



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



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*Independent Auditor's Report
and
Audited Financial Statements
Of*

Alliance Finance PLC

Laila Tower, 8 South Gulshan Ave, Dhaka 1212

For the year ended December 31, 2025



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

Opinion

We have audited the financial statements of Alliance Finance PLC (the "Company"), Which comprise the balance sheet as at 31 December 2025 and the profit and loss account, statement of changes in equity and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the company give a true and fair view of the financial position of the company as at 31 December, 2025 and its financial performance and its cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Emphasis of Matter

We draw attention to note-2 to the financial statements, where management has explained the basis of preparation of the financial statements, including compliance with Rules and Regulations issued by Bangladesh Bank on the classification of loans and advances /investments and the required impairment provision. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Description of key audit matters	Our response to key audit matters
Measurement of provision for loans and advances	
With reference to Note 12.04 to the financial Statements, the process for calculating the provision for loans, advances & leases portfolio associated with credit risk is significant and	We tested the design and operating effectiveness of key controls focusing on the following:



<p>complex. The Company calculates provision for loans, advances & leases by considering various factors such as rate of provision, loan category, expiry date, outstanding balance, interest suspense amount, value of eligible collateral as per DFIM Circular No.04 Dated 26 July 2021 and its subsequent amendments.</p>	<ul style="list-style-type: none"> • Credit appraisal, loan disbursement procedures, monitoring and provisioning process. • Identification of loss events, including early warning and default warning indicators.
Description of key audit matters	Our response to key audit matters
<p>Under the individual assessment approach for large exposures, the determination of provision requirements involves significant management judgment and is based on estimates of the borrower's future business performance and the market value of collateral pledged against the related credit facilities.</p> <p>Under the collective assessment approach on a portfolio basis, the calculation and reporting of provisions are performed manually and involve the processing of voluminous data, along with the application of various assumptions and estimates</p> <p>Furthermore, management has an incentive to maintain lower provisions for loans, advances & leases to overstate profit. Considering these factors, we have considered measurement of provision for loans, advances & leases as significant risk as well as a key audit matter.</p> <p>According to DFIM Circular Letter No.33 dated 19 December 2021, NBFIs must keep an extra 2% (Percent) special provision for the borrowers who have availed Payment by Deferral (PBD) facilities. Based on the audited financial statements of the previous year as at 31 December 2024, the Company maintained a 2% special provision amounting to BDT 3,185,568. However, during the period the company reversed BDT 3,128,459 of the 2% special provision with the permission of Bangladesh Bank through Letter No. AFPLC/2025/09/22-001 dated 22 September 2025. Accordingly, the outstanding 2% special provision during the period stands at BDT 57,109.</p>	<p>Our substantive procedures in relation to the provision for loans, advances & leases portfolio comprised the following:</p> <ul style="list-style-type: none"> • We performed sample-based testing of the outstanding balances and assessed whether the related provisions were calculated in compliance with the requirements of DFIM Circular No. 04 dated 26 July 2021. • Obtained Bangladesh Bank Inspection report on FICL audit for the year ended 31 December 2025 and checked either the directions or recommendation thereon, have been addressed by the management or not; • Reviewed the adequacy of the general and specific provisions and loan classifications disclosures in the financial statements in line with related Bangladesh Bank guidelines. • Tested the inputs in computation of provision in terms of testing the accuracy of underlying information. • Assessed the methodologies on which the provision amounts based (Value of eligible securities, interest suspense), recalculated the provisions for leases, advances & leases. • Checked the adequacy of the company's general and specific provisions. • Evaluated the appropriateness and presentation of disclosures against



<p>At the year-end of 2025, the company reported total gross loan, advances & leases of BDT 5,057,700,165 (2024: BDT 4,689,314,379) whereas at the year end of 2025 the Company reported total provision for loans, advances & leases of BDT 48,468,695 (2024: BDT 46,208,003)</p>	<p>relevant accounting standards and Bangladesh Bank guidelines.</p>
<p>See note no 12.04 to the financial statements</p>	

Recognition of interest income on loans, advances & leases	
<p>Recognition of interest income has a significant and wide influence on financial statements, Recognition and measurement of interest income have involved complex IT environments.</p> <p>We identify recognition of interest income from leases, loans, advances & leases as a key audit matter because this is one of the key performance indicators of the Company and therefore there is an inherent risk of fraud and error and overstatement in recognition of interest by management to meet specific targets or expectations.</p> <p>Moreover, Bangladesh Bank has introduced SMART rate by DFIM Circular No. 07 dated 20 June,2023 and subsequent movement by DFIM Circular letter No.25 dated 29 November 2023 which has changed several times since inspection.</p> <p>For the year ended 31 December, 2025, the Company reported total revenue from loans, advances & leases and from related activities of BDT 665,533,369 (2024: BDT 625,057,032).</p> <p>However, due to the current uncertainty of the overall economic situation both in Bangladesh and Globally there are inherent risk that the judgement applied by Management in assessing recoverability of interest income</p>	<p>We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans, advances and leases focusing on the following:</p> <ul style="list-style-type: none"> • We understood the significant revenue process including performance of an end-to-end walkthrough of the revenue assurance process and identifying the relevant controls (including systems, interfaces and reports) • We tested the design and operating effectiveness of the relevant controls. • We involved our internal IT specialists to test IT general controls, systems interfaces, data/information reporting, and application specific controls surroundings relevant revenue systems. • We performed data analysis and analytical reviews of significant revenue streams. • Reviewing transfer of interests to income account in line with the Bangladesh Bank's guidelines. • We performed procedures to ensure that the revenue recognition criteria adopted by the entity for all major revenue streams is appropriate and in line with the entity's accounting policies. <p>We have also performed substantive procedures to check whether interest income is recognized completely and accurately in line</p>



<p>from classified loans may be different than the actual situation in future.</p>	<p>with time-to-time movement of the SMART rate published by Bangladesh Bank.</p>
<p>See note no 16 to the financial statements</p>	
<p>IT systems and controls</p>	
<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 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 request for access to systems were appropriately reviewed and authorized. We tested the company's periodic review of access rights and reviewed request of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configurations and other application layer controls identified as key to our audit.</p> <p>We performed the Tests of IT General Controls to evaluate the Application Development and database, Hosting Platforms and segregation of incompatible duties relevant to application and database change management.</p>

Other information

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

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

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



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

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

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

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

Auditor Responsibility for the audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements. Whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate to the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and,

Based on the audit evidence obtained, whether material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement or if such disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, Future events or conditions may cause to continue as going concern.



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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significant in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

Report on other Legal and Regulatory Requirements

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

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof,
- ii. in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books:
- iii. the balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- iv. the expenditures incurred were for the purpose of the Company's business for the year,
- v. the financial statements of the Company have been drawn up in conformity with The Finance Company Act, 2023 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company;
- vi. adequate provisions have been made for loans, advances & leases, investment and other assets which are, in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly,
- vii. the financial statements of the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- viii. the records and statements which were submitted by the branches have been properly maintained and recorded in the financial statements;



- ix. statements sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention;
- x. taxes and other duties were collected to be and deposited in the Government treasury by the Company as per Government instructions found satisfactory based on test checking;
- xi. nothing has come to our attention that the Company has adopted any unethical means ie. 'Window dressing' to inflate the profit and mismatch between the maturity of assets and liabilities;
- xii. proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;
- xiii. Based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately,
- xiv. The Company has complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/leases found satisfactory;
- xv. we have reviewed over 80% of the risk weighted assets of the Company and we have spent around 1.200 person hours for the audit of the books and accounts of the Company;
- xvi. the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;
- xvii. all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the financial audit report.

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

Signature of the Auditor 

Name of the Auditor: Syed Mahmud Ahmad FCA Senior Partner DVC : 2606290586AS680974
Dhaka, Date : 29/06/2026

Enrolment No. 586

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



Alliance Finance PLC

Balance Sheet

As at 31 December 2025

	Note	Amounts in BDT	
		31 December 2025	31 December 2024
PROPERTY AND ASSETS			
Cash	3		
In hand	3.01	7,317	2,868
Balance with Bangladesh Bank and its agents	3.02	53,951,618	53,014,557
		53,958,935	53,017,425
Balance with other banks and financial institutions	4		
Inside Bangladesh	4.01	610,723,623	255,230,096
Outside Bangladesh		-	-
		610,723,623	255,230,096
Money at call and short notice	5	50,000,000	200,000,000
Investments	6		
Government	6.01	-	98,530,036
Others	6.02	402,944,108	277,503,580
		402,944,108	376,033,616
Loans and advances	7		
Loans, cash credit, overdraft etc.		5,057,700,165	4,689,314,379
Bills purchased and discounted		-	-
		5,057,700,165	4,689,314,379
Fixed assets including land, building, furniture and fixtures	8	40,953,684	35,427,984
Other assets	9	76,213,084	45,419,215
Non-banking assets		-	-
Total Assets		6,292,493,598	5,654,442,716
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agent	10	1,179,138,058	906,856,579
Deposits and other accounts	11		
Current accounts and other accounts etc.		-	-
Bills payable		-	-
Savings bank deposits		11,409,780	12,934,629
Term deposits		3,439,711,086	3,113,702,535
Bearer certificate of deposits		-	-
Other deposits		50,057	223,342
		3,451,170,923	3,126,860,506
Other liabilities	12	316,754,727	287,952,807
Total Liabilities		4,947,063,708	4,321,669,893
Capital/Shareholders' equity			
Paid-up capital	13	1,155,000,000	1,155,000,000
Share premium		17,200,000	17,200,000
Statutory reserves	14	82,452,726	68,371,312
General reserves		-	-
Retained earnings	15	90,777,164	92,201,511
		1,345,429,890	1,332,772,823
Total Equity		1,345,429,890	1,332,772,823
Total Liabilities and Shareholders' equity		6,292,493,598	5,654,442,716
Net asset value per share- (NAV)		11.65	11.54



Amounts in BDT	
31 December 2025	31 December 2024

OFF-BALANCE SHEET ITEMS

Contingent liabilities

- Acceptances and endorsements
- Letters of guarantee
- Irrevocable letters of credit
- Bills for collection
- Indemnity bond
- Corporate guarantee

-	-
-	-
-	-
-	-
-	-
-	-

Other commitments

- Documentary credits and short term trade related transactions
- Forward assets purchased and forward deposits placed
- Un-drawn note issuance and revolving underwriting facilities
- Un-drawn formal standby facilities, credit lines
- Un-disbursed contracted loans and leases

-	-
-	-
-	-
-	-
-	-
-	-
-	-

Total Off-Balance Sheet items including contingent liabilities

-	-
-	-

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



Syed Ali Jowher Rizvi

Syed Ali Jowher Rizvi
 Chairman

Lutfe Mawla Ayub

Lutfe Mawla Ayub
 Director

Farhana Akhter

Farhana Akhter
 Director

Kanti Kumar Saha

Kanti Kumar Saha
 Chief Executive Officer

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

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

Signature of the Auditor: *Syed Mahmud Ahmad*

Name of the Auditor: Syed Mahmud Ahmad FCA Senior Partner
 DVC : 2606290586AS680974
 Dhaka, Date : 29/06/2026

Enrolment No. 586

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



Alliance Finance PLC

Profit and Loss Account
For the year ended 31 December 2025

	Note	Amounts in BDT	
		31 December 2025	31 December 2024
Interest income	16	665,533,369	625,057,032
Less : Interest on deposits and borrowings etc.	17	443,731,866	403,789,831
Net interest income		221,801,503	221,267,201
Investment income	18	42,890,770	27,600,676
Commission, exchange and brokerage		-	-
Other operating income	19	1,767,342	4,734,720
Total operating income		266,459,614	253,602,597
Salaries, allowances and benefits	20	84,270,660	72,694,595
Rent, taxes, insurance, electricity etc.	21	8,869,842	8,341,637
Legal & Professional fees	22	1,668,782	2,607,866
Postage, stamp, telecommunication etc.	23	794,494	794,589
Stationery, printing, advertisements etc.	24	1,593,981	2,114,715
CEO's salary and benefits	25	14,320,000	12,020,000
Directors' fees	26	2,350,000	1,182,000
Auditors' fees		488,760	430,296
Charges on loan losses		-	-
Depreciation of Company's assets		21,779,900	19,847,924
Other administration and maintenance	27	20,729,061	17,961,443
Total operating expenses		156,865,479	137,995,065
Profit before provisions		109,594,135	115,607,532
Provision for loans and investments			
General provision		(802,631)	(12,032,754)
2% Special Provision		(3,128,459)	(918,397)
Specific provision		6,191,782	1,905,562
Provision for diminution in value of investments		(505,900)	5,695,105
Other provision		-	-
Total provision		1,754,792	(5,350,484)
Total profit before taxation		107,839,343	120,958,016
Provision for taxation			
Current tax expense		36,009,648	37,152,417
Deferred tax expenses/(income)		1,422,629	392,682
Net profit after taxation		70,407,066	83,412,917
Appropriations to:			
Statutory reserves		14,081,413	16,682,583
General reserves		-	-
Dividend etc.		-	-
		14,081,413	16,682,583
Retained surplus		56,325,653	66,730,334
Earnings per share	30	0.61	0.72

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

Syed Ali Jowher Rizvi
Chairman

Lutfu Mawla Ayub
Director

Farhana Akhter
Director

Kanti Kumar Saha
Chief Executive Officer

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

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

Signature of the Auditor:

Name of the Auditor: **Syed Mahmud Ahmad FCA** DVC : 2606290586AS680974
Senior Partner Dhaka, Date : 29/06/2026

Enrolment No. **586**

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



Alliance Finance PLC

Statement of Changes in Equity
For the year ended 31 December 2025

Amounts in BDT

Particulars	Paid-up capital	Share premium	Statutory reserves	Retained earnings	Total
Balance at 01 January 2025	1,155,000,000	17,200,000	68,371,312	92,201,512	1,332,772,823
Net profit for the year 2025	-	-	-	70,407,066	70,407,066
Appropriation to reserve	-	-	14,081,413	(14,081,413)	-
5% Cash Dividend for the year 2024	-	-	-	(57,750,000)	(57,750,000)
Balance as at 31 December 2025	1,155,000,000	17,200,000	82,452,726	90,777,164	1,345,429,890

For the year ended 31 December 2024

Amounts in BDT

Particulars	Paid-up capital	Share premium	Statutory reserves	Retained earnings	Total
Balance at 01 January 2024	1,050,000,000	122,200,000	51,688,729	25,471,178	1,249,359,907
Net profit for the year 2024	-	-	-	83,412,917	83,412,917
Appropriation to reserve	-	-	16,682,583	(16,682,583)	(0)
10% Stock Dividend for the year 2023	105,000,000	(105,000,000)	-	-	-
Balance at 31 December 2024	1,155,000,000	17,200,000	68,371,312	92,201,511	1,332,772,823

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

Syed Ali Jowher Rizvi
Chairman

Lutfe Mawla Ayub
Director

Farhana Akhter
Director

Kanti Kumar Saha
Chief Executive Officer

Name of Firm:

M M Rahman & Co.
Chartered Accountants

Signature of the Auditor

Name of the Auditor

Syed Mahmud Ahmad FCA
Senior Partner

DVC : 2606290586AS680974
Dhaka, Date : 29/06/2026

Enrolment No.

586

Firm's FRC Enlistment No:

CAF-001-144



Alliance Finance Limited

Cash Flow Statement

For the period ended 31 Dec 2025

A) Cash flows from operating activities

Interest received
Interest paid
Dividend received
Fees and commission received
Paid to employees and suppliers
Payment of income tax
Received from other operating activities
Cash generated from operating activities before changes in operating assets and liabilities

Increase/(decrease) in operating assets and liabilities

Loans & Advance
Sale of shares
Investment in Govt Securities
Investment in Shares
Term and other deposits

Net cash flows from/(used in) operating activities

B) Cash flows from investing activities

Purchase of fixed assets / Intangible Assets
Net cash used in investing activities

C) Cash flows from financing activities

Drawdown of term loans / Treasury Line
Dividend Payment
Net cash flow from financing activities

D) Net increase / (decrease) in cash and cash equivalents (A+ B + C)

E) Effects of exchange rate changes on cash and cash equivalents

F) Cash and cash equivalents at beginning of the year

G) Cash and cash equivalents at end of the year (D+E+F)

Cash and cash equivalents at end of the year

Cash in hand (including foreign currencies)
Balance with Bangladesh Bank and its agent bank(s)
Balance with other banks and financial institutions
Money at call and short notice

Net Operating Cash Flow per Share

Amount in BDT	
31 December 2025	31 December 2024
661,599,563	624,914,867
(583,695,089)	(341,862,787)
29,732,771	17,029,024
-	-
(159,495,873)	(126,929,010)
(48,710,473)	(24,079,771)
(3,260,945)	8,069,696
(103,830,046)	157,142,019
(375,368,145)	(655,559,064)
98,530,036	(98,530,036)
(125,440,528)	(76,832,636)
324,310,417	277,701,154
(77,968,220)	(553,220,582)
(181,798,266)	(396,078,563)
(1,332,800)	(2,759,024)
(1,332,800)	(2,759,024)
422,293,936	108,513,998
(32,715,375)	-
389,578,561	108,513,998
206,447,494	(290,323,589)
-	-
508,235,064	797,114,564
714,682,558	506,790,975
7,317	2,868
53,951,618	53,014,557
610,723,623	255,217,639
50,000,000	200,000,000
714,682,558	508,235,064
(0.90)	1.36

Syed Ali Jowher Rizvi
Chairman

Lutfe Mawla Ayub
Director

Farhana Akhter
Director

Kanti Kumar Saha
Chief Executive Officer

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

Signature of the Auditor:

Name of the Auditor: Syed Mahmud Ahmad FCA
Senior Partner

Enrolment No. 586

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

DVC : 2606290586AS680974
Dhaka, Date : 29/06/2026



Alliance Finance PLC
Liquidity statement
As at 31 December 2025

Amounts in BDT

Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5 years term	Total
Assets						
Cash in hand (including balance with Bangladesh Bank)	53,958,935	-	-	-	-	53,958,935
Balance with other banks and financial institutions	472,663,293	50,000,000	62,868,076	-	-	585,531,369
Money at call and short notice	50,000,000	-	-	-	-	50,000,000
Investments	27,944,108	-	70,000,000	290,000,000	5,000,000	392,944,108
Loans & advances	101,919,040	1,596,482,512	1,410,475,585	491,955,295	1,456,867,732	5,057,700,164
Fixed assets including land, building, furniture and fixtures	-	-	-	40,953,684	-	40,953,684
Other assets	20,132,013	-	82,436,518	8,836,807	-	111,405,338
Non-banking assets	-	-	-	-	-	-
Total assets	726,617,389	1,646,482,512	1,625,780,179	831,745,786	1,461,867,732	6,292,493,598
Liabilities						
Borrowing from Bangladesh Bank, other banks and financial institutions & its agents	5,333,335	26,999,447	113,598,760	425,660,868	607,545,648	1,179,138,058
Deposits	587,343,453	1,477,187,194	1,371,538,929	14,651,820	399,470	3,451,120,866
Other accounts	-	-	-	50,057	-	50,057
Provision and other liabilities	18,870,063	44,747,594	67,685,808	104,180,514	81,270,749	316,754,728
Total liabilities	611,546,851	1,548,934,235	1,552,823,497	544,543,259	689,215,867	4,947,063,709
Net Liquidity Gap	115,070,538	97,548,277	72,956,682	287,202,527	772,651,865	1,345,429,889

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

Syed Ali Jowher Rizvi
Chairman

Lutfe Mawla Ayub
Director

Farhana Akhter
Director

Kanti Kumar Saha
Chief Executive Officer

Name of Firm:

M M Rahman & Co.
Chartered Accountants

Signature of the Auditor

Name of the Auditor

Syed Mahmud Ahmad FCA
Senior Partner

DVC : 2606290586AS680974
Dhaka, Date : 29/06/2026

Enrolment No.

586

Firm's FRC Enlistment No:

CAF-001-144



Alliance Finance PLC

Notes to the financial statements
For the year ended 31 December 2025

1. Company and its activities

1.1 Legal status and nature of the Company

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

2. Basis of preparation and significant accounting policies

2.1 Statement of compliance

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

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

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

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

2.2 Basis of measurement

This financial statements have been prepared based on International Financial Reporting Standards (IFRS) and no adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

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

Bangladesh Bank (the Central Bank of Bangladesh) is the prime regulatory body for Financial Institution in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with those of financial instruments and general provision standards of IFRS. As such the company has departed from those contradictory requirements of IFRS in order to comply with the rules and regulations of Bangladesh Bank, which are disclosed in Annexure-C along with financial impact where applicable.

2.4 Components of the financial statements

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

- a) Balance Sheet as at 31 December 2025;
- b) Profit and Loss Account for the year ended 31 December 2025;
- c) Statement of Cash Flow for the year ended 31 December 2025;
- d) Statement of Changes in Equity for the year ended 31 December 2025;
- e) Liquidity Statement for the year ended 31 December 2025;
- f) Notes to the Financial Statements for the year ended 31 December 2025.

2.5 Directors' responsibility statement

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

2.6 Date of authorization

The Board of directors has authorized this financial statements on **June 25, 2026**.

2.7 Presentation and functional currency and level of precision

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

2.8 Use of estimates and judgments

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

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

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

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

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

Provisions for Lease, Loans & Advances

Provisions for lease, loans & advances calculated as per DFIM Circular No. 04 (Master Circular: Loan/Lease Classification and Provisioning), dated 26 July 2021.

Provisions

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

Contingent Liability :

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

Contingent Assets:

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

2.9 Accounting for term finance & other finances

Books of accounts for term finance operation are maintained based on the accrual method of accounting. Outstanding loans, along with the accrued interest thereon, for short-term finance, and unrealized principal for long-term finance are accounted for as term finance assets of the Company. Interest earnings are recognized as operational revenue periodically.

2.10 Branch accounting

The Company has one branch and one booth, with no overseas branch as on December 31, 2025. Accounts of the branch is maintained at the head office from which these accounts are drawn up.

2.10.1 Investment in securities

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

2.11 Property and equipment

i) Recognition and measurement

Own assets

Items of own fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the assets to its working condition for its intended use as per International Accounting Standard (IAS) 16 Property, Plant and Equipment.

ii) Subsequent expenditure on Fixed assets

Subsequent expenditure is capitalized only when it increases the future economic benefit from the assets and that cost can be measured reliably. All other expenditures are recognized as an expense as and when they are incurred.

iii) Depreciation

Depreciation is charged to amortize the cost of assets, over their estimated useful lives, using the straight-line method in accordance with IAS-16: "Property, Plant and Equipment". Full depreciation is charged on additions in the month of acquisition irrespective of date when the related assets are put into use and no depreciation is charged from the month of disposal. Asset category wise depreciation rates are as follows:

<u>Particulars of Property, Plant & Equipment</u>	<u>Rates</u>
Furniture and fixtures	20%
Office equipment	20%
Office decoration	10%
Motor vehicles	12.5%
ICT Equipment	20%
Software (Office Operation)	33.33%
Software (Business Operation)	20.00%

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

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

2.12 Intangible assets and amortization of intangible assets

Recognition & Measurement

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

Amortization

Amortization is calculated using the straight line method to write down the cost of intangible assets to their residual values over their estimated useful lives based on the management best estimates of 3 years.

Subsequent expenditure

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

2.13 Revenue recognition

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

Interest on term loans and short term finance

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



Fee based revenues

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

2.14 Interest suspense account

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

2.15 Accounts receivable

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

2.16 Borrowing cost

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

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

2.17 Cash flow statements

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

2.18 Conversion of foreign currency transactions

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

2.19 Provision for doubtful accounts and future losses

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

2.20 Employees' benefit obligation

2.21.1 Defined contribution plan

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

2.21.2 Defined benefit plan (Gratuity scheme)

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

2.21.3 Workers Profit Participation Fund and Welfare Fund

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

2.21.4 Other employees benefit obligation

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

2.22 Taxation

Tax expense comprises current and deferred tax.

2.22.1 Deferred tax

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

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



2.22.2 Current tax

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

2.23 Impairment of long-lived assets

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

2.24 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank, term deposits and investment in call loan that are readily convertible to a known amount of cash (with less than three months maturity) and that are subject to an insignificant risk of change in value.

2.25 Bank loans

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

2.26 Related party disclosure

As per International Accounting Standards (IAS) 24 Related Party Disclosures, parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties.

2.27 Statutory reserves

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

2.28 Events after the balance sheet date

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

2.29 Contingent liabilities and contingent assets

The Company does not recognize contingent liability and contingent asset but discloses the existence of contingent liability in the financial statements.

A contingent liability is a probable obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of uncertain future events not within the control of the Company or a present obligation that is not recognized because outflow of resources is not likely or obligation cannot be measured reliably.

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

2.30 Liquidity statement

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

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

2.31 Status of compliance of International Financial Reporting Standards

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

Name of the IAS	IAS No.	Status
Presentation of Financial Statements	1	Applied *
Inventories	2	N/A
Statements of Cash Flow	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	N/A
Investment in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyperinflationary Economics	29	N/A
Interests in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied *
Earnings per share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied

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

Name of the IFRS	IFRS No.	Status
Share Based payment	2	N/A
Business combination	3	N/A
Insurance Contracts	4	N/A
Non-current assets held for sale and discontinued operation	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied *
Operating Segments	8	Applied
Financial Instruments	9	Applied*
Consolidated Financial Statements	10	N/A
Joint Arrangement	11	N/A
Disclosure of Interest in Other Entities	12	N/A
Fair Value Measurement	13	Applied *
Revenue from Contract with Customers	15	Applied
Leases	16	Applied

N/A= Not Applicable

* As the regulatory requirements differ with the standards, relevant disclosures have been made in accordance with Bangladesh Bank's requirements.

** Superseded by IFRS 16 as of 1 January 2019

2.32 BASEL II & its implementation

To cope with the international best practices and to make the capital more risks sensitive as well as more shock resilient, guidelines on 'Basel Accord for Financial Institutions (BAFI)' have been introduced from January 01, 2011 on test basis by the Bangladesh Bank. At the end of test run period, Basel Accord regime has started and the guidelines namely "Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions (CAMD)" have come fully into force from January 01, 2012 with its subsequent supplements/revisions. Instructions regarding Minimum Capital Requirement (MCR), Adequate Capital, and Disclosure requirement as stated in these guidelines have to be followed by all FIs for the purpose of statutory compliance. As per CAMD guidelines, Financial Institutions should maintain a Capital Adequacy Ratio (CAR) of minimum 10%. In line with CAMD guideline's requirement, the company is in the process of introducing necessary initiatives to ensure implementation of BASEL II accord.

2.33 Financial risk management

AFPLC always concentrates on delivering high value to its stakeholders through appropriate trade-off between risk and return. A well structured and proactive risk management system is in place within the Company to address risks relating to credit, market, liquidity, operations and anti money laundering. In addition to the industry best practices for assessing, identifying and measuring risks, AFPLC also considers guidelines for managing core risks of financial instructions issued by the Country's Central Bank, Bangladesh Bank, vide FID Circular No. 10 dated September 18, 2005 for management of risks and, more recently, DFIM Circular No. 03 dated January 24, 2016.



Credit Risk

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

Market Risk

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

Liquidity Risk

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

Operational Risk

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

Compliance Risk

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

Money Laundering and Terrorist Financing Risk

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

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

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

- a) Development and implementation of internal policies, procedures and controls to identify and report instances of money laundering and terrorism financing;



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

Additional risks required to be addressed under regulatory requirements

DFIM Circular No.03 of 2016, introduced the Integrated Risk Management Guidelines for Financial Institutions ("the guidelines"). These guidelines supplement, and do not replace, existing risk management guidelines.

Strategic Risk Management

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

AFPLC has been managing strategic risks from its inception. This is evident from the constantly evolving business model of the company over the years. The company has a transparent strategic vision on the way forward with a mission statement that states what it will do to achieve its vision. Strategic issues are discussed at a variety of forums including meetings of the Management Committee and of the AFPLC Board. AFPLC is driven by the vision of its leaders with an annual preparation of the budgets and strategic plans which will be reviewed on a quarterly basis.

Compliance Risk

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

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

Reputation Risk

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

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



Environmental & Social Risk

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

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

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

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

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

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

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

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

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



2.34 Credit rating

Credit Rating Information and Services Limited rated the Company on 14 August 2025 with “AA-” (Pronounced as Double A Minus) in the long term and ST-2 for the short term based on audited financial statements for the year ended 31 December 2024 and other available information up to the date of rating declaration. The outlook on the rating is Stable. This rating will be valid till 13 August 2026.

2.35 Going concern

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

2.36 General

- i) Figures appearing in these financial statements have been rounded off to the nearest Taka.
- ii) Figures of 2024 have been rearranged where necessary for better presentation of current years' financial statements.

2.37 Events after the reporting date

Dividend declaration for 2025

The Board of Directors of Alliance Finance PLC, at its Meeting held on 25 June 2026, approved the financial statements for the year ended 31 December 2025 and declared 7.5% cash dividend for the year ended 31 December 2025.



	31-Dec-25 Amounts(BDT)	31-Dec-24 Amounts(BDT)
3 Cash		
Cash in hand (including foreign currencies) (Note 3.01)	7,317	2,868
Balance with Bangladesh Bank and its agent (including foreign currencies) (Note 3.02)	53,951,618	53,014,557
	53,958,935	53,017,425
3.01 Cash in hand (including foreign currencies):		
In local currency	7,317	2,868
In foreign currency	-	-
	7,317	2,868
3.02 Balance with Bangladesh Bank and its agent (including foreign currencies)		
In local currency	53,951,618	53,014,557
In foreign currency	-	-
	53,951,618	53,014,557
3.03 Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR)		
Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR) have been calculated and maintained in accordance with Finance Company Act, 2023 & Financial Institutions Regulations, 1994 and FID Circular No. 06 dated November 06, 2003, FID Circular No. 02 dated November 10, 2004 and FID Circular No. 01 dated January 12, 2017 and DFIM Circular Number 03 dated 21 June 2020.		
Cash Reserve Requirement (CRR) has been calculated at the rate of 1.5% on Total Term Deposits which is preserved in current account maintained with Bangladesh Bank. Total Term Deposit means Term or Fixed Deposit, Security Deposit against Lease/Loan and other Term Deposit, received from individuals and institutions (except Bank & financial Institutions).		
Statutory Liquidity Reserve (SLR) has been calculated at the rate of 5.0% on total liabilities, including CRR of 1.5% on total Term Deposit. SLR maintained in liquid assets in the form of cash in hand (notes & coin in Taka), balance with Bangladesh Bank and other banks and Financial Institutions, unencumbered treasury bill and treasury bond and any other assets approved by Government Circular issued by Gazette or Bangladesh Bank.		
a) Cash Reserve Requirement (CRR)		
Required reserve	47,549,287	45,601,510
Actual reserve maintained	53,958,935	53,017,425
Surplus / (deficit)	6,409,648	7,415,915
b) Statutory Liquidity Reserve (SLR)		
Required reserve (including CRR)	175,638,767	167,564,063
Actual reserve maintained (including CRR)	607,525,295	551,032,089
Surplus / (deficit)	431,886,528	383,468,026
4 Balance with other banks and financial institutions Inside of Bangladesh		
4.01 Local Currency		
Non interest bearing current account (Note - 4.02)	70,000	1,568,140
Interest bearing short term deposit account (Note - 4.03)	397,785,546	95,878,798
Fixed deposit account (Note - 4.04)	212,868,076	157,783,158
	610,723,623	255,230,096
4.02 Non interest bearing account		
Commercial Bank of Ceylon PLC, Current A/C No. 1818000829, (Gulshan Br.)	-	-
Dhaka Bank PLC, Current A/C No. 2151000010692, (Gulshan Br.)	4,971	1,498,728
Mutual Trust Bank PLC, Current A/C No. 0220210011579 (Gulshan Br.)	44,105	44,795
Woori Bank, Current A/C No. 923934781 (Dhaka Br.)	1,735	2,425
NCC Bank PLC, Current A/C No. 0124-0210000337 (Mohammadpur Br.)	7,767	4,735
One Bank PLC, Current A/C No. 1011020001480 (Gulshan North Br.)	11,422	12,457
Nagad Wallet - 01329660272	-	5,000
	70,000	1,568,140



	31-Dec-25 Amounts(BDT)	31-Dec-24 Amounts(BDT)
4.03 Interest bearing short term deposit account		
Midland Bank Limited, SND A/C No. 0011-1090000463 (Gulshan Branch)	2,667,199	6,857,042
Midland Bank Limited, SND A/C No. 0011-1060000260 (Gulshan Branch)	310,701	403,793
Midland Bank Limited, SND A/C No.0011-1070000107 (Gulshan Branch)	25,363,768	22,627
Mutual Trust Bank PLC, SND A/C No. 0022-0320001649 (Gulshan Branch)	403,314	211,802
NRB Bank Limited, SND A/C No. 1012050145944 (Principal Branch)	42,876,515	24,406,469
Bank Asia PLC, SND A/C No. 61536000010 (Gulshan Branch)	44,815	35,195
Standard Chartered Bank , SND A/C No. 02 5968650 01 (Gulshan Branch)	10,563	5,508
United Commercial Bank PLC, SND A/C No. 0951308000000364 (Corporate Branch)	325,903,347	63,936,362
Dutch Bangla Bank PLC, SND A/C No. 2461200051586 (Gulsan Circle - 1 Branch)	205,325	
	397,785,546	95,878,798
4.04 Fixed deposit account		
*NCC Bank PLC	62,868,076	57,783,158
One Bank PLC	-	-
United Finance PLC	50,000,000	-
Dhaka Bank PLC	100,000,000	100,000,000
	212,868,076	157,783,158
*Liened with NCC Bank PLC against credit line.		
4.05 Maturity grouping of balance with other banks and financial institutions		
Up to 1 month	100,000,000	100,000,000
Over 1 month but not more than 3 months	50,000,000	-
Over 3 months but not more than 6 months	62,868,076	57,783,158
Over 6 months but not more than 1 year	-	-
Over 1 year but not more than 5 years	-	-
Over 5 years	-	-
	212,868,076	157,783,158
5 Money at Call and short notice		
United Commercial Bank PLC	-	100,000,000
United Finance PLC	50,000,000	100,000,000
	50,000,000	200,000,000
6 Investments		
6.01 Government		98,530,036
6.02 Other		
Investment in Un-Quoted Share (Note 6.02.01)	375,000,000	235,000,000
Investment in Quoted Share (Note 6.02.02)	27,944,108	42,503,580
	402,944,108	277,503,580
06.02.01 Investment in Shares		
Un-Quoted Shares		
Confidence Power Limited	-	20,000,000
Kushiara Power Company Limited	20,000,000	40,000,000
Karnaphuli Power Limited	5,000,000	20,000,000
Shafiul Alam Steel Re-Rolling Mills Ltd.	145,000,000	150,000,000
Epyllion Knitwears Limited	200,000,000	
	370,000,000	230,000,000
Open End Mutual Fund		
Green Delta Dragon Enhanced Blue Chip Growth Fund	5,000,000	5,000,000
	5,000,000	5,000,000
06.02.02 Investment in quoted shares		
Cost price	27,944,108	42,503,580
	27,944,108	42,503,580



	31-Dec-25 Amounts(BDT)	31-Dec-24 Amounts(BDT)
7.00 Leases, loans and advances		
Loans and advances (Note 7.01)	5,057,700,165	4,689,314,379
Bills Purchased and Discounted	-	-
	5,057,700,165	4,689,314,379
7.01 Loans and advances		
Lease receivables	-	1,742,016
Term loan - Corporate	3,367,913,385	3,229,162,880
Auto loan	21,949,318	22,538,243
SME loan	1,372,385,738	1,096,272,586
Lease receivable - SME	5,897,625	14,528,134
Home loan	225,481,299	257,622,068
Loan against deposit	4,197,031	1,019,667
Staff Car Loan	13,557,333	17,877,000
Staff Personal Loan	2,281,399	2,096,797
Interest Receivable	44,037,036	46,454,989
	5,057,700,165	4,689,314,379
7.02 Lease receivable		
Balance at January 1	16,270,150	5,025,577
Add: Addition during the year	-	-
Less: Realisation during the year	10,372,525	3,283,560
Balance at December 31	5,897,625	1,742,017
Lease receivable	6,199,002	1,825,906
Gross lease receivable	301,377	83,890
Less: Unearned lease income	5,897,625	1,742,016
Lease receivable		
Aging analysis of lease receivable		
Up to one year	1,742,016	1,742,016
Above one year to three years	-	-
Above three years to five years	-	-
More than five years	-	-
	1,742,016	1,742,016
7.03 Net loans, advances and leases		
Gross performing loans, advances and leases (Note-7)	5,013,100,755	4,652,006,869
Less:		
Non-performing loans, advances and leases (Note-7.15(x)(a))	44,599,410	37,307,510
Interest suspense (Note-12.3)	8,916,514	5,076,728
Provision for loans and advances/investments (Note-12.6 (i))	48,468,695	46,208,003
	101,984,619	88,592,242
	4,911,116,136	4,563,414,628
7.04 Interest Receivable		
Auto Loan	111,078	102,453
Lease Finance - Corporate	-	9,959
Lease Finance - SME	24,856	55,349
Loan Against Deposit	88,568	706
Long Term Loan - Corporate	32,000,210	33,945,687
Long Term Loan-SME	521,204	441,986
Real Estate Finance	795,918	979,553
Short Term Loan - Corporate	3,424,589	5,400,485
Short Term Loan - SME	7,066,294	5,514,925
Staff Personal Loan	4,319	3,886
	44,037,036	46,454,989
7.05 Maturity Wise Grouping		
On Demand	-	-
Not more than 3 months	1,698,401,552	95,741,825
More than 03 Month to 01 Years	1,410,475,585	1,011,383,693
More than 01 Year to 05 Years	491,955,295	1,113,519,568
More than 05 Years	1,456,867,732	2,468,669,293
	5,057,700,164	4,689,314,379



	31-Dec-25 Amounts(BDT)	31-Dec-24 Amounts(BDT)
7.06 Classification wise leases, loans and advances/ investments		
Unclassified		
Standard	5,012,401,708	4,618,395,093
Special Mention Accounts (SMA)	699,046	33,611,776
	<u>5,013,100,755</u>	<u>4,652,006,869</u>
Classified		
Sub-standard	461,391	22,820,671
Doubtful	9,319,268	-
Bad/loss	34,818,750	14,486,839
	<u>44,599,410</u>	<u>37,307,510</u>
	<u>5,057,700,165</u>	<u>4,689,314,379</u>

7.07 Particulars of required provisions for loans, advances and leases

Status	Base for Provision	Rate (%)	2025	2024
Loans and leases SME-STD (Excluding SMA)	1,331,782,838	0.25%	3,329,457	2,949,242
Loans and leases (Excluding SMA)	2,846,727,728	1.00%	28,501,511	26,368,649
Loans and leases (IPFF2)	833,768,599	0.00%	-	-
Loan/lease to the Subsidiaries/Sister Concerns, Brokerage House, Merchant Banks, Stock dealers	-	2.00%	-	-
Special mention account (CMSME)	694,308	0.25%	1,736	5,608
Special mention account (Other than CMSME)	-	5.00%	-	1,472,840
Special Reserve				
Extra provision for providing COVID related circular advantage	2,855,466	2.00%	57,109	3,114,500
Specific provision				
Sub-standard	405,138	20.00%	85,120	2,154,511
Doubtful	4,462,426	50.00%	2,231,213	-
Bad/ Loss	13,800,848	100.00%	13,800,848	7,770,887
Required provision for loans, advances and leases			48,006,994	43,836,237
Other provision				
Off-Balance Sheet Exposure	-	1.00%	-	-
Other Asset	-	100.00%	-	-

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

i) Garments and Knitwear	691,452,499	408,518,053
ii) Textile	241,527,864	166,097,900
iii) Jute and Jute -products	100,493,056	-
iv) Food Production and Processing industry	457,448,783	327,913,722
v) Plastic Industry	-	-
vi) Leather and Leather Goods	-	-
vii) Iron, Steel and Engineering	58,316,984	224,302,611
viii) Pharmaceuticals and Chemicals	400,518,608	498,305,698
ix) Cement and Allied Industry	261,839,596	307,633,334
x) Telecommunication and IT	393,707,491	404,270,038
xi) Paper, printing and Packaging	45,941,607	48,015,739
xii) Glass, Glassware and Ceramic Industry	6,112,819	17,854,072
xiii) Ship Manufacturing Industry	-	-
xiv) Electronics and Electrical Products	93,223,004	55,932,400
xv) Power, Gas, water and Sanitary Service	33,899,818	69,751,677
xvi) Transport and Aviation	41,824,422	4,041,213
xvii) Other industries	462,030,651	447,355,573
xviii) Trade and Commerce	174,253,442	153,792,677
xix) Individual/Retail Housing	226,277,217	258,601,621
xx) NGO/Service industries/Micro Finance Institution	1,328,694,528	1,215,835,232



	31-Dec-25	31-Dec-24
	Amounts(BDT)	Amounts(BDT)
xxi) Auto Loan	20,009,125	30,119,383
xxii) Employee/Staff Loan	15,843,051	19,977,683
xxiii) Loan Against Deposit	4,285,599	1,020,373
xxiv) Wood, Furniture & Fixture	-	29,975,381
	5,057,700,165	4,689,314,379

7.09 Particulars of lease, loans and advances

i) Leases and loans considered good in respect of which the Company is fully secured.	223,365,377	197,676,072
ii) Leases and loans considered good in respect of which the Company is partially secured.	3,296,347,553	2,152,979,539
iii) Loans considered good against which the Company holds no security other than the debtors' personal guarantee.	-	-
iv) Loans considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors.	1,537,987,234	1,698,138,446
v) Classified loans against which no provision has been made	-	-
vi) Loans due from Directors either separately or jointly with any other persons.	-	-
vii) Loans due from Officers either separately or jointly with any other persons.	-	-
viii) Loans due from Companies or firms in which the Directors have interest as Directors, Partners or managing agents Companies, as members.	-	-
ix) Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Managers or Officers either separately or jointly with any other person.	-	-
x) Maximum total amount of advances, including temporary advances granted during the year to the Companies or firms in which the Directors have interest as Directors, Partners or Managing agents or in the case of private Companies, as members.	-	-
xi) Due from banking companies and other financial institutions.	-	-
xii) Classified lease, loans and advances	-	-
a) Classified lease, loans and advances on which interest has not been charged.	-	-
b) Increase/(decrease) of specific provision.	-	-
c) Amount of loan written off.	-	-
d) Amount realized against loan previously written off.	-	-
e) Provision kept against loans classified as bad/loss on the date of preparing the balance sheet.	-	-
f) Interest credited to Interest Suspense account.	-	-
	5,057,700,165	4,048,794,058

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

Total Loans, Advances and Leases	1,986,668,261	2,600,929,345
No. of Customers	6	8
Classified amount thereon	-	-
Measures taken for recovery	N/A	N/A

7.11 Geographical Location-wise break-up

Inside Bangladesh:		
Dhaka Division	5,057,700,165	4,689,314,379
	5,057,700,165	4,689,314,379
Outside Bangladesh:		
	-	-
	5,057,700,165	4,689,314,379



	31-Dec-25 Amounts(BDT)	31-Dec-24 Amounts(BDT)
8.00 Fixed assets including land, building, furniture and fixtures		
Freehold assets (Note-8.01)	8,264,330	10,779,183
Intangible assets (Note-8.02)	4,607,550	6,955,134
Lease assets (Note-8.03)	28,081,803	17,693,667
	<u>40,953,684</u>	<u>35,427,984</u>
Details are given in Annexure - A		
8.01 Freehold assets		
A. Cost		
Opening Balance	36,391,123	34,549,209
Additions	1,080,450	1,841,914
	<u>37,471,573</u>	<u>36,391,123</u>
B. Accumulated depreciation		
Opening Balance	(25,611,940)	(22,140,190)
Charged During the year	(3,595,302)	(3,471,750)
	<u>(29,207,242)</u>	<u>(25,611,940)</u>
C. Written down value (A-B)	<u>8,264,330</u>	<u>10,779,183</u>
8.02 Intangible assets		
Software		
A. Cost		
Opening Balance	13,485,635	12,568,525
Additions	252,350	917,110
	<u>13,737,985</u>	<u>13,485,635</u>
B. Accumulated ammortization		
Opening Balance	(6,530,501)	(3,869,632)
Charged During the year	(2,599,934)	(2,660,869)
	<u>(9,130,435)</u>	<u>(6,530,501)</u>
C. Written down value (A-B)	<u>4,607,550</u>	<u>6,955,134</u>
8.03 Lease assets		
A. Cost		
Opening Balance	74,608,850	88,697,863
Additions	25,972,800	-
Adjustment / Closure	-	(14,089,013)
	<u>100,581,650</u>	<u>74,608,850</u>
B. Accumulated depreciation		
Opening Balance	(56,915,183)	(56,393,088)
Charged During the year	(15,584,664)	(13,715,305)
Adjustment / Closure	-	13,193,210
	<u>(72,499,847)</u>	<u>(56,915,183)</u>
C. Written down value (A-B)	<u>28,081,803</u>	<u>17,693,667</u>
9.00 Other assets :		
Tax deducted at sources	17,705,817	8,680,938
Advance Payment of Tax	11,570,450	6,788,334
Security Deposit Office Rent Pr Br.	1,377,000	1,377,000
Security Deposit Office Rent Uttara Booth	330,000	330,000
Interest receivable on deposits etc.	6,228,773	5,922,795
Interest receivable on Treasury Line / Call Loan	48,542	260,500
Interest paid in advance (Int first deposit scheme)	960,939	960,939
Dividend Receivable on Preference Share	31,528,219	12,689,587
Dividend receivable on quoted share	-	594,978
Advance with stock broker	99,303	317,641
Advance for Office Rent - Principal Br	459,000	-
Deferred tax (Note - 9.01)	4,760,002	6,182,631
Interest Subsidy Receivable from BB	57,369	57,369
FICCI Membership Fee Paid	79,863	57,500
Advance Salary	75,000	-
Advance	932,809	1,199,006
	<u>76,213,084</u>	<u>45,419,215</u>



31-Dec-25	31-Dec-24
Amounts(BDT)	Amounts(BDT)

9.01 Deferred Tax

Particular	Carrying Amount of Accounting Base	Carrying Amount of Tax Base	Taxable/(deductible) Temporary Difference
For the year ended on 2025			
Property, Plant & Equipment	12,845,899	22,397,040	(9,551,141)
Lease Assets	(2,348,862)	-	(2,348,862)
			<u>(11,900,003)</u>
Applicable tax rate			40.0%
Deferred Tax (Asset)/ Liability			<u>(4,760,001)</u>
For the year ended on 2024			
Property, Plant & Equipment	17,720,850	26,006,162	(8,285,312)
Lease Assets	(7,171,265)	-	(7,171,265)
			<u>(15,456,577)</u>
Applicable tax rate			40.0%
Deferred Tax (Asset)/ Liability			<u>(6,182,631)</u>
Deferred Tax (income)/expenses			<u>1,422,629</u>

10.00 Borrowings from other banks, financial institutions and agents

In Bangladesh	1,179,138,058	906,856,579
Outside Bangladesh	-	-
	<u>1,179,138,058</u>	<u>906,856,579</u>

10.01 In Bangladesh

10.01.01 Borrowings from Bangladesh Bank

BB Refinance Scheme - Brick Kiln Project	15,277,772	27,499,996
BB Refinance Scheme - CMSMEs (Joy Enterprise 0145)	0	833,334
BB Refinance Scheme - CMSMEs (Asia Motors 0147)	-	1,666,667
BB Refinance Scheme - CMSMEs (Pre-finance)	11,160,000	16,120,000
BB Refinance Scheme - CMSMEs (Pre-finance)	12,400,000	17,360,000
BB Refinance Scheme - CMSMEs (Sova Printing)	666,667	2,000,000
BB Refinance Scheme - IPFF - II (Fiber @ Home)	382,213,556	383,488,120
BB Refinance Scheme - IPFF - II (Hoshendi)	414,690,665	375,000,000
BB Refinance Scheme - CMSMEs (Pre-Finance) 27.12.2023	14,880,000	19,840,000
BB Refinance Scheme - Women Enterprise (Rafsan Embroidery)	2,000,000	2,500,000
BB Refinance Scheme - CMSMEs (Pre-Finance) 26.11.2025	25,900,000	-
BB Refinance Scheme - Vintage Denim Limited	22,010,625	-
BB Refinance Scheme - CMSMEs (Pre-Finance) 14.12.2025	100,000,000	-
BB Refinance Scheme - Women Entrepreneurs 14.12.2025	3,000,000	-
	<u>1,004,199,285</u>	<u>846,308,116</u>

10.01.02 Borrowings from other Banks & financial institutions

OD with Commercial Bank of Ceylon	(2,695,831)	503,399
Credit Line with Commercial Bank of Ceylon	80,333,302	33,333,310
Credit Line with NCC Bank	97,301,302	26,711,754
	<u>174,938,773</u>	<u>60,548,463</u>

10.01.03 Borrowings from other Banks & financial institutions (Secured / Unsecured)

Secured	97,301,302	26,711,754
Unsecured	77,637,471	33,836,709
	<u>174,938,773</u>	<u>60,548,463</u>



	31-Dec-25 Amounts(BDT)	31-Dec-24 Amounts(BDT)
10.02 Maturity grouping of borrowings from other banks, financial institutions & agents		
Payable on demand	-	-
Up to 1 month	5,333,335	2,182,523
Over 1 months but within 3 months	26,999,447	14,366,362
Over 3 months but within 1 year	113,598,760	59,529,929
Over 1 year but within 5 years	425,660,868	254,488,877
Over 5 years	607,545,649	576,288,888
	1,179,138,058	906,856,579
11 Deposits and other accounts		
Current deposits	-	-
Savings bank deposits	-	-
Scheme Deposits	11,409,780	12,934,629
Term deposits	3,439,711,086	3,113,702,535
Bearer certificates of deposit	-	-
Other deposits	50,057	223,342
	3,451,170,923	3,126,860,506
11.01 Group-wise break-up of deposits and other accounts		
Government	-	-
Deposit from banks and financial institutions	200,000,000	-
Other institutions	2,292,631,319	2,328,773,084
Individuals	958,539,604	798,087,422
	3,451,170,923	3,126,860,506
11.02 Maturity Analysis		
Repayable on Demand	-	-
Repayable within 01 Month	587,343,453	594,071,259
Repayable over 01 (one) Month but within 03 (three) Months	1,477,187,194	1,274,511,804
Repayable over 03 (three) Months but within 01 (one) Year	1,371,538,929	1,233,636,315
Repayable over 01 (one) Year but within 05 (five) Years	14,701,875	24,407,233
Repayable over 05 (five) Years	399,472	233,895
	3,451,170,923	3,126,860,506
12 Other Liabilities		
Payable to People's Leasing & Finance Plc, Sri Lanka	17,613,990	17,613,990
VAT Payable	257,831	219,601
TDS Payable	354,149	262,436
TDS Payable on deposits	3,756,759	3,680,178
Excise Duty Payable	2,573,950	2,674,450
Salary Tax Payable	688,989	597,024
Tax payable (12.02)	41,675,528	40,912,200
Gratuity payable	-	-
General Provision for loans, advances and leases	32,294,406	33,097,036
Specific Provision	16,117,180	9,925,399
2% Special provision	57,109	3,185,568
Provision for diminution in value of investments	13,804,204	14,310,105
Interest Payable on Term Deposit	103,501,809	95,010,511
Interest Payable on BB Refinance	9,257,735	33,009,128
Interest Payable on borrowing from Bank	2,685,849	-
Interest Suspension (12.03)	8,916,514	5,076,728
Other accruals & payables (12.01)	2,944,155	3,567,611
Lease liabilities	31,294,564	24,810,841
Performance bonus payable	3,925,381	-
Cash Dividend Payable for 2024	25,034,625	-
	316,754,727	287,952,807



31-Dec-25	31-Dec-24
Amounts(BDT)	Amounts(BDT)

12.01 Other accruals & Payables

Audit fee payable	373,760	373,750
Directors Fees payable	1,092,900	372,400
Allowance Payable	20,225	16,338
Provision for Banking Professional Exam Award	-	525,000
Provision for Employee Get Together	500,000	-
Sundry Customer	324,174	1,710,155
Provision For Security Service	196,535	225,286
Provision For SLBCCI Membership Fee	75,496	64,000
Provision For BAFC Membership Fee	-	183,336
Provision For Cleaning Service	50,025	47,850
Provision For Rent A Car	37,052	-
Suspense Account	256,799	-
Others payable	17,188	49,495
	<u>2,944,155</u>	<u>3,567,611</u>

12.02 Lease liabilities (IFRS 16)

Current	12,697,588	16,365,808
Long Term	18,596,976	8,445,033
Total	<u>31,294,564</u>	<u>24,810,841</u>

12.03 Provision for Income Tax

Balance at January 1, 2025	40,912,200	35,534,617
Add : Provision made during the year	36,009,648	36,809,575
Add : Provision made for previous year	-	342,842
Less : Adjustment during the year	(35,246,320)	(31,774,834)
Balance at December 31, 2025	<u>41,675,528</u>	<u>40,912,200</u>

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

12.04 Interest Suspense

Balance at January 1, 2025	5,076,729	2,817,564
Add : Provision made during the year	3,839,785	2,259,165
Balance at December 31, 2025	<u>8,916,514</u>	<u>5,076,729</u>

12.05 Provision for loans, advances & leases

General provision on loans, advances & leases

Balance as on January 01	33,097,036	44,892,539
Provision made for the year	(802,630)	(11,795,503)
	<u>32,294,406</u>	<u>33,097,036</u>

Specific provision

Balance as on January 01	9,925,399	8,257,088
Provision made for the year	6,191,781	1,668,311
	<u>16,117,180</u>	<u>9,925,399</u>

Special provision 2%

Balance as on January 01	3,185,568	4,103,965
Provision made for the year	(3,128,459)	(918,397)
	<u>57,109</u>	<u>3,185,568</u>



31-Dec-25	31-Dec-24
Amounts(BDT)	Amounts(BDT)

13.00 Share Capital

Authorised Capital

200,000,000 Ordinary shares of Tk 10/= each

2,000,000,000 2,000,000,000

Issued, subscribed and paid up Capital

115,500,000 Ordinary shares of Tk 10/= each

1,155,000,000 1,155,000,000

Details of shares holding as at 31.12.2025 are as under;

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

13.01 Capital adequacy Ratio:

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

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

Tier-1 (Core Capital)	1,345,429,890	1,332,772,823
Paid-up Capital	1,155,000,000	1,155,000,000
Statutory Reserve	82,452,726	68,371,312
General Reserve	-	-
Share Premium	17,200,000	17,200,000
Retained Surplus	90,777,164	92,201,511
Tier-2 (Supplementary Capital):	39,207,066	33,652,629
General provision maintained against unclassified loans	39,207,066	33,652,629
Other Reserves	-	-
Total Capital Held (Tier 1 + Tier 2)	1,384,636,956	1,366,425,452
Total Risk Weighted Assets (Note 13.02)	4,251,547,695	3,530,989,518
Required capital	1,000,000,000	1,000,000,000
(10% of risk-weighted assets or Tk. 100.00 Core whichever is higher)		
Total Capital Held	1,384,636,956	1,366,425,452
Capital adequacy ratio	32.57	38.70
Core capital	31.65	37.75
Supplementary capital	0.92	0.95

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

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



13.02 Total Risk Weighted Assets

- (a) Risk Weights for Credit Risk
(b) Risk Weights for Market Risk
(c) Risk Weights for Operational Risk
Total Risk Weighted Assets (a+b+c)

31-Dec-25	31-Dec-24
Amounts(BDT)	Amounts(BDT)

3,136,565,276	2,692,210,312
779,000,000	526,400,000
335,982,419	312,379,206
4,251,547,695	3,530,989,518

14 Statutory Reserve

- Opening balance
Add: Transferred during the year

68,371,312	51,688,729
14,081,413	16,682,583
82,452,726	68,371,312

15 Retained Earnings

- Opening Balance
Net profit during the period
Transferred to Statutory Reserve
5% Cash dividend for 2024

92,201,511	25,471,177
70,407,066	83,412,917
(14,081,413)	(16,682,583)
(57,750,000)	-
90,777,164	92,201,511

16 Interest income

This represents interest income from the following products:

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

418,178,585	377,720,824
117,129	439,067
27,922,855	29,752,798
2,902,090	4,455,363
155,145,905	138,246,081
606,110	325,175
-	-
269,007	91,873
2,066,309	10,435,140
-	36,778
607,207,988	561,503,098

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

41,291,847	24,023,780
15,440,653	30,057,167
122,917	79,861
1,469,964	9,393,126
58,325,381	63,553,934
665,533,369	625,057,032

17 Interest Expense on Deposits & Borrowings

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

368,502,029	341,224,410
19,257,072	12,130,671
1,810,347	2,263,889
49,478,405	44,323,998
4,684,012	3,846,363
443,731,866	403,789,831

18 Investment income

- Gain/ (Loss) on sale of marketable securities
Dividend Income on Quoted Share
Dividend Income on Preference Share
Dividend Income on Open end Mutual Fund

(5,085,656)	1,690,629
352,862	2,467,001
47,323,564	23,443,046
300,000	-
42,890,770	27,600,676

19 Other Operating Income

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

1,278,150	597,239
-	2,683,687
139,522	52,343
103,025	126,308
246,645	1,275,143
1,767,342	4,734,720



	31-Dec-25 Amounts(BDT)	31-Dec-24 Amounts(BDT)
20 Salaries, allowances and benefits		
Salaries, allowances and benefits	<u>84,270,660</u>	<u>72,694,595</u>
Salaries, allowances and benefits includes contribution to Provident Fund Tk. 3,416,575/- in 2024 and Tk. 3,145,249/- in 2024.		
21 Rent, taxes, insurance, electricity, etc.		
Rent, rate and taxes (Note: 20.1)	4,538,150	4,179,160
Insurance	2,176,397	2,021,183
Power and electricity	2,155,295	2,141,294
	<u>8,869,842</u>	<u>8,341,637</u>
21.1 Disclosure related to rent, rate and taxes:		
Actual rent expenses (inclusive of VAT)	28,821,239	26,408,487
Less: Reclassification of rent expenses (as per IFRS 16: Leases)	<u>24,283,089</u>	<u>22,229,327</u>
Rent expenses as reported	<u>4,538,150</u>	<u>4,179,160</u>
In addition to the above mentioned change in rent expense, implementation of IFRS 16 has resulted in charging of depreciation against Right-of-use asset as disclosed in Annexure A and of Interest expense on lease rent, as disclosed in Note 17.		
22 Legal & Professional fees		
Legal & Professional fees	<u>1,668,782</u>	<u>2,607,866</u>
23 Postage, stamp, telecommunication etc.		
Postage	16,821	12,689
Telecommunication & Internet etc.	777,673	781,900
	<u>794,494</u>	<u>794,589</u>
24 Stationery, printing, advertisements, etc.		
Stationery & printing	836,447	1,114,782
Advertisement and publicity	757,534	999,933
	<u>1,593,981</u>	<u>2,114,715</u>
25 CEO's salary and benefits		
Basic Pay	6,600,000	6,600,000
Bonus	3,100,000	800,000
Allowance and benefits	4,620,000	4,620,000
	<u>14,320,000</u>	<u>12,020,000</u>
26 Directors' fees		
Honorarium for attending meeting	<u>2,350,000</u>	<u>1,182,000</u>
26.01 Bangladesh Bank vide its DFIM Circular No. 13 dated November 30,2015 and DFIM Circular No. 01 dated 29 February 2024 re-fixed the maximum limit of remuneration to the directors for attending meeting of the Board and it's committees at Taka 10,000/- per meeting per director.		
27 Administration and maintenance		
Bank charges	886,970	656,002
Office maintenance	1,135,413	974,263
Travelling & Conveyance	2,114,967	1,990,357
CIB Charges	56,412	44,420



	31-Dec-25 Amounts(BDT)	31-Dec-24 Amounts(BDT)
Directors Traveling and hotel charges	-	644,643
Training	189,872	179,771
BLFCA Membership fee	282,753	255,555
FICCI Membership Fee	137,360	121,389
SLBCCI Membership Fee	11,496	12,500
BAFC Membership fee	55,558	183,336
IBB Membership fee	127,778	127,778
Credit Rating Fee	161,000	150,500
Office 365 License & Renewal	583,572	460,933
Antivirus License & Renewal	-	-
Web Domain	9,805	8,913
Newspaper & Periodicals	-	-
DSE Registration Fee/Brokerage Commission/IPO Application Fee	1,107	2,600
Portfolio Management Fee	195,933	378,601
Recruitment Expenses	34,065	33,925
Business Promotion	2,632,900	1,771,392
Rebranding	-	-
Internal Events	200,641	180,743
NID Verification Charge	9,315	5,434
Corporate Social Responsibilities (CSR)	300,000	315,000
New Website Development Cost	-	-
Trade License	41,445	41,445
Cleaning Services (DCS / Mahdi)	631,984	608,436
Meeting Expense for BOD/EC/AC	427,318	142,614
Office Consumables	635,748	677,979
Security Service (Elite)	2,651,748	2,355,333
Support Staff Welfare (Overtime)	228,976	254,647
AC Maintenance	177,100	14,943
Vehicle Fuel & Other Expense	865,307	832,351
Employee Get together	500,000	351,117
RJSC Fees (for increasing Authorized Capital)	-	-
Canva / Zoom / PDF Escape license	36,409	36,025
AMC for E-KYC / Tally / Cash e / CBS / RTGS	1,338,405	1,560,530
NIS Award	-	761,754
Banking Professional Exam Award	85,000	525,000
Subscription for BAMDA Picnic	20,000	-
Annual Service Renewal Charge of EC	69,000	-
Credit Guarantee Fund (Under Guarantee Scheme)	37,328	-
Vulnerability Assessment And Penetration Testing - VAPT	130,000	-
Car Loan Installment	3,583,333	1,150,000
Staff Meeting Expense	85,263	-
Rent A Car Expense	29,526	-
Miscellaneous expenses	139,371	151,214
	20,729,061	17,961,443

28 Current Tax

Particulars	Taka	Rate	Amount in 2025	Amount in 2024
Income from Business	66,035,907	40%	26,414,363	31,373,971
Income from Capital Gains				
Capital gain on sale of fixed assets	-	15%	-	-
Capital gain on sale of shares	-	15%	-	253,594
Income from Investments				
Dividend income	47,976,425	20%	9,595,285	5,182,009
Capital Gain from sale of Government Treasury Bills	-	15%	-	-
Total taxable income (A)	114,012,332		36,009,648	36,809,575
Add: Provision for previous year			-	342,842
Less: Release of tax provision			-	-
Current Tax Provision during the year 2025			36,009,648	37,152,417



31-Dec-25	31-Dec-24
Amounts(BDT)	Amounts(BDT)

29 Average effective tax rate

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

Tax expenses (A)	36,009,648	37,152,417
Accounting profit before tax (B)	107,839,343	120,958,016
Average effective tax rate (A÷B)	<u>33%</u>	<u>31%</u>

Reconciliation of effective tax rate :	2025		2024	
	%	BDT	%	BDT
Profit before income tax as per profit and loss account		107,839,343		120,958,016
Income tax as per applicable tax rate	33%	36,009,648	31%	37,152,417
Net inadmissible expenses	32%	34,108,058	22%	27,214,031
Tax savings from reduced tax rates (ranging from 0% to 20% for exempted investment income, dividend income, capital gains, management fee of mutual funds, sale of stock exchange membership & release from settlement of pending tax cases)	-44%	(47,976,425)	-35%	(42,136,442)
Effect of deferred tax	1.32%	1,422,629	0.32%	392,682
Reported average effective tax rate & total tax expenses	33%	36,009,648	31%	37,152,417

30 Earnings Per Share (EPS)

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

Basic earnings per share has been calculated as follows:

Earnings attributable to ordinary shareholders	70,407,066	83,412,917
Weighted average number of ordinary share outstanding	115,500,000	115,500,000
Basic Earnings Per Share	<u>0.61</u>	<u>0.72</u>

31 Net Asset Value (NAV) Per Share

Net Asset (total assets less total liabilities) (A)	1,345,429,890	1,332,772,823
Total number of ordinary shares outstanding (B)	115,500,000	115,500,000
Net Asset Value per share (NAV) (A÷B)	<u>11.65</u>	<u>11.54</u>

32 Foreign Exchange Gain/(loss) - IAS 21

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

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



33 Sustainable Finance Disclosure

Alliance Finance PLC (AFPLC) continued to demonstrate steady progress in Sustainable and Green Finance during the reporting year, reaffirming its commitment to environmentally responsible and sustainable financing practices aligned with Environmental, Social, and Governance (ESG) principles. The portfolio composition of Sustainable and Green Finance is presented below:

Particular	2024	2025	Growth
Green Finance	BDT 476.99 mm	BDT 583.66 mm	18.28%
Sustainable Finance	BDT 4,360.75 mm	BDT 4,680.65 mm	7.34%

AFPLC's sustainable finance activities are aligned with ESG considerations in the following manner:

*Environmental (E): Financing is directed towards green projects such as energy efficiency, renewable energy, and environmentally sustainable initiatives, contributing to reduced carbon emissions and resource conservation.

*Social (S): The institution supports inclusive financing by extending credit facilities to CMSMEs, women entrepreneurs, and underserved sectors, thereby promoting employment generation and social well-being.

*Governance (G): AFPLC maintains robust governance practices, including compliance with regulatory guidelines, internal risk assessment frameworks, and transparency in sustainable finance reporting.

During the year, AFPLC actively participated in various initiatives in collaboration with the Sustainable Finance Department of Bangladesh Bank. These efforts focus on providing concessional financing to clients while supporting the transition to a greener, climate-resilient, and sustainable economy.

34 Willful Loan Defaulter Identification Unit

In compliance with DFIM Circular No. 04, dated 4 April 2024, Alliance Finance PLC (AFPLC) has established a **Willful Loan Defaulter Identification Unit**, headed by Mr. Shahanur Rashid, Head of Business. The Unit holds quarterly meetings to identify and review cases of willful loan defaulters, determine appropriate actions to be taken, and ensure timely reporting to Bangladesh Bank in accordance with the regulatory requirements.



35 Related party disclosure

Parties are considered to be related if one party has the ability to control the other party or exercises significant influence over the other party in making financial and operational decision and include associated companies with or without common Directors and key management positions. The Company has entered into transaction with other related entities in normal course of business that fall within the definition of related party as per International Accounting Standard 24: "Related Party Disclosures." Transactions with related parties are executed on the same terms, including interest rate and collateral, as those prevailing at the time for comparable transactions with other customers of similar credentials and do not involve more than a normal risk.

Name of related party and relationship	Relationship	Transaction during the year			Balance as of December 31, 2025
		Balance as at 01 January 2025	Addition	Adjustment	
People's Leasing & Finance PLC - Sri Lanka	Shareholder	17,613,990			17,613,990
Ispahani Summit Alliance Terminals Ltd.	Common Director	-	-	-	-
AHL Employees' Provident Fund	Common Director	5,347,284	1,198,894	-	6,546,179
Alliance Econiq Technologies Limited	Common Director	-	-	-	-
Ms. Fatema Hossain Rizvi	Director's family member	40,428,172	5,002,366	-	45,430,538
Fountain Garments Manufacturing Ltd.	Common Director	383,799,821	40,091,060	-	423,890,881
Mr. Lutfu Mawla Ayub	Director	10,537,287	5,242,500	-	15,779,787
Ms. Mazkura Ayub	Director's family member	10,717,174	380,389	-	11,097,563
Md. Mamun-Ur-Rashid	Shareholder's family member	130,550,000	15,992,239	15,992,239	130,550,000
Oriental Oil Company Limited	Common Director	-	-	-	-
PEB Steel Alliance Limited Employees Provident Fund	Common Director	21,896,278	-	9,277,674	12,618,604
Sabera Ahmed Rizvi Foundation	Director's family member	500,000	63,125	63,125	500,000
Mr. Syed Ali Haider Rizvi	Director's family member	25,516,838	2,609,613	28,126,451	-
Mr. Syed Nasser Haider Rizvi	Director's family member	-	-	-	-
Mrs. Archita Podder	CEO's Spouse	5,000,000	535,000	-	5,535,000
Mr. Shahanur Rashid	Head of Business, LAFL	-	-	-	-
Orient Center	Director's family member	-	-	-	-
OOCL Employees Provident Fund	Common Director	-	-	-	-
Alliance Petroleum Corporation Limited	Common Director	-	-	-	-
Ispahani Summit Alliance Terminals Limited Beneficiaries Profit Participation Fund	Common Director	5,867,119	9,021,270	-	14,888,388
Ispahani Summit Alliance Terminals Limited Employees Provident Fund	Common Director	14,270,395	9,008,916	-	23,279,311
Fahmida Akter Khatun	Shareholder	27,357,528	2,862,898	1,764,938	28,455,488
Masco Exports Limited	Common Director	-	-	-	-
Cashe Alliance Limited	Common Director	-	-	-	-
Inaba Ayub Rahman	Director's family member	10,000,000	1,262,500	1,262,500	10,000,000
Ibaha Ayub Rahman	Director's family member	4,200,000	532,875	532,875	4,200,000
Adeeba Aziz Khan	Director's family member	10,644,055	1,180,452	-	11,824,507
Azeeza Aziz Khan	Director's family member	-	-	-	-
Firdaus Nasir Trust	Common Director	12,050,000	6,441,362	1,541,362	16,950,000
Green Delta Insurance Limited	Common Director	10,526,523	1,295,094	1,295,094	10,526,523
Mr Ahmed Arif Billah	Director's family member	-	-	-	-
FARHANA AKHTER	Director's family member	7,763,388	58,500,000	-	66,263,388
FAHIMA AKHTER	Director	-	37,763,583	7,341,491	30,422,091
AHMED TAWAAB BILLAH	Director's family member	-	12,149,127	-	12,149,127
SUMMIT EQUITIES LIMITED	Common Director	-	159,366,654	46,816,654	112,550,000
SUMMIT HOLDINGS LIMITED	Common Director	-	24,753,484	-	24,753,484

36 Directors and their entities in which they have interest

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

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



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

37 Disclosures on the board audit committee

Composition and qualification:

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


Name	Status with the Company	Status with the Committee	Educational Qualification
Abdur R. Chowdhury	Director	Chairman	MS in Applied Economics, PhD in Economics
Sohana Rouf Chowdhury	Director	Member	BA in Economics
Azeeza Aziz Khan	Director	Member	ACCA
Prabath Gunasena	Director	Member	MBA
Priyankara Gangabadage	Director	Member	Chartered Accountant

Audit Committee meetings held during the year 2025:

SL.	Meeting no.	Meeting date
1	01/2025 no. Audit Committee Meeting	24-Mar-2025
2	02/2025 no. Audit Committee Meeting	17-Jun-2025
3	03/2025 no. Audit Committee Meeting	17-Sep-2025
4	04/2025 no. Audit Committee Meeting	22-Dec-2025

Major issues discussed in the Audit Committee Meeting during the year 2025 were as under:

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



Chairman



Director



Director



Chief Executive Officer



Alliance Finance PLC
Schedule of Fixed Assets including land, building, furniture and fixture
As at 31 December 2025

Annexure A
Amounts in BDT

Particulars	Cost			Depreciation						Written Down Value as on 31.12.2025
	Balance as on 01.01.2025	Transferred in/Additions	Transferred out/Disposal	Balance as on 31.12.2025	Rate %	Balance as on 01.01.2025	Charged during the year	Adjustment during the year	Balance as on 31.12.2025	
Freehold assets										
Office decorations	6,989,051	-	-	6,989,051	10%	4,650,239	698,905.52	-	5,349,144	1,639,907
Furniture and fixtures	4,710,674	68,729	-	4,779,403	20%	3,705,518	387,019.40	-	4,092,538	686,865
ICT Equipment	13,638,164	907,362	-	14,545,526	20%	9,992,310	1,416,931.76	-	11,409,242	3,136,284
Office equipment	5,503,234	104,359	-	5,607,593	20%	4,561,827	398,695.28	-	4,960,522	647,071
Vehicle	5,550,000	-	-	5,550,000	12.5%	2,717,187	693,750.00	-	3,410,937	2,139,064
	36,391,123	1,080,450	-	37,471,573		25,627,080	3,595,302	-	29,222,382	8,262,658
Intangible asset										
CIB Module ,Tally & Fortinet Coterm	3,985,635	252,350	-	4,237,985	33%	2,728,832	699,934	-	3,428,766	809,219
CBS	9,500,000	-	-	9,500,000	20%	3,799,996	1,900,000	-	5,699,996	3,800,004
	13,485,635	252,350	-	13,737,985		6,528,827	2,599,934	-	9,128,761	4,607,551
Right of use asset	74,608,850	25,972,800	-	100,581,650	as per lease term	56,915,183	15,584,664	-	72,499,847	28,081,803
Balance as on 31 Dec 2025	124,485,608	27,305,600	-	151,791,208		89,071,091	21,779,900	-	110,850,990	40,953,684
Balance as on 31 December 2024	135,815,596	2,759,024	14,089,012	124,485,608		82,416,377	19,847,924	-	89,071,091	35,427,984



Alliance Finance PLC
Details of investment in quoted shares
As at 31 December 2025

Annexure - B

Amounts in BDT

SI No	Name of Script	No of Shares	Cost Price	Market Price	Total Cost Value	Total Market Value
1	British American Tobacco Bangladesh	10,000	655.06	248.60	6,550,608	2,486,000
2	Beximco Pharmaceuticals Ltd.	12,000	196.13	102.10	2,353,594	1,225,200
3	Dutch Bangla Bank PLC	76,418	53.79	38.50	4,110,393	2,942,093
4	Reckitt Benckiser	310	5,185.39	3,424.40	1,607,470	1,061,564
5	Square Pharmaceuticals PLC	30,000	236.42	198.60	7,092,593	5,958,000
6	Global Islami Bank PLC	433,955	9.52	-	4,132,910	-
7	Walton Hi-Tech Industries PLC	2,090	1,003.13	376.90	2,096,541	787,721
					27,944,108	14,460,578



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

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS 9 "Financial Instruments"	<p>An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired.</p> <p>If any such evidence exists, expected credit losses are required to be measured through a loss allowance at an amount equal to:</p> <p>a) the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or</p> <p>b) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).</p>	<p>As per FID circular No. 08, dated 03 August 2002, FID circular No. 03, dated 03 May 2006, FID circular No. 03, dated 29 April 2013 and DFIM circular No. 04, dated 26 July 2021, a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans and Special Mentioned Accounts (SMA)) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances.</p> <p>Also provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue.</p>	<p>In financial statements, an amount of Taka 0.80 million has been decreased against general provision and Tk. 6.19 Million has been increased against specific provision for leases, loans and advances for the year end 31.12.2025. Accumulated provision for leases, loans and advances as at 31.12.2025 stand at Taka 48.41 million.</p>
2	Valuation of Investments in quoted and unquoted shares	IFRS 9 "Financial Instruments"	<p>Investment in shares falls either under at "fair value through profit/loss (FVTPL)" or "fair value through other comprehensive income (FVTOCI)" where any change in the fair value in case of FVTPL at the year-end is taken to profit of loss, and any change in fair value in case of FVTOCI is taken to other comprehensive income.</p>	<p>As per FID circular No. 08, dated 03 August 2002 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; however in case of any unrealized gain, no such gain can be</p>	<p>During this year, total market value of investment in Quoted shares of Alliance Finance PLC is less than its cost price.</p> <p>As on December 31, 2025 there was BDT 13.80 million unrealized loss on investment in quoted shares.</p>



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

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
				recognized and investments are recognized at cost only.	
3	Recognition of interest income for SMA and classified lease, loans and advances	IFRS 9 "Financial Instruments"	Income from financial assets measured at amortized cost is recognized through effective interest rate method over the term of the investment. Once a financial asset is impaired, investment income is recognized in profit and loss account on the same basis based on revised carrying amount.	As per FID circular No. 03, dated 03 May 2006, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments are not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	As on December 31, 2025 there was BDT 8.92 million in Interest suspense.
4	Presentation of cash and cash equivalent	IAS 7 "Statement of Cash Flows"	Cash equivalent are short term, highly liquid investments that are readily convertible to known amounts of cash and only include those investments which are for a short tenure like: 3 months or less period. In the light of above, balance with Bangladesh Bank and fixed term deposits should be treated as investment asset rather than cash equivalent as it is illiquid asset and not available for use in day to day operations.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs. The templates of financial statements provided detail presentation for statement of cash flows.	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.



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

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
5	Measurement of deferred tax asset	IAS 12 "Income Tax"	A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.	As per DFIM circular No. 7, dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against the provision for lease, loans and advances.	During this year there is no impact in the financial statements due to this departure as the Company did not consider any deductible temporary difference against the provision for leases, loans and advances.
6	Presentation and disclosure of Financial Statements and Financial Instruments	IAS 1 "Presentation of Financial Statements" IFRS 9 "Financial Instruments" & IFRS 7 "Financial Instruments: Disclosure"	Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement. IAS 1 requires separate line item for intangible assets on the face of statement of financial position. IFRS 9 and IFRS 7 require specific presentation and disclosure relating to all financial instruments.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income Statement. Intangibles assets are not separately presented on the face of statement of financial position; rather it is presented along with the line item of fixed assets. As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IAS 39. As such	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.



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

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
				some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.	
7	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash Flows"	The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per DFIM Circular No. 11, dated 23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank.
8	Current/Non-current distinction	IAS 1 "Presentation of Financial Statement"	As per Para 60 of IAS 1 "Presentation of Financial statement" An entity shall present current and non-current assets and current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular No. 11, dated 23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In this templates there is no current and non-current segmentation of assets and liabilities	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. Moreover, the liquidity statement shows the aging profile of all financial assets and liabilities from where current/non-current portion of assets and liabilities can be obtained.
9	Off-balance sheet items	IAS 1 "Presentation of Financial Statements"	There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.	As per DFIM Circular No. 11, dated 23 December 2009, off-balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.



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

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
					There is no financial impact for this departure but there is a disclosure in the financial statements.
10	Impairment of Margin Loan (Loans and receivables)	IFRS 9 "Financial Instruments"	Measurement after initial recognition at amortized cost and recording of changes through profit and loss.	As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. SEC/CMRRCD/2009-193/196 dated 28 December 2016, provisions for the year 2016 on impairment of principal portion of margin loan shall be kept at 20% on each quarter for the five quarters starting from December 2016.	There is no such impact for this.
11	Complete set of financial statements	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" complete set of financial statements are i) statement of financial position, ii) statement of profit or loss and other comprehensive income, iii) statement of changes in equity, iv) statement of cash flows,	As per DFIM Circular No. 11, dated 23 December 2009, complete set of financial statements are i) balance sheet, ii) profit and loss account, iii) cash flow statement, iv) statement of changes in equity, v) liquidity statement,	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.



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

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
			v) notes, comprising significant accounting policies and other explanatory information and vi) statement of financial position at the beginning of preceding period for retrospective restatement.	vi) notes, comprising significant accounting policies and other explanatory information.	
12	Intangible asset	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" para 54: the statement of financial position shall include separate line item for intangible assets.	As per DFIM Circular No. 11, dated 23 December 2009, there is no option for separate line item for intangible asset in the balance sheet. We present intangible asset in the balance sheet as part of fixed assets and provide details in annexure-A as separate line item.	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.
13	Other comprehensive income	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single OCI statement.	Bangladesh Bank has issued templates for financial statements which will strictly be followed by financial institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of OCI allowed to be included in a single OCI statement. As such the financial institution does not prepare the other comprehensive income	Financial Statements for 2025 and corresponding year 2024 have been prepared as per the guideline and templates issued by Bangladesh Bank. There is no financial impact for this departure in the financial statements.



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

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
				statement. However, elements of OCI, if any, are shown in the statements of changes in equity.	
14	Disclosure of presentation of profit	N/A	There is no requirement to show appropriation of profit in the face of statement of comprehensive income.	As per DFIM circular no 11, dated 23 December 2009, an appropriation of profit should be disclosed in the face of profit and loss account	Financial Statements for 2025 and corresponding year 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.

Alliance Finance PLC
Schedule of Financial Indicators
As at 31 December 2025

Annexure D

Sl no.	Key indicators	As at 31 Dec 2025	As at 31 Dec 2024
1	Paid-up capital	1,155,000,000	1,155,000,000
2	Total capital	1,384,636,956	1,366,425,452
3	Capital surplus	384,636,956	366,425,452
4	Total assets	6,292,493,598	5,578,789,610
5	Total deposits	3,451,170,923	3,126,860,506
6	Total loans, advances and leases	5,057,700,165	4,689,314,379
7	Total contingent liabilities and commitments	-	-
8	Credit deposit ratio	147%	150%
9	Percentage of classified loans against total loans, advances and leases	0.88%	0.80%
10	Profit after tax and provision	70,407,066	83,412,917
11	Amount of classified loans during current period	44,599,410	37,307,510
12	Provisions kept against classified loans	16,117,180	9,925,398
13	Provision surplus against classified loan	-	-
14	Cost of fund	10.76%	10.61%
15	Interest earnings assets	6,143,353,787	5,519,009,952
16	Non-interest earnings assets	149,139,811	59,779,658
17	Return on investment (ROI)	10.64%	7.34%
18	Return on Asset (ROA)	1.18%	1.50%
19	Income from investment	42,890,770	27,600,676
20	Earnings Per Share (EPS)	0.61	0.72
21	Market price per share	N/A	N/A
22	Price earnings (PE) ratio	N/A	N/A