



# ANNUAL REPORT 2024



**ফাস্ট ফাইন্যান্স** লিমিটেড  
**First Finance** Limited

আপনার সকল আর্থিক প্রয়োজনে...





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# | CONTENT |

Contents	Page No	
Letter of Transmittal	3	
Notice	4-5	
Corporate Information, Company Chronicles	6	
Capital & Shareholding Structure	6	
The Pattern of Shareholding Along with Name Wise Details	7	
Code of Conduct	8	
Performance In The Last Five Years	9	
Branch Contacts	10	
Our Products	11	
The Chairman's Statement to the Shareholder	12-13	
Message from the CEO	14-15	
Board of Directors and its Committees	16	
Director's Profile	17	
Management Committee (MANCOM)	18	
Directors Report to the Shareholders	19-25	
Management Discussion & Analysis	26-30	
Statement on Corporate Governance	31-36	
Statements of Board of Directors	37	
Report of the Audit Committee	38-39	
Communication to the Shareholders	40	
Redressal of Investors' Complaint	41	
Declaration by CEO & Head of FAD	42	
Credit Rating Report	43	
Membership Certificate with Bangladesh Association of Publicly Listed Companies (BAPLC)	44	
Certificate of Corporate Governance	45	
Report on Compliance of BSEC's Notification on Corporate Governance	46-55	
Statement of Compliance on the Good Governance Guideline issued by the Bangladesh Bank	56-57	
Dividend Distribution Policy	58-60	
Independent Auditors' Report to the Shareholders of First Finance Limited	61-69	
Balance Sheet	70-71	
Profit and Loss Accounts	72	
Statement of Cash Flow	73	
Statement of Changes in Shareholder's Equity	74	
Statement of Liquidity Analysis	75	
Notes to the Financial Statements	77-109	
Proxy Form	111	



## | LETTER OF TRANSMITTAL |

All Shareholders,  
Bangladesh Bank,  
Bangladesh Securities and Exchange Commission,  
Registrar of Joint Stock Companies and Firms,  
Dhaka Stock Exchange PLC and  
Chattogram Stock Exchange PLC

ANNUAL REPORT FOR THE YEAR ENDED ON DECEMBER 31, 2024

Dear Sir(s),

We are pleased to forward herewith the Annual Report 2024 of First Finance Limited, including the Audited Financial Statements as of December 31, 2024. The enclosed documents comprise the Income Statement, Cash Flow Statement, and accompanying notes to the financials for your kind perusal and record.

Yours sincerely



(Mohammad Ekramur Rahman)  
Company Secretary

Dhaka  
03 August, 2025

## | NOTICE |

### FIRST FINANCE LIMITED

Jahangir Tower (3<sup>rd</sup> Floor), 10, Kawranbazar C/A, Dhaka-1215  
Phone: (880-2) 5501 3842-43, Fax: 880 2 8189863, [www.first-finance.com.bd](http://www.first-finance.com.bd)

#### Notice of the 32<sup>nd</sup> Annual General Meeting

Notice is hereby given that the 32<sup>nd</sup> Annual General Meeting (AGM) of First Finance Limited will be held on 11 September, 2025 at 3.00 p.m. (Bangladesh Standard Time). The AGM will be held through Hybrid System in combination with physical presence of the shareholders at Trading Corporation of Bangladesh (TCB) Auditorium, TCB Bhaban (1st Floor), 1, Kawran Bazar, Dhaka – 1215 and Digital platform through the following link: <https://ffl32agm.hybridagmbd.net> to transact the following businesses

#### AGENDA

01. To confirm the proceedings of the 31st Annual General Meeting of the Company held on September 12, 2024.
02. To receive and adopt the Directors' Report, Auditor's Report and Audited Financial Statement for the year ended on December 31, 2024.
03. To declare Dividend for the year 2024 as recommended by the Board of Directors.
04. To elect/re-elect/confirm Directors in accordance with the provisions of Articles of Association of the Company.
05. To consider the appointment/re-appointment of Independent Directors as per the Corporate Governance Code of Bangladesh Securities and Exchange Commission.
06. To appoint Statutory Auditors of the Company for the year 2025 until the next Annual General Meeting and to fix their remuneration.
07. To appoint the Corporate Governance Compliance Auditor for the year 2025 and to fix their remuneration.
08. To consider the proposal for Restate of Audited Financial Statements 2024.
09. To transact any other business with the permission of the Chair.



**Mohammad Ekramur Rahman**  
Company Secretary  
E-mail: [secretary@first-finance.com.bd](mailto:secretary@first-finance.com.bd)  
Dated: 23.07.2025

#### NOTES:

01. The **Record Date** has been fixed on 22 July, 2025. Shareholders whose names appear in the Share Register of the Company at the close of business on that date will be eligible to attend the meeting.
02. The Board of Directors has recommended **no dividend** for the year ended December 31, 2024.
03. Pursuant to the Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/94-231/25 dated July 8, 2020, and SEC/SRMIC/94-231/91 dated March 31, 2021, the AGM will be held on a **hybrid platform**, which will be conducted via live webcast using a digital platform.

04. Members are encouraged to log in to the system prior to the meeting start time of **3:00 p.m. (BST) on 11.09.2025**. Please allow ample time to **log in** and establish your connectivity. The webcast will commence at 3:00 p.m. (BST). For any technical assistance, please contact **01987007880**.
05. The Shareholders will have the opportunity to submit questions/comments and cast their votes electronically starting **72 hours prior to the commencement of the AGM** and continuing throughout the AGM. To log in, please visit the following link: **<https://ffl32agm.hybridagmbd.net>**. You will need to use the following credentials:
  - i. **16-digit BO ID or 6-digit Folio Number**
  - ii. **Shareholding quantity as of the record date (22 July 2025)**
  - iii. Any other required information as prompted on the login page.
06. A shareholder entitled to attend and vote at the Annual General Meeting (AGM) may appoint a proxy to attend and vote on their behalf. The duly completed Proxy Form, affixed with a stamp of BDT 20.00, must be submitted to the Share Office of First Finance Limited via email at **[share@first-finance.com.bd](mailto:share@first-finance.com.bd)** **no later than 72 (seventy-two) hours prior to the commencement of the AGM**.
07. In accordance with the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018, the soft copy of the **Annual Report 2024** is being sent to the email addresses of shareholders as available in their **Beneficial Owner (BO) accounts** maintained with the Depository. Shareholders are requested to **update their email addresses** through their respective **Depository Participants (DPs)**. The Annual Report is also available on the **Investor Relations** section of the Company's website: **[www.first-finance.com.bd](http://www.first-finance.com.bd)**

## CORPORATE INFORMATION

Date of Incorporation	: 28th June, 1993
Authorized Capital	: BDT 5,000.00 million
Paid-Up Capital	: BDT 1,185.44 million
Statutory Reserve	: BDT 369.94 million
Registered Head Office	: Jahangir Tower (3rd Floor), 10, Kawran Bazar C/A, Dhaka-1215, Bangladesh
Type of Organization	: Non-banking Financial Institution
Nature of Business	: Lease Finance, Term Financing, Real-Estate & Housing Financing, Home Loan, SME Finance, Women Entrepreneur Finance, TDR, MSS, etc.
Number of Directors	: 7
Number of Shareholder	: 5804
Number of Branches	: 6 (Six)
Number of Employees	: 127
Number of Clients	: 2062 (Investment) 1980 (Deposit)
Business Thrust Sectors	: SME Sector, Corporate Finance, Medium Companies, Housing, Transportation Companies etc.
Business Motto	: Efficient Customer Service & Effective Financial Solutions
Auditor	: M/S Kazi Zahir Khan & Company, Chartered Accountants
Tax Advisor	: M.J. Abedin & Co., Chartered Accountants
E-Mail	: info@first-finance.com.bd
Website	: www.first-finance.com.bd

## COMPANY CHRONICLES

June 28, 1993	: Commencement of Business of First Lease International Limited
July 18, 1996	: Conversion into a Public Limited Company
October 05, 1999	: Licensed from Bangladesh Bank under Financial Institutions Act
June 28, 2003	: Consent by Bangladesh Securities and Exchange Commission to initiate Initial Public Offering (IPO)
October 09, 2003	: Initiation of trading of Shares in Dhaka & Chittagong Stock Exchange
January 04, 2009	: First Trading Day under CDS Systems in demat format
April 27, 2009	: Change of name of Company from First Lease International Limited to First Lease Finance & Investment Limited
February 01, 2011	: Launching of SME Finance Scheme
December 04, 2011	: Change of face value and market lot of shares in Stock Exchanges
June 18, 2013	: Approval of issuance of Right Shares by Bangladesh Securities and Exchange Commission
August 05, 2014	: Change of Name of Company from First Lease Finance & Investment Limited to First Finance Limited
October 10, 2021	: Relocation of Gulshan Branch to new premises
November 01, 2021	: Relocation of Wari Branch to Motijheel C/A and renamed as Motijheel Branch

## CAPITAL & SHAREHOLDING STRUCTURE

As of 31 December, 2024

CAPITAL STRUCTURE		
Authorized Capital		Tk. 5,000.00 million
Issue Subscribed & Paid-Up Capital		Tk. 1,185.44 million
Statutory Reserve		Tk. 369.94 million
SHARE HOLDING STRUCTURE		
Category of Shareholders	No of Shares	Percentage of total Shares
Sponsor & Director	48,972,361	41.31
General Public Including NRB	45,485,353	38.37
Institutions	24,086,949	20.32
Foreigners	-	-
<b>Total</b>	<b>118,544,663</b>	<b>100</b>

# THE PATTERN OF SHAREHOLDING ALONG WITH NAME WISE DETAILS

As on 31 December 2024  
(as required by the Corporate Governance Code issued by BSEC)

Name & Description of Shareholders:		No. of Shares held as on 31.12.2024	% of Holding
<b>A.</b>	<b>Parent/Subsidiary/Associated Company and other related Parties</b>	Nil	-
<b>B.</b>	<b>Directors and their Spouses and Minor Children</b>		
	Directors and their Spouses and Minor Children		
	Alphabet Associates Ltd. (Represented by Mr. Masud Hossain Khan, Chairman of the Board)	5,783,999	4.8792
	Alphabet Systems Ltd. (Represented by Mr. Abu Zakir)	5,787,345	4.8820
	Mr. AQM Faisal Ahmed Chowdhury, Director	2,775,485	2.3413
	Oparchor Trade International Ltd. (Represented by Mr. Md. Altaf Hossain)	8,487,950	7.1601
	Qasraj Trading Ltd. (Represented by Ms. Amatun Noor)	11,854,089	9.9997
	Raqas Trade International Limited (Represented by Mr. Abu Bakar Zahan Raminton Raza)	5,910,691	4.9860
	Mr. Md. Habibur Rahman, Independent Director	0	-
<b>C.</b>	<b>CEO, Company Secretary, CFO, Head of Internal Control and Compliance and their spouses and minor children</b>		
	Managing Director & CEO and his spouse and minor children	Nil	-
	Chief Financial Officer and his spouse and minor children	Nil	-
	Company Secretary and his spouse and minor children	Nil	-
	Head of Internal Control & Compliance and his spouse and minor children	Nil	-
<b>D.</b>	<b>Executive (Top five salaried executives other than CEO, CFO, CS, HICC):</b>		
	Mr. Maksumul Mahmud, DMD & COO	Nil	-
	Mr. Kazi Anamul Hoque, SVP & Head of Motijheel Branch	Nil	-
	Mr. Wahid Adnan, SVP & Head of Recovery	Nil	-
	Ms. Hasina Jannat, VP & Head of Treasury	Nil	-
	Ms. Zannatul Ferdoush, VP & Head of Board Bazar Branch	Nil	-
<b>E.</b>	<b>Shareholders holding ten percent (10%) or more voting interest in the company</b>	Nil	-

## | CODE OF CONDUCT |

### 1. Confidentiality of Information

Employees of FFL shall exercise reasonable care in safeguarding the organization's confidential information to prevent unauthorized disclosure or exchange. Disclosure of such information, unless required by a lawful and competent court or authority, shall be deemed a serious violation of ethical standards and a breach of contract.

### 2. Disclosure Restrictions

Employees shall not share any organizational information with third parties without prior approval from competent higher management. Disclosure of unpublished or sensitive information regarding the institution's performance, strategy, systems, policies, etc., is strictly prohibited.

### 3. Communication with External Stakeholders

All communications with the media, public, and financial markets must be accurate, professional, and ethical, in full compliance with internal guidelines and applicable regulations.

### 4. Client Communication Standards

Employees must ensure that all communications with clients are fair, concise, clear, and not misleading. Clients should be made fully aware of product features, associated fees, and any relevant risks involved in financial products and services.

### 5. Professional Conduct

Employees are expected to serve clients, colleagues, and counterparties with due care, respect, and professionalism. They should act responsibly in meeting requests or offering voluntary assistance.

### 6. Fair Competition

Employees must not engage in any activity that hinders open and fair competition among institutions. They are expected to contribute to the strengthening of a healthy financial and banking environment in the country.

### 7. Acceptance of Gifts

No employee shall accept or permit any family member to accept gifts that may create an obligation in their official capacity, without prior approval from competent authority. Gifts received via postal or courier services must be immediately reported and handed over to higher management for proper disposal.

### 8. Avoidance of Conflicts of Interest

Employees must avoid any situation that creates or appears to create a conflict of interest with their duties and responsibilities at FFL.

### 9. Regulatory Compliance

All employees are expected to comply fully with the laws, rules, and regulations governing the organization's business, including those set by relevant regulatory authorities.

## | PERFORMANCE IN THE LAST FIVE YEARS |

Key operational and financial data of last five years along with the current year have been presented in summarized format as below:

Sl. No.	Particulars	AS OF 31 DECEMBER				
		2020	2021	2022	2023	2024
		Taka	Taka	Taka	Taka	Taka
1	Paid-up Capital	1,162,202,580	1,185,446,630	1,185,446,630	1,185,446,630	1,185,446,630
2	Total Capital /equity	492,105,389	(1,697,998,099)	(3,418,719,061)	(3,758,629,239)	(4,488,309,387)
3	Total Assets	10,147,562,124	10,299,722,860	10,493,938,988	9,544,796,961	8,867,343,382
4	Total Deposit	6,076,329,721	6,291,708,346	6,380,092,145	6,304,662,801	6,224,604,572
5	Total Loan, Lease and Advance	8,862,514,386	8,955,353,569	9,237,109,030	8,247,671,646	7,588,894,890
6	Total Contingent Liabilities and Commitments	-	-	-	-	-
7	Credit Deposit Ratio (%)	121.67	119.16	122.97	110.69	102.33
8	Percentage of Classification of Loan (%)	35.63	86.79	85.96	85.13	94.84
9	Operating Profit	(353,017,573)	(1,629,520,915)	(637,632,682)	(271,646,121)	(575,427,412)
10	Profit after Tax and Provision	(501,341,898)	(2,190,103,487)	(1,720,720,962)	(407,627,835)	(696,757,053)
11	Amount of Classified Loan/ Lease	3,132,929,439	7,772,113,300	7,985,424,369	6,981,815,877	7,197,521,358
12	Provision kept against Classified Loan/Lease	297,477,336	858,641,156	1,906,077,599	2,027,488,451	2,165,365,536
13	Provision Surplus/(Deficit)	780,028,705	(1,470,129,297)	(1,225,107,747)	(980,086,190)	(730,023,350)
14	Cost of Fund (%)	10.81	10.43	9.77	11.86	13.20
15	Interest Earning Assets	9,191,189,904	9,365,385,346	9,604,565,305	8,698,171,763	8,015,074,165
16	Non-Interest Earning Assets	956,372,220	934,337,515	889,373,683	846,625,198	852,269,217
17	Return on Investment (ROI) (%)	(5.66)	(24.46)	(18.63)	(4.94)	(9.18)
18	Return on Assets (ROA) (%)	(4.94)	(21.26)	(16.40)	(4.27)	(7.86)
19	Income from Investments	877,168	(7,498,150)	392,567	111,876	233,043
20	Earnings per Share (EPS)	(4.31)	(18.47)	(14.52)	(3.44)	(5.88)
21	Operating Profit per Share	(3.04)	(13.75)	(5.38)	(2.29)	6.76
22	Price Earnings Ratio (times)	(1.51)	(0.35)	(0.45)	(1.60)	(0.54)

## | BRANCH CONTACTS |

Corporate Branch	
<b>Jahangir Tower</b> (3 <sup>rd</sup> Floor) 10, Kawran Bazar C/A, Dhaka-1215. Telephone: 09678888999, 0255014075, 0255014074 Fax: +880255014405 E-mail: corporate@first-finance.com.bd	<b>Mohammad Golam Mustofa</b> Mobile: 01987007720

Gulshan Branch	
<b>Gulshan Bhaban</b> , Plot No: 355 (1 <sup>st</sup> Floor) A.K. Khandakar Sarak, Mohakhali, Dhaka-1212. Telephone: +8802222280124, 02222280125, 09678888999. Fax: +88029880124 E-mail: gulshan@first-finance.com.bd	<b>Muhammad Ashraful Islam</b> Mobile: 01987007704

Board Bazar Branch	
<b>Member Complex</b> (3 <sup>rd</sup> Floor) Board Bazar, Gazipur-1704 Telephone: +88029293060-61, 09678888999 Fax: +88029293059 E-mail: boardbazar@first-finance.com.bd	<b>Zannatul Ferdoush</b> Mobile: 01987007758

Agrabad Branch	
<b>Ayub Trade Center</b> , 5 <sup>th</sup> Floor (East Side), 1269/B, Sk. Mujib Road, Agrabad C/A, Chattogram Telephone: 02-333310961 Fax: +88031-2529001 E-mail: agrabad@first-finance.com.bd	<b>Mr. Nure Alam Khandaker</b> Mobile: 01958048111

Sylhet Branch	
<b>HS Tower</b> (2 <sup>nd</sup> Floor), East Dargah Gate, Fayzu Mansion, Sylhet Telephone: 09678888999, 0821-716003, 0821-719266 Fax: +880 821716005 E-mail: sylhet@first-finance.com.bd	<b>Md. Mobarak Hossain Khan</b> Mobile: 01987007743

Motijheel Branch	
<b>Elite House</b> (2 <sup>nd</sup> Floor) 54, Motijheel C/A, Dhaka-1000 Telephone: +880967888999 E-Mail: Motijheel@first-finance.com.bd	<b>Kazi Md. Anamul Hoque</b> Mobile: 01987007711



## | OUR PRODUCTS |

### Deposit Products

<b>3 Months Term Deposit</b>	Minimum Deposit Amount: Tk. 10,000 Deposit Term: 3 Months
<b>100 Days Term Deposit</b>	Minimum Deposit Amount: Tk. 10,000 Deposit Term: 100 Days
<b>6 Months Term Deposit</b>	Minimum Deposit Amount: Tk. 10,000 Deposit Term: 6 Months
<b>200 Days Term Deposit</b>	Minimum Deposit Amount: Tk. 10,000 Deposit Term: 200 Days
<b>Annual Term Deposit</b>	Minimum Deposit Amount: Tk. 10,000 Deposit Term: 1 Year
<b>Cumulative Term Deposit</b>	Minimum Deposit Amount: Tk. 10,000 Deposit Term: 2 Years and above
<b>Monthly Profit Scheme</b>	Minimum Deposit Amount: Tk. 1,00,000 Minimum Deposit Term: 1 Year
<b>Quarterly Profit Scheme</b>	Minimum Deposit Amount: Tk. 1,00,000 Minimum Deposit Term: 1 Year
<b>Double Money Scheme</b>	Minimum Deposit Amount: Tk. 10,000 Doubling the principal in a fixed time horizon
<b>Triple Money Scheme</b>	Minimum Deposit Amount: Tk. 10,000 Tripling the principal in a fixed time horizon
<b>Monthly Savings Scheme</b>	<ul style="list-style-type: none"> <li>• 1 Year : 3000 or 5000 or Multiplicity</li> <li>• 3,5,8 &amp; 10 Years : 1,000/2,000/3,000/5,000/10,000 &amp; Above</li> </ul>

### Loan Products

<b>Corporate Finance</b>	<ul style="list-style-type: none"> <li>❖ Lease Finance</li> <li>❖ Project Finance</li> <li>❖ Short-Term Finance</li> </ul>	<ul style="list-style-type: none"> <li>❖ Term Loan</li> <li>❖ Working Capital Finance</li> </ul>
<b>Consumer Finance</b>	<ul style="list-style-type: none"> <li>❖ Auto/Car Loan</li> <li>❖ Personal Loan</li> </ul>	<ul style="list-style-type: none"> <li>❖ Lease Financing For Vehicle</li> <li>❖ Loan Against TDR/MSS</li> </ul>
<b>Agriculture Finance</b>	<ul style="list-style-type: none"> <li>❖ Lease Finance</li> <li>❖ Working Capital Finance</li> </ul>	<ul style="list-style-type: none"> <li>❖ Term Loan</li> <li>❖ Agri-SME</li> </ul>
<b>SME Finance</b>	<ul style="list-style-type: none"> <li>❖ Lease Finance</li> <li>❖ Women Entrepreneur Loan</li> <li>❖ Work Order Financeing</li> </ul>	<ul style="list-style-type: none"> <li>❖ Term Finance</li> <li>❖ SME Tailored Loan</li> </ul>
<b>Housing /Real Estate Finance</b>	<ul style="list-style-type: none"> <li>❖ Real Estate (Individual Consumer)</li> </ul>	<ul style="list-style-type: none"> <li>❖ Project /Commercial Housing Loan</li> </ul>
<b>Syndication Finance</b>	<ul style="list-style-type: none"> <li>❖ Syndication Term Finance</li> <li>❖ Working Capital Finance</li> </ul>	<ul style="list-style-type: none"> <li>❖ Syndication Lease Finance</li> </ul>
<b>Others</b>	<ul style="list-style-type: none"> <li>❖ Loan Against Deposit (Other Than Consumer Finance )</li> <li>❖ Work Order Finance (Other Than Consumer Finance )</li> <li>❖ Sustainable Financing</li> </ul>	

# | THE CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS |

In the Name of Allah, the Most Gracious, the Most Merciful

Greetings,

Dear Shareholders,

On behalf of the Board of Directors of First Finance Limited, it is my great pleasure to warmly welcome you to the 32nd Annual General Meeting of our esteemed institution. As we convene today, I am honored to present the Annual Report for the year 2024, including the Audited Financial Statements ending December 31, 2024..



## Economic Environment

### Bangladesh Macroeconomic Overview (FY 2023–24)

Bangladesh's GDP growth moderated to **4.22%** in FY 2023–24, the weakest pace in four years, though some alternative estimates suggest growth was closer to **5%**. Inflation remained elevated, with consumer prices rising by **10–11%** overall and food inflation surging to **12–14%**.

The external sector came under mounting pressure as foreign exchange reserves fell to **USD 20–22 billion**, while the taka depreciated to **115–120 BDT/USD**. In response, the interim government adopted a **crawling peg exchange rate regime** to stabilize the currency.

Despite these headwinds, the economy avoided a sharper slowdown, supported by **resilient remittance inflows** and a **recovery in garment exports**, which provided crucial relief to the balance of payments and overall growth momentum.

### Financial Industry – Non-Bank Financial Institutions (NBFIs)

In 2024, Bangladesh's non-bank financial institutions (NBFIs) operated amid challenging macroeconomic conditions characterized by high inflation, currency depreciation, and liquidity constraints. The sector faced elevated non-performing loans, eroding profitability and limiting new lending capacity. Funding costs increased due to intensified competition for deposits amid tighter banking liquidity.

Regulatory scrutiny intensified as Bangladesh Bank strengthened governance requirements, loan classification standards, and capital adequacy norms for NBFIs to align with global best practices. Institutions were encouraged to diversify funding sources, improve risk management, and adopt technology-driven credit assessment systems.

While leasing, SME financing, and green finance segments showed some positive momentum—supported by targeted government schemes and development partner credit lines—overall asset growth remained modest, reflecting cautious lending strategies and a slow recovery in private sector credit demand.

### Regulatory Environment

The interim government undertook wide-ranging reforms to restore confidence in economic governance. In the financial sector, Prompt Corrective Action (PCA) measures and proposed bank mergers were introduced to stabilize vulnerable institutions. The authority of the Bangladesh Energy Regulatory Commission (BERC) was reinstated, ensuring public hearings for energy price adjustments. Governance reforms included restructuring the Bangladesh Bank board, appointing new leadership, and liberalizing foreign exchange controls to support essential imports. However, intermittent internet shutdowns during political unrest disrupted banking and commerce, highlighting the need to strengthen digital infrastructure resilience in future regulatory planning.

## Company Performance

Against this challenging backdrop, First Finance Limited faced substantial headwinds in 2024. Earnings per Share (EPS) decreased to BDT (5.88) from BDT (3.44) in 2023, while Net Asset Value (NAV) per Share declined from BDT (37.86) to BDT (31.71) over the same period.

## Business Highlights

### Deposit Products

Our deposit portfolio, predominantly comprising individuals, corporate entities, and organizations, reached BDT 6,224.60 million in 2024, underscoring the continued trust and confidence of our valued customers.

### Lease, Loans, and Advances

Our lease, loans, and advances portfolio decreased to BDT 7,588.89 million in 2024. This strategic reduction focused on sectors less vulnerable to economic shocks and aligned with refinancing opportunities supporting sustainable development initiatives prioritized by the government and Bangladesh Bank.

### Operational Efficiency

Despite heightened business activities and significant inflationary pressures, we managed to contain operational costs nominally. This was achieved through prudent cost management, including reductions in fixed costs such as salaries, reflecting our commitment to operational excellence amid challenging economic conditions.

### Risk Management and Sustainability

Throughout 2024, First Finance Limited strengthened its risk management framework by adopting a structured, data-driven approach to enhance risk mitigation. We established a robust early alert mechanism to proactively manage accounts facing potential cash flow challenges. Our Risk Management Forum (RMF) was reinforced to expand oversight, ensuring that risks remain within our risk appetite, supported by regular stress testing to assess resilience against adverse economic scenarios.

### Outlook

Looking ahead, despite the challenging global economic outlook, First Finance Limited remains optimistic. We are committed to scaling operations sustainably, focusing on sectors resilient to economic shocks, and intensifying efforts to address forthcoming challenges. Our goal is to enhance profitability, achieve robust EPS growth, and maximize dividend payouts, thereby delivering sustainable value to our esteemed shareholders.

### Acknowledgement

I extend my sincere gratitude to our shareholders, regulators, customers, and stakeholders for their unwavering support throughout these difficult times. I also express appreciation to my esteemed colleagues on the Hon'ble Board of Directors for their invaluable guidance and commitment. Lastly, I commend our dedicated employees for their professionalism and resilience in navigating the complexities of 2024.

May Allah bless us all with safety, prosperity, and continued success.



**Masud Hossain Khan**  
Chairman

## | MESSAGE FROM THE CHIEF EXECUTIVE OFFICER |

Honorable Shareholders, esteemed Members of the Board of Directors, and distinguished guests,  
Assalamu Alaikum Warahmatullah,

I extend a warm welcome to each of you to the 31st Annual General Meeting of First Finance Limited (FFL), convened through this Hybrid platform. At the outset, I extend my heartfelt wishes for your continued health and happiness. I wish to express my sincere gratitude to each of you for your unwavering support and inspiration throughout the challenging year of 2023, which has been instrumental in enabling us to sustain our business operations amidst unprecedented difficulties.



### **Economic and Industry Landscape**

The national economy of Bangladesh faced significant challenges in 2022 due to the global economic downturn. The GDP growth rate for FY2022 declined to 7.2%, primarily influenced by reduced remittance inflows from migrant workers. Concurrently, heightened import volumes led to a decrease in foreign exchange reserves to USD 33.74 billion in the previous year, down from USD 41.82 billion.

In response to economic challenges, regulatory measures were introduced on July 1, 2022, affecting non-banking financial institutions (NBFI) with caps on lending and deposit rates set at 11% and 7%, respectively. As we progress into 2023, there are encouraging signs of economic recovery, evidenced by an increase in remittances to USD 10.5 billion in July-December, compared to USD 10.23 billion in the same period the previous year. However, sustaining economic momentum will require increased facilitation of letter of credit openings to support businesses amid declining reserves and rising dollar prices.

FFL encountered challenges in depositor and lender confidence, impacting our ability to mobilize deposits as anticipated, while facing unprecedented pressure for deposit encashment. Despite severe liquidity constraints exacerbated by the COVID-19 pandemic, FFL has prioritized meeting depositors' encashment demands with utmost diligence.

### **Performance Overview**

In 2023, despite tough economic times globally and in Bangladesh, FFL faced a financial loss of BDT (407.63) million, with each share showing a loss of BDT (3.44). The Company's total loan/lease portfolio was BDT 8,247.67 million, with 85.13% classified as risky loans, compared to 85.96% the year before. Government actions in 2022, like helping troubled borrowers exit loans once, were a big help in keeping businesses going during tough times.

Despite challenges, the September quarter of 2023 showed that FFL achieved relatively good results. The company navigated through tough economic conditions both in Bangladesh and globally. Despite these challenges, FFL's strategic decisions and quick actions led to positive outcomes during this period.

Their decisions, along with good teamwork and strong leadership, helped us lower risks, use resources well, and take advantage of new chances. This time showed that they can steer us through rough economic times and make us feel sure they can keep us strong and growing, even when things are uncertain.

### Strategic Outlook

Looking ahead, our strategic priorities are firmly anchored in **sustainability, operational excellence, and client-centric service delivery**. To achieve these objectives, we are pursuing the following key initiatives:

- **Customer Diversification** – Broadening our client base by offering smaller ticket loans and deposit products, thereby fostering financial inclusion and stability.
- **Business Expansion** – Entering new business verticals to diversify revenue streams and minimize exposure to sectoral risks.
- **Technology & Process Innovation** – Investing in cutting-edge technologies and process re-engineering to strengthen productivity, efficiency, and operational resilience.
- **Prudent Credit Management** – Enhancing the quality of lending operations by upholding rigorous standards of creditworthiness, risk assessment, and portfolio management.

Through these initiatives, we are committed to building a **resilient, future-ready organization** that not only adapts to evolving market dynamics but also continues to deliver sustainable value to our stakeholders.

### Acknowledgement

On this occasion, I wish to convey my heartfelt appreciation to our Honorable Chairman, the esteemed members of the Board, and our dedicated team for their steadfast guidance and leadership. I extend my sincere gratitude to our valued shareholders, respected customers, and stakeholders for their continued trust and support.

I also acknowledge, with deep appreciation, the role of the regulatory authorities for their prudent guidance and oversight, which have been instrumental in ensuring compliance, sustainability, and long-term growth.

As we move forward with optimism, we remain committed to navigating challenges with resilience and agility, always upholding our dedication to excellence, integrity, and value creation.

Wishing continued success and prosperity to all.



**Shah Md. Abdul Bari**  
Managing Director & CEO

## | BOARD OF DIRECTORS & ITS COMMITTEES |

As on 31 December, 2024

Sl.	Name of Directors	Designation in the Board
1.	Mr. Masud Hossain Khan	Chairman & Nominated Director
2.	Mr. Abu Zakir	Vice-Chairman & Nominated Director
3.	Mr. A.Q.M. Faisal Ahmed Chowdhury	Director
4.	Ms. Amatun Noor	Nominated Director
5.	Mr. Raminton Raza	Nominated Director
6.	Mr. Md. Altaf Hossain	Nominated Director
7.	Mr. Md. Habibur Rahman	Independent Director

### Executive Committee

Sl.	Name of Directors	Designation in the Board	Position in the Committee
01	Mr. Md. Altaf Hossain	Nominated Director	Chairman
02	Mr. Masud Hossain Khan	Chairman & Nominated Director	Member
03	Mr. Abu Zakir	Vice-Chairman & Nominated Director	Member
04	Mr. Raminton Raza	Nominated Director	Member

### Audit Committee

Sl.	Name of Directors	Designation in the Board	Position in the Committee
1.	Mr. Md. Habibur Rahman	Independent Director	Acting Chairman
2.	Mr. Masud Hossain Khan	Vice-Chairman	Member
3.	Mr. Abu Zakir	Vice-Chairman	Member
4.	Ms. Amatun Noor	Nominated Director	Member



## | DIRECTOR'S PROFILE |

As on 31 December 2024

### Mr. Masud Hossain Khan, Chairman & Nominated Director

Mr. Masud Hossain Khan has been serving as a Director on the Board of First Finance Limited, representing Alphabet Associates Limited, since August 19, 2020. On the same day, he was also elected as Vice-Chairman of the Board.

Mr. Khan is a First Class Contractor and the Proprietor of M.H. Khan International. He holds a Master of Arts in Philosophy from the University of Dhaka.

On April 20, 2024, Mr. Khan was elected as the Chairman of the Board of First Finance Limited.

### Mr. Abu Zakir, Vice Chairman & Nominated Director

Mr. Abu Zakir has been nominated as a Director on the Board of First Finance Limited, representing Alphabet Systems Limited. He is actively involved in a diverse range of business ventures, including construction, garments, leather goods manufacturing, and real estate development.

In addition to his business pursuits, Mr. Zakir is also engaged in numerous social and community activities.

He was unanimously elected as the Vice Chairman of the Board of First Finance Limited on November 17, 2020. He currently serves as a member of both the Audit Committee and the Executive Committee of the Company.

### Mr. A.Q.M. Faisal Ahmed Chowdhury, Director

Mr. A.Q.M. Faisal Ahmed Chowdhury is a Sponsor Director of First Finance Limited. He completed his graduation from the University of Dhaka.

Mr. Chowdhury is the Managing Director of both Rakson Impex Limited and FAH Textiles Limited. He possesses extensive expertise in the textiles sector and has been actively involved in the export, indenting, and supply of textile machinery.

### Ms. Amatun Noor, Nominated Director

Ms. Amatun Noor has been nominated as a Director on the Board of First Finance Limited, representing Qasraj Trading Ltd. She currently serves as the Chairperson of Khuya Properties Ltd. and is also a Director of New Dhaka Alliance Ltd.

Ms. Noor is a member of the Audit Committee of First Finance Limited.

### Mr. Raminton Raza, Nominated Director

Mr. Raminton Raza has been nominated as a Director on the Board of First Finance Limited, representing Raqas Trade International Ltd. He has also been elected as a member of the Executive Committee of the Company.

Mr. Raza is the Chairman of Euphoria Solutions Ltd., Arshi Nagar Builders Ltd., and Spider Inc. Nepal. He is actively involved with various other business organizations, bringing with him a wealth of experience in diverse sectors.

### Mr. Md. Altaf Hossain, Nominated Director

Mr. Md. Altaf Hossain has been nominated as a Director on the Board of First Finance Limited, representing Oparchor Trade International Limited. He holds a Master's degree in Economics.

Mr. Hossain is the Managing Director of Khuya Properties Ltd., New Dhaka Alliance Ltd., and Shariatpur Agro Complex Limited. He brings extensive experience in business management and development across multiple sectors.

He has also been nominated as the Chairman of the Executive Committee of First Finance Limited.

### Mr. Md. Habibur Rahman, Independent Director

Mr. Md. Habibur Rahman is an Independent Director of First Finance Limited and currently serves as the Acting Chairman of the Audit Committee.

He obtained his LL.B (Hons.) and LL.M degrees from the University of Dhaka. Mr. Rahman is a seasoned legal practitioner with extensive experience in a wide range of legal areas including company, contractual, commercial, banking, insurance, copyright, constitutional, criminal, land, labor, customs, and VAT-related matters. He regularly practices before the Supreme Court of Bangladesh, Lower Courts, and various Tribunals.

He is a member of the Bangladesh Bar Council, Dhaka Bar Association, and the Supreme Court Bar Association. Over the course of his legal career, he has represented notable international clients such as Kookmin Bank and Hanvit Bank of South Korea in various civil suits. He also serves as a Panel Lawyer for several local banks and non-bank financial institutions (NBFIs).

## | MANAGEMENT COMMITTEES ( MANCOM) |

### Present MANCOM

Sl.	Name	Designation
1	Mr. Shah Md. Abdul Bari	Chief Executive Officer
2	Mr. Maksumul Mahmud	DMD & COO
3	Ms. Hasina Jannat	VP & Head of Treasury Division
	Mr. Wahid Adnan	SVP & Head of Recovery Division
4	Ms. Hasina Jannat	VP & Head of Treasury Division
5	Ms. Sompal Clara Rozario	VP & Head of Financial Administration Division (CC)
6	Ms. Sujit Roy	VP & Head of Credit Division
7	Mr. Md. Jahangir Hossain	VP & Head of Human Resources Department and MANCOM Secretary
8	Ms. Habiba Nasrin	SAVP & Head of CRM Division
9	Mr. Ripan Chandra Das	SAVP & Head of ICCD
10	Mr. Md. Asaduzzaman	SAVP & Head of ICT Department
11	Mr. Mohammad Ekramur Rahman	Senior Principal Officer & Company Secretary





# | DIRECTORS REPORT TO THE SHAREHOLDERS |

Bismillahir Rahmanir Rahim

Dear Shareholders,

Assalamu Alaikum,

On behalf of the Board of Directors and the Management of First Finance Limited, I extend a warm welcome to you all to the **32nd Annual General Meeting** of the Company.

I am pleased to present the **Annual Report for the year ended December 31, 2024**, which includes the **Audited Financial Statements** along with the **Statutory Auditor's Report** for your kind consideration and approval.

This report has been prepared in compliance with **Section 184 of the Companies Act, 1994**, the **BSEC Notification dated June 03, 2018**, the **Listing Regulations of the Dhaka and Chittagong Stock Exchanges**, and the relevant **guidelines issued by Bangladesh Bank and other regulatory authorities**.

The Financial Statements have been duly reviewed and approved by the **Board of Directors** in its meeting held on **June 29, 2025**.

Relevant disclosures and explanations relating to certain issues have been given by the Directors, which they consider important to ensure transparency and good governance practices. We believe that it is comprehensive enough to understand the operational procedures and overall performance of the company at a glance during the year under reporting.

## **Macroeconomic Environment - Global Developments**

The global economy in 2024 experienced a cautious path to recovery, shaped by persistent inflationary pressures, tightened monetary policies, and heightened geopolitical uncertainties. Central banks across the world remained focused on curbing inflation, adopting a conservative stance in their monetary frameworks. Global trade continued to face disruptions stemming from ongoing conflicts and supply chain constraints. Despite these challenges, certain regions—particularly in Asia—showed notable resilience, helping to stabilize economic momentum.

## **Global Economic Trends – 2024**

The global economy in 2024 was shaped by several key developments, reflecting a complex interplay of inflation control efforts, geopolitical instability, technological transformation, and shifting trade dynamics.

## **Inflation and Monetary Policy**

Inflation remained a dominant concern throughout the year, although its pace decelerated in many regions as the effects of earlier monetary tightening began to materialize. Central banks, notably the US Federal Reserve and the European Central Bank, maintained a cautious approach, with emerging signs of potential policy easing towards the end of the year.

## **Geopolitical Risks and Global Confidence**

Persistent geopolitical tensions—particularly the ongoing Russia-Ukraine war and instability in the Middle East—continued to disrupt global energy markets and trade flows. These uncertainties negatively impacted investor confidence and contributed to volatility in global markets.

## **Supply Chain and Trade Disruptions**

While global supply chains showed signs of gradual improvement, bottlenecks remained, especially in the supply of critical raw materials and key commodities. These constraints further complicated production cycles and price stability across sectors.

## **Technological Shifts and Market Dynamics**

The rapid advancement of artificial intelligence and the expansion of digital trade significantly influenced financial markets, labor dynamics, and investment strategies. These developments, while fostering innovation, also contributed to market volatility and structural adjustments across economies.

## **GDP Growth and Regional Performance**

Global GDP growth demonstrated a steady yet modest trajectory. According to the International Monetary Fund (IMF), global GDP stood at 6.7% in 2023 and is projected to moderate to 5.8% in 2024, continuing a gradual downward trend over the past three years. The Asia-Pacific region remained the primary engine of global growth. However, China's economic deceleration—driven by a property sector crisis and regulatory constraints—dampened regional trade, reduced import demand, and strained global supply chains.

## Sectoral Outlook

While technology and digital service exports flourished, traditional manufacturing sectors struggled under the weight of declining global demand and evolving trade policies. This divergence highlighted the structural shifts underway in the global economy.

## Outlook for 2025

Looking ahead, 2025 is expected to mark a phase of cautious recovery. Despite lingering uncertainties, moderating inflation and gradual shifts in monetary policy may contribute to a more stable global economic environment, setting the stage for sustainable growth in the medium term.

## Overview of 2024: A Year of Political Transition and Economic Realignment in Bangladesh

The year 2024 represented a watershed moment in Bangladesh's history, marked by significant political upheaval and strategic economic realignment. A student-led mass movement during July–August, driven by widespread public discontent, culminated in the end of a 15-year regime. In the aftermath of this historic shift, Nobel Laureate Professor Muhammad Yunus was appointed to lead an interim government tasked with navigating the nation through its transitional phase.

The interim administration has prioritized structural reforms aimed at restoring institutional integrity, enhancing governance mechanisms, and laying the groundwork for a free, fair, and transparent electoral process. These efforts reflect a broader national aspiration for democratic renewal and sustainable economic progress.

## Financial Sector Reforms: Addressing Structural Weaknesses

As part of the broader realignment agenda, longstanding irregularities and unresolved issues—particularly within the financial sector—have come under renewed scrutiny. A key vulnerability that emerged was the widespread prevalence of loan irregularities, primarily fueled by political interference and weak regulatory enforcement under previous administrations.

In response, the newly restructured Bangladesh Bank (BB) has initiated a comprehensive reform drive targeting systemic flaws across the sector. Major steps include the establishment of a National Banking Commission, board-level restructurings in key financial institutions, and the launch of rigorous forensic audits. These measures aim to reinforce transparency, accountability, and institutional resilience. As a result, the financial sector has entered a phase of cautious but determined recovery.

Bangladesh Bank's prudent and proactive regulatory interventions have been instrumental in rebuilding public trust in the banking and financial system. The rollout of market-based policy tools—particularly for interest rate management—has allowed banks and non-bank financial institutions (NBFIs) to enhance their interest margins. In a high-interest rate environment, where private sector credit demand has remained muted, financial institutions have strategically redirected capital towards government securities, thereby stabilizing their earnings and contributing to public fiscal management.

In 2024, Bangladesh's financial services sector navigated a challenging economic environment shaped by global uncertainties, rising inflation, and significant domestic policy adjustments. Both the banking and non-bank financial institutions (NBFIs) contended with liquidity pressures, elevated funding costs, and cautious credit expansion, all while grappling with the effects of inflation control measures and exchange rate stabilization efforts.

## Liquidity and Interest Rate Dynamics

Tight liquidity conditions persisted throughout the year, characterized by rising deposit rates and a cautious lending environment. The withdrawal of the lending rate cap under the SMART (Six-Month Moving Average Rate of Treasury Bill) framework led to a notable increase in lending rates. This shift, while intended to improve monetary policy transmission, had the unintended effect of discouraging borrowing, thereby slowing credit growth—particularly in the private sector.

## NBFI Credit Performance and Growth

Despite the challenging environment, NBFIs recorded a 3.14% year-on-year increase in total loans and advances by the end of 2024, with 2.61% growth observed in the fourth quarter alone (Source: Bangladesh Bank, NBFI Statistics, October–December 2024). This modest growth reflects both cautious lending practices and the strategic reallocation of portfolios in response to market dynamics.

## Non -Performing Loans: A Persistent Concern

Non - performing loans (NPLs) continued to pose significant risks across the financial sector. The banking sector's classified loan ratio climbed to 20.20% by December 2024, underscoring the fragility of asset quality. For NBFIs, the situation was even more alarming, with NPLs reaching a record high of approximately 35.52% of total disbursed loans as of September 2024 (Source: The Daily Star, January 7, 2025). These figures highlight the urgency of governance reform and risk management improvements across financial institutions.

### Outlook and Structural Reforms

Despite short-term headwinds, the financial sector has demonstrated resilience, supported by targeted policy interventions and ongoing regulatory reforms. The structural adjustments underway—including enhanced supervision, improved asset classification norms, and market-based interest rate frameworks—are expected to lay the groundwork for a more stable, transparent, and sustainable financial system in the medium to long term.

### Capital Market Overview

In 2024, Bangladesh's capital market operated under considerable strain, marked by macroeconomic headwinds and heightened political uncertainty. The Dhaka Stock Exchange (DSEX) index declined by **16.49%**, closing at **5,216 points** by the end of December 2024, reflecting investor caution amid elevated interest rates and unstable market sentiment.

### Market Performance and Liquidity Trends

Despite the overall bearish trend, **Daily Average Turnover (DAT)** rose by **9.34% year-on-year**, reaching **BDT 6.32 billion**. This growth was uneven, with trading activity fluctuating in response to key policy decisions and political events. The initial removal of the floor price triggered a short-lived bullish rally, as investors briefly regained confidence. However, this momentum faded as persistently high policy rates reduced the appeal of equities.

### Investor Behavior and Capital Flows

High interest rates and tightening monetary conditions led many investors to shift capital toward **government securities**, attracted by their relatively higher and risk-free returns. This flight to safety contributed to a **liquidity squeeze in the equity market**, further dampening sentiment and valuations.

### Impact of Political Developments

Mid-year political transitions and reform announcements brought brief optimism to the market, prompting temporary rebounds in trading volume and price movements. However, as political uncertainty lingered and economic indicators remained subdued, market activity slowed once again toward year-end.

While 2024 was marked by volatility and weak performance in the equity segment, ongoing regulatory reforms, expected interest rate adjustments, and political stabilization may gradually restore investor confidence. A return to sustainable market growth will depend on macroeconomic clarity, enhanced corporate governance, and improved investor protections.

### Operating and financial performance of the company

Loans, advances and leases of the company recorded at Tk. 7,588 Mn on 31 December 2024 registering 658.78 Mn decrease against that of the last year. Deposit stood at Tk. 6,224 Mn resulting 1.29% decrease against last year. Equity attributable to shareholders of the company decreased to Tk. (4,488,309,387) Mn as compared to Tk. (3,758,629,387) Mn of last year.

It is to be noted that in the year 2024, the Company collected Tk. 216.32 Mn as new/fresh deposits and Tk. 824.727 Mn as recovery from loans, leases, and advances. The company's gross interest income stood at Tk. 253.10 Mn, compared to Tk. 549.60 Mn in 2023. Other income for the year was Tk. 53.375 Mn, up from Tk. 21.003 Mn in 2023. Operational expenses in 2024 decreased by Tk. 2.26 Mn, while provisions for loans, advances, leases, and shares increased to Tk. 136.13 Mn from Tk. 119.34 Mn in 2023.

The financial results of the Company for the year 2024 with a comparison of 2023 are summarized below

(Figures in million BDT)

Particulars		Year	
		2024	2023
Interest Income	BDT mn	253.10	549.853
Interest Expense	BDT mn	(687.28)	(693.22)
Net Interest Income	BDT mn	(434.19)	(143.64)
Non-Interest Income	BDT mn	5.61	21.11
Operating Expenses	BDT mn	146.85	149.11
Profit before Provision	BDT mn	(575.42)	(271.64)
Profit before Taxes	BDT mn	(695.57)	(404.34)
Net Profit after Taxes (NPAT)	BDT mn	(696.75)	(407.62)
Earnings Per Share	BDT	(5.88)	(3.44)

## Five Years Financial Summary

Key operating and financial summary of preceding 5 (Five) years of the company are the part of this report and have been submitted in page no. 10 of this annual report.

## Related Party Transaction

The Board has taken all necessary steps to ensure compliance and to avoid any conflict of interest in transactions with related parties, as defined under BAS and BFRS. A detailed statement of related party transactions is disclosed in Note No. 42 on Page No. 105 of this Annual Report.

## Dividends

At the end of 2024, the Company incurred a net loss of Tk. (69.56) million. In light of this, the Board of Directors has recommended that no dividend be declared for the year 2023. The Board has advised Management to take appropriate measures to recover from the loss and enhance profitability, with the objective of declaring dividends in the coming year based on net profit.

## Interim Dividend

No bonus shares or stock dividend has been or shall be declared as interim dividend.

## Risk Management

Risk and uncertainty are inherent aspects of the financing business. To effectively identify, assess, and mitigate these risks, First Finance Limited (FFL) has established several dedicated committees, including the Management Committee, Credit Committee (CC), Asset Liability Committee (ALCO), and the Risk Management Forum. These bodies work collaboratively to ensure sound risk governance and maintain the financial stability of the Company.

## Risk and Concerns

The Board of Directors is responsible for formulating risk management policies, defining methods to measure and control risk, setting appropriate risk limits, and overseeing their implementation. The Company fundamentally believes in managing risk with a forward-looking approach, focusing on the prudent management of credit, interest rate, liquidity, market, and operational risks through well-defined strategies, models, and parameters.

## Directors' Responsibilities for Financial Statements

The Directors are responsible for the overall governance of the Company, including the preparation and presentation of the financial statements. We, the Directors, hereby confirm our compliance with the financial reporting framework in accordance with the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC) in the following matters:

- The financial statements prepared by the Management of First Finance Limited (FFL) fairly present the Company's activities, operational results, cash flows, and changes in equity.
- Proper books of account have been maintained in accordance with applicable regulations.
- Appropriate accounting policies, including International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), as adopted in Bangladesh, have been consistently applied in the preparation of the financial statements. Any changes or deviations have been adequately disclosed.
- Accounting estimates have been made on the basis of reasonable and prudent judgment.
- Internal control systems have been properly designed, effectively implemented, and regularly monitored.
- The interests of minority shareholders have been duly safeguarded, with effective channels for redress available.
- There is no significant doubt about the Company's ability to continue as a going concern.
- A comparative analysis of significant deviations has been provided, along with explanations, in the relevant sections of this report.

## Going Concern

The Board of Directors has reviewed the overall business plans, strategies and is optimistic that the Company has adequate resources to continue its operations. Accordingly, the financial statements of the Company are prepared based on the going concern concept.

The financial statements of First Finance Limited for the year ended 31 December 2024 have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the regular course of business.

As per the audited/un-audited financial position of the Company as at 31 December 2024, the following significant financial challenges were noted:

- The Company incurred a net loss of Taka 696.76 million during the year ended 31 December 2024 (2023: Taka 407.53 million), primarily driven by a substantial increase in non-performing loans.
- The Company's Classified Loan, Lease, and Advances Ratio (CL Ratio) as at 31 December 2024 was recorded at 94.84%, significantly higher than industry standards and regulatory thresholds.

- Due to the high level of non-performing assets, the Company has been unable to generate adequate interest income, resulting in both interest loss and operational loss.
  - Despite the above, the Board of Directors and Management believe that the going concern assumption remains appropriate, based on the following justifications:
1. **Strategic Initiatives Undertaken**  
The Company has initiated a number of strategic actions to stabilize its operations and gradually return to financial health. These include:
    - Recovery Acceleration: An intensive recovery drive is being carried out, focusing on large classified accounts. In 2024, the Company recovered Taka 781.85 million from loans, leases, and advances. For the first quarter of 2025, an additional Taka 109.74 million has been recovered.
    - Deposit Mobilization: The Company is actively sourcing new deposits. During 2024, a total of Taka 216.33 million in fresh deposits was mobilized, followed by Taka 14.34 million in Q1 of 2025.
    - Strengthening Recovery Infrastructure: A dedicated recovery team has been restructured with specialized personnel for aggressive and efficient follow-up, legal action, and effective negotiations with borrowers.
    - Prudent Lending Activities: Limited new disbursements have resumed, including Taka 400.02 million in 2024 and Taka 5.53 million in Q1 2025, with Taka 2.5 million under CMSME financing in compliance with regulatory priorities.
  2. **Engagement with Regulators**
    - A detailed Time-Bound Action Plan has been submitted to Bangladesh Bank to address the weaknesses in the Company's CAMELS rating.
    - A Three-Year Plan has also been shared with Bangladesh Bank to gradually meet the required Capital Adequacy Ratio.
    - The Bangladesh Securities and Exchange Commission (BSEC) held a routine meeting with the Company and advised on increasing recovery efforts and transmitting fresh deposit and bring innovative loan products to improve market competitiveness and regain financial soundness.
  3. **Support from Bangladesh Bank**
    - Bangladesh Bank continues monitor the situation and earlier extended deferral facilities regarding provisioning shortfall up to FY 2027. This regulatory support has been instrumental in providing breathing room for the Company to take corrective actions.
  4. **Management's Outlook**
    - The Company has set an aggressive recovery target of Taka 1,200 million (Taka 120.00 crore) for 2025. A number of high-value default cases are expected to be resolved through settlements, litigation and regularization of loan/lease. Further strategic initiatives are in progress to enhance operational efficiency, regain depositor confidence, and explore long-term funding options, including refinancing.
  5. **Material Uncertainty Related to Going Concern**  
Notwithstanding the ongoing efforts and management's confidence, material uncertainties remain regarding the Company's ability to continue as a going concern, primarily due to:
    - The high CL Ratio and resulting provisioning requirements;
    - Accumulated losses and capital shortfall;
    - Dependence on successful implementation of the recovery plan and continued regulatory support.

That being said, as there are a few uncertainties related to the entity's ability to continue as a going Concern and therefore few challenges to be faced for realizing its assets and discharges its liabilities in the normal course of business. However, no such adjustments have been made in the current financial statements, as the Board of Directors believes that the going concern basis of preparation remains appropriate at this stage.

### Compliance Supervision

FFL is in complete compliance of all applicable laws and regulations and does not adhere to any non-compliance of regulatory requirements, any loan default by the company or its directors or senior management. The internal Control and Compliance Department looks after the Compliance issues of the Company.

### Management Discussion & Analysis

Pursuant to the BSEC's Notification dated 03 June 2018, the management discussion and analysis report is given on page no. 25 of this Annual Report.

### Report on the Compliance of the Conditions of BSEC's Notification

In accordance with the BSEC's Notification dated 03 June 2018 and as per subsequent amendments, the Board of Directors is required to report on the compliance of certain conditions. The notification was issued for the purpose of establishing a framework for ensuring good governance practices in the listed companies for the interest of the investors and the capital market. A statement on the compliance with the BSEC's conditions is given on page no. 46 of this Annual Report.

### Pattern of Shareholding

The pattern of Shareholding of the Company as on 31 December, 2024 is shown on page no. 8 of this Annual Report.

### Directors' Meeting, Attendance & Remuneration

During the year ended on 31 December 2024, a total of 8 meetings of Board of Directors were held. The attendance in the Board meetings by each Director is given on page no. 32 of this Annual Report. Please note that the amount of total remuneration which has paid to the Directors including Independent Directors is given in note no. 33 in page no. 103 of this Annual Report.

### Directors' Appointment and Re-appointment

In accordance with Article 117 of the Articles of Association of the Company, one-third of the Directors (excluding the Managing Director and Independent Directors) shall retire by rotation at the Annual General Meeting (AGM). Being eligible, the following Directors have offered themselves for re-election as per the provisions of the Articles of Association:

1. M/S Oparchor Trade International Ltd. (Represented by Mr. Md. Altaf Hossain)
2. M/S Alphabet Associates (Represented by Mr. Masud Hossain Khan)

Furthermore, in compliance with the Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018, the Board of Directors has appointed the following Independent Directors for a period of three (3) years, as approved in different Board Meetings and subject to the consent of Bangladesh Bank:

- Mr. Khan Mohammad Moinul Hasan
- Mr. Sultan Ahmed Bhuiyan, FCA

These appointments are being placed before the shareholders at the 32nd AGM for their kind approval.

### Directors Resume and line of expertise

A brief Resume of Directors (including retiring Directors) are appended in page no 18 to 19 in this Annual Report which includes his/her nature of expertise and qualifications.

### Corporate Governance

Primarily, the conduct of the company is guided by the core values, code of ethics and a commitment to openness and transparency. The Board of Directors of the Company always endeavors to provide strategic direction for the Company by applying the highest standards of corporate governance practice. To this end, we comply with all reporting regulations and requirements as defined in the latest Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission.

We have established appropriate policies and procedures to safeguard the Company against potential risks and to ensure a clear and well-defined strategic direction. Transparency in governance is a priority, and we are committed to keeping both shareholders and stakeholders well-informed through various communication channels, including the Annual General Meeting (AGM), quarterly financial statements, and this Annual Report. Additionally, the rights of minority shareholders are duly protected against any abusive actions—whether direct or indirect—by controlling shareholders, and effective mechanisms for redress are in place to uphold their interests.

### Appointment of Auditors

M/S Kazi Zahir Khan & Co., Chartered Accountants, located at Home Town Apartment, 87 New Eskaton Road, Dhaka-1000, served as the Statutory Auditor of First Finance Limited (FFL) for the year 2024, with an audit fee of Tk. 3,00,000 plus VAT. They will retire at the 32nd Annual General Meeting (AGM) of the Company.

In accordance with DFIM Circular No. 04 dated April 30, 2015, issued by Bangladesh Bank, M/S Kazi Zahir Khan & Co., Chartered Accountants, may continue to serve as Statutory Auditors for an additional period of one (1) year, subject to the approval of the shareholders at the AGM. In this regard, the audit firm has expressed their willingness to be reappointed as Statutory Auditor for the year 2025 at a fee of Tk. 3,50,000 (excluding VAT, subject to prior approval from Bangladesh Bank before the 32nd AGM).



### Appointment of Professionals for Compliance Certificate

M/S Artisan, Chartered Accountants, have expressed their interest to continue as the Professionals for issuing the Compliance Certificate of First Finance Limited. The Board of Directors has recommended their reappointment with an annual fee of Tk. 27,500/- (excluding VAT), and the matter has been placed before the 32nd Annual General Meeting for shareholders' approval.

### Outlook 2025: A Year of Recovery and Strategic Realignment

The year 2025 is anticipated to be a pivotal year of recovery from economic recession for First Finance Limited (FFL). The persistently high level of non-performing loans across the banking and financial institutions sector in Bangladesh remains a major concern. Globally, economic recession has worsened borrower risk profiles, and Bangladesh is no exception. Moreover, the imposition of interest rate caps—limiting the flexibility to fully price in credit risk—has created a challenging scenario, often described as a double whammy, especially in the current climate. Simultaneously, high inflation and a prolonged liquidity crunch pose additional obstacles for both the business community and individual savers. These macroeconomic headwinds will continue to test the resilience of financial institutions like ours.

In this context, our **key priorities for 2025** will be:

- Maintaining a **quality asset portfolio** and reducing the level of classified loans;
- Expanding the **retail and SME businesses** in both deposit mobilization and loans & advances;
- Accessing **low-cost refinance schemes** to lower our cost of funds and support a sustainable reduction in lending rates.

To address these challenges, we will implement a set of focused strategies, including:

- Strengthening **cross-selling** initiatives to offer a broader range of products and services, targeting both retail and corporate clients;
- Restructuring our **loan portfolio concentration**, with increased focus on **high-rated businesses, SMEs, and retail segments**;
- Enhancing **fee-based income** to diversify revenue streams;
- Placing special emphasis on the expansion of the **SME credit portfolio**, not only to achieve higher yields but also to mitigate the risks associated with large-scale defaults.

With these strategies, we aim to navigate the challenging economic landscape of 2025 while building a stronger, more resilient foundation for long-term growth.

### Acknowledgment

The Board of Directors of First Finance Limited hereby expresses its profound gratitude to the esteemed shareholders and valued clients for their steadfast confidence and continued support. We also extend our sincere appreciation to Bangladesh Bank, the Bangladesh Securities and Exchange Commission (BSEC), the Registrar of Joint Stock Companies & Firms (RJSC), Dhaka Stock Exchange PLC (DSE), Chittagong Stock Exchange PLC (CSE), Central Depository Bangladesh Limited (CDBL), the National Board of Revenue (NBR), Banks and Financial Institutions, other Government agencies, the Bangladesh Leasing and Finance Companies Association (BLFCA), and the Bangladesh Association of Publicly Listed Companies (BAPLC) for their invaluable guidance and cooperation.

Our gratitude is also due to our statutory auditors, compliance auditors, and income tax consultants for their expert advice and constructive recommendations.

Finally, we acknowledge with deep appreciation the commitment and dedication of all employees at every level within the Company. We look forward to their continued support, as well as that of all our stakeholders, to strengthen our ongoing journey towards sustainable growth and excellence.

For and on behalf of the Board of Directors,



**Masud Hossain Khan**  
Chairman  
**First Finance Limited**

## | MANAGEMENT DISCUSSION AND ANALYSIS |

The year 2024 marked a watershed moment in Bangladesh's modern history—a year of profound political transformation catalyzed by widespread public protests in July and August. These mass movements led to the end of a prolonged era of centralized, autocratic governance, opening new avenues for socio-political reform and the rectification of long-standing economic inefficiencies.

In the aftermath of this historic transition, latent structural vulnerabilities—particularly within the financial sector—came to the fore. However, the emergence of an interim government composed of distinguished economists and reform-oriented leaders has injected renewed optimism into the national discourse. The administration's prompt and decisive policy actions reflect a clear commitment to restoring macroeconomic stability, strengthening institutional integrity, and fostering a politically neutral, transparent business environment.

Nevertheless, the road to sustainable development remains fraught with challenges. Critical priorities moving forward include sustaining economic momentum, executing comprehensive financial sector reforms, consolidating political stability, and rebuilding public confidence in democratic processes. Compounding these efforts is the growing threat of climate change, which poses significant risks to the country's agricultural output, water resources, and vital infrastructure. Addressing these multifaceted challenges will be essential to ensuring inclusive growth and long-term national resilience.

### ECONOMIC OUTLOOK

The year 2024 was characterized by widespread economic turbulence, as nations around the globe grappled with the aftermath of supply chain disruptions, geopolitical tensions, monetary tightening, and climate-related shocks. Bangladesh, like many emerging economies, was not insulated from these global headwinds. The country faced heightened uncertainty amid rising inflation, volatile commodity prices, and fluctuating demand in key export markets.

This chapter provides an in-depth analysis of the global economic dynamics that shaped 2024, with a particular emphasis on their implications for Bangladesh. It examines how the country demonstrated resilience in the face of adversity, while also acknowledging the structural vulnerabilities that were exposed. Furthermore, it identifies the key challenges and emerging opportunities that will influence the trajectory of both global and domestic economies in the coming years. Through this lens, the chapter offers a comprehensive understanding of the interconnected economic environment and the strategic choices ahead for Bangladesh.

#### 1. Global Outlook

##### 1.1. Global GDP Growth Trends

The global economy in 2024 has demonstrated relative stability; however, this stability has been unevenly distributed across regions and economies. The United States has shown continued resilience, supported by strong consumer spending and robust labor market conditions. In contrast, major economies such as China, India, and those within the Eurozone have experienced more subdued growth, weighed down by structural challenges, geopolitical tensions, and cautious monetary policies.

As a result, the overall pace of global economic expansion remains moderate. According to projections, global GDP is expected to grow by 3.2% in 2024 and 3.3% in 2025, which is below the pre-pandemic historical average of 3.7% (2000–2019). This reflects both cyclical headwinds and deeper transitions in global trade dynamics, energy markets, and demographic trends. While growth remains positive, the outlook suggests continued caution and the need for targeted policy responses to sustain economic momentum.

##### 1.2. Inflation

Global inflation is projected to reach 5.9% in 2024, before easing to 4.2% in 2025, reflecting continued disinflationary momentum across many economies. However, the pace of convergence toward inflation targets is expected to be faster in advanced economies than in emerging market and developing economies, where structural and external pressures remain more pronounced.

While the broader trend of disinflation persists, recent developments suggest that progress may be slowing in some countries, with elevated inflation remaining persistent in specific cases. The global median of sequential core inflation—which excludes food and energy—has remained slightly above 2.0% in recent months, indicating that underlying price pressures have not fully abated.



At the same time, nominal wage growth is beginning to moderate, signaling a gradual normalization of labor market conditions. These dynamics point to a complex inflation environment where policy responses must remain data-driven and context-specific to balance price stability with sustained economic recovery.

### 1.3. Energy Outlook

Ongoing geopolitical conflicts—most notably the escalating tensions in the Middle East and Russia's protracted war in Ukraine—have kept global attention sharply focused on some of the world's most critical energy-producing regions. Although the immediate shocks of the global energy crisis have somewhat abated, these developments continue to expose the underlying fragilities of the global energy system, irrespective of technological advancements or geographic diversification.

Adding to these concerns, the increasing frequency and severity of extreme weather events—driven by climate change—pose significant risks to energy infrastructure across both developed and developing economies. These combined challenges underscore the urgent need for a more resilient, diversified, and climate-adaptive global energy strategy to safeguard supply security and economic stability.

According to the International Energy Agency (IEA), the risk of near-term disruptions to global oil and gas supplies remains elevated, primarily due to the ongoing geopolitical tensions in the Middle East. Of particular concern is the Strait of Hormuz, a vital maritime chokepoint through which approximately 20% of the world's oil and liquefied natural gas (LNG) transits. Any instability in this region poses a significant threat to global energy security and price stability.

At the same time, the global push toward clean energy is facing a critical imbalance. Emerging market and developing economies (EMDEs), excluding China, account for roughly two-thirds of the world's population and one-third of global GDP, yet they receive only 15% of total global clean energy investment. This stark disparity highlights the urgent need for targeted financial instruments, capacity building, and policy support to accelerate the energy transition in these regions. Without such interventions, global decarbonization goals may remain out of reach, and energy access gaps could widen further.

## 2. South and East Asia: Regional Economic Outlook

### 2.1. South Asia

The growth outlook for South Asia has been revised downward to 5.9% for 2024 and 6.3% for 2025, reflecting a more tempered regional recovery than previously anticipated. The downward adjustment for 2024 is largely attributable to India's lower-than-expected second-quarter performance, driven by weakened manufacturing output and subdued government expenditure.

While Pakistan and Sri Lanka have seen upgrades to their growth projections—reflecting a gradual recovery from the macroeconomic crises of 2022–2023—these gains have been offset by downward revisions for Bangladesh and the Maldives, which continue to grapple with persistent external and fiscal challenges. As a result, the overall regional outlook for 2024 remains cautious, albeit with a moderate improvement expected in 2025.

### 2.2. East Asia

The economic forecast for East Asia has also seen a slight downward revision, with 2024 growth projected at 4.5%, down from an earlier estimate of 4.6%, while the 2025 projection remains unchanged at 4.2%. The People's Republic of China (PRC) is on track to meet its growth targets, supported by strong export performance and government-led stimulus measures, despite ongoing weakness in domestic consumption and private sector confidence.

Conversely, the Republic of Korea has faced a downgrade following weaker-than-expected third-quarter growth, driven by tepid domestic demand and softening export activity. Similarly, in Hong Kong, China, the growth outlook has been revised downward due to sluggish private consumption—particularly in non-durable goods and food sectors—as well as a slowdown in fixed investment, especially within the construction industry.

### 3. Bangladesh Economy

#### 3.1. GDP Growth

The World Bank has projected Bangladesh's GDP growth for FY25 at 4.1%, marking the lowest growth rate since 2020. This subdued outlook is largely attributed to several factors, including nationwide instability during July–August, worsening law and order conditions in August–September, disruptions caused by flash floods and a prolonged monsoon season, as well as a slowdown in credit growth resulting from high interest rates and upheavals within the banking system.

Despite these challenges, Bangladesh's projected GDP growth for FY25 is expected to outperform the average growth rates of Emerging Markets & Developing Economies (4.2%) and the global average (3.2%).

#### 3.2. Trade Deficit

In FY24, Bangladesh achieved a significant 18.11% reduction in its trade deficit, which stood at USD 22.43 billion, primarily driven by a decline in imports. Imports decreased by 10.61% to USD 63.24 billion, while exports declined by 5.88% to USD 40.81 billion, collectively contributing to the narrowing of the trade gap. According to the latest data, the trade deficit for the period July–January FY25 reached USD 11.75 billion, reflecting a 9.02% year-on-year decline, supported by improved export growth following the regime change.

#### 3.3. Foreign Exchange (FX) Reserve

Since 2021, Bangladesh has witnessed a notable decline in foreign exchange reserves and currency value. In 2024, the Bangladeshi Taka depreciated by an additional 8.33% year-on-year. Despite this, Bangladesh Bank (BB) effectively managed to prevent a substantial fall in FX reserves, which stood at USD 26.2 billion in December 2024, compared to USD 27.1 billion in December 2023.

The proactive measures led by the BB Governor—including strategic interventions in the FX market, easing of restrictions on letters of credit issuance, and facilitation of trade credits—have bolstered remittance inflows and export earnings, thereby stabilizing FX reserves. Furthermore, commitments from Development Financial Institutions (DFIs) are expected to reinforce the country's FX position going forward.

#### 3.4. Inflation Rate

Inflation in Bangladesh surged to a 13-year high of 11.66% in July 2024, marking the first occurrence of double-digit inflation since 2011. Despite a global decline in prices, domestic markets remained largely insulated, reflecting vulnerabilities linked to the dominance of a few concentrated business groups. Following the regime change, Bangladesh Bank (BB) maintained a tight monetary policy, exercising prudence in managing money supply. As of February 2025, inflation eased to 9.32%, primarily driven by lower food prices during the winter season. BB aims to further reduce inflation to a target range of 7.00%–8.00% by FY25.

#### 3.5. Exchange Rate (US Dollar Price)

The exchange rate of the BDT against USD depreciated by 8.33% YoY in 2024, reaching BDT 120.0 per USD, the highest level in recent years. In May 2024, Bangladesh Bank (BB) introduced a crawling peg system, allowing the BDT to fluctuate within a predetermined range to enhance stability and flexibility. To further enhance exchange rate adaptability, BB adjusted the central rate in August 2024 and widened the trading band from 1.0% to 2.5%, granting the BDT greater flexibility against the USD. This measure reduced the gap between official and unofficial foreign exchange rates. Subsequently, on January 12, 2025, BB implemented a daily reference exchange rate based on real market transactions. This strategic shift toward a more flexible exchange rate regime marks a crucial step in strengthening the economy, ensuring that the BDT more accurately reflects market conditions.

#### 3.6. Public Sector and Private Sector Credit Growth

Public sector credit growth decelerated sharply to 2.94% YoY as of December 2024, a stark contrast to the 16.39% YoY growth recorded in December 2023. This decline likely reflects the government's strategic shift toward reducing reliance on public borrowing to facilitate greater liquidity for the private sector, aiming to foster economic stability. Meanwhile, private sector credit growth stood at 7.28% YoY in December 2024, down from 10.13% in the previous year. The subdued demand for credit in the private sector can primarily be attributed to the prevailing high-interest rate environment and political uncertainties, which have dampened business expansion and investment activities.

### 3.7. DSE Broad Index

Bangladesh's equity market experienced moderated trading activity in 2024. After a sluggish first half, the regime changes in August initially sparked a surge in turnover, driven by renewed investor optimism. Subsequent structural changes, including regulatory reforms, further influenced market sentiment.

However, persistent macroeconomic concerns tempered this initial enthusiasm, resulting in subdued trading activity during the latter half of the year. The DSEX, the benchmark free-float weighted market index, declined by 16.5% year-on-year, closing at 5,216, while total equity market capitalization contracted by 20.3% YoY.

Meanwhile, Average Daily Turnover (ADTV) showed moderate improvement, supported by the removal of the floor price mechanism, optimism following the regime change, and the initiation of key market reforms.

### Comparative Analysis of Financial Performance:

The last 5 years financial performance of the Company is stated at page 10 Annual Report. Changes over the last year in the key operating and financial position indicators from the financial statements are discussed below:

(Figures in million BDT)

Particulars		Year	
		2024	2023
Interest Income	BDT mn	253.10	549.853
Interest Expense	BDT mn	(687.28)	(693.22)
Net Interest Income	BDT mn	(434.19)	(143.64)
Non-Interest Income	BDT mn	5.61	21.11
Operating Expenses	BDT mn	146.85	149.11
Profit before Provision	BDT mn	(575.42)	(271.64)
Profit before Taxes	BDT mn	(695.57)	(404.34)
Net Profit after Taxes (NPAT)	BDT mn	(696.75)	(407.62)
Earnings Per Share	BDT	(5.88)	(3.44)

### The Way Forward

In 2025, First Finance Limited (FFL) aims to consolidate the progress achieved in recent years by focusing on six core strategic pillars. These initiatives are designed to ensure sustainable growth, resilience, and market leadership in a dynamic financial services landscape.

#### 1. Retail and SME Growth

FFL will deepen market penetration by offering tailored financial solutions to underserved segments, including micro and small enterprises, agricultural stakeholders, and household businesses. This will be achieved through expanded use of digital channels, strategic partnerships, and customer-centric product innovation.

#### 2. Wealth Management and Liability Diversification

To strengthen balance sheet resilience, FFL will launch an integrated wealth management platform targeting long-term retail depositors. The platform will include insurance-linked savings products, investment instruments, and advisory services aimed at reducing reliance on short-term institutional funding.

#### 3. Green and Inclusive Finance

FFL will scale up its commitment to environmental, social, and governance (ESG) principles by expanding sustainable lending portfolios. Special emphasis will be placed on gender-responsive financing and inclusive credit policies that empower women, rural entrepreneurs, and climate-resilient projects, with the aim of becoming a market leader in ESG-aligned finance.

#### 4. Digital Innovation

Leveraging advanced analytics, artificial intelligence, and mobile-first platforms, FFL will enhance customer experience through AI-driven credit scoring, real-time loan processing, and seamless digital journeys. These innovations will position FFL as a forward-thinking, tech-enabled financial service provider.

## 5. Risk Management and Governance

To ensure institutional integrity and regulatory compliance, FFL will embed advanced risk management tools including scenario analysis, stress testing, and early warning systems. Strengthening corporate governance frameworks remains a priority to uphold transparency, accountability, and stakeholder trust.

Having joined First Finance Limited as Chief Executive Officer in March 2025, I am both honored and humbled to lead this institution at such a pivotal time in its journey. I would like to express my sincere gratitude to the Board of Directors for their unwavering guidance, to our regulators for their continued support, to our partners and stakeholders for their trust, and to my colleagues across the organization for their dedication and resilience.

The story of First Finance Limited is still unfolding. We are not solely defined by quarterly figures or balance sheets, but by the values we uphold, the lives we touch, and the future we are committed to building. As we look ahead, we do so not with naïve optimism, but with a grounded confidence—because we are now more prepared, more united in our purpose, and more determined in our mission.

Let us embrace 2025 with a renewed sense of purpose. The challenges may remain, but so too does our resolve to drive meaningful change, deliver lasting impact, and elevate the standards of financial service in Bangladesh.



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**Shah Md. Abdul Bari**  
Managing Director & CEO

## | STATEMENT ON CORPORATE GOVERNANCE |

First Finance Limited (FFL) believes compliance to be one of its key priorities and is continuously working to strengthen and improvement of its corporate governance with the aim to have sustainable growth, transparency, accountability, development of corporate values and to meet the expectation of shareholders, customers, regulators and other key stakeholders. Hence, the corporate governance of FFL sets top priorities in the fairness, transparency, accountability and responsibility on its topmost priority.

FFL follows the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC) and other instructions, circulars, policies and guidelines issued by Bangladesh Bank, Dhaka Stock Exchange PLC (DSE), Chittagong Stock Exchange PLC (CSE) and other regulatory authorities. Our compliance with the corporate governance code has been certified by an external Audit Firm.

The purpose of the Corporate Governance Report is to provide an overview of the various activities relating to Corporate Governance.

### **Board of Directors**

#### **Board's Size**

The number of the Board Members of First Finance Limited is 07 (Seven) Directors including Independent Directors.

#### **Policy on appointment of Directors**

Bangladesh Bank circulars, BSEC notification regarding Code of Corporate Governance, Finance Company Act and Companies Act are strictly followed to appoint the Board of Directors of First Finance Limited. In order to be a member of the Board, a director other than a nominated, Independent or alternate Director, must maintain at least two percent shares of the company. As per the Companies Act, 1994, Directors are subject to retirement. At least one-third of the Directors retire by rotation in every AGM.

The term of an Independent Director is for three years and may be lengthened by another 2 terms of three years. With regards to nomination, removal and casual vacancy of the Directors, FFL follows all relevant rules and regulations of the respective regulatory bodies.

#### **Composition of the Board of Directors – Non-executive Directors and Independent Directors**

All the Directors of the Board are non-executive directors and One (1) is Independent.

#### **Independent Director**

As per the BSEC guidelines on Corporate Governance, at least one fifth of the total Directors should be Independent Directors. Therefore, in compliance with BSEC/CMRRCD/2006-158/207/Admin/80, Dated: 3 June 2018, the Board of Directors nominated Independent Directors so that the Board contains core skills considered appropriate in the frame work of the company. The Independent Directors are:

1. Mr. Md. Habibur Rahman

#### **Independent Director's independence**

The purpose of true independence, Board decided that its Independent Director do not hold any share of the Company; not associated with the Company's Promoters or Directors or Shareholders who maintains one percent or more of the total paid-up share of the Company; not related with the existing Directors or families; does not have any other relationship, not a member, Director or officer of any Stock exchange and who is not a shareholder, Director or officer of any stock exchange or an intermediary of the capital market. The Independent Director is appointed for a period of three years which may be extended by one term and subsequently rules of Corporate Governance.

#### **Role and Responsibilities of the Board**

The Board's responsibilities are to reviewing and approving the strategies and business plans for the various operating divisions against their respective business targets; prescribing the minimum standards and establishing policies on the management of credit risks and other key areas of the FFL's operations; ensuring that the operating infrastructure, systems of control, systems for risk identification and management, financial and operational controls, are in place and properly implemented; reviewing the adequacy and integrity of the FI's internal control systems. But not limited the above mentioned the subject matter.

### **Code of Conduct for the Board of Directors**

The Board of Directors follows a Code of Conduct which was adopted to provide guidance to the directors to carry out their duties in an honest, responsible and business-like manner and within the scope of their authority, as set forth in the laws of the country as well as in the Memorandum and Articles of Association of the Company. The Members shall act honestly, in good faith and in the best interests of the shareholders and the company. The members shall not make improper use of information acquired and shall not take improper advantage of the position as a director.

### **Role and Responsibilities of the Chairman**

As the Chairman of the Board of Directors (or Chairman of any Committee formed by the Board of Directors) does not personally possess the jurisdiction to apply policy making or executive authority, he shall not participate in or interfere into the administration or operational and routine affairs of the company. The Chairman may conduct on-site inspection of any branch or financing activities under the purview of the oversight responsibilities of the Board. He may call for any information relating to Company's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the Board or the Executive Committee and if deemed necessary, with the approval of the Board, he shall take necessary action thereon in accordance with the set rules through the Managing Director and CEO. Besides this, the Chairman may/shall assume any other responsibility if the Board assigns within the purview of the Rules, Regulations, Acts and Articles of the company.

### **Non-executive Director's independence**

All the Directors except the Managing Director and CEO are non-executive Directors in the Board. None of the Directors takes part in the day-to-day affairs of the Company. They attend only the Board Meetings, Audit Committee Meetings and Executive Committee Meetings to discuss the agenda reserved for the Board and Committees.

### **Training Policy of Board of Directors**

The Board Members are encouraged the training on the Corporate Governance and other Rules, Regulations and Circular of Bangladesh Bank and BSEC. FFL is fully committed to maintain highest standards of Corporate Governance & professionalism in driving the progress on the principles of transparency and accountability.

### **Appraisal of the Board's performance**

In a short form First Finance Limited appraised the Board's performance by analyzing the execution of the projects and proposals sanctioned by it. A periodical evaluation of classified and non-performing loans is continuously followed by the Board.

### **Role and Responsibilities of the Chief Executive Officer (CEO)**

In terms of the financial, business and administrative authorities vested upon him by the Board, the CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plans, efficient implementation thereof and prudent administrative and financial management. The Chief Executive Officer shall ensure compliance of the FFL Act and other relevant laws and regulations in discharge of routine functions of the company. The Chief Executive Officer shall include information on violation of any law, rules, regulation while presenting memos before the Board or the committee formed by the Board. He will provide all sorts of information to Bangladesh Bank about the violation of Financial Institutions Act, rules and regulations.

The Chief Executive Officer is appointed for a minimum period of three years subject to approval of Bangladesh Bank. The office of the Chief Executive Officer is not subject to retirement and may be extended for further three years with evaluating performance.

### **Board Meetings**

The members of the Board meet as required discussing business strategy, financial performance, matters pertaining to compliance and governance. The Board reviews, amongst others, the financial performance of the company. In addition, Special Board meetings are held, when necessary, to deliberate on major transactions and ad-hoc matters that require the Board's urgent attention and decisions. Meeting agendas, memos and reports are delivered to the Directors prior to the meetings, giving them sufficient time to evaluate the proposals. In this regard, Paperless meeting has been introduced.

### **Role of the Company Secretary**

- The Company Secretary is responsible for advising the Board on issues relating to compliance with the relevant laws, rules, procedures and regulations affecting the Board and the Bangladesh Bank, as well as best practices of governance.



- He is also responsible for advising the Directors of their obligations and duties to disclose their interest in securities, disclosure of any conflict of interest in a transaction involving the company, prohibited to deal in securities and restricted to disclose any price-sensitive information.
- Support the Chairman in the smooth functioning of the Board. Receive agenda items from other Directors/officers and ensure appropriate agenda items are tabled at Board meetings. This is done in consultation with the Chief Executive and the Chair who is responsible for preparing Board meeting agendas.
- Besides the Secretary of the Board, Company Secretary has to act as the Secretary to the Executive Committee and the Audit Committee.
- Make sure that the Directors have information to enable them to comply with the decisions and fulfill their responsibilities. This includes organizing the induction of new Directors also.
- Ensure that Board meetings are held in compliance with sufficient documents and arrangements for the meetings are made.
- Confirms that Annual General Meetings (AGMs) and Extra Ordinary General Meetings (EGMs) are run effectively. This includes confirmation that a quorum is present. Also make sure that agenda and minutes of AGMs and EGMs are circulated timely.
- File the annual list of members and summary of share capital together with the authenticated Balance Sheet and the Profit and Loss account. Issue Dividend Warrants, Bonus Share Certificates and make arrangement for disposal of fractional shares, if any.
- Maintain strict confidentiality of information, manage situations like conflict of interest, identify problems and implement or recommend solutions.
- Maintain and liaise with various corporate bodies.

#### **Audit Committee**

The Audit Committee is empowered, among other things, to examine any matter relating to the financial affairs of the Company and to review all audit and inspection reports, internal control systems and procedures, accounting policies and adherence to compliance requirements, among others.

#### **Chairman of the Audit Committee is an independent Non-Executive Director**

The Chairman of the Audit Committee is an independent Non-executive Director, who is not involved in the day-to-day operations of the company. He is an experienced individual and qualified to be the Chairman of the Audit Committee.

#### **Appointment of members and composition of the Audit Committee**

FFL's Audit Committee is a sub-committee of the Board formed in compliance with the requirements of DFIM Circular No. 01, dated 29 February, 2024 & DFIM Circular No. 02, dated 13 March, 2024 of the Bangladesh Bank and relevant BSEC notification(s) and international best practices on corporate governance. Composition of the Audit Committee consisting of an Independent Director and Non-executive Directors In compliance with the DFIM Circular No. 01, dated 29 February, 2024 of the Bangladesh Bank and Corporate Governance guidelines of BSEC, the Committee consists of maximum 5 (Five) non-executive members of the Board including an Independent Director, who is the Chairman of the Committee.

#### **Qualification of members including the Chairman**

Mr. Md. Habibur Rahman one of the Independent Directors, is the acting Chairman of the Audit Committee, possessing of vast experience. He is an Advocate of Supreme Court of Bangladesh Among other members, Mr. Masud Hossain Khan, Mr. Abu Zakir, Mrs. Amatun Noor also possess significant experience in finance, accounting and audit. All the members of the Committee are financially literate' as defined by the Corporate Governance Guidelines.

#### **Head of Internal Control and Compliance's access in the Audit Committee**

The Head of Internal Control and Compliance always has access to the Audit Committee and can raise his concerns whenever required.

### Role of Head of Internal Control and Compliance

- Ensure proper internal control system
- Prepare annual audit plans based on the result of the risk analysis
- Check compliance to internal and external regulation
- Coordinate analysis of risk in different area of operations
- Prepare annual audit plans based on the result of the risk analysis
- Check compliance to internal and external regulation
- Prepare audit programs and approaches that meet the objectives of audit
- Prepare draft audit report and conduct exit meetings
- Prepare final audit reports and circulate the reports
- Conduct special investigation on the megaton of fraud
- Works on special projects as assigned by CEO or Audit Committee

### Terms of reference of Audit Committee

- Reviewing all fraud, forgery and internal control weaknesses discovered by internal, external or regulatory auditors and thereafter keeping the Board of Directors informed of all discoveries and subsequent corrective measures.
- Reviewing whether financial statements were prepared in compliance with all directives and guidelines prescribed by the Bangladesh Bank and other applicable standards.
- Reviewing the activities and organizational structure of internal audit and ensuring that there is no barrier or limitation to the performance of an independent internal audit.
- Appraising the audit procedures and reviewing the management letter submitted by external auditors.
- Reviewing whether the rules and regulations set by regulatory authorities (Bangladesh Bank and other regulatory bodies) as well as internal policies and guidelines approved by the Board of Directors are being complied with.
- Placing quarterly reports before the Board of Directors on rectification /correction status of errors, fraud, forgery and other irregularities identified by internal auditors, external auditors and the Bangladesh Bank inspection teams.
- The Audit Committee is responsible for approving the annual Audit plan of Internal Control & Compliance Department and reviewing the plan's subsequent implementation.

### Immediate reporting to the Board of Directors

The Audit Committee shall immediately report to the Board of Directors in the following cases:

- On conflict of interest
- Suspected and presumed fraud or irregularity or material defect in the internal control system
- Suspected infringement of laws, including securities-related laws, rules and regulations and
- Any other matter which should be disclosed to the Board of Directors immediately

No such issues arose at FFL during the year ended 31 December 2024.

### Immediate reporting to the Bangladesh Securities and Exchange Commission

No such circumstances arose during the year ended 31 December 2024.

### Activities during 2024

The Committee met 4 (Four) times during the year 2024 and carried out the following tasks:

- Reviewed Audit Plan of Internal Control and Compliance Department for the year 2024;
- Reviewed the financial statements of First Finance Limited for the year ended December 31, 2023;
- Reviewed the half yearly Anti-Money Laundering (AML) activity report of First Finance Limited for the half year ended December 31, 2023;



### Quorum of the Audit Committee meetings

The number of Directors required to constitute a quorum is determined by the Board including one Independent Director. The quorum of the meeting shall not be filled until and unless the Independent Director attends the meeting. The Company Secretary may act as the secretary of the Committee.

Holding of the Audit Committee meeting during 2024

As per the Terms of Reference, the Audit Committee is required to hold at least four (4) meetings in a year. During the year ended 31 December 2024, the Committee held 4 (Four) meetings.

Sl. No.	Name of the Directors	Total no of Meeting during his/ her period	Present	Absent	Gross Remuneration	TDS	Net Payment	Attendance Percentage (%)
1	Mr. Md. Habibur Rahman	4	4	-	40,000	4,000	36,000	100.00
2	Ms. Amatun Noor	4	3	1	30,000	3,000	27,000	75.00
3	Mr. Sultan Ahmed Bhuiyan, FCA	1	1	-	10,000	1,000	9,000	100.00
4	Mr. Masud Hossain Khan	4	-	4	-	-	-	-
5	Mr. Abu Zakir	4	3	1	30,000	3,000	27,000	75.00
<b>Total</b>					<b>110,000</b>	<b>11,000</b>	<b>99,000</b>	

### Executive Committee (EC)

The matters related to the Company's ordinary business operations and matters that the Board of Directors, from time to time, authorize, are vested in this committee in accordance with taking prompt decisions and reacts swiftly to changes in the marketplace as they occur. The policy of the Executive Committee is outlined by the Board. The Executive Committee constitute by four members. They Are: (a) Mr. Md. Altaf Hossain; (b) Mr. Masud Hossain Khan, (c) Mr. Abu Zakir, (d) Mr. Abu Bakar Zahan Raminton Raza. Mr. Md. Altaf Hossain is the Chairman of Executive Committee.

### Key Terms of Reference

Delegated authority to the Executive Committee (EC) includes the followings matters:

- To review and give approval of loan/lease proposal from the Credit Committee, if deemed to appropriate.
- To give approval on fixation of interest and any other product rate against the facilities.
- To review and monitor the recovery process particularly classified loan/leases.
- To raise the issues that may be assigned by the Board.

### The Company Secretary will act as Secretary to the Committee and ensure the followings:

- As per Terms of Reference, time to time maintenance of the records of the Committee as approved by the Board.
- Preparation of Minutes of the meeting of the Committee and place the same to the following meeting of the Board on regular basis.

### Meeting of the Executive Committee

No meetings of the Executive Committee were held in the year 2024.

### Roles and Responsibilities of the Head of FAD

- Responsible for overall financial management
- Alerts of any irregularity concerning financial system
- Regulates, supervises and implements accounting & audit requirements
- Ensures proper tax management and compliance system
- Liaison with external auditor & oversee the audit procedure
- Prepares and circulates statutory annual report to stakeholders
- Assists in corporate tax planning & ensures effective tax management
- Statutory reporting to Bangladesh Bank
- Ensures overall accuracy of budgetary & financial control system

Disclosure of Remuneration of Directors, Chairman, Managing Director & CEO

The Directors of the Board are paid only honorarium for attending Board or Committee meetings. On the other hand, the Managing Director is paid with salary and allowances as fixed by the Bangladesh Bank.

**The Board of Directors Meeting, Attendance of Directors and Remuneration of Board Members in 2023**

Sl. no	Name of the Directors	Status	Total Meeting Held (during his/her period)	Number of meetings attended	Gross remuneration	TDS	Net Payment	Attendance Percentage (%)
1	Mr. Khan Mohammad Moinul Hasan	Chairman & Independent Director	3	3	26,000	2,600	23,400	100.00
2	Mr. Masud Hossain Khan	Vice - Chairman & Nominated Director	8	8	66,000	6,600	59,400	100.00
3	Mr. Abu Zakir	Vice - Chairman & Nominated Director	8	6	66,000	6,600	59,400	75.00
4	Mr. A.Q.M. Faisal Ahmed Chowdhury	Director	8	2	18,000	1,800	16,200	25.00
5	Ms. Amatun Noor	Nominated Director	8	3	46,000	4,600	41,400	37.50
6	Mr. Abu Bakar Zahan Raminton Raza	Nominated Director	7	0	-	-	-	-
7	Mr. Md. Altaf Hossain	Nominated Director	8	6	46,000	4,600	41,400	75.00
8	Mr. Md. Habibur Rahman	Independent Director	8	5	36,000	3,600	32,400	62.50
9	Mr. Sultan Ahmed Bhuiyan, FCA	Independent Director	4	4	36,000	3,600	32,400	100.00
Total					340,000	34,000	306,000	

**Note: Total 8 Board of Directors Meeting was held in the year 2024.**

## | STATEMENTS OF BOARD OF DIRECTORS |

### a) Director's statement regarding Adequacy of Internal Control Systems

The Board has reviewed the policies and manuals of various segments of businesses in order to establish an effective internal control system, which is ample for achieving sustainable growth through orderly and efficient conduct of business. The Directors have also checked the control procedures for ensuring the safeguarding of the company's asset, the prevention and detection of fraud and error, the adequacy and completeness of accounting records, timely preparation of financial information and the efficient management of risk.

The Board of Directors monitors the adequacy and effectiveness of Internal Control systems through the establishment of Audit Committee. While constituting the Audit Committee, all the conditions mentioned in the Bangladesh Bank guidelines, the Corporate Governance guidelines and Bangladesh Securities and Exchange Commission have been properly addressed. The committee has reviewed the system of internal control and management of core risks faced by the company. It has also reviewed the audit process, the FI's process for monitoring compliance with laws and regulations and codes of business conduct.

### b) Director's statement for establishing of high level of Ethics and Compliance within the organization

The Board of Directors has always been committed to establishing a high level of ethics and compliance among all employees of the institutions. They have always encouraged management to ensure that everyone maintains a high ethical standard within the company. The Board guides Management on principles that should be adopted and followed by everyone in the company.

Effective corporate governance can be achieved by adopting a set of principles and best practices. A great deal depends upon fairness, honesty, integrity and the manner in which the FI conduct their affairs. First Finance must make a profit in order to survive and grow; however, the pursuit of profits must stay within ethical bounds. The company has adopted policies that include environmental protection, whistle blowing, ethical training programs and so on. Such compliance mechanisms help develop and build a corporate image and reputation, gain loyalty and trust from clients and heighten commitment to employees.

### c) Director's Responsibility to establish appropriate System of Internal Control

The company needs to have in place an appropriate and effective internal control environment under which internal controls are developed, implemented and monitored. The control environment consists of the mechanisms and arrangements that ensure internal and external risks to which the company is exposed to are identified; appropriate and effective internal controls are developed and implemented to soundly and prudently manage these risks; reliable and comprehensive systems are to be put in place to appropriately monitor the effectiveness of these controls.

The Board of Directors has always been extremely active in establishing appropriate systems of internal control. The Board of Directors has no sympathy for any type of fraud in the company, and always promotes a sound and strong internal control system inside the company. The Board of Directors has always appreciated the internal controls that have been set up by management and have also given advice on any matters when required. The Board has always been very responsible and active in establishing an appropriate system of internal control.

On behalf of the Board of Directors



**Masud Hossain Khan**  
Chairman  
**First Finance Limited**

## | REPORT OF THE AUDIT COMMITTEE |

### Scope of work of Audit Committee

The scope of the Audit Committee of First Finance Limited is determined by its Terms of Reference (ToR) which, in turn, are shaped by directives from its principal regulators, Bangladesh Bank and the Bangladesh Securities and Exchange Commission (BSEC). These include, but are not limited to, exercising oversight over:

- The internal control system of the company
- Financial reporting
- The Internal Control and Compliance department
- Compliance with regulatory requirements

The Committee is authorized to investigate any matter within its terms of reference, access all documents and information of the company, seek information from any director or employee of the Group and co-opt any resource (including external professional assistance) it sees fit in order to fulfill its duties. However, the Committee has no executive function and its primary objective is to review and challenge, rather than assume responsibility for any matters within its periphery.

The Committee presents a summary of its activities to shareholders and other interested parties by means of this report, and the committee Chairman attends all General Meetings of the Company's shareholders to answer any questions on the committee's activities.

### Review of financial statements by the Audit Committee

The Audit Committee reviewed the Quarterly and Annual Financial Statements for the year 2024 and placed its recommendations to the Board of Directors.

Review of the activities of the Internal Control and Compliance Department (ICCD)

Major activities of the ICC department during the year were as follows:

- Execution of risk-based annual audit plan 2024.
- Conducting investigations as and when required Review of internal control system
- Issuance of timely responses to inquiries by regulators and other government agencies
- Coordination of regulatory inspections and statutory external audit Coordination of management responses to the external audit and regulatory inspection reports
- Management of First Complaint Cell
- Monitoring of anti-money laundering (AML) and combating to the financing of terrorism (CFT) compliance activities
- Coordination with Risk Analysis Unit & Risk Management Forum activities in line with regulatory directives
- Continuous review of classification process and ensure proper provisioning of non-performing loans
- Facilitation of, and participating in, Audit Committee meetings

All this enables the Committee to evaluate major risk areas, issue broad level guidance for management so as to ensure effective controls are in place and to provide accurate, appropriate and timely information to the Board of Directors, regulatory bodies and shareholders.

### Statutory External Auditor

M/S Kazi Zahir Khan & Co., Chartered Accountants, acted as statutory external auditors of the company for 2024.

### Independence of External Auditor

As a policy, the Committee prohibits the external auditors from performing any work that they may subsequently need to audit, or which might otherwise create a conflict of interest. The Committee also monitors the balance between audit and non-audit related functions to ensure that auditor independence can be shown to be maintained.

The external auditors are not engaged by the company on any material non-audit work such as:

- Appraisal or valuation services or fairness opinions;
- Financial information systems design and implementation;
- Book-keeping or other services related to the accounting records or financial statements;
- Broker-dealer services;
- Actuarial services; and
- Internal audit services

The Audit Committee appraised the expertise, resources, independence and objectivity of the external auditors and also reviewed their effectiveness as external auditors before reaching the recommendation to the Board that their re-election should be proposed to shareholders.

#### **Resolutions of the Audit Committee meeting**

The Committee met Four (4) times during the year 2024 and carried out the following tasks:

- Conducted discussions, with the statutory auditors and with management, on the financial statements of the company for the year ended December 31, 2023 before concluding that the financial statements provided a true and fair view;
- Reviewed Bangladesh Bank's inspection report on FICL of First Finance Limited based on the Financials as of December 31, 2023;
- Reviewed the financial statements of First Finance Limited for the year ended December 31, 2023;
- Reviewed Internal Audit Function in monitoring the classification and provisioning process;
- Recommended for appointment of statutory auditors for the year 2024 and fixation of their remuneration;
- Reviewed the quarterly unaudited financial statements of First Finance Limited;
- Reviewed the half yearly Anti-Money Laundering (AML) activity report of First Finance Limited for the half year ended December 31, 2023;

Based on its reviews and above-mentioned discussions, the Audit Committee is of the view that the internal control and compliance system of the company is adequate for purposes of presenting a true and fair view of the activities and financial status of the company and for ensuring that its assets are safeguarded properly against business and operational risks.



Member, Audit Committee

## | COMMUNICATION TO THE SHAREHOLDERS |

It is the company's policy that all external communication by the Company will:

- be factual and subject to internal vetting and authorization
- not omit material information
- share information in a timely, clear and objective manner

FFL strongly believes that all stakeholders should have access to complete information on its activities, performance and product initiatives.

### **Communication Channels**

We believe that the transparency encouraged by active stakeholder engagement builds recognition of our brand and ultimately enhances shareholders value. We facilitate engagement through the following channels:

- Communication through AGM
- Annual and Interim Reports;
- Press releases on business activities.

### **Communication through AGM**

All the shareholders have the right to attend the Annual General Meeting (AGM) where they can meet and communicate with the Directors and express their views regarding the Company's business, prospects and other matters of interest. The shareholders are always encouraged to attend the meetings or, if they are unable to attend, to appoint proxies.

### **Process of communicating the Schedule**

All notices of the Annual General Meeting (AGM)/ Extraordinary General Meeting (EGM) are sent to the Exchange and simultaneously to the shareholders at least 14 days prior to AGM and 21 days prior to EGM. Copies of the Annual Report are also sent at least 14 days before the Annual General Meeting to the shareholders. Notice of the AGM is sent to the Dhaka Stock Exchange (DSE), Chittagong Stock Exchange PLC, Bangladesh Securities and Exchange Commission (BSEC), online newspaper and print media. The notice of the AGM is also made available on the company website.

### **Communication through website**

The Company's website ([www.first-finance.com.bd](http://www.first-finance.com.bd)) displays the annual reports, half-yearly reports, quarterly reports, product offerings, recent announcements, presentations and event updates. Price Sensitive Information (PSI) is made publicly available as required by the Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Limited (DSE) and the Chittagong Stock Exchange PLC (CSE) and the Bangladesh Bank. In addition to ensuring timely compliance, this also enables dissemination of information to all stakeholders and the public through print and online media.

### **Communication through Quarterly Financial Statements**

The quarterly performance of FFL is communicated through the quarterly financial statements and in addition to being issued on the Company website. It is also issued in two widely circulated national dailies, one in English and another in Bangla and also in an online newspaper.

### **Investors' queries**

Any queries relating to shareholdings for example transfer of shares, changes of name and address, and payment of dividend should be sent to the following address:

### **Share Department**

#### **First Finance Limited**

Jahangir Tower (3rd Floor)

10, Kawran Bazar, Dhaka – 1215

Phone: 028189070-1, 0255013842

E-mail: [share@first-finance.com.bd](mailto:share@first-finance.com.bd)

Fax: +88029142374

## | REDRESSAL OF INVESTORS' COMPLAINT |

First Finance Limited (FFL) is strongly committed to equitable treatment of every shareholder, irrespective of their holding quantity of shares. To ensure equal treatment of all shareholders the Company has created various mechanisms, such as:

- Shareholders who are unable to attend the shareholders' meeting are entitled to nominate a proxy to vote on his/her behalf. The proxy form, which in accordance with the standard format, is sent through E-mail to the shareholders and are also available in the company website.
- The shareholders' meetings proceeds according to the order of the agenda, without adding new and uniformed agenda, in order to give the opportunity to shareholders to study the information on the given agenda before making a decision. Moreover, there are no changes to the important information in the shareholders' meeting.
- FFL provides a channel for minority shareholders to propose issues deemed important and appropriate to include in the agenda of the Company's Annual General Meeting of Shareholders and to nominate candidates with appropriate knowledge, abilities and qualifications to be considered for the position of Director.

Complaint redressal is supported by a review mechanism, to minimize the recurrence of similar issues in future.

### **FFL's Grievance Redressal policy follows the following principles**

- Investors must be treated fairly at all times without biasness;
- All issues raised by investors must be dealt with courtesy and in a timely manner;
- Investors are informed of avenues to raise their complaints within the organization;
- Complaints are treated efficiently and fairly;
- Towards the interests of the investors, FFL employees work in good faith and without prejudice.

### **Way to Redress Investor Complaints**

- Investor can complain through email at **share@first-finance.com.bd** (designated email account for investor grievance);
- An investor can also make a written complaint through letter, or complaint box of Head office;
- 2 designated officials are assigned to look after the investor grievances in due time;
- Details of the written complaint is passed to the concerned department and the Compliance Officer of the Company is informed as soon as it is received;
- A letter or mail must be written to all the investors who have submitted written complaints by the designated person or compliance officer acknowledging receipt of the complaint and informing them it will be dealt with due diligence.
- Compliance Department will obtain all information available on the complaint which is considered necessary for a proper investigation and resolve the same as soon as possible.
- There is standing policy of the company to resolve the investor complaint within seven days of the receipt of the same except cases which are complicated in nature.
- A serious complaint (where the written response does not settle the issue) must be referred to the MD & CEO and the Board of Directors (if required) of the company.
- The compliance officer of the company shall review the investor complaint register on a weekly basis to find out whether complaint has been resolved within time or not.

FFL continues to have regular communication with the shareholders through periodic updates of performance and at any other time when it believes it to be in the best interest of shareholders generally.

## | DECLARATION BY CEO AND HEAD OF FAD |

Annexure-A  
[As per condition No. 1(5) (xxvi)]

14 July, 2025

The Board of Directors  
First Finance Limited  
Jahangir Tower (3rd Floor),  
10, Kawran Bazar  
Dhaka- 1215

Subject: Declaration on Financial Statements for the year ended on 31 December 2024.

Dear Sir,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of First Finance Limited for the year ended on 31 December 2024 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the financial institute state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the bank were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the bank ability to continue as a going concern.

In this regard, we also certify that:

- I. We have reviewed the financial statements for the year ended on 31 December 2024 and that to the best of our knowledge and belief:
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. These statements collectively present true and fair view of the financial institute affairs and are in compliance with existing accounting standards and applicable laws.
- II. There are, to the best of knowledge and belief, no transactions entered into by the financial institute during the year which are fraudulent, illegal or in violation of the code of conduct for the financial institute Board of Directors or its members.

Sincerely yours,



**Shah Md. Abdul Bari**  
Chief Executive Officer



**Sompa Clara Rozario**  
Head of FAD (CC)



## | CREDIT RATING REPORT |

A credit rating evaluates the credit worthiness of business institutions. It is an evaluation made by a credit rating agency of the debtor's ability to pay back the debt and the likelihood of default. The credit rating represents the credit rating agency's evaluation of qualitative and quantitative information for a company or government; including non-public information obtained by the credit rating agencies analysts. Credit ratings are not based on mathematical formulas. Instead, credit rating agencies use their judgment and experience in determining what public and private information should be considered in giving a rating to a particular company.

First Finance Limited has been taking the Credit Rating from a reputed and renowned Credit Rating Agency of Bangladesh every year with prior consent and approval of the company's Board of Directors. The Board of Directors believes that Credit Rating can bring transparency; confirm the compliance of rules and regulations of both the Company and Regulatory Authorities; protect the Company and can open the door for achieving excellence.

**Long term Rating= 'BB+'**  
**Short term Rating = 'ST4'**  
**Outlook = Positive**

This rating was prepared by 'WASO Credit Rating Company (BD) Ltd.'

## | MEMBERSHIP CERTIFICATE WITH BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES (BAPLC) |

First Finance Limited submitted a renewal copy of membership certificate with Bangladesh Association Of Publicly Listed Companies (BAPLC) to the Exchange and published through the Annual Report.



# CERTIFICATE OF CORPORATE GOVERNANCE



ARTISAN  
CHARTERED ACCOUNTANTS

Sonargaon Terrace (2<sup>nd</sup> Floor)  
House # 52, Road # 13/C  
Block # E, Banani, Dhaka-1213  
Mobile # 01922797851  
e-mail: slm.reza@yahoo.com

## REPORT TO THE SHAREHOLDERS OF FIRST FINANCE LIMITED ON COMPLIANCE ON THE CORPORATE GOVERNANCE CODE

We have examined the compliance status to the Corporate Governance Code by **FIRST FINANCE LIMITED** for the year ended on December 31, 2024. This Code relates to the Notification No. BSEC/ CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 and Notification number BSEC/CMRRCD/2009-193/66/PRD/148 dated 16<sup>th</sup> October, 2023 issued under section 2CC of the Securities and Exchange Ordinance, 1969 of the Bangladesh Securities and Exchange Commission.


Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except the statements written in the Remarks column;
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- The Governance of the company is satisfactory.

Dhaka, 04 August 2025

  
Md. Selim Reza FCA FCS  
Partner  
ARTISAN  
Chartered Accountants

# REPORT ON COMPLIANCE OF BSEC'S NOTIFICATION ON CORPORATE GOVERNANCE

## COMPLIANCE STATUS ON CORPORATE GOVERNANCE CODE BY BSEC

Annexure-C

[As per condition No. 1(5) (xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No.9.00)

Condition No.	Title	Compliance Status		Remarks (IF ANY)
		Complied	Not Complied	
<b>1</b>	<b>Board of Directors</b>			
1(1)	Size of the Board of Directors			
	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	√	-	The number of Board member of the Company is 7 (Seven) including 1 (One) Independent Directors.
1(2)	<b>Independent Directors</b>			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	-	√	1 (One) Independent Director out of 7 (Seven) Board members namely <b>1. Mr. Md. Habibur Rahman</b> Refer to FFL's Corporate Governance Report..
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		Independent Directors does not hold any shares of total paid up capital.
1(2)(b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	√	-	None of the Independent Directors have such connections as stated.
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	√	-	None of the Independent Directors is a former employee of the Company.
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√	-	The Independent Directors have submitted declarations about their compliances
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√	-	
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√	-	
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√	-	
1(2)(b)(viii)	Who is not an independent director in more than 5 (five) listed companies;	√	-	
1(2)(b)(ix)	Who has not been convicted for a criminal offence involving moral turpitude.	√	-	
1(2)(c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	√	-	-



Condition No.	Title	Compliance Status		Remarks (IF ANY)
		Complied	Not Complied	
1(2)(c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	√	-	-
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	-	√	Such vacancy occurred
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	-	-	No such extension occurred
<b>1(3)</b>	<b>Qualification of Independent Director (ID)</b>			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√		Qualifications and backgrounds of Independent Directors confirm their capabilities as such. Details are given under Directors' Profile
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association;	-	-	Not Applicable
1(3)(b)(ii)	Corporate Leader who is or was a top-level executive not lower than Chief Executive officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	-	-	Not Applicable
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law;	-	-	Not Applicable
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-	-	Not Applicable
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√	-	Independent Directors namely Mr. Md. Habibur Rahman is enrolled as Advocate at the High Court Division of Bangladesh Supreme Court.
1(3)(c)	The independent director(s) shall have at least 10(ten) years of experiences in any field mentioned in clause (b);	√	-	Reference to the Directors Profile of this Annual report
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	-	No such deviation occurred
<b>1(4)</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer</b>			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√	-	-
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√	-	-
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√	-	-
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive officer;	√	-	-
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	-	-	No such situation occurred in the reporting year.

Condition No.	Title	Compliance Status		Remarks (IF ANY)
		Complied	Not Complied	
1(5)	The Directors' Report to the Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	√	-	
1(5)(ii)	The Segment-wise or product-wise performance;	√	-	
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√	-	
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√	-	Stated in the Financial Statement.
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	-	-	No such item exists
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	-	-	No such issue occurred
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or through any others instruments;	-	-	No such issue occurred
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing etc.;	-	-	No such issue occurred
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;	-	-	
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√	-	Note 32 of the Annual Audited Financial Report
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√	-	
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	√	-	
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√	-	
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√	-	
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√	-	
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√	-	explained in the Communication to Shareholders
1(5)(xvii)	A statement that there is no Significant doubt upon the issuer company's ability to continue as going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√	-	
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√	-	
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√	-	
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	√	-	
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√	-	

Condition No.	Title	Compliance Status		Remarks (IF ANY)
		Complied	Not Complied	
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√	-	Refer to Statement on Corporate Governance
1(5)(xxiii)	<b>A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by: -</b>			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√	-	Refer to page 7 of the Annual Report
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance their spouses and minor children (name- wise details);	√	-	
1(5)(xxiii)(c)	Executives;	√	-	
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details).	√	-	
1(5)(xxiv)	<b>In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: -</b>			
1(5)(xxiv)(a)	a brief resume of the director	√	-	Refer to Page 17 of the Annual Report
1(5)(xxiv)(b)	nature of his/her expertise in specific functional areas;	√	-	
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√	-	
1(5)(xxv)	<b>A management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in financial statements, among others, focusing on:</b>			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√	-	Refer to management Discussion and Analysis in page no. 26
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√	-	
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√	-	
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√	-	
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	√	-	
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√	-	
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√	-	
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	√	-	Refer to Page no. 42 of the Annual Report
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√	-	Please refer to Page no. 45-55 of the Annual Report
1(6)	<b>Meetings of the Board of Directors</b>			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√	-	-



Condition No.	Title	Compliance Status		Remarks (IF ANY)
		Complied	Not Complied	
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	-	-	Pursuant to Bangladesh Bank circular letter no. 18 dated on 21 May, 2024; the Audit Committee of a Finance Company will look after the affairs of Nomination and Remuneration Committee.
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company			
2	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	-	-	No subsidiary Company
2(b)	At least 1 (one) independent director of the Board of the holding company shall be a director on the Board of the subsidiary company;	-	-	No subsidiary company
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	-	-	No Subsidiary Company
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	-	-	No Subsidiary Company
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	No Subsidiary Company
3.	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO) Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓	-	Sompia Clara Rozario Head of FAD (CC) is working as CFO of FFL. For other compliances refer to Corporate Governance Report
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓	-	
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓	-	
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓	-	
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	-	-	No such instance occurred
3(2)	Requirement to attend Board of Director's Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓	-	-
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓	-	Refer to the Report of the 'CEO & CFO to the Board'
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓	-	
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent illegal or violation of the code of conduct for the company's Board or its member;	✓	-	
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓	-	

Condition No.	Title	Compliance Status		Remarks (IF ANY)
		Complied	Not Complied	
<b>4.</b>	<b>Board of Director's Committee</b>			
4(i)	Audit Committee;	√	-	-
4(ii)	Nomination and Remuneration Committee	-	-	Pursuant to Bangladesh Bank circular letter no. 18 dated on 21 May, 2024; the Audit Committee of a Finance Company will look after the work of Nomination and Remuneration Committee.
<b>5.</b>	<b>Audit Committee</b>			
<b>5(1)</b>	<b>Responsibility to the Board of Directors</b>			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√	-	Refer to Corporate Governance Report at page no. 31-36.
5(1)(b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√	-	Refer to Corporate Governance Report at page no. 31-36.
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√	-	
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√	-	
5(2)(b)	The Board shall appoint members of the audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director;	√	-	
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10(ten)years of such experience;	√	-	
5(2)(d)	When the term of service of any Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	-	-	No casual vacancy was created during 2024.
5(2)(e)	The company secretary shall act as the secretary of the Committee.	√	-	Refer to Corporate Governance Report at page no. 31-36.
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√	-	
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent director;	√	-	
5(3)(b)	In the absence of the Chairperson of the audit committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No.5(4)(b) and the reason of absence of the regular chairperson shall be duly recorded in the minutes.	N/A	-	
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	√	-	
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	√	-	
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√	-	

Condition No.	Title	Compliance Status		Remarks (IF ANY)
		Complied	Not Complied	
<b>5(5)</b>	<b>The Audit Committee shall:-</b>			
5(5)(a)	Oversee the financial reporting process;	√	-	Refer to Corporate Governance Report at page no. 31-36.
5(5)(b)	Monitor choice of accounting policies and principles;	√	-	
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance plan and review of the Internal Audit and Compliance Report;	√	-	
5(5)(d)	Oversee hiring and performance of external auditors.	√	-	
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√	-	
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval;	√	-	Conducted the Review on the 82nd Meeting of the Audit Committee held on June 24, 2024.
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	√	-	Conducted the Review of Q1, Q2 & Q3 Quarterly financial statement of 2024 on 82nd, 83rd & 84th Meeting of the Audit Committee held on June 24, 2024, July 30, 2024 & October 29, 2024 respectively.
5(5)(h)	Review the adequacy of internal audit function;	√	-	
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√	-	
5(5)(j)	Review statement of all related party transactions submitted by the management;	-	-	
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	√	-	
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√	-	
5(5)(m)	Oversee whether the proceeds raised through Initial public Offering (IPO) or Repeat public Offering (RPO) or Rights Share offer have been utilized as per the purpose stated in relevant offer document or prospectus approved by the Commission:	N/A	-	No such issue occurred
<b>5(6)</b>	<b>Reporting of the Audit Committee</b>			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√	-	Refer to Corporate Governance Report
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any: -			
5(6)(a)(ii)(a)	report on conflicts of interests;	-	-	Not applicable
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements; control system;	-	-	Not applicable
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;	-	-	Not applicable
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-	-	Not applicable

Condition No.	Title	Compliance Status		Remarks (IF ANY)
		Complied	Not Complied	
5(6)(b)	Reporting to the Authorities: -			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-	-	Not applicable
5(7)	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition 5(6) (a) (ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	-	-	Not applicable
<b>6.</b>	<b>Nomination and remuneration Committee (NRC)</b>	-	-	Pursuant to Bangladesh Bank circular letter no. 18 dated on 21 May, 2024; the Audit Committee of a Finance Company will look after the work of Nomination and Remuneration Committee.
<b>6(1)</b>	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	-	-	Pursuant to Bangladesh Bank circular letter no. 18 dated on 21 May, 2024; the Audit Committee of a Finance Company will look after the work of Nomination and Remuneration Committee.
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	-	-	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b).	-	-	
<b>6(2)</b>	<b>Constitution of the NRC</b>	-	-	
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	-	-	
6(2)(b)	All member of the Committee shall be non-executive directors;	-	-	
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	-	-	
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	-	-	
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	-	-	
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-	-	
6(2)(g)	The company secretary shall act as the secretary of the Committee;	-	-	
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	-	-	
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	-	-	

Condition No.	Title	Compliance Status		Remarks (IF ANY)
		Complied	Not Complied	
6(3)	Chairperson of the NRC	-	-	Pursuant to Bangladesh Bank circular letter no. 18 dated on 21 May, 2024; the Audit Committee of a Finance Company will look after the work of Nomination and Remuneration Committee
6(3)(a)	The Board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	-	-	
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	-	-	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	-	-	
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	-	-	
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-	-	
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No.6(2)(h);	-	-	
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	-	-	
6(5)	Role of the NRC	-	-	
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	-	-	
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	-	-	
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	-	-	
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	-	-	
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	-	-	
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	-	-	
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	-	-	
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-	-	
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	-	-	
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-	-	
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	-	-	
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	-	-	
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	-	-	
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;			
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.			

Condition No.	Title	Compliance Status		Remarks (IF ANY)
		Complied	Not Complied	
7.	<b>External or Statutory Auditors</b>			
7(1) (i)	Appraisal or valuation services or fairness opinions;			
7 (1) (ii)	Financial information system design and implementation;	√	-	
7 (1) (iii)	Book-keeping or other services related to the accounting records or financial statement;	√	-	
7 (1) (iv)	Broker –dealer services;	√	-	
7 (1) (v)	Actuarial services;	√	-	
7 (1) (vi)	Internal audit services or special audit services;	√	-	
7 (1) (vii)	Any services that the Audit Committee determines.	√	-	
7 (1) (viii)	Audit or certification services on compliance of corporate governance as required under condition No.9(1);	√	-	
7 (1) (ix)	Any other service that creates conflict of interest	√	-	
7(2)	No Partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	√	-	
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√	-	
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√	-	
8.	<b>Maintaining a website by the Company</b>	√	-	
8(1)	The Company shall have an official website linked with the website of the stock exchange.	√	-	
8(2)	The company shall keep the website functional from the date of listing.	√	-	
8(3)	The company shall make available the detailed disclosures on its website as required under the regulations of the concerned stock exchange(s)	√	-	
9.	<b>Reporting and Compliance of Corporate Governance</b>			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√	-	M/S Artisan, Chartered Accounts has been appointed in the 31st Annual General Meeting of the Company by the Shareholders
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting.	√	-	M/S Artisan, Chartered Accountants
	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√	-	
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.			



## | STATEMENT OF COMPLIANCE ON THE GOOD GOVERNANCE GUIDELINE |

Issued by Bangladesh Bank vide DFIM Circular No. 7, dated 25 September 2007 regarding the policies on the responsibility & accountability of the Board of Directors, Chairman, and Chief Executive Officer of Financial Institution. The Board of Directors of the Company has taken appropriate steps to comply with the guidelines. A status report on compliance with those guidelines is stated below:

Sl. No.	Particulars	Compliance Status
<b>1.</b>	<b>Responsibilities and authorities of the Board of Directors:</b>	
<b>(a)</b>	<b>Work-planning and strategic management:</b>	
	(i) The Board shall determine the objectives and goals and to this end shall chalk out strategies and work-plans on annual basis. It shall specially engage itself in the affairs of making strategies consistent with the determined objectives and goal and in the issue relating to structural change and reorganization for enhancement of institutional efficiency and other relevant policy matters. It shall analyze/monitor at quarterly rests development of implementation of the work-plans.	Complied
	(ii) The Board shall have its analytical review incorporated in the Annual Report as regard the success/failure in achieving the business and other targets as set out in its annual work-plan and shall apprise the shareholders of its opinions/ recommendations on the future plans and strategies.	Complied
	(iii) The Board will set the Key Performance indicator (KPI) for the CEO and other senior executives and will evaluate half yearly/yearly basis.	Complied
<b>(b)</b>	<b>Formation of Sub-Committee:</b>	
	Executive Committee may be formed in combination with directors of the Company for rapid settlement of the emergency matters (approval of loan/lease application, write-off, rescheduling etc.) arisen from the regular business activities. Except the Executive Committee and Audit Committee, no other committee or sub-committee can be formed, even in temporary basis.	Complied
<b>(c)</b>	<b>Financial Management:</b>	
	(i) Annual budget and statutory financial statement shall be adopted finally with the approval of the Board.	Complied
	(ii) Board shall review and examine in quarterly basis various statutory financial statements such as statement of income-expenses, statement of loan/lease, statement of liquidity, adequacy of capital, maintenance of provision, legal affairs including actions taken to the recovery of overdue loan/lease.	Complied
	(iii) Board shall approve the Company's policy on procurement and collection and shall also approve the expenditures according to policy. The Board shall delegate the authority on the Chief Executive Officer and among other top executives for approval of expenditure within budget to the maximum extend.	Complied
	(iv) The Board shall adopt the process of operation of bank accounts. To ensure transparency in financial matters, groups may be formed among the management to operate bank accounts under joint signatures.	Complied
<b>(d)</b>	<b>Management of loan/lease/investments:</b>	
	(i) Policy on evaluation of loan/lease/investment proposal, sanction and disbursement and its regular collection and monitoring shall be adopted and reviewed by the Board regularly based on prevailing laws and regulations. Board shall delegate the authority of loan/lease/investment especially to management preferably on Chief Executive Officer and other top executives.	Complied
	(ii) No Director shall interfere on the approval of loan proposal associated with him. The director concerned shall not give any opinion on that loan proposal.	Complied
	(iii) Any syndicated loan/lease/investment proposal must be approved by the Board.	Complied



Sl. No.	Particulars	Compliance Status
(e)	<b>Risk Management</b>	
	Risk Management Guideline framed in the light Core Risk Management Guideline of Bangladesh Bank shall be approved by the Board and reviewed by the Board regularly.	Complied
(f)	<b>Internal Control and Compliance Management:</b>	
	A regular Audit Committee as approved by the Board shall be formed. Board shall evaluate the reports presented by the Audit Committee on compliance with the recommendation of internal auditor, external auditors and Bangladesh Bank Inspection team.	Complied
(g)	<b>Human Resource Management</b>	
	Board shall approve the policy on Human Resource Management and Service Rule. Chairman and director of the Board shall not interfere on the administrative job in line with the approved Service Rule.	Complied
	Only the authority for the appointment and promotion of the Managing Director & Chief Executive Officer/ Additional Managing Director/ Deputy Managing Director/ Sr. Executive Vice President/ Executive Vice President and other equivalent position shall lie with the Board in compliance with the policy and Service Rule. No director shall be included in any Executive Committee formed for the purpose of appointment and promotion of others.	Complied
(h)	<b>Appointment of Managing Director &amp; CEO</b>	
	The Board shall appoint a component Managing Director & CEO for the Company with the approval of the Bangladesh Bank and shall approve any increment of his/her salary and allowances.	Complied
(i)	<b>Benefits offer to the Chairman</b>	
	The Chairman may be offered an office room, a personal secretary, a telephone at the office, a vehicle in the business-interest of the Company subject to the approval of the Board.	Complied
<b>2.</b>	<b>Responsibilities of the Chairman of the Board of Directors:</b>	
(a)	The Chairman shall not participate in or interfere into the administrative or operational and routine affairs of the Company as he has no jurisdiction to apply executive power;	Complied
(b)	The minutes of the Board meetings shall be signed by the Chairman;	Complied
(c)	The Chairman shall sign-off the proposal for appointment of Chief Executive Officer and increment of his salaries & allowances;	Complied
<b>3.</b>	<b>Responsibilities of Chief Executive Officer:</b>	
(a)	The Managing Director or Chief Executive Officer shall discharge his responsibilities on matters relating to financial, business and administration vested by the Board upon him. He is also accountable for achievement of financial and other business targets by means of business plan, efficient implementation of administrative and financial management;	Complied
(b)	The Managing Director or Chief Executive Officer shall ensure compliance of Financial Institution Act 1993 and other relevant Circulars of Bangladesh Bank and other regulatory authorities;	Complied
(c)	All recruitment/promotion except recruitment/ promotion of Additional Managing Director, Deputy Managing Director, Sr. Executive Vice President & Executive Vice President and other equivalent position shall be vested upon the Chief Executive. He shall act such in accordance with the approved HR Policy of the Company.	Complied
(d)	The Chief Executive Officer may re-schedule job responsibilities of employees;	Complied
(e)	The Chief Executive Officer may take disciplinary actions against the employees except the AMD, DMD, Sr. Executive Vice President & Executive Vice President or equivalent positions;	Complied
(f)	The Chief Executive Officer shall sign all the letters/statements relating to compliance of policies and guidelines. However, Department/Unit heads may join daily letters/statements as set out in DFIM circular no. 2 dated 06 January 2009 if so, authorized by the Managing Director and CEO.	Complied

## | DIVIDEND DISTRIBUTION POLICY |

### A. Introduction:

As per the provisions of the Directive of Bangladesh Securities and Exchange Commission bearing No. BSEC/CMRRCD/2021-389/03, dated 14 January, 2021; the Dividend Distribution Policy of First Finance Limited is formulated and shall be disclosed in the Annual Report and also in the official website.

### B. Approval history:

This Policy has been adopted by the Board of Directors of First Finance Limited (hereinafter referred to as FFL) in its 352nd Meeting held on 20 March, 2023. The policy will be reviewed by the Board of Directors as and when required.

### C. Process for Distribution of Dividend:

#### a. Cash Dividend Distribution Process:

- i. Within 10 (ten) days of declaration of cash dividend by the Board of Directors, an amount equivalent to the declared cash dividend payable for the concerned year shall be kept in a separate bank account of FFL, dedicated for this purpose only;
- ii. FFL shall payoff cash dividend directly to the bank account of the entitled shareholder or unit holder as available in the BO account maintained with the Depository Participant (DP), or the bank account as provided by the shareholder or unit holder in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN);  
 Provided that the FFL may payoff such cash dividend through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to payoff through BEFTN;
- iii. FFL, upon receiving the claim on cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of stock broker or merchant banker or portfolio manager, shall payoff such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or the separate Bank Account of the Merchant Banker or the Portfolio Manager through BEFTN;  
 Provided that upon receiving the cash dividend, the stock broker or merchant banker or portfolio manager shall immediately account for such dividend in the individual client's portfolio account;  
 Provided further that the stock broker or merchant banker or portfolio manager shall provide detailed information (e.g. BO Account number, code number, Bank account number, intention, etc. of the client or customer including CCBA of stock broker or separate bank account of merchant banker or portfolio manager) to FFL for such claim.
- iv. FFL, in case of non-availability of bank account information or unable to distribute cash dividend through BEFTN or any electronic payment system, shall issue cash dividend warrant and shall send it by post to the shareholder or unit holder;
- v. FFL shall payoff cash dividend to non-resident sponsor, director, shareholder, unit holder or foreign portfolio investors (FPI) through the security custodian in compliance with the rules or regulations in this regard;
- vi. FFL immediately after disbursement of the cash dividend and issuance of certificate of tax deducted at source, if applicable, shall intimate to the shareholder or unit holder through a short message service (SMS) to the mobile number or email address as provided in the BO account or as provided by the shareholder or unit holder;
- vii. FFL will maintain detailed information of unpaid or unclaimed dividend and rationale thereof; as per BO account number-wise or name-wise or folio number-wise of the shareholder or unit holder; and shall also disclose the summary of aforesaid information in the annual report and shall also report in the statements of financial position (Quarterly/ Annually) as a separate line item 'Unclaimed Dividend Account';
- viii. Provided that the FFL shall publish the year-wise summary of its unpaid or unclaimed dividend in the websites; Provided further that any unpaid or unclaimed cash dividend including accrued interest (after adjustment of Bank Charge, if any) thereon, if remains, shall be transferred to a separate bank account of FFL as maintained for this purpose, within 1 (one) year from the date of declaration or approval or record date, as the case may be.

#### **b. Stock Dividend or Bonus Share Distribution Policy**

FFL, shall credit stock dividend directly to the BO account or issue the bonus share certificate of the entitled shareholder, as applicable, within 30 (Thirty) days of declaration or approval or record date, as the case may be, subject to clearance

of the exchange(s) and the Central Depository Bangladesh Limited (CDBL);

#### **D. Process for Issuance of Stock Dividend or Bonus Share**

FFL, the CDBL and the Exchanges shall follow the provisions of প্রবিধান ৪৬ of the ডিপজিটরি (ব্যবহারিক) প্রবিধানমালা, ২০০৩ for issuance of bonus Shares;

Provided that FFL shall maintain a suspense BO account for undistributed or unclaimed stock dividend or bonus shares and shall also follow the under mentioned procedures for ensuring the rightful ownership:

- (i) FFL shall send at least 3 (Three) reminders to the entitled shareholder;
- (ii) The Suspense BO Account shall be held under Block Module and such undistributed or unclaimed stock dividend or bonus shares shall not be transferred in any manner except for the purpose of allotting the bonus shares as and when the allottee approaches to FFL;
- (iii) Provided that any corporate benefit in terms of shares accrued on such undistributed or unclaimed stock dividend or bonus share shall be credited to the Suspense BO Account.
- (iv) FFL shall, upon receiving application from the allottee and after proper verification of identity and his entitlement, credit the bonus shares lying with the Suspense BO Account to the BO Account of the allottee, or issue bonus shares to the allottee, as applicable, within 15 (Fifteen) days of receiving application with an intimation to the Commission and the Exchange(s);
- (v) Any voting rights on such undistributed or unclaimed stock dividend or Bonus shares shall remain suspended till the rightful ownership claim of the shareholder is established.

#### **E. Compliance Report regarding Dividend Distribution**

FFL shall submit a compliance report to the Commission and the Exchange(s) in a specific format at Annexure-A [sample given by the BSEC] in respect of the Clause (B), (C), (D) and (E) above, within 7 (Seven) working days of completion of dividend distribution;

Provided that FFL shall publish the compliance report in its website.

#### **F. Forfeiture of unclaimed cash or stock dividend**

FFL shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of the land in force.

#### **G. Transferred to the Fund of the Commission for unpaid or unclaimed or unsettled cash dividend**

If any cash dividend remains unpaid or unclaimed or unsettled including accrued interest (after adjustment of bank charge, if any) thereon for a period of 3 (Three) years from the date of declaration or approval or record date, as the case may be, shall be transferred by FFL to the fund as directed or prescribed by the Commission;

Provided that FFL shall provide detailed information to the manager of the fund during transfer of cash dividend as directed or prescribed by the Commission;

Provided further that if any shareholder or unit holder claims his cash dividend after transfer of such dividend to the Fund, within 15 (Fifteen) days of receiving such claim, FFL shall, after proper verification of the claim, recommend to the manager of the fund to payoff such dividend to the claimant in accordance with the provisions and procedures as directed or prescribed by the commission.

#### **H. Transferred to the Fund of the Commission for unclaimed or unsettled stock dividend or bonus shares**

If any stock dividend or bonus shares remain unclaimed or unsettled including corporate benefits in terms of bonus shares thereon for a period of 3 (Three) years from the date of declaration or approval or record date, as the case may be, shall be transferred in dematerialized form to the BO Account of the fund as mentioned at Clause No. G;

Provided that FFL shall provide detailed information to the manager of the fund during transfer of stock dividend or bonus shares as directed or prescribed by the Commission;

Provided further that if any shareholder claims his stock dividend or bonus shares after transfer of such dividend or bonus share to the BO Account of the Fund, within 15 (Fifteen) days of receiving such claim, FFL shall, after proper verification of the claim, recommend to the manager of the fund to payoff such dividend or bonus share to the claimant's BO Account in accordance with the provisions and procedures as directed or prescribed by the commission.

**I. Maintaining Detail Information of the shareholder or unit holder for the purpose of proper distribution of cash dividend or stock dividend**

FFL, by itself or by appointing an Agent, shall maintain detailed information of BO Account, Bank Account, Mobile Phone Number, E-mail address and address of the shareholder or unit holder for the purpose of proper distribution of cash dividend or stock dividend;

Provided that FFL or its agent or the CDBL or its DP shall keep confidentiality of information.

Provided further that FFL shall collect such detailed updated information from the CDBL or its DP from time to time as and when required for the purpose of proper distribution of cash dividend or stock dividend and other compliances. In case of holding paper shares, the FFL shall update the information at least once a year.

**J. Binding clause**

In the event of any confusion or difference of opinion on any matter whatsoever, FFL shall be bound to follow the decision of the Commission and shall consider the decision of the Commission is final on all concerned.

**Auditor's Report  
&  
Financial Statements**

# | AUDITOR'S REPORT TO THE SHAREHOLDERS OF FIRST FINANCE LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS |

## Qualified Opinion

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

In our opinion, except for the effects of the matter described in the basis for qualified opinion section of our report, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 31 December 2024, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in Note 2, and comply with the International Financial Reporting Standards (IFRSs), the requirements of the Financial Institutions Act, 2023, the rules and regulations issued by Bangladesh Bank, the Companies Act, 1994, the Securities and Exchange Rules 2020, Income Tax Ordinance and Rules, 1984, The Value Added Tax and Supplementary Duty Act, 2012, The Value Added Tax and Supplementary Duty Rules, 2016 (as amended up to date).

## Basis for Qualified Opinion

1. We draw your attention to note-3.00 of the financial statements where the Company reported that it has been maintained its CRR and submitted to Bangladesh Bank on regular basis though the Company failed to repay its depositor, lender and regulator on maturity in full fledge since 2021. On the other hand, the Company reported that it maintained SLR and report has been submitted on regular basis to Bangladesh Bank without considering an outstanding balance with People's Leasing and Financial Services Limited and International Leasing and Financial Services Limited amount to Taka 20.30 crore which is doubtful to recovery.
2. We draw attention to the classification of leases, loans and advances under note no. 7.00 of the financial statements, where 94.84% of leases, loans and advances are classified in accordance with Bangladesh Bank and the Company avail forbearance through vide Letter no. DFIM(C)1054/31/2022-1980, dated-06 July 2022. On the other hand, non-recovery of leases, loans and advances the Company is suffering with huge liquidity crisis. We also observed the following matters regarding leases, loans and advances:
  - leases, loans and advances have been sanctioned against 1729 no. of leases, loans and advances IDs without eligible collateral securities amount to Taka 146.66 crore out of which 78% leases, loans and advances have been remained classified. On the other hand, leases, loans and advances have been sanctioned amount to Taka 612.23 crore against 333 no. of leases, loans and advances IDs where collateral has been considered. Out of which 96.66% leases, loans and advances have been remained classified.
  - 94.84% of total leases, loans & advances amount to Taka 719.75 crore has been classified against which only Taka 40.18 crore has been recovered in cash during year 2024 which is only 4.27% of the total outstanding where the current cost of fund is 13.20% which turned the business in negative operating income and operating cashflows. In addition, the Company has been recovered Taka 38.00 crore from take-over loan.
  - leases, loans and advances have been rescheduled against 301 no. of leases, loans and advances IDs amount to Taka 426.32 crore since inception which is 56.18% of total outstanding leases, loans and advances. Moreover, 65 no. of leases, loans and advances IDs have not been paid any single installments since rescheduled which is 53.43% of the total outstanding rescheduled leases, loans and advances. Furthermore, 164 no. of leases, loans and advances IDs have no eligible securities which is 11.06% of the total outstanding rescheduled leases, loans and advances. On the other hand, 291 no. of parties were remained classified which is 99.10% of the total outstanding rescheduled leases, loans and advances. Also, furthermore that, 10 no. of leases, loans and advances IDs were remained unclassified which is 0.90% of the total outstanding rescheduled leases, loans and advances due to rescheduled approved two or more times.
  - leases, loans and advances have been restructured against 47 no. of leases, loans and advances IDs amount to Taka 83.89 crore since inception which is 11.05% of total outstanding leases, loans and advances. Moreover, 09 no. of leases, loans and advances IDs have not been paid any single installments since restructuring which is

27.87% of the total outstanding restructured leases, loans and advances. Furthermore, 22 no. of leases, loans and advances IDs have no eligible securities which is 25.41% of the total outstanding restructured leases, loans and advances. On the other hand, 40 no. of leases, loans and advances IDs were remained classified which is 76.37% of the total outstanding restructured leases, loans and advances. Also, furthermore that, 07 no. of leases, loans and advances IDs were remained unclassified which is 23.64% of the total outstanding restructured leases, loans and advances due to restructured approved two or more times.

- It is also noted that the Company avail deferral facilities from Bangladesh Bank regarding maintenance of provision on leases, loans and advances amount to Taka 73.00 crore as per Bangladesh Bank vide letter no. DFIM(C)/1054/31/2022-1980 dated 06 July 2022.
  - We draw your attention to the financial highlights of the Company where Credit deposit ratio was presented to 102.33% which is decreased from the prior year due to implementation of DFIM Circular No.4, dated- 26 July 2021 regarding changes in Interest Suspense amount to Taka 11.45 crore and Suspense Account Charge amount to Taka 37.77 crore which were described in note no 14.00 of the financial statements.
3. In accordance with Section 146 of Income Tax Act 2023, all sums collected or deducted as taxes should be re-mitted the government within the prescribed time. The Company has recorded withholding tax payable of Taka 36.54 crore as at December 31, 2024. This balance represents unpaid withholding taxes which have been collected and deduct by the Company. As per Section 143 of Income Tax Law 2023, failure to deposit collected or deducted taxes may result in additional penalty of @ 2% per month. Unpaid withholding taxes collected by the Company may result in additional penalty, against which the Company has not recognized on the Profit & Loss Account they ended December 31, 2024. Also, VAT and Excise duty amount of Taka 0.60 crore remained unpaid since long which also may carry penalty @ 2% per month.
4. As per Circular 18 issued by the Bangladesh Bank's Banking Regulation and Policy Department, dated-21 December 2014, the Company is required to maintain minimum capital to risk weighted asset CRAR 10% and 12.50% conservation buffer. On verification, the Company has failed to maintain Capital to Risk-weighted Assets Ratio (CRAR) as per Bangladesh Bank.

On the other hand, the Company has been failed to inject new capital till date. The Company represent negative Capital to Risk Weighted Asset Ratio (CRAR) is 62.95% and shortage of required Capital amount to Taka 521.83 crore by only considering the forbearance of Bangladesh Bank by vide letter no. DFIM(C)/1054/31/2022-1980 dated 06 July 2022. Otherwise, shortage of required capital stood amount to Taka 594.83 crore and negative Capital to Risk Weighted Asset Ratio (CRAR) will be 71.83%

### Emphasis of Matter

We draw attention to the following matters, though our opinion is not qualified in respect of the same:

1. Refer to note no 11.00 of the Financial Statements representing Borrowings from Other Banks, Financial Institutions and Agents amount to Taka 119.15 crore on 2024 which is 3.94% higher than previous year. The movement indicates that the Company paid only interest against borrowings rather than paid the principal.
2. We draw your attention to note no-13.00 of the financial statements where Deposit and other accounts reported amount to Taka 622.46 crore and the Company reported that they could not pay in maturity on demand due to liquidity crisis which reduces the bargaining power with its depositor. The following instances was observed that-
  - Interest rate has been increased due to payment is delayed by the Company. During the year the average interest rate is 8.79% which increased gradually over the year and stood 9.93%. The Company has taken amount to Taka 204.55 Crore as deposit against which agreed to pay more than 10% to 14.70% interest and the said amount is 32.86% of the Company total deposit. But in the same time the Company's actual interest earning assets is to Taka 75.35 crore out of the total assets amount to Taka 886.73 crore which is only 8.50%. This event may hamper to the rights of the depositor in near future regarding their recovery of principal & interest.
  - 291 no. of parties has monthly benefit scheme which were matured up to 2024 amount to Taka 40.98 crore out of which 31 no. of parties' amount to Taka 2.49 crore were paid and the remaining 260 no. of parties has not paid any amount on due time but duly renewed due to liquidity crisis.
  - We also draw your attention to note no-14.07 of the financial statements where the Company reported TDR Payable amount to Taka 35.89 crore against FDR which were matured but to repaid in cash. The amount remains in increasing trend since long. The depositors were not getting any interest on the said amount which.



3. As per paragraph 81 (c) of IAS 12, a Company should disclose separately an explanation of the relationship between tax expense (income) and accounting profit in either or both of the following forms:
  - A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate (s), disclosing also the basis on which the applicable tax rate (s) is (are) computed; or
  - A numerical reconciliation between the average effective tax rate and the applicable tax rate, disclosing also the basis on which the applicable tax rate is computed.
4. The Company didn't maintain Core Banking Solution (CBS) features and controls which incurred several differences between financial statements and source documents. The Company reported significant differences with classification of loan statement with general ledger since 2018. During the year the financial statements has been restated on the same ground and which is described in note no-18.00 of the financial statements.
5. As per section 26 of the Financial Institution Act 2023 "No financial institution shall expend or use more than 25 per cent of its paid-up capital and reserves for the acquisition or holding of any kind of shares of financial, commercial, agricultural or industrial institutions or of any similar institution and shall, as fast as possible, sell to the institutions concerned the shares acquired in the interest of realizing the credits granted by it." Investment against share amount to Taka 1.07 crore has been reported by the entity as on 31 December 2024 and the total equity of the entity remain negative as on 31 December 2024 Though the investments were made at the time the equity was positive.
6. We draw your attention to note no-15.00 of the financial statements where the Company reported share capital. The Company did not comply with the requirement of RJSC regarding submission of files to RJSC for updating Schedule X and From XII since 27 September 2018 and 09 December 2021 respectively. Though the Company filed RJSC return as on 19 November 2023.

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

#### Other Matters

1. As per section 232 & 234 of Bangladesh Labor Act 2006 as amended up to 2013 every Company should establish a Workers Profit Participation Fund (WPPF) and Workers' Welfare Fund (WWF) within one month of being this chapter applicable if
  - i. The paid-up capital of the Company as on the last day of its accounting year is one crore taka or more; and
  - ii. The value of the fixed assets of the Company at cost as on the last day of the accounting year is two crore or more.
 The Company is required to establish the WPPF and WWF to comply with the Bangladesh Labor Act 2006 and as amended.
2. We draw attention to changes in accounting estimates and errors (IAS-8) under note 2.21 of the financial statements for restatement of the financial statements for the year ended 31 December 2024.
3. We draw your attention to note no-11.00 of the financial statements where the Company hold non-banking assets more than 7 years amount to Taka 17.67 crore.
4. The First Finance Limited holds one (01) accounts with Bangladesh Bank in both local and foreign currencies. As of 31 December 2024, the outstanding balance with Bangladesh Bank was Taka 35,091,913. On the other hand, as of 31 December 2024, the current account and Short-Term Deposits (STD) account balance was Taka 0.42 crore and Taka 2.13 crore respectively, held across eighteen (18) different banks with 22 different branches.

In addition, the Company has maintained FDR with seven (7) Banks and two (02) Non-Bank Financial Institutions (NBFIs) with amounted to Taka 40.48 crore. Despite our request to all banks to confirm their balances directly, only fourteen (14) branches have provided confirmation letters related to current accounts, Short-Term Deposits (STD) and Fixed Deposit Receipt to date. On the other hand, we have sent direct balance confirmation the top 20 depositor and borrower but only one depositor balance confirmation was received as of date. Though we have performed alternative procedure.

## Material Uncertainty

The Company represents negative net interest income amount to Taka 43.42 crore and remains negative since 2017. The Company also represent negative operating income amount to Taka 42.86 crore and remain negative since 2020. On the other hand, the Company represent negative operating cash flow amount to Taka 8.21 crore and remain negative since 2019. The Company total negative shareholders' equity represent amount to Taka 448.83 crore. The Company has been suffering serious liquidity crisis since 2017 and then the Company avail for bearance facility for 7 years from Bangladesh Bank through vide letter no. DFIM(C)1054/31/2022-1980, dated-06 July 2022. It is also noted that the Company total NPL as on 31 December 2024 is nearly 94.84% without considering writ petition taken by the parties from the Honorable court. Beside these, deposit of the Company has been decreased due to the current market reputational damage of the Company. The above events & circumstances indicate that the Company has material uncertainty related to going concern unless consecutive backing from the Bangladesh Bank. Our report has not been modified on the same.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

DESCRIPTION OF KEY MATTERS	OUR RESPONSE TO KEY AUDIT MATTERS
<b>Measurement of provision for loans, advances and leases</b>	
<p>We have focused on the following significant judgements and estimates which could give rise to material misstatement or management bias:</p> <ul style="list-style-type: none"> <li>➤ Completeness and timing of recognition of loss events in accordance with criteria set out in Bangladesh Bank's guidelines issued time to time.</li> <li>➤ For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows;</li> <li>➤ Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates. At year end 2024 the Company reported total gross loans, advanced and leases of amount of Taka 7,588,894,890 (2023: amount of Taka 8,201,300,397) and provision for loans and advanced of amount to Taka 2,165,365,536(2023: amount of Taka 2,027,488,451).</li> </ul>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; and</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</li> </ul>
<b>See note no 7 and 14.01 to the financial statements</b>	

DESCRIPTION OF KEY MATTERS	OUR RESPONSE TO KEY AUDIT MATTERS
<b>Interest income recognition</b>	
<p>Recognition and measurement of interest income involve complex IT environment as well as require critical estimates and judgment. Since interest income from loans and advances is one of the key performance indicators of the Company there is an inherent risk of fraud and error in recognition of interest income.</p> <p>Accordingly, this has been considered as key audit</p>	<p>We tested the design and operating effectiveness of key controls including automated control over recognition and measurement of interest on loans and advances.</p> <p>For selected customers and loan files on sample basis we have also performed substantive test of details including recalculation and cut-off testing to check accuracy of interest income.</p> <p>Finally, we also conducted substantive analytical procedures to assess reasonableness of interest recognized during the year with reference to the product wise outstanding loan balances</p>
<b>See note no 21 to the financial statements</b>	

DESCRIPTION OF KEY MATTERS	OUR RESPONSE TO KEY AUDIT MATTERS
<b>Adequacy of income tax provision and measurement of deferred tax assets</b>	
<p>Calculation of income tax provision required compliance with the Income Tax Act 2024 including careful consideration of various temporary and permanent differences. Furthermore, upon final settlement of pending tax assessments any excess or short provision of current tax is also adjusted in the current year.</p> <p>Finally, significant judgment is required in relation to deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years.</p> <p>Accordingly, this area has been considered as key audit matter.</p> <p>At year end of 2024 the Company reported income tax provision of Taka 317,264,036 (2023: Taka 315,713,122) and corresponding current income tax charges of Taka 1,550,914 (2023: BDT 3,424,195). In addition, total deferred tax assets of Taka 3,360,329(2023: BDT 2,991,650) recognized by the Company.</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 both current tax and deferred tax, including the assumptions used in estimating the Company taxable income.</p> <p>We reviewed tax position for those years where income tax assessment is pending and assess adequacy of tax provision recorded by the Company. Special focus attention was given to any reversal/adjustment of income tax provision from prior year.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income. The Company has not sufficient taxable profit to recover the deferred tax assets in foreseeable future.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition and measurement of current and deferred tax.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax including deduction of DTA on specific provision from regulatory capital.</p>
<b>See note no 14.01 &amp; 10.04 and Provision for tax in Profit and Loss Account to the financial statements</b>	

DESCRIPTION OF KEY MATTERS	OUR RESPONSE TO KEY AUDIT MATTERS
<b>Legal and regulatory matters</b>	
<p>We focused on this area because the Company's operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over compliance with various regulatory directives and process to create provision, if any.</p> <p>We enquired to those charged with governance to obtain their view on compliance status of all regulatory matters.</p> <p>We enquired of the Company internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We also assessed the Company's provisions and contingent liabilities disclosure.</p>
<b>Implementation of IFRS 16 Leases</b>	
<p>IFRS 16 modifies the accounting treatment of operating lease at inception, with the recognition of a right of use (ROU) on the list asset and of a liability for the lease payments over the lease contract term. With respect to operating leases of premises used by the Company, at inception of the lease, the lessor receives a right of using the premises, in exchange of a lease debt, using an implicit discount rate.</p> <p>Our key audit matter was focused on all leasing arrangements within the scope of IFRS 16 are identified and appropriately included in the calculation of the transitional impact and specific assumptions applied to determine the discount rates for lease are inappropriate.</p>	<p>In responding to the identified key audit matter, we complete the following audit procedures;</p> <p>Assessed the design and implementation of key controls pertaining to the determination of the IFRS 16 Leases impact on the financial statements of the Company;</p> <p>Assessed the appropriateness of the discount rates applied in determining lease liabilities;</p> <p>Verified the accuracy of the underlying lease data by agreeing to original contract and checked the accuracy of the IFRS 16 calculations through recalculation of the expected IFRS 16 adjustment; and assessed whether the disclosures within the financial statements are appropriate in light of the requirements of IFRS.</p>
<b>See note no 9, 14.07.01&amp;27 to the financial statements</b>	

DESCRIPTION OF KEY MATTERS	OUR RESPONSE TO KEY AUDIT MATTERS
<b>IT systems and controls</b>	
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment; the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.</p>	<p>We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Company's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p>

### Reporting on 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. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information obtained prior to the date of this audit report, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs as explained in note 2, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these 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.

### Auditors' Responsibilities for the Audit of the Financial Statement

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We also provide those charged with governance with a statement that we have completed with relevant ethical requirements regarding independence and to communicate with them all relationships and 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 statement of our current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, the Financial Institutions Act, 2023 and the rules and regulations issued by Bangladesh Bank (as amended up to date), we also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- d) the expenditures incurred were for the purpose of the Company's business for the year;
- e) the financial statement of the Company has been drawn up in conformity with the Financial Institution Act, 2023 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company;
- f) adequate provisions have been made for loans, advances, leases, investment and other assets which are, in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly;
- g) the financial statements of the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- h) the records and statements which were submitted by the branches have been properly maintained and recorded in the financial statements;
- i) statements sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention;
- j) taxes and other duties were collected to be and deposited in the Government treasury by the Company as per Government instructions found satisfactory based on test checking;
- k) nothing has come to our attention that the Company has adopted any unethical means i.e., 'window dressing' to inflate the profit and mismatch between the maturity of assets and liabilities;
- l) proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;

- m) based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;
- n) the Company has complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/leases found satisfactory;
- o) we have reviewed over 85% of the risk weighted assets of the Company and we have spent around 2,240 person hours for the audit of the books and accounts of the Company;
- p) the Company has complied with relevant instructions which were issued by Bangladesh
- q) the Company relevant to classification, provisioning and calculation of interest suspense;
- r) the Company has complied with Bangladesh Bank DFIM circular no.11, dated-23 December 2009, in preparing these financial statements; and
- s) All other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.



DVC: 2506290240AS625108  
Dhaka, Bangladesh  
Date: 29 June, 2025

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**Md. Nurul Hossain Khan FCA** (Enl# 0240)  
Managing Partner  
**Kazi Zahir Khan & CO.**  
Chartered Accountants  
FRC Registration #CAF-001-116



## First Finance Limited Balance Sheet

As at 31 December 2024

Particulars	Notes	Amount in Taka		
		2024	2023 - Restated	2023
PROPERTY & ASSETS				
Cash	3	35,143,379	41,614,511	41,614,511
Cash in hand (including foreign currencies)		51,466	91,308	91,308
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		35,091,913	41,523,203	41,523,203
Balance with Other Banks and Financial Institutions	4	430,411,129	459,930,826	459,930,826
Inside Bangladesh		430,411,129	459,930,826	459,930,826
Outside Bangladesh		-	-	-
Money at call and on short notice	5	-	-	-
Investments	6	10,681,699	13,087,019	13,087,019
Government		-	-	-
Others		10,681,699	13,087,019	13,087,019
Leases, Loans and Advances	7	7,588,894,890	8,201,300,397	8,247,671,646
Loans, Cash Credits, Overdrafts, etc.		7,588,894,890	8,201,300,397	8,247,671,646
Bills Purchased and Discounted	8	-	-	-
Fixed assets including premises, furniture and fixtures	9	88,940,378	68,964,953	68,964,953
Other assets	10	536,594,175	536,850,275	536,850,275
Non-banking assets	11	176,677,732	176,677,732	176,677,732
Total Assets		8,867,343,382	9,498,425,712	9,544,796,961
LIABILITIES & CAPITAL				
Liabilities				
Borrowings from Other Banks, Financial Institutions and Agents	12	1,191,494,502	1,146,370,249	1,146,370,249
Deposits and Other Accounts	13	6,224,604,572	6,304,662,801	6,304,662,801
Current deposits and other accounts		-	-	-
Bills payable		-	-	-
Savings bank deposits		-	-	-
Fixed/term deposits		6,198,617,572	6,271,991,801	6,271,991,801
Monthly Savings Scheme		25,987,000	32,671,000	32,671,000
Bearer certificate of deposit		-	-	-
Other deposits		-	-	-
Other Liabilities	14	5,939,553,695	5,852,290,932	5,852,393,150
Total Liabilities		13,355,652,769	13,303,323,982	13,303,426,200



**First Finance Limited**  
**Balance Sheet**  
As at 31 December 202

Particulars	Notes	Amount in Taka		
		2024	2023 - Restated	2023
<b>Capital/ Shareholders' Equity</b>				
Paid-up capital	15	1,185,446,630	1,185,446,630	1,185,446,630
Statutory reserve	16	369,944,452	369,944,452	369,944,452
General reserve	17	-	-	-
Retained earnings	18	(6,043,700,469)	(5,360,289,352)	(5,314,020,321)
<b>Total Shareholders' Equity</b>		<u>(4,488,309,387)</u>	<u>(3,804,898,272)</u>	<u>(3,758,629,239)</u>
<b>Total Liabilities and Shareholders' Equity</b>		<u>8,867,343,382</u>	<u>9,498,425,712</u>	<u>9,544,796,961</u>
<b>Off-Balance Sheet Items</b>				
<b>Contingent liabilities</b>				
Acceptances and endorsements	19	-	-	-
Letters of guarantee		-	-	-
Irrevocable letters of credit		-	-	-
Bills for collection		-	-	-
Other contingent liabilities		-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>
<b>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 and other commitments		-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>
<b>Total off-Balance Sheet items including contingent liabilities</b>		<u>-</u>	<u>-</u>	<u>-</u>
Signed in terms of our report of even date annexed				
<b>Net Asset Value per Share (NAV)</b>		<u>(37.86)</u>	<u>(32.10)</u>	<u>(31.71)</u>

Signed in terms of our report of even date annexed

The accompanying notes form an integral part of this financial statement.

  
**Shah Md. Ahbul Bari**  
Chief Executive Officer

  
**Md. Habibur Rahman**  
Director

  
**Abu Zakir**  
Director

  
**Masud Hossain Khan**  
Chairman

Signed in terms of our report of even date annexed

DVC: 2506290240AS625108  
Dhaka, Bangladesh  
Date: 29 June, 2025

  
**Md. Nurul Hossain Khan FCA** (En# 0240)  
Managing Partner  
**Kazi Zahir Khan & CO.**  
Chartered Accountants  
FRC Registration #CAF-001-116

**First Finance Limited**  
**Profit and Loss Accounts**  
For the Year ended 31 December 2024

Particulars	Notes	Amount in Taka		
		2024	2023 - Restated	2023
Interest income	21	253,101,631	549,583,473	549,583,473
Interest paid on deposits, borrowings, etc.	22	(687,287,550)	(693,229,528)	(693,229,528)
<b>Net interest income</b>		<b>(434,185,918)</b>	<b>(143,646,054)</b>	<b>(143,646,054)</b>
Investment income	23	233,043	111,876	111,876
Commission, exchange and brokerage	24	-	-	-
Other operating income	25	5,375,642	21,003,669	21,003,669
		<b>5,608,685</b>	<b>21,115,545</b>	<b>21,115,545</b>
<b>Total operating income</b>		<b>(428,577,233)</b>	<b>(122,530,509)</b>	<b>(122,530,509)</b>
Salary and allowances	26	89,287,975	93,977,889	93,977,889
Rent, taxes, insurance, electricity, etc.	27	4,100,305	6,187,819	6,187,819
Legal expenses	28	933,150	730,550	730,550
Postage, stamps, telecommunication, etc.	29	1,644,864	2,096,376	2,096,376
Stationery, printing, advertisement, etc.	30	1,513,318	2,546,029	2,546,029
Chief Executive Officer's salary and fees	31	-	5,100,000	5,100,000
Directors' fees	32	475,000	620,800	620,800
Auditors' fee	33	345,000	319,750	319,750
Depreciation and repair of company's assets	34	26,380,563	24,975,215	24,975,215
Other expenses	35	22,170,004	12,561,184	12,561,184
<b>Total operating expenses</b>		<b>146,850,179</b>	<b>149,115,611</b>	<b>149,115,611</b>
<b>Profit before provision</b>		<b>(575,427,412)</b>	<b>(271,646,121)</b>	<b>(271,646,121)</b>
Provision against leases, loans and advances	36	136,130,224	119,347,501	119,347,501
Provision for diminution in value of investments	37	3,842,510	7,705	7,705
Other provision		(19,825,328)	13,340,754	13,340,754
<b>Total provision</b>		<b>120,147,406</b>	<b>132,695,960</b>	<b>132,695,960</b>
<b>Profit before taxation</b>		<b>(695,574,819)</b>	<b>(404,342,081)</b>	<b>(404,342,081)</b>
<b>Provision for taxation</b>				
Current tax	14.04	1,550,914	3,424,195	3,424,195
Deferred tax	10.04	(368,679)	(240,658)	(138,440)
		<b>1,182,235</b>	<b>3,183,536</b>	<b>3,285,755</b>
<b>Profit after taxation</b>		<b>(696,757,053)</b>	<b>(407,525,617)</b>	<b>(407,627,835)</b>
Retained earnings, brought forward		(5,381,737,978)	(4,974,110,143)	(4,974,110,143)
Profit available for appropriation		<b>(6,078,495,031)</b>	<b>(5,381,635,760)</b>	<b>(5,381,737,978)</b>
Appropriations:				
Statutory reserve		-	-	-
General reserve		-	-	-
Bonus shares		-	-	-
Cash dividend		-	-	-
<b>Retained earnings, carried forward</b>		<b>(6,078,495,031)</b>	<b>(5,381,635,760)</b>	<b>(5,381,737,978)</b>
<b>Earnings Per Share (EPS)</b>		<b>(5.88)</b>	<b>(3.44)</b>	<b>(3.44)</b>

The accompanying notes form an integral part of this financial statement.

  
**Shah Md. Ahbul Bari**  
Chief Executive Officer

  
**Md. Habibur Rahman**  
Director

  
**Abu Zakir**  
Director

  
**Masud Hossain Khan**  
Chairman

Signed in terms of our report of even date annexed

DVC: 2506290240AS625108  
Dhaka, Bangladesh  
Date: 29 June, 2025

  
**Md. Nurul Hossain Khan FCA** (Enl# 0240)  
Managing Partner  
**Kazi Zahir Khan & CO.**  
Chartered Accountants  
FRC Registration #CAF-001-116

**First Finance Limited**  
**Statement of Cash Flows**  
For the Year ended 31 December 2024

Particulars	Notes	Amount in Taka	
		2024	2023
<b>A) Cash Flows from Operating Activities</b>			
Interest Received		219,851,668	422,427,937
Interest Paid		(346,754,053)	(615,896,480)
Dividend Received		125,089	111,750
Paid to Employees		(89,287,975)	(99,077,889)
Income taxes paid		(15,420,494)	(7,313,862)
Received from other Operating Activities		5,483,596	19,337,427
Paid for other Operating Activities		(50,076,089)	(35,542,162)
<b>Cash generated from operating activities before changes</b>		<b>(276,078,257)</b>	<b>(315,953,279)</b>
<b>Increase/(decrease) in operating assets liabilities</b>			
Leases, Loans and Advances to Customers		658,776,756	989,437,385
Other Assets (Excluding AIT)		19,261,574	(342,400)
Deposit from Customers		(80,058,229)	(75,429,344)
Other Liabilities		(403,960,777)	(548,644,214)
		<b>194,019,324</b>	<b>365,021,427</b>
<b>Net cash from/(used in) operating activities</b>		<b>(82,058,933)</b>	<b>49,068,148</b>
<b>B) Cash Flows from Investing Activities</b>			
Purchase of Fixed Assets		(1,461,467)	(461,167)
Proceeds from Sale of Vehicle		-	2,683,386
Proceeds from Other Investments		2,405,319	(2,558,630)
Proceeds from Sale of non Financial Institutional Assets		-	16,322,770
<b>Net Cash from/(used in) Investing Activities</b>		<b>943,852</b>	<b>15,986,360</b>
<b>C) Cash Flows from Financing Activities</b>			
Dividend Paid		-	-
Receipt from Borrowing and Issuance of Debt Securities		45,124,252	14,841,709
<b>Net Cash from/(used in) Financing Activities</b>		<b>45,124,252</b>	<b>14,841,709</b>
<b>D) Net increase in cash and cash equivalents (A+B+C)</b>		<b>(35,990,828)</b>	<b>79,896,217</b>
<b>E) Effect of exchange rate changes on cash and cash equivalents</b>		<b>-</b>	<b>-</b>
<b>F) Cash and cash equivalents at beginning of the year</b>		<b>501,545,337</b>	<b>421,649,119</b>
<b>G) Cash and cash equivalents at end of the year (D+E+F)</b>		<b>465,554,508</b>	<b>501,545,337</b>
Cash and cash equivalents at end of the year:			
Cash in hand		51,466	91,308
Balance with Bangladesh Bank and its agents bank(s)		35,091,913	41,523,203
Balance with other banks and financial institutions		430,411,129	459,930,826
		<b>465,554,508</b>	<b>501,545,337</b>
<b>Net operating cash flow per share</b>	39.02	<b>(0.69)</b>	<b>0.41</b>

The accompanying notes form an integral part of this financial statement.



**Shah Md. Ahbul Bari**  
Chief Executive Officer



**Md. Habibur Rahman**  
Director



**Abu Zakir**  
Director



**Masud Hossain Khan**  
Chairman

Signed in terms of our report of even date annexed



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**Md. Nurul Hossain Khan FCA** (En/# 0240)  
Managing Partner  
**Kazi Zahir Khan & CO.**  
Chartered Accountants  
FRC Registration #CAF-001-116

**First Finance Limited**  
**Statement of changes in shareholders' equity**  
For the Year ended 31 December 2024

Amount in BDT

Particulars	Paid-up Capital	Share Money Deposit	Statutory Reserve	General Reserve	Retained Surplus	Total
	Taka	Taka	Taka	Taka	Taka	Taka
<b>Balance as on 31 December 2023</b>						
Balance as on 31 December 2023	1,185,446,630	-	369,944,453	-	(4,974,110,143)	(3,418,719,060)
Net Profit for the year ended 31 December, 2023	-	-	-	-	(407,627,835)	(407,627,835)
Addition made during the year	-	-	-	-	-	-
Addition made during the year: Charge for FICL& GL	-	-	-	-	67,717,657	67,717,657
Less: Bonus share issued	-	-	-	-	-	-
<b>Balance as on 31 December 2023</b>	<b>1,185,446,630</b>	<b>-</b>	<b>369,944,453</b>	<b>-</b>	<b>(5,314,020,321)</b>	<b>(3,758,629,239)</b>
<b>Balance as on 31 December 2023-Restated</b>						
Balance as on 31 December 2023	1,185,446,630	-	369,944,452	-	(4,974,110,143)	(3,418,719,062)
Net Profit for the year ended 31 December, 2023	-	-	-	-	(407,525,617)	(407,525,618)
Addition made during the year	-	-	-	-	21,346,408	21,346,408
Addition made during the year: Charge for FICL& GL	-	-	-	-	-	-
Less: Bonus share issued	-	-	-	-	-	-
<b>Balance as on 31 December 2023-Restated</b>	<b>1,185,446,630</b>	<b>-</b>	<b>369,944,452</b>	<b>-</b>	<b>(5,360,289,352)</b>	<b>(3,804,898,272)</b>
<b>Balance as on 31 December 2024</b>						
Balance as on 01 January 2024	1,185,446,630	-	369,944,452	-	(5,360,289,352)	(3,804,898,271)
Net Profit for the year ended 31 December, 2024	-	-	-	-	(696,757,053)	(696,757,053)
Addition made during the year: Charge for FICL& GL	-	-	-	-	13,345,937	13,345,937
<b>Balance as on 31 December 2024</b>	<b>1,185,446,630</b>	<b>-</b>	<b>369,944,452</b>	<b>-</b>	<b>(6,043,700,469)</b>	<b>(4,488,309,387)</b>

The accompanying notes form an integral part of this financial statement.

  
**Shah Md. Ahbul Bari**  
Chief Executive Officer

  
**Md. Habibur Rahman**  
Director

  
**Abu Zakir**  
Director

  
**Masud Hossain Khan**  
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Chartered Accountants  
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**First Finance Limited**  
**Statement of Liquidity Analysis**  
**(Assets and Liability maturity Analysis)**

As at 31 December 2024

Amount in BDT

Particulars	Up to 1 month maturity	1 - 3 months maturity	3 - 12 months maturity	1 - 5 years maturity	More than 5 years maturity	Total
<b>Assets</b>						
Cash	51,466	-	-	-	-	51,466
Balance with Bangladesh Bank and its agent bank(s)	-	-	35,091,913	-	-	35,091,913
Balance with other banks and financial institutions	4,231,854	21,354,852	404,824,423	-	-	430,411,129
Money at call and on short notice	-	-	-	-	-	-
Investments	-	-	10,681,699	-	-	10,681,699
Leases, loans and advances	493,558,721	980,907,952	1,820,925,449	4,241,550,441	51,952,326	7,588,894,890
Fixed assets including assets taken on lease	-	-	-	-	88,940,378	88,940,378
Other assets	-	-	-	-	536,594,175	536,594,175
Non-Banking assets	-	-	-	-	176,677,732	176,677,732
<b>Total Assets</b>	<b>497,842,041</b>	<b>1,002,262,804</b>	<b>2,271,523,484</b>	<b>4,241,550,441</b>	<b>854,164,611</b>	<b>8,867,343,382</b>
<b>Liabilities</b>						
Borrowings from Bangladesh Bank, other banks, financial institutions and agents	298,300,000	-	169,167,555	724,026,947	-	1,191,494,502
Deposits and other accounts	370,227,481	361,452,505	441,775,284	4,952,991,757	98,157,544	6,224,604,572
Provision and other liabilities	-	-	307,118,840	269,655,153	5,362,779,701	5,939,553,694
<b>Total Liabilities</b>	<b>668,527,481</b>	<b>361,452,505</b>	<b>918,061,679</b>	<b>5,946,673,856</b>	<b>5,460,937,245</b>	<b>13,355,652,768</b>
<b>Net Liquidity Excess/ (Shortage)</b>	<b>(170,685,440)</b>	<b>640,810,299</b>	<b>1,353,461,805</b>	<b>(1,705,123,415)</b>	<b>(4,606,772,634)</b>	<b>(4,488,309,387)</b>

The accompanying notes form an integral part of this financial statement.



**Shah Md. Ahbul Bari**  
Chief Executive Officer



**Md. Habibur Rahman**  
Director



**Abu Zakir**  
Director



**Masud Hossain Khan**  
Chairman

Signed in terms of our report of even date annexed



DVC: 2506290240AS625108  
Dhaka, Bangladesh  
Date: 29 June, 2025

**Md. Nurul Hossain Khan FCA** (En/# 0240)  
Managing Partner  
**Kazi Zahir Khan & CO.**  
Chartered Accountants  
FRC Registration #CAF-001-116



**Notes to the  
Financial Statements**  
For the Year ended 31 December 2024



## 1.00 The Company and Its Activities:

First Finance Limited (“the Company”) was incorporated in Bangladesh as a private limited company on 28 June, 1993 in the name of **First Lease International Limited** and was subsequently converted into a public limited company on 18 July, 1996. The Company obtained license from Bangladesh Bank on 05 October, 1999 under the Financial Institutions Act 1993. The Company is listed with both Dhaka and Chittagong Stock Exchanges of Bangladesh. The name of the company was renamed to First Lease Finance and Investment Limited on 22 February, 2009 and there after again the name of the company was renamed to First Finance Limited on 29 June, 2014.

The registered office of the Company is situated at Jahangir Tower (3rd Floor), 10 Kawran Bazar, Dhaka-1215. At present the company operates its business operation through six (6) branches each at Corporate Branch (Kawran Bazar), Gulshan Branch, Agrabad Branch, Sylhet Branch, Board Bazar Branch & Motijheel Branch.

### 1.01 Objective of the Company:

The Company provides lease finance for capital machinery, equipment, vehicle etc. both for industrial and commercial purposes. It also provides other loans like term finance, house finance, etc.

## 2.00 Summary of Significant Accounting Policies and basis of preparation of Financial Statements:

### 2.01 Statement of compliance

The financial statements of the Financial Institution have been prepared in accordance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs) and the requirements of the Financial Institutions Act 1993, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994. In case any requirement of the Financial Institutions Act 1993 and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the financial Institutions Act 1993, and provisions and circulars issued by Bangladesh Bank has been prevailed. Material departures from the requirements of IFRS are as follows:

#### i) Investment in shares and securities

**IFRS:** As per requirements of IFRS 9 ‘Financial instruments’, all equity investments (shares and mutual funds) are to be measured at fair value with value changes recognized in statement of profit or loss and other comprehensive income for the period, except for those equity investments for which the entity has elected to present value changes in ‘other comprehensive income (OCI)’. If an equity investment is not held for trading, an entity can make an irrevocable election at initial recognition to measure it through OCI with only dividend income recognized in profit or loss account.

**Bangladesh Bank:** As per FID circular 08 dated 03 August, 2002, DFIM Circular No-03 dated 15 February, 2022 and DFIM Circular Letter No-19 dated 14 August, 2022 Investment made as per Bangladesh Bank directives and 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; otherwise investments are recognized at cost.

#### ii) Provision on loans and advances/investments

**IFRS:** As per IFRS 9 Financial instruments, Leases, loans and advances shall be recognized and measured at amortized cost (net of any write down for impairment). When any objective evidence of impairment (a loss allowance for expected credit losses) exists for such financial assets, impairment assessment should be undertaken individually or portfolio basis (when assets are not individually significant).

**Bangladesh Bank:** As per FID circular No. 8 dated 03 August 2002, FID circular No.3 dated 03 May 2006, DFIM circular No. 03, dated 29 April 2013, DFIM circular No. 04, dated 26 July 2021, DFIM circular No. 33, dated 19 December 2021 and DFIM circular No. 37, dated 04 December 2024 a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub standard loans, doubtful loans and bad losses loans has to be provided at 5% to 20%, 20% to 50% and 100% respectively (Note-2.5) for loans and advances depending on the duration of time installments are overdue and also for a instruction to keep special provision of 2% for deferred customers outstanding balance.

### iii) Recognition of interest in suspense

**IFRS:** Leases, loans and advances to customers are generally classified as Non-derivative Financial assets measured at amortized cost as per IFRS 9 and interest income is recognized through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognized in profit & loss account on the same basis based on revised carrying amount.

**Bangladesh Bank:** As per FID circular No.8 dated 03 August 2002 and DFIM circular no. 04 dated 26 July 2021, once a loan is classified, interest on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest suspense account, which is presented as liability in the balance sheet.

### iv) Other comprehensive income

**IFRS:** As per IAS 1 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.

**Bangladesh Bank:** Bangladesh Bank has issued templates for financial statements which will strictly be followed by all Financial Institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Financial Institution does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

### v) Financial instruments-presentation and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in IFRS 7 Financial Instruments - disclosure and IFRS 9 Financial Instruments. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in financial statements.

### vi) Cash and cash equivalents

**IFRS:** Cash and cash equivalent items should be reported as cash item as per IAS 7.

**Bangladesh Bank:** Cash and cash equivalent items such as prize bond is not shown as cash and cash equivalent. Prize bond is shown in investments.

### vii) Statement of cash flows

**IFRS:** The statement of cash flows 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.

**Bangladesh Bank:** As per DFIM Circular 11 dated 23 December 2009, cash flow is the mixture of direct and indirect methods.

### viii) Balance with Bangladesh Bank: (Cash Reserve Requirement)

**IFRS:** Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per IAS 7.

**Bangladesh Bank:** Balance with Bangladesh Bank is treated as cash and cash equivalents.

## 2.02 Basis of preparation of the financial statements

The financial statements and notes thereon have been prepared in accordance with Bangladesh Bank DFIM circular no. 11 dated 23 December 2009 on a going concern concept under historical cost convention and basically on accrual basis of accounting in accordance with International Accounting Standards/International Financial Reporting Standards so far adopted in Bangladesh as International Accounting Standards/International Financial Reporting Standards by the Institute of Chartered Accountants of Bangladesh, the Financial Institution Act 1993, the Companies Act 1994 and other applicable laws and regulations.

### 2.02.01 Going Concern:

The financial statements of First Finance Limited for the year ended 31 December 2024 have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the regular course of business.

As per the audited/un-audited financial position of the Company as at 31 December 2024, the following significant financial challenges were noted:

- The Company incurred a net loss of Taka 696.76 million during the year ended 31 December 2024 (2023: Taka 407.53 million), primarily driven by a substantial increase in non-performing loans.
- The accumulated losses of the Company stood at Taka 6,043.70 million, resulting in negative retained earnings and erosion of shareholders' equity.
- The Company's Classified Loan, Lease, and Advances Ratio (CL Ratio) as at 31 December 2024 was recorded at 94.84%, significantly higher than industry standards and regulatory thresholds.
- Due to the high level of non-performing assets, the Company has been unable to generate adequate interest income, resulting in both interest loss and operational loss.

Despite the above, the Board of Directors and Management believe that the going concern assumption remains appropriate, based on the following justifications:

#### 1. Strategic Initiatives Undertaken

The Company has initiated a number of strategic actions to stabilize its operations and gradually return to financial health. These include:

- **Recovery Acceleration:** An intensive recovery drive is being carried out, focusing on large classified accounts. In 2024, the Company recovered Taka 781.85 million from loans, leases, and advances. For the first quarter of 2025, an additional Taka 109.74 million has been recovered.
- **Deposit Mobilization:** The Company is actively sourcing new deposits. During 2024, a total of Taka 216.33 million in fresh deposits was mobilized, followed by Taka 14.34 million in Q1 of 2025.
- **Strengthening Recovery Infrastructure:** A dedicated recovery team has been restructured with specialized personnel for aggressive and efficient follow-up, legal action, and effective negotiations with borrowers.
- **Prudent Lending Activities:** Limited new disbursements have resumed, including Taka 400.02 million in 2024 and Taka 5.53 million in Q1 2025, with Taka 2.5 million under CMSME financing in compliance with regulatory priorities.
- **Regular Liability Servicing:** The Company has been maintaining regular interest payments to retail depositors and settling matured TDRs promptly. Negotiated settlements with institutional depositors have been maintained.

#### 2. Engagement with Regulators

- A detailed Time-Bound Action Plan has been submitted to Bangladesh Bank to address the weaknesses in the Company's CAMELS rating.
- A Three-Year Plan has also been shared with Bangladesh Bank to gradually meet the required Capital Adequacy Ratio.
- The Bangladesh Securities and Exchange Commission (BSEC) held a routine meeting with the Company and advised on increasing recovery efforts and transmitting fresh deposit and bring innovative loan products to improve market competitiveness and regain financial soundness.

#### 3. Support from Bangladesh Bank

Bangladesh Bank continues monitor the situation and earlier extended deferral facilities regarding provisioning shortfall up to FY 2027. This regulatory support has been instrumental in providing breathing room for the Company to take corrective actions.

#### 4. Management's Outlook

The Company has set an aggressive recovery target of Taka 1,200 million (Taka 120.00 crore) for 2025. A number of high-value default cases are expected to be resolved through settlements, litigation and regularization of loan/lease. Further strategic initiatives are in progress to enhance operational efficiency, regain depositor confidence, and explore long-term funding options, including refinancing.

## 5. Material Uncertainty Related to Going Concern

Notwithstanding the ongoing efforts and management's confidence, material uncertainties remain regarding the Company's ability to continue as a going concern, primarily due to:

- The high CL Ratio and resulting provisioning requirements;
- Accumulated losses and capital shortfall;
- Dependence on successful implementation of the recovery plan and continued regulatory support.

That being said, as there is a few uncertainty related to the entity's ability to continue as a going Concern and therefore few challenges to be faced for realizing its assets and discharges its liabilities in the normal course of business. However, no such adjustments have been made in the current financial statements, as the Board of Directors believes that the going concern basis of preparation remains appropriate at this stage.

### 2.02.02 Functional Currency and Presentation Currency:

The financial statements have been prepared and presented in Bangladesh Currency (Taka), which is the Company's functional currency. All financial information presented have been rounded off to the nearest Taka except where indicated otherwise.

### 2.02.03 Use of estimates and judgments:

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRSs) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and contingent liabilities at the date of the financial statements. Provisions and accrued expenses are recognized in the financial statement in line with the International Accounting Standard (IAS) 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.

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

In particular, information about significant areas of assumptions, estimations and judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in the following notes

Note 2.02.01	Going Concern
Note 2.03.01	IFRS 16: Leases
Note 9	Depreciation and useful life duration of assets
Note 14.05	Deferred tax asset/liability
Note 14.04	Provision for corporate tax
Note 45.03	Contingent Liabilities
Note 7.08	Provision for Loans and Other Assets

### 2.02.04 Materiality and Aggression:

Each material item considered by management as 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 amount and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

### 2.02.05 Foreign Currency Translation:

Transactions in foreign currencies are translated to Bangladesh Taka at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities are converted at the rates prevailing at the Balance Sheet date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost are translated into Bangladesh Taka at the exchange rate ruling at the date of transaction.

### 2.02.06 Reporting Period:

The financial statements cover one year from 01 January, 2024 to 31 December, 2024.

## **2.03 Revenue recognition:**

### **2.03.01 Accounting for leases (IFRS 16)**

Starting 1st January 2020, IFRS 16 has been adopted and all leasing arrangements except those having less than 12 months of useful life and underlying asset values considered low value when new, have been capitalized as “right to use” assets with a corresponding financial liability on the balance sheet.

Leased assets are capitalized from the start date of the lease agreement at the present value of the future leased payments, based on the rate of interest entered in the asset master data. Low value and short term leases (<12months) have been excluded from the recognition requirements and expensed in operating profit as rental costs. Lease reassessment and lease modification to increase/decrease the value of an asset depending on a change in scope of lease agreement can be made if necessary.

The asset is written off on a straight-line basis over the tenure of the lease agreements. Hence, the useful life of any lease assets depends on the number of periods the assets can be used. The useful life of such assets are dependent on individual agreement and can vary from one agreement to another.

The ROU Asset has been recognized as an Asset as part of Property, Plant & Equipment and details are provided in Annexure A and Note 9. The Lease Liability has been recognized under other liability and details are provided in Note 14.07.01

### **2.03.02 Accounting for term loan**

This consists of short-term finance, long-term finance and house finance, books of account where for are maintained based on accrual method of accounting. Outstanding loans along with interest accrued thereon for short-term finance and unrealized principal for long-term finance and house finance are accounted for as finance assets of the Company. Interest earns from such loan is recognized as operational revenue periodically.

### **2.03.03 Interest on bank deposit**

Interest income on balances with other banks and financial institutions are recorded on accrual basis of accounting.

### **2.03.04 Other operational income**

Other operational income is recognized as and when accrued. Such income comprises of service charge, transfer fee, income during construction period (IDCP), delinquent charge and miscellaneous receipts.

### **2.03.05 Accounting for investment in marketable securities**

These securities are bought and held primarily for the purpose of selling in future or hold for dividend income. These are reported at cost. Unrealized gains are not recognized in the Profit & Loss Account. But provision for diminution in value of investment is provided in the financial statements which market price is below the cost price of investment as per Bangladesh Bank guideline (note-14.3).

## **2.04 Books of accounts**

The Company maintained books of account for main business electronically through soft automation.

## **2.05 Property, plant and equipment**

### **Own financed-assets**

Property, plant and equipment (fixed assets) acquired under own finance of the Company are stated at cost less accumulated depreciation. The cost of an item of fixed assets comprising its purchase price and any directly attributable costs associated with bringing the asset to its working condition for its intended use as per IAS - 16 “ property, plant and equipment.”

### **Subsequent expenditure on property, plant and equipment**

Subsequent expenditure is capitalized only when it increases the future economic benefits from the assets. All other expenditures are recognized as an expense as and when they are incurred.

### **Depreciation on fixed assets**

Fixed assets are reflected in the financial statements at cost less depreciation. Depreciation on fixed assets under the Company's own use is charged consistently on reducing balance method at various rates throughout

the estimated useful lives of the assets.

**The rates of depreciation on various classes of fixed assets are as under:**

<b>Sl #</b>	<b>Category of fixed assets</b>	<b>Rate</b>
1	Land and building	Nil
2	Motor vehicles	20%
3	Furniture and fixtures	10%
4	Office equipment	15%

## **2.06 Provision for bad and doubtful debts/investment**

Provisions for leased assets have been made on the basis of Bangladesh Bank FID circular nos. 14. 08 and 01, dated 26 June 2000, 03 August 2002 respectively FID Circular No.11 of 2005, FID Circular No. 03 of 2006, 03 January 2007 and DFIM circular No. 03, dated 29 April 2013, DFIM circular No. 04, dated 26 July 2021 and DFIM circular No. 33, dated 19 December 2021 issued by Bangladesh Bank. The provision made up to Balance Sheet date is considered adequate in the opinion of management to meet any probable losses.

**The provision rates are given below:**

<b>General Provision on:</b>	<b>Rate</b>
Unclassified (CMSME)	0.25%
Unclassified (Term Loan)	1%
Special Mentioned Account (CMSME)	0.25%
Special Mentioned Account (Term Loan)	5%
Sub Standard (CMSME)	5%
Sub Standard (Term Loan)	20%
Doubtful (CMSME)	20%
Doubtful (Term Loan)	50%
Bad/loss	100%

## **2.07 Income tax**

### **Current tax**

a) Provision for corporate income tax is made in the accounts after considering taxable allowances, disallowances and previous assessed loss (if any) as per income tax laws. The rate of corporate income tax applicable for the Company is 37.50%. However, any short/ excess provision, if any, is accounted for the year of finalization of assessment.

### **Deferred tax**

Deferred tax liabilities are the amount of income tax payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the Balance Sheet date. The impact on the account of changes in the deferred tax assets and liabilities has also been recognized in Profit and Loss Account as per IAS-12 "Income Taxes".

## **2.08 Non-banking assets**

This represents assets acquired by the company as per judgment of Honorable court against leases, loans and advances.

## **2.09 Employee benefit obligation**

The Company has a recognized provident fund scheme for its employees. The fund consists of contributions both from employees and the employer at a predetermined rate. The fund is approved as a recognized Provident Fund by NBR within the meaning of section 2(52), and read with the provision of part –B of the first schedule of Income Tax Ordinance 1984. The recognition took effect from 31 August 2008. The fund is administered by a Board of Trustees and invested separately from the Company's assets. The Company also operates a Group Insurance Policy for its permanent employees.



## 2.10 Liabilities and provisions

All material liabilities and provisions have been included in these financial statements when the Company has a present obligation, legal or constructive result of a past event and it is probable that an outflow of economic benefits will be required to settle that obligation and a reliable estimate can be made thereof.

## 2.11 Interest on bank loan

Interest on bank loan is accounted for on an accrual basis and charged to Profit & Loss Account under the head “Interest paid on deposits, borrowing etc.” at the implicit rate of interest.

## 2.12 Statement of Cash Flows

Statement of Cash Flows has been prepared in accordance with IAS-7 (direct method) following the format given by the Bangladesh Bank vide DFIM Circular No-11 dated 23 December 2009. A reconciliation of net profit with cash flows from operating activities making adjustment for non-cash items, for non-operating items and for the net changes in operating accruals has been presented in **Note-40.00** in compliance with clause 5(2)(e) of the BSEC notification (No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20.06.2018).

## 2.13 Compliance of International Financial Reporting Standards (IFRS)

SI	Name of IAS/IFRS	Status
1	IAS 1: Presentation of Financial Statements	Complied
2	IAS 7: Statement of Cash Flows	Complied
3	IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors	Complied
4	IAS 10: Events after the Reporting Period	N/A
5	IAS 12: Income Taxes	Complied
6	IAS 16: Property, Plant & Equipment	Complied
7	IAS 19: Employee Benefits	Complied
8	IAS 23: Borrowing Costs	Complied
9	IAS 24: Related Party Disclosures	Complied
10	IAS 32: Financial Instruments: Presentation	Complied
11	IAS 33: Earnings per Share	Complied
12	IAS 34: Interim Financial Reporting	Complied
13	IAS 36: Impairment of Assets	Complied
14	IAS 37: Provisions, Contingent Liabilities and Contingent Assets	Complied
15	IAS 38: Intangible Assets	Complied
16	IFRS 7: Financial Instruments: Disclosures	Complied
17	IFRS 8: Operating Segments	Complied
18	IFRS 9: Financial Instruments	Complied
19	IFRS 13: Fair Value Measurement	Complied
20	IFRS 15: Revenue from Contracts with Customers	Complied
21	IFRS 16: Leases	Complied

## 2.14 Consolidation procedure for Branch Accounting.

A separate set of records for consolidation of the Financial statements of the branches are maintained at Head Office of the Company at Dhaka from which these accounts are drawn up.

## 2.15 Statement of liquidity

The liquidity statement has been prepared in accordance with the remaining maturity grouping of the value of assets and liabilities at 31 December 2024.

## 2.16 Consistency

In accordance with the International Financial Reporting Standards framework for the presentation of financial statements together with IAS- 1 “Presentation of Financial Statements” and IAS - 8 “Accounting Policies, Changes in Accounting Estimates and Errors,” the Company applies the accounting principles and disclosure consistently from one period to the next.



## 2.17 Risk management

The Company has taken initiative to bring down business risk at an acceptable level by implementing the risk management guidelines covering the following risk areas.

### 2.17.01 Asset/Liability management

The Company has an Asset-Liability Committee (ALCO) to monitor financial risk and liquidity risk of the Company. The financial risk is defined as potential change in earnings due to change in rate of interest, foreign exchange rates which are not of trading nature. ALCO reviews the liquidity requirement, the maturity of assets and liabilities, deposits and lending pricing strategy and the liquidity contingency plan on a regular basis.

### 2.17.02 Credit risk management

Credit risk is one of the major risks of the Company that may be simply defined as the potential that a borrower or counter party will fail to meet its obligation in accordance with the agreed terms and conditions. To assess and mitigate the credit risk, the management has implemented Credit Risk Management (CRM) manual. Accordingly Company's credit risk management activities have been designed to identify measure, monitor and control all these issues in line with basic principles of credit management. All the instructions of Bangladesh Bank relating to credit are strictly followed while sanctioning a credit. Loans/leases are classified as per Bangladesh Bank guidelines and provisions are maintained as per those guidelines.

### 2.17.03 Prevention of money laundering

Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. In order to manage the risk of money laundering, the Company has an effective Anti-Money Laundering Program in line with Anti-Money Laundering Act and Bangladesh Bank guidelines. The Company employed a Chief Anti-Money Laundering Compliance Officer (CAMLCO) at Head Office and Compliance Officers (BAMLCO) at branches who independently review the transactions of the accounts to verify suspicious transactions. The Company developed manuals for prevention of money laundering and introduced Know Your Customer (KYC) program and Transaction Profile (TP) of customers at branch level and all other regulations are being complied meticulously. Continuous training is being imparted to all categories of Officers and Executives to enhance expertise for identifying suspicious activities and transactions.

## 2.18 Head Office and Branches

The Company's Head Office is located at Jahangir Tower (3rd Floor), 10 Kawran Bazar, Dhaka- 1215. The branches are located at:

### i. Corporate Branch :

Jahangir Tower (3rd Floor), 10 Kawran Bazar C/A, Dhaka-1215.

### ii. Agrabad Branch :

Ayub Trade Center (5th Floor) (East Side), 1269/B, Sheikh Mujib Road, Agrabad, Chattogram-4000.

### iii. Gulshan Branch :

Gulshan Bhaban, Plot No. 355 (1st Floor), A.K. Khandaker Sarak, Mohakhali, Dhaka-1212

### iv. Sylhet Branch :

H S Tower (3rd Floor), Fayzu Manson, East Dargah Gate, Sylhet.

### v. Board Bazar Branch

Member Complex (3rd Floor), Board Bazar, Gazipur-1704.

### vi. Motijheel Branch

Elite House (2nd Floor), 54 Motijheel C/A, Dhaka-1000.

## 2.19 Components of financial statements

These financial statements consist of Balance Sheet, Profit & Loss Account, Statement of Cash Flows, Statement of changes in shareholders' equity and notes thereto.

## 2.20 Regulatory and legal compliance

The Company complied with the requirements of applicable laws and regulations.

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>3.00</b>	<b>Cash</b>			
	<b>Cash in hand (including foreign currencies)</b>			
	In local currency	51,466	91,308	91,308
	In foreign currency	-	-	-
		<b>51,466</b>	<b>91,308</b>	<b>91,308</b>
	<b>Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)</b>			
	In local currency	35,091,913	41,523,203	41,523,203
	In foreign currency	-	-	-
		<b>35,091,913</b>	<b>41,523,203</b>	<b>41,523,203</b>
		<b>35,143,379</b>	<b>41,614,511</b>	<b>41,614,511</b>
<b>3.01</b>	<b>Statutory deposits</b>			
<b>3.01.01</b>	<b>Cash reserve requirement (CRR) and statutory liquidity ratio (SLR)</b>			
	Cash reserve requirement and statutory liquidity ratio have been calculated and maintained in accordance with section 19 of the Financial Institutions Act 1993, rule 5 of the Financial Institutions Rules 1994 and FID circular no. 6 dated 06 November 2003 and DFIM circular no. 03 dated 21 June 2020.			
<b>(a)</b>	<b>Cash reserve requirement (CRR)</b>			
	<b>Required reserve (1.5% of Term and Other Deposits)</b>	34,685,625	36,872,438	36,872,438
	Actual reserve maintained	35,091,913	41,523,203	41,523,203
	Surplus	<b>406,288</b>	<b>4,650,765</b>	<b>4,650,765</b>
<b>(b)</b>	<b>Statutory liquidity ratio (SLR)</b>			
	<b>Required reserve (5% of Total Liabilities)</b>	404,473,873	402,653,953	402,653,953
	Actual reserve maintained	465,554,508	501,545,337	501,545,337
	Cash in hand	51,466	91,308	91,308
	Balance with Bangladesh Bank and its agent bank(s)	35,091,913	41,523,203	41,523,203
	Balance with other banks and financial institutions	430,411,129	459,930,826	459,930,826
	Surplus	<b>61,080,635</b>	<b>98,891,384</b>	<b>98,891,384</b>
	Total required reserve	439,159,498	439,526,391	439,526,391
	Total actual reserve maintained	465,554,508	501,545,337	501,545,337
	<b>Total surplus</b>	<b>26,395,010</b>	<b>62,018,946</b>	<b>62,018,946</b>
<b>4.00</b>	<b>Balance with Other Banks and Financial Institutions</b>	430,411,129	459,930,826	459,930,826
	Inside Bangladesh (note 4.01)	-	-	-
	Outside Bangladesh (note 4.02)	<b>430,411,129</b>	<b>459,930,826</b>	<b>459,930,826</b>
<b>4.01</b>	<b>Inside Bangladesh</b>			
	<b>Current accounts with:</b>			
	National Bank Limited, Kawran Bazar Branch, Dhaka	43,985	44,675	44,675
	Bangladesh Development Bank Limited, Principal Branch, Dhaka	-	3,762	3,762
	One Bank Limited, Kawran Bazar Branch, Dhaka	301,548	1,169,593	1,169,593
	Social Islami Bank Limited, Mouchak Branch, Dhaka	1,496,905	4,997,190	4,997,190
	Midland Bank Limited, Principal Branch, Dhaka	64,649	65,454	65,454
	IFIC Bank Limited, Kawran Bazar Branch, Dhaka	2,665	2,681	2,681
	IFIC Bank Limited, Ambarkhana Branch, Sylhet	6,660	7,695	7,695
	Prime Bank Limited, Wari Branch, Dhaka	852	48	48
	Bank Asia Limited, Kawran Bazar Branch, Dhaka	1,460,098	387,008	387,008
	Bank Asia Limited, Kawran Bazar Branch, Dhaka	212,256	1,112,532	1,112,532
	Bank Asia Limited, Kawran Bazar Branch, Dhaka	313,532	443,677	443,677
	Southeast Bank Limited, R.K Mission Road, Dhaka	328,705	1,196,395	1,196,395
	<b>Sub-total</b>	<b>4,231,854</b>	<b>9,430,708</b>	<b>9,430,708</b>

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
	<b>Short-term deposit accounts with:</b>			
	United Commercial Bank Limited, Kawran Bazar Branch, Dhaka	377,055	374,988	374,988
	IFIC Bank Limited, Dhanmandi Branch, Dhaka	-	726	726
	IFIC Bank Limited, Dhanmandi Branch, Dhaka	2,495,948	2,460,095	2,460,095
	Shajalal Islami Bank Limited, Kawran Bazar Branch, Dhaka	476,584	470,208	470,208
	Uttara Bank Limited, Local Office, Dhaka	-	66	66
	United Commercial Bank Limited, Kawran Bazar Branch, Dhaka	728,428	25,478,599	25,478,599
	IFIC Bank Limited, Sheikh Mujib Road Branch, Chittagong	300,417	576,517	576,517
	Bank Asia Limited, Mohakhali Branch, Dhaka	24,096	47,607	47,607
	Bank Asia Limited, Sylhet Main Branch, Sylhet	294,420	197,536	197,536
	IFIC Bank Limited, Gulshan Branch, Dhaka	28,320	159,401	159,401
	IFIC Bank Limited, Kawranbazar Branch, Dhaka	4,392,213	3,957,912	3,957,912
	One Bank Limited, Kawranbazar Branch, Dhaka	937,839	9,818,813	9,818,813
	Mutual Trust Bank Limited, Principal Branch, Dhaka	281,230	280,110	280,110
	Mutual Trust Bank Limited, Principal Branch, Dhaka	62,454	63,060	63,060
	Premier Bank Limited, Board Bazar Branch	185,427	167,419	167,419
	Eastern Bank Limited, Sonargoan Road Branch, Dhaka	148,322	151,778	151,778
	IFIC Bank Limited, Motijheel Branch, Dhaka	164,266	272,536	272,536
	Bank Asia Limited, Corporate Branch, Dhaka	91,233	7,782,846	7,782,846
	Mutual Trust Bank Limited, Panthapath Branch, Dhaka	403,208	2,807,657	2,807,657
	City Bank Limited, Pallabi Branch, Dhaka	86,402	227,966	227,966
	Bank Asia Limited, Kawran Bazar Branch, Dhaka	842,727	10,696,676	10,696,676
	Bank Asia Limited, Tongi Branch	2,825	4,977	4,977
	Bank Asia Limited, Principal Office, Dhaka	16,603	8,116	8,116
	Bank Asia Limited, Agrabad Branch	1,439,829	1,495,337	1,495,337
	Southeast Bank Limited, R.K Mission Road, Dhaka	7,575,008	4,311,297	4,311,297
	<b>Sub-total</b>	<b>21,354,852</b>	<b>71,812,246</b>	<b>71,812,246</b>
	<b>Fixed deposit accounts with:</b>			
	People's Leasing and Financial Services Limited	116,125,899	100,000,000	100,000,000
	International Leasing and Financial Services Limited	86,900,967	86,900,967	86,900,967
	Southeast Bank Limited	48,386,822	45,386,421	45,386,421
	NCC Bank Limited	22,630,032	21,062,040	21,062,040
	NRB Bank Limited	11,137,887	10,618,930	10,618,930
	IFIC Bank Limited	47,126,080	49,526,584	49,526,584
	EasteBank Limited, FDR A/C #0000042	5,529,966	5,192,930	5,192,930
	UCB FDR A/C # 0441403000000182	10,710,180	10,000,000	10,000,000
	Eastern Bank PLC FDR A/C # 1055200000047	10,595,042	10,000,000	10,000,000
	UCB FDR A/C # 0441403000000193	5,353,530	5,000,000	5,000,000
	UCB FDR A/C # 0441403000000207	5,353,530	5,000,000	5,000,000
	Eastern Bank PLC FDR A/C # 10959400000017	21,592,528	20,000,000	20,000,000
	NRB Bank FDR A/C # 1013390190875	5,397,480	5,000,000	5,000,000
	NRB Bank FDR A/C # 1013390190886	5,397,480	5,000,000	5,000,000
	Bank Asia FDR A/C # 01255062931	2,587,000	-	-
	<b>Sub-total</b>	<b>404,824,423</b>	<b>378,687,871</b>	<b>378,687,871</b>
	<b>Grand Total</b>	<b>430,411,129</b>	<b>459,930,826</b>	<b>459,930,826</b>
<b>4.02</b>	<b>Outside Bangladesh</b>			
<b>4.03</b>	Maturity grouping of balances with other banks and financial institutions			
	On demand	25,586,706	81,242,955	81,242,955
	Up to 3 months	-	-	-
	Over 3 months but up to 1 year	404,824,423	378,687,871	378,687,871
		<b>430,411,129</b>	<b>459,930,826</b>	<b>459,930,826</b>

We have received statement from People's Leasing and Financial Services Limited as on 08 December 2024. We found that PLFSL considered principal amount to Taka 116,125,899.41.

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>5.00</b>	<b>Money at Call and on Short Notice</b>			
	Money at Call and on Short Notice	-	-	-
		-	-	-
<b>6.00</b>	<b>Investments</b>			
<b>6.01</b>	<b>Government securities</b>			
	Treasury Bills	-	-	-
	National Investment Bond	-	-	-
	Bangladesh Bank Bill	-	-	-
	Government Notes/Bonds	-	-	-
	Prize Bonds	-	-	-
	Others	-	-	-
		-	-	-
<b>6.02</b>	<b>Other Investments (note 6.02.01)</b>			
	<b>Share Investment</b>			
	Receivable from Sheltech Brokerage Limited	10,624,096	10,528,515	10,528,515
	Receivable from BLI Securities Limited	36,787	37,237	37,237
		20,817	2,521,267	2,521,267
		<b>10,681,699</b>	<b>13,087,019</b>	<b>13,087,019</b>
		<b>10,681,699</b>	<b>13,087,019</b>	<b>13,087,019</b>

**6.02.01 Other Investments - in Shares and Debentures**

**Shares:**

Sector	Quantity		Cost Price (Taka)	
	2024	2023	2024	2023
Bank	148,726	142,275	2,188,381	2,092,796
Cement	-	-	-	-
Chemicals	233,071	233,071	6,858,769	6,858,769
Fuel & Power	45,000	45,000	1,576,950	1,576,950
Telecommunication	-	-	-	-
<b>Total</b>	<b>426,797</b>	<b>420,346</b>	<b>10,624,100</b>	<b>10,528,515</b>

**6.03 Valuation of investments**

Particulars	Quantity		Cost Price (Taka)	
	2024	2023	2024	2023
<b>Government securities:</b>				
Treasury Bills	-		-	-
Government bonds	-		-	-
T & T Bonds & Prize Bonds	-		-	-
Debentures - House Building	-		-	-
Finance Corporation	-		-	-

**Others: Shares (quoted)**

Sector	2024	
	Cost value	Market value
Bank	2,188,381	1,315,713
Fuel & Power	1,576,950	518,500
Chemicals	6,858,769	1,817,954
<b>Total</b>	<b>10,624,100</b>	<b>3,652,166</b>

Total market value of quoted shares is less than cost price against which provision was made for Taka 69,71,934/= (note 14.03).

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>7.00</b>	<b>Leases, Loans and Advances</b>			
	<b>Inside Bangladesh</b>			
	Lease Finance	1,083,119,542	-	1,279,576,630
	Term Finance	6,503,924,884	-	6,965,894,236
	Home Loan Refinance Scheme	1,850,464	-	2,200,780
		<b>7,588,894,890</b>	<b>-</b>	<b>8,247,671,646</b>
	<b>Outside Bangladesh</b>	-	-	-
		<b>7,588,894,890</b>	<b>8,201,300,397</b>	<b>8,247,671,646</b>
<b>7.01</b>	<b>Maturity grouping of Leases, Loans and Advances</b>			
	Repayable			
	- on demand	493,558,721	510,619,308	513,506,418
	- over 1 month but not more than 3 months	980,907,952	676,796,878	680,623,578
	- over 3 months but not more than 1 year	1,820,925,449	1,842,350,895	1,852,767,793
	- over 1 year but not more than 5 years	4,241,550,441	4,671,117,122	4,697,528,242
	- over 5 years	51,952,326	500,416,194	503,245,615
		<b>7,588,894,890</b>	<b>8,201,300,397</b>	<b>8,247,671,646</b>
<b>7.02</b>	<b>Significant concentration of Leases, Loans and Advances</b>			
	Advance to allied Concerns of Directors	-	-	-
	Advance to the Chief Executive	-	-	-
	Advance to other Senior Executives	-	-	-
		<b>-</b>	<b>-</b>	<b>-</b>
<b>7.03</b>	<b>Sector-wise distribution</b>			
	Chemical and pharmaceuticals	158,016,622	158,016,515	158,016,515
	Textile industry	7,011,914	15,015,441	15,015,441
	Telecommunication and IT industry	116,804,471	117,118,841	117,118,841
	Jute and jute related goods	129,253,409	129,253,409	129,253,409
	Steel	928,716,996	1,098,513,694	1,098,513,694
	Paper	102,200,678	133,374,984	133,374,984
	Shipping and ship building industry	154,549,622	154,549,605	154,549,605
	Transport and communication	318,295,933	492,262,754	492,262,754
	Agriculture sector	11,856,944	19,085,752	19,085,752
	Readymade garments	962,406,607	937,991,100	937,991,100
	Food and allied	235,970,676	238,036,834	238,036,834
	Housing	1,779,872,016	1,909,113,821	1,909,113,821
	Trade & commerce	1,642,015,675	1,724,124,074	1,724,124,074
	Others	1,041,923,327	1,074,843,573	1,074,843,573
		<b>7,588,894,890</b>	<b>8,201,300,397</b>	<b>8,201,300,397</b>
<b>7.04</b>	<b>Advances to customers for more than 10% of total Capital of the Company</b>			
	Number of clients to whom leases, loans and advances were sanctioned more than 10% of total Capital of the Company during the year:			
	Number of Clients	16	13	13
	Amount of Outstanding Advances	2,012,090,329	2,076,524,182	2,076,524,182
	Amount of Classified Advances	2,012,090,329	1,839,255,395	1,839,255,395
	Amount of Recovery/Rescheduling thereon	367,333,803	998,315,038	998,315,038
		<b>4,391,514,461</b>	<b>4,914,094,615</b>	<b>4,914,094,615</b>

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>7.05</b>	<b>Geographical location-wise Leases, Loans and Advances</b>			
	In Bangladesh:			
	Dhaka Division	4,960,925,340	5,166,794,451	5,166,794,451
	Chittagong Division	2,508,900,914	2,912,675,168	2,912,675,168
	Sylhet Division	119,068,636	121,830,778	121,830,778
		<b>7,588,894,890</b>	<b>8,201,300,397</b>	<b>8,201,300,397</b>
	Outside Bangladesh	-	-	-
		<b>7,588,894,890</b>	<b>8,201,300,397</b>	<b>8,201,300,397</b>
<b>7.06</b>	<b>Particulars of Leases, Loans and Advances</b>			
	(i) Financing considered good in respect of which the Company is fully secured;	6,122,289,030	7,057,523,997	7,057,523,997
	(ii) Financing considered good against which the Company holds no security other than the debtors' personal security;	1,466,605,860	1,143,776,400	1,143,776,400
	(iii) Financing considered good secured by the personal undertaking of one or more parties in addition to the personal security of the debtors;	-	-	-
	(iv) Financing adversely classified but provision not maintained there against;	-	-	-
	(v) Financing due by directors or employees of the Company or any of them either separately or jointly with any other persons;	-	-	-
	(vi) Financing due from companies or firms in which the directors of the Company are interested as directors, partners or managing agents or, in case of private companies, as members;	-	-	-
	(vii) Maximum total amount of advances, including temporary advances made any time during the year to directors or employees of the Company or any of them either separately or jointly with any other persons;	-	-	-
	(viii) Maximum total amount of advances, including temporary advances approved during the year to companies or firms in which the directors of the Company are interested as directors, partners or managing agents or, in case of private companies, as members;	-	-	-
	(ix) Amount due from banking companies and other financial institutions at the end of the year	-	-	-
	(x) Amount of classified leases, loans and advances on which interest has not been credited to income	7,197,521,358	6,981,815,877	6,981,815,877
	(a) Increase/decrease in provision (Specific):			
	Amount of loans written off	-	-	-
	Amount realized against loans previously written off	-	-	-
	(b) Provision kept against loans classified as bad/loss on the date of settlement of financial position	2,159,357,519	2,002,696,030	2,002,696,030
	(c) Interest charged to interest suspense account	-	1,572,997,013	1,572,997,013
	(xi) Written off leases, loans and advances	-	-	-
	During the year	-	-	-
	Cumulative to-date	-	-	-
	Amount realized against loans previously written off	-	-	-
	Total amount of written off leases, loans and advances for which lawsuits filed	-	-	-

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>7.07</b>	<b>Classification of Loans and Advances</b>			
	<b><u>Unclassified</u></b>			
	Standard	274,372,240	1,046,047,974	1,046,047,974
	Special mention account	117,001,292	173,436,546	173,436,546
		<b>391,373,532</b>	<b>1,219,484,520</b>	<b>1,219,484,520</b>
	<b><u>Classified</u></b>			
	Substandard	25,682,521	70,730,854	60,213,597
	Doubtful	52,860,453	107,299,255	91,344,495
	Bad/Loss	7,118,978,384	8,023,270,288	6,830,257,785
		<b>7,197,521,358</b>	<b>8,201,300,397</b>	<b>6,981,815,877</b>
		<b>7,588,894,890</b>	<b>9,420,784,917</b>	<b>8,201,300,397</b>
<b>7.08</b>	<b>Particulars of required Provision for Loans and Advances</b>	<b>94.84%</b>	<b>87.06%</b>	<b>85.13%</b>
	<b><u>Status of Classification</u>    <u>Base for Provision</u>    <u>Rate</u></b>			
	<b><u>Unclassified (General Provision)</u></b>			
	Standard                      53,188,921    0.25% & 1%	451,440	16,812,170	16,812,170
	Special Mention Account    114,021,678    0.25% & 5%	5,556,578	7,980,251	7,980,251
		<b>6,008,018</b>	<b>24,792,421</b>	<b>24,792,421</b>
	<b><u>Classified (Specific Provision)</u></b>			
	Sub-Standard                      4,315,743    5% & 20%	685,664	3,068,201	3,068,201
	Doubtful                              7,973,905    20% & 50%	3,497,101	12,303,347	12,303,347
	Bad/Loss                              2,885,198,103    100%	2,885,198,103	2,967,410,672	2,967,410,672
		<b>2,889,380,868</b>	<b>2,982,782,220</b>	<b>2,982,782,220</b>
	Required provision for Loans and Advances	2,895,388,887	3,007,574,642	3,007,574,642
	Total provision maintained (notes 14.01.01 and 14.01.02)	2,165,365,536	2,027,488,451	2,027,488,451
	<b>Excess / (Short) Provision</b>	<b>(730,023,350)</b>	<b>5,035,063,093</b>	<b>(980,086,190)</b>
	There is a Provision Shortfall for Taka 73.00 Crore against loan, lease & advance for the year ended 31 December 2024. The Company has obtained permission from Bangladesh Bank through Letter No. DFIM(C)1054/31/2022-1980 dated 06 July 2022 for adjustment of such Shortfall Amount within 07 years starting from the year 2021. So for this year, the charged amount is Taka 136,130,224/=.			
<b>8.00</b>	<b>Bills Purchased and Discounted</b>			
	Inside Bangladesh	-	-	-
	Outside Bangladesh	-	-	-
		<b>-</b>	<b>-</b>	<b>-</b>
<b>9.00</b>	<b>Fixed assets including Premises, Furniture and Fixtures (excluding Accumulated Depreciation)</b>			
	<b><u>Cost</u></b>			
	Office equipment	117,266,155	115,804,688	115,804,688
	Motor vehicles	24,880,954	24,880,954	24,880,954
	Furniture and fixtures	90,290,658	90,290,658	90,290,658
	Software	14,380,040	14,380,040	14,380,040
	Right of use assets	94,558,038	52,073,412	52,073,412
		<b>341,375,845</b>	<b>297,429,752</b>	<b>297,429,752</b>
	Less: Accumulated depreciation	252,435,467	228,464,799	228,464,799
	Net book value at the end of the year	<b>88,940,378</b>	<b>68,964,953</b>	<b>68,964,953</b>
	<b>Details are shown in Annex-A.</b>			



Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>10.00</b>	<b>Other assets</b>			
	<b>Income generating</b>			
	Investment in shares of subsidiary companies:			
	Inside Bangladesh	-	-	-
	Outside Bangladesh	-	-	-
		-	-	-
	<b>Others</b>			
	Interest receivable	224,651	-	-
	Interest receivable on FDR	11,370,892	28,109,053	28,109,053
		<b>11,595,543</b>	<b>28,109,053</b>	<b>28,109,053</b>
		<b>11,595,543</b>	<b>28,109,053</b>	<b>28,109,053</b>
	<b>Non-income generating</b>			
	Advance Office Rent	337,377	561,777	561,777
	Advance Parking Rent	77,000	75,000	75,000
	Security Deposit	814,400	814,400	814,400
	Others (note 10.01)	523,769,855	507,290,045	507,290,045
		<b>524,998,632</b>	<b>508,741,222</b>	<b>508,741,222</b>
		<b>536,594,175</b>	<b>536,850,275</b>	<b>536,850,275</b>
<b>10.01</b>	<b>Others</b>			
	Advance Income Tax - Note 10.02	479,366,110	463,945,617	463,945,617
	Receivable Others (Legal expenses for Clients)	26,221,811	22,300,033	22,300,033
	Receivable from BLI Securities Limited	-	-	-
	Advance against Expenses	9,918,093	9,790,576	9,790,576
	Receivable from Sheltech Brokerage Limited	-	-	-
	Receivable for NBA	214,112	168,112	168,112
	Receivable from Employees	4,489,500	7,589,460	7,589,460
	Deferred Tax Assets - Note 10.04	3,360,329	-	-
	Inter Branch -reconcile balance	-	3,000,000	3,000,000
	Other Assets	199,900	496,247	496,247
		<b>523,769,855</b>	<b>507,290,045</b>	<b>507,290,045</b>
As per Bangladesh Bank regulations, the Company is required to record a provision of Taka 33,683,400/= against Other Assets. Specifically, Bangladesh Bank has indicated that the Company should establish provisions for Receivables from Employees, Advances against Expenses, and Legal Expenses Receivable from Clients. The company has maintained the provision in full against Other Assets as required.				
<b>10.02</b>	<b>Advance Income Tax</b>			
	Accounting Year:			
	2006-2009	32,374,484	32,374,484	32,374,484
	2010	32,862,206	32,862,206	32,862,206
	2011	43,309,552	43,309,552	43,309,552
	2012	63,552,300	63,552,300	63,552,300
	2013	87,672,246	87,672,246	87,672,246
	2014	64,148,371	64,148,371	64,148,371
	2015	44,679,572	44,679,572	44,679,572
	2016	55,377,498	55,377,498	55,377,498
	2017	6,759,784	6,759,784	6,759,784
	2018	6,398,847	6,398,847	6,398,847
	2019	2,950,748	2,950,748	2,950,748
	2020	1,406,059	1,406,059	1,406,059
	2021	7,878,546	7,878,546	7,878,546
	2022	7,261,543	7,261,543	7,261,543
	2023	7,313,862	7,313,862	7,313,862
	2024	15,420,494	-	-
		<b>479,366,110</b>	<b>463,945,617</b>	<b>463,945,617</b>

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>10.03</b>	<b>Classification</b>			
	Standard	490,086,455	453,781,316	453,781,316
	Bad/Loss	33,683,400	53,508,728	53,508,728
		<b>523,769,855</b>	<b>507,290,045</b>	<b>507,290,045</b>
	<b>Tax status is stated in Annexure-D.</b>			
<b>10.04</b>	<b>Deferred Tax Assets</b>			
	Opening balance	2,991,650	-	-
	Add: Adjustment during the year	368,679	-	-
	<b>Closing balance</b>	<b>3,360,329</b>	<b>-</b>	<b>-</b>
<b>10.04.01</b>	<b>Deferred tax</b>			
	Tax base value of Fixed Assets	64,435,947	-	-
	Carrying amount of Fixed Assets	55,475,069	-	-
	Deductible temporary difference	8,960,878	-	-
	Tax Rate	37.50%	-	-
		<b>3,360,329</b>	<b>-</b>	<b>-</b>
	Deferred tax liability of Taka 3,360,329/= is reflected in notes 14.05 in the year 2023. This amount now included in others asset. Detailed calculation of Deferred Tax Liability is included in Annexure B.			
<b>11.00</b>	<b>Non-Banking Assets</b>			
	Non-Banking Assets	176,677,732	176,677,732	176,677,732
		<b>176,677,732</b>	<b>176,677,732</b>	<b>176,677,732</b>
	This represents Assets Acquired by the Company as per Judgment of Honorable Court against Loan/Lease. The above Assets are Non-Earning Assets.			
<b>12.00</b>	<b>Borrowings from Other Banks, Financial Institutions and Agents</b>			
	Inside Bangladesh (note 12.01)	1,191,494,502	1,146,370,249	1,146,370,249
	Outside Bangladesh	-	-	-
		<b>1,191,494,502</b>	<b>1,146,370,249</b>	<b>1,146,370,249</b>
<b>12.01</b>	<b>Inside Bangladesh</b>			
	Social Islami Bank Limited (Term Loan)	166,969,548	158,034,945	158,034,945
	Uttara Bank Limited (Term Loan)	-	6,542,579	6,542,579
	Bangladesh Bank Refinance scheme (Term Loan)	2,198,007	3,593,555	3,593,555
	Bangladesh Development Bank Limited (Term Loan)	136,000,000	136,000,000	136,000,000
	Social Islami Bank Limited (Overdraft)	584,877,545	537,819,492	537,819,492
	Mercantile Bank Limited (Overdraft)	139,149,401	123,179,678	123,179,678
	Sonali Bank Limited (Call Money Loan)	63,000,000	67,900,000	67,900,000
	Agrani Bank Limited (Call Money Loan)	76,500,000	85,500,000	85,500,000
	Janata Bank Limited (Call Money Loan)	22,800,000	27,800,000	27,800,000
		<b>1,191,494,502</b>	<b>1,146,370,249</b>	<b>1,146,370,249</b>
<b>12.02</b>	<b>Analysis by security</b>			
	Secured	1,191,494,502	1,146,370,249	1,146,370,249
	Unsecured	-	-	-
		<b>1,191,494,502</b>	<b>1,146,370,249</b>	<b>1,146,370,249</b>
<b>12.03</b>	<b>Repayment pattern</b>			
	- on demand	162,300,000	181,200,000	181,200,000
	- within one month	136,000,000	136,000,000	136,000,000
	- more than one month but less than six months	-	-	-
	- more than six months but less than one year	169,167,555	168,171,079	168,171,079
	- more than one year but less than five years	724,026,947	660,999,170	660,999,170
	- more than five years but less than ten years	-	-	-
	- more than ten years	-	-	-
		<b>1,191,494,502</b>	<b>1,146,370,249</b>	<b>1,146,370,249</b>

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>13.00</b>	<b>Deposit and other accounts</b>			
	Term deposit	6,198,617,572	6,271,991,801	6,271,991,801
	Fixed deposit	-	-	-
	Short term deposit	-	-	-
	Staff security deposit	-	-	-
	Deposit pension scheme	-	-	-
	Monthly savings scheme	25,987,000	32,671,000	32,671,000
		<b>6,224,604,572</b>	<b>6,304,662,801</b>	<b>6,304,662,801</b>
<b>13.01</b>	<b>Maturity Analysis of Deposits</b>			
	<b>From banks, financial institutions and other institutions :</b>			
	- on demand	-	-	-
	- within one month	328,994,952	242,140,776	242,140,776
	- more than one month but less than six months	767,654,888	564,995,143	564,995,143
	- more than six months but less than one year	3,801,851,149	4,085,936,032	4,085,936,032
	- more than one year but less than five years	624,072,718	617,054,463	617,054,463
	- more than five years but less than ten years	-	-	-
	- unclaimed deposits for ten years or more	-	-	-
		<b>5,522,573,707</b>	<b>5,510,126,414</b>	<b>5,510,126,414</b>
	<b>Other than banks, financial institutions and other institutions :</b>			
	- on demand	-	-	-
	- within one month	41,232,529	40,234,772	40,234,772
	- more than one month but less than six months	35,572,902	17,648,802	17,648,802
	- more than six months but less than one year	484,697,617	557,559,228	557,559,228
	- more than one year but less than five years	42,370,273	65,544,859	65,544,859
	- more than five years but less than ten years	98,157,544	113,548,726	113,548,726
	- unclaimed deposits for ten years or more	-	-	-
		<b>702,030,865</b>	<b>794,536,387</b>	<b>794,536,387</b>
		<b>6,224,604,572</b>	<b>6,304,662,801</b>	<b>6,304,662,801</b>
<b>14.00</b>	<b>Other Liabilities</b>			
	Provision for Loans and Advances 14.01	2,165,365,536	2,027,488,451	2,027,488,451
	Special provision for deferred Loan/Lease 14.01.03	8,797,568	10,544,430	10,544,430
	Interest Suspense Account 14.02	1,458,500,359	1,572,997,013	1,572,997,013
	Provision for Investment 14.03	6,971,934	3,129,424	3,129,424
	Provision for Income Tax 14.04	317,264,036	315,713,122	315,713,122
	Provision for Other Assets 14.08	33,683,400	53,508,728	53,508,728
	Deferred Tax Liability/(assets) 14.05	-	(2,991,650)	(2,889,432)
	Lease Deposit	17,648,052	16,323,442	16,323,442
	Unclaimed Dividend	-	76,312	76,312
	Share Money Deposit	-	66,321	66,321
	Interest Payable 14.06	774,043,799	434,233,492	434,233,492
	Grautity Payable 14.09	10,000,000	-	-
	Sundry Creditors 14.07	1,147,279,010	1,421,201,846	1,421,201,846
		<b>5,939,553,695</b>	<b>5,852,290,932</b>	<b>5,852,393,150</b>
As per Directives of BSEC; no- SEC/SRMIC/2021-386/03, dated 14 January, 2021 and No- SEC/SRMIC/165-2020/306 dated 24 November, 2021; Tk. 76,312 as Unclaimed Dividend and Tk. 66,321 as Share Money Deposit amount and deposited to the “Capital Market Stabilization Fund”				
<b>14.01</b>	<b>Provision for Loans and Advances</b>			
<b>14.01.01</b>	<b>Provision for Unclassified Loans and Advances</b>			
	Opening balance	24,792,421	17,032,267	17,032,267
	Add: provision for the year	15,634,771	11,853,061	11,853,061
	Less: Transferred to classified a/c provision during the year	(34,419,175)	(4,092,908)	(4,092,908)
	General provision for the year	-	-	-
		<b>6,008,017</b>	<b>24,792,421</b>	<b>24,792,421</b>

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>14.01.02</b>	<b>Provision against Classified Loans and Advances</b>			
	Opening balance	2,002,696,030	1,889,045,332	1,889,045,332
	Less: adjusted during the year during the year	(110,797,258)	-	-
	Add: Recovery of advances previously written off	-	-	-
	Add: Transferred from classified a/c provision during the year	-	4,092,908	4,092,908
	Add: provision for the year	267,458,747	109,557,791	109,557,791
		<b>2,159,357,519</b>	<b>2,002,696,030</b>	<b>2,002,696,030</b>
		<b>2,165,365,536</b>	<b>2,027,488,451</b>	<b>2,027,488,451</b>
	The Company has kept Provision Shortfall against Loan Lease advances Taka 73.00 Crore in the year ended 31 December 2024 and subsequently obtained approval from Bangladesh Bank as disclosed in note no. 7.08. The shortfall will be adjusted by 2027.			
<b>14.01.03</b>	<b>Provision against Deferred Loan Lease</b>			
	Opening balance	10,544,430	12,607,781	12,607,781
	Less: Adjusted during the year	(1,777,278)	(2,063,351)	(2,063,351)
	Add: Recovery of advances previously written off	-	-	-
	Add: Specific provision for the year	30,416	-	-
		<b>8,797,568</b>	<b>10,544,430</b>	<b>10,544,430</b>
	The special provision has been kept as per Bangladesh Bank DFIM circular letter no. 33, dated 19 December 2021, clause-04 against deferred facilitated clients.			
<b>14.02</b>	<b>Interest Suspense Account</b>			
	Opening balance	1,572,997,013	2,199,036,274	2,199,036,274
	Addition during the year	105,866,620	5,365,660	5,365,660
	Less: Realized/Adjustment during the year	(183,685,954)	(202,962,175)	(202,962,175)
	Less: Transfer to Block Interest	(36,677,320)	(428,442,746)	(428,442,746)
		<b>1,458,500,359</b>	<b>1,572,997,013</b>	<b>1,572,997,013</b>
<b>14.03</b>	<b>Provision for Investment</b>			
	Opening balance	3,129,424	3,121,719	3,121,719
	Add: Provision for the year	3,842,510	7,705	7,705
	Less: Adjustment during the year	-	-	-
		<b>6,971,934</b>	<b>3,129,424</b>	<b>3,129,424</b>
	The provision for share investment has been kept as per Bangladesh Bank DFIM circular letter no. 19, dated 14 August 2022.			
<b>14.04</b>	<b>Provision for Income Tax</b>			
	Opening balance	315,713,122	312,288,928	312,288,928
	Add: Provision made during the year 14.04.01	1,550,914	3,424,194	3,424,194
		<b>317,264,036</b>	<b>315,713,122</b>	<b>315,713,122</b>
	Less: Settlement during the year 14.04.02	-	-	-
		<b>317,264,036</b>	<b>315,713,122</b>	<b>315,713,122</b>
<b>14.04.01</b>	<b>Current Tax</b>			
	The Company recognizes the Current Tax @ 0.60% of the Gross Receipts in the Financial Statements complying with Section 163(5). Minimum Tax; Sub-Section-5 of Income Tax Act 2023.			
	<b>Gross receipts:</b>			
	(i) Interest Income	252,876,980	549,583,473	549,583,473
	(ii) Investment Income	233,043	111,876	111,876
	(iii) Other Operating Income	5,375,642	21,003,669	21,003,669
	<b>Total</b>	<b>258,485,665</b>	<b>570,699,018</b>	<b>570,699,018</b>
	Minimum Tax @	0.60%	0.60%	0.60%
	<b>Current tax</b>	<b>1,550,914</b>	<b>3,424,194</b>	<b>3,424,194</b>
	Add: Provision made for Previous Year	-	-	-
		<b>1,550,914</b>	<b>3,424,194</b>	<b>3,424,194</b>

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>14.04.02</b>	<b>Yearly breakup of Provision for Income Tax</b>			
	<u>Accounting Year:</u>			
	2006-2009	83,000,000	83,000,000	83,000,000
	2010	20,000,000	20,000,000	20,000,000
	2011	34,500,000	34,500,000	34,500,000
	2012	-	-	-
	2013	40,000,000	40,000,000	40,000,000
	2014	48,064,000	48,064,000	48,064,000
	2015	27,224,242	27,224,242	27,224,242
	2016	33,416,406	33,416,406	33,416,406
	2017	10,290,115	10,290,115	10,290,115
	2018	4,518,478	4,518,478	4,518,478
	2019	5,772,909	5,772,909	5,772,909
	2020	4,318,659	4,318,659	4,318,659
	2021	53,628	53,628	53,628
	2022	1,130,491	1,130,491	1,130,491
	2023	3,424,194	3,424,194	3,424,194
	2024	1,550,914	-	-
		<b>317,264,036</b>	<b>315,713,122</b>	<b>315,713,122</b>
	Tax status is stated in Annexure-D.			
<b>14.05</b>	<b>Deferred Tax Liability/(Assets)</b>			
	Opening balance	-	(2,750,992)	(2,750,992)
	Less: Adjustment during the year	-	(240,658)	(138,440)
		-	<b>(2,991,650)</b>	<b>(2,889,432)</b>
<b>14.05.01</b>	<b>Deferred tax</b>			
	Carrying amount of Fixed Assets	-	62,222,908	62,222,908
	Tax base value of Fixed Assets	-	70,200,642	69,928,061
	Deductible temporary difference	-	(7,977,734)	(7,705,152)
	Tax Rate	0.00%	37.50%	37.50%
		-	<b>(2,991,650)</b>	<b>(2,889,432)</b>
	Detailed calculation of Defered Tax Liability is included in Annexure B			
<b>14.06</b>	<b>Interest Payable</b>			
	Interest Payable	774,043,799	434,233,492	434,233,492
		<b>774,043,799</b>	<b>434,233,492</b>	<b>434,233,492</b>

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>14.07</b>	<b>Sundry Creditors</b>			
	Income Tax Payable	365,393,758	336,825,614	336,825,614
	VAT Payable	1,886,378	1,848,194	1,848,194
	Salary & Allowance Payable	181,144	193,192	193,192
	Office Rent Payable	566,375	557,750	557,750
	Utility Payable	556,579	576,535	576,535
	Audit Fee Payable	345,000	287,500	287,500
	Other Payable	2,725,442	3,547,485	3,547,485
	Sundry Accounts (Party)	26,178,775	27,641,449	27,641,449
	Sundry Accounts (Others)	3,220,556	3,262,244	3,262,244
	Excise Duty Payable	4,140,235	4,096,210	4,096,210
	Sundry Account (Documents)	1,074,564	1,266,593	1,266,593
	Security Money Payable (Vendor/Supplier)	160,830	160,830	160,830
	Telephone and Internet Bill Payable	188,410	200,263	200,263
	<b>Suspense Account Charge</b>	<b>14.07.02</b>		
	Interest Suspense for Reschedule/Restructure	316,565,211	694,229,377	694,229,377
	Sundry Accounts (MSS)	25,231,388	6,116,467	6,116,467
	Employees P.F. Payable A/C	1,200,003	620,863	620,863
	Employees P.F. Payable A/C	2,237,402	122,111	122,111
	FLFIL Employees P/F Loans A/C	2,237,402	122,111	122,111
	FLFIL Employees P/F Loans A/C	726,983	(17,584)	(17,584)
	Interest Payable on Bank Borrowing	470,479	824,262	824,262
	Lease Liability: IFRS 16 (Note 14.07.01)	33,465,308	6,742,045	6,742,045
	Earnest Money Agst. Non-Banking Asset (Auction)	-	1,170,000	1,170,000
	Earnest Money	1,250,000	-	-
	Unclaimed Suspense Accounts	264,911	266,922	266,922
	TDR Payable	358,949,278	330,363,523	330,363,523
	Security Money-Rental Advance (Mr. Masbaul Haque-Reverside)	300,000	300,000	300,000
		<b>1,147,279,010</b>	<b>1,421,201,846</b>	<b>1,421,201,846</b>
<b>14.07.01</b>	<b>Lease Liability IFRS 16</b>			
	Opening Balance	6,742,045	19,514,318	19,514,318
	Addition during the year	42,484,626	-	-
	Accretion Interest	723,190	1,286,147	1,286,147
	Less: Liability adjustment	(16,484,553)	(14,058,420)	(14,058,420)
		<b>33,465,308</b>	<b>6,742,045</b>	<b>6,742,045</b>
<b>14.07.02</b>	<b>Suspense Account Charge</b>			
	Delinquent Charge Suspense Account	82,303,461	117,607,724	117,607,724
	IDCP Charge Suspense Account	38,572,370	41,517,937	41,517,937
	Premature Charge Suspense Account	3,029,645	3,029,645	3,029,645
	Additional Interest - Suspense Account	192,659,735	532,074,071	532,074,071
		<b>316,565,211</b>	<b>694,229,377</b>	<b>694,229,377</b>

During the year 2024, a total of Taka 377,664,166 was reduced from above suspense receivable accounts. Previously, at the time of filing suits with the Artha Rin Adalat, all receivable amounts comprising both charged and uncharged interest were capitalized. After the implementation of the Block Receivable Management module, all such receivables under Artha Rin cases were reversed from the ledger, as these accounts had already been classified as Bad and Loss (BL). All interest amounts were kept in the Block system.

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>14.08</b>	<b>Provision for Other Assets</b>			
	Provision Required	33,683,400	53,508,728	53,508,728
	Provision Kept	33,683,400	53,508,728	53,508,728
	Short fall of Provision	-	-	-
	The company has kept the provision in full against Other Assets as required.			
<b>14.09</b>	<b>Grautity Payable</b>			
	Opening Balance	-	-	-
	Add:Addition during the year	10,000,000	-	-
	Less:Adjustment during the year	-	-	-
		<b>10,000,000</b>	<b>-</b>	<b>-</b>
<b>15.00</b>	<b>Share Capital</b>			
<b>15.01</b>	Authorized Capital			
	500,000,000 Shares of Taka 10 each	<b>5,000,000,000</b>	<b>5,000,000,000</b>	<b>5,000,000,000</b>
<b>15.02</b>	Issued, Subscribed and Paid-up Capital			
	10,000,000 ordinary shares of Taka 10 each issued for cash	100,000,000	100,000,000	100,000,000
	1,000,000 bonus shares of Taka 10 each issued for 2003	10,000,000	10,000,000	10,000,000
	1,100,000 bonus shares of Taka 10 each issued for 2004	11,000,000	11,000,000	11,000,000
	2,420,000 bonus shares of Taka 10 each issued for 2005	24,200,000	24,200,000	24,200,000
	2,904,000 bonus shares of Taka 10 each issued for 2006	29,040,000	29,040,000	29,040,000
	3,484,800 bonus shares of Taka 10 each for 2007	34,848,000	34,848,000	34,848,000
	2,090,880 bonus shares of Taka 10 each issued for 2008	20,908,800	20,908,800	20,908,800
	17,249,760 bonus shares of Taka 10 each issued for 2009	172,497,600	172,497,600	172,497,600
	10,062,360 bonus shares of Taka 10 each issued for 2010	100,623,600	100,623,600	100,623,600
	10,062,360 bonus shares of Taka 10 each issued for 2011	100,623,600	100,623,600	100,623,600
	15,093,540 bonus shares of Taka 10 each issued for 2012	150,935,400	150,935,400	150,935,400
	25,155,900 Right shares of Taka 10 each issued for 2013	251,559,000	251,559,000	251,559,000
	1,00,62,360 bonus shares of Taka 10 each issued for 2013	100,623,600	100,623,600	100,623,600
	55,34,298 bonus shares of Taka 10 each issued for 2014	55,342,980	55,342,980	55,342,980
	23,24,405 bonus shares of Taka 10 each issued for 2019	23,244,050	23,244,050	23,244,050
		<b>1,185,446,630</b>	<b>1,185,446,630</b>	<b>1,185,446,630</b>

**15.03 Percentage of shareholding**

Category	As at 31 December			
	2024		2023	
	No. of shares	%	No. of shares	%
Sponsors	48,972,361	41.31%	48,972,361	41.31%
General Public including NRB	45,485,587	38.37%	45,115,753	38.06%
institutional	24,086,715	20.32%	24,456,549	20.63%
Investment Companies	-	0.00%	-	0.00%
Foreigners	-	0.00%	-	0.00%
<b>Total</b>	<b>118,544,663</b>	<b>100%</b>	<b>118,544,663</b>	<b>100%</b>



Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023

**15.04 Classification of shareholders by holding**

Holding	No. of shareholders		Total holding percentage (%)	
	2024	2023	2024	2023
Less than 5000	4,405	4,870	77.20	77.50
5001 to 50,000	1,120	1,236	19.63	19.67
50,001 to 100000	84	79	1.47	1.26
100001 to 200000	46	48	0.81	0.76
200001 to 300000	15	15	0.26	0.24
300001 to 400000	2	3	0.04	0.05
400001 to 500000	7	7	0.12	0.11
500001 to 1000000	10	10	0.18	0.16
Over 1,000,001	17	16	0.30	0.25
<b>Total</b>	<b>5,706</b>	<b>6,284</b>	<b>100%</b>	<b>100%</b>

**15.05 Name of Directors and their shareholdings**

Sl.	Name	Status	2024	2023
1	Mr. Masud Hossain Khan (representing Alphabet Asspociates Ltd.)	Nominated Director & Chairman	5,783,999	5,783,999
2	Mr. Abu Zakir (Represents of Alphabet Systems Ltd)	Nominated Director & Vice Chairman	5,787,345	5,787,345
3	Mr. AQM Faisal Ahmed Chowdhury	Sponsor Director	2,775,485	2,775,485
4	Mr. Md. Altaf Hossain (Represents of Oparchor Trade International Ltd.)	Nominated Director	8,487,950	8,487,950
5	Mrs. Amatun Noor (Represents of Qasraj Trading Ltd.)	Nominated Director	11,854,089	11,854,089
6	Mr. Mohammad Mynul Islam (Represents of Qasraj Trading Ltd.)	Nominated Director		
7	Mr. Abu Bakar Zahan Raminton Raza (Represents of Raqas Trade International Limited)	Nominated Director	5,910,691	5,910,691
8	Mr. Md. Habibur Rahman	Independent Director		

Engineer Mohammad Mynul Islam was withdrawn as Nominated Director of Qasraj Trading Ltd. On 25 June 2023 in the 353rd Board meeting of the Company

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>15.06</b>	<b>Capital adequacy Ratio:</b>			
	Capital adequacy ratio has been calculated as per circular issued by Bangladesh Bank.			
	<b>Tier-1 (Core Capital)</b>			
	Paid-up Capital	1,185,446,630	1,185,446,630	1,185,446,630
	Statutory Reserve	369,944,452	369,944,452	369,944,452
	General Reserve	-	-	-
	Retained Surplus	(6,773,723,819)	(5,360,289,352)	(6,294,106,511)
		<b>(5,218,332,737)</b>	<b>(3,804,898,270)</b>	<b>(4,738,715,429)</b>
	<b>Tier-2 (Supplementary Capital):</b>			
	General Provision maintained against Unclassified Loans	6,008,017	24,792,421	24,792,421
	Other Reserves	-	-	-
		<b>6,008,017</b>	<b>24,792,421</b>	<b>24,792,421</b>
	<b>Total Capital Held (Tier 1 + Tier 2)</b>	<b>(5,212,324,720)</b>	<b>(3,780,105,849)</b>	<b>(4,713,923,008)</b>
	<b>Total Risk Weighted Assets (Note 15.06.01)</b>	<b>8,280,538,073</b>	<b>8,953,598,770</b>	<b>8,953,598,770</b>
	<b>Required capital</b>	<b>1,000,000,000</b>	<b>1,000,000,000</b>	<b>1,000,000,000</b>
	<b>(10% of risk-weighted assets or Taka 100.00 Crore whichever is higher)</b>			
	<b>Total Capital Held</b>	<b>(5,212,324,720)</b>	<b>(3,780,105,849)</b>	<b>(4,713,923,008)</b>
	<b>Capital Adequacy Ratio</b>			
	Core Capital	-63.02%	-42.50%	-52.93%
	Supplementary Capital	0.07%	0.282%	-0.28%
		<b>-62.95%</b>	<b>-42.22%</b>	<b>-52.65%</b>

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

Gross Risk-Weighted Assets (RWA) of 2024 in the various categories of risk weights are detailed below :

**Total Risk Weighted Assets**

**(a) Risk Weights for Credit Risk**

Risk Weights (both B/S & Off-B/S)	As at 31 December 2024		
	Principal Amount		Risk Weighted Asset
0%	514,509,489	-	-
20%	227,404,286	45,480,857	45,480,857
50%	19,143,729	9,571,865	9,571,865
75%	11,969,595	8,977,196	8,977,196
100%	7,728,393,548	7,728,393,548	7,728,393,548
125%	248,921,442	311,151,803	311,151,803
150%	117,001,292	175,501,938	175,501,938
<b>Total</b>	<b>8,867,343,382</b>	<b>8,279,077,207</b>	<b>8,279,077,207</b>

(b) Risk Weights for Market Risk 1,460,866

(c) Risk Weights for Operational Risk -

**Total Risk Weighted Assets (a+b+c)**

**8,280,538,073**

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>16.00</b>	<b>Statutory reserve</b>			
	Opening balance	369,944,452	369,944,452	369,944,452
	Addition during the year	-	-	-
	Closing balance	<b>369,944,452</b>	<b>369,944,452</b>	<b>369,944,452</b>
This was created in terms of clause- 6 of Financial Institution Regulation 1994, as 20% of net profit after tax.				
<b>17.00</b>	<b>General reserve</b>			
	General reserve	-	-	-
		<b>-</b>	<b>-</b>	<b>-</b>
<b>18.00</b>	<b>Retained earnings</b>			
	Opening balance	(5,360,289,352)	(4,974,110,143)	(4,974,110,143)
	Addition during the year	(696,757,053)	(407,525,617)	(407,627,835)
	Add : Charge for FICL& GL	13,345,937	21,346,408	67,717,657
	Add: Prior year adjustment Deferred tax Asset	-	-	-
	Less: Transfer to statutory reserve	-	-	-
	Less: Issue of bonus shares 2019	-	-	-
		<b>(6,043,700,469)</b>	<b>(5,360,289,352)</b>	<b>(5,314,020,321)</b>
<b>19.00</b>	<b>Contingent liabilities and commitments</b>			
<b>19.01</b>	<b>Letters of guarantee</b>			
	Money for which the Company is contingently liable in respect of guarantee given favoring:			
	Directors	-	-	-
	Government	-	-	-
	Banks and other financial institutions	-	-	-
	Letter of credit	-	-	-
		<b>-</b>	<b>-</b>	<b>-</b>
<b>19.02</b>	<b>Commitments</b>			
	i Documentary credit and short term business transactions	-	-	-
	ii Forward assets purchased and forward deposits placed	-	-	-
	iii Existing facilities, loan facilities and other commitments not accounted for:	-	-	-
	Less than one year	-	-	-
	More than one year	-	-	-
	iv Spot and forward foreign exchange contracts	-	-	-
	v Other exchange contracts	-	-	-
		<b>-</b>	<b>-</b>	<b>-</b>

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>20.00</b>	<b>Profit and Loss Statement</b>			
	<b>Income</b>			
	Interest, discount and similar income	252,876,980	549,583,473	549,583,473
	Dividend income	125,089	111,750	111,750
	Fees, commission and brokerage	-	-	-
	Gains less losses arising from dealing securities	-	-	-
	Gains less losses arising from investment securities	107,954	126	126
	Gains less losses arising from dealings in foreign currencies	-	-	-
	Income from non-company's assets	-	-	-
	Other operating income	5,375,642	21,003,669	21,003,669
	Profit less losses on interest rate changes	-	-	-
		<b>258,485,665</b>	<b>570,699,018</b>	<b>570,699,018</b>
	<b>Expenses</b>			
	Interest, fees and commission	688,694,030	693,229,528	693,229,528
	Losses on loans and advances	-	-	-
	Administrative expenses	105,140,786	111,579,213	111,579,213
	Other operating expenses	22,170,004	12,561,184	12,561,184
	Depreciation on banking assets	32,191,330	24,975,215	24,975,215
		<b>848,196,150</b>	<b>842,345,139</b>	<b>842,345,139</b>
	<b>Profit/(loss) Before Provision</b>	<b>(589,710,484)</b>	<b>(271,646,120)</b>	<b>(271,646,121)</b>
	The company is in trend to loss because huge amount of classified loan that is fully non-income generating and required increasing interest suspense and provision. Interest income is going down because interest income generating loan lease is 5.16% of portfolio but interest expenses on deposit & borrowing need to paid and provisioning accordingly.			
<b>21.00</b>	<b>Interest Income</b>			
	<b>Interest on leases, loans and advances:</b>			
	Lease finance	45,114,281	98,645,194	98,645,194
	Term finance	189,094,209	440,150,358	440,150,358
	Home loan/Margin loan	205,832	176,635	176,635
		<b>234,414,322</b>	<b>538,972,187</b>	<b>538,972,187</b>
	<b>Interest suspense on leases, loans and advances:</b>			
	Lease finance	-	-	-
	Term finance	-	-	-
	Home loan/Margin loan	-	-	-
		-	-	-
	<b>Net interest Income after adjusting suspense</b>	<b>234,414,322</b>	<b>538,972,187</b>	<b>538,972,187</b>
	<b>Interest on:</b>			
	Accounts with foreign banks	-	-	-
	Balances with other banks and financial institutions (STD A/C & FDR Interest)	18,687,310	10,611,287	10,611,287
		<b>18,687,310</b>	<b>10,611,287</b>	<b>10,611,287</b>
		<b>253,101,631</b>	<b>549,583,473</b>	<b>549,583,473</b>

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>22.00</b>	<b>Interest Paid on Deposits, Borrowings, etc.</b>			
	<b>Interest on deposits:</b>			
	Fixed/term deposits	574,814,406	596,161,760	596,161,760
	Savings deposits	3,766,719	2,114,679	2,114,679
		<b>578,581,125</b>	<b>598,276,439</b>	<b>598,276,439</b>
	<b>Interest on borrowings:</b>			
	Local banks including Bangladesh Bank	107,983,235	93,666,941	93,666,941
	Interest on Lease rent (IFRS 16)	723,190	1,286,147	1,286,147
	Foreign banks	-	-	-
		<b>108,706,425</b>	<b>94,953,088</b>	<b>94,953,088</b>
		<b>687,287,550</b>	<b>693,229,528</b>	<b>693,229,528</b>
<b>23.00</b>	<b>Investment Income</b>			
	Dividend on shares	125,089	111,750	111,750
	Gain on Sale of Marketable Securities	107,954	126	126
		<b>233,043</b>	<b>111,876</b>	<b>111,876</b>
<b>24.00</b>	<b>Commission, Exchange and Brokerage</b>			
	Commission on trading security	-	-	-
	Exchange gains/losses arising from dealings in foreign currencies	-	-	-
		<b>-</b>	<b>-</b>	<b>-</b>
<b>25.00</b>	<b>Other Income</b>			
	Interest during construction period	2,890,289	9,446,779	9,446,779
	Delinquent charge	271,819	3,009,770	3,009,770
	Documentation and processing fee including stamp charge	226,015	92,600	92,600
	Transfer fee	91,400	(22,737)	(22,737)
	Other Operating Income	1,896,119	8,477,257	8,477,257
		<b>5,375,642</b>	<b>21,003,669</b>	<b>21,003,669</b>
<b>26.00</b>	<b>Salary and Allowances</b>			
	Salary and allowance	77,086,835	81,394,074	81,394,074
	Provident fund contribution	4,267,554	4,368,100	4,368,100
	Festival Bonus	7,933,586	8,208,347	8,208,347
	Overtime	-	-	-
	Medical & Welfare Expenses	-	7,368	7,368
		<b>89,287,975</b>	<b>93,977,889</b>	<b>93,977,889</b>
<b>27.00</b>	<b>Rent, Taxes, Insurance, Lighting, etc.</b>			
	Rent, rates and taxes (Note 27.01)	114,225	2,271,258	2,271,258
	Utilities	3,501,639	3,526,858	3,526,858
	Insurance	484,441	389,703	389,703
		<b>4,100,305</b>	<b>6,187,819</b>	<b>6,187,819</b>
<b>27.01</b>	<b>Disclosure related to Rent, rate and taxes:</b>			
	Actual rental Expenses	16,598,778	16,329,678	16,329,678
	Less: Reclassification of rent expenses (as per IFRS 16: Leases)	16,484,553	14,058,420	14,058,420
	Rent expenses as reported	<b>114,225</b>	<b>2,271,258</b>	<b>2,271,258</b>

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>28.00</b>	<b>Legal Expenses</b>			
	Legal expenses	588,150	385,550	385,550
	Consultancy fees	345,000	345,000	345,000
		<b>933,150</b>	<b>730,550</b>	<b>730,550</b>
<b>29.00</b>	<b>Postage, Stamps, Telecommunication, etc.</b>			
	Phone, fax and internet	1,749,257	2,029,643	2,029,643
	Court fees and stamps	(147,494)	22,060	22,060
	Postage and courier	43,101	44,673	44,673
		<b>1,644,864</b>	<b>2,096,376</b>	<b>2,096,376</b>
<b>30.00</b>	<b>Stationery, Printing, Advertisements, etc</b>			
	Advertisement	424,894	600,749	600,749
	Stationery and printing	1,088,424	1,945,280	1,945,280
		<b>1,513,318</b>	<b>2,546,029</b>	<b>2,546,029</b>
<b>31.00</b>	<b>Chief Executive Officer's Salary and Fees</b>			
	Basic salary	-	2,700,000	2,700,000
	Allowances	-	1,800,000	1,800,000
	Festival Bonus	-	600,000	600,000
		-	5,100,000	5,100,000
<b>32.00</b>	<b>Directors' Fees</b>			
	Taka 10,000 per Director per meeting	475,000	620,800	620,800
		<b>475,000</b>	<b>620,800</b>	<b>620,800</b>
Directors' fees for attending each board meeting during the year was Taka 10,000 for each board member as per Bangladesh Bank DFIM circular no. 01, dated 29, February 2024. No other fees/remuneration were paid to the Directors for any special services rendered.				
<b>33.00</b>	<b>Auditors' Fees</b>			
	Auditors' Fees	345,000	319,750	319,750
		<b>345,000</b>	<b>319,750</b>	<b>319,750</b>
<b>34.00</b>	<b>Depreciation and Repairs of Company's Assets</b>			
	<b>Repairs</b>			
	Furniture and fixtures and equipments	808,949	979,538	979,538
	Vehicles	1,600,946	1,740,537	1,740,537
	Software development	-	-	-
		<b>2,409,895</b>	<b>2,720,075</b>	<b>2,720,075</b>
	<b>Depreciation</b>			
	Office equipment	3,505,698	4,036,465	4,036,465
	Motor vehicles	766,032	957,540	957,540
	Furniture and fixtures	3,118,377	3,464,863	3,464,863
	Right of use assets	15,761,362	12,772,273	12,772,273
		<b>23,151,470</b>	<b>21,231,142</b>	<b>21,231,142</b>
	<b>Amortization</b>			
	Amortization of software	819,199	1,023,998	1,023,998
		<b>819,199</b>	<b>1,023,998</b>	<b>1,023,998</b>
		<b>26,380,563</b>	<b>24,975,215</b>	<b>24,975,215</b>

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023
<b>35.00</b>	<b>Other Expenses</b>			
	Annual Subscription Fees (DSE & CSE)	1,180,178	1,180,178	1,180,178
	AGM expenses	1,320,183	261,754	261,754
	Vehicle expenses	2,692,688	2,790,383	2,790,383
	Entertainment	1,348,199	1,149,205	1,149,205
	Bank charges and excise duty	527,161	448,414	448,414
	Travelling expenses	1,478,864	1,365,541	1,365,541
	Office maintenance	801,457	544,360	544,360
	Books and periodicals	13,173	14,384	14,384
	Meeting Expenses	143,000	151,200	151,200
	Miscellaneous expenses	261,713	153,520	153,520
	Loss on disposal of Fixed Asset	-	3,403,015	3,403,015
	Fees, fine and subscription	579,944	594,723	594,723
	Income tax expense	67	314	314
	Earn Leave Encashment	1,451,863	296,362	296,362
	Gratuity Encashment	10,000,000	-	-
	Reward to Employees (NIS, JAIBB, AIBB etc.)	193,270	182,330	182,330
	Training Expenditure	11,000	25,500	25,500
	Software Development Cost (Management Expenses)	167,244	-	-
		<b>22,170,004</b>	<b>12,561,184</b>	<b>12,561,184</b>
<b>36.00</b>	<b>Provision against leases, loans and advances</b>			
	Provision against unclassified leases, loans and advances	6,008,017	24,792,421	24,792,421
	Provision against classified leases, loans and advances	2,159,357,519	2,002,696,030	2,002,696,030
		<b>2,165,365,536</b>	<b>2,027,488,451</b>	<b>2,027,488,451</b>
	<b>Less: Provision as on 31 December of previous year</b>			
	Provision against unclassified leases, loans and advances	24,792,421	17,032,267	17,032,267
	Provision against classified leases, loans and advances	2,002,696,030	1,889,045,332	1,889,045,332
		<b>2,027,488,451</b>	<b>1,906,077,600</b>	<b>1,906,077,600</b>
	Provision made during the year (General)	137,877,085	121,410,851	121,410,851
	Special Provision adjusted for Deferred Loan/Lease	(1,746,862)	(2,063,351)	(2,063,351)
	<b>Total provision for loan/lease for the year</b>	<b>136,130,224</b>	<b>119,347,501</b>	<b>119,347,501</b>
<b>37.00</b>	<b>Provision for diminution in value of investments</b>			
	Provision for investment	6,971,934	3,129,424	3,129,424
	Less: Provision as on 31 December of previous year	3,129,424	3,121,719	3,121,719
	Provision made/(adjustment) during the year	<b>3,842,510</b>	<b>7,705</b>	<b>7,705</b>
<b>38.00</b>	<b>Earnings per Share (EPS)</b>			
	Earnings Attributable to the Ordinary Shareholders (Net profit after tax)	(696,757,053)	(407,627,835)	(407,627,835)
	Number of ordinary shares outstanding during the year	118,544,663	118,544,663	118,544,663
	<b>Earnings per share</b>	<b>(5.88)</b>	<b>(3.44)</b>	<b>(3.44)</b>

Operating loss has been increased from (40.76) crore in 2023 to (69.68) crore in 2024 for increasing the classified loan /lease outstanding amount. Therefore the EPS negatively increased from (3.44) to (5.88).

**38.01** No diluted earnings per share is required to be calculated for the year as there was no dilution during the year.



Notes	Particulars	Amount in Taka				
		2024	2023 - Restated	2023		
39.00	<b>Net operating cash flow per share (NOCFPS)</b>					
39.01	Operating profit before changes in operating assets and liabilities	(276,078,257)	(315,953,279)	(315,953,279)		
	Number of ordinary shares outstanding during the year	118,544,663	118,544,663	118,544,663		
	<b>Net operating profit before changes in operating assets and liabilities per share</b>	<b>(2.33)</b>	<b>(2.67)</b>	<b>(2.67)</b>		
39.02	<b>Net cash used in operating activities</b>	(82,283,584)	49,068,148	49,068,148		
	Number of ordinary shares outstanding during the year	118,544,663	118,544,663	118,544,663		
	<b>Net operating cash flow per share</b>	<b>(0.69)</b>	<b>0.41</b>	<b>0.41</b>		
	Net operating cash flow per share (NOCFPS) for the period ended 31 December 2024 is (0.69) whereas the same period of earlier year was 0.41.					
40.00	<b>Reconciliation of cash flows from operating activities</b>					
	Net profit after tax	(711,029,903)	(407,627,835)	(407,627,835)		
	Add: Income Tax Provision	1,550,914	3,424,194	3,424,194		
	Less: Income tax paid	(15,420,494)	(7,313,862)	(7,313,862)		
	Add: Depreciation (excluding IFRS 16)	8,209,306	9,482,867	9,482,867		
	Less: Profit on sale of fixed assets	14,058,420	(1,666,368)	(1,666,368)		
	Add: Provision for leases, loans & advances	136,130,224	119,347,501	119,347,501		
	Change in leases, loans & advances	658,776,756	989,437,385	989,437,385		
	Change in deposit and other accounts	(80,058,229)	(75,429,344)	(75,429,344)		
	Change in other liabilities (excluding taxes, provisions)	(113,537,500)	(580,243,992)	(580,243,992)		
	Change in other assets (excluding AIT)	19,261,574	(342,400)	(342,400)		
	<b>Cash flows from operating activities</b>	<b>(82,058,933)</b>	<b>49,068,146</b>	<b>49,068,146</b>		
41.00	<b>Net asset value per share</b>					
	Net Assets	(4,488,626,034)	(3,758,629,239)	(3,758,629,239)		
	Number of ordinary shares outstanding	118,544,663	118,544,663	118,544,663		
	<b>Net asset value per share</b>	<b>(37.86)</b>	<b>(31.71)</b>	<b>(31.71)</b>		
42.00	<b>Related party transactions</b>					
	During the year, the Company made no transactions with related parties.					
	<b>Name of related parties</b>	<b>Relationship</b>	<b>Value of transactions</b>	<b>Receivable at 31 Dec 2024</b>	<b>2023-Restated</b>	<b>Receivable at 31 Dec 2023</b>
	NIL	NIL	NIL	NIL	NIL	NIL
			-	-	-	-

#### 43.00 Board Meeting

During the year under reporting, Eight (8) board meetings were held.

#### 44.00 Audit Committee

			(As on 31-Dec-2024)
Name of committee member	Status with the Company	Status with Committee	Educational Qualification
Mr. Md. Habibur Rahman	Independent Director	Acting Chairman	M.COM
Mr. Masud Hossain Khan	Nominated Director	Member	M.A
Mr. Abu Zakir	Nominated Director	Member	B.A
Ms. Amatun Noor	Nominated Director	Member	Masters in Sociology

Notes	Particulars	Amount in Taka		
		2024	2023 - Restated	2023

During the year 2024 the audit committee has performed the following activities:

- review of the company's draft financial statements for the year ended 31 December 2024 for their presentation to the board for approval;
- recommendation on the appointment of external auditors for the year ending 31 December 2024 and their remuneration;
- review of quarterly financial statements for their presentation to the board for approval;
- review of internal auditor report as issued by the internal auditors for its presentation to board meeting;
- review of internal audit plan for the year 2024; and
- review of Bangladesh Bank Inspection Report along with company's reply for its presentation to the board meeting for approval and onward submission to Bangladesh Bank.

Four (04) meetings of audit committee were held during the year 2024 where CEO, Head of Internal Control & Compliance and Head of FAD(CC) were invited to participate.

**45.00 Others**

**45.01 Contracts and disbursements**

Contract/Sanction	398,720,000	35,085,000	35,085,000
Execution/Disbursement	400,020,000	29,585,000	29,585,000

**45.02 Credit facility not availed**

There was no such credit facility available to the Company as on 31 December 2024 except trade credit available in the ordinary course of business.

**45.03 Contingent liabilities**

The National Board of Revenue (NBR) has demanded an additional Taka 772,899,698.00 in taxes from the Company for the years 2006-2023. The Company is currently in the process of appealing these rulings and these appeals are currently in various stages of the appeals process. Details of these assessments are provide in Annexure D.

**45.04 Payment in foreign currency**

During the year 2024, no amount was paid for import of capital machinery for lease. No payment has been made in foreign currency on account of royalty, technical know-how and professional advisor fees, interest, dividend, etc.

**45.05 Authorization for issue of the financial statements**

"The Board of Directors of the Company has authorized these financial statements for issue on 29 June, 2025.

**45.06 Number of employees**

During the year 127 employees

**45.07 Subsequent event**

There is no material adjusting or non-adjusting events after the balance sheet date.

**46.00** The Board of Directors' in its 373th Meeting held on 29 June, 2025 decided to declared no dividends on the financial statements of 2024. This declearatin is subject to approval of the Shareholders.

**47.00** Figures in these notes and annexed financial statements have been rounded off to the nearest Taka.

**48.00** Previous year's figures have been rearranged wherever considered necessary in order to conform to current year's presentation, without creating any impact on the profit/loss) and value of assets and liabilities as reported in the financial statements.

**49.00** These notes form an integral part of these financial statements and accordingly are to be read in conjunction therewith.

The accompanying notes form an integral part of this financial statement.



**Shah Md. Ahbul Bari**  
Chief Executive Officer



**Md. Habibur Rahman**  
Director



**Abu Zakir**  
Director



**Masud Hossain Khan**  
Chairman

Signed in terms of our report of even date annexed



DVC: 2506290240AS625108  
Dhaka, Bangladesh  
Date: 29 June, 2025

**Md. Nurul Hossain Khan FCA** (Enl# 0240)  
Managing Partner  
**Kazi Zahir Khan & CO.**  
Chartered Accountants  
FRC Registration #CAF-001-116

**First Finance Limited**  
**Schedule of Fixed Assets**  
As at 31 December 2024

Annexure-A

Particulars	Cost				Rate	Depreciation				" Written down value as at 31 Dec 2024 "
	Balance as at 01 Jan 2024	Addition during the year	Disposal made during the year	Balance as at 31 Dec 2024		Balance as at 01 Jan 2024	Charge for the year	Adjustment made during the year	Balance as at 31 Dec 2024	
Office equipment	115,804,688	1,461,467	-	117,266,155	15%	92,691,702	3,505,698	-	96,197,400	21,068,754
Motor vehicles	24,880,954	-	-	24,880,954	20%	21,050,792	766,033	-	21,816,825	3,064,129
Furniture and fixtures	90,290,658	-	-	90,290,658	10%	59,106,890	3,118,377	-	62,225,267	28,065,391
<b>Sub Total</b>	<b>230,976,300</b>	<b>1,461,467</b>	<b>-</b>	<b>232,437,767</b>		<b>172,849,384</b>	<b>7,390,108</b>	<b>-</b>	<b>180,239,492</b>	<b>52,198,275</b>
Software in Progress	14,380,040	-	-	14,380,040	20%	10,284,047	819,199	-	11,103,246	3,276,794
<b>As at 31 Dec 2024</b>	<b>245,356,340</b>	<b>1,461,467</b>	<b>-</b>	<b>246,817,807</b>		<b>183,133,432</b>	<b>8,209,306</b>	<b>-</b>	<b>191,342,738</b>	<b>55,475,069</b>
<b>As at 31 Dec 2023</b>	<b>254,096,347</b>	<b>461,167</b>	<b>9,201,174</b>	<b>245,356,340</b>		<b>181,454,160</b>	<b>9,482,867</b>	<b>7,803,595</b>	<b>183,133,432</b>	<b>62,222,908</b>

**IFRS: 16-Right of use assets**

Particulars	COST				Rate	AMORTIZATION				Written down value as at December 31, 2024
	Balance as at January 01, 2024	Addition during the year ended	Adjustment during year ended	Balance as at December 31, 2024		Balance as at January 01, 2024	Addition during the year ended	Adjustment during year ended	Balance as at December 31, 2024	
Right of use assets	52,073,412	42,484,626	-	94,558,038	6%	45,331,367	15,761,362	-	61,092,729	33,465,309
<b>As at 31 Dec 2024</b>	<b>52,073,412</b>	<b>42,484,626</b>	<b>-</b>	<b>94,558,038</b>		<b>45,331,367</b>	<b>15,761,362</b>	<b>-</b>	<b>61,092,729</b>	<b>33,465,309</b>
<b>As at 31 Dec 2023</b>	<b>52,073,412</b>	<b>-</b>	<b>-</b>	<b>52,073,412</b>		<b>32,559,094</b>	<b>12,772,273</b>	<b>-</b>	<b>45,331,367</b>	<b>6,742,045</b>
<b>Grand Total</b>										
<b>As at 31 Dec 2024</b>	<b>297,429,752</b>	<b>43,946,093</b>	<b>-</b>	<b>341,375,845</b>		<b>228,464,799</b>	<b>23,970,668</b>	<b>-</b>	<b>252,435,467</b>	<b>88,940,378</b>
<b>As at 31 Dec 2023</b>	<b>306,169,759</b>	<b>461,167</b>	<b>9,201,174</b>	<b>297,429,752</b>		<b>214,013,254</b>	<b>22,255,140</b>	<b>7,803,595</b>	<b>228,464,799</b>	<b>68,964,953</b>

**First Finance Limited**  
**Schedule of Fixed Assets based on Income Tax Act 2023**  
As at 31 December 2024

Annexure-B

Particulars	Balance as at 01 Jan 2024	Addition during the year	Disposal made during the year	Adjustments	Balance as at 31 Dec, 2024	Rate	Depreciation charged for the year	Written down value as at 31 Dec 2024
Office Equipment	36,509,174	1,461,467	-	-	37,970,641	10%	3,797,064	34,173,577
Motor Vehicles	2,180,649	-	-	272,581	2,453,230	10%	245,323	2,207,907
Furniture and Fixtures	30,638,730	-	-	-	30,638,730	10%	3,063,873	27,574,857
Software	599,508	-	-	-	599,508	20%	119,902	479,606
<b>Total</b>	<b>69,928,061</b>	<b>1,461,467</b>	<b>-</b>	<b>272,581</b>	<b>71,662,109</b>		<b>7,226,162</b>	<b>64,435,947</b>

Written Down Value at 31 December 2024 as per Accounts (a)	55,475,069
Written Down Value at 31 December 2024 as per Income Tax Act 2023(b)	64,435,947
<b>Difference (c=a-b)</b>	<b>8,960,878</b>
<b>Deferred Tax Liability / (Asset) as at 31 December 2024</b>	<b>3,360,329</b>

**First Finance Limited**  
**Details of Highlights**  
As at 31 December 2024

Annexure-C

Sl.	Particulars	Amount in BDT	
		2024	2023
1	Paid-up capital	1,185,446,630	1,185,446,630
2	Total capital /equity	(4,488,309,387)	(3,758,629,239)
3	Total assets	8,867,343,382	9,544,796,961
4	Total deposit	6,224,604,572	6,304,662,801
5	Total loan, lease and advance	7,588,894,890	8,247,671,646
6	Total contingent liabilities and commitments	-	-
7	Credit deposit ratio (%)	102.33%	110.69%
8	Percentage of classified loan (%)	94.84%	85.13%
9	Operating profit	(575,427,412)	(271,646,121)
10	Profit after tax and provision	(696,757,053)	(407,627,835)
11	Amount of classified loan/ lease	7,197,521,358	6,981,815,877
12	Provision kept against classified loan/ lease	2,165,365,536	2,027,488,451
13	Provision surplus/(deficit)	(730,023,350)	(980,086,190)
14	Cost of fund (%)	13.20%	11.86%
15	Interest earning assets	8,015,074,165	8,698,171,763
16	Non-interest earning assets	852,269,217	846,625,198
17	Return on investment (ROI) (%)	-9.18%	-4.94%
18	Return on assets (ROA) (%)	-7.86%	-4.27%
19	Income from Investments	233,043	111,876
20	Earning per share (EPS)	(5.88)	(3.44)
21	Operating profit per share	6.76	(2.29)
22	Price earning ratio (times)	(0.54)	(1.60)

## First Finance Limited

### Statement of Year wise details of Corporate Tax Assessment from 2007-2008 to 2024-2025

Annexure-D  
Figure in Taka

Accounting Year	Income Year	Assessment year	Tax Paid as Per IT-30	Tax paid but not Credited by Department	Total Tax Paid	Tax Claim as Per IT-30	Tax Payable / (Refundable) as Per IT 30	Tax Payable / (Refundable) as Per total tax paid	Provision made as per FS	Provision required as per Assessment Order	Remarks
2006	2006-2007	2007-2008	10,665,000	-	10,665,000	1,050,081	(9,614,919)	(9,614,919)	-	1,050,081	
2007	2007-2008	2008-2009	7,428,363	-	7,428,363	-	(7,428,363)	(7,428,363)	9,292,014	(9,292,014)	
2008	2008-2009	2009-2010	4,132,500	197,500	4,330,000	5,000	(4,127,500)	(4,325,000)	30,707,986	(30,702,986)	
2009	2009-2010	2010-2011	9,011,752	15,245,000	24,256,752	5,000	(9,006,752)	(24,251,752)	43,000,000	(42,995,000)	
2010	2010-2011	2011-2012	10,538,745	22,789,000	33,327,745	11,088,521	549,776	(22,239,224)	20,000,000	(8,911,479)	
2011	2011-2012	2012-2013	34,932,960	8,503,866	43,436,826	58,441,988	23,509,028	15,005,162	34,500,000	23,941,988	Assessment as per Appellate Tribunal
2012	2012-2013	2013-2014	30,707,483	17,718,000	48,425,483	80,327,004	49,619,521	31,901,521	-	80,327,004	Assessment as per Appellate Tribunal
2013	2013-2014	2014-2015	21,326,246	66,496,000	87,822,246	140,818,673	119,492,427	52,996,427	40,000,000	100,818,673	Assessment as per Appellate Tribunal
2014	2014-2015	2015-2016	63,278,620	1,019,751	64,298,371	102,231,155	38,952,535	37,932,784	48,064,000	54,167,155	Assessment as per Appellate Tribunal
2015	2015-2016	2016-2017	40,952,072	3,877,500	44,829,572	108,401,075	67,449,003	63,571,503	27,224,242	81,176,833	Assessment as per Appellate Tribunal
2016	2016-2017	2017-2018	55,377,498	150,000	55,527,498	69,046,327	13,668,829	13,518,829	33,416,406	35,629,921	Assessment as per Appellate Tribunal
2017	2017-2018	2018-2019	6,772,452	3,006,000	9,778,452	38,669,044	31,896,592	28,890,592	10,290,115	28,378,930	Assessment as per Appellate Tribunal
2018	2018-2019	2019-2020	6,398,848	3,201,000	9,599,848	151,658,779	145,259,931	142,058,931	4,518,478	147,140,301	Assessment as per Appellate Tribunal
2019	2019-2020	2020-2021	-	5,772,909	5,772,909	-	-	(5,772,909)	5,772,909	(5,772,909)	Return submitted (with all relevant documents) & Assessment under process
2020	2020-2021	2021-2022	3,334,055	984,604	4,318,659	120,721,722	117,387,667	116,403,063	4,318,659	116,403,063	Assessment Completed and preparing for Appeal
2021	2021-2022	2022-2023	1,200,385	-	1,200,385	207,699,365	206,498,980	206,498,980	53,628	207,645,737	Assessment Completed and preparing for Appeal
2022	2022-2023	2023-2024	-	6,819,290	6,819,290	-	-	(6,819,290)	1,130,491	(1,130,491)	Return submitted (with all relevant documents) & Assessment under process
2023	2023-2024	2024-2025	-	11,926,543	11,926,543	-	-	(11,926,543)	3,424,194	(3,424,194)	Audit under process
2024	2024-2025	2025-2026	-	6,177,411	6,177,411	-	-	(6,177,411)	1,550,914	(1,550,914)	
<b>Total</b>			<b>306,056,979</b>	<b>173,884,373</b>	<b>479,941,352</b>	<b>909,163,734</b>	<b>784,106,755</b>	<b>610,222,382</b>	<b>317,264,036</b>	<b>772,899,698</b>	

Note: Please complete the Attendance Slip or Proxy Form and submit through email to **share@first-finance.com.bd**







আপনার সকল আর্থিক প্রয়োজনে . . .

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