BRAC Bank PLC.
Independent Auditor's Report and Consolidated & Separate Financial Statements
as at and for the year ended 31 December 2025

BRAC BANK
আস্থা অবিচল

Independent Auditor's Report
to the Shareholders of BRAC Bank PLC.
Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of BRAC Bank PLC. and its subsidiaries (the Group) as well as the separate financial statements of BRAC Bank PLC. (the Bank), which comprise the consolidated and separate balance sheets as at 31 December 2025, and consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2025, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Rules and Regulation issued by Bangladesh Bank and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) as explained in note-2.

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 Bank in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Bangladesh. We have also 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

We draw attention to note-2 to the financial statements where management has explained the basis of preparation of financial statements including compliance with Rules and Regulations issued by Bangladesh Bank on classification of loans and advances, and required impairment provision.

Our opinion is not modified in respect of this matter

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Description of key audit matters	Our response to key audit matters
1. Measurement of provision for loans and advances	
With reference to Note 7.14 to the financial statements, the process for calculating the provision for loans and advances portfolio associated with credit risk is significant and complex. The Bank calculates provision for loans and advances by considering various factors such as rate of provision, loan category, expiry date, outstanding balance, interest suspense amount, value of eligible collateral as per BRPD circular no. 15 dated 27 November 2024 and its subsequent amendments. As per BRPD Circular No. 07 dated 16 September 2025 and BRPD Letter No. 26 dated 24 November 2025, banks are permitted to extend special policy support to genuinely affected borrowers through rescheduling, restructuring, and exit facilities. Under these circulars, loans rescheduled under special consideration are to be classified as SMA and maintained with the required general provisions. Furthermore, any previously maintained specific provisions against such loans cannot be transferred to income unless realized in cash. However, banks are allowed to transfer previously maintained specific provisions to general provisions. As policy support is extended to individual borrowers on a case-to-case basis, each borrower and respective facility should be separately assessed and justified during the audit about loan classification and provisioning requirements. In Bangladesh, non-performing loans have been increasing day by day. Banks need to maintain provisions for additional non-performing loans in line with the central bank's guidelines. The Bank identifies impaired loan accounts and calculates required provisions manually. Furthermore, management may have intention to maintain lower provisions for loans and advances to misstate profit. Considering these factors, we have considered measurement of provision for loans and advances as significant risk as well as a key audit matter. At the year end of 2025, the Group reported total gross loans and advances BDT 731,408.33 million (2024: BDT 623,850.78 million) and in 2025 the Bank reported total gross loans and advances of BDT 730,658.84 million (2024: BDT 623,371.89 million) whereas at the year end of 2025, the Group reported total provision for loans and advances BDT 19,976.73 million (2024: BDT 19,701.57 million) and the Bank reported total provision for loans and advances of BDT 18,749.74 million (2024: BDT 18,489.73 million).	We tested the design and operating effectiveness of key controls focusing on the following: • Credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Review of quarterly Classification of Loans (CL). Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following: • We checked the no. of instalments outstanding and compliance with BRPD circulars; • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines; • Tested the inputs in computation of provision in terms of testing the accuracy of underlying information; • Assessed the methodologies on which the provision amounts based (value of eligible securities, interest suspense), recalculated the provisions for loans and advances. For confirming the classification of rescheduled loans and advances, and related provision thereon. we performed the following procedures: • We checked the no. of instalments outstanding and compliance with BRPD Circular No. 16 dated 18 July 2022 and subsequent amendments; • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines; • Tested the inputs in computation of provision in terms of testing the accuracy of underlying information; • Assessed the methodologies on which the provision amounts based (value of eligible securities, interest suspense), recalculated the provisions for loans and advances; and • In addition, we reviewed individual policy support letters issued by Bangladesh Bank relating to affected borrowers, which specifically outline the classification and provisioning requirements of rescheduled loans under policy support arrangements as per BRPD Circular No. 07 dated 16 September 2025 and BRPD Letter No. 26 dated 24 November 2025. We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.

See note no. 7.14 to the financial statements

2. Recognition of interest income on loans and advances	
Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income have involved complex IT environments. We identify recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error and misstatement in recognition of interest by management to meet specific targets or expectations.	We tested the design and operating e¬ffectiveness of key controls over recognition and measurement of interest on loans and advances focusing on the following. • We performed test of operating e-ffectiveness on automated control in place to measure and recognize interest income. • We have also performed substantive procedure to check whether interest income is recognized completely and accurately. • Reviewing transfer of interests to the income account in line with the Bangladesh Bank's guidelines • We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines. • We performed procedures to ensure that the revenue recognition criteria adopted by each group entity for all major revenue streams is appropriate and in line with the Group's accounting policies.

See note no. 25.1 to the financial statements

3. Valuation of treasury bill and treasury bond	
The classification and measurement of T-Bills and T-Bonds involve significant judgment and the application of complex valuation techniques. In the absence of quoted prices in an active market, the fair value of these instruments is determined using valuation models that may incorporate direct or indirect unobservable market data. These models require the application of complex pricing methodologies and an elevated level of professional judgment.	We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and bonds. We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and bonds valuation processes, including controls over market data inputs into valuation models, model governance and valuation adjustments. We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data. Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

See note no. 6 to the financial statements

4. Adequacy of income tax provision and measurement of deferred tax	
The adequacy of the income tax provision and the measurement of deferred tax assets is considered a key audit matter due to the significant judgment involved in determining both the current and deferred tax, as well as the potential impact on the financial position and performance of the company. These areas involve complex estimates, the application of tax laws, and the assessment of future taxable income, which require careful consideration and professional judgment. Both income tax provisions and deferred tax assets rely on significant estimates. There is a risk that these estimates may be incorrect or overly optimistic, particularly in the case of deferred tax assets, which can be recognized only if it is probable that the Bank will have future taxable profits against which the deferred tax assets can be utilized. Due to the inherent complexity and estimation uncertainty in both areas, and the materiality of the amounts involved, we have determined them as a key audit matter.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of both current tax and deferred tax, including the assumptions used in estimating the Bank's taxable income. We carefully reviewed any ongoing tax litigation between the Bank and the income tax authority, as well as the tax positions for the years where income tax assessments are still pending. We also assessed the adequacy of the tax provision recorded by the Bank. Special attention was given to any reversals or adjustments made to the income tax provision from prior years. We also assessed the completeness and accuracy of the data used for the estimations of future taxable income to ensure that The Bank has sufficient taxable profit to recover the deferred tax assets in foreseeable future. We recalculated the current tax provision and deferred tax assets to ensure that the Bank has determined them in accordance with the applicable laws and regulations. We engaged our tax specialist team to assess the key assumptions, controls, and the recognition and measurement of both current and deferred tax. Finally, we assessed the appropriateness and presentation of the disclosures in accordance with IAS 12, Income Taxes, including the deduction of deferred tax assets from regulatory capital.

See note no. 9.4 and 40 to the financial statements

5. IT systems and controls	
Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls. Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.	We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configurations and other application layer controls identified as key to our audit. We performed the tests of IT general controls to evaluate the application development and database, hosting platforms and segregation of incompatible duties relevant to application and database change management.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with Rules and Regulation issued by Bangladesh Bank and IFRS Accounting Standards as issued by the IASB as explained in note-2 and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Group and the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank'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 Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 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 consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate 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 Group'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 Group's and Bank'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 consolidated 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 Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Bank Company Act 1991 and the rules and regulations issued by Bangladesh Bank, 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 purpose of our audit and made due verification thereof;

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

(iii) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;

(iv) the balance sheet and profit and loss account of the Bank dealt with by the report are in agreement with the books of account and returns;

(v) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;

(vi) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;

(vii) based on our checking of sample, no advance or loan in excess of the amount determined by Bangladesh Bank from time to time has been sanctioned or allowed;

(viii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section in forming the above opinion on the consolidated financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls:

(a) internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;

(b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities;

(ix) financial statements of the Bank's subsidiary companies for the year ended 31 December 2025, namely BRAC EPL Investments Limited and BRAC EPL Stock Brokerage Limited have been audited by us, and the subsidiary named bKash Limited has been audited by Rahman Rahman Huq, Chartered Accountants, and foreign subsidiary BRAC SAAJAN Exchange Limited has been audited by Reddy Siddiqui LLP, UK. where the respective auditors expressed unmodified audit opinions. One associate namely BRAC IT Services Limited has been audited by us. These have been properly reflected in the consolidated financial statements;

(x) the information and explanations required by us have been received and found satisfactory;

(xi) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 17,000 person hours;

(xii) Capital to Risk-weighted Asset Ratio (CRAR), Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) as required by Bangladesh Bank has been maintained adequately as at 31 December 2025;

(xiii) As part of our going concern assessment, we reviewed maturity mismatch between assets and liabilities which may adversely affect the Bank's subsequent liquidity position; and

(xiv) Non-banking assets have been accounted in conformity with Bangladesh Bank guidelines.

For and on behalf of

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

ATM Shamim Reza FCA
Partner
Enrolment No.:1766
DVC No: 2604261766AS949292

Dhaka, Bangladesh.
Dated: 26 April 2026

BRAC Bank PLC. and its subsidiaries
Consolidated Balance Sheet
As at 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
PROPERTY AND ASSETS			
Cash	4	**51,095,279,086**	**45,853,431,003**
Cash in hand (Including foreign currency)		16,436,564,244	15,000,490,086
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		34,658,714,842	30,852,940,917
Balance with other banks and financial institutions	5	**58,656,692,102**	**32,263,729,696**
Inside Bangladesh		50,908,334,177	29,709,255,296
Outside Bangladesh		7,748,357,925	2,554,474,400
Money at call on short notice		-	750,000,000
Investments	6	**419,378,463,476**	**297,959,625,736**
Government		406,471,261,977	286,713,242,602
Others		12,907,201,499	11,246,383,134
Loans and advances	7	**731,408,332,608**	**623,850,781,894**
Loans, cash credit, overdrafts etc.		421,396,217,114	361,269,154,142
Small and medium enterprises		306,248,719,034	260,345,475,823
Bills purchased and discounted		3,763,396,460	2,236,151,929
Fixed assets including premises, furniture and fixtures	8	**17,556,394,134**	**14,401,147,192**
Other assets	9	**48,881,846,629**	**40,507,533,717**
Non-banking assets	10	**11,264,043**	**10,978,565**
Goodwill		**1,126,273,572**	**1,126,273,572**
Total property and assets		**1,328,114,545,650**	**1,056,723,501,375**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	**69,098,043,420**	**50,347,610,405**
Borrowings from central bank & government agencies	12	**51,959,418,839**	**57,903,323,101**
Affordable housing bond	13	**4,751,000,000**	**4,751,000,000**
BRAC Bank 2nd subordinated bond	14	**7,000,000,000**	**6,287,000,000**
BRAC Bank Social Sub-bond	15	**6,537,000,000**	**-**
Money at call on short notice		**1,161,806,300**	**840,000,000**
Deposits and other accounts	16	**990,359,326,094**	**777,866,506,600**
Current accounts and other accounts		337,364,452,181	277,875,898,241
Bills payable		3,018,597,221	3,770,838,887
Savings deposits		129,789,428,478	99,483,397,129
Term deposits		510,455,502,899	386,748,713,246
Other deposits		9,731,345,315	9,987,659,097
Other liabilities	17	**67,826,254,579**	**57,805,464,118**
Total liabilities		**1,198,692,849,232**	**955,800,904,224**
Capital and shareholders' equity			
Paid up capital	18.2	19,909,261,670	17,697,121,490
Share premium	18.7	3,853,767,032	3,853,767,032
Statutory reserve	19	16,256,518,245	14,038,055,470
Dividend equalization fund		355,218,455	355,218,455
Revaluation reserve on govt. securities	20	9,148,138,893	949,752,769
Fair value reserve		70,197,708	70,197,708
Foreign currency translation reserve		862,373,711	784,142,092
Start-up Equity Investment Fund		510,994,179	352,907,106
Remeasurement gain/(loss)-Gratuity Fund	9.5.3	(261,129,881)	(284,019,464)
Surplus in profit and loss account/Retained earnings	23.1	51,952,844,586	40,595,382,384
Total shareholders' equity		**102,658,184,598**	**78,412,525,042**
Non-controlling interest	23.2	**26,763,511,820**	**22,510,072,109**
Total equity		**129,421,696,418**	**100,922,597,151**
Total liabilities and equity		**1,328,114,545,650**	**1,056,723,501,375**
Off balance sheet items			
Contingent liabilities			
Acceptances and endorsements	24	29,816,695,553	37,449,619,380
Irrevocable letters of credit	24	69,595,275,374	58,899,396,769
Letter of guarantees	24.2	42,373,757,777	32,665,409,171
Bills for collection	24.3	38,557,446,239	39,544,067,880
		180,343,174,943	**168,558,493,200**
Other commitments			
Swap deals with banks and customers	24.4	32,121,025,127	38,018,835,945
Spot and forward deals with banks and customers	24.4	9,966,237,340	20,663,342,082
		42,087,262,467	**58,682,178,027**
Total off balance sheet items		**222,430,437,410**	**227,240,671,227**
Net asset value (NAV) per share	46	**51.56**	**39.38**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

Managing Director & CEO **Director** **Director** **Chairperson**

As per our report of same date.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

ATM Shamim Reza FCA
Partner
Enrolment No.:1766
DVC No: 2604261766AS949292

Dhaka, Bangladesh.
Dated: 26 April 2026

BRAC Bank PLC. and its subsidiaries
Consolidated Profit and Loss Account
For the year ended 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
Interest income	26	78,587,639,030	58,573,509,702
Interest paid on deposits and borrowing etc.	27	62,555,054,027	42,119,865,188
Net interest income		**16,032,585,003**	**16,453,644,514**
Investment income	28	47,781,611,727	28,812,533,328
Commission, exchange and brokerage	29	21,237,460,628	18,812,230,165
Other operating income	30	308,473,759	252,335,864
		69,327,546,114	**47,877,099,357**
Total operating income (a)		**85,360,131,117**	**64,330,743,871**
Salaries and allowances		21,243,041,337	17,385,245,127
Rent, taxes, insurance, electricity etc.	31	1,012,689,429	947,996,939
Legal expenses		67,809,237	22,978,444
Postage, stamps, telecommunication etc.	32	691,742,635	478,456,893
Stationery, printing, advertisement etc.	33	4,964,839,730	4,660,671,331
Chief Executive's salary and fees	34	25,561,828	24,471,250
Directors' fees	35	10,420,670	11,387,339
Auditors' fees		14,134,696	8,949,104
Impairment of goodwill		-	246,289,821
Depreciation and repair of the bank's assets	36	10,013,561,648	7,717,588,633
Other expenses	37	6,394,102,418	4,885,781,126
Total operating expenses (b)		**44,437,903,628**	**36,389,816,007**
Profit before provisions (c = a-b)	25	**40,922,227,489**	**27,940,927,864**
Share of profit of associates	38	7,281,429	6,897,472
Profit/(loss) before provisions (d)		**40,929,508,918**	**27,947,825,336**
Provision for loans/investments:			
Loans and advances		6,291,121,872	3,675,902,326
Off balance sheet items		-	68,776,791
Diminution in value of investments		493,610,957	(5,966,965)
Other provisions		123,679,888	110,984,150
Total provisions (e)	39	**6,908,412,717**	**3,849,696,302**
Total profit/(loss) before taxes (f= d-e)		**34,021,096,201**	**24,098,129,034**
Provision for taxation:			
Current tax expense		10,453,773,980	8,076,132,792
Deferred tax expense/(income)		1,057,949,099	1,703,514,288
Total provision for taxation (g)	40	**11,511,723,079**	**9,779,647,080**
Net profit/(loss) after taxation (f-g)		**22,509,373,122**	**14,318,481,954**
Attributable to:			
Equity holders of BRAC Bank PLC.		18,162,700,722	12,296,240,279
Non controlling interest	23.2.1	4,346,672,400	2,022,241,675
		22,509,373,122	**14,318,481,954**
Retained earnings brought forward from previous year		40,595,382,384	33,368,011,827
Net profit attributable to the equity holders of the Bank		18,162,700,722	12,296,240,279
Net effect of all items directly recognized in equity/retained earnings	23.1.1	(4,408,306)	(4,581,381)
Profit available for appropriation		**58,753,674,800**	**45,659,670,725**
Appropriations:			
Statutory reserve		2,218,462,775	1,725,268,196
Dividend		4,424,280,366	3,217,658,447
Start-up Fund		158,087,073	121,361,698
		6,800,830,214	5,064,288,341
Retained surplus		**51,952,844,586**	**40,595,382,384**
Earnings per share (EPS)	45	**9.12**	**6.18**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

Managing Director & CEO **Director** **Director** **Chairperson**

As per our report of same date.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

ATM Shamim Reza FCA
Partner
Enrolment No.:1766
DVC No: 2604261766AS949292

Dhaka, Bangladesh.
Dated: 26 April 2026

BRAC Bank PLC. and its subsidiaries
Consolidated Statement of Changes in Equity
For the year ended 31 December 2025

Amount in Taka

Particulars	Paid up capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on Govt. securities	Fair value reserve	Foreign currency translation reserve	Start-up Equity Investment Fund	Remeasurement gain/(loss)-Gratuity Fund	Retained earnings	Non-controlling interest	Total
Balance as at 01 January 2025	**17,697,121,490**	**3,853,767,032**	**14,038,055,470**	**355,218,455**	**949,752,769**	**70,197,708**	**784,142,092**	**352,907,106**	**(284,019,464)**	**40,595,382,384**	**22,510,072,109**	**100,922,597,151**
Revaluation reserve on govt. securities	-	-	-	-	8,198,386,124	-	-	-	-	-	-	**8,198,386,124**
Changes in foreign currency translation	-	-	-	-	-	-	78,231,619	-	-	-	(1,445)	**78,230,174**
Gain on disposal of Non Banking Asset	-	-	-	-	-	-	-	-	-	352,200	-	**352,200**
Remeasurement gain/(loss)-Gratuity Fund	-	-	-	-	-	-	-	-	22,889,583	-	(97,497,660)	**(74,608,077)**
Sub total	**17,697,121,490**	**3,853,767,032**	**14,038,055,470**	**355,218,455**	**9,148,138,893**	**70,197,708**	**862,373,711**	**352,907,106**	**(261,129,881)**	**40,595,734,584**	**22,412,573,004**	**109,124,957,572**
Net profit for the year	-	-	-	-	-	-	-	-	-	18,162,700,722	4,346,672,400	**22,509,373,122**
Dividend for the year 2024:												**-**
Stock dividend	2,212,140,180	-	-	-	-	-	-	-	-	(2,212,140,180)	-	**-**
Cash dividend	-	-	-	-	-	-	-	-	-	(2,212,140,186)	-	**(2,212,140,186)**
Adjustment for subsidiaries holdings change	-	-	-	-	-	-	-	-	-	(4,760,506)	4,266,416	**(494,090)**
Start-up Fund	-	-	-	-	-	-	-	158,087,073	-	(158,087,073)	-	**-**
Statutory reserve	-	-	2,218,462,775	-	-	-	-	-	-	(2,218,462,775)	-	**-**
Balance as at 31 December 2025	**19,909,261,670**	**3,853,767,032**	**16,256,518,245**	**355,218,455**	**9,148,138,893**	**70,197,708**	**862,373,711**	**510,994,179**	**(261,129,881)**	**51,952,844,586**	**26,763,511,820**	**129,421,696,418**

For the year ended 31 December 2024

Amount in Taka

Particulars	Paid up capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on Govt. securities	Fair value reserve	Foreign currency translation reserve	Start-up Equity Investment Fund	Remeasurement gain/(loss)-Gratuity Fund	Retained earnings	Non-controlling interest	Total
Balance as at 01 January 2024	**16,088,292,270**	**3,853,767,032**	**12,312,787,274**	**355,218,455**	**183,523,000**	**70,197,708**	**480,002,180**	**231,545,408**	**(170,325,168)**	**33,368,011,826**	**20,478,928,578**	**87,251,948,563**
Prior year adjustments	-	-	-	-	-	-	-	-	-	**4,997,471**	**151,376**	**5,148,847**
Restated balance	**16,088,292,270**	**3,853,767,032**	**12,312,787,274**	**355,218,455**	**183,523,000**	**70,197,708**	**480,002,180**	**231,545,408**	**(170,325,168)**	**33,373,009,297**	**20,479,079,954**	**87,257,097,410**
Revaluation reserve on govt. securities	-	-	-	-	766,229,769	-	-	-	-	-	-	**766,229,769**
Changes in foreign currency translation	-	-	-	-	-	-	304,139,912	-	-	-	(329,151)	**303,810,761**
Remeasurement gain/(loss)-Gratuity Fund	-	-	-	-	-	-	-	-	(113,694,296)	-	207,205	**(113,487,091)**
Gain on disposal of Non Banking Asset	-	-	-	-	-	-	-	-	-	-	-	**-**
Sub total	**16,088,292,270**	**3,853,767,032**	**12,312,787,274**	**355,218,455**	**949,752,769**	**70,197,708**	**784,142,092**	**231,545,408**	**(284,019,464)**	**33,373,009,297**	**20,478,958,008**	**88,213,650,849**
Net profit for the year	-	-	-	-	-	-	-	-	-	12,296,240,279	2,022,241,675	**14,318,481,954**
Dividend for the year 2023:									-			
Stock dividend	1,608,829,220	-	-	-	-	-	-	-	-	(1,608,829,220)	-	**-**
Cash dividend	-	-	-	-	-	-	-	-	-	(1,608,829,227)	-	**(1,608,829,227)**
Adjustment for subsidiaries holdings change	-	-	-	-	-	-	-	-	-	(9,578,851)	8,872,426	**(706,425)**
Start-up Fund	-	-	-	-	-	-	-	121,361,698	-	(121,361,698)	-	**-**
Statutory reserve	-	-	1,725,268,196	-	-	-	-	-	-	(1,725,268,196)	-	**-**
Balance as at 31 December 2024	**17,697,121,490**	**3,853,767,032**	**14,038,055,470**	**355,218,455**	**949,752,769**	**70,197,708**	**784,142,092**	**352,907,106**	**(284,019,464)**	**40,595,382,384**	**22,510,072,109**	**100,922,597,151**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

BRAC Bank PLC. and its subsidiaries
Consolidated Cash Flow Statement
For the year ended 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
A. Cash flows from operating activities			
Interest receipts in cash		116,725,027,278	79,736,888,171
Interest payment		(59,628,935,445)	(37,423,309,982)
Dividend receipts		642,257,297	482,962,323
Fees and commission receipts in cash		76,812,283,008	63,831,021,026
Recoveries on loans previously written off		1,051,599,957	924,519,756
Cash payments to employees		(20,288,283,299)	(16,496,619,006)
Cash payments to suppliers		(55,173,741,167)	(46,993,076,878)
Income tax paid		(17,494,304,969)	(14,034,587,849)
Receipts from other operating activities	42	5,542,816,573	2,641,492,218
Payment for other operating activities	43	(8,992,067,680)	(5,782,403,177)
Operating cash flow before changes in operating assets and liabilities (i)		**39,196,651,553**	**26,886,886,602**
Increase/(decrease) in operating assets and liabilities			
Loans and advances		(107,297,303,837)	(103,559,832,721)
Other assets		(4,003,918,886)	(1,759,471,312)
Borrowings from other banks and financial institutions		12,799,339,943	5,160,498,297
Deposits from customers		210,033,904,614	181,625,529,289
Other liabilities		(5,954,584,432)	(567,919,881)
Cash utilized in operating assets and liabilities (ii)		105,577,437,402	80,898,803,672
Net cash flows from operating activities (i+ii) (a)		**144,774,088,955**	**107,785,690,274**
B. Cash flows from investing activities			
Treasury bills		(7,427,851,468)	69,482,282,515
Treasury bonds		(104,131,166,399)	(173,727,572,182)
Investment in shares		(1,372,487,538)	(1,344,861,973)
Sale/ (Investment) in bonds		(330,000,000)	(650,000,000)
Acquisition of fixed assets		(7,375,706,183)	(5,739,806,230)
Disposal of fixed assets		123,351,920	118,023,290
Net cash used in investing activities (b)		**(120,513,859,668)**	**(111,861,934,580)**
C. Cash flows from financing activities			
Proceeds from issue of ordinary shares		-	232,485,000
Proceeds from Issuance of subordinated bond		7,250,000,000	6,287,000,000
Cash dividend paid		(2,216,175,097)	(1,592,563,237)
Net cash flows from financing activities (c)		**5,033,824,903**	**4,926,921,763**
Net increase/(decrease) in cash (a+b+c)		**29,294,054,190**	**850,677,457**
Cash and cash equivalents at the beginning of the year		78,869,588,699	77,497,925,807
Effect of exchange rate changes on cash and cash equivalent		1,593,162,599	520,985,435
Cash and cash equivalents at the end of the year	41	**109,756,805,488**	**78,869,588,699**
Cash and cash equivalents at the end of the year:			
Cash in hand (including foreign currency)		16,436,564,244	15,000,490,086
Balance with Bangladesh Bank and its agents bank(s) (including foreign currency)		34,658,714,842	30,852,940,917
Balance with other banks and financial institutions		58,656,692,102	32,263,729,696
Money at call on short notice		-	750,000,000
Prize Bond		4,834,300	2,428,000
		109,756,805,488	**78,869,588,699**
Net operating cash flow per share (NOCFPS)	47	**72.72**	**54.14**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

BRAC Bank PLC. and its subsidiaries
Consolidated Liquidity Statement
(Asset and Liability Maturity Analysis)
As at 31 December 2025

Amount in Taka

Particulars	0 - 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	Above 5 Years	Total
Assets						
Cash in hand and Balance with Bangladesh Bank (including foreign currencies)	24,372,316,504	-	-	-	26,722,962,582	51,095,279,086
Balance with other banks and financial institutions	18,114,987,760	31,341,342,722	9,200,361,620	-	-	58,656,692,102
Money at call and short notice	-	-	-	-	-	
Investments	2,902,043,590	8,019,091,845	46,600,941,840	145,077,575,849	216,778,810,352	419,378,463,476
Loans and advances	74,856,841,476	127,032,391,311	298,855,106,058	214,231,366,729	16,432,627,034	731,408,332,608
Fixed assets including premises, furniture and fixtures	-	-	-	17,026,411,024	529,983,110	17,556,394,134
Other assets	27,243,123,658	905,999,964	11,212,289,396	2,884,756,276	6,635,677,335	48,881,846,629
Non - banking assets	-	-	3,327,178	-	7,936,865	11,264,043
Goodwill		-	-	-	1,126,273,572	1,126,273,572
Total Assets	**147,489,312,988**	**167,298,825,842**	**365,872,026,092**	**379,220,109,878**	**268,234,270,850**	**1,328,114,545,650**
Liabilities						
Borrowings from other banks, financial institutions & agents	3,683,210,964	18,018,483,702	26,149,166,837	20,245,582,589	1,001,599,328	69,098,043,420
Borrowings from central bank & government agencies	5,898,490,239	7,052,471,579	9,448,304,141	9,568,555,067	19,991,597,813	51,959,418,839
Affordable housing bond	-	-	-	4,751,000,000	-	4,751,000,000
BBPLC 2nd subordinated bond	-	-	-	13,537,000,000	-	13,537,000,000
Money at call and short notice	1,161,806,300	-	-	-	-	1,161,806,300
Deposits and other accounts	112,497,235,233	192,893,998,731	299,863,234,858	351,790,537,419	33,314,319,853	990,359,326,094
Other liabilities	10,453,121,385	2,256,716,933	19,446,547,853	6,765,496,910	28,904,371,498	67,826,254,579
Total Liabilities	**133,693,864,121**	**220,221,670,945**	**354,907,253,689**	**406,658,171,985**	**83,211,888,492**	**1,198,692,849,232**
Net Liquidity Gap	**13,795,448,867**	**(52,922,845,103)**	**10,964,772,403**	**(27,438,062,107)**	**185,022,382,358**	**129,421,696,418**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

BRAC Bank PLC.
Independent Auditor's Report and Consolidated & Separate Financial Statements
as at and for the year ended 31 December 2025

BRAC Bank PLC.
Balance Sheet
As at 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
PROPERTY AND ASSETS			
Cash	4	**51,090,439,025**	**45,551,288,177**
Cash in hand (Including foreign currency)		16,431,724,183	14,698,347,260
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)		34,658,714,842	30,852,940,917
Balance with other banks and financial institutions	5	**10,015,220,320**	**5,965,262,060**
Inside Bangladesh		2,322,808,158	3,438,563,039
Outside Bangladesh		7,692,412,162	2,526,699,021
Money at call on short notice		-	750,000,000
Investments	6	**326,256,440,605**	**204,351,738,373**
Government		313,828,787,504	194,166,365,832
Others		12,427,653,101	10,185,372,541
Loans and advances	7	**730,658,838,813**	**623,371,888,530**
Loans, cash credit, overdrafts etc.		420,646,723,319	360,790,260,778
Small and medium enterprises		306,248,719,034	260,345,475,823
Bills purchased & discounted		3,763,396,460	2,236,151,929
Fixed assets including premises, furniture and fixtures	8	**11,000,737,687**	**8,518,445,878**
Other assets	9	**50,639,290,597**	**41,613,101,198**
Non-banking assets	10	**11,264,043**	**10,978,565**
Total property and assets		**1,179,672,231,090**	**930,132,702,781**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions & agents	11	**68,944,031,752**	**50,331,428,570**
Borrowings from central bank & government agencies	12	**51,959,418,839**	**57,903,323,101**
Affordable housing bond	13	**4,751,000,000**	**4,751,000,000**
BRAC Bank 2nd subordinated bond	14	**7,000,000,000**	**6,287,000,000**
BRAC Bank Social Sub-bond	15	**6,537,000,000**	-
Money at call on short notice		**1,161,806,300**	**840,000,000**
Deposits and other accounts	16	**889,517,407,214**	**689,432,929,579**
Current accounts & other accounts		236,193,511,602	189,281,704,728
Bills payable		3,018,597,221	3,770,838,887
Savings deposits		129,789,428,478	99,483,397,129
Term deposits		510,784,524,598	386,909,329,738
Other deposits		9,731,345,315	9,987,659,097
Other liabilities	17	**50,099,926,103**	**44,790,057,640**
Total Liabilities		**1,079,970,590,208**	**854,335,738,890**
Capital and shareholders' equity			
Paid up capital	18.2	19,909,261,670	17,697,121,490
Share premium	18.7	3,853,767,032	3,853,767,032
Statutory reserve	19	16,055,494,638	13,843,354,458
Dividend equalization fund	-	355,218,455	355,218,455
Revaluation reserve on govt. securities	20	9,148,138,893	949,752,769
Fair value gain/(loss) on equity investment	21	10,187,384,306	8,233,329,679
Start-up Equity Investment Fund	22	510,994,179	352,907,106
Foreign currency translation reserve		852,496,090	774,293,942
Remeasurement gain/(loss)-Gratuity Fund	9.5.3	(135,637,292)	(212,752,090)
Surplus in profit and loss account/Retained earnings	23	38,964,522,911	29,949,971,050
Total shareholders' equity		**99,701,640,882**	**75,796,963,891**
Total liabilities and shareholders' equity		**1,179,672,231,090**	**930,132,702,781**
Off balance sheet items			
Contingent liabilities			
Acceptances and endorsements	24	29,816,695,553	37,449,619,380
Irrevocable letters of credit	24	69,595,275,374	58,899,396,769
Letter of guarantees	24.2	42,373,757,777	32,665,409,171
Bills for collection	24.3	38,557,446,239	39,544,067,880
		180,343,174,943	**168,558,493,200**
Other Commitments			
Swap deals with banks and customers	24.4	32,121,025,127	38,018,835,945
Spot and forward deals with banks and customers	24.4	9,966,237,340	20,663,342,082
		42,087,262,467	**58,682,178,027**
Total off balance sheet items		**222,430,437,410**	**227,240,671,227**
Net asset value (NAV) per share	46	**50.08**	**38.07**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

Managing Director & CEO | **Director** | **Director** | **Chairperson**

As per our report of same date.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

ATM Shamim Reza FCA
Partner
Enrolment No.:1766
DVC No: 2604261766AS949292

Dhaka, Bangladesh.
Dated: 26 April 2026

BRAC Bank PLC.
Profit and Loss Account
For the year ended 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
Interest income	26	74,778,338,764	55,952,496,683
Interest paid on deposits and borrowing etc.	27	63,000,428,345	42,490,831,604
Net interest income		**11,777,910,419**	**13,461,665,079**
Investment income	28	37,935,016,454	21,264,723,577
Commission, exchange and brokerage	29	7,951,278,546	9,297,329,107
Other operating income	30	281,773,109	226,693,387
		46,168,068,109	**30,788,746,071**
Total operating income (a)		**57,945,978,528**	**44,250,411,150**
Salaries and allowances		14,813,625,547	11,967,250,774
Rent, taxes, insurance, electricity etc.	31	681,158,090	642,571,657
Legal expenses		61,257,062	18,316,773
Postage, stamps, telecommunication etc.	32	511,794,617	357,490,900
Stationery, printing, advertisement etc.	33	916,576,784	641,288,609
Chief Executive's salary and fees	34	25,561,828	24,471,250
Directors' fees	35	7,325,500	7,350,200
Auditors' fees		6,900,000	2,277,000
Depreciation and repair of the bank's assets	36	3,542,604,594	2,938,796,247
Other expenses	37	5,492,729,155	4,223,364,347
Total operating expenses (b)		**26,059,533,177**	**20,823,177,757**
Profit before provisions (c = a-b)	25	**31,886,445,351**	**23,427,233,393**
Provision for loans/Investments:			
Loans and advances		6,275,975,699	3,668,632,929
Off balance sheet items		-	68,776,791
Diminution in value of investments		493,610,957	(5,966,965)
Other provisions		114,263,561	104,289,372
Total provisions (d)	39	**6,883,850,217**	**3,835,732,127**
Total profit/(loss) before taxes (e= c-d)		**25,002,595,134**	**19,591,501,266**
Provision for taxation:			
Current tax expense		8,366,129,292	6,349,742,457
Deferred tax expense/(income)		827,758,562	1,105,589,048
Total provision for taxation (f)	40	**9,193,887,854**	**7,455,331,505**
Net profit after taxation (e-f)		**15,808,707,280**	**12,136,169,761**
Retained earnings brought forward from previous year		29,949,971,050	22,761,650,654
Net effect of all items directly recognized in equity/retained earnings		352,200	-
Profit available for appropriation		**45,759,030,530**	**34,897,820,415**
Appropriations:			
Statutory reserve		2,212,140,180	1,608,829,220
Dividend		4,424,280,366	3,217,658,447
Start-up Fund		158,087,073	121,361,698
		6,794,507,619	4,947,849,365
Retained Surplus		**38,964,522,911**	**29,949,971,050**
Earnings per share (EPS)	45	**7.94**	**6.10**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

Managing Director & CEO | **Director** | **Director** | **Chairperson**

As per our report of same date.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

ATM Shamim Reza FCA
Partner
Enrolment No.:1766
DVC No: 2604261766AS949292

Dhaka, Bangladesh.
Dated: 26 April 2026

BRAC Bank PLC.
Statement of Changes in Equity
For the year ended 31 December 2025

Amount in Taka

Particulars	Paid up capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on Govt securities	Foreign currency translation reserve	Fair value gain/(loss) on equity investment*	Start-up Equity Investment Fund	Remeasurement gain/(loss)-Gratuity Fund	Retained earnings	Total
Balance as at 01 January 2025	**17,697,121,490**	**3,853,767,032**	**13,843,354,458**	**355,218,455**	**949,752,769**	**774,293,942**	**8,233,329,679**	**352,907,106**	**(212,752,090)**	**29,949,971,050**	**75,796,963,891**
Revaluation reserve on govt. securities	-	-	-	-	8,198,386,124	-	-	-	-	-	**8,198,386,124**
Changes in translation reserve	-	-	-	-	-	78,202,148	-	-	-	-	**78,202,148**
Changes in OCI reserve for equity	-	-	-	-	-	-	1,954,054,627			-	**1,954,054,627**
Remeasurement gain/(loss)-Gratuity Fund	-	-	-	-	-	-	-	-	77,114,798		**77,114,798**
Gain on disposal of NBA	-	-	-	-	-	-	-	-	-	352,200	**352,200**
Sub total	**17,697,121,490**	**3,853,767,032**	**13,843,354,458**	**355,218,455**	**9,148,138,893**	**852,496,090**	**10,187,384,306**	**352,907,106**	**(135,637,292)**	**29,950,323,250**	**86,105,073,788**
Net profit for the year	-	-	-	-	-	-				15,808,707,280	**15,808,707,280**
Dividends for the year 2024:											
Stock dividend	2,212,140,180	-	-	-	-	-	-			(2,212,140,180)	**-**
Cash dividend	-	-	-	-	-	-	-			(2,212,140,186)	**(2,212,140,186)**
Start-up Fund	-	-	-	-	-	-	-	158,087,073		(158,087,073)	**-**
Statutory reserve	-	-	2,212,140,180	-	-	-	-			(2,212,140,180)	**-**
Balance as at 31 December 2025	**19,909,261,670**	**3,853,767,032**	**16,055,494,638**	**355,218,455**	**9,148,138,893**	**852,496,090**	**10,187,384,306**	**510,994,179**	**(135,637,292)**	**38,964,522,911**	**99,701,640,882**

For the year ended 31 December 2024

Amount in Taka

Particulars	Paid up capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on Govt securities	Foreign currency translation reserve	Fair value gain/(loss) on equity investment*	Start-up Equity Investment Fund	Remeasurement gain/(loss)-Gratuity Fund	Retained earnings	Total
Balance as at 01 January 2024	**16,088,292,270**	**3,853,767,032**	**12,234,525,238**	**355,218,455**	**183,523,000**	**459,993,992**	**7,944,001,202**	**231,545,408**	**(98,942,553)**	**22,761,650,654**	**64,013,574,698**
Revaluation reserve on govt. securities	-	-	-	-	766,229,769	-	-	-	-	-	**766,229,769**
Changes in translation reserve	-	-	-	-	-	314,299,950	-	-	-	-	**314,299,950**
Changes in OCI reserve for equity	-	-	-	-	-	-	289,328,477	-	-	-	**289,328,477**
Remeasurement gain/(loss)-Gratuity Fund									(113,809,537)		**(113,809,537)**
Sub total	**16,088,292,270**	**3,853,767,032**	**12,234,525,238**	**355,218,455**	**949,752,769**	**774,293,942**	**8,233,329,679**	**231,545,408**	**(212,752,090)**	**22,761,650,654**	**65,269,623,357**
Net profit for the year	-	-	-	-	-	-		-	-	12,136,169,761	**12,136,169,761**
Dividends for the year 2023:											
Stock dividend	1,608,829,220	-	-	-	-	-	-	-	-	(1,608,829,220)	**-**
Cash dividend	-	-	-	-	-	-	-	-	-	(1,608,829,227)	**(1,608,829,227)**
Start-up Fund	-	-	-	-	-	-	-	121,361,698	-	(121,361,698)	**-**
Statutory reserve	-	-	1,608,829,220	-	-	-	-	-	-	(1,608,829,220)	**-**
Balance as at 31 December 2024	**17,697,121,490**	**3,853,767,032**	**13,843,354,458**	**355,218,455**	**949,752,769**	**774,293,942**	**8,233,329,679**	**352,907,106**	**(212,752,090)**	**29,949,971,050**	**75,796,963,891**

* Detail of fair value gain/(loss) on equity investments has been provided at Note-9.1 & 9.2 and Note- 21.

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

BRAC Bank PLC.
Cash Flow Statement
For the year ended 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
A. Cash flows from operating activities			
Interest receipts in cash		104,094,258,776	68,818,502,061
Interest payment		(60,083,797,217)	(37,809,408,857)
Dividend receipts		595,221,612	408,353,204
Fees and commission receipts in cash		7,951,278,548	9,297,329,106
Recoveries on loans previously written off		1,051,599,957	924,519,756
Cash payments to employees		(14,405,935,180)	(11,410,431,360)
Cash payments to suppliers		(1,377,272,993)	(1,002,160,654)
Income tax paid		(7,112,717,075)	(6,032,802,945)
Receipts from other operating activities	42	5,534,424,961	2,655,035,781
Payment for other operating activities	43	(8,593,401,338)	(5,507,518,181)
Operating cash flow before changes in operating assets and liabilities (i)		**27,653,660,051**	**20,341,417,911**
Increase/decrease in operating assets and liabilities			
Loans and advances		(107,286,950,282)	(103,919,892,718)
Other assets		(3,924,956,561)	(369,725,515)
Borrowings from other banks and financial institutions		12,990,505,220	5,377,762,590
Deposits from customers		197,730,444,192	167,713,297,342
Other liabilities		(6,250,801,611)	(526,491,985)
Cash utilized in operating assets and liabilities (ii)		93,258,240,958	68,274,949,714
Net cash flows from operating activities (i+ii) (a)		**120,911,901,009**	**88,616,367,625**
B. Cash flows from investing activities			
Treasury bills		(7,342,866,890)	69,482,282,515
Treasury bonds		(104,121,168,658)	(155,325,663,377)
Sale/ (Investment) in shares		(1,912,280,560)	(1,434,648,684)
Sale/ (Investment) in bonds		(330,000,000)	(650,000,000)
Acquisition of fixed assets		(4,975,406,808)	(3,050,248,516)
Disposal of fixed assets		121,917,420	116,350,490
Net cash used in investing activities (b)		**(118,559,805,496)**	**(90,861,927,572)**
C. Cash flows from financing activities			
Proceeds from Issuance ofsubordinated bond		7,250,000,000	6,287,000,000
Dividend paid		(2,216,175,097)	(1,592,563,237)
Net cash flows from financing activities (c)		**5,033,824,903**	**4,694,436,763**
Net increase/decrease in cash (a+b+c)		**7,385,920,416**	**2,448,876,816**
Cash and cash equivalents at the beginning of year		52,268,978,237	49,306,059,073
Effect of exchange rate changes on cash and cash equivalent		1,455,594,992	514,042,348
Cash and cash equivalents at the end of the year	41	**61,110,493,645**	**52,268,978,237**
Cash and cash equivalents at the end of the year:			
Cash in hand (including foreign currency)		16,431,724,183	14,698,347,260
Balance with Bangladesh Bank and its agents bank(s) (including foreign currency)		34,658,714,842	30,852,940,917
Balance with other banks and financial institutions		10,015,220,320	5,965,262,060
Money at call on short notice		-	750,000,000
Prize Bond		4,834,300	2,428,000
		61,110,493,645	**52,268,978,237**
Net operating cash flow per share (NOCFPS)	47	**60.73**	**44.51**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

The reconciliation of net profit with cash flows from operating activities (standalone basis) has been presented at note - 44.

BRAC Bank PLC.
Liquidity Statement
(Asset and Liability Maturity Analysis)
As at 31 December 2025

Amount in Taka

Particulars	0 - 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	Above 5 Years	Total
Assets						
Cash in hand and balance with Bangladesh Bank (including foreign currencies)	24,367,476,443	-	-	-	26,722,962,582	51,090,439,025
Balance with other banks and financial institutions	7,915,220,320	2,100,000,000	-	-	-	10,015,220,320
Money at call and short notice	-	-	-	-	-	-
Investments	2,508,763,452	47,970,598	39,099,165,063	108,688,614,849	175,911,926,643	326,256,440,605
Loans and advances	75,852,308,730	127,032,391,311	297,118,324,826	214,223,186,912	16,432,627,034	730,658,838,813
Fixed assets including premises, furniture and fixtures	-	-	-	10,470,754,577	529,983,110	11,000,737,687
Other assets	26,041,308,421	68,882,450	43,855,706	1,099,797,120	23,385,446,900	50,639,290,597
Non-banking assets	-	-	3,327,178	-	7,936,865	11,264,043
Total Assets	**136,685,077,366**	**129,249,244,359**	**336,264,672,773**	**334,482,353,458**	**242,990,883,134**	**1,179,672,231,090**
Liabilities						
Borrowings from other banks, financial institutions & agents	4,669,360,668	17,427,094,500	25,600,394,667	20,245,582,589	1,001,599,328	68,944,031,752
Borrowings from central bank & government agencies	5,898,490,239	7,052,471,579	9,448,304,141	9,568,555,067	19,991,597,813	51,959,418,839
Affordable housing bond	-	-	-	4,751,000,000	-	4,751,000,000
BRAC Bank subordinated bond	-	-	-	13,537,000,000	-	13,537,000,000
Money at call and short notice	1,161,806,300	-	-	-	-	1,161,806,300
Deposits and other accounts	107,700,277,267	174,824,907,259	292,258,596,863	308,948,566,311	5,785,059,514	889,517,407,214
Other liabilities	7,805,007,207	214,043,504	5,581,879,963	5,798,005,775	30,700,989,654	50,099,926,103
Total Liabilities	**127,234,941,681**	**199,518,516,842**	**332,889,175,634**	**362,848,709,742**	**57,479,246,309**	**1,079,970,590,208**
Net Liquidity Gap	**9,450,135,685**	**(70,269,272,483)**	**3,375,497,139**	**(28,366,356,284)**	**185,511,636,825**	**99,701,640,882**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

BRAC Bank PLC.
Notes to the financial statements as at and for the year ended 31 December 2025

1 THE BANK AND ITS ACTIVITIES

1.1 BRAC Bank PLC.

BRAC Bank PLC. (the "Bank" or "BRAC Bank") is a scheduled commercial bank established under the Bank Company Act, 1991, and incorporated as a public company, limited by shares, on 20 May 1999 under the Companies Act, 1994, in Bangladesh, vide RJSC registration no. C-37782(2082)/99. The primary objective of the bank is to conduct all kinds of banking businesses. On completion of all legal formalities, the bank commenced its operations on 4th July 2001. At present, the bank has 194 banking branches (2024: 189 branches), 116 sub-branches (2024: 74 sub-branches), 281 Area offices (2024: 198 Area offices), 446 SME unit offices (2024: 446 SME unit offices), 1,122 agent banking outlets (2024: 1,119 agent outlets), 329 ATMs (2024: 329 ATMs) and 68 RCDMs (2024: 68 RCDMs) and spread across the country. The registered address of the bank is: Anik Tower, 220/B Tejgaon Gulshan Link Road, Tejgaon, Dhaka-1208. BRAC Bank was listed on the Dhaka Stock Exchange and Chittagong Stock Exchange as a publicly traded company on 28 January 2007 and on 24 January 2007 respectively. The Bank has four subsidiaries and one associate companies in related operations. A brief description of the subsidiaries and associates of the Bank has been provided in Note 1.6.

1.2 Principal activities and nature of operations

The principal activities of the Bank are banking and related activities including accepting customer deposits, lending to retail, small and medium enterprise (SME) and corporate customers, trade financing, lease financing, issuing letter of credit (LCs), inter bank borrowing and lending, dealing in government securities, equity shares etc. There have been no significant changes in the nature of operations of the Bank during the financial year under review.

As a fully operational commercial bank, BRAC Bank PLC. focuses on pursuing unexplored market niches in the SME business, which hitherto has remained largely untapped within the country. With the view to reaching clients, the Bank has established a wide network of branches, zonal offices, SME unit offices and agent banking outlets offering services in the heart of rural and urban communities.

As a founder member of GABV and being the trailblazer of values-based banking in Bangladesh, Bank always strives to contribute towards achieving the Sustainable Development Goals (SDGs), where financing for SMEs to generate employment in an environmentally-friendly manner remains as our top priority. The Bank also serving as intermediary for Triple Bottom Line (TBL) by supporting individual or enterprises delivering impact in at least one of the following categories: social empowerment (people), environmental regeneration (planet), and/or economic resiliency (prosperity).

1.3 Off-shore banking unit (OBU)

The Bank commenced its off-shore banking operation on obtaining permission from Bangladesh Bank in 2010. The Off-shore Banking Unit (OBU) is governed by the rules and guidelines of Bangladesh Bank. The consolidated and separate financial statements of the bank included the operations of OBU. In addition, a separate financial statements of OBU has been presented in Annexure-J. In addition, the principal activities of OBU are to provide all kinds of commercial banking services to its customers in Bangladesh in foreign currency.

1.4 Custodian Service

The Bank obtained permission to work as a security custodian from Bangladesh Securities and Exchange Commission vide its certificate no. SC-10/2009 dated 12 November 2009 under the Securities and Exchange Commission (Securities Custodial Service) Rules 2003. Financial performance of Security Custodial Services have been separately reported in Annexure-H along with Bank's audited financial statements in compliance with the requirement u/s 10(2) of Security Custodial Services Rules 2003. The due certificate from external auditors has been obtained on internal control and financial statements of security custodial operations of the Bank and annexed with the financial statements.

1.5 Agent banking

BRAC Bank obtained permission from Bangladesh Bank on 11 March 2018, vide reference no. BRPD(P-3)745/(50)2018-1806, to commence agent banking outlets and subsequently started commercial operations on 11 September 2018. Till 31 December 2025, the bank has already opened 1,122 agent banking outlets in 64 districts across the country. Services that are currently being dispensed include account opening (current, savings & term deposit), cash deposit and withdrawal, instant fund transfer through BEFTN, SME loan disbursement & repayment collection, foreign remittance disbursement, retail loan services, credit card bill collection, utility bill collection, cheque book & debit card services and internet and SMS banking etc.

1.6 Subsidiaries and associates of BRAC Bank PLC.

Subsidiaries are entities controlled by the Group. Control exists when the Group has power over an entity, is exposed to or has rights to variable returns from its involvement, and can influence those returns through its power. The Group reassesses control if circumstances change, including when protective rights become substantive. Financial statements of subsidiaries are consolidated from the date control commences until the date it ceases.

Associates are entities over which the Group has significant influence but neither control nor joint control (IAS-28: Investments in Associates and joint venture). Significant influence is the power to participate in financial and operating policy decisions without exercising control. Investments in associates are accounted for using the equity method. Under this method, investments are initially recognized at cost and subsequently adjusted for the Group's share of the investee's profits or losses after acquisition. The Group's share of profits or losses is recorded in the consolidated profit and loss account, and distributions received reduce the carrying amount of the investment.

If the holding in subsidiary disposed-off in such a way that the status of the holding now comes to 'Associate' then the fair value of the holding retained in the said entity at the date of such disposal has been considered as opening balance of investment in associate in consolidated financial statements and related gains and losses have been recognized directly in consolidated equity. Any share of profits and losses after such change/disposal have been recognized in consolidated profit and loss as per equity method.

Summary of shareholding in subsidiaries and associates

BRAC Bank's shareholding position in its four subsidiaries and one associate is summarized below:

Name of subsidiaries and associates	Face value per share	Nature of business	Total no. of ordinary shares		No. of ordinary shares held by BRAC Bank PLC.		BRAC Bank's percentage of shareholding	
			2025	2024	2025	2024	2025	2024
BRAC EPL Investments Ltd.	BDT 10	Merchant banking	258,500,000	258,500,000	258,358,734	258,358,734	99.95%	99.95%
BRAC EPL Stock Brokerage Ltd.	BDT 100	Stock brokerage	12,768,575	12,768,575	11,491,638	11,491,638	90.00%	90.00%
bKash Ltd.	BDT 10	Mobile financial services (MFS)	2,238,973,146	2,238,973,146	1,141,911,535	1,141,911,535	51.00%	51.00%
BRAC SAAJAN Exchange Ltd.	GBP 1	Remittance & exchange services	4,333,333	2,833,333	4,250,000	2,750,000	98.08%	97.06%
BRAC IT Services Ltd.	BDT 1,000	IT services	233,729	233,729	23,372	23,372	9.9996%	9.9996%

1.6.1 BRAC EPL Investments Limited (subsidiary)

BRAC Bank acquired 51% shares of Equity Partners Limited on 31 July 2009. This entity was incorporated in Bangladesh on 19 April 2000 as a private limited company, under the Companies Act, 1994, and was subsequently renamed as "BRAC EPL Investments Limited". BRAC Bank acquired an additional 25% shares in the entity in 2011 and an additional 18.57% in 2016. During 2017, the bank acquired a further 5.275% in the entity. During 2019, the bank acquired another 0.10%, thus taking the total shareholding to 99.945% at the end of the year 2019.

BRAC EPL Investments was established to cater to the needs of the fast growing capital markets of Bangladesh. It works as a merchant bank with a full-fledged merchant banking license from Bangladesh Securities and Exchange Commission (BSEC). The company's service portfolio comprises lead managing initial public offerings, domestic and international placements, portfolio management and project development and consultancy.

1.6.2 BRAC EPL Stock Brokerage Limited (subsidiary)

BRAC Bank PLC. acquired 51% shares of Equity Partners Securities Limited on 31 July 2009. Equity Partners Securities Limited was incorporated in Bangladesh on 16 May 2000 as a private limited company under the Companies Act, 1994. Subsequently, the management decided to rename Equity Partners Securities Limited as BRAC EPL Stock Brokerage Limited. In the year 2011, the bank acquired an additional 39% shares of EPL Stock Brokerage Limited. As a result, the bank's controlling interest has risen to 90% of EPL Stock Brokerage Limited. BRAC EPL Stock Brokerage Limited was established to cater to the needs of the brokerage business in Bangladesh. It has corporate membership of both Dhaka Stock Exchange and Chittagong Stock Exchange.

1.6.3 bKash Limited (subsidiary)

BRAC Bank PLC. formed bKash Limited, a private company limited by shares incorporated on 1 March 2010 under the Companies Act, 1994. bKash Limited was established to introduce mobile financial services in Bangladesh. The bank has obtained a license from Bangladesh Bank for bKash Limited to render mobile financial services (MFS). BRAC Bank currently holds 51% equity shares in the company.

With the consent of all existing shareholders, in 2014 Bill & Melinda Gates Foundation (B&M), in 2018 Alipay Singapore E-Commerce Private Limited ("Alipay") and in 2021 SoftBank further invested in bKash Limited in the form of convertible preference shares. As on 31 December 2023, out of the total 956,110,570 convertible preference shares, B&M holds 132,040,849 shares, Alipay holds 324,946,520 shares and SoftBank holds 499,123,201 shares. Preference shareholders do not have any voting rights but has same rights as equity shareholders with respect to economic interest in the company. These preference shares are convertible at a 1:1 basis to ordinary shares subject to consent of regulators. Consolidated financial statements have been prepared using 35.74% instead of 51% considering the potential dilution, or otherwise according to economic interest in bKash.

During the year 2023, the Company has increased the authorized share capital to Tk. 35,000,000,000 (Taka three thousand five hundred crore) from Tk. 500,000,000 (Taka fifty crore) divided into 2,240,000,000 (Two hundred and twenty four crore) ordinary shares of Tk. 10 each and 1,260,000,000 (One hundred and twenty six crore) preference shares of Tk. 10 each. The Company has also changed the nominal value of each share to Tk. 10 from Tk. 100.

Pursuant to section 57 (2) of the Companies Act 1994, the company has issued bonus shares from "Share premium account" to its existing ordinary and preference shareholders in proportion to the existing shareholding structure. Incremental costs directly attributable to the issue of shares, net of any tax effects, are recognized as a deduction from equity.

1.6.4 BRAC SAAJAN Exchange Limited (subsidiary)

At the inception, BRAC Bank PLC. acquired 75%+1 shares of "SAAJAN Worldwide Money Transfer Limited" (SWMTL) in the UK. Bangladesh Bank provided necessary approvals of GBP 500,000 to acquire SWMTL and setting up two new branches in Luton and Bradford, UK. As per permission of Bangladesh Bank, SWMTL has been renamed as "BRAC SAAJAN Exchange Ltd" (BSEL). BRAC SAAJAN Exchange Limited was established to offer remittance and exchange services in the UK.

Notable that the operation of BRAC SAAJAN Exchange Limited was suspended in 2021 on regulatory ground by the local regulator in UK. Management lodged an appeal against the suspension before the Court in UK. After long hearing, the honorable Court released a verdict in 2022 in favor of BRAC Saajan and nodded the company to resume its operations. Accordingly, the company has resumed its operations in December 2022.

Considering the minimum capital requirement as per Financial Conduct Authority (FCA), UK and to resume its full-fledged operations, the company (BRAC Saajan) converted the outstanding OD Loan facilities of BRAC Bank as additional share capital of GBP 1,000,000 (equivalent to BDT 112,140,000) with due approval from the regulators in 2022.

In 2024, to comply with the Financial Conduct Authority (FCA), UK minimum capital requirement, the company (BRAC Saajan) converted from the outstanding OD Loan facilities of BRAC Bank as additional paid up share capital of GBP 1,500,000 (equivalent to BDT 232,485,000) with due approval from the regulators.

*In 2025, to further meet the minimum capital requirement as per Financial Conduct Authority (FCA), UK, BRAC Bank PLC injected fresh capital of GBP 1,500,000 (equivalent to BDT 249,195,000) into BRAC Saajan Exchange Limited as additional paid- up capital with due approval from the regulators.

Currently, BRAC Bank PLC. holds 98.08% shares (4,250,000 no. of shares out of the total 4,333,333 shares) of BRAC SAAJAN Exchange Ltd.

1.6.5 BRAC IT Services Limited (biTS) (associate)

BRAC IT Services Ltd. (biTS) was initially founded as Documenta™ Ltd, a digital archiving firm, in 1999. BRAC IT Services Ltd. was then formed in April 2013 through the merger of Documenta™ Ltd and the IT Division of BRAC Bank. BRAC Bank acquired 51% shares of BRAC IT Services Limited, a private company limited by shares under the Companies Act, 1994, incorporated on 9 April 2013. It currently operates as an IT services company. In the year 2017, BRAC Bank reduced its holding in BRAC IT Services Limited from 51% to 48.67% by selling 1,034 shares to BRAC. However, due to additional investment by BRAC, the holding percentage of BRAC Bank further reduced to 12.92% at the end of the year 2020.

In 2022, BRAC Bank further disposed off 6,818 no. of shares (2.92% shareholding) to BRAC upon approval from Bangladesh Bank and the bank's shareholding in biTS reduced to 9.9996%. Considering the significant management involvement, the company is still considered as an associate of the Bank as per international accounting standards (IASs)

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Preparation of consolidated and separate financial statements

Preparation of separate financial statements of the bank for the year ended 31 December 2025 comprise the operation of the Domestic Banking Unit (DBU) (main operations), as well as operations of the Off-shore Banking Unit (OBU), together referred to as 'the Bank'.

Consolidated financial statements include separate financial statements of the BRAC Bank PLC. and financial statements of all subsidiaries', as those of a single economic entity and together referred to as 'the Group'. There were no significant changes in the operations of the bank/group entities.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) 10: Consolidated Financial Statements. The consolidated financial statements are prepared to a common reporting year ended 31 December 2025. Intra-company transactions, balances and intra-group gains on transactions between group companies are eliminated on consolidation.

2.2 Statement of compliance with applicable laws, regulations and standards

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) was formed in 2017 and has adopted International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as the applicable Financial Reporting Standards for public interest entities such as banks with effect from 2 November 2020.

The consolidated and separate financial statements of the Group and the bank have been prepared in accordance with the IFRS adopted by FRC and in addition to this, the bank also complied with the requirements of the following laws and regulations from various government bodies:

i) The Bank Company Act, 1991, and amendment thereon;

ii) The Companies Act, 1994;

iii) BRPD circular no. 14 dated 25 June 2003 and other applicable Circulars, Rules and Regulations issued by Bangladesh Bank (BB) time to time;

iv) Bangladesh Securities and Exchange Rules, 2020; Bangladesh Securities and Exchange Ordinance,1969; Bangladesh Securities and Exchange Act, 1993 and Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015 and amendments thereon;

v) The Income Tax Act 2023, and amendments thereon;

vi) The Value Added Tax and Supplementary Duty Act, 2012, the Value Added Tax and Supplementary Duty, 2016 and amendments thereon;

vii) Dhaka Stock Exchange PLC (DSE), Chittagong Stock Exchange PLC (CSE) and Central Depository Bangladesh Limited (CDBL) rules and regulations; and

viii) Financial Reporting Act, 2015.

The Central Bank of Bangladesh ('Bangladesh Bank'), as primary regulator of the banking industry, has issued a number of circulars/directives which are not consistent with the requirements specified in IASs/IFRSs. In case any requirement of the Bank Company Act, 1991, and provisions and circulars issued by Bangladesh Bank (BB) differ with those of IFRSs, the requirements of the Bank Company Act, 1991, and provisions and circulars issued by BB shall prevail.

Bank has departed from certain contradictory requirements of IFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below:

i) Investment in equity instruments except investment in subsidiaries and associates

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
As per requirements of IFRS 9: Classification and measurement of investment in equity instruments depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors, it would generally fall either under 'at fair value through profit and loss account' or under 'at fair value through other comprehensive income' where any change in the fair value (measured in accordance with IFRS 13) at the year-end is taken to the profit and loss account or other comprehensive income, respectively.	As per Banking Regulation and Policy Department (BRPD) circular no. 14, dated 25 June 2003, investments in quoted shares and unquoted shares are revalued at the year-end at market price and as per the book value of the last audited balance sheet, respectively. Provisions should be made for any loss arising from diminution in value of investments; otherwise investments are recognized at cost.

ii) Subsequent measurement of Government securities

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
Government securities refer primarily to various debt instruments which include both bonds and bills. As per requirements of IFRS 9: Financial Instruments, these investments can be categorized as "Amortized Cost (AC)", or "Fair Value Through Profit or Loss (FVTPL)", or "Fair Value through Other Comprehensive Income (FVOCI)". Investments designated as Amortized Cost are measured at amortized cost method, and interest income is recognized through profit and loss account. Any changes in fair value of investments designated as FVTPL is recognized in the profit and loss account. Any changes in fair value of investments designated as FVOCI is recognized in other reserves, as a part of equity.	As per DOS Circular no. 05, dated 26 May 2008, and subsequent clarification in DOS Circular no. 05, dated 28 January 2009, Government securities/bills are classified into Held for Trading (HFT) and Held to Maturity (HTM). HFT securities are revalued on the basis of mark-to-market and at year-end, any gains on revaluation of securities which have not matured as at the balance sheet date are recognized in other reserves as a part of equity. Any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities, including amortization of discount, are recognized in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortized at year-end, and gains or losses on amortization are recognized in other reserves as part of equity.

iii) Provision on loans and advances

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
As per IFRS 9: Financial Instruments, an entity shall recognize an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses, if the credit risk on these loans and advances has increased significantly since initial recognition, whether assessed on an individual or collective basis, considering all reasonable information (including that which is forward-looking). For those loans and advances for which credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12-month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after the reporting date.	According to BRPD Circulars No. 15 (27 November 2024), No. 05 (25 June 2025), and Circular Letter No. 29 (21 December 2025), banks must maintain general provisions of 0.25%–5% on unclassified loans (including standard and SMA), irrespective of impairment evidence. For classified loans, provisions are set at 20%, 50%, and 100% for sub-standard, doubtful, and bad/loss categories respectively, based on overdue periods. Provision for loans and advances of special rescheduling facilities under policy support of BRPD circular no. 07 dated 16 September 2025 has been maintained as per BRPD Letter No. 26 dated 24 November 2025 and relevant instructions as mentioned in specific approval letter for specific loans issued by Bangladesh Bank in this regard. Additionally, BRPD Circular No. 06 (25 April 2023) requires a 0.50%–1% general provision on off-balance sheet exposures, excluding "bills for collection" and "guarantees" backed by counter-guarantees from MDBs or international banks rated equivalent to Bangladesh Bank's grade '1' under Basel III guidelines. It is important to note that these provisioning requirements are regulatory in nature and do not fully align with the expected credit loss model prescribed under IFRS 9.

iv) Other comprehensive income

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
As per IAS 1 Presentation of Financial Statements, other comprehensive income is a component of financial statements or the elements of other comprehensive income are to be included in single comprehensive income statements.	Bangladesh Bank has issued templates for financial statements which is followed by all banks. The templates of financial statements issued by Bangladesh Bank neither include Other Comprehensive Income nor the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) statement. As such, the bank does not prepare Other Comprehensive Income statement. However, elements of OCI, if any, are shown in the Statement of Changes in Equity.

v) Financial instruments – presentation and disclosure

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
some disclosure and presentation requirements of IFRS 7 Financial Instruments: Disclosures and IAS 32 Financial Instruments: Presentation cannot be made in the financial statements.	In several cases, Bangladesh Bank guideline categorize, recognize, measure and present financial instruments differently from those prescribed in IFRS 9: Financial Instruments.

vi) Repo and reverse repo transactions

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
As per IFRS 9, when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan, and the underlying asset continues to be recognized at amortized cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).	As per DOS Circular letter no. 6, dated 15 July 2010, and subsequent clarification in DOS Circular no. 03, dated 30 January 2012 and DOS circular no. 2, dated 23 January 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transaction, and the financial assets are de-recognized in the seller's book and recognized in the buyer's book. However, as per DMD circular letter no. 7, dated 29 July 2012, non-primary dealer banks are eligible to participate in the Assured Liquidity Support (ALS) programme, whereby such banks may enter collateralized repo arrangements with Bangladesh Bank. Here, the selling bank accounts for the arrangement as a loan, thereby continuing to recognize the asset.

vii) Financial guarantees

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
As per IFRS 9: Financial Instruments, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs if a specified debtor fails to make payment when due, in accordance with the term of debt instruments. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount, and the loss allowance determined as expected credit loss under IFRS 9. Financial guarantees are prescribed to be included within other liabilities.	As per BRPD circular no. 14, dated 25 June 2003, financial guarantees, such as Letter of Credit and Letter of Guarantee should be treated as off balance sheet items. No liability is recognized for the guarantee, except the cash margin.

BRAC Bank PLC.
Independent Auditor's Report and Consolidated & Separate Financial Statements
as at and for the year ended 31 December 2025

BRAC BANK
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viii) Cash and cash equivalents

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
Cash and cash equivalent items should be reported as cash item as per IAS 7: Statement of Cash Flows.	Certain items such as money at call and short notice, treasury bills, Bangladesh Bank bills, and prize bonds are not classified as cash and cash equivalents in the balance sheet. Money at call and short notice is presented separately, while treasury bills, Bangladesh Bank bills, and prize bonds are shown under investments. However, in the cash flow statement, money at call and short notice and prize bonds are included as cash equivalents alongside cash-in-hand, balances with Bangladesh Bank, and other banks.

ix) Non-banking assets

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
There is no particular/specific guideline about non-banking assets in IFRS.	As per BRPD circular no. 22, dated 20 September 2021, there is a separate balance sheet item titled as non-banking asset that exists in the standard format.

x) Cash flow statement

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
As per IAS 7, The Statement of Cash Flows can be prepared using either the direct or indirect method. The chosen method should best reflect the nature of the business or industry and must be applied consistently.	As per BRPD circular no. 14, dated 25 June 2003, the cash flow statement is a mix of both the direct and indirect methods.

xi) Balance with Bangladesh Bank

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
Balance with Bangladesh Bank should be treated as other asset, as it is not available for use in day to day operations, as per IAS 7: Statement of Cash Flows.	Balance with Bangladesh Bank is treated as cash and cash equivalents.

xii) Presentation of intangible asset

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
Intangible assets must be identified and recognized, and the disclosure must be given as per IAS 38: Intangible Assets.	Intangible assets are shown in fixed assets as there is no specific regulation for intangible assets as per BB circular.

xiii) Off balance sheet items

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
As per IFRS, there is no requirement for disclosure of off balance sheet items on the face of the balance sheet.	As per BRPD circular no. 14, dated 25 June 2003, off balance sheet items, must be disclosed separately on the face of the balance sheet.

xiv) Disclosure of appropriation of profit

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
There is no requirement to show appropriation of profit on the face of statement of comprehensive income.	As per BRPD circular no. 14, dated 25 June 2003, appropriation of profit should be disclosed on the face of profit and loss account.

xv) Loans and advances/investments net of provision

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
As per IFRS 9, loans and advances/investments should be presented net of provision.	As per BRPD circular no. 14, dated 25 June 2003, provisions for loans and advances are presented separately as liabilities.

xvi) Recognition of interest in suspense

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
Loans and advances to customers are measured at amortized cost under IFRS 9, with interest income recognized using the effective interest rate method on the gross carrying amount over the loan term. When a loan becomes credit-impaired, the effective interest rate is applied to its amortized cost.	As per BRPD circular no. BRPD Circular No. 15 (27 November 2024) once a loan is classified as Sub-standard, Doubtful BL (special reason), interest accrued on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account which is presented as other liability in the balance sheet.

xvii) Provision on undrawn loan commitments

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
As per IFRS 9, the bank shall recognize credit losses on undrawn loan commitments, such as Letter of Credit (L/C), Letter of Guarantee (L/G), etc., as the present value of the difference between the contractual cash flow that are due by the customer if the commitment is drawn down and the cash flows that the bank expects to receive.	As per BRPD Circular no. 06 dated 25 April 2023, the bank is required to maintain a provision at 1% rate against off balance sheet exposures (which includes all types of undrawn loan commitments).

xviii) Name of the financial statements

Treatment as per IFRS	Treatment adopted as per BB circulars and guidelines
As per IAS 1, complete set of financial statements consists statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and notes, comprising significant accounting policies and other explanatory information.	The forms of financial statements and directives for preparation thereof of the bank companies in Bangladesh are guided by BRPD Circular no. 14, dated 25 June 2003 and subsequent amendments thereof from time to time. BRPD circular no. 14 states the statement of financial position as balance sheet and statement of profit or loss and other comprehensive income as profit and loss account.

2.2.1 Summary statement of compliance with IFRSs

Ref.	Name of the standards	Status
IFRS S1	General Requirements for Disclosure of Sustainability-related Information	Complied
IFRS S2	Climate-related Disclosure	Complied
IFRS-1	First-Time Adoption of International Financial Reporting Standards	Not applicable
IFRS-2	Share-based Payment	Not applicable
IFRS-3	Business Combinations	Complied
IFRS-4	Insurance Contracts	Not applicable
IFRS-5	Non-current assets Held for Sale and Discounted Operations	Not applicable
IFRS-6	Exploration for and Evaluation of Mineral Resources	Not applicable
IFRS-7	Financial Instruments: Disclosures	Complied *
IFRS-8	Operating Segments	Complied *
IFRS-9	Financial Instruments	Complied *
IFRS-10	Consolidated Financial Statements	Complied
IFRS-11	Joint Arrangements	Not applicable
IFRS-12	Disclosure of Interests in Other Entities	Complied
IFRS-13	Fair Value Measurement	Complied
IFRS-14	Regulatory Deferral Accounts	Not applicable
IFRS-15	Revenue from Contracts with Customers	Complied
IFRS-16	Leases	Complied
IAS-1	Presentation of Financial Statements	Complied *
IAS-2	Inventories	Not applicable
IAS-7	Statement of Cash Flows	Complied *
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
IAS-10	Events after the Reporting Period	Complied
IAS-12	Income taxes	Complied
IAS-16	Property, Plant and Equipment	Complied
IAS-19	Employee Benefits	Complied
IAS-20	Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
IAS-21	The Effect of Changes in Foreign Exchanges Rates.	Complied
IAS-23	Borrowing Cost	Complied
IAS-24	Related Party Disclosures	Complied
IAS-26	Accounting and Reporting by Retirement Benefit Plans	Complied
IAS-27	Separate Financial Statements	Complied
IAS-28	Investment in Associates and Joint Venture	Complied
IAS-29	Financial Reporting in Hyperinflationary Economies	Not applicable
IAS-32	Financial Instruments: Presentation	Complied *
IAS-33	Earnings Per Share	Complied
IAS-34	Interim Financial Reporting	Complied
IAS-36	Impairment of Assets	Complied
IAS-37	Provisions, Contingent Liabilities and Contingent Assets	Complied
IAS-38	Intangible Assets	Complied *
IAS-40	Investment Property	Not applicable
IAS-41	Agriculture	Not applicable

* Complied to the extent possible subject to compliance to Bangladesh Bank guidelines in this respect.

2.2.2 Standards issued but not yet effective

A number of new standards and amendments to standards are issued but not yet effective for annual periods beginning after 01 January 2025 and earlier application is permitted. However, the Bank has not adopted early the following new or amended standards in preparing these financial statements.

A) Classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)

B) IFRS 18 presentation and disclosures in financial statements

C) Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7

D) IFRS 19 Subsidiaries without Public Accountability: Disclosures

E) Sales or Contribution of Assets between an Investor and its Associates or Joint Ventures - Amendments to IFRS 10 & IAS 28

The above accounting standards are not expected to have a significant impact on the consolidated financial statements.

2.2.3 Sustainability and Climate-Related Disclosure under IFRS S1 and S2

The International Sustainability Standards Board (ISSB) issued the IFRS Sustainability Disclosure Standards (IFRS S1 and S2) in 2023 to enhance transparency and comparability of sustainability-related financial reporting. IFRS S1 outlines general requirements for disclosing sustainability risks and opportunities affecting an entity's financial position, while IFRS S2 provides climate-related disclosure requirements aligned with the Task Force on Climate-related Financial Disclosures (TCFD). BRAC Bank has voluntarily adopted these standards to strengthen its sustainability reporting and align with global best practices.

1 Governance

BRAC Bank's Board of Directors oversees sustainability and climate-related matters, with responsibilities delegated to the Board Risk Committee. The Sustainable Finance Committee (SFC), led by the DMD and COO, manages climate risk integration across risk management, lending, and investment. The ESG team defines the annual ESG strategy, ensures regulatory compliance, and monitors global frameworks. The Board further ensures transparent ESG disclosures, reinforcing accountability and progress toward sustainability goals.

2 Strategy

Sustainability and climate-related risks and opportunities are embedded in BRAC Bank's core strategy. The Bank actively finances green and sustainable projects that support a low-carbon and inclusive economy. As of 2025, the loan portfolio totals BDT 730,659 million, with BDT 604,561 million in sustainable finance and BDT 61,991 million in green finance. This approach diversifies the portfolio, strengthens the balance sheet, and integrates decarbonization into investment priorities. Focus areas include reducing GHG emissions through energy efficiency, renewable investments, and green technologies. The Bank continues to refine its ESG strategy in line with local and global standards, addressing material ESG risks that may affect cash flow, access to finance, and cost of capital across varying time horizons.

3 Risk Management

BRAC Bank incorporates climate-related risks within its Enterprise Risk Management (ERM) framework, including credit, market, liquidity, and operational risk assessments. Climate risk factors are embedded into:

a) Loan origination and review processes.
b) Physical and transition risks are assessed through scenario analysis and stress testing.
c) Portfolio mapping to assess sectoral and geographic climate risk exposures.
d) High-emitting sectors (e.g., oil & gas, utilities) undergo enhanced credit risk review processes.

In alignment with the IFRS S1 and S2 frameworks, risk parameters within the Environmental and Social Risk Management (ESRM) system are calibrated on a scale of 1 to 100. This allows for the classification of risks into low, medium, or high categories, ensuring that risks are appropriately quantified and prioritized.

4 Metrics and Targets

The bank applies the PCAF methodology to measure financed emissions and reports annually under the TCFD-aligned framework in line with IFRS S2. The Bank calculates GHG emissions from its loan portfolio across scopes 1, 2, and 3, consistent with disclosure guidelines. While a net-zero target is not yet set, the Bank has a Board-approved plan and is committed to reducing emissions through a comprehensive GHG reduction strategy.

BRAC Bank GHG emissions accounting:

Indicator	Financial Year 2025		Financial Year 2024	
	Emissions (Ton CO2eq)	Emissions Share (%)	Emissions (Ton CO2eq)	Emissions Share (%)
Scope 1	1,985	0.13%	1,630	0.11%
Scope 2	18,987	1.23%	16,671	1.13%
Scope 3	1,520,635	98.64%	1,459,166	98.76%
Financed Emission	1,463,372	94.93%	1,423,479	96.35%
Gross total GHG emission	**1,541,607**	**100.00%**	**1,477,467**	**100.00%**
Avoided emission	26,112	1.72%	18,112	1.24%
Net total GHG emission	**1,515,495**	**98.28%**	**1,459,355**	**98.76%**

This Disclosure note reflects our ongoing commitment to transparency and accountability in addressing sustainability-related financial information in accordance with IFRS S1 and S2. We will continue to evolve our disclosures as our understanding and practices mature.

2.3 Implementation of IFRS 9 – Expected Credit Loss (ECL) Framework

In accordance with BRPD Circular Letter No. 03 dated 23 January 2025, BRAC Bank PLC has commenced its transition to implement the IFRS 9 Expected Credit Loss (ECL) framework. This marks a shift from the traditional rule-based provisioning system to a forward-looking methodology that incorporates historical performance, current borrower conditions, and future economic forecasts in loan classification and provisioning. To ensure a structured rollout, the Bank's management has briefed its Board, established a dedicated implementation committee, and initiated risk models for calculating Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD) across Stage 1, Stage 2, and Stage 3 categories of assets in all three segments. Through targeted capacity building and data infrastructure improvements, the BRAC Bank remains committed to achieving full regulatory compliance by the 2027 as fixed the implementation deadline by Bangladesh Bank, while safeguarding capital adequacy in alignment with Bangladesh Bank's roadmap.

2.4 Going concern

The accompanying financial statements have been prepared on a going concern assumption that the Bank will continue in operation over the foreseeable future. The Bank has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. Key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the bank continued to demonstrate a healthy trend for a couple of years. The rating outlook of the bank, as reported by all the rating agencies is 'Stable'. Besides, the management is not aware of any other material uncertainties that may cast significant doubt upon the bank's ability to continue as a going concern.

2.5 Materiality and aggregation

Each material item considered by the management as significant has been displayed separately in the financial statements. No amount has been set off, unless the Bank has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

2.6 Comparative information

Accounting policies have been consistently applied by the Bank and are consistent with those used in the previous year. Comparative information is rearranged wherever necessary to conform with the current presentation.

2.7 Functional and presentation currency

The financial statements are presented in Bangladeshi Taka (BDT), which is the bank's functional currency. The functional currency of the Bank's Off-shore Banking Unit (OBU) and one of the Bank's subsidiaries, namely BRAC SAAJAN Exchange Limited, is in United States Dollar (USD) and Great Britain Pound (GBP), respectively. Financial statements of the above-mentioned unit and subsidiary have been translated into the presentation currency, i.e. Bangladeshi Taka (BDT), following the guidelines of IAS 21: The Effect of Changes in Foreign Exchange Rates. The functional and presentation currency of other subsidiaries and associates is in Bangladeshi Taka (BDT). Except as indicated, figures have been rounded-off to the nearest Taka.

2.8 Reporting period

These financial statements cover one calendar year - from 01 January to 31 December 2025.

2.9 Basis of measurement of elements of financial statements

The financial statements of the Bank have been prepared on historical cost basis except for the following:

- Government Treasury Bills and Bonds designated as 'Held for Trading (HFT)' at present value using marked to market with gains, if any, credited to revaluation reserve.
- Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' at present value using amortization concept.

2.10 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates. It also requires disclosures of contingent assets and liabilities at the date of the financial statements. Provisions and accrued expenses are recognized in the financial statement in line with the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the year in which the estimates are revised and in any future periods affected. Significant areas where management requiring the use of estimate and judgment:

a) Provision for loans and advances, investments and leases for future impairment
b) Useful life of fixed assets and Right of use of assets (RoU) as per IFRS 16
c) Remeasurement gain/(loss) of defined benefit obligation and plan assets
d) Deferred Tax assets/liabilities
e) Provision for gratuity fund
f) Right of use of assets (RoU) as per IFRS 16
g) Lease liabilities
h) Impairment testing of goodwill
i) Provision for taxation
j) Fair value determination of unquoted investments/shares

2.11 Foreign currency transactions

Mark-to-market valuation of foreign currency transaction

The treasury back-office values all outstanding positions (Spot and Forward including on and off balance sheet items) at the current market rate to determine the current market value of these positions. This exercise also provides the profitability of the outstanding contracts. The treasury back office gathers the market rates from an independent source i.e. other than traders (Reuters/Bloomberg, BAFEDA, calling other bank back offices) of the same organization which is required to avoid any conflict of interest. Revaluation is done daily and the profit and loss impact is adjusted accordingly.

Translation of foreign currency operations

The results of financial statements of any foreign operation (including subsidiaries, off-shore banking unit, etc.) whose functional currency is not Bangladeshi Taka are translated into Bangladeshi Taka as follows:

a. assets and liabilities for each statement of balance sheet have been translated at the closing rate on the date of the balance sheet.
b. income and expenses for the profit and loss account have been translated at average rate.

Foreign currency differences are recognized in OCI and accumulated in the foreign currency translation reserve, except to the extent that the translation difference is allocated to NCI.

Exchange rates
The assets and liabilities as at 31 December in foreign currencies have been converted to BDT at the following rates:

Direct Exchange rate	2025	2024
USD 1= BDT	122.30	120.00
SGD 1= BDT	95.40	88.42
SAR 1=BDT	32.61	31.96
GBP 1= BDT	165.44	151.10
AUD 1= BDT	82.08	74.75
EUR 1= BDT	144.01	125.27
CHF 1= BDT	155.24	133.10
JPY 1= BDT	0.79	0.76
CAD 1= BDT	89.37	83.45
AED 1= BDT	33.30	32.67
CNY 1= BDT	17.51	16.41

Translation reserve in separate financial statements

The functional currency of the Bank's Off-shore Banking Unit (OBU) is in United States Dollar (USD). So, translation reserve has been generated in separate financial statements for translating offshore banking operations in bank's presentation currency (BDT).

Translation reserve in consolidated financial statements

The functional currency of one of the Bank's subsidiaries BRAC SAAJAN Exchange Limited is in Great Britain Pound (GBP). As a result, in consolidated financial statements translation reserve includes the balances of separate financial statements as well as the balances for translating SAAJAN's GBP operations to bank's presentation currency (BDT).

2.12 Provisions, contingent liabilities and contingent assets

The Bank recognizes provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. No provision is recognized for-

a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the bank; or

b. Any present obligation that arises from past events but is not recognized because-

I) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

ii) A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognized in the financial statement since these may result in the recognition of income that may never be realized. However, due to regulations of Bangladesh Bank (Central Bank of Bangladesh) and Bank Company Act, 1991, as amended, all items of such contingent assets/liabilities are shown as off balance sheet items under balance sheet of the bank as a separate section.

2.12 Statement of changes in equity

Statement of Changes in Equity has been prepared in accordance with IAS 1 "Presentation of Financial Statements" and following the guidelines of Bangladesh Bank BRPD circular no.14 dated 25 June 2003.

2.14 Cash flow statement

Cash Flow Statement is prepared principally in accordance with IAS 7 " Statement of Cash Flows" under the guidelines of BRPD circular no.14 dated 25 June 2003. The Cash Flow Statement shows the structure of and changes in cash and cash equivalents during the year. It Cash Flows during the period have been classified as operating activities, investing activities and financing activities.

2.15 Basis of preparation of liquidity statement

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following basis:

a) Balances with other bank and financial institutions, money at call and short notice etc. are on the basis of their maturity term.

b) Investments are on the basis of their residual maturity term.

c) Loans and advances are on the basis of their repayment/ maturity schedule.

d) Fixed assets are on the basis of their useful life.

e) Other assets are on the basis of their adjustment.

f) Borrowing from other banks, financial institutions and agents as per their maturity/ repayment term.

g) Deposits and other accounts are on the basis of their maturity term and behavioral past trend.

h) Other long term liability on the basis of their maturity term.

i) Provisions and other liabilities are on the basis of their settlement.

2.16 Changes in accounting policies, estimates and errors

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, states that the effect of a change in accounting policy and correction of errors, if material, is to be applied retrospectively, and change in an accounting estimate is to be applied prospectively. The carrying amount of assets, liabilities, or equity may be changed following a change in accounting estimates in the period of the change. The bank followed the same accordingly.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all the periods presented in these financial statements except the recognition of defined benefit obligation and plan assets relating to the gratuity fund on the balance sheet of the Bank from 2018. The net effect in opening balance for such recognition has been charged in profit and loss considering the effect as immaterial as per IAS - 8.

3.1 Assets and the basis of their valuation

3.1.1 Cash and Cash Equivalents

For the purpose of presentation in the cash flow statements, cash and cash equivalents includes cash in hand and cash at bank (regardless of maturity), highly liquid interest bearing investment/securities with original maturities of less than three month. Cash flow statement is prepared in accordance with IAS 7 Statement of Cash Flows. However cash flows from operating activities have been presented according to the format mentioned in BRPD circular no. 14 dated 25 June 2003.

However unencumbered portion of balance with Bangladesh Bank is presented in liquidity statement with maturity more than five years but considering the requirement of BRPD 14 dated 25 June 2003, this amount is considered as cash and cash equivalents in the cash flow statement.

3.1.2 Inter-Bank Accepted Bill Financing (IBABF)

Inter-Bank Accepted Bill Financing is a mechanism designed to provide short-term financing or refinancing to banks against import bills accepted under Letters of Credit (LCs) issued by scheduled commercial banks in Bangladesh. In accordance with the relevant Bangladesh Bank circular, this facility is reported under 'Balance with other banks and financial institutions' in the balance sheet.

3.1.3 Investments (Categorized and reported as per Bangladesh Bank)

Investment in securities

All investment securities are initially recognized at cost, including acquisition charges associated with the investment. Premiums are amortized and discount accredited, using the effective yield method, and are taken to discount income. The valuation method of marking-to-market for investments used are:

Held To Maturity (HTM)

Investments which have fixed or determinable payments and fixed maturity that the group has the positive intent and ability to held to maturity, other than those that meet the definition of 'Held at amortized cost others' are classified as held to maturity. These investment are subsequently measured at amortized cost, less any provision for impairment in value. Amortized cost is calculated by taking into account any discount or premium in acquisition. Any gain or loss on such investments is recognized in the statement of income when the investment is de-recognized or impaired.

Held For Trading (HFT)

Investments classified in this category are acquired principally for the purpose of selling or repurchasing - in short trading or if designated as such by the management. After initial recognition, investments are measured at market value, and any change in the fair value is recognized in the statement of income for the period in which it arises. Transaction costs, if any, are not added to the value of investments at initial recognition.

Revaluation of government securities

According to DOS Circular no. 05, dated 26 May 2008, DOS Circular no. 05, dated 28 January 2009 and DOS Circular no. 02, dated 19 January 2012, HFT securities are revalued once each week using marking-to-market concept, and the HTM securities are amortized once a year according to Bangladesh Bank guidelines. HTM securities are also revaluated if they are reclassified to HFT category with the Board's approval. Moreover, as per DOS circular letter no. 27 dated 04 December 2023, amortization on HTM securities can be taken into profit and loss account before maturity. Gains arising from revaluation of HFT securities on 'Marking to Market' basis are recognized in revaluation reserve account while losses from revaluation of the same securities are recognized in profit and loss account.

Investment in quoted securities

These securities are bought and held primarily for the purpose of selling them in the future or holding for dividend income, which are reported at cost. Unrealized gains are not recognized in the profit and loss statement. But required provisions are kept for diminution in value of investment.

Investment in mutual funds

The Department of off-site Supervision (DOS) of Bangladesh Bank vide its circular letter no. 03 dated 12 March 2015 directed that investment in mutual fund (closed end) will be revalued at lower of cost and (higher of marker value and 85% of NAV). Provision should be made for any loss arising from diminution in value of investment on portfolio basis; otherwise investments are recognized at cost.

Investment in unquoted securities

Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities. As per Bangladesh Bank DOS Circular no. 04, dated 24 November 2011, provision for diminution in value of investment was made by netting off unrealized gain (loss) of shares from market price/book value less cost price.

Besides, the Bank complied with Bangladesh Bank BRPD Circular no. 14, dated 25 June 2003, as follows, "All investments in shares and securities (both dealing and investment) should be revalued at the year end. The quoted shares should be valued as per market price in the stock exchange(s) and unquoted shares as per book value of the last audited balance sheet. Provisions should be made for any loss arising from diminution in value of investment."

Summary of recognition and measurement basis has been shown as under:

Investment Class	Initial Recognition	Measurement after Recognition	Recording of changes
Government Treasury Bills (HFT)	Cost	Marking to Market/ fair value	Loss to profit and loss A/C, gain to revaluation reserve
Government Treasury Bills (HTM)	Cost	Amortised cost	Amortised gain to revaluation reserve and loss to profit and loss
Government Treasury Bonds (HFT)	Cost	Marking to Market/ fair value	Loss to profit and loss A/C, gain to revaluation reserve
Government Treasury Bonds (HTM)	Cost	Amortised cost	Amortised gain to revaluation reserve and loss to profit and loss
Zero Coupon Bond	Cost	Cost	N/A
Prize Bond and Other Bond	Cost	Cost	N/A
Debentures	Cost	Cost	Profit and Loss Account
Un-quoted Shares (ordinary)	Cost	Lower of cost or NAV of last audited account	Profit and Loss Account
Quoted Shares (ordinary)	Cost	Lower of cost or market price at balance sheet date	Loss (net off gain) to Profit and Loss Account but no unrealized gain booking
Mutual Fund (open-end)	Cost	Lower of cost or 95% of NAV	Provision for unrealised loss (net) to profit and loss account but no unrealised gain booking.
Mutual Fund (closed-end)	Cost	Lower of cost or (higher of market value or 85% of NAV)	Provision for unrealised loss (net) to profit and loss account but no unrealised gain booking.

3.1.3 Loans and advances

a) Loans and advances are stated in the balance sheet on the gross basis.

b) Interest on loans and advances is calculated daily on accrual basis for all loans accounts but charged in client statements monthly, quarterly and instalment date based on product type.

c) Commission and discounts on bills purchased and discounted are recognized at the time of realization.

d) Provisions for loans and advances are made on the basis of period-end reviews conducted by management, in accordance with the instructions contained in BRPD Circular No. 15 (27 November 2024), BRPD Circular No. 05 (25 June 2025), and BRPD Circular Letter No. 29 (21 December 2025). In compliance with the First Schedule of the Bank Company Act 1991 (amended up to 2023), provisions and interest suspense are presented separately under "Other Liabilities." The applicable provision rates for loans and advances are as follows:

Type of Loans and Advances	Unclassified				Classified		
	Standard-0	Standard-1	Standard-2	Special Mention Account (SMA)	Substandard (SS)	Doubtful (DF)	Bad and Loss (BL)
Agricultural Credit (Other than Short Term)	1%	1%	1%	5%	20%	50%	100%
CMSME Financing (Medium)	1%	1%	1%	5%	20%	50%	100%
CMSME Financing (Cottage, Micro & Small)	0.5%	0.5%	0.5%	0.5%	20%	50%	100%
Consumer Financing	1%	1%	1%	5%	20%	50%	100%
Consumer Financing (Other than Credit Card)	1%	1%	1%	5%	20%	50%	100%
Consumer Financing (Other than Housing)	1%	1%	1%	5%	20%	50%	100%
Housing Finance	1%	1%	1%	5%	20%	50%	100%
Industrial Credit	1%	1%	1%	5%	20%	50%	100%
Service Sector Credit	1%	1%	1%	5%	20%	50%	100%
Trade & Commerce Sector Credit	1%	1%	1%	5%	20%	50%	100%
Short Term Agri. Credit	0.5%	0.5%	0.5%	0.5%	20%	50%	100%
Other Credit	1%	1%	1%	5%	20%	50%	100%
Credit Card	1%	1%	1%	5%	20%	50%	100%
Off Balance Sheet exposure	0.5% -1%	N/A	N/A	N/A	N/A	N/A	N/A

c) As per BRPD Circular No. 15 dated 27 November 2024, interest on classified loans and advances is transferred to a suspense account, except in the case of bad or loss loans. Such interest is recognized as income only upon realization. Interest is not charged on bad and loss loans as per the guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate accounts.

d) Write off Loans and Advance: Loans and advances are written-off to the extent that (i) there is no realistic prospect of recovery and (ii) against which legal cases are filed and classified as bad and loss, as per BRPD circular no. 02, dated 13 January 2003 and 13, dated 07 November 2013. These write-offs however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such write-off accounts are meticulously maintained and followed up. Loan and advances are written off as per BRPD circular no 04, dated 18 February 2024.

3.1.4 Fixed assets including premises, furniture and fixtures

A. Property, plant and equipment (PPE)

Property, plant and equipment (PPE) include all type of tangible assets i.e. land, office floor space, furniture & fixtures, office equipment, IT hardware and motor vehicles etc.

Recognition and measurement

All fixed assets including land are stated at cost less accumulated depreciation, as per IAS 16 Property, Plant and Equipment. Right-of-use assets are measured at cost, less any accumulated depreciation, and adjusted for any re-measurement of lease liabilities.

The cost of an item of property, plant and equipment is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the entity; and the cost of the item can be measured reliably.

The cost of the items of property, plant and equipment comprises:

i) any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

ii) any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

iii) the initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as consequence of having used the item during a particular period of purpose other than to produce during that period.

Subsequent costs

Subsequent costs of enhancement of existing assets are recognized as an addition to the asset, only when it is probable that future economic benefits associated with the item will flow to the bank and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit and loss account during the financial period in which they are incurred.

Depreciation of PPE

Land is not depreciated. Depreciation is charged on straight-line basis. In case of acquisition of fixed assets, depreciation is charged from the month of acquisition, whereas no depreciation on assets disposed-off is charged from the month of disposal. Asset category-wise depreciation rates are as follows:

Category of assets	BRAC Bank PLC.	BRAC EPL Investments Limited	BRAC EPL Stock Brokerage Limited	BRAC Saajan Exchange Limited	bKash Limited
Furniture and fixture	10%	10%-20%	12.5%	10%	20%
Building	2.5%	5%	2%	-	-
Office equipment	20%	10%-20%	20%	10%	20%
IT equipment - Hardware	20%	25%	-	-	20%
IT equipment - PC, Laptop, UPS, Printer and Scanner	33.33%	33.33%	25%	33.33%	33.33%
IT equipment - Software	10%-20%	33.33%	33.33%	20%	20%
IT Equipment-Software (Subscription Based)	Over Subscription Period	-	-	-	-
Motor vehicles	20%	20%	20%	-	20%
Mobile Devices/Tabs	50%	-	-	-	-
Office decoration/ renovation	10%	15%	15%	10%	20%

The consolidated financial statements of BRAC Bank for the year ended 31 December 2025 have been prepared applying uniform depreciation policy in compliance with IFRS 10 " Consolidated Financial Statements".

Gain or loss on disposal of PPE

Sale price of fixed assets are determined on the basis of fair value of the assets. Gain or loss on sale of assets are recognized in the profit and loss account as per provision of IAS 16 Property, Plant and Equipment.

Impairment of PPE

At each balance sheet date, the bank assesses whether there is any indication that the carrying amount of the asset exceeds its recoverable amount. If any such indication exists, the Bank should estimate the recoverable amount of the asset. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired and impairment loss is recognized as an expense in the profit and loss account unless the asset is carried at revalued amount in accordance with IAS 16 Property, Plant and Equipment, in which case any impairment loss of a revalued asset should be treated as revaluation decrease under the accounting standard. No impairment loss was recognized up to the reporting period in separate financial statement, as no such indication existed as on the balance sheet date.

B. Intangible assets

Software

Software acquired by the bank is stated at cost less accumulated amortization and accumulated impairment losses. Subsequent expenditure on software assets is capitalized only when it increases future economic benefits embodied in the specific asset to which it relates. All expenditure is expensed as incurred. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life of software is five to ten years. Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

License

Value of the license is recognized at cost less accumulated impairment losses.

Goodwill

Goodwill that arises upon the acquisition of subsidiaries represents the excess of the fair value of the purchase consideration over the fair value of the BRAC Bank group's share of the assets acquired and the liabilities and contingent liabilities assumed on the date of the acquisition and is measured at cost less accumulated impairment losses in accordance with IFRS 3 Business Combinations and IAS 36 Impairment of Assets.

Impairment of intangible assets

Intangible assets with indefinite useful life, like goodwill etc., are tested for impairment at the end of each year. As per IAS 36 Impairment, any intangible assets with definite useful life are first reviewed for any indication of impairment. If any indication exists, then the impairment test is carried out.

As at the reporting date, the group carries goodwill only in respect of BRAC EPL Stock Brokerage Ltd. Goodwill relating to all other subsidiaries has been fully impaired in prior years based on impairment assessments performed in accordance with IAS 36.

C. IFRS 16 "Leases" and its relevant assumptions and disclosures

IFRS 16: "Leases" has come into force on 1 January 2019, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). BRAC Bank applied IFRS 16 using modified retrospective approach where the bank measured the lease liability at the present value of the remaining lease payments, discounted it using the bank's incremental borrowing rate at the date of initial application, and recognized a right-of-use asset at the date of the initial application on a lease by lease basis.

Right-of-use assets

The Bank recognizes right-of-use assets at the date of initial application of IFRS 16. Right-of-use assets are measured at cost, less any accumulated depreciation, and adjusted for any re-measurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right-of-use assets are presented under property, plant and equipment.

Lease liabilities

At the commencement date of the lease, the bank recognizes lease liabilities measured at the present value of lease payments to be made over the lease term using incremental borrowing rate at the date of initial application. Lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments, and re-measuring the carrying amount to reflect any reassessment or lease modifications.

Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

Short-term leases and leases of low value assets

The Bank has elected not to recognize right-of-use assets and lease liabilities for leases of low value assets and short-term leases, i.e. for which the lease term ends within 12 months of the date of initial application. The Bank recognizes lease payments associated with these leases as an expense.

The contracts for premises with all branches, head office, regional offices, data centers and disaster recovery centers are considered for lease calculation.

Accounting of lease modification

IFRS 16 defines a modification as a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease. Any change that is triggered by a clause that is already part of the original lease contract (including changes due to a market rent review clause or the exercise of an extension option) is not regarded as a modification.

Gain or loss on termination of lease agreements

As per IFRS-16, if the lease is modified to terminate the right of use of one or more underlying assets or to shorten the contractual lease term, the bank (lessee) remeasures the lease liability at the effective date of the modification using a revised discount rate. Furthermore, it decreases the carrying amount of the right-of-use assets to reflect the partial or full termination of the lease. Any gain or loss relating to the partial or full termination is recognized in profit or loss.

D. Capital work-in-progress (CWIP)

Costs incurred, but if the related asset is yet not ready or available for use as intended by management, are recognized as capital work-in-progress and disclosed as a part of fixed assets. Once the underlying asset is ready and available for use, it is transferred to fixed assets. However, no depreciation is charged on CWIP.

E. Investment properties

Investment property is held to earn rentals or for capital appreciation or both and the future economic benefits that are associated with the investment property but not held for sale in the ordinary course of business. Investment property is accounted for under cost model in the financial statements. Accordingly, after recognition as an asset, the property is carried at its cost, less accumulated depreciation and accumulated impairment loss.

3.1.6 Other assets and basis of their measurement

Other assets include mainly all other financial assets, interest and other unrealized income receivable, advance for operating expenditure and stocks of stationery and stamps etc.

a. Interest receivables

Interest receivable is the amount of interest that has been earned but has not yet been received in cash. Interest on loans and advances is calculated and accrued on a daily product basis but charged to customer accounts in different frequency based on product nature. The accrued but uncharged interest portion is reported as interest receivables on reporting date. Interest receivables is recognized only when the unconditional right to receive the cash flows of the loans and advances is established.

b. Reporting investment in subsidiaries and associates in separate financial statements

In accordance with the IAS 27 "Separate Financial Statements", an entity may choose any of the following methods to account for investment in subsidiaries, associates and joint ventures in its separate financial statements:
- at cost;
- in accordance with IFRS 9; or
- using the equity method as described in IAS 28;

BRAC Bank adopted IFRS 9 Fair value through other comprehensive income (FVOCI) method for accounting equity investment in subsidiaries and associates since June 2020. As all of the investment are in unquoted investment, management used net assets value of the each investment as per the financial statements of the entity every year as fair value because if buyer offer any price of our investments, they will refer to NAV as reference price.

Accordingly, below cumulative fair value gain/(loss) has been directly recognized in equity in the separate financial statements of the bank till to date 31 December 2025.

Name of the subsidiaries and associates	BRAC Bank's investment at cost	Net asset value of investee	BRAC Bank's share of net asset	Gross fair value gain/(loss)	Gain/(loss) net of deferred tax
BRAC EPL Investments Ltd.	2,891,704,014	733,594,134	733,193,237	(2,158,510,777)	(1,834,734,160)
BRAC EPL Stock Brokerage Ltd.	1,344,147,500	1,516,680,427	1,365,003,037	20,855,537	17,727,206
bKash Ltd.	168,921,800	41,312,659,287	14,764,997,232	14,596,075,432	12,406,664,117
BRAC Saajan Exchange Ltd.	653,208,531	152,229,327	149,301,852	(503,906,679)	(428,320,677)
BRAC IT Services Ltd. (biTS)	23,372,000	540,185,737	54,016,494	30,644,494	26,047,820
Total	**5,081,353,845**	**44,255,348,912**	**17,066,511,852**	**11,985,158,007**	**10,187,384,306**

C M Y K

BRAC Bank PLC.
Independent Auditor's Report and Consolidated & Separate Financial Statements
as at and for the year ended 31 December 2025

BRAC BANK

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For shareholding percentage, please refer to Note 1.6 "Summary of shareholding in subsidiaries and associates". Economic shareholding percentage of bKash 35.74% has been used for BRAC Bank's share of net asset considering dilution for bKash's preference shares having rights like ordinary shares.

c. Reporting investment in subsidiaries and associates in consolidated financial statements

Investment in subsidiary is consolidated in the consolidated financial statements considering as a single economic entity in accordance with the IAS 27 Separate Financial Statements and IFRS 10 Consolidated Financial Statements respectively.

Investment in associate is recognized in the consolidated financial statements under equity method as per IAS 28 Investments in Associates and Joint Ventures.

The summary of accounting of equity investment in subsidiaries and associate both in consolidated and separate financial statements is as follows:

Investment class	Initial recognition	Measurement after recognition	Recording of changes
Investment in subsidiary	Cost	Fair value through other comprehensive income in separate financial statements and equity method less accumulated impairment, if any, in consolidated financial statements.	Impairment loss is adjusted automatically in OCI due to fair value accounting. Goodwill impairment is recognized in profit and loss in consolidated financial statements.
Investment in associate	Cost	Fair value through other comprehensive income in separate financial statements and equity method less accumulated impairment, if any, in consolidated financial statements.	Impairment loss is adjusted automatically in OCI due to fair value accounting. The share of post acquisition income is recognized in consolidated profit and loss account.

3.2 Liabilities and provisions

3.2.1 Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents include interest-bearing borrowings redeemable at call, on-demand and short-term deposits lodged for periods of less than 6 months. These items are brought to account at the gross value of the outstanding balance which includes accrued interest.

3.2.2 Deposits and other accounts

Deposits include non interest-bearing current deposit redeemable at call, interest bearing on-demand and short-term deposits, savings deposit and term deposit lodged for periods from 3 months to 12 years. These items are brought to account at the gross value of the outstanding balance which includes accrued interest.

3.2.3 Other liabilities

Other liabilities comprise items such as provision for loans and advances, provision for interest receivables, provision for taxes, interest suspense, accrued expenses. Other liability is recognized in the balance sheet according to the guideline of Bangladesh Bank, IAS and IFRS, Income Tax Act 2023 and internal policies of the Bank. Provisions and accrued expenses are recognized in the financial statements when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

a. Provision for loans and advances

Provision for loans and advances is created for covering the Bank from possible loan losses in the future. General provision is made on the outstanding amount of loans and advances without considering the classification status following the prescribed rate of Bangladesh Bank. Classified loans and advances of the Banks are categorized as Sub-Standard, Doubtful and Bad/Loss as per Bangladesh Bank guidelines. For loans which are classified as sub-standard, doubtful or bad/loss, specific provision is created netting off security value and interest suspense from the amount outstanding.

b. Provision for other assets

Other assets excluding investment in subsidiaries is subject to making provision based on their ageing as per Bangladesh Bank BRPD circular no. 14 dated 25 June 2001 and BRPD circular no. 04 dated 12 April 2022. Full provision is kept on other assets which are outstanding for one year or more or classified as Bad/Loss.

c. Provision for diminution in value of investments

Please refer to above note 3.1.3 for detail policies for recognition, measurement and provisioning of investment.

d. Provisions for off balance sheet items

No provision is kept on items of derivatives as there is no exposure on such gross value for the Bank. Provision for other off balance sheet items made as per BRPD circular no. 6 dated 25 April 2023 except on 'bills for collection' and 'guarantees' where the counter guarantees have been issued by Multilateral Development Bank (MDB)/International Bank having BB rating grade '1' equivalent outlined in the Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III).

e. Provisions for nostro accounts

Provisions for unsettled transactions on nostro accounts made are reviewed on a monthly basis by management in Risk management meeting (RMM) and certified by the Bank's external auditors on a semi-annual basis in accordance with Bangladesh Bank Foreign Exchange Policy Department (FEPD) circular letter No. (FEPD)/01/2005-677 dated 13 September 2005. At the Balance Sheet date, Bank is not required to make provision regarding un-reconciled debit entries which are outstanding for more than six (06) months in accordance with BRPD circular no. 04 dated 12 April 2022 .

f. Interest suspense

Classified loans and advances of the Banks are categorized as sub-standard, doubtful and bad/loss as per guidelines of Bangladesh Bank. Interest accrued on Sub-Standard and Doubtful loans is transferred to interest suspense account and not considered as interest income. This interest is recognized as interest income when it is realized in cash by the bank.

3.2.4 Share capital and shareholders' equity

Capital Management

The Bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve four major objectives: exceed regulatory thresholds and meet longer-term internal capital targets, maintain strong credit ratings, manage capital levels commensurate with the risk profile of the Bank and provide the Bank's shareholders with acceptable returns.

Capital is managed in accordance with the Board-approved Capital Management Planning from time to time. Senior management develop the capital strategy and oversee the capital management planning of the Bank. The Bank's Finance, Treasury and Risk Management department are key in implementing the Bank's capital strategy and managing capital. Capital is managed using both regulatory capital measures and internal matrix.

a. Authorized capital

Authorized Capital is the maximum amount of share capital that the bank is authorized by its Memorandum of Association and Article of Association to issue to shareholders.

b. Issued, Subscribed and Paid up capital

The issued share capital of the bank is the total nominal value of the shares of the bank which have been issued to shareholders and which remain outstanding.

Paid up share capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Bank, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

c. Share Premium

Share premium is the capital that the Bank raises upon issuing shares that is in excess of the nominal value of the shares. The share premium shall be utilized in accordance with provisions of section 57 of the Companies Act, 1994 and as directed by Bangladesh Securities and Exchange Commission in this respect.

d. Statutory reserve

The Bank is required to transfer at least 20% of its profit before tax to the Statutory Reserve in accordance with provisions of section 24 of the Banking Companies Act, 1991. This is mandatory until such reserve is equal to the paid up capital together with amount in the share premium account.

e. Dividend Equalization Fund

According to BRPD Circular No. 18, dated 20 October 2002, the equivalent amount of exceeding 20% cash dividend shall be kept separately under Dividend Equalization Fund which shall be treated as permanent capital. On June 02, 2016 cash dividend @ 25% (Tk. 2.5 per share of 10 each) amounting to Taka 1,776,092,275 was approved by the shareholders in 17th Annual General Meeting and the cash dividend was paid accordingly. Therefore the excess 5% cash dividend equivalent amounting to Taka 355,218,455 has been transferred to Dividend Equalization Fund. This is treated as Common Equity Tier-1 (CET1)' of the Bank.

f. Revaluation reserve on govt. securities

Revaluation reserve represents revaluation on Treasury bond (HFT and HTM) in accordance with the DOS circular no. 05, dated 26 May 2008 and DOS circular no. 05, dated 28 January 2009.

g. Remeasurements gain/(loss) of defined benefits liability (assets)

Remeasurement gain/loss arises from the actuarial valuation report carried out by professional actuary time to time on BRAC Bank Employees' Gratuity Fund. The last actuarial valuation were carried out based on 31 December 2025 and actuarial gain/loss was recognized in equity as a component of equity net of any deferred tax impact.

h. Non Controlling Interest

Non-controlling interest (NCI) in business is that portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the parent. The portion of the NCI (percentage of ordinary shares owned by non-controlling shareholders) in BRAC EPL Investments Limited, BRAC EPL Stock Brokerage Limited, bKash Limited and BRAC SAAJAN Exchange Limited are 0.05%, 10%, 49%, and 1.92% respectively.

3.2.5 Off-balance sheet exposures and other commitments

Off Balance Sheet Items include various non-derivative financial instruments primarily letter of credit (L/C), letter of guarantee (L/G), acceptance and endorsements, bills for collection etc. and various derivative instruments like forward contracts and currency rate swaps etc.

3.2.6 Revenue and expense recognition

Interest Income

Interest income is recognized on an accruals basis. Interest on loans and advances ceases to be taken into income when such advances are classified, kept in interest suspense account. Interest on classified advances is accounted for on a realization basis as per Bangladesh Bank guidelines.

a. Interest and fees receivable on credit cards

Interest and fees receivable on credit cards are recognized on an accruals basis. Interest and fees cease to be taken into income when the recovery of interest and fees is in arrear for over three months. Thereafter, interest and fees are accounted for on realization basis.

b. Income on Bills purchased and discounted

Income on Bills purchased and Discounted is recognized on accrual basis.

Interest paid on deposits and borrowings etc.

Interest paid and other expenses are recognized on an accrual basis.

Investment income

Income on investments is recognized on an accruals basis. Investment income includes interest on treasury bills, treasury bonds, zero coupon, shares, debentures etc. Moreover, as per DOS circular letter no. 27 dated 04 December 2023, amortization on HTM securities can be taken into profit and loss account before maturity. However, amortization of HTM securities before maturity has been taken into equity in consistent with earlier years. However, amortization of HTM securities before maturity has been taken equity in consistent with earlier years.

Dividend Income on Shares

Dividend income from investment in shares is recognized when the right to receive the dividend is established. It is recognized when:
a) It is probable that the economic benefit associated with the transaction will flow to the entity; and
b) The amount of the revenue can be measured reliably.

Commission, exchange and brokerage

The Bank earns fees and commission from a diverse range of services provided to its customers. These include fees and commission income arising on financial and other services provided by the Bank including trade finance, credit cards, debit cards, passport endorsement, visa processing, student service, loan processing, loan syndication, locker facilities and SMS banking etc. Fees and commission income arises on services rendered by the Bank are recognized on a realization basis. Moreover, as per BRPD circular letter no. 18 dated 20 December 2023, commission income from bancassurance has been reported into profit and loss account.

Other operating income

The profit on sale of fixed assets is determined as the difference between the carrying amount of the assets at the time of disposal and the proceeds of disposal, and is recognized as an item of other income in the year in which the significant risks and rewards of ownership are transferred to the buyer.

3.2.7 Employee benefits

a. Provident Fund (Defined Contribution Plan)

A "Defined Contribution Plan" is a post employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal constructive obligation to pay further amounts. Provident Fund benefits are given to the staff of the Bank in accordance with the registered Provident Fund Rules. The commissioner of Income Tax, Large Tax Payers Unit, Dhaka has approved the Provident Fund as a recognized fund within the meaning of section 2(90) read with the provisions of part-3 of the 2nd Schedule of Income Tax Act 2023. The fund is operated by a Board of Trustees consisting of employees of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription of the fund. The bank also contributes equal amount of the employees' contribution to the fund. In addition, there will be an option for a voluntary contribution of a maximum of 10% (at a multiple of 5%) from the monthly basic salary of the employee at the time of payment thereof and will be paid to the Trustees account mentioned in Rule -13. Upon completion of 1 year of service length after confirmation employees are entitled to 100% of employer's contribution along with his/her own contribution. Interest earned from the investments is credited to the members' account on half yearly basis.

b. Gratuity Fund (Defined Benefit Plan)

Gratuity Fund benefits are given to the staff of the Bank in accordance with the approved Gratuity Fund rules. Employees are entitled to Gratuity benefit after completion of minimum 05 (five) years of service in the Bank. The Gratuity is calculated on the basis of last basic pay and is payable at the rate of one month's basic pay for every completed year of service, or in the case of service of 10 years or more at the rate of one and half month's basic pay for every completed year of service. Beyond 5 years, 6 months and more shall be considered as full year of service. Gratuity fund is a "Defined Benefit Plan" and contribution to Gratuity Fund is measured through the result of actuarial valuation of the fund.

The Bank's net obligation in respect of gratuity is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognized immediately in OCI. The Bank determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense, current service cost and other expenses related to defined benefit plans are recognized as salaries and allowances in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss.

c. Worker's Profit Participation Fund (WPPF)

Consistent with the industry practice and in accordance with section 11(1) of the Bank Company Act,1991 (as amended up to date) and subsequent clarification given by Bank & Financial Institutions Division (BFID), Ministry of Finance, no provision has been made by bank in the reporting period for WPPF.

d. Life Insurance

The objective of the scheme is to provide death or permanent disability benefits to its confirmed employees and on their families with a sum equal to 50 times (in case of normal death) and 100 times (in case of accidental death) of the last drawn basic salary to the nominee.

e. Welfare Fund

The objective of the Employees' Welfare Fund is to provide regular category employees from Officer Grade-1 to Senior Principal Officer of the BRAC Bank incurring severe accidents during official job, extended illness (not less than 3 months), Education for Children, Marriage of Children which costs would not be affordable by the employee and which are not covered by any other means. All regular confirmed employees of the Bank are contributing monthly to the Fund according to the designation. The sum subscribed monthly from salaries of the employees is credited separately in an "Employee Welfare Fund" as a liability of the Bank. There are at least 3 (three) members of Management Committee to manage the fund. The Managing Director and CEO of the Bank is the Chairman of this committee and other 2 (two) members are nominated from the regular category staff.

f. Hospitalization Insurance

The Bank has introduced a health insurance scheme to its confirmed employees and their respective dependents at rates provided in the health insurance coverage policy.

g. Performance bonus

BRAC Bank provides performance bonus to the eligible employees every year. This bonus amount is being distributed among the employees based on their performance rating and management decision. The bonus amount is paid annually, normally in the following year and the costs are accounted for in the period to which it relates.

h. Staff leave facilities

Annual leave

The provision for leave fare represents the current outstanding liability to employees at the balance sheet date. Leave Fare Assistance is a non-recurring benefit for all permanent employees of the Bank who are entitled to annual leave. According to Bangladesh Bank policy all permanent employees have to avail 15 consecutive days of mandatory leave and LFA will be given in this leave period.

Casual leave

Casual leave means a leave of absence for a very short period granted to an employee who may be unable to attend duty due to sudden illness or urgent private affairs. Casual leave up to 5 working days can be granted per year. Not more than 3 days casual leave can be taken at a time.

Sick leave

Employee may avail Sick leave up to 14 calendar days in a year. Sick Leave for more than 2 days can be taken subject to submission of medical certificates.

Paternity leave

All regular male employees are entitled to avail paternity leave for a period of 5 working days. Such leave can be taken before and/or after the birth of the child only to look after his family and home. A male employee can avail this leave only twice during his service life.

Maternity leave

Female employees of the Bank are entitled to 6 (six) months of paid maternity leave. They will be eligible to avail this paid maternity leave after 6 (six) months of continuous service with the bank for the first 2 (two) children. A female employee who wants to avail maternity leave before completion of 6 (six) months of continuous service with the bank will also be entitled to maternity leave but that would be without pay.

i. Subsidized Scheme - Staff Loan

Personal, House building and car loans are provided to the permanent staff at a subsidized rate. Criteria and details of types wise staff loan is given below:

Personal Loan: A permanent staff can avail personal loan taking approval from department head and Head of HR subject to completion of a specific service length and performance rating.

House building Loan: A permanent staff completing 5 year of service can avail house building loan taking approval from House Building Loan Committee subject to performance rating and completed service length with BRAC Bank.

Car Loan: All confirmed staff at job grade from PO can avail staff car loan taking approval from department head and head of HR.

3.2.8 Taxation

Income tax expense represents the sum of current tax and deferred tax. Income tax is recognized as an expense in the income statement, except to the extent that it relates to items recognized in other comprehensive income, in which case the related tax expense or credit is recognized in other comprehensive income.

a. Current Tax

Current tax is based on the taxable profit for the reporting period. Taxable profit differs from net result as reported in the income statement because it is determined in accordance with the rules established by the applicable tax authorities, including any adjustments for taxes due in prior periods. It therefore excludes items of income or expense that are taxable or deductible in other periods, as well as items that are not subject to tax.

The amount of expected income tax due or recoverable for the year's taxable profit or loss is known as current tax. It is computed using tax rates and tax laws that were enacted or substantially enacted in Bangladesh on the reporting date, taking into account any adjustments made for earlier periods. The amount expected to be paid to (recovered from) the tax authorities is used to calculate current tax liabilities and assets for both the current and previous periods. Tax payable adjustments for previous years are recorded in the period in which they are calculated.

b. Deferred Tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes.

Deferred tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the related tax is recognized in other comprehensive income.

Deferred tax assets are recognized for deductible temporary differences, carry-forward of unused tax credits and losses, to the extent that it is probable that taxable profit will be available against which they can be used. Deferred tax is not recognized if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. In respect of deductible temporary differences associated with investments in subsidiaries and associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date and are not discounted. Deferred tax assets and liabilities are offset only when there is a legally enforceable right to offset current tax assets against current tax liabilities and where the deferred tax balances relate to income taxes levied by the same tax authority.

3.2.9 Earnings Per Share

Earnings Per Share (EPS) has been computed by dividing the basic earning by the weighted average number of ordinary shares outstanding at the end of the year as per IAS 33 Earnings Per Share.

a. Basic earnings

This represents earnings for the year attributable to ordinary shareholders. Net profit after tax less preference dividend has been considered as fully attributable to the ordinary shareholders.

Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time weighted factor. The time weighting factor is the number of days the specific shares are outstanding as a proportion of the total number of days in the year.

The basis of computation of number of shares is in line with the provisions of IAS 33 Earnings Per Share. The logic behind this basis is, that the bonus shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources generating new earnings. In contrast, other shares were issued against consideration in cash or in kind, and accordingly there is an increase in resource generating new earnings. Therefore, the total number of shares issued in particular year are multiplied by a time weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the period.

b. Diluted earnings per share

The objective of diluted earnings per share is consistent with that of basic earnings per share; that is, to provide a measure of the interest of each ordinary share in the performance of an entity taking into account dilutive potential ordinary shares outstanding during the year.

As per IAS-33 "Earnings Per Share", the calculation of diluted earning per share does not assume conversion, exercise or other issue of potential ordinary shares that would have an anti dilutive effect on earning per share. The bank has no dilutive instruments that is why we are not considering the diluted earning per share.

3.3 Dividend policy

Dividend on ordinary shares is recognized as a liability and deducted from retained earnings when they are approved by shareholders at the Annual General Meeting (AGM) of the Bank.

Dividend on ordinary shares for the year that is recommended by the Directors after the balance sheet date for approval of shareholders at the Annual General Meeting are disclosed in Note - 48.5 to the financial statements.

3.3.1 Dividend Distribution Policy of BRAC Bank

Bangladesh Securities and Exchange Commission (BSEC) has made it mandatory for the listed Company to have their dividend distribution policy and disclosed it in the Company's website and in the Annual Report. Accordingly, BRAC Bank has formulated the dividend distribution policy which has been approved by Board of Directors in its 303rd meeting held on 20 September 2021. The policy is also available in bank's website accordingly.

The BRAC Bank PLC. shall propose and declare dividend by ensuring compliance with the regulatory guidelines on dividend declaration and other directives from Bangladesh Securities and exchange commission (BSEC), DSE, CSE, Bangladesh Bank, NBR and other applicable regulatory requirements as well as aligned with company's business strategy.

3.4 Reconciliation of inter-bank/inter-branch account

Books of accounts with regard to interbank (in Bangladesh and outside Bangladesh) are reconciled on a monthly basis, and there are no material differences which may affect the financial statements significantly.

3.5 Statement of Segment Reporting

As per IFRS 8 "Operating Segments", an operating segment is a component of an entity:

i) That engages in business activities from which it may earn revenues and incur expenses (include revenues and expenses relating to transactions with other components of the same entity);

ii) Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performances, and

iii) For which discrete financial information is available.

Business segment comprises SME, Retail, Corporate and Treasury. The Bank reviews the segments at the end of each reporting period to identify which of its segments are reportable and disclose the related information for those reportable segments accordingly.

There are 4 (four) operating segments (SME, Retail, Corporate, and Treasury) on consolidation basis as on 31 December 2025.

In consolidated basis, we have incorporated subsidiaries financial information in the segment reporting disclosures. There are no segmentable item that remain unallocated to the segment reporting disclosures in accordance with the requirements of IFRS 8 – Operating Segments.

3.6 Related party disclosures

Related Party is a party related to an entity if:

i) Directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under control with, the company; has an interest in the company, that gives it significant influence over the company; or has join control over the company;

ii) The party is an associate (as defined in IAS 28 Investment in Associates and Joint ventures);

iii) The party is a joint venture in which the entity is a venture (as per IAS 31 Interests in Joint Ventures);

iv) The party is member of the key management of personal of the entity or its parent;

v) The party is a close member of the family of any individual referred to in (i) or (iv);

vi) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

vii) The party is post-employment benefit plan for the benefit of employees of the entity. or of any entity that is related party of the entity.

3.7 Events after the Balance Sheet Date

As per IAS - 10 "Events after the Reporting Period" events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of event can be identified:

a) Adjusting events after the reporting period which provide evidence of conditions which existed at the end of the reporting period; and

b) Non adjusting events after the reporting period, are those that are indicative of conditions that arose after the reporting period.

The details about the events after reporting period can be found at note - 48.5.

3.8 Risk management

Risk management is a core discipline integrated into every aspect of an organization's operations, influencing its risk profile and ensuring business safety. Globally recognized standards, such as those established by the Bank for International Settlements (BIS) and the Basel Committee on Banking Supervision (BCBS) serve as benchmarks for financial institutions worldwide. Reflecting these standards, Bangladesh Bank issued updated risk management guidelines in October 2018, which form the foundation for all scheduled banks operating in Bangladesh. BRAC Bank aligns its practices with both international and national standards to maintain a robust risk management framework.

To meet regulatory requirements and enhance its risk management capabilities, BRAC Bank has implemented comprehensive risk management guidelines approved by its Board of Directors. The bank nurtures an integrated, organization-wide risk culture, beginning with a clear understanding of risks, risk tolerance and appetite. This culture is reinforced through policies, processes, risk awareness initiatives and staff training to ensure accountability for managing risks effectively.

BRAC Bank follows a robust enterprise-wide risk management framework anchored in the "three lines of defense" model. Each line of defense plays a distinct role within the governance framework. The risk management approach incorporates policies, procedures, limits and controls that enable continuous identification, assessment, measurement, monitoring, mitigation, reporting and assurance of risks at both business-line and enterprise levels.

To strengthen its risk management systems, BRAC Bank continues to adopt data-driven, proactive tools designed to enhance risk-adjusted returns and optimize capital usage while supporting its strategic business objectives.

A. Operating Environment

In 2025, banks faced a dynamic operating environment shaped by a convergence of technological advancements, evolving customer expectations, regulatory pressures, Foreign exchange crisis and economic uncertainties. The rapid digitization of financial services continued to reshape traditional banking models, compelling institutions to prioritize digital transformation initiatives to enhance customer experiences and streamline operations. Moreover, increase in fuel and commodity prices, strengthening of US Dollars, etc. Most of these events also had significant impact on the local economic environment affecting the Bank's operations. Amidst geopolitical tensions and economic fluctuations, banks navigated through market volatility, focusing on resilience and agility to adapt to changing economic landscapes. Overall, 2025 marked a pivotal year for bank, characterized by a relentless pursuit of innovation, regulatory compliance, and strategic adaptation to thrive in an increasingly complex operating environment.

B. Credit risk management

Effective credit risk management is a vital component of a comprehensive risk management strategy and critical to any bank's long-term sustainability. Considering key elements of credit risk, the bank has separate divisions for Corporate, SME, Retail and Credit Cards are entrusted with the responsibility of maintaining effective relationship with customers, marketing credit products, exploring new business opportunities, etc. For transparency in operations during the entire credit process, teams for i. Credit Approval, ii. Asset Operations, iii. Recovery Unit and Special Asset Management have been set up.

The entire process involves relationship teams of respective asset portfolios (Retail, SME and Corporate) booking clients and the underwriting team conducting thorough assessment before placing the facility for approval with the authority. Risk assessment includes borrower risk analysis, industry risk analysis, financial risk analysis, security risk analysis, account performance risk analysis, AML risk analysis and environmental & social risk analysis of the customer. Post-approval, the Credit Administration Department ensures compliance with all legal formalities, completion of documentation, including security of proposed facility, and eventual disbursement. This arrangement has not only ensured segregation of duties and accountability but also helped in minimizing risk of compromise with quality of the credit portfolio.

To ensure sound practices in credit risk management, including taking calculated risk and maintaining asset portfolio quality, BRAC Bank follows well-established Credit Policy Guidelines, as approved by the Board of Directors and prepared in line with internationally accepted risk management principles and best practices. The guidelines are also aligned with the 'Guidelines on Credit Risk Management (CRM) for Banks' (March, 2016) by Bangladesh Bank, the Bank Company Act, 1991 (Amended in 2013 and 2023), Risk Management Guidelines for Banks (October, 2018) and credit-related circulars and instructions of Bangladesh Bank circulated from time to time. In 2025, BRAC Bank has updated its credit policy in line with the instructions issued by Bangladesh Bank for the loan accounts at the time of sanctioning or renewal, where applicable.

In 2025, BRAC Bank has complied with the instructions given by Bangladesh Bank time to time, where applicable.

C. Foreign exchange risk management

Treasury activities range from basic currency buying and selling, import-export transactions, and remittances to complex structured products, giving rise to foreign exchange risk due to currency price fluctuations driven by macroeconomic and microeconomic factors. The Treasury Front Office is responsible solely for dealing activities, with all transactions executed by trained dealers in compliance with local and global regulations.

The Treasury Mid Office independently monitors key risk limits, including counterparty, trading, and stop-loss limits, calculates Value at Risk (VaR), and reports directly to the Chief Risk Officer/Chief Operating Officer. Clearly defined trading, stop-loss, and currency-wise open position limits are in place and continuously monitored through the bank's robust treasury system. Counterparty limits, approved by the Credit Committee, are also overseen by the mid office. Together, these controls ensure effective monitoring and mitigation of foreign exchange risk.

D. Asset liability management

Changes in market liquidity and or interest rate exposes the bank's business to the risk of loss, which may, in extreme cases, threaten the survival of the institution. Thus, it is essential that the level of balance sheet risks are effectively managed, appropriate policies and procedures are established to control and limit these risks and proper resources are made available for evaluating and controlling these risks. The Asset Liability Management Committee (ALCO) of the bank monitors liquidity and market risks of the bank and plans balance sheet & pricing strategy accordingly. Bank has dedicated ALM desk under Treasury and FI division, to support ALCO in decision making.

ALCO also reviews the country's overall economic position, the bank's liquidity position, ALM ratios, interest rate risks, capital adequacy, deposit/advances growth, cost of deposit and yield on advances, FX gap, market interest rates, loan loss provision adequacy and deposit and lending pricing strategy.

E. Operational Risk

Operational risk is the risk of direct or indirect loss resulting a wide variety of causes associated inadequate or failed internal processes, people or technology or the impact of external events such as employee, customer or third party frauds, natural disasters, technology failures, process breakdowns, unethical business practices etc. Operational risk is an integral part of any banking activity which is inherent in all banking products, activities, processes and systems and as with other core risks it is managed through an overall framework with checks and balances that include implementation of three line of defense, and a comprehensive framework for identifying, assessing, managing, monitoring, and reporting operational risks.

BRAC Bank has prepared an Operational Risk Management (ORM) policy incorporating regulatory directives and International best practices with the aim to provide a framework for robust management of operational risks. The operational risk policy outlines the core governing principles for operational risk upon which a holistic framework is designed for identifying, assessing, managing, monitoring, and reporting operational risks to ensure that the bank operates in a safe and sound manner, protecting the bank's assets, reputation, and customers. The framework is developed encompassing integration, design, implementation, evaluation and improvement of risk management across the organization, where each business area is responsible to identify its key operational risks as well as the controls established through a defined operational risk appetite to mitigate those risks and to ensure compliance with laws, regulations, regulatory administrative actions and the Bank's policies.

F. Equity Risk

Equity risk arises from movement in market value of equities held. The risks are monitored by Bank's Treasury and Fis Division under a well designed policy framework.

G. Prevention of Money Laundering (ML), Terrorist Financing (TF) and Proliferation Financing (PF)

BRAC Bank has been consistently enhancing its AML/CFT framework to mitigate money laundering and terrorist financing risks in line with evolving regulatory expectations and international standards, thereby maintaining a secure, transparent and resilient financial environment. During the year 2025, the Bank enhanced its AML/CFT capabilities through targeted improvements in governance, supervision and technology. Key initiatives and achievements include:

a) Expanded the Anti-Money Laundering Division with experienced professionals to strengthen oversight and investigation of suspicious transactions.

b) Strengthened supervision across customer onboarding and transaction activities, ensuring robust due diligence and effective risk management throughout the customer lifecycle.

c) Enhanced automated transaction monitoring and name screening systems, enabling risk-based alerts, scenario optimization and timely identification of suspicious and sanctioned activities.

d) Reinforced controls for Trade-Based Money Laundering prevention and compliance with international sanctions regimes.

e) Continued targeted AML/CFT training and awareness programs to support effective frontline monitoring and escalation.

f) Advanced customer identification, verification and data analytics capabilities to support proactive and intelligence-led transaction monitoring.

AML/CFT risk oversight is embedded within the Bank's governance structure, led by the Board of Directors and supported by the Management Committee. Through regular policy approvals, risk reviews and active engagement with management and employees, the Board ensures that AML/CFT controls remain robust and aligned with regulatory expectations.

H. Internal Control and Compliance (ICC)

BRAC Bank has instituted internal control mechanism to provide reasonable assurance regarding the attainment of objectives of the bank. Such assurance is provided in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations and internal policies. Through internal control systems, the bank identifies weaknesses associated with the process and adopts appropriate measures to overcome these deficiencies.

The main objectives of internal control are as follows:

a) Operations objectives: Attainment of the bank's mission and vision.

b) Reporting objectives: Timely, accurate and comprehensive reporting - financial and non-financial, internal and external.

c) Compliance objectives: Conducting activities and taking specific actions in accordance with applicable laws and regulations.

The bank has established an effective internal control system whose primary aim is to ensure that the bank operates in a sound and effective manner, adheres to regulatory requirements, and mitigates risks. It has been designed to develop a high level of compliance culture among our people, establish efficient and effective operating standards, ensure reliability of internal and external information, including financial and other information, secure the bank's operations and assets, and comply with laws, regulatory requirements and internal policies.

The key functions that have been established in reviewing adequacy and integrity of the system of internal controls are as follows:

a) Various committees are established by the Board to assist it in ensuring the effectiveness of the bank's daily operations are in accordance with the corporate objectives and strategies as well as approved policies and business directions.

b) The Audit Department of the Bank conducts regular audits to assess compliance with policies and procedures and the effectiveness of the internal control systems on an ongoing basis using risk based audit methodology and highlights significant findings to Board Audit Committee in respect of any non-compliance.

c) Audits are carried out on various departments/divisions, branches, business functions, support functions, subsidiaries in accordance with the annual audit plan, approved by the Audit Committee of the Board. Findings of the audit are submitted to the Audit Committee of the Board for review at their periodic meetings.

d) The Audit Committee of the Board of the bank reviews internal control issues identified by the Audit Department, Bangladesh Bank, External Auditors and the management, and evaluates the adequacy and effectiveness of the risk management and internal control systems. The minutes of the Audit Committee meetings of the Board are tabled at the meetings of the Board of Directors of the bank on a periodic basis.

e) Self-assessment of anti-fraud internal controls is carried out on a semi-annual basis and is sent to Bangladesh Bank, as per requirements of DOS Circular Letter No. 10, dated 09 May 2017, issued by Bangladesh Bank.

I. Information and communication technology (ICT) security

BRAC Bank is dedicated to delivering superior service quality and ensuring robust banking security. Cybersecurity remains a key priority for its Board and management, seamlessly integrated into the bank's ongoing digital transformation journey. The bank has an ICT security strategy for cyber security and ICT risk mitigation, in accordance with the Bangladesh Bank ICT guidelines stated in BRPD circular no. 14 dated 23 October 2005 regarding "Guideline on Information and Communication Technology for Scheduled Banks", BRPD circular no. 21 dated 20 May 2010 and BRPD circular no. 09 dated 17 September 2015 and well-established frameworks and international standards and controls, such as COBIT, ITIL, ISO 27001, ISO 18788, NIST, GDPR, PCI, and SANS.

As one of the few banks in Bangladesh certified with Payment Card Industry Data Security Standard (PCI DSS) PCI DSS — the world's most rigorous payment card security standard — BRAC Bank ensures safer and more reliable services for customers. It also pioneered adoption of ISO 27001:2013 for Information Security Management, underscoring its commitment to best practices and continuous improvement.

To strengthen resilience, the bank has deployed advanced solutions against malware, zero-day threats, and data leakage, while proactively reducing insider risks. With cybersecurity at the heart of its transformation, BRAC Bank has built a comprehensive roadmap, investing in top talent, cutting-edge technologies, and robust processes. BRAC Bank utilizes premier worldwide external organizations to undertake assessments and regularly assesses its cyber security posture and future readiness.

J. Implementation of BASEL- III

To cope up with the international best practices and to make the bank's capital shock absorbent 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks was introduced by Bangladesh Bank as per BASEL III. BASEL III framework has three main components referred to as pillars:

i. Pillar I addresses minimum capital requirement;

ii. Pillar II elaborates the process for assessing the overall capital adequacy aligned with risk profile of a bank as well as capital growth plan; and

iii. Finally, Pillar III gives a framework of public disclosure on the position of a bank's risk profiles, capital adequacy, and risk management system.

BRAC Bank has fully complied with all the directives provided by the Central bank from time to time, starting from Pillar I, II and III reporting requirements to periodic Stress Testing activity etc. Formation of BASEL Steering Committee chaired by the Managing Director of the bank helps us to ensure supreme governance and strict regimentation at execution level. As yet, BRAC bank has been able to successfully implement the phase in transition arrangement for Basel III, which started from the year 2015 and ended in 2020.

As per RBCA Guideline, all scheduled banks are required to calculate Capital to Risk Weighted Asset Ratio (CRAR) based on 'Solo' basis as well as on 'Consolidated' basis. The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Adequacy as issued by Bangladesh Bank vide BRPD Circular no. 18 dated December 21, 2014 and subsequent related circulars of Bangladesh Bank.

K. Disclosure on country risk exposure

Country risk refers to the possibility that a foreign obligator may be incapable or unwilling to fulfil his obligations due to country specific economic, political, social ecological conditions. This may include the consequences of exchange control, currency devaluation, official government actions or any significant socio-political changes in the country where placements, lending and investments made. Major categories of country risk comprises of sovereign risk, contagion risk, currency risk, indirect country risk, macroeconomic risk and transfer risk.

BRAC Bank PLC manages and monitor its country risk exposure in accordance with the guidelines issued by Bangladesh Bank in its BRPD circular number 07 circulated on April 13, 2021. In compliance with this regulatory guideline, bank has assessed its position and found banks' net funded exposure to a single country is below 2% of its total asset as on December 31, 2025. Hence there is no additional provision/capital requirement for exposure to any single country.

L. Disclosure on credit rating information

In compliance with Bangladesh Bank's BRPD circular No. 06, dated July 05, 2006, and with a view to assure investors and other stakeholders of the sustainable operating positions of the bank, while also safeguarding stakeholder interests, BRAC Bank is subject to ratings assessment by reputed credit rating agencies. The summary of Bank's credit rating as of 31 December 2025 is presented below:

Rating agency	Long-term rating	Short-term rating	Outlook	Valid up to
Credit Rating Agency of Bangladesh (CRAB)	AAA	ST-1	Stable	30 June 2026
Emerging Credit Rating Ltd (ECRL)	AAA	ST-1	Stable	30 June 2026
S&P global Ratings	B+	B	Stable	November, 2026
Moody's	B2	NP	Negative	December, 2026

Credit rating disclosure on financial instruments

Instruments	Long-term rating	Outlook	Valid up to
Affordable housing bond	AAA	Stable	16 June 2026
BRAC Bank 2nd subordinated bond	AA_1(Hyb)	Stable	16 June 2026
BRAC Bank Social Sub-bond	AA_1(Hyb)	Stable	23 June 2026

3.9 Director's and management's responsibilities on statement

The Board of Directors and managements take responsibility for the preparation and presentation of these financial statements.

3.10 Approval of the financial statements

The financial statements have been approved by the Board of Directors on 26 April 2026.

3.11 General

a) Figures appearing in the financial statements have been rounded-off to the nearest Taka.
b) Figures of previous year have been rearranged, wherever considered necessary, to conform with the current year's presentation.
c) The expenses, irrespective of capital or revenue in nature, accrued/due but not paid have been provided for in the books of accounts.
d) The expenses include VAT charges on respective services or goods received.

Notes to the financial statements as at and for the year ended 31 December 2025

Amount in Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
4	**Cash**					
	Cash in hand (Including foreign currency)	4.1	16,436,564,244	15,000,490,086	16,431,724,183	14,698,347,260
	Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	4.2	34,658,714,842	30,852,940,917	34,658,714,842	30,852,940,917
			51,095,279,086	**45,853,431,003**	**51,090,439,025**	**45,551,288,177**
4.1	**Cash in hand (Including foreign currency)**					
	Local currency		16,115,432,711	14,799,474,634	16,110,592,650	14,497,331,808
	Foreign currency		321,131,533	201,015,452	321,131,533	201,015,452
			16,436,564,244	**15,000,490,086**	**16,431,724,183**	**14,698,347,260**
4.2	**Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)**					
	Local currency		30,678,694,661	27,442,403,976	30,678,694,661	27,442,403,976
	Foreign currency		3,013,657,599	2,223,377,805	3,013,657,599	2,223,377,805
			33,692,352,260	29,665,781,781	33,692,352,260	29,665,781,781
	Sonali Bank as an agent of Bangladesh Bank (local currency)		966,362,582	1,187,159,136	966,362,582	1,187,159,136
			34,658,714,842	**30,852,940,917**	**34,658,714,842**	**30,852,940,917**

4.3 Cash reserve ratio (CRR) (Bank only)

As per section 33 of Bank Company Act, 1991 (amended up to 2013), MPD circular No. 01 dated 04 March 2025 for Domestic Banking Operation (DBO) and FE circular 07 dated 29 February 2024 for Offshore Banking Operation (OBO) issued by Bangladesh Bank, BRAC Bank PLC. has been maintaining 3.0% CRR on daily basis and 4.0% on bi-weekly basis for DBO. CRR requirement is calculated on the basis of weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. CRR of December 2025 is maintained on the basis of weekly ATDTL of October 2025), according to DOS Circular No. 1 & 26 and BRPD circular No. 31 issued on 19 January 2014, 19 August 2019 and 18 June 2020 for DBO & OBO.

Daily basis

Reserves maintained by the bank as at 31 December are as follows:

Particulars	2025	2024
Average total demand and time liabilities of October 2025 and October 2024		
DBU	852,984,094,978	658,674,953,021
OBU	53,938,663,962	54,161,041,176
	906,922,758,940	**712,835,994,197**
Required reserve		
DBU (2025: 3.0% and 2024: 3.5%)	25,589,522,849	23,053,623,356
OBU (2025: 0% and 2024: 0%)	-	-
	25,589,522,849	**23,053,623,356**
Actual reserve maintained (2025: 3.61%, 2024: 3.97%)	30,767,240,955	26,153,899,922
Surplus	**5,177,718,106**	**3,100,276,566**

Bi-weekly basis

The Bank maintained excess cash reserve of Tk. 15,681,946,734 against minimum requirement of 4.0% of ATDTL for DBO on bi-weekly basis which is the summation of excess cash reserve maintained over required in the last fortnight (bi-week) of 2025.

4.4 Statutory liquidity ratio (SLR) (Bank only)

As per section 33 of the Bank Company Act 1991 (amended up to 2013) & MPD circular no. 2 dated 10 December 2013 issued by Bangladesh Bank (effective from 1 February 2014), BRAC Bank PLC. has been maintaining 13% SLR on weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. SLR of December 2025 is based on weekly ATDTL of October 2025), according to DOS Circular No. 1 & 26 and BRPD circular No. 31 issued on 19 January 2014, 19 August 2019 and 18 June 2020 respectively for both DBO & OBO.

	Particulars	Notes	2025	2024
	Required reserve (13% of ATDTL)		117,899,958,662	92,668,679,246
	Actual reserve maintained (2025: 34.45%, 2024: 26.84%)	4.4.1	312,471,743,155	191,296,548,092
	Surplus		**194,571,784,493**	**98,627,868,846**
4.4.1	**Actual reserve maintained**			
	Cash in hand		16,431,724,183	14,698,347,260
	Balance with Sonali Bank as per statement		965,339,468	1,185,943,000
	Un-encumbered approved securities (HFT)		172,698,497,814	79,906,252,215
	Un-encumbered approved securities (HTM)		122,371,347,390	95,503,577,617
	Un-encumbered approved securities (other eligible)		4,834,300	2,428,000
			312,471,743,155	**191,296,548,092**

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
5	**Balance with other Banks and Financial Institutions**					
	Inside Bangladesh	5.1	50,908,334,177	29,709,255,296	2,322,808,158	3,438,563,039
	Outside Bangladesh	5.2	7,748,357,925	2,554,474,400	7,692,412,162	2,526,699,021
			58,656,692,102	**32,263,729,696**	**10,015,220,320**	**5,965,262,060**
5.1	**Balance inside Bangladesh**					
	In current deposit accounts with:					
	Banks		40,456,783,500	30,040,098,922	222,808,158	338,563,039
	Less: Inter unit/company elimination		9,190,659,572	4,559,204,443	-	-
		5.1.1	31,266,123,928	25,480,894,479	222,808,158	338,563,039
	In Term deposit accounts with:					
	Banks		19,871,231,948	4,288,977,309	2,000,000,000	3,000,000,000
	Non-banking financial institutions (NBFIs)	5.1.1	100,000,000	100,000,000	100,000,000	100,000,000
			19,971,231,948	4,388,977,309	2,100,000,000	3,100,000,000
	Less: Inter unit/company elimination		329,021,699	160,616,492	-	-
			19,642,210,249	4,228,360,817	2,100,000,000	3,100,000,000
	Total balance at the end of the year		**50,908,334,177**	**29,709,255,296**	**2,322,808,158**	**3,438,563,039**

BRAC Bank PLC.
Independent Auditor's Report and Consolidated & Separate Financial Statements
as at and for the year ended 31 December 2025

BRAC BANK
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Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
5.1.1 Balance with other banks and financial institutions (Inside Bangladesh)					
Current accounts					
Standard Chartered Bank		255,642,594	545,761,590	17,142,746	283,387,278
Prime Bank PLC		422,276,473	187,071,746	808,429	1,790,121
Global Islami Bank PLC		778,775	1,200,000	778,775	1,200,000
Midland Bank PLC		570,213	570,713	570,213	570,713
Pubali Bank PLC		359,990,938	1,238,526,390	11,212,760	18,619,769
Janata Bank PLC		266,016,120	193,567,574	10,435,170	313,549
Bangladesh Krishi Bank		469,851	10,871,272	251,118	508,947
City Bank PLC		3,984,906,979	1,544,739,023	430,889	433,117
Agrani Bank PLC		138,562,157	85,755,553	22,454,047	1,519,788
Islami Bank Bangladesh PLC		711,694,118	277,956,829	241,079	295,214
United Commercial Bank PLC		2,827,639,293	3,634,597,980	54,885	54,966
National Bank PLC		304,360	298,385	304,360	298,385
Sonali Bank PLC		211,010,930	111,282,313	76,803,941	1,184,303
Dutch-Bangla Bank PLC		46,729,699	20,005,824	46,729,699	20,005,825
Rupali Bank PLC		24,101,650	87,912,690	4,136,899	427,134
First Security Islami Bank PLC		3,264,563	3,759,226	1,045,745	1,512,841
Eastern Bank PLC		5,991,940,492	5,262,315,512	23,468,409	-
EXIM Bank PLC		2,054,477	2,023,572	2,054,477	2,023,572
BASIC Bank PLC		919,360	884,784	919,360	884,784
One Bank PLC		324,850,916	21,375,246	17,032	584,108
Mercantile Bank PLC		3,526,838,602	4,131,408,864	2,449,625	2,449,625
Union Bank PLC		498,500	499,000	498,500	499,000
Bank Asia PLC.		1,120,969,194	37,520,006	-	-
Social Islami Bank PLC		251,553	1,552,771	-	-
IFIC Bank PLC		60,112,811	40,989,301	-	-
Mutual Trust Bank PLC		1,474,634,187	1,010,676,566	-	-
Southeast Bank PLC		1,920,755,569	3,562,307,880	-	-
Jamuna Bank PLC		3,970,347,886	789,472,730	-	-
Trust Bank PLC		1,875,499,273	1,190,339,849	-	-
Dhaka Bank PLC		1,085,177,378	1,282,309,130	-	-
National Credit & Commerce Bank PLC		585,767,911	162,847,044	-	-
Habib Bank Ltd		-	1,257,667	-	-
Premier Bank PLC		16,959,596	11,720,746	-	-
AB Bank PLC		1,133,729	3,672,123	-	-
Uttara Bank PLC		11,451,724	2,167,601	-	-
Community Bank Bangladesh PLC.		1,504,118	3,131,698	-	-
Bengal Commercial Bank PLC		1,700,479	8,926,887	-	-
Al-Arafah Islami Bank PLC		38,797,460	9,618,394	-	-
		31,266,123,928	25,480,894,479	222,808,158	338,563,039
Fixed deposit with banks					
The Hong Kong and Shanghai Banking Corporation		2,000,000,000	-	2,000,000,000	-
Islami Bank Bangladesh PLC		-	2,000,000,000	-	2,000,000,000
Exim Bank PLC		-	1,000,000,000	-	1,000,000,000
National Credit & Commerce Bank PLC		5,000,000,000	10,000,000	-	-
Jamuna Bank PLC		100,000,000	145,467,333	-	-
Mercantile Bank PLC		379,049,826	330,554,500	-	-
Bank Asia PLC.		-	100,000,000	-	-
Eastern Bank PLC		2,000,000,000	500,000,000	-	-
Standard Chartered Bank		-	30,108,109	-	-
Padma Bank PLC		13,160,423	12,230,875	-	-
Pubali Bank PLC		5,000,000,000	-	-	-
City Bank PLC		2,050,000,000	-	-	-
Trust Bank PLC		3,000,000,000	-	-	-
		19,542,210,249	4,128,360,817	2,000,000,000	3,000,000,000
Fixed deposit with financial institutions					
Industrial and Infrastructure Development Finance Co. Limited		100,000,000	100,000,000	100,000,000	100,000,000
		100,000,000	100,000,000	100,000,000	100,000,000
		19,642,210,249	4,228,360,817	2,100,000,000	3,100,000,000
		50,908,334,177	29,709,255,296	2,322,808,158	3,438,563,039

There are some unreconciled entries as on 31 December 2025 and status of unreconciled entries has been presented in **Annexure-B-2.**

5.2 Balance outside Bangladesh					
On shore balance	5.2.1	26,820,641,544	15,969,228,689	26,764,695,781	15,941,453,310
Off shore balance	5.2.1	4,561,459,344	605,171,391	4,561,459,344	605,171,391
		31,382,100,888	16,574,400,080	31,326,155,125	16,546,624,701
Less: On shore to BRAC Bank off-shore placement		23,633,742,963	14,019,925,680	23,633,742,963	14,019,925,680
		7,748,357,925	2,554,474,400	7,692,412,162	2,526,699,021
5.2.1 Balance with other banks and financial institutions (outside Bangladesh)					
On shore balance					
Standard Chartered Bank, New York, USA		225,684,780	47,803,505	225,684,780	47,803,505
Standard Chartered Bank, United Kingdom		467,878,196	183,382,752	467,878,196	183,382,752
Standard Chartered Bank, Frankfurt, Germany		108,123,162	243,716,470	108,123,162	243,716,470
Mashreq Bank, New York, USA		143,738,963	76,297,372	143,738,963	76,297,372
Bank of Tokyo Mitsubishi UFJ Ltd		17,606,369	21,645,163	17,606,369	21,645,163
ICICI Bank Limited, Mumbai, India		93,426,957	160,924,231	93,426,957	160,924,231
Zuercher Kantonal Bank, Switzerland		53,660,962	29,371,390	53,660,962	29,371,390
Commerz Bank AG, Germany (USD)		835,313	1,359,558	835,313	1,359,558
Commerz Bank AG, Germany (EURO)		38,501,815	15,971,006	38,501,815	15,971,006
Commerz Bank, Frankfurt, Germany (GBP)		8,315	7,594	8,315	7,594
JP Morgan Chase Bank, New York, USA		825,025,087	210,477,804	825,025,087	210,477,804
HDFC Bank Limited, India		122,743,223	76,494,517	122,743,223	76,494,517
JP Morgan Chase Bank, Sydney (AUD)		25,360,500	50,258,401	25,360,500	50,258,401
AB Bank Limited, Mumbai, India		1,415,309	2,331,005	1,415,309	2,331,005
AXIS Bank Limited, Kolkata (ACU)		316,657,096	66,467,166	316,657,096	66,467,166
Abu Dhabi Commercial Bank (AED)		184,085,778	157,051,188	184,085,778	157,051,188
Kookmin Bank, Seoul, South Korea (USD)		1,901,701	34,395,728	1,901,701	34,395,728
Citi Bank N.A., New York, USA		53,074,548	85,476,425	53,074,548	85,476,425
Shanghai Pudong Development Bank Co. Ltd, China (CNY)		9,178,150	8,858,248	9,178,150	8,858,248
DBS Bank Ltd, Singapore (SGD)		208,421,559	44,718,241	208,421,559	44,718,241
Punjab National Bank, Kolkata (USD)		115,146,008	293,815,819	115,146,008	293,815,819
Al Rajhi Bank, Riyadh (SAR)		3,082,065	3,230,176	3,082,065	3,230,176
Meezan Bank Limited, Gtb Karachi, ACU (USD)		82,861,731	101,473,871	82,861,731	101,473,871
Emirates NBD Bank Pjsc. India, ACU (USD)		19,125,646	6,000,000	19,125,646	6,000,000
Mashreq Bank Psc Dubai-(AED)		13,409,585	-	13,409,585	-
Balance with different banks maintained by BRAC SAAJAN Exchange Ltd.		55,945,763	27,775,379	-	-
		3,186,898,581	1,949,303,009	3,130,952,818	1,921,527,630
Add: On shore to off shore placement		23,633,742,963	14,019,925,680	23,633,742,963	14,019,925,680
Total on shore balance		26,820,641,544	15,969,228,689	26,764,695,781	15,941,453,310
Off shore balance					
JP Morgan Chase Bank, New York		569,140,651	339,355,512	569,140,651	339,355,512
JP Morgan AG, Frankfurt, Germany		84,319,935	52,207,562	84,319,935	52,207,562
JP Morgan Chase Bank, NA, London		125,407,692	213,608,317	125,407,692	213,608,317
Mutual Trust Bank PLC. OBU		428,033,900	-	428,033,900	-
Midland Bank PLC. OBU		489,181,600	-	489,181,600	-
Inter-Bank Accepted Bill Financing-OBU	5.2.1.1	2,865,375,566	-	2,865,375,566	-
Total off shore balance		4,561,459,344	605,171,391	4,561,459,344	605,171,391
		31,382,100,888	16,574,400,080	31,326,155,125	16,546,624,701
Less: On shore to BRAC Bank off-shore placement		23,633,742,963	14,019,925,680	23,633,742,963	14,019,925,680
		7,748,357,925	2,554,474,400	7,692,412,162	2,526,699,021
5.2.1.1 Inter-Bank Accepted Bill Financing-OBU					
Eastern Bank PLC.		870,982,183	-	870,982,183	-
Trust Bank PLC.		1,834,431,000	-	1,834,431,000	-
NCC Bank PLC.		159,962,383	-	159,962,383	-
		2,865,375,566	-	2,865,375,566	-

There are some unreconciled entries as on 31 December 2025 and status of unreconciled entries has been presented in Annexure-B-1 and detail balance has been presented in Annexure - C except BRAC Bank OBU to Other Bank OBU placement.

5.3 Maturity grouping of balance with other banks and financial institutions					
On Demand		7,915,220,320	4,865,262,060	7,915,220,320	4,865,262,060
Up to 1 month		10,199,767,440	12,029,371,016	-	-
More than 1 month but not more than 3 months		31,341,342,722	14,937,494,311	2,100,000,000	1,100,000,000
More than 3 months but not more than 1 year		9,200,361,620	431,602,309	-	-
More than 1 year but not more than 5 years		-	-	-	-
		58,656,692,102	32,263,729,696	10,015,220,320	5,965,262,060
6 Investments					
Government	6.1	406,471,261,977	286,713,242,602	313,828,787,504	194,166,365,832
Others	6.2	12,907,201,499	11,246,383,134	12,427,653,101	10,185,372,541
		419,378,463,476	297,959,625,736	326,256,440,605	204,351,738,373
6.1 Government (investment in Govt. securities)					
Treasury bills	6.1.1	23,985,577,951	26,452,043,460	16,014,456,703	8,671,589,814
Treasury bonds	6.1.2	382,480,849,726	260,258,771,142	297,809,496,501	185,492,348,018
Prize bonds		4,834,300	2,428,000	4,834,300	2,428,000
		406,471,261,977	286,713,242,602	313,828,787,504	194,166,365,832
6.1.1 Treasury bills					
Treasury bills (91 Days)		4,998,327,482	17,781,143,374	-	689,728
Treasury bills (182 Days)		498,295	296,792	498,295	296,792
Treasury bills (364 Days)		18,986,752,174	8,670,603,294	16,013,958,408	8,670,603,294
		23,985,577,951	26,452,043,460	16,014,456,703	8,671,589,814
6.1.2 Treasury Bonds					
Treasury bonds (2 years BGTB)		68,556,486,000	45,085,691,493	57,049,739,411	32,053,343,687
Treasury bonds (3 years FRTB)		6,012,858,000	2,996,553,000	6,012,858,000	2,996,553,000
Treasury bonds (5 years BGTB)		86,911,969,618	69,532,274,604	54,527,978,425	48,541,871,566
Treasury bonds (10 years BGTB)		88,860,686,621	50,354,949,144	80,901,366,674	42,393,349,006
Treasury bonds (15 years BGTB)		42,409,090,287	26,838,539,636	34,881,615,010	19,350,884,613
Treasury bonds (20 years BGTB)		70,975,651,200	46,696,655,265	45,681,830,981	21,402,238,146
Encumbered Special T-Bond		18,754,108,000	18,754,108,000	18,754,108,000	18,754,108,000
		382,480,849,726	260,258,771,142	297,809,496,501	185,492,348,018
6.1.3 BB category wise investment					
Held to maturity (HTM)		215,000,375,363	188,011,196,367	122,371,347,390	95,503,577,617
Held for trading (HFT)		191,466,052,314	98,699,618,235	191,452,605,814	98,660,360,215
Other securities		4,834,300	2,428,000	4,834,300	2,428,000
		406,471,261,977	286,713,242,602	313,828,787,504	194,166,365,832
6.2 Others (investment in other than Govt. securities)					
Corporate bonds- unquoted and quoted	6.2.1	2,720,678,040	2,531,310,759	2,717,155,000	2,510,732,500
Ordinary shares and mutual funds (MFs) - unquoted and quoted	6.2.2	9,186,523,459	8,715,072,375	8,710,498,101	7,674,640,041
Preference Share	6.2.3	1,000,000,000	-	1,000,000,000	-
		12,907,201,499	11,246,383,134	12,427,653,101	10,185,372,541
6.2.1 Corporate bonds- unquoted and quoted					
Unquoted					
North West Power Generation Company Limited Coupon Bearing Bond		300,000,000	600,000,000	300,000,000	600,000,000
DBBL 5th Sub Bond		750,000,000	-	750,000,000	-
MTBL Floating Rate Subordinated Bond IV		160,000,000	240,000,000	160,000,000	240,000,000
Meghna Bank 1st Subordinate Coupon Bearing Bond		110,000,000	150,000,000	110,000,000	150,000,000
Pubali Bank 4th Subordinated Bond		1,150,000,000	1,150,000,000	1,150,000,000	1,150,000,000
		2,470,000,000	2,140,000,000	2,470,000,000	2,140,000,000
Quoted					
IBBL Mudaraba Perpetual Bond		2,273,040	2,888,424	-	-
AB Bank Perpetual Bond		-	9,489,835	-	-
APSCL Non-Convertible and Fully Redeemable Coupon Bearing Bond		248,405,000	378,932,500	247,155,000	370,732,500
		250,678,040	391,310,759	247,155,000	370,732,500
		2,720,678,040	2,531,310,759	2,717,155,000	2,510,732,500
6.2.2 Ordinary shares and mutual funds (MFs) - unquoted and quoted					
Unquoted					
Industrial and Infrastructure Development Finance Company Ltd (IIDFC)		29,683,820	29,683,820	29,683,820	29,683,820
Bangladesh Rating Agency Limited (BDRAL)		11,971,700	10,671,700	11,971,700	10,671,700
Central Depository Bangladesh Limited (CDBL)		6,277,770	6,277,770	6,277,770	6,277,770
Investment in non-publicly traded mutual fund		532,386,331	552,338,331	532,386,331	552,338,331
Investment in DSE & CSE		86,268,265	86,268,265	-	-
		666,587,886	685,239,886	580,319,621	598,971,621
Quoted					
Investment in secondary market		8,519,935,573	8,029,832,489	8,130,178,480	7,075,668,420
		8,519,935,573	8,029,832,489	8,130,178,480	7,075,668,420
		9,186,523,459	8,715,072,375	8,710,498,101	7,674,640,041
6.2.3 Preference Shares					
Flamingo Fashions Ltd		350,000,000	-	350,000,000	-
Jinnat Fashions Ltd		350,000,000	-	350,000,000	-
Mawna Fashions Ltd		300,000,000	-	300,000,000	-
		1,000,000,000	-	1,000,000,000	-

Investment in shares, mutual funds and preference shares are detailed in Annexure-D.

6.3 Maturity wise grouping of investment					
On demand		4,834,300	2,428,000	4,834,300	2,428,000
Up to 1 month		2,897,209,290	24,066,780,332	2,503,929,152	11,260,000,000
More than 1 month but not more than 3 months		8,019,091,845	12,748,920,082	47,970,598	960,000,000
More than 3 months but not more than 1 year		46,600,941,840	20,932,904,146	39,099,165,063	20,926,400,920
More than 1 year but not more than 5 years		145,077,575,849	100,018,897,982	108,688,614,849	71,752,642,772
More than 5 years		216,778,810,352	140,189,695,194	175,911,926,643	99,450,266,681
		419,378,463,476	297,959,625,736	326,256,440,605	204,351,738,373
7 Loans and advances					
Loans, cash credit, overdrafts etc.	7.1	421,396,217,114	361,269,154,142	420,646,723,319	360,790,260,778
Small and medium enterprises	7.2	306,248,719,034	260,345,475,823	306,248,719,034	260,345,475,823
Bills purchased and discounted*	7.3	3,763,396,460	2,236,151,929	3,763,396,460	2,236,151,929
		731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530

* Bills purchased and discounted excludes bills purchased and discounted of small and medium enterprises (SME).

7.1 Loans, cash credit, overdrafts etc.					
Overdrafts		24,405,695,943	32,039,210,105	24,405,695,943	32,039,210,105
Demand loans		199,296,345,820	162,980,999,171	199,296,345,820	162,980,999,171
Term loans		175,421,475,456	147,272,386,742	175,421,475,456	147,272,386,742
Lease receivables		226,425,268	313,530,526	226,425,268	313,530,526
Credit Cards		16,275,613,034	14,067,646,868	16,275,613,034	14,067,646,868
Staff loans		5,029,347,615	4,129,999,828	5,021,167,798	4,116,487,366
Margin loan		1,736,781,232	1,729,304,995	-	-
		422,391,684,368	362,533,078,235	420,646,723,319	360,790,260,778
Less: Inter company elimination		995,467,254	1,263,924,093	-	-
		421,396,217,114	361,269,154,142	420,646,723,319	360,790,260,778
7.2 Small and medium enterprises					
Overdrafts		16,070,438,794	11,895,459,249	16,070,438,794	11,895,459,249
Demand loans		16,813,730,815	19,249,140,494	16,813,730,815	19,249,140,494
Term loans		273,263,563,338	229,085,555,190	273,263,563,338	229,085,555,190
Bills purchased and discounted (SME)		100,986,087	115,320,890	100,986,087	115,320,890
		306,248,719,034	260,345,475,823	306,248,719,034	260,345,475,823
7.3 Bills purchased and discounted					
Bills purchased and discounted (except SME)		3,763,396,460	2,236,151,929	3,763,396,460	2,236,151,929
Bills purchased and discounted (SME)		100,986,087	115,320,890	100,986,087	115,320,890
		3,864,382,547	2,351,472,819	3,864,382,547	2,351,472,819

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
7.4 Net loans and advances					
Gross loans and advances		731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
Less: Interest suspense	17.6	1,649,030,342	1,796,186,975	1,649,030,342	1,796,186,975
Less: Provision for loans and advances	17.1	19,976,725,648	19,701,567,950	18,749,743,704	18,489,732,179
		709,782,576,618	602,353,026,969	710,260,064,767	603,085,969,376
7.5 Business segment wise concentration of loans and advances					
Corporate		296,912,706,696	265,249,446,992	296,912,706,696	265,249,446,992
Retail		128,246,906,877	98,255,859,079	127,497,413,082	97,776,965,715
Small and medium enterprises		306,248,719,035	260,345,475,823	306,248,719,035	260,345,475,823
		731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
7.6 Loans and advances under the following broad categories					
Inside Bangladesh:					
Loans		690,932,197,871	579,916,112,540	690,182,704,076	579,437,219,176
Overdrafts		39,888,005,369	43,417,084,966	39,888,005,369	43,417,084,966
		730,820,203,240	623,333,197,506	730,070,709,445	622,854,304,142
Outside Bangladesh:					
Overdrafts		588,129,368	517,584,388	588,129,368	517,584,388
		588,129,368	517,584,388	588,129,368	517,584,388
		731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530

7.7 Loans & Advances under reschedule and Restructuring

Special Reschedule Loans & Advances:

According to BRPD circular no. 07; dated 16 September 2025, & BRPD Circular letter no. 26; dated 24 November 2025, BBPLC extended financing support to certain affected borrowers by converting their loans and advances into Special Rescheduled Loans. As of 31 December 2025, the outstanding balance of these Special Rescheduled Loans stood at BDT 3,853,684,367. The Bank classified these loans under the Special Mention Account (SMA) category and maintained the required provisions in accordance with the guidelines issued by Bangladesh Bank.

Restructuring Loans:

In 2025, the Bank extended restructuring facilities to its borrowers in compliance with BRPD Circular No. 16 dated 18 July 2022 and other applicable guidelines. As of 31 December 2025, the outstanding balance of restructuring loans and advances amounted to BDT 630,756,941, representing 0.05% of the Bank's total loan portfolio.

7.8 Geographical location wise portfolio grouping					
Inside Bangladesh: Rural					
Dhaka Division		41,272,807,014	33,231,143,148	41,272,807,014	33,231,143,148
Chattogram Division		10,811,001,351	11,185,664,895	10,811,001,351	11,185,664,895
Khulna Division		3,111,738,666	2,963,824,610	3,111,738,666	2,963,824,610
Sylhet Division		1,071,872,583	918,121,637	1,071,872,583	918,121,637
Barisal Division		908,353,939	-	908,353,939	-
Rajshahi Division		2,135,159,455	837,953,123	2,135,159,455	837,953,123
		59,310,933,008	49,136,707,413	59,310,933,008	49,136,707,413
Inside Bangladesh: Urban					
Dhaka Division		497,130,820,718	425,796,716,878	496,381,326,923	425,317,823,514
Chattogram Division		69,351,502,733	55,934,555,373	69,351,502,733	55,934,555,373
Khulna Division		29,635,672,487	25,250,913,829	29,635,672,487	25,250,913,829
Sylhet Division		11,925,023,168	9,438,970,130	11,925,023,168	9,438,970,130
Barisal Division		8,449,067,775	8,722,169,307	8,449,067,775	8,722,169,307
Rajshahi Division		27,799,682,277	25,115,072,486	27,799,682,277	25,115,072,486
Rangpur Division		20,167,112,252	17,517,870,774	20,167,112,252	17,517,870,774
Mymensingh Division		7,050,388,822	6,420,221,316	7,050,388,822	6,420,221,316
		671,509,270,232	574,196,490,093	670,759,776,437	573,717,596,729
Outside Bangladesh		588,129,368	517,584,388	588,129,368	517,584,388
		731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
7.9 Loans and advances on the basis of significant concentration					
7.9.1 Loans and advances to directors, executives and others					
Directors, subsidiaries and others		996,611,205	1,266,374,092	996,611,205	1,266,374,092
Staffs:					
Senior executives		394,222,973	326,125,948	386,043,156	312,613,486
Other executives and staffs		4,635,124,642	3,803,873,879	4,635,124,642	3,803,873,879
	7.9.2	5,029,347,615	4,129,999,827	5,021,167,798	4,116,487,365
Industries:					
Agro-based		42,181,502,769	33,095,024,888	42,181,502,769	33,095,024,888
Large and medium		176,102,081,595	165,656,005,993	176,102,081,595	165,656,005,993
Small and cottage		14,148,083,859	87,244,012,255	14,148,083,859	87,244,012,255
Service industry		59,596,262,721	41,003,256,407	59,596,262,721	41,003,256,407
		292,027,930,944	326,998,299,543	292,027,930,944	326,998,299,543
Agricultural		11,217,223,400	10,511,321,804	11,217,223,400	10,511,321,804
Consumers		122,483,741,336	93,641,572,296	122,483,741,336	93,641,572,296
Trade and commercial		242,469,481,173	164,244,039,167	241,728,167,195	163,778,658,265
Others		57,183,996,935	23,059,175,165	57,183,996,935	23,059,175,165
		731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
7.9.2 Staff loan					
Personal loan		2,431,739,764	904,147,854	2,423,559,947	890,635,391
Car and motorcycle loan		1,230,046,115	820,028,621	1,230,046,115	820,028,621
House building loan		1,367,561,736	2,405,823,353	1,367,561,736	2,405,823,353
		5,029,347,615	4,129,999,828	5,021,167,798	4,116,487,365
7.10 Overall Sector wise concentration of loans and advance					
Agriculture		11,217,223,400	10,511,321,804	11,217,223,400	10,511,321,804
Communication		3,441,250,310	3,229,615,070	3,441,250,310	3,229,615,070
Construction		6,825,971,814	7,002,444,835	6,825,971,814	7,002,444,835
Consumer credit		127,504,909,133	97,771,197,001	127,504,909,133	97,771,197,001
Other manufacturing industries		177,548,494,105	162,557,462,427	177,548,494,105	162,557,462,427
Power, Gas		8,520,489,637	8,226,298,015	8,520,489,637	8,226,298,015
Readymade garments		43,312,042,318	39,022,814,827	43,312,042,318	39,022,814,827
Residential real estate financing		1,465,709,316	632,991,344	1,465,709,316	632,991,344
Service Industries		47,919,137,399	39,563,448,100	47,919,137,399	39,563,448,100
Textile		11,235,176,119	9,561,297,839	11,235,176,119	9,561,297,839
Trade Service		241,739,758,298	206,932,204,604	241,739,758,298	206,932,204,604
Ship Building		80,972,959	84,972,959	80,972,959	84,972,959
Others		50,597,197,800	38,754,713,069	49,847,704,005	38,275,819,705
		731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
7.11 Securities wise loans and advances including bills purchased and discounted					
Collateral of moveable/immoveable assets		90,064,119,966	83,234,945,065	90,064,119,966	83,234,945,065
Fixed deposit receipts (FDR)/ Cash Collateral		266,352,174,275	225,223,985,165	266,352,174,275	225,223,985,165
Personal guarantee and other securities		369,221,376,774	310,796,470,934	369,221,376,774	310,796,470,934
Other securities		5,770,661,593	4,595,380,730	5,021,167,798	4,116,487,366
		731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
7.12 Classified and unclassified loans and advances					
Unclassified					
Standard (including staff loan)		707,588,109,203	604,692,515,361	708,051,990,240	605,425,457,767
Special Mention Accounts (SMA)		6,037,916,296	1,543,126,844	6,037,916,296	1,543,126,844
		713,626,025,499	606,235,642,205	714,089,906,536	606,968,584,611
Classified					
Sub-standard		2,831,861,402	2,288,110,152	2,831,861,402	2,288,110,152
Doubtful		2,609,351,882	737,431,676	2,609,351,882	737,431,676
Bad/Loss		12,341,093,825	14,589,597,861	11,127,718,993	13,377,762,091
		17,782,307,109	17,615,139,689	16,568,932,277	16,403,303,919
		731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
7.12.1 Movements of classified loans and advances					
Opening balance		17,615,139,689	18,745,777,234	16,403,303,919	17,533,941,464
Additions during the year		9,381,935,340	4,048,846,926	9,380,396,278	4,048,846,926
Released during the year		(9,214,767,920)	(5,179,484,471)	(9,214,767,920)	(5,179,484,471)
		17,782,307,109	17,615,139,689	16,568,932,277	16,403,303,919
7.12.2 Business segment wise concentration of classified loans and advances					
Corporate		6,261,661,632	8,537,658,464	6,261,661,632	8,537,658,464
Retail		4,792,186,818	3,754,553,299	3,578,811,986	2,542,717,529
Small and medium enterprises		6,728,458,659	5,322,927,926	6,728,458,659	5,322,927,926
		17,782,307,109	17,615,139,689	16,568,932,277	16,403,303,919
7.12.3 Sector wise concentration of classified loans and advances					
Agriculture		102,248,466	34,734,125	102,248,466	34,734,125
Construction		81,718,093	81,718,093	81,718,093	81,718,093
Consumer credit		3,579,564,493	2,543,107,945	3,579,564,493	2,543,107,945
Other manufacturing industries		6,238,912,238	5,922,306,650	6,238,912,238	5,922,306,650
Power, Gas		-	116,212,963	-	116,212,963
Readymade garments		313,588,372	1,767,067,627	313,588,372	1,767,067,627
Residential real estate financing		1,017,126	-	1,017,126	-
Ship building		80,972,959	-	80,972,959	-
Service industries		659,781,797	525,867,076	659,781,797	525,867,076
Textile		134,206,055	602,576,987	134,206,055	602,576,987
Trade service		6,377,506,289	5,626,215,487	5,164,131,457	4,414,379,717
Others		212,791,221	309,342,651	212,791,221	309,342,651
		17,782,307,109	17,615,139,689	16,568,932,277	16,403,303,919
7.12.4 Loan type wise classified loans and advances					
Overdraft		1,260,041,359	2,440,545,194	1,260,041,359	2,440,545,194
Demand loan		1,851,522,083	2,901,827,804	1,851,522,083	2,901,827,804
Term loan		12,575,559,289	10,205,580,539	12,575,559,289	10,205,580,539
Lease finance		26,510,512	41,668,284	26,510,512	41,668,284
Credit cards		855,299,034	813,682,098	855,299,034	813,682,098
Margin loan		1,213,374,832	1,211,835,770	-	-
		17,782,307,109	17,615,139,689	16,568,932,277	16,403,303,919

7.13 Details of large loan (Standalone basis)

Large loan clients are those to whom loans and advances sanctioned are 10% or more of the total regulatory capital of the Bank. Total capital of the Bank was Taka 93,142,085,207 as at 31 December 2025 and taka 71,641,539,034 as at 31 December 2024. Client wise details of large loans have been presented in below:

	2025	2024
Number of clients	27	30
Amount of outstanding loans and advances	166,069,607,221	161,430,068,520
Amount of classified loans and advances	94,527,237	NIL

Client wise break-up is as follows:

SL	Name of clients	2025			2024
		Funded	Non-funded	Total Outstanding	Total Outstanding
1	ABUL KHAIR GROUP	8,376,646,851	974,361,632	9,351,008,483	9,257,385,510
2	AKIJ GROUP	-	-	-	5,058,676,515
3	AXIATA GROUP BERHAD, MALAYSIA GROUP	-	614,776,521	614,776,521	1,030,229,379
4	BADC GROUP	11,192,874,195	1,285,258,370	12,478,132,565	-
5	BADSHA GROUP	5,966,214,471	684,251,044	6,650,465,515	9,469,481,333
6	BCIC GROUP	3,410,312,741	580,335,731	3,990,648,473	-
7	BITOPI GROUP	5,997,202,715	915,380,630	6,912,583,345	5,795,995,412
8	BRAC GROUP	-	-	-	7,282,786,349
9	BSRM	10,752,951,500	1,163,398,717	11,916,350,217	7,261,313,471
10	CITY GROUP	7,556,345,083	1,509,353,072	9,065,698,154	9,247,170,955
11	CONFIDENCE GROUP OF INDUSTRIES	6,006,352,241	533,609,821	6,539,962,063	5,607,818,464
12	EAST COAST GROUP	4,048,708,173	69,519,097	4,118,227,270	1,529,587,796
13	HA-MEEM GROUP	1,272,812,286	629,946,022	1,902,758,308	-
14	MAX GROUP	-	-	-	4,944,939,364
15	Meghna GROUP	8,052,509,041	2,233,988,686	10,286,497,726	10,555,023,212
16	MEGHNA (CYCLE) GROUP	5,624,892,763	1,348,446,423	6,973,339,186	5,586,335,931
17	MIR GROUP OF INDUSTRIES	3,227,541,188	1,850,141,751	5,077,682,939	5,355,534,963
18	MONDOL GROUP	-	-	-	2,867,481,914
19	PETROBANGLA	-	9,439,704,723	9,439,704,723	5,316,326,400
20	PRAN-RFL GROUP	5,390,920,244	1,291,450,457	6,682,370,701	5,920,034,512
21	RENATA GROUP	4,144,195,045	469,727,252	4,613,922,298	6,612,313,484
22	RISING GROUP	2,554,653,091	849,776,143	3,404,429,234	3,184,178,201
23	SAAD GROUP	3,958,475,368	1,312,654,369	5,271,129,738	5,206,666,128
24	SAMUDA GROUP	9,206,962,304	503,360,042	9,710,322,346	6,139,573,474
25	SQUARE GROUP	300,656,450	3,953,030,177	4,253,686,627	6,982,152,709
26	STANDARD GROUP	4,063,726,758	691,267,428	4,754,994,186	3,128,932,107
27	SUMMIT GROUP	5,139,175,714	365,120,996	5,504,296,711	5,468,688,180
28	T.K GROUP	7,809,411,628	530,166,104	8,339,577,732	5,588,297,509
29	TELENOR GROUP AND GRAMEEN TELECOM GROUP	52,400,806	14,037,551	66,438,358	522,577,276
30	TRANSCOM GROUP	-	-	-	5,180,393,997
31	URMI GROUP	1,250,968,981	1,403,299,278	2,654,268,259	3,173,389,919
32	VEON GROUP				2,726,299,691
33	WALTON GROUP	4,340,834,808	1,155,500,737	5,496,335,545	5,430,484,365
	Grand Total	129,697,744,447	36,371,862,774	166,069,607,221	161,430,068,520

Note: Large exposures has been calculated on the basis of BRPD Circular No 01, dated 16 January 2022.

7.14 Particulars of required provisions for loans and advances (Bank only)

Amount in Taka

Status	Outstanding loans and advances 2025	Base for provision	Percentage (%) of required provision	Required provision 2025
Unclassified				
All unclassified loans (Other than Small and Medium Enterprise Financing, Consumer Financing, BHs/MBs/SDs, Housing and loans for professional*)	284,757,284,425	284,757,284,426	1%	2,847,572,844
All unclassified loans (Other than Small and Medium Enterprise Financing, Consumer Financing, BHs/MBs/SDs, Housing and loans for professional*)	4,844,804,277	4,844,804,277	5%	242,240,214
Consumer finance	83,738,010,965	83,738,010,965	1%	837,380,110
Consumer finance	552,751,073	552,751,073	5%	27,637,554
Consumer finance (Credit Card)	15,327,043,023	15,327,043,023	1%	153,270,430
Consumer finance (Credit Card)	93,270,977	93,270,977	5%	4,663,549
Housing Finance	13,193,625,460	13,193,625,460	1%	131,936,255
Housing Finance	114,488,649	114,488,649	5%	5,724,432
Loans for professionals to Set up business (LP)	5,858,478,554	5,858,478,554	1%	58,584,786
Loans for professionals to Set up business (LP)	19,764,598	19,764,598	5%	988,230
Loans to BHs/MBs/SDs against share etc.*	552,709,527	552,709,527	1%	5,527,095
Short Term Agricultural and Micro Credit	538,504,585	538,504,585	1%	2,692,523
Small and Medium Enterprise Financing	269,256,834,565	269,256,834,565	0.5%	1,346,284,173
Small and Medium Enterprise Financing	29,643,750,464	29,643,750,464	1%	296,437,505
Small and Medium Enterprise Financing	31,091,078	31,091,078	5%	1,554,554
Staff Loan	5,021,167,797	-	-	-
Provision made under special provision agaisnt UC as advised by BB	546,326,519	-		-
	714,089,906,536	708,522,412,221		5,962,494,253
Classified - Specific provision				
Sub-standard	2,831,861,402	2,477,270,395	20%	495,454,079
Doubtful	2,609,351,882	1,976,451,973	50%	988,225,987
Bad/Loss	11,127,718,993	8,502,375,666	100%	8,502,375,666
Additional Provision (as advised by BB)***	-	4,107,942,495		2,357,445,748
	16,568,932,277	17,064,040,529		12,343,501,480
	730,658,838,813	725,586,452,750		
Total required provision for loans and advances				18,305,995,733
Total provision maintained (Note 17.1)				18,749,743,704
Excess provision over minimum required provision prescribed by Bangladesh Bank				443,747,971

* BHs = Brokerage Houses, MBs = Merchant Banks, SDs = stock dealers against shares

** For rescheduled loans, 50% and 100% provision has been made as guided by Bangladesh Bank.

***In the year 2025, loans and advances have been segregated by classification and presented in accordance with the prescribed provision rate under the BRPD Circular of Bangladesh Bank. In 2021, BB advised making provision for BDT 111,554,000 against a bank guarantee.

**** Bank provided an additional amount of BDT 1,800,000 under the required provision due to rounding off.

7.14 Particulars of required provisions for loans and advances (Bank only)

Amount in Taka

Status	Outstanding loans and advances 2024	Base for provision	Percentage (%) of required provision	Required provision 2024
Unclassified				
All unclassified loans (Other than Small and Medium Enterprise Financing, Consumer Financing, BHs/MBs/SDs, Housing and loans for professional*)	255,843,842,810	252,751,968,339	1%	2,527,519,683
Small and Medium Enterprise Financing	250,477,288,432	250,453,731,919	0.25%	626,134,330
Loans to BHs/MBs/SDs against share etc.*	895,166,917	895,166,917	1%	8,951,669
Housing Finance	11,659,241,940	11,659,241,940	1%	116,592,419
Loans for professionals to Set up business (LP)	5,525,751,189	5,525,751,189	2%	110,515,024
Consumer finance	60,651,581,723	60,651,581,723	2%	1,213,031,634
Consumer finance (Credit Card)	13,253,964,769	13,253,964,769	2%	265,079,295
Short Term Agricultural and Micro Credit	4,545,259,465	4,545,259,465	1%	45,452,595
Staff Loan	4,116,487,366	-	1%	-
	606,968,584,611	599,736,666,261		4,913,276,649
Classified - Specific provision				
Sub-standard	2,288,110,152	1,774,765,244	20%**	222,253,066
Doubtful	737,431,676	650,616,442	50%***	209,848,423
Bad/Loss	13,377,762,091	10,378,247,216	100%****	10,489,801,216
Additional General Provision (as advised by BB)*****	-	2,582,984,881		1,186,147,886
	16,403,303,919	15,386,613,783		12,108,050,591
	623,371,888,530	615,123,280,044		
Total required provision for loans and advances				17,021,327,240
Total provision maintained (Note 17.1)				18,489,732,179
Excess provision over minimum required provision prescribed by Bangladesh Bank				1,468,404,939

* BHs = Brokerage Houses, MBs = Merchant Banks, SDs = stock dealers against shares

** For rescheduled loans, 50% and 100% provision has been made as per NOC circular and for small, micro & cottage enterprises under CMSME financing, provision requirement is 5% for sub-standard classification as per BRPD

*** For small, micro & cottage enterprises under CMSME financing, provision requirement is 20% for doubtful classification as per BRPD circular

***** Additional Provision of BDT 462,273,637 as advised by BB during their inspection of 2023 and a provision of BDT 111,554,000 for bank guarantee as per BB audit advice in 2021.

Notes to the financial statements as at and for the year ended 31 December 2025

Amount in Taka

Particulars	2025 Taka	2024 Taka
7.15 Particulars of loans and advances (Bank only)		
i) Loans considered good in respect of which Bank is fully secured	35,832,028,602	34,066,492,147
ii) Loans considered good against which Bank holds no security other than the debtor's personal guarantee	344,668,643,823	302,878,129,176
iii) Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtor	333,589,234,110	270,023,963,288
iv) Loans adversely classified; provision not maintained there against	-	-
v) Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons	6,017,779,003	5,382,861,457
vi) Loans due from companies or firms in which the directors of the bank have interested as directors, partners or managing agents or in case of private companies as members	995,467,252	1,266,374,092
vii) Maximum total amount of advance including temporary advance made at any time during the year to directors or managers or officers of the banking companies or any of them either separately or jointly with any other person	6,017,779,003	5,382,861,457
viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in case of private companies, as members	995,467,252	1,266,374,092
ix) Due from banking companies	-	-
x) Information in respect of classified loans and advances		
a) Classified loan on which interest has not been charged to income	16,568,932,277	16,403,303,919
i) Increase/decrease of provision (specific)	(480,539,321)	1,595,667,305
ii) Amount of loans written off	7,692,385,596	3,636,369,916
iii) Amount recovered against loan previously written off	1,051,599,957	924,519,756
b) Amount of provision kept against loan classified as "bad/loss" on the date of preparing the balance sheet	8,502,375,666	10,489,801,216
c) Interest creditable to the Interest Suspense account	2,149,362,359	3,129,601,055
xi) Cumulative amount of the written off loan		
Opening balance	29,625,887,482	25,989,517,566
Amount written off during the year	7,692,385,596	3,636,369,916
	37,318,273,078	29,625,887,482
The amount of written off loans for which law suits have been filed	21,867,689,774	15,486,391,849

Amount In Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
7.16 Write off of loans and advances (net basis)					
Balance at the beginning of the year		16,271,230,675	14,017,756,550	16,271,230,675	14,017,756,550
Add: Write off during the year		7,692,385,596	3,636,369,916	7,692,385,596	3,636,369,916
Less: written-off recovery and interest waiver		1,252,078,258	1,382,895,791	1,252,078,258	1,382,895,791
Balance at the end of the year		22,711,538,013	16,271,230,675	22,711,538,013	16,271,230,675
7.17 Bill Purchased and Discounted under the following broad categories					
Inside Bangladesh		3,864,382,547	2,351,472,819	3,864,382,547	2,351,472,819
Outside Bangladesh		-	-	-	-
		3,864,382,547	2,351,472,819	3,864,382,547	2,351,472,819
7.18 Maturity wise grouping of loans and advances					
On demand		74,856,841,476	57,534,931,640	1,389,617,840	8,036,295,621
Up to 1 month		-	-	74,462,690,891	50,762,560,111
Not more than 3 months		127,032,391,311	114,818,883,532	127,032,391,309	114,818,883,532
More than 3 months but not more than 1 year		298,855,106,058	260,382,291,387	297,118,324,827	258,652,986,392
More than 1 year but not more than 5 years		214,231,366,729	165,582,113,332	214,223,186,912	165,568,600,869
More than 5 years		16,432,627,034	25,532,562,003	16,432,627,034	25,532,562,005
		731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
7.19 Maturity wise grouping of lease receivables including SME					
On demand		-	-	-	-
Up to 1 month		26,510,512	26,530,912	26,510,512	26,530,912
Not more than 3 months		-	589,563	-	589,563
More than 3 months but not more than 1 Year		176,914,756	7,463,758	176,914,756	7,463,758
More than 1 year but not more than 5 years		23,000,000	278,946,293	23,000,000	278,946,293
More than 5 years		-	-	-	-
		226,425,268	313,530,526	226,425,268	313,530,526
7.20 Maturity wise grouping of bill purchased and discounted					
On Demand		301,402,217	26,918,791	301,402,217	26,918,791
Payable within 1 month		1,343,263,867	828,960,018	1,343,263,867	828,960,018
Over 1 month but less than 3 months		1,730,629,169	1,244,424,022	1,730,629,169	1,244,424,022
Over 3 months but less than 6 months		378,101,085	132,605,396	378,101,085	132,605,396
6 months or more		10,000,122	3,243,702	10,000,122	3,243,702
		3,763,396,460	2,236,151,929	3,763,396,460	2,236,151,929

7.21 Preservation of client's audit report in the loan file verification through Document Verification system (DVS)

During approval/renewal of loan, BBPLC checks 100% DVS records with ICAB database for the submitted audited financials, where applicable

7.22 Disclosure of willful defaulters

In accordance with BRPD circular no. 06; dated 12 March 2024, & BRPD Circular letter no. 09; dated 16 April 2025, BBPLC reported 7 borrowers, amount of BDT 2,579,909,376 as willful defaulter to the Bangladesh Bank for the period ended on 31 December 2025.

8 Fixed assets including premises, furniture and fixtures					
Land		527,275,400	527,275,400	527,275,400	527,275,400
Office floor space		20,855,926	20,855,926	4,034,334	4,034,334
Furniture and fixture		3,203,188,429	2,826,489,013	2,887,497,667	2,536,067,740
Office equipment		2,098,598,038	1,807,462,053	1,954,903,303	1,652,505,716
IT hardware		10,298,107,815	9,068,996,625	4,868,670,712	4,331,020,016
Motor vehicles		847,560,670	711,925,392	558,502,933	442,202,195
Leasehold improvements		222,601,161	204,383,908	-	-
Right of use assets (ROU) as per IFRS 16		10,826,932,200	8,834,516,227	9,071,943,142	7,540,539,044
Capital expenditure work in progress		957,173,041	789,800,949	692,262,164	415,419,541
IT software (finite useful lives)		11,901,152,878	10,589,750,327	3,822,630,322	3,260,405,920
Total cost		40,903,445,558	35,381,455,820	24,387,719,977	20,709,469,906
Accumulated depreciation and amortization		23,347,051,424	20,980,308,628	13,386,982,290	12,191,024,028
Written down value at 31 December		17,556,394,134	14,401,147,192	11,000,737,687	8,518,445,878

* Fixed assets schedules on standalone basis are shown in **Annexure-E.**

9 Other assets					
Income generating					
Investment in subsidiary	9.1	-	-	17,012,495,359	14,471,693,991
Investment/carrying value in associates	9.2	54,016,493	46,735,064	54,016,493	46,735,064
Investment in swift share		18,960,837	18,960,837	18,960,837	18,960,837
Non- Income generating					
Stock of stamps		80,615,544	71,040,416	80,615,544	71,040,416
Stock of security stationery		31,465,900	14,617,876	31,465,900	14,617,876
Stock of printing stationery		11,751,721	9,514,351	11,751,721	9,514,351
Prepaid interest expenses on IFFD		7,654,934	998,002	7,654,934	998,002
Interest receivables	9.3	12,740,980,993	9,998,211,787	12,740,980,993	9,998,211,787
Receivables against Sanchay Patra		49,475,796	27,495,327	49,475,796	27,495,327
Dividend receivables		109,948,480	95,909,440	109,948,480	95,909,440
Balance with BRAC EPL Stock Brokerage Limited		1,067,095	168,351	1,067,095	168,351
Advance to staff		19,226,181	18,333,257	19,226,181	18,333,257
Advance to supplier		18,337,750	75,332,785	16,714,126	15,967,111
Advance value added tax		6,602,947	6,602,947	6,602,947	6,602,947
Advance to SME unit offices		1,308,690	1,308,690	1,308,690	1,308,690
Advance against office rent		118,876,576	99,947,226	118,876,576	99,947,226
Advance security deposit		26,429,033	21,700,163	20,495,626	15,716,756
Receivables from biTS		63,466,065	93,929,793	63,466,065	93,929,793
Deferred revenue expenditure		784,877,409	751,886,783	784,877,409	751,886,783
Deferred tax asset	9.4	7,768,837,162	8,152,329,178	5,982,225,634	6,193,267,865
Net plan assets - employees' gratuity fund	9.5	317,752,338	-	317,752,338	-
Receivable in proxy account		4,397,139		4,397,139	
Other receivables	9.6	13,184,914,714	9,660,795,328	13,184,914,714	9,660,795,328
Other assets of subsidiaries	9.7	13,460,882,832	11,341,716,116	-	-
		48,881,846,629	40,507,533,717	50,639,290,597	41,613,101,198
9.1 Investment in subsidiaries					
BRAC EPL Investments Limited				733,193,238	715,696,869
BRAC EPL Stock Brokerage Limited				1,365,003,038	1,304,507,060
bKash Limited				14,764,997,232	12,402,025,595
BRAC Saajan Exchange Limited				149,301,851	49,464,467
				17,012,495,359	14,471,693,991
9.2 Investment/carrying value in associates (BRAC IT Services Limited)					
Opening balance/fair value of residual interest retained		46,735,064	39,837,592	46,735,064	39,837,592
Share of profit/(loss) of equity in associate company		7,281,429	6,897,472	7,281,429	6,897,472
		54,016,493	46,735,064	54,016,493	46,735,064
9.3 Interest receivables					
Receivable against loans and advances		5,120,380,860	4,874,453,611	5,120,380,860	4,874,453,611
Receivable against Govt. securities		7,382,207,148	5,002,289,227	7,382,207,148	5,002,289,227
Receivable against other securities		139,104,404	35,102,289	139,104,404	35,102,289
Receivable against balance with other bank		99,288,581	86,366,660	99,288,581	86,366,660
		12,740,980,993	9,998,211,787	12,740,980,993	9,998,211,787

9.4 Deferred tax asset/(liability) (Bank only)

Particulars	Accounting base	Tax base	Deductible/ (Taxable) temporary difference	Applicable tax rate	Deferred Tax Asset/ (Liability)
Balance as at 31 December 2025					
Loan loss provision including QJ provision	12,782,116,886	-	12,782,116,886	37.5%	4,793,293,832
Actuarial valuation measurement loss	217,019,667	-	217,019,667	37.5%	81,382,375
Provision against capital market (Note -17.4)	493,181,807	-	493,181,807	37.5%	184,943,178
Fixed assets except RoU (Annexure - E)	4,035,812,171	5,868,693,289	1,832,881,117	37.5%	687,330,419
Provision against Other assets		-	-	37.5%	-
Right of use assets (RoU) as per IFRS 16 (Annexure - E)	5,745,387,953	962,698,919	(4,782,689,034)	37.5%	(1,793,508,388)
Leased Liability as per IFRS 16 (Note - 17)	5,410,091,248	-	5,410,091,248	37.5%	2,028,784,218
Deferred tax asset (a)					5,982,225,634
Deferred tax liability arises from fair value gain as per IFRS 9	11,985,158,007	-	(11,985,158,007)	15.00%	(1,797,773,701)
Interest receivable from treasury bills and bonds (Note -9.3)	6,770,249,793	-	(6,770,249,793)	37.50%	(2,538,843,673)
Deferred tax liability (b)					(4,336,617,374)
Net deferred tax asset at 31 December 2025 (a+b)					1,645,608,260
Increase of deferred tax asset recognized in profit and loss account as income					240,776,217
Decrease of deferred tax liability recognized in profit and loss account as income					(1,068,534,782)
Net Deferred tax expense recognized in profit and loss account during the year ended 31 December 2025					(827,758,565)
Net Deferred tax liability recognized in equity during the year ended 31 December 2025					(391,102,049)
Balance as at 31 December 2024					
Loan loss provision including QJ provision	13,551,275,792	-	13,551,275,792	37.50%	5,081,728,422
Actuarial valuation measurement loss	340,403,344	-	340,403,344	37.50%	127,651,254
Provision against capital market (Note -17.4)	48,732,876	-	48,732,876	37.50%	18,274,829
Fixed assets except RoU (Annexure - E)	3,180,736,060	4,920,115,698	1,739,379,638	37.50%	652,267,364
Provision against Other assets	247,522,182	-	247,522,182	37.50%	92,820,818
Right of use assets (RoU) as per IFRS 16 (Annexure - E)	4,395,014,878	693,791,360	(3,701,223,518)	37.50%	(1,387,958,819)
Leased Liability as per IFRS 16 (Note - 17)	4,289,290,659	-	4,289,290,659	37.50%	1,608,483,997
Deferred tax asset (a)			-		6,193,267,865
Deferred tax liability arises from fair value gain as per IFRS 9	9,686,270,209	-	(9,686,270,209)	15.00%	(1,452,940,531)
Interest receivable from treasury bills and bonds (Note -9.3)	5,002,289,227	-	(5,002,289,227)	37.50%	(1,875,858,460)
Deferred tax liability (b)					(3,328,798,991)
Net deferred tax asset at 31 December 2024 (a+b)					2,864,468,874
Increase of deferred tax asset recognized in profit and loss account as income					574,910,566
Decrease of deferred tax liability recognized in profit and loss account as income					(1,680,499,612)
Net Deferred tax income recognized in profit and loss account during the year ended 31 December 2024					(1,105,589,048)
Net Deferred tax liability recognized in equity during the year ended 31 December 2024					17,227,756

9.4.1 Recoverability/adjustment/reversal of deferred tax

Deferred tax on Specific provision on loans and advances

Specific provisions for loans are not tax-deductible under local tax regulations. So, when calculating taxable income, the loan loss provision charged to the profit and loss account is added back to income. However, the tax office will accept the loan recovery or write-off as a legitimate tax expense. The Bank will either make a recovery or write off the loans at some point in the future; thus, this item only has a transitory effect. According to IAS 12, the Bank recognizes the deferred tax on this particular provision, creating a deductible temporary difference to the degree that it can be applied as a credit. The deferred tax will be reversed once the underlying bad debt is either repaid or cancelled.

Deferred tax on Fixed assets including intangible assets

Accounting depreciation is not taken into consideration when determining the tax obligation according to local tax regulations. The tax authorities permit tax depreciation at various rates as per the third schedule of ITA 2023, which is different from the accounting depreciation rate in many cases. Hence, transitory differences are created due to the varying depreciation rates and methodology against which the Bank recognizes deferred tax. This is a common occurrence since the accounting depreciation rate and the tax depreciation rate differ from one another. The remaining amount of deferred tax will be released when the assets' useful economic life has passed, though.

Deferred tax on Provision against capital market investment

Capital market-related provisions are not deductible for tax purposes under local tax regulations. As a result, when calculating taxable income, such provision charged to the profit and loss account is added back to income. The tax office will, however, permit the release or reversal of the provision as an allowable expense through realized gains or losses as a result of the temporary difference that this item causes. According to IAS 12, the Bank recognizes the deferred tax on such a provision, creating a deductible temporary difference to the extent that it can be applied as a credit against other liabilities. The deferred tax will also be released as soon as the related provision is released or reversed.

Deferred tax on Interest receivables on government securities

As per Tax Law, Tax is paid on BGTB income on a cash basis, whereas the same income is accounted for on an accrual basis in the financial statement. This difference in interest income recognition has created a temporary difference in the way the bank recognized the DT liability on the interest receivable on BGTB in the respective year, which will be reversed upon payment of tax on cash interest received in the subsequent years.

Deferred tax on Right of use assets (RoU) and lease liabilities as per IFRS 16

According to local tax regulations, lease payments are treated as an allowable expense, while accounting for depreciation and interest on RoU assets under IFRS 16 is not. As a result, when calculating taxable profit, depreciation and interest expense were added back, and the amount of the actual lease payment was subtracted. Due to the temporary differences caused by this, deferred tax is recognized. However, when the assets' economic useful lives are up, the remaining amount of deferred tax will be automatically released.

Deferred tax assets arising from the provision for loan loss will be recovered at the time of the write-off of classified loans. Deferred tax on provision for investment in the capital market will be recovered when the loss is realized, and deferred tax on right-of-use assets under IFRS 16 will be adjusted on the termination of lease contracts.

Amount in Taka

Particulars	Note	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
9.5 Net plan assets - employees' gratuity fund					
Fair value of plan assets	9.5.1	5,095,953,244	3,948,768,130	4,373,435,002	3,226,249,888
Less: Defined benefit obligation	9.5.2	4,778,200,906	3,948,768,130	4,055,682,664	3,226,249,888
		317,752,338	-	317,752,338	-
9.5.1 Fair value of plan assets - gratuity fund					
Fair value of plan assets as on 1 January		3,948,768,130	3,397,954,370	3,226,249,888	2,675,436,128
Interest income on plan assets		290,362,490	266,862,963	290,362,490	266,862,963
Actual employer contributions		997,066,117	531,987,632	997,066,117	531,987,632
Actual net benefits payments		(166,304,071)	(140,041,750)	(166,304,071)	(140,041,750)
Remeasurement gain/(losses) on plan assets		26,060,578	(107,995,085)	26,060,578	(107,995,085)
Fair value of plan assets as on 31 December		5,095,953,244	3,948,768,130	4,373,435,002	3,226,249,888
9.5.2 Defined benefit obligation - gratuity fund					
Defined benefit obligation as on 1 January		3,948,768,130	3,215,859,111	3,226,249,888	2,493,340,869
Current service cost		741,824,348	550,502,975	741,824,348	550,502,975
Interest cost		351,235,598	248,347,620	351,235,598	248,347,620
Actual net benefits payments		(166,304,071)	(140,041,750)	(166,304,071)	(140,041,750)
Remeasurement (gain)/loss		(97,323,099)	74,100,174	(97,323,099)	74,100,174
Defined benefit obligation as on 31 December		4,778,200,906	3,948,768,130	4,055,682,664	3,226,249,888
9.5.3 Remeasurements gain/(loss) of defined benefits liabilities/assets					
Opening balance		(284,019,464)	(170,325,167)	(212,752,090)	(98,942,553)
Remeasurement gain/(losses) on plan assets		71,581,499	(127,655,308)	26,060,578	(107,995,085)
Remeasurement gain/(losses) on defined benefit obligation		(22,991,222)	(54,286,297)	97,323,099	(74,100,174)
		(235,429,187)	(352,266,772)	(89,368,413)	(281,037,812)
Less: Deferred tax (expense)/income		(25,700,694)	68,247,308	(46,268,879)	68,285,722
		(261,129,881)	(284,019,464)	(135,637,292)	(212,752,090)
9.6 Other Receivables					
Receivable against remittance		36,519,911	24,604,131	36,519,911	24,604,131
Receivable against DD		110,000,000	66,000,000	110,000,000	66,000,000
Receivable against cards		322,907,420	463,888,532	322,907,420	463,888,532
Receivable from merchant		766,322,519	573,573,686	766,322,519	573,573,686
Receivable from partners		758,349	7,590,614	758,349	7,590,614
Receivable from co-brand ATM		27,020,242	27,020,242	27,020,242	27,020,242
Receivable against fraud and forgery/protested bill		133,083,256	130,961,016	133,083,256	130,961,016
Receivable from NPS		144,725,300	201,792,400	144,725,300	201,792,400
Sundry debtors*		11,758,012,055	8,279,045,704	11,758,012,055	8,279,045,704
Receivable from BACH		5,000,000	5,092,000	5,000,000	5,092,000
REPO interest expenditure		(127,717,621)	(130,704,507)	(127,717,621)	(130,704,507)
Interest rate swap		8,283,283	11,931,510	8,283,283	11,931,510
		13,184,914,714	9,660,795,328	13,184,914,714	9,660,795,328

*In compliance with FRC notification no. 179/FRC/FRM/Notification/2020/2, we have already adjusted the forfeited fund previously distributed among active members of provident fund for the period from 2015 to 2021 as per the existing Fund Rules. Additionally, we have recognized other receivable of BDT 1,048,718 under sundry debtors for the forfeited fund for 30 June 2025.

9.7 Other assets of subsidiaries					
BRAC EPL Investments Limited		63,781,012	44,005,240		
BRAC EPL Stock Brokerage Limited		227,198,729	117,482,073		
bKash Limited		12,556,482,861	10,862,260,498		
BRAC Saajan Exchange Limited		665,787,220	387,953,678		
		13,513,249,822	11,411,701,489		
Less: Inter company transactions:					
BRAC Bank PLC.		3,532,109	16,018,278		
BRAC EPL Investments Limited		44,548,030	22,230,492		
BRAC EPL Stock Brokerage Limited		3,898,373	3,460,477		
bKash Limited		388,478	28,276,126		
		52,366,990	69,985,373		
		13,460,882,832	11,341,716,116		

10 Non-banking assets

Name of parties	Property details	Possession date				
M/S. Akash Auto Mobile*	12.50 Decimal land at Sadar, Sherpur.	11 June 2018	-	3,041,700	-	3,041,700
M/S Shawan Enterprise	11.43 Decimal land at Mirpur, Kushtia	12 January 2021	300,000	300,000	300,000	300,000
M/S SB Variety Store	28.65 decimals land located at Jamalpur	12 October 2022	6,800,000	6,800,000	6,800,000	6,800,000
A/C: Sarker Md. Rafikul Islam & Habiba Jesmin**	1348 Sft. flat at Kalabagan, Dhaka	16 July 2025	3,327,178	-	3,327,178	-
M/S. Munshigonj Banijjaloy	215 decimals land at Munshigonj Sadar.	13 June 2024	836,865	836,865	836,865	836,865
			11,264,043	10,978,565	11,264,043	10,978,565

*The non-banking assets titled M/S. Akash Auto Mobile was disposed of in June 2025 in compliance with Section 10 of the Bank Company Act 1991 and BRPD Circular No.22 dated 20 September 2021. The Book value of the asset amounted to BDT 3,041,700 while the asset was sold for BDT 3,393,900. Accordingly, the excess collection of BDT 352,200 has been transferred to the retained earnings.

**The Bank received ownership of a mortgaged a flat at 105 Lake Circus, Kalabagan, Dhaka-1205 through the verdict of the honorable Artha Rin Adalat-2, under Section 33(7) of Artharin Adalat Ain 2003. The property has been reported as a non-banking assets in accordance with the Bank Companies Act 1991 and BRPD Circular no. 22, dated 20 September 2021. The value of the non-banking assets has been determined at BDT 3,327,178 according to the valuation method prescribed in the circular.

11 Borrowings from other banks, financial institutions and agents					
Borrowings inside Bangladesh	11.1	141,434,283	2,606,382	-	-
Borrowings outside Bangladesh	11.2	68,956,609,137	50,345,004,023	68,944,031,752	50,331,428,570
		69,098,043,420	50,347,610,405	68,944,031,752	50,331,428,570
11.1 Borrowings inside Bangladesh					
Mutual Trust Bank PLC.		-	1,359,992	-	-
Eastern Bank PLC.		1,434,283	1,246,390	-	-
ICB Fund		140,000,000	-	-	-
		141,434,283	2,606,382	-	-
11.2 Borrowings outside Bangladesh					
Asian Development Bank		3,668,862,000	3,600,000,000	3,668,862,000	3,600,000,000
ABC Bank UK		1,222,954,000	-	1,222,954,000	-
Caixabank S.A.		7,337,724,000	8,400,000,000	7,337,724,000	8,400,000,000
Commerzbank Ag, Hamburg, Germany		3,668,862,000	1,200,000,000	3,668,862,000	1,200,000,000
Commercial Bank Of Dubai		2,445,908,000	-	2,445,908,000	-
Abu Dhabi Commercial Bank, UAE		1,834,431,000	-	1,834,431,000	-
JP Morgan Chase Bank N.A. Singapore		-	2,400,000,000	-	2,400,000,000
Mizuho Bank Ltd, Singapore		6,114,770,000	3,360,000,000	6,114,770,000	3,360,000,000
Citibank, N.A.,Tokyo Branch		-	171,428,570	-	171,428,570
Citibank Hong Kong		3,057,385,000	-	3,057,385,000	-
Emirates Nbd Bank Pjsc, Dubai		6,114,770,000	2,400,000,000	6,114,770,000	2,400,000,000
Millennium Bank, Portugal		12,577,385	13,575,453	-	-
National Bank Of Ras Al-Khaimah		6,114,770,000	-	6,114,770,000	-
British International Investment PLC		5,350,423,752	6,000,000,000	5,350,423,752	6,000,000,000
International Finance Corporation (IFC), USA		6,114,770,000	6,000,000,000	6,114,770,000	6,000,000,000
DEG - Deutsche Investitions		4,891,816,000	6,000,000,000	4,891,816,000	6,000,000,000
Japan International Cooperation Agency (JICA)		11,006,586,000	10,800,000,000	11,006,586,000	10,800,000,000
		68,956,609,137	50,345,004,023	68,944,031,752	50,331,428,570
11.3 Security against borrowings from other banks, financial institutions and agents:					
Secured (Treasury bills)		-	-	-	-
Unsecured		69,098,043,420	50,347,610,405	68,944,031,752	50,331,428,570
		69,098,043,420	50,347,610,405	68,944,031,752	50,331,428,570

11.4 Disclosure regarding REPO

Disclosure regarding REPO transactions of the Bank are given as per Bangladesh Bank DOS Circular No. 6 dated 15 July 2010.

(a) (i) Disclosure regarding outstanding Repo as on 31 December 2025

Counter party name	SL. no	Agreement date	Reversal date	Amount (1st leg cash consideration) outstanding	Amount (1st leg cash consideration) outstanding
Bangladesh Bank	i	17 December 2025	01 January 2026	15,512,594,900	-
Bangladesh Bank	ii	23 December 2025	06 January 2026	23,158,586,372	-
Bangladesh Bank	iii	30 December 2025	13 January 2026	9,528,588,290	-
Standard Chartered Bank Dhaka	iv	30 December 2025	04 January 2026	3,028,251,900	
Bangladesh Bank	i	10 December 2024	07 January 2025	-	8,773,002,157
Bangladesh Bank	ii	17 December 2024	14 January 2025	-	14,294,992,643
Bangladesh Bank	iii	24 December 2024	21 January 2025	-	7,250,577,880
				51,228,021,462	30,318,572,680

(a) (ii) Disclosure regarding outstanding Reverse Repo as on 31 December 2025

Counter party name	SL. no	Agreement Date	Reversal Date	Amount (1st leg cash consideration)	Amount (1st leg cash consideration)
				-	-
				-	-

(b) Disclosure regarding overall transaction of Repo and Reverse repo during the year 2025

Particulars	Minimum outstanding during the year 2025	Maximum outstanding during the year 2025	Daily average outstanding during the year 2025	Daily average outstanding during the year 2024
Securities sold under repo:				
i) with Bangladesh Bank	2,436,869,500	37,654,284,549	3,265,524,306	2,808,405,268
ii) with other banks & FIs	480,080,000	19,363,838,228	1,896,111,687	924,652,673
Securities purchased under reverse repo:				
i) with Bangladesh Bank	1,000,000,000	7,750,000,000	140,821,918	40,300,546
ii) with other banks & FIs	299,249,100	16,197,928,664	488,639,204	182,679,537

11.5 Maturity wise grouping of borrowing from other bank and financial institutions					
Repayable on demand		3,683,210,964	3,706,957,171	4,669,360,668	4,971,428,570
Not more than 3 months		18,018,483,702	8,991,707,146	17,427,094,502	8,460,000,000
More than 3 months but not more than 1 year		26,149,166,837	10,048,946,088	25,600,394,667	9,300,000,000
More than 1 year but not more than 5 years		20,245,582,589	24,653,760,000	20,245,582,589	24,653,760,000
More than 5 years		1,001,599,328	2,946,240,000	1,001,599,326	2,946,240,000
		69,098,043,420	50,347,610,405	68,944,031,752	50,331,428,570
12 Borrowings from central bank & government agencies					
BB - Export development fund (EDF)		10,311,817,004	8,415,427,277	10,311,817,004	8,415,427,277
Bangladesh Bank Assured REPO		18,754,108,000	18,754,108,000	18,754,108,000	18,754,108,000
SME Foundation pre finance		326,676,541	423,319,340	326,676,541	423,319,340
BB - Long term financing facility (LTFF)		451,193,897	626,626,921	451,193,897	626,626,921
BB - Green transformation fund (GTF)		5,018,059	81,618,958	5,018,059	81,618,958
BB - PSC stimulus package		-	1,722,940,000	-	1,722,940,000
BB - Refinancing for green initiatives		-	10,010,000	-	10,010,000
BB - SME re-finance		20,287,136,277	26,257,376,286	20,287,136,277	26,257,376,286
Joyeeta foundation pre or re-finance		-	-	-	-
BB - Technology Development Fund (TDF)		978,603,601	780,963,036	978,603,601	780,963,036
BB - Green Transformation Fund (GTF)		60,997,019	77,262,890	60,997,019	77,262,890
Borrowing from BB-IPFF-II		691,212,818	651,373,556	691,212,818	651,373,556
BB Ref for Green Initiatives-Corp		81,837,469	102,296,837	81,837,469	102,296,837
BB- Ref for 1000cr agro (Maize and Wheat)		10,818,154	-	10,818,154	-
		51,959,418,839	57,903,323,101	51,959,418,839	57,903,323,101

BRAC Bank PLC.
Independent Auditor's Report and Consolidated & Separate Financial Statements
as at and for the year ended 31 December 2025

BRAC BANK
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Particulars	Note	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
12.1 Maturity wise grouping of Borrowings from central bank & government agencies					
Call		258,071,760	-	258,071,760	-
Repayable on demand		5,640,418,479	4,548,238,497	5,640,418,479	4,548,238,497
Not more than 3 months		7,052,471,579	6,052,605,026	7,052,471,579	6,052,605,026
More than 3 months but not more than 1 year		9,448,304,141	6,728,162,687	9,448,304,141	6,728,162,687
More than 1 year but not more than 5 years		9,568,555,067	14,135,184,318	9,568,555,067	14,135,184,318
More than 5 years		19,991,597,813	26,439,132,573	19,991,597,813	26,439,132,573
		51,959,418,839	**57,903,323,101**	**51,959,418,839**	**57,903,323,101**

13 Affordable housing bond

In 2022, upon approval from Bangladesh Securities & Exchange Commission (BSEC) and permission from Bangladesh Bank, BRAC Bank issued unsecured Affordable Housing Bond amounting BDT 4,751,000,000. The bond has been fully subscribed by International Finance Corporation (IFC). The raised fund will be utilized to provide affordable housing loans to lower and middle income group at a highest interest rate of 7.50% or as revised by Bangladesh Bank time to time.

14 BRAC Bank 2nd subordinated bond

In 2024, BRAC Bank PLC raised capital through issuance of Non-convertible, unsecured, Fully redeemable, Floating rate BRAC Bank 2nd Subordinated Bond worth of BDT 7,000 million (face value of each bond is BDT 1 million each) through private placement after obtaining necessary approval from Bangladesh Bank (BB) and Bangladesh Securities & Exchange Commission (BSEC).

15 BRAC Bank Social sub bond

In 2025, BRAC Bank PLC raised capital through issuance of Non-convertible, unsecured, Fully redeemable, Floating rate BRAC Bank Social Subordinate Bond worth of BDT 10,000 million (face value of each bond is BDT 1 million each) through private placement after obtaining necessary approval from Bangladesh Bank (BB) and Bangladesh Securities & Exchange Commission (BSEC). At 31 December 2025, 6,537 number of bonds has been subscribed which amounting to BDT 6,537,000,000.

Particulars	Note	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
16 Deposits and other accounts					
Current accounts and other accounts	16.1	337,364,452,181	277,875,898,241	236,193,511,602	189,281,704,728
Bills payable	16.2	3,018,597,221	3,770,838,887	3,018,597,221	3,770,838,887
Savings deposits	16.3	129,789,428,478	99,483,397,129	129,789,428,478	99,483,397,129
Term deposits*	16.4	510,455,502,899	386,748,713,246	510,784,524,598	386,909,329,738
Other deposits	16.5	9,731,345,315	9,987,659,097	9,731,345,315	9,987,659,097
		990,359,326,094	**777,866,506,600**	**889,517,407,214**	**689,432,929,579**
* Term deposits include the deposit pension scheme (DPS).					
16.1 Current accounts and other accounts					
Local currency		325,204,701,372	263,631,999,072	214,843,101,221	170,388,846,164
Foreign currencies		21,350,410,381	18,892,858,564	21,350,410,381	18,892,858,564
		346,555,111,753	282,524,857,636	236,193,511,602	189,281,704,728
Less: Inter unit/company elimination		9,190,659,572	4,648,959,395	-	-
		337,364,452,181	**277,875,898,241**	**236,193,511,602**	**189,281,704,728**
16.1.1 Current accounts and other accounts					
Current deposits		323,228,871,093	264,915,916,650	212,867,270,941	171,672,763,742
Special notice deposit		23,326,240,660	17,608,940,986	23,326,240,660	17,608,940,986
		346,555,111,753	282,524,857,636	236,193,511,601	189,281,704,728
Less: Inter unit/company elimination		9,190,659,572	4,648,959,395	-	-
		337,364,452,181	**277,875,898,241**	**236,193,511,601**	**189,281,704,728**
16.2 Bills payable					
Local currency		3,008,700,045	3,761,048,108	3,008,700,045	3,761,048,108
Foreign currencies		9,897,176	9,790,779	9,897,176	9,790,779
		3,018,597,221	**3,770,838,887**	**3,018,597,221**	**3,770,838,887**
16.3 Savings deposits					
Local currency		129,789,428,478	99,483,397,129	129,789,428,478	99,483,397,129
Foreign currencies		-	-	-	-
		129,789,428,478	**99,483,397,129**	**129,789,428,478**	**99,483,397,129**
16.4 Term deposits					
Local currency		498,255,540,813	375,526,854,896	498,255,540,813	375,526,854,896
Foreign currencies		12,528,983,785	11,382,474,842	12,528,983,785	11,382,474,842
		510,784,524,598	386,909,329,738	510,784,524,598	386,909,329,738
Less: Inter unit/company elimination		329,021,699	160,616,492	-	-
		510,455,502,899	**386,748,713,246**	**510,784,524,598**	**386,909,329,738**
16.5 Other deposits					
Local currency	16.5.1	9,731,345,315	9,986,724,789	9,731,345,315	9,986,724,789
Foreign currencies		-	934,308	-	934,308
		9,731,345,315	9,987,659,097	9,731,345,315	9,987,659,097
Less: Inter unit/company elimination		-	-	-	-
		9,731,345,315	**9,987,659,097**	**9,731,345,315**	**9,987,659,097**
16.5.1 Other local currency deposits					
Security deposits		792,000	792,000	792,000	792,000
Sundry deposit	16.5.1.1	9,730,553,315	9,985,932,789	9,730,553,315	9,985,932,789
		9,731,345,315	**9,986,724,789**	**9,731,345,315**	**9,986,724,789**
16.5.1.1 Sundry deposit					
Payable to NPS		8,615,238,990	8,769,267,770	8,615,238,990	8,769,267,770
EFTN and BACH adjustments account		939,349,956	1,071,287,605	939,349,956	1,071,287,605
Payable against customers, loan account and others		175,964,369	145,377,414	175,964,369	145,377,414
		9,730,553,315	**9,985,932,789**	**9,730,553,315**	**9,985,932,789**
16.6 Deposits concentration					
Deposits from banks-inside Bangladesh	16.6.1	102,196,570	812,493,389	102,196,570	812,493,389
Other than banks		990,257,129,524	777,054,013,211	889,415,210,644	688,620,436,190
		990,359,326,094	**777,866,506,600**	**889,517,407,214**	**689,432,929,579**
16.6.1 Deposits from banks inside Bangladesh					
Current deposits:					
NRB Bank PLC		1,304,966	1,313,966	1,304,966	1,313,966
Islami Bank Bangladesh PLC		439,748	439,898	439,748	439,898
One Bank PLC		172,906	369,378	172,906	369,378
Meghna Bank PLC		468,430	469,680	468,430	469,680
EXIM Bank PLC		11,646,018	-	11,646,018	-
Bangladesh Krishi Bank, Dohar Branch		5,099,587	-	5,099,587	-
National Credit & Commerce Bank PLC		-	14,727	-	14,727
		19,131,655	2,607,649	19,131,655	2,607,649
Special notice deposit:					
Dutch-Bangla Bank Mobile Banking-Rocket		83,064,915	9,885,740	83,064,915	9,885,740
Term deposits from Banks:					
Rajshahi Krishi Unnayan Bank		-	800,000,000		800,000,000
		-	800,000,000	-	800,000,000
Total deposits from banks		**102,196,570**	**812,493,389**	**102,196,570**	**812,493,389**
16.7 Payable on demand and time deposit					
i) Demand deposit					
Current deposits		292,687,801,140	241,374,098,691	191,516,860,561	152,779,905,178
Saving deposits (9% of total saving deposits)		11,681,048,563	8,953,505,742	11,681,048,563	8,953,505,742
Foreign currency deposits		21,350,410,381	18,893,792,872	21,350,410,381	18,893,792,872
Sundry deposits		9,730,553,315	9,985,932,789	9,730,553,315	9,985,932,789
Bills payable		3,018,597,221	3,770,838,887	3,018,597,221	3,770,838,887
		338,468,410,620	**282,978,168,981**	**237,297,470,041**	**194,383,975,468**
ii) Time deposit					
Saving deposits (91% of total saving deposits)		118,108,379,915	90,529,891,387	118,108,379,915	90,529,891,387
Foreign currency deposits		12,528,983,785	11,382,474,842	12,528,983,785	11,382,474,842
Term deposits		465,041,372,002	349,047,297,071	465,370,393,701	349,207,913,564
Deposit pension schemes (DPS)		32,885,147,112	26,318,941,332	32,885,147,112	26,318,941,332
Special notice deposit		23,326,240,660	17,608,940,986	23,326,240,660	17,608,940,986
Security deposits		792,000	792,000	792,000	792,000
		651,890,915,474	**494,888,337,618**	**652,219,937,173**	**495,048,954,111**
		990,359,326,094	**777,866,506,599**	**889,517,407,214**	**689,432,929,579**
16.8 Maturity wise grouping of deposits and other accounts					
Repayable on demand		10,631,745,831	13,609,570,623	10,631,745,831	13,609,570,623
Repayable within 1 month		101,865,489,402	86,653,140,450	97,068,531,437	74,975,757,370
Over 1 months but within 6 months		192,893,998,731	158,627,009,204	303,414,605,950	257,004,274,166
Over 6 months but within 1 year		299,863,234,858	247,895,204,216	163,668,898,172	133,875,314,322
Over 1 year but within 5 years		351,790,537,419	244,260,334,908	308,948,566,311	209,963,318,022
Over 5 years but within 10 years		33,314,319,853	26,821,247,198	5,785,059,513	4,695,076
Total balance		**990,359,326,094**	**777,866,506,599**	**889,517,407,214**	**689,432,929,579**
Unclaimed deposits for 10 years or more		**107,061,637**	**53,384,534**	**107,061,637**	**53,384,534**

As per the Bank Company Act 1991, Section 35, and BRPD Circular No. 10 dated 12 September 2018, if any money or valuable asset (except deposits from the government, minors, or litigation) is unclaimed for ten years or more as of 31 December every year, a three-month' notice will be given to the concerned depositors. Based on the response from the concerned depositors, the amount will be paid to them; otherwise, the reported unclaimed deposit amount will be surrendered to Bangladesh Bank by 30 April 2026. We reported BDT 107,061,637 (including converted FCY amount) as the 10 years and above unclaimed deposit amount as of 31 December 2025 (cutoff date) to Bangladesh Bank. However, the surrendered amount will be finalized after completion of the notice period.

Particulars	Note	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
17 Other liabilities					
Provision for loans and advances	17.1	19,976,725,648	19,701,567,950	18,749,743,704	18,489,732,179
Provision for interest receivable from loan	17.2	45,681,064	40,869,040	45,681,064	40,869,040
Provisions for off balance sheet Items	17.3	1,148,547,347	1,148,547,347	1,148,547,347	1,148,547,347
Provision for diminution in value of investments	17.4	542,343,834	48,732,877	542,343,834	48,732,877
Provision for other assets	17.5	352,529,310	350,407,070	352,529,310	350,407,070
Provision against non banking assets (NBA)		10,939,543	7,636,865	10,939,543	7,636,865
Provision against placement Funds		102,750,000	-	102,750,000	-
Interest suspense	17.6	1,649,030,342	1,796,186,975	1,649,030,342	1,796,186,975
Withholding tax payable	17.7	1,450,743,401	1,104,726,301	1,450,743,401	1,104,726,301
VAT payable	17.8	340,884,381	244,907,520	340,884,381	244,907,520
Excise duty payable		351,637,255	611,660,557	351,637,255	611,660,557
Provision for taxation net off AIT	17.9	12,372,742,935	9,121,330,429	5,796,955,775	4,543,543,558
Deferred tax liability	9.4	2,538,843,673	1,878,563,858	4,336,617,375	3,328,798,991
Interest payable on borrowings		1,752,207,239	1,502,708,930	1,752,207,239	1,502,708,930
Accrued expenses		11,023,602,712	6,098,805,919	3,932,524,404	989,448,722
Share subscription - IPO (refund warrant)		325,217	316,252	325,217	316,252
Unclaimed and undistributed dividend	17.10	27,709,034	31,743,945	27,709,034	31,743,945
Suppliers payable		186,334,470	132,248,481	186,334,470	132,248,481
Lease liabilities as per IFRS 16		6,502,655,731	4,684,331,702	5,410,091,248	4,289,290,659
Payable against exchange houses		531,133	927,227	531,133	927,227
Payable against insurances		5,549,808	5,745,950	5,549,808	5,745,950
Payable against proxy account		-	2,396,427	-	2,396,427
Payable against SWIFT charge		106,704,918	80,602,395	106,704,918	80,602,395
Payable for other business operations	17.11	3,799,545,301	6,038,879,372	3,799,545,301	6,038,879,372
Other liabilities of subsidiaries	17.12	3,537,690,283	3,171,620,729	-	-
		67,826,254,579	**57,805,464,118**	**50,099,926,103**	**44,790,057,640**
17.1 Provision for loans and advances					
A. General provision					
Provisions held at the beginning of the year		5,227,075,971	5,081,535,788	5,227,075,971	5,081,535,788
Less: Transfer to specific provision		-	(784,207,224)	-	(784,207,224)
Add: Net charge during the year		744,759,016	929,747,407	740,550,846	929,747,407
Provisions held at the end of the year		**5,971,834,987**	**5,227,075,971**	**5,967,626,817**	**5,227,075,971**
B. Specific provision					
Provisions held at the beginning of the year (i)		14,474,491,979	12,878,824,673	13,262,656,208	11,666,988,903
Add: Transfer from general provision (iii)		-	784,207,224	-	784,207,224
Less: Write off during the year (v)		(7,246,615,692)	(3,363,963,928)	(7,246,615,692)	(3,356,694,532)
Add: Net Provision charged for the year (vi)		6,627,098,940	3,758,940,516	6,616,160,937	3,751,671,119
Add: Recovery of written off bad debts (vii)		1,051,599,957	924,519,756	1,051,599,957	924,519,756
Less: Adjustment/Release during the year (iv)		(901,684,523)	(508,036,262)	(901,684,523)	(508,036,262)
Provisions held at the end of the year (i+ii+iii+iv+v+vii-vii)		**14,004,890,661**	**14,474,491,979**	**12,782,116,887**	**13,262,656,208**
Total provision held at the end of the year (A+B)		**19,976,725,648**	**19,701,567,950**	**18,749,743,704**	**18,489,732,179**

17.2 Provision for interest receivable from loan (Bank only)

Particular	Base for provision	Percentage (%) of required provision	Required provision 2025	Required provision 2024
Corporate	2,838,533,984	1%	28,385,340	30,029,808
Retail	565,886,781	1%	5,658,868	7,289,106
SME	1,522,214,065	0.5%	7,611,070	3,550,126
Total required provision			41,655,278	40,869,040
Total provision maintained (Note 17.2)			45,681,064	40,869,040
Excess/(short) provision			**4,025,786**	**-**

Particulars	Note	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
17.3 Provisions for off balance sheet items					
Balance at the beginning of the year		1,148,547,347	1,079,770,556	1,148,547,347	1,079,770,556
Provision made during the year		-	68,776,791	-	68,776,791
Balance at the end of the year		**1,148,547,347**	**1,148,547,347**	**1,148,547,347**	**1,148,547,347**

17.3.1 Particulars of required provisions for off balance sheet items - general provision (Bank only)

Particulars	Base for provision	Percentage (%) of required provision	Required provision 2025	Required provision 2024
Acceptances and endorsements (net of UPAS Loans)	29,816,695,553	1%	298,166,956	374,496,194
Irrevocable letters of credit	69,595,275,374	0.5%	347,976,377	294,496,984
Letter of guarantees	42,373,757,777	1%	423,737,578	326,654,092
Total required provision before considering counter guarantee			1,069,880,911	995,647,270
Deduction for counter guarantee			45,835,249	39,690,994
Total required provision			1,024,045,662	955,956,276
Total provision maintained (Note 17.3)			1,148,547,347	1,148,547,347
Excess/(short) provision			**124,501,685**	**192,591,071**

Particulars	Note	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
17.4 Provision for diminution in value of investments					
Balance at the beginning of the year		48,732,877	54,699,842	48,732,877	54,699,842
Add: Provision made/(released) during the year		493,610,957	(5,966,965)	493,610,957	(5,966,965)
Balance at the end of the year		**542,343,834**	**48,732,877**	**542,343,834**	**48,732,877**
17.5 Provision for other assets					
Provisions held at the beginning of the year		350,407,070	250,326,862	350,407,070	250,326,862
Add: Provision made during the year		7,072,240	100,080,208	7,072,240	100,080,208
Less: Provision (released) during the year		(4,950,000)	-	(4,950,000)	-
Provisions held at the end of the year		**352,529,310**	**350,407,070**	**352,529,310**	**350,407,070**

17.5.1 Particulars of required provision for other assets (Bank only)

Other asset type	Other assets balance	Doubtful (50%)	Bad/Loss (100%)	Required provision 31 Dec 2025	Required provision 31 Dec 2024
Unadjusted prepaid expenses	946,720,217	190,882	499,990	595,431	1,093,453
Receivable for fraud and forgery-protested bill	133,083,256	-	133,083,256	133,083,256	130,961,016
Receivables from Bangladesh Bank for interest subsidy	65,539,600	-	2,630,167	2,630,167	2,630,167
Accrued Interest on Investment	7,851,105,338	-	518,135	518,135	518,135
Receivable for BSP/Bond Commission for Govt Stimulus	97,097,013	-	89,982,845	89,982,845	79,391,017
Other Accrued Income	36,577,015	-	65,615	65,615	65,615
Advance security deposit	139,372,202	-	779,000	779,000	779,000
Receivable from biTS (as advised by BB)	63,466,065	-	-	634,661	939,298
Advances, receivables and other settlement balances	8,019,267,999		60,840,320	60,840,320	61,381,123
Other unadjusted balances	6,649,950,331	1,788,956	47,245,656	48,140,134	46,196,389
Total required provision for other assets				337,269,563	323,955,213
Total provision maintained				352,529,310	350,407,070
Excess/(short) provision				**15,259,747**	**26,451,857**

In Taka

Particulars	Note	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
17.6 Interest suspense					
Balance at the beginning of the year		1,796,186,975	1,988,749,599	1,796,186,975	1,988,749,599
Add: Amount transferred to "interest suspense" account during the year		2,149,362,359	3,129,601,055	2,149,362,359	3,129,601,055
		3,945,549,334	5,118,350,654	3,945,549,334	5,118,350,654
Less: Amount recovered and adjusted in "interest suspense" account during the year		1,850,749,088	3,042,488,295	1,850,749,088	3,042,488,295
Less: Amount written off during the year		445,769,904	279,675,384	445,769,904	279,675,384
Balance at the end of the year		**1,649,030,342**	**1,796,186,975**	**1,649,030,342**	**1,796,186,975**
17.7 Withholding tax payable					
Payable on Interest		978,124,444	718,983,634	978,124,444	718,983,634
Payable (suppliers)		15,041,202	9,614,991	15,041,202	9,614,991
Payable (staff salaries and allowance)		45,869,228	32,915,273	45,869,228	32,915,273
Payable (rent)		14,172,819	5,698,184	14,172,819	5,698,184
Payable (export)		190,834,431	189,743,835	190,834,431	189,743,835
Payable on commission paid		97,144,938	36,836,299	97,144,938	36,836,299
Payable on certain services		18,635,139	11,350,480	18,635,139	11,350,480
Payable on export cash subsidy		16,997,734	30,761,634	16,997,734	30,761,634
Payable on local LC		3,679,487	2,845,466	3,679,487	2,845,466
Payable on foreign buyer agent		34,982,078	45,236,329	34,982,078	45,236,329
Freight forward agency commission		1,363,980	485,687	1,363,980	485,687
Payable on IGW services		2,371,932	1,579,186	2,371,932	1,579,186
Payable on others		31,525,989	18,675,303	31,525,989	18,675,303
		1,450,743,401	**1,104,726,301**	**1,450,743,401**	**1,104,726,301**
17.8 VAT Payable					
Payable on banking service		124,267,597	120,779,157	124,267,597	120,779,157
Payable - supplier		125,013,867	48,530,006	125,013,867	48,530,006
Payable - rent		18,591,291	15,241,310	18,591,291	15,241,310
Payable - DPDC, DESCO, BPDB & REB		73,011,626	60,357,047	73,011,626	60,357,047
		340,884,381	**244,907,520**	**340,884,381**	**244,907,520**
17.9 Provision for taxation net off AIT (Bank only)					
A. Provision for tax:					
Balance at the beginning of the year				26,446,843,087	22,658,658,412
Less: Adjusted during the year				-	(2,561,557,782)
Net addition during the year				8,366,129,292	6,349,742,457
Balance at the end of the year				**34,812,972,379**	**26,446,843,087**
B. Advance income tax:					
Balance at the beginning of the year				21,903,299,529	18,432,054,366
Less: Adjusted during the year				-	(2,537,606,824)
Add: Paid during the year				7,112,717,075	6,008,851,987
Balance at the end of the year				**29,016,016,604**	**21,903,299,529**
Provision for taxation (A-B)				**5,796,955,775**	**4,543,543,558**
Corporate tax position of the Bank has been presented in **Annexure F.**					
17.10 Unclaimed and undistributed dividend (Bank Only)					
Cash Dividend 2019				3,276,208	3,393,198
Cash Dividend 2020				4,519,706	4,717,654
Cash Dividend 2021				2,721,965	2,802,329
Cash Dividend 2022				3,965,473	4,052,970
Cash Dividend 2023				6,322,707	16,575,224
Cash Dividend 2024				6,654,591	-
Fractional Dividend				248,384	202,570
				27,709,034	**31,743,945**

Further to above, in pursuant to SEC/SRMIC/165-2020/part-1/182, dated July 19, 2021 and Capital Market Stabilization Fund, Rules 2021 issued by Bangladesh Securities and Exchange Commission (BSEC) regarding transfer the amount held against unclaimed dividend/undistributed /unsettled public subscription money for the period of more than 3 (three) years; we have transferred the amount BDT 60,840,320 to the Capital Market Stabilization Fund (CMSF). The list of unclaimed/undistributed dividend is available in the official website of BRAC Bank PLC.

Particulars	Note	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
17.11 Payable for other business operations					
Payables related to cards and others		1,046,968,826	1,065,490,926	1,046,968,826	1,065,490,926
Payable to merchant		233,998,729	1,482,507	233,998,729	1,482,507
Payable related to other business activities		2,518,577,746	4,971,905,939	2,518,577,746	4,971,905,939
		3,799,545,301	**6,038,879,372**	**3,799,545,301**	**6,038,879,372**
17.12 Other liabilities of subsidiaries					
BRAC EPL Investments Limited		69,689,670	50,559,203		
BRAC EPL Stock Brokerage Limited		1,067,601,885	1,035,055,895		
bKash Limited		2,462,083,268	2,155,443,701		
		3,599,374,823	**3,241,058,799**		
Less: Inter company transactions:					
BRAC Bank PLC.		18,705,599	28,108,499		
BRAC EPL Investments Limited		2,831,252	3,628,105		
BRAC EPL Stock Brokerage Limited		27,298,030	22,230,493		
bKash Limited		12,849,659	15,470,973		
		61,684,540	69,438,070		
		3,537,690,283	**3,171,620,729**		
18 Share capital					
18.1 Authorized capital					
5,000,000,000 ordinary shares of Tk. 10 each				50,000,000,000	50,000,000,000
Authorized Share capital was increased from 20,000,000,000 to BDT 50,000,000,000 which is approved by the shareholder at its 24th AGM, held on 31 May 2023.					
18.2 Issued, Subscribed and Paid up capital					
100,000,000 Ordinary Shares of Tk. 10/- each issued for cash				1,000,000,000	1,000,000,000
1,636,695,921 Ordinary Shares of Tk. 10/- each issued as bonus share				16,366,959,210	14,154,819,030
26,400,000 Right Shares of Tk. 10/- each issued in 2008				264,000,000	264,000,000
221,652,288 Right Shares of Tk. 10/- each issued in 2014				2,216,522,880	2,216,522,880
1,149,589 Ordinary Shares of Tk. 10/- each issued as 1st bond converted share in 2016				11,495,890	11,495,890
2,237,835 Ordinary Shares of Tk. 10/- each issued as 2nd bond converted share in 2017				22,378,350	22,378,350
2,790,534 Ordinary Shares of Tk. 10/- each issued as 3rd bond converted share in 2018				27,905,340	27,905,340
				19,909,261,670	**17,697,121,490**

18.2.1 History of paid-up capital

Given below the history of raising of share capital of BRAC Bank PLC.:

Particulars	Allotment year	Number of shares issued: Bonus shares	Number of shares issued: Subscription	Total paid up shares (No of shares)	Addition in amount of share capital (BDT)	Total paid up capital (BDT)
First (Subscription to the Memorandum and Articles of Association) at the time of Incorporation	1999	-	2,000,000	2,000,000	200,000,000	200,000,000
BRAC (subscription)	2001	-	500,000	2,500,000	50,000,000	250,000,000
BRAC (subscription)	2003	-	674,500	3,174,500	67,450,000	317,450,000
ShoreCap International Ltd.	2004	-	875,700	4,050,200	87,570,000	405,020,000
International Finance Corporation	2004	-	949,800	5,000,000	94,980,000	500,000,000
IPO	2006	5,000,000	-	10,000,000	500,000,000	1,000,000,000
Bonus Share 20%	2007	2,000,000	-	12,000,000	200,000,000	1,200,000,000
Bonus Share 10%	2008	1,200,000	-	13,200,000	120,000,000	1,320,000,000
Right Share 20%	2008	-	2,640,000	15,840,000	264,000,000	1,584,000,000
Bonus Share 30%	2009	4,752,000	-	20,592,000	475,200,000	2,059,200,000
Bonus Share 30%	2010	6,177,600	-	26,769,600	617,760,000	2,676,960,000
Bonus Share 20%	2011	5,353,920	-	32,123,520	535,392,000	3,212,352,000
Denomination of face value from Tk.100 to Tk.10 per share	2011	-	-	321,235,200	-	3,212,352,000
Bonus Share 20%	2012	64,247,040	-	385,482,240	642,470,400	3,854,822,400
Bonus Share 15%	2013	57,822,336	-	443,304,576	578,223,360	4,433,045,760
Bonus Share 10%	2014	44,330,457	-	487,635,033	443,304,570	4,876,350,330
Right share 50%	2014	-	221,652,288	709,287,321	2,216,522,880	7,092,873,210
Fresh Issue against Bond, 1st Conversion of Bond	2016	-	1,149,589	710,436,910	11,495,890	7,104,369,100
Fresh Issue against Bond, 2nd Conversion of Bond	2017	-	2,237,835	712,674,745	22,378,350	7,126,747,450
Bonus Share 20%	2017	142,534,949	-	855,209,694	1,425,349,490	8,552,096,940
Fresh Issue against Bond, 3rd Conversion of Bond	2018	-	2,790,534	858,000,228	27,905,340	8,580,002,280
Bonus Share 25%	2018	214,500,057	-	1,072,500,285	2,145,000,570	10,725,002,850
Bonus Share 15%	2019	160,875,042	-	1,233,375,327	1,608,750,420	12,333,753,270
Bonus Share 7.50%	2020	92,503,149		1,325,878,476	925,031,490	13,258,784,760
Bonus Share 5%	2021	66,293,923	-	1,392,172,399	662,939,230	13,921,723,990
Bonus Share 7.50%	2022	104,412,929	-	1,496,585,328	1,044,129,290	14,965,853,280
Bonus Share 7.50%	2023	112,243,899	-	1,608,829,227	1,122,438,990	16,088,292,270
Bonus Share 10%	2024	160,882,922	-	1,769,712,149	1,608,829,220	17,697,121,490
Bonus Share 12.5%	2025	221,214,018		1,990,926,167	2,212,140,180	19,909,261,670
Total					**19,909,261,670**	

Particulars	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
18.2.2 Issued, subscribed and paid up capital				
Balance at the beginning of the year	17,697,121,490	16,088,292,270	17,697,121,490	16,088,292,270
Add: Stock dividend of 2024 issued in 2025	2,212,140,180	1,608,829,220	2,212,140,180	1,608,829,220
Balance at the end of the year	**19,909,261,670**	**17,697,121,490**	**19,909,261,670**	**17,697,121,490**

18.3 Initial public offering (IPO)

According to IPO rules 2006 "Initial public offering (IPO)" means first offering of security by an issuer to the general public. Out of the total issued, subscribed, and fully paid up capital of the bank 5,000,000 ordinary shares of Tk. 100.00 each amounting to Taka 500,000,000 was raised through Initial public offering of shares held in 2006.

18.4 Cash dividend/bonus Issue

On 19 June 2025, 25% Dividend (12.5% stock & 12.5% Cash) were approved by the shareholders at it's 26th Annual General Meeting. The stock dividend was distributed on 24 June 2025 accordingly.

18.4.1 The Bank held its 8th EGM on 3 November 2011 and changed the face value of share from Tk. 100 per share to Tk. 10 per share and market lot of shares from 50 shares to 500 shares in each lot. At 11 December 2014, DSE new Trading system launched that neutralize market lot into 1 shares.

18.5 Ordinary Shares

Particulars	No. of Shares (2025)	% of shareholding (2025)	2025 Taka	2024 Taka
Sponsor & Director	919,161,058	46.17%	9,191,610,580	8,171,053,390
Government	-		-	-
Institutions	228,571,092	11.48%	2,285,710,920	2,495,023,440
Foreign	717,880,433	36.06%	7,178,804,330	5,620,542,110
General public	125,313,584	6.29%	1,253,135,840	1,410,502,550
	1,990,926,167	**100%**	**19,909,261,670**	**17,697,121,490**

18.5.1 Share trading

Trading of BRAC Bank's ordinary

18.6 Classification of shareholding

Range of holding of shares	Number of shareholders (2025)	Number of shares (2025)	% of holding of shares (2025)
Less than 500	6,348	873,464	0.04%
500 to 5,000	6,255	11,067,545	0.56%
5,001 to 10,000	1,789	12,919,179	0.65%
10,001 to 20,000	718	10,075,830	0.51%
20,001 to 30,000	261	6,530,559	0.33%
30,001 to 40,000	157	5,400,560	0.27%
40,001 to 50,000	103	4,608,444	0.23%
50,001 to 100,000	214	15,079,870	0.76%
100,001 to 1,000,000	275	82,541,179	4.15%
Over 1,000,000	82	1,841,829,537	92.51%
Total	**16,202**	**1,990,926,167**	**100%**

18.6.1 Name of the directors and their shareholdings as at 31 December 2025:

Name	Status	Opening position	Closing position	% of shares held as on 31 Dec 2025	% of shares held as on 31 Dec 2024
Mr. Meheriar M Hasan, Chairperson (Nominated by BRAC)	Nominated Director	NIL	NIL	NIL	NIL
Mr. Faruq Mayeenuddin Ahmed, Vice-Chairperson	Independent Director	NIL	NIL	NIL	NIL
Ms. Farzana Ahmed	Independent Director	NIL	NIL	NIL	NIL
Dr. Zahid Hussain	Independent Director	NIL	NIL	NIL	NIL
Mr. Salek Ahmed Abul Masrur	Independent Director	NIL	NIL	NIL	NIL
Ms. Anita Ghazi Rahman	Independent Director	NIL	NIL	NIL	NIL
Mr. Chowdhury MAQ Sarwar	Independent Director	NIL	NIL	NIL	NIL
Ms. Lila Rashid	Independent Director	NIL	NIL	NIL	NIL

Particulars	Year of issuance	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
18.7 Share premium			
5,000,000 ordinary shares @ Tk. 70 per share	2006	350,000,000	350,000,000
2,640,000 ordinary shares @ Tk. 400 per share	2008	1,056,000,000	1,056,000,000
221,652,288 ordinary shares @ Tk. 10 per share	2014	2,216,522,880	2,216,522,880
1,149,589 ordinary shares @ Tk. 32.55 per share	2016	37,419,151	37,419,151
2,237,835 ordinary shares @ Tk. 35.10 per share	2017	78,548,041	78,548,041
2,790,534 ordinary shares @ Tk. 41.31 per share	2018	115,276,960	115,276,960
		3,853,767,032	**3,853,767,032**
18.7.1 Particulars of share premium			
Sponsor:			
BRAC		1,324,534,000	1,324,534,000
Others		192,580	192,580
Non sponsor:			
International Finance Corporation (IFC)		219,056,640	219,056,640
ShoreCap International Limited		92,473,920	92,473,920
Non Resident Bangladeshis		91,555,530	91,555,530
Mutual Funds		189,254,190	189,254,190
General Public		1,936,700,172	1,936,700,172
		3,853,767,032	**3,853,767,032**

18.8 Capital Adequacy Ratio - As per BASEL-III

Amount in Taka

Particulars	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
Common equity tier-1 (going concern capital)				
Fully paid-up capital	19,909,261,670	17,697,121,490	19,909,261,670	17,697,121,490
Non-repayable share premium account	3,853,767,032	3,853,767,032	3,853,767,032	3,853,767,032
Statutory reserve	16,256,518,245	14,038,055,470	16,055,494,638	13,843,354,458
Retained earnings	51,952,844,586	40,595,382,384	38,964,522,911	29,949,971,050
Dividend equalization fund	355,218,455	355,218,455	355,218,455	355,218,455
Minority/Non-controlling interest in subsidiaries	26,763,511,820	22,510,072,109		-
Sub-total	**119,091,121,808**	**99,049,616,940**	**79,138,264,706**	**65,699,432,485**
Regulatory adjustments				
Goodwill and all other intangible assets	4,787,675,547	5,055,520,029	906,792,721	781,335,327
Deferred tax assets (DTA)	7,529,172,468	7,898,242,755	5,742,560,942	5,939,181,442
Sub-total	**12,316,848,015**	**12,953,762,784**	**6,649,353,663**	**6,720,516,769**
Total admissible tier-1 capital	**106,774,273,793**	**86,095,854,156**	**72,488,911,043**	**58,978,915,716**
Tier-2 capital (going concern capital)				
General provision	7,116,174,164	6,375,623,318	7,116,174,164	6,375,623,318
Subordinated debt	13,537,000,000	6,287,000,000	13,537,000,000	6,287,000,000
Sub-total	**20,653,174,164**	**12,662,623,318**	**20,653,174,164**	**12,662,623,318**
Maximum limit of tier-2 capital (Tier 2 capital can be maximum up to 4.0% of the total RWA or 88.89% of CET1, whichever is higher)	80,495,717,698	64,757,423,035	51,189,580,833	41,586,187,079
Total admissible tier-2 capital	**20,653,174,164**	**12,662,623,318**	**20,653,174,164**	**12,662,623,318**
Total Regulatory capital	**127,427,447,957**	**98,758,477,474**	**93,142,085,207**	**71,641,539,034**
Total risk weighted assets (RWA)	648,694,338,185	518,414,112,410	596,040,687,267	479,280,734,657
Minimum capital requirement (MCR - 10%)	64,869,433,819	51,841,411,241	59,604,068,727	47,928,073,466
Minimum Capital Requirement with capital conservation buffer @ 12.5%	81,086,792,273	64,801,764,051	74,505,085,908	59,910,091,832
Surplus/ (deficiency)	46,340,655,684	33,956,713,423	18,636,999,299	11,731,447,202
Capital adequacy ratio:				
Common equity tier-1 (against standard of minimum 6%)	16.46%	16.61%	12.16%	12.31%
Capital to risk-weighted asset ratio (CRAR)*	19.64%	19.05%	15.63%	14.95%
Minimum Capital Requirement with capital conservation buffer @ 12.5%	12.50%	12.50%	12.50%	12.50%
Surplus/(deficiency) %	7.14%	6.55%	3.13%	2.45%

* In Standalone regulatory capital calculation, fair value gain of BDT 10,187,384,306 on investment in subsidiaries and associates arisen out of application of IFRS 9 for the measurement of equity investment in subsidiaries and associate at fair value. The fair value gain/loss reported as FVOCI directly as part of equity as per IFRS 9. In absence of any specific guidelines for the treatment of Fair value gain/loss in Risk Based Capital Adequacy guidelines by Bangladesh Bank, the fair value gain /loss has not been considered as part of Tier 1 capital. However, as this has emerged from implementation of IFRS 9 (which came in to effect in 2018), we have requested Bangladesh Bank for their guidance on the same. While the fair value gain /loss is a part of Tier 1 capital according to the recommendation of International Basel Committee. Had the fair value gain/loss been considered as component of Tier-I capital as per international practice, the standalone Regulatory Capital to Risk-weighted Asset Ratio (CRAR) would have been reported at 16.90%.

Amount In Taka

Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
19 Statutory reserve					
Balance at the beginning of the year		14,038,055,470	12,312,787,273	13,843,354,458	12,234,525,238
Transferred from profit during the year		2,218,462,775	1,725,268,197	2,212,140,180	1,608,829,220
Balance at the end of the year		**16,256,518,245**	**14,038,055,470**	**16,055,494,638**	**13,843,354,458**
20 Revaluation reserve on govt. securities					
Balance at the beginning of the year		949,752,769	183,523,000	949,752,769	183,523,000
Add: Addition during the year		32,131,463,303	12,044,419,047	32,131,463,303	12,044,419,047
Less: Adjustment during the year		23,933,077,179	11,278,189,278	23,933,077,179	11,278,189,278
		9,148,138,893	**949,752,769**	**9,148,138,893**	**949,752,769**
21 Fair value gain/(loss) on equity investment (Standalone)					
Balance at the beginning of the year				8,233,329,679	7,944,001,202
Add: Net change during the year				1,954,054,627	289,328,477
				10,187,384,306	**8,233,329,679**

22 Start-up Equity Investment Fund

As per SMESPD circular 04 dated March 29, 2021 and SMESPD circular letter 05 dated April 26, 2021, 1% of net profit after tax has been transferred to the fund. The details are

Year	Net Proft After Tax (NPAT)	2025	2024
2020	4,540,831,949	45,408,319	45,408,319
2021	5,546,930,564	55,469,306	55,469,306
2022	5,763,173,573	57,631,736	57,631,736
2023	7,303,604,668	73,036,047	73,036,047
2024	12,136,169,761	121,361,698	121,361,698
2025	15,808,707,280	158,087,073	-
Closing balance at the end of the year		**510,994,179**	**352,907,106**

Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
23 Surplus in profit and loss account/Retained earnings (standalone)					
Balance at the beginning of the year				29,949,971,050	22,761,650,654
Gain on disposal of NBA				-	-
Add: Retained surplus for the year				15,808,707,280	12,136,169,761
Add: Gain on disposal of NBA				352,200	-
Less: Transfer to statutory reserve				2,212,140,180	1,608,829,220
Less: Start-up Fund				158,087,073	121,361,698
Less: Cash dividend paid				2,212,140,186	1,608,829,227
Less: Bonus share issued				2,212,140,180	1,608,829,220
Closing balance				**38,964,522,911**	**29,949,971,050**
23.1 Surplus in profit and loss account/Retained earnings (Consolidated)					
BRAC Bank PLC.		38,964,522,911	29,949,971,050		
		38,964,522,911	**29,949,971,050**		
BRAC EPL Investment Limited					
Opening balance		(2,172,149,838)	(1,343,044,310)		
Add: Retained surplus/(deficit) for the year		19,019,148	(582,815,707)		
Less: Impairment of goodwill		-	(246,289,821)		
Sub total		**(2,153,130,690)**	**(2,172,149,838)**		
BRAC EPL Stock Brokerage Limited					
Opening balance		979,117,656	1,018,948,729		
Add: Retained surplus/(deficit) for the year		56,770,691	(36,129,431)		
Less: Transfer to statutory reserve		(6,322,595)	(3,701,642)		
Sub total		**1,029,565,752**	**979,117,656**		
bKash Limited					
Opening balance		12,179,477,085	11,163,232,773		
Add: Retained surplus/(deficit) for the year		2,415,549,348	1,128,981,646		
Less: Transfer to statutory reserve		-	(112,737,334)		
Sub total		**14,595,026,433**	**12,179,477,085**		
BRAC Saajan Exchange Limited					
Opening balance		(364,396,636)	(249,241,615)		
Add: Prior year Adj due to provision release		-	4,997,470		
Add: Retained surplus/(deficit) for the year		(144,627,174)	(110,573,640)		
Add: Effect of change of shareholding		(4,760,506)	(9,578,851)		
Sub total		**(513,784,316)**	**(364,396,636)**		
Associates					
Opening balance - (biTS)		23,363,067	16,465,595		
Add: Share of profit/(loss) of equity in associate company - (biTS)		7,281,429	6,897,472		
Sub total		**30,644,496**	**23,363,067**		
		51,952,844,586	**40,595,382,384**		
23.1.1 Net effect of all items directly recognized in equity					
Effect of change of shareholding in subsidiaries		(4,760,506)	(4,581,381)	-	-
Disposal of Non Banking Asset		352,200	-	352,200	-
		(4,408,306)	**(4,581,381)**	**352,200**	**-**
23.2 Non-controlling interest					
BRAC EPL Investments Limited		403,840	393,441		
BRAC EPL Stock Brokerage Limited		150,870,290	144,562,435		
bKash Limited		26,609,310,214	22,363,617,911		
BRAC SAAJAN Exchange Limited		2,927,476	1,498,322		
		26,763,511,820	**22,510,072,109**		

23.2.1 Reconciliation of Non-controlling interest

Particulars	BRAC EPL Investments Ltd.	BRAC EPL Stock Brokerage Ltd.	bKash Limited	BRAC SAAJAN Exchange Limited
Opening balance	393,441	144,562,435	22,363,617,911	1,498,322
Add: Share of profit/(loss)	10,399	6,307,855	4,343,189,963	(2,835,817)
Add: Adjustment for shareholdings change	-	-	-	4,266,416
Add: Translation adjustment	-	-	-	(1,445)
Add: Remeasurements loss on defined benefits liability (assets)	-	-	(97,497,660)	-
	403,840	**150,870,290**	**26,609,310,214**	**2,927,476**

Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
24 Contingent liabilities					
Acceptances and endorsements*		29,816,695,553	37,449,619,380	29,816,695,553	37,449,619,380
Irrevocable letters of credit		69,595,275,374	58,899,396,769	69,595,275,374	58,899,396,769
Total Letters of credit and acceptances and endorsements	24.1	99,411,970,927	96,349,016,149	99,411,970,927	96,349,016,149
Letter of guarantees	24.2	42,373,757,777	32,665,409,171	42,373,757,777	32,665,409,171
Bills for collection	24.3	38,557,446,239	39,544,067,880	38,557,446,239	39,544,067,880
Other Commitments	24.4	42,087,262,467	58,682,178,027	42,087,262,467	58,682,178,027
		222,430,437,410	**227,240,671,227**	**222,430,437,410**	**227,240,671,227**
*Acceptances and endorsements excludes acceptance from DBU for which funding is made from OBU.					
24.1 Irrevocable letters of credit including acceptances and endorsements					
Letter of credit (Inland)		405,199,092	202,713,434	405,199,092	202,713,434
Letter of credit (General)		55,144,313,638	43,523,218,328	55,144,313,638	43,523,218,328
Back to back L/C		14,045,762,644	15,173,465,006	14,045,762,644	15,173,465,006
Back to back bills		13,793,637,753	16,579,475,171	13,793,637,753	16,579,475,171
Non Back to Back bills		16,023,057,800	20,870,144,210	16,023,057,800	20,870,144,210
		99,411,970,927	96,349,016,149	99,411,970,927	96,349,016,149
Less: Margin		1,913,410,653	3,300,048,957	1,913,410,653	3,300,048,957
		97,498,560,274	**93,048,967,192**	**97,498,560,274**	**93,048,967,192**
24.2 Letter of guarantees					
Letter of guarantee (Local)		18,610,212,741	25,937,518,624	18,610,212,741	25,937,518,624
Letter of guarantee (Foreign)		21,866,051,718	1,646,485,500	21,866,051,718	1,646,485,500
Foreign counter guarantee		1,897,493,318	5,081,405,047	1,897,493,318	5,081,405,047
		42,373,757,777	32,665,409,171	42,373,757,777	32,665,409,171
Less: Margin		463,919,269	528,311,189	463,919,269	528,311,189
		41,909,838,508	**32,137,097,982**	**41,909,838,508**	**32,137,097,982**
Balance for which the Bank is contingently liable in respect of guarantee issued favoring:					
Government		18,879,409,447	20,889,113,689	18,879,409,447	20,889,113,689
Bank and other financial institutions		4,884,135,589	4,820,564,697	4,884,135,589	4,820,564,697
Others		18,610,212,741	6,955,730,785	18,610,212,741	6,955,730,785
		42,373,757,777	32,665,409,171	42,373,757,777	32,665,409,171
Less : Margin		463,919,269	528,311,189	463,919,269	528,311,189
		41,909,838,508	**32,137,097,982**	**41,909,838,508**	**32,137,097,982**
24.3 Bills for collection					
Outward local bills for collection		26,248,448,698	25,499,319,879	26,248,448,698	25,499,319,879
Outward foreign bills for collection		12,308,997,541	14,044,748,001	12,308,997,541	14,044,748,001
		38,557,446,239	**39,544,067,880**	**38,557,446,239**	**39,544,067,880**
24.4 Other Commitments					
Swap deals with banks and customers		32,121,025,127	38,018,835,945	32,121,025,127	38,018,835,945
Spot and forward deals with banks and customers		9,966,237,340	20,663,342,082	9,966,237,340	20,663,342,082
		42,087,262,467	**58,682,178,027**	**42,087,262,467**	**58,682,178,027**
24.5 Significant concentration wise grouping					
i) Documentary credits and short term trade related transactions		180,343,174,943	168,558,493,200	180,343,174,943	168,558,493,200
ii) Forward asset purchased and forward deposits placed		-	-	-	-
iii) Undrawn formal standby facilities, credit lines and commitments to lend:					
-Under one year		-	-	-	-
-One year and over;		-	-	-	-
iv) Spot and forward foreign exchange rate contracts		-	-	-	-
v) Other exchange contracts		9,966,237,340	20,663,342,082	9,966,237,340	20,663,342,082
vi) Others		32,121,025,127	38,018,835,945	32,121,025,127	38,018,835,945
		222,430,437,410	**227,240,671,227**	**222,430,437,410**	**227,240,671,227**

24.6 Other contingent liabilities (Taxation)

Large Tax Payers (VAT) Office has issued a Demand Order of BDT 23,700,000 against VAT audit for the Income year 2009 and BDT 20,000,000 against VAT audit for the Income year 2010. The Bank has filed appeal before the Honorable High Court Division against the order no. VAT- 123/2013 dated 05 August 2013 and VAT-44/2014 dated 08 May 2014 respectively of the Customs, Excise and VAT Appellate Tribunal on the said demand. Dated 08 May 2014 respectively of the Customs, Excise and VAT Appellate Tribunal on the said demand.

24.7 Disclosure on Legal Proceedings and Contingent Liabilities

The Bank is involved in legal proceedings arising in the ordinary course of business. Management, in consultation with legal advisers, assesses the likelihood of settlement and potential financial impact of these matters in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. As at the reporting date, the Bank had 45 ongoing legal cases against it:

Classification	Number of Cases	Amount (BDT)
Cases assessed as not probable	30	5,441,845,619
Cases assessed as remotely probable*	15	203,137,627
Total	45	5,644,983,246

*For remotely probable litigations, the timing and amount of any potential settlement cannot currently be measured with sufficient reliability. These matters continue to be monitored and reassessed as further information becomes available. However, a provision of BDT 69,013,117 has been maintained in accounts.

In Taka

24.8 Suit filed by the Bank

No law suit has been filed by the bank against contingent liabilities. However, there are two performance guarantees under litigation between Bank's customers and beneficiaries. Adequate provisions has been kept against these contingencies.

Particulars	Note	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
25 Income statement					
Income:					
Interest, discount and similar income	25.1	120,513,812,627	84,671,348,374	106,837,027,983	74,352,312,579
Dividend income	28	648,792,560	500,901,503	609,260,652	427,359,004
Fees, commission and brokerage	25.2	18,759,153,025	15,638,399,171	5,472,970,943	6,123,498,113
Gains less losses arising from government securities		5,284,862,716	2,438,226,576	5,284,862,716	2,438,226,576
Gains less losses arising from investment securities/trading shares		(78,217,146)	(224,433,423)	(17,796,133)	(677,899)
Gains less losses arising from dealing from foreign currencies	29	2,478,307,603	3,173,830,994	2,478,307,603	3,173,830,994
Other operating income	30	308,473,759	252,335,864	281,773,109	226,693,387
		147,915,185,144	**106,450,609,059**	**120,946,406,873**	**86,741,242,754**
Expenses:					
Interest paid on deposits and borrowings etc.	27	62,555,054,027	42,119,865,188	63,000,428,345	42,490,831,604
Administrative expenses	25.3	33,138,622,311	27,089,437,469	18,181,191,713	14,547,975,826
Impairment of goodwill		-	246,289,821	-	-
Depreciation on banking assets	36	4,905,178,899	4,168,307,591	2,385,612,309	2,051,837,584
Other operating expenses	37	6,394,102,418	4,885,781,126	5,492,729,155	4,223,364,347
		106,992,957,655	**78,509,681,195**	**89,059,961,522**	**63,314,009,361**
Operating Profit/Profit before provision		**40,922,227,489**	**27,940,927,864**	**31,886,445,351**	**23,427,233,393**
25.1 Interest, discount and similar income					
Interest on loans and advances		71,976,446,666	53,729,420,763	72,613,318,745	55,160,814,762
Interest on balance with other banks		3,901,665,873	3,406,435,259	390,563,155	512,417,738
Interest on fixed deposits with other banks		1,252,024,528	343,066,167	316,954,901	96,509,722
Other interest income		1,457,501,963	1,094,587,513	1,457,501,963	1,094,587,513
Interest on government securities		41,436,057,475	25,882,349,744	31,568,573,097	18,184,326,968
Interest on reverse repo		140,476,193	48,057,137	140,476,193	48,057,137
Interest on corporate & subordinated bond		348,919,592	165,650,469	348,919,592	165,650,469
Interest on interest rate swap (IRS)		720,337	1,781,322	720,337	1,781,322
		120,513,812,627	**84,671,348,374**	**106,837,027,983**	**75,264,145,631**
25.2 Fees, commission and brokerage					
Fees		3,247,776,028	3,645,496,254	3,188,010,236	3,598,353,510
Commission		15,511,376,997	11,992,902,917	2,284,960,707	2,525,144,603
		18,759,153,025	**15,638,399,171**	**5,472,970,943**	**6,123,498,113**
25.3 Administrative expenses					
Salaries and allowances		21,243,041,337	17,385,245,127	14,813,625,547	11,967,250,774
Rent, taxes, insurance, electricity etc.		1,012,689,429	947,996,939	681,158,090	642,571,657
Legal expenses		67,809,237	22,978,444	61,257,062	18,316,773
Postage, stamps, telecommunication etc.		691,742,635	478,456,893	511,794,617	357,490,900
Stationery, printing, advertisement etc.		4,964,839,730	4,660,671,331	916,576,784	641,288,609
Chief executive's salary and fees		25,561,828	24,471,250	25,561,828	24,471,250
Directors' fees and expenses		10,420,670	11,387,339	7,325,500	7,350,200
Auditors' fee		14,134,696	8,949,104	6,900,000	2,277,000
Repairs and maintenance of fixed assets		5,108,382,749	3,549,281,042	1,156,992,285	886,958,663
		33,138,622,311	**27,089,437,469**	**18,181,191,713**	**14,547,975,826**
26 Interest income					
Interest on loans and advances		73,738,135,449	55,268,565,483	73,685,419,457	55,160,814,762
Interest on balance with other banks		3,901,665,873	3,406,435,259	390,563,155	512,417,738
Interest on fixed deposits with other banks		1,252,024,528	343,066,167	316,954,901	96,509,722
Other interest income		1,457,501,963	1,094,587,513	1,457,501,963	1,094,587,513
		80,349,327,813	60,112,654,422	75,850,439,476	56,864,329,735
Less: Elimination of inter unit/company transactions		1,761,688,783	1,539,144,720	1,072,100,712	911,833,052
		78,587,639,030	**58,573,509,702**	**74,778,338,764**	**55,952,496,683**
27 Interest paid on deposits and borrowings etc.					
A. Interest paid on deposits:					
Current account		5,176,741,271	3,470,507,199	5,007,367,246	3,315,244,441
Short term deposit		287,747,198	216,680,985	287,747,198	216,680,985
Savings deposit		1,408,065,291	953,228,948	1,408,065,291	953,228,948
Term deposit		42,797,127,072	28,225,823,935	42,797,127,072	28,225,823,935
		49,669,680,832	32,866,241,067	49,500,306,807	32,710,978,309
B. Interest paid for borrowings:					
Interest on money at call and short notice		1,003,280,043	215,858,226	1,003,280,043	215,858,226
Interest on borrowings from banks and FIs		6,226,602,682	5,838,226,796	6,151,762,954	5,737,144,302
Interest on funding SWAP		176,222,278	168,780,450	176,222,278	168,780,450
Interest on re-finance and pre-finance from central bank & government agencies		926,609,890	721,682,763	926,609,890	721,682,763
Interest on repurchase agreement (REPO)		5,101,122,943	3,359,887,715	5,101,122,943	3,359,887,715
Interest expense-Affordable Housing Bond		261,305,000	262,020,904	261,305,000	262,020,904
Interest expense-BRAC Bank 2nd subordinated bond		892,487,996	226,311,987	892,487,996	226,311,987
Interest expense-BRAC BANK Social Sub-Bond		59,431,146	-	59,431,146	-
		14,647,061,978	10,792,768,841	14,572,222,250	10,691,686,347
		64,316,742,810	**43,659,009,908**	**64,072,529,057**	43,402,664,656
Less: Elimination of inter unit/company transactions		1,761,688,783	1,539,144,720	1,072,100,712	911,833,052
		62,555,054,027	**42,119,865,188**	**63,000,428,345**	**42,490,831,604**
28 Investment income					
Interest on government securities		41,436,057,475	25,882,349,744	31,568,573,097	18,184,326,968
Interest on reverse REPO		140,476,193	48,057,137	140,476,193	48,057,137
Interest on corporate & subordinated bond		348,919,592	165,650,469	348,919,592	165,650,469
Interest on interest rate swap (IRS)		720,337	1,781,322	720,337	1,781,322
Dividend on shares & mutual funds		648,792,560	500,901,503	609,260,652	427,359,004
Capital gain (loss) on government securities		5,284,862,716	2,438,226,576	5,284,862,716	2,438,226,576
Capital gain (loss) on shares & mutual funds		(78,217,146)	(224,433,423)	(17,796,133)	(677,899)
		47,781,611,727	**28,812,533,328**	**37,935,016,454**	**21,264,723,577**
29 Commission, exchange and brokerage					
Commission from issue of letters of credit (Import and Export)		1,684,484,860	2,229,199,444	1,684,484,860	2,229,199,444
Commission from issue of letter of guarantee		326,324,446	127,552,983	326,324,446	127,552,983
Commission from issue of payment orders, DD and TT		4,196,119	3,689,304	4,196,119	3,689,304
Commission from sale of sanchayapatra		6,217,042	3,973,493	6,217,042	3,973,493
Commission from Bancassurance- Standalone Life Insurance		8,179,634	148,064	8,179,634	148,064
Commission from Bancassurance- Standalone Non- Life Insurance		527,718	395,466	527,718	395,466
Commission from Bancassurance- Bundled Product under Group & Credit Shield		6,882,575	-	6,882,575	-
Other commission		788,877,527	659,191,890	248,148,313	160,185,849
Gain /(Loss) on foreign currency dealings		2,478,307,603	3,173,830,994	2,478,307,603	3,173,830,994
Loan processing fees		803,061,489	1,701,525,725	803,061,489	1,701,525,725
Loan early settlement fees		63,424,386	46,242,592	63,424,386	46,242,592
Account Maintenance Fees		288,848,768	253,417,903	288,848,768	253,417,903
Account Statement Fees		27,432,182	25,509,955	27,432,182	25,509,955
Account activity fees		148,299,675	137,350,599	148,299,675	137,350,599
Import and export related fees		572,946,513	471,350,228	572,946,513	471,350,228
Debit and Credit Card fees		365,426,832	406,500,004	365,426,832	406,500,004
Service fees for Mobile Banking and E-commerce		239,792,835	79,833,879	239,792,835	79,833,879
Custodian fees		21,146,173	19,431,852	21,146,173	19,431,852
Student service center fees		150,458,600	81,033,700	150,458,600	81,033,700
Service charges for ATM Card		342,055,631	273,644,557	342,055,631	273,644,557
Services Charges for General Banking		41,362,027	64,572,171	41,362,027	64,572,171
Annual SMS Banking Charges		89,719,347	29,376,608	89,719,347	29,376,608
Other fees	29.1	93,801,570	55,706,481	34,035,778	8,563,737
Commission and brokerage income of subsidiaries		13,313,801,569	9,538,046,611		-
		21,865,575,121	19,381,524,503	7,951,278,546	9,297,329,107
Less: Elimination of inter unit/company transactions		628,114,493	569,294,338	-	-
		21,237,460,628	**18,812,230,165**	**7,951,278,546**	**9,297,329,107**
29.1 Other fees					
Passport Endorsement Fees		1,299,400	2,043,100	1,299,400	2,043,100
Locker fees		6,042,402	5,550,176	6,042,402	5,550,176
Documentation Fees		495,155	964,561	495,155	964,561
Annual Membership Fees		5,900	5,900	5,900	5,900
Valuation fees		4,438,000	-	4,438,000	-
Syndication Fees		21,754,921	-	21,754,921	-
Management & Corporate Advisory fee		6,929,226	10,140,902	-	-
Share Settlement fee		18,241,685	21,662,335	-	-
Debt arrangement fees		34,594,881	15,339,507	-	-
		93,801,570	**55,706,481**	**34,035,778**	**8,563,737**
30 Other operating income					
Profit on sale of fixed assets		15,981,656	9,225,145	14,414,731	9,206,283
Revenue share from foreign bank		255,370,955	212,491,315	255,370,955	212,491,315
Miscellaneous income		29,202,886	27,362,524	11,987,423	4,995,789
Other operating income of subsidiaries		10,178,583	6,097,404	-	-
		310,734,080	255,176,388	281,773,109	226,693,387
Less: Elimination of inter unit/company transactions		2,260,321	2,840,524	-	-
		308,473,759	**252,335,864**	**281,773,109**	**226,693,387**
31 Rent, taxes, insurance, electricity, etc.					
Rent, rates and taxes	31.1	425,059,504	400,899,464	351,583,308	334,703,323
Insurance		194,547,111	177,031,539	25,251,258	24,858,216
Power and electricity		382,551,269	361,349,596	291,750,092	272,070,981
WASA and sewerage		12,742,056	11,025,867	12,573,432	10,939,137
		1,014,899,940	950,306,466	681,158,090	642,571,657
Less: Elimination of inter unit/company transactions		2,210,511	2,309,527	-	-
		1,012,689,429	**947,996,939**	**681,158,090**	**642,571,657**
31.1 Rent, rates and taxes					
Rent, rates and taxes, etc.		2,062,611,437	1,750,963,241	1,638,050,588	1,441,492,902
Less: rent exp. reversal due to depreciation and interest exp. under IFRS 16 -Leases		1,637,551,933	1,350,063,777	1,286,467,280	1,106,789,579
		425,059,504	**400,899,464**	**351,583,308**	**334,703,323**
32 Postage, stamp, telecommunication, etc.					
Postage and courier		95,353,731	70,226,652	64,193,331	45,786,831
Telegram, telex, fax and network		287,014,503	211,374,574	228,304,996	178,397,017
Court fees and stamps		123,827,191	57,974,385	123,827,191	57,974,385
Telephone		185,547,210	138,881,282	95,469,099	75,332,667
		691,742,635	**478,456,893**	**511,794,617**	**357,490,900**
33 Stationery, printing, advertisements, etc.					
Stationery and printing		292,506,219	230,257,673	279,233,774	210,603,296
Security stationery		225,563,564	179,540,233	225,563,564	178,965,370
Advertisement		4,446,819,757	4,251,404,422	411,779,446	251,719,943
		4,964,889,540	4,661,202,328	916,576,784	641,288,609
Less: Elimination of inter unit/company transactions		49,810	530,997	-	-
		4,964,839,730	**4,660,671,331**	**916,576,784**	**641,288,609**
34 Chief executive's salary and fees					
Basic salary		14,837,930	17,010,000	14,837,930	17,010,000
Festival bonus		2,835,000	2,835,000	2,835,000	2,835,000
Performance bonus		826,027	1,000,000	826,027	1,000,000
Leave fair assistance		5,859,000	2,126,250	5,859,000	2,126,250
House rent allowance		1,203,871	1,500,000	1,203,871	1,500,000
		25,561,828	**24,471,250**	**25,561,828**	**24,471,250**
35 Directors' fees					
Monthly fixed remuneration for Independent Directors		4,830,000	4,785,000	4,830,000	4,785,000
Meeting attendance fees		5,590,670	6,602,339	2,495,500	2,565,200
		10,420,670	**11,387,339**	**7,325,500**	**7,350,200**
36 Depreciation and repair of the bank's assets					
Depreciation of property, plant and equipment					
Furniture and fixtures		180,031,328	161,860,325	163,599,937	146,332,171
Office floor space		516,914	516,913	100,858	100,858
Office equipment		147,189,823	126,624,628	137,168,912	117,302,262
IT hardware		1,318,935,143	1,171,529,669	573,595,582	488,893,781
Motor vehicles		36,295,906	33,033,467	32,818,354	25,389,789
Leasehold improvement		69,403,785	58,121,466	-	-
Right of use assets (RoU) as per IFRS 16		1,315,235,575	1,143,630,599	1,041,561,658	902,607,156
IT software		1,837,570,425	1,472,990,524	436,767,008	371,211,567
		4,905,178,899	**4,168,307,591**	**2,385,612,309**	**2,051,837,584**
Repairs and maintenance expenses					
Transportation expenses		1,184,302,587	946,492,639	943,380,992	739,941,482
Equipment repairing expense		218,533,312	145,128,745	41,041,380	34,258,270
Hardware and software maintenance expense		3,456,562,633	2,261,899,179	54,066,934	29,003,074
Premises maintenance expense		248,984,217	195,760,479	118,502,979	83,755,837
		5,108,382,749	3,549,281,042	1,156,992,285	886,958,663
		10,013,561,648	**7,717,588,633**	**3,542,604,594**	**2,938,796,247**
37 Other expenses					
Conveyance expense		100,113,126	68,359,192	99,495,655	68,072,870
Fuel expenses		55,647,971	51,476,391	53,238,885	49,728,588
Traveling cost		396,723,352	354,506,356	89,456,051	79,838,300
Professional fees		337,794,626	255,760,313	179,121,108	134,586,361
Entertainment		281,607,346	208,036,756	247,896,184	178,344,143
Business promotion and development		210,247,249	108,015,117	193,103,095	99,109,084
Books, news papers and periodicals		1,538,935	1,221,893	1,279,448	879,905
Donation and subscription		336,369,434	319,953,412	326,652,141	300,543,862
Government Levy, VAT and excise duty		11,266,104	16,768,746	11,266,104	16,768,746
Other operational loss		145,530,321	4,955,879	145,530,321	4,955,879
Staff training and development		210,854,103	133,583,001	108,261,506	68,432,809
Staff recruitment		17,741,150	17,888,787	17,364,488	17,299,321
Salaries and allowance - outsourcing staff		1,860,098,862	1,515,109,579	1,840,828,174	1,506,150,425
Bank charges		80,120,985	68,244,800	34,169,543	34,083,658
Interest expense on lease liability as per IFRS 16		412,486,239	387,339,053	285,577,415	270,335,970
Documentation charges - CIB		43,900,000	13,500,000	43,900,000	13,500,000
IT enabled services		1,017,090,588	755,385,130	1,011,069,036	748,567,983
Security guard cost		400,400,573	336,393,594	400,400,573	336,393,594
Commission paid - vendor		36,472,206	16,068,910	36,472,206	16,068,910
Cash carrying charges		132,540,623	102,713,907	132,540,623	102,713,907
Spare parts expense		162,837,586	123,625,407	162,837,586	123,625,407
Archiving expense		44,094,451	40,515,649	44,094,451	40,515,649
Expenses for other business operations		652,730,941	452,551,393	28,174,562	12,848,976
Expenses of subsidiaries	37.1	74,010,140	103,102,199	-	-
		7,022,216,911	**5,455,075,464**	**5,492,729,155**	**4,223,364,347**
Less: Elimination of inter unit/company transactions		628,114,493	569,294,338	-	-
		6,394,102,418	**4,885,781,126**	**5,492,729,155**	**4,223,364,347**

BRAC Bank PLC.
Independent Auditor's Report and Consolidated & Separate Financial Statements
as at and for the year ended 31 December 2025

BRAC BANK
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In Taka

No.	Particulars	Note	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
37.1	**Expenses of subsidiaries**					
	License and renewal fees		368,225	738,569		
	Maintenance expenses		844,296	10,661,404		
	Brokerage commission cost		71,645,444	90,598,554		
	Other expenses		1,152,175	1,103,672		
			74,010,140	**103,102,199**		
38	**Share of profit of associates**					
	BRAC IT Services Limited		7,281,429	6,897,472		
			7,281,429	**6,897,472**		
39	**Provisions**					
	Provision for loans and advances					
	Specific provision charged during the year		6,627,098,940	3,758,940,516	6,616,160,937	3,751,671,119
	Recovery of written off bad debts		(1,051,599,957)	(924,519,756)	(1,051,599,957)	(924,519,756)
	Specific provision (net off recovery) for the year		5,575,498,983	2,834,420,760	5,564,560,980	2,827,151,363
	General provision charged during the year		715,622,889	841,481,566	711,414,719	841,481,566
	Total provision for loans and advances		6,291,121,872	3,675,902,326	6,275,975,699	3,668,632,929
	Off Balance Sheet items		-	68,776,791	-	68,776,791
	Diminution in value of Investments		493,610,957	(5,966,965)	493,610,957	(5,966,965)
	Other provisions:					
	Other assets		16,488,567	103,107,736	7,072,240	96,412,958
	Provision against placement Funds		102,750,000	-	102,750,000	-
	Interest receivable from loan		4,441,321	7,876,414	4,441,321	7,876,414
			6,908,412,717	**3,849,696,302**	**6,883,850,217**	**3,835,732,127**
40	**Provision for taxation**					
	Current tax expense	40.1	10,453,773,980	8,076,132,792	8,366,129,292	6,349,742,457
	Deferred tax expense/ (income) (Net)		1,057,949,099	1,703,514,288	827,758,562	1,105,589,048
	Total provision for Taxation		**11,511,723,079**	**9,779,647,080**	**9,193,887,854**	**7,455,331,505**

40.1 Tax Provision Calculation Detail (Bank Only)

Particulars	Rate	2025	2024
Profit before tax		**25,002,595,134**	**19,591,501,266**
Less: Income applicable for reduce rate			
Dividend income		609,260,652	427,359,004
Capital gain (loss) on shares & mutual funds (u/s 70 (3)		(17,796,133)	(677,899)
Capital Gain		5,284,862,716	2,097,049,790
Profit before tax (excluding dividend income and capital gain)		**19,126,267,899**	**17,067,770,371**
(-) Admissible Expenses in the current year (i.e. write-off etc.)		8,509,612,253	4,274,387,990
(+) Inadmissible expenses		9,254,138,364	3,072,519,453
Estimated taxable profit for the period/year		**19,870,794,010**	**15,865,901,834**
Provision for current tax made during the period/year (BRAC Bank only)			
Income tax on business profit	37.50%	7,451,547,754	5,949,713,188
Income tax on capital gain	15.00%	792,729,407	314,557,469
Income tax on Dividend income	20.00%	121,852,130	85,471,801
Estimated provision required for the period/year		**8,366,129,292**	**6,349,742,457**

40.2 Reconciliation of effective tax rate (Standalone)

Particulars	2025 %	2025 Taka	2024 %	2024 Taka
Profit before income tax as per profit and loss account		**25,002,595,134**		**19,591,501,266**
Income tax as per applicable tax rate	37.50%	9,375,973,175	37.50%	7,346,812,975
Factors affecting the tax charge for current year				
Inadmissible expenses	13.75%	3,470,301,886	8.17%	1,600,609,810
Admissible expenses in the current year (i.e. write-off etc.)	-12.63%	(3,191,104,595)	-10.47%	(2,051,310,512)
Tax savings from reduced tax rates for dividend	-5.16%	(1,289,041,175)	-2.79%	(546,369,816)
Effect of deferred tax	3.31%	827,758,563	5.64%	1,105,589,048
Total income tax expenses	**36.77%**	**9,193,887,854**	**38.05%**	**7,455,331,505**

No.	Particulars	Note	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
41	**Cash and cash equivalents**					
	Cash in hand (including foreign currency)	4.1	16,436,564,244	15,000,490,086	16,431,724,183	14,698,347,260
	Balance with Bangladesh Bank and its agents banks (including currency)	4.2	34,658,714,842	30,852,940,917	34,658,714,842	30,852,940,917
	Balance with other banks and financial institutions	5	58,656,692,102	32,263,729,696	10,015,220,320	5,965,262,060
	Money at call and on short notice		-	750,000,000	-	750,000,000
	Prize Bond	6.1	4,834,300	2,428,000	4,834,300	2,428,000
			109,756,805,488	**78,869,588,699**	**61,110,493,645**	**52,268,978,237**
42	**Receipts from other operating activities**					
	Miscellaneous income		11,987,423	4,995,789	11,987,423	4,995,789
	Capital gain (loss) on shares & mutual funds		(17,796,133)	(677,899)	(17,796,133)	(677,899)
	Profit share from other banks		255,370,955	212,491,315	255,370,955	212,491,315
	Capital gain (loss) on government securities		5,284,862,716	2,438,226,576	5,284,862,716	2,438,226,576
	Other receipts of subsidiaries		8,391,612	(13,543,563)	-	-
			5,542,816,573	**2,641,492,218**	**5,534,424,961**	**2,655,035,781**
43	**Payment for other operating activities**					
	Rent, taxes, insurance, electricity etc.		681,158,090	642,571,657	681,158,090	642,571,657
	Audit fees		6,900,000	2,277,000	6,900,000	2,277,000
	Directors fees and expenses		7,325,500	7,350,200	7,325,500	7,350,200
	Repair and maintenance		1,156,992,285	886,958,663	1,156,992,285	886,958,663
	Other expenses		6,679,768,401	3,950,043,888	6,679,768,401	3,950,043,888
	Legal expenses		61,257,062	18,316,773	61,257,062	18,316,773
	Other payments of subsidiaries		398,666,342	274,884,996	-	-
			8,992,067,680	**5,782,403,177**	**8,593,401,338**	**5,507,518,181**
44	**Reconciliation of net profit with cash flows from operating activities (standalone basis)**					
	Profit before tax as per profit and loss account				**25,002,595,134**	**19,591,501,266**
	Adjustment for non-cash items:					
	Provision for loans and advances				7,327,575,656	4,593,152,685
	Provision for diminution in value of investments				493,610,957	(5,966,965)
	Provision for off balance sheet items				-	68,776,791
	Provision for other assets				114,263,561	104,289,372
	Depreciation of property plant and equipment				2,385,612,309	2,051,837,584
	Foreign exchange gain/(loss)				26,288,596	(147,716,860)
	Profit on sale of fixed assets				(14,414,731)	(9,206,283)
	Increase/decrease in operating assets & liabilities:					
	Loans and advances				(107,286,950,282)	(103,919,892,718)
	Other assets				(6,689,148,828)	(5,804,444,492)
	Borrowings from other banks and financial institutions				12,990,505,220	5,377,762,590
	Deposits from customers				197,730,444,192	167,713,297,342
	Other liabilities				(4,055,763,700)	5,035,780,258
	Income tax paid				(7,112,717,075)	(6,032,802,945)
	Net cash flows from operating activities as per cash flow statement				**120,911,901,009**	**88,616,367,625**
45	**Earnings per share (EPS)**					
	Profit after taxation (PAT)		22,509,373,122	14,318,481,954	15,808,707,280	12,136,169,761
	Profit/(loss) attributable to non controlling interest		4,346,672,400	2,022,241,675	-	-
	Profit attributable to ordinary shareholders of BRAC Bank PLC.		18,162,700,722	12,296,240,279	15,808,707,280	12,136,169,761
	Weighted average/Restated number of shares outstanding		1,990,926,167	1,990,926,167	1,990,926,167	1,990,926,167
			9.12	**6.18**	**7.94**	**6.10**
46	**Net asset value (NAV) per share**					
	Net asset value attributable to shareholders of parent		102,658,184,598	78,412,525,042	99,701,640,882	75,796,963,891
	Number of ordinary share outstanding at the end of the year		1,990,926,167	1,990,926,167	1,990,926,167	1,990,926,167
			51.56	**39.38**	**50.08**	**38.07**
47	**Net operating cash flow per share (NOCFPS)**					
	Net operating cash flow		144,774,088,955	107,785,690,274	120,911,901,009	88,616,367,625
	Number of ordinary share outstanding at the end of the year		1,990,926,167	1,990,926,167	1,990,926,167	1,990,926,167
			72.72	**54.14**	**60.73**	**44.51**

Notes to the financial statements as at and for the year ended 31 December 2025

48 General Disclosures

48.1 Audit Committee

An audit committee was constituted by the Board of Directors of BRAC Bank PLC in its 23rd meeting held on 02 March 2003. As on 31 December 2025, the Audit Committee as under:

Sl No	Name of the director	Status with the Bank	Status with the committee	Educational qualification
01	Mr. Chowdhury MAQ Sarwar	Independent Director	Chairman	Bachelor of Commerce & Masters in Management, University of Dhaka
02	Ms. Farzana Ahmed	Independent Director	Member	MA (Hons) Philosophy, Politics, Economics & Chartered Accountant
03	Dr. Zahid Hussain	Independent Director	Member	Ph.D. in Economics, Boston University
04	Ms. Lila Rashid	Independent Director	Member	PhD (Microfinance), Jawaharlal Nehru University, India and MBA, University of New Orleans, USA. M.Sc in Physics, University of Dhaka.

During the year ended 31 December 2025, the Audit Committee of the Board conducted 08 (eight) meeting in which among others, the following issues were discussed:

- Annual Audited Financial Statements of the Bank for the year ended December 31, 2024
- Appointment of External Auditor for the year 2025 and their remuneration
- Un-audited Financial Statements for the First Quarter ended March 31, 2025
- Management Report of BRAC Bank PLC for the year ended 31 December 2024
- Thematic Audit plan for the year 2025
- Un-audited Half yearly Financial Statements ended June 30, 2025
- Annual Integrated Health Report of BRAC Bank PLC for 2024
- Overall Effectiveness of Internal Control of BRAC Bank PLC for 2024
- Revised Internal Audit Policy, Internal Audit Charter, Manual of Internal Audit Procedures 2025
- Revised Internal Control & Compliance Policy, Compliance Policy, Concurrent Audit Policy 2025
- Yearly Summary of Internal Audit Observations for the year 2024
- Half Yearly Summary of Internal Audit Observations for January 2025 to June 2025
- Yearly Summary of Compliance Status for the year 2024
- Half Yearly Summary of Compliance Status for January 2025 to June 2025
- Summary of Reports on Fraud and Forgery

48.2 Particulars of Board of Directors

i) Name of Directors and the entities in which they have interest as on 31 December 2025:

Sl No	Name of director	Status with the Bank	Name of the firms/companies in which they have interest	Educational qualification
1	Mr. Meheriar M Hasan	Chairperson Director	BRAC Sajaan Exchange Ltd.	Master of Science in Finance, Master of Arts in Economics, and Bachelor of Arts in Economics with a minor in Mathematics from the University of Arizona
2	Mr. Faruq M. Ahmed	Vice-Chairperson Independent Director	Nil	MSS in Economics, University of Dhaka
3	Ms. Farzana Ahmed	Independent Director	Kids Tutorial	MA (Hons) in Economics, University of Oxford, UK & Chartered Accountant
4	Dr. Zahid Hussain	Independent Director	BRAC EPL Stock Brokerage Limited BRAC EPL Investment Limited BRAC Sajaan Exchange Ltd.	Ph.D. in Economics and MA in Political Economy, Boston University, USA
5	Mr. Salek Ahmed Abul Masrur	Independent Director	Nil	MBA ,The University of Tennessee, USA, BBA The Trine University.
6	Ms. Anita Ghazi Rahman	Independent Director	The Legal Circle Light Castle Partners bKash Limited BRAC IT Services Ltd. Shadhin Fintech Solutions Ltd. Infolady Social Enterprise Ltd.	Barrister-at-law, LLB (Hons.) University College London, UK
7	Mr. Chowdhury MAQ Sarwar	Independent Director	Nil	Bachelor of Commerce & Masters in Management, University of Dhaka
8	Ms. Lila Rashid	Independent Director	Palli Karma-Sahayak Foundation (PKSF)	PhD (Microfinance), Jawaharlal Nehru University, India and MBA, University of New Orleans, USA. M.Sc in Physics, University of Dhaka.
9	Mr. Tareq Refat Ullah Khan	Managing Director & CEO	BRAC EPL Investments Ltd. BRAC EPL Stock Brokerage Ltd. bKash Limited BRAC Sajaan Exchange Ltd	B.Com, University of Chittagong, M.Com (Marketing), University of Dhaka, MBA, SELP from Cornell University, USA

The bank carried out transactions with related parties in the normal course of business on an arms length basis. As on 31 December 2025, the bank had following transactions with the 'Related Party/(ies)' as defined in the BRPD circulars no. 14 issued by the Bangladesh Bank on 25 June 2003.

Details of transactions with related parties can be found at Annexure-I

	Taka
i) Significant contracts where bank is a party and wherein Directors have interest:	Nil
ii) Shares issued to Directors and executives without consideration or exercisable at discount	Nil
iii) Lending Policies to related parties: Lending to related parties is effected as per requirement of section 27(1) of the Banking Companies Act, 1991.	Nil
iv) Loan and advances to Directors and subsidiaries:	996,611,205
Classification Status	Unclassified
v) Business other than Banking business with any related concern of the Directors as per Section 18(2) of the Banking Companies Act, 1991.	Nil
vi) Investment in the Securities of Directors and their related concern	Nil

48.3 Claim not Acknowledged as Debt

There was no claim against the Bank not acknowledged as debt as on 31 December 2025.

48.4 Number of Employees

The number of employees including contractual engaged for the whole year or part thereof who received a total yearly remuneration of Tk. 36,000 or above were 10,308 (2024: 9,068).

48.5 Events after the Balance Sheet Date

The Board of Directors in its 393rd Board meeting held on 26 April 2026 has proposed total 30% dividend (Cash dividend: 15% and stock dividend: 15%) subject to the approval of the shareholders at the next Annual General Meeting.

Managing Director & CEO **Director** **Director** **Chairperson**

Annexure - A

BRAC Bank PLC. and its subsidiaries
Highlights on the overall Activities
As at 31 December 2025

Amount in Taka unless otherwise specified

Particulars	Note	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
Paid-up capital	18.2	19,909,261,670	17,697,121,490	19,909,261,670	17,697,121,490
Core Capital	18.8	106,774,273,793	86,095,854,156	72,488,911,043	58,978,915,716
Supplementary Capital	18.8	20,653,174,164	12,662,623,318	20,653,174,164	12,662,623,318
Total Regulatory Capital	18.8	127,427,447,957	98,758,477,474	93,142,085,207	71,641,539,034
Total Risk Weighted Assets	18.8	648,694,338,185	518,414,112,410	596,040,687,267	479,280,734,657
Capital surplus	18.8	46,340,655,684	33,956,713,423	18,636,999,299	11,731,447,202
Total assets		1,328,114,545,650	1,056,723,501,375	1,179,672,231,090	930,132,702,781
Total deposits	16	990,359,326,094	777,866,506,600	889,517,407,214	689,432,929,579
Total loans and advances	7	731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
Total contingent liabilities and commitments	24	222,430,437,410	227,240,671,227	222,430,437,410	227,240,671,227
Income from investments	28	47,781,611,727	28,812,533,328	37,935,016,454	21,264,723,577
Profit after tax and provisions		22,509,373,122	14,318,481,954	15,808,707,280	12,136,169,761
Net profit attributable to Equity holders of BRAC Bank PLC.		18,162,700,722	12,296,240,279	-	-
Amount of classified loans during the current year	7.12	17,782,307,109	17,615,139,689	16,568,932,277	16,403,303,919
Provision kept against classified loans	17.1	14,004,890,661	14,474,491,979	12,782,116,887	13,262,656,208
Provisions surplus/(deficit)	7.14	443,747,971	1,468,404,939	443,747,971	1,468,404,939
Interest earning assets		1,245,301,453,930	986,869,047,716	1,118,674,687,269	879,829,219,772
Non-interest earning assets		82,813,091,720	69,854,453,659	60,997,543,821	50,303,483,009
Credit deposit ratio (Loans and Advances/Deposits)*		-	-	63.48%	70.75%
Percentage of classified loans against total loans and advances		2.43%	2.82%	2.27%	2.63%
NPL coverage ratio (incl. GP)		131%	132%	133%	134%
Total Capital to Risk-weighted Asset Ratio		19.64%	19.05%	15.63%	14.95%
Cost of fund		6.17%	5.28%	6.85%	5.93%
Cost to income ratio		52%	57%	45%	47%
Return on assets (ROA) [PAT/Average assets]		1.52%	1.30%	1.50%	1.46%
Return on equity (ROE) [PAT/Average shareholders equity]		20.06%	16.94%	18.02%	17.36%
Return on investment (ROI) [PAT/(Shareholders equity+Borrowings+Bond)]		8.26%	6.60%	7.29%	6.61%
Earnings per share [previous years figure restated]	45	9.12	6.18	7.94	6.10
Net income per share [(PAT-Dividend on preference share/No. of Ordinary Shares)] [previous years figure restated]		9.12	6.18	7.94	6.10
Price earning ratio (Market price per share/EPS) in times		-	-	7.95	8.04
Net Asset Value per Share (NAV) [(Shareholders equity- Preference Share)/No. of Ordinary Share] [previous years figure restated]	46	51.56	39.38	50.08	38.07
Net Operating Cash Flow Per Share [previous years figure restated]	47	72.72	54.14	60.73	44.51

* Credit deposit ratio has been computed as per Bangladesh Bank guideline.

Annexure B-1

BRAC Bank PLC.
Statement of outstanding unreconciled entries in nostro accounts (foreign)
As at 31 December 2025

Nostro Account represents outstanding transactions (net) originated but yet to be responded at the Balance Sheet date. However, the status of unresponded entries as at 31 December 2025 is given

Amount in USD

SL No	Period of Unreconciliation	As per Local Book				As per Correspondents' Book			
		Debit Entries		Credit Entries		Debit Entries		Credit Entries	
		No.	Amount	No.	Amount	No.	Amount	No.	Amount
01	Up-to 3 months	665	19,885,338	433	22,307,738	117	7,367,266	1583	45,570,322
02	More than 03 months but less than 06 months	-	-	14	122,365	-	-	77	908,475
03	More than 06 months but less than 09 months	-	-	1	364.06	-	-	22	269,249
04	More than 09 months but less than 12 months	-	-			-	-	15	49,092
05	More than 12 months	-	-			-	-	11	91,031
	Total	**665**	**19,885,338**	**448**	**22,430,467**	**117**	**7,367,266**	**1708**	**46,888,169**

As at 31 December 2024

SL No	Period of Unreconciliation	As per Local Book				As per Correspondents' Book			
		Debit Entries		Credit Entries		Debit Entries		Credit Entries	
		No.	Amount	No.	Amount	No.	Amount	No.	Amount
01	Up-to 3 months	457	11,097,496	281	13,159,261	103	8,910,884	1139	41,870,609
02	More than 03 months but less than 06 months	-	-	3	14,668	-	-	79	1,240,137
03	More than 06 months but less than 09 months	-	-	6	7,222	-	-	29	164,038
04	More than 09 months but less than 12 months	-	-	2	200	-	-	19	116,592
05	More than 12 months	-	-	1	356	-	-	13	25,409
	Total	**457**	**11,097,496**	**293**	**13,181,707**	**103**	**8,910,884**	**1279**	**43,416,785**

All unadjusted entries are subsequently adjusted on regular basis.

Annexure B-2

BRAC Bank PLC.
Statement of outstanding unreconciled entries in nostro accounts (local)
As at 31 December 2025

Amount in Taka

SL No	Period of Unreconciliation	As per Local Book				As per Correspondents' Book			
		Debit Entries		Credit Entries		Debit Entries		Credit Entries	
		No.	Amount	No.	Amount	No.	Amount	No.	Amount
01	Up-to 3 months	6	808,720	21	14,846,504,273	324	14,787,335,573	20	26,113,233
02	More than 03 months but less than 06 months	1	8,000,000	1	16,540	5	95,976	2	7,999,579
03	More than 06 months but less than 09 months	-	-	-	-	-	-	-	-
04	More than 09 months but less than 12 months	-	-	1	1,638,400	-	-	-	-
05	More than 12 months	-	-	-	-	20	10,000,020	15	10,043,422
	Total	**7**	**8,808,720**	**23**	**14,848,159,213**	**349**	**14,797,431,568**	**37**	**44,156,234**

As at 31 December 2024

SL No	Period of Unreconciliation	As per Local Book				As per Correspondents' Book			
		Debit Entries		Credit Entries		Debit Entries		Credit Entries	
		No.	Amount	No.	Amount	No.	Amount	No.	Amount
01	Up-to 3 months	36	171,071,592	39	1,670,528,152	401	17,965,295	21	124,674,978
02	More than 03 months but less than 06 months	-	-	-	-	-	-	1	350,000
03	More than 06 months but less than 09 months	-	-	1	10,224,275	-	-	1	500
04	More than 09 months but less than 12 months	-	-	-	-	-	-	-	-
05	More than 12 months	-	-	-	-	-	-	9	16,665
	Total	**36**	**171,071,592**	**40**	**1,680,752,427**	**401**	**17,965,295**	**32**	**125,042,143**

Annexure - C

BRAC Bank PLC.
Balance with other banks-outside Bangladesh (Nostro Account)
As at 31 December 2025

Amount in Taka

Name of Bank	Currency	A/C Type	2025 Amount in foreign currency	2025 Exchange rate	2025 Equivalent Taka	2024 Amount in foreign currency	2024 Exchange rate	2024 Equivalent Taka
DBU balance:								
Standard Chartered Bank, New York, USA	USD	CD	1,845,338	122.30	225,684,780	398,363	120.00	47,803,505
Standard Chartered Bank, United Kingdom	GBP	CD	2,828,084	165.44	467,878,196	1,213,668	151.10	183,382,752
Standard Chartered Bank, Frankfurt, Germany	EUR	CD	750,803	144.01	108,123,163	1,945,560	125.27	243,716,470
Mashreq Bank, New York, USA	USD	CD	1,175,298	122.30	143,738,963	635,811	120.00	76,297,372
Bank of Tokyo Mitsubishi UFJ Ltd	JPY	CD	22,286,543	0.79	17,606,369	28,461,161	0.76	21,645,163
ICICI Bank Limited, Mumbai, India	USD	CD	763,916	122.30	93,426,957	1,341,035	120.00	160,924,231
Zuercher Kantonal Bank, Switzerland	CHF	CD	345,665	155.24	53,660,962	220,665	133.10	29,371,390
Commerz Bank AG, Germany (USD)	USD	CD	6,830	122.30	835,313	11,330	120.00	1,359,558
Commerz Bank AG, Germany (EURO)	EUR	CD	267,355	144.01	38,501,815	127,495	125.27	15,971,006
Commerz Bank, Frankfurt, Germany (GBP)	GBP	CD	50	165.44	8,315	50	151.10	7,594
JP Morgan Chase Bank, New York, USA	USD	CD	6,745,912	122.30	825,025,087	1,753,982	120.00	210,477,804
HDFC Bank Limited, India	USD	CD	1,003,624	122.30	122,743,223	637,454	120.00	76,494,517
JP Morgan Chase Bank, Sydney (AUD)	AUD	CD	308,973	82.08	25,360,500	672,317	74.75	50,258,401
AB Bank Limited, Mumbai, India	USD	CD	11,572	122.30	1,415,309	19,425	120.00	2,331,005
AXIS Bank Limited, Kolkata (ACU)	USD	CD	2,589,183	122.30	316,657,097	553,893	120.00	66,467,166
Abu Dhabi Commercial Bank (AED)	AED	CD	5,528,101	33.30	184,085,778	4,806,946	32.67	157,051,188
Kookmin Bank, Seoul, South Korea (USD)	USD	CD	15,549	122.30	1,901,701	286,631	120.00	34,395,728
Citi Bank N.A., New York, USA	USD	CD	433,970	122.30	53,074,548	712,304	120.00	85,476,425
Shanghai Pudong Development Bank Co. Ltd, China (CNY)	CNY	CD	524,166	17.51	9,178,150	539,929	16.41	8,858,248
DBS Bank Ltd, Singapore (SGD)	SGD	CD	2,184,712	95.40	208,421,559	505,726	88.42	44,718,241
Punjab National Bank, Kolkata (USD)	USD	CD	941,505	122.30	115,146,008	2,448,465	120.00	293,815,819
Al Rajhi Bank, Riyadh (SAR)	SAR	CD	94,513	32.61	3,082,065	101,078	31.96	3,230,176
Meezan Bank Limited, Gtb Karachi, ACU (USD)	USD	CD	677,528	122.30	82,861,731	845,616	120.00	101,473,870
Emirates NBD Bank Pjsc. India, ACU (USD)	USD	CD	156,383	122.30	19,125,646	50,000	120.00	6,000,000
Mashreq Bank Psc Dubai (AED)	AED	CD	402,690	33.30	13,409,586	-	-	-
					3,130,952,821			**1,921,527,629**
OBU balance:								
JP Morgan Chase Bank, New York	USD	CD	4,653,644	122.30	569,140,648	2,827,963	120.00	339,355,513
JP Morgan AG, Frankfurt, Germany	EUR	CD	585,514	144.01	84,319,935	416,767	125.27	52,207,562
JP Morgan Chase Bank, NA, London	GBP	CD	758,025	165.44	125,407,692	1,413,707	151.10	213,608,317
Mutual Trust Bank PLC. OBU	USD	CD	3,499,868	122.30	428,033,900	-	-	-
Midland Bank PLC. OBU	USD	CD	3,999,850	122.30	489,181,600	-	-	-
Eastern Bank PLC.	USD	CD	7,121,686	122.30	870,982,183	-	-	-
Trust Bank PLC.	USD	CD	14,999,436	122.30	1,834,431,000	-	-	-
NCC Bank PLC.	USD	CD	1,307,951	122.30	159,962,383	-	-	-
					4,561,459,341			**605,171,392**
Total Balance					**7,692,412,162**			**2,526,699,021**

Annexure - D

BRAC Bank PLC.
Investment in shares, mutual funds and quoted bonds
As at 31 December 2025

Amount in Taka

Sl. no	Name of the company	Industry	Face value	No. of shares	Cost of holding	Average costing price	Market Price per share	Total Market value (Tk)	Provision Required	Provision Maintained
	Quoted ordinary shares									
1	Bata Shoe Company (Bangladesh) Limited	Tannery Industries	10	81,170	87,406,498	1,076.83	804.10	65,268,797		
2	Berger Paints Bangladesh Ltd.	Miscellaneous	10	1,025,746	1,455,834,056	1,419.29	1,384.60	1,420,247,912		
3	Grameenphone Limited	Telecommunication	10	6,082,933	1,753,498,069	288.27	257.90	1,568,788,421		
4	Lafarge Holcim Bangladesh Limited	Cement	10	7,350,820	474,297,539	64.52	46.70	343,283,294		
5	Marico Bangladesh Limited	Pharmaceuticals & Chemicals	10	776,663	1,761,368,266	2,267.87	2,673.50	2,076,408,531		
6	Prime Bank PLC.	Bank	10	3,536,206	99,799,157	28.22	28.70	101,489,112		
7	Renata Limited	Pharmaceuticals & Chemicals	10	505,993	384,589,430	760.07	391.80	198,248,057		
8	Singer Bangladesh Limited	Engineering	10	2,030,963	349,701,735	172.19	84.50	171,616,374		
9	Square Pharmaceuticals Limited	Pharmaceuticals & Chemicals	10	8,518,372	1,763,683,729	207.04	198.60	1,691,748,679		
					8,130,178,480			**7,637,099,177**	**493,079,303**	**493,181,807**
	Quoted corporate Bond									
1	APSCL redeemable coupon bearing bond	Corporate Bond	2,500	98,862	**247,155,000**	2,500.00	2,500.00	**247,155,000**	-	-
					247,155,000			**247,155,000**	-	-

Sl. no	Name of the company	Industry	Face value	No. of shares	Cost of holding	Average costing price	Fair value/ NAV per	Total fair value/Net Asset value (Tk)	Provision Required	Provision Maintained
	Unquoted shares and mutual funds									
1	Industrial and Infrastructure Development Finance Co. Limited (IIDFC)		10	10,449,259	29,683,820	2.84	(19.51)	-	29,683,820	29,683,820
2	Central Depository Bangladesh Limited (CDBL)		10	2,284,721	6,277,770	2.75	41.55	94,941,369	-	-
3	The Bangladesh Rating Agency Limited (BRAL)		100	119,717	11,971,700	100.00	(6.58)	-	11,971,700	11,971,700
4	Blue Wealth 1st Balance Fund		10	2,500,000	25,000,000	10.00	10.83	27,075,000	-	-
5	EDGE Al-Amin Shariah Consumer Fund		10	1,600,000	16,000,000	10.00	10.79	17,264,000	-	-
6	EDGE AMC Growth Fund		10	775,000	9,145,000	11.80	14.55	11,276,250	-	-
7	EDGE High Quality Income Fund		10	4,762,440	49,999,962	10.50	12.65	60,244,866	-	-
8	Ekush Growth Fund		10	2,250,000	22,500,000	10.00	11.87	26,707,500	-	-
9	Ekush Stable Return Fund		10	2,191,000	24,999,310	11.41	13.77	30,170,070	-	-
10	Green Delta Dragon Enhanced Blue Chip Growth Fund		10	2,500,000	25,000,000	10.00	11.03	27,575,000	-	-
11	HFAML Shariah Unit Fund		10	2,000,000	20,000,000	10.00	7.72	15,440,000	4,560,000	7,506,506
12	IDLC Balanced Fund		10	4,511,370	45,113,700	10.00	11.06	49,895,752	-	-
13	UCB Income Plus Fund		10	4,759,370	49,999,929	10.51	13.43	63,919,767	-	-
14	VIPB Accelerated Income Unit Fund		10	3,600,000	40,068,000	11.13	12.13	43,668,000	-	-
15	VIPB Fixed Income Fund		10	997,000	9,999,910	10.03	11.82	11,784,540	-	-
16	VIPB Growth Fund		10	2,014,000	20,140,000	10.00	12.11	24,389,540	-	-
17	VIPB NLI 1ST Unit Fund		10	7,018,585	70,185,850	10.00	10.56	74,116,258	-	-
18	VIPB SEBL 1st Unit Fund		10	10,423,467	104,234,670	10.00	11.24	117,159,769	-	-
					580,319,621			**695,627,681**	**539,294,823**	**542,343,833**

Annexure - E

BRAC Bank PLC.
Schedule of Fixed Assets
As at 31 December 2025

Amount in Taka

Particulars	Cost: Opening balance as on 01 January 2025	Cost: Addition/ Revaluation during the year	Cost: Disposals/ Adjustments during the year	Cost: Total balance as at 31 December 2025	Depreciation: Opening balance as on 01 January 2025	Depreciation: Charge during the year	Depreciation: Disposals/ Adjustments during the year	Depreciation: Total balance as at 31 December 2025	Written-down value as at 31 December 2025
Property, plant & equipment (PPEs)									
Land	527,275,400	-	-	527,275,400	-	-	-	-	527,275,400
Office floor space	4,034,334	-	-	4,034,334	1,225,765	100,858	-	1,326,623	2,707,711
Furniture & fixture	2,536,067,740	384,857,917	33,427,989	2,887,497,668	1,794,108,415	163,599,937	33,120,924	1,924,587,428	962,910,240
Office equipment	1,652,505,716	366,690,313	64,292,726	1,954,903,303	1,343,491,792	137,168,912	64,292,726	1,416,367,978	538,535,325
IT Hardware	4,331,020,017	769,945,707	232,295,011	4,868,670,713	3,035,840,863	573,595,582	231,709,763	3,377,726,682	1,490,944,031
Motor vehicles	442,202,195	116,300,738	-	558,502,933	391,762,435	32,818,354	-	424,580,789	133,922,144
Right of use assets (RoU)	7,540,539,044	2,498,545,108	967,141,010	9,071,943,142	3,145,524,166	1,041,561,658	860,530,634	3,326,555,190	5,745,387,952
Capital expenditure work in progress	415,419,540	642,413,918	365,571,294	692,262,164	-	-	-	-	692,262,164
Sub-total	**17,449,063,986**	**4,778,753,701**	**1,662,728,030**	**20,565,089,657**	**9,711,953,436**	**1,948,845,301**	**1,189,654,047**	**10,471,144,690**	**10,093,944,967**
Intangible assets:									
With definite useful lives:									
IT Software	3,260,405,920	562,224,401	-	3,822,630,321	2,479,070,592	436,767,009	-	2,915,837,601	906,792,720
Sub-total	**3,260,405,920**	**562,224,401**	**-**	**3,822,630,321**	**2,479,070,592**	**436,767,009**	**-**	**2,915,837,601**	**906,792,720**
As at 31 December 2025	**20,709,469,906**	**5,340,978,102**	**1,662,728,030**	**24,387,719,978**	**12,191,024,028**	**2,385,612,310**	**1,189,654,047**	**13,386,982,291**	**11,000,737,687**

As at 31 December 2024

Amount in Taka

Particulars	Cost: Opening balance as on 01 January 2024	Cost: Addition/ Revaluation during the year	Cost: Disposals/ Adjustments during the year	Cost: Total balance as at 31 December 2024	Depreciation: Opening balance as on 01 January 2024	Depreciation: Charge during the year	Depreciation: Disposals/ Adjustments during the year	Depreciation: Total balance as at 31 December 2024	Written-down value as at 31 December 2024
Property, plant & equipment (PPEs)									
Land	527,275,400	-	-	527,275,400	-	-	-	-	527,275,400
Office floor space	4,034,334	-	-	4,034,334	1,124,907	100,858	-	1,225,765	2,808,569
Furniture & fixture	2,346,016,160	263,403,237	73,351,657	2,536,067,740	1,720,188,387	146,332,171	72,412,143	1,794,108,415	741,959,325
Office equipment	1,467,218,773	212,619,350	27,332,407	1,652,505,716	1,253,509,447	117,302,262	27,319,917	1,343,491,792	309,013,924
IT Hardware	3,424,966,158	942,610,625	36,556,766	4,331,020,017	2,583,369,738	488,893,781	36,422,656	3,035,840,863	1,295,179,154
Motor vehicles	442,202,195	-	-	442,202,195	366,372,646	25,389,789	-	391,762,435	50,439,760
Right of use assets (RoU)	6,715,802,482	1,241,972,128	417,235,566	7,540,539,044	2,554,094,484	902,607,156	311,177,474	3,145,524,166	4,395,014,878
Capital expenditure work in progress	306,546,534	532,520,341	423,647,335	415,419,540	-	-	-	-	415,419,540
Sub-total	**15,234,062,036**	**3,193,125,681**	**978,123,731**	**17,449,063,986**	**8,478,659,609**	**1,680,626,017**	**447,332,190**	**9,711,953,436**	**7,737,110,550**
Intangible assets:									
With definite useful lives:									
IT Software	2,979,635,750	280,770,170	-	3,260,405,920	2,107,859,025	371,211,567	-	2,479,070,592	781,335,328
Sub-total	**2,979,635,750**	**280,770,170**	**-**	**3,260,405,920**	**2,107,859,025**	**371,211,567**	**-**	**2,479,070,592**	**781,335,328**
As at 31 December 2024	**18,213,697,786**	**3,473,895,851**	**978,123,731**	**20,709,469,906**	**10,586,518,634**	**2,051,837,584**	**447,332,190**	**12,191,024,028**	**8,518,445,878**

Annexure-F

BRAC Bank PLC.
Statement of Tax Position
As at 31 December 2025

Amount in Taka

Accounting year	Assessment year	Tax provision in financial statements	Tax as per latest assessment	(Short)/Excess provision	Present status
2019	**2020-2021**	3,718,904,812	3,650,315,895	68,588,917	Assessment in progress and filed an appeal before Honourable High Court against the Order of The Taxes Appellate Tribunal
2020	**2021-2022**	2,728,499,267	2,411,400,502	317,098,765	Assessment Completed through ADR process.
2021	**2022-2023**	4,067,399,481	3,948,085,385	119,314,096	Assessment Completed through ADR process.
2022	**2023-2024**	3,905,699,754	3,697,216,125	208,483,629	Tax return submitted and assessment in process.
2023	**2024-2025**	5,328,475,773	5,082,045,383	246,430,390	Tax return submitted for the assessment.
2024	**2025-2026**	6,349,742,457	5,784,044,285	565,698,172	Tax return submitted for the assessment.
2025	**2026-2027**	8,366,129,292	-	-	Tax return not yet due

Note: Assessment for the Income Year 2009 (AY 2010-2011) in progress and filed appeal before Honourable High Court against the Order of The Taxes Appellate Tribunal against excess profit tax imposed.

Annexure G-1

BRAC Bank PLC
Statement of Segment Reporting
For the year ended 31 December 2025

Particulars	BRAC Bank PLC.			Subsidiaries					
	Domestic Banking Unit (DBU)	Offshore Banking Unit (OBU)	BRAC Bank (Standalone)	bKash	BRAC EPL Investments	BRAC EPL Stock Brokerage	BRAC SAAJAN	Intercompany Elimination	BRAC Bank Group (Consolidated)
PROPERTY AND ASSETS									
Cash & Bank Balances	56,544,200,004	4,561,459,344	61,105,659,348	55,928,789,928	335,399,255	1,406,965,204	494,838,725	(9,519,681,271)	109,751,971,189
Investments	326,256,440,605	-	326,256,440,605	91,997,689,882	372,402,705	751,930,284	-	-	419,378,463,476
Loans and advances	630,280,317,506	100,378,521,307	730,658,838,813	-	1,643,590,759	101,370,290	-	(995,467,254)	731,408,332,608
Fixed and other assets including goodwill	59,309,026,089	2,342,266,235	61,651,292,324	20,179,888,280	582,272,782	380,551,342	720,362,425	(17,064,862,348)	67,575,778,377
Total Assets	**1,072,389,984,204**	**107,282,246,886**	**1,179,672,231,090**	**168,106,368,090**	**2,933,665,501**	**2,640,817,120**	**1,215,201,150**	**(27,580,010,873)**	**1,328,114,545,650**
LIABILITIES AND CAPITAL									
Liabilities									
Borrowings & Bonds	46,616,431,566	93,736,825,323	140,353,256,889	-	548,772,169	-	591,389,200	(986,149,703)	140,507,268,555
Deposits and other accounts	884,185,781,011	5,331,626,202	889,517,407,213	110,045,917,155	315,682,996	-	-	(9,519,681,271)	990,359,326,093
Other liabilities	45,717,346,132	4,382,579,974	50,099,926,106	16,651,856,687	1,330,233,178	1,132,114,231	471,582,623	(1,854,861,567)	67,830,851,258
Total Liabilities	**976,519,558,709**	**103,451,031,499**	**1,079,970,590,208**	**126,697,773,842**	**2,194,688,343**	**1,132,114,231**	**1,062,971,823**	**(12,360,692,541)**	**1,198,697,445,906**
Total equity including NCI	**95,870,425,495**	**3,831,215,387**	**99,701,640,882**	**41,408,594,248**	**738,977,158**	**1,508,702,889**	**152,229,327**	**(15,219,318,332)**	**129,421,696,418**
Total liabilities and equity	**1,072,389,984,204**	**107,282,246,886**	**1,179,672,231,090**	**168,106,368,090**	**2,933,665,501**	**2,640,817,120**	**1,215,201,150**	**(27,580,010,873)**	**1,328,114,545,650**

For the year ended 31 December 2024

Particulars	BRAC Bank PLC			Subsidiaries					
	Domestic Banking Unit (DBU)	Offshore Banking Unit (OBU)	BRAC Bank (Standalone)	bKash	BRAC EPL Investments	BRAC EPL Stock Brokerage	BRAC SAAJAN	Intercompany Elimination	BRAC Bank Group (Consolidated)
PROPERTY AND ASSETS									
Cash & Bank Balances	51,661,378,846	605,171,391	52,266,550,237	29,539,176,059	154,505,661	1,400,429,069	316,075,560	(4,809,575,887)	78,867,160,699
Investments	204,351,738,373	-	204,351,738,373	92,205,635,035	725,679,988	676,572,341	-	-	297,959,625,737
Loans and advances	549,922,323,062	73,449,565,468	623,371,888,530	-	1,594,703,748	148,113,710	-	(1,263,924,093)	623,850,781,895
Fixed and other assets including goodwill	47,869,765,267	2,272,760,374	50,142,525,641	18,163,459,099	428,957,678	288,172,283	438,224,135	(14,541,679,364)	56,045,933,044
Total Assets	**853,805,205,548**	**76,327,497,233**	**930,132,702,781**	**139,908,270,193**	**2,903,847,075**	**2,513,287,403**	**754,299,695**	**(20,615,179,344)**	**1,056,723,501,375**
LIABILITIES AND CAPITAL									
Liabilities									
Borrowings & Bonds	55,646,667,341	64,466,084,330	120,112,751,671	-	748,946,087	-	531,707,146	(1,264,471,398)	120,128,933,506
Deposits and other accounts	684,230,164,261	5,202,765,318	689,432,929,579	93,109,564,564	133,588,344	-	-	(4,809,575,887)	777,866,506,600
Other liabilities	40,645,598,185	4,144,459,455	44,790,057,640	11,997,127,820	1,301,365,033	1,067,663,060	171,629,165	(1,518,874,140)	57,808,968,578
Total Liabilities	**780,522,429,787**	**73,813,309,103**	**854,335,738,890**	**105,106,692,384**	**2,183,899,464**	**1,067,663,060**	**703,336,311**	**(7,592,921,425)**	**955,804,408,684**
Total equity including NCI	**73,282,775,761**	**2,514,188,130**	**75,796,963,891**	**34,801,577,809**	**719,947,611**	**1,445,624,343**	**50,963,385**	**(13,022,257,920)**	**100,922,597,151**
Total liabilities and equity	**853,805,205,548**	**76,327,497,233**	**930,132,702,781**	**139,908,270,193**	**2,903,847,075**	**2,513,287,403**	**754,299,696**	**(20,615,179,345)**	**1,056,723,501,375**

Annexure G-2

BRAC Bank PLC
Statement of Segment Reporting
For the year ended 31 December 2025

Particulars	SME	Retail	Corporate	Treasury	Intercompany Elimination	BRAC Bank
Total external revenue	31,868,694,283	(10,952,463,010)	7,627,842,385	29,401,904,870	-	57,945,978,528
Inter segment revenue /(expenses)	(14,916,179,895)	25,874,612,977	3,621,145,381	(14,579,578,463)	-	-
Total segment revenue	16,952,514,388	14,922,149,967	11,248,987,766	14,822,326,407	-	57,945,978,528
Total segment operating expenses	11,697,873,056	10,837,584,998	2,843,779,188	680,295,935	-	26,059,533,177
Segment operating profit/(loss)	**5,254,641,332**	**4,084,564,969**	**8,405,208,578**	**14,142,030,472**	**-**	**31,886,445,351**

Particulars	bKash	BRAC EPL Stock Brokerage	BRAC EPL Investments	BRAC SAAJAN	Intercompany Elimination	BRAC Bank Group
Total external revenue	26,811,795,147	625,328,361	(6,567,599)	613,971,495	(630,374,814)	85,360,131,118
Inter segment revenue /(expenses)	-	-	-	-	-	-
Total segment revenue	26,811,795,147	625,328,361	(6,567,599)	613,971,495	(630,374,814)	85,360,131,118
Total segment operating expenses	17,706,203,291	459,117,201	91,649,508	751,775,266	(630,374,814)	44,437,903,629
Segment operating profit/(loss)	**9,105,591,856**	**166,211,160**	**(98,217,107)**	**(137,803,771)**	**-**	**40,922,227,489**

For the year ended 31 December 2024

Particulars	SME	Retail	Corporate	Treasury	Intercompany Elimination	BRAC Bank
Total external revenue	24,586,469,394	(5,924,899,308)	9,719,349,802	15,869,491,262	-	44,250,411,150
Inter segment revenue /(expenses)	(11,272,780,185)	18,252,252,821	3,005,274,981	(9,984,747,617)	-	-
Total segment revenue	13,313,689,209	12,327,353,513	12,724,624,783	5,884,743,645	-	44,250,411,150
Total segment operating expenses	9,491,810,214	8,537,488,921	2,267,900,746	525,977,876	-	20,823,177,757
Segment operating profit/(loss)	**3,821,878,995**	**3,789,864,592**	**10,456,724,037**	**5,358,765,769**	**-**	**23,427,233,393**

Particulars	bKash	BRAC EPL Stock Brokerage	BRAC EPL Investments	BRAC SAAJAN	Intercompany Elimination	BRAC Bank Group
Total external revenue	19,886,442,580	506,941,658	(126,200,755)	385,284,100	(572,134,862)	64,330,743,871
Inter segment revenue /(expenses)	-	-	-	-	-	-
Total segment revenue	19,886,442,580	506,941,658	(126,200,755)	385,284,100	(572,134,862)	64,330,743,871
Total segment operating expenses	14,838,329,535	460,288,003	101,192,275	492,673,478	(572,134,862)	36,389,816,007
Segment operating profit/(loss)	**5,048,113,045**	**46,653,655**	**(227,393,030)**	**(107,389,378)**	**-**	**27,940,927,864**

To whom it may concern

This is to certify that as detailed in the Annexure-H, BRAC Bank PLC. made the custodian transactions on account of custodian services provided during the year ended 31 December 2025, which have been verified with the books of account, invoices and other related documents as produced to us for our verification.

We also certify that management of the Bank prepared and fairly presented of the income and expenses in accordance with the requirement of the Securities and Exchange Commission (Securities Custodial Service) Rules 2003, and made necessary disclosures in the Bank's audited financial statements for the year ended 31 December 2025.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

ATM Shamim Reza FCA
Partner
Enrolment No: 1766

Dhaka, Bangladesh
Dated: 26 April 2025