with stakeholders
Way Forward	Shifting focus towards CMSME and Retail segments and de-risk the asset portfolio.	Emphasize growth, digital delivery, and credit quality preservation.	Customer-focused innovations

Strategy and Performance Review

In alignment with our strategic goals, we have shifted our focus to the CMSME and Retail sectors to diversify our asset portfolio and mitigate credit concentration risk. Following the increase in business volume post-approval, management capacity has been strengthened, enabling us to approve larger credit proposals. To further enhance delivery efficiency and customer service, we are investing in the training and development of our SME and Sustainable Finance teams.

In 2024, the Credit Risk Management Department at Bangladesh Finance Limited approved a total of 504 credit and investment proposals, amounting to BDT 1,375.20 million, covering new sanctions, renewals, enhancements, rescheduling, and restructurings.

Operating Environment

Goals And Objectives, Scope of CRM Operations	Increased Workforce: Total Workforce:15	Stakeholder Management	Use of Advanced Credit Analytical Tools and Techniques	Investing In Employee Training; Data Management; Risk, Research & Development management
Financial Capital	Human Capital	Social and Relationship Capital	Intellectual Capital	Manufactured Capital
No. of Credit File Processed: 768	Lower TAT, Faster Service Delivery, improved Credit Risk Assessment	ImprovedCommuni-cation, Customer satisfaction and retention	Prudential decision making, Improved assessment, healthy asset quality through reduction of NPL	Higher customer engagement, retention, and revenue

Value Creation

Departmental Strategy

Bangladesh Finance recognizes credit risk management as a critical priority amidst both external and internal pressures, emphasizing the need for efficient and sustainable risk models. The institution is focused on digitizing the Credit Risk Management (CRM) Department by implementing an online loan origination system to enhance transparency and improve risk assessment processes. The strategy includes maintaining a well-diversified portfolio by carefully managing asset risks, while expanding business through targeted pricing, faster client service, and effective portfolio management, all without compromising risk levels.

Outlook

In 2025, Bangladesh Finance will prioritize promoting financial literacy and responsible borrowing, while maintaining a strong focus on credit risk management activities. Government and regulatory initiatives are expected to target reducing non-performing loans (NPLs) and improving credit quality through stricter regulations and enhanced risk management practices. The institution is expanding its credit portfolio within the CMSME and Retail sectors, diversifying geographically beyond Dhaka and Chittagong to include regions such as Gazipur, Jashore, Habiganj, and Sylhet. Credit risk management processes are integrated across branches, with centralized decision-making for approvals. As part of its strategic shift from corporate to CMSME and Retail sectors, Bangladesh Finance aims to reduce asset concentration risk and has witnessed significant business growth and enhanced management capacity post-approval. The continued emphasis will be on improving delivery efficiency and customer service, supported by targeted training initiatives for the SME teams and empowered management to facilitate larger credit and investment approvals.

SHAPING THE FUTURE THROUGH EDUCATION

Education is key to Bangladesh's sustainable development, with progress in access, gender parity, and literacy. Yet challenges in quality, equity, and relevance persist. To meet national goals and SDG 4, education must embrace digital tools, vocational training, and inclusive, future-ready learning.



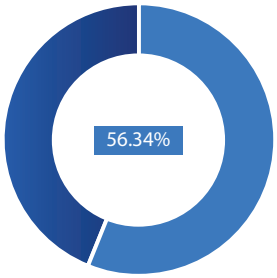
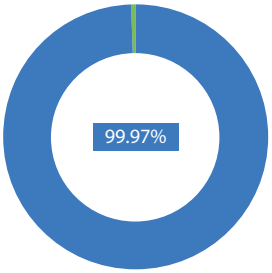

SCHOOL
বই

SUBSIDIARY OVERVIEW

Bangladesh finance

Bangladesh finance securities

Bangladesh finance capital

Subsidiaries	Bangladesh Finance Securities Limited	Bangladesh Finance Capital Limited
Year of Incorporation	December, 2010	August, 2011
Ownership		
Paid Up Capital	1,072 million BDT	269 million BDT
Principal Activities	Providing ultimate brokerage service for the individuals and coporations of Bangladesh.	Providing ultimate capital market solutions to individuals & corporations.
Status of the Company	Public Limited	Public Limited

Bangladesh Finance Securities Limited	
Financial Highlights	BDT. million
Revenue	92
Profit before tax	(282)
Profit after tax	(245)
Total assets	2,227
ROE (%)	-22.55%

Bangladesh Finance Capital Limited	
Financial Highlights	BDT. million
Revenue	58
Profit before tax	(429)
Profit after tax	(348)
Total assets	1,155
ROE (%)	-154.97%

BANGLADESH FINANCE SECURITIES LIMITED

Overview

Bangladesh Finance Securities Ltd. (BFSL) is a subsidiary of Bangladesh Finance providing brokerage services to its clients with a membership of the Dhaka Stock Exchange PLC. Bangladesh finance Securities commenced its operation in November 2011 and within a short span of time the company has emerged as one of the leading brokerage houses of the country holding an average of 1.69% market share of DSE trade volume. During the year 2015 the ranking of Bangladesh Finance Securities in DSE stood at 25. The Company has a strong team of highly skilled and experienced professionals to achieve its ultimate objectives. Exceptional quality and professionalism in its service offering to clients.

Key Strengths

- An experienced and dedicated senior management team.
- A trained and professional team.
- A competent equity market research unit.
- Online Trading Facility from anywhere.

Strategic Objectives

- Create synergy by combining quality and balanced portfolio.
- Offering a wide range of services to our clients.
- Maximize corporate value through sustained growth.
- Strengthening our position in stock market operation.

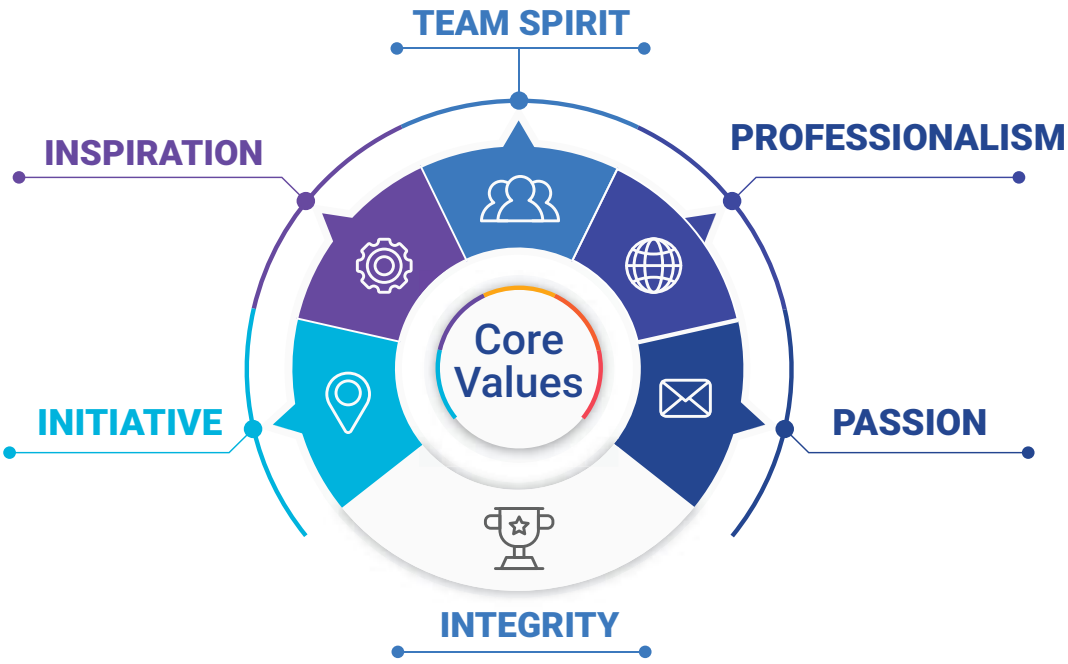
IPO

It is no longer an “Inept Process Offline” rather it has become “Instant Purchase Online”. Investment in IPO was never as easy as it is now with BFSL.

CTA Investors can buy or sell securities by providing the capital needed to fund the transaction without relying on the use of margin. Cash Trading is achieved by using a cash account, which ids a type of brokerage account that requires the investor to pay for securities within one day from when the purchase is made.

MTA

Investors have the option of trading with margin loan. Margin trading account allows investors to buy more stock than they would be able to normally. This is different from a regular cash account, in which investor trade using the money in the account. The margin loan and interest rate will differ as per management decision. The margin account may be part of your standard account opening agreement or may be a completely separate agreement.

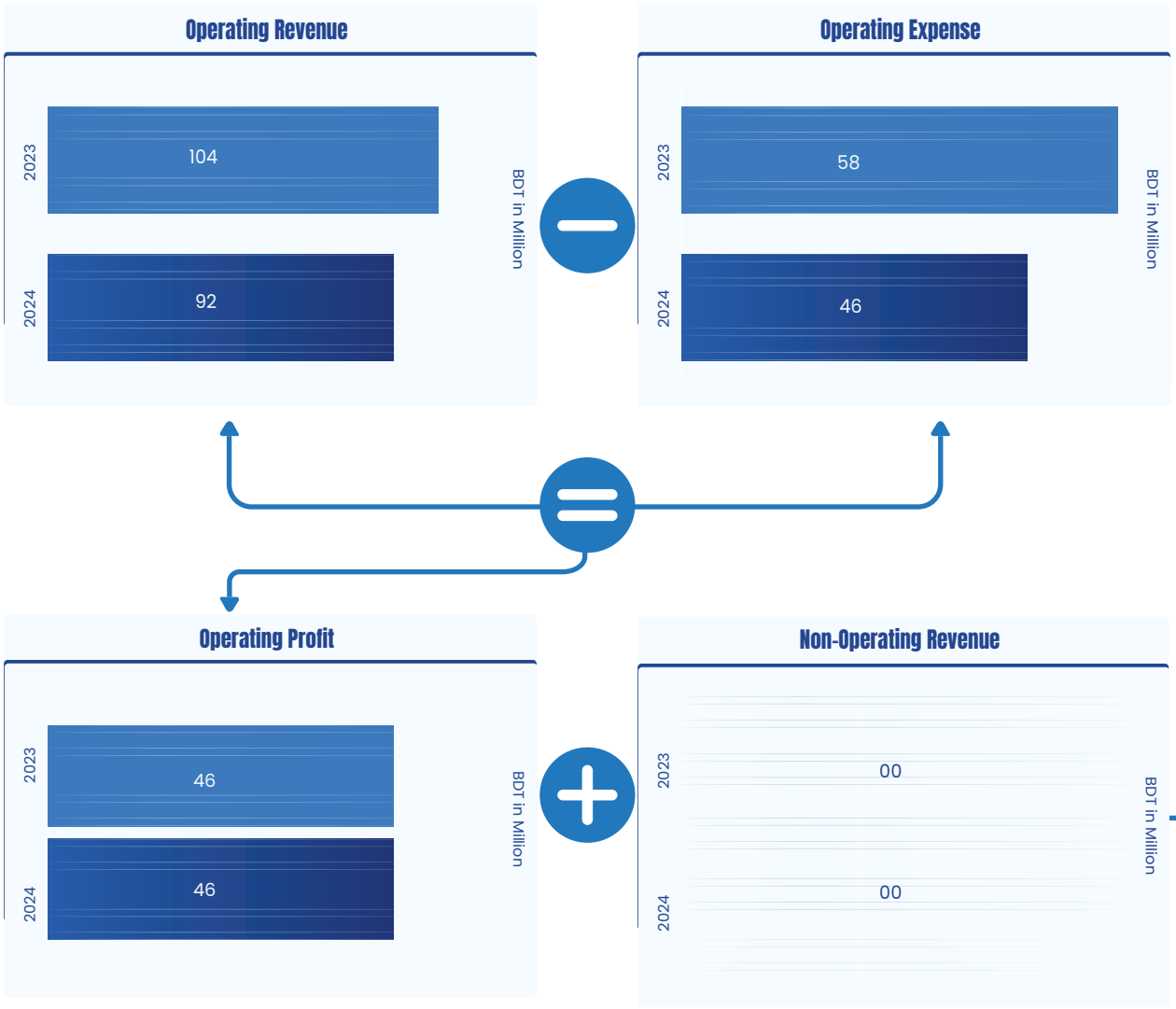


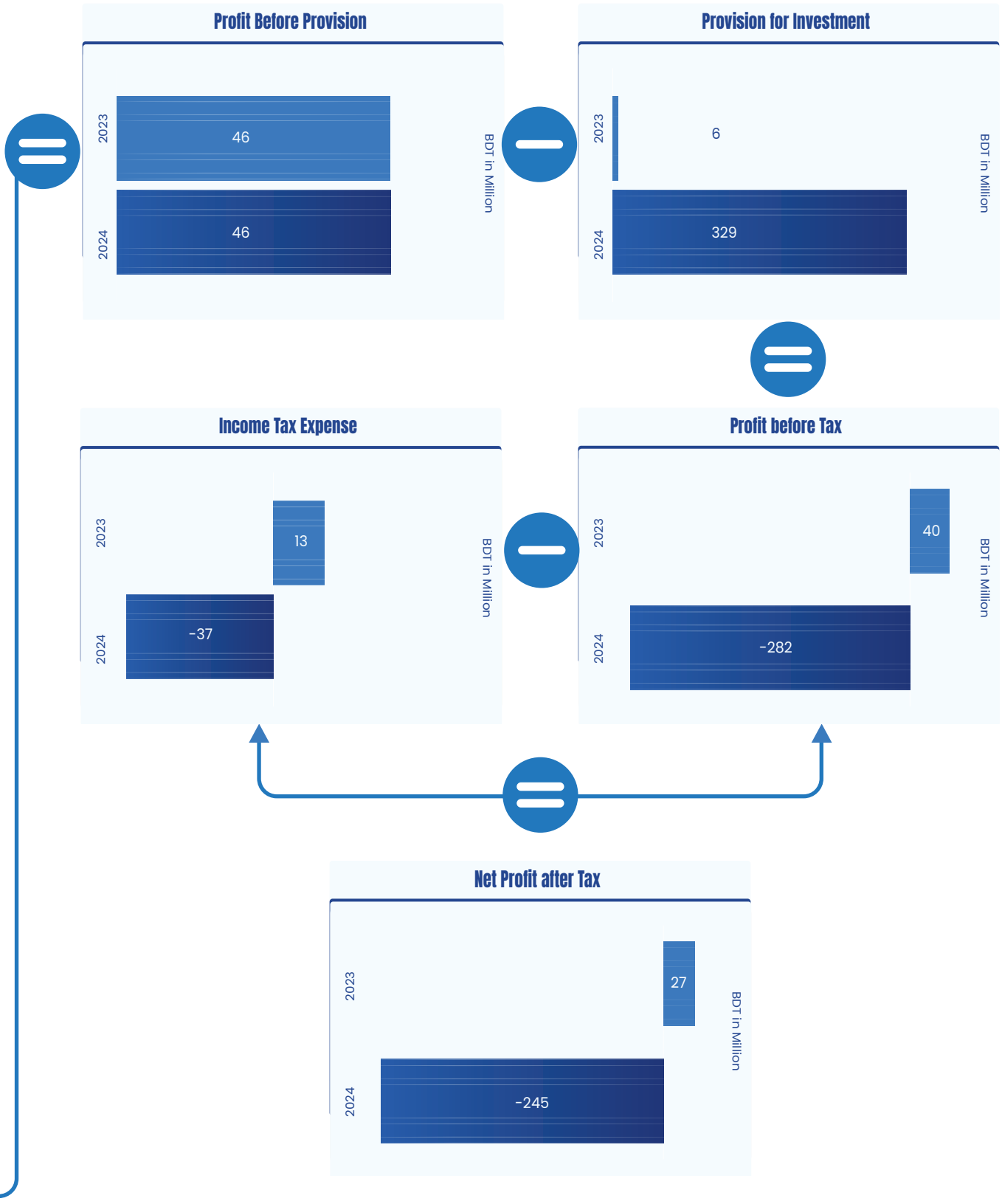
Operational Performance

In 2024, the capital market of Bangladesh faced considerable headwinds stemming from a combination of global economic slowdowns, persistent inflationary pressures, and sharp fluctuations in foreign exchange rates. Although investor sentiment began the year on a cautiously optimistic note — buoyed by the continuation of the prior political regime and easing of regulatory restrictions — the optimism was short-lived. As the year progressed, significant political instability and revelations of systemic irregularities within financial institutions led to the collapse of several major banks and corporations. These disruptions heavily impacted investor confidence, resulting in a marked decline in trading activity and capital inflow across the market.

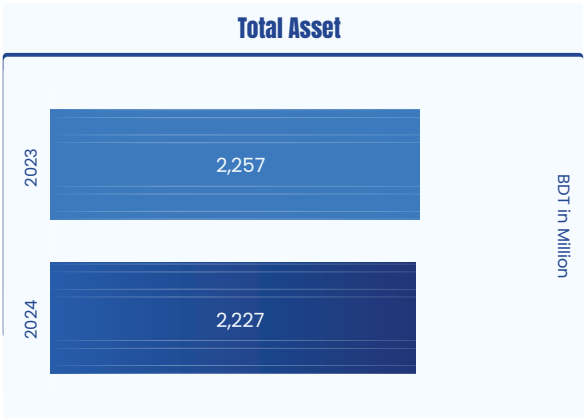
Amid this turbulent backdrop, Bangladesh Finance Securities Limited (BFSL) navigated the year with a focus on operational resilience and cost management. The company reported a 11.32% decline in operating revenue, reflecting the overall contraction in market activity. However, through strategic optimization and efficiency measures, BFSL managed to reduce operating expenses by 21.49%, leading to a modest 1.67% increase in operating profit, signaling operational strength in a challenging environment.

Despite these gains, the economic uncertainties necessitated a prudent approach to risk. BFSL made a conservative provision of BDT 329 million against potential losses in investments and margin loans, aligning with global best practices in financial governance. This provisioning, while affecting the bottom line, was a proactive measure to safeguard long-term stakeholder value. As a result, the company reported a net loss after tax of BDT 245 million, with earnings per share (EPS) standing at BDT -2.29. While the overall outcome reflects the challenges of the macroeconomic environment, BFSL's ability to maintain operational profitability underscores its underlying financial discipline and resilience. The company remains committed to adapting to evolving market dynamics, restoring investor confidence, and laying the groundwork for sustainable growth in the years ahead.

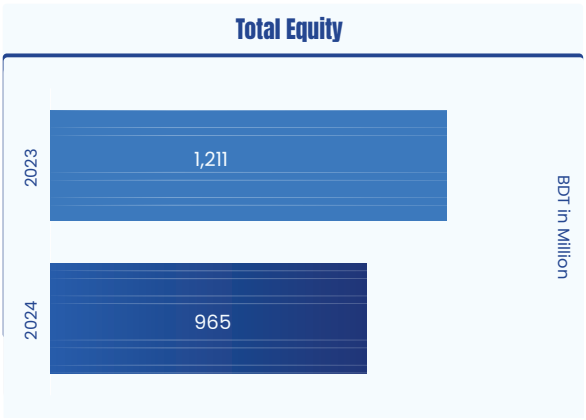


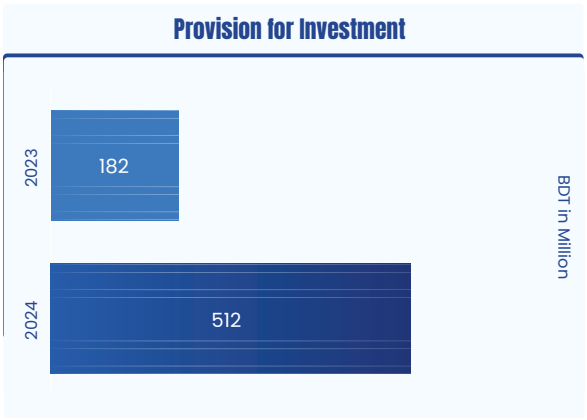

Profit Before Provision
2023
46
2024
46
BDT in Million
Provision for Investment
2023
6
2024
329
BDT in Million
Income Tax Expense
2023
13
2024
-37
BDT in Million
Profit before Tax
2023
40
2024
-282
BDT in Million
Net Profit after Tax
2023
27
2024
-245
BDT in Million

Financial Performance

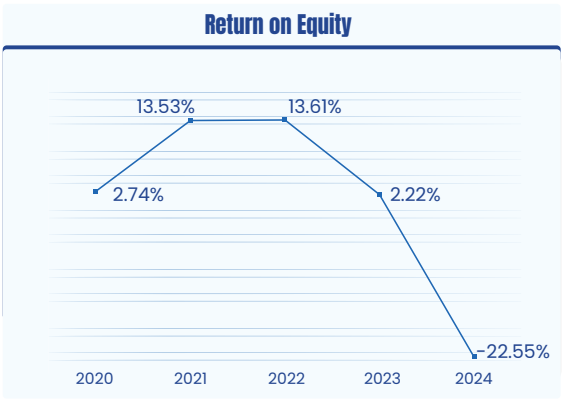


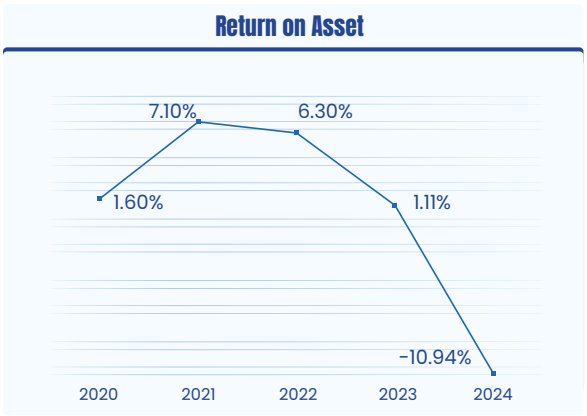


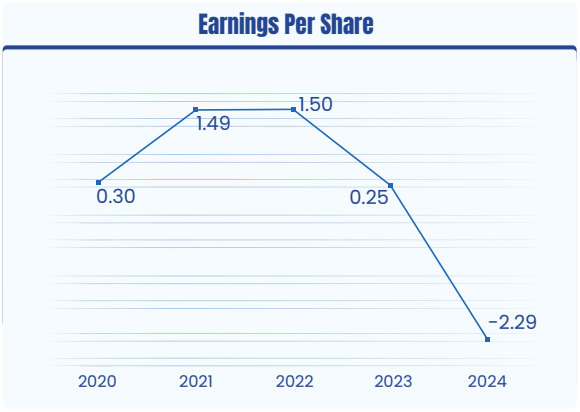


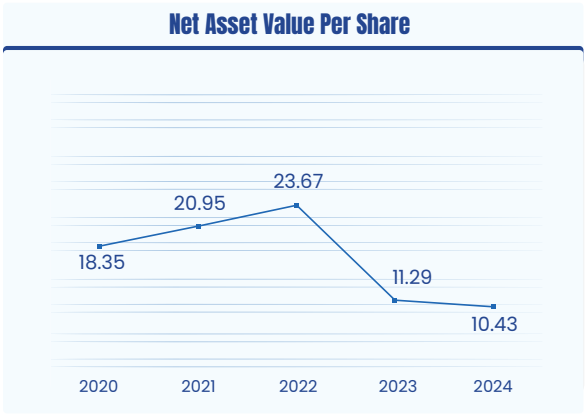


Key Performance Indicator









Financial Summary of Bangladesh Finance Securities Limited

BDT in Million

Financial Highlights	2020	2021	2022	2023	2024
Operating Revenue	73.99	299.20	273.16	103.76	92.02
Operating Expenses	29.23	40.77	56.04	58.17	45.67
Net Profit After Tax	32.02	159.23	161.12	26.61	(245.32)
Total Asset	1,967.29	2,245.76	2,552.69	2,257.37	2,226.53
ROE	2.74%	13.53%	13.61%	2.22%	-22.55%
ROA	1.60%	7.10%	6.30%	1.11%	-10.94%
EPS	0.30	1.49	1.50	0.25	(2.29)
NAV/share	18.35	20.95	23.67	11.29	10.43

AFFORDABLE
HOME LOAN

Bangladesh finance
এখনই সময়

নিজ বাড়ির স্বপ্ন এবার হবে সত্যি!



BANGLADESH FINANCE CAPITAL LIMITED

Overview

Bangladesh Finance Capital Limited is a full-fledged Merchant Banker licensed by Bangladesh Securities and Exchange Commission (BSEC) on February 26, 2012. Bangladesh Finance Capital is a 100% subsidiary of Bangladesh Finance PLC and is a Depository Participant with Central Depository Bangladesh Limited (CDBL). We are catering to individual Investors, Corporate and NRB clients. Bangladesh Finance Capital started its journey on August 19, 2013 with authorized capital of Tk. 200 crore and paid up capital of Tk. 26.87 crore. The organization is run by a team of professionals under leadership of highly experienced and leading personalities of this field.

Strategic Objective

- Create synergy by combining quality and balanced portfolio.
- Offering a wide range of services to our clients
- Maximize corporate value through sustained growth
- Strengthening our position in stock market operation

Secondary Market Service

Expert & highly skilled portfolio management team & capital market research team of Bangladesh Finance Capital offers different products aiming to serve all group of investors:

- Investors' Discretionary Accounts (IDA)
- Management Discretionary Accounts (MDA)
- Non-Margin Investor's Discretionary Account (NM-IDA).
- Professional Portfolio Management (PPM)
- Non-Resident Investor's Taka Account (NITA)
- SIP (Systematic Investment Plan)
- Shariah Portfolio Management

Primary Market Services

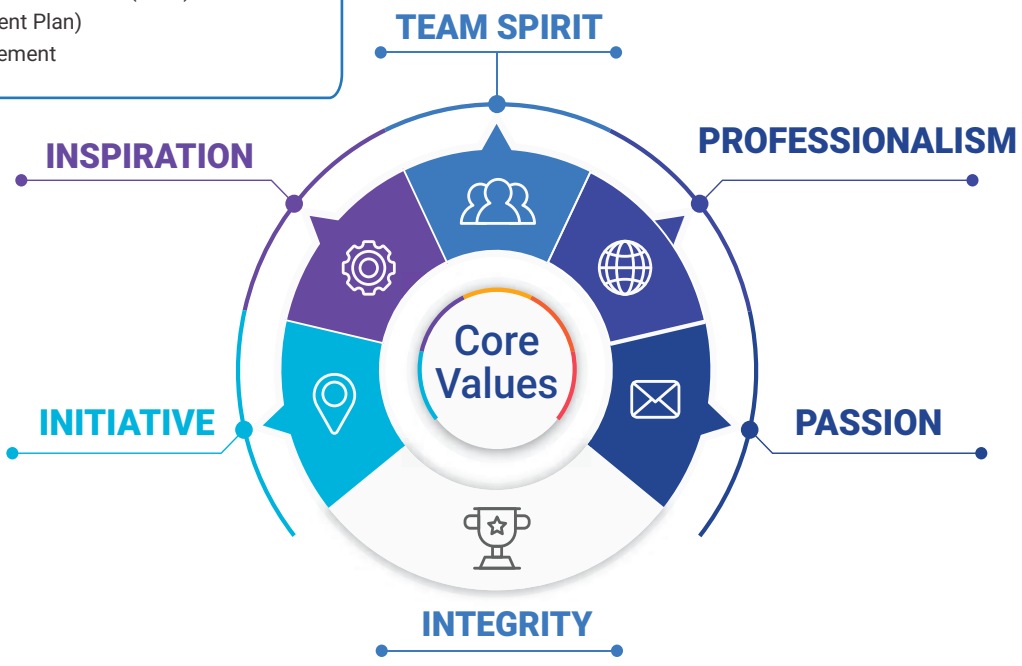
BFCL's primary market services offer end-to-end solutions for companies seeking to raise capital through Initial Public Offerings (IPO), Repeat Public Offerings (RPO), and Rights Offers. The company acts as an Issue Manager and Underwriter, helping clients navigate regulatory frameworks and ensuring successful public market transactions. BFCL also provides Mergers & Acquisitions (M&A) advisory services, supporting clients in executing strategic deals with expert valuation, negotiation, and execution support.

In addition to equity solutions, the company delivers robust debt capital market services, including structuring and issuance of corporate bonds directly to the public or institutions. Leveraging its strong institutional network, BFCL also facilitates private placements and negotiates capital raising initiatives with high-net-worth individuals (HNIs) and strategic investors.

Corporate Advisory Services

Bangladesh Finance Capital provides a full range of advisory services under one umbrella:

- Long term debt & equity finance.
- Financial Modelling
- M&A Advisory, Fairness Valuation



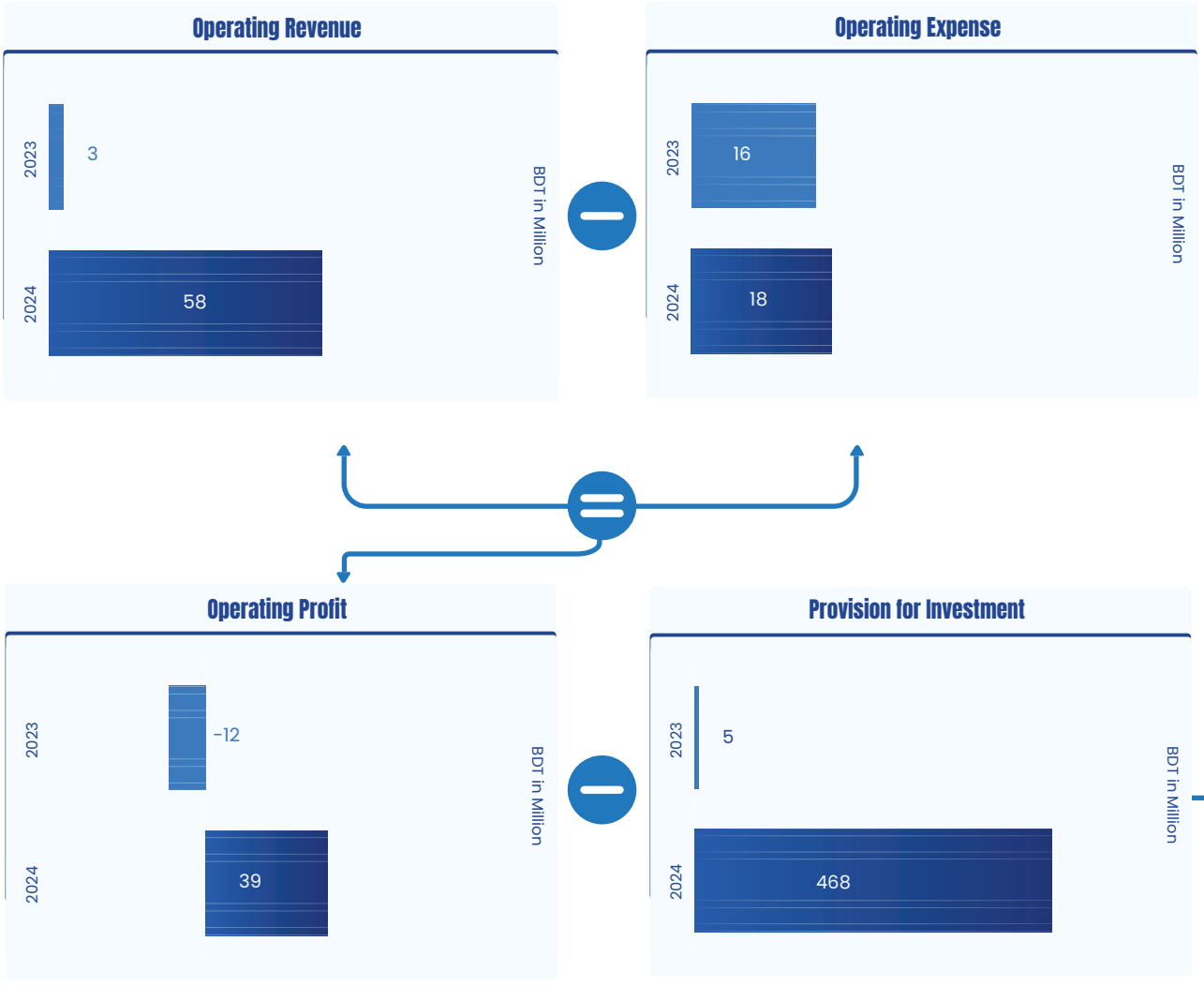
Operational Performance

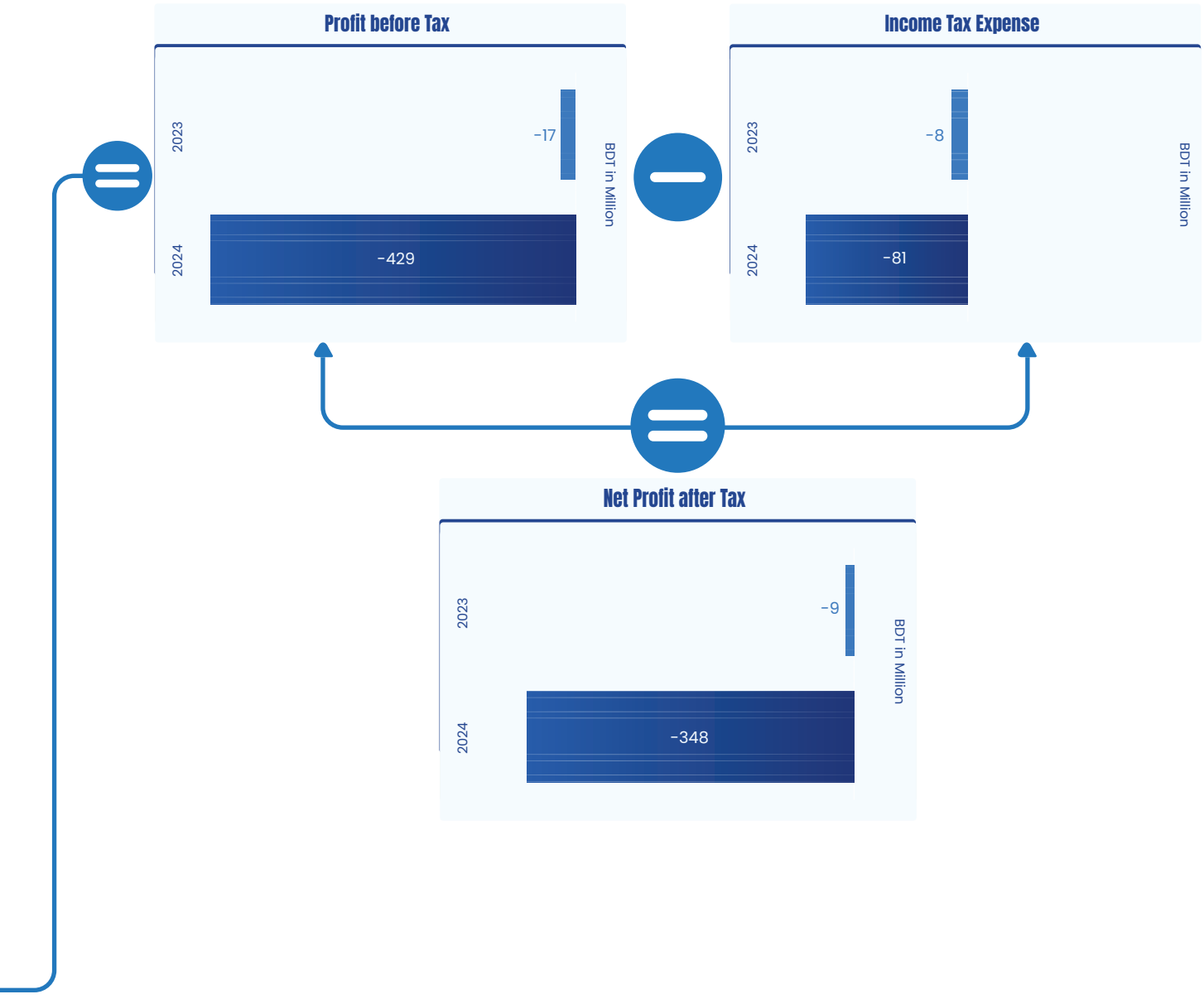
In 2024, Bangladesh Finance Capital Ltd. experienced a significant improvement in its core operational performance, marked by a remarkable 1563.23% growth in operating revenue, which rose to BDT 57.59 million from BDT 3.46 million in 2023, and a turnaround in operating profit, improving from an operating loss of BDT 12.40 million to an operating profit of BDT 39.17 million. This reflects enhanced business activities and improved operational efficiency. However, the overall financial performance was adversely impacted by substantial provisions for investment losses, which increased sharply to BDT 467.96 million from BDT 4.60 million, resulting in a net loss of BDT 347.54 million, a significant deterioration compared to the net loss of BDT 9.14 million in the previous year.

Despite achieving a 23.60% growth in total assets, increasing from BDT 934.41 million in 2023 to BDT 1,154.97 million in 2024, the company's equity base contracted by 87.31%, falling from BDT 398.04 million to BDT 50.50 million, primarily due to the heavy provisioning for diminution in investment values. Key profitability ratios showed severe declines—Return on Equity (ROE) dropped from -2.27% to -154.97%, Return on Assets (ROA) fell from -1.12% to -33.27%, and Earnings Per Share (EPS) decreased significantly from BDT -0.34 to BDT -12.93, indicating intense pressure on returns and shareholder value. The Net Asset Value (NAV) per share also plunged to BDT 1.88 from BDT 14.81, reflecting substantial erosion in the company's capital base.

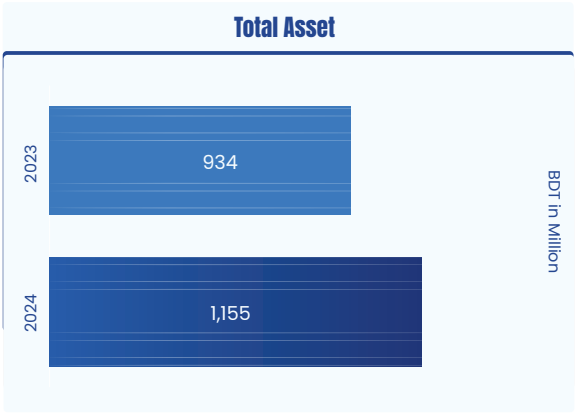
Overall, while the company made commendable progress in boosting revenue and achieving operational turnaround, the financial results for 2024 were weighed down by large-scale investment provisioning amidst challenging market conditions.

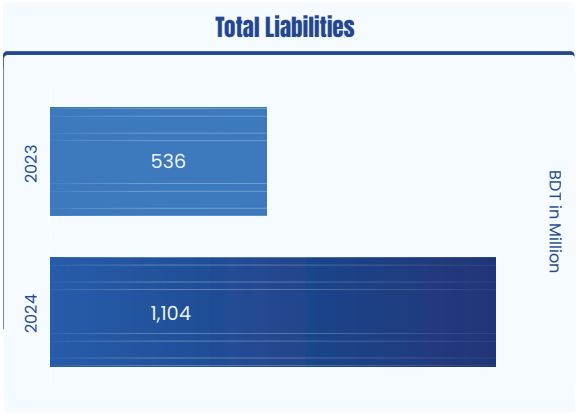
Moving forward, management will prioritize enhancing portfolio quality and strengthening capital adequacy, with a strategic focus on expanding core business activities and diversifying revenue streams. Emphasis will be placed on prudent investment selection, active portfolio management, and disciplined cost control to restore profitability. Furthermore, the company aims to improve operational resilience through technology-driven solutions, deeper client engagement, and the development of targeted financial products and services.

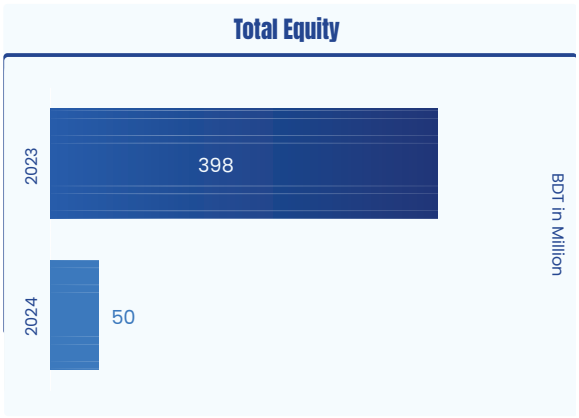


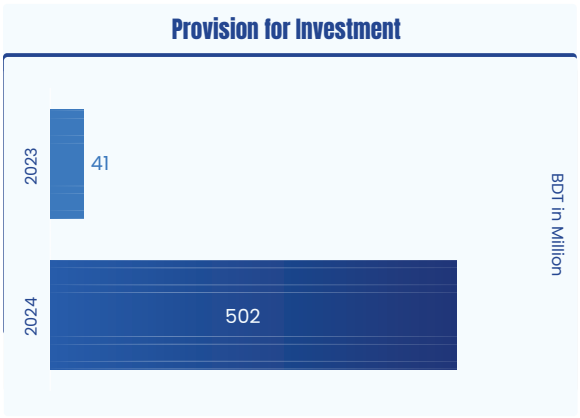

Profit before Tax
2023
2024
-17
-429
BDT in Million
Income Tax Expense
2023
2024
-8
-81
BDT in Million
Net Profit after Tax
2023
2024
-9
-348
BDT in Million

Financial Performance

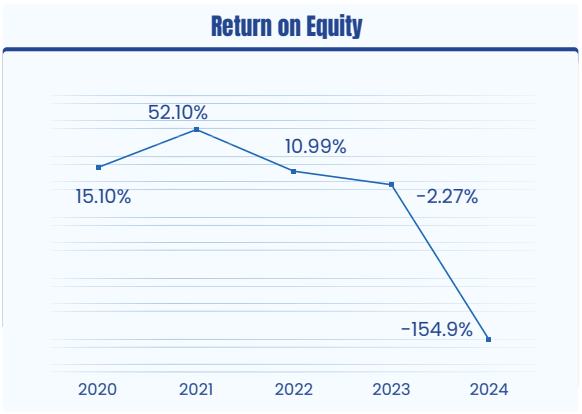


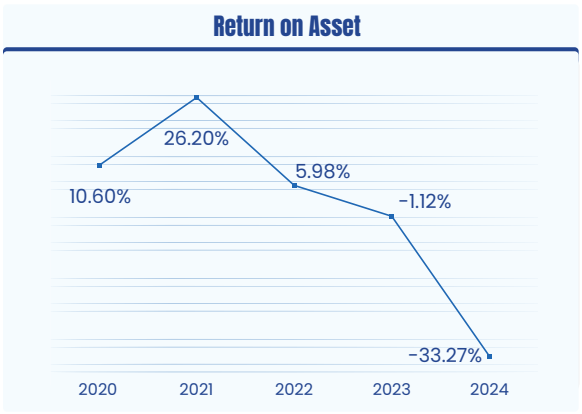


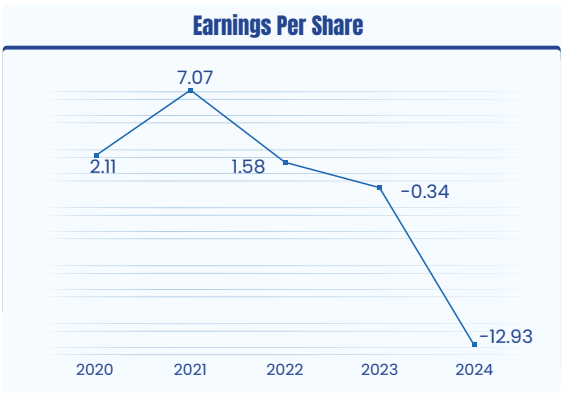


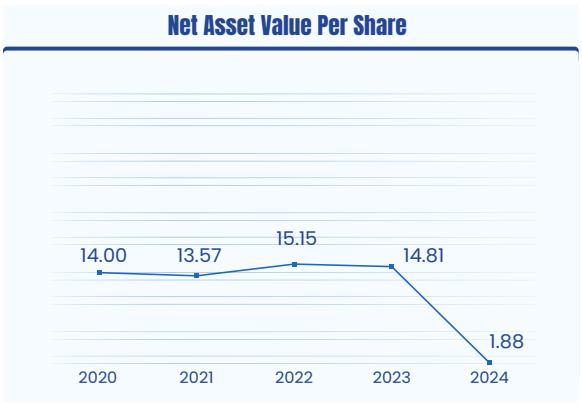


Key Performance Indicator









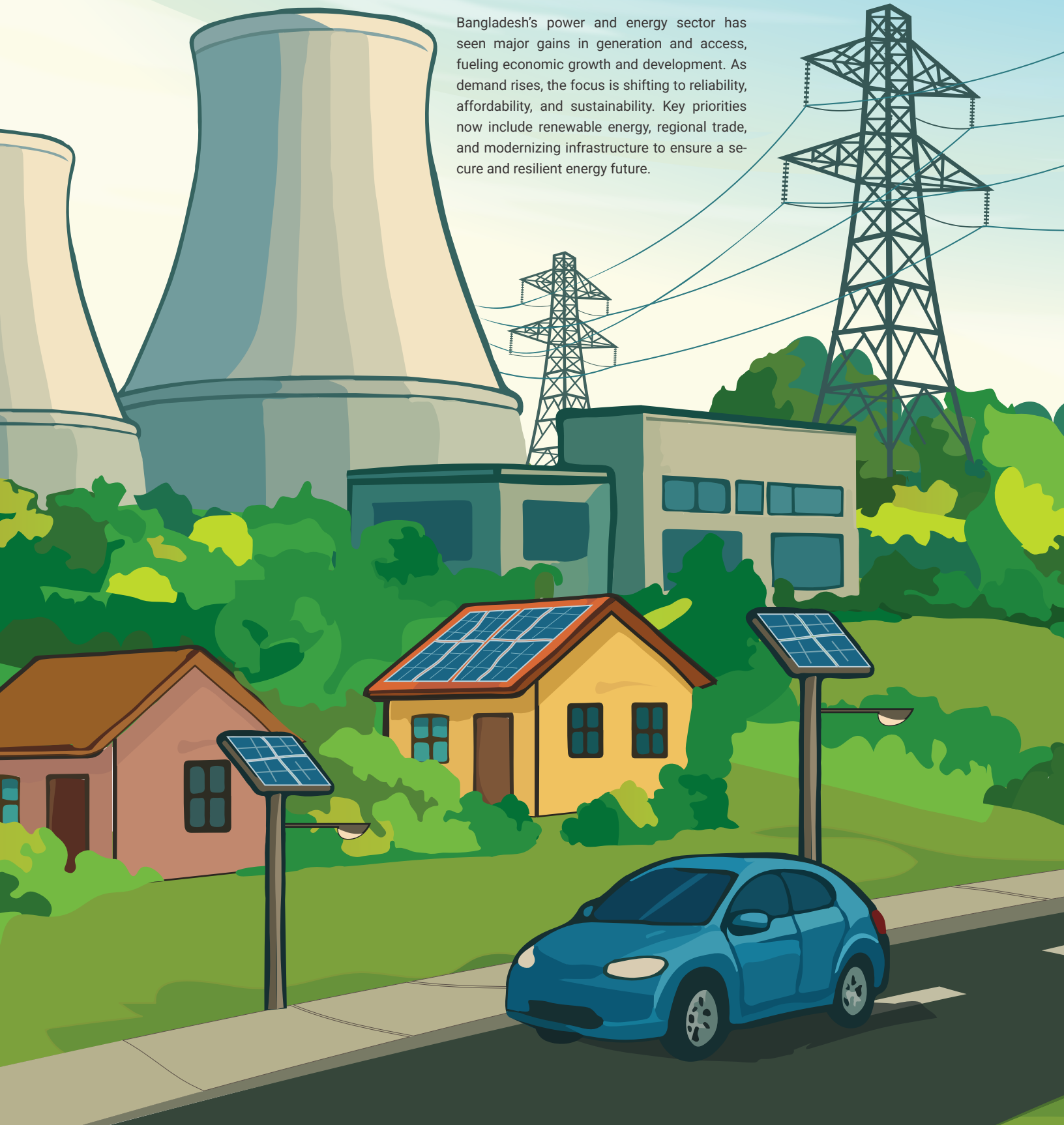
Financial Summary of Bangladesh Finance Capital Limited

BDT in Million

Financial Highlights	2020	2021	2022	2023	2024
Operating Revenue	72.70	242.66	85.52	3.46	57.59
Operating Expenses	14.57	15.96	20.10	15.86	18.42
Net Profit After Tax	56.73	190.12	42.42	(9.14)	(347.54)
Total Asset	536.42	724.88	693.39	934.41	1,154.97
ROE	15.10%	52.10%	10.99%	-2.27%	-154.97%
ROA	10.60%	26.20%	5.98%	-1.12%	-33.27%
EPS	2.11	7.07	1.58	(0.34)	-12.93
NAV/share	14.00	13.57	15.15	14.81	1.88

Ensuring Energy Security for a Resilient Future

Bangladesh's power and energy sector has seen major gains in generation and access, fueling economic growth and development. As demand rises, the focus is shifting to reliability, affordability, and sustainability. Key priorities now include renewable energy, regional trade, and modernizing infrastructure to ensure a secure and resilient energy future.





SUCCESSFUL FINANCIAL MANAGEMENT

Sustainability Highlights

FOR OUR CUSTOMERS

- Disbursed finance to **BDT 523 MN** micro-SMEs in Bangladesh.
- **BDT 163.57 MN** extended financial facility for new women entrepreneurs.

FOR OUR COMMUNITY

- **BDT 1.44 MN** financed for Socio- economic spend, which incorporates total **13** CSR projects, **7** CSR events.
- **25.97%** increased customers under Women Entrepreneurship Loans
- Benefitted Over **2,250+** lives touched across Bangladesh through our financial services and community programs.

FOR OUR PEOPLE

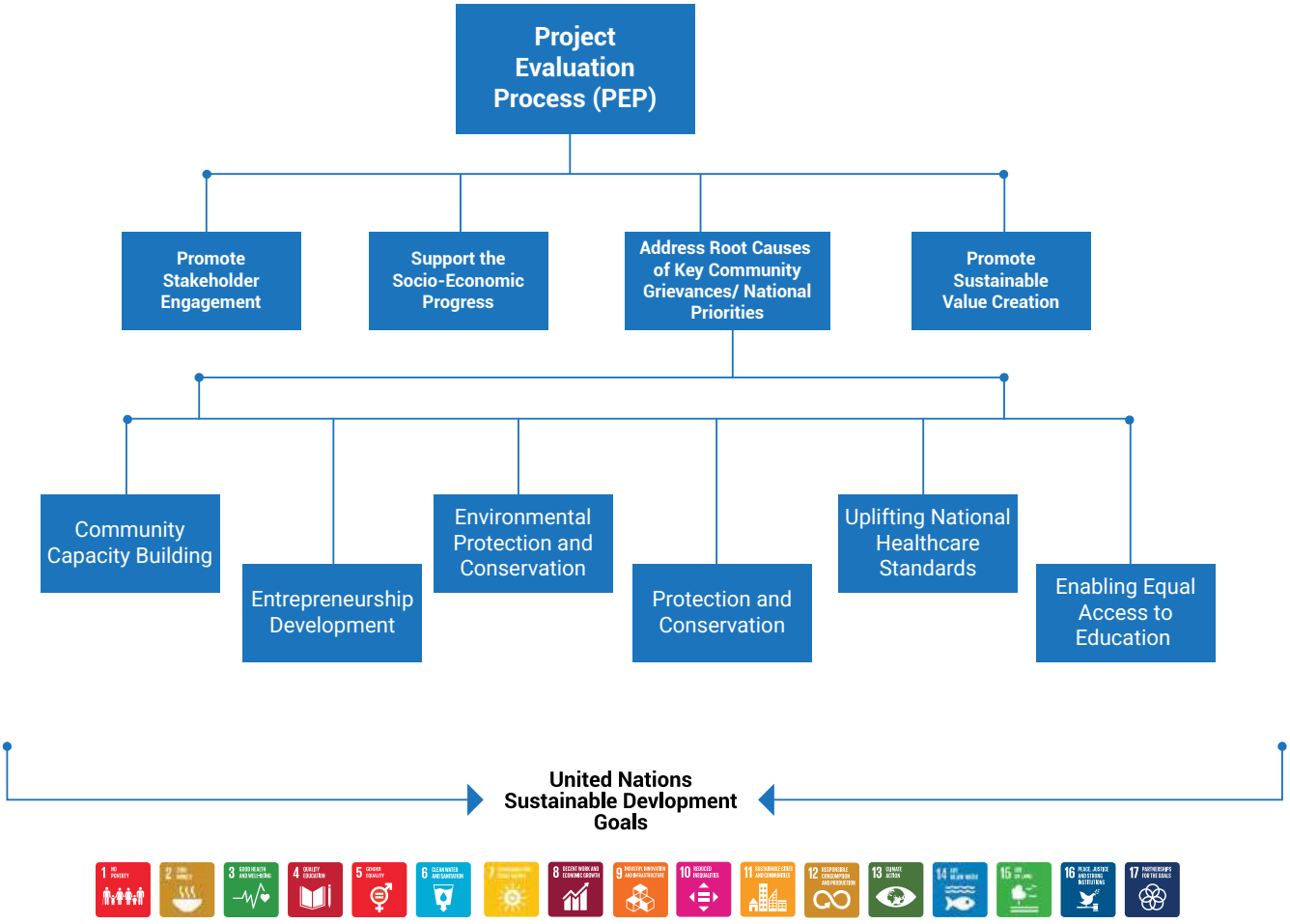
- **14%** of our total workforce are women.
- Our Sustainability Learning Programs saw the participation of a total of **4,134** hours of learning.

FOR OUR ENVIRONMENT

- Saved about **BDT 105 MN** financing by inhouse IT development.
- About **17.99%** for renewable and clean energy loans has been provided.
- About **38.38%** financing for sustainability related loans and green loans has been provided.

OUR APPROACH TOWARDS SUSTAINABILITY

To integrate sustainable finance into the core of our business model, driving responsible growth, fostering environmental stewardship, and creating shared prosperity while aligning with the United Nations Sustainable Development Goals (SDGs), Bangladesh Finance has been continuously evolving their operation by considering Strategic Sustainability Framework.



We Serve

Economic Sustainability
Drive consistent financial performance to underpin long-term viability, safeguard stakeholder value, and ensure the uninterrupted delivery of core business functions.

Social Sustainability
Champion inclusive financial solutions that actively contribute to reducing systemic socio-economic disparities and foster equitable growth across all segments of society.

Environmental Sustainability
Position the organization at the forefront of green banking by embedding environmentally responsible practices into operations and advocating for sustainable transformation across the financial services sector.

We Focus

Upholding Good Governance & Championing Ethical Business Practices:
Ensuring transparency, accountability, and integrity at every level of operation. Committing to principled conduct that fosters trust among stakeholders.

Driving Digital Leadership & Expanding Market Share:
Leveraging cutting-edge technology to lead innovation and digital transformation. Strategically positioning ourselves to grow presence and capture new opportunities.

Enhancing Productivity and Operational Efficiency:
Streamlining processes to maximize output and drive sustainable performance.

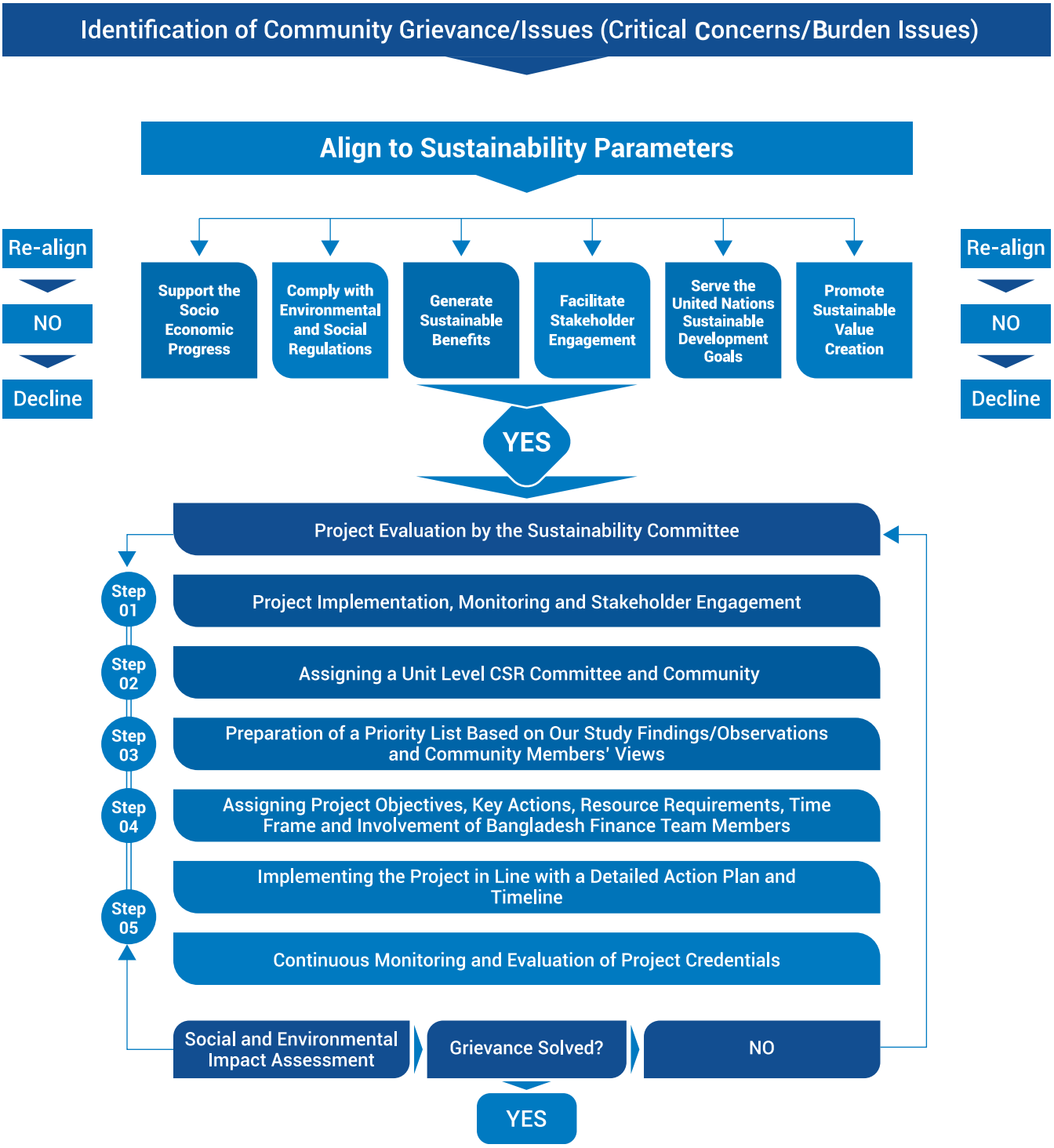
Strategic Sustainability Framework

As a leading Finance Company in Bangladesh, Bangladesh Finance is committed to advancing the nation's sustainability agenda. Adopting a 360-degree approach based on the Triple Bottom Line—People, Planet, and Profit—the organization ensures financial success aligns with social and environmental impact. The Strategic Sustainability Framework integrates sustainability into core operations, guiding decisions to balance business growth with ecological and societal well-being. This approach positions Bangladesh Finance to set a new standard for sustainable practices in the NBFI sector.

Sustainability Governance

Bangladesh Finance follows a top-down governance approach to ensure effective execution of its Strategic Sustainability Framework. The Board of Directors sets sustainability priorities, ensuring strong leadership and accountability. The CSR Committee, led by the Managing Director, oversees sustainability and CSR initiatives, ensuring alignment and performance integrity. The CSR department, under the committee's guidance, manages planning, implementation, and monitoring of sustainability projects, evaluating their alignment with the CSR Model. Continuous investment in training and awareness programs ensures sustainability is embedded in the company culture at all levels.

Project Evaluation Process



THE THREE PILLARS OF SUSTAINABILITY

Sustainability Commitment

Our sustainability framework is built upon three interdependent pillars such as Economic, Social, and Environmental each reinforcing our commitment to creating long-term value without compromising the well-being of future generations.

Economic Sustainability

We are dedicated to fostering resilient economic growth that aligns with environmental stewardship and social equity. Our approach ensures that profitability coexists with purpose.

Strategic Focus Areas:

- Robust Corporate Governance
- Adherence to Ethical Business Practices
- Digital Transformation & Innovation Leadership
- Competitive Market Positioning
- Operational Excellence and Resource Efficiency

Environmental Sustainability

We integrate environmental responsibility into every aspect of our operations, minimizing ecological impact while catalyzing green innovation.

Strategic Focus Areas:

- Deployment of Scalable Digital Solutions to Reduce Resource Use
- Transition to Paperless and Energy-Efficient Processes
- Investment in Environmentally Responsible Lending (Green Finance)
- Execution of High-Impact Environmental CSR Initiatives

Social Sustainability

We mobilize capital, partnerships, and innovation to address societal challenges, strengthen communities, and ensure inclusive growth for all stakeholders.

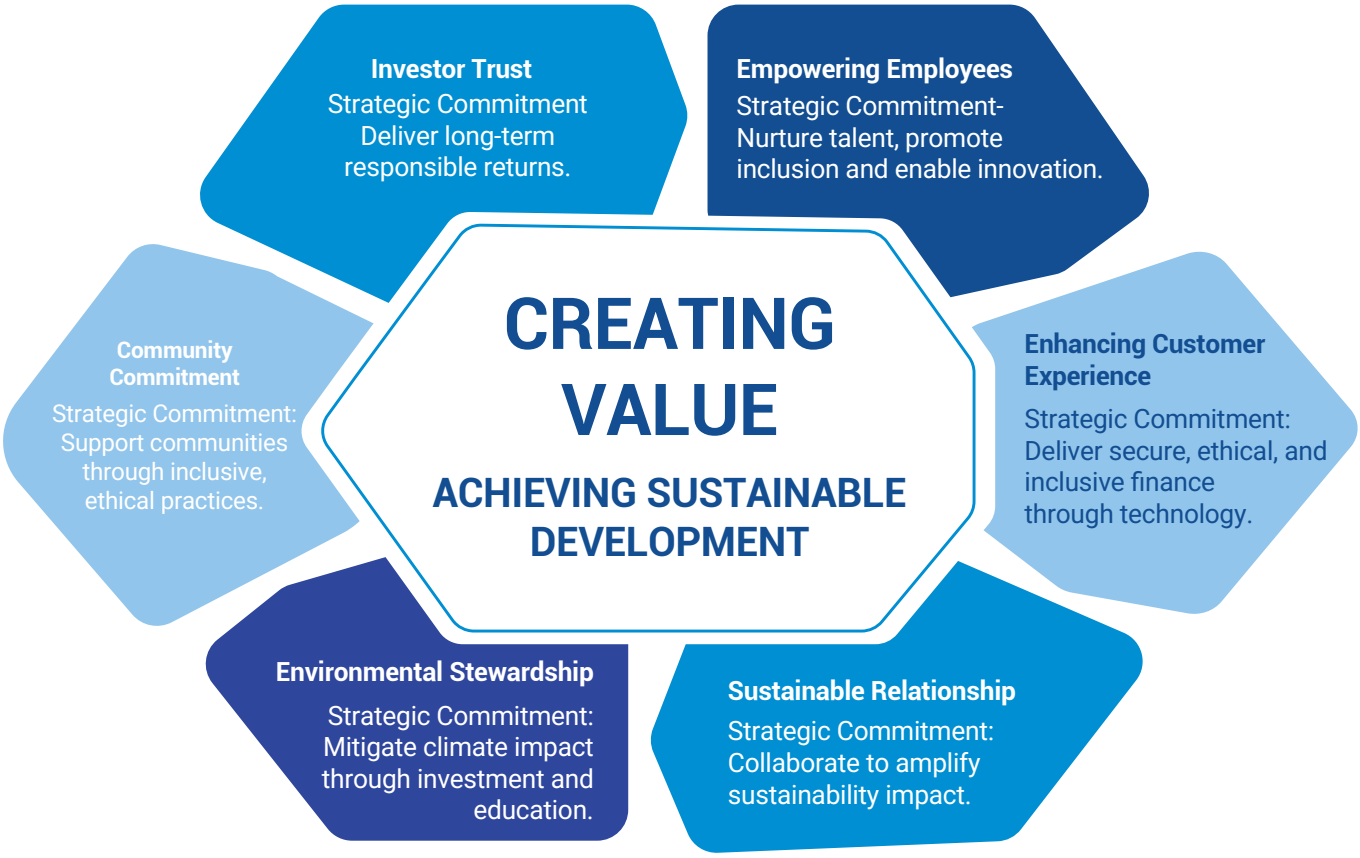
Strategic Focus Areas:

- Development and Delivery of Socially Responsible Productsand Services
- Promotion of Equal Opportunity Employment Practices
- Advancement of Financial Inclusion for Underserved Populations
- Implementation of Community Development and Empowerment Initiatives

WE CREATE VALUE FOR



CREATING VALUE - ACHIEVING SUSTAINABLE DEVELOPMENT



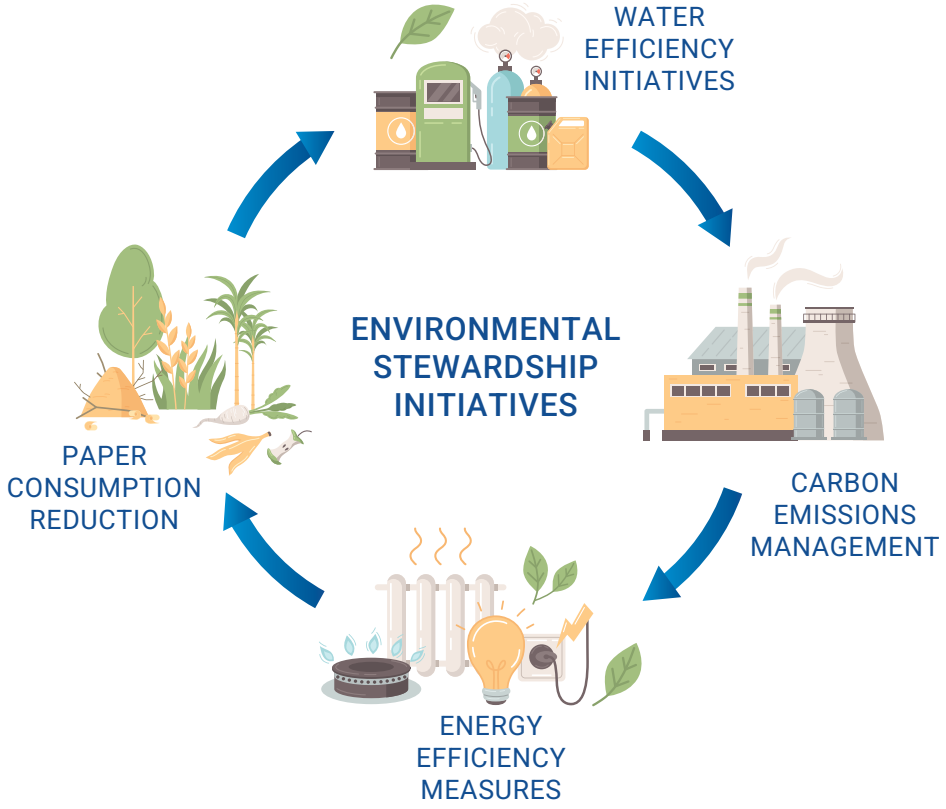
	Empowering Employees – Building Human Capital for the Future	Enhancing Customer Experience – Inclusive Financial Solutions	Sustainable Partnerships – Expanding Social and Relationship Capital
Focus Areas	• **Skills of the Future:** AI, digital finance, ESG literacy. • **Mental Health & Flexibility:** Expanded wellness programs, hybrid work models. • **DEI Commitment:** Transparent metrics and progression pathways.	• **Digital-first experience:** mobile-first design, seamless onboarding. • **Financial Inclusion:** Shariah-compliant microfinance, rural outreach. • **Personalized Finance:** AI-powered advisory tools.	• Climate-smart partnerships • Embedded financial wellness products • Regional network expansion through co-branded services
Key Initiatives	• Launch of "Future Leaders Academy" • 360-degree feedback and employee innovation platform	• Expansion of e-KYC across all product lines • "Finance for All" initiative: targeting underserved communities	• Strategic Partnership with "Palm Pay" • Embedded insurance for all term loans
Impact Metrics	• Employee engagement score ≥ 89% • 19% mid-level managemen	• Customer satisfaction index ≥ 90% • 250+ customers onboarded digitally.	• 10 new sustainability focused partnerships formed • 70% partner-enabled customer acquisition growth

	Environmental Stewardship – Leading with Green Finance	Investor Trust – Building Ethical & Transparent Value	Community Commitment – Socioeconomic Impact at Scale
Focus Areas	• Green Bonds & Climate Loans • Net Zero Operations roadmap • Environmental literacy for all staff	• ESG-integrated investment strategies. • Transparent reporting and governance. • Climate risk disclosures (TCFD aligned).	• Education, entrepreneurship & environment. • Social innovation and inclusive growth.
Key Initiatives	• “Green Deposit” portfolio with clear impact KPIs. • Going full green operation for 2 branches.	• Quarterly ESG dashboard. • “Sustainability Stewardship” investor forum.	• “Smart Village Finance” project • Volunteer hours doubled through “Hands on Finance”
Impact Metrics	• 30% YoY growth in green loan disbursement. • 20% reduction in internal carbon footprint.	• ≥ 10% ROI from ESG-flagged products. • 100% TCFD compliance by year-end.	• 2,250+ lives touched via CSR initiatives. • BDT 12,000 of CSR budget allocated to climate adaptation.

ENVIRONMENTAL STEWARDSHIP INITIATIVES

At Bangladesh Finance, sustainability is at the heart of our operations. We focus on reducing carbon emissions, improving energy efficiency, and optimizing the use of water and materials. Our environmental impact is closely monitored across all business areas to drive continuous improvement.

Environmental responsibility is deeply rooted in our corporate culture, with employees actively engaged through campaigns, competitions, and everyday practices like energy conservation and recycling to promote eco-friendly habits.



Carbon Emissions Management

15% reduction from total emissions.

Water Efficiency Initiatives

100% Of Branches And Corporate Offices Equipped With Ro Water Purifiers.

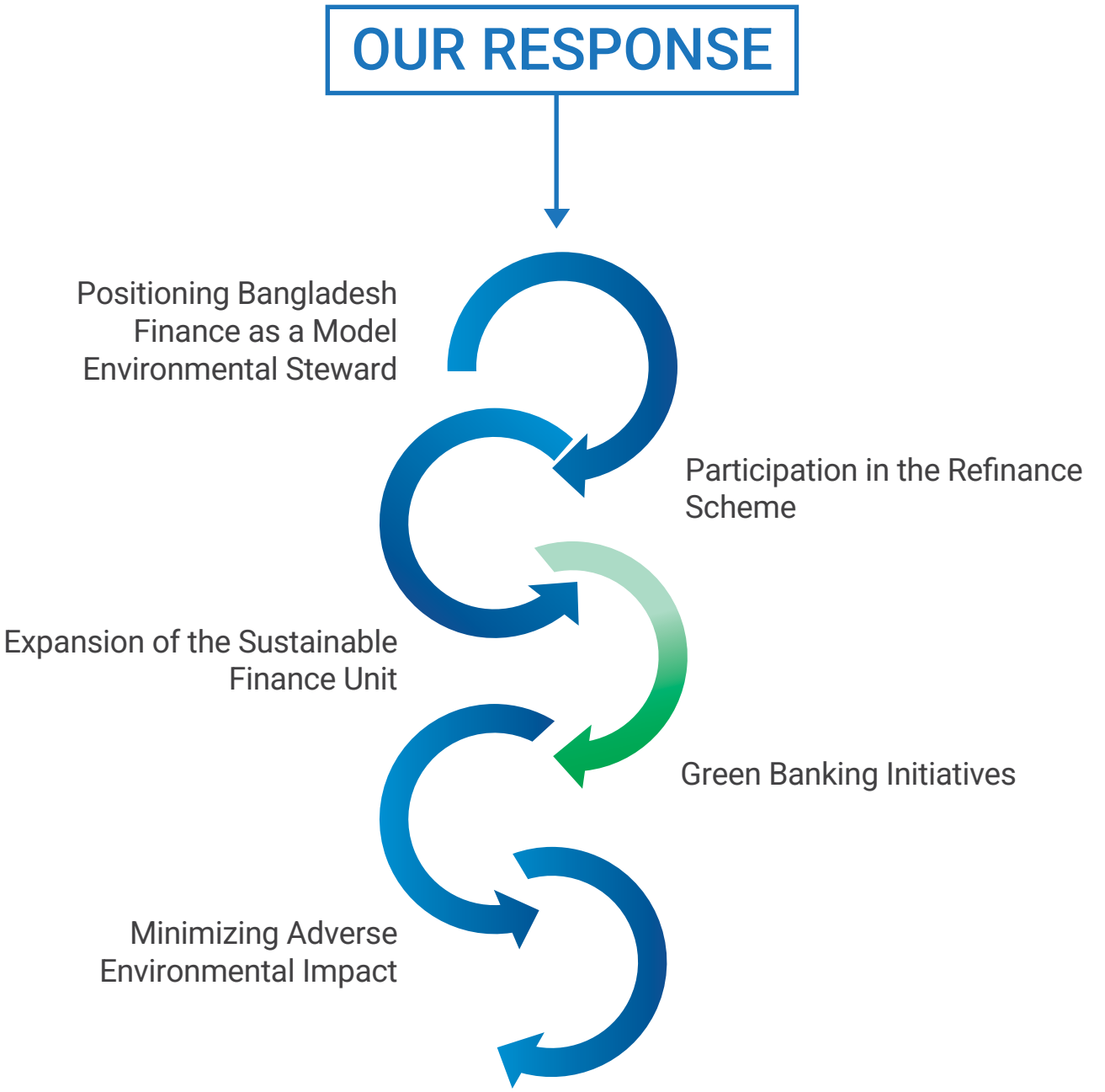
Paper Consumption Reduction

Saved **1,040,000** Paper Sheets by transferred to digital platforms.

Energy Efficiency Measures

100% transition to energy-efficient lighting (LED, CFL bulbs).

Environmental Framework	Key Achievements in 2024	UN SDG
Carbon Emissions Management	• Video Conferencing: Adopted to link the Head Office with branches, reducing inter-office travel and emissions. • Virtual Workforce Training: Shifted to platforms like Zoom and Microsoft Teams, contributing to a low-carbon strategy. • Green Financing: Actively participates in Bangladesh Bank's refinance scheme to support the transition to a low-carbon economy.	
Water Efficiency Initiatives	• Water Conservation Focus: Resources are primarily used for drinking needs. • RO Purifiers: All branches and corporate offices are equipped with Reverse Osmosis purifiers for clean water. • Usage Monitoring: Management actively monitors water usage to minimize wastage.	
Energy Efficiency Measures	• Using natural daylight for over 20% annual electricity savings. • Implementing energy-efficient LED and CFL lighting. • Promoting digital communication to reduce paper use and energy consumption.	
Paper Consumption Reduction	• Digitization Focus: Prioritizes digital platforms in sustainability efforts. • Paperless Workflows: Uses email platforms, operational modules, and document management systems. • Benefits: Reduces printed records, supports forest conservation, and improves administrative efficiency.	



Positioning Bangladesh Finance as a Model Environmental Steward

At Bangladesh Finance, our commitment to environmental sustainability continues to be a cornerstone of our corporate ethos. In 2024, we aim to set a new benchmark for environmental stewardship within the financial sector by prioritizing initiatives that mitigate negative environmental impacts and actively generate positive ecological value. Through strategic investments and policy-driven actions, we seek to further distinguish ourselves as a leader in sustainability, both among our peers and across the broader industry landscape.

Participation in the Refinance Scheme

Aligned with our ongoing sustainability objectives, Bangladesh Finance remains an active participant in Bangladesh Bank's Refinance Scheme. This initiative supports our continued efforts to finance environmentally responsible ventures, with a focus on promoting Women Entrepreneurship, SME lending, and Sustainable Linkage Projects. Our participation further reinforces our pledge to integrate green principles into all our financial services in 2024.

Expansion of the Sustainable Finance Unit

In 2024, we have further expanded and strengthened our Sustainable Finance Unit to institutionalize our green finance agenda. The enhanced unit is tasked with driving sustainability initiatives and fostering a culture of environmental responsibility across all operations. This structural evolution highlights our proactive approach in mainstreaming sustainability throughout the organization.

Green Banking Initiatives

In 2024, Bangladesh Finance disbursed green finance BDT 388 MN toward sustainable linkage projects, furthering our commitment to green banking. Additionally, we continue to conduct capacity-building programs on green finance, delivered virtually to ensure cost-effectiveness and reduce our carbon footprint. These efforts are central to cultivating internal awareness and aligning our workforce with our green banking vision.

Minimizing Adverse Environmental Impact

As part of our risk mitigation framework, Bangladesh Finance exercises rigorous due diligence to avoid financing businesses associated with adverse health impacts. We also maintain a smoke-free environment across all office premises to promote well-being and environmental integrity. Furthermore, we have integrated environmental and climate risk assessments into our credit evaluation methodology, ensuring that all lending practices are responsible and account for long-term ecological impacts.

COMPONENTS OF SUSTAINABLE FINANCE RATING

1.1. SUSTAINABLE FINANCE INDICATORS				
SL	**Components**	**Year 2024**	**Year 2023**	**Year 2022**
1	Green Finance (GF) as % of Total Term Loan Disbursed	17.99%	14.80%	7.80%
2	Sustainable Finance (SF) as % of Total Loan Disbursed	38.38%	55.20%	16.30%
3	Number of Borrowers with SF as % of Total Borrowers	14.15%	50.80%	25.40%
4	Number of Borrowers with GF as % of Total SF Borrowers	24.44%	22.50%	4.70%
5	SF in rural areas as % of Total SF	30.79%	38.90%	22.00%
6	Number of Women Borrowers with SF as % of Total Borrowers with SF	25.97%	19.40%	2.80%
7	Sustainable Agriculture as % of Total Loan Disbursed with SF	3.44%	24.20%	3.55%
8	Sustainable CMSMEs as % of Total Loan Disbursed with SF	100%	86.40%	89%
9	SRF as % of Total Loan Disbursed with SF	0%	43.70%	43.36%
10	Number of Categories belong to GF	2	2	2
11	Number of Products/Projects/Initiatives belong to GF	4	5	5
12	ESDD Rated project finance as % Total Finance	56.95%	4%	2.20%
13	NPLs in SF as % of Total NPLs	4.80%	0.06%	0.00%
14	NPLs in SF as % of Total Outstanding	4%	0.01%	0.00%
In-house Green Banking practices				
19	Solar powered branches as % of total branches	29%	29%	14.28%
20	Branches with rainwater harvesting as % of total branches	0%	0%	0%
Green Investment				
21	Green Investment as % of Total Investments	2.24%	3.23%	3.59%
22	Green Equity as % of Shareholders' Equity	0	0	0

1.2. CSR ACTIVITIES			
SL	**Components**	**Year 2024**	**Year 2023**
1	Education	44%	60%
2	Health	44%	26%
3	Environment & Climate Change Mitigation and Adaptation	4%	9%
4	Others	7%	5%

1.3. GREEN REFINANCE (BB REFINANCE)				
SL	**Components**	**Year 2024**	**Year 2023**	**Year 2022**
1	**Annual percentage of refinance taken of the total disbursement**	58.24%	60%	6%
2	**Sector wise Refinance**			
	Cottage	5.3	86.51	32.58
	Micro	87.67	259.52	86.38
	Small	429.84	289.80	98.23
	Medium	-	138.41	29.62
	Sustainable Refinance	-	90.88	0.00
3	**Product wise Refinance (in Million)**			
	Agro Processing	44.5	8.76	14.00
	JAICA - FSPDSME	12.5	5.40	63.11
	New Entrepreneurs	2.24	9.05	32.55
	Women Entrepreneurs	163.57	109.70	81.55
	Technology Upgradation Project	-	90.88	-
	COVID19 Stimulus	-	102.40	53.00
	CMSME 25000 Cr.	300	538.89	2.80
	Total Refinance	**949.27**	**865.08**	**246.81**

OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT

- Empowering communities through microfinance initiatives.
- Microfinancing BDT 87.67 million.
- Financial inclusion & women empowerment initiatives.

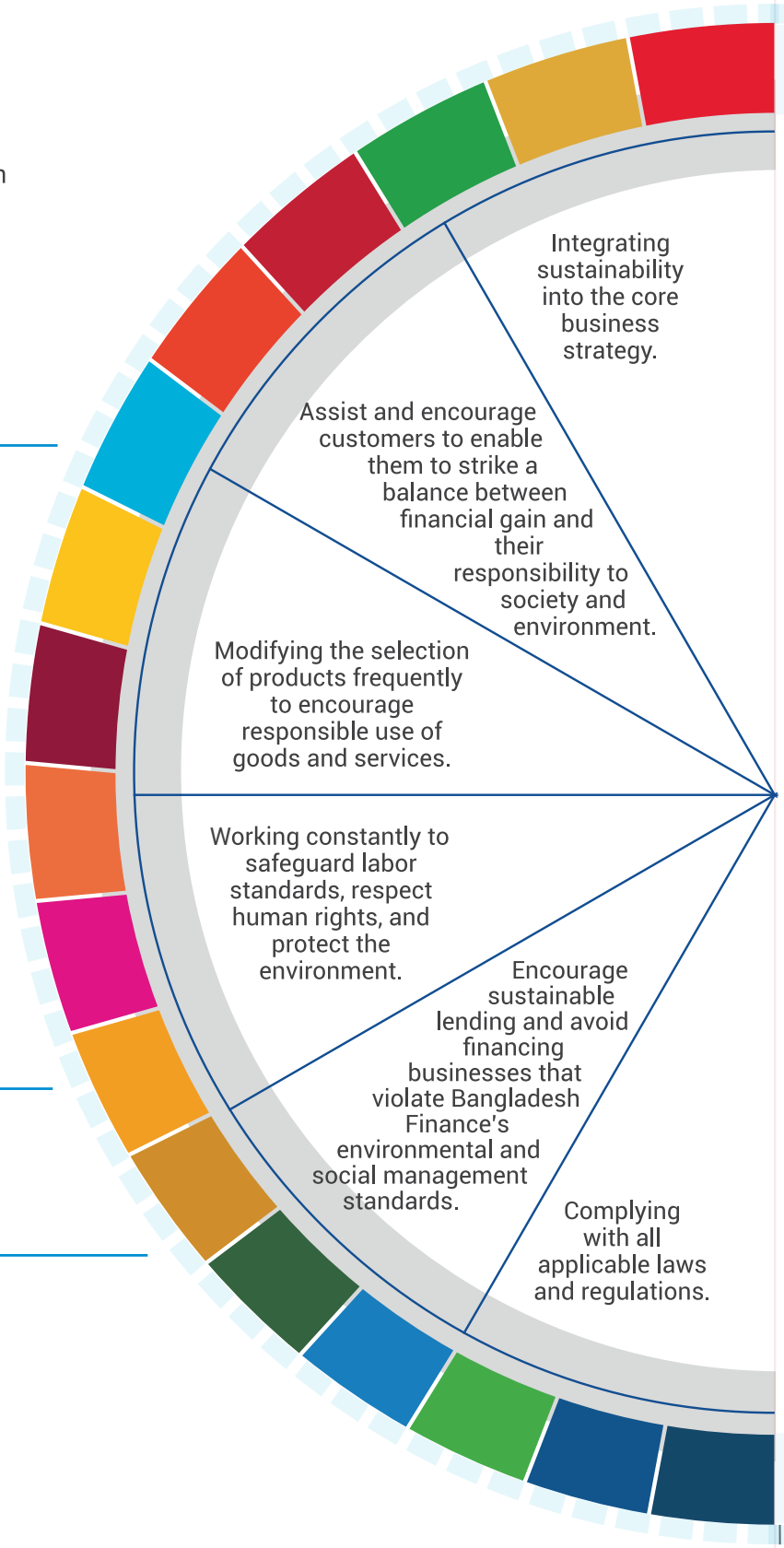
- Loan to women entrepreneur(s) to upgrade their economic condition
- Loan to farmers for cattle farming in village areas

- Donation to clinical dentistry symposium
- Donation to ISD inclusion symposium

- Knowledge sharing and capacity building several sessions for customers.
- Arranging 1 Scholarship program for internal stakeholders.

- Empowering women through supportive workplace.

- Health and sanitation awareness program



- Establishment of energy efficient branches

- Internship opportunities for undergraduates.
- Competitive pay, growth, and safe environment
- Number of permanent employees: **146**
- Retention rate: **79%**

- SME lending fuels small business growth

- Fostering diversity and equal opportunity
- Female representation rate: **14%**

- Structured housing loan solutions for customers.

- Year-on-year reduction in paper waste attributed to increased digitalization.
- Diverse, affordable non-banking solutions

- Conversion of two branches to solar energy system for sustainable energy.

- Funding to eco-friendly agri-based sector to save water and natural eco-system

- Invest in emission and energy management
- Inclusive industrialization
- SME lending

- Accountability, integrity, transparency, anti-corruption, whistleblowing

- Refinancing unit channels credit via partnerships.
- Refinance disbursements: **BDT 949** million

CAPITALS' SUMMARY

Our value creation model focuses on sustainable, long-term outcomes, consistently exceeding capital allocation costs. We strategically deploy capital across various areas, including raising funds and offering innovative products, to strengthen competitive positioning and drive growth, providing market differentiation. Our 'Key capitals' are essential to this approach.

Financial Capital

Financial capital fuels businesses by providing tailored financial solutions through strategic allocation of resources.

Total Financial Capital **20,693 MN**

Manufactured Capital

Built on advanced technology and modern infrastructure, supporting efficient service delivery and business operations.

2 **Branches under solar system**

Intellectual Capital

Strengthened by our brand value, innovation capabilities, and intellectual assets, we create technologies and solutions that ensure long-term business success.

17,000+ transactions in digital channels

Human Capital

100% employees covered by performance appraisal and career development plan

Social & Relationship Capital

75%-85%
Percentage of Workday on Screen.

Natural Capital

100% employees involved in sustainability training and green practices

FINANCIAL CAPITAL

The financial capital is undoubtedly one of the most significant capitals in the financial sector. By means of the financial capital, Finance Company are able to perform financial intermediation, raising and accumulate funds in the market and granting loans to customers and society, attributing interest rates that remunerate business risks and their providers of financial capital.

Moving Ahead: Sustainable and Resilient

AA
Long-Term Credit Rating



ST-1
Short-Term Credit Rating





(30.05)
NAV

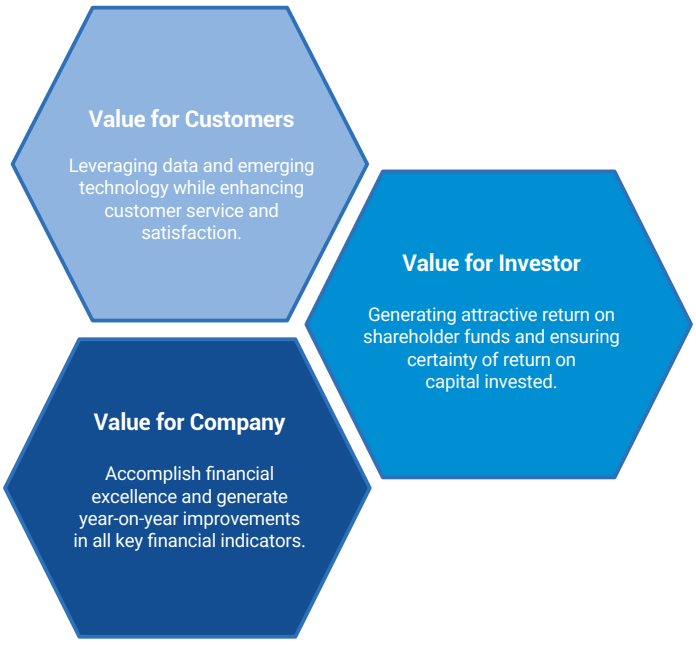


-25.12%
CAR

Origin of Financial Capital (BDT in million)			
Liabilities	**2022**	**2023**	**2024**
Financial Borrowings from other Banks	3,145	5,172	4,718
Deposits	9,797	8,879	8,637
Other Liabilities	2,407	3,529	12,769
Shareholder's Equity	3,277	2,170	(5,656)
Non-Controlling Interest	505	501	396
Total Liabilities & Equity	**19,132**	**20,250**	**20,864**

Allocation of Financial Capital (BDT in million)			
Assets	**2022**	**2023**	**2024**
Cash	118	118	131
Balance with other Banks and Financial Institutions	1,575	1,684	1,607
Investments	1,136	1,395	1,499
Loan Lease and Advances	14,006	14,597	14,685
Fixed asset	625	732	698
Other asset	1,459	1,510	2,073
Non-banking asset	213	213	171
Total assets	**19,132**	**20,250**	**20,864**

Creating sustainable stakeholder value has always been the fundamental goal of managing our financial capital while efficiently utilizing our funds obtained through shareholder investments and borrowings. Our debt metrics have been further strengthened, and the company's ability to manage its total cost of capital makes a significant contribution to the sustainability and its ability to fund expansion of its distributable income.



CONTRIBUTING TO OUR MISSION

- To mobilize public funds through the innovation of investment products aimed at maximizing value for our depositors.
- To support entrepreneurs by engaging in prudent lending practices that facilitate wealth



SDGs Impacted

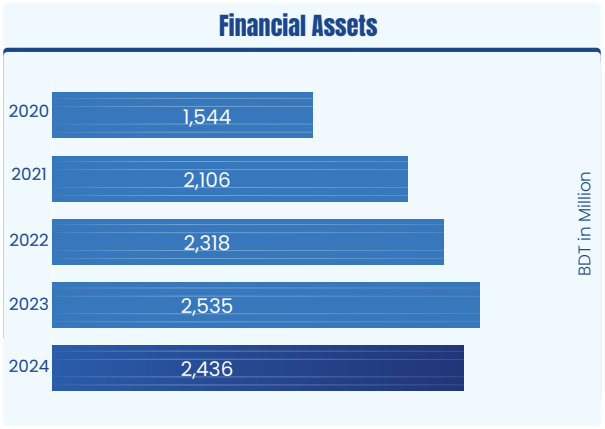


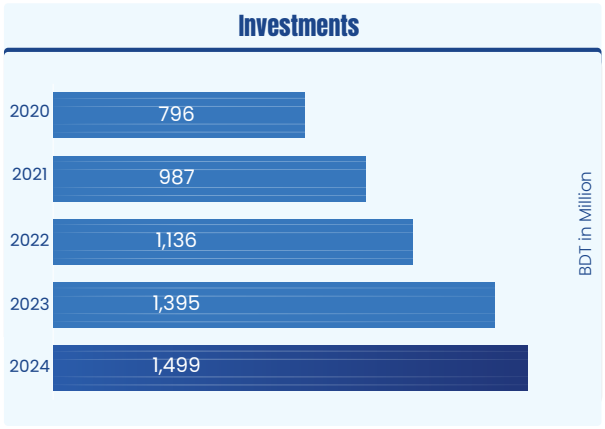
Related Strategic Imperatives

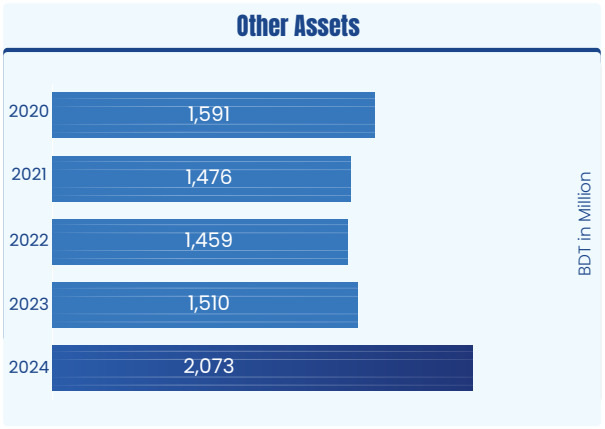
- Pursuing sustainable growth exposures prudently, aligned to risk appetite
- Augmenting customer experience
- Achieving execution excellence
- Promoting efficient resource use

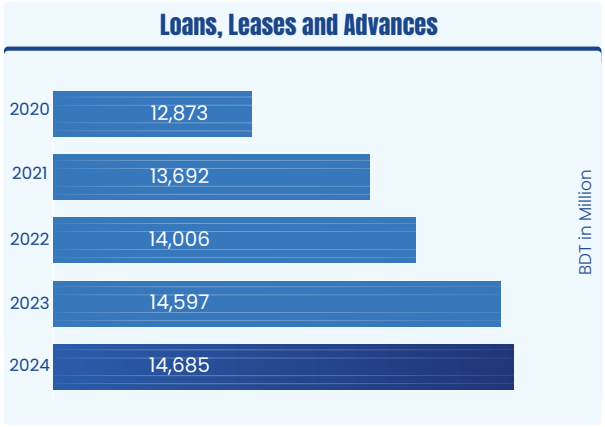
Our Financial Capital is Made of Four Operations:

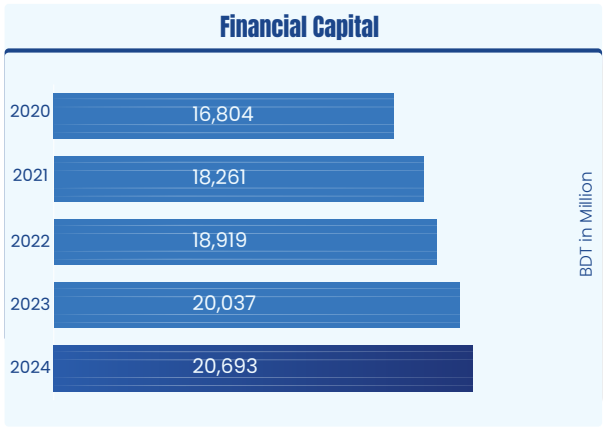
Bangladesh Finance Group navigated a challenging year with resilience, maintaining business momentum despite ending fiscal year 2024 with a net loss after tax of BDT 7,938 million.







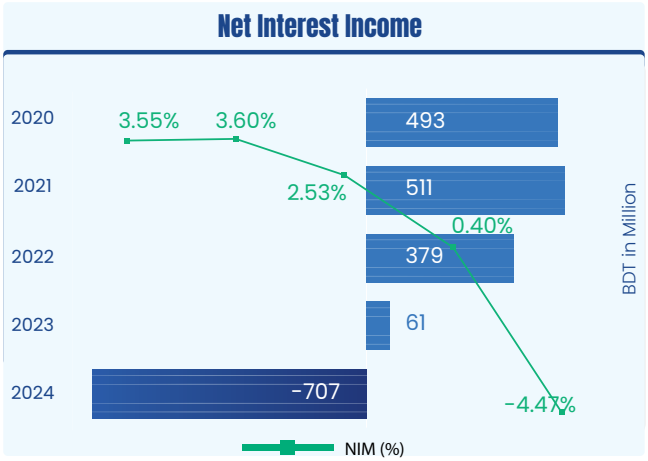




Our financial capital is composed of the financial resources available and allocated to the business, our own or third parties', obtained as financial products and services. Total financial capital of the company as of 31st December 2024 stood at BDT 20,693 mn from BDT 20,037 mn, which represents a 3.3% increase from last year's performance.

Loan Lease and Advances

Total loan, lease, and advance portfolio of the group as of 31st December 2024 stood at BDT 14,685 million in comparison to BDT 14,597 million as at 31st December 2023. This portfolio represents approximately 71% of the Financial Capital of the Company.



Investment

As of 31 December 2024, the Company's capital market investments stood at BDT 1,499 million. This reflects a year-on-year growth of 7.46% compared to BDT 1,395 million in 2023. Over the period from 2020 to 2024, investments have shown a consistent upward trajectory, increasing by 88.35% from BDT 796 million in 2020. This sustained growth, despite the lingering effects of the pandemic and prevailing economic challenges, highlights the Company's prudent investment strategy and the improving confidence in the capital market.

Financial Assets & Other Assets

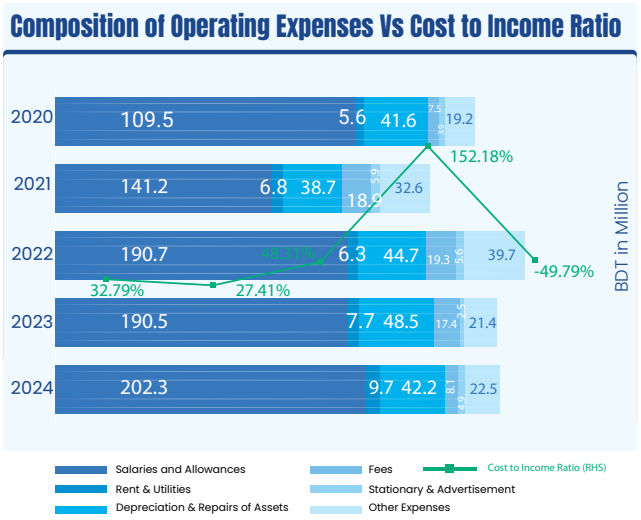
As of 31st December 2024, other assets of the Company stood at BDT 2,073 million, compared to BDT 1,510 million as at 31st December 2023, reflecting a significant growth of 37.29% over the year. In the previous years, other assets remained relatively stable, recorded at BDT 1,591 million in 2020, BDT 1,476 million in 2021, and BDT 1,459 million in 2022. The noticeable increase in 2024 indicates an expansion in the Company's asset base beyond core financial assets, strengthening overall.

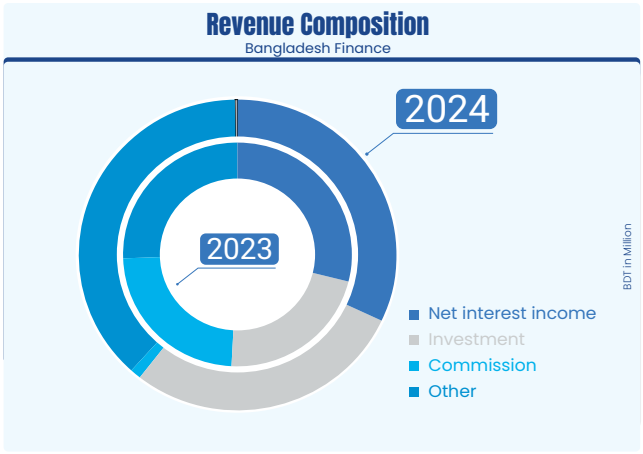
Net Interest Income

Net interest income decreased by 942% from 2023 due to providing of additional interest suspense of Tk. 123.31 Crore for stressed loans and advances though total loan, lease & advances increased by 0.60%. Net interest margin (NIM) decreased year-on-year from 0.5% to -4.1%.

Operating Expense

Operating expense decreased by 1.63% from 2023. Besides, rent & utilities also increased by 17.85% and Legal & Professional Fees is also increased significantly by 70.29%. The group purposefully continued developing and rolling out innovative digital solutions to improve service efficiency and client experience as against decreased net interest income due to building of interest suspense.

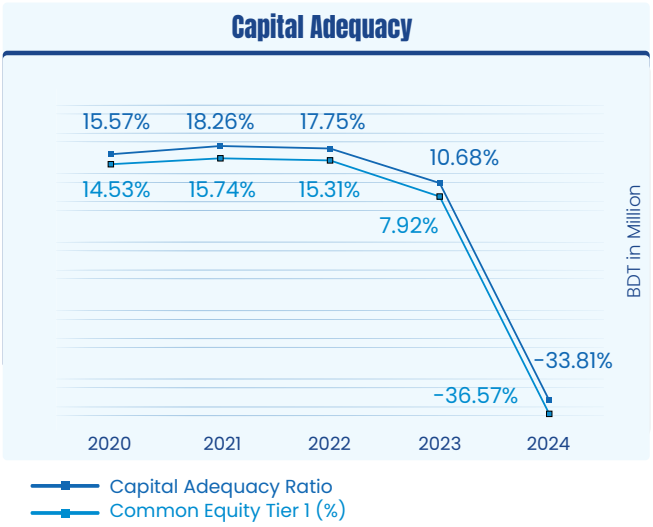




The revenue composition of Bangladesh Finance for 2023 and 2024, as illustrated, shows that net interest income remains the dominant source, with a slight increase in 2024, indicating stable core operations. Investment income has slightly declined, reflecting cautious market participation, while commission income remains minimal. Notably, 'Other income' has increased, suggesting diversification through non-traditional revenue streams. Overall, this shift highlights a stable financial base with a gradual move toward income diversification, aligning with the company's strategic goal of enhancing sustainable and balanced revenue growth.

Capital Adequacy Ratio

This chart illustrates a significant decline in our Capital Adequacy Ratio and Common Equity Tier 1 percentage from 2020 to 2024. Beginning at 15.57% and 14.53% in 2020, both metrics peaked in 2021 at 18.26% and 15.74%, but dropped sharply to -33.81% and -36.57% by 2024, reflecting a critical capital shortfall. This trend indicates potential insolvency risks, requiring immediate measures such as cost optimization, asset restructuring, and capital-raising efforts to restore financial stability, with ongoing updates to follow.



এখনই সময়

Economic Value Added (EVA)

Financial value generated through the effective use of financial capital is distributed or shared with key stakeholders of the Company after retaining the required portion for its future growth. Yet, on account of the increased impairment charges, and reduction in income growth with the impact of post pandemic the Company's economic value distribution had exceeded the economic value generated.

Particulars	2023 BDT (million)	2024 BDT (million)
Direct economic value generated		
Interest Income	1,085.53	723.79
Fees and commission income	2.36	-
Other operating income	125.47	125.53
Economic value generated	**1,213.36**	**849.32**
Economic value distributed to providers of capital	**1,212.40**	**1,431.09**
Dividend to equity holders	188.24	-
Interest to borrowings	278.85	393.83
Interest to deposit holders	745.31	1,037.26
To Employees	**190.46**	**202.31**
Salaries and other benefits	190.46	202.31
To Government	**(9.24)**	**(576.43)**
Income tax expenses	(9.24)	(576.43)
To Community	**1.72**	**1.44**
CSR and donation	1.72	1.44
Operating cost	**1,067.94**	**7,137.35**
Depreciation and amortization	48.49	42.19
Impairment charges for loans and receivables and other losses	970.47	7,050.00
Other operating expenses	48.98	45.17
Economic value distributed	**2,463.27**	**8,195.75**
Economic value retained	**(1,249.90)**	**(7,346.43)**

Indicators	2023	2024
Return on asset %	-5.98%	-40.14%
Return on equity %	-42.80%	-418.11%
Earning per share	(5.63)	(39.02)
Net assets value per share	10.16	(28.82)

Particulars	2023	2024
Tier 1 Capital	1,385	(5,951)
Total eligible capital	1,867	5,502
Total risk weighted assets amount	17,481	(5,502)
Tier 1 capital ratio	7.9%	-36.6%
Capital adequacy ratio	10.68%	-33.81%

Market Value Added (MVA)

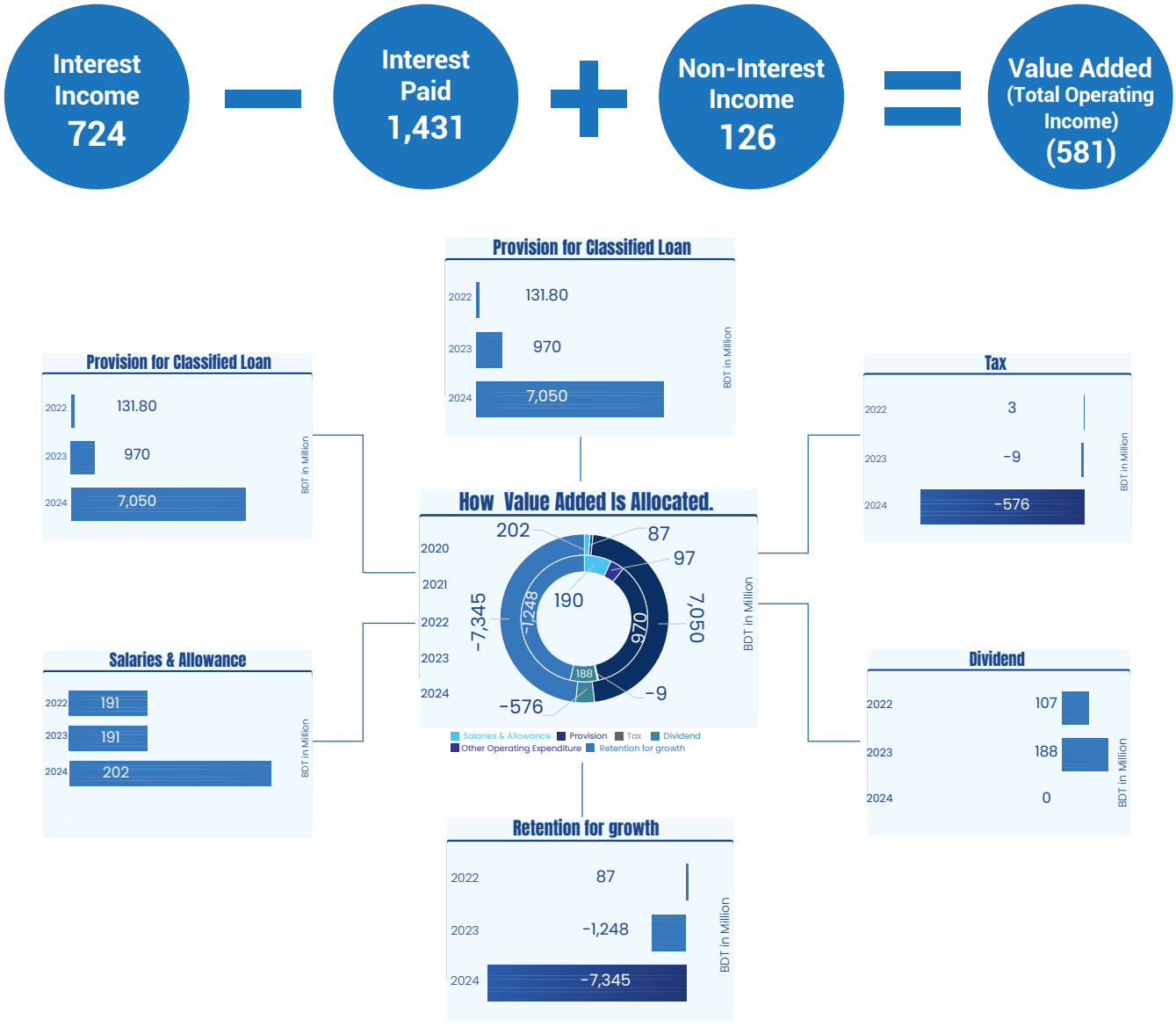
The Market Value Added (MVA) statement reflects a company's market performance based on its share price. It represents the difference between the market value of a company and the capital invested by shareholders. A positive MVA indicates value creation and strong performance, while a negative MVA suggests value erosion. The MVA for the years ended December 31, 2023, and 2024 is presented below:

BDT in Million

Value Added	2023	2024
Market capitalization/ market value of equity	8,301.22	2,221.19
Less: Book Value of Shares Outstanding	1,882.36	1,882.36
Market value added	6,418.86	338.83

Value for Stakeholders

Bangladesh Finance remains dedicated to contributing meaningfully to society and the economy. Guided by our purpose of leveraging financial expertise for the greater good, we continue to create value for our employees, clients, shareholders, regulators, and the broader community. In 2024, our focus was not solely on profitability or returns, but on supporting our stakeholders through challenging times.



Initiatives in 2024

- Enhanced Provisioning for Loan Portfolio Stability.
- Strengthening Governance through Compliance with the Finance Company Act 2023.
- Commitment to Sustainable Financing Practices.
- Exploration of Strategic Mergers and Acquisitions.
- Adoption of Sustainable Finance Disclosure Standards.

Future Prospects

- Leveraging Digital Financial Platforms for Capital Efficiency.
- Leveraging Alternative Investment Platforms and Securitization.
- Strategic Alliances with Banks and Multilateral Institutions.

Linkages To Other Capitals

Social and Relationship Capital

Strong financial results will enable the company to consistently allocate resources to meet the needs of all key stakeholders.

Manufactured Capital

Strategic allocation of financial resources to develop delivery channels in line with the company's expansion strategy will help strengthen market reach.

Human Capital

Consistent improvement in financial performance over time serves to enhance the company's credibility and reputation in the industry.

Intellectual Capital

Consistent improvement in financial performance over time serves to enhance the company's credibility and reputation in the industry.

S Diversified sources of funding and prudent asset-liability management practices to ensure financial stability and sustainability.

W High concentration on a narrow portfolio of products.

O Capitalize on the expanding market for green and impact investment funds.

T Shrinking profit margins resulting from heightened competitive pressures.

MANUFACTURED CAPITALS

The manufactured capital of Bangladesh Finance Ltd. consists of our reach, IT infrastructure, and other property, plant, and equipment used in our operation. The management of manufactured capital is crucial to the organization's growth due to its direct impact on productivity, client satisfaction, profitability, and progress.



7 Physical Branches



6,958
Deposit Customers

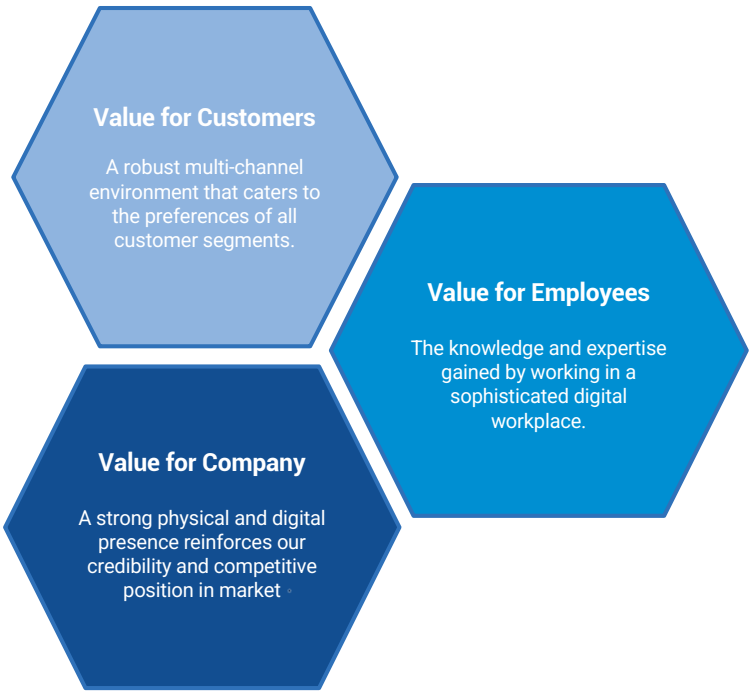


720
Loan Customers



252+
Customers Using Business Channels

As a dynamic financial institution, we have consistently expanded our operations to adapt swiftly to sudden market shifts and seize unforeseen opportunities that demand prompt decision-making. By setting ambitious targets and making strategic investments in our infrastructure, we have prioritized enhancing our operational scalability. As a result, our manufactured capital has significantly advanced in recent years, reflecting the organization's strong growth-driven approach.



CONTRIBUTING TO OUR MISSION

- To mobilize public funds through the innovation of investment products aimed at maximizing value for our depositors.
- To support entrepreneurs by engaging in prudent lending practices that facilitate wealth

CONTRIBUTION TO OUR VALUES



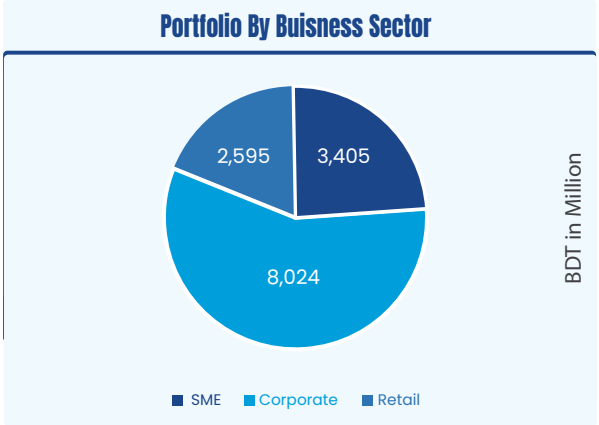
SDGs Impacted



Related Strategic Imperatives

- Pursuing sustainable growth exposures prudently, aligned to risk appetite
- Augmenting customer experience
- Achieving execution excellence
- Promoting efficient resource use

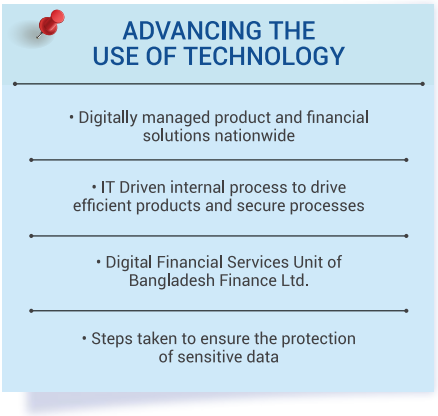
As a dynamic financial institution, we have consistently expanded our operations to adapt swiftly to sudden market shifts and seize unforeseen opportunities that demand prompt decision-making. By setting ambitious targets and making strategic investments in our infrastructure, we have prioritized enhancing our operational scalability. As a result, our manufactured capital has significantly advanced in recent years, reflecting the organization's strong growth-driven approach.



In the year 2024, we continued to emphasize strong loan monitoring rather than aggressive lending. Total corporate loan portfolio concentration stood at BDT 8,024 million at the end of 2024, maintaining its dominance in our overall portfolio mix. Following the strategic objective to expand our SME and Retail segments, specialized programs were undertaken to enhance services for retail customers and to regularize early-stage irregular accounts. As a result, the Retail loan portfolio amounted to BDT 2,596 million, reflecting a decline of 5.67% compared to the previous year. Similarly, the SME loan portfolio stood at BDT 3,405 million, registering a decrease of 17.62% from 2023. The shift in portfolio distribution reflects our cautious approach toward lending, aligning with the market dynamics and ensuring sustainable asset quality.

Leveraging Use of Modern IT Infrastructure

Utilizing advanced IT infrastructure, the IT department has played a pivotal role in enhancing the company's performance by converting strategic business objectives into innovative features and services. This integration has led to higher profitability, an expanded customer base, and a notable increase in overall business volume. Our operations are deeply collaborative, with seamless coordination between the IT department and other functional areas. We have also successfully adopted e-KYC to enable the digital onboarding of our customers.

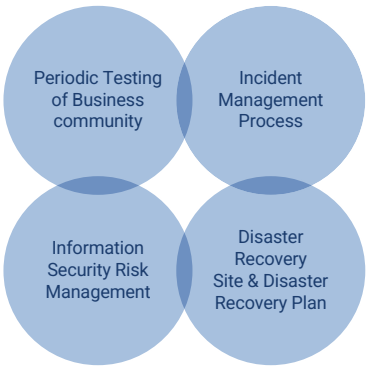


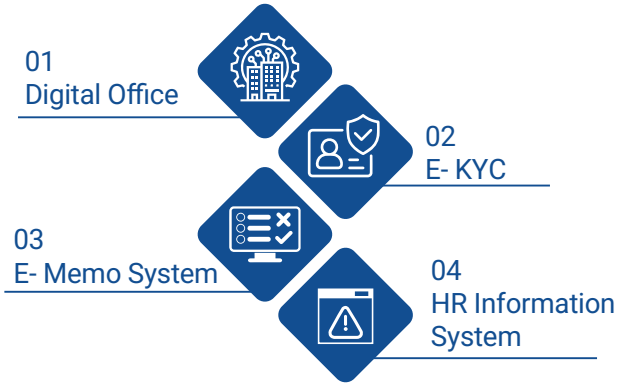
Management Approach

The digital revolution in financial services has opened up numerous opportunities to transform how we conduct business and engage with our clients. At Bangladesh Finance, we continue to prioritize automation, operational efficiency, cybersecurity, and customer convenience through the strategic use of IT and digital channels. Our approach is carefully structured to capitalize on these advancements, with the Digital Financial Services Unit responsible for executing the organization's digital strategy.

A Timely & Strategic IT Approach

Our IT strategy is an integral part of our broader business objectives, shaped by evolving operational dynamics. From the early stages of product development, we plan and integrate the necessary ICT infrastructure ranging from solutions and applications to support systems. We deploy state-of-the-art hardware and leverage the expertise of skilled professionals to ensure our technological framework meets organizational needs. Additionally, we utilize advanced digital tools in our marketing efforts to effectively reach and engage a broader audience.





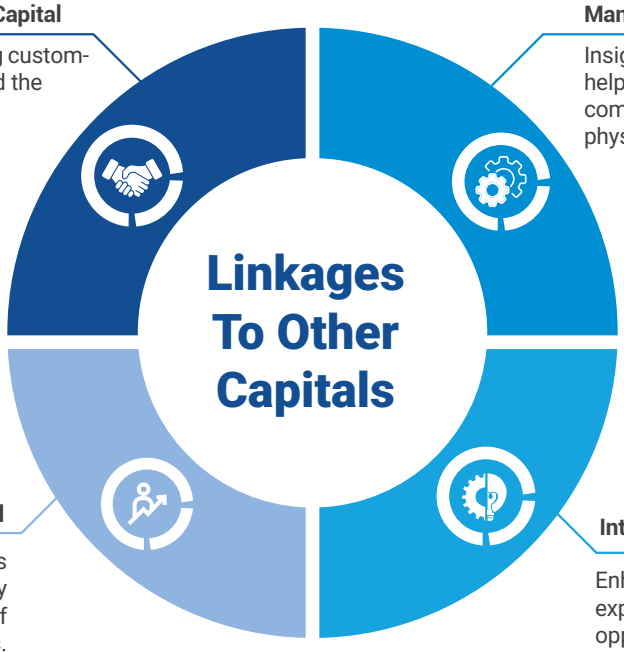
We maintained our commitment to technological investments to support secure operations and improve overall efficiency. Consequently, a number of significant projects were implemented during the year, aimed at optimizing our IT-enabled internal processes.

Initiatives in 2024

- Predictive analytics for early loan default detection
- Loan access via mobile financial services (MFS)
- Integrated online treasury operations.
- Upgraded automated lead management system.

Future Prospects

- Automated Credit Document Workflow
- Next-Generation Delinquency Management
- Data-Driven Financial Planning Tools
- Streamlined credit assessment by reducing expert's involvement.



Social and Relationship Capital

Capital builds trust among customers, business partners and the community.

Manufactured Capital

Insights gained from customers help to prioritize the finance company's investments across physical and digital channels

Human Capital

Feedback from customers helps to build employee capacity by improving the relevance of training activities.

Intellectual Capital

Enhancing the overall customer experience provides the opportunity for the finance company to grow revenue streams.

S Strongly established nationwide branch network ensuring broad market reach.

W Limited digital presence restricting broader customer engagement and service delivery.

O Enhance Average Fixed Cost (AFC) market reach by strategically investing in the expansion of its digital footprint.

T Intense competition in the digital landscape from immediate peers and emerging FinTech companies.

INTELLECTUAL CAPITAL

Intellectual capital is a fundamental driver of value creation at Bangladesh Finance PLC. It encompasses a range of intangible assets, including institutional knowledge, skilled human resources, brand reputation, corporate culture, policies, and customer perceptions. These elements interact to generate sustained value and competitive advantage. In this section, we explore how Bangladesh Finance's intellectual capital contributes to its long-term strategic positioning, agility in adapting to future challenges, and ability to effectively engage and retain key stakeholders.



At Bangladesh Finance, our corporate culture is firmly grounded in our vision, mission, and core values, which prioritize innovation, knowledge sharing, and inclusivity. We foster a dynamic environment that encourages employee involvement in decision-making and promotes creative, out-of-the-box thinking. Our commitment to continuous learning and growth is reflected in our robust investment in training and development programs, cultivating a performance-driven culture that empowers employees to excel. This approach not only supports the achievement of our strategic goals but also nurtures the future potential of our organization.

We recognize intellectual capital as a critical business asset that significantly contributes to our success. While quantifying the exact value and impact of intellectual capital can be challenging, its importance cannot be overstated. The knowledge, expertise, and innovation embedded within our workforce, culture, and processes drive business operations and will likely become one of the most valuable assets for Bangladesh Finance in the years ahead. As we continue to invest in and leverage our intellectual capital, we strengthen our competitive advantage and long-term sustainability.

Value for Customers

A robust multi-channel environment that caters to the preferences of all customer segments.

Value for Employees

The knowledge and expertise gained by working in a sophisticated digital workplace.

Value for Company

A strong physical and digital presence reinforces our credibility and competitive position in market

CONTRIBUTING TO OUR MISSION

- To mobilize public funds through the innovation of investment products aimed at maximizing value for our depositors.
- To support entrepreneurs by engaging in prudent lending practices that facilitate wealth creation.

CONTRIBUTION TO OUR VALUES

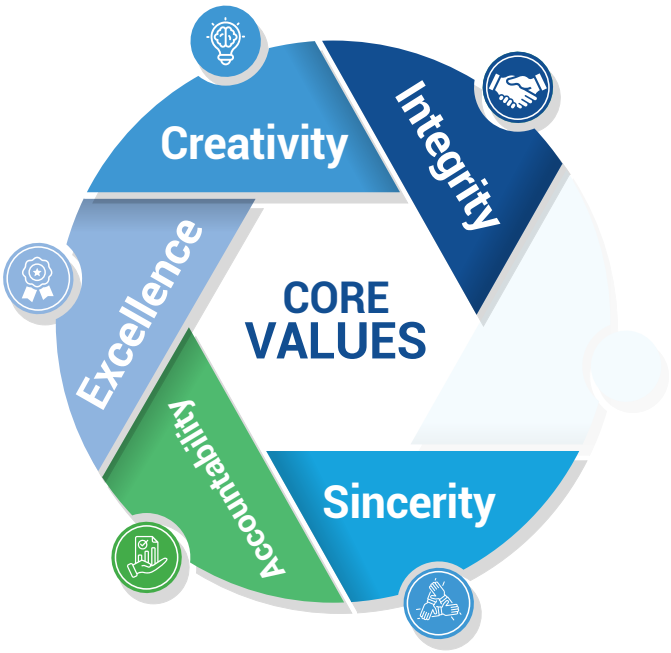
Excellence | Innovation | Quality

SDGs Impacted



Related Strategic Imperatives

- Pursuing sustainable growth exposures prudently, aligned to risk appetite
- Augmenting customer experience



Ethics and Integrity

At Bangladesh Finance PLC, we are firmly committed to upholding the highest standards of transparency, integrity, and ethical conduct in all our interactions with stakeholders. Beyond fulfilling our regulatory, contractual, and fiduciary obligations, employee conduct is guided by our comprehensive Compliance Policy and Code of Conduct. These frameworks clearly define the expected standards for engaging with both internal teams and external partners, reinforcing our culture of responsibility and accountability.

Procurement Policy

Our Board-approved procurement policy is designed to ensure fairness, transparency, and uniformity in the selection and evaluation of suppliers. The policy is executed by a four-member procurement committee appointed by the CEO, and it has consistently delivered cost efficiency and enhanced the quality of goods and services acquired. Bangladesh Finance Ltd. sources office supplies, IT equipment, software, and other materials from a diverse supplier base, including both small businesses and larger corporations.

Group Synergy

Bangladesh Finance PLC.'s digital infrastructure has significantly strengthened our nationwide presence, enabling customers to access our services anytime, anywhere. Through strategic horizontal integration, we have implemented e-KYC to simplify and expedite customer onboarding, resulting in increased digital deposits and portfolio growth. Our synergy across two subsidiaries and two business models allows us to offer a broader range of financial products. Furthermore, our shared distribution network enhances outreach while optimizing operational costs. Centralized procurement also empowers us to negotiate more effectively on pricing and quality, contributing to overall organizational efficiency.

Systems and Processes

Bangladesh Finance PLC. has established a comprehensive suite of structures, systems, and processes that clearly define responsibilities and guide decision-making. These frameworks, developed over years of experience and operations, are continuously reviewed and refined to adapt to evolving business needs and the changing landscape. As part of our commitment to innovation, we have prioritized the transition to a paperless office, leveraging automation to streamline workflows and reduce inefficiencies. By embracing digital solutions, we ensure seamless operations, enhanced productivity, and reduced environmental impact. Our robust governance structures are integral in maintaining the organization's reputation and managing risk effectively, ensuring that every process aligns with our strategic objectives and regulatory requirements.

Institutionalized Knowledge

Our deep-rooted expertise in the SME sector, supported by both intellectual and human capital, enables us to meet industry-specific demands with precision. We strongly believe that a skilled and well-trained workforce is the cornerstone of our operational success. Our team is a blend of seasoned professionals and energetic new talent, where the more experienced staff members mentor junior colleagues, fostering a culture of continuous learning and knowledge transfer.

Digitization of Products and Services

Digitizing our products and services is a central pillar of our strategy, as we continue to invest in cutting-edge platforms and innovative solutions that enhance client value. By embracing digital transformation, we are not only improving the efficiency and accessibility of our offerings but also tailoring them to meet the evolving needs of our customers. This ongoing investment in technology allows us to deliver seamless, scalable, and personalized experiences, ensuring that we stay ahead of industry trends and continue to provide exceptional value to our clients.

Most Valuable Finance Company in Bangladesh

At Bangladesh Finance, our brand embodies our unwavering commitment to delivering exceptional experiences to all stakeholders while driving meaningful, positive change in both individual lives and society at large. We take pride in our reputation as a prominent and respected finance company in Bangladesh built on a foundation of reliability, product quality, and customer trust, which together contribute to strong client retention. Our efforts to simplify financial transactions through innovative solutions are aimed at making everyday life more convenient for our customers.

Brand Values

As a leading financial services brand, Bangladesh Finance is built upon three core pillars: trust, growth, and prosperity. By earning and nurturing trust, we aim to be a dependable financial partner throughout our customers' journeys whether they are saving for the future or launching new ventures. Our commitment to growth is rooted in this relationship-driven approach, while our ultimate aspiration is to contribute meaningfully to the prosperity of both the nation and its people.

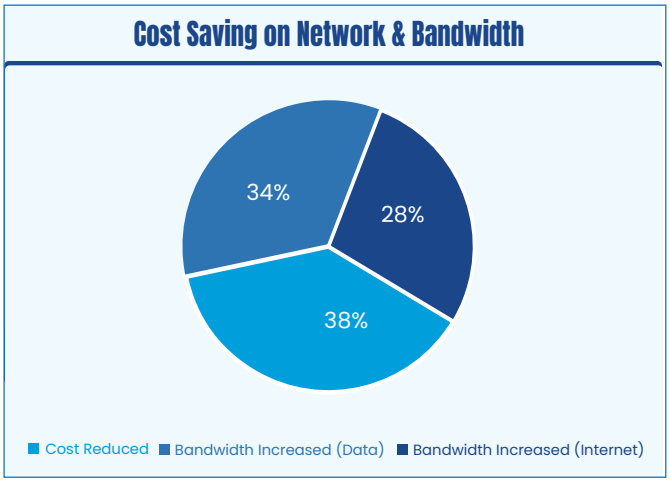
Brand Performance

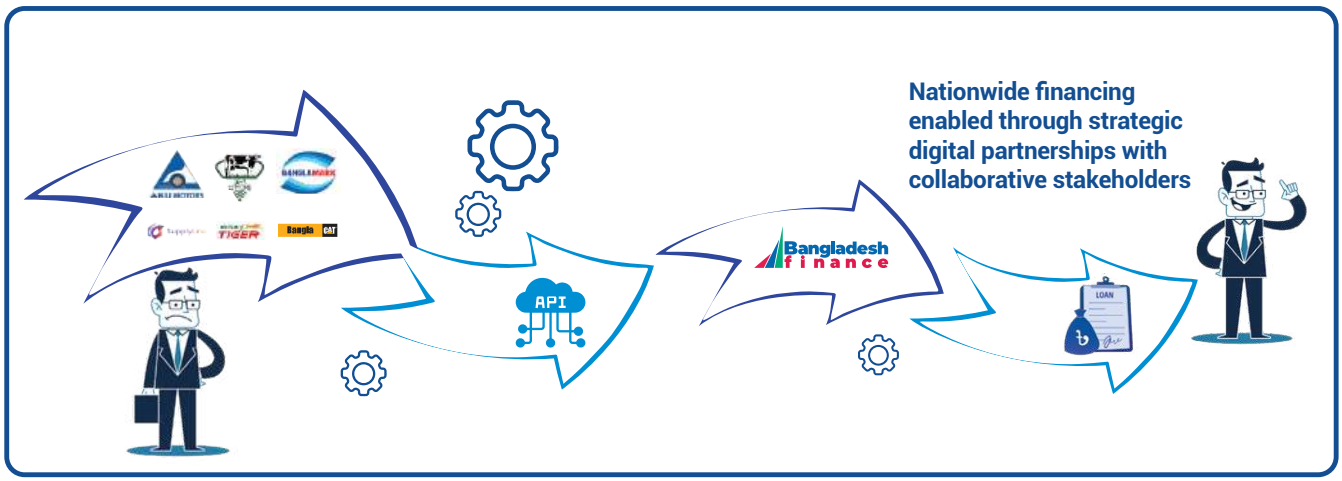
Over the years, Bangladesh Finance has established a strong and reliable presence in the financial sector, gaining recognition for consistently delivering high-quality services. Our customer-centric philosophy has played a pivotal role in building a loyal and satisfied client base, thereby enhancing our brand equity. In recognition of our performance, Bangladesh Finance was acknowledged by the central bank as one of the most sustainable financial institutions in the country in 2024 highlighted by our continued AA credit rating and the maintenance of low non-performing loans (NPLs) compared to industry averages.

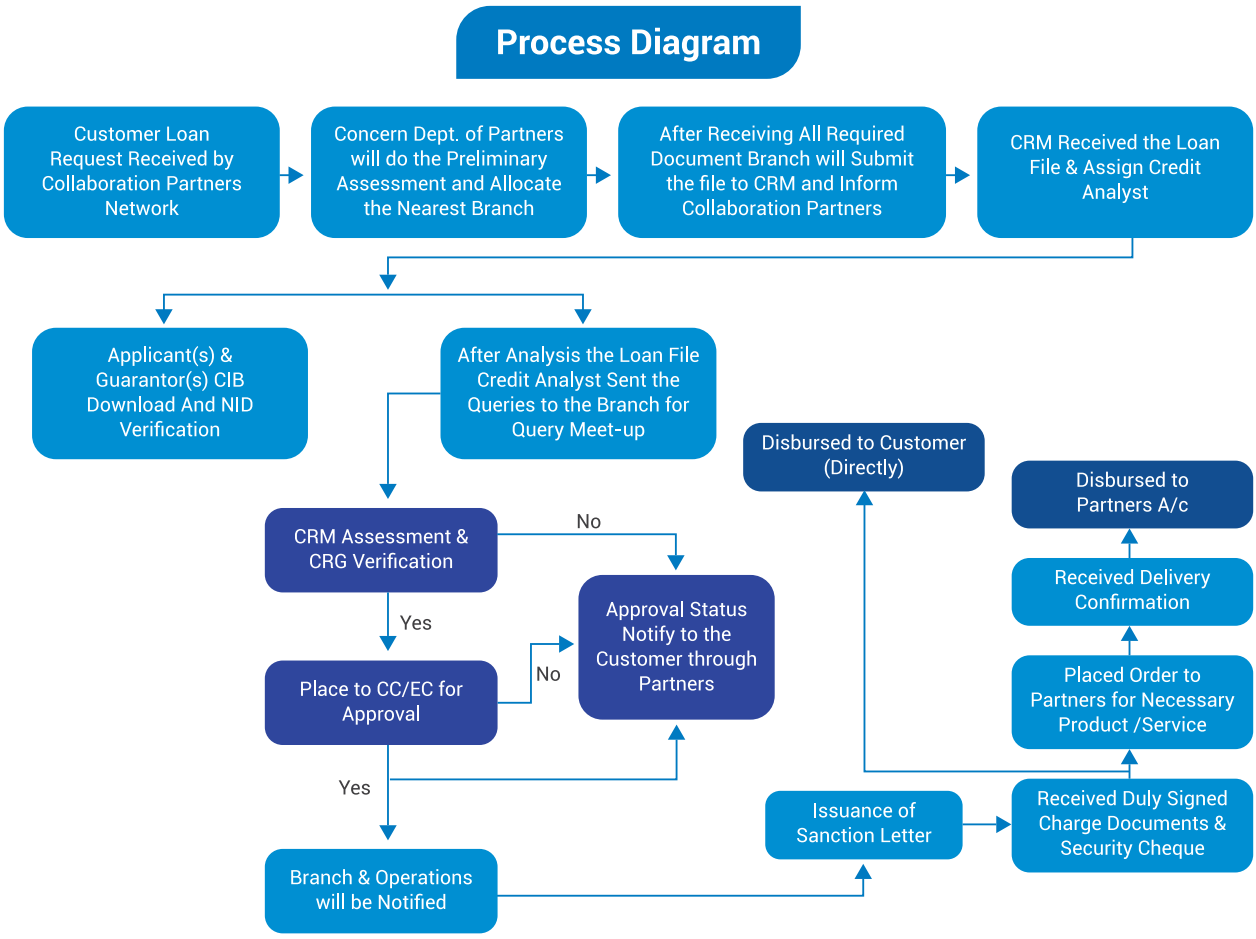
+868 accounts open in app



17,360 transactions in digital channels







Digital Transformation

We are continuously integrating innovative technologies into our business operations, driving a transformation that sets us apart in the marketplace. By aligning emerging trends with our competitive advantages, we strive to redefine how we engage with customers and conduct business. Our approach focuses on striking a balance between efficient transactions and exceptional client experiences. In parallel, we prioritize robust cybersecurity measures, including continuous simulations of potential threats and defenses against cyber risks, ensuring security across the entire technology ecosystem. Furthermore, we invest in cutting-edge technologies to protect our clients' sensitive data, reinforcing our commitment to maintaining the highest standards of privacy and security.

Inhouse API Development

API (Application Programming Interface)	Approximate Estimation of Saved Cost (BDT)
NID Verification API From Election Commission	2,000,000
Deposit Premium Collection API	200,000
Loan EMI Collection API	200,000
CMSME Loan Proposal Collection API From Third-Party Vendors	1,000,000
Total	**3,400,000**

Inhouse Software Module Development

Module Name	Approximate Estimation of Saved cost (BDT)
Centralized Case File Management Module	20,000
CMSME Loan Platform	100,000
Charge Document Automation	500,000
Disbursement & Deferral Management Module	10,000
Payroll Performance Bonus Module	300,000
Deposit MIS Dashboard	300,000
Integrated Mushak 6.6 Automation	200,000
BEFTN Placement SMS Notification	200,000
Total	**1,630,000**

Cost Saving, It Infrstructure

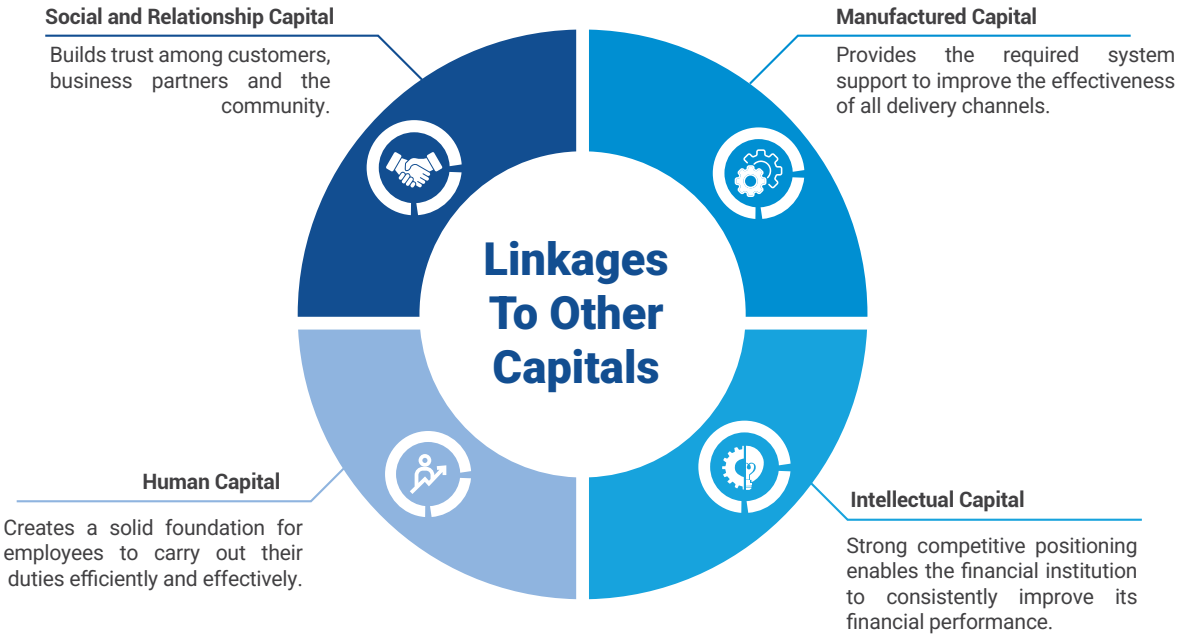
Category	License	Amount (Bdt)
Active Directory Domain Controller	200+ users	1,500,000
VMware vSphere 7.0	vSphere Enterprise Plus	2,000,000
Manage Engine OpManager	OpManager Enterprise Edition (250 devices)	1,500,000
Monthly Bandwidth Cost (Internet + Data)	Monthly Bandwidth for internet & data	247,200
RTGS Middleware Upgradation	RTGS software version upgradation	120,000
EDS/RTGS/Refinance Secondary Data Connectivity	Secondary Data Connectivity	66,000
	TOTAL COST SAVINGS	**5,433,200**

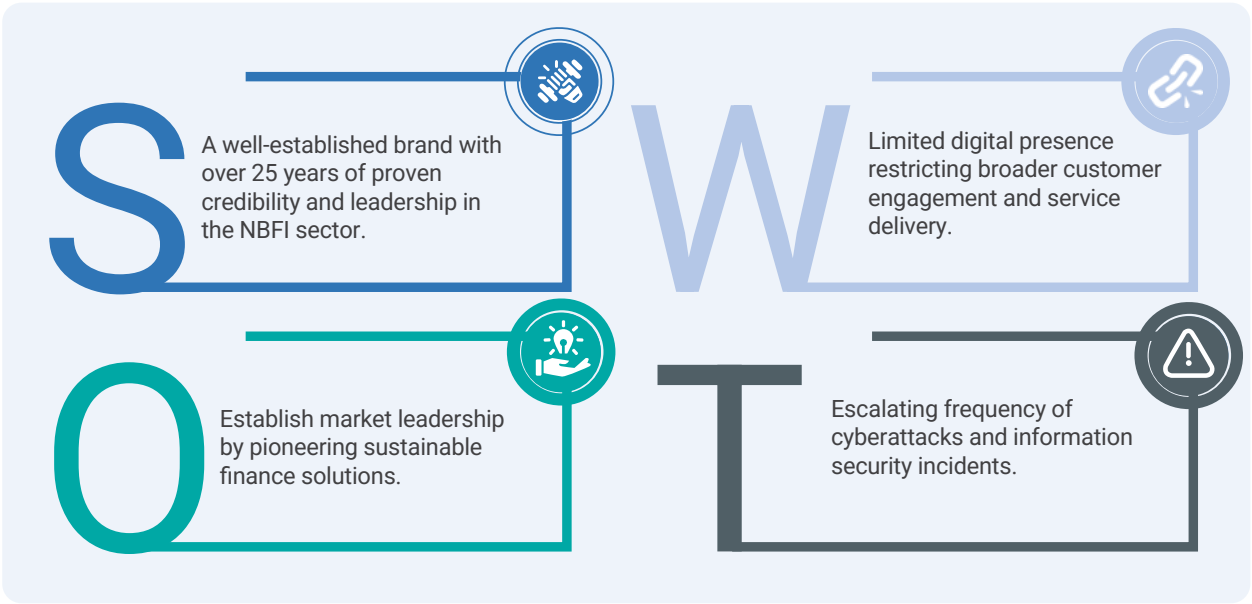
Initiatives in 2024

- QR- BASED FILE ARCHIVING SYSTEM (DG-docX)
- Revamped Websites -> BFL and Islamic
- SSL Certification
- SIEM Deployment
- Data Center Migration

Future Prospects

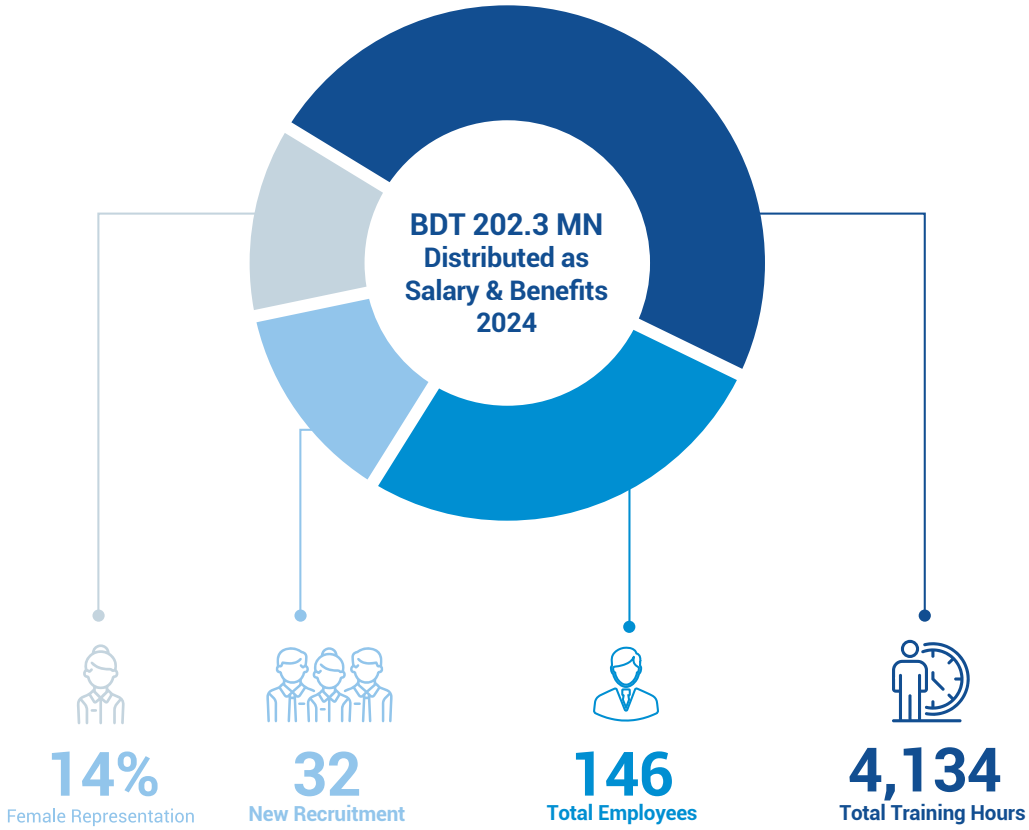
- Performance Management System (PMS)
- Client Portal
- Mobile Super app
- IIVMS- Integrated Inventory and Vendor Management System



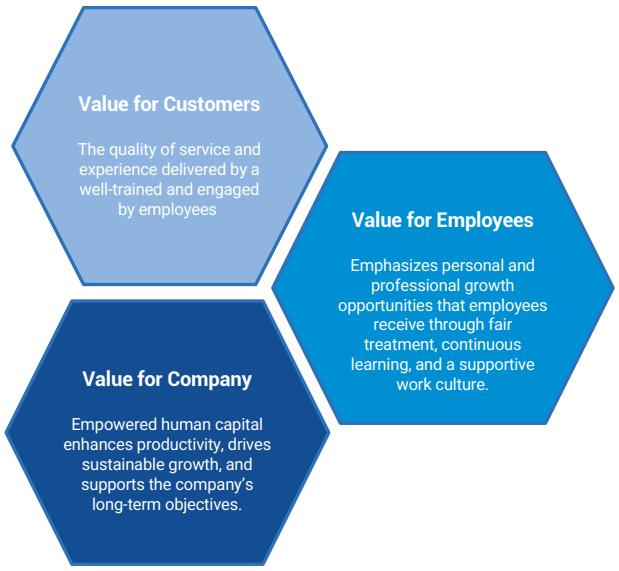


HUMAN CAPITAL

At Bangladesh Finance PLC, we place people at the heart of everything we do. Believing in the power of Human Capital, we are committed to cultivating the skills and potential of our team to drive sustainable growth and strategic advantage. Our leadership approach is shaped by the belief that our people are our most valuable asset — key to long-term success and organizational resilience. We actively promote a workplace culture rooted in diversity, continuous learning, and innovation, ensuring excellence in service delivery and fostering meaningful, lasting impacts for all stakeholders.



Bangladesh Finance values fairness and equality as the foundation for employee success. To achieve its vision and goals, the company seeks to attract, develop, and retain talented individuals with diverse skills and expertise.



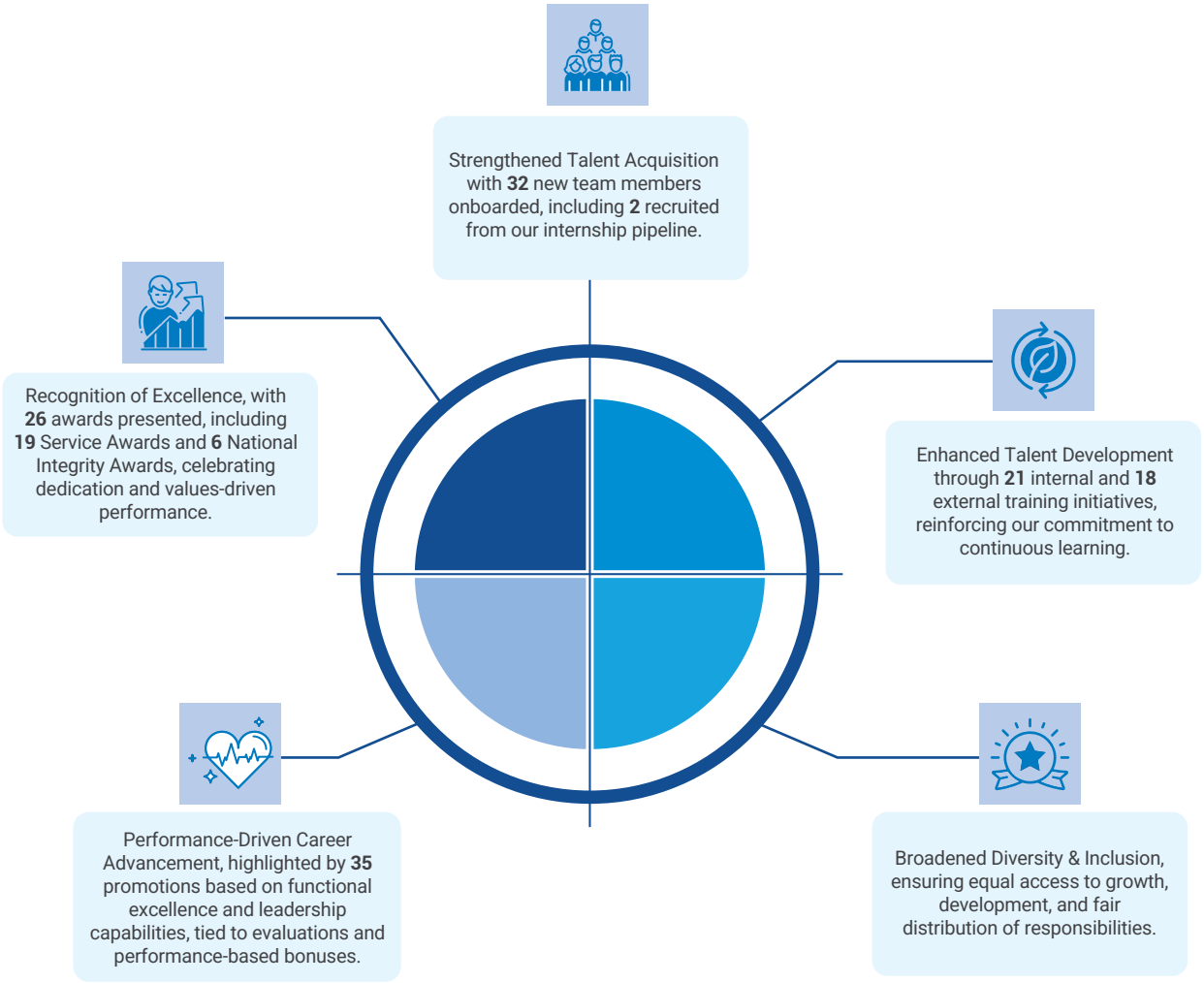
SDGs Impacted



Related Strategic Imperatives

- Ensure Equal Opportunities
- Empower Women and Girls
- End Gender-Based Violence

UNBOUND ACHIEVEMENTS OF 2024

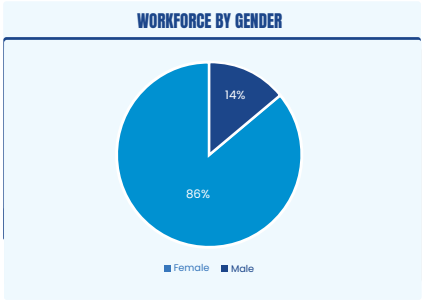


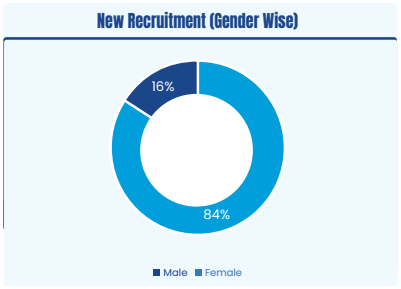
Recruitment at Bangladesh Finance

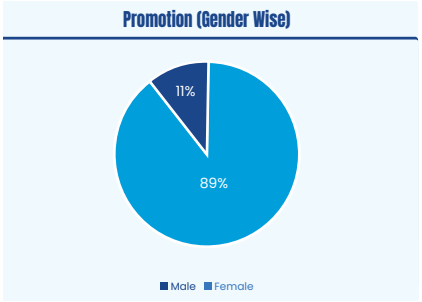
At Bangladesh Finance, we believe diverse and inclusive hiring drives growth and innovation.
We are reimagining the candidate experience by ensuring diversity in interview panels and slates, and designing job descriptions that attract a wide range of talent.

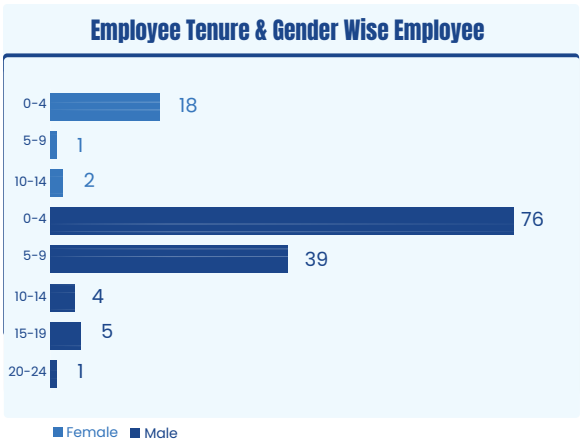
This approach strengthens our commitment to diversity, equity, and inclusion — and powers the potential of our people.

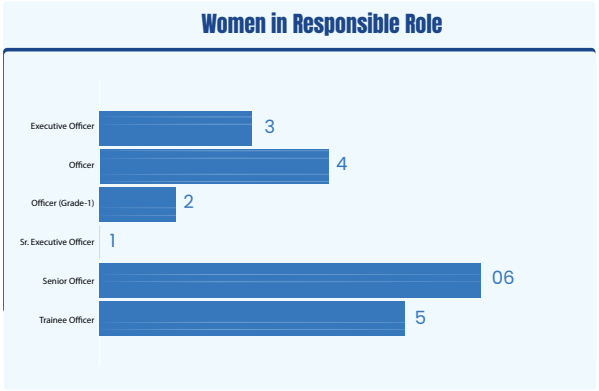
Diversity, Equity & Inclusion

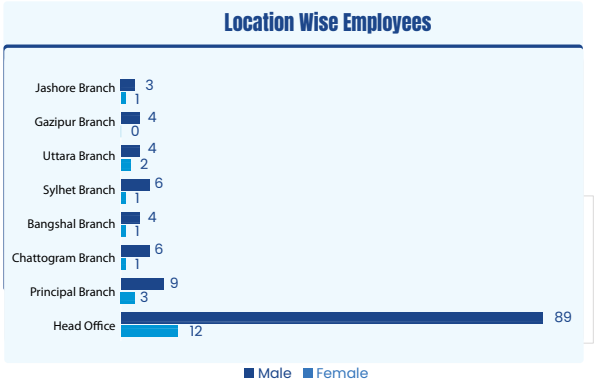


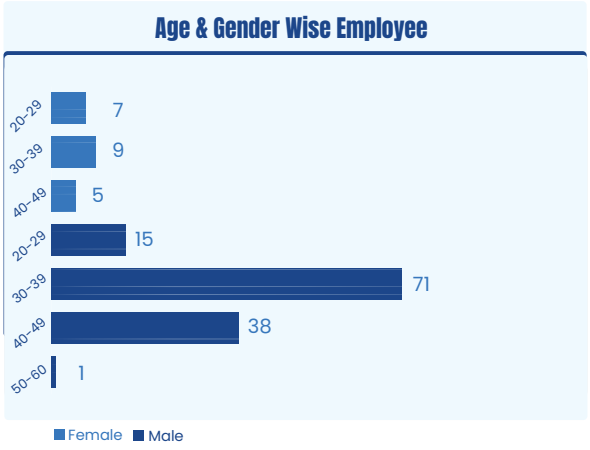










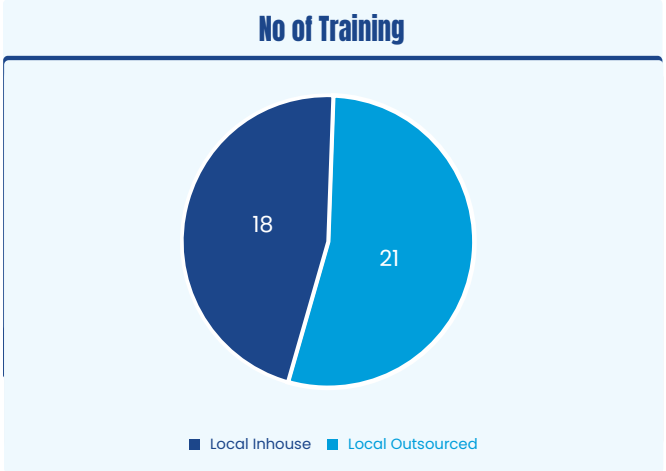


Bangladesh Finance is dedicated to a diverse, inclusive workplace that values women's contributions and promotes gender equality. We ensure a supportive environment where women feel at home and have equal opportunities to thrive.

Learning & Development Ecosystem

Our learning ecosystem supports various learning styles through on-demand and instructor-led courses covering technical and professional skills. We also offer mentorship, leadership programs, and development opportunities—especially for women and underrepresented groups—to enhance visibility, confidence, and career mobility.

Through our People Leader Center, managers receive targeted leadership training, including courses on managing unconscious bias, reinforcing our commitment to DEI. Career growth and leadership development are central to performance conversations, ensuring equitable opportunities for all.





Type of Training	No of Participants	No of Training Hours	Total Man-Days
Local Inhouse	1,225	3,381	368
Local Outsourced	249	753	100
Total	**1,474**	**4,134**	**467**

Leadership Development Programs

RiseTogether Mentorship Program 2024

Mentors provide guidance, share industry insights, support skill-building, and help mentees set and achieve goals through regular check-ins.

Mentees benefit from personalized advice, professional networking, and continuous development to advance their careers.

The "Rise Together" Mentorship Program at Bangladesh Finance fosters career and personal growth by connecting experienced mentors with aspiring mentees.

i. Check-ins: Weekly or bi-weekly discussions.
ii. Progress Tracking: Mentors submit evaluation feedback to HR every 3 months.

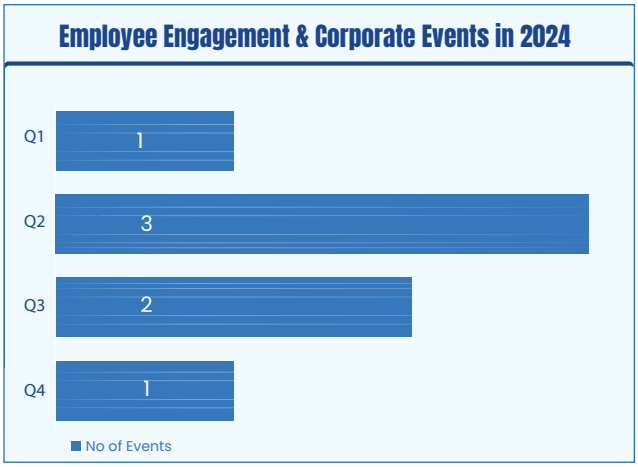
EMPLOYEE RECOGNITION

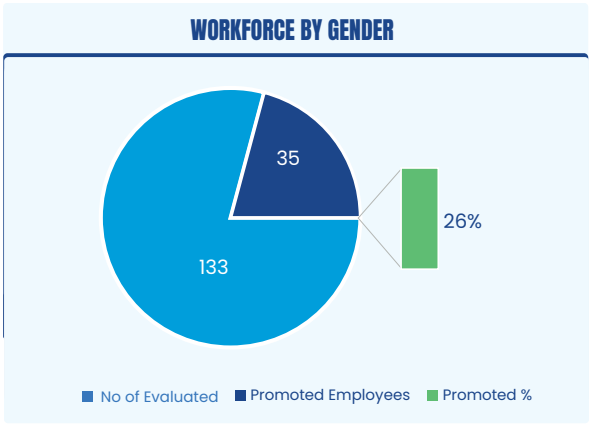
Bangladesh Finance upholds a strong culture of performance excellence through a structured management system. Employee performance is regularly assessed alongside individual development plans, ensuring alignment with both organizational goals and core values. Based on these evaluations, we implement merit-based compensation or targeted Performance Improvement Plans (PIPs) where necessary. High performers are consistently recognized through a variety of financial and non-financial rewards, fostering motivation and a results-driven work environment throughout the year.

Performance Appraisal In 2024

No of Evaluated Employees	133
Promoted Employees	35
Promoted %	26%

	Male	Female
Promotion (Gender Wise)	89%	11%



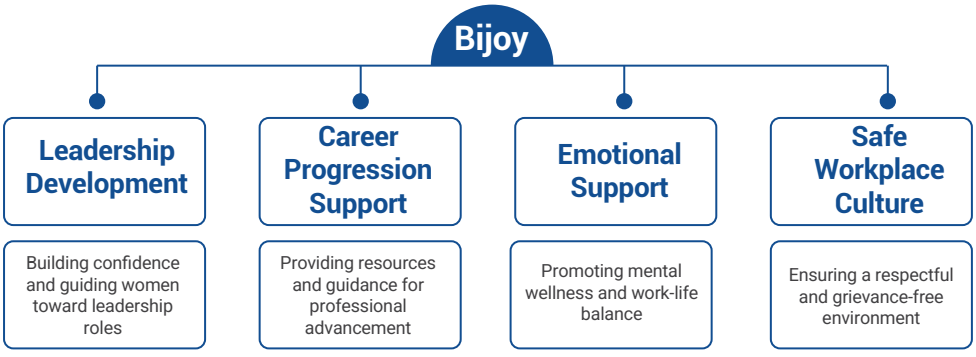


7 Corporate Events Were Held In 2024 Including,

- International Women's Day,
- Boshonto Boron,
- Promotions & Awards,
- International Men's Day,
- Gorbo Agami,
- Intra-departmental Tournament, and
- Blood Donation.

Beyond Work: Support for Every Step

- Thalassemia Check-up Camps organized annually for employees
- Life Event Celebrations, including customized care packages for major milestones (wedding, childbirth, etc.)
- Flexible Work Arrangements for better work-life balance and family care
- Employee Assistance Program (EAP) for confidential counselling and personal support services



Compliance with Implementation	Compliance Status
Provident Fund The company offers a contributory provident fund scheme for its permanent employees. This fund is managed by a Board of Trustees and is supported by contributions from both the employees and the company, with each contributing 10% of the employees' basic salaries.	✓ Complied
Gratuity The company provides a non-funded gratuity scheme, with annual provisions made for all eligible permanent employees. Gratuity benefits are granted in accordance with the company's service rules.	✓ Complied
Earned Leave Encashment Employees can encash unused earned leave as per company policy, with the amount based on their current basic salary, payable upon separation or retirement.	✓ Complied



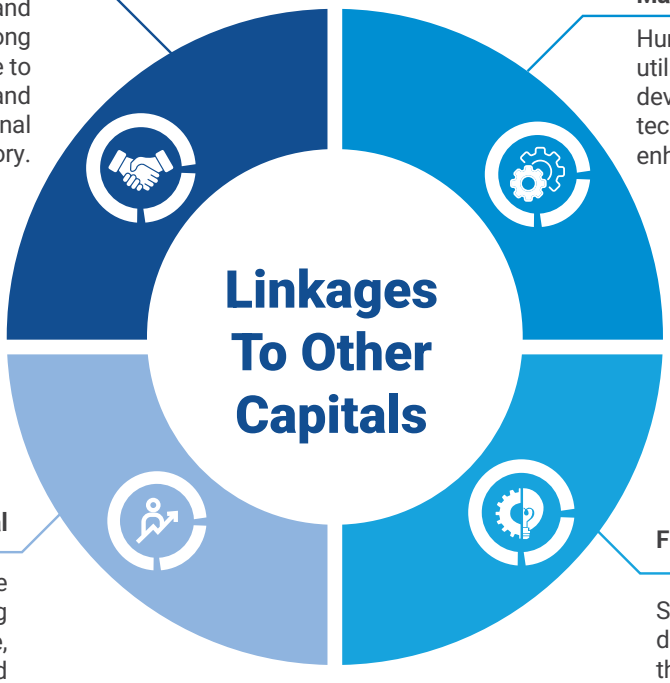
HR Initiatives In 2024

Initiatives in 2024

- A Buddy Policy to ease onboarding through peer mentorship
- A Number-Based KPI System to ensure objective, data-driven performance evaluations.
- New Women's Forum Committee Members to amplify female leadership.
- Enhanced HRIS Features to increase efficiency and user accessibility.
- Accelerated Recruitment & Placement to secure top talent more quickly.

Future Prospects

- Digital-First Employee Experience Expanding intelligent HR platforms that automate workflows, personalize services, and enhance employee interaction and insight.
- Leadership Pipeline Development Structuring robust programs to identify and fast-track future leaders through targeted mentorship, cross-functional exposure, and advanced learning.
- Gamified Learning Ecosystem Introducing interactive, game-based training models to boost engagement and retention of skills in a fun and impactful way.



Intellectual Capital

Knowledge, experience, and continuous learning among employees contribute to innovation, strategic thinking, and the preservation of institutional memory.

Manufactured Capital

Human expertise enables optimal utilization, maintenance, and development of physical assets and technological infrastructure, enhancing operational capacity.

Sociocultural Capital

Our diverse and inclusive workforce promotes a strong organizational culture, community engagement, and responsible governance, reinforcing our social license to operate.

Financial Capital

Skilled and motivated employees directly influence profitability through efficient service delivery, innovation, and client satisfaction, strengthening financial performance.

S

Highly educated and certified professionals (e.g., CFAs, MBAs, accountants) with strong analytical and financial skills.

W

Older or traditional staff may struggle to adapt to rapid technological changes and fintech innovations.

O

Investing in training for digital finance, ESG analysis, and blockchain to future-proof the workforce.

T

Banks and traditional finance firms are losing top talent to tech-driven financial companies.

HUMAN RESOURCES ACCOUNTING

Human Resource Accounting is a system that recognizes the investments made in an organization's human resources. By quantifying these expenditures, organizations can more accurately determine the return on investment (ROI) through the profits generated. Bangladesh Finance incorporates Human Resource Accounting in both regulatory reporting and management reporting, ensuring a consistent, data-driven approach to managing and evaluating human capital by following GRI guidelines.

For the year ended 31st December 2024

GRI Standard	Human Strength	2024
401-1	Total workforce (Number)	146
401-1	Female Representation (%)	14%
401-1	Recruitments for the year (Number)	32
202-2	Local hiring of senior managers (%)	0%
401-1	Attrition rate (%)	21%
401-3	Retention rate after maternal leave (%)	-
403-2	Number of injuries	-
404-1	Total Training hours	4,134 Hours
404-1	Training hours per participant as an average (Hours)	29 Hours
404-1	Training hours per female as an average (Hours)	30.96%
404-1	Training hours per male as an average (Hours)	69.04%
404-3	Employee performance appraisal as a percentage of total workforce (%) (133 People in appraisal)	91.09%
103-2	Employee grievances reported and resolved (Number)	0
406-1	408-1,409-1, 103-2 Human rights violation - - - -	0

Purpose of Human Resource Accounting

Human Resource Accounting (HRA) aims to measure and report the cost and value of employees, helping management and HR professionals use human capital more effectively.

Employee Retention and Turnover

Bangladesh Finance continues to uphold a strong employee-centric approach, resulting in a Total Retention Rate of 79%. The Total Attrition Rate stands at 21%, dramatic reduction in attrition to just 1% underscores the success of our employee-focused initiatives—driving engagement, satisfaction, and long-term commitment across the organization.

Implications of Bangladesh Finance PLC.

To date, Bangladesh Finance has relied on traditional accounting practices without formal HR-specific accounting standards. The HRIS management has significantly enhanced the efficiency and accuracy of our HR data management. By applying HR accounting principles, we now quantify employee productivity and integrate those insights into strategic decision-making.

SOCIAL & RELATIONSHIP CAPITAL

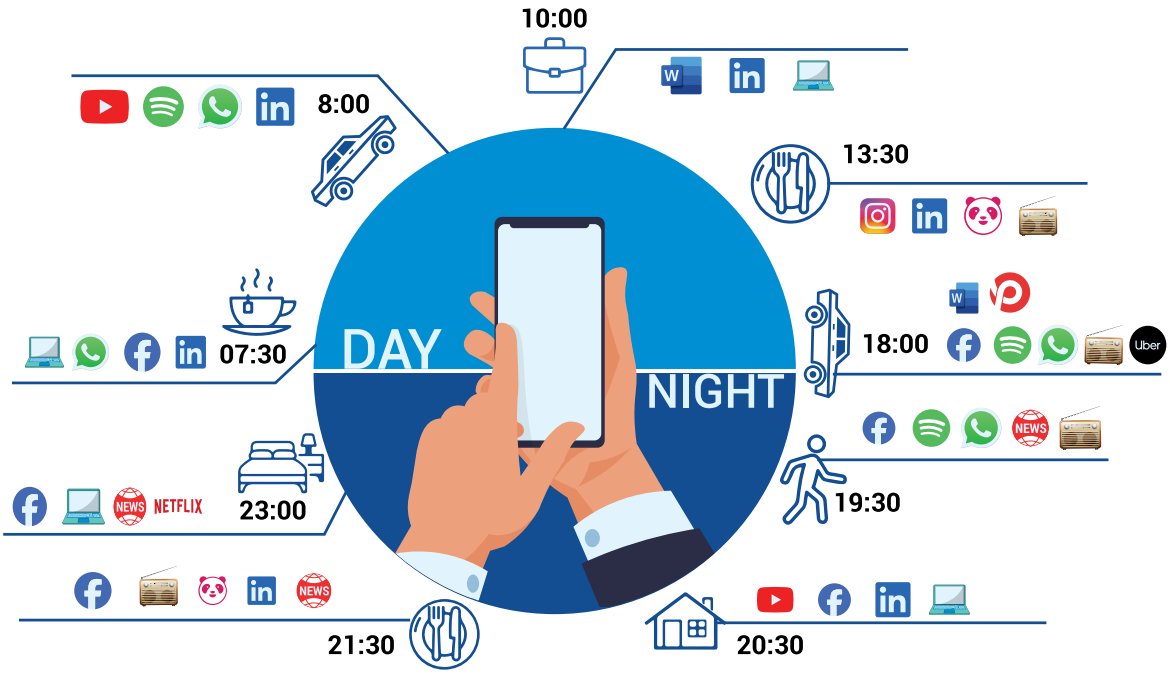
BDT 1.44 Mn
invested in community development projects

13 CSR
Projects



Financial services are deeply rooted in the fabric of society, and as such, Bangladesh Finance PLC. views social and relationship capital as a vital bridge between our business and the broader community. By effectively managing and strengthening this capital, we are able to uncover new opportunities that generate lasting value and foster mutual growth for both the organization and the communities we serve.

As financial services are inherently integrated within the community, Bangladesh Finance views social and relationship capital as a critical connection between our operations and society. Through the strategic management of this capital, we continuously identify and develop opportunities that generate lasting value and foster mutual growth for both our institution and the communities



Value for Customers
- Enhancing Service Excellence
- Enhancing Financial Trust
- Startup Development Opportunities

Value for Company
- Quality Procurement Assurance
- Strengthened Continuity Assurance
- Emerging Technology Adoption

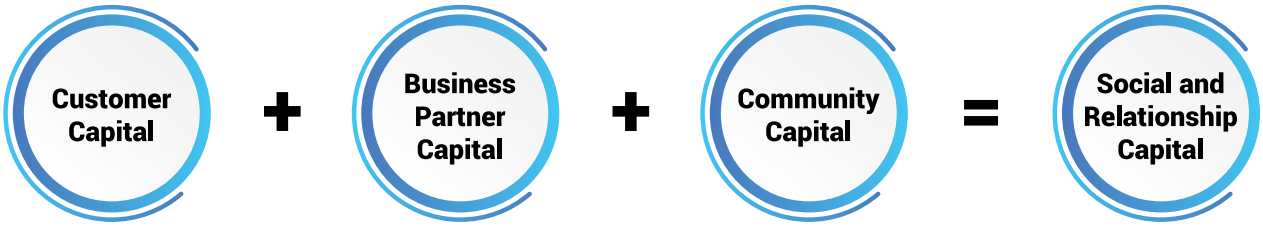
Value for Employees
- Prompt Obligation Settlement
- Long-term partnerships potential
- Resilient Revenue Stream

Stakeholders Impacted

- Investors
- Customers
- Suppliers and Business Partners
- Community and Environment

Relationship with Regulatory Bodies





How We Focus

Sustaining long-term value creation requires deep-rooted and meaningful stakeholder relationships. At Bangladesh Finance, we refer to these vital connections as our social and relationship capital. It encompasses our engagements with institutions, customers, business partners, and community networks that influence and are influenced by our operations.

Customer Capital Overview

Who are our customers?	Why do our customers choose us?	Critical success factors
» Individuals, SMEs, and large corporates who utilize our diverse range of investment, financing, and advisory solutions, alongside tailored digital services. » Emerging tech entrepreneurs and startups seeking customized financial support for innovation-driven growth.	» Individuals, SMEs, and large corporates who utilize our diverse range of investment, financing, and advisory solutions, alongside tailored digital services. » Emerging tech entrepreneurs and startups seeking customized financial support for innovation-driven growth.	» Deployment of AI and data analytics to personalize customer experience and predict client needs. » Enhanced cybersecurity to ensure safe and secure digital financial interactions » Omni-channel service platforms offering consistent, convenient experiences across digital and physical touchpoints.

Ensuring Trust and Safety

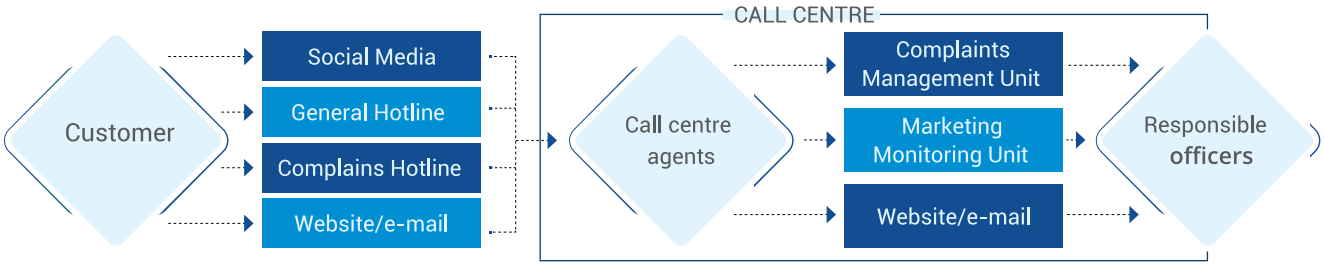
At Bangladesh Finance PLC, trust forms the foundation of our operations. Building and maintaining customer trust is a core priority. We are committed to upholding customer rights by creating a secure and respectful service environment. Our Code of Conduct clearly defines the ethical behaviors expected from all employees when interacting with customers. In addition, continuous training programs are conducted to educate employees on customer protection, integrity, and ethical practices.

Data Privacy, Customer Privacy, and Information Security

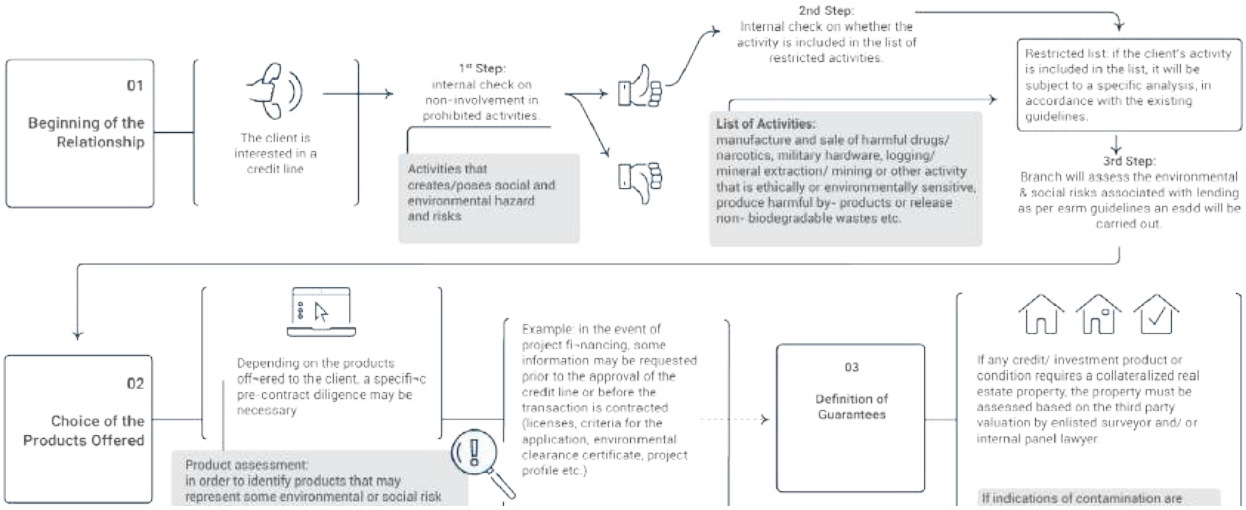
Bangladesh Finance PLC strictly adheres to all regulations related to data protection and customer privacy. We have established robust security measures to safeguard personal information from loss, misuse, or unauthorized access. Our compliance with evolving data privacy laws ensures that customer information remains secure, reflecting our dedication to maintaining confidentiality, trust, and service excellence.

এখনই সময়

CUSTOMER RELATIONSHIP ENHANCEMENT MODEL



CREDIT APPROVAL PROCESS FOR SUSTAINABLE AND GREEN FINANCE



BUSINESS PARTNER CAPITAL

Our business partners are critical components of the Company value chain.

Why does BDF need suppliers and business partners?

To expand their business alongside a trusted Finance Company by delivering specialized goods and services that support financial innovation and operational excellence.

Why do business partners choose BDF?

To ensure seamless operations by acquiring critical financial solutions, technologies, and services that enable efficient delivery of our products to clients.

SUPPLY CHAIN MANAGEMENT APPROACH

Suppliers form a crucial component of our value chain, ensuring the smooth functioning of daily operations. Recognizing their importance, Bangladesh Finance has centralized all supply chain management activities—excluding IT under the General Services Department. This department oversees procurement activities to ensure transparency, fairness, and compliance with our Procurement Policy, which promotes unbiased selection processes and equitable payment terms.

DEVELOPING SUPPLIERS AS STRATEGIC PARTNERS

The General Services Department plays a key role in selecting suppliers and fostering regular communication to align them with our social and environmental standards. Our aim is to nurture suppliers as long-term strategic partners, ensuring mutual growth and sustainability. Despite disruptions during the COVID-19 pandemic, we maintained supplier engagement through digital platforms and online communication channels to ensure continuity and collaboration.

Why We Engage with Communities

» To co-create financial inclusion and literacy programs that address local needs, foster economic empowerment, and advance our sustainability goals.

Why Communities Choose Us

» For accessible, transparent, and impact-driven financing solutions that support long-term local development and social well-being.

COMMUNITY ENGAGEMENT STRATEGY

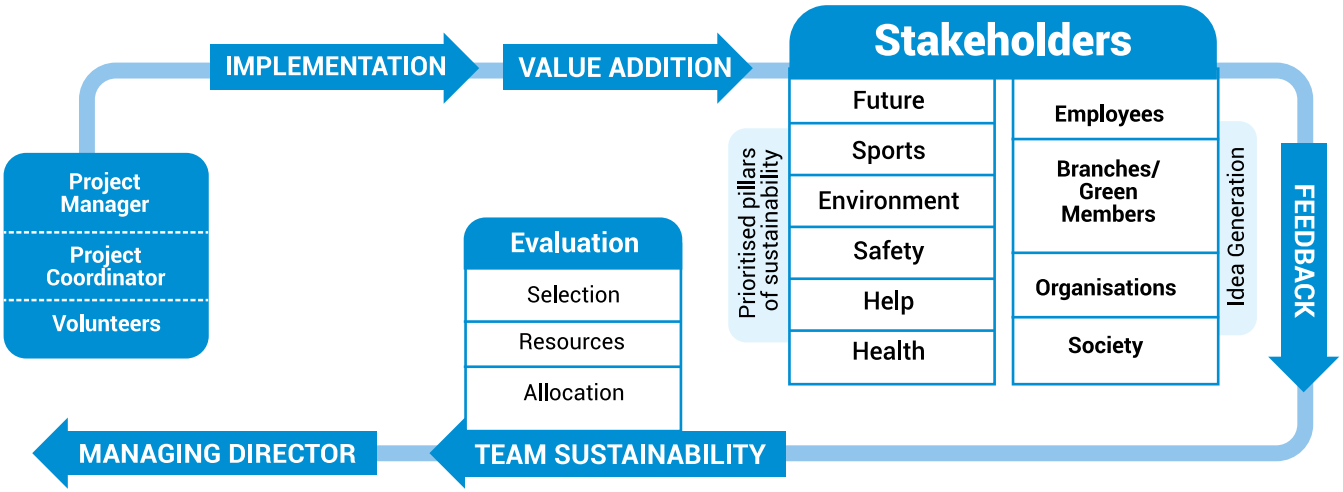
At Bangladesh Finance PLC, Corporate Social Responsibility (CSR) is integral to our core mission as a financial services provider. Our commitment extends beyond traditional philanthropy, aiming to drive meaningful and sustainable change. We focus on creating systemic solutions that deliver long-term positive outcomes. By leveraging our deep financial expertise, nationwide presence, skilled workforce, and leadership in technology and innovation, we are committed to addressing community challenges and contributing to socio-economic development across Bangladesh.



OUR BRAND IN SOCIAL NETWORK



Asset & material	Financial service provider	IT	Outsourced services	Other services
• Vehicles • Furniture • Office equipment • Stationary	• Banks and financial institutions	• IT hardware suppliers • Software development services. • Network service security • Software services	• Security • Food and drinking water • Sanitary facilities • Traveling and transport • Courier	• Auditors • Utility services • Media • Consultancy • Premises providers



CSR CONTRIBUTION

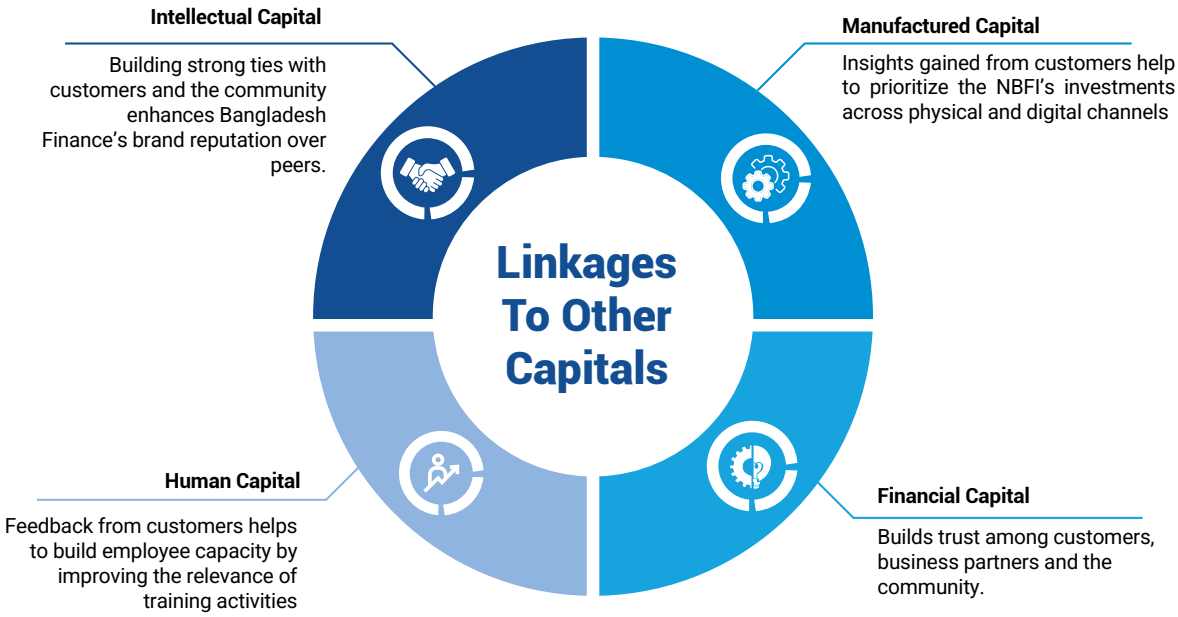
	Education	Environment	Health	Others	TOTAL BDT 14,39,583
PROJECT	6	3	8	2	
AMOUNT	633,417	57,583	633,417	100,771	

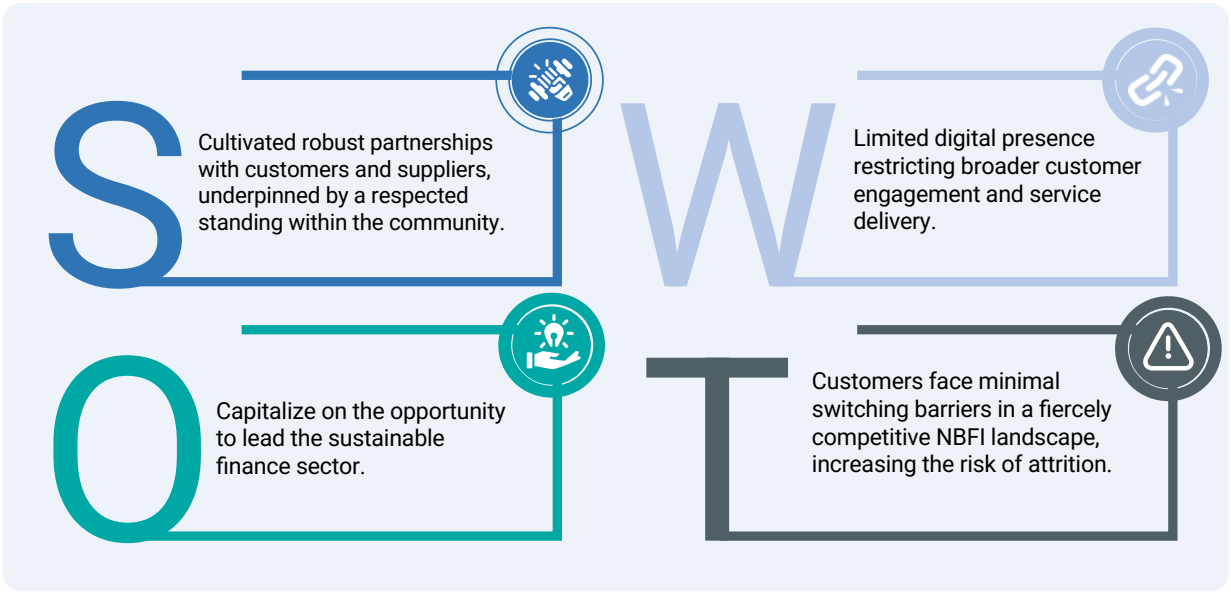
Initiatives in 2024

- Diversified financial service offerings tailored to meet the specific needs of different customer segments.
- Organized extensive workshops on financial literacy and hosted a special event to empower women entrepreneurs, reaching over 2.000 viewers.
- Strengthened social investment initiatives to reinforce our commitment to societal development.

Future Prospects

- Safeguard our social and relationship capital as a foundation for future success.
- Broaden our financial service divisions to deliver enhanced value and meet the evolving needs of our esteemed clients.





NATURAL CAPITAL

As a future-focused finance company, Bangladesh Finance acts as a catalyst for environmental sustainability by promoting eco-efficient operations. In 2024, we implemented digital workflows to reduce paper use, introduced energy-efficient lighting in branches, and monitored CO_2 emissions, electricity, and water usage across all locations. These efforts reflect our commitment to minimizing environmental impact while creating long-term value for society and the nation.

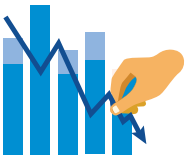
125
Trees Saved
Through Digital Engagement

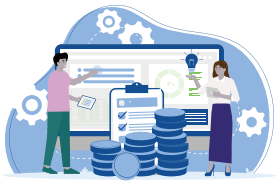
10,300 liters
Reduced
Fuel Consumption

52%
Increase
of E-statements

BDT 388 MN
Financed for Sustainability









While climate change has not yet had a direct impact on our operations, Bangladesh Finance recognizes its moral duty to act responsibly. We are dedicated to managing our environmental impact through sustainable practices and are committed to implementing green initiatives across the organization to conserve natural resources and support climate resilience.

Value for Customers
Access to a seamless multi-channel service experience tailored to diverse customer preferences.

Value for Company
Strengthened physical and digital presence enhances brand credibility and trust.

Value for Employees
Opportunity to build knowledge and expertise by operating within an advanced digital environment.

Stakeholders Impacted

- Investors
- Customers
- Suppliers and Business Partners
- Community and Environment

SDGs Impacted



Related Strategic Imperatives:

- Embodying responsible stewardship
- Promoting efficient resource use

Managing Our Waste

Bangladesh Finance has established a comprehensive, non-hazardous waste management framework to minimize environmental impact and promote circularity



Water Management Initiatives

Focus Pillar	Action Taken
Reduce Consumption	• Fit low-flow aerators on taps • Conduct monthly manual leak-checks • Use spray nozzles for vehicle/office cleaning
Awareness	• Place simple water-saving posters (in Bengali) near sinks • Send periodic WhatsApp reminders to staff • Invite employee ideas via a “Save Water” suggestion box
Reuse	• Collect AC drip-water to water potted plants • Reuse hand-wash rinse water for mopping floors or cleaning outside areas
Policies and procedures	• Include basic water-conservation guidelines in the staff handbook • Review monthly water bills in admin meetings • Acknowledge (“Water Star” award) the team with lowest usage each quarter

Energy Management Initiatives

Focus Pillar	Action Taken
Reduce Consumption	• Replacing old equipment with energy-efficient models (like LED monitors, energy-rated ACs) • Installing motion-sensor lights in low-traffic areas • Turning off signboard lights after business hours • Rearranging office layouts to maximize use of daylight
Awareness	• Posting simple energy-saving posters in office corners • Monthly awareness SMS/email tips for employees • Short weekly tips during staff meetings
Reuse	• Encouraging remote work days to reduce office energy use • Promoting the reuse of cooled air by partitioning working zones efficiently
Policies and procedures	• Introducing a “Switch Off Before You Leave” checklist • Including energy-saving practices in new employee orientation • Tracking and reviewing branch-level electricity bills monthly to monitor savings

Emission Management Initiatives

Focus Pillar	Action Taken
Reduce Consumption	• Encouraging employees to use shared or public transport for office commutes • Promoting virtual meetings to minimize travel emissions • Planning official travel routes efficiently to reduce unnecessary trips
Awareness	• Regularly sharing low-carbon lifestyle tips via emails and notice boards • Conducting internal campaigns on carbon footprint reduction • Motivating business partners and customers to adopt eco-friendly practices
Reuse	• Promoting the reuse of office resources to reduce manufacturing-related emissions • Setting an example by adopting simple carbon tracking methods for internal reporting
Policies and procedures	• Including carbon-reduction goals in internal sustainability policies • Introducing "Green Office Practices" guidelines for all staff members

Waste Management Initiatives

Focus Pillar	Action Taken
Refuse	• Encouraging digital documentation to minimize paper dependency • Using an internal shared drive for paperless communication • Implementing strategies to minimize paper usage through digitization and responsible document management
Reduce	• Careful monitoring of office supply usage to prevent excess consumption • Setting monthly targets to reduce printed material
Recycle	• Placing separate recycling bins for paper and e-waste at all branches • Partnering with local recycling vendors for safe disposal of used paper and outdated IT equipment • Recycling all paper waste through Neptune Recyclers
Reuse	• Promoting the reuse of printed paper for internal drafts and notes • Reusing files, folders, and office envelopes for internal communications

Economical Use of Paper

At Bangladesh Finance, we continue to prioritize the efficient use of paper through enhanced digitization and automation efforts. Over the past few years, we have promoted online transactions, paperless statements, and digital documentation to minimize paper dependency. A major milestone was the introduction of the e-memo system in 2024, which further accelerated our transition towards a paperless workplace. Employees are actively encouraged to utilize internal electronic platforms for communication to reduce the need for printing. Additionally, we collaborate with Department of Environment (DOE) approved recycling partners to ensure that any wastepaper generated is responsibly recycled, supporting our broader commitment to environmental sustainability.

Customer Processes

52% Increase in e-statements



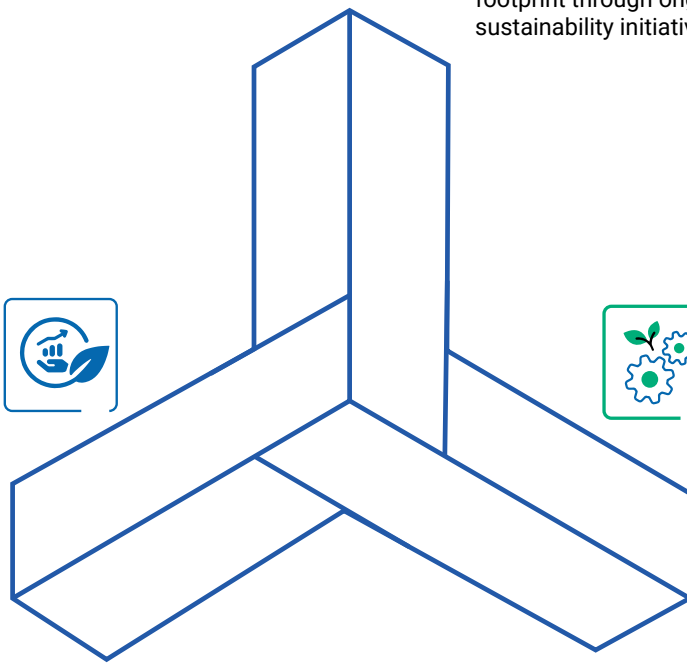
Saved **1,040,000** Paper Sheets consumption in FY 2024

Internal Processes

- Implemented automation across the organization through workflow enhancements and robotic process automation (RPA) solutions.
- Launched the Operational Efficiency and Effectiveness (OEE) program to streamline processes and optimize performance company-wide.

3 Pillar Environmental Strategy

At Bangladesh Finance, the three-pillar environmental strategy serves as a foundation to promote enhanced green consciousness across all value chain activities. This strategy is focused on optimizing our environmental impact, reducing negative consequences, and strengthening conservation efforts. The first pillar, Environmental Responsibility, ensures that we embed responsible practices throughout all operations, minimizing environmental risks and promoting sustainability. The second pillar, Resource Efficiency, emphasizes the effective use of energy, water, and other resources to reduce waste and limit our environmental footprint. Lastly, the third pillar, Sustainable Innovation, drives our commitment to investing in eco-friendly technologies and green initiatives that foster long-term environmental stewardship and resilience. Together, these pillars support our mission to create a greener, more sustainable future for the communities in which we operate.



Green Awareness

Employees are encouraged to monitor and reduce their carbon footprint through ongoing sustainability initiatives.

Responsible Finance

Financed **BDT 388** million in 2024 for green and sustainability-linked projects.

Green Operation

Our Environmental Management System (EMS) drives resource efficiency and eco-friendly operations.

Sustainable Resource Optimization

Digital Payments
Online transfer through BEFTN (Bangladesh Electronic Fund Transfer Network) and mobile financial services

ICT Development
In house ICT developments to enhance existing and create innovative platforms.



Floor Arrangements
Internal arrangement of the floors has been revised in order to optimize building utilization.

Activated Customer
Activation of substantial number of customers on our platform digitally.

Particulars	2024 Quantity	2024 Net Savings (BDT in Million)	2023 Quantity	2023 Net Savings (BDT in Million)
SMS Alert	280,754	0.309	255,231	0.281
E-Fund Transfer	13,214	0.004	11,012	0.012
Digital Attendance	60,877	0.022	52,937	0.019
E-mail Correspondence	706,972	0.770	642,702	0.700
TOTAL	**1,061,817**	**1.115**	**961,882**	**1.012**

8R Approach Toward Sustainability

We strive to strengthen our stewardship of natural capital by optimizing resource use, investing in green technologies, curbing reliance on fossil fuels, and eliminating waste through recycling wherever possible. Our comprehensive 8R framework guides these efforts and underpins our commitment to reducing ecological impact and ensuring the long-term resilience of natural resources:

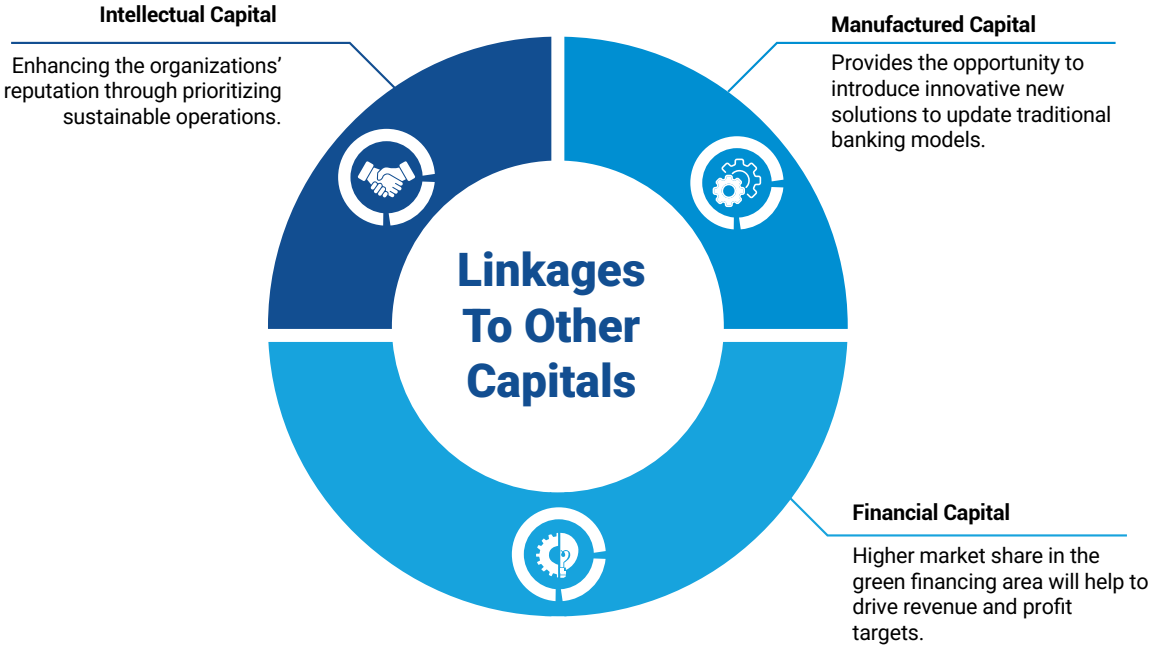


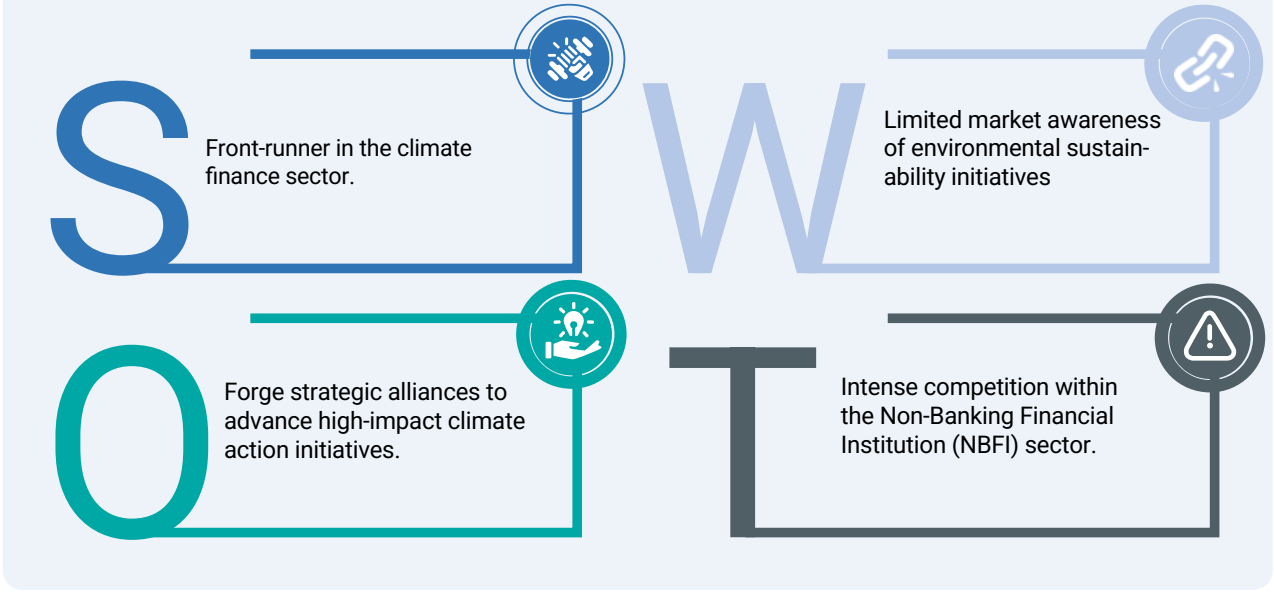
Outcome of Climate Variability

Climate change presents significant challenges, including credit risks and investment devaluation, requiring immediate adaptation toward a low-carbon economy. At Bangladesh Finance, we view these challenges as opportunities for sustainable growth. Through proactive engagement in green and sustainable financing, strategic investment in green assets, and the adoption of forward-looking practices, we are strengthening our commitment to Environmental, Social, and Governance (ESG) principles. Guided by our Environmental Risk Management (ERM) guidelines, we remain resilient in mitigating risks while expanding our sustainability initiatives and reinforcing our role in building a greener economy.

Envisioned Strategy

- Regularly monitoring and reporting our environmental performance covering carbon emissions, energy consumption, and waste generation to underscore our dedication to sustainability.
- Investing in sustainability-focused research and development to uncover emerging trends and technologies, and to create innovative, eco-friendly products and services that meet customer demand.
- Establishing a comprehensive sustainability strategy with clear environmental targets and a robust progress-tracking framework to ensure continuous improvement.





EXTERNAL SUSTAINABILITY CHARTERS

At Bangladesh Finance, we are committed to sustainable growth and ethical practices. By aligning with the United Nations Global Compact (UNGC) principles, we integrate Human Rights, Labor, Environment, and Anti-Corruption standards into our sustainability framework. This alignment helps us benchmark against global best practices, ensuring continuous improvement in policies and performance. It shapes our corporate ethos, stakeholder engagement, and risk management, reinforcing our role as a responsible corporate citizen and supporting the UNGC's mission for a sustainable global economy.

Bangladesh Finance Global Compact Considerations 10 Principles (FY 2024)

Human Rights

1. **Support Human Rights:** Bangladesh Finance upholds human rights in policies and decisions, ensuring compliance with international standards.
2. **Avoid Complicity in Abuses:** No human rights violations were recorded, and Bangladesh Finance fosters a respectful, inclusive work environment.

Labour

3. **Freedom of Association & Collective Bargaining:** Bangladesh Finance encourages open communication and feedback, with strong grievance resolution mechanisms.
4. **Elimination of Forced Labor:** Bangladesh Finance ensures transparent, voluntary recruitment practices.
5. **Abolition of Child Labour:** A zero-tolerance policy for child labor is strictly enforced.
6. **Elimination of Discrimination:** Bangladesh Finance maintains a merit-based, non-discriminatory approach to employment.

Environment

7. **Precautionary Environmental Approach:** Bangladesh Finance integrates environmental protection into its business operations, minimizing resource consumption.
8. **Promote Environmental Responsibility:** Initiatives to support biodiversity conservation are a priority.
9. **Support Environmentally Friendly Technologies:** Bangladesh Finance promotes sustainable practices, including partnerships for e-waste management and potential solar power integration.
10. **Work Against Corruption:** Bangladesh Finance enforces a strict anti-corruption policy with a Whistleblowing and Fraud Policy to ensure ethical conduct.

Future Outlook for Sustainable Tomorrow

Bangladesh Finance is committed to shaping a greener, more inclusive future. Driving two major sustainable movements — **ESG (Environmental, Social, and Governance)** and **EGC (Efficiency Improvements, Governance, and Customer Experience)** — we integrate environmental stewardship, strong governance, efficiency and customer experience impact into our core operations. Through these initiatives, we are building a resilient tomorrow, ensuring lasting value for society, the environment, and future generations.

ESG (Environmental, Social, and Governance) in Focus

In recent years the financial services sector has been rocked by various scandals and has suffered much reputational damage as a result. With increasing social unrest worldwide, governance has never been higher on the agenda.

Bangladesh Finance's Sustainability Movement during 2024

Regulatory Risk Mitigation
ESG integration helps us stay ahead of rising regulatory requirements and manage risks more effectively
Building Public Trust
By going transparency we strengthen customer and stakeholder confidence in its operations.
Sustainable Investment Products
We are committed to offering investment solutions that align with growing investor demand for ethical and sustainable choices.
Driving a Sustainable Economy
We acknowledges its critical role in promoting environmental responsibility, social inclusiveness, and strong governance to build a resilient economy

ESG Focus

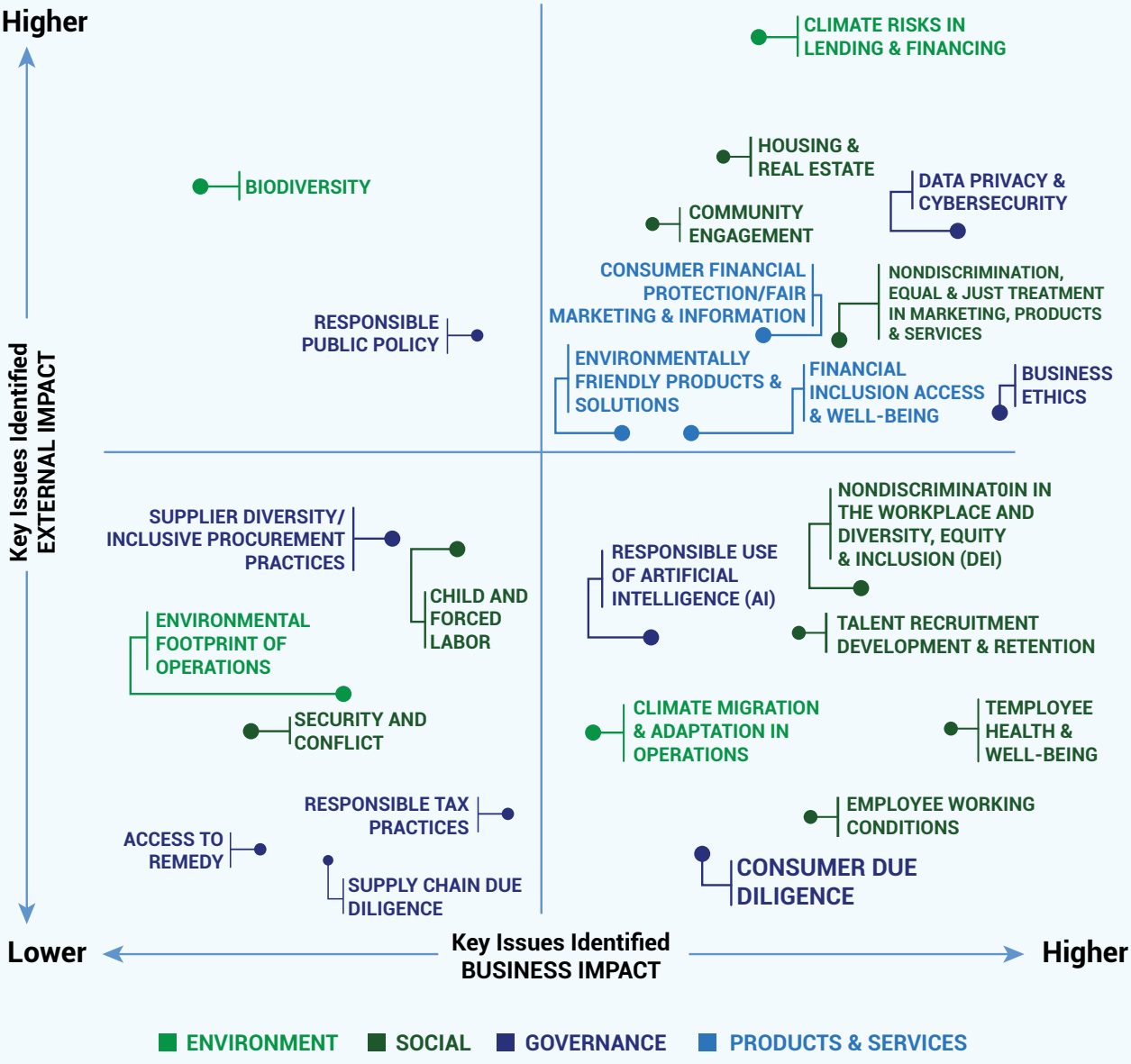
Our Approach: ESG priorities of the group and the SDGs which are aligned to these focus areas are presented below. Progress made of these priorities is outlined in the ESG Scorecard.



ESG Double Materiality Assessment

We evaluated sustainability topics across a comprehensive spectrum of environmental, social, and governance issues, encompassing those directly related to Bangladesh Finance's products and services.

MATRIX OF CORE SUSTAINABILITY TOPICS



Pillar	Key Focus Areas	Achievements /Metrics	Status
SDGs Served 			
Environmental (E) 	Green Financing Initiatives	Partnered with Green Transformation Fund (GTF); launched 5 green projects	On Track
	Carbon Footprint Reduction	15% reduction in office energy consumption	On Track
	Paperless Operations	70% transactions conducted via digital platforms	In Progress
Social (S) 	Employee Development	39 training programs conducted; 35 promotions	On Track
	Diversity & Inclusion	16% female recruitment in 2024 hiring	On Track
	Community Engagement	12 CSR activities benefiting 5,000+ people	On Track
Governance (G) 	Ethical Business Practices	100% of employees trained on Code of Conduct	On Track
	Board Diversity	10% female directors on Board	In Progress
	Transparency & Reporting	100% Published Integrated Report (IR)	On Track

Performance Indicators
On Track = Goal achieved or progressing well
In Progress = On the way but needs continued focus
Off Track = Immediate action needed

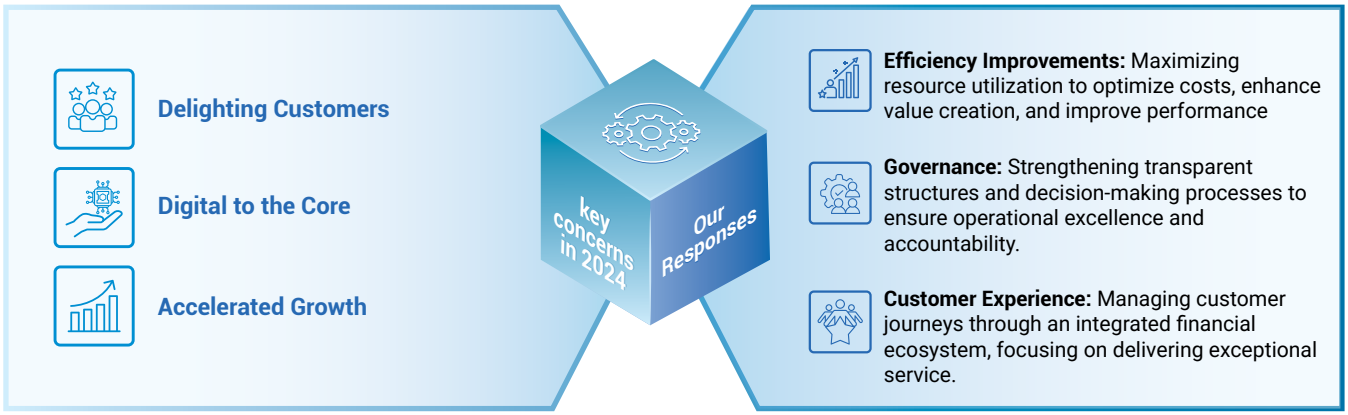
ESG Committee Composition

Name	Designation	Position on the Committee
Mohammad Kohinoor Hossain	Head of Sustainable Finance	President
Md. Anwar Hossain	Head of SAM & Monitoring	Member
Md. Sajjadur Rahman Bhuiyan	Group Chief Financial Officer	Member
Md. Faisal Hossain	Group Chief Technology Officer	Member
Md. Rafiqul Amin	Group Head of Operations	Member
Amitav Debnath	Group Head of ICC	Member
Suman Kumar Kundu	Chief Risk Officer	Member
Md. Emran Hossain	Group Head of General Services Department	Member
Ashekul Arifin Patwary	Acting Head of Human Resources	Member
Ullash Kumar Roy	Manager, SME & Sustainable Finance	Member Secretary

EGC (Efficiency Improvements, Governance, and Customer Experience) in Focus

At Bangladesh Finance, 2024 marks a renewed commitment to Efficiency Improvements, Governance, and Customer Experience (EGC). We are streamlining operations to enhance productivity, strengthening governance frameworks to ensure greater transparency,

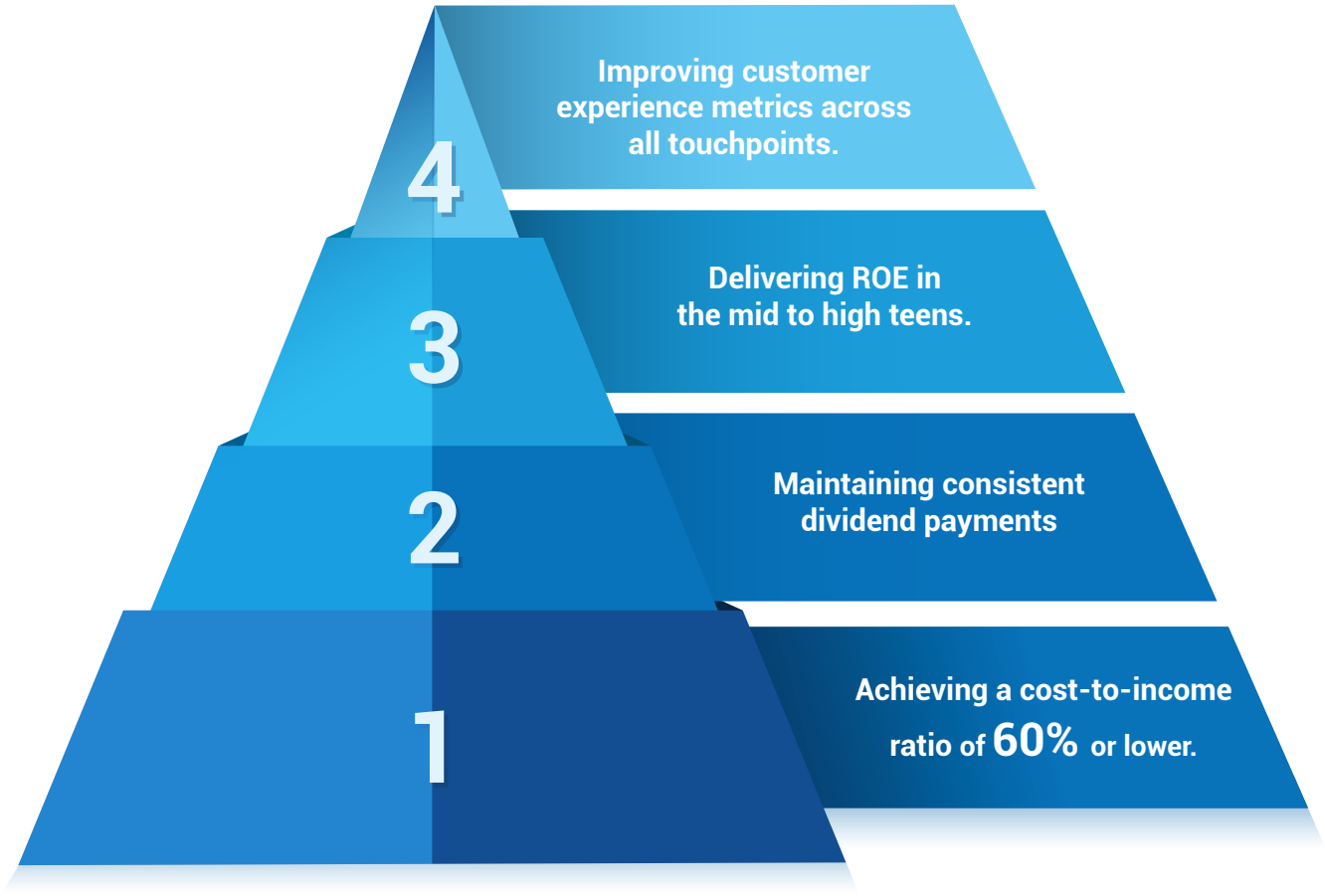
EGC Outlook in 2024



Our team members are empowered as **EGC Champions,** taking active roles in enriching the lives of our customers, colleagues, and communities by:

- Identifying value-add opportunities,
- Executing strategic plans to improve performance and shareholder returns,
- Enhancing productivity and empowering employees,
- Driving effective decision-making and business transformation.

Key Success Measures:



Our EGC-driven strategic focus represents Bangladesh Finance's commitment to delivering superior financial services, advancing governance standards, and building a more agile, customer-centric organization in an evolving financial landscape.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Committed to the Greater Good

At Bangladesh Finance, our 2024 CSR initiatives placed community well-being at the heart of our sustainability strategy. We integrated social responsibility into our core operations, viewing CSR not just as a duty, but as a driver of national development and a vital part of our license to operate. Rather than focusing on one-off charitable acts, we invested in long-term programs designed to create meaningful, lasting change. Our approach emphasizes empowerment over aid—uplifting individuals, strengthening communities, and building a more inclusive future.
In 2024, our key focus areas included education, healthcare, disaster resilience, cultural enrichment, and access to clean water. Through these efforts, Bangladesh Finance actively contributed to the Sustainable Development Goals (SDGs), reinforcing our role as a catalyst for positive social impact.

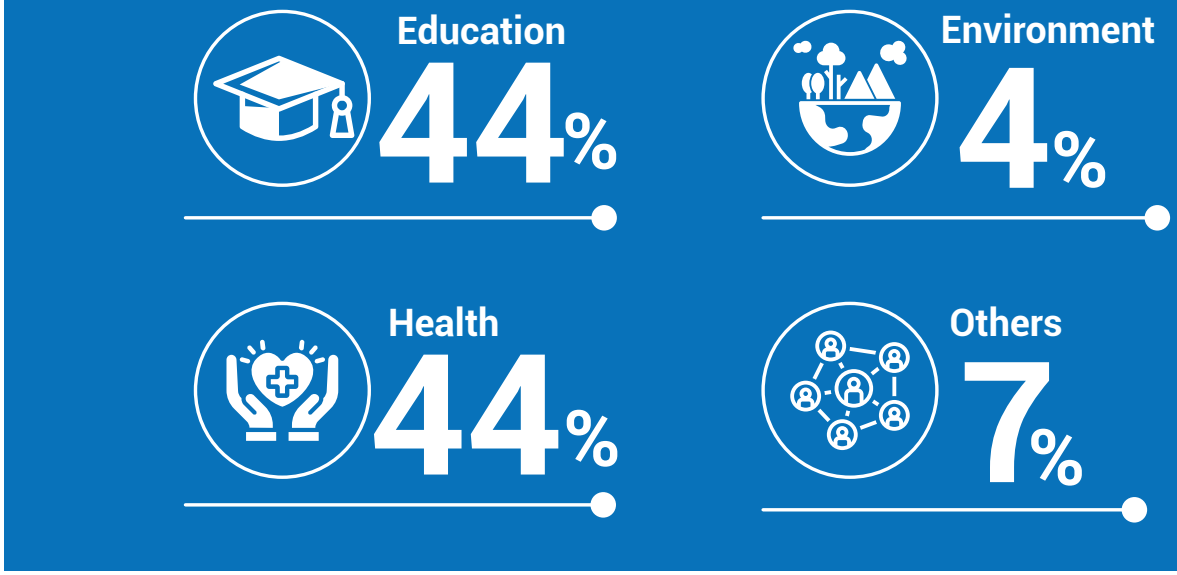
Framework for Driving Social Impact



Education Empowerment	Supporting learning programs for underprivileged communities
Health & Well-being	Implementing healthcare and wellness initiatives
Disaster Resilience	Facilitates the implementation of the Bank's Board-approved sustainability strategy by Providing Aids to Flood affected areas in September.
Clean Water & Sanitation	Ensuring safe water access and hygiene support to flood affected people individually.
Cultural & Community Resilience	Supporting sports, arts, and culture, enhancing emergency services, and improving infrastructure in underserved areas (5% of total CSR budget)



Our CSR Journey Over 2024



Empowering Future Leaders: ‘Gorbo Agami’

The “Gorbo Agami” scholarship reflects our core values of investing in education and supporting the aspirations of our people. We are committed to providing our employees with the tools they need to grow, while also investing in the development of the next generation of leaders. This initiative is part of our broader CSR strategy, aligning with SDG 1 - Quality Education, as we believe that accessible education is key to building a sustainable and prosperous future.

Through “Gorbo Agami”, Bangladesh Finance is reinforcing its role as an organization that champions growth, progress, and a commitment to the well-being of its people.



Green Deposits by Bangladesh Finance

As part of our commitment to fostering sustainable growth, Bangladesh Finance has introduced the Green Deposit initiative at the beginning of 2024, a key component of our CSR efforts aimed at addressing Environmental Development SDGs. This product is designed to channel investments into environmentally sustainable projects, empowering individuals and businesses to contribute directly to climate action and environmental preservation.

This initiative directly contributes to SDG 2 - Climate Action, by funding projects that reduce carbon footprints and enhance energy efficiency. Through our Green Deposit program, we are not only enabling our customers to participate in environmental conservation but also strengthening the nation's commitment to a greener and more sustainable future.



Blood Donation Program by Thalassemia Foundation

As part of our ongoing efforts to promote healthcare awareness, we proudly organize the “Blood Donation Program to support Thalassemia patient”—a vital initiative aimed at raising awareness about thalassemia and encouraging life-saving blood donations.
This initiative aligns with SDG 3 - Good Health and Well-being, as it supports the health and welfare of both our employees and those affected by thalassemia. By raising awareness and providing a platform for active participation, Bangladesh Finance is helping to create a healthier, more empathetic society.











Supporting Sports Development and Competitions

At Bangladesh Finance, we believe that sports play a crucial role in fostering life skills such as teamwork, leadership, discipline, and resilience, while also enhancing self-confidence. In 2024, we proudly organized various sports competitions within the finance community.
Through these initiatives, Bangladesh Finance continues to actively promote sports, healthy lifestyles, and the development of future leaders within the community.







BUILDING A RESILIENT AND INCLUSIVE FINANCIAL ECOSYSTEM

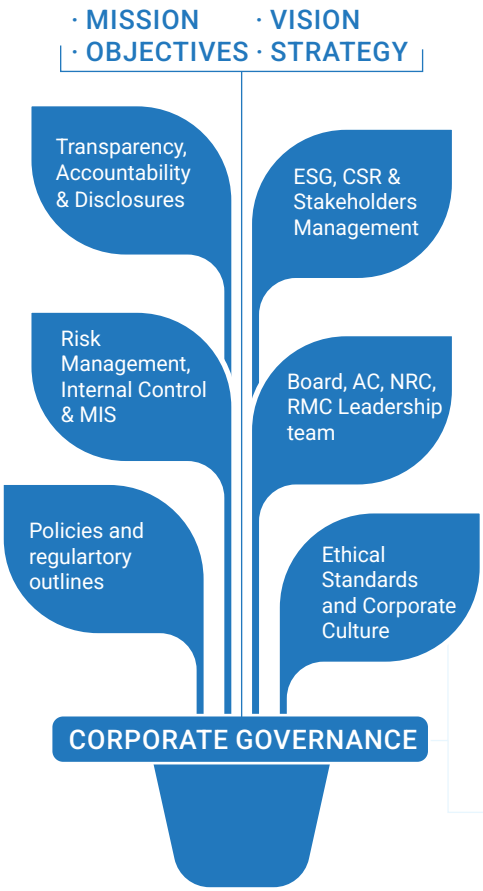
Financial inclusion is key to equitable growth in Bangladesh, with progress driven by digital tools, agent banking, and literacy efforts. Millions, especially women and rural communities, have joined the formal financial system. Yet challenges like digital gaps and limited rural infrastructure persist. Strengthening inclusion remains vital for building resilience and inclusive development.




১২:০০
Online Banking
রহিমা বেগম
Cash out
Sent money
Mobile recharge

STATEMENT OF CORPORATE GOVERNANCE

Bangladesh Finance has manifested its commitment to adhering to the principles of good corporate governance since the very beginning of its operation. The corporate governance philosophy of Bangladesh Finance encompasses regulatory and legal requirements, various internal rules, policies, procedures, and practices based on a financial institution's best practices.



As a listed company, Bangladesh Finance is highly compliant with the requirements of the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission as per notification no. BSEC/CMRRCD/2006-158/207/Admin/80, dated June 03, 2018 and notification no. BSEC/CMRRCD/2006-158/208/Admin/81dated June 20, 2018 and related guidelines issued by Bangladesh Bank. According to the notification of BSEC, a company is required to provide a statement in its Annual Report that the CG Code of BSEC has been compliant with. At Bangladesh Finance, we are committed to maintain the highest standards of integrity, transparency, fairness and accountability.

Exemplary Governance: Bangladesh Finance embraces exemplary governance, fostering cohesive decision-making for a harmonious balance between strategic goals and shared value.

Corporate Governance Methodology: Prioritizing sustainable value creation, the company guards against short, medium, and long-term value erosion through a robust governance methodology.

Good governance has been the bedrock of our sustainable growth, and on which we depend on our social license to operate. The increasingly challenging environment has underscored the need for strong corporate governance. We believe in the strength of good governance by practicing transparency and accountability in every sphere of our activities. By practicing the structured and dedicated corporate governance culture, Bangladesh Finance is able to maintain the growing trust of shareholders especially the minor shareholders and other stakeholders. The corporate governance philosophy of Bangladesh Finance encompasses regulatory and legal requirements, various internal rules, policies, procedures, and practices which upholds the governance of a financial institution. As a listed company, Bangladesh Finance has complied with all types of Orders/ Directives/ Circulars/ Notifications/ Rules issued by Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC) and Stock Exchanges (DSE & CSE) accordingly. Bangladesh Finance is committed to review all its corporate governance policies and guidelines regularly to ensure transparency in its practices, maintain professional integrity to provide quality information to its stakeholders on regular basis.

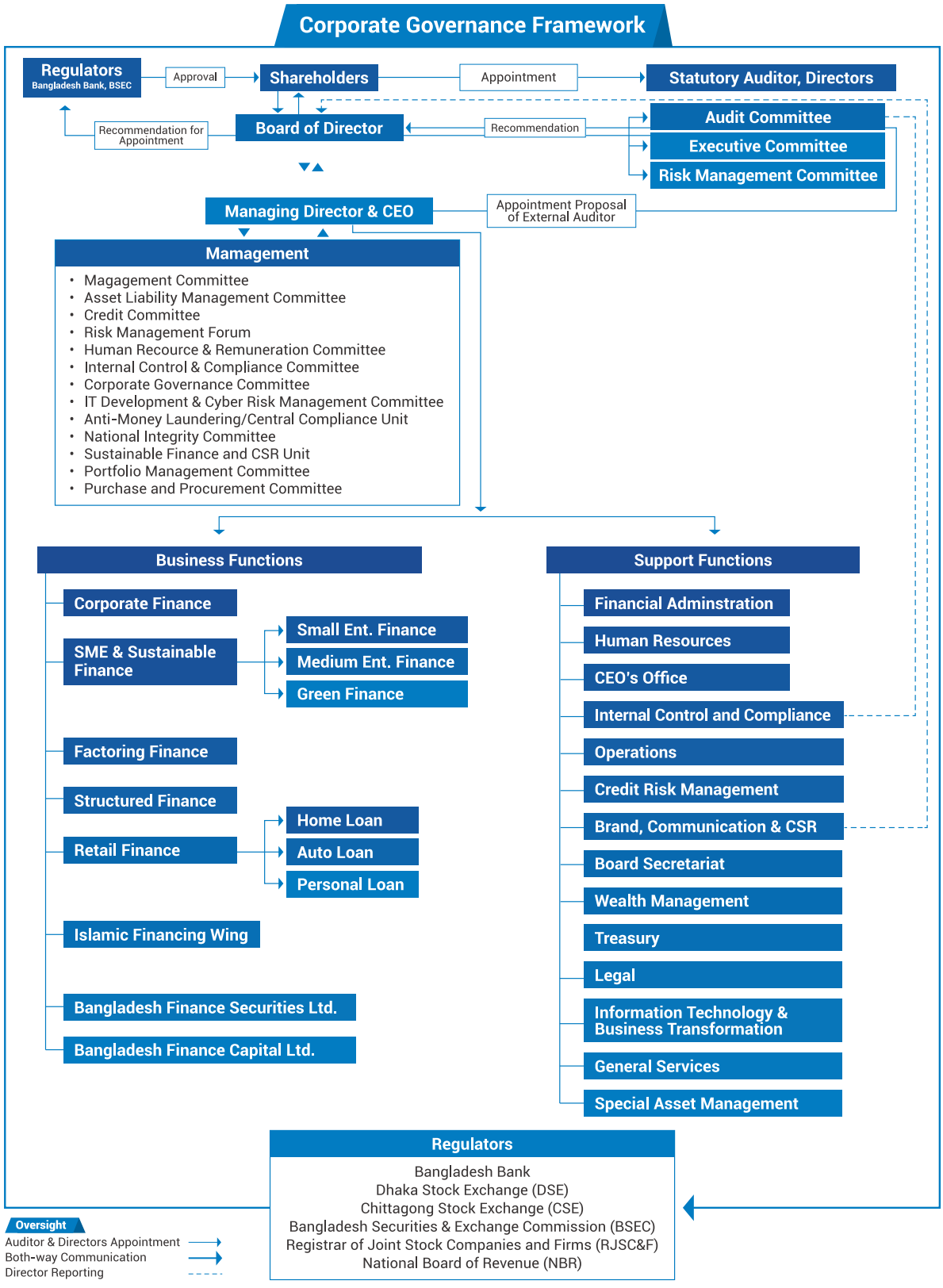


Social Responsibility: Recognizing its integral role, Bangladesh Finance commits to positive contributions to societal well-being as a responsible corporate citizens.

Sustainable Value Focus: With a focus on sustainable value creation, the organization is dedicated to long-term success and responsible business practices.

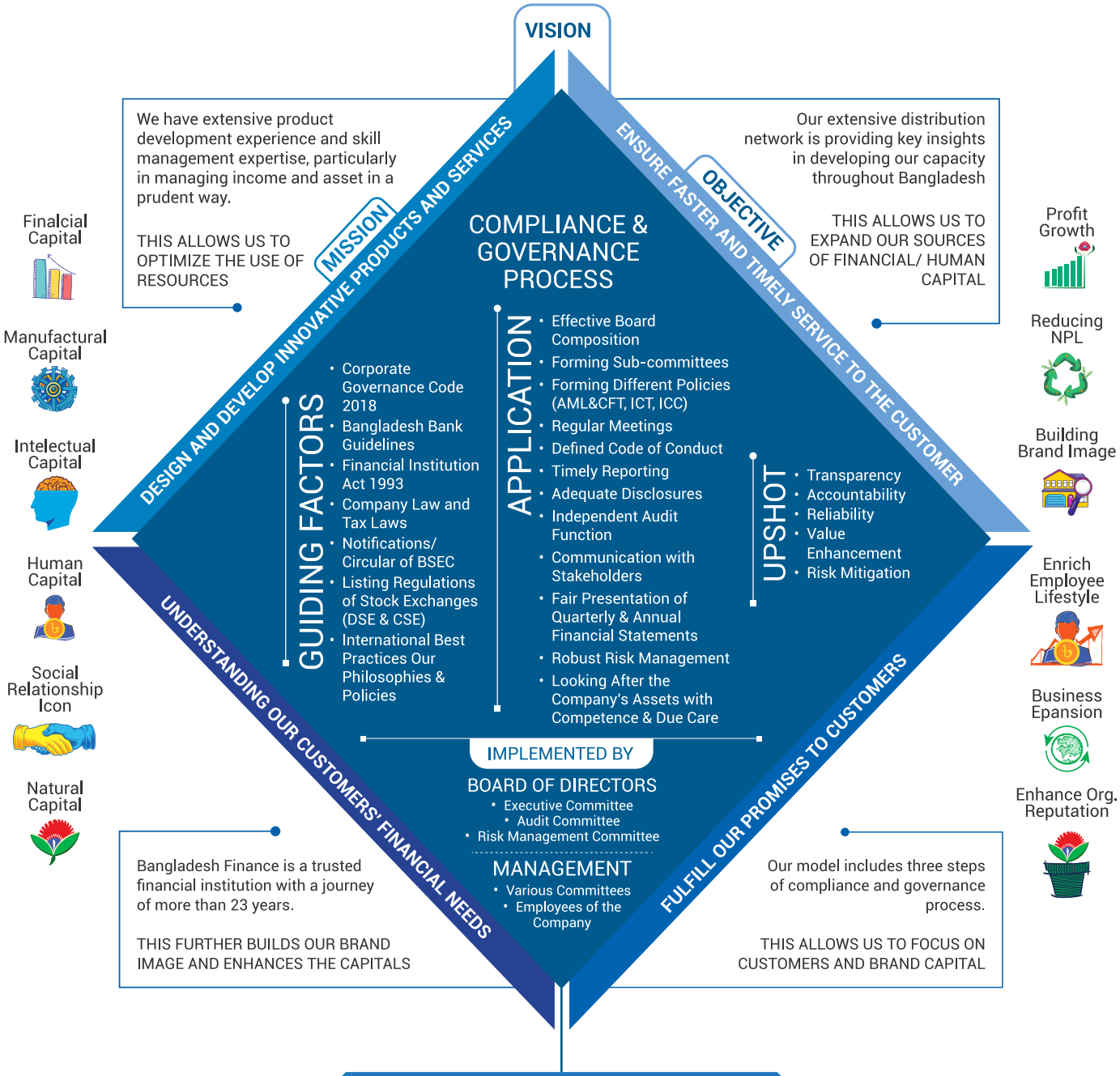
Guardianship of Privileges: Acknowledging the importance of operating permissions, Bangladesh Finance is committed to ethical practices, ensuring continued positive societal impact.

A. Corporate Governance Framework & Value Creation



VALUE CREATION BY CORPORATE GOVERNANCE

We believe that good corporate governance provides a solid foundation to add value for our stakeholders and achieve our strategic objectives.

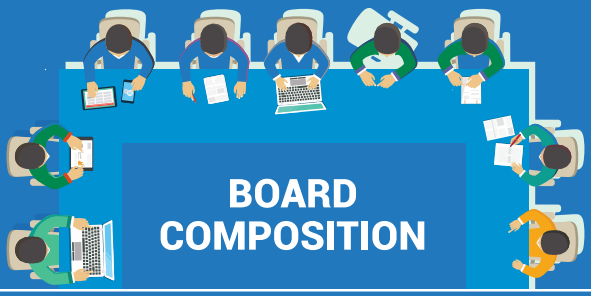


MITIGATION OF RISKS

- Credit Risk
- Environmental & Social Risk
- Market Risk
- Cyber & IT Risk
- Reputation Risk
- Operational Risk
- Liquidity Risk

B. Board of directors, the chairman & the CEO

Composition of Board



Chairman

Independent Director

Nominated & Shareholding Director

BOARD SIZE 09

Balanced and Diversified Board for promoting accountability & encouraging healthy, constructive debate and decision-making while meeting regulatory requirements.

GENDER DIVERSITY

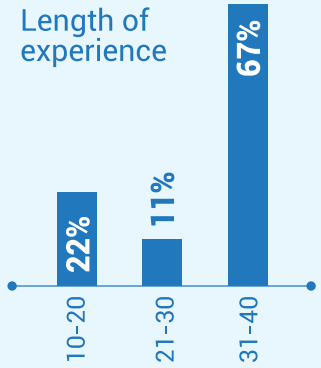
89%

11%

AGE DIVERSITY

<40	11%
40-55	67%
>50	22%

Length of experience



Balance of Executive and Non-executive Directors

Managing Director & CEO (Ex-officio)

Non-executive Directors

Independent Director

(Non-shareholding Director)

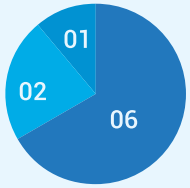
>22% refers more than 1/5 ratio, 02 independent directors out of 09 non-executive directors

Expertise

A balanced board encompasses relevant knowledge, skills and industry expertise

- Information Technology
- Risk Management
- Banking & Economics
- Finance & Accounting
- Legal & Regulatory
- Marketing
- Strategic Planning
- Auditing

Shareholding, Nominated and Independent Directors



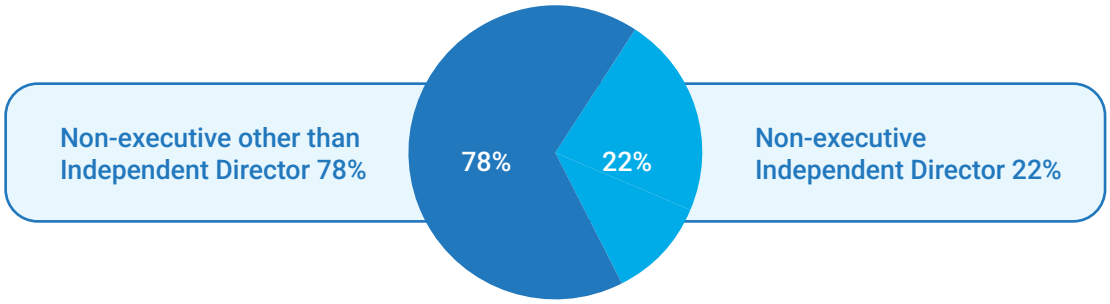
Nominated Directors | Independent Directors | Shareholding Director

The Board is comprised of people of different age groups and professions with specialized knowledge and experiences. All Directors except Independent Directors hold at least 2% shares of the company's total paid-up capital as per the Bangladesh Securities and Exchange Commission (BSEC) requirements.

Sl.	Name	Board Status	Executive Committee	Audit Committee	Risk Management Committee	In the Board of Subsidiaries
1	Mr. Manwar Hossain	Chairman, NED	Chairman	-	Chairman	
2	Mr. Iqbal Uddin Ahmed	Vice-Chairman & ID	Member	-	Member	Chairman, BFSL & BFCL
3	Mr. Md. Rokonuzzaman FCA	IND	-	Chairman	Member	
4	Mr. Asaduzzaman Khan	NED	-	Member	Member	
5	Mr. Md. Helal Chowdhury	NED	Member	-		
6	Ms. Fatema Begum	NED	-	Member		-
7	Mr. Furkaan Muhammad N Hossain	NED	-	Member		
8	Mr. Imtiyaj Yousuf	NED	Member	-		
9	Mr. Md. Hasan Khan	NED				
10	Mr. Md. Kyser Hamid	Managing Director & CEO (Ex-officio)	-			NED, BFSL & BFCL

Adequate representation of Non-executive Directors

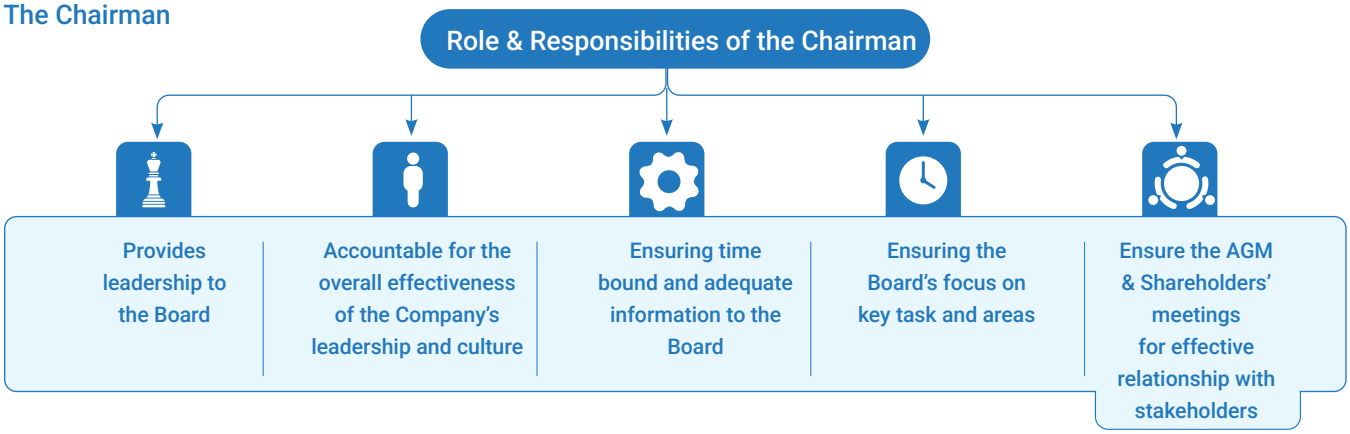
As per the pertinent guidelines of Bangladesh Bank and Bangladesh Securities and Exchange Commission, Bangladesh Finance maintains an adequate representation of non-executive directors in the Board. All the directors are non-executive except the Managing Director & CEO.



Qualified Members in the Board of Directors with expert knowledge regarding Finance & Accounts, Corporate regulatory rules, responsibilities and implications

Bangladesh Finance has diversified board comprising a number of seasoned bankers, industrialists, businessmen, and a professional accountant who have expert knowledge regarding the Industry, Financials and Corporate regulatory rules, responsibilities and its implications in the company i.e. Mr. Md. Rokonuzzaman FCA- a seasoned professional accountant and Mr. Iqbal Uddin Ahmed - a seasoned Banker (Ex- Managing Director of a renowned Private Commercial Bank in Bangladesh), Mr. Asaduzzaman Khan- an Ex- Executive Director of Bangladesh Bank and Ex-MD of a renowned finance company in Bangladesh, Mr. Md. Helal Chowdhury is an accomplished executive with more than 35 years of proven track record in Judicial Services in Bangladesh with huge experience in Banking related laws, Artarin Adalat Ain and Negotiable Instrument Act.

The Chairman



Different positions of Chairman and Chief Executive Officer

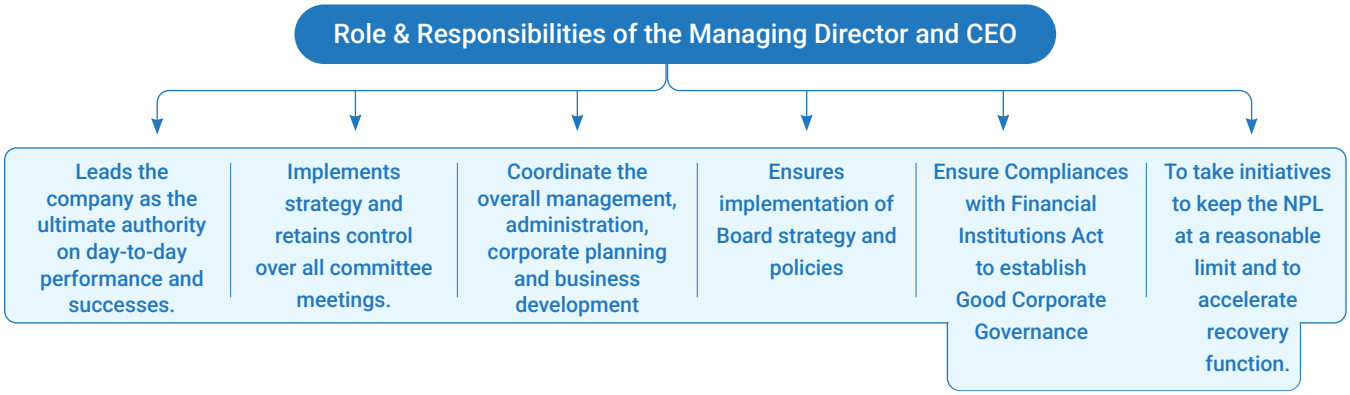
Different individuals fill the positions of the Chairperson of the Board's and the Managing Director & CEO of the Company. The Chairperson of the Board is elected from among the non-executive directors of the company. The roles of the Chairman and the Managing Director & CEO are independent and separate. The Chairman does not involve himself in any day-to-day operational issues of the company.

Independence of the Chairman

According to Corporate Governance guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC), the position of the Chairman of the Board and Managing Director & CEO shall be filled by different individuals. Bangladesh Finance PLC has ensured this compliance. Mr. Manwar Hossain, Director is the Chairman of the Board and Mr. Kyser Hamid is the Managing Director & CEO of the Company. Again, the Chairman has no loan or business relation with Bangladesh Finance PLC.

Managing Director & CEO

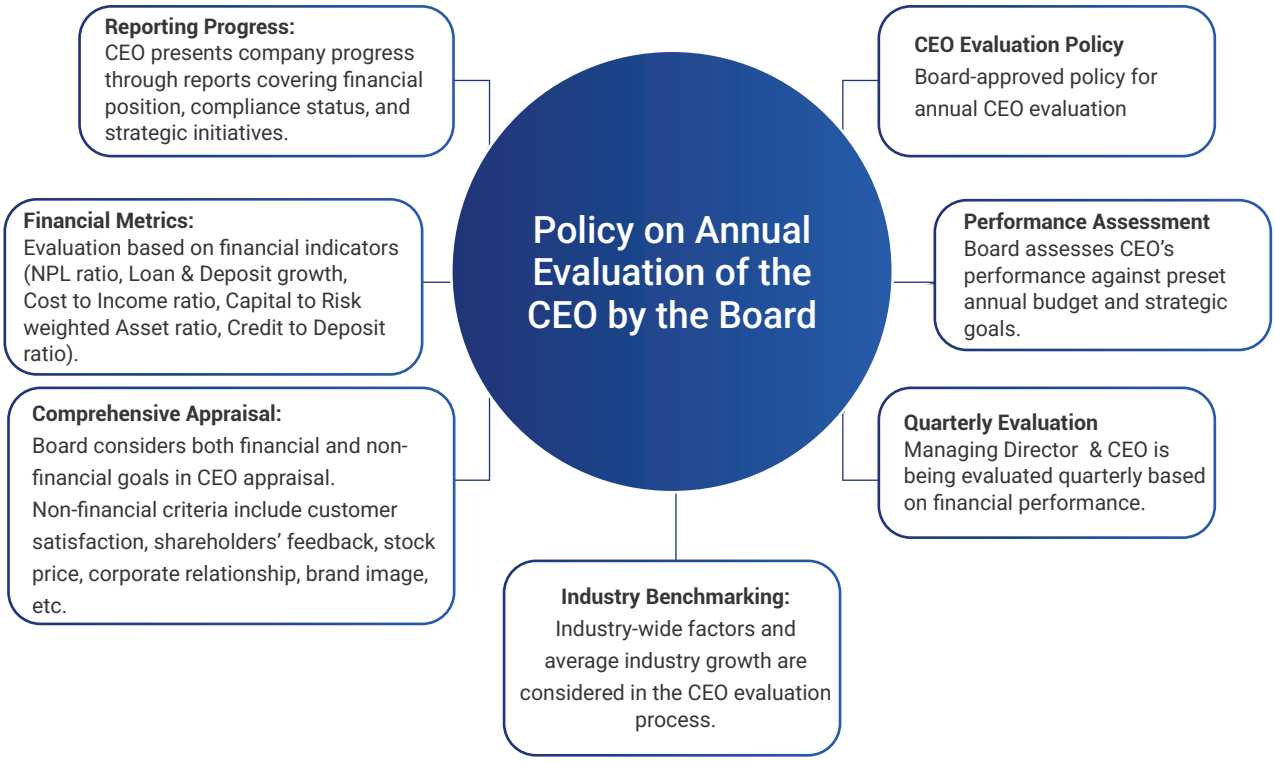
Mr. Md. Kyser Hamid is the Managing Director and CEO of Bangladesh Finance PLC. The profile of Mr. Md. Kyser Hamid, is given under Management profile of this Annual Report.



Managing Director and CEO does not hold the same position in another company

Mr. Md. Kyser Hamid, Managing Director & CEO of Bangladesh Finance PLC. joined on 02 September 2020 and got renewal effective from 02 September 2023. He does not hold the same position in another company. The profile of the Managing Director & CEO is given in the Management profile of this report.

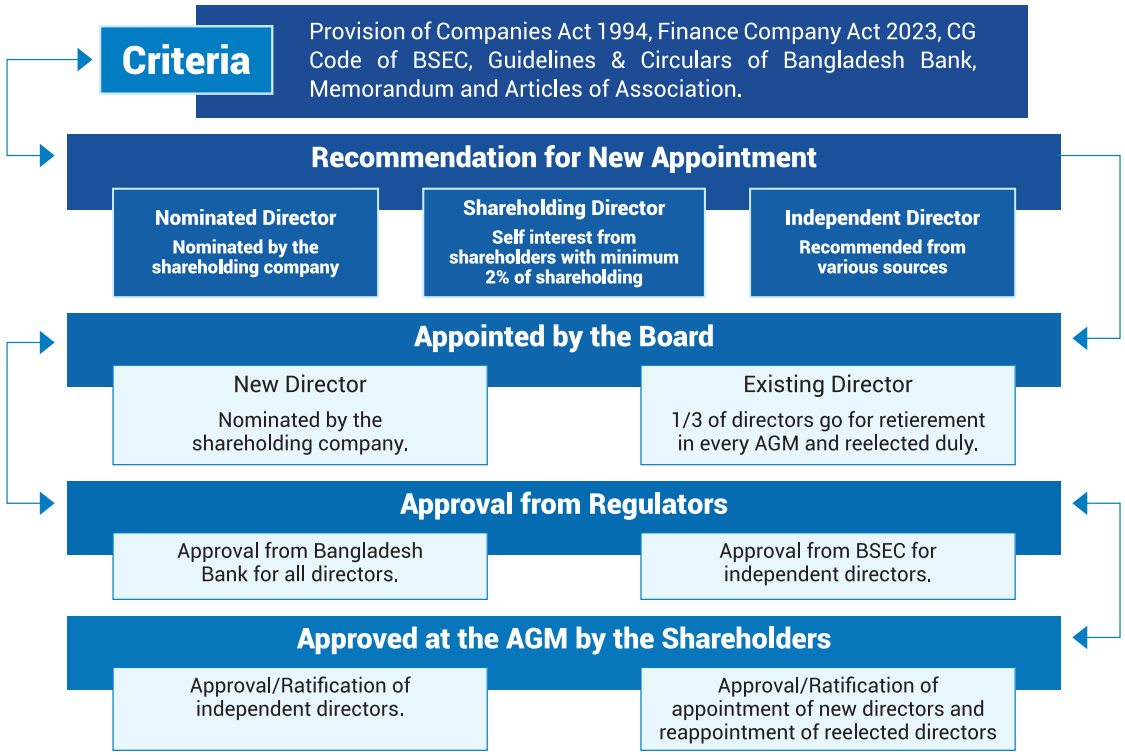
Policy on Annual Evaluation of the CEO by the Board



Remuneration and Benefits Provided to Managing Director & CEO

The Managing Director is paid salaries and allowances as recommended by the Board of Directors and approved by Bangladesh Bank (Detail given in the Financial Statements- Note No.29). Bangladesh Finance follows Board resolution and Bangladesh Bank Circular/Guidelines regarding benefits favoring the Managing Director & CEO.

C. Appointment of Directors including Independent Directors



Transparency in Board Nomination and Election Process

- Adhering to the Companies Act 1994, BSEC's Corporate Governance Code, and Bangladesh Bank guidelines, Directors (Nominated, Individual Shareholding, and Independent) are appointed by the Board.
- Regulatory approval (Bangladesh Bank and BSEC) is sought, followed by shareholder approval at the AGM.
- Each year, one-third of the directors (excluding Independent and Ex-Officio Directors) retire at the AGM, with the option for re-election, subject to shareholder endorsement per the company's Articles of Association (AoA).

Board-approved policy on Induction of Directors

All new Directors appointed to the Board are offered a formal induction program with warm greetings by the Board

To familiarize the new director with Bangladesh Finance's strategy and aspirations, understanding the line of businesses, corporate functions, key financial highlights, audit, compliances, risk management, and governance framework.

The Chairman on behalf of the Board along with the MD & CEO, the Company Secretary, the Chief Financial Officer and the Head of Internal Control and Compliance provide new Directors with an information pack regarding disclosure obligations of a Director, Code of Ethics & Conduct, Articles & Memorandum of the Company, Board Committees' Terms of References, Annual Report of the Company and other associated materials.

Disclosure of Appointing Directors

Complying with the DFIM circular of Bangladesh Bank and relevant laws of the country, three (3) directors have been on boarded (Ms. Fatema Begum nominated by Anwar Silk Mills Ltd., Mr. Md. Helal Chowdhury nominated by Anwar Ispat Ltd. and Mr. Md. Hasan Khan nominated by Mehmud Industries Pvt. Ltd.) accordingly.

Name	Directors	BB Approval Status
Ms. Fatema Begum	Nominated director	Newly-appointed 2024
Mr. Md. Helal Chowdhury	Nominated director	Newly-appointed 2024
Mr. Md. Hasan Khan	Nominated director	Newly-appointed 2024

The Board in its 282nd meeting decided to appoint Mr. Kazi Rafiqul Hassan as the new Independent Director of the company subject to approval of Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC). On the other hand, Mr. Asaduzzaman Khan shall be re-elected on the 26th AGM subject to approval of Bangladesh Bank. Both the issues will be placed in the 26th AGM for shareholders' approval.

Independent Directors with expert/professional knowledge

As per the Corporate Governance Code, at least one-fifth (1/5) of the Board's total directors shall be Independent Directors. Thus, in compliance with the guideline, two (2) Directors out of the total nine (9) Non-Executive Directors are Independent- Mr. Md. Rokonuzzaman FCA - a prominent professional accountant and Mr. Iqbal Uddin Ahmed - a seasoned Banker (Ex- Managing Director of a renowned Bank in Bangladesh). It is mentionable that, they have no share of Bangladesh Finance PLC.

Independence of the Independent Directors

Bangladesh Finance complies with all the applicable requirements regarding the independence of the Board according to the laws and regulations as well as the Corporate Governance Code of BSEC. The Independent Directors are independent from management and are free from the day-to-day business of the organization. They are very independent in giving opinions and making decisions.

Regulatory Disclosure of BSEC of Corporate Governance Code for appointing Independent Directors

In Bangladesh Finance PLC, there are 2 (two) Independent Directors out of 9 (nine) directors. Both of the independent Directors have been re-appointed maintaining all the applicable rules, regulations and guidelines.

Remuneration favoring Independent Directors

In line with the DFIM Circular no. 1 dated 29 February 2024. Bangladesh Finance PLC provides Tk. 40,000/- (Taka forty thousand) per month as remuneration favoring Independent Directors in addition to meeting attendance fees.

D. Board of Directors' Meeting

Board Meetings are conducted duly, Minutes are kept and records are maintained as per Bangladesh Secretarial Standards (BSS) as adopted by ICSB:

Regular Meetings: Meetings are held frequently, ensuring consistent engagement and decision-making.

Pre-Meeting Materials: Comprehensive information, including working papers, agendas, and updates, is provided to directors in advance.

Informed Dialogue: The Chairperson facilitates meaningful discussions by allocating ample time for questions, diverse opinions, and thoughtful consideration of each agenda item.

Focus on Shareholder Value: Decisions are ultimately geared towards the best interests of the shareholders.

Bangladesh Finance conducts regular Board meetings. The directors receive comprehensive pre-meeting materials and engage themselves in open discussions facilitated by the Chairperson, all aimed at informed decision-making for the best interests of the shareholders.

Number of board meeting

The Board had 6 scheduled meeting during the year ended 31 December 2024. The details of the meeting and the attendance and remuneration favoring the directors are disclosed in the annexure to the Directors' Report.

Meeting Attendance Fees

Directors are entitled to remuneration only for attending the meetings of the Board and its sub-committees. As per the guidelines of the Bangladesh Bank, directors are given BDT 10,000 (Taka ten thousand) for attending any board meeting or any sub-committee meeting.

Key Activities performed by the board in 2024

Strategic	Risk Management	Governance
Comprehensive Budget 2024 Business strategy 2024 Risk Management HR policy Dividend and capital Sustainability and Governance	Risk related issues: World economy, Russia-Ukraine war, Risk appetite Anti-money laundering Ethical issues Audit plan	Corporate governance External auditor appointment Remuneration of employees including top-management Anti-money laundering & Ethical Governance of subsidiaries

Meeting Procedure and compliance of Bangladesh Secretarial Standard (BSS):

Complied BSS: 01-06

01 Notice for the meeting before 07 days generally

02 Preparing meeting files and sending to Directors well before the day of meeting with soft reminder.

03 To arrange meeetings on physical/hybrid system, kept the attendance and provide remuneration to NED and records the meeting duly.

04 Preparing minutes and get that signed by the Chairman.

05 Sending the minutes to Bangladesh Bank within 05 working days and keeping that as per BSS standards.

E.Retirement and Re-election of Directors

As per Articles 121, 126 and 127 of the Articles of Association of the Company which comply with the pertinent company law of the country, one-third of the Board of Directors (Excluding Managing Director and Independent Directors) shall retire by rotation. The following Directors were retiring from the office by rotation at the 25th Annual General Meeting held on 30 July 2024:

01	Ms. Fatema Begum	02	Mr. Md. Helal Chowdhury

The appointment of the following directors will be ratified in the 26th AGM in line with DFIM Circular No. 1 dated 29 February 2024:

Mr. Kazi Raiqul Hassan
(Appointment of Independent Director Subject to approval of Bangladesh Bank)

Mr. Md. Asaduzzaman Khan
(Nominated by Khaled Iron & Steels Ltd. Subject to approval of Bangladesh Bank)

Mr. Manwar Hossain (Not eligible for re-election)	**Mr. Furkaan Muhammad N Hossain** (Not eligible for re-election)

Policy on Training for the Board of Directors

Board Training Policy	• Bangladesh Finance has a Board-approved training policy aimed at enhancing the performance of its Directors.
Type & Nature of Training	• Newly appointed Directors undergo a formal induction program. • The program covers a comprehensive understanding of Bangladesh Finance's strategy, business lines, corporate functions, key financial highlights, audit, compliance, risk management, and governance framework. • The Company Secretary provides new Directors with an information pack, including disclosure obligations, Code of Ethics, Articles & Memorandum of the Company, Board Committees' Terms of References, and the Annual Report.
Existence of Training Scheme	• Ongoing updates on the company's strategy, achievements, and industry analysis are provided through discussions at Board meetings with the Senior Management team. • Regular updates on regulatory circulars, orders, notifications, and directives are communicated to the Board through information memoranda. • External training courses, if needed, may be arranged at the company's expense to further enhance Directors' knowledge and skills.

Succession Planning regarding appointment of Directors

• Bangladesh Finance PLC has a diversified Board comprised with professionals of different arenas. The Board always look forward to onboarding new directors with required skills & expertise.

• The Board of Bangladesh Finance PLC is also aware of having at least one female Independent Director as per BSEC Notification no. BSEC Notification: No. BSEC/CMRRCD/2009-193/76/PRD/151 dated 04 April 2024 and the Board has a plan to on board a Female Independent Director in future.

Performance Appraisal of the Board and Disclosure

Board Policy: Board-approved policy for performance appraisal.

Self-Assessment: Board evaluation conducted through self-assessment.

Shareholder Evaluation: Shareholders evaluate the Board at the Annual General Meeting (AGM).

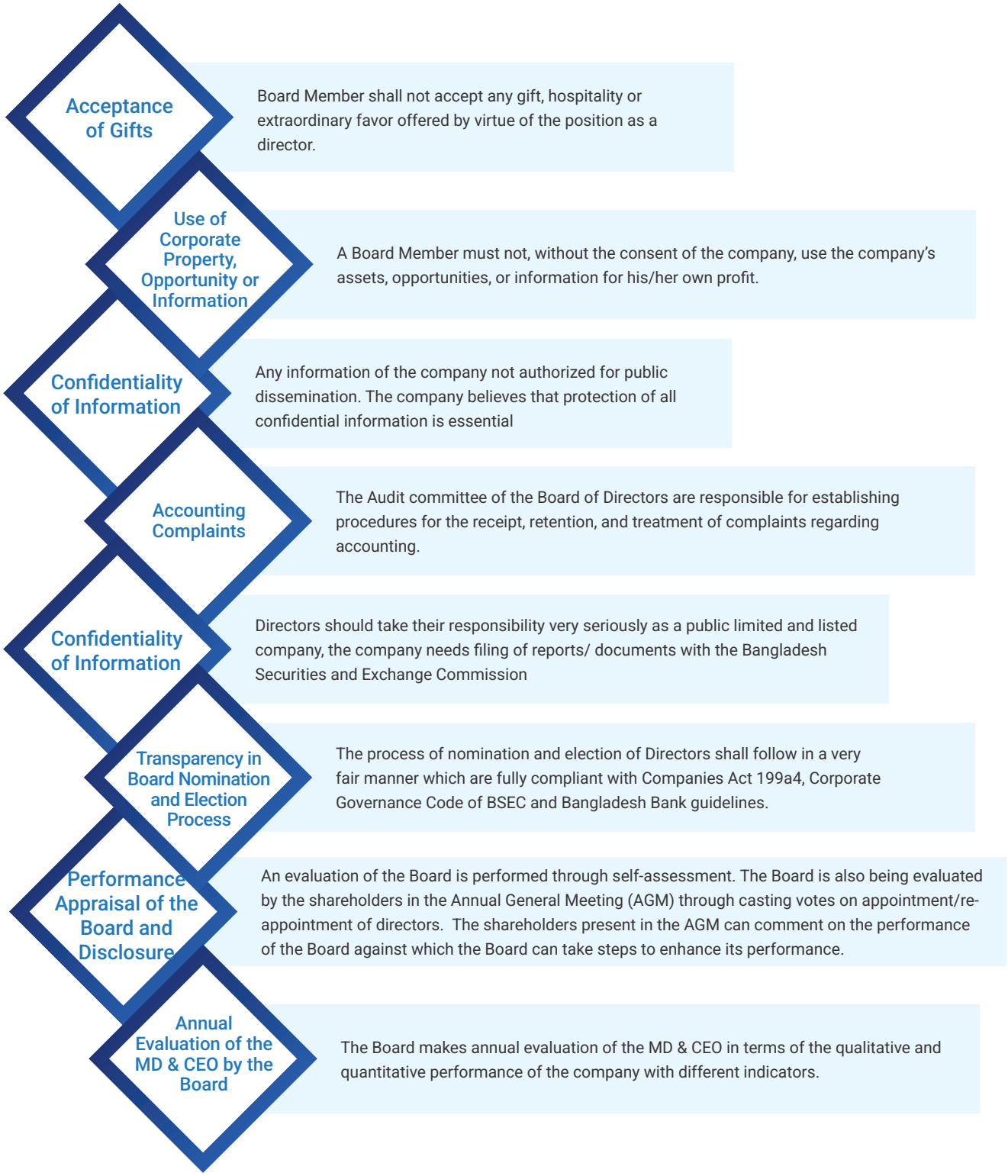
Voting on Directors: Shareholders cast votes on the appointment/re-appointment of directors.

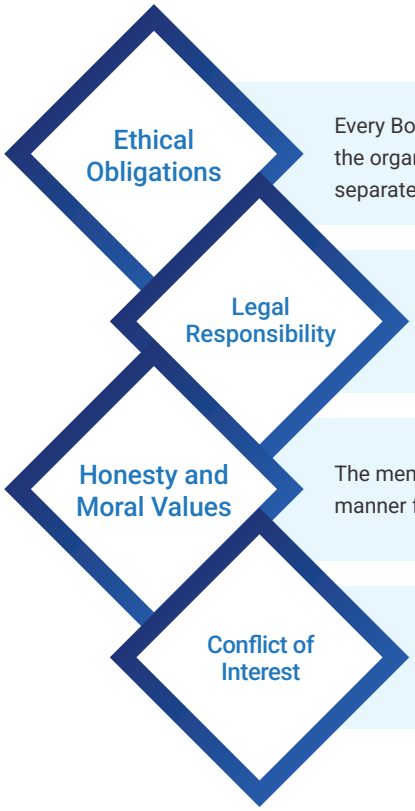
Feedback Loop: Shareholders provide comments on Board performance. Board takes steps to enhance its performance based on feedback.

Shareholding status of the Directors

At Bangladesh Finance, the concentration of shareholding among the Board members is diversified. The total shareholding of Sponsors/ Directors of Bangladesh Finance is 30.51%.

Board approved Code of condacts for the directors





Every Board member has an ethical obligation towards the organization. The duties apply to each Board member separately, while the powers apply to the Board jointly.

The members shall adhere to and comply with the provisions of all applicable laws, rules, and regulations as well as the Company's internal guidelines and policies framed from time to time.

The members shall act honestly, objectively, and effectively in a fair and transparent manner for advancing the interests of the company and Stakeholders

To avoid conflicts of interest, they must conduct their affairs in such a manner that their performance always upholds the greater interest of the corporation.

F. Roles & Responsibilities of the Board and Directors

Roles & Responsibilities of the Board and Directors

Strategic

- Strategy development & implementation
- Set direction, vision, and policies
- Talent development
- Succession planning

Framework

- Directors' appointment
- Inspiration and mentorship
- Knowledge diversity
- Evaluate top executive performance

Governance

- Ensure stakeholders interest Integrity transparency & accountability
- Responsible business conduct
- Risk management & internal control

Board Function

- Report to the Shareholders
- Directors Participation & Quality Discussion
- Interaction with Management
- Making Decisions for implementation

Roles & Responsibilities of the Board of Directors

Board Approachs

- Morals
- Integrity
- Rapport
- Personalities

Board Proficiencies

- Talent
- Aptitude
- Associates
- Knowledge

Board Structures

- Policies
- Process
- Procedures
- Board Committees

Policies & Strategic Formulation

Regulatory Compliance & Governance Review

Appointment of Senior Management

Business & Investment Decision

Roles & Responsibilities of the Board of Directors

Review of Risk Management

Financial Statements

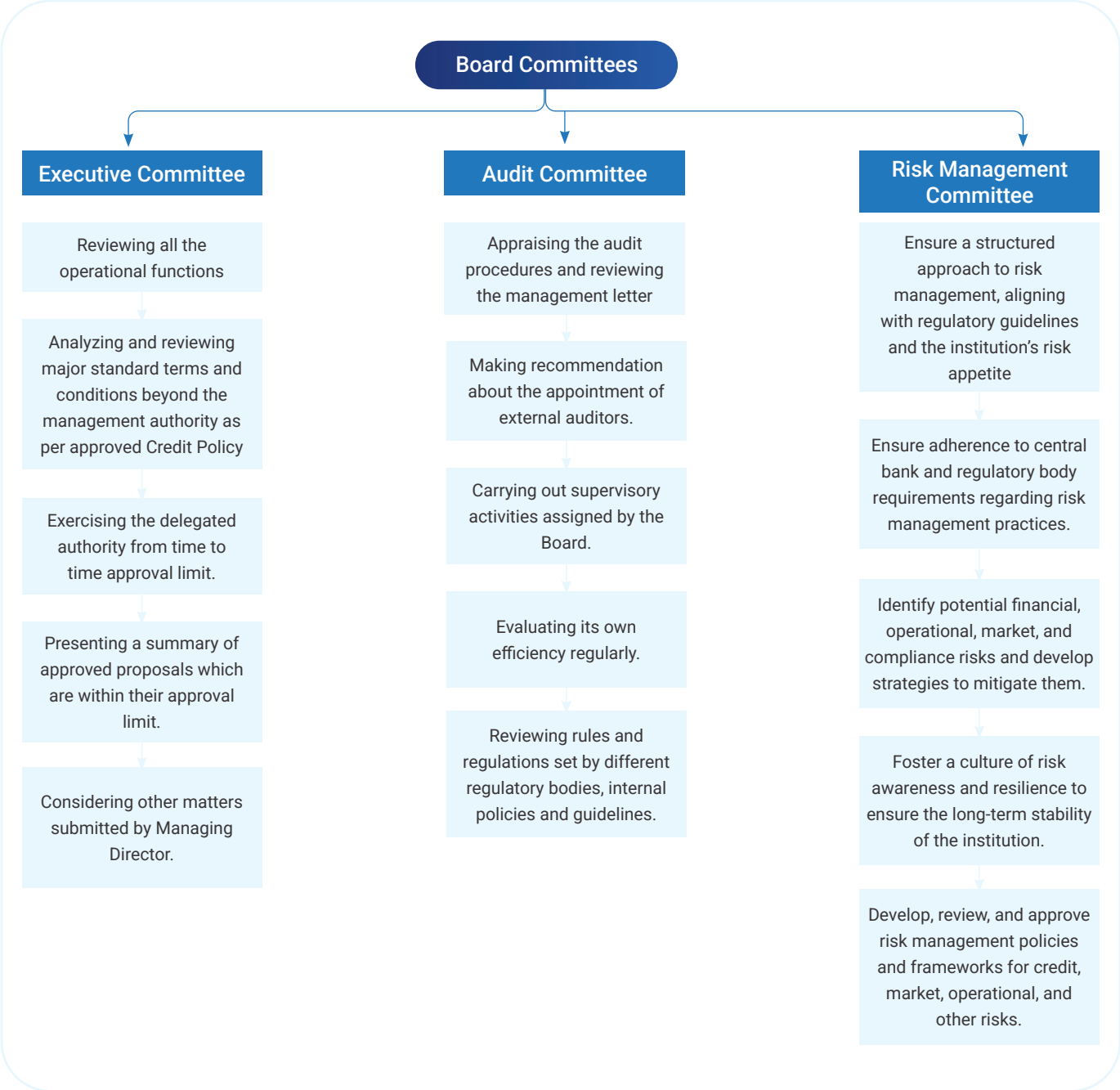
Shareholders/ Stakeholders communication

Sustainable Growth & CSR

G.Sub-committees of the Board

To comply with the regulatory guidelines of BSEC's Corporate Governance Code and pertinent guidelines of Bangladesh Bank. Bangladesh Finance constructed three Sub-Committees of the Board, namely: Executive Committee, Audit Committee and Risk Management Committee. As per the BSEC CG code-2018, two committees are mandatory to form, Audit Committee and Nomination & Remuneration Committee. In line with Bangladesh Bank DFIM circular no.1 dated 29 February 2024, Financial Institutions (FIs) can form only be Executive Committee, Audit Committee and Risk management Committee.

Objectives & Activities of the Executive committe, Audit committee and Risk Management Committee



N.B: All the sub-committees have been formed in line with the guidlines of bangladesh bank.

Chairman of the Executive Committee

Mr. Manwar Hossain, the chairman of the Executive Committee is a non-executive Director. He is an expert in finance, accounting and auditing.

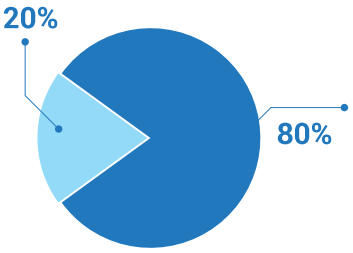
Audit Committee

The Audit Committee of a Non-Banking Financial Institution (NBFI) plays a critical role in ensuring financial integrity, regulatory compliance, risk oversight, and internal control effectiveness. It acts as an independent body that supervises financial reporting, audits, and governance processes.

Appointment & Composition:

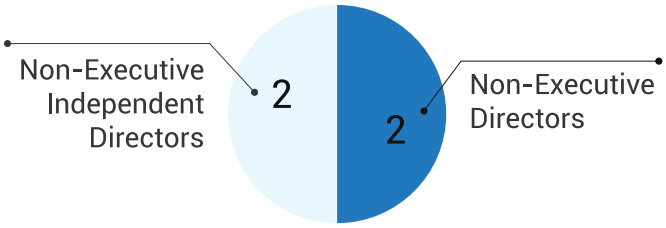
The Audit Committee of the Board was formed as per the CG Code of BSEC and respective guidelines of Bangladesh Bank. The Audit Committee of Bangladesh Finance PLC. Is comprised with the following:

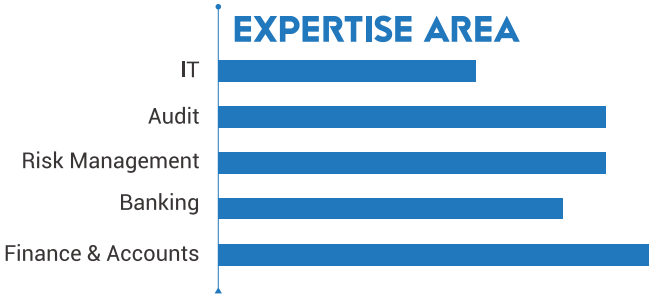
Name	Status	Attendance During 2024
Mr. Md. Rokonuzzaman FCA, IND	Chairman	4/4
Mr. Iqbal Uddin Ahmed, IND	Member	4/4
Mr. Md. Asaduzzaman Khan, NED	Member	4/4
Ms. Fatema Begum, NED	Member	1/4
Mr. Furkaan Muhammad N Hossain, NED	Member	3/4



N.B.: IND-Independent Director, NED- Non-executive Director

N.B: Mr. Iqbal Uddin Ahmed has excluded from the Audit Committee to comply with the DFIM Circular No. 1 dated 29 February 2024 of Bangladesh Bank subsequently.





Chairman of the Audit Committee – an Independent Director & professionally qualified

Mr. Md. Rokonuzzaman FCA, the chairman of the Audit Committee is a non-executive Independent Director. He is an expert in finance, accounting and auditing.

Terms of reference – Audit Committee:

Financial Reporting

Review of significant financial reporting issues; Monitor and review financial reporting process, financial performance of the company

Internal Controls

Review the adequacy and effectiveness of internal controls, financial, operational, compliance and IT controls, accounting policies and systems

Internal Audit

Review the adequacy and effectiveness of internal audit function and process; oversee the internal audit; review the FI's internal audit plan, scope and outcomes; Appointment, Removal and performance of HIAC

External Audit

Defining the criteria of selection of External Auditor; Recommendations to the Board for the appointment, reappointment, removal, remuneration, terms of engagement of external auditor, review the assistance given by management to the external auditor.

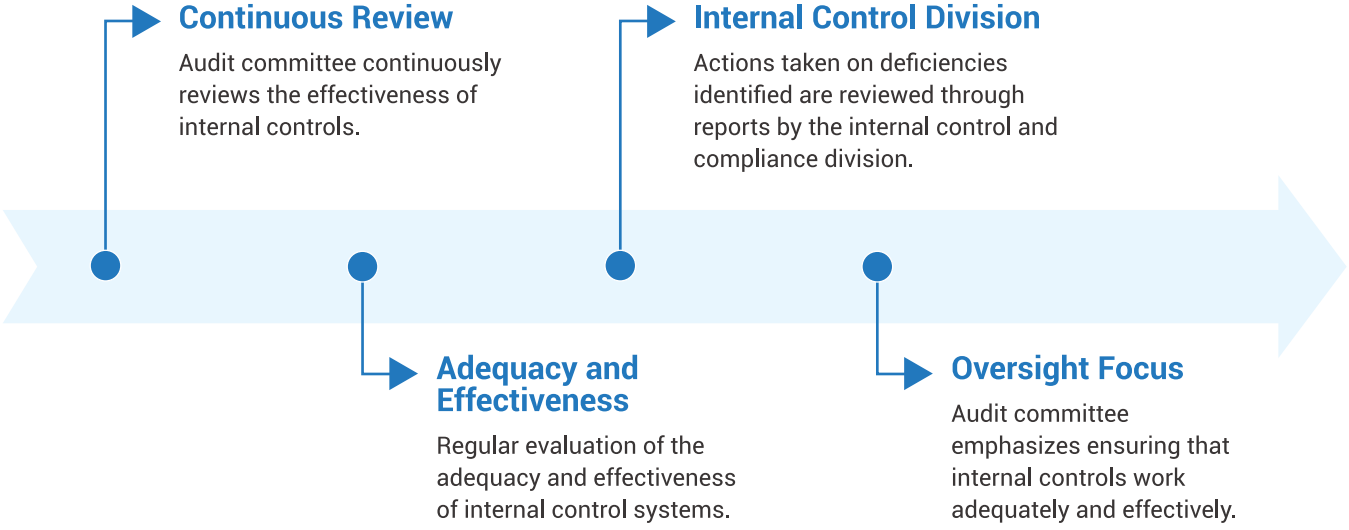
All the members are suitably qualified and have expertise in Finance and Accounting

All members of the Audit Committee are very competent and come from a variety of educational backgrounds which brings diversity and uniqueness to the committee.

Accessibility of HIAC to the meeting of the Audit Committee

The Head of Internal Audit & Compliance, Mr. Amitav Debnath has direct access to the Audit Committee and he can raise any concern whenever it is required to produce to the Audit Committee.

Internal Controls are well conceived properly administered and satisfactorily monitored



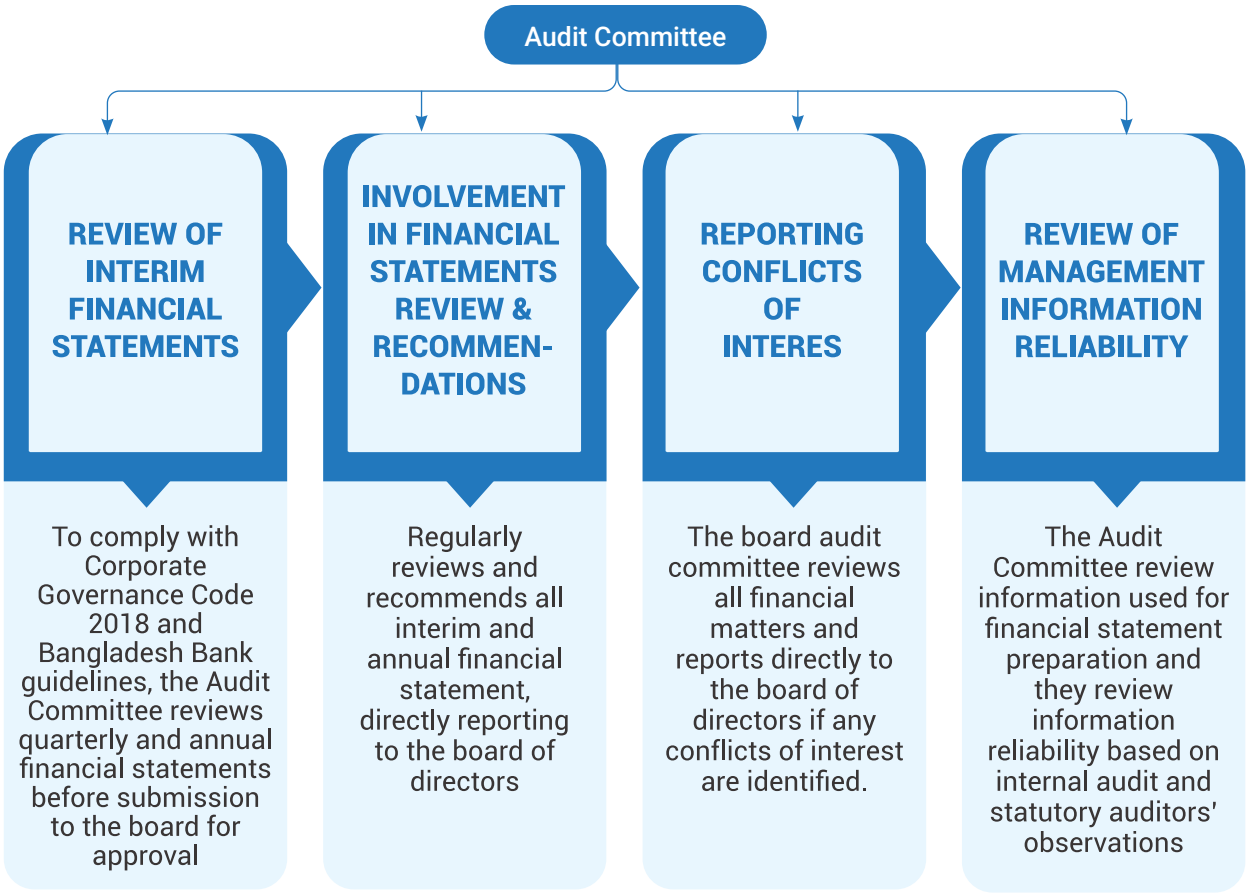
Role to ensure compliance with laws and regulations

Bangladesh Finance PLC manifested its commitment to remain compliant according to all pertinent laws and regulations including the regulatory reporting in due course and the Audit committee reviews those regularly.

Audit Committee's involvement in the review of the external audit function

According to the proposal of the audit committee, the board of directors recommend Snehasish Mahmud & Co., Chartered Accountants as an external auditor of the company for the year 2025 which will be placed for shareholders' approval in the 26th AGM held on 29 May 2025. The audit committee also recommended the appointment of MNA Associates as the Compliance Auditor of the company for the year of 2025.

Accounting Policy Review	Audit committee reviews appropriateness of accounting policies and any proposed changes
Compliance Assurance	Board ensures financial statements align with Bangladesh Financial Reporting Standards, International Financial Reporting Standards, Company Act 1994, and Finance Company Act 2023, and Bangladesh Bank guidelines.
True and Fair View	Board, guided by audit committee recommendations, ensures financial statements present a true and fair view for each financial year.



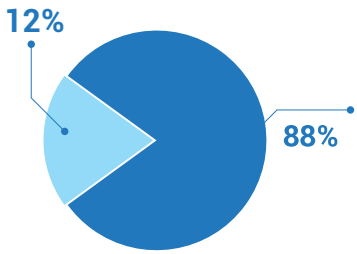
Risk Management Committee

The Risk Management Committee (RMC) is responsible for overseeing the organization's risk management framework, ensuring that risks are effectively identified, assessed, mitigated, and monitored.

Appointment & Composition:

The Risk Management Committee of the Board was formed as per the CG Code of BSEC and respective guidelines of Bangladesh Bank which comprises of 04 members including 02 Non-executive Independent Directors.

Name	Status	Attendance during 2024
Mr. Manwar Hossain, NED	Chairman	1/2
Mr. Md. Rokonuzzaman FCA, IND	Member	2/2
Mr. Iqbal Uddin Ahmed, IND	Member	2/2
Mr. Asaduzzaman Khan, NED	Member	2/2



N.B.: IND-Independent Director, NED- Non-executive Director

Chairman of the Risk Management Committee

Mr. Manwar Hossain, the chairman of the Risk Management Committee is a non-executive Director. He is an expert in finance, accounting and auditing.

Nomination & Remuneration Committee

As per Bangladesh Bank DFIM circular no 01, dated 29 February 2024, the Directors of Financial Institutions (FIs) can only be part of the Board and the committees under Board i.e., Audit Committee, Executive Committee and Risk Management committee. Subsequently as per DFIM circular no. 18 dated 21 May 2024 the task of NRC should be performed by Audit Committee. The Audit committee of Bangladesh Finance is

aware of the issue and the issue has been considerd by the of by the Audit Committee as per the guidelines prescribed by Corporate Governance Code-2018 as well as by Bangladesh Bank in this respect.

Remuneration of Directors:

As per the guidelines of the Bangladesh Bank BDT 10,000/- (DFIM Circular no. 1 dated 29 February 2024) for each meeting of the Board and its sub-committees are extended to the directors of the Board; Other than that, the directors are not entitled to get any remuneration.

N.B: The company also provides Tk. 40,000/- monthly remuneration to Independent Directors as per DFIM Circular no. 1 dated 29 February 2024.

Remuneration & benefits provided to the employees including senior management:

The remuneration of the employees of Bangladesh Finance is industry standard. Benefits provided to employees of the company are market competitive even though some are exemplary in the industry. The remuneration and other fringe benefits are provided to the employees including senior management as per the Board approved HR policy of the company.

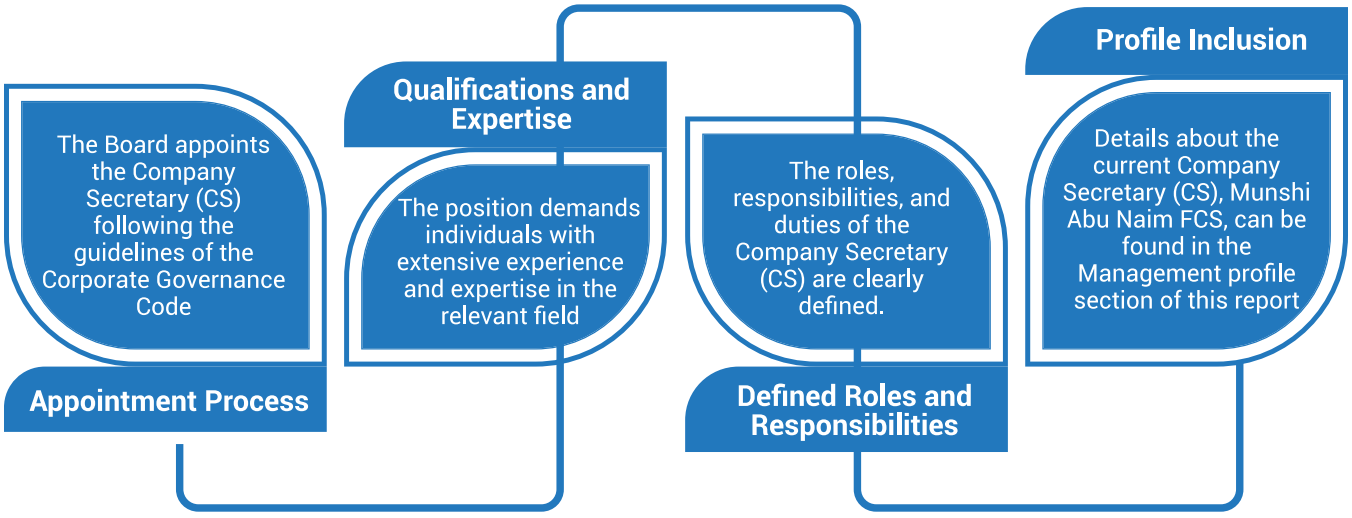
H. Governance of the Board of Directors of the Subsidiary Companies

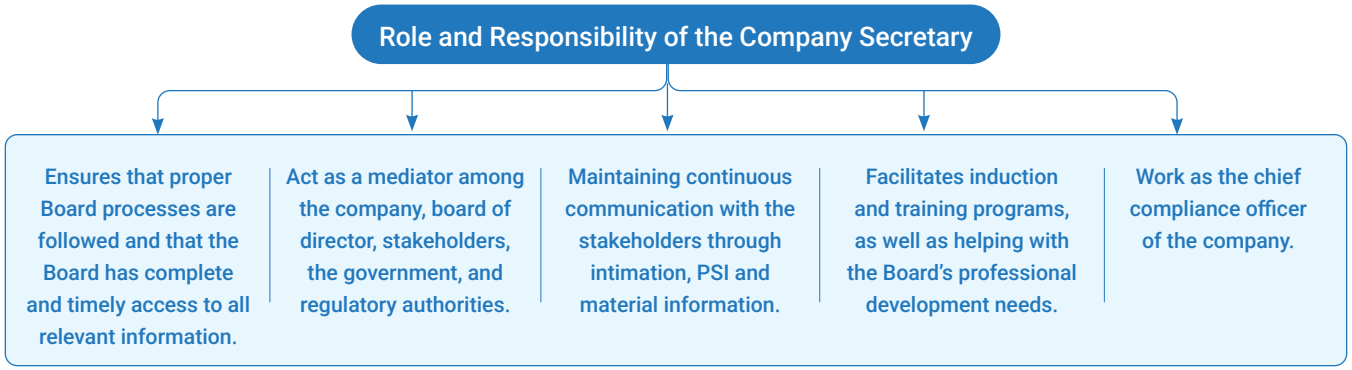
- Compliance: Boards adhere to Bangladesh Bank and BSEC's Corporate Governance Code.
- Structure: Subsidiary board composition as per relevant guidelines
- Independent Oversight: One independent director sits on both subsidiary boards.
- Regular Review: Bangladesh Finance board reviews subsidiary affairs and meeting minutes.
- Financial Scrutiny: Audit Committee reviews subsidiary financials and investments at regular basis.

	NAME	Board Status	Subsidiary Status
1	Mr. Manwar Hossain	Chairman, NED	
2	Mr. Iqbal Uddin Ahmed	Vice-Chairman, IND	Chairman, BFSL & BFCL
3	Mr. Asaduzzaman Khan	NED	
4	Mr. Md. Helal Chowdhury	NED	
5	Mr. Md. Rokonuzzaman FCA	NED	
6	Ms. Fatema Begum	NED	
7	Mr. Furkaan Muhammad N Hossain	NED	
8	Mr. Imtiyaj Yousuf	NED	
9	Mr. Md. Hasan Khan	NED	
10	Mr. Md. Kyser Hamid	Managing Director & CEO (Ex-officio)	NED, BFSL & BFCL

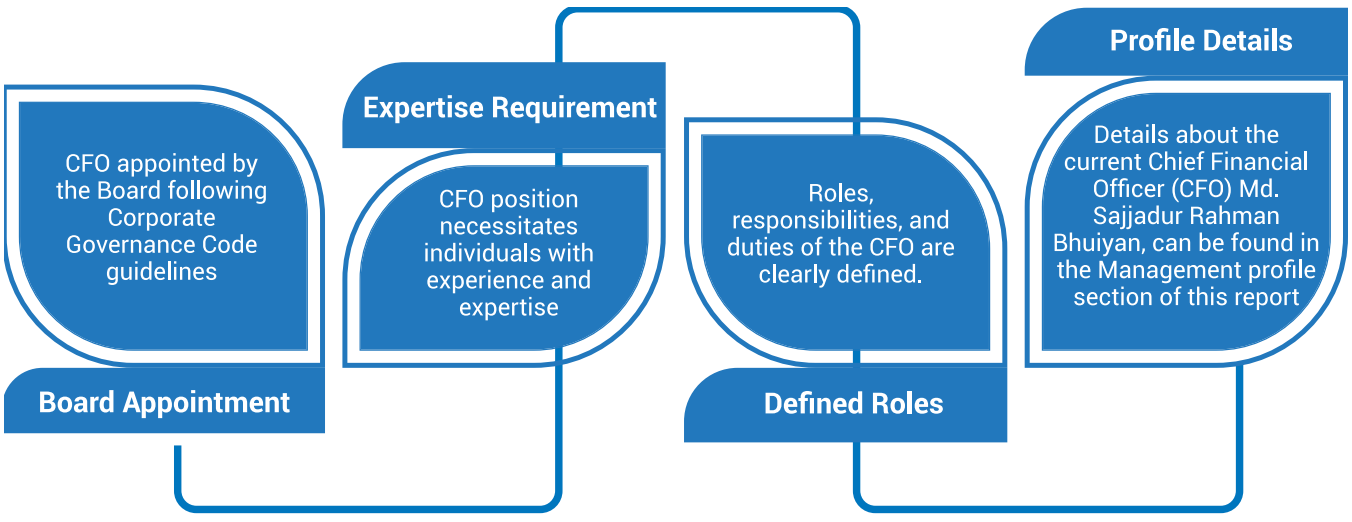
I.Company Secretary, Chief Financial Officer and HICC

Company Secretary (CS)





Chief Financial Officer (CFO)

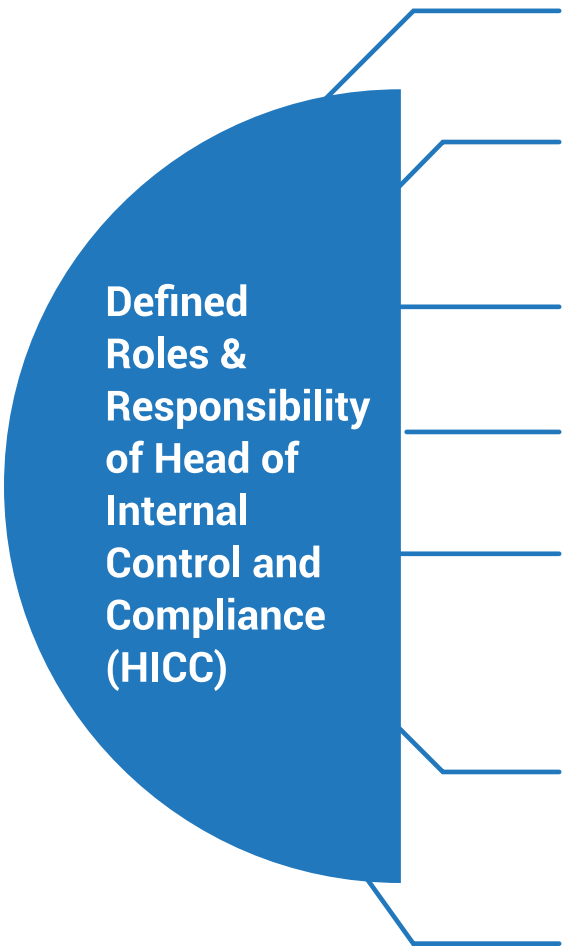


Roles & Responsibility of Chief Financial Officer (CFO)

- Prepare Annual Budget and oversee financial and Business plan
- Ensure to follow accounting standards and Financial Standards like IAS, BAS, IFRS and BFRS
- Provide financial information as required by the CEO, audit committee, and the Board for decision making
- Oversee preparation of monthly financials with analysis and recommendations
- To be involved vigorously to formulate business strategies and long term business plan of the Company
- To ensure proper tax management of the company and compliance thereof
- Liaise with the External Auditor and cooperate with them by providing required documents and explanations

Head of Internal Control and Compliance (HICC)





- To assess and mitigate various control risks in order to ensure better risk management and robust internal control.
- To oversee operational compliances in line with internal policies and external regulations.
- To prepare annual audit plans based on analysis and priorities.
- To design and undertake audit program to achieve specific objective.
- To ensure that internal audit reports are prepared and finalized in a timely manner, and the same are submitted before the Audit Committee.
- To conduct special investigation on the allegation of fraud, forgery noticed by the Management
- To perform other duties as assigned by the CEO or Audit Committee

J. Ethics, Compliance & Transparency Disclosure

Disclosure of statement of ethics and values

Code of Conduct for Board & Employees → Part of Service Rules & Regulations → Part of Service Rules & Regulations → Protect interests of stakeholders → Ensure integrity, ethics, compliance

Communication of the statement of ethics & business practices to all directors and employees

Board-approved Code of Conduct → Mandatory acknowledgement by employees → HR department circulates updates & conducts training

Board's commitment to establishing high level of ethics and compliance

High level of ethics and compliance → Encourages Management to ensure ethical standards → Guides Management on policies

Establishment of effective anti-fraud program and controls

Protects revenue, reputation, and assets → Effective program for all employees → Training on anti-fraud/ anti-corruption

Accountability

Disclosure to shareholders/ stakeholders → Financial reports quarterly, half-yearly, annually, and AGM → Management report to Board before each meeting

Timely Reporting with Adequate Disclosures

- Reporting Management prioritizes timely regulatory reporting.
- Bangladesh Finance establishes a central reporting cell for various reports to regulatory authorities
- Swift dissemination of PSI and quarterly/annual Financial Statements with comprehensive disclosures
- Adequate disclosures aim to protect minority interests
- Striving to be one of the best-complied companies in the country through prompt and comprehensive reporting practices

Avoiding Conflict of interest

Bangladesh Finance PLC upholds high ethical standards to avoid conflict of interest and protect stakeholder trust.

Transparency: Related party transactions disclosed in annual report and AGM.

Internal Control and Compliance: Monitors processes and flags potential conflicts.

Regulatory Guidelines: Strict rules govern loan approvals and director behavior.

Related party transactions

The audit committee reviewed all the material-related party transactions and kept the board informed regarding such transactions. During the year, deposits had been collected from the directors and their related entities. As per IAS-24, the details of the related party transactions are given in the financial statements note: 43.

Whistle Blowing Policy

Bangladesh Finance PLC has a Speak up/Whistle-blowing policy to uphold the code's commitment and maintain a culture of strong ethics. Any misconduct or misappropriation shall be reported to the appropriate authority. We are very keen to maintain an open environment where the staffs are confident in raising concerns about any misconduct and are free from the fear of victimization.

Statement of Compliance with IFRS/BFRS

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants (ICAB) and the requirements of the Finance Company Act 2023, the rules and regulations issued by Bangladesh Bank time-to-time, the companies' act 1994 and BSEC rules 2020.

Statement of Compliance with ICSB Secretarial Standards

All the secretarial standards: BSS: 1: Meetings of The Board of Directors, BSS: 2: General Meetings, BSS: 3: Minutes, BSS: 4: Dividend, BSS: 5: Virtual & Hybrid Meeting, BSS: 6: Resolution by Circulation issued by the Institute of Chartered Secretaries of Bangladesh (ICSB) have been complied with.

Corporate Vision, Mission, Strategy and Ethical Values

Bangladesh Finance has the vision to be the most innovative financial services provider in the country with special focus on creating value for all stakeholders. The achievement of this vision depends on establishing the following values that Bangladesh Finance PLC considers as a matter of priority.

Vision, Mission & Strategy:

The Vision and Mission statement of the company approved by the Board are presented duly in this report. The said statement is also disclosed in the company's website and other related publications. Strategic initiatives which are time to time directed by the Board have been presented in this report.

Integrity	We understand the importance of uncompromising ethics in ensuring respect for our clients and the communities we serve. We demonstrate a consistent behavior without being biased. We extensively practice integrity in our organization for the wellbeing of our corporate culture.
Trust & Respect	Our relation with everyone surrounding us is based on mutual trust and respect.
Client's Setisfection	Our clients are the focus of our concern and the reason for our success. So, client satisfaction is one of the core areas of our concern. We provide a transparent and detailed understanding of products and services that demonstrate the idea from the perspective of the client. And client satisfaction is vastly related to their understanding and expectation of our performance.
Transparency	We try our best to remain transparent in our activities by providing and disclosing information in a fair, clear and decent manner.

Teamwork	We all work toward a common goal; individual success is defined by team success. We believe that team spirit can bring harmony and increase productivity within the organization.
Diversity	We encourage diversity in our organization to ensure more sharing of multi-dimensional knowledge and innovation.
Equal Opportunity	We promote equal opportunity among our colleague, clients, potential clients and other connected parties.
Professional Excellence	We are oriented toward success and focused on performance. No effort is spared as we constantly strive to new heights and take pride in providing reliable and professional service.
Ongoing Relations	We are very keen to maintain relation with our clients and allied concern on a continuous basis.

Code of Conduct for the Employees

- Acting Responsibly with Morality and Integrity
- Fair Treatment of Customers
- Privacy and Security of Client Information
- Protecting Confidential Information about the Company and Its Stakeholders
- Transparency and Accuracy of Financial, Tax and Other Reporting
- Accuracy of Books, Records Management and Expense Management
- Interaction in Print, Electronic and social Media
- Policy against Discriminatory Harassment
- Gifts, Entertainment & Favors
- Kickback & Secret Commission
- Personal Investment and Insider Trading
- Conflicts of Interest
- Conduct towards Female Colleagues
- Workplace Security & Safety
- Employee Conduct inside the Workplace
- Employee Conduct outside the Workplace
- Service Rules and Security
- Grooming, Etiquette and Compliance with the Dress Code
- Post-Employment Activities and Responsibilities
- Compliance with the Code of Conduct
- Reward
- Property of Bangladesh Finance and It's Subsidiaries

K.Internal Control & Risk Management

Statement of Director's responsibility to establish an appropriate system of Internal Controls

The strong internal control system provides independent assurance to the board of directors and senior management on the quality and effectiveness of internal control, risk management and governance systems and processes. Internal Control encompasses all controls incorporated into the strategic, governance and management processes, covering the organization's entire range of activities and operations, and not just those directly related to financial operations and reporting. Its scope is not confined to those aspects of a business that could broadly be defined as compliance matters but extends also to the performance aspects of a business. Bangladesh Finance PLC has an independent ICC department with professional competence, knowledge and experience which is essential to the effectiveness of its internal audit function. Bangladesh Finance has designed its internal control and compliance department to manage all the risks to a reasonable level. The scope of the internal audit function's activities ensures adequate coverage of matters of regulatory interest as well as the yearly audit plan of the organization. The head of the Internal Control and Compliance Department holds the responsibility for ensuring that the department complies with sound internal auditing standards and with a relevant code of ethics. The main objectives of internal control are as follows:

- Reliability of Financial Reporting
- Compliance with applicable laws and regulations
- Effectiveness and efficiency of operations

Structure of Internal Control and Compliance

ICCD operates independently as a department and has a unique reporting line to the Audit Committee of the Board of Directors. The Internal Control and Compliance Department is consisting of the following three units to ensure its departmental effectiveness.

	Audit and Inspection Unit	Monitoring & Compliance Unit	IS Audit Unit
Function of Audit & Inspections Unit	Execute the audit as per plan	Communicate the findings	Follow up & Comply the findings
Function of Monitoring and Compliance Unit	Reviews business and operational activities	Collect & Analyze Data to reduce Risk	Make sure to comply with laws
Function of IS Audit Unit	Making Paperless Work Environment	Increase efficiency by introducing Automation	Ensure information Security

Identification of key risks Bangladesh Finance is exposed to both internally and externally



- Credit Risk
- Operational Risk
- Liquidity Risk
- Cyber Security Risk
- HR Risk
- AML Risk
- Control & Compliance Risk
- Market Risk
- Reputation RIsk

Directors have reviewed the adequacy of the system of Internal Controls

Based on the internal controls established and maintained by Bangladesh Finance, audit work performed by internal and external auditors, reviews performed by management and various Board Committees as well as the CEO's and CFO's assurance, the Board, with the accord of the Audit Committee, is giving opinion that the company's internal controls are adequate and effective as on 31 December 2022 to address financial, operational, compliance risks and information technology risks which the company considers relevant and material to its operations.

		Committee		
Evaluate finanical activities from the risk point of view	Proactive risk managment procedure following international framework	Spervising Anti Money Laundering Activities at Bangladesh Finance	Supervising and protecting every inside information	Supervising and securing sensitive Data.

Key Features/Components of Internal Control System

The key elements of the internal control system established by the Board that provides effective governance and oversight of internal controls include:

Control/Structured Environment

Control Environment

The success of the control environment Is dependent on the following factors:

- Board of Directors and Audit Committee
- Management's Philosophy and Operating Style
- Integrity and Ethical Values
- Commitment to Competence
- Organizational Structure

Risk Assessment

Risk Assessment

The success of the control environment Is dependent on the following factors:

Auditor obtains understanding of how entity's risk assessment process working:

- Expected risks
- Effects of such risks
- Likelihood that risk will realize
- Decisions taken to cater such risks

Control Activities

Control Activities

Some commonly used control activities include:

- Segregation of duties
- Physical and digital security measures
- Verifications & reconciliations findings are evaluated and deficiencies are reported in a timely manner, with serious matters reported to senior management and to the board. Ongoing evaluations, separate evaluations, or some combination of the two are used to ascertain whether each of the five components of internal control, including controls to affect the principles within each component, are present and functioning.

Information & Communication

Information & Communication

Information about controls should be communicated to management in a timely manner, so that shortfalls can be addressed promptly. The amount of information communicated should be appropriate to the needs of the recipient. Thus, major control breaches should be communicated to senior management at once, while minor issues can be dealt with at a lower level of the organization.

Monitoring Activities

Monitoring Activities

The activities of the Bangladesh Finance are being monitored on an ongoing basis so that the policy, manuals, processes, procedures and practices are being adhered to. Ongoing evaluations, separate evaluations, or some combination of the two are used to ascertain whether each of the five components of internal control, including controls to affect the principles within each component, are present and functioning. Findings are evaluated and deficiencies are communicated in a timely manner, with serious matters reported to senior management and to the board.

L. Appointment of External Auditors

Statutory Auditor

The current statutory auditor of Bangladesh Finance is Snehasish Mahmud & Co.

Appointment of Statutory Auditor

Based on the Expression of Interest (EoI) of different chartered accountant firms, after details discussion the board appointed Snehasish Mahmud & Co., Chartered Accountants as the statutory auditor for the year 2025 subject to approval of Bangladesh Bank and finally by the shareholders in the 26th AGM of the company.

As per BSEC guidelines, it was confirmed that, Snehasish Mahmud & Co., Chartered Accountants were not involved to provide any of the following services favoring Bangladesh Finance during the year 2024

- Appraisal or valuation services or fairness opinions
- Broker-Dealer services
- Internal Audit services
- Designing and implementing financial information sytstem
- Book-keeping or other related services
- Any other services that the Audit committee determines

No partner or employee of Snehasish Mahmud & Co., Chartered Accountants did possess any share of Bangladesh Finance PLC during the tenure of their audit assignment at Bangladesh Finance PLC.

Compliance Auditor

The Board of Bangladesh Finance PLC appointed MNA Associates to perform as a compliance auditor for the year 2024 where they certified us as “Satisfactory”.

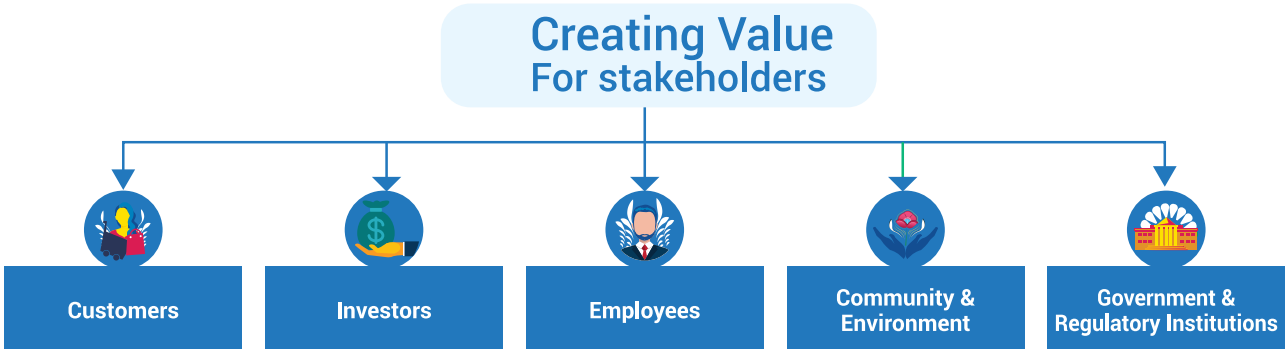
Appointment of Compliance Auditor

While appointing the Compliance Auditor for the year 2025, the Board of Bangladesh Finance again recommended MNA Associates to appoint as a Compliance auditor for the company subject to final approval by the shareholders in the 26th AGM.

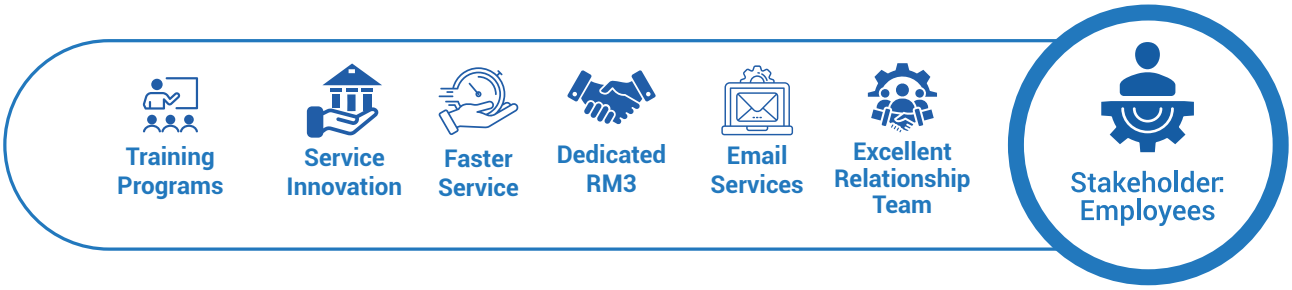
M. Stakeholder Engagement

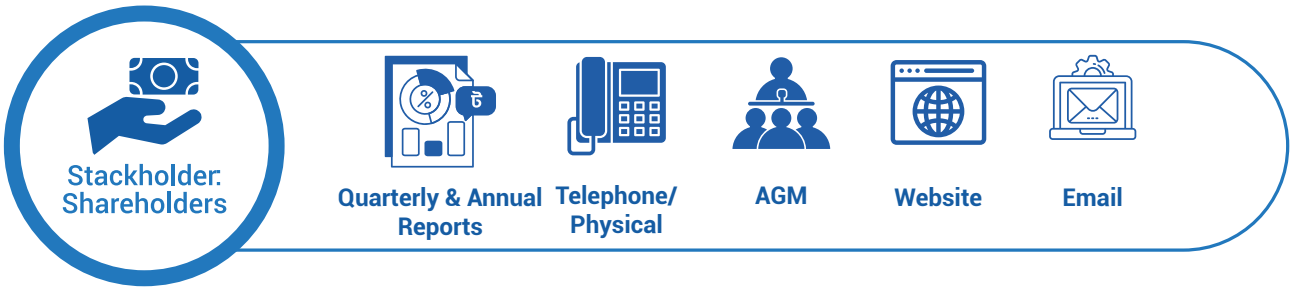
Bangladesh Finance is very keen to manage its all type of stakeholders in the most responsive and satisfactory way. We identify our stakeholders and analyze them in line with their involvement with us. Stakeholders may be an influencer (e.g., management), or claimant (e.g., shareholders) or combinatory (e.g., Government/ regulators). After identifying and analyzing stakeholders, we engaged them through various events and communication.

Creating Value
For stakeholders

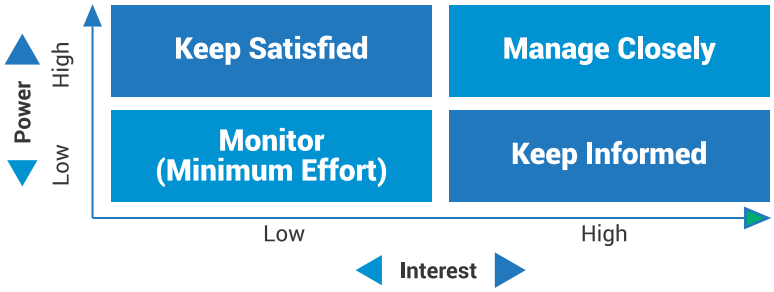


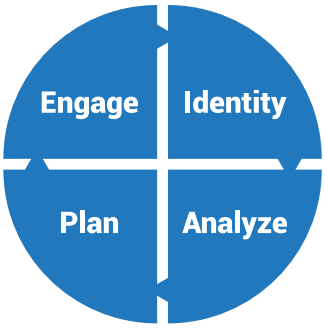






To manage different types of stakeholders, the following strategy is widely followed:





Policy on ensuring participation of shareholders in the AGM

To ensure the highest level of participation of the shareholders in the AGM, the following process are maintained:



Annual General Meeting (AGM):

The 25th Annual General Meeting of the company was hold on 30 July 2024 at 11 AM through virtual platform by properly following the instractions of BSEC. All the Directors of the Board including the Chairman of the Board, Chairman of the Executive Committee & Chairman of the Audit committee, Managing Director & CEO along with the CFO, HIAC and Company Secretary and the External Auditor and an Independent Scrutinizer duly attended. The voting platform for shareholders were opened 24 hrs. before the meeting and all the agenda were duly approved by the shareholders which was duly examined by an Independent Scrutinizer.



From left to right: • Upper row- Attendees from the Board room, Managing Director & CEO Mr. Md. Kyser Hamid and Nominee Director Mr. Helal Chowdhury.
• Lower row- CFO- Mr. Sajjadur Rahman Bhuiyan and Independent Director Mr. Rokonuzzaman FCA,
The Vice Chairman and Independent Director Mr. Iqbal Uddin Ahmed joined the meeting through online.

Stakeholders whose expectations we meet

In light of the growing interest among stakeholders, including shareholders and potential investors, we have given due attention to this report to cover governance issues that are of interest to all parties. This is to ensure the report's reliability and verifiability as a reference for the assessment of corporate governance practices and to ensure transparency of procedures at all levels across Bangladesh Finance PLC.

Maintaining Website of the Company (Detail disclosures as per listing rules)

Bangladesh Finance has a well-designed user-friendly website (www.bd.finance) which is linked with the websites of the stock exchanges. The shareholders and other stakeholders can any time visit the website to avail of information and to request a callback. As per Listing Regulations-2015 under section: 44, Bangladesh Finance makes all the relevant information (updated) available for the investors and depositors. The website address of the company is www.bd.finance

Readdress Investors' Complaints through Investor Relations Department

The interest of valued investors and customers is always very important to Bangladesh Finance. Any complaint or query raised by any investor as well as by the customer is addressed on a priority basis. There is a dedicated desk at Bangladesh Finance, the Board & Share Department, who deals with the issues with competence and due care. Complain or comments can be made over the telephone, by dropping letters into the comment box and putting messages online on the Bangladesh Finance website: www.bd.finance

Independent Scrutinizer and Authenticated Report regarding due process of meeting and voting result: Appointment:

As per BSEC Directives Ref No. BSEC/CMRRCD/2009-193/08 dated 10 March 2021, the board of Bangladesh Finance PLC. appointed H M ENAM & CO as the Independent Scrutinizer to authenticate the process of the 26th Annual General Meeting and the voting result of the meeting.

Report of Independent Scrutinizer:

Last year the independent scrutinizer provided a report regarding the process of the meeting, voting system & result which is forwarded duly to the commission within 48 hours of the conclusion of the meeting by complying with the pertinent notifications of BSEC.

Disclosure of shares held by 10% or more voting interests in the Company: At Bangladesh Finance, there is no shareholder who solely holds 10% or more shares.

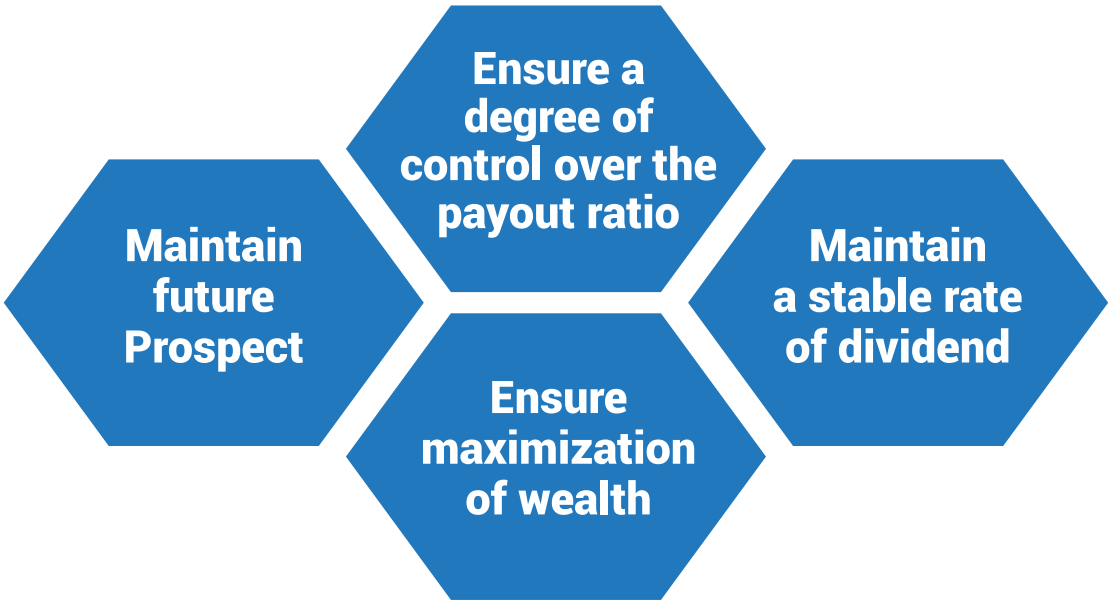
N. Dividend Policy and Compliances

Dividend Distribution Policy

Dividend payout policy is one of the most important topics in corporate finance. The profits generated by any organization are distributed for investment and consumption purposes in accordance with the dividend policy. The term "dividend policy" is associated with the distribution of profits of public limited companies. In a broader sense, the term "dividend policy" can be understood as a mechanism for the formation of the share of profits paid to the shareholders, in accordance with the share of his contribution to the total amount of the company's share capital.

Objectives

The primary objective of the management is to ensure the maximization of the wealth of the shareholders. Payment of dividends leads to an increase in the price of shares on the one hand but leads to a crunch in liquid resources for the financing of prospective projects. There is an inverse relationship between dividend payments and retained earnings. The major objectives of dividend policy are to:



Scope of the manual

Dividend policy refers to the decision of the Board regarding the distribution of residual earnings to its shareholders. The broad scopes of the policy are as follows.

- Factors affecting dividend policy
- Mode of dividend
- Determinants of dividend policy
- Types of dividend policy
- Impact of key financials
- Process of dividend declaration
- Role of the Board
- Role of the shareholders
- Accounting treatment regarding dividend
- Dividend distribution policy

Factors affecting dividend policy

When deciding on the dividends to pay out to shareholders, one of the main considerations of the Board of Directors will be the amount of earnings they wish to retain to meet financing needs. As well as future financing requirements, the decision on how much of a company's profits should be retained, and how much paid out to shareholders, will be influenced by:

- Liquidity
- Investment opportunities
- Investor's preference
- Target capital structure
- Availability of external capital:
- Borrowing capacity
- Access to capital market
- Restriction in loan agreements/bond indenture
- Legal restriction
- Control
- Inflation

Dividend Policy Summary: Key Points

Determinants:

- Dividend payout ratio: Lower ratio indicates conservative policy, higher ratio suggests potential future financing issues.
- Dividend stability: Shareholders prefer consistent payouts.

- Liquidity: Sufficient cash needed for dividends and future investments.
- Divisible profit: Dividends come from distributable profits, not capital gains.
- Capital market & inflation: Easier access to capital and high inflation may lead to higher dividends.
- Shareholder considerations: Tax status, investment opportunities, ownership dilution affect their preferences.

Types of Policies:

- Regular: Consistent annual payouts, regardless of profit level.
- Stable: Fixed percentage of profit paid as dividends each year.
- Irregular: No obligation to pay dividends, decided by board of directors.
- Zero: No dividends paid, all earnings retained for reinvestment.

Financial Impact:

- Key ratios like net profit, EPS, capital adequacy, and return on equity influence dividend decisions.

Declaration Process:

- Management assesses financial ability and impact on share price.
- Dividend mode (cash or stock) determined based on analysis and capital adequacy.
- Board proposes dividend, shareholders approve in AGM.

Roles:

- Board: Proposes dividend aligned with shareholder and company interests.
- Shareholders: Approve or reject proposed dividend in AGM.

Accounting:

- Dividends are taxable income for shareholders.
- Accounting entries made according to relevant standards.

Payment of Dividend

Cash Dividend	Stock Dividend
• Follow regulatory guidelines • Paid through BEFTN or bank accounts • Paid to CCBA for margin clients • Paid to non-residents through custodian • Dividend warrants for unavailable accounts • Separate bank account for payments • Unclaimed dividends transferred after 3 year	• Credited to BO accounts within 30 days • Subject to exchange and CDBL clearance • Allotted within 60 days of AGM • Shareholders informed through publication and SMS

This policy described here is solely created as internal dividend policy of Bangladesh Finance PLC. Authority has the right to change any clause of the policy if required.

Dividend Payment Compliance Report

As per prescribed format of BSEC directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021, the dividend payment compliance report was prepared and forwarded to the commission and exchanges duly which is readily available at the company's website under the column of Investor Relations.

Transfer of unclaimed cash & stock dividend to the CMSF

As per CMSF Rules 2021 and Directives No. SEC/SRMIC/165-2020/part-1/182, the remaining balance of unclaimed Dividend and non-refunded public subscription money have been transferred to BSEC's Capital Market Stabilization Fund (CMSF) In FY2022, we transferred 4176 shares up to 31 December 2018 (more than 03 years) to CMSF BO A/c: 1201530074571230 on 28 March 2022. We also transferred BDT17,983.14 against the fraction share sale proceeds for the year 2018 to the CMSF bank account (SND A/c:0010311521301) at Community Bank Bangladesh Ltd., Gulshan Branch, Dhaka on 08 June 2022 duly.

List of Unclaimed dividends published in the website: Pursuant to BSEC Directive No. BSEC/CMMRCD/2021-386/03 and subsequently CMSF Rules 2021 (Clause 09), we have uploaded a list of Unclaimed Dividend and Non-refunded Public Subscription Money to the official website (Link: www.bd.finance/invertorrelations/dividend).

O. Status of Compliance of Recent Circulars of Regulatory Bodies

During the year 2024-2025, all the circulars and notifications related to governance which are issued by Bangladesh Bank, Bangladesh Securities and Exchange Commission, stock Exchanges and by other Government authoritative bodies are duly complied with.

Status and Certificate of Compliance of Corporate Governance

In accordance with the Corporate Governance Code mandated by the Bangladesh Securities and Exchange Commission (BSEC) through their notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, MNA Associates conducted a thorough examination to evaluate the compliance of Bangladesh Finance. According to their certification, Bangladesh Finance has successfully met all the Corporate Governance requirements outlined in the CG Code 2018.

Certificate of compliance

MNA Associates certified Bangladesh Finance PLC as "Satisfactory" and the copy of the compliance is presented as Annexure-B of this report

Report of compliance

The copy of the detailed Checklist/Report under Condition No. 9 of the Corporate Governance Code 2018 of BSEC, is presented as Annexure-c of this report.

P. Environmental and Social Obligations

Policies and practices relating to social and environmental responsibility

Bangladesh Finance PLC is always committed to giving back to society and promoting good environmental practices. As per regulatory guidelines, the company has a Board-approved CSR budget to meet different needs of the society and the planet.

Activities undertaken on Social Responsibilities

The details of the activities under corporate social responsibility are given in CSR report in his annual report.Activities are undertaken on Environmental Responsibilities to enhance environmental sustainability within Bangladesh Finance PLC, the sustainable finance department has initiated efforts to promote green financing and establish an eco-friendly atmosphere in the workplace in alignment with the Sustainable Development Goals (SDG). Detailed information about the activities related to environmental responsibility is provided in the natural capital segment.



Introducing Green Branch:

One of our notable initiatives is the implementation of the Green Branch project. This project incorporates a variety of environmentally friendly features, including extensive use of solar panels, glass walls to optimize natural light, sensor-based water taps and electric switches, as well as the inclusion of greenery. This ensures the creation of a green environment where employees are strongly encouraged to adopt paperless practices.

REPORT OF THE AUDIT COMMITTEE



The Audit Committee and its Chair are appointed by the Board. The Committee includes 05 (Five) members of the Board of Directors including two Independent Directors that has been formed in line with the guideline given by Bangladesh Bank and as per Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC) dated June 03, 2018.

The Audit Committee Members' positional status along with attendance at Committee meetings are set out in the following table:

Board Member Name		
Mr. Md. Rokonuzzaman FCA	Independent	C
Mr. Iqbal Uddin Ahmed	Independent	M
Mr. Asaduzzaman Khan	Nominated	M
Ms. Fatema Begum	Nominated	M
Mr. Furkaan Muhammad N Hossain	Nominated	M

Audit Committee (the 'Committee') is the prime sub-committee of the Board of Directors (the 'Board') of Bangladesh Finance PLC (the 'FI'). The purpose of the committee is to assist the Board in fulfilling its oversight responsibilities relating to (i) the integrity of the FI's financial statements and internal control systems (including the implementation and effectiveness of internal control over financial reporting); (ii) the performance of the internal audit function; (iii) the annual independent audit of the FI's financial statements, engagement of independent auditors and evaluation of the independent auditors' qualifications, independence and performance; (iv) the compliance by the FI with regards to legal and regulatory requirements; (v) the implementation and effectiveness of the FI's disclosure controls and procedures; (vi) the evaluation of enterprise risk issues and (vii) the fulfillment of the other responsibilities set out by the regulators and the Board.

ACCESS TO THE COMMITTEE

On any matter within the Committee's Charter, the Head of Internal Control & Compliance has direct access to the Audit Committee.

TERMS OF REFERENCE

- The Audit Committee shall conduct at least four meetings in a financial year.
- The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.
- The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.
- The Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM).

ROLES & RESPONSIBILITIES OF BOARD AUDIT COMMITTEE

The roles and responsibilities of Audit Committee have been defined in line with the relevant provisions of Corporate Governance Guidelines/ Notification issued by Bangladesh Bank and BSEC, two regulators for the Financial Institution, and other best practices of governance. The Audit Committee established to assist the Board in its oversight responsibilities with respect to audit, compliance/ operational risk, and financial reporting, disclosure, regulatory compliance and disciplined operation complying with the applicable rules and regulations:

a) Internal Control

- Evaluate whether the management is establishing an appropriate compliance culture by communicating the importance of internal control and the prudent management of risk and ensuring that all employees have clear understanding of their roles and responsibilities;
- Consider whether the internal control strategies recommended by internal and external auditors have been prudently and comprehensively implemented by the management;
- Consider reports relating to fraud, forgery and deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the Board after reviewing whether necessary corrective and remedial measures have been embraced by the management;
- With governance and supervisory oversight from the Board of Directors, the Audit Committee will put in place policies and procedures to identify, measure, monitor and control risk;
- Review Management Letters issued by the statutory auditors.

b) Financial Reporting

- The Audit Committee checks whether the financial statements reflect complete and accurate information and determine whether the statements are prepared according to the existing rules and regulations and standards enforced in the country and as per the relevant financial reporting standards prescribed by Bangladesh Bank;
- Discuss with the management and external auditors to review the financial statements before finalization.
- Review the quarterly and half-yearly financial statements with the management before submission to the Board for approval.
- Review statements of significant related party transactions submitted by the management.
- Review the management's discussion and analysis before disclosing in the annual report.

c) Internal Audit

- Monitor/evaluate whether internal audit functions are truly independent.
- Review the activities and the organizational structure of the internal audit and ensure that no unjustified restriction or limitation hinders the internal audit process.
- Review and assess the annual internal audit plan.
- Review the efficiency and effectiveness of internal audit function.
- Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not.

d) External Audit

- Make recommendations to the Board, to be put to shareholders for approval in the AGM, in relation to appointment, re-appointment and removal of the FI's external auditors. Oversee the relationship with the external auditors including:
    - Approval of their remuneration, i.e. fees for audit or non-audit services.
    - Assessing annually their independence and objectivity taking into account relevant professional and regulatory requirements.
    - Satisfying itself that there is no relationships (such as family, employment, investment, financial or business) between the auditor and the financial institution (other than in the ordinary course of business).
    - Meet regularly with the external auditor, including once at the planning stage before the audit and once after the audit at the reporting stage. The Committee shall meet the external auditor at least once a year, without management being present; to discuss their views and any issues arising from the audit.
    - Review the findings and recommendations made by the external auditors for removal of irregularities, if any, detected are duly acted upon by the management.

e) Compliance with existing laws and regulations

- Review whether the laws and regulations framed by the regulatory authorities (Central Bank, BSEC and other bodies) and internal regulations approved by the Board have been duly complied with.

f) Other responsibilities

- Submit a comprehensive compliance report to the Board on a quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities;
- External and internal auditors shall submit their related assessment report, if the committee solicits;
- Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis.

REPORTING TO THE BOARD

The Audit Committee regularly reports its activities to the Board of Directors following each meeting. The Audit Committee report immediately to the Board of Directors in case of any of the following findings are observed:

- Report on conflict of interests;
- Suspected or presumed fraud or irregularity or material defect in the FI's internal control system;
- Suspected infringement of laws, including securities related laws, rules and regulations;
- Any other matter which shall be disclosed to Board immediately.

THE ATTENDANCE OF AUDIT COMMITTEE

The Audit Committee Members' positional status along with attendance at Committee meetings are set out in the following table:

Name of the Member	Status in the Committee	Status in the Board	Status in the Subsidiary Company	Meetings Held	Meetings Attended
Mr. Md. Rokonuzzaman FCA	Chairman	Independent Director		4	4
Mr. Iqbal Uddin Ahmed	Member	Independent Director	Director in Bangladesh Finance Securities Ltd. & Bangladesh Finance Capital Ltd.	1	1

Mr. Asaduzzaman Khan	Member	Director		4	4
Ms. Fatema Begum	Member	Director		4	4
Mr. Furkaan Muhammad N Hossain	Member	Director		4	3

All of the Committee Members are "financially literate" and convincingly experienced that they are capable of analyzing and interpretation of financial statements to effectively discharge their duties and responsibilities as members of the Audit Committee. The Chairman of the Committee is the Fellow Member of the Institute of Chartered Accountants of Bangladesh (ICAB) and having more than 18 years of experience in Financial Accounting, Financial management, Taxation and Corporate Governance area.

- The Company Secretary acts as the secretary of the Audit Committee.

AUTHORITY OF THE AUDIT COMMITTEE

The Committee has the explicit authority to investigate into any matter, including call any Member of Management or to be questioned at a meeting of the Committee, full access to information; and authority to obtain external professional advice from company's legal advisor, tax consultant and statutory auditor.

AUDIT COMMITTEE MEETING DURING THE YEAR- 2024

The Committee held 04 (Four) meetings during the financial year under review. Meeting dates are as follows:

SL No.	Meetings	Date of Meeting
1.	69th Audit Committee Meeting	11 June 2024
2.	70th Audit Committee Meeting	28 July 2024
3.	71st Audit Committee Meeting	29 October 2024
4.	72nd Audit Committee Meeting	22 December 2024

Major Issues reviewed by the Audit Committee during the year 2024

In the year 2024, the Audit Committee reviewed and discussed the following major issues, amongst others.

- Recommended for appointment of external auditors for the year 2024.
- Approved Audit Plan for the year 2024.
- Reviewed the quarterly, half yearly and annual financial statements before their submission to the Board for final review and approval.
- The Committee thoroughly reviewed the findings of the Bangladesh Bank Inspection reports and instructed management to take appropriate actions to prevent repetition of lapses.
- Reviewed the Summary Report on Audit Findings throughout the year and advised for strong monitoring.
- Reviewed the External Auditor's Management Letter and management responses thereto.

- Reviewed reports of related party transactions submitted by the management to find out any conflict of interest.
- Oversight NPL position including write off loans, recovery status and suggested action plan.
- Reviewed branch self-assessment, score of independent testing procedure with regard to AML and CFT issues.
- Monitored the status of regulatory compliance issues regarding CRR, SLR, Capital Adequacy Ratio of the company, Stress testing result for the 2024.
- Ensured the status of the minutes of meetings of the Audit Committee to be sent to Bangladesh Bank for their information.
- Ensured highest standards of corporate governance and adherence to the Company's Code of Ethics at both Management and Board.

The Audit Committee further affirmed that:

The rules and regulations of Bangladesh Bank and all other regulatory authorities and FI's own policy guidelines approved by the Board are duly complied with.

- The system of internal control and business processes have been strengthened including development of human resources towards creation of a compliance culture in the Financial Institution.
- Efforts have been made to keep assets of the Financial Institution safe along with liabilities and commitments being transparent.
- The Financial Statements of the Financial Institution have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) which contained full disclosure.
- The good governance is in place in the Financial Institution.

ACKNOWLEDGEMENT

Based on the above-mentioned discussions, The Audit Committee is of the view that the internal control and compliance system of the company is adequate for purposes of presenting a true and fair view of the activities and financial status of the company as well as to safeguard the assets of the organization. The Audit Committee expresses its sincere thanks to the members of the Board, Management and Auditors for their excellent support extended to the Committee.

On behalf of the Audit Committee,

Md. Rokonuzzaman FCA
Chairman, Audit Committee

Evaluation of the Quarterly Financials by the Audit Committee:

Bangladesh Finance has prepared and presented Quarter Ended Consolidated Financial Statements as per the regulatory requirement of Bangladesh Securities and Exchange Commission (BSEC), these statements are prepared in accordance with International Accounting Standard (IAS), International Financial Reporting Standards (IFRSs), and comply with the applicable sections of The Finance Companies Act, 2023, the rules and regulations issued by Bangladesh Bank, The Companies Act 1994, The Securities and Exchange Rules 2020 and other applicable Laws and Regulations. The statements were sent to Audit committee for review. After recommend by the Audit Committee, the consolidated financial statements were adopted in the Board of Directors Meeting. The statements are finally submitted to Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC). Afterwards, the Quarter Ended Consolidated Financial Statements are published in several daily newspapers. The statement is also published in the website of the company.

Figures in Million (TK)

Particulars	2024	2023	2024	2023	2024	2023	2024	2023
	4th Quarter	4th Quarter	3rd Quarter	3rd Quarter	2nd Quarter	2nd Quarter	1st Quarter	1st Quarter
Balance Sheet								
Cash in hand and at Bangladesh bank	131.02	118.01	159.51	147.52	147.85	98.14	137.49	132.04
Balance with other Banks and Financial Institutions	1,607.35	1,684.18	1,474.16	1,406.37	1,739.03	1,534.78	1,810.93	1,335.61
Investment in Securities	1,498.72	1,394.91	1,505.31	1,374.54	1,552.45	1,304.59	1,430.03	1,105.59
Lease, Loans and Advances	14,685.18	14,597.24	14,282.84	13,923.55	14,389.67	13,916.44	14,409.09	13,875.84
Fixed Assets including Premises, Furniture and Fixtures	697.96	732.49	703.10	591.42	709.45	604.73	720.11	617.64
Other Assets	2,073.26	1,510.16	1,901.06	1,512.66	1,787.38	1,497.81	1,572.17	1,659.17
Non-Banking Assets	170.63	213.12	213.12	213.12	213.12	213.12	213.12	213.12
Total Assets	20,864.12	20,250.10	20,239.11	19,169.18	20,538.95	19,169.61	20,292.94	18,939.01
Liabilities and Capital								
Financing (Borrowings) from other Banks financial Institutions and Agents	4,717.80	5,171.87	4,758.27	4,550.54	5,194.28	4,271.26	5,173.01	3,277.87
Deposits and other Accounts	8,636.73	8,878.84	8,590.01	8,636.66	8,647.31	8,941.98	8,609.98	9,521.23
Other Liabilities	12,769.23	3,528.70	4,417.77	2,305.19	3,964.40	2,307.15	3,794.70	2,332.55
Total Liabilities	26,123.77	17,579.41	17,766.06	15,492.39	17,805.99	15,520.39	17,577.68	15,131.64
Capital/Shareholders' Equity	- 5,655.93	2,169.71	1,990.13	3,159.37	2,231.01	3,134.93	2,207.25	3,296.88
Non-Controlling Interest	396.28	500.98	482.92	517.42	501.94	514.29	508.00	510.49

Total Liabilities & Shareholders' Equity	20,864.12	20,250.10	20,239.11	19,169.18	20,538.95	19,169.61	20,292.94	18,939.01
OFF BALANCE SHEET EXPOSURES	-	-	-	-	-	-	-	-
Net Asset Value per share (NAV)	**-30.05**	**11.53**	**10.57**	**16.78**	**11.85**	**16.65**	**11.73**	**17.51**
Profit and Loss Account								
Net Interest Income	-765.36	-124.20	-39.34	63.35	48.65	70.74	35.80	75.65
Total Operating Income	-740.92	-73.79	-46.91	119.44	168.78	124.36	186.99	124.05
Total Operating Expenses	91.57	96.96	90.60	83.43	85.53	91.85	86.04	87.35
Operating Profit	-832.49	-170.76	-137.51	36.01	83.25	32.51	100.95	36.70
Net Profit after Taxation	-7,740.22	-1,125.36	-259.90	27.57	17.70	30.09	44.56	25.23
Earnings Per Share	**-40.66**	**-5.97**	**-1.28**	**0.13**	**0.13**	**0.14**	**0.20**	**0.10**

Annexure-A

[As per condition No. 1(5)(xxvi)]

Bangladesh Finance PLC.
Declaration by CEO and CFO

Date: 01 April 2025

The Board of Directors
Bangladesh Finance PLC
Bangladesh Finance Tower
64 Motijheel C/A, Dhaka-1000.

Subject: Declaration on Financial Statements for the year ended on 31 December 2024.

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

(1) The Financial Statements of Bangladesh Finance PLC for the year ended on 31 December 2024 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure there from has been adequately disclosed;

(2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;

(3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;

(4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accountig records;

(5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and

(6) The management's use of the going concerns basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

(i) We have reviewed the financial statements for the year ended on 31 December 2024 and that to the best of our knowledge and belief:

(ii) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(a) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

(b) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours

Md. Kyser Hamid
Managing Director & CEO

Md. Sajjadur Rahman Bhuiyan
Chief Financial Officer (CFO)

Annexure-B

MNA ASSOCIATES
Chartered Secretaries

ANNEXURE-B
[(Certificate as per condition No. 1(5)(xxvii)]

Report to the Shareholders of Bangladesh Finance PLC.
on Compliance to the Corporate Governance Code 2018;

We have examined the compliance status to the Corporate Governance Code by Bangladesh Finance PLC. for the year ended on 31st December 2024. This Code relates to the Notification No. BSEC/CMRRCD/2006 -158/207/ Admin/80, dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any conditions of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission except those mentioned in the statement of compliance status;

b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the Securities Laws and other relevant laws; and

d) The governance of the company is satisfactory.

MNA Associates
Chartered Secretaries

M Nurul Alam FCS
Chief Executive Officer
Enrollment No. 015

Place: Dhaka
Dated: April 16, 2025

Annexure-C

Compliance Report on the Corporate Governance Code 2018 issued by Bangladesh Securities and Exchange Commission.
As on 31 December 2024

Bangladesh Securities and Exchange Commission (BSEC) introduced a Corporate Governance Code in 2018, vide Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018, and its amendment through Notification No. BSEC/CMRRCD/2009-193/66/PRD/148 dated October 16, 2023, under Section 2CC of the Securities and Exchange Ordinance, 1969 which is mandatory for the listed companies to adhering and report the compliance status in the annual report. The compliance status of **Bangladesh Finance PLC** with the aforementioned Corporate Governance code is as follows:

(Report under Condition No. 9.00)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
1	**BOARD OF DIRECTORS**			
1(1)	**Size of the Board of Directors**			
1(1)	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	√		Number of Board members of BDFPLC is 09 (Nine) including 02 (Two) Independent Directors.
1(2)	**Independent Directors**			
1(2) (a)	At least 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s): Provided that the Board shall appoint at least 1(one) female independent director in the Board of Directors of the company;	√		There are TWO Independent Directors in the BDFPLC Board, namely: (a) Mr. Iqbal Uddin Ahmed, (b) Mr. Md. Rokonuzzaman FCA The Board is aware of the Issue and have a plan to work on that.
1(2) (b)	Without contravention of any provision of any other laws, for the purpose of this clause, an "independent director" means a director–			
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		None of the Independent Directors hold any share of the company
1(2)(b)(ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	√		The Independent Directors have declared their compliance.
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		Do

1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		Do

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		Do
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		Do
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		Do
1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed companies;	√		Do
1(2)(b)(ix)	who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for non-payment of any loan or advance or obligation to a bank or a financial institution; and	√		Do
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	√		Do
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company;	√		Do
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	√		No vacancy occurred
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only; Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the কোম্পানি আইন,১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) (Companies Act, 1994) Explanation: For the purpose of counting tenure or term of independent director, any partial term of tenure shall be deemed to be a full tenure.	√		The Independent Directors, Mr. Iqbal Uddin Ahmed and Mr. Md. Rokonuzzaman FCA are in their second term of office.

1(3)	**Qualification of Independent Director**			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		The qualification and expertise of IDs fulfill the required provision.
1(3)(b)	Independent director shall have following qualifications:			

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having a minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or	Not applicable		
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or	√		Mr. Iqbal Uddin Ahmed was Managing Director of Trust Bank PLC and Mr. Md. Rokonuzzaman FCA is Managing Director of Amann Bangladesh Ltd.
1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or	Not applicable		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	Not applicable		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√		Mr. Md. Rokonuzzaman FCA is a Chartered Accountant
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		Do
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	Not applicable		
1(4)	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer**			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	√		Chairman of the Board and Managing Director are the different individuals.
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		The Managing Director does not hold the same position in any other listed company.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		The chairperson is elected from amongst the non-executive directors.
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		The roles and responsibilities of the Chairperson and Managing Director are clearly defined.
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
1(5)	**The Directors' Report to Shareholders**			
1(5)(i)	An industry outlook and possible future developments in the industry;	√		The Directors' report complies with the guideline.
1(5)(ii)	The segment-wise or product-wise performance;	√		The Directors' report complies with the guideline.
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		Discussed at Risk and Concerns.
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		The Directors' report complies with the guideline.
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	√		No such gain/loss.
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		Discussed at 'Directors' Report' and subsequently elaborated in the note no 43 of Audited Financial Statements
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	√		Mentioned at 'Directors Report'.
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	√		No such event arose
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	√		No such event arose
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√		Mentioned in the Directors' Report
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		Do

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
1(5)(xii)	A statement that proper books of account of the issuer company have beenmaintained;	√		Mentioned in the Directors' Report
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		Mentioned in the Directors' Report and Auditors Report
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		Do
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		Do
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		Do
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		Do
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		Do
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		Mentioned as 'Annexure to the "Directors' Report"
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	√		Mentioned to the Directors' Report
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	Not Applicable		
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√		The Board of Directors met 06 (Six) times during the year 2024.
1(5)(xxiii)	**A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-**			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√		Mentioned in the 'Directors Report'

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		The Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children do not hold any shares of the Company.
1(5)(xxiii)(c)	Executives; (Top five salaried employees of the company other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit)	√		The Executives (Leadership Team) of the Company do not hold any shares.
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	√		Mentioned in the 'Directors Report'
1(5)(xxiv)	**In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: -**			
1(5)(xxiv)(a)	A brief resume of the director;	√		Stated in the profile of Directors
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas;	√		Do
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	√		Stated in the profile of Directors and as notes to the Financial Statements
1(5)(xxv)	**A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:**			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√		Mentioned in the 'Management Discussion and Analysis'.
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		Do
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		Do
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		Do
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		Do

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		Do
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		Do
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per **Annexure-A**;	√		Do
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per **Annexure-B** and **Annexure-C**; and	√		Do
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	√		Do
1(6)	**Meetings of the Board of Directors** : The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		Company Maintain a book for Board Meeting Minutes as per the provision of Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh
1(7)	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**:			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	Not Applicable		Complied as per the guidelines given by Bangladesh Bank
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentially; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency	Not Applicable		
2	**GOVERNANCE OF BOARD OF DIRECTORS OF SUBSIDIARY COMPANY**			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	√		
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	√		
3	**MANAGING DIRECTOR (MD) OR CHIEF EXECUTIVE OFFICER (CEO),CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPLIANCE (HIAC) AND COMPANY SECRETARY (CS)**			
3(1)	**Appointment**			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	√		The Company has appointed MD, CFO, CS and HIAC.
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		The MD, CFO, CS and HIAC are four different individuals.
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time: Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;	√		Complied
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		Complied
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		No such event occurred
3(2)	**Requirement to attend Board of Directors' Meetings** : The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board;	√		Complied
3(3)	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)** :			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	√		Mentioned to the CEO and CFO's Declaration to the Board.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		Mentioned to the CEO and CFO's Declaration to the Board.
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		Do
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		Do
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		Complied
4	**BOARD OF DIRECTORS' COMMITTEE**			
4(i)	Audit Committee; and	√		Already in place.
4(ii)	Nomination and Remuneration Committee.	Not Applicable		Complied as per the guidelines given by Bangladesh Bank
5	**AUDIT COMMITTEE**			
5(1)	**Responsibility to the Board of Directors.**			
5(1)(a)	The company shall have an Audit Committee as a subcommittee of the Board;	√		Already in place. The ToR of Audit Committee is available.
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√		Complied
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		In practice. The duties are clearly set forth in writing in the ToR of the Audit Committee.
5(2)	**Constitution of the Audit Committee**			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		The Audit Committee is comprised of 5 (Five) members.
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		The members of the Audit Committee are appointed by the Board who are Directors and which includes one Independent Directors.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√		In Practice
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		In Practice
5(3)	**Chairperson of the Audit Committee**			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		Mr. Md. Rokonuzzaman FCA has been appointed as Chairman of Audit Committee who is an Independent Director.
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		In Practice
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	√		Chairperson of the Audit Committee was present at 25th AGM.
5(4)	**Meeting of the Audit Committee**			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	√		4 (Four) Audit Committee meetings were held during the year.
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		In Practice

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
5(5)	**Role of Audit Committee**			
5(5)(a)	Oversee the financial reporting process;	√		In Practice
5(5)(b)	Monitor choice of accounting policies and principles;	√		In Practice
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		In Practice
5(5)(d)	Oversee hiring and performance of external auditors;	√		In Practice
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		In Practice
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	√		In Practice
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		In Practice
5(5)(h)	Review the adequacy of internal audit function;	√		In Practice
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		In Practice
5(5)(j)	Review statement of all related party transactions submitted by the management;	√		In Practice
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		In Practice
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√		In Practice
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission;	Not Applicable		
5(6)	**Reporting of the Audit Committee**			
5(6)(a)	**Reporting to the Board of Directors**			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		In Practice
5(6)(a)(ii)	**The Audit Committee shall immediately report to the Board on the following findings, if any:**			
5(6)(a)(ii)(a)	Report on conflicts of interests;	None		No such Incidence arose
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	None		Do
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	None		Do

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	None		Do
5(6)(b)	**Reporting to the Authorities:** If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	Not Applicable		Do
5(7)	**Reporting to the Shareholders and General Investors:** Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	Not Applicable		No such event occurred
6	**NOMINATION AND REMUNERATION COMMITTEE (NRC)**			
6(1)	**Responsibility to the Board of Directors**			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	Not Applicable		As per Bangladesh Bank DFIM letter Ref. No. DFIM(P)1052/27/2021-2436 dated 04 November 2021, DFIM Circular Letter No. 18 dated 26 October 2011
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	Not Applicable		Do
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	Not Applicable		Do
6(2)	**Constitution of the NRC**			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	Not Applicable		Do
6(2)(b)	At least 02 (two) members of the Committee shall be non-executive directors;	Not Applicable		Do
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	Not Applicable		Do
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	Not Applicable		Do
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	Not Applicable		Do

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	Not Applicable		Do
6(2)(g)	The company secretary shall act as the secretary of the Committee;	Not Applicable		Do
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	Not Applicable		Do
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	Not Applicable		Do
6(3)	**Chairperson of the NRC**			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	Not Applicable		Do
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	Not Applicable		Do
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders; provided that in absence of Chairperson of the NRC, any other matters from the NRC shall be selected to be present in the Annual General Meeting (AGM) for answering the shareholders queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM;	Not Applicable		Do
6(4)	**Meeting of the NRC**			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	Not Applicable		Do
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	Not Applicable		Do
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	Not Applicable		Do

6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	Not Applicable		Do
6(5)	**Role of the NRC**			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	Not Applicable		Do
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	Not Applicable		Do

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	Not Applicable		Do
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	Not Applicable		Do
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	Not Applicable		Do
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	Not Applicable		Do
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	Not Applicable		Do
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	Not Applicable		Do
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	Not Applicable		Do
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	Not Applicable		Do
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	Not Applicable		Do

6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	Not Applicable		Do
7	**EXTERNAL OR STATUTORY AUDITORS**			
7(1)	**The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-**			
7(1)(i)	Appraisal or valuation services or fairness opinions;	√		As declared by the auditor 'Snehasish Mahmud & Co. Chartered Accountants'
7(1)(ii)	Financial information systems design and implementation;	√		Do
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	√		Do
7(1)(iv)	Broker-dealer services;	√		Do
7(1)(v)	Actuarial services;	√		Do
7(1)(vi)	Internal audit services or special audit services;	√		Do

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remark (if any)
		Complied	Not complied	
7(1)(vii)	Any service that the Audit Committee determines;	√		Do
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		Do
7(1)(ix)	Any other service that creates conflict of interest.	√		Do
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; provided that spouse, son, daughters, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	√		In practice

7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		Representative of the external auditor was present at 25th AGM.
8	**MAINTAINING A WEBSITE BY THE COMPANY**			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		Website (http:/www.bd.finance) which is linked with the stock exchanges.
8(2)	The company shall keep the website functional from the date of listing.	√		In practice
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		In practice
9	**REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE**			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and such certificate shall be disclosed in the Annual Report.	√		The company obtained the certificate from MNA Associates Chartered Secretaries regarding compliance of conditions of Corporate Governance Code of the Commission and such certificate is disclosed in the Annual Report.
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		The agenda will be placed in the 26th Annual General Meeting as per Corporate Governance Code.
9(3)	The directors of the company shall state, in accordance with the **Annexure-C** attached, in the directors' report whether the company has complied with these conditions or not.	√		Detailed status given at Annexure - C and published in the Report.

Annexure-D

Annexure- IV

Statement of Compliance with Good Governance Guideline Issued by Bangladesh Bank

Bangladesh Bank issued a policy on role and responsibility of the Board of Director and Chief Executive Officer of financial institution vide DFIM Circular No. 07, dated: September 25, 2017. The Board of Directors of the Company has taken appropriate steps to comply with the guidelines.

A Status report on compliance with those guidelines is given below:

Sl. No.	Particulars	Compliance Status
01.	**Responsibilities and authorities of Board of Directors**	
A.	**Work Planning and Strategic Management**	
	I. The Board shall determine the vision/mission of the institute in order to enhance operational efficiency and to ensure business growth, they shall chalk out strategies and work plans on annual basis. The board shall review such strategies Quarterly interval and modify accordingly, if required. If any structural modification is required, shall bring those changes with consultation with the management.	Complied
	II. The Board shall have its analytical review incorporated in the Annual report as regard the success/ failure in achieving the business and other targets as set out in its annual work-plan and shall inform the shareholders on future plans and strategies in the Annual general meeting.	Complied
	3. The Board will set the key Performance indicator (KPI)s for the CEO and other senior executives and will evaluate half yearly/yearly basis.	Complied
B.	**Formation of sub-committee**	
	To expedite the process of decision making on important regular business activities (e.g. approval of loan/ lease write off. rescheduling etc.) Board may form Executive Committee with the Director (excluding any alternate director).	Complied
C.	**Financial Management**	
	(i) Annual budget and statutory financial statements shall be adopted finally with the approval of the Board.	Complied
	(ii) Board shall review and examine in quarterly basis various statutory financial statements such as statements of income expenses. Statement of loan/lease, statement of liquidity adequacy of capital maintenance of provision, legal affairs including actions taken to recovery of overdue loan/lease.	Complied
	(iii) Board Shall approve the procurement policy and shall accordingly the delegation of power for making such expenditure. The Board shall delegate the authority to the Managing Director and among other top executives for approval of expenditure within budget. However, decision relating to purchase of land building and vehicles shall remain with the Board.	Complied
	(iv) The Board shall adopt the operation of bank accounts. Groups maybe formed among the management to operate bank accounts under joint signatures.	Complied

D.	**Management of loan/lease/investments**	
	(i) Policy on evaluation of loan/lease/investment proposal, sanction and disbursement and its regular collection and monitoring shall be adopted and reviewed by the Board regularly based on prevailing laws and regulations. Board shall delegate the authority of loan/lease/investment specifically to management preferably on Managing Director and other top executives.	Complied
	(ii) No director shall interfere on the approval of loan proposal associated with him. The director concerned shall not give any opinion on that loan proposal.	Complied
	(iii) Any syndicated loan/lease/investment proposal must be approved by the Board.	Complied
E.	**Risk Management**	
	Risk Management Guideline framed in the light of Core Risk Management Guideline shall be approved by the Board and reviewed by the Board regularly.	Complied
F.	**Internal Control and Compliance**	
	A regular Audit Committee as approved by the Board shall be formed. Board shall evaluate the reports presented by the Audit Committee on compliance with the recommendation of internal auditor, external auditors and Bangladesh Bank inspection team.	Complied
G.	**Human Resource Management**	
	Board shall approve the policy on Human Resource Management and Service Rule. Chairman and director of the Board shall not interview on the administrative job in line with the approved Service Rule. Only the authority for the appointment and promotion of the Managing Director/Deputy Managing Director/ General Manager and other equivalent position shall lie with the Board incompliance with the policy and Service Rule No. director shall be included in any Executive Committee formed for the purpose of appointment and promotion of others.	Complied
H.	**Appointment of CEO**	
	The Board shall appoint a competent CEO for the Company with the approval of the Bangladesh Bank and shall approve any increment of his salary and allowances.	Complied
I.	**Benefits offer to the Chairman**	
	Chairman may be offered on office room, a personal secretary, a telephone at the office, a vehicle for the business interest of the Company subject to the approval of the Board.	Complied

2.	**Responsibilities and Duties of the Chairman**	
	(a) Chairman shall not participate in or not interfere into the administrative or operational and routine affairs of the Company as he has no jurisdiction to apply executive power.	Complied
	(b) The minutes of the Board meeting shall be signed by the chairman	Complied
	(c) Chairman shall sign-off the proposal for appointment of Managing Director and any other benefit in favor of him (CEO)	Complied
3.	**Responsibilities of Managing Director & CEO**	
	(a) Managing Director shall discharge his responsibilities on matters relating to financial business and administration vested by the Board upon him. He is also accountable for achievement of financial and other business targets by means of business plan, efficient implementation of administration and financial management.	Complied
	(b) Managing Director shall ensure compliance of Financial Institutions Act 1993 and other relevant circular of Bangladesh Bank and other regulatory authorities.	Complied
	(c) All recruitment/promotion/training except those of DMD, GM and equivalent positions shall be vested upon the Managing Director. He shall act such in accordance with the approved HR Policy of the Company.	Complied
	(d) Managing Director may re-schedule job responsibilities of employees:	Complied
	(e) Managing Director may take disciplinary actions against the employees except DMD, GM and equivalent positions.	Complied
	(f) Managing Director shall sign all the letter/statements to be sent to Bangladesh Bank. However, Departmental/Unit Heads may sign daily letters/statements as set out in DFIM circular no. 2 dated: 06 January 2009 if so authorized by the Managing Director.	Complied

Statement of Director's Responsibility for Internal Control and Corporate Governance

The Board of Directors serves as the overseer of an organization, bearing significant responsibility for providing proper instruction and guidance to help achieve the organization's goals. Directors' responsibilities regarding internal control and financial reporting are defined by law. Key regulations outlining these responsibilities include the Companies Act 1994, the Finance Company Act 2023, and the Code of Corporate Governance issued by the Bangladesh Securities and Exchange Commission (BSEC).

The Directors' Responsibility Report has been prepared to provide a concise overview of the contributions made by the Board of Directors. In accordance with Section 2CC of the Securities and Exchange Ordinance, 1969, the Board must ensure the following disclosures. Additionally, further statements and disclosures are required under Section 184 of the Companies Act, 1994 (Act No. XVII of 1994).

A. The state of the company's affairs: The review of the company's performance has been presented in the financial report, directors report, and MD & CFO's review section in the annual report.

B. Any recommended reserve in the balance sheet: No such reserve has been recommended.

C. Dividend recommended by the Board: The Board has recommended no dividend for the year 2024.

D. Material changes and commitments and operations: In 2024, there was no major changes in strategy and actions in the company and its subsidiaries.

In accordance with the Corporate Governance Code No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated: 3rd June 2018. The Directors' Report to Shareholders shall include the following:

1. Industry outlook and possible future developments in the industry: a compact review of the post-COVID industry development has been presented in the Directors' Report section.

2. Segment-wise or product-wise performance: Business-wise performance have been presented on the industry of the segment reporting section.

3. Risks and concerns, including internal and external risk factors: A detailed discussion regarding the issues have been presented in the World economy and Bangladesh's economic overview.

4. Financial Performance Review: The detailed review of the financial performance of Bangladesh Finance and subsidiaries is presented s in the Financial highlights section and in detail in the Financial Statements chapter of this report.

5. Discussion on Operating performance: A brief description has been presented in the 'Financial Highlights' portion of this report.

6. Continuity of Any Extraordinary Activities: During the year 2024, Bangladesh Finance realized gain of 66.50 million (solo) and 189.07 million (Consolidated) respectively from investment in shares from capital market.

7. Basis for related party transactions and a statement of all related party transactions: The basis for related party transactions has been stated in the Management Discussion and Analysis segment of the annual report. Further Disclosure has been furnished in the Financial Statements note no.: 43.

10. Explanation on any significant variance financial performances: Explanation on any significant variance financial performances has been disclosed in the notes to the financial statements.

11. A statement of remuneration paid to the directors, including independent directors: This are mentioned in the Compliance of the Meeting and Remuneration section of this report.

12. A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows, and changes in equity: The financial statement prepared by the management for the year-end of 31 December 2024 is presented fairly, and it complements the result of its operations, cash flows and changes in equity. And the external auditor, Snehasish Mahmud & Co., Chartered Accountants have provided a financial report stated unqualified.

13. Proper maintenance of books of account: Books of account is maintained appropriately by Bangladesh Finance. This matter is also stated in the external auditor's report, Snehasish Mahmud & Co., Chartered Accountants.

14. Ensuring consistent application of appropriate accounting policies: Appropriate accounting policies have been applied consistently with reasonable and prudent judgment in preparing the financial statement.

15. Compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS): The financial statements of the company and its subsidiaries have been consolidated in accordance with International Financial Reporting Standard (IFRS). Details are provided in note 2.1.1 Basis of consolidation of operations of the subsidiary of the financial statement.

16. Efficiency and soundness of internal control: Related discussions are presented in the Internal Control Section under corporate governance chapter.

17. Protection of the interest of minority shareholders: The corporate governance practices of Bangladesh finance ensure the rights of minority and public shareholders in which disclosers are presented in the investor's relations section of the annual report, and any claim or complaint by shareholders have been lawfully resolved.

18. Statement of clearance no significant doubt upon the continuation as a going concern: No such concern regarding the continuation of the corporation exists.

19. Explanation of significant deviations of operating results: Significant variations of operating results from the previous year have been discussed in the Financial Capital section of this report.

20. Key operating and financial data of at least 5 (five) years: Key operating & financial data over the last five years as per the requirement of BSEC are mentioned: Details in which discussed under the section of Key Operating and Financial Highlights under Director's Report.

21. The reasons for the inability to declare dividends (cash or stock) for the year: The Board of Directors did not recommend a dividend this year due to the allocation of additional provisions and suspense

against stressed loans, leases, and advances. This is a Road to Safety strategy aims to recognize potential credit risk early, ensuring adequate reserves, and safeguard the company's overall financial health.

22. Declaration of bonus share or stock dividend has been or shall be declared as interim dividend: No interim dividend has been declared.

23. The total number of Board meetings held during the year and attendance by each director: Discloser of Board meetings held during the year and attendance by each director have presented in the Compliance of Meeting and Remuneration section under corporate governance chapter.

24. The pattern of shareholding: The pattern of shareholding is disclosed under Shareholders' Information in the investor relations section and provided with analysis from multiple angles.

25. Disclosure information about the appointment or reappointment of a director: The directors' brief profile is presented in the Director's Profile under Stewardship chapter of this report.

26. Management's discussion and analysis signed by CEO or MD: Discussions and analysis by CEO are presented in the Managing Director and CEO's Review.

27. The CEO and the CFO's declaration or certification: this declaration by the CEO & CEO is disclosed as Annexure-A in the corporate governance report.

28. Certificate regarding compliance of corporate governance: Certificate is issued by MNA Associates, Chartered Secretaries and presented in the annual report, Under corporate governance report.

Bangladesh Finance complies with all the regulatory body that requires the compliance of corporate governance to ensure that the administration can support the organization in reaching its goal to maintain a transparent and robust culture of growth and enrichment.

The Board of Directors hereby assures that all the parts of the annual report of 2024, including the Director's Report and Financial Statements, have been appropriately prepared, best to our knowledge. The rules implied by the Bangladesh Bank and Bangladesh Securities Exchange Commission have been thoroughly followed in preparing the annual report, including the laws, rules, regulations implemented by other regulatory bodies.

On behalf of the Board of Directors,

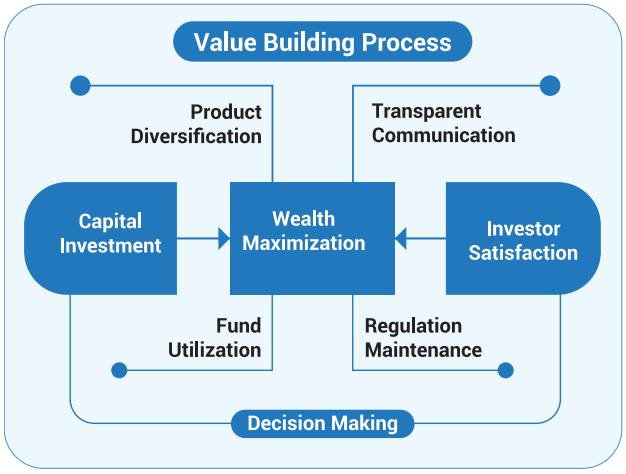


Manwar Hossain
Chairman
Bangladesh Finance PLC.

Investor Relations

Investor Relations Review

Investors are the key stakeholders of our business. Their efforts, trust, and investment keep the company growing and moving forward. In our journey of the last 26 years, we maintained a transparent and vibrant relationship with our stakeholders. We disclose information through different media and through stock exchanges on a regular basis. We are working to increase engagement with stakeholders throughout the year. In this part, we will explain and disclose the value creation mechanism and our active communication contents that allow us to be transparent to our shareholders and maintain clear communication.



Investor Relations Department, Website and Contact

At Bangladesh Finance, the **Board and Share Department** is serving as the Investor Relations Department. Communications are made with investors/stakeholders in different occasions through email and SMS and are served with high priority. As per **Listing Regulations 2015 of stock exchanges under section: 44**, all the information is available in the company's website under the 'Investor Relations' tab which is up to date. Anyone can easily communicate with us in person or through telephone/ email.

Investor Relations Contact
Investor Relation Contact
Board Secretariat
Bangladesh Finance Tower (1st Floor)
64, Motijheel C/A, Dhaka-1000.
Phone:+88-02-223385097, Ex.- 203,229
Email: info@bd.finance
Hotline: 16727

Disclosure for Present and Prospective Investors

Value Creation of Shareholders

Shareholders Value Addition

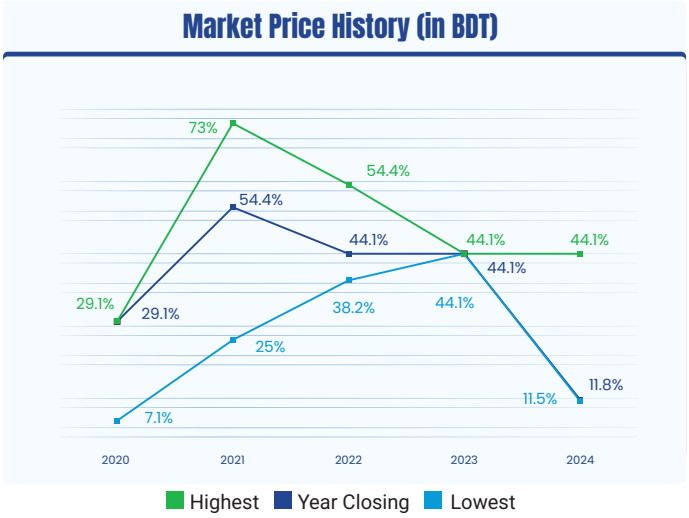
Particulars	2020	2021	2022	2023	2024
EPS (Consolidated)	1.69	1.42	1.25	(5.60)	(41.61)
P/E Ratio	17.22	38.31	35.28	(7.88)	(0.28)
NAV Per Share	16.85	16.72	17.41	11.53	(30.05)
Dividend Payout Ratio	89.0%	79.5%	97.31%	0.00%	0.00%
Dividend Yield Ratio	4.1%	2.2%	2.27%	0.00%	0.00%

Credit Rating

Particulars	2020	2021	2022	2023	2024
Credit Rating (Long Term)	AA-	AA-	AA	AA	AA
Credit Rating (Short Term)	ST-2	ST-2	ST-1	ST-1	ST-1

Market Value

Market Price History (in BDT)					
Year Price	**2020**	**2021**	**2022**	**2023**	**2024**
Highest	29.1	73	59.4	44.1	44.1
Lowest	7.1	25	38.2	44.1	11.5
Year Closing	29.1	54.4	44.1	44.1	11.8

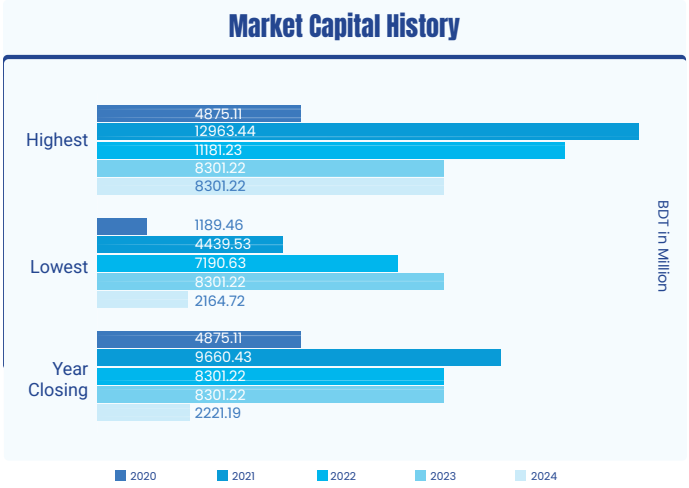


Market Performance (Price – Index: BDFINANCE - DSEX Movement)

Market Capital History

Market Capital History (BDT in Million)					
Year	**2020**	**2021**	**2022**	**2023**	**2024**
Highest	4875.11	12963.44	11181.23	8301.22	8301.22
Lowest	1189.46	4439.53	7190.63	8301.22	2164.72
Closing	4875.11	9660.43	8301.22	8301.22	2221.19

Shareholders' Wealth Acceleration (in terms of market capital)



Share Holding Range	Distribution of Shareholders: 31.12.2023			Distribution of Shareholders: 31.12.2024		
	Number of Shareholders	No. of Shares	Ownership (%)	Number of Shareholders	No. of Shares	Ownership (%)
01-499	4,316	675,111	0.359%	4,027	604,032	0.321%
500-5000	3,114	5,284,024	2.807%	4,228	7,886,999	4.190%
5001-10000	415	2,952672	1.569%	638	4,705,909	2.500%
10001-20000	262	3,623,851	1.925%	444	6,370,068	3.384%
20001-30000	106	2,589,128	1.376%	178	4,391,570	2.333%
30001-40000	43	1,508,784	0.802%	79	2,798,357	1.487%
40001-50000	34	1,540,637	0.819%	58	2,686,830	1.427%
50001-100000	75	5,411,906	2.875%	105	7,650,076	4.064%
100001-1000000	114	33,307,466	17.695%	113	31,914,344	16.954%
1000001-1000000000	38	131,342,688	69.775%	33	119,228,082	63.340%
Total:	**8,517**	**188,236,267**	**100.00%**	**9,903**	**188,236,267**	**100.00%**

Shareholders' Information
Distribution of Shareholders in terms of number of shareholdings:

Shareholding Composition

Analysis of Shareholding Structure						
	2023			2024		
Shareholding Range	Number of Shareholders	No. of Shares	Ownership (%)	Number of Shareholders	No. of Shares	Ownership (%)
Sponsor / Director	17	58,727,401	31.199%	11	57,430,384	30.51%
Government	0	0	0	0	0	0.00%
Institution	133	27,994,122	14.87%	192	30,185,325	16.04%
Foreign	7	30,886	0.016%	5	13,305	0.00%
General Public	8,360	101,483,858	53.92%	9,695	100,607,253	53.45%
Total	**8,517**	**188,236,267**	**100.00%**	**9,903**	**188,236,267**	**100.00%**

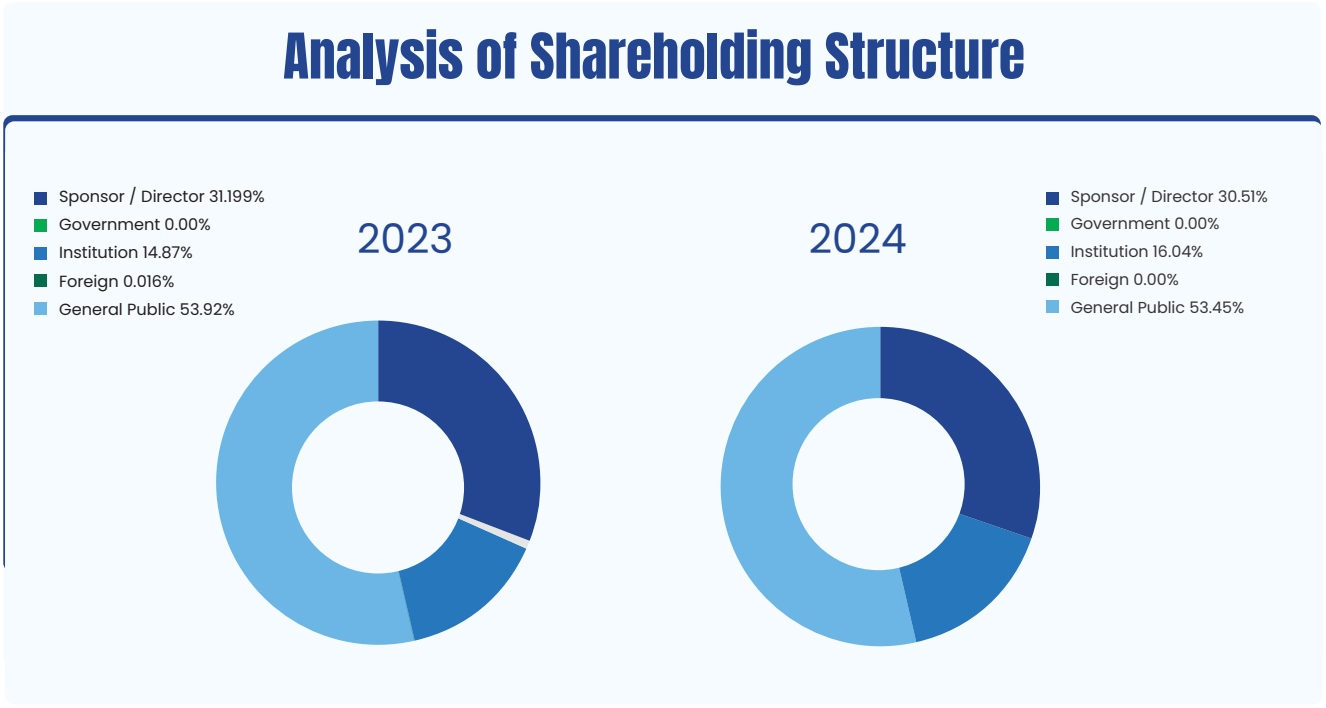


Fig: Analysis of Shareholding Structure

Top 20 shareholders (as on 31 December 2024)

SN	BOID	NAME	SHARES	(%)
1	1203980021289581	ANWAR ISPAT LTD	14,223,130	7.5560
2	1203980017123916	HOSSAIN MEHMOOD	12,199,171	6.4808
3	1203980015091747	ANWAR STEEL MILLS LTD.	9,004,232	4.7835
4	1205150015091522	IMTIYAJ YOUSUF	8,189,251	4.3505
5	1202310011989262	ABU TAHER	6,725,830	3.5731
6	1205150015091672	MEHMUD INDUSTRIES (PVT.) LTD.	6,723,442	3.5718
7	1203980015091613	HOSSAIN DYNG& PRNTNG MILLS LTD	5,573,761	2.9610
8	1203980008033522	HOSSAIN KHALED	4,625,811	2.4574
9	1202310007589019	S.M.DIDARUL ALAM	3,782,349	2.0094
10	1205000013381910	8262 - GEASUDDIN AHMED	3,773,388	2.0046
11	1203980017905721	A-ONE POLYMER LTD.	3,534,539	1.8777
12	1202550049560219	ASIF MOHAMMED	3,394,091	1.8031
13	1202590015212831	HASINA PARVEEN	3,140,801	1.6685
14	1605580015091648	ANWAR JUTE SPINNING MILLS LTD.	2,707,091	1.4381
15	1604620049756141	VANGUARD AML BD FINANCE MF ONE	2,297,137	1.2203
16	1203980015212823	ANIKA FARHEEN	2,293,225	1.2183
17	1202830015091613	HOSSAIN DYNG& PRNTNG MILLS LTD	2,283,707	1.2132
18	1604580051623248	VANGUARD AML RUPALI BANK BF	2,242,400	1.1913
19	1605580015091581	KHALED IRON AND STEELS LIMITED	2,069,369	1.0993
20	1202550058530069	MD. ASADUZZAMAN	1,879,169	0.9983

Public (Individual) Holding (as on 31 December 2024)	
Public (Individual) Holding Percentage	53.45%
No. of Shareholders in Public Holding	9,695
No. of Share Outstanding	100,607,253
Market Capitalization (BDT)	1,187,165,585

Dividend & AGM History

Year	AGM	Cash Dividend	Stock Dividend
2007	20-Apr-08	5%	10%
2008	28-May-09	.	10%
2009	30-May-10	.	20%
2010	21-Jun-11	.	22%
2011	03-Jun12	.	10%
2012	24-Jun-13	.	10%
2013	18-Jun-14	.	10%
2014	29-Jun-15	5%	.
2015	09-Jun-16	.	10%
2016	24-May-17	.	10%
2017	18-Jun-18	.	10%
2018	27-May-19	.	10%
2019	10-Dec-20	10%	.
2020	31-Mar-21	6%	6%
2021	31-Mar-22	6%	6%
2022	30-Apr-23	10%	.
2023	30-Jul-24	.	.
2024	29-May-25	.	.

Shareholding of Directors

Details of shareholding/unit holding of sponsors/directors as on 31.12.2024

SN	Name	Status	Number of Securities	
			No.	(%)
1	ANWAR STEEL MILLS LTD.	Director	9,004,232	4.78%
	MR. FURKAAN MUHAMMAD N HOSSAIN (NOMINATED BY ANWAR STEEL MILLS LTD)	Nominated Director	-	-
2	ANWAR ISPAT LTD	Director	14,223,130	7.56%
	MR. MD. HELAL CHOWDHURY (NOMINATED BY ANWAR ISPAT LTD)	Nominated Director	-	-
3	HOSSAIN DYEING & PRNTING MILLS LTD.	Director	7,857,468	4.17%
	MR. MANWAR HOSSAIN (NOMINATED BY HOSSAIN DYEING & PRNTING MILLS LTD)	Nominated Director	1,219,240	0.65%
4	KHALED IRON & STEELS LTD.	Director	3,797,998	2.02%
	MR. MD. ASADUZZAMAN KHAN (NOMINATED BY KHALED IRON & STEEL LTD)	Nominated Director	-	
5	ANWAR SILK MILLS LTD.	Director	3,805,265	2.02%
	MS. FATEMA BEGUM (NOMINATED BY ANWAR SILK MILLS LTD)	Nominated Director	-	-
6	MEHMUD INDUSTRIES (PVT.) LTD.	Director	7,125,828	3.79%
	MR. MD. HASAN KHAN (NOMINATED BY MEHMUD INDUSTRIES (PVT.) LTD)	Nominated Director	-	-
7	MR. IMTIYAJ YOUSUF	Director	8,189,251	4.35%
8	MR. ABDUR RASHID SALAM	Sponsor	1,363,052	0.72%
9	MR. CHOWDHURY MONWAR AHMED SIDDIQUI	Sponsor	432,339	0.23%
10	MR. IHTESHAMUR RAHMAN	Sponsor	402,260	0.21%
11	MR. CHOWDHURY ERTEZA AHMED SIDDIQUI	Sponsor	10,321	0.01%
12	MR. MD. ROKONUZZAMAN, FCA	Independent Director (Non-shareholding)	-	-
13	MR. IQBAL UDDIN AHMED	Independent Director (Non-shareholding)	-	-
14	MR. MD. KYSER HAMID	Managing Director &CEO	-	-
Total			**57,430,384**	**30.51%**

History of Capital Formation

Year	No. of Share Issued/Allotted	Cumulative Share	Face Value	Share Capital	Cumulative Share Capital (BDT)	Mode of Allotment	Dividend
1999	50,000	50,000	100	5,000,000	5,000,000	Memorandum Subscription	-
1999	450,000	500,000	100	45,000,000	50,000,000	Cash	-
2003	100,000	600,000	100	10,000,000	60,000,000	Cash	-
2003	50,000	650,000	100	5,000,000	65,000,000	Bonus	-
2004	750,600	1,400,600	100	75,060,000	140,060,000	Cash	-
2004	78,000	1,478,600	100	7,800,000	147,860,000	Bonus	-
2005	420,180	1,898,780	100	42,018,000	189,878,000	Cash	-
2005	147,860	2,046,640	100	14,786,000	204,664,000	Bonus	-
2006	286,529	2,333,169	100	28,652,900	233,316,900	Bonus	-
2007	700,000	3,033,169	100	70,000,000	303,316,900	IPO (Listed)	5% C 10% B
2008	303,316	3,336,485	100	30,331,600	333,648,500	Bonus	10% B
2009	333,648	3,670,133	100	33,364,800	367,013,300	Bonus	20% B
2010	734,026	4,404,159	100	73,402,600	440,415,900	Bonus	22% B
2010	-	44,041,590	10	-	440,415,900	Share split	

2011	9,689,149	53,730,739	10	96,891,490	537,307,390	Bonus	10% B
2012	5,373,073	59,103,812	10	53,730,730	591,038,120	Bonus	10% B
2013	5,910,381	65,014,193	10	59,103,810	650,141,930	Bonus	10% B
2014	39,008,515	104,022,708	10	390,085,150	1,040,227,080	Right (3R:5)	-
2014	10,402,270	114,424,978	10	104,022,700	1,144,249,780	-	5% C
2015	-	114,424,978	10	-	1,144,249,780	-	10% B
2016	11,442,497	125,867,475	10	114,424,970	1,258,674,750	Bonus	10% B
2017	12,586,747	138,454,222	10	125,867,470	1,384,542,220	Bonus	10% B
2018	13,845,422	152,299,644	10	138,454,220	1,522,996,440	Bonus	10% B
2019	15,229,964	167,529,608	10	152,299,640	1,675,296,080	Cash	10% C
2020	-	167,529,608	10	-	1,675,296,080	Cash & Bonus	6% C 6% B
2021	10,051,776	177,581,384	10	100,517,760	1,775,813,840	Cash & Bonus	6% C 6% B
2022	10,654,883	188,236,267	10	10,654,8830	1,882,362,670	Cash	10% C
2023	-	188,236,267	10	-	1,882,362,670	-	-
2024	-	188,236,267	10	-	1,882,362,670	-	-

Stakeholders Relationship/ Grievance Redressal Policy

Bangladesh Finance is a believer of maintaining even and cooperative relationship with the stakeholders. We pursue high quality stakeholder's redressal policy proactively to handle all types of grievance, complaints in an effective and fair manner. We strongly believe in equitable treatment to every shareholder. We resolve any shareholders' complaint on a priority basis and have committed to serve the appropriate mechanism to address the shareholders' grievance within the time frame stipulated by Bangladesh Finance.

Redressal Process of Bangladesh Finance PLC.

- Complaints raised by the investors/ shareholders must be dealt with courtesy and in a timely manner
- Complaints are treated fairly and solved effeiciently
- Communicate with the shareholders for collection of the dividend warrants which have been refunded for non-delivery by the courier
- Revalidate the dividend warrants upon demand
- Correction of bank account's information while sending dividend through BEFTN system
- Re-issuance of dividend warrants, in case of failure to send dividend through BEFTN system
- Issue shareholding certificate, dividend certificate as and when required
- E-mail or letter must be sent to all the investors who have submitted written complaints
- Request for e-TIN number in case of cash dividend

Redressal Statistics 2024

Requests received from shareholders	Ways of addressing mentioned requests
» 08 Unclaimed Dividend claim	» Settle 08 unclaimed Dividend claim

We continued communication with the shareholders to give them periodic update of performance and at any time when it believes it to be the best interest of shareholders.

• Redressal Process

Checklists	Yes	No
Shareholders are properly communicated for collecting warrants which have been refunded for non-delivery by the courier	√	
Dividend warrants revalidate the upon demand	√	
Bank account information are corrected while sending dividend through BEFTN system	√	
Dividend warrants are reissued in case of failure to send dividend through BEFTN system	√	
Issue shareholding certificate, dividend certificate as and when required	√	
BO Acknowledgement Setup, updated Bank A/c details and NID are collected in case of settlement of unclaimed cash dividend	√	

FINANCIAL CALENDAR 2024/2025

Annual General Meeting (AGM)	Date
26th Annual General Meeting	29 May 2025
25th Annual General Meeting	30 July 2024

Dividend(s)	Dividend Announced	Declared Dividend	Dividend Amount	Record Date	Dividend Paid Date	Paid-up Capital before entitlement
Dividend for 2024	17 April 2025	No Dividend	-	08 May 2025	-	1,882,362,670
Dividend for 2023	12 June 2024	No Dividend	-	08 July 2024	-	1,882,362,670

FINANCIAL STATEMENTS

Q-1/2/3/4 Financial Statements	Dated PSI released to DSE & CSE	Date published in newspapers English, Bangla & Online
Q4/ For the twelve months ended 31.12.2024	17 April 2025	19 April 2025
Q3/ For the nine months ended 30.09.2024	29 October 2024	31 October 2024
Q2/ For the six months ended 30.06.2024	29 July 2024	31 July 2024
Q1/ For the three months ended 31.03.2024	12 June 2024	13 June 2024

Annual Financial Statements	Dated PSI released to DSE & CSE	Date published in newspapers English & Bangla
Annual Financial Statement for the year ended 2024	17 April 2025	19 April 2025
Annual Financial Statement for the year ended 2023	12 June 2024	14 June 2024

PROPOSED FINANCIAL CALENDAR 2025 (TENTATIVE)

Annual Financial Statements (Audited)

Annual Audited Financial Statements for the year ended on 31 December 2025 is likely to be sent to BSEC and stock exchanges within April 2026.

Annual General Meeting (AGM)

Annual General Meeting (AGM)

• The management has a plan to hold the 27th Annual General Meeting (AGM) during March to April 2026.

• The Quarterly and annual audited Financial Statement shall be sent to the commission and stock exchanges within the following timeline:

1st Quarter (Q1)	Within 45 days from the end of 1st Quarter
2nd & 3rd Quarter (Q2 & Q3)	Within 30 days from the end of 2nd & 3rd Quarter
Annual Audited Financial Statement	Within 134 days from the end of accounting year

CRO'S STATEMENT

RISK LANDSCAPE 2024

In 2024, Bangladesh Finance navigated a risk landscape marked by ongoing global and domestic challenges. While financial performance improved compared to 2023, persistent macroeconomic pressures—including high inflation, foreign currency shortages, elevated interest rates, and supply chain disruptions—continued to impact the financial sector. Geopolitical tensions, particularly the Russia-Ukraine conflict, and global energy crises fueled economic volatility. Locally, political uncertainty and social unrest intensified risks, further complicating the operating environment.

Accelerated shifts in client expectations, driven by the post-pandemic digital transformation, heightened the urgency for technological innovation and operational resilience. Regulatory developments and rising cybersecurity threats also demanded greater vigilance. Bangladesh Finance responded with strengthened risk management frameworks, robust stress testing, and agile scenario planning to preserve financial stability and support sustainable growth in an increasingly complex and uncertain environment.

RISK GOVERNANCE OVERVIEW

In 2024, Bangladesh Finance continued to strengthen its risk governance framework to navigate an increasingly complex and volatile environment. While the global economy showed signs of stabilization post-pandemic, persistent headwinds—including the prolonged Russia-Ukraine conflict, global energy shortages, geopolitical tensions, and inflationary pressures—continued to challenge economic recovery efforts, both globally and in Bangladesh.
Bangladesh's financial sector remained resilient, supported by regulatory interventions and prudent fiscal measures. Actions such as loan restructuring, payment moratoriums, and liquidity support initiatives helped maintain financial system stability and sustained credit flow to productive sectors.

In response to ongoing uncertainties, Bangladesh Finance adopted a proactive and dynamic approach to risk management. Key strategies included enhanced risk assessments, rigorous scenario planning, tighter credit monitoring, and stress testing to safeguard financial health. The institution maintained close collaboration with regulators, clients, and other stakeholders to ensure a swift response to emerging risks. Recognizing the acceleration of digital transformation driven by shifting client expectations and new work models, Bangladesh Finance further strengthened its cyber resilience and operational continuity frameworks.



Investments in technology-enabled services supported the delivery of innovative, customized financial solutions, enhancing client engagement and operational efficiency.
Overall, Bangladesh Finance's governance structures, risk culture, and management practices were continuously enhanced in 2024 to protect against economic shocks, support strategic objectives, and ensure sustainable growth amid evolving risks.

We are rigorously overseeing the risk management process and ensuring that the institution is adequately managing its risks. We are identifying, measuring, and mitigating risks to the institution and its customers effectively-

OUR TOP RISK:

We manage and control our principal risk types (risks that are inherent in our strategy and business model) through distinct risk type frameworks, policies and board-approved Risk Appetite.



Category	Credit Risk	Operational Risk	Information & Cyber Risk
Definition of Risk	Losses due to one or more counterparties failing to meet contractual obligations as agreed.	Loss due to inadequate or failed internal processes, people, systems, or external events (excluding strategic and reputational risks).	Financial loss, disruption, or damage to reputation from unauthorized access to systems, data, or failure of IT services.
Risk Drivers	Current economic situation, portfolio concentration, sector/geography exposure, internal goals, government concessions.	Day-to-day operations and external events.	Integration of IT into banking operations, unauthorized access vulnerabilities.
How the Risk is Measured	Based on credit exposure, NPA ratios, stress tests, and provision increases.	Using operational losses, key risk indicators, near misses, overall risk ranking, and heat maps.	Cyber risk limits, risk matrix tracking, and monitoring malware/phishing attack attempts monthly.
How the Risk is Monitored	Continuous monitoring via Credit Risk Dashboard, arrears, collateral, exception tracking, reporting to risk committees.	Operational risk self-assessments, business unit inputs, monthly dashboards submitted to risk committees.	Security risk reviews/assessments, IT & cyber dashboards, monitoring user activities, privileged access reviews.
How the Risk is Managed	Credit Risk Management Policy aligned with regulatory guidelines; moratorium extensions where applicable.	Structured Operational Risk Management Framework, Business Continuity Plan (BCP) across support units.	Digital resilience action plans, technical/administrative controls, independent verifications by Risk and Audit.

Category	Liquidity Risk	Market Risk	Strategic Risk	Reputation Risk
Definition of Risk	Risk that the FI is unable to meet debt obligations or must do so at excessive cost.	Risk that movements in market factors could reduce the FI's income or portfolio value, including interest rate, exchange rate, and settlement risk.	Uncertainties inherent in executing strategic objectives.	Potential losses from damages to the FI's reputation.
Risk Drivers	Debt restructures, cash flow mismatches, short-term demand shocks, borrowing activities, trading, counterparty interactions.	Rising interest rates, BDT depreciation against USD, negative impacts on lending activity and deposit rates.	External developments in technology, products, and business models.	Events adversely affecting public perception and the FI's reputation as a responsible entity.
How the Risk is Measured	Metrics like internal models, balance sheet stress tests, probabilistic and NII analyses.	Measured using sensitivity analysis, daily trading book position assessments.	Strategic risk measured via scorecards under Basel II Pillar 2 framework.	Scorecard approach assessing underlying drivers of reputational risk qualitatively.
How the Risk is Monitored	Monitoring by ALCO Subcommittee and Treasury Middle Office (TMO) using regulatory matrices and gap analyses; dashboards submitted to ALCO, BIRMC, and the Board.	Market Risk Dashboards supported by TMO and Treasury, reporting to CRO; regulatory exceptions immediately reported to ALCO.	Integrated Risk Management Unit (IRMU) monitors and evaluates strategic risk annually for additional capital requirements.	IRMU monitors reputational risk annually, evaluates for additional capital requirements through ICAAP submission.
How the Risk is Managed	Liquidity Risk Management Framework with contingency plans.	Treasury Department oversees using diversification and hedging strategies.	Corporate management and Board manage strategic risk execution.	The FI reinforces values and reputation through a Reputation Risk Task Force under ORSC.

Risk mitigation approaches of Bangladesh Finance

Risk Types	Governing Documentation	Application to Risk Appetite Limits/Tolerances
Credit Risk	Credit policy manual, credit instruction manual, risk appetite	• Exposure to a single customer or group of related parties. • Industry concentrations (exposure and risk adjusted concentration limits).
Market Risk	Asset liability management policy, and Treasury office operating guideline	• Stress test results, equity and debt investment exposures. • Duration analysis.
Liquidity and Funding Risk	Asset liability management policy, Fund transfer pricing policy.	• Hold appropriate levels of unencumbered high quality liquid assets that can be readily sold or pledged; • Limits to control the maximum net cash outflow over specified short-term horizon; and • Diversification of funding by source, type of depositor, instrument, term.
Operational Risk	Internal control & compliance policy, fraud & theft risk prevention & management policy, Information Communication Technology ICT security policy, outsourcing policy, AML policy	• Systematic identification, measurement, mitigation and monitoring of operational risk, • Minimization of residual operational risk; and • Expressed quantitatively by an aggregate loss limit
Reputational Risk	Customer service & complaints management policy	• Low tolerance for reputational, legal, or taxation risk arising from business activities, initiatives, products, services, transactions or processes, or from a lack of suitability of products for clients.
Environmental & Social Risk	Credit policy manual, Credit instruction manual	• Ensuring that projects are developed in a socially responsible manner
Strategic Risk	Risk appetite, annual budget, strategic planning	• It links the FI's risk appetite framework with the enterprise strategy, business line strategies and corporate function strategies.

ORGANIZATIONAL RESILIENCE IN 2024

- Strengthened Bangladesh Finance's Enterprise-wide Risk Management Framework (ERMF) to address emerging risks from global inflationary pressures and ongoing geopolitical tensions.
- Enhanced the monitoring of the FI's risk universe, with a focus on identifying new risk trends, climate-related financial risks, and evolving regulatory requirements.
- Regularly reviewed and updated capital and liquidity plans to maintain financial stability amidst a tightening monetary environment and shifting investor sentiment.
- Continued prioritization of Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) compliance, incorporating evolving international standards and regulatory updates.
- Strengthened cyber resilience through investments in advanced threat detection and response systems, ensuring robust protection against sophisticated cyber threats.
- Proactively monitored economic indicators and adjusted impairment models to reflect macroeconomic changes, ensuring appropriate provisioning and balance sheet resilience.
- Reviewed and refined credit models to maintain stability in impairments and capital requirements, avoiding undue sensitivity to short-term economic fluctuations.
- Applied dynamic credit-risk mitigation strategies, including predictive analytics to detect early signs of borrower distress, enabling proactive management of at-risk exposures.
- Embedded sustainability and ESG considerations into risk management processes to future-proof the organization against emerging non-financial risks.
- Strengthened crisis management frameworks and conducted stress testing exercises to ensure operational continuity and strategic agility during unforeseen disruptions.

KEY DEVELOPMENTS IN 2024

- Strengthened the Risk Appetite Framework to address emerging stress factors and evolving market conditions.
- Proactively managed and optimized liquidity to ensure financial resilience amid volatile environments.
- Enhanced stress testing methodologies to better capture and respond to economic developments.
- Maintained an organization-wide focus on preserving credit quality by deploying additional resources and strengthening risk controls.
- Conducted frequent cash flow projections to proactively mitigate liquidity risks and ensure sustainable operations.

Key focus areas for 2025 and beyond:

• **Enhance Risk Resilience:** Strengthen the organization's ability to anticipate, absorb, and adapt to economic shocks, geopolitical tensions, and energy crises.

• **Evolve the Risk Appetite Framework:** Continuously refine the risk appetite to align with emerging market stresses, regulatory expectations, and strategic growth ambitions.

• **Strengthen Credit Risk Management:** Focus on early identification of stressed assets, concentration risk management, and proactive engagement with watch-list clients to maintain strong portfolio quality.

• **Advance Cybersecurity and Operational Resilience:** Fortify defenses against growing cyber threats and ensure business continuity through robust incident response and disaster recovery capabilities.

• **Optimize Capital and Liquidity Management:** Maintain strong capital buffers and liquidity positions by enhancing stress-testing capabilities, frequent cash flow forecasting, and dynamic balance sheet management.

• **Deepen Focus on Compliance and Regulatory Risk:** Proactively manage compliance obligations, including heightened vigilance on AML/CFT requirements, governance standards, and environmental, social, and governance (ESG) risks.

• **Promote Strategic Risk Integration:** Embed risk considerations across all business planning, digital initiatives, and client offerings to ensure sustainable and responsible growth.

• **Enhance Scenario Planning and Stress Testing:** Expand the use of forward-looking stress tests and scenario analyses to better prepare for multiple adverse economic and geopolitical scenarios.

• **Accelerate Digital Transformation with Risk Mindset:** Leverage technology to drive innovation and efficiency while embedding risk controls into new digital products, services, and platforms.

In a nutshell, we foster a risk-aware culture grounded in robust risk management practices, reinforcing public trust in our institution and advancing our goal of becoming Bangladesh's leading financial institution. Looking ahead, we are committed to maintaining a resilient risk management framework that adapts to both internal and external changes, strengthening our ability to deliver sustainable long-term value.

Thank you for your continuous support.
Sincerely,

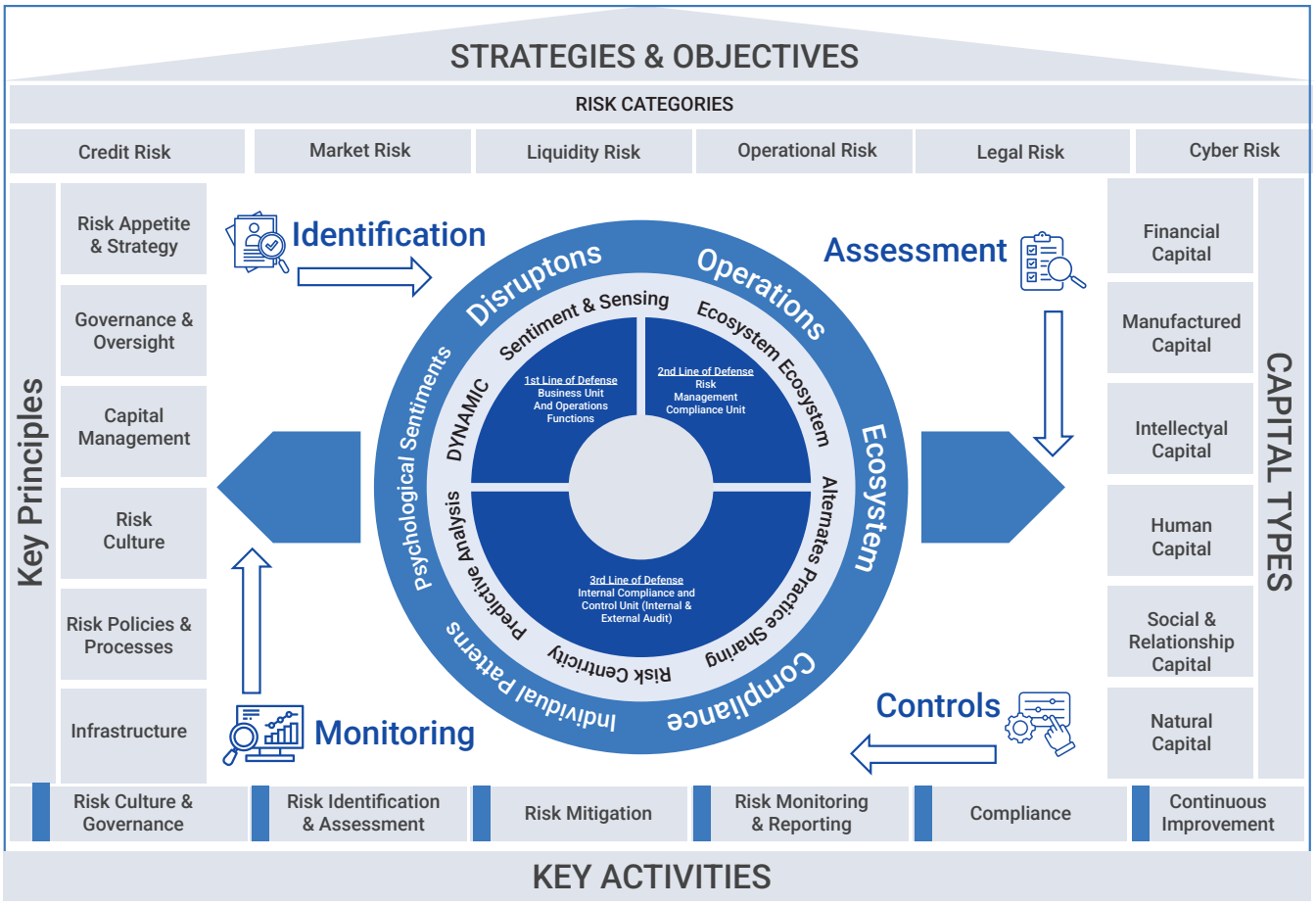


Suman Kumar Kundu
Chief Risk Officer

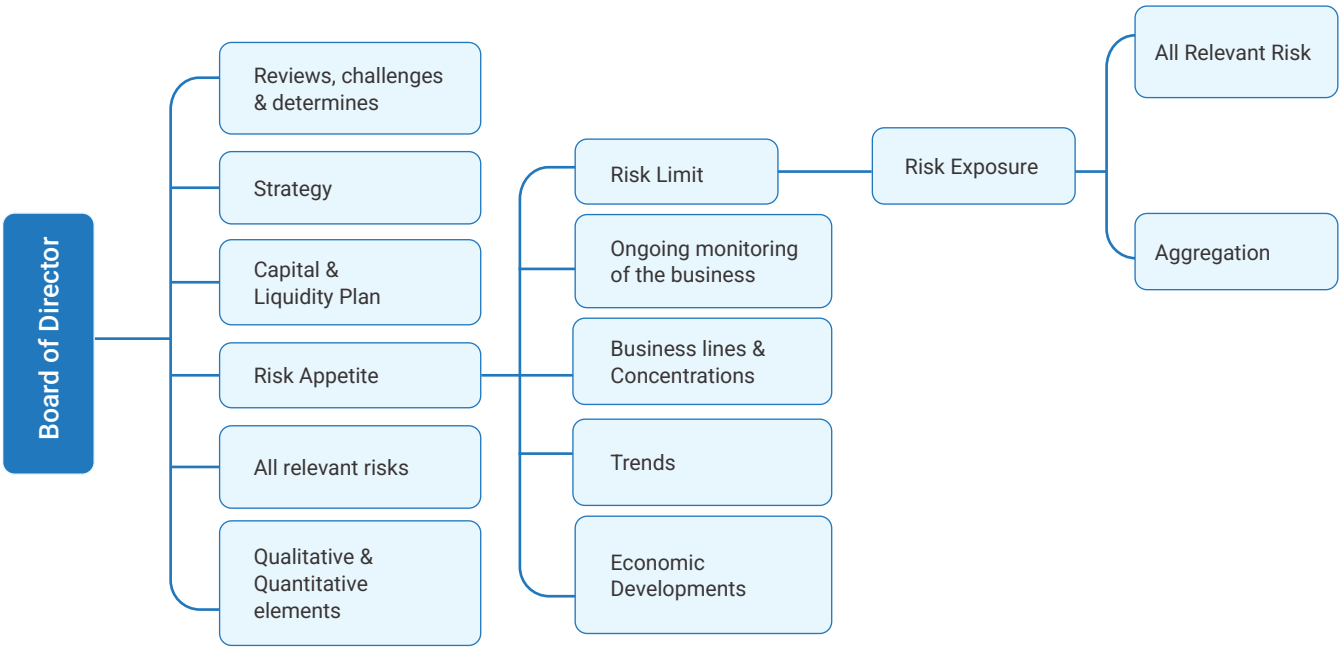
RISK MANAGEMENT

OVERVIEW OF RISK MANAGEMENT FRAMEWORK

Bangladesh Finance has a sound risk culture, an appropriate and enabling risk appetite and a well-tested, robust Risk Management Framework. The FI's risk management process is designed to ensure that the FI's risks are identified, measured, and managed effectively to maintain the safety and soundness of its operations. As a financial institution, we have implemented a risk management framework to identify, measure, monitor, and control various types of risks associated with our operations. Our robust Risk Management framework and the independence of our risk management function set us apart as a responsible financial service provider. It enables the execution of our strategic priorities without taking on undue financial and non-financial risks. Our risk policies and processes and their effective implementation through technology and governance enabled us to endure and even grow in these highly uncertain and disruptive times. Risk management is at the core of the operating structure of the FI. We seek to limit adverse variations in earnings and capital by managing risk exposures within agreed levels of risk appetite. Our risk management approach includes minimizing undue concentrations of exposure, limiting potential losses from stress events and ensuring the continued adequacy of all our financial resources. The embedded risk management culture at Bangladesh Finance enables us to adopt to any change as and when they occur. A strong risk culture supported by resilient risk governance permits us to adopt in a prudent manner to any change in market trend and approaches.



Setting and Monitoring Risk Appetit



Board Sub-Committee Alignment with Strategy and Capital

Board Sub-Committee	Link to Strategy	Link to Capital (LOGO)
Mandatory Committees		
Board Executive Committee	Business Focus	
Board Audit Committee	Business Focus Customer Solutions	
Risk Management Committee	All Strategic Priorities	
Discretionary Committees		
Management Committee	All Strategic Priorities	
Credit Committee	Business Focus	
IT Steering Committee	Customer Solutions Digital & Data as Transformers	

GOVRERNANCE STRUCTURES AND DELEGATION

Bangladesh Finance's governance structures are designed to ensure an appropriate balance of authority and decision-making power, driving accountability, transparency, and integrity across the organization. The Board of Directors serve as the custodian of the FI's corporate governance and is empowered to delegate authority and responsibilities pertaining to specific functions to any committee or committees as it thinks fit. The Board continuously reviews the composition of Board subcommittees to ensure a balance in membership and that the special skills and expertise of directors are used to ensure the robust functioning of subcommittees.

The FI's governance structure is set out below:

Board of Directors
The ultimate governing body with overall risk oversight responsibility

Board Sub Committees

Board of Directors
The ultimate governing body with overall risk oversight responsibility

Board Sub Committees

Board Audit Committee (BAC)

Assists the Board in the general oversight of financial reporting, internal controls and functions relating to internal and external audit.

Composition - Five members of the Board of Directors. Two Independent Directors and three Non-Executive Directors. The Company Secretary is the Secretary to the Committee. The Head of Internal Audit directly reports to the Audit Committee and other members of the Senior Management attend the meeting on invitation, where necessary.

Board Executive Committee (BEC)

Reviews and approves Credit Proposals coming under Committee's delegated lending authority.

Composition - Three Non-Executive Directors and the Managing Director & CEO. The Company Secretary is the Secretary to the Committee.

Credit Committee

Reviews and approves Credit Proposals under Committee's delegated lending authority and approves the credit proposal for sending to EC Committee and Board of Director's meeting.

Composition: The MD & CEO, The CFO, Head of CRM, Head of Treasury, Head of Operations, Head of Finance, Head of SAM & Monitoring.

Portfolio Monitoring Committee

Evaluate portfolio of the business of different branches time to time And provide strategic support to enhance assets quality of the company.

Composition: Managing Director & CEO, Head of SAM & Monitoring, CFO, Head of Operations, Head of Respective Business Team, All Branch Managers, Head of CRM.

Risk Management Forum

Reviews the FI's risk policy framework, overall performance and the potential risks faced by specific lines of business and support functions.

Composition: Head of CRM, Head of ICC, Head of Treasury, Head of Operations, Head of IT & BT.

Asset Liability Management Committee

To look after the financial market activities, manage liquidity and interest rate risk and understand market position and competition among other activities.

Composition: Managing Director & CEO, CFO, Head of CRM, Head of Wealth Management, Head of Finance, Head of Treasury.

RISK GOVERNANCE STRUCTURE

The risk governance structure ensures accountability and ownership, whilst facilitating an appropriate level of independence and segregation of duties. The structure is based on the three lines of defense and defines the lines of authority, roles and responsibilities to efficiently manage risk across the FI. The activities carried out during the year by the above-mentioned Board Sub Committees are covered in detail in the Board Sub-committee Reports.

	1st Line of Defense	2nd Line of Defense	3rd Line of Defense
Role	Business Line/Credit Committee	Risk Management/ Compliance	Internal Audit
	Managing Business Line Operations	Risk Management and Compliance	Independent verification
Total Eligible Capital	Accountability with Centralized Primary Responsibilities	Centralized oversight and independently evaluate the first line activities	Assurance and review
Activities	• Primary responsibility for identifying, managing and reporting risk • Self-Assessment of Risk and Control • Compliance with all policies and procedures	**Risk Management Activities:** • Develop and implement risk management framework, policies, systems, procedures and tools. • Providing support to the business units, review and report key risks to the Audit Committee. **Compliance Activities:** • Regulatory adherence • Regulatory reporting • Anti-money laundering	**Internal Audit Activities:** • Review effectiveness of risk management practices and internal control framework • Confirm level of compliance • Identify gaps, control weaknesses in processes and highlights same to the relevant stakeholders **External Audit Activities:** Reporting to shareholders, giving an opinion on the true and fair view of the Financial Statements and reviewing internal controls over financial reporting process

CAPITAL MANAGEMENT

Bangladesh Finance operates in a sector that is one of the most regulated in Bangladesh and hence has developed rigorous compliance standards with a prudent capital allocation focus and management strategy. This has resulted in the fact that the company has been able to consistently maintain capital levels in excess of stipulated regulatory requirements. One of the key factors underlying the company's safeguarded capital buffer levels is the organization's ability to proactively, diligently and competently engage in forecasting major business trends, risk weighted assets and capital flows. In fact, prudent capital planning is woven into the company's risk and governance processes, as capital remains a key consideration in the development of the company's strategic plans and risk limits. The company has also been successful in judicious forecasting about impending capital requirements, thus succeeding in achieving business goals and also in planning astutely to ensure required capital buffers at all times. Thus, we manage our capital position such that our capital is more than adequate to support our business activities, while also ensuring that it remains in alignment with our strategic planning framework and risk appetite.

The company's top management also supervises ICAAP outcomes and provides insights via quarterly assessments of the adequacy of our capital and capital positions to the Board or its committees.

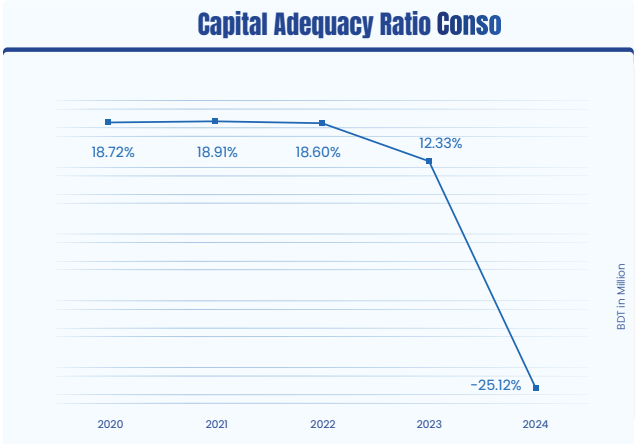
Thus, capital planning is a dynamic and proactive facilitator for Bangladesh Finance, enabling resilient company operations, especially in highly challenging economic conditions such as those induced by the coronavirus pandemic.

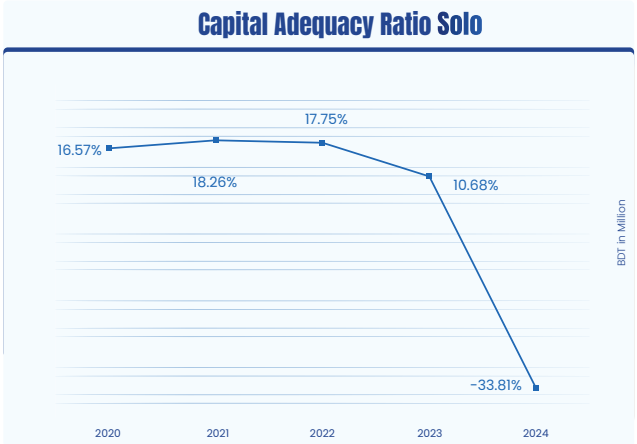
As per the section 4 (GHA) of the Financial Institutions Rule, 1994 and subsequent DFIM circular no. 05, dated July 24, 2011, the minimum paid-up capital of the Financial Institution (FI) shall be Taka 100 crore; provided that the sum of paid-up capital and reserves shall not be less than the minimum capital required under the Risk-Based Assets of the company, criteria determined by the Bangladesh Bank.

Historically, Bangladesh Finance always maintained a healthy capital ratio against the minimum regulatory requirement. The following table demonstrates our capital management strategy over the last five years:

(Amount in Million)

Particulars	2020	2021	2022	2023	2024
Core Capital (Tier -I)	2,374.47	2,543.55	2,630.14	1,385.07	(5,950.61)
Supplementary Capital (Tier-II)	332.53	407.21	416.57	481.99	449.01
Total Eligible Capital	2,707.01	2,950.76	3,046.72	1,867.06	(5,501.60)
Total Risk Weighted Assets	16,340.19	16,156.55	16,962.03	17,480.82	16,269.98
Required Capital Based on Risk Weighted Assets (10%)	1,634.02	1,615.66	1,696.20	1,748.08	1,626.99
Surplus	1,072.99	1,335.11	1,350.50	118.98	-7,128.59





CREDIT RISK MANAGEMENT

Bangladesh Finance manages credit risk through processes and policies relating to the pre-sanction, post-sanction stages of credit approval and other portfolio management internal processes.

OBJECTIVES OF CREDIT RISK MANAGEMENT

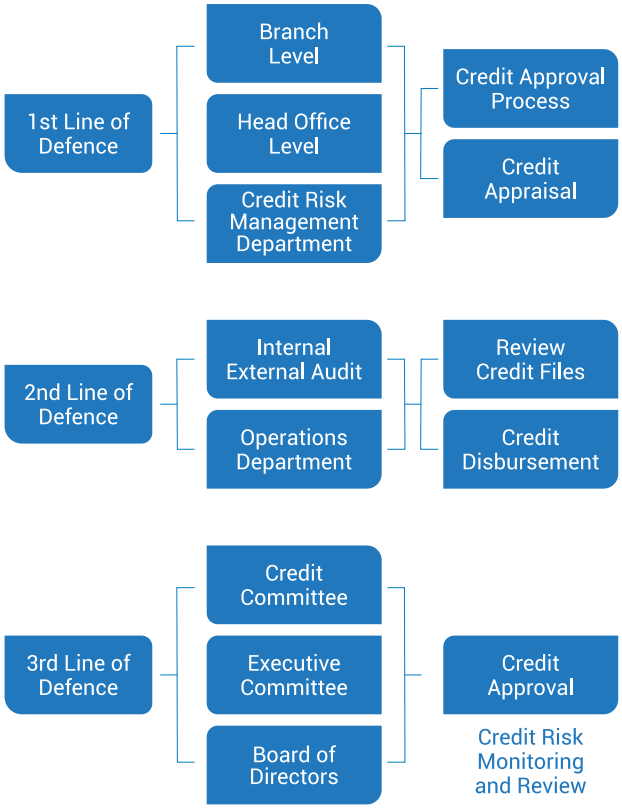
- Ensure optimal risk-reward pay-off for the FI to maximize returns
- Maintain the quality of the portfolio by minimizing the non-performing loans and probable losses
- Maintain a well-diversified portfolio by prudently managing the risk asset portfolio to ensure that the risk of excessive concentration to any industry, sector or individual customer is minimized
- Ensure that exposures to any industry or customer are determined by the regulatory guidelines, clearly defined internal policies, debt service capability and balance sheet management guidelines

Key Pillars of Bangladesh Finance's Credit Risk Management Framework

Credit Risk Appetite Parameters	Credit Quality Parameters • Credit quality related ratios • Product-wise NPA • Rating grades as a percentage of the total portfolio • Provision covers • Security covers • Top 20 borrower analysis report (Monthly	Lending Parameters • Single borrower exposure • (individual/group) • Product-wise concentration score • Risk rating grade-wise exposure • Top 20 Loans and advances • Sector-wise lending caps

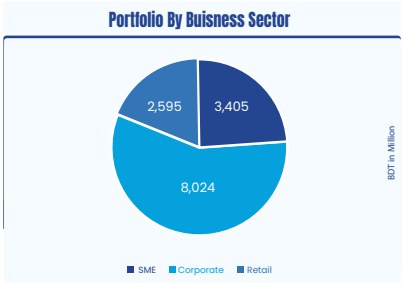
Standard Monitoring	• Top 20 borrower analysis report (Monthly Basis) • Analysis of risk elevated industries (Quarterly) • Analysis of sector-wise and product wise exposures (Monthly)	• Advance portfolio analysis (Semi-Annually) • Analysis of Geographical distribution (Monthly) • Loan review monitoring process (Ongoing, up to a % of total loan portfolio)
Key Control System	• Credit Policy and Credit Manual that serves as the foundation for lending • Comprehensive due diligence and customer screening procedures at the pre-credit evaluation stage • Portfolio review by the Portfolio Review Committee (PMC) on monthly basis • A clear segregation of duties between loan origination, pre-credit evaluation administration and post-credit monitoring	• Proactive post-credit monitoring and follow up by the Business Units, Credit Risk Management Department and SAM & Monitoring Department • Effective identification of Early Warning Signals and Watch Listing procedure • Credit Risk Management policy and related procedures
Governance & Oversight	• Branch Managers • Business Head • Head of SAM and Monitoring • Credit Committee • Internal Audit Function	• Credit Policy, Risk and Portfolio Review Committee • Board Executive Committee • Board Audit Committee • Board of Directors

Credit approval policy

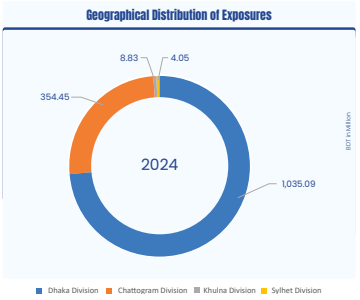


BUSINESS COMPOSITION OF PORTFOLIO

Bangladesh Finance's portfolio growth was maintained deliberately during the year. The segment wise composition of portfoli is comprised of corporate, SME, and retail:

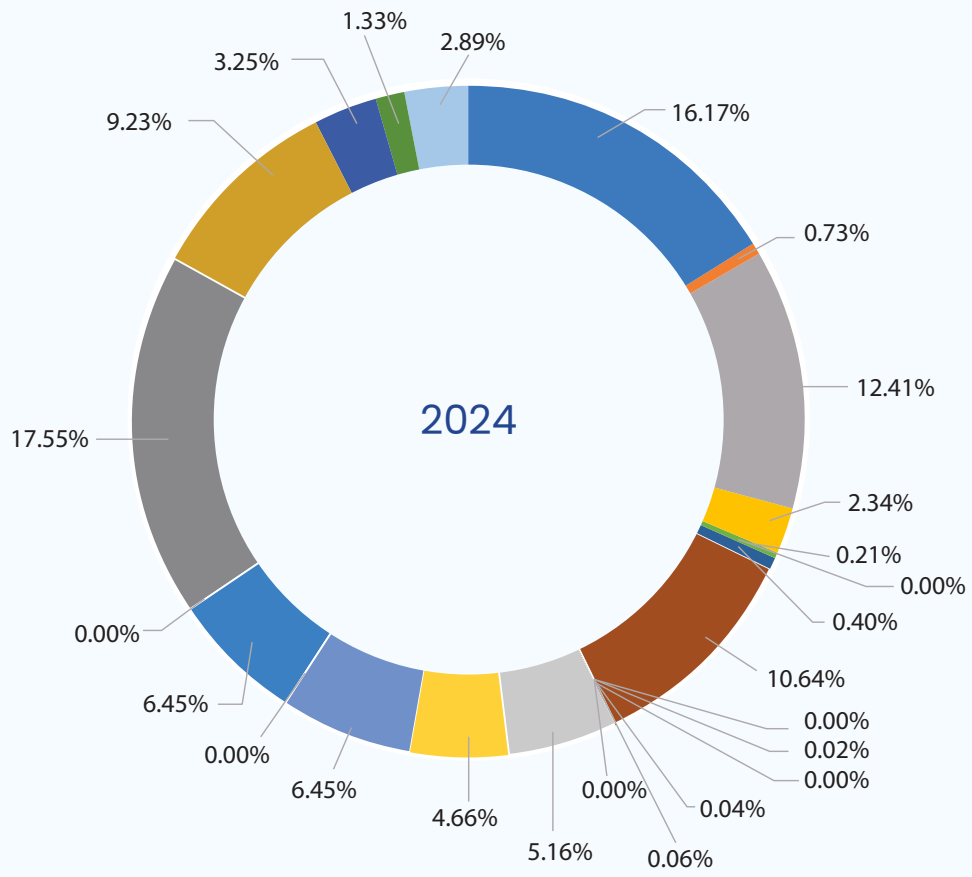


GEOGRAPHICAL CONCENTRATION OF PORTFOLIO



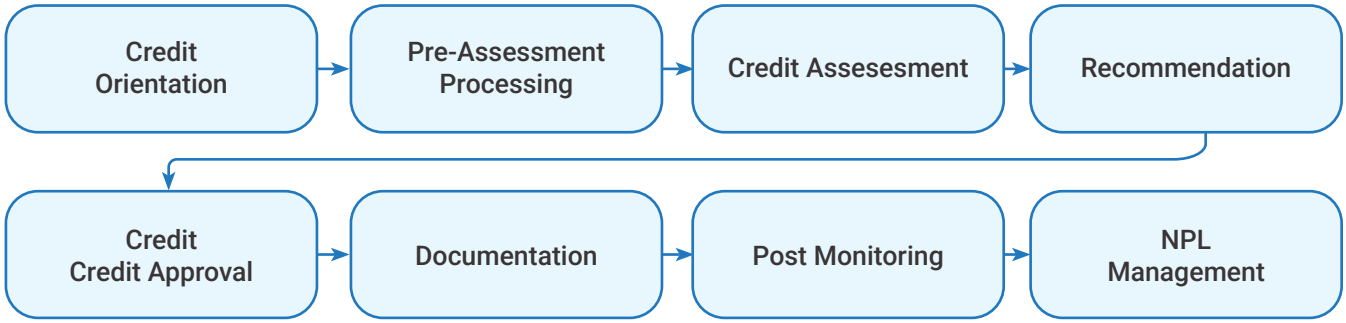
The higher concentration of investment was in Industry sector. For the product wise data, the concentration was mostly in Corporate Finance, Retail Finance and SME Finance. Region wise portfolio analysis shows that investment was heavily concentrated in Dhaka Zone, comprised of 04 branches; Principal Branch, Uttara Branch, Bangshal Branch, Gazipur Branch

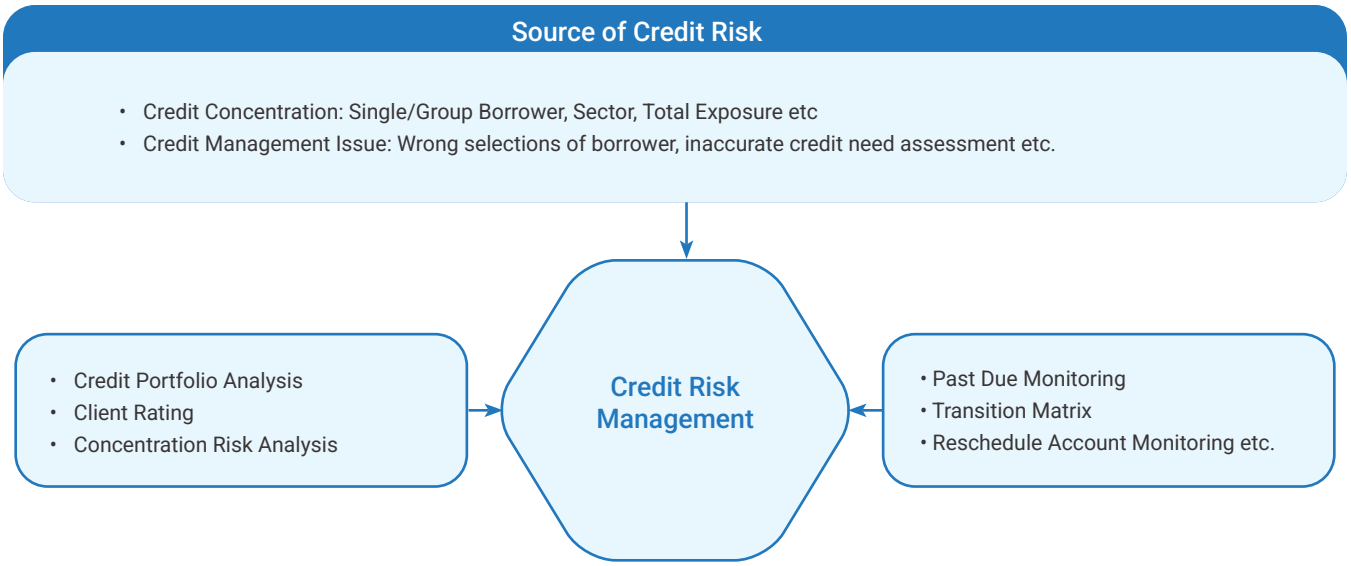
Sector Wise Classification of Investment 2024



- Trade & Commerce
- Food Production, Processing & Rice Mills
- Leather & Leather goods
- Cement & Allied Industry
- Glass, Glassware & Ceramic Industry
- Power, Gas, Petroleum, Water & Sanitary
- Agriculture
- Financial Corporation
- Others
- Garments & Knitwear
- Jute & Jute products
- Iron, Steel & Engineering
- Paper, Packaging, Printing, Publishing & Allied Industry
- Ship Manufacturing & Breaking
- Transport & Aviation
- Mining & Quarrying
- Service
- Textiles
- Plastic & Rubber Industry
- Pharmaceuticals & Chemicals
- Wood, Furniture & Fixture
- Electronics & Electrical Products
- Industry Others
- Housing
- Consumer Finance

Credit Management Process





Market Risk:

Market risk is the potential for loss of earnings or economic value due to adverse changes in financial market rates or prices. It covers interest rate risk and equity price risk in the trading book of Bangladesh Finance. Bangladesh Finance is exposed to risk associated with fluctuations in interest rate and equity prices. Interest rate risk is the current or prospective risk that earnings and/or capital are negatively affected by interest rate changes in the financial markets. This risk is inherent to the company's business. Bangladesh Finance uses various indicators to measure interest rate risk. The interest rate risk position is monitored by the Asset and Liability Committee (ALCO) on monthly basis. The interest rate risk is managed with an interest risk model, using guidelines and limits set by Bangladesh Bank and by performing various interest rate stress scenarios. Limits are agreed upon by the Management Committee based on a proposal made by the Asset and Liability Committee.

Market Risk Appetite Parameters	**Liquidity Risk** • Net Loans to Total Asset • Total Loans to Customer Deposits • Loan Fund Ratio • Bulk Deposits to Total Deposits • Commitments to Total Loans	**Interest Rate Risk** • Interest Rate Capping • Adjustment of inflation • Industry pressure	**Equity Price Risk** • Loss on capital market operation • Capping of capital
Standard Monitoring	• Monitoring of Board-approved limit framework for Market Risk Management (Continuous and Ongoing) • Assessment of Liquidity Risk, Interest Rate Risk and Equity	• Applying risk measurement techniques such as Stress Testing, Sensitivity Analysis for Market Risk exposures (Continuous and Ongoing) • Monitoring the market developments and trends (Continuous and Ongoing)	
Key Control System	• ALCO Policy • Investment Policy • Treasury Manual	• Liquidity Management Policy including Liquidity Contingency Funding Plan • Treasury Policy and procedure guideline for Treasury Operations • Code of Conduct for Treasury Operations	
Governance & Oversight	• Asset and Liability Management Committee • Investment Committee • ALCO Committee	• Risk Management Unit • Board Executive Committee • Board of Directors	

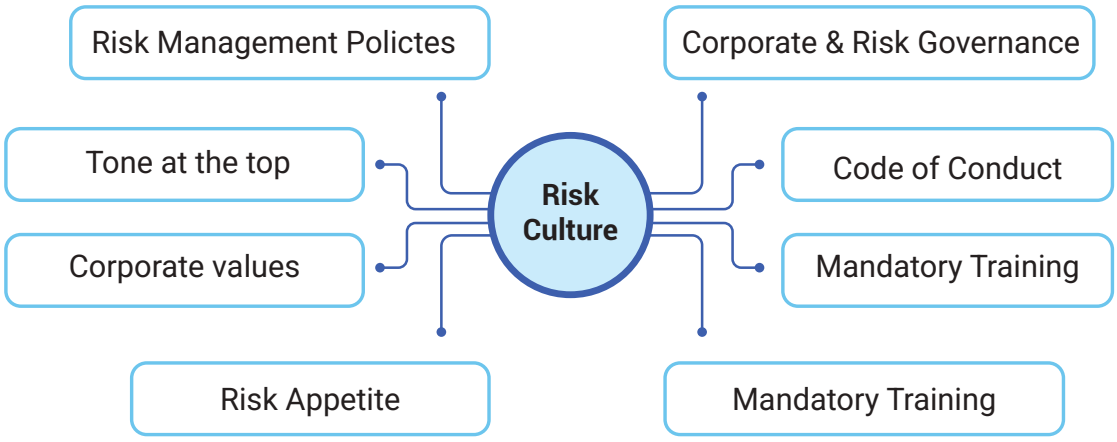
Operational Risk:

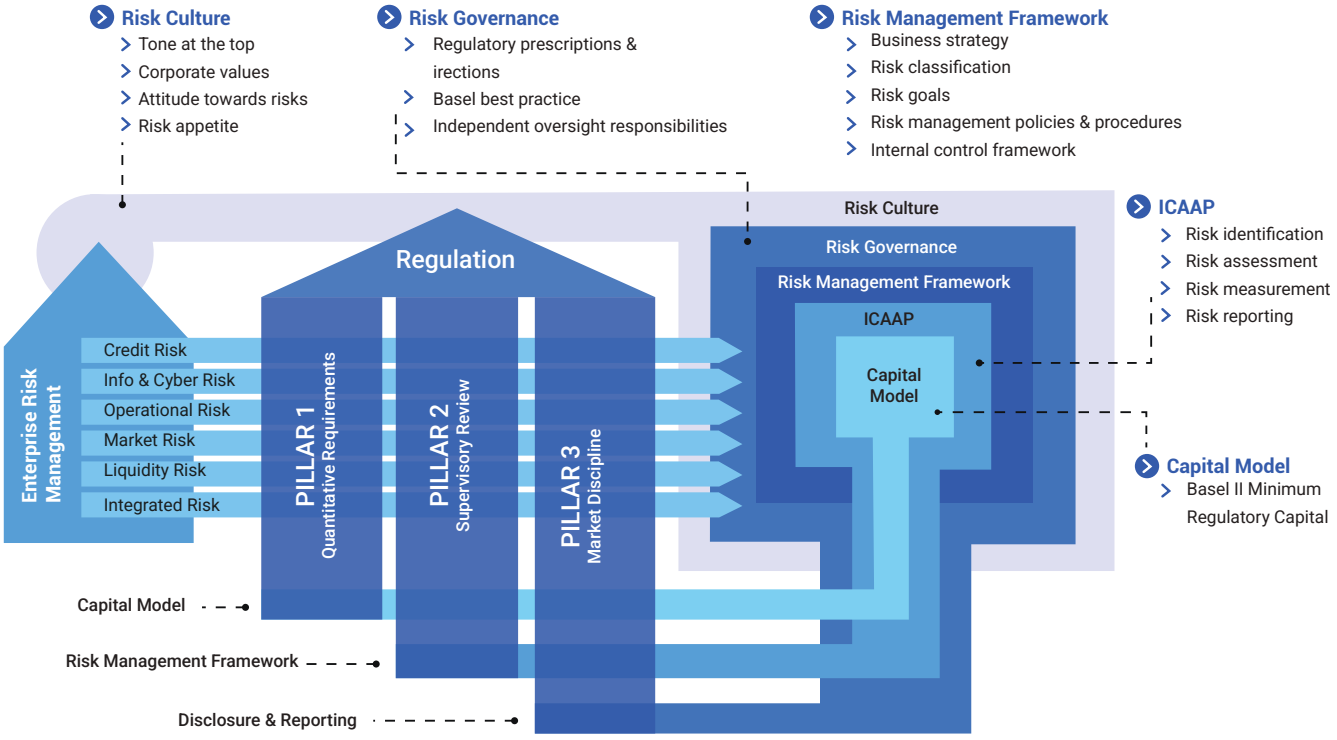
Operational risk is defined as the risk of unexpected losses due to physical catastrophe, technical failure and human error in the operation of a financial institution, including fraud, failure of management, internal process errors and unforeseeable external events.

Operational risk is the potential for loss arising from the failure of people, process or technology or the impact of external events. It is the objective of Bangladesh Finance to minimize exposure to operational risks, subject to cost tradeoffs. This objective is ensured through a framework of policies and procedures that drive risk identification, assessment, control and monitoring at business/function levels. Responsibility for the management of operational risks rests with the business and functional management as an integral part of their role. Bangladesh Finance proactively monitors its exposure to material loss events by leveraging internal experience (via risks and losses) and industry experience.

Operational Risk Appetite Parameter	• Internal Frauds • External Frauds • Employment Practice and Work Place Safety • Clients, Products and Business Practices	• Business Disruption and System Failures • Damages to tangible Assets • Execution Delivery and Process Management
Standard Monitoring Protocols	• Branch Managers • Business/Department Heads • IT Department • Credit Risk Management Unit	• Internal IT controls and best practices for information security • Policy on mapping FI's activities against the BASEL Guidelines • Legal Framework • Anti-Money Laundering Guidelines
Key Control System	• Risk Management Policy • Internal Policies, Procedures, Directives, and System Specifications along with MOUs, Service Level Agreements and NonDisclosure Agreements to effectively manage relationships with external service providers.	• Information Security Department • Board Audit Committee • Internal Audit Function • Board of Directors

Risk Culture





Risk Policies & Processes

Risk Management Framework Policy

Risk Philosophy	Risk Culture	Risk Governance	Risk Appetite	Risk Goals

Information & Cybersecurity Risk	Credit Risk	Market Risk	Liquidity Risk	Operational Risk	Integrated Risk
• The Information & Cybersecurity Risk Policy is managed by the CISO and some policies were amalgamated into the main policy during the year. • Patch Management Policy	• Product Policies • Credit Risk Policy • Write Off Policy • Baseline Credit Framework • Baseline Collateral • Classification Policy • Environmental & Social Risk Management Policy • SAM Policy	• Treasury Policy • ALM Policy • Contingency Funding Plan	• Asset & Liability Management Policy • Liquidity Risk Management Policy • Contingency Funding Plan	• Operational Risk Policy • BCP Document • Fraud Risk Management • Policy on Reporting and Provisioning for • Operational Losses	• Overall Risk Framework Policy • Risk Appetite Statement Guideline • Integrated Stress Testing Policy

ICAAP	Stress Testing	Discloser

Except those principal risks, Bangladesh Finance PLC. has to manage some other risks, those are as follows:

Risk	Implication	Mitigation Plan
Liquidity Risk	• Unable to meet its short-term funding needs • Unable to meet its obligations to customers or other stakeholders due to funding constraints, it can damage the company's reputation • Unable to meet these requirements, it may face regulatory sanctions or penalties	• Maintains an adequate level of liquid assets, i.e. cash, bank deposits, and marketable securities, to meet its short-term funding requirements • Diversifies its funding sources to reduce dependence on a single source of funds. • A contingency funding plan in place to manage unexpected liquidity shortfalls
Cyber Risk	• Data breach can occur when sensitive customer information is stolen or compromised resulting which financial loss, reputational damage, and legal and regulatory penalties may occur • Cyber-attack can disrupt an FI's operations, leading to lost productivity and revenue	• Conducting regular risk assessments • Implementing technical controls • Incident response planning • Regular testing and monitoring
Compliance and Legal Risk	• Non-compliance with regulatory requirements may result in penalties and fines imposed by the regulatory authorities • Non-compliance can damage the reputation of the FI and lead to a loss of customers, investors, and stakeholders • Compliance risk can result in financial loss due to legal costs, fines, penalties, and loss of business Failure to comply with legal and regulatory requirements may result in legal action against the FI.	• FI has developed policies and procedures that comply with the legal and regulatory requirements of Bangladesh Bank • FI has established a compliance function that is responsible for monitoring and managing compliance risks. • FI conducts regular audits and risk assessments to identify areas of noncompliance and potential compliance risks. • FI has established a mechanism for employees and stakeholders to report any instances of non-compliance.
Reputational Risk	• Reputational risk can cause long-term damage to an NBFI's reputation, making it difficult to rebuild trust and regain customer and investor confidence • Reputational risk can lead to a loss of investor confidence, reducing an NBFI's access to capital and funding	• FI has established a code of conduct and ethics, which guides its employees' behavior and ensures that they act in an ethical and responsible manner • FI has established a crisis management plan that outlines the steps to be taken in the event of a reputational crisis • FI engages with its stakeholders, including customers, employees, shareholders, regulators, and the community, to understand their needs and concerns and to build strong relationships based on transparency and trust
Strategic Risk	• Failure to adapt to changes in the market or industry can result in an NBFI losing market share to competitors • Strategic risk can lead to financial distress or even bankruptcy for the FI • Poor strategic decisions or implementation can impact the organization's ability to generate revenue, invest in growth, and pay dividends to shareholders.	• Conducting regular strategic reviews • Fostering a culture of risk awareness • Investing in technology and infrastructure • Monitoring and adapting to changes in the market and industry • Building and maintaining strong partnerships
Money Laundering and Terrorist Financing Risk	• Reputational damage • Legal and regulatory sanctions • Increased operational costs • Risk to financial stability • Reduced access to international markets	• Comprehensive AML/CFT policies and procedures are in place • Customer Due Diligence (CDD) is strictly followed • Employees receive regular AML/CFT training • Suspicious transactions are reported to the BFIU as required by law • Continuous compliance monitoring is conducted to ensure regulatory adherence

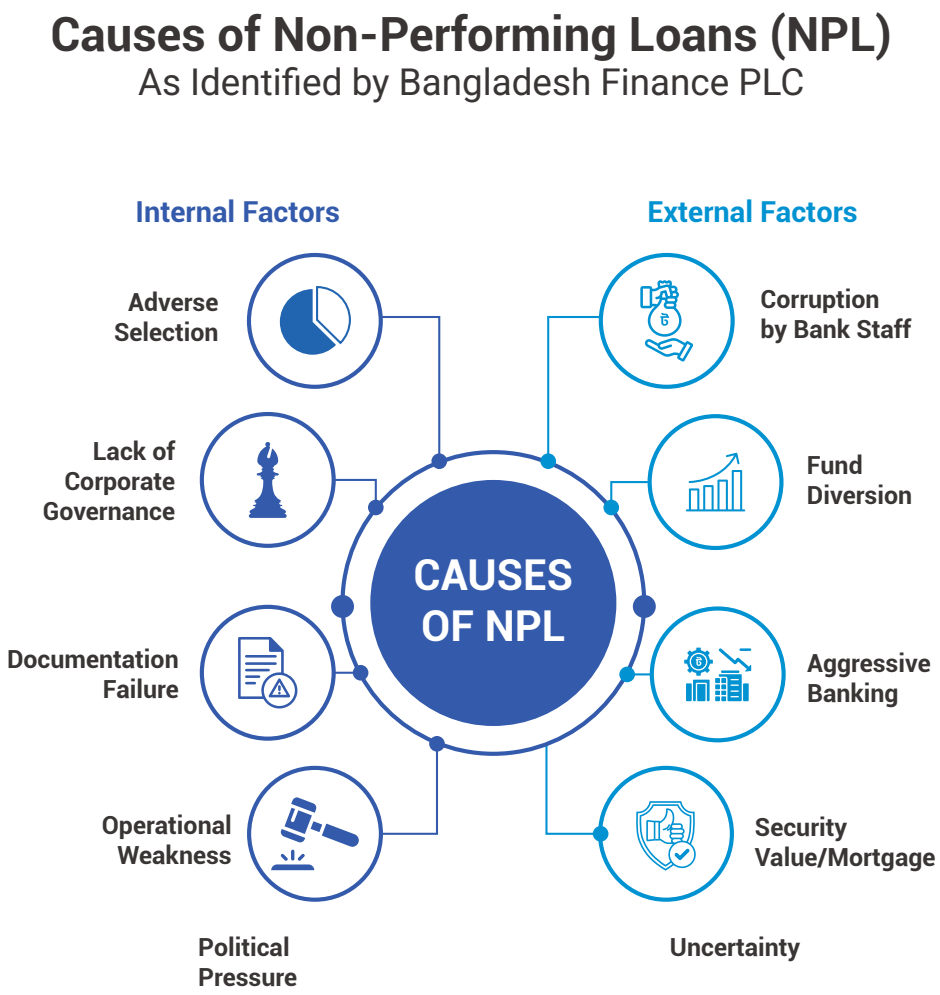
Action Plan for 2025

As a non-banking financial institution, Bangladesh Finance PLC. is not directly impacted by the ongoing Russia-Ukraine conflict. However, the global economic repercussions of the war may indirectly affect both our institution and our clients. In response to this continued economic uncertainty, we have outlined a strategic action plan for 2025 to enhance resilience and sustain long-term growth. Key initiatives include:

- **Enhancing Digital Capabilities:** We will continue to strengthen our digital infrastructure to provide seamless customer experiences and improve operational efficiency. This includes expanding online and mobile banking services, implementing digital payment platforms, and investing in advanced digital solutions.
- **Strengthening Capital and Liquidity Position:** We aim to reinforce our capital base and manage liquidity prudently by exploring avenues for raising additional capital, optimizing existing resources, and maintaining a robust liquidity risk framework.
- **Diversifying the Loan Portfolio:** To reduce sector-specific vulnerabilities, we will focus on maintaining a well-diversified loan portfolio across various industries and economic segments. This strategy will help cushion against potential downturns in any single sector.
- **Developing a Comprehensive Contingency Plan:** We are formulating a detailed contingency plan to proactively address potential risks stemming from global disruptions. This includes strategies for portfolio diversification, capital optimization, and cost management.
- **Strengthening Risk Management Capabilities:** We will enhance our risk management framework by adopting advanced analytics and real-time risk monitoring tools, enabling quicker responses to emerging threats and improved oversight of our exposures.
- **Continuous Risk Assessment**: Ongoing risk evaluation remains central to our strategy. We will regularly assess potential threats arising from geopolitical tensions and economic instability to ensure timely and effective mitigation measures.

Through these initiatives, Bangladesh Finance is committed to navigating uncertainty with resilience and agility while creating lasting value for all stakeholders.

NPL Management by Bangladesh Finance



STRATEGIES TAKEN BY BANGLADESH FINANCE PLC TO REDUCE NPL IN 2024 AND BEYOND

Industry NPL Movement Non-performing loans in Bangladesh began to rise after 2011, owing to market volatility, insufficient infrastructure facilities stifling investment growth, and political instability. Changes in classification criteria in 2022 to keep up with international standards, as well as an increase in loan scams in state-owned banks, financial institutions fueled the growth of NPLs in the banking industry. Loan rescheduling, large loan restructuring allowed by the Central Bank in 2022, and write-off of loans for which financial institution provided full provision improved the financial industry's NPLs in subsequent years.

Bangladesh's banking sector already has a high level of nonperforming loans (NPLs) and the extended impact of pandemic and other geo-political turmoil is likely to worsen the situation. Many banks and financial Institutions basically failed to communicate with their customers that leads to a rise of default.

NPL Position at Bangladesh Finance

Bangladesh Finance has maintained a close relationship with the customers, supported them and also managed the highest rate of recovery that helps to keep our NPL rate 9.26% in 2024 although industry NPL is much higher.

Bangladesh Finance's intense focus on asset quality drove it to an enviable low NPL ratio. In 2024, Bangladesh Finance saw a significant improvement in NPL over the years. A collaborative effort by the Business Division, the Credit Risk Management Division, the Special Asset Management Division, and the Management to keep the loan portfolio healthy, as well as effective oversight by the Honorable Board of Directors, has enabled Bangladesh Finance to achieve this feat.

Managing Non-performing Loans:

Non-performing loans (NPLs) is a significant challenge for Bangladesh Finance PLC. Here are some of the strategies that we have taken to reduce our NPLs in 2025 and beyond:

Credit Risk Management: We adopted a more proactive approach to credit risk management by improving its credit assessment procedures, setting appropriate credit limits, and monitoring the credit quality of its borrowers more closely. This can help us to identify potential problem loans early and take corrective actions before they become non-performing.

Restructuring and Rescheduling: We will consider restructuring or rescheduling the loans of its borrowers who are experiencing financial difficulties but are likely to recover in the future. This can help to reduce the level of NPLs by keeping the loans current and avoiding defaults

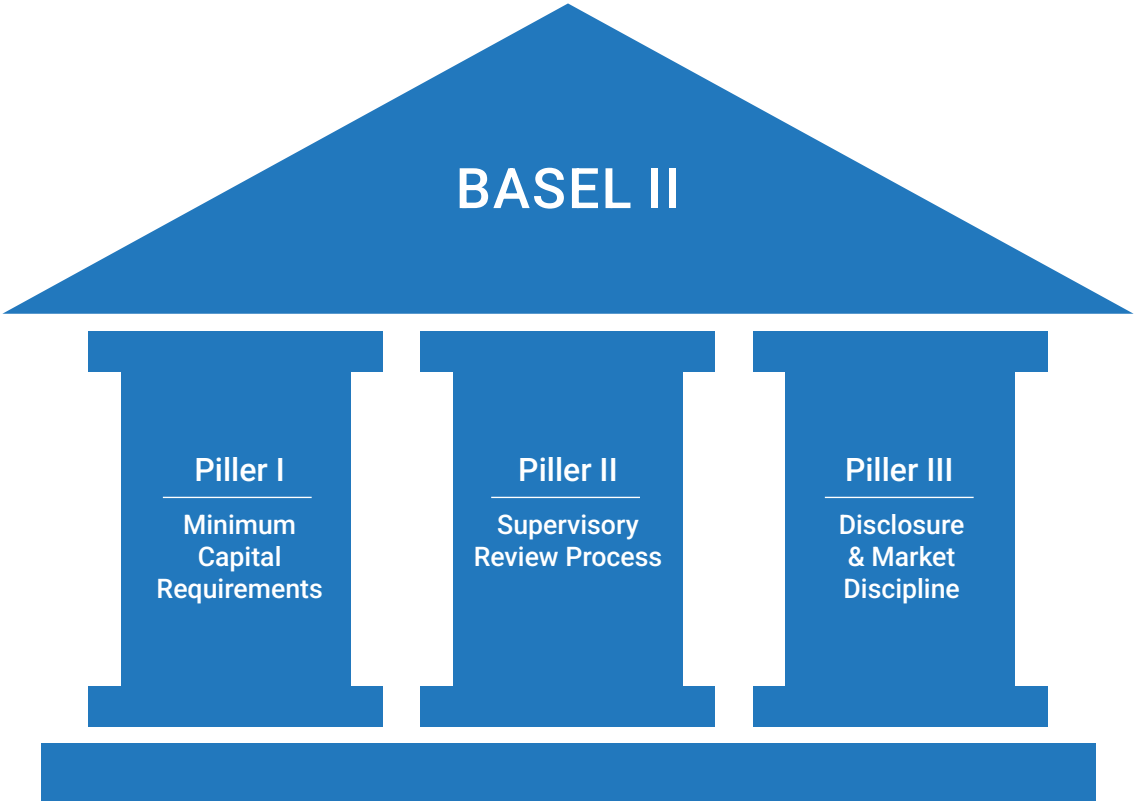
Recovery and Collection: We will focus on recovering its NPLs through various means such as negotiating with borrowers, taking legal action, or selling the loans to third-party collection agencies. This can help to improve its collection efficiency and reduce the level of NPLs

Portfolio Diversification: We will reduce its NPLs by diversifying its loan portfolio across different sectors and industries, rather than relying heavily on a particular sector or group of borrowers. This can help to reduce its exposure to any one particular risk and improve the overall quality of its loan portfolio

Cost Management: We will also look for ways to reduce its operational costs to improve its overall profitability and reduce its exposure to financial risks. This can include streamlining its operations, reducing expenses, and optimizing its use of technology and automation.

Loan Monitoring System: We will implement a robust loan recovery and monitoring system that ensures prompt follow-up and immediate corrective action in case of delinquencies. It can leverage digital technologies like data analytics and artificial intelligence to identify early warning signals and risks associated with delinquent accounts.

DISCLOSURES UNDER PILLAR III- MARKET DISCIPLINE



Pillar III of the Basel II framework requires financial institutions to disclose relevant information about their risk management practices, capital adequacy, and risk exposure to promote market discipline. The goal of Pillar III is to provide transparency and enable market participants to make informed decisions about the risks associated with a financial institution.

The following detailed qualitative and quantitative disclosures are provided in accordance with prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions which have been published on December 28, 2011. The Purpose of these requirements is to complement the capital adequacy requirements and the pillar III – Supervisory review process. These disclosures are intended for market participants to assess key information about the FI's exposure to various risks and to provide a consistent and understandable disclosure framework as per regulatory requirements. The FI has an approved disclosure policy to observe the disclosure requirements set out by the Bangladesh FI and International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) where relevant to the FI.

01 Scope of Application

Qualitative Disclosures	
a) The name of the top corporate entity in the group to which this guideline applies	**Bangladesh Finance PLC**
b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (i) that are fully consolidated; (ii) that are given a deduction treatment; and (iii) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).	The consolidated Financial Statements include the Financial Statements of i) Bangladesh Finance Limited, ii) Bangladesh Finance Securities Limited, and iii) Bangladesh Finance Capital Limited.Bangladesh Finance holds 57.36% and 99.97% shares of Bangladesh Finance Securities Limited and Bangladesh Finance Capital Limited respectively. A brief description of these institutions are given below: **Bangladesh Finance PLC** Bangladesh Finance PLC is a financial institution operating in Bangladesh. It was incorporated in 1999 and obtained its license from the Bangladesh Bank (the central bank of Bangladesh) on 22 December 1999 to operate as a non-bank financial institution (NBFI). Bangladesh Finance provides a range of financial services, including lease financing, term financing, project financing, and SME financing. It also offers deposit products, including fixed deposits, monthly savings schemes, and other investment products. **Bangladesh Finance Securities Limited** Bangladesh Finance Securities Ltd is a subsidiary of Bangladesh Finance providing brokerage services to its clients with a membership of the Dhaka Stock Exchange Ltd. BD Securities commenced its operation in November 2011 and within a short span of time the company has emerged as one of the leading brokerage houses of the country holding an average of 1.69% market share of DSE trade volume. During the year 2015 the ranking of Bangladesh Finance Securities in DSE stood at 25. The Company has a strong team of highly skilled and experienced professionals to achieve its ultimate objectives. **Bangladesh Finance Capital Limited** BD Capital started its journey on August 19, 2013 with authorized capital of Tk. 200 crore and paid-up capital of Tk. 26.87 crore. The organization is run by a team of professionals under leadership of highly experienced and leading personalities of this field. Bangladesh Finance Capital Limited is a full-fledged Merchant Banker licensed by Bangladesh Securities and Exchange Commission (BSEC) on February 26, 2012. BD Capital is a 99.97% subsidiary of Bangladesh Finance Limited and is a Depository Participant with Central Depository Bangladesh Limited (CDBL). We are catering to individual Investors, Corporate and NRB clients.
c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.	Not Applicable for the FI
d) The aggregate amount of capital deficiencies in all subsidiaries not included in the consolidation that are deducted and the name(s) of such subsidiaries.	Not Applicable for the FI

02 Capital Structure

Qualitative Disclosures

a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in Tier 1 or in Tier 2.

Tier 2 capital includes:

i) General provision up to a limit of 1.25% of Risk Weighted Asset (RWA) for Credit Risk;
ii) Revaluation reserves:
50% Revaluation reserve for fixed assets;
45% Revaluation reserve for securities;
iii) All other preference shares.

Conditions for maintaining regulatory capital:
The calculation of Tier 1 capital, and Tier 2 capital, shall be subject to the following conditions:
i) The amount of Tier 2 capital will be limited to 100% of the amount of Tier 1 capital.
ii) 50% of revaluation reserves for fixed assets and 45% of revaluation reserves for securities are eligible for Tier 2 capital.

Quantitative Disclosures

b) The amount of Tier 1 capital, with separate disclosure of:

Particulars	Amount in BDT crore
Paid up capital	188.24
Statutory Reserve	50.12
General Reserve	-
Retained earnings	(833.41)
Minority interest in subsidiaries	-
Others (If any approved by Bangladesh Bank)	-
a)Total Tier 1 capital	**(595.06)**
b) The total amount of Tier 2 capital	**44.90**
c) (c=a+b) Total eligible capital	**(550.16)**

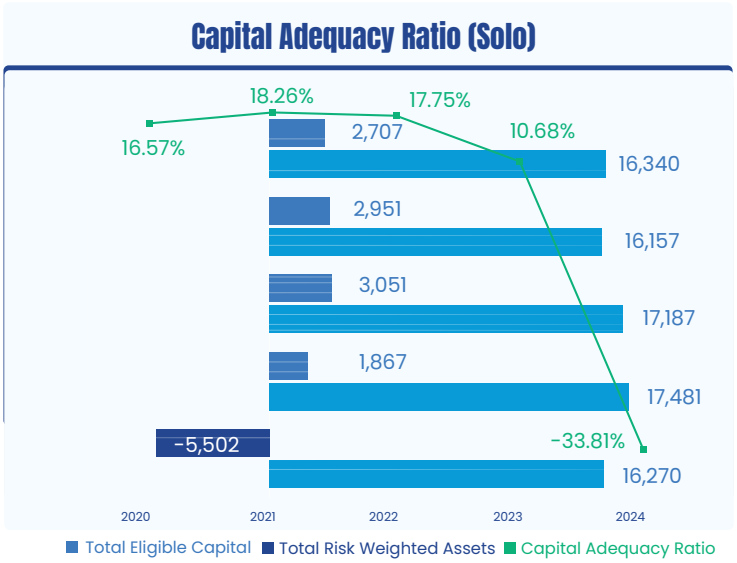
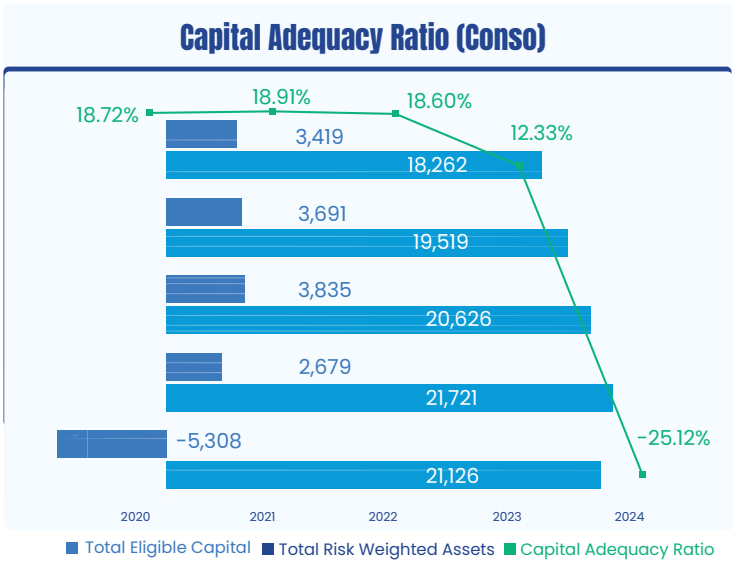
03 Capital Adequacy

Qualitative Disclosures

a) A summary discussion of the FI's approach to assessing the adequacy of its capital to support current and future activities.

Risk Weighted Assets (RWA) and Capital Adequacy Ratio (CAR)
Bangladesh Finance has adopted Standardized Approach for computation of Capital Charge for Credit Risk and Market Risk while Basic Indicator Approach for Operational Risk. Total Risk Weighted Assets (RWA) of the Company is determined by multiplying the capital charge for market risk and operational risk by the reciprocal of the minimum capital adequacy ratio i.e. 10% and adding the resulting figures to the sum of risk weighted assets for credit risk. Total RWA is then used as denominator while total Eligible Regulatory Capital as on numerator to derive Capital Adequacy Ratio.

Strategy to achieve the required Capital Adequacy:
Operational level:
Immediate measures:
Asking unrated corporate clients to have credit rating from External Credit Assessment Institutions (ECAIs) recognized by Bangladesh Bank;
Rigorous monitoring of overdue contracts to bring those under 90 days overdue;
Assessing incremental effect of capital charge over the expected net income from financing before sanctioning any appraisal, which could be one of the criteria for taking financing decision.

	Continuous measures: Concentrating on SME clients having exposure up to BDT 1 crore as this will carry 75% fixed risk weight (for regular contracts only); Financing clients having good credit rating; Using benefit of credit risk mitigation by taking eligible financial collaterals against transactions; Focusing more on booking high spread earning assets and thus increasing retained earnings. Strategic Level: Injecting fresh capital by issuing right shares, if required.
Quantitative Disclosures	
a) RWA for Credit Risk c) RWA for Market Risk d) RWA for operational risk	1,491.47 Crore BDT 49.83 Crore BDT 85.70 Crore BDT
e) Total and Tier 1 capital ratio:	 

04 Credit Risk

Qualitative Disclosures

a) The general qualitative disclosure requirement with respect to credit risk, including:	Financial institutions classify loans and advances (loans and bill discount in the nature of an advance) into performing and non-performing loans (NPL) in reference to DFIM circular no. 4 dated 26th July 2021. As per the Bangladesh Bank's Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions, the unsecured portion of any claim or exposure (other than claims secured by residential property) that is past due for 90 days or more, net of specific provisions (including partial write-off) will be risk weighted as per risk weights of respective balance sheet exposures. For the purpose of defining the net exposure of the past due loan, eligible financial collateral (if any) may be considered for Credit Risk Mitigation.
Definitions of past due and impaired (for accounting purposes)	1. Any Continuous Loan or Demand Loan if not repaid/renewed within the fixed expiry date for repayment or after the demand by the FI will be treated as past due/overdue from the following day of the expiry date. Whereas, in case of any instalment (s) or part of instalment (s) of a Fixed Term Loan is not repaid within the fixed expiry date, the number of unpaid instalment (s) will be treated as past due/overdue after six months of the expiry date. 2. A continuous loan, demand loan, fixed term loan or any instalment(s)/ part pf instalment(s) of a Fixed Term Loan which will remain past due/overdue for a period of: a) 03 (three) months or beyond but less than 09 (nine) months, the entire loan will be put into the "Sub-standard (SS)" b) 09 (nine) months or beyond but less than 12 (twelve) months, the entire loan will be put into the "Doubtful (DF)". c) 12 (twelve) months or beyond, the entire loan will be put into the "Bad/Loss (B/L)

Quantitative Disclosures

Description of approaches followed for specific and general allowances and statistical methods

Specific and General provisions are maintained according to the relevant Bangladesh Bank guideline.

Types of Loan	Provision maintained
SME –Standard loan/lease	0.25%
Subsidiaries/sister concerns/brokerage house/merchant banks/stock dealers	2%
Standard loans (other than SME/ Subsidiaries/sister concerns/brokerage house/ merchant banks/stock dealers - Standard loan/ lease)	1%
SMA loan/lease	5%
Sub-standard loan/lease	20%
Doubtful loan/lease	50%
Bad/loss loan/lease after deducting the amount of interest expenses and value of eligible securities from the outstanding balance of classified accounts.	100%

Discussion of the FI's credit risk management policy	Implementation of various strategies to minimize risk: To encounter and mitigate credit risk the following control measures are taken place at Bangladesh Finance: Looking into payment performance of customer before financing; • Annual review of clients; • Adequate insurance coverage for funded assets; • Vigorous monitoring and follow up by Special Assets Management and collection Team; • Strong follow up of compliance of credit policies by Credit Administration Department; • Taking collateral and performing valuation and legal vetting on the proposed collateral; • Seeking legal opinion from internal and external lawyer for any legal issues; • Maintaining neutrality in politics and following arm's length approach in related party transactions; • Regular review of market situation and industry exposure; • Sector-wise portfolio is maintained within specific limits to ensure diversification of loan assets. In addition to the industry best practices for assessing, identifying and measuring risks, Bangladesh Finance also considers Guidelines for Managing Core Risks of financial institutions issued by the Country's Central Bank, Bangladesh Bank; vide FID Circular No. 10 dated September 18, 2005 for management of risks. **Approved Credit Policy by the Board of Directors** The Board of Directors has approved the Credit Policy for the company where major policy guidelines, growth strategy, exposure limits (for particular sector, product, individual company and group) and risk management strategies have been described/stated in detail. Credit Policy is regularly updated to cope up with the changing global, environmental and domestic economic scenarios. **Separate Credit Risk Management (CRM) Department** An independent Credit Risk Management (CRM) Department is in place, at Bangladesh Finance, to scrutinize projects from a risk-weighted point of view and assist the management in creating a high-quality credit portfolio and maximize returns from risk assets. Research team of CRM regularly reviews market situation and exposure of Bangladesh Finance in various industrial sub-sectors. Credit Administration Department has been segregated from CRM in line with Central Bank's Guidelines. CRM assess credit risks and suggest mitigations before recommendation of every credit proposal while Credit Administration confirms that adequate loan and lease security documents are in place before disbursement. **Special Assets Management and Collection Team** A strong Law and Recovery Team monitors the performance of the loans & advances, identify early signs of delinquencies in portfolio, and take corrective measures to mitigate risks, improve loan quality and to ensure recovery of loans in a timely manner including legal actions. **Independent Internal Control and Compliances Department (ICC)** Appropriate internal control measures are in place at Bangladesh Finance. Bangladesh Finance has also established Internal Control and Compliances Department (ICC) to ensures, compliance with approved lending guidelines, Bangladesh Bank guidelines, operational procedures, adequacy of internal control and documentation procedures. ICC frames and implements policies to encounter such risks. **Credit Evaluation** The Credit Committee (CC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks. The CC critically reviews proposals considering the current global financial crisis and its probable impact on the specific project. Credit Risk Grading (CRG) helps a Financial Institution to understand the various dimensions of risks involved in transactions related to small business clients who are plying their businesses in various geographical locations across the country. Bangladesh Finance has been developing and managing CRG to promote the safety and

soundness of the Company by facilitating informed decision-making. This grading measures credit risk and differentiate individual credits and groups of credits by the risk they pose. This allows management and examiners to monitor changes and trends in risk levels. The process also allows the management to manage risk to optimize returns.

To mitigate credit risk, Bangladesh Finance search for credit information report from the Credit Information Bureau (CIB) of Bangladesh Bank. The report is scrutinized by CRM and CC to understand the liability condition and repayment behavior of the client. Depending on the report, opinions are taken from client's banks. Suppliers' and buyers' opinion are taken to understand the market position and reputation of our proposed customers.

Credit Approval Process

To ensure both speedy service and mitigation of credit risk, the approval process is maintained through a multilayer system. Depending on the size of the loan, a multilayer approval system is designed. As smaller loans are very frequent and comparatively less risky, lower sanctioning authority is set to improve the turnaround time and associated risk. Bigger loans require more scrutiny as the associated risk is higher. So sanctioning authority is higher as well.

Credit Quality and Portfolio Diversification

Bangladesh Finance believes in diversification in terms of products as well as sectors. To mitigate the Credit Risk, the company diversifies its loan exposure to different sectors confirming the Central Bank's requirements. Threshold limit is set for any sector so that any adverse impact on any industry has minimum effect on Bangladesh Finance's total return. Central Bank's instructions are strictly followed in determining Single Borrower/Large Loan limit. Significant concentration of credit in terms of groups or geographical location is carefully avoided to minimize risk.

Early Warning System

Performance of loans is regularly monitored to trigger early warning system to address the loans and advances whose performance show any deteriorating trend. It enables the company to grow its credit portfolio with ultimate objective to protect the interest of stakeholders.

NPL Management

Bangladesh Finance measures its loan portfolio in terms of payment arrears. The impairment levels on the loans and advances are monitored regularly.

As per FID Circular No.3 dated March 15, 2007 & and DFIM Circular No.2 dated April 01, 2019:

1. Loan/Lease, classified as bad/loss and with 100% provision, can only be written-off.
2. Approval from the Board of Directors has to be taken before write-off.
3. The financial institutions should constantly try to recover the loan/lease written-off amount. If legal action has not been taken against the client, legal charges should be placed before the write off.
4. To expedite the legal settlement or collection of the due amount, third party agents can be appointed by the financial institutions.
5. A separate ledger should be maintained for the written off loans/leases and the accumulated written off value should be disclosed separately under the heading of "notes to the account" in the annual report/balance sheet of the financial institutions.
6. Even if the loan/lease has been written off, the client should be classified as defaulter and reported to CIB accordingly.

Counterparty Credit Rating

Bangladesh finance is taking initiatives to rate the Corporate Clients of the company immediately by the External Credit Assessment Institutions (ECAIs)/Rating Agencies duly recognized by the Central Bank. As on December 31, 2024, total net exposure of BDT 802.38 crore was eligible for credit rating. Among these net exposure of BDT 403.45 crore had valid credit ratings. That is, about 50.00% of rate able exposure was rated. We are optimistic of getting more counter party ratings by 2025.

Methods used to measure Credit Risk

As per the directives of Bangladesh Bank, 'The Standardized approach' is applied by the company to measure its Credit Risk.

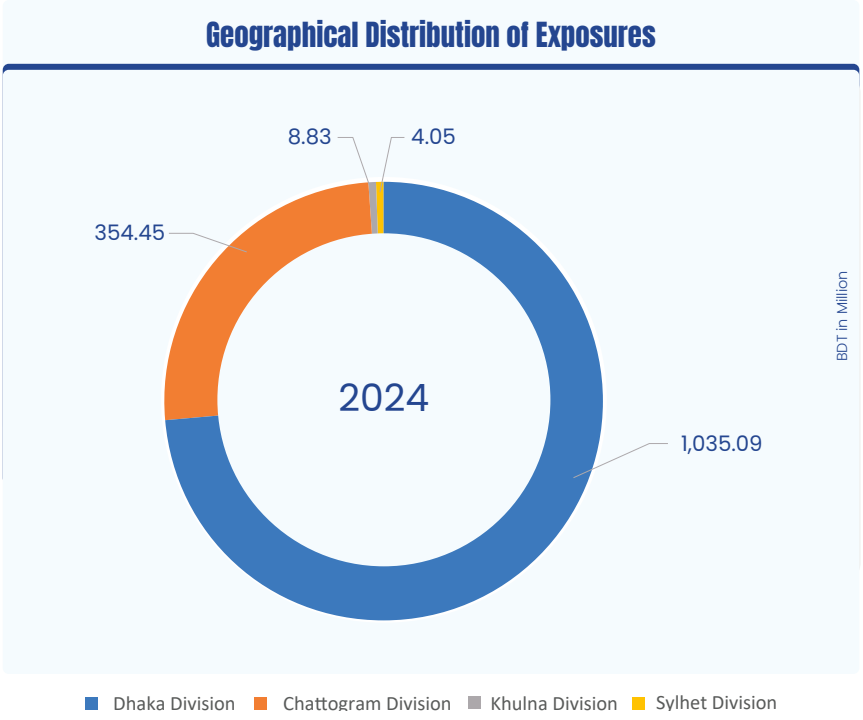
Quantitative Disclosures

b) Total gross credit risk exposures broken down by major types of credit exposure.

Particulars	Amount in BDT crore
Lease Finance	158.50
Term Finance	974.56
Housing Finance	269.36
Total	1,402.43

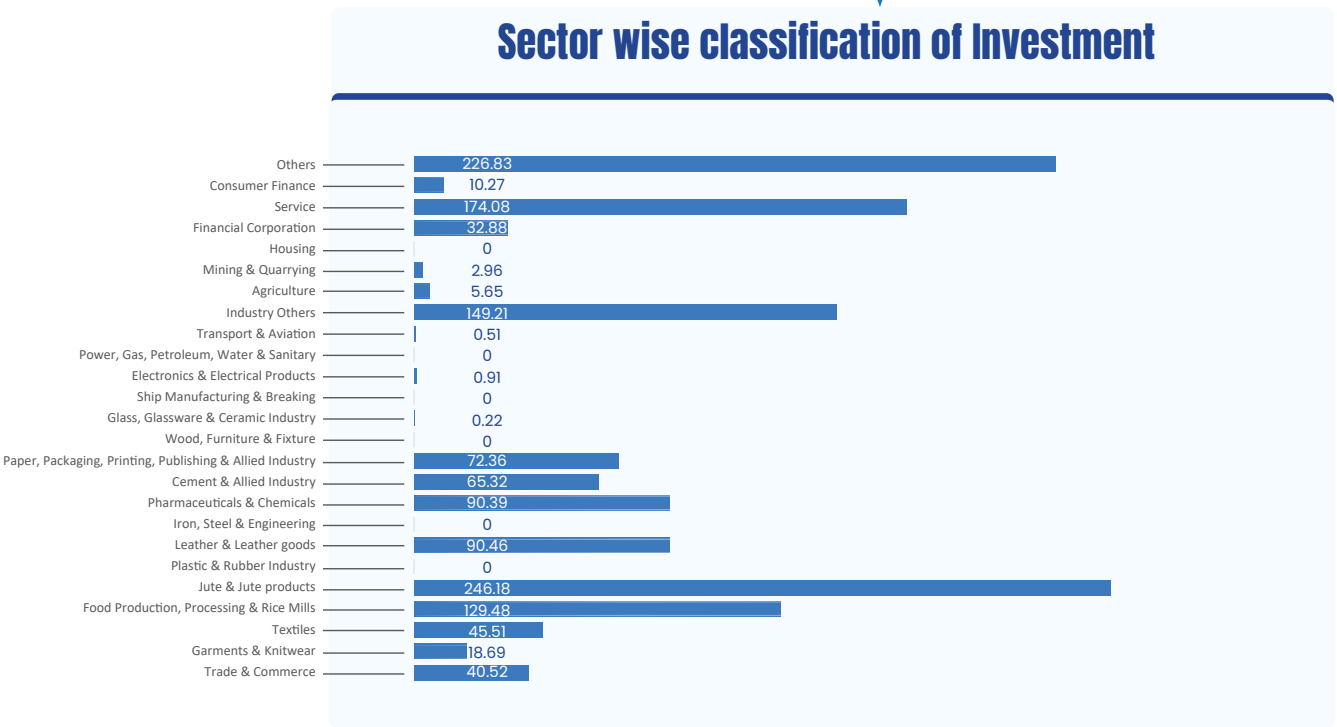
c) Geographical distribution of exposures, broken down in significant areas by major types of credit exposure.

Area	Amount in BDT crore
Dhaka Division	1,035.09
Chattogram Division	354.45
Khulna Division	8.83
Sylhet Division	4.05
Total	1,402.43



d) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure.

Sector wise classification of Investment	Amount in crore
Trade & Commerce	226.83
Garments & Knitwear	10.27
Textiles	174.08
Food Production, Processing & Rice Mills	32.88
Plastic & Rubber Industry	2.96
Leather & Leather goods	5.65
Iron, Steel & Engineering	149.21
Pharmaceuticals & Chemicals	0.51
Paper, Packaging, Printing, Publishing & Allied Industry	0.91
Glass, Glassware & Ceramic Industry	0.22
Electronics & Electrical Products	72.36
Power, Gas, Petroleum, Water & Sanitary	65.32
Transport & Aviation	90.39
Agriculture	90.46
Housing	246.18
Financial Corporation	129.48
Service	45.51
Consumer Finance	18.69
Others	40.52
Total	**1,402.43**



Besides, Bangladesh Finance Group portfolio includes total margin loan to clients by our capital market subsidiaries (BFSL and BFCL) of BDT 66.09 crore. Therefore, the total credit exposure of the group amounts to BDT 1,468.52 crore.

e) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure.

Particulars	Amount in BDT crore
Receivable on Demand	91.61
Not more than 3 months	135.25
Over 3 months but not more than 1 year	156.06
Over 1 year but not more than 5 years	749.10
Over 5 years	270.40
Total	1,402.43

f) Gross Non-Performing Assets (NPAs)

Particulars	Amount in BDT crore
Opening balance	154.77
Addition/ (Adjustment)during the year	(24.91)
Closing balance	129.86

05 Equities: banking book positions

Qualitative Disclosures	
Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons	Investment in equity mainly for capital gain purpose but the company has some investment for relationship and strategic reasons.
Discussion of important policies covering the valuation and accounting of equity holdings in the banking book positions. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices	The equity markets are traditionally volatile with a high-risk, high-returns profile. As such investors in the equity market have to plan and strategize to reduce their risks and increase their returns. Equity investments must therefore go hand in hand with a good risk management plan in place. In an uncertain marketplace like the present, investor cannot afford to place all hope in only one thing. Therefore, it is very important to protect the total investment value by means of diversification. Investments in shares of Bangladesh Finance are made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived. The company recognizes that no investment is totally free from risk and that occasional measured losses are inevitable in a diversified portfolio and will be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best interest of the company. Quoted shares are valued at cost prices and if the total cost of a particular share is lower than the market value of that particular share, then provisions are maintained as per terms and conditions of regulatory authority. On the other hand, unquoted share is valued at cost price or book value as per latest audited accounts.

Quantitative Disclosures

a) Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair

Investment in equity mainly for capital gain purpose but the company has some investment for relationship and strategic reasons

Particulars	Cost Price	Market Price
Quoted shares	19.24	10.92
Unquoted shares	1.00	-
Preference shares	14.00	-

b) The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.

BDT 6.65 crore

c) Total latest revaluation gains (losses)
Any amounts of the above included in Tier 2 capital

Particulars	Amount in BDT crore
Total latest revaluation gains (losses)	26.26

d) Capital requirements broken down by appropriate equity groupings, consistent with the FI's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.

d.1) Specific Risk
Market value of investment in equities is BDT 24.92 crore. Capital Requirement is 10% of the said value which stand to BDT 2.49 crore.

d.2) General Risk
Market value of investment in equities is BDT 24.92 crore. Capital Requirement is 10% of the said value which stand to BDT 2.49 crore.

d.3) Total (d1+d2)
BDT 4.98 crore.

06 Interest rate in the banking book

Qualitative Disclosures

The general qualitative disclosure requirement including the nature of interest risk and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits

Interest rate risk in the banking book arises from mismatches between the future yield of an assets and their funding cost. Assets Liability Committee (ALCO) monitors the interest rate movement on a regular basis. Bangladesh Finance measure the Interest Rate Risk by calculation Duration Gap i.e. a positive Duration Gap affect company's profitability adversely with the increment of interest rate and a negative Duration Gap increase the company's profitability with the reduction of interest rate.

07 Market Risk

Qualitative Disclosures	
Views of Board of Directors (BoD) on Trading/Investment Activities Methods Used to Measure Market Risk Management System Policies and Processes for Mitigating Market Risk	All the Market Risk related policies/guidelines are duly approved by BoD. The BoD sets limit and reviews and updates the compliance on regular basis aiming to mitigate the Market Risk. Market Risk is the probability of losing assets in balance sheet and off- balance sheet position arising out of volatility in market variables i.e. interest rate, exchange rate and prices of securities. In order to calculate the market risk for trading book purposes the company uses standardized (rule based) approach where capital charge for interest rate risk, price and foreign exchange risk is determined separately. A Policy for managing Market Risk has been set out by the Board of Directors of the company where clear instructions has been given on Loan to Fund Ratio, Local Regulatory Compliance, Recommendation/Action Plan etc. Treasury manages the Market Risk with the help of Asset Liability Management Committee (ALCO) and Asset Liability Management (ALM) Desk in the following way: **Interest Risk Management** Treasury Division reviews the risks of changes in income of the Company as a result of movements in market interest rates. In the normal course of business, Bangladesh Finance tries to minimize the mismatches between the duration of interest rate sensitive assets and liabilities. Effective Interest Rate Risk Management is done as under: **Market Analysis** Market analysis over interest rate movements are reviewed by the Treasury of the company. The type and level of mismatch interest rate risk of the company is managed and monitored from two perspectives, being an economic value perspective and an earning perspective. **GAP Analysis** ALCO has established guidelines in line with central Bank's policy for the management of assets and liabilities, monitoring and minimizing interest rate risks at an acceptable level. ALCO in its regular monthly meeting analyzes Interest Rate Sensitivity by computing GAP i.e. the difference between Rate Sensitive Assets and Rate Sensitive Liability and take decision of enhancing or reducing the GAP according to prevailing market situation aiming to mitigate interest rate risk. Continuous Monitoring Company's treasury manages and controls day-to-day trading activities under the supervision of ALCO that ensures continuous monitoring of the level of assumed risks. **Equity Risk Management** Equity Risk is the risk of loss due to adverse change in market price of equities held by the Company. Equity Risk is managed by the following way: Bangladesh Finance minimizes the Equity Risks by portfolio diversification as per investment policy of the company. The entire portfolio is managed by Bangladesh Finance Securities Limited.

Qualitative Disclosures	
The capital requirements for Market Risk	
Interest rate risk	
Equity position risk	4.98 Crore
Foreign Exchange Position and Commodity risk (if any)	

08 Operational Risk

Qualitative Disclosures	
Views of Board on System to Reduce Operational Risk	All the policies and guidelines of internal control and compliances are duly approved by the Board. The Board delegates its authority to Executive Committee and to MANCOM members as per company policy of delegation of authority. Audit Committee of the Board directly oversees the activities of internal control and compliance as per good governance guideline issued by Bangladesh Securities and Exchange Commission.
Performance Gap of Executives and Staffs	Bangladesh Finance's recruitment strategy is based on retaining and attracting the most suitable people at all levels of the business and this is reflected in our objective approach to recruitment and selection. The approach is based on the requirements of the job (both now and in the near future), matching the ability and potential of the individual. Qualification, skills and competency form our basis for nurturing talent. We are proud to state that favorable job responsibilities are increasingly attracting greater participation from different level of employees in the Bangladesh Finance. We aim to foster a sense of pride in working for Bangladesh Finance and to be the employer of choice. As such no performance gap exists in Bangladesh Finance.
Potential External Events	No such potential external event exists to raise operational risk of Bangladesh Finance at the time of reporting.
Policies and Procedures for Mitigating Operational Risk:	Bangladesh Finance has also established Internal Control and Compliances Department (ICC) to address operational risk and to frame and implement policies to encounter such risks. ICC assesses operational risk across the Company as a whole and ensures that an appropriate framework exists to identify, assess and mange operational risk.
Approach for Calculating Capital Charge for Operational Risk:	Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Bangladesh Finance uses basic indicator approach for calculation capital charge against operational risk i.e. 15% of average positive annual gross income of the company over last three years.
Quantitative Disclosures	
(b) Capital Requirement for Operational Risk:	(Amount in BDT Crore)

Solo	Consolidated
8.57	11.64

Bangladesh finance

এগ্রিকালচার লোন

আপনার কৃষি উদ্যোগে নতুন সাফল্যের সূচনা



EMPOWERING SMES FOR INCLUSIVE DEVELOPMENT

SMEs are a cornerstone of Bangladesh's economy, driving growth, job creation, and industrial diversity. They play a crucial role in both urban and rural livelihoods. While challenges like limited financing and infrastructure persist, digital tools and policy support are unlocking new opportunities, especially in e-commerce and exports.




ভ্যারাইটিজ স্টোর

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF BANGLADESH FINANCE PLC

Report on the Audit of the Consolidated and Separate Financial statements

Opinion

We have audited the consolidated financial statements of Bangladesh Finance PLC and its subsidiaries (hereinafter referred to as the "Group") as well as the separate financial statements of Bangladesh Finance PLC (the "Company"), which comprise the consolidated and separate statement of financial positions as at 31 December 2024 and the consolidated and separate profit and loss accounts, the consolidated and separate statements of changes in equity and the consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Company give a true and fair view of the consolidated financial position of the Group and separate financial position of the Company as at 31 December 2024, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2 and comply with the Finance Company Act, 2023, the rules and regulations issued by the Bangladesh Bank, the rules and regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 2.4 in the financial statements, which indicates that the group incurred a net loss BDT 7,833.15 million during the year ended December 31, 2024 and, as of that date, the group's equity has been negative by an amount of BDT 5,655.93 million. However as disclosed in note 2.4 (7), the management has explained why the financial statements have been prepared following going concern basis in spite of having significant losses. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed that matter is provided in that context.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	Our response to key audit matters
1. Measurement of provision for loans, leases and advances: The process for estimating the provision for loans, leases and advances associated with credit risk is judgemental and complex. The identification of and provisioning for non-performing assets is done in accordance with DFIM 04 Master Circular: Loan/Lease Classification and Provisioning dated 26 July 2021 issued by Bangladesh Bank. At year-end 31 December 2024, the Company reported total gross loans, leases and advances of BDT 14,685,177,896 (2023: BDT 14,597,241,179) and provision for loans, leases and advances of BDT 8,623,505,973 (2023: BDT 1,632,500,000). Provision for loans, leases and advances is a key audit matter due to the level of regulatory and other stakeholders' focus as well as the judgements and estimates involved in determining the amount of provision. Significant judgements and estimates, related to the provision for loans, leases and advances that have a high degree of estimation uncertainty with a potential range of reasonable outcomes which could give rise to material misstatement are: • The provision for identified non-performing loans, leases and advances is impacted by classification of non-performing loans, leases and advances, value of eligible collateral securities etc. • The company is also required to apply its subjective judgement to determine the identification and provision required against non performing loans, leases and advances considering various quantitative as well as qualitative factors. • Measurement for additional provision beyond the minimum regulatory prescribed is primarily dependent upon judgements and key assumptions relating to the probable financial position of default borrowers on a forward-looking basis reflecting a range of future economic conditions. • Adequacy of provision and timing of recognition of loss events in accordance with criteria set out in DFIM Circular No 04 dated 26 July 2021. See Note 2.11.4 and 12.1 to the financial statements for the accounting policy and for relevant disclosure regarding the provision of loans, leases and advances respectively.	We tested the design and operating effectiveness of key controls focusing on the following: • Credit monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Review of quarterly Classification of Loans (FICL). Our substantive procedures in relation to the provision for loans, advances and leases portfolio comprised the following: • Reviewed the adequacy of the general and specific provisions and loan classification disclosures in the financial statements in line with related Bangladesh Bank guidelines; • Tested the inputs in computation of provision in terms of testing the accuracy of underlying information; •Assessed the methodologies on which the provision amounts based (value of eligible securities, interest suspense), recalculated the provisions for loans, advances and leases; • Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
2. Loans and advances The group's assets held in loans and advances amounted to BDT 14,685,177,896 being equivalent to nearly 70% of the group's total assets, considered material to the financial statements. A high volume of loan outstanding, loan origination and payment activity results in the risk of inaccurate recording, processing errors or fraudulent transactions, which requires special audit consideration because of the likelihood and potential magnitude of misstatements to the completeness, existence and accuracy of loans and advances.	• We tested the design and operating effectiveness of key controls focusing on credit appraisal, loan disbursement and documentation process of loans and advances. • We have performed procedure to check whether the Company has ensured appropriate documentation as per Bangladesh Bank regulations and the Company's policy before disbursement of loans and advances. • In addition, we have performed procedure to check whether the loans and advances are recorded completely and accurately and that are existed at the reporting date. • Furthermore, we have assessed the appropriateness of disclosure against Bangladesh Bank guidelines.
3. IT systems and controls: Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in multiple locations daily and the reliance on automated and IT dependent manual controls. Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application based controls are operating effectively. Core Banking Solution (CBS) [called FinUltimus 4.0.1.2] is primarily relevant for financial reporting. Due to the pervasive nature and complexity of the IT environment, we have ascertained Key Information technology ("IT") systems and controls used for CBS as a key audit matter.	• We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are critical to financial reporting. • We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. • We tested the Company's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization. • We considered the control environment relating to various interfaces, configurations and other application layer controls identified as key to our audit. • We performed the Tests of IT General Controls to evaluate the Application Development and Database, Hosting Platforms and segregation of incompatible duties relevant to application and database change management.

Other Matters

"The financial statements of Bangladesh Finance PLC and its subsidiaries (the "Group") for the year ended December 31, 2023, were audited by A. Qasem & Co., Chartered Accountant who expressed an unmodified opinion on those statements on June 12, 2024. The financial statements of the subsidiaries, 'Bangladesh Finance Securities Limited and Bangladesh Finance Capital Limited for the year ended on 31 December 2024' have been audited by us. And we have expressed a unmodified opinion on the financial statements of the companies."

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this audit's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

"Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with the basis of accounting as explained in Note 2 and for such- internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Finance Company Act 2023 and the Bangladesh Bank guidelines require the management to ensure effective internal audit, internal control and risk management functions of the Company. The Management is also required to make a self assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process."

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud and error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements of the company. We are responsible for the direction, supervision and performance of the audit . We remain solely responsible for our audit opinion.

- Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an

auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, communicated them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987, the Finance Company Act 2023 and the rules and regulations issued by Bangladesh Bank, we also report the following:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof.

b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;

c) the consolidated and separate balance sheet and consolidated and separate profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;

d) the expenditures incurred, and payments made were for the purposes of the Company's business.

e) the financial statements of the Group and the Company have been drawn up in conformity with the Finance Company Act, 2023 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company;

f) adequate provisions have been made for loans, advances, leases, investment and other assets which are, in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly;

g) the financial statements of the Group and the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;

h) the records and statements which were submitted by the branches have been properly maintained and recorded in the financial statements;

i) statements sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention;

j) taxes and other duties were collected to be and deposited(except as reported in Management report) in the Government treasury by the Company as per Government instructions found satisfactory based on test checking;

k) nothing has come to our attention that the Company has adopted any unethical means i.e. 'window dressing' to inflate the profit and mismatch between the maturity of assets and liabilities;

l) proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;

m) based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is satisfactory(Except some deficiencies mentioned in Management report), and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;

n) the Company has complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/leases found satisfactory;

o) we have reviewed over 80% of the risk weighted assets of the Company and we have spent around 2,600 person hours for the audit of the books and accounts of the Company;

p) the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;

q) the Company has complied with the Section 33 of the Finance Company Act 2023 in preparing these financial statements; and

r) all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.



Sukanta Bhattacharjee, FCA
Enrolment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

DVC: 2504271550AS212394

Dated 17 April 2025
Dhaka

BANGLADESH FINANCE PLC.

CONSOLIDATED BALANCE SHEET

As at 31 December 2024

	Note	Amount in BDT 31-Dec-24	31-Dec-23
PROPERTY AND ASSETS			
Cash			
Cash in hand	**3.a**	94,015	96,174
Balance with Bangladesh Bank		130,928,670	117,914,492
		131,022,685	**118,010,665**
Balance with other Banks and Financial Institutions	**4.a**		
Inside Bangladesh		1,607,350,029	1,684,175,647
Outside Bangladesh		-	-
		1,607,350,029	**1,684,175,647**
Money at call and short notice		-	-
Investment in Securities	**5.a**		
Government		-	-
Others		1,498,715,777	1,394,913,648
		1,498,715,777	**1,394,913,648**
Lease, Loans and Advances	**6.a**		
In Bangladesh		14,685,177,896	14,597,241,179
Outside Bangladesh		-	-
		14,685,177,896	**14,597,241,179**
Fixed Assets including Premises, Furniture and Fixtures	**7.a**	**697,956,483**	**732,485,219**
Other Assets	**8.a**	**2,073,262,975**	**1,510,156,186**
Non Financial Assets	**9**	**170,634,702**	**213,121,062**
Total Assets		**20,864,120,546**	**20,250,103,607**
LIABILITIES AND CAPITAL			
Liabilities			
Financing (Borrowings) from other Banks, Financial Institutions and Agents	**10.a**	**4,717,804,520**	**5,171,867,429**
Deposits and other Accounts	**11.a**	**8,636,733,763**	**8,878,841,364**
Other Liabilities	**12.a**	**12,769,233,068**	**3,528,703,173**
Total Liabilities		**26,123,771,351**	**17,579,411,966**
Capital/ Shareholders' Equity			
Share Capital	**13.2**	1,882,362,670	1,882,362,670
Statutory Reserve	**14**	501,151,365	501,151,365
General Reserve	**15**	-	-
Capital Reserve	**16.1**	98,971,128	98,971,128
Revaluation Surplus on Land and Building	**7.b**	525,158,414	526,952,914
Retained Earnings	**16.a**	(8,663,577,901)	(839,730,814)
Total Shareholders' Equity		**(5,655,934,324)**	**2,169,707,263**
Non Controlling Interest	**16.b**	**396,283,519**	**500,984,378**
Total Liabilities and Shareholders' Equity		**20,864,120,546**	**20,250,103,607**

BANGLADESH FINANCE PLC.

CONSOLIDATED BALANCE SHEET

As at 31 December 2024

	Note	Amount in BDT 31-Dec-24	31-Dec-23
OFF BALANCE SHEET EXPOSURES			
CONTINGENT LIABILITIES			
Acceptances and Endorsements		-	-
Letters of Guarantee	17	-	-
Irrevocable Letters of Credit		-	-
Bills for Collection		-	-
Total		**-**	**-**
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		-	-
Claims against the Bank not acknowledged as debts		-	-
Total		**-**	**-**
Total Off-Balance Sheet items including contingent liabilities		**-**	**-**
Net Asset Value (NAV) per share	**45.a**	**(30.05)**	**11.53**

The annexed notes from 1 to 46 and Annexure A, B and C are an integral part of these financial statements

Munshi Abu Naim FCS
Company Secretary

Md. Kyser Hamid
Managing Director & CEO

Md. Rokonuzzaman, FCA
Director

Md. Asaduzzaman Khan
Director

Iqbal Uddin Ahmed
Director

DVC: 2504271550AS212394

Dated:17 April, 2025
Dhaka

Sukanta Bhattacharjee, FCA
Enrollment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

BANGLADESH FINANCE PLC.

CONSOLIDATED PROFIT & LOSS ACCOUNT

For the year ended 31 December 2024

	Note	Amount in BDT	
		31-Dec-24	31-Dec-23
Interest Income	19.a	813,759,910	1,166,744,018
Less: Interest paid on Deposits and Borrowings etc.	20.a	1,534,014,821	1,081,208,337
Net Interest Income		**(720,254,911)**	**85,535,680**
Income from Investment	21.a	191,942,561	63,899,618
Commission, Exchange and Brokerage	21.b	51,792,313	69,803,262
Other Operating Income	22.a	44,463,644	74,823,954
		288,198,518	**208,526,834**
Total Operating Income		**(432,056,393)**	**294,062,515**
Salaries and Allowances	23.a	226,621,963	219,978,382
Rent, Taxes, Insurances, Electricity etc.	24.a	13,575,835	11,519,632
Legal and Professional Fees	25.a	3,699,196	2,172,351
Postage, Stamps, Telecommunication etc.	26.a	3,953,026	4,739,689
Stationery, Printings, Advertisements etc.	27.a	6,527,897	15,040,293
Managing Director's Salary and Allowances	28	7,535,000	7,259,083
Directors' Fees	29.a	1,958,000	1,232,000
Audit Fees	29.b	667,000	661,250
Depreciation and Repairs of Assets	30.a	59,683,438	68,519,796
Other Expenses	31.a	29,521,574	28,474,468
Total Operating Expenses		**353,742,929**	**359,596,945**
Profit/(Loss) before Provision		**(785,799,322)**	**(65,534,430)**
Specific Provisions for Classified Investment	32	121,323,849	601,729,433
General Provisions for Unclassified Investment	32	6,612,065,374	454,759,508
Special Provisions for Unclassified Investment		-	-
Provisions for Other Assets	32	254,317,250	(90,000,000)
Provisions for Off-Balance Sheet exposures		-	(2,000,000)
Provisions for Investment in Securities and Margin Loan	32.a	859,067,952	16,402,491
Total Provision		**7,846,774,426**	**980,891,432**
Total Profit/(Loss) before Provisions for Taxation		**(8,632,573,747)**	**(1,046,425,863)**
Current Tax Expenses	12.4.a	36,886,788	27,698,455
Deferred Tax Expenses/(benefit)	12.5.b	(731,604,449)	(31,652,823)
		(694,717,660)	**(3,954,368)**
Net Profit/(Loss) after Taxation		**(7,937,856,087)**	**(1,042,471,495)**
Attributable to		**(7,937,856,087)**	**(1,042,471,495)**
Shareholder of the Company		(7,833,155,228)	(1,053,816,942)
Non-controlling Interest		(104,700,859)	11,345,447
Net Profit/(Loss) available for distribution		**(7,833,155,228)**	**(1,053,816,942)**

BANGLADESH FINANCE PLC.

CONSOLIDATED PROFIT & LOSS ACCOUNT

For the year ended 31 December 2024

	Note	Amount in BDT 31-Dec-24	31-Dec-23
Appropriations			
Statutory Reserve	14	-	-
General Reserve	15	-	-
Retained Earnings		(7,833,155,228)	(1,053,816,942)
		(7,833,155,228)	**(1,053,816,942)**
Basic Earnings Per Share	**33a**	**(41.61)**	**(5.60)**

The annexed notes from 1 to 46 and Annexure A, B and C are an integral part of these financial statements

Munshi Abu Naim FCS
Company Secretary

Md. Kyser Hamid
Managing Director & CEO

Md. Rokonuzzaman, FCA
Director

Md. Asaduzzaman Khan
Director

Iqbal Uddin Ahmed
Director

DVC: 2504271550AS212394

Dated: 17 April, 2025
Dhaka

Sukanta Bhattacharjee, FCA
Enrollment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

BANGLADESH FINANCE PLC.

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2024

	Amount in BDT	
	31-Dec-24	31-Dec-23
Cash Flows from Operating Activities		
Interest received	2,044,891,641	1,467,661,438
Interest paid	(1,256,881,592)	(1,118,139,935)
Dividend received	23,889,708	12,334,396
Fees and Commission received	74,726,427	106,256,532
Cash Payments to Employees	(234,156,963)	(227,237,465)
Cash Payments to Suppliers	(7,838,556)	(16,172,395)
Income Tax Paid	(39,509,052)	(189,325,427)
Received from other Operating activities	221,273,139	131,979,936
Payments for other Operating activities	(84,544,191)	(93,695,565)
Cash generated from operating activities before changes in Operating Assets and Liabilities	**741,850,560**	**73,661,516**
Changes in Operating Assets and Liabilities		
Purchases/Sale of Trading Securities	(103,802,129)	(259,283,042)
Loans and Lease Finance to Customers	(87,936,717)	(591,063,904)
Other Assets	168,188,474	(3,752,343)
Deposits	(242,107,601)	(918,504,861)
Net drawdown of Term Loans	(18,679,821)	565,629,419
Net drawdown of Short Term Loans	(474,074,542)	973,135,097
Other Liabilities	(98,342,543)	414,296,443
Sub Total	**(856,754,880)**	**180,456,808**
A) Net Cash flows from Operating Activities	**(114,904,319)**	**254,118,325**
Cash flows from Investing Activities		
Purchase/sale of non trading securities	-	-
Proceeds from Sale of fixed assets	3,250,003	1,585,614
Proceeds from Sale of non banking assets	50,000,000	-
(Purchase)/disposal of fixed assets including right-of-use assets	(12,406,192)	(18,049,700)
B) Net Cash flows from Investing Activities	**40,843,812**	**(16,464,086)**
Cash flows from Financing Activities		
Increase/(decrease) of borrowings	38,691,453	7,500,000
Payment for lease liabilities	(28,444,544)	(29,486,837)
Dividend Paid	-	(106,548,830)
C) Net Cash flows from Financing Activities	**10,246,909**	**(128,535,667)**
D) Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**(63,813,599)**	**109,118,570**
E) Cash and Cash Equivalents at the beginning of the period	**1,802,186,312**	**1,693,067,742**
F) Cash and Cash Equivalents at the end of the period(D+E)	**1,738,372,714**	**1,802,186,313**
Net Operating Cash Flows per share (NOCFPS)	**(0.61)**	**1.35**

The annexed notes from 1 to 46 and Annexure A, B and C are an integral part of these financial statements

Munshi Abu Naim FCS
Company Secretary

Md. Kyser Hamid
Managing Director & CEO

Md. Rokonuzzaman, FCA
Director

Md. Asaduzzaman Khan
Director

Iqbal Uddin Ahmed
Director

Dated, 17 April, 2025

BANGLADESH FINANCE PLC.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2024

Particulars	Share capital	Statutory reserve	General reserve	Capital reserve	Revaluation Surplus	Retained earnings	Total	Non Controlling Interest	Total Equity
Balance as at 01 January 2024	**1,882,362,670**	**501,151,365**	**-**	**98,971,128**	**526,952,914**	**(839,730,814)**	**2,169,707,263**	**500,984,378**	**2,670,691,641**
Changes during the year 2024									
10% Cash Dividend - 2022	-	-	-	-	-	-	-	-	-
Interim Cash Dividend - 2022	-	-	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	-	-	(7,833,155,228)	(7,833,155,228)	(104,700,859)	(7,937,856,087)
Capital Reserve	-	-	-	-	-	-	-	-	-
Revaluation of Land and Building	-	-	-	-	-	-	-	-	-
Disposal of NBA	-	-	-	-	-	7,513,640	7,513,640	-	7,513,640
Transfer to retained earnings	-	-	-	-	(1,794,504)	1,794,504	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-
	-	-	-	-	(1,794,504)	(7,823,847,084)	(7,825,641,588)	(104,700,859)	(7,930,342,447)
Balance as at 31 December 2024	**1,882,362,670**	**501,151,365**	**-**	**98,971,128**	**525,158,410**	**(8,663,577,899)**	**(5,655,934,325)**	**396,283,519**	**(5,259,650,805)**
Balance as at 01 January 2023	**1,882,362,670**	**501,151,365**	**-**	**33,744,750**	**409,095,980**	**450,851,610**	**3,277,206,374**	**504,931,713**	**3,782,138,088**
Changes during the year 2023									
10% Cash Dividend - 2022	-	-	-	-	-	(188,236,267)	(188,236,267)	-	(188,236,267)
Interim Cash Dividend - 2022	-	-	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	-	-	(1,053,816,942)	(1,053,816,942)	11,345,447	(1,042,471,495)
Capital Reserve	-	-	-	65,226,378	-	(49,933,596)	15,292,782	(15,292,782)	-
Revaluation of Land and Building	-	-	-	-	119,261,318	-	119,261,318	-	119,261,318
Transfer to retained earnings	-	-	-	-	(1,404,384)	1,404,384	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-
	-	-	-	65,226,378	117,856,934	(1,290,582,421)	(1,107,499,109)	(3,947,335)	(1,111,446,444)
Balance as at 31 December 2023	**1,882,362,670**	**501,151,365**	**-**	**98,971,128**	**526,952,914**	**(839,730,811)**	**2,169,707,265**	**500,984,378**	**2,670,691,644**

The annexed notes from 1 to 46 and Annexure A, B and C are an integral part of these financial statements

Munshi Abu Naim FCS	Md. Kyser Hamid	Md. Rokonuzzaman, FCA	Md. Asaduzzaman Khan	Iqbal Uddin Ahmed
Company Secretary	Managing Director & CEO	Director	Director	Director

Dated: 17 April, 2025
Dhaka

BANGLADESH FINANCE PLC.

BALANCE SHEET

As at 31 December 2024

	Note	Amount in BDT 31-Dec-24	31-Dec-23
PROPERTY AND ASSETS			
Cash	3		
Cash in hand		54,817	62,312
Balance with Bangladesh Bank		130,928,670	117,914,492
		130,983,487	**117,976,803**
Balance with other Banks and Financial Institutions	4		
Inside Bangladesh		1,498,087,963	1,552,240,540
Outside Bangladesh		-	-
		1,498,087,963	**1,552,240,540**
Money at call and short notice		-	-
Investment in Securities	5		
Government		-	-
Others		342,370,588	413,086,701
		342,370,588	**413,086,701**
Lease, Loans and Advances	6		
In Bangladesh		14,024,291,397	13,813,475,620
Outside Bangladesh		-	-
		14,024,291,397	**13,813,475,620**
Fixed Assets including Premises, Furniture and Fixtures	7	**663,687,132**	**685,239,853**
Other Assets	8	**1,701,872,862**	**1,272,749,747**
Non Financial Assets	9	**170,634,702**	**213,121,062**
Total Assets		**18,531,928,131**	**18,067,890,327**
LIABILITIES AND CAPITAL			
Liabilities			
Financing (Borrowings) from other Banks financial Institutions and Agents	10	**3,795,240,304**	**4,201,441,808**
Deposits and other Accounts	11	**8,636,733,763**	**8,878,841,364**
Term Deposits		8,578,176,583	8,711,101,760
Other Deposits		37,829,912	150,147,987
Advance Rent and Installments		20,727,267	17,591,617
Bills Payable		-	-
Other Liabilities	12	**11,525,406,858**	**3,075,580,126**
Total Liabilities		**23,957,380,925**	**16,155,863,297**
Capital/Shareholders' Equity			
Share Capital	13	1,882,362,670	1,882,362,670
Statutory Reserve	14	501,151,365	501,151,365
General Reserve	15	-	-
Revaluation Surplus on Land and Building	7.1	525,158,414	526,952,914
Retained earnings	16	(8,334,125,242)	(998,439,919)
Total Shareholders' Equity		**(5,425,452,793)**	**1,912,027,030**
Total Liabilities and Shareholders' Equity		**18,531,928,131**	**18,067,890,327**

BANGLADESH FINANCE PLC.

BALANCE SHEET

As at 31 December 2024

	Note	Amount in BDT 31-Dec-24	31-Dec-23
OFF BALANCE SHEET EXPOSURES			
CONTINGENT LIABILITIES			
Acceptances and Endorsements		-	-
Letters of Guarantee	17	-	-
Irrevocable Letters of Credit		-	-
Bills for Collection		-	-
Total		-	-
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		-	-
Claims against the Bank not acknowledged as debts		-	-
Total		-	-
Total Off-Balance Sheet items including contingent liabilities		-	-
Net Asset Value (NAV) per share	45	(28.82)	10.16

The annexed notes from 1 to 46 and Annexure A, B and C are an integral part of these financial statements

Munshi Abu Naim FCS
Company Secretary

Md. Kyser Hamid
Managing Director & CEO

Md. Rokonuzzaman, FCA
Director

Md. Asaduzzaman Khan
Director

Iqbal Uddin Ahmed
Director

DVC: 2504271550AS212394

Dated: 17 April, 2025
Dhaka

Sukanta Bhattacharjee, FCA
Enrollment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

BANGLADESH FINANCE PLC.

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2024

	Note	Amount in BDT 31-Dec-24	31-Dec-23
Interest Income	19	723,785,783	1,085,531,857
Less: Interest paid on Deposits and Borrowings etc.	20	1,431,088,931	1,024,159,054
Net Interest Income		**(707,303,149)**	**61,372,803**
Income from Investment in securities	21	82,002,926	53,584,603
Commission, Exchange and Brokerage		-	2,364,444
Other Operating Income	22	43,527,229	71,883,207
		125,530,155	**127,832,254**
Total Operating Income		**(581,772,993)**	**189,205,057**
Salaries and Allowances	23	194,770,284	183,200,166
Rent, Taxes, Insurances, Electricity etc.	24	9,676,824	7,687,936
Legal and Professional Fees	25	2,974,817	1,118,732
Postage, Stamps, Telecommunication etc.	26	2,526,890	3,453,601
Stationery, Printings, Advertisements etc.	27	5,586,008	13,947,909
Managing Director's Salary and Allowances	28	7,535,000	7,259,083
Directors' Fees	29	1,474,000	941,600
Audit Fees		465,750	460,000
Depreciation and Repairs of NBFI's Assets	30	42,185,150	48,486,400
Other Expenses	31	22,461,523	21,372,935
Total Operating Expenses		**289,656,247**	**287,928,361**
Profit/(Loss) before Provision		**(871,429,240)**	**(98,723,304)**
Specific provisions for Classified Investment		121,323,849	601,729,433
General provisions for Unclassified Investment		6,612,065,374	454,759,508
Special provisions for Unclassified Investment		-	-
Provisions for other Assets		254,317,250	(90,000,000)
Provisions for Off-Balance Sheet exposures		-	(2,000,000)
Provisions for Investment in Securities		62,290,000	5,980,000
Total Provision	32	**7,049,996,473**	**970,468,941**
Total Profit/(Loss) before Provisions for Taxation		**(7,921,425,713)**	**(1,069,192,245)**
Deferred Tax Expenses/(benefit)	12.5.1	(587,291,480)	(18,511,765)
Current Tax Expenses	12.4	10,859,230	9,267,109
		(576,432,250)	**(9,244,656)**
Net Profit/(Loss) after Taxation		**(7,344,993,463)**	**(1,059,947,588)**

BANGLADESH FINANCE PLC.

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2024

	Note	Amount in BDT 31-Dec-24	31-Dec-23
Appropriations			
Statutory Reserve	**14**	-	-
General Reserve	**15**	-	-
Retained Earnings		(7,344,993,463)	(1,059,947,588)
		(7,344,993,463)	**(1,059,947,588)**
Basic Earnings Per Share	**33**	**(39.02)**	**(5.63)**

The annexed notes from 1 to 46 and Annexure A, B and C are an integral part of these financial statements

Munshi Abu Naim FCS
Company Secretary

Md. Kyser Hamid
Managing Director & CEO

Md. Rokonuzzaman, FCA
Director

Md. Asaduzzaman Khan
Director

Iqbal Uddin Ahmed
Director

DVC: 2504271550AS212394

Dated: 17 April, 2025
Dhaka

Sukanta Bhattacharjee, FCA
Enrollment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

BANGLADESH FINANCE PLC.

CASH FLOW STATEMENT

For the year ended 31 December 2024

	Amount in BDT	
	31-Dec-24	31-Dec-23
Cash Flows from Operating Activities		
Interest received	1,954,949,262	1,360,898,535
Interest paid	(1,134,641,491)	(1,022,384,046)
Dividend received	5,264,583	1,688,359
Fees and Commission received	-	2,364,444
Cash Payments to Employees	(202,305,284)	(190,459,249)
Cash Payments to Suppliers	(5,586,008)	(13,947,909)
Income Tax Paid	(24,414,259)	(119,534,183)
Received from other Operating activities	110,350,471	128,006,821
Payments for other Operating activities	(49,552,150)	(49,758,936)
Cash generated from operating activities before changes in Operating Assets and Liabilities	**654,065,123**	**96,873,837**
Changes in Operating Assets and Liabilities		
Purchases/Sale of Trading Securities	70,716,113	5,915,428
Loans and Lease Finance to Customers	(210,815,777)	(113,797,850)
Other Assets	169,729,217	(13,698,701)
Deposits	(242,107,601)	(983,504,861)
Net drawdown of Term Loans	(18,679,821)	565,629,419
Net drawdown of Short Term Loans	(387,521,683)	969,184,666
Other Liabilities	(97,489,299)	14,208,475
Sub Total	**(716,168,852)**	**443,936,575**
A) Net Cash from Operating Activities	**(62,103,729)**	**540,810,412**
Cash flows from Investing Activities		
Purchase/sale of non trading securities	-	-
Proceeds from Sale of fixed assets	22,000	1,708,000
Proceeds from Sale of non banking assets	50,000,000	-
(Purchase)/disposal of fixed assets including right-of-use assets	(11,941,116)	(9,007,119)
B) Net Cash from Investing Activities	**38,080,884**	**(7,299,119)**
Cash flows from Financing Activities		
Payment for lease liabilities	(17,123,050)	(17,836,987)
Dividend Paid	-	(106,548,830)
C) Net Cash from Financing Activities	**(17,123,050)**	**(124,385,817)**
D) Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**(41,145,894)**	**409,125,476**
E) Cash and cash equivalents at the beginning of the period	1,670,217,343	1,261,091,867
F) Cash and cash equivalents at the end of the period (D+E)	**1,629,071,450**	**1,670,217,343**
Net Operating Cash Flow per share	**(0.33)**	**2.87**

The annexed notes from 1 to 46 and Annexure A, B and C are an integral part of these financial statements

Munshi Abu Naim FCS
Company Secretary

Md. Kyser Hamid
Managing Director & CEO

Md. Rokonuzzaman, FCA
Director

Md. Asaduzzaman Khan
Director

Iqbal Uddin Ahmed
Director

Dated: 17 April, 2025

BANGLADESH FINANCE PLC.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2024

Amount in BDT

Particular	Share capital	Statutory reserve	General reserve	Revaluation Surplus	Retained earnings	Total
Balance as at 01 January 2024	**1,882,362,670**	**501,151,365**	**-**	**526,952,914**	**(998,439,919)**	**1,912,027,030**
Changes during the year 2024						
Profit/(Loss) for the year	-	-	-	-	(7,344,993,463)	(7,344,993,463)
Transfer to retained earnings				(1,794,504)	1,794,504	-
Transfer to general reserve	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-
Disposal of Non Financial Assets	-	-	-	-	7,513,640	7,513,640
Revaluation of Land & Building	-	-	-	-	-	-
	-	-	-	(1,794,504)	(7,335,685,319)	(7,337,479,823)
Balance as at 31 December 2024	**1,882,362,670**	**501,151,365**	**-**	**525,158,410**	**(8,334,125,238)**	**(5,425,452,793)**
Balance as at 01 January 2023	**1,882,362,670**	**501,151,365**	**-**	**409,095,980**	**248,339,552**	**3,040,949,568**
Changes during the year 2023						
10% Cash Dividend - 2022					(188,236,267)	(188,236,267)
Profit/(Loss) for the year	-	-	-	-	(1,059,947,588)	(1,059,947,588)
Transfer to Retained Earnings	-	-	-	(1,404,384)	1,404,384	-
Transfer to general reserve				-		-
Transfer to statutory reserve	-	-	-	-	-	-
Revaluation of Land & Building	-	-	-	119,261,318	-	119,261,318
	-	-	-	117,856,934	(1,246,779,471)	(1,128,922,537)
Balance as at 31 December 2023	**1,882,362,670**	**501,151,365**	**-**	**526,952,914**	**(998,439,919)**	**1,912,027,030**

The annexed notes from 1 to 46 and Annexure A, B and C are an integral part of these financial statements

Munshi Abu Naim FCS Company Secretary	Md. Kyser Hamid Managing Director & CEO	Md. Rokonuzzaman, FCA Director	Md. Asaduzzaman Khan Director	Iqbal Uddin Ahmed Director

Dated: 17 April, 2025
Dhaka

BANGLADESH FINANCE PLC.

LIQUIDITY STATEMENT ASSETS AND LIABILITIES MATURITIES ANALYSIS

For the year ended 31 December 2024

Amount in BDT

Particulars	Up to 01 Month	01-03 Months	03-12 Months	01-05 Years	Above 05 years	Total
Assets						
Cash in hand	54,817	-	-	-	-	54,817
Balance with Bangladesh Bank	130,928,670	-	-	-	-	130,928,670
Balance with other banks and financial institutions	131,355,259	-	1,366,732,704	-	-	1,498,087,963
Money at Call and Short Notice	-	-	-	-	-	-
Investment in securities	192,370,588	-	-	150,000,000	-	342,370,588
Investment (Loans and Advances)	916,116,299	1,352,544,246	1,560,627,976	7,491,014,285	2,703,988,591	14,024,291,397
Fixed Assets including premises, furniture and fixtures etc.	-	-	-	-	663,687,132	663,687,132
Other Assets	16,030,286	674,943,579	70,269,120	69,953,922	870,675,955	1,701,872,862
Non-banking Assets	-	-	-	-	170,634,702	170,634,702
Total Assets (i)	**1,386,855,919**	**2,027,487,825**	**2,997,629,800**	**7,710,968,207**	**4,408,986,379**	**18,531,928,131**
Liabilities						
Borrowing from other banks, financial institutions and agents	158,975,971	410,534,891	1,008,841,029	2,216,888,413	-	3,795,240,304
Deposits and other accounts	431,836,688	1,122,775,389	1,295,510,064	4,491,101,557	1,295,510,064	8,636,733,763
Provision and other liabilities	206,482,579	29,278,762	439,235,858	4,340,163,863	6,510,245,795	11,525,406,858
Total Liabilities (ii)	**797,295,238**	**1,562,589,043**	**2,743,586,951**	**11,048,153,833**	**7,805,755,860**	**23,957,380,925**
Net Liquidity Gap (i-ii)	**589,560,681**	**464,898,782**	**254,042,849**	**(3,337,185,625)**	**(3,396,769,480)**	**(5,425,452,793)**

Munshi Abu Naim FCS
Company Secretary

Md. Kyser Hamid
Managing Director & CEO

Md. Rokonuzzaman, FCA
Director

Md. Asaduzzaman Khan
Director

Iqbal Uddin Ahmed
Director

Dated: 17 April, 2025
Dhaka

BANGLADESH FINANCE PLC.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2024

1 Legal status and nature of the company

1.1 Domicile, legal form and country of incorporation

Bangladesh Finance PLC. ("Bangladesh Finance" or "the Company" or "FI") formerly known as "Bangladesh Finance and Investment Company Limited" is a Non-Banking Financial Institution engaged in lease, loan and investment financing operations. The Company having its registered office at Baitul Hossain Building, 27 Dilkusha C/A, Dhaka-1000, Bangladesh, was incorporated in Bangladesh on 10 May 1999 as a Public Limited Company under the Companies Act 1994. The license was issued from Bangladesh Bank on 22 December 1999 under the Financial Institutions Act 1993 which were then replaced by Finance Company Act 2023. The operational activities was started on 15 February 2000 through signing the first lease agreement on that day. Presently the Company is operating through seven branch offices at Dhaka, Chattogram, Sylhet, Gazipur and Jashore including Islamic Wing in six branches. The Company went for Initial Public Offering on 14 June 2007 and its shares were listed in both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) on 06 September 2007 and 28 August 2007 respectively.

1.2 Principal activities and nature of operation

The Company provides both Conventional and Islamic financial services to customers which includes lease finance for capital machinery to various industries including construction equipment, energy generating equipment, office equipment, medical equipment, transport etc. The Company also provides term finance, short-term finance, syndication finance, working capital finance, SME loan, women entrepreneur loan, factoring of accounts receivables, bill discounting, distributor finance, work order finance, assignment-based finance, home loan, loan against deposit and personal loan to the enterprises, professionals and others.

1.3 Islamic Wing

The Company obtained permission from Bangladesh Bank (the country's central bank) to operate the Islamic Wing vide Bangladesh Bank's letter no. DFIM(L)1053/56/2022-60 dated 04 January 2022. The company commenced operation of this wing from 04 January 2022. The Islamic Wing is governed under the rules and regulations of Bangladesh Bank.

1.4 Subsidiary companies

1.4.1 Bangladesh Finance Securities Limited

Bangladesh Finance Securities Limited, a 57.36% owned subsidiary company of Bangladesh Finance Limited was incorporated on 28 December 2010 as a public limited company under the Companies Act 1994 with authorized share capital of Tk. 500 crore. The main objective of the BD Securities is to act as a member of stock exchanges, operate the Central Depository System (CDS) and to carry on the business of brokers, jobbers or dealers in stocks, shares, securities, commodities, commercial papers, bonds, obligations, debentures etc.
BD Finance SL a subsidiary of BD Finance owned 57.36% share by parent company

1.4.2 Bangladesh Finance Capital Limited

Bangladesh Finance Capital Limited, a fully owned (99.972% Share) subsidiary company of Bangladesh Finance Limited was incorporated on 10 August 2011 as a public limited company under The Companies Act 1994 with authorized share capital of Tk. 200 crore. The main objective of the Bangladesh Finance Capital Limited is to carry on the business of Merchant Banking, fund management, managing portfolio investments, financial consultancy services etc.

2 Basis of preparation and significant accounting policies

2.1 Basis of preparation of the financial statements

The financial statements of the Company are prepared up to 31 December each year and are prepared under the historical cost convention and in accordance with the Finance Company Act, 2023 and Bangladesh Bank DFIM circular No. 11 dated 23 December, 2009. International Accounting Standard (IASs) and International Financial Reporting Standards (IFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act. 1994, the Securities and Exchange Rules 1987 and other laws and regulations applicable in Bangladesh.
All figures appeared in the Financial Statements are rounded off to the nearest Taka.

2.1.1 Basis of consolidation of operations of subsidiaries

The financial statements of the Company and its subsidiaries, as mentioned in note No. 1.4.1 and 1.4.2 have been consolidated in accordance with International Financial Reporting Standard (IFRS) 10 "Consolidated Financial Statements". The consolidation of the financial statements have been prepared after eliminating all material inter company balances, income and expenses arising from inter-company transactions.

The total profits of the Company and its subsidiaries are shown in the consolidated profit and loss account with the proportion of profit after taxation pertaining to non-controlling shareholders being deducted as 'Non-controlling Interest'. NCI is measured at subsidiaries' proportionate share of identifiable net assets.

All assets and liabilities of the Company and of its subsidiaries are shown in the consolidated balance sheet. The interest of non-controlling shareholders of the subsidiary are shown separately in the consolidated balance sheet under the heading 'Non-controlling Interest'.

When Bangladesh Finance loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and any related NCI and other components of the equity. Any resulting gain or loss is recognised in the profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

The Company has 07 branches, with no overseas branch as on December 31, 2024. Accounts of the branches are maintained at the head office from which these accounts are drawn up.

2.2 Components of the financial statements

The financial statements comprise of (As per DFIM Circular No. 11, Dated 23 December 2009):

a) Consolidated and Separate Balance Sheet as at December 31, 2024;
b) Consolidated and Separate Profit and Loss Account for the year ended December 31, 2024;
c) Consolidated and Separate Statement of Cash Flows for the year ended December 31, 2024;
d) Consolidated and Separate Statement of Changes in Equity for the year ended December 31, 2024;
e) Liquidity Statement as at December 31, 2024; and
f) Notes to the Consolidated and Separate Financial Statements as at and for the year ended December 31, 2024.

Directors' responsibility statement

The Board of Directors' takes the responsibility for the preparation and presentation of these financial statements.

Date of authorisation

The Board of directors has authorised this financial statements for public issue on 17 April 2025.

2.3 Basis of measurement

These financial statements have been prepared based on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) and no adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance with Bangladesh Bank's requirements Bangladesh Bank (the local Central Bank) is the prime regulatory body for Financial Institutions in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with those of financial instruments and general provision standards of IAS and IFRS. As such the company has departed from those contradictory requirements of IAS/IFRS in order to comply with the rules and regulations of Bangladesh Bank, which are disclosed in Annexure-C along with financial impact where applicable.

2.4 Going concern basis of accounting

The financial statements of the company for the year ended 31 December 2024 have been prepared on a going concern basis, which assumes that the company will continue to realize its assets and discharge its liabilities in the ordinary course of business. After a thorough assessment of the company's financial position, liquidity, capital structure, and operational resilience, the Board of Directors and management are confident in the company's ability to continue its operations in the foreseeable future.

A. Management's Evaluation of Going Concern

In compliance with relevant regulatory requirements, including those set forth by Bangladesh Bank and in line with International Accounting Standards (IAS) 1 - Presentation of Financial Statements, management has conducted a detailed evaluation of the company's ability to continue as a going concern.

The company continues to maintain sufficient operational capacity and resources to support its business strategy and meet its financial obligations as they fall due. The core business activities — including loan disbursement, customer deposit mobilization, and investment operations — remain active and viable.

B. Financial Performance and Provisions

During the year, the Company encountered challenging economic conditions that necessitated a prudent and conservative provisioning approach. The Company recorded a consolidated net loss after tax of BDT 7,833.15 million for the year ended 31 December 2024, compared to BDT 1,053.82 million in the prior year. The loss was primarily driven by proactive provisioning measures designed to strengthen the balance sheet and ensure resilience against future credit risks.

The Company allocated total provisions amounting to BDT 7,846.77 million (2023: BDT 980.89 million) to cover exposures across several risk categories, including:

-Classified and stressed loans, leases, and advances;
-Margin loans and investments in listed securities;
-Investments in private placements;
-Fixed Deposit Receipts (FDR) placed with International Leasing and Financial Services Ltd. (ILFSL);
-Potential risk arising from Other Assets.

These provisioning decisions reflect a cautious and forward-looking approach, designed to mitigate any material future credit losses.

C. Asset Quality and Credit Risk Management

The Company has continued to prioritize the quality and stability of its credit portfolio, reflected in the reduction of its reported Non-Performing Loan (NPL) ratio to 9.26% as at 31 December 2024 (2023: 11.20%). In addition, the Company has maintained a high Provision and suspense coverage Ratio of 786.93% as a buffer against future uncertainties.

While certain loans and advances remain subject to legal proceedings (stay orders) in the Honorable High Court, the Company has prudently provided full coverage against all stressed exposures, including those with pending classifications.

D. Strategic Strengthening Measures

To enhance financial resilience and operational sustainability, management has undertaken several key initiatives:

Credit Governance Enhancements:

Establishment of a structured credit management framework separating business origination, credit risk assessment, administration, and recovery functions.

Formation of a dedicated Special Asset Management (SAM) team to focus on the recovery of stressed assets.

Digitization of the credit approval and monitoring system for improved oversight and early detection of risks."

Business Model Realignment:

Reducing concentration in large corporate exposures and progressively expanding into the Small and Medium Enterprises (SME) sector as well as the retail client segment, thereby promoting a more balanced and resilient loan portfolio. Expanding the scope of Islamic Banking services through the establishment of a dedicated Shariah-compliant finance wing, designed to cater to the growing demand for ethical and faith-based financial solutions. Leveraging technology by forging API-based partnerships to enable seamless, automated lending processes and enhance operational efficiency across business functions.

To strengthen the Company's retail funding base and reduce reliance on interbank borrowings, such as BIR, a range of innovative savings and deposit products have been introduced, specifically tailored for individual retail depositors. In parallel, the Company has enriched its wealth management capabilities by building a robust team focused on diversifying and optimizing the funding mix—further reinforcing liquidity stability and supporting the Company's going concern basis.

Recovery Strategy Optimization:

Reinforcement of the recovery process through additional manpower, third-party collection agents, and intensified legal actions. Active engagement with borrowers for restructuring, regularization, and out-of-court settlements. Swift initiation of legal remedies, including money suits and proceedings in Artha Rin Adalat, against defaulting borrowers. Persistent follow-up with legal advisors and borrowers to expedite recovery and settlement processes.

E. Liquidity and Capital Adequacy Outlook

Despite the temporary impact of provisions on the Company's Capital Adequacy Ratio (CAR) and Net Asset Value (NAV), the Company has maintained adequate liquidity throughout the year to meet operational and regulatory requirements.

The management continues to prioritize capital strengthening through:

-Recovery and collection efforts from non-performing and written-off assets;
-Strategic asset optimization;
-Diversified funding sources;
-Controlled cost management to support operational efficiency.

Management anticipates that, under stable macroeconomic conditions, key financial indicators — including CAR, NAV, and overall equity — will recover to positive levels within the next three to four years.

F. Regulatory Compliance and Oversight

Throughout the reporting period, the Company has maintained proactive and continuous engagement with Bangladesh Bank, ensuring timely compliance with all regulatory directives and advisories. The Company has strictly adhered to guidelines relating to loan classification, provisioning requirements, capital adequacy standards, and stress testing frameworks. Furthermore, the management remains fully committed to implementing any recommendations or instructions issued by the regulator in a prompt and effective manner.

In addition, the Board of Directors and management have established a robust Internal Control and Compliance (ICC) framework, staffed by qualified and experienced professionals. This framework is designed to ensure the Company's operations remain fully compliant with applicable regulatory circulars, guidelines, and local laws and regulations, thereby reinforcing the Company's risk governance and control environment.

G. Conclusion

In light of the Company's active and comprehensive recovery strategies, business model realignment, and ongoing risk management enhancements, the Board of Directors and management believe that the Company is well positioned to restore its financial strength in the medium term.

Accordingly, the Board has concluded that there are no material uncertainties that would cast significant doubt on the Company's ability to continue as a going concern. The financial statements have therefore been prepared on a going concern basis.

2.5 Use of Judgments, Estimates, and Assumptions

The preparation of the consolidated financial statements of the Group (comprising the Company and its subsidiaries) and the separate financial statements of the Company in accordance with International Financial Reporting Standards (IFRSs) requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. These estimates and underlying assumptions are based on historical experience and other relevant factors, and actual results may differ from these estimates.

Management reviews estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the period of revision and, if applicable, in future periods, in accordance with IAS 8 – Accounting Policies, Changes in Accounting

Estimates and Errors.Significant areas requiring the use of management judgment and estimates include, but are not limited to:

- Revaluation of land and buildings
- Recognition and measurement of deferred tax assets and liabilities
- Valuation of gratuity obligations
- Determination of useful lives of property, plant, and equipment
- Provisions for income tax
- Accounting for leases under IFRS 16s

As required by IAS 8, accounting policies are applied consistently for similar transactions, conditions, and events, unless a change is justified by an IFRS requirement or results in more reliable and relevant information. When changes in accounting policies occur, they are applied retrospectively, with prior period comparatives restated as if the new policy had always been in effect.

2.6 Cash flow statement

Cash flow statement has been prepared in accordance with IAS 7: Statement of cash flows and under the guideline of Department of Financial Institution and Management (DFIM) of Bangladesh Bank circular no. 11 dated 23 December 2009. The statement shows the structure of changes in cash and cash equivalents during the financial year.

2.7 Reporting period

These consolidated financial statements of the Group cover 1 (One) calendar year from 01 January to 31 December.

2.8 Functional and presentation currency

These consolidated financial statements are presented in Company's functional currency i.e. in Bangladeshi Taka.

2.9 Liquidity statement

The liquidity statement has been prepared mainly on the basis of remaining maturity grouping of assets and liabilities as at the close of the year as per following bases:

Particulars	Basis of use
Cash, balance with other banks and financial institutions, money at call and short notice, etc.	Stated maturity/observed behavioral trend
Investments	Residual maturity term

Loans and advances	Repayment/maturity schedule and behavioral trend (non-maturity products)
Fixed Assets	Useful Life
Other Assets	Realization/amortization basis
Borrowings from other banks and financial institutions	Maturity/repayment term
Deposits and other accounts	Maturity and behavioral trend (non-maturity products)
Other long term liability	Maturity term
Provision and other liability	Settlement/adjustment schedule basis

2.10 Statement of compliance

The Financial Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under the FRA has been formed in 2017 but the Financial Reporting Standards (FRS) under this council is yet to be issued for public interest entities such as Financial Institutions (FIs). The Financial Institutions Act, 1993 was amended to require Non-Banking Financial Institutions to prepare their financial statements under such FRS.

As the FRS is yet to be issued as per the provisions of the FRA, the consolidated and separate financial statements of the Group and the Financial Institution have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and the requirements of the Finance Company Act, 2023 (as amended up to date) , the rules and regulations issued by Bangladesh Bank (BB) time to time, the Companies Act 1994, the Securities and Exchange Rules 1987. In case any requirement of the Finance Company Act, 2023 (as amended up to date), and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the Finance Company Act, 2023 (as amended up to date), and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRSs are as follows:

i) Presentation of financial statements:

IFRSs: As per IAS 1 Presentation of financial statements, financial statements shall comprise a statement of financial position as at the end of the period, a statement of profit or loss and other comprehensive income for the period, a statement of changes in equity for the period, a statement of cash flows for the period, notes - comprising significant accounting policies and other explanatory information. As per IAS 1, the entity shall also present current and non-current assets and liabilities as separate classifications in its statement of financial position.

Bangladesh Bank: The presentation of the financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) and certain disclosures therein are guided by DFIM Circular No. 11, dated 23 December 2009 and subsequent guidelines of Bangladesh Bank. In the prescribed format there is no option to present assets and liabilities under current and non-current classifications. However, there is no financial impact for this departure in the financial statements.

ii) Investments in Equity Instruments (Shares, Mutual funds, etc.)

IFRSs: As per requirements of IFRS 9 Financial instruments, all equity investments (shares and mutual funds) are to be measured at fair value with value changes recognized in statement of profit or loss and other comprehensive income for the period, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income (OCI)'. If an equity investment is not held for trading, an entity can make an irrevocable election at initial recognition to measure it through OCI with only dividend income recognized in profit or loss account.

Bangladesh Bank: As per FID circular No. 08, dated 03 August 2002 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; however in case of any unrealized gain, no such gain can be recognized and investments are recognized at cost only.

iii) Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)

IFRSs: As per IFRS 9 Financial instruments, Leases, loans and advances shall be recognized and measured at amortized cost (net of any write down for impairment). When any objective evidence of impairment (a loss allowance for expected credit losses) exists for such financial assets, impairment assessment should be undertaken individually or portfolio basis (when assets are not individually significant). Bangladesh Bank: As per DFIM Circular no. 04 dated 26 July 2021, a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans and Special Mentioned Accounts (SMA)) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances. Also, provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue.

iv) Other comprehensive income and appropriation of profit

IFRSs: As per IAS 1 Presentation of financial statements, other comprehensive income (OCI) is a component of financial statements or the elements of OCI are to be included in a single other comprehensive income (OCI) statement. IFRSs do not require appropriation of profit to be shown on the face of the statement of comprehensive income.

Bangladesh Bank: The templates of financial statements issued by Bangladesh Bank do not include other comprehensive income or are the elements of other comprehensive income allowed to be included in a single other comprehensive income (OCI) statement. As such the Financial Institution does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity. Furthermore, the above templates require disclosure of appropriation of profit on the face of profit and loss account.

v) Financial instruments - presentation and disclosure

As per BB guidelines, in certain cases financial instruments are categorized, recognized, measured and presented differently from those prescribed in IFRS 7 Financial instruments - disclosure and IFRS 9: Financial instruments. As such some disclosures and presentation requirements of IFRS 7 and IFRS 9 cannot be fully made in these financial statements.

vi) Recognition of interest in suspense

IFRSs: Leases, Loans and advances to customers are generally classified as non-derivative financial assets measured at amortized cost as per IFRS 9 and interest income is recognized through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is to be recognized in profit and loss account on the same basis on revised carrying amount.

Bangladesh Bank: As per DFIM Circular no. 04 dated 26 July 2021, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments is not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account

vii) Non-financial assets

IFRSs: No indication of non-financial assets is found in any IASs/IFRSs.

Bangladesh Bank: As per Department of Financial Institution and Market (DFIM) of Bangladesh Bank circular no. 11 dated 23 December 2009, there exists a face item named non-banking assets.

viii) Cash flow statement

IFRSs: Cash flow statement can be prepared either in direct method or indirect method. The presentation method is selected to present cash flow information in a manner that is most suitable for the business or industry. Whichever method selected should be applied consistently.

Bangladesh Bank: As per Department of Financial Institution and Market (DFIM) of Bangladesh Bank circular no. 11 dated 23 December 2009, cash flow statement is to be prepared following a mixture of direct and indirect method.

ix) Balance with Bangladesh Bank (cash reserve requirement)

IFRSs: Balance with Bangladesh Bank should be treated as other assets as it is not available for use in day-to-day operations as per IAS 7: Statement of cash flows.

Bangladesh Bank: Balance with Bangladesh Bank should be treated as cash and cash equivalents.

x) Presentation of loans and advance net of provision

IFRSs: Loans and advances shall be presented at amortized cost net of any write down for impairment (expected credit losses that result from all possible default events over the life of the financial instrument).

Bangladesh Bank: As per DFIM circular no. 11 dated 23 December 2009, provision on loans and advances should be presented separately as liability and cannot be netted off against loans and advances.

xi) Presentation of intangible asset

IFRSs: An intangible asset must be identified and recognized, and the disclosure must be given as per IAS 38.

Bangladesh Bank: There is no regulation for intangible assets.

xii) Off-balance sheet items

IFRSs: No concept of off-balance sheet items in any IFRS/IAS/IFRIC; so, nothing to disclose as off-balance sheet items.

Bangladesh Bank: As per DFIM circular no. 11 dated 23 December 2009, off-balance sheet items i.e. letter of credit (LC), letter of guarantee (LG), acceptance should be disclosed separately on the face of the balance sheet.

xiii) Measurement of deferred tax assets

IFRSs: A deferred tax asset shall be recognized for all deductible temporary dierences to the extent that it is probable that taxable profit will be available against which the deductible temporary dierence can be utilized.

Bangladesh Bank: As per DFIM circular No. 7, dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary dierence against the provision for lease, loans and advances.

Please see annexure-C3 for details.

2.11 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by group entities except otherwise instructed by Bangladesh Bank as the primary regulator.

2.11.1 Comparative Information

As guided in paragraph 36 and 38 of IAS 1 Presentation of Financial Statements, comparative information in respect of the previous year have been presented in all numerical information in the financial statements and the narrative and descriptive information where, it is relevant for understanding of the current year's financial statements.

Previous year/period figures has been rearranged to conform with the current year/period presentation where applicable.

2.11.2 Recognition of fixed asset and Depreciation

i) Recognition and measurement

Items of fixed assets are stated at cost or revaluation less accumulated depreciation. The cost of the assets is the cost of acquisition or construction together with purchase price and other directly attributable costs for bringing the assets to working conditions for their intended use inclusive of inward freight, duties and non refundable taxes as per International Accounting Standard (IAS) 16: Property, Plant and Equipment.

ii) Subsequent expenditure on fixed assets

Subsequent expenditure is capitalized only when it increases the future economic benefit from the assets and that cost can be measured reliably. All other expenditures are recognized as an expense as and when they are incurred.

iii) Depreciation

Depreciation is provided on a new asset for the period in use in the year of purchase. Full month's depreciation has been charged on additions irrespective of date when the related assets are put into use. Depreciation is calculated on the cost of the assets in order to write-off such amounts over the estimated useful life of such assets. Bangladesh Finance followed the Straight-line method of depreciation and annual rates are as under:

Building	10%
Office equipment	25%
Office Renovation	20%
Furniture and fixtures	20%
Motor vehicles	20%
Other assets	20%
Right-of-use Asset	Lease term

The-right-of use asset is depreciated using the straight line methods from the commencement date (from the beginning of 2019) to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the Income Statement, which is determined with reference to the net book value of the assets and net sales proceeds.

2.11.3 Intangible Assets

i) Components

The main item included in intangible asset is software.

ii) Basis of recognition

An Intangible Asset shall only be recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably in accordance with IAS 38: Intangible Assets. Accordingly, this asset is stated in the Balance Sheet at cost less accumulated amortization and accumulated impairment losses, if any.

iii) Subsequent expenditure

Subsequent expenditure on intangible asset is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

iv) Amortization

Intangible asset is amortized on straight line basis at 25% to write off the cost of intangible assets.

2.11.4 Impairment of assets

An asset is impaired when its carrying value exceeds its recoverable amount as per IAS 36: Impairment of assets. At the end of each reporting period, Bangladesh Finance and its subsidiaries review the carrying value of financial and non-financial assets (other than investment in subsidiaries) and assess whether there is any indication that an asset may be impaired and/or whenever events or changes in circumstances indicate that the carrying value of the asset may not be recovered. If any such indication exists, Bangladesh Finance and the subsidiaries make

an estimate of the recoverable amount of the asset. The carrying value of the asset is reduced to its recoverable amount if the recoverable amount is less than its carrying amount with associated impairment losses recognized in the profit and loss account. However, impairment of any financial assets is guided by relevant Bangladesh Bank circulars/instructions and IFRS 9.

2.11.5 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash at bank, term deposits and investment in call loan that are readily convertible to a known amount of cash and that are subject to an insignificant risk of change in value.

2.11.6 Investments in Securities

Investments are valued in compliance with FID Circular no .08, dated 03 august, 2002 in lieu of IFRS-9. All investment securities are initially recognized at cost.

Investment in securities are classified broadly in two categories and accounted for as under:

a. Investment in quoted securities:

These securities are bought and held primarily for the purpose of selling them in near term. These are reported at cost. Adequate provision is made for excess of cost over market value.

b. Investment in un-quoted securities:

Investment in un-quoted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.

2.11.7 Capital/shareholders' equity

Authorised capital

Authorised capital is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association.

Paid-up capital

Paid up capital represents total amount of share capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of winding-up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to receive any residual proceeds of liquidation.

Statutory reserve

As per the Financial Institutions Regulations, 1994, finance companies are required to transfer 20% of their profit to the statutory reserve before declaring any dividend. if the financial institution's sum of Share Premium Account (if any) and Statutory Reserves is less than the required paid up capital of that financial institution. Accordingly to DFIM Circular no 05, dated July 24, 2011, required capital for financial institution should not be less than BDT 100 crore or minimum capital required based on risk-weighted asset. In compliance with this regulation, Bangladesh Finance PLC Limited transfers 20% of its post-tax profit to the statutory reserve. However, as the company has incurred a negative post-tax profit this year, no amount has been transferred to the statutory reserve.

Revaluation reserve

Revaluation reserve arises from the revaluation of Land and Building. The tax effects on revaluation gain are measured and recognised in the financial statements as per IAS 12 "Income Taxes". When an fixed asset's carrying amount is increased as a result of revaluation, the increased amount has been credited directly to equity under the head of revaluation reserve as per IAS 16 " Property, Plant and Equipment". The revaluation surplus included in equity transferred directly to retained earnings with the amount of the surplus from the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost as per the para 41 of IAS 16.

Non-controlling (minority) interest in subsidiaries

A Non-controlling (minority) interest (NCI), is ownership of less than 50% of a company's equity by an investor or another company. For accounting purposes, minority interest is a fractional share of a company amounting to less than 50% of the voting shares. Minority interest shows up as a noncurrent liability on the balance sheet of companies with a majority interest in a company, representing the proportion of its subsidiaries owned by minority shareholders. Also, minority interest is reported on the consolidated income statement as a share of profit belonging to minority shareholders.

General Reserve

Generally fund from Retained Earnings is transferred to General Reserve once in a year with the consent of the Board of Directors.

2.11.8 Retirement Benefit

(a) Provident Fund

The company operates a contributory provident fund scheme for its permanent employees. The Provident fund is administered by a Board of Trustees and is funded by contribution partly from the employees and partly from the Company at 10% of basic salaries of the employees. The contributions are invested separately from the Company's asset.

(b) Gratuity

The Company operates non-funded gratuity scheme, provision in respect of which is made annually covering all permanent eligible employees. Gratuity fund benefits are given to the staff of Bangladesh Finance in accordance with the Company's service rules. The gratuity is calculated on the basis of eligibility and as per IAS-19 "Employee Benefits" and payable as per the modalities of the rules. Gratuity so calculated are transferred to the Gratuity fund and charged to expenses of the Company.

Duration of the services	Amount entitled of receive
For services from 05 to below 10 years	One month's basic pay for each year of service
For services from 10 to below 15 years	One and three-quarter month's basic pay for each year of service
For services from 15 years & above	Two months' basic pay for each year of service

(c) Other employees benefit obligation

The Company operates group life insurance and hospitalization scheme for its permanent employees.

2.11.9 Income Tax

i) Current tax

Provision for current income tax has been made @ 37.50% as prescribed in the Finance Act 2023 on the accounting Profit made after considering some of the taxable add back income and disallowance of expenditure in compliance with IAS-12.

ii) Deferred tax

Pursuant to International Accounting Standard (IAS) 12: Income Taxes, deferred tax is provided for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purposes. Adequate provision has been made in calculating temporary timing differences. Deferred tax assets and liabilities are not offset and are presented separately as per Bangladesh Bank directives.

2.11.10 Accrued expenses and other payables

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

2.11.11 Revenue recognition

Revenue is only recognized when it meets the following five steps model framework as per IFRS- 15:

a) identify the contract(s) with a customers;
b) identify the performance obligations in the contract;
c) determine the transaction price;
d) allocate the transaction price to the performance obligations in the contract; and
e) recognize revenue when (or as) the entity satisfies a performance obligation.

Interest income from loans and other sources is recognized on an accrual basis of accounting.

2.11.12 Lease income

The excess of aggregate rental receivable over the cost of lease constitutes the total unearned interest income at the commencement of the contract. This income is allocated over the period of lease that reflect a constant periodic return on net investment.

2.11.13 Income from Term loan and short term Finance

Interest income on Term loan and short term Finance is recognized on Accrual Basis. Interest portion of the installments that become receivable is credited to the Profit and Loss Account.

2.11.14 Fees base income, etc.

Fees on services rendered by the company are recognized as and when services are rendered.

2.11.15 Dividend income

Dividend income from shares is recognized when the shareholders' legal rights to receive payments have been established i.e. during the period in which dividend is declared in the Annual General Meeting. Dividend declared but not received is recognized as deemed dividend.

2.11.16 Accounting for term finance and other finances

Books of accounts for term finance operation are maintained based on the accrual method of accounting. Outstanding loans, along with the accrued interest thereon, for short-term finance, and unrealized principal for long-term finance, real estate finance, car loans and other finances are accounted for as term finance assets of the Company. Interest earnings are recognized as operational revenue periodically.

2.11.17 Accounting for margin loan

Margin loan to portfolio investors is given at an agreed ratio (not more than the ratio prescribed by BSEC) between investor's deposit and loan amount to purchase securities against respective investor account. The new investor are to maintain the margin as per set rules and regulations. The margin is monitored on daily basis as it changes due to changes in market price of share. If the margin falls below the minimum requirement, the investors are required to deposit additional fund to maintain the margin as per rules otherwise the securities are sold to bring the margin to the required level.

2.11.18 Loans, Advances and Provision

Loans and advances (initial recognition):

Loans and advances comprise of non-derivative financial assets with fixed or determinable payments and are not quoted in an active market. These are recognized at gross amount on the date on which they are originated. The group has not designated any loans and advances upon initial recognition as at fair value through profit and loss account or other comprehensive income.

After initial recognition, loans, advances and interest receivables are subsequently measured at amortized cost using effective interest rate (EIR) over the relevant periods. The amortized cost of a financial asset is the amount at which the asset is measured at initial recognition less principal repayments, using EIR method. The EIR is the rate that exactly discounts estimated future cash receipts (estimates cash flows considering all contractual terms of the instrument but not future credit losses) during the expected life of the financial instrument.

Provision for investments and advances is an estimate of the losses that may be sustained in the investment portfolio. The provision is based on two principles (1) International Accounting Standards (IAS) 37; Provisions, contingent liabilities and contingent assets, and (2) Bangladesh Bank guidelines.

Bangladesh Finance's methodology for measuring the appropriate level of the provision relies on several key elements, which include both quantitative and qualitative factors as set forth in the Bangladesh Bank Guidelines. Provision for loans and advances is made on the basis of periodical review by the management and of instructions contained in Bangladesh Bank DFIM Circular no. 04 dated 26 July 2021. The classification rates are given below:

Particulars	Rate
General provision on:	
Unclassified loans and advances-Non-SME	1%
Unclassified loans and advances-SME	0.25%
Unclassified loans and advances-Brokerage	2%
Special mention account	5%
Off-Balance sheet exposure	1%
Specific provision on:	
Substandard loans and advances	20%
Doubtful loans and advances	50%
Bad/loss loans and advances	100%

Loans and advances (written-off):

Loans and advance are written off to the extent that there is no realistic prospect of recovery in the proximate future, classified as bad/ loss and adequate provision are maintained as per DFIM circular no.02 dated 01 April 2019 and DFIM circular no. 08 dated 07 June 2022. No loans and advances are written off without prior approval of the Board of Directors in compliance with the said circulars. At each reporting period end, the NBFI assesses loans and advances to be written off as per organization's own process in compliance with BB guideline. Details of loans and advances written off are given in the note 6.8 (xi) in the financial statements.

Loans and advances (recovery from written off):

The Company puts continuous effort for recovery from written off loans and advances in compliance with DFIM circular no. 02 dated 01 April 2019. The Company takes necessary legal measures against default borrowers for recovery against written off loans and advances as per relevant BB guidelines and Artha Rin Adalat Act-2003. Legal cost incurred against those borrowers are initially charged to the profit and loss account of Bangladesh Finance.

However, recovery including any legal cost against written off loans and advances are recognized in profit and loss account as earned and on settlement basis. Details of recovery are given in note 6.8 (x) in the Financial Statements.

2.11.19 Significant accounting policies - IFRS 16: Leases

Bangladesh Finance as a lessee

Bangladesh Finance recognizes a right of use asset and a lease liability from the beginning of 2019. The right-of-use asset is initially measured

at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The-right-of use asset is depreciated using the straight line methods from the commencement date (from the beginning of 2019) to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.
The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date (from the beginning of 2019), discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Bangladesh Finance's incremental borrowing rate. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in Bangladesh Finance 's estimate of the amount expected to be payable under a residual value guarantee, or if Bangladesh Finance changes its assessment of whether it will exercise purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Bangladesh Finance presents right of use assets in Annexure A and lease liabilities in note-12.7 separately.

Bangladesh Finance as a lessor
When Bangladesh Finance acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, Bangladesh Finance makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, Bangladesh Finance considers certain indicators such as whether the lease is for the major part of the economic life of the asset. If an arrangement contains lease and non-lease components, Bangladesh Finance applies IFRS 15 to allocate the consideration in the contract. Bangladesh Finance recognizes lease payments received under operating leases as income over the lease term.

Impacts on financial statements
Bangladesh Finance has 9 contracts for renting premises which were classified as operating lease under IAS 17. As per para C5(b) of IFRS 16 Lease, the company has taken the decision to apply IFRS 16 retrospectively with modified approach with the cumulative effect of initially applying the standards recognized at the date of initial application from 01 January 2019.

Particulars	Amount
Depreciation charge for right-of-use assets	15,569,131
Interest expense on lease liabilities	2,004,879
Total cash out flow for lease	17,123,050
Addition to right-of-use assets	228,085
Carrying amount of right-of-use assets at the end of the year	11,561,130

2.11.20 Gain/Loss on Sale of Securities

Capital gain/Loss on sale of securities listed in the stock exchanges is recognized only when the securities are sold in the market.

Brokerage commission
Brokerage commission is recognised as income when selling or buying order is signed and trade is executed.

Foreign Currency Transactions and Translation
The Company did not have any foreign currency transactions during the year. As such, no translation of foreign currency amounts was required, and there were no exchange gains or losses recognized in the financial statements.

2.11.21 Risk and uncertainty for use of estimates (Provisions)

The preparation of Financial Statements in conformity with International Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and disclosure requirements for contingent assets and liabilities during the reporting period and on the dates of the financial statements. Due to inherent uncertainty involved in making estimates, actual results reported could differ from those estimates.
In accordance with the guidelines as prescribed by International Accounting Standards (IAS) 37: Provisions, contingent liabilities and contingent assets, provisions are recognized in the following situations:

a. When the Company has an obligation as a result of past events;
b. When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
c. Reliable estimate can be made of the amount of the obligation.

2.12 Borrowing Costs

Borrowing costs are recognized as expense in the year in which they are incurred unless capitalization is permitted under International Accounting Standard (IAS) 23: "Borrowing Costs".

2.13 Interest Suspense Account

Accrued interest on lease, term finance, real estate finance, hire purchase agreement classified as Special Mentioned Account, Sub-Standard, Doubtful and Bad loan are not recognized as income rather transferred to interest suspense accounts as complied with Bangladesh Bank guidelines. Recovery of overdue credited to interest suspense account is recognized as income on realization basis.

2.14 Litigation

The Company has no party to any lawsuits except those arising in the normal course of business, which were filed against the default clients for non-performance in loan/lease repayment. The Company, however, provides adequate provision against such doubtful finance.

2.15 Proposed dividend

Proposed dividend has been shown separately under the shareholders' equity in accordance with International Accounting Standards (IAS)-10 " Events After the Reporting Period".

IAS 1: Presentation of Financial Statements, also requires the dividend proposed after the reporting period but before the financial statements are authorized for issue, be disclosed in the notes to the financial statement. Accordingly, the Company has disclosed the amount of proposed dividend in notes.

2.16 Earnings Per Share (EPS)

The Company calculates Earnings Per Share (EPS) in accordance with IAS 33: Earnings Per Share, which has been shown on the face of Profit and Loss Account, and the computation of EPS is stated in Note 33.

Basic Earnings

This represents earnings for the period attributable to ordinary shareholders. As there was no preference dividend, minority or extra ordinary items, the profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

Weighted average number of Ordinary Shares outstanding during the period

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of shares issued during the period multiplied by a time-weighting factor. The time-weighting factor is the numbers of days the specific shares are outstanding as a proportion of the total number of days in the period.

Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding for the period.

Diluted Earnings Per Share

No diluted EPS is required to be calculated for the period, as there was no scope for dilution during the period under review.

2.17 Contingent liabilities and contingent assets

The Company does not recognize contingent liability and contingent asset but discloses the existence of contingent liability in the financial statements. A contingent liability is a probable obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of uncertain future events not within the control of the Company or a present obligation that is not recognized because outflow of resources is not likely or obligation cannot be measured reliably.

2.18 Risk Management and Regulatory Compliance

2.18.1 BASEL II & its implementation

To cope with the international best practices and to make the capital more risks sensitive as well as more shock resilient, guidelines on 'Basel Accord for Financial Institutions (BAFI)' have been introduced from January 01, 2011 on test basis by the Bangladesh Bank. At the end of test run period, Basel Accord regime has started and the guidelines namely "Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions (CAMD)" have come fully into force from January 01, 2012 with its subsequent supplements/revisions. Instructions regarding Minimum Capital Requirement (MCR), Adequate Capital, and Disclosure requirement as stated in these guidelines have to be followed by all FIs for the purpose of statutory compliance. As per CAMD guidelines, Financial Institutions should maintain a Capital Adequacy Ratio (CAR) of minimum 10%. In line with CAMD guideline's requirement, Bangladesh Finance has already formed BASEL Implementation Committee to ensure timely implementation of BASEL II accord.

2.18.2 Related party disclosures:

A party is considered related to a company if:

1. It controls, is controlled by, or is under common control with the company (directly or indirectly).
2. It has significant influence or joint control over the company.
3. It is an associate or a joint venture of the company.
4. It is part of the key management personnel of the company or its parent.
5. It is a close family member of any individual in points 1 or 4.
6. It is an entity influenced or controlled by individuals mentioned in points 4 or 5.
7. It is a post-employment benefit plan for employees of the company or its related entities.

2.18.3 Credit Risk

Credit risk is the risk of loss that may occur from the default of any counterparty to repay in accordance with agreed terms and conditions and/or deterioration of creditworthiness. Board of Directors is the apex body for credit approval of the company. However, they delegate authority to the Managing Director & CEO or other officers. The Board also sets credit policies to the management for setting procedures, which together has structured the CRM framework in the company.

The Credit Manual contains the core principles for identifying, measuring, approving and managing credit risk in the company. The policy covers corporate, retail, Small and Medium Enterprise (SME) exposures. Policies and procedures together have structured and standardised CRM process both in obligor and portfolio level. There is a comprehensive credit appraisal procedure that covers industry/business risk, management risk, financial risk, facility structure risk, security risk, environmental risk, reputational risk, and account performance risk.

2.18.4 Operational risk

Operational risk addresses the risk associated with fraud, forgery, unauthorised activities, error, omission, system failure and external events among others. The Company is managing these risks through written procedures, regular training, awareness programs and monitoring of the implementation of these procedures.

Operational risks are analyzed through review of various control tools like Departmental Control Function Check List (DCFCL), Quarterly Operations Report (QOR), Loan Documentation Check List (LDCL), and Self Assessment Anti Fraud Internal Control Check list. This is a self-assessment process for detecting high risk areas and finding mitigates of those risks. The effectiveness of the company's Internal control are monitored on an ongoing basis, Key/high risk items are identified and monitored as part of daily activities."

2.18.5 Interest rate risk

Interest rate risk is the risk to earnings or capital of the company arising from movement of interest rates. The movement of interest rates affects companies' reported earnings and capital by changing:

- Net interest income
- The market value of trading accounts (and other instruments accounted for by market value), and
- Other interest sensitive income and expenses.

To manage interest rate risk, ALCO regularly monitors various ratios and parameters. The company deploys several analysis techniques (e.g. rate sensitive gap analysis, duration gap analysis) to measure interest rate risk, its impact on net interest income and takes insight about course of actions."

2.18.6 Liquidity risk

"The objective of liquidity risk management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due. To this end, the Company is maintaining a diversified and stable funding base comprising of core retail and corporate deposits and institutional balance. Responsibility of managing and controlling liquidity of the company lies with Asset Liability Committee (ALCO) that meets at least once in a month. Asset Liability Management (ALM) desk being primarily responsible for management of liquidity risk closely monitors and controls liquidity requirements on a daily basis by appropriate coordination of funding activities. A monthly projection of fund flows is reviewed in ALCO meeting regularly. On monthly basis, ALCO monitors liquidity management by examining key ratios, maximum cumulative outflow, upcoming funding requirement from all business units, asset-liability mismatch etc.

ALCO also monitors concentration of deposits on large institutional depositors which is volatile in nature. In addition to these ratios, the company prepares structural liquidity profile, maturity profile of term deposit, cash flow modelling and contingency funding plan on monthly basis, which are analysed in ALCO meeting to ensure liquidity at the level acceptable to the company and regulators."

2.18.7 Market risk

Risk Management Unit (RMU) is responsible for overall monitoring, control and reporting of market risk while treasury mid office is an integral part of market risk management which independently evaluates and monitors treasury department's transaction from risk perspective. Overall risk parameters and exposures of the company are monitored by RMU and periodically reported to company's Risk Management Committee (RMC). Market risk can be subdivided into three categories depending on risk factors: interest rate risk, foreign exchange risk, and equity price risk.

2.18.8 Equity price risk

Equity price risk is the risk of losses caused by changes in equity prices. These losses could arise because of changes in the value of listed shares held directly by the company; changes in the value of listed shares used as collateral for loans whether the loan was made for the purpose of buying the shares; and changes in the value of unlisted shares. Mark to Market is the tool the company applies for making full provision against losses arisen from changes in market price of securities.

As of 31 December 2024, the company set aside Tk. 62.29 million charging its profit and loss account over the periods to cover unrealised loss against quoted securities.

2.18.9 Information and communication technology risk

Bangladesh Finance adheres to the IT Security policies and procedures in line with ICT Security guideline of Bangladesh Bank. To prevent attack from Cyber criminals/fraudsters, Bangladesh Finance IT has established standard physical and logical security measures for all sensitive IT infrastructures (e.g. Data Centre, Disaster Recovery Site, etc.). Besides, Bangladesh Finance has standard logical IT security measures like access control system, intrusion detection, access log and periodic security assessment for all systems. Vulnerability assessment exercises, both internally and externally, are conducted regularly to identify security weakness and implementing control for mitigation.

IT team has also taken initiatives to create awareness about cybersecurity among all Bangladesh Finance employees and customers through retail and corporate channels. We have separate information system audit to identify control gaps and improve continually.

2.18.10 Money Laundering and Terrorist Financing Risk

In Bangladesh Finance, money laundering and terrorist financing risk takes two broad dimensions:

a) Business risk which is the risk that Bangladesh Finance may be used for money laundering or for the financing of terrorism and
b) Regulatory risk which is the risk that Bangladesh Finance fails to meet regulatory obligations under the Money Laundering Prevention Act 2012 (subsequently amended in 2015) and the Anti-Terrorism Act 2009 (subsequently amended in 2012 and 2013).

To mitigate the risks, Bangladesh Finance, while adhering to various guidelines and circulars issued by the Bangladesh Financial Intelligence Unit (BFIU), has in place a strict compliance program consisting of the following components:

a) Internal policies, procedures and controls, which are continually updated as and when required, to identify and report instances of money laundering and terrorism financing;
b) A dedicated structure and sub-structure within the organisation, headed by a Central Compliance Unit (CCU), for proactively managing AML and CFT compliance;
c) Appointment of an AML/CFT Compliance Officer, known as the Chief Anti Money Laundering Officer (CAMLCO), to lead AML/CFT efforts throughout the company;
d) Independent audit functions, including internal and external audit, to test the programs;
e) Ongoing employee training programs.

2.19 Additional risks required to be addressed under regulatory requirements

DFIM Circular No.03 of 2016, introduced the Integrated Risk Management Guidelines for Financial Institutions ("the guidelines"). These guidelines supplement, and do not replace, existing risk management guidelines.

The Integrated Risk Management Guidelines for Financial Institutions specify a number of additional risks that financial institutions are now required to manage in a more structured manner. Key among these are:

2.19.1Strategic Risk

Strategic risk has been defined as the risk of possible losses that might arise from adverse business decisions, substandard execution and failure to respond properly to changes in the business environment. The guidelines set out the respective roles of the board of the directors, senior management and business units in managing strategic risks, identify the steps to be followed in the strategic risk management process and also suggest measures for strategic risk control.

Bangladesh Finance has been managing strategic risks ever since its inception. This is evident from the constantly evolving business model of the company over the years. The company has a clear strategic vision as to what it wants to be and a mission statement that states what it will do to achieve its vision. Strategic issues are discussed at a variety of forums including meetings of the Management Committee and of the Bangladesh Finance Board. Over the past few years, Bangladesh Finance has a separate Strategic Planning department has been set up to

assist senior management in this regard. The culmination of all these efforts are reflected in annual Strategy and Budget sessions, where the company sets outs its plans for the next year. Bangladesh Finance keeps track on internal and external factors to align and update the strategy as and when required, monitors implementation, evaluates performance for strategic risk management.

2.19.2 Compliance Risk

Compliance risk is defined as the current or prospective risk of legal sanction and/or material financial loss that an organisation may suffer as a result of its failure to comply with laws, its own regulations, code of conduct, and standards of best practice as well as from the possibility of incorrect interpretation of laws or regulations. The guidelines set out the respective roles of the board, senior management and compliance function units in managing compliance risks and also require formulation of a written compliance risk management policy.

Historically, Bangladesh Finance has always fostered a compliance oriented culture. This has been reinforced in a variety of ways, ranging from formal requirements to sign declarations of compliance with the Bangladesh Finance code of conduct (which requires compliance with the law & regulations) to repeated communications from senior management stressing the need to do business in a compliant manner. In general, compliance risk management is embedded in the day to day to business processes and practices of the company. Concerned departments are kept informed of latest legal and regulatory requirements by the ICC and Corporate Affairs departments. A consideration of compliance (or any potential non-compliance) with laws and regulations is a standard part of the company's regular decision making processes. Wherever deemed necessary, appropriate legal advice is sought from qualified internal and/or external legal counsel. In addition, compliance with laws and regulations has been introduced as a Key Control Standard (KCS) under the Operational Risk Management self-assessment toolkit. Unit operational risk managers are required to actively consider relevant legal and regulatory compliance requirements using the toolkit.

2.19.3 Reputation Risk

Reputation risk may be defined as the risk of loss arising from damage to an organization's reputation. The guidelines set out the respective roles of the Board and senior management in managing reputation risk and also require financial institutions to implement a sound and comprehensive risk management process to identify, monitor, control and report all reputational risks.

Bangladesh Finance has already established a set of non-financial reputational risk indicators and put in place a process for monitoring these and any other matters that might give rise to potential reputational risk issues. Till date, no material reputational risk issue involving the company has been identified.

2.20 Segment Reporting:

According to IFRS 8 "Operating Segments", an operating segment is defined as a component of an entity that (a) engages in business activities from which it may earn revenues and incur expenses, including transactions with other segments of the same entity; (b) has its operating results regularly reviewed by the entity's Chief Operating Decision Maker to make decisions regarding the allocation of resources and to assess performance; and (c) has discrete financial information available. Bangladesh Finance identifies its operating segments based on the nature of its business activities. The reported segments include Conventional Banking, Islamic Wing, Bangladesh Finance Securities Limited, and Bangladesh Finance Capital Limited.

2.21 Status of compliance of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)

In addition to compliance with local regulatory requirements, in preparing the Consolidated Financial Statements and Separate Financial Statements, Bangladesh Finance applied following IASs and IFRSs:

Name of the IASs	IAS No.	Status
Presentation of Financial Statements	1	Applied *
Inventories	2	N/A
Statement of Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	N/A
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	Applied
Investment in Associates and Joint Ventures	28	N/A

Name of the IASs	IAS No.	Status
Financial Reporting in Hyper-inflationary Economics	29	N/A
Interests in Joint Ventures	31	N/A
Earnings per share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied *
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Investment Property	40	N/A
Agriculture	41	N/A

Name of the IFRS	IFRS No.	Status
Share Base payment	2	N/A
Business combination	3	N/A
Insurance Contracts	4	N/A
Non-current assets held for sale and discontinued operation	5	N/A
Exploration for and Evaluation of Mineral Resource	6	N/A
Financial Instruments: Disclosures	7	Applied *
Operating Segments	8	Applied
Financial Instruments	9	Applied *
Consolidated Financial Statements	10	Applied
Joint Arrangement	11	N/A
Disclosure of Interest in Other Entities	12	N/A
Fair Value Measurement	13	Applied*
Revenue from Contracts with customers	15	Applied
Leases	16	Applied

N/A= Not Applicable

* As the regulatory requirements differ with the standards, relevant disclosures have been made in accordance with Bangladesh Bank's requirements (please see note 2.10 and Annexure-C3).

		Amount in BDT	
		31-Dec-24	31-Dec-23
3	**Cash**		
	Cash in hand (Notes - 3.1)	54,817	62,312
	Balance with Bangladesh Bank (Notes - 3.2)	130,928,670	117,914,492
		130,983,487	**117,976,803**
3.a	**Cash in hand (Consolidated)**		
	Bangladesh Finance	54,817	62,312
	Bangladesh Finance Securities Limited	30,063	26,517
	Bangladesh Finance Capital Limited	9,135	7,345
		94,015	**96,174**
3.1	**Cash in hand (including foreign currencies)**		
	In local currency	54,817	62,312
	In foreign currency	-	-
		54,817	**62,312**
3.2	**Balance with Bangladesh Bank (including foreign currencies)**		
	In local currency	130,928,670	117,914,492
	In foreign currency	-	-
		130,928,670	**117,914,492**

3.3 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR)

Cash Reserve Requirement and Statutory Liquidity Reserve have been calculated and maintained in accordance with Finance Company Act, 2023 & Financial Institutions Regulations, 1994, FID Circular No. 06, dated November 06, 2003, FID Circular No. 02 dated November 10, 2004, DFIM Circular Letter No. 01, dated January 12, 2017 and DFIM Circular Letter No. 03, dated June 21, 2020.

3.4	**Cash Reserve Ratio (CRR): 1.5% of Average Demand and Time Liabilities**		
	Required Reserve	93,188,076	92,683,774
	Actual Reserve held with Bangladesh Bank **(local currency)**	118,457,622	119,689,292
	Surplus	**25,269,546**	**27,005,518**
3.5	**Statutory Liquidity Requirement (SLR): 5% (including 1.5% CRR) of Average Demand and Time Liabilities**		
	Required Reserve	519,493,087	396,310,368
	Actual Reserve held (Note - 3.6)	687,839,785	580,819,187
	Surplus	**168,346,697**	**184,508,819**
3.6	**Held for Statutory Liquidity Requirement**		
	Cash in hand	54,817	62,312
	Balance with Bangladesh Bank	130,928,670	117,914,492
	Balance with other bank and Financial Institutions (Note - 4)*	1,498,087,963	1,552,240,540
		1,629,071,450	**1,670,217,343**
	*Balance with other bank and Financial Institutions	**1,498,087,963**	**1,552,240,540**
	Unencumbered	556,856,298	462,842,384
	Encumbered	827,739,265	1,089,398,156
	Unencumbered balance*	556,856,298	462,842,384
	Encumbered balance	-	-
	Balance with Bangladesh Bank	130,928,670	117,914,492
	Cash in hand	54,817	62,312
	Total eligible balance for SLR	**687,839,785**	**580,819,187**

*According to the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank Circular Letter No. 27, dated August 23, 2021, unencumbered balances held with other banks or financial institutions are eligible to qualify for the Statutory Liquidity Ratio (SLR).

4	**Balance with other Banks and Financial Institutions**		
	Inside Bangladesh (Note - 4.1)	1,498,087,963	1,552,240,540
	Outside Bangladesh (Note - 4.2)	-	-
		1,498,087,963	**1,552,240,540**
4.a	**Balance with other Banks and Financial Institutions (Consolidated)**		
	Bangladesh Finance	1,498,087,963	1,552,240,540
	Bangladesh Finance Securities Limited	97,312,588	118,692,638
	Bangladesh Finance Capital Limited	11,949,478	13,242,469
		1,607,350,029	1,684,175,647
	Less: Inter-company transactions	-	-
		1,607,350,029	**1,684,175,647**

4.1	Inside Bangladesh	Amount in BDT	
		31-Dec-24	31-Dec-23
	Current Account		
	Commercial Bank of Ceylon	138,339	2,863,279
	Midland Bank Limited	655	97,180
	NCC Bank Ltd	255,298	159,037
	Prime Bank Limited	59	469,760
	Shahjalal Islami Bank Limited	91,349	61,633
	Social Islami Bank Limited	263,250	3,968,169
	The City Bank Limited	465,476	1,235,579
		1,214,425	**8,854,636**
	STD Account		
	Bank Asia Limited	186,160	190,310
	BRAC Bank Limited	4,696,190	3,033,159
	Citizens Bank PLC	38,460	4,087
	Dutch Bangla Bank Limited	4,024,575	10,848,696
	EXIM Bank Limited	2,492,278	3,486,241
	EXIM Bank Limited (Islamic)	1,661,584	729,111
	Islami Bank BD Ltd.	499,336	544,840
	Jamuna Bank Limited	70,526	701,616
	Mutual Trust Bank Limited	3,746,548	5,947,190
	Mutual Trust Bank Limited (Islamic)	1,859,020	290,795
	Rupali Bank Limited	29,303	-
	Southeast Bank Limited	20,986,987	13,434,928
	Southeast Bank Limited (Islamic)	1,480,209	1,791,224
	The City Bank Limited	3,086,776	24,211,711
	The City Bank Limited (Islamic)	83,204,045	8,336,705
	United Commercial Bank Limited	2,078,837	3,571,442
		130,140,834	**77,122,054**
	FDR with Banks	**827,739,265**	**978,584,376**
	FDR with NBFIs	**538,993,439**	**487,679,476**
	Total Balance with other Banks and Financial Institutions	**1,498,087,963**	**1,552,240,542**
	FDR with Banks		
	BASIC Bank Ltd.	169,365,191	159,323,668
	Citizens Bank Ltd.	53,000,000	20,000,000
	Exim Bank Ltd. (Islamic)	26,344,074	26,499,074
	NRB Commercial Bank	-	130,790,386
	Rupali Bank Ltd.	499,800,000	499,800,000
	Jamuna Bank Limited	79,230,000	-
	South Bangla Agriculture And Commerce Bank Ltd	-	142,171,249
		827,739,265	**978,584,376**
	FDR with NBFIs		
	CVC Finance Limited	-	110,813,780
	Industrial and Infrastructure Development Finance Company (IIDFC) PLC.	100,000,000	100,000,000
	Hajj Finance Company Limited	47,500,000	-
	Bay Leasing & Investment Limited	90,200,000	-
	International Leasing and Financial Services Ltd. (ILFSL)*	301,293,439	276,865,696
		538,993,439	**487,679,476**

*Bangladesh Finance PLC. placed Term Deposits amounting to Tk. 200,000,000 with International Leasing & Financial Services Ltd. (ILFSL) during the years 2017 and 2018.

In light of ILFSL's ongoing financial distress, the management has suspended the recognition of interest income on these deposits from the year 2020. As of the reporting date, an amount of Tk. 101,293,439 has been transferred to the Interest Suspense Account.

Considering the prolonged financial constraints of ILFSL and the uncertainty surrounding the recovery of the principal, the management has recognized a full provision against the outstanding investment of Tk. 200,000,000.

ILFSL continues to experience severe liquidity shortages and a high level of non-performing assets, which have adversely impacted its ability to meet financial obligations and maintain operational stability. The company remains under

		Amount in BDT	
		31-Dec-24	31-Dec-23
4.2	**Outside Bangladesh**		
	Cash at Foreign Bank	-	-
	Total Cash at Bank (Bangladesh & Foreign)	**1,498,087,963**	**1,552,240,542**
4.3	**Maturity-wise groupings of balance with other banks and FI's**		
	On Demand	1,214,425	8,854,636
	Not more than 3 months	130,140,834	77,122,052
	More than 3 months but less than 1 year	1,366,732,704	1,466,263,852
	More than 1 year but less than 5 years	-	-
	More than 5 years	-	-
		1,498,087,963	**1,552,240,540**
5	**Investment in Securities**		
	i) Government	-	-
	ii) Others	342,370,588	413,086,701
		342,370,588	**413,086,701**
5.a	**Investment in Securities (Consolidated)**		
	Bangladesh Finance	342,370,588	413,086,701
	Bangladesh Finance Securities Limited	487,047,604	393,031,105
	Bangladesh Finance Capital Limited	842,797,585	736,295,842
		1,672,215,777	1,542,413,648
	Less: Inter-company transactions	173,500,000	147,500,000
		1,498,715,777	**1,394,913,648**
5.i.	**Investment in Securities-Government**	-	-
5.ii.	**Investment in Securities-Others**		
	Investment in shares (quoted)	192,370,588	263,086,701
	Investment in shares (un-quoted)	10,000,000	10,000,000
	Investment in preference shares	140,000,000	140,000,000
		342,370,588	**413,086,701**
	Maturity-wise Grouping of Investment in Securities:		
	On demand	192,370,588	263,086,701
	Not more than 3 months	-	-
	More than 3 months but less than 1 year	-	-
	More than 1 year but less than 5 years	150,000,000	150,000,000
	More than 5 years	-	-
		342,370,588	**413,086,701**

5.1 **Quoted Shares**

Segments	Cost Price 2024	Market Price 2024	Cost Price 2023
Bank	7,644,720	7,123,200	-
Cement			
Engineering	19,979,298	6,011,400	19,979,298
Food & Allied	-	-	-
Insurance	147,771,220	84,461,999	203,109,263
Miscellaneous	16,975,350	11,560,500	16,975,000
Pharmaceuticals & Chemicals	-	-	23,023,140
	192,370,588	**109,157,099**	**263,086,701**

5.2 **Unquoted Shares**

Segments	Cost Price 2024	Market Price 2024	Cost Price 2023
Miscellaneous	10,000,000	-	10,000,000
	10,000,000	**-**	**10,000,000**
	202,370,588	**109,157,099**	**273,086,701**

Bangladesh Finance has made a provision of Tk. 93,270,000 for investment in securities (refer to note # 12.2) wheras the required provision stands at Tk. 93,213,490 which is the difference between cost and market price after netting unrealized losses/gains. This results in a surplus provision of Tk. 56,510.

5.3	**Investment in preference shares**		
	Bangladesh Finance Securities Limited	120,000,000	120,000,000
	Bangladesh Finance Capital Limited	20,000,000	20,000,000
		140,000,000	**140,000,000**

		Amount in BDT	
		31-Dec-24	31-Dec-23
6	**Lease, Loans and Advances**		
a)	**Inside Bangladesh**		
	Investment in Lease Finance		
	Gross lease rental receivable	1,984,440,355	1,720,555,019
	Less: Unearned interest income	399,417,470	399,417,470
	i) Investment in Lease Finance	1,585,022,885	1,574,194,127
	ii) Term Finance	9,745,635,878	9,616,198,198
	iii) Housing Finance	2,693,632,634	2,623,083,296
	Total Loans and Lease inside Bangladesh (i+ii+iii)	**14,024,291,397**	**13,813,475,620**
b)	**Outside Bangladesh**	-	-
	Total Loans and Lease Finance (a+b)	**14,024,291,397**	**13,813,475,620**
6.a	**Lease, Loans and Advances (Consolidated)**		
	Bangladesh Finance	14,024,291,397	13,813,475,620
	Bangladesh Finance Securities Limited	559,221,582	705,770,362
	Bangladesh Finance Capital Limited	101,664,916	77,995,196
		14,685,177,896	14,597,241,179
	Less: Inter-company transactions	-	-
		14,685,177,896	**14,597,241,179**
6.1	**Maturity wise Classification of Investments:**		
	With a residual maturity of		
	Receivable on Demand	916,116,299	529,418,525
	Not more than 3 months	1,352,544,246	1,684,513,489
	Over 3 months but not more than 1 year	1,560,627,976	1,938,447,453
	Over 1 year but not more than 5 years	7,491,014,285	7,411,859,353
	Over 5 years	2,703,988,591	2,249,236,799
		14,024,291,397	**13,813,475,620**
6.2	**Investments on the basis of significant concentration:**		
	Investments to allied concern of Directors (Note - 43.5)	-	-
	Investments to Executives/Officers	57,484,721	53,740,679
	Investments to Customer Groups	7,514,008,794	7,787,654,686
	Industrial Investment	6,047,624,201	5,506,512,502
	Others	405,173,681	465,567,754
		14,024,291,397	**13,813,475,620**
6.3	**Number of client's with amount of outstanding and classified loans, to whom loans and advances sanctioned more than 15% of total capital:**		
	Total outstanding amount to such customers at end of the year	9,337,298,214	5,350,088,132
	Number of such types of customers	15	8
	Amount of Classified Investments thereon	540,004,698	751,607,986
	Measures taken for recovery		

6.4 Sector-wise Classification of Investment:

Sector	As at 31 December 2024		As at 31 December 2023	
	Amount	Composition	Amount	Composition
1. Trade & Commerce	2,268,308,385	16.17%	2,233,041,171	16.17%
2. Industry	6,047,624,201	43.12%	5,506,512,502	39.86%
A. Garments & Knitwear	102,714,676	0.73%	155,491,085	1.13%
B. Textiles	1,740,766,987	12.41%	1,656,518,263	11.99%
C. Food Production, Processing &	328,814,187	2.34%	330,191,108	2.39%
D. Jute & Jute products	-	0.00%	1,979	0.00%
E. Plastic & Rubber Industry	29,594,542	0.21%	19,856,744	0.14%
F. Leather & Leather goods	56,509,919	0.40%	7,516,638	0.05%
G. Iron, Steel & Engineering	1,492,081,897	10.64%	1,331,524,679	9.64%
H. Pharmaceuticals & Chemicals	5,094,645	0.04%	6,695,588	0.05%
I. Cement & Allied Industry	-	0.00%	-	0.00%
J. Paper, Packaging, Printing,	9,073,575	0.06%	25,705,974	0.19%
K. Wood, Furniture & Fixture	-	0.00%	-	0.00%
L. Glass, Glassware & Ceramic	2,208,568	0.02%	3,379,438	0.02%
M. Ship Manufacturing & Breaking	-	0.00%	-	0.00%
N. Electronics & Electrical Products	723,635,140	5.16%	485,395,445	3.51%
O. Power, Gas, Petroleum, Water &	653,212,461	4.66%	720,400,046	5.22%
P. Transport & Aviation	903,917,605	6.45%	763,835,515	5.53%
Q. Others	-	0.00%	-	0.00%
3. Agriculture	904,561,346	6.45%	880,282,641	6.37%
4. Mining & Quarrying	-	0.00%	-	0.00%

5. Housing	2,461,821,597	17.55%	2,605,038,523	18.86%
6. Financial Corporation	1,294,780,341	9.23%	1,300,334,083	9.41%
7. Service	455,089,006	3.25%	456,474,017	3.30%
8. Consumer Finance	186,932,840	1.33%	366,224,930	2.65%
9. Others	405,173,681	2.89%	465,567,754	3.37%
	14,024,291,397	**100.00%**	**13,813,475,620**	**100.00%**

6.5 Geographical Location-wise loans and lease Finance:

Location	As at 31 December 2024		As at 31 December 2023	
	Amount	Composition	Amount	Composition
Dhaka Division	10,350,934,552	73.81%	10,543,151,428	76.33%
Chattogram Division	3,544,485,425	25.27%	3,136,993,213	22.71%
Khulna Division	88,339,378	0.63%	74,298,827	0.54%
Sylhet Division	40,532,043	0.29%	59,032,152	0.43%
	14,024,291,397	**100.00%**	**13,813,475,620**	**100.00%**

6.6 Grouping of Investment as per Classification Rules of Bangladesh Bank:

Particulars	As at 31 December 2024		As at 31 December 2023	
	Amount	Composition	Amount	Composition
Unclassified				
Standard	12,235,315,987	87.24%	9,997,365,927	72.37%
Special Mention Account (SMA)	490,388,415	3.50%	2,268,395,787	16.42%
	12,725,704,402		**12,265,761,714**	
Classified				
Substandard	16,873,323	0.12%	17,845,582	0.13%
Doubtful	42,116,312	0.30%	776,026,197	5.62%
Bad and Loss	1,239,597,359	8.84%	753,842,128	5.46%
	1,298,586,995		**1,547,713,906**	
	14,024,291,397	**100.00%**	**13,813,475,620**	**100.00%**

6.7 Particulars of provision for loans, lease and investments

Status	Rate	Basis for Provision	Amount 2024	Amount 2023
General Provision (for Unclassified portion)				
Standard Non-SME	1%	8,290,238,307	82,902,383	64,571,640
Standard-SME	0.25%	2,680,331,034	6,700,828	6,331,370
Standard-Brokerage	2.00%	1,264,746,647	25,294,933	20,153,076
Standard-Special*	2.00%	4,121,219,098	82,424,382	82,424,382
Special Mention Account	5%	443,506,280	22,175,314	106,202,730
			219,497,840	**279,683,199**
Specific Provision				
Substandard	20%	13,875,833	2,775,167	2,623,575
Doubtful	50%	31,745,413	15,872,706	286,730,950
Bad or loss	100%	588,160,926	588,160,926	421,165,398
			606,808,799	**710,519,922**
Provision Required for Loans and Lease Finance			826,306,638	990,203,121
Additional Provision for Stressed Loans, Lease and Investments			6,711,063,362	634,351,001
Provision for Other Assets			21,130,000	1,671,682
Total provision required			**7,558,500,000**	**1,626,225,804**
Total provision maintained {note # 12.1(a), (b), (c) & (d)}			8,623,505,973	1,632,500,000
Additional Provision			**1,065,005,973**	**6,274,196**

Bangladesh Finance has provided general provision on unclassified investment Tk. 7,423,902,396 (note # 12.1.b), special provision for unclassified investment Tk. 82,424,382 (note # 12.1.c), specific provision for classified investment Tk. 857,331,945 (note # 12.1.a), and provision for other assets Tk. 259,847,250 (note # 12.1.d). The total provision as of 31 December 2024 stood at Tk. 8,623,505,973. As per the guidance of Bangladesh Bank, Bangladesh Finance has provided additional provisions for stressed Loan, Lease and Investments for preventing further deterioration and potential defaults. This year, a total new provision of Tk. 6,987,706,473 has been provided to mitigate unforeseen credit risks, ensure adequate reserves, and safeguard overall financial health. (note # 12.1.a,b and d)

The details of provision and suspense maintained against Loans, Leases and Investments are as follows:

Particulars	31-Dec-2024	31-Dec-2023
Provision for Loans and Advances	8,363,658,723	1,626,970,000
Interest Suspense for Loans and Advances	1,855,304,035	818,620,701
Total Provision and Suspense for Loans and Advances (A)	**10,218,962,758**	**2,445,590,700**
Provision for Investment in FDR	200,000,000	-
Interest Suspense against FDR	101,293,439	76,865,696
Total Provision and Suspense for Investment in FDR (B)	**301,293,439**	**76,865,696**
Provision for Investment in Securities	93,270,000	30,980,000
Provision for Investment in Shares under private placement	38,717,250	-
Total Provision for investment in shares (C)	**131,987,250**	**30,980,000**
Provision for Legal Expenses	5,530,000	5,530,000
Provision for Dividend Receivable	15,600,000	-
Total Provision for Other Assets (D)	**21,130,000**	**5,530,000**
Total Provision and Suspense against Loan, Lease and Investments (A+B+C+D)	**10,673,373,447**	**2,558,966,396**

6.8	**Particulars of Investments:**		
(i)	Loans, advances and leases considered good in respect of which the financial institution is fully secured	3,140,310,981	3,050,629,884
(ii)	Loans, advances and leases considered good against which the financial institution holds no security other than the debtors' personal guarantee	3,424,520,492	3,497,963,598
(iii)	Loans, advances and leases considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	7,459,459,924	7,264,882,138
		14,024,291,397	**13,813,475,620**
(iv)	Loans, advances and leases adversely classified; provision not maintained there against	-	-
(v)	Loans, advances and leases due by directors or officers of the financial institution or any of them either separately or jointly with any other persons	57,484,721	53,740,679
(vi)	Loans, advances and leases due from companies or firms in which the directors of the financial institution have interest as directors, partners or managing agents or in case of private companies, as members (Note 43.5).	-	-
(vii)	Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the financial institution or any of them either separately or jointly with any other person		
(viii)	Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the financial institution have interest as directors, partners or managing agents or in the case of private companies, as member	-	-
(ix)	Due from other Non-Banking Financial Institutions (NBFIs)	-	-
(x)	Amount of classified loans, advances and leases on which interest has not been charged to the P&L	1,298,586,995	1,547,713,906
	a) Increase/(decrease) in specific provision	121,323,849	601,729,433
	Amount of written off loans, advances and leases	-	-
	Total amount realized against loans and leases previously written off	19,600,320	16,300,820
	b) Amount of provision kept against loans, advances and leases classified as bad/loss at the date of balance sheet	588,160,926	421,165,398
	c) Interest credited to Interest Suspense Account	1,956,597,474	723,540,037
(xi)	Cumulative amount of written off loans, advances and leases		
	Balance at the beginning of the year	614,196,519	614,196,519
	Amount written off during the year	-	-
		614,196,519	614,196,519
	The amount of written off loans, advances and leases for which law suits have been filed	614,196,519	614,196,519

		Amount in BDT	
7	**Fixed Assets including Premises, Furniture & Fixtures**	**31-Dec-24**	**31-Dec-23**
	A. Cost:		
	Opening balance	861,460,548	722,221,565
	Addition during the year	11,941,116	9,007,119
	Add: Revaluation During the year	-	147,451,153
	Less: Disposal during the year	19,030,806	17,219,289
	Closing balance at cost	**854,370,858**	**861,460,548**
	B. Depreciation:		
	Opening balance	176,220,695	153,890,800
	Less: Adjustment	-	-
	Addition during the year	32,212,805	33,762,267
	Less: Adjustment on disposal during the year	17,749,773	11,432,373
	Accumulated Depreciation	**190,683,726**	**176,220,695**
	Carrying value	**663,687,132**	**685,239,853**

*Details are given in Annexure-A

7.a	**Fixed Assets including Premises, Furniture and Fixtures (Consolidated)**		
	Bangladesh Finance	663,687,132	685,239,853
	Bangladesh Finance Securities Limited- PPE	8,661,338	15,280,820
	Bangladesh Finance Securities Limited-ROU	17,789,624	26,977,149
	Bangladesh Finance Capital Limited	2,062,782	3,051,235
	Bangladesh Finance Capital Limited-ROU	5,755,607	1,936,162
		697,956,483	**732,485,219**
7.1	**Revaluation Surplus on Land And Building**		
	Revalued Amount	629,443,786	629,443,786
	Less: Acquisition Value	52,925,188	52,925,188
	Less: Deferred Tax Adjustment	45,352,532	45,352,532
	Less: Transferred to Retained Earnings	6,007,652	4,213,152
	Revaluation Surplus	**525,158,414**	**526,952,914**

Note: Bangladesh Finance holds a 50% ownership stake in a four-story commercial building located at 64 Motijheel, Dhaka, on a land area of 12.76 decimals. Acquired in 2009 at a cost of Tk. 52,925,188, the property has undergone multiple revaluations. The most recent revaluation, conducted in 2023 by M/s. H M Enam & Co., Chartered Accountants (registered at House No-151/5, Block-13, Ward-27, Monipuripara, Farmgate, Tejgaon, Dhaka-1215), assessed the property's value at Tk. 629,443,786, up from Tk. 481,992,633 in 2020.

7.b	**Revaluation Reserve (Consolidated)**		
	Bangladesh Finance	525,158,414	526,952,914
	Bangladesh Finance Securities Limited	-	-
	Bangladesh Finance Capital Limited	-	-
		525,158,414	**526,952,914**
8	**Other Assets**		
	Investment in Subsidiaries (Note: 8.1)	849,930,000	849,930,000
	Investment in BD Finance Vanguard Mutual Fund One	20,000,000	20,000,000
	Receivables, Advances & Deposits (Note 8.2)	831,942,862	402,819,747
		1,701,872,862	**1,272,749,747**
8.a	**Other Assets (Consolidated)**		
	Bangladesh Finance	851,942,862	422,819,747
	Bangladesh Finance Securities Ltd.	1,056,464,449	997,593,308
	Bangladesh Finance Capital Ltd.	190,725,593	101,878,090
		2,099,132,905	1,522,291,146
	Less: Inter-company transactions	25,869,930	12,134,959
		2,073,262,975	**1,510,156,186**
8.1	**Investment In Subsidiaries**		
	Investment In paid up capital (Bangladesh Finance Capital Limited)	249,930,000	249,930,000
	Investment In paid up capital (Bangladesh Finance Securities Limited)	600,000,000	600,000,000
		849,930,000	**849,930,000**

8.2	Receivables, Advances & Deposits	Amount in BDT	
		31-Dec-24	31-Dec-23
	a) Other receivables		
	Interest on investment in FDR	31,635,501	32,042,723
	Receivable Interest on BB Stimulus Package	5,950,210	3,649,031
	Receivable Advisory Fees	3,131,000	3,473,000
	Re-imbursable expenses	3,315,486	3,343,364
	Receivable Delinquent Charge	-	78,361,243
	Receivable Penal Interest	-	93,585,117
	Receivable against sale of shares	366,992	949,937
	Receivable House Rent	-	1,982,167
	Dividend Receivable	25,869,931	15,634,829
	Receivable-Others	15,965,076	14,093,994
	Stock of Stamp	65,210	59,760
		86,299,406	**247,175,164**
	b) Advance, deposits and prepayments		
	Advance interest on TDR	21,185,546	25,967,030
	Pre-IPO Placement	38,717,250	38,717,250
	Advance others	10,051,126	1,483,206
		69,953,922	**66,167,486**
	c) Deposits with others		
	Deposits with BTTB & Mobile	89,200	89,200
	Deposits with Baitul Hossain Building	203,814	203,814
	Deposit with Land Lord Bangshal Branch	24,700	24,700
	Deposit with CDBL	413,241	413,241
	Deposit with Sadharan Bima	15,000	15,000
		745,955	**745,955**
	d) Deferred Tax Asset		
	Deferred tax assets were recognized in accordance with IAS 12: Income Taxes on the basis of temporary differences between the carrying amount of assets and liabilities in the financial statements and their tax base.		
	The calculation of deferred tax assets are given as under:		
	Deductible temporary difference		
	Building	1,448,539	1,372,300
	Furniture & Fixture	11,437,470	10,617,358
	Motor Vehicles	5,131,526	-
	Machinery & Equipment	10,661,019	5,106,224
	Office Renovation	9,516,111	8,066,234
	Software	2,446,792	321,432
	Gratuity provision	7,692,011	26,900,997
	Right of Use Assets (ROU)	470,949	-
	Unabsorbed Business Loss	1,453,889,878	162,809,992
	Provisions for other Receivables & Off-Balance Sheet exposures	259,847,250	5,530,000
		1,762,541,544	**220,724,537**
	Tax	37.50%	37.50%
		660,953,079	**82,771,701**
	Unabsorbed Loss on Sale of Shares	-	30,264,413
	Provisions for investment in securities	93,270,000	29,330,000
		93,270,000	**59,594,413**
	Tax	15.00%	10.00%
		13,990,500	**5,959,441**
	Total Deferred tax assets	**674,943,579**	**88,731,143**
	Movement of deferred tax assets is as follows:		
	Balance at the beginning of the year	88,731,143	69,519,866
	Credited/(debited) to profit and loss account during the year	586,212,436	19,211,277
	Balance at the end of the year	**674,943,579**	**88,731,143**
	Total Receivables, Advances & Deposits (a+b+c+d)	**831,942,862**	**402,819,747**
8.2.a	**Consolidated Deferred Tax Assets**		
	Balance at the beginning of the year	150,115,807	117,763,475
	Add: Recognized during the period		
	Bangladesh Finance	586,212,436	19,211,277
	Bangladesh Finance Securities Limited	55,289,504	3,810,600
	Bangladesh Finance Capital Limited	89,023,464	9,330,455
		730,525,405	**32,352,332**
	Less: Adjustment during the period	-	-
	Closing balance*	**880,641,212**	**150,115,807**

		Amount in BDT	
		31-Dec-24	31-Dec-23
8.3	**Maturity wise classification of other assets**		
	Receivable on Demand	16,030,286	14,153,754
	Not more than 3 months	674,943,579	88,731,143
	Over 3 months but not more than 1 year	70,269,120	233,021,410
	Over 1 year but not more than 5 years	69,953,922	66,167,486
	Over 5 years	870,675,955	870,675,955
		1,701,872,862	**1,272,749,747**
9.	**Non-Financial Assets**		
	Income Generating	-	-
	Non-Income Generating	170,634,702	213,121,062
		170,634,702	**213,121,062**

Bangladesh Finance acquired absolute ownership of mortgaged properties (land) related to seven loan/lease accounts in 2015, through verdicts issued by the Honorable Court under Section 33(7) of the Artha Rin Adalat Ain, 2003. These assets have been recognized as non-financial assets in the Company's books.

During the reporting year 2024, one property - part of a group of three assets originally transferred from the loan account of M/S Energotech - was sold for Tk. 50,000,000. The sale fully covered the total carrying amount of Tk. 42,486,361 that had been recognized at initial acquisition for the three properties.

Of the remaining two properties, one is currently subject to legal dispute, while the other is expected to be available for sale upon resolution of documentation discrepancies.

10.	**Borrowing from other banks, Financial Institutions and agents**		
	Secured	155,226,529	399,173,626
	Un secured	3,640,013,775	3,802,268,182
		3,795,240,304	**4,201,441,808**
	In Bangladesh	3,795,240,304	4,201,441,808
	Outside Bangladesh	-	-
		3,795,240,304	**4,201,441,808**
10.a	**Borrowing from other banks, Financial Institutions and agents**		
	Bangladesh Finance	3,795,240,304	4,201,441,808
	Bangladesh Finance Securities Limited	422,962,091	587,154,317
	Bangladesh Finance Securities Limited- Preference Shares	179,441,453	124,750,000
	Bangladesh Finance Capital Limited	212,149,870	162,747,942
	Bangladesh Finance Capital Limited- Preference Shares	37,500,000	27,500,000
	Bangladesh Finance Capital Limited- Margin Loan	244,010,802	215,773,363
		4,891,304,520	5,319,367,429
	Less: Inter-company transactions	173,500,000	147,500,000
		4,717,804,520	**5,171,867,429**
10.1	**In Bangladesh**		
	Refinance against SME loan from Bangladesh Bank	998,701,255	760,830,009
	Refinance against Housing loan from Bangladesh Bank	44,643	142,857
	Refinance against SME loan from JICA	45,688,795	45,269,411
	Refinance against BB Stimulus Package	-	101,901,667
	Term Loan from other Banks	442,263,090	597,233,659
	Short Term Loan from other banks	1,008,841,029	1,234,434,896
	Short Term Borrowing	1,250,200,000	1,287,800,000
	Margin Loan	1,492	102,729,308
	Call Loan	49,500,000	71,100,000
		3,795,240,304	**4,201,441,808**
10.2	**Term loan from Other Banks**		
	Basic Bank Ltd.	107,217,135	119,920,518
	Jamuna Bank Ltd	27,298,450	45,853,192
	Midland Bank Ltd.	70,228,147	85,704,767
	Mutual Trust Bank Ltd.	-	7,591,991
	NCC Bank Ltd.	48,179,721	80,014,643
	Prime Bank Ltd.	3,211,573	8,668,006
	Shahjalal Islami Bank Ltd.	186,128,063	232,244,263
	Southeast Bank Ltd.	-	17,236,280
		442,263,090	**597,233,659**

		Amount in BDT	
		31-Dec-24	31-Dec-23
10.3	**Short Term Loan from Other Banks**		
	Basic Bank Ltd.	155,226,529	137,865,609
	Jamuna Bank Ltd.	156,938,874	154,487,902
	Mercantile Bank Ltd.	207,012,616	201,507,499
	Midland Bank limited	110,039,934	102,635,738
	Mutual Trust Bank Ltd.	175,806,089	174,185,591
	NRB Commercial Bank Ltd.	0.06	123,505,938
	Southeast Bank Ltd.	100,050,000	100,000,000
	South Bangla Agriculture & Commerce Bank Ltd.	-	137,802,079
	Uttara Bank Ltd.	103,766,986	102,444,540
		1,008,841,029	**1,234,434,896**
10.4	**Maturity wise classification of loan**		
	Repayable on demand	49,500,000	71,100,000
	Within 1 month	109,475,971	115,836,276
	Over 1 months but not more than 3 months	410,534,891	434,386,037
	Over 3 months but not more than 1 year	1,008,841,029	1,234,434,896
	Over 1 year but not more than 5 years	2,216,888,413	2,345,684,599
	Over 5 years	-	-
		3,795,240,304	**4,201,441,808**

Notes: The loans are secured by a first charge on all fixed and floating assets of the company, ranking pari passu among all lenders. The loan tenure ranges from three to five years.

11.	**Deposits and Other Accounts:**		
	Term Deposits	7,982,045,021	8,484,228,249
	Scheme Deposits	596,131,563	226,873,511
	Other Deposits	37,829,912	150,147,987
	Advance Rent and Instalments	20,727,267	17,591,617
		8,636,733,763	**8,878,841,364**
11.a	**Deposits and Other Accounts (Consolidated)**		
	Bangladesh Finance	8,636,733,763	8,878,841,364
	Bangladesh Finance Securities Limited	-	-
	Bangladesh Finance Capital Limited	-	-
		8,636,733,763	8,878,841,364
	Less: Inter-company transactions	-	-
		8,636,733,763	**8,878,841,364**
11.1	**Term Deposits**		
	General Deposits	5,646,845,021	6,254,228,249
	Deposit from Other Banks and FI's (Note - 11.5)	2,335,200,000	2,230,000,000
		7,982,045,021	**8,484,228,249**
11.2	**Scheme Deposits**		
	General Deposits	596,131,563	226,873,511
	Deposit from Other Banks and FI's	-	-
		596,131,563	**226,873,511**
11.3	**Other Deposits**		
	Loan and Lease deposits	18,520	813,045
	Security deposits	244,170	244,170
	Sundry Creditors	37,567,223	149,090,772
		37,829,912	**150,147,987**
11.4	**Advance Rent and Instalments**		
	Advance Lease Rent	4,019,027	5,107,797
	Advance Term Instalments	16,708,240	12,483,820
		20,727,267	**17,591,617**
11.5	**Term Deposits from other bank and FI's**		
	Term Deposits from Banks	2,097,500,000	2,130,000,000
	Term Deposits from NBFIs	237,700,000	100,000,000
		2,335,200,000	**2,230,000,000**
	Term Deposits from Banks		
	Agrani Bank Ltd.	900,000,000	900,000,000
	Janata Bank Ltd.	550,000,000	550,000,000
	Modhumoti Bank Ltd	270,000,000	302,000,000
	Sonali Bank Ltd.	177,500,000	178,000,000
	South Bangla Agriculture And Commerce Bank Ltd	200,000,000	200,000,000
		2,097,500,000	**2,130,000,000**
	Term Deposits from NBFIs		
	Industrial and Infrastructure Development Finance Company Ltd. (IIDFC)	100,000,000	100,000,000
	Bay Leasing & Investment Limited	90,200,000	-
	Hajj Finance Company Limited	47,500,000	-
		237,700,000	**100,000,000**

		Amount in BDT	
		31-Dec-24	31-Dec-23
11.6	**Maturity wise classification of Deposits**		
	Repayable on demand	-	-
	Within 1 month	431,836,688	443,942,068
	Over 1 months but not more than 3 months	1,122,775,389	1,154,249,377
	Over 3 months but not more than 1 year	1,295,510,064	1,331,826,205
	Over 1 year but not more than 5 years	4,491,101,557	4,616,997,509
	Over 5 year to 10 years	1,295,510,064	1,331,826,205
	Over 10 years	-	-
		8,636,733,763	**8,878,841,364**
12.	**Other Liabilities**		
	Provision for Loans, Leases and Investments (Note - 12.1)	8,623,505,973	1,632,500,000
	Provisions for Investment in Securities (Note - 12.2)	93,270,000	30,980,000
	Interest Suspense (Note - 12.3)	1,956,597,474	723,540,037
	Penal Income in Suspense (Note - 12.9)	-	171,946,360
	Provision for Taxation (Note - 12.4)	51,674,786	65,229,815
	Deferred Tax (Note - 12.5)	45,208,972	46,288,016
	Interest payable on Borrowing and Deposits (Note - 12.6)	439,235,858	142,788,418
	Payable & Provision against expenditure (Note - 12.7)	298,474,324	215,389,736
	Advance Rent Received	-	7,212,143
	Advance Excise Duty Received	5,751,195	7,702,596
	Gratuity Fund (Note - 12.8)	7,692,011	26,900,997
	Unclaimed/undistributed Dividend	3,996,265	5,102,008
		11,525,406,858	**3,075,580,126**
12.a	**Other Liabilities (Consolidated)**		
	Bangladesh Finance	11,525,406,858	3,075,580,126
	Bangladesh Finance Securities Limited	658,887,020	334,913,012
	Bangladesh Finance Capital Limited	610,809,120	130,344,995
		12,795,102,998	3,540,838,132
	Less: Inter-company transactions	25,869,930	12,134,959
		12,769,233,068	**3,528,703,173**
12.1	**Provision for Investment:**		
	(a) Provision on Classified Investment:		
	Provision held at the beginning of the year	732,708,596	117,933,843
	Provision adjustment for Loan/Lease written off during the year	-	-
	Recovery against Loan/Lease previously written off	3,299,500	13,045,320
	Net charge to Profit & Loss Account (Note - 32)	121,323,849	601,729,433
	Provision held at the end of the year	**857,331,945**	**732,708,596**
	(b) General Provision on Unclassified Investment:		
	Provision held at the beginning of the year	811,837,022	357,077,514
	Net charge to Profit & Loss Account (Note - 32)	6,612,065,374	454,759,508
	Balance at the end of the year	**7,423,902,396**	**811,837,022**
	(c) Special General Provision on Unclassified Investment:		
	Provision held at the beginning of the year	82,424,382	82,424,382
	Net charge to Profit & Loss Account (Note - 32)	-	-
	Balance at the end of the year	**82,424,382**	**82,424,382**
	(d) Provision on Other Assets:		
	Provision held at the beginning of the year	5,530,000	95,530,000
	Net charge to Profit & Loss Account (Note - 32)	254,317,250	(90,000,000)
	Balance at the end of the year	**259,847,250**	**5,530,000**
	Total Provision for Investments	**8,623,505,973**	**1,632,500,000**

Provision for Other Assets Tk. 259,847,250 includes an amount of Tk. 5,530,000 against legal expenses, Tk. 200,000,000 against investment in Fixed Deposit Receipts (FDR) with International Leasing and Financial Services, Tk. 38,717,250 against investment in shares under placement, and Tk. 15,600,000 against dividend receivable.

12.2	**Provision for Investment in Securities:**		
	Provision held at the beginning of the year	30,980,000	25,000,000
	Addition/(Adjustment) during the year (note - 32)	62,290,000	5,980,000
	Balance at the end of the year	**93,270,000**	**30,980,000**

		Amount in BDT	
		31-Dec-24	31-Dec-23
12.3	**Interest Suspense Account:**		
	Balance at the beginning of the year	723,540,037	446,576,273
	Amount transferred to suspense account during the year	1,233,057,437	276,963,764
	Interest Suspense adjustment for loan/lease written-off during the year	-	-
	Amount recovered from suspense account during the year	-	-
	Balance at the end of the year	**1,956,597,474**	**723,540,037**

As per the guidance of Bangladesh Bank, Bangladesh Finance transferred interest suspense against stressed loan, lease and investments, in addition to the regular suspense. During the year, an amount of Tk. 1,233,057,437 was added to the interest suspense account, bringing the cumulative balance to Tk. 1,956,597,474. The total interest suspense also includes Tk. 101,293,439 against interest receivable on FDRs with International Leasing and Financial Services Ltd.

12.4	**Provision for Taxation**		
	Provision		
	Balance at the beginning of the year	1,410,538,174	1,401,271,065
	Less: Adjustment during the year	-	-
		1,410,538,174	1,401,271,065
	Add: Provision made during the year	10,859,230	9,267,109
		1,421,397,404	1,410,538,174
	Settlement of previous year's tax liability	-	-
	Balance at the end of the year	**1,421,397,404**	**1,410,538,174**
	Advance tax		
	Balance at the beginning of the year	1,345,308,359	1,225,774,176
	Add: Payment made during the year		
	Under sections 154 and 173 of ITA, 2023	2,345,000	104,790,753
	Deduction at source	22,069,259	14,743,430
		1,369,722,618	**1,345,308,359**
	Less: Adjustment during the year	-	-
	Balance at the end of the year	**1,369,722,618**	**1,345,308,359**
	Net balance at the end of the year	**51,674,786**	**65,229,815**

Average effective tax rate

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

Tax expenses (A)	(576,432,250)	(9,244,656)
Accounting profit before tax (B)	(7,921,425,713)	(1,069,192,245)
Average effective tax rate (A÷B)	**7.28%**	**0.86%**

Reason for changes in Average effective tax rate:

The average effective tax rate decreased as a result of providing additional provisions against stressed loans, leases and investments.

Reconciliation of effective tax rate	**31-Dec-2024**	
	%	**Taka**
Profit before income tax as per profit or loss account		(7,921,425,713)
Income tax as per applicable tax rate	37.50%	-
Net inadmissible expenses		-
Tax exempted income		-
Tax savings from reduced tax rates (on dividend income)		-
Tax savings from reduced tax rates (for gain on sale of securities)		-
Effect of deferred tax		-
Total income tax expenses	**7.28%**	**(576,432,250)**

Reconciliation of effective tax rate	**31-Dec-2023**	
	%	**Taka**
Profit before income tax as per profit or loss account		(1,069,192,245)
Income tax as per applicable tax rate	37.50%	-
Net inadmissible expenses		-
Tax exempted income		-
Tax savings from reduced tax rates (on dividend income)		-
Tax savings from reduced tax rates (for gain on sale of securities)		-
Effect of deferred tax		-
Total income tax expenses	**0.86%**	**(9,244,656)**

		Amount in BDT	
		31-Dec-24	31-Dec-23
12.4.a	**Consolidated Provision for Current Tax**		
	Balance at the beginning of the year	1,691,945,087	1,664,246,632
	Add: Provision made during the year		
	Bangladesh Finance	10,859,230	9,267,109
	Bangladesh Finance Securities Limited	18,251,877	16,963,744
	Bangladesh Finance Capital Limited	7,775,681	1,467,602
		36,886,788	**27,698,455**
	Less: Adjustment during the year	-	-
		1,728,831,875	**1,691,945,087**
12.5	**Deferred Tax Liabilities**		
	Deferred tax liabilities were recognized in accordance with IAS 12: Income Taxes on the basis of temporary differences between the carrying amount of assets and liabilities in the financial statements and their tax base. The calculation of deferred tax liabilities are given as under:		
	Taxable temporary difference		
	Revaluation surplus	565,112,155	566,906,655
	Tax	8%	8%
		45,208,972	**45,352,532**
	Right-of-use Assets	-	161,083
	Motor vehicles	-	2,333,541
		-	2,494,624
	Tax	37.50%	37.50%
		-	**935,484**
	Total deferred tax liabilities	**45,208,972**	**46,288,016**
	Movement of deferred tax liabilities is as follows		
	Balance at the beginning of the year	46,288,016	17,398,671
	Adjustment for Revaluation Reserve	-	28,189,835
	Credited/(debited) to profit and loss account during the year	(1,079,044)	699,510
	Balance at the end of the year	**45,208,972**	**46,288,016**
12.5.1	**Adjustment of Deferred Tax**		
	Deferred Tax Assets (Note 8.2d)	(586,212,436)	(19,211,277)
	Deferred Tax Liabilities (Note 12.5)	(1,079,044)	699,510
	Net Charged to profit and loss account	**(587,291,480)**	**(18,511,767)**
12.5.a	**Consolidated Deferred Tax Liabilities**		
	Balance at the beginning of the year	18,098,181	17,398,671
	Add: Recognized during the period		
	Bangladesh Finance	(1,079,044)	699,510
	Bangladesh Finance Securities Limited	-	-
	Bangladesh Finance Capital Limited	-	-
		(1,079,044)	**699,510**
	Less: Adjustment during the period	-	-
	Closing balance*	**17,019,137**	**18,098,181**
12.5.b	**Adjustment of Consolidated Deferred Tax**		
	Deferred Tax Assets (Note 8.2.a)	(730,525,405)	(32,352,332)
	Deferred Tax Liabilities (Note 12.5.a)	(1,079,044)	699,510
	Net Charged to profit and loss account	**(731,604,449)**	**(31,652,823)**
12.6	**Interest payable on Borrowing and Deposits**		
	Interest payable on TDR and other deposits	394,843,951	103,485,611
	Interest payable on Term and Short Term Loan	16,949,116	19,934,906
	Interest Payable on Bank Overdraft	14,379,167	10,700,694
	Interest payable on Refinancing loan from BB (SME)	9,107,861	4,706,182
	Interest payable on Refinancing loan from BB (Housing)	58,688	57,209
	Interest payable on Refinancing loan from JICA	3,638,462	2,364,183
	Interest payable on BB Stimulus Package	227,278	1,467,764
	Interest Payable on Call loan	31,335	71,868
	Balance at the end of the year	**439,235,858**	**142,788,418**
12.7	**Payable & Provision against expenditure**		
	Advance transfer price	3,001	3,001
	Payable others	21,028,930	24,953,208
	Payable to BD Finance Foundation	33,645,238	35,084,821
	Liability for Lease Rent	12,032,079	27,150,250
	Withholding Excise Duty	29,278,762	22,848,377
	Withholding Tax	199,002,658	100,848,766
	Withholding VAT	3,483,656	4,501,312
	Balance at the end of the year	**298,474,324**	**215,389,736**

		Amount in BDT	
		31-Dec-24	31-Dec-23
12.8	**Gratuity Fund**		
	Opening balance	26,900,997	27,686,408
	Add: Provision during the year	7,692,011	4,535,151
	Less: Payment during the year	(26,900,997)	(5,320,562)
	Closing balance	**7,692,011**	**26,900,997**
12.9	**Penal Income in Suspense**		
	Delinquent Interest Suspense	-	78,361,243
	Penal Interest Suspense	-	93,585,117
		-	**171,946,360**
12.10	**Maturity wise classification of other liabilities**		
	Repayable on demand	3,996,265	5,102,008
	Within 1 month	202,486,314	105,350,079
	Over 1 months but not more than 3 months	29,278,762	22,848,377
	Over 3 months but not more than 1 year	439,235,858	142,788,418
	Over 1 year but not more than 5 years	4,340,163,863	1,119,796,497
	Over 5 years	6,510,245,795	1,679,694,746
	Balance at the end of the year	**11,525,406,858**	**3,075,580,126**
13.	**Capital**		
13.1	**Authorized Capital:**		
	600,000,000 ordinary shares of Tk. 10 each	**6,000,000,000**	**6,000,000,000**
13.2	**Issued, Subscribed and Paid up Capital:**		
	188,236,267 fully paid ordinary shares of Tk. 10 each subscribed and paid up by the sponsor Shareholders & General Shareholders	**1,882,362,670**	**1,882,362,670**
	Sponsor Shareholders Group	574,308,851	587,274,010
	General Shareholders Group	1,308,053,819	1,295,088,660
		1,882,362,670	**1,882,362,670**
	General Shareholders Group:		
	General Public (Individuals)	1,006,122,847	1,012,374,580
	Institutions	301,930,972	282,405,220
	Unit fund	-	-
	Investors Account	574,308,851	308,860
	Mutual Fund	-	-
		1,882,362,670	**1,295,088,660**

Classification of Shareholders by holding:	No. of Shareholders	No. of Shares	Percentage of Share Holding
Less than 500 shares	4,027	604,032	0.32%
501 to 5,000 shares	4,228	7,886,999	4.19%
5,001 to 10,000 shares	638	4,705,909	2.50%
10,001 to 20,000 shares	444	6,370,068	3.38%
20,001 to 30,000 shares	178	4,391,570	2.33%
30,001 to 40,000 shares	79	2,798,357	1.49%
40,001 to 50,000 shares	58	2,686,830	1.43%
50,001 to 1,00,000 shares	105	7,650,076	4.06%
1,00,001 to 10,00,000 shares	113	31,914,344	16.95%
10,00,001 to 99,99,999 shares	33	119,228,082	63.34%
Total	**9,903**	**188,236,267**	**100.00%**

Year	Declaration	No of Shares	Value of Shares	Cumulative value of shares
1999	Sponsored Share	500,000	5,000,000	5,000,000
1999	Allotment Share	4,500,000	45,000,000	50,000,000
2003	Bonus Share	500,000	5,000,000	55,000,000
2003	Right Share	1,000,000	10,000,000	65,000,000
2004	Right Share	7,506,000	75,060,000	140,060,000
2004	Bonus Share	780,000	7,800,000	147,860,000
2005	Right Share	4,201,800	42,018,000	189,878,000
2005	Bonus Share	1,478,600	14,786,000	204,664,000
2006	Bonus Share	2,865,290	28,652,900	233,316,900
2007	IPO	7,000,000	70,000,000	303,316,900
2008	Bonus Share	3,033,160	30,331,600	333,648,500
2009	Bonus Share	3,336,480	33,364,800	367,013,300
2010	Bonus Share	7,340,260	73,402,600	440,415,900
2011	Bonus Share	9,689,149	96,891,490	537,307,390

2012	Bonus Share	5,373,073	53,730,730	591,038,120
2013	Bonus Share	5,910,380	59,103,810	650,141,930
2013	Right Share	39,008,515	390,085,150	1,040,227,080
2014	Bonus Share	10,402,270	104,022,700	1,144,249,780
2015	Bonus Share	11,442,497	114,424,970	1,258,674,750
2016	Bonus Share	12,586,747	125,867,470	1,384,542,220
2017	Bonus Share	13,845,422	138,454,220	1,522,996,440
2018	Bonus Share	15,229,964	152,299,640	1,675,296,080
2019	-	-	-	1,675,296,080
2020	Bonus Share	10,051,776	100,517,760	1,775,813,840
2021	Bonus Share	10,654,883	106,548,830	1,882,362,670
2022	-	-	-	1,882,362,670
2023	-	-	-	1,882,362,670

13.3 Capital under Capital Adequacy and Market Discipline (CAMD)

As per the section 4 (GHA) of the Financial Institutions Rule, 1994 and subsequent DFIM circular no. 05, dated July 24, 2011, the minimum paid-up capital of the Financial Institution (FI) shall be Taka 100 crore; provided that the sum of paid-up capital and reserves shall not be less than the minimum capital required under the Risk-Based Assets of the company, criteria determined by the Bangladesh Bank.

The Surplus eligible capital of the company on solo and consolidated basis at the close of business on 31 December 2024 were Taka -7,128,596,060 and Taka -7,420,452,872 respectively.

Details are as follows:

	Bangladesh Finance		Bangladesh Finance Group	
	31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
a) Core Capital (Tier -I):				
i) Paid-up Capital	1,882,362,670	1,882,362,670	1,882,362,670	1,882,362,670
ii) Statutory Reserve (Note # 14)	501,151,365	501,151,365	501,151,365	501,151,365
iii) General Reserve (Note # 15)	-	-	-	-
iv) Retained Earnings (Note # 16)	(8,334,125,242)	(998,439,919)	(8,663,577,901)	(839,730,814)
v) Minority interest (Note # 16.b)	-	-	396,283,519	500,984,378
vi) Others (If any approved by Bangladesh Bank)	-	-	98,971,128	98,971,128
	(5,950,611,207)	**1,385,074,116**	**(5,784,809,219)**	**2,143,738,727**
b) Supplementary Capital (Tier-II):	**449,012,799**	**481,988,610**	**476,969,630**	**534,984,978**
i) General Provision (Unclassified loans up to specified limit+SMA+Off Balance sheet exposures) {Note 12.1(b)}*	186,433,592	218,512,153	214,390,423	271,508,521
ii) Assets Revaluation Reserves up to 50%	262,579,207	263,476,457	262,579,207	263,476,457
iii) Revaluation Reserves for Securities up to 45%	-	-	-	-
iv) Revaluation reserve for Equity Instruments up to 10%	-	-	-	-
v) All others preference Shares	-	-	-	-
vi) Others (If any approved by Bangladesh Bank)	-	-	-	-
c) Total eligible capital (a +b)	**(5,501,598,408)**	**1,867,062,727**	**(5,307,839,589)**	**2,678,723,705**
Total Assets Including off-balance sheet exposer	18,531,928,131	18,067,890,327	20,864,120,546	20,250,103,607
D) Total risk weighted Assets	16,269,976,521	17,480,972,279	21,126,132,832	21,720,681,666
E) Required Capital Based on risk weighted Assets (10% of D)	1,626,997,652	1,748,097,228	2,112,613,283	2,172,068,167
F) Surplus (C-E)	(7,128,596,060)	118,965,499	(7,420,452,872)	506,655,538
Capital adequacy Ratio (%)	-33.81%	10.68%	-25.12%	12.33%

* Limited to 1.25% of RWA for credit risk as per CAMD guideline.

The Capital Adequacy Ratio (CAR) of the Company has significantly deteriorated in the year ended 31 December 2024, primarily due to a substantial provision made against stressed loans, leases, and investments. The deterioration in CAR in 2024 is directly linked to a sharp decline in equity and reserves due to increased provisioning, resulting in negative equity positions at both the standalone and consolidated levels.

The Company has adopted a prudent and conservative approach by fully recognizing potential losses arising from its stressed portfolio, negative equity on margin loans, unrealized losses on investment securities, and potential risks associated with private placements. These factors have contributed to a temporary erosion of the Company's capital base. In response, management has implemented a comprehensive recovery strategy focused on all classified and stressed loans, leases, and investments. This strategy includes portfolio restructuring, intensified recovery efforts, strengthened legal actions, engagement of third-party collection agencies, facilitation of out-of-court settlements, and the

The management is optimistic that, through the execution of these corrective actions, the capital position of the Company will gradually improve, with expectations to return to a positive equity and CAR position over the next 3 to 4

The Company remains committed to complying with all regulatory capital requirements and continues to work closely with regulators to ensure a sustainable path to financial resilience.

		Amount in BDT	
		31-Dec-24	31-Dec-23
14.	**Statutory Reserve**		
	Opening balance	501,151,365	501,151,365
	Add: Addition during the period	-	-
		501,151,365	**501,151,365**
15.	**General Reserve**		
	Opening balance	-	-
	Add: Transfer from Retained Earning	-	-
	Less: Distribution During the period	-	-
		-	**-**
16.	**Retained Earnings**		
	Opening balance	(998,439,919)	248,339,553
	Add: Profit After Tax during the period	(7,344,993,463)	(1,059,947,588)
	Add: Adjustment of Revaluation of Building	1,794,500	1,404,384
	Add: Disposal of Non Financial Assets	7,513,640	-
	Less: Cash Dividend	-	(188,236,267)
		(8,334,125,242)	**(998,439,919)**
16.a	**Retained Earnings (Consolidated)**		
	Bangladesh Finance	(8,334,125,242)	(998,439,919)
	Bangladesh Finance Securities Limited	(142,758,895)	102,558,991
	Bangladesh Finance Capital Limited	(247,635,495)	99,909,242
	Adjustment for Non-controlling Interest	60,941,731	(43,759,128)
		(8,663,577,901)	**(839,730,814)**
16.b	**Non Controlling Interest (Consolidated)**		
	Bangladesh Finance Securities		
	Paid up Capital	457,150,000	457,150,000
	Retained Profit/(Loss)	(60,872,393)	43,731,154
		396,277,607	**500,881,154**
	Bangladesh Finance Capital.		
	Paid up Capital	75,250	75,250
	Retained Profit/(Loss)	(69,338)	27,975
		5,912	**103,225**
		396,283,519	**500,984,378**
16.1	**Capital Reserve**		
	Bangladesh Finance Limited*	33,744,750	33,744,750
	Bangladesh Finance Capital	29,380,798	29,380,798
	Bangladesh Finance Securities	35,845,580	35,845,580
		98,971,128	**98,971,128**

*In the year 2014, a capital reserve was established to offset interim Stock Dividends received from subsidiaries.

17.	**Letters of Guarantees**		
	Letters of guarantee	-	-
	Less: Margin	-	-
		-	**-**

18. Profit and Loss Account

	Amount in BDT	
	31-Dec-24	31-Dec-23
Income		
Interest, discount and similar income (Note - 19)	723,785,783	1,085,531,857
Dividend income (Note - 21)	15,499,684	15,752,988
Commission, Exchange and Brokerage	-	2,364,444
Gains/(loss) arising from investment in securities (Note - 21)	66,503,242	37,831,615
Other operating income (Note - 22)	43,527,229	71,883,207
	849,315,938	**1,213,364,110**
Expenses:		
Interest paid on Deposits & Borrowing (Note - 20)	1,431,088,931	1,024,159,054
Administrative expenses	225,009,574	218,069,026
Other operating expenses (Note - 31)	22,461,523	21,372,935
Depreciation on Fixed assets {Note-30(a)+30(b)+Note-30(c)}	42,185,150	48,486,400
	1,720,745,178	**1,312,087,414**
Income over expenditure	**(871,429,240)**	**(98,723,304)**

19. Interest income

Interest income on Loans & Lease Finance (Note - 19.1)	619,542,951	1,019,141,172
Interest on placement with other Banks & FIs (Note - 19.2)	104,242,832	66,390,685
	723,785,783	**1,085,531,857**

19.a Interest Income (Consolidated)

Bangladesh Finance	723,785,783	1,085,531,857
Bangladesh Finance Securities Limited	76,193,960	94,930,846
Bangladesh Finance Capital Limited	13,780,168	11,930,728
	813,759,910	1,192,393,431
Less: Inter-company transactions	-	25,649,413
	813,759,910	**1,166,744,018**

19.1 Interest on Loans & Lease Finance

Interest income on lease finance	108,120,532	123,752,033
Interest income on term finance	191,402,736	529,172,006
Interest on housing finance	320,019,683	366,217,133
	619,542,951	**1,019,141,172**

19.1.1 Interest on Loans & Lease Finance

Gross Interest Income on Loans & Lease Finance	1,852,600,388	1,296,104,936
Less: Interest Income transferred to Interest Suspense Account	(1,233,057,437)	(276,963,764)
Add: Interest Income transferred from Interest Suspense Account	-	-
	619,542,951	**1,019,141,172**

19.2 Interest on placement with other banks & FIS

Interest on FDR	102,771,681	64,796,184
Interest on STD accounts	1,471,150	1,594,501
Interest on fund placements	-	-
	104,242,832	**66,390,685**

20. Interest paid on deposits & borrowing

Interest paid on deposits	1,037,263,599	745,313,524
Interest paid on borrowings (Note - 20.1)	391,820,454	275,234,783
Interest on lease liabilities	2,004,879	3,610,747
	1,431,088,931	**1,024,159,054**

20.a Interest Expenses (Consolidated)

Bangladesh Finance	1,431,088,931	1,024,159,054
Bangladesh Finance Securities Limited	65,696,599	64,107,511
Bangladesh Finance Capital Limited	49,858,124	31,648,378
	1,546,643,654	1,119,914,943
Less: Inter-company transactions	12,628,833	38,706,606
	1,534,014,821	**1,081,208,337**

20.1 Interest paid on borrowing

Interest Expenses on Term and Short Term Loan	218,463,631	139,412,310
Interest Expenses on SOD Loan	138,869,690	108,197,181
Interest Expenses on Call Loan	6,186,606	6,874,825
Interest Expenses on Margin Loan	4,301,913	6,947,800
Interest Expenses on Re-financing loan	23,998,614	13,802,667
	391,820,454	**275,234,783**

		Amount in BDT	
		31-Dec-24	31-Dec-23
21.	**Income from Investment in Securities**		
	Gain/(Loss) from Investment in Shares	66,503,242	37,831,615
	Dividend Income	15,499,684	15,752,988
		82,002,926	**53,584,603**
21.a	**Income from Investment (Consolidated)**		
	Bangladesh Finance	82,002,926	53,584,603
	Bangladesh Finance Securities Limited	34,541,337	7,192,877
	Bangladesh Finance Capital Limited	88,027,130	16,179,331
		204,571,394	76,956,811
	Less: Inter-company transactions	12,628,833	13,057,193
		191,942,561	**63,899,618**
21.b	**Commission, Exchange and Brokerage (Consolidated)**		
	Bangladesh Finance	-	2,364,444
	Bangladesh Finance Securities Limited	46,977,523	65,743,415
	Bangladesh Finance Capital Limited	4,814,790	4,059,847
		51,792,313	72,167,706
	Less: Inter-company transactions	-	2,364,444
		51,792,313	**69,803,262**
22.	**Other Operating Income:**		
	Penal Interest	28,500,226	41,497,207
	Loan Settlement & Others	27,669	-
	Contact point verification (CPV)	-	71,162
	Ledger management (LM)	6,000	14,500
	Transfer Price	11,500	31,500
	Processing fees	1,440,348	3,509,608
	Legal & Documentation charge	4,460,176	4,597,384
	Advisory fees	208,000	-
	Office Rent (64 Motijheel)	8,851,310	13,810,500
	Other Income (Note-22.1)	22,000	8,351,346
		43,527,229	**71,883,207**
22.a	**Other Operating Income (Consolidated)**		
	Bangladesh Finance	43,527,229	71,883,207
	Bangladesh Finance Securities Limited	114,710	-
	Bangladesh Finance Capital Limited	821,705	2,940,747
		44,463,644	74,823,954
	Less: Inter-company transactions	-	-
		44,463,644	**74,823,954**
22.1	**Other Income**		
	Gain/(loss) on sale of fixed assets	22,000	1,708,000
	Forfeiture amount from Provident Fund	-	6,643,346
		22,000	**8,351,346**
23.	**Salary & Allowances**		
	Basic Salary	80,886,133	80,817,172
	Allowances	70,382,662	70,415,490
	Bonus	23,853,672	12,477,861
	Retirement benefits and gratuity	9,451,064	4,535,151
	Earned Leave Encashment	1,177,978	2,469,585
	Employer's Contribution to Provident fund	6,648,537	6,628,113
	Wages	2,370,238	5,856,794
		194,770,284	**183,200,166**
23.a	**Salary & Allowances (Consolidated)**		
	Bangladesh Finance	194,770,284	183,200,166
	Bangladesh Finance Securities Limited	21,118,102	27,552,708
	Bangladesh Finance Capital Limited	10,733,577	9,225,508
		226,621,963	**219,978,382**
24.	**Rent, Taxes, Insurance, Electricity etc.**		
	Rent, Rates & Taxes*	5,644,462	3,006,528
	Insurance	-	1,175
	Electricity & Lighting, WASA, Gas etc.	4,032,362	4,680,233
		9,676,824	**7,687,936**

*The total amount includes Tk. 3,105,443 paid as VAT on office rent to the Government Exchequer, which has been accounted for separately in accordance with IFRS 16.

		Amount in BDT	
		31-Dec-24	31-Dec-23
24.1	**Disclosure related to rent, rate and taxes**:		
	Actual rent expenses (inclusive of VAT)	23,599,976	23,098,309
	Less: Reclassification of rent expenses (as per IFRS 16: Leases)	17,955,514	20,091,781
	Rent expenses as reported	**5,644,462**	**3,006,528**

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 20.

24.a	**Rent, Taxes, Insurance, Electricity etc.(Consolidated)**		
	Bangladesh Finance	9,676,824	7,687,936
	Bangladesh Finance Securities Limited	3,219,932	3,270,841
	Bangladesh Finance Capital Limited	679,079	560,856
		13,575,835	**11,519,632**
25.	**Legal & Professional Fees**		
	Legal Fees & Charge	2,974,817	1,118,732
	Other Legal Expenses	-	-
		2,974,817	**1,118,732**
25.a	**Legal & Professional Fees (Consolidated)**		
	Bangladesh Finance	2,974,817	1,118,732
	Bangladesh Finance Securities Limited	652,195	951,676
	Bangladesh Finance Capital Limited	72,184	101,943
		3,699,196	2,172,351
	Less: Inter-company transactions		-
		3,699,196	**2,172,351**
26.	**Postage, Stamps, Telecommunication etc.**		
	Stamp & Court Fees	341,470	745,535
	Internet expenses	1,304,822	1,405,932
	Postage & Courier Expenses	62,320	95,545
	Telephone & Fax Expenses	57,453	67,828
	Mobile Expenses	760,825	1,138,761
		2,526,890	**3,453,601**
26.a	**Postage, Stamps, Telecommunication (Consolidated)**		
	Bangladesh Finance	2,526,890	3,453,601
	Bangladesh Finance Securities Limited	1,424,135	1,271,309
	Bangladesh Finance Capital Limited	2,001	14,780
		3,953,026	**4,739,689**
27.	**Stationery, Printing, Advertisements etc.**		
	Stationary-Toner & Cartridge	3,600	24,200
	Stationary Expenses	600,820	368,789
	Printing Expenses	1,266,954	2,240,327
	Advertisement and Publicity	3,714,635	11,314,593
		5,586,008	**13,947,909**
27.a	**Stationery, Printing, Advertisements etc.(Consolidated)**		
	Bangladesh Finance	5,586,008	13,947,909
	Bangladesh Finance Securities Limited	828,413	953,178
	Bangladesh Finance Capital Limited	113,476	139,206
		6,527,897	**15,040,293**
28.	**Managing Director's Salary and Allowances**		
	Basic Salary	3,630,000	3,409,083
	Allowances	3,300,000	3,300,000
	Bonus	605,000	550,000
		7,535,000	**7,259,083**
29.	**Directors' Fees**		
	Honorarium for attending meeting	770,000	941,600
	Independent Directors' Honorarium	704,000	-
	Incidental expenses for attending meeting	-	-
		1,474,000	**941,600**

Total 06 nos. of Board meetings, No Executive Committee meetings, 04 Audit Committee meetings and 02 Risk Management Committee meetings were held during the period from 1st January 2024 to 31 December 2024. Each Director was paid Tk. 10,000 for attending in the meeting as per Bangladesh Bank DFIM Circular No. 01 Dated 29 February, 2024

29.a	**Directors' Fees (Consolidated)**		
	Bangladesh Finance	1,474,000	941,600
	Bangladesh Finance Securities Limited	275,000	158,400
	Bangladesh Finance Capital Limited	209,000	132,000
		1,958,000	**1,232,000**

		Amount in BDT	
		31-Dec-24	31-Dec-23
29.b	**Audit Fees (Consolidated)**		
	Bangladesh Finance	465,750	460,000
	Bangladesh Finance Securities Limited	115,000	115,000
	Bangladesh Finance Capital Limited	86,250	86,250
		667,000	**661,250**
30.	**Depreciation and Repair of Assets**		
	a) Depreciation of Assets		
	Building	1,794,500	1,404,384
	Furniture & Fixtures	844,314	1,019,958
	Office Equipment	4,058,158	4,245,504
	Motor Vehicles	7,611,384	6,870,195
	System & Software	862,500	862,500
	Office Renovation	1,472,817	1,505,211
	Right-of-use Asset	15,569,131	17,854,515
		32,212,805	**33,762,267**
	b) Amortization Expenses		
		-	**-**
	c) Repair of Assets		
	Office Equipment	285,476	166,005
	Office Furniture & Fixtures	25,850	21,510
	Motor Vehicles	9,661,019	14,536,618
		9,972,345	**14,724,133**
		42,185,150	**48,486,400**
30.a	**Depreciation and Repair of Assets (Consolidated)**		
	Bangladesh Finance	42,185,150	48,486,400
	Bangladesh Finance Securities Limited	5,095,463	5,026,066
	Bangladesh Finance Securities Limited Right-of-use Asset	9,262,166	11,305,187
	Bangladesh Finance Capital Limited Right-of-use Asset	2,100,607	2,108,021
	Bangladesh Finance Capital Limited	1,040,052	1,594,123
		59,683,438	**68,519,796**
31.	**Other Expenses**		
	Petrol, Oil, Lubricants, CNG & others	1,981,062	2,809,024
	Entertainment	2,632,078	5,151,338
	Donation, Fees and Subscription	2,371,062	2,854,909
	Traveling and Conveyance	1,513,903	1,565,685
	Training Expenses	114,998	115,126
	Registration & Renewal Expenses	430,525	642,765
	Papers & Periodicals	31,307	54,230
	Office Maintenance	3,283,683	2,273,046
	Office Supplies	2,262,156	2,038,082
	Software Maintenance & other IT enabled services	3,508,939	3,573,748
	Uniform & Liveries	62,963	108,503
	Bank Charges & Excise Duty	2,107,045	3,237,556
	Security Service-Outsourcing	1,891,440	1,786,152
	AGM & Meeting expenses	225,000	200,000
	Profit equalization Fund (Islamic Wing)	-	(5,078,149)
	Miscellaneous Expenses	45,364	40,920
		22,461,523	**21,372,935**
31.a	**Other Expenses (Consolidated)**		
	Bangladesh Finance	22,461,523	21,372,935
	Bangladesh Finance Securities Limited	3,677,413	7,566,107
	Bangladesh Finance Capital Limited	3,382,637	1,899,871
		29,521,574	30,838,913
	Less: Inter-company transactions	-	2,364,445
		29,521,574	**28,474,468**
32.	**Provision against loans, lease finance & Others**		
	Provision on classified loans {Note-12.1(a)}	121,323,849	601,729,433
	Loan/Lease written off during the year	-	-
	General provision on unclassified Loans & Advances {Note-12.1(b)}	6,612,065,374	454,759,508
	Provision for Off-Balance Sheet Exposures	-	(2,000,000)
	Provision for other Assets {Note-12.1(d)}	254,317,250	(90,000,000)
	Provisions on Investment in Securities (Note - 12.2)	62,290,000	5,980,000
		7,049,996,473	**970,468,941**

Provision for Other Assets includes an amount of Tk. 200,000,000 against investment in Fixed Deposit Receipts (FDR) with International Leasing and Financial Services Ltd., Tk. 38,717,250 against investment in shares under placement, and Tk. 15,600,000 against receivable dividend on preference shares.

		Amount in BDT	
		31-Dec-24	31-Dec-23
32.a	**Provision on Investment in Securities and Margin Loan (Consolidated)**		
	Bangladesh Finance - Investment in Securities	62,290,000	5,980,000
	Bangladesh Finance Securities Limited- Investment in Securities	329,917,741	-
	Bangladesh Finance Securities Limited - Margin Loan	(1,099,116)	5,822,491
	Bangladesh Finance Capital Limited - Margin Loan	6,368,772	-
	Bangladesh Finance Capital Limited - Investment in Securities	461,590,555	4,600,000
		859,067,952	**16,402,491**

33. Earnings Per Share (EPS)

The calculation of basic earnings per share based on profit of the Company attributable to ordinary shareholders and weighted average number of ordinary shares outstanding is as follows:

Calculation of Earnings Per Share (Note - 2.16)		
Net Profit after Tax	(7,344,993,463)	(1,059,947,588)
Weighted average number of Ordinary Shares outstanding (Denominator)		
Opening ordinary shares outstanding	188,236,267	188,236,267
Impact of bonus share issue	-	-
Weighted average number of Ordinary Shares outstanding (Denominator)	**188,236,267**	**188,236,267**
Basic Earnings Per Share (Taka)	**(39.02)**	**(5.63)**

Reason for changes in Basic Earnings Per Share (EPS):

The company's Basic Earnings Per Share (EPS) declined due to significant provisions recognized for stressed leases, loans, and advances, in accordance with Bangladesh Bank's guidelines. These provisions primarily relate to exposures involving corporate borrowers experiencing financial difficulties.

While these provisions have adversely affected equity and short-term profitability, they reflect the company's proactive and prudent approach to risk management, aimed at ensuring adequate coverage against potential defaults and preserving long-term financial stability.

Diluted Earnings Per Share

As there was no indication for dilution of shares, no diluted EPS was required to be calculated for the year ended 31 December 2024.

33.a Earnings Per Share (EPS) (Consolidated)

The calculation of basic earnings per share based on profit of the Company attributable to ordinary shareholders and weighted average number of ordinary shares outstanding is as follows:

Calculation of Earnings Per Share (Note - 2.16)		
Net Profit after Tax	(7,833,155,228)	(1,053,816,942)
Weighted average number of Ordinary Shares outstanding (Denominator) Note	188,236,267	188,236,267
Basic Earnings Per Share	**(41.61)**	**(5.60)**

Reason for changes in Earnings Per Share (EPS) (Consolidated)

The decline in the company's consolidated EPS for 2024 was primarily driven by significant provisions made for stressed loans, leases, and advances, in line with Bangladesh Bank's regulatory directives. These provisions were largely associated with corporate exposures experiencing financial difficulties.

Additionally, the company adopted a conservative approach by fully provisioning its equity investments—including margin loans and private placements—rather than opting for a phased provisioning timeline. This reflects a deliberate and forward-looking strategy to enhance risk coverage and strengthen the company's financial foundation.

While these actions impacted short-term profitability, they were taken to safeguard long-term financial health and ensure resilience amid ongoing economic and market challenges. The company remains focused on maintaining strong liquidity, managing risks prudently, and delivering sustainable value to its stakeholders over the long term.

34. Interest received

Interest received (Note-19)	723,785,783	1,085,531,857
Add: Opening interest Receivable on FDR	32,042,723	31,951,017
Less: Closing interest receivable on FDR	(31,635,501)	(32,042,723)
Add: Closing interest suspense account	1,956,597,474	723,540,037
Less: Opening Interest Suspense Account	(723,540,037)	(446,576,273)
Add: Opening Receivable Interest on BB Stimulus Package	3,649,031	2,143,650
Less: Closing Receivable Interest on BB Stimulus Package	(5,950,210)	(3,649,031)
Add: Opening Receivable of Grace Period Interest	-	-
Less: Closing Receivable Grace Period Interest	-	-
	1,954,949,262	**1,360,898,535**

35. Interest Paid on Deposits & Borrowings

Interest Paid on Deposits & Borrowings (Note-20)	1,431,088,931	1,024,159,054
Add: Opening interest payable on deposit & borrowings	142,788,418	141,013,410
Less: Closing interest payable on deposit & borrowings	(439,235,858)	(142,788,418)
	1,134,641,491	**1,022,384,046**

		Amount in BDT	
		31-Dec-24	31-Dec-23
36.	**Cash Received from other Operating activities**		
	Income from investment in shares (Note 21)	66,503,242	37,831,615
	Other operating income (except gain/(loss) on sales of fixed assets)	43,847,229	90,175,207
		110,350,471	**128,006,821**
37.	**Cash Payments for other Operating activities**		
	Rent, Taxes, Insurance, Lighting etc.	9,676,824	7,687,936
	Legal & Professional Fees	2,974,817	1,118,732
	Postage, Stamp, Telegram & Telephone	2,526,890	3,453,601
	Directors' Fee & Expenses	1,474,000	941,600
	Auditors' Fee	465,750	460,000
	Repair, Maintenance of NBFI's Assets	9,972,345	14,724,133
	Other Expenses	22,461,523	21,372,935
		49,552,150	**49,758,936**
38.	**Cash Increase/ Decrease in Other Assets**		
	Re-imbursable Expenses	3,315,486	3,343,364
	Receivable Others	15,965,076	14,093,994
	Receivable penal and delinquent charges	-	171,946,360
	Receivable against sale of shares	366,992	949,937
	Investment In Subsidiaries	849,930,000	849,930,000
	Investment in BD Finance Vanguard Mutual Fund One	20,000,000	20,000,000
	Receivable House Rent	-	2,835,003
	Advance against expenditure {Note-8.2(c)}	69,953,922	66,167,486
	Deposits {with other organization Note-8.2(d)}	745,955	745,955
	Stock of Stamp	65,210	59,760
		960,342,641	**1,130,071,858**
	Cash (Increase)/ Decrease in Other Assets	**169,729,217**	**(13,698,701)**
39.	**Cash Increase/ (Decrease) in Other Liabilities**		
	Payable & Provision against expenditure	172,848,838	68,913,505
	Penal income in suspense	-	171,946,360
	Advance Rent (against 64 Motijheel)	-	7,212,143
	Advance Excise Duty	5,751,195	7,702,596
	Gratuity Fund	7,692,011	26,900,997
	Dividend payable	3,996,265	5,102,008
		190,288,310	**287,777,609**
	Cash Increase/ (Decrease) in Other Liabilities	**(97,489,299)**	**14,208,475**
40.	**Cash and Cash Equivalents**		
	Cash in Hand	54,817	62,312
	Balance with Bangladesh Bank	130,928,670	117,914,492
	Balance with Other Banks & Financial Institutions	1,498,087,963	1,552,240,540
		1,629,071,450	**1,670,217,343**

41. Number of Employees

The number of employees engaged for the whole period or part thereof who received a total remuneration of Tk. 36,000 or above were 146 (In the year 2023 it was 146).

42. Audit Committee

a) Particulars of Audit Committee

Pursuant to the Condition no 3 of the notifications no SEC/CMRRCD/2006-158/Admin/02-08 dated 20 February, 2006 of Securities Exchange Commission the Board of Director's of Bangladesh Finance formed a Five members Audit Committee named "Board Audit Committee".

Name	Status with Bangladesh Finance	Status with the Committee	Educational Qualification
Mr. Md. Rokonuzzaman, FCA	Independent Director	Chairman	BBA (DU), FCA
Mr. Iqbal U. Ahmed	Independent Director	Member	B. Com (Hons), M. Com (Mgmt.) DU
Mr. Md. Asaduzzaman Khan	Director	Member	MA (Eco.) DU, MA (Banking & Finance), UK

Mr. Furkaan Muhammad N Hossain	Director	Member	B. Sc. (Robotics Engineering) Colorado State University, USA
Ms. Fatema Begum	Director	Member	MA (DU), MS Adelaide University of South Australia

The members of the Board Audit Committee are all having good exposure in the NBFI's business. They are all playing active role in the Committee Meeting.

b) Meeting of Audit Committee

During 1 January to 31 December 2024, the Audit Committee of the Board conducted 04 meetings in which among others, the following issues were discussed:-

i) Regular review of the Internal and External (including Bangladesh Bank) Inspection & Audit Report with a view to implementing the suggestion of Internal and External Auditors in respect of Internal Control structure and techniques.

ii) Minimize expenditure in all operational activities where possible.

iii) Reviewing the Accounting procedure with a view to ascertain that the International Financial Reporting Standard (IFRS) has been applied in maintaining books and records of the company.

c) Internal Control:

The following steps have been taken for implementation of Internal Control Procedure of the company :

i) Audit & Inspection division of the company carried out Internal Audit with a view to enrich the compliance culture and full control on the exertion of the Bangladesh Finance's operations. The division directly report simultaneously to the

ii) Regular monitoring has been done for the effectiveness of the quality control policies and procedures with the effect to evaluate the application of internal Control System and Internal Audit Policy, Policy for financial risk, existing rules and

iii) To establish Planning, Organizing and Supervising culture and monitoring of Audit and Inspection of the Branches and different divisions of Head Office and surprise inspection of the Branches.

43. Related Party Disclosures:

43.1 Name of the Directors and their interest in different entities:

Name of the Directors of Bangladesh Finance	Firms/Companies related to the Director	Nature and Value of interest in the firm/companies
Mr. Manwar Hossain Chairman	Anwar Landmark Limited. Anwar Galvanizing Limited. Anwar Ispat Limited. Anwar Cement Limited. Anwar Cement Sheet Limited. A One Polymer Limited. Hossain Dyeing & Printing Mills Mehmud Industries (Pvt.) Limited. Anwar Silk Mills Limited Anwar Printex Limited A One Printex Limited. Anwar Jute Spinning Mills Limited. Modhumoti Bank Limited. AG Automobiles Limited. AG Motors Limited	Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Director Chairman Chairman
Mr. Iqbal U. Ahmed Vice Chairman & Independent Directo	BD Finance Securities Ltd. Bangladesh Finance Capital Ltd.	Chairman Chairman
Mr. Md. Rokonuzzaman, FCA Independent Director	Amann Bangladesh Limited	Managing Director
Mr. Md. Asaduzzaman Khan Director	ICB Capital Management Credit Rating Information and Services Limited (CRISL)	Director Chief Executive Officer
Mr. Md Helal Chowdhury Director	Nil	Nil
Ms. Fatema Begum Director	Nil	Nil
Mr. Imtiyaj Yousuf Director	Omega Motors Imtiyaj Steel Precious Steel Corporation	Proprietor Proprietor Proprietor
Mr. Furkaan Muhammad N Hossain	Nil	Nil

Director		
Mr. Md. Hasan Khan Director	Mehmud Industries (Pvt.) Limited.	Director
Mr. Md. Kyser Hamid Managing Director & CEO	Bangladesh Finance Securities Ltd. Bangladesh Finance Capital Ltd.	Director Director

43.2 Significant Contracts where Bangladesh Finance is a party and wherein Directors have interest: Nil

43.3 Shares issued to Directors & Executives without consideration or exercise at discount: Nil

43.4 Lending Policies to related parties:

Parties are considered to be related if one party has the ability to control the other party or exercises significant influence over the other party in making financial and operational decision and include associated companies with or without common Directors and key management positions. The Company has entered into transaction with other related entities in normal course of business that fall within the definition of related party as per International Accounting Standard 24: "Related Party Disclosures." Transactions with related parties are executed on the same terms, including interest rate and collateral, as those prevailing at the time for comparable transactions with other customers of similar credentials and do

43.5 Investment (Lease, Loan and Advances) to Directors and their related Concern (Note-6.2):

Investment in Preference Shares

Name of the parties	Related By	Nature of transaction	Amount in Tk.	Status
i) Bangladesh Finance Securities Limite	Common Director	Investment	120,000,000	
ii) Bangladesh Finance Capital Limited	Common Director	Investment	20,000,000	
			140,000,000	

Deposit from Directors and their related concern

Name of the parties	Related By	Nature of transaction	Amount in Taka	No. of accounts
Manwar Hossain	Chairman	Term Deposit	17,841,403	13
Manwar Hossain, Hossain Mehmud & Hossain Khaled	Chairman	Term Deposit	104,812,400	11
Anwar Ispat Limited	Common Director	Term Deposit	43,249,063	9
Anwar Jute Spinning Mills Ltd.	Common Director	Term Deposit	50,821,025	11
Anwar Landmark	Common Director	Term Deposit	94,370,331	14
Mehmud Industries (Pvt) Ltd.	Common Director	Term Deposit	18,890,042	8
AG Automobiles Ltd.	Common Director	Term Deposit	7,111,838	5
Anwar Cement Ltd.	Common Director	Term Deposit	13,817,313	11
Anwar Cement Sheet Ltd.	Common Director	Term Deposit	31,954,705	8
Anwar Galvanizing Ltd.	Common Director	Term Deposit	5,133,054	4
Hossain Dyeing & Printing Mills Ltd.	Common Director	Term Deposit	16,871,237	8
Anwar Silk Mills Ltd.	Common Director	Term Deposit	12,879,807	6
A- One Polymer Ltd.	Common Director	Term Deposit	1,892,044	2
Mrs. Shahnaz Rashid	Director	Term Deposit	5,000,000	1
Ihtiaz Yousuf	Director	Term Deposit	140,913,028	15
Imtiyaj Yousuf	Director	Term Deposit	41,885,975	6
Mr. Md. Kyser Hamid	Managing Director & CEO	Mudaraba Term Deposit	62,045	1
Furkaan Muhammad N Hossain	Director	Mudaraba Term Deposit	337,966	1
Total			**607,843,275**	**134**

44. Events after the Reporting Period

No material events occurred after the reporting date, non-disclosure of which could affect the ability of the users of this financial statement to make proper evaluation and decision.

Rationale Behind Non-Declaration of Dividend for 2024
The Board of Directors of Bangladesh Finance has not recommended any dividend for the year ended December 31, 2024, in view of the net loss after tax and resulting negative equity on a consolidated basis.

The loss primarily stems from significant provisions made against stressed loans, leases, and advances, in line with Bangladesh Bank's directives. Additional provisions were also required for negative equity from margin loans, equity investments, and private placements—reflecting the company's prudent risk management approach.

These measures, though affecting short-term profitability, were essential to reinforce the company's balance sheet and build resilience. Accordingly, the Board has prioritized capital preservation and financial stability over dividend distribution, with a continued focus on recovery and long-term shareholder value.

45. Net asset value (NAV) per share

Net asset	-5,425,452,793	1,912,027,030
Number of outstanding shares	188,236,267	188,236,267
Net asset value (NAV) per share	(28.82)	10.16

45.a Net asset value (NAV) per share (Consolidated)

Net asset	-5,655,934,324	2,169,707,263
Number of outstanding shares	188,236,267	188,236,267
Net asset value (NAV) per share	(30.05)	11.53

Reason for changes in Net asset value (NAV) per share (Consolidated):

The company's consolidated NAV per share turned negative in 2024, compared to a positive NAV in the previous year, primarily due to the net loss incurred during the year, which significantly reduced shareholders' equity.

This loss resulted mainly from substantial provisions made for stressed loans, leases, and advances, as per Bangladesh Bank's regulatory guidance. Further provisions were also made against negative equity exposures from margin loans, investments in shares, and private placements. These measures, while prudent and aligned with sound risk management practices, directly impacted the company's equity base.

The company's strategy reflects a proactive approach to balance sheet strengthening and risk mitigation. Management remains committed to stabilizing the financial position and restoring long-term shareholder value.

46. Net operating cash flows per share (NOCPS)

Net operating cash flows	(62,103,729)	540,810,412
Number of outstanding shares	188,236,267	188,236,267
Net operating cash flows per share (NOCPS)	(0.33)	2.87

46.a Net operating cash flows per share (NOCPS) (Consolidated)

Net operating cash flows	(114,904,319)	254,118,325
Number of outstanding shares	188,236,267	188,236,267
Net operating cash flows per share (NOCPS)	(0.61)	1.35

Reason for changes in Net Operating Cash Flows Per Share (NOCFPS) (Consolidated):

The consolidated Net Operating Cash Flows Per Share decreased due to net repayment of borrowings compared to the same period in the previous year.

Munshi Abu Naim ACS
Company Secretary

Md. Kyser Hamid
Managing Director & CEO

Md. Rokonuzzaman, FCA
Director

Md. Asaduzzaman Khan
Director

Iqbal Uddin Ahmed
Director

BANGLADESH FINANCE PLC.

FIXED ASSET SCHEDULE

As at 31 December 2024

ANNEXURE-A

Amount in BDT

Particulars	COST					Rate of Depreciation	DEPRECIATION				Written down value at 31 December 2024
	Balance as on 1 January 2024	Revaluation Surplus	Addition during the year	Disposal/ Transfer during the period	Balance at 31 December 2024		Balance as on 1 January 2024	Transfer/ Adjustment during the year	Charged for the year	Balance as at 31 December 2024	
Land	606,100,000	-	-	-	606,100,000	-	-	-	-	-	606,100,000
Building	23,343,786	-	-	-	23,343,786	10%	9,611,943	-	1,794,500	11,406,443	11,937,343
Furniture & Fixture	24,051,557	-	242,024	53,003	24,240,578	20%	21,821,845	53,003	844,314	22,613,156	1,627,422
Office Equipment	42,691,799	-	1,541,597	-	44,233,396	25%	34,591,646	-	4,058,158	38,649,804	5,583,592
Office Renovation	26,897,573	-	229,410	-	27,126,983	20%	22,745,595	-	1,472,817	24,218,412	2,908,571
Motor Vehicle	58,006,859	-	9,700,000	1,937,500	65,769,359	20%	36,175,359	1,065,625	7,611,384	42,721,118	23,048,241
Other Assets	182,667	-	-	-	182,667	20%	182,667	-	-	182,667	-
System and Software	23,326,250	-	-	-	23,326,250	25%	21,542,917	-	862,500	22,405,417	920,833
ROU-Asset for Lease Rent	56,860,057	-	228,085	17,040,303	40,047,839		29,548,723	16,631,145	15,569,131	28,486,709	11,561,130
	861,460,548	**-**	**11,941,116**	**19,030,806**	**854,370,858**		**176,220,695**	**17,749,773**	**32,212,805**	**190,683,726**	**663,687,132**

BANGLADESH FINANCE PLC.

RECONCILIATION OF NET PROFIT WITH CASH FLOWS

from Operating Activities (Solo)

ANNEXURE-B1

	Amount in BDT	
	31-Dec-24	31-Dec-23
Net profit after tax	**(7,344,993,463)**	**(1,059,947,588)**
Items not involved in cash movement:		
Add: Depreciation/amortization	32,212,805	33,762,267
Add: Provision for loans and investments	7,049,996,473	970,468,941
Add: Provision for taxation	(576,432,250)	(9,244,656)
Add/(Less): Accrued expenses	83,084,588	39,517,054
Add/(Less): Accrued income	162,141,467	(20,006,858)
Increase/(Decrease) in Employee gratuity	(19,208,986)	(785,411)
Increase/(Decrease) in Deferred tax (Liability)	(1,079,044)	28,889,345
Adjustments to reconcile net profit after tax to net cash provided by operating activities	**(614,278,410)**	**(17,346,906)**
Increase/(decrease) in operating assets and liabilities		
(Increase)/Decrease in Trading Securities	70,716,113	5,915,428
(Increase)/Decrease in Loans & advances	(210,815,777)	(113,797,850)
(Increase)/Decrease in Other assets	(591,264,582)	(7,711,999)
Increase/(Decrease) in Other Liabilities	426,757,416	(36,762,074)
Increase/(Decrease) in Term & other deposits	(242,107,601)	(983,504,861)
Increase/(Decrease) in Term & Short term loans	(406,201,504)	1,534,814,085
Increase/(Decrease) in Payable and accrued expenses	296,447,440	1,775,008
(Increase)/Decrease in Income tax	(24,414,259)	(119,534,183)
Increase/(Decrease) in Interest suspense	1,233,057,437	276,963,764
	552,174,682	**558,157,319**
Net cash flows from/(used in) operating activities	**(62,103,729)**	**540,810,412**

BANGLADESH FINANCE PLC.

RECONCILIATION OF NET PROFIT WITH CASH FLOWS

from Operating Activities (Consolidated)

ANNEXURE-B2

	Amount in BDT	
	31-Dec-24	31-Dec-23
Net profit after tax	**(7,937,856,087)**	**(1,042,471,495)**
Items not involved in cash movement:		
Add: Depreciation/amortization	49,711,093	53,795,663
Add: Provision for loans and investments	7,846,774,426	980,891,432
Add: Provision for taxation	(694,717,660)	(3,954,368)
Add/(Less): Accrued expenses	100,914,087	45,288,264
Add/(Less): Accrued income	165,037,627	(23,738,505)
Increase/(Decrease) in Employee gratuity	(18,327,920)	(253,787)
Increase/(Decrease) in Deferred tax (Liability)	(1,079,044)	25,535,759
Adjustments to reconcile net profit after tax to net cash provided by operating activities	**(489,543,479)**	**35,092,963**
Increase/(decrease) in operating assets and liabilities		
(Increase)/Decrease in Trading Securities	(103,802,129)	(259,283,042)
(Increase)/Decrease in Loans & advances	(87,936,717)	(591,063,904)
(Increase)/Decrease in Other assets	(591,264,582)	(1,606,959)
Increase/(Decrease) in Other Liabilities	403,384,980	334,287,089
Increase/(Decrease) in Term & other deposits	(242,107,601)	(918,504,861)
Increase/(Decrease) in Term & Short term loans	(492,754,363)	1,538,764,516
Increase/(Decrease) in Payable and accrued expenses	295,571,188	786,244
(Increase)/Decrease in Income tax	(39,509,052)	(161,317,486)
Increase/(Decrease) in Interest suspense	1,233,057,437	276,963,764
	374,639,160	**219,025,362**
Net cash flows from/(used in) operating activities	**(114,904,319)**	**254,118,325**

BANGLADESH FINANCE PLC.

HIGHLIGHTS ON THE OVERALL ACTIVITIES OF THE COMPANY

as at and for the periods 2024 and 2023

ANNEXURE-C

Sl. No.	Particulars	2024	2023
1	Paid up Capital	1,882,362,670	1,882,362,670
2	Total Shareholders' Equity	(5,425,452,793)	1,912,027,030
3	Capital Surplus/(Deficit)	(7,128,596,060)	118,965,499
4	Total Assets	18,531,928,131	18,067,890,327
5	Total Deposit	8,636,733,763	8,878,841,364
6	Total Loans/Lease Finance	14,024,291,397	13,813,475,620
7	Total Contingent Liabilities and Commitment	-	-
8	Investment Deposit Ratio (%)	162.38%	155.58%
9	Percentage of Classified Loan against total Loans & Advances	9.26%	11.20%
10	Profit after Tax and Provision	(7,344,993,463)	(1,059,947,588)
11	Amount of Classified Investment	1,298,586,995	1,547,713,906
12	Provisions kept against Classified Investment	1,117,179,195	738,238,596
13	Provisions surplus	1,065,005,973	640,625,197
14	Cost of Fund	10.36%	8.29%
15	Interest Earning Assets	15,863,535,524	15,769,948,226
16	Non-Profit Earning Assets	2,668,392,608	2,297,942,101
17	Return on Investment in Securities (ROI)	21.71%	12.88%
18	Return on Assets (ROA)	-40.14%	-5.98%
19	Income from Investment in Securities	82,002,926	53,584,603
20	Earnings Per Share	(39.02)	(5.63)
21	Price Earning Ratio (Times)	(0.30)	(7.83)
22	Book value per share (Per 10 Tk.)	(28.82)	10.16

BANGLADESH FINANCE PLC.

BALANCE SHEET (ISLAMIC WING)

As at 31 December 2024

ANNEXURE-C1

	Amount in BDT	
	31-Dec-24	31-Dec-23
PROPERTY AND ASSETS		
Cash		
Cash in hand	-	-
Balance with Bangladesh Bank	16,734,500	16,734,500
	16,734,500	**16,734,500**
Balance with other Banks and Financial Institutions		
Inside Bangladesh	162,048,932	37,646,908
Outside Bangladesh	-	-
	162,048,932	**37,646,908**
Placement with banks & other financial institutions	-	-
Investments in Shares & Securities		
Government	-	-
Others	19,979,298	19,979,298
	19,979,298	**19,979,298**
Investments		
General Investments etc.	216,679,347	269,571,069
Bills Purchased & Discounted	-	-
	216,679,347	**269,571,069**
Fixed Assets including Premises, Furniture and Fixtures	**4,475,134**	**6,183,586**
Other Assets	**69,535,508**	**1,109,485**
Non Banking Assets	-	-
Total Assets	**489,452,718**	**351,224,846**
LIABILITIES AND CAPITAL		
Liabilities		
Placement from banks & other financial institutions	-	-
Deposits and other Accounts	**485,972,355**	**334,277,588**
Mudaraba Term Deposits	339,903,936	221,220,133
Mudarabah Scheme Deposits	146,068,419	113,057,455
Other Mudaraba Deposits	-	-
Al-Wadeeah Current and Other Deposit Accounts	-	-
Bills payable	-	-
Other Liabilities	**36,351,321**	**16,448,691**
Total Liabilities	**522,323,677**	**350,726,279**
Capital/ Shareholders' Equity		
Paid-up Capital	-	-
Statutory Reserve	-	-
Other Reserve	-	-
Retained Earnings	(32,870,958)	498,567
Total Shareholders' Equity	**(32,870,958)**	**498,567**
Total Liabilities & Shareholders' Equity	**489,452,718**	**351,224,846**

BANGLADESH FINANCE PLC.

PROFIT AND LOSS ACCOUNT (ISLAMIC WING)

For the year ended 31 December 2024

ANNEXURE-C2

	Amount in BDT	
	31-Dec-24	31-Dec-23
Investment Income	31,113,309	22,023,402
Profit Paid on Deposits	45,906,359	21,630,969
Net Interest Income	**(14,793,050)**	**392,433**
Income from Investment in Shares & Securities	-	496,250
Commission, Exchange and Brokerage	-	-
Other Operating Income	785,572	1,339,134
	785,572	**1,835,384**
Total Operating Income	**(14,007,478)**	**2,227,818**
Salaries and Allowances	4,858,031	3,158,819
Rent, Taxes, Insurances, Electricity etc.	-	-
Legal Expenses	23,640	-
Postage, Stamps and Telecommunication etc.	312,848	226,800
Stationery, Printings and Advertisements etc.	46,124	743,942
Chief Executive's Salary & Fees	-	-
Shari'ah Supervisory Committee's Fees & Expenses	33,000	70,400
Auditors' Fees	-	-
Charges on Investment Losses	-	-
Depreciation and Repairs to Bank's Assets	1,708,452	1,246,850
Zakat Expenses	-	-
Other Expenses	59,953	(4,939,711)
Total Operating Expenses	**7,042,047**	**507,100**
Profit/(Loss) before Provision	**(21,049,525)**	**1,720,718**

Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance with Bangladesh Bank's requirements

ANNEXURE-C3

SL No.	Nature of Departure	Title of IAS/ IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1	Complete set of financial statements	IAS 1 "Presentation of Financial Statements"	As per IAS 1: 'Presentaion of Financial Statements' complete set of financial statements are i) statement of fincancial postion, ii) statement of profit or loss and other comprehensive income, iii) statement of changes in equity iv) statement of cash flows v) notes, comprising significant accounting policies and other explanatory information and vi) statement of financial position at the beginning of preceding period for retrospective restatement.	As per DFIM Circular No.11 dated 23 Decemeber 2009, complete set of financial statements are i) balance sheet ii) profit and loss account iii) statement of cash flows iv) statement of changes in equity v) statement of liquidity vi) notes, comprising significant accounting policies and other explanatory information.	Financial statements for 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No.11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.
2	Presentation and Disclosure of Financial Statements and Financial Instruments	IAS 1 "Presentation of Finacnial Statements" IFRS 9 "Financial Instruments" & IFRS 7 "Financial Instruments Disclosure"	Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement. IAS 1 requires separate line item for intangible assets on the face of statement of financial position. IFRS 9 and IFRS 7 require specific presentation and disclosure relating to all financial instruments.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and FIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income Statement. Intangibles assets are not separately presented on the face of statement of financial position; rather it is presented along with the line item of fixed assets. As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IAS 39. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.	Financial Statements for 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.

SL No.	Nature of Departure	Title of IAS/ IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
3	Other Comprehensive income	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements"other comprehesive income (OCI) is a component of financial statements or the elements of OCI are to be included in a single OCI statement.	Bangladesh Bank has issued templates for financial statements which will strictly be followed by financial institutions. The templates of financial statements issued by Bangladesh Bank do not include other comprehensive income (OCI) nor are the elements of OCI allowed to be included in a single OCI statement. As such the financial institution does not prepare the other comprehensive income statement. However, elements of OCI, if any are shown in the statements of changes in equity.	Finanical Statements for 2024 and corresponding period of 2023 have been prepared as per the guideline and templates issued by Bangladesh Bank. There is non financial impact for this departure in the financial statements.
4	Intangible Asset	IAS 1 "Presentation of Financial Statements"	As per IAS 1: 'Presentaion of Financial Statements' PARA 54: the statements of financial postion shall include separate line item for intangible assets.	As per DFIM Circular No.11 dated 23 Decemeber 2009, there is no option for separate line item for intangible asset in the balance sheet. We present intangible asset in the balance sheet as part of fixed assets and provide details in annexure-A as separate line item	Financial Statements for 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statement.
5	Off-Balance sheet items	IAS 1 "Presentation of Financial Statements"	There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the blance sheet.	As per DFIM Circular No. 11, dated 23 December 2009, off-balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.	Financial Statements for 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11,dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure but there is a disclosure in the financial statements.
6	Current/Non-Current Distinction	IAS 1 "Presentation of Financial Statement"	As per Para 60 of IAS 1 "Presentation of Financial statement" An entity shall present current and non-current assets and current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular No.11, dated 23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In this templates there is no current and non-current segmentation of assets and liabilities.	Financial Statements for 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11,dated 23 December 2009) of Bangladesh Bank.

SL No.	Nature of Departure	Title of IAS/ IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
7	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash flows"	The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per DFIM circular No. 11, dated 23 December 2009, Cash Flow Statement has been guided by Bangladesh Bank which is the mixture of direct and indirect method.	Financial Statements for 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
8	Presentation of cash and cash equivalent	IAS 7 "Statement of Cash Flows"	Cash equivalent is short term, highly liquid investments that are readily convertible to known amounts of cash and only include those investments which are for a short tenure like: 3 months or less period. In the light of above, balance with Bangladesh Bank and fixed term deposits should be treated as investment asset rather than cash equivalent as it is illiquid asset and not available for use in day-to-day operations.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs. The templates of financial statements provided detail presentation for statement of cash flows.	Financial Statements for 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
9	Measurement of deffered tax asset	IAS 12 "Income Tax"	A deferred tax asset shall be recognized for all deductible temporarily differeences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.	As per DFIM circular No. 7, dated 31 July 2011, no deffered tax asset can be recognised for any deductible temporary difference against the provision for lease, loans and advances.	During the year there is no impact in the financial statements due to this departure as the company did not consider any deductible temporary difference against the provision for leases, loans and advances.
10	Valuation of Investments in quoted and unquoted shares	IFRS 9 "Financial Instruments"	As per requirements of IFRS 9 Financial instruments, all equity investments (shares and mutual funds) are to be measured at fair value with value changes recognized in statement of profit or loss and other comprehensive income for the period, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income (OCI)'. If an equity investment is not held for trading, an entity can make an irrevocable election at initial recognition to measure it through OCI with only dividend income recognized in profit or loss account.	As per FID circular No. 08, dated 03 August 2002 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; however in case of any unrealized gain, no such gain can be recognized and investments are recognized at cost only.	During this period, total market value of all shares of Bangladesh Finance PLC & its subsidiaries is less than the cost price. As on December 31, 2024 there was BDT 93.27 million unrealised loss on investment by Bangladesh Finance PLC in marketable securities.

SL No.	Nature of Departure	Title of IAS/ IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
11	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS 9 "Financial Instruments"	An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired. If any such evidence exists, expected credit losses are required to be measured through a loss allowance at an amount equal to: a) The 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).	According to DFIM Circular No. 04, dated July 26, 2021, a general provision ranging from 0.25% to 5% has to be maintained for different categories of unclassified loans (good/standard loans and Special Mention Accounts (SMA), regardless of any objective evidence of impairment on leases, loans, and advances. Additionally, provisions for substandard investments, doubtful investments, and bad losses has to be provided at 20%, 50%, and 100% respectively, based on the duration of the overdue period.	In separate Financial Statements, an amount of BDT 6,991.00 million has been charged as incremental provision for leases, loans and advances for the period ended December 31, 2024. Also, as at 31 December 2024, accumulated provision for leases, loans and advances stands at BDT 8,623.50 million. In consolidated Financial Statements, the incremental provision amount is BDT 7,067.10 million which includes provision for margin loan BDT 76.09 million. Also, as at 31 December 2024, accumulated provision for leases, loans and advances stands at BDT 8,830.68 million.
12	Recognition of interest income for SMA and classified lease, loans and advances	IFRS 9 "Financial Instruments"	Income from financial assets measured at amortized cost is recognized through effective interest rate method over the term of the investment. Once a financial asset is impaired, investment income is recognized in profit and loss account on the same basis based on revised carrying amount.	As per DFIM Circular No. 04, dated July 26, 2021, any loan/lease or investment account classified as "Special Mention Account (SMA)", "Substandard", or "Doubtful", the accrued interest on these investments should not be recognized as income. Instead, the accrued interest must be credited to a liability account, such as an interest suspense account.	At the year end, in separate Financial Statements interest suspense account has increased to BDT 1,956.59 million from BDT 723.54 million resulting in increase of BDT 1,233.05 million of interest suspense. This amount has been shown in other liabilities in note 12.3

SL No.	Nature of Departure	Title of IAS/ IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
13	Impairment of Margin Loan (Loans and receivables	IFRS 9 "Financial Instruments"	Measurement after initial recognition at amortized cost and recording of changes through profit and loss.	As per Bangladesh Securities and Exchange Commission (BSEC) Directives No. BSEC/ CMRRCD/2009-193/196 dated 28 December 2016, BSEC/CMRRCD/2009-193/203 dated 28 December 2017, BSEC/SRI/NE/2020/605 and 606 dated 28 December 2022, and BSEC/SRI/NE/2023/840 dated 22 October 2023, provisions for impairment of principal portion of margin loan shall be kept at 20% on each quarter for the five quarters starting from December 2016 which is extended up to 30 June 2024.	There is no such impact for this. However, we have been maintaining full provision for unrealized loss (if any) of margin loan in the portfolio
14	Disclosure of Presentation of Profit	N/A	There is no requirement to show appropriation of profit in the face of statement of comprehensive income.	As per DFIM circular no.11 dated 23 December 2009, an appropriation of profit should be disclosed in the face of profit and loss account.	Financial Statements for 2024 and corresponding period of 2023 have been prepared as per guideline (DFIM Circular No. 11 , dated 23 December 2009) of Bangladesh Bank. There is no finacnial impact for this departure in the financial statements.
15	Non-financial assets	N/A	No indication of non-financial assets is found in any IASs/IFRSs.	As per Department of Financial Institution and Market (DFIM) of Bangladesh Bank circular no. 11 dated 23 December 2009, there exists a face item named non-banking assets.	At the year end, in separate Financial Statements non-banking assets amounting to BDT 170.63 million has shown under separate line item under property and assets in note 9. There is no finacnial impact for this departure in the financial statements.

INDEPENDENT AUDITOR'S REPORT

BANGLADESH FINANCE SECURITIES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bangladesh Finance Securities Limited hereinafter referred to as "the company" which comprise the Statement of Financial Position as at 31 December 2024, Statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2024, and its financial performance and its cash flows for the year ended in accordance with International Financial Reporting Standards (IFRSs) as explained in Note-2.2.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and ICAB by laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations and for such internal control as management determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the company as a whole are free from material misstatement, whether due to fraud and error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

evidence obtained up to the date of our auditors report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements of the company. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

In accordance with Companies Act 1994 and the Securities and Exchange Rules 2020, we also report the following:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof.
b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
c) the company's financial position and statement of profit or loss and comprehensive income with the annexed notes dealt with by the report are in agreement with the books of account and returns.



Sukanta Bhattacharjee, FCA
Enrollment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

DVC: 2504201550AS734655

Dated: 16 Apr 2025
Dhaka

BANGLADESH FINANCE SECURITIES LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

Amount in BDT

	Notes	31-Dec-24	31-Dec-23
Assets			
Non-current assets			
Property, plant and equipment	3	8,661,338	15,280,820
Intangible assets	4	1	1
Right-of -use assets	5	17,789,624	26,977,149
Investment in stock exchange	6	951,410,683	951,410,683
Deferred tax assets	7	100,438,676	45,149,172
Total non-current assets		**1,078,300,322**	**1,038,817,825**
Current assets			
Investment in shares	8	469,547,604	385,531,105
Investment in Preference shares	9	17,500,000	7,500,000
Accounts receivable	10	2,039,590	553,612
Margin loan to clients	11	559,221,582	705,770,362
Advances, deposits and prepayments	12	2,575,500	479,841
Cash and cash equivalent	13	97,342,651	118,719,155
Total current assets		**1,148,226,927**	**1,218,554,075**
Total assets		**2,226,527,249**	**2,257,371,900**
Equity			
Share capital	14	1,072,150,000	1,072,150,000
Retained earnings	15	(142,758,895)	102,558,991
Capital reserve	16	35,845,580	35,845,580
Total equity		**965,236,685**	**1,210,554,571**
Non current liabilities			
Lease liabilities	17	15,256,839	15,256,839
Preference shares	18	179,441,453	124,750,000
Total non-current liabilities		**194,698,292**	**140,006,839**
Current liabilities			
Accounts payable	19	1,594,764	6,178,245
Payable to clients	20	69,077,540	78,874,386
Short term loan	21	422,962,091	587,154,317
Lease liabilities	17	1,975,823	9,908,976
Provision for diminution in value of investments, Margin loans & others	22	511,859,994	181,942,253
Provision for income tax	23	6,541,779	1,537,750
Laibilities for expenses	24	47,856,905	35,392,071
Provision margin loan	25	4,723,375	5,822,491
Total current liabilities		**1,066,592,272**	**906,810,489**
Total liabilities		**1,261,290,564**	**1,046,817,328**
Equity and liabilities		**2,226,527,249**	**2,257,371,900**

The annexed notes 1 to 48 and "Annexure A" are the integral part of the financial statements.

Md. Anamul Haq
Company Secretary

Khodoker Mahamudul Hasan
Managing Director & CEO

Md. Kyser Hamid
Director

As per our report of the same date

Sukanta Bhattacharjee, FCA
Enrollment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

DVC: 2504201550AS734655

Dated: 16 Apr 2025

Dhaka

BANGLADESH FINANCE SECURITIES LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	31-Dec-24	31-Dec-23
Operating income			
Brokerage commission income	26	69,197,137	96,969,241
Brokerage commission expenses	27	(22,307,874)	(31,304,142)
Net brokerage commission (a)		**46,889,263**	**65,665,099**
Interest income	28	76,193,960	94,930,846
Interest expenses	29	(65,696,599)	(64,107,511)
Net interest income/(expenses) (b)		**10,497,361**	**30,823,335**
Net investment income (c)	30	34,541,337	7,192,877
Other brokerage income (d)	31	88,260	78,316
Income from investment in securities		**34,629,597**	**7,271,193**
Total operating income (A=a+b+c+d)		**92,016,222**	**103,759,627**
Salaries and allowances	32	21,118,102	27,552,708
Rent, taxes, insurance and electricity	33	3,219,932	3,270,841
Legal & Professional fees	34	652,195	951,676
Postage, stamp and telecommunication	35	1,424,135	1,271,309
Stationery, printing and advertisements	36	828,413	953,178
Directors' fees	37	275,000	158,400
Professional/Auditors' fees	38	115,000	115,000
Depreciation	39	14,357,629	16,331,252
Other expenses	40	3,677,413	7,566,107
Operating expenses (B)		**45,667,819**	**58,170,471**
Operating profit (A-B)		**46,348,402**	**45,589,156**
Other non- operating revenue	41	114,710	-
Profit before provisions and tax		**46,463,112**	**45,589,156**
Provision for diminution in value of investments, margin loans & others	42	(329,917,741)	-
General provision for margin loans	25	1,099,116	(5,822,491)
Profit/(loss) before income tax expense		**(282,355,513)**	**39,766,665**
Current tax	43	18,251,877	16,963,744
Deferred tax (income)	7	(55,289,504)	(3,810,600)
Income tax expense		**(37,037,627)**	**13,153,144**
Net profit/(loss) after income tax		**(245,317,886)**	**26,613,521**
Other comprehensive income		-	-
Total comprehensive income/(loss)		**(245,317,886)**	**26,613,521**
Earnings Per Share	44	**(2.29)**	**0.25**

The annexed notes 1 to 48 and "Annexure A" are the integral part of the financial statements.

Md. Anamul Haq
Company Secretary

Khondoker Mahamudul Hasan
Manging Director & CEO

Md. Kyser Hamid
Director

As per our report of the same date

Sukanta Bhattacharjee, FCA
Enrollment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

DVC: 2504201550AS734655

Dated: 16 April 2025
Dhaka

BANGLADESH FINANCE SECURITIES LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

Particulars	Share Capital	Retained Earnings	Capital Reserve	Total Equity
Balance at January 01, 2023	1,072,150,000	111,791,050	-	1,183,941,050
Profit during the year	-	26,613,521	-	26,613,521
Capital reserve	-	(35,845,580)	35,845,580	-
Balance as on December 31, 2023	**1,072,150,000**	**102,558,991**	**35,845,580**	**1,210,554,571**
Balance at January 01, 2024	1,072,150,000	102,558,991	35,845,580	1,210,554,571
Profit/(Loss)during the year	-	(245,317,886)	-	(245,317,886)
Capital reserve	-	-	-	-
Balance as on December 31, 2024	**1,072,150,000**	**(142,758,895)**	**35,845,580**	**965,236,685**

The annexed notes 1 to 48 and "Annexure A" are the integral part of the financial statements.

Md. Anamul Haq
Company Secretary

Khondoker Mahamudul Hasan
Manging Director & CEO

Md. Kyser Hamid
Director

Dated: **16 April 2025**
Dhaka

BANGLADESH FINANCE SECURITIES LIMITED

STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	31-Dec-24	31-Dec-23
Cash flow from operating activities		
Interest received	76,193,960	94,930,846
Interest paid	(65,696,599)	(64,107,511)
Other brokerage received	88,260	78,316
Fees and commission received	69,197,137	96,969,241
Cash payments to employees	(21,118,102)	(27,552,708)
Cash payments to suppliers	(2,252,548)	(2,224,487)
Director's fees paid	(275,000)	(158,400)
Income tax paid	(13,247,848)	(44,971,685)
Received from investment activities	34,541,337	7,192,877
Payments for other operating activities	(29,972,414)	(43,207,766)
Operating profit before changes in operating asset & liability	**47,458,183**	**16,948,723**
Changes in operating assets and liabilities		
Purchases/sale of trading securities	(94,016,499)	(32,051,755)
Margin loan to customers	146,548,780	28,847,282
Deposits	(3,563,651)	6,567,431
Other liabilities	(1,915,493)	(87,581,903)
Sub total	**47,053,137**	**(84,218,946)**
A) Net cash from operating activities	**94,511,320**	**(67,270,222)**
Cash flows from investing activities		
Proceeds from sale of fixed assets	3,228,003	-
Purchase of property, plant & equipment	(413,476)	(10,639,568)
B) Net cash from investing activities	**2,814,527**	**(10,639,568)**
Cash flows from financing activities		
Increase/(decrease) of borrowings	(164,192,226)	(209,003,542)
Issuance of preference shares	54,691,453	4,750,000
Payment for lease liabilities	(9,201,578)	(9,308,717)
C) Net cash from financing activities	**(118,702,352)**	**(213,562,259)**
D) Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(21,376,504)**	**(291,472,049)**
E) Cash and cash equivalents at the beginning of the period	**118,719,155**	**410,191,204**
F) Cash and cash equivalents at the end of the period(D+E)	**97,342,651**	**118,719,155**
Net operating cash flow per share (NOCFPS)	**0.88**	**(0.63)**

The annexed notes 1 to 48 and "Annexure A" are the integral part of the financial statements.

Md. Anamul Haq
Company Secretary

Khondoker Mahamudul Hasan
Manging Director & CEO

Md. Kyser Hamid
Director

Dated: 16 April 2025
Dhaka

BANGLADESH FINANCE SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1 Company and its activities

1.1 Legal form of the Company

Bangladesh Finance Securities Limited (the "Company") was incorporated in Bangladesh as a public limited Company on 28 December, 2010 vide Registration No. C-89204/10 under The Companies Act 1994. The Company has acquired Dhaka Stock Exchange Membership, whose Registration Number is 30.

1.2 Nature of business

The main objective of Bangladesh Finance Securities Limited is to act as a member of stock exchanges, the central depository system (CDS) companies and to carry on the business of broker, jobbers or dealers in stocks, shares, securities, bonds, debentures etc. The Company is also authorized to buy, sell, hold or otherwise acquire or invest the capital of the Company in shares, stocks and fixed income securities.

2 Basis for preparation of financial statements and Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

2.1 Basis of preparation of financial statements

2.1.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchanges Rules 1987 and other laws & regulations applicable in Bangladesh.

2.1.2 Other regulatory compliance

As required, Bangladesh Finance Securities Limited also complies with the applicable provisions of the following major laws and regulations:

- The Income Tax Act, 2023;
- The Income Tax Rules, 1984;
- VAT and Supplementary Duty Act 2012;
- The Bangladesh Labour Act 2006 and Bangladesh Labor Rules 2015;
- Negotiable Instrument Act, 1881;
- Securities and Exchange Commission Act, 1993;
-Securities and Exchange Rules, 2020;
-Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000;

2.1.3 Basis of measurement

These financial statements have been prepared based on historical cost basis and no adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

2.1.4 Use of estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

2.1.5 Comparative information

As guided in paragraph 36 and 38 of IAS 1 Presentation of Financial Statements, comparative information in respect of the previous year have been presented in all numerical information in the financial statements and the narrative and descriptive information where, it is relevant for understanding of the current year's financial statements.
Previous year/period figures have been rearranged to confirm with the current year/period presentation.

2.1.6 Statement of cash flows

Statement of Cash Flows is prepared in accordance with International Accounting Standard (IAS) No.7: Statement of Cash Flows and the cash flows from operating activities have been presented under the direct method as prescribed by the Bangladesh Securities and Exchange Rules, 2020.

2.1.7 Going concern

The Company has adequate resources to continue in operations for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations.

2.1.8 Reporting period

The reporting period of these financial statements covers from 01 January 2024 to 31 December 2024.

2.1.9 Functional and presentation currency

These financial statements are presented in company's functional currency i.e. in Bangladeshi Taka.

2.2 Significant accounting policies

2.2.1 Property, plant and equipment

(i) Recognition of property, plant and equipment

Items of Property, plant and equipment are measured at cost less accumulated depreciation. The cost of the assets is the cost of acquisition and other directly attributable costs for bringing the assets to working conditions for their intended use inclusive of inward freight, duties and non refundable taxes as per International Accounting Standard (IAS) 16: Property, Plant and Equipment.

ii) Subsequent expenditure

Subsequent to initial recognition, cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. All other repair and maintenance expenses are charged in the statement of profit or loss as they are incurred.

(iii) Depreciation

Depreciation is provided on a new asset for the period in use in the year of purchase. Full month's depreciation has been charged on additions irrespective of date when the related assets are put into use. Depreciation is calculated on the cost of the assets in order to write-off such amounts over the estimated useful life of such assets. The Company followed the Straight-line method of depreciation and annual rates are as under:

Category of Assets	Rate of Depreciation
Office Equipment	10%
Electronic Equipment	15%
Electronic Equipment-Generator	15%
Furniture & Fixture	10%
Computer Peripheral	25%
Vehicles	20%
Office Renovation & Furnishing	10%
Right of use assets	Lease term

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. No significant adjustment in respect of items of property, plant and equipment was done in the reporting period.

(iv) Retirement and disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposals. Gains and losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain or loss from disposal of asset in profit or loss.

2.2.2 Intangible Assets

(i) Components

The main items included in intangible assets are Software, TWS Installation and Preliminary Expenses.

(ii) Basis of recognition

An intangible asset is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Company and the cost of the intangible asset can be measured reliably in accordance with IAS 38: Intangible Assets. Accordingly, intangible asset is reported in the statement of financial position at cost less accumulated amortization.

(iii) Subsequent expenditure

Subsequent expenditure on intangible asset is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

(iv) Amortization

Amortization is charged in profit or loss on a straight line basis over the estimated useful lives of intangible assets. Amortization on additions are charged from the month of acquisition. Amortization is charged on the cost of intangible assets and no amortization is charged in the year of disposal.

(v) Retirement and disposals

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gain or losses arising from derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets are recognized in profit or loss.

2.2.3 Leases

Leases are recognized as right-of-use assets and corresponding liabilities at the inception of a contract and measured in accordance with IFRS 16. The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

At the commencement date, lease liabilities are measured at an amount equal to the present value of the lease payments for the underlying right-of-use assets during the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the Company's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost.

Payments associated with all short-term leases (with a lease term of 12 months or less) and certain leases of all low-value assets are recognized on a straight-line basis as an expense in profit or loss.

2.2.4 Financial Instruments

Financial assets

Financial assets are recognized initially at cost on the date at which the Company becomes a party to the contractual provisions of the transaction.

The classification and measurement of financial assets is based on the basis of both:

a. the entity's business model for managing the financial assets; and
b. the contractual cash flow characteristics of the financial assets.

Three measurement classifications for financial assets have been established: amortized cost, fair value through other comprehensive income and fair value through profit and loss. These measurement classifications align with three business models available under IFRS 9:

Hold to Collect–Financial assets held with the objective to collect contractual cash flows

Hold to Collect and Sell – Financial assets held with the objective to collect and sell contractual cash flows

Other – Financial assets held for trading or assets that do not meet the criteria for either 'Hold to collect' or 'Hold to collect and sell'. Financial assets designated as trading are held with an objective to sell the assets in the short term."

Financial assets currently being used by the company are as follows:

(i) Cash and cash equivalents"

Cash and cash equivalents comprise of Cash in hand and Cash at Bankwhich are available for use by the Company without any restriction.

(ii) Accounts receivables"

Accounts receivables represent the amounts due from various companies in which, the company has investment, due from DSE based on last day transactions etc. These are initially recognized at cost which is the fair value on that particular date. After initial recognition these are carried at cost and any subsequent impairment losses against those, recognized as provision in the profit or loss and other comprehensive income in the respective year.

(iii)Investments"

Investment in marketable securities is measured at cost on portfolio basis. Changes between closing market price at 31 December 2024 and the respective cost price on portfolio have been considered as unrealized loss or gain and charged to profit or loss and other comprehensive income as per BSEC regulation. A security which is not listed at stock exchange as on the reporting date then the price is shown at cost.

Financial liabilities

The Company initially recognizes financial liabilities on the date that is originated. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial liabilities obliged by the Company are as follows:

(i) Account payables"

Account payables show the amount owed to other parties and to DSE based on transactions from the previous day.These are valued fairly on the date of recognition at cost.

(ii) Liabilities for expenses"

Liabilities for expenses represent the amounts owed to various parties for receiving services and supply. These are initially recognized at cost which is also the fair value on that date.

(iii)Loan and Borrowing

Loan and borrowing of the company consists of short term borrowing and overdraft that are initially recognized at cost and subsequently its interest expenses recognized as liabilities and expenses.

2.2.5 Preferance Shares

Preferance Shares has been reported at cost and dividend income/expenses is recognized in the profit and losses account on accural basis considered as interest income/expenses.

2.2.6 Revenue recognition

Revenue comprises Interest income, Settlement charges, Dividend income, Brokerage commission service rendered and capital gain on sales of shares. Revenue is measured based on the consideration specified in a contract with a customer. The Company recognizes revenue when it transfers control over a good or service to a customer. Information is provided regarding the nature and timing of the satisfaction of performance obligations in contracts with customers.

(i) Revenue recognition under IFRS 15

Revenue is only recognised when it meets the following five steps model framework as per IFRS 15: "Revenue from Contracts with Customers"

"a) identify the contract (s) with a customers;

b) identify the performance obligations in the contract;

c) determine the transaction price;

d) allocate the transaction price to the performance obligations in the contract;

e) recognise revenue when (or as) the entity satisfies a performance obligation."

(ii) Brokerage commission

Brokerage commission is recognized as income when selling or buying order is signed and trade is executed.

(iii) Interest income from margin loan Interest income from margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective clients. Income is recognized on quarterly basis.

Dividend income is recognized when right to receive payment is established whereas gain or loss arising from the sale of securities is accounted for only when shares are sold in the market and gain or loss is realized.

2.2.7 Provision for income tax

i) Current tax

Provision for tax is assessed under section 163 of the Income Tax Act 2023 on income from company's normal course of business and rate of tax is based on nature of income sources. Under section 163, income tax deducted under certain sections of the ITA is treated as minimum tax of tax payer's tax liabilities from that source.

ii) Deferred tax

Pursuant to International Accounting Standard (IAS) 12: Income Taxes, deferred tax is provided for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purposes. Adequate provision has been made in calculating temporary timing differences.

2.2.8 Employee Benefits

(a) Gratuity fund

The Company operates funded gratuity scheme, provision in respect of which is made annually covering all permanent eligible employees. Gratuity fund benefits are given to the staff of Bangladesh Finance Securities Limited in accordance with the Company's service rules. The gratuity is calculated on the basis of eligibility and as per IAS-19 "Employee Benefits" and payable as per the modalities of the rules. Gratuity so calculated are transferred to the Gratuity fund and charged to expenses of the Company.

(b) Providend Fund

The Company operates a recognized provident fund in which employees contribute 10% from their basic salary and the company also contributes same. The Company has no legal or constructive obligation to pay further amounts. Obligations for contributions to the recognized provident fund are recognized in profit or loss in the period during which related services are rendered by employees.

2.2.9 Provision for expenses

Provision for expenses is recognized when the company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimate of the amount can be made.Provision for diminution in value of investment and margin loan have been kept in accordance with Bangladesh Securities Exchange Commission - RBCA guidelines 2019, directive no. BSEC/SMMID/NE/2023/840 dated: 22 October 2023, directive no. BSEC/SRI/NE/2020/333 dated: 27 March 2023 along with BSEC circular no. BSEC/SRI/NE/2020/333, dated: 27 March 2023 and BSEC circular no. SEC/CMRRCD/2009-193/196, dated: 28 December 2016.

2.2.10 Related party disclosure

As per International Accounting Standard (IAS) 24 "Related Party Disclosures", parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length IAS is at commercial rates with its related parties. Related party disclosures have been given in Note 45.

2.2.11 Events after the balance sheet date

Events after the balance sheet date that provides additional information about company's financial position at the balance sheet date are reflected in the financial statements. Events after the balance sheet date that are material but not adjusting event are discussed in the notes.

2.2.12 The company complies the following IAS and IFRS:

Name of the IFRS	No.	Status
Leases	16	Complied
Revenue from Contracts with Customers	15	Complied

Name of the IAS	No.	Status
Presentation of Financial Statements	1	Complied
Statements of Cash Flow	7	Complied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Complied
Events after the Reporting Period	10	Complied
Income Taxes	12	Complied
Property, Plant and Equipment	16	Complied
Borrowing Cost	23	Complied
Related Party Disclosures	24	Complied
Provisions, Contingent Liabilities and Contingent Assets	37	Complied
Intangible Assets	38	Complied

2.2.13 General

i) Figures of previous year have been rearranged wherever considered necessary to confirm presentation of the current year; and
ii) Amounts appearing in these financial statements have been rounded off to the nearest Taka.

2.2.14 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:
** Credit risk
** Market risk
** Liquidity risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.
The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's loans and advances to customers and investment securities. These loans and advances are fully backed by the securities held by the customer.
With respect to credit risk arising from the other financial assets of the Company, the maximum exposure is equal to the carrying amounts of the financial assets.

Market risk

The Company's activities may give rise to risk at the time of settlement of transactions and trades. Market risk is the risk of losses due to failure of entity to honor its obligations to deliver cash, securities or other assets as contractually agreed.

For such transactions the Company only allows the purchase of tradable securities if the customer has adequate cash/purchase power beforehand.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they falls due. The Company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

3 Property, pant and equipment

	Notes	31-Dec-24	31-Dec-23
A. Cost :			
Opening balance		50,791,936	40,152,368
Addition during the period		413,476	10,639,568
Total		**51,205,412**	**50,791,936**
Less: disposal during the period		(2,500,000)	-
Closing balance		**30,063,898**	**50,791,936**
B. Accumulated depreciation:			
Opening balance		35,511,116	30,485,050
Charge during the period		5,095,463	5,026,066
Total		**40,606,579**	**35,511,116**
Less: disposal during the period		(562,505)	-
Closing balance		**21,402,560**	**35,511,116**
Written down value (WDV)		**8,661,338**	**15,280,820**

Details of PPE are given in Annexure-A(i)

4 Intangible assets

	Notes	31-Dec-24	31-Dec-23
A. Cost :			
Opening balance		675,000	675,000
Addition during the period		-	-
Closing Balance		**675,000**	**675,000**
B. Accumulated Amortization:			
Opening balance		674,999	674,999
Charge during the period		-	-
Closing Balance		**674,999**	**674,999**
Carrying amount (A-B)		**1**	**1**

5 Right-of-use-assets

	Notes	31-Dec-24	31-Dec-23
A. Cost:			
Opening balance		45,192,174	58,372,031
Addition during the year		1,250,439	465,995
		46,442,613	**58,838,026**
Disposal/adjustment for the year		13,951,489	13,645,852
Closing Balance		**32,491,124**	**45,192,174**
B. Accumulated depreciation:			
Opening balance		18,215,025	20,555,690
Charged for the year		9,262,166	11,305,187
		27,477,191	**31,860,877**
Disposal/adjustment for the year		12,775,690	13,645,852
Closing Balance		**14,701,501**	**18,215,025**
C. Written down value (A-B)		**17,789,624**	**26,977,149**

Details of intangible assets are given in Annexure-A(ii)

6 Investment in stock exchange

	Notes	31-Dec-24	31-Dec-23
Dhaka stock exchange		951,410,683	951,410,683
Closing balance		**951,410,683**	**951,410,683**

7 Deferred tax assets

	Notes	31-Dec-24	31-Dec-23
Opening balance		45,149,172	41,338,572
Deferred tax expense/(income) charged in P&L	7.1	55,289,504	3,810,600
Closing balance		**100,438,676**	**45,149,172**

7.1 Item wise breakdown:

					31-Dec-24
Particulars	**Carrying amount**	**Tax base**	**Taxable/ (Deductible) temporary difference**	**Tax rate**	**DTL/(DTA)**
Right of Use Assets	17,789,624	17,232,662	556,961	25%	139,240

Vehicles	1,236,311	1,665,000	(428,689)	25%	(107,172)
Office Equipment	372,944	803,711	(430,768)	25%	(107,692)
Electrical Equipment	2,543,634	3,716,796	(1,173,161)	25%	(293,290)
Electric Equip.-Generator	1	623,409	(623,408)	25%	(155,852)
Furniture and Fixture	268,926	805,826	(536,900)	25%	(134,225)
Computer & Peripheral	1,231,495	2,189,893	(958,398)	25%	(239,600)
Office Renovation	3,008,028	13,207,542	(10,199,515)	25%	(2,549,879)
Provision of margin loan	194,345,599	-	(194,345,599)	25%	(48,586,400)
Prov for diminuition in value of investment	317,514,395	-	(317,514,395)	15%	(47,627,159)
Provision for gratuity	3,106,593	-	(3,106,593)	25%	(776,648)
Total	**541,417,549**	**40,244,839**	**(528,760,464)**		**(100,438,676)**

8 Investments in shares

	Notes	31-Dec-24	31-Dec-23
Investment in marketable securities	8.1	451,747,604	367,731,105
Investment in Non Traded Shares	8.2	17,800,000	17,800,000
Closing balance		**469,547,604**	**385,531,105**

8.1 Investment in marketable securities

Name of Industry	No. of Shares	Cost price (Taka)	Market price at the year end (Taka)	Unrealized gain/ (loss) (Taka)
Engineering	1,103,954	320,903,693	73,989,006	(246,914,687)
Insurance	11,299,567	116,617,417	60,741,208	(55,876,209)
Miscellaneous	57,560	9,608,353	4,069,042	(5,539,310)
Food	330,000	4,617,189	13,233,000	8,615,811
Total		**451,747,604**	**152,032,256**	**(299,714,395)**

8.2 Investment in non-traded shares

	Notes	31-Dec-24	31-Dec-23
Beka Garment And Textiles Limited.		2,600,000	2,600,000
B. Brothers Garments Limited		10,000,000	10,000,000
Classic Foils Limited		200,000	200,000
Al Faruque Bags Ltd.		5,000,000	5,000,000
Closing balance		**17,800,000**	**17,800,000**

9 Investments in preference shares

	Notes	31-Dec-24	31-Dec-23
Opening Balance		7,500,000	-
Investments during the period	9.1	17,500,000	7,500,000
Less: Redeemption during the period		(7,500,000)	-
Closing balance		**17,500,000**	**7,500,000**

9.1 Investments in preference shares breakdown:

	Notes	31-Dec-24	31-Dec-23
Bangladesh Finance Capital Limited		17,500,000	7,500,000
Closing balance		**17,500,000**	**7,500,000**

10 Accounts Receivable

	Notes	31-Dec-24	31-Dec-23
Receivable from DSE*	10.1	1,981,185	171,541
Receivable from Bangladesh Finance Capital Limited		29,075	649
Receivable from employees		15,859	15,859
Receivable from vanguard AML BD Finance MF One		1,005	1,005
Dividend Receivable from Preference Share (BFCL)		12,466	12,329
Dividend Receiable from Investments in shares		-	352,229
Closing balance		**2,039,590**	**553,612**

**This balance has been resulted from sale of shares through Dhaka Stock Exchange Ltd.*

10.1 Receivable From DSE

	Notes	31-Dec-24	31-Dec-23
Total sales for broker		1,981,185	171,541
Closing balance		**1,981,185**	**171,541**

11 Margin Loan to Clients

	Notes	31-Dec-24	31-Dec-23
Margin loan to clients		559,221,582	705,770,362
Closing balance		**559,221,582**	**705,770,362**

12 Advances, deposits and prepayments

	Notes	31-Dec-24	31-Dec-23
Security deposit with CDBL		200,000	200,000
Advance for expenses		2,375,500	279,841
Closing balance		**2,575,500**	**479,841**

13 Cash and cash equivalent

	Notes	31-Dec-24	31-Dec-23
Cash in hand (Petty Cash)		30,063	26,517
Cash at bank	13.1	97,312,588	118,692,638
Closing balance		**97,342,651**	**118,719,155**

13.1 Cash at bank

	Notes	31-Dec-24	31-Dec-23
One Bank CD Account		7,850	5,884
One Bank Ltd. (Consolidated Customer SND A/c)		12,851,477	4,176,632
One Bank Ltd. (Dealer SND A/c)		2,082,752	1,128,868
One Bank Ltd. (Public Issue Application A/c)		39,404	39,777
Social Islami Bank Ltd. (Consolidated Customer A/C)		81,267,195	105,306,557
Al-Arafah Islami Bank Ltd. (Consolidated Customer A/C)		185,943	30,760
Social Islami Bank Limited (Dealer A/C)		784,546	2,613,678
Social Islami Bank Limited (MSD A/C)		54,308	5,330,607
Social Islami Bank Limited (Special Fund)		10,094	40,416
Rupali Bank CD		8,988	368
Citizens Bank PLC		20,031	19,091
Closing balance		**97,312,588**	**118,692,638**

14 Share capital

	Notes	31-Dec-24	31-Dec-23
14.1 Authorised Capital			
50,00,00,000 ordinary shares of Taka 10 each		5,000,000,000	5,000,000,000
		5,000,000,000	**5,000,000,000**

14.2 Issued, subscribed and paid up capital

10,72,15,000 fully paid ordinary shares of Tk.10/- each subscribed and paid by the sponsor Shareholders.

Particulars of shareholders	Number of Share	Shareholding %	Total value of Share	Total value of Share
Bangladesh Finance PLC	61,500,000	57.36%	615,000,000	615,000,000
Anwar Landmark Ltd.	18,962,500	17.69%	189,625,000	189,625,000
City General Insurance Co. Ltd.	9,327,500	8.70%	93,275,000	93,275,000
Mr. Manwar Hossain	3,075,000	2.87%	30,750,000	30,750,000
Mr. Hossain Mehmood	3,075,000	2.87%	30,750,000	30,750,000
Mr. Hossain Khaled	3,075,000	2.87%	30,750,000	30,750,000
Mr. M. Abu Taher	3,075,000	2.87%	30,750,000	30,750,000
Mr. Md. Yousuf	3,075,000	2.87%	30,750,000	30,750,000
Mr. Forkan Ahmed Moon	2,050,000	1.91%	20,500,000	20,500,000
Total	**107,215,000**	**100.00%**	**1,072,150,000**	**1,072,150,000**

15 Retained earnings

	Notes	31-Dec-24	31-Dec-23
Opening balance		102,558,991	111,791,050
Add: Net Profit for the year		(245,317,886)	26,613,521
Transfer to Capital Reserve		-	(35,845,580)
Closing balance		**(142,758,895)**	**102,558,991**

16 Capital Reserve

	Notes	31-Dec-24	31-Dec-23
Opening Balance		35,845,580	-
Addition during the Year (Based on net profit @10% for last 5 years)		-	35,845,580
Closing balance		**35,845,580**	**35,845,580**

Refer to clause (i) of (e) of Part B [rule (1) (b), rule 5(2)] of the Bangladesh Securities and Exchange Commission (BSEC) Risk Based Capital Adequacy Rules, 2019, mandatory provision has kept @ 10% of profit after tax of last 5 years (For the Year 2018 to 2022) as 'capital reserve.

17 Lease liabilities

	Notes	31-Dec-24	31-Dec-23
Opening balance of lease liabilities		**25,165,815**	**33,078,917**
Add: Addition during the year		1,268,425	1,395,615
		26,434,240	**34,474,532**
Less: Lease payment/adjustment made during the year		(9,201,578)	(9,308,717)
Closing Balance		**17,232,662**	**25,165,815**
Non-current of lease liabilities		15,256,839	15,256,839
Current portion of lease liabilities		1,975,823	9,908,976
Closing Balance		**17,232,662**	**25,165,815**

18 Preference share

	Notes	31-Dec-24	31-Dec-23
Preference shares	18.1	179,441,453	124,750,000
Closing Balance		**179,441,453**	**124,750,000**

18.1 Details of preference shareholders

	Notes	31-Dec-24	31-Dec-23
Bangladesh Finance PLC		120,000,000	120,000,000
Abu Taher		4,000,000	4,750,000
MD. Yousuf		4,151,250	-
Manwar Hossain		4,151,250	-
Hossain Mehmood		4,151,250	-
Hossain Khaled		4,151,250	-
Anwar Landmark		22,836,453	-
Bangladesh Finance Capital Ltd		16,000,000	-
Closing Balance		**179,441,453**	**124,750,000**

19 Accounts payable

	Notes	31-Dec-24	31-Dec-23
Total Purchase for Broker		460,066	5,537,979
Payable to Bangladesh Finance Capital Limited		1,134,697	640,266
Closing Balance		**1,594,764**	**6,178,245**

20 Payable to clients

	Notes	31-Dec-24	31-Dec-23
Payable to Clients		69,077,540	78,874,386
Closing balance		**69,077,540**	**78,874,386**

This balance represents the clients' sale proceeds of shares and deposits against share purchase which is currently lying with the company's bank A/C.

21 Short term loan

	Notes	31-Dec-24	31-Dec-23
Bangladesh Finance Limited		-	-
Social Islami Bank Limited		39,317,902	86,518,852
ICB Special Fund		34,430,760	54,387,384
CVC Finance Limited		-	52,500,000
Rupali Bank		44,924,431	89,760,937
Citizens Bank PLC		-	19,020,728
Rupali Bank Phase-2		142,534,001	142,483,208
Rupali Bank Phase-3		142,534,001	142,483,208
Jamuna Bank Limited		19,220,996	-
Closing balance		**422,962,091**	**587,154,317**

22 Provision for diminution in value of investments

	Notes	31-Dec-24	31-Dec-23
A. Provision on unrealized loss of dealer investments:			
Opening balance		58,421,031	8,265,422
Add: Addition during the period		259,093,364	50,155,609
Closing balance (A)*		**317,514,395**	**58,421,031**

B. Specific provision on margin loan:		
Opening balance	123,521,222	123,521,222
Add: Addition during the period	43,067,298	-
Clients interest waiver	27,757,079	-
Total Provision	**194,345,599**	**123,521,222**
Less: Written off of provision on margin loan	-	-
Closing balance (B)**	**194,345,599**	**123,521,222**
Closing Balance (A+B)	**511,859,994**	**181,942,253**

*As per BSEC Circular No. BSEC/SRI/2020/333, dated March 27, 2023, BD Finance Securities Ltd, as a stock dealer, is required to maintain full provision against unrealized losses arising from the revaluation of investments during the period by December 31, 2025. In compliance with the said directive, the company has decided to take the total required provision during the year. Moreover, the company has taken provision for investment in the non-traded securities.

23 Provision for income tax

	Notes	31-Dec-24	31-Dec-23
Opening Balance		188,206,803	199,251,000
Add: Provision made during the year		18,251,877	16,963,744
		206,458,680	**216,214,744**
Settlement of previous year's tax liabilities		-	28,007,941
Closing balance at the year end		**206,458,680**	**188,206,803**
Advance income tax			
Opening Balance		186,669,053	**169,705,309**
Add: AIT paid during the period		186,028	251,850
AIT on Cash Dividend		1,229,736	939,273
AIT on Bank Interest		876,850	732,818
AIT on turnover of BD Securities		10,955,234	15,039,804
AIT on Capital gain		-	-
Closing balance at the year end		**199,916,901**	**186,669,053**
Net provision for income tax		**6,541,779**	**1,537,750**

24 Laibilities for expenses

	Notes	31-Dec-24	31-Dec-23
Interest payable on loan from Banks & NBFIs	24.1	427,936	1,293,932
Utility Payable		127,181	144,632
Network Connectivity Charges Payable		57,723	86,698
Mobile Bill Payable		14,545	11,781
Fuel bill Payable		363,670	300,584
Provision for Gratuity		3,106,593	2,613,005
Provision for PF		3,314,070	2,140,372
Audit fees payable		118,750	118,750
Office Maintenance Payable		27,884	40,964
Liability for CDBL expenses (Share Maintenance)		38,102	118,256
Incentive & other Payable		3,300,663	6,119,188
Bank Interest payable to Clients		12,952,054	8,782,215
IPO Control A/C & Other		-	1,910,000
Dividend Payable for Preference Shares		23,990,484	11,695,194
Security Services charges Payable		17,250	16,500
Closing balance		**47,856,905**	**35,392,071**

24.1 Interest payable on loan from Banks and NBFIs

	Notes	31-Dec-24	31-Dec-23
Social Islami Bank Limited		-	1,156,932
Investment Corporation of Bangladesh		427,936	24,000
Closing balance		**427,936**	**1,293,932**

25 General provision for margin loan

	Notes	31-Dec-24	31-Dec-23
Opening Balance		5,822,491	-
Provision on margin loan during the period		(1,099,116)	5,822,491
Closing balance		**4,723,375**	**5,822,491**

Refer to clause (i) of (e) of Part B [rule (1) (b), rule 5(2)] of the Bangladesh Securities and Exchange Commission (BSEC)Risk Based Capital Adequacy, Rules, 2019, mandatory provision has kept @ 1% of mandatory provision of all outstanding Margin Exposure as ' General Provision for Margin Loan & also maintained the provision accordingly after considering the negative equity provision.

26 Brokerage commission Income

	Notes	31-Dec-24	31-Dec-23
Brokerage commission		69,221,659	96,761,853
BO Account Maintenance	26.1	(24,522)	207,388
Total		**69,197,137**	**96,969,241**

26.1 BO account maintenance

	Notes	31-Dec-24	31-Dec-23
BO account maintenance fee/opening fee		75,500	137,500
BO account renewal fees		1,212,400	1,460,000
BO account closing fees		51,000	47,000
CDBL settlement transfer income		2,125,391	3,135,267
CDBL bulk A/C Transfer income		63,568	285,986
CDBL transfer/transmission income		47,859	120,003
CDBL pledge income		10,325	-
CDBL unpledged income		4,900	-
Total		**3,590,943**	**5,185,756**
Less:			
CDBL settlement transfer charge		2,523,044	3,609,813
CDBL bulk A/C transfer charge		49,814	161,700
CDBL transfer/transmission charge		23,929	62,530
CDBL demate of existing securities charge		965	25
CDBL pledge charge		5,163	-
CDBL unpledged charge		2,450	-
CDBL BO A/C opening charge		58,100	111,650
CDBL BO A/C renewal charge		952,000	1,032,650
Total		**3,615,465**	**4,978,368**
Net Total		**(24,522)**	**207,388**

27 Brokerage commission expense

	Notes	31-Dec-24	31-Dec-23
Laga Charges	27.1	5,363,251	7,371,963
Direct Trading expenses	27.2	16,944,623	23,932,179
Total		**22,307,874**	**31,304,142**

27.1 Laga charges

	Notes	31-Dec-24	31-Dec-23
Broker		5,284,438	7,369,406
Dealer		78,813	2,557
Total		**5,363,251**	**7,371,963**

27.2 Trading expenses

	Notes	31-Dec-24	31-Dec-23
DSE other charges		18,500	-
Direct trading expenses		16,926,123	23,932,179
Total		**16,944,623**	**23,932,179**

28 Interest income

	Notes	31-Dec-24	31-Dec-23
Interest on margin loan		75,307,719	94,665,454
Interest income on bank deposit		205,964	253,064
Dividend Income from Preference Share(BFCL)		680,277	12,329
Total		**76,193,960**	**94,930,846**

29 Interest expenses

	Notes	31-Dec-24	31-Dec-23
Bangladesh Finance PLC		-	25,649,413
Social Islami Bank Limited		8,632,118	7,207,404
Jamuna Bank Limited		20,800	-
Investment Corporation of Bangladesh (Special purpose)		1,771,021	2,797,996
Interest expenses (Lease)		1,868,426	3,275,947
CVC Finance Limited		4,587,208	5,509,369
Rupali Bank		6,603,494	7,916,182
Citizens Bank		503,045	69,589
Rupali Bank Phase-2		14,499,474	233,208
Rupali Bank Phase-3		14,499,474	233,208
Dividend for preference Share		12,711,539	11,215,194
Total		**65,696,599**	**64,107,511**

30 Net investment income

	Notes	31-Dec-24	31-Dec-23
Income from investment in marketable securities		28,739,851	2,144,283
Cash Dividend		5,801,486	5,048,594
Total		**34,541,337**	**7,192,877**

31 Other brokerage income

	Notes	31-Dec-24	31-Dec-23
IPO service income		2,555	2,330
Cheque dishonored charge		65,500	46,000
Cheque clearance fees		18,275	29,936
CDBL demate of existing securities income		1,930	50
Total		**88,260**	**78,316**

32 Salaries and allowances

	Notes	31-Dec-24	31-Dec-23
Salaries and allowances		20,355,253	26,703,119
Providend Fund		762,849	849,589
Total		**21,118,102**	**27,552,708**

33 Rent, taxes, insurance and electricity

	Notes	31-Dec-24	31-Dec-23
Rent, rates and taxes		1,989,723	2,027,519
Utilities		1,230,209	1,243,322
Total		**3,219,932**	**3,270,841**

34 Legal expenses

	Notes	31-Dec-24	31-Dec-23
Legal and professional fee		53,750	-
Fees and renewals		598,445	951,676
Total		**652,195**	**951,676**

35 Postage, stamp, telecommunication

	Notes	31-Dec-24	31-Dec-23
Telephone, Postage & Telegram		20,873	24,808
Mobile bill		120,656	124,134
Network connectivity charge		1,282,606	1,122,367
Total		**1,424,135**	**1,271,309**

36 Stationary, printing, advertisements

	Notes	31-Dec-24	31-Dec-23
Printing and stationary		828,413	898,663
Advertisement expense		-	54,515
Total		**828,413**	**953,178**

37 Directors' fees

	Notes	31-Dec-24	31-Dec-23
Directors' fees		275,000	158,400
Total		**275,000**	**158,400**

38 Professional/Auditors' fees

	Notes	31-Dec-24	31-Dec-23
Audit fees		115,000	115,000
Total		**115,000**	**115,000**

39 Depreciation

	Notes	31-Dec-24	31-Dec-23
Depreciation of tangible assets		14,357,629	16,331,252
Total		**14,357,629**	**16,331,252**

40 Other expenses

	Notes	31-Dec-24	31-Dec-23
Travelling and conveyance		63,099	192,694
Entertainment		513,251	664,947
Fuel, oil and lubricants		762,406	844,735
Repair and maintenance		112,970	357,470
Diesel for Generator		25,595	26,160
Office cleaning expenses		384,518	706,682
Office maintenance		1,022,985	949,752
Repair and maintenance-Vehicle		65,776	150,314
Bank guarantee fees		-	2,719,111

Bank Charges	526,563	805,742
Security Services Charges	200,250	148,500
Total	**3,677,413**	**7,566,107**

41 Other non-operating revenue

	Notes	31-Dec-24	31-Dec-23
Miscellaneous income		114,710	-
Total		**114,710**	**-**

42 Provision for diminution in value of investments and margin loan Erosion

	Notes	31-Dec-24	31-Dec-23
Provision on unrealized loss of dealer investments		259,093,364	-
Provision on margin loan Erosion		43,067,298	-
Clients interest waiver		27,757,079	-
Total		**329,917,741**	**-**

43 Income tax expense

	Notes	31-Dec-24	31-Dec-23
Current tax expenses			
Provision made during the year		18,251,877	16,963,744
		18,251,877	**16,963,744**
Deferred tax expenses/ (income)			
Taxable /(deductible) temporary differences		(55,289,504)	(3,810,600)
Transfer to current income tax		-	-
		(55,289,504)	**(3,810,600)**
Total		**(37,037,627)**	**13,153,144**

44 Earnings Per Share (EPS)

	Notes	31-Dec-24	31-Dec-23
Net profit after tax		(245,317,886)	26,613,521
Weighted average number of ordinary shares outstanding		107,215,000	107,215,000
Total		**(2.29)**	**0.25**

45 Related party disclosure

Name of Party	Related by	Nature of Transaction	Amount in Tk.	Status
Bangladesh Finance PLC	Parent Company	Non-convertible preference share	120,000,000	Regular
Bangladesh Finance PLC	Parent Company	Salary transaction	-	Regular
Bangladesh Finance Capital Limited	Subsidiary of parent Company	Non-convertible preference share	16,000,000	Regular
Bangladesh Finance Capital Limited	Subsidiary of parent Company	Payable	1,105,622	Regular
Bangladesh Finance Capital Limited	Subsidiary of parent Company	Non-convertible preference share	17,500,000	Regular

46 Contingents liabilities

The company has no contingent liabilities and commitments during the period.

47 Number of employees

The total number of employees drawing remuneration at the end of the yearor part thereof was as follows:

	31-Dec-24	31-Dec-23
i) Remuneration up to 3,000 per month	-	-
ii) Remuneration above to 3,000 per month	29	32
	29	**32**

48 Events after the reporting period

There is no post balance sheet events which require neither adjustments nor discloser during the financial statements.

BANGLADESH FINANCE SECURITIES LIMITED

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

For the Period ended 31 December 2024

Figures in BDT

Particulars	Cost				Rate	Depreciation				Written down value as at 31.12.2024
	Balance as on 01.01.2024	Addition	Disposal/ Adj. during the period	Balance as at 31.12.2024		Balance as on 01.01.2024	Disposal/ Adj. during the period	Charged during the year	Balance as at 31.12.2024	
Office Equipment	1,489,370	-	663,656	825,714	10%	967,494	663,656	148,932	452,770	372,944
Electrical Equipment	4,547,406	129,725	61,534	4,615,597	15%	1,433,551	61,534	699,946	2,071,963	2,543,634
Electrical Equipment-Generator	2,221,982	-	-	2,221,982	15%	2,221,981	-	-	2,221,981	1
Furniture and Fixture	1,598,916	-	815,009	783,907	10%	1,170,102	815,009	159,888	514,981	268,926
Computer & Peripheral	8,491,708	283,751	3,207,312	5,568,147	25%	6,919,878	3,207,312	624,086	4,336,652	1,231,495
Motor Vehicles	5,725,172	-	2,500,000	3,225,172	20%	1,760,495	562,505	790,871	1,988,861	1,236,311
Office Renovation/Furnishing	26,717,382	-	13,894,003	12,823,379	10%	21,037,614	13,894,003	2,671,740	9,815,351	3,008,028
Carrying amount-2024	**50,791,936**	**413,476**	**21,141,514**	**30,063,898**	**-**	**35,511,116**	**19,204,019**	**5,095,463**	**21,402,560**	**8,661,338**
Carrying amount-2023	**40,152,368**	**10,639,568**	**-**	**50,791,936**		**30,485,050**	**-**	**5,026,066**	**35,511,116**	**15,280,820**

Schedule of Right of Use Asset

Figures in BDT

Particulars	Cost				Rate %	Depreciation				Written down value as at 31.12.2024
	Balance as on 01.01.2024	Addition	Disposal/ Adj. during the period	Balance as at 31.12.2024		Balance as on 01.01.2024	Disposal/ Adj. during the period	Charged during the year	Balance as at 31.12.2024	
Office Space	45,192,174	1,250,439	13,951,489	32,491,124		18,215,025	12,775,690	9,262,166	14,701,501	**17,789,624**
Carrying amount-2024	**45,192,174**	**1,250,439**	**13,951,489**	**32,491,124**	**-**	**18,215,025**	**12,775,690**	**9,262,166**	**14,701,501**	**17,789,624**
Carrying amount-2023	**58,372,031**	**465,995**	**13,645,852**	**45,192,174**		**20,555,690**	**13,645,852**	**11,305,187**	**18,215,025**	**26,977,149**

INDEPENDENT AUDITOR'S REPORT

BANGLADESH FINANCE CAPITAL LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bangladesh Finance Capital Limited hereinafter referred to as "the company" which comprise the Statement of Financial Position as at 31 December 2024, Statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note-3.

Basis for Opinion

We conducted our audit in accordance with International Standard on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and ICAB bye laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of Bangladesh Finance Capital Limited for the year ended 31 December 2023, were audited by another auditor who expressed an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objective are to obtain reasonable assurance about weather the financial statements of the Company as a whole are free from material misstatement, weather due to fraud and error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. We also:

- Identify and assess the risk of material misstatement of the financial statements, weather due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in th circumstances, but not for the purpose of expressing an opinion on the effectives of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained,

whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements of the company. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

In accordance with Companies Act 1994 and the Securities and Exchange Rules 2020, we also report the following:

a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof.

b. in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and

c. the company's financial position and statement of profit or loss and comprehensive income with the annexed notes dealt with by the report are in agreement with the books of account and returns.



DVC: 2504201550AS286149

Dated: 16 April 2025
Dhaka

Sukanta Bhattacharjee, FCA
Enrollment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

BANGLADESH FINANCE CAPITAL LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	31-Dec-24	31-Dec-23
Assets			
Non -current assets			
Property, plant and equipment	5	2,062,782	3,051,234
Intangible asset	6	1	1
Right-of-use assets	7	5,755,607	1,936,162
Deferred tax asset	8	105,258,954	16,235,490
Total non-current assets		**113,077,345**	**21,222,887**
Current assets			
Investment in securities	9	842,797,585	736,295,842
Margin loans to portfolio clients	10	101,664,916	77,995,196
Accounts receivable	11	2,187,470	4,245,378
Advances, deposits and prepayments	12	20,583,000	20,548,000
Advance income tax		62,696,168	60,849,223
Cash and cash equivalents	13	11,958,613	13,249,814
Total current assets		**1,041,887,752**	**913,183,454**
Total assets		**1,154,965,097**	**934,406,341**
Equity			
Share capital	14	268,750,000	268,750,000
Retained earnings	15	(247,635,495)	99,909,242
Capital reserve	16	29,380,798	29,380,798
Total equity attributable to equity holders		**50,495,303**	**398,040,040**
Non-current liabilities			
Non-convertible preference share	17	37,500,000	27,500,000
Lease liabilities	18	4,060,978	-
Total non-current liabilities		**41,560,978**	**27,500,000**
Current liabilities			
Lease liabilities	18	1,725,807	2,119,916
Short term loan	19	456,160,672	378,521,305
Accounts payable	20	8,079,913	12,387,143
Liabilities for expenses	21	13,673,647	8,304,168
Provision for diminution in value of investments	22	502,190,555	40,600,000
Provision for margin loan	23	8,110,373	1,741,601
Provision for income tax	24	72,967,848	65,192,167
Total current liabilities		**1,062,908,816**	**508,866,300**
Total equity and liabilities		**1,154,965,097**	**934,406,341**

The annexed notes from 1 to 36 form an integral part of these financial statements.

Milton Kumar Roy
Company Secretary

Sumit Podder
Managing Director & CEO

Md. Kyser Hamid
Director

As per our report of the same date

DVC: 2504201550AS286149

Dated: 16 April 2025

Dhaka

Sukanta Bhattacharjee, FCA
Enrollment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

BANGLADESH FINANCE CAPITAL LIMITED

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	31-Dec-24	31-Dec-23
Operating income			
Income from margin loan	25	13,748,419	10,508,584
Income from portfolio management services	26	4,894,290	4,122,847
Income from investment banking	27	635,000	2,800,000
Investment income	28	88,027,130	16,179,331
Other income	29	138,954	1,499,890
		107,443,793	**35,110,653**
Interest on margin loan, borrowed fund and lease	25.1	(49,858,124)	(31,648,378)
Net operating income (A)		**57,585,669**	**3,462,275**
Salary and allowances		10,733,577	9,225,508
Office rent, utilities, maintenance and services	30	1,096,120	845,052
Stationeries, printings & advertisement	31	113,476	139,206
Directors' fees and conveyance		209,000	132,000
Auditors' fees		86,250	86,250
Depreciation on property, plant and equipment		1,040,052	1,594,123
Amortization on ROU assets		2,100,607	2,108,021
Other expenses	32	3,039,781	1,732,398
Operating expenses (B)		**18,418,863**	**15,862,558**
Profit before provision and tax (A-B)		**39,166,806**	**(12,400,284)**
Provision for diminution in value of investments	22	(461,590,555)	(4,600,000)
Provision on margin loan	23	(6,368,772)	-
Total provision		**(467,959,327)**	**(4,600,000)**
Profit/(loss) before income tax		**(428,792,521)**	**(17,000,284)**
Current tax expense		(7,775,681)	(1,467,602)
Deferred tax income		89,023,464	9,330,455
Profit/(loss) for the year		**(347,544,737)**	**(9,137,430)**
Other comprehensive income		-	-
Total comprehensive profit/(loss) for the year		**(347,544,737)**	**(9,137,430)**
Earning per share		**(12.93)**	**(0.34)**

The annexed notes from 1 to 36 form an integral part of these financial statements.

Milton Kumar Roy
Company Secretary

Sumit Podder
Managing Director & CEO

Md. Kyser Hamid
Director

As per our report of the same date

DVC: 2504201550AS286149

Dated: 16 April 2025
Dhaka

Sukanta Bhattacharjee, FCA
Enrollment No. 1550
Partner
Snehasish Mahmud & Co.
Chartered Accountants

BANGLADESH FINANCE CAPITAL LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

Particulars	Share capital	Capital reserve	Retained earnings	Total equity
Opening balance as at 01 January 2023	268,750,000	-	138,427,470	407,177,470
Capital reserve		29,380,798	(29,380,798)	-
Net profit/(loss) for the year			(9,137,430)	(9,137,430)
Balance as at 31 December 2023	**268,750,000**	**29,380,798**	**99,909,242**	**398,040,040**
Net profit/(loss) for the year	-	-	(347,544,737)	(347,544,737)
Balance as at 31 December 2024	**268,750,000**	**29,380,798**	**(247,635,495)**	**50,495,303**

Milton Kumar Roy
Company Secretary

Sumit Podder
Managing Director & CEO

Md. Kyser Hamid
Director

Dated: 16 April 2025
Dhaka

BANGLADESH FINANCE CAPITAL LIMITED

STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

		31-Dec-24	31-Dec-23
A	**Cash flows from operating activities**		
	Net interest income	(36,109,705)	(21,139,794)
	Income from Investment in securities	88,027,130	16,179,331
	Fees and commission received	5,529,290	6,922,847
	Cash payments to employees	(10,733,577)	(9,225,508)
	Received from other operating activities	138,954	1,499,890
	Payments for other operating activities	(4,544,627)	(2,934,906)
		42,307,465	**(8,698,140)**
	Cash generated from operating activities before changes in operating assets and liabilities		
	Changes in operating assets and liabilities		
	(Acquisition)/disposal of marketable securities	(106,501,743)	(260,646,715)
	Margin loans paid/(received) to/from customers	(23,669,720)	(20,475,805)
	(Increase)/decrease in other assets	175,963	(28,083,977)
	(Increase)/decrease in short term investments	-	65,000,000
	Increase/(decrease) in other liabilities	1,062,250	5,973,941
	Sub-total	**(128,933,250)**	**(238,232,556)**
	Net cash flows used in operating activities	**(86,625,785)**	**(246,930,696)**
B	**Cash flows from investment activities**		
	Purchase of property, plant and equipment	(51,600)	(66,500)
	Right-of-use assets adjustment during the year	-	349,498
	Net cash used in investing activities	**(51,600)**	**282,998**
C	**Cash flows from financing activities**		
	Short term loan (paid)/received	77,639,367	212,953,973
	Issuing Preference shares	10,000,000	27,500,000
	Payment for lease liabilities	(2,253,182)	(2,341,133)
	Net cash generated from financing activities	**85,386,185**	**238,112,840**
	Net increase in cash & cash equivalent (D=A+B+C)	**(1,291,201)**	**(8,534,858)**
	Opening cash and bank balances (E)	13,249,814	21,784,672
	Closing cash & Cash equivalents as at 31 December 2024 (Note- 13)	**11,958,613**	**13,249,814**

Milton Kumar Roy
Company Secretary

Sumit Podder
Managing Director & CEO

Md. Kyser Hamid
Director

Dated: 16 April 2025
Dhaka

BANGLADESH FINANCE CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

As at and for the period ended 31 December 2024

1 Company and its Activities

1.1 Domicile, Legal Form and Country of Incorporation

Bangladesh Finance Capital Limited (the "Company") is a public limited company incorporated on 10 August 2011 vides Registration No. C-94802/11 under the Companies Act, 1994 having its registered office at 64, Motijheel C/A, Dhaka-1000, Bangladesh. It is a wholly owned subsidiary of Bangladesh Finance PLC since inception. The Company received Merchant Banking License (license no. MB-76/2012) from Bangladesh Securities and Exchange Commission (BSEC) on 26 February, 2012 and commenced its operation on August 2013.

1.2 Principal Activities and Nature of Operation

Bangladesh Finance Capital Limited provides high standard of professional and personalized services to its local and Non Resident Bangladeshi (NRB) clients. The company's principal activity includes the following:

i. Investment banking (issue management, underwriting of shares, and corporate advisory);
ii. Discretionary portfolio management;
iii. Non-discretionary portfolio management; and
iv. Own portfolio management, etc.

2 Basis of Preparation and Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

The financial statements of the Company includes the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity and Notes to the Financial Statements. These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs), the Companies Act, 1994 and other laws and regulations applicable in Bangladesh.

2.2 Use of Estimates and Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed ongoing basis. Revision of accounting estimate is recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

In particular, the key areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in the following notes:

Note: 5 Property, plant and equipment;
Note: 11Accounts receivables;
Note: 20 Accounts payables;
Note: 21 Liabilities for expenses; and
Note: 24 Provision for income tax.

2.3 Comparative Information

As guided in paragraph 36 and 38 of International Accounting Standards IAS-1, comparative information in respect of the previous year have been presented in all numerical information in the financial statements and the narrative and descriptive information where, it is relevant for understanding of the current year financial statements.

2.4 Major Regulatory Compliance

As required, the Company also complies with the applicable provisions of the following major laws/ statutes:

- The Companies Act, 1994 (as amended up to date);
- The Income Tax Act, 2023;

- Negotiable Instrument Act, 1881;
- VAT and Supplementary Duty Act 2012;
- The Bangladesh Labour Act 2006 and Bangladesh Labor Rules 2015;
- Securities and Exchange Rules, 1987;
- Securities and Exchange Commission Act, 1993;
- Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Rules, 1996; and Other applicable laws and regulations.

2.5 Basis of Measurement

These financial statements have been prepared on a going concern basis under the historical cost convention in accordance with International Financial Reporting Standards (IFRS).

2.6 Components of Financial Statements

-Statement of Financial Position;
-Statement of Profit or Loss and Other Comprehensive Income;
-Statement of Changes in Equity;
-Statement of Cash Flows; and
-Notes to the Financial Statements.

2.7 Going Concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources of the company provide sufficient funds to meet the present requirements of its existing businesses and operations.

2.8 Reporting Period

The reporting period of these financial statements covers from 1 January 2024 to 31 December 2024.

2.9 Functional and Presentation Currency

The financial statements are presented in Bangladeshi Taka (BDT) currency, which is the functional currency of the Company. All financial information presented in Taka has been rounded off to nearest BDT except as stated otherwise.

3 Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Property, Plant and Equipment

(i) Recognition and measurement

Property, plant and equipment are stated at cost less accumulated deprecation. The cost of the property, plant and equipment includes purchase price/construction cost and other directly attributable costs of bringing the property, plant and equipment to working conditions for their intended use.

(ii) Subsequent expenditure

Subsequent to initial recognition, cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. All other repair and maintenance expenses are charged in statement of profit or loss as they are incurred.

(iii) Depreciation

Depreciation on property, plant and equipment is charged using straight-line method over their estimated useful lives. Depreciation rates are as follows:

Nature of Assets	Rate of Depreciation
Furniture and fixture	20%
Office equipment	25%
Motors vehicles	20%
Right of use assets	Lease term

Depreciation on all items of property, plant and equipment is calculated and charged from the date of available for use and continues until the asset is derecognized. Depreciations methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(iv) Retirement and Disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposals. Gains and losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain or loss from disposal of asset in profit or loss.

3.2 Intangible Assets

(i) Recognition and measurement

An intangible asset will only be recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Company and the cost of the intangible asset can be measured reliably in accordance with IAS 38: Intangible Assets. Intangible asset comprises computer software which has been acquired by the Company having finite useful lives and is measured at cost less accumulated amortization and impairment loss, if any.

(ii) Subsequent expenditure

Subsequent expenditure on intangible asset is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

(iii) Amortization

Amortization is calculated using the straight line method to write down the cost of intangible assets to their residual values over their estimated useful lives based on the management's best estimates; i.e., 4 years (25.00%).

(iv) Retirement and disposals

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gain or losses arising from derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets are recognized in profit or loss.

3.3 Impairment

The carrying value of the Company's assets other than inventories, are reviewed at closing date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the profit and loss account.

3.4 Leases

Leases are recognized as right-of-use assets and corresponding liabilities at the inception of a contract and measured in accordance with IFRS 16. The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.At the commencement date, lease liabilities are measured at an amount equal to the present value of the lease payments for the underlying right-of-use assets during the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the Company's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost.

Payments associated with all short-term leases (with a lease term of 12 months or less) and certain leases of all low-value assets are recognized on a straight-line basis as an expense in profit or loss.

3.5 Financial Instruments

Financial assets

Financial assets are recognized initially at cost on the date at which the Company becomes a party to the contractual provisions of the transaction. The classification and measurement of financial assets is based on the basis of both:

a. the entity's business model for managing the financial assets; and

b. the contractual cash flow characteristics of the financial assets.

Three measurement classifications for financial assets have been established: amortized cost, fair value through other comprehensive income and fair value through profit and loss. These measurement classifications align with three business models available under IFRS 9: Hold to Collect – Financial assets held with the objective to collect contractual cash flows

Hold to Collect and Sell – Financial assets held with the objective to collect and sell contractual cash flows Other – Financial assets held for trading or assets that do not meet the criteria for either 'Hold to collect' or 'Hold to collect and sell'. Financial assets designated as trading are held with an objective to sell the assets in the short term.

Financial assets currently being used by the Company are as follows:

(i) Cash and cash equivalents

Cash and cash equivalents comprise of Cash in hand and Cash at bank which are available for use by the Company without any restriction.

(ii) Accounts receivables

Accounts receivables represent the amounts due from clients for rendering services, due from brokers, dividend etc. These are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost and any subsequent impairment losses against those, recognized as provision in the profit or loss and other comprehensive income in the respective year.

(iii) Investments

Investment in marketable securities is measured at cost on portfolio basis. Changes between closing market price at 31 December 2024 and the respective cost price on portfolio have been considered as unrealized loss or gain and charged to profit or loss and other comprehensive income as per BSEC regulation. A security which is not listed at stock exchange as on the reporting date then the price is shown at cost.

Financial liabilities

The Company initially recognizes financial liabilities on the date that is originated. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Financial liabilities obliged by the Company are as follows:

(i) Account payables

Account payables show the amount owed to the clients as well as payables to broker. These are recognized at cost which is the fair value on that date.

(ii) Liabilities for expenses

Liabilities for expenses represent the amounts owed to various parties for receiving services and supply. These are initially recognized at cost which is also the fair value on that date.

(iii)Loan and Borrowing

Loan and borrowing of the company consists of short term borrowing and overdraft that are initially recognized at cost and subsequently its interest expenses recognized as liabilities and expenses.

3.6 Income Tax

3.6.1 Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any, in accordance with provisions of Income Tax Act, 2024. It is measured using tax rates enacted or substantively enacted at the reporting date. Applicable tax rate for the Company for the year 2024 will be declared by Finance Act 2024. For the purpose of these financial statements, management has assumed that the existing tax rates will be applicable for Income year 2024 as well, which are mentioned below:

Regular business tax rate	Rates
Merchant Bank	37.5%
Other business tax rate:	**Rates**
Dividend income	20.00%
Capital gain on sale of fixed assets	15.00%
Capital gain on sale of marketable securities	15.00%

The Company's existing accounting policy for uncertain income tax treatments is consistent with the requirements of IFRIC 23 Uncertainty over Income Tax Treatments, which became effective on 1 January 2019. We already accounted for uncertainty of taxes and further disclosure is not required.

3.6.2 Deferred Tax

Pursuant to International Accounting Standard (IAS) 12: Income Taxes, deferred tax is provided for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purposes. Adequate provision has been made in calculating temporary timing differences.

The Company's existing accounting policy for uncertain income tax treatments is consistent with the requirements of IFRIC 23 Uncertainty over Income Tax Treatments, which became effective on 1 January 2019. We already accounted for uncertainty of taxes and further disclosure is not required.

3.7 Preferance Shares

Preferance Shares has been reported at cost and dividend income/expeses is recognized in the profit and losss account on accural basis considered as interest income/expenses.

3.8 Employee Benefits

a) Gratuity Fund

The Company operates funded gratuity scheme, provision in respect of which is made annually covering all permanent eligible employees. Gratuity fund benefit are given to the staff of Bangladesh Finance Capital Limited in accordance with the Company's service rules. The gratuity is calculated on the basis of eligibility and as per IAS-19 "Employee Benefits" and payable as per the modalities of the rules. Gratuity so calculated are transferred to the Gratuity fund and charged to expenses of the Company.

b) Providend Fund

The Company operates a recognized provident fund in which employees contribute 10% from their basic salary and the company also contributes same. The Company has no legal or constructive obligation to pay further amounts. Obligations for contributions to the recognized provident fund are recognized in profit or loss in the period during which related services are rendered by employees.

3.9 Revenue from Contracts with Customers

Revenue is only recognized when it meets the following five steps model framework as per IFRS 15: "Revenue from Contracts with Customers

a) identify the contract (s) with a customers;
b) identify the performance obligations in the contract;
c) determine the transaction price;
d) allocate the transaction price to the performance obligations in the contract; and
e) recognize revenue when (or as) the entity satisfies a performance obligation.

(i) Interest income

Interest income is recognized on the loan balance of portfolio clients on monthly accrual basis and charged to clients' balance on quarterly basis.

(ii) Portfolio management fees

Portfolio management fees are recognized on the market value of the clients' portfolio on monthly accrual basis and charged to clients' balance on quarterly basis.

(iii) Issue management and corporate advisory

Issue management and corporate advisory fees are recognized according to the stages of completion of services as agreed and defined in Issue management and corporate advisory agreement between company and client.

iv) Dividend income and profit or loss on sale of securities

Dividend is accounted for as income when right to receive is established whereas profit or loss arising from the sale of securities is accounted for only when the securities are sold/offloaded.

3.10 Provision

A provision is recognized in the accounts when the Company has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made.

3.11 Related Party Disclosure

As per International Accounting Standard (IAS) 24 "Related Party Disclosures", parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length IAS is at commercial rates with its related parties. Related party disclosures have been given in Note 33.

3.12 Events After the Balance Sheet Date

Events after the balance sheet date that provide additional information about the Company's position at the balance sheet date are reflected in the financial statements. Events after the balance sheet date that are not adjusting event are disclosed in the notes when material.

3.13 Contingent Liabilities and Assets

The Company does not recognize contingent liability and contingent asset but discloses the existence of contingent liability in the financial statements. A contingent liability is a probable obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of uncertain future events not within the control of the Company or a present obligation that is not recognized because outflow of resources is not likely or obligation cannot be measured reliably.

3.14 General

(i) Figures appearing in these financial statements have been rounded off to the nearest Taka; and
(ii) Previous years figures have been rearranged, where necessary, to conform to current year's presentation.

3.15 Application of International Accounting Standards (IASs):

Bangladesh Finance Capital Limited comlied following IAS and IFRS:

Name of the IFRS	No.	Status
Leases	16	Complied
Revenue from Contracts with Customers	15	Complied
Name of the IAS	**No.**	**Status**
Presentation of Financial Statements	1	Complied
Statements of Cash Flow	7	Complied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Complied
Events after the Reporting Period	10	Complied
Income Taxes	12	Complied
Property, Plant and Equipment	16	Complied
Borrowing Costs	23	Complied
Related Party Disclosures	24	Complied
Provisions, Contingent Liabilities and Contingent Assets	37	Complied
Intangible Assets	38	Complied

4 Financial Risk Management

The Company has exposure to the following risks from its use of financial instruments:

(i) Credit risk
(ii) Market risk
(iii) Liquidity risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework.

4.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's loans and advances to customers and investment securities. These loans and advances are fully backed by the securities held by the customer.

With respect to credit risk arising from the other financial assets of the Company, the maximum exposure is equal to the carrying amounts of the financial assets.

4.2 Market Risk

The Company's activities may give rise to risk at the time of settlement of transactions and trades. Market risk is the risk of losses due to failure of entity to honor its obligations to deliver cash, securities or other assets as contractually agreed. For such transactions the Company only allows the purchase of tradable securities if the customer has adequate cash/purchase power beforehand.

4.3 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they falls due. The Company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

5 Property, plant & equipment

	Notes	31-Dec-24	31-Dec-23
Opening balance		21,871,153	21,804,653
Addition during the year		51,600	66,500
Withdrawn/ disposal		(9,499,005)	-
Accumulated depreciation		(10,360,966)	(18,819,919)
Written Down Value (WDV)		**2,062,782**	**3,051,234**

Assets wise details have been shown in Annexure-A

6 Intangible asset

	Notes	31-Dec-24	31-Dec-23
Opening balance		2,280,000	2,280,000
Addition during the year		-	-
Withdrawn/ disposal		-	-
Accumulated depreciation		(2,279,999)	(2,279,999)
Written Down Value (WDV)		**1**	**1**

Assets wise details have been shown in Annexure-A

7 Right-of-use assets

	Notes	31-Dec-24	31-Dec-23
Opening balance		6,336,531	6,686,029
Addition during the year		5,920,053	-
Withdrawn/ disposal		(6,336,531)	(349,498)
Accumulated depreciation		(164,445)	(4,400,369)
Written Down Value (WDV)		**5,755,607**	**1,936,162**

Assets wise details have been shown in Annexure-A

8 Deferred tax asset

Deferred tax asset has been calculated below at the applicable tax rate on the temporary differences per financial statements and tax written down value of property, plant and equipment, Right of use asset, Carry Forward Business Loss, Provisions.

	Notes	31-Dec-24	31-Dec-23
Opening balance		16,235,490	6,905,035
Income/(expense) during the year	8.1	89,023,464	9,330,455
Closing balance		**105,258,954**	**16,235,490**

8.1 Item wise breakdown:

Particulars	Carrying amount	Tax base	Taxable/ (Deductible) temporary difference	Tax rate	DTL/(DTA)
31 December 2024					
Furniture and fixture	721,657	4,036,508	(3,314,851)	37.5%	(1,243,069)
Office equipment	158,558	1,682,637	(1,524,079)	37.5%	(571,530)
Motor vehicle	457,395	1,549,351	(1,091,956)	37.5%	(409,483)
System and software	1	3,200	(3,199)	37.5%	(1,200)
Right-of-use assets	5,755,607	5,786,786	(31,178)	37.5%	(11,692)
Provision for diminution in value of investments	502,190,555	-	(502,190,555)	15.0%	(75,328,583)
Carry Forward Business Loss	63,335,786	-	(63,335,786)	37.5%	(23,750,920)
Provision for Margin Loan	8,110,373	-	(8,110,373)	37.5%	(3,041,390)
Provision for gratuity	2,402,901	-	(2,402,901)	37.5%	(901,088)
Total	**583,132,832**	**13,058,482**	**(582,004,878)**		**(105,258,954)**
31 December 2023					
Furniture and fixture	969,082	4,485,009	(3,515,927)	37.5%	(1,318,473)
Office equipment	254,551	1,830,745	(1,576,194)	37.5%	(591,073)
Motor vehicle	1,102,429	1,721,501	(619,072)	37.5%	(232,152)
System and software	1	4,000	(3,999)	37.5%	(1,500)
Right-of-use assets	2,101,333	2,119,916	(18,583)	37.5%	(6,969)
Provision for diminution in value of investments	40,600,000	-	(40,600,000)	10.0%	(4,060,000)
Carry Forward Business Loss	22,977,174	-	(22,977,174)	37.5%	(8,616,440)
Provision for Margin Loan	1,741,601	-	(1,741,601)	37.5%	(653,100)
Provision for gratuity	2,015,423	-	(2,015,423)	37.5%	(755,784)
Total	**71,761,594**	**10,161,171**	**(73,067,973)**		**(16,235,490)**

9 Investment in securities

	Notes	31-Dec-24	31-Dec-23
Investment in marketable shares	9.1	756,472,354	665,970,611
Mutual fund	9.2	70,325,231	70,325,231
Investment in preference shares	9.3	16,000,000	-
Closing balance		**842,797,585**	**736,295,842**

9.1 Investment in marketable shares

Sector-wise details of marketable shares holding position as of 31 December 2024 is given below:

Industry	Cost price	Market price as on 31.12.2024	Unrealized Gain/ (Loss) as on 31.12.2024
Engineering	381,021,017	102,372,674	(278,648,342)
Insurance	324,200,453	164,118,228	(160,082,225)
Miscellaneous	51,250,884	41,606,240	(9,644,644)
Closing balance	**756,472,354**	**308,097,142**	**(448,375,212)**

9.2 Investment in marketable mutual fund

Sector-wise details of marketable mutual fund holding position as of 31 December 2024 is given below:

Particulars	Cost price	Market price as on 31.12.2024	NAV based on Market price as on 31.12.2024	85% NAV based on Market price as on 31.12.2024
Mutual fund	70,325,231	36,509,889	58,350,626	49,598,032
Closing balance	**70,325,231**	**36,509,889**	**58,350,626**	**49,598,032**

9.3 Investment in preference shares

	Notes	31-Dec-24	31-Dec-23
Bangladesh Finance Securities Limited		16,000,000	-
Closing balance		**16,000,000**	**-**

10 Margin loans to portfolio clients

	Notes	31-Dec-24	31-Dec-23
Opening balance		77,995,196	57,519,391
Loan disbursed during the year/period		223,038,631	139,871,267
Loan recovered during the year/period		(199,368,911)	(119,395,462)
Closing balance		**101,664,916**	**77,995,196**

11 Accounts receivable

	Notes	31-Dec-24	31-Dec-23
Receivable from brokers		1,153,826	667,803
Receivable from structured finance fees		800,000	800,000
Receivable dividend from investment in share		233,644	2,777,575
Closing balance		**2,187,470**	**4,245,378**

12 Advance, deposits & prepayments

	Notes	31-Dec-24	31-Dec-23
Advances	12.1	20,380,000	20,345,000
Deposits	12.2	203,000	203,000
Closing balance		**20,583,000**	**20,548,000**

12.1 Advances

	Notes	31-Dec-24	31-Dec-23
Advance for expense		380,000	345,000
Advance to - Pre IPO Placement Share		20,000,000	20,000,000
Closing balance		**20,380,000**	**20,345,000**

12.2 Deposits

	Notes	31-Dec-24	31-Dec-23
Security deposit - CDBL		200,000	200,000
Security deposit - BTCL		3,000	3,000
Closing balance		**203,000**	**203,000**

13 Cash and cash equivalents

	Notes	31-Dec-24	31-Dec-23
Cash in hand		9,135	7,345
Cash at bank	13.1	11,949,478	13,242,469
Closing balance		**11,958,613**	**13,249,814**

13.1 Cash at bank

Name of the bank	Branch	A/C No	Type	31-Dec-24	31-Dec-23
Jamuna Bank Ltd.	Foreign Ex.	018-0210011324	CD	49,187	67,552
One Bank Limited	Principal	0013000000693	SND	7,828,305	12,374,678
One Bank Limited	Principal	0013000000823	SND	2,327,833	690,240
One Bank Limited	Principal	0013000001043	SND	16,301	17,121
Rupali Bank Limited	Motijheel	0034020008558	CD	1,914	1,719
The City Bank Ltd.	Gulshan Ave.	3101317295002	SND	1,716,441	69,508
One Bank Limited	Principal	0013000002443	SND	9,497	21,653
Closing balance				**11,949,478**	**13,242,469**

14 Share capital

	Notes	31-Dec-24	31-Dec-23
This represents the followings:			
Authorised capital:			
200,000,000 ordinary shares of Tk 10/- each		**2,000,000,000**	**2,000,000,000**
Issued, subscribed and paid up capital:			
26,875,000 ordinary shares of Tk 10/- each		**268,750,000**	**268,750,000**

14.1 Share holding position

Name of the shareholders	31-Dec-24	31-Dec-23
Bangladesh Finance PLC	268,674,750	268,674,750
Mr. Manwar Hossain	10,750	10,750
Mr. Hossain Khaled	10,750	10,750
Mr. Hossain Mehmud	10,750	10,750
Mr. Md. Rafiqul Islam Khan	10,750	10,750
Mrs. Rokeya Anowara Begum	10,750	10,750
Mrs. Rashida Youshuf	10,750	10,750
Mr. M. Maniruzzaman Khandaker	10,750	10,750
Total	**268,750,000**	**268,750,000**

14.2 Percentage of shareholding

Name of the shareholders	No. of Shares	% of holding	% of holding
Bangladesh Finance PLC	26,867,475	99.972%	99.972%
Mr. Manwar Hossain	1,075	0.004%	0.004%
Mr. Hossain Khaled	1,075	0.004%	0.004%
Mr. Hossain Mehmud	1,075	0.004%	0.004%
Mr. Md. Rafiqul Islam Khan	1,075	0.004%	0.004%
Mrs. Rokeya Anowara Begum	1,075	0.004%	0.004%
Mrs. Rashida Youshuf	1,075	0.004%	0.004%
Mr. M. Maniruzzaman Khandaker	1,075	0.004%	0.004%
Total	**26,875,000**	**100%**	**100%**

15 Retained earnings

	Notes	31-Dec-24	31-Dec-23
Opening balance		99,909,242	138,427,471
Capital reserve		-	(29,380,798)
Net profit for the year		(347,544,737)	(9,137,430)
Closing balance		**(247,635,495)**	**99,909,242**

16 Capital reserve

	Notes	31-Dec-24	31-Dec-23
Opening balance		29,380,798	-
Addition during the year (Based on Net profit @ 10% for last 5 years)		-	29,380,798
Closing balance		**29,380,798**	**29,380,798**

Refer to clause (i) of (e) of Part B [rule (1) (b), rule 5(2)] of the Bangladesh Securities and Exchange Commission (BSEC) Risk Based Capital Adequacy, Rules, 2019, mandatory provision has kept @ 10% of profit after tax of last 5 years (for the year 2018 to 2022) as capital reserve.

17 Non-convertible preference share

	Notes	31-Dec-24	31-Dec-23
Non-convertible preference share	17.01	37,500,000	27,500,000
Closing balance		**37,500,000**	**27,500,000**

17.01 Non-convertible preference share

	Notes	31-Dec-24	31-Dec-23
Bangladesh Finance PLC		20,000,000	20,000,000
Bangladesh Finance Securities Limited		17,500,000	7,500,000
Closing balance		**37,500,000**	**27,500,000**

18 Lease liabilities

	Notes	31-Dec-24	31-Dec-23
Opening balance		2,119,916	4,461,049
Addition during the year		5,920,052	-
Adjustment during the year		(2,253,182)	(2,341,133)
Closing balance		**5,786,786**	**2,119,916**
Lease liabilities		4,060,978	
Lease liabilities		1,725,807	2,119,916
Closing balance		**5,786,786**	**2,119,916**

19 Short term loan

	Notes	31-Dec-24	31-Dec-23
CVC Finance PLC		-	52,500,000
Rupali Bank PLC		92,348,616	89,852,674
Citizens Bank PLC		50,896,678	-
Jamuna Bank PLC		55,993,044	-
Investment Corporation of Bangladesh		12,911,532	20,395,268
Margin loan		244,010,802	215,773,363
Closing balance		**456,160,672**	**378,521,305**

19.1 Margin loan

	Notes	31-Dec-24	31-Dec-23
Bank Asia Securities Limited		244,010,802	215,773,363
Closing balance		**244,010,802**	**215,773,363**

20 Accounts payable

	Notes	31-Dec-24	31-Dec-23
Clients' payable		6,902,331	11,332,832
Broker payables		1,177,582	1,054,311
Closing balance		**8,079,913**	**12,387,143**

21 Liabilities for expenses

	Notes	31-Dec-24	31-Dec-23
CDBL charges		298,311	138,275
Interest payable agt. short term loan		161,410	171,666
Dividend payable agt. preference share		3,557,466	1,758,083
Audit fees payable		86,250	86,250
Gratuity payable		2,402,901	2,015,423
PF payable		1,765,705	1,042,071
Provision for structured finance fee		800,000	-
Others payable		4,601,604	3,092,400
Closing balance		**13,673,647**	**8,304,168**

22 Provision for diminution in value of investments

	Notes	31-Dec-24	31-Dec-23
Opening balance		40,600,000	36,000,000
Charged during the year/period		461,590,555	4,600,000
Closing balance		**502,190,555**	**40,600,000**

As per BSEC Circular No. BSEC/SRI/NE/2020/333, dated March 27, 2023, Bangladesh Finance Capital Limited ,as a Merchant bank, is required to maintain full provision against unrealized losses arising from the revaluation of investments during the period by December 31, 2025. In compliance with this directive, the company has decided to take the total required provision during the year. Moreover,the company has taken provision on investment in the non-traded securities.

23 Provision for margin loan

	Notes	31-Dec-24	31-Dec-23
General provision for margin loan	23.01	1,741,601	1,741,601
Others provision for margin loan	23.02	6,368,772	-
Closing balance		**8,110,373**	**1,741,601**

23.01 General provision for margin loan

	Notes	31-Dec-24	31-Dec-23
Opening balance		1,741,601	1,741,601
Charged during the year/period		-	-
Released during the year/period		-	-
Closing balance		**1,741,601**	**1,741,601**

Refer to clause (i) of (e) of Part B [rule (1) (b), rule 5(2)] of the Bangladesh Securities and Exchange Commission (BSEC)Risk Based Capital Adequacy, Rules, 2019, mandatory provision has kept @ 1% of mandatory provision of all outstanding Margin Exposure as ' Provision for Margin Loan.

23.02 Others provision for margin loan

In Taka	Notes	31-Dec-24	31-Dec-23
Opening balance		-	-
Charged during the year/period		6,368,772	-
Released during the year/period		-	-
Closing balance		**6,368,772**	**-**

As per BSEC circular No. BSEC/SMMID/NI/2023/1690 dated March-28, 2024, Bangladesh Securities and Exchange Commission has extended the time to every stock broker and merchant banker in relation to maintain the entire provision for unrealized losses against margin loan by 31 January 2025. However, the company has decided to take the full provision for unrealized losses amounting to tk. 6,368,772.

24 Provision for income tax

In Taka	31-Dec-24	31-Dec-23
Opening balance	65,192,167	63,724,565
Charged during the year/period	7,775,681	1,467,602
Adjustmnet during the year	-	-
Closing balance	**72,967,848**	**65,192,167**

25 Net interest income

	Notes	31-Dec-24	31-Dec-23
Income from margin loan		13,748,419	10,508,584
Interest expenses on borrowing	25.1	(49,858,124)	(31,648,378)
Net Total		**(36,109,705)**	**(21,139,794)**

25.1 Interest/dividend expenses on borrowing/preference share

	Notes	31-Dec-24	31-Dec-23
Investment Corporation of Bangladesh		660,620	1,050,571
CVC Finance PLC		4,558,031	5,414,841
Rupali Bank PLC		8,849,942	7,535,296
Citizens Bank PLC		1,504,668	-
Jamuna Bank PLC		814,248	-
Dividend expenses on preference share		2,479,523	1,758,083
Interest on margin loan		30,844,274	15,481,223
Interest expenses on lease liability		146,818	408,365
Total		**49,858,124**	**31,648,378**

26 Income from portfolio management services

	Notes	31-Dec-24	31-Dec-23
Income from management fees	26.1	2,575,793	2,674,463
Settlement and transaction fees	26.2	2,238,996	1,385,385
Documentation charges	26.3	79,500	63,000
Total		**4,894,290**	**4,122,847**

26.1 Income from management fees

	Notes	31-Dec-24	31-Dec-23
Management fees		2,575,793	2,674,463
Total		**2,575,793**	**2,674,463**

26.2 Settlement and transaction fees

	Notes	31-Dec-24	31-Dec-23
Settlement and transaction fees		2,441,282	1,531,233
CDBL expenses		(202,286)	(145,848)
Total		**2,238,996**	**1,385,385**

26.3 Documentation charges

	Notes	31-Dec-24	31-Dec-23
Account opening fees		79,500	63,000
Total		**79,500**	**63,000**

27 Income from investment banking

	Notes	31-Dec-24	31-Dec-23
Structured finance fees		635,000	2,800,000
Total		**635,000**	**2,800,000**

28 Investment income

	Notes	31-Dec-24	31-Dec-23
Capital gain on investments	28.1	81,955,603	10,581,888
Dividend income from marketable securities		6,071,528	5,597,443
Total		**88,027,130**	**16,179,331**

28.1 Capital gain on investments

	Notes	31-Dec-24	31-Dec-23
Sale price		656,149,213	427,501,693
Cost of investment		(574,193,610)	(416,919,804)
Total		**81,955,603**	**10,581,888**

29 Other income

	Notes	31-Dec-24	31-Dec-23
Interest income on SND accounts & FDR		31,749	1,422,143
Gain on disposal of fixed asset		25,290	-
Annual BO maintenance fee		71,550	67,900
Other charges		10,365	9,847
Total		**138,954**	**1,499,890**

30 Office rent, utilities, maintenance and services

	Notes	31-Dec-24	31-Dec-23
Office maintenance		93,354	25,127
Office rent & utilities		679,079	560,856
Telephone and telex		61,455	59,426
IT maintenance		262,232	199,643
Total		**1,096,120**	**845,052**

31 Stationeries, printings & advertisement

	Notes	31-Dec-24	31-Dec-23
Printing and stationery		113,476	89,206
Advertisement and publicity		-	50,000
Total		**113,476**	**139,206**

32 Other expenses:

	Notes	31-Dec-24	31-Dec-23
Newspaper and periodicals		-	195
Motor vehicle expenses		1,039,029	497,206
Travel and conveyance		81,531	57,290
Entertainment		74,210	92,077
Software maintenance fees		240,000	240,000
Repair and maintenance		33,420	-
Provision for structured finance fee		800,000	-
Postage and courier		2,001	14,780
Renewal and registration		436,455	435,227
Legal and professional fees		72,184	101,943
Bank charges and excise duty		260,951	293,680
Total		**3,039,781**	**1,732,398**

33 Related party transaction

Name of the related party	Relationship	Nature of transaction	Balance as on 01 Jan 2024	Addition	Adjustment	Balance as on 31 Dec 2024
Bangladesh Finance PLC	Parent company	Non-convertible pref. share	20,000,000	-	-	20,000,000
Bangladesh Finance Securities Limited	Subsidiary to Parent company	Receivable for Share Sell	646,688	668,720,803	668,233,586	1,133,905
		Payable for Share purchase	652	712,356,547	712,328,121	29,078
		Issuance of Non-convertible pref. share	7,500,000	17,500,000	7,500,000	17,500,000
		Investment in Non-convertible pref. share	-	16,000,000	-	16,000,000
Total			**28,147,340**			**54,662,983**

34 Number of employees

	Notes	31-Dec-24	31-Dec-23
Number of employees whose remuneration was not below BDT. 36,000		11	9
Total		**11**	**9**

35 Subsequent events

There is no material event after the balance sheet date, till the date of authorizing this financial statements, which require adjustment or discloser in this financial statements.

36 Commitments and contingencies

The company has no contingent liabilities and commitments during the year.

i) Outstanding letter of credits	-	-
ii) Capital expenditure commitments	-	-
iii) Claims against the Company not acknowledged as debts	-	-
iv) Claims by the Company not acknowledged as receivable	-	-

BANGLADESH FINANCE CAPITAL LIMITED

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

As at 31 December 2024

ANNEXURE-A

Tangible asset

(Amount in BDT)

Particulars	Cost				Rate %	Depreciation				Written Down Value as at 31 December 2024
	Balance as at 01 January 2024	Addition during the year	Disposal / adjustment during the year	Balance as at 31 December 2024		Balance as at 01 January 2024	Charged during the year	Transfer/ adjustment during the year	Balance as at 31 December 2024	
Furniture and fixture	9,893,050	-	5,713,955	4,179,095	20%	8,923,968	247,425	5,713,955	3,457,438	721,657
Office equipment	6,422,546	51,600	3,785,050	2,689,096	25%	6,167,995	147,593	3,785,050	2,530,538	158,558
Motor vehicle	5,555,557	-	-	5,555,557	20%	3,727,956	645,034	-	4,372,990	1,182,567
Balance as at 31 December 2024	**21,871,153**	**51,600**	**9,499,005**	**12,423,748**		**18,819,919**	**1,040,052**	**9,499,005**	**10,360,966**	**2,062,782**
Balance as at 31 December 2023	**21,804,653**	**66,500**	**-**	**21,871,153**		**17,225,796**	**1,594,123**	**-**	**18,819,919**	**3,051,234**

Intangible asset

(Amount in BDT)

Particulars	Cost				Rate %	Depreciation				Written Down Value as at 31 December 2024
	Balance as at 01 January 2024	Addition during the year	Disposal / adjustment during the year	Balance as at 31 December 2024		Balance as at 01 January 2024	Charged during the year	Transfer/ adjustment during the year	Balance as at 31 December 2024	
System and software	2,280,000	-	-	2,280,000	25%	2,279,999	-	-	2,279,999	1
Balance as at 31 December 2024	**2,280,000**	**-**	**-**	**2,280,000**		**2,279,999**	**-**	**-**	**2,279,999**	**1**
Balance as at 31 December 2023	**2,280,000**	**-**	**-**	**2,280,000**		**2,279,999**	**-**	**-**	**2,279,999**	**1**

Right-of-use assets

(Amount in BDT)

Particulars	Cost					Depreciation				Written Down Value as at 31 December 2024
	Balance as at 01 January 2024	Addition during the year	Disposal / adjustment during the year	Balance as at 31 December 2024		Balance as at 01 January 2024	Charged during the year	Transfer/ adjustment during the year	Balance as at 31 December 2024	
Office space	6,336,531	5,920,053	6,336,531	5,920,053		4,400,369	2,100,607	6,336,531	164,445	5,755,607
Balance as at 31 December 2024	**6,336,531**	**5,920,053**	**6,336,531**	**5,920,053**		**4,400,369**	**2,100,607**	**6,336,531**	**164,445**	**5,755,607**
Balance as at 31 December 2023	**6,686,029**	**-**	**349,498**	**6,336,531**		**2,292,348**	**2,108,021**	**-**	**4,400,369**	**1,936,162**

TRANSFORMING AGRICULTURE THROUGH INNOVATION

Agro-Tech is transforming farming in Bangladesh by boosting productivity, efficiency, and climate resilience. Technologies like smart irrigation, agri-drones, and digital platforms are helping farmers make informed decisions and access markets. With strong government and private sector support, tech-driven agriculture is shaping a more sustainable and secure rural future.




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EVENTS

ANNUAL TOWNHALL

Bangladesh Finance celebrates its Annual Townhall with a strategic meeting session followed by a day full of engaging activities and team-building events.





GORBO AGAMI

Bangladesh Finance celebrates 'Gorbo Agami' by providing scholarships to children, empowering the next generation through education and opportunity.

INTERNATIONAL WOMEN'S DAY

Bangladesh Finance celebrates International Women's Day, honoring the strength, achievements, and contributions of women across all spheres of life.





BOSHONTO BORON

Bangladesh Finance celebrates Boshonto Boron with vibrant festivities, welcoming the season of spring with colors, music, and cultural performances.

REWARD & RECOGNITION

Bangladesh Finance hosts a Reward & Recognition ceremony, celebrating employee achievements, outstanding performances, and well-deserved promotions that reflect dedication and excellence.





INTERNATIONAL MEN'S DAY

Bangladesh Finance celebrates International Men's Day, recognizing the contributions, well-being, and positive role of men in families, workplaces, and communities.



NEWS LETTER

2024





আর্থিক প্রতিষ্ঠানের ট্যাক্সের হার ব্যাংকের চেয়ে অন্তত ৫ শতাংশ কম হওয়া উচিত

বণিক বার্তা



বাংলাদেশে বিশেষ ধরনের ফাইন্যান্সিং, ইনোভেটিভ ফাইন্যান্সিং ও প্রায়োরিটি সেক্টরের অর্থনৈতিক উন্নয়নের জন্য আর্থিক প্রতিষ্ঠানের সৃষ্টি। সেক্ষেত্রে আর্থিক প্রতিষ্ঠান সাধারণত দীর্ঘমেয়াদি বিভিন্ন প্রজেক্ট, লিজ ফাইন্যান্সিং, সিন্ডিকেশন, ফ্যাক্টরিং, এফোরডেবল হোম-লোন, এসএমই এ সেক্টরগুলোয় ফোকাস করে। দেশের এনবিএফআই খাতে ১৮ বছর ধরে কাজ করছেন মো. কায়সার হামিদ। তিনি বাংলাদেশ ফাইন্যান্স লিমিটেডের ব্যবস্থাপনা পরিচালক ও সিইও। আগামী অর্থবছরের বাজেটে এ খাতের প্রতিষ্ঠানগুলোর প্রত্যাশার নানা দিক নিয়ে কথা বলেছেন বণিক বার্তার সঙ্গে।

BANGLADESH FINANCE PARTNERS WITH INTERCONTINENTAL DHAKA FOR AIRPORT LOUNGE ACCESS

THE BUSINESS STANDARD



Bangladesh Finance has partnered strategically with InterContinental Dhaka, enabling its clients and employees to access the luxurious Balaka Executive Lounge at Hazrat Shahjalal International Airport. The Memorandum of Understanding (MoU) was signed today, marking a significant milestone in enhancing the travel experience for Bangladesh Finance's stakeholders.

Bangladesh finance
bd.finance 16727

BANGLADESH FINANCE HAS ORGANIZED A COMPREHENSIVE CYBER SECURITY TRAINING



Ensuring a secure digital landscape, Bangladesh Finance has organized a comprehensive cybersecurity training. Together, we are committed to enhancing our team's skills and safeguarding our clients' information against emerging threats.

বাংলাদেশ ফাইন্যান্স-গ্লোবাল এয়ারপোর্ট এসিস্টিং সার্ভিসেস লিমিটেডের চুক্তি

খবরের কাগজ



এই অংশীদারিত্বের আওতায় বাংলাদেশ ফাইন্যান্সের গ্রাহক ও কর্মীদের জন্য বিশেষ এয়ারপোর্ট মিট অ্যান্ড গ্রিট সেবা প্রদান করা হবে। বুধবার (২০ নভেম্বর) বাংলাদেশ ফাইন্যান্সের প্রধান কার্যালয়ে এই চুক্তি স্বাক্ষরিত হয়। যা প্রতিষ্ঠানটির গ্রাহক ও কর্মীদের জন্য আরও উন্নত এবং সুবিধাজনক সেবা প্রদানের প্রতিশ্রুতিকে আরও এগিয়ে নিয়ে গেল।এই অংশীদারিত্বের মাধ্যমে গ্লোবাল এয়ারপোর্ট এসিস্টিং সার্ভিসেসলিমিটেড বাংলাদেশের বিভিন্ন বিমানবন্দরে সহজ ও ঝামেলামুক্ত এয়ারপোর্ট অ্যাসিস্ট্যান্স সেবা প্রদান করবে, যার মধ্যে থাকবে মিট অ্যান্ড গ্রিট পরিষেবা। এটি বাংলাদেশ ফাইন্যান্সের গ্রাহক অভিজ্ঞতা এবং পরিচালন দক্ষতা বৃদ্ধির লক্ষ্য পূরণে সহায়ক ভূমিকা রাখবে।

BANGLADESH FINANCE AND PALMPAY LIMITED BRINGING A SIGNIFICANT NFLUX OF FOREIGN FUNDS INTO BANGLADESH'S FINANCIAL SECTOR!



This partnership introduces a revolutionary digital loan facility for TECNO, Itel, and Infinix mobile phones and other electronics. With just a 10% down payment and flexible six-month repayment options, accessing the latest tech has never been easier. This foreign investment boosts financial inclusivity and stability, supporting economic growth and technological advancement. Check out how we're transforming financial access.



BANGLADESH FINANCE LEADS THE WAY IN SAVING LIVES WITH ANNUAL BLOOD DONATION DRIVE



Bangladesh Finance is proud to host another blood donation campaign at its Head Office, joining hands with the Thalassemia Foundation to save lives. Together, we are committed to supporting those battling thalassemia and will continue this life-saving effort every year.

স্বাস্থ্য, পরিবেশ ও স্বনির্ভরতার অগ্রযাত্রায় বাংলাদেশ ফাইন্যান্স ও রোটারি ক্লাব অব ঢাকা মেগা সিটি



স্বাস্থ্যসেবা, পরিবেশ সুরক্ষা ও আত্মকর্মসংস্থানের সুযোগ সৃষ্টিতে এক অনন্য উদ্যোগ বাংলাদেশ ফাইন্যান্স ও রোটারি ক্লাব অব ঢাকা মেগা সিটির! মাগুরার বেলনগরে বাংলাদেশ ফাইন্যান্স ও রোটারি ক্লাব অব ঢাকা মেগা সিটির যৌথ আয়োজনে মেডিক্যাল ক্যাম্পে ৩৫০ জনের বেশি রোগীর বিনামূল্যে স্বাস্থ্য পরীক্ষা ও ঔষধ প্রদান করা হয়। পরিবেশবান্ধব থউউ বালু ও পাটের ব্যাগ বিতরণের পাশাপাশি 'স্বনির্ভর আমি' প্রকল্পের আওতায় আত্মকর্মসংস্থানের জন্য ছাগল বিতরণ করা হয়। স্থানীয় মানুষের জীবনে ইতিবাচক প্রভাব রেখে এ ধরনের উদ্যোগ অব্যাহত রাখার প্রতিশ্রুতি।





BANGLADESH FINANCE AND BANGLADESH BANK CGD JOIN FORCES BOOST WOMEN ENTREPRENEURS & SME



Empowering Entrepreneurs: Bangladesh Finance and Bangladesh Bank Credit Guarantee Department (CGD) Unite to Drive Financial Inclusion for Women Entrepreneurs & SMEs. Signing a Landmark Agreement, Introducing the Taka 3,000 Crore under the Small Enterprise Refinance Scheme and Taka 1,400 Crore under the Agro Processing Scheme on March 11th, 2024.





যশোরে ফুল চাষিদের উন্নয়নে বাংলাদেশ ফাইন্যান্সের গঠনমূলক আলোচনা ও নতুন উদ্ভাবনে সহযোগিতা



বাংলাদেশ ফাইন্যান্স যশোরের পদখালিতে ফুল চাষিদের সাথে মতবিনিময় সভা আয়োজন করে, যেখানে ফুলের ক্লাস্টার ফাইন্যান্সিং ও ফাইন্যান্সিয়াল ইনক্লুশনে তাদের অন্তর্ভুক্তি নিয়ে আলোচনা হয়। এছাড়াও যশোর বিজ্ঞান ও প্রযুক্তি বিশ্ববিদ্যালয়ের সাথে ফুলের নতুন জাত উদ্ভাবন এবং চাষিদের সমস্যা সমাধানে গবেষণায় অংশীদার হওয়ার অঙ্গীকার করা হয়।

বাংলাদেশ ফাইন্যান্স লিমিটেড এবং ইব্রাহিম কার্ডিয়াক হসপিটাল এন্ড রিসার্চ ইনস্টিটিউট, (বাংলাদেশ ডায়াবেটিক সমিতির একটি প্রতিষ্ঠান) এর মধ্যে একটি সমঝোতা স্মারক



বাংলাদেশ ফাইন্যান্স লিমিটেড এবং ইব্রাহিম কার্ডিয়াক হসপিটাল এন্ড রিসার্চ ইনস্টিটিউট, (বাংলাদেশ ডায়াবেটিক সমিতির একটি প্রতিষ্ঠান) অদ্য ১০ মার্চ, ২০২৪ ইং তারিখে ইব্রাহিম কার্ডিয়াক হসপিটাল এন্ড রিসার্চ ইনস্টিটিউট এর ৬ষ্ঠ তলায় অবস্থিত ব্লাড ব্যাংক কনফারেন্স কক্ষে একটি সমঝোতা স্মারক স্বাক্ষরিত হয়। বাংলাদেশ ফাইন্যান্স লিমিটেড এর পক্ষে ব্যবস্থাপনা পরিচালক ও প্রধান নির্বাহী কর্মকর্তা মো. কায়সার হামিদ এবং ইব্রাহিম কার্ডিয়াক হসপিটাল এন্ড রিসার্চ ইনস্টিটিউট এর পক্ষে অধ্যাপক ডাঃ এম এ রশীদ, প্রধান নির্বাহী কর্মকর্তা ও সিনিয়র কনসালটেন্ট, কার্ডিওলজি, স্বাক্ষর করেন।



INVESTING IN TOMORROW, BANGLADESH FINANCE BACKS DU CSE



In line with the dedication to social responsibility, Bangladesh Finance is pleased to support the students of the Department of Computer Science and Engineering, University of Dhaka, by providing essential tools like laptops and backpacks to aid their academic success. By equipping these young minds with the necessary tools, Bangladesh Finance aims to create an environment where students can thrive academically and pursue their ambitions without barriers. This initiative reflects Bangladesh Finance's broader commitment to contributing to the development of society by empowering the next generation of leaders, innovators, and problem-solvers. Rotary Club of Dhaka MegaCity and Computer Science & Engineering Department Alumni Association of Dhaka University helped to implement this noble initiative

BANGLADESH FINANCE CELEBRATES INTERNATIONAL MEN'S DAY



Bangladesh Finance celebrated International Men's Day, honoring the valuable contributions of men in our organization and society. The day emphasized promoting positive role models, gender equality, and mutual respect, driving a more inclusive and progressive future.

SHAREHOLDER'S NOTE

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Bangladesh Finance

Bangladesh Finance Tower, 64 Motijheel C/A, Dhaka-1000

26th Annual General Meeting

PROXY FORM

I/We .....

Of ..... being a member of Bangladesh Finance PLC., hereby appoint Mr./Ms. .... of .... as my/our proxy to attend and vote for me/us and on my/our behalf at the 26th Annual General Meeting (AGM) of the Company to be held on Thursday, 29 May 2025 at 11.30 A.M. or at any adjournment thereof.

Signed this ..... Day of ..... 2025.

Signature of proxy .....

.....

Signature of Shareholder

BO ID:																

No. of Shares .....

Note:

1) This form of proxy duly completed and signed shall be sent at least 48 hours before the meeting at the Company's registered office. Proxy is invalid if not signed and stamped as explained above.

2) The signature of the Shareholder must be in accordance with specimen signature recorded with the company.

এখনই সময়

Design Team

Selim Reza
Shanjida
MD Tamim Khan

Bangladesh finance
এখনই সময়

Bangladesh Finance Tower,
64, Motijheel C/A, Dhaka-1000

Phone: +88-02-223385097
Fax: +88-02-9566493
info@bd.finance | www.bd.finance

taminsight_+8801879959783