Top Ranking Life Insurance Company

সন্ধানী লাইফ ইনস্যুরেন্স কোম্পানী লিঃ

SANDHANI LIFE INSURANCE COMPANY LIMITED

Sandhani Life Tower, Rajuk Plot No-34, Bangla Motor, Dhaka-1000, Phone: 02-55168181-5, Fax: 88-02-9614405, Web: www.sandhanilife.com

SECOND QUARTER FINANCIAL STATEMENT-2026 (UN-AUDITED)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT 30 JUNE 2026

PARTICULARS	Notes	30-06-2026 Taka	31-12-2025 Taka
CAPITAL AND LIABILITIES:			
SHARE HOLDER'S CAPITAL:			
Authorized			
200,000,000 Ordinary Shares of Tk. 10 each		2,000,000,000	2,000,000,000
Issued, Subscribed & Paid up			
109,698,633 Ordinary Shares of Tk. 10 each		1,096,986,331	1,096,986,331
Revaluation Surplus		610,030,037	610,485,116
Adjustment of Fair Value Change Account	8.00	-	65,889,824
BALANCE OF FUNDS AND ACCOUNTS:			
Life Insurance Fund	3.00	7,203,030,173	7,099,329,000
Retained Earnings (SLHDCL,SLFL & SAML)		(9,132,197)	20,370,278
Non Controlling Interest		6,956	6,585
LIABILITIES AND PROVISIONS:		1,358,507,616	1,246,220,539
Amount Due to Other Persons or Bodies Carrying on Insurance Business		70,673,458	67,037,697
Estimated Liabilities in Respect of Outstanding Claims Whether Due or Intimated		21,802,540	24,775,954
Provision for Doubtful Debt		35,282,606	35,282,606
Sundry Creditors		129,110,956	86,100,463
Unclaimed Dividend Account	7.00	5,004,948	5,640,472
Provision for Income Tax	4.00	1,083,627,600	1,001,228,586
Lease Liability	11.00	10,695,896	15,724,390
Premium Deposits		2,309,612	10,430,371
TOTAL CAPITAL AND LIABILITIES		10,259,428,916	10,139,287,673
PROPERTY AND ASSETS:			
LOAN:		108,904,269	119,214,683
On Insurance Policies within their Surrender Value		94,396,440	97,293,962
Higher Education Support Plan		7,580,000	7,580,000
Margin Loan to Clients		6,927,829	14,340,721
INVESTMENT (AT COST):		4,233,122,400	4,196,517,334
Statutory Deposit with Bangladesh Bank(BGTB)		15,000,000	15,000,000
Bangladesh Govt. Treasury Bond (BGTB)		3,011,697,771	3,088,558,366
Shares		862,233,863	856,881,417
Mutual Fund & Unit Fund		344,190,766	236,077,551
Outstanding Premium		471,192,040	459,705,078
Profit/Interest, Dividend & Rents Accruing But Not Due		387,721,703	347,741,678
Sundry Debtors		183,481,346	172,681,143
Advance, Deposit & Pre Payments		1,076,385,206	993,674,166
Premium on BGTB		36,447,678	18,134,793
Deferred Tax Assets	5.00	26,096,506	25,795,910
Right of use Assets	10.00	10,225,871	15,177,151
Adjustment of Fair Value Change Account	8.00	32,065,507	-
CASH, BANK AND OTHER BALANCES		2,377,385,999	2,466,670,576
On Fixed Deposit		1,809,868,014	1,821,526,062
On Current & STD Account with Banks		564,496,795	643,162,230
Cash in Hand		3,021,190	1,982,284
OTHER ASSETS:		1,316,400,391	1,323,975,161
Forms, Stamps and Stationery in Hand		7,058,958	6,788,160
Fixed Assets (At cost/Revaluation less Depreciation)		1,309,341,433	1,317,187,001
TOTAL PROPERTY AND ASSETS		10,259,428,916	10,139,287,673

Md. Mizanur Rahman	Md. Mahbubur Rahman	Nemai Kumar Saha	Shaheduzzaman Choudhury FCA	Mojibul Islam
Company Secretary	CFO (CC)	CEO	Director	Chairman

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SECOND QUARTER FINANCIAL STATEMENT-2026 (UN-AUDITED)

CONSOLIDATED LIFE REVENUE AND PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ACCOUNT (UN-AUDITED)
FOR THE SECOND QUARTER ENDED 30 JUNE 2026

PARTICULARS	Notes	Jan to June 2026 Taka	Jan to June 2025 Taka	April to June'26 Taka	April to June'25 Taka
1. BALANCE OF FUND AT THE BEGINNING OF THE PERIOD		7,099,329,000	6,941,195,786	7,076,673,264	6,733,601,210
2. BALANCE OF RETAINED EARNING AT THE BEGINNING OF THE PERIOD (SLHDCL, SLFL & SAML)		20,370,278	19,018,980	22,546,287	18,944,838
		-		-	
3. PREMIUM LESS RE-INSURANCE		918,459,335	895,990,155	407,683,490	405,581,138
First Year Premium		242,892,042	240,591,225	79,677,209	87,725,542
Renewal Premium		672,443,831	651,179,130	328,812,273	317,826,910
Group & Hospitalization Insurance Premium		8,716,940	9,000,160	2,149,660	3,273,115
Gross Premium		924,052,813	900,770,515	410,639,142	408,825,567
Less: Re-Insurance Premium		5,593,478	4,780,360	2,955,652	3,244,429
4. PROFIT/ INTEREST, DIVIDEND AND RENTS		309,703,232	239,454,056	179,841,861	122,600,398
5. OTHER INCOME		492,424	6,942,601	(3,868,109)	2,407,861
6. ADJUSTMENT OF DEPRECIATION ON REVALUED ASSETS		455,079	455,079	227,540	227,540
8 ADJUSTMENT OF FAIR VALUE CHANGE ACCOUNT		97,955,331	(14,636,642)	97,955,331	(4,752,524)
A) TOTAL (1+2+3+4+5+6)		8,446,764,679	8,088,420,015	7,781,059,664	7,278,610,461
7. CLAIMS UNDER POLICIES (including provision for claims due or intimated less Re-insurance)		833,311,162	998,251,366	394,140,419	415,909,425
8. EXPENSES OF MANAGEMENT:		289,524,469	296,071,882	111,018,369	119,067,689
a) Commission & Allowances		129,347,237	137,575,791	29,090,518	41,606,354
b) Management Expenses		160,177,232	158,496,091	81,927,851	77,461,335
9. OTHER EXPENSES		14,557,549	15,894,305	7,321,439	8,042,806
10. PROVISION FOR INCOME TAX:		82,098,418	85,580,359	41,306,407	42,968,421
i. Current Tax	4.00	82,399,014	85,474,051	41,418,536	42,745,877
ii. Deferred tax (Income)/Expenses	5.00	(300,596)	106,308	(112,129)	222,544
11. CONTRIBUTION TO CSR		125,000	535,000	125,000	535,000
12. ADJUSTMENT OF FAIR VALUE CHANGE ACCOUNT	8.00		-	-	-
13. DIVIDEND: (STOCK)		33,250,000	-	33,250,000	-
13. BALANCE OF RETAINED EARNINGS AT THE END OF THE PERIOD (SLHDCL, SLFL & SAML)		(9,132,197)	18,343,656	(3,192,197)	18,343,656
14. NON CONTROLLING INTEREST		105	(42)	53	(25)
15. BALANCE OF FUND AT THE END OF THE YEAR AS SHOWN IN THE FINANCIAL POSITION		7,203,030,173	6,673,743,489	7,197,090,173	6,673,743,489
B) TOTAL (7+8+9+10+11+12+13+14+15)		8,446,764,679	8,088,420,015	7,781,059,664	7,278,610,461

Md. Mizanur Rahman	Md. Mahbubur Rahman	Nemai Kumar Saha	Shaheduzzaman Choudhury FCA	Mojibul Islam
Company Secretary	CFO (CC)	CEO	Director	Chairman

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SECOND QUARTER FINANCIAL STATEMENT-2026 (UN-AUDITED)

CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SECOND QUARTER ENDED 30 JUNE 2026

PARTICULARS	Jan to June 2026 Taka	Jan to June 2025 Taka
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Collection from Premium/operating & others Revenue	903,618,115	931,368,416
Profit/Interest,Dividend,Rents & Others Received	266,805,288	198,822,677
Miscellaneous Income Received	275,778	449,739
Payment for Claims	(836,284,576)	(983,402,469)
Payment for Re-insurance, Management Expenses and Others	(297,660,629)	(369,988,305)
Income Tax Paid/Deducted	(43,973,991)	(29,172,476)
Net Cash from Operating Activities	**(7,220,015)**	**(251,922,418)**
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment made in Shares	(154,630,335)	(15,759,990)
Proceeds from Sales of Investment in Shares	11,090,540	4,873,586
Encashment of Bangladesh Govt. Treasury Bond (BGTB)	1,640,000,000	1,422,500,000
Premium on Purchase of Bangladesh Govt. Treasury Bond (BGTB)	(18,312,885)	87,917
Investment of Bangladesh Govt. Treasury Bond (BGTB)	(1,530,022,928)	(1,072,005,208)
Investment in Subsidiary Companies	(33,249,734)	-
Acquisition of Fixed Assets	(6,603,440)	(12,670,557)
Proceeds from Disposal of Fixed Assets	-	2,946,695
Loan disbursed against Policies	(7,690,000)	(13,376,000)
Loan against Policies Realised	10,587,522	4,258,796
Margin Loan to Clients	7,412,893	(2,823,010)
Net Cash used in Investing Activities	**(81,418,367)**	**318,032,229**
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Dividend paid to shareholders	(635,524)	1,490,058
Financial Expenses	(10,671)	-
Net Cash from Financing Activities	**(646,195)**	**1,490,058**
D. NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	**(89,284,577)**	**67,599,869**
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**2,466,670,576**	**1,839,333,298**
F. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (D+E)	**2,377,385,999**	**1,906,933,167**

Md. Mizanur Rahman	Md. Mahbubur Rahman	Nemai Kumar Saha	Shaheduzzaman Choudhury FCA	Mojibul Islam
Company Secretary	CFO (CC)	CEO	Director	Chairman

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SECOND QUARTER FINANCIAL STATEMENT-2026 (UN-AUDITED)

CONSOLIDATED STATEMENT OF CHANGES IN SHARE HOLDER'S EQUITY (UN –AUDITED)
FOR THE SECOND QUARTER ENDED 30 JUNE 2026

PARTICULARS	Share Capital			Retained Earnings	Non-Controlling Interest	Total
	Paid in Cash	Bonus Share	Total			
As on 01 January 2026	30,000,000	1,066,986,331	1,096,986,331	20,370,278	6,585	1,117,363,194
Addition during the Period	-	-	-	(29,502,475)	371	(29,502,104)
As on 30 June 2026	30,000,000	1,066,986,331	1,096,986,331	(9,132,197)	6,956	1,087,861,090

FOR THE SECOND QUARTER ENDED 30 JUNE 2025

PARTICULARS	Share Capital			Retained Earnings	Non-Controlling Interest	Total
	Paid in Cash	Bonus Share	Total			
As on 01 January 2025	30,000,000	1,066,986,331	1,096,986,331	19,018,980	6,568	1,116,011,879
Addition during the Period	-	-	-	(675,324)	(42)	(675,366)
As on 30 June 2025	30,000,000	1,066,986,331	1,096,986,331	18,343,656	6,526	1,115,336,513

Md. Mizanur Rahman	Md. Mahbubur Rahman	Nemai Kumar Saha	Shaheduzzaman Choudhury FCA	Mojibul Islam
Company Secretary	CFO (CC)	CEO	Director	Chairman

SANDHANI LIFE INSURANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED ON 30 JUNE 2026

1.00 THE COMPANY & ITS NATURE OF BUSINESS

The Company was incorporated on January 23, 1990 and is mainly engaged in Ordinary Life, Islami (Takaful) Life, Group Term and Hospitalization Insurance Business. It also operates in non-traditional Micro Life Insurance Business under the name of IDPS,GIDPS,DPS,GDPS and GSB Scheme. The Company is a publicly traded company and its shares are listed on the Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC.

1.01 COMPONENTS OF THE FINANCIAL STATEMENTS

The financial statements include the following components:

i. Statement of Financial Position
ii. Life Revenue and Profit or Loss and Other Comprehensive Income Account
iii. Statement of Changes in Equity
iv. Statement of Cash Flows
v. Statement of Life Insurance Fund
vi. Classified Summary of the Assets in Bangladesh (Form AA), and
vii. Accounting Policies & Explanatory Notes

2.00 SIGNIFICANT ACCOUNTING POLICIES

2.01 BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE

The Financial Statements have been prepared on the historical cost basis and therefore, do not take into consideration of the effect of inflation. The following underlying laws, rules, regulations and accounting pronouncements have been considered in preparing and presenting the Financial Statements:

i) The Insurance Act 2010;
ii) The Companies Act 1994;
iii) The Securities and Exchange Rules 2020;
iv) The Income Tax Act 2023;
v) The Listing Regulations of the Bangladesh Securities and Exchange Commission (BSEC);
vi) The Value Added Tax and Supplementary Duty Act 2012 & Rules-2016;
vii) Relevant rules,regulations and guideline issued by the Insurance Development & Regulatory Authority(IDRA);
viii) Following IAS and IFRS are applicable for preparation and presentation of the financial statements:

IAS-1	Presentation of Financial Statements
IAS-2	Inventories
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting period
IAS-12	Income Taxes
IAS-16	Property, Plant and Equipment
IAS-19	Employee Benefits
IAS-21	The Effects of Changes in Foreign Exchange Rates
IAS-24	Related Party Disclosures
IAS-26	Accounting and Reporting by Retirement Benefit Plans
IAS-27	Separate Financial Statements
IAS-32	Financial Instruments: Presentation
IAS-33	Earnings per Share
IAS-34	Interim Financial Statements
IAS-36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IAS-38	Intangible Assets
IAS-40	Investment Property
IFRS-3	Business Combination
IFRS-7	Financial Instruments : Disclosures
IFRS-9	Financial Instruments
IFRS-10	Consolidated Financial Statements
IFRS-12	Disclosure of Interests in Other Entities
IFRS-13	Fair Value Measurement
IFRS-15	Revenue from Contracts with Customers
IFRS-16	Leases
IFRS-17	Insurance Contract

ix) Any other applicable legislation.

Where the requirements of the Companies Act 1994, the Insurance Act 2010 and the Securities and Exchange Ordinance 1969, the Securities and Exchange Commission Act 1993, the Securities and Exchange Rules 2020 differ with the requirements of these standards, the requirements of the Companies Act 1994, the Insurance Act 2010 and the Securities and Exchange Rules 2020 take precedence.

2.02 CONSOLIDATION

The Consolidated Financial Statements include the Financial Statements of Sandhani Life Insurance Company Ltd., Sandhani Life Finance Ltd., Sandhani Life Housing & Development Company Ltd. & Sandhani Asset Management Ltd. The Consolidated Financial Statements have been prepared in accordance with IFRS-10.

2.03 RISK AND UNCERTAINTIES FOR USE OF ESTIMATES IN PREPARATION OF FINANCIAL STATEMENTS

Preparation of Financial Statements in conformity with the IFRS/IAS requires management to make estimates and assumption that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and revenues and expense during the year reported. Actual result could differ from those estimates. Estimates are used for accounting of certain items such as long term contracts, depreciation and amortization, employees benefit plans, taxes, reserves and contingencies.

2.04 RESPONSIBILITY FOR PREPARATION AND PRESENTATION OF FINANCIAL STATEMENT

Management is responsible for the preparation and presentation of Financial Statements under section 183 of Companies Act, 1994 and as per the provision of International Financial Reporting Standard (IFRS) and International Accounting Standard (IAS) "The Frame work for the preparation and presentation of Financial Statements" issued by the International Accounting Standards Board (IASB).

2.05 FIXED ASSETS

Fixed assets are stated at cost or revaluation less accumulated depreciation in compliance with IAS-16: Property, plant and equipment.

2.06 DEPRECIATION

i) Depreciation has been calculated on fixed assets adopting straight line method on all assets at varying rates depending on the class and estimated useful life of assets. Depreciation is charged at the rates shown below:

Name of Assets	Rate of Dep.
Telephone Installation	30%
Furniture & Fixture	15%
Office Equipments	30%
Electric Equipments	15%
Vehicles	20%
Building	1.5%-5.5 %
Land & Building (Commercial Space)	1.5%
Sign Board	20%
Software	25%

ii) Depreciation on addition to fixed assets during the year has been charged based on the date as per para 50 of IAS 16.

iii) Depreciation rate on Building and Land & Building was 5.5% and 1.5% respectively. Depreciation rate on Building and Land & Building (Commercial Space) has been changed due to revaluation on assets and depreciation has been calculated based on remaining life of those assets.

2.07 DISPOSAL OF ASSETS

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

2.08 FORMS, STAMPS, STOCK AND STATIONERY IN HAND

This includes stock of stamps, stationery and printing materials in hand and these are valued at lower of cost and net realizable value.

2.09 TAXATION & VAT

a) **Current Tax:**
Income Tax of Life Insurance Companies are determined under the fourth schedule of Income Tax Act 2023 on the basis is of Actuarial Valuation Report.

Charge for the current tax is calculated following the accepted method of income assessment and using the tax rate enacted at the Statement of Financial Position date and includes adjustments, where considered necessary, relating to prior years.

b) **Deferred Tax:**
Deferred Tax is recognized on the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for as per provision of IAS-12: Income Taxes.

c) **VAT:**
VAT is exempted on life Insurance business according to section 4 of second schedule of The Value Added Tax and Supplementary Duty Act, 2012. VAT deduct at source for various services in accordance with relevant section of above VAT Act that has been deducted and deposited to Bangladesh Bank through Treasury Challan.

2.10 COMMISSION

Commission to Insurance Agents i.e.. Field Associates (Less that on Re-insurance) represents First Year Commission, Renewal Commission and Group Commission. Allowances and Commission (other than commission to Insurance Agents less that on Re-insurance) represent Employer of Agents which also includes Supervisors Salary, Allowances & various incentives of Ordinary Life, Islami (Takaful) Life, IDPS, GIDPS, DPS, GDPS and GSB.

2.11 CONSOLIDATED STATEMENT OF CASH FLOWS

Cash Flow Statement is prepared in accordance with IAS-7 Statements of Cash Flows and Cash Flow from operating activities have been presented under direct method and Indirect method as outlined in the Securities and Exchange Rules 1987.

Cash in hand, Cash at Bank & Fixed deposits have been considered as the Cash and Cash equivalents for the preparation of the Statement, which were held and available for use by the Company without any restriction and there was insignificant risk of changes in the value of these assets. In consolidated Financial Statement, Investment in FDR of Subsidiary Company has been shown under cash at bank and other balances.

2.12 EMPLOYEES BENEFIT PLANS AS PER IAS 19

Provident Fund:

The Company has implemented Provident Fund from July 2010. The company is contributing @ 10 % of basic salary of permanent employees as well as employees are contributing at the same rate. Provident Fund has been treated as Recognized Provident Fund. The Provident Fund is administered by the Board of Trustee of the Provident Fund.

Gratuity Fund:

The Company has implemented Gratuity Fund from July 2010 for all of its permanent employees. The fund is approved by the National Board of Revenue (NBR) as on 11 April 2013. Employees are entitled to get the benefit at minimum 5 years of continuous service at the rate of one basic Salary for every year. Calculation of gratuity is made on the basis of last drawn basic salary.

Group Term & Health Insurance :

The company operates Group Term and Health Insurance Schemes for its permanent employees.

2.13 INVESTMENT

Investments are stated at their cost of acquisition. Any short fall in the market value of Share on the Statement of Financial Position date over cost price is provided for in the financial statements and transferred to provision for diminution in the value of shares of listed company resulting net realizable value in accordance with IDRA Circular No. Life 4/2012 of June 2012 and Mutual Fund provision as per Bangladesh Bank DFIM Circular No -05 11 May 2015. Interest on investment is accounted for on accrual basis.

2.14 REVENUE RECOGNITION

The revenue is recognized after satisfying all the conditions for revenue recognition as provided IFRS-15 "Revenue from Contracts with Customers" in compliance with IFRS-17 "Insurance Contract". Details of Income wise policy for revenue recognition are given as under:

a) **Premium Income**
Premiums are recognized as income when the related policies have been issued and the premiums received.

b) **Profit/Interest , Dividend and Other Income**
Profit/Interest on different investment is recognized on accrual basis. Dividend income has been accounted for only when right to receive the dividend is established. Profit on sale of share is recognized when it is realized.

2.15 PROVISIONS

A provision is recognized on the Statement of Financial Position date if, as a result of past events, the company has a present legal of constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

2.16 CLAIMS

a) Provision for death claims on account of cases when was intimated within 30 June, 2026 has been made in accounts after adjusting re-insurance thereof.

b) Provision for maturity, Survival Benefit, Surrender and Group Hospitalization claims was intimated within 30 June, 2026 but not paid has been made in accounts.

2.17 REPORTING PERIOD

Financial Statements of the company cover accounting period from 01 January 2026 to 30 June 2026 consistently.

2.18 REPORTING CURRENCY AND LEVEL OF PRECISION

The figures in the Financial Statements represents Bangladesh currency (Taka), which have been rounded off to the nearest Taka, unless stated otherwise.

2.19 COMPARATIVE INFORMATION

Previous years figures have been rearranged, where necessary, to conform to current years presentation.

2.20 RIGHT OF USE ASSETS AND LEASE LIABILITY

IFRS 16 Leases is effective for the annual reporting periods beginning on or after 1 January 2019. IFRS 16 defines that a contract is (of contains) a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16 significantly changes how a lessee accounts for operating leases. Under previous IAS 17, an entity would rent an office building or a branch premises for several years with such a rental agreement being classified as operating lease would have been considered as an balance sheet item. However, IFRS 16 does not require a lease classification test and hence all leases shall be accounted for as on balance sheet item(except some limited exception i.e.short-term lease, leases for low value items.

Under IFRS 16, an entity shall be recognizing a right-of-use (ROU) asset(i.e. the right to use the Zonal office, Shakha Karjaloy & branch office etc.) and a corresponding lease liability. The asset and the liability are initially measured at the present value of unavoidable lease payments. The depreciation of the lease asset (ROU) and the interest on the lease liability is recognized in the profit or loss account over the lease during the year as heading "Interest (lease rent)".In SLIC's case ROU is the right to use the Zonal office, Shakha Karjaloy & branch office etc.

While implementing IFRS 16, the company observed that IFRS 16 is expected to have impact on various regulatory capital and liquidity ratios as well as other statutory requirements issued by various regulators. In addition, there are no direction from National Board of Revenue (NBR) regarding treatment of lease rent, depreciation on Right of use Assets (ROU) and interest on lease liability for income tax purposes and applicability of VAT on such items. SLIC recognized Right of use Assets for lease rental related to office spaces that have significant value and corresponding lease liability has also been recognized using incremental borrowing rate. For transition of IFRS 16,the company adopted modified retrospective approach for first time implementation where impact on right of use assets and lease liability had been since 01 January 2021. Finally, paragraph 5 of IFRS 16 provide the recognition exemptions to short-term leases and leases for which the underlying asset is of low value. Details are in note #10.00 & 11.00".The interest is charged @ 9% per annum for the interest charge on lease liability during the lease period.

2.21 WORKERS PROFIT PARTICIPATION AND WELFARE FUND (WPPF)

The Bangladesh Labour Act, 2006 (as amended in 2018) declared the status of business of certain institutions and companies along with banks and insurance companies as 'industrial undertakings'. This Act requires the industrial undertakings to maintain provisions for workers' profit participation and welfare fund (WPPF) @ 5% on net profit.

The Ministry of Finance issued a letter to the Ministry of Labor and Employment (Ref: 53.00.0000.441.99.006.19-174 dated 29.06.2023) requesting to exempt Banks and Financial Institutions from this clause.

The Bangladesh Insurance Association (BIA) the trade body representing the Insurance company's issued a letter (reference no BIA- 03(58) 2023-48 dated 06-02-2023) to the Ministry of Finance requesting to exempt Insurance companies from WPPF requirements.

Furthermore, we requested IDRA (Ref: SD/161/40898/2014) our regulatory authority to clarify, from which fund the WPPF should be charged from.

Till date this issue is pending, thus we have not recognized WPPF as an expense in the Income Statement. Once we get complete guideline and instructions from the authorities, we will recognize WPPF.

2.22 Dividend Policy

Dividend :

Dividend refers to a reward, cash or otherwise, that a company gives to its shareholder's. Dividends can be issued in various forms, such as cash payment, stocks or any other form. Sandhani Life Insurance com. Ltd. dividend is decided by its Board of Directors and it requires the shareholder's approval from the Annual General Meeting. However, it is not obligatory for a company to pay dividend. Dividend is usually a part of the profit that the company shares with its shareholders.

Dividend, Bonus, Profit Distribution as per Insurance Act-2010:
Restriction on payment of dividends and bonuses.

1) No insurer shall pay any dividend on its shares until expenses on account of management expenses, share selling commission, all expenses related to brokerage, amounts of losses incurred, and any other item of expenditure, which cannot be met by adequate assets of the insurer, have been completely written off.

2) No insurer carrying on the life insurance business shall, for the purpose of declaring or paying any dividend to share-holders, any bonus to its policyholders, paying in relation to any kind of debentures, loans or advances, utilize directly or indirectly any portion of the insurance fund or the funds of any other class of insurance business, expect a surplus shown in the valuation balance sheet submitted to the Authority as part of the abstract referred to in this Act as a result of an actuarial valuation of the assets and liabilities of the insurer; and such surplus shall not be increased by transfer of contribution by any other means, except when the reserve fund is made up of surpluses disclosed to the Authority by submission of returns unless such contributions have been brought in as revenue through the revenue account applicable to life business on or before the date of the valuation aforesaid:

   Provided that payments made out of any such surplus in service of any debentures shall not exceed 50(fifty) percent of such surplus including any payment by way of interest on the debentures, and interest paid on the debentures shall not exceed 10 (ten) percent of any such surplus except when the interest paid on the debentures is offset against and credited to the fund or funds concerned in deciding the interest basis adopted in the valuation disclosing the aforesaid surplus:

   Provided further that the share of any such surplus allocated to or reserved for the shareholders, including any amount for the payment of dividends guaranteed to them, whether by way of first charge or otherwise, shall not exceed such sums as may be prescribed by regulations and which shall in no case exceed :

   (a) 10 (ten) percent such surplus in case of participating policies; and

   (b) in other cases, such percentage of the whole surpluses as may be prescribed by regulations.

   Notwithstanding anything contained in this Act an insurer carrying on the business of life insurance shall be at liberty to declare an interim bonus or bonuses to policy-holders whose polices mature for payment by reason of death or otherwise during the inter valuation period, on the basis of the recommendation made by the investigating actuary at the last preceding valuation.

Dividend Payment System:

Dividend Payment System as per Bangladesh Securities and Exchange Commission Directive No. BSEC/CMRRCD/2021-386/03- Dated: 14 January 2021.

1) Sandhani Life insurance Co. Ltd. dividend distribution policy is disclosed in the annual report and it's official website;

2) The Board of Directors of the Company consider/adopt annual audited financial statements and Actuarial valuation in the same Board of Directors meeting to fix the date of relevant annual general meeting and take specific decisions with regard to (a) recommending or not recommending dividend for the shareholders on the basis of said financial statements; and (b) the shareholders who will be entitled to such dividend, if recommended:
   The decision about recommending or not recommending dividend and entitlement for such dividend, if recommended, cannot be changed prior to holding of the annual general meeting:
   That no dividend will be paid other than out of profits of the year or any other undistributed profits.

3) Pay off the annual or final dividend to the entitled shareholder, within 30 (thirty) days of approval:
Provided that interim dividend shall be paid off to the entitled shareholder, 30 (thirty) days of record date.

4) **Cash dividend shall be distributed in this following matter and procedures, namely;-**

(i) Within 10 (ten) days of declaration of cash dividend by the Board of Directors of the Company an amount equivalent to the declared cash dividend payable for the concerned year shall be kept in a separate bank account of the dedicated for this purpose;

(ii) The Company shall pay off cash dividend directly to the bank account of the entitled shareholder or unit holder as available in the BO account maintained with the depository participant (DP), or the bank account as provided by the shareholder or unit holder in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN): provided that the Company pay off such cash dividend through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to pay off through BEFTN;

(iii) Upon receiving the claim on dividend from a stock broker a merchant banker or a portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of stock broker or merchant banker or portfolio manager, shall pay off such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or to the separate bank account of the merchant banker or portfolio manager through BEFTN: provided that upon receiving the cash dividend, the cash dividend, the stock broker or merchant banker or portfolio manager shall immediately account for such dividend in the individual client's portfolio account: provided further that the stock broker or merchant banker or portfolio manager shall provide detailed information (e. g, BO account number, code number, bank account number, intention, etc. of the client or customer including CCBA of stock broker or separate bank account of merchant banker or portfolio manager) to the Company for such claim.

(iv) In case of non-availability of bank account information or not possible to distribute cash dividend through BEFTN or any electronic payment system, shall issue cash dividend warrant and shall it by post to the shareholder or unit holder;

(v) Pay off cash dividend to non-resident sponsor, director, shareholder, unit holder or foreign portfolio investor (FPI) through the security custodian in compliance with the rules or regulations in this regard;

(vi) Sandhani Life immediately after disbursement of cash dividend and issuance a certificate of tax deducted at source, if applicable, shall intimate to the shareholder or unit holder through a short message service (SMS) to the mobile number or email address as provided in the BO account or as provided by the shareholder or unit holder;

(vii) Sandhani Life maintain detailed information of unpaid or unclaimed dividend and rationale thereof, as per BO account number- wise or name- wise or folio number-wise of the shareholder or unit holder; and also disclose the summary of aforesaid information in the annual report and also report in the statements of financial position (Quarterly/ annually) as a separate line item 'Unclaimed Dividend Account': publish the year–wise summary of its unpaid or unclaimed dividend in the website: provided further that any unpaid or unclaimed cash dividend including accrued interest (after adjustment of bank charge, if any) thereon, if remains, shall be transferred to a separate bank account for this purpose, within 1 (one) year from the date of declaration or approval or record date, as the case may be.

5) The Company credit stock dividend directly to the BO account or issue the bonus share certificate of the entitled shareholder, as applicable, within 30 (thirty) days of declaration or approval or record date, as the case may be , subject to clearance of the exchange (s) and the Central Depository Bangladesh Limited (CDBL);

6) Sandhani Life , the CDBL and the exchange (s) follow the provisions of প্রবিধান 46 of the ডিপজিটরি (ব্যবহারিক) প্রবিধানমালা, 2003 for issuance of bonus shares: provided that the Company will maintain a Suspense BO Account for undistributed or unclaimed stock dividend or bonus shares and also follow the under mentioned procedures for ensuring the rightful ownership:

a) 3 (three) reminders to the entitled shareholder;

b) The Suspense BO Account shall be held under Block Module and such undistributed or unclaimed stock dividend or bonus shares shall not be transferred in any manner except. For the purpose of allotting the bonus shares as and when the allottee approaches to the Company; provided that any corporate benefit in terms of shares accrued on such undistributed or unclaimed stock dividend or bonus shares shall be credited to the Suspense BO Account.

c) Upon receiving application from the allottee and after proper verification of identity and his entitlement, credit the bonus shares lying with the allottee, as applicable, within 15 (fifteen) days of receiving application with an intimation to the Commission and the exchange (s);

d) Any voting rights on such undistributed or unclaimed stock dividend or bonus shares shall remain suspended till the rightful ownership claim of the shareholder is established.

7) Sandhani Life submit a compliance report to the Commission and the exchange(s) in a specified format at Annexure-A in respect of the provisions of clause (2), (3), (4) and (5) above, within 7 (seven) working days of completion of dividend distribution: provided that the Company will publish the compliance report in its website.

8) The Company not forfeits any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of land in force.

9) If any cash dividend remains unpaid or unclaimed or including accrued interest (after adjustment of bank charge, if any) thereon for a period of 3 (three) years from the date of declaration or approval or record date, as the case may be transferred by the Company to the Fund as directed or prescribed by the Commission: provide detailed information to the manager of the Fund during transfer of cash dividend as directed or prescribed by the Commission: provided further that if any shareholder or unit holder claims his cash dividend after transfer of such dividend to the Fund, within 15 (fifteen) days of receiving such claim, the Company will after proper verification of the claim, recommend to the manager of the Fund to pay off such dividend from the Fund and the manager of the Fund shall pay off such cash dividend to the claimant in accordance with the provisions and procedures as directed or prescribed by the Commission.

10) If any stock dividend or bonus shares remains unclaimed or unsettled including corporate benefit in terms of bonus shares thereon for a period of 3 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred in dematerialized form to the BO Account of the Fund as mentioned at clause (8): provide detailed information to the manager of the Fund during transfer of stock dividend or bonus shares as directed or prescribed by the Commission: provided further that if any shareholder claims his stock dividend or bonus shares after transfer of such dividend or bonus shares to the BO Account of the Fund, within 15 (fifteen) days of receiving such claim, after proper verification of the claim, recommend to the manager of the Fund to pay off or transfer such stock dividend or bonus shares from the BO Account of the Fund and the manager of the Fund shall pay off or transfer such stock dividend or bonus shares to the claimant's BO Account in accordance with the provisions and procedures as directed or prescribed by, the Commission.

11) Sandhani Life or by appointing an agent, shall maintain detailed information of BO account, bank account, mobile phone number, email and address of the shareholder or unit holder for the purpose of proper distribution of cash dividend or stock dividend: provided that the Company or its agent or the CDBL or its DP shall keep confidentiality of information.

12) Sandhani Life collect the CDBL or its DP update the information of BO account, bank account, mobile number, email address and contact address of shareholder or unit holder at least once in a year, and the CDBL shall provide such information to the Company for the purpose of proper distribution cash dividend or stock dividend and other compliances: provided that in case of holding of paper share or unit of mutual fund, the issuer shall update the information as above.

2.23 FINANCIAL RISK MANAGEMENT (IFRS-7)

2.23.1 Insurance Risk

a) Individual Life Business

Insurance underwriting risk is the risk that the Company will suffer losses due to economic situation or the rate of occurrence of an incident contrary to the forecast made at the time of setting up of the premium rate. The risk underwritten, i.e., the risk of death and critical illness may vary from division to division. The underwriting risk arises from death and sometimes due to permanent disability and critical illness. The Company may get exposed to poor risk due to unexpected experience in terms of claim severity or frequency. This can be a result of anti-selection, fraudulent claims or poor persistency. The Company faces the risk of under pricing particularly due to nature of long-term contract. In addition to this, due to poor persistency, the Company would be unable to recover expenses of policy acquisition. The Company manages these risks through its underwriting, reinsurance, claims handling policy and other related control mechanisms. The Company has a good spread of business throughout the country thereby ensuring diversification of geographical risks. The Company has a well defined medical under-writing policy and avoids selling policies to high risk individuals. Underwriting procedures have been enhanced and rules have been structured to enable the Company to strike a balance between mitigating risk, ensuring control and providing better service. This puts a check on anti-selection. The Company seeks to reduce its risk exposure by reinsuring certain levels of risk with renowned re-insurance General Insurance Corporation of India (GIC Re).

The Company provides quality service to the policyholders and checks to minimize miss-selling and avoid poor persistency. A regular monitoring of lapsation rate is conducted. On the claims handling side, the Company has procedures in place to ensure avoidance of payment of fraudulent claim. The Claim Committee reviews high sum assured and early claims for verification and detailed investigation of all doubtful and early claims are conducted. The Company maintains adequate liquidity to cater for potentially sudden and high cash requirement.

b) Group life insurance

The major risk underwritten by the company is death which depends on mortality. Other risks underwritten include disability and major disease. Risk increases as a result of catastrophic events, business procurement without following underwriting guidelines, business procurement at low premium rate due to tough market competition and fraudulent claims. Non-receipt of premium in due time is an additional factor.

The company manages these risks through proper underwriting, reinsurance, effective claims handling and other claim control mechanism. The company also avoids underwriting group business with employees exposed to hazardous profession. Pricing is done in line with actuarial guideline, experience and the mortality exposure the concerned group faces. Moreover, premium rates of existing groups are also reviewed from time to time on the basis of claim experience. Reinsurance arrangements are made by the company with renowned re-insurer to limit the risk at affordable level. Besides, the company avoids payment of fraudulent claims through claim investigation. Strict monitoring is in place to keep the outstanding balances of premium at a minimum.

c) Group health insurance

The main risk underwritten by the company is morbidity that requires treatment as inpatient or outpatient. Risks are increased as a result of increasing incidences of fatal diseases, accident & catastrophic event, fraudulent practices, health over consciousness of insured etc. Consistent increase in charges of various hospital services, lack of adequate claim control mechanism and business procurement at low price in the competitive market are additional factors. The company manages these risks through proper underwriting and other related claim control mechanism, premium rate review on claim experience and hospital agreements with discount facility etc. The Company has a well defined medical underwriting policy to avoid underwriting Group Health business with potentially high health risk. Any pre-existing conditions are also screened at this stage. Health plans are designed and terms & condition are set in such a way that abuses of benefit utilization are minimized. Pricing is done in consultation with actuarial department on the basis of actual claim experience. Company has also pre determined charges for certain illness and investigations with its panel hospitals. The charges are treated as "Standard Rate" which is applied to restrict settlement of inflated bills. The company avoids settlement of any fraudulent claims through claims investigations which is managed by experienced technical staff.

2.23.2 Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet its funding requirements. To guard against the risk the Company has diversified funding sources and assets are managed with liquidity in mind, maintaining healthy balance of cash and cash equivalent and readily market securities.

2.23.3 Interest rate risk

The Company invests in securities and has deposits that are subject to interest rate risk. Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company limits interest risk by monitoring changes in interest rates in the money market and by diversifying into various institutions (issuers' of securities).

2.23.4 Market risk (investment pattern)

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether these changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. The Company is exposed to market risk with respect to its investment.

The Company continues to adopt a prudent policy in respect of investments. The fund of the Company has been invested as per provision of the Insurance Act. The investments are mainly in Govt. securities, Fixed Deposits Receipts (FDR's) with various commercial banks and financial institutions having acceptable performance parameters and ratings and equity shares in listed companies having good and positive fundamental and technical attributes.

The Company also limits market risk maintaining a diversified profile and by continuous monitoring of developments in Govt. securities (treasury bills) equity and term finance certificates markets. In addition, the Company actively monitors the key factors that affect the underlying value of these securities.

2.23.5 Reinsurance risk

The Company seeks to reduce its risk exposure by reinsuring certain levels of risk with re-insurer. Re-insurer ceded does not relieve the Company from its obligation to policyholders and as a result, the Company also remains liable for the portion of outstanding claims reinsured to the extent that re-insurer does not meet the obligations ultimately under the reinsurance agreements. In order to minimize the risk, the Company has obtained reinsurance cover from a renowned re-insurer, General Insurance Corporation of India (GIC Re) with proven sound financial health.

2.23.6 Credit risk

Credit Risk is the risk, which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. Major credit risk is in reinsurance receivables, bank balances and investments. The management monitors exposure to credit risk through regular review of credit exposure/ CAMELS rating and assessing credit worthiness of counter parties.

Particulars	Amount in Taka	
	30-06-2026	31-12-2025
3.00 LIFE INSURANCE FUND		
Opening Balance	**7,099,329,000**	**6,941,195,786**
Add: Surplus/(Deficit) of Life Revenue Account during the period	103,701,173	158,133,214
Closing Balance	**7,203,030,173**	**7,099,329,000**
4.00 Consolidated Provision for Current Tax		
Opening Balance	1,001,228,586	841,303,999
Add: Provision during the period	82,399,014	162,389,260
	1,083,627,600	**1,003,693,259**
Less: Paid/ Adjustment	-	(2,464,673)
Closing Balance	**1,083,627,600**	**1,001,228,586**

Calculation for Income Tax:

As per 4th Schedule Para2(A) is Higher then 4th Schedule Para (B) of Income Tax Act, 2023 Profit on Life Insurance As per 4th Schedule Para2(A) of Income Tax Act, 2023.

	Income (Taka)	Tax Rate (%)	Tax Provision (Tk.)
Business Income	217,579,957	37.50%	81,592,484
Business Income (SHDCL)	623,877	27.50%	171,566
Capital Gain on Share (SLIC)	86,760	10%	8,676
Capital Gain on Share (SLFL)	2,868,825	15%	430,324
Dividend Income (SAML)	979,820	20%	195,964
Total Taxable Income	**222,139,239**		**82,399,014**

The company's income tax assessment has been completed upto year 2017 i.e. assessment year 2018-2019.

- An appeal will be filed by the company in the High Court for the year's 2018 & 2019 i.e.assessment year's 2019-2020 & 2020-2021.
- In addition the first appeal will be filed in the office of the appellate commissioner of taxes for the year's 2020 & 2021 i.e.assessment year's 2021-2022 & 2022-2023.
- Assessment for the year 2022 i.e.assessment year 2023-2024 is under process hearing.
- And return was submitted for the year's 2023 & 2024 i.e.assessment year's 2024-2025 & 2025-2026.

5.00 Consolidated Deferred Tax Liabilities/Assets		
Carrying amount of fixed assets	1,309,341,433	1,317,187,001
Tax base value of fixed assets	1,380,061,904	1,387,051,946
Taxable temporary difference	**70,720,471**	**69,864,945**
Tax rate	(37.50% & 27.50%)	(37.50% & 27.50%)
Deferred tax Assets /Liabilities (Required) end of the period	26,096,506	25,795,910
Calculation of Deferred tax Expenses		
Opening Balance of Deferred tax Assets. 01.01.2026	25,795,910	24,637,486
Closing Balance of Deferred tax Assets. 30.06.2026	26,096,506	25,795,910
Deferred tax Expenses/(Income) during the period	**(300,596)**	**(1,158,424)**

*** NB.Taxable temporary difference Tk. 70,720,471 of SLIC on tax rate 37.50% of deferred tax Assets Tk. 24,931,412 & Tk. 4,236,705 of SLFL & SAML on tax rate 27.50% of deferred tax Assets Tk. 1,165,094.**

6.00 CONSOLIDATED CASH FLOWS:

	Amount in Taka	
	30-06-2025	30-06-2025
Total No of Share	**109,698,633**	**109,698,633**
Net cash from operating activities	**(7,220,015)**	**(251,922,418)**
Net Operating Cash Flow per share (NOCFPS)	**(0.07)**	**(2.30)**

Cash Flow Statement is prepared in accordance with IAS-7 Statements of Cash Flows and Cash Flow from operating activities have been presented under direct method and Indirect method as outlined in the Securities and Exchange Rule 1987. Cash in hand, Cash at Bank & Fixed deposits have been considered as the Cash and Cash equivalents for the preparation of the Statement, which were held and available for use by the Company without any restriction and there was insignificant risk of changes in the value of these assets. In consolidated Financial Statement, Investment in FDR of Subsidiary Company has been shown under cash at bank and other balances. Net Operating Cash Flow per share (NOCFPS) stood at Tk. (.07) for Q2 2026 against NOCFPS of Tk. (25.19) for the Q2 2025. Net operating cash flow of Q2 2026 was Tk. (7.22) Crore against Net Operating Cash Flow of Q2 2025 was Tk. (25.19) Crore,which is Tk.17.97 crore increase than Q2 2025. The reasons for the shortfall in Net Operating Cash Flow per share (NOCFPS) are; a. Investment income receipts is Increase by Tk. 6.80 Crore, b. Management expenses is decrease Tk. 7.23 Crore c. Miscellaneous Income Decrease Tk. (0.02) Crore & d. Claims decreased by Tk. 14.71 Crore, e. Premium Income Decrease (2.78) Crore, and Income tax (AIT) increased by tk. (1.47) crore So, operating cash flow positive Increase Q-2, 2026 from Q-2, 2025.

7.00 UNCLAIMED DIVIDEND WARRANT

This represents dividend warrants issued in time against dividend for the years 1997 to 2024 but were not claimed and paid within 30 June 2026.

Years	Amount in Taka	
	30-06-2025	31-12-2024
1997	68,067	68,067
1998	132,072	132,072
1999	184,117	184,117
2000	138,683	138,683
2001	156,283	156,283
2002	217,010	217,010
2003	9,441	9,441
2004	45,651	45,651
2005	47,549	47,549
2006	103,963	103,963
2007	287,958	287,958
2008	389,185	389,185
2009	887,227	887,227
2010	27,492	27,492
2011	16,610	16,610
2012	19,039	19,039
2013	40,166	40,166
2014	15,427	15,427
2015	7,574	7,574
2016	5,247	5,247
2017	5,415	5,415
2018	7,851,094	7,851,094
2019	6,148,847	6,148,847
2020	1,966,504	1,970,583
2021	1,123,792	1,127,872
2022	1,045,334	1,054,718
2023	1,454,640	1,487,299
2024	2,504,973	-
Total (1997-2024)	**24,899,360**	**22,444,589**
Less: Adjustment : Transfer to CMSF	(19,894,413)	(16,804,117)
Closing Balance	**5,004,947**	**5,640,472**

The break up of balance of Unclaimed Divedend is as follows:

Years	Amount in Taka	Amount in Taka
2020	-	1,970,583
2021	-	1,127,872
2022	1,045,334	1,054,718
2023	1,454,640	1,487,299
2024	2,504,973	-
Total	**5,004,947**	**5,640,472**

With reference to BSEC Directive No. BSEC/CMRRCD/2021-386/03-dated 14th January 2021 and The Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021 issued on 1stJune, 2021, Sandhani Life Insurance Company transferred a total of Tk. 1,68,04,117 Cash Dividend and Bonus Share 5,16,785 (details shown below) to the Capital Market Stabilization Fund which covers unclaimed dividends up to 1997 to 2019.

Date	Purpose	Cash Dividend (Taka)	Bonus Share
30th May 2022	Unclaimed shares (1997 to 2017)	-	516,785
29th May 2022	Unclaimed dividend (1997 to 2017)	2,804,176	-
28th Aug 2023	Unclaimed dividend (2018)	7,851,094	-
05th March 2024	Unclaimed dividend (2019)	6,148,847	-
23th June 2026	Unclaimed dividend (2020)	1,966,504	-
23th June 2026	Unclaimed dividend (2021)	1,123,792	-
Total		**19,894,413**	**516,785**

For the record, SLIC has not issued any right shares.

8.00 CONSOLIDATED FAIR VALUE CHANGE ACCOUNT

	Amount in Taka	
	30.06.2026	31.12.2025
Adjustment/Provision during the period	97,955,331	31,192,230
Opening Balance	(65,889,824)	(97,082,054)
Closing Balance	**32,065,507**	**(65,889,824)**

9.00 RECONCILIATION OF CONSOLIDATED CASH FLOWS FROM OPERATING ACTIVITIES (Indirect Method)

	Amount in Taka	
	30.06.2026	30.06.2025
A) Decrease in Life Fund during the quarter	**103,701,173**	**(267,452,297)**
B) Profit after/before Income Tax		**(531,723)**
C) Adjustment to reconcile net Increase/Decrease in Life Fund to net cash used by Operating Activity:	**(33,516,478)**	**84,472,421**
Depreciation on Fixed Assets	13,477,580	15,894,305
Current Tax Provision	81,601,160	85,275,139
Profit on Vehicle Sale	-	(2,946,695)
Capital Gain from Investment in Shares	(173,519)	1,082,903
Fair Value change Accounts	(86,714,825)	14,636,642
Adjustment of Depreciation on Revalued Assets	(455,079)	(455,079)
Source Tax Deduction	(41,251,795)	(29,014,794)
D) Cash Generated from Operations before Increase/Decrease of Assets or Liabilities:	**(70,043,808)**	**(68,410,819)**
Increase/Decrease of Profit/Interest,Dividend, Rents & Others Receivable	(41,257,910)	(38,091,549)
Increase/Decrease of Advance, Deposit & Pre Payments	(38,800,049)	(74,160,687)
Increase/Decrease of Sundry Debtors	(6,714,672)	149,870
Increase/Decrease of Right of Use Assets	4,951,280	4,402,585
Increase/Decrease of Lease Liability	(5,028,494)	(4,422,097)
Increase/Decrese of Deferred Tax Expenses	(244,975)	161,576
Increase/Decrease of Premium Deposit	(8,120,759)	(5,420,529)
Increase/Decrease of Outstanding Premium	(11,486,962)	28,613,018
Increase/Decrease of Outstanding Claim	(2,973,414)	14,848,897
Increase/Decrease of Sundry Creditors	36,267,184	2,459,775
Increase/Decrese of Re- Insurance Premium Payable	3,635,761	3,346,252
Increase/Decrease of Forms, Stamps and Stationery in hand	(270,798)	(297,930)
Net Cash Flows From Operating Activities (A+B+C)	**140,887**	**(251,922,418)**

10.00 RIGHT OF USE ASSET(IFRS 16 - LEASE)

	Amount in Taka	
	30.06.2026	31.12.2025
Opening Balance	15,177,151	14,368,715
Add: Addition made during the quarter	-	11,066,948
Less: Depreciation on Right of use Assets during the quarter	(4,951,280)	(10,258,512)
Closing Balance	**10,225,871**	**15,177,151**

In refer to note no: 2.20

11.00 LEASE LIABILITY (IFRS 16 - LEASE)

Opening Balance	15,724,390	14,882,479
Add: Addition made during the quarter	-	11,066,948
Add: Interest Charge on Lease liability during the quarter	583,546	1,432,543
Total	16,307,936	27,381,970
Less: Adjustment/ paid during the quarter	(5,612,040)	(11,657,580)
Closing Balance	**10,695,896**	**15,724,390**

In refer to note no: 2.20

12.00 RELATED PARTY DISCLOSURE IAS # 24

The Company carried out a number of transaction with its related party in the normal course of Business for the Quarter Ended 30 June 2026.The nature of these transactions and their value have been set out in accordance with the Provisions of IAS-24.

12.01 Summary of Related Party Disclosures as given below:

Sl. No.	Name of Party	Nature of Transaction	Opening Balance 01.01.2026	Closing Balance 30.06.2026
1	Purabi General Insurance Company Ltd.	Rent & Service Charge Received & Accrued	-	223,520
2	Panna Textile Mills Ltd.	Advance Office Rent Paid	1,923,750	1,316,250
		Office Rent Payable	506,250	607,500
3	City University	Group Hospitalization Insurance Claim Payble	161,651	58,058
4	Modhumoti Bank PLC.	Fixed Deposit (FDR)	661,359,211	692,000,000
		Interest Received & Accrued	275,123,840	312,217,115
		Bank Balance(Total No.Of Accounts-26)	27,936,043	23,316,122
5	MH Samorita Hospital & Medical College	Group Hospitalization Claim Payable	-	103,559
6	Sandhani Life Finance Ltd.	Investment	349,997,200	383,246,934
7	Sandhani Life Housing and Dev. Co.Ltd.	Investment	99,999,990	99,999,990
8	Sandhani Assets Management Ltd.	Investment	99,997,000	99,997,000

Particulars	Amount in Taka	
	30-06-2026	30-06-2025
12.02 Chief Executive Officer Salary and Allowances		
Basic Salary	1,080,000	1,080,000
Allowances	1,020,000	1,020,000
Festival & other Bonus	360,000	360,000
	2,460,000	**2,460,000**
Others Expenses	431,377	222,805
	2,891,377	**2,682,805**
12.03 Director's Fees		
Meeting Allowance	250,000	110,000
	250,000	**110,000**
12.04 Key Management Personnel Compensation		
Short Term Employee's Benefits (Salary, Bonus & Other Allowances)	64,129,849	64,435,756
Post Employment Benefits (Provident Fund)	2,173,348	2,099,696
	66,303,197	**66,535,452**

Md. Mizanur Rahman	Md. Mahbubur Rahman	Nemai Kumar Saha	Shaheduzzaman Choudhury FCA	Mojibul Islam
Company Secretary	CFO (CC)	CEO	Director	Chairman