

Daily Market Update

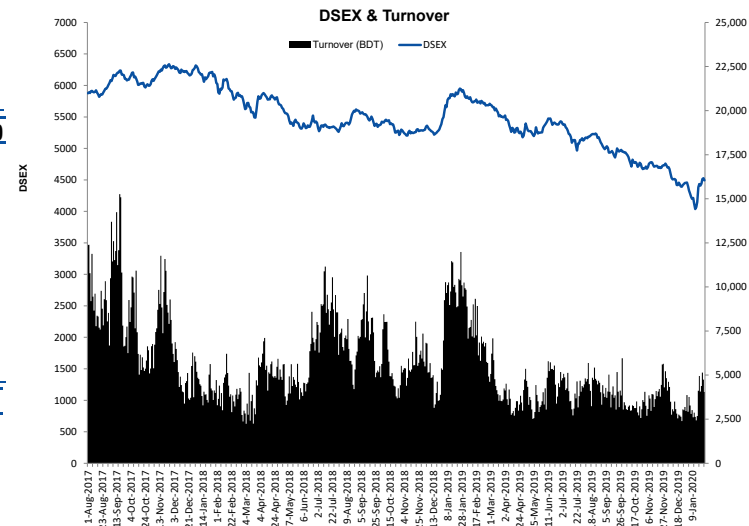
Market closed in red today. The benchmark index DSEX (-0.72%) lost 34.24 points and closed at 4,698.90 points. The blue chip index DS30 (-0.07%), the large cap index CDSET (-0.22%) and the Shariah-based index DSES (-0.35%) all closed in red. All the large cap sectors showed negative performance today except Telecommunication (+7.69%) and NBFIs (+0.08%). Engineering experienced the highest loss of 2.69% followed by Fuel & Power (-0.95%), Food & Allied (-0.86%), Banks (-0.76%) and Pharmaceuticals (-0.41%). Turnover stood at BDT 6.7 billion (USD 80.4 million). Grameenphone Ltd. (+8.1%) was the most traded share with a turnover of BDT 470.3 million.

Sector Index	Closing	Opening	Δ(Pts)	Δ%	No. of Cos	Sectoral Mcap	% of Total Mcap	Sectoral Turnover	% of Total Turnover
Banks	1,278.32	1,288.13	-9.81	-0.76%	30	521,044.8	17.20%	208.7	3.40%
NBFIs	1,630.53	1,629.23	1.31	0.08%	23	150,741.9	4.98%	122.0	1.99%
Mutual Funds	642.83	663.08	-20.26	-3.05%	37	33,406.5	1.10%	142.4	2.32%
General Insurance	1,889.95	1,918.81	-28.86	-1.50%	35	51,063.1	1.69%	194.0	3.16%
Life Insurance	2,128.41	2,159.70	-31.29	-1.45%	12	59,343.2	1.96%	121.2	1.98%
Telecommunication	4,458.85	4,140.52	318.34	7.69%	2	448,145.4	14.80%	503.4	8.21%
Pharmaceuticals	2,667.02	2,677.90	-10.88	-0.41%	32	503,011.1	16.61%	884.9	14.43%
Fuel & Power	1,684.62	1,700.72	-16.11	-0.95%	19	417,614.9	13.79%	612.4	9.99%
Cement	1,489.56	1,514.50	-24.93	-1.65%	7	90,588.6	2.99%	281.8	4.60%
Services & Real Estate	1,073.51	1,065.38	8.14	0.76%	8	42,859.9	1.42%	183.2	2.99%
Engineering	2,457.61	2,525.45	-67.83	-2.69%	39	160,083.2	5.29%	800.9	13.06%
Food & Allied	13,472.86	13,589.35	-116.48	-0.86%	17	248,798.2	8.22%	358.1	5.84%
IT	2,028.13	2,082.22	-54.09	-2.60%	9	22,423.5	0.74%	179.0	2.92%
Textiles	1,148.85	1,167.62	-18.78	-1.61%	56	115,956.1	3.83%	885.7	14.45%
Paper & Printing	6,204.37	6,299.67	-95.30	-1.51%	3	11,862.2	0.39%	90.7	1.48%
Tannery	1,934.61	1,963.75	-29.14	-1.48%	6	20,711.4	0.68%	79.1	1.29%
Jute	9,642.59	10,043.69	-401.10	-3.99%	3	2,131.0	0.07%	28.0	0.46%
Ceramics	474.11	485.11	-10.99	-2.27%	5	24,039.2	0.79%	63.6	1.04%
Miscellaneous	1,885.64	1,893.74	-8.09	-0.43%	13	104,628.3	3.45%	391.9	6.39%

Top Ten Gainers	Close	Δ%	Turnover (mn BDT)
Orion Infusion	91.30	10.0%	169.7
Sea Pearl Beach Resort & Spa Limited	61.10	9.9%	82.5
Grameenphone Ltd.	319.60	8.1%	470.3
Usmania Glass	51.40	7.1%	2.5
VFS Thread Dyeing Limited	26.10	5.7%	120.2
The Peninsula Chittagong Limited	22.40	5.7%	55.9
Orion Pharma Ltd.	48.00	5.5%	214.3
Beacon Pharmaceuticals Limited	53.10	5.4%	60.4
Sonargaon Textiles	32.10	5.2%	27.1
Hakkani Pulp & Paper	78.80	4.8%	37.8

Top Ten Losers	Close	Δ%	Turnover (mn BDT)
Prime Insurance	20.20	-22.0%	2.9
Meghna Pet Industries	9.10	-9.9%	.8
ICB AMCL Third NRB Mutual Fund	6.00	-9.1%	9.8
Northern Jute	421.80	-8.7%	10.6
Prime Finance First MF	15.20	-7.9%	11.2
Saiham Textile	39.90	-7.6%	40.3
Prime Bank 1st ICB AMCL Mutual Fund	6.10	-7.6%	5.5
Union Capital	5.40	-6.9%	3.1
ICB AMCL First Agrani Bank Mutual Fund	6.90	-6.8%	9.4
BSRM Steel	44.30	-6.3%	27.7

Most Traded Share	Close	Δ%	Turnover (mn BDT)
Grameenphone Ltd.	319.60	8.1%	470.3
Orion Pharma Ltd.	48.00	5.5%	214.3
SK Trims & Industries Limited	72.50	0.8%	191.1
Summit Power	42.60	-2.7%	175.9
Orion Infusion	91.30	10.0%	169.7
Confidence Cement	121.00	4.4%	146.8
Golden Harvest Agro Industries Ltd.	23.00	2.7%	130.6
Bangladesh Steel Re-Rolling Mills Limited	67.80	-0.9%	127.0
VFS Thread Dyeing Limited	26.10	5.7%	120.2
LafargeHolcim Bangladesh Limited	46.00	-2.7%	118.7



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Index	Closing	Opening	Δ(Pts)	Δ%	%ΔYTD
DSEX	4,698.90	4,733.14	-34.24	-0.72%	5.52%
DS30	1,591.76	1,592.80	-1.04	-0.07%	5.18%
DSES	1,086.00	1,089.81	-3.81	-0.35%	8.62%
CDSET	950.27	952.39	-2.12	-0.22%	5.61%

	Advanced	Declined	Unchanged	Total
All Category	70	263	23	356
A Category (Equity)	45	199	15	259
B Category (Equity)	12	36	0	48
N Category (Equity)	1	1	0	2
Z Category (Equity)	12	27	8	47
Mutual Funds	1	35	1	37
Corporate Bonds	1	1	0	2

Market Stat	Today	Last Day	% Change	
Mcap	Mn BDT	3,599,779.5	3,592,625.5	0.2%
	Mn USD	43,303.0	43,217.0	
Turnover	Mn BDT	6,684.6	7,706.1	-13.3%
	Mn USD	80.4	92.7	
Volume	Mn Shares	207.0	257.7	-19.7%
Trade		158,563	188,732	-16.0%

Top Ten Market Cap	Mcap (mn BDT)	% of Total Mcap	Turnover (mn BDT)	PE	PB
Grameenphone Ltd.	431.6	14.3%	470.26	12.5x	10.2x
British American Tobacco Bangladesh Company Limited	191.3	6.3%	88.08	22.2x	7.9x
Square Pharmaceuticals	173.6	5.7%	48.64	13.1x	2.6x
United Power Generation & Distribution Company Ltd	140.0	4.6%	60.57	17.2x	9.5x
Renata Ltd.	98.1	3.2%	7.18	24.2x	5.4x
Berger Paints	65.6	2.2%	2.84	27.0x	9.8x
Investment Corporation of Bangladesh	65.2	2.2%	3.59	NM	3.1x
BRAC Bank	58.8	1.9%	15.38	11.5x	1.5x
LafargeHolcim Bangladesh Limited	53.4	1.8%	118.66	29.7x	3.5x
Marico Bangladesh Limited	52.8	1.7%	.99	20.3x	35.8x

Top Ten Free Float Mcap	Free Float Mcap (mn BDT)	% of Total Free Float	Turnover (mn BDT)	PE	PB
Square Pharmaceuticals	113.8	9.4%	48.64	13.1x	2.6x
British American Tobacco Bangladesh Company Limited	50.6	4.2%	88.08	22.2x	7.9x
Renata Ltd.	47.9	4.0%	7.18	24.2x	5.4x
Grameenphone Ltd.	43.2	3.6%	470.26	12.5x	10.2x
BRAC Bank	32.8	2.7%	15.38	11.5x	1.5x
Olympic Industries	28.7	2.4%	6.96	19.8x	6.3x
Beximco Pharmaceuticals	25.9	2.1%	12.06	9.1x	1.1x
Eastern Bank	19.6	1.6%	1.28	8.7x	1.2x
LafargeHolcim Bangladesh Limited	18.9	1.6%	118.66	29.7x	3.5x
Pubali Bank	17.6	1.5%	2.07	6.7x	0.9x

Block Trade	Maximum Price	Minimum Price	Turnover (mn)	Quantity	Trade
Bank Asia Ltd.	19.60	19.60	35.28	1,800,000	3
Beacon Pharmaceuticals Limited	52.10	50.00	372.80	7,178,208	3
Golden Harvest Agro Industries Ltd.	24.60	24.50	13.94	567,375	3
Intraco Refueling Station Limited	16.00	16.00	1.60	100,000	1
LafargeHolcim Bangladesh Limited	47.00	47.00	3.29	70,000	1
M.L. Dyeing Limited	63.80	62.00	2.03	32,500	2
Northern Jute	440.00	440.00	0.88	2,010	1
Orion Infusion	90.00	90.00	30.15	335,000	1
Prime Islami Life Ins	51.00	51.00	0.51	10,000	1
Renata Ltd.	1,105.60	1,105.60	14.06	12,718	2
SK Trims & Industries Limited	70.10	70.00	17.42	248,500	2
Sonar Bangla Ins	40.50	40.30	7.72	190,928	8
Square Pharmaceuticals	207.00	207.00	5.18	25,000	5
Standard Ceramic	492.00	480.00	18.43	37,651	18
Uttara Bank	30.10	30.10	30.10	1,000,000	30

Corporate Actions: Upcoming Record Dates

DSE Ticker	Company Name	Rights	Stock	Cash	Year End	Record Date
SUMITPOWER	Summit Power Limited		0.0%	15.0%	30-Jun-2020	24-Feb-2020
RAKCERAMIC	RAK Ceramics (Bangladesh) Limited		0.0%	15.0%	31-Dec-2019	25-Feb-2020
BEACHHATCH	Beach Hatchery Ltd.		0.0%	0.0%	30-Jun-2019	9-Jan-2020

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Important DSE News

UNITEDFIN

The Board of Directors has recommended 10% cash dividend for the year ended on December 31, 2019. Date of AGM: 23.04.2020, Time: 10:00 AM, Venue: Dhaka Ladies Club, 36, Eskaton Garden Road, Dhaka-1000. Record date: 12.03.2020. The Company has also reported EPS of Tk. 1.31, NAV per share of Tk. 16.98 and NOCFPS of Tk. 3.55 for the year ended on December 31, 2019 as against Tk. 1.48, Tk. 16.67 and Tk. (6.72) respectively for the same period of the previous year.

LINDEBD

The Board of Directors has recommended 500% cash dividend for the year ended on December 31, 2019. Record Date: 12.03.2020. Date, Time and Venue of the AGM will be notified later. The Company has also reported EPS of Tk. 80.93, NAV per share of Tk. 335.70 and NOCFPS of Tk. 102.84 for the year ended on December 31, 2019 as against Tk. 65.96, Tk. 293.90 and Tk. 76.87 respectively for the same period of the previous year.

IDLC

The Board of Directors has recommended 35% cash dividend for the year ended on December 31, 2019. Date of AGM: 30.03.2020, Time: 10:00 AM, Venue: "Utshab", Radisson BLU Dhaka Water Garden Hotel, Airport Road, Dhaka Cantonment, Dhaka-1206. Record Date: 12.03.2020. The Company has also reported Consolidated EPS of Tk. 4.51, Consolidated NAV per share of Tk. 37.18 and Consolidated NOCFPS of Tk. (9.12) for the year ended on December 31, 2019 as against Tk. 5.76, Tk. 36.17 and Tk. 11.05 respectively for the same period of the previous year.

BATBC

The Board of Directors has recommended 400% cash dividend for the year ended on December 31, 2019. Date of AGM: 22.04.2020, Time: 10:30 AM, Venue: The Ball Room of Pan Pacific Sonargaon Hotel, Karwan Bazar, Dhaka. Record date: 12.03.2020. The Company has also reported EPS of Tk. 51.37, NAV per share of Tk. 198.85 and NOCFPS of Tk. 86.61 for the year ended on December 31, 2019 as against Tk. 55.62, Tk. 164.05 and Tk. 49.58 respectively for the same period of the previous year.

PRIMEINSUR

The Board of Directors has recommended No dividend for the year ended on December 31, 2019. Date of AGM: 30.03.2020, Time: 11:00 AM, Venue: Fareast Tower, 35 Topkhana Road, Dhaka. Record Date: 12.03.2020. The Company has also reported EPS of Tk. 0.43, NAV per share of Tk. 16.31 and NOCFPS of Tk. 4.27 for the year ended on December 31, 2019 as against Tk. 1.12, Tk. 16.88 and Tk. (0.08) respectively for the same period of the previous year.

The Company will be placed in 'Z' category from existing 'A' category with effect from February 24, 2020 as the Company has recommended No dividend for the year ended on December 31, 2019.

NORTHERN

The Company has informed that as per Order of the Honorable High Court dated January 22, 2020, on "Financial Institution Matter No. 1 of 2019", the Governor of Bangladesh Bank has directed to freeze all of Bank accounts of the Company maintained with different banks and accordingly all the bank accounts of the Company has been frozen. As a result, the Company

couldn't realize any export proceeds from their exports. As such, the Company could not procure raw jute and not make any party payments to spares parts supplier even the Company couldn't disburse any cash dividend to their respected shareholders though they are maintaining adequate fund. Therefore, the Company has decided to shut down the mill with effect from February 22 to 25, 2020.

EXCH

DSENEWS: Commencement of Bidding of Walton Hi-Tech Industries Limited through Book Building Method: The bidding period for eligible investors to determine the cut-off price of shares of Walton Hi-Tech Industries Limited through electronic subscription system (ESS) of the Exchanges will commence from 5:00 p.m. on March 02, 2020 and will continue till 5:00 p.m. on March 05, 2020 (round the clock) and valuation report submission period for eligible investors through electronic subscription system (ESS) of the Exchanges will start at 10:30 a.m. on March 08, 2020 and continue till 10:30 a.m. on March 10, 2020 (round the clock). Each EI who intends to participate in the electronic bidding shall maintain a minimum investment of Tk. 1.00 crore only in listed securities as on the end of 23rd of February, 2020 as per clause (c) of sub-rule (1) of rule 2 of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015; which is in accordance with the BSEC consent letter to Walton Hi-Tech Industries Limited Ref: BSEC/CI/BB-19/2018/16 dated January 29, 2020. Participating EIs will be required to pay full bid amount (100%) and bidding fee Tk. 5,000.00 (five thousand only) through IFIC Bank Limited (A/C Name: Dhaka Stock Exchange Limited, A/C No.: 1090344039042 in between 10:00 a.m. of March 02, 2020 to 2:00 p.m. of March 05, 2020 (during banking hour). Please visit the following website for bidding related updates: <https://www.essbangladesh.com>.

GP

The company has informed that they have decided to deposit BDT 1000 crore on February 23, 2020 to BTRC, following the order of the Hon'ble Appellate Division on Grameenphone's Civil Review Petition No. 21 of 2020 heard on February 20, 2020.

UNIQUEHRL

The Company has informed that the Board of Directors has decided to issue Non-Convertible Redeemable Coupon Bond with an amount of Tk. 5.00 Billion through Private Placement. Features of the Bond are following: Issue Size : Tk. 5.00 Billion, Principal Redemption : The issue will be redeemed in 5 equal installments starting from the end of the 36th month from issue date and each 12 months thereafter, Tenure : Maximum 7 years from the issue date, Purpose : To meet ongoing financing requirements of the under-construction projects, Moratorium : 2 years Principal Moratorium, subject to the approval of the regulatory authorities.

PROGRESLIF

Qualified Opinion: 1. As explained in note 14.03 of the financial statements, PLICL has 51% shareholding in its subsidiary company namely Galaxy Capital Ltd. and the investment in shares of this company was BDT 30,855,000. According to IFRS 10, para 04: "Consolidated Financial Statements", the subsidiary should have been consolidated because it is controlled by PLICL. PLICL has not consolidated the financial statements of subsidiary (Galaxy Capital Ltd.) resulting in violation of that particular IFRS. If Galaxy Capital Ltd. had been consolidated, elements in the accompanying financial statements would have been materially affected. In its Emergency Board Meeting no. 148, dated January 24, 2019, the board of PLICL has decided to withdraw its investment of BDT 30,855,000 from Galaxy Capital Ltd. Subsequently in 2019, PLICL has collected its entire investment of BDT 30,855,000 from Galaxy Capital Ltd.; Note 14.03 - Investment in equity shares of the companies: Balance of Investment in 51 % of Galaxy Capital Limited as on 31-12-18 was Taka 30,855,000

and as on 31-12-17 was Taka 36,566,810. 2. PLICL has incurred an excess of 67.43% management expenses in the year 2018 from allowable limit mentioned in Section 62 of the Insurance Act, 2010 and Rule 39 of The Insurance Rules, 1958; 3. Proper source documents substantiating the acquisition of certain disposed items of property, plant, and equipment, i.e. 6 (six) Cars, 12 (twelve) Air Conditions and computer accessories sold at BDT 23,21,633, BDT 1,05,000 and BDT 29,000 respectively were not found. No disposal adjustment has been made on the fixed assets schedule (note 20) at the time of de-recognition of such assets. As a result, actual gain/loss arising from the de-recognition of above mentioned assets and carrying amount of Property, Plant and Equipment as at December 31, 2018 cannot be ascertained; 4. Petty cash balance of BDT 5,796,247 from 25 closed service cells have been shown in the consolidated petty cash balance of BDT 31,040,344. As per management of PLICL, the above mentioned 25 service cells have been closed between 2011 to 2017 and these petty cash balances of BDT 5,796,247 are lying with the respective agents of closed service cells, which they are trying to recover. According to IAS 37, para 14, no provision has been maintained against BDT 5,796,247 in the audited financial statements; and 5. According to the 153th Board meeting, dated July 25, 2019 and 16th AGM, dated September 12, 2019, PLICL has declared and approved 10% dividend (i.e. 5% stock and 5% cash) for the year 2015 amounting to BDT 12,865,776 to its shareholders. But PLICL did not recognize this approved dividend in the financial statements for the year ended December 31, 2017 as per para 14 of IAS 37. **Emphasis of Matter:** Without further modifying our opinion we draw attention to following notes to the financial statements: a) In Annexure A of note 14 of the financial statements, management has disclosed that, the flat in Chattogram, address # Zahura Tower, 1401 Sheikh Muib Road, Agrabad C/A, Chattogram purchased at a price of Tk. 34,689,801 for which legal proceeding about ownership is under process in the Joint 2nd District Judge, Chattogram vide case no. 62/12; Annexure A of note 14: Balance of Written Down Value of the flat in Chattogram, address # Zahura Tower, 1401 Sheikh Muib Road, Agrabad C/A, Chattogram as on 31-12-2018 was Taka 34,707,416 and as on 31-12-2017 was Taka 34,707,416. b) As disclosed in note 19.01 to the financial statements that, PLICL has an investment amount in BDT 10,000,000 in People's Leasing and Financial Service as at December 31, 2018. It has come to PLICL's knowledge that, the Honorable High Court has directed Bangladesh Bank to appoint a liquidator to liquidate the People's Leasing and Financial Service. PLICL has communicated with the liquidator and confirmed that, there is a high possibility to recover the whole amount of BDT 10,000,000 from the People's Leasing and Financial Service; Note 19.01 - Fixed deposits with banks: Balance of Fixed deposits with People's Leasing and Financial Service as on 31-12-2018 was Taka 10,000,000 and as on 31-12-2017 was Taka 15,000,000. c) In note 3.13.1(b) of the financial statements which describes, a legal proceeding is running in the Honorable High Court division of Supreme Court of Bangladesh in the name of PLICL's affairs which are yet to be resolved. Due to this reason, PLICL has not filed any return of income for any of the assessment years after the assessment year (AY) 2013-14. But PLICL is in process to file the income tax returns for the AY 2015-16, 2016-17, 2017-18 and 2018-19; Note 3.13.1(b) - Current Tax: A legal proceeding is running in the Honorable High Court division of Supreme Court of Bangladesh on the name of the Company's affairs which are yet to be resolved. Due to this reason, the Company does not file any return of income for any of the assessment years after the assessment year (AY) 2014-15. But the Company is in process to file the Income Tax returns for the AY 2015-16, 2016-17, 2017-18, 2018-2019 and 2019-2020. d) According to note 4.05 of the financial statements, a legal proceeding is running in the Honorable High Court division of Supreme Court of Bangladesh in the name of PLICL's affairs which are yet to be resolved. Due to this reason, PLICL could not submit "Quarterly Financial Statements" to the Exchange and the Commission in accordance with the Regulation 17 of Dhaka Stock Exchange (Listing) Regulations, 2015. PLICL has submitted its all un-audited Quarterly Financial Statements up to the 1st

Quarter of 2018 to the BSEC on 25 July 2018; Note 4.05 - Quarterly Financial Statements to the Exchange and the Commission: "A legal proceeding is running in the Honorable High Court division of Supreme Court of Bangladesh in the name of the Company's affairs which are yet to be resolved. Due to this reason, the Company could not submit "Quarterly Financial Statements" to the Exchange and the Commission in accordance with the Regulation 17 of Dhaka Stock Exchange (Listing) Regulations, 2015. The Company has submitted its all un-audited Quarterly Financial Statements up to the 1st Quarter of 2018 As disclosed in note 4.06 to the financial statements that a legal proceeding is running in the Honorable High Court division of Supreme Court of Bangladesh in the name of PLICL's affairs which are yet to be resolved. Due to this reason, Annual Financial Statements of PLICL could be not audited within 120 days from the date on which its financial year ends and a copy of such Audited Financial Statements could not be submitted to the Commission and the Stock Exchange within 14 days according to Regulation 18 of Dhaka Stock Exchange (Listing) Regulations, 2015; Note 4.06 - Audit of Annual Financial Statements: A legal proceeding is running in the Honorable High Court division of Supreme Court of Bangladesh in the name of the Company's affairs which are yet to be resolved. Due to this reason, Annual Financial Statements of the Company could not be audited within 120 days from the date on which its financial year ends and a copy of such Audited Financial Statements could not be submitted to the Commission and the Stock Exchange within 14 days according to Regulation 18 of Dhaka Stock Exchange (Listing) Regulations, 2015. f) According to note 4.07 of the financial statements, legal proceeding is running in the Honorable High Court division of Supreme Court of Bangladesh in the name of PLICL's affairs which are yet to be resolved. Due to this reason, PLICL could not hold any general meeting as its annual general meeting since 2013 in accordance with Section 81 of the Companies Act, 1994. With the approval of the Court, PLICL has held its 14th, 15th and 16th AGMs for the years 2013, 2014 and 2015 respectively on 12 September 2019; Note 4.07 - Annual General meeting (AGM): A legal proceeding is running in the Honorable High Court division of Supreme Court of Bangladesh in the name of the Company's affairs which are yet to be resolved. Due to this reason, the Company could not hold any general meeting as its annual general meeting since 2013 in accordance with Section 81 of the Companies Act, 1994. With the approval of the Court, the Company has held its 14th, 15th and 16th AGMs for the years 2013, 2014 and 2015 respectively on 12 September 2019. g) As disclosed in note 4.08 to the financial statements that, a legal proceeding is running in the Honorable High Court division of Supreme Court of Bangladesh in the name of PLICL's affairs which are yet to be resolved. So that, PLICL has not filed Schedule-X: "annual list of members and summary" to the Registrar in each year since 2013 according to Section 36 of the Companies Act, 1994; Note 4.08 - Annual Return to RJSC: As legal proceeding is running in the Honorable High Court division of Supreme Court of Bangladesh in the name of the Company's affairs which are yet to be resolved. Due to this matter, the Company does not file Schedule-X: "annual list of members and summary" to the Registrar in each year since 2013 according to Section 36 of the Companies Act, 1994. h) As disclosed in note 4.09 to the financial statements, PLICL does not make actuarial valuation and investigate its financial status of the life insurance business by an actuary according to the regulatory procedure and in a prescribed manner for the years 2016 and 2017 in accordance with Section 30 of the Insurance Act, 2010, because, legal proceeding is running in the Honorable High Court division of Supreme Court of Bangladesh in the name of PLICL's affairs which are yet to be resolved. On October 02, 2019 PLICL has appointed Dr. Mohammad Sohrab Uddin, Ph.D, AIA, Consulting Actuary, to Complete Actuarial valuation of the policy liabilities as at 31 December 2016, 2017 and 2018 respectively; Note 4.09 - Actuarial Valuation and Investigation: The Company does not make actuarial valuation and investigate its financial status of the life insurance business by an actuary according to the regulatory procedure and in a prescribed manner for the year 2016 and 2017 in accordance with Section 30 of the insurance Act, 2010. Because, legal proceeding is running in the Honorable High Court division of Supreme Court of Bangladesh on the name of the Company's affairs which are yet

to resolve. On October 02, 2019 the Company has been appointed Dr. Mohammad Sohrab Uddin, Ph.D, AIA, Consulting Actuary, to Complete Actuarial valuation of the policy liabilities as at 31 December 2016, 2017 and 2018 respectively. i) As legal proceeding is running in the Honorable High Court division of Supreme Court of Bangladesh in the name of PLICL's affairs which are yet to be resolved. Due to this reason, PLICL could not provide the financial statements and auditor's certified copy on details of deposited money and assets of the "Life Insurance Fund" within 6 months from the end of year 2017 to the authority in accordance with Section 32 and Section 26 (3) respectively of the Insurance Act, 2010, which disclosed in note 4.10 to the financial statements; Note 4.10 - Report to the Authority (IDRA): As legal proceeding is running in the Honorable High Court division of Supreme Court of Bangladesh in the name of the Company's affairs which are yet to be resolved. Due to this reason, The Company could not provide the financial statements and auditor's certified copy on details of deposited money and assets of the "Life Insurance Fund" within 6 months from the end of year 2018 to the authority in accordance with Section 32 and Section 26(3) respectively of the Insurance Act, 2010. j) In note 14.4.2 of the financial statements, PLICL stated the reason for not following the rule mentioned in the Insurance Rules, 1958, rule 10A(1)(e)(i). According to Rule 10A(1)(e)(i) of the Insurance Rules, 1958, investment of balance assets in any other investment including capital market shall be made in ordinary shares of such company, where dividends of not less than 10% including bonus have been paid on such shares for the past three years immediately preceding the date of investment or for at least four out of past seven years immediately preceding the date of investment. During the year 2018, PLICL has invested BDT 6,965,061 beyond the aforementioned provision because PLICL prudently thinks that said investment would be profitable in future; Note 14.4.2 - Investment in listed shares (as at 31st December 2018): Book value of Investment in listed shares was Taka 72,437,744.21 and Market value (quoted price) of Investment in listed shares was Taka 56,816,031.00. According to Rule 10A(1)(e)(i) of the Insurance Rules, 1958, investment of balance assets in any other investment including capital market shall be made in ordinary shares of such company, where dividends of not less than 10% including bonus have been paid on such shares for the past three years immediately preceding the date of investment or for at least four out of past seven years immediately preceding the date of investment. During the year 2018, the Company has invested BDT 6,965,061 beyond the aforementioned provision because the Company prudently thinks that because PLICL prudently thinks that said investment would be profitable in future; Note 14.4.2 - Investment in listed shares (as at 31st December 2018): Book value of Investment in listed shares was Taka 72,437,744.21 and Market value (quoted price) of Investment in listed shares was Taka 56,816,031.00. According to Rule 10A(1)(e)(i) of the Insurance Rules, 1958, investment of balance assets in any other investment including capital market shall be made in ordinary shares of such company, where dividends of not less than 10% including bonus have been paid on such shares for the past three years immediately preceding the date of investment or for at least four out of past seven years immediately preceding the date of investment. During the year 2018, the Company has invested BDT 6,965,061 beyond the aforementioned provision because the Company prudently thinks that said investment would be profitable in future. k) In note 18 of the financial statements, PLICL disclosed that PLICL recognizes outstanding premium as revenue according to IFRS 9. Outstanding premium as at December 31, 2018 has been collected subsequently. Note 18 - Outstanding premium: Balance of Outstanding premium as on 31-12-2018 was Taka 76,669,720 and as on 31-12-2017 was Taka 91,482,560. The Company disclosed that PLICL recognizes outstanding premium as revenue according to IFRS 9. Outstanding premium as at December 31, 2018 has been collected subsequently.