Modhumoti Bank PLC.

Your Access to Success

Financial Statements 2025

Independent Auditor's Report
To the Shareholders of Modhumoti Bank PLC.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Modhumoti Bank PLC, which comprise the balance sheet as at 31 December 2025, and the profit and loss account, the statement of changes in equity and the 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 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 2.00.

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 interested 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 2.00 to the financial statements where management has explained the basis of preparation of financial statements including compliance with Rules and Regulations issued by Bangladesh Bank on classification of loans and advances and required impairment provision. Our opinion is not modified in respect of this matter.

Other information

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

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

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

Responsibilities of Management and Those Charged with Governance for the 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 2.00 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. 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.

Auditors' 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 material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.
- Plan and perform the Bank audit to obtain sufficient appropriate audit evidence regarding the financial information of the entity as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Bank audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine that there are no matters that were of most significance in the audit of the financial statements of the current period and therefore there are no such matters to communicate in our auditor's report.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Bank Company Act 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

(i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
(ii) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books;
(iii) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
(iv) the balance sheet and profit and loss account of the Bank dealt with by the report are in agreement with the books of account and returns;
(v) the 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 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.
(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 as at 31 December 2025;
(xii) As part of our going concern assessment, we reviewed maturity mismatch between assets and liabilities which may adversely affect the Bank's subsequent liquidity position.

For and on behalf of

Zoha Zaman Kabir Rashid & Co.,
Chartered Accountants
FRC Enlistment No.: CAF-001-135

Muhammad Rezaul Islam FCA
Partner
Enrolment Number: 1750
DVC: 2604291750AS142970

Dated: Dhaka
29 April 2026

Balance Sheet
As at 31 December 2025

Particulars	Notes	Amount in BDT 2025	Amount in BDT 2024
PROPERTY AND ASSETS			
Cash	4		
Cash in hand (including foreign currencies)		590,372,676	644,140,607
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		4,309,572,892	3,977,009,454
		4,899,945,568	**4,621,150,061**
Balance with other banks and financial institutions	5		
In Bangladesh		5,093,575,104	1,653,411,805
Outside Bangladesh		961,746,996	1,020,781,729
		6,055,322,100	**2,674,193,534**
Money at call on short notice	6	**524,200,000**	**1,473,400,000**
Investments	7		
Government		22,515,162,976	20,955,688,020
Others		145,425,959	45,425,959
		22,660,588,934	**21,001,113,979**
Loans and advances	8		
Loans, Cash Credit, Overdrafts etc.		74,823,694,204	65,922,856,663
Bills purchased and discounted		791,138,541	454,818,035
		75,614,832,745	**66,377,674,698**
Fixed assets including premises, furniture and fixtures	9	**1,072,734,990**	**513,172,420**
Other assets	10	**2,955,500,442**	**2,502,421,484**
Non - banking assets		-	-
Total assets		**113,783,124,780**	**99,163,126,175**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and its agents	11	**1,225,592,392**	**1,940,623,684**
Deposits and other accounts	12		
Current Accounts and other Accounts		12,994,548,053	11,647,135,917
Bills Payable		1,620,136,886	1,117,664,994
Savings Bank Deposits		5,996,516,745	4,941,673,082
Special Notice Deposits (SND)		11,984,627,717	11,860,871,304
Fixed Deposits		60,322,891,881	50,545,804,152
Other Deposits		-	-
		92,918,721,282	**80,113,149,449**
Other Liabilities	13	**10,893,964,857**	**7,668,664,334**
Total Liabilities		**105,038,278,532**	**89,722,437,467**
Capital/Shareholders' Equity			
Paid up Capital	14.2	5,257,381,450	5,257,381,450
Statutory Reserve	15	3,386,014,745	3,332,894,183
Revaluation Reserve	16	45,378,183	13,761,332
Foreign currency translation gain	16 (a)	2,892	169,794
Surplus in Profit and Loss Account/ Retained Earnings	17	56,068,978	836,481,948
Total Shareholders' Equity		**8,744,846,248**	**9,440,688,707**
Total Liabilities and Shareholders' Equity		**113,783,124,780**	**99,163,126,175**

Balance Sheet
As at 31 December 2025

	Notes	Amount in BDT 2025	Amount in BDT 2024
Off-Balance Sheet Items			
Contingent liabilities	18		
Acceptances and Endorsements		6,318,985,237	4,919,740,403
Letters of Guarantees		29,857,412,239	27,307,779,291
Irrevocable Letter of Credits		12,182,254,430	10,409,900,800
Bills for Collection		6,110,913,020	5,997,902,375
Other Contingent Liabilities		734,847,300	24,894,000
Total Contingent Liabilities		**55,204,412,226**	**48,660,216,869**
Other Commitments			
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total other commitments		-	-
Total Off-Balance Sheet Items including Contingent Liabilities		**55,204,412,226**	**48,660,216,869**

These Financial Statements should be read in conjunction with the annexed notes 1 to 37.

Chairman Director Director Managing Director & CEO

See annexed Auditors' Report to the Shareholders of date.

Muhammad Rezaul Islam, FCA
Partner
Zoha Zaman Kabir Rashid & Co.; Chartered Accountants
ICAB Enrollment Number: 1750
FRC Enlistment No.: CAF-001-135
DVC: 2604291750AS142970
Dated: Dhaka, April 29, 2026

Profit and Loss Account
For the year ended 31 December 2025

Particulars	Notes	Amount in BDT 2025	Amount in BDT 2024
Interest income	20	7,923,325,353	7,829,655,663
Interest paid on deposits and borrowings etc.	21	7,018,289,576	5,639,691,111
Net interest income		**905,035,776**	**2,189,964,552**
Investment income	22	1,688,146,652	1,587,261,412
Commission, exchange and brokerage	23	774,158,078	693,811,152
Other operating income	24	243,799,533	311,018,805
		2,706,104,264	**2,592,091,369**
Total operating income (A)		**3,611,140,041**	**4,782,055,921**
Salaries and allowances	25	1,046,108,816	973,504,489
Rent, taxes, insurance, electricity etc.	26	89,481,299	81,988,027
Legal expenses		683,945	921,000
Postage, stamp, telecommunication etc.	27	58,850,274	48,576,644
Stationery, printing, advertisements etc.	28	91,107,037	61,270,656
Managing Director's salary and fees	29	16,780,631	16,440,072
Directors' fees	30	3,070,000	2,050,000
Auditors' fees		1,400,000	350,000
Depreciation and repairs to bank's assets	31	288,540,566	250,138,580
Other expenses	32	228,314,662	212,535,568
Total operating expenses (B)		**1,824,337,231**	**1,647,775,036**
Profit before provision (C=A-B)		**1,786,802,810**	**3,134,280,885**
Provision for loans and advances	13.1		
General provision		924,400,000	385,900,000
Specific provision		483,500,000	516,600,000
Provision for Off-shore Banking unit		2,500,000	700,000
Provision for others	13.1 (b)	57,800,000	10,900,000
Provision for off-balance sheet items	13.2	53,000,000	32,600,000
Total provision (D)		**1,521,200,000**	**946,700,000**
Total profit before tax (C-D)		**265,602,810**	**2,187,580,885**
Provision for taxation	33		
Current Tax		219,374,246	945,257,822
Deferred Tax		(15,705,586)	(15,195,391)
		203,668,660	**930,062,431**
Net profit after tax		**61,934,150**	**1,257,518,454**
Retained Earnings brought forward from previous years		47,874,731	29,054,856
		109,808,881	**1,286,573,310**
Appropriations			
Statutory Reserve	15	53,120,562	437,516,177
Start-Up Fund		619,342	12,575,185
Other Reserve		-	-
		53,739,904	**450,091,362**
Retained Surplus	17	**56,068,977**	**836,481,948**
Earnings Per Share (EPS)	36	**0.12**	**2.39**

These Financial Statements should be read in conjunction with the annexed notes 1 to 37.

Chairman Director Director Managing Director & CEO

See annexed Auditors' Report to the Shareholders of date.

Muhammad Rezaul Islam, FCA
Partner
Zoha Zaman Kabir Rashid & Co.; Chartered Accountants
ICAB Enrollment Number: 1750
FRC Enlistment No.: CAF-001-135
DVC: 2604291750AS142970
Dated: Dhaka, April 29, 2026

Cash Flow Statement
For the year ended 31 December 2025

	Notes	Amount in BDT 2025	Amount in BDT 2024
A. Cash Flow from Operating Activities			
Interest receipts in cash		9,613,466,911	9,464,338,342
Interest payments		(6,950,314,949)	(5,432,694,133)
Dividend receipts		1,733,750	8,914,129
Fees and commission receipts in cash		774,158,078	693,811,152
Recoveries on Loans previously written-off		27,579,106	748,283
Cash payments to employees		(1,062,889,447)	(899,944,561)
Cash payments to suppliers		(91,592,486)	(60,194,017)
Income taxes paid		(746,900,717)	(959,297,935)
Receipts from other operating activities	34	243,799,533	314,226,031
Payments for other operating activities	35	(505,444,727)	(443,942,842)
Operating profit before changes in operating assets and liabilities (i)		**1,303,595,052**	**2,685,964,450**
Increase / (decrease) in operating assets and liabilities			
Purchase/Sales of trading securities (Treasury bond/bill)		(2,543,596,351)	1,765,261,831
Loans and advances to customers		(9,237,158,047)	(3,095,075,980)
Other Assets		21,359,652	161,183,952
Deposits from other banks/ Borrowings		1,885,078,910	(1,452,961,625)
Deposits from customers		9,635,015,113	1,036,489,508
Other liabilities account of customers		502,471,891	397,531,988
Other Liabilities		554,271,293	133,604,208
Cash received from operating assets and liabilities (ii)		**817,442,462**	**(1,053,966,117)**
Net cash from operating activities (A=i+ii)		**2,121,037,514**	**1,631,998,333**
B. Cash flow from investing activities			
Proceeds from sale of securities		-	-
Payment for purchase of securities (Treasury bond/bill/shares)		784,412,795	779,122,383
Purchase of property, plant & equipment		(68,851,069)	(145,350,723)
Proceeds from Sale of property, plant & equipment		10,811,118	20,514,300
Net cash from investing activities (B)		**726,372,844**	**654,285,960**
C. Cash flows from financing activities			
Receipts from issue of ordinary shares		-	-
Proceeds from Lease Liability		840,898,354	292,178,726
Payment of Lease Liability (principal reduction)		(156,311,537)	(157,835,229)
Interest Expense on lease liabilities paid in cash		(32,377,377)	(16,022,160)
Dividends paid		(788,607,218)	(709,746,496)
Net cash from financing activities (C)		**(136,397,777)**	**(591,425,158)**
D. Net increase / decrease in cash & cash equivalent (A+B+C)		**2,711,012,582**	**1,694,859,135**
E. Effcts of exchange rate changes on cash and cash equivalents		**2,892**	**169,794**
F. Cash and cash equivalents at beginning period		**8,769,326,794**	**7,074,297,865**
G. Cash and cash equivalents at end of period (D+E+F)		**11,480,342,268**	**8,769,326,794**
Cash and cash equivalents at end of the year represents			
Cash in hand (including foreign currencies)		590,372,676	644,140,607
Balance with Bangladesh Bank & its agent bank (including foreign currencies)		4,309,572,892	3,977,009,454
Balance with other banks and financial institutions		6,055,322,100	2,674,193,534
Money at call and on short notice		524,200,000	1,473,400,000
Prize bond (note: 7.1)		874,600	583,200
		11,480,342,268	**8,769,326,794**

These Financial Statements should be read in conjunction with the annexed notes 1 to 37.

Chairman Director Director Managing Director & CEO

Statement of Changes in Equity
For the year ended 31 December 2025

Amount in BDT

Particulars	Paid up capital	Statutory Reserve	Revaluation Reserve	Foreign currency translation gain	Surplus in Profit and Loss Account/ Retained Earnings	Total
Balance as at 1 January 2025	5,257,381,450	3,332,894,183	13,761,332	169,794	836,481,948	9,440,688,707
Statutory Reserve	-	53,120,562	-	-	(53,120,562)	-
Suplus/deficit on account of revaluation of investment	-	-	31,616,852	-	-	31,616,852
Issue of ordinary share	-	-	-	-	-	-
Cash dividend	-	-	-	-	(788,607,218)	(788,607,218)
Dividend (Bonus Share)	-	-	-	-	-	-
Transfer to Start-Up Fund	-	-	-	-	(619,342)	(619,342)
Foreign currency translation gain	-	-	-	(166,903)	-	(166,903)
Net profit for the year	-	-	-	-	61,934,150	61,934,150
Balance as at 31 December 2025	**5,257,381,450**	**3,386,014,745**	**45,378,183**	**2,892**	**56,068,978**	**8,744,846,248**
Balance as at 31 December 2024	**5,257,381,450**	**3,332,894,183**	**13,761,332**	**169,794**	**836,481,948**	**9,440,688,707**

These Financial Statements should be read in conjunction with the annexed notes 1 to 37.

Chairman Director Director Managing Director & CEO

Liquidity Statement
(Assets and liabilities Maturity Analysis)
As at 31 December 2025

Amount in BDT

Particulars	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
Assets:						
Cash in hand	2,416,908,568	-	-	-	2,483,037,000	4,899,945,568
Balance with other banks and financial institutions	902,257,904	5,153,064,196	-	-	-	6,055,322,100
Money at call and on short notice	524,200,000	-	-	-	-	524,200,000
Investments	874,600	-	4,904,233,202	639,406,823	17,116,074,310	22,660,588,935
Loans and advances	4,817,110,066	9,795,115,813	20,434,412,592	18,037,720,595	22,530,473,680	75,614,832,745
Fixed assets incl. premises, furniture and fixtures	-	-	15,663,061	1,010,918,512	46,153,417	1,072,734,990
Other assets	314,543,851	395,572,386	2,245,384,205	-	-	2,955,500,442
Non banking assets	-	-	-	-	-	-
Total assets (A)	**8,975,894,989**	**15,343,752,395**	**27,599,693,060**	**19,688,045,930**	**42,175,738,407**	**113,783,124,780**
Liabilities:						
Borrowings from Bangladesh bank, other banks, financial institutions and its agents	717,343,000	63,183,330	-	445,066,062	-	1,225,592,392
Deposits	8,295,099,832	16,606,301,127	28,195,993,117	15,696,458,682	24,124,868,524	92,918,721,282
Provision and other liabilities	-	-	-	108,939,649	10,785,025,209	10,893,964,857
Total liabilities (B)	**9,012,442,832**	**16,669,484,457**	**28,195,993,117**	**16,250,464,393**	**34,909,893,733**	**105,038,278,532**
Net liquidity gap (A - B)	**(36,547,843)**	**(1,325,732,062)**	**(596,300,057)**	**3,437,581,537**	**7,265,844,674**	**8,744,846,248**

Notes to the Financial Statements
As at and for the year ended 31 December 2025

1. Reporting entity

1.1 Legal status and nature of the Bank

Modhumoti Bank PLC. (the "Bank") is a scheduled commercial bank in the private sector, established under the Bank Companies Act, 1991, and incorporated in Bangladesh as a public limited company to carry out banking business in Bangladesh. The registered office of the Bank is located at Banglar Bani Bhaban, 81, Motijheel C/A, Dhaka-1000. The Bank has been running its banking operation following the Bank Companies Act 1991 (as amended up to the date), regulations issued by the Central Bank (Bangladesh Bank), rules and regulations of the Bangladesh Securities and Exchange Commission (BSEC), and all other applicable laws and regulations in Bangladesh. The financial statements of the Bank as at and for the year ended December 31, 2025 provide financial information that is useful to existing and potential investors, borrowers, depositors, customers, creditors, regulators and other stakeholders to make their decision on banking & financial transactions, non-financial as well as compliance-related issues.

1.2 Principal activities of the Bank

The Bank has 54 branches, 6 Sub-Branches and 1 Off-shore Banking Unit as on 31 December 2025. The Bank offers services for all commercial banking needs of the customers, which includes deposit banking, loans and advances, export import financing, inland and international remittance facility, etc. The Bank is being run by a competent 'Management Team', under supervision of a strategic Board of Directors, having long sound background to serve the enterprises ranging from micro, small and medium enterprises and industries to large corporate houses keeping the tagline in mind, "Your Access to Success".

1.3 Off-shore Banking Unit (OBU)

The Bank obtained the Off-shore Banking Unit permission vide letter no. BRPD (P-3)744(124)/2015-2447, dated April 02, 2015. The Off-shore Banking Unit commenced its commercial operation on September 23, 2015. The Bank established its Offshore Banking Unit (OBU) with a view of catering the banking requirement of non-resident customers to increase foreign trade business at Export Processing Zones (EPZs). Over the years, OBU has become an important strategic business unit due to growing demand of cheaper foreign currency loan and Usance Payable at Sight (UPAS) Letter of Credit from the clients. The principal activities of the Unit are to provide all kinds of commercial banking services to its customers in foreign currencies approved by the Bangladesh Bank. Presently, the Bank has one Off-shore Banking Unit in operation in Bangladesh. The Unit is governed under the rules and guidelines of Bangladesh Bank.

2. Basis of preparation of Financial Statements

2.1.1 Statement of compliance

The financial statements of the Bank have been made for the year ended 31 December 2025 and are prepared under the historical cost basis, except for certain investments which are stated at fair/market value in accordance with the First Schedule (Sec-38) of the Bank Companies Act 1991 (as amended up to the date), BRPD Circular # 14 dated June 25, 2003 and DFIM Circular # 11, dated December 23, 2009, other Bangladesh Bank Circulars, International Accounting Standards ("IAS") and International Financial Reporting Standards ("IFRS"), the Companies Act 1994, the Securities and Exchange Rules 1987, Dhaka & Chittagong Stock Exchanges' listing regulations and other laws & rules applicable in Bangladesh. In cases where the requirements of Bangladesh Bank differ with those of IAS/IFRS, the requirements of Bangladesh Bank have been applied.

The Financial Reporting Act, 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) has been established to adopt and issue financial reporting standards for public interest entities, such as banks. The Bank Companies Act, 1991 has been amended to require banks to prepare their financial statements in accordance with such financial reporting standards. The FRC adopted the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as the applicable financial reporting standards, effective from November 02, 2020.

Accordingly, the financial statements of the Bank continue to be prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of Bank Companies Act 1991, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, Securities and Exchange Rules 1987. In case, any requirement of the Bank Companies Act 1991 (amendment up to 2023), and provisions and circulars issued by Bangladesh Bank differ with those of IAS/IFRS, the requirements of the Bank Companies Act 1991 (amendment up to 2023), and provisions and circulars issued by Bangladesh Bank shall prevail.

2.1.2 Use of estimates and judgments

In preparation of the financial statements management is required to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The accompanying financial statements have been prepared on a going concern assumption that the Bank will continue in operation over the foreseeable future.

The most significant areas where estimates and judgments have been applied are to calculate provision for loans, advances and investments as per Bangladesh Bank guideline.

2.1.3 Foreign currency transaction

Foreign currency transactions are converted into equivalent BDT using the prevailing exchange rates on the dates of respective transactions as per IAS-21, "The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into BDT at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into equivalent BDT.

Assets and liabilities & income and expenses of Off-shore Banking Units have been converted into BDT currency @ US$1 = Taka 122.2954 (closing rate as at 31st December 2025) & Taka 122.2282 (average rate at year-end).

Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at rates mentioned in contracts. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in BDT terms at the rates of exchange prevailing on the balance sheet date.

Translation gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account.

2.1.4 Statement of cash flows

Statement of cash flows have been prepared in accordance with the BRPD Circular No. 14, dated June 25, 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

2.1.5 Liquidity statement

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

i) Balance with other Banks and financial institutions, money at call and short notice, etc. are on the basis of their maturity term;
ii) Investments are on the basis of their respective maturity;
iii) Loans and advances / investments are on the basis of their repayment schedule;
iv) Fixed assets are on the basis of their useful lives;
v) Other assets are on the basis of their realization / amortization;
vi) Borrowing from other Banks, financial institutions and agents, etc. are as per their maturity / repayment terms;
vii) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors;
viii) Provisions and other liabilities are on the basis of their payment / adjustments schedule.

2.1.6 Reporting period

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

2.1.7 Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.2 Assets and basis of their valuation

2.2.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the Bank management for its short-term commitments.

2.2.2 Loans, advances and lease / investments

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

b) Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest on classified loans and advances is kept in suspense account as per Bangladesh Bank instructions and such interest is not accounted for as income until realised from borrowers. Interest is not charged on bad and loss loans as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

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

d) Provision for loans and advances is made based on a year-end review by the management, in accordance with the instructions provided in Bangladesh Bank's BCD Circular No. 34, dated 16 November 1989; BCD Circular No. 20, dated 27 December 1994; BCD Circular No. 12, dated 04 September 1995; BRPD Circular No. 16, dated 06 December 1998; BRPD Circular No. 9, dated 14 May 2001; BRPD Circular No. 2, dated 25 February 2005; BRPD Circular No. 9, dated 05 August 2005; BRPD Circular No. 17, dated 06 December 2005; BRPD Circular No. 32, dated 27 October 2010; BRPD Circular No. 14, dated 23 September 2012; BRPD Circular No. 19, dated 27 December 2012; BRPD Circular No. 5, dated 29 May 2013; BRPD Circular No. 16, dated 18 November 2014; BRPD Circular No. 12, dated 20 August 2017; BRPD Circular No. 15, dated 27 September 2017; BRPD Circular No. 7, dated 21 June 2018; BRPD Circular No. 13, dated 18 October 2018; BRPD Circular No. 52, dated 20 October 2020; BRPD Circular No. 16, dated 21 July 2020; BRPD Circular No. 56, dated 10 December 2020; BRPD Circular No. 3, dated 31 January 2021; BRPD Circular No. 5, dated 24 March 2021; BRPD Circular No. 19, dated 26 August 2021; BRPD Circular No. 50, dated 14 December 2021; BRPD Circular No. 53, dated 30 December 2021; BRPD Circular Letter No. 53, dated 22 December 2022; BRPD Circular Letter No. 3, dated 02 February 2023; BRPD Circular No. 9, dated 08 April 2024, BRPD circular No.15 (27 November 2024), BRPD circular No. 05 (25 June 2025), BRPD Circular No. 07 (16 September 2025) and BRPD circular No. 29 (21 December 2025). At each reporting date and periodically throughout the year, the Bank also reviews its loans and advances to assess whether there is any objective evidence of impairment, which may result in a change in classification and the level of provision maintained, in accordance with BRPD Circular No. 15 dated 27 November 2024, BRPD Circular No. 05 dated 25 June 2025, and BRPD Circular No. 29 dated 21 December 2025, under a formula-based approach applying prescribed rates to different categories of loans as defined by Bangladesh Bank.. The provisioning rates are as follows:

Particulars	Rate
General provision on unclassified general loans and advances / investments	0.5%-1%
General provision on unclassified CMSME Financing	0.25%
General provision on interest receivable on loans / investments	1%
General provision on unclassified loans / investments for housing finance, loans for professionals to set-up business and loans to share business	1%-5%
General provision on unclassified consumer financing other than housing finance, loan for professionals and loans for BGs/MBs/SDs	1%-5%
General provision on Special Mention Account (SMA) except Short Term Agriculture Loans	0.5% - 5%
Specific provision on substandard loans and advances / investments	20%
Specific provision on doubtful loans and advances / investments	50%
Specific provision on bad / loss loans and advances / investments	100%

e) Loans and advances / investments are written-off to the extent that (i) there is no realistic prospect of recovery, and (ii) against which legal cases are pending for more than five years as per guidelines of Bangladesh Bank. These write-off however will not undermine / affect the claim amount against the borrower. During the year no loan account has been written off from the loan book of the Bank.

f) Amounts receivable on credit cards are included in advances to customers at the amounts expected to be recovered.

g) General Provision has been calculated against all unclassified Credit Card loans under Consumer Financing as per Bangladesh Bank guideline.

h) Provision for Short-term Agricultural and Micro-Credits as per Bangladesh Bank guideline.

2.2.3 Investments

All investment securities are initially recognised at cost, being fair value of the consideration given, including acquisition charges associated with the investment. Premiums are amortized and discounts accredited, using the effective yield method to discount income. The valuation method of investments used are:

Held to maturity (HTM)

Investments which have 'fixed or determinable payments', and are intended to be 'held to maturity', other than those that meet the definition of 'held at amortized cost-others' are classified as held to maturity.

Held for trading (HFT)

Investments classified in this category are acquired principally for the purpose of selling or repurchasing - in short-trading or if designated as such by the management. After initial recognition, investments are measured at fair value and any change in the fair value is recognised in the statement of income for the period in which it arises. These investments are subsequently revalued at current market value on weekly basis as per Bangladesh Bank Guideline. Revaluation gains are shown in the revaluation reserve account, while revaluation losses are shown in the Profit & Loss account.

Value of investments has been enumerated as follows :

Items	Applicable accounting value
Government treasury bills-HTM	Amortized value
Government treasury bills-HFT	Market value
Government treasury bonds-HTM	Amortized value
Government treasury bonds-HFT	Market value
Prize bond	At cost

Investment in quoted shares

These securities are bought and held primarily to sell them in the future or held for dividend income, which is reported at cost. Unrealized gains are not recognised in the profit and loss statement. However, the required provisions are kept for the diminution of the value of the investment.

Investment under special fund and

Investment in quoted shares and bonds through special fund as per DOS Circular no. 01 dated 10 February 2020 are recognised at cost in line with the circular.

2.2.4 Property, plant and equipment

Property, plant & equipments are recognized if it is probable that future economic benefits associated with the assets will flow to the Bank and the cost of the assets can be reliably measured.

a) All fixed assets are stated at cost less accumulated depreciation as per IAS-16 " Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

b) The Bank recognises, in the carrying amount of an item of property, plant and equipment, the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance, is normally charged off as revenue expenditure in the period in which it is incurred.

c) Depreciation is charged for the year at the following rates on straight line depreciation method on all fixed assets is followed and no depreciation is charged on land:

Category of fixed assets	Rate of depreciation
Land	Nil
Buildings	2.50%
Furniture and fixtures	10%
Office equipments	20%
Library books	30%
Electrical equipments	20%
Computer equipments	20%
Motor Vehicles	20%

d) For additions during the year, depreciation is charged for the remaining days of the year and for disposal depreciation is charged up to the date of disposal.

e) On disposal of fixed assets, the cost and accumulated depreciation are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and net sale proceeds.

f) Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset have been capitalized as part of the cost of the asset as per IAS-23.

g) Leasehold properties are recorded at present value of minimum lease payments or fair market value, whichever is lower as per the provisions of IAS-17. The carrying value of leasehold properties is amortized over the remaining lease term or useful life of leasehold property, whichever is lower.

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2.2.5 Intangible assets

a) An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the assets can be measured reliably.

b) Software represents the value of computer application software licensed for use of the Bank, other than software applied to the operation software system of computers. Intangible assets are carried at its cost, less accumulated amortization and any impairment losses.

Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditure that are incurred in customizing the software for its intended use.

c) Expenditure incurred on software is capitalized only when it enhances and extends the economic benefits of computer software beyond their original specifications and lives and such cost is recognized as capital improvement and added to the original cost of software.

d) Software is amortized using the straight line method over the estimated useful life of 10 (ten) years commencing from the date of the application. Software is available for use over the best estimate of its useful economic life.

2.2.6 Impairment of Assets:

The policy for all assets or cash-generating units for the purpose of assessing such assets for impairment is as follows:

The Bank assesses at the end of each reporting period or more frequently if events or changes in circumstances indicate that the carrying value of an asset may be impaired, whether there is any indication that an asset may be impaired. If any such indication exits, or when an annual impairment testing for an asset is required, the bank makes an estimate of the asset's recoverable amount. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered as impaired and is written down to its recoverable amount by debiting to profit & loss

Fixed assets are reviewed for impairment whenever events or charges in circumstances indicate that the carrying amount of an asset may be impaired.

2.2.7 Other assets

Other assets include all balance sheet accounts not covered specifically in other areas of the supervisory activity and such accounts may be quite insignificant in the overall financial condition of the Bank.

2.2.8 Securities purchased under re-sale agreement

Securities purchased under re-sale agreements are treated as collateralized lending and recorded at the consideration paid and interest accrued thereon. The amount lent is shown as an asset either as loans and advances to customers or loans to other banks.

The difference between purchase price and re-sale price is treated as interest received and accrued evenly over the life of Repo agreement.

2.2.9 Receivables

Receivables are recognised when there is a contractual right to receive cash or another financial asset from another entity.

2.2.10 Inventories

Inventories are measured at the lower of cost and net realizable value.

2.2.11 Leases

IFRS 16 defines that a contract is (or contains) a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16 significantly changes how a lessee accounts for the transactions under operating leases.

Recognition & Measurement of Leases as a Leassee (detail accounting policy in Note 9)

Under IFRS 16, an entity shall recognize a Right-of-Use (ROU) Asset (i.e., the right to use office buildings, branches, service centers, call centers, warehouses, etc.) and a corresponding lease liability. The asset and the liability are initially measured at the present value of unavoidable lease payments. Depreciation on the ROU Asset and interest expense on the lease liability are recognized in the Profit or Loss account over the lease term, replacing the previous treatment under IAS 17, where 'lease rent expenses' were charged under Operating Leases.

Accordingly, the Bank assesses whether a contract is a lease in accordance with the guidance stated in IFRS 16: Leases, by determining whether the contract grants it the right to use a specified underlying physical asset for a lease term greater than 12 months, unless the underlying asset is of low value. Office premises with a monthly lease rental not exceeding Taka 25,000, ATM booths, and other installations are considered low-value assets.

2.2.12 Non-banking assets:

Non-banking assets are acquired when a borrower fails to repay a loan on time and the Bank obtains a decree from the Court confirming its right and title to the mortgaged property. The Bank is awarded ownership of the mortgaged property in accordance with the verdict of the Honorable Court under Section 33(7) of the "Artharin Adalat Ain, 2003." The value of non-banking assets is determined and reported in the financial statements based on a valuation report prepared by an independent valuer. As of December 31, 2025, Modhumoti Bank PLC has not acquired any non-banking assets.

2.2.13 Reconciliation of inter-bank and inter-branch account

Accounts with regard to inter-bank are reconciled regularly and there are no material differences which may affect the financial statements significantly. Un-reconciled entries / balances in the case of inter-branch transactions as on the reporting date are not material.

2.3 basis for valuation of liabilities and provisions

2.3.1 Borrowings from other banks, financial institutions and agents:

Borrowed funds include call money deposits, borrowings, re-finance borrowings and other term borrowings from banks, financial institutions and agents. These are stated in the balance sheet at amounts payable. Interest paid / payable on these borrowings is charged to the profit & loss account.

Disclosures of borrowings against Repo are shown in notes - 7.

2.3.2 Deposits and other accounts

Deposits by customers and banks are recognised when the Bank enters into contractual provisions of the arrangements with the counterparties, which is generally on trade date, and initially measured at the consideration received.

2.3.3 Other liabilities

Other liabilities comprise items such as provision for loans and advances/investments, provision for taxation, interest payable, interest suspense, accrued expenses, obligation under finance lease etc. Other liabilities are recognised in the balance sheet according to the guidelines of Bangladesh Bank, the Income Tax Ordinance 1984 and internal policy of the Bank. Details are shown in Notes 13.

2.3.4 Provision for liabilities

A provision is recognised in the balance sheet when the Bank has legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". Provision for loans and advances have been accounted for in the financial statements following the Bangladesh Bank circulars & guidelines.

2.3.5 Provision for Off-balance sheet exposures

Off-balance sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank guidelines. As per BRPD circular no. 14 dated 23 September 2012 and subsequent circular reference no. 06 dated 25 April 2023, banks are advised to maintain general provision against outstanding off balances sheet exposures on the basis of exposures nature and duration, considering the exemption as provided through BRPD circular no.09 dated May 27, 2019, BRPD circular no.02 dated February 25, 2019, BRPD circular no.13 dated October 18, 2018, BRPD circular no.7 dated June 21, 2018, BRPD circular no.01 dated January 03, 2018 and BRPD circular letter no. BPRD (P-1)/661/13/2020-1403 dated February 05, 2020 and BRPD circular letter no. BPRD(P-1)/661/13/2019-354 dated January 13, 2020 have also been followed for calculating provision against off-balance sheet exposures.

2.3.6 Provision for nostro accounts

As per instructions contained in the circular letter no. FEPD (FEMO) / 01 / 2005-677 dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank, provision is to be maintained for the un-reconciled debit balance of nostro account more than 3 months as on the reporting date of these financials. Since there is no unreconciled entries which are outstanding more than 3 months, no provision is required to be maintained.

2.3.7 General requirements for disclosure of sustainability-related financial information and climate-related disclosure

IFRS: The objective of IFRS S1, General Requirements for Disclosure of Sustainability-related Financial Information, is to ensure that entities disclose information on their sustainability-related risks and opportunities, while IFRS S2, Climate-related Disclosures, focuses on the disclosure of climate-related risks and opportunities. This information is intended to assist primary users of general-purpose financial reports in making informed decisions about allocating resources to the entity. The effective date of implementation of these standards is the annual reporting periods beginning on or after 1 January 2024.

Bangladesh Bank: As per SFD circular no. 06 dated 26 December 2023 "Guideline on Sustainability and Climate-related Financial Disclosure", the bank required to consider all sustainability-related financial risks and opportunities, as well as the disclosure of climate-related financial risks and opportunities as per the requirements of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures.

2.3.8 Provision for climate risk fund

As per GBCSRD Circular No. 04, dated July 09, 2015, issued by Bangladesh Bank, banks are required to maintain a climate risk fund of 10% of the CSR budget. To comply with this requirement, the bank has made a provision in the financial statements for the year ended December 31, 2025.

2.3.9 Provision for current taxation

Provision for current income tax has been made as per prescribed rate in the Finance Act, 2025 on the accounting profit made by the Bank after considering some of the add backs to income and disallowances of expenditure as per income tax laws in compliance with IAS-12, " Income Taxes".

2.3.10 Deferred taxation

Deferred tax is accounted for in accordance with IAS 12, "Income Taxes". Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

2.3.11 Benefits to the employees

The retirement benefits accrued for the employees of the Bank as on reporting date have been accounted for in accordance with the provisions of International Accounting Standard-19, "Employee Benefit". Bases of enumerating the retirement benefit schemes operated by the Bank are outlined below:

a) Provident fund

Provident fund benefits are given to the permanent employees of the Bank in accordance with Bank's service rules. Accordingly a trust deed and provident fund rules were prepared. The Commissioner of Income Tax, National Board of Revenue, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of section 2(90) read with the provisions of part-3 of the 2nd Schedule of Income Tax Act 2023. The recognition took effect from June 04, 2013. The Fund is operated by a Board of Trustees consisting six members (03 members from the Management and other 03 members from the Board of Directors) of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription to the Fund. The Bank also contributes equal amount of the employees' contribution. Interest earned from the investments is credited to the members' account on yearly basis.

b) Gratuity fund

The Bank operates a funded gratuity scheme on "Continuing Fund basis", in respect of which provision will be made annually according to the recommendation based on Actuarial valuation covering all of its permanent eligible employees in accordance with Bank's Service Rules. The Fund will be operating by a Board of Trustees consisting members from the Board of Directors and Management of the Bank. Actuarial valuation of gratuity scheme will be made to assess the adequacy of the liabilities provided for the scheme as per IAS-19 "Employees Benefit". Contributions to the fund shall be made on the basis of actuarial recommendations.

Recognition of Gratuity fund has been done by the National Board of Revenue vide their letter number 08.01.0000.035.02.264.19/603 dated January 16, 2020 and actuarial valuation for assessing the adequacy of liabilities of the fund is under process which will be completed within a short time.

c) Incentive bonus

Incentive bonus is given to the employees every year considering the overall performance of the Bank as well as individual's performance. This bonus amount is distributed among the employees based on their performance. The bonus amount is paid annually, normally in first quarter of every following year and the costs is accounted for in the period to which it relates. Generally, a certain percentage of disclosed net profit is disbursed among the employees. The aforesaid percentage is approved in the Board meeting so that adequate provision can be made for Incentive Bonus as per IAS-37.

2.3.12 Start-up Fund

As per SMESPD circular no. 02 dated 09 July 2025, Bank has kept start-up equity investment fund for financing potential start-up initiatives in Bangladesh to make a significant contribution to the progress of the country's economy, including employment. This fund is to be built up by transferring 1% of annual audited net profit.

2.4 Share Capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

2.4.1 Authorised Capital

Authorised capital is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association. Details are shown in note 14.1.

2.4.2 Paid up Capital

Paid up capital represents total amount of shareholders' capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of winding-up of the Bank, ordinary shareholders are ranked after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation. Details are shown in note 14.2.

2.4.3 Statutory Reserve

As per Bank Companies Act, the Bank requires to transfer 20% of its current year's profit before tax to statutory reserve until such reserve equals to its paid up capital. The Bank does comply with this requirement of law every year.

2.4.4 Revaluation reserve on government securities

When an asset's carrying amount is increased as a result of revaluation, the increased amount is credited directly to equity under the heading "Revaluation Surplus." Revaluation reserves arise from the revaluation of land and buildings as well as the revaluation of Treasury bills and bonds (HFT & HTM) in accordance with DOS Circular No. 5, dated 26 May 2008, and DOS(SR) 1153/120/2010, dated 08 December 2010. The Bank has not yet recognized any revaluation surplus for any of its fixed assets up to the balance sheet date. The tax effect on revaluation gains is measured and recognized in the financial statements as per IAS 12: Income Taxes.

2.5 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 recognised because:

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

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

2.6 Revenue recognition

2.6.1 Interest income

In terms of the provisions of the IAS-18 "Revenue", the interest income is recognised on accrual basis. Interest on unclassified loans and advances are calculated at the prescribed rates to be taken into income. Interest is ceased to be taken into income when such loans and advances are marked as classified as per criteria prescribed by the Bangladesh Bank. It is then kept in interest suspense account. Interest on classified advances is accounted for on a cash receipt basis.

2.6.2 Investment income

Interest income on investments is recognised on accrual basis. Capital gain on investments in shares is also included in investment income. Capital gain is recognised when it is realised.

2.6.3 Fees and commission income

Fees and commission income arising on services provided by the Bank are recognised when those are realized. Commission charged to customers on letters of credit and letters of guarantee is credited to income at the time of transactions being recorded in the books of accounts.

2.6.4 Income on Bills Purchased and Discounted

Income on Bills Purchased and Discounted is recognised upon realisation since there is no uncertainty as to its realisation and accrued on a monthly basis

2.6.5 Interest and fees receivable on credit cards

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

2.6.6 Dividend income on shares

Dividend income on shares is recognised during the period when right to receive is established.

2.6.7 Interest paid and other expenses

In terms of the provisions of IAS-1 "Presentation of Financial Statements", interest and other expenses are recognised on accrual basis.

2.6.8 Dividend payments

Interim dividend is recognised when they are paid to shareholders. Final dividend is recognized when it is approved by the shareholders.

The proposed dividend for the year 2025 has not been recognized as a liability in the balance sheet in accordance with the IAS-10 : Events After the Reporting Period.

Dividend payable to the Bank's shareholders is recognized as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive payment is established. Dividend on ordinary shares is recognised as a liability and deducted from retained earnings when they are approved by shareholders at the Annual General Meeting (AGM) of the Bank.

2.7 Risk management

Risk and return are inversely related. Making perfect balance between these two aspects is a classical predicament to successful growth of a business. The role of risk management started from this point which actually is the process of identification, assessment, and prioritization of risks followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of uncertain events or to maximize the realization of opportunities.

The MANCOM, All Risk Committee (Management Level), Credit Evaluation Committee (CEC), Asset Liability Management Committee (ALCO), Supervisory Review Process (SRP) Team and IASel Unit (Supervisory Committee) comprising Executive and Senior Management, are high level management committees responsible for the overall management of the risk profile of the Bank. In view of core risk guidelines, the bank has established various divisions/units to address specific risk, e.g. credit risk management, credit administration, internal control & compliance, anti- money laundering, ICT, treasury division etc. Further to manage the overall risks of the Bank in line with Basel accords, the Bank has formed a dedicated a Risk Management Division (RMD).

The Bank faces a number of risks stemming from credit risk, liquidity risk, market risk, foreign exchange risk, interest rate risk, equity price risk, operational risk, legal risk and also reputation risk. The risk management systems in place at the Bank are discussed below:

2.7.1 Credit risk

Credit risk is the risk of loss that may occur from the default of any counterparty to repay in accordance with agreed terms and conditions and/or deterioration of creditworthiness. The failure may result from unwillingness of the counter party or decline in his / her financial condition. Therefore, the Bank's credit risk management activities have been designed to address all these issues.

A methodical assessment & due diligence are done before sanction of any credit facility at Credit Risk Management Division of the Bank. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the proposed credit facilities and various critical risk factors. The assessment process starts at Branch Credit department by the Officer and ends at Credit Risk Management Division in Head Office where it is approved / declined by the competent authority. Credit approval authority has been partially delegated to the individual executives. Proposal beyond their delegation are approved / declined by the Board / Executive Committee (EC) of the Board.

Credit Administration (CAD) monitors the documentation aspects of approved credits and also manages the deteriorating accounts as there is no Legal & Recovery Unit yet in the Bank.

All other remaining risk in regards to credit portfolio are addressed by the Risk Management Division (RMD), the primary responsibility of this Division is to identify and assess the severity of risks and highlight the same to the management for strategic decision making in regard to Residual Risk (documentation risk, valuation error etc.) and concentration risk etc.

2.7.2 Foreign Exchange Risk

Foreign exchange risk is the exposure of an institution to the potential impact of movements in foreign exchange rates. The risk is that adverse fluctuations in exchange rates may result in a loss in earnings. As per the guidelines of Bangladesh Bank, Modhumoti Bank PLC. has developed a detailed Foreign Exchange Risk Management policies to minimize different types of risks associated with foreign exchange transactions. The Bank has also developed different strategies to handle foreign exchange risk by setting different types of limits and risk parameters to measure and monitor foreign exchange risk exposure of the Bank.

The foreign exchange desk of treasury division is involved in foreign exchange dealing activities with different counterparts; the treasury back office is engaged in transfer of funds and passing of the transaction entries in the books of accounts, and the mid office is responsible for verification of the deals. All foreign exchange transactions are revalued at market rate as per the directive of Bangladesh Bank. All Nostro Accounts are reconciled on a monthly basis and outstanding entries beyond 30 days are reviewed by the management for its settlement.

2.7.3 Asset Liability Management

Responsibility of managing and controlling liquidity of the bank lies with Asset Liability Committee (ALCO) that meets at least once in a month. Asset Liability Management (ALM) desk being primarily responsible for management of liquidity risk closely monitors and controls liquidity requirements on a daily basis by appropriate coordination of funding activities. A monthly projection of fund flows is reviewed in ALCO meeting regularly. On monthly basis, ALCO monitors liquidity management by examining key ratios, maximum cumulative outflow, upcoming funding requirement from all business units, asset-liability mismatch etc.

Asset-Liability Committee (ALCO) reviews country's overall economic position, the Bank's liquidity position, key performance ratios, interest rate risk, deposit and advance growth, cost of deposit & yield on advances, deposit & lending pricing strategy and different forecasted balance sheet risks of the Bank.

By strongly monitoring the maturity GAP of assets and liabilities and interest rates movement, Bank is able to maintain optimum liquidity with required regulatory compliances. A policy guideline on Assets Liability Management is formulated and approved by the Board of Directors of the Bank and revise it from time to time.

2.7.4 Money Laundering Risk

The bank has board approved 'Money Laundering and Terrorist Financing Risk Management Guidelines' to prevent the money laundering and terrorist financing risk of the Bank. For mitigating the risks, the Bank has a designated Chief Anti Money Laundering Compliance Officer (CAMLCO) and Deputy Anti Money Laundering Compliance Officer (De-CAMLCO) at Head Office and Branch Anti Money Laundering Compliance Officer (BMALCO) in the Branches, who independently review the transactions of the accounts to verify suspicious transactions. Training is continuously given to all category of Officers and Executives for developing awareness and skill for identifying suspicious activities / transactions.

The CAMLCO, De-CMALCO and BAMLCO ensures the reporting of Suspicious Transactions Reports (STR), and ensure AML & CFT compliance culture throughout the bank.

2.7.5 Internal Control & Compliance Risk

Internal control is the process, effected by the Board of Directors, Management & other personnel designed to provide reasonable assurance regarding the achievement of objectives with effectiveness & efficiency of operations. It encompasses all controls incorporated into the strategic, governance and management processes, covering the bank's entire range of activities and operations, and not just those directly related to financial operations and reporting. Its scope is not confined to those aspects of a business that could broadly be defined as compliance matters, but extends also to the performance aspects of a business.

Modhumoti Bank PLC. has established a System of Internal Control, which is designed to manage all the risks of failure to a reasonable level, achieve aims and objectives/goals of the Bank and this System provides reasonable assurance of effective & efficient operations covering all controls including financial & operational controls, reliability of the financial information, compliance with applicable laws & regulations, adherence to management policies, safeguarding of Bank's Assets, prevention & detection of fraud & errors, and accuracy & completeness of the accounting records.

2.7.6 Information and communication technology

With the increasing use of Information and Communication Technology (ICT) in banking operations, managing ICT risks has become crucial. The ICT Division is responsible for ensuring the uninterrupted and efficient operation of all products, services, and deliverables that the Bank has already offered or intends to introduce in the future. In banking institutions, all risks must be identified, addressed, and managed prudently, considering the inherent characteristics and challenges. ICT risk refers to the potential threats associated with the use, ownership, operation, involvement, and adoption of ICT within an organization. Key risks related to Information Technology include unauthorized access, network failures, software malfunctions, inadequate skills, hacking, viruses, and poor system integration, all of which can pose significant threats to the organization. The Bank addresses ICT risks by identifying weaknesses in operations and implementing suitable strategies within the approved policies and procedures. To support the Risk Management Committee of the Board of Directors, the ICT Risk Management Committee was established from the Management team on 07 September 2016, as per Office Order# HO/HRD/2016/1072 and in compliance with Bangladesh Bank's guidelines.

MMBPLC has a comprehensive ICT Security Policy and procedures which are formally documented and approved by the Board of Directors of the Bank. The Bank follows the bottom-up approach that has been proven helpful in developing a set of relevant and important risk scenarios as followings:

2.7.7 Liquidity risk

The objective of liquidity risk management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due. To this end, the Bank is maintaining a diversified and stable funding balance comprising of core retail and corporate deposits and institutional balance. Management of liquidity and funding is carried out by Treasury Department under approved policy guidelines. Treasury front office is supported by a very structured Mid office and Back office. The Liquidity management is monitored by the Asset Liability Committee (ALCO) on a regular basis. A written contingency plan is in place to manage extreme situation.

2.7.8 Market risk

The exposure of market risk of the Bank is restricted to foreign exchange risk, interest rate risk and equity risk.

Foreign exchange risk

Foreign exchange risk is defined as the potential change in earnings due to change in market prices. The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance requirements. No foreign exchange dealing on Bank's account was conducted during the year.

Treasury Department independently conducts the transactions and the back office of treasury is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at Mark-to-Market rate as determined by Bangladesh Bank at the month-end. All Nostro accounts are reconciled on a monthly basis and outstanding entry beyond 30 days is reviewed by the management for its settlement. The position maintained by the bank at the end of day was within the stipulated limit prescribed by the Bangladesh Bank.

Interest rate risk

Interest rate risk may arise either from trading portfolio or non-trading portfolio. The trading portfolio of the Bank consists of Government treasury bills held for trading. The short-term movement in interest rate is negligible or nil. Interest rate risk of non-trading business arises from mismatches between the future yield of an asset and its funding cost. The Asset Liability Committee (ALCO) monitors the interest rate movement on a regular basis.

Equity risk

Equity risk arises from movement in market value of equities held. The risks are monitored by the Investment Committee under a well designed policy framework.

2.7.9 Reputation risk arising from money laundering incidents

Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. For mitigating the risks, the Bank has a designated Chief Compliance Officer at Head Office and Compliance Officers at branches, who independently review the transactions of the accounts to verify suspicious transactions. Manuals for prevention of money laundering have been established and transaction profile has been introduced. Training is continuously given to all category of Officers and Executives for developing awareness and skill for identifying suspicious activities / transactions.

2.7.10 Operational risk

Operational risk may arise from error and fraud due to lack of internal control and compliance. Management through Internal Control and Compliance Division controls operational procedure of the Bank. Internal Control and Compliance Division undertakes periodical and special audit of the Branches and Divisions at the Head Office for review of the operation and compliance of statutory requirements. The Audit Committee of the Board subsequently reviews the reports of the Internal Control and Compliance Division.

RISK MITIGATION PROCESS

Risk mitigation involves prioritizing, evaluating, and implementing the appropriate risk-reducing controls recommended from the risk assessment process. Risk mitigation is a systematic methodology used by senior management to reduce mission risk. Risk mitigation can be achieved through any of the following risk mitigation options:

Risk Assumption: To accept the potential risk and continue operating the IT system or to implement controls to lower the risk to an acceptable level.

Risk Avoidance: To avoid the risk by eliminating the risk cause and/or consequence (e.g., forgo certain functions of the system or shut down the system when risks are identified)

Risk Limitation: To limit the risk by implementing controls that minimize the adverse impact of a threat's exercising vulnerability (e.g., use of supporting, preventive, detective controls)

Risk Planning: To manage risk by developing risk mitigation plan that prioritizes, implements, and maintains controls

Research and Acknowledgment: To lower the risk of loss by acknowledging the vulnerability or flaw and researching controls to correct the vulnerability

Risk Transference: To transfer the risk by using other options to compensate for the loss, such as purchasing insurance.

Risk mitigation strategy was articulated in the following rules-

Option-1: When vulnerability (or flaw, weakness) exists, implement assurance techniques to reduce the likelihood of vulnerability's being exercised.

Option-2: When vulnerability can be exercised, apply layered protections, architectural designs, and administrative controls to minimize the risk of or prevent this occurrence.

Option-3: When the attacker's cost is less than the potential gain, apply protections to decrease an attacker's motivation by increasing the attacker's cost (e.g., use of system controls such as limiting what a system user can access and do can significantly reduce an attacker's gain).

Option-4: When loss is too great, apply design principles, architectural designs, and technical and non-technical protections to limit the extent of the attack, thereby reducing the potential for loss.

2.8 Earnings per share

Basic earnings per share

Basic earnings per share is calculated in accordance with IAS 33 "Earnings per Share" and is shown on the face of the profit and loss account. This has been calculated by dividing the IAS earnings by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

Diluted earnings per share is not required to be calculated for the year as there was no scope for dilution during the year under review.

2.9 Events after the reporting period

Where necessary, all the material events after the reporting period have been considered and appropriate adjustment / disclosures have been made in the financial statements.

2.10 Memorandum items

Memorandum items are maintained to have control over all items of importance and for such transactions where the Bank has only a business responsibility and no legal commitment. Bills for collection, savings certificates, wage earners bonds etc. fall under the memorandum items. However, Bills for Collection is shown under contingent liabilities as per Bangladesh Bank's format of reporting.

2.11 Related party transaction

Related party transaction is a transfer of resources, services or obligation between related parties, regardless of whether a price is charged. Detail of related parties transaction are given in note- 37.

2.12 IFRS 16 Leases

IFRS 16, issued in January 2016, replaces the existing guidance related to lease transactions and is effective for reporting periods beginning on or after 01 January 2019. IFRS 16 'Leases' replaces IAS 17 'Leases' along with three Interpretations: IFRIC 4 'Determining whether an Arrangement contains a Lease,' SIC 15 'Operating Leases-Incentives,' and SIC 27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease.' It will result in almost all leases being recognized on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The only exceptions are short-term and low-value leases. Interest expense on lease liability and depreciation on ROU assets are charged in the Profit and Loss Account. Detailed accounting policy is stated in Note No. 9.

3. Compliance report on International Financial Reporting Standards (IFRS/IFRS) and International Accounting Standards (IAS):

Name of the standards	Ref.	Status
First-time Adoption of International Financial Reporting Standards	IFRS-1	Not applicable
Share-based Payment	IFRS-2	Not applicable
Business Combinations	IFRS-3	Applied
Insurance Contracts	IFRS-4	Not applicable
Non-current Assets Held for Sale and Discontinued Operations	IFRS-5	Not applicable
Exploration for and Evaluation of Mineral Resources	IFRS-6	Not applicable
Financial Instruments: Disclosures	IFRS-7	Applied
Operating Segments	IFRS-8	Applied
Financial Instruments	IFRS-9	Not applied
Consolidated Financial Statements	IFRS-10	Applied
Joint Arrangements	IFRS-11	Not applicable
Disclosure of Interests in other Entities	IFRS-12	Not applicable
Fair Value Maserment	IFRS-13	Applied with some departure
Regulatory deferral accounts	IFRS-14	Not applicable
Revenue from contractors with customers	IFRS-15	Applied
Leases	IFRS-16	Applied
Insurance Contracts	IFRS-17	Not applicable
General Requirements for Disclosure of Sustainability-related Financial Information	IFRS-S1	Applied with some departure
Climate-related Disclosures	IFRS-S2	Applied with some departure
Presentation of Financial Statements	IAS-1	Applied *
Inventories	IAS-2	Not Applicable
Statement of Cash Flows	IAS-7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
Events after the Reporting Period	IAS-10	Applied
Income Taxes	IAS-12	Applied
Property, Plant and Equipment	IAS-16	Applied
Leases	IAS-17	Applied
Revenue	IAS-18	Applied
Employee Benefits	IAS-19	Applied
Accounting for Government Grants and Disclosure of Government	IAS-20	Not Applicable
The Effects of Changes in Foreign Exchange Rates	IAS-21	Applied
Borrowing Costs	IAS-23	Not Applicable
Related Party Disclosures	IAS-24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS-26	Not Applicable **
Separate Financial Statements	IAS-27	Not Applicable
Interests in Joint Ventures	IAS-31	Not Applicable
Financial Instruments: Presentation	IAS-32	Applied *
Earnings per Share	IAS-33	Applied
Interim Financial Reporting	IAS-34	Applied ***
Impairment of Assets	IAS-36	Not Applicable
Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied
Intangible Assets	IAS-38	Applied
Financial Instruments: Recognition and Measurement	IAS-39	Applied *
Investment property	IAS-40	Not Applicable
Agriculture	IAS-41	Not Applicable

* In order to comply with certain specific rules and regulations of the local Central Bank (Bangladesh Bank) which are different to IAS/IFRS, some of the requirements specified in these IAS/IFRSs are not applied. Refer below (note - 3.2) for such recognition and measurement differences that are most relevant and material to the Bank.

** This Standard regards a retirement benefit plan as a reporting entity separate from the employers of the participants in the plan. Therefore, it is not applicable for the Bank's annual report as it is the employer and not the retirement benefit plan itself.

*** The objective of IAS 34 is to prescribe the minimum content of an interim financial report and to prescribe the principles for recognition and measurement in complete or condensed financial statements for an interim period and hence it is not applicable for annual financial statements.

3.1 Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2025:

Effective date	New standards or amendments
1 January 2026	Disclosures on classification and measurement of financial instruments based on IFRS 7 was amended in 2024 and will be incorporated into the 2026 Annual Report.
1 January 2027	IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. IFRS 18 was issued in April 2024 and applies to an annual reporting period beginning on or after 1 January 2027.
1 January 2027	IFRS 19 specifies reduced disclosure requirements that an eligible entity is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. IFRS 19 was issued in May 2024 and applies to an annual reporting period beginning on or after 1 January 2027.

There are no other standards that are yet to be effective and that would be expected to have a material impact on the Bank's financial statements in the current or future reporting periods and on foreseeable future transactions.

3.2 Departures from IAS/IFRS

The financial statements of the Bank as at and for the year ended 31 December 2024 have been prepared under the historical cost convention, except for investments, and in accordance with the "First Schedule" (Section 38) of the Bank Companies Act 1991, as amended by Bangladesh Bank (the Central Bank of Bangladesh) through BRPD Circular No. 14 dated 25 June 2003, other Bangladesh Bank Circulars, International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987, and the Dhaka & Chittagong Stock Exchanges' listing regulations. In cases where any requirement of provisions and circulars issued by Bangladesh Bank differs from those of other regulatory authorities, the provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRS/IAS are stated as follows:

i) Investment in shares and Securities

IFRS: As per requirements of IFRS 9, classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit or loss account" or under "at fair value through other comprehensive income" where any change in fair value (as measured in accordance with IFRS 13) at the year end is taken to profit and loss account or other comprehensive income respectively.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognized at costs.

ii) Revaluation gain/loss on Government securities

IFRS: As per requirement of IFRS 9 where securities will fall under the category of fair value through profit or loss account, any change in the fair value of assets is recognised through the profit and loss account. Securities designated as amortised cost are measured at effective interest rate method and interest income is recognised through the profit and loss account.

T-bills and T-bonds designated as 'held to maturity' are measured at amortized cost method and interest income is recognized through the profit & loss account.

Bangladesh Bank: HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

iii) Provision on loans and advances

IFRS: As per IFRS 9 an entity shall recognise an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

Bangladesh Bank: As per BRPD circular No.15 (27 November 2024), BRPD circular No. 05 (25 June 2025) and BRPD circular No. 22 (13 October 2025) a general provision at 1% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Such provision policies are not specifically in line with those prescribed by IFRS 9.

iv) Recognition of interest in suspense

IFRS: Loans and advances to customers are generally classified at amortised cost as per IFRS 9 and interest income is recognised by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequntly becomes credit-impaired, the entity shall apply the effective interest rate to the amortised cost of these loans and advances.

Bangladesh Bank: As per BRPD circular no. 15 dated 27 November 2024, once a loan is classified as impaired, interest on such loans are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as a liability in the balance sheet.

v) Other comprehensive income

IFRS: As per IAS 1, Other Comprehensive Income is a component of financial statements or the elements of Other Comprehensive Income are to be included in a Single Other Comprehensive Income (OCI) Statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all Banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income or the elements of Other Comprehensive Income allowed to include in a Single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However elements of OCI, if any, are shown in the statements of changes in equity.

vi) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in IFRS 9. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.

vii) Repo and Reverse Repo transactions

IFRS: As per IFRS 9, when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan. The underlying asset continues to be recognized at amortized cost in the entity's financial statements. The difference between the selling price and the repurchase price is treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).

Bangladesh Bank: As per DOS Circular Letter No. 6 dated 15 July 2010 and subsequent clarification in DOS Circular No. 2 dated 23 January 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sale transaction. In this case, the financial assets are derecognized in the seller's books and recognized in the buyer's books. However, non-primary dealer banks participating in the Assured Liquidity Support (ALS) programme, as outlined in DMD Circular Letter No. 7 dated 29 July 2012, may enter into collateralized repo arrangements with Bangladesh Bank. In such cases, the selling bank accounts for the arrangement as a loan, continuing to recognize the asset in its books.

viii) Financial guarantees

IFRS: As per IFRS 9, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtors fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognised less, income recognised in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as letter of credit and letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin. As per BRPD Circular no.01 dated 3 January 2018 and BRPD Circular no. 06 dated 25 April 2023, banks are advised to maintain general provision against outstanding off balances sheet exposures on the basis of exposures nature and duration.

ix) Cash and cash equivalent

IFRS: Cash and cash equivalent items should be reported as cash item as per IAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', Treasury bills, Prize bond are not shown as cash and cash equivalent. Money at call and on short notice is shown as a face item in balance sheet, and Treasury bills, Prize bonds are shown in Investment.

x) Non-banking asset

IFRS: No indication of Non-banking asset is found in any IFRS.

Bangladesh Bank: As per BRPD circular no: 14 dated 25 June 2003, there must exist a face item named Non-banking asset.

xi) Cash flow statement

IFRS: Cash flow statement can be prepared either in direct method or in indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently as per IAS 7.

Bangladesh Bank: As per BRPD circular no: 14 dated: 25 June 2003, cash flow is the mixture of direct and indirect method.

xii) Balance with Bangladesh Bank: (CRR)

IFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day-to-day operations as per IAS 7.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

xiii) Presentation of intangible asset

IFRS: An intangible asset must be identified and recognized, and the disclosure must be given as per IAS

Bangladesh Bank: There is no requirement for regulation of intangible assets in BRPD circular no: 14.

xiv) Off-balance sheet items

IFRS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement of disclosure of off-balance sheet items.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of balance sheet.

xv) Disclosure of appropriation of profit

IFRS: There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

Bangladesh Bank: As per BRPD circular no: 14 dated: 25 June 2003, an appropriation of profit should be disclosed in the face of Profit and Loss Account.

xvi) Loans and advance net of provision

IFRS: Loans and advances should be presented net of provisions.

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.

3.3 Disclosure of FRC Policy on Use of Audited Financial Statements in Processing Loans

Audited Financial Statements are mandatory for any existing company applying for a new loan facility from the bank. The bank uses the Audited Financial Statements when assessing new credit or loan facilities for new customers. In compliance with BRPD Circular Letter No. 04, dated 04 January 2021, the bank ensures the submission of audited financial statements before approving any new loan. It is also mandatory for the bank's clients to submit their annual audited financial statements to the bank each year. These statements are preserved with the loan file by the bank. In special circumstances where the latest audited financial statements are unavailable, the bank uses interim management accounts to assess the Borrower Risk Rating (BRR) or ICRR for loan renewal purposes. The BRR or ICRR based on interim accounts is approved by the management with the instruction to update it with the audited financial statements once available. As per BRPD Circular Letter No. 35, dated 06 July 2021, and FRC Letter No. 178/FRC/APR/2021/27(28), dated 08 December 2021, the bank has been verifying financial statements using the Document Verification System (DVS) since September 2021.

3.4 The Bank's compliance with related pronouncements by Bangladesh Bank:

i) Internal Control

Main objective of internal control is to ensure that management has reasonable assurance on some issues such as (i) operations are effective, efficient and aligned with strategy, (ii) financial reporting and management information is reliable, complete and timely accessible, (iii) the entity is in compliance with applicable laws and regulations as well as its internal policies and ethical values including sustainability, and (iv) assets of the company are safeguarded and frauds & errors are prevented or detected.

Modhumoti Bank PLC. has established an effective internal control system to ensure the overall control of risks and provide reasonable assurance that the objectives set by the Bank will be met. It has designed to develop a high level risk culture among the Bank officials, establish efficient and qualified operating model of the Bank, ensure reliability of internal and external information including accounting and financial information, secure the Bank's operations and assets, and comply with laws, regulatory requirements and internal policies.

The Board of Directors of Modhumoti Bank PLC., through its Audit Committee, periodically reviews the effectiveness of the Bank's internal control system. This review encompasses all material controls, including financial, operational, and compliance controls, as well as risk management systems, resource adequacy, qualifications and experience of accounting and financial reporting staff, training programs, and budget. The Audit Committee also examines the actions taken on internal control issues identified by Internal and External Auditors and Regulatory Authorities. It plays an active role in overseeing the internal audit's independence, scope of work, and resources, and also reviews the functions of the Internal Control & Compliance Division (ICCD) at the Head Office, particularly the scope of the annual audit plan and the frequency of internal audit activities.

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ii) Internal Audit

Internal Audit Mechanism is used as an important element to ensure good governance of Modhumoti Bank PLC. Internal Audit is the continuous and systematic process of examining and reporting on the activities of an organization undertaken by the specially assigned staff(s). They assure the Bank management that the Internal Controls are adequate and in operations, the policies and systems laid down are being adhered to and accounting records provided by the lower level are correct. Bank's internal audit Activities are effective and provide senior management with a number of important services. These include detecting and preventing fraud, testing internal control, and monitoring compliance with own policies & procedures, applicable rules & regulations, instructions/ guidelines of regulatory authority etc.

During the year 2025, ICCD conducted inspection on many of the Branches and Divisions of Head Office of the Bank and submitted reports presenting the findings of the audits/ inspections. Necessary control measures and corrective actions have been taken on the suggestions or observations made in these reports. The reports or key points of the Reports have also been discussed in the meetings of the Audit Committee of the Board and necessary steps have been taken according to the decision of the said Committee for correct functioning of Internal Controls & Compliance.

iii) Fraud and Forgeries

The term 'fraud' commonly includes activities such as theft, corruption,conspiracy, embezzlement, money laundering, bribery and extortion. The increasing wave of fraud and forgery cases in the banking sector of Bangladesh in recent time calls for concerted steps in identifying ways for reducing or preventing frauds and forgeries by analyzing the causes and effect of frauds and forgeries, and prescribing effective control strategies for salvaging frauds. Modhumoti Bank PLC. does always pay due attention on anti-fraud internal controls for prevention of fraud and forgery. The Bank has already implemented some strategies like Financial Control Strategy, Personnel Control Strategy, Credit Control Strategy, Administrative Control strategy, Process Control Strategy etc. in order to strengthening the control system further. Pre-employment screening process has been adopted for verifying the qualification, experience, cerdit check, criminal history search etc. in case of recruitment of officials. Although it is not possible to eliminate all frauds because of the inherent limitations of Internal Control System, the Board of Directors and Bank Management have taken all the measures to keep the operational risk in a very minimum level. Internal Control and Compliance Division (ICCD) assesses and evaluates the effectiveness of Bank's anti-fraud internal control measures, recommends for further improvement in implementation of aforesaid strategies and reports to the Bangladesh Bank on effectiveness of controls at the end of each quarter following their prescribed format.

3.5 Operating segments

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

3.6 Approval of financial statements

The Bank in its 95th Board Meeting held on April 29, 2026 approved the Financial Statements for the year ended 31 December 2025.

3.7 General

a) These financial statements are presented in BDT (Taka), which is the Bank’s functional currency. Figures appearing in these financial statements have been rounded off to the nearest BDT (Taka).

b) The expenses, irrespective of capital or revenue nature, accrued/ due but not paid have been provided for in the Books of the Bank.

c) Figures of previous year have been rearranged whenever necessary to conform to current year's presentation.

4. Cash of the Bank

	Amount in BDT	
	2025	2024
In hand:		
Local currency	585,272,551	638,237,435
Foreign currencies	5,100,125	5,903,172
	590,372,676	**644,140,607**
Balance with Bangladesh Bank:		
Local currency	3,586,091,806	3,362,066,398
Foreign currencies	722,961,555	614,553,017
	4,309,053,362	**3,976,619,415**
Balance with Sonali Bank Limited (as agent of Bangladesh Bank):		
Local currency	519,531	390,039
	4,309,572,892	**3,977,009,454**
	4,899,945,568	**4,621,150,061**

4.1 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with Section 33 of Bank Company Act 1991, DOS circular no. 01 dated 19 January 2014, MPD circular no. 01 dated 23 June 2014, MPD circular no. 01 dated 03 April 2018, MPD circular no. 03 dated 09 April 2020 and MPD circular no. 01 dated 04 March 2025.

The Cash Reserve Requirement (CRR) on the Bank's time and demand liabilities is calculated at the rate of 3.0% on daily basis and 4.0% on bi-weekly basis and has been maintained with Bangladesh Bank in current account and 13% Statutory Liquidity Ratio (SLR), is calculated on the same liabilities and has also been maintained in the form of treasury bills, bonds and debentures including FC balance with Bangladesh Bank. Both reserves are maintained by the Bank, detail of which is presented below:

4.1.1 Cash Reserve Requirement (CRR)

As per Bangladesh Bank DOS Circular No. 01 dated January 01, 2014, MPD circular no. 01 dated 23 June 2014, MPD circular no. 01 dated 03 April 2018, MPD circular no. 03 dated 09 April 2020 and and MPD circular no. 01 dated 04 March 2025, Bank has to maintain CRR @ 4.00% on bi-weekly average basis and minimum @ 3.00% on daily basis.

	2025	2024
i) Daily basis		
3.0% of average Demand and Time Liabilities		
Required reserve	2,483,037,000	2,734,788,000
Actual reserve held (Average daily on bi-weekly basis)	3,553,084,408	3,347,992,697
Surplus	**1,070,047,408**	**613,204,697**
ii) Bi-weekly average basis		
4.0% of average Demand and Time Liabilities		
Required reserve	3,310,716,000	3,125,472,000
Actual reserve held (Average daily on bi-weekly basis)	3,553,084,408	3,347,992,697
Surplus	**242,368,408**	**222,520,697**

4.1.2 Statutory Liquidity Ratio (SLR)

	2025	2024
13% of required Average Demand and Time Liabilities:		
Required reserve	10,760,537,000	10,158,691,000
Actual reserve held	22,629,732,117	21,104,471,007
Surplus	**11,869,195,117**	**10,945,780,007**
Held for Statutory Liquidity Ratio		
Cash in hand	590,372,680	644,140,610
Balance with agent bank (Sonali Bank Ltd.) as per statement	-	-
Prize Bond	-	-
Excess of CRR	242,368,410	222,520,700
Government Treasury Bills	4,904,324,504	3,051,382,824
Government treasury bonds	16,892,666,523	17,186,426,873
	22,629,732,117	**21,104,471,007**

5 Balance with other banks and financial institutions

	2025	2024
In Bangladesh (Note -5.1)	5,093,575,104	1,653,411,805
Outside Bangladesh (Note -5.2)	961,746,996	1,020,781,729
	6,055,322,100	**2,674,193,534**

Also refer to Note -5.3 for maturity wise grouping.

5.1 In Bangladesh

	2025	2024
Current account:		
Prime Bank PLC	44,222	45,215
Jamuna Bank PLC	7,462,780	9,187,294
Trust Bank PLC	35,350,652	21,113,343
Sonali Bank PLC	2,587	3,277
	42,860,241	**30,349,128**
Short term deposits account:		
Prime Bank PLC	402,825	88,185
Eastern Bank PLC	1,027,075	2,025,713
Janata Bank PLC	4,917,163	45,393,044
The City Bank PLC	2,084,515	9,548,049
Sonali Bank PLC	24,486,428	53,523,175
Bank Asia PLC	4,101,218	9,218,299
Agrani Bank PLC	14,583,357	8,120,724
South Bangla Agricultural Bank PLC	2,795,083	10,145,258
Habib Bank PLC	-	230
	54,397,663	**138,062,676**
Fixed deposits:		
In Banks		
Bank Al Falah PLC	-	-
Citizens Bank PLC	-	100,000,000
United Commercial Bank PLC	1,200,000,000	-
Mercantile Bank PLC	500,000,000	-
National Credit and Commerce Bank PLC	-	-
NRB Commercial Bank PLC	-	-
	1,700,000,000	**100,000,000**
In Financial Institutions		
Prime Finance & Investment Limited	-	-
Phoenix Finance and Investment Company Ltd.	40,000,000	70,000,000
Union Capital Ltd.	430,000,000	430,000,000
Bangladesh Finance and Investment Co. Ltd.	250,000,000	270,000,000
Premier Leasing International Ltd.	375,000,000	375,000,000
IDLC Finance Limited	-	-
	1,095,000,000	**1,145,000,000**
In Foreign Currency		
Commercial Bank Of Ceylon PLC	366,886,200	-
Meghna Bank PLC	244,590,800	-
The City Bank PLC	122,295,400	-
NRB Bank PLC	-	240,000,000
Eastern Bank PLC	1,467,544,800	-
	2,201,317,200	**240,000,000**
	5,093,575,104	**1,653,411,805**

5.2 Outside Bangladesh (NOSTRO Accounts)

Name of the Foreign Bank / Correspondent	Currency	2025 Amount In F.C	2025 Conversion Rate	2025 Amount in Taka	2024 Amount in Taka
AB Bank Ltd. (MUMBI)	ACU	150,153.32	122.30	18,363,060	38,274,246
Sonali Bank (Kolikata)	ACU	27,731.84	122.30	3,391,476	1,419,101
Masherq Bank, PSC, NY (OBU)	USD	7,839.35	122.30	958,716	13,070,620
Masherq Bank, PSC, NY	USD	2,467,329.50	122.30	301,743,048	197,576,809
Habib American Bank	USD	1,288,964.44	122.30	157,634,422	581,445,517
Sonali Bangladesh (UK)-USD	USD	10,415.65	122.30	1,273,786	5,428,680
ICICI Bank LTD.-HONG KONG (USD)	USD	32,457.67	122.30	3,968,509	39,564,659
Punjab National Bank	ACU	69,627.35	122.30	8,515,105	7,017,256
State Bank of India (Sydney)	AUD	6,754.41	82.03	554,062	157,765
MCB Bank Ltd. (Karachi)	ACU	178,318.65	122.30	21,807,551	4,401,860
HDFC Bank (ACU)	ACU	373,280.81	122.30	45,650,526	19,794,712
ICICI Bank Ltd. ACU, Mumbai	ACU	265,676.48	122.30	32,491,011	34,996,566
Masherq Bank Mumbai, (ACU)	ACU	254,131.78	122.30	31,079,148	28,940,232
Sonali Bangladesh (UK)-EURO	EURO	4,699.00	143.98	676,583	587,845
BANCA UBAE SPA (EURO)	EURO	860,252.90	143.98	123,863,084	1,623,790
Sonali Bangladesh (UK)-GBP	GBP			0	0
Bank of Huzhou Co. Ltd. (CNY)	CNY	1,871.97	17.47	32,696	36,638
National Bank of Pakistan (TOKYO)	YEN	608,542.00	0.78	476,367	44,464
Axis Bank Ltd. Mumbai (ACU)	ACU	847,271.23	122.30	103,617,374	6,576,686
Kookmin Bank, Seoul (USD)	ACU	830,066.39	122.30	101,513,301	4,093,666
Kookmin Bank, (GBP)	GBP	24,225.53	165.18	4,001,680	35,102,639
Kookmin Bank, (AUSD)	AUD	161.21	82.03	13,224	57,004
Kookmin Bank, (CAD)	CAD	1,368.54	89.34	122,268	570,975
Total				**961,746,996**	**1,020,781,729**

5.3 Maturity grouping of balance with other banks and financial institutions

	2025	2024
On demand	902,257,904	973,411,805
Not more than three months	5,153,064,196	1,700,781,729
More than three months but not more than six months	-	-
More than six months but not more than one year	-	-
More than one year but less than five years	-	-
Above five years	-	-
	6,055,322,100	**2,674,193,534**

	2025	2024
6 Money at call and on short notice	**524,200,000**	**1,473,400,000**

7 Investments

	2025	2024
Government securities (Note-7.1)	22,515,162,976	20,955,688,020
Others (Note-7.2)	145,425,959	45,425,959
	22,660,588,934	**21,001,113,979**

7.1 Government Securities

	2025	2024
91 days Treasury Bills	3,840,506,962	2,579,168,778
182 days Treasury Bills	595,576,467	472,214,047
364 days Treasury Bills	468,195,424	-
2 years BGTB Bond	115,360,204	9,846,300
5 years BGTB Bond	21,125,119	19,086,550
10 years BGTB Bond	4,899,037,983	5,190,602,740
15 years BGTB Bond	5,944,834,628	6,262,391,866
20 years BGTB Bond	5,409,387,090	5,678,561,540
9 Years BGSPB Bond	517,043,000	517,043,000
10 Years BGSPB Bond	200,300,000	200,300,000
3 Years FRTB Bond	502,921,500	-
5 years Sukkuk Bond	-	25,890,000
Prize Bonds	874,600	583,200
	22,515,162,976	**20,955,688,020**
Add: Reverse repo with other banks	-	-
	22,515,162,976	**20,955,688,020**

7.2 Other Investment

	2025	2024
Investment in 7 Years Private Subordinated Bond (Note-7.2.1)	100,000,000	-
Investment in Shares (Note-7.2.2)	45,425,959	45,425,959
	145,425,959	**45,425,959**

7.2.1 Investment in 7 Years Private Subordinated Bond (Note-7.2.1)

	2025 Cost Price (BDT)	2024 Cost Price (BDT)
Rupali Bank PLC (2nd Subordinated Bond)	100,000,000	-
	100,000,000	**-**

7.2.2 Investment in Shares

	2025 Market Price (BDT)	2025 Cost Price (BDT)	2024 Cost Price (BDT)
Quoted:			
Coppertech	-	-	-
Grameen Phone	1,289,500	1,628,165	1,628,165
Genexil	-	-	-
	1,289,500	**1,628,165**	**1,628,165**
Unquoted:			
Investment in CCBL	37,500,000	37,500,000	37,500,000
Investment in SWIFT	6,297,794	6,297,794	6,297,794
	45,087,294	**45,425,959**	**45,425,959**

7.3 Investments classified as per Bangladesh Bank Circular

	2025	2024
Held for trading (HFT)	6,430,246,621	3,886,650,270
Held to maturity (HTM)	16,184,041,755	17,068,454,550
Other securities	46,300,559	46,009,159
	22,660,588,934	**21,001,113,979**

7.4 Maturity-wise grouping

	2025	2024
On demand	874,600	583,200
Not more than three months	-	-
More than three months but not more than one year	4,904,233,202	3,051,382,824
More than one year but not more than five years	639,406,823	28,932,850
Above five years	17,116,074,310	17,920,215,104
	22,660,588,935	**21,001,113,978**

7.5 Repo and Reverse-repo

7.5.1 Repo as on 31 December 2025

Counter party name	Reversal date	Amount	Amount
Bangladesh Bank(ALS)		-	-
Bangladesh Bank	2/6/2026	717,434,000	535,339,392
		717,434,000	**535,339,392**

7.5.2 Transactions of Repo and Reverse-repo during the year

	Minimum outstanding	Maximum outstanding	Maximum outstanding
Securities sold under repo			
i) With Bangladesh Bank	107,159,234	2,139,411,346	3,013,818,216
ii) With Other Bank & FIs	81,215,961	999,753,549	61,354,530
Securities purchase under reverse repo			
i) With Bangladesh Bank	-	-	-
ii) With Other Bank & FIs	9,038,898	797,557,033	592,050,000

8 Loans and advances

	2025	2024
Loans, cash credit, overdrafts etc. (Note 8.1)	74,823,694,204	65,922,856,663
Bills purchased and discounted (Note 8.13)	791,138,541	454,818,035
	75,614,832,745	**66,377,674,698**

8.1 Loans, cash credit, overdrafts etc.

	2025	2024
In Bangladesh		
Cash credit and overdrafts	24,792,174,499	27,912,745,806
Loans (General)	41,036,424,553	29,859,601,674
House building loan	1,070,562,371	1,239,107,450
Loan against trust receipt	2,771,543,536	1,980,453,699
Other Loans	5,152,989,245	4,930,948,034
	74,823,694,204	**65,922,856,663**
Outside Bangladesh	-	-
	74,823,694,204	**65,922,856,663**

8.2 Performing loans and advances

	2025	2024
Gross loans and advances	74,111,910,638	64,848,887,734
Non-performing loans and advances	1,502,922,107	1,528,786,964
	75,614,832,745	**66,377,674,698**

8.3 Maturity-wise grouping

	2025	2024
On demand	4,817,110,066	4,795,661,128
Less than three months	9,795,115,813	13,524,288,290
More than three months but less than one year	20,434,412,592	17,371,794,766
More than one year but less than five years	18,037,720,595	15,928,682,464
More than five years	22,530,473,680	14,757,248,049
	75,614,832,745	**66,377,674,698**

8.4 Loans and Advances on the basis of significant concentration

	2025	2024
Advances to allied concerns of directors	206,905,487	336,718,507
Advances to chief executive and other senior executives	62,316,910	16,485,408
Advances to customers' group:		
Advances to large and medium industries	60,270,778,911	49,369,791,697
Advances to small and cottage industries	2,992,046,543	2,948,667,139
Commercial Lending	8,481,099,193	6,119,716,110
House Building Loan	1,143,117,775	1,300,811,627
Consumer Credit Scheme	1,945,466,485	1,240,680,061
Other Loans and Advances	513,101,442	5,044,804,148
	75,614,832,745	**66,377,674,698**

8.5 Sector-wise allocation of loans and advances

	% of total loan	2025	2024
Agriculture, fishing, forestry and dairy firm	0.85%	644,746,850	116,179,974
Industry (Other than working capital)	14.18%	10,725,285,433	11,690,235,113
Working capital financing	13.70%	10,357,187,488	9,403,146,102
Export credit	9.14%	6,911,402,959	5,315,972,826
Import credit	10.28%	7,775,559,668	7,409,309,789
Commercial credit	11.22%	8,481,099,193	4,474,941,183
Constructions	30.81%	23,300,531,485	21,094,519,358
Transport and Communication	0.47%	355,346,520	366,333,615
Consumer Credit	2.33%	1,759,482,553	1,296,076,102
Others	7.01%	5,304,190,597	5,210,960,638
	100.00%	**75,614,832,745**	**66,377,674,698**

8.6 Details of large loans and advances

Number of clients with outstanding amount and classified loans exceeding 10% of total capital of the Bank. Total capital of the Bank was Taka 1,127.39 crore as at 31 December 2025 (Taka 1,101.88 crore in 2024).

	2025	2024
Number of clients	110	90
Amount of outstanding loans and advances (BDT in crore)	6,271.25	5,512.37
Amount of classified loans and advances	6.98	18.08
Measures taken for recovery	-	-

Name of clients	Outstanding (BDT in crore) Funded	Outstanding (BDT in crore) Non-Funded	Total BDT in crore	Total BDT in crore
Hashem Foods Limited	141.74	-	141.74	125.63
A.K.M. Knit Wear Limited	48.49	2.28	50.77	109.93
Al Muslim Washing Limited	17.68	1.21	18.89	44.79
Al Muslim Garments Accessories	0.96	-	0.96	11.03
Mir Akhter Hossain Limited	5.20	22.88	28.08	342.60
Gazi Pipes	26.02	-	26.02	25.79
Gazi Tanks	22.44	-	22.44	22.05
Gazi International	82.65	89.86	172.51	156.31
Summit Towers Ltd.	151.35	-	151.35	159.90
Toma Construction & Co. Limited	-	-	-	-
Drug International Limited	-	97.28	97.28	99.59
Drug International Limited(Herbal Division)	-	4.81	4.81	3.67
Ati Ceramics Limited	-	9.13	9.13	6.06
Khwaja Younus Ali Medical College And Hospital	-	1.50	1.50	0.55
Harnest Label Industries Limited	0.52	9.86	10.39	22.03
Taj Printers	-	1.01	1.01	7.57
Pesco Steel Ltd.	38.74	-	38.74	33.25
Poton Traders	116.40	29.55	145.95	128.82
Clc Power Company Ltd.	-	-	-	-
Abdul Monem Limited	65.11	269.80	334.91	326.80
Pran Dairy Limited	20.59	49.72	70.31	61.62
Name of clients	**Outstanding (BDT in crore) Funded**	**Outstanding (BDT in crore) Non-Funded**	**Total BDT in crore**	**Total BDT in crore**
Sylvan Technologies Limited	5.02	42.50	47.52	23.78
Advance Personal Care Limited	27.10	43.29	70.39	71.76
Energypac Engineering Limited	22.40	-	22.40	-
Epv Chitagong Ltd.	-	0.05	0.05	-
Patriot Spinning Mills Ltd.			-	-
Envoy Textile Ltd.	75.18	150.89	226.07	239.53
Energypac Power Venture Ltd.	95.29	-	95.29	-
Winter Dress Ltd.	14.65	61.13	75.78	56.54
A & A Fashion Sweater Industries Ltd.	8.85	-	8.85	6.48
Md. Abdul Wadud And Monowara Begum	6.98	-	6.98	6.32
Kint Valley Fashion Ltd.	3.89	34.11	38.00	51.91
Nitol Motors Limited	-	-	-	-
Knit City Ltd.	28.30	1.04	29.34	25.66
Rìviera Composite Industries Ltd.	97.56	1.07	98.63	87.39
Baraka Engineers Ltd.	198.49	2.24	200.72	177.17
Business Information Technology Ltd.	-	2.98	2.98	3.28
Baraka Renewable Energy	-	1.93	1.93	1.93
Cmecc-Bel Jv	-	17.83	17.83	17.83
Career Travel International Ltd.	-	1.02	1.02	1.02
Al-Mostofa Agro Industrial Complex Ltd.	133.39	-	133.39	122.63
Al-Mostafa Printing & Packging Ind. Ltd,	29.71	37.68	67.39	46.57
Brac University	-	402.79	402.79	450.00
National Development Engineers Ltd	144.49	136.89	281.38	246.85
Reedisha Texstripe Ltd.	-	-	-	-
Kohinoor Chemical Company (Bd) Ltd	-	-	-	-
Euro Arte Apparels Ltd.	82.72	132.00	214.72	209.13
Abul Khair Tobacco Co. Limited	108.96	15.55	124.51	38.53
Gph Ispat Limited	-	-	-	-
Gph Renewable Energy Limited	-	-	-	-
Gph Oxygen Limited	-	-	-	-
Sonali Paper & Board Mills Limited	0.01	2.90	2.91	1.70
Virgo Communication Ltd.	-	0.05	0.05	0.85
Ip Communications Ltd.	-	0.05	0.05	0.05
Sonali Dredger Ltd	-	7.07	7.07	11.17
Labaid Cancer Hospital & Super Speciality Centre Ltd	191.41	-	191.41	166.47
Castle Construction Co. Ltd, Charka Spc Poles Ltd, Gemcon City Ltd	113.18	5.63	118.80	123.88
Younus Paper Mills Limited	56.83	-	56.83	48.52
Younus Offset Paper Mills	-	9.91	9.91	11.26
Younus Spinning Mills Limited	8.82	2.35	11.17	9.73
Gogreen Garden Limited	0.02	-	0.02	0.06
Ysr Logistics Ltd	7.97	-	7.97	8.05
Perfume Chemical Industry Ltd.	4.55	-	4.55	4.92
Fly Glaxy Tours Travels	-	0.05	0.05	0.10
Galaxy Flying Academy Ltd.	4.54	-	4.54	3.98
Srinagar Ice & Cold Stroge Ltd	3.61	-	3.61	2.41
Jago Corporation Plc	-	-	-	3.78
Western Engineering (Pvt.) Ltd.	43.22	152.15	195.37	203.13
Bera Trade Tech	67.18	10.42	77.60	85.60
Ssri-Bera Jv			-	-
Eurozone Fashion Ltd	3.05	0.24	3.29	13.32
Ars Washing Ltd	-	0.20	0.20	0.48
Ethical Garments Ltd.	105.21	2.55	107.76	130.26
Ambient Steel (Bd) Ltd	232.11	13.67	245.78	214.51
S S Trade International	24.11	-	24.11	20.61
Disney Sweater Ltd.	-	-	-	-
Bombay Sweets & Co. Ltd.	-	-	-	56.75
Price Pack Ltd.	-	-	-	1.62
Takdhum Limited	-	-	-	3.83
A. K. Oxygen Ltd.	9.58	3.71	13.29	11.95
Vincen Consultancy Pvt. Ltd.	-	6.19	6.19	-
Wcl-Btt Jv	30.79	-	30.79	26.47
S.S. Engineering & Construction Ltd.	99.00	1.28	100.28	86.07
Ssecl-Hb Jv	1.67	-	1.67	1.45
Bbl & Ssecl Jv	8.02	-	8.02	7.02
Name of clients	**Outstanding (BDT in crore) Funded**	**Outstanding (BDT in crore) Non-Funded**	**Total BDT in crore**	**Total BDT in crore**
Ssecl-Ksal Jv	24.62	-	24.62	21.68
Ssecl-Ksa Jv	29.82	-	29.82	26.87
Rainbow Century Ltd			-	0.64
M. M. Builders And Engineers Ltd.			-	-
Overseas Marketing Corporation (Pvt.) Ltd	112.29	38.28	150.57	110.10
Global Instruments Supply Co.	-	0.24	0.24	0.20
Omc Healthcare Pvt. Ltd.	-	0.18	0.18	0.12
The Peninsula Chittagong Limited	114.12	-	114.12	97.89
Sayeman Beach Resort Limited	34.30	-	34.30	38.50
Muhammad Aminul Haque (Pvt.) Ltd.			-	116.73
Mahabub Brothers (Pvt.) Limited	153.75	12.29	166.03	160.68
S.N.Buliders(Pvt) Limited	66.65	23.57	90.22	-
Adex Corporation Limited	97.29	18.64	115.93	106.66
M.M. Multi Fibres Limited	-	0.92	0.92	-
M/s. Gulenoor Plastics	-	7.00	7.00	-
SAMWHAN-MIR AKHTER JV	152.80	135.24	288.04	-
Gazi Sinks	5.32	-	5.32	-
M G International Industries	2.61	3.87	6.48	-
S.B. STYLE COMPOSITE LTD.	34.51	72.34	106.85	-
M/S. S.B. KNIT COMPOSITE	5.34	7.06	12.40	-
YOUNUS COLD STORAGE LTD.	1.75	-	1.75	-
LAKKHI PRESERVES PRIVATE LTD.	0.82	-	0.82	-
SHARIF COLD STORAGE LTD.	3.11	-	3.11	-
A. KADER & SONS HIMAGAR LTD.	1.03	-	1.03	-
WADUD AND AYSHA COLD STORE LIMITED	1.02	-	1.02	-
GARIB-E-NEWAZ COLD STORAGE (PVT.) LTD.	1.48	-	1.48	-
BIKRAMPUR POTATO FLAKES INDUSTRIES LTD.	6.76	-	6.76	-
SIDDESHAWARI COLD STORAGE LTD	1.90	-	1.90	-
Yusra Construction Ltd	-	27.59	27.59	-
Yusra Construction	39.05	2.49	41.54	-
YUSRA VCPL JV	8.63	-	8.63	-
Western Superior Jute Industries Ltd	15.30	-	15.30	-
Healthcare Pharmaceuticals Ltd.	49.28	-	49.28	-
HEALTHCARE CHEMICALS LTD.	1.21	4.77	5.98	-
HEALTHCARE DAIRY AND FOOD PRODUCT LTD.	0.07	-	0.07	-
HEALTHCARE DIAGNOSTIC CENTER LTD	0.07	-	0.07	-
HEALTHCARE FORMULATIONS LIMITED	1.17	-	1.17	-
HEALTHCARE LIFE SCIENCE LIMITED	-	80.00	80.00	-
ATLANTIS TRAVEL POINT	-	-	-	-
Healthcare Diagnostic Solutions Limited	8.18	4.60	12.78	-
STANDARD ENGINEERS LTD.	41.76	88.13	129.89	-
	3,851.74	**2,419.50**	**6,271.24**	**5,512.37**

8.7 Category-wise Small Medium Enterprise Loans and Advances (SME)

	2025	2024
Service Sector	7,674,452,126	7,365,341,574
Trading Sector	3,641,364,014	1,511,680,361
Industrial Sector	4,194,030,763	3,381,234,718
	15,509,846,903	**12,258,256,653**

8.8 Geographical location-wise allocations of loans and advances

	% of total loan	2025	2024
Dhaka region	84.99%	64,267,699,942	56,928,822,517
Chittagong region	7.59%	5,737,656,148	4,397,452,654
Rajshahi region	1.34%	1,014,683,443	942,955,783
Sylhet region	0.06%	44,664,495	33,543,405
Khulna region	4.91%	3,709,112,346	3,271,102,054
Mymensing Region	0.20%	151,785,506	106,929,434
Rangpur region	0.80%	603,388,199	599,491,589
Barisal region	0.11%	85,842,666	97,377,262
	100.00%	**75,614,832,745**	**66,377,674,698**

8.9 Classification of loans and advances

	2025		2024	
Unclassified:				
Standard including staff loan	80.72%	61,033,969,730	96.27%	63,899,405,107
Special Mention Account (SMA)	17.30%	13,077,940,907	1.43%	949,482,627
	98.01%	74,111,910,638	97.70%	64,848,887,734
Classified:				
Sub-standard	0.06%	46,349,968	0.83%	550,972,307
Doubtful	0.02%	13,679,790	0.01%	7,996,092
Bad and loss	1.91%	1,442,892,350	1.46%	969,818,565
	1.99%	1,502,922,107	2.30%	1,528,786,964
	100%	**75,614,832,745**	**100%**	**66,377,674,698**

8.10 Particulars of loans and advances

i) Debts considered good in respect of which the bank is fully secured;	64,673,145,684	58,072,685,239
ii) Debts considered good for which the bank holds no other security than the debtors' personal guarantee;	7,292,798,467	4,890,244,419
iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal guarantee of the debtors;	3,648,888,593	3,414,745,040
iv) Debts adversely classified; provision not maintained thereagainst		
v) Debts due by directors or officers of the bank or any of them either severally or jointly with any other persons;	206,905,487	272,090,044
vi) Debts due by companies or firms in which the directors or officers of the bank are interested as directors, partners or managing agents or, in case of private companies, as members;		-
vii) Maximum total amount of advances, including temporary advances made any time during the year to directors or managers or officers of the bank or any of them either severally or jointly with any other persons;	206,905,487	272,090,044
viii) Maximum total amount of advances, including temporary advances made any time during the year to directors or managers or officers of the bank or any of them either severally or jointly with any other persons; advances granted during the year to companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or, in case of private companies, as members;		-
ix) Due from banking companies;		-
x) Classified loans/investments for which interest has not been charged:		
(a) Increase/decrease of provision (specific)		
Amount of debts written off		-
Amount realized against the debts previously written off		-
(b) Provision against the debt classified as		-
bad/loss at the date of balance sheet	564,460,310	464,285,752
(c) Amount of interest charged in suspense account	4,067,268,018	1,908,216,683
xi) Loans written off:		
- Current year	717,722,219	811,438,117
Cumulative to-date	1,524,045,861	838,725,865
- The amount of written off loans for which lawsuit filed	1,518,762,521	838,725,865

8.11 Particulars of required provision for loans and advances/investments

For loans and advances:	Outstanding Loans	Base for Provision	% of required provision	2025 Required provision	2024 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)	45,163,464,929	45,163,464,929	1%	868,063,450	708,476,833
Small and medium enterprise financing	13,813,692,482	13,813,692,482	0.50%-1%	130,803,177	76,959,582
Loan to BHs/MBs/SDs against shares	-	-	1%	-	8,166,146
Housing	316,953,160	316,953,160	1%	3,169,532	6,732,918
Loan for professional	-	-	2%	-	-
Consumer finance	1,096,092,986	1,096,092,986	1%	10,960,930	19,055,980
Agriculture finance	643,766,172	643,766,172	1%	6,357,326	412,643
Special Mention Account (SMA)	13,077,940,907	13,077,940,907	0.50%-5%	663,345,920	7,795,077
	74,111,910,638	**74,111,910,638**		**1,682,700,334**	**827,599,180**
	Outstanding Loans	**Base for Provision**	**% of required provision**	**2025 Required provision**	**2024 Required provision**
Classified - Specific provision:					
Sub-standard	46,349,968	33,009,018	5% & 20%	6,601,804	63,104,044
Doubtful	13,679,790	4,134,976	20% & 50%	2,067,488	588,433
Bad and loss	1,442,892,350	564,460,310	100%	564,460,310	464,285,752
	1,502,922,107	**601,604,304**		**573,129,601**	**527,978,229**
Required provision for loans and advances				**2,255,829,936**	**1,355,577,409**
Total provision maintained				**2,693,923,635**	**1,517,288,886**
				438,093,700	**161,711,477**

8.12 Listing of assets pledged as security/collaterals

Nature of the secured assets	2025	2024
Gold & Gold Ornaments	-	-
Shares & Securities	200,949,994	173,791,845
Merchandise	5,410,477,847	4,213,451,405
Machinery with other Fixed Asset and Financial obligation	92,206,502	259,998,255
Real Estate with Financial obligation	43,398,841,872	38,570,366,067
Financial Obligation only (Insurance policies, Savings certificates, Bank deposit	8,679,804,891	7,993,100,771
Miscellaneous;		
i) Crops/stock of crops hypothecations	46,593,187	39,942,286
ii) Guarantee of individuals/ Institutions	7,298,391,957	7,650,973,570
ii) Others	10,487,566,495	7,476,050,500
	75,614,832,745	**66,377,674,698**

8.13 Bills purchased and discounted

	2025	2024
In Bangladesh	687,387,050	377,139,667
Outside Bangladesh	103,751,491	77,678,368
	791,138,541	**454,818,035**

8.13.1 Maturity-wise grouping

	2025	2024
On demand	79,150,507	89,186,416
Less than three months	115,329,637	140,981,169
More than three months but less than one year	596,658,397	224,650,450
More than one year but less than five years	-	-
More than five years	-	-
	791,138,541	**454,818,035**

9 Fixed assets including premises, furniture and fixtures

	2025	2024
Cost Price:		
Land	-	-
Building	-	-
Furniture and fixture	216,958,568	213,535,420
Computer and Computer peripheral	217,495,293	199,663,045
Electrical Equipments	219,170,007	207,877,932
Motor vehicles	43,525,001	43,525,001
Capital work in progress (CWIP)	24,480,580	3,898,600
	721,629,449	**668,499,998**
Less: Accumulated depreciation:		
Land	-	-
Building	-	-
Furniture and fixture	150,045,451	133,263,758
Computer and Computer peripheral	119,283,523	93,460,045
Electrical Equipments	187,550,692	181,145,399
Motor vehicles	33,982,699	30,503,683
	490,862,365	**438,372,885**
	230,767,084	**230,127,113**
Leased Assets:		
Right-of-Use (ROU) Assets	1,029,094,661	802,964,391
Less: Accumulated depreciation on ROU Assets	202,789,816	538,111,390
	826,304,845	**264,853,001**
Software:		
Computer Software	117,090,369	111,779,869
SWIFT Software	4,221,235	4,221,235
Capital work in progress (CWIP)	957,600	1,357,600
	122,269,204	**117,358,704**
Less: Amortization during the year	106,606,143	99,166,398
	15,663,061	**18,192,306**
Written down value at the end of the year	**1,072,734,990**	**513,172,420**

Detail of fixed assets is presented in Annexure-A

Leased Assets:

Accounting Policy:

The Bank assesses whether a contract is a lease, in accordance with the guidance stated in the IFRS 16: Leases, by determining whether the contract gives it the right to use a specified underlying physical asset for a lease term greater than 12 months, unless the underlying asset is of low value. Office premises for which monthly lease rental is the amount not exceeding Taka 25,000, ATM Booths and other installations are considered as low value asset.

Where the Bank is a lessee and the lease is deemed in scope, it recognizes a liability equal to the present value of lease payments over the lease term, discounted using the incremental borrowing rate applicable in the economic environment of the lease. It is considered as 5%. The liability is recognized in ‘Other liabilities’. A corresponding right-of-use (ROU) Asset equal to the liability, adjusted for any lease payments made at or before the commencement date, is recognized in ‘Property, plant and equipment’. The lease term includes any extension options contained in the contract that the Bank is reasonably certain, it will exercise.

The Bank subsequently depreciates the right-of-use (ROU) asset using the straight-line method over the lease term and measures the lease liability using the effective interest method. Depreciation of the asset is recognized in ‘Depreciation and amortization’, and interest on the lease liability is recognized in ‘Interest expense’.

The judgements in determining lease balances are the determination of whether the Bank is reasonably certain that it will exercise extension options present in lease contracts. On initial recognition, the Bank considers a range of characteristics such as premises function, conditions mentioned in the lease contracts and the term remaining on the lease to determine whether it is reasonably certain that a contractual right to extend a lease will be exercised.

Existing lease liabilities may change in future periods due to changes in assumptions or decisions to exercise lease renewal or termination options, changes in payments due to renegotiations of market rental rates as permitted by those contracts and changes to payments due to rent being contractually linked to an inflation index. In general, the remeasurement of a lease liability under these circumstances leads to an equal change to the right-of-use asset balance, with no immediate effect on the income statement.

Prior period information is not restated, i.e. it is presented, as previously reported, under IAS 17 and related interpretations in which the Bank as lessee recognized lease payments in operating expenses on a straight-line basis.

The total rental expense during the year 2025 for premises leases was Taka 215,946,341 out of which Taka 204,262,641 has been presented in accordance with the IFRS 16: Leases and remaining Taka 11,683,700 is presented as stated above as per IAS 17. Reconciliation of rental expense has been presented in Note 26.1 for detail.

The right-of-use asset balances and depreciation charges are disclosed in Note 9 & Note 31 respectively. The lease liability balance is disclosed in Note 13 and the interest expense on lease liabilities is disclosed in Note 21.

	2025	2024
10 Other assets	**2,955,500,442**	**2,502,421,483**

10.1 Classification of other assets

	2025	2024
Interest Receivable (Accrued Interest Income)	395,572,386	399,301,041
Other receivable-Bangladesh Industrial Finance Company Ltd.	130,000,000	130,000,000
Stationery, stamps, printing materials, etc.	2,615,841	2,130,392
Advance rent	193,198,656	14,919,760
Prepaid expenses	3,088,900	4,083,129
Branch adjustment (Note 10.3)	131,379	24,461
Off-shore Banking Unit	502,022,617	303,600,000
Advance income tax (Note 10.2)	1,962,685,549	1,841,668,444
Protested bills	89,500,000	89,500,000
Others	178,707,731	20,794,258
	3,457,523,059	**2,806,021,484**
Less: Off-shore Banking Unit	502,022,617	303,600,000
	2,955,500,442	**2,502,421,484**

10.2 Advance income tax

	2025	2024
Opening balance	1,841,668,444	1,392,138,665
Add: Paid during the year	744,722,795	957,120,013
	2,586,391,239	**2,349,258,678**
Less: Settlement/ Adjustment of previous year's tax liability	623,705,690	507,590,234
Closing balance	**1,962,685,549**	**1,841,668,444**

10.3 Branches' adjustment

	2025	2024
General accounts debit	131,379	24,461
	131,379	**24,461**

11 Borrowing from other banks, financial institutions and agents

	2025	2024
In Bangladesh (Note 11.1)	1,225,592,392	1,940,623,684
Outside Bangladesh (Note 11.2)	-	-
	1,225,592,392	**1,940,623,684**

11.1 In Bangladesh

	2025	2024
A) Re-Finance from Bangladesh Bank:		
Re-finance for women entrepreneurs	-	-
Re-Finance for UBSP JICA FUND	180,424,395	202,294,019
Re-Finance for 10 Taka A/C	1,683,334	1,366,667
Borrowing from Bangladesh Bank under ALS	-	717,343,000
Borrowing from Bangladesh Bank under REPO	717,343,000	-
Re-Finance scheme for Term Loan CMSME	666,667	3,700,000
Re-Finance for Term Loan Green Refinance	58,333,330	74,999,998
Re-Finance for STL under Agri Loan	2,500,000	5,800,000
Pre-Finance for CMSME Loan	264,641,667	359,370,000
Re-Finance for PC Loan	-	370,000,000
Re-Finance scheme for Working Capital for CMSME	-	5,750,000
	1,225,592,392	**1,740,623,684**
B) Borrowing from Banks (In Local Currency):		
Trust Bank PLC	-	-
Uttara Bank PLC	-	-
Bangladesh Development Bank Ltd.	-	200,000,000
Meghna Bank PLC	-	-
Bank Al Falah PLC	-	-
South Bangla Agriculture and Commerce Bank PLC	-	-
	-	**200,000,000**
C) Borrowing from Banks (In Foreign Currency):		
Commercial Bank of Ceylon PLC.	-	-
Bank Asia Ltd	-	-
Off-shore Banking Unit	502,022,617	303,600,000
Jamuna Bank PLC.	-	-
	502,022,617	**303,600,000**
Less: Off-shore Banking Unit	502,022,617	303,600,000
	-	-
(A+B+C) In Bangladesh	**1,225,592,392**	**1,940,623,684**

11.2 Outside Bangladesh

	2025	2024
Value Port Ltd.	-	-
	-	-
	1,225,592,392	**1,940,623,684**

11.3 Maturity grouping of borrowings

	2025	2024
Repayable on demand	-	200,000,000
Repayable within one month	717,343,000	717,343,000
Over one month but within six months	666,667	3,700,000
Over six months but within one year	62,516,664	87,916,665
Over one year	445,066,062	931,664,019
	1,225,592,392	**1,940,623,684**

12 Deposits and other accounts

	2025	2024
Current and other accounts		
Current deposits	2,290,588,960	2,632,777,846
Foreign currency deposits	1,907,224,985	1,105,752,350
Sundry deposits (Note 12.1)	8,796,734,108	7,908,605,721
	12,994,548,053	**11,647,135,917**
Bills payable		
Payment order issued	1,620,136,886	1,117,664,994
Demand draft	-	-
	1,620,136,886	**1,117,664,994**
Savings bank deposits	**5,996,516,745**	**4,941,673,082**
Term/Fixed deposits		
Fixed deposits Receipts (FDR)	39,723,299,715	35,636,535,996
Special notice deposits (SND)	11,984,627,717	11,860,871,304
Scheme deposits	19,592,283,073	13,969,933,691
Interest Payable on FDR/Scheme	1,007,309,093	939,334,465
	72,307,519,598	**62,406,675,456**
	92,918,721,282	**80,113,149,449**

12.1 Sundry deposits

	2025	2024
Margin deposits	1,768,874,132	3,656,356,225
Withholding Tax, VAT and Excise duty etc.	449,905,607	412,867,821
FC held against Export Development Fund (EDF)	1,248,361,780	863,620,421
Cover Fund against Term Loan (Salary from BB)	-	-
BLO account -USD, EURO	3,004,504,156	2,309,023,382
Others	2,325,088,433	666,737,872
	8,796,734,108	**7,908,605,721**

12.2 Deposits and Other Accounts

	2025	2024
Deposits from Banks	2,900,110,201	300,000,000
Deposits from Customers	90,018,611,081	79,813,149,449
	92,918,721,282	**80,113,149,449**

12.3 Sector-wise break-up of Deposits and Others account

	2025	2024
Government	3,112,726,924	4,926,143,158
Deposit money banks	2,900,110,201	300,000,000
Other public	9,472,662,301	14,520,294,932
Foreign currency	1,907,224,985	1,105,752,350
Private	75,525,996,871	59,260,959,009
	92,918,721,282	**80,113,149,449**

12.4 Analysis of residual maturity grouping of deposits

	2025	2024
Inter-bank deposits		
Repayable on demand	-	-
Repayable within 1 month	-	-
Over 1 month but within 6 months	2,900,110,201	300,000,000
Over 6 months but within 1 year	-	-
Over 1 year but within 5 years	-	-
Over 5 years but within 10 years	-	-
	2,900,110,201	300,000,000
Other Deposits		
Repayable on demand	1,909,966,957	2,222,453,010
Repayable within 1 month	6,385,132,875	5,298,218,243
Over 1 month but within 6 months	32,880,201,643	29,132,574,010
Over 6 months but within 1 year	13,021,982,399	10,728,676,432
Over 1 year but within 5 years	24,493,192,790	21,643,310,512
Over 5 years but within 10 years	11,328,134,416	10,787,917,242
	90,018,611,081	**79,813,149,449**
	92,918,721,282	**80,113,149,449**

	2025	2024
12.5 Unclaimed Deposits and valuables	-	-

Modhumoti Bank PLC.

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13.00 Other liabilities

Provision for loans and advances (Note 13.1)	2,693,923,635	1,517,288,886
Provision for diminution in value of investments (Note 13.1 (a))	350,000	6,750,000
Provision for other assets (Note 13.1 (a))	86,900,000	22,700,000
Provision for protested bills (Note 13.1 (a))	89,500,000	89,500,000
Provision for other assets (BIFCL) (Note 13.1 (a))	133,100,000	133,100,000
Provision for Risk Coverage Fund (Note 13.1 (a))	2,000,000	2,000,000
Special General provision for COVID-19 (Note 13.1 (b))	-	214,300,000
Lease Liability	850,632,165	282,447,616
Provision for off-balance sheet exposures (Note 13.2)	469,750,000	416,750,000
Provision for taxation (Note 13.3)	2,215,921,628	2,650,738,720
Provision for incentive bonus	39,137,558	114,404,976
Interest Suspense Account (Note 13.4)	4,067,268,018	1,908,216,683
Accrued expenses	15,813,070	16,743,938
Climate Risk Fund under CSR	23,609,089	11,033,904
Interest payable on borrowings	33,819,709	36,625,464
Branch adjustment (Note-13.5)	-	-
Start-Up Fund	61,996,426	61,377,084
Provision for audit fee	1,400,000	350,000
Others	108,843,559	184,337,063
	10,893,964,857	**7,668,664,334**

13.1 Provision for loans and advances

A. General		
Provision held as on 1 January	976,090,000	590,190,000
Add: Provision made during the year	924,400,000	385,900,000
Add: Transferred from Special General provision for COVID-19	214,300,000	-
Less: Transferred to provision for Off-shore Banking Unit (OBU)	-	-
Provision held as on 31 December	**2,114,790,000**	**976,090,000**
B. Specific		
Movement in specific provision on classifid loans		
Provision held as on 1 January	538,148,886	714,109,082
Add: Recovery from loans written off earlier	27,579,106	748,283
Less: Fully provided debt written off during the year	(475,644,357)	(693,308,480)
Add: Specific provision made during the year (net of recovery)	483,500,000	516,600,000
Provision held as on 31 December	**573,583,635**	**538,148,886**
C. Provision for Off-shore Banking Unit (OBU)		
Provision held as on 1 January	3,050,000	2,350,000
Add: Provision made during the year	2,500,000	700,000
Less: Transferred to provision for off-balance sheet exposures	-	-
Provision held as on 31 December	**5,550,000**	**3,050,000**
Total provision on loans and advances (A+B+C)	**2,693,923,635**	**1,517,288,886**

13.1 (a) Provision for others

(a-1) Provision for diminution in value of investments		
Provision held as on 1 January	6,750,000	6,750,000
Less: Transferred to Provision for other assets	(6,400,000)	-
	350,000	**6,750,000**
(a-2) Provision for other assets		
Provision held as on 1 January	22,700,000	11,800,000
Add: Transferred from Provision for diminution in value of investments	6,400,000	-
Add: Provision made during the year	57,800,000	10,900,000
	86,900,000	**22,700,000**
(a-3) Provision for protested bills		
Provision held as on 1 January	89,500,000	89,500,000
Add: Provision made during the year	-	-
	89,500,000	**89,500,000**
(a-4) Provision for other assets (BIFCL)		
Provision held as on 1 January	133,100,000	133,100,000
Add: Provision made during the year	-	-
	133,100,000	**133,100,000**
(a-5) Provision for Risk Coverage Fund		
Provision held as on 31 December	2,000,000	2,000,000
	2,000,000	**2,000,000**
	311,850,000	**254,050,000**

13.1 (b) Special General provision for COVID-19

Provision held as on 1 January	214,300,000	214,300,000
Less: Transferred to provision for General Loans	(214,300,000)	-
	-	**214,300,000**

13.2 Provision for off-balance sheet exposures

Provision held as on 1 January	416,750,000	384,150,000
Add: Provision made during the year	53,000,000	32,600,000
Add: Transferred from provision for Off-shore Banking Unit (OBU)	-	-
Add: Transferred from General Provision	-	-
	469,750,000	**416,750,000**
Less: Adjustments made during the year	-	-
Provision held as on 31 December	**469,750,000**	**416,750,000**

13.3 Provision for taxation

Current tax (Note 13.3.1)	2,158,768,793	2,577,880,299
Deferred tax (Note 13.3.2)	57,152,835	72,858,421
	2,215,921,628	**2,650,738,720**

13.3.1 Provision for current tax

Provision		
Balance at the beginning of the year	2,577,880,299	2,142,390,633
Add: Provision made during the year	219,374,246	945,257,822
	2,797,254,545	3,087,648,455
Less: Settlement of previous year's tax liability	638,485,752	509,768,156
Balance at the end of the year	**2,158,768,793**	**2,577,880,299**

Provision for current tax of Taka 219,374,246/- has been kept following 40.00% Tax rate as prescribed by Finance Act 2025 based on the accounting profit made by the Bank after considering some add-backs to income and disallowances of expenditure as per "Income Tax Act. 2023".

13.3.2 Provision for deferred tax

Balance at the beginning of the year	72,858,421	88,053,812
Add : Provision made for deferred tax liabilities:		
Charged/(credited) to profit and loss account	(15,705,586)	(15,195,391)
	57,152,835	72,858,421
Adjustment made during the year	-	-
	57,152,835	72,858,421
Less: Provision made for deferred tax assets	-	-
Balance at the end of the year	**57,152,835**	**72,858,421**

13.4 Interest Suspenses Account

Balance at the begaining of the year	1,908,216,683	856,823,703
Add: Amount transferred during the year	4,309,698,977	1,887,325,122
Less: Amount recovered during the year	(1,910,040,548)	(717,802,505)
Less: Amount written off during the year	(240,607,094)	(118,129,637)
Balance at the end of the year	**4,067,268,018**	**1,908,216,683**

13.5 Branches' adjustment

General accounts debit	-	-
General accounts credit	-	-
	-	-

14 Share capital

14.1 Authorised capital:

2,000,000,000 ordinary shares of BDT 10 each	**20,000,000,000**	**20,000,000,000**

14.2 Issued, subscribed and paid up capital:

452,000,000 ordinary shares of BDT 10 each issued for cash	4,520,000,000	4,520,000,000
22,600,000 ordinary shares of BDT 10 each issued for bonus share	226,000,000	226,000,000
26,103,000 ordinary shares of BDT 10 each issued for bonus share	261,030,000	261,030,000
25,035,145 ordinary shares of BDT 10 each issued for bonus share	250,351,450	250,351,450
	5,257,381,450	**5,257,381,450**

14.3 Share capital at a glance from inception

Year	Particulars	Number of shares	Capital amount	Capital amount
2013	Opening Capital	452,000,000	4,520,000,000	4,520,000,000
2018	Bonus share Issued	22,600,000	226,000,000	226,000,000
2019	Bonus share Issued	26,103,000	261,030,000	261,030,000
2020	Bonus share Issued	25,035,145	250,351,450	250,351,450
		525,738,145	**5,257,381,450**	**5,257,381,450**

14.4 Name of the Directors and their shareholdings in the year 2025

Sl	Name of the directors	Status	Number of Shares	
			At 31 December 2025	At 31 December 2024
1	Mr. Humayun Kabir	Chairman	19,633,356	15,508,500
2	Mr. Shaikh Salahuddin	Vice- Chairman	20,936,475	20,936,475
3	Mr. Sheikh Fazle Noor Taposh	Director	46,525,500	46,525,500
4	Sharmin Apparels Limited Represented by Mr. Mohammad Ismail Hossain	Director	23,262,750	23,262,750
5	Sandhani Life Insurance Company Limited Represented by Mr. Nemai Kumer Saha	Director	34,894,125	34,894,125
6	Mr. Salahuddin Alamgir	Director	23,262,750	23,262,750
7	Tanveer Oils Limited Represented by Mr. Mostafa Kamal	Director	25,812,750	23,262,750
8	Everest Power Generation Company Limited Represented by Mrs. Tanjima Binthe Mostafa	Director	25,812,750	23,262,750
9	Mrs. Sultana Jahan	Director	23,262,750	23,262,750
10	Mango Teleservices Limited Represented by Mr. A. Mannan Khan	Director	23,262,750	23,262,750
11	Meghna Flour & Dal Mills Limited Represented by Mr. Tanveer Ahmed Mostafa	Director	13,957,650	13,957,650
12	Mona Financial Consultancy & Securities Limited Represented by Mr. Md. Mahbubur Rahman	Director	11,631,375	11,631,375
13	Advocate Syed Rezaur Rahman	Independent Director	-	-
14	Mr. Monjurul Ahsan Bulbul	Independent Director	-	-
			292,254,981	283,030,125

14.5 Classification of shareholders by holding

	Number of holders 2025	Number of holders 2024	% of total holding 2025	% of total holding 2024
Less than 500 shares	-	-	-	-
500 to 5,000 shares	-	-	-	-
5,001 to 10,000 shares	-	-	-	-
10,001 to 20,000 shares	-	-	-	-
20,001 to 30,000 shares	-	-	-	-
30,001 to 40,000 shares	-	-	-	-
40,001 to 50,000 shares	-	-	-	-
50,001 to 100,000 shares	1	-	0.01	-
100,001 to 1,000,000 shares	-	1	-	0.03
Over 1,000,000 shares	40	40	99.99	99.97
	41	**41**	**100.00**	**100.00**

14.6 Capital to Risk weighted Asset Ratio (CRAR):

In terms of Section 13 (2) of the Bank Company Act 1991, the Guideline on Risk Based Capital Adequacy (RBCA) under Basel-III issued vide BRPD Circular No. 18 dated December 21, 2014 (effective from January 01, 2015), BRPD Circular No. 2 dated March 04, 2015, and BRPD Circular No. 5 dated May 31, 2016, the calculation of Capital to Risk Weighted Asset Ratio (CRAR) is done at the end of every quarter in a year. Calculation of minimum total capital plus capital conservation buffer of the Bank at the end of December 2024 against the regulatory requirement of 12.50% is presented as under:

1) Tier-1 -Core capital (Going Concern Capital)		
a) Common Equity - Tier-1 (CET 1) Capital		
Paid up capital	5,257,381,450	5,257,381,450
Share premium	-	-
Statutory reserve (Note 15)	3,386,014,745	3,332,894,183
General reserve	-	-
Surplus in Profit and Loss account/ Retained earnings (Note 17)	56,068,978	836,481,948
	8,699,465,173	**9,426,757,581**
b) Additional Tier-1 Capital	-	-
Total Tier-1 Capital	**8,699,465,173**	**9,426,757,581**
Less: Regulatory Adjustment		
Goodwill and all other intangible assets	15,663,061	18,192,306
	8,683,802,112	**9,408,565,275**
2) Tier-2 Capital (Gone-concern Capital)		
General provision maintained against unclassified loan	2,120,340,000	1,193,440,000
General provision on off-balance sheet items	469,750,000	416,750,000
Asset revaluation reserve	-	-
Revaluation reserve (50% of Fixed Assets & Securities and 10% of Equities)	-	-
	2,590,090,000	**1,610,190,000**
Less: Regulatory Adjustment		
Revaluation Reserve for Fixed Assets, Securities & Equity Securities (deduction of 100% in 2019 as per Basel-III Guidelines)	-	-
Total Tier-2 Capital	**2,590,090,000**	**1,610,190,000**
A) **Regulatory Capital (1+2)**	**11,273,892,112**	**11,018,755,275**
B) **Risk weighted assets (RWA)**		
Credit Risk		
On-Balance Sheet	59,791,911,244	50,379,921,669
Off-Balance Sheet	15,153,228,391	13,963,584,478
	74,945,139,635	**64,343,506,147**
Market Risk Weighted Assets	1,374,359,991	457,733,954
Operational Risk Weighted Assets	5,730,489,054	4,958,012,706
Total RWA	**82,049,988,681**	**69,759,252,808**
C) **Required capital** (Minimum capital requirement (MCR) (10% on B)	**8,204,998,868**	**6,975,925,281**
D) **Surplus (A-C)**	**3,068,893,244**	**4,042,829,995**
Capital to Risk weighted Asset Ratio (CRAR):		
On Core Capital, i.e. CET 1 - (against standard of minimum 6%)	**10.58%**	**13.49%**
On Total Capital to Risk Weighted Asset Ratio (CRAR)- [against standard of minimum 10% plus Capital Conservation Buffer 2.50% (total 12.50%)]	**13.74%**	**15.80%**

Any Bank with a Common Equity Tier 1 (CET 1) Capital ratio below 7% is required to conserve a certain percentage of its earnings in the subsequent year. In that case, a restriction is imposed on dividend payout as stated in the Basel III guideline. Above Calculation reveals that CET 1 ratio of Modhumoti Bank PLC. (10.58%) is well above the required level.

Leverage Ratio (against standard of 3.75%):	**6.31%**	**7.82%**

15 Statutory reserve

Balance as at 1 January	3,332,894,183	2,895,378,006
Addition during the year (20% of pre-tax profit)	53,120,562	437,516,177
Balance as at 31 December	**3,386,014,745**	**3,332,894,183**

16 Revaluation gain/(loss) on investment

Revaluation reserve on HTM securities		
Balance as at 1 January	9,513,592	3,743,880
Addition during the year	3,655,420	5,829,725
	13,169,012	9,573,605
Adjustment of amortization/ revaluation gain against sale/maturity	2,858,038	60,013
Balance as at 31 December	**10,310,973**	**9,513,592**
Revaluation reserve on HFT securities		
Balance as at 1 January	4,247,740	116,793,158
Addition during the year	441,148,050	119,271,491
	445,395,790	236,064,649
Adjustment of amortization/ revaluation gain against sale/maturity	410,328,580	231,816,909
Balance as at 31 December	**35,067,210**	**4,247,740**
	45,378,183	**13,761,332**

16(a) Foreign currency translation gain/(loss)

Balance as at 1 January	169,794	512,241
Addition during the year	2,892	169,794
Disposal during the year	(169,794)	(512,241)
Balance as on 31 December	**2,892**	**169,794**

17 Surplus in profit and loss account/Retained earnings

Balance as at 1 January	836,481,948	738,801,352
	836,481,948	**738,801,352**
Add: Addition during the year	61,934,150	1,257,518,454
	898,416,099	1,996,319,806
Less:		
Transfer to Statutory reserve	53,120,562	437,516,177
Transfer to Start-Up Fund	619,342	12,575,185
Issue of bonus shares	-	-
Cash dividend paid	788,607,218	709,746,496
	842,347,121	**1,159,837,857**
Balance as on 31 December	**56,068,978**	**836,481,948**

18 Contingent liabilities

18.1 Acceptances and endorsements

Acceptance under Letters of Credit -Cash (Foreign) Deferred	3,326,655,679	2,179,347,630
Acceptance under Letters of Credit -BTB (Foreign) Usence	547,449,112	325,459,238
Acceptance under Letters of Credit -BTB EPZ (Foreign) Usance	171,607,526	60,739,097
Acceptance under Letters of Credit -BTB (Local) Usance	2,222,548,256	2,298,853,038
Acceptance under Letters of Credit -BTB (Foreign) EDF	-	-
Acceptance under Letters of Credit -Others	50,724,664	55,341,400
	6,318,985,237	**4,919,740,403**
Less: Margin	-	-
	6,318,985,237	**4,919,740,403**

18.2 Letters of guarantee

Letters of guarantee (Local)	29,852,855,239	27,306,934,291
Letters of guarantee (Foreign)	4,557,000	845,000
	29,857,412,239	**27,307,779,291**
Less: Margin	1,768,874,132	1,607,269,321
	28,088,538,107	**25,700,509,970**
Money for which the Bank is contingently liable in respect of guarantee issued favouring:		
Directors or officers	51,825,397	80,923,686
Government	-	-
Banks and other financial institutions	-	-
Others	29,805,586,843	27,226,855,605
	29,857,412,239	**27,307,779,291**
Less: Margin	1,768,874,132	1,607,269,321
	28,088,538,107	**25,700,509,970**

18.3 Irrevocable letters of credit

Letter of Credit - Foreign	7,719,384,127	6,081,580,456
Letter of Credit - BTB Foreign	1,251,453,448	1,132,813,393
Letter of Credit - BTB - EPZ	108,955,422	88,442,441
Letter of Credit - BTB (Local)	2,820,700,108	2,653,644,628
Letter of Credit - EDF & Others	281,761,325	453,419,882
	12,182,254,430	**10,409,900,800**
Less: Margin	1,965,250,802	2,049,086,904
	10,217,003,628	**8,360,813,896**

18.4 Bills for collection

Foreign bills for collection	3,172,263,514	2,789,569,899
Local bills for collection	2,938,649,506	3,208,332,476
	6,110,913,020	**5,997,902,375**

18.5 Other contingent liabilities

Other contingent liabilities	734,847,300	24,894,000
	734,847,300	**24,894,000**

19 Income statement

Income:		
Interest, discount and similar income	9,476,369,278	9,402,718,980
Dividend income	1,733,750	8,914,129
Fees, commission and brokerage	511,717,960	441,293,609
Gains less losses arising from dealing securities	-	-
Gains less losses arising from investment securities	133,368,977	5,283,967
Gains less losses arising from dealing in foreign currencies	262,440,118	252,517,543
Income from non-banking assets	-	-
Other operating income	243,799,533	311,018,805
Profit less losses on interest rate changes	-	-
	10,629,429,617	**10,421,747,032**
Expenses:		
Interest, fees and commission	7,018,289,576	5,639,691,111
Losses on loans and advances	-	-
Administrative expenses	1,349,334,871	1,221,563,811
Other operating expenses	230,398,607	213,806,568
Depreciation on banking assets	244,603,753	212,404,658
	8,842,626,807	**7,287,466,148**
Income over expenditure	**1,786,802,810**	**3,134,280,885**

20 Interest income

Interest on loans and advances	7,520,595,060	7,585,615,943
Interest on placement with other banks and financial institutions	304,112,142	127,029,784
Interest income from OBU	36,052,138	31,416,973
Interest on foreign currency balances	98,618,150	117,009,937
	7,959,377,491	**7,861,072,637**
Less: Interest income from OBU	36,052,138	31,416,973
	7,923,325,353	**7,829,655,663**

21 Interest paid on deposits and borrowings etc.

Interest on deposits	6,368,315,783	4,918,854,382
Interest on borrowings	617,596,416	704,814,569
Interest expense on lease liability	32,377,377	16,022,160
Interest paid on borrowings (OBU)	36,052,138	31,416,973
	7,054,341,714	**5,671,108,085**
Less: Interest paid on borrowings (OBU)	36,052,138	31,416,973
	7,018,289,576	**5,639,691,111**

22 Investment income

Interest income from Government Securities	1,553,043,925	1,569,848,097
Gain on sale of Government Securities (Note-22.1)	133,368,977	5,283,967
Dividend on shares	1,733,750	8,914,129
Other Investment Income	-	-
Gain on sale of shares	-	3,215,219
	1,688,146,652	**1,587,261,412**

22.1 Capital Gain on Government Securities

Capital Gain on treasury bills	253,695	2,398
Capital Gain on treasury bonds	133,115,283	5,281,568
	133,368,977	**5,283,967**

23 Commission, exchange and brokerage

Commission on L/Cs	126,295,563	99,833,299
Commission on L/Cs - EPZ	2,250,027	1,824,495
Commission on Inland L/Cs	406,389	706,646
Commission on L/Cs-back to back	57,443,516	44,955,610
Commission on L/Gs	294,179,561	255,666,600
Commission on Export L/C	3,680,951	3,683,325
Commission on remittance	155,509	114,007
Commission on collection on FDBP/ FDBC/ FDD	6,085,308	5,133,592
Commission on ACS	6,333,645	1,083,625
Other Commission	14,887,491	28,292,410
Exchange gain (Note-23.1)	262,440,118	252,517,543
	774,158,078	**693,811,152**

23.1 Exchange gain

Exchange gain from revaluation/trade of foreign currency	262,440,118	252,517,543
	262,440,118	**252,517,543**

24 Other operating income

Account Maintenance Charges	25,887,068	16,559,255
Postage / SWIFT/ fax recoveries from Import L/Cs	24,320,836	14,162,337
Postage / SWIFT/ fax recoveries from Export related L/Cs	14,293,606	9,856,850
Gain on sales of fixed assets	660,030	7,993
Cards Fees and Charges (Note 24.1)	7,949,456	1,646,677
Other Fees and Charges	131,100,246	239,042,896
Fees and Charges on Export related L/Cs	39,588,291	29,742,798
	243,799,533	**311,018,805**

24.1 Cards Fees and Charges:

Fees and Charges (debit and prepaid card)	849,368	408,287
Annual Fees	6,350,134	3,430,863
VISA POS Reimbursement charges	3,587,157	3,563,763
Cash Advance Fees	2,091,532	1,595,143
Late payment and overlimit fees	5,522,633	4,573,729
Card Cheque Fees (Processing and Issues)	1,417,959	1,297,838
Replacement Fees and Others	3,997,788	3,514,762
	23,816,570	**18,384,384**
Cards Direct Expenses:		
VISA POS Reimbursement Charges	393,979	256,905
VISA Associated Membership Sponsor Charges	582,000	569,280
Fees and Charges of Card	14,891,135	15,404,157
ATM Expenses NPSB	-	507,364
	15,867,113	**16,737,707**
Cards Fees and Charges (Net)	**7,949,456**	**1,646,677**

25 Salaries and Allowances

Basic salary	389,771,818	316,774,154
Bonus	75,840,645	159,360,587
Other Salary & Allowances	541,304,483	465,536,225
Bank Contribution to Provident Fund	39,191,870	31,833,523
	1,046,108,816	**973,504,489**

26 Rent, taxes, insurance, Electricity etc.

Rent, rates and taxes (26.1)	20,926,392	15,843,673
Insurance	39,515,924	35,068,175
Utilities (except telecommunication)	29,038,984	31,076,180
	89,481,299	**81,988,027**

26.1 Rent, rates and taxes

Office Rent	11,683,700	6,104,385
Rent for ATM Booth	4,698,873	4,376,766
Rates and Taxes	4,543,819	5,362,522
	20,926,392	**15,843,673**

Since 'IFRS 16: Leases' has already been implemented in Bangladesh, The Bank started to comply with the reporting requirements as prescribed in IFRS 16 form the year 2019. To comply with the accounting treatment prescribed in this IFRS, out of total rental expense of Taka 215,946,341 an amount of rental expenses (office premises for head office & thirty one branches) of Taka 204,262,641 is converted into the Interest expense on lease liability and Depreciation expense on ROU Assets. The changes have been adopted only for disclosure purpose which are not affecting the payments of actual rental expense (there is no impact on cash outflow).

Reconciliation of rental expense is presented as under:

A) Total Rent expense incurred for office premises paid during 2025:		
Rent Expenses	187,627,445	156,320,719
VAT on Rent	28,318,896	23,715,701
Total Rent expense incurred in 2025	215,946,341	180,036,420
B) Rental expense converted into the Interest expense on lease liability & depreciation expense on ROU Assets:		
Rent Expenses	177,619,685	151,245,248
VAT on Rent Expenses	26,642,956	22,686,787
Rent expense considered for IFRS 16- Leases	204,262,641	173,932,035
C)= (A-B), Rent Expenses presented in Note 26.1:		
Rent Expenses	11,683,700	6,104,385
D) Expenses charged during 2025 for IFRS 16- Leases:		
Interest Expenses on lease liability (Note 21)	32,377,377	16,022,160
Depreciation Expenses on ROU Assets (Note 31)	178,617,969	147,945,946
Total expenses charged for ROU Assets during the year	210,995,346	163,968,106
E) = (D-B), Additional expense incurred for leases during 2025	**6,732,705**	**(9,963,929)**

27 Postage, stamp, telecommunication etc.

Postage	5,254,842	5,417,394
Telephone / Mobile	8,474,314	7,402,905
Networklink, Internet, SWIFT, Reuters etc.	45,121,118	35,756,345
	58,850,274	**48,576,644**

28 Stationery, printing, advertisements etc.

Printing & security stationery	12,137,777	12,313,049
Petty stationery	13,590,827	10,631,406
Computer consumable stationery	-	-
Publicity and advertisement	65,378,433	38,326,201
	91,107,037	**61,270,656**

29 Managing Director's salary and fees

Basic Salary	8,877,419	8,400,000
Bonus	2,900,000	2,800,000
Other Salary & Allowance	4,497,406	4,400,072
Bank Contribution to Provident Fund	505,806	840,000
	16,780,631	**16,440,072**

30 Directors' fees and expenses

Meeting attendance fees	3,070,000	2,050,000
	3,070,000	**2,050,000**

As per BRPD circular letter no. 03 dated 14 February 2024, Taka 10,000/- has been paid as Honorarium to the Directors, for attending per Board Meeting, EC Meeting, Board Audit Committee Meeting and Risk Management Committee Meeting held during the year 2025.

31 Depreciation and repairs of Bank's assets

A) Depreciation on Fixed Assets:		
Furniture and fixtures	17,992,956	19,671,745
Machinery & Equipment	10,180,916	16,058,607
Computer and Computer peripherals	26,893,151	15,779,717
Motor Vehicles	3,479,016	5,048,981
Software	7,439,745	7,899,662
	65,985,784	**64,458,712**
B) Depreciation on Right-of-Use Assets:	178,617,969	147,945,946
Depreciation Expense for the year	**244,603,753**	**212,404,658**
C) Repairs/ Replacements of the Bank's assets:		
Furniture & Fixtures	1,902,895	1,844,619
Machinery & Equipment	4,893,446	6,774,608
Motor Vehicles	329,475	713,766
Software maintenance	36,810,997	28,400,929
	43,936,813	**37,733,922**
D) = (A+B+C), See Annexure - A for detail of Depreciation expense	**288,540,566**	**250,138,580**

As stated in note 26.1, in accordance with IFRS 16, lease rental are now capitalized and related depreciation on ROU Assets is shown above.

32 Other expenses

Security and cleaning	45,112,314	45,462,656
Entertainment	19,980,304	14,774,838
Other Professional Service charges	2,749,846	2,852,138
Subscription	2,144,757	1,383,000
Donation	43,324,585	53,212,104
Travelling expenses	6,502,519	4,368,921
Conveyance	4,699,540	3,942,664
Gratuity expenses	56,000,000	48,000,000
Fuel	2,678,080	2,395,973
Leverage & Uniform	739,133	304,912
Training/seminar	5,746,266	3,861,222
Annual General Meeting (AGM)	414,901	451,271
Cash carrying charges	3,696,653	3,545,091
NID verification charge	1,268,064	733,093
Office maintenance	9,759,118	7,864,118
Honorarium for Banking Diploma	4,175,000	2,135,000
Crokeries	30,127	40,969
Expenses regrading Agent Banking	1,714,408	1,523,755
Cartridge	3,594,079	4,403,457
Miscellanous Expenses	13,984,969	11,280,386
	228,314,662	**212,535,568**

33 Tax expense

Current tax (Note-33.1)	219,374,246	945,257,822
Deferred tax	(15,705,586)	(15,195,391)
	203,668,660	**930,062,431**

33.1 Current tax

Current year tax	435,874,246	945,257,822
Less: adjustment of prior year excess tax provision	(216,500,000)	-
	219,374,246	**945,257,822**

34 Cash received from other operating activities

Account Maintenance Charges	25,887,068	16,559,255
Postage / SWIFT/ fax recoveries from Import L/Cs	24,320,836	14,162,337
Postage / SWIFT/ fax recoveries from Export related L/Cs	14,293,606	9,856,850
Gain on sale of shares	-	3,215,219
Gain on sale of fixed assets	660,030	-
Cards Fees and Charges	7,949,456	1,646,677
Other Fees and Charges	131,100,246	239,042,896
Fees and Charges on Export related L/Cs	39,588,291	29,742,798
	243,799,533	**314,226,031**

35 Payments for other operating activities

Rent, rates and taxes	225,189,033	189,775,708
Postage	58,850,274	48,576,644
Directors fees	3,070,000	2,050,000
Repairs	43,936,813	37,733,922
Legal expenses	683,945	921,000
Audit fees	1,400,000	350,000
Others expenses (Note 32)	172,314,662	164,535,568
	505,444,727	**443,942,842**

36 Earnings per share (EPS)

Net profit after tax for the year ended 31 December (BDT)	**61,934,150**	**1,257,518,454**
Number of ordinary shares outstanding	**525,738,145**	**525,738,145**
Weighted average number of ordinary shares	**525,738,145**	**525,738,145**
Earnings per share (EPS) on closing number of share	**0.12**	**2.39**
Earnings per share (EPS) - (Weighted Average)	**0.12**	**2.39**

Earnings per share (EPS) has been calculated in accordance with IAS - 33: "Earnings Per Share (EPS)".

37 General

37.1 Audit Committee

Audit Committee of the Board of Directors of the Bank has been reformed by the Board of Directors from time to time, lastly in their meeting held on 22 December 2024 comprising the following members as per provisions contained in Bangladesh Bank's BRPD Circular No. 02 dated 11 February 2024.

Sl. no.	Name	Status with the committee	Educational qualification
1)	Mr. Shaikh Salahuddin	Chairman	H. S .C
2)	Mr. A. Mannan Khan	Member	B. Sc. in Engineering Specialization in Tele-Communications
3)	Mr. Md. Mahbubur Rahman	Member	MBA
4)	Advocate Mr. Syed Rezaur Rahman	Member	M. A, LLB
5)	Mr. Monjurul Ahsan Bulbul	Member	M.A, LLB

Role of the Bank's Audit Committee:

To oversee financial reporting process, the Audit Committee does the following tasks:

i) Monitor, choice of accounting policies and principles
ii) Review the financial statements
iii) Review the appropriateness of the Bank's accounting policy
iv) Oversee the Bank's relationship with external auditors
v) Review the Bank's existing system and upgradation of systems
vi) Review the adequacy of internal audit functions
vii) Review all reports of internal auditors
viii) Review Management's report on risk management
ix) Review the internal control weakness as submitted by statutory auditors
x) Review Audit Committee's own terms of reference within the purview of BRPD Circular No. 02 dated 11 February 2024 of Bangladesh Bank.

During the year 2025, the audit committee held 4 (four) meetings. In these meetings, the Committee reviewed the Audited Financial Statements for the year 2024 in presence of external auditors and also Inspection Reports by ICCD of the Bank from time to time and also of Bangladesh Bank in purview with Bagladesh Bank's Circular and advised the Management to take necessary compliance and also for establishing a unique and up-to-the-mark Internal Control and Audit System in the Bank with adequate facilities complying policy guidelines by Bangladesh Bank.

37.2 Related party/(ies) disclosure

37.2.1 Related party transactions

During the year 2025, the Bank conducted business deals with the following organizations in which the directors has interest:

i) Loans and advances to directors and their related concern

Name of party	Name of Directors	Related by	Nature of Facilities	Outstanding as on 31.12.2025	Status
Sonargaon Seeds Crushing Mills Limited	Mr. Mostafa Kamal	Director	BG	2,440,635	Regular
Sonargaon Steel Fabricate Ltd.	Mr. Mostafa Kamal	Director	LC	895,335	Regular
Sonargaon Steel Fabricate Ltd.	Mr. Mostafa Kamal	Director	LC	5,200,000	Regular
Unique Cement Ind.	Mr. Mostafa Kamal	Director	LC	3,600,000	Regular
Meghna Container Terminal Ltd.	Mr. Mostafa Kamal	Director	BG	2,500,000	Regular
Meghna Edible Oils Refinery Limited	Mr. Mostafa Kamal	Director	BG	10,846,700	Regular
Meghna Bulk Bag	Mr. Mostafa Kamal	Director	LC	2,700,000	Regular
Meghna Noodles	Mr. Mostafa Kamal	Director	LC	3,400,000	Regular
Meghna Pulp And Paper Mills Ltd.	Mr. Mostafa Kamal	Director	BG	2,981,800	Regular
Meghna Pulp And Paper Mills Ltd.	Mr. Mostafa Kamal	Director	LC	27,200,000	Regular
Meghna Foil Packaging.	Mr. Mostafa Kamal	Director	BG	894,173	Regular
Meghna Ballpen.	Mr. Mostafa Kamal	Director	LC	54,600,000	Regular
Everest Cng Re-Fuelling And Conversion Ltd.	Mr. Mostafa Kamal	Director	BG	6,288,600	Regular
United Sugar Mills Limited	Mr. Mostafa Kamal	Director	BG	2,641,300	Regular
Tanveer Food Ltd.	Mr. Mostafa Kamal	Director	LC	40,400,000	Regular
United Shipping Lines	Mr. Mostafa Kamal	Director	BG	3,700,000	Regular
Tasnim Chemical Ltd.	Mr. Mostafa Kamal	Director	BG	144,261	Regular
Meghna Beverage	Mr. Mostafa Kamal	Director	BG	268,339	Regular
Meghna Ship Builders LTD.	Mr. Mostafa Kamal	Director	LC	300,000	Regular
Meghna Hotel and Resorts LTD.	Mr. Mostafa Kamal	Director	BG	19,119,589	Regular
Meghna Ceramic IND. LTD.	Mr. Mostafa Kamal	Director	LC	10,700,000	Regular

ii) Significant contracts where Bank is a party and wherein Directors have interest during the year 2025

a)

(BDT in Taka)

Name of Directors	Relationship with the Bank	Nature of transaction	Limit	Security Value	Outstanding as on 31.12.2025
Mr. Sheikh Fazle Noor Taposh	Director	Credit Card	BDT 20,00,000	Lien on FDR for Tk. 20,00,000/-	-
		RFCD Card	-	Prepaid in Nature	USD 5,647.82 Cr.
Mr. Mohammad Ismail Hossain	Director	Credit Card	BDT 500,000	Lien on FDR for Tk. 5,00,000/-	BDT 64,624.47
		Credit Card	USD 50,000	Lien on ERQ A/c for USD 50,000	USD 4,196.42
		RFCD Card		Prepaid in nature	USD 14,969.32 Cr.
Mr. Salahuddin Alamgir	Director	Credit Card	BDT 500,000 USD 4,000	Lien on FDR for Tk. 10,00,000/-	BDT 38,200.00 USD 11.49
Mr. Shaikh Salahuddin	Director	Credit Card	BDT 100,000	Lien on FDR for Tk. 20,00,000/-	-
		Credit Card	USD 4,000		-
Mr. Mostafa Kamal	Director	ERQ Card		Prepaid in nature	USD 6,768.17 Cr.
Mr. Tanveer Ahmed Mostafa	Director	Credit Card	USD 10,000	Lien on ERQ A/c for USD 10,000	USD 623.90
Tanjima Binthe Mostafa	Director	Credit Card	USD 10,000	Lien on ERQ A/c for USD 10,000	USD 1,459.79
		Credit Card	USD 50,000	Lien on ERQ A/c for USD 50,000	USD 42,620.34
Syeda Sharmin Hossain	Director	RFCD Card		Prepaid in nature	USD 10,108.92 Cr.

b) The Bank has rented a portion of 5,733 square feet of Bengal House located at House No.12/A, Road No.63 Gulshan-2, Dhaka-1212 at a monthly rent of BDT 2,040,948.00. The Bank has paid BDT 50,400,000.00 as advance against Office Rent. During the year, the Bank has paid total rent of BDT 26,248,540.50 and outstanding balance of advance is Zero as on 31 December 2025.

c) Related party transactions

Nature of Party/ Contract	Relationship	Amount
Information Technology Consultants Limited (ITCL)	Common Director	13,897,375
Bengal Media Corporation Ltd.	Common Director	1,207,500

37.3 Number of employees of the Bank

The number of regular employees engaged for the whole year or part thereof who received a total yearly remuneration of BDT 144,000 or above were 844 at the end of December 2025.

37.4 Highlights on the overall activities of the Bank

Highlights on the overall activities of the Bank have been furnished in Annexure - C.

Chairman Director Director Managing Director & CEO

Annexure-A

Schedule of Fixed Assets
As at 31 December 2025

Amount in BDT

Particulars	Cost				Rate of Dep.	Depreciation				Written down value as at 31.12.2025
	Opening balance as on 01.01.2025	Addition during the year	Disposal/ Adjustment during the year	Balance as at 31.12.2025		Opening balance as on 01.01.2025	Charged during the year	Disposal/ Adjustment during the year	Balance as at 31.12.2025	
Land	-	-	-	-		-	-	-	-	-
Building	-	-	-	-		-	-	-	-	-
Furniture and fixtures	213,535,420	4,804,133	1,380,985	216,958,568	10%	133,263,758	17,992,956	1,211,263	150,045,451	66,913,117
Computer and Computer peripheral	199,663,045	18,901,948	1,069,700	217,495,293	20%	93,460,045	26,893,151	1,069,673	119,283,523	98,211,770
Electrical Equipments	207,877,932	15,280,908	3,988,833	219,170,007	20%	181,145,399	10,180,916	3,775,623	187,550,692	31,619,315
Motor vehicles	43,525,001	-	-	43,525,001	20%	30,503,683	3,479,016	-	33,982,699	9,542,302
Right-of-Use (ROU) Assets	802,964,391	740,069,813	513,939,543	1,029,094,661	**	538,111,389	178,617,969	513,939,543	202,789,816	826,304,845
Capital work in progress (CWIP)	3,898,600	24,253,580	3,671,600	24,480,580		-	-	-	-	24,480,580
Sub-total	**1,471,464,388**	**803,310,382**	**524,050,661**	**1,750,724,109**		**976,484,274**	**237,164,008**	**519,996,102**	**693,652,180**	**1,057,071,929**
Software	116,001,104	5,310,500	-	121,311,604	20%	99,166,398	7,439,745	-	106,606,143	14,705,461
Capital work in progress (CWIP)	1,357,600	300,000	700,000	957,600		-	-	-	-	957,600
Sub-total	**117,358,704**	**5,610,500**	**700,000**	**122,269,204**		**99,166,398**	**7,439,745**	**-**	**106,606,143**	**15,663,061**
Total as at 31st December 2025	**1,588,823,092**	**808,920,882**	**524,750,661**	**1,872,993,313**		**1,075,650,672**	**244,603,753**	**519,996,102**	**800,258,323**	**1,072,734,990**
Total as at 31st December 2024	**1,394,941,394**	**343,974,992**	**150,093,294**	**1,588,823,092**		**1,003,071,790**	**212,404,658**	**139,825,776**	**1,075,650,672**	**513,172,420**

** Straight line method of depreciation is followed throughout the lease period as mentioned in the contracts.

Annexure-B

Name of the Directors of the Bank and their interest in different entities

Sl. No	Name	Status with the Bank	Interest in other concerns	
			Name of Concerns	Position
1	Mr. Humayun Kabir	Chairman	Dhaka Ice Cream Industries Limited (POLAR)	Chairman
			Zest Agro Food Processing Limited	Managing Director
			Northern Hatcheries Limited (Deshi Meat)	Managing Director
			Northern Agri Science Limited	Managing Director
2	Mr. Shaikh Salahuddin	Vice Chairman	Islami Commercial Insurance Company Limited	Shareholder
			Ajmeer Navigation	Proprietor
			Fardin Fish (Deep Sea Fishing)	Proprietor
			Khulna Shipping Lines	Proprietor
3	Mr. Sheikh Fazle Noor Taposh	Director	Sheikh & Chowdhury	Partner
			Banglar Bani Films, Media and Publications Limited	Chairman
4	Mr. Mohammad Ismail Hossain Representing Sharmin Apparels Limited	Director	Sharmin Group	Managing Director
			Sharmin Apparels Limited	Managing Director
			Sharmin Fashions Limited	Managing Director
			Sharaf Apparels Limited	Managing Director
			Ishayat Apparels Limited	Managing Director
			Sharaf Washing & Dyeing Industries Limited	Managing Director
			Sharaf Embroidery & Printing Limited	Managing Director
			A.M. Design Limited	Managing Director
			A.M. Fashions Limited	Managing Director
			Iimeeyat Apparels Limited	Managing Director
			Ishayat Fashions Limited	Managing Director
			Ha Meem Apparels Limited	Managing Director
			Jaflong Valley Boarding School	Director
5	Mr. Nemai Kumar Saha Representing Sandhani Life Insurance Company Limited	Director	Sandhani Life Insurance Company Limited	Chief Executive Officer
6	Mr. Salahuddin Alamgir	Director	Labib Group	Chairman
			Matrix Sweaters Limited	Managing Director
			Starlight Sweaters Limited	Managing Director
			Raidha Collections Limited	Managing Director
			Sultana Sweaters Limited	Managing Director
			Labib Dyeing Mills Limited	Managing Director
			Nice Cotton Limited	Managing Director
			Kung Keng Textile (BD) Ltd.	Chairman
			Juthi Packaging Industries Limited	Managing Director
			Excel Telecom (Pvt) Limited	Managing Director
			Information Technology Consultans Limited (ITCL)	Vice Chairman
			Alamgir Ranch Ltd.	Managing Director
7	Mr. Mostafa Kamal Representing Tanveer Oils Limited	Director	Unique Power Plant Limited	Managing Director
			Unique Cement Industries Limited	Managing Director
			Unique Hatchery & Feeds Limited	Managing Director
			Tanveer Oil's Limited	Managing Director
			Tanveer Food Limited	Managing Director
			Tanveer Polymer Industries Limited	Managing Director
			Tanveer Steel Mills Limited	Managing Director
			Tanveer Paper Mills Limited	Managing Director
			Everest CNG Refueling & Conversion Limited	Managing Director
			Everest Power Generation Co. Limited	Managing Director
			G.Shipping Lines Limited	Managing Director
			Meghna Shipbuilders & Dockyard Limited	Managing Director
			Meghna Aviation Limited	Managing Director
			Global Ad Star Bag Industries Limited	Managing Director
			Surma Mustard Oil Mills Limited	Managing Director
			Tasnim Chemical Complex Limited	Managing Director
			Sonargaon Steel Fabricate Limited	Managing Director
			Sonargaon Printing & Packaging Industries Limited	Managing Director
			Sonargaon Salt Industries Limited	Managing Director
			Tasnim Condensed Milk Limited	Managing Director
			Cumilla Economic Zone Limited	Managing Director
			Dhaka Securities Limited	Managing Director
			Meghna Seeds Crushing Mills Limited	Managing Director
			Sonargaon Seeds Crushing Mills Limited	Managing Director
			Meghna Pulp & Paper Mills Limited	Managing Director
			Meghna Sugar Refinery Limited	Managing Director
			Meghna Fresh LPG Limited	Managing Director
			Meghna Noodles & Biscuit Factory Limited	Managing Director
			Meghna Ballpen & Accessories MFG Limited	Managing Director
			Meghna Bulk Bag Industries Limited	Managing Director
			Meghna Economic Zone Limited	Managing Director
			Meghna Industrial Economic Zone Limited	Managing Director
			A Class Builders Limited	Managing Director
			USB International Lines Limited	Managing Director
			Meghna Tea Company Limited	Managing Director
			Titanic Shipping Lines Limited	Managing Director
			Talelink Bangladesh Limited	Managing Director
			IMEX Shipping Bangladesh Limited	Managing Director
			Meghna PVC Limited	Managing Director
			MPP Power Plant Limited	Managing Director
			Sonargaon Flour & Dal Mills Limited	Managing Director
			Meghna Beverage Limited	Managing Director

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8	Ms. Tanjima Binthe Mostafa Representing Everest Power Generation Company Limited	Director	Unique Power Plant Limited	Director
			Unique Cement Industries Limited	Director
			Unique Hatchery & Feeds Limited	Director
			Tanveer Oil's Limited	Director
			Tanveer Food Limited	Director
			Tanveer Polymer Industries Limited	Director
			Tanveer Steel Mills Limited	Director
			Tanveer Paper Mills Limited	Director
			Everest CNG Refueling & Conversion Limited	Director
			Everest Power Generation Co. Limited	Director
			G.Shipping Lines Limited	Director
			Meghna Shipbuilders & Dockyard Limited	Director
			Meghna Aviation Limited	Director
			Global Ad Star Bag Industries Limited	Director
			Surma Mustard Oil Mills Limited	Director
			Tasnim Chemical Complex Limited	Director
			Sonargaon Steel Fabricate Limited	Director
			Sonargaon Printing & Packaging Industries Limited	Director
			Sonargaon Salt Industries Limited	Director
			Tasnim Condensed Milk Limited	Director
			Cumilla Economic Zone Limited	Director
			Dhaka Securities Limited	Director
			Meghna Seeds Crushing Mills Limited	Director
			Sonargaon Seeds Crushing Mills Limited	Director
			Meghna Pulp & Paper Mills Limited	Director
			Meghna Sugar Refinery Limited	Director
			Meghna Fresh LPG Limited	Director
			Meghna Noodles & Biscuit Factory Limited	Director
			Meghna Ballpen & Accessories MFG Limited	Director
			Meghna Bulk Bag Industries Limited	Director
			Meghna Economic Zone Limited	Director
			Meghna Industrial Economic Zone Limited	Director
			A Class Builders Limited	Director
			USB International Lines Limited	Director
			Meghna Tea Company Limited	Director
			Titanic Shipping Lines Limited	Director
			Talelink Bangladesh Limited	Director
			IMEX Shipping Bangladesh Limited	Director
			Meghna PVC Limited	Director
			MPP Power Plant Limited	Director
			Sonargaon Flour and Dal Mills Limited	Director
			Meghna Beverage Limited	Director
9	Mrs. Sultana Jahan	Director	Labib Group	Vice Chairman
			Matrix Sweaters Limited	Director
			Starlight Sweaters Limited	Director
			Raidha Collections Limited	Director
			Sultana Sweaters Limited	Chairman
			Labib Dyeing Mills Limited	Director
			Nice Cotton Limited	Director
			Kung Keng Textile (BD) Limited	Managing Director
			Juthi Packaging Industries Limited	Director
			Excel Telecom (Pvt) Limited	Director
			Alamgir Ranch Limited	Director
10	Mr. A Mannan Khan Representing Mango Teleservices Limited	Director	Mango Teleservices Limited	Chairman
			Bangladesh Auto Industries Limited	Chairman
			Mango Technologies Limited	Chairman
			Bangladesh Lithium Battery Limited	Chairman
			HKGE Consortium Limited	Chairman
			Playpen Centre	Managing Partner
			Mango Electronics Limited	Chairman
			Mango Holding Limited	Managing Director
			Clix Limited	Chairman
			Telefort Limited	Chairman
			CSL Distribution Limited	Chairman
11	Mr. Tanveer Ahmed Mostafa Representing Meghna Flour & Dal Mills Limited	Director	Meghna Flour & Dal Mills Limited	Managing Director
			Unique Power Plant Limited	Director
			Unique Cement Industries Limited	Director
			Unique Hatchery & Feeds Limited	Director
			Tanveer Oil's Limited	Director
			Tanveer Food Limited	Director
			Tanveer Polymer Industries Limited	Director
			Tanveer Steel Mills Limited	Director
			Tanveer Paper Mills Limited	Director
			Everest CNG Refueling & Conversion Limited	Director
			Everest Power Generation Co. Limited	Director
			G.Shipping Lines Limited	Director
			Meghna Shipbuilders & Dockyard Limited	Director
			Meghna Aviation Limited	Director
			Global Ad Star Bag Industries Limited	Director
			Surma Mustard Oil Mills Limited	Director
			Tasnim Chemical Complex Limited	Director
			Sonargaon Steel Fabricate Limited	Director
			Sonargaon Printing & Packaging Industries Limited	Director
			Sonargaon Salt Industries Limited	Director
			Tasnim Condensed Milk Limited	Director
			Cumilla Economic Zone Limited	Director
			Dhaka Securities Limited	Director
			Meghna Seeds Crushing Mills Limited	Director
			Sonargaon Seeds Crushing Mills Limited	Director
			Meghna Pulp & Paper Mills Limited	Director
			Meghna Sugar Refinery Limited	Director
			Meghna Fresh LPG Limited	Director
			Meghna Noodles & Biscuit Factory Limited	Director
			Meghna Ballpen & Accessories MFG Limited	Director
			Meghna Bulk Bag Industries Limited	Director
			Meghna Economic Zone Limited	Director
			Meghna Industrial Economic Zone Limited	Director
			A Class Builders Limited	Director
			USB International Lines Limited	Director
			Meghna Tea Company Limited	Director
			Titanic Shipping Lines Limited	Director
			Talelink Bangladesh Limited	Director
			IMEX Shipping Bangladesh Limited	Director
			Meghna PVC Limited	Director
			MPP Power Plant Limited	Director
			Sonargaon Flour and Dal Mills Limited	Director
			Meghna Beverage Limited	Director
12	Mr. Md. Mahbubur Rahman Representing Mona Finacial Consultancy & Securities Limited	Director	Mona Financial Consultancy & Securities Limited	Company Secretary
13	Mr. Syed Rezaur Rahman	Independent Director		Senior Lawyer
14	Mr. Monjurul Ahsan Bulbul	Independent Director	Bangladesh Broadcasting Business Network Limited	Director
15	Mr. Md. Shafiul Azam	Managing Director & CEO	-	-

Annexure-C

Highlights on the overall activities
As at and for the year ended 31 December 2025

Sl. No.	Particulars		2025	2024
1	Paid-up capital	Taka	5,257,381,450	5,257,381,450
2	Total capital	Taka	11,273,892,112	11,018,755,275
3	Capital surplus	Taka	3,068,893,244	4,042,829,995
4	Total assets	Taka	113,783,124,780	99,163,126,175
5	Total deposits	Taka	92,918,721,282	80,113,149,449
6	Total loans and advances	Taka	75,614,832,745	66,377,674,698
7	Total contingent liabilities and commitments	Taka	55,204,412,226	48,660,216,869
8	Advance Deposit Ratio (ADR)	%	77.27%	78.39%
9	Percentage of classified loans against total loans and advances (NPL Ratio)	%	1.99%	2.30%
10	Net Profit after tax and provision (NPAT)	Taka	61,934,150	1,257,518,454
11	Amount of classified loans (NPL)	Taka	1,502,922,107	1,528,786,964
12	Provisions kept against Classified Loans	Taka	573,583,635	538,148,886
13	Provision surplus/(deficit) against classified loans	Taka	454,034	10,170,657
14	Cost of fund	%	9.42%	7.88%
15	Interest earning assets	Taka	104,854,943,779	91,526,382,211
16	Non-interest earning assets	Taka	8,928,181,001	7,636,743,964
17	Return on investment (ROI) [PAT/{Avgerage Equity+Long Term Borrowings+Deposits-Non Cash Fund}]	%	0.07%	1.53%
18	Return on assets (ROA) [PAT/ Average assets]	%	0.06%	1.28%
19	Income from investment	Taka	1,688,146,652	1,587,261,412
20	Capital to Risk weighted Asset Ratio (CRAR)	%	13.74%	15.80%
21	Stock dividend		-	-
22	Earnings per share (EPS)	Taka	0.12	2.39
23	Net income per share	Taka	0.12	2.39
24	Price Earning Ratio (PE Ratio)	Times	-	-

Annexure-D

Segment Reporting

IFRS 8 Operating Segments, requires particular classes of entities (essentially those with publicly traded securities) to disclose information about their operating segments, products and services, the geographical areas in which they operate, and their major customers.

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), or whose operating results are reviewed regularly by the entity's chief decision maker to make decisions about resources to be allocated to the segment and assess its performance, and, for which discrete financial information is available. IFRS 8 requires an entity to report financial and descriptive information about its reportable segments who have earned at least 10% revenue compared to the entity's total revenue, or, earned at least 10% profit/ (loss) compared to cumulative profit/ (loss), or, have at least 10% assets compared to total assets of all operating segments.

The Bank has not yet assessed its Operating Segments in terms of the criteria stated above as it is too early to identify. But, operating profit, assets & liabilities of main two operating segments i.e. on-shore banking business (main operation) and off-shore banking unit (OBU) are presented below:

Amount in BDT

Particullar	Main Operation	OBU	Total
External Revenue			
Interest Income	9,436,158,783	40,210,495	9,476,369,278
Less: Interest Expense	6,982,514,174	35,775,402	7,018,289,576
Net Interest Income	**2,453,644,608**	**4,435,093**	**2,458,079,701**
Commission, exchange and brokerage	773,333,263	824,815	774,158,078
Capital gain	133,368,977	-	133,368,977
Other Income	245,533,283	-	245,533,283
Operating Income	**3,605,880,132**	**5,259,908**	**3,611,140,040**
Less: Administrative Expense	1,824,337,231	-	1,824,337,231
Profit	**1,781,542,901**	**5,259,908**	**1,786,802,810**
Inter-Segment Revenue	-	-	-
Total Segment profit before provision	**1,781,542,901**	**5,259,908**	**1,786,802,810**
Segment Assets	**113,269,064,621**	**514,060,158**	**113,783,124,780**
Segment Liabilities	**104,529,481,174**	**508,797,358**	**105,038,278,532**

Annexure-E

Statement of Tax Position of the Bank
As at December 31, 2025

Sl. No.	Income Year	Assessment year	Provision made for tax expense as per financial statements	Assessment Status
1	2013	2014-2015	46,223,473	Complete
2	2014	2015-2016	132,091,071	Complete
3	2015	2016-2017	204,508,433	Complete
4	2016	2017-2018	308,347,484	Complete
5	2017	2018-2019	545,866,968	Complete
6	2018	2019-2020	704,174,341	Complete
7	2019	2020-2021	716,297,467	Complete
8	2020	2021-2022	715,565,343	Complete
9	2021	2022-2023	441,396,238	Complete
10	2022	2023-2024	770,289,835	Complete
11	2023	2024-2025	814,132,685	Under process
12	2024	2025-2026	945,257,822	Under process
13	2025	2026-2027	219,374,246	Submission of Tax Return is not due
Total			6,563,525,405	

Off-shore Banking Unit
Balance Sheet
As at 31 December 2025

	Note	31-12-2025		31-12-2024	
		USD	BDT	USD	BDT
PROPERTY AND ASSETS					
Cash		-	-	-	-
Cash in hand (including foreign currency)		-	-	-	-
Balance with Bangladesh Bank and its Agents Bank (including foreign currency)		-	-	-	-
Balance with other Banks and financial institutions	3	7,839	958,716	108,922	13,070,620
In Bangladesh		-	-	-	-
Outside Bangladesh		7,839	958,716	108,922	13,070,620
Money at call on short notice		-	-	-	-
Investments		-	-	-	-
Government securities		-	-	-	-
Other investments		-	-	-	-
Outside Bangladesh		-	-	-	-
Loans and advances	4	4,195,591	513,101,442	2,532,545	303,905,437
Loans, cash credits, overdrafts, etc.		-	-	-	-
Bills purchased and discounted	5	4,195,591	513,101,442	2,532,545	303,905,437
Fixed assets including premises, furniture and fixtures	6	-	-	-	-
Other assets	7	-	-	-	-
Non Banking Assets		-	-		-
Total assets		4,203,430	514,060,158	2,641,467	316,976,057
LIABILITIES AND CAPITAL					
Liabilities					
Borrowing from other banks, financial Institutions and	8	4,105,000	502,022,617	2,530,000	303,600,000
In Bangladesh		4,105,000	502,022,617	2,530,000	303,600,000
Outside Bangladesh		-	-	-	-
Deposit and other accounts	9	51,162	6,256,874	63,415	7,609,795
Current deposits and other accounts		7,159	875,472	63,415	7,609,795
Bills payable		-	-	-	-
Savings bank deposits		9,003	1,101,062	-	-
Term deposits		35,000	4,280,339	-	-
Other liabilities	10	4,235	517,867	4,817	578,000
Total liabilities		4,160,397	508,797,358	2,598,232	311,787,796
Capital / Shareholders' equity					
Paid up capital		-	-	-	-
Statutory reserve		-	-	-	-
Other reserve		-	-	-	-
Foreign currency translation gain		-	2,892	-	169,794
Surplus in Profit and Loss Account	11	43,034	5,259,908	43,236	5,018,467
Total shareholders' equity		43,034	5,262,800	43,236	5,188,261
Total liabilities and shareholders' equity		4,203,430	514,060,158	2,641,467	316,976,057

OFF BALANCE SHEET ITEMS

	Note				
Contingent liabilities	12				
Acceptances and endorsements		-	-	-	-
Letters of guarantee		-	-	-	-
Irrevocable letters of credit		-	-	-	-
Bills for collection		-	-	-	-
		-	-	-	-
Other Commitments:					
Documents credit and short term trade -related transactions		-	-	-	-
Forward assets purchased and forward deposits placed		-	-	-	-
Undrawn note issuance and revolving underwriting facilities		-	-	-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-	-	-
		-	-	-	-
		-	-	-	-

Off-shore Banking Unit
Profit and Loss Account
For the year ended 31 December 2025

Particulars	Note	2025		2024	
		USD	BDT	USD	BDT
Interest income	13	328,979	40,210,495	353,609	41,044,426
Less: Interest paid on deposits, borrowings, etc	14	292,694	35,775,402	315,624	36,635,342
Net Interest income		**36,285**	**4,435,093**	**37,986**	**4,409,085**
Income from investment		-	-	-	-
Commission, exchange and brokerage	15	6,748	824,815	5,250	609,382
Other operating income	16	-	-	-	-
Total operating income		**43,034**	**5,259,908**	**43,236**	**5,018,467**
Salaries and allowances	17	-	-	-	-
Rent, taxes, insurance, lighting and travelling	18	-	-	-	-
Legal expenses		-	-	-	-
Postage, stamp, telegram and telephone	19	-	-	-	-
Auditors' fee		-	-	-	-
Stationery, printing and advertisement	20	-	-	-	-
Charges on loan loss		-	-	-	-
Managing Director's salary		-	-	-	-
Directors' meeting fee		-	-	-	-
Repair, maintenance and depreciation of assets	21	-	-	-	-
Other expenses	22	-	-	-	-
Total operating expenses		-	-	-	-
Profit before provision		**43,034**	**5,259,908**	**43,236**	**5,018,467**
Provision for loans & advance, other assets & off BS items		-	-	-	-
Profit before taxation		**43,034**	**5,259,908**	**43,236**	**5,018,467**

Off-shore Banking Unit
Cash Flow Statement
For the year ended 31 December 2025

Particulars	Note	2025		2024	
		USD	BDT	USD	BDT
CASH FLOWS FROM OPERATING ACTIVITIES					
Interest received in cash		328,979	40,210,495	353,609	41,044,426
Interest payments		(292,694)	(35,775,402)	(315,624)	(36,635,342)
Dividend received		-	-	-	-
Fees and commission received in cash		6,748	824,815	5,250	609,382
Recovery of loans and advances in cash previously written-off		-	-	-	-
Cash paid to employees		-	-	-	-
Income tax paid		-	-	-	-
Cash received from other operating activities		-	-	-	-
Cash paid for other operating activities		-	-	-	-
Cash flows before charges in operating assets and liabilities		**43,034**	**5,259,908**	**43,236**	**5,018,467**
Increase / Decrease in operating assets and liabilities					
Loans and advances to customers		(1,663,045)	(209,196,004)	(423,044)	(72,387,642)
Other assets		-	-	13,903	1,525,830
Borrowing from Banks					
Deposits from other Banks					
Deposit from customers		(12,253)	(1,352,922)	5,180	1,218,508
Other Liabilities		(582)	(60,133)	(11,881)	(1,254,519)
		(1,675,880)	**(210,609,059)**	**(415,842)**	**(70,897,823)**
Net cash from operating activities		**(1,632,847)**	**(205,349,151)**	**(372,606)**	**(65,879,356)**
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of securities		-	-	-	-
Cash payments for purchase of securities		-	-	-	-
Purchase/ Sale of property, Plant & equipment of fixed assets		-	-	-	-
Sales of fixed assets		-	-	-	-
Net cash from investing activities		-	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES					
Borrowing from other banks, fnancial institutions and agents		1,575,000	198,422,617	(1,920,000)	(184,787,500)
Net proft transferred to main operations		(43,236)	(5,018,467)	(252,846)	(27,237,616)
Net Cash from Financing activities		**1,531,764**	**193,404,150**	**(2,172,846)**	**(212,025,116)**
Net increase/(decrease) in cash and cash equivalent		**(101,082)**	**(11,945,001)**	**(2,545,452)**	**(277,904,473)**
Effcts of exchange rate changes on cash and cash equivalents		-	(166,903)	-	(342,446)
Opening cash and cash equivalent		108,922	13,070,620	2,654,374	291,317,539
Closing cash and cash equivalent		7,839	958,716	108,922	13,070,620

Notes to the Financial Statements
As at and for the year ended 31 December 2025

1. Reporting entity

1.1 Status of the units

The Bank obtained the Off-shore Banking Unit permission vide letter no. BRPD (P-3)744(124)/2015-2447, dated 02 April 2015. The Off-shore Banking Unit commenced its commercial operation on 23 September 2015. The Bank established its Offshore Banking Unit (OBU) with a view of catering the banking requirement of non-resident customers to increase foreign trade business at Export Processing Zones (EPZs). Over the years, OBU has become an important strategic business unit due to growing demand of cheaper foreign currency loan and Usance Payable at Sight (UPAS) Letter of Credit (L/C) from the clients.

1.1.1 Principal activities

Presently, the Bank has one Off-shore Banking Unit operating in Bangladesh. The principal activities of the Unit are to provide all kinds of commercial banking services to its customers in foreign currencies approved by the Bangladesh Bank. The Unit is governed under the rules and guidelines of Bangladesh Bank.

1.2 Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of accounting

The Off-shore Banking Unit maintains its accounting records in USD from which accounts are prepared according to the Bank Companies Act, 1991 (as amended in 2013), International Financial Reporting Standards and other applicable directives issued by Bangladesh Bank.

1.2.2 Use of estimates and judgments

The preparation of financial statements 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 difer 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 estimate is revised and in any future periods affected.

1.2.3 Foreign currency transaction

a) Foreign currencies translation

Foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per IAS-21 "The Efects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into Taka equivalent.

b) Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities / commitments for letter of credit and letter of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance date.

c) Translation gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account.

1.2.4 Cash flow statement

Cash flow statement has been prepared in accordance with the International Accounting Standard-7 "Cash Flow Statement" under direct method as recommended in the BRPD Circular No. 14, dated June 25, 2003 issued by the Banking Regulation & Policy Department (BRPD) of Bangladesh Bank.

1.2.5 Reporting period

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

1.3 Assets and basis of their valuation

1.3.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the unit management for its short-term commitments.

1.3.2 Loans, advances and lease / investments

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

b) Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest is not charged on bad and loss loans as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

1.3.3 Fixed assets and depreciation

a) All fixed assets are stated at cost less accumulated depreciation as per IAS-16 " Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

b) Depreciation is charged for the year at the following rates on reducing balance method on all fixed assets.

Category of fixed assets	Rate of
Furniture and fixtures	10%
Office equipments	20%

c) For additions during the year, depreciation is charged for the remaining days of the year and for disposal depreciation is charged up to the date of disposal.

1.4 Basis for valuation of liabilities and provisions

1.4.1 Benefits to the employees

The retirement benefits accrued for the employees of the Unit as on reporting date have been accounted for in accordance with the provisions of International Accounting Standard-19, "Employee Benefit". Bases of enumerating the retirement benefit schemes operated by the Bank are outlined below:

a) Provident fund

Provident fund benefits are given to the permanent employees of OBU under the provident fund rule of the Bank. The Commissioner of Income Tax, National Board of Revenue, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of section 2(52), read with the provisions of part - B of the First Schedule of Income Tax Ordinance 1984. The recognition took effect from June 04, 2013. The Fund is operated by a Board of Trustees consisting six members (03 members from management and other 03 members from the Board of Directors) of the Bank. All confirmed employees of the Unit are contributing 10% of their basic salary as subscription to the Fund. The Unit also contributes equal amount of the employees' contribution. Interest earned from the investments is credited to the members' account on yearly basis.

b) Gratuity fund

The Bank operates a funded gratuity scheme on "Continuing Fund Basis", in respect of which provision will be made annually according to the recommendation based on Actuarial valuation covering all its permanent eligible employees in accordance with Bank's Service Rules. The Fund will be operating by a Board of Trustees consisting members from the Board of Directors and Management of the Bank. Actuarial valuation of gratuity scheme will be made to assess the adequacy of the liabilities provided for the scheme as per IAS-19 "Employees Benefit". Contributions to the fund shall be made by the Unit on the basis of actuarial recommendations.

c) Incentive bonus

Incentive bonus is given to the employees every year considering the overall performance of the Bank as well as individual's performance. This bonus amount is distributed among the employees based on their performance. The bonus amount is paid annually, normally first quarter of every following year and the costs is accounted for in the period to which it relates. Generally, a certain percentage of disclosed net profit is disbursed among the employees. The aforesaid percentage is approved in the Board meeting so that adequate provision can be made for Incentive Bonus as per IAS-37.

1.4.2 Provision for liabilities

A provision is recognized in the balance sheet when the unit has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

1.5 Revenue recognition

1.5.1 Interest income

In terms of the provisions of the IAS-18 "Revenue", the interest income is recognised on accrual basis.

1.5.2 Fees and commission income

Fees and commission income arising on services provided by the Bank are recognised when those are realized. Commission charged to customers on letters of credit and letters of guarantee is credited to income at the time of transactions being recorded in the books of accounts.

1.5.3 Interest paid and other expenses

In terms of the provisions of BAS-1 "Presentation of Financial Statements", interest and other expenses are recognised on accrual basis.

2.00 General

a) These financial statements are presented in BDT (Taka), which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest BDT (Taka).

b) Assets and liabilities & income and expenses have been converted into Taka currency @ US$1 = Taka 122.2954 (closing rate as at 31st December 2025) & Taka 122.2282 (average rate which represents the year end).

c) Figures of previous year have been rearranged whenever necessary to conform to current year's presentation.

	31-Dec-2025		31-Dec-2024	
	USD	BDT	USD	BDT
3.00 Balance with other Banks and Financial Institutions				
In Bangladesh ***(Note -3.01)***	-	-	-	-
Outside Bangladesh ***(Note -3.02)***	7,839	958,716	108,922	13,070,620
	7,839	**958,716**	**108,922**	**13,070,620**
3.01 In Bangladesh				
Eastern Bank Ltd	-	-	-	-
	-	-	-	-
3.02 Outside Bangladesh				
Current Account	7,839	958,716	108,922	13,070,620
	7,839	**958,716**	**108,922**	**13,070,620**
4.00 Loans and advances				
i) Loans, cash credits, overdrafts, etc				
Term Loan				
Lease Finance				
T.R. Loan				
	-	-	-	-
ii) Bills purchased and discounted (note-5)				
Inside Bangladesh				
Inland bills purchased and discounted	4,195,591	513,101,442	2,532,545	303,905,437
Outside Bangladesh				
Foreign bills purchased and discounted	-	-	-	-
	4,195,591	**513,101,442**	**2,532,545**	**303,905,437**
	4,195,591	**513,101,442**	**2,532,545**	**303,905,437**
4.01 Geographical location-wise Loans and Advances				
Dhaka	4,195,591	513,101,442	2,532,545	303,905,437
Chittagong Division	-	-	-	-
Sylhet	-	-	-	-
Rajshahi Division	-	-	-	-
Khulna	-	-	-	-
Barisal	-	-	-	-
	4,195,591	**513,101,442**	**2,532,545**	**303,905,437**
4.02 Classification of Loans and Advances				
Unclassified :				
(i) Standard	4,195,591	513,101,442	2,532,545	303,905,437
(ii) Special mention account	-	-	-	-
Classified :				
(i) Substandard	-	-	-	-
(ii) Doubtful	-	-	-	-
(iii) Bad / Loss	-	-	-	-
	4,195,591	**513,101,442**	**2,532,545**	**303,905,437**
5.00 Bills purchased and discounted				
In Bangladesh	4,195,591	513,101,442	2,532,545	303,905,437
Outside Bangladesh	-	-	-	-
	4,195,591	**513,101,442**	**2,532,545**	**303,905,437**
6.00 Fixed assets including premises, furniture and fixtures				
Cost				
Furniture and fixtures	-	-	-	-
Electrical Equipments	-	-	-	-
	-	-	-	-
Less: Accumulated depreciation				
Furniture and fixture	-	-	-	-
Electrical Equipments	-	-	-	-
	-	-	-	-
	-	-	-	-
7.00 Other assets				
Advance deposits and advance rent	-	-	-	-
Other prepaid expense	-	-	-	-
Interest receivable on Bills discount	-	-	-	-
	-	-	-	-
8.00 Borrowing from other banks, financial Institutions and its agents				
In Bangladesh:				
Modhumoti Bank PLC.	4,105,000	502,022,617	2,530,000	303,600,000
Jamuna Bank PLC.	-	-	-	-
Bank of Ceylon	-	-	-	-
Trust Bank PLC.	-	-	-	-
National Credit and Commerce Bank PLC.	-	-	-	-
United Commercial Bank PLC.	-	-	-	-
Southest Bank PLC.	-	-	-	-
Dhaka Bank PLC.	-	-	-	-
NRB Bank Ltd.	-	-	-	-
	4,105,000	**502,022,617**	**2,530,000**	**303,600,000**
Outside Bangladesh	-	-	-	-
	4,105,000	**502,022,617**	**2,530,000**	**303,600,000**
9.00 Deposit and other accounts				
Current deposits and other accounts	7,159	875,472	63,415	7,609,795
Savings Bank Deposits	9,003	1,101,062	-	-
Fixed Deposits	35,000	4,280,339	-	-
Bangladesh Bank	-	-	-	-
	51,162	**6,256,874**	**63,415**	**7,609,795**
10.00 Other liabilities				
Interest payable on borrowings	-	-	-	-
Due to Head Office	4,150	507,581	4,817	578,000
Others	84	10,286	-	-
	4,235	**517,867**	**4,817**	**578,000**
11.00 Surplus in Profit and Loss Account				
Opening balance	43,236	5,018,467	252,846	27,237,616
Less: Adjustment/ payment for the year	(43,236)	(5,018,467)	(252,846)	(27,237,616)
Add: Addition during the year	43,034	5,259,908	43,236	5,018,467
	43,034	**5,259,908**	**43,236**	**5,018,467**
12.00 Contingent liabilities				
12.01 Acceptance & endorsement				
Back to Back bills	-	-	-	-
Less: Margin	-	-	-	-
	-	-	-	-
12.02 Letters of credits				
Letters of credits	-	-	-	-
Back to Back letter of credit	-	-	-	
	-	-	-	-
Less: Margin				
	-	-	-	-
12.03 Letter of guarantee				
Letters of guarantee (Local)	-	-	-	-
Letters of guarantee (Foreign)	-	-	-	-
Foreign counter guarantees	-	-	-	-
	-	-	-	-
Less: Margin				
	-	-	-	-
12.04 Bills for collection				
Outward local bills for collection	-	-	-	-
Inward foreign bills for collection	-	-	-	-
	-	-	-	-
Less: Margin				
	-	-	-	-
13.00 Interest income				
Term Loan				
LTR loan				
Bills discount	327,864	40,074,219	338,808	39,326,448
Others	-	-	-	-
Interest on loans and advances	**327,864**	**40,074,219**	**338,808**	**39,326,448**
Interest on balance with other banks and financial institutions	1,115	136,276	14,801	1,717,978
Interest received from foreign banks	-	-	-	-
	1,115	136,276	14,801	1,717,978
Total Interest income	**328,979**	**40,210,495**	**353,609**	**41,044,426**
14.00 Interest paid on deposits, borrowings, etc.				
Interest paid on borrowings, etc.	291,725	35,657,072	315,624	36,635,342
Interest paid on deposits	968	118,330	-	-
	292,694	**35,775,402**	**315,624**	**36,635,342**
15.00 Commission, exchange and brokerage				
Commission, exchange and brokerage	6,748	824,815	5,250	609,382
	6,748	**824,815**	**5,250**	**609,382**
16.00 Other operating income				
Postage / SWIFT/ fax recoveries from Others Business	-	-	-	-
	-	-	-	-
17.00 Salaries and Allowances				
Basic salary	-	-	-	-
Other Salary & Allowances	-	-	-	-
Provident Fund	-	-	-	-
	-	-	-	-
18.00 Rent, taxes, insurance, electricity etc.				
Rent, rates and taxes	-	-	-	-
Insurance	-	-	-	-
Electricity and lighting	-	-	-	-
	-	-	-	-
19.00 Postage, stamp, telecommunication etc.				
Postage	-	-	-	-
Telephone	-	-	-	-
	-	-	-	-
20.00 Stationery, printing, advertisements etc.				
Petty stationery	-	-	-	-
Publicity and advertisement	-	-	-	-
	-	-	-	-
21.00 Depreciation and repairs of Bank's assets				
Furniture and fixtures	-	-	-	-
Electrical appliance	-	-	-	-
Repairs of assets	-	-	-	-
	-	-	-	-
22.00 Other expenses				
Security and cleaning	-	-	-	-
Entertainment	-	-	-	-
Travelling expenses	-	-	-	-
Conveyance	-	-	-	-
Other expense	-	-	-	-
	-	-	-	-