

**BRAC EPL Stock Brokerage Limited**  
**Statement of financial position**

<i>In Taka</i>	<i>Note</i>	<b>30 June 2025</b>	<b>31 December 2024</b>
<b>Assets</b>			
Property, plant and equipment	6	45,113,643	44,776,185
Intangible assets	7	668,073	1,113,454
Right-of-use assets	8	57,157,954	57,322,337
Investment in exchanges	9	86,268,265	86,268,265
Deferred tax assets	10	3,043,457	6,297,023
Investment in FDRs	11	135,318,231	130,616,492
<b>Non-current assets</b>		<b>327,569,623</b>	<b>326,393,756</b>
Investment in securities	12	634,453,209	590,304,076
Accounts receivables	13	176,076,349	98,156,021
Margin loan receivables	14	67,171,956	134,601,248
Inter-company receivables	15	3,603,414	2,526,799
Advances, deposits and prepayments	16	119,294,511	79,318,788
Other receivables	17	24,718,878	16,012,008
Cash and cash equivalents	18	1,290,553,564	1,269,812,577
<b>Current assets</b>		<b>2,315,871,881</b>	<b>2,190,731,517</b>
<b>Total assets</b>		<b>2,643,441,504</b>	<b>2,517,125,273</b>
<b>Equity</b>			
Share capital	19	1,276,857,500	1,276,857,500
Retained earnings		58,724,313	56,971,022
Fair value reserve for TREC license	20	77,997,453	77,997,453
Capital reserve	21	37,636,239	37,636,239
<b>Total equity</b>		<b>1,451,215,505</b>	<b>1,449,462,214</b>
<b>Liabilities</b>			
Lease liabilities	22	39,088,593	39,767,856
<b>Non-current liabilities</b>		<b>39,088,593</b>	<b>39,767,856</b>
Lease liabilities	22	24,381,208	24,324,173
Accounts payables	23	1,038,164,059	947,535,093
Specific provision	24	671,720	1,346,012
Intercompany payables	25	57,500	57,500
Liability for expenses	26	57,426,379	39,349,441
Current tax liabilities	27	32,436,540	15,282,984
<b>Current liabilities</b>		<b>1,153,137,406</b>	<b>1,027,895,203</b>
<b>Total liabilities</b>		<b>1,192,225,999</b>	<b>1,067,663,059</b>
<b>Total equity and liabilities</b>		<b>2,643,441,504</b>	<b>2,517,125,273</b>

*The notes and schedules on pages 7 to 50 are an integral part of these financial statements.*

Prottay Kundu  
Head of Finance & Accounts

**PROTTAY KUNDU**  
Head of Finance & Accounts  
BRAC EPL Stock Brokerage Ltd.

**BRAC EPL Stock Brokerage Limited****Statement of profit or loss and other comprehensive income**

For the year ended 30 June

<i>In Taka</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
		<b>149,034,682</b>	177,517,179
Service revenue	28	<b>(43,407,576)</b>	(51,357,564)
Direct expenses	29		
Gross profit		<b>105,627,106</b>	126,159,615
		<b>39,677,186</b>	(58,097,459)
Investment income	30		
Other income	31	<b>112,829</b>	-
Operating expenses	32	<b>(151,675,886)</b>	(101,809,799)
<b>Operating profit</b>		<b>(6,258,765)</b>	(33,747,643)
Finance income		<b>70,607,583</b>	3,994,631
Finance expense		<b>(8,936,027)</b>	(4,349,934)
<b>Net finance income</b>	33	<b>61,671,556</b>	(355,303)
<b>Profit before tax</b>		<b>55,412,791</b>	(34,102,946)
Income tax expense	34	<b>(53,659,500)</b>	(26,757,856)
<b>Profit/(loss) for the year</b>		<b>1,753,291</b>	(60,860,802)

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**BRAC EPL Stock Brokerage Limited****Statement of changes in equity**

For the year ended 30 June 2025

<i>In Taka</i>	Attributable to the owners of the Company				Total
	Share capital	Capital reserve	Retained earnings	Fair value reserve for TREC license	
<b>Balance at 1 January 2024</b>	1,110,310,900	33,523,303	266,695,056	77,997,453	1,488,526,712
<b>Total comprehensive income for the period</b>					
Profit for the period	-	-	(39,064,498)	-	(39,064,498)
Fair value reserve for TREC license	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	(39,064,498)	-	(39,064,498)
<b>Transactions with owners of the Company</b>					
<b>Contributions and distributions</b>					
Issue of ordinary shares- Bonus shares	166,546,600	-	(166,546,600)	-	-
Dividends	-	-	-	-	-
<b>Total contributions and distributions</b>	166,546,600	-	(166,546,600)	-	-
<b>Transactions in compliance with regulatory law</b>					
Capital reserve	-	4,112,936	(4,112,936)	-	-
<b>Total transactions with owners of the Company</b>	166,546,600	4,112,936	(170,659,536)	-	-
<b>Balance at 31 December 2024</b>	1,276,857,500	37,636,239	56,971,022	77,997,453	1,449,462,214
<b>Balance at 1 January 2025</b>	1,276,857,500	37,636,239	56,971,022	77,997,453	1,449,462,214
<b>Total comprehensive income for the period</b>					
Loss for the period	-	-	1,753,291	-	1,753,291
Fair value reserve for TREC license	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	1,753,291	-	1,753,291
<b>Transactions with owners of the Company</b>					
<b>Contributions and distributions</b>					
Issue of ordinary shares - Bonus shares	-	-	-	-	-
Dividends	-	-	-	-	-
<b>Total contributions and distributions</b>	-	-	-	-	-
<b>Transactions in compliance with regulatory law</b>					
Capital reserve	-	-	-	-	-
<b>Total transactions with owners of the Company</b>	-	-	-	-	-
<b>Balance at 30 June 2025</b>	1,276,857,500	37,636,239	58,724,313	77,997,453	1,451,215,505

The notes and schedules on pages 7 to 50 are an integral part of these financial statements.



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Head of Finance & Accounts  
BRAC EPL Stock Brokerage Ltd.

## BRAC EPL Stock Brokerage Limited

### Statement of cash flows

For the year ended 30 June

<i>In Taka</i>	Jun'25	Jun'24
<b>Cash flows from operating activities</b>		
Brokerage commission	139,702,024	215,336,300
Payments to creditors and other expenses	(174,875,850)	(183,846,758)
Loans and advances	38,186,493	(221,664,138)
<b>Cash generated from operating activities</b>	<b>3,012,667</b>	<b>(190,174,596)</b>
Bank interest income	59,579,531	15,668,457
Income from margin loan	7,137,205	21,962,588
Interest on treasury bills & bonds	23,883,142	255,603
Gain/(loss) on sale of shares	(10,988,818)	(45,834,948)
Other operating income	2,195,453	3,055,475
Income tax paid	(33,252,378)	(41,687,075)
<b>Cash used in other operating activities</b>	<b>48,554,135</b>	<b>(46,579,900)</b>
<b>Net cash flows from operating activities</b>	<b>51,566,802</b>	<b>(236,754,496)</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(6,087,539)	(14,399,999)
Acquisition of intangible assets	-	-
Sale of property, plant and equipment	-	-
Sale proceeds of 25% CSE shares to strategic investors	-	-
Lease rental receipt	1,239,115	1,213,827
Dividend income	10,628,845	17,530,589
Investment in shares	(25,851,451)	(25,685,342)
Investment in FDRs	(4,701,739)	(3,566,637)
<b>Net cash flows (used)/from investing activities</b>	<b>(24,772,769)</b>	<b>(24,907,562)</b>
<b>Cash flows from financing activities</b>		
Finance expense	(6,053,046)	(3,160,628)
<b>Net cash used in financing activities</b>	<b>(6,053,046)</b>	<b>(3,160,628)</b>
<b>Net increase in cash and cash equivalents</b>	<b>20,740,987</b>	<b>(264,822,686)</b>
Cash and cash equivalents at 1 January 2024	1,269,812,577	1,134,578,825
<b>Cash and cash equivalents at 30 June 2025</b>	<b>1,290,553,564</b>	<b>869,756,139</b>

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BRAC EPL Stock Brokerage Ltd.

## **1 Reporting entity**

### **1.1 Company profile**

BRAC EPL Stock Brokerage Limited (hereinafter referred to as the "Company" or "BESL") was incorporated in Bangladesh on 16 May 2000 as a private limited company under the Companies Act 1994 initially in the name of Equity Partners Securities Limited, the name of which was changed to BRAC EPL Stock Brokerage Limited on 04 October 2009. The company converted into a Public Limited Company through its EGM dated 30th January 2018 which subsequently got certified by RJSC on 21 January 2020. The registered office of the Company is located at Symphony (3rd Floor), Plot: S.E(F)-9, Road: 142, Gulshan -1, Dhaka - 1212.

### **1.2 Nature of business**

The principal activities of the Company are to carry on the business of stock brokers/stock dealers and other related business in connection with the dealings of listed securities. Other activities of the Company are to buy, sell, hold or otherwise acquire or invest the capital of the Company in shares, stocks and fixed income securities, etc. It has corporate membership of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

## **2 Basis of accounting**

### **2.1 Statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and as per the requirements of the Companies Act 1994, the Securities and Exchange Rules 2020 and Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules 2019 and other applicable laws and regulation in Bangladesh.

The titles and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirements of the above laws and regulations. However, such differences are not material and in the view of management, IFRS titles and format gives a better presentation to its intended users.

The financial statements have been authorised for issue by the Board of Directors of the Company on 15 April 2025.

Details of the Company's accounting policies are included in Note 40.

### **2.2 Reporting period**

The current financial period of the Company covers one year from 1 January 2025 to 30 June 2025 and it is followed consistently.

## **3 Functional and presentation currency**

Financial statements of the Company are presented in Bangladesh Taka (BDT/Taka/Tk.), which is both functional and presentational currency of the Company. All amounts have been rounded to the nearest integer, unless otherwise indicated.

## **4 Use of estimates and judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

### **A. Judgments**

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 8 and 40C	Right-of-use assets
Note 22 and 40C	Lease liabilities

**B. Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 30 June 2025 is included in the following notes:

Note 6 and 40A	Property, plant and equipment
Note 7 and 40B	Intangible assets
Note 10 and 40F	Deferred tax assets
Note 27 and 40F	Current tax liabilities

**i Measurement of fair values**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and financial and non-financial liabilities.

The Company has an established control framework with respect to the measurement of fair values. Management has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

– *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.

– *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

– *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**5 Change in material accounting policies**

The Company also adopted *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)* from 1 January 2024. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 40 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments."

Notes to the financial statements (continued)

**6 Property, plant and equipment**

See accounting policies in Note 40A

**A. Reconciliation of carrying amount**

<i>In Taka</i>	Office floor space	Furniture and fixtures	Office decoration	Computers and accessories	Heating, ventilation, and air conditioning	Electrical and office equipment	Vehicles	Total
<b>Cost</b>								
Balance at 1 January 2024	10,472,795	12,747,816	53,336,571	42,360,798	18,723,745	15,757,361	3,216,000	156,615,086
Additions	-	1,188,789	5,244,634	3,712,578	2,040,834	665,313	10,656,891	23,509,039
Disposals	-	(69,800)	-	-	-	-	(3,216,000)	(3,285,800)
Adjustment	-	-	-	-	-	-	-	-
Balance at 31 December 2024	10,472,795	13,866,805	58,581,205	46,073,376	20,764,579	16,422,674	10,656,891	176,838,325
Balance at 1 January 2025	<b>10,472,795</b>	<b>13,866,805</b>	<b>58,581,205</b>	<b>46,073,376</b>	<b>20,764,579</b>	<b>16,422,674</b>	<b>10,656,891</b>	<b>176,838,325</b>
Additions	-	418,550	1,994,750	3,046,852	-	627,387	-	6,087,539
Disposals	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-
<b>Balance at 30 June 2025</b>	<b>10,472,795</b>	<b>14,285,355</b>	<b>60,575,955</b>	<b>49,120,228</b>	<b>20,764,579</b>	<b>17,050,061</b>	<b>10,656,891</b>	<b>182,925,864</b>
<b>Accumulated depreciation</b>								
Balance at 1 January 2024	2,776,818	9,681,542	44,676,337	37,176,992	14,527,465	14,532,260	3,215,999	126,587,413
Depreciation	209,890	823,471	1,983,676	2,659,653	1,408,790	431,743	1,243,304	8,760,527
Disposals	-	(69,800)	-	-	-	-	(3,216,000)	(3,285,800)
Adjustment	-	-	-	-	-	-	-	-
Balance at 31 December 2024	2,986,708	10,435,213	46,660,013	39,836,645	15,936,255	14,964,003	1,243,303	132,062,140
Balance at 1 January 2025	<b>2,986,708</b>	<b>10,435,213</b>	<b>46,660,013</b>	<b>39,836,645</b>	<b>15,936,255</b>	<b>14,964,003</b>	<b>1,243,303</b>	<b>132,062,140</b>
Depreciation	104,945	401,770	1,290,581	1,814,898	795,751	276,446	1,065,689	5,750,080
Disposals	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-
<b>Balance at 30 June 2025</b>	<b>3,091,653</b>	<b>10,836,983</b>	<b>47,950,594</b>	<b>41,651,543</b>	<b>16,732,006</b>	<b>15,240,449</b>	<b>2,308,992</b>	<b>137,812,220</b>
<b>Carrying amounts</b>								
At 1 January 2024	7,695,977	3,066,274	8,660,234	5,183,806	4,196,280	1,225,101	1	30,027,673
<b>At 31 December 2024</b>	<b>7,486,087</b>	<b>3,431,592</b>	<b>11,921,192</b>	<b>6,236,731</b>	<b>4,828,324</b>	<b>1,458,671</b>	<b>9,413,588</b>	<b>44,776,185</b>
<b>At 30 June 2025</b>	<b>7,381,142</b>	<b>3,448,372</b>	<b>12,625,361</b>	<b>7,468,685</b>	<b>4,032,573</b>	<b>1,809,612</b>	<b>8,347,899</b>	<b>45,113,644</b>

Notes to the financial statements (continued)

**7 Intangible assets**

See accounting policy in Note 40B

**A. Reconciliation of carrying amount**

<i>In Taka</i>	<b>Software</b>	<b>Total</b>
<b>Cost</b>		
Balance at 1 January 2024	31,166,762	31,166,762
Additions	-	-
Disposals	-	-
Adjustment	-	-
<b>Balance at 31 December 2024</b>	<b>31,166,762</b>	<b>31,166,762</b>
Balance at 1 January 2025	<b>31,166,762</b>	<b>31,166,762</b>
Additions	-	-
Disposals	-	-
Adjustment	-	-
<b>Balance at 30 June 2025</b>	<b>31,166,762</b>	<b>31,166,762</b>
<b>Accumulated depreciation</b>		
Balance at 1 January 2024	28,463,805	28,463,805
Amortisation	1,589,503	1,589,503
Disposals	-	-
Adjustment	-	-
<b>Balance at 31 December 2024</b>	<b>30,053,308</b>	<b>30,053,308</b>
Balance at 1 January 2025	<b>30,053,308</b>	<b>30,053,308</b>
Amortisation	445,381	445,381
Disposals	-	-
Adjustment	-	-
<b>Balance at 30 June 2025</b>	<b>30,498,689</b>	<b>30,498,689</b>
<b>Carrying amounts</b>		
At 1 January 2024	2,702,957	2,702,957
<b>At 31 December 2024</b>	<b>1,113,454</b>	<b>1,113,454</b>
<b>At 30 June 2025</b>	<b>668,073</b>	<b>668,073</b>

**8 Right-of-use assets**

See accounting policies in Note 40C

<i>In Taka</i>	<b>Amount</b>	
<b>Cost</b>		
Balance at 1 January 2024	102,279,833	102,279,833
Additions	20,629,981	20,629,981
Lease terminated during the year	-	-
Adjustment	-	-
<b>Balance at 31 December 2024</b>	<b>122,909,814</b>	<b>122,909,814</b>
Balance at 1 January 2025	<b>122,909,814</b>	<b>122,909,814</b>
Additions	<b>11,875,509</b>	<b>11,875,509</b>
Lease terminated during the year	<b>(11,097,713)</b>	<b>(11,097,713)</b>
Adjustment	-	-
<b>At 30 June 2025</b>	<b>123,687,610</b>	<b>123,687,610</b>
<b>Accumulated depreciation</b>		
Balance at 1 January 2024	43,367,448	43,367,448
Depreciation	22,220,029	22,220,029
Lease terminated during the year	-	-
Adjustment	-	-
<b>Balance at 31 December 2024</b>	<b>65,587,477</b>	<b>65,587,477</b>
Balance at 1 January 2025	<b>65,587,477</b>	<b>65,587,477</b>
Depreciation	<b>11,990,223</b>	<b>11,990,223</b>
Lease terminated during the year	<b>(11,048,044)</b>	<b>(11,048,044)</b>
Adjustment	-	-
<b>At 30 June 2025</b>	<b>66,529,656</b>	<b>66,529,656</b>
<b>Carrying amounts</b>		
At 1 January 2024	58,912,385	58,912,385
<b>At 31 December 2024</b>	<b>57,322,337</b>	<b>57,322,337</b>
<b>At 30 June 2025</b>	<b>57,157,954</b>	<b>57,157,954</b>

Notes to the financial statements (continued)

**9 Investment in exchanges**

<i>In Taka</i>	<i>Note</i>	<b>Jun'25</b>	<b>2024</b>
Dhaka Stock Exchange Limited (DSE)	9.1	<b>54,113,295</b>	54,113,295
Chittagong Stock Exchange Limited (CSE)	9.2	<b>32,154,970</b>	32,154,970
		<b>86,268,265</b>	86,268,265

**9.1 Dhaka Stock Exchange Limited (DSE)**

<i>In Taka</i>	<i>Shares</i>	<i>Par Value</i>	<b>Jun'25</b>	<b>2024</b>
Floated (40%)	2,886,042	10	<b>28,860,424</b>	28,860,424
Blocked (35%)	2,525,287	10	<b>25,252,871</b>	25,252,871
	5,411,329		<b>54,113,295</b>	54,113,295

**9.2 Chittagong Stock Exchange Limited (CSE)**

<i>In Taka</i>	<i>Shares</i>	<i>Par Value</i>	<b>Jun'25</b>	<b>2024</b>
Floated (40%)	1,714,932	10	<b>17,149,320</b>	17,149,320
Blocked (35%)	1,500,565	10	<b>15,005,650</b>	15,005,650
	3,215,497		<b>32,154,970</b>	32,154,970

**9.2.1 Statement of blocked shares**

<i>Number of shares</i>	<b>Jun'25</b>	<b>2024</b>
Balance before sale of shares	<b>1,500,565</b>	1,500,565
Less: Sale of shares to strategic investor	-	-
	<b>1,500,565</b>	1,500,565

Initially, the investments for membership in the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) were recognized at a cost of BDT 6,920,500 and BDT 4,107,250, respectively. Later in 2013, in accordance with the enactment of Section 8 (Gha) of the "Exchanges Demutualization Act, 2013", DSE and CSE issued ordinary shares and Trading Right Entitlement Certificate (TREC) license to the Company. As the valuation of the TREC was yet to be decided, the company only recognised the 40% of the investment value at BDT 28,860,424 (DSE) and BDT 17,149,320 (CSE) and created a corresponding suspense account.

In 2018, as the valuation became final, the Company recognised the remaining 60% of the investment value for both DSE and CSE. This resulted in a revaluation reserve amounting to the difference between investment in exchange and membership at cost while derecognising the existing suspense account. In the same year, The Company received the sale proceeds for 25% of its DSE shares from a Strategic Partner, a Chinese Consortium comprising Shenzhen Stock Exchange and Shanghai Stock Exchange, in 2018. Additionally, in 2023, the Company received the sale proceeds for 25% of its CSE shares from its Strategic Partner, ABG Ltd.

<i>Shares issued by</i>	<b>No. of shares</b>	
	<b>Jun'25</b>	<b>2024</b>
Dhaka Stock Exchange Limited (DSE)	<b>5,411,330</b>	5,411,330
Chittagong Stock Exchange Limited (CSE)	<b>3,215,497</b>	3,215,497
	<b>8,626,827</b>	8,626,827

Out of total 11,502,436 shares of DSE (7,215,106) and CSE (4,287,330), 40% shares (4,600,974 for Tk 10 each) was transferred by both the Exchanges to Company's BO account. Remaining 60% shares of both Exchanges (6,901,462) were kept in blocked account for disposal in due course. In 2018, DSE sold 25% shares (1,803,777) to Chinese Consortium, remaining 35% shares of DSE (2,525,287) are kept in blocked account. In 2023, CSE sold 25% shares (1,071,833) to ABG Ltd., a sister concern of Bashundhara Group, remaining 35% shares of DSE (1,500,565) are kept in blocked account.

Notes to the financial statements (continued)

**10 Deferred tax assets**

See the accounting policy in Note 40F

<i>In Taka</i>	Jun'25	2024
Balance at 1 January	6,297,023	7,098,139
Deferred tax income for the year	(3,253,566)	(801,116)
<b>Balance at 31 December</b>	<b>3,043,457</b>	<b>6,297,023</b>

<i>In Taka</i>	Carrying amount on reporting date	Tax base	Taxable/ (deductible) temporary difference
<b>At 30 June 2025</b>			
Property, plant and equipment	48,568,394	46,306,639	(2,261,755)
Intangible fixed assets	668,073	2,480,170	1,812,097
Right-of-use assets	51,953,026	-	(51,953,026)
Lease liabilities	(63,469,801)	-	63,469,801
<b>Taxable / (deductible) temporary differences</b>	<b>37,719,692</b>	<b>48,786,809</b>	<b>11,067,117</b>
Applicable tax rate			27.5%
<b>Deferred tax assets / (liabilities)</b>			<b>3,043,457</b>
<b>At 31 December</b>			
Property, plant and equipment	35,362,597	43,468,670	8,106,073
Intangible fixed assets	1,113,454	2,755,745	1,642,291
Right-of-use assets	50,942,128	-	(50,942,128)
Lease liabilities	(64,092,029)	-	64,092,029
<b>Taxable / (deductible) temporary differences</b>	<b>23,326,150</b>	<b>46,224,415</b>	<b>22,898,265</b>
Applicable tax rate			27.50%
<b>Deferred tax assets / (liabilities)</b>			<b>6,297,023</b>

**11 Investment in FDRs**

See accounting policy in Note 40J

<i>In Taka</i>		Jun'25	2024
<b>Bank name</b>	<b>Account number</b>		
BRAC Bank PLC	1513301363499005	17,200,092	17,200,092
BRAC Bank PLC	3013634990008	118,118,139	113,416,400
		<b>135,318,231</b>	<b>130,616,492</b>

**12 Investment in securities**

See accounting policy in Note 40D

<i>In Taka</i>	Note	Jun'25	2024
Investment in securities-IPO	12.1	-	-
Investment in securities-strategic fund	12.2	55,655,861	30,510,265
Investment in securities- proprietary account	12.3	28,041,808	252,932,756
Investment in money market instruments	12.4	550,755,540	306,861,055
		<b>634,453,209</b>	<b>590,304,076</b>

**12.1 Investment in securities-IPO**

Own subscription in IPOs, but shares not yet allotted/credited as at 30 June 2025.

**12.2 Investment in securities-strategic fund**

Investment in securities-strategic fund	12.2.1	43,445,989	30,341,461
Ledger balance of portfolio		12,209,872	168,804
		<b>55,655,861</b>	<b>30,510,265</b>

**12.2.1 Proprietary position in strategic investments**

Value of listed strategic investments		43,445,989	30,341,461
Value of non-listed strategic investments		-	-
		<b>43,445,989</b>	<b>30,341,461</b>

## Notes to the financial statements (continued)

**12.3 Investment in securities- proprietary account**

In Taka	12.3.1	Jun'25	2024
<b>Investment in quoted shares</b>			
Fuel & Power		-	2,990,749
Pharmaceuticals & Chemicals		<b>234,876,887</b>	196,359,608
		<b>234,876,887</b>	199,350,357
<b>Investment in quoted bonds</b>			
	12.3.2		
Corporate Bond		<b>2,845,920</b>	2,888,424
G-Sec/BGTB (HFT)		<b>32,824,020</b>	34,380,680
		<b>35,669,940</b>	37,269,104
<b>Investment in unquoted funds</b>			
	12.3.3		
Mutual Fund / Growth Fund / Unit Fund		<b>17,351,700</b>	16,313,295
		<b>287,898,527</b>	252,932,756

**12.3.1 Proprietary positions in equity securities**

Value of "A" category instruments		<b>234,876,887</b>	199,350,357
Value of "B/C/N/..." category instruments		-	-
Value of "Z" category instruments		-	-
		<b>234,876,887</b>	199,350,357

**12.3.2 Proprietary positions in debt instruments & ABSs**

Value of listed debt instruments & ABSs		<b>35,669,940</b>	37,269,104
Value of non-listed debt instruments		-	-
		<b>35,669,940</b>	37,269,104

**12.3.3 Proprietary positions in MFs & CISs including AIFs**

Value of listed funds		-	-
Value of non-listed funds		<b>17,351,700</b>	16,313,295
		<b>17,351,700</b>	16,313,295
		<b>287,898,527</b>	252,932,756

**12.4 Proprietary positions in money market Instruments** 12.4.1

Value of Govt. & BB instruments		<b>550,755,540</b>	306,861,055
		<b>550,755,540</b>	306,861,055

**12.4.1 Value of Govt. & BB instruments**

Held for Trading		<b>4,750,545</b>	4,877,340
Held to Maturity		<b>546,004,995</b>	301,983,715
		<b>550,755,540</b>	306,861,055

Notes to the financial statements (continued)

**13 Accounts receivables**

See accounting policy in Note 40J

<i>In Taka</i>	<i>Note</i>	<b>Jun'25</b>	<b>2024</b>
Receivable from clients (broker)		<b>164,287,588</b>	51,856,712
Receivable from exchanges	13.1	<b>7,325,722</b>	38,803,292
Receivable from merchant banker	13.2	<b>6,319,647</b>	8,453,526
Receivable from sub-lease with BEIL		<b>3,596,515</b>	4,495,614
		<b>181,529,472</b>	103,609,144
Provision for bad debts		<b>(5,453,123)</b>	(5,453,123)
		<b>176,076,349</b>	98,156,021

**13.1 Receivable from exchanges**

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
<b>Dhaka Stock Exchange (broker)</b>		
A, B, G & N	-	31,123,992
Z	<b>6,812,582</b>	4,347,766
	<b>6,812,582</b>	35,471,758
<b>Dhaka stock exchange (dealer)</b>	<b>507,332</b>	3,203,189
<b>Chittagong Stock Exchange (broker)</b>		
A, B, G & N	<b>5,808</b>	128,345
Z	-	-
	<b>5,808</b>	128,345
	<b>7,325,722</b>	38,803,292

This balance represents the receivable resulting from sell of shares from Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

**13.2 Receivable from merchant banker**

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
Receivable from third party	<b>3,701,941</b>	7,352,221
Receivable from related party	<b>2,617,706</b>	1,101,305
	<b>6,319,647</b>	8,453,526

**14 Margin loan receivables**

<i>In Taka</i>	<i>Note</i>	<b>Jun'25</b>	<b>2024</b>
Margin loan	14.1	<b>67,171,956</b>	134,601,248
		<b>67,171,956</b>	134,601,248

**14.1 Amounts receivable from margin clients**

Clients having no margin or full erosion of clients' equity (e.g.no equity against debit balance)	-	926
Clients fall under force sale condition (e.g. equity is >DB but < 125% of DB)	<b>31,995,733</b>	38,299,152
Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB)	<b>306,580</b>	3,607,402
Regular margin clients (e.g. equity is >150% of debit balance)	<b>34,878,643</b>	92,693,768
	<b>67,180,956</b>	134,601,248

The amount represents loan entitled to clients against securities. The Company started giving margin loan facilities from 1 October 2011. Loan limit to single client is maximum 100% of client's margin.

## Notes to the financial statements (continued)

**15 Inter-company receivables**

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
BRAC EPL Investments Limited	<b>3,603,414</b>	2,526,799
	<b>3,603,414</b>	2,526,799

**16 Advances, deposits and prepayments**

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
Advances		
Software system	<b>298,000</b>	298,000
Salary and allowances	<b>358,330</b>	408,332
Employee's car loan	<b>9,894,223</b>	13,104,131
Bank guarantee commission	<b>2,760,017</b>	427,523
Capital expenditures	<b>99,755,562</b>	58,196,003
Operational expenses	<b>574,972</b>	444,148
	<b>113,641,104</b>	72,878,137

**Deposits**

Depository Participator (DP) for CDBL	<b>102,500</b>	102,500
BTCL-land phone	<b>23,705</b>	23,705
Deposit to BRAC EPL Investments Limited	<b>2,000</b>	2,000
Mobile phone	<b>10,752</b>	10,752
Symphony Tower, Gulshan	<b>3,170,100</b>	3,170,100
City Centre, Motijheel	<b>844,350</b>	844,350
R.M. Plaza, Uttara	<b>1,500,000</b>	1,500,000
	<b>5,653,407</b>	5,653,407

**Prepayments**

Prepaid insurance	-	787,244
	-	787,244
	<b>119,294,511</b>	79,318,788

**17 Other receivables**

See accounting policy in Note 40J

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
Accrued interest	<b>24,688,878</b>	13,838,343
Forfeiture amount of provident fund	-	-
Dividend receivable	-	2,143,665
Proceeds from disposal of Assets	<b>30,000</b>	30,000
	<b>24,718,878</b>	16,012,008

**18 Cash and cash equivalents**

See accounting policy in Note 40J

<i>In Taka</i>	<b>Notes</b>	<b>Jun'25</b>	<b>2024</b>
Cash in hand		<b>2,480,525</b>	1,196,286
Cash balance with branches		<b>69,709</b>	114,530
		<b>2,550,234</b>	1,310,816

**Cash at bank**

Consolidated customers' account	18.1	<b>1,204,770,477</b>	1,141,087,934
Operational account	18.2	<b>(170,253,571)</b>	22,361,581
Strategic investment	18.3	<b>83,030</b>	90,507
IPO block account	18.4	<b>118,455</b>	129,006
Dealer account	18.5	<b>26,151,080</b>	21,334,916
Investment in FDRs	18.6	<b>227,133,859</b>	83,497,817
		<b>1,288,003,330</b>	1,268,501,761
		<b>1,290,553,564</b>	1,269,812,577

## Notes to the financial statements (continued)

**18.1 Consolidated customers' account**

<i>In Taka</i>			<b>Jun'25</b>	<b>2024</b>
<b>Bank name</b>	<b>Account number</b>	<b>Type</b>		
BRAC Bank PLC	1501201363499001	SND	<b>949,906,422</b>	935,413,939
Standard Chartered Bank	01-7503024-02	Current	<b>202,071,454</b>	183,993,566
The City Bank PLC	3101063886001	SND	<b>52,792,601</b>	21,680,429
			<b>1,204,770,477</b>	1,141,087,934

**18.2 Operational account**

<i>In Taka</i>			<b>Jun'25</b>	<b>2024</b>
<b>Bank name</b>	<b>Account number</b>	<b>Type</b>		
Standard Chartered Bank	01-7503024-01	Current	<b>(199,449,384)</b>	1,563,477
BRAC Bank PLC	1513201363499001	Current	<b>1,484,297</b>	3,752,731
BRAC Bank PLC	1513101363499001	STD	<b>190,400</b>	190,934
BRAC Bank PLC	1513201363499002	Current	<b>85,277</b>	95,537
BRAC Bank PLC	1513101363499002	STD	<b>27,951,463</b>	16,218,986
BRAC Bank PLC	1513201363499004	Current	<b>(925,215)</b>	75,081
BRAC Bank PLC	2013634990017	Current	<b>409,591</b>	464,835
One Bank PLC	13000000558	SND	-	-
			<b>(170,253,571)</b>	22,361,581

**18.3 Strategic investment**

<i>In Taka</i>			<b>Jun'25</b>	<b>2024</b>
<b>Bank name</b>	<b>Account number</b>	<b>Type</b>		
BRAC Bank PLC	1501201363499002	Current	<b>83,030</b>	90,507
			<b>83,030</b>	90,507

**18.4 IPO block account**

<i>In Taka</i>			<b>Jun'25</b>	<b>2024</b>
<b>Bank name</b>	<b>Account number</b>	<b>Type</b>		
Standard Chartered Bank	02-7503024-03	SND	<b>118,455</b>	129,006
			<b>118,455</b>	129,006

**18.5 Dealer account**

<i>In Taka</i>			<b>Jun'25</b>	<b>2024</b>
<b>Bank name</b>	<b>Account number</b>	<b>Type</b>		
Standard Chartered Bank	01-7503024-03	Current	<b>26,092,557</b>	21,275,830
Standard Chartered Bank	02-7503024-02	SND	<b>58,523</b>	59,086
			<b>26,151,080</b>	21,334,916

**18.6 Investment in FDRs**

<i>In Taka</i>			<b>Jun'25</b>	<b>2024</b>
<b>Bank name</b>	<b>Account number</b>			
BRAC Bank PLC	3013634990009		<b>32,318,000</b>	30,000,000
BRAC Bank PLC	3013634990010		<b>120,000,000</b>	-
City Bank PLC	4481063886001		<b>50,000,000</b>	-
Standard Chartered Bank	97503024001		-	22,692,092
Standard Chartered Bank	97503024002		-	7,416,017
Jamuna Bank PLC	2301000578672 (0024-0330021008)		<b>11,655,437</b>	11,158,833
Padma Bank PLC	124400017244		<b>13,160,422</b>	12,230,875
			<b>227,133,859</b>	83,497,817

***The terms and conditions of the credit facilities from BRAC Bank PLC. are as follows:***

***i Overdraft:***

Loan limit	:	BDT 500,000,000.00 (BDT five hundred million) only.
Purpose	:	To meet daily settlement requirement and margin for exceeding Dhaka Stock Exchange (DSE)/ Chittagong Stock Exchange (CSE) daily trading limit.
Interest rate	:	12% per annum (variable)
Repayment procedures	:	From operational cash flow/or own sources of borrower.
Expiry	:	30 November 2025

***ii Bank Guarantee***

Bank guarantee limit	:	BDT 1,000,000,000.00 (BDT one billion) only.
Purpose	:	To issue bank guarantee favoring Dhaka Stock Exchange Ltd (DSE) and Chittagong Stock Exchange Ltd (CSE) for daily share trading limit.
Commission	:	0.10% per quarter
Settlement	:	The liability will be reversed on expiry of the guarantee or on receipt of the original guarantee duly released by the beneficiary.
Maximum tenor	:	Upto 1 year from the date of issuance of guarantee.
Expiry	:	30 November 2025

***The terms and conditions of the overdraft from Standard Chartered Limited are as follows:***

Loan limit	:	BDT 200,000,000.00 (BDT two hundred million) only.
Purpose	:	To meet daily settlement requirement and margin for exceeding Dhaka Stock Exchange (DSE)/ Chittagong Stock Exchange (CSE) daily trading limit.
Interest rate	:	10.5%
Repayment procedures	:	From operational cash flow/or own sources of borrower (on demand).
Expiry	:	30 May 2024

**19 Share capital**

<i>In Taka</i>	No. of shares		Amount in BDT	
	Jun'25	2024	Jun'25	2024
<b>Authorised capital</b>				
Authorised (par value of Tk. 100 each)	<b>20,000,000</b>	20,000,000	<b>2,000,000,000</b>	2,000,000,000
<b>Paid up capital</b>				
Ordinary shares (par value of Tk. 100 each)	<b>12,768,575</b>	11,103,109	<b>1,276,857,500</b>	1,110,310,900
Add: Bonus share issued	-	1,665,466	-	166,546,600
	<b>12,768,575</b>	12,768,575	<b>1,276,857,500</b>	1,276,857,500

**Percentage of shareholdings**

<i>In Taka</i>	No. of shares	%	Jun'25	2024
BRAC Bank PLC.	<b>11,491,638</b>	<b>89.9994%</b>	<b>1,149,163,800</b>	1,149,163,800
Mr. Saiful Islam	<b>1,276,858</b>	<b>10.0000%</b>	<b>127,685,800</b>	127,685,800
BRAC	<b>7</b>	<b>0.0001%</b>	<b>700</b>	700
Mr. Selim R. F. Hussain	<b>18</b>	<b>0.0001%</b>	<b>1,800</b>	1,800
Ms. Tamara Hasan Abed	<b>18</b>	<b>0.0001%</b>	<b>1,800</b>	1,800
Dr. Zahid Hussain	-	<b>0.0000%</b>	-	-
Mr. Shameran Abed	<b>18</b>	<b>0.0001%</b>	<b>1,800</b>	1,800
Mr. Mohammad Masud Rana	<b>18</b>	<b>0.0001%</b>	<b>1,800</b>	1,800
	<b>12,768,575</b>	<b>100%</b>	<b>1,276,857,500</b>	1,276,857,500

**20 Fair value reserve for TREC license**

<i>In Taka</i>	Jun'25	2024
Fair value reserve for TREC license-DSE	<b>48,922,920</b>	48,922,920
Fair value reserve for TREC license-CSE	<b>29,074,533</b>	29,074,533
	<b>77,997,453</b>	77,997,453

The investments for membership were initially recognised at cost and subsequently remeasured in accordance with Section 8 (Gha) of the Exchanges Demutualization Act, 2013. Both stock exchanges issued shares against membership at a face value of BDT 10 per share. The surplus arising from changes in the value of investment for membership has been transferred to the Fair Value Reserve for the TREC License.

**21 Capital reserve**

<i>In Taka</i>	Jun'25	2024
Balance at 1 January	<b>37,636,239</b>	33,523,303.00
Addition during the year	-	4,112,936.00
Adjustment during the year	-	-
	<b>37,636,239</b>	37,636,239.00

According to the Clause (i) of (e) of Part B [rule (1) (b), rule 5(2)] Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019 the Company maintained a mandatory provision at 10% of profit after tax of last year as capital reserve with prospective effects from 30 June 2023.

Notes to the financial statements (continued)

**22 Lease liabilities**

See accounting policy in Note 40C

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
Current	<b>24,381,208</b>	24,324,173
Non-current	<b>39,088,593</b>	39,767,856
	<b>63,469,801</b>	64,092,029

**22.1 Movement of lease liabilities**

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
Balance at 1 January	<b>64,092,029</b>	68,234,541
Addition during the year	<b>11,875,509</b>	17,341,827
Interest expense on leases	<b>2,882,981</b>	5,878,599
Payment of lease installments	<b>(15,380,718)</b>	(27,362,938)
Termination of leases	-	-
	<b>63,469,801</b>	64,092,029

**23 Account payables**

<i>In Taka</i>	<i>Note</i>	<b>Jun'25</b>	<b>2024</b>
Payable to clients	23.1	<b>826,389,784</b>	785,645,938
Payable to exchanges	23.2	<b>136,001,680</b>	63,295,215
Payable to Merchant Banker	23.3	<b>47,761,654</b>	39,348,411
Interest payable to clients		<b>28,010,941</b>	59,245,529
		<b>1,038,164,059</b>	<b>947,535,093</b>

**23.1 Payable to clients**

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
Payable to third party	<b>822,078,280</b>	785,335,472
Payable to related party	<b>4,311,504</b>	310,466
	<b>826,389,784</b>	785,645,938

This balance represents the deposits made by clients and any proceeds received from selling the shares of the clients and this amount is currently lying with the company's consolidated customers bank A/C.

**23.2 Payable to exchanges**

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
<b>Dhaka Stock Exchange (broker)</b>		
ABG&N	<b>130,021,398</b>	58,719,544
Z	<b>3,655,569</b>	4,575,671
	<b>133,676,967</b>	63,295,215
<b>Chittagong Stock Exchange (broker)</b>		
ABG&N	<b>397,902</b>	-
Z	-	-
	<b>397,902</b>	-
<b>Dhaka Stock Exchange (dealer)</b>		
ABG&N	<b>1,926,811</b>	-
	<b>1,926,811</b>	-
	<b>136,001,680</b>	63,295,215

This balance represents the payable resulting from purchase of shares from Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

**23.3 Payable to Merchant Banker**

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
Payable to third party	<b>42,702,407</b>	17,131,973
Payable to related party	<b>5,059,247</b>	22,216,438
	<b>47,761,654</b>	39,348,411

**24 Specific provision**

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
Balance at 1 January	<b>1,346,012</b>	3,927,158
Addition during the year	-	-
Release during the year	<b>(674,292)</b>	(2,581,146)
	<b>671,720</b>	1,346,012

According to the Clause (ii) of (e) of Part B [rule (1) (b), rule 5(2)] of Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019 the Company maintained a mandatory provision at 1% of all outstanding margin exposures as 'specific provision' with prospective effects from 30 June 2023.

**25 Intercompany payables**

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
BRAC EPL Investment Limited	<b>57,500</b>	57,500
	<b>57,500</b>	57,500

**26 Liability for expenses**

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
Performance bonus	<b>1,862,040</b>	1,431,944
CDBL BO maintenance fees	<b>4,798,500</b>	-
Withholding tax and VAT	<b>1,624,086</b>	1,120,504
Legal and professional fees	<b>65,675</b>	267,500
Office rent	<b>288,210</b>	433,861
Audit fee	<b>339,252</b>	678,500
Office utility & service charges payable	<b>788,840</b>	677,124
CDBL charges	<b>653,521</b>	834,960
Repair and office maintenance	<b>120,000</b>	-
Telephone and mobile bills	<b>159,600</b>	147,315
Salary and allowance	<b>303,144</b>	1,709,217
Trading expenses payable	<b>22,338,212</b>	9,140,955
Advertisement & publicity expenses	<b>572,650</b>	472,650
Payable for capital expenditure	<b>1,017,125</b>	803,321
Payable for operational expenses	<b>1,727,933</b>	2,158,776
Provision for terminal benefits (End-of-service benefits)	<b>20,767,591</b>	19,472,814
	<b>57,426,379</b>	39,349,441

**27 Current tax liabilities**

See accounting policy in Note 40F

<i>In Taka</i>	<b>Note</b>	<b>Jun'25</b>	<b>2024</b>
Advance income tax	27.1	<b>183,127,684</b>	149,875,306.00
Provision for tax	27.2	<b>(215,564,224)</b>	(165,158,290.00)
		<b>(32,436,540)</b>	(15,282,984.00)

**27.1 Advance income tax**

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
Balance at 1 January	<b>149,875,306</b>	156,997,949
Deposits including deductions at source	<b>33,252,378</b>	81,318,695
Tax paid for previous years	-	7,730,082
Adjustments made for previous years	-	(96,171,420)
	<b>183,127,684</b>	149,875,306

**27.2 Provision for tax**

<i>In Taka</i>	<b>Jun'25</b>	<b>2024</b>
Balance at 1 January	<b>165,158,290</b>	175,833,361.00
Provision made during the year	<b>50,405,934</b>	85,996,349.00
Adjustments made for previous year	-	(96,671,420.00)
	<b>215,564,224</b>	165,158,290.00

Notes to the financial statements (continued)

**28 Service revenue**

<i>In Taka</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
Brokerage commission	28.1	139,702,024	161,633,280
Interest income from margin loan		7,137,205	14,475,817
Annual account maintenance fees		-	-
BO account renewal fees		1,370,880	567,800
Advisory income		67,593	-
IPO Service Charge		-	23,825
BO account opening fees		-	160,650
Cheque dishonour charges		157,680	311,080
Share pledging, transmission fees & others		599,300	344,727
		<b>149,034,682</b>	<b>177,517,179</b>

**28.1 Brokerage commission**

<i>In Taka</i>	<b>2025</b>	<b>2024</b>
Brokerage commission- DSE (broker)	136,573,561	159,476,731
Brokerage commission- DSE (dealer)	337,691	904,917
Brokerage commission- CSE (broker)	2,790,772	1,251,632
	<b>139,702,024</b>	<b>161,633,280</b>

**29 Direct expenses**

<i>In Taka</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
Transaction cost	29.1	10,845,417	11,693,759
CDBL charges		4,903,742	4,582,189
Trading expense		27,658,417	35,081,616
		<b>43,407,576</b>	<b>51,357,564</b>

**29.1 Transaction cost**

<i>In Taka</i>	<b>2025</b>	<b>2024</b>
DSE (broker)	10,649,041	11,441,652
DSE (dealer)	54,736	196,298
CSE (broker)	141,640	55,809
	<b>10,845,417</b>	<b>11,693,759</b>

**30 Investment income**

<i>In Taka</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
Realised gain/(loss) on investment	30.1	(10,988,818)	(30,840,029)
Unrealised gain/(loss) on investment	30.2	18,297,682	(43,131,657)
Dividend income	30.3	8,485,180	15,651,356
Interest on money market instruments		23,883,142	222,871
		<b>39,677,186</b>	<b>(58,097,459)</b>

**30.1 Realised gain/(loss) on investment**

<i>In Taka</i>	<b>2025</b>	<b>2024</b>
Gain/(loss) on proprietary trading (dealer)	(4,068,108)	(30,734,624)
Gain/(loss) on strategic investment	(6,655,366)	(105,405)
Gain/(loss) on investment in exchanges (CSE)	9.2.1	-
Gain/(loss) on investment in bonds	(265,344)	-
	<b>(10,988,818)</b>	<b>(30,840,029)</b>

**30.2 Unrealised gain/(loss) on investment**

<i>In Taka</i>	<b>2025</b>	<b>2024</b>
Unrealised gain/(loss) on proprietary trading (dealer)	16,404,759	(34,717,288)
Unrealized gain/(loss) on treasury bonds (HFT_BP)	275,661	-
Unrealised gain/(loss) on strategic investment	1,617,262	(8,414,369)
	<b>18,297,682</b>	<b>(43,131,657)</b>

Notes to the financial statements (continued)

**30.3 Dividend income**

<i>In Taka</i>		<b>2025</b>	<b>2024</b>
Dividend income from investment in exchanges	30.3.1	<b>3,393,488</b>	2,164,532
Dividend income from proprietary trading (dealer)		<b>4,556,962</b>	12,711,199
Dividend income from strategic investment		<b>534,730</b>	775,625
		<b>8,485,180</b>	15,651,356

**30.3.1 Dividend income from investment in exchanges**

<i>In Taka</i>		<b>2025</b>	<b>2024</b>
Dhaka Stock Exchange Limited (DSE)		<b>1,785,739</b>	2,164,532
Chittagong Stock Exchange Limited (CSE)		<b>1,607,749</b>	-
		<b>3,393,488</b>	2,164,532

**31 Other income**

<i>In Taka</i>		<b>2025</b>	<b>2024</b>
Gain/(loss) on sale of fixed assets		-	-
Gain on termination of lease agreement		<b>112,829</b>	-
Forfeiture amount of provident fund		-	-
		<b>112,829</b>	-

**32 Operating expenses**

<i>In Taka</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
Administrative expenses	32.1	<b>130,515,605</b>	74,672,502
Other operating expenses	32.2	<b>21,160,281</b>	27,137,297
		<b>151,675,886</b>	101,809,799

**32.1 Administrative expenses**

<i>In Taka</i>		<b>2025</b>	<b>2024</b>
Salary and allowances	32.1.1	<b>102,696,641</b>	58,752,134
Depreciation on PPE	6	<b>5,750,080</b>	2,267,068
Depreciation on right of use assets	8	<b>11,990,223</b>	537,126
Amortisation of intangible assets	7	<b>445,381</b>	7,083,931
Internet bills		<b>1,629,320</b>	995,531
Outsourcing expenses		<b>5,953,546</b>	3,332,595
Insurance expenses		<b>1,334,498</b>	849,570
Networking expenses		<b>620,929</b>	784,014
DSE, CSE and BSEC charges		<b>94,987</b>	70,533
		<b>130,515,605</b>	74,672,502

**32.1.1 Salary and allowances**

<i>In Taka</i>		<b>2025</b>	<b>2024</b>
Salary and allowances		<b>92,533,080</b>	54,708,547
Provident fund contribution		<b>3,952,604</b>	2,442,170
Gratuity fund contribution		<b>4,916,180</b>	1,601,417
Terminal benefits (End-of-service benefits)		<b>1,294,777</b>	-
		<b>102,696,641</b>	58,752,134

**32.2 Other operating expenses**

<i>In Taka</i>	<b>2025</b>	<b>2024</b>
Utility expenses	<b>4,155,144</b>	2,193,422
Entertainment	<b>2,199,490</b>	953,051
Office maintenance	<b>1,524,851</b>	733,988
Telephone and mobile bills	<b>760,581</b>	484,837
Printing & stationery and photocopy	<b>1,635,327</b>	736,670
Business promotional expenses	<b>1,483,838</b>	1,089,157
Advertisement	<b>1,053,654</b>	727,818
Fuel, lubricants and car maintenance	<b>750,570</b>	232,952
Board meeting fees	<b>183,334</b>	183,332
Travel and conveyance	<b>652,428</b>	439,278
Postage and courier	<b>103,106</b>	48,627
Professional fees	<b>688,070</b>	821,325
Training and development	<b>84,000</b>	56,760
Repair and software maintenance	<b>2,300,715</b>	421,942
Fees & subscriptions and license & renewal	<b>1,081,350</b>	1,074,722
News paper, books and periodicals	<b>8,490</b>	6,835
Audit fee	<b>339,252</b>	241,500
Reward and recognition	-	-
VAT expenses on lease rental/office rent	<b>2,388,260</b>	1,427,776
Office rent (short term & low value)	<b>123,474</b>	77,472
Gift, benefaction & others	<b>318,639</b>	96,645
Realized business loss on margin facility	-	-
Provision for margin loan	24 <b>(674,292)</b>	15,089,188
	<b>21,160,281</b>	27,137,297

**33 Net finance income**

<i>In Taka</i>	<b>2025</b>	<b>2024</b>
<b>Finance income</b>		
Interest income from FDR investment	<b>16,110,941</b>	3,669,761
Interest income from SND/STD bank accounts	<b>112,372</b>	-
Interest income from consolidated customer bank accounts	<b>22,807,703</b>	-
Interest on employees' car loan	<b>164,462</b>	115,759
Interest income on sub-lease with BEIL	<b>177,517</b>	209,111
	<b>39,372,995</b>	3,994,631
Add: Release from the previous years'	<b>35,767,045</b>	-
Less: Interest payable to clients *	<b>(4,532,457)</b>	-
	<b>70,607,583</b>	3,994,631
<b>Finance expense</b>		
Bank guarantee commission	<b>2,332,296</b>	1,560,117
Bank interest, charges and commission	<b>3,720,750</b>	766,095
Interest expense of lease liabilities	<b>2,882,981</b>	2,023,722
	<b>8,936,027</b>	4,349,934
	<b>61,671,556</b>	(355,303)

\* As per BSEC directive no.-BESC/CMRRCD/2009-193/21 dated 21 June 2022, this balance represents 'payable to the clients' which is currently lying with the Company's consolidated customers bank A/C.

**34 Income tax expense**

See accounting policy in Note 40F

<i>In Taka</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
Tax on brokerage commission	34.1	<b>23,539,329</b>	24,161,910
Tax other than brokerage commission		<b>26,866,605</b>	3,554,812
Adjustment for completion of assessment		-	-
		<b>50,405,934</b>	27,716,722
Deferred tax income	10	<b>3,253,566</b>	(958,866)
		<b>53,659,500</b>	26,757,856

**34.1 Tax on brokerage commission**

<i>In Taka</i>	<b>2025</b>	<b>2024</b>
Dhaka Stock Exchange (broker)	<b>22,888,559</b>	23,526,471
Dhaka Stock Exchange (dealer)	<b>269,240</b>	449,180
Chittagong Stock Exchange (broker)	<b>381,530</b>	186,259
	<b>23,539,329</b>	24,161,910

Dhaka Stock Exchange Limited (DSE) & Chittagong Stock exchange Limited (CSE) have deducted tax @ 0.05% at the time of payment of transaction amount as per section 137 of the Income Tax Act 2023.

**35 Capital adequacy ratio**

According to the Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019 the Company has adequate capital against the total risk exposure the entity that is required to be maintained as per the rules to ensure continuation of a safe and efficient operation and to withstand against any seen and unforeseen losses. The Company has "Capital Adequacy Ratio (CAR)" 6326% of total risk requirement as of date 30 June 2025.

Computations of "Capital Adequacy Ratio (CAR)" are given in annexed schedule A to schedule D which are integral part of these financial statements.

Notes to the financial statements (Continued)

**36 Financial instruments - fair values and risk management**

**A Accounting classifications and fair values**

The following table shows the carrying amounts and fair values, where applicable, of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

See the accounting policy in Note 40J

**31 December 2024**

<i>In Taka</i>	<i>Note</i>	Carrying amount					Financial assets at amortised cost	Other financial liabilities	Total
		Fair value-hedging instruments	FVTPL – others	FVOCI – debt instruments	FVOCI – equity instruments				
<b>Financial assets measured at fair value</b>									
Investment in securities	12	-	88,448,214	-	-		-	88,448,214	
<b>Financial assets not measured at fair value</b>									
Account receivables	13	-	-	-	-	176,076,349	-	176,076,349	
Margin loan receivables	14	-	-	-	-	67,171,956	-	67,171,956	
Cash and cash equivalents	18	-	-	-	-	1,290,553,564	-	1,290,553,564	
Investment in debt securities	12	-	-	-	-	546,004,995	-	546,004,995	
		-	88,448,214	-	-	2,079,806,864	-	1,622,250,083	
<b>Financial liabilities measured at fair value</b>									
<b>Financial liabilities not measured at fair value</b>									
Account payables	23	-	-	-	-	-	1,038,164,059	1,038,164,059	
Liability for expenses	26	-	-	-	-	-	57,426,379	57,426,379	
Lease liabilities	22	-	-	-	-	-	63,469,801	63,469,801	
		-	-	-	-	-	1,159,060,239	1,159,060,239	

## Notes to the financial statements (Continued)

31 December 2023

Carrying amount

<i>In Taka</i>	<i>Note</i>	Fair value- hedging instruments	FVTPL – others	FVOCI – debt instruments	FVOCI – equity instruments	Financial assets at amortised cost	Other financial liabilities	Total
<b>Financial assets measured at fair value</b>								
Investment in securities	12	-	590,304,076	-	-	-	-	590,304,076
<b>Financial assets not measured at fair value</b>								
Account receivables	13	-	-	-	-	98,156,021	-	98,156,021
Margin loan receivables	14	-	-	-	-	134,601,248	-	134,601,248
Cash and cash equivalents	18	-	-	-	-	1,269,812,577	-	1,269,812,577
		-	590,304,076	-	-	1,502,569,846	-	2,092,873,922
<b>Financial liabilities measured at fair value</b>								
		-	-	-	-	-	-	-
<b>Financial liabilities not measured at fair value</b>								
Account payables	23	-	-	-	-	-	947,535,093	947,535,093
Liability for expenses	26	-	-	-	-	-	39,349,441	39,349,441
Lease liabilities	22	-	-	-	-	-	64,092,029	64,092,029
		-	-	-	-	-	1,050,976,563	1,050,976,563

**B Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk (see (ii))
- Liquidity risk (see (iii))
- Market risk (see (iv))

**(i) Risk management framework**

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

**(ii) Credit risk**

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. The balances maintained with different bank represents the most significant source of credit risk for the Company.

**(a) Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

<i>In Taka</i>	<i>Note</i>	<b>Carrying amount</b>	
		<b>Jun'25</b>	<b>2024</b>
Investment in securities	12	634,453,209	590,304,076
Account receivables	13	176,076,349	98,156,021
Margin loan receivables	14	67,171,956	134,601,248
Inter-company receivables	15	3,603,414	2,526,799
Other receivables	17	24,718,878	16,012,008
Cash and cash equivalents	18	1,290,553,564	1,269,812,577
		<b>2,196,577,370</b>	<b>2,111,412,729</b>

**(b) Aging of operational and other receivables**

At 31 December, the aging of operational and other receivables that were not impaired was as follows:

<i>In Taka</i>	<i>Note</i>	<b>Carrying amount</b>	
		<b>Jun'25</b>	<b>2024</b>
Neither past due nor impaired	13	177,406,051	98,156,021
Past due 1 - 30 days		171,255	-
Past due 31 - 90 days		342,510	-
Past due 91 - 120 days		486,076	-
Past due 121 - 360 days		1,273,872	-
Past due 361 + days		-	-
		<b>179,679,763</b>	<b>98,156,021</b>

Notes to the financial statements (Continued)

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents and other investments at amounts in excess of expected cash outflows on financial liabilities. The Company also monitors the level of expected cash inflows on operational and other receivables together with expected cash outflows on trade and other payables.

**Exposure to liquidity risk**

The followings are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

**30 June 2025**

<i>In Taka</i>	Note	Carrying amount	Contractual cash flows					
			Total	2 months or less	2-12 months	1 - 2 years	2 - 5 years	More than 5 years
<b>Non-derivative financial liabilities</b>								
Lease liabilities	22	63,469,801	64,092,029	4,119,318	20,205,218	23,824,161	13,653,935	2,289,397
Account payables	23	1,038,164,059	1,038,164,059	1,010,153,118	28,010,941	-	-	-
Liability for expenses	26	57,426,379	57,426,383	55,564,343	1,862,040	-	-	-
		<b>1,159,060,239</b>	<b>1,159,682,471</b>	<b>1,069,836,779</b>	<b>50,078,199</b>	<b>23,824,161</b>	<b>13,653,935</b>	<b>2,289,397</b>
<b>Derivative financial liabilities</b>								
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-

**31 December 2024**

<i>In Taka</i>	Note	Carrying amount	Contractual cash flows					
			Total	2 months or less	2-12 months	1 - 2 years	2 - 5 years	More than 5 years
<b>Non-derivative financial liabilities</b>								
Lease liabilities	22	64,092,029	64,092,029	4,119,318	20,205,218	23,824,161	13,653,935	2,289,397
Account payables	23	947,535,093	582,965,527	561,153,896	21,811,631	-	-	-
Liability for expenses	26	39,349,441	38,485,323	12,015,445	26,469,878	-	-	-
		<b>1,050,976,563</b>	<b>685,542,879</b>	<b>577,288,659</b>	<b>68,486,727</b>	<b>23,824,161</b>	<b>13,653,935</b>	<b>2,289,397</b>
<b>Derivative financial liabilities</b>								
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-

**(iv) Market risk**

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**Interest rate risk**

This risk arises due to changes in interest rates on different interest-bearing instruments.

**Exposure to interest rate risk**

The interest rate profile of the Company's interest-bearing financial instruments as at statement of financial position date is as follows:

<i>In Taka</i>	<i>Note</i>	<b>Nominal Amount</b>	
		<b>Jun'25</b>	<b>2024</b>
<b>Fixed rate instruments</b>			
<b>Financial assets</b>			
Fixed deposits	18	227,133,859	83,497,817
Investment in money market instruments		550,755,540	306,861,055
<b>Financial liabilities</b>			
		-	-
		<b>777,889,399</b>	<b>390,358,872</b>
<b>Variable rate instruments</b>			
<b>Financial assets</b>			
Cash at banks	18	1,060,869,471	1,185,003,944
<b>Financial liabilities</b>			
Lease liabilities	22	(63,469,801)	(64,092,029)
		<b>997,399,670</b>	<b>1,120,911,915</b>

Notes to the financial statements (Continued)

**37 Contingencies and commitments**

**a) Contingencies**

See accounting policy in Note 40G

There is no contingent liability at the end of the year (2024: Nil).

**b) Commitments**

A bank guarantee amounting to BDT 950,000,000 was issued in favour of DSE and BDT 50,000,000 was issued in favour of CSE for the purpose of share trading. (2023: A bank guarantee amounting to BDT 500,000,000 was issued in favour of DSE and BDT 50,000,000 was issued in favour of CSE for the purpose of share trading.)

**38 Related parties**

**a) Parent and ultimate controlling party**

BRAC Bank PLC is the parent and ultimate controlling party of the Company by virtue of holding 90% voting shares along with majority representation on the Board of Directors.

**b) Transactions with key management personnel**

**(i) Loans to directors**

During the year, no loan was given to the directors of the Company.

**(ii) Key management personnel compensation**

Key management personnel compensation comprised the following:

In Taka	Jun'25	2024
Board meeting attendance fee	183,334	183,332
	<b>183,334</b>	<b>183,332</b>

The Company's key management personnel includes the Company's directors. No compensation other than board meeting attendance fee is given to them.

**(c) Other related party transactions**

In Taka	Transaction values for the year ended			Balance outstanding as at	
	30 June Jun'25	31 December 2024		31 December Jun'25	31 December 2024
<b>Parent and ultimate controlling party</b>					
BRAC Bank PLC					
- Brokerage transactions	289,742	3,671,412	Receivable	-	-
			Payable	131,173	167,627
<b>Post employment benefits plans</b>					
BRAC EPL Stock Brokerage Limited- employee provident fund and gratuity fund					
- Brokerage transactions	216,652	318,435	Receivable	-	-
			Payable	4,174,061	134,471
<b>Sister concern</b>					
BRAC EPL Investments Limited					
- Brokerage transactions	2,250,117	11,293,622	Receivable	-	1,101,305
			Payable	5,059,247	22,172,992
<b>Common Board member</b>					
BRAC and DBH Finance PLC.					
- Brokerage transactions	-	200,384	Receivable	-	-
			Payable	6,270	7,619
<b>Sister concern</b>					
BRAC EPL Investments Limited					
- Rental and other operating expense	1,076,615	2,820,399	Receivable	3,603,414	2,526,799
			Payable	57,500	57,500

**39 Other disclosures****39.1 Number of employees**

As at 30 June 2025, number of regular employees receiving remuneration of Taka 36,000 or above per annum was 128 (31 December 2024: 143).

**39.2 Comparatives**

Previous year's figures have been rearranged, wherever considered necessary to conform with the current year's presentation.

**39.3 Leases****A Leases as lessee (IFRS 16)**

The Company leases a number of offices and warehouse facilities. The leases typically run for a period of 3-6 years, with an option to renew the lease after that date. Lease payments are adjusted at predetermined intervals.

Information about leases for which the Company is a lessee is presented below.

**i) Amounts recognised in profit or loss**

In Taka	Jun'25	2024
Interest on leases	<b>2,882,981</b>	2,023,722
Depreciation on leased assets	<b>11,990,223</b>	537,126
	<b>14,873,204</b>	2,560,848

**ii) Amounts recognised in statement of cash flows**

In Taka	Jun'25	2024
Total cash outflow for leases	<b>(15,380,718)</b>	(27,362,938)
	<b>(15,380,718)</b>	(27,362,938)

**B Leases as lessor (IFRS 16)**

The company leases a portion of some of its leased properties while the rest is used for operational purposes. All sub-leases are classified as finance sub-leases. The sub-leases are given for a period of 3-6 years, with an option to renew the lease after that date. Lease payments are adjusted at predetermined intervals.

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date:

In Taka	Jun'25	2024
Less than one year	<b>2,176,111</b>	2,431,130
One to two years	<b>2,076,541</b>	2,563,201
Two to three years	<b>585,802</b>	2,485,366
More than three years	<b>144,031</b>	1,128,307
<b>Total undiscounted lease receivable</b>	<b>4,982,485</b>	8,608,004
Unearned finance income	<b>(1,385,970)</b>	(4,112,390)
<b>Net investment in the lease</b>	<b>3,596,515</b>	4,495,614

**39.4 Subsequent events**

No material events had occurred after the reporting date to the date of issue of these financial statements, which could affect the values stated in the financial statements.

**39.5 Reporting period**

The financial statements of the Company covers the year from 1 January to 30 June and it is followed consistently. These financial statements cover period from 1 January 2025 to 30 June 2025.

**39.6 Basis of measurement**

The financial statements have been prepared on going concern basis under the historical cost convention expect for the following items:

<b>Items</b>	<b>Measurement Basis</b>
Debt securities at FVPL	Fair value
Equity securities at FVPL	Fair value

**39.7 Going concern**

The Company has adequate resources to continue in operation for the foreseeable future. For this reason the management continues to adopt going concern basis in preparing the financial statements. The current resources of the Company provide sufficient fund to meet the present requirements of its existing business.

**40 Material accounting policies**

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

Certain comparative amounts in the statement of financial position and statement of profit or loss and other comprehensive income have been reclassified/represented during the current year for better presentation.

Set out below is an index of the significant accounting policies, the details of which are available on the pages that follow:

- A Property, plant and equipment
- B Intangible assets
- C Leases
- D Investment
- E Provisions
- F Taxation
- G Contingencies
- H Revenue recognition
- I Employee benefits
- J Financial Instruments

**A Property, plant and equipment**

**Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset and bringing to the location and condition necessary for it to be capable of operating in the intended manner. The cost of self constructed asset includes the cost of material, direct labour and any other cost directly attributable to bringing the assets to a working condition for their intended use.

**Subsequent costs**

The costs of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its costs can be measured reliably. The cost of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

**Depreciation**

The company uses straight line method for charging depreciation. Full month depreciation is charged on additions irrespective of date of its acquisition whereas no depreciation is charged in the month of disposal. The rates of depreciation on various classes of property, plant and equipment are as under:

<b>Name of the assets</b>	<b><u>Jun'25</u></b> <b>Rates (%)</b>	<b><u>2024</u></b> <b>Rates (%)</b>
Office floor space	2%	2%
Furniture and fixture	12.50%	12.50%
Office decoration	15%	15%
Computers and accessories	25%	25%
Air cooler and ceiling fans	20%	20%
Electrical and office equipment	20%	20%
Vehicles	20%	20%

### **Retirement and disposals**

An asset is derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined by the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

## **B Intangible assets**

### **Recognition and measurement**

An intangible asset is recognised if it is probable that future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be measured reliably.

Intangible assets comprise the value of computer software. An intangible asset is measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and accumulated impairment losses (if any).

### **Amortisation of intangible assets**

Amortisation is recognised in the Statement of Profit or Loss and Other Comprehensive Income on straight line basis from the date that they are available for use. Amortisation on intangible assets is charged for the full month from the month of acquisition. In case of disposals, amortisation is charged up to the immediate previous month of disposal. Amortisation is calculated using the straight line method to write down the cost of intangible assets to their residual values over their estimated useful lives based on the management best estimates of 3 years. The rate of amortisation is 33.33% per annum for software. Amortisation methods and amortisation rate are reviewed at each reporting date and adjusted if appropriate.

### **Subsequent expenditure**

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

## **C Leases**

The Company has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4.

— the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

— the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

— the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

-- the Company has the right to operate the asset; or

-- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

**i. As a lessee**

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

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

When measuring lease liabilities, The company discounted lease payments using its incremental borrowing rate - 9% at 1 January 2024 and 10.5% at 1 September 2024.

**Short-term leases and leases of low-value assets**

Currently the Company has one short-term lease or lease of low value asset. The Company will not recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company will recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term as applicable.

**ii. As a lessor**

The company provides space to BRAC EPL Investments Limited (hereinafter referred to as "BEIL"), subsidiary of BRAC Bank for facilitating business activities in return of a monthly payment under an agreement. Currently, the company shares its six branch premises with BEIL. The Company derecognized the right-of use asset (to the extent that it is subject to the sub-lease) and recognized a finance lease receivable as 'Receivable from Sub-lease with BEIL' (Note-13). The finance lease receivable is presented under "Accounts receivable" in Statement of Financial Position. Sublease income for the reporting period shown under 'Finance Income' (Note-33).

**D Investment**

**i. Investment in quoted securities**

The Company invests in quoted securities traded on the secondary capital market in Bangladesh. These securities are acquired primarily for future sale or held for dividend income. Initially, securities are recognized at cost; however, at the reporting date, they are measured at market value on an aggregate basis. Listed securities are valued based on the closing quoted market price on the Dhaka Stock Exchange as of the valuation date, i.e., March 31, 2025. The resultant unrealized gain or loss is calculated on a portfolio basis. The Company categorizes its investments as "fair value through profit or loss," where gains or losses arising from changes in fair value are recognized in the statement of comprehensive income in accordance with IFRS 9: Financial Instruments. However, IPO shares for which trading has not yet commenced are reported at cost.

As per the press release issued by the Bangladesh Securities and Exchange Commission (BSEC) [Reference: BSEC/Surveillance/Spokesperson (5th part)/2019/360], the Commission has extended the provisioning facility for unrealized losses in dealer portfolios until 31 December 2025. Since BRAC EPL Stock Brokerage Ltd complies with IFRS 9, the Company has not availed itself of the aforementioned provisioning facility, ensuring continued compliance with IFRS reporting requirements.

**ii. Investment in mutual funds**

The Company also invests in both closed-end and open-end mutual funds. At the reporting date, closed-end mutual funds are recognized at market price on the Dhaka Stock Exchange, while open-end mutual funds are recognized at either the repurchase, surrender, redemption price, or NAV at market value—whichever is available. As per IFRS 9: Financial Instruments, mutual funds are classified as "fair value through profit or loss," with any gains or losses arising from changes in fair value recognized in the statement of comprehensive income.

**i. Debt Instrument**

The Company's investment in t-bills and bonds is classified into two categories. The "held to maturity" debt instruments with fixed or determinable payments that the group has the positive intent and ability to hold to maturity are categorised and subsequently measured at "amortised cost". On the other hand, the "held for trading" debt instruments that are acquired principally for the purpose of selling or repurchasing - in short trading; shall be categorised as "fair value through profit or loss". After initial recognition, these are measured at fair value, and any change in the fair value is recognized in the statement of profit and loss for the period in which it arises.

**E Provisions**

The company recognises provisions only when it 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 obligation and when a reliable estimate of the amount of the obligation can be made.

**F Taxation**

**a) Current tax**

Current tax has been made on the basis of the Finance Act 2023. Income tax withheld from the transactions of traded securities in accordance with section 137 @ 0.05% is the minimum tax of the Company under section 163 of Income Tax Act (ITA) 2023. Income tax provision is made on capital gains on sale of shares of listed company @ 10% as per SRO No. 269/Law/Income Tax/2010 dated 1 July 2010 whereas it is @ 27.50% on other than Brokerage income as per tax laws.

**b) Deferred tax:**

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax 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 reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity. The deferred tax asset/income or liability/expense does not create a legal obligation to, or recoverability from, the income tax authority.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**G Contingencies**

Contingencies arising from claims, litigation assessments, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured.

**Contingent liabilities**

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

Contingent liability should not be recognised in the financial statements, but may require disclosure. A provision should be recognised in the period in which the recognition criteria of provision have been met.

**Contingent assets**

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

A contingent asset must not be recognised. Only when the realisation of the related economic benefit is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

**H Revenue recognition**

Revenue is only recognised when the company satisfies a performance obligation in the contract with a customer and when it meets five steps model framework as per IFRS 15. Details of revenue recognition policies are given as under:

- (i) Brokerage commission is recognised as income when selling or buying orders are executed.
- (ii) Interest income on FDR and STD accounts is recognised when accrued.
- (iii) Interest Income from margin loan is recognised on accrual basis. Such income is calculated on daily margin loan balance of the respective parties. Income is recognised on monthly basis and applied to the customers' account on quarterly basis.
- (iv) Cash dividend income is recognised on the declaration of dividend and subsequent receipt of such dividend; and
- (v) Stock dividend (bonus shares) have been recognised at zero cost and added with existing shares resulted decrease in per unit cost price of the existing shares.
- (vi) Capital gains on sale of shares are recognised both on realisation and unrealisation.

**Cost of services**

Cost of services includes transaction costs charges of stock exchanges booked on daily basis as per trading after receiving the trade reports and the charges of Central Depository Bangladesh Ltd. (CDBL) booked on monthly basis, after receiving the bills from CDBL.

## **I Employee benefits**

### ***Defined contribution plan (provident fund)***

All permanent employees contribute 10% of their basic salary to the provident fund and the Company also makes equal contribution. Provident fund is administered by a Board of Trustees. Registration of the provident fund with the National Board of Revenue (NBR) was effected on 1 April 2018.

### ***Defined benefit plan (gratuity)***

The Company recognises contribution to defined benefit plan as an expense when an employee has rendered services in exchange for those contributions. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

### ***Terminal benefits (End-of-service benefits)***

In accordance with Section 27(4) of 'The Bangladesh Labour Act, 2006,' the company has made provisions for terminal benefits that exceed gratuity entitlements and are in addition to any other payable benefits for permanent employees, as follows:

- For employees with at least 5 (five) but less than 10 (ten) years of continuous service: 14 (fourteen) days' wages per completed year of service.
- For employees with 10 (ten) or more years of continuous service: 30 (thirty) days' wages per completed year of service.

These provisions ensure additional financial security for long-serving employees.

### **Workers' profit participation fund and welfare fund**

As per Chapter XV of Bangladesh Labour Act 2006, every company requires to pay 5% of its net profit to the Workers' Profit Participation Fund, Welfare Fund and Bangladesh Worker's Welfare Foundation Fund (WPPF) at the ratio of 80:10:10 if certain condition is met.

However, Bank and Financial Institution Division of Ministry of Finance issued letter no. 53.00.0000.311.22.002.17.130 dated 14 February 2017 to the Ministry of Labour and Employment stating not to impose the compliance of Chapter XV of Bangladesh Labour Act 2006 on banks and financial institutions as Bangladesh Bank, Association of Bankers and Bank and Financial Institution Division of Ministry of Finance had concluded that the Chapter XV of Bangladesh Labour Act 2006 should not be made applicable to the banks and financial institutions.

BRAC EPL Stock Brokerage Limited has been considered a Financial Institution by Bangladesh Securities and Exchange Commission (BSEC) for the purpose of OFC (Other Financial Corporation) reporting required by Bangladesh Bank.

In order to be consistent with the industry practice and the clarification given by the Bank & Financial Institutions Division of Ministry of Finance, no provision for Workers' Profit Participation Fund has been made by the company in the reporting period. This is also supported by opinion obtained by the management from external legal advisor.

## **J Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. In accordance with International Financial Reporting Accounting Standard (IFRS) 9, financial assets may be recognised at fair value, with gain and losses taken to the income statement in net investment income. A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term.

### **Cash and cash equivalents**

In the Statement of Cash Flows, cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

### **Investment in FDRs**

Fixed Deposit Receipts (FDRs) are recognized as financial assets under IFRS 9 and are typically measured at amortized cost. Interest is recorded using the effective interest method. FDRs maturing within 12 months are classified as current assets, while those maturing after 12 months are non-current—unless management intends to use them sooner. Highly liquid investments with maturities of three months or less, not held for

regulatory purposes, are classified as cash and cash equivalents.

**Account receivables**

Accounts receivables consist mainly of net receivables from Exchanges and clients broker for daily sale and buy transactions of clients. These are cleared every 3 working days.

**Other receivables**

The 'Other Receivables' category includes accrued interest on Fixed Deposit Receipts (FDRs) and treasury bonds & bills, dividend receivables, receivable from disposal of assets and the forfeiture amount of the provident fund, as well as the balance of the employer's contribution for employees who left the company before completing two years of service. The balance of the forfeited amount is receivable from the BRAC EPL Stock Brokerage Employee Provident Fund as per the FRC notification (No. 179/FRC/FRM/Notice/2020/2).

**Margin loan to clients**

Margin loans are given as per margin loan policy of the Company. Normally clients are required to deposit Taka 15 lac for entitlement of margin loan.

**Financial liabilities**

The Company initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. Financial liabilities include finance lease obligations, loans and borrowings, accounts payables and other payables.

**41 Standards issued but not yet effective**

A number of new standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

<b>Effective date</b>	<b>New accounting standards or amendments</b>
01 January 2024	Non-current liabilities with covenants (Amendments to IAS 1) and Classification of liabilities as current or non-current (Amendments to IAS 1) Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
01 January 2025	Lack of exchangeability - Amendments to IAS 21
01 January 2026	Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7. Annual Improvements to IFRS Standards
01 January 2027	IFRS 18 Presentation and Disclosure in Financial Statements