



এম এম রহমান এন্ড কোং
M M Rahman & Co.
Chartered Accountants



Russell Bedford
taking you further
Member of Russell Bedford International
a global network of independent professional services firms

***Independent Auditor's Report
and
Audited Financial Statements
Of
Alliance Finance PLC***

As at and for the year ended December 31, 2024



**Independent Auditor's Report
To the Shareholders of Alliance Finance PLC.
Report on the Audit of the Financial Statements**

Opinion

We have audited the financial statements of Alliance Finance PLC (the "Company"), Which comprise the balance sheet as at 31 December 2024 and the profit and loss account, statement of changes in equity and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the company give a true and fair view of the financial position of the company as at 31 December, 2024 and its financial performance and its cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 Bangladesh Bank and we have fulfilled our other ethical responsibilities in accordance with 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.

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 addresses 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.

Description of key audit matters	Our response to key audit matters
Measurement of provision for loans and advances	
With reference to Note 12.03 to the financial Statements, the process for calculating the provision for loans, advances & leases portfolio associated with credit risk is significant and complex. The Company calculates provision for loans, advances & leases by considering various factors such as rate of provision, loan category, expiry date, outstanding balance, interest suspense amount, value of eligible collateral as per DFIM Circular No.04 Dated 26 July 2021 and its subsequent amendments.	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Credit appraisal, loan disbursement procedures, monitoring and provisioning process. • Identification of loss events, including early warning and default warning indicators.
Description of key audit matters	Our response to key audit matters

Moreover, non-performing loans have been increasing day by day. NBFIs need to maintain provisions for additional non-performing loans in line with the Bangladesh bank's guidelines to maintain and improve its assets quality. As the company calculates the required provisions manually overall audit risk has also increased.

Furthermore, management has an incentive to maintain lower provisions for loans, advances & leases to overstate profit. Considering these factors, we have considered measurement of provision for loans, advances & leases as significant risk as well as a key audit matter.

According to DFIM Circular Letter No.33 dated 19 December 2021, NBFIs must keep an extra 2% (Percent) special provision for the borrowers who have availed Payment by Deferral (PBD) facilities. The Company has kept a special provision of BDT 918,397 as of 31 December 2024 to comply with circular.

At the year-end of 2024, the company reported total gross loan, advances & leases of BDT 4,689,314,3790(2023:BDT4,048,794,058) whereas at the year end of 2024 the Company reported total provision for loans, advances & leases of BDT 46,208,003(2023: BDT 57,253,592)

Our substantive procedures in relation to the provision for loans, advances & leases portfolio comprised the following:

For confirming the classification of rescheduled loans, advances & leases. We performed the following procedures:

- We checked the no. of installment outstanding and compliance with DFIM Circular No.10 dated 4 September 2022.
- Obtained Bangladesh Bank Inspection report on FICL audit for the year ended 2023 and checked either the directions or recommendation thereon, have been addressed by the management or not;
- Reviewed the adequacy of the general and specific provisions and loan classifications 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 leases, advances & leases.
- Checked the adequacy of the company's general and specific provisions.
- Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

See note no 12.03 to the financial statements

Recognition of interest income on loans, advances & leases

Recognition of interest income has a significant and wide influence on financial statements, Recognition and measurement of interest income have involved complex IT environments.

We identify recognition of interest income from leases, loans, advances & leases as a key audit matter because this is one of the key performance indicators of the Company and therefore there is an inherent risk of fraud and error and overstatement in recognition of interest by management to meet specific targets or expectations.

Moreover, Bangladesh Bank has introduced SMART rate by DFIM Circular No. 07 dated 20 June, 2023 and subsequent movement by DFIM Circular letter No. 25 dated 29 November 2023 which has changed several times since inspection.

For the year ended 2024, the Company reported total revenue from loans, advances & leases and from related activities of BDT 625,057,032 (2023: BDT 467,267,617). However, due to the current uncertainty of the overall economic situation both in Bangladesh and Globally there are inherent risk that the judgement applied by Management in assessing recoverability of interest income from classified loans may be different than the actual situation in future.

We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans, advances and leases focusing on the following:

- We understood the significant revenue process including performance of an end-to-end walkthrough of the revenue assurance process and identifying the relevant controls (including systems, interfaces and reports)
- We tested the design and operating effectiveness of the relevant controls.
- We involved our internal IT specialists to test IT general controls, systems interfaces, data/information reporting, and application specific controls surroundings relevant revenue systems.
- We performed data analysis and analytical reviews of significant revenue streams.
- Reviewing transfer of interests to income account in line with the Bangladesh Bank's guidelines.
- We performed procedures to ensure that the revenue recognition criteria adopted by the entity for all major revenue streams is appropriate and in line with the entity's accounting policies.

We have also performed substantive procedures to check whether interest income is recognized completely and accurately in line with time-to-time movement of the SMART rate published by Bangladesh Bank.

See note no 16 to the financial statements

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 numerous locations daily and the reliance on automated and IT dependent manual controls.

Our areas of audit focus included user access

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



management, developer access and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.

request for access to systems were appropriately reviewed and authorized. We tested the company's periodic review of access rights and reviewed request 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 Matter

The Financial Statements of the Company of the year ended 31 December 2023, were audited by A. Qasem & Co. Chartered Accountants auditor who expressed an unmodified opinion on those statements on 25 June, 2024.

Other information

Management is responsible for the other information. The other information comprise all of the information in the Annual Report other than the financial statements and our auditors' report thereon.

Our opinion on the 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 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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 IFRSs as explained in note 2, and for search 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 responsible for overseeing the company's financial reporting process.

Auditor Responsibility for the audit of the Financial Statements

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. Misstatement can arise from fraud and error are considered material if individually or in the aggregate they could reasonably be expected to influence the economic decision 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, 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 to the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and,

Based on the audit evidence obtained, whether 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 material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement or if such 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 date of our auditor's report. However, Future events or conditions may cause to continue as going concern.

Evaluate the Overall presentation, Structure and content of the financial statements, including the disclosure, and whether the financial Statements represent the underlying transactions events in a manner that achieves fair presentation.



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, and to communicate with 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 significant in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 communications.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, The Finance Company Act, 2023 and the rules and regulations issued by Bangladesh Bank, we also report that:

- i. 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,
- ii. 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:
- iii. the balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- iv. the expenditures incurred were for the purpose of the Company's business for the year,
- v. the financial statements of 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;
- vi. 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,
- vii. the financial statements of 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;
- viii. the records and statements which were submitted by the branches have been properly maintained and recorded in the financial statements;



ix. statements sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention:

x. taxes and other duties were collected to be and deposited in the Government treasury by the Company as per Government instructions found satisfactory based on test checking:

xi. nothing has come to our attention that the Company has adopted any unethical means ie. 'Window dressing' to inflate the profit and mismatch between the maturity of assets and liabilities;

xii. 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;

xiii. Based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately,

xiv. 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;

xv. we have reviewed over 84% of the risk weighted assets of the Company and we have spent around 1,400 person hours for the audit of the books and accounts of the Company;

xvi. the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;

xvii. all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the financial audit report.

Name of Firm: M M Rahman & Co.
Chartered Accountants

Signature of the Auditor 

Name of the Auditor: Mohammed Forkan Uddin FCA
managing Partner

DVC : 2506290886AS518994
Dhaka, Date : 29/06/2025

Enrolment No. 886

Firm's FRC Enlistment No: CAF-001-144



Alliance Finance PLC

Balance Sheet

As at 31 December 2024

Particulars	Note	31 Dec 2024 Amounts(BDT)	31 Dec 2023 Amounts(BDT)
PROPERTY AND ASSETS			
Cash	3		
In hand	3.01	2,868	21,148
Balance with Bangladesh Bank and its agents	3.02	53,014,557	50,250,998
		53,017,425	50,272,146
Balance with other banks and financial institutions	4		
Inside Bangladesh	4.01	255,230,096	446,858,386
Outside Bangladesh		-	-
		255,230,096	446,858,386
Money at call and short notice	5	200,000,000	300,000,000
Investments	6		
Government	6.01	98,530,036	-
Others	6.02	277,503,580	200,670,944
		376,033,616	200,670,944
Loans and advances	7		
Loans, cash credit, overdraft etc.		4,689,314,379	4,048,794,058
Bills purchased and discounted		-	-
		4,689,314,379	4,048,794,058
Fixed assets including land, building, furniture and fixtures	8	35,427,984	53,412,687
Other assets	9	45,419,215	53,179,490
Non-banking assets		-	-
Total Assets		5,654,442,716	5,153,187,712
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	906,856,579	798,348,961
Deposits and other accounts	11		
Current accounts and other accounts etc.		-	-
Bills payable		-	-
Scheme deposits		12,934,629	11,110,813
Term deposits		3,113,702,535	2,837,157,727
Bearer certificate of deposits		-	-
Other deposits		223,342	890,813
		3,126,860,506	2,849,159,352
Other liabilities	12	287,952,807	256,319,492
Total Liabilities		4,321,669,893	3,903,827,805
Capital/Shareholders' equity			
Paid-up capital	13	1,155,000,000	1,050,000,000
Share premium		17,200,000	122,200,000
Statutory reserves	14	68,371,312	51,688,729
General reserves		-	-
Retained earnings	15	92,201,511	25,471,177
		1,332,772,823	1,249,359,906
Total Equity		5,654,442,716	5,153,187,712
Total Liabilities and Shareholders' equity		5,654,442,716	5,153,187,712
Net asset value per share- (NAV)		11.54	11.90




Alliance Finance PLC

Balance Sheet

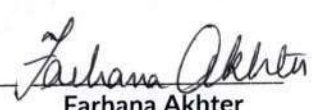
As at 31 December 2024

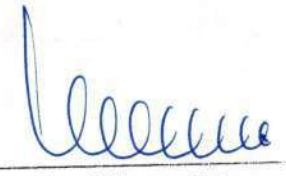
Particulars	31 Dec 2024	31 Dec 2023
	Amounts(BDT)	Amounts(BDT)
OFF-BALANCE SHEET ITEMS		
Contingent liabilities		
Acceptances and endorsements	-	-
Letters of guarantee	-	-
Irrevocable letters of credit	-	-
Bills for collection	-	-
Indemnity bond	-	-
Corporate guarantee	-	-
Other commitments		
Documentary credits and short term trade related transactions	-	-
Forward assets purchased and forward deposits placed	-	-
Un-drawn note issuance and revolving underwriting facilities	-	-
Un-drawn formal standby facilities, credit lines	-	-
Un-disbursed contracted loans and leases	-	-
Total Off-Balance Sheet items including contingent liabilities	-	-

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


Syed Ali Jowher Rizvi
Chairman


Lutfe Mawla Ayub
Director


Farhana Akhter
Director


Kanti Kumar Saha
Chief Executive Officer

Signed in terms of our separate report of even date annexed.

Name of Firm:

M M Rahman & Co.
Chartered Accountants

Signature of the Auditor



Name of the Auditor

Mohammed Forkan Uddin FCA,
Managing Partner
886

DVC : 2506290886AS518994
Dhaka, Date : 29/06/2025

Enrolment No.

Firm's FRC Enlistment No:

CAF-001-144



Alliance Finance PLC

Profit and Loss Account

For the year ended 31 December 2024

Particulars	Note	31 Dec 2024 Amounts(BDT)	31 Dec 2023 Amounts(BDT)
Interest income	16	625,057,032	467,267,617
Less : Interest on deposits and borrowings etc.	17	403,789,831	280,307,330
Net interest income		221,267,201	186,960,286
Investment income	18	27,600,676	20,482,976
Commission, exchange and brokerage		-	-
Other operating income	19	4,734,720	6,400,885
Total operating income		253,602,597	213,844,147
Salaries, allowances and benefits	20	72,694,595	67,890,953
Rent, taxes, insurance, electricity etc.	21	8,341,637	7,622,654
Legal & Professional fees	22	2,607,866	1,654,928
Postage, stamp, telecommunication etc.	23	794,589	752,678
Stationery, printing, advertisements etc.	24	2,114,715	1,834,402
CEO's salary and benefits	25	12,020,000	10,775,496
Directors' fees	26	1,182,000	528,000
Auditors' fees		430,296	419,750
Charges on loan losses		-	-
Depreciation and amortization of Company's assets		19,847,924	19,947,218
Other administration and maintenance	27	17,961,443	16,537,378
Total operating expenses		137,995,065	127,963,456
Profit before provisions		115,607,532	85,880,691
Provision for loans and investments			
General provision		(12,032,754)	20,072,847
2% Special Provision		(918,397)	(36,608)
Specific provision		1,905,562	6,862,114
Provision for diminution in value of investments		5,695,105	(55,800)
Other provision		-	-
Total provision		(5,350,484)	26,842,553
Total profit before taxation		120,958,016	59,038,138
Provision for taxation			
Current tax expense		37,152,417	31,774,834
Deferred tax expenses/(income)		392,682	2,859,333
Net profit after taxation		83,412,917	24,403,970
Appropriations to:			
Statutory reserves		16,682,583	4,880,794
General reserves		-	-
Dividend etc.		-	-
		16,682,583	4,880,794
Retained surplus		66,730,334	19,523,176
Earnings Per Share(EPS)	30	0.72	0.21

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

Syed Ali Jowher Rizvi
Chairman

Lutfe Mawla Ayub
Director

Farhana Akhter
Director

Kanti Kumar Saha
Chief Executive Officer

Signed in terms of our separate report of even date annexed.

Name of Firm: **M M Rahman & Co.**
Chartered Accountants

Signature of the Auditor:

Name of the Auditor: **Mohammed Forkan Uddin FCA,**
Managing Partner

Enrolment No. **886**

Firm's FRC Enlistment No: **CAF-001-144**

DVC : 2506290886AS518994
Dhaka, Date : 29/06/2025



Alliance Finance PLC
Statement of Changes in Equity
For the year ended 31 December 2024

Amounts in BDT

Particulars	Paid-up capital	Share premium	Statutory reserves	Retained earnings	Total
Balance at 01 January 2024	1,155,000,000	17,200,000	51,688,729	25,471,178	1,249,359,906
Net profit for the year 2024	-	-	-	83,412,917	83,412,917
Appropriation to reserve	-	-	16,682,583	(16,682,583)	-
Prior Year Adjustment	-	-	-	-	-
Balance as at 31 December 2024	1,155,000,000	17,200,000	68,371,312	92,201,511	1,332,772,823

Alliance Finance PLC
Statement of Changes in Equity
For the year ended 31 December 2023

Amounts in BDT

Particulars	Paid-up capital	Share premium	Statutory reserves	Retained earnings	Total
Balance at 01 January 2023	1,000,000,000	172,200,000	46,807,935	55,766,621	1,274,774,556
Net profit for the year 2023	-	-	-	24,403,970	24,403,970
Appropriation to reserve	-	-	4,880,794	(4,880,794)	-
Prior Year Adjustment	-	-	-	181,380	181,380
5% Cash dividend & 5 % Stock Div (for 2022)	50,000,000	-	-	-	(50,000,000)
Balance at 31 December 2023	1,050,000,000	172,200,000	51,688,729	75,471,178	1,249,359,906

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

Syed Ali Jowher Rizvi
Chairman

Lutfe Mawla Ayub
Director

Farhana Akhter
Director

Kanti Kumar Saha
Chief Executive Officer

Name of Firm:

M M Rahman & Co.
Chartered Accountants

Signature of the Auditor

Name of the Auditor

Mohammed Forkan Uddin FCA,
Managing Partner
886

Enrolment No.

Firm's FRC Enlistment No:

CAF-001-144

DVC : 2506290886AS518994
Dhaka, Date : 29/06/2025



এম এম রহমান এন্ড কো
M M Rahman & Co.
Chartered Accountants

Alliance Finance PLC

Liquidity statement

As at 31 December 2024

Russell Bedford
taking you further
Member of Russell Bedford International
a global network of independent professional services firms

Amounts in BDT

Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5 years term	Total
Assets						
Cash in hand (including balance with Bangladesh Bank)	53,017,425	-	-	-	-	53,017,425
Balance with other banks and financial institutions	100,000,000	-	155,230,097	-	-	255,230,097
Money at call and short notice	200,000,000	-	-	-	-	200,000,000
Investments	42,503,580	98,530,036	90,000,000	140,000,000	5,000,000	376,033,616
Loans & advances	95,741,825	1,011,383,693	1,113,396,051	476,200,192	1,992,592,618	4,689,314,379
Fixed assets including land, building, furniture and fixtures	-	-	-	35,427,984	-	35,427,984
Other assets	260,500	942,618	36,449,983	7,766,114	-	45,419,215
Non-banking assets	-	-	-	-	-	-
Total assets	491,523,330	1,110,856,347	1,395,076,131	659,394,290	1,997,592,618	5,654,442,716
Liabilities						
Borrowing from Bangladesh Bank, other banks and financial institutions & its agents	2,170,066	14,366,362	59,542,386	254,488,877	576,288,888	906,856,579
Deposits	594,071,259	1,274,511,804	1,233,636,315	24,183,891	233,895	3,126,637,164
Other accounts	-	-	-	223,342	-	223,342
Provision and other liabilities	3,036,440	10,009,474	10,971,575	244,300,006	19,635,312	287,952,807
Total liabilities	599,277,765	1,298,887,640	1,304,150,276	523,196,116	596,158,095	4,321,669,892
Net Liquidity Gap	(107,754,435)	(188,031,293)	90,925,855	136,198,174	1,401,434,523	1,332,772,823

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

Syed Ali Jowher Rizvi
Chairman

Lutfe Mawla Ayub
Director

Farhana Akhter
Director

Kanti Kumar Saha
Chief Executive Officer

Name of Firm: **M M Rahman & Co.**
Chartered Accountants

Signature of the Auditor:

Name of the Auditor: **Mohammed Forkan Uddin FCA,**
Managing Partner

Enrolment No. **886**

DVC : 2506290886AS518994
Dhaka, Date : 29/06/2025

Firm's FRC Enlistment No:

CAF-001-144



Alliance Finance PLC

Cash Flow Statement

For the period ended 31 Dec 2024

Particulars	31 Dec 2024 Amounts(BDT)	31 Dec 2023 Amounts(BDT)
A) Cash flows from operating activities		
Interest received	624,914,867	455,879,237
Interest paid	(341,862,787)	(262,763,794)
Dividend received	17,029,024	21,292,908
Fees and commission received	-	-
Paid to employees and suppliers	(126,929,010)	(114,590,262)
Payment of income tax	(24,079,771)	(42,503,978)
Received from other operating activities	8,069,696	18,950,387
Cash generated from operating activities before changes in operating assets and liabilities	157,142,019	76,264,499
Increase/(decrease) in operating assets and liabilities		
Loans & Advance	(655,559,064)	(892,094,667)
Sale of shares	-	-
Investment in Govt Securities	(98,530,036)	-
Investment in Shares	(76,832,636)	49,480,089
Term and other deposits	277,701,154	335,438,843
	(553,220,582)	(507,175,735)
Net cash flows from/(used in) operating activities	(396,078,563)	(430,911,236)
B) Cash flows from investing activities		
Purchase of fixed assets / Intangible Assets	(2,759,024)	(11,636,677)
Net cash used in investing activities	(2,759,024)	(11,636,677)
C) Cash flows from financing activities		
Drawdown of term loans / Treasury Line	108,513,998	593,976,441
Dividend Payment	-	(50,000,000)
Net cash flow from financing activities	108,513,998	543,976,441
D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)	(290,323,589)	101,428,527
E) Effects of exchange rate changes on cash and cash equivalents	-	-
F) Cash and cash equivalents at beginning of the year	797,114,564	695,686,037
G) Cash and cash equivalents at end of the year (D+E+F)	506,790,975	797,114,564
Cash and cash equivalents at end of the year		
Cash in hand (including foreign currencies)	2,868	21,148
Balance with Bangladesh Bank and its agent bank(s)	53,014,557	50,250,998
Balance with other banks and financial institutions	255,217,639	446,842,418
Money at call and short notice	200,000,000	300,000,000
	508,235,064	797,114,564
Net Operating Cash Flow per Share	1.36	0.73

Syed Ali Jowher Rizvi
Chairman

Lutfe Mawla Ayub
Director

Farhana Akhter
Director

Kanti Kumar Saha
Chief Executive Officer

Name of Firm:

M M Rahman & Co.
Chartered Accountants

Signature of the Auditor

Name of the Auditor

Mohammed Forkan Uddin FCA,
Managing Partner

Enrolment No.

886

Firm's FRC Enlistment No:

CAF-001-144

DVC : 2506290886AS518994
Dhaka, Date : 29/06/2025

Alliance Finance PLC**Notes to the financial statements
For the year ended 31 December 2024****1. Company and its activities****1.1 Legal status and nature of the Company**

Alliance Finance PLC (The Company "Alliance Finance PLC") was incorporated in Bangladesh as a Public limited company on September 27, 2003 under the Companies Act, in its earlier name of Alliance Leasing & Finance Company Limited. The Company changed its name in December 2017 as Lankan Alliance Finance Limited. The Company changed its name again as Alliance Finance PLC which was approved by Bangladesh Bank on 01 June 2023. The registered office and corporate address is at Laila Tower, 8 South Gulshan Ave, Dhaka 1212. The Company is registered as a Financial Institution under the Financial Institutions Act, 1993.

2. Basis of preparation and significant accounting policies**2.1 Statement of compliance**

The financial statements of the Company have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement and investment in marketable securities which are stated at market value in accordance with International Financial Reporting Standards (IFRS) except the circumstances where local regulations differ, and the Companies Act, 1994, Finance Company Act 2023 and other applicable laws and regulations.

The presentation of the financial statements has been made as per the requirements of DFIM Circular No: 11, dated December 23, 2009 issued by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank. The activities and accounting heads mentioned in the prescribed form, which are not applicable for the financial institutions, have been kept blank in the financial statements.

The requirements of accounting standards as per IFRS that have been departed to comply with Bangladesh Bank requirements have been disclosed in detail in Note-2.3.

However, this departure with IFRS has been made by following all of the relevant provisions of IAS-1 and the details disclosures are given in Note-2.3 by following the provision of Para 20 of IAS 1 Presentation of Financial Statements.

2.2 Basis of measurement

This financial statements have been prepared based on International Financial Reporting Standards (IFRS) 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.

2.3 Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance with Bangladesh Bank's requirements

Bangladesh Bank (the Central Bank of Bangladesh) is the prime regulatory body for Financial Institution in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with those of financial instruments and general provision standards of IFRS. As such the company has departed from those contradictory requirements of 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 Components of the financial statements

The financial statements comprise of (As per DFIM Circular No. 11, Dated December 23, 2009):

- a) Balance Sheet as at 31 December 2024;
- b) Profit and Loss Account for the year ended 31 December 2024;
- c) Statement of Cash Flow for the year ended 31 December 2024;
- d) Statement of Changes in Equity for the year ended 31 December 2024;
- e) Liquidity Statement for the year ended 31 December 2024;
- f) Notes to the Financial Statements for the year ended 31 December 2024.

2.5 Directors' responsibility statement

The Board of Directors' takes the responsibility for the preparation and presentation of these financial statements.

2.6 Date of authorization

The Board of directors has authorized this financial statements on **June 25, 2025**.

2.7 Presentation and functional currency and level of precision

The financial statements are presented in Bangladesh Taka (BDT) currency, which is the Company's functional currency. All financial information presented in Taka has been rounded off to the nearest

2.8 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

The most critical estimates and judgments are applied to the following:

- Provision for impairment of loans, leases and investments
- Gratuity
- Useful life of depreciable assets

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised. In accordance with the guidelines as prescribed by IAS 37 Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

Provisions

Provisions are liabilities that are uncertain in timing or amount. Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Contingent Liability :

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or the Group has a present obligation as a result of past events but is not recognized because it is not likely that an outflow of resources will be required to settle the obligation; or the amount cannot be reliably estimated. Contingent liabilities normally comprise legal claims under arbitration or court process in respect of which a liability is not likely to occur.

Contingent Assets:

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are never recognized, rather they are disclosed in the financial statements when they arise.

2.9 Accounting for term finance & 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 are accounted for as term finance assets of the Company. Interest earnings are recognized as operational revenue periodically.

2.10 Branch accounting

The Company has one branch and one booth, with no overseas branch as on December 31, 2023. Accounts of the branch is maintained at the head office from which these accounts are drawn up.

2.10.1 Investment in securities

Investment in marketable ordinary shares has been shown at cost or market price, whichever is lower, on an aggregate portfolio basis. Investment in non-marketable shares has been valued at cost or intrinsic value whichever is lower. Full provision for diminution in value of shares as on closing of the year on an aggregate portfolio basis is made in the financial statements as required by Bangladesh Bank DFIM circular No. 02 dated 31 January 2012.

2.11 Property and equipment**i) Recognition and measurement****Own assets**

Items of own fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the assets to its working condition for its intended use 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 charged to amortize the cost of assets, over their estimated useful lives, using the straight-line method in accordance with IAS-16: "Property, Plant and Equipment". Full depreciation is charged on additions in the month of acquisition irrespective of date when the related assets are put into use and no depreciation is charged from the month of disposal. Asset category wise depreciation rates are as follows:

<u>Particulars of Property, Plant & Equipment</u>	<u>Rates</u>
Furniture and fixtures	20%
Office equipment	20%
Office decoration	10%
Motor vehicles	13%
ICT Equipment	20%
Software (Office Operation)	33.33%
Software (Business Operation)	20.00%

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss account.

Depreciation methods, useful lives and residual values, if any are reviewed at the balance sheet date.

2.12 Intangible assets and amortization of intangible assets

Recognition & Measurement

Intangible assets comprise the value of computer software. Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

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 best estimates of 3 years.

Subsequent expenditure

Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits in the specifications to which it relates. All other expenditure is expensed as incurred.

2.13 Revenue recognition

Revenue is recognized only when it is measurable and probable that the economic benefits associated with the transaction will follow to the company and in accordance with IFRS 15 Revenue from contract with customers unless otherwise mentioned or otherwise guided by the separate IFRS.

Interest on term loans and short term finance

Interest on term loan and short term finance are recognized as revenue on an accrual basis and interest income on term loan is not recognized where any portion of interest is in arrear for more than three months.

Fee based revenues

Fees on services rendered by the company are recognized as and when services are rendered.

2.14 Interest suspense account

Interest on term finance overdue beyond three months period and interest on short term finance overdue beyond permitted credit term plus ninety days period are not recognized as revenue and credited to interest suspense account.

2.15 Accounts receivable

Accounts receivable at the balance sheet date is stated at amounts which are considered realizable. Specific allowance is made for receivable considered to be doubtful for recovery.

2.16 Borrowing cost

Borrowing cost is capitalized for the period from the dates of respective disbursements to the date of execution of lease. On execution of lease, advance including capitalized borrowing cost is transferred to the gross lease receivables.

Borrowing costs are recognized as expense in the year in which they are incurred unless capitalization is permitted under Bangladesh Accounting Standard (IAS) 23: "Borrowing Costs".

2.17 Cash flow statements

The cash flow statement is prepared using the direct method as stipulated in International Accounting Standard (IAS) 7: "Cash Flow Statements", and in accordance with the instruction of Bangladesh Bank.

2.18 Conversion of foreign currency transactions

Foreign currency transactions are translated into Taka at rates prevailing at the respective dates of transactions, while foreign currency monetary assets at the end of the year are reported at the rates prevailing on the balance sheet date. Exchange gains or losses arising out of the said conversions are recognized as income or expense for the year after netting off.

2.19 Provision for doubtful accounts and future losses

Provision has been made as per the Bangladesh Bank Provisioning policy. A general provision has been made by the company to cover unforeseen losses on all loans and investments.

2.20 Employees' benefit obligation**2.21.1 Defined contribution plan**

The Company has a contributory provident fund scheme for its permanent employees. Provident fund administered by a Board of Trustees, funded by equal contributions both by the employees and the Company at a 10% of basic salary rate. The contributions has been managed separately from the Company's asset. Employees' provident fund will be mature 100% after 2 (two) years continuous service from the date of enrolment as a member of contributory provident fund.

2.21.2 Defined benefit plan (Gratuity scheme)

The Company also introduced a funded gratuity scheme. Employees are entitled to gratuity benefit after completion of five years of service with the Company. The gratuity is calculated on the last basic pay and is payable at the rate of one month's basic pay for every completed year of service.

2.21.3 Workers Profit Participation Fund and Welfare Fund

SRO-336-AIN/2010 dated 5-10-2010 issued by the 'Ministry of Labour and Employment' declares the status of business of certain institutions and companies along with Bank & insurance companies as "Industrial Undertakings" for the purposes of Chapter-XV of the Bangladesh Labour Act, 2006 (as amended up to 2013) which deals with the workers' participation in company's profit by way of 'Workers Participation Fund' and 'Welfare Fund'. This Act requires the "Industrial Undertakings" to maintain provision for workers' profit participation fund @ 5% on net profit. Since this requirement contradicts with the 'Section 11' of the 'Bank Company Act 1991 (as amended up to 2018)', Banks in Bangladesh took up the issue collectively and sought opinion from 'Association of Bankers Bangladesh Limited (ABB)' on the same. ABB wrote a letter to the 'Ministry of Finance' of Government of People's Republic of Bangladesh on 09.03.2016 to draw attention of the honorable Finance Minister regarding relevance and applicability of Chapter XV of the Bangladesh Labour Act, 2006 (as amended up to 2013) for Bank Companies and to obtain a direction on the issue. The 'Ministry of Finance' revealed their opinion that WPPF should not be relevant for Bank Companies and therefore, it should not be applied there. They also sought for an opinion on this issue from Bangladesh Bank. Subsequently, Bangladesh Bank agreed on all the logics and legal opinion collected by the ABB and expressed their consensus with them on 29.11.2016. In this backdrop, the 'Ministry of Finance' has given their instruction, vide letter no. 53.00.0000.311.22.002.17.130 dated 14.02.2017, for not applying Chapter XV of the Bangladesh Labour Act, 2006 (as amended up to 2013) in Bank Companies. Therefore, no provision in this regard has been made in the financial statements for the year ended on December 31, 2024.

2.21.4 Other employees benefit obligation

The Company operates a health insurance scheme for its permanent employees.

2.22 Taxation

Tax expense comprises current and deferred tax.

2.22.1 Deferred tax

The Company accounts for deferred tax as per International Accounting Standard (IAS) 12 Income Taxes. Deferred tax is provided using the balance sheet method for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purposes. Tax rate prevailing at the balance sheet date is used to determine deferred tax.

Deferred tax may results in a liability or an asset being recognized within the Statement of Financial Position. IAS 12 defines a deferred tax liability as being the amount of income tax payable in future periods. Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method.

2.22.2 Current tax

Provision for current tax is made on the basis of the profit for the year as adjusted for taxation purpose in accordance with the provision of Income Tax Act 2023 and amendments made thereto from time to time.

2.23 Impairment of long-lived assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the book value of the assets may not be recovered. Accordingly, the Company estimates the recoverable amount of the assets. Impairment losses, if any, is recognized in the profit and loss account when the estimated recoverable amount of an asset is less than its carrying amount.

2.24 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 (with less than three months maturity) and that are subject to an insignificant risk of change in value.

2.25 Bank loans

Bank loans are recorded at the proceeds received. Interest on bank loans is accounted for on accrual basis and charged to profit and loss account.

2.26 Related party disclosure

As per International Accounting Standards (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 basis at commercial rates with its related parties.

2.27 Statutory reserves

As per Financial Institutions Regulation 1994, every Non Banking Financial Institution (NBFI) is required to transfer at least 20% of its current year's profit to the fund until such reserve fund equals to its paid up share capital and share premium (if any). In conformity with the above requirement, the Company transfers 20% of net profit to statutory reserve before declaration of dividend.

2.28 Events after the balance sheet date

All material events occurring after the balance sheet date has been considered and where necessary, adjusted for or disclosed.

2.29 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.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

2.30 Liquidity statement

The liquidity statement has been prepared in accordance with remaining maturity grouping of Assets and Liabilities as of the close of the year as per following bases:

- Balances with other bank and financial institutions are on the basis of their maturity term.
- Investments are on the basis of their expected liquidation and residual maturity term.
- Loans, advances and leases are on the basis of their repayment/maturity schedule
- Fixed assets are on the basis of their useful lives.
- Other assets are on the basis of their adjustment terms.
- Borrowings from other banks and financial institutions as per their maturity/repayment terms.
- Deposits and other accounts are on the basis of their maturity term and behavioral past trends.
- Other long term liabilities are on the basis of their maturity terms.
- Other liabilities are on the basis of their settlement terms.

2.31 Status of compliance of International Financial Reporting Standards

In addition to compliance with local regulatory requirements, in preparing the Financial Statements, AFPLC applied following IAS and IFRS:

Name of the IAS	IAS No.	Status
Presentation of Financial Statements	1	Applied *
Inventories	2	N/A
Statements of Cash Flow	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
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	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	N/A
Investment in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyperinflationary Economics	29	N/A
Interests in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied *

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
Financial Instruments: Recognition and Measurement	39	Applied *
Investment Property	40	N/A
Agriculture	41	N/A

Name of the IFRS	IFRS No.	Status
Share Based 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 Resources	6	N/A
Financial Instruments: Disclosures	7	Applied *
Operating Segments	8	Applied
Financial Instruments	9	Applied*
Consolidated Financial Statements	10	N/A
Joint Arrangement	11	N/A
Disclosure of Interest in Other Entities	12	N/A
Fair Value Measurement	13	Applied *
Revenue from Contract 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.

** Superseded by IFRS 16 as of 1 January 2019

2.32 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, the company is in the process of introducing necessary initiatives to ensure implementation of BASEL II accord.

2.33 Financial risk management

AFPLC always concentrates on delivering high value to its stakeholders through appropriate trade-off between risk and return. A well structured and proactive risk management system is in place within the Company to address risks relating to credit, market, liquidity, operations and anti money laundering. In addition to the industry best practices for assessing, identifying and measuring risks, AFPLC 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 and, more recently, DFIM Circular No. 03 dated January 24, 2016.

Credit Risk

To encounter and mitigate credit risk the company employed multilayer approval process, policy for maximum exposure limit of sector or groups, policy for customers' assets maximum exposure limit, mandatory search for credit report from Credit Information Bureau, looking into payment performance of customer before financing, frequent review of clients, taking collateral, seeking external legal opinion, maintaining neutrality in politics and following arm's length approach in related party transactions, regular review of market situation and industry exposure etc.

Market Risk

The Asset Liability Committee (ALCO) of the Company regularly meets to assess the changes in interest rate, market conditions, carry out asset liability maturity gap analysis, re-pricing of products and thereby takes effective measures to monitor and control interest rate risk.

Liquidity Risk

Liquidity requirements are managed on a day-to-day basis by the Treasury Division which is responsible for ensuring that sufficient funds are available to meet short term obligations, even in a crisis scenario, and for maintaining a diversity of funding sources. Treasury Division maintains liquidity based on historical requirements, anticipated funding requirements from operation, current liquidity position, collections from financing, available sources of funds and risks and returns.

Operational Risk

Appropriate internal control measures are in place, at AFPLC, to address operational risks. AFPLC has also established internal control & compliance department (ICC) to address operational risk and to frame and implement policies to encounter such risks.

Compliance Risk

Compliance risk is defined as the current or prospective risk of legal sanction and/or material financial loss that an organization may suffer as a result of its failure to comply with laws, its own regulations, code of conduct, and standards of the best practice as well as from the possibility of incorrect interpretation of laws or regulations. In general, compliance risk management is embedded in the day to day to business processes and practices of the company.

Money Laundering and Terrorist Financing Risk

In The Company, money laundering and terrorist financing risk takes two broad dimensions:

- a) Business risk i.e. the risk that The Company may be used for money laundering or terrorism financing and
- b) Regulatory risk i.e. the risk that The Company fails to meet regulatory obligations under the Money Laundering Prevention Act 2012 and Anti-Terrorism Act 2009 (amended in 2013).

To mitigate the risks, The Company, while adhering to various guidelines and circulars issued by the Bangladesh Financial Intelligence Unit (BFIU), put in place a strict compliance program consisting of the following components:

- a) Development and implementation of internal policies, procedures and controls to identify and report instances of money laundering and terrorism financing;
- b) Creation of structure and sub-structure within the organization, headed by a Central Compliance Unit (CCU), for AML and CFT compliance;
- c) Appointment of an AML/CFT Compliance Officer, known as the Chief Anti Money Laundering Officer (CAMLCO), to lead the CCU;
- d) Independent audit function including internal and external audit function to test the programs;
- e) Ongoing employee training programs.

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.

Strategic Risk Management

Strategic risk has been demarcated as the risk of possible losses that might arise from unfavorable business decisions, improper execution, and delay in responding to fluctuations in the business environment. The guidelines set out the respective roles of the Board of Directors, Senior Management, and business units in managing strategic risks, identify the steps to be followed in the strategic risk management processes, and suggest mitigating actions for risk control.

AFPLC has been managing strategic risks from its inception. This is evident from the constantly evolving business model of the company over the years. The company has a transparent strategic vision on the way forward with 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 AFPLC Board. AFPLC is driven by the vision of its leaders with an annual preparation of the budgets and strategic plans which will be reviewed on a quarterly basis.

Compliance Risk

Compliance risk is an organization's potential exposure to legal penalties, financial forfeiture, and material loss, resulting from its failure to act in accordance with industry laws and regulations, internal policies, or prescribed best practices. Compliance risk is also known as integrity risk. AFPLC strives to achieve all the regulatory compliance requirements set forth by all regulators including Bangladesh Bank, the Office of the Registrar of Joint Stock Companies & Firms, and the National Board of Revenue with a follow-up mechanism regularly with the respective regulators.

Historically, AFPLC has always fostered a compliance-oriented culture. In general, compliance risk management is embedded in the day to day to business processes and practices of the company. ICC department looks after the compliance-related work including, internal audit & internal control framework. ICC department works administratively with the other functional departments while reporting to Board Audit Committee on a quarterly basis.

Reputation Risk

Reputational risk is the damage that can occur to a business when it fails to meet the expectations of its stakeholders and is thus negatively perceived. The guidelines set out the respective roles of the Board and senior management in managing reputation risk and require financial institutions to implement a sound and comprehensive risk management process to identify, monitor, control, and report all reputational risks.

AFPLC has already with its conduct in the manner to put in place a process to monitor and avoid any other matters that might give rise to potential reputational risk issues. To date, no material reputational risk issue involving the company has been identified.

Environmental & Social Risk

AFPLC, being a responsible and inclusive financial service provider understands our true corporate responsibility towards fulfilling national priorities for the nation's sustainable development and safeguarding the natural environment in which we operate.

AFPLC is currently adopting all the regulatory compliances of the Bangladesh Bank SFD guidelines and circulars regarding the implementation of the sustainable finance policy including Guidelines on Environmental & Social Risk Management (ESRM) for Banks and Financial Institutions in Bangladesh.

AFPLC has adopted the Environmental & Social Risk Management System (ESMS) as one of its integral parts of Credit Risk Assessment to compute environmental & social risks from its financial footprints. AFPLC is one of the front runners to practice ESMS within its framework, a global standard to minimize environmental & social risks from organizational activities.

From the year 2022, with the support and guidance of Bangladesh Bank, AFPLC is strictly following the Environmental and Social Risk Due Diligence (ESDD) process. The current ESDD process covers three sections – i) General Risks, ii) Environmental & Health Risks, and iii) Social Risks. Moreover, it contains specific notes on ten (10) different vulnerable sectors of Bangladesh. In addition to all these, with the help of an exclusion list.

The core objective of AFPLC's ESRM System is to realize to integrate Environment & Social (E&S) risks and incorporate appropriate risk mitigation measures in overall credit management to be able for expanding the credit/investment portfolio rather than avoid investing in high E&S risks.

The ESRM Guideline that we adopted from Bangladesh bank provides a robust, auto-generated, quantitative risk rating system to reduce the subjectivity of a qualitative risk assessment.

All national regulations pertaining to E&S governance are taken into cognizance while carrying out E&S due diligence of a particular transaction. International frameworks such as ISO 14001 for environmental management, OHSAS 18001 for occupational health and safety, and SA8000 for socially acceptable practices in the workplace, adherence to IFC Performance Standards is considered in case of large project financing as a good practice and optional requirement.

The organizational roles and responsibilities (Board and Management) defined in the ESRM Guidelines are built upon the principles of integration of E&S risks into AFPLC's overall credit policy. It clearly delineates the responsibility of different functions of AFPLC in terms of E&S risk assessment and the decision-making process based upon E&S risk rating.

A dedicated Sustainable Finance Unit (SFU) and a Sustainable Finance Committee comprising all departments with defined terms of reference are working collaboratively to ensure Environmental & Social Risk Management (ESRM) effectively across AFPLC, and for capacity building of business units as well as credit risk management officials to seize the opportunities of evolving economy and society towards sustainability. AFPLC envisions creating value for both society and stakeholders and remaining trustworthy as always amongst investors, customers, employees, and society. AFPLC arranges regular pieces of training for employees for environmental awareness. It ensures sustainable in-house management of resources like power, utility, and papers.

2.34 Credit rating

Credit Rating Information and Services Limited rated the Company on 15 August 2024 with "AA-" (Pronounced as Double A Minus) in the long term and ST-2 for the short term based on audited financial statements for the year ended 31 December 2023 and other available information up to the date of rating declaration. The outlook on the rating is Stable. This rating will be valid till 15 August 2025.

2.35 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.

2.36 General

- i) Figures appearing in these financial statements have been rounded off to the nearest Taka.
- ii) Figures of 2023 have been rearranged where necessary for better presentation of current years' financial statements.

2.37 Events after the reporting date

Events after the reporting date that provide additional information about the Company's position at the balance sheet date are reflected in the financial statements. Events after the reporting date that are non adjusting events are disclosed in the notes when material.



	31-Dec-24 Amounts(BDT)	31-Dec-23 Amounts(BDT)
3 Cash		
Cash in hand (including foreign currencies) (Note 3.01)	2,868	21,148
Balance with Bangladesh Bank and its agent (including foreign currencies) (Note 3.01)	53,014,557	50,250,998
	53,017,425	50,272,146
3.01 Cash in hand (including foreign currencies):		
In local currency	2,868	21,148
In foreign currency	-	-
	2,868	21,148
3.02 Balance with Bangladesh Bank and its agent (including foreign currencies)		
In local currency	53,014,557	50,250,998
In foreign currency	-	-
	53,014,557	50,250,998
3.03 Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR)		
Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR) have been calculated and maintained in accordance with Finance Company Act, 2023 & Financial Institutions Regulations, 1994 and FID Circular No. 06 dated November 06, 2003, FID Circular No. 02 dated November 10, 2004 and FID Circular No. 01 dated January 12, 2017 and DFIM Circular Number 03 dated 21 June 2020.		
Cash Reserve Requirement (CRR) has been calculated at the rate of 2.5% on Total Term Deposits which is preserved in current account maintained with Bangladesh Bank. Total Term Deposit means Term or Fixed Deposit, Security Deposit against Lease/Loan and other Term Deposit, received from individuals and institutions (except Bank & financial Institutions).		
Statutory Liquidity Reserve (SLR) has been calculated at the rate of 5.0% on total liabilities, including CRR of 2.5% on total Term Deposit. SLR maintained in liquid assets in the form of cash in hand (notes & coin in Taka), balance with Bangladesh Bank and other banks and Financial Institutions, unencumbered treasury bill and treasury bond and any other assets approved by Government Circular issued by Gazette or Bangladesh Bank.		
a) Cash Reserve Requirement (CRR)		
Required reserve	45,601,510	48,490,674
Actual reserve maintained	53,017,425	50,272,146
Surplus / (deficit)	7,415,915	1,781,472
b) Statutory Liquidity Reserve (SLR)		
Required reserve (including CRR)	167,564,063	123,909,881
Actual reserve maintained (including CRR)	551,032,089	578,939,339
Surplus / (deficit)	383,468,026	455,029,458
4 Balance with other banks and financial institutions		
Inside of Bangladesh		
4.01 Local Currency		
Non interest bearing current account (Note - 4.02)	1,568,140	83,981
Interest bearing short term deposit account (Note - 4.03)	95,878,798	202,055,506
Fixed deposit account (Note - 4.04)	157,783,158	244,718,900
	255,230,096	446,858,386



4.02 Non interest bearing account

	31-Dec-24 Amounts(BDT)	31-Dec-23 Amounts(BDT)
Commercial Bank of Ceylon PLC, Current A/C No. 1818000829, (Gulshan Br.)	-	-
Dhaka Bank PLC, Current A/C No. 2151000010692, (Gulshan Br.)	1,498,728	4,618
Mutual Trust Bank PLC, Current A/C No. 0220210011579 (Gulshan Br.)	44,795	45,485
Woori Bank, Current A/C No. 923934781 (Dhaka Br.)	2,425	3,115
NCC Bank PLC, Current A/C No. 0124-0210000337 (Mohammadpur Br.)	4,735	11,926
One Bank PLC, Current A/C No. 1011020001480 (Gulshan North Br.)	12,457	18,837
Nagad Wallet - 01329660272	5,000	-
	1,568,140	83,981

4.03 Interest bearing short term deposit account

Midland Bank Limited, SND A/C No. 0011-1090000463 (Gulshan Branch)	6,857,042	57,580,572
Midland Bank Limited, SND A/C No. 0011-1060000260 (Gulshan Branch)	403,793	122,451
Midland Bank Limited, SND A/C No.0011-1070000107 (Gulshan Branch)	22,627	23,317
Mutual Trust Bank PLC, SND A/C No. 0022-0320001649 (Gulshan Branch)	211,802	1,414,449
NRB Bank Limited, SND A/C No. 1012050145944 (Principal Branch)	24,406,469	142,904,261
Bank Asia PLC, SND A/C No. 61536000010 (Gulshan Branch)	35,195	-
Standard Chartered Bank , SND A/C No. 02 5968650 01 (Gulshan Branch)	5,508	10,456
United Commercial Bank PLC, SND A/C No. 0951308000000364 (Corporate Bran	63,936,362	-
	95,878,798	202,055,506

4.04 Fixed deposit account

*NCC Bank PLC	57,783,158	54,718,900
One Bank PLC	-	100,000,000
United Commercial Bank PLC	-	90,000,000
Dhaka Bank PLC	100,000,000	-
	157,783,158	244,718,900

*Liened with NCC Bank PLC against credit line.

4.05 Maturity grouping of balance with other banks and financial institutions

Up to 1 month	100,000,000	90,000,000
Over 1 month but not more than 3 months	-	-
Over 3 months but not more than 6 months	57,783,158	154,718,900
Over 6 months but not more than 1 year	-	-
Over 1 year but not more than 5 years	-	-
Over 5 years	-	-
	157,783,158	244,718,900

5 Money at Call and short notice

IPDC Finance Limited	-	100,000,000
NRB Bank Limited	-	50,000,000
LankaBangla Finance PLC	-	50,000,000
DBH Finance PLC	-	100,000,000
United Commercial Bank PLC	100,000,000	-
United Finance PLC	100,000,000	-
	200,000,000	300,000,000

6 Investments

6.01 Government

6.02 Other

Investment in Un-Quoted Share (Note 6.02.01)	235,000,000	145,000,000
Investment in Quoted Share (Note 6.02.02)	42,503,580	55,670,944
	277,503,580	200,670,944



06.02.01 Investment in Shares

Un-Quoted Shares

Confidence Power Limited
Kushiara Power Company Limited
Karnaphuli Power Limited
Shafiul Alam Steel Re-Rolling Mills Ltd.

Open End Mutual Fund

Green Delta Dragon Enhanced Blue Chip Growth Fund

06.02.02 Investment in quoted shares

Cost price

7.00 Leases, loans and advances

Loans and advances (Note 7.01)
Bills Purchased and Discounted

7.01 Loans and advances

Lease receivables
Term loan - Corporate
Auto loan
SME loan
Lease receivable - SME
Home loan
Loan against deposit
Staff Car Loan
Staff Personal Loan
Interest Receivable

7.02 Lease receivable

Balance at January 1
Add: Addition during the year
Less: Realisation during the year
Balance at December 31

Lease receivable
Gross lease receivable
Less: Unearned lease income
Lease receivable

Aging analysis of lease receivable

Up to one year
Above one year to three years
Above three years to five years
More than five years

7.03 Net loans, advances and leases

Gross performing loans, advances and leases (Note-7)
Less:
Non-performing loans, advances and leases (Note-7.15(x)(a))
Interest suspense (Note-12.3)
Provision for loans and advances/investments (Note-12.6 (i))

	31-Dec-24 Amounts(BDT)	31-Dec-23 Amounts(BDT)
Un-Quoted Shares		
Confidence Power Limited	20,000,000	40,000,000
Kushiara Power Company Limited	40,000,000	60,000,000
Karnaphuli Power Limited	20,000,000	40,000,000
Shafiul Alam Steel Re-Rolling Mills Ltd.	150,000,000	-
	230,000,000	140,000,000
Open End Mutual Fund		
Green Delta Dragon Enhanced Blue Chip Growth Fund	5,000,000	5,000,000
	5,000,000	5,000,000
Investment in quoted shares		
Cost price	42,503,580	55,670,944
	42,503,580	55,670,944
Leases, loans and advances		
Loans and advances (Note 7.01)	4,689,314,379	4,048,794,058
Bills Purchased and Discounted	-	-
	4,689,314,379	4,048,794,058
Loans and advances		
Lease receivables	1,742,016	5,025,577
Term loan - Corporate	3,229,162,880	2,564,741,301
Auto loan	22,538,243	49,142,796
SME loan	1,096,272,586	1,175,930,478
Lease receivable - SME	14,528,134	22,473,010
Home loan	257,622,068	196,919,361
Loan against deposit	1,019,667	2,537,677
Staff Car Loan	17,877,000	-
Staff Personal Loan	2,096,797	-
Interest Receivable	46,454,989	32,023,857
	4,689,314,379	4,048,794,058
Lease receivable		
Balance at January 1	5,025,577	9,260,930
Add: Addition during the year	-	-
Less: Realisation during the year	3,283,560	4,235,353
Balance at December 31	1,742,017	5,025,577
Lease receivable		
Gross lease receivable	1,825,906	5,511,878
Less: Unearned lease income	83,890	486,301
Lease receivable	1,742,016	5,025,577
Aging analysis of lease receivable		
Up to one year	1,742,016	3,483,199
Above one year to three years	-	1,542,378
Above three years to five years	-	-
More than five years	-	-
	1,742,016	5,025,577
Net loans, advances and leases		
Gross performing loans, advances and leases (Note-7)	4,652,006,869	4,032,475,467
Less:		
Non-performing loans, advances and leases (Note-7.15(x)(a))	37,307,510	16,318,591
Interest suspense (Note-12.3)	5,076,728	2,817,564
Provision for loans and advances/investments (Note-12.6 (i))	46,208,003	57,253,592
	88,592,242	76,389,746
	4,563,414,628	3,956,085,721



31-Dec-24	31-Dec-23
Amounts(BDT)	Amounts(BDT)

7.04 Interest Receivable

Auto Loan	102,453	218,561
Lease Finance - Corporate	9,959	25,472
Lease Finance - SME	55,349	66,375
Loan Against Deposit	706	181,523
Long Term Loan - Corporate	33,945,687	16,964,419
Long Term Loan-SME	441,986	1,618,903
Real Estate Finance	979,553	756,711
Short Term Loan - Corporate	5,400,485	5,938,104
Short Term Loan - SME	5,514,925	6,253,789
Staff Personal Loan	3,886	-
	46,454,989	32,023,857

7.05 Maturity Wise Grouping

On Demand	-	-
Not more than 3 months	95,741,825	1,141,355,484
More than 03 Month to 01 Years	1,011,383,693	999,030,363
More than 01 Year to 05 Years	1,113,519,568	560,231,238
More than 05 Years	2,468,669,293	1,348,176,973
	4,689,314,379	4,048,794,058

7.06 Classification wise leases, loans and advances/ investments

Unclassified		
Standard	4,618,395,093	3,992,947,138
Special Mention Accounts (SMA)	33,611,776	39,528,329
	4,652,006,869	4,032,475,467
Classified		
Sub-standard	22,820,671	5,708,915
Doubtful	-	1,258,985
Bad/loss	14,486,839	9,350,691
	37,307,510	16,318,591
	4,689,314,379	4,048,794,058

7.07 Particulars of required provisions for loans, advances and leases

Status	Base for Provision	Rate (%)	2024	2023
Loans and leases SME-STD (Excluding SMA)	1,179,696,793	0.25%	2,949,242	3,246,541
Loans and leases (Excluding SMA)	2,629,170,580	1.00%	26,368,649	35,541,094
Loans and leases (IPFF2)	809,527,721	0.00%	-	-
Loan/lease to the Subsidiaries/Sister Concerns, Brokerage House, Merchant Banks, Stock dealers	-	2.00%	-	-
Special mention account (CMSME)	2,243,207	0.25%	5,608	-
Special mention account (Other than CMSME)	29,456,793	5.00%	1,472,840	4,181,126
Special Reserve				
Extra provision for providing COVID related circular advantage	155,725,002	2.00%	3,114,500	4,066,124
Specific provision				
Sub-standard	11,299,182	20.00%	2,154,511	1,025,458
Doubtful	-	50.00%	-	627,795
Bad/ Loss	7,770,887	100.00%	7,770,887	6,558,835
Required provision for loans, advances and leases			43,836,237	55,246,973
Other provision				
Off-Balance Sheet Exposure	-	1.00%	-	-
Other Asset	-	100.00%	-	-

31-Dec-24	31-Dec-23
Amounts(BDT)	Amounts(BDT)

7.08 Loans, advances and leases on the basis of significant concentration

a) Loans, advances and leases to the institutions in which Directors have interest	-	-
b) Loans, advances and leases to Chief Executive and other senior executives	-	-
c) Loans, advances and leases to customer groups:	-	-
i) House finance	258,601,621	197,676,072
ii) Car Loan	30,242,900	49,361,357
iii) Personal loan	-	-
iv) Loan Against deposits (LAD)	1,020,373	2,719,200
v) Small and medium enterprises	1,117,810,598	1,213,050,827
vi) Special program loan (BB refinancing scheme)	173,927,430	91,471,159
vii) Staff loan	19,977,683	-
viii) Industrial Loans, advances and leases	2,501,166,552	2,103,500,402
ix) Other loans and advances	586,567,222	391,024,782
	4,689,314,379	4,048,803,799
d) Details of Industrial loans, advances and leases	-	-
i) Garments and Knitwear	294,901,968	551,421,462
ii) Textile	166,097,900	-
iii) Jute and Jute -products	-	-
iv) Food Production and Processing industry	326,155,543	13,254,005
v) Plastic Industry	-	150,178,965
vi) Leather and Leather Goods	-	-
vii) Iron, Steel and Engineering	224,302,611	351,200,915
viii) Pharmaceuticals and Chemicals	498,305,698	410,234,237
ix) Cement and Allied Industry	307,633,334	-
x) Telecommunication and IT	404,270,038	413,353,498
xi) Paper, printing and Packaging	46,575,030	53,299,659
xii) Glass, Glassware and Ceramic Industry	-	-
xiii) Ship Manufacturing Industry	-	-
xiv) Electronics and Electrical Products	-	-
xv) Power, Gas, water and Sanitary Service	69,751,677	103,660,353
xvi) Transport and Aviation	-	-
xvii) Other industries	163,172,753	56,897,310
	2,501,166,552	2,103,500,402

7.09 Particulars of lease, loans and advances

i) Leases and loans considered good in respect of which the Company is fully secured.	197,676,072	197,676,072
ii) Leases and loans considered good in respect of which the Company is partially secured.	2,152,979,539	2,152,979,539
iii) Loans considered good against which the Company holds no security other than the debtors' personal guarantee.	-	-
iv) Loans considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors.	1,698,138,446	1,698,138,446
v) Classified loans against which no provision has been made	-	-
vi) Loans due from Directors either separately or jointly with any other persons.	-	-
vii) Loans due from Officers either separately or jointly with any other persons.	-	-
viii) Loans due from Companies or firms in which the Directors have interest as Directors, Partners or managing agents Companies, as members.	-	-
ix) Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Managers or Officers either separately or jointly with any other person.	-	-



31-Dec-24	31-Dec-23
Amounts(BDT)	Amounts(BDT)

- x) Maximum total amount of advances, including temporary advances granted during the year to the Companies or firms in which the Directors have interest as Directors, Partners or Managing agents or in the case of private Companies, as members.
- xi) Due from banking companies and other financial institutions.
- xii) Classified lease, loans and advances
- Classified lease, loans and advances on which interest has not been charged.
 - Increase/(decrease) of specific provision.
 - Amount of loan written off.
 - Amount realized against loan previously written off.
 - Provision kept against loans classified as bad/loss on the date of preparing the
 - Interest credited to Interest Suspense account.

<u>4,048,794,058</u>	<u>4,048,794,058</u>
----------------------	----------------------

7.10 Investments allowed to each customer exceeding 15% of FI's total capital

Total Loans, Advances and Leases
No. of Customers
Classified amount thereon
Measures taken for recovery

2,600,929,345	2,028,428,741
8	7
-	-
N/A	N/A

7.11 Geographical Location-wise break-up

Inside Bangladesh:
Dhaka Division

4,689,314,379	4,048,794,058
<u>4,689,314,379</u>	<u>4,048,794,058</u>

Outside Bangladesh:

<u>4,689,314,379</u>	<u>4,048,794,058</u>
----------------------	----------------------

8.00 Fixed assets including land, building, furniture and fixtures

Freehold assets (Note-8.01)
Intangible assets (Note-8.02)
Lease assets (Note-8.03)

10,779,183	12,409,019
6,955,134	8,698,893
17,693,667	32,304,775
<u>35,427,984</u>	<u>53,412,687</u>

Details are given in Annexure - A

8.01 Freehold assets

A. Cost

Opening Balance
Additions

34,549,209	33,190,032
1,841,914	1,359,177
<u>36,391,123</u>	<u>34,549,209</u>

B. Accumulated depreciation

Opening Balance
Charged During the year

(22,140,190)	(19,239,659)
(3,471,750)	(2,900,531)
<u>(25,611,940)</u>	<u>(22,140,190)</u>

C. Written down value (A-B)

<u>10,779,183</u>	<u>12,409,019</u>
-------------------	-------------------

8.02 Intangible assets Software

A. Cost

Opening Balance
Additions

12,568,525	2,291,025
917,110	10,277,500
<u>13,485,635</u>	<u>12,568,525</u>

B. Accumulated amortization

Opening Balance
Charged During the year

(3,869,632)	(1,192,580)
(2,660,869)	(2,677,052)
<u>(6,530,501)</u>	<u>(3,869,632)</u>

C. Written down value (A-B)

<u>6,955,134</u>	<u>8,698,893</u>
------------------	------------------



8.03 Lease assets

A. Cost

Opening Balance
Additions
Adjustment / Closure

31-Dec-24	31-Dec-23
Amounts(BDT)	Amounts(BDT)
88,697,863	85,176,835
-	3,521,028
(14,089,013)	-
74,608,850	88,697,863

B. Accumulated depreciation

Opening Balance
Charged During the year
Adjustment / Closure

(56,393,088)	(42,204,833)
(13,715,305)	(14,188,255)
13,193,210	-
(56,915,183)	(56,393,088)

C. Written down value (A-B)

17,693,667	32,304,775
-------------------	-------------------

9.00 Other assets :

Tax deducted at sources
Advance Payment of Tax
Security deposit for CFO's resident
Security Deposit Office Rent Pr Br.
Security Deposit Office Rent Uttara Booth
Interest receivable on deposits etc.
Interest paid in advance (Int first deposit scheme)
Dividend Receivable on Preference Share
Dividend receivable on quoted share
Receivable from structured finance
Advance for investment in share (IPO)
Advance with stock broker
Advance for Office Rent - Principal Br
Advance for RTGS Module
Deferred tax (Note - 9.01)
Interest Subsidy Receivable from BB
Other Receivable from Clients (Khurshid Alam & Others)
FICCI Membership Fee Paid
Penal Interest receivable against preference share
Advance for AFPLC IPO
Advance

8,680,938	11,173,178
6,788,334	14,689,029
-	164,000
1,377,000	1,377,000
330,000	330,000
6,183,295	8,261,480
960,939	997,686
12,689,587	4,046,541
594,978	357,000
-	1,644,347
-	680,000
317,641	76,135
-	459,000
-	-
6,182,631	6,575,313
57,369	57,369
-	123,517
57,500	63,889
-	-
-	1,587,500
1,199,006	516,507
45,419,215	53,179,490

Tax deducted at Source - AIT on interest

Opening Balance
Addition during the year
Transfer/Set off FY 2017/18

-	683,450
-	243,249
-	(418,707)
-	507,992

9.01 Deferred Tax

Particular	Carrying Amount of Accounting Base	Carrying Amount of Tax Base	Taxable/(deductible) Temporary Difference
For the year ended on 2024			
Property, Plant & Equipment	17,720,850	26,006,162	(8,285,312)
Lease Assets	(7,171,265)	-	(7,171,265)
			(15,456,577)
Applicable tax rate			40.0%
Deferred Tax (Asset)/ Liability			(6,182,631)
For the year ended on 2023			
Property, Plant & Equipment	21,289,292	26,839,044	(5,549,752)
Lease Assets	(10,888,530)	-	(10,888,530)
			(16,438,282)
Applicable tax rate			40.0%
Deferred Tax (Asset)/ Liability			(6,575,313)
			-
Deferred Tax (income)/expenses			392,682



	31-Dec-24 Amounts(BDT)	31-Dec-23 Amounts(BDT)
10.00 Borrowings from other banks, financial institutions and agents		
In Bangladesh	906,856,579	798,348,961
Outside Bangladesh	-	-
	906,856,579	798,348,961
10.01 In Bangladesh		
10.01.01 Borrowings from Bangladesh Bank		
BB Refinance Scheme - COVID 19 Stimulus Package	-	-
BB Refinance Scheme - Brick Kiln Project	27,499,996	39,722,220
BB Refinance Scheme - CMSMEs (Joy Enterprise 0145)	833,334	1,666,667
BB Refinance Scheme - CMSMEs (Premier Furniture 0151)	-	333,333
BB Refinance Scheme - CMSMEs (Asia Motors 0147)	1,666,667	3,333,333
BB Refinance Scheme - CMSMEs (Pre-finance)	16,120,000	35,960,000
BB Refinance Scheme - CMSMEs (Pre-finance)	17,360,000	37,200,000
BB Refinance Scheme - CMSMEs (Sova Printing)	2,000,000	3,333,333
BB Refinance Scheme - IPFF - II (Fiber @ Home)	383,488,120	383,488,120
BB Refinance Scheme - IPFF - II (Hoshendi)	375,000,000	-
BB Refinance Scheme - CMSMEs (Pre-Finance) 27.12.2023	19,840,000	37,200,000
BB Refinance Scheme - Women Enterprise (Rafsan Embroidery)	2,500,000	-
	846,308,116	542,237,007
10.01.02 Borrowings from other Banks & financial institutions		
OD with Commercial Bank of Ceylon	503,399	18,808,128
Call Loan from Sonali Bank	-	-
Credit Line with Commercial Bank of Ceylon	33,333,310	49,333,318
Credit Line with NCC Bank	26,711,754	87,970,508
Treasury Line (Borrowing) from DBH	-	100,000,000
	60,548,463	256,111,955
10.01.03 Borrowings from other Banks & financial institutions (Secured / Unsecured)		
Secured	26,711,754	87,970,508
Unsecured	33,836,709	168,141,446
	60,548,463	256,111,955
10.02 Maturity grouping of borrowings from other banks, financial institutions & agents		
Payable on demand	-	-
Up to 1 month	2,182,523	110,155,508
Over 1 months but within 3 months	14,366,362	26,517,427
Over 3 months but within 1 year	59,529,929	110,444,749
Over 1 year but within 5 years	254,488,877	252,119,417
Over 5 years	576,288,888	299,111,860
	906,856,579	798,348,961
11 Deposits and other accounts		
Current deposits	-	-
Savings bank deposits	-	-
Scheme Deposits	12,934,629	11,110,813
Term deposits	3,113,702,535	2,837,157,727
Bearer certificates of deposit	-	-
Other deposits	223,342	890,813
	3,126,860,506	2,849,159,352



11.01 Group-wise break-up of deposits and other accounts

Government

Deposit from banks and financial institutions

Other institutions

Individuals

31-Dec-24	31-Dec-23
Amounts(BDT)	Amounts(BDT)
-	-
-	-
2,328,773,084	1,990,075,979
798,087,422	859,083,373
3,126,860,506	2,849,159,352

11.02 Maturity Analysis

Repayable on Demand

Repayable within 01 Month

Repayable over 01 (one) Month but within 03 (three) Months

Repayable over 03 (three) Months but within 01 (one) Year

Repayable over 01 (one) Year but within 05 (five) Years

Repayable over 05 (five) Years

-	-
594,071,259	601,244,060
1,274,511,804	1,403,768,902
1,233,636,315	823,754,762
24,407,233	20,203,403
233,895	188,225
3,126,860,506	2,849,159,352

12 Other Liabilities

Payable to People's Leasing & Finance Plc, Sri Lanka

VAT Payable

TDS Payable

TDS Payable on deposits

Excise Duty Payable

Salary Tax Payable

Tax payable (12.02)

Gratuity payable

General Provision for loans, advances and leases

Specific Provision

2% Special provision

Provision for diminution in value of investments

Interest Payable on Term Deposit

Interest Payable on BB Refinance

Interest Payable on borrowing from Bank

Interest Suspension (12.03)

Other accruals & payables (12.01)

Lease liabilities

17,613,990	17,613,990
219,601	802,931
262,436	252,902
3,680,178	10,841,282
2,674,450	3,151,700
597,024	633,804
40,912,200	35,534,617
-	7,275,940
33,097,036	44,892,539
9,925,399	8,257,088
3,185,568	4,103,965
14,310,105	8,615,000
95,010,511	61,717,355
33,009,128	3,241,101
-	1,170,885
5,076,728	2,817,564
3,567,611	2,203,524
24,810,841	43,193,305
287,952,807	256,319,492

12.01 Other accruals & Payables

Audit fee payable

Directors Fees payable

Other accrued expenses

Allowance Payable

Professional fee payable

Rent Payable to Concord (Principal Br)

Payable for Support staff overtime

Provision for Banking Professional Exam Award

Others payable

373,750	374,704
372,400	313,600
2,230,627	1,137,989
16,338	24,134
-	273,125
-	48,532
-	23,357
525,000	-
49,495	8,083
3,567,611	2,203,524



31-Dec-24	31-Dec-23
Amounts(BDT)	Amounts(BDT)

12.02 Provision for Income Tax

Balance at January 1, 2024	35,534,617	42,464,225
Add : Provision made during the year	36,809,575	31,020,038
Add : Provision made for previous year	342,842	377,398
Less : Adjustment during the year	(31,774,834)	(38,327,044)
Balance at December 31, 2024	<u>40,912,200</u>	<u>35,534,617</u>

Tax has been calculated @ 40% on business income, @ 15% on Capital gain on sale of shares & @ 20% on Dividend Income.

12.03 Interest Suspense

Balance at January 1, 2024	2,817,564	1,776,089
Add : Provision made during the year	2,259,165	1,041,475
Balance at December 31, 2024	<u>5,076,729</u>	<u>2,817,564</u>

12.03 Provision for loans, advances & leases

General provision on loans, advances & leases

Balance as on January 01	44,892,539	25,075,135
Provision made for the year	(11,795,503)	19,817,404
	<u>33,097,036</u>	<u>44,892,539</u>

Specific provision

Balance as on January 01	8,257,088	1,139,531
Provision made for the year	1,668,311	7,117,557
	<u>9,925,399</u>	<u>8,257,088</u>

Special provision 2%

Balance as on January 01	4,103,965	4,140,573
Provision made for the year	(918,397)	(36,608)
	<u>3,185,568</u>	<u>4,103,965</u>

13.00 Share Capital

Authorised Capital

200,000,000 Ordinary shares of Tk 10/= each	<u>2,000,000,000</u>	<u>1,000,000,000</u>
---	----------------------	----------------------

Issued, subscribed and paid up Capital

115,500,000 Ordinary shares of Tk 10/= each	<u>1,155,000,000</u>	<u>1,050,000,000</u>
---	----------------------	----------------------

Details of shares holding as at 31.12.2024 are as under;

Shareholder	Face Value (BDT)	Total Number of Equity Shares	Percentage of Shareholding	Consideration paid (BDT) for all shares (excl. premium)
Summit Holdings Limited	10	11,550,000	10%	115,500,000
Concept Knitting Ltd.	10	4,620,000	4%	46,200,000
Green Delta Insurance Company Ltd.	10	11,550,000	10%	115,500,000
Mr. Lutfe Mawla Ayub	10	2,310,000	2%	23,100,000
Mr. Syed Ali J. Rizvi	10	11,550,000	10%	115,500,000
Ms. Sohana Rouf Chowdhury	10	11,550,000	10%	115,500,000
Ms. Fahmida Akter Khatun	10	3,465,000	3%	34,650,000
People's Leasing & Finance PLC - Sri Lanka	10	58,905,000	51%	589,050,000
Grand Total		115,500,000	100%	1,155,000,000



31-Dec-24	31-Dec-23
Amounts(BDT)	Amounts(BDT)

13.01 Capital adequacy Ratio:

This disclosure is comply with DFIM Circular 14/2011 under the para 7.4 (a) of "Prudential Guidelines on Capital Adequacy Market Discipline for Financial Institutions."

Capital adequacy ratio has been calculated as per circular issued by Bangladesh Bank.

Tier-1 (Core Capital)	1,332,772,823	1,249,364,937
Paid-up Capital	1,155,000,000	1,050,000,000
Statutory Reserve	68,371,312	51,688,729
General Reserve	-	-
Share Premium	17,200,000	122,200,000
Retained Surplus	92,201,511	25,476,207
Tier-2 (Supplementary Capital):	33,652,629	28,414,512
General provision maintained against unclassified loans	33,652,629	28,414,512
Other Reserves	-	-
Total Capital Held (Tier 1 + Tier 2)	1,366,425,452	1,277,779,449
Total Risk Weighted Assets (Note 13.02)	3,530,989,518	2,949,701,044
Required capital	1,000,000,000	1,000,000,000
(10% of risk-weighted assets or Tk. 100.00 Core whichever is higher)	1,366,425,452	1,294,257,476
Total Capital Held	1,366,425,452	1,294,257,476
Capital adequacy ratio	38.70	43.88
Core capital	37.75	42.36
Supplementary capital	0.95	1.52

Minimum Capital Adequacy Ratio requirement as per Bangladesh Bank Guideline is 10% on RWA.

Gross Risk-Weighted Assets (RWA) of 2023 in the various categories of risk weights are detailed below :

13.02 Total Risk Weighted Assets

(a) Risk Weights for Credit Risk	2,692,210,312	2,273,160,976
(b) Risk Weights for Market Risk	526,400,000	384,000,000
(c) Risk Weights for Operational Risk	312,379,206	292,540,068
Total Risk Weighted Assets (a+b+c)	3,530,989,518	2,949,701,044

14 Statutory Reserve

Opening balance	51,688,729	46,807,935
Add: Transferred during the year	16,682,583	4,880,794
	68,371,312	51,688,729

15 Retained Earnings

Opening Balance	25,471,177	55,766,621
Net profit during the period	83,412,917	24,403,970
Transferred to Statutory Reserve	(16,682,583)	(4,880,794)
Prior Year Adjustment	-	181,380
5% Cash dividend for 2022	-	(50,000,000)
	92,201,511	25,471,177



16 Interest income

This represents interest income from the following products:

Interest on loans (Corporate)
Interest on lease
Interest Income on Home Loan
Interest on Auto Loan
Interest on SME Loan
Interest Income on LAD
Interest Income on Nano Loan
Interest Income on Staff Personal Loan
Penal Interest
Penal Interest Preference Share Div

Interest on Bank deposits
Interest Income on Treasury Line
Interest Income on Call Placement
Interest Income on Govt Securities

17 Interest Expense on Deposits & Borrowings

Interest on term deposits
Interest expense on borrowings
Interest on call loan & treasury line
Interest on BB Refinance
Interest expense on lease rent

18 Investment income

Gain on sale of marketable securities
Dividend Income on Quoted Share
Dividend Income on Preference Share

19 Other Operating Income

Documentation Fee
Income From Structured Finance
Early Settlement Charge
Supervision Fee
Other income

20 Salaries, allowances and benefits

Salaries, allowances and benefits

Salaries, allowances and benefits includes contribution to Provident Fund Tk. 3,145,249/- in 2024 and Tk. 2,979,080/- in 2023.

21 Rent, taxes, insurance, electricity, etc.

Rent, rate and taxes (Note: 20.1)
Insurance
Power and electricity

31-Dec-24	31-Dec-23
Amounts(BDT)	Amounts(BDT)

377,720,824	226,727,745
439,067	816,918
29,752,798	22,472,299
4,455,363	5,842,681
138,246,081	158,278,525
325,175	250,630
-	326
91,873	
10,435,140	11,772,106
36,778	(930)

561,503,098	426,160,299
24,023,780	32,390,720
30,057,167	8,716,597
79,861	-
9,393,126	
63,553,934	41,107,318
625,057,032	467,267,617

341,224,410	244,961,158
12,130,671	14,918,549
2,263,889	886,111
44,323,998	14,015,228
3,846,863	5,526,285
403,789,831	280,307,330

1,690,629	725,827
2,467,001	1,339,826
23,443,046	18,417,324
27,600,676	20,482,976

597,239	894,913
2,683,687	3,100,000
52,343	1,593,532
126,308	173,247
1,275,143	639,194
4,734,720	6,400,885

72,694,595	67,890,953
------------	------------

4,179,160	3,989,305
2,021,183	1,882,269
2,141,294	1,751,080
8,341,637	7,622,654



21.1 Disclosure related to rent, rate and taxes:

Actual rent expenses (inclusive of VAT)
Less: Reclassification of rent expenses (as per IFRS 16: Leases)
Rent expenses as reported

31-Dec-24	31-Dec-23
Amounts(BDT)	Amounts(BDT)
26,408,487	24,676,605
22,229,327	20,687,300
4,179,160	3,989,305

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 17.

22 Legal & Professional fees

Legal & Professional fees

2,607,866	1,654,928
------------------	------------------

23 Postage, stamp, telecommunication etc.

Postage
Telecommunication & Internet etc.

12,689	20,576
781,900	732,102
794,589	752,678

24 Stationery, printing, advertisements, etc.

Stationery & printing
Advertisement and publicity

1,114,782	660,078
999,933	1,174,324
2,114,715	1,834,402

25 CEO's salary and benefits

Basic Pay
Bonus
Allowance and benefits

6,600,000	6,225,805
800,000	1,100,000
4,620,000	3,449,691
12,020,000	10,775,496

26 Directors' fees

Honorarium for attending meeting

1,182,000	528,000
------------------	----------------

26.01 Bangladesh Bank vide its DFIM Circular No. 13 dated November 30,2015 and DFIM Circular No. 01 dated 29 February 2024 re-fixed the maximum limit of remuneration to the directors for attending meeting of the Board and it's committees at Taka 10,000/- per meeting per director.

27 Administration and maintenance

Bank charges
Office maintenance
Travelling & Conveyance
CIB Charges
Directors Traveling and hotel charges
Training
BLFCA Membership fee
FICCI Membership Fee
SLBCCI Membership Fee
BAFC Membership fee
IBB Membership fee
Credit Rating Fee
Office 365 License & Renewal
Antivirus License & Renewal
Web Domain
Newspaper & Periodicals
DSE Registration Fee/Brokerage Commission/IPO Application Fee

656,002	720,758
974,263	836,664
1,990,357	1,578,278
44,420	50,370
644,643	724,196
179,771	374,195
255,555	230,000
121,389	113,889
12,500	11,500
183,336	383,333
127,778	127,778
150,500	150,500
460,933	386,900
-	21,000
8,913	81,640
-	120
2,600	6,450



	31-Dec-24 Amounts(BDT)	31-Dec-23 Amounts(BDT)
Portfolio Management Fee	378,601	473,567
Recruitment Expenses	33,925	59,295
Business Promotion	1,771,392	3,174,662
Rebranding	-	707,555
Internal Events	180,743	93,433
NID Verification Charge	5,434	7,651
Corporate Social Responsibilities (CSR)	315,000	247,500
New Website Development Cost	-	-
Trade License	41,445	86,340
Donation	-	19,505
Cleaning Services (DCS / Mahdi)	608,436	540,124
Meeting Expense for BOD/EC/AC	142,614	69,899
Office Consumables	677,979	702,282
Security Service (Elite)	2,355,333	1,371,418
Support Staff Welfare (Overtime)	254,647	366,870
AC Maintenance	14,943	148,887
Vehicle Fuel & Other Expense	832,351	1,013,836
Employee Get together	351,117	479,509
RJSC Fees (for increasing Authorized Capital)	-	922,723
Canva / Zoom / PDF Escape license	36,025	30,369
AMC for E-KYC / Tally / Cash e / CBS / RTGS	1,560,530	133,750
NIS Award	761,754	-
Banking Professional Exam Award	525,000	-
Car Loan Installment	1,150,000	-
Miscellaneous expenses	151,214	40,591
	17,961,443	16,537,378

28 Current Tax

Particulars	Taka	Rate	Amount in 2024	Amount in 2023
Income from Business	78,434,929	40%	31,373,971	27,750,822
Income from Capital Gains	-	15%	-	-
Capital gain on sale of fixed assets	-	15%	-	-
Capital gain on sale of shares	1,690,629	15%	253,594	72,583
Income from Investments	-	-	-	-
Dividend income	25,910,047	20%	5,182,009	3,951,430
Capital Gain from sale of Government Treasury Bills	-	15%	-	-
Total taxable income (A)	106,035,604		36,809,575	31,774,834
Add: Provision for previous year			342,842	-
Less: Release of tax provision			-	-
Current Tax Provision during the year 2024			37,152,417	31,774,834

29 Average effective tax rate

The average effective tax rate is calculated below as per International Accounting Standard (IAS) 12: "Income Taxes".

Tax expenses (A)	37,152,417	31,774,834
Accounting profit before tax (B)	120,958,016	59,038,138
Average effective tax rate (A÷B)	31%	54%

Reconciliation of effective tax rate :	2024		2023	
	%	BDT	%	BDT
Profit before income tax as per profit and loss account		120,958,016		59,038,138
Income tax as per applicable tax rate	31%	37,152,417	54%	31,774,834
Net inadmissible expenses	22%	27,214,031	75%	44,003,020
Tax savings from reduced tax rates (ranging from 0% to 20% for exempted investment income, dividend income, capital gains, management fee of mutual funds, sale of stock exchange membership & release from settlement of pending tax cases)	-35%	(42,136,442)	-88%	(51,966,600)
Effect of deferred tax	0%	392,682	1%	325,262
Reported average effective tax rate & total tax expenses	31%	37,152,417	54%	31,774,834

31-Dec-24	31-Dec-23
Amounts(BDT)	Amounts(BDT)

30 Earnings Per Share (EPS)

Earnings Per Share as shown in the face of the Profit and Loss Account is calculated in accordance with Bangladesh Accounting Standard 33 : Earnings Per Share".

Basic earnings per share has been calculated as follows:

Earnings attributable to ordinary shareholders	83,412,917	24,403,970
Weighted average number of ordinary share outstanding	115,500,000	115,500,000
Basic Earnings Per Share	0.72	0.21

31 Net Asset Value (NAV) Per Share

Net Asset (total assets less total liabilities) (A)	1,332,772,823	1,249,359,906
Total number of ordinary shares outstanding (B)	115,500,000	105,000,000
Net Asset Value per share (NAV) (A+B)	11.54	11.90

32 Net Operating Cash Flow Per Share

Cash flows from operating activities as per statement of cash flows (A)	157,142,019	76,264,499
Number of Ordinary Share at Balance Sheet date (B)	115,500,000	105,000,000
Net Operating Cash Flow-per Share (A/B)	1.36	0.73

33 Foreign Exchange Gain/(loss) - IAS 21

The Commercial Bank of Ceylon on behalf of AFPLC wrote to Bangladesh Bank(BB) dated 17.12.2019 requesting to reimburse amounting to LKR 3,995,085 for Consultancy cost reimbursement (ICT) for the period 15th May 2016 to 31st December 2017 out of the total figure of LKR 27,154,902 for which our parent company PLC (Peoples Leasing and Finance PLC) has submitted a separate invoice.

BB in response has sent a letter to proceed with the reimbursement subject to obtaining approval from the BIDA stating that any foreigner who comes & works in Bangladesh should have obtained proper class of VISA, if applicable, he/she should have approval from Bangladesh Investment Development Authority. However, up to date, we have not proceeded with this request as the prior approval from BIDA was not obtained by Peoples Leasing and Finance PLC(PLC) through AFPLC (then LAFL) for their ICT reimbursements.

34 Related party disclosure

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 not involve more than a normal risk.

Name of related party and relationship	Relationship	Transaction during the year			
		Balance as at 01 January 2024	Addition	Adjustment	Balance as of December 31, 2024
People's Leasing & Finance PLC - Sri Lanka	Shareholder	17,613,990			17,613,990
Ispahani Summit Alliance Terminals Ltd.	Common Director	-	-	-	-
AHL Employees' Provident Fund	Common Director	7,146,625	-	1,799,341	5,347,284
Alliance Econiq Technologies Limited	Common Director		-	-	-
Ms. Fatema Hossain Rizvi	Director's family member	36,609,756	3,818,416	-	40,428,172
Fountain Garments Manufacturing Ltd.	Common Director	257,940,101	125,859,721	-	383,799,821
Mr. Lutfu Mawla Ayub	Director	-	10,537,287	-	10,537,287
Ms. Mazkura Ayub	Director's family member	5,466,559	5,250,615	-	10,717,174
Md. Mamun-Ur-Rashid	Shareholder's family member	119,050,000	11,500,000	-	130,550,000
Oriental Oil Company Limited	Common Director	-	-	-	-
PEB Steel Alliance Limited Employees Provident Fund	Common Director	21,686,257	210,022	-	21,896,278
Sabera Ahmed Rizvi Foundation	Director's family member	500,000	40,000	40,000	500,000
Mr. Syed Ali Haider Rizvi	Director's family member	23,196,205	2,320,633	-	25,516,838
Mr. Syed Nasser Haider Rizvi	Director's family member	28,284,863	-	28,284,863	-
Mrs. Archita Podder	CEO's Spouse	10,000,000	-	5,000,000	5,000,000
Mr. Shahanur Rashid	Head of Business, LAFL	-	-	-	-
Orient Center	Director's family	-	-	-	-
OOCL Employees Provident Fund	Common Director	1,254,000	-	1,254,000	-
Alliance Petroleum Corporation Limited	Common Director	52,287,761	-	52,287,761	-
Ispahani Summit Alliance Terminals Limited Beneficiaries Profit Participation Fund	Common Director	5,464,111	403,008	-	5,867,119
Ispahani Summit Alliance Terminals Limited Employees Provident Fund	Common Director	3,032,750	11,237,645	-	14,270,395
Fahmida Akter Khatun	Shareholder	26,092,764	1,264,764	-	27,357,528
Masco Exports Limited	Common Director	124,502,669	-	124,502,669	-
Cashe Alliance Limited	Common Director	-	-	-	-
Inaba Ayub Rahman	Director's family member	10,000,000	-	-	10,000,000
Ibaha Ayub Rahman	Director's family member	4,200,000	-	-	4,200,000
Adeeba Aziz Khan	Director's family member	9,601,500	1,042,555	-	10,644,055
Azeeza Aziz Khan	Director's family member	8,000,000	213,700	8,213,700	-
Firdaus Nasir Trust	Common Director	10,292,072	1,757,928	-	12,050,000
Green Delta Insurance Limited	Common Director	13,095,237	-	2,568,714	10,526,523
Mr Ahmed Arif Billah	Director's family member	7,000,000	-	7,000,000	-
Farhana Akhter	Director's family member	7,065,000	698,388	-	7,763,388

35 Directors and their entities in which they have interest

a. Particulars of Directors and Shareholders & their interest in different entities

SL no.	Name of the Director	Status in LAFL	Name of the firms/companies in which interested is the proprietor, partner, director, managing agent, guarantor, employee etc.	Status in interested entity	(%) of Holding/Interest in the concern as on 31.12.2023
1.	Mr. Syed Ali Jowher Rizvi	Chairman	Alliance Holdings Limited	Chairman & Shareholder	44.69%
			PEB Steel Alliance Limited	Director and shareholder	6.69%
			Alliance Building Materials Limited	Chairman and Shareholder	45.70%
			PEB Steel Bangladesh Limited	Managing Director and Shareholder	11.00%
			Alliance Equities Limited	Chairman and Shareholder	34.00%
			Alliance Oil Limited	Chairman and Shareholder	33.40%
			Summit Alliance Port Limited	Managing Director and Shareholder	5.48%
			Alliance Petroleum Corporation Limited	Chairman and Shareholder	65.00%
			Oriental Oil Company Limited	Chairman (Nominated by Alliance Holdings Limited) and Shareholder	0.01%
			Alliance Finance PLC	Chairman and Shareholder	10.00%
			Union Accessories Limited	Chairman and Shareholder	25.50%
			Union Knitting and Dyeing Limited	Chairman and Shareholder	26.00%
			Cashe Alliance Limited	Chairman and Shareholder	42.53%
			Ispahani Summit Alliance Terminals Limited	Director (Nominated by Alliance Holdings Limited)	N/A
			Fountain Garments Manufacturing Limited	Director and Shareholder	31.44%
2.	Mr. Lutfe Mawla Ayul	Director	Green Care Agro Ltd	Shareholder	2.98%
			Cashe Alliance Limited	Shareholder	4.98%
			Fountain Garments Manufacturing Limited	Shareholder	20.00%
3.	Green Delta Insurance Company Limited	Shareholder	Green Delta Securities Limited (GDSL)	Subsidiary	100.00%
			Green Delta Capital Limited (GDCL)	Subsidiary	100.00%
			Professional Advancement Bangladesh Ltd	Subsidiary	99.96%
			GD Assist Limited (GDAL)	Subsidiary	99.96%
			Green Delta Dragon Asset Management Company Limited (GDDAMC)	Associate	40.00%
4.	Ms. Sohana Rouf Chowdhury	Director	Rangs Motors Limited	Managing Director	50.00%
			Rangs Commercial Vehicle Limited	Director	51.00%
			Rangs Motors Workshop Limited	Managing Director	11.00%
			Rangs Interiors Limited	Managing Director	55.00%
			Rangs Food & Beverage Limited	Director	60.00%
			Rangs Real Estate Limited	Director	51.00%
			Rangs Motorbikes Limited	Managing Director	40.00%
			Rangs Electrode & Electronics Ind.Limited	Director	19.00%
			Rangs Agro Boiteq Limited	Director	50.00%
			Zhen Natural Limited	Director	40.00%
			Rangs Power Tech Limited	Managing Director	60.00%
			Rangs Construction Limited	Managing Director	65.00%
			Sash Limited	Managing Director	40.00%
			SRK Limited	Managing Director	70.00%
			Rangs Autos Limited	Shareholder	60.00%
			M/s. The Largest Equipment Rental Network	Partner	80.00%
			SASH International	Managing Partner	40.00%
			Metro Foils Limited	Director	8.00%
			Zest Polymers Limited	Director	20.00%
			Rancon Autos Limited	Director	45.00%
			Rangs Pharmaceuticals Ltd	Director	1.00%
			Shield Security Service Limited	Director	6.50%
			Rancon Engineering Limited	Director	5.00%
			Agro Foods Services Limited	Director	20.00%
			Rangs Appliances Limited	Managing Director	51.00%
			Rangs Dolonchapa Express Limited	Managing Director	25.00%
			Streat Limited	Share Holder	60.00%
			Rangs Alliance Limited	Managing Director	60.00%
			Rangs-Agro Industries Limited	Managing Director	68.00%
			Sea Resources Ltd.	Director	13.50%
			Sea Fishers Ltd.	Director	15.00%
			Deep Sea Fishers Ltd	Director	15.00%

SL no.	Name of the Director	Status in LAFL	Name of the firms/companies in which interested is the proprietor, partner, director, managing agent, guarantor, employee etc.	Status in interested entity	(%) of Holding/Interest in the concern as on 31.12.2023
			Rangs Limited	Shareholder	6.00%
			Ranqs Properties Limited	Shareholder	5.00%
			Ranqs Workshop Limited	Shareholder	6.00%
			Rangs ITT Limited	Shareholder	5.00%
			Ranks Telecom Limited	Shareholder	6.00%
			Softex Communication Limited	Shareholder	12.00%
			Rancon Motors Limited	Shareholder	0.29%
5.	Fahima Akhter	Nominated Director	MPL Wear Limited	Chairman & Shareholder	33.00%
			Masco Exports Limited	Chairman & Shareholder	20.00%
			Masco Overseas Limited	Chairman & Shareholder	25.00%
			Masminu International Limited	Chairman & Shareholder	25.00%
			Masminu Systems Limited	Chairman & Shareholder	25.00%
			Masco Trims Limited	Managing Director & shareholder	20.00%
			Masco Industries Limited	Director & Shareholder	19.00%
			Masco Cottons Limited	Director & shareholder	25.00%
			Mascotex Limited	Director & shareholder	13.00%
			Concept Knitting Limited	Director & shareholder	5.00%
			Shanta Expression Limited	Director & shareholder	17.00%
			Tasniah Fabrice Limited	Director & shareholder	24.00%
			Masco Printing and Embroidery Limited	Director & shareholder	13.00%
			Masco Picasso Limited	Director & shareholder	13.00%
			Masco Yarn Dyeing and	Director & shareholder	25.00%
			Masco Poultry Limited	Director & shareholder	25.00%
			Masco Services Limited	Director & shareholder	20.00%
			Masco Linens Limited	Director & shareholder	25.00%
			Masminu Energy Limited	Director & shareholder	20.00%
			Masminu Footspree Limited	Director & shareholder	20.00%
			Masco Superknits Limited	Director & shareholder	20.00%
			Masco Energy Limited	Director & shareholder	25.00%
			Masco Shakib Cricket Academy Ltd.	Director & shareholder	20.00%
			Masco Cotspin Limited	Director & shareholder	20.00%
			Masco Properties Limited	Director & shareholder	15.00%
			Masco Bazar Limited	Director & shareholder	23.00%
			Masco Shares & Securities Limited	Director & shareholder	12.00%
6.	Summit Holdings Limited	Shareholder	Summit Corporation Limited	Director	0.00%
			Summit Holdings Limited	Director	19.67%
			Summit Assets Limited	Director	16.72%
			Summit Alliance Port Limited	Director	3.68%
			Summit Investment Limited	Director	7.50%
			Grands Garden Limited	Director	39.90%
			Summit Oil & Shipping Company Limited	Director	0.01%
			Summit Equities Limited	Director	1.66%
			Cosmopolitan Finance Limited	Director	16.72%

36.0 Disclosures on the board audit committee

Composition and qualification:

The Audit Committee consists of the following directors of the Board:

Name	Status with the Company	Status with the Committee	Educational Qualification
Abdur R. Chowdhury	Director	Chairman	MS in Applied Economics, PhD in Economics
Mohamed Azzam Ali Ahamat	Director	Member	CIMA, ACCA
Sohana Rouf Chowdhury	Director	Member	BA in Economics
Azeeza Aziz Khan	Director	Member	ACCA

Audit Committee meetings held during the year 2024:

SL.	Meeting no.	Meeting date
1	01/2024 no. Audit Committee Meeting	21-Mar-2024
2	02/2024 no. Audit Committee Meeting	25-Jun-2024
3	03/2024 no. Audit Committee Meeting	12-Sep-2024
4	04/2024 no. Audit Committee Meeting	9-Dec-2024

Major issues discussed in the Audit Committee Meeting during the year 2024 were as under:

- Reviewed the draft financial statements of the Company.
- Reviewed the effectiveness of Internal Audit Control & Compliance, monitoring, process and external audit process.
- Reviewed the Internal Audit Plan.
- Reviewed the Core Risk Management Policies of the Company.
- Reviewed and approved the 'Audit Committee Report'.
- Reviewed the quarterly financial statements.
- Reviewed the quarterly report on compliance of internal policy and operations report.

37.0 Approval of the financial statements

These financial statements were authorized for issue by the Board of Directors of the Company on 25 June, 2025.

Alliance Finance PLC
Schedule of Fixed Assets including land, building, furniture and fixture
 As at 31 December 2024

Annexure A
 Amounts in BDT

Particulars	Cost			Depreciation				Written Down Value as on 31.12.2024	
	Balance as on 01.01.2024	Transferred in/Additions	Transferred out/Disposal	Balance as on 31.12.2024	Rate %	Balance as on 01.01.2024	Charged during the year		Adjustment during the year
Freehold assets									
Office decorations	6,989,051	-	-	6,989,051	10%	3,951,333	698,905.10	-	4,650,239
Furniture and fixtures	4,484,174	226,500	-	4,710,674	20%	3,349,476	356,042.40	-	3,705,518
ICT Equipment	12,081,282	1,556,882	-	13,638,164	20%	8,666,366	1,325,944.18	-	9,992,310
Office equipment	5,444,702	58,532	-	5,503,234	20%	4,164,718	397,108.43	-	4,561,827
Vehicle	5,550,000	-	-	5,550,000	12.5%	2,023,437	693,750.00	-	2,717,187
	34,549,209	1,841,914	-	36,391,123		22,155,330	3,471,750	-	25,627,080
Intangible asset									
CIB Module ,Tally & Fortinet Coterm	3,068,525	917,110	-	3,985,635	33%	1,967,963	760,869	-	2,728,832
CBS	9,500,000	-	-	9,500,000	20%	1,899,996	1,900,000	-	3,799,996
	12,568,525	917,110		13,485,635		3,867,959	2,660,869		6,528,827
Right of use asset	88,697,862	-	14,089,012	74,608,850	as per lease term	56,393,088	13,715,305	13,193,210	56,915,183
Balance as on 31 Dec 2024	135,815,596	2,759,024	14,089,012	124,485,608		82,416,377	19,847,924	-	89,071,091
Balance as on 31 December 2023	120,657,891	15,157,705	-	135,815,596		62,455,692	19,947,218	-	82,402,909
									53,412,686



Alliance Finance PLC
Schedule of Financial Indicators
As at 31 December 2024

Annexure C

Sl no.	Key indicators	As at 31 Dec 2024	As at 31 Dec 2023
1	Paid-up capital	1,155,000,000	1,050,000,000
2	Total capital	1,366,425,452	1,277,779,449
3	Capital surplus	366,425,452	294,257,476
4	Total assets	5,654,442,716	5,153,187,712
5	Total deposits	3,126,860,506	2,849,159,352
6	Total loans, advances and leases	4,689,314,379	4,048,794,058
7	Total contingent liabilities and commitments	-	-
8	Credit deposit ratio	150%	142%
9	Percentage of classified loans against total loans, advances and leases	0.80%	0.40%
10	Profit after tax and provision	83,412,917	24,403,970
11	Amount of classified loans during current period	37,307,510	16,318,591
12	Provisions kept against classified loans	9,925,398	8,212,088
13	Provision surplus against classified loan	-	-
14	Cost of fund	10.61%	8.66%
15	Interest earnings assets	5,519,009,952	4,996,239,407
16	Non-interest earnings assets	135,432,764	156,948,305
17	Return on investment (ROI)	7.34%	10.21%
18	Return on Asset (ROA)	1.48%	0.47%
19	Income from investment	27,600,676	20,482,976
20	Earnings Per Share (EPS)	0.72	0.21
21	Market price per share	N/A	N/A
22	Price earnings (PE) ratio	N/A	N/A



Alliance Finance PLC
Details of investment in quoted shares
As at 31 December 2024

Annexure - B
Amounts in BDT

Sl No	Name of Script	No of Shares	Cost Price	Market Price	Total Cost Value	Total Market Value
1	British American Tobacco Bangladesh	10,000	655.06	367.60	6,550,608	3,676,000
2	Berger Paints Bangladesh Ltd.	223	1,794.33	1,822.90	400,136	406,506
3	Beximco Pharmaceuticals Ltd.	12,000	196.13	81.60	2,353,594	979,200
4	Dutch Bangla Bank PLC	69,471	59.17	47.90	4,110,317	3,327,661
5	Grameenphone Limited	10,000	343.92	323.10	3,439,178	3,231,000
6	Marico Bangladesh Ltd.	1,452	2,429.76	2,282.80	3,528,011	3,314,626
7	Reckitt Benckiser	310	5,185.39	4,350.00	1,607,470	1,348,500
8	Square Pharmaceuticals PLC	30,000	236.42	217.70	7,092,593	6,531,000
9	Summit Power Limited	150,000	47.95	14.80	7,192,186	2,220,000
10	Global Islami Bank PLC	455,652	9.07	4.90	4,132,910	2,232,695
11	Walton Hi-Tech Industries PLC	1,900	1,103.44	487.50	2,096,541	926,250
					42,503,543	28,193,438