

DBH Finance PLC.

Auditor's Report and Audited Financial Statements

For the year ended 31 December 2024

Hoda Vasi Chowdhury & Co

Chartered Accountants

Independent Auditor's Report To the Shareholders of DBH FINANCE PLC.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DBH FINANCE PLC. (the "Company"), which comprise the balance sheet as of 31 December 2024, the profit and loss account, statement of changes in equity and cash flow statement for the year that ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements represents fairly, in all material respects, the financial position of the Company as of 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.

Basis for Opinion

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

Key Audit Matters

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

Description of key audit matters	Our response to key audit matters
Measurement of provision for loans and advances	
The process for estimating the provision for loans and advances portfolios associated with credit risk is significant and complex.	We tested the design and operating effectiveness of key controls focusing on the following: <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;• Reviewed quarterly Classification of Loans (CL); Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following: <ul style="list-style-type: none">• Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines;
For the individual analysis for large exposure, provisions calculation considers the estimates of future business performance and the market value of collateral provided for credit transactions.	
For the collective analysis of exposure on portfolio basis, provision calculation	

<p>and reporting are manually processed that deal with voluminous databases, assumptions and estimates.</p> <p>As of 31 December 2024, the Company reported total gross loans and advances of BDT 44,509,374,472 (31 December 2023: BDT 43,669,788,473) and provision for loans and investments of BDT 1,165,931,185 (31 December 2023: BDT 1,053,040,538).</p> <p>We have focused on the following significant judgments and estimates which could give rise to material misstatement or management bias:</p> <ul style="list-style-type: none"> • Completeness and timing of recognition of loss events in accordance with criteria set out in DFIM Circular no 04 dated 26 July 2021; • For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows; • Provision measurement is primarily dependent upon key assumptions relating to the probability of default, ability to repossess collateral and recovery rates. 	<ul style="list-style-type: none"> • Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines; and • Finally compare the amount of loan provision and loan classification disclosed in the financial statements with the quick summary report prepared by Bangladesh Bank. • We have selected samples to check compliance with the above Bangladesh Bank instructions. However, due to the current uncertainty of the overall economic situation both in Bangladesh and globally, there is an inherent risk that the judgment applied by Management in assessing the recoverability of interest income may be different from the actual situation in the future.
See note no 7 and 12 to the financial statements	

Measurement of deferred tax assets/liabilities	
<p>At year-end of 2024, the Company reported total deferred tax asset of BDT 6,463,403 (2023: BDT 2,551,770), total deferred tax liability of BDT 46,038,454 (2023: BDT 53,412,399) and deferred tax income of BDT (7,373,945) (2023: deferred tax expense BDT 51,770,277).</p> <p>Significant judgment is required in</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of DTAs and DTLs and the assumptions used in estimating the Company's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income. The Company has sufficient taxable profit to recover the</p>

relation to deferred tax assets/ liabilities as their recoverability is dependent on forecasts of future profitability over a number of years.	<p>deferred tax assets/ liabilities in the foreseeable future.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTA's/ DTL's.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax including the deduction of DTA/ DTL on specific provisions from regulatory capital.</p>
See notes no 9.4 & 12.5 to the financial statements	

Valuation of Defined Benefits and Pension Obligation	
<p>The Company operates a number of defined benefit schemes which in total are significant in the context of the overall balance sheet. At the year-end, the Company reported a net defined benefit asset (gratuity) of BDT 15,745,183.</p> <p>The valuations of the retirement benefit liabilities are calculated with reference to a number of actuarial assumptions and inputs including discounting rate, rate of inflation and mortality rates. The net defined benefit asset is sensitive to changes in the assumptions.</p>	<p>We tested the design and operating effectiveness of key controls over the completeness and accuracy of data extracted and supplied to the Companies' actuaries, which is used to calculate the pension assets and pension schemes' surplus or deficit.</p> <p>We also tested the control associated with the actuarial assumptions setting process and the measurement of the fair value of the schemes' assets. We concluded that the key controls were designed, implemented and operated efficiently.</p> <p>We tested the employee data used in calculating obligation.</p> <p>We assessed the appropriateness and presentation of disclosures against IAS 19 Employee Benefits.</p>
See note no 9.3 to the financial statements.	

Valuation of Treasury Bill and Treasury Bond	
<p>The classification and measurement of T-Bill and T-Bonds require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques that may take into consideration direct or indirect unobservable market data and complex pricing models that require an elevated level of judgment.</p>	<p>We assessed the processes and controls put in place by the Company to identify and confirm the existence of financial instruments.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the financial instruments' valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.</p> <p>Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
See note no 6 to the financial statements.	



IT systems and controls	
Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT-dependent manual controls.	<p>We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Company's periodic review of access rights and reviewed requests for 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>

Legal and regulatory matters	
<p>We focused on this area because the Company operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Company's best estimate for existing legal matters that have a probable and estimable impact on the Company's financial position.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We inquired of the Company's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Company's provisions and contingent liabilities disclosure.</p>

Reporting on other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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



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

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

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

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs as explained in note 2, and for such internal control as the 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 these financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, the Financial Institute 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 Financial Institutions 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, 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 a 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 and found satisfactory based on test checking;
- (xi) nothing has come to our attention that the Company has adopted any unethical means i.e. 'window dressing' to inflate the profit and mismatch between the maturity of assets and liabilities;
- (xii) proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;
- (xiii) based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;
- (xiv) the Company has complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans found satisfactory;
- (xv) we have reviewed over 80% of the risk weighted assets of the Company and we have spent around 1,500 person hours for the audit of the books and accounts of the Company;
- (xvi) the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;
- (xvii) the Company has complied with the 'First Schedule' of the Financial Institute Act, 2023 in preparing these financial statements; and
- (xviii) all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.

Dhaka, 05 May, 2025

DVC: 2505061512 A8786511



Shaikh Hasibur Rahman FCA

Partner

Enrolment No # 1512

Hoda Vasi Chowdhury & Co

Chartered Accountants



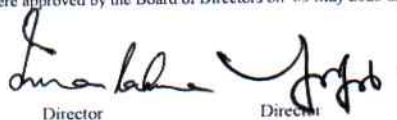
DBH FINANCE PLC.
Balance Sheet
As at 31 December 2024

Particulars	Notes	Amount in Taka	
		31 December 2024	31 December 2023
PROPERTY AND ASSETS			
Cash		682,364,503	622,584,417
In hand	3.1	185,362	108,944
Balance with Bangladesh Bank and its agent Bank	3.2	682,179,141	622,475,473
Balance with other banks and financial institutions		9,380,539,393	17,446,972,663
In Bangladesh	4.1	9,380,539,393	17,446,972,663
Outside Bangladesh		-	-
Money at call and short notice	5	1,900,000,000	100,000,000
Investments	6	10,185,964,534	5,165,060,579
Government		9,125,625,604	4,185,513,679
Others		1,060,338,930	979,546,900
Loans and advances		44,509,374,472	43,669,788,473
Loans and advances	7	44,509,374,472	43,669,788,473
Fixed assets including land, building, furniture and equipments	8	264,832,694	276,448,592
Other assets	9	264,769,172	256,426,969
Total Assets		67,187,844,768	67,537,281,693
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing from other banks, financial institutions and agents	10	8,605,493,839	9,358,458,290
Deposits and other accounts		45,775,344,891	46,655,952,696
Fixed deposits	11.1	45,775,344,891	46,655,952,696
Other deposits		-	-
Other liabilities	12	3,408,746,433	2,844,425,652
Total Liabilities		57,789,585,163	58,858,836,638
Shareholders' equity			
Paid-up capital	13.2	1,988,901,710	1,988,901,710
Share premium	14	55,000,000	55,000,000
Statutory reserve	15	1,933,901,710	1,933,901,710
Other reserves	16	4,484,631,160	4,025,040,000
Retained earnings	33	935,825,025	675,601,635
Total equity		9,398,259,605	8,678,445,055
Total liabilities and Shareholders' equity		67,187,844,768	67,537,281,693
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	17.1		
Acceptances and endorsement		-	-
Letter of guarantee		-	-
Irrevocable letter of credits		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
Total contingent liabilities		-	-
Other commitments	17.2		
Documentary credit & short-term trade related transaction		-	-
Forward assets purchased and forward deposit placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total other commitments		-	-
Total Off-Balance Sheet items including contingent liabilities		-	-

Notes:

1. Independent Auditor's Report-Page 1 to 7.
2. The annexed notes 1 to 42 and annexure A - C, form an integral part of these financial statements.
3. These financial statements were approved by the Board of Directors on 05 May 2025 and were signed on its behalf by:


Chairman


Director

Director


Managing Director & CEO

Dhaka, 05 May 2025

DYC:

2505061512 A5786511

Shaikh Hasibur Rahman, FCA
Partner
ICAB Enrollment # 1512
Hoda Vasi Chowdhury & Co
Chartered Accountants



DBH FINANCE PLC.
Profit and Loss Account
For the year ended 31 December 2024

Particulars	Notes	Amount in Taka	
		2024	2023
Interest Income	18	7,339,329,315	5,924,247,334
Interest paid on deposits and borrowings etc.	19	(5,796,307,568)	(4,130,316,645)
Net Interest Income		1,543,021,747	1,793,930,689
Income from investment	20	809,106,058	189,859,760
Commission, exchange and brokerage	21	176,738,423	163,854,738
Other operating income	22	24,011,535	20,861,720
Total operating income		2,552,877,763	2,168,506,907
Salary and allowances	23	484,514,100	399,823,287
Rent, taxes, insurance, electricity etc.	24	21,253,621	25,605,567
Legal & professional expenses	25	21,837,523	21,575,570
Postage, stamp, telecommunication etc.	26	11,448,061	8,484,920
Stationery, printing, advertisements etc.	27	14,958,112	18,824,910
Managing Director's salary and fees	27.1	13,300,000	13,000,000
Directors' fees and expenses	28	1,252,335	1,033,097
Auditor's fees	29	920,000	575,000
Depreciation, repairs & maintenance	30	82,959,073	74,625,883
Other expenses	31	76,586,758	74,779,956
Total operating expenses		729,029,583	638,328,190
Profit before provisions		1,823,848,180	1,530,178,717
Provisions:			
Loans and advances	12.1.A	29,305,372	(36,502,660)
Diminution in value of investments	12.1.3	83,585,275	5,816,359
Other Assets		-	(330,000)
Total provisions		112,890,647	(31,016,301)
Profit before tax		1,710,957,533	1,561,195,018
Provision for tax:	32		
Current tax		713,684,462	526,383,013
Deferred tax expense/(income)		(11,285,576)	50,357,683
		702,398,886	576,740,695
Profit after tax		1,008,558,647	984,454,323
Appropriations			
Statutory reserve		-	38,998,070
General and other reserves		450,000,000	450,000,000
		450,000,000	488,998,070
Retained surplus		558,558,647	495,456,253
Earnings Per Share	34	5.07	4.95
Earning Per Share		2023	2022
		4.95	5.11

Notes:

1. Independent Auditor's Report-Page 1 to 7.
2. The annexed notes 1 to 42 and annexure A - C, form an integral part of these financial statements.
3. These financial statements were approved by the Board of Directors on 05 May 2025 and were signed on its behalf by:


Chairman



Director


Director


Managing Director & CEO

Dhaka, 05 May 2025

DVC: 2505061512A3786511


Shaikh Hasibur Rahman, FCA
Partner
ICAB Enrollment # 1512
Hoda Vasi Chowdhury & Co
Chartered Accountants



**DBH FINANCE PLC.
Cash Flow Statement
For the year ended 31 December 2024**

Particulars	Notes	Amount in Taka	
		2024	2023
<u>Cash flows from operating activities</u>			
Interest receipts		7,302,944,056	5,831,247,463
Interest payments		(5,345,794,219)	(3,844,759,242)
Dividend receipts		26,957,306	23,995,013
Fees and commission receipts in cash		176,738,423	163,854,738
Cash payments to employees, suppliers and various operating expense		(655,381,020)	(585,574,802)
Income tax paid		(640,215,791)	(472,422,277)
Receipts from other operating activities		836,726,887	187,206,957
Cash generated from operating activities before changes in operating assets and liabilities		1,701,975,642	1,303,547,850
<u>Increase/(decrease) in operating assets and liabilities</u>			
Loans and advances to customers		(835,919,672)	864,541,833
Investment in trading securities		(111,793,538)	(118,552,622)
Other assets		37,239,110	(29,705,328)
Loans and deposits from banks and other customers		(880,607,805)	6,595,362,106
Interest suspense		3,595,601	(29,370)
Other liabilities		10,214,593	(26,440,359)
Cash generated/ (utilized) in operating assets and liabilities		(1,777,271,711)	7,285,176,258
Net cash flows from/(used in) operating activities	37	(75,296,069)	8,588,724,109
<u>Cash flows from investing activities</u>			
Net proceeds/(Payments) for sale/purchase of Treasury Bond		(4,940,111,924)	(2,526,946,678)
Other investments		-	3,000,000
Purchase of property, plant & equipment		(71,410,794)	(40,898,681)
Proceeds from sell of property, plant & equipment		1,077,482	173,349
Net cash flows from/(used in) investing activities		(5,010,445,236)	(2,564,672,010)
<u>Cash flows from financing activities</u>			
Net receipt from bank and financial institute		(3,400,145,867)	(1,026,173,773)
Net receipt by DBH Affordable Housing Bond & ZCB		2,626,461,393	(750,000,000)
Cash dividend paid		(298,335,257)	(292,485,546)
Net cash flows from/(used in) financing activities		(1,072,019,731)	(2,068,659,319)
Net increase/(decrease) in cash and cash equivalents		(6,157,761,035)	3,955,392,780
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents (net off overdraft) at the beginning of the period		17,956,850,835	14,001,458,055
Cash and cash equivalents (net off overdraft) at the end of the period	37A	11,799,089,800	17,956,850,835

Notes:

1. Independent Auditor's Report-Page 1 to 7.
2. The annexed notes 1 to 42 and annexure A - C, form an integral part of these financial statements.
3. These financial statements were approved by the Board of Directors on 05 May 2025 and were signed on its behalf by:


Chairman


Director


Director


Managing Director & CEO




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

Particulars	Paid-up Capital	Share Premium	Statutory Reserve	General & Other Reserves	Retained earnings	Total
Balance as on 1 January 2024	1,988,901,710	55,000,000	1,933,901,710	4,025,040,000	675,601,635	8,678,445,055
Net profit (after tax) for the period	-	-	-	-	1,008,558,647	1,008,558,647
Remeasurements gain/(loss) due to actuarial valuation	-	-	-	9,591,160	-	9,591,160
Transferred to reserve funds	-	-	-	450,000,000	(450,000,000)	-
Stock dividend issued	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	(298,335,257)	(298,335,257)
Balance at 31 December 2024	1,988,901,710	55,000,000	1,933,901,710	4,484,631,160	935,825,025	9,398,259,605

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

Particulars	Paid-up Capital	Share Premium	Statutory Reserve	General & Other Reserves	Retained earnings	Total
Balance as on 1 January 2023	1,949,903,640	55,000,000	1,894,903,641	3,575,040,000	511,628,998	7,986,476,278
Net profit (after tax) for the period	-	-	-	-	984,454,323	984,454,323
Transferred to reserve funds	-	-	38,998,070	450,000,000	(488,998,070)	-
Stock dividend issued	38,998,070	-	-	-	(38,998,070)	-
Cash dividend paid	-	-	-	-	(292,485,546)	(292,485,546)
Balance at 31 December 2023	1,988,901,710	55,000,000	1,933,901,711	4,025,040,000	675,601,635	8,678,445,055


Chairman


Director


Director


Managing Director & CEO





DBH Finance PLC
Liquidity Statement
As at 31 December 2024

Particulars	Amount in Taka				
	Up to 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	Above 5 Years
Assets					
Cash (In hand and balance with Bangladesh Bank and its agent bank)	682,364,503	-	-	-	-
Balance with other banks and financial institutions	4,990,261,808	3,727,087,294	663,190,291	-	-
Money at call on short notice	1,900,000,000	-	-	-	-
Investments	1,971,717,554	1,666,403,262	2,311,173,084	2,599,914,795	1,636,755,839
Loans and advances	735,183,924	1,447,442,888	5,686,213,352	20,734,929,320	15,905,605,288
Fixed assets including land, building, furniture, equipments & ROU asset	8,471,995	7,379,221	23,463,942	82,772,287	142,745,249
Other assets	100,938,555	117,072,790	42,043,666	4,714,161	-
Total Assets	10,388,938,338	6,965,385,155	8,726,084,335	23,422,330,563	17,685,106,376
Liabilities					
Borrowing from other banks and financial institutions	2,049,247,955	1,338,662,370	1,370,291,662	3,830,664,507	16,627,344
Deposits and other accounts	2,293,586,200	3,942,869,825	9,859,175,740	18,183,492,496	11,496,220,630
Other liabilities	459,764,562	545,054,223	1,136,213,117	507,911,141	759,803,390
Total liabilities	4,802,598,717	5,826,586,418	12,365,680,519	22,522,068,144	12,272,651,364
Net liquidity gap	5,586,339,621	1,138,798,738	(3,639,596,184)	900,262,419	5,412,455,012
					9,398,259,605

DBH FINANCE PLC.
Notes to the Financial Statements
As at and for the year ended 31 December 2024

1.0 Company and its activities

1.01 Domicile, legal form, country of incorporation and registered office

DBH Finance PLC. (here-in-after referred to as "DBH" or "the Company") formerly known as Delta Brac Housing Finance Corporation Ltd. was incorporated as a public limited company and obtained the Certificate of Commencement of Business under Companies Act 1994 on May 11, 1996. The Company has also been granted license under the Financial Institutions Act 1993 on July 15, 1996. The registered address of the Company is situated at Landmark Building, (9th floor), 12-14 Gulshan C/A, Gulshan-2, Dhaka. The Company went for public issue in 2007-08 and the shares of the Company are listed in Dhaka and Chittagong Stock Exchanges in Bangladesh.

1.02 Principal activities and nature of operations

- i) The principal activities of the Company are providing loans for construction of houses, purchases of flats or houses, extensions and improvements of existing houses or flats and purchase of housing plots.
- ii) The Company has also various investment and financing products like term deposit scheme, cumulative deposit, triple money deposit, double money deposit, annual income deposit, quarterly income deposit, monthly income deposit, easy way deposit etc. for its individual and corporate clients.

2.0 Basis of preparation and significant accounting policies

2.01 Statement of compliance

The financial statements of the Company have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh, except the circumstances where local regulations differ, and the Companies Act, 1994, the Finance Company Act, 2023, Securities and Exchange Rules, 2020 & the (Listing) Regulation, 2015 of Dhaka & Chittagong Stock Exchanges and other applicable laws and regulations in Bangladesh and practices generally followed by Housing Finance Institutions.

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 the Bangladesh Bank. The activities and accounting heads mentioned in the prescribed form, which are not applicable for financial institutions, have been kept blank in the financial statements. The financial statements are prepared on the historical cost basis and therefore, did not take into consideration the effect of inflation.

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 - 2.48

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 & 3 by following the provision of Para 20 of IAS-1 (Presentation of Financial Statements).

2.02 Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance with Bangladesh

Bangladesh Bank (the local Central Bank) is the prime regulatory body for Financial Institutions in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with those of financial instruments and general provision standards of IAS and IFRS. As such the company has departed from those contradictory requirements of IAS/IFRS in order to comply with the rules and regulations of Bangladesh Bank, which are disclosed in Note -2.48 along with financial impact where applicable.

2.03 Components of the financial statements

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

- (i) Balance Sheet as at 31 December 2024;
- (ii) Profit and Loss Account for the year ended 31 December 2024;
- (iii) Cash Flows for the year ended 31 December 2024;
- (iv) Changes in Equity for the year ended 31 December 2024;
- (v) Liquidity Statement for the year ended 31 December 2024;
- (vi) Notes to the Financial Statements for the year ended 31 December 2024.

2.04 Directors' responsibility statement

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



2.05 Date of authorization

The Board of directors has authorized this financial statements for public issue on 05 May 2025.

2.06 Reporting period

The financial statements of the company covers one year period ranging from 1 January 2024 to 31 December 2024.

2.07 Presentation and functional currency and level of precision

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

2.08 Going Concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason, the management continue to adopt going concern basis in preparing the financial statements, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

2.09 Use of estimates and judgments

The preparation of financial statements in conformity with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements. Such estimates and assumptions are made on historical experience and other factors that are considered reasonable under the required circumstances.

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

- (i) Provision of impairment loans and advances, and investments
- (ii) Gratuity
- (iii) 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 are liabilities that are uncertain in timing or amount. Provisions are recognized when the Company 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.

Impairment losses on loans and advances

In addition to the provision made for loans and advances based on the guideline of Bangladesh Bank, DBH reviews its loans and advances portfolio on monthly basis to assess whether any further allowances/ write back for impairment should be provided in the income statement. The judgment by the management is required in the estimation of these amounts and such estimations are based on assumption about a number of factors though actual results may differ, resulting in future changes to the provisions.

Contingent Liabilities

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 financial institution; 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 financial institution. Contingent assets are never recognized, rather they are disclosed in the financial statements when they arise.



2.10 Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial as permitted by International Accounting Standard (IAS) 1, 'Presentation of Financial Statements'. No amount has been set off unless the DBH has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

2.11 Foreign currency transactions

Transactions in currencies other than the Company's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing at the balance sheet date. Exchange differences are recognized in profit or loss in the period in which they arise.

2.12 Status of compliance of International Accounting Standards and International Financial Reporting Standards

Name of the IAS	IAS	Status
Presentation of Financial Statements	1	**
Inventories	2	N/A
Statement of Cash Flows	7	**
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Governments Assistance	20	N/A
The Effect of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	N/A
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefits Plans	26	N/A
Separate Financial Statements	27	N/A
Investment in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyperinflationary Economies	29	N/A
Financial Instruments: Presentation	32	**
Earnings per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Investment Property	40	N/A
Agriculture	41	N/A
First-time adoption of International financial Reporting Standards	1	N/A
Share-based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-currents Assets held for sale and discontinued operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments : Disclosures	7	**
Operating Segments	8	Applied
Financial Instruments	9	**
Consolidated Financial Statements	10	N/A
Joint Arrangements	11	N/A
Disclosure of Interests in other Entities	12	N/A
Fair Value Measurement	13	Applied
Regulatory Deferral Accounts	14	N/A
Revenue from Contracts with Customers	15	Applied
Leases	16	Applied

** DBH management has followed the principles of IAS & IFRS consistently in the preparation of the financial statements to that extent as applicable to the financial institution. Some of the standards have not been complied with, about which Bangladesh Bank has special guideline.

N/A = Not applicable

2.13 Offsetting

Assets and Liabilities and income and expenses are not set-off unless permitted by the International Accounting Standards (IASs).



2.14 Branch accounting

The Company has Sixteen offices (head office & fifteen branches), with no overseas branch as on December 31, 2024.

Accounts of the branches are maintained at the head office which are included in the accompanying financial statements.

2.15 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, real estate finance, car loans and other finances are accounted for as term finance assets of the Company. Interest earnings are recognized as operational revenue periodically.

2.16 Accounting policy for Leases (IFRS 16)

As a lessee

DBH recognizes a right of use asset and a lease liability from the beginning of 2020. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is depreciated using the straight line methods from the commencement date (from the beginning of 2020) to the earlier of the end of the useful life of the right of use asset or the end of the lease term. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date (from the beginning of 2020), discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, DBH's incremental borrowing rate. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in DBH's estimate of the amount expected to be payable under a residual value guarantee, or if DBH changes its assessment of whether it will exercise purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right to use asset, or is recorded in profit or loss if the carrying amount of the right to use asset has been reduced to zero.

DBH presents right of use assets in **Annexure A** and lease liabilities in **note: 12.4** separately.

2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, balance with Bangladesh Bank and its agent bank and balance with other banks and financial institutions. For the purpose of statement of cash flow, cash and cash equivalents are prepared net off bank overdrafts.

Cash Flow Statement

The cash flow statement is prepared in compliance with the DFIM circular No. 11, dated December 23, 2009 of Bangladesh Bank.

2.18 Investment in securities

Investments are initially recognized at cost including acquisition charges with the investments. After initial recognition, investments in marketable securities except DBH 1st Mutual Fund, Green Delta 1st Mutual Fund have been valued at cost or market price whichever is lower on an aggregate portfolio basis. Above mutual funds and Peninsula SBC Unit Fund-I and Peninsula AMCL Unit Fund have been valued at 85 % of latest published NAV as on December 31, 2024 or cost price whichever is lower. Investment in non marketable securities have been valued at cost. Full provision for diminution in value of securities at the year end on aggregate portfolio basis excepts investment in mutual funds and unit funds are made in the financial statements as required by Bangladesh Bank DFIM circular No. 02 dated January 31, 2012. Provision for above mutual funds and unit funds at the year end is made as required by Bangladesh Bank DFIM circular No. 05 dated May 11, 2015.

Investment in Government Treasury Bond

As per IFRS 9, Financial assets are classified as either (i) amortized cost (ii) fair value through profit or loss (iii) fair value through other comprehensive income. In case of valuation of investment in Government Bonds, DBH followed amortized cost method, as it meets both the business model assessment and Contractual cash flow assessment.



2.19 Provision for loans and advances

Provision for investments and advances is an estimate of the losses that may be sustained in the investment portfolio. The provision is based on Bangladesh Bank guidelines.

The Company's policy is to make provision for the loans and advances to cover the principal amount in respect of non performing loans when installments are outstanding for more than six months and any other overdue accounts on the basis of management's assessment where there are possibilities of impairment in future. The Company has made adequate provision which is more than the minimum regulatory requirement.

DBH's methodology for measuring the appropriate level of the provision relies on several key elements, which include both quantitative and qualitative factors as set forth in the Bangladesh Bank guidelines. Provision for loans and advances is made on the basis of periodical review by the management and of instructions of Bangladesh Bank. The Classification rates are given below:

Particulars	Rate
General provision on:	
Unclassified loans and advances	1.00%
Financing to the Subsidiaries and/or Sister Concerns, Brokerage House, Merchant Banks and Stock Dealers (CL-6C)	2.00%
Special mention account (SMA)	5.00%
Specific provision on:	
Substandard loans and advances (SS)	20.00%
Doubtful loans and advances (DF)	50.00%
Bad/loss loans and advances (BL)	100.00%

2.20 Fixed assets including land, building, furniture and equipment

i) Recognition and measurement

Own assets

The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Property, plant and equipment are stated at cost less accumulated depreciation in compliance with the International Accounting Standard (IAS) 16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes, if any.

ii) Subsequent expenditure on fixed assets

Expenditure incurred after the assets have been put into operation, such as repair and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets. All other costs are recognized to the profit and loss account as expenses.

iii) Disposal

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and net sales proceeds.

iv) Depreciation

Depreciation of an asset begins when the asset is available for use. Depreciation is provided for the period in use of the assets. Full month's depreciation has been charged on additions irrespective of date when the related assets are put into use and no depreciation is charged for the month of disposal. Depreciation is provided at the following rates on straight-line basis over the periods appropriate to the estimated useful lives of the different types of assets:

Category of assets	Rates of depreciation per annum	Estimated useful life
Furniture & Fixtures	15% - 20%	5- 6.67 years
Equipment	20% - 25%	4 - 5 years
Computer and computer equipment	20% - 25%	4 - 5 years
Vehicles	20%	5 years
Building	3%	33.33 years
Intangible asset	20%	5 years
Right-of-use asset	Based on lease term	Lease term
Land	Not depreciated	-

Depreciation on newly acquired assets are calculated from the month of acquisition (full month) and no depreciation is charged for the month in which the assets are disposed off.

v) De-recognition

An item of property, plant and equipment is de-recognized on its disposal. Sale price of fixed assets are determined on the basis of fair value of the assets. Gain or loss on sale of assets are recognized in profit & loss account as per provision of IAS 16 "Property, Plant and Equipment". Such gain or loss is determined as the difference between sales proceeds and carrying amount of the asset.

2.21 Intangible assets and amortization of intangible assets

Components

The main item included in intangible asset is software.

Basis of recognition

An intangible asset shall only be recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably in accordance with IAS 38: Intangible Assets. Accordingly, these assets are stated in the Balance Sheet at cost less accumulated amortization.

Subsequent costs

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

Amortization

Intangible asset is valued at amortized cost and written down within 5 years.

2.22 Impairment of assets

The carrying amounts of the company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment in line with International Accounting Standard 36: Impairment of Assets. If any such indication exists, the recoverable amount of assets is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable impairment losses are recognized in the profit and loss account.

An impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with the other standard. After the recognition of an impairment loss, the depreciation/amortization charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

2.23 Receivables

Accounts receivables

Accounts receivables include mainly dividend receivable, interest receivable, and sundry receivable. No such receivables are accounted for if the loans are classified as bad and loss. Receivables carry interest for the periods for which the delay in payments of the amounts due from the clients continues. Such interest is not recognized as income until it is received in cash.

2.24 Bank loans, deposits etc.

Interest bearing bank loans are recorded at the proceeds received. Interest on bank loans is accounted for on an accrued basis to profit and loss account under the head of financial expense at the implicit rate of interest. The accrued expenses are not added to carrying amounts of the loans.

2.25 Financial instruments:

Financial instrument includes non-derivative financial instruments such as cash and equivalents, money at call and on short notice, investments in shares, loans, advances, borrowing from other banks and financial institutions, deposits etc.

2.26 Employees benefit plans

DBH offers a number of benefit plans which include contributory provident fund, gratuity plan, death and disability plan, and hospitalization benefit including annual health check-up and maternity benefits. The recognition and disclosure for employee benefits are made in accordance with International Accounting Standard 19: Employee Benefits.

2.27 Statutory reserve

As per clause no. 06 of Financial Institutions Regulations, 1994, financial institution is required to transfer at least 20% of its profit after tax and before appropriation of dividend in a particular year, if the financial institution's sum of share premium account (if any) and statutory reserves is less than the required paid up capital of that financial institution. As per DFIM Circular No. 05, dated July 24, 2011, required capital for financial institution should not be less than BDT 100 crore or minimum capital required based on risk-weighted asset.



2.28 Litigation

The Company is not a party to any lawsuits except those arising in the normal course of business, which were filed against the default clients for non-performance in loans repayment and against various level of tax authority regarding some disputed tax issues. The Company, however, provides adequate provisions as per guidelines of International Accounting Standard (IAS) 37: Provisions, contingent liabilities and contingent assets.

2.29 Revenue recognition

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

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

Interest income from loans and other sources is recognized on an accrual basis of accounting and where applicable, on the basis of instruction from Bangladesh Bank considering on the future risk of recovery.

Interest income

Interest income on loans and advances / profit on investment is recognized on accrual basis except overdue interest and interest of the loan accounts considered as non-performing. Interest income is suspended and full provision is made against the interest receivables on all non-performing loans when the installments are outstanding for more than six months or any other accounts which are considered doubtful of recovery on the basis of judgment of the management.

Profit on investment (Islamic Banking)

Mark-up on investment is taken into income account proportionately from profit receivable account. Overdue charge/compensation on classified investments are transferred to profit suspense account instead of income account.

Fees and other charges on loans

Receipt of loan processing/servicing fees and other fees are recognized as income when the performance obligations are satisfied and the amount of the transaction price is allocated to the performance obligations.

Dividend income

Dividend income is recognized on accrual basis when the right to receive income is established. Dividend income from ordinary shares is recognized when the shareholders' legal rights to receive payments have been established i.e. during the period in which dividend is declared in the Annual General Meeting. Dividend declared but not received is recognized as deemed dividend. Dividend from preference shares is recognized on cash basis.

Interest suspense account

Interest on non-performing loans is not recognized as revenue and credited to interest suspense account. Non performing loans refer to the loans when the installments are outstanding for more than six months and any other accounts which are considered impaired on the basis of judgments of the management.

Gain on sale of securities

Capital gain on disposal of securities listed in the stock exchanges is recorded on realized basis. i.e. only when the securities are sold in the market. Unrealized capital gains are not accounted for in the profit and loss account.

2.30 Provision for doubtful losses

The provision for doubtful losses is maintained at a level that management considers adequate to absorb identified credit related losses in the portfolio as well as losses that have been incurred but are not yet identifiable. The provision is increased by the provision for doubtful losses, which is charged to profit and loss account, and decreased by the amount of write-offs, net of reverses.

The provision is determined based on management's identification and evaluation of problem accounts, estimated probable losses that exist on the remaining portfolio and on other factors including the composition and quality of the portfolio and changes in economic condition.

The provision is estimated based on two principles: (1) International Accounting Standard (IAS) 37: Provisions, contingent liabilities and contingent assets, and (2) Bangladesh Bank guidelines. Methodology for measuring the appropriate level of the provision relies on several key elements, which include both quantitative and qualitative factors as set forth in the Bangladesh Bank guidelines. FID circular 08 dated August 03, 2002 and subsequent updated by Bangladesh Bank in this regard is the basis for calculating the provision for doubtful losses.



2.31 Income tax

Income tax expense represents the sum of current tax and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years or are never taxable or deductible. Company's liability for current tax is calculated using, the tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax

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

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

2.32 Dividend to company's shareholders

Final dividend is recognized when it is approved by the shareholders.

The proposed cash dividend is not recognized as a liability in the balance sheet in accordance with the International Accounting Standard (IAS) 10: 'Events After the Reporting Period'. Dividend payable to the Company's shareholders are recognized as a liability and deducted from shareholders equity in the period in which the shareholders right to receive payment is established.

International Accounting Standard (IAS) 1: 'Presentation of Financial Statements', also requires the dividend proposed after the balance sheet date but before the financial statements are authorized for issue, be disclosed in the notes to the financial statements. Accordingly, the Company has disclosed the same in the notes to the financial statements.

2.33 Earnings per share

The Company calculates Earnings Per Share (EPS) in accordance with International Accounting Standard (IAS) 33: 'Earnings Per Share', which has been shown on the face of Profit and Loss account, and the computation of EPS is stated in the notes to the financial statements.

Basic earnings per share

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

Diluted earnings per share

Diluted earnings per share reflects the potential dilution that could occur if additional ordinary shares are assumed to be issued under securities or contracts that entitle their holders to obtain ordinary shares in future, to the extent such entitlement is not subject to unresolved contingencies.

Effect of dilution to weighted average number of ordinary shares is given for potential ordinary shares. At 31 December 2024, there was no scope for dilution and hence no diluted EPS is required to be calculated.

Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighting factor is the numbers of days the specific shares were outstanding as a proportion of the total number of days in the year.

2.34 Cash flow statements:

Cash flow statement of the company is prepared and presented as per the requirement of International Accounting Standard (IAS) 7: 'Statement of cash flows', and DFIM Circular No. 11 dated 23 December 2009.

2.35 Liquidity statement

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following bases:

- (i) Balances with other banks and financial institutions, money at call on short notice, etc. are on the basis of their maturity term and past historical trend.
- (ii) Investments are on the basis of their expected liquidation & residual maturity term.
- (iii) Loans and advances are on the basis of their repayment schedule and past trend of early settlement.

- (iv) Fixed assets are on the basis of their useful lives.
- (v) Other assets are on the basis of their realization / amortization.
- (vi) Borrowings from other banks, and financial institutions and agents as per their maturity/repayment terms.
- (vii) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by depositors.
- (viii) Other long term liabilities are on the basis of their maturity terms.
- (ix) Other liabilities are on the basis of their settlement terms.

2.36 Accrued expenses and other payables

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

2.37 Employee benefits

2.37.1 Defined contribution plan

Defined Contribution plan (Contributory provident fund)

The Company has a contributory provident fund for its regular employees. The fund is approved by the National Board of Revenue (NBR), administered separately by a Board of Trustees and is contributed equally by the Company and the employees.

2.37.2 Defined benefit plan

Gratuity scheme

The Company has a funded gratuity scheme for all confirmed employees who complete minimum 5 years of service with the Company. Required amount of gratuity is calculated on the basis of last basic pay depending on the length of service for every completed year as well as proportionate to the fraction period of service as of the respective financial year. This scheme is approved by the National Board of Revenue (NBR) and administered by an independent Board of Trustees. Actuarial valuation of the gratuity scheme was made in 2024 to assess the adequacy of the liability for the scheme as per International Accounting Standard - 19 "Employee Benefits".

Following benefits are payable on retirement, death or leaving service:

Less than 5 year of service - Nil

Service between 5 and 10 year - One month's last drawn basic pay for every completed year of service.

On completion of 10 years confirmed service and above - Two month's last drawn basic pay for every completed year of

Maximum benefits - 50 times basic pay

2.37.3 Workers Profit Participation and Welfare Fund (WPPF)

Establishment of Workers' Profit Participation and Welfare Fund (WPPF) is a matter of Banking and Financial Institutions Sector as a whole. Ministry of Finance through its letters no. 53.00.0000.311.22.002.17-130 dated February 14, 2017 and no. 53.00.0000.311.22.002.17-140 dated February 25, 2018 expressed its opinion that Chapter 15 on "Participation in Company Profits by Workers" in the Bangladesh Labor Act 2006 and amendments made therein on July 22, 2013 should not be applicable for Banks and Financial Institutions and requested to the Ministry of Labor and Employment to take necessary steps in this regard as well as not to apply the said chapter of Labor Act 2006 for Banks and Financial Institutions. Therefore, like other Banks and Financial Institutions, DBH did not recognize the WPPF.

2.38 Loans - secured

Repayment of mortgage loans is made by way of Equated Monthly Installments (EMI) consisting of principal and interest. There are two modes of interest calculation on loans i.e., monthly reducing or annual reducing method as per loan agreement between customer and DBH. Effective interest rate is same as the rate quoted in case of monthly reducing method but higher under annual reducing method. EMI commences once the entire loans are disbursed. Pending commencement of EMIs, pre-EMI interest is payable every month.

2.39 Write off

Write off refers to recognition of the reduced or zero value of an asset. It also refers to an investment for which a return on the investment is now impossible or unlikely. Potential return along with such investment is thus cancelled and removed ("written off") from the company's balance sheet.

Recovery against debts written off is credited to revenue. Income is recognized where amounts are either recovered and/or

adjusted against securities/properties or advances there against or are considered recoverable.

2.40 Interest expense

The Company has incurred interest and related expenses on account of term loan, deposit, overdraft and short term loan. In terms of provision of the International Accounting Standard (IAS) -1 "Presentation of Financial Statements" interest expenses are recognized on accrual basis.



2.41 Interest suspense account

Accrued interest on term finance, real estate finance, car loans and personal loans classified as Special Mentioned Account, Sub-Standard, Doubtful and Bad loan are not recognized as income rather transferred to interest suspense account as complied with Bangladesh Bank guidelines. Recovery of overdue credited to interest suspense account is recognized as income on cash basis.

2.42 Related party transactions

Related parties are identified and disclosed as per International Accounting Standard (IAS) 24: 'Related Party Disclosure'. Related party disclosures have been given in note 40.

2.43 Interim financial reporting

In accordance with International Accounting Standard (IAS) 34: 'Interim Financial Reporting', publicly traded entities encourages to provide interim financial reports that conform to the recognition, measurement and disclosure principles set out in this standard. Timely and reliable interim financial reporting improves the ability of investors, creditors, and others to understand an entity's capacity to generate earnings and cash flows and its financial condition and liquidity.

DBH apply the same accounting policies in its interim financial statements as are applied in its annual financial statements.

2.44 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)' were introduced on January 01, 2011 on test basis by the Bangladesh Bank. At the end of test run period, Basel Accord regime started and the guidelines namely "Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions (CAMD)" came 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, DBH has already formed BASEL Implementation Unit (BIU) to ensure timely implementation of BASEL II accord. Latest status of Capital Adequacy Ratio (CAR) has been shown in note - 13.5.

2.45 Financial risk management

The Company 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 comprising risk management forum supported by risk management unit is in place within the Company to address risks relating to credit, market, liquidity and operations. In addition to the industry best practices for assessing, identifying and measuring risks, the Company also considers guidelines for managing core risks of financial institutions issued by the Country's Central Bank, Bangladesh Bank, vide FID Circular No. 10 dated September 18, 2005 for management of risks and DFIM Circular No. 03 dated 24 January 2016.

Credit risk

To encounter and mitigate credit risk, the company employed multilayer approval process, policy for customers maximum asset exposure limit, mandatory search for credit report from Credit Information Bureau, looking into payment performance of customer before financing, annual review of clients, adequate insurance coverage for funded assets, vigorous monitoring and follow up by special assets management team, strong follow up of compliance of credit policies by internal audit department, 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. To encounter market risk we are negotiating for facilities that match the maturity structure with ideal interest rate, maintaining a balanced diversification in investments and maintaining prudent provisioning policies. The Company has also strong access to money market and credit lines at a competitive rate through good reputation, strong earnings, financial strength and credit rating.



Liquidity Risk

Liquidity risk arises when a company is unable to meet the short term obligation to its lenders and stakeholders. This arises from the adverse mismatch of maturities of assets and liabilities. 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 operations, current liquidity positions, collections from financing, available sources of funds and risks and returns.

Operational Risk

Operational risk is the potential loss arising from a breakdown in company's systems and procedures, internal control, compliance requirements or corporate governance practices that results in human error, fraud, failure, damage of reputations, delay to perform or compromise of the company's interests by employees. Appropriate internal control measures are in place, at the Company, to address operational risks. The Company has also established an internal control & compliance department (ICCD) to address operational risk and to frame and implement policies to encounter such risks. This department assesses operational risk across the Company as a whole and ensures that an appropriate framework exists to identify, assess and manage operational risk.

Money Laundering and Terrorist Financing Risk

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

- i) Business risk i.e. the risk that DBH may be used for money laundering or terrorism financing &
 - ii) Regulatory risk i.e. the risk that DBH fails to meet regulatory obligations under the Money Laundering Prevention Act 2012 and Anti-Terrorism Act 2009 (amended in 2013).
- DBH has been adhering to various guidelines and circulars issued by the Bangladesh Financial Intelligence Unit (BFIU)

and put in place a strict compliance program consisting of the following components to mitigate above risk:

- a) Development and implementation of internal policies, procedures and controls to identify and report instances of money laundering and terrorist 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 testing procedures carried out by internal audit function to ensure effectiveness of AML/CFT program.
- e) Ongoing employee training programs.

Additional risks required to be addressed under new regulatory requirements

The Integrated Risk Management Guidelines for Financial Institutions which was issued by DFIM through Circular No. 03 dated 24 January 2016 explains a number of following additional risks that financial institutions are now required to address to cover all the major aspects of risks which may arise at any point of time.

Strategic Risk

Strategic risk means the current or prospective risk to earnings and capital arising from imperfection in business strategy formulation, inefficiencies in implementing business strategy, less adaptability with the changes in the business environment and adverse business decisions. Strategic risk induces operational loss that consequentially hampers the capital base. Major roles of the board of the directors, senior management and business units in managing strategic risks, steps to be followed in the strategic risk management process and also measures for strategic risk control are explained in the guidelines.

Since its inception, DBH has been managing strategic risks which are evident from the dynamic business model of the company over the years. Major organizational units are assigned to address the major strategic risks aspects with a view to minimize the negative impact of those risks.

Compliance Risk

Compliance risk is the risk of legal sanctions, material financial loss or loss to reputation the FI may suffer as a result of its failure to comply with laws, its own regulations, code of conduct, and standards of best/good practice. Compliance risk is sometimes also referred to as integrity risk because a FI's reputation is closely connected with its adherence to principles of integrity and fair dealing.

The guidelines set out the respective roles of the board, senior management and compliance function units in managing compliance risks and the FI's board of directors is responsible for overseeing the management of the FI's compliance risk. The board should establish a compliance function and approve the FI's policies and processes. The Board discharges its responsibilities itself and through delegation of authorities to Executive Committee, Audit Committee and Risk Management Committee of the Board. The Compliance department of DBH is responsible for assessing compliance risk in relation to institutional matters such as governance, best practices and corporate social responsibility.

The objective is to identify any compliance risks at an early stage that may undermine the integrity and the success of DBH and to mitigate the risks in most appropriate way.

Reputation Risk

Reputational risk is defined as the risk of losses, falling business volume or income as well as reduced value of the company arising from business events that may reduce the confidence of the customers & clients, shareholders, investors, counterparties, business partners, credit rating agencies, regulators and general public on DBH.

The guidelines explain the roles of the Board and senior management in managing reputation risk. The management ensures that DBH is aware of any changes in market perceptions as soon as possible. Accordingly, all business policies and transactions are subjected to careful consideration. DBH takes necessary precautions to avoid business policies and transactions that may result in significant tax, legal or environmental risks. Reputational risk is also factored into major credit decisions that may lead to credit proposal being declined.

Environmental and Social Risk

Environmental risk is a facilitating element of credit risk arising from environmental issues. DBH uses Environmental Risk Rating (EnvRR) while financing to new projects. Company is making its credit appraisal process to be much more stringent from an Environment and Social (E&S) perspective – evaluating all the environmental and social factors such as project impacts on the environment and the community in the long run, prior to approving a loan.

2.46 Islamic Finance Wing

The Board of Directors of DBH Finance PLC. (DBH) at its 124th meeting held on September 2, 2021 approved the proposal for opening of Islamic Financing Wing (IFW) at all the existing DBH branches in addition to its Conventional Financing subject to the approval of Bangladesh Bank. Accordingly, DBH applied to Bangladesh Bank (BB) and received a letter on March 09, 2022 from them to proceed with conditions and submissions of necessary documents for opening DBH IFW. As per their letter, DBH amended its Memorandum of Association and Articles of Association and incorporated the provision of Shari'ah-based Islamic Financing businesses as well as the appointment of Shari'ah Supervisory Committee. Afterward, DBH formed Shari'ah Supervisory Committee and Islamic Financing Division (IFD) including its Organizational Structure and provided training to the concerned Executives and Officials of its IFW. It also adopted required policies, processes and Product Programme Guidelines (PPGs). Besides, Islamic Core Business Software (i-CBS) has been developed by DBH IT Department for operating Shari'ah-based businesses. On January 16, 2023 DBH applied to BB for approval of opening DBH IFW at all the existing branches of DBH. In response, on February 23, 2023 we received conditional approval from DFIM of Bangladesh Bank including their instruction of submitting further few documents for obtaining final approval for opening DBH IFW.

The company obtained permission from Bangladesh Bank (the country's central bank) to operate the Islamic wing vide Bangladesh Bank's letter no. DFIM(L) 1053/46/2023-1298, dated April 10, 2023. The company commenced operation of this wing from May 07, 2023. The Islamic Wing is governed under the rules and regulation of Bangladesh Bank. A glimpse of financial performance of Islamic Finance Wing has been presented at Annexure - B.

2.47 Events after the reporting date

Events after the reporting date that provide additional information about the Company's position at the balance sheet date are reflected in the financial statements. Events after the reporting date that are non adjusting events are disclosed in the notes when material. There is no material adjusting and non-adjusting events after the Balance Sheet date.





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

SL No.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1	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 9.78 million has been decreased against general provision for loans and advances for the year ended 31.12.2023.</p> <p>Accumulated provisions for loans and advances as at 31.12.2024 stand at Taka 934.32 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 recognized and investments are recognized at cost only.</p>	<p>During this year, total market value of investment in Quoted shares of DBH Finance PLC is less than its cost price.</p> <p>As on December 31, 2024 there was BDT 231.61 million unrealized loss on investment in quoted shares.</p>



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.	DBH Finance PLC. maintained interest suspense accordingly.
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 2024 and corresponding year 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
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 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 some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.	Financial Statements for 2024 and corresponding year 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
7	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash Flows"	The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per DFIM Circular No. 11, dated 23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.	Financial Statements for 2024 and corresponding year 2023 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank.
8	Current/Non-current distinction	IAS 1 "Presentation of Financial Statement"	As per Para 60 of IAS 1 "Presentation of Financial statement" An entity shall present current and non-current assets and current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular No. 11, dated 23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In this templates there is no current and non-current segmentation of assets and liabilities.	Financial Statements for 2024 and corresponding year 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. Moreover, the liquidity statement shows the aging profile of all financial assets and liabilities from where current/non-current portion of assets and liabilities can be obtained.



9	Off-balance sheet items	IAS 1 "Presentation of Financial Statements"	There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.	As per DFIM Circular No. 11, dated 23 December 2009, off-balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.	Financial Statements for 2024 and corresponding year 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure but there is a disclosure in the financial statements.
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, v) notes, comprising significant accounting policies and other explanatory information and vi) statement of financial position at the beginning of preceding period for retrospective restatement.	As per DFIM Circular No. 11, dated 23 December 2009, complete set of financial statements are i) balance sheet, ii) profit and loss account, iii) cash flow statement, iv) statement of changes in equity, v) liquidity statement, vi) notes, comprising significant accounting policies and other explanatory information.	Financial Statements for 2024 and corresponding year 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.
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 2024 and corresponding year 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.



13	Other comprehensive income	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single OCI statement.	Bangladesh Bank has issued templates for financial statements which will strictly be followed by financial institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of OCI allowed to be included in a single OCI statement. As such the financial institution does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.	Financial Statements for 2024 and corresponding year 2023 have been prepared as per the guideline and templates issued by Bangladesh Bank. There is no financial impact for this departure in the financial statements.
14	Disclosure of presentation of profit	N/A	There is no requirement to show appropriation of profit in the face of statement of comprehensive income.	As per DFIM circular no 11, dated 23 December 2009, an appropriation of profit should be disclosed in the face of profit and loss account.	Financial Statements for 2024 and corresponding year 2023 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.

3 Cash

3.1 Cash in hand

Local Currency
Foreign Currency

31-Dec-24 Taka	31-Dec-23 Taka
185,362	108,944
-	-
185,362	108,944

3.2 Balance with Bangladesh Bank and its agent bank

Bangladesh Bank:

Local Currency
Foreign Currency

Balance with Sonali Bank being an agent of Bangladesh Bank

681,824,955	622,171,247
272,267	243,957
682,097,222	622,415,204
81,919	60,269
682,179,141	622,475,473

3.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR)

Cash Reserve Requirement and Statutory Liquidity Reserve have been calculated and maintained in accordance with Finance Company Act 2023 and DFIM circular no. 03 dated June 21, 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 Deposits' means Term or Fixed Deposit, Security Deposit against Lease/Loan and other Term Deposits, received from individuals and institutions (except Banks & 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 is maintained in liquid assets in the form of cash in hand (notes & coin in BDT), Balance with Bangladesh Bank and other Banks and Financial Institutions, unencumbered treasury bills & bonds & any other assets approved in Government Gazette or by Bangladesh Bank.

3.3.1 Cash Reserve Requirement (CRR)

Required reserve
Actual average reserve maintained
Surplus/(deficit)

663,190,289	586,197,714
885,390,270	607,922,981
222,199,981	21,725,267

3.3.2 Statutory Liquidity Reserve (SLR)

Required reserve (including CRR)
Actual reserve maintained (including CRR note -3.3.1)
Surplus/(deficit)

2,365,496,284	2,116,260,206
16,653,380,249	16,114,183,112
14,287,883,965	13,997,922,906

4 Balance with other banks and financial institutions

In Bangladesh (Note 4.1)
Outside Bangladesh

9,380,539,393	17,446,972,663
-	-
9,380,539,393	17,446,972,663

4.1 In Bangladesh

Current deposits
Short-term deposits
Fixed deposits

93,235,857	272,403,818
5,541,641,401	3,350,726,892
3,745,662,135	13,823,841,953
9,380,539,393	17,446,972,663

4.2 Maturity grouping of balance with other banks and financial institutions

Payable on demand
Up to 1 month
Over 1 month but not more than 3 months
Over 3 months but not more than 6 months
Over 6 months but not more than 1 year
Over 1 year but not more than 5 years
Over 5 years

1,743,235,857	3,523,130,711
3,247,025,951	4,859,600,000
3,727,087,294	8,864,241,952
663,190,291	200,000,000
-	-
-	-
-	-
9,380,539,393	17,446,972,663

4.3 Current deposits

Citi Bank NA
Commercial Bank of Ceylon PLC
NRB Bank PLC
Rupali Bank PLC
Standard Chartered Bank

34,552,794	272,193,306
2,046,785	148,033
5,891,637	-
61,329	62,479
50,683,312	-
93,235,857	272,403,818

4.4 Short-term deposits

Al-Arafah Islami Bank PLC
Bank Alfalah
Bank Asia PLC
BRAC Bank PLC
Citi Bank NA
City Bank PLC
Commercial Bank of Ceylon PLC
Dhaka Bank PLC
Dutch-Bangla Bank PLC

1,956,499,398	1,186,636,904
1,152	1,769,872
84,140	757,462
1,512,867	3,033,643
1,810,020	19,162,632
850,640	4,839,123
137,909	-
762,011,191	279,297,171
-	136,035

Hoda Vasi Chowdhury & Co

	31-Dec-24 Taka	31-Dec-23 Taka
Export Import Bank of Bangladesh PLC	2,074,899,379	1,065,300,283
IFIC Bank PLC	110,091	70,411,685
NRB Bank PLC	554,232,853	656,407,506
ONE Bank PLC	-	22,620
Prime Bank PLC	7,712,089	9,008,073
Pubali Bank PLC	72,700,029	3,435,957
Standard Bank PLC	104,323,586	2,430,019
Standard Chartered Bank	4,301,953	2,504,555
Trust Bank PLC	454,105	45,573,353
	5,541,641,401	3,350,726,892
4.5 Fixed deposits		
Al-Arafah Islami Bank PLC	-	810,093,388
Bengal Commercial Bank PLC	250,000,000	-
BRAC Bank PLC	-	2,000,000,000
Citizens Bank PLC	-	300,000,000
City Bank PLC	-	500,000,000
Dhaka Bank PLC	-	5,000,000,000
EXIM Bank PLC	500,000,000	1,200,000,000
IFIC Bank PLC	1,150,000,000	1,979,575,258
Southeast Bank PLC	-	1,000,000,000
Standard Bank PLC	1,845,662,135	724,573,307
United Commercial Bank PLC	-	309,600,000
	3,745,662,135	13,823,841,953
5 Money at call and short notice		
Alliance Finance PLC	-	100,000,000
United Commercial Bank PLC	1,500,000,000	-
United Finance PLC	400,000,000	-
	1,900,000,000	100,000,000
6 Investments		
Government securities:	9,125,625,604	4,185,513,679
Other investments:		
Non marketable securities (Note-6.1)	64,499,500	64,499,500
Marketable securities (Note-6.2)	995,839,430	915,047,400
	1,060,338,930	979,546,900
	10,185,964,534	5,165,060,579
6.1 Investment in non-marketable securities	No. of shares	
Bangladesh Rating Agencies Ltd.	24,995	2,499,500
Peninsula SBC Unit Fund-I	4,000,000	40,000,000
Peninsula AMCL BDBL Unit Fund-I	250,000	2,500,000
Energyprima Ltd. (Pre-IPO shares)	100,000	9,500,000
Vanguard AML Growth Fund	761,614	10,000,000
	64,499,500	64,499,500
6.2 Investment in marketable securities		
Sectors	Market price 31 Dec 2024 Taka	Cost price Cost price
Bank	114,612,216	118,045,592
Cement	10,026,668	12,606,155
Engineering	14,192,340	31,286,656
Financial Institutions	20,052,556	30,915,947
Food & Allied	92,055,495	116,798,079
Fuel & Power	15,244,000	31,823,734
Insurance	11,659,360	21,663,409
IT Sector	9,434,194	20,222,773
Miscellaneous	14,297,000	19,215,212
Mutual Funds	147,552,000	269,742,081
Pharmaceuticals & Chemicals	149,057,065	196,880,056
Services & Real Estate	11,620,000	15,656,495
Telecommunication	94,034,701	95,276,318
Textile	7,274,348	12,509,471
Travel & Leisure	2,210,000	3,197,452
	713,321,943	995,839,430
		915,047,400

All investment in marketable securities are valued on an aggregate portfolio basis except Mutual Funds. Mutual Funds have been valued at 85% of latest published NAV available as on December 31, 2024. As on December 31, 2024 there was Tk. 206,335,787 provision on investment in marketable listed securities and Tk. 25,270,690 for non-marketable securities (Bangladesh Rating Agencies Ltd., Primaenergy Ltd., Vanguard AML Growth Fund, Peninsula AMCL Unit Fund and SBC Peninsula Unit Fund). Market value has been determined on the basis of the value of securities at last trading date of December 2024 (last trading date was December 30, 2024).



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6.3 Maturity grouping of investments:

On demand*
Up to 1 month
Over 1 month but not more than 3 months
Over 3 months but not more than 6 months
Over 6 months but not more than 1 year
Over 1 year but not more than 5 years
Over 5 years

*Excluding BDT 20,000,000 investment in DBH Ist Mutual Fund.

7 Loans and advances

Inside Bangladesh

Housing Loan
Term Loan
Loan against Deposits
Staff loan

Outside Bangladesh

7.1 Maturity grouping of loans and advances

Repayable on demand
Not more than 3 months
Over 3 months but not more than 1 year
Over 1 year but not more than 5 years
Over 5 years

7.2 Loans and advances (Inside Bangladesh)

Opening balance
Disbursement during the year

Realization during the year
Closing balance

7.3 a) Loans and advances to institutions in which directors have interest

b) Loans and advances to chief executive
c) Loans and advances to senior executives
d) Loans and advances to customer group:
i) Housing loan - customer
ii) Staff loan-housing & others
iii) Loan to depositors
iv) Term Loan

e) Details of loan and advances industry-wise

i) Housing Finance/ Real Estate
ii) Consumer Finance

7.4 Loans and advances - geographical location-wise

Inside Bangladesh:

Urban
Dhaka
Chattogram
Sylhet
Cumilla
Gazipur
Narayanganj
Khulna
Rajshahi
Rangpur
Mymensingh
Barisal

Outside Bangladesh:

31-Dec-24 Taka	31-Dec-23 Taka
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975,839,430	895,047,400
995,878,124	2,430,097,692
1,666,403,262	100,000,000
476,682,692	-
1,834,490,392	-
2,599,914,795	100,000,000
1,636,755,839	1,639,915,487
10,185,964,534	5,165,060,579

39,711,792,882	39,853,156,509
4,404,450,513	3,536,610,430
219,488,486	123,973,796
173,642,591	156,047,738
44,509,374,472	43,669,788,473
-	-
44,509,374,472	43,669,788,473

333,173,350	248,333,530
1,849,453,162	2,005,300,254
5,686,213,352	5,887,247,594
20,734,929,320	21,038,511,749
15,905,605,288	14,490,395,346
44,509,374,472	43,669,788,473

43,669,788,473	44,535,972,899
12,494,304,969	10,688,848,536
56,164,093,442	55,224,821,435
11,654,718,970	11,555,032,962
44,509,374,472	43,669,788,473

-	-
-	-
33,623,770	30,782,656
39,711,792,882	39,853,156,509
140,018,821	125,265,082
219,488,486	123,973,796
4,404,450,513	3,536,610,430
44,509,374,472	43,669,788,473

39,900,838,608	39,982,801,731
4,608,535,864	3,686,986,742
44,509,374,472	43,669,788,473

36,877,397,851	37,136,006,087
2,186,764,549	2,110,648,363
230,764,261	227,784,580
741,420,198	651,095,173
2,511,391,595	2,237,222,887
661,594,546	588,892,257
496,273,935	323,991,517
307,851,546	196,494,867
344,275,645	197,652,742
100,139,383	-
51,500,963	-
44,509,374,472	43,669,788,473
44,509,374,472	43,669,788,473



7.5 Details of large loans and advances

There were no clients with outstanding amount and classified loans/advances exceeding 15% of total capital of the institution.

7.6 Particulars of Loans and advances

	31-Dec-24 Taka	31-Dec-23 Taka
i) Loans and advances considered good in respect of which the financial institution is fully secured.	44,338,367,916	43,493,341,294
ii) Loans and advances considered good against which the financial institution holds no security other than the debtors personal security.	9,691,240	9,497,882
iii) Loan and advances considered good and secured by the personal security of one or more parties in addition to personal guarantee of debtors.	161,315,316	166,949,297
iv) Loan and advances adversely classified: for which no provision is created.	-	-
	44,509,374,472	43,669,788,473
v) Loans and advances due by directors and officers of the financial institution or any of them either separately or jointly with any other persons.	173,642,591	156,047,738
vi) Loans and advances due by companies or firms in which the directors of the financial institution have interest as directors, partners or managing agents or in case of private companies, as members.	-	-
vii) Maximum total amount of advances including temporary advances made at any time during the period to director, managers or officers of the financial institution or any of them either separately or jointly with any other person.	174,705,546	156,047,738
viii) Maximum total amount of advances, including temporary advances, granted during the period to companies or firms in which the directors of the financial institution have interest as directors, partners or managing agents or in the case of private companies as members.	-	-
ix) Due from other bank and financial institutions	-	-
x) Information in respect of classified loans and advances		
a) Classified loans for which interest/ profit not credited to income		
i) Increase/(decrease) of provision (specific)	21,998,946	(26,722,768)
ii) Amount of written off debt against fully provided debts	-	-
iii) Amount of debt recovered against the debt which was previously written off	-	-
b) Amount of provision kept against loan classified as bad/loss at balance sheet date	353,435,369	295,978,590
c) Amount of interest creditable to interest suspense account	80,747,362	77,151,761
xi) Cumulative amount of written off loans and advances		
Opening Balance	8,820,658	8,820,658
Amount written off during the year	-	-
Amount recovered against loans and advances previously written off	-	-
Balance of written off loans and advances yet to be recovered	8,820,658	8,820,658
The amount of written off loans, advances for which law suits have been filed.	9,425,086	9,425,086

7.7 Classification of loans and advances

Unclassified:

Standard (including Staff Loan, Loan against Deposits and Others)	44,004,189,360	43,177,265,045
Special mention account (SMA)	73,442,331	116,087,642
	44,077,631,691	43,293,352,687

Classified:

Sub-standard	8,934,035	10,425,240
Doubtful	2,552,583	8,155,803
Bad/loss	420,256,163	357,854,743
	431,742,781	376,435,786
	44,509,374,472	43,669,788,473

7.8 Calculation of provision for loans and advances as per Loan Classification Report as on December 31, 2024.

Nature	Base for provision	Rate (%)	Provision required
Standard	43,526,661,154	1	435,266,612
Standard (Loans to Assets Management Company)	84,397,129	2	1,687,943
Special mentioned account	65,668,077	5	3,283,404
Sub-standard	1,571,751	20	314,350
Doubtful	382,887	50	191,444
Bad/loss	83,655,199	100	83,655,199
Staff loan - standard	173,642,591	1	1,736,426
Loan against deposit - standard	219,488,486	1	2,194,885
			528,330,262

8 Fixed assets including land, building, furniture, equipment and right-of-use asset:

Cost

Balance as of 01 January	566,753,568	568,448,325
Addition during the year	52,421,319	77,080,956
	619,174,887	645,529,281
Disposal/Adjustments	(3,073,579)	(78,775,713)
Balance as of 31 December	616,101,308	566,753,568



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	31-Dec-24 Taka	31-Dec-23 Taka
Depreciation		
Balance as of 01 January	290,304,976	313,965,945
Addition during the year	64,035,054	57,099,636
	354,340,030	371,065,581
Disposal/Adjustments	(3,071,416)	(80,760,605)
Balance as of 31 December	351,268,614	290,304,976
Written down value	264,832,694	276,448,592
Details are shown in annexure A.		
9 Other assets		
Accounts receivable (Note-9.1)	217,619,691	233,107,863
Advances, deposits and prepayments (Note-9.2)	19,565,008	5,609,068
Stamps and pay orders in hand	4,047,670	4,090,004
Net defined benefit (GF) (Note-9.3)	15,745,183	9,740,047
Protested bills receivables	1,328,217	1,328,217
Deferred tax assets (Note - 9.4)	6,463,403	2,551,770
	264,769,172	256,426,969
9.1 Account receivables		
Dividend receivable	3,655,833	4,296,245
Interest receivable	168,295,545	134,501,340
Sundry receivable	45,668,313	94,310,278
	217,619,691	233,107,863
Sundry receivable includes receivable from Green Delta Securities Limited, BRAC EPL Stock Brokerage Limited, DLIC Securities Ltd, LankaBangla Securities Ltd, City Bank Capital Resources Ltd., IDLC Securities Limited, Shanta Securities Limited, and Forfeited DBH Staff Provident Fund, etc.		
9.2 Advances, deposits and prepayments		
Advance to employees	314,555	171,615
Advance to suppliers	13,130,970	-
Security deposits	4,714,161	4,511,161
Prepaid expenses	1,405,322	926,292
	19,565,008	5,609,068
9.3 Net defined benefit (GF)*		
Net defined benefit assets & liabilities		
Defined benefit obligation (9.3a)	(221,305,666)	(200,669,845)
Fair value of plan assets (9.3b)	237,050,849	210,409,892
Surplus	15,745,183	9,740,047
*An actuarial investigation of the DBH Employees' Gratuity Fund (the 'Fund') as of 31 December 2024 was audited by Z. Halim & Associates. The investigation reveals a past service liability of BDT. 221.31 million. The value of total assets in the Fund as on the investigation date is BDT 237.05 million. Comparing liability with the value of the fund reveals a surplus of around BDT 15.75 million.		
9.3a Change in benefit obligation		
Defined benefit obligation as on opening date	(200,669,845)	(200,733,679)
Current service cost	(20,635,821)	-
Interest expense	(16,053,588)	(14,051,357)
Actual net benefits payments	9,774,434	33,418,846
Experience (gain)/loss	6,279,154	(19,303,655)
Defined benefit obligation as on closing date	(221,305,666)	(200,669,845)
9.3b Change in fair value of plan assets		
Fair value of plan asset as on opening date	210,409,892	222,560,721
Interest income	16,832,791	15,579,250
Actual employer contribution	16,270,594	5,460,897
Actual net benefits payments	(9,774,434)	(33,418,846)
Actuarial gains/(losses) on plan assets	3,312,006	227,870
Fair value of plan asset as on closing date	237,050,849	210,409,892
Fair Value of plan assets at year end split by major asset		
Investment in Government Treasury Bill	-	48,790,800
Investment in Shares & Securities	14,952,517	16,274,423
Investment in fixed deposit	207,633,526	136,880,422
Receivable from Green Delta Securities Ltd.	18,623	3,010
Dividend Receivable	116,803	87,390
Accrued interest	4,704,107	2,841,148
Cash at Bank	3,848,775	4,440,393
Others (Advance Tax)	5,776,498	1,092,306
Total fair value of plan asset	237,050,849	210,409,892
Principal actuarial assumptions		
	Rate	
Discount rate	8%	7%
Expected rate of return on plan assets	8%	7%
Rate of increases in pensionable salaries	7%	6%
Life table used	Indian Assured Lives Mortality (2006-2008) Ult	



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9.4 Calculation of deferred tax assets

Carrying amount of Fixed Assets (Excluding land)
Tax base value of Fixed Assets
Deductible temporary difference
Applicable tax rate
Deferred tax asset on fixed asset (Excluding land) (A)

Carrying amount on loss on sale of securities
Tax base value on loss on sale of securities
Deductible temporary difference
Applicable tax rate
Deferred tax asset on loss on sale of securities (B)

Total deferred tax asset (A+B)
Deferred tax asset at the beginning of the year
Deferred tax (Expense)/income

10 Borrowing from other banks, financial institutions and agents

Inside Bangladesh (Note 10.1)
Outside Bangladesh

10.1 Inside Bangladesh

a Secured Short-term loan:

Standard Chartered Bank
Citi Bank, NA

b Unsecured Short-term loan:

Alliance Finance PLC
BRAC Bank PLC
City Bank PLC
Standard Bank PLC
Meridian Finance & Investment Limited

c Unsecured long-term loan:

Bangladesh Bank (Housing refinance)

d Bank overdraft:

Commercial Bank of Ceylon PLC
Woori Bank
Pubali Bank PLC
Standard Chartered Bank
IFIC Bank PLC

e Call loans:

Community Bank Bangladesh PLC
Jamuna Bank PLC
NRB Bank PLC
Dhaka Bank PLC
Shimanto Bank PLC

f Bond:

DBH Affordable Housing Bond
Zero Coupon Bond
Concord Real Estate Ltd.
UCB Asset Management Ltd
AK Khan Company Limited
Chittagong Stock Exchange Ltd
Sena Kalyan Insurance Company Ltd.
Bangla Telecom Limited
Mr. Shahriar Kamal
Ms. Yasmin Khan Kabir
UCB Investment Ltd.
American Life Insurance Company Ltd.

Total inside Bangladesh(a+b+c+d+e+f)

DBH Finance PLC has issued the "DBH Affordable Housing Bond," a non-convertible redeemable fixed coupon senior bond, with each lot valued at BDT 1 million, exclusively for international investors, to raise up to BDT 3,500 million. The purpose of this bond is to provide affordable housing finance to middle-income families in Bangladesh.

31-Dec-24 Taka	31-Dec-23 Taka
187,771,021	188,086,276
196,739,694	194,890,996
8,968,673	6,804,720
37.50%	37.50%
3,363,252	2,551,770
31,001,508	-
-	-
31,001,508	-
10.00%	10.00%
3,100,151	-
6,463,403	2,551,770
2,551,770	1,139,175
3,911,633	1,412,595
8,605,493,839	9,358,458,290
-	-
8,605,493,839	9,358,458,290
1,300,000,000	1,590,000,000
-	1,180,000,000
1,300,000,000	2,770,000,000
-	100,000,000
-	2,000,000,000
-	500,000,000
150,000,000	-
25,000,000	-
175,000,000	2,600,000,000
808,671,418	1,013,817,287
808,671,418	1,013,817,287
-	6,860,384
163,798,945	164,235,957
15,151	27,780,088
-	4,450,308
-	9,379,508
163,814,096	212,706,245
50,000,000	-
700,000,000	-
700,000,000	700,000,000
-	400,000,000
380,000,000	30,000,000
1,830,000,000	1,130,000,000
3,358,232,106	-
84,769,056	159,134,503
27,026,761	52,532,667
171,041,805	312,197,570
81,576,232	132,167,412
2,915,631	4,723,976
17,514,846	28,379,479
2,384,011	4,163,156
8,676,064	14,051,832
162,894,326	262,438,786
410,977,487	662,145,377
969,776,219	1,631,934,758
4,328,008,325	1,631,934,758
8,605,493,839	9,358,458,290



The International Finance Corporation (IFC) has fully subscribed to the bond, and after discounting, DBH Finance PLC received net proceeds of BDT 3,285 million. The bond will be repaid in eight equal half-yearly installments of BDT 437.5 million each, commencing from the second year of issuance. Additionally, during the first year, interest payments will be made in two separate installments for utilizing the funds. In accordance with IFRS 9 - Financial Instruments, the bond has been initially recognized at its fair value of BDT 3,285,000,000, less transaction costs of BDT 28,982,314, resulting in an initial carrying amount of BDT 3,256,017,686. The bond is subsequently measured at amortized cost, incorporating the effective interest rate of 8.83%.

The aforesaid secured short term term loans (10.1 a) and DBH affordable Housing Bond (10.1 f) are secured by first charge on company's all present and future movable and immovable assets including book debts ranking pari-passu security charges with other lenders of the company. Bank overdraft from Pubali Bank Ltd are secured by pari-passu security charges and overdraft from Woori bank is secured by FDR.

	31-Dec-24 Taka	31-Dec-23 Taka
10.2 Security against borrowings from other banks, financial institutions and agents		
Secured	4,822,046,202	2,982,706,245
Unsecured	3,783,447,637	6,375,752,045
	8,605,493,839	9,358,458,290
10.3 Maturity grouping of borrowings from other banks, financial institutions and agents		
Payable on demand	1,830,000,000	1,130,000,000
Up to 1 month	219,247,956	4,236,263,521
Over 1 month but within 3 months	1,338,662,370	44,217,660
Over 3 months but within 1 year	1,370,291,662	2,242,271,257
Over 1 year but within 5 years	3,830,664,507	1,664,754,260
Over 5 years	16,627,344	40,951,592
	8,605,493,839	9,358,458,290
11 Deposits and other accounts		
Fixed deposits (Note: 11.1)	45,775,344,891	46,655,952,696
Other deposits	-	-
	45,775,344,891	46,655,952,696
11.1 Fixed deposits		
Opening balance	46,655,952,696	40,060,590,590
Addition during the year	102,924,094,193	103,150,888,574
	149,580,046,889	143,211,479,164
Repayment made during the year	103,804,701,998	96,555,526,468
Closing balance	45,775,344,891	46,655,952,696
11.2 Group-wise break-up of deposits and others accounts		
Government	396,305,484	373,601,782
Bank	412,675,556	6,200,000,000
Other institutions	19,189,676,051	18,065,647,345
Individuals	25,776,687,800	22,016,703,569
	45,775,344,891	46,655,952,696
11.3 Maturity analysis of deposits		
Payable on demand	-	-
Up to 1 month	2,293,586,200	1,834,387,618
Over 1 month but within 6 months	7,990,348,387	13,180,829,226
Over 6 months but within 1 year	5,811,697,178	5,323,072,380
Over 1 year but within 5 years	18,183,492,496	16,065,109,496
Over 5 years but within 10 years	8,950,725,036	7,982,089,990
Over 10 years	2,545,495,594	2,270,463,986
	45,775,344,891	46,655,952,696
12 Other liabilities		
Provision for loans & investment (Note: 12.1)	1,165,931,185	1,053,040,538
Provision for income tax (Note: 12.2)	374,351,190	300,882,518
Interest suspense (Note: 12.3)	80,747,362	77,151,761
Other payables (Note: 12.4)	1,734,781,117	1,354,283,976
Deferred tax liability (Note: 12.5)	46,038,454	53,412,399
Other Assets Provision	1,328,217	1,328,217
Unclaimed dividend account	5,568,908	4,326,243
	3,408,746,433	2,844,425,652

As per the BSEC directive No. BSEC/CMRRCD/2021 dated 14/1/2021, a separate line item is required to be presented in the Statement of Financial Position for Unclaimed dividend account. DBH, being a financial institution, is required to prepare and present financial statements as per DFIM Circular No. 11, dated 23 December 2009 and there is no scope of such presentation. Therefore, a separate line item for Unclaimed dividend account is presented in notes to the financial statements.



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12.1 Provision for loans and investment

Opening balance
Provision written off
Provision recovered for the year
Provision charged/ (released) for the year
Provision no longer required written back
Recoveries of amounts previously written off
Closing balance

12.1.1 General provision

Opening balance
Charged during the year
Closing balance

12.1.2 Specific provision

Opening balance
Provision written off
Provision recovered during the year
Provision charged/ (released) for the year
Provision no longer required written back
Recoveries of amounts previously written off
Closing balance

12.1.3 Provision for diminutions in the value of investments

Opening balance
Provision charged/(released) during the year
Closing balance

12.1.A Provision on loans and advances

General Provision charged/(released) during the year
Specific Provision charged/(released) during the year

12.2 Provision for income tax

Provision

Opening balance
Less: Adjustment during the year for completed tax assessment
Less: Excess/(Short) provision adjustment

Add: Provision made during the year

Closing balance

Advance tax

Opening balance
Add: Payment made during the year
Under Section 155 of Income Tax Act 2023
Deduction at source
Others

Less: Adjustment during the year for completed tax assessment

Closing balance

Net balance

12.3 Interest suspense

Opening balance
Interest suspended during the year
Written off suspended interest during the year
Closing balance

12.4 Other payables

Interest payable on deposits & loans
Lease liability
Sundry creditors
Unclaimed instruments
Payable to clients
Loan under litigation
Privileged creditors
Profit Equalisation fund
HPSM compensation realized charity A/c
Liability for expenses

31-Dec-24 Taka	31-Dec-23 Taka
1,053,040,538	1,083,726,839
-	-
-	-
112,890,647	(30,686,301)
-	-
-	-
1,165,931,185	1,053,040,538
437,925,038	447,704,930
6,244,231	(9,779,892)
444,169,269	437,925,038
467,094,298	493,817,066
-	-
-	-
23,061,141	(26,722,768)
-	-
-	-
490,155,439	467,094,298
148,021,202	142,204,843
83,585,275	5,816,359
231,606,477	148,021,202
6,244,231	(9,779,892)
23,061,141	(26,722,768)
29,305,372	(36,502,660)
7,055,100,973	6,528,717,960
-	-
-	-
7,055,100,973	6,528,717,960
713,684,462	526,383,013
7,768,785,435	7,055,100,973
6,754,218,455	6,281,796,178
180,000,000	182,309,356
460,215,790	290,112,921
-	-
7,394,434,245	6,754,218,455
-	-
7,394,434,245	6,754,218,455
374,351,190	300,882,518
77,151,761	77,181,131
3,595,601	(29,370)
-	-
80,747,362	77,151,761
1,361,759,993	980,858,819
47,128,999	66,118,475
125,545,837	116,025,945
16,521,707	12,123,092
101,731,374	99,780,205
20,477,822	9,949,541
54,222,298	63,223,837
1,497,948	573,213
170,668	-
5,724,471	5,630,849
1,734,781,117	1,354,283,976



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12.5 Calculation of deferred tax liability

Right-of-use Asset - Carrying amount
Right-of-use Asset - Tax base
Lease liability- ROU -carrying amount
Lease liability-ROU-Tax base
Taxable temporary difference (A)
Interest Receivables on FDR & SND accounts - Carrying amount
Interest Receivables on FDR & SND accounts - Tax base
Taxable temporary difference (B)
Net taxable temporary difference (A+B)
Applicable tax rate
Deferred tax liability (i)
Dividend receivables - Carrying amount
Dividend receivables - Tax base
Taxable temporary difference
Applicable tax rate
Deferred tax liability (ii)
Total deferred tax liability (i + ii)
Deferred tax liability at the beginning of the year
Deferred tax Expense/(income)

31-Dec-24 Taka	31-Dec-23 Taka
51,404,236	69,704,925
-	-
47,128,999	66,118,475
-	-
4,275,236	3,586,450
116,544,199	136,555,284
-	-
116,544,199	136,555,284
120,819,436	140,141,734
37.50%	37.50%
45,307,287	52,553,149
3,655,833	4,296,245
-	-
3,655,833	4,296,245
20.00%	20.00%
731,167	859,249
46,038,454	53,412,399
53,412,399	1,642,121
(7,373,945)	51,770,277

13 Share capital

13.1 Authorized capital

399,950,000 Ordinary shares of Tk. 10 each
5,000 Preference shares of Tk. 100 each

3,999,500,000	3,999,500,000
500,000	500,000
4,000,000,000	4,000,000,000

13.2 Issued, subscribed, called and paid-up capital

Ordinary shares
Opening
3,899,807 Ordinary shares of Taka 10 each issued as bonus share

1,988,901,710	1,949,903,640
-	38,998,070
1,988,901,710	1,988,901,710

13.3 Capital of the Company is held by the following shareholders

Ordinary shares

Local shareholders:

BRAC
Delta Life Insurance Company Ltd.
Green Delta Insurance Company Ltd.
General shareholders

Foreign shareholders:

General shareholders

31 December 2024	
No of shares	Taka

36,572,729	365,727,290
35,059,185	350,591,850
30,440,772	304,407,720
89,390,760	893,907,600
191,463,446	1,914,634,460

7,426,725	74,267,250
7,426,725	74,267,250
198,890,171	1,988,901,710

13.4 Break-up of Paid-up capital:

Date of Issue
11 May 1996 to 28 June 1998
12-Dec-06
9-Apr-08
2-Dec-08
23-Nov-09
8-Dec-10
22-Nov-11
Total
Face Value Change (2011)
14-Nov-12
24-Nov-16
31-Mar-19
17-Jun-20
17-May-21
5-May-22
28-May-23
Total paid-up capital

31 December 2024		
Number of Shares	Face Value	Amount
2000000	100	200,000,000
200000	100	20,000,000
500000	100	50,000,000
810000	100	81,000,000
526500	100	52,650,000
1009125	100	100,912,500
5045625	100	504,562,500
10091250	100	1,009,125,000
100912500	10	1,009,125,000
15136875	10	151,368,750
5802468	10	58,024,680
12185184	10	121,851,840
20105554	10	201,055,540
23121387	10	231,213,870
17726396	10	177,263,960
3899807	10	38,998,070
198890171	10	1,988,901,710



13.5 Capital adequacy ratio - As per BASEL-II

1. Tier-1 (Core Capital)

- 1.1 Fully Paid-up Capital/Capital Deposited with BB
- 1.2 Statutory Reserve
- 1.3 Non-repayable Share premium account
- 1.4 General Reserve
- 1.5 Retained Earnings
- 1.6 Minority interest in Subsidiaries
- 1.7 Non-Cumulative irredeemable Preferences shares
- 1.8 Dividend Equalization Account
- 1.9 Others (if any item approved by Bangladesh Bank)
- 1.10 Sub-Total (1.1 to 1.9)

31-Dec-24 Taka	31-Dec-23 Taka
1,988,901,710	1,988,901,710
1,933,901,710	1,933,901,711
55,000,000	55,000,000
3,784,631,160	3,775,040,000
935,825,025	675,601,635
-	-
700,000,000	250,000,000
-	-
9,398,259,605	8,678,445,056

Deductions from Tier-1 (Core Capital)

- 1.11 Book value of Goodwill and value of any contingent assets which are shown as assets
- 1.12 Shortfall in provisions required against classified assets
- 1.13 Shortfall in provisions required against investment in shares
- 1.14 Remaining deficit on account of revaluation of investments in securities after netting off from any other
- 1.15 Any investment exceeding the approved limit.
- 1.16 Investments in subsidiaries which are not consolidated
- 1.17 Increase in equity capital resulting from a securitization exposure
- 1.18 Other (if any)
- 1.19 Sub Total (1.11-1.18)
- 1.20 Total Eligible Tier-1 Capital (1.10-1.19)

-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
9,398,259,605	8,678,445,056

2. Tier-2 (Supplementary Capital)

- 2.1 General Provision (Unclassified loans up to specified limit + SMA + off Balance Sheet exposure)
- 2.2 Assets Revaluation Reserves up to 50%
- 2.3 Revaluation Reserve for Securities up to 45%
- 2.4 Revaluation reserve for equity instrument up to 10%
- 2.5 All other preference shares
- 2.6 Other (if any item approved by Bangladesh Bank)
- 2.7 Sub-Total (2.1 to 2.6)
- 2.8 Applicable Deductions (if any)
- 2.9 Total Eligible Tier-2 Capital (2.7-2.8)

338,889,264	329,260,383
-	-
-	-
-	-
-	-
-	-
338,889,264	329,260,383
338,889,264	329,260,383
9,737,148,869	9,007,705,439

Total capital

Total risk weighted assets
Required capital based on risk weighted assets(10%)
Surplus

31,965,792,340	31,225,409,194
3,196,579,234	3,122,540,919
6,540,569,635	5,885,164,520

Capital Adequacy Ratio:

On core capital
On actual capital (against standard of minimum 10%)
Supplementary Capital to risk weighted assets

29.40%	27.79%
30.46%	28.85%
1.06%	1.05%

14 Share premium account

Ordinary shares

55,000,000	55,000,000
55,000,000	55,000,000

15 Statutory reserve

Opening balance
Add: addition during the year
Closing balance

1,933,901,710	1,894,903,640
-	38,998,070
1,933,901,710	1,933,901,710

16 Other reserves

Contingency Reserve (Note 16.1)
General Reserve (Note 16.2)
Dividend equalization reserve (Note 16.3)
Remeasurements gain/(loss) due to actuarial valuation
Capital redemption reserve

1,275,000,000	1,275,000,000
2,500,000,000	2,500,000,000
700,000,000	250,000,000
9,591,160	-
40,000	40,000
4,484,631,160	4,025,040,000

An amount of Tk. 40,000/- was transferred in FY 2013-14 out of profit to "Capital redemption reserve" in redeeming 400 no's of preference share @ Tk. 100 each as per section 154(1)(C) of Companies Act 1994.



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16.1 Contingency reserve

Opening balance
Add: addition during the year
Closing balance

31-Dec-24 Taka	31-Dec-23 Taka
1,275,000,000	1,275,000,000
-	-
1,275,000,000	1,275,000,000

16.2 General reserve

Opening balance
Add: addition during the year
Closing balance

2,500,000,000	2,050,000,000
-	450,000,000
2,500,000,000	2,500,000,000

16.3 Dividend equalization reserve

Opening balance
Add: addition during the year
Closing balance

250,000,000	250,000,000
450,000,000	-
700,000,000	250,000,000

17 Business commitments and contingencies

17.1 Contingent liabilities

There is no contingent liability during the year to disclose.

17.2 Other commitments

In the normal course of business, the company makes various commitments, contracts and disbursements. No material losses are anticipated as a result of these transactions.

17.3 Capital expenditure commitments

- a) Contracted and incurred but not provided for in the accounts
b) Approved by the Board but not contracted for

Nil	Nil
Nil	Nil

17.4 Unacknowledged debts

The Company had no claim, legal or other against it, which has not been acknowledged as debt at the balance sheet date.

18 Interest income

Interest on loans
Interest on placement with other banks & BB FX deposits
Interest on short term investment

2024 Taka	2023 Taka
5,377,974,669	4,346,356,352
1,822,287,077	1,481,150,913
139,067,569	96,740,069
7,339,329,315	5,924,247,334

19 Interest paid on deposits and borrowings etc.

Interest on term loans
Interest on deposits
Interest on short-term borrowing
Interest on overdraft
Interest on Bond
Interest on DBH affordable housing bond
Profit on Term Deposit (Treasury)
Interest expense-lease

45,867,527	56,291,706
4,675,063,290	3,172,300,340
469,913,565	663,305,025
12,632,761	10,691,699
328,876,498	133,656,242
241,959,420	455,000
17,742,409	88,833,798
4,252,098	4,782,835
5,796,307,568	4,130,316,645

20 Income from investments

Gain/(loss) on sale of marketable securities
Dividend income
Interest on Treasury Bond

(31,001,508)	5,610,689
26,316,894	17,796,376
813,790,672	166,452,695
809,106,058	189,859,760

21 Commission, exchange and brokerage

Loan fees
Other charges and fees

115,326,612	101,409,270
61,411,811	62,445,468
176,738,423	163,854,738

22 Other operating income

Property service income
Trustee Fee Income
Gain on sale of fixed assets
Other receipts

16,353,251	17,216,429
5,184,479	3,037,796
1,075,320	107,458
1,398,485	500,037
24,011,535	20,861,720



Hoda Vasi Chowdhury & Co

	2024 Taka	2023 Taka
23 Salary and allowances	484,514,100	399,823,287
Salary and allowances include annual contribution of Tk. 14,930,936 to DBH Staff Provident Fund and Tk. 16,270,594 to DBH Employees Gratuity Fund which are recognised by NBR.		
24 Rent, taxes, insurance, electricity etc.		
Rent, rates & taxes	8,189,523	13,255,840
Insurance	4,723,098	4,666,548
Electricity	7,711,873	7,112,769
Water	629,127	570,410
	21,253,621	25,605,567
24.1 Disclosure related to Rent, rates and taxes		
Actual expenses	52,268,028	50,968,979
Less: Re-classification of rent expenses as per IFRS-16	44,078,505	37,713,139
	8,189,523	13,255,840
25 Legal and professional expenses		
Law charges	19,076,973	16,556,619
Other professional charges	2,760,550	5,018,951
	21,837,523	21,575,570
26 Postage, stamp, telecommunication etc.		
Postage & courier service	902,049	949,091
Stamp expenses	3,306,716	3,172,179
Telephone & internet	7,239,296	4,363,650
	11,448,061	8,484,920
27 Stationery, printing, advertisements etc.		
Printing	3,349,908	2,274,940
Stationery	2,673,238	3,052,986
Publicity and advertisement	8,934,966	13,496,984
	14,958,112	18,824,910
27.1 Managing Director's salary and fees	13,300,000	13,000,000
28 Directors' fees and expenses		
Fees for attending meeting	847,185	808,000
Incidental meeting expenses	405,150	225,097
	1,252,335	1,033,097
29 Statutory annual audit fees (including VAT)	920,000	575,000
30 Depreciation/Amortization, repairs & maintenance		
Depreciation/Amortization:		
Freehold assets	21,916,445	21,891,889
Right-of-use Asset	41,030,424	34,195,303
Intangible assets	1,088,185	1,012,444
	64,035,054	57,099,636
Repairs & maintenance:		
Vehicle	2,737,516	1,899,022
Office equipment & premises	13,663,126	10,999,900
Computer hardware & software	2,523,377	4,627,325
	18,924,019	17,526,247
	82,959,073	74,625,883
31 Other expenses		
Staff training & recruitment expense	1,555,246	1,093,603
Office security	5,407,944	5,419,300
Transportation, traveling & conveyance	35,342,019	33,946,828
Canteen expense	2,712,418	2,546,297
Business promotion & entertainment	2,124,302	3,626,176
Car fuel	2,229,600	1,960,005
Books and papers	82,705	68,470
Bank charges	6,131,294	5,904,784
Recovery expenses	2,452,087	2,764,114
Donation, subscription and Fees	6,487,757	6,744,909
Public relation & AGM expense	126,000	230,140
Expenses for Islamic Wing	-	248,315
Outsource agency charges	8,422,039	7,768,288
Brokerage	2,630,758	1,894,679
Staff welfare expense	882,589	564,048
	76,586,758	74,779,956



32 Provision for tax

Current tax

Provision for income tax

Less: Excess/(Short) provision adjustment

Deferred tax

Expense/(Income) on deductible temporary differences (Note-9.4)

Expense/(Income) on taxable temporary differences (Note-12.5)

Reconciliation of effective tax rate

Tax using the company's tax rate

Tax effect of:

Provision for non-deductible expenses

Adjustment/provision released during the year

Other components of tax as per ITA 2023

Difference between accounting and tax depreciation

Effective tax rate

2024		2023	
Taka	%	Taka	%
641,609,076	37.50%	585,448,132	37.50%
32,841,659	1.92%	26,712,741	1.71%
42,333,993	2.47%	(11,631,113)	-0.75%
(5,193,788)	-0.30%	(75,988,657)	-4.87%
2,093,523	0.12%	1,841,910	0.12%
713,684,462	41.71%	526,383,013	33.72%

33 Retained earnings

Opening balance

Prior year adjustment

Add: Profit after tax for the year transferred from Profit & Loss Account

Add: Remeasurements gain/(loss) due to actuarial valuation

Accumulated profit available for distribution

Less: Appropriations

Transferred to statutory reserve

Transferred to general reserve

Transferred to contingency reserve

Transferred to dividend equalization reserve

Issue of bonus shares for previous year

Cash dividend paid for last year

Closing balance

675,601,635	511,628,998
-	-
1,008,558,647	984,454,323
1,684,160,282	1,496,083,321
-	38,998,070
-	450,000,000
-	-
450,000,000	-
-	38,998,070
298,335,257	292,485,546
748,335,257	820,481,686
935,825,025	675,601,635

34 Earnings per share

Profit after Tax

Profit available for ordinary shareholders

Number of shares outstanding for calculating basic EPS

Basic earnings per share

No diluted earning per share is required to be calculated for the year as there was no convertible securities for dilution during the year.

1,008,558,647	984,454,323
1,008,558,647	984,454,323
198,890,171	198,890,171
5.07	4.95

35 Net asset value (NAV) per share

Shareholders' Equity

Number of Share

Net asset value (NAV) per share (As at 31 December)

9,398,259,605	8,678,445,055
198,890,171	198,890,171
47.25	43.63

36 Net operating cash flows per share (NOCFPS)

Net cash from operating activities

Number of Share

Net operating cash flows per share (NOCFPS)

(75,296,069)	8,588,724,109
198,890,171	198,890,171
(0.38)	43.18

37 Reconciliation of net profit with cash flows from operational activities on indirect method:

Particulars

Profit after tax

Provision for income tax

Depreciation

Provision for Loans and advances

Provision for Diminution in value of investment

Interest Suspense

Gain/loss on sale of fixed assets

ZCB interest accrued

Accrual for dividend, LAD and interest receivable

Accrual for expenses

Purchase & sale of trading securities

Loans and advances

Other Assets

Loan and deposit from Banks and Customer

Other liabilities

Income tax paid

Net cash flows from operating activities

Remarks	Amount in Taka	
	2024	2023
Profit after tax	1,008,558,646	984,454,322
Non cash item	702,398,884	576,740,696
Non cash item	64,035,054	57,099,636
Non cash item	29,305,372	(36,502,660)
Non cash item	83,585,275	5,816,359
Non cash item	3,595,601	(29,370)
Non-operating item	(1,075,320)	(107,458)
Non cash item	69,612,174	133,656,241
Changes in accrual	(35,744,846)	(86,801,234)
Changes in accrual	390,514,687	147,224,913
(Inc)/Dec of assets	(80,792,030)	(124,163,311)
(Inc)/Dec of assets	(835,919,672)	864,541,833
(Inc)/Dec of assets	37,239,110	(29,705,328)
Inc/(Dec) of liabilities	(880,607,805)	6,595,362,106
Inc/(Dec) of liabilities	10,214,593	(26,440,359)
	(640,215,791)	(472,422,277)
	(75,296,069)	8,588,724,109



37A Cash and cash equivalents (net off overdraft) at the end of the period

In hand
Balance with Bangladesh Bank and its agent Bank
Balance with other banks and financial institutions
Money at call on short notice
Bank Overdraft

2024 Taka	2023 Taka
185,362	108,944
682,179,141	622,475,473
9,380,539,393	17,446,972,663
1,900,000,000	100,000,000
(163,814,096)	(212,706,245)
11,799,089,800	17,956,850,835

38 Dividend on ordinary shares (Post Balance Sheet Event)

Proposed dividend:

The Board of Directors in its 157th meeting held on 05 May 2025 has recommended cash dividend @ 15% (i.e. Taka 1.50 per ordinary share) and stock dividend @2% (i.e. 1 bonus share for every 50 ordinary shares held) for the year ended 31 December 2024 for placement before the shareholders for approval at 29th AGM of the company.

39 Foreign currency inward/outward remittance

During this year no such transaction occurred that should be reported.

40 Related party transactions

The company has entered into transactions with other entities in normal course of business that fall within the definition of related party as per International Accounting Standard-24 "Related Party Disclosures". The terms of related party transaction are not significantly different from those that could have been obtained from third parties. The significant related party transactions are as follows:

Name of the related parties	Relationship	Particulars	Expenses incurred during the year (Taka)
Delta Life Insurance Company Limited (DLIC)	Shareholder	Insurance premium	1,889,909
Green Delta Insurance Company Limited (GDICL)	Shareholder	Insurance premium	3,529,751

Name of the related parties	Relationship	Share Buy (Taka)	Share Sale (Taka)	Balance (Taka)
Green Delta Securities Ltd.	Subsidiary of GDICL	264,286,336	164,324,349	2,616,662
DLIC Securities Ltd.	Subsidiary of DLICL	1,401,056	1,433,935	49,324

Name of the related parties	Relationship	Deposits Received (Taka)	Interest & Principal Paid during the period (Taka)	Balance (Taka)
Delta Life Insurance Company Limited (DLICL)	Shareholder	180,000,000	6,677,049	180,000,000
Green Delta Insurance Company Limited (GDICL)	Shareholder	-	2,107,380	2,544,000
BRAC	Shareholder	1,036,600,000	21,968,741	1,367,114,357

In the year 2024 (Jan'24 - Dec'24) Taka 53,298,875/- was paid as salary and allowances to the top 5 employees of the company. The amount includes short-term employee benefits of Taka 51,491,795/- and post-employment benefits of Taka 1,807,080/-



41.0 During the year under audit, there were 303 (2023: 286) employees employed for the full period and 68 (2023: 53) employees for less than full period at a remuneration of Taka 3,000 and above per month.

42.0 General Disclosure

42.1 Name of Directors and entities in which they have interest as Director as at **31 December 2024:**

Name	Position at DBH	Involvement in other organization	
		Name of the Organization in which they have interest	Position
Dr. A M R Chowdhury	Chairman	BRAC University	Member Board of Trustees
Mr. Syed Moinuddin Ahmed	Vice Chairman	Green Delta Insurance Co. Ltd	Additional Managing Director
		GD Assist Ltd.	Managing Director
		Green Delta Dragon AMC	Director (Representing GDIC)
		Professional Advancement Bangladesh	Director (Representing GDIC)
Mr. Khandkar Manwarul Islam	Director	Styllent Knit Limited	Managing Director & CEO
		Ha-Meem Group Sweater Division	CEO
Mr. Nazir Rahim Chowdhury	Director	M.I.M. Fashion Wear Ltd.	Vice Chairman
Prof. Imran Rahman	Independent Director	University of Liberal Arts Bangladesh (ULAB)	Vice-Chancellor

Dr. A. M. R. Chowdhury is the Representative Director of BRAC. Mr. Syed Moinuddin Ahmed is the Representative Directors of Green Delta Insurance Company Ltd. Mr. Khandkar Manwarul Islam and Mr. Nazir Rahim Chowdhury are the Representative Directors of Delta Life Insurance Company Ltd.



42.2 Audit committee

The Audit Committee consists of the following Directors of the Board as at **31 December 2024**:

Name	Status with the Company	Status with the Committee	Educational Qualification
Prof. Imran Rahman	Independent Director	Chairman	Doctoral Research (ABD)
Mr. Syed Moinuddin Ahmed	Director	Member	MBA
Mr. Khandkar Manwarul Islam	Director	Member	MBA

During the period from January to December 2024, the audit committee of the Board conducted 4 (four) meetings.

Sl. No.	Meeting No	Meeting Date
1	67	11-Mar-24
2	68	5-May-24
3	69	28-Jul-24
4	70	17-Oct-24

The Committee discussed among others, the following issues:

Review of Internal Compliance Report.

Review of the un-audited quarterly financial statements and the audited financial statements.

Appointment / Re-appointment of Statutory Auditors.

42.3 Disclosure as required by FRC

Ref no.-178/FRC/APR/2021/28(7) dated 22 Dec 2021 with further reference of DFIM Circular no.-08 dated 17 August 2021.

DBH has a very fewer number of corporate clients or Public Interest Entities in its loan portfolio. As of 31 December 2024, it had 19 nos corporate clients and their portfolio was Taka 39.18 crore (0.88% of the total portfolio) only. The company disbursed Taka 23.53 crore to five Public Interest Entities during the year. It has collected Statutory Audit reports of the entities and checked the authenticity of the information of 100% of the files through the DVS system.

42.4 Comparative information

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

 Chairman
 Director
 Director
 Managing Director & CEO



Annexure-A

DBH Finance PLC
Schedule of Fixed assets and Intangible assets
For the year 2024

Particulars	Cost				Depreciation/Amortization			Amount in Taka	
	Balance as on 1 January 2024	Additions during the year	Disposals during the year	Balance as at 31 December 2024	Charged for the year	Adjustment on disposals	Balance as at 31 December 2024	Written down value as at 31 December 2024	
Furniture & fixtures	79,993,471	6,854,267	70,200	86,777,538	5,435,037	70,197	70,781,102	15,996,436	
Office Equipment	35,117,741	2,048,613	132,790	37,033,564	2,112,982	130,630	32,563,864	4,469,700	
Computer and computer equipments	57,103,712	3,476,557	-	60,580,269	3,215,193	-	54,733,023	5,847,246	
Vehicles	56,418,505	16,506,222	1	72,924,726	5,224,684	1	52,022,011	20,902,715	
Building	198,480,625	-	-	198,480,625	5,928,549	-	48,830,089	149,650,536	
Land	13,658,300	-	-	13,658,300	-	-	-	13,658,300	
Right of use asset	113,735,934	22,729,735	2,870,588	133,595,081	41,030,424	2,870,588	82,190,843	51,404,238	
Intangible asset:	554,508,288	51,615,394	3,073,579	603,050,103	62,946,869	3,071,416	341,120,932	261,929,171	
Software	12,245,280	805,925	-	13,051,205	1,088,185	-	10,147,682	2,903,523	
Total 2024	566,753,568	52,421,319	3,073,579	616,101,308	64,035,054	3,071,416	351,268,614	264,832,694	



**DBH Finance PLC.
Islamic Financing Wing (IFW)
Balance sheet
As at Dec 31, 2024**

Particulars	Amount in Taka	
	As on Dec 31, 2024	As on Dec 31, 2023

Property & Assets

Balance with BB and agent Bank	33,000,000	14,000,000
Balance with other Bank and FI	272,657,771	173,595,409
Investments in HPSM	2,672,670,804	962,703,546
Other assets	1,753,390	7,429,405
	2,980,081,965	1,157,728,360

Liabilities and Capital

Liabilities

Placement from other banks and FI	175,000,000	-
Mudaraba Term Deposits and Other accounts	2,670,527,419	1,120,697,643
- Bank & FI	412,675,556	200,000,000
- Other Deposits	2,257,851,863	920,697,643
Other liabilities	100,132,832	28,110,393
Total liabilities	2,945,660,251	1,148,808,036
Shareholders' Equity		
Share capital	-	-
Share premium	-	-
Statutory reserve	-	-
Other reserve	-	-
Retained earnings	34,421,714	8,920,324
Total liabilities and shareholders equity	2,980,081,965	1,157,728,360



**DBH Finance PLC.
Islamic Financing Wing (IFW)
Profit and Loss Account
For the period ended Dec 31, 2024**

Particulars	Amount in Taka	
	2024	2023
Operating income		
Investment Income	280,153,036	133,656,347
Profit paid on Mudaraba deposits	228,395,417	109,146,972
Net Investment Income	51,757,619	24,509,376
Fees and misc. reimbursement investment in HPSM	19,548,736	9,562,229
Other Operating income	687,023	472,669
Total operating income	71,993,378	34,544,274
Operating expenses		
Salary and allowances	2,553,100	1,002,625
Rent, taxes, insurance, electricity etc.	-	-
Legal & professional expenses	-	200,964
Postage, stamp, telecommunication etc.	-	2,365
Stationery, printing advertisement etc.	797,482	2,896,890
Managing directors salary and fees	-	-
Directors fees and expenses	125,504	35,200
Auditors fees	-	-
Depreciation repair & maintenance exp.	33,220	262,500
Other expenses	322,383	464,204
Total operating expenses	3,831,689	4,864,748
Operating profit before provision	68,161,690	29,679,526
Provision for		
Provision for investments	17,099,673	9,627,035
Provision for other assets	-	-
Diminution in value of investment	-	-
Total provision	17,099,673	9,627,035
Pre-tax profit	51,062,017	20,052,491
Provision for tax		
Current	25,963,854	10,071,418
Deferred	(403,228)	1,060,749
	25,560,626	11,132,167
Profit after tax	25,501,391	8,920,324
Appropriation		
Statutory reserve	-	-
General reserve	-	-
Dividend on preference shares	-	-
Contingency reserve	-	-
Interim Dividend or ordinary dividend	-	-
Transfer to Dividend Equilisation Fund	-	-
Total appropriations	-	-
Retained surplus	25,501,391	8,920,324



**DBH Finance PLC.
Highlights
(As per Bangladesh Bank guidelines)**

In Million			
SL No.	Key indicators	2024	2023
1	Paid-up capital	1,988.90	1,988.90
2	Total capital	9,398.26	8,678.45
3	Capital surplus	6,540.57	5,885.16
3	Total assets	67,187.84	67,537.28
4	Total deposits	45,775.34	46,655.95
5	Total loans, advances and leases	44,509.37	43,669.79
6	Total contingent liabilities and commitments	-	-
7	Credit deposit ratio	0.97	0.94
8	Percentage of classified loans against total loans,	0.97%	0.86%
9	Profit after tax and provision	1,008.56	984.45
10	Amount of classified loans during current period	431.74	376.44
11	Provisions kept against classified loans	490.16	467.09
12	Provision surplus against classified loan	58.41	90.66
13	Cost of fund	10.89%	7.42%
14	Interest earnings assets	65,975.88	66,381.82
15	Non-interest earnings assets	1,211.97	1,155.46
16	Return on investment (ROI)	1.52%	1.55%
17	Return on assets (ROA)	1.50%	1.52%
18	Income from investment	809.11	189.86
19	Earnings Per Share (EPS)	5.07	4.95
20	Net income per share	5.07	4.95
21	Market price per share	38.90	56.70
22	Price earnings (PE) ratio	7.67	11.45

