PLFS
Together We Achieve

ANNUAL REPORT 2025

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PEOPLE'S LEASING AND FINANCIAL SERVICES LTD.

REGISTERED & HEAD OFFICE:
Paramount Heights, Level-12, 65/2/1, Box Culvert Road, Purana Paltan, Motijheel, Dhaka-1000, Bangladesh
Phone: +88 02 223387639, +88 02 47118938, E-mail: email@plfsbd.com

Annual Report
2025

30 Years of Journey
Years of Togetherness

PLFS
Together We Achieve

PEOPLE'S LEASING
And Financial Services Ltd.

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

Annual Report for the year ended on December 31, 2025

Dear Sir(s),

On behalf of the Board of Directors of the Company, I am pleased to present "Annual Report 2025" together with audited financial statements for the year (January 01, 2025 to December 31, 2025) ended December 31, 2025. This annual report contains information and data as required by regulatory bodies.

It will be a pleasure for us if the content of this annual report gives you useful food for thought.

Thanking you.

Sincerely yours,

Md. Armia Fakir ACS
Company Secretary (in-charge)

Notice of the 30th Annual General Meeting

Notice is hereby given that the Board of Directors of People's Leasing and Financial Services Limited in its 105th Meeting held on June 30, 2025 decided that 30th Annual General Meeting (AGM) of the Members of the Company will be held by using Hybrid System (Digital and In-person; pursuant to Directive No. BSEC/CMRRCD/2009-193/08 dated 10th March 2021) digital platform through the following link://plfs.bdvirtualagm.com and also for in-person at Inter Continental, 1, Minto Road, Dhaka on August 17, 2026, Monday at 10.00 A.M. to transact the following business and adopt necessary resolutions:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Company along with the Auditor's Report & the Directors Report thereon for the year ended December 31, 2025;
2. To declare Dividend for the year ended December 31, 2025 as recommended by the Board of Directors;
3. To elect/re-elect Directors in place of those who shall retire by rotation of the Company;
4. To appoint the Statutory Auditors for the year 2026 and to fix their remuneration; and
5. To appoint the Corporate Governance Compliance Auditors for the year 2026 and to fix their remuneration.

By Order of the Board of Directors

Md. Armia Fakir ACS
Company Secretary (In-charge)

Dhaka, July 22, 2026

Notes:

a. The Record-date will be 26th July 2026. The Shareholders whose names will appear in the CDS/Register of Members on Record Date will be eligible to attend and vote in the Annual General Meeting through Hybrid System.

b. The Shareholders of the Company, eligible to attend and vote in the Annual General Meeting (AGM) may appoint a proxy to attend the meeting and vote in his/her behalf. The proxy form duly signed with tk. 20.00 revenue Stamp must be submitted at the Head office of the Company located at 12th Floor, Paramount Heights, 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000 not later than 72 hours before the time fixed for the AGM.

c. Notice of the Annual General Meeting (AGM), Annual Report 2025 and Proxy Form are available in the Company website-www.plfsbd.com.

d. Pursuant to the Bangladesh Securities and Exchanges Commission's Directive No. BSEC/CMRRCD/2009-193/08 dated 10th March 2021 the AGM will be held through Hybrid System, which will be conducted via live webcast.

e. The Shareholders will join the AGM through Hybrid System. The Shareholders will be able to submit their questions/comments before commencement of the AGM and during the AGM. For login to the system, the Members need to click on the link https://plfs.bdvirtualagm.com and provide their 16-digit Beneficial Owner (BO) number, folio number and other credential as proof of their identity by visiting the link.

f. All Shareholders are requested to update their respective BO Accounts with 12 digits Tax Payer's Identification Number (e-TIN), Bank Account Number, E-mail address, Cell Phone Number, Mailing Address and other related information through their respective Depository Participants (DP).

g. As per Bangladesh Securities and Exchanges Commission's Circular No. SEC/ CMRRCD/2009-193/154 dated October 24, 2013 and the regulations 24(2) of the Stock Exchanges (listing) Regulations -2015 no benefit in cash or kind, shall be paid to the holders of equity securities for attending the 30th Annual general Meeting of the Company.

Vision

To be the best performing Financial Institution in the country for offering quality Financial solution.

Mission

- Create maximum value for our stakeholders under highest ethical dispensation.
- Pursue for customer satisfaction by providing best & quality services.
- Maximize Shareholders' value through a sustained return on their investment.
- Create an enabling environment for our employees with opportunities to build their career.
- Contribute to the well being of the society as a responsible corporate body in the country.
- Identifying the reported offenders through Special Audit report
- To recovery from default clients
- To payment the depositors on humanitarian grounds
- To collect new deposits/capital
- To run the business through loans disbursement and investment

Corporate Best-Practice

Perform our financial responsibilities with proper accountabilities for all our actions and result and bind ourselves to the ethical standards.

Core Values

PLFS attaches highest priority to the development of productive enterprises and industrial units consistent with the industrialization programme of the Government for ultimate economic development of the country.

PLFS employees are trained to be good professionals and genuine development partners of the entrepreneurs and thus achieve organizational excellence.

Strategic Objectives

- Develop a synergy of high quality and strategically balanced portfolio in the context of our socio-economic structure.
- Develop and provide wide range of financial solutions and services to our customers.
- Mobilize balanced sources of fund for our Marketing Operation.
- Ensure good corporate governance.

Company Milestone

PLFS
Together We Achieve
PEOPLE'S LEASING
And Financial Services Ltd.

1
Company Incorporated
August 12, 1996

2
Got License to work as Non-Banking Financial Institution
November 24, 1997

3
First Lease Agreement Signed
April 30, 2002

4
Commencement of Home Loan Finance
October 25, 2004

5
Initial Public Offering (IPO)
May (14-18), 2005

6
Launching of SME Finance
July 05, 2005

7
Enlisted in DSE & CSE
July 20, 2005

8
Established Branch at Gulshan, Dhaka
October 30, 2007

9
Conversion of Face Value of Share from Tk 100/- to Tk 10/-
July 27, 2010

10
Issuance of Preference Shares
October 06, 2010

11
Established Branch at Agrabad, Chittagong
December 21, 2014

12
Official Liquidator Appointed
July 14, 2019

13
Hon'ble High Court Division of the Supreme Court Appointed the Board
July 12, 2021

14
Shift of Head Office to it's own Premises
July 01, 2022

30 Years of Journey
30 Years of Togetherness

Products & Services

DEBT PRODUCTS

Home Loan

Auto Loan

SME Loan

LIABILITY PRODUCTS

Term Deposit

Code of Conduct & Professional Ethics

Individuals acting in a professional capacity take on an additional burden of ethical responsibility. For example, professional associations have code of ethics that prescribe required behavior within the context of a professional practice such as medicine, law, accounting or engineering. These written codes provide rules of conduct and standards of behavior based on the principles of Professional Ethics, which include:

Due Diligence

Our members also have a continuing responsibility to cooperate with each other to improve the art of accounting, maintain the public's confidence and carry out the profession's special responsibilities for self-governance. The collective efforts of all members are required to maintain and enhance the traditions of the profession.

Making Integrity Part of our Business Strategy

Eliminating Corruption: Corruption is a national problem and combating such acts is a challenge. The allegation of corruption in this company became headlines in newspapers. Corruption is bad for society and bad for business, posing severe financial, operational and reputational risks. Now more than ever, companies are taking action to implement serious and effective anti-corruption measures and policies within their strategies and operations. People’s Leasing and Financial Services Limited is committed to eliminate corruption.

Here are six ways you can promote transparency and accountability in a company:

1. Commit: Make anti-corruption part of your company culture and operations. Show your employees, customers and suppliers that your company has a zero-tolerance policy on bribery & corruption
2. Assess: Know your risks and prepare for them. Recognize opportunities to improve your business by improving compliance
3. Define: Define what success means for your company. Develop goals, strategies and policies and get buy-in from colleagues by clearly showing the importance of these policies
4. Implement: Make anti-corruption programmes and policies integral throughout your company, including your value chain
5. Measure: What gets measured gets done. Monitor and measure the impact of your anti-corruption policies to identify what’s working and what still needs work
6. Communicate: Consistently communicate your progress to stakeholders, always striving for continuous improvement

Corporate Information

Company Name	People's Leasing And Financial Services Limited
Company Registration Information	Incorporated in Bangladesh on August 12, 1996 under the companies Act 1994.
Company Registration No. (RJSC)	No. C-31162 (283)/96
Commencement of Business	August 26, 1996
Bangladesh Bank Permission as a Non-Banking Financial Institution	November 24,1997
Bangladesh Bank Permission No.	02067406
Legal Status	Public Limited Company Listed with Dhaka Stock Exchange PLC & Chittagong Stock Exchange PLC
Registered Office	Paramount Heights, Level-12th , 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000, Bangladesh.
Company E-mail	email@plfsbd.com
Company website	www.plfsbd.com
E-TIN	112718581076
VAT Registration No.	005367126-0208
Authorized Capital	BDT 500,00,00,000.00 (five hundred crore)
Paid up Capital	BDT 285, 44, 05, 970.00
Face Value per share	Tk. 10.00
Board of Directors	05
Number of Employees	38 (29 Executive and 09 support staff)
Number of Shareholders as on Record Date	23733 as on 26 July 2026
Last AGM held	24 June 2025
Accounting Year	January - December
Auditors	M/S S.K. Barua & Co. Chartered Accountants M/S Jasmin & Associates Chartered Secretaries

Principal Bankers

Al-Arafah Islami Bank Ltd.	Investment Corporation of Bangladesh
Agrani Bank Ltd.	Sonali Bank Ltd.
Mercantile Bank Ltd.	IFIC Bank Ltd.
Bangladesh Development Bank Ltd.	Social Islami Bank Ltd.
NRB Global Bank Ltd.	ICB Islamic Bank Ltd.
National Bank Ltd.	Standard Bank Ltd.
Bangladesh Commerce Bank Ltd.	Janata Bank Ltd.
Dhaka Bank Ltd.	South Bangla Agricultural & Commerce Bank Ltd.
NRB Commercial Bank Ltd.	Mutual Trust Bank Ltd.
EXIM Bank Ltd.	Shahjalal Islami Bank Ltd.
One Bank Ltd.	Midland Bank Ltd.
Pubali Bank Ltd.	United Commercial Bank Ltd.
Farmers Bank Ltd.	Modhumoti Bank Ltd.
Jamuna Bank Ltd.	Uttara Bank Ltd.
Basic Bank Ltd.	NCC Bank Ltd.
Dutch Bangla Bank Ltd.	Prime Bank Ltd.
Premier Bank Ltd.	South East Bank Ltd.
Rupali Bank Ltd.	

Membership

Bangladesh Association of Finance Companies

Bangladesh Leasing & Finance Companies Association

Bangladesh Association of Publicly Listed Companies

Institute of Bankers Bangladesh, IBB

Subsidiary Company

PLFS Investments Ltd

Board of Directors & Sub-Committees

(As on Report Date)

Board of Directors

Chairman	:	**Mr. Hasan Shaheed Ferdous** Master in Law (DU)
Member	:	**Dr. Kazi Anowarul Hoque**
Member	:	**Barrister Reshad Imam**
Member	:	**Barrister Muhammad Shafiqur Rahman**
Member	:	**Mr. Mohammed Atiqur Rahman Atiq**
Managing Director	:	**Mr. Md. Sagir Hossain Khan**

Executive Committee

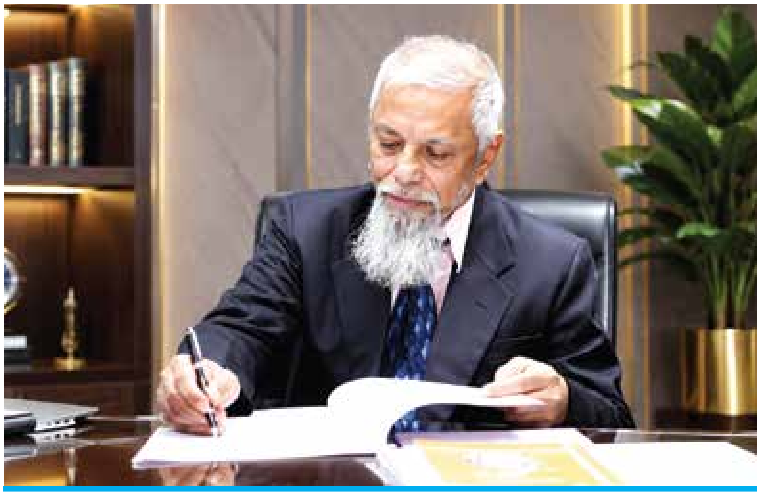
Name	Position
Dr. Kazi Anowarul Hoque	Chairman
Mr. Hasan Shaheed Ferdous	Member
Mr. Mohammed Atiqur Rahman Atiq	Member
Mr. Md. Sagir Hossain Khan	Member Secretary

Audit Committee

Name	Position
Barrister Reshad Imam	Chairman
Dr. Kazi Anowarul Hoque	Member
Barrister Muhammad Shafiqur Rahman	Member
Mr. Md. Armia Fakir ACS	Member Secretary

Risk Management Committee

Name	Position
Mr. Hasan Shaheed Ferdous	Chairman
Dr. Kazi Anowarul Hoque	Member
Barrister Muhammad Shafiqur Rahman	Member
Mr. Md. Atiqur Rahman Atiq	Member
Mr. Md. Armia Fakir ACS	Member Secretary



Hasan Shaheed Ferdous
Chairman, PLFSL

CHAIRMAN'S MESSAGE

Dear Shareholders,

It is an honour and a privilege to present the 30th Annual Report of People's Leasing And Financial Services Limited (PLFSL). I am extremely humbled as I write this message to our valued shareholders. The transformation in the economic and business environment is bound to change the way we operate and create wealth for our shareholders. Holding on to our strengths and building new ones, our team of employees is resolutely focused on achieving the immediate goals target of regaining growth. Bangladesh is on a roll. There is a buzz about India, as it blazes forth as one of the fastest-growing economies in the world at 6 %. India's global ranking has jumped up in competitiveness and on the innovation index. The various initiatives and reforms of the Government of have built the platform for a quantum leap ahead. High-impact national intermediation, coming to grips with structural issues, which were holding back the country's progress, innovative approaches in policy making – have collectively contributed in driving Bangladesh on a high growth trajectory. Going forward, the abiding sense is one of immense optimism and confidence in the future. People's Leasing And Financial Services Limited (PLFSL) was on the verge of liquidation and the case for it is still pending in Company Court which has beside adjudicatory role has also embarked in the position support the company's future upliftment from depth of degradation to a place of corporate culture of 'Ombudsman of the Finance sector' and applied its dispute resolving role to restructure the company for reformation 'in situ' for the companies normal functioning. The company has resumed its lending business and is continuing with paying the dues to depositors in installments, recovery of loans, settlements, pursuing court cases, maintaining regular office and functionaries, and paying most fiscal dues to People's Leasing And Financial Services Limited (PLFSL). Performance I am pleased to inform you that, in FY 2025, PLFSL have performed satisfactorily, backed by a solid Performance in the core area of operations. You, as our shareholders, have shown great faith and belief in what we are doing gives us the strength and determination to keep exceeding your expectations. People's Leasing And Financial Services Limited (PLFSL), in financial terms, has shown good performance. PLFSL has maintained high-quality top-line and earnings. The Board of the Company could not recommend a dividend due to the position of the balance sheet, but we hope the situation will improve in the near future. PLFSL is holding the most prominent position in the in lease finance through its customer-focused approach by way of ensuring prompt product deliveries and after-sales support. Besides achieving business targets, the focus of the division has been to satisfy its esteemed customers. Continued patronage for the company's product has been placed in the race for better services. This has brought a lot of benefits to our esteemed customer in terms of working with existing technology, up gradation of old technologies, adopting new technologies, embedding different technologies. PLFSL has aligned its objectives and plans with Government's missions and policies, addressed the use of GPRS and MIS technology for existing systems to ensure error-free transactions. We look forward to the continued support and encouragement from all our stakeholders, bankers, customers, vendors, employees, government authorities and all those who directly and indirectly helped us to achieve our goals. In the end, I would like to thank the PLFSL team for their determination and hard work to take the Company to soaring new heights.

Warmest regards,

Hasan Shaheed Ferdous, L.L.M. (DU)
Former Sr. District & Session Judge
Advocate- Supreme Court
Court - Appointed Chairman

Md. Armia Fakir ACS
Managing Director (CC)

MESSAGE FROM THE MANAGING DIRECTOR (CURRENT CHARGE)

Dear Valued Shareholders,

Assalamu Alaikum.

It is my privilege to address you through the Annual Report 2025 of People's Leasing and Financial Services Limited (PLFSL). On behalf of the management, I would like to express my sincere gratitude to our valued shareholders for your continued confidence, patience, and support during one of the most challenging periods in the history of the Company.

The year 2025 was marked by a difficult macroeconomic environment characterized by persistent inflationary pressure, elevated interest rates, foreign exchange constraints, and liquidity challenges across the financial sector. The non-bank financial institution (NBFI) sector, in particular, continued to face significant pressure from weak recovery of classified assets, funding constraints, and reduced investor confidence. Despite these adversities, PLFSL remained steadfast in its commitment to institutional revival, operational discipline, and stakeholder protection.

Under the guidance of the Company Court of Hon'ble High Court Division of the Supreme Court of Bangladesh and the Court-appointed Board of Directors, the management continued to implement recovery-focused strategies, strengthen governance practices, and enhance transparency in financial and operational activities. Our efforts remained concentrated on maximizing recovery from defaulted accounts, preserving asset value, improving internal control systems, and maintaining close coordination with Bangladesh Bank, BSEC, and other regulatory authorities.

During the year, we made notable progress in recovery initiatives and continued phased repayments to depositors on a humanitarian basis, subject to available resources and legal considerations. Although the Company still carries substantial legacy challenges, including high levels of non-performing assets and historical accounting and operational issues, the management is committed to addressing these matters systematically and transparently.

Despite the unprecedented challenges confronting the non-bank financial institution (NBFI) sector, the Company has continued to demonstrate resilience and operational progress. During the reporting period, PLFSL achieved a mentionable growth in Earnings Per Share (EPS) compared with the previous year, reflecting the positive impact of disciplined recovery efforts, prudent financial management, and cost optimization initiatives. Furthermore, in accordance with the directions of the Company Court of Hon'ble High Court Division, the Company has continued its permitted business operations, including House Loan and Auto Loan activities, while maintaining strict compliance with applicable legal and regulatory requirements.

The management remains fully aware of the challenging external environment, including frequent media reports regarding the financial condition of certain NBFIs and discussions concerning the possible closure of several institutions, in which PLFSL has also been mentioned. Notwithstanding these developments, the Company continues to operate under the supervision of the Hon'ble High Court Division and the guidance of the Court-appointed Board of Directors. The management remains firmly committed to implementing the Court's directives, strengthening corporate governance, maximizing recovery of defaulted assets, safeguarding the interests of depositors and shareholders, and pursuing the Company's revival through transparent, lawful, and sustainable business operations.

Corporate governance remains at the center of our revival efforts. We have continued to strengthen board and committee processes, improve compliance monitoring mechanisms, enhance risk management practices, and reinforce accountability across the organization. We firmly believe that rebuilding stakeholder confidence requires consistent adherence to governance standards, ethical conduct, and transparent communication.

I would like to convey my heartfelt appreciation to the Hon’ble Court-appointed Chairman and the members of the Board of Directors for their invaluable guidance, strategic direction, and continuous support. I also extend my sincere thanks to Bangladesh Bank, the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC, Central Depository Bangladesh Limited (CDBL), Registrar of Joint Stock Companies and Firms (RJSC), and other regulatory and government authorities for their cooperation throughout the restructuring process.

My special appreciation goes to the employees of PLFSL, whose dedication, professionalism, and resilience have enabled the Company to continue its operations under extremely challenging circumstances. Their commitment to the institution and its stakeholders deserves the highest recognition.

Looking ahead, our priorities for 2026 will include accelerating recovery activities, resolving identified accounting and operational discrepancies, strengthening the balance sheet, optimizing costs, enhancing technology and MIS capabilities, and developing a sustainable operational framework for the future. We remain committed to working diligently with all stakeholders to restore stability, protect stakeholder interests, and create the foundation for long-term value creation.

In closing, I once again thank you, our valued shareholders, for your continued trust and support. We seek your cooperation and encouragement as we continue our journey toward the revival and restructuring of PLFSL.

I would like to express my sincere gratitude to the officials of the Hon’ble Courts, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC Officers for their continued cooperation and support for the well running of the company. I express my sincere thanks to our shareholders, clients, my colleagues on the Board of Directors, External Auditors, and Corporate Auditors of the company and others connected with the well-being of the company for their unstinted support and cooperation. My gratitude as directed to the management talents for their skills and expertise. The company can prosper well if all the stakeholders continue their relentless efforts for its overall progress within a few years.

Warmest regards,

Md. Armia Fakir ACS
Managing Director (CC)

Board of Directors' Profiles

Hasan Shaheed Ferdous
Chairman

Hasan Shaheed Ferdous (70) is the Court-Appointed Chairman for the last four or so years, planning the pattern of changes needed to restructure the ailing finance company to place it in '*status quo ante*'. He possesses strong financial knowledge, sharp leadership skills, and deep regulatory understanding. He guides the board, protects shareholder interests, and ensures the institution follows central bank rules; he doesn't interfere in daily operations. He possesses years of high-level public service, judicial functions, and institute development management experience in the financial sector while working with the World Bank, CIDA, DANIDA, UNICEF, UNDP, GIZ, etc and in Government and NGO cooperation activities for capacity building of the legal and judicial sector, especially automation in courts and skill development of court actors while serving the Ministry of Law. Knows how to spot financial risks early and puts plans in place to handle them. He enforces strict rules for transparency, fair play, and ethical business practices. Acts as a neutral referee who guides board meetings toward smart, agreed-upon choices. He explains the company's goals simply and clearly to shareholders and the public. He gathers feedback from clients and the community to improve services. He sets clear, long-term business goals and works with the executive management to make them happen; he acts without bias to protect the company, shareholders, and clients from unfair risks. He holds a strong background in business laws, economics, history, banking, finance, and home and abroad. He understands central bank (e.g., Bangladesh Bank) rules and financial safety laws and regulations of other regulatory authorities. He uses his experience as a judge and advocate of the Supreme Court to harness the willful defaulters of delinquent borrowers and t bring the perpetrators to face justice and return what they have wrongly taken.

He is a visionary of innovative management in line with the 'American and Chinese Challenge' or pattern of management of business organizations which changed the mode of organization management basics. He is an ardent activist for '*laissez-faire*', free trade, deregulation, expanding financial intermediation through NBFIs and inclusive socio-economic cohesion and corporatization for farmers, Islamic 'zero' unemployment labour code, youth, and beginners in the business sector acting '*pro bono*' for solidarity rights to place the country in a position of culture and prosperity from the present state of stagflation in the finance sector. He stays and works in Dhaka with his family, is an ardent patriarch, writes books, and lastly,' Corporate Governance, Literacy and Culture'. His motto in business is: '*Fair Deal*'!

DR. KAZI ANOWARUL HOQUE
Director

Dr. Kazi Anowarul Hoque is a distinguished career civil servant and former Additional Secretary to the Government of Bangladesh, with extensive national and international experience in public policy formulation, strategic planning, implementation, and institutional coordination. Throughout his illustrious career, he has contributed significantly to public administration, governance reform, development initiatives, and collaboration with national and international development partners.

Following his retirement from government service, Dr. Hoque has continued to contribute his expertise as an advisor and consultant, supporting the formulation of priority knowledge products (KPs) under several prominent development initiatives, including the Model Village– Development Project of the Local Government Division (LGD), Human Capital Development Projects (HCDP), European Union-supported programs, and the Developing South Asian Livable Cities Facility of the Asian Development Bank (ADB).

Recognizing his extensive experience in public sector management, development cooperation, and policy engagement, Dr. Hoque was appointed as Director of PLFSL by the Honorable High Court Division. In this role, he continues to provide strategic guidance and contribute toward institutional excellence and effective governance.

Dr. Hoque is also widely acknowledged as an accomplished national trainer, academic consultant, and knowledge facilitator. He has served as a visiting resource person on economic diplomacy, South–South cooperation, governance, and development issues at various national and international universities. He has designed and delivered foundational training programs for civil servants, particularly in project management, organizational development, and public sector leadership.

A strong advocate of knowledge sharing and collaborative development, Dr. Hoque has successfully coordinated numerous seminars, workshops, policy dialogues, and national-level events on critical issues, including LDC graduation, COP review processes, volunteerism, Sustainable Development Goals (SDGs), local government strengthening, and rural development.

Dr. Hoque holds a Bachelor of Science in Agriculture (B.Sc. Ag. Hons.) and a Master of Science in Agriculture (M.Sc. Ag.) from Bangladesh Agricultural University. He earned his Doctor of Philosophy (Ph.D.) in Extension Education from the same university in collaboration with Pennsylvania State University, USA. He has also participated in numerous professional development programs, training courses, and international learning initiatives, further enriching his expertise in governance, development policy, and institutional capacity building.

Barrister Reshad Imam
Director

Barrister Reshad Imam is court appointed Director of PLFSL. Former Independent Director of Phoenix Finance & Investments Limited, a leading financial institution in Bangladesh, in light of his expertise in the financial sector and corporate ethics. Director of Finance, Academy of Law and Policy (ALAP).

Reshad is a Partner at Akhtar Imam & Associates, one of the most respected law firms in Bangladesh, ranked in renowned legal directories like Chambers and Partners and Legal 500. He is an Advocate of the Supreme Court of Bangladesh. Upon completing his LLM from the University of Cambridge, he worked under the renowned politician and counsel, Dr. Abhishek Singhvi in Delhi, India before returning to Bangladesh. He also completed, LLB, University of Buckingham, UK and Barrister-at-Law, Hon'ble Society of Lincoln's Inn, UK. He has permission to practice in the Appellate Division, Supreme Court of Bangladesh.

His experience in Bangladesh has been acquired over 13 years. He specialises in Company and Commercial Law, Constitutional and Administrative Law, Banking, Finance and Securities Law and Labour and Employment Law. He regularly challenges decisions of government authorities through High Court proceedings (judicial review), appears on behalf of national and multinational companies in proceedings before the Company Bench, appears as counsel in domestic and international commercial arbitrations and provides corporate advisory services to private and public sector clients across diverse industries. He has built up a reputation as a dynamic litigator who always walks the extra mile for his clients. He has advised clients like British American Tobacco Bangladesh (BATB), Japan Tobacco International (JTI), Radiant Pharmaceuticals Ltd., GBB Power Limited, Millennium Group, Aman Group, Brittania Group, Pubali Bank Ltd., Delta Life Insurance Ltd, Padma Bank Ltd., Premier Bank Ltd., Bangladesh Commerce Bank Ltd, VISA Inc., Facebook Inc., Marico Bangladesh, SSL Wireless, SSL Commerz and a host of other foreign and local companies over the years.

Reshad is one of the Founder Trustees and Director of Finance of the Academy of Law and Policy (ALAP), a registered trust set up with the lofty goals of, among others, dissemination of legal knowledge, research on and advocacy for much-needed law and policy reform and public interest litigation on pressing issues of national importance. He is also an independent director of Phoenix Finance & Investments Limited (PFIL), a leading financial institution in Bangladesh.

He advised different entities of Visa around the world (Bombay, Middle East, Australia, Singapore, etc.) on various corporate, commercial and financial matters including the following:

- Cross border money transfer into Bangladesh; impact, if any of the anti-money laundering rating of the sending country and sanctions, political or otherwise, against UAE or Saudi Arabia;
- Electronic signatures and contract formalities in Bangladesh;
- Anti-corruption& bribery laws of Bangladesh. And

Represented in Court and advised SSL Wireless, the first and the largest Merchant Solution Provider (MSP) in the country having 3500+ top e-Commerce merchants under coverage through its secure online Payment Gateway platform SSLCOMMERZ, on various legal issues arising from the ongoing e-commerce scandal in Bangladesh.

Barrister Muhammad Shafiqur Rahman
Director

Mr M. Shafiqur Rahman obtained his undergraduate and graduate degrees in law from the University of Dhaka in 1995 and 1997 respectively. Having done his LL.B. (Hons.) from the University of London in 2001 and Bar Vocational Course from University of North Umbria in 2002, he was called to the Bar from Lincoln's Inn in 2002. Back to Bangladesh, he joined the Chambers of Dr M. Zahir, a renowned corporate and constitutional lawyer (now deceased), and has been practising in the Supreme Court of Bangladesh since. His main areas of practice are: Admiralty, Corporate, Commercial, Securities, Banking, Insurance, Judicial Review (Writ) and International Arbitration.

Mohammed Atiqkur Rahman Atiq
Director

Mr. Mohammed Atiqkur Rahman Atiq is a politician and by profession a businessmen having ownership and control over the reputed firms. He was born in reputed Muslim family in Sylhet on 18th August 1960. He is a court appointed Director of PLFSL since October 2022. The lead person representing the depositors' who was applicant to the Company Bench of Supreme Court High Court Division against the liquidation order vide number of Financial Matter No 1 of 2019. The Hon'ble Court pursuant to their application instead of liquidation was kind enough to take recourse to restructuring of the Company.

Mr. Mohammed Atiqkur Rahman Atiq has devoted his wholehearted efforts to the best interest of the Company

Md. Armia Fakir ACS
Managing Director (Current Charge)

Mr. Md. Armia Fakir, FCS, is a distinguished corporate professional with more than 22 years of diversified experience in corporate governance, company secretarial practice, legal and regulatory affairs, financial services, capital market operations, business planning, and organizational management. He is currently serving as the Managing Director (Current Charge) and Company Secretary (In-Charge) of People's Leasing and Financial Services Limited (PLFSL).

Mr. Fakir joined PLFSL on 14 December 2021 during a critical phase of the institution's restructuring and revival process under the supervision of the Hon'ble Company Court of High Court Division of the Supreme Court of Bangladesh. Since joining, he has been playing a pivotal role in coordinating the company's revival initiatives, regulatory compliance, stakeholder communication, and corporate governance framework.

He has been acting as a focal point between the Court-appointed Board, Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), CDBL, RJSC, and other regulatory and statutory authorities. During his tenure, Mr. Fakir contributed significantly to the preparation and implementation of the company's revival and restructuring plans.

He was actively involved in conducting the long-pending Annual General Meetings, strengthening board and committee governance processes, preparing annual reports, and ensuring timely submission of regulatory reports and compliance documents. He is also a core member of the management team engaged in protecting the interests of depositors and shareholders through recovery, restructuring, and operational coordination initiatives.

Prior to joining PLFSL, Mr. Fakir served as Company Secretary of Three Angle Marine PLC from 2017 to 2021, where he played an instrumental role in corporate governance, IPO-related activities, capital restructuring, issue management, and regulatory liaison with BSEC and stock exchanges. Earlier, he held senior management positions in Three Angle Marine Limited & Bangladesh LPG Limited, TK Shipyard Limited (TK Group), Elite Chemical Industries Limited (Elite Paint), and Al-Amin Group, gaining extensive experience in commercial operations, administration, supply chain management, ISO compliance, project coordination, and business development.

Mr. Fakir obtained his MBA in Marketing from the University of Chittagong and also holds a BBA in Marketing from the same university. He is an Associated Chartered Secretary (ACS) of the Institute of Chartered Secretaries of Bangladesh (ICSB). He is also Member of Dhaka Taxes Bar Association and Bangladesh VAT Professional Forum.

In addition, he completed PGDHRM, LCMC from IBA, University of Dhaka, and various professional training programs on corporate governance, portfolio management, taxation, VAT, ISO 9001, international trade documentation, and complaint management conducted by reputed institutions including the Bangladesh Bank Training Academy.

Throughout his professional career, Mr. Fakir has demonstrated strong leadership, integrity, and commitment to transparency, compliance, and institutional development. His expertise in corporate governance and regulatory affairs continues to support PLFSL in its ongoing efforts toward sustainable restructuring, improved operational discipline, and restoration of stakeholder confidence.

MANCOM Members

From left: Sharifuzzaman Khan, Md. Jamal Uddin, Md. Shahedul Islam, Md. Saiful Islam, Md. Armia Fakir ACS, Biplob Chandra Das, Farhana Ali, Sk. Rajwan Uddin, Kismat Ara and Md. Main Uddin

Management Committees

MANAGEMENT COMMITTEE (MANCOM)

Name	Designation	Position
Md. Armia Fakir ACS	Managing Director (CC)	Chairman
Mohammad Jamal Uddin	ICT, In-Charge	Member
Sharifuzzaman Khan	Finance & Account, In-Charge	Member
SK Rajwan Uddin	Business Department, In-Charge	Member
Kismat Ara	Credit, In-Charge	Member
Md. Shahedul Islam	ICC, In-Charge	Member
Mohammad Saiful Islam	HR & Admin, In-Charge	Member
Farhana Ali	Treasury, In-Charge	Member
Md. Mainuddin	Assistant Manager, TDR, Secretary & Share	Member
Biplob Chandra Das	SAMD, In-Charge	Member

CREDIT COMMITTEE

Name	Designation	Position
Md. Armia Fakir ACS	Managing Director (CC)	Chairman
Sharifuzzaman Khan	Finance & Account, In-Charge	Member
SK Rajwan Uddin	Business Department, In-Charge	Member
Kismat Ara	Credit, In-Charge	Member
Farhana Ali	Treasury, In-Charge	Member
Biplob Chandra Das	SAMD, In-Charge	Member

ASSET - LIABILITY COMMITTEE (ALCO)

Name	Designation	Position
Md. Armia Fakir ACS	Managing Director (CC)	Chairman
Sharifuzzaman Khan	Finance & Account, In-Charge	Member
SK Rajwan Uddin	Business Department, In-Charge	Member
Farhana Ali	Treasury, In-Charge	Member Secretary
Mohammad Saiful Islam	HR & Admin, In-Charge	Member

Management Committees

ANTI MONEY LAUNDERING COMMITTEE

Name	Designation	Position
Md. Armia Fakir ACS	Managing Director (CC)	Chairman
Mohammad Jamal Uddin	ICT, In-Charge	Member
Md. Shahedul Islam	ICC, In-Charge	Member
Farhana Ali	Treasury, In-Charge	Member

NATIONAL INTEGRITY STRATEGY (NIS) - INTEGRITY COMMITTEE

Name	Designation	Position
Md. Armia Fakir ACS	Managing Director (CC)	Chairman
Farhana Ali	Treasury, In-Charge	Member Secretary
Mohammad Saiful Islam	HR & Admin, In-Charge	Member

SUSTAINABLE FINANCE COMMITTEE

Name	Designation	Position
Md. Armia Fakir ACS	Managing Director (CC)	Chairman
Mohammad Jamal Uddin	ICT, In-Charge	Member
Sharifuzzaman Khan	Finance & Account, In-Charge	Member
SK Rajwan Uddin	Business Department, In-Charge	Member
Farhana Ali	Treasury, In-Charge	Member

Directors' Report to the Shareholders

Dear Shareholders,

The Board of Directors of PLFSL is pleased to welcome you to the 30th Annual General Meeting of the Company.

On behalf of the Board, I have the privilege of presenting the Directors' Report on the operational and financial performance of your Company for the year ended 31 December 2025, together with the Audited Financial Statements. This Report also includes reviews of the Company's business strategy, risk management framework, corporate governance practices, and other significant matters for your consideration, approval, and adoption.

This Report has been prepared in compliance with the provisions of Section 184 of the Companies Act, 1994, the Finance Company Act, 2023, and the applicable guidelines and directives issued by the Bangladesh Securities and Exchange Commission (BSEC), Bangladesh Bank, and other relevant regulatory authorities.

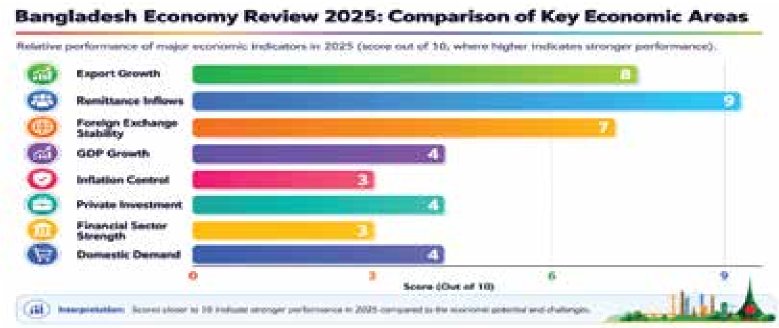
Economic Review Year 2025

Global Economy: Resilient Amid Persistent Uncertainty

The global economy remained resilient throughout 2025, although growth continued to lag historical averages. While concerns over a global recession eased, economic activity was constrained by ongoing geopolitical tensions, trade policy uncertainties, elevated sovereign debt levels, and uneven inflationary trends across major economies.

According to the latest projections of the International Monetary Fund (IMF), global GDP growth is expected to reach approximately 3.0% in 2025—a modest improvement over earlier forecasts but still below the long-term average. The global economic outlook continues to reflect cautious optimism, supported by moderating inflation in many advanced economies and gradual improvements in international trade.

Bangladesh Economy: Demonstrating Resilience amid Challenges



Bangladesh's economy operated under a challenging macroeconomic environment during 2025, following an already difficult year in 2024. Persistent inflationary pressures, tight monetary conditions, financial sector vulnerabilities, and subdued private-sector investment continued to weigh on economic activity.

Despite these headwinds, the economy demonstrated notable resilience. Strong export earnings, healthy remittance inflows, and gradual improvements in the external sector contributed to strengthening macroeconomic stability. Although overall economic growth moderated compared with previous years due to weaker domestic demand and cautious business sentiment, prudent fiscal management, ongoing structural reforms, and continued support from international development partners helped maintain economic stability.

Looking ahead, sustained policy reforms, improved investment confidence, and enhanced financial sector governance will be essential to supporting stronger and more inclusive economic growth.

Financial Sector: Building a Stronger and More Balanced Financial System

Bangladesh's financial sector continued to operate in a challenging environment during 2025. Persistent inflation, elevated interest rates, foreign exchange pressures, and cautious business sentiment affected both banks and non-bank financial institutions (NBFIs). While the sector remained broadly resilient, underlying structural weaknesses became increasingly evident, underscoring the need for comprehensive reforms that promote transparency, sound governance, and sustainable growth.

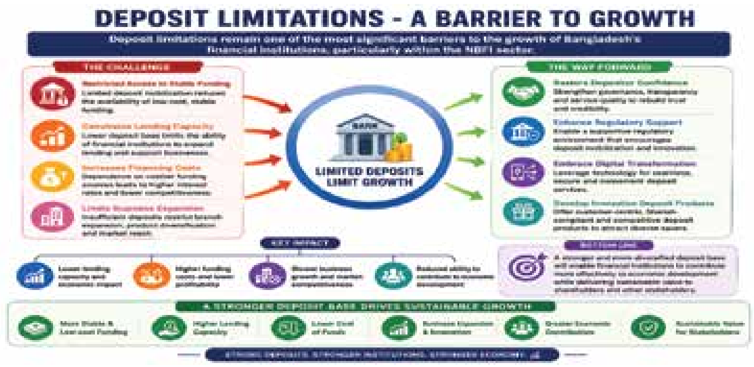
A stronger and more balanced financial system will require improved regulatory consistency, enhanced market confidence, stronger governance standards, and a level playing field across all financial institutions.

Challenges Facing Bangladesh's Non-Bank Financial Institution (NBFI) Sector

The NBFI sector continued to face significant operational and financial challenges during the year. Liquidity constraints, declining depositor confidence, slower recovery of classified loans, and rising funding costs constrained business expansion across the industry.

Nevertheless, financially disciplined institutions maintained operational stability through prudent asset-liability management, portfolio diversification, cost optimization, enhanced customer service, and strengthened governance practices. Continued regulatory reforms and improvements in corporate governance are expected to enhance the sector's resilience over the medium term.

Deposit Limitations: A Barrier to Sustainable Growth



Limited access to stable and low-cost deposits remains one of the most significant constraints facing Bangladesh's NBFI sector. Restrictions on deposit mobilization reduce lending capacity, increase funding costs, and limit the ability of finance companies to expand their operations and support productive investment.

Restoring public confidence, strengthening regulatory support, accelerating digital transformation, and introducing innovative deposit products will be critical to overcoming these challenges. A stronger and more diversified funding base will enable finance companies to contribute more effectively to economic development while delivering sustainable value to shareholders and other stakeholders.

Competing with Banks on an Uneven Playing Field

The competitive imbalance between commercial banks and NBFIs has become one of the most significant structural challenges within Bangladesh's financial sector.

Commercial banks benefit from comparatively lower funding costs, broader regulatory powers, larger customer bases, stronger public confidence, and greater technological capabilities. In contrast, NBFIs often operate under more restrictive regulatory conditions while serving many of the same market segments.

Addressing these disparities does not require reducing the competitive advantages enjoyed by banks. Rather, it requires targeted policy reforms that enable well-governed NBFIs to compete fairly and contribute more effectively to economic development. A more level playing field would encourage innovation, improve access to finance for underserved sectors, strengthen financial stability, and create a more diversified and resilient financial system.

Slow Loan Recovery: A Continuing Challenge

Loan recovery remains one of the most pressing challenges facing Bangladesh's financial sector. Efficient credit recovery is essential for preserving asset quality, maintaining liquidity, protecting depositor confidence, and supporting sustainable economic growth.

During 2025, banks and NBFIs continued to face mounting pressure from increasing non-performing loans (NPLs), weakened borrower repayment capacity, prolonged legal proceedings, and limitations within the recovery framework. These factors adversely affected profitability, capital adequacy, and the sector's capacity to extend new credit to productive sectors of the economy.

Strengthening legal enforcement mechanisms, improving judicial efficiency, and enhancing recovery processes will be essential for restoring financial discipline and improving credit quality.

Shareholding Restrictions

The shareholding provisions introduced under the Finance Company Act, 2023 represent an important step toward strengthening corporate governance and reducing excessive concentration of ownership. However, the uniform application of these restrictions may inadvertently limit finance companies' ability to attract strategic investors, strengthen their capital base, and support long-term growth.

A balanced regulatory approach that safeguards governance while facilitating responsible capital investment would enhance financial stability, restore investor confidence, and support the sustainable development of Bangladesh's NBFI sector.

Stricter Policies on Defaulters

The growing volume of non-performing loans has become one of the most significant risks facing Bangladesh's financial sector. Persistent defaults have weakened the financial position of both banks and NBFIs, undermined public confidence, and constrained the availability of credit to productive sectors.

In response, the Government of Bangladesh and Bangladesh Bank have introduced a range of regulatory reforms aimed at strengthening credit discipline, improving loan recovery, and enhancing accountability. These initiatives are intended to build a more transparent, resilient, and internationally aligned financial system.

Restrictions on Unsecured Lending

Bangladesh's traditional collateral-based lending model has helped financial institutions manage credit risk but has also limited access to finance for many viable businesses, particularly SMEs and emerging entrepreneurs.

A carefully managed expansion of unsecured or low-collateral lending—supported by stronger credit assessment methodologies, digital financial data, credit guarantee schemes, and efficient legal recovery mechanisms—could significantly enhance entrepreneurship, financial inclusion, and economic growth.

However, any relaxation of collateral requirements must be accompanied by robust risk management practices, improved governance, modern cash-flow-based credit evaluation techniques, and adequate capital buffers to ensure sustainable lending.

Regulatory Penalties and Enforcement

The Finance Company Act, 2023 prescribes enhanced penalties for various regulatory violations, including substantial fines for unauthorized waiver of interest or profit on loans without prior approval from Bangladesh Bank. The maximum penalty for certain licensing violations has also increased significantly.

While these measures are intended to strengthen regulatory compliance and governance standards, it is equally important that enforcement mechanisms remain proportionate, predictable, and supportive of a stable operating environment. A balanced approach to regulation can promote compliance without discouraging responsible business growth and innovation within the NBFI sector.

Harmonization of Regulatory Frameworks

Certain provisions of the Finance Company Act, 2023 may overlap with or differ from existing regulations applicable to publicly listed companies under the Bangladesh Securities and Exchange Commission (BSEC), particularly in areas relating to shareholding structures and board composition.

Greater regulatory harmonization among relevant authorities would reduce uncertainty, improve compliance efficiency, and facilitate the smooth operation of listed financial institutions while strengthening overall governance standards.

The Need for Greater Regulatory Flexibility

Bangladesh's financial sector is undergoing a period of significant transformation. While robust regulation remains essential for maintaining financial stability and protecting stakeholders, excessive rigidity may limit the ability of banks and financial institutions to innovate, expand financial inclusion, and respond effectively to evolving economic conditions.

Accordingly, Bangladesh would benefit from a balanced, risk-based regulatory framework that combines strong governance with operational flexibility. Ongoing policy discussions increasingly emphasize internationally aligned supervision, strengthened governance, and risk-sensitive regulation rather than uniform regulatory restrictions. Such an approach would enhance the resilience, competitiveness, and long-term sustainability of the country's financial sector while supporting inclusive economic growth.

Prospects of Bangladesh

Bangladesh has demonstrated remarkable economic resilience over the past two decades, evolving from a low-income country into one of South Asia's fastest-growing lower-middle-income economies. This transformation has been underpinned by sustained industrialization, a vibrant export sector, rising remittance inflows, expanding infrastructure investment, and significant improvements in social and human development indicators.

Although the economy continued to face external and domestic challenges during 2025—including persistent inflationary pressures, global geopolitical uncertainties, financial sector vulnerabilities, and climate-related risks—the country's long-term economic fundamentals remain robust. A young and growing workforce, strategic geographic location, expanding regional connectivity, and the Government's continued commitment to structural reforms provide a strong foundation for sustainable economic growth.

Looking ahead, continued improvements in governance, financial sector stability, investment facilitation, digital transformation, and infrastructure development are expected to strengthen Bangladesh's competitiveness and enhance its attractiveness as an investment destination. The Board remains confident that Bangladesh is well positioned to achieve inclusive and sustainable economic growth over the medium to long term.

Principal Activities

People's Leasing and Financial Services Limited (PLFS) is a leading non-bank financial institution engaged in providing a comprehensive range of financial products and services to corporate, institutional, SME, and retail customers.

The principal activities of the Company include deposit mobilization, corporate finance, term finance, lease finance, project finance, SME financing, retail lending, and equity and quasi-equity investments. Through these diversified business activities, PLFS continues to support private sector development while delivering financial solutions tailored to the evolving needs of its customers.

The Company remains committed to prudent lending practices, disciplined portfolio management, customer-centric service delivery, and responsible financing that contributes to sustainable economic development.

Diversified Credit Portfolio

A diversified credit portfolio remains fundamental to rebuilding the financial strength, resilience, and long-term sustainability of PLFSL. Portfolio diversification reduces concentration risk, improves asset quality, enhances earnings stability, and strengthens the Company's ability to withstand changing economic conditions.

The Company's long-term strategy focuses on gradually expanding quality lending across diversified industries, customer segments, and financing products while maintaining prudent underwriting standards and robust credit governance. This approach is supported by comprehensive risk assessment, portfolio monitoring, technology-driven credit evaluation, and disciplined asset-liability management.

As Bangladesh's economy continues to diversify, PLFS intends to strengthen its presence in sectors demonstrating sustainable growth potential, while maintaining a balanced risk profile consistent with the Company's overall risk appetite.

PLFSL Performance Highlights 2025

Building Resilience through Prudent Management

Despite a challenging operating environment marked by high funding costs, inflationary pressure, weak private sector investment, rising non-performing loans, and subdued market confidence, PLFS remained focused on strengthening financial stability, improving asset quality, and building a sustainable foundation for future growth.

2025 at a Glance

Area	Key Highlight	Impact
Liquidity Management	Strong focus on retail deposit mobilization	Improved funding stability
Funding Strategy	No net borrowing from banks and financial institutions	Reduced market dependency
Cost Management	Lower funding cost through deposit optimization	Improved interest spread
Recovery Initiatives	Continued recovery of legacy classified accounts	Enhanced asset quality
Risk Management	Stronger controls and selective lending approach	Better portfolio discipline

Operating Environment

Bangladesh Financial Sector Landscape – 2025

Market Challenges

▲ Funding Cost Pressure

|

▲ Inflationary Environment

|

▲ Private Sector Investment

|

▲ Non-Performing Loans

|

▲ Investor Confidence

PLFS Response

√ Strengthened liquidity management

√ Optimized operating costs

√ Increased recovery efforts

√ Enhanced risk monitoring

√ Applied disciplined credit selection

Funding Excellence

Transition Towards Sustainable Funding

2024 2025

Institutional Funding Retail Funding

Higher Cost Funding Lower Cost Funding

Strategic Outcomes

▲ Retail Deposit Growth

Expanded individual depositor base through targeted Micro-Marketing Initiatives (MMIs).

▲ Lower Cost of Funds

Replacement of higher-cost deposits improved funding efficiency.

▲ Strong Liquidity Position

Maintained operations primarily through internally generated deposits.

▲ Reduced Market Exposure

No net borrowing from banks and financial institutions during the year.

Financial Performance Review

Net Interest Income Improvement

Tk. Million

2024 (4,266)

2025 (3,658)

▲ 14.25% Improvement

Key Contributors
- Lower funding costs
- Better interest spread
- Recovery-driven improvement

Revenue Composition

2025

Net Interest Income

▲ Improved

Investment Income

▲ Declined

Other Operating Income

▲ Increased

Fee-based Income

▲ Continued contribution

Asset Quality & Recovery Focus

Recovering Value through Resolution

Legacy Classified Accounts

↓

Focused Recovery Actions

↓

Written-off Loan Recoveries

↓

Improved Asset Quality

↓

Sustainable Growth Platform

Management continued to prioritize recovery of legacy classified loans while maintaining discipline in new credit approvals.

Profitability Snapshot

Indicator	2025 Performance
Loss Before Tax	Tk. (4,267) million
Loss After Tax	Tk. (4,267) million
Loss After Tax	Tk. (12.81)

Performance Context

The Company's financial results continued to be affected by significant impairment provisions required against loans, leases, and investments. However, improvements in funding efficiency, liquidity management, and recovery activities contributed positively toward long-term financial restructuring.

Strengthening Governance & Risk Management

Three Pillars of PLFS Risk Management

Risk Governance

▲

Compliance Risk — Operational Risk — Reputational Risk

▲

Policies | Controls | Monitoring

PLFS continues to strengthen its governance framework through:
√ Enhanced internal controls
√ Improved compliance monitoring
√ Responsible lending practices
√ Stronger risk assessment procedures

Sustainability Commitment

Financing Responsible Growth

PLFS remains committed to supporting sustainable economic development through responsible financing practices.

Focus Areas
► Green Finance Initiatives
► Environmental Risk Assessment
► Climate Risk Management
► Support for Entrepreneurship
► Employment Generation
► Inclusive Financial Growth

The Company continues to avoid financing projects with significant environmental or social risks and aligns its practices with regulatory sustainability guidelines.

Outlook 2026

Creating a Stronger Foundation for Sustainable Growth

Strategic Priorities

Asset Quality Improvement
Recovery Enhancement
Operational Efficiency
Risk Management
Long-term Profitability

PLFS will continue its transformation journey by strengthening its balance sheet, improving operational efficiency, enhancing recovery performance, and restoring long-term profitability.

Message to Stakeholders

The Board and Management remain committed to rebuilding confidence, strengthening governance, and creating sustainable value through disciplined execution, innovation, and responsible financial practices.

Together, PLFS continues to move forward with resilience, responsibility, and renewed commitment.

Key Operating and Financial Information

Key operating and financial information for the preceding five years, together with explanations for significant variations, has been presented in the Annexure to this Report in accordance with the requirements of BSEC Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012.

As at 31 December 2025, the statutory reserve stood at Tk. 645.58 million.

The Board remains committed to strengthening the Company's financial position and enhancing long-term shareholder value through improved governance, disciplined capital management, and sustainable business growth. Detailed information relating to earnings per share, return on equity, market capitalization, and other key financial indicators is presented in the accompanying financial statements and annexures.

Human Resources Management

The Board recognizes that human capital is one of the Company's most valuable strategic assets and a key driver of sustainable business success.

PLFS remains committed to attracting, developing, and retaining talented professionals through progressive human resource policies, continuous learning opportunities, performance-based career development, and a culture founded on integrity, accountability, professionalism, and collaboration.

The Company continues to invest in enhancing employees' technical competencies, leadership capabilities, and digital skills to meet the evolving demands of the financial services industry. Employee engagement, succession planning, diversity, workplace wellbeing, and ethical conduct remain integral components of the Company's human resource strategy.

PLFS is committed to providing an inclusive, respectful, and performance-oriented workplace where employees are empowered to contribute meaningfully to the Company's long-term strategic objectives while pursuing rewarding and fulfilling careers.

Risks and Concerns

Effective risk management is fundamental to the Company's long-term sustainability and value creation. The Board recognizes that a strong risk culture, supported by sound governance and disciplined decision-making, is essential for protecting stakeholders' interests and maintaining the Company's financial resilience.

PLFS has established an integrated Enterprise Risk Management (ERM) framework that enables the systematic identification, assessment, monitoring, mitigation, and reporting of risks across all business activities. Risk management is embedded throughout the Company's governance structure, operational processes, and strategic planning framework, ensuring that risk considerations remain integral to business decisions.

The Board regularly reviews the Company's risk profile, assesses emerging risks, and evaluates the effectiveness of mitigation strategies. Management maintains comprehensive risk registers, supported by periodic risk assessments and robust internal reporting mechanisms, to ensure that evolving risks are identified and addressed in a timely manner.

To strengthen risk governance, the Company has established several management committees, including the Management Credit Committee (MCC) and the Asset and Liability Committee (ALCO). These committees oversee credit, liquidity, market, and funding risks while providing strategic guidance on asset-liability management, funding strategies, pricing decisions, and overall balance sheet management.

The Credit Risk Management (CRM) Department independently evaluates credit proposals, assesses portfolio quality, monitors sectoral exposures, and ensures that lending decisions remain consistent with the Company's approved risk appetite. The Company also applies rigorous environmental and social risk assessment criteria and avoids financing activities that fail to meet established governance, environmental, or ethical standards.

At the portfolio level, management continuously monitors credit quality through risk grading models, migration analysis, concentration monitoring, and early warning indicators. These tools support proactive decision-making and facilitate timely corrective actions where necessary.

Operational risk management is supported by comprehensive internal control systems, independent compliance oversight, regular internal audits, and continuous monitoring of business processes. The Internal Audit and

Compliance Department provides independent assurance regarding the effectiveness of governance, risk management, and internal control systems across the organization.

The Board remains committed to maintaining a robust risk management framework that balances prudent risk-taking with sustainable returns while safeguarding the interests of shareholders, depositors, customers, regulators, and other stakeholders.

Credit Risk

Credit risk is the potential of loss arising from failure of a debtor or counterparty to meet their contractual obligations resulting in a financial loss to PLFS. Credit risk includes concentration risk which can result from interdependencies between counterparties and concentrations of exposure to industry sectors and geographical regions. Credit risk management processes involve identification, measurement, monitoring and control of credit exposures. At PLFS, credit risk may arise in the following form: exposure risk, counterparty risk and default risk.

Market Risk

Market risk is the potential of loss arising from adverse changes in interest rates and changes in the price of securities. Being a Financial institution, the primary risk that arises for a FI is interest rate risk. The immediate impact of changes in interest rates is on the Company's earnings due to changes its Net Interest Income (NII).

Liquidity Risk

Liquidity risk is the risk of being unable to meet financial obligations as they fall due. This arises mainly due to mismatch in maturity of assets and liabilities. The overall responsibility for measuring and monitoring the liquidity risk for FI rests with the Asset Liability Committee (ALCO).

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or external factors. It includes legal, regulatory, fraud, business continuity and technology risk. In order to control its operational risk, PLFS primarily relies on its internal audit and internal control system.

Compliance Risk

Compliance risk is the risk which arises due to legal or regulatory breach. The Company may suffer material financial loss or loss of reputation as a result of its failure to comply with the requirements of relevant laws, regulatory bodies etc.

Reputational Risk

Reputational risk arises from negative perception on the part of customers, counterparties, shareholders, investors, debt holders, market analysts, regulators and other relevant parties. This risk may adversely affect the Company's ability to maintain existing business relationships or impede the establishment of new relationships.

Related Party Transaction

In the normal course of business, PLFS has entered few transactions with related parties during the year 2025. Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operating decisions. These transactions have taken place on an arm's length basis and include rendering or receiving of services. The details of related party transactions are disclosed in the notes to these Financial Statements.

Contribution to the National Economy

PLFS is the first private sector Non-Banking Financial Institution in Bangladesh which was established in the year 1981 by the Government of Bangladesh and a number of distinguished multilaterals developing agencies. PLFS was established with an aim to promote private sector industrial ventures in the country at a time when all the banks in Bangladesh remained nationalized. Type of Risk Policies Application to Support Risk Appetite Credit Risk including Concentration Risk Board Approved Credit Policies including large Credit Exposure and Industry Sector Concentration Policy Exposures to a single or group related counterparties (upper credit limit set is the policy including the coverage of security). Industry concentration (exposure and risk adjusted concentration limit)

Market Risk Board Approved Credit and ALM Policy Interest Rate Risk (Market value sensitivity and Net Interest Margin Risk Limit) Liquidity Risk Board Approved Assets Liability Management (ALM) Policy Holding of liquid assets as a contingency plan to use at the time of liquidity crunch. Operational Risk A number of risk management policies and comprehensive risk assessment and control assurance process.

Risk Management, Sustainability & Corporate Responsibility

PLFS maintains a robust risk management framework supported by comprehensive policies, strong compliance practices, and a culture of professionalism, ethical conduct, and customer-centric service. The Company's risk governance addresses compliance, operational, and reputational risks through continuous monitoring, effective internal controls, and adherence to regulatory requirements.

Over the past three decades, PLFS has contributed to Bangladesh's private sector development by supporting innovative projects across the health, education, and agro-based sectors while introducing a range of innovative financial solutions. The Company remains committed to promoting sustainable economic growth, employment generation, and entrepreneurship, with particular emphasis on supporting young entrepreneurs, including women.

Environmental and social sustainability are integral to PLFS's financing decisions. The Company avoids environmentally harmful projects and ensures compliance with applicable environmental laws and Bangladesh Bank guidelines. Green initiatives include environmental risk integration into credit assessment, Green Finance, a Climate Risk Fund, Green Office practices, employee awareness programs, and customer engagement on sustainability.

PLFS offers a diversified portfolio of financial products and services, including corporate finance, advisory services, mortgage finance, retail finance, supply chain finance, and wealth management. During 2025, the Company contributed Tk. 1.71 million to the national exchequer through corporate tax, withholding tax, excise duty, and VAT.

Statutory Compliance

The Board of Directors confirms that, to the best of its knowledge and belief, all statutory payments and regulatory obligations to the relevant authorities were duly made on a timely basis during the year.

Shareholding Pattern

The shareholding pattern of the Company as at 31 December 2025 is presented in Annexure II of this Annual Report.

Corporate and Financial Reporting Framework

In compliance with BSEC Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012, the Board of Directors confirms that:

- The financial statements present a true and fair view of the Company's financial position, performance, cash flows, and changes in equity.
- Proper books of account have been maintained.
- Accounting policies have been applied consistently, and estimates are based on prudent judgment.
- The financial statements have been prepared in accordance with applicable IAS/BAS, IFRS/BFRS, with any departures appropriately disclosed.
- The Company's internal control and risk management systems are adequately designed, effectively implemented, and regularly monitored.
- The Company remains a going concern, and no material uncertainties have been identified that may cast significant doubt on its ability to continue operations.

Board Meetings and Directors' Remuneration

During the year ended 31 December 2025, the Board held 21 meetings. Details of Directors' attendance and remuneration are provided in the relevant Annexure to this Annual Report.

Appointment and Re-election of Directors

In accordance with Articles 100 and 101 of the Articles of Association, three Directors will retire by rotation at the 29th Annual General Meeting (AGM) and, being eligible, have offered themselves for re-election pursuant to Article 105, but the Board of Directors appointed by the Hon'ble Court for revival of the company.

Statutory Auditors

S. K. Barua& Co., Chartered Accountants was appointed as the Statutory Auditor of the Company at the 29th Annual General Meeting (AGM) held on 24 June 2025 for the financial year 2025, at a remuneration of Tk. 300,000 excluding VAT, until the conclusion of the 30th AGM.

Upon completion of their tenure, the Auditor will retire at the 30th AGM. Based on the recommendation of the Board Audit Committee, the Board has proposed the appointment of S. K. Barua& Co., Chartered Accountants as Statutory Auditor for the financial year 2026, subject to shareholders' approval at the 30th AGM, at a remuneration of Tk. 350,000 excluding VAT.

Internal Control System

The Board of Directors is responsible for establishing an effective internal control and risk management framework. The Board regularly reviews business strategies, major risks, and control mechanisms to ensure appropriate identification, measurement, monitoring, and mitigation of risks.

Senior Management is responsible for implementing approved strategies and policies, maintaining an effective organizational structure, ensuring accountability, and continuously improving internal control processes. PLFSL has established a structured control environment with clearly defined responsibilities and control activities across all operational levels.

Management Discussion on Operations During the Year 2025

The detailed discussion on the Company's operational performance, key business developments, strategic initiatives, financial highlights, challenges and future outlook for the year under review has been comprehensively presented in the Managing Director (CC)'s Message, which forms an integral part of this Annual Report.

Explanation Regarding Qualified Opinion on Financial Statements

The External Auditor issued a qualified opinion on the Company's financial statements for 2025, with the basis of qualification disclosed in the Audit Report. The report was reviewed and discussed by the Audit Committee in its 32nd meeting, following which the Committee recommended the report to the Board.

The Court-appointed Board of Directors continues to address historical issues arising prior to the commencement of the liquidation process on 14 July 2019, including discrepancies in loan and advance records, accounting mismatches, financial statement consolidation matters, and outstanding issues relating to PLFS Investment Ltd., taxation, VAT, interest calculations, and other financial matters in accordance with the Hon'ble Court's Order (Financial Matter No. 1 of 2019).

Despite existing challenges and resource limitations, the Board remains committed to resolving legacy issues, enhancing transparency, and supporting the revival and sustainable development of the Company.

Control Environment

PLFS maintains a strong control environment through well-defined policies, procedures, and monitoring mechanisms designed to support effective governance and risk management.

The Board and Management regularly review key processes, evaluate significant risks, and strengthen internal controls through continuous improvement initiatives. Annual self-assessments of critical controls are conducted to identify improvement areas and enhance the overall effectiveness of the control framework.

Outlook and Prospects in the Year 2026

Bangladesh's economic outlook for 2026 remains cautiously optimistic, supported by improving macroeconomic stability, ongoing reforms, demographic advantages, export resilience, infrastructure development, and growth opportunities. Successful implementation of financial sector reforms, improved governance, and a stronger investment climate will be critical to sustaining economic recovery and attracting private investment.

However, global uncertainties, inflationary pressures, and financial sector vulnerabilities will require continued policy attention and prudent management.

PLFS will remain focused on strengthening its balance sheet, improving asset quality, enhancing operational efficiency, and creating sustainable value for shareholders. The Company's long-term strategy is supported by a strong compliance culture, dedicated employees, and a commitment to serving customers effectively.

With continued focus on governance, innovation, and disciplined execution, PLFS aims to achieve meaningful progress and deliver improved performance in the years ahead.

Acknowledgements

The Board of Directors expresses its sincere gratitude and appreciation to our valued shareholders, customers, clients, depositors, lenders, bankers, business partners, and all stakeholders for their continued trust, support, and cooperation throughout the year.

The Board also acknowledges the valuable guidance and cooperation received from Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, Registrar of Joint Stock Companies and Firms, National Board of Revenue, Ministry of Industries, Ministry of Finance, and other government authorities.

Special appreciation is extended to the members of the Board of Directors for their dedication, guidance, and unwavering support in navigating the challenging operating environment and advancing the Company's objectives during 2025.

The Board also recognizes the commitment, resilience, and hard work of the Management and employees of PLFS. Their dedication, along with the continued confidence of our customers and shareholders, remains a key strength of the Company as we continue working towards sustainable growth and long-term value creation.

For and on behalf of the Board of Directors

Hasan Shaheed Ferdous, L.L.M. (DU)
Former Sr. District & Session Judge
Advocate- Supreme Court
Court - Appointed Chairman

Report of the Audit Committee

The Audit Committee as a Sub-Committee of the Board of Directors of the Company assists the Board of Directors to ensure that standard of corporate reporting, control and compliance are achieves through effective implementation of the procedure and policies as per regulations. The most significant role of Audit Committee is to monitor and review the effectiveness of the internal control system. The Committee is also responsible to ensure that the financial statements reflect true and fair view of the state of affairs of the Company. The roles and functions of the Audit Committee are regulates by the rules and regulations issued by the Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank from time to time.

Composition of the Audit Committee

The Board Audit Committee comprising of the following members having adequate knowledge of the rules and regulations of Corporate & Financial Control and Reporting:

SL	Name of the Members	Position in the Committee	Position in the Board
1	Dr.Kazi Anowarul Hoque	Chairman	Court Appointed Director
2	Barrister Reshad Imam	Member	Court Appointed Director
3	Barrister Muhammad Shafiqur Rahman	Member	Court Appointed Director

Scope of Work of the Audit Committee

The scope of the Audit Committee of People's Leasing And Financial Services Limited is determined by its Terms of Reference (TOR) which, in turn, are shaped by the directives from Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC). These include, but are not limited to, overseeing the followings:

- The Internal Control System of the Company
- Corporate and Financial Reporting
- The Internal Control and Compliance Department
- Compliance with Regulatory Requirements

The Committee is authorized to investigate any matter within its terms of reference, access to all documents and information of the company, seek information from any director or employee of the company and co-opts any resource (including external professional assistance) it sees fit in order to fulfill its duties.

The Committee held 4 (Four) meetings during the year 2025. The proceedings of the Audit Committee meetings are regularly reported to the Board of Directors.

Activities of the Audit Committee

The Audit Committee carried out the following activities:

The Audit Committee reviewed the Annual Financial Statements and placed the same with recommendations to the Board of Directors.

Reviewed with the external auditors and management prior to finalization of Financial Statements for the year ended December 31, 2025 as per Clause No. 2 (kha -2) of Circular Number 13, dated October 26, 2011 issued by the Department of Financial Institutions and Markets (DFIM), Bangladesh Bank.

Reviewed the Financial Statements of People's Leasing And Financial Services Limited for the year ended December 31, 2025 as per Clause No. 5.5 (f) of Corporate Governance Code (CGC) issued by Bangladesh Securities and Exchange Commission dated June 03, 2018.

• Reviewed and Recommended to the Board for appointment of external auditors for the year 2026.

• Reviewed the Report of the Audit Committee for 2025 prior to its publication in the Annual Report 2025.

• Reviewed the Compliance Status of Management Report issued by the external auditors S.K. Barua & Co, Chartered Accountants, based on their Annual Audit of the Financial Statements of People's Leasing And Financial Services Limited for the year ended December 31, 2025.

Acknowledgement

The Chairman of the Board Audit Committee would like to express sincere thanks and gratitude to the Members of the Board of Directors, Members of the Audit Committee, Management, Auditors and all employees for their co-operation, support, dedication and efforts during the year 2025.

Thank you,
On behalf of the Audit Committee

Chairman
Audit Committee

Disclosures under Pillar III- Market Discipline

A) Scope of application

Qualitative Disclosures:

a) The name of the Financial Institutions

- People's Leasing & Financial Services Ltd.

b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (i) that are fully consolidated; (ii) that are given a deduction treatment; and (iii) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).

- The PLFSL has a subsidiary: PLFS Investment Ltd.

c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.

- Not applicable.

Quantitative Disclosures:

d) The aggregate amount of capital deficiencies in subsidiary not included in the consolidation that are deducted and the name(s) of such subsidiary.

- Not applicable.

B) Capital structure

Qualitative Disclosures

a) a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in Tier 1 or in Tier 2.

- Tier 2 capital includes:

i) General provision up to a limit of 1.25% of Risk Weighted Asset (RWA) for Credit Risk;

ii) Revaluation reserves:

- 50% Revaluation reserve for fixed assets;
- 45% Revaluation reserve for securities;

iii) All other preference shares.

Conditions for maintaining regulatory capital:

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

i) The amount of Tier 2 capital will be limited to 100% of the amount of Tier 1 capital.

ii) 50% of revaluation reserves for fixed assets and 45% of revaluation reserves for securities are eligible for Tier 2 capital.

Quantitative Disclosures:

b) The amount of Tier 1 capital, with separate disclosure of:

Particulars		Amount in BDT
Paid up capital		2,854,405,970
Non-repayable share premium account		1,018,605,234
Statutory reserve		645,578,148
General reserve		
Retained earnings		(48,805,375,001)
Minority interest in subsidiaries		
Non-cumulative irredeemable preference shares		
Dividend equalization account		
Total Tier 1 capital		**(44,286,785,649)**
(c)	**The total amount of Tier 2 capital**	**2,571,597**
(d)	**Other deductions from capital**	
(e)	**Total eligible capital**	**(44,284,214,052)**

C) Capital Adequacy

Qualitative Disclosures

(a) A summary discussion of the FI's approach to assessing the adequacy of its capital to support current and future activities.

- **Risk Weighted Assets (RWA) and Capital Adequacy Ratio (CAR)**

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

- **Strategy to achieve the required Capital Adequacy:**

Operational level:

Immediate measures:

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

Continuous measures:

- Concentrating on SME clients having exposure up to BDT 1 crore as this will carry 75% fixed risk weight (for regular contracts only);
- Financing clients having good credit rating;
- Using benefit of credit risk mitigation by taking eligible financial collaterals against transactions;
- Focusing more on booking high spread earning assets and thus increasing retained earnings.

Strategic level:

- Injecting fresh capital by issuing right shares, if required.

	Quantitative Disclosures	Amount in BDT(In Crore)
(b)	Capital requirement for Credit Risk	1278.56
	On- Balance Sheet	1278.56
	Off- Balance Sheet	0.00
(c)	Capital requirement for Market Risk	71.65
(d)	Capital requirement for Operational Risk	-552.22

(e) Total and Tier 1 capital ratio:

- For the consolidated group; and
- For stand alone

Particular	Consolidated	Stand Alone
CAR on Total capital basis (%)		(552.34)%
CAR on Tier 1 capital basis (%)		(552.38)%

D) Credit Risk

Qualitative Disclosures

(a) The general qualitative disclosure requirement with respect to credit risk, including:

- **Definitions of past due and impaired (for accounting purposes)**

  As per the Bangladesh Bank's Prudential Guideline on Capital Adequacy and Market Discipline for Financial Institutions, the unsecured portion of any claim or exposure (other than claims secured by residential property) that is past due for 90 days or more, net of specific provisions (including partial write-off) will be risk weighted as per risk weights of respective balance sheet exposures. For the purpose of defining the net exposure of the past due loan, eligible financial collateral (if any) may be considered for Credit Risk Mitigation.

- **Description of approaches followed for specific and general allowances and statistical methods;**

  Specific and General provisions are maintained according to the relevant Bangladesh Bank guideline. For Example, 0.25% provision is maintained against SME-Standard loan/ lease, 1% provision is maintained against standard loans (other than SME-Standard loan/ lease), 5% against SMA loan/ lease, 20% against sub-standard loan/ lease, 50% against doubtful loan/ lease and 100% against bad/loss loan/ lease after deducting the amount of interest suspense and value of eligible securities from the outstanding balance of classified accounts.

- Discussion of the FI's credit risk management policy.
- Implementation of various strategies to minimize risk:
- To encounter and mitigate credit risk the following control measures are taken place at PLFSL:
- 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 and collection Team;
- Strong follow up of compliance of credit policies by Credit Administration Department;
- Taking collateral and performing valuation and legal vetting on the proposed collateral;
- Seeking legal opinion from internal and external lawyer for any legal issues;
- Maintaining neutrality in politics and following arm's length approach in related party transactions;
- Regular review of market situation and industry exposure;
- Sector-wise portfolio is maintained within specific limits to ensure diversification of loan assets.

  In addition to the industry best practices for assessing, identifying and measuring risks PLFSL also consider 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.

- **Approved Credit Policy by the Board of Directors**

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

- **Separate Credit Risk Management (CRM) Department**

  An independent Credit Risk Management (CRM) Department is in place, at PLFSL, to scrutinize projects from a risk-weighted point of view and assist the management in creating a high quality credit portfolio and maximize returns from risk assets. Research team of CRM regularly reviews market situation and exposure of PLFSL in various industrial sub-sectors. CRM has been segregated from Credit Administration Department in line with Central Bank's Guidelines. CRM assess credit risks and suggest mitigations before recommendation of every credit proposal while Credit Administration confirms that adequate security documents are in place before disbursement.

- **Special Assets Management and Collection Team**

  A strong Law and Recovery Team monitors the performance of the loans & advances, identify early signs of delinquencies in portfolio, and take corrective measures to mitigate risks, improve loan quality and to ensure recovery of loans in a timely manner including legal actions.

- **Independent Internal Control and Compliances Department (ICC)**

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

- **Credit Evaluation**

  The Credit Evaluation Committee (CEC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks. The CEC critically reviews projects considering the current global financial crisis and its probable impact on the project.

Risk Grading Model (RGM) helps a Financial Institution to understand the various dimensions of risks involved in transactions related to small business clients who are plying their businesses in various geographical locations across the country. PLFSL has been developing and managing RGM to promote the safety and soundness of the Company by facilitating informed decision-making. This model measures credit risk and differentiate individual credits and groups of credits by the risk they pose. This allows management and examiners to monitor changes and trends in risk levels. The process also allows the management to manage risk to optimize returns.

To mitigate credit risk, PLFSL search for credit report from the Credit Information Bureau (CIB) of Bangladesh Bank. The report is scrutinized by CRM and CEC to understand the liability condition and repayment behavior of the client. Depending on the report, banker's opinions are taken from client's banks. Suppliers' and buyers' opinion are taken to understand the market position and reputation of our proposed customers.

- **Credit Approval Process**

  To ensure both speedy service and mitigation of credit risk, the approval process is maintained through a multilayer system. Depending on the size of the loan, a multilayer approval system is designed. As smaller loans are very frequent and comparatively less risky, lower sanctioning authority is set to improve the turnaround time and associated risk. Bigger loans require more scrutiny as the associated risk is higher. So sanctioning authority is higher as well.

- **Credit Quality and Portfolio Diversification**

  PLFSL believes in diversification in terms of products as well as sectors. To mitigate the Credit Risk, the company diversifies its loan exposure to different sectors confirming the Central Bank's requirements. Threshold limit is set for any sector so that any adverse impact on any industry has minimum effect on PLFSL's total return. Central Bank's instructions are strictly followed in determining Single Borrower/Large Loan limit. Significant concentration of credit in terms of groups or geographical location is carefully avoided to minimize risk.

- **Early Warning System**

  Performance of loans is regularly monitored to trigger early warning system to address the loans and advances whose performance show any deteriorating trend. It enables the company to grow its credit portfolio with ultimate objective to protect the interest of stakeholders.

- **NPL Management**

  PLFSL measures its loan portfolio in terms of payment arrears. The impairment levels on the loans and advances are monitored regularly.

  As per FID Circular No.3 dated March 15, 2007:

  1. Loan/Lease, classified as bad/loss and with 100% provision, can only be written-off.
  2. Approval from the Board of Directors has to be taken before write-off.
  3. The financial institutions should constantly try to recover the loan/lease written-off amount. If legal action has not been taken against the client, legal charges should be placed before the write off.
  4. To expedite the legal settlement or collection of the due amount, third party agents can be appointed by the financial institutions.
  5. A separate ledger should be maintained for the written off loans/leases and the accumulated written off value should be disclosed separately under the heading of "notes to the account" in the annual report/balance sheet of the financial institutions.
  6. Even if the loan/lease has been written off, the client should be classified as defaulter and reported to CIB accordingly.

     Detail records for all such write off accounts are meticulously maintained and followed up.

- **Counter-party Credit Rating**

  PLFSL is taking initiatives to rate the Corporate Clients of the company immediately by the External Credit Assessment Institutions (ECAIs)/Rating Agencies duly recognized by the Central Bank.

  Methods used to measure Credit Risk

  As per the directives of Bangladesh Bank, 'The Standardized approach' is applied by the company to measure its Credit Risk.

Quantitative Disclosures

(a) Total gross credit risk exposures broken down by major types of credit exposure.

Particulars	Amount in BDT
Leasing	932,511,608
Term Finance	9,842,765,591
Total	**10,775,277,199**

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

Area	**Amourt in BDT**
Dhaka Division	10,774,199,671
Chittagong Division	1,077,528
Barisal Division	0.00
Sylhet Division	0.00
Khulna Division	0.00
Total	**10,775,277,199**

(c) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure.

Sector	Amount in BDT
Agriculture Sector	646,516,632
Electronics and Electrical Products	
Food Production and Processing Ind.	75,426,940
Garments and Knitwear	124,993,216
Glass, Glassware and Ceramic Industries	
Jutes & Jute related goods	
Housing	630,353,716
Lather & Lather goods	
Iron, Steel and Engineering	215,505,544
Paper, Printing and Packaging	
Pharmaceuticals and Chemicals	1,077,528
Plastic Industry	
Power & Energy	96,977,495
Telecommunication and IT	
Textile	5,387,639
Transport and Aviation	290,932,484
Merchant bank	1,724,044,352
Trade & Commerce	3,879,099,792
Service	
Others	3,084,961,862
Total	**10,775,277,199**

(d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure.

Particulars	Amount in BDT
Repayable on demand Up to 1 month	108,031,959
Over 1 month but not more than 3 months	216,063,917
Over 3 months but not more than 1 year	864,255,670
Over 1 year but not more than 5 years	2,592,767,009
Over 5 years	6,994,158,644
TOTAL	**10,775,277,199**

(a) Gross Non Performing Assets (NPAs)

Non-PerformingAssets (NPA) to Outstanding Loans & advances Movement of Non-PerformingAssets (NPAs)

Particulars	Amount in BDT
Sub-standard	1,467,933
Doubtful	2,955,895
Bad/Loss	10,564,847,902
Total	10,569,271,730

Movement of specific provisions for NPAs

Particulars	Amount in BDT
Opening balance	8,215,429,519
Provisions made during the period	-
Write-off	-
Write-back of excess provisions	-
Closing Balance	8,215,429,519

E) Equities: Banking book positions

Qualitative Disclosures

The general qualitative disclosure requirement with respect to equity risk, including:

Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and

- Total equity shares holdings are for capital gain purpose.

  Discussion of important policies covering the valuation and accounting of equity holdings in the banking book positions. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.

- Quoted shares are valued at cost prices and if the total cost of a particular share is lower than the market value of that particular share, then provision are maintained as per terms and condition of regulatory authority. On the other hand, unquoted share is valued at cost price or book value as per latest audited accounts.

Quantitative Disclosures

b) Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.

Particulars	Cost Price	Market Price
Quoted shares	4,77,593	1,59,187.60
Unquoted shares	203,975,410	203,975,410

c) The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.

- **Capital Gain/(Loss) on sale of Share BDT**

Particulars	Amount in BDT
Total unrealized gains (losses)	
Total latest revaluation gains (losses)	-
Any amounts of the above included in Tier 2 capital.	-

d) Capital requirements broken down by appropriate equity groupings, consistent with the FI's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.

- Specific Risk Market value of investment in equities is BDT 0.00 crore. Capital Requirement is 10% of the said value which stand to BDT 0.00 crore.
- General Risk Market value of investment in equities is BDT 71.65 crore. Capital Requirement is 10% of the said value which stand to BDT 7.16 crore.

All requirements are 10% of the said value, which stand to BDT 7.01 crore.

F) Interest rate in the banking book

Qualitative Disclosures

a) The general qualitative disclosure requirement including the nature of interest risk and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits.

Interest rate risk in the banking book arises from mismatches between the future yield of an assets and their funding cost. Assets Liability Committee (ALCO) monitors the interest rate movement on a regular basis. PLFSL measure the Interest Rate Risk by calculation Duration Gap i.e. a positive Duration Gap affect company's profitability adversely with the increment of interest rate and a negative Duration Gap increase the company's profitability with the reduction of interest rate.

Quantitative Disclosures

b) The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring interest rate risk broken down by currency (as relevant).

Maturity wise Distribution of Assets-Liabilities

Amount in Crore BDT

Particulars	1 to 30/31 day (One month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year
1	2	3	4	5	6
A. Total Rate Sensitive Liabilities (A)	3.95	7.90	10.50	42.00	44.60
B. Total Rate Sensitive Assets (B)	15.34	20.00	25.00	30.00	33.07
C. Mismatch	11.39	12.10	14.50	(12.00)	(11.53)
D. Cumulative Mismatch (B-A)	11.39	23.49	37.99	25.99	14.46
E. Mismatch (%)	288.41%	297.34%	361.80%	61%	32.42%

Interest Rate Risk-Increase in Interest Rate

Amount in crore BDT

Magnitude of Shock	Minor	Moderate	Major
	2%	4%	6%
Change in the Value of Bond Portfolio	0.00	0.00	0.00
Net Interest Income	.24	.47	.71
Revised Regulatory Capital	-4407.39	-4407.16	-4406.92
Risk Weighted Assets	797.99	797.99	797.99
Revised CAR (%)	-552.31%	-552.28%	-552.25%

G) Market risk

Qualitative Disclosures (a)

Views of BOD on trading/investment activities

All the Market Risk related policies/guidelines are duly approved by BOD. The BOD sets limit and review and updates the compliance on regular basis aiming to mitigate the Market risk.

Methods used to measure Market risk

Market Risk is the probability of losing assets in balance sheet and off- balance sheet position arising out of volatility in market variables i.e. interest rate, exchange rate and prices of securities. In order to calculate the market risk for trading book purposes the company uses Standardized (rule based) Approach where capital charge for interest rate risk, price and foreign exchange risk is determined separately.

Market Risk Management system

Policies and processes for mitigating market risk

A Policy for managing Market Risk has been set out by the Board of Directors of the company where clear instructions has been given on Loan Deposit Ratio, Whole Sale Borrowing Guidelines, Medium Term Funding, Maximum Cumulative Outflow, Liquidity Contingency Plan, Local Regulatory Compliance, Recommendation / Action Plan etc. Treasury manages the Market Risk with the help of Asset Liability Management Committee (ALCO) and Asset Liability Management (ALM) Desk in the following fashion:

Interest Risk Management

Treasury Division reviews the risks of changes in income of the Company as a result of movements in market interest rates. In the normal course of business PLFSL tries to minimize the mismatches between the duration of interest rate sensitive assets and liabilities. Effective Interest Rate Risk Management is done as under:

Market analysis

Market analysis over interest rate movements are reviewed by the Treasury of the company. The type and level of mismatch interest rate risk of the company is managed and monitored from two perspectives, being an economic value perspective and an earning perspective.

GAP analysis

ALCO has established guidelines in line with central Bank's policy for the management of assets and liabilities, monitoring and minimizing interest rate risks at an acceptable level. ALCO in its regular monthly meeting analyzes Interest Rate Sensitivity by computing GAP i.e. the difference between Rate Sensitive Assets and Rate Sensitive Liability and take decision of enhancing or reducing the GAP according to prevailing market situation aiming to mitigate interest rate risk.

Continuous Monitoring

Company's treasury manages and controls day-to-day trading activities under the supervision of ALCO that ensures continuous monitoring of the level of assumed risks.

Equity Risk Management

Equity Risk is the risk of loss due to adverse change in market price of equities held by the Company. Equity Risk is managed by the following fashion:

PLFSL minimizes the Equity Risks by Portfolio diversification as per investment policy of the company. The entire portfolio is managed by PLFSL Investments Limited.

Quantitative Disclosures (b)

The capital requirements for Market Risk:

Particular	Amount in crore BDT
Interest rate risk	-
Equity position risk	70.17
Foreign Exchange Position and Commodity risk (if any)	-

H) Operational Risk:

Qualitative disclosure (a)

Views of Board on system to reduce Operational Risk:

All the policies and guidelines of internal control and compliances are duly approved by the Board. The Board delegates its authority to Executive Committee and to MANCOM members as per company policy of delegation of authority. Audit Committee of the Board directly oversees the activities of internal control and compliance as per good governance guideline issued by Bangladesh Securities and Exchange Commission.

Performance gap of executives and staffs

PLFSL's recruitment strategy is based on retaining and attracting the most suitable people at all levels of the business and this is reflected in our objective approach to recruitment and selection. The approach is based on the requirements of the job (both now and in the near future), matching the ability and potential of the individual. Qualification, skills and competency form our basis for nurturing talent. We are proud to state that favorable job responsibilities are increasingly attracting greater participation from different level of employees in the PLFSL family. We aim to foster a sense of pride in working for PLFSL and to be the employer of choice. As such there exists no performance gap in PLFSL.

Potential external events

No such potential external event exists to raise operational risk of GSPB at the time of reporting.

Policies and procedures for mitigating operational risk:

PLFSL has also established Internal Control and Compliances Department (ICC) to address operational risk and to frame and implement policies to encounter such risks. ICC assesses operational risk across the Company as a whole and ensures that an appropriate framework exists to identify, assess and mange operational risk.

Approach for calculating capital charge for operational risk:

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. PLFSL uses basic indicator approach for calculation capital charge against operational risk i.e. 10% of average positive annual gross income of the company over last three years.

Quantitative Disclosures (b)

Capital requirement for operational risk:

Particular	Amount in crore BDT
Capital requirement for operational risk:	(552.22)

ANNEXURE–C

AS PER CONDITION NO.1 (5) (XXVII)

STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/207/ Admin/80, dated 3 June2018 issued under section 2CC of the Securities and Exchange Ordinance 1969:

(Report under Condition No.9)

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1	**BOARD OF DIRECTORS:**			
1(1)	**Board's Size**			
	The number of the Board members of the Company shall not be less than 5 (five) and more than 20 (twenty).	√		
1(2)	Independent Directors			
1(2)(a)	At least 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s): Provided that the Board shall appoint at least 1 (one) female independent director in the Board of Directors of the Company;	–		Board constituted by Hon'ble Court vide order no. 96 dated 12.07.2021 and clarified by vide order no. 163 on 12.06.2024
1(2)(b)(i)	Who either does not hold share in the Company or holds less than one (1%) shares of the total paid up shares of the Company;	–		
1(2)(b)(ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company:	–		
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	–		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	–		
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	–		
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	–		
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	–		
1(2)(b)(viii)	Who shall not be an independent director in more than 5 (Five) listed companies;	–		
1(2)(b)(ix)	who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for non-payment of any loan or advance or obligation to a bank or a financial institution; and"	–		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude.	—		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company;	—		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	—		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only:	—		
1(3)	**Qualification of Independent Director (ID)**			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws regulatory requirements and can make meaningful contribution to business;	—		
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or	—		
1(3)(b)(ii)	Corporate Leader who is or was a top-level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or	—		
1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or	—		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	—		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	—		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	—		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			No such matter

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1(4)	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer**			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
1(5)	**The Director's Report to Shareholders**			
1(5)(i)	An Industry outlook and possible future developments in the industry;	√		
1(5)(ii)	The Segment-wise or product-wise performance;	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5)(iv)	A Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		
1(5)(v)	A Discussion on continuity of any Extra-Ordinary activities and their implication (gain or loss);	√		
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	√		
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	√		
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	√		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1(5)(xii)	A Statement that proper books of account of the issuer Company have been maintained.	√		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1(5)(xvii)	A statement that there are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed;	√		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained;	√		
1(5)(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		
1(5)(xx)	An explanation on the reasons If the issuer company has not declared dividend (cash or stock) for the year;			
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√		
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name wise details);	√		
1(5)(xxiii)(c)	Executives;	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		
1(5)(xxiv)(a)	A brief resume of the director;	√		
1(5)(xxiv)(b)	Nature of his / her expertise in specific functional areas;	√		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board;	√		
1.5(xxv)	**A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on**			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C;	√		
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	√		
1(6)	Meetings of the Board of Directors; The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
1(7)	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	—		Accordingly, the Board of Directors, at its 107th Meeting held on 28 July 2026, considered the matter and approved that the Audit Committee shall perform all roles, responsibilities and functions of the Nomination and Remuneration Committee (NRC) in compliance with the aforesaid DFIM Circular until further direction from the competent regulatory authority or until otherwise decided by the Board.

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		
2	**Governance of Board of Directors of Subsidiary Company.**			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;		√	PLFSL Investment Ltd's Board is also constituted by the Hon'ble Court, and we are several times communicate them but yet to comply.
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;		√	
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;		√	
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;		√	
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.		√	
3	**Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).**			
3(1)	**Appointment**			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time: Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;"	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
3(2)	**Requirement to attend Board of Directors' Meetings** The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	√		
3(3)	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4	**Board of Directors' Committee-For ensuring good governance in the company, the Board shall have at least following sub-committees:**			
4(i)	Audit Committee; and	√		
4(ii)	Nomination and Remuneration Committee		—	
5	**AUDIT COMMITTEE:**			
5(1)	**Responsibility to the Board of Directors**			
5(1)(a)	The Company shall have an Audit Committee as a sub-committee of the Board of Directors;	√		
5(1)(b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business;	√		
5(1)(c)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committees s hall be composed of at least 3 (three) members;	√		
5(2)(b)	The Board of Directors shall appoint members of the Audit Committee who shall be non executive directors of the Company excepting Chairperson of the Board and shall include at least 1 (one) Independent Director;	√		
5(2)(c)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without independent director.	√		
5(3)	Chairman of the Audit Committee			
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director;	√		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	√		
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year;	√		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5(5)	**Role of Audit Committee** **The Audit Committee shall:-**			
5(5)(a)	Oversee the financial reporting process;	√		
5(5)(b)	Monitor choice of accounting policies and principles;	√		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5(5)(d)	Oversee hiring and performance of external auditors;	√		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval;	√		
(5)(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		
5(5)(h)	Review the adequacy of internal audit function;	√		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5(5)(j)	Review statement of all related party transactions submitted by the management;	√		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√		
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:			No such matter
5(6)	**Reporting of the Audit Committee**			
5(6)(a)	**Reporting to the Board of Directors**			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)(a)	Report on conflicts of interests;			No such matter
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			No such matter
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			No such matter
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			No such matter
5(6)(b)	Reporting to the Authorities; If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such matter
5(7)	Reporting to the Shareholders and General Investors; Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		
6	**Nomination and Remuneration Committee (NRC):-**			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	–		NRC is not yet formed due to DFIM Circular No. 1 dated 29.02.24

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	–		
6(1)(c)	The Terms of Reference (To R) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	–		
6(2)	**Constitution of the NRC**			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	–		
6(2)(b)	At least 02 (two) members of the Committee shall be non-executive directors;	–		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	–		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	–		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy with in 180 (one hundred eighty) days of occurring such vacancy in the Committee;	–		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	–		
6(2)(g)	The company secretary shall act as the secretary of the Committee;	–		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	–		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	–		
6(3)	Chairperson of the NRC			
6(3)(a)	Chairperson of the Committee, who shall be an independent director;	–		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	–		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	–		
6(4)	**Meeting of the NRC**			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	–		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	–		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent directoris must as required under condition No. 6(2)(h);	—		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	—		
6(5)	**Role of the NRC**			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	—		
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	—		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	—		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	—		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	—		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	—		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	—		
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	—		
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	—		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	—		
7	**External or Statutory Auditors**			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:			
7(1)(i)	Appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	Financial information systems design and implementation;	√		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	√		
7(1)(iv)	Broker-dealer services;	√		
7(1)(v)	Actuarial services;	√		
7(1)(vi)	Internal audit services or special audit services	√		
7(1)(vii)	Any service that the Audit Committee determines;	√		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No.9(1); and	√		
7(1)(ix)	Any other service that creates conflict of interest.	√		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
8	**Maintaining a website by the Company:-**			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9	**Reporting and Compliance of Corporate Governance.-**			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the Annual General Meeting.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

Certificate of Compliance

Jasmin&Associates
Chartered Secretaries

Report to the Shareholders of
People's Leasing And Financial Services Ltd.
on Compliance on the Corporate Governance Code
[Certificate as per Condition No .1(5)(XXVII)]

We have examined the Compliance status to the Corporate Governance Code by People's Leasing And Financial Services Ltd. for the year ended on December 31, 2025. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

(a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except as stated in the remarks column in Annexure-C, Our opinion has been expressed in the context of the Company continuing to operate under the directions of the Hon'ble High Court Division of the Supreme Court of Bangladesh;

(b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

(c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and

(d) The Governance of the company is satisfactory, except as stated in the remarks column of the Status of Compliance Statement.

For: **Jasmin & Associates**
Chartered Secretaries

Jasmin & Associates ★ Jasmin Akter, FCS ★ F-200 L-008 ★ Chartered Secretaries

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Jasmin Akter, FCS
Managing Partner

Place : Dhaka, Bangladesh
Dated : July 28, 2026

55/B Noakhali Tower (10th Floor), Suite : 11-F, Purana Paltan, Dhaka-1000, www.jasminandassociates.com
E-mail: jasminandassociates@gmail.com, jasminmizan123@yahoo.com, Phone : 02-9574125, 01712644440, 01711-076815

Report on Compliance of Bangladesh Bank's Guidelines

ANNEXURE-I

As per Bangladesh Bank instructions every Financial Institutions required to comply with the guidelines on Corporate Governance as per the DFIM circular no.7, Dated: September 25, 2007 PLFS taken appropriate steps to comply with the guidelines and implemented the same. Status report on compliance with those guidelines is given below:

Condition No.	Title	Compliance Status
01	**Responsibilities and Authorities of Board of Directors:** The responsibilities of the Board of Directors are mainly related to evaluation and developing strategy. Those are as follows -	Complied
A. Work-planning and Strategic Management		
i	The Board shall determine the vision/mission of the Company. Board shall also determine the strategy and work planning for enhancement of institutional efficiency and other policy matters on annual basis. The Board shall make necessary amendments on the strategy on quarterly basis.	Complied. Refer to the Directors Report of this Annual Report
ii	The Board shall have its analytical review to be incorporated in the Annual Report as regard to the success or failure in achieving the target as set out in the annual work plan and inform the same to the shareholders in the Annual General Meeting (AGM).	Complied
iii	The Board shall determine Key Performance Indicators for Chief Executive along with other top level executives and re- assess on half yearly basis.	Complied
B. Formation of Sub - committee		
For making timely decision, Executive Committee can be formed. No alternative Director shall be included in this committee.		Complied Refer to 'Board and its committee' in this Annual Report
C. Financial Management		
i	Annual budget and statutory financial reports shall be authorized by the Board of Directors	Complied
ii	The Board shall review company's statement of income and expenses, statement of loan/lease, liquidity requirement, and capital adequacy, adequacy of provision, action taken for legal cases and recovery of default loan.	Complied. Refer to Director's Report of the Annual Report
iii	The Board shall approve the procurement policy and shall accordingly approve the delegation of power for making such expenditure. The maximum delegation of power shall rest on the CEO and top management. However, decision relating to purchase of land, building, and vehicle shall remain with the Board.	Complied
iv	Bank account of the Company shall be operated by a group constituted from amongst the Management which must be approved by the Board and having dual signatures (As amended through circular number 09, dated October 08, 2007).	Complied
D. Loan/Lease/Investment Management		
i	The policies, strategies, procedures etc. in respect of appraisal of loan/lease/investment proposal, sanction, disbursement, recovery, rescheduling, and write off shall be made with the Board's approval under the purview of the existing laws, rules and regulations. The Board shall specifically delegate the power of sanction of loan/lease/investment and such delegate should desirably be made among the CEO and other top management of the company.	Complied
ii	No Director shall interfere directly or indirectly in the process of loan approval.	Complied
iii	Core Risk Management Guidelines shall be approved by the Board of Directors of the Company.	Complied

E. Risk Management		
Approval shall be taken from Board of Directors for syndicate loan/lease/ investment Complied and large loan, lease or investment.		Complied
F. Internal Control & Compliance		
Audit Committee shall be formed for effective implementation of an integrated internal control system of the Company and for keeping loan/lease/investment quality at a desired level. Board Audit Committee shall review the report provided by the Internal Control & Compliance Department, the external auditor and the Bangladesh Bank shall make comments thereon.		Refer to Report of the Audit Committee of this Annual Report
G. Human Resources Management (HRM)		
Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, HR development etc. and service rule shall be framed and approved by the Board. The Chairman of the Board shall no way involve themselves or influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the service rules. No member of the Board shall be included in the selection committees for recruitment and promotion of different levels except the positions MD, DMD and SEVP or equivalent.		Refer to the Directors' Report of this Annual Report
H. Appointment of Managing Director and Increase of Salaries & Allowances		
Board of Directors shall appoint a competent Managing Director with approval of the Bangladesh Bank. Board shall approve any increment of salaries and allowance of the Managing Director.		Complied
I. Benefits to Chairman		
Chairman may be offered an office room, a personal secretary, a telephone at the office, a vehicle in the business – in the interest of the company subject to the approval of the Board.		Complied
02. Responsibilities and Duties of Chairman		
i	Chairman shall not personally possess the jurisdiction to apply policy making or executive or authority. He shall not participate in or interfere into the administrative or operational and routine affairs of the Company.	Complied
ii	The minutes of the Board meetings shall be signed by the Chairman.	Complied
iii	Chairman shall sign off the proposal for appointment of Managing Director & increment of his salaries and allowances	Complied
03. Responsibilities of Managing Director or Chief Executive		
Officer of the company or whatever be called, shall work under the following area-		
i	Managing Director shall discharge his responsibilities on matters relating to financial, business and administration vested by the Board upon him. He is also accountable for achievement of financial and other business targets by means of business plan, efficient implementation of administration and financial management.	Complied
ii	Managing Director shall ensure compliance of Financial Institutions Act 1993 and other relevant Circulars of Bangladesh Bank and other regulatory authorities.	Complied
iii	All recruitment, promotion & training of employees, except DMD, SEVP & equivalents shall be vested upon the Managing Director. He shall act in accordance with the approved HR Policy of the Company.	Complied
iv	Managing Director may re-schedule job responsibilities of employees.	Complied
v	Managing Director may take disciplinary actions against the employees.	Complied
vi	Managing Director may take disciplinary action against the employees except DMD.	Complied
vii	Managing Director shall sign all the letters/statements relating to compliance of policies and guidelines. However, Departmental/Unit heads may sign daily letters/ statements as set out in DFIM Circular No.1 dated 29.02.2024 and Circular No. 3 dated 25.03.2024, if so authorized.	Complied

A. Shareholding Pattern of Board of Directors

ANNEXURE-II

Compliance Report On BSEC'S Notification (Section 1.5 (Xxi)

A) Shareholding Pattern of Board of Directors

Sl	Name of Directors	Status	No of Share	% of Share	Name of Spouse	No of shares held	% of Shares
1	Mr. Hasan Shaheed Ferdous	Chairman	Nil	Nil	Sawheli Parveen	Nil	Nil
2	Dr. Kazi Anowarul Hoque	Director	Nil	Nil	Dr. Nazmun Nahar Khan	Nil	Nil
3	Barrister Reshad Imam	Director	Nil	Nil	Sheak Faria Rahman	Nil	Nil
4	Barrister Muhammad Shafiqur Rahman	Director	Nil	Nil	Tania Rahman	Nil	Nil
5	Mr. Mohammed Atiqur Rahman Atiq	Director	Nil	Nil	Late Mrs. Farida Yesmin Rahman	Nil	Nil

B. Meeting Information

SL No.	Name of Directors	Board of Directors Meeting				Executive Committee Meeting				Audit Committee Meeting				Total Remuneration paid for the year 2025
		Total Board Meeting held	Meeting Attended	Attendance as % of total meeting held	Remuneration paid for attending the meeting (Tk.)	Total EC Meeting	Meeting Attended	Attendance as % of total meeting held	Remuneration paid for attending the meeting (Tk)	Total AC Meeting	Meeting Attended	Attendance as % of total meeting held	Remuneration paid for attending the meeting (Tk)	
01.	Mr. Hasan Shaheed Ferdous	21	21	100%	5,25,000		-	0	-			-	-	5,25,000
02.	Dr. Kazi Anowarul Hoque	21	19	90%	3,80,000	2	2	100%	30000	4	4	100%	40,000	4,50,000
03.	Barrister Reshad Imam	21	14	67%	2,80,000	2	2	100%	20000	4	4	100%	60,000	3,60,000
04.	Barrister Muhammad Shafiqur Rahman	21	19	90%	3,80,000		4		-	4	4	100%	40,000	4,20,000
05.	Mr. Md. Atiqur Rahaman Atiq	21	19	90%	3,80,000	2	2	100%	20000	4	4	100%	40,000	4,40,000

ANNEXURE-IV

SHAREHOLDERS HOLDING 10% OR MORE VOTING RIGHTS

Sl.	Name	Status	Nos. of shares	% of shares
1	Nil	Nil	Nil	Nil

ANNEXURE-V

SHARES HELD BY CEO, CFO, CS & HEAD OF INTERNAL CONTROL & COMPLIANCE

Sl.	Name	Status/Position	Shares held
1	Md. Armia Fakir ACS	Managing Director, (CC)	Nil
2	Md. Armia Fakir ACS	Company Secretary, In-Charge	Nil
3	Sharifuzzaman Khan	Finance & Account, In-Charge	Nil
4	Md. Shahedul Islam	ICC, In-Charge	Nil

ANNEXURE-VI

SHARES HELD BY TOP SALARIED EMPLOYEES OTHER THAN DIRECTORS, CEO, CFO, CS & HEAD OF INTERNAL CONTROL & COMPLIANCE

Sl.	Name		Status/Position	Shares held
1	Nil	Nil	Nil	Nil

Related Party Disclosure

ANNEXURE-VII

PLFS Investment Ltd.	2025	2024
Investment in Share Capital of PLFS Investment Ltd.	200,445,000	200,445,000
Loan & Advances	1,632,792,597	1,662,343,115
BO Accounts Balance	(45,600)	(6,633,110)
Interest on Loans & Advances	-	-
Excise Duty	-	-

Note: Loan given to subsidiary company (PLFS Investment Ltd.) amount in Tk.1,055,332,974 from 2009 to 2015 (Present outstanding on 31.12.2024 amount Tk. 1,837,901,114. Details are described at note 2.10.29)

ANNEXURE-VIII

People's Leasing And Financial Services Ltd.
Financial Highlights

Sl. No.	Particulars	Amount in Tk.	
		2025	2024
1	Paid-up Capital	2,854,405,970	2,854,405,970
2	Total Capital	(44,286,785,649)	(42,674,632,395)
3	Capital Surplus	(47,141,191,619)	(45,529,038,365)
4	Total Assets	13,245,692,011	13,721,616,812
5	Total Deposits	35,667,673,564	34,618,763,914
6	Toal loans & advances	10,775,277,199	11,058,051,813
7	Total contingent liabilities and commitments	-	-
8	Credit deposit ratio	30.21%	31.94%
9	Percentage of classified loans against total loans & advances	98.09%	98.74%
10	Profit after tax and provision	(3,656,345,559)	(4,267,550,785)
11	Amount of classified loans during the year	10,569,271,730	10,918,782,813
12	Provision kept against classified loans	8,218,033,365	8,276,931,213
13	Provision surplus against classified loans	-	-
14	Cost of fund	12.00%	12.00%
15	Interest earning assets	11,855,132,259	12,353,858,079
16	Non-interest earning assets	1,390,559,752	1,367,758,732
17	Return on Investments	(29.08)	(32.69)
18	Return on assets (ROA)	(27.60)	(31.10)
19	Income from loans & advances & investment	133,236,262	(21,440,823)
20	Earnings per share	(12.81)	(14.95)
21	Net income per share	(12.81)	(14.95)
22	Price earnings ratio	(0.17)	(0.15)

As per Annexure-A & Condition No.1(5)(xxvi) of the CG Code
People's Leasing & Financial Services Ltd. (PLFSL)
Declaration by Managing Director and Head of Accounts

Date: June 30, 2026

The Board of Directors
People's Leasing & Financial Services Ltd.
Paramount Heights (12th Floor), 65/2/1
Box Culvert Road, Purana Paltan, Dhaka-1000

Subject: Declaration on Financial Statements for the year ended December 31, 2025

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

1) The Financial Statements of PLFSL for the year ended December 31, 2025 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS) as applicable in Bangladesh and any departure there from has been adequately disclosed;
2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3) The form and substance of transactions and the Company's statement of affairs have been reasonably and fairly presented in its financial statements;
4) To ensure above the Company has taken proper and adequate care in implementing a system of internal control and maintenance of accounting records;
5) Our Internal auditors have conducted periodic audit to provide reasonable assurance that the established policies and procedures of the Company were consistently followed;
6) The Management use of the going concern basis of accounting in preparing the financial the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern;

In this regard, we also certify that:

1) We have reviewed the financial statements for the year ended on 31 December 2025 and that to the best of our knowledge and belief:
   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws;
2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's board of directors or its members;

Sincerely yours

S. Zaman

Sharifuzzaman Khan
Finance & Account, In-Charge

Md. Armia Fakir ACS
Managing Director (CC)

Audit Report
Of
People's Leasing and Financial Services Ltd. (PLFS)

People's Leasing And Financial Services Limited
For the period from 1 January 2025 to 31 December 2025

Submitted By

S.K. BARUA & CO.
CHARTERED ACCOUNTANTS
Since-1985

House - 184, (Ground Floor & 2nd Floor)
Road - 02, New DOHS, Mohakhali, Dhaka-1206.
Tel: 02-222284390, 01824-567 996
E-mail: skbarua_123@yahoo.com
Web: skbarua.com

empacta

empacta ® international Ltd.
20 Fore Street Moretonhampstead
Devon TQ13LL, United Kingdom

Financial Information

Independent Auditor's Report

To the Shareholders of People's Leasing and Financial Services Ltd.

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **People's Leasing and Financial Services Ltd**. which comprise the balance sheet as at 31 December 2025 and the profit and loss accounts, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the basis for qualified opinion section of our report, the accompanying financial statements of the company give a true and fair view of the financial position of the Company as at 31 December 2025, and financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.8.

Basis for Qualified Opinion

1. 1) PLFSL has a subsidiary, PLFS Investments Ltd., but consolidated financial statements have not been prepared in accordance with the applicable financial reporting framework. Consequently, the financial position, financial performance, and cash flows of the Group have not been presented on a consolidated basis and may differ materially from those reported. In addition, the auditor of PLFS Investments Ltd. expressed a qualified opinion on its financial statements for the year 2025. Since consolidation has not been prepared, the effects of the matters underlying the qualified opinion have not been evaluated or incorporated into the Company's financial statements. Management has explained the reasons for not consolidating the financial statements in note no. 2.10.29 of notes to the financial statements.

2) As per the records of the Company, outstanding loan to its subsidiary PLFS Investments Ltd. has been shown amounting to BDT 1,632,792,597. We sent a letter to the subsidiary to obtain direct confirmation, but the subsidiary claims BDT 1,807,261,759 from the parent (PLFSL) through their letter.

3) Investment in shares of PLFS Investments Ltd. has been reported at BDT 200,445,000 in note no. 9, in notes to the financial statements. The balance has been carried forward from previous years.

   However, while reviewing the audited financial statements of PLFS Investments Ltd. for the year ended 31 December 2025, we noted that People's Leasing and Financial Services Ltd. holds 83% of the paid-up share capital of PLFS Investments Ltd., representing an investment of BDT 220,489,500.

   So, a discrepancy of BDT **14,944,500** exists between the investment balance reported in the Company's financial statements and the shareholding information reflected in the financial statements of the subsidiary.

4) Term Deposit Receipts (Bank, FI, individuals & institutions) are shown in the financial statements BDT 35,667,673,564, but as per the depositor data sheet (account-wise balance). It shows BDT 35,427,308,140. There is a difference of BDT 176,998,703. Similarly, loan and advance as per the financial statements were BDT 10,775,277,199, but as per the statement of affairs it was BDT 11,593,876,119, resulting in a difference of BDT 818,598,920, which is mentioned in note no. 49.5 of the notes to the financial statements. The existence of unreconciled differences between the accounting records, regulatory reports, and supporting data, together with identified software calculation errors, casts significant doubt on the completeness, accuracy, and reliability of the Company's financial records and underlying transaction processing system. We requested for direct balance confirmations on a sample basis, but responses were not received from all of them and balance was not agreed where received.

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5) The classified loan and lease amount is BDT 10,569,271,730 which is 98.09% of total outstanding balance BDT 10,775,277,199.

6) Out of 426 borrowers, loans were extended to 335 borrowers without collateral. As of 31 December 2025, the outstanding balance of loans and leases amounted to BDT 10,775,277,199, whereas the value of eligible collateral stood at only BDT 589,704,391. Moreover, two mortgaged assets (Belonging to RMS Food Products and Beverage Ind. & Ofazuddin Spinning Mills Ltd.) were verified by us, where no signboard was found. And we tried to verify the assets belonging to National Hatchery (Pvt.) Ltd. but did not get permission from the factory authorities.

7) Outstanding balances of long-term loans from Al-Arafa Islami Bank Ltd. (BDT 639,472,507), Basic Bank Ltd. (BDT 17,560,121), EXIM Bank Ltd. (BDT 90,352,553), Mutual Trust Bank Ltd. (BDT 230,071,435), Pubali Bank Ltd. (BDT 167,585,837), Social Islami Bank Ltd. (BDT 140,601,785), Standard Bank Ltd. (BDT 61,284,645), United Commercial Bank Ltd. (BDT 87,519,740), Uttara Bank Ltd. (BDT 87,666,276), NRB Commercial Bank Ltd. (BDT 209,912,598), Modhumoti Bank Ltd. (BDT 195,047,427), and UAE Bangladesh Investment Company Ltd. (BDT 19,132,308), together with overdraft and other loans from Janata Bank Ltd. (BDT 160,288,889), Sonali Bank Ltd. (BDT 160,288,889), Agrani Bank Ltd. (BDT 240,433,333), and short-term loans of BDT 466,673,256, aggregate to BDT 2,763,979,001. These liabilities have been carried forward since 2019 without the recognition or charging of any interest expense. If interest had been accrued in accordance with the respective financing agreements, the total liabilities would have increased significantly, resulting in a corresponding significant increase in the accumulated losses of the company. Loan statements relating to the above-mentioned borrowings for the year ended 31 December 2025 were not produced to us. We requested direct balance confirmations from the respective banks and financial institutions, but responses were not received from all of them and the balance was not agreed where received. Management has described the reasons for not charging the interest on the said loans in the note no 11.1.

8) Margin loan given to various individuals and organizations in the earlier years, amounting to BDT 3,142,823,035 as per the financial statements as on 31 December 2025, which is non-compliant with section 22 of the Finance Company Act 2023. Additionally, we did not get portfolio and detailed supporting documents of the borrowers. Some borrowers are shown as unclassified in the CL, but no basis for such classification was produced to us.

9) We noted that most of the loans were disbursed without collateral in amounts exceeding the limit of BDT 500,000 prescribed under section 14 (1) (Ch) of the Financial Institution Act 1993, which was applicable at the time of disbursement.

10) As per the record, the company has acquired two units of flat (Monihar Legend, Plot 39, Road 15, Rabindra Sarani, Sector 03, Uttara, Dhaka) as a settlement of the loan of Mrs. Latifa Ishtiaque during the year 2015. Cost of the flat reported was BDT 58,558,336 and written-down value after charging depreciation @ 10% was BDT 18,394,123 as on 31 December 2025 (Note 10). We visited the site to observe the present condition, but we could not enter the building and the caretaker told us that these flats are currently occupied by another person.

11) Investment in unquoted securities includes E-Securities Ltd BDT 69,978,600, GMG Airlines Ltd BDT 50,000,000, Energy Prima Ltd BDT 13,585,000, MEB Poy Ltd BDT 5,000,000, Scholastica Ltd BDT 54,600,000, People's Investment Ltd BDT 5 100,000 and CDBL BDT 5,711,810 total BDT 203,975,410. All of those have been reported at cost price and, provision against those investments were made amounting to BDT 198,263,600. We did not find sufficient documents such as updated audit report, Schedule X, etc. regarding GMG Airlines Ltd, Energy Prima Ltd, MEB Poy Ltd & Scholastica Ltd. Moreover, Scholastica Ltd, GMG Airlines Ltd & MEB Poy Ltd. have no physical existence.

12) The Company did not maintain the Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) in accordance with the guidelines of Bangladesh Bank. The deficiencies in CRR and SLR were BDT 359,032,416 and BDT 669,491,066, respectively. Furthermore, the Company has not established a Basel Implementation Unit and failed to maintain the minimum regulatory capital requirement.

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13) Unclaimed dividend was not transferred to CMSF amounting to BDT 21,558,303 which is non-compliance with BSEC notification no. BSEC/CMRRCD/2021-391/20/Admin/121 dated 01 June 2021. Additionally, no evidence was produced to us regarding maintaining this amount in a separate bank account and its year wise breakup which is non-compliance with BSEC directive no. BSEC/CMRRCD/2021-386/03, dated 14 January 2021.

14) We could not find 24 bank statements which represent the amount of BDT 1,707,287. Additionally, we did not get bank reconciliation statements for 04 bank accounts whose balance as per bank statement was BDT 373,505 and shown in the financial statements BDT 222,049.

15) Investment in FDR at International Leasing BDT 359,738,339 and at Premier Leasing BDT 469,720,056 have been shown in the financial statements. The same amount was carried forward over the years, and no interest has been received. Even there is an uncertainty to recover this amount due to poor financial conditions and liquidation threats of the above companies. Hundred percent (100%) provision has been maintained against that investment in FDR. Additionally, we sent balance confirmation letter, and as per their response amount was BDT 356,377,750 and BDT 469,720,056, respectively.

16) Fixed assets register was provided for the year 2017, which is not updated with adequate information up to 2025. Additionally, impairment test was not performed by the company, which is non-compliant with IAS 36.

17) As per DFIM Circular No. 04 dated 26 July 2021, mortgaged fixed assets should be revalued at least once in every three years and current assets annually. But this requirement was not complied with.

18) Deducted and collected VAT, tax, and excise duties were not deposited to the Government exchequer, amounting to BDT 2,322,526,942. (Note 13.6 & 13.11).

19) We did not get sufficient documents regarding advance for land purchase of BDT 25,121,907. This amount is carried forward over the years.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's 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 qualified opinion.

Material Uncertainty Related to Going Concern

The company has several financial, operational, and other indicators (continuous loss, negative equity, negative capital adequacy ratio, negative operating cash flow etc.) that may cast significant doubt on the company's ability to continue as a going concern. Management has disclosed the going concern issues in note no. 2.2 of notes to the financial statements.

Emphasis of Matters

We draw attention to the following matters:

a. During the year 2025, deposit refunded to some individuals and organizations as final settlement upto BDT 500,000 based on 21 July 2019 irrespective of their balance as on said date. The remaining balances (principal and accrued interest balance) upto settlement date were adjusted with interest expense (credited). Declaration obtained from said depositors as a proof of final settlement, but some declaration forms were not filled properly.

b. Adjustments were made to reconcile the Loans and Leases CL balance with the ledger, as disclosed in Note 49.5 to the financial statements. Additionally, adjustments were made to depositors' accounts to rectify balance discrepancies, as described in Note 49.7 to the financial statements.

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c. We did not get sufficient source documents (such as trade confirmation, DPA-6, PSI etc) except ledger and bank statement regarding dividend income BDT 2,181,185 and capital gain (8,164,244).

d. Management has not recognized the fractional period's interest in preparing the financial statements which in mentioned in note no 49.6 to the financial statements.

e. Advance income tax was not adjusted with provision for income tax instead both are carried forward over the years. As a result, both assets and liabilities are overstated.

f. Bank statements for the subsequent period were not provided to us. As a result, we could not verify bank reconciliation items.

g. The Company has disclosed (Note 2.1 & 2.8) the departures from certain requirements of International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) adopted in Bangladesh, in order to comply with the directives and regulatory requirements issued by Bangladesh Bank.

h. We also draw attention to consider material findings identified by special auditor MABS & J Partners which covered period from 2009 to 2022 which is finalized on 30 January 2025.

i. As per section 11A(a) of the Companies Act 1994, a Public Limited Company should add "PLC" to the name of the company, which was not followed by the company.

j. Party wise balance of advance for supplies BDT 3,350,840 was not provided. As a result, we could not verify to whom such advances were made and the period of outstanding.

k. Advance for rent and advertisement carried forward BDT 1,202,584 over the years without adjustment. We did not get details of this advance.

l. Legal expenses amounting to BDT 1,500,000 were recorded in the financial statements, but sufficient and appropriate supporting documents were not produced to us for verification. We noted that a cheque BDT 1,000,000 was issued in the name of Mr. Abdullah Al Mahfuz, and a cash cheque amounting to BDT 500,000 was also issued.

m. As per Section 26 of the Finance Company Act 2023, investment in the capital market should not exceed 25% of the aggregate paid-up capital and reserves. As per Section 28 of the Finance Company Act 2023, fixed assets shall not be held more than 25% of it's aggregate paid-up capital and reserves. Both requirements are not complied.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Except for the matters described in the basis for qualified opinion section and material uncertainty related to going concern section, we have determined that there are no other key audit matters to communicate in our report.

Other Matter

Out of a total of 345 BL loan and lease accounts, legal proceedings have been initiated against 96 accounts. The financial statements of the company as at and for the year ended December 31, 2024 were audited by another auditor who express a modified opinion on those statements.

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.

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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 that we obtained prior to the date of this audit's 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 Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Company in accordance with IFRSs as explained in note 2.8, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules, 2020, the Finance Company Act, 2023 and the rules and regulations issued by Bangladesh Bank, we also report that:

i. we have obtained all the information and explanations except for those mentioned in the report 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 except for those mentioned in the report, 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 not in agreement with the books of account and returns;

iv. the expenditures incurred were for the purpose of the Company's business for the year;

v. the financial statements of the Company have been drawn up in conformity with the Finance Company Act, 2023 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company except for the cases mentioned in our report;

vi. adequate provisions have been made for loans, advances, leases, investment and other assets which are, in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly;

vii the financial statements of the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;

viii. Activities of the branches are totally closed after the year 2019 which is disclosed in note 2.10.30

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

S.K. BARUA & CO. SKB Dhaka Estd.-1985 Chartered Accountants

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CHARTERED ACCOUNTANTS

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x. taxes and other duties were collected to be and deposited in the Government treasury by the Company as per Government instructions was not found satisfactory based on test checking;

xi. nothing has come to our attention except those mentioned in our report, 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 some of 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 not satisfactory, and effective measures have not been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;

xiv. the Company has not complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/leases found not satisfactory;

xv. we have reviewed over 80% of the risk weighted assets of the Company and we have spent around 1890 person hours for the audit of the books and accounts of the Company;

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

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

Dated: Dhaka
July 01, 2026

For and on behalf of
S. K. Barua & Co.
Chartered Accountants
Firm's FRC Enlistment No. CAF-001-149

Mohammad Anwarul Hoque FCA
Partner
Enrollment no. 1458
DVC 2607011458AS523402

People's Leasing And Financial Services Ltd.

Balance Sheet (Solo)

As on December 31, 2025

Particulars	Notes	Amount in Taka	
		Dec 31, 2025	**Dec 31, 2024**
PROPERTY & ASSETS			
Cash & Cash Equivalents	3		
In Hand (including foreign currencies)		106,943	2,71,870
Balance with Bangladesh Bank and its Agent Banks (including foreign currencies)		93,577	1,13,245
		200,520	**385,115**
Balance with other Banks and Financial Institutions	4		
Inside Bangladesh		1,079,855,060	1,295,806,266
Outside Bangladesh		-	-
		1,079,855,060	**1,295,806,266**
Money at Call and Short Notice	5	-	-
Investments	6		
Government		512,024,070	466,407,210
Other Investment		204,453,430	235,753,423
		716,477,500	**702,160,633**
Loans & Advances	7		
Lease Receivables		932,511,608	1,012,293,082
Advance for Lease Finance			
Direct/ Term Finance		9,842,765,591	10,045,758,731
Secured Overdraft		-	-
Bills Discounted and Purchased		-	-
		10,775,277,199	**11,058,051,813**
Property, Plant & Equipment	8	50,920,762	52,952,459
Intangible Asset		-	-
Other Assets	9	604,566,847	591,822,612
Non-Banking Assets	10	18,394,123	20,437,914
Total Assets		**13,245,692,011**	**13,721,616,812**
LIABILITIES & CAPITAL			
Borrowings from Other Banks, Financial Institutions & Agents	11	4,892,181,564	4,762,882,810
Suspense Account for Interest			
Deposits & Other Accounts	12		
Current deposits & Other Accounts, etc		-	-
Bills Payable		-	-
Term Deposits		35,604,306,842	34,553,855,924
Other Deposits		63,366,722	64,907,990
		35,667,673,564	**34,618,763,914**
Other Liabilities	13	16,972,622,532	17,014,602,484
Total Liabilities		**57,532,477,659**	**56,396,249,207**
Capital/ Shareholders' Equity			
Paid-up Capital	14	2,854,405,970	2,854,405,970
Statutory Reserve	15	645,578,148	645,578,148
General Reserve	16	-	-
Share Premium	17	1,018,605,234	1,018,605,234
Retained Earnings	18	(48,805,375,001)	(47,193,221,747)
Total Shareholders' Equity		**(44,286,785,649)**	**(42,674,632,395)**
Total Liabilities & Shareholders' Equity		**13,245,692,011**	**13,721,616,812**

S.K. BARUA & CO. SKB Dhaka Estd.-1985 Chartered Accountants

People's Leasing And Financial Services Ltd.

Balance Sheet (Solo)

As on December 31, 2025

Particulars	Notes	Amount in Taka	
		Dec 31, 2025	Dec 31, 2024
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Letters of guarantee	19	-	-
Letters of credit		-	-
Irrevocable letter of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
		-	**-**
Other Commitments			
Money at call and short notice		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
		-	-
Total off-balance sheet items including contingent liabilities		**-**	**-**
Net Assets Value (NAV) per share		**(155.15)**	**(149.50)**

The annexed notes 1 to 49 an integral part of these financial statements.

S. Zaman

In-charge Finance & Account

Managing Director (CC)

Director

Director

Chairman

For and on behalf of

S. K. Barua & Co.

Chartered Accountants

Firm's FRC Enlistment No. CAF-001-149

Dated: Dhaka

June 30, 2026

S.K. BARUA & CO. SKB Dhaka Estd.-1985 Chartered Accountants

Mohammad Anwarul Hoque FCA

Partner

Enrollment no. 1458

DVC 2607011458AS523402

People's Leasing And Financial Services Ltd.

Profit & Loss Account (Solo)

For the Year ended December 31, 2025

Particulars	Notes	Amount in Taka	
		Dec 31, 2025	Dec 31, 2024
OPERATING INCOME			
Interest income	20	139,219,493	(26,949,757)
Interest paid on deposits, borrowings etc.	21	(3,860,422,998)	(4,272,591,584)
Net interest income		**(3,721,203,505)**	**(4,299,541,341)**
Income from investment	22	(5,983,231)	5,508,934
Commission, exchange and brokerage	23	-	-
Other operating income	24	107,951,454	132,500,016
Total operating income		**(3,619,235,282)**	**(4,161,532,391)**
OPERATING EXPENSES			
Salaries & allowances	25	35,654,915	34,120,502
Rent, taxes, insurance, electricity etc.	26	1,880,514	1,190,023
Legal Expenses	27	17,508,570	9,355,569
Postage, stamp, telecommunications etc.	28	816,276	641,096
Stationery, printing, advertisement etc.	29	1,329,538	2,531,250
Managing director's salary and fees	30	5,962,417	5,541,689
Directors' fees	31	2,830,750	2,332,000
Audit fee	32	8,050,000	506,000
Loans & advances written-off expenses	33 & 13.1	-	-
Repair, depreciation and amortization of company's assets	34	8,860,009	9,258,514
Other expenses	35	15,166,393	13,309,243
Total operating expenses		**98,059,382**	**78,785,886**
Profit before provision		**(3,717,294,664)**	**(4,240,318,277)**
Provision for loans & advances			
Specific provision	36	(60,201,481)	-
General provision	36	1,303,633	404,633
Provision for diminution in value of investments	36	-	-
Provision for other assets	36	-	25,121,907
Provision for Interest Receivable for Loans & Advances	36	-	-
Provision for Receivable Against Legal Expenses-Loan/Lease	36	-	2,00,000
Total provision		**(58,897,848)**	**25,726,540**
Profit before taxes		**(3,658,396,816)**	**(4,266,044,817)**
Provision for tax			
Current tax	37	-	1,620,000
Deferred tax	38	(2,051,258)	(114,032)
Total provision		**(2,051,258)**	**1,505,968**
Profit after tax		**(3,656,345,559)**	**(4,267,550,785)**
Profit available for appropriations		**(3,656,345,559)**	**(4,267,550,785)**
Appropriations			
Statutory reserve		-	-
General reserve		-	-
		-	-
Retained surplus		**(3,656,345,559)**	**(4,267,550,785)**
Earnings per share (EPS)	40	**(12.81)**	**(14.95)**

The annexed notes 1 to 49 an integral part of these financial statements.

S.K. BARUA & CO. SKB Dhaka Estd.-1985 Chartered Accountants

S. Zaman

In-charge Finance & Account

Managing Director (CC)

Director

Director

Chairman

Dated: Dhaka

June 30, 2026

Mohammad Anwarul Hoque FCA

Partner

Enrollment no. 1458

DVC 2607011458AS523402

People's Leasing And Financial Services Ltd.

Statement of Cash Flows (Solo)

For the year ended December 31, 2025

	Particulars	Amount in Taka	
		Dec 31,2025	Dec 31,2024
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Received (Interest+Principal) fom loans and advances	222,015,944	278,016,717
	Paid (Interest+Principal) to depositors	(178,221,142)	(355,529,612)
	Dividend received	2,181,185	5,508,934
	Payments to employees	(47,413,121)	(39,662,191)
	Payments to suppliers	(24,365,648)	(16,049,938)
	Payments of Income Tax	-	-
	Received from other operating activities	107,098,934	132,500,016
	Payments for other operating activities	(19,218,148)	(13,510,342)
	Cash generated from operating activities	**62,078,004**	**(8,726,416)**
	Increase/(decrease) in operating assets and liabilities		
	Loans and advances to customers	(91,000,000)	(103,700,000)
	Other assets	(13,172,966)	263,697,288
	Deposits from Banks	-	-
	Deposits from customers	-	-
	Other liabilities	(155,332,312)	(215,179,744)
		(259,505,278)	**(55,182,456)**
	Net Cash from Operating Activities	**(197,427,274)**	**(63,908,872)**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Sales of Investment in securities	(14,316,719)	(320,265,953)
	Purchase of property, plant and equipment	(4,391,809)	(3,481,570)
	Proceeds from sale of property, plant and equipment	-	7,000
	Net cash used in investing activities	**(18,708,528)**	**(323,740,523)**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Drawdown of Term loan, Overdraft and Money Market	-	-
	Issuance of shares	-	-
	Dividend paid	-	-
	Net cash from financing activities	**-**	**-**
D	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(216,135,801)	(387,649,395)
E	Effects of exchange rate changes on cash and cash equivalents	-	-
F	Cash and cash equivalents at beginning of the year	1,296,191,381	1,683,840,776
G	**Cash and cash equivalents at end of the year (D+E+F)**	**1,080,055,580**	**1,296,191,381**
	Cash and cash equivalents at end of the year		
	Cash in hand	106,943	271,870
	Balance with Bangladesh Bank and its agents bank(s)	93,577	113,245
	Balance with other banks and financial institutions	1,079,855,060	1,295,806,266
	Money at call and short notice	-	-
		1,080,055,580	**1,296,191,381**
	Net Operating Cash Flow per share	(0.69)	(0.22)

The annexed notes 1 to 49 an integral part of these financial statements.

S.K. BARUA & CO. SKB Dhaka Estd.-1985 Chartered Accountants

S. Zaman

In-charge Finance & Account

Managing Director (CC)

Director

Director

Chairman

DVC 2607011458AS523402

People's Leasing And Financial Services Ltd.

Statement of Changes in Equity (Solo)

For the Year ended December 31, 2025

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Share Premium	Retained Earnings	Total
Balance as on January 01, 2025	2,854,405,970	645,578,148	-	1,018,605,234	(47,193,221,747)	(42,674,632,395)
Changes in accounting policy	-	-	-	-	-	-
Restated balance	2,854,405,970	645,578,148	-	1,018,605,234	(47,193,221,747)	(42,674,632,395)
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-
Net gains and losses not recognized in income statement	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-	-
Net profit for the year	-	-	-	-	(3,656,345,559)	(3,656,345,559)
Dividend (bonus shares)	-	-	-	-	-	-
Appropriations made during the year	-	-	-	-	2,044,192,305	2,044,192,305
Balance as on December 31, 2025	**2,854,405,970**	**645,578,148**	**-**	**1,018,605,234**	**(48,805,375,001)**	**(44,286,785,649)**

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Share Premium	Retained Earnings	Total
Balance as on January 01, 2024	2,854,405,970	645,578,148	-	1,018,605,234	(43,251,808,953)	(38,733,219,601)
Adjustment for previous years loss	-	-	-	-	-	-
Restated balance	2,854,405,970	645,578,148	-	1,018,605,234	(43,251,808,953)	(38,733,219,601)
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-
Net gains and losses not recognized in income statement	-	-	-	-	-	-
Net profit for the year	-	-	-	-	(4,267,550,785)	(4,267,550,785)
Transfer to statutory reserve	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-		-
Dividend (bonus shares)	-	-	-	-	-	-
Appropriations made during the year	-	-	-	-	326,137,991	326,137,991
Balance as on December 31, 2024	**2,854,405,970**	**645,578,148**	**-**	**1,018,605,234**	**(47,193,221,747)**	**(42,674,632,395)**

S. Zaman

In-charge Finance & Account

Managing Director (CC)

Dated: Dhaka
June 30, 2026

S.K. BARUA & CO. SKB Dhaka Estd.-1985 Chartered Accountants

Director

Director

Chairman

DVC 2607011458AS523402

People's Leasing And Financial Services Ltd.

Liquidity Statement (Solo)

As on December 31, 2025

Particulars	Up to 1 month maturity	1-3 months maturity	3-12 months maturity	1-5 Years maturity	More than 5 years maturity	2025	2024
						-	
Cash	106,943	-	-	-	-	106,943	271,870
Balances with Bangladesh bank	93,577	-	-	-	-	93,577	113,245
Balances with other banks	39,693,371	210,000,000	-	830,161,689	-	1,079,855,060	1,295,806,266
Money at call and on short notice	-	-	-	-	-	-	-
Investments	5,500,000	8,500,000	220,000,000	370,500,000	111,977,500	716,477,500	702,160,633
Loans and advances	108,031,959	216,063,917	864,255,670	2,592,767,009	6,994,158,644	10,775,277,199	11,058,051,813
Property, plant & equipment	-	-	2,600,000	23,400,000	24,920,762	50,920,762	52,952,459
Other assets	-	-	175,000,000	350,000,000	79,566,847	604,566,847	591,822,611
Non-banking assets	-	-	-	18,394,123	-	18,394,123	20,437,914
Total assets	**153,425,850**	**434,563,917**	**1,261,855,670**	**4,185,222,821**	**7,210,623,753**	**13,245,692,011**	**13,721,616,812**
LIABILITIES:							
Borrowings from other Banks, Financial Institutions & Agents	-	-	-	300,000,000	4,592,181,564	4,892,181,564	4,762,882,810
Deposit and other accounts	14,500,000	432,000,000	195,000,000	5,900,000,000	29,126,173,564	35,667,673,564	34,618,763,914
Provision and other liabilities	25,000,000	134,000,000	870,000,000	1,900,000,000	14,043,622,532	16,972,622,532	17,014,602,484
Total liabilities	**39,500,000**	**566,000,000**	**1,065,000,000**	**8,100,000,000**	**47,761,977,660**	**57,532,477,660**	**56,396,249,208**
Net Liquidity Gap	**113,925,850**	**(131,436,083)**	**196,855,670**	**(3,914,777,179)**	**(40,551,353,907)**	**(44,286,785,649)**	**(42,674,632,396)**

S.K. BARUA & CO. SKB Dhaka Estd.-1985 Chartered Accountants

S. Zaman

In-charge Finance & Account

Managing Director (CC)

Dated: Dhaka
June 30, 2026

Director

Director

Chairman

Notes to the Financial Statements

For the year ended December 31, 2025

1 General information

1.1 Legal status of the Company

People's Leasing And Financial Services Limited (PLFSL) is a Non-Banking Financial Institution established under the Financial Institutions Act, 1993. The Company was incorporated as a Public Limited Company on August 10, 1996 under the Companies Act, 1994. This Company was authorized to commence business in Bangladesh as per Certificate of Commencement dated 26th August, 1996. It started operation after obtaining License from Bangladesh Bank on November 24, 1997. The Company went for public issue of shares in 2005, and listed with both Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd. in Bangladesh on July 20, 2005.

The registered office of the company is located at Paramount Heights, (12th floor), 65/2/1 Box Culvert Road, Purana Paltan, Dhaka-1000. The operations of the company are being carried out through its head office located in Dhaka.

1.2 Nature of business activities

The company offers diversified products and services, which include lease finance, term finance, housing finance, syndicated finance, bridge finance, real estate finance, SME finance, bill discounting, work order finance, personal finance, etc. The main focus is to identify and select emerging sector for financing and maintaining quality portfolio.

The company has launched a sound number of attractive deposit schemes to accommodate the requirement of several classes of people. Deposit schemes include Term Deposit, Double Money Deposit, Triple Money Deposit, Periodical Income Deposit, Monthly Saving Scheme (MSS), etc.

2 Basis of preparation and significant accounting policies

2.1 Statement of compliance

The Financial Reporting Council (FRC) was formed as per Financial Reporting Act, 2015. FRC adopted the International Financial Reporting Standard (IFRSs) issued by International Accounting Standard Board (IASB) which need to be followed by public interest entities in preparing their financial statement. The Financial Institutions Act, 1993 has been amended as required to comply for the preparation of their financial statements under such financial reporting standard.

As FRS is yet to be issued by FRC, as per the provisions of FRA (section-69), financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and, in addition to this, the Finance Companies also complied with the requirements of the following laws and regulations from various Government bodies:

i. The Companies Act, 1994;

ii. The Financial Institutions Act, 1993;

iii. Bangladesh Securities and Exchange Rules, 2020;

iv. Bangladesh Securities and Exchange Ordinance, 1969;

v. Listing Regulations, 2015 of Dhaka & Chittagong Stock Exchanges; and

vi. The Finance Company Act 2023;

vii. Other applicable laws and regulations.

In case the requirements of the Financial Institutions Act 1993, provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the Financial Institutions Act 1993, provisions and circulars issued by Bangladesh Bank shall prevail, differences are as follows:

Sl.	Nature of Departure	Title of IFRS	Treatment of IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1.	Presentation and disclosure of Financial Statements and Financial Instruments	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 Other Comprehensive Income Statement.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular# 11 dated December 23, 2009 which has been followed by all NBFIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income Statement.	Presentation of financial statements are not fully aligned with all the requirements of IAS.
2.	Current/ Non-current distinction	IAS 1 'Presentation of Financial Statements'	As per Para 60 of IAS-1 "Presentation of Financial Statements" 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-11, Date-23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In these templates there is no current and non- current segmentation of assets and liabilities.	Presentation of financial statements is not fully aligned with all requirements of the IAS. Moreover, the liquidity statement shows the current & non-current portion of assets and Liabilities in this regards.
3.	Off-balance sheet items	IAS 1 'Presentation of Financial Statements'	There is no concept of non-financial institutional assets items in any IFRS; hence there is no requirement for disclosure of non-banking assets items on the face of the balance sheet.	As per DFIM Circular-11, Date-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.	Presentation of financial statements are not aligned with the requirements of IAS 1. There is no financial impact for this departure in the financial statements.
4	None Banking Asset	IAS '' Presentation of Financial Statements"	There is no concept of non-financial institutional assets items in any IFRS. Hence there is no requirement for discloser of non-banking assets items on the face of balance sheet	As per DFIM Circular-11, Date -23 December 2009, non-banking assets must be disclosed separately on the face of the balance sheet.	Presentation of financial statements is not aligned with requirements of the IAS -1. There is no financial impact for this departure in the financial statements.

S.K. BARUA & CO. Dhaka Estd.-1985 Chartered Accountants

Sl.	Nature of Departure	Title of IFRS	Treatment of IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
5	Complete set of financial statements	IAS ‘‘ 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-11, Date-23 December 2009, complete set of financial statements are i) balance sheet, ii) profit and loss account, iii) statement of cash flows, iv) statement of changes in equity, v) statement of liquidity, vi) notes, comprising significant accounting policies and other explanatory information.	Presentation of financial statements is not aligned with requirements of the IAS 1. There is no financial impact for this departure in the financial statements.
6	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-11, Date-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 I as separate line item.	Presentation of financial statements is not aligned with requirements of the IAS 1. There is no financial impact for this departure in the financial statements.
7	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# 11 dated December 23, 2009 which has been followed by NBFIs the templates of financial statements provided detail of presentation of statement cash flows.	Presentation of financial statements is not fully aligned with the requirements of IAS. Thus items which should be presented as "investment activities-Balance with Bangladesh Bank (BB)" as per IAS is shown as cash & cash equivalent.

Sl.	Nature of Departure	Title of IFRS	Treatment of IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
8	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 lease, loans and advances.	At the year end, deferred tax assets on deductible temporary differ-ences due to provisions on loan lease and advances have not been recognized as per BB circular.
9	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-11, Date-23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method	Presentation of financial statements is not fully aligned with all requirements of the IAS.
10	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS 9 "Financial Instruments"	IFRS: As per IFRS 9 an entity shall recognize an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses.	As per DFIM Master circular No. 04 dated 26 July 2021, a general provision at 0.25% to 5% under different categories of unclassified loan (good/standard loans) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances. Loan classification status during the year ended 31 December 2021 has been determined as per DFIM Circular No. 33 dated 19 December 2021 and DFIM Master circular No. 04 dated 26 July 2021. 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.	Provision maintained against loans, advances and leases as at 31 December 2025 amounts to BDT 8,218,033,365/-

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Sl.	Nature of Departure	Title of IFRS	Treatment of IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
11	Valuation of Investments in quoted and unquoted shares	IFRS 9 "Financial Instruments"	As per requirements of IFRS 9: classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit and loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.	As per FID circular No. 08 dated 03 August 2002 investments in quoted shares and unquoted shares are revalued at the year-end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; however, in case of any unrealized gain, no such gain can be recognized and investments are recognized at cost only.	100% provision has been maintained against unlisted equity investment and adequate provision has been maintained against listed equity investment as per the guidelines of Bangladesh Bank.
12	Recognition of interest income for SMA and classified lease, loans and advances	IFRS 9 "Financial Instruments"	IFRS: Loans and advances to customers are generally classified at amortized cost as per IFRS 9 and interest income is recognized by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently become credit-impaired, the entity shall apply the effective interest rate to the amortized cost of these loans and advances.	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 is not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	At year end, interest suspense account has decreased to BDT 2,069,614,899 from BDT 2,599,070,280 Resulting in decrease of BDT 529,455,381 of interest suspense. This amount has been shown as other liabilities in note 13.7.
13	Presentation and disclosure of Financial Statements and Financial Instruments	IFRS-7 "Financial instruments: Disclosures" S.K. BARUA & CO. Dhaka Estd.-1985 Chartered Accountants	IFRS 7 require specific presentation and disclosure relating to all financial instruments.	As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 7. As such some disclosure and presentation requirements of IFRS 7 have not been made in the accounts.	Presentation of financial statements is not fully aligned with all requirements of IFRS.

The accounting heads mentioned in the prescribed form which are not applicable for the Financial Institutions have been kept blank in the Financial Statements.

2.2 Going concern assumption

The Company has an accumulated loss of BDT 48,805,375,001 for the year ended 31 December 2025; Negative equity of BDT 44,286,785,649 as at 31 December 2025; Negative Capital adequacy ratio of (554.95) % as against minimum of 10%; almost 98% of investment of the Company is classified, CRR and SLR requirements could not be met throughout the year and investment disbursement is very poor.

These financial statements have been prepared on the basis of assessment of the PLFS's ability to continue as a going concern. PLFS has neither any intention to cease the operation nor any legal or regulatory compulsion to liquidate or curtail materially its operations.

We are to bring to notice that, following an application under section 29 of the Financial Institution Act-1993 filed by Bangladesh bank praying for winding up of People's Leasing And Financial Services Limited in Financial Institution Matter no. 01 of 2019, The Hon'ble High Court vide order dated 14.07.2019 admitted said application and put the company under Liquidation.

Subsequently the Honorable Company Bench of the High Court Division, Supreme Court of Bangladesh by the Order No.96 dated 12.07.2021 was pleased to recall order "Financial Institution Matter no. 01 of 2019" dated 14.07.2019 and formed a Board of Directors. Later, the Hon'ble Court passed an Order no. 132 with reconstructed the present Board of Directors and the Hon'ble Court expects that the PLFSL shall run the Company in full swing by investing money in the most secured businesses of this country. Now the Company has been functioning towards for revival. In this connection the following activities are performing:

1) Formulating a business plan;
2) Trying to recover money from borrowers;
3) Paying to depositors gradually;
4) Trying to lend in new business; etc.

2.3 Statement of cash flows

The statement of Cash Flows has been prepared in accordance with Bangladesh Bank DFIM Circular No.-11 dated December 23, 2009 which is a mixture of the direct and indirect methods.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS), requires management to make estimates and assumptions that affect certain reported amounts and disclosures. The estimates and associated assumptions are based on historical experience and various related factors that are believed to be reasonable under the circumstances, the result of which may differ from these estimates and judgments.

Significant areas requiring the use of management estimates in these financial statements are related to the useful life of depreciable assets and provisions for loans, advances and leases; investment, gratuity and income tax. However, the estimates and underlying assumption are reviewed on an ongoing basis and the actual result is recognized in the period in which the estimates are revised.

2.5 Date of Authorization

The Board of Directors has authorized these financial statements on June 30, 2026

2.6 Directors' responsibility statement

The Board of Directors is responsible for the presentation of the financial statements under section 183 of the Companies Act, 1994 and as per the provision of 'The Framework for the Preparation and Presentation of Financial Statements'.

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2.7 Risk and uncertainty for use of estimates

The preparation of financial statements in conformity with IFRS requires Management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and disclosure requirements for contingent assets and liabilities during and the date of the financial statements. These financial statements contained information about the assumptions it made about the future and other major sources of estimation uncertainty at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year. In accordance with the guidelines as prescribed by IAS 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- When the company has an obligation as a result of past events;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimate can be made of the amount of the obligation.

2.8 Compliance of International Financial Reporting Standards (IFRS)

IAS No.	Name of IAS	Applicability	Remarks
IAS 1	Presentation of financial statement	Applied with some departures	Note 2.1
IAS 2	Inventories	N/A	-
IAS 7	Statement of cash flows	Applied with some departures	Note 2.3
IAS 8	Accounting policies, changes in accounting estimates and errors	Applied	-
IAS 10	Events after the balance sheet date	Applied	-
IAS 11	Construction contracts	N/A	-
IAS 12	Income taxes	Applied	-
IAS 14	Segment reporting	N/A	-
IAS 16	Property, plant & equipment	Applied	-
IAS 17	Leases	N/A	-
IAS 18	Revenue	N/A	-
IAS 19	Employee benefits	Applied	-
IAS 20	Accounting of Government grants and disclosure of Government assistance	N/A	-
IAS 21	The effects of changes in foreign exchange rates	Applied	-
IAS 23	Borrowing costs	Applied	-
IAS 24	Related party disclosures	Applied	-
IAS 26	Accounting and reporting by retirement benefit plans	Applied	-
IAS 27	Separate financial statements	N/A	-
IAS 28	Investments in associates and joint venture	N/A	-
IAS 29	Financial reporting in hyperinflationary economics	N/A	-
IAS 31	Interest in joint ventures	N/A	
IAS 32	Financial instruments: presentation	Applied with some departures	Note 2.1
IAS 33	Earnings per share	Applied	-
IAS 34	Interim financial reporting	Applied	-
IAS 36	Impairment of assets	Applied	-
IAS 37	Provisions, contingent liabilities and contingent asset	Applied	-
IAS 38	Intangible assets	Applied	-
IAS 39	Financial instruments: recognition and measurement	N/A	-
IAS 40	Investment property	N/A	-
IAS 41	Agriculture	N/A	-

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IFRS No.	Name of IFRS	Applicability	Remarks
IFRS 1	First-time adoption of international financial reporting standards	N/A	-
IFRS 2	Share based payment	N/A	-
IFRS 3	Business combinations	N/A	-
IFRS 4	Insurance contracts	N/A	-
IFRS 5	Non-current assets held for sale and discontinued operations	N/A	-
IFRS 6	Exploration for and evaluation of mineral resources	N/A	-
IFRS 7	Financial instruments: disclosures	Applied	-
IFRS 8	Operating segments	N/A	-
IFRS 9	Financial instruments	Applied with some departures	Note 2.1
IFRS 10	Consolidated financial statements	N/A	-
IFRS 11	Joint arrangements	N/A	-
IFRS 12	Disclosure of interests in other entities	N/A	-
IFRS 13	Fair value measurement	Applied with some departures	Note 2.1
IFRS 14	Regulatory Deferral Accounts	N/A	-
IFRS 15	Revenue from Contracts with Customers	Applied with some departures	Note 2.1
IFRS 16	Leases	Not applied	Note 2.10.1
IFRS 17	Insurance Contracts	N/A	-

2.9 Consistency

In accordance with the IFRS framework for the presentation of financial statements, the company applies the accounting disclosure principles consistently from one period to next period, where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”.

2.10 Significant accounting policies

2.10.1 Accounting for leases

The Company has not recognized ‘Right of Use’ assets and lease liabilities as per IFRS 16. The Company has not this type of lease agreement at the end of the year.

2.10.2 Comparatives and reclassification

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period’s financial statements.

2.10.3 Accounting for loans

Loans operation consists of term loans, housing finance and staff loans. Books of accounts are maintained based on the accrual method of accounting. However, interest income on Special Mention Account (SMA) and classified finance is not recognized as income but credited to interest suspense account as per Bangladesh Bank circulars and directives.

2.10.4 Investments

Investment in securities are classified broadly in two categories and accounted for as under:

Investment in quoted shares

Investments in quoted shares (listed securities) are carried at cost. Adequate provision has been made considering each individual investment (where cost is less than market priced) as guided by Bangladesh Bank. Unrealized gain is not recognized in the profit and loss account.

Investment in unquoted shares

Investment in unquoted shares/unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.

Stock dividends received against investment in shares are recorded at zero value in the books of accounts.

2.10.5 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash with Bangladesh Bank and its agent bank(s) and balance with banks and other financial institutions in the form of current deposit, short term deposit and fixed deposits.

2.10.6 Liquidity statement (asset and liability maturity analysis)

Liquidity statement is prepared in accordance with First Schedule" (Section 38) of Bank Companies Act. 1991 on residual maturity term of assets and liabilities as on the reporting date based on the following basis:

i) Balance with banks and other financial institutions, money at call and short notice, etc. are on the basis of their maturity term.

ii) Investments are on the basis of their respective maturity.

iii) Loans, advances and leases are on the basis of their repayment schedule.

iv) Fixed assets are on the basis of their estimated useful lives.

v) Other assets are on the basis of their realization/amortization.

vi) Borrowing from banks, other financial institutions and agents, etc are as per their maturity/repayment terms

vii) Term deposits and other deposits are on the basis of their maturity term and past trend of withdrawal by the depositors.

viii) Other liabilities are on the basis of their payment/adjustments schedule.

2.10.7 Fixed assets including land, building, furniture & equipment

The cost of an item of property, plant and equipment is recognized as an asset 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. Company's own fixed assets (except Land) are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Land is stated under the revaluation model. The cost of acquisition of any asset comprises of its purchase price and any directly attributable cost of bringing the asset to it's working condition for its intended use as per International Accounting Standard (IAS) 16 "Property, Plant and Equipment".

a) Subsequent expenditure on fixed assets

Subsequent expenditure, such as repairs and maintenance, on property, plant and equipment is normally charged off as revenue expenditure in the period in which it is incurred. In situation subsequent expenditure is only recognized as an asset when the expenditure improves the condition of the asset beyond its originally assessed standard of performance. All other costs are recognized to the profit and loss account as expenses. All up gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

b) Disposal of fixed assets

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

c) Depreciation on fixed assets

Depreciation on Company's own fixed assets is charged to amortize the cost of assets throughout their estimated useful lives, using the reducing balance method - in accordance with International Accounting Standard (IAS) 16 "Property, Plant and Equipment's". Depreciation of an asset begins when it is available for use, ie when it is in the location and condition necessary for it to be capable of operating in the manner intended by management and charge depreciation of full year. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the asset is derecognized. The rates of depreciation used are as under:

Sl. No.	Category of Fixed assets	Rate of Depreciation
1	Company Premises	10%
2	Motor Car & Vehicles	20%
3	Computer	20%
4	Telephone System	10%
5	Air Cooler	5%
6	Refrigerator	10%
7	Generator	10%
8	Office Equipment	20%
9	Furniture & Fixtures	5%
10	Crockery	20%

2.10.8 Impairment of assets

The company's assets are appraised at each balance sheet date for impairment. If there is any indication of impairment, the company estimates the recoverable amount of such assets; impairment losses if any, is recognized in the profit & loss account if the carrying amount of the asset exceeds its recoverable amount.

2.10.9 Provision for loans, advances and investments

Provision for loans, advances and investments is an estimate of the losses that may be sustained in the investment portfolio. The provision is based on two principles (1) IAS 37: Provision, Contingent Liabilities and Contingent Assets and (2) Bangladesh Bank guidelines. The 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 are made on quarter basis as well as year-end review by management following instructions contained in FID circular No. 08 dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 06, dated 20 August 2006 issued by Bangladesh Bank. DFIM Master circular No. 04 dated 26 July 2021, is the basis for calculating the provision for loans, advances and investments. Loan classification status during the year ended 31 December 2021 has been determined as per DFIM Circular No. 33 dated 19 December 2021 and DFIM Master circular No. 04 dated 26 July 2021. 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.

a) Write off of loans, advances and investments

In compliance with Bangladesh Bank DFIM circular no. 3 dated 8 April 2015 and DFIM circular no. 2 dated 1 April 2019 loans, advances and investment are written off to the extent that (i) there is 100% provision is maintained (ii) against which legal cases are pending and (Hi) prior approval of board is required for write off. The item's potential return is thus cancelled and removed ("written off") from the Company's balance sheet. However, these write off will not undermine or affect the claim amount against the borrower. Recovery against the written off is credited to other operational income. Income is recognized where amounts are either recovered and/or adjusted against securities/properties or advances there against or are considered recoverable.

2.10.10 Other receivable

Other receivable includes accrued IDCP (Interest During Construction Period), accrued interest on fixed deposit. These receivables do not carry any interest and are stated at their nominal value and provision has been maintained against them as per Bangladesh Bank guidelines.

2.10.11 Provision for doubtful accounts

Provision has been made at estimated rates on outstanding exposures, based on aging and continuous review of the receivables, as per Bangladesh Bank guidelines. In addition, a general provision has also been made by the Company to cover unforeseen losses on all loans, advances and leases and investments excluding those for which a specific provision has been made. The provision is considered adequate to meet probable future losses.

2.10.12 Provisions and accrued expenses

Provisions and accrued expenses are recognized in the financial statement when the company has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.10.13 Payment of dividend

Interim dividends are recognized when they are paid to 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 IAS 10 “events after the balance sheet date”. 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.

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.

Dividends cannot be declared by the Company until the Capital Adequacy shortfall disclosed in note 14.1 has been adjusted.

2.10.14 Revenue recognition

As per IFRS 15: Revenue from Contracts with Customers, an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Penal interest is recognized on cash basis as and when it is realised from the client.

a) Interest Income

Interest income comprises of interest income from lease, loans and advances and interest on placement of fund with banks and other financial institutions. Interest due is recognized on accrual basis using the effective interest method. Interest due over ninety days is not recognized as revenue rather it is recognized as interest suspense. Suspended interest is recognized as income on cash basis when it is received.

b) Income from leases

The excess of aggregate rentals receivable over the cost of the leased asset constitutes the total unearned lease income. The unearned lease income is recognized as revenue on an accrual basis over the lease terms, as per Bangladesh Bank Guidelines. No lease income is accounted for as revenue where any lease rental is in arrears for 03 (three) months and above. In case of lease account for more than 5 (five) years period, no lease income is accounted for as revenue where any lease rental is in arrears for 06 (six) months and above.

c) Income from loans, advances

Interest on loans and advances is recognized when interest is accrued. No interest on loans and advances is accounted for as revenue where any portion of capital or interest is in arrears for 03 (three) months and above.

In case of loans and advances for more than 5 (five) years period, no interest on loans is accounted for as revenue where any portion of capital or interest is in arrears for 06 (six) months and above.

d) Dividend income

Dividend income is recognized on cash basis in the period in which the dividend was received. Dividend income from preference share is recognized on accrual basis considering the establishment of right to receive the same.

e) Capital gain on sale of shares

Capital gain from sale of share/ securities is recognized on realized basis i.e. only when the securities are sold. Unrealized capital gain is not recognized as income.

f) Fee based revenue

Fee based revenues are recognized as income on cash basis i.e. as and when realized.

2.10.15 Bank loans

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 added to carrying amounts of the loans.

2.10.16 Borrowing costs

According to International Accounting Standard 23 “borrowing cost”, all borrowing costs are recognized as expenses in the period in which they are incurred.

2.10.17 Interest suspense

As per Bangladesh Bank guidelines, lease income and interest on term finance overdue three months and above period are not recognized as revenue and credited to interest suspense account. In case of lease and loan account more than 5 years period and housing finance, lease income and interest income overdue six months and above period are not recognized as revenue and credited to interest suspense account.

2.10.18 Contingent liabilities and contingent assets

The company does not recognize contingent liability and contingent assets but discloses the existence of contingent liability in the financial statements in accordance with Bangladesh Accounting Standard 37 “Provisions, Contingent Liabilities and Contingent Assets”. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of uncertain future events not within the control of the company. The Contingent Liabilities of the Company have been disclosed in notes no 19.

2.10.19 Workers Profit Participation Fund and Welfare Fund

The company is yet to decide on the applicability of the sections 2 (65) of the Labour Code, 2006 and 232 of the Labor Act, 2006 hence no provision for workers profit participation and welfare fund has been made in the accounts.

2.10.20 Related party disclosure

The Company has entered into transactions with other parties in normal course of business that fall within the definition of related party as per International Accounting Standard 24 “Related Party Disclosure”. The terms of related party transactions are not different from those that could have been obtained from third parties. Related party transactions are disclosed in the note no. 7.10 of this report.

2.10.21 Statutory reserve

Financial Institutions Regulations 1994 requires NBFI’s to transfer 20 percent of its current year’s profit to reserve fund until such reserve equals to its paid-up share capital. Due to loss for the year 2019 the Company has not transferred any amount to the statutory reserve.

2.10.22 Earnings per share (EPS)

The Company calculates earnings per share in accordance with International Accounting Standard (IAS) 33 "earnings per share", which has been shown in the face of profit & loss account and the computation is stated in note-39.

a) 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.

b) 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 2019, there was no scope for dilution and hence no diluted EPS is required to be calculated.

c) 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.

2.10.23 Income tax

Income tax expense represents the sum of the tax currently payable 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 tax rates that have been enacted the reporting period. Due to loss for the year 2022, Company provided minimum tax as per Income Tax Ordinance 1984 under section 82C.

Deferred Tax:

Deferred tax liability has been recognized on revaluation of land as per IAS 12 para 51b.

2.10.24 Employee benefit

The company maintained the following employee benefit plans in compliance with International Accounting Standard 19 "Employee Benefits":

a) Provident fund

The company operates a contributory provident fund scheme for its employee which is recognized by the National Board of Revenue (NBR) and administrated by a Board of Trustees. Both the company and employee contribute to the fund on equal basis at a predetermined rate.

b) Gratuity scheme

The company operates a non-funded gratuity scheme. Employees are entitled to gratuity benefit after completion 2 (two) years satisfactory service. The gratuity is paid on the basis of last basic pay drawn and is payable at the rate of one month's basic pay for every completed year of service. Provision for gratuity is made annually considering all its eligible employees available at the end of the year.

c) Pension fund

The company operates a non-funded superannuation fund scheme. Employees are entitled to the following benefits:

i) Death Benefits: 100% of sum assured on death of an employee as per his/her category during the tenure of service prior to retirement is payable to his/her nominee and/or heirs.

ii) Survival Benefits: 100% of the amount on retirement after completion age of 57 years (58th Birthday) and/or being physically incapacitated during his services in the Company as per category of the employees.

d) Group life insurance scheme

The company has a Group Life Insurance Scheme for all its permanent employees.

e) Group hospitalization insurance scheme

The company has a group hospitalization insurance scheme for all its permanent employees.

f) Performance bonus

The employees of the company are entitled to annual performance bonus which is determined on the basis of company as well as individual employee's performance and subject to approval by the Board of Directors of the company.

g) Employee personal loan scheme

The company provides personal loan facility to its employee as per loan scheme of the company.

h) Other benefits

The employees of the company are also entitled to privilege leave encashment benefit, etc.

2.10.25 Policies and objectives adapted for financial risk management

The policies mentioned in this section are being applied in a very limited manner due to the Company's financial condition.

The Board of Directors guides and formulates the basic philosophy relating to optimal implementation of strategy to cater to the financial risk and capital deployed for investment.

In order to ensure maximum return to shareholders, the Company emphasizes on maintaining strong capital base to attain high credit rating, which enables growth, as well as portray good image and meet the regulatory requirements.

The management of the company takes account to the following factors, which affects the financial risks that are faced from time to time.

a) Credit risk

Credit risk arises when an obligor fails to perform its obligations under a trading or loan contract or when its ability to perform such obligations is impaired. This risk is compounded if the assigned collateral only covers the claim made to the clients or if its value is variable or uncertain. Credit risk does not arise only when a borrower defaults on payment of a loan but also when its repayment capability declines.

Mitigation Policy

Credit policies are designed to create, monitor and manage credit risk in a manner that complies with all applicable laws and regulations. The credit policies also include utilizing appropriate, accurate and timely tools to measure credit risk and maintaining acceptable levels if overall credit risk for the entire portfolio.

b) Liquidity risk

Liquidity risk is the current and prospective risk that the company, though solvent, either does not have sufficient financial resources available to meet its liability when they fall due or can secure them only at excessive cost. Liquidity risk arises from the inability to manage unplanned changes in funding sources.

Mitigation Policy

The policy of the company is to maintain and manage the fund in such a manner so that any short- and long-term commitment are not affected due to mismatch of tenure. The risks involved in liquidity are regularly looked after by the Treasury Department as per the guidance of the Asset Liability Management Committee (ALMC) from time to time.

c) Market risk

Market risk relates to potential loss arising from and adverse change in market risk factors, including commodity prices, interest rates, credit spreads and equity prices.

Mitigation Policy

The Assets Liability Management Committee (ALMC) of the company regularly meets to assess the change 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.

Apart from major financial risks, the organization also faces non-financial risk among which following are prominent:

d) Operational risk

Operational risk is the risk of direct or indirect loss or damage resulting from inadequate or failed internal processes or systems or from human error or external events. Operational risk is therefore inherent in all activities within the company.

Mitigation Policy

Appropriate internal control systems can reduce operational risk within acceptable level. The Company established an effective and efficient internal control & compliance department (ICCD) to ensure the implement of policies and statutory requirements to encounter such risk. Internal Control and Compliance committee of the company works to ensure effective and efficient operations, reliable financial reporting and compliance with laws and regulations.

e) Information and communication technology risk

This risk may arise from malfunction of system, failure of network, lack of knowledge about the use of technology, virus attack, hacking etc.

Mitigation Policy

To manage IT related risk, the company has adopted excellent disaster recovery back up facilities in emergency situation. In addition, the company has check and balance system in every step of its standard procedures of operations.

f) Strong credit policy formulation by top management:

- The Board of Directors of the company guides and formulates the basic philosophy relating to optimal implementation of strategy to cater to the financial risk and capital deployed for investment.

- The Board of Directors has approved the credit policy for the company where major policy guidelines, growth strategy, exposure limits (for particular sector, product, individual company and group) and risk management strategies have been detailed.

g) Credit manual updated with recent industry information

- Credit policy is regularly updated to cope up with the changing global, environmental and domestic economic scenarios.

h) Thorough credit approval process:

- **Meeting regulatory requirements and industry best practices:** All credit facility comply regulatory requirements including Financial Institution Act and Bangladesh Bank guidelines & circulars as amended from time to time. The company 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.

i) Multilayer credit evaluation process:

To ensure both speedy service and mitigation of credit risk, the approval process is maintained through a multilayer system. Depending on the size of the loan, a multilayer approval system is designed. As smaller loans are very frequent and comparatively less risky, lower sanctioning authority is set to improve the turnaround time and associated risk. Bigger loans require more scrutiny as the associated risk is higher. So sanctioning authority is higher as well.

j) Rigorous due diligence process followed

- The Company downloads credit report from the credit information bureau (CIB) of Bangladesh Bank. The report is scrutinized by top management to understand the liability condition and repayment behavior of the client.

- The Company takes banker's opinions from client's banks as well as suppliers' and buyers' opinion to understand the market position and reputation of our proposed customers.

- The Company discourages financing to low net worth or highly leveraged customer; who might jeopardize their repayment commitment or even in worse situation may face liquidity problem.

- The Company evaluates customer repayment performance before providing credit facility though financial analysis, ensure adequate insurance coverage for funded assets, seeking external legal opinion and taking collateral security to reduce risk.

- The Company provides credit facility to productive and legitimate business activities, which are financially viable with strong focus on cash flow generation, have market demand and socially desirable; and will not invest for unproductive purposes or speculative ventures.

k) Constant credit monitoring and recovery process

- **Existence of control mechanism for early warning:** Performance of loans is regularly monitored to trigger early warning system to address the loans and advances whose performance show any deteriorating trend. It enables the company to grow its credit portfolio with ultimate objective to protect the interest of stakeholders.

- **Continuous monitoring by top management:** The Management Credit Committee (MCC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks. The MCC critically reviews projects considering the current global economic situation and its probable impact on the project.

- **Centralized Credit Administration:** The Company has already established a centralized credit risk management department and a process manual. The Credit Risk Management (CRM) department regularly monitors and follows up credit risk related matter and recommend and implement appropriate measures to counter associated risk. The CRM time to time reviews projects from risk point of view and assists the management in creating a high-quality credit portfolio and maximize return from risk-based assets.

2.10.26 Basel II & its implementation

To cope with the international best practices and to make the capital more risk sensitive as well as more shock resilient, guidelines on Basel Accord for Financial Institutions (BAFI)' have been introduced from January 01, 2011 on test basis by Bangladesh Bank. At the end of test run period, Basel accord regime has started and the guidelines namely "Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institution (CAMD)" have come fully into force from January 01, 2012 with its subsequent supplements/ revisions. Instructions regarding Minimum Capital Requirement (MCR), Capital Adequacy Ratio (CAR), and disclosure requirement as stated in these guidelines have to be followed by all FIs for the purpose of statutory compliance.

The Company has a shortfall in Capital Adequacy as stated in note 14.1.

2.10.27 Reporting period

Financial statements of the company cover twelve months period from January 01, to December 31, consistently.

2.10.28 Offsetting

No assets or liability has been offsetted or reduced by any other assets unless a legal right for set-off exists and the offsetting presents the expectation as to the realization or settlement of the assets or liability.

2.10.29 Consolidated Financial Statements

People's Leasing & Financial Services Ltd. (PLFS) has a subsidiary namely PLFS Investment Ltd. PLFS has been given loan to PLFS Investment Ltd. during 2009 to 2015 and PLFS Investment Ltd. has been ensured partial payment of these loan to PLFS till mid of 2019. Even though, it was recorded of books of accounts of both companies accordingly consolidated financial statements were prepared and audited by external auditors up to 2021. Moreover, this loan outstanding amount Tk. 152,65,18,944 (One Hundred Fifty-Two Crore Sixty-Five Lac Eighteen Thousand Nine Hundred Forty-Four) only was renewed for further period of 156 months @ 10% p.a of 301st board of directors meeting of PLFS dated-March 3, 2016. In 2022 PLFS Investment Ltd. has made change their books of accounts and claim excess repayment of loan amount instead of their liabilities to PLFS.

PLFS Investment Ltd.'s claims to PLFS as on 31-12-2022 is Tk. 122,43,65,015 (One Hundred Twenty-Two Crore Forty-Three Lac Sixty-Five Thousand Fifteen) only and these claims as on 31-12-2023 of Tk. 139,43,83,175 (One Hundred Thirty-Nine Crore Forty-Three Lac Eighty-Three Thousand One Hundred Seventy-Five) only.

On the other hand, PLFS claims to PLFS Investment Ltd. as on 31-12-2022 is Tk. 150,39,39,424 (One Hundred Fifty Crore Thirty-Nine Lac Thirty-Nine Thousand Four Hundred Twenty-Four) only. The issue is pending at present. However, claims to PLFS Investment Ltd. as on 31-12-2023 is Tk. 166,23,43,115 (One Hundred Sixty-Six Crore Twenty-Three Lac Forty-Three Thousand One Hundred Fourteen) only and this loan is classified as bad and loss category. In addition, PLFS claims to PLFS Investment Ltd. as on 31-12-2024 is Tk. 166,23,43,115 (One Hundred Sixty-Six Crore Twenty-Three Lac Forty-Three Thousand One Hundred Fourteen) only and this loan is classified as bad and loss category. Now PLFS claims to PLFS Investment Ltd. as on 31-12-2025 is Tk. 163,27,92,597 (One Hundred Sixty-Three Crore Twenty-Seven Lac Ninety-Two Thousand Five Hundred Ninety-seven) only and this loan is classified as bad and loss category.

Therefore, preparation of consolidated financial statements is pending due to claim and counter claim between PLFS & PLFS Investment Ltd. Furthermore, PLFS does not have any control in decision making matters regarding PLFS Investment Ltd. although PLFS hold about 83% share holding of PLFS Investment Ltd. Management has taken initiative to solve the issue and as per the direction of Honorable High Court, we have published circular on 30 October 2025 in the daily Financial Express to obtain EOI from CA firm. Hopefully, this issue will be solved very soon, and consolidated financial statements will be prepared accordingly.

2.10.30 Branch Operation

At the time of provisional Liquidator our Gulshan and Chottogram Branch has been closed by the direction of provisional Liquidator. After that all fixed and movable asset are brought back to head office. Now operation of those branches are closed but license of branches are still alive.

People's Leasing And Financial Services Ltd.

Notes to the Financial Statements

For the year ended December 31, 2025

		Amount in Taka	
		Dec 31, 2025	Dec 31, 2024
3	**Cash**		
	Cash in hand (Note 3.1)	106,943	271,870
	Balance with Bangladesh Bank and its agent bank(s) (Note 3.2)	93,577	113,245
	Total	**200,520**	**385,115**

3.1 Cash in hand

Cash in hand represents the amount under imprest system of petty cash to meet petty cash expenses for head office.

3.2 Balance with Bangladesh Bank

Balance with Bangladesh Bank is non-interest bearing and maintained to meet the Cash Reserve Requirement (CRR). CRR (note 3.3) and Statutory Liquidity Reserve (note 3.4) have been calculated and maintained in accordance with Financial Regulations 1994 and FID Circular No. 06 dated 6th November, 2003 and FID Circular No. 02 dated 10th November, 2004.

3.3 Cash Reserve Requirement (CRR)

CRR has been calculated at the rate of 1.5% on Total Term Deposits which is preserved in current account maintained with Bangladesh Bank in compliance with FID circular no. 6 dated 6th November, 2003 and FID Circular No. 02 dated 10th November, 2004. Total Term Deposits means Term or Fixed Deposits, Security Deposit against Lease/Loan and other Term Deposits received from individuals and institutions (except Banks and Financial Institutions).

	Dec 31, 2025	Dec 31, 2024
Required reserve	359,125,993	329,783,723
Actual reserve held	93,577	113,245
Surplus / (Deficit)	**(359,032,416)**	**(329,670,478)**

3.4 Statutory Liquidity Reserve (SLR)

SLR has been calculated at the rate of 5% of total liabilities, including CRR of 1.5% on Total Term Deposits. SLR is maintained in liquid assets in the form of Cash in Hand, balance with Bangladesh Bank, balance with other Banks & Financial Institutions, Investment at Call, unencumbered Treasury Bills, Prize Bond, Savings Certificates & any other assets approved by Bangladesh Bank.

	Dec 31, 2025	Dec 31, 2024
Required reserve	1,451,842,957	1,330,250,216
Actual reserve held (note-3.4.1)	782,351,891	956,829,224
Surplus / (Deficit)	**(669,491,066)**	**(373,420,992)**

3.4.1 Actual Reserve held for SLR

	Dec 31, 2025	Dec 31, 2024
Cash in hand	106,943	271,870
Balance with Bangladesh Bank and its agent bank(s)	93,577	113,245
Balance with other banks and financial institutions	782,151,371	956,444,109
	782,351,891	**956,829,224**

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4 Balance with other Banks and Financial Institutions in Bangladesh

	Amount in Taka	
	Dec 31, 2025	Dec 31, 2024
Current Accounts:		
Al-Arafa Islami Bank Ltd.	-	-
BDBL	13,395	15,465
NCC Bank Ltd.	193,053	193,053
One Bank Ltd.	7,437	7,437
Prime Bank Ltd.	61,188	62,568
Shahjalal Islami Bank Ltd.	15,152	16,187
The Farmers Bank Ltd.	14,346	14,346
Bank Asia	7,476	7,476
UCBL	60,022	60,022
Sub-Total	**372,069**	**376,554**
Short Term Deposits:		
Al-Arafa Islami Bank Ltd.	4,372	5,781
Dutch Bangla Bank Ltd.	14,603,056	29,372,133
EXIM Bank Ltd	46,318	46,425
ICB Islamic Bank Ltd.	-	277
Janata Bank Ltd	15,483	16,910
Mutual Trust Bank Ltd.	141,013	28,989
Midland Bank Ltd.	579	-
National Bank Ltd	49,940	49,238
NRB Commercial Bank Ltd.	1,434	1,434
Prime Bank Ltd.	760,613	761,482
Shahjalal Islami Bank Ltd.	79,895	81,173
Social Islami Bank Ltd.	83,057	83,038
NCC Bank Ltd.	-	-
One Bank Ltd.	23,867,076	-
Southeast Bank Ltd.	123,127	118,388
South Bangla Agricultural Credit Bank Ltd.	248,633	234,602
The Farmers Bank Ltd.	-	-
UCBL	-	308
Midland Bank Ltd.	-	4,144
One Bank Ltd.	-	95,054,241
Bank Asia	-	2
MTBL	-	112,752
Sub-Total	**40,024,596**	**125,971,317**
Fixed Deposits Receipts (FDR):		
Shimanto Bank Ltd.	85,000,000	60,000,000
Trust Bank Ltd	25,000,000	50,000,000
One Bank Ltd.	90,000,000	130,000,000
City Bank Ltd.	10,000,000	50,000,000
Prime Bank Ltd.	-	50,000,000
International Leasing	359,738,339	359,738,339
Premier Leasing	469,720,056	469,720,056
Sub-Total	**1,039,458,395**	**1,169,458,395**
Grand Total	**1,079,855,060**	**1,295,806,266**

Note: Fund have been placed to Premier Leasing of Tk.46,97,20,056/= and International Leasing Tk.35,97,38,339. On the other hand they have also been placed the same amount to us, which is included in the Term Deposit Receipt. Note no 12. The said FDR is liened with Marcantile Bank Ltd. against overdraft facility.

		Amount in Taka	
		Dec 31, 2025	Dec 31, 2024
4.1	**Maturity grouping of Balance with other Banks and Financial Institutions**		
	On demand	39,693,371	125,971,317
	Less than 3 months	210,000,000	73,000,000
	More than 3 months but less than 1 year	-	132,654,000
	More than 1 year but less than 5 years	830,161,689	964,180,949
	Above 5 years	-	-
	Total	**1,079,855,060**	**1,295,806,266**
5	**Money at Call and Short Notice**		
	Banking Companies	-	-
	Non-Banking Financial Institutions	-	-
	Total	**-**	**-**
6	**Investments**		
	A. Government Securities		
	Treasury Bill	512,024,070	466,407,210
	National Investment Bond	-	-
	Bangladesh Bank Bill	-	-
	Government Notes/ Bond	-	-
	Prize Bond	-	-
	Others	-	-
	Sub Total	**512,024,070**	**466,407,210**
	B. Other Investments		
	Preference Shares	-	-
	Debenture and Bond	-	-
	Other investments (Note 6.1)	204,453,430	235,753,423
	Gold etc.	-	-
	Sub Total	**204,453,430**	**235,753,423**
	Total investments (A+B)	**716,477,500**	**702,160,633**
6.1	**Other Investments**		
	Quoted Investments	478,020	31,778,013
	Unquoted Investments (Note 6.1.1)	203,975,410	203,975,410
		204,453,430	**235,753,423**
6.1.1	**Unquoted Investments**		
	E-SECURITIES LTD	69,978,600	69,978,600
	GMG Airlines Ltd. Placement	50,000,000	50,000,000
	Energy prima Ltd. Placement	13,585,000	13,585,000
	MEB Poy Ltd. Placement	5,000,000	5,000,000
	Scholastica Ltd. Placement	54,600,000	54,600,000
	People's Investment Ltd.	5,100,000	5,100,000
	CDBL	5,711,810	5,711,810
	Sub Total	**203,975,410**	**203,975,410**

Note: Provision has made of Tk. 19,82,63,600/- against investment in unquated shares except investment in CDBL.

6.2	**Maturity grouping of Investments**		
	On demand	5,500,000	5,000,000
	Less than 3 months	8,500,000	8,000,000
	More than 3 months but less than 1 year	220,000,000	225,000,000
	More than 1 year but less than 5 years	370,500,000	380,400,000
	Above 5 years	111,977,500	83,760,633
	Total	**716,477,500**	**702,160,633**

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	Amount in Taka	
	Dec 31, 2025	Dec 31, 2024

7 Loans & Advances

	Dec 31, 2025	Dec 31, 2024
Inside Bangladesh:		
Net Lease Receivables	932,511,608	1,012,293,082
Direct/ Term Finance	9,842,765,591	10,045,758,731
Secured Overdraft	-	-
Sub Total	**10,775,277,199**	**11,058,051,813**
Outside Bangladesh:		
Direct/ Term Finance	-	-
Secured Overdraft	-	-
Sub Total	**-**	**-**
Total	**10,775,277,199**	**11,058,051,813**

7.1 Maturity grouping of loans & advances

	Dec 31, 2025	Dec 31, 2024
On demand	108,031,959	26,251,000
Less than 3 months	216,063,917	105,000,000
More than 3 months but less than 1 year	864,255,670	680,000,000
More than 1 year but less than 5 years	2,592,767,009	6,350,000,000
Above 5 years	6,994,158,644	3,896,800,813
Total	**10,775,277,199**	**11,058,051,813**

7.2 Sector/ Industry-wise Loans & Advances

		Dec 31, 2025	Dec 31, 2024
Agricultural sector	6.00%	646,516,632	663,483,109
Industrial sector:			
Textiles	0.05%	5,387,639	5,529,026
Garments & Knitwear	1.16%	124,993,216	128,273,401
Jutes & jute related goods	0.00%	-	-
Food items producer/processing industry	0.70%	75,426,940	77,406,363
Lather and lather goods	0.00%	-	-
Iron, steel and engineering	2.00%	215,505,544	221,161,036
Chemicals and pharmaceuticals	0.01%	1,077,528	1,105,805
Electronics and electrical goods	0.00%	-	-
Power, gas, water and sanitary	0.90%	96,977,495	99,522,466
Transport and communication	2.70%	290,932,484	298,567,399
Real estate and housing	5.85%	630,353,716	646,896,031
Merchant banking	16.00%	1,724,044,352	1,769,288,290
Trade & Commerce	36.00%	3,879,099,792	3,980,898,653
Others	28.63%	3,084,961,862	3,165,920,234
Total	**100.00%**	**10,775,277,199**	**11,058,051,813**

7.3 Geographical Location-wise Loans & Advances

		Dec 31, 2025	Dec 31, 2024
Inside Bangladesh			
Dhaka Division	99.90%	10,774,199,671	11,056,946,008
Chittagong Division	0.01%	1,077,528	1,105,805
Khulna Division	0.10%	-	-
Sub Total	**100.00%**	**10,775,277,199**	**11,058,051,813**
Outside Bangladesh	-	**-**	**-**
Total	**100.00%**	**10,775,277,199**	**11,058,051,813**

7.4 Details of Large Loans & Advances

As per DFIM circular No.-10, dated 5 September, 2011, Outstanding amount exceeding 15% of total capital of the company is treated as Large Loans & Advances.

	Dec 31, 2025	Dec 31, 2024
Number of Clients	6	5
Outstanding Amount	6,184,895,612	4,037,775,103
Classified Amount	6,184,895,612	4,037,775,103
Measures taken for recovery	Legal action is going on	Filing of law suit - under process

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7.5 Particulars of Loans & Advances

	Amount in Taka Dec 31, 2025	Amount in Taka Dec 31, 2024
1. Loans & advances considered good in respect of which the company is fully secured	2,215,685,591	2,215,685,591
2. Loans & advances considered good against which the company holds no security others than the debtor's personal guarantee	9,004,014,512	9,004,014,512
3. Loans & advances considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	-	-
4. Loans & advances adversely classified for which provision has not been maintained	-	-
5. Loans & advances due by the directors or officers of the company or any of them either separately or jointly with any other persons	3,731,580	3,731,580
6. Loans & advances due from companies of firms in which the directors of the company have interest as directors, partners or managing agent or in case of private companies as members	-	-
7. Maximum total amount of loan & advances including temporary loans & advances made at any time during the year to directors of managers or officers of the company or any of them either separately or jointly with any other person	-	-
8. Maximum total amount of loans & advances including temporary loans & advances granted during the year to the companies of firms in which the directors of the company have interest as directors, partners of managing agents or in the case of private companies, as members	-	-
9. Due from other bank/FI companies		
10. Information inrespect of classified loans and advances:		
a. classified loans for which interest/profit not credited to income	-	-
b. Amount of provision kept against loans classified as bad/loss as at the balance sheet date	-	-
c. Interest credited to interest suspense account	-	-
11. Loans & advances written off:		
Opening Balance	699,395,944	722,892,579
a. Amount written-off during the year	-	-
b. Amount of collection from written-off during the year	10,285,354	23,496,635
c. Balance written-off loans and advances yet to be recovered	689,110,590	699,395,944
d. Amount of written off loans for which law suits have been filed	720,998,000	720,998,000

7.6 Bills Discounted and Purchased

	Dec 31, 2025	Dec 31, 2024
Inside Bangladesh	-	-
Outside Bangladesh	-	-
Total	**-**	**-**

7.7 Maturity grouping of Bills Discounted and Purchased

	Dec 31, 2025	Dec 31, 2024
Within 1 month	-	-
Over 1 month but within 3 months	-	-
Over 3 months but within 6 months	-	-
Over 6 months	-	-
Total	**-**	**-**

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	Amount in Taka	
	Dec 31, 2025	**Dec 31, 2024**

7.8 Related Party Transaction

PLFS Investment Ltd.		
Investment in Share Capital of PLFS Investment Ltd.	200,445,000	200,445,000
Loan & Advances	1,632,792,597	1,662,343,115
BO Accounts Balance	(45,600)	(6,633,110)
Interest on Loans & Advances	-	-
Excise Duty	-	-

Note: Loan given to subsidiary company (PLFS Investment Ltd.) amount in Tk.1,055,332,974 from 2009 to 2015 (Present outstanding on 31.12.2024 amount Tk. 1,837,901,114. Details are described at note 2.10.29)

8 Property, Plant & Equipment (Details in Annexure-1)

Own Finance

A. Cost		
Company Premises	33,265,482	33,265,482
Motor Car & Vehicle	11,860,360	11,860,360
Computer	24,534,392	24,034,392
Telephone System	1,756,858	1,756,858
Air Cooler	7,799,314	7,799,314
Refrigerator	209,002	209,002
Generator	3,343,467	3,343,467
Office Equipment	5,473,715	5,383,315
Furniture & Fixtures	40,202,164	40,090,755
Crockery	46,606	46,606
Software	20,437,004	16,747,004
Total	**148,928,364**	**144,536,555**

B. Less: Accumulated Depreciation		
Company Premises	27,717,738	27,101,322
Motor Car & Vehicle	10,861,916	10,612,305
Computer	19,992,062	19,078,860
Telephone System	1,439,700	1,404,460
Air Cooler	1,956,310	1,648,784
Refrigerator	150,056	143,505
Generator	906,080	635,259
Office Equipment	4,754,600	4,574,821
Furniture & Fixtures	21,101,855	20,096,575
Crockery	39,705	37,981
Software	9,087,580	6,250,224
Total	**98,007,602**	**91,584,096**
C. Written Down Value at the end of the year (A-B)	**50,920,762**	**52,952,459**

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8.1 Intangible asset - computer softwares

Cost	-	-
Less: Accumulated amortization	-	-
Net book value at the end of the year	**-**	**-**

	Amount in Taka	
	Dec 31, 2025	Dec 31, 2024
9 Other assets		
Investment in shares of subsidiary companies:	200,445,000	200,445,000
Advance Vat/ Tax paid	300,520,328	283,430,199
Interest receivable (FDR)	58,306,235	58,306,235
Advance for land purchase	25,121,907	25,121,907
Stationeries & Stamp in hand	21,224	63,050
Advance for Rent & Advertisement	1,202,584	1,267,584
Interest Receivable for loans & Advances	-	-
Receivable against legal expenses-Loan/Lease	11,975,691	12,561,682
Other prepayment	6,973,878	10,626,954
Security deposit	-	-
Deferred tax assets (note 9.1)	-	-
Total	**604,566,847**	**591,822,611**
9.1 Deferred tax assets/(liabilities)		
Opening Balance	(3,618,196)	(3,732,228)
Deffered Tax Expenses	(2,051,258)	(114,032)
Less: Adjustment during the year		
Total	**(1,566,938)**	**(3,618,196)**

Deffered Tax Liabilitiy is arrievd at as follows:

Assets	Carrying amount at BS	Tax base	Temporary Difference
Fixed Assets net of depreciation	50,920,762	46,742,260	(4,178,502)
Deferred Tax Asset/(Liability) as on 31 December 2025 @ 37.5%			**(1,566,938)**
Less: Deferred Tax Liabilities as on 31 December 2024			(3,618,196)
Deferred Tax Expense for the year 2025			**(2,051,258)**

Assets	Carrying amount at BS date (31 Dec 2024)	Tax base	Temporary Difference (Taxable)/Deductible
Fixed Assets net of depreciation	52,952,459	43,303,937	(9,648,522)
Deferred Tax Asset/(Liability) as on 31 December 2024@ 37.5%			**(3,618,196)**
Less: Deferred Tax Asset/(liability) as on 31 December 2023			(3,732,228)
Deferred Tax Expense for the year 2023			**(114,032)**

10 Non-Banking Assets

This amount represents two units of flats located at Assign Monihar Legend, Plot no. 39, Road no. 15, Rabindra Sharani, Sector 03, Uttara, Dhaka, which have been registered in the name of PLFS as a settlement of loan against share of Mrs. Lafifs Ishaque and includes registration costs as well.

	Amount in Taka	
	Dec 31, 2025	**Dec 31, 2024**
A. Cost:		
Opening Balance	58,558,336	58,558,336
Add: Addition during the year	-	-
Less: Adjustment during the year	-	-
Total	**58,558,336**	**58,558,336**
B. Depreciation:		
Opening Balance	38,120,422	35,849,543
Add: Addition during the year	2,043,791	2,270,879
Less: Adjustment during the year	-	-
Total	**40,164,213**	**38,120,422**
C. Written down value at the end of the year (A-B)	**18,394,123**	**20,437,914**

Note: PLFSL has been received advance Tk. 2,58,80,000/- against sale proceed of the said flat. But sale proceed has not been completed till now. PLFS has received advance immediately before liquidation process in 2019. So, then management could not complete the sold out process of the said property. Present management have been trying to resolve the issue and communicating with the buyer whether it would be transfer to the respestive buyer or retaine ownership of the said property in favour of the Company because the Company has been trying to revive from liquidation verge as per Hon'ble Court Direction.

11 Borrowings from other Banks, Financial Institutions & Agents

	Dec 31, 2025	Dec 31, 2024
Inside Bangladesh:		
Refinance against SME loan from Bangladesh Bank	76,440,371	76,440,371
From other scheduled Banks (note - 11.1)	4,815,741,193	4,686,442,439
Total	**4,892,181,564**	**4,762,882,810**
Outside Bangladesh	-	-
Total	**4,892,181,564**	**4,762,882,810**

11.1 From other scheduled Banks & Financial Institutions

	Dec 31, 2025	Dec 31, 2024
Long term loan		
Al-Arafa Islami Bank Ltd.	639,472,507	639,472,507
Basic Bank Ltd.	17,560,121	17,560,121
Exim Bank Ltd.	90,352,553	90,352,553
Mutual Trust Bank Ltd.	230,071,435	230,071,435
Pubali Bank Ltd.	167,585,837	167,585,837
Social Islami Bank Ltd.	140,601,785	140,601,785
Standard Bank Ltd.	61,284,645	61,284,645
United Commercial Bank Ltd.	87,519,740	87,519,740
Uttara Bank Ltd.	87,666,276	87,666,276
NRB Commercial Bank Ltd.	209,912,598	209,768,958
Mercantile Bank Ltd.	118,688,049	109,696,249
Modhumoti Bank Ltd.	195,047,427	195,047,427
Premier Bank Ltd.	322,269,102	272,447,374
UAE	19,132,308	19,132,308
Sub-Total	**2,387,164,383**	**2,328,207,215**
Overdraft and money at call short notice		
Mutual Trust Bank Ltd.	60,073,528	58,213,385
SBAC	-	-
Mercentile Bank	1,340,818,915	1,272,337,472
Short Term Loan	466,673,256	466,673,256
Janata Bank Ltd.	160,288,889	160,288,889
Sonali Bank Ltd.	160,288,889	160,288,889
Agrani Bank Ltd.	240,433,333	240,433,333
Sub-Total	**2,428,576,810**	**2,358,235,224**
Grand Total	**4,815,741,193**	**4,686,442,439**

Security against borrowings from other banks, financial institutions and agents

	Dec 31, 2025	Dec 31, 2024
Secured	4,331,170,453	4,201,871,699
Unsecured	561,011,111	561,011,111
Total	**4,892,181,564**	**4,762,882,810**

Maturity grouping of borrowings from other banks, financial institutions and agents

	Amount in Taka	
	Dec 31, 2025	Dec 31, 2024
Payable on demand	-	-
Up to 1 month	-	-
Over 1 month but within 3 months	-	-
Over 3 month but within 6 months	-	-
Over 6 months but within 1 year	-	-
Over 1 year but within 5 years	300,000,000	300,000,000
Over 5 years	4,592,181,564	4,462,882,810
Total	**4,892,181,564**	**4,762,882,810**

Note: The Company was liquidation process in 2019 by the Hon'ble Court Order FM No.1 of 2019 due to inability to meet up liabilities. Later, the Hon'ble Court passed an Order with some directions to regulators, directors as well as managing directors in 2021 and formed a board of directors. Now the Company has been trying to revive from liquadition by the Hon'ble Court appointed board of directors. At present, liability size is three or more times higher than assets. Furthermore, Charging interest on deposit and borrowings will create unbearable burden to the Company and revival process may go remote. Eventhough, assets quality is very poor and inadequate to meet up total liabilities. In this situation, stop of charging interest on deposite and borrowings is one of the issue of revival. Board of Directors of their 55th meeting dated-28-11-2023 have taken decision for not charging interest on deposites and borrowings of non-business period as a part of revival of the Company from liquidation verge. In this regard, The Comapny has prayed to the Hon'ble Court for weaving interest by considering the situation of the company.

12 Deposits & other accounts

	Dec 31, 2025	Dec 31, 2024
Deposits from banks and financial institutions	13,637,741,030	12,437,405,140
Deposits from individula and institutions	21,966,565,812	22,116,450,784
Sub-Total	35,604,306,842	34,553,855,924
Other deposit	63,366,722	64,907,990
Grand Total	**35,667,673,564**	**34,618,763,914**

12.1 Term Deposits

These represent deposits from individuals and institutions under the Company's term deposit schemes for a period of not less than three months.

	Dec 31, 2025	Dec 31, 2024
Deposits from banks and financial institutions	13,637,741,030	12,437,405,140
Deposits from individula and institutions	21,966,565,812	22,116,450,784
	35,604,306,842	**34,553,855,924**

12.2 Maturity grouping of deposits & other accounts

	Dec 31, 2025	Dec 31, 2024
Payable on demand	-	-
Up to 1 month	14,500,000	12,500,000
Over 1 month but within 6 months	432,000,000	41,500,000
Over 6 months but within 1 year	195,000,000	190,000,000
Over 1 year but within 5 years	5,900,000,000	5,800,000,000
Over 5 years but within 10 years	29,126,173,564	28,574,763,914
Over 10 years	-	-
Total	**35,667,673,564**	**34,618,763,914**

12.3 Related party transactions:

Name of Directors	**Status**	Dec 31, 2025	Dec 31, 2024
Mr. Md. Atiqur Rahman	Director	8,245,934	13,505,131

Note: Mr. Md. Atiqur Rahman and his family members have been maintaining 8 (eight) term deposit accounts.

13 Other Liabilities

Provision for Lease, loans and advances (note 13.1)	8,218,033,365	8,276,931,213
Provision for Investment Fluctuation in Shares (note 13.2)	198,582,265	198,263,600
Provision for corporate income tax (note 13.3)	185,754,872	196,786,921
Provision for Gratuity (note 13.4)	24,405,009	25,887,697
Provision for FDR(note13.5)	829,458,395	829,458,395
Provision for TDS (note 13.6)	22,022,848	22,022,848
Interest Suspense Account (note 13.7)	2,069,614,899	2,599,070,280
Liabilities for financial expenses (note13.8)	2,485,844,880	2,026,506,476
Liabilities for sundry creditors (note13.09)	208,580,777	249,555,572
Liabilities for accrued expenses(note13.10)	113,324,376	113,824,376
Liabilities for TDS/VDS/ED(note13.11)	2,300,504,094	2,153,422,019
Provision for other assets (Note 13.12)	290,212,478	290,212,478
Dividend Payable	21,558,303	21,558,303
Deffered Tax Liabilities (note-9.1)	1,566,938	3,618,196
Client Receipt Account	-	-
Receivable Suspense Account	-	-
Liab. For advance rent	851,000	851,000
Balance with BO accounts	45,600	6,633,110
Accounts Payable	2,262,433	-
Total	**16,972,622,532**	**17,014,602,484**

13.1 Provision for Lease, loans and advances

Opening Balance	8,276,931,213	8,276,526,580
Less: Provision no longer required	-	-
Add: Recoveries from previously written-off loans & advances	-	-
Add: General provision provided during the year	1,303,633	404,633
Add: Specific provision provided during the year	(60,201,481)	
Add: Specific provision for shortfall	-	
Add: Net charge to profit and loss account	-	-
Closing balance	**8,218,033,365**	**8,276,931,213**

13.2 Provision for diminution in value of Investments

Opening Balance	198,263,600	198,263,600
Add: Provision during the year	318,665	**-**
Less: Provision no longer required	-	-
Closing Balance	**198,582,265**	**198,263,600**

13.3 Provision for corporate income tax

Opening Balance	196,786,921	195,192,494
Add: Provision made during the year		1,620,000
Less: Settlement during the year	11,032,049	25,573
Closing Balance	**185,754,872**	**196,786,921**

13.4 Provision for Gratuity

Opening Balance	25,887,697	25,997,623
Add: Provision during the year	-	-
Less: Adjustment	1,482,688	109,926
Closing Balance	**24,405,009**	**25,887,697**

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13.5 Provision fro FDR

Opening Balance	829,458,395	887,764,630
Add: Addition during the year	-	-
Less: Adjustment during the year		
Less: Interest receivable (FDR)	-	58,306,235
Closing Balance	**829,458,395**	**829,458,395**

	Amount in Taka	
	Dec 31, 2025	Dec 31, 2024

13.6 Provision fro TDS

	Dec 31, 2025	Dec 31, 2024
Opening Balance	22,022,848	22,022,848
Add: Addition during the year	-	-
Less: Adjustment during the year	-	-
Closing Balance	**22,022,848**	**22,022,848**

13.7 Interest Suspense Account

	Dec 31, 2025	Dec 31, 2024
Opening Balance	2,599,070,280	2,171,985,853
Add: Addition during the year		427,084,427
Less: Adjustment during the year	529,455,381	-
Closing Balance	**2,069,614,899**	**2,599,070,280**

13.08 Liabilities for financial expenses

	Dec 31, 2025	Dec 31, 2024
Accrued Financial Expenses for Borrowings	205,327,060	176,938,171
Accrued Financial Expenses for Deposits & Other Accounts	1,599,647,907	1,206,741,644
Accrued Financial Expenses for Deposits from Banks/Financial	680,869,913	642,826,661
	2,485,844,880	**2,026,506,476**

13.09 Liabilities for sundry creditors

	Dec 31, 2025	Dec 31, 2024
Liabilities for Sundry Deposit	138,410,234	174,812,033
Liability for Supplies	7,699,797	7,299,797
Liabilities for Sundry Deposit against Loan/Lease	19,695,034	24,168,506
Lease Obligations	-	-
Liabilities for Audit Fees	-	454,250
Loan/Lease Part Collection	16,895,712	16,940,986
Payable Suspense Account	-	-
Liab. Sundry Deposit against Non Banking Assets	25,880,000	25,880,000
Interest Receivable (Suspense) for loans & Advances	-	-
	208,580,777	**249,555,572**

13.10 Liabilities for accrued expenses

	Dec 31, 2025	Dec 31, 2024
Provision for Suppliers/Creditors	102,606,176	103,106,176
Provision Utilities Expenses	-	-
Provision for Salaries & Allowances	10,718,200	10,718,200
Liabilities for PF Subscription	-	-
Liabilities for PF Contribution	-	-
Accounts Payable Account Deposit	-	-
	113,824,376	**113,824,376**

13.11 Liabilities for TDS/VDS/ED

	Dec 31, 2025	Dec 31, 2024
Liability for AIT deducted at Source	2,208,299,039	2,061,201,910
Liability for VAT deducted at Source	340,023	616,277
Liability for Excise Duty Deduction	91,865,032	91,603,832
	2,300,504,094	**2,153,422,019**

Note: The Company was liquidation process in 2019 by the Hon'ble Court Order FM No.1 of 2019 due to inability to meet up liabilities. Later, the Hon'ble Court passed an Order with some directions to Regulators, Directors as well as Managing Directors in 2021 and formed a board of directors.Now the Company have been trying to revive from liquadition by the Hon'ble Court appointed board of directors. At present, liability size is three or more times higher than assets. Furthermore, Charging interest on deposit and borrowings will create unbearable burden to the Company and revival process may go remote. Eventhough, assets quality is very poor and inadequate to meet uptotal liabilities. In this situation, stop of charging interest on deposite and borrowings is one of the issue for revival of the company. Board of Directors of their 55th meeting dated-28-11-2023 have taken decision for not charging interest on deposites and borrowings of non-business period as a part of revival of the Company from liquidation verge.TDS is related with interest of deposit and this liability will reduce by not charging interest on deposits. Furthermore,we have been communicating with respective tax office about the issue as well as Hon'ble Court.

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	Amount in Taka	
	Dec 31, 2025	Dec 31, 2024
13.12 Provision for other assets	**290,212,478**	**290,212,478**
13.12.01 Provision for Interest Receivable for Loans & Advances		
Opening Balance	-	283,056,936
Add: Addition during the year	-	-
Less: Adjustment during the year	-	283,056,936
Closing Balance	**-**	**-**
13.12.02 Provision for Land purchases		
Opening Balance	25,121,907	25,121,907
Add: Addition during the year	-	-
Less: Adjustment during the year	-	-
Closing Balance	**25,121,907**	**25,121,907**
13.12.03 Provision for Interest receivable (FDR)		
Opening Balance	58,306,235	58,306,235
Add: Addition during the year	-	-
Less: Adjustment during the year		
Less: Interest receivable (FDR)	-	-
Closing Balance	**58,306,235**	**58,306,235**
13.12.04 Provision for Equity Investment in Subsidiary		
Opening Balance	200,445,000	200,445,000
Add: Addition during the year	-	-
Less: Adjustment during the year	-	-
Closing Balance	**200,445,000**	**200,445,000**
13.12.05 Provision for Receivable Against Legal Expenses-Loan/Lease		
Opening Balance	6,339,336	6,139,336
Add: Addition during the year	-	200,000
Less: Adjustment during the year	-	-
Closing Balance	**6,339,336**	**6,339,336**

Note: Provision for other assets include provision against advance for land purchase.

14 Share Capital

		Dec 31, 2025	Dec 31, 2024
Authorized Capital (500,000,000 shares of Tk. 10 each)		**5,000,000,000**	**5,000,000,000**
Issued, Subscribed & Paid-up Capital:			
42,662,733 Ordinary Shares of Tk. 10 each issued for cash		426,627,330	426,627,330
233,661,200 Ordinary Shares of Tk. 10 each issued for bonus share		2,336,612,000	2,336,612,000
9,116,664 Ordinary Shares of Tk. 10 each issued as preference share		91,166,640	91,166,640
Total numbers of Shares:	**285,440,597**	**2,854,405,970**	**2,854,405,970**

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Amount in Taka	
Dec 31, 2025	Dec 31, 2024

Percentage of shareholding

Category	Number of share		Percentage (%)	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Sponsors	51,803,523	51,807,468	18.15%	18.15%
General public	193,748,125	209,884,471	67.88%	73.53%
Financial Institutions	1,650,572	-	0.58%	0.00%
Institutions	22,617,207	21,864,750	7.92%	7.66%
Investment companies	13,762,767	-	4.82%	0.00%
Foreigners	1,858,403	1,883,908	0.65%	0.66%
Total	**285,440,597**	**285,440,597**	**100.00%**	**100.00%**

Classification of shareholders by holding

Holding	Number of shareholders		Number of shares	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Less than 500	8,912	9,308	1,725,746	1,725,746
501 to 5,000	11,014	11,753	15,515,025	15,515,025
5,001 to 10,000	2,042	2,161	15,746,872	15,746,872
10,001 to 20,000	1,225	1,312	19,175,178	19,175,178
20, 001 to 30,000	493	518	18,760,098	18,760,098
30,001 to 40,000	270	238	8,349,661	8,349,661
40,001 to 50,000	173	184	8,582,598	8,582,598
50,001 to 100,000	319	343	25,138,656	25,138,656
100,001 to 1000,000	278	271	69,079,800	69,079,800
Over 1000,000	39	39	103,366,963	103,366,963
Total	**24,765**	**26,127**	**285,440,597**	**285,440,597**

Name of Directors and their share holdings as on December 31, 2025

Sl. No.	Name of Directors	Status	31.12.2025	31.12.2024
1	Mr. Hasan Shaheed Ferdous	Chairman (Appointed by the Hon'ble Court)	-	-
2	Dr. Kazi Anowarul Hoque	Director (Appointed by the Hon'ble Court)	-	-
3	Mr. Reshad Imam	Director (Appointed by the Hon'ble Court)	-	-
4	Mr.Prashanta Bhushan Barua	Director (Appointed by the Hon'ble Court)	-	-
5	Muhammad Shafiqur Rahman	Director (Appointed by the Hon'ble Court)	-	-
6	Mr. Md. Atiqur Rahman	Director (Appointed by the Hon'ble Court)	-	-

14.1 Capital adequacy

The company is subject to the regulatory capital requirement as stipulated in DFIM circular no. 05 dated 24 July, 2011 of Bangladesh Bank. The capital requirement for Non- banking financial institution is neither ratio-based nor risk based. The regulatory authority requires a Non- banking Financial Institutions to have minimum paid up capital of Tk 1,000.00 million.

	Dec 31, 2025	Dec 31, 2024
Paid up capital	2,854,405,970	2,854,405,970
Required capital as per Bangladesh Bank	1,000,000,000	1,000,000,000
Excess/(Shortage) capital	**1,854,405,970**	**1,854,405,970**

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Capital Adequacy Ratio (CAR)

As per DFIM circular No. 14 dated December 28, 2011 and articled no. 2.6 and 2.7 of Prudential Guidelines on Capital Adequacy and Market Discipline (CAMD) for Financial Institutions issued by Bangladesh Bank, Capital Adequacy Ratio (CAR) of the company has been stood as follows:

		Amount in Taka	
		Dec 31, 2025	**Dec 31, 2024**
	Tier-1 (Core Capital)		
	Fully paid-up capital/ capital lien with BB	2,854,405,970	2,854,405,970
	Statutory reserve	645,578,148	645,578,148
	Non-repayable share premium account	1,018,605,234	1,018,605,234
	General reserve	-	-
	Retained earnings	(48,805,375,001)	(47,193,221,747)
	Minority interest in subsidiaries	-	-
	Non- cumulative irredeemable preference shares	-	-
	Dividend equalization account	-	-
	Other (if any item approved by Bangladesh Bank)		
	Sub-Total	**(44,286,785,649)**	**(42,674,632,395)**
	Deductions from tier-1 (Core capital)		
	Book value of good will and any value of any conting entassets which are shown as assets	-	-
	Shortfall in provisions required against classified assets	-	-
	Shortfall in provisions required against investment in share	-	-
	Remaining deficit on account of revaluation of investments	-	-
	in securities after netting off any other surplus on the securities	-	-
	Any investment exceeding the approved limit	-	-
	Investments in subsidiaries which are not consolidated	-	-
	Other (if any)	-	-
	Sub-Total	**-**	**-**
	Total eligible Tier-1 capital	**(44,286,785,649)**	**(42,674,632,395)**
	2. Tier-2 (Supplementary capital)		
	General provision (Unclassified up to special limit+SMA+ off balance sheet exposure)	2,571,597	1,300,213
	Assets revaluation reserves up to 50%	-	-
	Revaluation reserve for securities up to 50%	-	-
	All other preference shares	-	-
	Other (if any item approved by Bangladesh Bank)	-	-
	Sub-Total	**2,571,597**	**1,300,213**
	Deductions, if any	-	-
	Total eligible Tier-2 capital	**2,571,597**	**1,300,213**
A	**Total capital**	**(44,284,214,052)**	**(42,673,332,182)**
B	**Total risk weighted asset**	**7,979,900,000**	**9,040,500,000**
C	**Required capital**	**797,990,000**	**1,000,000,000**
D	**Surplus / (Deficit)**	**(45,082,204,052)**	**(43,673,332,182)**
	Capital adequacy ratio (CAR)	**-554.95%**	**-391.60%**
	On core capital (Tier-1)	**-554.98%**	**-393.28%**
	On supplementary capital (Tier-2)	**0.03%**	**1.68%**

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		Amount in Taka	
		Dec 31, 2025	Dec 31, 2024
15	**Statutory reserve**		
	Opening balance	645,578,148	645,578,148
	Add: Addition during the year	-	-
	Closing balance	**645,578,148**	**645,578,148**

Note: The company has to transfer 20% of net profit to statutory reserve as per the Financial Institutions

		Dec 31, 2025	Dec 31, 2024
16	**General reserve**		
	Opening Balance	-	-
	Add: Addition during the year	-	-
	Closing balance	**-**	**-**
17	**Share premium**		
	Opening balance	1,018,605,234	1,018,605,234
	Add: Addition during the year	-	-
	Closing balance	**1,018,605,234**	**1,018,605,234**
18	**Retained earnings**		
	Opening balance	(47,193,221,747)	(43,251,808,953)
	Net profit during the year	(3,656,345,559)	(4,267,550,785)
	Adjustment for During the year	2,044,192,305	326,137,991
	Closing balance	**(48,805,375,001)**	**(47,193,221,747)**

Note: The company was liquidation verge from 14-7-2-19 under the Hon'ble Hige Court order and non -business period was late of 2023.So interest charge on any borrowing during this period is not justified and hinders for revival of the Company from liquidation verge. The Company prayed to Bangladesh Bank (BB) for relief from charging interest on term deposits and any borrowings as per decision of the 55th meeting of board of directors and interest amount around Tk. 1,300 (Thirteen Hundred) Crore only upto 31 december 2022. Bangladesh bank has given advise for seeking Hon'ble Court decision regarding this waiver. The company applied to Hon'ble Court for waiving interest on term deposit and borrowings. if the company get relief from charginng interest on any borrowing and deposits then it would be adjusted with retained earnings and respective liabilities will be reduced by subtracting charged interest.

		Dec 31, 2025	Dec 31, 2024
19	**Contingent liabilities & capital expenditure commitments**		
	Letter of guarantee:		
	Money for which the company is contingently liable in respect of guarantees given favoring:		
	Directors	-	-
	Government	-	-
	Banks and other financial institutions	-	-
	Others	-	-
	Sub Total	**-**	**-**
	Letter of credit:		
	For import of equipments under lease finance	-	-
	Sub-Total	**-**	**-**
	Total	**-**	**-**
20	**Interest income**		
	Interest on Term Finance	128,346,762	(74,490,531)
	Income from Lease Finance	109,676	317,216
	Interest on Home Loan	5,232,973	6,105,513
	Interest on Margin Loan	-	12,776,731
	Interest on Staff Loan	51,622	27,136,608
	Interest on Auto Loan	3,081,004	535,530
	Interest on Loan Against Deposit	36,463	(188)
	Interest/Revenue Suspension	2,360,993	
	Interest on Short Term Loan	-	669,364
	Total	**139,219,493**	**(26,949,757)**
21	**Interest paid on deposits, borrowings etc.**		
	Interest on deposits		
	Interest on Term Deposit	3,702,735,355	3,550,832,701
	Interest on MDS	-	-
		3,702,735,355	**3,550,832,701**
	Interest on borrowings		
	Interest on Call Loan	28,388,889	28,466,667
	Interest on Term Loan	58,957,168	104,268,293
	Interest on Overdraft	70,341,586	589,023,923
	Interest on Short Term Loan	-	-
	Other	-	-
		157,687,643	**721,758,883**
	Interest adjustment	**-**	**-**
	Total	**3,860,422,998**	**4,272,591,584**

		Amount in Taka	
		Dec 31, 2025	Dec 31, 2024
22	**Income from investment**		
	Income from Investment/Capital gain	(8,164,244)	-
	Dividend income	2,181,013	5,508,934
	Total	**(5,983,231)**	**5,508,934**
23	**Commission, exchange and brokerage**		
	Commission on Bank Gurantee	-	-
	Total	**-**	**-**
24	**Other operating income**		
	Bank interest (SND/STD)	8,342,798	8,249,716
	Interest on FDR	85,041,275	97,951,867
	Profit from sale of assets	-	7,000
	Processing Fees	525,000	-
	Rental income	1,944,000	2,144,750
	Interest Suspense Home Loan	-	61,423
	Written off Loan Recovery	12,097,981	23,496,635
	Miscellaneous income	400	588,625
	Total	**107,951,454**	**132,500,016**
	Note: Miscellaneous income includes recovery from written-off loan, loan processing fees & other.		
25	**Salaries & allowances**		
	Salary	28,355,520	27,937,255
	Bonus to Staff	5,472,952	3,808,571
	Company's Contribution to Employees Provident Fund	1,826,443	1,208,504
	Gratuity Expenses	-	1,166,172
	Total	**35,654,915**	**34,120,502**
26	**Rent, taxes, insurance, electricity etc.**		
	Office Rent	-	-
	Tax, Rates	72,171	72,171
	Security & Service Charges	783,315	-
	Electricity	1,025,028	1,117,852
	Total	**1,880,514**	**1,190,023**
27	**Legal expenses**		
	Legal fees	17,447,184	9,355,569
	Stamp & Court Fees	61,386	-
	Total	**17,508,570**	**9,355,569**
28	**Postage, stamp, telecommunications etc.**		
	Postage	4,541	20,767
	Telephone bill	69,223	
	Fax & Internet	742,512	620,329
	Total	**816,276**	**641,096**
29	**Stationery, printing, advertisement etc.**		
	Stationery & Printing	165,000	857,723
	Advertisement	1,164,538	1,673,527
	Total	**1,329,538**	**2,531,250**
30	**Managing director's salary and fees**		
	Salary	5,462,417	5,541,689
	Festival Bonuses	500,000	-
	Total	**5,962,417**	**5,541,689**
31	**Directors' Fees**		
	Directors' fees	2,830,750	2,332,000
	Others Benefits	-	-
	Total	**2,830,750**	**2,332,000**

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Directors' fees for attending each board meeting are TK. 8,000.00 (Eight Thousand) as per Bangladesh Bank DFIM Circular. No. 13, dated 30 November, 2015. Directors have not been paid any fees/remuneration for any special services rendered. Directors' fees for attending each board meeting are TK. 25,000.00 (Twenty Five Thousand) for Chairman and Tk. 20,000/- (Twenty Thousand) only for Directors as per court order dated 15.11.2023 FI Matter#1/2019.

		Amount in Taka	
		Dec 31, 2025	Dec 31, 2024
32	**Audit fee**	**8,050,000**	**506,000**
33	**Loans & advances written-off**		
	Loans & advances written-off	-	-
	Less: provision	-	-
	Interest waived	-	-
	Total	**-**	**-**
34	**Repair, depreciation and amortizations of company's assets**		
	Repair of company's assets:		
	Repair & Maintenance	392,710	201,100
	Depreciation for Company Premises	616,416	684,907
	Depreciation for Motor Car & Vehicle	249,611	312,014
	Depreciation for Computer	913,200	1,238,883
	Depreciation for Telephone System	35,242	39,155
	Depreciation for Air Cooler	307,525	323,712
	Depreciation for Refrigerator	6,550	7,277
	Depreciation for Generator	270,821	300,912
	Depreciation for Office Equipment	173,478	202,124
	Depreciation for Furniture & Fixture	1,011,579	1,051,200
	Depreciation for Crockries	1,725	2,157
	Sub Total	**3,978,857**	**4,363,441**
	Depreciation of company's assets		
	Non-banking asset	2,043,792	2,270,879
	Sub Total	**2,043,792**	**2,270,879**
	Amortization of Software		
	Computer software	2,837,356	2,624,194
	Total repair and depreciation of company's assets	**8,860,009**	**9,258,514**
35	**Other expenses**		
	Traveling & Conveyance Expenses	557,792	515,037
	Entertainment	1,072,624	794,363
	Security Services	197,493	420,490
	Meeting Expenses	264,431	91,492
	Fees & Subscription	2,049,236	3,550,000
	Office Maintenance	3,030,766	3,744,293
	Fuel ,Oil & Lubricant	-	139,359
	Bank charges & commission	987,809	790,824
	Excise duty	610,000	655,575
	RJSC Fees & Expenses	50,000	500,526
	Softwear Expenses	294,559	
	CDBL charges	5,500	173,323
	Trade Licence	30,000	17,820
	BO Accounts Charge	1,453,199	1,852,172
	AGM Expenses	3,653,900	412,427
	Recruitment Expenses	-	242,932
	Business Development Expenses	71,940	40,515
	Training Expenses	240,112	8,000
	Miscellaneous	597,032	225,879
	Total	**15,166,393**	**13,309,243**
36	**Provision for loans & advances**		
	Provision for classified loans & advances	(60,201,481)	
	Provision for classified loans & advances req. by Bangladesh Bank		
	Provision for unclassified loans & advances	1,303,633	404,633
	Provision for diminution in value of investments	-	-
	Provision for FDR		
	Provisipon for TDS		
	Provision for other assets	-	25,121,907
	Provision for Interest Receivable for Loans & Advances		
	Provision for Receivable Against Legal Expenses-Loan/Lease	-	200,000
	Total	**(58,897,848)**	**25,726,540**

	Amount in Taka	
	Dec 31, 2025	Dec 31, 2024

37 Provision for tax

Provision for Current Tax is made on the basis of the profit for the period as adjusted for taxation purpose in accordance with the provision of Income Tax Act 2023 and amendments made thereof. The current tax rate for the Company is 37.50% on taxable income. As the company has not generated any profit, no provision for income tax has been maintained for the year 2025.

	Dec 31, 2025	Dec 31, 2024
Provision made during the year	-	1,620,000
	-	**1,620,000**

38 Provision for Deferred tax

	Dec 31, 2025	Dec 31, 2024
Deferred Tax expense (note 9.1)	(2,051,258)	(114,032)
Deferred Tax Income	-	-
	(2,051,258)	**(114,032)**

39 Other Comprehensive Income/(Loss) for the period

	Dec 31, 2025	Dec 31, 2024
Unrealizable Gain/(Loss) for Own portfolio	-	-

40 Earnings per share (EPS)

Earnings Per Share (EPS) as shown in the face of Profit and Loss Account is calculated in accordance with International Accounting Standards (IAS) No. 33 " Earnings Per Share".

Basic Earnings Per Share has been calculated as follows:

	Dec 31, 2025	Dec 31, 2024
Earnings attributable to ordinary shareholders (Net Profit after Tax)	(3,656,345,559)	(4,267,550,785)
Weighted Average Number of ordinary shares outstanding during the year	285,440,597	285,440,597
Basic earnings per share (in Taka)	**(12.81)**	**(14.95)**

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

41 Net Assets Value (NAV) per share

	Dec 31, 2025	Dec 31, 2024
Net Assets (Total assets less Total Liabilities)	(44,286,785,649)	(42,674,632,395)
Total Number of Ordinary shares outstanding	285,440,597	285,440,597
Net Assets Value (NAV) per share	**(155.15)**	**(149.50)**

42 Net Operating Cash Flows Per Share (NOCFPS)

	Dec 31, 2025	Dec 31, 2024
Net Cash flows from Operating Activities	(197,427,274)	(63,908,872)
Total Number of Ordinary shares outstanding	285,440,597	285,440,597
Net Operating Cash Flows Per Share (NOCFPS)	**(0.69)**	**(0.22)**

43 Reconciliation of Net Profit with Cash Flows from Operating Activities

	Dec 31, 2025	Dec 31, 2024
Net Profit after tax	**(3,656,345,559)**	**(4,267,550,785)**
Items not involved in cash movement		
Add: Depriciation	8,467,295	9,057,414
Add: Provisions for loans and investments	(58,897,848)	25,726,540
Add: Provisions for Taxation	(2,051,258)	1,505,968
Add/(Less): Accrued expenses	3,828,020,810	4,300,047,342
Add/(Less): Accrued Income	-	-
	119,193,441	**68,786,479**
Increase/decrease in operating assets and liabilities		
Investment in shares/bond	-	-
Received from Loans and advances	121,105,705	278,016,717
Loans and advances to customers	(91,000,000)	(103,700,000)
Other assets	(13,172,966)	263,697,288
Borrowing from bank/FIs	-	-
Deposits from customers and others	(178,221,142)	(355,529,612)
Other liabilities	(155,332,312)	(215,179,744)
	(316,620,715)	**(132,695,351)**
Net Cash flows from/(used in) Operating Activities	**(197,427,274)**	**(63,908,872)**

Amount in Taka	
Dec 31, 2025	Dec 31, 2024

44 Others

44.1 For the Year ended December 31, 2024

Name of Court	No. of Suits	Suit Value (in Lac)	Remarks
Artha Rin Adalat	64	41,167.89	
Other Courts	32	1,177.13	
Total	96	42,345.02	

44.2 Unacknowledged debt

The Company has no claim against it which has not been acknowledged as debt at the balance sheet date.

44.3 Employees' information

A total number of 39 employees were employed in PLFS as of 31 December, 2025.

45 Written-off of accounts

During the year under review, no loans & advances has been written-off.

46 Directors' responsibility statement

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

47 Date of authorization for issue

The financial statements were authorized for issue by the Board of Directors on its 105th meeting held on 30-06-2026.

48 Discloser of Quick Summary of Bangladesh Bank Inspection report

Bangladesh Bank performed inspection on Calcification Loan (CL) for the year ended 2025 and provide aquick summery report for finalization of Financial Statement for 2025. In this regards we prepared Financial Statement for 2025 by considering the said quick summary report.

49 General

49.1 The figures appearing in this financial statements have been rounded off to the nearest integer.

49.2 Last year's figures have been restated and rearranged wherever it is found necessary to conform the current year's presentation.

49.3 The company was liquidation verge from 14-7-2-19 under the Hon'ble Hige Court order and non -business period was late of 2023. So interest charge on any borrowing during this period is not justified and hinders for revival of the Company from liquidation verge. The company prayed to Bangladesh Bank (BB) for relief from charging interest on term deposits and any borrowings as per decision of the 55th meeting of board of directors and interest amount around Tk. 1,300 (Thirteen Hundred) Crore only upto 31 december 2022. If the company get relief from charginng interest on any borrowing and deposits then it would be adjusted with retained earnings/revised and respecttive liabilities will be deducted by waving interest amount. Mentionable that . management have also been trying to take waiver from charging interest on deposits and any borrowings of 2023 and onwards because liability size is three or more time higer than assests. Eventhough, assets quality is very poor and inadequate to meet up total liabilities.

49.4 Special/Forensic Audit of People's Leasing & Financial Services Ltd. (PLFSL) for the period beginning from 2009 to 2022 has been conducted by MABS & J Partners and they submitted a report on 30 January 2025. Forensic audit has revealed significant financial irregularities, systemic governance failures, and gross mismanagement. These irregularities occured primarily through non-compliant sanctioning and preparation of disbursement of loans, inaccurate interest calculations, unapproved waivers, dubious loan adjustments, non-compliance with regulations, and inappropriate financial statements. The findings highlight the involvement of former directors, lapses in oversight by the Board, and negligence by officials. The Board of Directors of PLFSL also collectively failed in their oversight responsibilities and disregarded the red flags repeatedly highlighted by external auditors through qualified or modified opinions issued since 2014.

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49.5 It has been observe that there was a gap found between CL & Data Sheet Loan which is amount Tk.81,85,98,921 crore. Out of this write off account is 72,28,92,579 rest of amount correction process work in progress through our software vendor Leads Corporation. Similarly, a gap of Tk. 17,69,52,081 crore is observed between the data sheet deposit and statement of affairs. To correct this gap, work is underway with our software vendor Leads Corporation.

49.6 Interest income and interest expenses is recognized usinging the effective interest method and due to software problem we are not accrued on a time proportion basis for fractional accounting periods. Where the reporting period is shorter or longer than full year, interest is recognized only for mature of the period of instrument. The same accounting policy is applied consistently across all reporting period.

49.7 As per Bangladesh Bank Comprehencive audit observetion this metter was placed in 93th board meeting and board dicided to collect expert opinion . In this regard, we collect opinion from Sayful shamsul Alam & Co. Charterd accountents. On the basis of this opinion we were passed adjustment entry. Due to software error, interest was charged unusally for some depositors accouts which is adjusted with manual calculation.

49.8 Total Capital (Paid up-Capital, Statutory Reserve, Share Premium) of TK. 451.85 Crore and the total disbursement loan were 105.53 Crore which was 23% of loan exposure limit, moreover this amount was disburshed in severel phase. Subsequently, the limit has exceded due to impose of charging interest.

ANNEXURE - A

People's Leasing and Financial Services Ltd.

Fixed Assets Schedule

As at December 31, 2025

Figures in Taka

SI No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2025
		Balance as on 1 Jan, 2025	Additions during the Year	Adjustment during the year	Balance as on December 31, 2025		Balance as on 1 Jan, 2025	Charged during the year	Adjustment during the year	Balance as on December 31, 2025	
1	Company Premises	33,265,482	-	-	33,265,482	10%	27,101,322	616,416	-	27,717,738	5,547,744
2	Motor Car & Vehicle	11,860,360	-	-	11,860,360	20%	10,612,305	249,611	-	10,861,916	998,444
3	Computer	24,034,392	677,905	177,905	24,534,392	20%	19,078,860	1,091,107	177,905	19,992,062	4,542,330
4	Telephone System	1,756,858	-	-	1,756,858	10%	1,404,461	35,240	-	1,439,700	317,158
5	Air Cooler	7,799,314	-	-	7,799,314	5%	1,648,784	307,527	-	1,956,310	5,843,004
6	Refrigerator	209,002	-	-	209,002	10%	143,506	6,550	-	150,055	58,947
7	Generator	3,343,467	-	-	3,343,467	10%	635,259	270,821	-	906,080	2,437,387
8	Office Equipment	5,383,315	90,400	-	5,473,715	20%	4,574,821	179,779	-	4,754,600	719,115
9	Furniture & Fixtures	40,090,755	111,409	-	40,202,164	5%	20,096,576	1,005,279	-	21,101,855	19,100,309
10	Crockeries	46,606	-	-	46,606	20%	37,980	1,725	-	39,705	6,901
11	Software	16,747,004	3,690,000	-	20,437,004	20%	6,250,226	2,837,354	-	9,087,580	11,349,424
	As on 31 December, 2025	**144,536,555**	**4,569,714**	**177,905**	**148,928,364**		**91,584,099**	**6,601,408**	**177,905**	**98,007,602**	**50,920,762**
	As on 31 December, 2024	**141,076,356**	**3,481,570**	**21,371**	**144,536,555**		**84,818,934**	**6,786,535**	**21,371**	**91,584,098**	**52,952,457**

Non-Banking Assets

Figures in Taka

SI No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2025
		Balance as on 1 Jan, 2025	Additions during the Year	Adjustment during the year	Balance as on December 31, 2025		Balance as on 1 Jan, 2025	Charged during the year	Adjustment during the year	Balance as on December 31, 2025	
1	Company Premises	58,558,336	-	-	58,558,336	10%	38,120,422	2,043,791	-	40,164,214	18,394,122
	As on 31 December, 2025	**58,558,336**	**-**	**-**	**58,558,336**		**38,120,422**	**2,043,791**	**-**	**40,164,214**	**18,394,122**
	As on 31 December, 2024	**58,558,336**	**-**	**-**	**58,558,336**		**33,326,344**	**2,523,199**	**-**	**35,849,543**	**22,708,793**

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ANNEXURE - A

People's Leasing and Financial Services Ltd.

Fixed Assets Schedule

As at December 31, 2024

Figures in Taka

SI No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2024
		Balance as on 1 Jan, 2024	Additions during the Year	Adjustment during the year	Balance as on December 31, 2024		Balance as on 1 Jan, 2024	Charged during the year	Adjustment during the year	Balance as on December 31, 2024	
1	Company Premises	33,265,482	-	-	33,265,482	10%	26,416,415	684,907	-	27,101,322	6,164,160
2	Motor Car & Vehicle	11,860,360	-	-	11,860,360	20%	10,300,291	312,014	-	10,612,305	1,248,055
3	Computer	21,341,645	2,692,747	-	24,034,392	20%	17,839,977	1,238,883	-	19,078,860	4,955,532
4	Telephone System	1,756,858	-	-	1,756,858	10%	1,365,305	39,155	-	1,404,461	352,397
5	Air Cooler	7,558,314	241,000	-	7,799,314	5%	1,325,072	323,712	-	1,648,784	6,150,530
6	Refrigerator	209,002	-	-	209,002	10%	136,228	7,277	-	143,506	65,496
7	Generator	3,343,467	-	-	3,343,467	10%	334,347	300,912	-	635,259	2,708,208
8	Office Equipment	5,031,481	351,834	-	5,383,315	20%	4,372,697	202,124	-	4,574,821	808,494
9	Furniture & Fixtures	39,923,637	188,489	21,371	40,090,755	5%	19,066,746	1,051,200	21,371	20,096,576	19,994,179
10	Crockeries	39,106	7,500	-	46,606	20%	35,823	2,157	-	37,980	8,626
11	Software	16,747,004	-	-	16,747,004	20%	3,626,032	2,624,194	-	6,250,226	10,496,778
	As on 31 December, 2024	**141,076,356**	**3,481,570**	**21,371**	**144,536,555**		**84,818,934**	**6,786,535**	**21,371**	**91,584,098**	**52,952,457**
	As on 31 December, 2023	**153,707,177**	**20,274,123**	**17,343,104**	**141,076,356**		**83,614,550**	**7,858,453**	**6,654,069**	**84,818,934**	**56,257,423**

Non-Banking Assets

Figures in Taka

SI No.	Particulars	COST				Rate	ACCUMULATED DEPRECIATION				Written Down Value as on December 31, 2024
		Balance as on 1 Jan, 2024	Additions during the Year	Adjustment during the year	Balance as on December 31, 2024		Balance as on 1 Jan, 2024	Charged during the year	Adjustment during the year	Balance as on December 31, 2024	
1	Company Premises	58,558,336	-	-	58,558,336	10%	35,849,543	2,270,879	-	38,120,422	20,437,914
	As on 31 December, 2024	**58,558,336**	**-**	**-**	**58,558,336**		**35,849,543**	**2,270,879**	**-**	**38,120,422**	**20,437,914**
	As on 31 December, 2023	**58,558,336**	**-**	**-**	**58,558,336**		**33,326,344**	**2,523,199**	**-**	**35,849,543**	**22,708,793**

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People's Leasing And Financial Services Ltd.

Classification and provisioning of Loan, Lease and Advance

As on 31/12/2025

ANNEXURE-B

Classification status of Loan, Lease & Advance as on 31/12/2025	Amount of outstanding Loan Lease and Advance as on 31/12/2025	Base for Provision	Percentage(%) of provision required as per Bangladesh bank directive	Provision Required 31/12/2025	Provision Required 31/12/2024
Genarel Provision					
Standered Non SME	168,324,737	168,324,736	1%	1,683,247	1,118,440
Standered SME	19,913,733	19,913,733	0.25%	49,784	62,273
Special Mention Account(SMA)	17,766,999	17,416,295	5%	870,815	119,500
Total A	**206,005,469**	**205,654,764**	**-**	**2,603,846**	**1,300,213**
Specific Provision					
Sub Standard (SS)	1,467,933	1,333,013	20%	266,603	237,000
Doubtfil (DF)	2,955,895	2,607,805	50%	1,303,903	203,000
Bad and Loss (BL)	10,564,847,902	8,213,859,014	100%	8,213,859,014	8,275,191,000
Total B	**10,569,271,730**	**8,217,799,832**		**8,215,429,519**	**8,275,631,000**
G.Total (A+B)	**10,775,277,199**	**8,423,454,596**		**8,218,033,366**	**8,276,931,213**
Provision Kept:					
General				2,603,846	1,300,213
Specific				8,215,429,519	8,275,631,000
Total				**8,218,033,366**	**8,276,931,213**
Surplus/(Deficit)				-	-

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People's Leasing And Financial Services Ltd.

Financial Highlights (Solo)

ANNEXURE-C

Sl. No.	Particulars	Amount in Tk.	
		2025	2024
1	Paid-up Capital	2,854,405,970	2,854,405,970
2	Total Capital	(44,286,785,649)	(42,674,632,395)
3	Capital Surplus	(47,141,191,619)	(45,529,038,365)
4	Total Assets	13,245,692,011	13,721,616,812
5	Total Deposits	35,667,673,564	34,618,763,914
6	Toal loans & advances	10,775,277,199	11,058,051,813
7	Total contingent liabilities and commitments	-	-
8	Credit deposit ratio	30.21%	31.94%
9	Percentage of classified loans against total loans & advances	98.09%	98.74%
10	Profit after tax and provision	(3,656,345,559)	(4,267,550,785)
11	Amount of classified loans during the year	10,569,271,730	10,918,782,813
12	Provision kept against classified loans	8,218,033,365	8,276,931,213
13	Provision surplus against classified loans	-	-
14	Cost of fund	12.00%	12.00%
15	Interest earning assets	11,855,132,259	12,353,858,079
16	Non-interest earning assets	1,390,559,752	1,367,758,732
17	Return on Investments	(29.08)	(32.69)
18	Return on assets (ROA)	(27.60)	(31.10)
19	Income from loans & advances & investment	133,236,262	(21,440,823)
20	Earnings per share	(12.81)	(14.95)
21	Net income per share	(12.81)	(14.95)
22	Price earnings ratio	(0.17)	(0.15)

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PEOPLE'S LEASING
And Financial Services Ltd.

Paramount Heights (12th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000
PABX (Hunting): +880247118938

PROXY FORM

I/We...

of...

being a shareholder/member of **People's Leasing And Financial Services Limited** do hereby appoint Mr./Mrs./Ms...

of...

as my/our Proxy, to vote for me/our behalf at the **30th Annual General Meeting (AGM)** of the Company to be held on **August 17, 2026, Monday at 10.00 a.m. by Hybrid System** and at any adjournment thereof or any ballot to be taken in consequence thereof.

Signed this .... Day of .... August 2026.

Signature of Proxy..................................

Tk. 20/-
Revenue
Stamp

Signature of Shareholder..

Folio/B.O A/c No...

No. of Shares...

IMPORTANT NOTE:

1. This form of proxy duly completed, must be deposited at least 48 hours before the meeting at the Company's Head Office. Proxy is invalid if not signed and stamped as explained above.
2. Signature of the Shareholder should agree with the Specimen Signature registered with the Company or B.O Account/CDBL Record.

PLFS

Together We Achieve

Flash Back

27th AGM of PLFSL

28th AGM of PLFSL

29th AGM of PLFSL

Youth Festival 2025

Reception- Mr. Goutam Kumar Goush, Director, DFIM, BB

Skill Development Training for the Employees of PLFSL

Workshop On Capacity Enhancement of PLFSL

PLFSL

Annual Picnic-2025

PLFSL Employees

Corporate Restructuring