



Bond of Transparency

VISIBLE **GROWTH**
ENDLESS **POSSIBILITIES**



ANNUAL
REPORT
2021



Growth is the key driving factor behind the success of any organization. Companies formulate different strategies with the vision to achieve desired growth. Despite global pandemic right after our inception we didn't slow down our drive and efforts in pursuit of reaching our goals, rather we pushed harder. At SFIL we work towards achieving our vision of becoming the most preferred financial institution in Bangladesh. Our growth strategy is to build a mutual beneficial and transparent relationship with our valued clients and offer them superior service experience. We offer complete array of industry-leading products and services in Retail Finance, SME Finance, Corporate Finance, Corporate Advisory, Savings & Deposits. Key focus areas are home finance, lease finance, auto finance, cluster-based small, medium entrepreneur and corporate finance related to manufacturing, export, agro, infrastructure, green projects, technology and innovation. We are passionate about constant improvement and digitalization. SFIL is the only joint venture NBFI consists of institutional investors of Canada, USA, and Bangladesh. The company has shown remarkable performance and possibilities for exponential sustainable growth. We are confident to reach our full potential through hard work and dedicated service to exceed growth momentum each year.



Letter of Transmittal

To
All Shareholders,
Bangladesh Bank,
Registrar of Joint Stock Companies and Firms

Annual Report for the period ended on December 31, 2021.

Dear Sir(s):

We are delighted to enclose, a copy of the Annual Report 2021 together with the Audited Consolidated and Separate Financial Statements including Balance Sheet as at December 31, 2021 and Profit & Loss Account, Statement of Cash Flows and Statement of Changes in Equity for the year ended on December 31, 2021 along with notes thereon of Strategic Finance & Investments Limited for your kind information and record.

Yours Sincerely

Sd/=

Mohammad Razibuzzaman Khan

Company Secretary &

Deputy Chief Financial Officer



May 5, 2022

NOTICE OF HOLDING OF THE 2ND ANNUAL GENERAL MEETING

Notice is hereby given to all the Shareholders of Strategic Finance & Investments Limited that the 2nd Annual General Meeting (AGM) of the company to be held on Saturday, May 28, 2022 at 9:00 AM through physical and virtual (Zoom) presence in the Head Office to transact the following business. Zoom Link is as below:

Zoom Link:

<https://us06web.zoom.us/j/89423078805?pwd=YnVvLzBpeWFtSVZZMjNjSjdWVIRpdz09>

Meeting ID: 894 2307 8805

Passcode: 123456

AGENDA

- AGMA-02-01** : To receive, consider and adopt the Directors' Report, Auditors' Report and Audited Financial Statements for the period ended December 31, 2021.
- AGMA-02-02** : To approve dividends out of the profits for the period ended December 31, 2021.
- AGMA-02-03** : To elect / re-elect the directors who are retiring in terms of the relevant provision of the Articles of Association of the Company.
- AGMA-02-04** : To appoint Auditors and to fix their remuneration for the year ended December 31, 2022.
- AGMA-02-05** : To transact any other business with the permission of the Chairman.

Your attendance in the meeting will be highly appreciated.

By order of the Board



Mohammad Razibuzzaman Khan

Company Secretary &

Deputy Chief Financial Officer

Notes:

- The record date was fixed on 8 May 2022 (Sunday). The shareholders, whose name will appear in the Share Register of the company at the close of business on the record date, will be eligible to attend the meeting and get dividend.
- The Board of Directors has recommended 2.5% stock dividend.



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At A Glance

Type of Company	Public Limited Company
Type of Business	Financial Institution
Key Business Segments	Retail Financing SME Financing Corporate Financing & Advisory Deposit & Savings
Company Incorporation Number	C-160166/2020
Date of Incorporation	March 9, 2020
Bangladesh Bank License Number	DFIM (L) /41
Number of Branch	02
Address of Head Office & Principal Branch	Rangs RL Square, Level: 3 201/1 Kha, Bir Uttam Rafiqul Islam Avenue Progoti Shoroni, Dhaka-1212, Bangladesh.
Telephone	+88 09612223322
Email Address	info@sfilbd.com
Web Address	www.sfilbd.com
Auditor	Hoda Vasi Chowdhury & Co. Chartered Accountants
Key Banking Partners	Standard Chartered Bank Eastern Bank Limited Premier Bank Limited Padma Bank Limited NRB Bank Limited
Credit Rating Company	Emerging Credit Rating Limited
Legal Advisers	Barrister Chowdhury Mokimuddin Barrister Shakhawat Hossain
Tax Advisers	Adil & Associates Snehasish Mahmud & Co.
Subsidiary	SFIL Securities Limited (DSE & CSE TREC Holder)

Financial Performance 2021

Total Assets

BDT

6,078.25 Million

33.29%

Growth vs 2020



Leases, Loans & Advances

BDT

1,010.50 Million

224.62%

Growth vs 2020



Investments

BDT

1,158.01 Million

10.29%

Growth vs 2020





Bank Balance

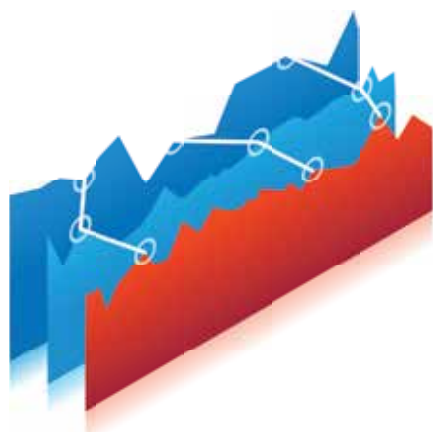
BDT
3,559.03 Million

17.14%
Growth vs 2020

Total Deposit Balance

BDT
4,820.12 Million

39.57%
Growth vs 2020



Total Shareholders' Equity

BDT
1,092.49 Million

6.39%
Growth vs 2020



Operational Performance 2021

Operational Income

BDT
205.91 Million

275.24%
Growth vs 2020



Operational Expenses

BDT
75.36 Million

245.61%
Growth vs 2020

Financial Expenses

BDT
335.04 Million

761.84%
Growth vs 2020





Profit Before Provision & Tax

BDT

130.55 Million

294.78%

Growth vs 2020

Profit Before Tax

BDT

119.38 Million

309.13%

Growth vs 2020



Net Profit After Tax

BDT

72.96 Million

273.58%

Growth vs 2020



ABOUT SFIL

Strategic Finance & Investments Limited (SFIL) is the only joint venture financial institution having institutional shareholders of Canada, USA, and Bangladesh. It is a full-service Bangladesh Bank licensed multi-product financial institution. SFIL's shareholding comprises 98% institutional investments out of which 50% from institutional investments from Canada and USA. Which exerts a key strength in terms of Operation, Internal Control & Compliance, and Corporate Governance. The foreign collaboration allows us to bring international best practices into the company.

We are committed to extending the complete array of industry-leading products and services including lending in Corporate, SME, and Retail, Term Deposit, Saving Schemes, and Corporate Advisory. Our focus areas for investments are infrastructure, manufacturing, CMSMEs, cluster-based financial inclusion, retail, exports, green projects, agro, emerging industries, technology, and innovation. We are passionate about constant improvement and digitalization to increase excellence in service experience of our customers.

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





Our CSR Initiatives

SFIL incorporated CSR activities into its core strategic business planning and translated that into action across different areas and communities of the country.

CSR areas

Education
Health
Environment



SFIL in collaboration with Thrive Bangladesh as one of its corporate social responsibility partner in 2021 delivered healthy meals to the underprivileged children and families.



Corporate Highlights



Strategic Finance & Investments Limited has signed a participation agreement with Sustainable Finance Department of Bangladesh Bank.

Strategic Finance & Investments Limited in collaboration with Entrepreneurs Club of Bangladesh Limited celebrated the occasion of International Women's Day.



Strategic Finance & Investments Limited participated in REHAB Fair-2021 at BICC.

Strategic Finance & Investments Limited and Maslin Capital Limited recently entered into a MOU to extend corporate advisory service to clients.



Employee Engagements



Strategic Finance & Investments Limited organised town hall event.

Strategic Finance & Investments Limited has organised One year celebration event at the Corporate Head Office.



SFIL celebrated Happy New Year 2021 at the Corporate Head Office.



Mission

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



Vision

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



OUR CORE S.T.A.R. VALUES





Services we Offer



Savings & Deposits

Savings

Monthly savings schemes

Millionaire scheme

Regular Earner Deposits

Monthly income earner

Quarterly income earner

Term Deposits

Flexible term deposits

Cumulative term deposits

Annual income term deposit

Easy deposits

Profit first

Double money / Triple money





Retail Finance

Car Loans

- Brand new
- Reconditioned
- Employee car loan scheme

Personal Loans

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

Home Loans

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





Corporate Finance

Term loan

Working capital finance

Lease finance

Sale & lease back

Preferred equity finance

Club finance

Bridge finance

Foreign currency loan

Access to special fund

Agency & trustee

Private placement of equity

Project finance & syndicated finance



SME Finance

Term loan

Lease finance

Working capital finance

Women entrepreneur loan

Supplier finance

Seasonal loan

Short-term loan

Commercial vehicle loan

Startup loan

Commercial housing loan



Corporate Advisory

Debt finance

Equity finance

Issuance of bond

Merger acquisition

Preference shares

Project feasibility and

Business plan

Alternative Business Solution





Strategic Finance & Investments Limited

Shareholding Composition

As on December 31, 2021

Name of Shareholders	Percentage (%)	No. of Shares	Amount in BDT
A. Individual Sponsors			
Anjuman Ara Shahid	2%	2,000,000	20,000,000
	2%	2,000,000	20,000,000
B. Institutional Sponsors			
Canadian Maple Strategic Wealth Management LP	48%	48,000,000	480,000,000
Strategic Finance Limited	20%	20,000,000	200,000,000
Padma Bank Securities Ltd.	20%	20,000,000	200,000,000
Strategic Equity Management Ltd.	6%	6,000,000	60,000,000
Statisticker Inc.	2%	2,000,000	20,000,000
Unique Hotel & Resorts Ltd.	2%	2,000,000	20,000,000
	98%	98,000,000	980,000,000
Total Shareholdings (A+B)	100%	100,000,000	1,000,000,000



Institutional Shareholding Details



CANADIAN MAPLE STRATEGIC WEALTH MANAGEMENT LP

Canadian Maple Strategic Wealth Management, LP is a Toronto, Canada-based multi-family office that is structured as a Limited Partnership to invest primarily in international capital markets, money markets, and private equity. The Fund was formed under the regulations of the Ontario Securities Commission. The investors in the Fund are high net-worth Canadian individuals, Canadian family offices and endowments, and other Canadian financial institutions.



STRATEGIC FINANCE LIMITED

Strategic Finance Limited started its journey as full-fledged merchant Bank licensed from Bangladesh Securities and Exchange Commission in 2018. Strategic Finance Limited (SFL) is strive to develop an unparalleled understanding of its clients and the markets, and offer best-in-class solutions to its clients. Solid shareholder base and highly experienced team enable SFL to capitalize on the growing demand for Investment Banking and provide a "Signature of Excellence".



PADMA BANK SECURITIES LIMITED

Padma Bank Securities Limited specialize in developing an efficient stock brokerage workforce to cater to the needs of the institutional and individual investors in the capital market.



STATISTICKER, INC.

Statisticker, Inc. is a New York based full-service wealth management and corporate advisory organization that manages capital from Corporates and High Networth Individuals. Run by highly experienced financial professionals from Wall Street.



STRATEGIC EQUITY MANAGEMENT LIMITED

Strategic Equity Management Limited (SEML) was incorporated in 2007 under the company act 1994 of Bangladesh. A highly capable professionals came together to form the core team of SEML. SEML was awarded the Asset Management Company (AMC) license from Bangladesh Securities and Exchange Commission (BSEC) in 2013.



UNIQUE HOTEL & RESORTS LIMITED

Unique Hotel & Resorts Limited is the leading Hotel & Hospitality Management Company which is the owner of The Westin Dhaka and the pioneer of establishing Five Star hotel in private sector. Incorporated on November 28, 2000 the Unique Hotel & Resorts Limited got the Certificate of Commencement of Business in the Brand name "The Westin Dhaka" on July 01, 2007. Since then, it has been maintaining consistent growth with innovation & valued services and has become the number one in Bangladesh.



Directors Profile



MR. ARIF KHAN, FCMA, CFA, MBA

Independent Director

Mr. Arif Khan, FCMA, CFA, MBA has been appointed as Independent Director in Strategic Finance and Investments Limited (SFIL). Arif Khan has been working in the financial services sector for more than thirty (30) years and is currently engaged in fund management business. Prior to his current role, he was CEO & Managing Director of IDLC Finance Limited. Mr. Khan was the Commissioner of Bangladesh Securities and Exchange Commission for 5 years. Mr. Arif Khan was the past President of the Institute of Cost and Management Accountants of Bangladesh (ICMAB). He was also the Founding President of CFA Society, Bangladesh. Mr. Khan's outstanding depth and breadth of experience across the financial industry and capital market is an invaluable addition to direct SFIL to achieve its growth strategy and create value for its stakeholders.

MR. EHSANUL KABIR

Nominated Director
Strategic Equity Management Ltd (SEML).

Mr. Ehsanul Kabir is the CEO & MD of SEML. Before joining SEML, he worked as Head of Research in a second-generation AMC, He also served as the Head of Corporate Finance at Cosmopolitan Finance Limited (CFL), the merchant banking wing of Summit Group. He started his career with Eastern Bank Limited and gained vast experience in Structured Financial Products such as Bonds, Private Equity, Mezzanine Capital, Zero Coupon Bond customized for leading local companies. Mr. Kabir completed his MBA from the Faculty of Business Studies, Dhaka University, and BA Honors - Economics from Sri Ram College of Commerce, University of Delhi, India. SEML was awarded the Asset Management Company (AMC) license from Bangladesh Securities and Exchange Commission (BSEC) in 2013. SEML has started its journey with the vision to provide unique, innovative, trustworthy solutions for both capital and money market instruments. The management team of SEML possesses world-class experience having an extensive network in the local business relationship in Investment management.





MR. RIADUZZAMAN RIDOY

Nominated Director
Padma Bank Securities Limited (PBSL).

Mr. Riaduzzaman is the Managing Director and TREC Holder Representative at Padma Bank Securities Ltd. He had previously worked as CEO of Bangladesh Capital Development Ltd., and National Accounting Consultant at UNDP. He has a long working experience in the financial sector of the country. A Finance and Capital Market expert with Professional Certifications from Association of Chartered Certified Accountants (Fellow Member), Certified Information Systems Auditor, Chartered Professional Accountants (British Columbia), Certified General Accountants (British Columbia).

MR. WILLIAM H. DERRENGER

Nominated Director
Canadian Maple Strategic Wealth Management LP.

Professor William H. Derrenger is the founding Vice Chancellor of Canadian University of Bangladesh. He was the Dean of Business School of University of Liberal Arts. He also worked as Associate Dean Faculty of Business in Northern University. William has served different business, finance and development organizations in USA and Bangladesh. He holds B.A. in Economics at Baylor University, Texas and M.A. at American International college, Springfield, Massachusetts, USA.



MR. ZAHID HOSSAIN

Nominated Director
Statisticker, Inc.

Mr. Zahid Hossain is the nominated director of Statisticker, Inc. New York, USA. He was a renowned government bureaucrat and served government of Bangladesh for many years. He was also Former Executive Chairman, Board of Investment, Prime Minister's Office. He was born in a reputed family of Gopalganj District and completed his Bachelors and Masters Degree in Political Science from University of Dhaka.





DR. MD SHAHRUKH ADNAN KHAN

Nominated Director

Canadian Maple Strategic Wealth Management LP.

Dr. Md. Shahrukh Adnan Khan is the Associate Professor & Acting Dean, School of Science & Engineering, Head of EEE department & Director of Innovation & Commercialization Center at Canadian University of Bangladesh. He graduated from the University of Nottingham (UK) with 1st Class (Hons) in Electrical & Electronic Engineering and then completed his Ph.D. from the same University as the Dean Scholar. Having more than 10 years of vast experience in Research and Academia, Dr. Khan also gained industrial exposure by working in various international platforms such as PTT Exploration & Production Public Company Ltd (PTTEP, Thailand), BJ Services (Middle East Branch), and so on. Currently acting as Editor of prestigious Inderscience publication (UK), Frontiers (Switzerland) & IET (UK), he has an outstanding career in the RnD sector with more than 40 Peer-reviewed published articles in international indexed Journals, conference proceedings & books.

MR. S.M. ARIFUZZAMAN

Nominated Director
Strategic Finance Limited

Mr. S.M. Arifuzzaman, a renowned finance professional and a scholar devoted to the cause of financial research and investment. He has experience in business & product developments and implementing institutional policy reforms. Mr. Zaman has completed his Master's in Management (Finance), ESCP Europe, Paris, and MBA in Management of Technology from Asian Institute of Technology (AIT), Thailand. He also obtained his PGDMC (Post Graduate Diploma in Management Consultancy) from Institute of Management Consultants Bangladesh (IMCB). Prior joining to AIT, he has completed his B.Sc. (Hon's.) - Computer Science & Engineering, BUET, Bangladesh.





MR. SHORIFUL ISLAM

Nominated Director
Strategic Finance Limited

Mr. Shoriful Islam is chosen by Strategic Finance Limited as nominated director in SFIL Board. He has over 18 years of experience from several renowned banks and financial institutions such as BRAC Bank, ICB Islami Bank, Bangladesh RACE Management PCL. He has wide experience in managing Finance, Treasury and Accounts Department. He is a Certified Public Accountant (CPA) with major in Finance. Also, completed his Masters of Business Administration (MBA) degree from Southeast University with concentration in banking and Finance. He has done numerous relevant training and academic courses throughout his long career.

MR. MOHAMMAD SHARIAT ULLAH

Nominated Director
Padma Bank Securities Limited (PBSL)

Mr. Mohammad Shariat Ullah is Managing Director of Task Limited and Head of IT of Padma Bank Securities Limited and Canadian University of Bangladesh, Dhaka. He is an experienced IT professional with a proven track record of working for local and multi-national companies. He completed BSC in ETE from Atish Dipankar University of Science & Technology.



Management Team



IRTEZA AHMED KHAN
Managing Director and CEO



TAMIM MARZAN HUDA
DMD, Chief Risk Officer



MD. SHAJEDUL HAQUE MREDHA
SEVP, Head of Retail

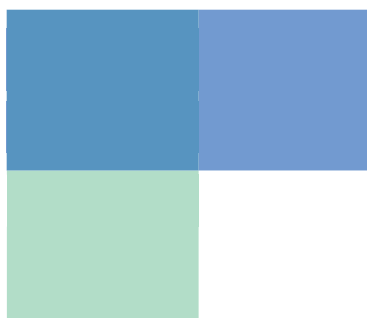


MD. MONIRUZZAMAN
SVP, Credit Risk Management



MOHAMMAD RAZIBUZZAMAN KHAN
Deputy CFO





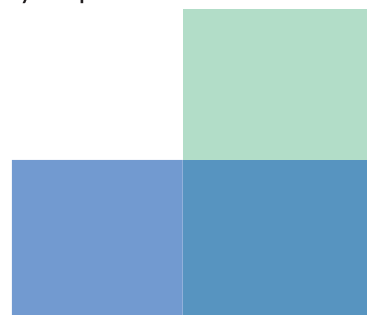
Management & Other Committees

MANAGEMENT COMMITTEE

Name	Designation
Mr. Irteza Ahmed Khan	Managing Director and CEO
Mr. Tamim Marzan Huda	DMD, Chief Risk Officer
Mr. Md. Shajedul Haque Mredha	Head of Retail
Md. Moniruzzaman	SVP, Credit Risk Management
Mr. Mohammad Razibuzzaman Khan	Deputy CFO

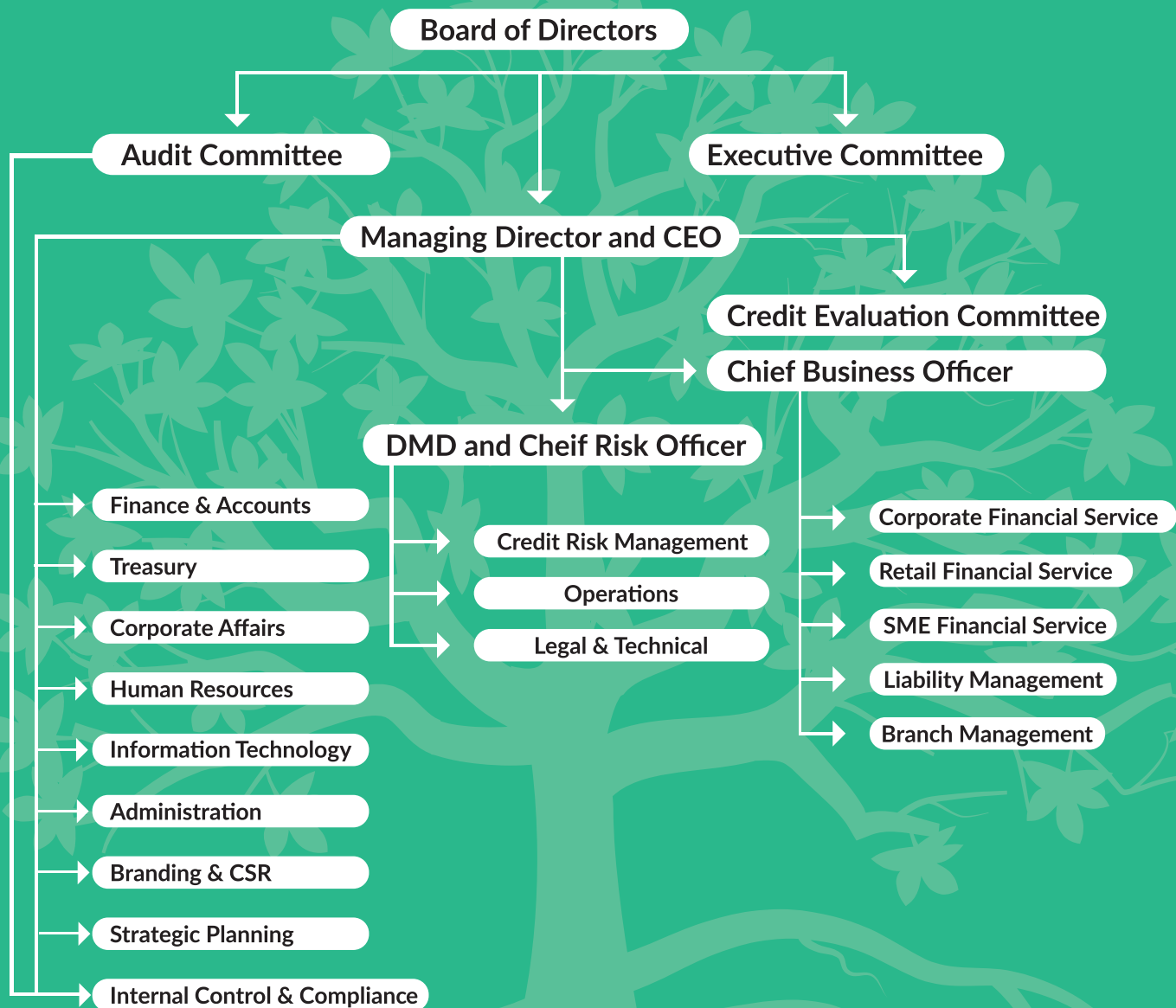
ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO)

Name	Designation
Mr. Irteza Ahmed Khan	Managing Director and CEO
Mr. Tamim Marzan Huda	DMD, Chief Risk Officer
Mr. Md. Shajedul Haque Mredha	Head of Retail
Md. Moniruzzaman	SVP, Credit Risk Management
Mr. Mohammad Razibuzzaman Khan	Deputy CFO
Mr. Tanvir Mahmud	In-charge of Treasury Department



Strategic Finance & Investments Limited

Corporate Organogram





Irteza Ahmed Khan
Managing Director & CEO

Statement from The Managing Director & CEO

Bangladesh is one of the few countries that has been recognized for its vigorous efforts in improving its economic situation even amidst the pandemic. The economy is turning around in the context of tackling the pandemic and improving the initial interruption which has been caused due to Covid -19. The key drivers of this economic turnaround were the high remittance inflows being received in last year along with flourishing in RMG export market, which resulted in best ever Foreign Exchange Reserve. Additionally, the Government announced further stimulus packages in 2021 which were effective in reducing the impact of the pandemic on the economy and the society.

Bangladesh remained much less affected than others and reported an impressive 6.94% GDP growth in FY2020-21. Inflation decreased slightly to 5.56% in FY2020-21 as the COVID-19 pandemic eased up a little due to nationwide vaccinations. High remittance inflow and higher imports and exports resulted in higher foreign exchange reserves which stood at USD 46 billion as of 31 December 2021. The performance of the capital market was also better this year compared to 2020 with index reaching at 6,757 points in 2021.

The government has targeted a 7.2% growth in FY22 as the economy recovers from the COVID-19 pandemic. Despite the pandemic, the country exhibited relatively strong growth, low government revenues, weak governance indicators. In addition to weaker governance indicators, foreign direct investment remains constrained by significant infrastructure gaps. However, the government's focus on building large infrastructure projects could augur well for foreign investment in the coming years. During FY21, the country's per capita national income stood at USD 2,227, from USD 2,024 in the previous fiscal year. Remittances reached a record high of USD 21.7 billion in 2020, driven by a shift toward formal remittance channels and the Bangladesh Bank's 2% cash incentive for inward remittances.

The non-bank financial institutions (NBFIs) comprise a rapidly growing segment of the financial system in Bangladesh. The NBFIs have been contributing toward increasing both the quality and quantity of financial services and thus mitigating the lapses of existing financial intermediation to meet the growing needs of different types of investment in the country. NBFIs may have become exposed to market volatilities because of their overdependence on a small number of large investors and debtors. According to Bangladesh Bank, 56.2% of all deposits in NBFIs were between Tk. 1 crore to Tk. 50 crore. Moreover, only 5,019 depositors across the entire NBFI establishment were responsible for these deposits. In terms of loans, 60.6% of total funds were distributed among only 6,587 borrowers. This indicating that the small number of customers holding the lion share of NBFI's portfolio and this overdependency may explosive the industry.



Key Highlights 2021



Leases, Loans and Advances

BDT

1,010.50

Million



Operational Income

BDT

205.91

Million



Net Asset Value Per Share

BDT

10.92



Total Deposit Balance

BDT

4,820.12

Million



Net Profit After Tax

BDT

72.96

Million



Earnings Per Share

BDT

0.73



Highlights of 2021

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

- a. **Profitability:** The profitability of FIs Sector have been adversely impacted in real estate, textile, garments, transport, trade, and commerce due to pandemic. However, SFIL's Net Profit has increased by 273.58% to BDT 72.96 million compared to BDT 19.53 million in 2020. The interest income has increased by 59.72% compare to 2020. Other income has been generated from investment and capital gain.
- b. **Portfolio:** Our asset portfolio has increased by 224.62% compared to BDT. 311.29 million in 2020. To build the portfolio, SME & Corporate accounts contributed significantly. Along with our SME & Corporate portfolio, Retail Finance portfolio has also increased from last year.
- c. **Credit Quality and NPL :** Though the Central Bank has relaxed the loan provisioning criteria but without considering the criteria, our asset quality remains very good considering the regular payment performance of our customers. Our intense focus on quality loans has driven the Company to achieve an NPL ratio of ZERO% at the end of 2021. We prioritize cash flow and goodwill of the borrowing companies when approving loans. Our thrust for diversifying our portfolio as well as strengthening our monitoring has remained very much on. And, in the coming days, “No compromise in quality” would be the guiding principle to manage credit portfolio of the Company.
- d. **Liquidity Management :** The Capital Adequacy Ratio (CAR) for the year 2021 stood at 28.55%, exemplifying that we are well above Bangladesh Bank's requirements for a minimum 10% CAR and outlining the fact that the Company has been able to weather any storm as it already has in such bleak times for the past few years.
- e. **Fund under Management (FUM):** Owing to the heave in the asset disbursements and increment of bank borrowings in 2021, the fund under management witnessed an upsurge of 54.87%, soaring to BDT 5,830 million, up from BDT 3,764.9 million in the previous year. This increase exemplifies the tenacity of our asset management during these strenuous times.
- f. **Communal Engagement:** As part of its CSR operations, the SFIL took the initiative to provide necessities to under privilege children as a result of the current COVID outbreak. Aside from that, SFIL sponsors to Thrive Bangladesh for providing nutritious food for under privilege school children.



- g. Sectoral Exposure:** SFIL has increased exposure in MFI to help out the marginal people and under privilege people. The end user of the loans are marginal farmers, woman entrepreneurs, small business and others. After pandemic, these group of people need more financial assistance.
- h. Launching the Subsidiary SFIL Securities Limited:** SFIL Securities Limited, the first subsidiary of SFIL started its operation in 2021 and it has emerged as a premier brokerage house of the country.

SFIL Strategies for changing economic scenario and onward: The year 2022 is expected to be challenging taking into consideration growing demand of prudent liquidity management, revised regulatory framework, and socio political agenda due to COVID-19 pandemic. Our strategy is to continue the business that we do well. Better management of BS, P&L and our exposure through rigorous monitoring & follow ups and diversification of portfolio are our main priorities. Our focus will be to structure and build up a strong team, deploy performance management, simplify operational process, strengthen operation control and improve efficiency & productivity of existing resources.

- a. Technology Development:** Technological leadership is an absolute necessity for the delivery of value to all our stakeholders amidst rapidly changing life styles and paradigms. We are committed to place superior technology platform at the forefront of our delivery channels and operations. For core financial solutions, SFIL will implement a proven technology platform to better serve our processes and purposes. Our endeavor to continuously upgrade our technology platform to bring efficiency to its operations and ensure continuous customer satisfaction.
- b. Human Resources Management:** Many factors contribute to being successful in business. Having a sound strategy, having a marketable product or service, and having efficient processes are all important. But it falls to the people within the organization to actually execute on the strategies, plans, and processes to make a business successful. We believe that our investments in People Development are keys to sustainable growth. We invest on our people for continuous training, development and retention of critical resources.
- c. Service First Policy:** We value our customers, both internal and external, and are committed to offer best-in-class service experience. This is our philosophy to win the heart of our customers. Our focus has always been to understand customers' perspectives and develop service and products accordingly.
- d. Brand Positioning:** SFIL has successfully gained the trust of the people which is our great achievement. We are continuously improving our Customer Relationship Management to increase operational efficiency. In our pursuit to emerge as the most passionate brand in financial industry, we maintained strong visible presence in social, print, and electronic media through various campaigns, sponsorships, promotions and other events through-out the year.
- e. Adapting with New Normal:** Our workforce continues to adopt the new normal working arrangement. We supported employees during the pandemic period to enable most of them to work from home, to ensure their health and safety. The pandemic has fundamentally changed the perception of how a modern office works. Our aim is to balance the changing needs of the customers with our changing work patterns through smart digital solutions. Customer centricity



is at the core of our business operation and one of our priorities in the coming years will be to improve customer experience by leveraging technology and investing in frontline training.

Besides many, the key priorities for 2022 are enumerated below:

- Introduce new Products and Services
- Increase more customer touch points including Branches and Sales Centre
- Concerted marketing efforts to acquire low cost deposits from individuals and institutions
- Taking benefit of the technology platform and to manage business efficiently
- Shifting focus from Corporate to Retail Finance & SME
- Integrated market communication (IMC) to promote SFIL brand
- Hire, develop and retain the critical people
- Increase shareholders return on investments

By ensuring unrelenting focus on our valued clients, we enter 2022 with a new hope, with a sense of anticipation. Our commitment to build a “better tomorrow” is reflected in our financial results and underpins our investments for the future — in our organization growth potential as well as in our communities as we strive to foster a more inclusive, sustainable economy.

Acknowledgements:

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

In the end, I acknowledge and thank all our employees for their hard work, dedication and commitment, particularly in these testing times. At SFIL, we look forward to your continued support and goodwill as we march ahead in our quest for resilient growth. I wish you peace, prosperity and good health.

Sincerely,



Irteza Ahmed Khan
Managing Director & CEO



Responsibility Statement of Managing Director & CEO and CFO

The Consolidated and Separate Financial Statements of Strategic Finance & Investments Limited for the year ended on December 31, 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed.

The formats used in the preparation of the financial statements and disclosures made comply with the formats prescribed by the Bangladesh Bank, the Central Bank of Bangladesh.

The Accounting Policies used in the preparation of the financial statements are appropriate and are consistently applied by the company. There are no departures from the prescribed Accounting Standards in their adoption except for as mentioned in note number 2.3 of the Audited Financial Statements.

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.

The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements. To ensure this, SFIL has taken proper and adequate care in installing a system of internal control and maintenance of accounting records. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed.

The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the SFIL's ability to continue as a going concern.

The Consolidated and Separate Financial Statements of SFIL were audited by Huda Vasi Chowdhury & Co., Chartered Accountants, the External Auditor.

Sincerely yours,

Sd/=

Irteza Ahmed Khan
Managing Director & CEO

Sd/=

Mohammad. Razibuzzaman Khan
Deputy Chief Financial Officer



A portrait of Ehsanul Kabir, a middle-aged man with grey hair, wearing a blue checkered blazer over a white shirt. He is looking directly at the camera with a slight smile. The background is a solid light beige color.

Ehsanul Kabir
Nominated Director

Directors' Report

To the Shareholders of Strategic Finance & Investments Limited

Dear Shareholders,

The Board of Directors of Strategic Finance & Investments Limited cordially welcome you in the 2nd Annual General Meeting of the Company.

On behalf of the Board of Directors of SFIL, I have the pleasure in presenting the Directors' Report on the operational and financial activities of your Company, audited financial statements for the period ended 31st December 2021; the auditor's report together with company's performance which includes reports on business strategy review, risk management, corporate governance, financial and operational highlights for your consideration, approval and adoption. This report has been prepared in accordance with the Companies Act 1994, Financial Institutions Act 1993 and the guidelines issued by Bangladesh Bank and other relevant regulatory authorities. The Financial Statements were reviewed and approved by the Board of Directors on March 31, 2022.

Global outbreak of Covid-19 made the year 2021 a far more challenging year. The pandemic caused tremendous loss of human life, social disruptions, health crisis and adversely impacted the global economy as the entire world entered in lockdown during the early months of the outbreak.

Economic Outlook

World Economic Outlook

The global economy is recuperating invincibly from the COVID-19 outbreak, but the recovery process is very different and uneven among countries. In the World Bank published report titled "Global Economic Prospect, June 2021", the economic growth is projected at 5.6 percent in 2021 which was contracted to 3.5 percent in 2020. Substantial fiscal support for the economy, policy support and vaccine access are the major determinants of this unstable growth. Global growth is set to reach 4.3 percent and 3.1 percent respectively in 2022, and 2023 in that report.

The report also foresees that the growth of developed economies will reach 5.4 percent in 2021, with 6.8 percent potential economic growth in the United States. More contagious strains of coronavirus which have recently spread to countries with emerging markets and developing economies, along with vaccine availability is expected to hamper the country's recovery process. Growth in emerging markets and developing economies is projected at 6.0 percent in 2021, with China growing at 8.5 percent and India at 8.3 percent.

In the World Economic Outlook (WEO) April 2021, International Monetary Fund (IMF) projected that the global economy to grow at 6.0 percent in 2021 which is 0.8 percent higher



than the estimate of October 2020. For advanced economies, expected growth rate is 5.1 percent and for emerging markets and developing economies growth is projected at 6.7 percent in 2021. Initially the report made conservative prediction. After analyzing the recent resilient trend of global economic growth, the revised forecast has been made with higher projection.

Bangladesh Economy

After achieving above 7 percent growth since FY 2015-16 to three consecutive years, GDP growth in Bangladesh has reached 8.15 percent in FY 2018-19. This feat of achieving continued growth in Bangladesh's GDP has been praised worldwide. However, the Coronavirus pandemic that poses a major risk to the global economy has also had negative effects on the Bangladesh economy. According to the estimates of Bangladesh Bureau of Statistics (BBS), GDP growth has been decelerated to 3.51 percent in FY 2019-20, which has been estimated 105.47 percent in FY 2020-21. As per the finance division's projection, the size of the Bangladesh economy would be \$510 billion in fiscal 2022-23 after growing at 10.7 percent. There has been a negative growth in import and export in FY 2019-20. However, both export and import showed a positive move during FY 2020-21. Notable progress has been made in the area of remittances due to the provision of incentives at the rate of 2 percent on remittances sent by non- resident Bangladeshis through the banking channel and the easing of the process for sending remittances. The inflow of remittances for FY 2020-21 stood at US\$ 24.78 billion, up by 36.10 percent compared to the previous fiscal year. It is expected that this high growth trend of remittance inflows will continue in the coming days.

As a result of the increase in remittances, the deficit in the current account balance has improved during FY 2020-21, compared to the previous fiscal year. At the same time, due to the US\$ 9.3 billion surplus in the overall balance of payment, foreign exchange reserve increased significantly to reach at US\$ 46.39 billion on 30 June 2021.



Source: Bangladesh Bureau of Statistics

The monetary policy for FY 2020-21 has been framed with the dual objectives of supporting domestic demand to stimulate economic growth in coordination with the government's sustainable development goals, and maintaining price level and achieving macroeconomic and financial stability. To ensure adequate liquidity in the financial system to tackle the financial crisis stemming from the COVID-19 pandemic, the policy interest rate and the Cash Reserve Requirement (CRR) have been reduced more than once. At present, both the repo rate and CRR are at 4 percent. Furthermore, the interest rate on bank loans has been brought down to a single digit or 9 percent with the aim of creating an industrial and business-friendly environment for the industries, businesses and service sector organizations and enabling them to achieve financial viability in local and international markets.

The downwards trend of interest rate for both deposit and credit trend remains static. At the end of February 2021, the weighted average interest rate stood at 7.48 percent for credit and 4.46 percent



for deposit. The gap between weighted average interest rate of credit and deposit (spread) at that time reached at 4.02 percent. To attain a sustainable economic structure, the government has kept its constant efforts to creating access opportunities of financial services for all its grass root level citizens, especially those who are yet to financially include. The capital market situation was found positively working in FY 2020-21 though both Dhaka and Chattogram Stock Exchange were volatile for a while. Overall, there was a mentionable growth both in the capital and value index. The growth of broad index for Dhaka Stock exchange was 37.37 percent and for Chattogram Stock exchange was 39.84 percent.

The export sector has resumed back to a positive trend after overcoming the COVID-19 shock with the support of all the interventions of the GOB. The export earnings growth was 15.1 percent in FY 2020-21 than FY 2019-20. The amount was US\$ 38,758.31 million, which was US\$ 33,674.21 million in FY 2019-20. The import payment was also recommenced back in FY 2020-21 with 19.73 percent growth than the previous year. And the amount was US\$ 65,564.7 million.

The development efforts to build communication and transport infrastructure is going on. At present, the total length of road in the country is 22,418.95 km as of February 2021. Of this, 3,943.69 km length covers national Highway (17.59 percent), 4,882.94 km regional (21.78 percent), 13,592.32 km (60.63 percent) district roads. Parallel to the roads, development projects like and highway development, Padma Bridge, Metro-rail, BRT, Dhaka Elevated Express way and some other mega-projects are being implemented.

During this crisis period of pandemic, the government has strengthened the health population and nutrition sector to provide easy and quality services to its citizens. The country prepared a COVID-19 response plan at the very outset of the pandemic in March 2020. Accordingly, effort has been made to prevent and control the spread of Coronavirus (COVID-19) as well as to provide health care to infected people. The government is working hard to vaccinate its citizens.

SFIL's Performance Snapshot

The year 2021 was second year for SFIL to create its strong foothold in the NBFi fraternity with remarkable growth on its core business operations while setting its backbone and team structure to cater the service needs of its different client base. In the backdrop of low credit appetite, mounting pressure on constant deposit and decreasing lending rate, SFIL demonstrated high resilience in achieving its key performance indicators. The loan portfolio stood as high as BDT 1,010.50 million with Zero percentage classified loan ratio. On the other hand, SFIL managed to build a strong deposit portfolio consists of both institutional (Banks & Corporate) and individual clients of BDT 4,820.12 million. SFIL earned after tax net profit of BDT 72.96 million in 2021, meeting or exceeding all financial and operational objectives. Return on Equity stands at 6.68% at the end of December 31, 2021.

SFIL has successfully secured TREC License both from Dhaka & Chattogram Stock Exchange to start its share brokerage services which will come into operation hopefully by the first quarter of 2022.

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

Business & Operational Activities

SFIL has emerged as a multi-product financial service provider having major focus in Retail Financing, Corporate Financing, SME Financing, Factoring & Work Order Financing, Corporate Advisory Services and Deposit products. It provides a high standard of professional and personalized services to its diverse set of client maintaining strict compliance and highest ethical standards. The Company's strategy is to build up a well-diversified credit portfolio across different sectors to manage risk prudently. As of 2021, the credit portfolio represents of 83.36% Corporate Finance, 9.92% SME Finance and 6.72% Consumer Finance respectively.



Performance Highlights

FINANCIAL PERFORMANCE

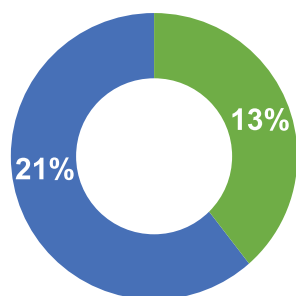
2020	IN BDT MN	2021
311.29	LEASES, LOANS & ADVANCES	1,010.50
4,560.31	TOTAL ASSETS	6,078.25
3,453.67	TOTAL DEPOSIT BALANCE	4,820.12
1,026.92	TOTAL SHAREHOLDERS' EQUITY	1,092.49

During the year 2021, lease, loan and advances of SFIL was BDT 1,010.50 million which was 224.62% higher compare to 2020. Due to the severe impact of pandemic on life, livelihood, business and economy as well as first year of operation SFIL, the Board and the management took a conscious decision to ensure quality balance sheet growth. However, SFIL plans to continue its sustainable growth once business environment of the country is normalized.

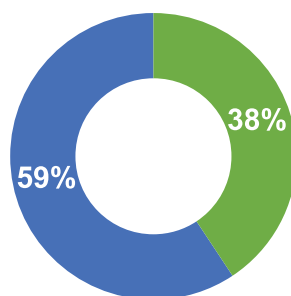
2020	IN BDT MN	2021
54.87	OPERATIONAL INCOME	205.91
21.80	OPERATIONAL EXPENSES	75.36
38.88	FINANCIAL EXPENSES	335.04
33.07	PROFIT BEFORE PROVISION & TAX	130.55
29.18	PROFIT BEFORE TAX	119.38
19.53	NET PROFIT AFTER TAX	72.96

OPERATIONAL PERFORMANCE

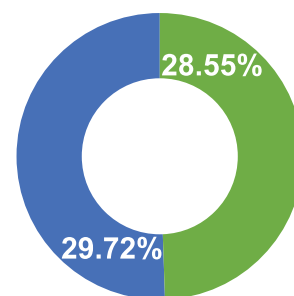


Net Profit Ratio (%)

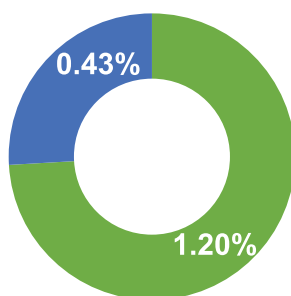
■ 2021 ■ 2020

Operating Profit Ratio (%)

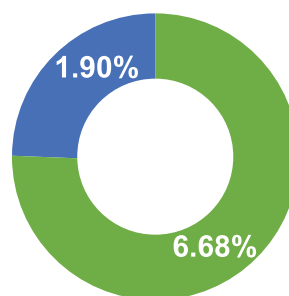
■ 2021 ■ 2020

Capital Adequacy Ratio (%)

■ 2021 ■ 2020

Return on Total Assets (%)

■ 2021 ■ 2020

Return on Shareholder's Equity (%)

■ 2021 ■ 2020

SFIL operates through three major segments in lending business: Corporate, Retail & SME. The classified loan ratio was Nil during the year 2021.

Total deposit was BDT 4,820.12 million during the period 2021 compare to BDT 3,453.67 million in 2020. This was made possible by strong efforts of the management team, board of directors and liability team. The Company launched innovative campaigns focusing on deposit mobilization during the year.

**EARNINGS PER SHARE
2020**

BDT

0.20

**EARNINGS PER SHARE
2021**

BDT

0.73



Profit Before Provision & TAX in 2021 amounted to BDT 130.55 million. Income from treasury and capital gains from listed shares played a vital role to attain this operating profit. Profit before tax was amounted to BDT 119.38 million. The company secured profit after tax amounted to BDT 72.96 million during the period 2021. Company's Capital Adequacy Ratio was 28.55%. However, the company has sufficient provision against portfolio and income tax. NAV per share stood at BDT 10.92 at the end of year 2021.

Equity Statistics



Funding

Credit Lines from Government Bank are conventional source of funding for the newly established NBFIL but we have initiated a number of steps during the year 2021 to create visibility & promote SFIL as a licensed deposit taking NBFIL. Our treasury team demonstrated outstanding performance in managing liquidity and keeping the cost of fund low. Continued emphasis was placed to onboard to get cheaper sources of deposits from Individual and Institutions. As of 2021, deposit balance represents of 53.94% from Bank & NBFIL, 42.70% from Corporate and 3.36% from Individuals. The Company maintained its average cost of fund to the level of 7.49% for the period end 2021.

Asset Quality

During the year 2021, the lending portfolio grew at a steady rate during the period, asset quality was successfully maintained, as the overdue remained zero during the period. Vigorous follow up and monitoring of client's loan account performance paid off in managing Zero NPL during the period 2021.

Forms of Contribution	2021	2020
Number of shares outstanding (No.)	100,000,000	100,000,000
Net asset value per share (BDT)	10.92	10.27

Human Resources Management

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

SFIL's Contribution to the Society

The Company is strictly committed to contribute for the economic and social development of the country. Besides our core activities, we give utmost priority to increase the standard of living condition of our clients and our employees and directly contribute to the exchequer in the form of various tax, excise duty and VAT during the year. Details are given later in this report in Statement of Contribution to Government Exchequer section.

Risk Management & Control Environment

High quality management of risk is one of SFIL's hallmarks and thus a priority in its activity. It has combined prudence in risk management with use of advanced risk management techniques, which have proven to be decisive in generating recurrent and balanced earnings and creating shareholder value. The activity of risks is governed by principles below that are aligned with SFIL's strategy and



business model and take into account the recommendations of the supervisory bodies, regulators and the market's best practices.

These are:

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

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

- Credit Evaluation Committee
- Credit Risk Management Committee
- Asset & Liability Management Committee
- Central Compliance Unit
- Risk Management Forum
- Internal Control Committee
- HR & Compensation Committee
- Corporate Governance Committee
- Integrity Committee
- Risk Analysis Unit
- SFIL's Ladies Forum
- Anti-Money Laundering & ICT Committee

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



Going Concern

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

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

Credit Rating

Emerging Credit Rating Limited (ECRL) has assigned A+ (Pronounced as “Single A Plus”) long term credit rating and ST-2 short term credit rating to Strategic Finance & Investments Limited based on audited financial statements for the period of 2021 and other available information up to the date of rating declaration. The outlook on the rating is Stable.

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

Corporate and Financial Reporting Framework

Financial Statements have been prepared in conformity with the requirements of the International Financial Reporting Standards (IFRSs), the Companies Act 1994, Financial Institutions Act 1993 and amendments thereto, Bangladesh Bank’s Guidelines and Corporate Governance Code.

Responsibility Statement of MD & CEO and CFO

The details of responsibility statement of MD & CEO and CFO is shown in this Report.

Senior Management

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

Related Party Transactions

Disclosure of all related party transactions, including basis for such transactions, has been provided in the Notes 34 to the Financial Statements.

Insider Trading

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

Directors Meeting and Remuneration

During the period of 2021, Fifteen (15) Board of Directors’ Meetings were held. All meeting fulfilled the quorum of required directors. The Board has two sub-committee: Executive Committee (13 meetings held in 2021) and Audit Committee (7 meetings held in 2021).

Appointment / Re-appointment of Directors

As per the Companies Act 1994 and also as per Article No. 125 of Articles of Associations of Strategic Finance & Investments Limited, at the First Annual General Meeting of the Company, all of the



Directors shall retire from office. At the Annual General Meetings in every subsequent year one-third of the Directors for the time being or, if their number is not three or multiple of three then the number nearest to one-third shall retire from office who shall however be eligible for re-election.

Furthermore, Article 126 & 127 of Articles of SFIL also states that the directors to retire by rotation every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those who are to retire shall, unless they otherwise agree among themselves, be determined by lottery. A retiring director shall be eligible for re-election, Mr. Ehsanul Kabir, Mr. Riaduzzaman Ridoy, Mr. Mohammad Shariat Ullah will be retired in 2nd Annual General Meeting and they seek reappointment.

Status of Compliance & Corporate Governance

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

Statutory Auditors

On the basis of the proposal of the Board's Audit Committee, the Board in its 30th meeting held on May 14, 2022 recommended the shareholders to appoint Howlader Yunus & Co., Chartered Accountants as the Auditors of SFIL for the year ended December 31, 2022 with a fee of BDT 115,000 (excluding VAT). SFIL has also taken prior approval from Bangladesh Bank to appoint Howlader Yunus & Co., Chartered Accountants, until completion of conclusion of the 3rd AGM. As far as the Directors are aware, the Auditors do not have any relationship with or interest with the Company that in their judgments, may reasonably be thought to have a bearing on their independence within the meaning of the Code of Professional Conduct and Ethics issued by the Institute of Chartered Accountants of Bangladesh (ICAB), applicable on the date of this report. The Auditors, Howlader Yunus & Co., Chartered Accountants have expressed their willingness to conduct audit of the Company. They come up for appointment at the Annual General Meeting, with the recommendation of the Audit Committee and the Board of Directors. In accordance with the Companies Act, a resolution proposing the appointment of Howlader Yunus & Co., Chartered Accountants, as Auditors is being proposed at the 2nd Annual General Meeting.

Internal Control System

The Directors of the Company have taken reasonable steps open to them to safeguard the assets of the Company and to prevent and detect frauds and any other irregularities. For this purpose, the Directors have instituted effective and comprehensive systems of internal controls for identifying, recording, evaluating and managing the risks faced by the Company throughout the year and it is being regularly reviewed by the Board of Directors. This comprises internal reviews, internal audit and the whole system of financial and other controls required to carry on the operations in an orderly manner, safeguard the assets, prevent and detect frauds and other irregularities and secure, as far as practicable, the accuracy and reliability of the records.

Dividend

Considering the overall environment of financial market and current financial strength of the Company, the Directors recommended that no cash & 2.50% stock dividend to be paid for the period ended 31 December 2021. The dividend is subject to approval of the shareholders at the Annual General Meeting.

Acknowledgements

The Board of Directors would take this opportunity to express their profound gratitude and extend appreciation to our valued shareholders, clients, bankers, depositors, lenders, business partners,



regulators, service providers and other stakeholders for their continued patronage and support and cooperation.

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

I would also like to thank to the employees of SFIL for their dedication and commitment to make the period 2021 a successful one and look forward to make the year 2022 even better in every terms.

For and on behalf of the Board of Directors.

Sd/=

Ehsanul Kabir

Nominated Director



Statement of Directors' Responsibility for Financial Reporting, Corporate Governance and Internal Control

Responsibility for Financial Reporting

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

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

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

The Board also confirms that the Company keeps accounting records, which disclose with reasonable accuracy, the financial position of the Company and which enables it to ensure that the financial statements comply with the sufficient requirements of the Companies Act 1994, Securities Exchange Rules 1987 and Financial Institution Act 1993.

Responsibility for Corporate Governance

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



Responsibility for Internal Control

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

“ A number of key decisions are reserved for and may only be made by the Board, which enables it and the executive management to operate within a clear governance framework. ”



Assessment Report on the Going Concern Status of Strategic Finance & Investments Limited

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

The purpose of this going concern statement is to bring together the requirements of Company law, accounting standards. The management of SFIL has made this assessment based on the accounting year ended on or after December 31, 2021. The management's assessment of whether the Company is a going concern involves making appropriate inquiries including review of budgets and future outcome of inherent risks involved in the business. Considering the following major indicators, SFIL management has reached the conclusion that the financial statement for the year 2021 is prepared based on going concern assumption:

Financial Indications

At the close of financial year 2021, total borrowing from other banks and financial institutions was BDT 4.58 million. At the end of 2021, total deposits were BDT 4,820.12 million, representing the Company was able to increase the level of confidence of depositors. As on 31 December 2021, total equity of SFIL stands at BDT 1,092.49 million.

Positive key financial ratios

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

Continuous support by depositors

The company enjoys a good reputation in the settlement of its obligation with its depositors. The company was able to increase the level of confidence of depositors, which resulted in total deposit of BDT 4,820.12 million.

Expansion of Business

SFIL continues to expand its segment geographically by opening new branches & sales centre in different places considering the economic significance. Currently SFIL has Head office & Principle branch and one fully owned subsidiary company SFIL Securities Limited.

Credibility in payment of obligations

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



Increasing trend of investment portfolio and performance growth

SFIL has reported excellent growth in its operating performance. The Company's investment in long term finance, short-term finance, real estate finance and car loans stood out excellent performance as a new company in 2021.

Strengthening of Human Capital

During the year 2021, the company has recruited 47 employees, which resulted in a net headcount to 70 at the end of year 2021, in comparison to 23 at the end of the year 2020.

Corporate environment and employee satisfaction

There exists a healthy corporate environment in the Company. This is reflected in our Statement of Corporate Governance.

Maintenance of Capital Adequacy Ratio (CAR)

As per the DFIM Circular Number 14, dated December 28, 2011 of the Bangladesh Bank prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions has come into force from January 01, 2012. As per the guidelines, Financial Institutions (FIs) are required to maintain a minimum CAR @ 10%. CAR of SFIL at the end of 2021 is 28.55% which is significantly higher than the requirement

Changes in government policy

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

Monitoring compliance

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

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



Disclosure under Pillar III on Capital Adequacy and Market Discipline

As on December 31, 2021

Significance of Capital Adequacy

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

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

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

Basel II guidelines are formed on three features as follows:

- (1) Minimum capital requirements to be maintained by a bank against credit, market, and operational risks.
- (2) Process for assessing the overall capital adequacy aligned with risk profile of a bank as well as capital growth plan.
- (3) Framework of public disclosure on the position of a bank's risk profiles, capital adequacy, and risk management system. This forms the basis of Market Discipline.

The three tiers of regulatory capital are as follows: Tier 1 Capital, Tier 2 Capital, and Tier 3 Capital.

- Tier 1 Capital, also called the 'Core Capital', is the core measure of a bank's financial strength from a regulator's point of view. Banks have to maintain at least 50% of required capital as Tier 1 capital.
- Tier 2 Capital is called the 'Supplementary Capital' and represents other elements which fall short of some of the characteristics of the core capital but contribute to the overall strength of a bank.
- Tier 3 Capital is called the 'Additional Supplementary Capital' and consists of short-term subordinated debt. This capital base is solely for the purpose of meeting a proportion of capital requirements for market risk.

The computation of the three capital grades are subject to the following conditions:

- (1) Tier 2 Capital amount will be limited to 100% of the amount of Tier 1 Capital.
- (2) 50% of revaluation reserves for fixed assets and securities, and 10% of revaluation reserves for equity instruments are eligible for Tier 2 Capital.
- (3) Subordinated debt shall be limited to a maximum of 30% of the amount of Tier 1 capital.



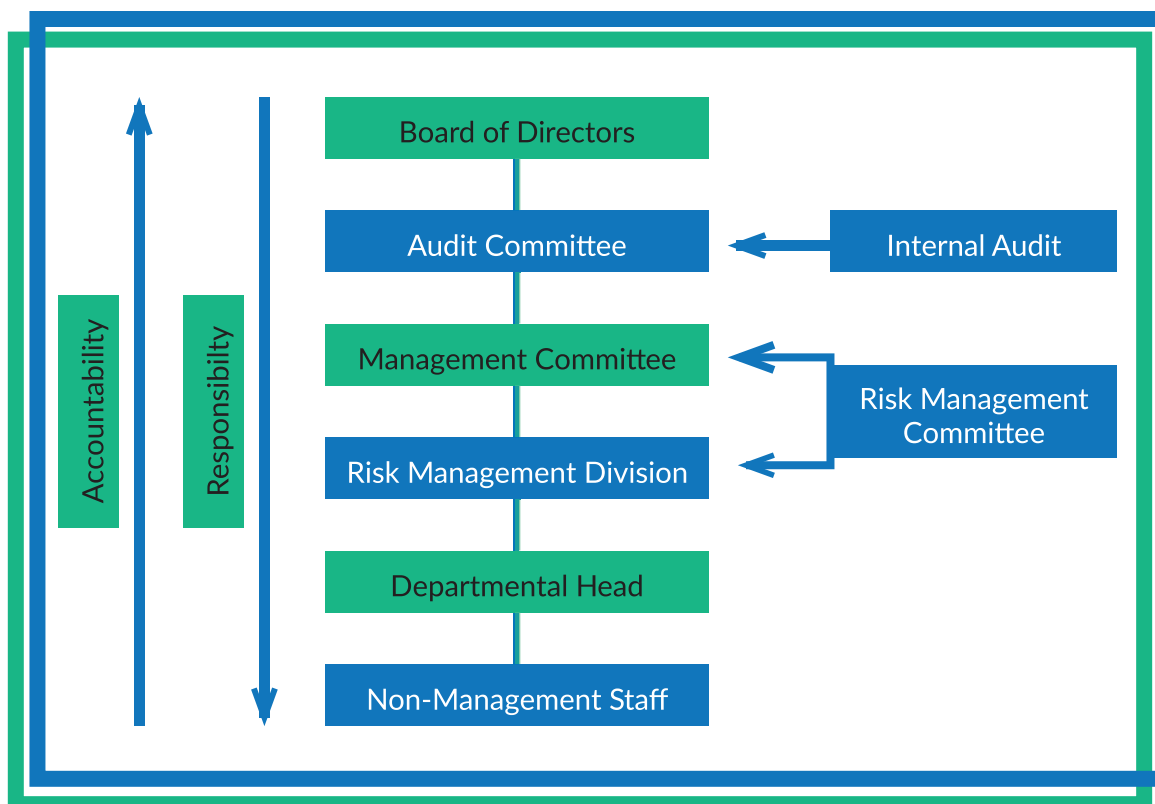
(4) A minimum of around 28.5% of market risk needs to be supported by the Tier 1 capital. Market risk must be supported by Tier 3 capital up to a maximum of 250% of Tier 1 capital, available after meeting the necessary credit risk capital requirement.

Common capital ratios as per the regulatory requirements are as follows:

Capital Ratios			Statutory Limits
Core Capital ratio	=	$\frac{\text{Core Capital}}{\text{Risk-adjusted assets}}$	$\geq 5\%$
Total capital (Core and Supplementary Capital) ratio	=	$\frac{\text{Total Capital (Core + Supplementary)}}{\text{Risk-adjusted assets}}$	$\geq 10\%$

Effective risk management is considered as a central part of the financial and operational management of any company, whereby company sustainability and consistent profit generation are ensured. Only by adopting and strengthening risk management measures can the company deal with the complex and dynamic business environment.

Group Risks are managed on an integrated basis. Risk management is incorporated in the Group decision making with regards to strategic planning. The diagram below illustrates this concept.



The risks which form the basis for effective risk management are: credit, market, operational, and liquidity risks.

- Credit Risk is a risk that the FI will not be able to recover the money it has owed. It occurs due to failure of the counterparty to meet its obligations to pay the company in accordance with the agreed terms. The risk depends on the financial strength of the party owing to the bank as well as market factors that affect the value of assets used as lien against the loan.

Credit risk calculation recognizes and adjusts for two factors:

- On Balance Sheet credit exposures refer to the credit risks that the various assets in the balance sheet are exposed to. These assets are weighted according to the degree of the risks exposed.
- Off Balance Sheet credit exposures refer to the credit risks on the credit equivalent amounts of the various off balance sheet items.
- Market Risk is the potential for loss in earnings or in economic value of the FI's asset portfolio due to adverse changes in financial market rates or prices. The preferred approach to calculating this risk is VaR (Value at Risk).
- Operational Risk is the risk of a change in value caused by the fact that actual losses, incurred for inadequate or failed internal processes, people and systems, or from external events (including legal risk), differ from the expected losses. The risk can be deliberate, accidental or natural. The FI's objective is to minimize the operational risk exposure within a framework of policies and procedures.
- Liquidity Risk is the potential risk of failure to meet all the financial obligations of the FI as they fall due, resulting from insufficient liquid financial resources.

Risk Weighted Assets (RWA) is a Financial Institution's assets or off-balance-sheet exposures, weighted according to risk. By adjusting the amount of each asset for an estimate of how risky it is, a rough measurement of the company's financial stability can be determined.

Capital Adequacy Details of Strategic Finance & Investments Limited (SFIL).

Capital Adequacy

At SFIL, Capital Management Policy sets out the principles and guidelines for effective and prudent capital planning, usage, and management. The policy delineates the minimum criteria for ensuring that adequate capital is met and effective management is performed. Capital Adequacy is explicitly followed in adherence to the statutory compliance and regulatory requirements of Basel II guidelines, affected by Bangladesh Bank from 1st January 2010. The guidelines are prudently followed to safeguard the SFIL ability to continue as a going concern, by establishing a strong capital base, and to maintain high credit rating as well as the confidence of the investors and creditors.

At SFIL, capital planning is done in alignment with the company's risk appetite and profile. Capital goals are set to incorporate both normal and stressful business conditions. As such, the goals take into considerations current and future regulatory requirements and economic conditions, and the expectations of stakeholders.

Capital targets accommodate forward looking viewpoints on economic outlook, company's current financial condition, and future uncertainties inherent in capital planning.



In line with this objective, capital base is set at a level (0.5% to 1%) higher than the regulatory requirement, while capital target will be 1% to 2% higher than the minimum CAR. This ensures full compliance as well as a buffer against capital loss during stressful situations.

The company emphasizes on strong capital management through the followings:

- Oblige to regulatory requirements of capital base maintenance.
- Supply and demand forecast of capital to support business strategy and continuity.
- Incorporate rolling capital plan covering a time horizon of two to three years.
- Internal Controls and Governance to manage company's risk, performance and capital.

Capital strategies are periodically reviewed to ensure that strong governance and process framework are in place for effective risk management. Material capital risk is assessed periodically which supports the company's internal capital adequacy requirements.

The scope of application of such guidelines applies to 'Solo' basis and consolidated basis.

Breakdown of each category of eligible capital is given below:

Core Capital of SFIL is as follows:

Figures in BDT Million

Particulars	Solo		Consolidated
	2021	2020	2021
Fully paid-up capital/capital lien with BB	1,000.00	1,000.00	1,000.00
Statutory reserve	18.50	3.91	18.50
Other Reserve	-	7.39	-
Non-repayable share premium account	-	-	-
General reserve	-	-	-
Retained Earnings	73.99	15.62	75.14
Minority interest in subsidiaries	-	-	0.003
Non-cumulative irredeemable preference shares	-	-	-
Dividend equalization account	-	-	-
Other (if any item approved by Bangladesh Bank	-	-	-
Less Shortfall in provisions required against nvestment in shares	-	-	-
Total	1,092.49	1,026.92	1,093.64



► **Supplementary Capital of SFIL is as follows:**

Figures in BDT Million

Particulars	Solo		Consolidated
	2021	2020	2021
General Provision (Unclassified loans up to specified limit + SMA + off Balance Sheet exposure)	11.38	2.89	11.38
50% of Asset Revaluation Reserve	-	-	-
45% of Securities Revaluation Reserve	-	-	-
All other Preference Shares	-	-	-
Other (if any item approved by Bangladesh Bank)	-	-	-
Total	11.38	2.89	11.38

► **SFIL does not have any Additional Supplementary Capital**

Risk Management

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

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



- Risk considered must be in line with the company's goals, and also must support the company's risk appetite.
- Responsibility of identifying and taking risks within the organization lies with every employee. The company carries the overall responsibility of ensuring that the risk-taking within the organization is disciplined and focused.
- Accountability is ensured by taking risk agreed by the respective company authorities and also assuring that the risks taken are transparent, controlled, reported and falls within the appropriate infrastructure and resource.
- Future risk emergence is identified and necessary steps taken to anticipate its impacts.
- Effective Risk Management Policy and Controls are founded to use the risk as a competitive advantage.
- Continuous improvement of the risk management approaches and methodologies to enhance current risk policies.
- Analyze and establish any new or improved policy to strengthen the company's risk management position.
- Ensuring consistent statutory compliance with regards to capital adequacy and risk management.

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

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

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

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

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



► The table below gives details of Credit Risk for 2021:

Figures in BDT Million

Distribution of risk exposure by claims	Solo		Consolidated
	2021	2020	2021
Cash and Cash Equivalents	0.10	0.10	0.10
Claims on Bangladesh Govt. and Bangladesh Bank	34.36	21.49	34.36
Claims on NBFIs and Banks	3,559.03	3,038.21	3,590.28
Claims on Corporate	515.37	220.58	515.37
Claims categorized as retail portfolio & Small Enterprise	64.10	9.96	64.10
Consumer finance	10.12	4.67	10.12
Claims fully secured by residential property	54.64	23.92	54.64
Claims fully secured by commercial real estate	-	-	-
Past Due Claims	-	-	-
All other assets	318.60	139.24	290.51
Total	4,556.32	3,458.17	4,559.48

Figures in BDT Million

Particulars	Solo		Consolidated
	2021	2020	2021
Gross Non Performing Loans (NPLs)	-	-	-
Non Performing Loans (NPLs) to outstanding loan and advance	-	-	-
Movement of Non Performing Loans (NPLs)			
Opening balance	-	-	-
Add/Less Net movement during the year	-	-	-
Closing Balance of Non Performing Loans (NPLs)	-	-	-
Movement of specific provision for (NPLs)			
Opening balance of Specific Provision	-	-	-
Less Written off during the year	-	-	-
Recoveries during the period	-	-	-
Add Provision made during the period	-	-	-
Closing Balance of specific provision for (NPAs)	-	-	-



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

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

The table below gives details of Market Risk for 2021:

Figures in BDT Million

Capital Requirements	Solo		Consolidated
	2021	2020	2021
Interest rate risk	-	-	-
Equity position risk	231.04	212.00	231.04
Foreign exchange risk	-	48.82	-
Commodity risk	-	-	-
Total	231.04	260.82	231.04

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

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

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

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

- Liquid Risk is managed by the ALCO team within the pre-defined liquidity limits set by and in compliance with the policies and regulatory requirements. The Treasury division oversees the implementation of policies and other controls relating to liquidity risks while managing the liquidity position of the company on a day to day basis.



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

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

Figures in BDT Million

Particulars	Solo		Consolidated
	2021	2020	2021
Credit Risk			
1. On Balance Sheet	1,451.03	838.33	1,422.94
2. Off Balance Sheet	-	-	-
Market Risk	2,310.45	2,608.21	2,310.45
Operational Risk	105.51	18.51	105.02
Total RWA	3,866.99	3,465.05	3,838.41

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

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

Figures (except percentage) in BDT Million

Particulars	Solo		Consolidated
	2021	2020	2021
Core Capital	1,092.49	1,026.92	1,093.64
Supplementary Capital	11.38	2.89	11.38
Total Eligible Capital	1,103.88	1,029.81	1,105.03
Risk Weighted Asset (RWA)	3,866.49	3,465.05	3,838.40
Capital Adequacy Ratio (CAR)	28.55%	29.72%	28.79%
Core Capital to RWA	28.26%	29.64%	28.49%
Supplementary Capital to RWA	0.29%	0.08%	0.30%
Minimum Capital Requirement (Higher of 10% of RWA or 100 crore)	1,000	1,000	1,000
Excess Capital over Regulatory Requirement	103.88	29.81	105.03

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



Risk Management Strategy

Risk Management & Control Environment

Strong risk management capabilities are vital to the success of a well-managed financial Institution. The Risk Management function is the central resource for driving such capabilities in SFIL and complements the risk and control activities of other functions including Internal Audit & Compliance. The key components of SFIL risk management approach are: strong risk Governance; robust and comprehensive processes to identify, measure, monitor, control and Report risks; sound assessments of capital adequacy relative to risks; and a rigorous system of Internal control reviews involving internal and external auditors.

Risk Types

In SFIL, 'risk' is the potential of creating loss for the company as well as for its stakeholders. Such Loss is not necessarily quantifiable. A wrong doing does not necessarily make an instant effect on Organizational reputation and financial picture. Sometimes an error affects the financials of more Than the year of occurrence. Thus, risks are diverse in term of its effect. Risks are also diversified In term of their source. A loss may occur due to poor selection of borrower. A loss might be caused by the absence of strong collection force. Thus, SFIL runs the risk of creating diversified losses for itself or for its stakeholders during its day-to-day operations.

Credit risk:

Credit risk is the potential for loss arising from the failure of a client, its counter-party or related parties to meet their contractual obligations. Such loss can have impact on the financial profitability of the organization as well as the community and stakeholders of SFIL.

In SFIL, credit risk may arise on account of the following:

- Default risk
- Credit concentration risk
- Recovery risk
- Counter-party risk
- Related-party risk
- Environmental risk

Market risk:

Market risk is the risk of loss arising from changes in market variables such as interest rates, security prices, equity index levels, exchange rates, commodity prices and general credit spreads. For ease of management and in keeping with regulatory requirements, market risk of SFIL is further categorized into interest rate risk and equity risk.



Liquidity and funding risk:

Liquidity risk is the risk of being unable to meet our payment obligations on maturity, due to liquidity crisis. Risk of loss caused by the failure to borrow funds from the market at an acceptable price to fund actual or proposed commitments is recognized as funding risk.

Operational risk:

Operational risk comprises of risk of loss inherent in day to day operation of the organization and caused by inadequate or inappropriate internal processes, inadequate or inappropriate systems, absence of right people at right place, mistakes of people whether such mistakes are deliberate, accidental or natural and by any other external reason. The following diagram presents operational risk of SFIL in a simple manner:

People Risk – The risk of loss intentionally or unintentionally caused by an employee, for example an error or a misdeed or involving employees such as disputes.

System Risk – The risk of loss caused by piracy, theft, failure, breakdown or disruption in technology, data or information.

Process Risk – The risk related to execution & maintenance of transactions and the various aspects of running a business.

External Risk – The risk of loss on account of damage to physical property or assets from natural or unnatural.

This category includes the risk presented by actions of external parties such as the perpetration of fraud or in the case of the regulators the execution of change that would alter the Company's ability to continue operating in certain markets.

Risk Management in SFIL:

We believe that sound risk management is essential to ensuring success in our risk-taking activities. Our philosophy is to ensure risks and returns remain consistent with our established risk appetite. To achieve this, we regularly refine our risk management approaches to ensure we thoroughly understand the risks we are taking to identify any emerging portfolio threats at an early stage and to develop timely and appropriate risk-response strategies. The key elements of enterprise-wide risk management strategy are:

Risk appetite – The Board of Directors approves the Company's risk appetite and risks are managed in alignment with the risk appetite. Risk-taking decisions must be consistent with strategic business goals and returns should compensate for the risk taken.

Risk frameworks – The Company's risk management frameworks for all risk types are documented, comprehensive and consistent.

Holistic risk management – Risks are managed holistically, with a view to understand the potential interactions among risk types.

Qualitative and quantitative evaluations – Risks are evaluated both qualitatively and with appropriate quantitative analyses and robust stress testing. Risk models are regularly reviewed to ensure they are appropriate and effective. The Board of Directors and senior management provide the direction to the Company's effective risk management that emphasizes well- considered risk-taking and proactive risk



management. This is reinforced with appropriate risk management staff, ongoing investments in risk systems, regular review and enhancement of risk management policies and procedures for consistent application, overlaid with a strong internal control environment throughout the Group. Accountability for managing risks is jointly owned among customer-facing and product business units, dedicated functional risk management units, as well as other support units such as Operations and Technology. Internal Audit also provides independent assurance that the Company's risk management system, control and governance processes are adequate and effective. Rigorous portfolio management tools such as stress testing and scenario analyses identify possible events or market conditions that could adversely affect the Company. These results are taken into account in the Company's capital adequacy assessment.

Risk Governance and Organization:

The Board of Directors establishes the Company's risk appetite and risk principles. The Audit Committee of the Board that oversees the Company's risk management. It reviews and approves the Company's overall risk management philosophy; risk management frameworks, major risk policies and risk models. The Audit Committee of the Board also oversees the establishment and operation of the risk management systems and receives regular reviews as to their effectiveness. The Company's various risk exposures, risk profiles, risk concentrations and trends are regularly reported to the Board of Directors and senior management for discussion and appropriate action. The Audit Committee of the Board is supported by Risk Management Division, which has functional responsibility on a day-to-day basis for providing independent risk control and managing credit, market, operational, liquidity and other key risks. Within the division, risk officers are dedicated to establishing Company-wide policies, risk measurement and methodology, as well as monitoring the Company's risk profiles and portfolio concentrations. The Company's risk management and reporting systems are designed to ensure that risks are comprehensively captured in order to support well-considered decision making and that the relevant risk information is effectively conveyed to the appropriate senior management executives for those risks to be addressed and risk response strategies to be formulated. To ensure the objectivity of the risk management functions, compensation of risk officers is determined independently of other business areas and is reviewed regularly to ensure compensation remains competitive with market levels. Credit officers are involved in transaction approvals and personal approval authority limits are set based on the relevant experience of the officers and portfolio coverage. Representatives from the division also provide expertise during the design and approval process for new products offered by the Company. This ensures that new or emerging risks from new products are adequately identified, measured and managed within existing risk systems and processes.

Risk Management Forum in SFIL:

Risk Management Forum (RMF) and Risk Analysis Unit (RAU) of Strategic Finance & Investments Limited has been established in compliance with the Bangladesh Bank's DFIM Circular No. 01 of 07 April, 2013. Headed by DMD and CRO and Secretary is one official from CRM department, all the business and operational heads are the members of the RMF. The main responsibility of the Risk Management Forum includes the following:



- The Risk Management Forum members will parameterize the Internal Environment of the Company including risk appetite, integrity and ethical values and the environment in which it is operated.
- The MANCOM must form the Objectives so that they can identify potential events affecting the achievement unenthusiastically and consistent with its risk appetite.
- The management will identify the internal and external events affecting company's achievement and distinguish between risks and opportunities.
- It is the management responsibility to assess and measure the potential risks.
- The management selects risk responses-avoiding, accepting, reducing or sharing risk-developing a set of actions to align risks with the company's risk tolerances and risk appetite.
- The management will take policies and procedures and implement it to help ensure the risk responses are effectively carried out.
- The managerial authority will identify generate and communicate the relevant information in a form and time-frame that enable people to carry out their responsibilities.
- The entirety of enterprise risk management will be monitored and it will be accomplished through ongoing management activities.
- Ensure roles and responsibilities are agreed and clearly understood by all management levels.
- Ensure all staff, in business and support functions is aware of their responsibilities for company's overall Risk management.
- Ensure there are structured processes at each department level to report control failures to designated individuals and escalate material issues to RMF.
- Establish workable Business Continuity Plans (including Disaster Recovery and Crisis Management procedures) to minimize the impact of unplanned events on business operations and customer service.

Credit risk measurement in general:

Ongoing active monitoring and management of credit risk positions: CRM's research team regularly reviews market conditions and our exposure to various industrial sub-sectors. Thus, we aim to proactively identify Counter-parties that highlight the likelihood of problems well in advance in order to effectively manage credit exposure and maximize recovery. Also, collection team and relationship manager provide negative feedback of business condition and payment status of a particular client via early warning report. Ongoing active monitoring and management of credit risk positions is an integral part of our credit risk management activities.

Stress testing:

SFIL embraces stress- testing guidelines issued by the Bangladesh Bank. Stress-testing quantifies exposures to plausible, yet extreme and unusual market movements and enables us to identify, understand and manage our potential vulnerabilities and risk concentrations. SFIL deploys regular stress-tests to calculate credit exposures, including potential concentrations that would result from applying shocks to credit risk factors (interest rates and equity prices for instance). These shocks include a wide range of moderate and extreme market movements. Stress tests are regularly conducted jointly



with the firm's market and liquidity risk functions and are reported quarterly to the Bangladesh Bank. The suggested recommendations from the test are in implementation and are modified and monitored regularly and thoroughly.

Risk mitigation methodology:

SFIL employs various credit risk mitigation techniques to organize credit exposure and reduce losses. These techniques are used consistently and reviewed periodically to meet operational management risk associated with their legal, practical and timely enforcement. A key focus of SFIL credit risk anagement approach is to avoid undue concentrations in the credit portfolio whether in terms of counter-party, groups, sectors or products. The Company's portfolio management supports a comprehensive assessment of concentrations within its credit risk portfolio for provision of subsequent risk-mitigating actions and diversification across geographical boundaries, sectors, borrower groups and products. The analysis is also used to determine strategies for both portfolio and individual counterparties within the portfolio based on their risk/ reward profile and potential. The usage and approach to credit risk mitigation varies by product type, customer and business strategy. Mitigation techniques used include.





Year	Long Term	Short Term
2021	A+	ST-2
2022	A+	ST-2

• **Emerging Credit Rating Limited (ECRL)** reaffirms the credit rating of Strategic Finance and Investments Limited as “A+” (Pronounced as “Single A Plus”) and short term rating “ST-2” with “Stable Outlook”.

• This rating has been awarded on the basis of an in-depth analysis of the operational and financial performance of the Financial Institution (based on audited financial statement of the year ending 31 December 2021).

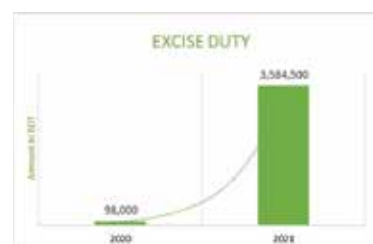
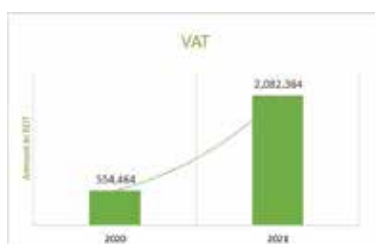
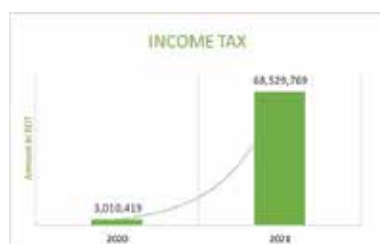


Statement of Contribution to Government Exchequer

For the year ended 31 December 2021

Government is considered as one of the most important stakeholders which play a critical role in the economic development of the country. Being a legitimate and ethical company, Strategic Finance & Investments Limited contributes to the Government Exchequer when the necessary amounts fall due. For the year 2021, Strategic Finance & Investments Limited made a handsome contribution to Government Exchequer of an amount equal to BDT 74.20 million, composed of income tax, withholding tax, VAT, withholding VAT and excise duty. This is in comparison to BDT 3.66 million in 2020, reflecting its fair and consistent commitment towards national contribution.

Forms of Contribution	2021	2020
Income Tax	68,529,769	3,010,419
Salary	4,002,972	941,630
Interest on savings deposit	20,795,549	-
Payment of Supplier	718,165	191,729
Advance Corporate Tax	43,013,082	1,877,060
VAT	2,082,364	554,464
Processing, Documentation Fee etc.	240,488	31,115
Procurement of goods and services	1,841,876	523,349
Excise Duty	3,584,500	98,000
Collection of excise duty from clients	1,201,500	-
Excise duty deducted by bank	2,383,000	98,000
Total Paid to Government Exchequer	74,196,633	3,662,883





Strategic Finance & Investments Limited and its Subsidiary

Audited

FINANCIAL STATEMENTS

For the year ended 31 December 2021



Independent Auditor's Report to the Shareholders of Strategic Finance and Investments Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the financial statements of Strategic Finance & Investments Limited and its subsidiaries (the "Group") as well as the separate financial statement of Strategic Finance & Investments Limited (the "Company"), which comprise the consolidated and separate balance sheet as at 31 December 2021, and the consolidated and separate profit and loss account, consolidated and separate statement of changes in equity and consolidated and separate cash flow statement for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements of the group and separate financial statements of the Company give a true and fair view of the consolidated balance sheet of the Group and separate balance sheet of the Company as at 31 December 2021, and of its consolidated and separate profit and loss account and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2 and comply with the Financial Institution Act, 1993, the Rules and Regulations issued by the Bangladesh Bank, the Companies Act 1994, and other applicable Laws and Regulations.

Basis for Opinion

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

Other matters

The financial statements of the Company for the year ended 31 December 2020, were audited by another auditor who expressed an unmodified opinion on those statements on 20 March 2021.

Other information

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

Our opinion on the consolidated and separate 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. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the Company.

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements of the Group and separate financial statement of the Company in accordance with IFRSs as explained in note 2, and for such internal control as management determines is necessary to



enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Financial Institution Act, 1993, and the Bangladesh Bank guidelines require the management to ensure effective internal audit, internal control, and risk management functions of the Company. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to the Bangladesh Bank on instances of fraud and forgeries.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



We 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.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, the Financial Institutions Act, 1993 and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- (iii) the balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (iv) the expenditures incurred were for the purpose of the Company's business for the year;
- (v) the financial statements of the Company have been drawn up in conformity with the Financial Institutions Act, 1993 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company;
- (vi) adequate provisions have been made for loans, advances, leases, investment and other assets which are, in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly;
- (vii) the financial statements of the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- (viii) Consolidated financial statements of the Company include a subsidiary, namely SFIL Securities Limited reflect total assets 113.16 million as at 31 December 2021, and total operating income 2.4 million for the year ended 31 December 2021. The results of the subsidiary has been properly reflected in the Group's consolidated financial statements;
- (ix) the records and statements which were submitted by the branch have been properly maintained and recorded in the financial statements;
- (x) statements sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention;
- (xi) taxes and other duties were collect to be and deposited in the Government treasury by the Company as per Government instructions found satisfactory based on test checking;
- (xii) nothing has come to our attention that the Company has adopted any unethical means i.e. 'window dressing' to inflate the profit and mismatch between the maturity of assets and liabilities;
- (xiii) proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;
- (xiv) based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;



- (xv) the Company has complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/leases found satisfactory;
- (xvi) we have reviewed over 80% of the risk weighted assets of the Company and we have spent around 900 person hours for the audit of the books and accounts of the Company;
- (xvii) the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;
- (xviii) the Company has complied with the 'First Schedule' of the Financial Institutions Act, 1993 in preparing these financial statements; and
- (xix) all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.

Dhaka, 31 March 2022
DVC: 2203311512AS776152


Shaikh Hasibur Rahman FCA
Enrolment no. 1512
Hoda Vasi Chowdhury & Co.
Chartered Accountants



Strategic Finance & Investments Limited and its Subsidiary
Consolidated Balance Sheet
As at 31 December 2021

Particulars	Notes	Amount in BDT 31-Dec-2021
PROPERTY AND ASSETS		
Cash	3	34,463,788
In hand (including foreign currencies)	3.01	100,000
Balance with Bangladesh Bank and its agent (including foreign currencies)	3.02	34,363,788
Balance with other Banks and Financial Institutions	4	3,590,276,936
Inside Bangladesh		3,590,276,936
Outside Bangladesh		-
Money at call and short notice	5	-
Investments	6	1,158,009,610
Government securities		-
Others investment		1,158,009,610
Leases, loans and advances	7	1,010,497,578
Loans, cash credit, overdraft and leases etc		1,010,497,578
Bills purchased and discounted		-
Fixed Assets including Land, Building, Furniture & Fixtures	8	38,857,414
Other assets	9	249,302,704
Non-business assets		-
TOTAL PROPERTY AND ASSETS		6,081,408,029
LIABILITIES AND CAPITAL		
Liabilities		
Borrowings from other banks, financial institutions and agents	10	4,583,307
Deposits & other accounts	11	4,820,343,303
Current deposits and other accounts etc.		-
Bills payable		-
Saving bank deposit		-
Term deposits	11.01	4,820,116,031
Bearer certificate of deposits		-
Other deposits	11.02	227,272
Other liabilities	12	162,836,988
Total liabilities		4,987,763,598
Capital/Shareholders' Equity		
Paid up Capital	13	1,000,000,000
Statutory reserves	14	18,498,661
Other Reserves	15	-
Retained earnings	16	75,142,739
Total Equity attributable to equity holders of the company		1,093,641,400
Non-controlling interest		3,031
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		6,081,408,029



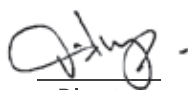
Strategic Finance & Investments Limited and its Subsidiary
Consolidated Balance Sheet
As at 31 December 2021

Particulars	Notes	Amount in BDT 31-Dec-2021
OFF-BALANCE SHEET ITEMS		
Contingent liabilities		-
Acceptances and endorsements		-
Letter of guarantee		-
Irrevocable letters of credit		-
Bill for collection		-
Other contingent liabilities		-
Other commitments		61,000,000
Documentary credits and short term trade-related transactions		-
Forward assets purchased and forward deposits placed		-
Undrawn note issuance and revolving underwriting facilities		-
Undrawn formal standby facilities, credit lines		-
Undisbursed contracted loans and leases		61,000,000
Total Off-Balance Sheet Items including Contingent Liabilities		61,000,000
Net Asset Value (NAV) per share		10.94

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



Director



Director



Managing Director & CEO



Company Secretary

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

Place: Dhaka

Dated: 31 March 2022

DVC: 2203311512AS776152



Shaikh Hasibur Rahman FCA

Enrolment no. 1512

Hoda Vasi Chowdhury & Co.

Chartered Accountants



Strategic Finance & Investments Limited and its Subsidiary
Consolidated Profit and Loss Account
For the year ended 31 December 2021

Particulars	Notes	Amount in BDT 31-Dec-2021
Interest income	17	392,163,024
Interest on deposits and borrowings etc.	18	335,056,839
Net interest income		57,106,185
Income from investment	19	135,412,631
Commission, Exchange and Brokerage	20	-
Other operating income	21	15,812,708
Total Operating Income		208,331,524
Salary and allowances	22	38,276,424
Rent, taxes, insurance, electricity etc.	23	1,389,219
Legal and professional fees	24	2,074,514
Postage, stamp, telecommunication etc.	25	194,512
Stationery, printing, advertisement etc.	26	1,489,167
Managing director's salary and allowance	27	10,344,000
Directors' fees	28	118,294
Auditors' fees	29	247,250
Charges on loan losses		-
Depreciation and repair of Company's assets	30	8,582,647
Other expenses	31	13,345,182
Total Operating Expenses		76,061,209
Profit before provision		132,270,315
Provisions for lease, loans & investments	32	11,168,309
Provision for lease, loan and advances		7,772,079
Provision for diminution in value of investments		2,786,230
Other provisions		610,000
Profit before tax and reserve		121,102,006
Provision for taxation	33	46,991,143
Current tax expense/ (income)		47,136,720
Deferred tax expense/ (income)		(145,578)
Net Profit/(Loss) after taxation		74,110,863
Attributable to:		
Shareholders of the Company		74,110,832
Non-controlling interest		31
		74,110,863
Appropriations:		
Statutory reserve		14,592,548
Retained earnings		59,518,316
Dividend		-
		74,110,863
Earning Per Share (EPS)		0.74

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



Director



Director



Managing Director & CEO



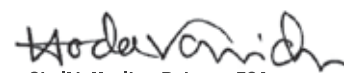
Company Secretary

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

Place: Dhaka

Dated: 31 March 2022

DVC: 2203311512AS776152



Shakh Hasibur Rahman FCA
Enrolment no. 1512
Hoda Vasi Chowdhury & Co.
Chartered Accountants



Strategic Finance & Investments Limited and its Subsidiary

Consolidated Statement of Changes in Equity

For the year ended 31 December 2021

Amount in BDT

Particulars	Attributable to equity holders of the company					Non-controlling interest	Total Equity
	Share Capital	Statutory Reserves	Other reserves	Retained Earnings	Total		
Balance as on 01 January, 2021	1,000,000,000	3,906,114	7,388,000	15,624,454	1,026,918,568	-	1,026,918,568
Issue of share capital during the year	-	-	-	-	-	3,000	3,000
Net Profit /(Loss) for the year	-	-	-	74,110,832	74,110,832	31	74,110,863
Appropriation to statutory reserve	-	14,592,548	-	(14,592,548)	-	-	-
Cash Dividend	-	-	-	-	-	-	-
Foreign Currency Gain /(Loss) for the year	-	-	(7,388,000)	-	(7,388,000)	-	(7,388,000)
Balance as on 31 December, 2021	1,000,000,000	18,498,661	-	75,142,739	1,093,641,400	3,031	1,093,644,431


Director


Director


Managing Director & CEO


Company Secretary

Signed in terms of our separate report of even date annexed

Place: Dhaka

Dated: 31 March 2022

Strategic Finance & Investments Limited and its Subsidiary
Consolidated Statement of Cash Flows
For the year ended 31 December 2021

Particulars	Amount in BDT 31-Dec-2021
A) Cash flows from operating activities	
Interest received	360,476,256
Interest paid	(309,776,897)
Fees and commission received	1,341,594
Received from other operating activities	7,083,113
Income from investment	133,122,403
Dividend received	1,004,364
Cash paid to employees (including directors)	(48,738,717)
Cash paid to suppliers & Others (including office rent)	(1,782,382)
Income taxes paid	(43,544,329)
Paid for other operating activities	(13,185,754)
Cash generated from operating activities before changes in operating assets and liabilities	85,999,652
Increase/ (decrease) in operating assets & liabilities	
Leases, Loans and advances to customers	(699,053,985)
Other assets	(98,333,983)
Deposits from customers	1,366,677,428
Other liabilities	88,549
	569,378,009
Net Cash from Operating Activities	655,377,661
B) Cash flows from investing activities	
Changes in investment in securities	(108,015,357)
Purchase of property, plant and equipment	(11,428,966)
Investment in Stock Exchange	(80,000,000)
Net Cash used in Investing Activities	(199,444,323)
C) Cash flows from financing activities	
Drawdown of Term Loan, OD and REPO	(987,584)
Issuance of ordinary share by SFILSL	110,000,000
Net Cash used in Financing Activities	109,012,416
D) Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	564,945,754
E) Opening cash and cash-equivalents	3,059,794,970
F) Closing cash and cash-equivalents (D+E)*	3,624,740,724
* Closing cash and cash-equivalents	
Cash in hand	100,000
Balance with Bangladesh Bank and its agent bank(s)	34,363,788
Balance with other Banks and Financial Institutions	3,590,276,936
	3,624,740,724


Director


Director


Managing Director & CEO


Company Secretary

Place: Dhaka
Dated: 31 March 2022



Strategic Finance & Investments Limited

Balance Sheet As at 31 December 2021

Particulars	Notes	Amount in BDT	
		31-Dec-2021	31-Dec-2020
PROPERTY AND ASSETS			
Cash	3	34,463,788	21,586,310
In hand (including foreign currencies)	3.01	100,000	100,000
Balance with Bangladesh Bank and its agent (including foreign currencies)	3.02	34,363,788	21,486,310
Balance with other Banks and Financial Institutions	4	3,559,027,420	3,038,208,660
Inside Bangladesh		3,559,027,420	3,038,208,660
Outside Bangladesh		-	-
Money at call and short notice	5	-	-
Investments	6	1,158,009,610	1,049,994,253
Government securities		-	-
Others investment		1,158,009,610	1,049,994,253
Leases, loans and advances	7	1,010,497,578	311,290,310
Loans, cash credit, overdraft and leases etc		1,010,497,578	311,290,310
Bills purchased and discounted		-	-
Fixed Assets including Land, Building, Furniture & Fixtures	8	37,746,060	34,654,214
Other assets	9	278,505,404	104,580,912
Non-business assets		-	-
TOTAL PROPERTY AND ASSETS		6,078,249,859	4,560,314,659
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	4,583,307	5,570,891
Deposits & other accounts	11	4,820,343,303	3,453,665,875
Current deposits and other accounts etc.		-	-
Bills payable		-	-
Saving bank deposit		-	-
Term deposits	11.01	4,820,116,031	3,453,665,875
Bearer certificate of deposits		-	-
Other deposits	11.02	227,272	-
Other liabilities	12	160,829,943	74,159,325
Total liabilities		4,985,756,553	3,533,396,091
Capital/Shareholders' Equity		1,092,493,306	1,026,918,568
Paid up Capital	13	1,000,000,000	1,000,000,000
Statutory reserves	14	18,498,661	3,906,114
Other Reserves	15	-	7,388,000
Retained earnings	16	73,994,645	15,624,454
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		6,078,249,859	4,560,314,659



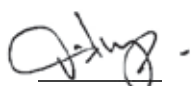
Strategic Finance & Investments Limited
Balance Sheet
As at 31 December 2021

Particulars	Notes	Amount in BDT	
		31-Dec-2021	31-Dec-2020
OFF-BALANCE SHEET ITEMS			
Contingent liabilities		-	-
Acceptances and endorsements		-	-
Letter of guarantee		-	-
Irrevocable letters of credit		-	-
Bill for collection		-	-
Other contingent liabilities		-	-
Other commitments		61,000,000	26,260,000
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines		-	-
Undisbursed contracted loans and leases		61,000,000	26,260,000
Total Off-Balance Sheet Items including Contingent Liabilities		61,000,000	26,260,000
Net Asset Value (NAV) per share		10.92	10.27

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



Director



Director



Managing Director & CEO



Company Secretary

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

Place: Dhaka
Dated: 31 March 2022
DVC: 2203311512AS776152



Shaikh Hasibur Rahman FCA
Enrolment No. 1512
Hoda Vasi Chowdhury & Co.
Chartered Accountants




Strategic Finance & Investments Limited
Profit and Loss Account
For the year ended 31 December 2021

Particulars	Notes	Amount in BDT	
		31-Dec-2021	31-Dec-2020
Interest income	17	389,722,644	73,112,513
Interest on deposits and borrowings etc.	18	335,039,394	38,875,117
Net interest income		54,683,250	34,237,396
Income from investment	19	135,412,631	20,072,333
Commission, Exchange and Brokerage	20	-	-
Other operating income	21	15,812,708	563,518
Total Operating Income		205,908,589	54,873,248
Salary and allowances	22	38,236,424	7,440,514
Rent, taxes, insurance, electricity etc.	23	1,389,219	191,954
Legal and professional fees	24	2,074,514	1,695,667
Postage, stamp, telecommunication etc.	25	185,372	57,498
Stationery, printing, advertisement etc.	26	1,472,787	496,711
Managing director's salary and allowance	27	10,344,000	3,028,000
Directors' fees	28	118,294	-
Auditors' fees	29	207,000	57,500
Charges on loan losses		-	-
Depreciation and repair of Company's assets	30	8,517,273	2,583,687
Other expenses	31	12,811,128	6,252,174
Total Operating Expenses		75,356,012	21,803,705
Profit before provision		130,552,577	33,069,543
Provisions for lease, loans & investments	32	11,168,309	3,889,691
Provision for lease, loan and advances		7,772,079	3,889,691
Provision for diminution in value of investments		2,786,230	-
Other provisions		610,000	-
Profit before tax and reserve		119,384,268	29,179,851
Provision for taxation	33	46,421,530	9,649,284
Current tax expense/ (income)		46,586,720	8,420,171
Deferred tax expense/ (income)		(165,190)	1,229,113
Net Profit/(Loss) after taxation		72,962,738	19,530,568
Appropriations:			
Statutory reserve		14,592,548	3,906,114
Retained earnings		58,370,190	15,624,454
Dividend		-	-
		72,962,738	19,530,568
Earning Per Share (EPS)		0.73	0.20

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


Director


Director


Managing Director & CEO


Company Secretary

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

Place: Dhaka
Dated: 31 March 2022
DVC: 2203311512AS776152


Shaikh Hasibur Rahman FCA
Enrolment No. 1512
Hoda Vasi Chowdhury & Co.
Chartered Accountants



Strategic Finance & Investments Limited
Statement of Changes in Equity
For the year ended 31 December 2021

Amount in BDT

Particulars	Share Capital	Statutory Reserves	Other reserves	Retained Earnings	Total
Balance as on January 1, 2021	1,000,000,000	3,906,114	7,388,000	15,624,454	1,026,918,568
Net Profit /(Loss) for the year	-	-	-	72,962,738	72,962,738
Issue of share capital during the year	-	-	-	-	-
Appropriation to statutory reserve	-	14,592,548	-	(14,592,548)	-
Cash Dividend	-	-	-	-	-
Foreign Currency Gain /(Loss) for the year	-	-	(7,388,000)	-	(7,388,000)
Balance as on 31 December, 2021	1,000,000,000	18,498,661	-	73,994,645	1,092,493,306

For the period ended 31 December 2020

Amount in BDT

Particulars	Share Capital	Statutory Reserves	Other reserves	Retained Earnings	Total
Balance as on March 9, 2020	-	-	-	-	-
Issue of share capital during the period	1,000,000,000	-	-	-	1,000,000,000
Net Profit /(Loss) for the period	-	-	-	19,530,568	19,530,568
Appropriation to statutory reserve	-	3,906,114	-	(3,906,114)	-
Cash Dividend	-	-	-	-	-
Unrealized Foreign Currency Gain for the period	-	-	7,388,000	-	7,388,000
Balance as on December 31, 2020	1,000,000,000	3,906,114	7,388,000	15,624,454	1,026,918,568


Director


Director


Managing Director & CEO


Company Secretary

Place: Dhaka
Dated: 31 March 2022

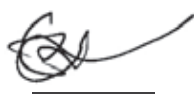


Strategic Finance & Investments Limited

Statement of Cash Flows

For the year ended 31 December 2021

Particulars	Amount in BDT	
	31-Dec-2021	31-Dec-2020
A) Cash flows from operating activities		
Interest received	358,035,876	5,666,756
Interest paid	(309,776,897)	(246,025)
Fees and commission received	1,341,594	533,699
Received from other operating activities	7,083,113	29,819
Income from investment	133,122,403	20,072,333
Dividend received	1,004,364	-
Cash paid to employees (including directors)	(48,698,717)	(10,468,514)
Cash paid to suppliers & Others (including office rent)	(1,767,406)	(606,973)
Income taxes paid	(43,178,272)	(1,877,060)
Paid for other operating activities	(12,811,128)	(6,275,508)
Cash generated from operating activities before changes in operating assets and liabilities	84,354,931	6,828,527
Increase/ (decrease) in operating assets & liabilities		
Leases, Loans and advances to customers	(699,053,985)	(311,290,310)
Other assets	(97,938,779)	(35,258,095)
Deposits from customers	1,366,677,428	3,453,665,875
Other liabilities	88,549	7,388,000
	569,773,213	3,114,505,470
Net Cash from Operating Activities	654,128,144	3,121,333,997
B) Cash flows from investing activities		
Changes in investment in securities	(108,015,357)	(1,049,994,253)
Purchase of property, plant and equipment	(11,428,966)	(17,115,666)
Net Cash used in Investing Activities	(119,444,323)	(1,067,109,918)
C) Cash flows from financing activities		
Drawdown of Term Loan, OD and REPO	(987,584)	5,570,891
Issuance of ordinary share	-	1,000,000,000
Net Cash used in Financing Activities	(987,584)	1,005,570,891
D) Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	533,696,237	3,059,794,970
E) Opening cash and cash-equivalents	3,059,794,970	-
F) Closing cash and cash-equivalents (D+E)*	3,593,491,207	3,059,794,970
* Closing cash and cash-equivalents		
Cash in hand	100,000	100,000
Balance with Bangladesh Bank and its agent bank(s)	34,363,788	21,486,310
Balance with other Banks and Financial Institutions	3,559,027,420	3,038,208,660
	3,593,491,207	3,059,794,970



Director



Director



Managing Director & CEO



Company Secretary

Place: Dhaka

Dated: 31 March 2022



Strategic Finance & Investments Limited

Liquidity Statement

For the year ended 31 December 2021

Particulars	Amount in BDT				
	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	above 5-years term
Assets					
Cash in hand (including foreign currencies)	100,000	-	-	-	-
Balance with Bangladesh Bank and its agents (including foreign currencies)	-	-	-	-	34,363,788
Balance with banks and financial institutions	886,017,420	520,000,000	220,000,000	-	1,933,010,000
Money at call and short notice	-	-	-	-	-
Investments	-	-	58,009,610	500,000,000	600,000,000
Lease, Loans and advances	-	119,828,070	170,225,047	644,076,278	76,368,184
Fixed assets including land, building, furniture and fixtures	438,081	876,163	3,942,732	16,526,266	15,962,818
Other assets	45,073,800	6,310,682	5,830,730	111,293,193	109,997,000
Non-banking assets	-	-	-	-	-
Total Assets	931,629,301	647,014,915	458,008,118	1,271,895,737	2,769,701,789
Liabilities					
Borrowing from other banks, financial institutions and agents	266,920	272,970	564,645	3,478,773	-
Deposits	712,056,713	621,254,709	400,849,728	1,009,954,881	2,076,000,001
Other accounts	-	-	-	227,272	-
Provision and other liabilities	17,938,032	20,967,007	31,631,866	89,411,405	881,632
Total Liabilities	730,261,665	642,494,686	433,046,240	1,103,072,330	2,076,881,633
Net Liquidity Surplus/(Gap)	201,367,636	4,520,229	24,961,878	168,823,407	692,820,156
					1,092,493,306


Director


Director


Managing Director & CEO


Company Secretary

Place: Dhaka
Dated: 31 March 2022

Strategic Finance & Investments Limited and its Subsidiary

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2021

1 Legal status and nature of the company

1.1 Domicile, legal form and country of operation

Strategic Finance and Investments Limited (hereinafter referred to as “SFIL” or “the Company”), is a full-service Bangladesh Bank licensed multi product financial institution, was incorporated in Bangladesh with the Registrar of Joint Stock Companies and Firms (RJSCF) vide registration no. C-160166/2020 dated 9 March 2020 as a Limited Company under the Companies Act, 1994 in the name of “Strategic Finance and Investments Limited”. It started commercial operations after obtaining license from Bangladesh Bank under the Financial Institutions Act, 1993. The registered address of the company is situated at Rangs RL Square, Level: 3, Kha 201/1, 203, 205/1, 205/3, Bir Uttam Rafiqul Islam Avenue, Progoti Shoroni, Dhaka-1212, Bangladesh.

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

Sl. No.	Name of License	Registration No.	Date of License	Renewed up to
1	Certificate of Incorporation	C-160166/2020	9-Mar-20	N/A
2	Certificate for Commencement of Business	92815	9-Mar-20	N/A
3	Bangladesh Bank License	DFIM(L)/41	19-Mar-20	N/A
4	Trade License	179512	30-Jun-20	2021-22
5	Tax Identification Number (TIN)	225704900074	24-Aug-20	N/A
6	Value Added Tax Registration Certificate	003315458-0101	2-Nov-20	N/A

1.2 Company's activities

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

1.3 Subsidiary Company

1.3.1 SFIL Securities Limited (SFILSL)

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

2 Basis for preparation and significant accounting policies

2.1 Statement of compliance

The financial statements of SFIL have been prepared on a going concern basis following accrual basis of accounting except for cash flows statement as per DFIM circular No # 11 dated 23 December 2009 issued by Department of Financial Institutions and Markets of Bangladesh Bank with reference to the provisions of Financial Institutions Act 1993 and Bangladesh Bank's other circulars and guidelines or directives and in accordance with International Financial Reporting



Standards (IFRSs), Financial Institutions Act 1993 and the Companies Act 1994.

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

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

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

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

2.2 Presentation of financial statements

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





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

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS 9 "Financial Instruments"	An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired. If any such evidence exists, expected credit losses are required to be measured through a loss allowance at an amount equal to: a) the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or b) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).	As per FID circular No. 08, dated 03 August 2002, FID circular No. 03, dated 03 May 2006, FID circular No. 03, dated 29 April 2013 and DFIM circular No. 04, dated 26 July 2021, a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans and Special Mentioned Accounts (SMA)) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances. 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.	In financial statements, an amount of Taka 7.77 million has been increased against general provision for leases, loans and advances for the year end 31.12.2021. Accumulated provision for leases, loans and advances as at 31.12.2021 stand at Taka 11.66 million.
2	Valuation of Investments in quoted and unquoted shares	IFRS 9 "Financial Instruments"	Investment in shares falls either under at "fair value through profit/loss (FVTPL)" or "fair value through other comprehensive income (FVTOCI)" where any change in the fair value in case of FVTPL at the year-end is taken to profit of loss, and any change in fair value in case of FVTOCI is taken to other comprehensive income.	As per FID circular No. 08, dated 03 August 2002 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; however in case of any unrealized gain, no such gain can be recognized and investments are recognized at cost only.	During this year, total market value of investment in Quoted shares of Strategic Finance & Investments Limited is less than its cost price. As on December 31, 2021 there was BDT 2.78 million unrealized loss on investment in quoted shares.
3	Recognition of interest income for SMA and classified lease, loans and advances	IFRS 9 "Financial Instruments"	Income from financial assets measured at amortized cost is recognized through effective interest rate method over the term of the investment. Once a financial asset is impaired, investment income is recognized in profit and loss account on the same basis based on revised carrying amount.	As per FID circular No. 03, dated 03 May 2006, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments are not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	AS at 31 December 2021, the amount of interest suspense account in the financial statement was BDT 76,641.

SL.	Nature of Departure	Title of IAS/ IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
4	Presentation of cash and cash equivalent	IAS 7 "Statement of Cash Flows"	<p>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.</p> <p>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.</p>	<p>Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs.</p> <p>The templates of financial statements provided detail presentation for statement of cash flows.</p>	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
5	Measurement of deferred tax asset	IAS 12 "Income Tax"	<p>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.</p>	As per DFIM circular No. 7, dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against the provision for lease, loans and advances.	During this year there is no impact in the financial statements due to this departure as the Company did not consider any deductible temporary difference against the provision for leases, loans and advances.
6	Presentation and disclosure of Financial Statements and Financial Instruments	<p>IAS 1 "Presentation of Financial Statements"</p> <p>IFRS 9 "Financial Instruments" & IFRS 7 "Financial Instruments: Disclosure"</p>	<p>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.</p> <p>IAS 1 requires separate line item for intangible assets on the face of statement of financial position.</p> <p>IFRS 9 and IFRS 7 require specific presentation and disclosure relating to all financial instruments.</p>	<p>Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs.</p> <p>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.</p> <p>Intangibles assets are not separately presented on the face of statement of financial position; rather it is presented along with the line item of fixed assets.</p> <p>As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IAS 39. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.</p>	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
7	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash Flows"	The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per DFIM Circular No. 11, dated 23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank.





SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
8	Current/Non-current distinction	IAS 1 "Presentation of Financial Statement"	As per Para 60 of IAS 1 "Presentation of Financial statement" An entity shall present current and non-current assets and current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular No. 11, dated 23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In this templates there is no current and non-current segmentation of assets and liabilities	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. Moreover, the liquidity statement shows the aging profile of all financial assets and liabilities from where current/non-current portion of assets and liabilities can be obtained.
9	Off-balance sheet items	IAS 1 "Presentation of Financial Statements"	There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.	As per DFIM Circular No. 11, dated 23 December 2009, off-balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
10	Impairment of Margin Loan (Loans and receivables	IFRS 9 "Financial Instruments"	Measurement after initial recognition at amortized cost and recording of changes through profit and loss.	As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. SEC/CMRRCD/2009-193/196 dated 28 December 2016, provisions for the year 2016 on impairment of principal portion of margin loan shall be kept at 20% on each quarter for the five quarters starting from December 2016.	There is no such impact for this.
11	Complete set of financial statements	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" complete set of financial statements are i) statement of financial position, ii) statement of profit or loss and other comprehensive income, iii) statement of changes in equity, iv) statement of cash flows, v) notes, comprising significant accounting policies and other explanatory information and vi) statement of financial position at the beginning of preceding period for retrospective restatement.	As per DFIM Circular No. 11, dated 23 December 2009, complete set of financial statements are i) balance sheet, ii) profit and loss account, iii) cash flow statement, iv) statement of changes in equity, v) liquidity statement, vi) notes, comprising significant accounting policies and other explanatory information.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
12	Intangible asset	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" para 54: the statement of financial position shall include separate line item for intangible assets.	As per DFIM Circular No. 11, dated 23 December 2009, there is no option for separate line item for intangible asset in the balance sheet. We present intangible asset in the balance sheet as part of fixed assets and provide details in annexure-A as separate line item.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.
13	Other comprehensive income	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single OCI statement.	Bangladesh Bank has issued templates for financial statements which will strictly be followed by financial institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of OCI allowed to be included in a single OCI statement. As such the financial institution does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per the guideline and templates issued by Bangladesh Bank. There is no financial impact for this departure in the financial statements.
14	Disclosure of presentation of profit	N/A	There is no requirement to show appropriation of profit in the face of statement of comprehensive income.	As per DFIM circular no 11, dated 23 December 2009, an appropriation of profit should be disclosed in the face of profit and loss account	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.

2.4 Components of the financial statements

The financial statements comprise of (As per DFIM Circular-11, Dated 23 December 2009) and as per the Para 1.10 of IAS-1: Presentation of Financial Statements:

- Consolidated and Separate Balance sheet as at 31 December 2021;
- Consolidated and Separate Profit and loss account for the year ended 31 December 2021;
- Consolidated and Separate Statement of Changes in Equity for the year ended 31 December 2021;
- Consolidated and Separate Statement of Cash Flows for the year ended 31 December 2021;
- Liquidity Statement for the year ended 31 December 2021;
- Notes to the Consolidated and Separate Financial Statements for the year ended 31 December 2021.



2.5 Presentation and functional currency and level of precision

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

2.6 Use of estimates and judgments

The preparation of financial statements in conformity with International Accounting Standards and International Financial Reporting Standards (IFRSs) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements. Provisions and accrued expenses are recognized in the financial statements in line with the International Accounting Standard (IASs)-37: "Provisions, Contingent Liabilities and Contingent Assets" when

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

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

2.7 Going concern

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

2.8 Materiality and aggregation

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

2.9 Directors' responsibility statement

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

2.10 Statement of Cash flows

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

2.11 Books of account

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

2.12 Branch accounting

The Company has one branch, with no overseas branches as on 31 December 2021. Accounts of the branch is maintained at the head office from which these accounts are drawn up.



2.13 Revenue recognition

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

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

2.13.1 Interest income on leases, loans and advances

Interest income is recognized when interest is accrued. No interest on loan (except mortgage loan) is accounted for as revenue where any portion of capital or interest is in arrears for more than 2 months for the loan tenure of which is within 5 years or in arrears for more than 6 months for the loan tenure of which is more than 5 years. In case of mortgage loan, no interest on loan is accounted for as revenue where any portion of capital or interest is in arrears for more than 9 months. Moreover, the amounts that were previously recognized as revenue in respect of such outstanding loans are also transferred from leases, loans and advances income to interest suspense account.

2.13.2 Fee based income

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

2.13.3 Income from investment

Capital gain or loss on investment in shares:

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

Dividend income:

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

Income from Coupon bearing Bond:

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

2.14 Operating expenses

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

2.14.1 Salary and allowances

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

2.15 Recognition and measurement of fixed assets

2.15.1 Assets acquired under own finance

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



2.15.2 Depreciation on fixed assets

Depreciation on fixed assets is charged using straight-line method at the following rates starting from the date of acquisition of assets:

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

2.15.3 Intangible Assets

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

2.15.4 Amortization on Intangible Assets

Amortization is calculated using the straight line method to write down the cost of intangible assets to their residual values over their estimated useful lives based on the management best estimates of 3 or 5 years.

2.16 Other assets

Other assets include all balance sheet accounts not covered specifically in other areas of the supervisory activity and such accounts may be quite insignificant in the overall financial condition of the Company.

2.17 Contingent asset and contingent liability

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

2.18 Liquidity statement

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

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



2.19 Borrowing costs

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

2.20 Conversion of foreign currency transactions

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

2.21 Cash and cash equivalent

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

2.22 Provision for leases, loans and advances

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

Particulars	Rates
General Provision on:	
Unclassified of leases, loans and advances except SME	1%
Unclassified of Cottage, Micro, Small and Medium Enterprise(CMSME)	0.25%
Special Mention Account of leases, loans and advances	5%
Off-Balance Sheet Exposures	1%

2.23 Interest Suspense account

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

2.24 Corporate Tax

a. Current tax

Provision for current income tax is normally made as prescribed in Finance Act 2021 on the profit made by the Company considering major taxable allowances and disallowances and the same is understated or overstated to that extent. Any shortfall or excess provision will be duly adjusted after final assessment. For the purpose of these financial statements, management has assumed that the existing tax rates will be applicable for income year 2021 as well, which are mentioned below:

Regular Business Tax Rate	Rates
Strategic Finance and Investments Limited - Financial Institution	40%
SFIL Securities Limited - Private Limited Company	30%
Other Business Tax Rate	Rates
Dividend Income	20%
Capital gain on sale of marketable securities	10%



b. Deferred tax

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

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

2.25 Term deposits and other deposits accounts

2.25.1 Term Deposits

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

2.26 Write-off

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

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

2.27 Provision for liabilities

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

2.28 Statutory reserves

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

2.29 Earnings per Share (EPS)

SFIL calculates EPS in accordance with the requirement of IAS – 33: "Earnings Per Share", which has been shown on the face of the profit and loss account.

2.30 Minority interest in subsidiaries

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



reported on the consolidated income statement as a share of profit belonging to minority shareholders.

2.31 Events after the reporting period

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

2.32 Financial risk management

SFIL always concentrates on delivering high value to its stakeholders through appropriate trade-off between risk and return. A well structured and proactive risk management system is in place within the Company to address risks relating to credit, market, liquidity, operations and anti-money laundering. In addition to the industry best practices for assessing, identifying and measuring risks, SFIL also considers guidelines for managing core risks of financial instructions issued by the Bangladesh Bank, vide FID Circular No. 10 dated September 18, 2005, DFIM Circular No. 07, dated 4 October 2012 for management of risks and more recently, DFIM Circular No. 03 dated January 24, 2016.

Credit Risk

To encounter and mitigate credit risk the company employed multilayer approval process, policy for maximum exposure limit of sector or groups, policy for customers' assets maximum exposure limit, mandatory search for credit report from Credit Information Bureau, looking into payment performance of customer before financing, adequate insurance coverage for funded assets, vigorous monitoring and follow up by Special Assets Management Team, strong follow up of compliance of credit policies by Internal Control and Compliance Department (ICCD),

taking collateral, seeking external legal opinion, maintaining neutrality in politics and following arm's length approach in related party transactions, etc.

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

Liquidity Risk

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

Market Risk

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

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

Operational Risk

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



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

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

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

Money Laundering and Terrorist Financing Risk

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

- Development and implementation of internal policies, procedures and controls to identify and report instances of money laundering and terrorism financing;
- A dedicated structure and sub-structure within the organisation, headed by a Central Compliance Unit (CCU) for proactively managing AML and CFT compliance;
- Appointment of a Chief Anti Money Laundering Officer (CAMLCO) to lead AML/CFT efforts throughout the company;
- Independent audit functions including internal and external audit function to test the programs;
- Ongoing employee training programs.

2.33 General Notes

- These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
- Figures of the year 2020 have been rearranged whenever considered necessary to ensure comparability with the current year.
- Figures in these notes and annexed financial statements have been rounded off to the nearest Taka / BDT.

	SFIL		SFIL Group
	Amount in BDT		Amount in BDT
	31-Dec-2021	31-Dec-2020	31-Dec-2021
3.00 Cash in hand			
Cash in hand (including foreign currencies) (Note-3.01)	100,000	100,000	100,000
Balance with Bangladesh Bank and its agent (including foreign currencies) (Note-3.02)	34,363,788	21,486,310	34,363,788
	34,463,788	21,586,310	34,463,788
3.01 Cash in hand (including foreign currencies)			
Local Currency	100,000	100,000	100,000
Foreign Currency	-	-	-
	100,000	100,000	100,000
3.02 Balance with Bangladesh Bank and its agent (including foreign currencies)			
Local Currency	34,363,788	21,486,310	34,363,788
Foreign Currency	-	-	-
	34,363,788	21,486,310	34,363,788



		SFIL		SFIL Group
		Amount in BDT		Amount in BDT
		31-Dec-2021	31-Dec-2020	31-Dec-2021
3.03	Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR)			
Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR) have been calculated and maintained in accordance with Financial Institution Act, 1993 & Financial Institution Regulations, 1994 and FID Circular No. 06, dated November 06, 2003, FID Circular No. 02, dated November 10, 2004. FID Circular No. 01, dated January 12, 2017, DFIM Circular No. 03, dated June 21, 2020.				
Cash Reserve Requirement (CRR) has been calculated at the rate of 1.5% on Total Term Deposits which is preserved in current account maintained with Bangladesh Bank. Total Term Deposit means Term or Fixed Deposit, Security Deposit against Lease/Loan and other Term Deposit, received from individuals and institutions (except Bank & financial Institutions).				
Statutory Liquidity Reserve (SLR) has been calculated at the rate of 5.0% on total liabilities, including CRR of 1.5% on total Term Deposit. SLR maintained in liquid assets in the form of cash in hand (notes & coin in Taka), balance with Bangladesh Bank and other banks and Financial Institutions, unencumbered treasury bill and treasury bond and any other assets approved by Government Circular issued by Gazette or Bangladesh Bank.				
a) Cash Reserve Requirement (CRR)				
	Required reserve	32,676,249	10,551,521	32,676,249
	Actual reserve maintained	34,405,132	13,970,483	34,405,132
	Surplus/(deficit)	1,728,883	3,418,962	1,728,883
b) Statutory Liquidity Reserve (SLR)				
	Required reserve (including CRR)	115,596,577	36,120,233	115,596,577
	Actual reserve maintained (including CRR)	3,139,615,084	3,044,289,038	3,139,615,084
	Surplus/(deficit)	3,024,018,507	3,008,168,805	3,024,018,507
4.00	Balance with other Banks and Financial Institutions			
A. Inside of Bangladesh				
	Local Currency (Note - 4.01)	3,559,027,420	2,550,003,662	3,590,276,936
	Foreign Currency (Note - 4.02)	-	488,204,998	-
		3,559,027,420	3,038,208,660	3,590,276,936
4.01	Local Currency			
	Interest bearing SND/HPA account (Note - 4.01.01)	36,017,420	20,003,662	67,266,936
	Fixed Deposit Receipt account (Note - 4.01.02)	3,523,010,000	2,530,000,000	3,523,010,000
		3,559,027,420	2,550,003,662	3,590,276,936
4.01.01	Interest bearing SND/HPA account			
	Padma Bank Limited	25,240,016	17,695,198	56,489,533
	Eastern Bank Limited	93,913	1,432,746	93,913
	The Premier Bank Limited	164,890	875,718	164,890
	Standard Chartered Bank	10,514,492	-	10,514,492
	NRB Bank Limited	4,109	-	4,109
		36,017,420	20,003,662	67,266,936
4.01.02	Fixed Deposit Receipt account			
	The Premier Bank Limited	1,933,010,000	1,100,000,000	1,933,010,000
	Padma Bank Limited	1,590,000,000	1,430,000,000	1,590,000,000
		3,523,010,000	2,530,000,000	3,523,010,000
4.02	Foreign Currency			
	Interest bearing short term foreign currency account			
	A/C: FC USD - 0114000403197 (Padma Bank, Gulshan)	-	488,204,998	-
4.03	Maturity grouping of balance with other banks and financial institutions			
	Up to 1 month	886,017,420	20,003,662	917,266,936
	Over 1 month but not more than 3 months	520,000,000	1,930,000,000	520,000,000
	Over 3 months but not more than 6 months	220,000,000	1,088,204,998	220,000,000
	Over 6 months but not more than 1 year	-	-	-
	Over 1 year but not more than 5 years	1,933,010,000	-	1,933,010,000
	Over 5 years	-	-	-
		3,559,027,420	3,038,208,660	3,590,276,936



		SFIL		SFIL Group
		Amount in BDT		Amount in BDT
		31-Dec-2021	31-Dec-2020	31-Dec-2021
5.00	Money at call and short notice	-	-	-
6.00	Investment			
	Government Securities	-	-	-
	Other Investments			
	Investment in marketable securities (Note - 6.01)	58,009,610	49,994,253	58,009,610
	Investment in bond - Strategic Finance Ltd. (Note - 6.02)	1,100,000,000	1,000,000,000	1,100,000,000
		1,158,009,610	1,049,994,253	1,158,009,610
		1,158,009,610	1,049,994,253	1,158,009,610
6.01	Investment in marketable securities			
	Details of marketable securities are given below:			
Business segments	SFIL		SFIL Group	
	Cost Price	Market Price	Cost Price	Market Price
Pharmaceuticals & Chemicals	50,636,639	48,528,605	50,636,639	48,528,605
Fuel & Power	7,326,541	6,648,345	7,326,541	6,648,345
Insurance	46,430	46,430	46,430	46,430
	58,009,610	55,223,380	58,009,610	55,223,380
6.02	Investment in bond - Strategic Finance Limited			
	As per Bangladesh Bank No Objection Certificate (Circular no.: DFIM(BS)1057/35/2020-2116, dated: November 29, 2020), Strategic Finance & Investments Limited invested BDT 100 Crore to Non-Convertible Redeemable Coupon Bearing Bond which is issued by Strategic Finance Limited and approved by Bangladesh Securities and Exchange Commission (BSEC) and Interest Income of BDT 10 Crore has been capitalized at first year end.			
7.00	Leases, loans and advances			
	Corporate Finance			
	Lease Finance	56,311,172	3,801,055	56,311,172
	Loan Finance	776,148,846	249,137,561	776,148,846
		832,460,017	252,938,616	832,460,017
	Consumer Finance			
	House Finance	54,643,784	23,922,963	54,643,784
	Car Lease	10,121,207	4,667,144	10,121,207
	Loan Against Deposit	835,255	-	835,255
	Personal Loan	2,352,200	-	2,352,200
		67,952,446	28,590,108	67,952,446
	SME Finance			
	Lease Finance, SMALL	28,684,698	25,070,993	28,684,698
	Loan Finance, SMALL	4,660,570	-	4,660,570
	Lease Finance, MID	5,174,967	4,690,593	5,174,967
	Loan Finance, MID	61,670,979	-	61,670,979
		100,191,214	29,761,586	100,191,214
	Channel Finance			
	Work Order Financing	9,893,901	-	9,893,901
		9,893,901	-	9,893,901
		1,010,497,578	311,290,310	1,010,497,578
7.01	Maturity wise grouping			
	On Demand	-	-	-
	Not more than 3 months	119,828,070	16,894,233	119,828,070
	More than 03 Months to 01 Year	170,225,047	147,028,525	170,225,047
	More than 01 Year to 05 Years	644,076,278	132,664,821	644,076,278
	More than 05 Years	76,368,184	14,702,732	76,368,184
		1,010,497,578	311,290,310	1,010,497,578



7.02 Classification wise leases, loans and advances/ investments

Unclassified

Standard
Special Mention Accounts (SMA)

Classified

Sub-standard
Doubtful
Bad/loss

SFIL		SFIL Group
Amount in BDT		Amount in BDT
31-Dec-2021	31-Dec-2020	31-Dec-2021
980,580,936	311,290,310	980,580,936
29,916,642	-	29,916,642
1,010,497,578	311,290,310	1,010,497,578
-	-	-
-	-	-
-	-	-
1,010,497,578	311,290,310	1,010,497,578

7.03 Leases, Loan and advances on the basis of significant concentration

- a) Leases, Loan and advances to the institutions in which Directors have interest
- b) Leases, Loan and advances to Chief Executive and other senior executives
- c) Leases, Loan and advances to customer groups:
- i) House finance
 - ii) Car Loan
 - iii) Personal loan
 - iv) Loan against deposits (LAD)
 - v) Small and medium enterprises
 - vi) Special program loan (BB refinancing scheme)
 - vii) Staff loan
 - viii) Industrial Leases, Loan and advances (Note 7.03 (d))
 - ix) Other loans and advances

5,174,967	4,690,593	5,174,967
7,379,511	3,476,181	7,379,511
50,490,818	23,922,963	50,490,818
7,492,587	30,063,011	7,492,587
1,956,962	-	1,956,962
632,569	-	632,569
-	-	-
-	-	-
-	-	-
937,370,165	249,137,561	937,370,165
-	-	-
1,010,497,578	311,290,310	1,010,497,578

d) Details of Industrial Leases, Loan and advances

- 1) Trade and Commerce
- 2) Industries
 - i) Garments and Knitwear
 - ii) Textile
 - iii) Jute and Jute -products
 - iv) Food Production and Processing industry
 - v) Plastic Industry
 - vi) Leather and Leather Goods
 - vii) Iron, Steel and Engineering
 - viii) Pharmaceuticals and Chemicals
 - ix) Cement and Allied Industry
 - x) Telecommunication and IT
 - xi) Paper, printing and Packaging
 - xii) Glass, Glassware and Ceramic Industry
 - xiii) Ship Manufacturing Industry
 - xiv) Electronics and Electrical Products
 - xv) Power, Gas, water and Sanitary Service
 - xvi) Transport and Aviation
- 3) Agriculture
- 4) House Finance
- 5) Others
 - i) Loan to Subsidiaries Companies
 - ii) Others

71,564,880	-	71,564,880
-	-	-
212,924,863	148,018,117	212,924,863
-	-	-
-	-	-
-	-	-
-	-	-
19,288,451	-	19,288,451
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
4,402,014	-	4,402,014
461,489,597	101,119,444	461,489,597
167,700,359	-	167,700,359
-	-	-
-	-	-
937,370,165	249,137,561	937,370,165

7.04 Leases, Loan and advances-geographical location wise

Dhaka

1,010,497,578	311,290,310	1,010,497,578
1,010,497,578	311,290,310	1,010,497,578



7.05
Particulars of Leases, Loan and advances

	SFIL		SFIL Group
	Amount in BDT		Amount in BDT
	31-Dec-2021	31-Dec-2020	31-Dec-2021
i) Leases, Loan and advances considered good in respect of which the Bank/ FI is fully secured.	853,076,514	48,993,957	853,076,514
ii) Leases, Loan and advances considered good for which the Bank/FI holds no other security than the debtor's personal security.	-	-	-
iii) Leases, Loan and advances considered good and secured by the personal security of one or more parties in addition to the personal security of the debtors.	141,732,675	252,938,616	141,732,675
iv) Loan adversely classified; for which no provision is created.	-	-	-
v) Leases, Loan and advances due by directors or officers of the Bank/ FI or any of them either jointly or separately with any other persons.	15,688,390	9,357,738	15,688,390
vi) Leases, Loan and advances due by companies and firms in which the directors of the Bank/FI have interests as directors, partners or managing agent or in case of private companies as members.	-	-	-
vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors and managers or officers of the Bank/ FI or any of them either severally or jointly with any other persons.	-	-	-
viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the Bank/ FI have interests as directors, partners or managing agents or, in case of private companies as members.	-	-	-
ix) Due from other Bank and Financial Institution companies	-	-	-
	1,010,497,578	311,290,310	1,010,497,578
x) Information in respect of classified Leases, Loan and advances:			
a) Classified loans, advances and leases 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) Amount of interest credited to the interest suspense account	-	-	-
	-	-	-
xi) Cumulative amount of written off Leases, Loan and advances:			
Opening Balance	-	-	-
Amount written off during the period	-	-	-
Amount received off during the period	-	-	-
Balance of written off loans and advances yet to be recovered	-	-	-
The amount of written off Leases, Loan and advances for which law suits have been filed	-	-	-

8.00
Fixed Assets including Land, Building, Furniture and Fixtures

Freehold Assets (Note- 8.01)	17,220,247	10,570,083	17,220,247
Lease Hold Assets (Note- 8.02)	18,922,546	24,084,131	20,033,900
Intangible Assets (Note-8.03)	1,603,266	-	1,603,266
	37,746,060	34,654,214	38,857,414

Details are given in Annexure - A



8.01
Freehold assets
A. Cost

Opening Balance

Add : Addition during the year

Less: Sales/ adjustment during the year

B. Accumulated depreciation

Opening Balance

Add : Charged during the year

Less: Adjustment during the year

C. Written down value (A-B)
8.02
Lease Hold Assets
A. Cost

Opening Balance

Add : Addition during the year

Less: Adjustment / Disposal during the year

B. Accumulated depreciation

Opening Balance

Add : Charged during the year

Less: Adjustment during the year

C. Written down value (A-B)
8.03
Intangible Assets
A. Cost

Opening Balance

Add : Addition during the year

Less: Adjustment / Disposal during the year

B. Accumulated depreciation

Opening Balance

Add : Charged during the year

Less: Adjustment during the year

C. Written down value (A-B)
9.00
Other assets
Non income generating assets

Advances, Deposits and prepayments (Note-9.01)

Investment in Stock Exchange (Note-9.02)

Income generating assets

Interest and other receivables (Note-9.03)

Receivable with Padma Bank Securities Ltd

Investment in Subsidiary Company - SFILSL

SFIL		SFIL Group
Amount in BDT		Amount in BDT
31-Dec-2021	31-Dec-2020	31-Dec-2021
11,235,666	-	11,235,666
9,808,635	11,235,666	9,808,635
21,044,301	11,235,666	21,044,301
-	-	-
21,044,301	11,235,666	21,044,301
665,582	-	665,582
3,158,471	665,582	3,158,471
3,824,054	665,582	3,824,054
-	-	-
3,824,054	665,582	3,824,054
17,220,247	10,570,083	17,220,247
25,807,926	-	25,807,926
-	25,807,926	1,176,728
25,807,926	25,807,926	26,984,654
-	-	-
25,807,926	25,807,926	26,984,654
1,723,795	-	1,723,795
5,161,585	1,723,795	5,226,959
6,885,380	1,723,795	6,950,754
-	-	-
6,885,380	1,723,795	6,950,754
18,922,546	24,084,131	20,033,900
-	-	-
1,620,330	-	1,620,330
1,620,330	-	1,620,330
-	-	-
1,620,330	-	1,620,330
-	-	-
-	-	-
17,064	-	17,064
17,064	-	17,064
-	-	-
17,064	-	17,064
1,603,266	-	1,603,266
69,288,572	2,067,266	70,082,871
-	-	80,000,000
99,132,525	67,445,757	99,132,525
87,307	35,067,888	87,307
109,997,000	-	-
278,505,404	104,580,912	249,302,704



		SFIL		SFIL Group
		Amount in BDT		Amount in BDT
		31-Dec-2021	31-Dec-2020	31-Dec-2021
9.01	Advances, Deposits and Prepayments			
	Advance Income Tax (Note-9.01.01)	44,890,143	1,877,060	45,256,199
	Advance to Supplier & Others	1,035,000	176,348	1,373,242
	Security Deposit for Office Rent	-	-	90,000
	Advance for IPO Investment	22,037,500	-	22,037,500
	Prepayment for Stamp Expense	40,066	13,858	40,066
	Dividend Receivable	1,285,864	-	1,285,864
		69,288,572	2,067,266	70,082,871
9.01.01	Advance Income Tax			
	The amount of advance income tax are (a) Payment made through payment order under section 64 of the Income Tax Ordinance 1984 and (b) Tax deduction at source (TDS). TDS mainly deduction of tax at sources (i) By FI on income arisen from deposits (TDR) (ii) Against interest income on bank balances (iii) from Dividend income and (iv) Tax deduction at source (TDS) made through payment order under section 52K of the Income Tax Ordinance 1984.			
9.02	Investment in Stock Exchange			
	Security Deposit - DSE	-	-	30,000,000
	Security Deposit - CSE	-	-	30,000,000
	Registration Fee - DSE	-	-	10,000,000
	Registration Fee - CSE	-	-	10,000,000
		-	-	80,000,000
9.03	Interest and other receivables			
	Interest receivables-Fixed Deposit	96,666,412	62,107,500	96,666,412
	Interest receivables- SND & HPA account	21,669	3,116,035	21,669
	Interest receivables-Non-Convertible Bond	2,444,444	2,222,222	2,444,444
		99,132,525	67,445,757	99,132,525
10.00	Borrowings from Bangladesh bank, other banks and financial institutions & agents			
	Inside Bangladesh (Note-10.01)	4,583,307	5,570,891	4,583,307
	Outside Bangladesh	-	-	-
		4,583,307	5,570,891	4,583,307
10.01	Inside Bangladesh			
	Unsecured Lease Liability			
	Vehicle Lease - IDLC Finance Limited	4,583,307	5,570,891	4,583,307
		4,583,307	5,570,891	4,583,307
10.02	Maturity grouping of borrowings from other banks, financial institutions & agents			
	Payable on demand	88,309	76,779	88,309
	Up to 1 month	178,610	155,677	178,610
	Over 1 month but within 3 months	272,970	238,908	272,970
	Over 3 months but within 1 year	564,645	497,891	564,645
	Over 1 year but within 5 years	3,478,772	4,601,637	3,478,772
	Over 5 years	-	-	-
		4,583,307	5,570,891	4,583,307
11.00	Deposits and other accounts			
	Term deposits (Note-11.01)	4,820,116,031	3,453,665,875	4,820,116,031
	Other deposits (Note-11.02)	227,272	-	227,272
		4,820,343,303	3,453,665,875	4,820,343,303
11.01	Term deposits			
	Regular Term Deposit (Note-11.01.01)	1,789,202,373	1,405,609,875	1,789,202,373
	Regular Day Wise Deposit (Note-11.01.02)	1,572,058,778	1,048,056,000	1,572,058,778
	Monthly Earner Deposit - Individual	1,000,000	-	1,000,000
	Quarterly Earner Deposit (Note-11.01.03)	1,455,100,000	1,000,000,000	1,455,100,000
	Monthly Savings Scheme - Individual	1,670,615	-	1,670,615
	Millionaire Scheme - Individual	1,084,266	-	1,084,266
		4,820,116,031	3,453,665,875	4,820,116,031



		SFIL		SFIL Group
		Amount in BDT		Amount in BDT
		31-Dec-2021	31-Dec-2020	31-Dec-2021
11.01.01	Regular Term Deposit			
	Regular Term Deposit - Corporate	1,674,638,079	1,364,000,000	1,674,638,079
	Regular Term Deposit - Individual	114,564,294	41,609,875	114,564,294
		1,789,202,373	1,405,609,875	1,789,202,373
11.01.02	Regular Day Wise Deposit			
	Regular Day Wise Deposit - Bank & NBF	1,150,000,000	1,048,056,000	1,150,000,000
	Regular Day Wise Deposit - Corporate	383,566,797	-	383,566,797
	Regular Day Wise Deposit - Individual	38,491,981	-	38,491,981
		1,572,058,778	1,048,056,000	1,572,058,778
11.01.03	Quarterly Earner Deposit			
	Quarterly Earner Deposit - Bank & NBF	1,450,000,000	1,000,000,000	1,450,000,000
	Quarterly Earner Deposit - Individual	5,100,000	-	5,100,000
		1,455,100,000	1,000,000,000	1,455,100,000
11.01.04	Group-wise break -up of term deposits			
	Government	-	-	-
	Bank	2,600,000,000	2,048,056,000	2,600,000,000
	Insurance	13,097,875	-	13,097,875
	Other institutions	2,045,107,001	1,364,000,000	2,045,107,001
	Individuals	161,911,155	41,609,875	161,911,155
		4,820,116,031	3,453,665,875	4,820,116,031
11.01.05	Maturity analysis of Term deposits			
	Payable on demand	-	-	-
	Up to 1 month	712,056,713	666,180,000	712,056,713
	Over 1 month but within 6 months	1,502,791,747	708,509,875	1,502,791,747
	Over 6 months but within 1 year	1,595,312,690	2,078,976,000	1,595,312,690
	Over 1 year but within 5 years	1,009,954,881	-	1,009,954,881
	Over 5 years but within 10 years	-	-	-
	Over 10 years	-	-	-
		4,820,116,031	3,453,665,875	4,820,116,031
11.02	Other deposits			
	Non-Interest Bearing Security Deposit	227,272	-	227,272
		227,272	-	227,272
12.00	Other liabilities			
	Withholding Tax payable	3,201,813	482,371	3,211,876
	Withholding VAT payable	1,435,102	753,038	1,459,480
	Excise Duty	709,150	2,500	709,150
	Interest payable (Note - 12.01)	63,891,589	38,629,091	63,909,034
	Audit fee payable	115,000	57,500	155,250
	Payable for CIB Fee	20,835	45	20,835
	Payable for Client's Legal Fees	144,555	-	144,555
	Payable for Stamp Charge	-	5,458	-
	Payable to suppliers	4,228,006	762,421	4,396,574
	Provision for current tax	55,006,891	8,420,171	55,556,891
	Deferred Tax Liability (Note - 12.02)	1,063,923	1,229,113	1,083,535
	Unearned Revenue	229,225	-	229,225
	Interest Suspense	76,641	-	76,641
	Lease Liability - Right of Use of Assets (Note-12.03)	15,649,214	19,927,926	16,825,942
	Provision for doubtful accounts and future losses (Note-12.04)	15,058,000	3,889,691	15,058,000
		160,829,943	74,159,325	162,836,988
12.01	Interest payable			
	Regular Term Deposit (Note-12.01.01)	31,107,861	17,701,138	31,107,861
	Regular Day Wise Deposit (Note-12.01.02)	29,679,743	16,081,330	29,679,743
	Monthly Earner Deposit - Individual	3,853	-	3,853
	Quarterly Earner Deposit (Note-12.01.03)	3,093,257	4,250,000	3,093,257
	Unsecured Lease Liability (Note-12.01.04)	6,874	596,623	24,319
		63,891,589	38,629,091	63,909,034



	SFIL		SFIL Group
	Amount in BDT		Amount in BDT
	31-Dec-2021	31-Dec-2020	31-Dec-2021
12.01.01 Regular Term Deposit			
Regular Term Deposit - Corporate	28,507,079	17,009,889	28,507,079
Regular Term Deposit - Individual	2,600,782	691,249	2,600,782
	31,107,861	17,701,138	31,107,861
12.01.02 Regular Day Wise Deposit			
Regular Day Wise Deposit - Bank & NBF	16,417,361	16,081,330	16,417,361
Regular Day Wise Deposit - Corporate	12,451,150	-	12,451,150
Regular Day Wise Deposit - Individual	811,232	-	811,232
	29,679,743	16,081,330	29,679,743
12.01.03 Quarterly Earner Deposit			
Quarterly Earner Deposit - Bank & NBF	3,069,444	4,250,000	3,069,444
Quarterly Earner Deposit - Individual	23,813	-	23,813
	3,093,257	4,250,000	3,093,257
12.01.04 Unsecured Lease Liability			
Lease Liability - Motor Vehicle	6,874	10,213	6,874
Lease Liability - Right of Use of Assets	-	586,410	17,445
	6,874	596,623	24,319

12.02 Deferred tax liability

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

Particulars	Accounting Base Carrying Amount	Tax Base Carrying Amount	(Taxable)/ Deductible temporary difference
Deferred tax liability is arrived at as follows:			
Fixed assets net of depreciation as on 31 December 2021			
Furniture & Fixture	3,384,587	3,665,332	(280,745)
Office Decoration	6,061,786	6,291,685	(229,899)
Office Equipment	2,451,864	2,699,307	(247,443)
IT Equipments	5,322,011	3,746,831	1,575,180
Motor Vehicle	4,308,733	3,763,200	545,533
IT Software	479,123	446,569	32,555
Taxable Temporary Difference (A)	22,008,104	20,612,923	1,395,181

	SFIL	SFIL Group
Lease liability	15,649,214	16,825,942
Right of Use of Assets	(14,613,813)	(15,725,167)
	1,035,401	1,100,775
Unearned Revenue	229,225	229,225
Taxable Temporary Difference (B)	1,264,626	1,330,000
Total (A+B)	2,659,807	2,725,181
Deferred tax liability at 31 December 2021	1,063,923	1,083,535
	SFIL	SFILSL
Applicable tax rate for Business or Profession (2021)	40%	30%

12.03 Lease Liability - Right of Use of Assets

Lease liability - Right of Use of Assets derived from present value of all rental payments for corporate head office and principal branch. When measuring lease liabilities, SFIL discounted lease payments using its incremental borrowing rate (9%).

12.04 Provision for doubtful accounts and future losses

General provision (Note-12.04(i))	11,661,770	3,889,691	11,661,770
Specific provision	-	-	-
Provision for diminutions in value of investments	2,786,230	-	2,786,230
Other Provisions	610,000	-	610,000
	15,058,000	3,889,691	15,058,000



		SFIL		SFIL Group
		Amount in BDT		Amount in BDT
		31-Dec-2021	31-Dec-2020	31-Dec-2021
12.04 (i)	Product wise break up of General Provision			
	Corporate Finance (12.04.01)	9,214,600	3,529,386	9,214,600
	Consumer Finance (12.04.02)	679,524	285,901	679,524
	SME Finance (12.04.03)	1,742,911	74,404	1,742,911
	Channel Finance	24,735	-	24,735
		11,661,770	3,889,691	11,661,770
12.04.01	Corporate Finance			
	Lease Finance	563,112	38,011	563,112
	Loan Finance	8,651,488	3,491,376	8,651,488
		9,214,600	3,529,386	9,214,600
12.04.02	Consumer Finance			
	House Finance	546,438	239,230	546,438
	Car lease	101,212	46,671	101,212
	Loan Against Deposit	8,353	-	8,353
	Personal Loan	23,522	-	23,522
		679,524	285,901	679,524
12.04.03	SME Finance			
	Lease Finance, SMALL	71,712	62,677	71,712
	Loan Finance, SMALL	11,651	-	11,651
	Lease Finance, MID	12,937	11,726	12,937
	Loan Finance, MID	1,646,610	-	1,646,610
		1,742,911	74,404	1,742,911
13.00	Share capital			
	Authorized			
	250,000,000 ordinary shares of Tk.10/- each	2,500,000,000	2,500,000,000	2,500,000,000
	Issued, subscribed and paid up			
	100,000,000 ordinary shares of Tk.10/- each	1,000,000,000	1,000,000,000	1,000,000,000
	Details of shares holding position are as under:			
Sponsor Shareholders:		31-Dec-2021		31-Dec-2020
		Percentage (%)	No. of Shares	BDT
A. Individual Sponsors				
	Ms. Anjuman Ara Shahid	2%	2,000,000	20,000,000
		2%	2,000,000	20,000,000
B. Institutional Sponsors				
	Canadian Maple Strategic Wealth Management LP	48%	48,000,000	480,000,000
	Strategic Finance Limited	20%	20,000,000	200,000,000
	Padma Bank Securities Ltd.	20%	20,000,000	200,000,000
	Strategic Equity Management Ltd.	6%	6,000,000	60,000,000
	Statisticker Inc.	2%	2,000,000	20,000,000
	Unique Hotel & Resorts Ltd.	2%	2,000,000	20,000,000
		98%	98,000,000	980,000,000
Total Shareholdings		100%	100,000,000	1,000,000,000



	SFIL		SFIL Group
	Amount in BDT		Amount in BDT
	31-Dec-2021	31-Dec-2020	31-Dec-2021
13.01 Capital Adequacy Ratio (CAR)			
As per section 4(GHA) of the Financial Institution Rule 1994 and subsequently updated vide DFIM Circular No. 5, dated July 24, 2011, the minimum paid up capital of the Financial Institution (FI) shall be Taka 100 crore; Provided that the sum of paid up capital and reserves shall not be less than the minimum capital determined by the Bangladesh Bank under the Risk-Based Assets of the company. The surplus eligible capital of the SFIL at the close of business on 31 December 2021 were Taka 71.72 crore.			
Core Capital (Tier-1) / Shareholders' Equity			
Paid-up capital (Note-13)	1,000,000,000	1,000,000,000	1,000,000,000
Share premium	-	-	-
Statutory reserves (Note-14)	18,498,661	3,906,114	18,498,661
Other Reserve (Note-15)	-	7,388,000	-
General reserves	-	-	-
Dividend equalization reserves	-	-	-
Retained earnings (Note-16)	73,994,645	15,624,454	75,142,739
Non-controlling interest	-	-	3,031
Sub-Total	1,092,493,306	1,026,918,568	1,093,644,431
Supplementary Capital (Tier -II)			
General Provision (Unclassified loans up to specified limit + SMA + Off Balance Sheet exposure)	11,381,770	2,889,691	11,381,770
Assets Revaluation Reserves up to 50%	-	-	-
Revaluation Reserve for Securities up to 45%	-	-	-
All others preference shares	-	-	-
Others (if any other item approved by Bangladesh Bank)	-	-	-
Sub-Total	11,381,770	2,889,691	11,381,770
A) Total capital	1,103,875,076	1,029,808,259	1,105,026,201
Total assets including off -balance sheet exposures	6,139,249,859	4,586,574,659	6,142,408,029
B) Total risk weighted assets	3,866,491,816	3,465,051,414	3,838,400,470
C) Required capital based on risk weighted assets (10% on B)	386,649,182	346,505,141	383,840,047
D) Surplus (A-C)	717,225,895	683,303,118	721,186,154
E) Capital Adequacy Ratio (%)	28.55%	29.72%	28.79%
F) Core Capital to RWA (%)	28.26%	29.64%	28.49%
G) Supplementary Capital to RWA (%)	0.29%	0.08%	0.30%
14.00 Statutory reserve			
Opening balance	3,906,114	-	3,906,114
Add: Transferred from profit	14,592,548	3,906,114	14,592,548
Closing balance	18,498,661	3,906,114	18,498,661
15.00 Other Reserve			
Foreign Exchange Reserve			
Opening balance	7,388,000	-	7,388,000
Add: Foreign exchange Gain/(loss) for the period	(7,388,000)	7,388,000	(7,388,000)
Closing balance	-	7,388,000	-
16.00 Retained earnings			
Opening balance	15,624,454	-	15,624,454
Add: Profit/(loss) for the period	72,962,738	19,530,568	74,110,832
Less: Appropriation to statutory reserve	(14,592,548)	(3,906,114)	(14,592,548)
Less: Cash Dividend	-	-	-
Closing balance	73,994,645	15,624,454	75,142,739
17.00 Interest income			
Corporate Finance			
Lease Finance	2,308,094	1,055	2,308,094
Loan Finance	55,287,593	2,506,957	55,287,593
	57,595,687	2,508,012	57,595,687



		SFIL		SFIL Group
		Amount in BDT		Amount in BDT
		31-Dec-2021	31-Dec-2020	31-Dec-2021
Consumer Finance				
House Finance		3,190,731	557,287	3,190,731
Car lease		720,978	97,754	720,978
Loan against Deposit		54,922	-	54,922
Personal Loan		23,225	-	23,225
		3,989,856	655,042	3,989,856
SME Finance				
Lease Finance, SMALL		3,012,361	70,993	3,012,361
Loan Finance, SMALL		119,020	-	119,020
Lease Finance, MID		607,914	45,387	607,914
Loan Finance, MID		2,699,338	-	2,699,338
		6,438,632	116,380	6,438,632
Channel Finance				
Work Order Financing		328,898	-	328,898
		328,898	-	328,898
		68,353,073	3,279,434	68,353,073
Treasury				
Fixed deposit accounts		305,270,032	62,107,500	305,270,032
SND / HP Account		3,764,518	6,908,581	6,204,897
Foreign Currency account		12,335,022	816,998	12,335,022
		321,369,572	69,833,079	323,809,952
		389,722,644	73,112,513	392,163,024
18.00	Interest expenses on deposits and borrowings			
	Interest on Regular Term deposit (Note-18.01)	131,198,061	17,744,888	131,198,061
	Interest on Regular Day Wise deposit (Note-18.02)	112,625,475	20,331,330	112,625,475
	Interest Expense on Monthly Saving Scheme - Individual	47,615	-	47,615
	Interest Expense Millionaire Scheme - Individual	34,018	-	34,018
	Interest Expense on Monthly Earner deposit - Individual	40,353	-	40,353
	Interest Expense on Quarterly Earner deposit (Note-18.03)	89,012,257	-	89,012,257
	Unsecured Lease Liability (Note- 18.04)	2,081,615	798,898	2,099,060
		335,039,394	38,875,117	335,056,839
18.01	Interest on regular term deposit			
	Regular Term Deposit - Corporate	125,576,785	17,009,889	125,576,785
	Regular Term Deposit - Individual	5,621,277	734,999	5,621,277
		131,198,061	17,744,888	131,198,061
18.02	Interest on regular day wise deposit			
	Regular Day Wise Deposit - Bank & NBFI	98,581,378	20,331,330	98,581,378
	Regular Day Wise Deposit - Corporate	12,837,638	-	12,837,638
	Regular Day Wise Deposit - Individual	1,206,459	-	1,206,459
		112,625,475	20,331,330	112,625,475
18.03	Interest Expense on Quarterly Earner Deposit			
	Quarterly Earner Deposit - Bank & NBFI	88,819,444	-	88,819,444
	Quarterly Earner Deposit - Individual	192,813	-	192,813
		89,012,257	-	89,012,257
18.04	Unsecured Lease Liability			
	Vehicle Lease - IDLC Finance Limited	512,257	212,489	512,257
	Right of Use of Assets	1,569,358	586,410	1,586,803
		2,081,615	798,898	2,099,060
19.00	Income from investment			
	Capital gain on sale of marketable securities	32,900,181	17,850,111	32,900,181
	Dividend Income - Marketable securities	2,290,228	-	2,290,228
	Income from Non-Convertible Bond	100,222,222	2,222,222	100,222,222
		135,412,631	20,072,333	135,412,631



		SFIL		SFIL Group
		Amount in BDT		Amount in BDT
		31-Dec-2021	31-Dec-2020	31-Dec-2021
20.00	Commission, Exchange and Brokerage Income	-	-	-
21.00	Other operational income			
	Fees and documentations (Note-21.01)	1,341,594	533,699	1,341,594
	Miscellaneous Income	14,471,113	29,819	14,471,113
		15,812,708	563,518	15,812,708
21.01	Fees and documentations			
	Corporate finance			
	Lease Finance	386,570	17,200	386,570
	Loan Finance	506,302	201,970	506,302
		892,872	219,170	892,872
	Consumer Finance			
	House Finance	197,209	79,652	197,209
	Car lease	103,403	10,000	103,403
	Personal Loan	1,130	-	1,130
		301,742	89,652	301,742
	SME Finance			
	Lease Finance, SMALL	64,000	224,877	64,000
	Lease Finance, MID	57,980	-	57,980
	Loan Finance, MID	25,000	-	25,000
		146,980	224,877	146,980
		1,341,594	533,699	1,341,594
22.00	Salary and allowances			
	Salary and allowances	34,051,360	7,269,692	34,091,360
	Festival bonus	2,571,250	170,822	2,571,250
	Provident fund contribution	1,613,814	-	1,613,814
		38,236,424	7,440,514	38,276,424
23.00	Rent, taxes, insurance, electricity etc.			
	Office rent	-	-	-
	Insurance	147,050	-	147,050
	Utilities	1,242,169	191,954	1,242,169
		1,389,219	191,954	1,389,219
24.00	Legal and professional fees	2,074,514	1,695,667	2,074,514
25.00	Postage, stamp, telecommunication etc.			
	Postage and courier	6,870	17,860	6,870
	Stamp charges	25,784	8,005	34,924
	Telephone bill	40,289	8,299	40,289
	Internet & Connectivity	112,429	23,333	112,429
		185,372	57,498	194,512
26.00	Stationery, printing, advertisement			
	Printing and stationery	462,078	464,108	462,078
	Advertisement	1,010,709	32,603	1,027,089
		1,472,787	496,711	1,489,167
27.00	Managing director's salary and allowance			
	Basic Salary	4,200,000	1,400,000	4,200,000
	Allowances	4,884,000	1,628,000	4,884,000
	Festival Bonus	700,000	-	700,000
	Provident fund contribution	560,000	-	560,000
		10,344,000	3,028,000	10,344,000
28.00	Directors' fees	118,294	-	118,294
29.00	Auditors' fees	207,000	57,500	247,250



		SFIL		SFIL Group
		Amount in BDT		Amount in BDT
		31-Dec-2021	31-Dec-2020	31-Dec-2021
30.00	Repairs, maintenance and depreciation			
	Repairs and maintenance	180,153	194,309	180,153
	Software maintenance	-	-	-
	Depreciation & Amortization	8,337,120	2,389,377	8,402,494
		8,517,273	2,583,687	8,582,647
31.00	Other expenses			
	Training	72,632	-	75,632
	Renewal & Registration	674,341	3,004,633	1,146,177
	Employee Engagement Program	79,335	4,516	79,335
	Conveyance	226,475	62,315	254,620
	Business Development Expense	1,040,678	24,975	1,040,678
	Computer accessories	115,926	43,202	115,926
	Fuel expense	273,004	70,935	273,004
	Vehicle maintenance/Registration	5,098,622	1,649,158	5,098,622
	Office maintenance	1,129,991	611,116	1,144,166
	Entertainment	235,719	110,739	235,719
	Bank charges	27,081	8,175	28,979
	Excise duty	2,383,000	98,000	2,398,000
	Vendor Commission	117,778	-	117,778
	Business Promotion Expenses	694,381	365,500	694,381
	Security Guard Services	316,800	100,320	316,800
	Recruitment Expenses	29,751	40,058	29,751
	CSR Expenses	115,000	-	115,000
	BO Maintenance	72,944	-	72,944
	Verification Expenses	417	-	417
	Marketing Expense	8,600	-	8,600
	Meeting expense	98,656	58,532	98,656
		12,811,128	6,252,174	13,345,182
32.00	Provisions for lease, loans & investments			
	Provision for lease, loan and advances	7,772,079	3,889,691	7,772,079
	General provision	7,772,079	3,889,691	7,772,079
	Specific provision	-	-	-
	Provision for diminution in value of investments	2,786,230	-	2,786,230
	Other provisions	610,000	-	610,000
		11,168,309	3,889,691	11,168,309
33.00	Provision for taxation			
	Current tax expense/ (income)	46,586,720	8,420,171	47,136,720
	Deferred tax expense/ (income) (Note - 33.01)	(165,190)	1,229,113	(145,578)
		46,421,530	9,649,284	46,991,143
33.01	Deferred Tax Expense / (Income)			
	Particulars	31-Dec-21	31-Dec-20	Deferred Tax Expense/(Income)
	Deferred Tax Liability	1,063,923	1,229,113	(165,190)
	Deferred Tax Assets	-	-	-
	Deferred Tax Expense/ (Income) of SFIL	1,063,923	1,229,113	(165,190)
	Deferred Tax Liability of SFILSL	19,612	-	19,612



SFIL		SFIL Group
Amount in BDT		Amount in BDT
31-Dec-2021	31-Dec-2020	31-Dec-2021

34.00

Related party transactions

Details of transactions with related parties and balances with them as at 31 December, 2021 were as follows:

SI No.	Name of the Related Party	Transaction nature	Relationship	Balance as at 31 Dec 2020	Addition	Adjustment	Balance as at 31 Dec 2021
1	Tamim Marzan Huda	Vehicle lease	Director of Shareholding Company	2,258,610	232,600	613,632	1,877,578
2	Tamim Marzan Huda	Term Deposit	Director of Shareholding Company	1,500,000	44,020	512,577	1,031,443
3	Tamim Marzan Huda	Loan Against Deposit	Director of Shareholding Company	-	203,436	750	202,686
4	Tamim Marzan Huda	Monthly Saving Scheme	Director of Shareholding Company	-	57,080	-	57,080
5	Ezzy Automation Ltd	Vehicle lease	Director Concern	1,683,260	173,287	448,764	1,407,783
6	News bangla Media Ltd.	Vehicle lease	Director Concern	3,007,333	1,925,627	1,165,776	3,767,184
7	Borak Real Estate Limited	Revolving Short Term Loan	Concern of Shareholding Company	101,119,444	287,432,327	216,834,777	171,716,994
8	Borak Real Estate Limited	Term Finance	Concern of Shareholding Company	-	110,304,867	20,633,667	89,671,200
9	Padma Bank Securities Limited	Revolving Short Term Loan	Concern of Shareholding Company	-	12,008,000	12,008,000	-
10	Strategic Finance Investments Limited Employees Provident Fund	Term Deposit	Provident Fund of Strategic Finance & Investments Limited	-	4,261,172	5,117	4,256,055
11	Aroosa Gold Corporation	Term Deposit	Director Concern	-	6,304,518	30,452	6,274,066
12	Strategic Equity Management Ltd	Term Deposit	Shareholding Company	-	6,882,683	6,882,683	-
13	Strategic Finance Limited	Investment in Bond	Shareholding Company	1,002,222,222	100,222,222	-	1,102,444,444
Total				1,111,790,870	530,051,839	259,136,195	1,382,706,513

35.00

Employees' details

No. of employee received BDT 3,000 per month

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

-	-	-
70	23	71
70	23	71

36.00

Disclosure of Audit Committee

Particulars of audit committee

The Audit Committee of the Board was duly constituted by the Board of Directors of the Company in accordance with the Bangladesh Bank's DFIM circular # 13, dated: October 26, 2011.

The Audit Committee of the Board of Directors consisted of the following members of the Board:

Name	Status at the Company	Status at Committee
Mr. Riaduzzaman Ridoy	Nominee Director of Padma Bank Securities Ltd.	Chairman
Mr. William H. Derrenger	Nominee Director of Canadian Maple Strategic Wealth Management LP.	Member
Mr. S.M. Arifuzzaman	Nominee Director of Strategic Finance Ltd.	Member
Mr. Ehsanul Kabir	Nominee Director of Strategic Equity Management Ltd.	Member
Mr. Mohammad Shariat Ullah	Nominee Director of Padma Bank Securities Ltd.	Member



37.00

Event after the Reporting Period

- A) The board of directors in its 28th meeting held on March 31, 2022 has approved the financial statements and authorized the same for issue.
- B) The board of directors in its 28th Meeting held on March 31, 2022 has recommended to the shareholders 0% cash dividend and 2.5% Stock Dividend for the year ended 31 December 2021.
- C) No other adjusting event had occurred till date of signing the financial statements which recognize adjustment under **IAS -10 “Events after Reporting Period”**.


Director
Director
Managing Director & CEO
Company Secretary

Place: Dhaka

Dated: 31 March 2022





Strategic Finance & Investments Limited

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

As at 31 December 2021

Particulars	C O S T				D E P R E C I A T I O N					Amount in BDT
	Balance as at 01.01.2021	Addition during the year	Adjustment / (Disposal) the year	Balance as at 31.12.2021	Rate (%)	Balance as at 01.01.2021	Charged during the year	Adjustment / (Disposal) the year	Balance as at 31.12.2021	Written down value as at 31.12.2021
<u>Freehold Assets</u>	11,235,666	9,808,635	-	21,044,301		665,582	3,158,471	-	3,824,054	17,220,247
Furniture & Fixture	2,016,231	2,257,983	-	4,274,214	20.00	129,800	759,827	-	889,627	3,384,587
Office Decoration	3,378,254	3,950,332	-	7,328,587	16.67	183,225	1,083,575	-	1,266,800	6,061,786
Office Equipment	3,313,498	17,082	-	3,330,580	20.00	213,719	664,997	-	878,716	2,451,864
IT Equipments	2,527,683	3,583,238	-	6,110,921	20.00	138,838	650,071	-	788,910	5,322,011
<u>Lease Hold Assets</u>	25,807,926	-	-	25,807,926		1,723,795	5,161,585	-	6,885,380	18,922,546
Motor Vehicle	5,880,000	-	-	5,880,000	20.00	395,267	1,176,000	-	1,571,267	4,308,733
Right of Use of Assets	19,927,926	-	-	19,927,926	-	1,328,528	3,985,585	-	5,314,114	14,613,813
<u>Intangible Assets</u>	-	1,620,330	-	1,620,330		-	17,064	-	17,064	1,603,266
WIP-Software	-	1,124,143	-	1,124,143	-	-	-	-	-	1,124,143
IT Software	-	496,187	-	496,187	20.00	-	17,064	-	17,064	479,123
Total as at December 31, 2021	37,043,592	11,428,966	-	48,472,557	-	2,389,377	8,337,120	-	10,726,498	37,746,060
Total as at December 31, 2020	-	37,043,592	-	37,043,592	-	-	2,389,377	-	2,389,377	34,654,214

Strategic Finance & Investments Limited and its Subsidiary

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

As at 31 December 2021

Particulars	C O S T				D E P R E C I A T I O N					Amount in BDT
	Balance as at 01.01.2021	Addition during the year	Adjustment / (Disposal) the year	Balance as at 31.12.2021	Rate (%)	Balance as at 01.01.2021	Charged during the year	Adjustment / (Disposal) the year	Balance as at 31.12.2021	Written down value as at 31.12.2021
<u>Freehold Assets</u>	11,235,666	9,808,635	-	21,044,301		665,582	3,158,471	-	3,824,054	17,220,247
Furniture & Fixture	2,016,231	2,257,983	-	4,274,214	20.00	129,800	759,827	-	889,627	3,384,587
Office Decoration	3,378,254	3,950,332	-	7,328,587	16.67	183,225	1,083,575	-	1,266,800	6,061,786
Office Equipment	3,313,498	17,082	-	3,330,580	20.00	213,719	664,997	-	878,716	2,451,864
IT Equipments	2,527,683	3,583,238	-	6,110,921	20.00	138,838	650,071	-	788,910	5,322,011
<u>Lease Hold Assets</u>	25,807,926	1,176,728	-	26,984,654		1,723,795	5,226,959	-	6,950,754	20,033,900
Motor Vehicle	5,880,000	-	-	5,880,000	20.00	395,267	1,176,000	-	1,571,267	4,308,733
Right of Use of Assets	19,927,926	1,176,728	-	21,104,654	-	1,328,528	4,050,959	-	5,379,487	15,725,167
<u>Intangible Assets</u>	-	1,620,330	-	1,620,330		-	17,064	-	17,064	1,603,266
WIP-Software	-	1,124,143	-	1,124,143	-	-	-	-	-	1,124,143
IT Software	-	496,187	-	496,187	20.00	-	17,064	-	17,064	479,123
Total as at December 31, 2021	37,043,592	12,605,694	-	49,649,285	-	2,389,377	8,402,494	-	10,791,872	38,857,414



Strategic Finance & Investments Limited

Financial Highlights

As at 31 December 2021

Amount in BDT (mn)

SI No.	Key Indicators	2021	2020
1	Paid-up capital	1,000.00	1,000.00
2	Total capital	1,092.49	1,026.92
3	Capital surplus	717.23	683.30
4	Total assets	6,078.25	4,560.31
5	Total term deposits	4,820.12	3,453.67
6	Total loans, advances and leases	1,010.50	311.29
7	Total contingent liabilities and commitments	61.00	26.26
8	Credit deposit ratio	0.21	0.09
9	Percentage of classified loans against total loan & advance	0.00%	0.00%
10	Profit after tax and provision	72.96	19.53
11	Amount of classified loans during current year	-	-
12	Provisions kept against classified loans	-	-
13	Provision surplus against classified loan	-	-
14	Cost of fund	7.49%	8.47%
15	Interest earnings assets	4,569.52	3,349.50
16	Non-interest earnings assets	1,508.72	1,210.82
17	Return on Investment (ROI)	6.68%	1.90%
18	Return on Assets (ROA)	1.20%	0.43%
19	Income from investment	135.41	20.07
20	Earnings Per Share (EPS)	0.73	0.20
21	Net income per share	0.55	0.34
22	Market price per share	-	-
23	Price Earnings (P/E) ratio	-	-







Stock-Broker of

Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

Our Services

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



Management Team

SFIL Securities Limited



S. M. Ferdaus Hussain

Managing Director & CEO (Current Charge)

Sharif Md. Baizid

Manager, Finance & Accounts



Directors' Report

To the Shareholders' of SFIL Securities Limited (SFILSL)

It is a pleasure and a privilege on behalf of SFILSL's Board of Directors to present the Directors' Report and Auditor's Report, along with the audited financial statements of the Company for the period ended on 31 December, 2021.

SFILSL is a Stock-Broker of both Dhaka and Chittagong Stock Exchange Limited. It's a wholly owned subsidiary of Strategic Finance & Investments Limited which is a Canada, USA, Bangladesh consortium of institutional investors and a licensed full-service financial institution of Bangladesh Bank.

SFILSL aims to commence stock-brokerage business with a view to bringing positive changes into the capital market utilizing the state of art technology. As a consortium of international institutional investors originated organization, we are committed to providing utmost professionalism and services through our smooth operational process, uncompromising regulatory compliance, corporate governance, and international best practices into the company.

During the year 2021 SFILSL has obtained Trading Right Entitlement Certificate (TREC) from both Dhaka & Chittagong Stock Exchange Limited and opted to start its trading activities within first half of 2022 after getting relevant regulatory approvals. Though there was no trading activities or operating income during the period ended on 31 December 2021, SFILSL was able to manage Net Profit after Tax amounting to Tk. 1.15 million mainly generated from interest income on SND account.

Human resource development

Human resources are the most important asset that plays the vital role for growth & sustainability of any organization. SFILSL firmly believes that people are the foundation to build a sustainable organization. We are focusing to implement effective policies to recruit the top-notch human resources. Also we are designing diverse and relevant training programs for professional development to high quality & performance-oriented personnel.

Outlook for 2022

Bangladesh's economy has demonstrated commendable economic resilience amid several restrictions arising from unprecedented pandemic due to COVID 19, registering GDP growth of 6.9 percent in FY 2021. Bangladesh's economy is projected to grow 6.9 per cent in FY 2022 boosted by strong export growth and a rebound in domestic demand.

The capital market also had a remarkable year in 2021. The Dhaka Stock Exchange (DSE) witnessed a return of more than 20 per cent two years in a row. The average DSE trading turnover of the year 2021 was BDT 1,479 million and the DSEX closed at 6,756 points which is almost 24% higher than the previous year. We expect Bangladesh stock market will be an emerging market by the end of 2022 amid a higher economic growth.

Meanwhile, SFILSL is opted to commence its trading activities through the two bourses Dhaka & Chittagong Stock Exchange Limited. The Stock-broker is planning to spread out its core securities trading functions across the countries by establishing extension offices, new branches and digital booths. Our main focus will be to ensure providing superior service experience and to implement online based trading platform for our valued clients. SFILSL aims to grow bigger by cultivating corporate governance, regulatory compliance, high ethical standards and transparency.

I would like to thank the Board Members and the employees of the company for their continuous support and cooperation.

For and on behalf of the Board of Directors.

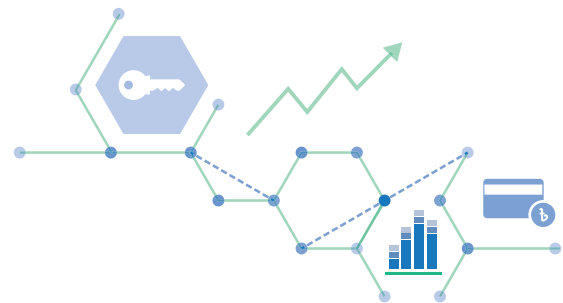
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Mashrib Zahid

Chairman

SFIL Securities Limited





Auditors' Report &
Audited Financial Statements of

SFIL Securities Limited



Independent Auditor's Report

to the Shareholders of SFIL Securities Limited

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of SFIL Securities Limited (the "Company") which comprise the statement of financial position as at 31 December 2021 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period from 21 March 2021 to 31 December 2021, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021 and its financial performance and its cash flows for the period from 21 March 2021 to 31 December 2021 in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2 and other applicable laws and regulations.

Basis for Opinion

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not



detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company's 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.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 1987, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by the Company's so far as it appeared from our examination of those books;
- (iii) the statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- (iv) the expenditures incurred were for the purpose of Company's business for the period from 21 March 2021 to 31 December 2021.

Dhaka, 3 February 2022
DVC: 2202031512AS341621


Shaikh Hasibur Rahman FCA
Enrolment no. 1512
Hoda Vasi Chowdhury & Co.
Chartered Accountants



SFIL Securities Limited
Statement of Financial Position
As at 31 December 2021

Particulars	Notes	Amount in Taka 31 December 2021
Assets		
Non-current assets		
Right of use assets	4	1,111,354
Intangible assets	5	20,000,000
Security deposits with stock exchanges	6.01	60,000,000
Total non-current assets		81,111,354
Current assets		
Advances, deposits and prepayments	6.02	428,242
Advance income tax	7	366,057
Cash and cash equivalents	8	31,249,517
Total current assets		32,043,816
Total Assets		113,155,170
Shareholders' equity & liabilities		
Shareholder's Equity		
Share capital	9	110,000,000
Retained earnings	10	1,148,125
Total equity		111,148,125
Liabilities		
Non-current liabilities		
Lease liabilities	11	1,176,728
Deferred tax liabilities	12	19,612
Total non-current liabilities		1,196,340
Current liabilities		
Liabilities for expenses	13	226,263
Provision for taxation	14	550,000
Other liabilities	15	34,442
Total current liabilities		810,705
Total Liabilities		2,007,045
Total shareholders' Equity and Liabilities		113,155,170

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

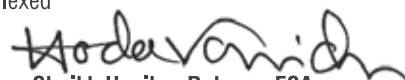

Director


Director


Director


Managing Director & CEO
(Current Charge)

Signed in terms of our separate report of even date annexed


Shaikh Hasibur Rahman FCA
Enrolment no. 1512
Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 3 February 2022
DVC: 2202031512AS341621



SFIL Securities Limited

Statement of Profit or Loss and other Comprehensive Income

For the period from 21 March 2021 to 31 December 2021

Particulars	Notes	Amount in Taka 31 December 2021
Brokerage commission income		-
Brokerage commission expenses		-
Net brokerage commission income		-
Interest income	16	2,440,380
Interest expenses	17	(17,445)
Other costs directly attributable to services	18	-
Operating income		2,422,935
Operating expenses		(705,197)
Salary and allowances	19	40,000
Rent, taxes, insurance, electricity etc.	20	-
Legal & professional fees	21	-
Postage, stamp, telecommunication etc.	22	9,140
Stationery, printing, advertisement	23	16,380
Director fees and expenses	24	-
Audit fees	25	40,250
Repairs, maintenance and depreciation	26	65,374
Other expenses	27	534,054
Operating profit before provisions & tax		1,717,737
Other Provisions		-
Provision for negative equity		-
Provision for diminution in value of investment		-
Profit before tax (PBT)		1,717,737
Income tax	28	(569,612)
Current tax expense		550,000
Deffered tax expense		19,612
Profit after tax (PAT)		1,148,125
Earnings Per Share (EPS)		
Basic	32	0.10

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



Director


Director


Director


Managing Director & CEO
(Current Charge)

Signed in terms of our separate report of even date annexed


Shaikh Hasibur Rahman FCA
Enrolment no. 1512
Hoda Vasi Chowdhury & Co.
Chartered Accountants

Dhaka, 3 February 2022
DVC: 2202031512AS341621

SFIL Securities Limited

Statement of Changes in Equity

For the period from 21 March 2021 to 31 December 2021

Particulars	Share Capital	Share Premium	Retained Earnings	Total Equity
Balance at March 21, 2021	-	-	-	-
Changes in equity for 2021				
Share capital	110,000,000	-	-	110,000,000
Share money deposit	-	-	-	-
Total comprehensive income for the period	-	-	1,148,125	1,148,125
Balance at December 31, 2021	110,000,000	-	1,148,125	111,148,125

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


Director


Director


Director


Managing Director & CEO
(Current Charge)



SFIL Securities Limited

Statement of Cash Flows

For the period from 21 March 2021 to 31 December 2021

Particulars	Amount in Taka
	31 December 2021
Cash Flows from operating activities:	
Interest income	2,440,380
Operating expenses	(429,602)
	2,010,778
Other operating activities:	
Security deposit	(60,090,000)
Advance for interior works	(305,205)
Income Tax paid	(366,057)
	(60,761,262)
Net cash used in operating activities	(58,750,483)
Cash Flows from investing activities:	
Sale of fixed assets	-
Acquisition of intangible assets	(20,000,000)
Net Cash used in investing activities	(20,000,000)
Cash Flows from financing activities:	
Issuance of share capital	110,000,000
Share money deposit	-
Net Cash flow from financing activities	110,000,000
Net increase in Cash and Cash Equivalents	31,249,517
Cash & Cash Equivalent as on March 21, 2021	-
Cash & Cash Equivalent as on Dec 31, 2021	31,249,517

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


Director


Director


Director


Managing Director & CEO
(Current Charge)



SFIL Securities Limited

Notes to the Financial Statements

For the period from 21 March 2021 to 31 December 2021

1 Company and its activities

1.1 Legal status of the company

SFIL Securities Limited (herein after referred to as “SFILSL” or “the company”) was incorporated with the Registrar of Joint Stock Companies and Firms (RJSCF) vide registration # C-170009/2021 dated March 21, 2021 as a private limited company, limited by shares having its registered address at Rangs RL Square, Level - 3, Plot - Kha 201/1, 203, 205/3, Bir Uttam Rafiqul Islam Avenue, Badda, Dhaka-1212, Bangladesh under the Companies Act, 1994. The Company is a Trading Right Entitlement Certificate (TREC) holder of both Dhaka Stock Exchange Limited (276) and Chittagong Stock Exchange Limited (154). The company is a wholly owned subsidiary of Strategic Finance & Investments Limited, a Non-Banking Financial Institution incorporated in Bangladesh under the Bangladesh Bank.

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

Sl. No.	Name of License	Registration No.	Date of License	Renewed up to
1	Certificate of Incorporation	C-170009/2021	21-Mar-21	NA
2	Trade License	153218	22-Mar-21	30-Jun-22
3	TIN Certificate	639890182391	21-Mar-21	NA
4	VAT registration Certificate	003882195-0101	09-Jun-21	NA
5	TREC Certificate - DSE	DSE TREC No. 276	01-Sep-21	NA
6	TREC Certificate - CSE	CSE TREC No. 154	19-Sep-21	NA

1.2 Principal activities of the company

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

2 Basis of preparation of financial statements

2.1 Components of the financial statements

The financial statements comprise of:

- Statement of Financial Position as at 31 December 2021;
- Statement of Profit or Loss and other Comprehensive Income for the period from 21 March 2021 to 31 December 2021;
- Statement of Changes in Equity for the period from 21 March 2021 to 31 December 2021;
- Statement of Cash Flows for the period from 21 March 2021 to 31 December 2021; and
- Notes to the Financial Statements.

2.2 Statement of compliance

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

2.3 Basis of measurement

These financial statements have been prepared on a going concern basis under the historical



cost convention in accordance with International Financial Reporting Standards (IFRSs).

2.4 Functional and presentation currency

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

2.5 Use of estimates and judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the year end. Provisions and accrued expenses are recognized in the financial statements in line with International Accounting Standard (IAS) 37: "Provisions, Contingent Liabilities and Contingent Assets" when

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

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

2.6 Going concern

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

2.7 Reporting period

The financial period of the Company has been determined to be from 01 January to 31 December each year. However, these financial statements cover the period from 21 March 2021 to 31 December 2021.

2.8 Date of authorization

These financial statements have been authorized for issue by the Board of Directors on 03 February 2022.

2.9 Statement of cash flows

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

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

2.10 Comparative information

The Company incorporated on 21 March 2021 and the financial statement prepared for the first time. However, comparative figures and account titles in the financial statements have been rearranged/reclassified wherever considered necessary in the next financial year.

3 Significant accounting policies

3.01 Revenue recognition

Revenue is recognized only when it is probable that the economic benefits associated with the



transaction will flow to the enterprise the revenue during the year and in accordance with the IFRS-15 “Revenue from Contracts with Customers”.

Interest income

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

3.02 Leases

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

3.03 Related party disclosure

As per International Accounting Standard (IAS) 24: “Related Party Disclosures”, parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm’s length basis at commercial rates with its related parties. Related party disclosures have been given in note 30.

3.04 Provision for expenses

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

3.05 Intangible assets

An intangible asset shall only be recognised if it is probable that future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably in accordance with IAS 38: Intangible Assets. Accordingly, these assets are stated in the statement of financial position at cost less accumulated amortization. The main item included in Intangible assets is investment in DSE and CSE for obtaining the TREC license from which the company will receive future economic benefits through use the TREC license.

3.06 Provision for tax

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any, in accordance with provisions of Income Tax Ordinance, 1984. It is measured using tax rates enacted or substantively enacted at the reporting date. Applicable tax rate for the Company for the year 2021 will be declared by Finance Act 2021.

Deferred tax

The Company accounts for deferred tax as per International Accounting Standard (IAS) 12: “Income Taxes”. Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. It is measured at the tax rates that are expected to be applied to the temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the date of reporting of the financial statements. However, the Company did not acquire any property, plant and equipment during our audit period hence, no temporary differences arises.



		Amount in Taka
		31 December 2021
4.00 Right of use assets		
A. Cost:		
Opening balance		-
Add: Addition during the period		1,176,728
		1,176,728
Less: Disposal during the period		-
Closing balance		1,176,728
B. Accumulated Depreciation:		
Opening balance		-
Add: Charged during the period		65,374
		65,374
Less: Adjustment during the period		-
Accumulated depreciation		65,374
C. Carrying amount (A-B)		1,111,354
5.00 Intangible assets		
A. Cost:		
Opening balance		-
Add: Addition during the period		20,000,000
		20,000,000
Less: Disposal during the period		-
Closing balance		20,000,000
B. Accumulated Depreciation:		
Opening balance		-
Add: Charged during the period		-
		-
Less: Adjustment during the period		-
Accumulated depreciation		-
C. Carrying amount (A-B)		20,000,000
This amount represents TREC License fee paid to DSE & CSE BDT 10,000,000/- each that permits to the entity to perform TREC Business and enable to generate future economic benefits through use of this tracking license.		
6.01 Security deposits with stock exchanges		
Security deposit-DSE		30,000,000
Security deposit-CSE		30,000,000
		60,000,000
6.02 Advances, deposits and prepayments		
Advances		
Advance against office interior works		338,242
		338,242
Deposits		
Security deposit for office rent		90,000
		90,000
		428,242
The Company deposited taka 30,000,000 both in DSE and CSE as security deposit as a requirement for acquiring of TREC certificate from both the Exchanges.		
7.00 Advance income tax		
Advance tax deducted at source		366,057
		366,057



		Amount in Taka
		31 December 2021
8.00 Cash and cash equivalents		
Cash in hand		-
Cash at bank - Padma Bank Limited		31,249,517
		31,249,517
9.00 Share capital		
Authorized Capital		
25,000,000 ordinary shares of Taka 10 each		250,000,000
Issued, Subscribed and Paid-up Capital		
11,000,000 ordinary shares of Taka 10 each fully paid		110,000,000

Detail of Shareholding Position of the Company

Name of the Shareholders	No. of Shares	% of share holding	Nominal value	31-Dec-2021
Strategic Finance & Investments Limited	10,999,700	99.9972727	10	109,997,000
Mr. Mohammad Shajedul Haque Mredha	100	0.0009091	10	1,000
Mr. Mohammad Razibuzzaman Khan	100	0.0009091	10	1,000
Mr. Md. Alimul Razi	100	0.0009091	10	1,000
	11,000,000	100.00		110,000,000

The Company has received BDT 60,000,000/- as Share Money Deposit from its Parent Company, Strategic Finance and Investments Limited which was converted to Paid up Capital by issuing 6,000,000 nos. of ordinary shares of each BDT 10/-.

10.00 Retained earnings	
Opening balance	-
Add: Profit during the period	1,148,125
	1,148,125
Less: Adjustment during the period	-
Closing balance	1,148,125
11.00 Lease liabilities	
Opening balance	-
Add: Addition during the period	1,176,728
	1,176,728
Less: Adjustment during the period	-
Closing balance	1,176,728

Lease liabilities derived from present value of all rental payments for office. When measuring lease liabilities, SFIL Securities Limited discounted lease payments using its incremental borrowing rate (9%).

12.00

Deferred tax liabilities

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

Particulars	Accounting Base Carrying Amount	Tax Base Carrying Amount	Taxable temporary difference
Lease liabilities	1,176,728	-	1,176,728
Right of use Assets	1,111,354	-	1,111,354
Total			65,374
Applicable Tax Rate			30%
Deferred tax liability as on December 31, 2021			19,612



		Amount in Taka
		31 December 2021
13.00	Liabilities for expenses	
	Accrued expenses	168,568
	Interest payable - lease liability	17,445
	Audit fees payable	40,250
		226,263
14.00	Provision for taxation	
	Opening Balance	-
	Add: Provision during the period	550,000
		550,000
	Less: Adjustment during the period	-
	Closing balance	550,000
15.00	Other liabilities	
	Withholding Tax payable	10,063
	Withholding VAT payable	24,378
		34,442
16.00	Interest income	
	Interest on SND account - Padma Bank Limited	2,440,380
		2,440,380
17.00	Interest expenses	
	Interest on lease finance	17,445
		17,445
18.00	Other costs directly attributable to services	
	Service charge paid to CDBL	-
	Laga charges	-
		-
19.00	Salary and allowances	
	Salary and allowances	40,000
		40,000
20.00	Rent, taxes, insurance, electricity etc.	
	Rent	-
	Insurance premium	-
	Electricity	-
		-
21.00	Legal & professional fees	
	Legal and professional fees	-
		-
22.00	Postage, stamp, telecommunication etc.	
	Postage and courier	-
	Stamp	9,140
	Telephone and mobile bill	-
		9,140
23.00	Stationery, printing, advertisement	
	Printing and stationery	-
	Advertisement	16,380
		16,380
24.00	Director fees and expenses	
	Director fees and expenses	-
		-



		Amount in Taka
		31 December 2021
25.00	Audit fees	
	Audit fees	40,250
		40,250
26.00	Repairs, maintenance and depreciation	
	Repairs and maintenance	-
	Depreciation on Right of use assets	65,374
		65,374
27.00	Other expenses	
	Training	3,000
	Application fee - DSE	100,000
	Application fee - CSE	100,000
	Conveyance & other expense	28,145
	Registration expenses	271,836
	Bank charges	1,898
	Excise duty	15,000
	Miscellaneous expense	14,175
		534,054
28.00	Income tax	
	Current tax expense	550,000
	Deferred tax expense	19,612
		569,612
29.00	Employee details	
	No. of employee received BDT 3,000 per month	-
	No. of employee received more than BDT 3,000 per month	1
		1

SFIL Securities Limited has issued four appointment letter for the position of MD & CEO (CC), Manager (Finance & Accounts), Compliance Officer & Trader who has joined the Company from January 2022.

30.00 Related party transactions

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

Name of the Party	Relationship	Nature of transaction	Amount
Strategic Finance & Investments Ltd.	Parent	NA	-

31.00 Events after the reporting period

A. The Board of Directors in its 10th meeting held on February 03, 2022 has approved the financial statements and authorized the same for issue.

B. The Board of Directors in its 10th meeting held on February 03, 2022 has recommended no cash and stock dividend to the shareholders for the period ended December 31, 2021

C. No other adjusting event had occurred till date of signing the financial statements which recognize adjustment under IAS -10 "Events after Reporting Period"

32.00 Earnings Per Share (EPS)

Net profit after Tax	1,148,125
Number of Ordinary Shares Outstanding	11,000,000
Earnings Per Share (EPS)	0.10

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


Director


Director


Director


Managing Director & CEO
(Current Charge)





Strategic Finance & Investments Limited

NOTE

[illegible]



Strategic Finance & Investments Limited

NOTE

[illegible]

Strategic Finance & Investments Limited

2nd Annual General Meeting

Proxy Form

Affix
revenue
stamp of
TK 20.00

I / We of
.....being a member of
Strategic Finance & Investments Limited and a holder of shares hereby
appoint Mr./ Ms. of
..... as my / our proxy to vote for me / us and on my / our
behalf at the 2nd Annual General Meeting of the company to be held on May 28 2022 (Saturday) and
at any adjournment thereof.

Signed this..... day of May 2022

Detail of Proxy
Signature:
Name:

Detail of Member
Signature:
Name:
Folio Number:

NOTE:

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



2nd Annual General Meeting

Attendance Slip

I hereby record my attendance at the 2nd General Annual Meeting of Strategic Finance & Investments Limited as a holder ofshares of the Company.

Detail of Proxy
Signature:
Name:

Detail of Member
Signature:
Name:
Folio Number:

NOTE:

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





STRATEGIC FINANCE & INVESTMENTS LTD.

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Progoti Shoroni, Dhaka 1212.

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