

ANNUAL  
REPORT | **2024**



COMMITTED TO  
**CLARITY**

 **SFIL**  
Bond of Transparency



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## At A Glance

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Type of Company	: Public Limited Company
Type of Business	: Finance Company
Key Business Segments	: Retail Financing SME Financing Corporate Financing & Advisory Deposit & Savings
Company Incorporation Number	: C-160166/2020
Date of Incorporation	: March 09, 2020
Bangladesh Bank License Number	: DFIM (L) /41
Number of Branch	: 02
Address of Head Office	: Finance Square, Level: 15, Holding No-22/A, Road No-102 & 103 Gulshan-2, Dhaka – 1212, Bangladesh.
Address of Principal Branch	: Rangs RL Square, Level: 13 201/1 Kha, Bir Uttam Rafiqul Islam Avenue Progoti Shoroni, Dhaka-1212, Bangladesh.
Telephone	: +88 09612223322
Email Address	: info@sfilbd.com
Web Address	: www.sfilbd.com
Auditor	: Arun & Company Chartered Accountants Member firm of KPNG & CO. (NIRBHIK GANDHI & ASSOCIATES, India)
Key Banking Partners	: <ul style="list-style-type: none"><li>▪ Standard Chartered Bank</li><li>▪ Eastern Bank PLC.</li><li>▪ Premier Bank PLC.</li><li>▪ Southeast Bank PLC.</li><li>▪ NRB Bank PLC.</li><li>▪ Standard Bank PLC.</li><li>▪ Export Import Bank of Bangladesh PLC.</li><li>▪ Padma Bank PLC.</li></ul>
Credit Rating	: A+, ST-2
Credit Rating Company	: Emerging Credit Rating Limited
Legal Advisers	: <ul style="list-style-type: none"><li>▪ Barrister Chowdhury Mokimuddin</li><li>▪ Barrister Shakhawat Hossain</li></ul>
Tax Advisers	: Adil & Associates
Subsidiary	: SFIL Securities Limited (DSE & CSE TREC Holder)
Wing/Division	: SFIL Islamic Finance Wing



November 27, 2025

## NOTICE OF HOLDING OF THE 5<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that to all the Shareholders of SFIL Finance PLC. that the 5<sup>th</sup> Annual General Meeting (AGM) of the company to be held on Sunday, December 14, 2025 at 5:00 PM through physical presence in the Head Office to transact the following business.

### — AGENDA —

- AGMA-05-01 :** To receive, consider and adopt the Directors' Report, Auditors' Report and Audited Financial Statements for the year ended December 31, 2024;
- AGMA-05-02 :** To approve dividends out of the profits for the year ended December 31, 2024;
- AGMA-05-03 :** To elect/re-elect the directors who are retiring in terms of the relevant provision of the Articles of Association of the Company;
- AGMA-05-04 :** To appoint Auditors and to fix their remuneration for the year ended December 31, 2025;
- AGMA-05-05 :** To transact any other business with the permission of the Chairman.

Your attendance in the meeting will be highly appreciated.

By the order of the Board

**Tanvir Mahmud**  
Company Secretary

# Financial & Operational Performance 2024

## Financial Highlights

BDT in million

Financial Performance	SFIL		SFIL GROUP	
	2024	2023	2024	2023
Cash and cash-equivalents	231	1,819	234	1,821
Investments	2,925	1,729	2,945	1,740
Leases, loans and advances	987	1,385	987	1,385
Total assets	4,504	5,362	4,464	5,312
Total deposit balance	2,962	3,868	2,932	3,832
Total Shareholders' Equity	1,097	1,151	1,068	1,132

## Operational Highlights

BDT in million

Operational Performance	SFIL		SFIL GROUP	
	2024	2023	2024	2023
Gross Operating Income	511	511	516	514
Financial expenses	389	364	386	363
Operating expenses	90	95	102	107
Profit before provision & tax	32	51	28	44
Profit before tax	(38)	48	(45)	41
Net Profit after tax	(54)	24	(63)	16





## About SFIL

SFIL Finance PLC. is a joint venture full-service Bangladesh Bank licensed multi-product Finance Company. SFIL's shareholding comprises 96% institutional investments which exerts a key strength in terms of Operation, Internal Control & Compliance, and Corporate Governance. A significant portion of its institutional shareholdings is from renowned foreign fund managers from the Canada and USA. This foreign collaboration helps SFIL to attract foreign funds in both equity and debt form into Bangladesh. Moreover, the foreign collaboration also allows us to bring international best practices into the company.

We are committed to extending the complete array of industry-leading products and services including lending in Corporate, SME, Retail, Term Deposit, Saving Schemes, and Corporate Advisory. Our focus areas for investments are Infrastructure, Manufacturing, SMEs, Cluster-based financial inclusion, Retail, Exports, Green projects, Agro, Emerging industries, Technology, and Innovation. We are passionate about constant improvement and innovation.

SFIL Islamic has introduced products and services as per Shariah guideline of Bangladesh Bank to meet the requirements of customers. We are providing attractive profit margin with contemporary product to our valuable client through Islamic Finance wing. SFIL Islamic Wing is governed and supervised by independent and experienced Shariah Supervisory Committee. The Shariah Supervisory Committee members are well known Islamic Scholar, researcher, educationist and pioneer in Islamic Banking industry in Bangladesh. The financial products and services are fully compliant by the Shariah laws and regulations and guideline of Bangladesh Bank.

SFIL Securities Limited (SFILSL) is a 99.99% owned subsidiary of SFIL. SFILSL obtained DSE, CSE, Stock broker, Stock Dealer and DP License from BSEC. SFILSL is extending share sale and buy services to its clients. The company started its trading activities on April 28, 2022. As a newly established brokerage we are focusing on building a strong client base to increase income from trading commissions- the main source of income of brokerage firms.

We are passionate about constant improvement and innovation. SFIL is committed to delivering sustainable performance and superior service. We continuously build long-term and mutually beneficial partnerships through a Bond of Transparency.

## OUR CSR INITIATIVES

SFIL Finance PLC. care about the education for special child. In this purpose, **SFIL** has donated in PROYASH to assist the special child for the betterment of their education system.



"**Prime Minister's Education Assistance Trust**" is a Bangladesh government trust fund under the Ministry of Education responsible for providing scholarships to underprivileged students based on merit. **SFIL Finance PLC.** has donated to the "**Prime Minister's Education Assistance Trust**" to support the education of underprivileged students.

**SFIL Finance PLC.** has donated to the Hospital Social Service Office of National Institution of Burn & Plastic Surgery to ensure the better medical treatment for the underprivileged patients of "**National Institution of Burn & Plastic Surgery**".



**SFIL Finance PLC.** has actively supported environmental sustainability by undertaking **Tree Plantation** drives in rural areas, reinforcing its commitment to ecological conservation and rural development.

# CORPORATE HIGHLIGHTS

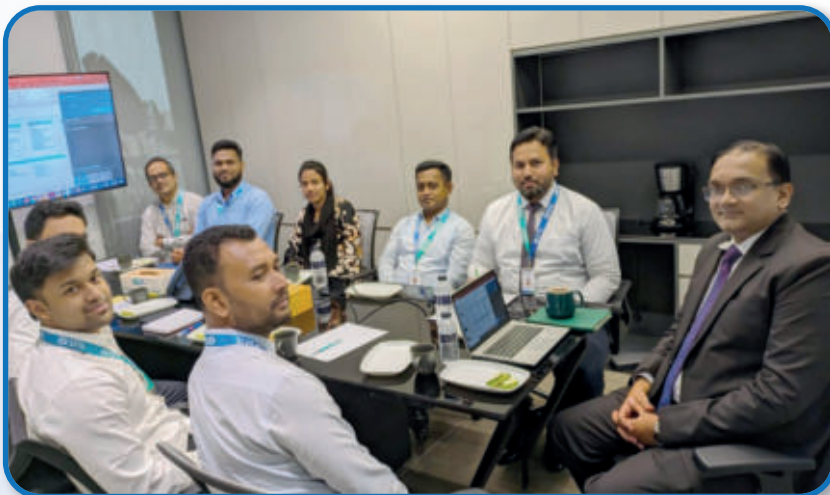


Majestic ceremony was organized on the training program of AML & CFT 2024.

# CORPORATE HIGHLIGHTS



HR Discussion Session



New Joiner Orientation



Training on SFIL  
Islamic Deposit

# EMPLOYEE ENGAGEMENTS



New Year  
Celebration 2024

CUBC Cricket  
Tournament 2024



CUBC Cricket  
Tournament 2024

Inauguration  
ceremony of SFIL  
Principal Branch at  
new location.



# EMPLOYEE ENGAGEMENTS



International Women's Day 2024



Celebrating Birthday of SFIL Employee



SFIL Employee Performance Recognition & Promotion 2024

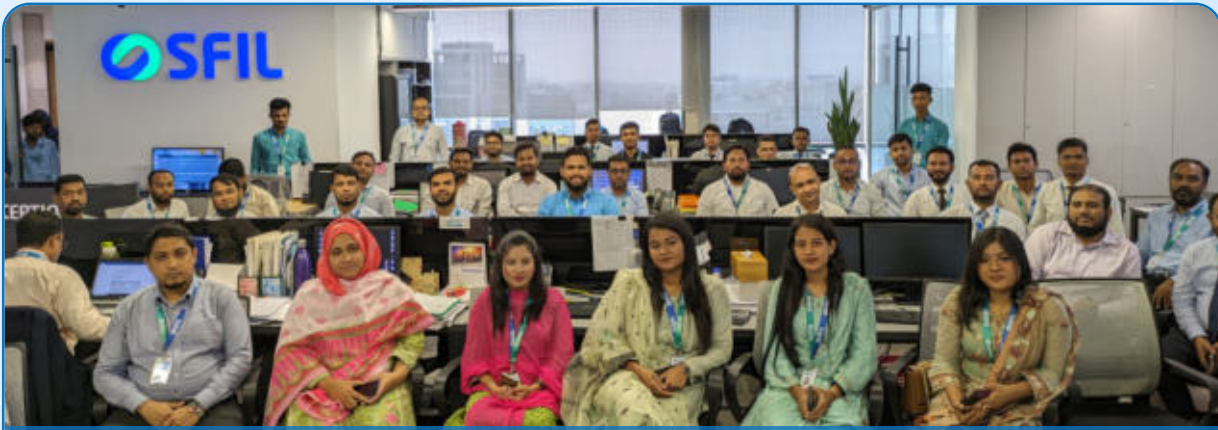


Employee Dinner Program

# EMPLOYEE ENGAGEMENTS



Deposit Campaign Award 2024



Deposit Campaign Award 2024



Welcome to New MD & CEO of SFIL



Farewell to the employee of SFIL



# VISION

To be the most preferred financial partner in our chosen markets excelling in customer service with transparency and smart use of technology.



# MISSION

We seek to help our customers achieve their financial goals and dreams through: Personal Connections, Simple Solutions, and Lifetime Relationships.

# CORE STAR VALUES



## Service Excellence

Fundamental to our values would be the safeguard of our customers and treating their needs fairly.

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## Treating Fairly with Respect

We commit to provide a safe working environment which offers diversity, inclusion and free from any discrimination and harassment.

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## Accountability

We value the ability of our staff and organization to honor our commitments to clients and to each other.

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## Responsive






We are responsive to our clients and demonstrate exemplary effectiveness with our approach to enhance their perception of us.



# OUR SERVICES







## CONVENTIONAL SERVICES

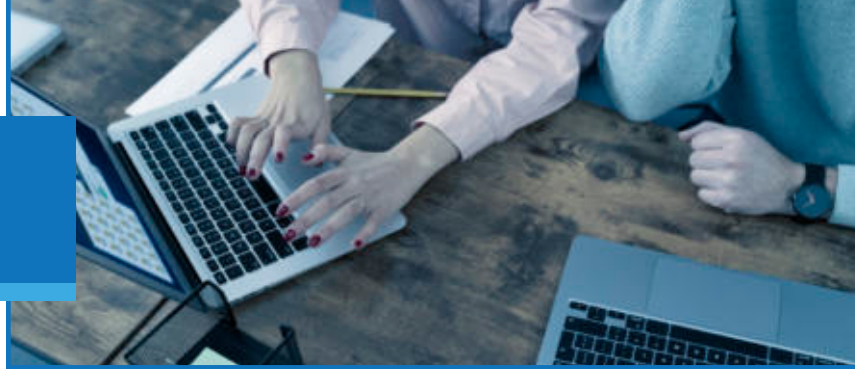
-  Savings & Deposits
-  Retail Finance
-  SME Finance
-  Corporate Finance
-  Corporate Advisory



## ISLAMIC SERVICES

-  Mudarabah Savings & Term Deposit
-  Hire Purchase Under Shirkatul Meelk (HPSM)
-  Bai-Murabaha
-  Bai Muajjal

# CONVENTIONAL SERVICES



## SAVINGS & DEPOSITS

### Savings

- Monthly Savings schemes
- Millionaire scheme

### Regular Earner Deposits

- Monthly income earner
- Quarterly income earner

### Term Deposits

- Flexible term deposits
- Cumulative term deposits
- Annual income term deposit
- Easy deposits
- Profit first
- Double money / Triple money

## RETAIL FINANCE

### Car Loans

- Brand new
- Reconditioned
- Employee car loan scheme

### Personal Loans

- Marriage loan
- Emergency medical loan
- Travel loan
- Education loan

### Home Loans

- Apartment purchase loan
- House purchase loan
- Home equity loan
- Construction extension loan
- Group construction loan
- Commercial purchase loan
- Affordable home construction loan
- Semi pakka construction loan

## SME FINANCE

- Term loan
- Lease finance
- Working capital finance
- Women entrepreneur loan
- Supplier finance

- Seasonal loan
- Short-term loan
- Commercial vehicle loan
- Startup loan
- Commercial housing loan

## CORPORATE FINANCE

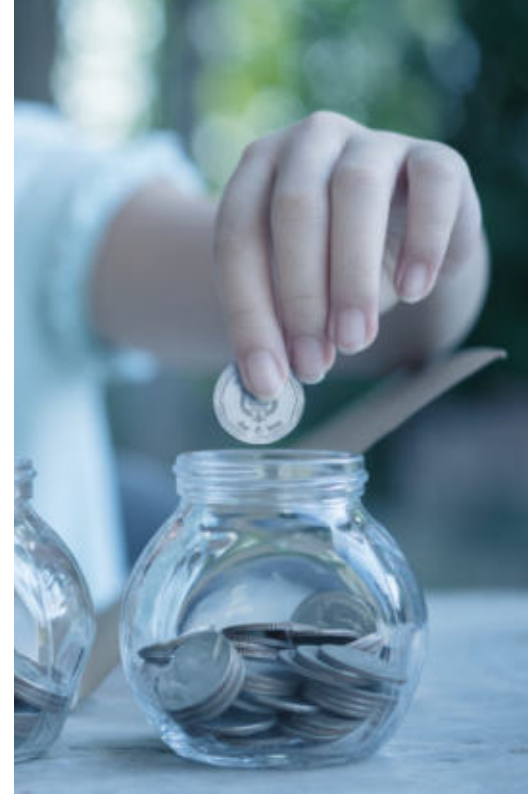
- Term loan
- Lease finance
- Working capital finance
- Sale & lease back
- Preferred equity finance
- Club finance

- Bridge finance
- Access to special fund
- Agency & trustee
- Private placement of equity
- Project finance
- Syndicated finance

## CORPORATE ADVISORY

- Debt finance
- Equity finance
- Issuance of bond
- Merger acquisition

- Preference shares
- Project feasibility
- Business plan
- Alternative Business Solution



# ISLAMIC SERVICES

## Mudarabah Savings & Term Deposit

- Mudaraba Term Deposits (MTD)
- Mudaraba Hajj Savings Scheme (MHSS)
- Mudaraba Children Education Savings Scheme (MCESS)
- Mudaraba Medical Emergency Savings Scheme (MMESS)
- Mudaraba Travel Plan Savings Scheme (MTPS)

## Hire Purchase Under Shirkatul Meelk (HPSM)

- SFIL Islamic Apartment Purchase Finance
- SFIL Islamic House Construction Finance
- SFIL Islamic Vehicle Purchase Finance
- SFIL Islamic Machineries Purchase Finance
- SFIL Islamic Doctors Investment

## Bai-Murabaha

- Business Expansion Investment
- Agricultural Investment
- Women Entrepreneurs Investment
- Small Business Investment
- Working Capital Investment

## Bai-Muajjal

- Business Expansion Investment
- Agricultural Investment
- Women Entrepreneurs Investment
- Small Business Investment
- Working Capital Investment

# SHAREHOLDING COMPOSITION

Name of Shareholders	Percentage (%)	No. of Shares	Amount in BDT
<b>A. Individual:</b>			
Ms. Anjuman Ara Shahid	2%	2,111,500	21,115,000
Mr. Raheeb Safwan Sarafat Chowdhury	2%	2,111,500	21,115,000
	<b>4%</b>	<b>4,223,000</b>	<b>42,230,000</b>
<b>B. Institutional:</b>			
Strategic Finance Limited	20%	21,115,000	211,150,000
Padma Bank Securities Limited	20%	21,115,000	211,150,000
Strategic Equity Management Limited	6%	6,334,500	63,345,000
Canadian Maple Strategic Wealth Management LP.	48%	50,676,000	506,760,000
Statisticker Inc.	2%	2,111,500	21,115,000
	<b>96%</b>	<b>101,352,000</b>	<b>1,013,520,000</b>
<b>Total Shareholdings (A+B)</b>	<b>100%</b>	<b>105,575,000</b>	<b>1,055,750,000</b>



## DIRECTORS PROFILE



**S M SALAHUDDIN ISLAM**

Chairman & Director

Major General (Retd.) S M Salahuddin Islam, currently serving as Chairman of SFIL Finance PLC., has an illustrious 37-year career in the Bangladesh Army, where he held key command and strategic roles including Military Secretary to the Hon'ble President. He commanded two Infantry Brigades, two Battalions, and a RAB unit, and served internationally in the Democratic Republic of Congo. Post-retirement, he served as Executive Chairman of BEPZA, leading industrial growth and investment.

He holds a BSc, MDS, Executive MBA, and MPhil, and is a graduate of DSCSC and NDC. He received advanced training from PULADA (Malaysia) and AIT (Thailand). Decorated with the prestigious "Bir Protik" Gallantry Award, he is known for leadership in high-risk operations, including in the Chittagong Hill Tracts. His distinguished service is further marked by multiple commendations and medals. Mr. Salahuddin is recognized for his visionary leadership, operational excellence, and contributions to national development.



**ABDULLAH AL MASUD BEGH**

Director

Barrister Abdullah Al-Masud Begh is an eminent legal practitioner whose distinguished career is characterized by intellectual rigor, exemplary professional integrity, and more than two decades of steadfast service to the administration of justice. He completed his LL.B (Honours) at the University of Wolverhampton and thereafter pursued a Postgraduate Diploma in Law at City University, London. He was subsequently called to the Bar of England and Wales by the Honourable Society

of Lincoln's Inn—an achievement that reflects both his scholarly merit and his unwavering commitment to the legal profession. These academic and professional credentials form the cornerstone of his distinguished legal journey.

Mr. Begh commenced his practice at The Law Associates in 2002, where he rapidly established himself as a diligent and capable advocate, acquiring extensive courtroom experience and developing a refined command of legal argumentation. Since 2008, he has served as the Head of Chambers at The Legal Affairs, Dhaka, while concurrently practicing as an Advocate of the Supreme Court of Bangladesh in both the High Court Division and the Appellate Division. His work across these forums reflects a deep and nuanced understanding of complex legal issues, procedural propriety, and judicial expectations.

Throughout his extensive career, Mr. Begh has represented clients across a broad spectrum of legal disciplines, consistently delivering litigation, advisory, and strategic legal services grounded in fairness, precision, and ethical probity. His principled approach to advocacy, coupled with his reputation for sound judgment and professionalism, has earned him significant respect within the legal community and among institutional stakeholders.

With more than twenty-three years of enriched professional experience, Mr. Begh brings to the Board a rare combination of profound legal expertise, mature leadership, and disciplined strategic insight. His unwavering commitment to transparency, accountability, and ethical governance positions him as a vital contributor to the corporate oversight framework of Strategic Finance Limited. His leadership ethos, integrity, and steadfast dedication to principled decision-making continue to distinguish him as a respected advocate and an invaluable steward of institutional governance and fiduciary responsibility.

**EHSANUL KABIR**

Director

Mr. Ehsanul Kabir is the MD & CEO of Strategic Equity Management Limited (SEML). He is highly experienced and seasoned professional with expertise in Capital Market and Investment Banking. He is the representative Director of SEML, a renowned Asset Management Company operate under the license from Bangladesh Securities and Exchange Commission (BSEC).

**MD. ABU KAISER, FCA**

Independent Director

Md. Abu Kaiser, FCA, a Fellow Chartered Accountant, has an extensive track record in financial strategy, regulatory compliance, and operational efficiency. He is a former Partner at Mahfel Huq & Co., Chartered Accountants, where, since 1994, he played a pivotal role in delivering comprehensive professional services, including statutory audits, financial advisory, management consultancy, corporate taxation, VAT compliance, recruitment solutions, and secretarial support. His work has consistently aligned with regulatory requirements and client objectives.

He previously served as a Consultant for UNDP's Municipal Finance Project (1992–1994), contributing significantly to fiscal planning, public financial management, and governance improvement. From 1987 to 1991, he was the Chief Accountant at CI Sheet Galvanizing Plant, where he oversaw financial reporting, budgeting, production cost control, inventory and store management, taxation, and corporate administration. Earlier, from 1982 to 1986, he served as Manager (Audit) at a Chartered Accounting firm, managing major audit engagements and assurance assignments.

Mr. Kaiser holds a Bachelor of Commerce (B.Com) degree and is a qualified Chartered Accountant. With over four decades of professional experience, he has developed deep expertise in audit and assurance, strategic financial planning, regulatory compliance, risk assessment, internal control systems, and organizational development. His leadership, analytical capability, and dedication to excellence have earned him a reputation as a trusted and respected advisor in the accounting and finance profession.

**MD. IDRIS**

Independent Director

Md. Idris is an accomplished banking professional with over 30 years of leadership experience in Bangladesh's leading financial institutions. He began his career as an Assistant Engineer at Janata Bank in July 1989 and served in various roles—including Branch Head, Area Head, Divisional Head, and ultimately General Manager until August 2019.

He subsequently served as Deputy Managing Director of Rajshahi Krishi Unnayan Bank and as Managing Director (Additional Charge) from September 2019 to March 2021. He later joined Sonali Bank Limited as Deputy Managing Director (March 2021 – January 2022) and also held the position of CEO & Managing Director (Additional Charge) in November 2021. Additionally, he served as a Director of Bangladesh Commerce Bank Limited from October 2021 to January 2022.

Mr. Idris holds an MBA from Atish Dipankar University of Science & Technology and B.Sc. in Civil Engineering from the Bangladesh University of Engineering and Technology (BUET). He is widely recognized for his strategic vision, strong leadership, and unwavering commitment to institutional growth and excellence.



### **Dr. Mohammad Manzur-e-Elahi**

Chairman

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Dr. Mohammad Manzur-e-Elahi is a researcher, educationist, Islamic scholar and writer at the same time well-known media personality. He is known nationally and internationally through Islamic research, propagation of Islam and discussions on TV/YouTube channels. He continues to serve as an Associate Professor in the Department of Islamic Studies at the National University.

Dr. Mohammad Manzur-e-Elahi has completed his Bachelor's, Master's and PhD degree from the Faculty of Shari'ah of The Islamic University of Madinah. He is also associated with Shariah Committee of different Islamic banks in Bangladesh.

He has established different Islamic institutions with the aim of spreading pure knowledge and education of Islam.

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### **Mawlana Mufti Dr. Mohd. Haroon Rashid**

Member

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Mawlana Mufti Dr. Mohd. Haroon Rashid is a researcher, educationist, Islamic scholar and writer. Currently he is a Director of Bangla Academy and working with Bangla Academy since 1995. Mawlana Mufti Dr. Mohd. Haroon Rashid has completed his PhD and Graduation from Department of Arabic and Islamic Studies, Aligarh Muslim University, India. He is also visiting professor of Southeast University, International Islamic University, Asian University of Bangladesh and Bangladesh Islami University.

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### **Dr. A.K.M Muhibbullah**

Member

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Dr. A.K.M Muhibbullah is a researcher, educationist, Islamic scholar and writer. He has completed his PhD and Graduation from Department of Arabic and Islamic Studies, Aligarh Muslim University, India.

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# MANAGEMENT PROFILE



## **ASIT KUMAR CHAKRAVORTY**

Managing Director and CEO

Mr. Asit Kumar Chakravorty is the Managing Director and CEO of SFIL Finance PLC. Prior to joining in SFIL, he was the Chief Executive Officer at ICB Capital Management Limited and General Manager at Investment Corporation of Bangladesh which is a state-owned Investment Bank of Government of the People's Republic of Bangladesh. During his tenure in ICB, he served in different key positions and gained comprehensive understanding on Investment, Credit, Underwriting and regulatory compliance. Mr. Chakravorty completed the graduation and post-graduation in Statistics and MBA in Banking & Insurance from University of Dhaka. He further honed his expertise by completing the Banking Diploma from the Institute of Bankers, Bangladesh (IBB). His professional career is decorated with numerous awards and notable professional accreditation.



## **TAMIM MARZAN HUDA**

Deputy Managing Director

Tamim Marzan Huda is the Deputy Managing Director at SFIL since 2020, Tamim had a career span of more than 24 years and served in various Banks and Financial Institutions including Standard Chartered Bank, ICB Islamic Bank and Argus Credit Rating Services Limited. During his career he served in various senior level positions and gained a comprehensive understanding and expertise on underwriting Loans and Credit, Process reengineering, Strategic Planning, Control and compliance etc. He Obtained MBA degree from East West University and also attended many International Seminars and Training Programs at home and abroad.



## **MD. MONIRUZZAMAN**

EVP, Credit Risk Management

Md. Moniruzzaman, Executive Vice President (EVP) presently works as Head of Credit Risk Management department of SFIL Finance PLC since May 2021. Prior to his current role, he was the Senior Vice President at SFIL. Before joining, he served The Premier Bank Limited, Banani. Mr. Moniruzzaman is a seasoned professional banker who brings in 20 years of experience in Banking Sector. In his last role at The Premier Bank, he managed Credit Division. Mr. Moniruzzaman completed his B.Com (Hons.) and M.Com from Dhaka University. During his professional career, he attended various training, workshops on Risk Management & Asset Liability Management.



## **MOHAMMAD RAZIBUZZAMAN KHAN**

VP & Deputy CFO

Mohammad Razibuzzaman Khan joined at SFIL Finance PLC. in September, 2020. He has 10 years of experience in various financial institutions. His areas of expertise spans over Strategic Planning & Forecasting, Process design and Productivity improvement, Financial Governance & Modelling, Financial Reporting & Financial Management, Treasury Management and Company Secretarial work. He obtained his Master's degree in Accounting. He also completed the Chartered Accountancy Professional Stage (Application Level) from The Institute of Chartered Accountants of Bangladesh (ICAB). During his professional career, he has various training exposure from various renowned institutions.

# LEADERSHIP TEAM



**Imran Parvez**

Head of Operations &  
In-Charge, Islamic Finance Wing



**Mohammad Ismail Hossain**

Head of Internal Control and Compliance (ICC)



**Hasan Ahmed Imran**

In-Charge, Principal Branch &  
Collection & Monitoring



**Tanvir Mahmud**

Company Secretary



**Md. Sabbir Islam**

Assistant Vice President  
Information Technology (IT)



**Md. Monirul Hasan**

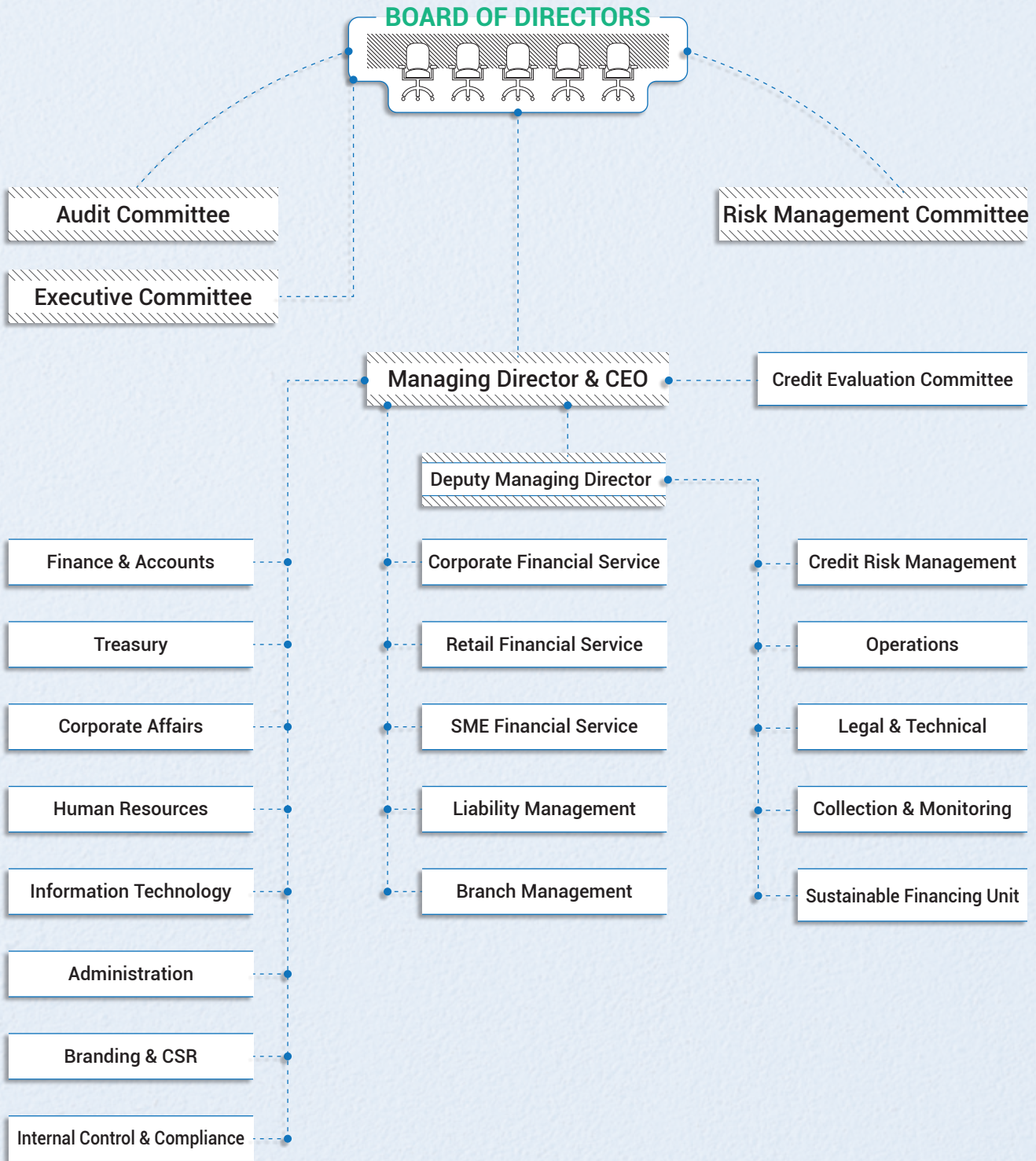
First Assistant Vice President  
Legal Division



**Md. Motaleb Hossain**

First Assistant Vice President &  
In-Charge, SME & Emerging Corporate

# CORPORATE ORGANOGRAM





Statement from

## The Managing Director & CEO

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Bangladesh's economic outlook for 2024 is mixed, with growth forecasts ranging from 4% to 5.7%. The World Bank has lowered its projection to 4% due to "significant uncertainties" following political turmoil and data unavailability. Inflation is expected to ease to 8%. Factors like political instability, industrial slowdown, and remittance inflows are impacting the economy.

### Political Uncertainty

The interim government, established after widespread protests, has created economic uncertainty, impacting investment and industrial activity.

### Global Economic Slowdown

The global economic slowdown and supply chain disruptions are affecting Bangladesh's export-oriented industries, particularly the readymade garment (RMG) sector.

Inflation: High inflation, particularly in essential commodities, is impacting consumer purchasing power and potentially hindering economic growth.

### Remittance Inflows

While remittance inflows have been relatively strong recently, sustained growth is contingent on a stable political and economic environment.

### Investment and Industrial Activity

Reduced industrial activity and subdued investment, partly due to political uncertainty, are contributing to the slower growth projections.

### Growth in Export Sectors

Some sectors, like the RMG sector, are still experiencing growth, with combined export targets set for woven products, knitwear, and home textiles.

### Resilience of the RMG Sector

The RMG sector, a major export earner, is showing signs of recovery, but faces challenges from labor unrest and potential disruptions to supply chains.

### Government Initiatives

The government is focusing on initiatives to improve access to services for low-income youth and returning migrants, as well as supporting early childhood development programs.

### Overall

Bangladesh's economy is facing significant challenges in 2024, with growth forecasts being revised downward due to political instability and global economic factors. However, certain sectors like the RMG industry are showing signs of resilience, and government initiatives are aimed at promoting inclusive growth and addressing poverty. A stable political environment and effective policy measures are crucial for Bangladesh to navigate these challenges and achieve sustainable economic development in the long run.

Reflecting back, 2024 brought with it, considerable macroeconomic and sectoral challenges, from inflationary pressure and currency volatility to liquidity shortages and regulatory shifts. These conditions tested the resilience of financial institutions across the country.

We believe resilience is not built through shortcuts, its forged by facing challenges head on and making difficult decisions today for a stronger tomorrow.

## Highlights of 2024

SFIL earned “Long Term: A+ and for Short Term: ST-2” Credit Rating status by Emerging Credit Rating Limited (ECRL) which symbolize its resiliency. We have also improved our brand equity and visibility. The company was meticulously focused in all key areas managing risks, revenue, capital adequacy, quality portfolio growth, and liquidity.

**Investment Portfolio:** Our Investment portfolio has increased by 69.23% compared to BDT 1,728.54 million in 2023. Investments accounted for the largest share of SFIL's asset base. The portfolio typically comprises such as Government treasury bill, non-convertible bond and investment in marketable securities.

**Credit Quality and NPL:** Though the Central Bank has relaxed the loan provisioning criteria but without considering the criteria, our asset quality remains very good considering the regular payment performance of our customers. Our intense focus on quality loans has driven the Company to achieve an NPL ratio of 0.79% at the end of 2024. We prioritize cash flow and goodwill of the borrowing companies when approving loans. Our thrust for diversifying our portfolio as well as strengthening our monitoring has remained very much on. And, in the coming days, “No compromise in quality” would be the guiding principle to manage credit portfolio of the Company.

**Liquidity Management:** The Capital Adequacy Ratio (CAR) for the year 2024 stood at 24.75%, exemplifying that we are well above Bangladesh Bank's requirements for a minimum 10% CAR and outlining the fact that the Company has been able to weather any storm as it already has in such bleak times for the past few years.

**Fund under Management (FUM):** During 2024, our Funds Under Management (FUM) decreased from BDT 8,773 million to BDT 7,082 million. This decline was primarily attributed to institutional deposit withdrawal pressures, a key factor influenced by market conditions. Despite this temporary challenge, we successfully demonstrated our commitment to prioritizing client needs and maintaining operational resilience. Our proactive approach to adapting to evolving market dynamics underscores our ability to manage changes effectively while continuing to deliver value for our stakeholders.

**Communal Engagement:** As a part of our CSR program SFIL took some initiatives by donating PM Education Assistance Trust, National Institute of Burn & Plastic Surgery, Chief Advisors Relief Fund, PROYASH Institute of Special Education and tree plantation in coastal area of Bangladesh.

**Sectoral Exposure:** SFIL has increased exposure in MFI to help out the marginal people and under privilege people. The end user of the loans are marginal farmers, woman entrepreneurs, small business and others. After pandemic, these group of people need more financial assistance.

**SFIL Strategies for changing economic scenario and onward:** The year 2025 is expected to be challenging taking into consideration growing demand of prudent liquidity management, revised regulatory framework, and socio-political agenda. Our strategy is to continue the business that we do well. Better management of BS, P&L and our exposure through rigorous monitoring & follow ups and diversification of portfolio are our main priorities. Our focus will be to structure and build up a strong team, deploy performance management, simplify operational process, strengthen operation control and improve efficiency & productivity of existing resources.

**Technology Development:** Technological leadership is an absolute necessity for the delivery of value to all our stakeholders amidst rapidly changing life styles and paradigms. We are committed to place superior technology platform at the forefront of our delivery channels and operations. For core financial solutions, SFIL will implement a proven technology platform to better serve our processes and purposes. Our endeavor to continuously upgrade our technology platform to bring efficiency to its operations and ensure continuous customer satisfaction.

**Human Resources Management:** Many factors contribute to being successful in business. Having a sound strategy, having a marketable product or service, and having efficient processes are all important. But it falls to the people within the organization to actually execute on the strategies, plans, and processes to make a business successful. We believe that our investments in People Development are keys to sustainable growth. We invest on our people for continuous training, development and retention of critical resources.

**Service First Policy:** We value our customers, both internal and external, and are committed to offer

best-in-class service experience. This is our philosophy to win the heart of our customers. Our focus has always been to understand customers' perspectives and develop service and products accordingly.

**Brand Positioning:** SFIL has successfully gained the trust of the people which is our great achievement. We are continuously improving our Customer Relationship Management to increase operational efficiency. In our pursuit to emerge as the most passionate brand in financial industry, we maintained strong visible presence in social, print, and electronic media through various campaigns, sponsorships, promotions and other events through-out the year.

Besides many, the key priorities for 2025 are enumerated below:

- Introduce new Products and Service
- Concerted marketing efforts to acquire low-cost deposits from individuals and institutions
- Taking benefit of the technology platform and to manage business efficiently
- Shifting focus from Corporate to Retail Finance & SME;
- Integrated market communication (IMC) to promote SFIL brand, develop and retain the critical people;
- Increase shareholders return on investments;
- Staff training & development;
- Employee engagement;
- Conduct financial literacy program;
- Expanding Islamic Finance Services.

By ensuring unrelenting focus on our valued clients, we enter 2025 with a new hope, with a sense of anticipation. Our commitment to build a "better tomorrow" is reflected in our financial results and underpins our investments for the future — in our organization growth potential as well as in our communities as we strive to foster a more inclusive, sustainable economy.

### **Acknowledgements**

I would like to acknowledge and thank the Chairman and all the members of the Board of Directors for their valuable support, guidance and input to the management in our endeavors. I also thank the Bangladesh Bank, external auditors and other regulatory authorities for their time-to-time prudent support and guidance, thank our external stakeholders for their continued willingness to partner with SFIL in its long-term growth journey. By looking after our customers, and building on the strong foundations we have created through the pandemic, we will in return continue to create value for shareholders. We want to assure to everyone that our resilience will take us ahead, and we will be able to overcome the challenging economic climate and be able to create value for all our stakeholders.

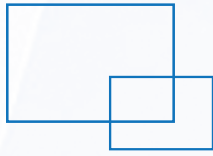
In the end, I convey sincere gratitude and appreciation to our valued shareholders, directors, clients, bankers, depositors, lenders, business partners, regulators, service providers and other stakeholders for their continued patronage and support and cooperation. Also, I acknowledge our employees for their hard work, dedication and commitment.

At SFIL, we look forward to your continued support and goodwill as we march ahead in our quest for resilient growth. I wish you peace, prosperity and good health.

Sincerely,

Sd/-

**Asit Kumar Chakravorty**  
Managing Director & CEO



# DIRECTORS' REPORT

To the Shareholders of SFIL Finance PLC.

## Dear Shareholders,

The Board of Directors of SFIL Finance PLC. cordially welcome you in the 5th Annual General Meeting of the Company. On behalf of the Board of Director of SFIL, I have the pleasure in presenting the Directors' Report on the operational and financial activities of your Company, audited financial statements for the year ended December 31<sup>st</sup>, 2024; the auditor's report together with company's performance which includes reports on business strategy review, risk management, corporate governance, financial and operational highlights for your consideration, approval and adoption. This report has been prepared in accordance with the Companies Act, 1994, Finance Company Act, 2023 and the guidelines issued by Bangladesh Bank and other relevant regulatory authorities. The Financial Statements were reviewed and approved by the Board of Directors in its 86th Board Meeting held on May 27, 2025. Global economic activity is experiencing a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions in most regions, Russia's invasion of Ukraine all weigh heavily on the outlook.

## ECONOMIC OUTLOOK

### World Economic Outlook

The 2024 World Economic Outlook (WEO) by the International Monetary Fund (IMF) provides a comprehensive analysis of the global economic landscape, detailing projections and key economic issues. Here are the main points from the report.

#### Global Overview: Modest Growth, Lingering Risks

**Growth:** The world economy is expected to expand by 3.2% in both 2024 and 2025, a stable but underwhelming pace compared to pre-pandemic norms. Beyond that, growth is projected to slow to 3.1% over the next five years, indicating subdued long-term momentum.

**Advanced vs. Emerging Economies:** Advanced economies are seeing slight improvements (e.g., US, UK) but are weighed down by weakness in Europe. Emerging markets face mixed outcomes, growth in emerging Asia is boosted by semiconductor and AI demand, while regions like the Middle East, Central Asia, and Sub-Saharan Africa face downgrades due to disrupted commodity production, conflicts, and weather shocks.

#### Disinflation & Policy Strategy

**Inflation Trends:** Headline inflation is easing across the globe, pointing toward a "smooth landing" scenario disinflation without a recession.

**Policy Direction:** The IMF recommends a policy pivot: following disinflation, monetary easing should be paired with sustainable fiscal policy, buffer rebuilding, structural reforms, and support for vulnerable populations to sustain medium-term growth.

#### Downside Risks & Areas of Concern

**Risks Tilted to the Downside:** Key threats include geopolitical tensions, financial market volatility, risks in China's property sector, increasing protectionism, and fragmentation of global trade and geopolitical blocs.

**Sectoral Inflation:** While overall inflation is falling, services price inflation remains elevated in many areas, complicating the normalization of monetary policy.

**Social Acceptability:** The IMF stresses that structural reforms need to be socially acceptable, or they risk losing public support and effectiveness.

## BANGLADESH ECONOMY

In 2024, Bangladesh's economy faced a range of challenges and opportunities, reflecting a complex economic environment influenced by both domestic and global factors.

### Economic Growth

FY24 (Fiscal Year July 2023–June 2024): Final GDP growth was around 4.22%, the lowest in four years.

FY25 (Fiscal Year July 2024–June 2025): Multiple institutions revised growth forecasts downward, citing political turmoil, floods, weak investment, and persistent inflation:

- IMF projects 3.8% growth, with a rebound to 6.7% in FY26.
- World Bank trimmed its forecast from 4% to 3.3%, the lowest since the pandemic era.
- Another WB estimate suggests 4.0% growth in FY25, recovering to 5.5% in FY26.

**Bottom line:** 2024 was a year of marked economic slowdown, with growth easing to the 3–4% range.

### Inflation & Monetary Policy

Inflation surged, reaching double-digit territory:

- In November 2024, inflation averaged 11.38%, driven by high food prices, Taka depreciation ( $\approx 10\%$ ), and rising global commodity costs.
- In FY25, IMF forecasts inflation to remain around 11%, before easing to 5% in FY26.
- Bangladesh authorities aim to moderate inflation to  $\sim 6.5\%$  in FY25 via tight monetary policy.

**Key takeaway:** Inflation was a critical macroeconomic challenge, prompting tight monetary stances and impacting household purchasing power.

### Key Headwinds

- Political instability following mass unrest and government change disrupted production and investment.
- Natural disasters notably the August 2024 floods damaged agriculture and affected rural livelihoods, contributing to slowed activity.
- External factors like weak garment exports, sluggish investment, and financial sector strain added to economic headwinds.

### Outlook: FY25 Recovery Path

- Growth is expected to stabilize and potentially rebound to 4–5%, depending on political calm and policy execution.
- Inflation could gradually decline toward mid-high single digits if global supply pressures ease and policies remain tight.
- Continued emphasis on reforms, infrastructure investment, and exchange rate flexibility will be key for bolstering medium-term stability.

## SFIL's Performance Snapshot

The year 2024 was fifth year for SFIL to create its strong foothold in the FI fraternity with reasonable growth on its core business operations while setting its backbone and team structure to cater the service needs of its different client base. In the backdrop of low credit appetite, mounting pressure on constant deposit withdrawal, lack of confidence of depositors in banks and FCs and decreasing lending rate, SFIL demonstrated high resilience in achieving its key performance indicators. The loan portfolio stood at BDT 986.81 million which is 29% lower than the last year. SFIL has successfully built a quality asset book with 0.79% classified loan ratio. On the other hand, SFIL maintained the

deposit portfolio consists of both institutional (Banks & Corporate) and individual clients of BDT 2,962 million in 2024 against BDT 3,868 million in 2023 despite huge withdrawal pressure especially from institutional depositors throughout the year. SFIL earned after tax net profit of BDT (54.09) million in 2024 against BDT 24.32 million in 2023. Profit was significantly impacted in 2024 due to many uncontrollable factors such as, absence of return from Capital Market Investments, provision for the unrealized loss in investments in shares, shrinking Net Interest Margin (NIM), increasing cost of borrowed fund, increase of the balance of Non-Interest Earning Assets etc. Return on Equity stands at (4.93)% at the end of December 31, 2024.

The overall performance outlines our resilience, strength and capabilities to deliver a sustainable growth ensuring growing returns to our shareholders and stakeholders.

### Challenges of 2024

- Removal of SMART+ Margin rate system
- Higher CoF
- Decreasing trend in Capital Market
- Market liquidity pressure
- Inflationary pressure
- Economic turmoil and business disruptions due to political turmoil.

### Business & Operational Activities

SFIL has emerged as a multi-product financial service provider having major focus in Retail Financing, Corporate Financing, SME Financing, Factoring & Work Order Financing, Corporate Advisory Services and Deposit products. It provides a high standard of professional and personalized services to its diverse set of clients maintaining strict compliance and highest ethical standards. The Company's strategy is to build up a well-diversified credit portfolio across different sectors to manage risk prudently. As of 2024, the credit portfolio represents of 74.25% Corporate Finance, 6.83% SME Finance and 18.92% Consumer Finance respectively.

### Performance Highlights

#### Financial Performance 2024

BDT in Million

Leases, loans and advances	986.81
Total assets	4,504.07
Total deposit balance	2,961.75
Total Shareholders' Equity	1,096.76

#### Operational Performance 2024

BDT in Million

Gross Operating income	510.92
Financial expenses	513.32
Operating expenses	90.21
Operating Profit	31.79
Profit before tax	(37.57)
Net profit after tax	(54.09)

### Financial Ratios 2024

Gross Profit Ratio (%)	23.88
Operating Profit Ratio (%)	6.22
Capital Adequacy Ratio (%)	24.75
Return on total assets (%)	(1.20)
Return on shareholders' equity (%)	(4.93)
Earnings per share (BDT)	(0.51)

### Equity Statistics 2024

Authorized Capital (BDT in Million)	2,500.00
Paid-up Capital (BDT in Million)	1,055.75
Shareholders' equity (BDT in Million)	1,096.76
Number of shares outstanding (No.)	105,575,000
Net asset value NAV per share (BDT)	10.39

During the year 2024, lease, loan and advances of SFIL was BDT 986.81 million. Due to the severe impact of Political un-stability on life, livelihood, business and global economy, the Board and the management took a conscious decision to ensure quality balance sheet growth. However, SFIL plans to continue its sustainable growth once business environment of the country is normalized.

SFIL operates through three major segments in lending business: Corporate, Retail & SME. The classified loan ratio was 0.79% during the year 2024.

Total deposit was BDT 2,961.75 million at the end of 2024. This was made possible by strong efforts of the management team and liability team as well as attractive deposit products. The Company launched innovative campaigns focusing on deposit mobilization during the year.

Operating profit in 2024 amounted to BDT 31.79 million. Interest Income and Income from Treasury played a vital role to attain this operating profit. Profit before tax was amounted to BDT (37.57) million. The company secured profit after tax amounted to BDT (54.09) million during the year 2024. Besides, there was BDT 7.73 million suspense during the period. However, the company has sufficient provision against portfolio and income tax. NAV per share stood at BDT 10.39 at the end of year 2024 against 10.90 of last year.

### Funding

Credit Lines from Government Bank are conventional source of funding for the newly established FC but we have initiated a number of steps during the year 2024 to create visibility & promote SFIL as a licensed deposit taking FC. Our treasury team demonstrated outstanding performance in managing liquidity and keeping the cost of fund low. Continued emphasis was placed on onboard to get cheaper sources of deposits from Individual and Institutions. As of 2024, deposit balance represents of 77.66% from Bank & FI, 5.02% from Corporate and 17.33% from Individuals. The Company maintained its average cost of fund to the level of 11.56% for the year end 2024.

### Asset Quality

During the year 2024, the lending portfolio grew at a steady rate during the period, asset quality was successfully maintained. Vigorous follow up and monitoring of client's loan account performance paid off in managing 0.79% NPL at the end of 2024.

### Human Resources Management

We have been moderately successful in attracting talents during the period and made a blended mix of quality human capital with dynamism, agility and experience. Our talents have built up the foundations and confidence for organic growth as we continue to proceed ahead to embark upon new challenges. SFIL strongly believes that its human resources are its most precious assets and recognizes them as building blocks for the Company to perform sustainably. SFIL continues to develop and implement proper human resource policies to motivate its employees and ensures their optimum contribution towards the achievement of common goals. As our resources represent a significant competitive edge, the Company continues its policy of recruiting the best professionals and implementing diverse training and motivational programs to develop and retain high-quality, performance-oriented personnel.

### SFIL's Contribution to the Society

The Company is strictly committed to contribute for the economic and social development of the country. Besides our core activities, we give utmost priority to increase the standard of living condition of our clients and our employees and directly contribute to the exchequer in the form of various tax, excise duty and VAT. During the year, SFIL Finance PLC. rendered a significant contribution to the government exchequer totaling 110.85 million, details are given later in this report in Statement of Contribution to Government Exchequer section.

### Risk Management & Control Environment

High quality management of risk is one of SFIL's hallmarks and thus a priority in its activity. It has combined prudence in risk management with use of advanced risk management techniques, which have proven to be decisive in generating recurrent and balanced earnings and creating shareholder value. The activity of risks is governed by the following principles, which are aligned with SFIL's strategy and business model and take into account the recommendations of the supervisory bodies, regulators and the market's best practices.

These are:

- A culture of risks integrated throughout the organization. It embraces a series of attitudes, values, skills and ways of acting toward risks that are integrated into all processes, including taking decisions on change management and strategic and business planning.
- Independence of the risk function, covering all risks and providing an adequate separation between the risk generating units and those responsible for its control and supervision, and having the sufficient authority and direct access to the management and governance bodies which are responsible for setting and supervising the risk strategy and policies.
- Comprehensive approach to all risks as the objective for adequate management and control of them, including risks directly as well as indirectly originated but which can affect it. It is vital to have the capacity to draw up an all-comprehensive view of the risks assumed, understand the relations between them and facilitate their overall assessment, without detriment to the differences of nature, degree of evolution and real possibilities of management and control of each type of risk, adapting the organization, processes, reports and tools to the features of each one.

SFIL has different risk management team to manage and control all types of risks (i.e. Credit risk, concentration risk, market risk, operation risk, liquidity risk, market risk, compliance risk, reputation risk, environment and social risk, related party exposure risk, competition risk, Legal risk, ICT risk, Strategic risk etc.) prudently. The committees are as follows:

- Credit Evaluation Committee (CEC)
- Credit Risk Management Committee (CRM)

- Asset & Liability Management Committee (ALCO)
- Central Compliance Unit (CCU)
- Risk Management Forum
- Internal Control Committee
- HR & Compensation Committee
- Corporate Governance Committee
- National Integrity Strategy (NIS) Committee
- Women Help Desk
- ICT Risk Management Committee
- Sustainable Finance Committee

We are committed to manage the risks and ensure delivery of service to our stakeholders maintaining effective Risk Management System which pays off between risk and return.

### Going Concern

The Directors after making necessary inquiries and reviews including reviews of the budget for the ensuing year, capital expenditure requirements, future prospects and risks, cash flows and such other matters required to be addressed in the Code of Best Practice on Corporate Governance issued jointly by the Institute of Chartered Accountants of Bangladesh and the Bangladesh Securities and Exchange Commission has adequate resources to continue operations into the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements.

Details about going concern assessment of SFIL is presented in Assessment report on the Going Concern Status of SFIL Finance PLC. later in this report.

### Credit Rating

Emerging Credit Rating Limited (ECRL) has assigned A+ (Pronounced as "A Plus") long term credit rating and ST-2 short term credit rating to SFIL Finance PLC. based on audited financial statements for the year of 2024 and other available information up to the date of rating declaration. The outlook on the rating is Stable.

The rating reflects the strengths of the Company which is backed by a strong team of management, growth in the non-interest income, deposits and investments, adequate capital coverage with high Tier-1 capital, improved asset quality and well controlled liquidity position.

### Corporate and Financial Reporting Framework

Financial Statements have been prepared in conformity with the requirements of the International Financial Reporting Standards (IFRSs), the Companies Act, 1994, Finance Company Act, 2023 and amendments thereto, Bangladesh Bank's Guidelines and Corporate Governance Code.

### Senior Management

Disclosure of all senior management personnel have been accounted in this Report.

### Related Party Transactions

Disclosure of all related party transactions, including basis for such transactions, has been provided in the Notes 37 to the Financial Statements.

### Insider Trading

The members of the Board of SFIL, or its sub-committee, or its senior management and their family members did not involve in any insider trading and did not violate the provision with regard to insider trading.

### Directors Meeting and Remuneration

During the year of 2024, nineteen (19) Board of Directors' Meetings were held. All meeting fulfilled the quorum of required directors. The Board has three sub-committee: Executive Committee, Risk Management Committee and Audit Committee (4 meetings held in 2024).

### Appointment / Re-appointment of Directors

As per the Companies Act, 1994 and also as per Article No. 125 of Articles of Associations of SFIL Finance PLC. at the First Annual General Meeting of the Company, all of the Directors shall retire from office. At the Annual General Meetings in every subsequent year one-third of the Directors for the time being or, if their number is not three or multiple of three then the number nearest to one-third shall retire from office who shall however be eligible for re-election.

Furthermore, Article 126 & 127 of Articles of SFIL also states that the directors to retire by rotation every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those who are to retire shall, unless they otherwise agree among themselves, be determined by lottery. A retiring director shall be eligible for re-election in 4<sup>th</sup> Annual General Meeting and they seek re-appointment. The following Directors re-appointed at the 4<sup>th</sup> Annual General Meeting held on Sunday, November 24, 2024.

- 1) Md. Shariful Islam
- 2) Arif Khan

### Status of Compliance & Corporate Governance

Details are given in the next section of the report in Statement of Directors' Responsibility for Corporate Governance.

### Statutory Auditors

On the basis of the proposal of the Board's Audit Committee, the Board in its 76<sup>th</sup> meeting held on November 5, 2024 recommended the shareholders to appoint Arun & Company, Chartered Accountants as the Auditors of SFIL for the year ended December 31, 2025 with a fee of BDT 150,000 (excluding Tax and VAT). SFIL has taken approval from Bangladesh Bank to appoint Arun & Company, Chartered Accountants until completion of conclusion of the 5<sup>th</sup> AGM. As far as the Directors are aware, the Auditors do not have any relationship with or interest with the Company that in their judgments, may reasonably be thought to have a bearing on their independence within the meaning of the Code of Professional Conduct and Ethics issued by the Institute of Chartered Accountants of Bangladesh (ICAB), applicable on the date of this report. The Auditors, Arun & Company, Chartered Accountants have expressed their willingness to conduct audit of the Company. They come up for appointment at the Annual General Meeting, with the recommendation of the Audit Committee and the Board of Directors. In accordance with the Companies Act, a resolution proposing the appointment of Arun & Company, Chartered Accountants as Auditors is being proposed at the 4<sup>th</sup> Annual General Meeting.

### Internal Control System

The Directors of the Company have taken reasonable steps open to them to safeguard the assets of the Company and to prevent and detect frauds and any other irregularities. For this purpose, the Directors have instituted effective and comprehensive systems of internal controls for identifying, recording, evaluating and managing the risks faced by the Company throughout the year and it is

being regularly reviewed by the Board of Directors. This comprises internal reviews, internal audit and the whole system of financial and other controls required to carry on the operations in an orderly manner, safeguard the assets, prevent and detect frauds and other irregularities and secure, as far as practicable, the accuracy and reliability of the records.

### Dividend

Considering the overall environment of financial market and current financial strength of the Company, the Directors recommended that 0% cash dividend and 0% stock dividend to be paid for the year ended December 31<sup>st</sup>, 2024. The dividend is subject to approval of the shareholders at the 5th Annual General Meeting.

### Acknowledgements

The Board of Directors would take this opportunity to express their profound gratitude and extend appreciation to our valued shareholders, directors, clients, bankers, depositors, lenders, business partners, regulators, service providers and other stakeholders for their continued patronage and support and cooperation.

The Board offers its sincere thanks to the Bangladesh Bank, Registrar of Joint Stock Companies and Firms, National Board of Revenue, Ministry of Finance and other Government authorities for their support and cooperation.

I would also like to thank to the employees of SFIL for their dedication and commitment to make the year 2024 a successful one and look forward to make the year 2025 even better in every terms.

For and on behalf of the Board of Directors.

Sd/-

### **S M Salahuddin Islam**

Chairman  
SFIL Finance PLC.



## STATEMENT OF DIRECTORS' RESPONSIBILITY for Financial Reporting, Corporate Governance and Internal Control

### Responsibility for Financial Reporting

Board of Directors is always committed towards self-controlled environment which is reflected by ensuring proper entries in books of accounts for each financial year that gives a true and fair view of the State of Affairs of the company and by accepting responsibility for the integrity and objectivity of the financial statements. In preparing financial statement, the Board of Directors ensures the followings:

- Select relevant accounting policies and apply them consistently
- Make judgments and estimates that are reasonable and prudent
- Comply with applicable Financial Reporting Standards
- Prepare the Financial Statements on going concern basis
- Comply with applicable Bangladesh Bank circular on financial reporting

The considerations set out above are also required to be addressed by the Directors in preparing the financial statements. The Board of Directors confirms that the International Financial Reporting Standard (IFRSs) which are adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) have been followed meticulously subject to any material departure due to compliance with Bangladesh Bank being disclosed and explained in the notes to the financial statements.

The Board also confirms that the company keeps accounting records, which disclose with reasonable accuracy, the financial position of the company and which enables it to ensure that the financial statements comply with the sufficient requirements of the Companies Act, 1994, Securities Exchange Rules 1987 and Finance Company Act, 2023.

### Responsibility for Corporate Governance

The Board ensures key decision making and execution within a clear governance framework. A primary task is the governance and oversight of business models which sets out consistent delivery of stake holder value in an uncertain and challenging environment. The Board primary role is to provide leadership, ensure that it is appropriately managed and deliver long-term shareholder value. It also sets the company strategic objectives and provides direction as a whole. A number of key decisions are reserved for and may only be made by the Board, which enables it and the executive management to operate within a clear governance framework.

### Responsibility for Internal Control

The Board of Directors is also responsible for proper establishment and maintenance of an effective internal control system that safeguards shareholders' investments and assets of the company through prevention and detection of fraud and irregularities. The Board ensures that statutory and regulatory requirements are met and responds to changes in the company's internal and external environment and conditions. The Board is responsible for ensuring that an adequate and effective internal control system exists in the organization and that all members of the top management of the company are maintaining and monitoring the performance of that system. The Board and management must make sure that the company's information systems produce pertinent and timely information in a form that enables employees, auditors, regulators, shareholders etc. to get the required data and information. The company has taken proper and sufficient care in installing a system of internal control, which is reviewed, evaluated and updated on an ongoing basis.

# ASSESSMENT REPORT

## on the Going Concern Status of SFIL Finance PLC.

Going concern is a fundamental accounting concept that underlies the preparation of financial statements of companies. Under the going concern concept, it is assumed that a Company will continue in operation and that there is neither the intent nor the need to either liquidate it or to cease trading. The purpose of this going concern statement is to bring together the requirements of Company law, accounting standards.

The management of SFIL has made this assessment based on the accounting year ended on or after December 31, 2024. The management's assessment of whether the company is a going concern involves making appropriate inquiries including review of budgets and future outcome of inherent risks involved in the business. Considering the following major indicators, SFIL management has reached the conclusion that the financial statement for the year 2024 is prepared based on going concern assumption.

### Financial Indications

At the close of financial year 2024, total borrowing from other banks and financial institutions was BDT 169.56 million. At the end of 2024, total deposits were BDT 2,961.75 million, representing the Company was able to increase the level of confidence of depositors. As on 31 December 2024, total equity of SFIL stands at BDT 1,096.76 million.

### Positive Key Financial Ratios

SFIL financial ratios indicate sound financial strength and prospects and are evident from financial highlights given on this Annual Report.

### Continuous Support by Depositors

The company enjoys a good reputation in the settlement of its obligation with its depositors. The company was able to increase the level of confidence of depositors, which resulted in total deposit of BDT 2,961.75 million.

### Expansion of Business

SFIL has always been vested in growth through expanding our product offering. Despite the detriments from the macro-economic challenges, we have managed expansion in the form of geographic and product basket and paving the path for growth in the upcoming year.

### Credibility in Payment of Obligations

SFIL has strong credibility in terms of payment of its obligations to lenders. The Company is particular in fulfilling the terms of loan agreements and has never defaulted, even in terms of convenience.

### Trend of Investment Portfolio and Performance Growth

In 2024, while the loan portfolio saw 28.73% de-growth due to strategic response to challenging liquidity position of the country. The company's total investment portfolio grew by an impressive 69.23%. This shift indicates a strategic focus on diversification and prudent capital allocation to optimize risk-adjusted returns. The increasing investment trend underscores SFIL's commitment to strengthening its asset base, enhancing income streams, and ensuring sustainable financial growth.

### Working Environment and Employee Satisfaction

SFIL is an employee-friendly organization with a very good corporate environment in the company. The company pays a competitive compensation with fringe benefits like vehicle allowance, provident fund, gratuity and recognition program, etc. At the end of the year 2024, total number of employees was 48.

### **Maintenance of Capital Adequacy Ratio (CAR)**

As per the DFIM Circular Number 14, dated December 28, 2011 of the Bangladesh Bank prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions has come into force from January 01, 2012. As per the guidelines, Financial Institutions (FIs) are required to maintain a minimum CAR @ 10%. CAR of SFIL at the end of 2024 is 24.75% which is significantly higher than the requirement.

### **Changes in Government Policy**

The management anticipates no significant changes in legislation or government policy, which may materially affect the business of the Company.

### **Monitoring Compliance**

Compliance with our Code of Conduct and Ethics is embedded in our employment contracts, recruitment and performance management activities. We have set explicit targets for compliance, commencing at executive management level. All employees are required to comply with our Code of Conduct and Ethics and report conduct that may be in breach of the law, the Code or policy. Advice on SFIL policies, practices and management systems is available via our Human Resources department. Any employee, contractor or consultant can confidentially report concerns about conduct, practices or issues to our HR department.

Compliance is a Key Result Area examined as part of our Performance Management Process and failure to complete required compliance training can be a factor in determining the employee's entitlement to performance-based remuneration and could lead to termination of employment in serious cases. Additionally, employees are required to undertake issue specific training for topics such as anti-money laundering and combating terrorist financing, fraud, corruption and privacy. Our 'HR Manual' and 'Employee Handbook' covers our Code of Conduct and Ethics, standards and behaviors and important policies and procedures such as our Anti-Bribery Policy and Fraud and Corruption Policy.

## SFIL Finance PLC.

# DISCLOSURE UNDER PILLAR III ON CAPITAL ADEQUACY AND MARKET DISCIPLINE

As on December 31, 2024

### Background of Capital Adequacy

Capital is the foundation of any business. In a Finance Company, capital is a prime factor to consider when assessing the safety and soundness. It acts as a cushion in case the value of the bank's assets declines and liability rises. Maintaining a minimum capital level is of paramount importance for a Financial Institution so that adequate protection against risk can be ensured. A strong Capital Management Policy protects an organization by identifying and mitigating risks, as well as establishes a base of confidence by depositors, creditors, and other stakeholders.

Capital Adequacy gives a view on a Finance Company's financial strength and stability. Adequate capital provides assurance to the stakeholders on the company's ability to provide consistent services.

Capital Adequacy is a basis for measurement of the amount of capital that the Finance Company needs to hold to ensure that no excess leverage is taken that would lead to insolvency. Capital Adequacy is best expressed as the Capital Adequacy Ratio (CAR), also known as Capital to Risk Weighted Assets Ratio. CAR is a measure of a FI's core capital expressed as a percentage of its risk weighted asset. The objective of CAR is built around the Market Discipline, whereby depositors' get a standardized measurement on the extent to which their wealth is exposed to risk, and thereby establish confidence on the Financial Institution's operations. The CAR measurement is also directed towards making a FI's capital more risk sensitive and shock absorbent.

The following detailed qualitative and quantitative disclosures are provided in accordance with "Prudential Guidelines on Capital Adequacy and Market Discipline" for Financial Institutions which has been published on December 2011.

The disclosures are made on the basis of consolidated along with its separate audited financial statements of SFIL Finance PLC. and its subsidiary as at and for the year ended December 31, 2024 prepared under International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and related circulars/ instructions issued by Bangladesh Bank from time to time.

Basel II		
Pillar I	Pillar II	Pillar III
Minimum Capital Requirement (MCR)	Supervisory Review Process	Disclosure & Market Discipline

### A) Scope of Application

#### Qualitative Disclosures:

The framework applies to SFIL Finance PLC. on "Consolidated Basis" on the reporting date December 31, 2024 and "Solo Basis" information has been presented beside those of "Consolidated Basis" to facilitate comparison. The SFIL Group has a wholly owned subsidiary: SFIL Securities Limited, which is fully consolidated.

**Quantitative Disclosures:** Not Applicable.

## B) Capital Structure

### Qualitative Disclosures

As per Basel II guidelines, regulatory capital consists of Tier - 1 : Core Capital and Tier – 2 : Supplementary Capital.

### The calculation of Tier 1 capital, and Tier 2 capital, shall be subject to the following conditions:

- i) Tier 2 Capital amount will be limited to 100% of the amount of Tier 1 Capital.
- ii) 50% of revaluation reserves for fixed assets and 45% of revaluation reserves for securities are eligible for Tier 2 capital.

### Tier 2 capital includes:

- i) General provision up to a limit of 1.25% of Risk Weighted Asset (RWA) for Credit Risk.
- ii) Revaluation reserves for equity instruments up to 10%.

### Quantitative Disclosures:

Core Capital of SFIL is as follows:

*Figures in BDT Million*

Particulars	Solo		Consolidated	
	2024	2023	2024	2023
Fully paid-up capital/capital lien with BB	1,055.75	1,055.75	1,055.75	1,055.75
Statutory reserve	30.17	30.17	30.17	30.17
Other Reserve	-	-	-	-
Capital Reserve	-	-	0.11	0.11
Non-repayable share premium account	-	-	-	-
General reserve	-	-	-	-
Retained Earnings	10.84	64.94	(17.57)	45.52
Minority interest in subsidiaries	-	-	0.002	0.003
Non-cumulative irredeemable preference shares	-	-	-	-
Dividend equalization account	-	-	-	-
Other (if any item approved by Bangladesh Bank	-	-	-	-
Less Shortfall in provisions required against investment in shares	-	-	-	-
<b>Total</b>	<b>1,096.76</b>	<b>1,150.86</b>	<b>1,068.47</b>	<b>1,131.56</b>

Supplementary Capital of SFIL is as follows:

*Figures in BDT Million*

Particulars	Solo		Consolidated	
	2024	2023	2024	2023
General Provision (Unclassified loans up to specified limit + SMA + off Balance Sheet exposure)	11.08	13.41	11.08	13.41
50% of Asset Revaluation Reserve	-	-	-	-
45% of Securities Revaluation Reserve	-	-	-	-
All other Preference Shares	-	-	-	-
Other (if any item approved by Bangladesh Bank)	-	-	-	-
<b>Total</b>	<b>11.08</b>	<b>13.41</b>	<b>11.08</b>	<b>13.41</b>

## C) Capital Adequacy

### Qualitative Disclosures:

SFIL has adopted Standardized Approach for computation of Capital Charge for Credit Risk and Market Risk while Basic Indicator Approach for Operational Risk. Total Risk Weighted Assets (RWA) of the Company is determined by multiplying the capital charge for market risk and operational risk by the reciprocal of the minimum capital adequacy ratio i.e. 10% and adding the resulting figures to the sum of risk weighted assets for credit risk. Total RWA is then used as denominator while total Eligible Regulatory Capital as on numerator to derive Capital Adequacy Ratio.

### Strategy to achieve the required Capital Adequacy:

- Asking unrated corporate clients to have credit rating from External Credit Assessment Institutions (ECAIs) recognized by Bangladesh Bank.
- Rigorous monitoring of overdue contracts to bring those under 90 days overdue.
- Financing clients having good credit rating.
- Assessing incremental effect of capital charge over the expected net income from financing before sanctioning any appraisal, which could be one of the criteria for taking financing decision.

### Quantitative Disclosures:

*Figures in BDT Million*

Particulars	Solo		Consolidated	
	2024	2023	2024	2023
Capital requirement for Credit Risk	1,202.38	1,446.60	1,140.31	1,383.66
Capital requirement for Market Risk	3,037.79	2,964.49	3,067.62	2,986.38
Capital requirement for Operational Risk	236.75	236.75	240.94	236.75
Capital Adequacy Ratio (CAR) on total capital basis (%)	24.75%	25.05%	24.27%	24.85%

### Risk Management

At SFIL, disciplined risk management is considered as the key to organizational success. With that objective in mind, strong management structure and risk management system, along with robust policies, are developed to allow the company to manage the internal and external, and regulatory environments. A robust risk management framework is built to effectively cover the necessary requirements of managing risk. Establishment and oversight of the Company's risk management framework lies with the Company's Board of Directors. The risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk control standards, and to monitor the risks and adhere to defined policies. Protocols and responsibilities are clearly delineated such that decision making with regards to risk management are taken positively. SFIL contemplate on having the industry practices of identifying, measuring and controlling risks. The Risk management policies and systems are reviewed regularly to reflect changes in market conditions and operations. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

By implementing rigorous risk management policy, risk adjusted returns are maximized, while ensuring that the company remains within its desired risk appetite. Emphasis is given on establishing a risk management culture which takes into account the underlying assertions:

- Risk considered must be in line with the company's goals, and also must support the company's risk appetite.
- Responsibility of identifying and taking risks within the organization lies with every employee. The company carries the overall responsibility of ensuring that the risk-taking within the organization is disciplined and focused.

- Accountability is ensured by taking risk agreed by the respective company authorities and also assuring that the risks taken are transparent, controlled, reported and falls within the appropriate infrastructure and resource.
- Future risk emergence is identified and necessary steps taken to anticipate its impacts.
- Effective Risk Management Policy and Controls are founded to use the risk as a competitive advantage.
- Continuous improvement of the risk management approaches and methodologies to enhance current risk policies.
- Analyze and establish any new or improved policy to strengthen the company's risk management position.
- Ensuring consistent statutory compliance with regards to capital adequacy and risk management.

In accordance with the Basel II guidelines, SFIL takes precautionary methods against credit, equity, market, operational, and liquidity risks.

#### **D) Credit Risk**

Credit Risk is effectively measured and managed through a framework of policies and procedures. All credit exposures undergo proper approving authority as a mean of effective management of counterparty credit risk. A defined structure is established for delegation of credit approval authority and for monitoring compliance with appetite.

Proper due diligence is applied to review the credit applications. Defined processes and procedures are used to support credit underwriting activities at levels of the business. As a part of proper underwriting standards, appropriate valuations of collaterals are done for secured credits.

A counterparty is also required to have an approved limit in place, prior to drawdown of funds. Every credit party is subject to credit rating, and the rating is actively monitored as a part of effective credit risk management. Account level activity along with limit utilization monitoring is set as a part of risk trigger mechanisms. This helps to identify early alert situations based on which the company can take proper actions. Potential problem accounts are identified, investigated, controlled and monitored.

The Board of Directors has approved the Credit Policy for the company where major policy guidelines, growth strategy, exposure limits (for particular sector, product, individual company and group) and risk management strategies have been described/stated in detail. Credit Policy is regularly updated to cope up with the changing global, environmental and domestic economic scenarios.

An independent Credit Risk Management (CRM) Department is in place, at SFIL, to scrutinize projects from a risk-weighted point of view and assist the management in creating a high-quality credit portfolio and maximize returns from risk assets.

Appropriate internal control measures are in place at SFIL. SFIL has also established Internal Control and Compliances Department (ICCD) to ensures, compliance with approved lending guidelines, Bangladesh Bank guidelines, operational procedures, adequacy of internal control and documentation procedures. ICCD frames and implements policies to encounter such risks.

Past dues and impaired exposures are defined in accordance with the relevant Bangladesh Bank regulations. Specific and general provisions are computed periodically in accordance with the Bangladesh Bank regulations. The Company writes off a loan or an investment debt security balance, and any related allowances for impairment losses, when the Company Credit determines that the loan or security is uncollectible. This determination is made after considering information such as the occurrence of significant changes in the borrower's / issuer's financial position such that the borrower/issuer can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure.

The table below gives details of Credit Risk for 2024:

### i) Distribution of risk exposure by claims

Figures in BDT Million

Particulars	Solo		Consolidated	
	2024	2023	2024	2023
Cash and Cash Equivalents	0.10	0.10	0.13	0.13
Claims on Bangladesh Govt. and Bangladesh Bank	22.34	27.02	22.34	27.02
Claims on NBFIs and Banks	208.48	1,791.85	211.14	1,793.59
Claims on Corporate	553.67	1,009.49	553.67	1,009.49
Claims categorized as retail portfolio & Small Enterprise	62.06	73.09	62.06	73.09
Consumer finance	56.02	51.44	56.02	51.44
Claims fully secured by residential property	119.16	140.69	119.16	140.69
Claims fully secured by commercial real estate	174.37	20.30	174.37	20.30
Past Due Claims	5.02	6.73	5.02	6.73
All other assets	1,610.11	579.45	1,523.58	492.24
<b>Total</b>	<b>2,811.33</b>	<b>3,700.16</b>	<b>2,727.49</b>	<b>3,614.72</b>

### ii) Movement of NPL & Specific Provision

Figures in BDT Million

Particulars	Solo		Consolidated	
	2024	2023	2024	2023
<b>Gross Non Performing Loans (NPLs)</b>	7.78	7.28	7.78	7.28
<b>Non Performing Loans (NPLs) to outstanding loan and advance</b>	0.79%	0.53%	0.79%	0.53%
<b>Movement of Non Performing Loans (NPLs)</b>				
Opening balance	7.28	-	7.28	-
Add/Less Net movement during the year	0.50	7.28	0.50	7.28
<b>Closing Balance of Non Performing Loans (NPLs)</b>	<b>7.78</b>	<b>7.28</b>	<b>7.78</b>	<b>7.28</b>
<b>Movement of specific provision for (NPLs)</b>				
Opening balance of Specific Provision	0.55	-	0.55	-
Less Written off during the year	-	-	-	-
Recoveries during the period	-	-	-	-
Add Provision made during the period	2.21	0.55	2.21	0.55
<b>Closing Balance of specific provision for (NPAs)</b>	<b>2.76</b>	<b>0.55</b>	<b>2.76</b>	<b>0.55</b>

### iii) Total gross credit risk exposures broken down by major types of credit exposure.

Figures in BDT Million

Particulars	Solo		Consolidated	
	2024	2023	2024	2023
Lease Finance	122.21	219.40	122.21	219.40
Loan Finance	677.85	910.21	677.85	910.21
House Finance	124.46	170.03	124.46	170.03
Car Lease	56.42	51.44	56.42	51.44
Loan Against Deposit	3.05	29.67	3.05	29.67
Personal Loan	2.82	3.83	2.82	3.83
Loan to subsidiaries	-	-	-	-
<b>Total</b>	<b>986.81</b>	<b>1,384.58</b>	<b>986.81</b>	<b>1,384.58</b>

#### iv) Geographical distribution of exposures, broken down in significant areas by major types of credit exposure.

Figures in BDT Million

Particulars	Solo		Consolidated	
	2024	2023	2024	2023
Dhaka Division	986.81	1,384.58	986.81	1,384.58
<b>Total</b>	<b>986.81</b>	<b>1,384.58</b>	<b>986.81</b>	<b>1,384.58</b>

#### E) Equities: banking book positions

Equity Risk including Quoted shares are valued at cost prices and if the total cost of a particular share is lower than the market value of that particular share, then provision is maintained as per terms and condition of regulatory authority.

Figures in BDT Million

Particulars	Solo		Consolidated	
	Cost Price	Market Price	Cost Price	Market Price
Quoted shares	247.28	171.77	266.73	186.69

#### F) Interest rate in the banking book

The general qualitative disclosure requirement including the nature of interest risk and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits. Interest rate risk in the banking book arises from mismatches between the future yield of an assets and their funding cost. Assets Liability Committee (ALCO) monitors the interest rate movement on a regular basis. SFIL measure the Interest Rate Risk by calculation Duration Gap i.e. a positive Duration Gap affect company's profitability adversely with the increment of interest rate and a negative Duration Gap increase the company's profitability with the reduction of interest rate.

#### Maturity wise Distribution of Assets-Liabilities:

Particulars	1 to 30/31day (1 month)	Over 1 month to 2 months	Over 2 months	Over 3 months to 6 months	Over 6 months to 1 year
A. Total Rate Sensitive Liabilities	80.64	373.86	446.92	572.47	593.85
B. Total Rate Sensitive Assets	261.11	408.10	479.05	614.17	675.79
C. Mismatch	180.46	34.24	32.13	41.70	81.94
D. Cumulative Mismatch	180.46	214.71	246.84	288.54	370.47
E. Mismatch (%)	223.78%	9.16%	7.19%	7.28%	13.80%

#### G) Market Risk

Market Risk management is set as per the parameters defined in the policy. The objective of the Company's market risk management is to manage and control market risk exposures set within the acceptable parameters, thereby ensuring solvency while optimizing the Company's risk return strategy.

Sufficient oversight and reporting are conducted for management of market risk profile. Overall authority for market risk rests with the ALCO. Setting market liquidity as the primary factor for determining the level of limits for portfolio trading, ALCO provides limits for each type of risk in aggregate and for individual portfolios.

The table below gives details of Market Risk for 2024:

Figures in BDT Million

Particulars	Solo		Consolidated	
	2024	2023	2024	2023
Interest rate risk	-	-	-	-
Equity position risk	303.78	296.45	306.76	298.64
Foreign exchange risk	-	-	-	-
Commodity risk	-	-	-	-
<b>Total</b>	<b>303.78</b>	<b>296.45</b>	<b>306.76</b>	<b>298.64</b>

## H) Operational Risk

Operational Risk framework is designed to ensure operational risk identification, assessment, control and monitoring at business and group level. Management of operational risks is an integral part of the roles played by business and the functional teams.

The Risk Management Division oversees whether the operational risk exposures fall within the policy. Defined standards of measurement are also outlined which plays one of the critical roles of ensuring that the risks are managed within the acceptable tolerance limits. The policies and standards are also reviewed periodically to keep the framework updated.

The types of events that could result in material operational risk loss or business disruptions are as follows:

- Internal and external fraud
- Damage to physical assets
- Business process disruptions and system failures
- Failure in service executions and deliveries, as well as process management

## Calculation of Risk Weighted Assets (RAW)

RWA figure is calculated on the basis of credit, market, and operational risks. Total RWA is determined by first multiplying the amount of capital charge for market risk and operational risk with the reciprocal of the minimum CAR.

The resulting figure is added to the sum of the Risk Weighted Assets for credit risk.

Figures in BDT Million

Particulars	Solo		Consolidated	
	2024	2023	2024	2023
Credit Risk				
1. On Balance Sheet	1,202.38	1,446.60	1,140.31	1,383.66
2. Off Balance Sheet	-	-	-	-
Market Risk	3,037.79	2,964.49	3,067.62	2,986.38
Operational Risk	236.75	236.75	240.94	236.75
<b>Total RWA</b>	<b>4,476.91</b>	<b>4,647.84</b>	<b>4,448.87</b>	<b>4,606.79</b>

Based on the data derived, the Capital Adequacy Ratio (CAR) is calculated. SFIL follows the standard CAR measurement method.

$$\text{Capital Adequacy Ratio (CAR)} = \frac{\text{Core Capital} + \text{Supplementary Capital}}{\text{Risk Weighted Assets}}$$

Figures (except percentage) in BDT Million

Particulars	Solo		Consolidated	
	2024	2023	2024	2023
Core Capital	1,096.76	1,150.86	1,068.47	1,131.56
Supplementary Capital	11.08	13.41	11.08	13.41
Total Eligible Capital	1,107.85	1,164.27	1,079.55	1,144.97
Risk Weighted Asset (RWA)	4,476.91	4,647.84	4,448.87	4,606.79
Capital Adequacy Ratio (CAR)	24.75%	25.05%	24.27%	24.85%
Core Capital to RWA	24.50%	24.76%	24.02%	24.56%
Supplementary Capital to RWA	0.25%	0.29%	0.25%	0.29%
Minimum Capital Requirement (Higher of 10% of RWA or 100 crore)	1,000	1,000	1,000	1,000
Excess Capital over Regulatory Requirement	107.85	164.27	79.55	144.97

The CAR figure of SFIL Finance PLC. can be seen to be comfortably above the Bangladesh Bank's CAR requirement of 10%. This is in line with the institution's approach to being compliant, establish investors' confidence, and demonstrate company stability.

# Risk Management Strategy

## Risk Management & Control Framework

Strong risk management capabilities are essential to the sustainable success of a well-managed financial institution. At SFIL, the Risk Management function serves as the central resource for strengthening these capabilities and complements the risk and control activities of other functions, including Internal Audit and Compliance.

The core elements of SFIL's risk management framework include:

- Strong risk governance
- Robust and comprehensive processes for identifying, measuring, monitoring, controlling, and reporting risks
- Sound assessments of capital adequacy in relation to risk exposures
- A rigorous system of internal control reviews, conducted by both internal and external auditors

## Types of Risk

At SFIL, risk is defined as the potential for losses to the company and its stakeholders. Such losses are not always immediately quantifiable. An act of misconduct may not produce an instant impact on the organization's reputation or financial position; in some cases, its effects may extend beyond the year of occurrence.

Risks are diverse in both their nature and their sources. For example, financial losses may result from poor borrower selection, or from the absence of a robust collection mechanism. Consequently, SFIL is exposed to a variety of risks that may lead to losses for the institution or its stakeholders in the course of its daily operations.

## Credit Risk

Credit risk refers to the potential for loss resulting from the inability of a client, counterparty, or related party to meet their contractual obligations. Such losses can adversely affect not only the financial performance and profitability of the organization, but also the interests of SFIL's stakeholders and the broader community.

At SFIL, credit risk may arise from the following sources:

- **Default Risk** – the risk of a borrower's failure to meet repayment obligations.
- **Credit Concentration Risk** – the risk associated with excessive exposure to a single borrower, group, sector, or geographic area.
- **Recovery Risk** – the risk of inadequate or delayed recovery of dues from borrowers.
- **Counterparty Risk** – the risk of a counterparty failing to honor its financial commitments.
- **Related-party Risk** – the risk arising from exposures to connected or affiliated parties.
- **Environmental Risk** – the risk of financial loss linked to environmental issues or non-compliance with environmental regulations.

### Market Risk Management

Market risk refers to the potential for loss resulting from fluctuations in market variables, including interest rates, security prices, equity index levels, exchange rates, commodity prices, and credit spreads. To ensure effective management and compliance with regulatory requirements, SFIL categorizes its market risk into two primary types: interest rate risk and equity risk.

### Liquidity and Funding Risk Management

Liquidity risk refers to the possibility of being unable to meet payment obligations as they fall due, primarily as a result of a liquidity shortfall or crisis. Funding risk, on the other hand, arises when the organization is unable to raise funds from the market at a reasonable cost to meet actual or anticipated commitments.

### Operational Risk Management

Operational risk refers to the potential for loss inherent in the day-to-day operations of the organization. Such risks may arise from inadequate or inappropriate internal processes, ineffective systems, the absence of the right people in the right positions, human errors—whether intentional, accidental, or unavoidable—as well as external events beyond the organization’s control.

For clarity, SFIL classifies operational risk into the following categories:

- **People Risk** – The risk of loss caused, intentionally or unintentionally, by employees. This may include errors, misconduct, or disputes involving staff members.
- **System Risk** – The risk of loss resulting from technology-related issues such as piracy, theft, malfunction, failure, or disruption of systems, data, or information.
- **Process Risk** – The risk associated with deficiencies in the execution and maintenance of transactions, or in the procedures and controls essential to business operations.
- **External Risk** – The risk of loss arising from external factors, such as damage to physical property or assets caused by natural or man-made events. This also includes risks posed by external parties, such as fraud, or regulatory changes that may affect the company’s ability to operate in certain markets.

### Risk Management at SFIL

At SFIL, we believe that sound risk management is fundamental to the success of our risk-taking activities. Our philosophy is to ensure that risks and returns remain aligned with the Company’s established risk appetite. To achieve this, we continuously refine our risk management practices to gain a thorough understanding of the risks we undertake, identify emerging portfolio threats at an early stage, and develop timely and appropriate risk-response strategies.

The key elements of our enterprise-wide risk management strategy include:

- **Risk Tolerance and Appetite** – The Board of Directors approves the Company’s risk appetite, and all risk-taking activities are managed in alignment with this framework. Decisions regarding risk-taking are consistent with strategic business objectives, and returns are expected to adequately compensate for the risks assumed.
- **Risk Management Frameworks** – Comprehensive, documented risk management frameworks exist for all risk types, ensuring consistency across the organization.

- **Integrated Risk Management** – Risks are managed in an integrated manner, with careful consideration of potential interactions among different risk types.
- **Qualitative and Quantitative Assessment** – Risks are assessed both qualitatively and quantitatively, supported by robust stress testing. Risk models are regularly reviewed to ensure accuracy, relevance, and effectiveness.

The Board of Directors and senior management provide guidance for effective risk management, emphasizing well-considered risk-taking and proactive oversight. This approach is supported by dedicated risk management personnel, ongoing investments in risk systems, regular review and enhancement of risk management policies and procedures, and a strong internal control environment across the Group.

Accountability for risk management is shared among customer-facing and product business units, specialized risk management functions, and other support units such as Operations and Technology. Internal Audit provides independent assurance that the Company's risk management, control, and governance processes are adequate and effective.

Sophisticated portfolio management tools, including stress testing and scenario analysis, are used to identify potential events or market conditions that could adversely impact the Company. The results of these analyses are incorporated into the Company's capital adequacy assessments to ensure resilience against identified risks.

### **Risk Governance and Organizational Structure**

The Board of Directors establishes the Company's risk appetite and overarching risk principles. The Board's Audit Committee oversees the Company's risk management framework, reviewing and approving the overall risk management philosophy, major risk policies, risk frameworks, and risk models. The Audit Committee also monitors the establishment and operation of risk management systems, receiving regular reports on their effectiveness.

The Company's various risk exposures, risk profiles, concentrations, and trends are reported regularly to the Board of Directors and senior management for review and appropriate action.

The Audit Committee is supported by the **Risk Management Division**, which holds functional responsibility for providing independent risk control and managing key risks, including credit, market, operational, and liquidity risks, on a day-to-day basis. Within the division, risk officers are tasked with establishing Company-wide policies, defining risk measurement methodologies, and monitoring the Company's risk profiles and portfolio concentrations.

The Company's risk management and reporting systems are designed to capture risks comprehensively, ensuring well-informed decision-making. Relevant risk information is communicated effectively to senior management, enabling timely action and formulation of appropriate risk-response strategies.

To maintain objectivity, the compensation of risk officers is determined independently from other business areas and is reviewed regularly to remain competitive with market standards. Credit officers participate in transaction approvals, with personal authority limits assigned based on experience and portfolio coverage.

Additionally, representatives from the Risk Management Division provide expertise during the design and approval of new products. This ensures that any new or emerging risks associated with new products are appropriately identified, measured, and managed within existing risk management systems and processes.

### **Risk Management Forum at SFIL**

The Risk Management Forum (RMF) and Risk Analysis Unit (RAU) of SFIL Finance PLC. have been established in compliance with Bangladesh Bank's DFIM Circular No. 01, dated 7 April 2013. The RMF is chaired by the Deputy Managing Director (DMD) and Chief Risk Officer (CRO), with the Secretary appointed from the CRM department. All business and operational heads are members of the RMF.

The primary responsibilities of the Risk Management Forum include:

- **Defining The Organizational Internal Environment** – The RMF sets the internal environment of the Company, including the risk appetite, ethical standards, integrity, and operational context.
- **Objective Setting** – Management ensures objectives are established to identify potential events that may affect their achievement, in alignment with the Company's risk appetite.
- **Risk Assessment and Identification** – Management identifies internal and external events that could impact the Company's objectives, distinguishing between risks and opportunities.
- **Risk Evaluation and Quantification** – Management evaluates and quantifies potential risks to understand their impact.
- **Risk Response Strategy** – Management selects appropriate risk responses—avoiding, accepting, mitigating, or sharing risks—and develops action plans to align risks with the Company's risk appetite and tolerance.
- **Policy Implementation Framework** – Management implements policies and procedures to ensure risk responses are effectively executed.
- **Information Management and Governance** – Relevant risk information is generated and communicated in a timely manner to enable staff to fulfill their responsibilities.
- **Risk Monitoring** – Enterprise risk management activities are continuously monitored through ongoing management processes.
- **Defined Roles and Responsibilities** – Roles and responsibilities for risk management are defined, agreed upon, and clearly communicated across all levels of management.
- **Employee Awareness** – All staff, across business and support functions, are made aware of their responsibilities in managing the Company's overall risk.
- **Reporting and Escalation Mechanisms** – Structured processes are established at departmental levels to report control failures to designated individuals and escalate material issues to RMF.
- **Planning for Business Continuity** – The Company develops and maintains Business Continuity Plans, including Disaster Recovery and Crisis Management procedures, to minimize the impact of unplanned events on operations and customer service.

### Measurement of Credit Risk

Ongoing, active monitoring and management of credit risk exposures is a core component of SFIL's credit risk management framework. The CRM research team regularly reviews market conditions and the Company's exposure across various industrial sub-sectors. This proactive approach enables the early identification of counterparties that may pose potential credit concerns, allowing for timely interventions to manage exposures and optimize recovery.

In addition, the Collection Team and Relationship Managers provide regular feedback on client business conditions and payment status through Early Warning Reports. This continuous monitoring ensures that credit risk positions are actively managed and that potential issues are addressed before they escalate.

### Stress Testing and Scenario Analysis

SFIL adheres to the stress-testing guidelines issued by Bangladesh Bank. Stress testing is used to quantify exposures to plausible, yet extreme or unusual, market movements, enabling the Company to identify, understand, and manage potential vulnerabilities and risk concentrations.

SFIL conducts regular stress tests to assess credit exposures, including potential concentrations arising from shocks to key risk factors such as interest rates and equity prices. These tests consider a wide range of moderate to extreme market scenarios.

Stress testing is carried out in coordination with the Company's market and liquidity risk functions and the results are reported quarterly to Bangladesh Bank. Recommendations arising from these tests are implemented, monitored, and updated regularly to ensure ongoing effectiveness.

### Risk Management and Mitigation Approach

SFIL employs a range of credit risk mitigation techniques to manage credit exposure and minimize potential losses. These techniques are applied consistently and reviewed periodically to ensure effective operational management, including compliance with legal requirements, practical considerations, and timely enforcement.

A core aspect of SFIL's credit risk management strategy is the avoidance of excessive concentrations within the credit portfolio, whether by counterparty, borrower group, sector, or product. The Company's portfolio management framework enables a comprehensive assessment of concentrations, supporting subsequent risk mitigation measures and promoting diversification across geographical regions, sectors, borrower groups, and product lines.

This analysis also informs strategic decisions for both the overall portfolio and individual counterparties, taking into account their risk-reward profiles and potential. The application of credit risk mitigation techniques is tailored according to product type, customer segment, and business strategy. The risk mitigation techniques utilized include.

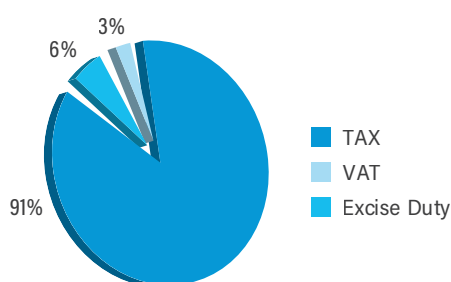
# STATEMENT OF CONTRIBUTION TO GOVERNMENT EXCHEQUER

For the year ended 31 December 2024

Government is considered as one of the most important stakeholders which play a critical role in the economic development of the country. Being a legitimate and ethical company, SFIL Finance PLC. contributes to the Government Exchequer when the necessary amounts fall due. For the year 2024, SFIL Finance PLC. made a handsome contribution to Government Exchequer of an amount equal to BDT 110.86 million, composed of advance tax, withholding tax, withholding VAT and excise duty. This is in comparison to BDT 117.61 million in 2023, reflecting its fair and consistent commitment towards national contribution.

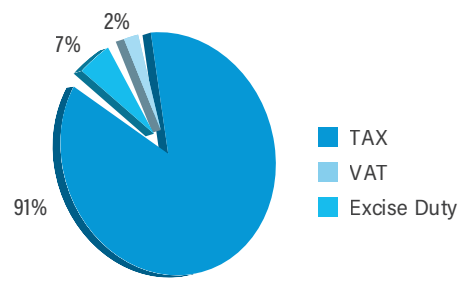
Forms of Contribution	2024	2023
<b>Tax</b>	<b>100,862,149</b>	<b>106,871,844</b>
Salary	2,592,312	3,748,143
Interest on savings deposit	60,768,344	39,044,634
Payment of Supplier	1,248,240	923,177
Advance Income Tax	36,253,253	63,155,890
<b>VAT</b>	<b>3,814,851</b>	<b>2,736,738</b>
Processing, Documentation Fee etc.	445,447	343,417
Procurement of goods and services	3,369,404	2,393,321
<b>Excise Duty</b>	<b>6,187,850</b>	<b>8,006,250</b>
Collection of excise duty from clients	3,665,850	3,928,250
Excise duty deducted by bank	2,522,000	4,078,000
<b>Total Paid to Government Exchequer</b>	<b>110,864,850</b>	<b>117,614,832</b>

Composition of Contribution in 2024



TAX	100,862,149
VAT	3,814,851
Excise Duty	6,187,850

Composition of Contribution in 2023



TAX	106,871,844
VAT	2,736,738
Excise Duty	8,006,250

**Independent Auditor's Report  
To the Shareholders of  
SFIL Finance PLC.  
On the Audit of the Financial Statements  
For the Year Ended 31st December 2024**

**Opinion**

We have audited the accompanying consolidated financial statements of SFIL Finance PLC. and its Subsidiary (the "Group") as well as the separate financial statements of SFIL Finance PLC. (the "Company") which comprise the Consolidated and Separate Balance Sheet as at 31 December 2024 and Consolidated and Separate Profit or Loss Account, Consolidated and Separate Statement of Changes in Equity and Consolidated and Separate Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information disclosed in Notes 1 to 40 to the Consolidated and Separate Financial Statements.

In our opinion, the accompanying Consolidated Financial Statements of the Group and Separate Financial Statements of the Company present fairly, in all material respects, the financial position of the Group and Company as at December 31, 2024 and their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 (amended on 2020) and other applicable laws and regulations.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the 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), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Matter**

The company was unable to submit the annual return as required by Section 36 of the Companies Act 1994 to the Registrar of Joint Stock Companies and Firms (RISC) for the year ended 31 December 2023 due to technical difficulties. As a consequence of the pending RISC annual return filings, we are unable to confirm the current shareholding positions and any director changes took place as per official RISC filings.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended 31 December 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter stated below, our description of how our audit addressed the matter is provided in that context.

**Leases, Loans & Advances**

Risk	Our response to the risk
<p><b><u>Classification</u></b></p> <p>The classification of loans &amp; advances are determined by specific Bangladesh Bank's circulars which have wide ranging effect on the financial position and performance of the FI, namely through provisioning requirements.</p> <p>Furthermore, the calculation of RWA (Risk Weighted Assets) is, to some extent, dependent on the classification of loans and advances which ultimately impact the CAR (Capital Adequacy Ratio) significant indicators of FI's health under the BASEL - II regime.</p> <p>At year end the Company reported total gross loans and advances of Tk. 986,808,863 (2023: Tk. 1,384,578,015) and provision for loans and advances of Tk. 14,581,715 including general provision Tk. 11,826,310 &amp; specific provision Tk. 2,755,405 (2023: Tk. 14,906,067).</p> <p>Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.</p> <p>The Company's disclosures about provisioning of Loans &amp; Advances are included in note. 12.06, 12.06.(i) and 7.2.</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>● The credit appraisal, loan disbursement procedures, monitoring and provisioning process;</li> <li>● Identification of loss events, including early warning and default warning indicators;</li> <li>● Reviewed quarterly Financial Institution Classification of Loans (CL);</li> </ul> <p>Furthermore, we have assessed on test basis the loan application receipt, assessment, documentation and authorization process against Company's policy and Bangladesh Bank's requirements. Legal expert's views regarding securitization of the loans have also been considered.</p> <p>As part of our process, we have reviewed the loan files, bank statements, and its provisioning requirements.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>

**Interest Income and Investment Income**

Risk	Our response to the risk
<p>At year end the SFIL Finance PLC. reported total Interest Income Tk. 250,064,863. This interest income includes interest on Home Mortgage Loan, Commercial Mortgage Loan, Lease of Industrial Equipment, Vehicles, Delinquent Interest, and Interest on Term Finance, Interest on Fixed Deposits, Interest on Short Term Deposit, and Interest on Loan against FDR.</p> <p>(Note # 18)</p> <p>The SFIL Finance PLC. also reported Investment income TK. 258,464,075 from dividend income, interest income from Govt. treasury bill, capital gain from sales of marketable securities and interest on BO Accounts. (Note #20)</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>● Verify and calculate interest income based on cut of date with the value of investment, amortization, applicable interest rate;</li> <li>● Verify proper revenue recognition through cut of date for interest receivable;</li> <li>● Verify the authentication of documents;</li> <li>● Timing of revenue recognition.</li> </ul> <p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> <li>● Obtaining supporting documentation for transactions recorded for Interest on Investment such as make loans and advance, Purchase date of FDR and Treasury bill, physical verification of FDR to confirm maturity date and amount of interest, bank statement and interest receivable at the year ended date to determine whether revenue was recognized in the correct period;</li> <li>● Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</li> </ul>

### IT systems and controls

Risk	Our response to the risk
<p>Our audit procedures have a focus on IT system 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.</p>	<p>We tested the Company's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p> <p>Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.</p>

### Legal & Regulatory Matters

Risk	Our response to the risk
<p>We focused on this area because the Company operates in a legal and regulatory environment that is exposed to various risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>Significant Legal &amp; Regulatory matters pertaining to the Company were:</p> <ul style="list-style-type: none"> <li>Compliance of rules &amp; regulations, including submission of returns to various regulators.</li> </ul> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the legal provision and contingency process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Company's regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the</p>

<p>provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Company's best estimate for existing legal matters that have estimate for existing legal matters that have a probable and estimable impact on the Company's financial position.</p> <p><b>Current Tax:</b></p> <p>The Company reported net current tax expense of Tk. 21,021,110 as at 31 December 2024 (2023: Tk. 21,840,010).</p> <p>The Company's disclosures relating to current tax are include in note 34.00 to the financial statements.</p>	<p>provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We obtained an understanding evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of current tax and the assumption used in estimating the Company's tax liability for the year ended 31 December 2024.</p> <p>Furthermore, we reviewed the correspondences, assessment orders and other relevant documents to evaluate the basis of the provisions maintained in the financial statements.</p>
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**Deferred Tax Liability**

Risk	Our response to the risk
<p><b>Deferred Tax:</b></p> <p>The Company reported net deferred tax Liabilities to totaling Taka Nil as at 31 December 2024. (2023: 3,084,660) and Deferred Tax Assets Total Tk. 1,413,133 as at 31 December 2024.</p> <p>Significant judgment is required in relation to deferred tax assets/liabilities as their recoverability is dependent on forecasts of future profitability over a number of years.</p> <p>The Company's disclosures relating to deferred tax are included in note 12.03 to the financial statements.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of DTAs and the assumptions used in estimating the Company's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTA's.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS-12 Income Tax.</p>

### **Other Information**

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report 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 maintenance of the required books of accounts & records and preparation and fair presentation of the financial statements of the Company in accordance with IFRSs as explained in note 2.00 to the financial statements, and for such internal control as management determines in necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Finance Company Act, 2023 & the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Company. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of

not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994 (amended on 2020), the Securities and Exchange Commission Rules 1987 and Finance Company Act, 2023 and the other rules and regulations issued by Bangladesh Bank from time to time, 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;
- (iii) The Consolidated and Separate 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 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 i.e. '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 80% risk weighted assets of the Company and we have spent around 2,062 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) the Company has complied with the DFIM Circular-11, Dated: 23 December 2009 in preparing these financial statements;

Dhaka, Bangladesh  
Date: 27 May 2025



**Mizanur Rahman, FCA**  
Partner  
**Arun & Company**  
Chartered Accountants  
Enrollment No: 2026  
DVC: 2505272026AS632905

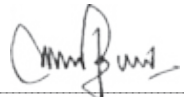
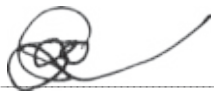
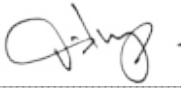
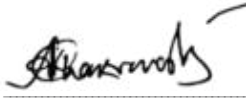
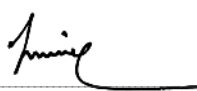
**SFIL Finance PLC. and its Subsidiary**  
**Consolidated Balance Sheet**  
As at 31 December 2024

Particulars	Notes	Amount in BDT	
		31-Dec-2024	31-Dec-2023
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3	<b>22,468,828</b>	<b>27,152,986</b>
In hand (including foreign currencies)	3.1	130,000	130,000
Balance with Bangladesh Bank and its agent (including foreign currencies)	3.2	22,338,828	27,022,986
<b>Balance with other Banks and Financial Institutions</b>	4	<b>211,136,712</b>	<b>1,793,591,361</b>
Inside Bangladesh		211,136,712	1,793,591,361
Outside Bangladesh		-	-
Money at call and short notice	5	-	-
<b>Investments</b>	6	<b>2,944,607,664</b>	<b>1,739,703,609</b>
Government securities		1,330,761,398	240,247,447
Others investments		1,613,846,266	1,499,456,161
<b>Leases, loans and advances</b>	7	<b>986,808,863</b>	<b>1,384,578,015</b>
Loans, cash credit, overdraft and leases etc.		986,808,863	1,384,578,015
Bills purchased and discounted		-	-
Fixed Assets including Land, Building, Furniture & Fixtures	8	108,563,616	118,430,628
Other assets	9	190,026,224	248,164,568
Non-banking assets		-	-
<b>TOTAL PROPERTY AND ASSETS</b>		<b>4,463,611,906</b>	<b>5,311,621,167</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	10	<b>178,054,959</b>	<b>84,714,689</b>
<b>Deposits &amp; other accounts</b>	11	<b>2,934,490,318</b>	<b>3,835,422,450</b>
Current deposits and other accounts etc.		-	-
Bills payable		-	-
Saving bank deposit		-	-
Term deposits	11.1	2,931,747,409	3,832,204,935
Bearer certificate of deposits		-	-
Other deposits	11.2	2,742,909	3,217,515
<b>Other liabilities</b>	12	<b>282,601,249</b>	<b>259,925,995</b>
<b>Total liabilities</b>		<b>3,395,146,525</b>	<b>4,180,063,133</b>
<b>Capital/Shareholders' Equity</b>			
Paid up Capital	13	1,055,750,000	1,055,750,000
Statutory reserves	14	30,171,513	30,171,513
Capital Reserves		114,809	114,809
Retained earnings	15	(17,573,293)	45,519,180
<b>Total Equity attributable to equity holders of the company</b>		<b>1,068,463,030</b>	<b>1,131,555,503</b>
<b>Non-controlling interest</b>		<b>2,351</b>	<b>2,531</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>4,463,611,906</b>	<b>5,311,621,167</b>

**SFIL Finance PLC. and its Subsidiary**  
**Consolidated Balance Sheet**  
As at 31 December 2024

Particulars	Notes	Amount in BDT	
		31-Dec-2024	31-Dec-2023
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>		-	-
Acceptances and endorsements		-	-
Letter of guarantee		-	-
Irrevocable letters of credit		-	-
Bill for collection		-	-
Other contingent liabilities		-	-
<b>Other commitments</b>		<b>25,660,051</b>	<b>5,300,000</b>
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines		-	-
Undisbursed contracted loans and leases	16	25,660,051	5,300,000
<b>Total Off-Balance Sheet Items including Contingent Liabilities</b>		<b>25,660,051</b>	<b>5,300,000</b>
<b>Net Asset Value (NAV) per share</b>	36	<b>10.12</b>	<b>10.72</b>

The annexed notes from 1 to 40 form an integral part of these financial statements.

 Chairman  
 Director  
 Director  
 Managing Director & CEO  
 Company Secretary

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

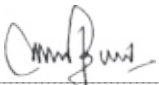

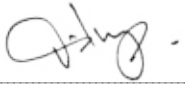
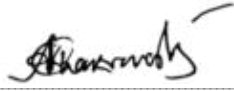
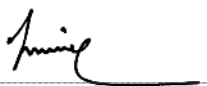
**Place: Dhaka**  
Dated: 27 May 2025

  
**Mizanur Rahman, FCA**  
 Partner  
**Arun & Company**  
 Chartered Accountants  
 Enrollment No: 2026  
 DVC: 2505272026AS632905

**SFIL Finance PLC. and its Subsidiary**  
**Consolidated Profit and Loss Account**  
For the year ended 31 December 2024

Particulars	Notes	Amount in BDT	
		31-Dec-2024	31-Dec-2023
Interest income	18	250,135,796	373,886,926
Interest on deposits and borrowings etc.	19	386,205,509	363,096,499
<b>Net interest income</b>		<b>(136,069,713)</b>	<b>10,790,427</b>
Income from investment	20	260,228,921	134,493,871
Commission, Exchange and Brokerage	21	3,292,654	1,483,673
Other operating income	22	2,408,174	4,157,097
<b>Total Operating Income</b>		<b>129,860,036</b>	<b>150,925,068</b>
Salary and allowances	23	54,906,523	58,299,488
Rent, taxes, insurance, electricity etc.	24	2,766,148	2,386,751
Legal and professional fees	25	616,195	814,011
Postage, stamp, telecommunication etc.	26	752,390	752,235
Stationery, printing, advertisement etc.	27	3,633,876	1,916,737
Managing Director's salary and allowances	28	2,710,000	7,736,000
Directors' fees	29	184,944	87,389
Auditors' fees	30	402,500	303,025
Charges on loan losses		-	-
Depreciation and repair of Company's assets	31	20,411,432	17,556,182
Other expenses	32	15,183,060	17,173,866
<b>Total Operating Expenses</b>		<b>101,567,068</b>	<b>107,025,684</b>
<b>Profit before provision</b>		<b>28,292,968</b>	<b>43,899,383</b>
<b>Provisions for leases, loans &amp; investments</b>	33	<b>73,676,953</b>	<b>3,221,398</b>
Provision for leases, loans and advances		(324,351)	2,198,161
Provision for diminution in value of investments		73,771,971	970,237
Other provisions		229,334	53,000
<b>Profit before tax and reserve</b>		<b>(45,383,986)</b>	<b>40,677,985</b>
<b>Provision for taxation</b>	34	<b>17,708,667</b>	<b>24,285,175</b>
Current tax expense/ (income)		22,271,060	22,660,181
Deferred tax expense/ (income)		(4,562,393)	1,624,993
<b>Net Profit/(Loss) after taxation</b>		<b>(63,092,653)</b>	<b>16,392,811</b>
<b>Attributable to:</b>			
Shareholders of the Company		(63,092,473)	16,392,969
Non-controlling interest		(180)	(159)
		<b>(63,092,653)</b>	<b>16,392,811</b>
<b>Appropriations:</b>			
Statutory reserve		-	4,863,952
Retained earnings		(63,092,653)	11,528,859
Dividend		-	-
		<b>(63,092,653)</b>	<b>16,392,811</b>
<b>Earnings Per Share (EPS)</b>	35	<b>(0.60)</b>	<b>0.16</b>

The annexed notes from 1 to 40 form an integral part of these financial statements.

 Chairman  
 Director  
 Director  
 Managing Director & CEO  
 Company Secretary

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

  
**Mizanur Rahman, FCA**  
 Partner  
**Arun & Company**  
 Chartered Accountants  
 Enrollment No: 2026  
 DVC: 2505272026AS632905

Place: Dhaka  
Dated: 27 May 2025

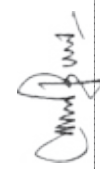
**SFIL Finance PLC. and its Subsidiary**  
**Consolidated Statement of Changes in Equity**

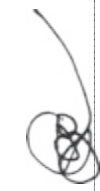
For the year ended 31 December 2024

Particulars	Attributable to equity holders of the company						Non-controlling interest	Total Equity				
	Share Capital		Statutory Reserves		Capital Reserves				Retained Earnings		Total	
	BDT		BDT		BDT				BDT		BDT	
<b>Balance as on 01 January 2024</b>	1,055,750,000	-	30,171,513	-	114,809	-	45,519,180	1,131,555,503	2,531	1,131,558,034		
Net Profit /(Loss) for the year	-	-	-	-	-	-	(63,092,473)	(63,092,473)	(180)	(63,092,653)		
Appropriation to statutory reserve	-	-	-	-	-	-	-	-	-	-		
Dividend	-	-	-	-	-	-	-	-	-	-		
<b>Balance as on 31 December 2024</b>	<b>1,055,750,000</b>	<b>-</b>	<b>30,171,513</b>	<b>-</b>	<b>114,809</b>	<b>-</b>	<b>(17,573,293)</b>	<b>1,068,463,030</b>	<b>2,351</b>	<b>1,068,465,381</b>		

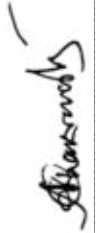
For the year ended 31 December 2023

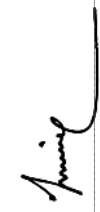
Particulars	Attributable to equity holders of the company						Non-controlling interest	Total Equity				
	Share Capital		Statutory Reserves		Capital Reserves				Retained Earnings		Total	
	BDT		BDT		BDT				BDT		BDT	
<b>Balance as on 01 January 2023</b>	1,025,000,000	-	25,307,562	-	114,809	-	64,740,163	1,115,162,534	2,690	1,115,165,224		
Net Profit /(Loss) for the year	-	-	-	-	-	-	16,392,969	16,392,969	(159)	16,392,811		
Appropriation to statutory reserve	-	-	4,863,952	-	-	-	(4,863,952)	-	-	-		
3.0% Stock Dividend	30,750,000	-	-	-	-	-	(30,750,000)	-	-	-		
<b>Balance as on 31 December 2023</b>	<b>1,055,750,000</b>	<b>-</b>	<b>30,171,513</b>	<b>-</b>	<b>114,809</b>	<b>-</b>	<b>45,519,180</b>	<b>1,131,555,503</b>	<b>2,531</b>	<b>1,131,558,034</b>		

  
Chairman

  
Director

  
Director

  
Managing Director & CEO

  
Company Secretary

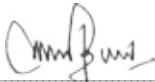
Signed in terms of our separate report of even date annexed.

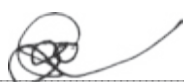
**Place: Dhaka**

Dated: 27 May 2025

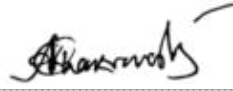
**SFIL Finance PLC. and its Subsidiary**  
**Consolidated Statement of Cash Flows**  
For the year ended 31 December 2024


Particulars	Amount in BDT	
	31-Dec-2024	31-Dec-2023
<b>A) Cash flows from operating activities</b>		
Interest received	304,249,210	454,530,100
Interest paid	(415,618,457)	(337,398,297)
Fees and commission received	5,486,372	3,788,579
Received from other operating activities	13,081	1,085,152
Income from investment	248,849,209	123,729,150
Dividend received	10,715,367	11,187,884
Cash paid to employees (including directors)	(57,854,940)	(67,846,856)
Cash paid to suppliers & Others (including office rent)	(16,089,067)	(10,042,048)
Income taxes paid	(37,554,862)	(71,794,783)
Paid for other operating activities	(15,183,060)	(17,173,866)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>	<b>27,012,853</b>	<b>90,065,016</b>
<b>Increase/ (decrease) in operating assets &amp; liabilities</b>		
Leases, Loans and advances to customers	397,769,152	(163,513,825)
Other assets	(181,291)	(16,860,974)
Deposits from customers	(900,932,132)	(738,022,437)
Other liabilities	1,973,115	(765,711)
	<b>(501,371,155)</b>	<b>(919,162,948)</b>
<b>Net Cash from Operating Activities</b>	<b>(474,358,303)</b>	<b>(829,097,932)</b>
<b>B) Cash flows from investing activities</b>		
Changes in investment in securities	(1,204,904,056)	(261,083,330)
Purchase of property, plant and equipment	(1,998,098)	(10,178,623)
Disposal of property, plant and equipment	781,379	10,459,389
<b>Net Cash used in Investing Activities</b>	<b>(1,206,120,775)</b>	<b>(260,802,564)</b>
<b>C) Cash flows from financing activities</b>		
Drawdown of Term Loan, OD and REPO	93,340,270	37,441,346
<b>Net Cash used in Financing Activities</b>	<b>93,340,270</b>	<b>37,441,346</b>
<b>D) Net Increase/ (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(1,587,138,808)</b>	<b>(1,052,459,150)</b>
<b>E) Opening cash and cash-equivalents</b>	<b>1,820,744,347</b>	<b>2,873,203,498</b>
<b>F) Closing cash and cash-equivalents (D+E)*</b>	<b>233,605,540</b>	<b>1,820,744,347</b>
<b>* Closing cash and cash-equivalents</b>		
Cash in hand	130,000	130,000
Balance with Bangladesh Bank and its agent bank(s)	22,338,828	27,022,986
Balance with other Banks and Financial Institutions	211,136,712	1,793,591,361
	<b>233,605,540</b>	<b>1,820,744,347</b>

  
Chairman

  
Director

  
Director

  
Managing Director & CEO

  
Company Secretary

Place: Dhaka

Dated: 27 May 2025

**SFIL Finance PLC.**  
**Balance Sheet**  
As at 31 December 2024

Particulars	Notes	Amount in BDT	
		31-Dec-2024	31-Dec-2023
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	3	<b>22,438,828</b>	<b>27,122,986</b>
In hand (including foreign currencies)	3.1	100,000	100,000
Balance with Bangladesh Bank and its agent (including foreign currencies)	3.2	22,338,828	27,022,986
<b>Balance with other Banks and Financial Institutions</b>	4	<b>208,479,267</b>	<b>1,791,845,687</b>
Inside Bangladesh		208,479,267	1,791,845,687
Outside Bangladesh		-	-
Money at call and short notice	5	-	-
<b>Investments</b>	6	<b>2,925,163,300</b>	<b>1,728,541,115</b>
Government securities		1,330,761,398	240,247,447
Others investments		1,594,401,902	1,488,293,668
<b>Leases, loans and advances</b>	7	<b>986,808,863</b>	<b>1,384,578,015</b>
Loans, cash credit, overdraft and leases etc.		986,808,863	1,384,578,015
Bills purchased and discounted		-	-
Fixed Assets including Land, Building, Furniture & Fixtures	8	84,632,940	94,506,594
Other assets	9	276,550,466	335,379,520
Non-banking assets		-	-
<b>TOTAL PROPERTY AND ASSETS</b>		<b>4,504,073,663</b>	<b>5,361,973,918</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	10	<b>169,556,604</b>	<b>84,714,689</b>
<b>Deposits &amp; other accounts</b>	11	<b>2,964,490,318</b>	<b>3,870,922,450</b>
Current deposits and other accounts etc.		-	-
Bills payable		-	-
Saving bank deposit		-	-
Term deposits	11.1	2,961,747,409	3,867,704,935
Bearer certificate of deposits		-	-
Other deposits	11.2	2,742,909	3,217,515
<b>Other liabilities</b>	12	<b>273,263,780</b>	<b>255,479,213</b>
<b>Total liabilities</b>		<b>3,407,310,701</b>	<b>4,211,116,351</b>
<b>Capital/Shareholders' Equity</b>		<b>1,096,762,963</b>	<b>1,150,857,567</b>
Paid up Capital	13	1,055,750,000	1,055,750,000
Statutory reserves	14	30,171,513	30,171,513
Retained earnings	15	10,841,449	64,936,054
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>4,504,073,663</b>	<b>5,361,973,918</b>

**SFIL Finance PLC.**  
**Balance Sheet**  
As at 31 December 2024

Particulars	Notes	Amount in BDT	
		31-Dec-2024	31-Dec-2023
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>			
Acceptances and endorsements		-	-
Letter of guarantee		-	-
Irrevocable letters of credit		-	-
Bill for collection		-	-
Other contingent liabilities		-	-
		<b>25,660,051</b>	<b>5,300,000</b>
<b>Other commitments</b>			
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines		-	-
Undisbursed contracted loans and leases	16	25,660,051	5,300,000
		<b>25,660,051</b>	<b>5,300,000</b>
<b>Total Off-Balance Sheet Items including Contingent Liabilities</b>		<b>25,660,051</b>	<b>5,300,000</b>
<b>Net Asset Value (NAV) per share</b>		<b>10.39</b>	<b>10.90</b>
	36		

The annexed notes from 1 to 40 form an integral part of these financial statements.

				
Chairman	Director	Director	Managing Director & CEO	Company Secretary

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

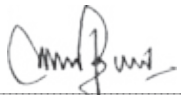
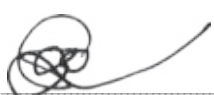
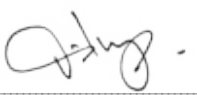
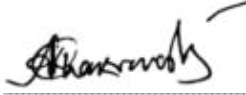
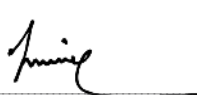
  
**Mizanur Rahman, FCA**  
Partner  
**Arun & Company**  
Chartered Accountants  
Enrollment No: 2026  
DVC: 2505272026AS632905

**Place: Dhaka**  
Dated: 27 May 2025

**SFIL Finance PLC.**  
**Profit and Loss Account**  
For the year ended 31 December 2024

Particulars	Notes	Amount in BDT	
		31-Dec-2024	31-Dec-2023
Interest income	18	250,064,863	372,920,031
Interest on deposits and borrowings etc.	19	388,918,486	364,324,170
<b>Net interest income</b>		<b>(138,853,623)</b>	<b>8,595,861</b>
Income from investment	20	258,464,075	133,757,811
Commission, Exchange and Brokerage	21	-	-
Other operating income	22	2,395,444	4,143,767
<b>Total Operating Income</b>		<b>122,005,896</b>	<b>146,497,438</b>
Salary and allowances	23	48,547,344	51,242,488
Rent, taxes, insurance, electricity etc.	24	2,450,460	2,117,676
Legal and professional fees	25	475,417	776,972
Postage, stamp, telecommunication etc.	26	423,501	413,473
Stationery, printing, advertisement etc.	27	3,597,482	1,796,790
Managing Director's salary and allowances	28	2,710,000	7,736,000
Directors' fees	29	184,944	87,389
Auditors' fees	30	306,667	214,475
Charges on loan losses		-	-
Depreciation and repair of Company's assets	31	18,361,326	15,622,933
Other expenses	32	13,153,986	15,344,315
<b>Total Operating Expenses</b>		<b>90,211,126</b>	<b>95,352,511</b>
<b>Profit before provision</b>		<b>31,794,770</b>	<b>51,144,927</b>
<b>Provisions for leases, loans &amp; investments</b>	33	<b>69,366,057</b>	<b>3,206,722</b>
Provision for leases, loans and advances		(324,351)	2,198,161
Provision for diminution in value of investments		69,461,074	955,561
Other provisions		229,334	53,000
<b>Profit before tax and reserve</b>		<b>(37,571,287)</b>	<b>47,938,205</b>
<b>Provision for taxation</b>	34	<b>16,523,317</b>	<b>23,618,446</b>
Current tax expense/ (income)		21,021,110	21,840,010
Deferred tax expense/ (income)		(4,497,793)	1,778,435
<b>Net Profit/(Loss) after taxation</b>		<b>(54,094,604)</b>	<b>24,319,759</b>
<b>Appropriations:</b>			
Statutory reserve		-	4,863,952
Retained earnings		(54,094,604)	19,455,807
Dividend		-	-
		<b>(54,094,604)</b>	<b>24,319,759</b>
<b>Earnings Per Share (EPS)</b>	35	<b>(0.51)</b>	<b>0.23</b>

The annexed notes from 1 to 40 form an integral part of these financial statements.

				
Chairman	Director	Director	Managing Director & CEO	Company Secretary

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

  
**Mizanur Rahman, FCA**  
Partner  
**Arun & Company**  
Chartered Accountants  
Enrollment No: 2026  
DVC: 2505272026AS632905

**Place: Dhaka**  
Dated: 27 May 2025

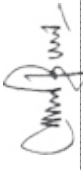
**SFIL Finance PLC.**

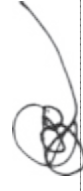
**Statement of Changes in Equity**  
For the year ended 31 December 2024

Particulars	Share Capital		Statutory Reserves		Retained Earnings		Total	
	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
<b>Balance as on 1 January 2024</b>	1,055,750,000	30,171,513	64,936,054		1,150,857,567			
Net Profit /(Loss) for the year	-	-	(54,094,604)		(54,094,604)			
Appropriation to statutory reserve	-	-	-		-			
Dividend	-	-	-		-			
<b>Balance as on 31 December 2024</b>	<b>1,055,750,000</b>	<b>30,171,513</b>	<b>10,841,449</b>		<b>1,096,762,963</b>			

For the year ended 31 December 2023


Particulars	Share Capital		Statutory Reserves		Retained Earnings		Total	
	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
<b>Balance as on 1 January 2023</b>	1,025,000,000	25,307,562	76,230,246		1,126,537,808			
Net Profit /(Loss) for the year	-	-	24,319,759		24,319,759			
Appropriation to statutory reserve	-	4,863,952	(4,863,952)		-			
3.0% Stock Dividend	30,750,000	-	(30,750,000)		-			
<b>Balance as on 31 December 2023</b>	<b>1,055,750,000</b>	<b>30,171,513</b>	<b>64,936,054</b>		<b>1,150,857,567</b>			

  
Chairman

  
Director

  
Director

  
Managing Director & CEO

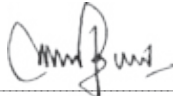
  
Company Secretary

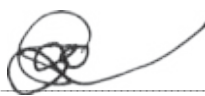
Signed in terms of our separate report of even date annexed.

**Place: Dhaka**  
Dated: 27 May 2025

**SFIL Finance PLC.**  
**Statement of Cash Flows**  
For the year ended 31 December 2024

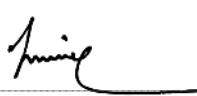
Particulars	Amount in BDT	
	31-Dec-2024	31-Dec-2023
<b>A) Cash flows from operating activities</b>		
Interest received	304,178,277	453,563,205
Interest paid	(418,481,380)	(338,097,920)
Fees and commission received	2,193,718	2,304,906
Received from other operating activities	351	1,071,822
Income from investment	247,718,178	123,424,390
Dividend received	10,178,352	10,756,584
Cash paid to employees (including directors)	(51,495,760)	(60,789,856)
Cash paid to suppliers & Others (including office rent)	(13,220,516)	(9,214,840)
Income taxes paid	(36,253,154)	(71,136,854)
Paid for other operating activities	(13,153,986)	(15,344,315)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>	<b>31,664,080</b>	<b>96,537,121</b>
<b>Increase/ (decrease) in operating assets &amp; liabilities</b>		
Leases, Loans and advances to customers	397,769,152	(163,621,839)
Other assets	7,556	(55,833,788)
Deposits from customers	(906,432,132)	(702,522,437)
Other liabilities	1,973,115	(765,711)
	<b>(506,682,309)</b>	<b>(922,743,775)</b>
<b>Net Cash from Operating Activities</b>	<b>(475,018,229)</b>	<b>(826,206,654)</b>
<b>B) Cash flows from investing activities</b>		
Changes in investment in securities	(1,196,622,185)	(260,512,954)
Purchase of property, plant and equipment	(1,905,375)	(10,066,058)
Disposal of property, plant and equipment	653,296	10,459,389
<b>Net Cash used in Investing Activities</b>	<b>(1,197,874,265)</b>	<b>(260,119,623)</b>
<b>C) Cash flows from financing activities</b>		
Drawdown of Term Loan, OD and REPO	84,841,915	37,441,346
Issuance of ordinary share	-	-
<b>Net Cash used in Financing Activities</b>	<b>84,841,915</b>	<b>37,441,346</b>
<b>D) Net Increase/ (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(1,588,050,579)</b>	<b>(1,048,884,931)</b>
<b>E) Opening cash and cash-equivalents</b>	<b>1,818,968,674</b>	<b>2,867,853,605</b>
<b>F) Closing cash and cash-equivalents (D+E)*</b>	<b>230,918,095</b>	<b>1,818,968,674</b>
<b>* Closing cash and cash-equivalents</b>		
Cash in hand	100,000	100,000
Balance with Bangladesh Bank and its agent bank(s)	22,338,828	27,022,986
Balance with other Banks and Financial Institutions	208,479,267	1,791,845,687
	<b>230,918,095</b>	<b>1,818,968,674</b>

  
Chairman

  
Director

  
Director


  
Managing Director & CEO

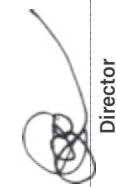
  
Company Secretary

Place: Dhaka  
Dated: 27 May 2025

**SFIL Finance PLC.**  
**Liquidity Statement**  
As at 31 December 2024

Particulars	Not more than 1 month term		1-3 months term		3-12 months term		1-5 years term		above 5-years term		Total	
	BDT		BDT		BDT		BDT		BDT		BDT	
<b>Assets</b>												
Cash in hand (including foreign currencies)	100,000	-	-	-	-	-	-	-	-	-	-	100,000
Balance with Bangladesh Bank and its agent (including foreign currencies)	-	-	-	-	-	-	-	-	22,338,828	-	-	22,338,828
Balance with other banks and financial institutions	203,428,156	-	5,051,111	-	-	-	-	-	-	-	-	208,479,267
Money at call and short notice	-	-	-	-	-	-	-	-	-	-	-	-
Investments	358,190,494	444,232,966	444,232,966	1,190,494,190	1,190,494,190	765,578,983	765,578,983	166,666,667	166,666,667	2,925,163,300	2,925,163,300	
Leases, Loans and advances	82,305,917	18,896,730	18,896,730	277,437,137	277,437,137	489,137,734	489,137,734	119,031,344	119,031,344	986,808,863	986,808,863	
Fixed assets including land, building, furniture and fixtures	1,293,210	2,586,421	2,586,421	11,368,181	11,368,181	44,783,374	44,783,374	24,601,754	24,601,754	84,632,940	84,632,940	
Other assets	6,082,683	822,724	822,724	25,136,596	25,136,596	89,421,263	89,421,263	155,087,199	155,087,199	276,550,466	276,550,466	
Non-banking assets	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>651,400,460</b>	<b>471,589,952</b>	<b>471,589,952</b>	<b>1,504,436,105</b>	<b>1,504,436,105</b>	<b>1,388,921,354</b>	<b>1,388,921,354</b>	<b>487,725,793</b>	<b>487,725,793</b>	<b>4,504,073,663</b>	<b>4,504,073,663</b>	
<b>Liabilities</b>												
Borrowings from other banks, financial institutions and agents	146,362,350	-	-	7,916,477	7,916,477	15,277,777	15,277,777	-	-	-	-	169,556,604
Deposits	491,087,254	1,405,297,836	1,405,297,836	1,049,775,044	1,049,775,044	15,587,274	15,587,274	-	-	-	-	2,961,747,409
Other accounts	-	1,646,304	1,646,304	75,208	75,208	1,021,397	1,021,397	-	-	-	-	2,742,909
Provision and other liabilities	39,355,885	29,069,806	29,069,806	88,363,915	88,363,915	75,253,162	75,253,162	41,221,012	41,221,012	273,263,780	273,263,780	
<b>Total Liabilities</b>	<b>676,805,489</b>	<b>1,436,013,946</b>	<b>1,436,013,946</b>	<b>1,146,130,644</b>	<b>1,146,130,644</b>	<b>107,139,609</b>	<b>107,139,609</b>	<b>41,221,012</b>	<b>41,221,012</b>	<b>3,407,310,701</b>	<b>3,407,310,701</b>	
<b>Net Liquidity Surplus/(Gap)</b>	<b>(25,405,029)</b>	<b>(964,423,994)</b>	<b>(964,423,994)</b>	<b>358,305,461</b>	<b>358,305,461</b>	<b>1,281,781,745</b>	<b>1,281,781,745</b>	<b>446,504,780</b>	<b>446,504,780</b>	<b>1,096,762,963</b>	<b>1,096,762,963</b>	

  
Chairman

  
Director

  
Director

  
Managing Director & CEO

  
Company Secretary

**Place: Dhaka**

Dated: 27 May 2025

**SFIL Finance PLC. and its Subsidiary**  
**Notes to the Consolidated and Separate Financial Statements**

As at and for the year ended 31 December 2024

**1 Legal status and nature of the company**

**1.1 Domicile, legal form and country of operation**

SFIL Finance PLC. (hereinafter referred to as “SFIL” or “the Company”) previously known as “Strategic Finance and Investments Limited” is a full-service Bangladesh Bank licensed multi product finance company, was incorporated in Bangladesh with the Registrar of Joint Stock Companies and Firms (RJSC) vide registration no. C-160166/2020 dated 9 March 2020 as a Public Limited Company under the Companies Act, 1994. The company changed its name in November 28, 2023 at RJSC and get permission in January 10, 2024 from Bangladesh Bank. It started commercial operations after obtaining license from Bangladesh Bank under the Financial Institutions Act, 1993 and Finance Company Act, 2023. The registered address of the company is situated at Finance Square, Level-15, Holding-22/A, Road-102 & 103, Gulshan-2, Dhaka - 1212, Bangladesh. Currently the company has one branch office located at Rangs RL Square, Level: 13, Kha 201/1, 203, 205/1, 205/3 , Bir Uttam Rafiqul Islam Avenue, Progoti Shoroni, Dhaka-1212, Bangladesh.

Consequently the company has acquired the following Licenses and legal approvals:

Sl. No.	Name of License	Registration No.	Date of License	Renewed up to
1	Certificate of Incorporation	C-160166/2020	9-Mar-20	N/A
2	Certificate for Commencement of Business	92815	9-Mar-20	N/A
3	Bangladesh Bank License	DFIM(L)/41	19-Mar-20	N/A
4	Tax Identification Number (TIN)	225704900074	24-Aug-20	N/A
5	Value Added Tax Registration Certificate	003315458-0101	2-Nov-20	N/A
6	Trade License	TRAD/DNCC/032617/2022	3-Sep-24	25-Jun-25

**1.2 Company's activities**

SFIL specializes in providing Long term Finance and Short term Finance, Lease Finance, Loan Against Deposit, Personal Loan, Work Order Finance, Receivable Finance, Mortgage Finance, Equity Finance, Syndication Finance, CMSME Finance and Corporate advisory. The company offers attractive savings and deposits products to both institutions and individual clients.

**1.3 Islamic Division**

**1.3.1 SFIL Islamic Finance Wing**

SFIL got permission from Department of Financial Institutions and Markets (DFIM), Bangladesh Bank on December 22, 2022 (Letter # DFIM(L)/1053/104/2022-3747) to open Islamic Shariah Based Wing. SFIL Islamic Finance Wing (IFW) is supervised by independent and experienced Shariah Supervisory Committee. SFIL Islamic Finance Wing offers Mudaraba Term Deposits, Mudaraba Savings Scheme, Mudaraba Hajj Savings Scheme, Hire Purchase Under Shirkatul Melk and Bai-Murabaha. Islamic Wing maintains its books of account separately. Separate Balance Sheet and Profit & Loss account of SFIL Islamic Finance Wing are given in annexure D.1 and D.2 respectively.

**1.4 Subsidiary Company**

**1.4.1 SFIL Securities Limited (SFILSL)**

SFIL Securities Limited (hereinafter referred to as “SFILSL” or “the company”) a wholly owned subsidiary

company (99.99%) of SFIL Finance PLC., was incorporated with the Registrar of Joint Stock Companies and Firms (RJSCF) vide registration # C-170009/2021 dated March 21, 2021 as a private limited company under the Companies Act, 1994. The Company is a Trading Right Entitlement Certificate (TREC) holder of both Dhaka Stock Exchange PLC. (276) and Chittagong Stock Exchange PLC. (154). The principal activities of SFIL Securities Limited are to act as a TREC holder of stock exchanges and to carry on the business of broker, jobbers or dealers in stocks, shares, securities, bonds, debentures. The Company is also authorized to buy, sell, hold or otherwise acquire or invest the capital of company in shares, stocks and fixed income securities, etc.

## **2 Basis for preparation and significant accounting policies**

### **2.1 Statement of compliance**

The consolidated financial statements and separate financial statements of SFIL have been prepared on a going concern basis following accrual basis of accounting except for cash flows statement as per circular No. 11 dated December 23, 2009 issued by Department of Financial Institutions and Markets of Bangladesh Bank to comply with Financial Institutions Act 1993 and Bangladesh Bank's other circulars and guidelines or directives and in accordance with International Financial Reporting Standards (IFRSs), Financial Reporting Council (FRC), Finance Company Act, 2023 and the Companies Act, 1994 and other applicable laws & regulations.

In several cases, the laws, circulars, guidelines or directives of Bangladesh Bank differ from those of financial reporting standards as promulgated by International Accounting Standards Board (IASB) and as adopted by national standard setter, i.e., The Institute of Chartered Accountants of Bangladesh (ICAB), the requirements of Bangladesh Bank prevails and these financial statements have been prepared by departing from those requirements of IFRSs with a view to comply with the regulatory requirements .

The Company has consistently applied the accounting policies to all periods presented in these financial statements. The various amendments to standards, including any consequential amendments to other standards have been considered.

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, these departures with IFRSs have been made by following all of the relevant provisions of IAS 1 and detail disclosures are given in note - 2.3 by following the provision of Para 20 of IAS 1 : Presentation of Financial Statements.

### **2.2 Presentation of financial statements**

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 finance company, have been excluded in preparing the financial statements.

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

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1.	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS-9 "Financial Instruments"	An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired.  If any such evidence exists, the entity shall measure the amount of the loss as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset shall be reduced either directly or through use of an allowance account.	As per DFIM Circular No. 04 dated July 26, 2021 and DFIM Circular No. 37 dated December 4, 2024, a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances.  Also provision for sub-standard investments, doubtful investments and bad losses has to be provided at 5% to 20%, 20% to 50% and 100% respectively for investments depending on the duration of overdue.	In Financial Statements, as at 31 December 2024, accumulated provision for leases, loans and advances stand at BDT 14.58 million.
2.	Valuation of Investments in quoted and unquoted shares	IFRS-9 "Financial Instruments"	Investment in shares falls either under "at fair value through statement of comprehensive income" or under "available for sale" where any change in the fair value (as measured as per IFRS 13: "Fair Value") at the year-end is taken to statement of comprehensive income or revaluation reserve respectively.	As per FID circular No. 08, dated 03 August 2002 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; however in case of any unrealized gain, no such gain can be recognized and investments are recognized at cost only.	During this year total market value of all shares are less than the cost price of all shares.  As on December 31, 2024 there was BDT 80.04 million and BDT 75.51 million unrealized loss on consolidated and separate investment in marketable securities respectively.
3.	Recognition of interest income for SMA and classified lease, loans and advances	IFRS-9 "Financial Instruments"	Income from financial assets measured at amortized cost is recognized through effective interest rate method over the term of the investment. Once a financial asset is impaired, investment income is recognized in profit and loss account on the same basis based on revised carrying amount.	As per DFIM Circular No. 04 dated July 26, 2021, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments are not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	As at 31 December 2024, in Financial Statements interest suspense on Leases, Loans and Advances was BDT 2.64 million.  Additionally interest suspense on investment on bond was BDT 5.09 million
4.	Presentation of cash and cash equivalent	IAS 7 "Statement of Cash Flows"	Cash equivalent are short term, highly liquid investments that are readily convertible to known amounts of cash and only include those investments which are for a short tenure like: 3 months or less period.  In the light of above, balance with Bangladesh Bank and fixed term deposits should be treated as investment asset rather than cash equivalent as it is illiquid asset and not available for use in day to day operations.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all Finance Company.  The templates of financial statements provided detail presentation for statement of cash flows.	Financial Statements for 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
5.	Measurement of deferred tax asset	IAS 12 "Income Taxes"	A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.	As per DFIM circular No. 7, dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against lease, loans and advances.	During this year there is no impact in the financial statements due to this departure as the Company did not consider any deductible temporary difference against the provision for leases, loans and advances.
6.	Presentation and disclosure of Financial Statements and Financial Instruments	IAS 1 "Presentation of Financial Statements" IFRS 9 "Financial Instruments" IFRS 7 "Financial Instruments: Disclosure"	Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement. IAS 1 requires separate line item for intangible assets on the face of statement of financial position. IFRS 9 and IFRS 7 require specific presentation and disclosure relating to all financial instruments.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all NBFIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income Statement. Intangibles assets are not separately presented on the face of statement of financial position; rather it is presented along with the line item of fixed assets. As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 9. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.	Financial Statements for 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank
7.	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash Flows"	The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per DFIM Circular No. 11, dated 23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.	Financial Statements for 2024 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank
8.	Current/ Non-current distinction	IAS-1 "Presentation of Financial Statement"	As per Para 60 of IAS-1 "Presentation of Financial statement" An entity shall present current and non-current assets and current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular No. 11, dated 23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In this templates there is no current and non-current segmentation of assets and liabilities	Financial Statements for 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. Moreover, the liquidity statement shows the aging profile of all financial assets and liabilities from where current/non-current portion of assets and liabilities can be obtained.
9.	Off-balance sheet items	IAS 1 "Presentation of Financial Statements"	There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.	As per DFIM Circular No. 11, dated 23 December 2009, off-balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.	Financial Statements for 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
10.	Impairment of Margin Loan (Loans and receivables)	IFRS-9 "Financial Instruments"	Measurement after initial recognition at amortized cost and recording of changes through profit and loss.	As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. SEC/CMRRCD/2009-193/196 dated 28 December 2016, provisions for the year 2016 on impairment of principal portion of margin loan may be kept at 20% on each quarter for the five quarters starting from December 2016.	There is no such impact for this.
11.	Complete set of financial statements	IAS 1 "Presentation of Financial Statements"	As per IAS 1:10: "Presentation of Financial Statements" complete set of financial statements are i) a statement of financial position, ii) a statement of profit or loss and other comprehensive income, iii) a statement of changes in equity, iv) a statement of cash flows, v) notes, comprising significant accounting policies and other explanatory information and vi) statement of financial position at the beginning of preceding period for retrospective restatement.	As per DFIM Circular No. 11, dated 23 December 2009, complete set of financial statements are i) Balance sheet, ii) Profit and loss account, iii) Statement of cash flows, iv) Statement of changes in equity, v) Liquidity statement, vi) Notes, comprising significant accounting policies and other explanatory information.	Financial Statements for 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.
12.	Intangible asset	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" para 54: the statement of financial position shall include separate line item for intangible assets.	As per DFIM Circular No. 11, dated 23 December 2009, there is no option for separate line item for intangible asset in the balance sheet. We present intangible asset in the balance sheet as part of fixed assets and provide details in annexure-A and annexure-B as separate line item.	Financial Statements for 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.
13	Other comprehensive income	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single OCI statement.	Bangladesh Bank has issued templates for financial statements which will strictly be followed by financial institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of OCI allowed to be included in a single OCI statement. As such the financial institution does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.	Financial Statements for 2024 have been prepared as per the guideline and templates issued by Bangladesh Bank. There is no financial impact for this departure in the financial statements.
14	Disclosure of presentation of profit	N/A	There is no requirement to show appropriation of profit in the face of statement of comprehensive income.	As per DFIM circular no 11, dated 23 December 2009, an appropriation of profit should be disclosed in the face of profit and loss account	Financial Statements for 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.

## 2.4 Components of the financial statements

The financial statements comprise of (As per DFIM Circular no. 11, Dated December 23, 2009) and as per the Para 1.10 of IAS-1: Presentation of Financial Statements:

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

## 2.5 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 BDT has been rounded off to the nearest BDT.

## 2.6 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRSs) 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. Provisions and accrued expenses are recognized in the financial statements in line with the International Accounting Standards (IASs)-37: "Provisions, Contingent Liabilities and Contingent Assets" when

- the Company has a legal or constructive obligation as a result of past event.
- it is probable that an outflow of economic benefit will be required to settle the obligation.
- a reliable estimate can be made of the amount of the obligation.

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.

## 2.7 Going concern

The Company has adequate resources to continue its operation for foreseeable future. For this reason, the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations.

## 2.8 Materiality and aggregation

Each material item as considered by management significant has been presented separately in financial statements. No amount has been set off unless the Company has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

## 2.9 Directors' responsibility statement

The Board of Directors are responsible for the preparation and presentation of these financial statements.

## **2.10 Statement of Cash flows**

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

## **2.11 Liquidity statement**

The Liquidity Statement has been prepared in accordance with remaining maturity grouping of Assets and Liabilities as of the close of the period as per following bases:

- a) Balance with other banks and financial institutions, money at call and short notice etc. are on the basis of their term.
- b) Investments are on the basis of their residual maturity term.
- c) Leases, loans and advances are on the basis of their repayment or maturity schedule.
- d) Fixed assets are on the basis of their useful lives.
- e) Other assets are on the basis of their adjustment.
- f) Borrowings from other banks and financial institutions as per their maturity or repayment term.
- g) Deposits and other accounts are on the basis of their maturity period and behavioral past trend
- h) Other long term liability on the basis of their maturity term.
- i) Provisions and other liabilities are on the basis of their settlement.

## **2.12 Books of account**

The Company maintains its books of account for main business in Electronic Form through soft automation.

## **2.13 Branch accounting**

The Company has one branch, with no overseas branches as on 31 December 2024. Accounts of the branch is maintained at the head office from which these accounts are drawn up.

## **2.14 Revenue recognition**

Revenue is only recognized when it meets the following five steps model framework as per IFRS-15: "Revenue from Contracts with Customers"

- a) identify the contract(s) with a customers;
- b) identify the performance obligations in the contract;
- c) determine the transaction price;
- d) allocate the transaction price to the performance obligations in the contract;
- e) recognize revenue when (or as) the entity satisfies a performance obligation.

### **2.14.1 Interest income on leases, loans and advances**

Interest income is recognized when interest is accrued. No interest on loan (except mortgage and short term loan) is accounted for as revenue where any portion of capital or interest is in arrears for more than 3 months for the loan tenure of which is within 5 years or in arrears for more than 6 months for the loan tenure of which is more than 5 years. In case of mortgage loan, no interest on loan is accounted for as revenue where any portion of capital or interest is in arrears for more than 9 months and in case of short term loan, no interest on loan is accounted for as revenue where any portion of capital or interest is in arrears for more than 2 months.

### **2.14.2 Fee based income**

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

### **2.14.3 Income from investment**

#### **Capital gain or loss on investment in shares**

Capital gain or loss arising from the sale of investment in shares is accounted on monthly basis.

#### **Dividend income**

Dividend is recognized as income when the right to receive income is established.

#### **Income from Coupon bearing Bond**

Interest income on coupon bearing bond is recognized as revenue on an accrual basis.

### **2.15 Operating expenses**

Major component of operating expenses other than salary and allowances are office rent, printing and stationery, postage and stamp, telecommunication, legal and professional fees and other miscellaneous expenses. All expenses are recognized on accrual basis of accounting.

#### **2.15.1 Salary and allowances**

Salary and allowances comprise basic salary, house rent, conveyance allowance, festival bonus, leave fare assistance etc. All expenses related to salary and allowances are recognized on accrual basis of accounting.

### **2.16 Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, bank balances and deposits that are readily convertible to a known amount of cash and that are not subject to significant risk of change in value.

### **2.17 Investments**

#### **2.17.1 Investment in Government Treasury bill**

Investment in Government Treasury Bill classified as "Held to Maturity" are non-derivatives financial assets with fixed or determinable payments and fixed maturities that the management has the intention and ability to Held to Maturity (HTM).

As per IFRS-9, Financial assets are classified as either:

- (i) amortized cost;
- (ii) fair value through profit or loss;
- (iii) fair value through other comprehensive income.

In case of valuation of investment in Government Bills, SFIL followed amortized cost method, as it meets both the business model assessment and contractual cash flow assessment.

#### **2.17.2 Investment in marketable shares**

Investment in listed securities are carried at cost. Adequate provision has been made for excess of cost over market value of the shares. Unrealized gain are not recognized in the profit and loss account.

### **2.18 Recognition and measurement of fixed assets**

#### **2.18.1 Assets acquired under own finance**

These are recognized initially at cost and subsequently at cost less accumulated depreciation in compliance with the IAS-16, "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any direct cost attributable to bringing the assets to its working condition for its intended use. Expenditure incurred after the assets have been put into use, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the

future economic benefit expected to be obtained from the assets, the expenditure is capitalized as an additional cost of the assets.

### 2.18.2 Depreciation on fixed assets

Depreciation on fixed assets is charged using straight-line method in accordance with IAS-16: "Property, Plant and Equipment". No depreciation is charged from the month of disposal. Asset category wise depreciation rate are as follows:

Name of Assets	Useful Life (Years)	Rate (%)
Furniture & Fixture	5	20.00%
Office Decoration	6	16.67%
Office Equipment	5	20.00%
IT Equipment	5	20.00%
Motor Vehicle	8	12.50%
Right of Use of Assets	Lease Term	-

Lease Term and Consideration changed for Right of Use of Assets and Lease Liability for new rental agreement of Principal Branch. The gain or loss arising for this change is recognized in the profit and loss account.

### 2.18.3 Intangible Assets

Intangible assets comprise the value of software and license. 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.

### 2.18.4 Amortization on Intangible Assets

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 2 or 5 years.

### 2.19 Other assets

Other assets include all balance sheet accounts not covered specifically in other areas of the supervisory activity as per DFIM circular # 11 dated: December 23, 2009 and Provisions will be calculated as per DFIM circular # 10 dated: October 3, 2021.

### 2.20 Contingent asset and contingent liability

The Company does not recognize any Contingent Asset and Contingent Liability, but discloses the existence of contingent liability in the financial statements. A contingent liability is a probable obligation that arises from the past events and whose existence will be confirmed by the occurrence of uncertain future events beyond the control of the Company or a present obligation that is not recognized because of outflow of resources is not likely or obligation cannot be measured reliably.

### 2.21 Borrowing costs

Borrowing costs are recognized as expenses in the period in which they incur in accordance with IAS 23 "Borrowing cost".

### 2.22 Conversion of foreign currency transactions

Foreign currency transactions are translated into Bangladeshi Taka at rates prevailing at the respective dates of transactions, while foreign currency monetary assets at the end of the year are reported at exchange the rates prevailing on the balance sheet date.

## 2.23 Provision for leases, loans and advances

Generally, provision against classified leases, loans and advances is made on the basis of quarter end review by the management and instruction contained in DFIM Circular No. 04, dated 26 July 2021 and DFIM Circular Letter No:37, Dated 04 December 2024 . However, at the discretion of management, provision against classified loans and advances may be made on monthly basis. The provisions rates are given below:

Particulars	Rate
<b>General Provision on:</b>	
Unclassified of leases, loans and advances except SME	1%
Unclassified of Cottage, Micro, Small and Medium Enterprise(CMSME)	0.25%
Unclassified of Brokerage House, Merchant Bans and Stock Dealers	2%
Special Mention Account of leases, loans and advances of CMSME	0.25%
Special Mention Account of leases, loans and advances of Non CMSME	5%
Off-Balance Sheet Exposures	1%
<b>Specific Provision on:</b>	
Sub-Standard of leases, loans and advances of Non CMSME (SS)	20%
Doubtful of leases, loans and advances of Non CMSME (DF)	50%
Bad Loss of leases, loans and advances (BL)	100%

## 2.24 Interest Suspense account

In compliance with DFIM Circular No. 04, dated 26 July 2021, interests on leases, loans and advances overdue beyond two months period (in case of loan duration is within 1 year), overdue beyond three months period (in case of loan duration is within 5 years) and overdue beyond six months period (in case of loan duration is more than 5 years) are not recognized as revenue and credited to interest suspense account.

Interests on mortgage finance overdue beyond nine months period are not recognized as revenue and credited to interest suspense account.

## 2.25 Corporate Tax

### a. Current tax

Provision for current income tax is normally made as prescribed in Finance Act 2024 on the profit made by the company considering major taxable allowances and disallowances and the same is understated or overstated to that extent. Any shortfall or excess provision will be duly adjusted after tax audit or final assessment. For the purpose of these financial statements, management has assumed that the existing tax rates will be applicable for income year 2024 as well, which are mentioned below:

Regular Business Tax Rate	Rates
SFIL Finance PLC. - Finance Company	40%
SFIL Securities Limited - Private Limited Company	25%

Other Business Tax Rate	Rates
Dividend Income	20%
Capital gain on sale of marketable securities	10%

### b. Deferred tax

The Company accounts for deferred tax as per International Accounting Standards (IASs) 12: "Income Taxes". Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. It is measured at the tax rates that are expected to be applied to the temporary differences when they

reverse based on the laws that have been enacted or substantively enacted by the date of reporting of the financial statements.

The Company provides disclosures based on the classes of assets and liabilities related to the temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax liabilities are recognized for all taxable temporary differences and it is probable that temporary differences will not reverse in the foreseeable future. Both the Deferred tax assets and liabilities are reviewed at each reporting date considering the probability of benefit or detriment realizable. Deferred tax assets and liabilities are not offset and are presented separately as per Bangladesh Bank directive.

## **2.26 Employees benefit obligation**

### **2.26.1 Defined contribution plan**

The Company operates a contributory provident fund scheme for its permanent employees. Provident Fund is administered by a Board of Trustees and is funded by contributions equally from the permanent employees and from the Company @ 10% of basic salary of the employees. The contributions are invested to ensure optimum return to the employees.

### **2.26.2 Defined benefit plan**

The Company also operates a funded gratuity scheme (which is a defined benefit scheme as specified in IAS 19). Gratuity fund is administered by a Board of Trustees and Company contributions are invested separately from company assets. Employees are entitled to gratuity benefit after completion of minimum years of service with the company.

## **2.27 Term deposits**

Term Deposits by customers and Banks/FI are recognized when the Company enters into contractual provisions of the arrangements with the counterparties, which is generally on trade date, and initially measured at the consideration received.

## **2.28 Write-off**

Write-off describes a reduction in recognized value. It refers to the recognition of the reduced or zero value of an asset. Generally it refers to an investment for which a return on the investment is now impossible or unlikely. The item's potential return is thus cancelled and removed from ("written-off") the Company's balance sheet.

Recovery against debts written off or provided for is credited to revenue. Income is recognized where amounts are either recovered and/or adjusted against securities, properties or advances.

## **2.29 Provision for liabilities**

A provision is recognized in profit and loss account when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the IAS - 37: "Provisions, Contingent Liabilities and Contingent Assets".

## **2.30 Statutory reserves**

As per clause no. 6 of Financial Institutions Regulations, 1994, Financial Institution is required to transfer at least 20% of its profit after tax and before appropriation of dividend in a particular year, if the financial institution's sum of Share Premium Account (if any) and Statutory Reserves is less than the paid up capital of that financial institution.

### **2.31 Earnings per Share (EPS)**

SFIL calculates EPS in accordance with the requirement of IAS – 33: “Earnings Per Share”, which has been shown on the face of the profit and loss account (Note - 35).

### **2.32 Minority interest in subsidiaries**

A minority interest, which is also referred to as non-controlling interest (NCI) is ownership of less than 50% of a company's equity by an investor or another company. Minority interest shows on the balance sheet of companies with a majority interest in a company representing the proportion of its subsidiaries owned by minority shareholders. Also, minority interest is reported on the consolidated income statement as a share of profit belonging to minority shareholders.

### **2.33 Capital reserve**

As per Bangladesh Securities and Exchange Commission's (BSEC) notification no. BSEC/CMRRCD/2017-357/221/Admin/89 dated May 22 2019, SFIL Securities Limited has maintained 10% provision on the last year's profit after tax as Capital Reserve and the full amount of such reserve shall be accounted for in computing total capital.

### **2.34 Events after the reporting period**

Where necessary, all the material events after the reporting period have been considered and appropriate adjustments / disclosures have been made in the consolidated and separate financial statements.

### **2.35 Financial risk management**

SFIL 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, SFIL also considers guidelines for managing core risks of financial instructions issued by the Bangladesh Bank, vide FID Circular No. 10 dated September 18, 2005, DFIM Circular No. 07, dated 4 October 2012 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, adequate insurance coverage for funded assets, vigorous monitoring and follow up by Special Assets Management Team, strong follow up of compliance of credit policies by Internal Control and Compliance Department (ICCD), taking collateral, seeking external legal opinion, maintaining neutrality in politics and following arm's length approach in related party transactions, etc.

The Credit Evaluation Committee (CEC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks. The CEC critically reviews projects from risk point of view. An independent Credit Risk Management Department is in place, at SFIL, to scrutinize projects from a risk-weighted point of view and assist the management in creating a high quality credit portfolio and maximize returns from risk assets.

#### **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.

### **Market Risk**

Market risk is the risk that changes in market prices, such as interest rates and credit spreads will affect the income or the value of financial instruments.

The Asset Liability Committee (ALCO) of the Company regularly meets to assess the changes in interest rates, 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.

### **Operational Risk**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

SFIL objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the reputation with overall cost effectiveness and innovation.

The Board of Directors has delegated responsibility for operational risk to Management Committee which is responsible for the development and implementation of controls to address operational risk.

SFIL has also established an internal control & compliance department (ICCD) to address operational risk and to frame and implement policies to encounter such risks. This department assesses operational risk across the Company as a whole and ensures that an appropriate framework exists to identify, assess and manage operational risk.

### **Money Laundering and Terrorist Financing Risk**

To mitigate the risks, SFIL, 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) A dedicated structure and sub-structure within the organization, headed by a Central Compliance Unit (CCU) for proactively managing AML and CFT compliance;
- c) Appointment of a Chief Anti Money Laundering Compliance Officer (CAMLCO) to lead AML/CFT efforts throughout the company;
- d) Independent audit functions including internal and external audit function to test the programs;
- e) Ongoing employee training programs.

### **2.36 General Notes**

- (i) These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
- (ii) Figures of the year 2023 have been rearranged whenever considered necessary to ensure comparability with the current year.
- (iii) Figures in these notes and annexed financial statements have been rounded off to the nearest Taka / BDT.

### 2.37 Status of Compliance of International Financial Reporting Standard (IFRSs)

In addition to compliance with local regulatory requirements in preparing consolidated and separate financial statements, SFIL applied following IFRS and IAS:

Name of IFRS	IFRS No.	Status
First-time Adoption of Bangladesh Financial Reporting Standards	IFRS-1	N/A
Share Based Payment	IFRS-2	N/A
Business Combinations	IFRS-3	N/A
Insurance Contracts	IFRS-4	N/A
Non-current Assets Held for Sale and Discontinued Operations	IFRS-5	N/A
Exploration for and Evaluation of Mineral Resources	IFRS-6	N/A
Financial Instruments: Disclosures	IFRS-7	*Applied
Operating Segments	IFRS-8	N/A
Financial Instruments	IFRS-9	*Applied
Consolidated Financial Statements	IFRS-10	Applied
Joint Arrangements	IFRS-11	N/A
Disclosure of Interests in Other Entities	IFRS-12	N/A
Fair Value Measurement	IFRS-13	*Applied
Regulatory Deferral Accounts	IFRS-14	N/A
Revenue from Contracts with Customers	IFRS-15	Applied
Leases	IFRS-16	Applied
Insurance Contracts	IFRS-17	N/A

Name of IAS	IAS No.	Status
Presentation of Financial Statements	IAS-1	*Applied
Inventories	IAS-2	N/A
Statement of Cash Flows	IAS-7	*Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
Events After the Reporting Period	IAS-10	Applied
Income Taxes	IAS-12	Applied
Property, Plant and Equipment	IAS-16	Applied
Employee Benefits	IAS-19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	IAS-20	N/A
The Effects of Changes in Foreign Exchange Rates	IAS-21	Applied
Borrowing Cost	IAS-23	Applied
Related Party Disclosures	IAS-24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS-26	N/A
Separate Financial Statements	IAS-27	Applied
Investments in Associates and Joint Ventures	IAS-28	N/A
Financial Reporting in Hyperinflationary Economies	IAS-29	N/A
Earnings per Share	IAS-33	Applied
Interim Financial Reporting	IAS-34	Applied
Impairments of Assets	IAS-36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied
Intangible Assets	IAS-38	Applied
Investment Property	IAS-40	N/A
Agriculture	IAS-41	N/A

N/A - Not Applicable

\* As the regulatory requirements differ with the Standards, relevant disclosures have been made in accordance with Bangladesh Bank requirements (please see note - 2.3)

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
<b>3 Cash in hand</b>				
Cash in hand (including foreign currencies) (Note-3.1)	100,000	100,000	130,000	130,000
Balance with Bangladesh Bank and its agent (including foreign currencies) (Note-3.2)	22,338,828	27,022,986	22,338,828	27,022,986
	<b>22,438,828</b>	<b>27,122,986</b>	<b>22,468,828</b>	<b>27,152,986</b>
<b>3.1 Cash in hand (including foreign currencies)</b>				
Local Currency	100,000	100,000	130,000	130,000
Foreign Currency	-	-	-	-
	<b>100,000</b>	<b>100,000</b>	<b>130,000</b>	<b>130,000</b>
<b>3.2 Balance with Bangladesh Bank and its agent (including foreign currencies)</b>				
Local Currency	22,338,828	27,022,986	22,338,828	27,022,986
Foreign Currency	-	-	-	-
	<b>22,338,828</b>	<b>27,022,986</b>	<b>22,338,828</b>	<b>27,022,986</b>

### 3.3 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 Financial Institution Act, 1993, Finance Company Act, 2023, Financial Institution Regulations, 1994, and FID Circular No. 06, dated November 06, 2003, FID Circular No. 02, dated November 10, 2004, DFIM Circular No. 01, dated January 12, 2017, DFIM Circular No. 03, dated June 21, 2020, DFIM Circular No. 27, dated August 23, 2021.

Cash Reserve Requirement (CRR) has been calculated at the rate of 1.5% 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 & Finance Company).

Statutory Liquidity Reserve (SLR) has been calculated at the rate of 5.0% on total liabilities, including CRR of 1.5% 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	10,698,135	20,323,646	10,698,135	20,323,646
Actual reserve maintained	30,946,173	45,243,041	30,946,173	45,243,041
<b>Surplus / (deficit)</b>	<b>20,248,039</b>	<b>24,919,396</b>	<b>20,248,039</b>	<b>24,919,396</b>

#### b) Statutory Liquidity Reserve (SLR)

Required reserve (including CRR)	50,766,588	82,229,815	50,766,588	82,229,815
Actual reserve maintained (including CRR) (Note-3.3(i))	1,354,997,582	1,856,980,285	1,354,997,582	1,856,980,285
<b>Surplus / (deficit)</b>	<b>1,304,230,994</b>	<b>1,774,750,470</b>	<b>1,304,230,994</b>	<b>1,774,750,470</b>

#### 3.3(i) Actual Reserve maintained (including CRR)

Cash In Hand	100,000	100,000	100,000	100,000
Bangladesh Bank	22,338,828	28,031,986	22,338,828	28,031,986
Padma Bank PLC.	-	968,753	-	968,753
Eastern Bank PLC.	795,266	516,019,384	795,266	516,019,384
The Premier Bank PLC	166,210	380,032,939	166,210	380,032,939
Standard Chartered Bank	2,352,924	1,648,719	2,352,924	1,648,719
NRB Bank PLC.	13,786	32,044	13,786	32,044
Export Import Bank of Bangladesh PLC.	2,883,602	235,589,617	2,883,602	235,589,617
Southeast Bank PLC.	4,927,464	380,032,193	4,927,464	380,032,193
Standard Bank PLC.	171,849,549	314,524,649	171,849,549	314,524,649
Government Treasury Bills	1,149,569,955	-	1,149,569,955	-
	<b>1,354,997,582</b>	<b>1,856,980,285</b>	<b>1,354,997,582</b>	<b>1,856,980,285</b>

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
<b>4. Balance with other Banks and Financial Institutions</b>				
<b>A. Inside of Bangladesh</b>				
Local Currency (Note - 4.1)	208,479,267	1,791,845,687	211,136,712	1,793,591,361
Foreign Currency (Note - 4.2)	-	-	-	-
	<b>208,479,267</b>	<b>1,791,845,687</b>	<b>211,136,712</b>	<b>1,793,591,361</b>
<b>4.1 Local Currency</b>				
Interest bearing SND/HPA account (Note - 4.1.1)	34,240,817	20,083,969	36,898,262	21,829,642
Fixed Deposit Receipt account (Note - 4.1.2)	160,000,000	1,756,000,000	160,000,000	1,756,000,000
Mobile Financial Services - Nagad	-	-	-	-
Mudaraba SND - Export Import Bank of Bangladesh PLC.	2,687,339	1,261,719	2,687,339	1,261,719
Mudaraba Fixed Deposit - Standard Bank PLC.	11,551,111	14,500,000	11,551,111	14,500,000
	<b>208,479,267</b>	<b>1,791,845,687</b>	<b>211,136,712</b>	<b>1,793,591,361</b>
<b>4.1.1 Interest bearing SND/HPA account</b>				
Padma Bank PLC.	511,991	1,962,815	529,896	1,981,870
Eastern Bank PLC.	114,342	17,159	125,835	25,273
The Premier Bank PLC	24,159,929	2,393,694	24,159,929	2,393,694
Standard Chartered Bank	2,974,877	566,153	2,974,877	566,153
NRB Bank PLC.	10,613	17,092	10,613	17,092
Export Import Bank of Bangladesh PLC.	139,503	14,637,557	139,503	14,637,557
Southeast Bank PLC.	5,626,226	37,845	6,395,305	285,554
Standard Bank PLC.	703,337	451,654	703,337	451,654
IFIC Bank PLC.	-	-	1,858,969	1,470,796
	<b>34,240,817</b>	<b>20,083,969</b>	<b>36,898,262</b>	<b>21,829,642</b>
<b>4.1.2 Fixed Deposit Receipt account</b>				
The Premier Bank PLC	-	380,000,000	-	380,000,000
Export Import Bank of Bangladesh PLC.	-	170,000,000	-	170,000,000
Southeast Bank PLC.	-	380,000,000	-	380,000,000
Standard Bank PLC.	160,000,000	310,000,000	160,000,000	310,000,000
Eastern Bank PLC.	-	516,000,000	-	516,000,000
	<b>160,000,000</b>	<b>1,756,000,000</b>	<b>160,000,000</b>	<b>1,756,000,000</b>
<b>4.2 Foreign Currency</b>	-	-	-	-
<b>4.3 Maturity grouping of balance with other banks and financial institutions</b>				
Up to 1 month	203,428,156	501,345,687	206,085,601	503,091,361
Over 1 month but not more than 3 months	5,051,111	474,500,000	5,051,111	474,500,000
Over 3 months but not more than 6 months	-	240,000,000	-	240,000,000
Over 6 months but not more than 1 year	-	576,000,000	-	576,000,000
Over 1 year but not more than 5 years	-	-	-	-
Over 5 years	-	-	-	-
	<b>208,479,267</b>	<b>1,791,845,687</b>	<b>211,136,712</b>	<b>1,793,591,361</b>
<b>5. Money at call and short notice</b>	-	-	-	-
<b>6. Investments</b>				
<b>Government Securities</b>				
Treasury Bills	1,330,761,398	240,247,447	1,330,761,398	240,247,447
	<b>1,330,761,398</b>	<b>240,247,447</b>	<b>1,330,761,398</b>	<b>240,247,447</b>
<b>Other Investments</b>				
Investment in marketable securities (Note - 6.1)	247,280,791	263,638,112	266,725,155	274,800,605
Investment in bond - SFL (Note - 6.2)	1,347,121,112	1,224,655,556	1,347,121,112	1,224,655,556
	<b>1,594,401,902</b>	<b>1,488,293,668</b>	<b>1,613,846,266</b>	<b>1,499,456,161</b>
	<b>2,925,163,300</b>	<b>1,728,541,115</b>	<b>2,944,607,664</b>	<b>1,739,703,609</b>

### 6.1 Investment in marketable securities

Details of marketable securities are given below:

Business segments	SFIL		SFIL Group	
	Cost Price	Market Price	Cost Price	Market Price
Food & Allied	3,404,635	2,784,202	3,699,827	2,979,030
Telecommunication	2,513,436	1,355,575	2,513,436	1,355,575
Bank	206,451,283	142,372,910	221,934,266	154,185,017
Textile	2,586,966	1,501,500	2,586,966	1,501,500
Pharmaceuticals & Chemicals	22,553,421	19,133,046	22,553,421	19,133,046
Fuel & Power	9,771,049	4,625,730	9,771,049	4,625,730
Travel & Leisure	-	-	3,336,093	2,674,100
Corporate Bond	-	-	330,097	234,450
	<b>247,280,791</b>	<b>171,772,963</b>	<b>266,725,155</b>	<b>186,688,448</b>

All investments in marketable securities are valued on an aggregate portfolio basis, at cost value, at the Balance Sheet date. As on December 31, 2024 there was BDT 80,036,706 unrealized loss on consolidated investment in marketable securities and BDT 75,507,827 unrealized loss on investment by SFIL Finance PLC. in marketable securities.

### 6.2 Investment in bond - Strategic Finance Limited (SFL)

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
Opening balance	1,224,655,556	1,210,000,000	1,224,655,556	1,210,000,000
Add: Interest capitalized during the year	122,465,556	121,000,000	122,465,556	121,000,000
Less: Received during the year	-	(106,344,444)	-	(106,344,444)
<b>Closing balance</b>	<b>1,347,121,112</b>	<b>1,224,655,556</b>	<b>1,347,121,112</b>	<b>1,224,655,556</b>

As per Bangladesh Bank No Objection Certificate (Circular no.: DFIM(BS)1057/35/2020-2116, dated: November 29, 2020), SFIL Finance PLC. invested BDT 100 Crore to Non-Convertible Redeemable Coupon Bearing Bond which is issued by Strategic Finance Limited and approved by Bangladesh Securities and Exchange Commission (BSEC).

### 6.3 Maturity grouping of Investments

On demand	-	-	-	-
Up to 1 month	358,190,494	-	358,190,494	-
Over 1 month but within 3 months	444,232,966	141,544,289	450,066,275	141,544,289
Over 3 months but within 1 year	1,190,494,190	256,886,025	1,198,271,936	256,886,025
Over 1 year but within 5 years	765,578,983	996,777,467	771,412,292	1,007,939,961
Over 5 years	166,666,667	333,333,333	166,666,667	333,333,333
	<b>2,925,163,300</b>	<b>1,728,541,115</b>	<b>2,944,607,664</b>	<b>1,739,703,609</b>

### 7. Leases, loans and advances

#### A. Inside Bangladesh

##### Corporate Finance

Lease Finance	107,853,404	198,638,636	107,853,404	198,638,636
Loan Finance	624,809,255	850,895,323	624,809,255	850,895,323
	<b>732,662,660</b>	<b>1,049,533,958</b>	<b>732,662,660</b>	<b>1,049,533,958</b>

##### Consumer Finance

House Finance	124,460,327	170,027,166	124,460,327	170,027,166
Car Lease	56,418,866	51,444,979	56,418,866	51,444,979
Loan Against Deposit	3,051,882	29,666,807	3,051,882	29,666,807
Personal Loan	2,819,603	3,826,377	2,819,603	3,826,377
	<b>186,750,678</b>	<b>254,965,329</b>	<b>186,750,678</b>	<b>254,965,329</b>

##### SME Finance

Lease Finance, SMALL	12,810,389	16,990,753	12,810,389	16,990,753
Loan Finance, SMALL	21,225,082	34,856,103	21,225,082	34,856,103
Lease Finance, MID	1,548,335	3,774,085	1,548,335	3,774,085
Loan Finance, MID	31,811,719	24,457,787	31,811,719	24,457,787
	<b>67,395,524</b>	<b>80,078,727</b>	<b>67,395,524</b>	<b>80,078,727</b>

#### Total (Inside Bangladesh)

	<b>986,808,863</b>	<b>1,384,578,015</b>	<b>986,808,863</b>	<b>1,384,578,015</b>
<b>B. Outside Bangladesh</b>	-	-	-	-
<b>Total (Outside Bangladesh)</b>	-	-	-	-
	<b>986,808,863</b>	<b>1,384,578,015</b>	<b>986,808,863</b>	<b>1,384,578,015</b>

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
<b>7.1 Maturity wise grouping</b>				
On Demand	82,305,917	7,252,443	82,305,917	7,252,443
Not more than 3 months	18,896,730	4,308,163	18,896,730	4,308,163
More than 03 Months to 01 Year	277,437,137	268,262,931	277,437,137	268,262,931
More than 01 Year to 05 Years	489,137,734	938,279,529	489,137,734	938,279,529
More than 05 Years	119,031,344	166,474,948	119,031,344	166,474,948
	<b>986,808,863</b>	<b>1,384,578,015</b>	<b>986,808,863</b>	<b>1,384,578,015</b>
<b>7.2 Leases, Loans and advances on the basis of significant concentration</b>				
a) Leases, Loans and advances to the institutions in which Directors have interest	-	-	-	-
b) Leases, Loans and advances to Chief Executive and other senior executives	6,178,971	8,526,264	6,178,971	8,526,264
c) Leases, Loans and advances to customer groups:				
i) House finance	120,943,282	142,431,124	120,943,282	142,431,124
ii) Car Loan	55,985,786	48,846,590	55,985,786	48,846,590
iii) Personal loan	1,142,947	2,008,331	1,142,947	2,008,331
iv) Loan against deposits (LAD)	2,499,692	29,267,321	2,499,692	29,267,321
v) Small and medium enterprises	67,395,524	82,393,236	67,395,524	82,393,236
vi) Special program loan (BB refinancing scheme)	-	-	-	-
vii) Staff loan	-	-	-	-
viii) Industrial Leases, Loans and advances (Note-7.2(d))	732,662,660	1,071,105,150	732,662,660	1,071,105,150
ix) Other loans and advances	-	-	-	-
	<b>986,808,863</b>	<b>1,384,578,015</b>	<b>986,808,863</b>	<b>1,384,578,015</b>
d) Details of Industrial Leases, Loan and advances				
i) Agriculture Industries	1,749,793	2,720,139	1,749,793	2,720,139
ii) Garments and Knitwear	22,957,693	26,586,264	22,957,693	26,586,264
iii) Textile	55,889,879	117,260,784	55,889,879	117,260,784
iv) Food Production and Processing industry	-	34,883,649	-	34,883,649
v) Leather and Leather Goods	7,095,517	9,878,594	7,095,517	9,878,594
vi) Iron, Steel and Engineering	1,688,489	5,623,388	1,688,489	5,623,388
vii) Ship Manufacturing Industry	168,848	115,908,132	168,848	115,908,132
viii) Electronics and Electrical Products	1,813,266	2,655,273	1,813,266	2,655,273
ix) Transport and Aviation	16,025,425	23,128,909	16,025,425	23,128,909
x) Real Estate & Housing	508,411,807	-	508,411,807	-
xi) Other Industries	116,861,942	732,460,019	116,861,942	732,460,019
	<b>732,662,660</b>	<b>1,071,105,150</b>	<b>732,662,660</b>	<b>1,071,105,150</b>
<b>7.3 Leases, Loans and advances-geographical location wise</b>				
Dhaka Division	986,808,863	1,384,578,015	986,808,863	1,384,578,015
	<b>986,808,863</b>	<b>1,384,578,015</b>	<b>986,808,863</b>	<b>1,384,578,015</b>
<b>7.4 Classification wise leases, loans and advances</b>				
<u>Unclassified</u>				
Standard	937,984,749	1,373,600,862	937,984,749	1,373,600,862
Special Mention Accounts (SMA)	41,046,785	3,692,985	41,046,785	3,692,985
	<b>979,031,534</b>	<b>1,377,293,847</b>	<b>979,031,534</b>	<b>1,377,293,847</b>
<u>Classified</u>				
Sub-standard	168,848	7,284,168	168,848	7,284,168
Doubtful	-	-	-	-
Bad/loss	7,608,481	-	7,608,481	-
	<b>7,777,329</b>	<b>7,284,168</b>	<b>7,777,329</b>	<b>7,284,168</b>
	<b>986,808,863</b>	<b>1,384,578,015</b>	<b>986,808,863</b>	<b>1,384,578,015</b>

SFIL		SFIL Group	
Amount in BDT		Amount in BDT	
31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023

#### 7.5 Particulars of required provision for leases, loans and advances

Status	Base for Provision	Percentage (%) of Provision Required				
<b>General Provision</b>			<b>10,826,310</b>	<b>13,355,999</b>	<b>10,826,310</b>	<b>13,355,999</b>
Standard	879,699,190	1.00%	8,796,992	12,984,918	8,796,992	12,984,918
Standard - SME	58,285,559	0.25%	145,714	187,323	145,714	187,323
Standard - Brokerage	-	2.00%	-	3,598	-	3,598
Special Mention Accounts (SMA)	37,577,094	5.00%	1,878,855	180,160	1,878,855	180,160
Special Mention Accounts (SMA) - SME	1,899,942	0.25%	4,750	-	4,750	-
<b>Specific provision</b>			<b>2,755,405</b>	<b>550,068</b>	<b>2,755,405</b>	<b>550,068</b>
Sub-standard	25,327	20.00%	5,065	550,068	5,065	550,068
Doubtful	-	50.00%	-	-	-	-
Bad/loss	2,750,339	100.00%	2,750,339	-	2,750,339	-
<b>Required provision for leases, loans and advances</b>			<b>13,581,715</b>	<b>13,906,067</b>	<b>13,581,715</b>	<b>13,906,067</b>
<b>Other provision</b>			<b>282,334</b>	<b>53,000</b>	<b>282,334</b>	<b>53,000</b>
Off-Balance Sheet Exposure	25,660,051	1.00%	256,601	53,000	256,601	53,000
Other Asset	51,467	50.00%	25,733	-	25,733	-
<b>Required provision for diminution in value of investments</b>			<b>75,507,827</b>	<b>6,046,753</b>	<b>80,036,706</b>	<b>6,264,735</b>
<b>Total provision required</b>			<b>89,371,876</b>	<b>20,005,819</b>	<b>93,900,755</b>	<b>20,223,802</b>
Total provision maintained (Note-12.6)			90,371,876	21,005,819	94,900,755	21,223,802
<b>Excess/(short) provision at 31 December</b>			<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>

Provision on SME loan has been calculated as per DFIM Circiler Letter No:37, Dated 04 December 2024.

#### 7.6 Details of large loan

i) Number of client to whom Lease, Loans and Advances (15% or above of the company's total capital)	2	1	2	1
ii) Amount of outstanding Lease, Loans and Advances (To the client mentioned above)	505,674,141	293,109,146	505,674,141	293,109,146
iii) Amount of classified Lease, Loans and Advances (Out of the amount as mentioned above)	-	-	-	-

Total capital of the Finance Company was BDT 1,096,762,963 as at 31 December 2024 and was BDT 1,150,857,567 as at 31 December 2023.

#### 7.7 Particulars of Leases, Loans and advances

i) Leases, Loans and advances considered good in respect of which the Bank/ FI is fully secured.	829,870,499	689,320,467	829,870,499	689,320,467
ii) Leases, Loans and advances considered good for which the Bank/FI holds no other security than the debtor's personal security.	23,831,128	166,062,837	23,831,128	166,062,837
iii) Leases, Loans and advances considered good and secured by the personal security of one or more parties in addition to the personal security of the debtors.	126,928,266	520,668,447	126,928,266	520,668,447
iv) Loan adversely classified; for which no provision is created.	-	-	-	-
v) Leases, Loans and advances due by directors or officers of the Bank/ FI or any of them either jointly or separately with any other persons.	6,178,971	8,526,264	6,178,971	8,526,264
vi) Leases, Loans and advances due by companies and firms in which the directors of the Bank/FI have interests as directors, partners or managing agent or in case of private companies as members.	-	-	-	-

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors and managers or officers of the Bank/ FI or any of them either severally or jointly with any other persons.	-	-	-	-
viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the Bank/ FI have interests as directors, partners or managing agents or, in case of private companies as members.	-	-	-	-
ix) Due from other Bank and Financial Institution companies	-	-	-	-
	<b>986,808,863</b>	<b>1,384,578,015</b>	<b>986,808,863</b>	<b>1,384,578,015</b>
x) Information in respect of classified Leases, Loans and advances:				
a) Classified leases, loans and advances for which interest/ profit not credited to income	7,777,329	7,284,168	7,777,329	7,284,168
b) Amount of provision kept against loans classified as bad/ loss as at the Balance Sheet date	2,750,339	-	2,750,339	-
c) Amount of interest credited to the interest suspense account	2,641,738	668,623	2,641,738	668,623
xi) Cumulative amount of written off Leases, Loans and advances:				
Opening Balance	-	-	-	-
Amount written off during the period	-	-	-	-
Amount received off during the period	-	-	-	-
Balance of written off loans and advances yet to be recovered	-	-	-	-
The amount of written off Leases, Loans and advances for which law suits have been filed	-	-	-	-
<b>8. Fixed Assets including Land, Building, Furniture and Fixtures</b>				
Freehold Assets (Note- 8.1)	14,058,872	17,943,879	16,211,277	20,994,028
Lease Hold Assets (Note- 8.2)	63,263,144	66,611,552	65,008,959	67,278,043
Intangible Assets (Note-8.3)	7,310,924	9,951,163	27,343,380	30,158,558
	<b>84,632,940</b>	<b>94,506,594</b>	<b>108,563,616</b>	<b>118,430,628</b>
Details are given in <b>Annexure-A</b> and <b>Annexure-B</b>				
<b>8.1 Freehold assets</b>				
<b>A. Cost</b>				
Opening Balance	27,431,756	27,825,086	32,076,439	32,357,204
Add : Addition during the year	1,765,875	10,066,058	1,858,598	10,178,623
	29,197,631	37,891,145	33,935,037	42,535,828
Less: Adjustment / Disposal during the year	(2,089,568)	(10,459,389)	(2,354,568)	(10,459,389)
	27,108,063	27,431,756	31,580,469	32,076,439
<b>B. Accumulated depreciation</b>				
Opening Balance	9,487,877	9,649,852	11,082,411	10,383,280
Add : Charged during the year	4,997,587	4,749,762	5,859,971	5,610,868
	14,485,463	14,399,614	16,942,382	15,994,148
Less: Adjustment / Disposal during the year	(1,436,273)	(4,911,738)	(1,573,190)	(4,911,738)
	13,049,191	9,487,877	15,369,192	11,082,411
<b>C. Written down value (A-B)</b>	<b>14,058,872</b>	<b>17,943,879</b>	<b>16,211,277</b>	<b>20,994,028</b>

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
<b>8.2 Lease Hold Assets</b>				
<b>A. Cost</b>				
Opening Balance	71,114,500	12,394,965	73,242,171	14,522,636
Add : Addition during the year	5,588,986	68,947,830	7,493,511	68,947,830
	76,703,486	81,342,795	80,735,682	83,470,466
Less: Adjustment / Disposal during the year	(2,166,670)	(10,228,294)	(2,166,670)	(10,228,294)
	74,536,816	71,114,500	78,569,012	73,242,171
<b>B. Accumulated depreciation</b>				
Opening Balance	4,502,949	2,224,737	5,964,129	2,886,127
Add : Charged during the year	7,937,392	5,687,643	8,762,594	6,487,433
	12,440,341	7,912,380	14,726,722	9,373,560
Less: Adjustment / Disposal during the year	(1,166,669)	(3,409,431)	(1,166,669)	(3,409,431)
	11,273,672	4,502,949	13,560,054	5,964,129
<b>C. Written down value (A-B)</b>	<b>63,263,144</b>	<b>66,611,552</b>	<b>65,008,959</b>	<b>67,278,043</b>
<b>8.3 Intangible Assets</b>				
<b>A. Cost</b>				
Opening Balance	13,633,955	13,633,955	34,158,821	34,158,821
Add : Addition during the year	139,500	-	139,500	-
	13,773,455	13,633,955	34,298,321	34,158,821
Less: Adjustment / Disposal during the year	-	-	-	-
	13,773,455	13,633,955	34,298,321	34,158,821
<b>B. Accumulated depreciation</b>				
Opening Balance	3,682,792	887,604	4,000,264	1,030,138
Add : Charged during the year	2,779,739	2,795,188	2,954,677	2,970,126
	6,462,532	3,682,792	6,954,941	4,000,264
Less: Adjustment / Disposal during the year	-	-	-	-
	6,462,532	3,682,792	6,954,941	4,000,264
<b>C. Written down value (A-B)</b>	<b>7,310,924</b>	<b>9,951,163</b>	<b>27,343,380</b>	<b>30,158,558</b>
<b>9. Other assets</b>				
<b><u>Non income generating assets</u></b>				
Advances, Deposits and Prepayments (Note-9.1)	112,281,993	123,294,772	174,700,095	185,975,974
Deferred tax asset	1,413,133	-	1,597,208	119,475
<b><u>Income generating assets</u></b>				
Interest and other receivables (Note-9.2)	12,812,849	62,035,207	12,812,849	62,035,207
Receivable with Brokerage House	45,491	52,542	916,072	33,913
Investment in Subsidiary Company - SFILSL (Note-9.3)	149,997,000	149,997,000	-	-
	<b>276,550,466</b>	<b>335,379,520</b>	<b>190,026,224</b>	<b>248,164,568</b>
<b>9.1 Advances, Deposits and Prepayments</b>				
Advance Income Tax (Note-9.1.1)	94,276,406	106,011,752	95,874,719	107,269,601
Advance to Supplier & Others	10,000	317,826	10,000	317,826
Security Deposit - Office Rent	16,114,500	15,822,000	16,332,300	16,002,000
Prepayment for Stamp Expense	29,630	52,220	29,630	52,220
Receivable from Provident Fund Account	-	18	-	18
Receivable from Gratuity Fund Account	53,490	-	53,490	-
Dividend Receivable	1,746,500	1,076,900	1,843,300	1,076,900
Receivable from Client	51,467	14,056	51,467	14,056
Receivable from Broker (Dealer Account)	-	-	57,748	21,597
Receivable from clients (CDBL charge)	-	-	-	10,350
Receivable from DSE & CSE	-	-	222,443	986,407
Security Deposit with Stock Exchange & others (Note-9.1.2)	-	-	60,225,000	60,225,000
	<b>112,281,993</b>	<b>123,294,772</b>	<b>174,700,095</b>	<b>185,975,974</b>

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
<b>9.1.1 Advance Income Tax</b>				
Opening balance	106,011,752	42,855,862	107,269,601	43,455,782
Addition during the year	36,253,154	63,155,890	37,503,104	63,813,819
Adjustment for Assessment Year 2023-24	(26,266,417)	-	(26,517,974)	-
Adjustment for Assessment Year 2024-25	(21,722,083)	-	(22,380,012)	-
Closing balance	<b>94,276,406</b>	<b>106,011,752</b>	<b>95,874,719</b>	<b>107,269,601</b>

The amount of advance income tax are (a) Payment made through payment order under section 154 of the Income Tax Act 2023 and (b) Tax deduction at source (TDS). TDS mainly deduction of tax at sources (i) By FI on income arisen from deposits (TDR) (ii) Against interest income on bank balances (iii) from Dividend income and (iv) Interest income on Govt. Treasury Bill (v) Payment order under section 153 of the Income Tax Act 2023.

<b>9.1.2 Security Deposit with Stock Exchange &amp; others</b>				
Security Deposit - DSE	-	-	30,000,000	30,000,000
Security Deposit - CSE	-	-	30,000,000	30,000,000
Security Deposit - CDBL	-	-	200,000	200,000
Clearing House Deposit - CSE	-	-	25,000	25,000
	-	-	<b>60,225,000</b>	<b>60,225,000</b>

<b>9.2 Interest and other receivables</b>				
Interest receivables-Fixed Deposit	5,020,296	59,025,486	5,020,296	59,025,486
Interest receivables- MSND, SND & HPA account	82,951	191,175	82,951	191,175
Interest receivables-Non-Convertible Bond	7,709,602	2,818,545	7,709,602	2,818,545
	<b>12,812,849</b>	<b>62,035,207</b>	<b>12,812,849</b>	<b>62,035,207</b>

**9.3 Investment in Subsidiary Company - SFIL Securities Limited (SFILSL)**

Out of the total of 15,000,000 Ordinary shares issued as paid up, SFIL Finance PLC. holds 14,999,700 Ordinary shares of BDT 10 each.

**10. Borrowings from other banks, financial institutions and agents**

Inside Bangladesh (Note-10.1)	169,556,604	84,714,689	178,054,959	84,714,689
Outside Bangladesh	-	-	-	-
	<b>169,556,604</b>	<b>84,714,689</b>	<b>178,054,959</b>	<b>84,714,689</b>

**10.1 Inside Bangladesh**

Secured Loan

Long Term Loan - NRB Bank PLC.	25,634,683	34,962,655	25,634,683	34,962,655
REPO against Govt. Treasury Bills	143,906,250	-	143,906,250	-
	<b>169,540,933</b>	<b>34,962,655</b>	<b>169,540,933</b>	<b>34,962,655</b>

Unsecured Loan

Unsecured Bank Overdraft - NRB Bank PLC.	15,671	49,752,034	15,671	49,752,034
Long Term Loan - ICB Fund	-	-	8,498,355	-
	<b>15,671</b>	<b>49,752,034</b>	<b>8,514,026</b>	<b>49,752,034</b>

<b>Total Inside Bangladesh</b>	<b>169,556,604</b>	<b>84,714,689</b>	<b>178,054,959</b>	<b>84,714,689</b>
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**10.2 Maturity grouping of borrowings from other banks, financial institutions & agents**

Payable on demand	-	-	-	-
Up to 1 month	146,362,350	52,046,070	147,250,838	52,046,070
Over 1 month but within 3 months	-	-	-	-
Over 3 months but within 1 year	7,916,477	7,261,897	10,378,069	7,261,897
Over 1 year but within 5 years	15,277,777	25,406,723	20,426,051	25,406,723
Over 5 years	-	-	-	-
	<b>169,556,604</b>	<b>84,714,689</b>	<b>178,054,959</b>	<b>84,714,689</b>

**11. Deposits and other accounts**

Term deposits (Note-11.1)	2,961,747,409	3,867,704,935	2,931,747,409	3,832,204,935
Other deposits (Note-11.2)	2,742,909	3,217,515	2,742,909	3,217,515
	<b>2,964,490,318</b>	<b>3,870,922,450</b>	<b>2,934,490,318</b>	<b>3,835,422,450</b>

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
<b>11.1 Term deposits</b>				
Regular Term Deposit (Note-11.1.1)	563,535,199	1,098,780,528	533,535,199	1,063,280,528
Regular Day Wise Deposit (Note-11.1.2)	1,358,809,577	1,623,551,826	1,358,809,577	1,623,551,826
Monthly Earner Deposit (Note-11.1.3)	21,200,000	111,100,000	21,200,000	111,100,000
Quarterly Earner Deposit (Note-11.1.4)	1,000,400,000	1,008,000,000	1,000,400,000	1,008,000,000
Monthly Saving Scheme - Individual	1,303,721	5,022,934	1,303,721	5,022,934
Millionaire Deposit Scheme - Individual	879,341	4,767,362	879,341	4,767,362
Mudaraba Term Deposit (Note-11.1.5)	13,619,570	16,372,286	13,619,570	16,372,286
Mudaraba Monthly Earner Deposit - Individual	2,000,000	-	2,000,000	-
Mudaraba Scheme Deposit	-	110,000	-	110,000
	<b>2,961,747,409</b>	<b>3,867,704,935</b>	<b>2,931,747,409</b>	<b>3,832,204,935</b>
<b>11.1.1 Regular Term Deposit</b>				
Regular Term Deposit - Corporate	140,344,698	653,323,276	110,344,698	617,823,276
Regular Term Deposit - Individual	423,190,501	445,457,251	423,190,501	445,457,251
	<b>563,535,199</b>	<b>1,098,780,528</b>	<b>533,535,199</b>	<b>1,063,280,528</b>
<b>11.1.2 Regular Day Wise Deposit</b>				
Regular Day Wise Deposit - Bank & FI	1,300,000,000	1,530,000,000	1,300,000,000	1,530,000,000
Regular Day Wise Deposit - Corporate	5,604,964	5,782,778	5,604,964	5,782,778
Regular Day Wise Deposit - Individual	53,204,613	87,769,048	53,204,613	87,769,048
	<b>1,358,809,577</b>	<b>1,623,551,826</b>	<b>1,358,809,577</b>	<b>1,623,551,826</b>
<b>11.1.3 Monthly Earner Deposit</b>				
Monthly Earner Deposit - Corporate	-	90,000,000	-	90,000,000
Monthly Earner Deposit - Individual	21,200,000	21,100,000	21,200,000	21,100,000
	<b>21,200,000</b>	<b>111,100,000</b>	<b>21,200,000</b>	<b>111,100,000</b>
<b>11.1.4 Quarterly Earner Deposit</b>				
Quarterly Earner Deposit - Bank & FI	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Quarterly Earner Deposit - Individual	400,000	8,000,000	400,000	8,000,000
	<b>1,000,400,000</b>	<b>1,008,000,000</b>	<b>1,000,400,000</b>	<b>1,008,000,000</b>
<b>11.1.5 Mudaraba Term Deposit</b>				
Mudaraba Term Deposit - Corporate	2,620,812	7,656,201	2,620,812	7,656,201
Mudaraba Term Deposit - Individual	10,998,758	8,716,084	10,998,758	8,716,084
	<b>13,619,570</b>	<b>16,372,286</b>	<b>13,619,570</b>	<b>16,372,286</b>
<b>11.1.6 Group-wise break -up of term deposits</b>				
Government	-	-	-	-
Bank	2,300,000,000	2,530,000,000	2,300,000,000	2,530,000,000
Insurance	9,996,184	23,068,211	9,996,184	23,068,211
Other institutions	138,574,291	733,694,045	108,574,291	698,194,045
Individuals	513,176,934	580,942,679	513,176,934	580,942,679
	<b>2,961,747,409</b>	<b>3,867,704,935</b>	<b>2,931,747,409</b>	<b>3,832,204,935</b>
<b>11.1.7 Maturity analysis of Term deposits</b>				
Payable on demand	-	-	-	-
Up to 1 month	491,087,254	393,681,103	461,087,254	358,181,103
Over 1 month but within 6 months	2,383,932,958	1,328,446,872	2,383,932,958	1,328,446,872
Over 6 months but within 1 year	71,139,922	1,133,045,458	71,139,922	1,133,045,458
Over 1 year but within 5 years	15,587,274	1,012,442,035	15,587,274	1,012,442,035
Over 5 years but within 10 years	-	89,466	-	89,466
Over 10 years	-	-	-	-
	<b>2,961,747,409</b>	<b>3,867,704,935</b>	<b>2,931,747,409</b>	<b>3,832,204,935</b>
<b>11.2 Other deposits</b>				
Non-Interest Bearing Security Deposit	2,742,909	3,217,515	2,742,909	3,217,515
	<b>2,742,909</b>	<b>3,217,515</b>	<b>2,742,909</b>	<b>3,217,515</b>

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
<b>12. Other liabilities</b>				
Withholding Tax payable	26,664,686	18,902,350	26,707,862	18,947,670
Withholding VAT payable	339,925	1,211,013	357,539	1,226,452
Excise Duty	1,571,550	2,083,150	1,571,550	2,083,150
Interest payable- (Note - 12.1)	51,641,735	86,849,403	51,200,498	86,321,355
Audit fee payable	191,667	145,475	287,500	234,025
Payable for CIB Fee	38,660	26,840	38,660	26,840
Payable for Client's Legal Fees	665,219	688,759	665,219	688,759
Payable for Stamp Charge	100,130	64,979	100,130	64,979
Payable to suppliers and others	3,170,120	2,564,532	4,755,234	4,945,634
Provision for current tax (Note - 12.2)	22,367,421	49,334,811	24,115,613	50,794,297
Deferred Tax Liability (Note - 12.3)	-	3,084,660	-	3,084,660
Unearned Revenue	249,079	282,942	249,079	282,942
Provision for CSR Climate Fund	37,500	19,000	37,500	19,000
Interest Suspense (Note-12.4)	7,731,937	765,711	7,731,937	765,711
Lease Liability - Right of Use of Assets (Note-12.5)	68,122,274	68,449,768	69,882,172	69,216,720
Provision for doubtful accounts and future losses (Note-12.6)	90,371,876	21,005,819	94,900,755	21,223,802
	<b>273,263,780</b>	<b>255,479,213</b>	<b>282,601,249</b>	<b>259,925,995</b>
<b>12.1 Interest payable</b>				
Regular Term Deposit (Note-12.1.1)	30,946,042	44,788,257	30,286,042	44,184,757
Regular Day Wise Deposit (Note-12.1.2)	15,971,385	14,338,336	15,971,385	14,338,336
Monthly Earner Deposit (Note-12.1.3)	111,309	324,929	111,309	324,929
Quarterly Earner Deposit (Note-12.1.4)	2,782,111	26,267,952	2,782,111	26,267,952
Long Term Loan	924,273	863,189	924,273	863,189
Interest Payable on REPO	606,180	-	606,180	-
Mudaraba Term Deposits (Note-12.1.5)	285,851	262,902	285,851	262,902
Mudaraba Monthly Earner Deposits	14,583	-	14,583	-
Mudaraba Scheme Deposits	-	3,839	-	3,839
Consolidated Customer Account	-	-	218,763	75,452
	<b>51,641,735</b>	<b>86,849,403</b>	<b>51,200,498</b>	<b>86,321,355</b>
<b>12.1.1 Regular Term Deposit</b>				
Regular Term Deposit - Corporate	5,244,354	25,462,509	4,584,354	24,859,009
Regular Term Deposit - Individual	25,701,688	19,325,748	25,701,688	19,325,748
	<b>30,946,042</b>	<b>44,788,257</b>	<b>30,286,042</b>	<b>44,184,757</b>
<b>12.1.2 Regular Day Wise Deposit</b>				
Regular Day Wise Deposit - Bank & FI	13,443,056	12,313,050	13,443,056	12,313,050
Regular Day Wise Deposit - Corporate	158,195	51,642	158,195	51,642
Regular Day Wise Deposit - Individual	2,370,134	1,973,643	2,370,134	1,973,643
	<b>15,971,385</b>	<b>14,338,336</b>	<b>15,971,385</b>	<b>14,338,336</b>
<b>12.1.3 Monthly Earner Deposit</b>				
Monthly Earner Deposit - Corporate	-	238,150	-	238,150
Monthly Earner Deposit - Individual	111,309	86,779	111,309	86,779
	<b>111,309</b>	<b>324,929</b>	<b>111,309</b>	<b>324,929</b>
<b>12.1.4 Quarterly Earner Deposit</b>				
Quarterly Earner Deposit - Bank & FI	2,777,778	26,250,000	2,777,778	26,250,000
Quarterly Earner Deposit - Individual	4,333	17,952	4,333	17,952
	<b>2,782,111</b>	<b>26,267,952</b>	<b>2,782,111</b>	<b>26,267,952</b>
<b>12.1.5 Mudaraba Term Deposits</b>				
Mudaraba Term Deposits - Corporate	56,956	122,110	56,956	122,110
Mudaraba Term Deposits - Individual	228,895	140,792	228,895	140,792
	<b>285,851</b>	<b>262,902</b>	<b>285,851</b>	<b>262,902</b>

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
<b>12.2 Provision for current tax</b>				
Opening balance	49,334,811	35,475,765	50,794,297	36,115,079
Add: Additional during the year	21,021,110	21,840,010	22,271,060	22,660,181
Adjustment for Assessment Year 2021-22 & 2022-23	-	(7,980,964)	-	-
Adjustment for Assessment Year 2023-24	(26,266,417)	-	(26,517,974)	-
Adjustment for Assessment Year 2024-25	(21,722,083)	-	(22,431,770)	(7,980,964)
<b>Closing balance</b>	<b>22,367,421</b>	<b>49,334,811</b>	<b>24,115,613</b>	<b>50,794,297</b>

Current tax provision has been adjusted for the assessment year 2023-24 and 2024-25 as per tax return submitted to NBR as self assessment under section 180 of Income Act, 2023.

### 12.3 Deferred tax liability

Deferred tax has been calculated based on deductible/taxable temporary difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS)-12: **Income Taxes.**

Particulars	Accounting Base Carrying Amount	Tax Base Carrying Amount	Taxable/ (Deductible) temporary difference
<b>Deferred tax liability is arrived at as follows:</b>			
Fixed assets net of depreciation as on 31 December 2024			
Furniture & Fixture	2,863,921	3,502,133	(638,211)
Office Decoration	3,574,251	3,925,463	(351,212)
Office Equipment	2,192,975	3,125,869	(932,894)
IT Equipment	2,734,766	2,407,325	327,441
Motor Vehicle	2,692,958	2,438,554	254,405
IT Software	7,310,924	4,395,076	2,915,848
<b>Taxable Temporary Difference (A)</b>	<b>21,369,796</b>	<b>19,794,419</b>	<b>1,575,377</b>
<b>Taxable Temporary Difference for 2023</b>			<b>5,329,860</b>
			<b>SFIL</b>
Lease liability			(68,122,274)
Right of Use of Assets			63,263,144
			(4,859,130)
Unearned Revenue			(249,079)
Gratuity Provision			-
<b>Deductible Temporary Difference (B)</b>			<b>(5,108,209)</b>
<b>Total (A+B)</b>			<b>(3,532,832)</b>
<b>Deferred tax liability/(Asset) at 31 December 2024</b>			<b>(1,413,133)</b>
Deferred tax liability/(Asset) at 31 December 2023			3,084,660
Deferred tax Expenses / (Income) at 31 December 2024			(4,497,793)
			<b>SFIL Group</b>
Deferred tax liability at 31 December 2024			-
Deferred tax liability at 31 December 2023			3,084,660
		<b>SFIL</b>	<b>SFILSL</b>
Applicable tax rate for Business or Profession (2023)		40%	25%
<b>12.4 Interest Suspense</b>			
Interest Suspense on leases, loans and advances	2,641,738	668,623	2,641,738
Interest Suspense on Investment in Bond	5,090,199	97,088	5,090,199
	<b>7,731,937</b>	<b>765,711</b>	<b>7,731,937</b>
<b>12.5 Lease Liability - Right of Use of Assets</b>			

As per IFRS 16, Lease liability - Right of Use of Assets derived from present value of all rental payments for corporate head office and principal branch. SFIL Finance PLC. has leased commercial office space for corporate head office at Finance Square (Level-15), Gulshan-2, covering area of 4,395 square feet and for principal branch office at Rangs RL Square (Level-13), Progoti Saroni, covering area of 1,500 square feet. When measuring lease liabilities, SFIL discounted lease payments using its incremental borrowing rate.

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
<b>12.6 Provision for doubtful accounts and future losses</b>				
General provision (Note-12.6(i))	11,826,310	14,355,999	11,826,310	14,355,999
Specific provision	2,755,405	550,068	2,755,405	550,068
Provision for diminutions in value of investments	75,507,827	6,046,753	80,036,706	6,264,735
Other Provisions	282,334	53,000	282,334	53,000
	<b>90,371,876</b>	<b>21,005,819</b>	<b>94,900,755</b>	<b>21,223,802</b>
<b>12.6 (i) General provision</b>				
Corporate Finance (12.6.1)	9,809,590	11,618,841	9,809,590	11,618,841
Consumer Finance (12.6.2)	1,867,507	2,549,653	1,867,507	2,549,653
SME Finance (12.6.3)	149,214	187,505	149,214	187,505
	<b>11,826,310</b>	<b>14,355,999</b>	<b>11,826,310</b>	<b>14,355,999</b>
<b>12.6.1 Corporate Finance</b>				
Lease Finance	1,074,785	1,966,658	1,074,785	1,966,658
Loan Finance	8,734,805	9,652,183	8,734,805	9,652,183
	<b>9,809,590</b>	<b>11,618,841</b>	<b>9,809,590</b>	<b>11,618,841</b>
<b>12.6.2 Consumer Finance</b>				
House Finance	1,244,603	1,700,272	1,244,603	1,700,272
Car lease	564,189	514,450	564,189	514,450
Loan Against Deposit	30,519	296,668	30,519	296,668
Personal Loan	28,196	38,264	28,196	38,264
	<b>1,867,507</b>	<b>2,549,653</b>	<b>1,867,507</b>	<b>2,549,653</b>
<b>12.6.3 SME Finance</b>				
Lease Finance, SMALL	32,026	45,625	32,026	45,625
Loan Finance, SMALL	52,809	87,140	52,809	87,140
Lease Finance, MID	3,871	11,805	3,871	11,805
Loan Finance, MID	60,508	42,934	60,508	42,934
	<b>149,214</b>	<b>187,505</b>	<b>149,214</b>	<b>187,505</b>
<b>13. Share capital</b>				
<b>Authorized</b>				
250,000,000 ordinary shares of Tk.10/- each	<b>2,500,000,000</b>	<b>2,500,000,000</b>	<b>2,500,000,000</b>	<b>2,500,000,000</b>
<b>Issued, subscribed and paid up</b>				
105,575,000 ordinary shares of Tk.10/- each	<b>1,055,750,000</b>	<b>1,055,750,000</b>	<b>1,055,750,000</b>	<b>1,055,750,000</b>

The Shareholders of the company approved 3.0% stock dividend for the year ended on December 31, 2022 in the 3rd Annual General Meeting (AGM) held on 30 May 2023 and 2.50% stock dividend for the year ended on December 31, 2021 in the 2nd Annual General Meeting (AGM) held on May 28, 2022. Accordingly, after completion of all the regulatory formalities duly, the number of Ordinary Shares of the company stands at 105,575,000 and the paid-up capital stands at BDT 1,055,750,000.

Given below the history of raising of Share Capital of SFIL Finance PLC.

Year of Allotment	Particulars of Allotment	Number of Shares issue		Paid up Share (Cumulative)	Amount of Shares Capital (BDT)	Amount of Shares Capital (BDT) (Cumulative)
		Bonus	Cash			
2020	In time of Incorporation	-	100,000,000	100,000,000	1,000,000,000	1,000,000,000
2022	2.5% Stock Dividend	2,500,000	-	102,500,000	25,000,000	1,025,000,000
2023	3% Stock Dividend	3,075,000	-	105,575,000	30,750,000	1,055,750,000

Details of shares holding position are as under:

Sponsor Shareholders:	31-Dec-2024			31-Dec-2023
	Percentage (%)	No. of Shares	BDT	BDT
<b>A. Local Shareholders</b>				
<b>Individual Sponsors</b>				
Ms. Anjuman Ara Shahid	2%	2,111,500	21,115,000	21,115,000
Mr. Raheeb Safwan Sarafat Chowdhury	2%	2,111,500	21,115,000	21,115,000
	<b>4%</b>	<b>4,223,000</b>	<b>42,230,000</b>	<b>42,230,000</b>
<b>Institutional Sponsors</b>				
Strategic Finance Limited	20%	21,115,000	211,150,000	211,150,000
Padma Bank Securities Ltd.	20%	21,115,000	211,150,000	211,150,000
Strategic Equity Management Ltd.	6%	6,334,500	63,345,000	63,345,000
	<b>46%</b>	<b>48,564,500</b>	<b>485,645,000</b>	<b>485,645,000</b>
<b>Total Local Share Capital</b>	<b>50%</b>	<b>52,787,500</b>	<b>527,875,000</b>	<b>527,875,000</b>

**B. Foreign Shareholders**

**Institutional Sponsors**

Canadian Maple Strategic Wealth Management LP.  
Statisticker Inc.

**Total Foreign Share Capital**

**Total Shareholdings (A+B)**

	48%	50,676,000	506,760,000	506,760,000
	2%	2,111,500	21,115,000	21,115,000
	<b>50%</b>	<b>52,787,500</b>	<b>527,875,000</b>	<b>527,875,000</b>
	<b>100%</b>	<b>105,575,000</b>	<b>1,055,750,000</b>	<b>1,055,750,000</b>
<b>SFIL</b>		<b>SFIL Group</b>		
<b>Amount in BDT</b>		<b>Amount in BDT</b>		
<b>31-Dec-2024</b>	<b>31-Dec-2023</b>	<b>31-Dec-2024</b>	<b>31-Dec-2023</b>	

**13.1 Capital Adequacy Ratio (CAR)**

As per section 4(GHA) of the Financial Institution Regulation 1994, Finance Company Act 2023 and DFIM Circular No. 5, dated July 24, 2011, the minimum paid up capital of the Financial Institution (FI) shall be Taka 100 crore; Provided that the sum of paid up capital and reserves shall not be less than the minimum capital determined by the Bangladesh Bank under the Risk-Based Assets of the company. The surplus eligible capital of the SFIL at the close of business on 31 December 2024 were Taka 66.02 crore and 31 December 2023 were taka 69.95 crore respectively.

**Core Capital ( Tier-I) / Shareholders' Equity**

Paid-up capital (Note-13)	1,055,750,000	1,055,750,000	1,055,750,000	1,055,750,000
Share premium	-	-	-	-
Statutory reserves (Note-14)	30,171,513	30,171,513	30,171,513	30,171,513
Other Reserve	-	-	-	-
Capital Reserve	-	-	114,809	114,809
General reserves	-	-	-	-
Dividend equalization reserves	-	-	-	-
Retained earnings (Note-15)	10,841,449	64,936,054	(17,573,293)	45,519,180
Non-controlling interest	-	-	2,351	2,531
<b>Sub-Total</b>	<b>1,096,762,963</b>	<b>1,150,857,567</b>	<b>1,068,465,381</b>	<b>1,131,558,034</b>

**Supplementary Capital (Tier -II)**

General Provision (Unclassified loans up to specified limit + SMA + Off Balance Sheet exposure)	11,082,911	13,408,999	11,082,911	13,408,999
Assets Revaluation Reserves up to 50%	-	-	-	-
Revaluation Reserve for Securities up to 45%	-	-	-	-
All others preference shares	-	-	-	-
Others(if any other item approved by Bangladesh Bank)	-	-	-	-
<b>Sub-Total</b>	<b>11,082,911</b>	<b>13,408,999</b>	<b>11,082,911</b>	<b>13,408,999</b>

**A) Total capital**

	<b>1,107,845,874</b>	<b>1,164,266,566</b>	<b>1,079,548,292</b>	<b>1,144,967,033</b>
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**Total assets including off -balance sheet exposures**

	<b>4,529,733,714</b>	<b>5,367,273,918</b>	<b>4,489,271,957</b>	<b>5,316,921,167</b>
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B) Total risk weighted assets	4,476,910,671	4,647,844,706	4,448,873,822	4,606,791,945
C) Required capital based on risk weighted assets (10% on B)	447,691,067	464,784,471	444,887,382	460,679,195
D) Surplus (A-C)	660,154,807	699,482,095	634,660,910	684,287,838
E) Capital Adequacy Ratio (%)	24.75%	25.05%	24.27%	24.85%
F) Core Capital to RWA (%)	24.50%	24.76%	24.02%	24.56%
G) Supplementary Capital to RWA (%)	0.25%	0.29%	0.25%	0.29%

**14. Statutory Reserves**

Opening balance	30,171,513	25,307,562	30,171,513	25,307,562
Add: Transferred from profit	-	4,863,952	-	4,863,952
<b>Closing balance</b>	<b>30,171,513</b>	<b>30,171,513</b>	<b>30,171,513</b>	<b>30,171,513</b>

In compliance with Finance Company Act 2023 and Financial Institution Regulations 1994, transfer to statutory reserve at least 20% of it's profit after tax and before appropriation of dividend in a particular year.

**15. Retained earnings**

Opening balance	64,936,054	76,230,246	45,519,180	64,740,163
Add: Profit/(loss) for the year	(54,094,604)	24,319,759	(63,092,473)	16,392,969
Less: Appropriation to statutory reserve	-	(4,863,952)	-	(4,863,952)
Less: Stock Dividend	-	(30,750,000)	-	(30,750,000)
<b>Closing balance</b>	<b>10,841,449</b>	<b>64,936,054</b>	<b>(17,573,293)</b>	<b>45,519,180</b>

SFIL		SFIL Group	
Amount in BDT		Amount in BDT	
31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023

## 16. Other commitments

In the normal course of business, the company makes various contract, controls and disbursements. No material losses are anticipated as a result of these transactions. During the year 2024, undisbursed sanctioned loan and leases amount was BDT 25,660,051 as off balance sheet item under the head of other commitments.

## 17. Particulars of profit and loss account

### Income

Interest income (Note - 18)	250,064,863	372,920,031	250,135,796	373,886,926
Income from investment (Note - 20)	258,464,075	133,757,811	260,228,921	134,493,871
Commission, Exchange and Brokerage (Note - 21)	-	-	3,292,654	1,483,673
Other operating income (Note - 22)	2,395,444	4,143,767	2,408,174	4,157,097
	<b>510,924,382</b>	<b>510,821,608</b>	<b>516,065,545</b>	<b>514,021,566</b>

### Expenses

Interest on deposits and borrowings etc. (Note - 19)	388,918,486	364,324,170	386,205,509	363,096,499
Salary and allowances (Note - 23)	48,547,344	51,242,488	54,906,523	58,299,488
Rent, taxes, insurance, electricity etc. (Note - 24)	2,450,460	2,117,676	2,766,148	2,386,751
Legal and professional fees (Note - 25)	475,417	776,972	616,195	814,011
Postage, stamp, telecommunication etc. (Note - 26)	423,501	413,473	752,390	752,235
Stationery, printing, advertisement etc. (Note - 27)	3,597,482	1,796,790	3,633,876	1,916,737
Managing director's salary and allowances (Note - 28)	2,710,000	7,736,000	2,710,000	7,736,000
Directors' fees (Note - 29)	184,944	87,389	184,944	87,389
Auditors' fees (Note - 30)	306,667	214,475	402,500	303,025
Depreciation and repair of Company's assets (Note - 31)	18,361,326	15,622,933	20,411,432	17,556,182
Other expenses (Note - 32)	13,153,986	15,344,315	15,183,060	17,173,866
	<b>479,129,612</b>	<b>459,676,682</b>	<b>487,772,577</b>	<b>470,122,183</b>

### Profit before provision

	<b>31,794,770</b>	<b>51,144,927</b>	<b>28,292,968</b>	<b>43,899,383</b>
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## 18. Interest income

Interest on Corporate Finance (Note - 18.1)	116,046,025	101,983,617	116,046,025	101,983,617
Interest on SME Finance (Note - 18.2)	8,845,101	8,485,524	8,845,101	8,485,524
Interest on Consumer Finance (Note - 18.3)	28,247,874	25,403,424	28,247,874	25,403,424
Interest on Balance with other Banks and FIs (Note - 18.4)	96,925,863	237,047,466	96,996,796	238,014,361
	<b>250,064,863</b>	<b>372,920,031</b>	<b>250,135,796</b>	<b>373,886,926</b>

### 18.1 Interest on Corporate Finance

Lease Finance	20,016,060	22,847,583	20,016,060	22,847,583
Loan Finance	96,029,965	79,136,034	96,029,965	79,136,034
	<b>116,046,025</b>	<b>101,983,617</b>	<b>116,046,025</b>	<b>101,983,617</b>

### 18.2 Interest on SME Finance

Lease Finance, SMALL	2,032,800	2,275,049	2,032,800	2,275,049
Loan Finance, SMALL	3,415,184	2,586,186	3,415,184	2,586,186
Lease Finance, MID	340,326	743,052	340,326	743,052
Loan Finance, MID	3,056,791	2,881,237	3,056,791	2,881,237
	<b>8,845,101</b>	<b>8,485,524</b>	<b>8,845,101</b>	<b>8,485,524</b>

### 18.3 Interest on Consumer Finance

House Finance	17,465,681	19,173,120	17,465,681	19,173,120
Car lease	7,487,888	5,105,479	7,487,888	5,105,479
Loan against Deposit	2,860,575	708,062	2,860,575	708,062
Personal Loan	433,730	416,763	433,730	416,763
	<b>28,247,874</b>	<b>25,403,424</b>	<b>28,247,874</b>	<b>25,403,424</b>

### 18.4 Interest on Balance with other Banks and FIs

Fixed deposit receipt accounts	90,722,179	228,605,849	90,722,179	229,367,099
SND / HP Account	4,821,751	7,383,701	4,892,684	7,589,346
Profit on Mudaraba Fixed Deposit - Islamic	1,348,491	1,011,719	1,348,491	1,011,719
Profit on Mudaraba SND account - Islamic	33,442	46,196	33,442	46,196
	<b>96,925,863</b>	<b>237,047,466</b>	<b>96,996,796</b>	<b>238,014,361</b>

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
<b>19. Interest on deposits and borrowings etc.</b>				
Interest on Regular Term Deposit (Note-19.1)	72,428,304	120,267,485	69,376,862	118,931,797
Interest on Regular Day Wise Deposit (Note-19.2)	163,403,166	135,731,629	163,403,166	135,731,629
Interest Expense on Monthly Saving Scheme - Individual	110,844	308,406	110,844	308,406
Interest Expense Millionaire Deposit Scheme - Individual	82,915	260,525	82,915	260,525
Interest Expense Insured Millionaire Scheme - Individual	-	6,200	-	6,200
Interest Expense on Monthly Earner Deposit (Note-19.3)	7,055,355	6,400,378	7,055,355	6,400,378
Interest Expense on Quarterly Earner Deposit (Note-19.4)	111,620,761	92,669,465	111,620,761	92,669,465
Interest Expense on Double Money Deposit - Individual	6,373	-	6,373	-
Profit paid on Mudaraba Term Deposits (Note-19.5)	1,208,198	1,063,797	1,208,198	1,063,797
Profit paid on Mudaraba Monthly Earner - Individual	84,583	-	84,583	-
Profit paid on Mudaraba Savings Deposits	921	3,839	921	3,839
Interest Expenses on Unsecured Lease Liability (Note- 19.6)	5,644,775	3,485,341	5,707,909	3,593,357
Interest Expense on Bank Overdraft	22,657,562	426,016	22,657,562	426,016
Interest Expense on Long Term Loan	4,008,547	3,701,092	4,283,879	3,701,092
Interest Expense on REPO	606,180	-	606,180	-
	<b>388,918,486</b>	<b>364,324,170</b>	<b>386,205,509</b>	<b>363,096,499</b>
<b>19.1 Interest on Regular Term Deposit</b>				
Regular Term Deposit - Corporate	35,291,595	86,443,969	32,240,153	85,108,281
Regular Term Deposit - Individual	37,136,709	33,823,516	37,136,709	33,823,516
	<b>72,428,304</b>	<b>120,267,485</b>	<b>69,376,862</b>	<b>118,931,797</b>
<b>19.2 Interest on Regular Day Wise Deposit</b>				
Regular Day Wise Deposit - Bank & FI	154,270,978	131,910,620	154,270,978	131,910,620
Regular Day Wise Deposit - Corporate	562,268	189,647	562,268	189,647
Regular Day Wise Deposit - Individual	8,569,921	3,631,362	8,569,921	3,631,362
	<b>163,403,166</b>	<b>135,731,629</b>	<b>163,403,166</b>	<b>135,731,629</b>
<b>19.3 Interest Expense on Monthly Earner Deposit</b>				
Monthly Earner deposit - Corporate	5,066,962	4,800,441	5,066,962	4,800,441
Monthly Earner deposit - Individual	1,988,393	1,599,937	1,988,393	1,599,937
	<b>7,055,355</b>	<b>6,400,378</b>	<b>7,055,355</b>	<b>6,400,378</b>
<b>19.4 Interest Expense on Quarterly Earner Deposit</b>				
Quarterly Earner Deposit - Bank & FI	111,395,833	91,972,222	111,395,833	91,972,222
Quarterly Earner Deposit - Individual	224,927	697,242	224,927	697,242
	<b>111,620,761</b>	<b>92,669,465</b>	<b>111,620,761</b>	<b>92,669,465</b>
<b>19.5 Profit Paid on Mudaraba Term Deposits</b>				
Profit paid on Mudaraba Term Deposits - Corporate	273,221	622,503	273,221	622,503
Profit paid on Mudaraba Term Deposits - Individual	934,977	441,294	934,977	441,294
	<b>1,208,198</b>	<b>1,063,797</b>	<b>1,208,198</b>	<b>1,063,797</b>
<b>19.6 Interest Expenses on Unsecured Lease Liability</b>				
Vehicle Lease - IDLC Finance Limited	-	207,097	-	207,097
Lease Liability - Right of Use of Asset	5,644,775	3,278,244	5,707,909	3,386,260
	<b>5,644,775</b>	<b>3,485,341</b>	<b>5,707,909</b>	<b>3,593,357</b>
<b>20. Income from Investment</b>				
Capital gain on sale of marketable securities	9,484,021	1,641,439	10,592,732	1,925,529
Dividend Income - Marketable securities	10,847,952	10,300,070	11,481,766	10,731,370
Interest on BO Accounts	6,791	33,351	6,791	33,351
Income from Non-Convertible Bond (Note-20.1)	122,363,501	121,032,568	122,363,501	121,032,568
Income from Government Treasury Bill	115,761,811	750,382	115,761,811	750,382
Income from Corporate Bond	-	-	22,320	20,670
	<b>258,464,075</b>	<b>133,757,811</b>	<b>260,228,921</b>	<b>134,493,871</b>

SFIL		SFIL Group	
Amount in BDT		Amount in BDT	
31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023

**20.1 Income from Non-Convertible Bond**

During the year 2024 BDT 122,363,501 and 2023 BDT 121,032,568 was recognized as interest income from investment in Non-Convertible Bond and it will be undistributed income as per Bangladesh Bank letter no: DFIM(BS)1057/35/2023-4282 dated 26 Dec 2023.

**21. Commission, Exchange and Brokerage**

Commission & Brokerage

	-	-	3,292,654	1,483,673
	-	-	<b>3,292,654</b>	<b>1,483,673</b>

**22. Other operating income**

Fees and documentations (Note-22.1)  
Supervision Fees (Note-22.2)  
Gain/(Loss) on Lease Assets  
Miscellaneous Income  
Account opening & BO account maintenance fee  
IPO service charge

	1,981,556	2,304,906	1,981,556	2,304,906
	212,161	767,038	212,161	767,038
	201,375	1,071,822	201,375	1,071,822
	351	-	351	-
	-	-	12,250	13,100
	-	-	480	230
	<b>2,395,444</b>	<b>4,143,767</b>	<b>2,408,174</b>	<b>4,157,097</b>

**22.1 Fees and documentations**

Corporate finance

Lease Finance  
Loan Finance

	197,414	284,115	197,414	284,115
	737,716	564,387	737,716	564,387
	<b>935,130</b>	<b>848,502</b>	<b>935,130</b>	<b>848,502</b>

Consumer Finance

House Finance  
Car lease

	727,746	855,810	727,746	855,810
	150,236	223,247	150,236	223,247
	<b>877,982</b>	<b>1,079,057</b>	<b>877,982</b>	<b>1,079,057</b>

SME Finance

Lease Finance, SMALL  
Loan Finance, SMALL  
Lease Finance, MID  
Loan Finance, MID

	28,444	5,333	28,444	5,333
	-	299,000	-	299,000
	-	15,514	-	15,514
	140,000	57,500	140,000	57,500
	<b>168,444</b>	<b>377,347</b>	<b>168,444</b>	<b>377,347</b>

	<b>1,981,556</b>	<b>2,304,906</b>	<b>1,981,556</b>	<b>2,304,906</b>
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**22.2 Supervision Fees**

Loan Finance, MID  
Lease Finance, MID  
Loan Finance, SMALL  
Lease Finance, SMALL  
Car Lease  
Personal Loan

	-	127,732	-	127,732
	-	40,049	-	40,049
	16,267	204,244	16,267	204,244
	23,000	109,080	23,000	109,080
	172,894	273,982	172,894	273,982
	-	11,951	-	11,951
	<b>212,161</b>	<b>767,038</b>	<b>212,161</b>	<b>767,038</b>

**23. Salary and allowances**

Salary and allowances  
Festival bonus  
Provident fund contribution  
Gratuity Fund

	44,717,912	45,431,616	50,602,691	51,934,616
	3,520,440	3,663,944	3,994,840	4,217,944
	18,816	1,317,593	18,816	1,317,593
	290,176	829,335	290,176	829,335
	<b>48,547,344</b>	<b>51,242,488</b>	<b>54,906,523</b>	<b>58,299,488</b>

**24. Rent, taxes, insurance, electricity etc.**

Office rent  
Insurance  
Utilities

	-	-	-	-
	98,665	89,996	98,665	89,996
	2,351,795	2,027,680	2,667,483	2,296,755
	<b>2,450,460</b>	<b>2,117,676</b>	<b>2,766,148</b>	<b>2,386,751</b>

Actual office rent was BDT 10,359,879 (Including VAT) during the year 2024. As adoption of IFRS 16, office rent expenses has been charged through depreciation of right of use of assets and interest on lease liability.

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
<b>25. Legal and professional fees</b>	<b>475,417</b>	<b>776,972</b>	<b>616,195</b>	<b>814,011</b>
<b>26. Postage, stamp, telecommunication etc.</b>				
Postage and courier	5,077	13,718	5,077	13,718
Stamp charges	-	-	9,152	5,300
Telephone bill	42,824	42,155	61,479	69,917
Internet & Connectivity	375,600	357,600	676,682	663,300
	<b>423,501</b>	<b>413,473</b>	<b>752,390</b>	<b>752,235</b>
<b>27. Stationery, printing, advertisement etc.</b>				
Printing and stationery	425,565	565,558	461,959	591,146
Advertisement	3,171,918	1,231,232	3,171,918	1,325,591
	<b>3,597,482</b>	<b>1,796,790</b>	<b>3,633,876</b>	<b>1,916,737</b>
<b>28. Managing director's salary and allowances</b>				
Basic Salary	1,280,000	2,800,000	1,280,000	2,800,000
Allowances	1,280,000	3,256,000	1,280,000	3,256,000
Festival Bonus	150,000	700,000	150,000	700,000
Provident fund contribution	-	280,000	-	280,000
Gratuity Fund	-	700,000	-	700,000
	<b>2,710,000</b>	<b>7,736,000</b>	<b>2,710,000</b>	<b>7,736,000</b>
<b>29. Directors' fees</b>	<b>184,944</b>	<b>87,389</b>	<b>184,944</b>	<b>87,389</b>
<b>30. Auditors' fees</b>	<b>306,667</b>	<b>214,475</b>	<b>402,500</b>	<b>303,025</b>
<b>31. Depreciation and repair of Company's assets</b>				
Repairs and maintenance	95,562	642,336	188,645	650,501
Software maintenance	2,551,046	1,748,003	2,645,546	1,837,253
Depreciation & Amortization	15,714,718	13,232,594	17,577,241	15,068,427
	<b>18,361,326</b>	<b>15,622,933</b>	<b>20,411,432</b>	<b>17,556,182</b>
<b>32. Other expenses</b>				
Training	192,607	29,173	192,607	38,437
Renewal & Registration fees	826,471	251,106	1,253,944	699,472
Employee Engagement Program	98,864	252,667	98,864	252,667
Conveyance	308,411	391,532	344,736	421,652
Travelling Expenses	19,296	15,323	19,296	15,323
Business Development Expense	104,610	570,140	169,357	570,140
Computer accessories	90,648	238,369	113,032	248,677
Fuel expense	71,020	358,170	71,020	358,170
Vehicle maintenance/Registration	5,376,058	5,051,302	5,376,058	5,591,302
Office maintenance	1,739,494	1,793,136	2,527,905	2,088,886
Entertainment	247,175	235,260	262,221	251,037
Bank charges	63,594	44,944	69,269	49,821
Excise duty	2,522,000	4,036,000	2,554,000	4,072,150
Business Promotion Expenses	17,940	626,098	17,940	626,098
Security Guard Services	789,208	521,570	1,146,928	838,370
Recruitment Expenses	67,920	55,893	67,920	55,893
CSR Expenses	185,000	199,990	185,000	199,990
BO Maintenance	13,179	68,513	12,729	68,513
Verification fee	77,200	6,818	77,200	6,818
Marketing Expense	188,299	485,989	188,299	485,989
Meeting expense	154,992	112,324	154,992	112,324
CDBL Charges	-	-	16,053	6,788
Howla and Laga Charge	-	-	262,326	115,232
Contribution to Investor's protection fund	-	-	1,364	119
	<b>13,153,986</b>	<b>15,344,315</b>	<b>15,183,060</b>	<b>17,173,866</b>

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
<b>33. Provisions for leases, loans &amp; investments</b>				
<b>Provision for leases, loan and advances</b>	<b>(324,351)</b>	<b>2,198,161</b>	<b>(324,351)</b>	<b>2,198,161</b>
General provision	(2,529,688)	1,648,093	(2,529,688)	1,648,093
Specific provision	2,205,337	550,068	2,205,337	550,068
Provision for diminution in value of investments	69,461,074	955,561	73,771,971	970,237
Other provisions	229,334	53,000	229,334	53,000
	<b>69,366,057</b>	<b>3,206,722</b>	<b>73,676,953</b>	<b>3,221,398</b>
<b>34. Provision for taxation</b>				
Current tax expense/ (income)	21,021,110	21,840,010	22,271,060	22,660,181
Deferred tax expense/ (income) (Note - 34.1)	(4,497,793)	1,778,435	(4,562,393)	1,624,993
	<b>16,523,317</b>	<b>23,618,446</b>	<b>17,708,667</b>	<b>24,285,175</b>

**34.1 Deferred tax expense / (income)**

Particular	31-Dec-24	31-Dec-23	Deferred Tax Expense/ (Income)
Deferred Tax Liability	-	3,084,660	(3,084,660)
Deferred Tax Assets	1,413,133	-	(1,413,133)
<b>Deferred Tax Expense/ (Income) of SFIL</b>	<b>1,413,133</b>	<b>3,084,660</b>	<b>(4,497,793)</b>

	31-Dec-24	31-Dec-23
Deferred Tax Expense/ (Income) of SFILSL	(64,600)	(153,442)

**35. Earnings Per Share (EPS)**

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

	SFIL		SFIL Group	
	Amount in BDT		Amount in BDT	
	31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
Net Profit After Tax	(54,094,604)	24,319,759	(63,092,653)	16,392,811
Number of ordinary shares outstanding	105,575,000	105,575,000	105,575,000	105,575,000
<b>Earnings Per Share (EPS)</b>	<b>(0.51)</b>	<b>0.23</b>	<b>(0.60)</b>	<b>0.16</b>
<b>36. Net Asset Value (NAV) per share</b>				
Net Assets (total assets less total liabilities)	1,096,762,963	1,150,857,567	1,068,465,381	1,131,558,034
Number of ordinary shares outstanding	105,575,000	105,575,000	105,575,000	105,575,000
<b>Net Asset Value (NAV) per share</b>	<b>10.39</b>	<b>10.90</b>	<b>10.12</b>	<b>10.72</b>

**37. Related Party Disclosure**

a) Particulars of Directors and their interest in different entities

SL	Name of the Director	Status in SFIL	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 31.12.2024
1	Mr. S M Salahuddin Islam	Chairman	-	-	-
2	Mr. Ehsanul Kabir	Director	Strategic Equity Management Limited	Managing Director & CEO	0.01%
3	Mr. Riaduzzaman Ridoy	Director	Padma Bank Securities Limited	Managing Director & CEO	-
4	Mr. Md. Shoriful Islam	Director	-	-	-
5	Mr. Anupam Hayat Punam	Independent Director	Unique Meghnaghat Power Limited	Chief Financial Officer	-
6	Mr. Md. Abu Kaiser, FCA	Independent Director	Mahfel Huq & Co., Chartered Accountants	Senior Partner	25.00%
7	Mr. Md. Idris	Independent Director	AIM Architects & Engineers Limited	Chairman	50.00%

### b) Related Party Transactions

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 Bangladesh Accounting Standard 24: "Related Party Disclosures."

Details of transactions with related parties and balances with them as at 31 December, 2024 were as follows:

SL No.	Name of the Related Party	Transaction nature	Relationship	Balance as at 01 January 2024	Addition	Adjustment	Balance as at 31 December 2024
1	Tamim Marzan Huda	Vehicle lease	Deputy Managing Director	969,547	80,165	616,632	433,080
2	Tamim Marzan Huda	Loan Against Deposit	Deputy Managing Director	308,194	553,190	309,194	552,190
3	Tamim Marzan Huda	Millionaire Deposit Scheme	Deputy Managing Director	1,128,855	351,592	601,106	879,341
4	SFIL Finance PLC. Employees Provident Fund	Term Deposit	Provident Fund of SFIL Finance PLC.	12,032,604	2,715,039	6,131,389	8,616,254
5	SFIL Securities Limited	Term Deposit	Subsidiary company of SFIL Finance PLC.	35,500,000	2,998,825	8,498,825	30,000,000
6	Strategic Finance Limited	Investment in Bond	Shareholding Company	1,227,377,013	122,363,501	-	1,349,740,514
<b>Total</b>				<b>1,277,316,213</b>	<b>129,062,312</b>	<b>16,157,146</b>	<b>1,390,221,379</b>

### 38. Employees' details

No. of employee received BDT 3,000 per month

No. of employee received more than BDT 3,000 per month

SFIL		SFIL Group	
Amount in BDT		Amount in BDT	
31-Dec-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023
-	-	-	-
48	53	54	59
<b>48</b>	<b>53</b>	<b>54</b>	<b>59</b>

### 39. Disclosure of Audit Committee

#### A. Particulars of audit committee

The Audit Committee of the Board was duly constituted by the Board of Directors of the Company in accordance with the Bangladesh Bank's DFIM circular # 1, dated: February 29, 2024.

The Audit Committee of the Board of Directors as of December 31, 2024 consisted of the following members of the board.

Name	Status at the Company	Status at Committee	Educational Qualification
Mr. Md. Abu Kaiser, FCA	Independent Director	Chairman	FCA
Mr. Ehsanul Kabir	Nominee Director of Strategic Equity Management Ltd.	Member	MBA
Mr. Riaduzzaman Ridoy	Nominee Director of Padma Bank Securities Ltd.	Member	FCCA

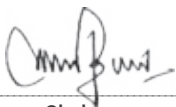
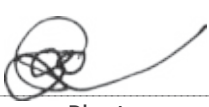
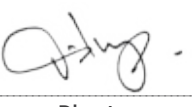
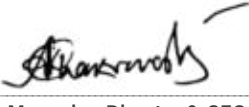
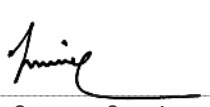
#### B. Meeting held by the committee during the year by date

SL	Meeting No	Held on	Number of Presence
1	21st Audit Committee	January 16, 2024	3
2	22nd Audit Committee	June 9, 2024	3
3	23rd Audit Committee	July 8, 2024	3
4	24th Audit Committee	November 5, 2024	3

Note: Directors who could not attend meetings were granted leave of absence.

**40. Events after the Reporting Period**

- A) The board of directors in its 86th meeting held on 27 May 2025 has approved the financial statements and authorized the same for issue.
- B) The board of directors in its 86th Meeting held on 27 May 2025 has recommended to the shareholders at 0% of Cash Dividend and 0% Stock Dividend for the year ended 31 December 2024.
- C) No other adjusting event had occurred till date of signing the financial statements which recognize adjustment under **IAS -10: "Events after Reporting Period"**.

				
Chairman	Director	Director	Managing Director & CEO	Company Secretary

**Place: Dhaka**

Dated: 27 May 2025

**SFIL Finance PLC. and its Subsidiary**  
**Consolidated Schedule of Fixed Assets including land, building, furniture and fixtures**

As at 31 December 2024

Amount in BDT

Particulars	COST				DEPRECIATION				Written down value as at 31.12.2024	
	Balance as at 01.01.2024	Addition during the year	Adjustment / Disposal in the year	Balance as at 31.12.2024	Rate (%)	Balance as at 01.01.2024	Charged during the year	Adjustment/ Disposal in the year		Balance as at 31.12.2024
<b>Freehold Assets</b>	<b>32,076,439</b>	<b>1,858,598</b>	<b>(2,354,568)</b>	<b>31,580,469</b>		<b>11,082,411</b>	<b>5,859,971</b>	<b>(1,573,190)</b>	<b>15,369,192</b>	<b>16,211,277</b>
Furniture & Fixture	5,201,110	215,693	(535,034)	4,881,769	20.00	1,189,360	1,042,438	(428,066)	1,803,732	3,078,037
Office Decoration	6,834,663	919,956	(1,449,302)	6,305,317	16.67	1,593,192	1,183,767	(922,325)	1,854,634	4,450,683
Office Equipment	5,035,857	136,893	(105,232)	5,067,517	20.00	1,562,803	1,018,798	(85,881)	2,495,719	2,571,798
IT Equipment	9,124,809	586,057	(265,000)	9,445,866	20.00	4,285,015	1,879,968	(136,917)	6,028,066	3,417,800
Motor Vehicle	5,880,000	-	-	5,880,000	12.50	2,452,042	735,000	-	3,187,042	2,692,958
<b>Lease Hold Assets</b>	<b>73,242,171</b>	<b>7,493,511</b>	<b>(2,166,670)</b>	<b>78,569,012</b>		<b>5,964,129</b>	<b>8,762,594</b>	<b>(1,166,669)</b>	<b>13,560,054</b>	<b>65,008,959</b>
Right of Use of Assets	73,242,171	7,493,511	(2,166,670)	78,569,012	-	5,964,129	8,762,594	(1,166,669)	13,560,054	65,008,959
<b>Intangible Assets</b>	<b>34,158,821</b>	<b>139,500.00</b>	<b>-</b>	<b>34,298,321</b>		<b>4,000,264</b>	<b>2,954,677</b>	<b>-</b>	<b>6,954,941</b>	<b>27,343,380</b>
Registration fee - DSE & CSE	20,000,000	-	-	20,000,000	-	-	-	-	-	20,000,000
IT Software	14,158,821	139,500.00	-	14,298,321	20.00	4,000,264	2,954,677	-	6,954,941	7,343,380
<b>Total as at December 31, 2024</b>	<b>139,477,432</b>	<b>9,491,610</b>	<b>(4,521,239)</b>	<b>144,447,802</b>	<b>-</b>	<b>21,046,803</b>	<b>17,577,241</b>	<b>(2,739,858)</b>	<b>35,884,187</b>	<b>108,563,616</b>
<b>Total as at December 31, 2023</b>	<b>81,038,661</b>	<b>79,126,454</b>	<b>(20,687,683)</b>	<b>139,477,432</b>	<b>-</b>	<b>14,299,545</b>	<b>15,068,427</b>	<b>(8,321,169)</b>	<b>21,046,803</b>	<b>118,430,628</b>

**SFIL Finance PLC.**

**Schedule of Fixed Assets including land, building, furniture and fixtures**

As at 31 December 2024

Amount in BDT

Particulars	COST				DEPRECIATION				Written down value as at 31.12.2024	
	Balance as at 01.01.2024	Addition during the year	Adjustment / Disposal in the year	Balance as at 31.12.2024	Rate (%)	Balance as at 01.01.2024	Charged during the year	Adjustment/ Disposal in the year		Balance as at 31.12.2024
<b>Freehold Assets</b>	<b>27,431,756</b>	<b>1,765,875</b>	<b>(2,089,568)</b>	<b>27,108,063</b>		<b>9,487,877</b>	<b>4,997,587</b>	<b>(1,436,273)</b>	<b>13,049,191</b>	<b>14,058,872</b>
Furniture & Fixture	4,775,122	215,693	(535,034)	4,455,781	20.00	1,062,685	957,240	(428,066)	1,591,859	2,863,921
Office Decoration	5,282,401	891,553	(1,449,302)	4,724,652	16.67	1,148,510	924,216	(922,325)	1,150,401	3,574,251
Office Equipment	4,182,411	136,893	(105,232)	4,214,071	20.00	1,258,868	848,109	(85,881)	2,021,095	2,192,975
IT Equipment	7,311,822	521,737	-	7,833,559	20.00	3,565,772	1,533,022	-	5,098,793	2,734,766
Motor Vehicle	5,880,000	-	-	5,880,000	12.50	2,452,042	735,000	-	3,187,042	2,692,958
<b>Lease Hold Assets</b>	<b>71,114,500</b>	<b>5,588,986</b>	<b>(2,166,670)</b>	<b>74,536,816</b>		<b>4,502,949</b>	<b>7,937,392</b>	<b>(1,166,669)</b>	<b>11,273,672</b>	<b>63,263,144</b>
Right of Use of Assets	71,114,500	5,588,986	(2,166,670)	74,536,816	-	4,502,949	7,937,392	(1,166,669)	11,273,672	63,263,144
<b>Intangible Assets</b>	<b>13,633,955</b>	<b>139,500</b>	<b>-</b>	<b>13,773,455</b>		<b>3,682,792</b>	<b>2,779,739</b>	<b>-</b>	<b>6,462,532</b>	<b>7,310,924</b>
IT Software	13,633,955	139,500	-	13,773,455	20.00	3,682,792	2,779,739	-	6,462,532	7,310,924
<b>Total as at December 31, 2024</b>	<b>112,180,212</b>	<b>7,494,362</b>	<b>(4,256,239)</b>	<b>115,418,334</b>	<b>-</b>	<b>17,673,618</b>	<b>15,714,718</b>	<b>(2,602,941)</b>	<b>30,785,395</b>	<b>84,632,940</b>
<b>Total as at December 31, 2023</b>	<b>53,854,006</b>	<b>79,013,889</b>	<b>(20,687,683)</b>	<b>112,180,212</b>	<b>-</b>	<b>12,762,193</b>	<b>13,232,594</b>	<b>(8,321,169)</b>	<b>17,673,618</b>	<b>94,506,594</b>

**SFIL Finance PLC.**  
**Financial Highlights**  
As at 31 December 2024

Amount in BDT

Sl No.	Key Indicators	2024	2023
1	Paid-up capital	1,055.75	1,055.75
2	Total capital	1,096.76	1,150.86
3	Capital surplus	660.15	699.48
4	Total assets	4,504.07	5,361.97
5	Total term deposits	2,961.75	3,867.70
6	Total loans, advances and leases	986.81	1,384.58
7	Total contingent liabilities and commitments	25.66	5.30
8	Credit deposit ratio	33.32%	35.80%
9	Percentage of classified loans against total loan & advance	0.79%	0.53%
10	Profit after tax and provision	(54.09)	24.32
11	Amount of classified loans during current year	7.78	7.28
12	Provisions kept against classified loans	2.76	0.55
13	Provision surplus against classified loan	-	-
14	Cost of fund	11.56%	8.45%
15	Interest earnings assets	3,873.17	4,641.33
16	Non-interest earnings assets	630.90	720.65
17	Return on investment (ROI)	-4.93%	2.11%
18	Return on assets (ROA)	-1.20%	0.45%
19	Income from investment	258.46	133.76
20	Earnings Per Share (EPS)	(0.51)	0.23
21	Net income per share	(1.32)	0.08
22	Market price per share	N/A	N/A
23	Price Earnings (P/E) ratio	N/A	N/A

**SFIL Finance PLC.**  
**Balance Sheet**  
**Islamic Finance Wing**  
As at 31 December 2024

Particulars	Amount in BDT	
	31-Dec-2024	31-Dec-2023
<b>PROPERTY AND ASSETS</b>		
<b>Cash</b>	-	-
In hand (including foreign currencies)	-	-
Balance with Bangladesh Bank and its agent (including foreign currencies)	-	-
<b>Balance with other Banks and Financial Institutions</b>	<b>14,238,450</b>	<b>15,761,719</b>
Inside Bangladesh	14,238,450	15,761,719
Outside Bangladesh	-	-
Placement with Bank & other Financial Institutions	-	-
<b>Investments in Shares and Securities</b>	-	-
Government	-	-
Others	-	-
<b>Investment</b>	-	-
General Investments	-	-
Bills Purchased and Discounted	-	-
Fixed Assets including Land, Building, Furniture & Fixtures	-	-
Other assets	693,436	400,757
Non-banking assets	-	-
<b>TOTAL PROPERTY AND ASSETS</b>	<b>14,931,886</b>	<b>16,162,475</b>
<b>LIABILITIES AND CAPITAL</b>		
<b>Liabilities</b>		
<b>Placement from Bank &amp; Other Financial Institutions</b>	-	-
<b>Deposits &amp; other accounts</b>	<b>15,619,570</b>	<b>16,482,286</b>
Mudaraba Term Deposits	15,619,570	16,372,286
Mudaraba Scheme Deposits	-	110,000
Other Mudaraba Deposits	-	-
Other deposits	-	-
<b>Other liabilities</b>	<b>814,310</b>	<b>776,957</b>
<b>Total liabilities</b>	<b>16,433,880</b>	<b>17,259,243</b>
<b>Capital/Shareholders' Equity</b>	<b>(1,501,994)</b>	<b>(1,096,767)</b>
Paid up Capital	-	-
Statutory reserves	(219,353)	(219,353)
Other Reserves	-	-
Retained earnings	(1,282,640)	(877,414)
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>14,931,886</b>	<b>16,162,475</b>

**SFIL Finance PLC.**  
**Profit and Loss Account**  
**Islamic Finance Wing**  
For the year ended 31 December 2024

Particulars	Amount in BDT	
	31-Dec-2024	31-Dec-2023
Investment income	1,381,933	1,057,915
Profit Paid on Deposits	1,293,703	1,067,635
<b>Net Investment Income</b>	<b>88,230</b>	<b>(9,720)</b>
Income from investment in Shares & Securities	-	-
Commission, Exchange and Brokerage Income	-	-
Other operating income	-	-
<b>Total Operating Income</b>	<b>88,230</b>	<b>(9,720)</b>
Salary and allowances	433,496	365,400
Rent, taxes, insurance, electricity etc.	-	-
Legal and professional fees	-	25,556
Postage, stamp, telecommunication etc.	-	100
Stationery, printing, advertisement etc.	-	53,515
Managing director's salary and allowance	-	-
Directors' fees	-	-
Auditors' fees	-	-
Charges on loan losses	-	-
Depreciation and repair of Company's assets	-	-
Other expenses	59,960	613,900
<b>Total Operating Expenses</b>	<b>493,456</b>	<b>1,058,470</b>
<b>Profit/(Loss) before provision</b>	<b>(405,226)</b>	<b>(1,068,191)</b>
<b>Appropriations:</b>		
Statutory reserve	-	(213,638)
Retained earnings	(405,226)	(854,553)
	<b>(405,226)</b>	<b>(1,068,191)</b>



## About SFIL Securities Limited

SFIL Securities Limited (SFILSL), a wholly owned subsidiary of SFIL Finance PLC., was incorporated on March 21, 2021 as a private limited company under the Companies Act, 1994. SFIL is a renowned Non-Bank Financial Institution (NBFI) licensed by Bangladesh Bank having institutional investors from Canada, USA and Bangladesh.

SFILSL is a Stock Broker & Stock Dealer licensed by Bangladesh Securities and Exchange Commission (BSEC). The Company started its brokerage operation in April 28, 2022. The main objective of the Company is to act as a TREC Holder of stock exchanges to operate the Central Depository System (CDS) and to carry on the business of brokers, jobbers or dealers in stocks, shares, securities, commodities, commercial papers, bonds, obligations and debentures etc.

The Company has been committed to providing superior brokerage services with a view to bringing positive changes in the capital market by utilizing state-of-the-art technology and applying good corporate governance. It's a TREC Holder of both the stock exchanges in Bangladesh - Dhaka Stock Exchange Limited (TREC # 276) and Chittagong Stock Exchange PLC (TREC # 154). It's also a full-service Depository Participant (DP) of Central Depository Bangladesh Limited (CDBL). As a consortium of international institutional investor-originated organizations, it is devoted to catering brokerage services with the utmost professionalism through smooth operational process, flawless technological support, uncompromising regulatory compliance, corporate governance, and international best practices within the company.



**Stock Broker of both Dhaka Stock Exchange Limited (DSE)  
& Chittagong Stock Exchange PLC (CSE)**

# OUR SERVICES

- Opening of BO account
- Full depository services
- Easy IPO application (Online)
- Buy-sell of securities traded in the secondary market
- Online trading of securities in the secondary market
- Fund deposit and withdrawal facilities through online (BEFTN, RTGS etc.)
- Trading of open-end mutual funds/unit funds
- Access of daily market recap and all market research of our research team
- Daily portfolio statement through email
- SMS alert system



### **S. M. Ferdous Hussain**

Managing Director & CEO (Current Charge)

Mr. Hussain joined SFIL Securities on January 2022. Prior to his joining, he was the Head of Finance, Operations, and Company Secretary at UniCap Securities Limited. He started his career as a Trainee Executive at Union Capital Limited back in 2008. He also played a pivotal role as a part of the senior management team at Sheltech Brokerage Limited. He completed his EMBA in Accounting & Information Systems (AIS) from the University of Dhaka. He also achieved his BBA major in Finance from East West University with a Magna Cum Laude award in Convocation 2008. He completed an Advanced Certificate in Business Administration (ACBA) from IBA, University of Dhaka.

# DIRECTORS' REPORT

to the Shareholders' of SFIL Securities Limited (SFILSL)

It is a pleasure and a privilege on behalf of SFILSL's Board of Directors to present the Directors' Report and Auditor's Report, along with the Audited Financial Statements of SFIL Securities Limited, for the year ended 31 December 2024.

It has been an eventful year for the country as well as the stock market. Amid macroeconomic and political uncertainties, the DSEX index declined by 16.5% in 2024, while Daily Average Turnover (DAT) grew by 9.5% YoY to BDT 6.3bn. The year began on a strong bullish note, with DAT peaking at BDT 12.6bn in February, driven by transformed investor participation following the removal of the floor price. However, high interest rates offering attractive risk-free returns diminished market momentum, bringing DAT down to BDT 5.6bn during March to June. Political unrest in July and a change of government in August temporarily lifted sentiment, pushing DAT to BDT 7.7bn in August-September, particularly benefiting large-cap stocks. However, market activity decelerated again in October, with DAT dropping to BDT 3.6bn due to persistent high policy rates driven by high inflation. In November, a reduction in capital gains tax to 15% from 30% improved market sentiment, raising DAT to BDT 5.0bn. By December, reform initiatives, banking sector developments, and regulatory fines led to another decline, bringing DAT back to BDT 3.6bn. Overall, the combined effects of economic and political uncertainties, high inflation and elevated interest rates pushed market to a low turnover phase in Q4 2024.

As a newly established brokerage, SFILSL primarily focused on capacity building, process development, strengthening internal control & compliance, and digitalization of trading services. After acquiring Stock Broker, Stock Dealer, and DP license from Bangladesh Securities and Exchange Commission (BSEC), the company started its trading activities on April 28, 2022. It's exploring new business avenues and continuously hunting for potential customers both at individual and institutional levels throughout the year. In the year the company posted a Net Loss after Tax of BDT 8.99 million due to the unrealized loss in investment in shares for stock market being bearish and declined turnover in 2024. Going forward, we are focusing on building a strong client base to increase income from trading commissions- the main source of income of brokerage firms.

## Outlook for 2025

Observing the Asian markets, we noticed that once interest rates started to ease and political stability restored, the markets experienced substantial rallies. In the second half of 2024, high interest rates led to low market turnover. However, the arrival of winter crops helped drop food inflation from 13.8% in November to 9.24% in February 2025. Concurrently, interest rates declined, with the 5Y T-Bond cut-off yield reducing by 99 bps to 11.37% in March 2025 from its weighted average yield rate of 12.36% in December 2024. Further decline in food inflation is predicted with the arrival of Boro rice crop in the April-June period. As inflation declines and the interest rate scenario eases, the market turnover is likely to improve from the dip as the liquidity moves from fixed income to capital market instruments. Banks and corporates with strong position in treasury securities are likely to experience substantial capital gain then. However, the overall political scenario will play a critical role in shaping the macroeconomic outlook

and market performance. To fully capitalize on the interest rate cycle will require a period of political stability ahead of the upcoming elections. While easing rates alone could revive the market, the extent of the market uptrend will depend on the political environment.

### **Auditors Appointment**

Pursuant to Section 210 of the Companies Act, 1994, Arun & Company Chartered Accountants has been appointed as the auditors of the Company for the year 2025 in its Annual General Meeting.

### **Going Concern**

There are no significant doubts upon SFIL Securities Limited's ability to continue as a going concern.

### **Acknowledgment**

I would like to thank the honorable shareholders, board members, clients and patrons, and employees for their continuous support and cooperation. Special thanks to our parent company, SFIL Finance PLC., for providing full support as and when required for the company to grow and expand.

On behalf of the Board of Directors, I would also like to thank the Bangladesh Securities and Exchange Commission (BSEC), the Dhaka Stock Exchange PLC. (DSE), the Chittagong Stock Exchange PLC. (CSE), and the Central Depository Bangladesh Limited (CDBL), who were involved in the journey of our Company by providing exemplary cooperation, support, and guidance.

Sd/-

**Tamim Marzan Huda**  
Chairman



**Independent Auditors 'Report  
To the Shareholders  
of  
SFIL Securities Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of SFIL Securities Limited (the Company), which comprise the statement of financial position as at 31<sup>st</sup> December 2024 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows 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 give a true and fair view of the financial position of the Company as at 31<sup>st</sup> December 2024, and of 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) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and 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 significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987, Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000 and other applicable laws and regulations, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

**For Arun & Company**  
Chartered Accountants



**Mizanur Rahman, FCA**  
Partner  
**Arun & Company**  
Chartered Accountants  
Enrollment Number: 2026  
DVC: 2504302026AS890005

**Dhaka, Bangladesh**  
Date: 30 April 2025

**SFIL Securities Limited**  
Statement of Financial Position  
As at 31 December 2024

Particulars	Notes	Amount in BDT	
		31-Dec-24	31-Dec-23
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant & equipment	4.00	2,152,405	3,050,149
Intangible assets	5.00	20,032,457	20,207,395
Right of use Assets	6.00	1,745,815	666,491
Deferred tax assets	7.00	184,075	119,475
Security deposits with stock exchanges	8.00	60,000,000	60,000,000
<b>Total Non-Current Assets (A)</b>		<b>84,114,751</b>	<b>84,043,510</b>
<b>Current assets</b>			
Advances, deposits and prepayments	9.00	2,041,112	1,662,848
Investment	10.00	49,444,364	46,662,494
Accounts receivable	11.00	1,953,062	1,621,854
Cash and cash equivalents	12.00	2,687,445	1,775,674
<b>Total Current Assets (B)</b>		<b>56,125,983</b>	<b>51,722,869</b>
<b>Total Assets (A+B)</b>		<b>140,240,734</b>	<b>135,766,379</b>
<b>Equity &amp; Liabilities</b>			
<b>Capital &amp; reserves</b>			
Share capital	13.00	150,000,000	150,000,000
Retained earnings	14.00	(28,415,394)	(19,417,345)
Capital reserve	15.00	114,813	114,813
<b>Shareholders equity (C)</b>		<b>121,699,419</b>	<b>130,697,468</b>
<b>Non-current liabilities</b>			
Lease liabilities - Non current portion	16.00	839,868	-
Term loan- Non current portion	17.00	5,977,918	-
<b>Total Non-Current Liabilities (D)</b>		<b>6,817,787</b>	<b>-</b>
<b>Current liabilities</b>			
Accounts payable	18.00	1,726,438	2,488,281
Lease liabilities - Current portion	19.00	920,030	766,952
Term loan - Current portion	20.00	2,520,437	-
Provision for taxation	21.00	1,748,192	1,459,486
Provision for diminution in value of investments	22.00	4,528,879	217,983
Other liabilities	23.00	279,553	136,211
<b>Total Current Liabilities (E)</b>		<b>11,723,528</b>	<b>5,068,912</b>
<b>Total Equity &amp; Liabilities (C+D+E)</b>		<b>140,240,734</b>	<b>135,766,379</b>

The annexed notes form an integral part of these financial statements

Director

Director

Director

Managing Director & CEO  
(Current Charge)

Signed in terms of our separate report of even date annexed

**Mizanur Rahman, FCA**

Partner

**Arun & Company**

Chartered Accountants

Enrollment Number: 2026

DVC: 2504302026AS890005

**Dhaka, Bangladesh**

Date: 30 April 2025

**SFIL Securities Limited**

Statement of Profit or Loss and other Comprehensive Income  
For the year ended 31 December 2024

Particulars	Notes	Amount in BDT	
		31-Dec-24	31-Dec-23
<b>Operating income</b>			
Brokerage commission income	24.00	3,292,654	1,483,673
Brokerage commission expenses	25.00	(279,743)	(122,139)
<b>Net brokerage commission income</b>		<b>3,012,911</b>	<b>1,361,535</b>
Interest income	26.00	3,122,376	2,302,582
Interest expenses	27.00	(338,466)	(108,016)
<b>Net interest income</b>		<b>2,783,910</b>	<b>2,194,566</b>
Other operational income	28.00	13,180	13,330
Income from investment	29.00	1,764,845	736,060
<b>Total operating income</b>		<b>7,574,846</b>	<b>4,305,491</b>
<b>Operating expenses</b>		<b>(11,076,648)</b>	<b>(11,551,034)</b>
Salary and allowances	30.00	6,359,179	7,057,000
Utility expenses	31.00	315,688	269,075
Legal & professional fees	32.00	140,778	37,039
Postage & telephone expense	33.00	328,889	338,762
Stationery, printing, advertisement	34.00	36,394	119,947
Audit fee	35.00	95,833	88,550
Repairs, maintenance and depreciation	36.00	2,050,106	1,933,249
Other expenses	37.00	1,749,781	1,707,413
<b>Operating profit/(loss) before provisions &amp; tax</b>		<b>(3,501,802)</b>	<b>(7,245,543)</b>
<b>Other Provisions</b>		<b>(4,310,897)</b>	<b>(14,676)</b>
Provision for diminution in value of investment		4,310,897	14,676
<b>Profit/(loss) before tax (PBT)</b>		<b>(7,812,699)</b>	<b>(7,260,219)</b>
<b>Income tax</b>	38.00	<b>(1,185,350)</b>	<b>(666,729)</b>
Current tax expense		1,249,950	820,171
Deferred tax expense		(64,600)	(153,442)
<b>Profit/(loss) after tax (PAT)</b>		<b>(8,998,049)</b>	<b>(7,926,949)</b>
<b>Earnings Per Share (EPS)</b>			
Basic	41.00	(0.60)	(0.57)

The annexed notes form an integral part of these financial statements

Director

Director

Director

Managing Director & CEO  
(Current Charge)

Signed in terms of our separate report of even date annexed

**Mizanur Rahman, FCA**

Partner

**Arun & Company**

Chartered Accountants

Enrollment Number: 2026

DVC: 2504302026AS890005

**Dhaka, Bangladesh**

Date: 30 April 2025

**SFIL Securities Limited**  
**Statement of Changes in Equity**  
For the year ended 31 December 2024

Amount in BDT

Particulars	Share Capital	Capital Reserve	Retained Earnings	Total Equity
<b>Balance at January 01, 2023</b>	<b>110,000,000</b>	<b>114,813</b>	<b>(11,490,396)</b>	<b>98,624,416</b>
Issuance of share capital	40,000,000	-	-	40,000,000
Comprehensive income for the year	-	-	(7,926,949)	(7,926,949)
<b>Balance at December 31, 2023</b>	<b>150,000,000</b>	<b>114,813</b>	<b>(19,417,345)</b>	<b>130,697,467</b>

Particulars	Share Capital	Capital Reserve	Retained Earnings	Total Equity
<b>Balance at January 01, 2024</b>	<b>150,000,000</b>	<b>114,813</b>	<b>(19,417,345)</b>	<b>130,697,467</b>
Issuance of share capital	-	-	-	-
Comprehensive income for the year	-	-	(8,998,049)	(8,998,049)
<b>Balance at December 31, 2024</b>	<b>150,000,000</b>	<b>114,813</b>	<b>(28,415,394)</b>	<b>121,699,418</b>

The annexed notes form an integral part of these financial statements



Director



Director



Director



Managing Director & CEO  
(Current Charge)

**SFIL Securities Limited**  
**Statement of Cash Flows**  
For the year ended 31 December 2024

Particulars	Amount in BDT	
	31-Dec-24	31-Dec-23
<b>Cash Flows from operating activities:</b>		
Interest received	2,645,370	1,719,752
Commission received	2,500,000	1,700,000
Dividend received	537,015	431,300
Paid to employees	(6,359,179)	(6,534,388)
Client deposits/(withdrawals)	89,401,484	38,527,893
DSE/CSE (payment)/received	(88,805,033)	(39,093,786)
Paid for other operating expenses	(4,383,529)	(4,206,109)
	<b>(4,463,873)</b>	<b>(7,455,337)</b>
<b>Other operating activities:</b>		
Security deposit	(37,500)	-
Income Tax paid	(563,220)	(427,513)
	<b>(600,720)</b>	<b>(427,513)</b>
<b>Net cash used in operating activities</b>	<b>(5,064,593)</b>	<b>(7,882,849)</b>
<b>Cash Flows from investing activities:</b>		
Investment in shares	(8,250,718)	(91,370)
Acquisition of assets	(81,941)	(100,000)
Investment in FDRs	6,086,000	(35,500,000)
<b>Net Cash used in investing activities</b>	<b>(2,246,659)</b>	<b>(35,691,370)</b>
<b>Cash Flows from financing activities:</b>		
Loan from ICB	10,000,000	-
Issuance of share capital	-	40,000,000
Repayment Loan from ICB	(1,776,976)	-
<b>Net Cash flow from financing activities</b>	<b>8,223,024</b>	<b>40,000,000</b>
Net increase in Cash and Cash Equivalents	911,772	(3,574,219)
Cash & Cash Equivalent at the beginning of the year	1,775,674	5,349,893
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>2,687,445</b>	<b>1,775,674</b>

The annexed notes form an integral part of these financial statements

Director

Director

Director

Managing Director & CEO  
(Current Charge)

**SFIL Securities Limited**  
**Notes to the Financial Statements**  
For the year ended 31 December 2024

**1.00 Company and its activities**

**1.01 Legal status of the company**

SFIL Securities Limited (herein after referred to as "SFILSL" or "the company") was incorporated with the Registrar of Joint Stock Companies and Firms (RJSCF) vide registration # C-170009/2021 dated March 21, 2021 as a private limited company, limited by shares having its registered address at Ranges RL Square, Level - 3, Plot - Kha 201/1, 203, 205/3, Bir Uttam Rafiqul Islam Avenue, Badda, Dhaka-1212, Bangladesh under the Companies Act, 1994. Later on, the company in its 22nd Board of Directors Meeting held on October 22, 2023 has changed its registered office at Finance Square, Level- 15, Holding # 22/A, Road No # 102 and 103, Area # CEN(D), Ward # 19, Gulshan-2, Dhaka - 1212. The Company is a Trading Right Entitlement Certificate (TREC) holder of both Dhaka Stock Exchange PLC. (276) and Chittagong Stock Exchange PLC. (154). The company is a wholly owned subsidiary of SFIL Finance PLC. (Formerly, named as Strategic Finance & Investments Limited), a Non-Banking Financial Institution incorporated in Bangladesh under the Bangladesh Bank.

Consequently the company has acquired the following Licenses and legal approvals:

Sl. No.	Name of License	Registration No.	Date of Issuance
1	Certificate of Incorporation	C-170009/2021	21-Mar-21
2	TIN Certificate	639890182391	21-Mar-21
3	VAT registration Certificate	003882195-0101	09-Jun-21
4	TREC Certificate - DSE	DSE TREC No. 276	01-Sep-21
5	TREC Certificate - CSE	CSE TREC No. 154	19-Sep-21
6	Stock Broker - DSE	3.1/DSE-276/2022/611	27-Mar-22
7	Stock Dealer - DSE	3.1/DSE-276/2022/612	27-Mar-22
8	Stock Broker - CSE	3.2/CSE-154/2022/345	27-Mar-22
9	DP - CDBL	CDBL-DP-472	10-Apr-22

**1.02 Principal activities of the company**

The principal activities of SFIL Securities Limited are to act as a TREC holder of stock exchanges and to carry on the business of broker, dealers in stocks, shares, securities, bonds, debentures. The Company is also authorized to buy, sell, hold or otherwise acquire or invest the capital of company in shares, stocks and fixed income securities, etc.

**2.00 Basis of preparation of financial statements**

**2.01 Components of the financial statements**

The financial statements comprise of:

- a) Statement of Financial Position as at 31 December 2024;
- b) Statement of Profit or Loss and other Comprehensive Income for the year from 01 January 2024 to 31 December 2024;
- c) Statement of Changes in Equity as at 31 December 2024;
- d) Statement of Cash Flows for the year from 01 January 2024 to 31 December 2024; and
- e) Notes to the Financial Statements.

## **2.02 Statement of compliance**

The financial statements have been prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987, Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000 and other applicable laws and regulations.

## **2.03 Basis of measurement**

These financial statements have been prepared on a going concern basis under the historical cost convention in accordance with International Financial Reporting Standards (IFRSs).

## **2.04 Functional and presentation currency**

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

## **2.05 Use of estimates and judgments**

The preparation of financial statements 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 year end. Provisions and accrued expenses are recognized in the financial statements in line with International Accounting Standard (IAS) 37: "Provisions, Contingent Liabilities and Contingent Assets" when

- i. The Company has a legal or constructive obligation as a result of past event.
- ii. It is probable that an outflow of economic benefit will be required to settle the obligation.
- iii. A reliable estimate can be made for the amount of the obligation.

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 from 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 year in which the estimates are revised.

## **2.06 Going concern**

The Company has adequate resources to continue in operation for foreseeable future. For this reason the Directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations.

## **2.07 Reporting year**

The financial year of the Company has been determined to be from 01 January to 31 December each year. These financial statements cover the period from 01 January 2024 to 31 December 2024.

## **2.08 Date of authorization**

These financial statements have been authorized for issue by the Board of Directors on April 24, 2025.

## **2.09 Statement of cash flows**

Cash and cash equivalents consist of cash in hand, bank balances and short-term liquid investments that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

Cash flow statement has been prepared in accordance with the International Accounting Standards (IASs) 7, "Cash flow statement" under direct method.

## 2.10 Comparative information

Accounting policies have been consistently applied by the company and are consistent with those used in the previous year. Comparative information is rearranged wherever necessary to conform with the current presentation.

## 3.00 Significant accounting policies

### 3.01 Property, plant & equipment

#### i) Recognition and measurement

All Property, Plant and Equipment are stated at cost less accumulated depreciation as per "IAS 16: Property, plant and equipment". The cost of acquisition of an asset comprises its purchase price and any direct attributable cost of bringing the assets to its working condition for its intended use. Expenditure incurred after the assets have been put into use, such as repairs and maintenance is normally charged off as revenue expenditure in the year in which it incurs. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the assets, the expenditure is capitalized as an additional cost of the assets.

#### ii) Depreciation

Depreciation is calculated using 'Straight Line Method' at the following rates so as to write off the assets over their expected useful life. Depreciation is charged based on the month of the year of acquisition while no depreciation is charged in the month of disposal.

Sl No.	Category of Assets	Useful Life	Rate %
1	Furniture & Fixtures	5	20%
2	Office Decoration	6	17%
3	Office Equipment	5	20%
4	IT Equipment	5	20%
5	Right of Use of Assets	Lease Term	-

### 3.02 Intangible assets and amortization of intangible assets

An intangible asset shall only be recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably in accordance with IAS 38: Intangible Assets. Accordingly, these assets are stated in the statement of financial position at cost less accumulated amortization. Software & License is amortized over a period of three (03) years.

### 3.03 Revenue recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the enterprise the revenue during the year and in accordance with the IFRS-15 "Revenue from Contracts with Customers".

#### i) Brokerage commission

Brokerage commission is recognized as income when a selling or buying order executed.

#### ii) Interest income

Interest income on bank deposit which is recognized as it accrues, using the effective interest method.

### **iii) Dividend income and gain/(loss) on sale of marketable securities**

Dividend income is recognized when the right to receive or payment is established whereas gain or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

### **3.04 Investment in securities**

Investments in listed securities are carried at cost. Adequate provision has been made considering accumulated unrealized loss of investments (where market price is less than cost) as guided by BSEC. No gains are recognized in the profit and loss account.

### **3.05 Leases**

The Company has adopted IFRS 16. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Under IFRS 16, the company recognizes right-of-use assets and lease liabilities for all leases.

### **3.06 Related party disclosure**

As per International Accounting Standard (IAS) 24: "Related Party Disclosures", parties are considered to be related if one of the parties 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. Related party disclosures have been given in note 42.

### **3.07 Provision for expenses**

Provision for expenses is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimate of the amount can be made.

### **3.08 Provision for tax**

#### **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any, in accordance with provisions of Income Tax Act, 2023. It is measured using tax rates enacted or substantively enacted at the reporting date. Applicable tax rate for the Company for the year 2024 is declared by Finance Act 2024.

#### **Deferred tax**

The Company accounts for deferred tax as per International Accounting Standard (IAS) 12: "Income Taxes". Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. It is measured at the tax rates that are expected to be applied to the temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the date of reporting of the financial statements.

### **3.09 Earnings Per Share**

This has been calculated in compliance with the requirements of "IAS 33: Earnings Per Share" by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

#### 4.00 Property, plant & equipment

##### Reconciliation of carrying amount

Amount in BDT

Particulars	Furniture & Fixtures	Office Decoration	Office Equipment	IT Equipment	Total
<b>Cost</b>					
Balance at 01 January 2023	343,254	1,522,432	853,446	1,812,987	4,532,119
Additions	82,735	29,830	-	-	112,565
Disposal	-	-	-	-	-
<b>Balance at 31 December 2023</b>	<b>425,989</b>	<b>1,552,262</b>	<b>853,446</b>	<b>1,812,987</b>	<b>4,644,684</b>
<b>Cost</b>					
Balance at 01 January 2024	425,989	1,552,262	853,446	1,812,987	4,644,684
Additions	-	28,403	-	64,320	92,723
Disposal	-	-	-	(265,000)	(265,000)
<b>Balance at 31 December 2024</b>	<b>425,989</b>	<b>1,580,665</b>	<b>853,446</b>	<b>1,612,307</b>	<b>4,472,407</b>
<b>Accumulated depreciation</b>					
Balance at 01 January 2023	53,887	189,649	133,246	356,646	733,428
Depreciation	72,787	255,032	170,689	362,597	861,106
Disposal	-	-	-	-	-
<b>Balance at 31 December 2023</b>	<b>126,675</b>	<b>444,681</b>	<b>303,935</b>	<b>719,243</b>	<b>1,594,535</b>
<b>Accumulated depreciation</b>					
Balance at 01 January 2024	126,675	444,681	303,935	719,243	1,594,535
Depreciation	85,198	259,551	170,689	346,946	862,384
Disposal	-	-	-	(136,917)	(136,917)
<b>Balance at 31 December 2024</b>	<b>211,872</b>	<b>704,233</b>	<b>474,624</b>	<b>929,273</b>	<b>2,320,002</b>
<b>Carrying amounts</b>					
<b>At 01 January 2023</b>	<b>289,367</b>	<b>1,332,783</b>	<b>720,200</b>	<b>1,456,341</b>	<b>3,798,690</b>
<b>At 31 December 2023</b>	<b>299,314</b>	<b>1,107,581</b>	<b>549,511</b>	<b>1,093,743</b>	<b>3,050,149</b>
<b>At 31 December 2024</b>	<b>214,117</b>	<b>876,432</b>	<b>378,822</b>	<b>683,034</b>	<b>2,152,405</b>

#### 5.00 Intangible assets

##### Reconciliation of carrying amount

Amount in BDT

Particulars	TREC License	Software & License	Total
<b>Cost</b>			
Balance at 01 January 2023	20,000,000	524,866	20,524,866
Additions	-	-	-
Disposal	-	-	-
<b>Balance at 31 December 2023</b>	<b>20,000,000</b>	<b>524,866</b>	<b>20,524,866</b>
<b>Cost</b>			
Balance at 01 January 2024	20,000,000	524,866	20,524,866
Additions	-	-	-
Disposal	-	-	-
<b>Balance at 31 December 2024</b>	<b>20,000,000</b>	<b>524,866</b>	<b>20,524,866</b>
<b>Accumulated depreciation</b>			
Balance at 01 January 2023	-	142,534	142,534
Depreciation	-	174,938	174,938
Disposal	-	-	-
<b>Balance at 31 December 2023</b>	<b>-</b>	<b>317,471</b>	<b>317,471</b>
<b>Accumulated depreciation</b>			
Balance at 01 January 2024	-	317,471	317,471
Depreciation	-	174,938	174,938
Disposal	-	-	-
<b>Balance at 31 December 2024</b>	<b>-</b>	<b>492,409</b>	<b>492,409</b>
<b>Carrying amounts</b>			
<b>At 01 January 2023</b>	<b>20,000,000</b>	<b>382,332</b>	<b>20,382,332</b>
<b>At 31 December 2023</b>	<b>20,000,000</b>	<b>207,395</b>	<b>20,207,395</b>
<b>At 31 December 2024</b>	<b>20,000,000</b>	<b>32,457</b>	<b>20,032,457</b>

## 6.00 Right of use assets

### Reconciliation of carrying amount

Particulars	Amount in BDT
<b>Cost</b>	
Balance at 01 January 2023	2,127,671
Additions	-
Disposal	-
<b>Balance at 31 December 2023</b>	<b>2,127,671</b>
<b>Cost</b>	
Balance at 01 January 2024	2,127,671
Additions	1,904,525
Disposal	-
<b>Balance at 31 December 2024</b>	<b>4,032,196</b>
<b>Accumulated depreciation</b>	
Balance at 01 January 2023	661,390
Depreciation	799,790
Disposal	-
<b>Balance at 31 December 2023</b>	<b>1,461,180</b>
<b>Accumulated depreciation</b>	
Balance at 01 January 2024	1,461,180
Depreciation	825,202
Disposal	-
<b>Balance at 31 December 2024</b>	<b>2,286,381</b>
<b>Carrying amounts</b>	
<b>At 01 January 2023</b>	<b>1,466,281</b>
<b>At 31 December 2023</b>	<b>666,491</b>
<b>At 31 December 2024</b>	<b>1,745,815</b>

This represents the lease agreement for the office premises and presented as per IFRS 16. At present, The entity has finance lease for office premises where agreement is more than 1 year. As such the amount is recognized as right of use asset for the year as per IFRS 16 and modified restatement policy is followed during initial recognition of IFRS 16.

For details please find Annexure-A

## 7.00 Deferred tax asset

Deferred tax has been calculated based on deductible/taxable temporary difference arising due to difference in the carrying amount of the assets/liabilities and its tax base in accordance with the provision of International Accounting Standards (IAS)-12 : Income Taxes.

Particulars	Accounting Base Carrying Amount	Tax Base Carrying Amount	Taxable/(deductible) temporary difference
<b>Deferred tax liability/asset is arrived as follows:</b>			
Fixed assets net of depreciation	2,184,862	2,907,078	(722,216)
Lease liabilities	(1,759,898)	-	(1,759,898)
Right of use Assets	1,745,815	-	1,745,815
<b>Total</b>	<b>2,170,778</b>	<b>2,907,078</b>	<b>(736,300)</b>
Applicable tax rate			<b>25.00%</b>
Deferred tax asset as on 31 December 2024			<b>(184,075)</b>
Deferred tax asset as on 31 December 2023			<b>(119,475)</b>
Deferred tax income accounted as on 31 December 2024			<b>(64,600)</b>

Note	Particulars	Amount in BDT	
		31-Dec-24	31-Dec-23
<b>8.00</b>	<b>Security deposits with stock exchanges</b>		
	Security deposit-DSE	30,000,000	30,000,000
	Security deposit-CSE	30,000,000	30,000,000
		<b>60,000,000</b>	<b>60,000,000</b>
	The Company deposited taka 30,000,000 both in DSE and CSE as security deposit as a requirement for acquiring of TREC certificate from both the Exchanges.		
<b>9.00</b>	<b>Advances, deposits and prepayments</b>		
	Security deposit for office rent	217,800	180,000
	Security deposit - CDBL	200,000	200,000
	Clearing house deposit - CSE	25,000	25,000
	Advance income tax	1,598,312	1,257,848
		<b>2,041,112</b>	<b>1,662,848</b>
<b>9.01</b>	<b>Advance income tax</b>		
	Opening balance	1,257,848	599,920
	<b>Addition:</b>		
	Advance tax deducted at source	723,825	427,513
	Tax deducted at source on turnover	526,125	230,416
		<b>1,249,950</b>	<b>657,929</b>
		<b>2,507,798</b>	<b>1,257,848</b>
	Less: Adjustment during the year	909,486	-
		<b>1,598,312</b>	<b>1,257,848</b>
<b>10.00</b>	<b>Investment</b>		
	Investment in listed securities - Dealer account	11,193,646	11,162,494
	Investment in listed securities - ICB Fund	8,250,718	-
	Investment in Fixed Deposit Receipt (FDR)	30,000,000	35,500,000
		<b>49,444,364</b>	<b>46,662,494</b>

All investments in marketable securities are valued on an aggregate portfolio basis at cost price at the balance sheet date. Sufficient provision has been maintained as per BSEC guidelines against this unrealized loss. Please see the note 10.01 for details.

**10.01 Investment in listed securities - Dealer account**

Particulars	Cost Price	Market Price as on 31.12.2024	Unrealized Gain/ (Loss)
Bank	10,120,871	7,057,327	(3,063,544)
Corporate Bond	330,097	234,450	(95,647)
Food & Allied	295,192	194,828	(100,364)
Travel & Leisure	447,485	309,400	(138,085)
	<b>11,193,646</b>	<b>7,796,005</b>	<b>(3,397,641)</b>

**10.02 Investment in listed securities - ICB Fund**

Particulars	Cost Price	Market Price as on 31.12.2024	Unrealized Gain/ (Loss)
Bank	5,362,111	4,754,780	(607,331)
Travel & Leisure	2,888,607	2,364,700	(523,907)
	<b>8,250,718</b>	<b>7,119,480</b>	<b>(1,131,238)</b>

**10.03 Investment in Fixed Deposit Receipt (FDR)**

Name of the Institutions	FDR account number		
SFIL Finance PLC.	1114000000095	-	5,500,000
SFIL Finance PLC.	1114000000096	5,000,000	5,000,000
SFIL Finance PLC.	1114000000097	5,000,000	5,000,000
SFIL Finance PLC.	1114000000098	5,000,000	5,000,000
SFIL Finance PLC.	1114000000099	5,000,000	5,000,000
SFIL Finance PLC.	1114000000100	5,000,000	5,000,000
SFIL Finance PLC.	1114000000101	5,000,000	5,000,000
		<b>30,000,000</b>	<b>35,500,000</b>

Note	Particulars		Amount in BDT	
			31-Dec-24	31-Dec-23
<b>11.00</b>	<b>Accounts receivable</b>			
	Interest receivable		660,000	603,500
	Dividend receivable		96,800	-
	Receivable from DSE		222,443	837,129
	Receivable from CSE		-	149,279
	Receivable from client (CDBL charge)		-	10,350
	Receivable from Broker (Dealer Account)		57,748	21,597
	Receivable from share trading in ICB Fund		916,072	-
			<b>1,953,062</b>	<b>1,621,854</b>
<b>12.00</b>	<b>Cash and cash equivalents</b>			
	Cash in hand		30,000	30,000
	Cash at bank	<b>12.01</b>	2,657,445	1,745,674
			<b>2,687,445</b>	<b>1,775,674</b>
<b>12.01</b>	<b>Cash at bank</b>	<b>Type</b>	<b>Branch</b>	
	Padma Bank PLC.	Operation	Pragati Sarani	17,905
	IFIC Bank PLC	CCA	Stock Exchange	1,781,603
	IFIC Bank PLC	Dealer	Stock Exchange	73,784
	Southeast Bank PLC.	Operation	Gulshan	769,079
	Eastern Bank PLC.	Operation	Gulshan	11,492
	IFIC Bank PLC	ICB Fund	Stock Exchange	3,582
	IFIC Bank PLC	Gov-Security	Stock Exchange	-
				<b>2,657,445</b>
				<b>1,745,674</b>
<b>13.00</b>	<b>Share capital</b>			
	<b>Authorized Capital</b>			
	25,000,000 ordinary shares of Taka 10 each		<b>250,000,000</b>	<b>250,000,000</b>
	<b>Issued, Subscribed and Paid-up Capital</b>			
	15,000,000 ordinary shares of Taka 10 each fully paid		<b>150,000,000</b>	<b>150,000,000</b>
	<b>Detail of Shareholding Position of the Company</b>			
	<b>Name of the Shareholders</b>	<b>No. of Shares</b>	<b>% of share holding</b>	<b>31-Dec-2024</b>
	SFIL Finance PLC.	14,999,700	99.9980000	149,997,000
	Mohammad Razibuzzaman Khan	100	0.0006667	1,000
	Md. Alimul Razi	200	0.0013333	2,000
		<b>15,000,000</b>	<b>100.00</b>	<b>150,000,000</b>
<b>14.00</b>	<b>Retained earnings</b>			
	Opening balance		(19,417,345)	(11,490,396)
	Add: Profit during the year		(8,998,049)	(7,926,949)
			(28,415,394)	(19,417,345)
	Less: Transfer to capital reserve		-	-
	Closing balance		<b>(28,415,394)</b>	<b>(19,417,345)</b>
<b>15.00</b>	<b>Capital reserve</b>			
	Opening balance		114,813	114,813
	Add: Addition during the year		-	-
			114,813	114,813
	Less: Adjustment during the year		-	-
	Closing balance		<b>114,813</b>	<b>114,813</b>
	As per Risk Based Capital Adequacy Rules, 2019, Part B [rule (1)(b); rule 5(2)] shall maintain a mandatory provision at least @ 10% of profit after tax of last year as capital reserve.			
<b>16.00</b>	<b>Lease liabilities - Non current portion</b>			
	Opening balance		-	766,958
	Add: Addition during the year		1,904,525	-
			<b>1,904,525</b>	<b>766,958</b>
	Less: Conversion to short term		1,064,656	766,958
	Closing balance		<b>839,868</b>	-
	Lease liabilities derived from present value of all rental payments for office. When measuring lease liabilities, SFIL Securities Limited discounted lease payments using its incremental borrowing rate (10%).			

Note	Particulars	Amount in BDT	
		31-Dec-24	31-Dec-23
<b>17.00</b>	<b>Term loan- Non current portion</b>		
	Opening balance	-	-
	Add: Addition during the year	10,276,266	-
		<b>10,276,266</b>	-
	Less: Conversion to short term	4,298,348	-
	Closing balance	<b>5,977,918</b>	-
<b>18.00</b>	<b>Accounts payable</b>		
	Payable to clients	1,575,651	2,340,684
	Payable to DSE & CSE	-	850
	Liabilities for expenses	150,787	146,746
		<b>1,726,438</b>	<b>2,488,281</b>
<b>18.01</b>	<b>Payable to clients</b>		
	Broker	1,517,903	2,219,087
	Dealer	57,748	21,597
	Client payable-IPO	-	100,000
		<b>1,575,651</b>	<b>2,340,684</b>
	This balance represents the clients sale proceeds of shares and deposits against share purchase which is currently lying with the company's bank account.		
<b>18.02</b>	<b>Payable to DSE &amp; CSE</b>		
	DSE-Broker	-	850
	DSE-Dealer	-	-
	CSE-Broker	-	-
		-	<b>850</b>
<b>18.03</b>	<b>Liabilities for expenses</b>		
	Payable to Supplier	54,085	52,087
	Audit fees payable	95,833	88,550
	CDBL	869	6,109
		<b>150,787</b>	<b>146,746</b>
<b>19.00</b>	<b>Lease liabilities - Current portion</b>		
	Opening balance	766,952	778,087
	Add: Conversion from long term	1,064,656	766,958
		<b>1,831,608</b>	<b>1,545,045</b>
	Less: Paid during the year	911,578	778,093
	Closing balance	<b>920,030</b>	<b>766,952</b>
<b>20.00</b>	<b>Term loan - Current portion</b>		
	Opening balance	-	-
	Add: Conversion from long term	4,298,348	-
		<b>4,298,348</b>	-
	Less: Paid during the year	1,777,911	-
	Closing balance	<b>2,520,437</b>	-
<b>21.00</b>	<b>Provision for taxation</b>		
	Opening Balance	1,459,486	639,315
	Add: Provision during the year	1,249,950	820,171
		<b>2,709,435</b>	<b>1,459,486</b>
	Less: Adjustment during the year	961,243	-
	Closing balance	<b>1,748,192</b>	<b>1,459,486</b>
<b>22.00</b>	<b>Provision for diminution in value of investments</b>		
	Opening Balance	217,983	203,307
	Add: Provision during the year	4,310,897	14,676
	Dealer A/C	3,179,658	14,676
	ICB Fund	1,131,238	-
		<b>4,528,879</b>	<b>217,983</b>
	Less: Adjustment during the year	-	-
	Closing balance	<b>4,528,879</b>	<b>217,983</b>

Note	Particulars	Amount in BDT	
		31-Dec-24	31-Dec-23
<b>23.00</b>	<b>Other liabilities</b>		
	Withholding Tax payable	43,176	45,320
	Withholding VAT payable	17,614	15,439
	Interest payable - Consolidated Customer Account	218,763	75,452
		<b>279,553</b>	<b>136,211</b>
<b>23.01</b>	<b>Interest payable - Consolidated Customer Account</b>		
	Opening Balance	75,452	-
	Add: Addition durring the year	218,763	75,452
		<b>294,215</b>	<b>75,452</b>
	Less: Transfer to clients accounts	75,452	-
		<b>218,763</b>	<b>75,452</b>
	As per fourth provision of sub-rule (1) of rule 6 of the Securities and Exchange Rules, 2020, the registered stock brokers are required to distribute the net interest income earned (after adjusting bank charges, if any) from the bank account(s) opened for consolidated customers, account to the customers proportionately, and if there left any undistributed interest income that shall be transferred to the Investors, Protection Fund of the exchange(s), Within 30(thirty) days of end of each financial year; The undistributed amount will be distributed soon.		
<b>24.00</b>	<b>Brokerage commission income</b>		
	DSE-Broker	3,178,241	1,442,245
	DSE-Dealer	14,457	14,050
	CSE-Broker	99,956	27,379
		<b>3,292,654</b>	<b>1,483,673</b>
<b>25.00</b>	<b>Brokerage commission expenses</b>		
	Service charge paid to CDBL	16,053	6,788
	Laga charges	262,326	115,032
	Howla charges	-	200
	Contribution to investor's protection fund	1,364	119
		<b>279,743</b>	<b>122,139</b>
<b>25.01</b>	<b>Laga charges</b>		
	DSE-Broker	252,801	112,112
	DSE-Dealer	1,062	952
	CSE-Broker	8,463	1,968
		<b>262,326</b>	<b>115,032</b>
<b>25.02</b>	<b>Howla charges</b>		
	DSE-Broker	-	200
	DSE-Dealer	-	-
	CSE-Broker	-	-
		<b>-</b>	<b>200</b>
<b>26.00</b>	<b>Interest income</b>		
	Interest on SND account	70,933	205,645
	Interest on FDR	3,051,443	2,096,937
		<b>3,122,376</b>	<b>2,302,582</b>
<b>27.00</b>	<b>Interest expenses</b>		
	Interest on loan	275,331	-
	Interest on lease liability	63,134	108,016
		<b>338,466</b>	<b>108,016</b>
<b>28.00</b>	<b>Other operational income</b>		
	Account opening fee	2,800	6,000
	BO account maintenance fee	9,900	7,100
	IPO service charge	480	230
		<b>13,180</b>	<b>13,330</b>
<b>29.00</b>	<b>Income from investment</b>		
	Capital gain	1,108,711	284,090
	Interest income from bond	22,320	20,670
	Dividend income	633,815	431,300
		<b>1,764,845</b>	<b>736,060</b>

Note	Particulars	Amount in BDT	
		31-Dec-24	31-Dec-23
<b>30.00</b>	<b>Salary and allowances</b>		
	Salary and allowances	5,884,779	6,503,000
	Festival bonus	474,400	554,000
		<b>6,359,179</b>	<b>7,057,000</b>
<b>31.00</b>	<b>Utility expenses</b>		
	Utilities	315,688	269,075
		<b>315,688</b>	<b>269,075</b>
<b>32.00</b>	<b>Legal &amp; professional fees</b>		
	Legal and professional fees	140,778	37,039
		<b>140,778</b>	<b>37,039</b>
<b>33.00</b>	<b>Postage &amp; telephone expense</b>		
	Stamp	9,152	5,300
	Telephone and mobile bill	18,655	27,762
	Internet & email	301,082	305,700
		<b>328,889</b>	<b>338,762</b>
<b>34.00</b>	<b>Stationery, printing, advertisement</b>		
	Printing and stationery	36,394	25,588
	Advertisement	-	94,359
		<b>36,394</b>	<b>119,947</b>
<b>35.00</b>	<b>Audit fee</b>		
	Audit fee	95,833	88,550
		<b>95,833</b>	<b>88,550</b>
<b>36.00</b>	<b>Repairs, maintenance and depreciation</b>		
	Repairs and maintenance	93,083	8,165
	Software maintenance	94,500	89,250
	Depreciation and amortization	1,862,523	1,835,834
		<b>2,050,106</b>	<b>1,933,249</b>
<b>37.00</b>	<b>Other expenses</b>		
	Training	-	9,264
	Conveyance	36,325	30,120
	Renewal & registration	427,473	448,366
	Entertainment	15,046	15,777
	Computer accessories	22,384	10,308
	Vehicle maintenance & registration	540,000	540,000
	Office security service	357,720	316,800
	Office cleaning service	171,300	154,440
	Office maintenance	72,548	134,594
	Business development	64,747	-
	Bank charges	5,675	4,878
	Excise duty	32,000	36,150
	Overtime	4,563	6,716
		<b>1,749,781</b>	<b>1,707,413</b>
<b>38.00</b>	<b>Income tax</b>		
	Current tax expense	1,249,950	820,171
	Deferred tax expense	(64,600)	(153,442)
		<b>1,185,350</b>	<b>666,729</b>

Note	Particulars	Amount in BDT	
		31-Dec-24	31-Dec-23
<b>39.00 Employee details</b>			
	No. of employee received below than BDT 3,000 per month and BDT 36,000 annually	-	-
	No. of employee received more than BDT 3,000 per month and BDT 36,000 annually	5	6
		<b>5</b>	<b>6</b>

**40.00 Events after the reporting period**

- A. The Board of Directors in its 28th meeting held on April 24, 2025 has approved the financial statements and authorized the same for issue.
- B. The Board of Directors in its 28th meeting held on April 24, 2025 as recommended no cash and stock dividend to the shareholders for the period ended December 31, 2024.
- C. No other adjusting event had occurred till date of signing the financial statements which recognize adjustment under IAS -10 "Events after Reporting Period".

**41.00 Earnings Per Share (EPS)**

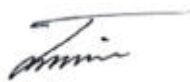
Net profit after Tax	(8,998,049)	(7,926,949)
Number of Ordinary Shares Outstanding	15,000,000	13,838,356
<b>Earnings Per Share (EPS)</b>	<b>(0.60)</b>	<b>(0.57)</b>

Earnings per Share has been calculated in accordance with IAS-33: "Earnings Per Share (EPS)".

**42.00 Related party disclosures**

The names of the related parties and nature of these transactions have been set out in accordance with the provision of IAS 24: Related Party Disclosures.

Name of related party	Country	Nature of relationship	Nature of transaction	Balance outstanding as at 31 December	
				2024	2023
SFIL Finance PLC.	Bangladesh	Parent Company	Term Deposit	30,000,000	35,500,000
			BO Account	45,491	18,629



Director



Director



Director



Managing Director & CEO  
(Current charge)

## SFIL Securities Limited

As at and for the year ended 31 December 2024

Annexure - A

### Leases

See accounting policy in Note 3.05

#### A. Leases as lessee (IFRS 16)

SFIL Securities Limited has leased two commercial office space in Century Centre, Pragati Shoroni measuring 1,700 square feet from Century Reality Limited under operating lease. Lease period covers 2 years, with an option to renew for further on expiry of present period. The details of leased property is as follows:

Demised property	Address	Effective date of agreement	Expiry date of agreement	Area (Sq. F)
Commercial office space	8th Floor, Century Centre, Kha-225, Pragati Sharani, Dhaka	1-Nov-2024	31-Oct-2026	1,700

SFIL Securities Limited provides 3 months advance of BDT 2,17,800 for three months rent as security deposit to lessors that is refundable at the end of the lease agreement.

The Company is restricted from entering into any sublease arrangements. Previously this lease was classified as operating lease under IAS 17. Information about lease for which the entity is a lessee is presented below.

##### (i) Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as Right-of-use assets.

Particulars	Amount in BDT
2024	
Balance at 1 January	2,127,671
Addition during the year	1,904,525
Depreciation charge for the years	2,286,381
<b>Balance at 31 December</b>	<b>1,745,815</b>

##### (ii) Amount recognised in profit and loss

###### 2024-Leases under IFRS 16

<b>Interest on lease liabilities</b>	<b>63,134</b>
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##### (iii) Amount recognised in statement of cash flow

<b>Total cash outflow for leases</b>	<b>175,768</b>
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#### B. Leases as lessor

SFIL Securities Limited did not provide any lease facility to other entity.



**5<sup>th</sup> Annual General Meeting**

**PROXY FORM**

I/We ..... of  
..... being a member  
of SFIL Finance PLC. and a holder of ..... shares hereby appoint Mr./Ms. ....  
..... of .....  
..... as my/our proxy to vote for me/us and on my/our behalf at the 5<sup>th</sup> Annual General  
Meeting of the company to be held on December 14, 2025 (Sunday) at ..... and at any adjournment thereof.

Signed this ..... day of December, 2025

Detail of Proxy
Signature:
Name:

Detail of Member
Signature:
Name:
Folio Number:

**NOTE:**

- a) This form of proxy, duly completed, must be deposited at least 72 hours before the meeting at the Company's registered office. Proxy is invalid if not signed and stamped as explained above.
- b) Signature of the shareholders should agree with the specimen signature registered with the Company and Depository Register.



**5<sup>th</sup> Annual General Meeting**

**ATTENDANCE SLIP**

I hereby record my attendance at the 5<sup>th</sup> Annual General Meeting of SFIL Finance PLC. being held on December 14, 2025 (Sunday) at ..... as a holder of ..... shares of the Company.

Detail of Proxy
Signature:
Name:

Detail of Member
Signature:
Name:
Folio Number:

**NOTE:**

Signature of the shareholder should agree with the specimen signature registered with the Company and Depository Register.







### **SFIL Finance PLC.**

#### **Head Office**

Finance Square, Level 15, Holding- 22/A  
Road-102 & 103, Gulshan-2, Dhaka 1212.

#### **Principal Branch**

Rangs RL Square, Level 13, 201/1 Kha  
Bir Uttam Rafiqul Islam Avenue, Dhaka 1212.

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✉ info@sfilbd.com    🌐 www.sfilbd.com

### **SFIL Securities Limited**

#### **Head Office**

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