

Citibank, N. A., Bangladesh Branches

Auditor's Report, financial statements and other disclosures as at and for the year ended 31 December 2025



Independent Auditor's Report To the Management of Citibank, N.A., Bangladesh Branches Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of Citibank, N.A., Bangladesh Branches (the Bank), which comprise the balance sheet as at 31 December 2025, and the profit and loss account, statement of changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.
In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Bank as at 31 December 2025, and of its financial performance and its 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 2.2.

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 2.2 to the financial statements where management has explained the basis of the 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 qualified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls
Management is responsible for the preparation of 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 2.2 and for such internal control as management determines necessary to enable the preparation of 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 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 financial statements, management is responsible for assessing 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 Bank or to cease operations, or has no realistic alternative but to do so.
Those charged with governance are responsible for overseeing the Bank's financial reporting process.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform the audit procedures in response 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 Bank'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 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 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 Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 accounts as required by law have been kept by 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 dealt with by the report are in agreement with the books of account and returns;
- (v) the 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 Financial Statements section in forming the above opinion on the 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 Financial Statements and Internal Controls:

- (a) internal audit, internal control and risk management arrangements of the Bank 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 Bank and its related entities (other than matters disclosed in these financial statements);
- (ix) the information and explanations required by us have been received and found satisfactory;
- (x) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 4,500 person hours;
- (xi) 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 during the year;
- (xii) as part of our going concern assessment, we reviewed maturity mismatch between assets and liabilities which may negatively affect the Bank's liquidity position subsequently; and
- (xiii) non-banking assets have been accounted in conformity with Bangladesh Bank guidelines.

Ashraf-Uz-Zaman Ali, Partner
Enrolment no: 1518
Rahman Rahman Huq
Chartered Accountants
Firm Enlistment Number: CAF-001-080
Dhaka, 30 MAR 2026
DVC: 2603301518AS548617

Balance Sheet As at 31 December 2025				
In BDT	Note	31 December 2025	31 December 2024	
PROPERTY AND ASSETS				
Cash	4	-	-	
Cash in hand (including foreign currencies)		216,939,409	200,836,915	
Balances with Bangladesh Bank and its agent bank(s) (including foreign currencies)	13	404,051,095	15,195,040,778	
		13,620,990,504	15,395,877,693	
Balance with other banks and financial institutions	5	-	-	
In Bangladesh		-	3,509,789	
Outside Bangladesh		15,448,210,847	19,259,042,080	
		15,448,210,847	19,262,551,869	
Money at call on short notice	6	-	-	
Investments	7	19,516,384,976	20,644,570,336	
Government		6,000,000	6,000,000	
Other		19,522,384,976	20,650,570,336	
Loans and advances	8	20,440,434,793	14,130,128,604	
Loans, cash credits, overdrafts etc.		4,626,656,294	10,613,984,273	
Bills purchased and discounted		25,067,091,087	24,744,112,877	
Fixed assets including premises, furniture and fixtures	9	231,621,395	265,629,365	
CAPITAL				
Other assets	10	852,946,776	873,193,881	
Non-banking assets		-	-	
Total assets		74,743,245,585	81,191,936,011	
LIABILITIES AND CAPITAL				
Liabilities				
Borrowings from other banks, financial institutions and agents	11	316,764,338	876,624,000	
Deposits and other accounts	12	-	-	
Current account and other accounts		40,200,919,538	39,954,911,060	
Bills payable		612,434,915	13,307,343,036	
Savings deposits		758,206,028	1,027,207,173	
Fixed deposits		9,483,793,050	14,363,360,994	
Bearer certificates of deposits		-	-	
Other deposits		-	-	
		51,005,753,431	55,958,541,706	
Other liabilities	13	5,857,853,548	4,159,232,299	
Total liabilities		57,180,371,317	60,994,398,005	
CAPITAL				
Fund deposited with Bangladesh Bank as capital	14.2	7,056,470,775	6,923,765,274	
Other reserves	15	(86,133,404)	(33,570,304)	
Surplus in profit and loss account	16	10,592,536,897	13,307,343,036	
Total equity		17,562,874,268	20,197,538,006	
Total liabilities and equity		74,743,245,585	81,191,936,011	
In BDT	Note	31 December 2025	31 December 2024	
OFF-BALANCE SHEET ITEMS				
Contingent liabilities				
Acceptances and endorsements	17.1	4,263,549,767	4,012,286,410	
Letters of guarantee	17.2	1,234,432,636	1,232,861,603	
Irrevocable letters of credit	17.3	12,850,908,415	11,300,554,278	
Bills for collection	17.4	2,403,247,949	2,007,188,103	
Other contingent liabilities		-	-	
		20,552,138,767	18,552,890,394	
Other commitments	17.5	-	-	
Documentary credits and short term trade - related transactions		174,795,420	114,990,526	
Drawdown assets purchased and forward deposits placed		3,648,604,519	1,754,105,841	
Undrawn note issuance and revolving underwriting facilities		-	-	
Forward formal standby facilities, credit lines and other commitments		-	-	
		3,823,399,939	1,869,096,367	
Others	17.6	-	-	
Value of travellers' cheques on hand		-	-	
Value of Unredeemed cheques		-	-	
Value of Bangladesh Sanchaypatri on hand		255,925,000	255,925,000	
Value of Bangladesh Bank USD bond on hand		324,156,190	318,060,000	
Total off-balance sheet items including contingent liabilities		580,081,190	573,985,000	
		24,955,619,656	20,995,971,761	

The accompanying notes 1 to 36 form an integral part of these financial statements.

Md Moinul Huq
Citi Country Officer, Bangladesh

S. H. Aslam Habib
Chief Financial Officer, Bangladesh

As per our report of same date.

Ashraf-Uz-Zaman Ali, Partner
Enrolment no: 1518
Rahman Rahman Huq
Chartered Accountants
Firm Enlistment Number: CAF-001-080

Dhaka, 30 MAR 2026
DVC: 2603301518AS548617

Profit and Loss Account For the year ended 31 December 2025			
In BDT	Note	2025	2024
Interest income	19	3,814,822,478	3,759,099,189
Interest paid on deposits and borrowings	20	(964,357,882)	(682,878,500)
Net interest income		2,850,464,596	3,076,220,689
Investment income	21	2,356,908,854	2,443,414,528
Commission, exchange and brokerage	22	1,596,636,112	2,274,164,655
Other operating income/(loss)	23	761,290	605,282
Total operating income		6,804,770,852	7,794,405,154
Salaries and allowances	24	(773,123,781)	(735,944,100)
Rent, taxes, insurance, electricity etc.		(183,942,733)	(189,677,707)
Legal expenses		(1,912,536)	(2,115,380)
Postage, stamps, telecommunication etc.		(33,751,154)	(37,741,470)
Stationery, printing, advertisement etc.		(24,734,012)	(29,557,585)
Citi Country Officer's salary and allowances		(31,614,519)	(27,952,089)
Auditors' fees		(1,438,724)	(1,100,000)
Depreciation and repair of bank's assets	25	(124,010,162)	(125,792,275)
Other expenses	26	(282,606,486)	(146,679,464)
Total operating expenses		(1,457,134,107)	(1,296,560,070)
Profit before provisions		5,347,636,745	6,497,845,084

Provision for loans and advances			
Specific provision for classified loans and advances	13.1	-	-
General provision for unclassified loans and advances	13.1	(11,793,999)	17,608,909
Provision for off balance sheet exposures	13.2	51,204,745	65,249,991
Provision for diminution in value of investments		-	-
Provision for nostro accounts		-	-
Recoveries from written off loans	13.1	-	4,312,127
Total provisions		39,410,746	87,170,127
Total profit before income tax		5,387,047,491	6,585,015,211
Provision for taxation			
Current tax	27	(2,139,584,560)	(2,744,411,217)
Deferred tax	27	34,283,362	8,089,170
		(2,105,301,198)	(2,736,322,047)
Net profit after taxation		3,281,746,293	3,848,693,164

The accompanying notes 1 to 36 form an integral part of these financial statements.

Md Moinul Huq
Citi Country Officer, Bangladesh

S. H. Aslam Habib
Chief Financial Officer, Bangladesh

As per our report of same date.

Ashraf-Uz-Zaman Ali, Partner
Enrolment no: 1518
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Statement of Changes in Equity For the year ended 31 December 2025				
In BDT	Fund deposited with Bangladesh Bank	Other reserves	Surplus in Profit and Loss Account	Total
Balance as at 1 January 2024	6,346,784,835	(44,913,988)	10,958,456,457	17,260,327,304
Changes in accounting policy	-	-	-	-
Net profit for the year	-	-	3,848,693,164	3,848,693,164
Surplus/(deficit) on account of revaluation of investments (net of deferred tax)	-	(492,083)	-	(492,083)
Actuarial gain/(loss) (net of deferred tax)	-	11,835,767	-	11,835,767
Profit remitted to Head Office	-	-	(1,540,422,649)	(1,540,422,649)
Transfer to Start-up Equity Investment Fund	-	-	(38,486,932)	(38,486,932)
Currency translation differences	576,980,439	-	79,102,996	656,083,435
Balance as at 31 December 2024	6,923,765,274	(33,570,304)	13,307,343,036	20,197,538,006
Changes in accounting policy	-	-	-	-
Net profit for the year	-	-	3,281,746,293	3,281,746,293
Surplus/(deficit) on account of revaluation of investments (net of deferred tax)	-	3,076,692	-	3,076,692
Actuarial gain/(loss) (net of deferred tax)	-	(55,639,792)	-	(55,639,792)
Profit remitted to Head Office	-	-	(5,977,674,729)	(5,977,674,729)
Transfer to Start-up Equity Investment Fund	-	-	(32,817,463)	(32,817,463)
Currency translation differences	132,705,501	-	13,939,760	146,645,261
Balance as at 31 December 2025	7,056,470,775	(86,133,404)	10,592,536,897	17,562,874,268

The accompanying notes 1 to 36 form an integral part of these financial statements.

Cash flow statement For the year ended 31 December 2025			
In BDT	Note	2025	2024
Cash flows from operating activities			
Interest receipts in cash		3,898,972,198	3,460,070,411
Interest payments		(943,197,490)	(623,927,770)
Dividend receipts		6,000,000	-
Fee and commission receipts in cash		1,596,636,112	2,274,164,655
Recoveries of loans previously written off		-	4,312,127
Cash payments to employees		(709,511,244)	(733,208,376)
Cash payment to suppliers		(294,745,390)	(313,896,288)
Income taxes paid		(2,478,165,131)	(2,102,104,678)
Income from trading security		2,357,318,527	2,446,909,131
Receipts from other operating activities		340,875	101,307
Payment for other operating activities		(140,998,157)	(126,132,260)
Operating profit before changes in operating assets and liabilities		3,293,250,300	4,292,288,259
Increase/(decrease) in operating assets and liabilities			
Statutory deposits		-	-
(Purchase)/sale of trading securities		(12,767,123,369)	834,600,934
Loans and advances to other banks		-	-
Loans and advances to customers		(395,832,354)	551,361,479
Other assets		17,459,602	159,546,364
Deposits from other banks		853,652,625	(118,802,269)
Deposits from customers		(5,806,440,900)	5,496,771,286
Borrowing from other banks and financial institutions		(559,859,662)	(5,321,509,862)
Trading liabilities		-	-
Other liabilities		1,831,405,178	103,090,778
Net cash from operating activities (A)		(13,533,488,580)	5,997,346,969
Cash flows from investing activities			
Proceeds from sale of securities		-	-
Payment for purchase of securities		-	-
(Purchase)/sale of fixed assets		(50,709,604)	(110,827,752)
Net cash from investing activities (B)		(50,709,604)	(110,827,752)
Cash flows from financing activities			
Profit remitted to head office		(5,977,674,729)	(1,540,422,649)
Fund received from head office as capital injection		-	-
Payment made for lease liabilities		(69,309,288)	(61,357,766)
Net cash from financing activities (C)		(6,046,984,017)	(1,601,780,415)
Net increase/(decrease) in cash and cash equivalents (D = A + B + C)		(19,631,182,201)	4,284,738,802
Effects of exchange rate changes on cash and cash equivalents		146,645,261	656,083,435
Cash and cash equivalents at the beginning of the year (E)		48,553,899,791	43,613,077,554
Cash and cash equivalents at the end of the year (D + E)	29	29,069,362,851	48,553,899,791

The accompanying notes 1 to 36 form an integral part of these financial statements.

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

1 Status of the Bank
1.1 Legal form of the Bank
Citibank, N.A., Bangladesh Branches ("the Bank") commenced its banking operations in Dhaka, Bangladesh on 24 June 1995 after obtaining license from Bangladesh Bank dated 26 January 1995. Citigroup Inc., a holding company under the laws of the State of Delaware, United States of America, is the sole shareholder of Citibank, N.A. The Offshore Banking Unit (OBU) of the Bank started its operations on 26 April 2006.

1.2 Nature of business
Prior to obtaining a banking license Citibank, N.A. opened a representative office in Bangladesh in 1987. The Bank opened its first full-service branch in Dhaka in 1995. The Bank currently has three branches, these are in Motijheel, Gulshan and Chattogram, and two EPZ service counters of its OBU with 159 employees serving corporate customers. Since inception, the Bank's operations encompass primarily corporate and commercial banking services under the Institutional Clients Group (ICG).

1.3 Principal activities
The Bank provides a comprehensive range of financial services including treasury management, transaction services, foreign exchange and structured finance to corporate clients, governments and financial institutions. In 2008, the Bank started to offer Direct Custody and Clearing (DCC) services to its offshore clients.

2 Basis of preparation
2.1 Combined financial statements for DBU and OBU
Pursuant to Bangladesh Bank circular BRPD Circular No. 02 dated 25 February 2019, BRPD Circular Letter No. 09 dated 27 May 2019, BRPD Circular Letter No. 31 dated 18 June 2020, BRPD Circular Letter No. 09 dated 31 January 2021, BRPD Circular Letter No. 12 dated 22 February 2021, BRPD Circular Letter No. 04 dated 16 January 2024, FE Circular Letter No. 01 (Offshore Banking Act, 2024) dated 18 March 2024, FE Circular Letter No. 13 dated 20 August 2024, FE Circular No. 11 dated 30 January 2025, FE Circular No. 24 dated 25 June 2025, these financial statements for the year ended 31 December 2025 comprise the operations of both the Domestic Banking Unit (DBU) and the Off Shore Banking Unit (OBU), together referred to as "the Bank".

2.2 Statement of compliance
The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) was formed in 2017 and has since then 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.
Accordingly, the financial statements of the Bank are prepared in accordance with IFRSs (including IASs) and the requirements of the Bank Company Act, 1991 (Amended up to date), the rules and regulations issued by Bangladesh Bank and the Companies Act 1994. In case any requirement of the Bank Company Act, 1991 (Amended up to date), and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs (including IASs), the requirements of the Bank Company Act, 1991 (Amended up to date), and provisions and circulars issued by Bangladesh Bank have been applied. Material departures from the requirements of IFRS are as follows:

i) Presentation of financial statements
IFRS: As per IAS 1 *Presentation of Financial Statements*, financial statements shall comprise statement of financial position, comprehensive income statement, statement of changes in equity, cash flows statement, adequate notes comprising summary of accounting policies and other explanatory information. As per para 60 of IAS 1, the entity shall also present current and non-current assets and liabilities as separate classifications in its statement of financial position.
Bangladesh Bank: The presentation of the financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, statement of changes in equity) and certain disclosures therein are guided by the "First Schedule" (section 38) of the Bank Company Act,

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xv) Loans and advance net of provision

IFRS: As per IFRS 9, Loans and advances shall be presented at amortised cost net of any write down for impairment (expected credit losses that result from all possible default events over the life of the financial instrument).

Bangladesh Bank: As per BRPD Circular No. 14 dated 25 June 2003, provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

xvi) Presentation of Intangible Assets

IFRS: An intangible asset must be identified and recognized, and the disclosure must be given as per IAS 38 *Intangible Assets*.

Bangladesh Bank: There is no specific regulation for intangible assets in BRPD Circular No. 14 dated 25 June 2003 hence, it is shown in fixed assets.

xvii) Provision on financial guarantees

IFRS: As per IFRS 9, bank shall recognize credit losses on undrawn loan commitments 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 bank expects to receive.

Bangladesh Bank: As per BRPD Circular No.06 dated 25 April 2023, the Bank is required to maintain provision at 0% to 1% against undrawn commitments.

2.3 Basis of measurement

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

- Government treasury bills and bonds designated as 'Held for trading (HFT)' at market value using marking to market concept with gains credited to revaluation reserve as per DOS Circular Letter No. 05 dated 26 May 2008, DOS Circular Letter No. 05 dated 28 January 2009, DOS Circular Letter No. 21 dated 27 October 2009, DOS Circular Letter No. 23 dated 21 December 2009, DOS Circular No. 03 dated 01 June 2010, DOS Circular Letter No. 03 dated 30 January 2012, DOS Circular No. 01 dated 19 January 2014, DOS Circular Letter No. 23 dated 07 October 2018, DOS Circular Letter No. 26 dated 19 August 2019, DOS Circular Letter No. 27 dated 04 December 2023.
- Government treasury bills and bonds are designated as 'Held to maturity (HTM)' and remeasured at present value using amortization concept as per DOS Circular Letter No. 05 dated 26 May 2008, DOS Circular Letter No. 05 dated 28 January 2009, DOS Circular Letter No. 21 dated 27 October 2009, DOS Circular Letter No. 23 dated 21 December 2009, DOS Circular No. 03 dated 01 June 2010, DOS Circular Letter No. 03 dated 30 January 2012, DOS Circular No. 01 dated 19 January 2014, DOS Circular Letter No. 23 dated 07 October 2018, DOS Circular Letter No. 26 dated 19 August 2019, DOS Circular Letter No. 27 dated 04 December 2023.
- Investment in shares of listed companies are valued at market price and unlisted companies at cost or book value of last audited balance sheet, whichever is lower.
- Net asset/(liability) of defined benefit scheme is net of present value of defined benefit obligations, total plan assets and other related items as required by IAS 19 *Employee Benefit*.

2.4 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT) which is the Bank's functional currency. The functional currency of OBU is US Dollar (USD). The financial statements of OBU have been translated to presentation currency (Taka/Tk/BDT) using the exchange rate prevailing at balance sheet date. Except as otherwise indicated, financial information presented in Taka has been rounded to the nearest integer.

2.5 Use of estimates and judgments

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

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

Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described below:

(a) Provisions for loans and advances

The Bank assesses its loans and advances for objective evidence of impairment on a regular basis and particularly at year end. Whilst the primary criteria set out in BRPD Circular No. 15 dated 27 November 2024 for determining whether a loan is impaired is objective, being based on borrower's ability to make timely repayments, loans and advances may also be classified based on qualitative judgment. This involves making assessments regarding the economic environment in which borrowers operate in addition to making judgments about a borrower's financial position and net realizable value of any underlying collateral.

(b) Taxation

The estimation of current tax provision involves making judgments regarding admissibility of certain expenses, estimating the amount of other expenses for tax purposes and applicability of provision of the Income Tax Act (ITA) 2023, return will be submitted for tax based on the Finance Ordinance 2025.

In addition, the recognition of deferred tax assets requires the Bank to estimate the extent to which it is probable that future taxable profits will be available against which the deferred tax assets may be utilized.

(c) Post employment benefits-asset/(liability) from gratuity

The determination of Bank's asset/(liability) from gratuity involves the use of estimates regarding demographic variables (such as employee turnover and mortality) and financial variables (such as future increases in salaries and medical costs) that will influence the cost of the benefit.

(d) Depreciation

Depreciation is provided on a straight line basis over the estimated useful life of each item of fixed asset. The determination of useful life involves the use of estimates regarding expected use of the assets, expected physical wear and tear, technical or commercial obsolescence and legal or similar limits on the use of the assets.

(e) Provisions for expenses

A provision is recognized in the balance sheet when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation in compliance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

(f) Lease liabilities

The lease liability is initially measured at the present value of the lease payments, discounted at the Bank's incremental borrowing rate. The Bank determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the rental assets leased.

The lease liability is remeasured when there is a change in future lease payments or the changes in discount rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use assets and lease liabilities.

2.6 Reporting period

These financial statements cover one calendar year from 1 January to 31 December 2025.

The financial statements were authorized for issue by the Citi Country Officer and the Chief Financial Officer on 30 March 2026.

2.7 Cash flow statement

Cash flow statement has been prepared in accordance with the BRPD Circular No. 14 dated 25 June 2003 issued by the Banking Regulation and Policy Department of Bangladesh Bank.

2.8 Statement of changes in equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth.

3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

3.1 Foreign currencies

Transactions in foreign currencies are translated into the respective functional currency of the operation at the spot exchange rate at the date of the transaction.

Monetary assets, liabilities and fund deposited with Bangladesh Bank as capital denominated in foreign currency at the reporting date are translated into the functional currency at the spot exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognized in the profit and loss account except for exchange rate differences on fund deposited with Bangladesh Bank as capital, which is recognized directly in equity.

3.2 Cash and cash equivalents

Cash and cash equivalents in cash flow statement include notes and coins in hand, both restricted and unrestricted balances held with Bangladesh Bank and its agent bank (including foreign currency), balance with other banks and financial institutions, money at call on short notice, 91 days treasury bills, Bangladesh Bank bills, reverse repo and prize bond.

3.3 Investments

All investment securities are initially recognized at cost, including acquisition charges associated with the investment. Premiums are amortized and discounts are accreted.

Held to maturity

Investments which have 'fixed or determinable payments' and are intended to be held to maturity are classified as 'Held to Maturity'.

Held for trading

Investment 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.

Revaluation

As per DOS Circular Letter No. 05 dated 26 May 2008, DOS Circular Letter No. 05 dated 28 January 2009, DOS Circular Letter No. 21 dated 27 October 2009, DOS Circular Letter No. 23 dated 21 December 2009, DOS Circular No. 03 dated 01 June 2010, DOS Circular Letter No. 03 dated 30 January 2012, DOS Circular No. 01 dated 19 January 2014, DOS Circular Letter No. 23 dated 07 October 2018, DOS Circular Letter No. 26 dated 19 August 2019, HFT securities are revalued each week using Marking to Market concept. 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 or loss. As per DMD Circular Letter No. 06 dated 04 June 2024, HFT treasury bonds need to be revalued using secondary market yields, while HFT treasury bills will be revalued using existing primary cut-off yields.

As per DOS Circular Letter No. 27 dated 04 December 2023 the Bank may transfer HTM amortization gains/loss to profit and loss account during the year. The weekly revaluation loss of treasury bonds can be netted off with revaluation reserve of that particular securities. However, if there is no reserve of that securities, the revaluation losses need to be accounted for in profit and loss statement. Revaluation loss of one security can't be adjusted with revaluation reserve of other securities. For HFT treasury bills, the prevailing rule will be continued.

Value of investments has been shown as under:

		At market value (using marking to market concept)
Government treasury bills and bonds (HFT)		At present value (using marking to market concept)
Government treasury bills and bonds (HTM)		At cost
Prize bond		At cost or book value of the last audited balance sheet whichever is lower
Unquoted shares		

Details are shown in Note 7.

3.4 Loans and advances and provisions for loans and advances

a) Loans and advances are stated in the balance sheet at gross value. Loans and advances are initially measured at fair value and subsequently measured at amortized cost.

b) Provision for loans and advances is made on the basis of periodical review by the management and as per instructions contained in Bangladesh Bank BRPD Circular No. 06 dated 25 April 2023, BRPD Circular No. 15 dated 27 November 2024, BRPD Circular Letter No. 58 dated 31 December 2024, BRPD Circular Letter No. 03 dated 23 January 2025, BRPD Circular No. 05 dated 25 June 2025, BRPD Circular No. 29 dated 21 December 2025. The guidance in the circulars follow a formulaic approach. These circulars also provide scope for further provisioning based on qualitative judgments. The rates of provision for different classifications are given below:

Particulars	2025	2024
General provision on:		
All unclassified loans and advances except following:	1.00%	1.00%
Small and medium enterprise financing	0.50%	0.25%
Consumer financing	2.00%	2.00%
Housing finance and loans for professionals to set up business under consumer financing scheme	1.00%	1.00%
Loan to BHs/MBs/SDs against shares	2.00%	2.00%
Agricultural loans	0.50%	1.00%
In accordance with BRPD Circular No. 06 dated 25 April 2023, BRPD Circular No. 15 dated 27 November 2024, BRPD Circular Letter No. 58 dated 31 December 2024, BRPD Circular Letter No. 03 dated 23 January 2025, BRPD Circular No. 05 dated 25 June 2025, BRPD Circular Letter No. 29 dated 21 December 2025, the rate of provision on the outstanding amount of loans kept in the 'Special Mention Account' will be the same as the rates stated above, i.e. 0.25% against all unclassified loans of Small and Medium Enterprise (SME), 5% on the unclassified amount for Consumer Financing, 2% on the unclassified amount for Housing Finance, 1% on the unclassified amount for agricultural loans and 1% against all other unclassified loans.		

Specific provision on:

	2025	2024
Substandard and doubtful agricultural loans	5.00%	5.00%
Substandard loans and advances	20.00%	20.00%
Doubtful loans and advances	50.00%	50.00%
Bad/loss loans and advances	100.00%	100.00%

c) Loans and advances are written off in accordance with BRPD Circular No. 04 dated 18 February 2024 to the extent that:

- i) there is no realistic prospect of recovery, and
- ii) against which legal cases are filed and classified as bad/loss as per guidelines of Bangladesh Bank.

These write offs however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such write off accounts are maintained and followed up. Write-off loans and advances are reported to the Credit Information Bureau (CIB) of Bangladesh Bank and other relevant directives are followed accordingly.

Details are shown in note 8.

3.5 Fixed assets and depreciation

Recognition and measurement

Items of fixed assets, excluding land, are measured at cost/revaluation less accumulated depreciation and accumulated impairment losses, if any. Land is measured at cost/revaluation.

Cost includes expenditure that are directly attributable to the acquisition of the assets and bringing to the location and condition necessary for it to be capable of operating in the intended manner.

When parts of an item of fixed asset have different useful lives, they are accounted for as separate items (major components) of fixed assets.

The gain or loss on disposal of an item of fixed asset is determined by comparing the proceeds from disposal with the carrying amount of that item, and is recognized in other income/other expenses in profit or loss.

Subsequent costs

The cost of replacing a component of an item of fixed assets is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Bank and its cost can be measured reliably. The carrying amount of the replaced component is derecognized. The costs of the day to day servicing of fixed assets are recognized in the profit and loss account as incurred.

Depreciation

Depreciation is recognized in the profit and loss account on a straight line basis over the estimated useful life of each part of an item of fixed assets since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Bank will obtain ownership by the end of the lease. In case of acquisition of fixed assets, depreciation is charged from the month of acquisition, whereas depreciation on disposed off fixed assets is charged up to the month prior to the disposal. Asset category-wise depreciation rates are as follows:

Category of assets	Rate of depreciation
Furniture and fixtures	10% - 33.33%
Office equipment	10% - 33.33%
Motor vehicles	20%

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

Retirement and disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain and loss from disposal of asset under "Other operating income" in the profit and loss account.

3.6 Leases

As a lessee

The Bank recognizes a right-of-use (ROU) asset and a lease liability from the initial application date i.e. 1 January 2019 or the commencement date of a lease contract. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the initial application date or commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Bank by the end of the lease term or the cost of the right-of-use asset reflects that the Bank will exercise a purchase option. In that case the right-of-use assets will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the initial application date or commencement date, discounted at the Bank's weighted average rate. Generally, the Bank uses its incremental borrowing rate as the discount rate.

(i) Determining whether an arrangement contains a lease

At inception of an arrangement, the Bank determines whether the arrangement is or contains a lease.

At inception or reassessment of an arrangement that contains a lease, the Bank separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair value. If the Bank concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Bank's incremental borrowing rate.

(ii) Right of use assets

At the commencement date (the date on which the underlying asset are available for use by a lessee or the right of use or control transferred to the lessee) the lessee shall recognize and measure the right-of-use asset at cost.

The cost of the right-of-use asset shall comprise:

- (a) the amount of the initial measurement of the lease liability;
- (b) any lease payments made at or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the lessee; and
- (d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

After the commencement date, a lessee shall measure the right-of-use asset applying a cost model, unless it falls under the definition of investment property as per IAS 40 *Investment Property*, or right-of-use assets relate to a class of property, plant and equipment to which the lessee applies the revaluation model in IAS 16 *Property, Plant and Equipment*.

To apply a cost model, a lessee shall measure the right-of-use asset at cost:

- (a) less any accumulated depreciation and any accumulated impairment losses; and
- (b) adjusted for any remeasurement of the lease liability.

(iii) Lease payments

Payments made under operating lease are charged to profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognized as an integral part of the total lease expenses, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

3.7 Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents includes interest-bearing borrowings against securities from Bangladesh Bank and other banks and call borrowing from other banks. These items are reported in the financial statements at the gross value of the outstanding balance.

Details are shown in note 11.

3.8 Deposits and other accounts

Deposits and other accounts include non interest-bearing current deposits redeemable at call, interest bearing on demand and short-term deposits, savings deposits and fixed deposits. These items are reported in the financial statements at the gross value of the outstanding balance.

Details are shown in note 12.

3.9 Other liabilities

Other liabilities comprise items such as provision for loans and advances, provision for taxation, interest payable, interest suspense, accrued expenses etc. Other liabilities are reported in the balance sheet according to the guidelines of Bangladesh Bank, Income Tax Act 2023 and internal policy of the Bank.

Details are shown in note 13.

3.10 Fund deposited with Bangladesh Bank

This represents amounts deposited with Bangladesh Bank in foreign currency as a part of minimum capital requirement. As per Section 24(1) of the Bank Company (amendment) Act 2013, Banks which are incorporated outside Bangladesh do not require to set aside any reserve out of their profits.

According to subsection 3 of Section 13 of the Bank Company Act, 1991 (Amended up to date) as amended by BRPD Circular No. 18 dated 21 December 2014, BRPD Circular No. 18 dated 18 August 2021 and "Guidelines on Risk Based Capital Adequacy for Banks (Basel III) as of December 2014" of Bangladesh Bank, all banks are required to deposit with Bangladesh Bank the higher of Tk. 5,000 million (2024: Tk. 5,000 million) and minimum capital requirement calculated as 10% (2024: 10%) of risk weighted assets.

Details are shown in note 14.

3.11 Contingencies

3.11.1 Contingent liabilities

A contingent liability is:

A 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

A present obligation that arises from past events but is not recognized because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated.

3.11.2 Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. An example is a claim that an entity is pursuing through legal processes, where the outcome is uncertain.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed where an inflow of economic benefits is probable.

3.12 Revenue recognition

3.12.1 Interest on loans and advances

Interest income are recognized in the profit and loss account on an accrual basis.

Interest is accrued on a daily basis and applied to customer accounts every month, quarter and at maturity depending on the product offerings.

In accordance with BRPD circular no. 14 dated 23 September 2012, interest accrued on sub-standard loans and doubtful loans are credited to Interest Suspense Account which is included within Other liabilities. Interest from loans and advances ceases to be accrued when they are classified as bad / loss.

3.12.2 Income from investment

Interest income on investments in government and other securities is recognized on accrual basis. Investment income includes interest income, capital gain, and revaluation loss on government securities. Investment income also includes dividend on investment in shares. Dividend income is recognized when the right to receive payment is established. This is the ex-dividend date for the equity securities.

3.12.3 Fees and commission income

The Bank earns fees and commissions from a diverse range of services provided to its customers. Commission on letter of guarantee is recognized on accrual basis. Other fees and commission income is recognized as revenue as the services are provided.

3.12.4 Exchange Income

Exchange income includes all gains and losses from foreign currency transactions.

3.13 Interest paid on borrowings and other deposits

Interest paid on deposits and other accounts except fixed deposit is accrued on a monthly basis, but credited to customer account on half yearly basis. Interest on fixed deposit is accrued on a daily basis and credited to customer account on maturity of fixed deposit. Interest on borrowing from other banks is accrued on a daily basis and paid through Bangladesh Bank account on maturity.

All other expenses are recognized on accrual basis.

3.14 Post employment benefit

The retirement benefits accrued for the employees of the Bank as on reporting date have been accounted for in accordance with IAS 19 *Employee Benefits*.

3.14.1 Provident fund

Provident fund scheme (defined contribution plan) is given to the eligible staff of the Bank in accordance with the rules of the locally registered provident fund constituted under an irrevocable trust. Payments to the provident fund are charged as expense in the profit and loss as they fall due.

3.14.2 Gratuity fund

The Bank operates a funded gratuity scheme duly approved by the National Board of Revenue. Under this scheme, the Bank's obligation to the members of the scheme is to pay one month's last drawn salary for each year of service on the termination of employment. Members who leave the Bank within the first five years of service are not entitled to any benefits under this scheme. The scheme is considered as a defined benefit plan as it meets the recognition criteria specified for this purpose. The fund is managed in accordance with rules of the locally registered fund constituted under an irrevocable trust.

Actuarial valuation of the gratuity scheme is done periodically to assess the adequacy of the liabilities provided for under the gratuity scheme as per IAS 19 *Employee Benefits*.

In accordance with the requirements of IAS 19 *Employee Benefits*, the Bank's net obligation in respect of its gratuity fund is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and any unrecognized past service costs and the fair value of any plan assets are deducted. The calculation is performed by a qualified actuary using the Projected Unit Credit method.

Actuarial gains and losses that arise are recognized in equity and presented in the statement of Changes in Equity in the period they arise. Past service costs are recognized immediately to the extent that benefits are vested and are otherwise recognized over the average period until benefits are vested on a straight line basis.

3.15 Short-term employee benefits

Short-term employee benefits are employee benefits which fall due wholly within twelve months after the end of the period in which the employee renders the related service, including salaries, bonuses and other allowances.

3.16 Provisions and accrued expenses

In compliance with IAS 37, provisions and accrued expenses are recognized in the financial statements when the Bank has a legal or constructive obligation as a result of past events, 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.

3.17 Provisions for off balance sheet exposures

In compliance with Bangladesh Bank guidelines, off balance sheet items are disclosed under contingent liabilities. As per BRPD Circular No.06 dated 25 April 2023, the Bank is required to maintain provision against different components of off balance sheet exposure as defined in the circular.

Details are shown in note 13.2.

3.18 Provisions on balances with other banks and financial institutions (Nostro accounts)

Provisions made for unsettled debit transactions for more than three months on nostro accounts are reviewed at each balance sheet date by management and certified by external auditors in accordance with FE Circular Letter No. FE/PD (FEMO)/01/2005-677 dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank.

Details are shown in note 13.

Citibank, N. A., Bangladesh Branches

Auditor's Report, financial statements and other disclosures as at and for the year ended 31 December 2025



3.23.4

Prevention of money laundering

Money Laundering and Terrorist Financing have potentially devastating economic, security and social consequences. Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention, detection and reporting of money laundering. For mitigating the risk, Citi has established and maintains a Global AML programme that is commensurate with Citi's risk profile, approved by Citi's Board of Directors and noted in the Board minutes. This Policy, together with the Global AML KYC Customer Identification programme, constitute Citi's Global AML programme. The programme is supported by other written policies and procedures, including the Global AML Know Your Customer Policy, the Global Transaction Monitoring Policy, and other related Standards and Procedures, and provides a globally consistent system of controls to identify and mitigate AML risks and comply with AML laws and regulations. To protect Citi, from being used to launder money and/or terrorist financing, and to guide all Citi employees as they conduct business in accordance with applicable anti-money laundering and counter-terrorist financing (collectively "AML") laws and regulations training has been continuously given to all the categories of Executives and Officers for developing awareness and skill for ensuring compliance with the AML laws and regulations.

3.23.5

Internal control and compliance risk

The internal control environment is the framework under which internal controls are developed, implemented and monitored. It consists of the mechanisms and arrangements that ensure internal and external risks to which the Bank is exposed are identified; appropriate and effective internal controls are developed and implemented to soundly and prudently manage these risks; reliable and comprehensive systems are to be put in place to appropriately monitor the effectiveness of these controls.

The Bank being one of the largest global banks has established an appropriate and effective internal control environment to ensure that the Bank is managed and controlled in a sound and prudent manner. The factors which together comprise the control environment are:

a) Management Committee (MANCOM) that is actively concerned with sound corporate governance and that understands and diligently discharges its responsibilities by ensuring that the Bank is appropriately and effectively managed and controlled;

b) Business Unit managements are those actively manage and operate the Bank in a sound and prudent manner; and

c) Control mechanism to monitor the effectiveness of the organizational and procedural controls is in place. An independent internal audit to engage a risk-based methodology in conducting periodic audits for the various businesses and functions in Bangladesh.

Three lines of defense:

Citi uses a lines of defense model as a key component of its Enterprise Risk Management (ERM) Framework to manage its risks. The lines of defense model brings together risk-taking, risk oversight, and risk assurance under one umbrella and provides an avenue for risk accountability of the first line of defense, a construct for effective challenge by IRM and ICRM ("second line of defense") and empowers independent risk assurance by Internal Audit ("third line of defense"). In addition, the lines of defense model includes organizational units tasked with supporting a strong control environment ("enterprise support functions").

The first, second and third lines of defense, along with enterprise support functions, have distinct roles and responsibilities and are empowered to perform their relevant risk management processes and responsibilities outlined in the ERM Framework and supporting suite of policy documents in order to manage Citi's risks in a consistent and effective manner.

First line of defense: The first line of defense ("first line") owns the risks and associated controls inherent in, or arising from, the execution of their business activities and is responsible for identifying, measuring, monitoring, controlling and reporting those risks consistent with Citi's strategy, Mission and Value Proposition, Leadership Principles and risk appetite. The first line is subject to the oversight and challenge of IRM/ICRM. The first line is comprised of the following front including Business Management and Front line units including Enterprise Support Functions (Human Resources, Legal, Finance etc.).

Second line of defense: The second line of defense ("second line") is independent of the first line. The second line is responsible for overseeing the risk-taking activities of the first line and challenging the first line in their execution of their risk management responsibilities. It is also responsible for independently identifying, measuring, monitoring, controlling and reporting aggregate risks and for setting standards for the management and oversight of risk.

The second line is comprised solely of IRM (Independent Risk Management) and ICRM (Independ Compliance Risk Management) and is led by the Group Chief Risk Officer (CRO) and Group Chief Compliance Officer respectively.

Third line of defense: The third line of defense ("third line") is independent of the first line, second line and enterprise support functions. The third line of defense is comprised solely of Internal Audit.

The role of Internal Audit, as set out in the Internal Audit Charter, is to provide independent, objective, reliable, valued and timely assurance to the Board, the Board Audit Committees, senior management and regulators over the effectiveness of governance, risk management and controls that mitigate current and evolving risks and enhance the control culture within the Bank.

3.23.6

Information technology risk

The Bank has an in-country Information Technology (IT) department for the support and services of IT systems locally, backed by a regional and global IT support team to manage core group-wide IT systems and processes. The Business Recovery Plan (BRP) is in place to support business in case of any disaster. The governance process (quarterly assessment, monthly governance review etc.) is in place to manage all kinds IT risks and to comply with group and regulatory requirement.

3.23.7

Audit committee

According to BRPD Circular No. 12 dated 23 December 2002, all banks are required to constitute an audit committee comprising of member of the board. The audit committee will assist the board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plan set by board for the effective functioning of the Bank. The committee will review the financial reporting process, the system of internal control and management of the financial risk, the audit process and the Bank's process for monitoring compliance with laws and regulations and its own code of business conduct.

The Bank, being a branch of a foreign bank, does not have a local board of directors from whom to select an Audit Committee. However, the Bank obtained formal dispensation from the Banking Regulation and Policy Department of Bangladesh Bank as regards to the formation of the committee as suggested in the BRPD Circular No 12 dated 23 December 2002.

3.23.8

Interest rate risk

Interest rate risk may arise either from trading portfolio or from non-trading portfolio. The trading portfolio of the Bank consists of Government treasury bills and bonds of different maturities as far as Interest rate risk is concern. Interest rate risk arises from mismatches between the future yield of an asset and their funding cost. Asset Liability Committee (ALCO) monitors the interest rate movement on a regular basis and the Bank's Markets Treasury team actively manages the Balance Sheet gap to reduce the risk.

3.23.9

Operational risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events. Operational risk is inherent in the Bank's activities and as with other risk types is managed through an overall framework with checks and balances that include implementation of three line of defense, recognized ownership of the risk by the businesses and independent risk management oversight.

The operational risk policy codifies the core governing principles for operational risk management and provides a framework for operational risk. In accordance with the policy, each business area is responsible to identify its key operational risks as well as the controls established to mitigate those risks and to ensure compliance with laws, regulations, regulatory administrative actions and the Bank's policies.

The Bank's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the reputation of the Bank with the Bank's commitment to innovation and innovation. In all cases, the bank's policy requires compliance with all applicable legal and regulatory requirements.

3.23.10

Operating environment

The Bank's operating environment during the year ended 2025 were impacted by a number of major global geo-political events and conflict, volatile fuel and commodity price, unpredictable foreign exchange and interest rate etc. Most of these events also had significant impact in the local economic environment affecting the Bank's operation. From time to time, the Government of Bangladesh and the local Central Bank (Bangladesh Bank) has issued various directives to manage impacts from these events which the Bank has followed. Management on regular basis review and monitor the global and country specific macro-economic situation and factor these issues into the decision making process. However, the long-term effects of the current economic situation are difficult to predict and management's current expectations and estimates could differ from the actual results.

3.24

Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Bank has a legal right to set off the recognized amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a group of similar transactions such as in the Bank's trading activity.

3.25

Comparatives

Figures of previous year have been rearranged whenever considered necessary to conform to current year's presentation. IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* requires an entity to correct material prior period errors retrospectively by restating the comparative amounts for the prior period presented in which the error occurs. No corrections of errors were made in the current period.

To enhance the financial statement presentation in line with the BRPD circular reference no: 17 dated 25 June 2003, the bank has renamed the heading in the note 4, from Cash (including Foreign currency) to Cash, Cash in hand to Cash in hand (including foreign currencies), Balances with Bangladesh Bank and its agent bank(s) to Balances with Bangladesh Bank and its agent bank(s) (including foreign currencies), in note 5, inside Bangladesh to In Bangladesh; Loans, cash credits, overdrafts to Loans, cash credits, overdrafts etc in note 8; Equity to Capital in Balance sheet; Profit and loss account to Surplus in Profit and Loss Account in note 16; Government securities to Government, Other investments to Other in note 7. In note 10.1, Accounts receivable has been broken down and new line named Payment of advance tax for appeal has been added.

3.26

Operating segments

The Bank has no identified operating segment and as such presentation of segmental reporting is not made in the financial statements as per IFRS 8 *Operating Segments*.

3.27

Going Concern

These financial statements have been prepared on the assessment of the bank's ability to continue as a going concern. Citibank, N.A., Bangladesh branches has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. Besides, the management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern.

3.28

Events after the reporting period

All material events after the reporting period are considered and where necessary, adjusted for or disclosed in accordance with IAS 10 *Events after the Reporting Period*.

3.29

Standard issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning on 1 January 2025. However, none of these new and amended standards are expected to have a significant impact on the Bank's financial statements.

The following new standards and amendments to standards are effective for annual periods beginning after 1 January 2026 and earlier application is permitted, but the Bank has not early adopted. However, none of these new and amended standards are expected to have a significant impact on the Bank's financial statements.

- Classification and measurement of financial instruments- Amendments to IFRS 9 and IFRS 7

- Annual improvements to IFRS accounting standards - Volume 11

- IFRS 18 Presentation and Disclosure in Financial Statements

- IFRS 19 Subsidiaries without Public Accountability: Disclosures

4

Cash

In BDT

31 December 2025

31 December 2024

Cash in hand (including foreign currencies)

Foreign currencies

212,411,849

190,933,126

4,527,560

9,903,789

216,939,409

200,836,915

Balances with Bangladesh Bank and its agent bank(s) (including foreign currencies)

Local currency

4,213,334,175

7,532,734,216

Foreign currencies

8,190,716,920

7,662,306,562

Balance under standing deposit facility

1,000,000,000

-

13,404,051,095

15,195,040,778

Balance with Sonali Bank PLC (as agent of Bangladesh Bank)

Local currency

-

-

13,620,990,504

15,395,877,693

Foreign currency balance with Bangladesh Bank includes USD 57,698,043.95, equivalent to BDT 7,056,470,775 (2024: BDT 6,923,765,274) maintained as capital. It has been adjusted for exchange rate differences resulting from revaluation at BDT 122.30 (2024: BDT 120.00).

4.1

Reconciliation with clearing accounts statement from Bangladesh Bank

There were no unidentified transactions appearing in the Bank's balances with Bangladesh Bank as at 31 December 2025. Transactions up to 22 November 2025 were completely adjusted. For the remaining balances, the unadjusted items have been identified and a reconciliation process is in place.

4.2

Cash Reserve Ratio (CRR) and Statutory Liquidity Reserve (SLR)

Cash Reserve Ratio (CRR) and Statutory Liquidity Reserve (SLR) have been calculated and maintained in accordance with Section 33 of the Bank Company Act, 1991 (Amended upto date) and of instructions contained in MPD Circular nos. 1 dated 23 June 2014, DOS Circular No. 1 dated 19 Jan 2014, MPD Circular no. 1 dated 03 April 2018, MPD Circular no. 03 dated 09 April 2020, BRPD Circular no. 31 dated 18 June 2020 and FE Circular No. 07 dated 29 February 2024, MPD Circular No. 01 dated 04 March 2025 issued by Bangladesh Bank.

The statutory Cash Reserve Ratio on the bank's time and demand liabilities has been calculated and maintained with Bangladesh Bank in current account, bi-weekly at the rate of 4% for onshore and daily at the rate of 3% for onshore. As per FE Circular No. 07 dated 29 February 2024, the Bank is not required to maintain any CRR with Bangladesh Bank for its off-shore banking operations. Cash reserve ratio maintained by the Bank is shown below:

4.2.1

Cash Reserve Ratio (CRR)

In BDT

Note

31 December 2025

31 December 2024

Daily 3% (onshore) of average demand and time liabilities:

Required reserve

1,491,912,810

2,007,728,355

Actual reserve held

3,989,518,225

7,329,416,703

Surplus

2,497,605,415

5,321,688,348

Bi-weekly 4% of average demand and time liabilities of onshore book:

Required reserve

1,989,217,080

2,294,546,691

Actual reserve held

Annexure G

3,030,788,299

5,578,337,049

Surplus

1,041,571,219

3,283,790,358

4.2.2

Statutory Liquidity Reserve (SLR)

As per new MPD circular no. 1 dated 23 June 2014 and DOS circular letter 26 dated 29 August 2019 (effective from 2019), 13% SLR has been maintained on the Bank's time and demand liabilities for both onshore and offshore banking operations in the form of treasury bills, bonds and debentures including foreign currency balance with Bangladesh Bank. Statutory Liquidity Reserve maintained by the Bank, is shown below:

In BDT

Note

31 December 2025

31 December 2024

Required reserve

7,263,285,788

8,612,198,119

Actual reserve held with Bangladesh Bank

4.2.3

22,733,625,610

25,880,276,953

Surplus

15,470,339,822

17,268,078,834

4.2.3

Actual reserve held for Statutory Liquidity Reserve

In BDT

31 December 2025

31 December 2024

Cash in hand

216,939,409

200,836,915

Surplus balance with Bangladesh Bank for SLR

2,000,301,225

5,034,869,703

Balance with agent bank (Sonali Bank PLC) as per statement

-

-

Balance with Bangladesh Bank under standing deposit facility

1,000,000,000

-

Government treasury bills

19,402,746,471

20,402,257,620

Government treasury bonds

113,477,005

242,051,215

Bangladesh Bank bill

-

-

Prize bond

161,500

261,500

Reverse repo

-

-

22,733,625,610

25,880,276,953

5

Balance with other banks and financial institutions

In BDT

Note

31 December 2025

31 December 2024

In Bangladesh

5.1

-

3,509,789

Outside Bangladesh

5.2

15,448,210,847

19,259,042,080

15,448,210,847

19,262,551,869

5.1

In Bangladesh

In BDT

31 December 2025

31 December 2024

Current account

Prime Bank PLC

-

2,200,375

Sonali Bank PLC

-

-

Southeast Bank PLC

-

1,309,414

-

3,509,789

Short notice deposit (SND)

Sonali Bank PLC

-

-

Time placement

-

-

-

-

-

3,509,789

5.2

Outside Bangladesh

In BDT

31 December 2025

31 December 2024

Interest bearing current account

Citibank, N.A., Australia (AUD)

90,019

81,450

Citibank, N.A., Canada (CAD)

34,282

54,504

Citibank, N.A., Hong Kong (HKD)

114,397

110,483

Citibank, N.A., Ireland (EUR)

-

104,756,637

Citibank, N.A., Karachi (USD)

143,199,851

131,415,990

Citibank, N.A., London (CHF)

554,894

472,126

Citibank, N.A., London (GBP)

-

1,928,375

Citibank, N.A., London (EUR)

98,541,260

99,903,953

Citibank, N.A., London (DKK)

96,003

82,106

Citibank, N.A., London (SEK)

94,688

76,037

Citibank, N.A., Mumbai (USD)

747,214,068

944,429,495

Citibank, N.A., New York (USD)

10,779,888,386

17,973,160,772

Citibank, N.A., Norway (NOK)

135,204

50,269

Citibank, N.A., Singapore (SGD)

560,551

312,151

Citibank, N.A., Singapore (USD)

382,300

375,110

Citibank, N.A., Tokyo (JPY)

8,304,934

1,832,622

11,779,210,847

19,259,042,080

Time placement:

Citibank, N.A., Singapore (USD)

3,669,000,000

-

15,448,210,847

19,259,042,080

5.3

Maturity grouping of balance with other banks and financial institutions

In BDT

31 December 2025

31 December 2024

Repayable on demand

11,779,210,847

19,262,551,869

Not more than one month

3,669,000,000

-

Over one month but not more than three months

-

-

Over three months but not more than one year

-

-

Over one year but not more than five years

-

-

Over five years

-

-

15,448,210,847

19,262,551,869

6

Money at call on short notice

In BDT

31 December 2025

31 December 2024

In Bank:

Pubali Bank PLC

-

-

The City Bank PLC

-

-

Agrani Bank PLC

-

-

-

-

7

Investments

In BDT

Note

31 December 2025

31 December 2024

Government securities

7.1

19,516,384,976

20,644,570,336

Other

7.2

6,000,000

6,000,000

19,522,384,976

20,650,570,336

7.1

Government securities

In BDT

Note

31 December 2025

31 December 2024

Treasury bills

7.3

19,402,746,471

20,402,257,620

National investment bond

-

-

Bangladesh Bank bills

-

-

Government treasury bonds

7.3

113,477,005

242,051,216

Government notes/bond

-

242,051,216

Prize bonds

161,500

261,500

19,516,384,976

20,644,570,336

7.2

Other

Other investments (unquoted)

In BDT

31 December 2025

31 December 2024

Central Depository Bangladesh Ltd. (CDBL)*

6,000,000

6,000,000

Debentures and bond

-

-

Other investment

-

-

Gold etc.

-

-

6,000,000

6,000,000

*The Bank holds 3,000,000 ordinary shares in CDBL of Take 10 each which is inclusive of 2,400,000 bonus shares and 600,000 fully paid up ordinary shares.

7.3

Classification of treasury bills and government treasury bonds

In BDT

Note

31 December 2025

31 December 2024

Held to maturity (HTM)

Treasury bills

-

-

Treasury bonds

-

-

-

-

Held for trading (HFT)

Treasury bills

7.4

19,402,746,471

20,402,257,620

Treasury bonds

7.4

113,477,005

242,051,216

Bangladesh Bank bills

-

-

19,516,223,476

20,644,308,836

19,516,223,476

20,644,308,836

7.4

Category wise grouping of treasury bills and government bonds

In BDT

31 December 2025

31 December 2024

Treasury bills

Held to Maturity Securities (HTM)

7 days Bangladesh Bank bills

-

-

30 days Bangladesh Bank bills

-

-

91 day treasury bills

-

-

182 day treasury bills

-

-

364 day treasury bills

-

-

19,402,746,471

20,402,257,620

Total treasury bills

19,402,746,471

20,402,257,620

Government bonds

Held to Maturity Securities (HTM)

1 year bond

-

-

2 years bond

-

-

5 years bond

-

-

10 years bond

-

-

15 years bond

-

-

20 years bond

-

-

-

-

Held for Trading Securities (HFT)

1 year bond

-

-

2 years bond

58,502,421

189,409,883

5 years bond

54,974,584

52,641,333

10 years bond

-

-

15 years bond

-

-

20 years bond

-

-

113,477,005

242,051,216

Total government bonds

113,477,005

Citibank, N. A., Bangladesh Branches

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8.6 Particulars of loans and advances - geographical location wise

In BDT	31 December 2025		31 December 2024	
	%	Loan outstanding	%	Loan outstanding
Dhaka division	100.00%	25,067,091,087	100.00%	24,744,112,877
Chattogram division	0.00%	-	0.00%	-
	100%	25,067,091,087	100.00%	24,744,112,877

8.7 Classification of loans and advances

In BDT	31 December 2025		31 December 2024	
	%	Loan outstanding	%	Loan outstanding
Unclassified:				
Standard	99.97%	25,059,069,164	99.97%	24,736,090,954
Special mention account	0.00%	-	0.00%	-
	99.97%	25,059,069,164	99.97%	24,736,090,954
Classified:				
Substandard	0.00%	-	0.00%	-
Doubtful	0.00%	-	0.00%	-
Bad/loss	0.03%	8,021,923	0.03%	8,021,923
	0.03%	8,021,923	0.03%	8,021,923
	100.00%	25,067,091,087	100.00%	24,744,112,877

8.8 Particulars of loans and advances

In BDT	31 December 2025	31 December 2024
i) Loans considered good in respect of which the banking company is fully secured;	25,059,069,164	24,736,090,954
ii) Loans considered good against which the banking company holds no security other than the debtor's personal guarantee;	-	-
iii) Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtor;	-	-
iv) Loans adversely classified; provision not maintained thereagainst;	-	-
v) Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons;	-	-
vi) Loans due from companies or firms in which the directors of the banking company have interests as directors, partners or managing agents or in case of private companies as members;	-	-
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;	-	-
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;	-	-
ix) Due from banking companies	-	-
x) Classified loans for which interest has not been charged:		
(a) Increase/(Decrease) of provision (specific)	-	-
Amount of loans written off	-	-
Amount realised against the loan previously written off	-	4,312,126
(b) Provision against the loan classified as bad/loss at the date of balance sheet;	8,021,923	8,021,923
(c) Amount in interest suspense account;	-	-
xi) Loans written off:		
Current year	-	-
Cumulative to-date	212,773,705	212,773,705
The amount of written off loans for which lawsuit filed	208,461,578	208,461,578

8.9 Particulars of required provision for loans and advances

In BDT	31 December 2025		31 December 2024	
	Outstanding	Base for required provision	Required provision	Required provision
Unclassified-general provision				
All unclassified loans (other than small enterprises, housing finance, loan to MBs, loans for professional, consumer financing and special mention account)	20,837,381,403	20,837,381,403	1.00%	208,373,814
Small and medium enterprise financing (2025: 0.50%, 2024: 1%)	4,099,264,444	4,099,264,444	0.50%	20,496,322
Loan to BHs/MBs/SDs against shares	-	-	1.00%	-
Housing and loan for professional	-	-	1.00%	-
Consumer finance	-	-	1.00%	-
Agriculture finance (2025: 0.50%, 2024: 1%)	122,423,317	122,423,317	0.50%	612,117
Special Mention Account (SMA)	-	-	5.00%	-
Required general provision				229,482,253
Classified - specific provision				
Sub-standard and doubtful - Agricultural loans	-	-	5.00%	-
Sub-standard	-	-	20.00%	-
Doubtful	-	-	50.00%	-
Bad/loss	8,021,923	8,021,923	100.00%	8,021,923
Required specific provision				8,021,923

In BDT	31 December 2025		31 December 2024	
	Outstanding	Base for required provision	Required provision	Required provision
Required provision for loans and advances				237,504,176
Total provision maintained				237,506,073
Excess provision				1,897

8.10 Bills purchased and discounted excluding treasury bills

In BDT	31 December 2025		31 December 2024	
	Outstanding	Base for required provision	Required provision	Required provision
In Bangladesh	4,626,656,294			10,613,984,273
Outside Bangladesh	-			-
	4,626,656,294			10,613,984,273

8.11 Maturity wise bills purchased and discounted

In BDT	31 December 2025		31 December 2024	
	Outstanding	Base for required provision	Required provision	Required provision
Payable within one month	213,738,436			49,532,081
Payable over one month but within three months	980,595,872			96,020,630
Payable over three months but within six months	2,819,579,343			5,116,193,766
Payable over six months	612,742,643			5,352,237,796
	4,626,656,294			10,613,984,273

9 Fixed assets including premises, furniture and fixtures

In BDT	31 December 2025		31 December 2024	
	Outstanding	Base for required provision	Required provision	Required provision
Premises used by the Bank	-			-
Motor vehicles	-			-
Furniture and fixtures	351,570,606			361,648,981
Office equipment	494,502,453			478,549,427
	846,073,059			840,198,408
Less: Accumulated depreciation				
Motor vehicles	-			-
Furniture and fixtures	263,263,597			263,969,945
Office equipment	351,188,067			310,599,108
	614,451,664			574,569,053
	231,621,395			265,629,355

For details refer to Annexure E.

10 Other assets

In BDT	Note	31 December 2025	31 December 2024
a) Income generating other assets		-	-
b) Non-income generating other assets:			
i) Investments in shares of subsidiary companies		-	-
ii) Stationery, stamps, printing materials in stock etc.		1,789,864	2,485,554
iii) Advance rent and advertisement		-	-
iv) Interest accrued on investment but not collected		4,198,121	8,131,102
v) Commission and brokerage receivable on shares and debentures		-	-
vi) Other income receivables		-	-
vii) Security deposits		71,569,532	72,198,625
viii) Preliminary, formation and organizational expenses, renovation/development and prepaid expenses		-	-
ix) Branch adjustment		-	-
x) Suspense account		-	-
xi) Silver		-	-
xii) Other prepaid expenses		1,362,789	217,311
xiii) Others	10.1	774,026,470	790,161,289
		852,946,776	873,193,881

10.1 Others

In BDT	Note	31 December 2025	31 December 2024
Foreign exchange revaluation		1,939,537	11,266,971
Deferred tax assets	13.4.2	234,439,718	163,007,931
Overdrawn on deposit account		399,785	50,150
Accounts receivable		35,630,213	34,491,461
Payment of advance tax for appeal		90,156,609	96,351,900
Asset retirement obligation		491,554	652,685
Right-of-use (ROU) assets	10.4	410,969,054	472,430,790
		774,026,470	790,161,289

10.2 Maturity grouping of other assets

In BDT	31 December 2025		31 December 2024	
	On demand	Not more than one month	Over one month but not more than three months	Over three months but not more than one year
On demand	-	-	-	-
Not more than one month	45,943,230	40,248,380	-	-
Over one month but not more than three months	13,083,362	12,628,006	-	-
Over three months but not more than one year	59,664,853	77,789,996	-	-
Over one year but not more than five years	239,693,150	258,245,345	-	-
Over five years	494,562,181	484,282,164	-	-
	852,946,776	873,193,881	-	-

10.3 Particulars of required provision for other asset

In BDT	31 December 2025		31 December 2024	
	Base for provision	Required provision	Maintained provision	Maintained provision
Accounts receivable	14,251,081	14,251,081	14,251,956	14,251,081

10.4 Right-of-use (ROU) assets

In BDT	2025	2024
Opening balance	484,340,191	584,340,915
Addition during the year	-	39,064,488
Adjustment during the year	-	(62,147,389)
Depreciation charged during the year	(73,371,137)	(76,917,823)
Closing balance	410,969,054	484,340,191

11 Borrowings from other banks, financial institutions and agents

In BDT	Note	31 December 2025	31 December 2024
In Bangladesh	11.1	-	-
Outside Bangladesh	11.2	316,764,338	876,624,000
		316,764,338	876,624,000

11.1 In Bangladesh

In BDT	31 December 2025		31 December 2024	
	Secured	Unsecured	Secured	Unsecured
Repayable on demand	-	-	-	-
Others - call borrowings	-	-	-	-
Collateralized repo with Bangladesh Bank (under ALS programme)	-	-	-	-
Others borrowings	-	-	-	-
Export Development Fund (EDF) from Bangladesh Bank	-	-	-	-
Unsecured	-	-	-	-

11.2 Outside Bangladesh

In BDT	31 December 2025		31 December 2024	
	Secured	Unsecured	Secured	Unsecured
Others borrowings:				
Citibank, N.A., London	-	-	-	-
Citibank, N.A., Singapore	-	-	-	-
	316,764,338	876,624,000	316,764,338	876,624,000

11.3 Maturity wise grouping of borrowings from other banks, financial institutions and agents

In BDT	31 December 2025		31 December 2024	
	On demand	Within one month	Over one month but within three months	Over three months but within one year
On demand	-	-	-	-
Within one month	316,764,338	876,624,000	-	-
Over one month but within three months	-	-	-	-
Over three months but within one year	-	-	-	-
Over one year but within five years	-	-	-	-
Over five years	-	-	-	-
	316,764,338	876,624,000	-	-

12 Deposits and other accounts

In BDT	Note	31 December 2025	31 December 2024
Current account and other accounts			
Current account		28,877,110,783	24,828,728,003
Short notice deposits		6,638,835,537	5,653,752,267
Sundry deposits	12.5	4,684,973,218	9,472,430,790
		40,200,919,538	39,954,911,060
Bills payable	12.4	562,834,815	613,062,879
Savings deposits		758,206,028	1,027,207,173
Fixed deposits		9,483,793,050	14,363,360,594
		51,005,753,431	55,958,541,706

12.1 Classification of deposits from banks and others

In BDT	Note	31 December 2025	31 December 2024
Inter-bank deposits	12.1.1	1,133,795,338	280,142,719
Other customer deposits		49,871,958,093	55,678,398,983
		51,005,753,431	55,958,541,706

12.1.1 Inter bank deposits

In BDT	31 December 2025		31 December 2024	
	In Bangladesh	Outside Bangladesh	In Bangladesh	Outside Bangladesh
In Bangladesh	-	-	-	-
Outside Bangladesh				
Citibank, N.A., Europe PLC		260,250,345		183,072,857
Citibank, N.A., New York Foreign Exchange		46,046,254		6,370,672
Citibank, N.A., Mumbai		765,947,846		1,214,460
Citibank, N.A., Colombo		26,826,975		26,342,084
Citibank, N.A., London		35,430,850		63,780,112
Citibank, N.A., Japan		74,090		74,090
Citibank, N.A., Berhad		118,878		381,438
		1,133,795,338		280,142,719
		1,133,795,338		280,142,719

12.2 Unclaimed deposits for 10 years or more

In BDT	31 December 2025		31 December 2024	
Payment order		14,907,236		996,960
		14,907,236		996,960

12.3 Maturity wise grouping of deposits and other accounts (based on remaining maturity)

In BDT	2025		2024	
	Deposit from inter banks	Deposit from others	Total	Total
Repayable on demand	1,133,795,338	562,834,815	1,696,630,153	1,600,367,406
Repayable within one month	-	2,378,258,769	2,378,258,769	6,273,172,719
Repayable over one month but within six months	-	9,036,878,728	9,036,878,728	10,749,978,889
Repayable over six months but within one year	-	5,253,153,995	5,253,153,995	3,792,673,683
Repayable over one year but within five years	-	32,640,831,786	32,640,831,786	33,542,349,009
Repayable over five years but within ten years	-	-	-	-
	1,133,795,338	49,871,958,093	51,005,753,431	55,958,541,706

12.4 Bills payable

In BDT	31 December 2025		31 December 2024	
In Bangladesh		562,834,815		613,062,879
Outside Bangladesh		-		-
		562,834,815		613,062,879

12.5 Sundry deposits

Citibank, N. A., Bangladesh Branches

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13.5.4 Changes in the present value of defined benefit obligations			
In BDT	31 December 2025	31 December 2024	
Opening balance	443,159,071	468,238,802	
Current service cost	40,120,556	42,538,290	
Interest cost	51,821,715	48,463,347	
Past service cost	-	-	
Actuarial (gains)/losses	59,582,727	(3,677,947)	
Experience (gains)/losses	10,737,638	(39,467,441)	
Benefits paid	(36,761,190)	(72,935,980)	
Closing balance	568,660,517	443,159,071	
13.5.5 Changes in the fair value of plan assets			
In BDT	31 December 2025	31 December 2024	
Opening balance	390,493,157	441,343,394	
Interest income on plan assets	46,514,070	45,504,852	
Contributions by the Bank	-	-	
Return on plan assets greater/(lesser) than discount rate	(22,412,622)	(23,419,109)	
Benefits paid during the year	(36,761,190)	(72,935,980)	
Closing balance	377,833,415	390,493,157	
13.5.6 Summary			
In BDT	31 December 2025	31 December 2024	
Defined benefit obligations	(568,660,517)	(443,159,071)	
Fair value of plan assets	377,833,415	390,493,157	
Net assets/(liabilities)	(190,827,102)	(52,665,914)	
In BDT	2025	2024	
Actuarial (gains)/losses	59,582,727	(3,677,947)	
Return on plan assets greater/(lesser) than discount rate	22,412,622	23,419,109	
Experience losses	10,737,638	(39,467,441)	
Actuarial (gains)/losses recognized directly in equity	92,732,987	(19,726,279)	
13.6 Lease liability			
In BDT	2025	2024	
Opening balance	674,346,562	760,128,250	
Addition during the year	-	39,064,488	
Adjustment during the year	-	(63,488,410)	
Interest accrued during the year	28,114,194	28,941,031	
Payment made during the year	(87,423,482)	(90,298,797)	
Closing balance	605,037,274	674,346,562	
13.7 Maturity wise grouping of other liabilities			
In BDT	31 December 2025	31 December 2024	
On demand	-	-	
Over one month	2,614,770,328	693,056,012	
Over one month but within three months	597,863,409	518,189,196	
Over three months but within one year	1,415,025,315	1,669,429,476	
Over one year but within five years	788,092,088	883,557,434	
Over five years	442,102,408	395,000,181	
	5,857,853,548	4,159,232,299	
14 Equity			
The Bank's approach to capital management is driven by a desire to maintain a strong capital base to support the development of its business, to meet the regulatory capital requirements at all times and maintain good credit rating.			
14.1 Compliance with capital adequacy regulations			
Capital requirements for the banks at a local level are set and maintained by Bangladesh Bank. The capital that the Bank is required to hold is determined by its balance sheet and off balance sheet positions in accordance with guidelines and various circulars on risk based capital adequacy, subject to a minimum threshold. These are explained in greater details in note 14.1.1 below. The Bank has put in place processes and controls to monitor and manage capital adequacy, no breaches were reported during the year.			
As per section 13(4) of the Bank Company (amendment) Act, 2013, BRPD circular no. 11 dated 14 August 2008, BRPD circular no. 18 dated 21 December 2014 and BRPD circular no. 18 dated 15 June 2023, the required value of the capital and reserves of the Bank at the close of the business on 31 December 2025 is Tk. 5,000,000,000 or 10% of risk weighted assets whichever is higher. Accordingly the required value of the capital and reserves of the Bank at the close of the business on 31 December 2025 was Tk. 5,000,000,000 (2024: Tk. 5,000,000,000). The Bank's capital was greater than the amount required above.			
14.1.1 The calculation of the Capital to Risk Weighted Assets Ratio (CRAR) has been done as per BRPD circular no. 18 dated 21 December 2014 and guidelines on Risk Based Capital Adequacy (Basel-III) as of December 2014 of Bangladesh Bank. The details of the capital as of 31 December are as follows:			
In BDT	Note	31 December 2025	31 December 2024
(A) Total risk weighted assets (RWA)		46,707,852,219	48,411,835,122
10% of risk weighted assets		4,670,785,222	4,841,183,512
(B) Required capital - Higher of 10% of RWA and 5,000,000,000		5,000,000,000	5,000,000,000
Total capital held:			
Common Equity Tier 1 (CET 1 Capital)			
Fund deposited with Bangladesh Bank	14.2	7,056,470,775	6,923,765,274
Retained earnings		10,592,536,897	13,307,343,036
Actuarial gain/(loss)		(91,799,626)	(36,159,834)
Other regulatory adjustment		(1,736,878,861)	(1,467,526,486)
Deferred tax assets on specific provision		(3,048,331)	(3,048,331)
		15,817,280,854	18,724,373,659
Tier 2 Capital			
General provision		401,721,450	439,460,000
		401,721,450	439,460,000
(C) Total capital		16,219,002,304	19,163,833,659
Surplus capital (C-B)		11,219,002,304	14,163,833,659
Capital adequacy ratio:			
Capital to Risk Weighted Assets Ratio (CRAR)		34.72%	39.59%
Common Equity Tier-1 to RWA		33.86%	38.68%
14.2 Fund deposited with Bangladesh Bank as capital			
In BDT	31 December 2025	31 December 2024	
The make-up of paid up capital is as follows:			
Capital maintained in FCY (USD 57,698,043.95)	7,056,470,775	6,923,765,274	
	7,056,470,775	6,923,765,274	
15 Other reserves			
In BDT	2025	2024	
Revaluation reserve on HFT securities			
Opening balance	2,589,530	3,081,613	
Addition to revaluation reserve	5,666,222	2,589,530	
	8,255,752	5,671,143	
Adjustment from revaluation reserve	(2,589,530)	(3,081,613)	
Closing balance	5,666,222	2,589,530	
Actuarial gain/(loss)			
Opening balance	(36,159,834)	(47,995,601)	
Charge/(adjustment) for the year	(92,732,987)	19,726,279	
Deferred tax asset/(liability)	37,093,195	(7,890,512)	
Closing balance	(91,799,626)	(36,159,834)	
	(86,133,404)	(33,570,304)	
16 Surplus in profit and loss account			
In BDT	2025	2024	
Opening balance	13,307,343,036	10,958,456,457	
Currency translation difference	13,939,760	79,102,996	
	13,321,282,796	11,037,559,453	
Withdrawal of lien of capital			
Retained surplus for the year	3,281,746,293	3,848,693,164	
Profit remittance	(5,977,674,729)	(1,540,422,649)	
Transfer to Start-up Equity Investment Fund	(32,817,463)	(38,486,932)	
Closing balance	10,592,536,897	13,307,343,036	
The profit and loss account as at 31 December 2025 includes non-distributable profit of BDT 1,736,878,861 (2024: BDT 1,467,526,486) which is equivalent to accumulated Workers Profit Participation Fund (WPPF) contribution if applicable since 2013. However, WPPF is not permissible as per Bank Companies Act, 1991; but it is a requirement of Bangladesh Labour Act, 2006. Bangladesh Bank, as well as the Ministry of Finance, requested the Ministry of Labour to take necessary steps to resolve the matter. Until this matter is resolved, Bangladesh Bank has advised the Bank to earmark the equivalent amount from retained earnings.			
17 Contingent liabilities			
17.1 Acceptances and endorsements			
In BDT	31 December 2025	31 December 2024	
Acceptance under letters of credit - import	4,263,549,767	4,012,286,410	
Acceptance under letters of credit - export	-	-	
	4,263,549,767	4,012,286,410	
17.2 Letters of guarantee			
In BDT	31 December 2025	31 December 2024	
Letters of guarantee (local)	442,251,857	506,247,899	
Letters of guarantee (foreign)	792,180,779	726,613,704	
	1,234,432,636	1,232,861,603	
Balance for which the Bank is contingently liable in respect of guarantee issued favouring:			
Government	734,292,135	645,355,899	
Banks and other financial institutions	-	157,457,520	
Others	500,140,501	430,048,184	
	1,234,432,636	1,232,861,603	

17.3 Irrevocable letters of credit			
In BDT		31 December 2025	31 December 2024
Back to back L/C		3,396,631,609	3,134,237,654
Others		9,254,276,806	8,166,316,624
		12,650,908,415	11,300,554,278
17.4 Bills for collection			
In BDT		31 December 2025	31 December 2024
Bills for collection (local)		771,714,404	375,610,978
Bills for collection (foreign)		1,631,533,545	1,631,577,125
		2,403,247,949	2,007,188,103
17.5 Other commitments			
In BDT		31 December 2025	31 December 2024
Documentary credits and short term trade related transactions		174,795,420	114,990,526
Forward assets purchased and forward deposits placed		3,648,604,519	1,754,105,841
Undrawn formal standby facilities, credit lines and commitments to lend		-	-
Spot exchange rate contracts		-	-
Forward exchange rate contracts		-	-
Other exchange rate contracts		-	-
		3,823,399,939	1,869,096,367
17.6 Others			
In BDT		31 December 2025	31 December 2024
Value of travellers' cheques on hand		-	-
Value of Bangladesh Sanchaypatra on hand		255,925,000	255,925,000
Value of Bangladesh Bank USD bond on hand		324,156,150	318,060,000
Value of unprocessed cheques		-	-
		580,081,150	573,985,000
18 Income statement			
In BDT	Note	2025	2024
Income			
Interest, discount and similar income	19	3,814,822,478	3,759,099,189
Dividend income	21	6,000,000	6,000,000
Fees, commission and brokerage	22	467,866,755	489,626,563
Gains less losses arising from dealing securities	21	2,350,308,854	2,437,414,528
Gains less losses arising from investment securities		-	-
Gains less losses arising from dealing in foreign currencies	22	1,128,769,357	1,784,538,092
Income from non-banking assets		-	-
Other operating income	23	761,290	605,282
Profit less losses on interest rate changes		-	-
		7,769,128,734	8,477,283,554
Expenses			
Interest, fees and commission	20	964,357,882	682,878,500
Losses on loans and advances		-	-
Administrative expenses		1,050,517,459	1,024,088,331
Other operating expenses		330,427,239	202,816,126
Depreciation on banking assets		76,189,409	69,655,613
		2,421,491,989	1,979,438,570
Income over expenditure		5,347,636,745	6,497,845,084
19 Interest income			
In BDT		2025	2024
Interest on loans and advances		2,359,587,076	2,302,749,789
Interest on placement with other banks and financial institutions		153,485,046	129,084,645
Interest on balances with other banks and financial institutions		-	928,994
Interest on foreign currency balances		1,301,750,356	1,326,335,761
		3,814,822,478	3,759,099,189
20 Interest paid on deposits and borrowings			
In BDT		2025	2024
Interest on deposits		927,625,878	550,878,359
Interest on borrowings		25,995,672	131,582,092
Interest on repurchase agreement (repo)		10,736,332	418,049
Interest on foreign bank accounts		-	-
		964,357,882	682,878,500
21 Investment income			
In BDT	Note	2025	2024
Interest income from government securities	21.1	2,437,776,050	2,399,676,203
Capital gain/(loss) on government securities	21.2	(52,809,807)	38,721,401
Revaluation gain/(loss) on government securities	21.3	(34,657,389)	(983,076)
Dividend on investment in shares		6,000,000	6,000,000
Gain on sale of investment in shares		2,356,908,854	2,443,414,528
21.1 Interest income from government securities			
In BDT		2025	2024
Interest income on treasury bills and Bangladesh Bank bills		2,414,922,793	2,264,071,162
Interest income on treasury bonds		22,853,257	135,605,041
		2,437,776,050	2,399,676,203
21.2 Capital gain/(loss) on government securities			
In BDT		2025	2024
Capital gain on treasury bill		-	-
Capital gain on treasury bonds		1,760,374	38,721,401
		1,760,374	38,721,401
Capital loss on treasury bill		(753,614)	-
Capital loss on treasury bonds		(53,816,567)	-
		(54,570,181)	-
		(52,809,807)	38,721,401
21.3 Revaluation gain/(loss) on government securities			
In BDT		2025	2024
Revaluation gain on treasury bill		-	-
Revaluation gain on treasury bonds		-	-
		-	-
Revaluation loss on treasury bill		(34,657,389)	(784,010)
Revaluation loss on treasury bonds		-	(199,066)
		(34,657,389)	(983,076)
		(34,657,389)	(983,076)
22 Commission, exchange and brokerage			
In BDT		2025	2024
Commission income			
L/C commission		245,370,789	299,939,996
Collection		87,026,093	75,528,157
Transfer		31,465,340	36,182,270
Service charge		18,174,814	1,851,467
Guarantee		14,181,767	12,158,433
Syndication		-	-
Others		71,647,952	63,966,240
		467,866,755	489,626,563
Exchange income			
Net profit from foreign currency dealings		1,128,769,357	1,784,538,092
		1,596,636,112	2,274,164,655
23 Other operating income/(loss)			
In BDT		2025	2024
Gain/(loss) on sale of fixed assets		420,415	503,975
Miscellaneous income/(expense)		340,875	101,307
		761,290	605,282
24 Salaries and allowances			
In BDT		2025	2024
Salaries and allowances		628,606,769	617,562,474
Provident fund contribution		40,483,829	38,182,201
Gratuity		45,428,201	45,496,785
Bonus		-	-
Current year expense		83,141,278	70,450,747
Adjustment related to prior year expense		7,078,223	(7,756,018)
Total salaries, bonus and allowances		804,738,300	763,896,189
Less: Citi Country Officer's (CCO) salary and allowances		(31,614,519)	(27,952,089)
Total salaries, bonus and allowances excluding CCO's salary and allowances		773,123,781	735,944,100

25 Depreciation and repair of bank's assets	
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Citibank, N. A., Bangladesh Branches

Auditor's Report and financial statements and other disclosures

as at and for the year ended 31 December 2025

33	General
33.1	Exchange rates
The assets and liabilities as at 31 December in foreign currencies have been converted to Taka at the following rates:	
In BDT	
	20252024
AUD	=82.081674,7540
CAD	=89.371283,3912
HKD	=15.714515,4646
USD	=122.3000120,0000
CHF	=155.1834133,0598
GBP	=165.3618151,0380
EUR	=143.9838125,2320
DKK	=19.279316,7898
SEK	=13.328910,9240
NOK	=12.189010,5656
SGD	=95.379288,4238
JPY	=0.78470,7603
33.2	Figures of previous year have been rearranged whenever considered necessary to conform to current year's presentation.
33.3	Figures appearing in these financial statements have been rounded off to the nearest Taka, unless otherwise indicated.
33.4	Sustainable finance activities of the Bank
In 2025, Citibank, N.A., Bangladesh Branches disbursed BDT 341.52 crore loan as Sustainable Finance. The bank did not disburse any term loan during the year, therefore, there was no Green Finance disbursement.	
33.5	Verification of financial statements through Document Verification System (DVS)
As per BRPD Circular Letter No. 4/2021, it has been ensured that latest available audited financials are presented in the credit file of all our clients. In addition to that as per BRPD Circular Letter No. 35/2021, we have been granted access in DVS by The Institute of Chartered Accountants of Bangladesh (ICAB) on 27 October 2021 post which we have implemented verification of financials through DVS for all our clients. During 2025, we performed verification for all the clients of our portfolio, and 100% of our clients had DVC in the financials.	
33.6	Disclosure Statement: Compliance with Bangladesh Bank Start-up Fund Directives
This statement outlines the Bank's adherence to and ongoing engagement with directives from Bangladesh Bank concerning funding for start-up entrepreneurs.	
As per SMESPD Circular No. 4 (dated 29 March 2021) and Circular No. 5 (dated 26 April 2021), Bangladesh Bank required all scheduled banks to establish a "start-up fund" through an annual transfer of 1% of net profit, as per audited financial statements. This mandate applied for five years, commencing with the financial year ended 31 December 2020, and continuing until 31 December 2024. Funds were designated for loan/investment disbursements to start-up entrepreneurs. A dedicated account heading, "Start-up fund", was to be created and disclosed under "Other liabilities" in the balance sheet. The Bank fully complied with this directive, transferring 1% of its net profit to the "Start-up fund" annually during the specified period.	
On 09 July 2025, through SMESPD Circular No. 02 (Master Circular on Financing Start-ups), Bangladesh Bank now instructs all banks and financial institutions to transfer 1% of their annual net profit to a dedicated "Start-up Equity Investment Fund". Bangladesh Bank is planning to form a Venture Capital Company and utilize these cumulative funds for equity investment in such Venture Capital Company as stated in the circular.	
The Bank was engaged in discussions with Bangladesh Bank to establish a clear roadmap for compliance with the directives. Pending resolution of these discussions, the Bank will continue to transfer 1% of its annual net profit to the "Start-up Equity Investment Fund", which is disclosed as a separate line item under "Other liabilities" in these financial statements.	
33.7	Disclosure of wilful defaulters
Citibank, N.A., Bangladesh established its 'Wilful Defaulter Identification Unit' on 05 April 2024, in accordance with BRPD Circular No. 06 dated 12 March 2024. This unit is tasked with the identification of wilful defaulters. As of 31 December 2025, the unit provisionally identified three classified obligors as wilful defaulters, and the requisite procedures for their formal designation are currently underway. There was no new classified obligor in 2025.	
33.8	Sustainability and Climate-related financial disclosure
Pursuant to the Bangladesh Bank Guideline on Sustainability and Climate-related financial disclosure issued on 26 December 2023 as per IFRS S1- General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2- Climate-related Disclosure, the Bank has prepared an additional disclosure named 'Sustainability and Climate related Financial Disclosure of Citibank N.A., Bangladesh for 2025' to be submitted to Bangladesh Bank along with these audited financial statements. The Bank is committed to continuously enhance its disclosure to align with the evolving global standards and implementation pathway given by Bangladesh Bank.	
34	Number of employees
The number of employees engaged for the whole year or part thereof who received a total yearly remuneration of BDT 36,000 or above were 159 (2024: 163).	
35	Highlights on the overall activities
Highlights on the overall activities of the Bank have been furnished in Annexure - A.	
36	Events after the balance sheet date
Management is actively monitoring on going global macro economic developments. There are no events identified subsequent to the balance sheet date, pertaining to the above developments or otherwise, which require adjustment or disclosure in the accompanying financial statements.	
Md Moinul HaqS. H. Aslam Habib Citi Country Officer, BangladeshChief Financial Officer, Bangladesh	
Sustainability and Climate related Financial Disclosure of Citibank, N.A., Bangladesh for 2025 (Unaudited)	
Governance:	
In Bangladesh, the Country Coordinating Committee, CCC (equivalent to local board), is the apex governance body responsible for the oversight of climate-related risks and opportunities for Citibank N.A. Bangladesh (Citi Bangladesh). In addition, Bangladesh Country Risk Management Committee (CRMC), which is CCC sub-committee and Asset and Liability Committee (ALCO) have the oversight responsibility for climate risk management related activities. On a monthly basis, Citibank, N.A., Bangladesh monitors its climate and other sustainability-related risks through its Climate Risk Dashboard which contains exposure details of the legal entity to the climate vulnerable sectors.	
Citibank, N.A., Bangladesh's climate-related governance structure continues to evolve as the understanding of its climate-related risks and opportunities grows.	
Strategy:	
Citibank, N.A. Bangladesh's parent company, Citigroup's net zero targets are set and operationalized at a global level. More details can be found here: https://www.citigroup.com/rcs/citigpa/storage/public/2024-citi-climate-report.pdf	
The bank's Bangladesh strategy with respect to climate risk management will be developed in due course.	
Risk Management:	
Citigroup considers Climate Risk as a cross-cutting risk, which can amplify or manifest through Citigroup's existing risk taxonomy.	
Citigroup has developed processes to help it understand and evaluate climate risks within its portfolio. Citibank, N.A., Bangladesh monitors its climate related risks through its Climate Risk Dashboard which contains exposure details of the legal entity to the climate vulnerable sectors. The dashboard is presented in the major governance committees including Country Coordinating Committee (CCC), Country Risk Management Committee (CRMC) and Asset Liability Committee (ALCO) on monthly basis.	
Metrics & Target:	
Citi's net zero targets are set and operationalized at a global level. More details can be found here: https://www.citigroup.com/rcs/citigpa/storage/public/2024-citi-climate-report.pdf	
At a local level, Citibank, N.A., Bangladesh monitors its climate related risks through its Climate Risk Dashboard which contains exposure details of the legal entity to the climate vulnerable sectors. As of December 2025, Citibank N.A. Bangladesh has a low percentage of direct exposure in major impacted industries. To also note, 100% of our client-wise Environmental and Social Due Diligence (ESDD) rating profile of the portfolio as of December 2025 remains to be either low or not applicable for rating. Hence Citibank N.A. Bangladesh considers the overall risk level on our financial performance and cash flow as 'Low'.	
Citibank, N.A., Bangladesh's climate-related governance structure, strategies, targets continue to evolve as the understanding of its climate-related risks and opportunities grows.	

Citibank, N.A., Bangladesh Branches			Annexure - A					
Financial Highlights								
In BDT			For the year ended 31 December					
			2025	2024				
1	Capital - fund deposited with Bangladesh Bank	BDT	7,056,470,775	6,923,765,274				
2	Total capital	BDT	16,219,002,304	19,163,833,659				
3	Capital surplus/deficit	BDT	11,219,002,304	14,163,833,659				
4	Capital adequacy ratio (required rate is 10%)	%	34.72%	39.59%				
5	Total assets	BDT	74,743,245,585	81,191,936,011				
6	Total deposits	BDT	51,005,753,431	55,958,541,706				
7	Total loans and advances	BDT	25,067,091,087	24,744,112,877				
8	Total contingent liabilities and commitments	BDT	24,955,619,856	20,995,971,761				
9	Advances/deposit ratio	%	44.57%	40.49%				
10	Classified advances as (%) of total advances	%	0.03%	0.03%				
11	Net profit after tax and provisions	BDT	3,281,746,293	3,848,693,164				
12	Amount of classified loans	BDT	8,021,923	8,021,923				
13	Amount of provisions against classified loans	BDT	8,021,923	8,021,923				
14	Provision surplus/(shortage)	BDT	1,897	2,743				
15	Interest suspense account	BDT	-	-				
16	Interest bearing assets	BDT	69,222,242,330	72,309,770,355				
17	Non-interest bearing assets	BDT	5,521,003,255	8,882,165,656				
18	Return on investment (ROI)	%	17.38%	20.55%				
19	Return on assets (ROA)	%	4.21%	4.85%				
20	Investment income	BDT	2,356,908,854	2,443,414,528				
21	Cost of fund*	%	1.37%	1.44%				
*Weighted average interest on deposit as reported to Bangladesh Bank as at 31 December.								
Citibank, N.A., Bangladesh Branches			Annexure - B					
Liquidity Statement (Asset and Liability Maturity Analysis)								
As at 31 December 2025								
In BDT	Maturity up to 1 month	Maturity within 1 to 3 months	Maturity within 3 to 12 months	Maturity within 1 to 5 years	Maturity over 5 years	Total		
Assets								
Cash in hand	216,939,409	-	-	-	-	216,939,409		
Balance with Bangladesh Bank, agent bank,- other banks and financial institutions	19,501,244,476	-	-	-	9,351,017,466	28,852,261,942		
Money at call on short notice	-	-	-	-	-	-		
Investments	1,055,253,911	3,473,531,543	14,932,624,938	54,974,584	6,000,000	19,522,384,976		
Loans and advances	304,393,244	1,510,767,411	23,251,930,432	-	-	25,067,091,087		
Fixed assets including premises, furniture - and fixtures	-	-	-	231,621,395	-	231,621,395		
Other assets	45,943,230	13,083,362	59,664,853	239,693,150	494,562,181	852,946,776		
Non-banking assets	-	-	-	-	-	-		
Total assets	21,123,774,270	4,997,382,316	38,244,220,223	526,289,129	9,851,579,647	74,743,245,585		
Liabilities								
Borrowings from Bangladesh Bank, other - banks, financial institutions and agents	316,764,338	-	-	-	-	316,764,338		
Deposits and other accounts*	4,074,888,922	9,036,878,728	5,253,153,995	32,640,831,786	-	51,005,753,431		
Provision and other liabilities	2,614,770,328	597,863,409	1,415,025,315	788,092,088	442,102,408	5,857,853,548		
Total liabilities	7,006,423,588	9,634,742,137	6,668,179,310	33,428,923,874	442,102,408	57,180,371,317		
Net liquidity gap	14,117,350,682	(4,637,359,821)	31,576,040,913	(32,902,634,745)	9,409,477,239	17,562,874,268		
*Maturity analysis of deposits and other accounts have been done based on trend analysis which has been performed based on clearing and cash withdrawals from demand deposit accounts net of withdrawals from time deposit accounts of the Bank.								
Citibank, N.A., Bangladesh Branches			Annexure - C					
Balance with other banks and financial institutions (outside Bangladesh)								
Name of the bank	Deposit type	Foreign currency	2025			2024		
			FC amount	Exchange rate	Equivalent taka	FC amount	Exchange rate	Equivalent taka
Citibank, N.A., Australia	Current	AUD	1,097	82.0816	90,019	1,090	74.7540	81,450
Citibank, N.A., Canada	Current	CAD	384	89.3712	34,282	654	83.3912	54,504
Citibank, N.A., Hong Kong	Current	HKD	7,280	15.7145	114,397	7,144	15.4646	110,483
Citibank, N.A., Ireland	Current	EUR	-	143.9838	-	836,501	125.2320	104,756,637
Citibank, N.A., Karachi	Current	USD	1,170,890	122.3000	143,199,851	1,095,133	120.0000	131,415,990
Citibank, N.A., London	Current	CHF	3,576	155.1834	554,894	3,548	133.0598	472,126
Citibank, N.A., London	Current	GBP	-	165.3618	-	12,767	151.0380	1,928,375
Citibank, N.A., London	Current	EUR	684,391	143.9838	98,541,260	797,751	125.2320	99,903,953
Citibank, N.A., London	Current	DKK	4,980	19.2793	96,003	4,890	16.7898	82,106
Citibank, N.A., London	Current	SEK	7,104	13.3289	94,688	6,961	10.9240	76,037
Citibank, N.A., Mumbai	Current	USD	6,109,682	122.3000	747,214,068	7,870,246	120.0000	944,429,495
Citibank, N.A., New York	Current	USD	88,142,996	122.3000	10,779,888,386	149,776,340	120.0000	17,973,160,772
Citibank, N.A., Norway	Current	NOK	11,092	12.1890	135,204	4,758	10.5656	50,269
Citibank, N.A., Singapore	Current	SGD	5,877	95.3792	560,561	3,530	88.4238	312,151
Citibank, N.A., Sri Lanka	Current	USD	3,126	122.3000	382,300	3,126	120.0000	375,110
Citibank, N.A., Tokyo	Current	JPY	10,583,560	0.7847	8,304,934	2,410,279	0.7603	1,832,622
Citibank, N.A., Singapore	Time placement	USD	3,000,000	122.3000	3,669,000,000	-	120.0000	-
			15,448,210,847			19,259,042,080		

Citibank, N. A., Bangladesh Branches

Auditor's Report, financial statements and other disclosures

as at and for the year ended 31 December 2025



Annexure - D

Citibank, N.A., Bangladesh Branches
Schedule of treasury bill/treasury bonds

In BDT				
Type	Face value	Amortized cost (bills)	Market value	Gain/(loss)
Treasury bill	2,000,000,000	1,925,426,132	1,926,852,730	(260,379)
Treasury bill	238,300,000	229,380,045	229,584,503	(31,024)
Treasury bill	200,000,000	192,174,440	192,302,465	(27,339)
Treasury bill	4,000,000,000	3,844,279,381	3,846,049,292	(546,786)
Treasury bill	500,000,000	498,223,424	498,294,995	(6,305)
Treasury bill	500,000,000	475,662,393	476,948,393	(81,143)
Treasury bill	1,000,000,000	987,648,897	988,680,276	(41,486)
Treasury bill	500,000,000	498,135,020	498,294,995	(6,305)
Treasury bill	2,900,000,000	2,744,150,797	2,744,585,098	(542,413)
Treasury bill	400,000,000	378,512,020	378,563,462	(74,816)
Treasury bill	500,000,000	473,247,534	473,204,327	(93,520)
Treasury bill	2,500,000,000	2,369,260,566	2,361,426,877	(482,665)
Treasury bill	2,500,000,000	2,327,361,001	2,303,107,791	(668,322)
Treasury bill	2,508,300,000	2,487,378,551	2,484,851,267	(86,131)
	20,246,600,000	19,430,840,200	19,402,746,471	(2,948,634)

Type	Face value	Purchase price (bonds)	Market value	Gain/(loss)
Treasury bond	58,500,000	58,300,047	58,502,421	202,374
Treasury bond	52,300,000	52,296,914	54,974,584	2,677,670
	110,800,000	110,596,961	113,477,005	2,880,044
	20,357,400,000	19,541,437,162	19,516,223,476	(68,590)

Citibank, N.A., Bangladesh Branches										
Schedule of fixed assets including premises, furniture and fixtures										
2025										
In BDT	Cost				Accumulated Depreciation					
	Balance as 1 January	Additions during the year	* Adjustment/ disposal during the year	Balance as at 31 December	Rate of dep. (%)	Balance as 1 January	Charged during the year	* Adjustment/ disposal during the year	Balance as at 31 December	Written down value as at 31 December
Own assets										
Furniture and fixtures	361,648,981	8,836,917	(18,915,292)	351,570,606	10-33.33	263,969,945	15,041,118	(15,747,466)	263,263,597	88,307,009
Office equipment	478,549,427	41,872,687	(25,919,661)	494,502,453	10-33.33	310,599,108	61,148,291	(20,559,332)	351,188,067	143,314,386
Motor vehicle	-	-	-	-	20	-	-	-	-	-
	840,198,408	50,709,604	(44,834,953)	846,073,059		574,569,053	76,189,409	(36,306,798)	614,451,664	231,621,395
2024										
In BDT	Cost				Accumulated Depreciation					
	Balance as 1 January	Additions during the year	* Adjustment/ disposal during the year	Balance as at 31 December	Rate of dep. (%)	Balance as 1 January	Charged during the year	* Adjustment/ disposal during the year	Balance as at 31 December	Written down value as at 31 December
Own assets										
Furniture and fixtures	362,094,747	21,859,662	(22,305,428)	361,648,981	10-33.33	273,853,696	14,138,790	(24,022,541)	263,969,945	97,679,036
Office equipment	389,269,300	88,968,090	312,037	478,549,427	10-33.33	254,791,708	55,516,823	290,577	310,599,108	167,950,319
Motor vehicle	-	-	-	-	20	-	-	-	-	-
	751,364,047	110,827,752	(21,993,391)	840,198,408		528,645,404	69,655,613	(23,731,964)	574,569,053	265,629,355

* Adjustment (in both Cost and Accumulated Depreciation section) includes exchange difference arising from translation of fixed assets of OBU books in reproting currency (BDT).

Annexure - F

Citibank, N.A., Bangladesh Branches
Calculation of deferred tax assets and liability

Balances as at 31 December 2025						
In BDT	Book value	Permanent difference	Accounting base	Tax base	Taxable/ (deductible) temporary difference	Deferred tax/ (asset) liability
Motor vehicle	-	-	-	-	-	-
Furniture and fixtures	88,307,009	-	88,307,009	130,455,455	(42,148,446)	(16,859,378)
Office equipment	102,346,470	-	102,346,470	217,111,845	(114,765,375)	(45,906,150)
Computer	40,967,916	-	40,967,916	42,578,757	(1,610,841)	(644,336)
Specific provision	(8,021,923)	-	(8,021,923)	-	(8,021,923)	(3,208,769)
Adjustment for RoU assets and lease liabilities (RoU assets - lease liabilities)	(194,068,220)	-	(194,068,220)	-	(194,068,220)	(77,627,288)
Unrealised MTM loss on treasury bills/bonds	(34,657,389)	-	(34,657,389)	-	(34,657,389)	(13,862,956)
Actuarial gain/(loss)	(37,240,937)	-	(37,240,937)	-	(37,240,937)	(14,896,375)
Gratuity provision	(153,586,165)	-	(153,586,165)	-	(153,586,165)	(61,434,466)
Closing balance	(195,953,239)	-	(195,953,239)	390,146,057	(586,099,297)	(234,439,718)
Balances as at 31 December 2024						
In BDT	Book value	Permanent difference	Accounting base	Tax base	Taxable/ (deductible) temporary difference	Deferred tax/ (asset) liability
Motor vehicle	-	-	-	-	-	-
Furniture and fixtures	97,679,036	-	97,679,036	123,142,875	(25,463,839)	(10,185,536)
Office equipment	108,020,078	-	108,020,078	241,557,346	(133,537,268)	(53,414,907)
Computer	59,930,241	-	59,930,241	56,771,676	3,158,565	1,263,426
Specific provision	(8,021,923)	-	(8,021,923)	-	(8,021,923)	(3,208,769)
Adjustment for RoU assets and lease liabilities (RoU assets - lease liabilities)	(190,006,371)	-	(190,006,371)	-	(190,006,371)	(76,002,548)
Unrealised MTM loss on treasury bills/bonds	(983,077)	-	(983,077)	-	(983,077)	(393,231)
Actuarial gain/(loss)	55,492,050	-	55,492,050	-	55,492,050	22,196,820
Gratuity provision	(108,157,964)	-	(108,157,964)	-	(108,157,964)	(43,263,186)
Closing balance	13,952,070	-	13,952,070	421,471,898	(407,519,828)	(163,007,931)

Annexure - G

Citibank, N.A., Bangladesh Branches

Bi-weekly average balance of Bangladesh Bank statement for the month of December 2025

In BDT		
Date	Actual balance held with Bangladesh Bank	Average balance held with Bangladesh Bank
15-Dec-25	2,497,999,965	
16-Dec-25	2,497,999,965	
17-Dec-25	2,664,102,726	
18-Dec-25	2,769,228,733	
19-Dec-25	2,769,228,733	
20-Dec-25	2,769,228,733	
21-Dec-25	2,583,544,024	
22-Dec-25	2,183,179,784	
23-Dec-25	3,384,284,829	
24-Dec-25	2,795,241,150	
25-Dec-25	2,795,241,150	
26-Dec-25	2,795,241,150	
27-Dec-25	2,795,241,150	
28-Dec-25	3,844,263,521	
29-Dec-25	4,400,339,023	
30-Dec-25	3,989,518,225	
31-Dec-25	3,989,518,225	3,030,788,299

Annexure - H

Citibank, N.A., Bangladesh Branches

Reconciliation between Bangladesh Bank's statement and Bank's statement as at 31 December 2025

In order to comply with the CRR and SLR requirements, the Bank considers the actual balances held with Bangladesh Bank according to their (Bangladesh Bank) books of accounts. However, when preparing the statutory accounts the Bank considers the actual balances held with Bangladesh Bank according to the Bank's books of accounts. This results in reconciling differences between the Bank's statutory accounts and CRR and SLR requirements.

	As per Bangladesh Bank's statement	As per Bank's general ledger	Reconciling difference
	Taka	Taka	Taka
Local currency			
Bangladesh Bank, Dhaka	3,932,505,705	4,156,321,654	(223,815,950)
Bangladesh Bank RTGS settlement	-	-	-
Bangladesh Bank, Chattogram	57,012,520	57,012,520	-
Total	3,989,518,225	4,213,334,175	(223,815,950)

Bank credited but Bangladesh Bank had not debited	699,369,456
Bank debited but Bangladesh Bank had not credited	(872,590,025)
Bangladesh Bank credited but Bank had not debited	127,134,084
Bangladesh Bank debited but the bank had not credited	(177,729,464)
	(223,815,950)

Foreign currencies

	As per Bangladesh Bank's statement	As per Bank's general ledger	Reconciling difference
	USD	USD	Taka
USD clearing account	6,680,397	9,200,268	1,125,192,778
USD capital account	57,698,044	57,698,044	7,056,470,775
Total	64,378,441	66,898,312	8,181,663,553

Bank credited but Bangladesh Bank had not debited	18,655
Bank debited but Bangladesh Bank had not credited	(2,538,526)
Bangladesh Bank credited but Bank had not debited	-
Bangladesh Bank debited but the bank had not credited	-
	(2,519,871)

	As per Bangladesh Bank's statement	As per Bank's general ledger	Reconciling difference
	GBP	GBP	Taka
GBP clearing account	28,206	28,206	4,664,213

Bank credited but Bangladesh Bank had not debited	-
Bank debited but Bangladesh Bank had not credited	-
Bangladesh Bank credited but Bank had not debited	-
Bangladesh Bank debited but the bank had not credited	-

	As per Bangladesh Bank's statement	As per Bank's general ledger	Reconciling difference
	EUR	EUR	Taka
EUR clearing account	30,484	30,484	4,389,154

Bank credited but Bangladesh Bank had not debited	-
Bank debited but Bangladesh Bank had not credited	-
Bangladesh Bank credited but Bank had not debited	-
Bangladesh Bank debited but the bank had not credited	-

Total	8,190,716,920
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Annexure - I

Citibank, N.A., Bangladesh Branches
Balance from other banks (outside Bangladesh)

In BDT		2025			2024		
		Account type	Foreign currency	Exchange rate	Equivalent taka	FC amount	Exchange rate
Citibank, N.A., Mumbai	Vostro A/C	USD	6,255,502	122.3000	765,047,946	1,012	120.0000
Citibank, N.A., Colombo	Vostro A/C	USD	219,354	122.3000	26,826,975	219,517	120.0000
Citibank, N.A., New York Foreign Exchange	Vostro A/C	BDT	46,046,254	1.0000	46,046,254	6,370,672	1.0000
Citibank, N.A., London	Vostro A/C	BDT	35,430,850	1.0000	35,430,850	63,780,112	1.0000
Citibank, N.A., Europe PLC	Vostro A/C	BDT	260,250,345	1.0000	260,250,345	183,072,857	1.0000
Citibank, N.A., Japan	Vostro A/C	BDT	74,090	1.0000	74,090	74,090	1.0000
Citibank, N.A., Berhad	Vostro A/C	BDT	118,878	1.0000	118,878	381,438	1.0000
					1,133,795,338		
							280,142,713

Citibank, N. A., Bangladesh Branches

Auditor's Report, financial statements and other disclosures
as at and for the year ended 31 December 2025Disclosure on Market Discipline as required under Pillar III of Basel III
for the year ended 31 December 2025

The following detailed qualitative and quantitative disclosures are provided in accordance with Bangladesh Bank rules and regulations on capital adequacy under Basel III issued through BRPD Circular 18 (21 December 2014). The purpose of these requirements is to complement the minimum capital requirements and the Supervisory review process. These disclosures are intended for market participants to assess key information about the Bank's exposure to various risks and to provide a consistent and understandable disclosure framework for easy comparison among banks operating in the market.

The Bank follows the disclosure policy to observe the disclosure requirements as set out by the Bangladesh Bank and International Financial Reporting Standards (IFRSs) and International Accounting Standards (IAS).

Guidelines on Risk Based Capital Adequacy are structured around the following three aspects or pillars of Basel III:

- Minimum capital requirements maintained by a bank against credit, market and operational risk;
- Supervisory Review i.e. Process for assessing overall capital adequacy in relation to a bank's risk profile and a strategy for maintaining its capital at an adequate level;
- Market Discipline i.e. public disclosure of information on the bank's risk profiles, capital adequacy and risk management.

1. Scope of Application

Qualitative Disclosures:

Bank has no subsidiaries or significant investments and Basel III is applied at the Bank level. Pursuant to Bangladesh Bank circular capital adequacy Circular No. 02, dated 25 February 2019, Basel III as of 31 December 2025 comprise the operations of both the Domestic Banking Unit (DBU) and the Offshore Banking Unit (OBU).

Quantitative Disclosures:

Not Applicable

2. Capital Structure

(a) Qualitative Disclosures:

Citibank, N.A. Bangladesh capital structure consists of Tier I Capital and Tier II Capital. For the purpose of calculating capital under capital adequacy framework, the capital of banks shall be classified into two tiers. The total regulatory capital will consist of a) Tier I Capital (gone-concern capital; Common Equity Tier I and Additional Tier I) and b) Tier II Capital (gone-concern capital). All banks will be required to maintain the following ratios on an ongoing basis:

- Common Equity Tier I of at least 4.5% of the total RWA.
- Tier-I capital of 6.0% of RWA
- Minimum CRAR of 10% of the total RWA.
- Additional Tier I capital can be admitted maximum up to 1.5% of the total RWA or 33.33% of CET I, whichever is higher.
- Tier II capital can be admitted maximum up to 4.0% of the total RWA or 88.89% of CET I, whichever is higher.
- In addition to minimum CRAR, Capital Conservation Buffer (CCB) of 2.5% of the total RWA needs to be maintained in the form of CET I.

Tier I capital of the bank includes fund deposited with Bangladesh Bank, retained earnings and actuarial gain/(loss). Tier I capital, also called "Common Equity Tier I Capital" of the bank. The Country Coordination Committee (CCC) and Senior Management ensure that Tier II capital consists of the general provision subject to the provisions mentioned in the guidelines & relevant circulars. The bank does not have any Additional Tier I capital.

Quantitative Disclosures:

(b) The details of capital structure are provided as under:

	2025 BDT	2024 BDT
Tier-I (gone-concern capital)		
Common Equity Tier I (CET I Capital)	7,056,470,775	6,923,768,274
Fund Deposited with BB	10,592,536,897	13,307,343,036
Retained Earnings	(91,799,626)	(36,159,834)
Actuarial gain/(loss)	(1,736,878,861)	(1,487,526,486)
Other regulatory capital	(3,048,331)	(3,048,331)
Total CET I Capital	15,817,280,854	16,724,373,659
Additional Tier I	-	-
Total Tier I Capital	15,817,280,854	16,724,373,659
Tier 2 Capital (gone-concern capital)		
General Provision	401,721,450	439,460,000
Total Tier 2 capital	401,721,450	439,460,000
(C) Total eligible capital	16,219,002,304	16,163,833,659

3. Capital Adequacy

(a) Qualitative Disclosures:

Citibank, N.A. Bangladesh Office is operating as Branch Office of the Head Quarter in New York, USA and is represented by appointed/nominated Citi Country Officer (CCO). Since Citibank, N.A. is not an incorporated banking company in Bangladesh and since there aren't any shareholder directors, CCO is the chief custodian for all franchise issues in Bangladesh. CCO along with other members of Senior Management representing the Country Coordination Committee (CCC) provide the governance oversight for Citibank, N.A. Bangladesh, which in case of a locally incorporated entity would have been expected from the Board of Directors.

Citi's Risk Capital framework relies on and is complementary to its Corporate Governance and Risk Management framework, which balances corporate oversight with independent risk management functions within each business.

A sound risk management process, strong internal controls and well documented policies and procedures are the foundation for ensuring the safety and soundness of the Bank. The Country Coordination Committee (CCC) and Senior Management ensure that capital levels are adequate for the Bank's risk profile. They also ensure that the risk management and control processes are appropriate in the light of the Bank's risk profile and business plans.

Senior Management including CCC deal with the following:

- Oversight of Basel III implementation and new requirements
- Annual review of risk limits and concentrations
- Capital planning
- Quarterly risk assessment and capital adequacy review against target
- Annual Review of CCAAP

Under the supervision of the senior management of the bank, the Country Risk Management Committee (CRMC) discusses, reviews and manages the material risks faced by the bank. The committee is headed by Chief Risk Officer and attended by Citi Country Officers. It is also represented by all risk monitoring units within the bank. The committee meets at least once a month to review the current material risks faced by the bank.

Internal Capital Adequacy Assessment Process (ICAAP) represents the Bank's own assessment of its internal capital requirements. The Bank's approach for calculating its own internal capital requirement has been to take the minimum capital required for credit risk, market risk and operational risk under Pillar-I as the starting point and assess whether this is sufficient to cover those risks and then identify other risks (Pillar-II) and assess prudent level of capital to ensure capital adequacy.

The Bank's Asset Liability Committee (ALCO) is responsible for the review of overall asset and liability position, liquidity position, capital adequacy, balance sheet risk, interest risk and as when required necessary changes are made to ensure various risks are adequately managed. The object of liquidity risk management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due and regularly monitored. As per the Bangladesh Bank guideline, the Bank has implemented all of the core risk management guideline for banks.

The Bank's Asset Liability Committee (ALCO) is responsible for the review of overall asset and liability position, liquidity position, capital adequacy, balance sheet risk, interest risk and as when required necessary changes are made to ensure various risks are adequately managed. The object of liquidity risk management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due and regularly monitored. As per the Bangladesh Bank guideline, the Bank has implemented all of the core risk management guideline for banks.

Quantitative Disclosures:

Details of Risk Weighted Assets are as below:

Risk Weighted Assets as Risk Category:	2025 BDT	2024 BDT
Credit Risk		
On Balance Sheet Exposures	26,750,506,733	32,364,671,052
Off Balance Sheet Exposures	7,553,923,023	8,298,078,100
Total Credit Risk	34,304,429,755	40,662,747,152
Market Risk	2,746,090,748	1,055,629,356
Operational Risk	9,657,331,716	6,733,458,614
Total Risk Weighted Assets	46,707,852,219	48,411,835,122
Capital Requirement		
(b) Capital requirement for Credit Risk	3,430,442,978	4,062,274,715
(c) Capital requirement for Market Risk	274,609,075	1,055,629,356
(d) Capital requirement for Operational Risk	965,733,172	673,345,861
Total	4,670,785,222	5,791,249,932
(e) Ratios (stand alone basis)		
Capital to Risk Weighted Assets Ratio (CRAR)	34.72%	39.59%
Common Equity Tier-1 to RWA	33.86%	38.68%
Tier-1 Capital to RWA	33.86%	38.68%
Tier-2 Capital to RWA	0.86%	0.91%
Capital Conservation Buffer to RWA	24.72%	29.59%
(f) Surplus Capital	11,219,002,304	14,163,833,659

(a) Qualitative Disclosures:

Definitions of past due and impaired (for accounting purposes)

Past due and impaired exposures are defined in accordance with the relevant Bangladesh Bank regulations. Specific and general provisions are computed periodically in accordance with the Bangladesh Bank regulations. All the loans will be treated as past due/overdue from the following day of the expiry date or from the creation of the forced loan or from the due date if not repaid/renursed depending on different categories of loans and advances defined in para 5. However, in case of any installment(s) or part of installment(s) of a Fixed Term loan is not repaid within the fixed expiry/du date, the amount of unpaid installment(s) will be treated as past due/overdue from the following day of the expiry/du date.

Special Mention Account (SMA)

For all categories of loans, the entire loan will be classified as SMA if the loan remain past due for 2 months or more, but less than 3 months. Loans must be classified no higher than SMA if any of the following deficiencies of the obligor is present: occasional overdrown within the past year, below-average or declining profitability; barely acceptable liquidity; or problems in strategic planning. Loans must be classified no higher than SMA if any of the following deficiencies of the bank management is present: the banking organization has acquired the asset without the types of adequate documentation of the obligor's net worth, profitability, liquidity, and cash flow that are required in the banking organization's lending policy, or there are doubts about the validity of that documentation.

Sub-Standard

For all categories of loans, the entire loan will be classified as sub-standard if the loan remain past due for 3 months or more, but less than 6 months. Loans must be classified no higher than SS if any of the following deficiencies of the obligor is present: recurrent overdrown, low account turnover, competitive difficulties, location in a volatile industry with an acute drop in demand; very low profitability that is also declining; inadequate liquidity; cash flow less than repayment of principal and interest; weak management; doubts about integrity of management; conflict in corporate governance; unjustifiable lack of external audit; or pending litigation of a significant nature. Loans must be classified no higher than SS if any of the following deficiencies of the bank management is present: the banking organization has acquired the asset without the types of adequate documentation of the obligor's net worth, profitability, liquidity, and cash flow that are required in the banking organization's lending policy, or there are doubts about the validity of that documentation.

Doubtful

For all categories of loans, the entire loan will be classified as doubtful if the loan remain past due for 6 months or more, but less than 12 months. Loans must be classified no higher than DF if any of the following deficiencies of the obligor is present: permanent overdrown; location in an industry with poor aggregate earnings or loss of markets; serious competitive problems; failure of key products; operational losses; illiquidity, including the necessity to sell assets to meet operating expenses; cash flow less than required interest payments; very poor management; non-cooperative or hostile management; serious doubts of the integrity of management; doubts about true ownership; or complete absence of faith in financial statements.

Bad/loss

For all categories of loans, the entire loan will be classified as doubtful if the loan remain past due for more than 12 months. Loans must be classified no higher than BL if any of the following deficiencies of the obligor are present: the obligor seeks new loans to finance operational losses; location in an industry that is disappearing; location in the bottom quartile of its industry in terms of profitability; technological obsolescence; very high losses; asset sales at a loss to meet operational expenses; cash flow less than production costs; no repayment source except liquidation; presence of money laundering, fraud, embezzlement, or other criminal activity; or no further support by owners.

Unclassified

These are the loans where bank is fully satisfied about its repayment.

Description of approaches followed for specific and general allowances and statistical methods:

As per relevant Bangladesh bank guidelines, 0.25% to 5% provision is maintained against unclassified loans, 5% to 20% provision is maintained against sub-standard loans, 5% to 50% provision is maintained against doubtful loans and 100% provision is maintained against bad/loss after deducting value of eligible securities, if any, as per Bangladesh Bank guidelines. All interest is suspended/discontinued if the loan is identified as sub-standard, doubtful or bad/loss.

Discussion of the bank's credit risk management policy

Credit risk is the risk of financial loss if a customer or counterparty fails to meet a payment obligation under a contract. It arises principally from direct lending, trade finance and leasing business, but also from off-balance sheet products such as guarantees and credit derivatives, and from the holdings of debt securities. The failure may result from unwillingness of the counter party or decline in his / her financial condition. Among the risks the Citibank N.A. Bangladesh engages in, credit risk generates the largest regulatory capital requirement. Citibank N.A. Bangladesh has standards, policies and procedures dedicated to controlling and monitoring risk from all such activities.

The aims of credit risk management, underpinning sustainably profitable business, are principally:

- to maintain a strong culture of responsible lending, supported by a robust risk policy and control framework;
- to both partner and challenge business origins effectively in defining and implementing risk appetite, and its re-evaluation under actual and scenario conditions; and
- to ensure independent, expert scrutiny and approval of credit risks, their costs and their mitigation.

The standardized approach is applied for risk weighting of exposures as per directive of Bangladesh Bank. It requires banks to use risk assessments prepared by External Credit Assessment Institutions (ECAIs) to determine the risk weightings applied to rated counterparties. The bank has used all customer ratings wherever available for use based on their entry rating as assigned by the approved ECAIs of Bangladesh Bank.

Credit risk is one of the major risks faced by the Bank. To assess and to mitigate the credit risk, the Bank has implemented risk management manual, which is considered an important tool for retaining the quality and performance of the assets. Accordingly, the Bank's credit risk management functions have been designed to address all these issues including risks that arise from global changes in banking, finance and related issues.

The Bank has defined segregation of duties for all credit risk related activities like credit approval, administration, monitoring and recovery functions.

The Bank has set policies and procedures for the controlling and monitoring of credit risks from these activities. A thorough risk assessment is done before sanction of any credit facility at risk management units. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the credit facility etc.

Bank also has established separate Credit Risk Management Services which helps in ensuring credit compliance with the post-sanction processes/ procedures laid down by the Bank from time to time. Bank has in place a risk grading system for analyzing the risk associated with credit. The parameters, while risk grading the customers, include financial condition and performance, quality of disclosures and management, facility structure, collateral and country risk assessment where necessary. Maximum counterparty/group exposures are limited to 15% (funded) of the bank's capital base as stipulated by Bangladesh Bank. Exposure beyond the said limit may be allowed only upon prior approval from Bangladesh Bank.

Quantitative Disclosures:

(b) Gross Credit Risk Exposure

	2025 BDT	2024 BDT
Claims on Bangladesh Government and Bangladesh Bank	13,625,350,125	15,404,270,296
Claims on Banks and NBFI's	17,686,201,030	19,778,204,647
Claims on corporate	22,822,679,998	24,220,438,175
Fixed assets	231,621,394	265,629,356
All other assets	853,147,640	871,062,777
Off-balance sheet items	7,837,454,815	7,221,201,437
Total	63,056,455,001	67,760,806,689
Major types of Loans & advances:		
Continuous loan	29,704,053	215,731,052
Demand Loan	24,906,941,794	24,219,478,652
Fixed term loan	8,021,923	8,021,923
Staff loan	-	-
Short-term agricultural & micro-credit	122,423,317	301,881,250
Total	25,067,091,087	24,744,112,877

(c) Geographical distribution of exposures, broken down in significant areas by major types of credit exposure:

	2025 BDT	2024 BDT
Urban	25,067,091,087	24,744,112,877
Dhaka Division	-	-
Chittagong Division	-	-
Rural	-	-
Dhaka Division	-	-
Chittagong Division	-	-
Total	25,067,091,087	24,744,112,877

(d) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure:

	2025 BDT	2024 BDT
Agriculture (Dairy, Poultry, Nursery, Hatchery etc.)	122,423,300	301,881,250
Ready-made Garments	2,088,696,300	1,885,049,300
Pharmaceutical Industries	2,735,073,700	2,383,220,800
Chemical Industries	3,296,524,700	3,463,111,600
Fuel & Electricity	2,581,669,700	2,591,987,500
Agro based Industries	8,021,923	8,021,923
Telecommunication	2,236,394,200	515,652,777
Financial Corporation	4,099,264,444	4,170,487,153
CSME	7,899,022,820	9,524,700,574
Others	-	-
Total	25,067,091,087	24,744,112,877

(e) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure:

	2025 BDT	2024 BDT
Payable	37,725,968	223,752,978
On demand	266,667,276	49,532,081
Within one month	1,510,767,411	1,010,431,394
Within one to three months	23,251,930,432	23,460,396,427
Within three to twelve months	-	-
Within one to five years	-	-
More than five years	-	-
Total	25,067,091,087	24,744,112,877

(f) Amount of impaired loans, Specific and general provisions & Charges for specific allowances and charge-offs during the period:

	2025 BDT	2024 BDT
Amount of impaired loans:		
Special Mention Account	-	-
Substandard	-	-
Doubtful	8,021,923	8,021,923
Bad/loss	-	-
Specific and general provisions:		
General Provision	229,484,150	216,085,000
Special Provision	8,021,923	8,021,923
Total	237,506,073	224,106,923
Charges for specific allowances and charge-offs during the period	-	-
(g) Gross Non Performing Assets (NPAs)	8,021,923	8,021,923
Non Performing Assets (NPAs) to Outstanding Loans & advances	0.03%	0.03%
Movement of Non Performing Assets (NPAs)		
Opening balance	8,021,923	8,021,923
Additions (net)	-	-
Reductions	-	-
Closing balance	8,021,923	8,021,923
Movement of specific provisions for NPAs		
Opening balance	8,021,923	8,021,923
Provision made during the period	-	-
Write-off	-	-
Write-back of excess provisions	-	-
Closing balance	8,021,923	8,021,923
(5) Equities: Disclosures for Banking Book Positions		
Qualitative Disclosures:		
Citibank N.A. has equity holdings of unquoted shares of Central Depository Bangladesh Limited.		
Valuation of Unquoted Shares:		
Unquoted shares are valued at cost price as per latest audited accounts.		
Quantitative Disclosures:		
Unquoted shares in Central Depository Bangladesh Limited	6,000,000	6,000,000
The cumulative realized gains (losses) arising from sales	-	-
Total unrealized gains (losses)	-	-
Total latent revaluation gains (losses)	-	-
Any amounts of the above included in Tier 2 capital	-	-
Capital Charge on Equities	-	-

(6) Interest rate risk in the banking book (IRRBB)

Qualitative Disclosures:

Interest rate risk is the risk where changes in market interest rates might adversely affect a bank's financial condition. The immediate impact of changes in interest rates is on the Net Interest Income (NII). A long term impact of changing interest rates is on the Bank's net worth since the economic value of a Bank's assets, liabilities and off-balance sheet positions get affected due to variation in market interest rates. The responsibility of interest rate risk management rests with the Bank's Asset and Liability Management Committee (ALCO) and Markets Treasury (MT) department. Bank periodically computes the interest rate risk on the banking book that arises due to re-pricing mismatches in interest rate sensitive assets and liabilities. For the purpose of monitoring such interest rate risk, the Bank has in place a system that tracks the re-pricing mismatches in interest bearing assets and liabilities. For computation of the interest rate mismatches, Citi Policies are followed.

Bank adopts maturity method in measuring interest rate risk in respect of securities in trading book. The capital charge for entire market risk exposure is computed under the standardized approach using the maturity method and in accordance with the guideline issued by Bangladesh Bank.

Interest rate exposures as per Citi Policies are placed to ALCO.

Other Tools for measuring & analyzing interest rate risk

Interest Rate Gap Analysis utilizes the maturity or re-pricing schedules of balance sheet items and hedges accounted derivatives to determine the differences between maturing or re-pricing items within given tenor buckets.

Interest Rate Exposure (IRE) measures the potential pre-tax accounting earnings impact, over specified reporting periods, from a defined parallel shift in the yield curve. It is a forward-looking measure, analogous to Factor Sensitivity on the trading portfolios.

Value-at-close is a point-in-time estimate of the 'fair value' of an accrual portfolio – not a liquidation value. It must be calculated for all Treasury Units and for those business units where the residual positions can be reliably marked-to-market.

	2025 BDT	2024 BDT
Market Value of Assets	69,195,007,812	75,399,979,893
Market Value of Liabilities	56,679,946,895	60,784,441,918
Weighted Average of Duration of Assets (DA)	0.15	0.08
Weighted Average of Duration of Liabilities (DL)	0.46	0.07
Duration GAP (DA-DL)	(0.30)	0.01
Yield to Maturity (YTM -Assets)	52.38%	60.13%
Yield to Maturity (YTM -Liability)	6.01%	8.03%
Fall in MV of Equity	(5,080,630,815)	(5,620,486,985)
Change in market value of equity due to an increase in interest rate @3%	296,091,231	(26,559,531)
Stress Testing (Interest Rate Shock):		
Regulatory capital (after shock)	15,955,728,535	19,175,761,081
CAR (after shock)	38.33%	44.81%

(7) Market Risk

Qualitative Disclosures:

Market Risk is the risk to the bank's earnings and capital due to changes in the market level of interest rates or prices of securities, foreign exchange and equities, as well as the volatilities of those changes.

Methods used to measure Market risk:

As per the instructions from the Bangladesh Bank, the Bank uses the standardized (market risk) approach to calculate market risk for trading book exposures. The total capital requirement in respect of market risk is the aggregate capital requirement calculated for each of the risk sub-categories. For each risk category minimum capital requirement is measured in terms of two separately calculated capital charges for 'specific risk' and 'general market risk'.

Market Risk Management system:

The Treasury Division manages market risk covering liquidity, interest rate and foreign exchange risk with oversight from Asset-Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO meets at least once in a month.

Policies and processes for mitigating market risk:

The bank's policy is to control material risks through a framework of limits & triggers approved by ALCO and manage the same through robust controls over calculating, monitoring and reporting results. The risk appetite is largely determined and controlled due to regulatory limits on foreign exchange. The spot foreign exposure is limited through the Net Open Position which is controlled by BB. Aggregate interest rate exposures on trading account is controlled by limits on DV01. Further, trading exposures are approved through additional risk management tools such as Value-at-Risk (VaR) and Loss Trigger Limits for Trading and AFS book. All market risk taking activities in the Bank are centralized with Treasury and undertaken by authorized dealers. The Independent Market Risk Management monitors the trading and banking book exposures against approved limits and triggers on a daily basis.

Trading book consists of positions in financial instruments held with trading intent or in order to hedge other elements of the Trading Book. A capital charge will be applicable for financial instruments which are free from any restrictive covenants on tradability, or able to be hedged completely. Generally, investments in 'Held for Trading' portfolios are focal parts of the Trading Book.

Capital charge means an amount of regulatory capital which the bank is required to hold for an exposure to a relevant risk which, if multiplied by 10.00, becomes the risk-weighted amount of that exposure for that risk.

Citibank Bangladesh follows its global policies for managing market risk.