Hoda Vasi Chowdhury & Co

To
The Board of Directors
Hotels International Limited (HIL)
107, Kazi Nazrul Islam Avenue
Dhaka-1215, Bangladesh

Independent Auditors' Report
&
Audited Financial Statements
of
Hotels International Limited
For the year ended 31 December 2025

Independent Auditor's Report to the Shareholders of Hotels International Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hotels International Limited (the "Company" or "HIL"), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 3.

Basis for Opinion

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

Emphasis of Matter

i. Refer to Note 4(a) and Note 29.03, the carrying amount of Land includes 8.05 acres of land, of which approximately 1.75 acres, is subject to an administrative appeal before the Land Appeal Board (Case No. 3-41/2026) concerning the title to the land. Moreover, a portion of this land was included within the Hatirjheel development project undertaken by Rajdhani Unnayan Kartripakkha (RAJUK). On 13 November 2007, RAJUK issued a cancellation letter revoking the land use permission. Subsequently, HIL submitted a petition against the cancellation to RAJUK on 19 March 2008. However, without considering HIL's petition, RAJUK issued a final notice on 23 March 2008 directing HIL to demolish the relevant structure. In due course, the car parking structure was demolished by RAJUK. As at the date of our audit, no final decision has been issued.

ii. Refer to Note 15.01, the Company did not transfer the Workers' Profit Participation Fund (WPPF) contribution for the financial year ended on 31 December 2024 to the Fund within the nine-month period prescribed under Section 234 of the Bangladesh Labour Act, 2006. The outstanding amount was subsequently transferred to the Fund on 11 January 2026.

Our opinion is not modified in respect of these matters.

National Office : BTMC Bhaban (6th & 7th Floor), 7-9 Karwan Bazar Commercial Area, Dhaka- 1215, Bangladesh
Chattogram Office : Delwar Bhaban (4th Floor), 104 Agrabad Commercial Area, Chattogram-4100, Bangladesh

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report that:

(i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books; and

(iii) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

(iv) the expenditures incurred were for the purposes of the Company's business.

For and on behalf of
Hoda Vasi Chowdhury & Co
Chartered Accountants

HODA VASI CHOWDHURY & CO. DHAKA

Showkat Hossain FCA
Senior Partner
Enrolment No. 0137

Dhaka, 25 AUG 2026

DVC:
2608270137AS992480

Hotels International Limited
Statement of Financial Position
As at 31 December 2025

	Note(s)	31 Dec 2025 Taka	31 Dec 2024 Taka
ASSETS			
Non-current Assets			
Property, plant and equipment	4 (c)	3,075,919,508	3,237,774,859
Capital Work-In-Progress	5	528,089,053	523,089,553
Total Non-current Assets		**3,604,008,561**	**3,760,864,412**
Current Assets			
Inventories	6	77,131,053	87,430,095
Trade and other receivables	7	172,364,795	136,394,881
Advances, deposits and prepayments	8	364,731,701	283,816,674
Short-Term Investment	9	1,370,533,076	-
Cash and cash equivalents	10	1,558,299,750	2,715,227,754
Operating assets	11	71,062,156	71,678,140
Total Current assets		**3,614,122,531**	**3,294,547,544**
Total Assets		**7,218,131,092**	**7,055,411,956**
EQUITY AND LIABILITIES			
Shareholders Equity			
Share capital	12	593,346,300	593,346,300
Fixed assets revaluation reserve	13	1,643,602,145	1,654,521,456
Retained earnings		3,839,049,185	3,742,179,521
Total shareholders equity		**6,075,997,630**	**5,990,047,277**
Liabilities			
Non-current liabilities			
Grant from Government of Bangladesh	14	206,000,000	206,000,000
Total Non-current liabilities		**206,000,000**	**206,000,000**
Current liabilities			
Liabilities for Employees' benefits	15	187,614,042	169,025,044
Interest payable on Grant from GOB	16	129,996,200	129,996,200
Trade and other payables	17	166,294,538	204,390,691
Accrued expenses and provisions	18	126,384,459	120,516,417
Unearned revenue	19	29,840,984	34,542,257
Current tax liabilities	20	296,003,239	200,894,071
Total Current liabilities		**936,133,462**	**859,364,679**
Total liabilities		**1,142,133,462**	**1,065,364,679**
Total equity and liabilities		**7,218,131,092**	**7,055,411,956**

These financial statements should be read in conjunction with annexed Notes 01 to 30 and Annexure-A

25.08.2026
Company Secretary

25.08.2026
Director

25.08.2026
Director

Signed in terms of our separate report on even date annexed

HODA VASI CHOWDHURY & CO. DHAKA

For & on behalf of
Hoda Vasi Chowdhury & Co
Chartered Accountants

Showkat Hossain, FCA
Senior Partner
Enrolment No: 0137

Dhaka, 25 AUG 2026

DVC No:
260827013 7AS992480

Hotels International Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended on 31 December 2025

	Note(s)	2025 Taka	2024 Taka
Revenue	21	1,217,088,665	1,155,155,715
Cost of Revenue	22	(848,765,399)	(866,012,534)
Gross profit		**368,323,266**	**289,143,181**
General and administrative expenses	24	(224,775,411)	(243,627,654)
Property operation, maintenance and energy expenses	25	(198,471,890)	(211,552,273)
Marketing expenses	26	(68,277,221)	(71,186,137)
Finance expenses	27	(11,364,910)	(10,563,532)
		(502,889,432)	**(536,929,596)**
Operating income/ (Loss)		**(134,566,166)**	**(247,786,415)**
Other non-operating income	23	327,230,803	287,495,887
Foreign exchange gain/(loss)		(132,142)	13,718
Total non-operating income		**327,098,661**	**287,509,605**
Profit before contribution to WPPF and Income Tax		192,532,495	39,723,190
Contribution to WPPF		(9,168,214)	(1,986,160)
Profit/ (Loss) before tax		**183,364,281**	**37,737,031**
Current tax expenses	28	(97,086,099)	(76,133,418)
Net Profit/(Loss) after tax		**86,278,182**	**(38,396,387)**
Other comprehensive income/(Loss)		-	
Total comprehensive income/(Loss)		**86,278,182**	**(38,396,387)**

These financial statements should be read in conjunction with annexed Notes 01 to 30 and Annexure-A

25.08.2026
Company Secretary

25.08.2026
Director

25.08.2026
Director

Signed in terms of our separate report on even date annexed

For & on behalf of
Hoda Vasi Chowdhury & Co
Chartered Accountants

HODA VASI CHOWDHURY & CO. DHAKA

Showkat Hossain, FCA
Senior Partner
Enrolment No: 0137

Dhaka, 25 AUG 2026

DVC No:
2608270137AS992480

Hotels International Limited
Statement of Changes in Equity
For the year ended on 31 December 2025

Amount in Taka

Particulars	Share capital	Revaluation reserve	Retained earnings	Total equity
Balance as at 01 January 2025	593,346,300	1,654,521,456	3,742,179,521	5,990,047,277
Adjusment for prior year accounting error	-	-	(327,829)	(327,829)
Adjusted Balance as at 01 January 2025	593,346,300	1,654,521,456	3,741,851,692	5,989,719,448
Total comprehensive income for the year	-	-	86,278,182	86,278,182
Adjustment of revaluation reserve	-	(10,919,311)	10,919,311	-
Balance as at 31 December 2025	**593,346,300**	**1,643,602,145**	**3,839,049,185**	**6,075,997,630**
Balance as at 01 January 2024	593,346,300	1,665,440,767	3,769,656,597	6,028,443,664
Total comprehensive income for the year	-	-	(38,396,387)	(38,396,387)
Adjustment of revaluation reserve	-	(10,919,311)	10,919,311	-
Balance as at 31 December 2024	**593,346,300**	**1,654,521,456**	**3,742,179,521**	**5,990,047,277**

These financial statements should be read in conjunction with annexed Notes 01 to 30 and Annexure-A

25.08.2026
Company Secretary

25.08.2026
Director

25.08.2026
Director

HODA VASI CHOWDHURY & CO. DHAKA

Hotels International Limited
Statement of Cash Flows
For the year ended on 31 December 2025

	Note(s)	2025 Taka	2024 Taka
Cash flows from operating activities			
Receipt from customers & others		1,503,320,450	1,493,179,752
Payment to suppliers		(875,946,518)	(837,762,761)
Payment to Others		(290,179,094)	(289,091,689)
Advance payment without advance tax	*8.03*	(1,264,162)	-
Tax payment	*8.01.2*	(81,753,799)	(73,684,774)
A. Net cash from/(used in) operating activities		**254,176,877**	**292,640,528**
Cash flows from investing activities			
Acquisition of property, plant and equipment	*4 (c)*	(35,572,305)	(67,882,689)
Capital Work-In-Progress	*5*	(4,999,500)	(90,388,544)
Investment/(encashment) in short term FDR	*9*	(1,370,533,076)	-
B. Net cash used in investing activities		**(1,411,104,881)**	**(158,271,233)**
Cash flows from financing activities			
Dividend paid		-	-
C. Net cash generated from/(used in) financing activities		**-**	**-**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(1,156,928,004)**	**134,369,295**
Cash and cash equivalents at the beginning of the year		2,715,227,754	2,580,858,459
Effect in foreign exchange rate on cash & cash equivalent		-	-
Cash and cash equivalents at the end of the year	*10*	**1,558,299,750**	**2,715,227,754**
Represented by:			
Cash in hand		2,738,214	6,969,141
Cash at bank		1,597,890,488	2,709,354,018
Pan Pacific Sonargaon Hotel		(42,328,952)	(1,095,405)
	10	**1,558,299,750**	**2,715,227,754**

These financial statements should be read in conjunction with annexed Notes 01 to 30 and Annexure-A

25.08.2026
Company Secretary

25.08.2026
Director

25-08-2026
Director

HODA VASI CHOWDHURY & CO. DHAKA

1.00 Company profile and overview of its operational activities

1.01 Profile of the entity

Hotels International Limited ("HIL" or the "Company"), incorporated in Bangladesh as a public limited company and wholly owned by the Government of Bangladesh. The Pan Pacific Sonargaon Hotel, Dhaka is a hotel owned by Hotels International Limited. The Hotel is managed by Pan Pacific Hotels and Resorts Pte Ltd, Singapore on the basis of an agreement signed between the parties which is extended to 31 December 2032 for a period of 10 years pursuant to Article 2.3 of Management Agreement.

1.02 Nature of business

The principal activities of the Company throughout the year were carrying out of the business of a hotel, restaurant, café, bar-house, refreshment, room and lodging, house-keeping and other related activities connected with the hotel business run through a Management Agreement executed between the Hotels International Limited (HIL) and the Pan Pacific Hotel & Resorts Pte Ltd. Singapore.

1.03 Registered and Corporate Address of the entity

The registered and corporate office of the Company is situated at 107, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka-1215.

2.00 Basis of presentation of the financial statements

The accounting policies set out below, which comply with IFRS, have been applied consistently to all periods presented in these financial statements.

2.01 Statement of Compliance

These financial statements have been prepared and disclosures and information are provided in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 and other applicable rules and regulations. The statement of financial position and statement of profit or loss and other comprehensive income have been prepared according to the International Accounting Standards (IAS) 1: Presentation of Financial Statements.

2.02 Other Regulatory compliances

In addition to the aforesaid, the Hotel is also required to comply with the following major legal provision and other applicable laws and regulations:
The Income Tax Act 2023
The Income Tax Rules 1984
The Value Added Tax and Supplementary Duty Act 2012
The Value Added Tax and Supplementary Duty Rules, 2016

2.02 Components of Financial Statements

Following are the components of these financial statements:
a. Statement of Financial Position
b. Statement of Profit or Loss and Other Comprehensive Income
c. Statement of Changes in Equity
d. Statement of Cash Flows
e. Notes to the accounts along with significant accounting policies and explanatory information.

2.03 Basis of Measurement

These financial statements, except statement of cash flows have been prepared on accrual basis under historical cost convention, except revaluation of Land and Building following going concern assumptions.

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2.04 Principal accounting policies

The specific accounting policies have been selected and applied by the Company's management for significant transactions and events that have a material effect within the framework for preparation and presentation of financial statements. Financial statements have been prepared and presented in compliance with IAS 1, Presentation of Financial Statements. The previous year's figures were re-arranged according to the same accounting policies. Accounting and valuation methods are disclosed for reasons of clarity. The Company classified the expenses using the function of expenses method as per IAS 1, Presentation of Financial Statements.

2.05 Application of standards

The following IASs and IFRSs are applicable for the preparation and presentation of these financial statements for the year under review.

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 Effect of Changes in Foreign Exchange Rates
IAS 23 Borrowing Costs
IAS 33 Earning's Per Share
IAS 37 Provisions, Contingent Liabilities and Contingent Assets
IAS 39 Financial Instruments: Recognition and Measurement
IFRS 7 Financial Instruments, Disclosures
IFRS 9 Financial Instruments
IFRS 10 Consolidated Financial Statements
IFRS 15 Revenue from Contract with Customers

2.06 Use of Estimates and Judgments

i) The Preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

ii) In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are stated in the following notes:

Note-4 (c): Depreciation
Note-6: Inventories
Note-7: Trade and other receivables
Note-14: Liabilities for employees' benefits
Note-16 : Trade and other payables
Note-17: Accrued expenses and provisions
Note-27: Current tax expenses

2.07 Reporting period

The financial year of the Company is 01 January to 31 December every year and consistently followed. These financial statements cover one year from 01 January 2025 to 31 December 2025.

2.08 Functional and presentational currency

These financial statements are prepared in Bangladeshi Taka (Taka/Tk/BDT.), which is also the Company's functional currency. Indicated figures have been rounded off to the nearest Taka.

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2.09 Going concern

The Management has made their assessment and are confident that they have adequate resources to continue in operation for the foreseeable future. As per management's assessment there is no material uncertainty related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Therefore the Management has decided to adopt going concern basis in preparing the financial statements.

2.10 Foreign currency transactions

Foreign currency transactions are converted at the rate ruling on the transaction dates. Foreign currency monetary assets and liabilities at the reporting date are, however converted at the rate ruling on that date.

2.11 Statement of Cash Flows

Statement of Cash Flows has been prepared under direct method as per the provisions of IAS-7: Statement of Cash Flows.

3.00 Summary of Material Accounting Policy Information

3.01 Property, plant and equipment

3.01.01 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 labor and any other cost directly attributable to bringing the assets to a working condition for their intended use.

3.01.02 Subsequent costs

The costs of replacing part of an item of property, plant and equipment is recognized 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, plant and equipment are recognized in profit or loss as incurred.

3.01.03 Depreciation

Depreciation on property, plant and equipment is recognized on straight line method over the estimated useful lives of each part of an item of property, plant and equipment. Depreciation is charged for full year in the year of purchase or acquisition and no depreciation is charged in the year of disposal. The rates of depreciation based on the useful life of assets are as follows:

	2025	2024
	%	%
Land and land development	NIL	NIL
Building	2.5%	2.5%
Plant and machinery	10%	10%
Computer and accessories	10%	10%
Furniture and fixture	10%	10%
Electrical equipment	10%	10%
Office equipment	10%	10%
Motor vehicles	10%	10%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

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3.01.04 Retirement and disposals

An asset is derecognized 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 recognized in the income statement.

3.02 Capital work in progress

Property, plant and equipment that is in the process of construction/acquisition/import is accounted for as capital work in progress until construction/acquisition/import is completed and measured at cost.

3.03 Advances, deposits and prepayments

Advances and prepayments are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments of charges to other accounts. Deposits are measured at the payment value.

3.04 Cash and Cash Equivalents

Cash and cash equivalents comprise cash-in-hand and cash at bank and available for use by the Company without any restriction.

3.05 Inventories

All inventories are valued at the lower of cost or net realizable value. Cost includes all expenditure incurred for acquiring the inventories and bringing them to their existing location and condition. Cost of the inventories have been determined by using weighted average method. Goods -in-transit has been valued at cost.

3.06 Provisions

Provisions are recognized at the reporting date if, as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.07 Revenue

In order to recognize revenue from the contract with customers, the application of the core principle in IFRS 15 is carried out in five steps. Revenue represents net off value added tax, service charges, rebate and discounts allowed to customers.
The revenue recognition also includes the following steps as per IFRS-15:
Step-1: Identify the contract
Step-2: Identify separate performance obligations
Step-3: Determine the transaction price
Step-4: Allocate transaction price to performance obligations
Step-5: Recognize revenue as or when each performance obligation is satisfied

3.08 Finance income and finance costs

The Company's finance income and finance costs include:
- Interest income on term deposits
- Bank charges and excise duty.

3.09 Income tax

Tax on the income statements for the year comprises current tax. Tax is recognized in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

(i) Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Applicable tax rate for the reporting period was 27.5% with turnover tax at the rate of one percent (1%) on gross receipts for the year.

HODA VASI CHOWDHURY & CO. DHAKA

(ii) Deferred tax

Deferred tax has not been recognised in these financial statements as the Company is currently unable to reliably determine the timing and amount of temporary differences due to the unavailability of complete and verifiable supporting documentation. Recognition of deferred tax will be made once sufficient and accurate information becomes available to ensure proper measurement and compliance with applicable accounting standards.

3.10 Employee benefits

3.10.01 Workers' Profit Participation and Welfare Fund (WPPF)

The Company has established Workers' Profit Participation and Welfare Fund (WPPF) effective from the year 2016 vide 388th Board Meeting dt. 21-8-2018. Provision for WPPF has been made @ 5% of the net profit before WPPF as per the provisions of the Bangladesh Labor Act 2006 (as amended in the year 2013 and 2015) and to be transferred to the Trustee Board of the Fund.

3.10.02 Staff Provident Fund

The Company has been maintaining a recognized contributory Provident Fund under a trustee board separate from the Company's management.

3.10.03 Gratuity Fund (Funded)

The Company has been maintaining a recognized Gratuity Fund (Funded Scheme) under a trustee board separate from the Company's management.

3.11 Contingent liabilities and contingent assets

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

3.11.01 Contingent liability

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 recognized in the financial statements, but may require disclosure. Contingent liabilities have been disclosed under Note-29.

3.11.02 Contingent asset

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 should not be recognized. Only when the realization of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

3.12 Events after the reporting period

Events after reporting period that provide additional information about the Entity's position at the date of statement of financial position are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material. There is no material event subsequent to the reporting date till the issue of these financial statements that may materially affect the financial statements under review.

3.13 Particulars of employees

During the year ended 31 December 2025, Hotels International Limited had 399 (2024: 420) employees.

3.14 General

i) Previous year's figures have been re-arranged wherever considered necessary to conform to the current year's presentation.

ii) Figures in the financial statements have been rounded off to the nearest Taka.

HOQUE VASI CHOWDHURY & CO. DHAKA

4.00 Property Plant and Equipment- Year 2025

4.(a) Property Plant and Equipment: Non Revalued Assets- Year 2025

Fixed Assets Schedule- Non-revalued Assets- Year 2025												
		Cost					Depreciation					
SL	Particulars	Balance on 01 Jan 2025	Additions During the year	Disposals During the year	Balance on 31 Dec 2025	Rate	Balance on 01 Jan 2025	Charges During the year	Adjustments on Disposal	Balance on 31 Dec 2025	WDV 31 Dec 2025
1	Land (8.05 acre) *	14,343,791	-	-	14,343,791	-	-	-	-	-	14,343,791
2	Land Development	27,389,684	-	-	27,389,684	-	-	-	-	-	27,389,684
	Land and Land development- Including valuation	**41,733,475**	-	-	**41,733,475**		-	-	-	-	**41,733,475**
3	Building	1,173,423,306	24,150		1,173,447,456	2.50%	697,408,668	28,254,556	-	725,663,224	447,784,232
4	Boundary Wall	18,638,008	-	-	18,638,008	2.50%	9,315,306	465,950	-	9,781,256	8,856,752
	Building including valuation	**1,192,061,314**	**24,150**	-	**1,192,085,464**		**706,723,974**	**28,720,506**	-	**735,444,480**	**456,640,984**
5	Plumbing Works	74,140,640	-		74,140,640	10.00%	24,708,174	6,273,363	-	30,981,537	43,159,103
6	Generator	49,937,390	-	-	49,937,390	10.00%	49,937,390	-	-	49,937,390	-
7	Simultaneous Interred. System	325,000	-	-	325,000	10.00%	324,999	-	-	324,999	1
8	Water Treatment Plant	32,382,682	10,650,000		43,032,682	10.00%	29,219,001	1,734,253		30,953,254	12,079,427
	Plant and machinery	**156,785,712**	**10,650,000**	-	**167,435,712**		**104,189,564**	**8,007,616**	-	**112,197,180**	**55,238,531**
9	Substation	9,626,851	-	-	9,626,851	10.00%	6,064,130	887,180	-	6,951,310	2,675,541
10	Computer Accessories	146,398,009	14,610,366		161,008,375	10.00%	126,583,043	8,081,617		134,664,660	26,343,715
11	Room Internet System	2,143,756	-	-	2,143,756	10.00%	2,143,755	-	-	2,143,755	1
12	Lan Equipment	538,338	-	-	538,338		538,337	-	-	538,337	1
	Computer and Accessories	**158,706,954**	**14,610,366**	-	**173,317,320**		**135,329,265**	**8,968,797**	-	**144,298,062**	**29,019,258**
13	Furniture Fixture	854,604,949	446,780		855,051,729	10.00%	252,389,960	77,731,948		330,121,908	524,929,821
14	Curtain Carpet	114,205,557	-		114,205,557	10.00%	37,997,478	9,972,603		47,970,081	66,235,476
	Furniture and fixture	**968,810,506**	**446,780**	-	**969,257,286**		**290,387,438**	**87,704,552**	-	**378,091,990**	**591,165,296**
15	Cold Storage & Refg.	12,814,823	-	-	12,814,823	10.00%	12,521,883	92,246	-	12,614,129	200,694
16	Air-condition & Ventilation	132,905,351	3,712,081	-	136,617,432	10.00%	116,219,422	5,546,082	-	121,765,504	14,851,928
17	Boiler	21,761,531	-	-	21,761,531	10.00%	20,173,317	397,053	-	20,570,370	1,191,161
18	Elevator	94,502,596	-	-	94,502,596	10.00%	71,996,771	9,360,175	-	81,356,946	13,145,651
19	Electrical Installation	267,885,851	-	-	267,885,851	10.00%	73,622,283	26,437,464		100,059,747	167,826,104
20	Electronic Door Locking System	5,551,460	-	-	5,551,460	10.00%	5,536,942	5,688	-	5,542,630	8,830
	Electrical equipment	**535,421,612**	**3,712,081**	-	**539,133,693**		**300,070,618**	**41,838,708**	-	**341,909,326**	**197,224,368**
21	General Sound System	4,287,082	-	-	4,287,082	10.00%	4,287,082	-	-	4,287,082	-
22	Food Service & Kitchen Eqp.	108,732,418	3,356,528		112,088,946	10.00%	100,418,854	2,032,561		102,451,415	9,637,531
23	Office Machinery Eqpt.	9,062,832	-	-	9,062,832	10.00%	8,479,352	263,446	-	8,742,798	320,034
24	Cleaning Eqpt.	18,566,397	635,620	-	19,202,017	10.00%	16,225,981	882,191		17,108,172	2,093,845
25	Repair & Maintenance Eqpt. (eng)	2,659,709	-	-	2,659,709	10.00%	2,659,708	-	-	2,659,708	1
26	Barber & Beauty Shop Eqpt.	3,050,780	-	-	3,050,780	10.00%	1,722,191	265,718	-	1,987,909	1,062,871
27	Signage	2,747,099		-	2,747,099	10.00%	936,669	255,736		1,192,405	1,554,694
28	Medical Equipment	2,251,714	-	-	2,251,714	10.00%	2,251,714	-	-	2,251,714	-
29	Health Club Eqpt.	25,255,083	-	-	25,255,083	10.00%	19,806,241	1,255,625		21,061,866	4,193,217
30	Telecommunication System	90,365,777	-	-	90,365,777	10.00%	90,158,954	83,431	-	90,242,385	123,392
31	T.V. sate & Video Eqpt.	46,290,238	1,137,777	-	47,428,015	10.00%	46,272,386	119,371	-	46,391,757	1,036,258
32	Fire Fighting Equipment	24,481,189	-	-	24,481,189	10.00%	8,727,406	2,303,764	-	11,031,170	13,450,019
33	Laundry Equipment	98,015,222	999,003	-	99,014,225	10.00%	91,235,273	1,959,417	-	93,194,690	5,819,535
34	Tailoring Equipment	56,500	-	-	56,500	10.00%	56,500	-	-	56,500	-
35	Repair & Maintenance Eqpt. (hk)	417,314	-	-	417,314	10.00%	417,314	-	-	417,314	-
36	Safety & Security Eqp.	33,076,833	-		33,076,833	10.00%	33,076,829	-	-	33,076,829	3
	Office equipment	**469,316,187**	**6,128,928**	-	**475,445,115**		**426,732,454**	**9,421,260**	-	**436,153,714**	**39,291,400**
37	Motor Vehicle	108,537,590	-	-	108,537,590	10.00%	95,604,950	1,846,900	-	97,451,850	11,085,740
	Motor vehicles	**108,537,590**	-	-	**108,537,590**		**95,604,950**	**1,846,900**	-	**97,451,850**	**11,085,740**
	Total 2025	**3,631,373,350**	**35,572,305**	-	**3,666,945,654**		**2,059,038,263**	**186,508,340**	-	**2,245,546,603**	**1,421,399,052**

*The carrying amount of Land includes 8.05 acres of land, of which approximately 1.75 acres, is subject to an administrative appeal before the Land Appeal Board (Case No. 3-41/2026) concerning the title to the land. The appeal remains pending as at the reporting date. Further details of the matter and management's assessment are disclosed in Note 29.03- Legal Matter-Land Dispute.

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4.(b)	Property Plant and Equipment: Revalued Assets- Year 2025										
		Cost					Depreciation				
SL	Particulars	Balance on 01 Jan 2025	Additions During the year	Disposals During the year	Balance on 31 Dec 2025	Rate	Balance on 01 Jan 2025	Charges During the year	Adjustments on Disposal	Balance on 31 Dec 2025	WDV 31 Dec 2025
1 & 2	Land and land development	1,501,651,102	-	-	1,501,651,102		-	-	-	-	1,501,651,102
3	Building	436,772,440	-	-	436,772,440	2.50%	272,982,775	10,919,311	-	283,902,086	152,870,354
	Total 2025	1,938,423,542	-	-	1,938,423,542		272,982,775	10,919,311	-	283,902,086	1,654,521,456

4 (c)	Summary of Property Plant and Equipment: Revalued and Non- Revalued Assets- Year 2025										
		Cost					Depreciation				
SL	Particulars	Balance on 01 Jan 2025	Additions during the year	Disposals during the year	Balance on 31 Dec 2025	Rate	Balance on 01 Jan 2025	Charges during the year	Adjustments on Disposal	Balance on 31 Dec 2025	WDV 31 Dec 2025
4.(a)	Property Plant and Equipment: Non Revalued Assets	3,631,373,350	35,572,305	-	3,666,945,654		2,059,038,263	186,508,340	-	2,245,546,603	1,421,399,052
4.(b)	PPE Revalued Assets (Land & Building)	1,938,423,542	-	-	1,938,423,542		272,982,775	10,919,311	-	283,902,086	1,654,521,456
	GRAND TOTAL -2025	5,569,796,892	35,572,305	-	5,605,369,196		2,332,022,036	197,427,651	-	2,529,448,689	3,075,920,508
	GRAND TOTAL -2024	5,497,946,010	71,850,885	-	5,569,796,895		2,120,557,936	211,464,101	-	2,332,022,037	3,237,774,859

Allocation of depreciation:	2025 Taka	2024 Taka
Cost of revenue - Note 22.02	177,684,886	190,317,691
General and administrative expenses -Note 24	19,742,765	21,146,410
	197,427,651	211,464,101

Notes:

i) Fixed assets of the Company except "Boundary wall" were revalued effective from the year 1999. Depreciation are charged on Building and boundary wall @ 2.50% per annum while 10% depreciation are charged on all other fixed assets. No depreciation is charged on land and land development.

ii) All revalued "Other assets" have by now been fully depreciated.

iii) Revalued portion of the "Building" has not been fully depreciated as yet and thus revalued portion of this Building along with land is separately shown under note 4(b) above.

4.01 Property Plant and Equipment- Year 2024

4.(a) Property Plant and Equipment: Non Revalued Assets- Year 2024

Fixed Assets Schedule- Non-revalued Assets- Year 2024												
		Cost					Depreciation				WDV
SL	Particulars	Balance on 01 Jan 2024	Additions During the year	Disposals During the year	Balance on 31 Dec 2024	Rate	Balance on 01 Jan 2024	Charges During the year	Adjustments on Disposal	Balance on 31 Dec 2024	31 Dec 2024
1	Land (8.05 acre)	14,343,791	-	-	14,343,791	-	-	-	-	-	14,343,791
2	Land Development	27,389,684	-	-	27,389,684	-	-	-	-	-	27,389,684
	Land and Land development- Including valuation	**41,733,475**	-	-	**41,733,475**		-	-	-	-	**41,733,475**
3	Building	1,173,423,306	-		1,173,423,306	2.50%	668,074,085	29,335,583	-	697,409,668	476,013,638
4	Boundary Wall	18,638,008	-	-	18,638,008	2.50%	8,849,356	465,950	-	9,315,306	9,322,702
	Building including valuation	**1,192,061,314**	-	-	**1,192,061,314**		**676,923,441**	**29,801,533**	-	**706,724,974**	**485,336,340**
5	Plumbing Works	74,140,640	-		74,140,640	10.00%	18,434,811	6,273,363	-	24,708,174	49,432,466
6	Generator	49,937,390	-	-	49,937,390	10.00%	49,937,390	-	-	49,937,390	-
7	Simultaneous Interred. System	325,000	-	-	325,000	10.00%	324,999	-	-	324,999	1
8	Water Treatment Plant	29,942,598	2,440,084	-	32,382,682	10.00%	28,992,243	226,758	-	29,219,001	3,163,680
	Plant and machinery	**154,345,628**	**2,440,084**	-	**156,785,712**		**97,689,443**	**6,500,121**	-	**104,189,564**	**52,596,147**
9	Substation	9,626,851	-	-	9,626,851	10.00%	5,176,950	887,180	-	6,064,130	3,562,721
10	Computer Accessories	120,199,697	26,198,312	-	146,398,009	10.00%	119,986,732	6,596,311	-	126,583,043	19,814,967
11	Room Internet System	2,143,756	-	-	2,143,756	10.00%	2,143,755	-	-	2,143,755	1
12	Lan Equipment	538,338	-	-	538,338		538,337	-	-	538,337	1
	Computer and Accessories	**132,508,642**	**26,198,312**	-	**158,706,954**		**127,845,774**	**7,483,491**	-	**135,329,265**	**23,377,690**
13	Furniture Fixture	848,790,567	5,814,382	-	854,604,949	10.00%	174,468,647	77,921,314	-	252,389,961	602,214,988
14	Curtain Carpet	113,643,382	562,176	-	114,205,558	10.00%	28,029,559	9,967,919	-	37,997,478	76,208,080
	Furniture and fixture	**962,433,949**	**6,376,558**	-	**968,810,507**		**202,498,206**	**87,889,233**	-	**290,387,439**	**678,423,068**
15	Cold Storage & Refg.	12,814,823	-	-	12,814,823	10.00%	12,429,637	92,246	-	12,521,883	292,940
16	Air-condition & Ventilation	132,231,231	674,120	-	132,905,351	10.00%	107,203,582	9,015,840	-	116,219,422	16,685,929
17	Boiler	21,761,531	-	-	21,761,531	10.00%	19,776,264	397,053	-	20,173,317	1,588,214
18	Elevator	94,502,596	-	-	94,502,596	10.00%	62,560,511	9,436,261	-	71,996,772	22,505,825
19	Electrical Installation	243,610,383	24,275,469	-	267,885,852	10.00%	47,222,960	26,399,324	-	73,622,284	194,263,568
20	Electronic Door Locking System	5,551,460	-		5,551,460	10.00%	5,522,060	14,881		5,536,941	14,519
	Electrical equipment	**510,472,024**	**24,949,589**	-	**535,421,613**		**254,715,014**	**45,355,605**	-	**300,070,619**	**235,350,995**
21	General Sound System	4,287,082	-	-	4,287,082	10.00%	4,287,082	-	-	4,287,082	-
22	Food Service & Kitchen Eqp.	99,490,144	9,242,274	-	108,732,418	10.00%	97,819,883	2,598,971	-	100,418,854	8,313,564
23	Office Machinery Eqpt.	9,062,832	-	-	9,062,832	10.00%	8,383,941	95,411	-	8,479,352	583,480
24	Cleaning Eqpt.	15,923,829	2,642,568	-	18,566,397	10.00%	15,752,063	473,918	-	16,225,981	2,340,416
25	Repair & Maintenance Eqpt. (eng)	2,659,709	-	-	2,659,709	10.00%	2,659,708	-	-	2,659,708	1
26	Barber & Beauty Shop Eqpt.	3,050,780	-	-	3,050,780	10.00%	1,456,472	265,718	-	1,722,190	1,328,590
27	Signage	2,747,099	-		2,747,099	10.00%	680,112	256,556		936,668	1,810,431
28	Medical Equipment	2,251,714	-	-	2,251,714	10.00%	2,251,714	-	-	2,251,714	-
29	Health Club Eqpt.	25,255,083	-	-	25,255,083	10.00%	18,550,618	1,255,625	-	19,806,243	5,448,840
30	Telecommunication System	90,365,777	-	-	90,365,777	10.00%	86,743,470	3,415,484	-	90,158,954	206,823
31	T.V. sate & Video Eqpt.	46,290,238	-	-	46,290,238	10.00%	46,270,239	2,147	-	46,272,386	17,852
32	Fire Fighting Equipment	24,479,689	1,500	-	24,481,189	10.00%	6,423,654	2,303,751	-	8,727,405	15,753,784
33	Laundry Equipment	98,015,222	-	-	98,015,222	10.00%	84,293,949	6,941,325	-	91,235,274	6,779,948
34	Tailoring Equipment	56,500	-	-	56,500	10.00%	56,499	-	-	56,499	1
35	Repair & Maintenance Eqpt. (hk)	417,314	-	-	417,314	10.00%	417,313	-	-	417,313	1
36	Safety & Security Eqp.	33,076,833	-	-	33,076,833	10.00%	30,807,351	2,269,479	-	33,076,830	2
	Office equipment	**457,429,845**	**11,886,342**	-	**469,316,187**		**406,854,068**	**19,878,385**	-	**426,732,453**	**42,583,733**
37	Motor Vehicle	108,537,590	-	-	108,537,590	10.00%	91,968,528	3,636,422	-	95,604,950	12,932,640
	Motor vehicles	**108,537,590**	-	-	**108,537,590**		**91,968,528**	**3,636,422**	-	**95,604,950**	**12,932,640**
	Total 2024	**3,559,522,467**	**71,850,885**	-	**3,631,373,352**		**1,858,494,474**	**200,544,791**	-	**2,059,039,265**	**1,572,334,088**

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4.(b)	Property Plant and Equipment: Revalued Assets- Year 2024										
		Cost					Depreciation				
SL	Particulars	Balance on 01 Jan 2024	Additions During the year	Disposals During the year	Balance on 31 Dec 2024	Rate	Balance on 01 Jan 2024	Charges During the year	Adjustments on Disposal	Balance on 31 Dec 2024	WDV 31 Dec 2024
1 & 2	Land and land development	1,501,651,102	-	-	1,501,651,102		-	-	-	-	1,501,651,102
3	Building	436,772,440	-	-	436,772,440	2.50%	262,063,464	10,919,311	-	272,982,775	163,789,665
	Total 2024	**1,938,423,542**	**-**	**-**	**1,938,423,542**		**262,063,464**	**10,919,311**	**-**	**272,982,775**	**1,665,440,767**

4 (c)	Summary of Property Plant and Equipment: Revalued and Non- Revalued Assets- Year 2024										
		Cost					Depreciation				
SL	Particulars	Balance on 01 Jan 2024	Additions during the year	Disposals during the year	Balance on 31 Dec 2024	Rate	Balance on 01 Jan 2024	Charges during the year	Adjustments on Disposal	Balance on 31 Dec 2024	WDV 31 Dec 2024
4.(a)	Property Plant and Equipment: Non Revalued Assets	3,559,522,467	71,850,885	-	3,631,373,352		1,858,494,474	200,544,791	-	2,059,039,265	1,572,334,088
4.(b)	PPE Revalued Assets (Land & Building)	1,938,423,542	-	-	1,938,423,542		262,063,464	10,919,311	-	272,982,775	1,665,440,767
	GRAND TOTAL -2024	**5,497,946,009**	**71,850,885**	**-**	**5,569,796,894**		**2,120,557,938**	**211,464,102**	**-**	**2,332,022,040**	**3,237,774,855**
	GRAND TOTAL -2023	**4,273,568,787**	**1,242,945,690**	**18,568,468**	**5,497,946,009**		**1,926,466,669**	**212,162,317**	**18,071,050**	**2,120,557,936**	**3,377,388,073**

Allocation of depreciation:	**2024 Taka**	**2023 Taka**
Cost of sales - Note 22.02	190,317,692	190,946,085
General and administrative expenses -Note 24	21,146,410	21,216,232
	211,464,102	**212,162,317**

Notes:

i) Fixed assets of the Company except "Boundary wall" were revalued effective from the year 1999. Depreciation are charged on Building and boundary wall @ 2.50% per annum while 10% depreciation are charged on all other fixed assets. No depreciation is charged on land and land development.

ii) All revalued "Other assets" have by now been fully depreciated.

iii) Revalued portion of the "Building" has not been fully depreciated as yet and thus revalued portion of this Building along with land is separately shown under note 4(b) above.

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		Note(s)	31 Dec 2025 Taka	31 Dec 2024 Taka
5.00	**Capital work in progress**			
	Hotels International Limited			
	Renovation Project expenses	*5.01*	246,041,551	246,041,551
	Construction work in progress	*5.02*	276,039,264	276,039,264
	New Expansion Project		1,008,738	1,008,738
	Capital Work-in-progress		4,999,500	-
			528,089,053	**523,089,553**

Property, plant and equipment that are in the process of construction/ acquisition, import etc. are accounted for as Capital-work-in progress until constructions, acquisitions, imports is completed and measured at cost.

5.01	**Renovation Project Expenses**		
	Opening balance	246,041,551	155,653,007
	Add: Addition during the year	-	90,388,544
	Less: Capitalized during the year	-	-
	Closing Balance	**246,041,551**	**246,041,551**
5.02	**Construction work in progress (CWIP)**		
	Opening balance	276,039,264	276,039,264
	Less: Provision- 1st installment in the year 2018	-	-
	Less: Provision -2nd installment in the year 2019	-	-
	Less: Provision -3rd & final installment in the year 2020	-	-
	Closing Balance	**276,039,264**	**276,039,264**

Construction work in progress amounting to BDT 276,039,264 has been carried forward in the books for an extended period, as it relates to the building structure that was demolished by RAJUK in connection with the Hatirjheel development project.

An arbitration case was initiated in the High Court Division, with Hotels International Limited as the Petitioner and a Joint Venture of kTech Construction Company Ltd and another as the Respondents. As per the Court's order, the Arbitration Award dated 28 June 2018, which had been issued in favour of the Respondents, has been stayed for a period of three (3) months. Accordingly, the amount continues to be carried as Construction Work in Progress. No adjustment has been made in these financial statements as the final outcome of the litigation remains pending.

6.00	**Inventories**			
	Pan Pacific Sonargaon Hotel			
	Saleable merchandise	*6.01*	48,692,082	59,616,750
	Operating supplies	*6.02*	28,438,971	27,813,345
			77,131,053	**87,430,095**
6.01	**Saleable merchandise**			
	Food		18,047,894	12,533,322
	Beverage		26,051,681	47,083,428
	Merchandise		4,592,507	-
			48,692,082	**59,616,750**
6.02	**Operating supplies**			
	General/guest/other supplies		6,616,266	7,057,961
	Cleaning supplies		1,054,270	1,122,408
	Engineering supplies		16,001,911	15,253,601
	Printing and stationery		1,712,108	1,668,724
	Medical supplies		1,023,602	286,103
	Laundry supplies		2,030,814	2,424,548
			28,438,971	**27,813,345**
7.00	**Trade and other receivables**			
	Trade receivables	*7.01*	132,421,947	98,339,412
	Other receivables	*7.02*	39,942,848	38,055,469
			172,364,795	**136,394,881**

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		Note(s)	31 Dec 2025 Taka	31 Dec 2024 Taka
7.01	**Trade receivables**			
	Pan Pacific Sonargaon Hotel			
	Commercial		78,541,301	44,311,160
	Government		21,464,403	21,630,887
	Sonargaon credit card		3,004,007	2,663,490
	General Ledger (Guest)		4,782,593	989,922
	International credit card		5,795,647	8,874,437
	Others		21,308,301	21,943,822
			134,896,252	**100,413,717**
	Less : Provision for doubtful debts	*7.03*	(2,474,305)	(2,074,305)
			132,421,947	**98,339,412**
7.02	**Other receivables**			
	Hotels International Limited:			
	Accrued interest from FDR *		32,308,651	36,192,611
	Rent Receivable		3,462,947	-
	Pan Pacific Sonargaon Hotel:			
	VAT receivable		4,171,250	1,862,858
			39,942,848	**38,055,469**

After the introduction of The Value Added Tax and Supplementary Duty Act, 2012, input VAT and output VAT has been adjusted in every next month.

*After the issuance of the audited financial statements for the year ended 31 December 2024, the Company identified a prior-period error relating to the accounting for interest earned on Fixed Deposit Receipts (FDRs). In the previous financial year, Interest Receivable from FDRs amounting to BDT 327,829 was not reversed upon receipt of the related interest from the bank. As a result, the Interest Receivable from FDRs balance remained overstated in the audited financial statements for the year ended 31 December 2024, and the same amount was inadvertently recognized again as Interest Income. Consequently, both Interest Receivable from FDRs and Interest Income were overstated by BDT 327,829.

Following the identification of the error, the Company corrected the underlying accounting records relating to the year ended 31 December 2024. However, as the audited financial statements for that year had already been authorized for issue, the correction has been recognized through an adjustment to the opening retained earnings as at 1 January 2025 in the statement of changes in equity and showing the adjusted opening balance, in accordance with IAS 8-Accounting Policies, Changes in Accounting Estimates and Errors. Accordingly, the correction has no impact on the profit or loss for the year ended 31 December 2025, as the effect relates entirely to a prior reporting period.

7.03	**Provision for doubtful debts**			
	Opening Balance		2,074,305	2,074,305
	Add: Provision made during the year		400,000	-
	Closing Balance		**2,474,305**	**2,074,305**
8.00	**Advances, deposits and prepayments**			
	Advances	*8.01*	345,243,683	266,211,231
	Deposits	*8.02*	5,457,175	5,417,175
	Prepayments	*8.03*	14,030,843	12,188,268
			364,731,701	**283,816,674**
8.01	**Advances**			
	Hotels International Limited	*8.01.1*	8,484,485	9,228,898
	Advance Tax Paid	*8.01.2*	336,759,198	256,982,333
			345,243,683	**266,211,231**
8.01.1	**Hotels International Limited**			
	Advances to staff		1,605,069	1,989,566
	Advance to BUET for Pile Integrity Test		978,896	978,896
	Advance to MBN		4,913,999	4,913,999
	S Ahamed and Associates		20,000	20,000
	IBAS Account No# 133003900		298,406	306,612
	Others		668,115	1,019,825
			8,484,485	**9,228,898**

HODA VASI CHOWDHURY & CO. DHAKA

		Note(s)	31 Dec 2025 Taka	31 Dec 2024 Taka
8.01.2	**Advance Tax Paid**			
	Opening balance		256,982,333	183,297,559
	Add: Payment during the year			
	Paid against AY 2025-26 (FY 2024)		-	73,684,774
	Paid against AY 2026-207 (F2025)		79,776,865	-
			79,776,865	73,684,774
	Less: Adjustment against completion of assessment		-	-
	Closing balance		**336,759,198**	**256,982,333**
8.02	**Deposits**			
8.02.1	**Hotels International Limited**			
	Municipal Corporation		3,000	3,000
	Dhaka Electric Supply		491,400	491,400
	Power Development Board		35,000	35,000
	Titas Gas		1,573,650	1,573,650
	T&T Board		106,000	106,000
			2,209,050	**2,209,050**
8.02.2	**Pan Pacific Sonargaon Hotel**			
	Security deposits		3,248,125	3,208,125
			5,457,175	**5,417,175**
8.03	**Prepayments**			
8.03.1	**Hotels International Limited**			
	Land Development Tax		93,900	126,000
	Municipal Tax		8,466,030	8,466,030
			8,559,930	**8,592,030**
8.03.2	**Pan Pacific Sonargaon Hotel**			
	General Insurance		250,000	250,000
	Vehicle Insurance		341,287	335,556
	Others		4,879,627	3,010,682
			5,470,913	**3,596,238**
			14,030,843	**12,188,268**
9.00	**Short-Term Investment**			
	Sonali Bank PLC		1,268,459,773	-
	Pubali Bank PLC		89,435,642	-
	Union Bank PLC		12,637,661	-
			1,370,533,076	**-**

Fixed deposit receipts (FDRs) with original maturities exceeding three months are presented under Short-Term Investment in the current year's financial statements. In the comparative financial statements, these balances were included within Cash at Bank. Accordingly, no comparative amount has been presented under Short-Term Investment.

10.00	**Cash and cash equivalents**			
10.01	**Cash in hand**			
	Hotels International Limited		102,296	77,457
	Pan Pacific Sonargaon Hotel		2,635,918	6,891,684
			2,738,214	**6,969,141**

HOODA VASI CHOWDHURY & CO. DHAKA

	Note(s)	31 Dec 2025 Taka	31 Dec 2024 Taka
10.02 Cash at bank			
Hotels International Limited			
Short notice deposits (SND)			
Pubali Bank PLC		4,987,408	8,243,268
Sonali Bank PLC		59,047,963	6,441,596
		64,035,371	**14,684,864**
Fixed deposits receipt (FDR) *			
Exim Bank PLC		587,064,631	706,671,541
First Security Islami Bank PLC		126,076,145	115,312,803
One Bank PLC		201,104,049	182,903,067
Sonali Bank PLC		16,700,578	173,293,103
Standard Bank PLC		-	627,774,783
Pubali Bank PLC		335,580,320	390,241,477
AB Bank PLC		-	82,317,218
Bengal Bank PLC		-	34,734,137
Union Bank PLC		21,486,295	32,806,781
Meghna Bank PLC		-	76,845,784
Rajshahi Krishi Unnayan Bank PLC		54,371,560	50,000,000
NCC Bank PLC		-	51,100,000
Brac Bank PLC		130,084,642	80,630,000
South Bangla Agriculture & Commerce Bank PL		25,007,646	22,873,885
Agrani Bank PLC		36,379,251	67,164,575
		1,533,855,117	**2,694,669,154**
Total cash at bank-HIL		**1,597,890,488**	**2,709,354,018**
Pan Pacific Sonargaon Hotel			
Current account-Pubali Bank PLC*		(69,451,686)	(38,690,080)
Short notice deposits (SND)		27,122,734	37,594,675
Total cash at bank-PPSH		**(42,328,952)**	**(1,095,405)**
Total Cash and cash equivalents		**1,558,299,750**	**2,715,227,754**

Cash and cash equivalent represent cash-in-hand, cash -at-bank, STD bank account and short-term FDRs which are free for use by the entity without any restriction. Included within cash at bank are Fixed Deposit Receipts (FDRs) amounting to BDT 734,627,070 maintained with certain scheduled banks that are currently experiencing financial and regulatory stress. These deposits continue to be carried at their outstanding balances as management believes the principal amounts remain recoverable. However, the timing and extent of recovery are subject to uncertainty.

*The current account balance appearing as negative at the year-end are temporary and arise due to unpresented cheques. This balance was not overdrawn in the bank statements and became positive in the subsequent year. The negative balance is reflected only in the Company's bank book and do not represent actual overdrafts in the bank.

11.00 Operating assets			
Pan Pacific Sonargaon Hotel			
China glass and wooden wares		15,588,101	14,791,999
Silver and stainless wares and Kitchen utensils		24,309,269	24,926,237
Uniforms		4,995,291	6,524,547
Linen		26,169,495	25,435,357
		71,062,156	**71,678,140**
12.00 Share capital			
Authorized:			
6,000,000 ordinary shares of Tk 100 each		**600,000,000**	**600,000,000**
Issued and paid up:			
5,933,463 ordinary shares of Tk 100 each		**593,346,300**	**593,346,300**

HOSSAIN VASI CHOWDHURY & CO. DHAKA

	Note(s)	31 Dec 2025 Taka	31 Dec 2024 Taka
Particulars of Shareholdings:			
		No. of shares	
Ordinary shares of Tk. 100 each issued for consideration other than cash		5,519,500	551,950,000	551,950,000
Ordinary shares of Tk.100 each issued bonus shares@ 7.50% of 5,519,500 nos		413,963	41,396,300	41,396,300
		5,933,463	**593,346,300**	**593,346,300**

i) As on 1 January 2007 there were 5,519,500 ordinary shares of Tk. 100 each of which 7 Shares were issued to seven shareholders as nominees of the Government of Bangladesh and the remaining 5,519,493 shares have been issued to Government of Bangladesh.

ii) In terms of agenda 4 of Minutes of 22nd Annual General Meeting of the Company held on 23-2-2001, 413,963 of ordinary shares of Tk.100 each being 7.50% of 5,519,500 shares have been allotted to shareholders as Bonus Shares and share certificates have been issued on 07-10-2001 in the name of The Government of the Peoples Republic of Bangladesh.

iii) The shareholders of the Company, in their Extra-Ordinary General Meeting held on 11 August 2025, approved and ratified the increase of the Authorised Share Capital of the Company to Tk. 250,00,00,000 divided into 25,00,00,000 ordinary shares of Tk. 10 each, by reducing the nominal value of each share from Tk. 100 to Tk. 10. The shareholders also authorised the Board of Directors to cancel all existing share certificates and issue new share certificates reflecting the revised nominal value and to submit the necessary statutory forms and documents to the Registrar of Joint Stock Companies for implementation of the resolution.

Subsequent to the reporting date, the Company filed Form IV with the Registrar of Joint Stock Companies and Firms (RJSC) on 08 June 2026 to give effect to the increase in its authorised share capital. Thereafter, the amended Memorandum of Association and Articles of Association were submitted to the RJSC on 09 June 2026 for registration. As of the date of approval of these financial statements, registration by the RJSC is still pending.

13.00 Fixed assets revaluation reserve

Hotels International Limited		
Opening balance	1,654,521,456	1,665,440,767
Revaluation reserve against building adjusted for the year	(10,919,311)	(10,919,311)
Total	**1,643,602,145**	**1,654,521,456**

All tangible fixed assets of the company were revalued at 31 December 1998. The revaluation was carried out by the suitably qualified professionals who were independent of the Company. The revaluation reserve represents net surplus arose as a result of this revaluation.

Revaluation reserve for revalued assets:

	Other assets	Building	Land	Total
Opening balance on 01-01-1999	325,863,786	436,772,440	1,501,651,102	2,264,287,328
Depreciation adjusted up to 2016	(88,224,301)	-	-	(88,224,301)
Prior year adjustment in 2017	(237,639,485)	(196,547,598)	-	(434,187,083)
Depreciation adjustment for 2017	-	(10,919,311)	-	(10,919,311)
Depreciation adjustment for 2018	-	(10,919,311)	-	(10,919,311)
Depreciation adjustment for 2019	-	(10,919,311)	-	(10,919,311)
Depreciation adjustment for 2020	-	(10,919,311)	-	(10,919,311)
Depreciation adjustment for 2021	-	(10,919,311)	-	(10,919,311)
Depreciation adjustment for 2022	-	(10,919,311)	-	(10,919,311)
Depreciation adjustment for 2023	-	(10,919,311)	-	(10,919,311)
Depreciation adjustment for 2024	-	(10,919,311)	-	(10,919,311)
Depreciation adjustment for 2025	-	(10,919,311)	-	(10,919,311)
Closing balance as on 31-12-2025	**-**	**141,951,043**	**1,501,651,102**	**1,643,602,145**

HODA VASI CHOWDHURY & CO. DHAKA

	Note(s)	31 Dec 2025 Taka	31 Dec 2024 Taka

14.00 Grant from Government of Bangladesh

Hotels International Limited			
Grant from Government of Bangladesh*		206,000,000	206,000,000
		206,000,000	**206,000,000**

*A claim of Tk 206,000,000 for customs duty and sales tax on import of plant and machinery and equipment was made by Customs Authority during construction phase of the Pan Pacific Sonargaon Hotel against which Tk 10,000,000 was paid in 1992 and the balance amount of Tk 206,000,000 was paid by the Government to the Customs Authority by way of book adjustment and treated as grant to HIL vide letter no. Bi Po Mo/ Po Ko-2(6)/91-169 dated 24 June 1993. Therefore, the amount is not repayable to the Government. The Board of Directors have approved this sum to be converted into paid-up capital, but implementation is pending as of now.

15.00 Liabilities for Employees' benefits

Hotels International Limited			
Workers' Profit Participation Fund (WPPF)	*15.01*	11,180,820	2,012,606
Pan Pacific Sonargaon Hotel			
Liabilities for Employees' retirement benefit	*15.02*	100,196,828	97,666,546
Liabilities for Employees benefit-Gratuity	*15.03*	76,236,395	69,345,892
		187,614,042	**169,025,044**

15.01 Workers' Profit Participation Fund (WPPF)

Opening Balance	2,012,606	4,829,327
Add: Contribution during the year	9,168,214	1,986,160
Less: Paid to WPPF fund *	-	(4,802,881)
Closing Balance	**11,180,820**	**2,012,606**

The Board in their 388th meeting dt. 21-8-2017, agreed to introduce Workers' Profit Participation Fund (WPPF) from the year 2016. Accordingly the Company introduced the WPPF Fund effective from the financial year 2016 and also established a Trustee Board in the year 2018 separate from the management of the Company to deal with the WPPF Fund.

*As required by Sections 232 to 242 of the Bangladesh Labour Act, 2006 (as amended), the Company is required to allocate and pay the prescribed amount to the Workers' Profit Participation Fund (WPPF). The contribution payable for the financial year 2024 remained outstanding as at 31 December 2025. Subsequent to the reporting date, the Company settled the outstanding liability by transferring the amount to the WPPF on 11 January 2026.

15.02 Provision for Employees' benefit (Retirement Benefit)	**100,196,828**	**97,666,546**

These amounts represents provisions made to meet the retirement packages offered to the employees of Pan Pacific Sonargaon Hotel.

15.03 Liability for gratuity

Opening Balance	69,345,892	51,686,866
Add: During the year	27,940,503	23,659,026
Less: Paid to fund during the year	(21,050,000)	(6,000,000)
Closing balance	**76,236,395**	**69,345,892**

The company operates a recognized and funded gratuity scheme for its permanent employees under the management of trustee board separate from the management of the Hotel and HIL.

16.00 Interest payable on loan

Hotels International Limited		
Interest payable on Grant from GOB	129,996,200	129,996,200
	129,996,200	**129,996,200**

The amount represents interest provided up to March 2002 on principal loan which was partially converted into capital in the year 1985 leaving a balance amount of Tk. 9,600,000 which has subsequently been fully repaid. The interest payable amount is under negotiation with the government.

HODA VASI CHOWDHURY & CO. DHAKA

		Note(s)	31 Dec 2025 Taka	31 Dec 2024 Taka
17.00	**Trade and other payables**			
	Trade payables	*17.01*	34,118,238	53,979,404
	Other payables	*17.02*	132,176,299	150,411,287
			166,294,538	**204,390,691**
17.01	**Trade payables**			
	Hotels International Limited			
	Trade		5,481,234	2,248,817
	Pan Pacific Sonargaon Hotel			
	Trade		5,918,384	34,380,176
	Others		6,854,934	14,429,443
	Pan Pacific Hotels & Resorts Private Limited		15,863,687	2,920,968
			34,118,238	**53,979,404**
17.02	**Other payables**			
	Hotels International Limited			
	Security deposits deducted from suppliers' bills		20,325,808	17,651,896
	Advance Income Tax deducted from suppliers' bills.		20,658	2,024,445
	VAT deducted from suppliers and others' bills		28,652	1,593,893
	Retention money	*17.02.1*	71,688,426	74,605,363
	Security deposits received (shop rental)		17,959,728	20,015,290
	Payable to Dhaka North City Corporation*		-	10,347,373
	Pan Pacific Sonargaon Hotel			
	Security deposits and other creditors		22,153,027	24,173,027
			132,176,299	**150,411,287**

*Dhaka North City Corporation (DNCC) issued a demand notice on 14 November 2023 for additional holding tax amounting to BDT 10,347,373, comprising holding tax of BDT 8,997,715 and a 15% surcharge of BDT 1,349,658, for the year 2022–2023. The Company challenged the demand by filing a writ petition before the High Court Division of the Supreme Court of Bangladesh. The High Court subsequently discharged the Rule, holding that the matter was appealable under the applicable law, and granted the Company liberty to pursue the statutory review/appeal process.

Subsequently, DNCC, vide Letter No. 46.10.0000.001.99.574.19-030 dated 24 May 2025, requested the Ministry of Civil Aviation and Tourism to direct the Company to settle the outstanding holding tax. Pursuant to the Ministry's Letter No. 30.00.0000.015.02.001.2010-161/1(4) dated 08 July 2025, the Company paid BDT 8,997,715 to DNCC on 05 October 2025 within the stipulated period and did not pursue the statutory review or appeal. Accordingly, the surcharge of BDT 1,349,658 was not payable. As the Company had previously made provision for the full demand of BDT 10,347,373, the unpaid surcharge provision was reversed and recognized as Other Income in Note- 22 during the year. Accordingly, no liability in respect of the said demand remained outstanding as at 31 December 2025.

17.02.1 Retention money (HIL)

	31 Dec 2025 Taka	31 Dec 2024 Taka
J.V of Interior Accom Eng.Co.	38,711,607	38,711,607
K-Tec ACL*	24,730,383	24,730,383
Seatec	6,049,136	6,049,136
MBN International	921,239	3,838,176
Others	1,276,061	1,276,061
	71,688,426	**74,605,363**

* Other payables include retention money of BDT 24,730,383 payable to K-Tec ACL in connection with the construction of the extension works of the hotel. An arbitration case related to this contract is currently pending before the High Court Division. No adjustment has been recognized in these financial statements in respect of the retention money, as the final outcome of the arbitration remains pending.

HODA VASI CHOWDHURY & CO. DHAKA

		Note(s)	31 Dec 2025 Taka	31 Dec 2024 Taka
17.02.2	**Payable to LTU (SD & VAT)**			
	Opening balance		-	27,315,949
	Addition during the year (claim accepted by HIL)		-	-
	Less: Paid during the year		-	(27,315,949)
	Closing balance		-	-

The Pan Pacific Sonargaon Dhaka (Hotel) filed the Writ Petition in the Hon'ble High Court Division of the Hon'ble Supreme Court against a claim from VAT authority in the year 2009 of Tk. 100,036,184 and in the year 2011 of Tk.107,456,016 aggregating total of Tk. 207,492,200. In 2022, both the case has been dismissed by High Court Division and claim was established against the Hotel. Hotels International Limited (HIL), the owning company of Hotel has accepted both the claims aggregating of Tk. 207,492,200 and agreed to pay the entire amount on behalf of the Hotel in monthly installments. This was decided in the meeting of the Board of Directors of HIL on 13 November 2022. Accordingly, HIL has paid Tk. 73,176,251 against the claim of Tk. 207,492,200 until 31 December 2022. HIL has paid Tk. 107,000,000 until 31 December 2023. HIL has further paid Tk. 27,315,949 from 01 Jan 2024 to 30 June 2024.

18.00	**Accrued expenses and provisions**			
	Hotels International Limited (HIL)	*18.01*	2,808,421	466,246
	Pan Pacific Sonargaon Hotel	*18.02*	123,576,038	120,050,171
			126,384,459	**120,516,417**
18.01	**Hotels International Limited (HIL)**			
	Audit fee		371,713	197,775
	Other accrued expenses		2,436,708	268,471
			2,808,421	**466,246**
18.02	**Pan Pacific Sonargaon Hotel**			
	Professional fees		618,875	379,713
	Audit Fees		357,076	196,075
	Provident Fund Audit Fee		368,000	584,000
	Service charges		12,738,773	14,984,672
	Salaries and wages		20,789,886	23,349,692
	Utilities		11,189,239	12,393,133
	Tips and others		1,524	14,032
	Taxes other than corporate tax		49,725,646	46,363,115
	Other accrued expenses		27,787,019	21,785,739
			123,576,038	**120,050,171**
19.00	**Unearned revenue**			
	Pan Pacific Sonargaon Hotel			
	Deposit (banquet and others)		29,684,057	34,458,561
	Rental		156,927	83,696
			29,840,984	**34,542,257**
20.00	**Tax liabilities**			
	Opening balance		200,894,074	124,760,653
	Add: Provision made for AY 2025-26 (FY 2024)	*28*	-	76,133,418
	Provision made for AY 2026-27 (FY 2025)	*28*	97,086,099	-
			297,980,173	**200,894,071**
	Less: Adjustment against tax paid as per return AY 2025-2026 (FY 2024)		1,976,934	-
			-	-
	Closing balance		**296,003,239**	**200,894,071**

		Note(s)	2025 Taka	2024 Taka
21.00	**Revenue (Note-3.07)**			
	Pan Pacific Sonargaon Hotel			
	Rooms		327,454,615	303,657,439
	Food and beverage		808,704,097	753,186,006
	Telephone and internet		4,437,280	5,732,291
	Laundry		20,712,948	18,841,852
	Guest transportation		5,648,586	6,576,874
	Rental Income		17,847,271	35,071,539
	Other operating departments		32,283,868	32,089,714
			1,217,088,665	**1,155,155,715**
22.00	**Cost of Revenue**			
22.01	**Pan Pacific Sonargaon Hotel**			
	Rooms		143,963,330	147,513,910
	Food and beverage		497,057,416	499,063,423
	Telephone and internet		1,035,520	851,129
	Laundry		841,296	656,815
	Guest Transportation		10,352,860	9,969,061
	Other Operating Department		17,830,091	17,640,505
			671,080,513	**675,694,843**
22.02	**Hotels International Limited**			
	Depreciation	*4 (c)*	177,684,886	190,317,691
			177,684,886	**190,317,691**
			848,765,399	**866,012,534**
23.00	**Other income**			
	Hotels International Limited			
	Interest on FDR *		305,745,365	281,586,316
	Other income		6,310,559	5,909,571
	Rental income		15,174,879	-
			327,230,803	**287,495,887**

*Interest income on Fixed Deposit Receipts (FDRs) has been recognized on accrual basis based on the contractual interest rates applicable to the respective deposits.

As at the reporting date, the Company maintains certain FDRs with scheduled banks that are experiencing financial and regulatory stress. While interest has been accrued in accordance with the contractual terms, there remains uncertainty regarding the ultimate recoverability of a portion of such accrued interest due to the financial condition of the respective banks.

Management is continuously monitoring the financial position of these banks and assessing the recoverability of both the principal deposits and the related accrued interest.

24.00	**General and administrative expenses**			
	Hotels International Limited			
	Payroll and related expenses	*24.01*	48,701,135	49,916,218
	Directors' remuneration		799,375	954,250
	Remuneration of PO to Chairman		36,000	34,254
	Honorarium of Chairman		480,000	436,732
	Honorarium of PS to Chairman		72,000	64,600
	General expenses		1,551,064	2,069,829
	Insurance premium on building & content		5,040,452	5,040,452
	City Corporation Tax		16,932,065	16,932,065
	Depreciation	*4 (c)*	19,742,765	21,146,410
	Postage, email, fax and telephone		212,867	605,143
	Publicity and Advertisement		232,000	418,509
	Fuel , Oil & Lubricant		385,229	658,835
	Repairs and maintenance - vehicles		248,683	307,839
	Repairs and maintenance - office		20,000	26,000
	Printing and stationary		302,338	405,249
	Legal and professional fees		10,905	1,211,955

HODA VASI CHOWDHURY & CO. DHAKA

	Note(s)	2025 Taka	2024 Taka
License fees		68,776	62,976
Audit fee		173,938	189,811
Newspapers and periodicals		36,902	32,079
Traveling expenses		34,443	87,153
Roof top Gardening Expenses		-	1,250,231
Computer & software maintenance		449,705	405,972
Innovation Training expenses		-	1,026,715
Staff food		1,722,796	3,126,925
Medical expenses		683,477	1,419,570
AGM expenses		-	763,777
Board, Scfa & TEC Meeting expenses		162,855	605,648
Staff training		158,344	1,004,930
Miscellaneous expenses		-	61,337
WPPF expenses		6,900	6,600
Land & land development (Land Tax) expenses		221,900	229,446
		98,486,914	**110,501,509**
Pan Pacific Sonargaon Hotel			
Payroll and related expenses		59,484,935	75,975,655
Management fees		15,596,026	6,245,652
Tax/ Vat on Management fee		3,899,006	1,561,413
It system		28,978,159	28,327,496
Credit collection expenses		115,095	111,497
Insurance-general		2,964,000	2,764,000
Printing and stationery		502,300	654,813
Uniform		85,131	92,046
Audit Fees		196,075	196,075
PF Audit Fees		92,000	92,000
Legal and Professional Fees		570,665	1,422,133
Trade association dues		17,500	25,150
Traveling and entertainment		1,059,175	1,382,973
Laundry and dry cleaning		221,623	329,845
Ansar		11,891,506	12,824,151
License & Taxes		12,167	15,500
Others		603,134	1,105,746
		126,288,497	**133,126,145**
		224,775,411	**243,627,654**

24.01 Employee benefits

	Note(s)	2025 Taka	2024 Taka
Hotels International Limited			
Salaries and allowances	*24.01.1*	33,280,764	34,534,100
Festival bonus		2,726,306	2,613,254
Bengali new year allowance		258,991	245,851
Overtime allowance		31,621	25,200
Annual bonus		6,477,020	6,173,163
Employee Income tax		5,066,433	5,489,983
Ex-Com Allowance		860,000	834,667
		48,701,135	**49,916,218**

24.01.1 Salaries and allowances

Hotels International Limited			
Basic salary		15,387,259	14,705,994
House rent allowance		9,694,845	11,179,200
Conveyance allowance		1,319,294	1,302,600
Special allowance		829,607	749,864
Entertainment allowance		12,300	12,600
Contractual employees salary		513,246	1,018,964
Telephone allowance		227,500	231,640
Medical allowance (Family)		3,290,518	3,207,450
Employer's contribution to PF		1,249,195	1,307,387
Cell phone allowance		30,500	33,000
Car maintenance allowance		575,000	550,000
Charge allowance		1,500	1,500
Recreation allowance		-	74,400
Education allowance		150,000	159,500
		33,280,764	**34,534,100**

HODA VASI CHOWDHURY & CO. DHAKA

		Note(s)	2025 Taka	2024 Taka
25.00	**Property operation and maintenance expenses**			
	Pan Pacific Sonargaon Hotel			
	Payroll and related expenses		37,353,558	34,500,064
	Electricity		96,321,396	94,044,934
	Gas		19,133,517	20,671,120
	Water		12,536,460	12,917,738
	Building		7,299,201	12,756,863
	Electrical and mechanical equipment		5,533,481	8,399,567
	Engineering supplies		3,179,466	3,459,700
	Office equipment		-	51,601
	Automobile expenses		1,387,232	1,317,164
	Elevator and escalators		1,931,097	2,053,016
	Electrical bulbs		1,086,715	1,271,465
	Kitchen equipment		144,523	1,734,144
	Plumbing and heating		1,818,290	2,167,684
	Laundry equipment		1,689,713	1,283,355
	Furniture and fittings		1,457,370	3,594,064
	Air conditioning		3,754,926	5,311,433
	Maintenance and other expenses		3,844,945	6,018,361
			198,471,890	**211,552,273**
26.00	**Marketing expenses**			
	Payroll and related expenses		22,952,357	22,574,692
	Promotional expenses		10,042,314	13,637,719
	Marketing fees		16,251,289	15,426,211
	Tax/ Vat on Marketing fee		19,031,261	19,547,515
			68,277,221	**71,186,137**
27.00	**Finance expenses**			
27.01	**Hotels International Limited**			
	Bank commission and charges		231,271	21,468
	Excise Duty		1,923,000	1,734,000
			2,154,271	**1,755,468**
27.02	**Pan Pacific Sonargaon Hotel**			
	Bank charges on credit card		9,210,639	8,808,064
			9,210,639	**8,808,064**
			11,364,910	**10,563,532**
28.00	**Current tax expenses**			
	AY 2025-2026 (FY 2024)		-	76,133,418
	AY 2026-2027 (FY 2025)	*28.01*	97,086,099	-
			97,086,099	**76,133,418**
28.01	**Computation of Current tax**			
	i. Tax charges as per tax computation		97,086,099	76,133,418
	ii. Turnover tax @ 1% of gross receipts as per section 163 of ITA 2023		11,992,414	14,426,653
	iii. Tax Deducted at Source (TDS) as per Section 163 (2) of ITA 2023		79,776,865	71,545,398
	Applicable Income Tax expenses for the year (Higher of i, ii or iii above)		**97,086,099**	**76,133,418**

HOQUE VASI CHOWDHURY & CO. DHAKA

	31 Dec 2025 Taka	31 Dec 2024 Taka

29.00 Contingent liabilities (HIL and PPSD)

29.01 Hotels International Limited:- HIL has the following contingent liabilities:

Assessment year	Remarks	Balance tax demanded including simple interest	Balance tax demanded including simple interest
A/Y 2008-2009 (FY 2007)	Hearing pending in the Hon'ble High Court	17,098,255	17,098,255
A/Y 2009-2010 (FY2008)	Appeal to be filed with the Commissioner of Taxes (Appeals)	25,415,198	25,415,198
A/Y 2010-2011 (FY 2009)	Appeal to be filed with the Commissioner of Taxes (Appeals)	26,411,970	26,411,970
A/Y 2012-2013 (FY 2011)	Appeal (2nd) pending with the Tribunal	51,965,606	51,965,606
A/Y 2013-2014 (FY 2012)	Appeal (2nd) pending with the Tribunal	48,694,506	49,754,484
A/Y 2015-2016 (FY 2014)	Appeal (2nd) pending with the Tribunal	68,021,262	68,053,074
A/Y 2016-2017 (FY 2015)	Appeal (2nd) pending with the Tribunal	34,980,604	38,704,661
A/Y 2017-2018 (FY 2016)	Appeal (2nd) pending with the Tribunal	11,653,456	12,884,456
A/Y 2018-2019 (FY 2017)	Appeal Peding with the Commissioner of Taxes (Appeals)	51,141,584	-
A/Y 2019-2020 (FY 2018)	Appeal Peding with the Commissioner of Taxes (Appeals)	30,355,685	-
A/Y 2020-2021 (FY 2019)	Appeal Peding with the Commissioner of Taxes (Appeals)	33,805,915	-
	Sub-total -HIL	**399,544,041**	**290,287,704**

29.02 Pan Pacific Sonargaon Dhaka: PPSD has the following contingent liabilities:

1	The Hotel has filed a Writ Petition in the Hon'ble High Court Division of the Hon'ble Supreme Court against a claim from VAT authority in the year 2004. The case is pending for hearing. **CP No-5394/2004.**	4,105,114	4,105,114
2	The Hotel has filed a Writ Petition in the Hon'ble High Court Division of the Hon'ble Supreme Court against a claim from VAT authority in the year 2014. The case is pending for hearing. **CP No-633/2015.**	284,318,292	284,318,292
3	The Hotel has received a VAT demand from the VAT authority amounting to Tk. 13,033,652 which was paid on 26/07/2020. After that the VAT authority has raised a claim for delay VAT payment interest of Tk. 22,106,755.55 in respect of the above-mentioned VAT vide Nathi no - 4/LTU-VAT/Audit/48/Irregularity Case/Sonargaon/ 2023/407 dated 25/03/2025.	22,106,756	-
	Sub-total - PPSD	**310,530,162**	**288,423,406**
	Grand Total - HIL and PPSD	**710,074,203**	**578,711,110**

Subsequent to the reporting date, HIL filed a further appeal for the AY 2013-14, 2016-17, 2017-18 before the appropriate appellate authority against the claim raised by the Deputy Commissioner of Taxes (DCT). As required for admission of the appeal, the Company deposited 10% of the disputed tax demand. The appeal is currently under assessment, and no final decision has been issued as of the date of these financial statements.

HODA VASI CHOWDHURY & CO. DHAKA

29.03 Legal Matter - Land Dispute

(a) Acquisition and Structural Demolition by RAJUK (Hatirjheel Project)

The Company purchased land measuring approximately 1.75 acres, which was confirmed and gazetted in 1986. The land was duly registered and mutated in the name of Hotels International Limited (HIL). Later, HIL commenced construction of a boundary wall and car parking area on the said land.

Subsequently, a portion of this land was included within the Hatirjheel development project undertaken by Rajdhani Unnayan Kartripakkha (RAJUK). On 11 February 2007, RAJUK issued a letter to HIL stating that the construction work was being carried out without the approval of the appropriate authority and instructed the Company to stop construction activities immediately.

On 13 November 2007, RAJUK issued a cancellation letter revoking the land use permission. Subsequently, HIL submitted a petition against the cancellation to RAJUK on 19 March 2008. However, without considering HIL's petition, RAJUK issued a final notice on 23 March 2008 directing HIL to demolish the relevant structure. In due course, the car parking structure was demolished by RAJUK.

(b) Land Title Appeal Proceedings

Hotels International Limited (HIL) is currently involved in a land ownership dispute (Land Appeal Board Case No. 3-41/2026) before the Land Appeal Board, Tejgaon Revenue Circle, Dhaka. The dispute pertains to the land title and possession of approximately 1.75 acres situated under Kawran Mouza (City Khatian Nos. 451, 1, 12, 33, 336, 304, 411, 201, 245; City Dag Nos. 1811, 1810, 1811/1815, 694, 695, 696, 1813).

The Land Appeal Board has directed the Assistant Commissioner (Land), Tejgaon Revenue Circle, to conduct a physical inspection and submit an updated, comprehensive field investigation report regarding the title and actual possession of the disputed land prior to the scheduled hearing date on 23 September 2026.

Management believes HIL holds valid title and peaceful continuous possession of the subject land. At this stage, the case remains under administrative review and investigation.

30 Commitments

There are no capital commitment at the reporting date.

HODA VASI CHOWDHURY & CO. DHAKA

Annexure - A

SL	Particulars	Cost				Rate	Depreciation				WDV 31 Dec 2025
		Balance on 01 Jan 2025	Additions During the year	Disposals During the year	Balance on 31 Dec 2025		Balance on 01 Jan 2025	Charges During the year	Adjustments on Disposal	Balance on 31 Dec 2025	
	FIXED ASSETS SCHEDULE WITH VALUED AND NON-VALUED ASSETS										
1	Land (8.05 acre)	1,515,994,893	-	-	1,515,994,893	-	-	-	-	-	1,515,994,893
2	Land Development	27,389,684		-	27,389,684	-	-	-	-	-	27,389,684
	Land and Land development-Including valuation	**1,543,384,577**	-	-	**1,543,384,577**		-	-	-	-	**1,543,384,577**
3	Building	1,610,195,746	24,150		1,610,219,896	2.50%	970,392,193	39,173,867		1,009,566,060	600,653,836
4	Boundary Wall	18,638,008	-	-	18,638,008	2.50%	9,315,309	465,950	-	9,781,260	8,856,748
	Building including valuation	**1,628,833,754**	**24,150**	-	**1,628,857,904**		**979,707,502**	**39,639,818**	-	**1,019,347,320**	**609,510,584**
5	Plumbing Works	74,140,640			74,140,640	10.00%	24,708,174	6,273,363		30,981,537	43,159,103
6	Generator	49,937,390	-	-	49,937,390	10.00%	49,937,390	-	-	49,937,390	-
7	Simultaneous Interred. System	325,000	-	-	325,000	10.00%	324,999	-	-	324,999	1
8	Water Treatment Plant	32,382,682	10,650,000		43,032,682	10.00%	29,219,004	1,734,253		30,953,257	12,079,424
	Plant and machinery	**156,785,712**	**10,650,000**	-	**167,435,712**		**104,189,567**	**8,007,616**	-	**112,197,183**	**55,238,528**
9	Substation	9,626,851		-	9,626,851	10.00%	6,064,131	887,180	-	6,951,311	2,675,540
10	Computer Accessories	146,398,009	14,610,366		161,008,374	10.00%	126,583,043	8,081,617		134,664,660	26,343,714
11	Room Internet System	2,143,756	-	-	2,143,756	10.00%	2,143,756	-	-	2,143,756	-
12	Lan Equipment	538,338	-	-	538,338		538,338	-	-	538,338	-
	Computer and Accessories	**158,706,954**	**14,610,366**	-	**173,317,319**		**135,329,268**	**8,968,797**	-	**144,298,066**	**29,019,254**
13	Furniture Fixture	854,604,949	446,780		855,051,729	10.00%	252,389,960	77,731,948		330,121,909	524,929,820
14	Curtain Carpet	114,205,557	-		114,205,557	10.00%	37,997,481	9,972,603		47,970,084	66,235,473
	Furniture and fixture	**968,810,506**	**446,780**	-	**969,257,286**		**290,387,441**	**87,704,552**	-	**378,091,993**	**591,165,293**
15	Cold Storage & Refg.	12,814,823	-	-	12,814,823	10.00%	12,521,885	92,246	-	12,614,131	200,692
16	Air-condition & Ventilation	132,905,351	3,712,081	-	136,617,432	10.00%	116,219,422	5,546,082	-	121,765,504	14,851,928
17	Boiler	21,761,531	-	-	21,761,531	10.00%	20,173,319	397,053	-	20,570,372	1,191,159
18	Elevator	94,502,596	-	-	94,502,596	10.00%	71,996,771	9,360,175	-	81,356,946	13,145,650
19	Electrical Installation	267,885,851	-		267,885,851	10.00%	73,622,282	26,437,464		100,059,746	167,826,105
20	Electronic Door Locking System	5,551,460	-		5,551,460	10.00%	5,536,942	5,688		5,542,630	8,830
	Electrical equipment	**535,421,612**	**3,712,081**	-	**539,133,693**		**300,070,621**	**41,838,708**	-	**341,909,329**	**197,224,364**
21	General Sound System	4,287,082	-	-	4,287,082	10.00%	4,287,082	-	-	4,287,082	-
22	Food Service & Kitchen Eqp.	108,732,418	3,356,528		112,088,946	10.00%	100,418,854	2,032,561		102,451,415	9,637,532
23	Office Machinery Eqpt.	9,062,832		-	9,062,832	10.00%	8,479,352	263,446		8,742,797	320,035
24	Cleaning Eqpt.	18,566,397	635,620		19,202,017	10.00%	16,225,982	882,191		17,108,173	2,093,844
25	Repair & Maintenance Eqpt. (eng)	2,659,708	-	-	2,659,708	10.00%	2,659,708	-		2,659,708	-
26	Barber & Beauty Shop Eqpt.	3,050,780	-	-	3,050,780	10.00%	1,722,191	265,718		1,987,909	1,062,871
27	Signage	2,747,098			2,747,098	10.00%	936,669	255,736		1,192,405	1,554,693
28	Medical Equipment	2,251,714	-	-	2,251,714	10.00%	2,251,714	-		2,251,714	-
29	Health Club Eqpt.	25,255,083			25,255,083	10.00%	19,806,241	1,255,625		21,061,867	4,193,216
30	Telecommunication System	90,365,777	-	-	90,365,777	10.00%	90,158,954	83,431		90,242,384	123,393
31	T.V. sate & Video Eqpt.	46,290,238	1,137,777	-	47,428,015	10.00%	46,272,387	119,371	-	46,391,758	1,036,257
32	Fire Fighting Equipment	24,481,189	-		24,481,189	10.00%	8,727,407	2,303,764		11,031,171	13,450,018
33	Laundry Equipment	98,015,222	999,003		99,014,225	10.00%	91,235,274	1,959,417	-	93,194,691	5,819,534
34	Tailoring Equipment	56,500	-	-	56,500	10.00%	56,500	-	-	56,500	-
35	Repair & Maintenance Eqpt. (hk)	417,314	-	-	417,314	10.00%	417,314	-	-	417,314	-
36	Safety & Security Eqp.	33,076,832	-	-	33,076,832	10.00%	33,076,833	-		33,076,833	(1)
	Office equipment	**469,316,185**	**6,128,928**	-	475,445,113		**426,732,461**	**9,421,260**	-	**436,153,721**	**39,291,392**
37	Motor Vehicle	108,537,590		-	108,537,590	10.00%	95,604,950	1,846,900	-	97,451,850	11,085,740
	Motor vehicles	**108,537,590**	-	-	**108,537,590**		**95,604,950**	**1,846,900**	-	**97,451,850**	**11,085,740**
	Total 2025	**5,569,796,895**	**35,572,305**	-	**5,605,369,200**		**2,332,022,037**	**197,427,651**	-	**2,529,449,692**	**3,075,919,508**
	Total 2024	**5,497,946,010**	**71,850,885**	-	**5,569,796,895**		**2,120,557,936**	**211,464,101**	-	**2,332,022,037**	**3,237,774,859**

The carrying amount of Land includes 8.05 acres of land, of which approximately 1.75 acres, is subject to an administrative appeal before the Land Appeal Board (Case No. 3-41/2026) concerning the title to the land. The appeal remains pending as at the reporting date. Further details of the matter and management's assessment are disclosed in Note 29.03- Legal Matter-Land Dispute.