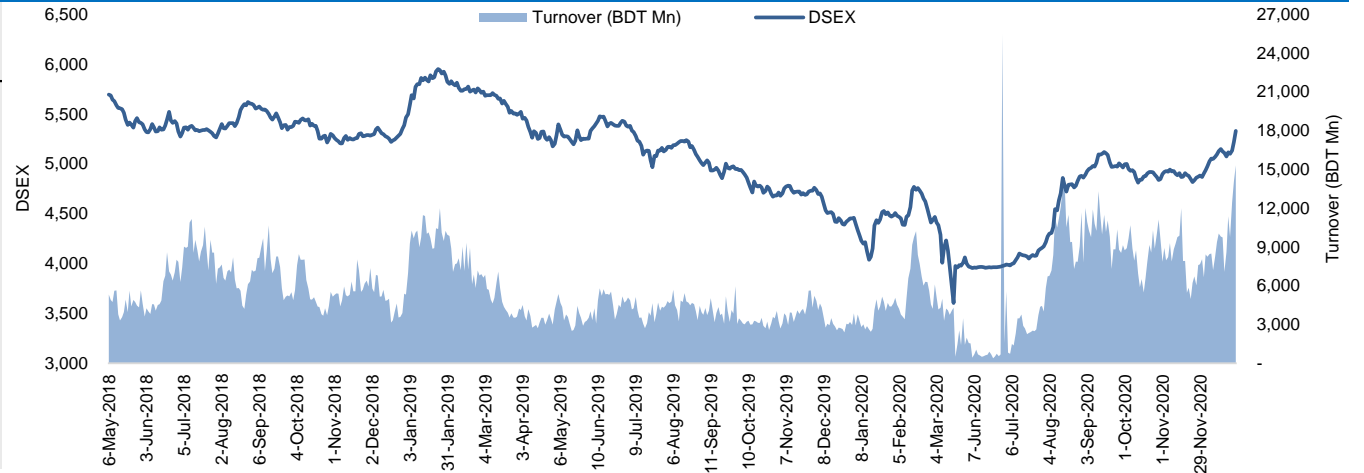


The market closed in green today. The benchmark index DSEX (+2.11%) gained 109.91 points and closed at 5,328.28. The blue-chip index DS30 (+2.08%), the Shariah-based index DSES (+1.92%), and the large-cap index CDSET (+1.88%) closed at 1,915.68, 1,226.78, and 1,102.29 points, respectively. All the large-cap sectors posted positive performance today. Telecommunication booked the highest gain of 9.26% followed by Engineering (+6.08%), NBF1 (+4.64%), Fuel & Power (+2.68%), Bank (+2.58%), Food & Allied (+2.25%), and Pharmaceutical (+2.02%), respectively. Block trades contributed 1.8% of the overall market turnover. Bangladesh Export Import Company Ltd. (-0.9%) was the most traded share with a turnover of BDT 1,266 million.



Index	Closing	Opening	Point Δ	%Δ	YTD %Δ
DSEX	5,328.28	5,218.37	+109.91	+2.11%	+19.7%
DS30	1,915.68	1,876.74	+38.94	+2.08%	+26.6%
DSES	1,226.78	1,203.67	+23.10	+1.92%	+22.7%
CDSEI	1,102.29	1,081.95	+20.34	+1.88%	+22.5%

	Advanced	Declined	Unchanged	Total
All Category	238	65	59	362
A Category (Equity)	177	44	41	262
B Category (Equity)	36	11	11	58
N Category (Equity)	5	2	0	7
Z Category (Equity)	20	8	7	35
Mutual Funds	24	4	9	37
Corporate Bonds	0	1	1	2

		Today	Last Day	Daily %Δ
Mcap	Mn BDT	4,393,978	4,257,946	+3.2%
	Mn USD	51,718	50,117	
Turnover	Mn BDT	15,293	14,057	+8.8%
	Mn USD	180	165	
Volume	Mn Shares	523	441	+18.7%
No. of Trade		257,007	202,986	+26.6%

Figure: Sectorial Turnover (BDT Mn)

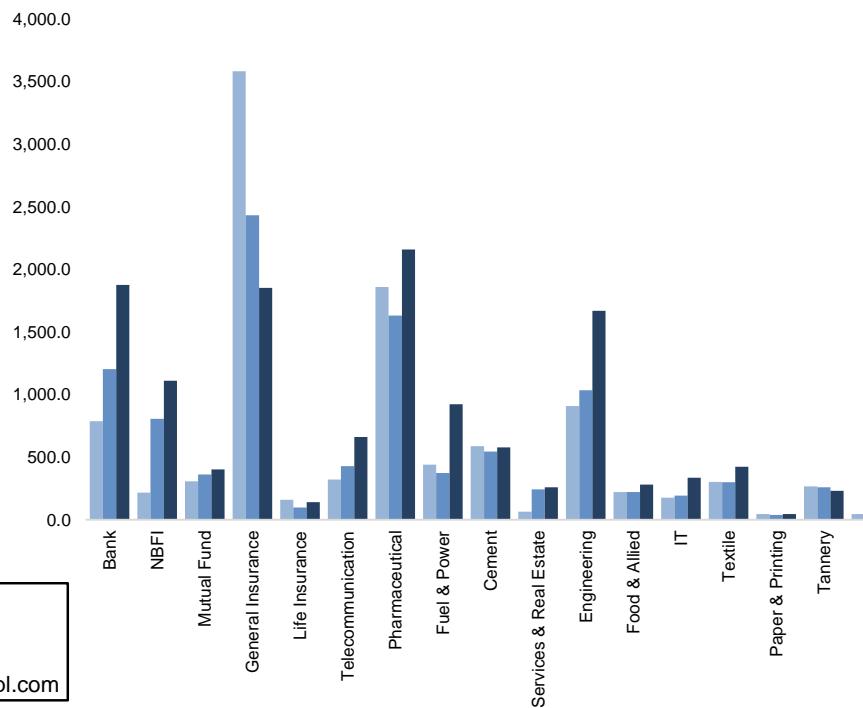
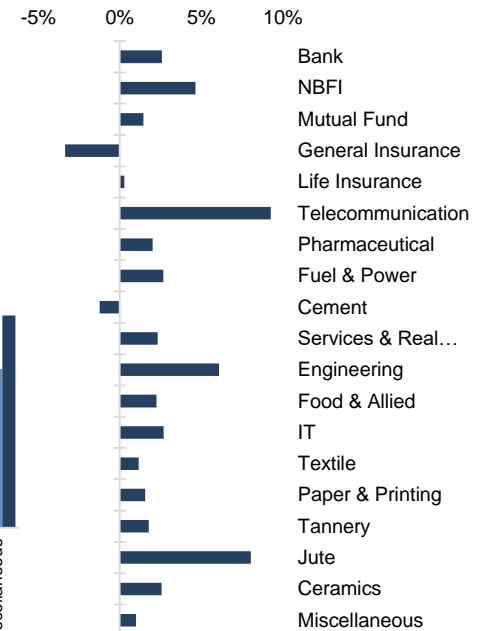


Figure: Sectorial Mcap Change



Market PE 18.5x
Market PB 1.7x

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Sector Index	Closing	Opening	Points Δ	%Δ	No. of Companies	Mcap (BDT Mn)	% of Total Mcap	Turnover (BDT Mn)	% of Total Turnover	PE	PB	Top Twenty Market Cap	Mcap (BDT Mn)	% of Total Mcap	Turnover (BDT Mn)	PE	PB
Bank	1,385	1,350	+34.85	+2.58%	30	577,081	15.1%	1,877.4	12.5%	8.0x	0.8x	GP	472,605	12.4%	97.6	13.3x	11.2x
NBFI	1,925	1,840	+85.43	+4.64%	23	180,703	4.7%	1,111.5	7.4%	NM	3.0x	WALTONHIL	314,955	8.2%	226.2	46.4x	4.0x
Mutual Fund	950	937	+13.59	+1.45%	37	41,511	1.1%	401.6	2.7%	NM	0.8x	BATBC	199,584	5.2%	113.6	17.4x	5.3x
General Insurance	4,020	4,159	-139.02	-3.34%	37	99,119	2.6%	1,852.7	12.3%	21.5x	1.9x	SQRPHARMA	189,169	4.9%	309.5	13.6x	2.3x
Life Insurance	2,216	2,210	+6.24	+0.28%	12	59,985	1.6%	140.3	0.9%	NM	NM	UPGDCL	160,576	4.2%	147.3	22.7x	4.9x
Telecommunication	5,182	4,743	+439.02	+9.26%	3	618,641	16.2%	660.9	4.4%	16.8x	5.4x	ROBI	117,854	3.1%	111.1	NM	1.8x
Pharmaceutical	3,247	3,183	+64.40	+2.02%	31	583,408	15.3%	2,158.3	14.4%	20.6x	2.5x	RENATA	97,714	2.6%	25.7	24.4x	4.5x
Fuel & Power	1,660	1,617	+43.28	+2.68%	20	431,527	11.3%	922.7	6.1%	12.9x	1.4x	BXPBARMA	78,516	2.1%	796.7	22.3x	2.4x
Cement	1,406	1,423	-17.47	-1.23%	7	88,251	2.3%	578.7	3.9%	35.2x	2.2x	ICB	75,424	2.0%	28.8	34.0x	1.7x
Services & Real Estate	1,073	1,049	+24.37	+2.32%	9	44,065	1.2%	258.5	1.7%	92.3x	0.9x	MARICO	67,876	1.8%	34.9	23.3x	42.6x
Engineering	3,802	3,584	+218.03	+6.08%	41	480,467	12.6%	1,669.5	11.1%	39.4x	2.1x	BERGERPBL	66,274	1.7%	9.7	29.7x	7.5x
Food & Allied	14,185	13,873	+311.86	+2.25%	18	290,693	7.6%	281.7	1.9%	23.0x	6.3x	BRACBANK	60,593	1.6%	38.8	14.3x	1.4x
IT	2,348	2,286	+61.80	+2.70%	10	25,970	0.7%	334.4	2.2%	25.4x	2.2x	LHBL	54,585	1.4%	426.9	26.4x	3.3x
Textile	1,071	1,059	+12.26	+1.16%	56	110,077	2.9%	423.7	2.8%	329.5x	0.8x	ISLAMIBANK	43,470	1.1%	13.3	7.7x	0.7x
Paper & Printing	5,371	5,288	+83.05	+1.57%	4	15,226	0.4%	45.6	0.3%	62.7x	1.1x	SUMITPOWER	43,142	1.1%	46.3	8.0x	1.2x
Tannery	1,786	1,755	+31.36	+1.79%	6	19,392	0.5%	231.8	1.5%	NM	1.9x	BEXIMCO	40,223	1.1%	1,266.4	90.0x	0.7x
Jute	11,233	10,398	+835.61	+8.04%	3	2,643	0.1%	36.9	0.2%	NM	13.7x	OLYMPIC	38,308	1.0%	12.2	18.9x	4.6x
Ceramics	480	468	+12.02	+2.57%	5	24,773	0.6%	330.2	2.2%	62.0x	1.7x	UNILEVERCL	35,702	0.9%	53.9	38.7x	25.3x
Miscellaneous	2,367	2,343	+23.30	+0.99%	13	132,057	3.5%	1,695.3	11.3%	41.9x	1.4x	DUTCHBANGL	35,695	0.9%	7.3	7.8x	1.2x
												TITASGAS	30,963	0.8%	20.6	8.7x	0.4x

Top Ten Gainers	Close Price (BDT)	Δ%	Turnover (BDT Mn)	PE	PB
ROBI	22.5	+50.0%	111.1	NM	1.8x
SSSTEEL	18.7	+10.0%	209.4	13.0x	1.2x
LANKABAFIN	26.4	+10.0%	342.0	20.0x	1.5x
DSHGARME	136.6	+10.0%	9.1	NM	7.0x
GPHISPAT	30.9	+10.0%	79.9	30.0x	1.8x
CRYSTALINS	29.8	+10.0%	0.1	14.7x	1.5x
PRIMEFIN	11.1	+9.9%	35.4	NM	1.2x
BDTHAI	29.1	+9.8%	132.5	73.1x	1.1x
INTRACO	15.9	+9.7%	18.4	30.4x	1.4x
JUTESPINN	133.1	+9.6%	1.2	NM	NM

Top Twenty Free Float Mcap	Free Float Mcap (BDT Mn)	% of Total Free Float Mcap	PE	PB
SQRPHARMA	123,773	8.8%	13.6x	2.3x
BXPBARMA	68,160	4.9%	22.3x	2.4x
BATBC	52,790	3.8%	17.4x	5.3x
RENATA	47,704	3.4%	24.4x	4.5x
GP	47,261	3.4%	13.3x	11.2x
BRACBANK	33,756	2.4%	14.3x	1.4x
BEXIMCO	27,935	2.0%	90.0x	0.7x
OLYMPIC	27,685	2.0%	18.9x	4.6x
ISLAMIBANK	21,161	1.5%	7.7x	0.7x
EBL	20,008	1.4%	7.2x	1.0x
LHBL	19,279	1.4%	26.4x	3.3x
CITYBANK	18,608	1.3%	8.3x	0.9x
PUBALIBANK	16,978	1.2%	10.4x	0.7x
UPGDCL	16,058	1.1%	22.7x	4.9x
SUMITPOWER	15,872	1.1%	8.0x	1.2x
IFIC	15,342	1.1%	13.0x	0.9x
NBL	15,236	1.1%	6.2x	0.4x
ALARABANK	13,864	1.0%	6.6x	1.1x
BEACONPHAR	12,677	0.9%	45.6x	3.9x
ROBI	11,785	0.8%	NM	1.8x

Most Traded Share	Close Price (BDT)	Δ%	Turnover (BDT Mn)	PE	PB
BEXIMCO	45.9	-0.9%	1,266.4	90.0x	0.7x
IFIC	15.0	+9.5%	836.0	13.0x	0.9x
BXPBARMA	176.0	+0.8%	796.7	22.3x	2.4x
BSCCL	170.9	+4.1%	452.2	29.5x	4.2x
LHBL	47.0	-1.7%	426.9	26.4x	3.3x
LANKABAFIN	26.4	+10.0%	342.0	20.0x	1.5x
SQRPHARMA	213.4	+2.8%	309.5	13.6x	2.3x
ORIONPHARM	57.3	+2.5%	277.4	20.2x	0.8x
SPCERAMICS	32.4	+3.2%	262.5	NM	1.1x
WALTONHIL	1,039.7	+7.5%	226.2	46.4x	4.0x

Top Ten Losers	Close Price (BDT)	Δ%	Turnover (BDT Mn)	PE	PB
PEOPLESINS	45.8	-6.7%	73.1	18.4x	1.6x
PIONEERINS	77.8	-6.6%	114.5	10.5x	1.6x
BGIC	41.4	-6.1%	62.3	32.3x	2.2x
REPUBLIC	54.0	-6.1%	158.1	26.2x	3.3x
PHENIXINS	44.8	-6.1%	71.8	21.9x	1.2x
MIRACLEIND	32.8	-6.0%	80.4	NM	0.9x
JANATAINS	40.1	-5.9%	42.3	NM	2.6x
MEGHNAPEP	12.5	-5.3%	0.2	NM	NM
EASTLAND	33.2	-5.1%	45.3	30.4x	1.6x
NORTHRINS	45.3	-5.0%	81.9	27.0x	2.2x

Block Trade	Maximum Price (BDT)	Minimum Price (BDT)	Turnover (BDT Mn)	Quantity ('000)	No. of
APOLOISPAT	6.1	6.1	0.5	85	1
BARKAPOWER	26.8	26.8	0.8	29	1
BATBC	1085	1085	32.6	30	2
BDFINANCE	25.2	25.2	0.8	32	1
BDTHAI	26.7	26.7	2.7	100	2
BEACONPHAR	82.6	82.6	5.0	61	1
BNICL	77	64.5	1.0	15	2
BXPBARMA	182	175	62.5	345	2
DBH	85	84	2.8	33	4
DBH1STMF	6.9	6.9	1.2	175	1

Block Trade	Maximum Price (BDT)	Minimum Price (BDT)	Turnover (BDT Mn)	Quantity ('000)	No. of Trade
EIL	38.1	38.1	0.6	15	1
FORTUNE	22.6	22.6	2.3	100	1
GENEXIL	60	60	0.5	9	1
GHAIL	15.1	15.1	0.5	33	1
GP	350	348	5.9	17	2
GRAMEENS2	16.9	16.9	0.7	40	1
GREENDELMF	7.5	7.5	0.8	100	1
INTRACO	15.9	15.9	0.8	50	1
KOHINOOR	440	440	0.5	1	1
LANKABAFIN	26.4	26.4	0.5	19	1
LHBL	52.1	52	7.8	150	3
MLDYEING	48.5	48.5	0.5	10	1
MTB	24	24	12.0	500	1
NCCBANK	13.1	13.1	13.8	1,050	5
NHFIL	40.1	40.1	0.5	13	1
PHARMAID	477	466	2.6	6	3
PHOENIXFIN	27	27	2.7	100	1
PRAGATILIF	90	88	1.0	12	2
PROGRESLIF	93	93	0.5	5	1
ROBI	22.5	22.5	6.8	302	9
RUPALIINS	48.1	48.1	2.4	50	1
SEAPEARL	71.4	71.2	1.3	19	2
SKTRIMS	62.5	56	1.0	18	2
SONALIPAPR	249.2	249.2	0.5	2	1
SPCERAMICS	28.6	28.6	2.9	100	1
SPCL	72	72	6.5	90	1
SSSTEEL	17.2	16.6	84.1	4,938	19
STANCERAM	285	285	0.6	2	1
TRUSTB1MF	6.1	6.1	0.8	123	1
TRUSTBANK	32.9	32.9	3.3	100	1
UPGDCL	272	270	6.8	25	2
Total			281.2		87

Upcoming Corporate Events

DSE Ticker	Right Share	Dividend		Event	Date
		Stock	Cash		
DOREENPWR	-	10.0%	10.0%	Record Date	26-Dec-20

Upcoming IPOs

Company Name	Event	Opening Date	Closing Date
Mir Akhter Hossain Ltd	Subscription	24-12-20	30-12-20
Taufika Foods and Agro	Subscription	03-01-21	07-01-21
eGeneration Limited	Subscription	12-01-21	18-01-21

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Important DSE News

PADMAOIL

The Board of Directors has recommended 125% cash dividend for the year ended on June 30, 2020. Date of AGM: 27.02.2021, Time: 11:00 AM, Venue: Digital Platform. Record date: 18.01.2021. The Company has also reported EPS of Tk. 27.79, NAV per share of Tk. 157.64 and NOCFPS of Tk. 80.91 for the year ended on June 30, 2020 as against Tk. 29.07, Tk. 142.85 and Tk. (52.29) respectively for the same period of the previous year.

(Q1 Un-audited): EPS was Tk. 6.40 for July-September 2020 as against Tk. 7.49 for July-September 2019; NOCFPS was Tk. 12.68 for July-September 2020 as against Tk. 3.46 for July-September 2019. NAV per share was Tk. 164.04 as on September 30, 2020 and Tk. 157.64 as on June 30, 2020.

NFML

The Company has informed that the Board of Directors of the Company has decided that the Company will procure some machinery to enhance the production capacity of Machine-II at 7.00 MT/Hour from present 5 MT/Hour which will increase company's total production capacity at 20 MT/Hour from present 18 MT/Hour.

IFADAUTOS

The Company has informed that the Board of Directors of the Company has decided to purchase measuring area 1 Bigha (33 decimal) of the plot no. 316/A, B (northeast location) situated at Tejgaon Industrial Area, Dhaka-1208, for total consideration of Tk. 19,84,00,000.00 (nineteen crore eighty four lakh) only (including all registration cost). This land will be used for the future expansion of the business of the company. Furthermore, this investment will be carried out of company's own fund.

ILFSL

The auditor of the International Leasing & Financial Services Ltd has given the "Adverse Opinion" paragraphs in the Auditor's Report for the year ended on 31 December 2019. Adverse Opinion: Basis for Adverse Opinion: 01. The following situations indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. I. The High Court Division of Bangladesh Supreme Court issued a show-cause notice, Ref # Company Matter No. 299 of 2019 to ILFSL regarding winding up the application by the 08 (eight) depositors as the company failed several times to honor the demands of the depositors. However, to run the business and regain faith of the depositors, the Court has appointed an independent Director playing the role of Chairman. Moreover, as per Order No. 12 dated 10 March 2020 of High Court Division of Bangladesh Supreme Court, the Anti-Corruption Commission (ACC) is in the process of carrying out investigation and enquiry against all the Directors, Managing Director and others Related Parties. II. Reference to the Note # 3.3, an amount of 2,073,140 has been shown as Cash Reserve maintained with Bangladesh Bank. As per FID circular no. 06 of Bangladesh Bank dated 06 November 2003, 2.5% of total term deposit should be kept as reserve with Bangladesh Bank as Cash Reserve Ratio (CRR) which comes to BDT 304,598,139 (2.5% of term deposits of BDT 12,183,925,560). But management has kept CRR amounting to BDT 2,073,140 based on average term deposit of November 2019. The actual CRR is thus 99.32% lower than the required amount as at 31 December 2019. III. Reference to the Note # 12.3, Regulatory capital (core capital and supplementary capital) should have been maintained at Taka 2,333,658,568 as per section 4 (Gha) of the Financial Institutions Regulations 1994 (as amended) and Bangladesh Bank circular no. 05 and 08 dated 24 July 2011 and 02 August 2010 respectively of The Department of Financial Institutions and Markets (DFIM). However, the capital of the Company is Taka (25,202,194,365). The shortfall in regulatory capital of Take 27,535,852,933 stands 1179.94% lower than the minimum requirement. IV. The carry forward loss up-to 31 December 2019 has been provisionally arrived Taka 28,033,359,431 as against the Paid-up Capital and Statutory Reserve of the company are Taka 2,218,102,460 and is BDT 456,184,825 respectively. Hence, the provisional carry forward loss is therefore 10.483 times of total capital amount. Return on investment (RoI) and Return on Asset (RoA) are adversely showing (65.83%) and (62.54%) respectively. Leases, loans and advances to Deposit is 1.02:1. The Cost of fund increase as 12.29% comparing with previous year as 12.03%. The main source of cash inflows are the interest on lease, loan and advance. However, Total 90.31% of leases, loans and advances are classified. So, the company is under liquidity crisis to meet up their depositor's demand. As well as, dependency increase on the short term borrowing. In connection with, the net negative Operating Cash Flows is also showing Taka 2,117,277,907 (Per share TK. -9.55). 02. Reference to Note # 06, the Financial Statements of the company has been materially misstated by Leases, loans and advances for Take 2,046,869,458 as follows; i. Leases, loans and advances included Taka 1,550,442,830 as Term Loan under one party namely Zenith (TL # 1762395-0-0, TK. 1,550,442,830 Apparently this amount was recorded

deliberately under one party in FICL 3A of the company through creation of false Term Loan Accounts during the year 2019. It was unearthed that out of the abovementioned total amounts, an amount of Taka 1,219,941,897 originally disbursed to the account off our other different companies through 20 (twenty) Account Payee Cheques/Bank Transfers during the accounting years 2017 (TK.795541897) and 2019 (TK.424,400,000) and interest thereon is Taka 330,501,829. Reasons for such disbursements or bank transfers to these four companies' accounts are unknown as there were no formal arrangements or Board approval against these disbursements. ii. Leases, loans and advances also included Taka 104,500,000 as Term Loan under an existing, borrower namely Design & Source Limited (TL # 11812513-0-0). Apparently the amount was recorded deliberately under the borrower in FICL 3A of the company through creation of false Term Loan Account during the year 2018. It was unearthed that this total amount of Taka 10,45,00,000 originally disbursed to the account of three other different companies through 06 (six) Account Payee Cheques during the accounting year 2018 and interest thereon is recorded Taka 31,130,556. Reasons for such disbursements or bank transfers to these three companies' accounts without any formal arrangements or Board approval are unknown. iii. Leases, loans and advances also included taka 391,926,628 as Term Loan and Lease Finance since long under 06 (six) borrowers in FICL 2B and FICL3B. However, these loans are supposed to be adjusted but ILFSL has kept these loans unadjusted to defer the balanced amount (means Outstanding Balance of a loan as on a particular date less deposit by a customer). No Board approval in this regard can be found during our audit. 03. An amount of Taka 73,000,000 was disbursed beyond Board approved/sanctioned amounts of Taka 30,000,000 to the account of a party as House Finance Loan having loan ID-HL#1742341-0-0 103,000,000 during years 2017 and 2018. 04. Reference Note # 11, as per FID circular no. 08 dated 03 August 2002, ILFSL should have maintained provision of Taka 22,192,303,088 for the year 2019 against classified Lease, Loans and Advances. The company has maintained provision of Taka 20,802,181,291 as against the required provision. Hence, the liability and income of the company for the year 2019 have been understated and overstated respectively by the shortfall amount of Taka 1,390,121,797 in making provision against Lease, Loans and Advances due to charging excess interest suspense during the year by the ILFSL. 05. Reference Note # 04, IFRS 09 requires that the company measures loss allowances for financial assets at an amount equal to Lifetime Expected Credit Loss (ECL) when the credit risk of a financial asset has increased significantly. However, no provision for loss allowance has been maintained in the financial statements of ILFSL for the year 2019 for its Fixed Deposit amounting to Taka 1,405,552,500 with People Leasing and Financial Services Ltd. although there is a significant risk involved as the company is no more operating as going concern. 06. Reference Note #8.4, no provision has been maintained to comply with the requirement of the FID circular no. 08 dated 03 August 2002 for the amount of BDT 13,500,000 paid as advances to a software provider which has been unadjusted for more than a year. This is non-compliance with the respective circular. 07. Reference Note # 20, interest expense on deposits and borrowings etc. include deposit mobilization expense of BDT 140,164,146. Reportedly this significant amount was spent as commission or pocket expense to procure deposit for the company during the year 2019 without any approval from the Board. Such illegitimate expenditure has been incurred by the company at the cost of interest of the depositors. Expense of the company for the year 2019 has been overstated by such expenditure. 08. Reference to Note # 24, total Salary and allowances of the employees of ILFSL for the year 2019 is Taka 97,137,252 which includes unauthorized increments given to its employees abnormally ranging from 9% to 25% without conducting any performance appraisal and any approval from the Board. Moreover, a total of 37 (thirty-seven) contractual employees were employed by the company in the year of our audit without any Board approval. In addition, no tax was also deducted from the payment of salary and allowance to the contractual employees of the company during the year 2019 which is non-compliance with Section 50 of Income Tax Ordinance 1984. 09. Reference to Note # 19, interest income of the company for the year under audit has been reversed by Taka 7,593,335,136 through some JV adjustments. Reason for such reversal entries/adjustments are disclosed in the financial statements. As a result, total interest income of the company for the year ended December 2019 is shown negative at the amount of Taka (2,707,421,122). 10. Reference to Note # 11, the company has yet to make payment an amount of Taka 535,720,089 (TDS TK. 509,237,208 and VDS-TK. 26,482,881) to the Government Treasury collected from the suppliers and other similar parties. It is a

serious non-compliance of relevant sections and rules of income Tax Rules, 1984, Income Tax Ordinance, 1984 and Value Added Tax and Supplementary Duty Act 2012. 11. Reference to Note # 20 (a), interest expense on deposit includes interest on term deposits, bank and financial institution and term deposits, other than bank and financial institution Taka 1,613,784,857 (Bank- TK 1,255,796,803 and Financial Institutions-Tk. 357,988,054) and Taka 1,769,484,132 respectively, against which management could not provide us detailed calculations and satisfactory evidence. However, the abovementioned interest expenditure of take 3,383,268,989 under term deposits of Financial institutions, Banks, Public and private (under Note #20) either would be capitalized with term deposit (Under Note # 10) or shown as interest payable on term deposit under other liabilities [Under Note # 11] except cash payments to depositor holders. Hence, the amounting to Tk. 573,223,698, the Management of ILFSL either does not Capitalized with term deposits or shown as interest payable on term deposit under other liabilities. So, the liability has been understated by Taka 573,223,698 for the year 2019.12. Reference to Note # 06, as identified on test basis, total leases, loans and advances included Taka 1,480,000,000 sanctioned as term loan by the Board originally in favor of 've Borrowers loan account. However, the amounting to Taka 1,420,000,000 were disbursed to some other companies account through Account Payee Cheques/Bank Transfer other than the beneficiaries to whom originally Board sanctioned the credit facilities as term loan. On 100% verification, this amount would be much higher than the identified figure. 13. As per clause (3) of Corporate Governance Code introduced by the Bangladesh Securities and Exchange Commission (BSEC) dated 10 June 2018, The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) and the respective positions shall be filled by different individuals. However, the Company has not appointed Head of Internal Audit and Compliance (HIAC) for the period from 4 December 2018 to 17 December 2019. It is non-compliance with the said BSEC's Corporate Governance Code 14. As per BSEC Notification #. SEC/CMRRCD /2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969, the Audit Committee shall immediately report to the Board on any suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements. However, no such evidence was made to us available to confirm whether Audit Committee reported any irregularities to the Board. 15. As per clause 2(KA) of DFIM Circular No-02 dated 25 March 2015 of Bangladesh Bank, the MD/CEO must have a working experience of at least fifteen (15) years in banking or financial institutions industry. Besides, he should have at least two (02) years' working experience in the immediate preceding post of the MD/CEO. However, the MD/CEO of the Company served in ILFSL during the period from 18 May 2015 to 25 June 2020 has only 17 days of working experience instead of two years as DMD with an NBFIL. It is non-compliance of the said circular of appointing the MD /CEO by the ILFSL. The appointment of the MD/CEO was duly approved by the Board and other related authorities. 16. Reference of Note 3, the amounting to TK. 221,621,106 through Cash/cheque has been deposited various time (from 1st January to 29 December) of the year 2019 in 6 Bank accounts against which no corresponding ledger accounts were found to have been recorded these deposits in the books of accounts in relation to these transactions. Rather, the ILFSL had been shown the six bank accounts as negative against those amount in the books of accounts. The following amount has been found deposited in 6 accounts as on 31 December 2019: 1. Mercantile Bank- CD-11181110790-8703 BDT 40,000,000. 2. City Bank-1102786310001 BDT 505,000. 3. Mutual Trust Bank- CD-3939 BDT 56,236. 4. Bank Asia -STD 972 BDT 446,880. 5. Bank Asia-STD -07533000626 BDT 3,063. 6. Bank Asia- STD - 131 BDT 180,609,927. Unadjusted Balance-as on 31 December 2019 BDT 221,621,106. 17. As per paragraph 17 of IAS 24 an entity shall disclose key management personnel, compensation in total and for each of the following categories namely: - Short-term employee benefits; Post-employment benefits; Other long-term benefits; termination benefits; and Share-based payment. Besides, as per paragraph 18 of IAS 24, If an entity has had related party transactions during the periods covered by the financial statements, 17. As per paragraph 17 of IAS 24 an entity shall disclose key management personnel, compensation in total and for each of the following categories namely: - Short-term employee benefits; Post-employment benefits; Other long-term benefits; termination benefits; and Share-based payment. Besides, as per paragraph 18 of IAS 24, If an entity has had related party transactions during the periods covered by the financial statements, in settlement; and

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details of any guarantees given or received; provisions for, doubtful debts related to the amount of outstanding balances and the expense recognized during the period in respect of bad or doubtful debts due from related parties. However, ILFSL did not provide adequate disclosure regarding the related party transactions according to respective paragraph of IAS 24. 18. As per paragraph 74 of IAS 16, The financial statements shall also disclose: (a) the existence and amounts of restrictions on title, and property, plant and equipment pledged as security for liabilities; (b) the amount of expenditures recognized in the carrying amount of an item of property, plant and equipment in the course of its construction; (c) the amount of contractual commitments for the acquisition of property, plant and equipment; and (d) if it is not disclosed separately in the statement of comprehensive income, the amount of compensation from third parties for items of property, plant and equipment that were impaired, lost or given up that is included in profit or loss. In the financial" statements has not provided required disclosure. 19. As per the paragraph 81(c) of IAS 12, a company should disclose separately an explanation of the relationship between tax expense (income) and accounting profit in either or both of the following forms: (i) a numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate(s)., disclosing also the basis on which the applicable tax rate(s) is (are) computed; or (ii) a numerical reconciliation between the average effective tax rate and the applicable tax rate, disclosing also the basis on which the applicable tax rate is computed. However, ILFSL did not provide any detailed disclosure regarding this issue. It is a noncompliance of the IAS 12. 20. As per section 234 of Bangladesh Labour Act 2006 as amended up to 2013 every company should establish a Workers Profit Participation Fund [WPPF] and Workers' Welfare Fund (WWF) within one month of being this chapter applicable if (i) the paid-up capital of the company as on the last day of its accounting year is one crore taka or more; and (ii) the value of the fixed assets of the company at cost as on last day of the accounting year is two crore or more. The Company is required to establish the WPPF and WWF to comply with the Bangladesh Labour Act 2006 and as amended.

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