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DRAFT INFORMATION MEMORANDUM

Non-Convertible, Fully Paid-up, Fully Redeemable Unsecured, Green Zero-Coupon Bond

of

BDT 10,000 million

for

BRAC Bank PLC. ("BBPLC")

BRAC BANK
আস্থা অবিচল

Address: Head Office, Anik Tower, 220/B, Tejgaon-Gulshan Link Road, Dhaka 1208

Issue Name: BRAC Bank Green Bond
Type of Security: Non-Convertible, Fully Paid-up, Fully Redeemable, Unsecured, Green Zero-Coupon Bond
Total Face Value (Issue Amount): Up to BDT 10,000,000,000 (Ten Billion)
Face Value of each Bond: BDT 1,000,000 (One Million)
Tentative Discount Rate: 8.50%p.a. (to be finalized prior to issuance)
Tenor: Up to 3 years

Credit Rating Status of the Issue
Long Term: AA_1 Outlook: Stable
Validity: 9th December 2026 Agency: Credit Rating Agency of Bangladesh Ltd (CRAB)

Credit Rating Status of the Issuer
Long Term: AAA Short Term: ST-1 Outlook: Stable
Validity: 30th June 2027 Agency: Credit Rating Agency of Bangladesh Ltd (CRAB)

Issue Manager: IDLC Investments Limited | **Trustee:** Prime Bank Investment PLC

Issue Date of IM: _____ 2026
*If you have any query about this document, you may consult the issuer or originator, issue manager and the trustee.

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ISSUER'S DISCLAIMER

This Information Memorandum is neither a prospectus nor a statement in lieu of prospectus. The issue of BRAC Bank Green Bond is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. It does not constitute and shall not be deemed to constitute an offer or an invitation to subscribe to the bond issue to the public in general. Apart from this Information Memorandum, no information memorandum or prospectus has been prepared in connection with the offering of this issue.

This Information Memorandum has been prepared to provide general information about the issuer to potential investors to whom it is addressed and who are willing and eligible to subscribe to the bond issue. This Information Memorandum does not purport to contain all the information that any potential investor may require. Neither does this Information Memorandum nor any other information supplied in connection with the bond issue is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt a recommendation to purchase any bonds. Each potential investor contemplating the purchase of any bond should make his/her own independent investigation of the financial condition and affairs of the issuer and his/her own appraisal of the creditworthiness of the issuer.

Potential investors should consult their own financial, legal, tax, and other professional advisors as to the risks and investment considerations arising from an investment in the bonds and should possess the appropriate resources to analyze such investment and the suitability of such investment to such investor's particular circumstances.

The information relating to the company contained in this Information Memorandum is believed by the issuing company to be accurate in all respects as to the date hereof.

It is the responsibility of potential investors to also ensure that they will sell/transfer these Bonds in strict accordance with this Information Memorandum and other applicable laws. None of the intermediaries or their agents or advisors associated with this issue undertake to review the financial condition or affairs of the issuer during the life of the arrangements contemplated by this Information Memorandum or have any responsibility to advise any investor or potential investor in the bonds of any information available with or subsequently coming to the attention of the intermediaries, agents or advisors.

No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Information Memorandum or in any material made available by the issuer to any potential investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the issuer.

The contents of this Information Memorandum are intended to be used only by those potential investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

The person who is in receipt of this Information Memorandum shall maintain utmost confidentiality regarding the contents of this Information Memorandum and shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding its contents, without the prior written consent of the issuer till the time the Information Memorandum comes within public domain. Notwithstanding the foregoing, a bondholder may provide this Information Memorandum to a potential investor for the sole purpose of transferring the bonds.

Each person receiving this Information Memorandum acknowledges that:

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- Such person has been afforded an opportunity to request and to review and has reviewed and received this Information Memorandum and all additional information considered by an individual to be necessary to verify the accuracy or to supplement the information herein; and
- Such person has not relied on any intermediary that may be associated with the issuance of the bonds in connection with his/her investigation of the accuracy of such information or his/her investment decision.

The issuer does not undertake to update the Information Memorandum to reflect subsequent events after the date of the Information Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the issuer. Neither the delivery of this Information Memorandum nor any sale of bonds made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the issuer since the date hereof.

This Information Memorandum does not constitute, not may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the bonds or the distribution of this Information Memorandum in any jurisdiction where such action is required. The distribution of this Information Memorandum and the offering and sale of the bonds may be restricted by law in certain jurisdictions. People into whose possession this Information Memorandum comes are required to inform themselves about and to observe any such restrictions.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IT IS RECOMMENDED THAT PROSPECTIVE INVESTORS CONSULT THEIR FINANCIAL, LEGAL AND OTHER ADVISERS BEFORE PURCHASING OR ACQUIRING OR INVESTING IN THE ZERO COUPON BOND.

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REPORT TO THE ELIGIBLE INVESTORS

By investing in the Bonds, you are hereby deemed to have acknowledged, represented and warranted to, and agree (as the case may be), as set out below:

High Risk: You are fully aware that any investment in the Bonds involves a high degree of risk.

Consultation with Advisers: You have,

i. consulted with your own legal, regulatory, tax, business, investment, financial and accounting advisers in connection herewith to the extent you have deemed necessary,

ii. collected and reviewed all information that you or your advisers believe is necessary or appropriate in connection with the purchase of the Bonds, and

iii. made your own investment decisions based upon your own judgment, due diligence and advice from such advisers as you have deemed necessary and not upon any view expressed by or on behalf of the Issuer.

No Reliance: You acknowledge and agree that you may not rely on any investigation that the Issuer or any of its affiliates or any person or entity acting on their behalf may have conducted with respect to the Company or any of their affiliates, and none of the Issuer or its affiliates, employees, officers, directors, legal advisers or representatives has made any representation to you, express or implied, with respect to your investment in the Bonds.

Informed Decision: You are in possession of all the information that you believe is necessary or appropriate in order to make an informed decision regarding your purchase of the Bonds, including without limitation adequate information concerning the Issuer's business, financial condition, results of operations and prospects.

Knowledge and Experience: You have such knowledge and experience in financial, business and international investment matters that you are capable of evaluating the merits and risks of purchasing the Bonds and are aware that you may be required to bear, and are able to bear, all risks including economic risk of an investment in the Bonds.

Information of the Company: You acknowledge that the information provided to you with regard to the Issuer and the Bonds in this Information Memorandum, has been supplied to you by the Issue Manager and that none of the Issue Manager or any of its affiliates, employees, officers, directors, legal advisers or representatives has verified such information or makes any representation or warranty as to its accuracy or completeness.

Review of Information Memorandum: You have reviewed this Information Memorandum in its entirety, including the risks specifically outlined in the section titled "Risk Factors", and you understand and acknowledge all of the risks described therein. Based on all of the above, you have determined that:

- the Bonds are a suitable investment for you and your investment in the Bonds does not and will not, when consummated, violate any investment or other guidelines, policies or restrictions (corporate or otherwise), or any law, rule, regulation or order applicable to you; and you have obtained all approvals and consents (whether internal or external), and have made all notifications necessary for you to invest in the Bonds as contemplated; and you can bear the economic risk of the investment and are able to sustain a complete loss in connection with your investment. Additionally, you confirm that you have no need for liquidity in respect of the Bonds.

Own Account: You are purchasing the Bonds for your own account, including fund account and portfolio manager account and not with a view to any distribution thereof.

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No Representation or Warranty: The Issue Manager has not made, and you have not relied upon any representation, warranty or condition (express and/or implied), and the Issue Manager shall not owe any duty whatsoever to you in connection with the Bonds.

No Obligation to Purchase: The Issue Manager shall have no obligation to purchase or acquire all or any part of the Bonds purchased by you or to support losses, if any, directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Bonds, including the non-performance by the issuance, whether to you or otherwise.

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BRAC BANK GREEN BOND FRAMEWORK

1. Introduction

1.1 BRAC Bank's Commitment to Sustainability

BRAC Bank is deeply committed to advancing the United Nations Sustainable Development Goals (SDGs), the Bangladesh Vision 2041, and the country's Nationally Determined Contributions (NDCs). In alignment with these global and national frameworks, BRAC Bank has identified key priority areas to further contribute to the nation's development agenda and the achievement of the SDGs.

1.2 Environmental and Climate Change Focus Areas:

BRAC Bank is committed to advancing climate mitigation and adaptation in Bangladesh. Through this bond, the Bank directs financing towards projects that support climate mitigation and natural resource conservation, a commitment reflected in its lending activities and its ongoing efforts to reducing carbon footprints. By embedding environmental considerations into business strategy and prioritizing responsible, climate conscious financing, BRAC Bank aims to enable a sustainable future for the country. Key focus area includes:

- Green and environmentally friendly establishments
- Renewable Energy
- Energy efficient machineries

Through these initiatives, BRAC Bank aims to contribute to a more equitable and sustainable future for Bangladesh.

1.3 BRAC Bank's Environmental and Social Risk Management Approach

BRAC Bank is undergoing a significant transformation to integrate sustainability into all functions and business areas. Promoting businesses and innovations with sustainability as a core value is a central focus of our investment and lending policies and guidelines. The Bank's Sustainable Financing Framework marks a significant step in embedding environmental and social considerations throughout our operations.

As part of our lending strategy, we ensure that our clients comply with all relevant environmental and social regulations, as periodically issued by the Department of Environment, sector-specific regulatory agencies, and other relevant government bodies.

To strengthen our commitment to environmental stewardship and social impact, BRAC Bank has established a comprehensive set of guidelines as part of our sustainability risk management process. These policies and guidelines direct the bank's approach to conducting end-to-end environmental and social impact risk assessments throughout the lending process, from credit origination and business appraisal to approvals and monitoring stages.

In line with our sustainability objectives, our loan appraisal process includes the screening of Environmental and Social (E&S) risks using specialized E&S risk assessment tools to identify, manage, and address these risks. Additionally, BRAC Bank's Environmental & Social Impact Management Policy, which is part of our broader Enterprise Risk Management Framework, guides the impact assessment process during loan evaluations. BRAC Bank also has a Climate Risk Policy, which is aligned with the Environmental & Social Impact Management Policy and the Bangladesh Bank's (BB) guidelines on managing climate-related financial risks.

1.4 Green Bond Framework

This framework establishes the foundation for BRAC Bank PLC to issue and, where applicable, list green bond as a financial instrument. This instrument provides investors with an opportunity to invest in assets that generate positive environmental impact in Bangladesh.

The framework is designed in accordance with international best practices and guidelines from leading organizations like the International Capital Markets Association (ICMA) along with the guideline provided by Bangladesh Bank:

- ICMA Green Bond Principles (GBP) 2025
- Policy on Green Bond Financing for Banks and FIs Bank by Bangladesh Bank (Sustainable Finance Department- September 2022)

By adhering to these principles, BRAC Bank aims to drive sustainable development through impactful financial solutions that align with global sustainability goals. Brac Bank from time-to-time update or amend the Framework including items such as Eligible Green Project categories. Brac Bank will seek a Second Party Opinion (SPO). The

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development of this Framework, with the intention of issuing Green Bonds executing green financing under it, is consistent with bank's goal of contributing to the achievement of the UN's Sustainable Development Goals (SDGs), part of the UN's 2030 Agenda for Sustainable Development. The UN SDGs are a collection of 17 goals designed to address the most pressing environmental, economic and social sustainability issues facing society today.
Under this framework, BRAC Bank will issue this instrument:

- **Green Bonds:** The net proceeds from these instruments will be exclusively used to finance and/or refinance eligible loans that meet the criteria for eligible green projects, aligned with the bank's sustainability objectives.

2. Green Bond Framework

2.1 Scope

Brac Bank will regularly review and update this framework to align with market developments, incorporating best practices in evaluation, management, and reporting. This framework has been developed in accordance with the ICMA Green Bond Principle covering the following key pillars:

I. Use of proceeds
II. Process for project evaluation and selection
III. Management of proceeds
IV. Reporting

2.2 Use of Proceeds

An amount equivalent to the net proceeds from any Sustainable Financing Instrument will be allocated to finance or refinance, in whole or in part, new or existing Eligible Green Projects ("Eligible Projects"). These may include loans extended by BRAC Bank and/or investments and expenditures incurred by BRAC Bank PLC to develop green products. Eligible disbursements may be made up to 24 months (look back period) prior to the issuance date and up to 36 months following the issuance of any Sustainable Financing Instrument. The total proceeds will be allocated to finance future projects or refinance previous projects within the specific timeframe mentioned in the framework.
Brac Bank PLC's Eligible Green Project Categories will contribute to one or more of the following Objectives:

- Reducing GHG emissions through investments in renewable energy sources.
- Promoting a positive environmental impact on local communities through investments in new or refurbished green commercial or residential buildings.
- Ensure efficiency in energy consumption by financing in energy efficient machineries

Eligibility criteria:

Green Category	Alignment with Priority SDGs	Impact Area	Eligibility Criteria
Generation of electricity using solar PV technology **(Renewable energy)**		Construction or operation of facilities that generate electricity from solar power including solar mini grids, solar microgrids, solar nano grids, solar Pico grids, solar parks, Rooftop Solar Systems, Solar Irrigation Systems, any grid tied ground mounted solar powerplant etc.	No more than [15] % of electricity generated from non-renewable sources (where relevant). AND/OR For rooftop solar PVs (as per Net Metering Guideline), the minimum threshold is 10% of total electricity. All equipment must meet national solar equipment standards as defined by the Bangladesh Standards and Testing Institution (summary available on the SREDA website).
Construction of new green buildings **(Green Building)**		Development of building projects for residential and non-residential buildings by bringing together financial, technical and physical means to realise the building projects for later sale as well as the construction of complete residential or non-residential buildings, on own account for sale or on a fee or contract basis.	SREDA Building Energy Efficiency and Environment Rating exceed 100 points; OR Buildings are EDGE certified; OR LEED certified of gold or platinum standard; OR BREEAM certified of "Excellent" standard; OR Green Rating for Integrated Habitat Assessment (GRIHA) of 86 points or more; OR CASBEE Rating of Very Good A or more.

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Industrial energy efficiency **(Energy efficiency)**		Investment in and operation of energy efficiency or other process improvements associated with emission reductions in existing industrial facilities through the installation of more efficient equipment, changes in processes and management, reduction in heat losses and/or utilization of residual heat and pressure, including through new motors, pumps, fans, etc.	Lifecycle GHG emissions and/or energy use reduced approximately by 20% over the lifetime of the change subjected to project specific assessment and applicable regulatory requirements. Only non-fossil fuel-based equipment is eligible.

2.3 Excluded Activities

1. Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCB's, wildlife or regulated under the Convention on International Trade in Endangered Species (CITES). (Links: United Nations (UN) list of banned chemicals and products; http://www.un.org/esa/coordination/Consolidated.list-13FinalFinal.pdf and CITES list of endangered species: http://www.cites.org/eng/app/E-Apr27.pdf)
2. Forced Labour or Child Labour in Hazardous Working Conditions
   - Forced Labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions, UNGC Principles and/or local legislations.
   - To address the issue of Child Labour, persons may only be employees if they are at least 14 years old, as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art. 2), unless local legislation specifies compulsory school attendance or the minimum age for working. In such cases the higher age shall apply.
3. Any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase-outs or bans, such as:
   - Ozone depleting substances, PCB's (Polychlorinated Biphenyls) and other specific, hazardous pharmaceuticals, and unauthorized manufacturing of pesticides/herbicides or chemicals.
   - Wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES); or
   - Unsustainable fishing methods (e.g., blast fishing and drift net fishing in the marine environment using nets more than 2.5 km in length, deep sea bottom trawling, or fishing with the use of explosives or cyanide).
   - Operations impacting UNESCO World Heritage Site and/or Ramsar site.
4. Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations.
5. Financing in Coal Power and Mining activities such as
   - Coal power.
   - Power generation from any power plant the energy source of which, whether in whole or in part, is coal which delivers its power to the transmission or distribution grid.
   - Coal mining.
6. Destruction of High Conservation Value areas.
   Destruction means the (1) elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or (2) modification of a habitat in such a way that the area's ability to maintain its role is lost.
7. Radioactive materials.
   This does not apply to the purchase of medical equipment, quality control (measurement) equipment or any other equipment where the radioactive source is understood to be trivial and/or adequately shielded.
8. Unbounded asbestos fibres.

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This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.

9. Pornography or prostitution.
10. Racist and anti-democratic media
11. Commercial logging operations for use in primary tropical moist forest
    - Illegal logging, and logging operations or conversion of land for plantation use in primary tropical moist forests.
12. Production or trade in wood or other forestry products other than from sustainably managed forests
13. Production of trade in radioactive materials and unbounded asbestos fibres.
14. Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples, without full documented consent of such peoples.
15. Ship breaking/ trading activities which include:
    - Ships with prevalent asbestos use (for e.g. passenger cruise)
    - Ships listed on the Greenpeace blacklist*
    - Ships not certified "gas free" for hot work.
16. In the event of any of the following products form a substantial part of a company's primary operations, or a financial institution, investment fund or company's financed business activities.
    - Alcoholic beverages (excluding beer and wine)
    - Tobacco
    - Weapons and munitions
    - Gambling, casinos, and equivalent enterprises.
17. Financing in any activities which is related to Brick production through Fixed Chimney Kiln (FCK).

3. Process for Project Evaluation and Selection

The process for project evaluation and selection follows a three-step approach, namely, asset origination, asset screening and allocation, and asset approval.

Origination of Assets: Assets are originated by the Asset Originating Businesses such as SME, Retail and Wholesale and Institutional banking division.

Screening of Sustainable Loans/ Assets and Selection: The asset origination businesses ensure adherence to BRAC Bank's Environmental and Social Management System (ESMS), which will be periodically updated to align with local and international E&S good practice, including the IFC Performance Standards (where applicable), and screen assets against the investment categories and eligibility criteria detailed in this framework. Loans/ Assets that do not meet the defined eligibility criteria in the framework are removed. The environmental and social risks have been identified through ESMS by BRAC Bank. Furthermore, loans/ assets that are deemed ineligible in relation to ESG Assessment process under ESMS are also removed. The remaining loans/assets/investments/expenses are further evaluated by the sustainability experts within the bank, after which the qualifying ones are considered as potential Sustainable Loans/Assets

Assets approval: The final approval of the selection and evaluation of projects eligible for green bond throughout the life of BRAC Bank's Green bond issuances is owned by a subcommittee formed and approved by BRAC Bank's Sustainable Finance Committee. Identified eligible assets are therefore approved by this subcommittee. Approved eligible assets are allocated to sustainable instruments by the Treasury team. The respective committee together with Treasury will be responsible for governing the framework to ensure consistency of approach and oversight. The Committee and Treasury are responsible for ensuring that eligible assets/projects are not allocated to more than one green bond/loan at a given time.

4. Management of Proceeds

An amount equivalent to the net proceeds from any Sustainable Financing Instrument will be credited to the Bank's accounts and monitored through the Treasury Management System and the Bank's accounting system, ensuring effective tracking of green proceeds. The Treasury Department will be responsible for overseeing these processes, in coordination with the Finance Department, and will also manage any unallocated proceeds until their full disbursement.

The ESG & Sustainable Finance will be responsible for managing the allocation of proceeds, with support from relevant departments across the Bank. Until the full allocation of an amount equivalent to the net proceeds from any Sustainable Financing Instrument to Eligible Investments, the unallocated proceeds may be temporarily held in cash, cash equivalents, or other liquid instruments, at BRAC Bank's discretion. Payments of principal and interest on any Sustainable Financing Instruments may be made from the Bank's general accounts.

The full allocation of proceeds from any Sustainable Financing Instrument is expected to be completed as soon as possible, and no later than 36 months from the issuance date. BRAC Bank will take all necessary measures to ensure

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that the use of proceeds adheres to internal protocols and is clearly linked to Eligible Investments. For as long as there is an outstanding balance, an equivalent amount will be allocated to Eligible Investments. Periodic adjustments will be made to reflect any repayments. Proceeds may be managed either on a per-instrument basis or through a portfolio approach across multiple instruments. The allocation and tracking of proceeds will be subject to periodic review by an external auditor.

5. Reporting

Impact and Allocation Reporting

BRAC Bank will prepare and publish an annual Allocation and Impact Report for all instruments issued under this Framework until completion of full allocation. In case of any material development the bank will publish the updated report. The report will be made available on the Investor Relations section of the BRAC Bank website. It will provide detailed information and a brief description of the project on the allocation and impact of the proceeds within the Eligible Loan/Asset Portfolio, reported at a minimum by project category. The target population will be also there in the report.

5.1 The Allocation Report

- The total amount of proceeds allocated to eligible loans/assets
- The number of eligible loans/assets
- The balance of unallocated proceeds
- The amount or the percentage of new financing and refinancing

5.2 The Impact Report

A summary of the impact of the allocated portfolio for a sustainable instrument may include some or all the metrics set out but not limited to below, as well as relevant project narratives, to the extent that the data is available from clients and subject to permitted disclosures in accordance with relevant confidentiality agreements and privacy, competition or other relevant regulation.

Eligible category	Investments	Impact Indicators
Green	Renewable energy	• Total installed capacity MW • Annual Generated Renewable Power (MWh/year) • Estimated number of jobs created by renewable energy projects • Estimated annual CO_2 equivalent emission reduction (tons CO_2eq/year
	Energy efficiency	• Annual energy savings (MWh/year) •Estimated annual CO_2 equivalent emissions reduction/ avoidance (tons CO_2eq/year)
	Green buildings	• Total m_2 of green buildings funded • Estimated annual CO_2 equivalent emissions reduction/ avoidance (tons CO_2eq/year) • Number of mortgages provided to green certified houses/residential projects • Number of people benefitted • Number of green buildings funded by eligible certification (where applicable)

6. Verification

BRAC Bank will obtain and publicly disclose a pre-issuance external review from an independent consultant with recognized environmental and/or social expertise, providing a Second Party Opinion (SPO) on the expected green benefits of this Framework. The SPO will be made available on the Investor Relations section of the BRAC Bank website, as well as on the website of the SPO provider. In addition, as outlined above, BRAC Bank is committed to providing a post-issuance review of the management of proceeds. This review may be conducted by the same consultant, an external auditor, or other qualified third party.

7. Review

BRAC Bank will periodically review this Framework to ensure its continued alignment with evolving market best practices and updated versions of relevant principles, as they are released. Additionally, the Framework will be reviewed in the event of any material changes to the scope or categories of Eligible Projects. Such reviews may lead to updates or amendments to the Framework. Any updates that are not minor in nature will be subject to prior approval by a qualified Second Party Opinion (SPO) provider.

Any future version of this Framework will maintain or enhance the current levels of transparency, reporting, and external verification. Updated versions will be published on the BRAC Bank website and will supersede this document.

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1. MANAGEMENT'S PERCEPTION & ANALYSIS ON RISK FACTORS

1.1 Interest Rate Risk

The banking book comprises assets and liabilities primarily acquired through relationships or for stable income and legal obligations, generally held until maturity or payment by the counterparty. The primary emphasis in the banking book is on earnings or variations in economic value. Interest rate risk refers to the potential decline in a bank's financial position due to changes in interest rates over time. This risk arises from the core banking activities of a bank.

Management's Perception

BRAC Bank PLC effectively manages its Interest Rate Risk through various strategies including Market Trend Analysis, Interest Rate Sensitivity Analysis, and Duration GAP Analysis. The bank's Asset Liability Management Committee (ALCO) regularly evaluates the interest rate risk associated with its banking book, while the Asset Liability Management (ALM) Unit is responsible for measuring and monitoring this risk. For zero-coupon bonds, the return is fixed at the discount rate at issuance, thereby eliminating reinvestment risk for investors while providing cost predictability for the Issuer.

1.2 Exchange Rate Risk

Exchange Rate Risk pertains to the possibility of fluctuations in earnings caused by changes in exchange rates, unfavorable currency holdings or positions, and market volatility. If the local currency strengthens against major foreign currencies and the bank possesses a substantial net long position in those currencies, it may suffer financial losses.

Management's Perception

BRAC Bank effectively handles exchange rate risk by establishing specific limits on open foreign exchange positions, continuously monitoring the open position against these limits, and implementing a stop-loss mechanism. The Treasury Department holds the responsibility of measuring and minimizing the bank's foreign exchange risk. As the Green Bond is denominated entirely in BDT, foreign currency risk to domestic investors is not applicable.

1.3 Non-Repayment Risk (Credit Risk)

Credit risk is the risk that a borrower or counterparty will fail to meet its obligations in accordance with agreed terms. This is the primary risk in lending activities.

Management's Perception

BRAC Bank maintains a robust credit risk management framework with independent credit risk functions, comprehensive credit policies, portfolio monitoring, and early warning systems. The bank's AAA/ST-1 credit rating from CRAB reflects its strong creditworthiness. For bondholders, the credit risk is that of BRAC Bank PLC as the Issuer and obligor of the full-face value at maturity.

1.4 Prepayment, Call or Refunding Risk

This risk refers to the possibility that the issuer may redeem the bonds before maturity under certain conditions, which may affect the investor's expected return.

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Management's Perception

The BRAC Bank Green Bond does not carry a call provision — the Bond is fully redeemable only at maturity as per the tenor selected by the investor (1, 2, or 3 years). No prepayment or early redemption option is available to the Issuer, providing investors certainty over the investment horizon.

1.5 Security Risk

The bonds are unsecured in nature, meaning they are not backed by any specific collateral or charge on assets of the Issuer.

Management's Perception

As an unsecured instrument, bondholders are general creditors of BRAC Bank PLC and will rank pari passu with other unsecured creditors of the bank in the event of a winding up. However, given BRAC Bank's AAA rating, strong capital adequacy (CRAR 15.63%), and the regulatory oversight by Bangladesh Bank, the probability of default is considered very low.

1.6 Liquidity Risk

Liquidity risk refers to the risk that the bonds cannot be sold in the secondary market at or near fair value prior to maturity.

Management's Perception

Investors should be prepared to hold bonds until maturity. The SOD (Secured Overdraft) facility available against lien on bond holdings mitigates liquidity risk for bondholders who may require interim liquidity.

1.7 Management Risk

Management risk refers to the risk that decisions made by the bank's management could adversely affect the bank's performance and ability to meet its obligations.

Management's Perception

BRAC Bank has a highly experienced and professionally qualified management team led by the Managing Director & CEO. The Bank's governance structure includes an independent Board of Directors, Board-level Risk and Audit Committees, and compliance with Bangladesh Bank's corporate governance guidelines, which collectively minimize management risk.

1.8 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, or external events.

Management's Perception

BRAC Bank has implemented a comprehensive Operational Risk Management Framework covering key controls, incident reporting, business continuity planning, and IT security. The Bank regularly conducts internal audits and maintains compliance with Bangladesh Bank's operational risk guidelines under the Basel III framework.

1.9 Business Risk

Business risk refers to the risk arising from the competitive environment, strategic decisions, and the overall business model of the Bank.

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Management's Perception

BRAC Bank's diversified business model spanning SME, retail, corporate, and institutional banking provides resilience against sector-specific downturns. The Bank's strong SME franchise, supported by BRAC's extensive network, provides a competitive advantage that underpins consistent business performance.

1.10 Industry Risk

Industry risk pertains to risks that affect all participants in the banking sector, including regulatory changes, macroeconomic conditions, and systemic risks.

Management's Perception

Bangladesh's banking sector is regulated by Bangladesh Bank under the Bank Companies Act 1991. While the sector faces challenges including NPL levels and capital pressures, BRAC Bank's strong capital position, AAA rating, and consistent profitability position it favorably relative to peers.

1.11 Market & Technology Related Risk

This risk encompasses changes in market conditions and technological disruptions that may affect the bank's business model, revenue streams, or competitive position.

Management's Perception

BRAC Bank continues to invest in digital transformation initiatives including mobile banking, internet banking, and fintech partnerships to remain competitive. The bank's technology infrastructure is periodically upgraded and subject to regular cybersecurity assessments.

1.12 Risk Related to Potential or Existing Government Regulations

Changes in government regulations, including banking regulations, tax laws, and environmental regulations, may affect the Bank's operations, costs, or the terms of the Bond.

Management's Perception

BRAC Bank maintains a dedicated compliance function that monitors regulatory developments and ensures timely compliance with all applicable laws and regulations issued by Bangladesh Bank, BSEC, NBR, and other relevant authorities.

1.13 Risk Related to Potential Changes in Global or National Policies

Changes in global climate policies, green finance standards (including ICMA GBP revisions), or national green bond guidelines issued by Bangladesh Bank may require updates to the Green Bond Framework.

Management's Perception

BRAC Bank will regularly review and update its Green Bond Framework to align with evolving market standards. The Bank's Sustainable Finance Committee, in coordination with the Treasury and Risk divisions, will monitor policy developments and ensure the Framework remains compliant.

1.14 Emerging Risk (Green Bond Specific)

Green bond-specific risks include greenwashing risk (failure to allocate proceeds to genuinely green projects), impact measurement risk, and the risk that eligible projects fail to deliver projected environmental outcomes.

Management's Perception

BRAC Bank's Green Bond Framework includes robust governance controls — a dedicated Green Bond Subcommittee under the Sustainable Finance Committee, independent screening via the ESMS, an external Second Party Opinion (SPO) from S&P Global Ratings or equivalent, and annual allocation and impact

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reporting verified by an external auditor. These controls collectively mitigate greenwashing and impact measurement risks.

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2. DETAILED DESCRIPTION & INFORMATION

Particulars of the Issuer	
Name:	BRAC Bank PLC.
Legal Status:	BRAC Bank PLC. (the "Bank" or "BRAC Bank") is a scheduled commercial bank established under the Bank Company Act, 1991, and incorporated as a public company, limited by shares, on 20 May 1999 under the Companies Act, 1994, in Bangladesh, vide RJSC registration no. C37782(2082)/99. The primary objective of the bank is to conduct all kinds of banking businesses. On completion of all legal formalities, the bank commenced its operations on 4th July 2001. BRAC Bank has been listed on the Dhaka Stock Exchange and Chittagong Stock Exchange as a publicly traded company from 28 January 2007 and 24 January 2007, respectively.
Address:	Anik Tower, 220/B Tejgaon I/A, Tejgaon Gulshan Link Road, Tejgaon, Dhaka-1208.
Details of Contact Information:	Mr. Tanveer Kamal Head of Structured Finance Phone: +88 02 988 4292, 885 9202 | Ext: 55243 Mobile: +8801777797099 Email: tanveer.kamal@bracbank.com
Date of Incorporation:	Incorporated as a Public Limited Company on 20 May 1999 under the Companies Act, 1994 in Bangladesh.
Date of Commencement of Business:	The Bank started its operations on 04 July 2001.
Authorized Capital:	5,000,000,000 ordinary shares of BDT 10 each Total amount — BDT 50,000,000,000
Paid-up Capital:	BDT 19,909,261,670 (as of latest available data)
Total Consolidated Equity:	BDT 129,421,696,418
Total Consolidated Liabilities:	BDT 1,198,692,849,232
Total Consolidated Financial Obligation:	BDT 1,198,692,849,232
Total Consolidated Assets:	BDT 1,328,114,545,650
Total Consolidated Tangible Assets:	BDT 17,556,394,134
Net Worth:	BDT 129,421,696,418

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Tareq Rezat Ullah Khan
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Particulars of the Issue Manager

Name of the issue manager:	IDLC Investments Limited
Legal status of the issue manager:	Private Limited Company
Details of contact information of the issue manager:	DR Tower (4th Floor), 65/2/2 Bir Protik Gazi Golam Dastagir Road, Purana Paltan, Dhaka 1000, Bangladesh. **Mesbah Uddin Ahmed** Managing Director IDLC Investments Limited Telephone 16409, +8809609994352 Fax +880 (2) 223390171 Email MAhmed@IDLC.com Mobile +880 1713-045841
Name of the issue managed by the issue manager:	BRAC Bank Green Bond

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Managing Director & CEO

Particulars of the Issue	
Name:	BRAC Bank Green Bond
Type of Instrument:	Non-Convertible, Fully Paid-Up, Fully Redeemable, Unsecured, Green Zero-Coupon Bond
Purpose of Issue:	To provide low-cost green financing to eligible clients of BRAC Bank—contributing to the bank's sustainable finance objectives and Bangladesh's climate commitments.
Number of Securities & Total Size of the Issue Offered:	10,000 bonds, totaling BDT 10,000,000,000
Face value and issue price of securities mentioning discount or premium thereof:	Face value: BDT 10,000,000,000 (Total Issue) Issue Size: BDT 8,513,339,472 (At a tentative discount rate of 8.5%p.a. Discount rate to be finalized prior to issuance based on prevailing market conditions.)
Number of Tranches:	Bond will be issued in multiple tranches throughout the subscription period.
Yield to Maturity/Rate of Return/Discount Rate	8.5% per annum The final discount rate will be determined at the time of subscription taking into consideration the prevailing market conditions.
Tenor or Maturity:	Up to 3 years from the date of issuance. Investors may select: 1 Year / 2 Years / 3 Years at the time of subscription.
Details of conversion/exchange option features:	Not applicable
Mode of redemption or conversion/exchange:	Not applicable
Mode of option (call or put), if any, in case of redemption or conversion/exchange and discount or premium thereof:	Not applicable
Applicable tax rate:	As per the tax law of People's Republic of Bangladesh
Default protection mechanism (details of credit enhancement arrangement/agreement, redemption reserve, sinking fund etc.), if any:	Not Applicable
Type of collateral securities being offered, if any:	Unsecured

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Particulars of the Trustee	
Name:	Prime Bank Investment PLC.
Paid Up Capital:	BDT 3,000,000,000 [as of 31st December 2025]
Net Worth:	BDT 3,248,399,177 [as of 31st December 2025]
Name of Issue(s) Where Performing as Trustee:	a) North-West Power Generation Company Limited b) Aamra Networks Limited c) Midland Bank Limited d) City Auto Rice and Dal Mills Limited e) UCB Bank Limited f) Navana Pharmaceuticals PLC. g) BRAC Bank PLC.
Others:	Not Applicable

Particulars of the Credit Rating Agency	
Name:	Credit Rating Agency of Bangladesh (CRAB)
Credit Rating Status of The Issuer:	Long Term: AAA Short Term: ST-1 Outlook: Stable Agency: CRAB
Credit Rating Status of The Issue:	Long Term: AA_1 Outlook: Stable Agency: Credit Rating Agency of Bangladesh (CRAB)
Date And Validity of Rating Along with Surveillance Rating for The Issuer or Originator and For the Issue:	For the Issuer (CRAB): Date of Rating: 13 May, 2025 Valid Till: 30 June, 2027 For the Issue (CRAB): Date of Rating: 10 June, 2026 Valid Till: 09 December, 2026
Latest Default Rate of The Credit Rating Company:	1-Year Default Rate – 0.00% 3-Year Cumulative Default Rate (CDR) – 0.00%
Average Time to Default of The Rated Category:	No default in this category
Rating Trigger, If Any	If the credit rating of the Issue falls below the minimum investment grade i.e., "BBB" in the long term or "ST-3" in the short term, then BRAC Bank PLC. shall pay an additional amount over and above the stipulated Discount Rate as a Risk Premium as mentioned in the below table:

Issue Rating	Risk Premium to be Added
BB	0.25%
B	0.50%
C	0.75%
D	1.00%

Others:	Not Applicable

Particulars of Originators
Not Applicable

Particulars of other Contractual Parties	
Legal Advisor	Farooq & Associates
Depository	Central Depository Bangladesh Limited (CDBL)
Registrar, Paying Agent, Transfer Agent	N/A
Others	Not applicable

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3. DETAILS OF UTILIZATION OF PROCEEDS

3.1 Purpose of Issuance of BRAC Bank Green Bond

To provide low-cost green financing to eligible clients of BRAC Bank— contributing to the bank's sustainable finance objectives and Bangladesh's climate commitments.

3.2 Plan Regarding Use of Proceeds from the BRAC Bank Green Bond

An amount equivalent to the net proceeds from this bond will be allocated to finance or refinance, in whole or in part, new or existing Eligible Green Projects. The bank intends to tentatively allocate the proceeds of the bond in the following Green Categories:

- **Renewable Energy:** 20% – 30%
- **Energy Efficiency:** 50% – 70%
- **Green Buildings:** 10% – 20%

A minimum of 70% of the total proceeds of the bond will be allocated to future projects, while the remaining (maximum 30%) will be used to refinance past disbursements within the look-back period (24 months prior to issuance).

Until the full allocation of an amount equivalent to the net proceeds from any Green Bond to Eligible Investments, the unallocated proceeds may be temporarily held in cash, cash equivalents, or other liquid instruments (such as Treasury Bill/Bond), at BRAC Bank's discretion.

3.3 Impact and Allocation of Proceeds Reporting

BRAC Bank will prepare and publish an annual Allocation and Impact Report for BRAC Bank Green Bond until completion of full allocation. In case of any material development the bank will publish the updated report. The report will be made available on the Investor Relations section of the BRAC Bank website. The post-issuance review of the management of proceeds will be verified by an external BSEC approved auditor or other qualified third party as per regulatory guidelines.

Further details are available in BRAC Bank's Green Bond Framework.

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Managing Director & CEO

4. FEATURES OF DEBT SECURITY TO BE ISSUED

Issuer:	BRAC Bank PLC. ("BBPLC")
The Issue:	BRAC Bank Green Bond
Issue Manager:	IDLC Investments Limited
Arrangement Basis:	Best Efforts Basis
Purpose:	To provide low-cost green financing to eligible clients of BRAC Bank—contributing to the bank's sustainable finance objectives and Bangladesh's climate commitments.
Investors:	Corporates, Provident Fund & Gratuity Fund, HNWIs, or any other eligible investors.
Currency:	Bangladesh Taka (BDT)
Issue Size:	BDT 10,000,000,000 (Ten Billion)
Trustee:	Prime Bank Investment PLC
Face Value of Each Bond:	BDT 1,000,000 (One Million)
Total Bonds:	10,000 bonds (at face value)
Minimum Application Amount(Face Value):	BDT 1,000,000 (One Million)
Issue Price of Each Bond:	At a discount to face value, determined by the applicable discount rate at issuance.
Tenor:	Up to 3 years Investors may select: 1 Year / 2 Years / 3 Years at the time of subscription.
Nature of Instrument:	Non-Convertible, Fully Paid-up, Fully Redeemable, Unsecured, Green Zero-Coupon Bond
Redemption:	Fully Redeemable at par (face value) on the respective maturity date
Coupon / Interest:	Nil — Zero-Coupon Bond. Return is realized as the difference between discounted issue price and face value at maturity.
Discount Rate:	8.5% per annum (to be finalized prior to issuance based on prevailing market conditions)
SOD Facility:	Bond holders will have the option to avail Secured Overdraft (SOD) facility against lien on bond holdings.
Rating Agency:	Credit Rating Agency Bangladesh (CRAB) (Issuer rating: Long Term: AAA | Short Term: ST-1 | Outlook: Stable | Agency: CRAB)
Credit Rating:	Issuer: Long Term: AAA | Short Term: ST-1 | Outlook: Stable Validity: 30th June 2027 | Agency: CRAB

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Tareq Refat Ullah Khan

	Issue: Long Term: AA_1 | Outlook: Stable Validity: December 9, 2026 | Agency: CRAB
Over Subscription:	In event of oversubscription, the allotment will be on a first come first serve basis.
Under Subscription:	Any under-subscribed portion will be re-offered for fresh subscription depending on prevailing market conditions.
Second Party Opinion:	S&P Global Ratings
Applicable Bangladesh Bank & BSEC Guidelines:	i) Policy on Green Bond Financing for Banks and FIs by Bangladesh Bank (September 2022) ii) BSEC Debt Securities Issuance Rules 2021 iii) BSEC Amendment Notification dated 07 April 2026 (Gazette, 05 May 2026) iv) ICMA Green Bond Principles 2025 v) All other applicable guidelines/orders/rules/circulars issued by Bangladesh Bank and BSEC from time to time
Regulatory Approval:	Upon getting No-Objection Certificate from Bangladesh Bank, and consent letter from the Bangladesh Securities and Exchange Commission, the Issuer will issue the Bonds.
Trustee Authority:	At any time after the Bonds have become due and repayable, the Trustee may, and without further notice in writing, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed, but it will not be bound to take any such proceedings unless (a) it shall have been so requested in writing by the holders of not less than $66^{2/3}$ per cent. in principal amount of the Bonds then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (b) it shall have been indemnified and/or secured to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.
Status of securities holders in case of priority of payment:	The Claims of the Investors/Bondholders shall: i) be superior to the claims of investors in equity shares; ii) rank pari passu with the claims of all other unsecured and unsubordinated creditors of the Issuer, except those claims mandatorily preferred by law (including the claims of depositors); iii) neither be secured nor covered by a guarantee of the Issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim over other creditors of the bank.
Mode of Placement:	Private Placement
Security:	Unsecured

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Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC

Tareq Refat Ullah Khan

Rating Trigger:	If the credit rating of the Issue falls below the minimum investment grade i.e., "BBB" in the long term or "ST-3" in the short term, then BRAC Bank PLC shall pay an additional amount over and above the stipulated Discount Rate as a Risk Premium as mentioned in the below table:

Issue Rating	Risk Premium to be Added
BB	0.25%
B	0.50%
C	0.75%
D	1.00%

Documentation:	Will include but not limited to: • Trust Deed • Subscription Agreement • Any other documentation related to the transaction
Legal Counsel:	Farooq and Associates
Governing Law:	The Laws of The People's Republic of Bangladesh
Rate of Return, Yield to Maturity, Coupon/Discount Rate	Since Zero Coupon Bond doesn't have any periodic coupon payment, the proposed bond will have a Yield to Maturity (YTM) of 8.5% tentatively which is the discount rate of the bond. The discount rate will be finalized prior to issuance based on prevailing market conditions
Transferability/Liquidity	Transfer and transmission of the Bonds shall be subject to the Depositories Act. '1999, the rules made thereunder, the byelaws, rules and regulations of the Depositories as amended from time to time.
Prepayment, Call, Refunding, Conversion or Exchange Option	Not Applicable
Early Redemption	Not Applicable
Late Redemption	Incremental charge at the rate of 2% per annum payable by the Issuer to the Bondholders above the amount to be paid by the Issuer to the Bondholders on the Redemption date for failure of the Issuer to make payment to the Bondholders on the Redemption date
Tax Features	As per the tax law of People's Republic of Bangladesh
Redemption Schedule	The proposed issue will be available for a variable tenor of 1 (One) Year, 2 (Two) Years & 3 (Three) Years which will provide the investors with option to invest as per their preferred maturity profile. The Redemption schedule considering 8.5%p.a. discount rate (to be finalized prior to issuance based on prevailing market conditions) is provided below-

Year	Bonds redeemed	Face value of each bond	Discounted value of each bond	Total redeemed face value	Total redeemed discounted value
1	3,333	1,000,000	921,659	3,333.00	3,071,89
2	3,333	1,000,000	849,455	3,333.00	2,831.23
3	3,334	1,000,000	782,908	3,334.00	2,610.22
Total				**10,000.00**	**8,513.34**

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	*Figures in BDT MN Bonds redeemed at each maturity may vary based on prevailing market conditions and investor's appetite. However, total number of bonds redeemed shall not exceed 10,000 throughout the tenure of the bond. Thus, total redeemed face value of the bond shall be equal to or less than BDT 10,000 million.
Call or put option, and premium or discount thereof, if any	Not applicable
Credit enhancement or guarantee, if any	Not Applicable

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Enforcement of charges over securities

Legal Proceedings

The Trustee may at any time, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to recover any amounts due in respect of the Bonds which are unpaid or to enforce any of its rights under this Trust Deed or the Conditions but it shall not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or a Written Resolution and (b) it shall have been indemnified and/or secured to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith and provided that the Trustee shall not be held liable for the consequence of taking any such action and may take such action without having regard to the effect of such action on individual Bondholders. Only the Trustee may enforce the provisions of the Bonds or this Trust Deed and no Bondholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.
Notwithstanding whatsoever contained to the contrary herein, in the event of default, the procedure to be undertaken by the Trustee as envisaged shall be initiated only after compliance with all or any prevailing laws, notification, guidelines, directives etc. both statutory and authoritative, as applicable to the Issuer.

Evidence of Default

If the Trustee (or any Bondholder where entitled under this Trust Deed so to do) makes any claim, institutes any legal proceeding or lodges any proof in a winding up or insolvency of the Issuer under this Trust Deed or under the Bonds, proof therein that: as regards any specified Bond the Issuer has made default in paying any principal due in respect of such Bond shall (unless the contrary be proved) be sufficient evidence that the Issuer has made the like default as regards all other Bonds in respect of which a corresponding payment is then due and for the purposes of the above a payment shall be a "corresponding" payment notwithstanding that it is due in respect of a Bond of a different denomination from that in respect of the above specified Bond.

Distribution and Selling Strategy

The bank will raise funds through private placement. To support investor outreach and enhance financial literacy, the bank will launch comprehensive awareness campaigns using social media, digital and print media, telemarketing, etc.

The bank will leverage its corporate and retail distribution channels to identify and onboard eligible investors which will ensure broad participation and efficient private placement.

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Tareq Refat Ullah Khan
Managing Director & CEO

5.DESCRIPTION OF COLLATERAL SECURITY & TYPE OF CHARGES TO BE CREATED AGAINST ISSUE

The Bonds to be issued are unsecured in nature, and hence no collateral securities or guarantees are to be charged with Trustee of this Bond. Bondholders are generally unsecured creditors of BRAC Bank PLC and will rank pari passu with other unsecured creditors in the event of a winding up.

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Managing Director & CEO

6. RIGHTS & OBLIGATIONS OF THE ISSUER

Covenant to Repay

The Issuer covenants with the Trustee that it will, as and when the Bonds or any of them become due to be redeemed or any principal on the Bonds or any of them becomes due to be repaid in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Trustee in Bangladesh Taka in Dhaka in immediately available freely transferable funds the principal amount of the Bonds or any of them becoming due for redemption or repayment on that date and shall (subject to the provisions of the Conditions) until all such payments (both before and after judgment or other order) are duly made unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid on the dates provided for in the Conditions- any other amounts due and payable in respect of the Bonds or any of them outstanding from time to time as set out in the Conditions provided that:

- every payment of principal or Coupon in respect of the Bonds or any of them made to or to the account of the Bondholders shall satisfy, to the extent of such payment;
- if any payment of principal in respect of the Bonds or any of them is made after the due date, payment shall be deemed not to have been made until either the full amount is paid to the Bondholders or, if earlier, the [seventh day] after notice has been given to the Bondholders in accordance with the Conditions that the full amount has been received by the Trustee to the extent that there is failure in the subsequent payment to the Bondholders under the Conditions; and
- in any case where payment of the whole or any part of the principal amount due in respect of any Bond is improperly withheld or refused penalty shall accrue at applicable rate of 2% p.a. for the Bond on the whole or such part of such principal amount from the date of such withholding or refusal until the date either on which such principal amount due is paid to the Bondholders or, if earlier, the seventh day after which notice is given to the Bondholders in accordance with the Conditions that the full amount payable in respect of the said principal amount is available for collection by the Bondholders provided that on further due presentation thereof such payment is in fact made.

The Trustee will hold the benefit of this covenant and the covenants in Clause 12.3 (Covenant to comply with Trust Deed, Conditions and Schedules and applicable law) and Clause 12.4 (Covenants by the Issuer) on trust for the Bondholders.

Following an Event of Default

At any time after any Event of Default shall have occurred, the Trustee may:
by notice in writing to the Issuer, require it to make all subsequent payments in respect of Bonds to or to the order of the Trustee and with effect from the issue of any such notice until such notice is withdrawn, sub-clause 12.1.1of Clause 12.1 (Covenant to Repay) and (so far as it concerns payments by the Issuer) Clause 21.2 (Payment to Bondholders) shall cease to have effect.

Covenant to comply with Trust Deed, conditions, Schedules and applicable law

- The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of this Trust Deed, the Conditions (including, without limitation, Condition 5 (Covenants)) and the other Schedules which are expressed to be binding on it and to perform and observe the same. The Bonds are subject to the provisions contained in this Trust Deed, all of which shall be binding upon the Issuer and the Bondholders and all persons claiming through or under them respectively. The Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, this Trust Deed and the other Bond

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Managing Director & CEO

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Documents and will be deemed to have notice of all of the provisions of the Bond Documents applicable to them.

- The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of the applicable law including but is not limited to Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021. The Issuer agrees that Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, the applicable law and will be deemed to have notice of all of the provisions of the applicable law applicable to them.
- The Trustee shall itself be entitled to enforce the obligations of the Issuer under the Bonds and the Conditions and the applicable law as if the same were set out and contained in this Trust Deed which shall be read and construed as one document with the Bonds.

Covenants by the Issuer
The Issuer hereby covenants with the Trustee that, so long as any of the Bonds remain outstanding, it will:

Books of account
At all times keep and procure that all its Subsidiaries keep such books of account as may be necessary to comply with all applicable laws and so as to enable the financial statements of the Issuer to be prepared and allow, subject to confidentiality obligations under applicable law, the Trustee and any person appointed by it free access to the same at all reasonable times and to discuss the same with responsible officers of the Issuer;

Event of Default
Give notice in writing to the Trustee forthwith upon becoming aware of any Event of Default and without waiting for the Trustee to take any further action;

Corporate Governance
Comply (and shall ensure that each member of the Group will) in all material respects with the corporate governance guidelines set out by the Bangladesh Bank and the BSEC.

Information
So far as permitted by applicable law, at all times give to the Trustee such information, opinions, certificates and other evidence as it shall require and, in such form, as it shall require in relation to Issuer for the performance of its obligations under the Bond Documents;

Execution of further Documents
So far as permitted by applicable law, at all times execute all such further documents and do all such further acts and things as may be necessary at any time or times in the opinion of the Trustee to give effect to the provisions of this Trust Deed;

Notices to Bondholders
Send or procure to be sent to the Trustee not less than 5 (five) business days prior to the date of publication one copy of each notice to be given to the Bondholders in accordance with the Conditions and, upon publication, send to the Trustee two copies of such notice;

Notification of non payment
Notify the Trustee forthwith in the event that it does not, on or before the due date for payment in respect of the Bonds or any of them, pay unconditionally the full amount in the relevant currency of the moneys payable on such due date on all such Bonds;

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Notification of late payment

In the event of the unconditional payment to the Trustee of any sum due in respect of the Bonds or any of them being made after the due date for payment thereof, forthwith give notice to the Bondholders that such payment has been made;

Notification of redemption or repayment

14 (Fourteen) days prior to the Redemption Dates or purchase in respect of any Bond, give to the Trustee notice in writing of the amount of such redemption or purchase pursuant to the Conditions and duly proceed to redeem or purchase such Bonds accordingly;

Authorised Signatories

Upon the execution hereof and thereafter forthwith upon any change of the same, deliver to the Trustee a list of the Authorized Signatories of the Issuer, together with certified specimen signatures of the same; and

Payments

Pay moneys payable by it to the Trustee hereunder without set off, counterclaim, deduction or withholding, unless otherwise compelled by law and in the event of any deduction or withholding compelled by law will pay such additional amount as will result in the payment to the Trustee of the amount which would otherwise have been payable by it to the Trustee hereunder.

Risk Premium

In case where the credit rating of the Issue falls below the minimum investment grade i.e. "BBB" in the long term or "ST-3" in the short term, the Issuer shall pay an additional amount over and above the stipulated Discount Rate as a Risk Premium as mentioned in the below table:

Issue Rating	Risk Premium to be Added
BB	0.25%
B	0.50%
C	0.75%
D	1.00%

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7. RIGHTS, DUTIES & OBLIGATIONS OF THE TRUSTEE

Trustee's Rights

- **Applicable Law:** Notwithstanding anything contained in this Trust Deed the Trustee shall have all such rights and powers granted to it under the applicable law including but not limited to the Rules.
- **Advice:** The Trustee may in relation to this Trust Deed act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert (whether obtained by the Trustee, the Issuer, or any Subsidiary) and which advice or opinion may be provided on such terms (including as to limitations on liability) as the Trustee may consider in its sole discretion to be consistent with prevailing market practice.
- **Trustee not responsible for investigations:** Save as otherwise provided by applicable law, the Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in this Trust Deed, the Bonds, or any other agreement or document relating to the transactions herein or therein contemplated.
- **Entry on the Register:** The Trustee shall not be liable to the Issuer or any Bondholder by reason of having accepted as valid or not having rejected any entry on the Register later found to be forged or not authentic and can assume for all purposes in relation hereto that any entry on the Register is correct.
- **Events of Default:** Save as otherwise provided by applicable law, until it shall have actual knowledge or express notice to the contrary, the Trustee shall be entitled to assume that no such Event of Default has happened and that the Issuer is observing and performing all its obligations on its part contained in the Bonds and under this Trust Deed.

Trustee's Obligations

- The Trustee shall, on behalf of the Bondholders, exercise all rights and enforce all obligations created in their favour under the conditions of the Bond, in accordance with the applicable laws, rules and regulations.
- The Trustee shall maintain a Register of Bondholders and ensure proper recording of all transfers and transmissions of Bonds.
- The Trustee shall act in the best interests of the Bondholders at all times and shall not have a conflict of interest in performing its duties.
- The Trustee shall provide the Bondholders with an annual report on the status of the Bond and the Issuer's compliance with the conditions of the Bond.
- The Trustee shall take appropriate action, including legal proceedings, in the event of a default by the Issuer.

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8. RIGHTS & OBLIGATIONS OF OTHER CONTRACTUAL PARTIES

Issue Manager

For the purpose of managing and coordinating the private placement issue of the Bonds, the Issuer has appointed the Issue Manager. The issue management is to be conducted as per the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and other applicable law.

The rights and obligations of the Issue Manager shall include the following: (a) to structure the issue and to prepare, review and finalize the information memorandum and other documents required in connection with the issuance of the Bonds; (b) to liaise and coordinate with the BSEC and other relevant regulatory authorities for obtaining the necessary approvals, consents and no-objections required for the issuance of the Bonds; (c) to coordinate with the Issuer, the Trustee, the Legal Counsel, the Credit Rating Agency and other parties to the transaction for finalizing the Bond Documents; and (d) to perform such other functions and duties as may be required of an issue manager under the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and any other applicable law

Rating Agency

The Rating Agency CRAB shall maintain the credit rating of the Issuer and the Issue throughout the tenure of the Bond. The Rating Agency shall promptly notify the Trustee and the Issuer of any change in the credit rating. The Issuer shall cooperate fully with the Rating Agency and provide all information required for maintaining the rating.

Legal Counsel

The Legal Counsel shall provide legal advice and opinions as required in connection with the issuance and listing of the Bond, the preparation and execution of the Trust Deed and other transaction documents, and compliance with applicable laws and regulations.

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9. RIGHTS OF BONDHOLDERS

Each Bondholder shall enter into a separate Subscription Agreement with the Issuer and shall be bound by the terms and conditions contained in this Trust Deed & such Subscription Agreement containing the details of the rights and obligations of the Investors.

The obligations of the Bondholders under the respective Subscription Agreement, this Trust Deed and other Bond Documents with identical terms are several and the failure by a Bondholder(s) to perform its obligations under the Bond Documents shall not affect the obligations of the Issuer towards any other Bondholder(s) under other identical agreements nor shall any other Bondholder(s) be liable for the failure by such Bondholder(s) to perform its obligations under the Subscription Agreement or any other Bond Document.

The rights of the Bondholder are several and any debt or other obligation arising under the respective Subscription Agreement at any time from the Issuer to any other Bondholder(s) shall be a separate and independent debt. Each Bondholder will be entitled to protect and enforce its individual rights independently of any other Bondholder and it shall not be necessary for any other Bondholder(s) to be joined as an additional party in proceedings for such purpose.

- **Right to Redemption:** Each Bondholder has the right to receive the full-face value (BDT 1,000,000 per bond) on the maturity date of their respective tenor (1, 2, or 3 years).
- **Right to Transfer:** Bonds are freely transferable subject to applicable laws, regulations, and the terms of the Trust Deed. Transfers shall be affected through CDBL.
- **Right to Information:** Bondholders shall have the right to receive annual Allocation Reports, Impact Reports, and any material updates issued by BRAC Bank in connection with Green Bond.
- **Right to Meeting:** Bondholders have the right to attend and vote at meetings of Bondholders convened in accordance with the Trust Deed.
- **Pari Passu Ranking:** The Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and shall rank pari passu with all other present and future unsecured obligations of the Issuer.
- **Right on Default:** In the event of default by the Issuer, Bondholders shall have the right to demand immediate repayment of principal through the Trustee.

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10. DESCRIPTION OF THE ISSUER

Established in 2001, BRAC Bank PLC. has utilized a value-driven approach to banking to foster long-term economic development. The institution maintains a rigorous focus on corporate governance, operational transparency, ethical standards, and a robust compliance culture. Its main goal is to deliver formal financial services to small and medium enterprises that were previously shut out of the traditional financial sector. Since its founding, BRAC Bank has grown into a leading financial institution, driving national economic growth through inclusive financial models, collateral-free credit, and close cooperation with state authorities to execute national economic strategies.

The bank was established by the visionary philanthropist Sir Fazle Hasan Abed with the explicit purpose of bringing banking services to underserved small and medium-sized business owners. By offering loans without requiring collateral, BRAC Bank brings formal financial tools to grassroots SME business owners, generating substantial social and economic advancement. The institution operates beyond conventional profit margins, championing mutual wealth creation while balancing commercial, social, and ecological impacts. Consequently, sustainable financing has become a core element of the bank's corporate strategy.

As a prominent member of the Global Alliance for Banking on Values (GABV), BRAC Bank is dedicated to making financial services more human-centric, anchoring its operations in the '3P' model of People, Planet, and Prosperity. The bank works to fast-track social, cultural, environmental, and financial evolution across Bangladesh. Furthermore, BRAC Bank actively pursues investments in green climate funds, sustainable climate adaptation initiatives, and eco-friendly bonds, ensuring its operations support both the United Nations Sustainable Development Goals (SDGs) and national development agendas.

10.1 Capital Structure

- Authorized capital – 5,000,000,000 ordinary shares of BDT 10 each; Total amount – BDT 50,000,000,000

Issued, Subscribed & Paid-up Capital:

Particulars (Figures in BDT)	2025	2024
100,000,000 Ordinary Shares of Tk. 10/- each issued for cash	1,000,000,000	1,000,000,000
1,636,695,921 Ordinary Shares of Tk. 10/- each issued as bonus share	16,366,959,210	14,154,819,030
26,400,000 Right Shares of Tk. 10/- each issued in 2008	264,000,000	264,000,000
221,652,288 Right Shares of Tk. 10/- each issued in 2014	2,216,522,880	2,216,522,880
Others (bond converted shares, subsequent issues)	61,779,580	61,779,580
Total	**19,909,261,670**	**17,697,121,490**

10.02 Business

BRAC Bank is a full-service commercial bank offering a wide range of products and services across SME Banking, Retail Banking, Corporate, Commercial & Institutional Banking, Structured Finance, Treasury, and Trade Finance. Key business highlights include:

SME Offerings:

- **Deposit Products/Services:** Includes various current and deposit accounts such as Prothom Account, Shadhin Current Account, Prapti (Current Account), Prottasha Account, TARA Uddokta Account, Ekota Account, Uddipon Fixed Deposit, Prachurjo Fixed Deposit, Dipto Fixed Deposit, Ogrim Fixed Deposit, Shonchoy DPS, TARA Shonchoy DPS.

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- **Asset Products/Services:** Features a variety of loans including Women Entrepreneur Loan, Agriculture Finance, Commercial Vehicle Financing, Cash Secured Loan, Secured Loan, Unsecured quick loan for CMSE, Loan for E-commerce & F-commerce businesses, Financing for new entrepreneurs, Business loan for remittance earners' families, and Unsecured loan with unsecured higher loan limit.

Wholesale Banking Offerings:

- **Services:** Encompasses Cash Management, Custodial Service, Probashi Biniyog Deposit, Buying House, Digital Banking, and Employee Banking.
- **Deposit:** Provides Current Account, SND Account, Term Deposit, and FCY Account.
- **Funded Facilities:** Offers Overdraft, Working Capital, Trade Finance, Project Finance, Work Order Finance, Refinance, Lease Finance, Bill Discounting, Invoice Financing, Syndication Loans, Supply Chain and Green Finance.
- **Non-Funded Facilities:** Includes Import LC, Export LC, Letter of Guarantee, and Documentary Collections.
- **Advisory Services:** Includes Alternative Fund Arrangements, Balance Sheet optimization, M&A Advisory, Long-term fund raising for Corporate, Commercial & Institutional Banking Clients.

Retail Offerings:

- **Deposit Products:** Features Flexi & TARA Flexi DPS, Savings Account, Current Account, and Fixed Deposit.
- **Loan Products:** Provides Personal Loan, Auto Loan, Home Loan, Secured Loan/Overdraft, and Credit Cards.

10.03 Description of Encumbered & Unencumbered Assets

There were no encumbered assets. All assets were unencumbered as of December 31, 2025.

Encumbered and unencumbered assets position as of 31 Dec 2025 is as below:

Figures In BDT

Total Assets (Solo)	Encumbered	Unencumbered
1,179,672,231,090	-	1,179,672,231,090

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Tareq Refat Ullah Khan
Director & CEO

10.04 Profile of Board of Directors

Mr. Meheriar M. Hasan
Chairperson

Mr. Hasan is a global thought leader, an innovator, and a voice of authority in the realm of financial services industry. He brings with him over 36 years of rich experience in breakthrough innovation and pathbreaking disruption, building direct/digital distribution channels to generate new profit sources at some of the world's largest financial institutions. He possesses an unparalleled track record in enabling businesses to accelerate profitable growth through design thinking and building multi-channel sales/ service processes and platforms.

Mr. Hasan founded Terafina Inc, a leading digital omnichannel sales solution provider in financial services. He also served as Senior Advisor to McKinsey from 2012 to 2014 and was a guest lecturer at the University of Southern California, Marshall School of Business, from 2006 to 2008. Mr. Hasan holds a Master of Science in Finance, Master of Arts in Economics, and Bachelor of Arts in Economics with a minor in Mathematics from the University of Arizona.

Some of Mr. Hasan's distinguished engagements include:

As the founder he defined the vision and led the building of Terafina, which was ranked amongst the top two fintech disruptors by Celent. Terafina was acquired by NCR Corporation in February 2021.

As Executive Vice President of digital banking at the US Bank, he led the build-out of one of the largest digital banking businesses in the country in record time. The digital channel ranked first in over customer experience by Keynote, a third-party benchmark.

As Executive Vice President at Wells Fargo, he designed and developed one of the largest direct-to-consumer/ digital lending channels in the financial services industry.

He led the Product & Engineering for Digital Insight, the largest online banking application service provider in the US to serve credit unions and small/mid-sized banks.

At Transamerica, as head of Sales and Marketing he pioneered the first private-labeled direct-to-consumer channel in the insurance industry, fully integrated with independent agencies and business back-office operations.

Over his long and resplendent career, Mr. Hasan also served as a Board member on the board of bKash Limited and across other prominent companies such as Toyota Financial Savings Bank and Mechanics Bank.

Mr. Faruq Mayeenuddin Ahmed
Vice Chairperson

Mr. Ahmed led Trust Bank Limited as the Managing Director and CEO from February 2018 to February 2021. Before taking up the position, he served as the Additional Managing Director of the bank.

Before Joining Trust Bank, Mr. Ahmed served as the Additional Managing Director of The City Bank Limited and held the positions of their Chief Risk Officer and CAMLCO. He also served Mercantile Bank and AB Bank Limited as Deputy Managing Director.

After completing MSS in Economics from the University of Dhaka, Mr. Ahmed started his career as a Probationary Officer with AB Bank limited in 1984. He received Bangladesh Bank Gold Medal and BCCI (erstwhile) Gold Medal in the Banking Diploma examination in 1987 for securing the

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M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CEO

Syed M Omar Tayub
Managing Director & CEO

...llah Khan

first position obtaining above 60 per cent mark. He gained hands-on experience and knowledge through working in different capacities in almost all the banking fields at home and abroad. He served Mumbai office of AB Bank for five years as Country Manager facilitating correspondent and reimbursement banking services in India to the Bangladeshi banks. He is a well-rounded banker and has led different major sectors of banking areas in different phases of his service tenure. Mr. Ahmed is the founder Chairman of the Association of Anti Money Laundering Compliance Officers of Banks in Bangladesh (AACOBB) and a life member of the Bangladesh Economic Association.

Mr. Ahmed has participated in various professional training, workshops and seminars at home and abroad. A regular columnist on banking and economic issues in the national dailies, Mr. Ahmed has so far authored 24 books and numerous articles on economy and banking, capital market, accounting, literature and travel. For his noteworthy contributions to Bangla language and literature, he received Bangla Academy Award in 2019 in the travel writing category. He also received IFIC Bank Literary Award 2011 for the excellent translation of 'A Poet Apart' - the literary biography of poet Jibanananda Das originally written by Clinton B. Seely and Citi-Anando.

Dr. Zahid Hussain

Independent Director

Dr. Hussain served as a Consultant in the World Bank Dhaka Office from July 01, 2019, to June 30, 2020. He retired from the World Bank, which he joined on May 1, 1995, as a Lead Economist on June 30, 2019. During this time, he was a key member of the Bank's macro, trade, and investment global practice providing budgetary support (development support credit) and technical assistance to the government, and prepared growth diagnostics, public expenditure reviews, annual macroeconomic updates, and policy notes on macroeconomic management and structural issues.

Dr. Hussain was also engaged as a Lecturer at Boston University, the University of Massachusetts Boston and Framingham State College, Framingham, Massachusetts in the USA during 1987-1992.

At present, he is a Director of BRAC EPL Investment Limited and BRAC EPL Stock Brokerage Limited.

Dr. Hussain obtained Ph.D. in Economics from Boston University, USA, in 1992 and completed Master of Arts in Political Economy from Boston University, USA, in 1987. He earned his MBA from the Institute of Business Administration, University of Dhaka, Bangladesh in 1979.

Dr. Hussain has published in numerous journals and articles on Management, Business, and Economics.

Mr. Salek Ahmed Abul Masrur

Independent Director

Presently, he is the Chief Executive Officer of 'The Consolidated Tea & Lands Co. (Bangladesh) Limited' (known as Finlay Tea).

Mr. Masrur is a seasoned banker with 35 years of banking experience in Bangladesh and the international market in senior leadership positions.

Mr. Masrur was the Country Head of Bank Alfalah, Bangladesh from 2009 to 2019, the longest-serving CEO of any Foreign Bank. He served as Global Head of Origination and Client Coverage Islamic Banking at Standard Chartered Bank, UAE. He was also the Director, Portfolio Management of Standard Chartered Bank, Singapore from September 2005 to June 2007. He served as Head of Client Relationship from 2002 to 2005 at Standard

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Managing Director & CEO
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Head Office, Dhaka

Chartered Bank, Bangladesh, and as Head of Corporate Banking of Citibank NA, Bangladesh from 2000 to 2001. He also served as the Head of Corporate Banking in Standard Chartered Bank from 1995 to 1999.

He started his career at ANZ Grindlays Bank as Management Trainee in 1985. He led different major sectors of banking areas in different phases during his service tenor.

Mr. Masrur was recognized for his strong leadership skills displayed through leading teams to success both locally and globally. He also participated in a good number of professional trainings, workshops and seminars both at home and abroad.

Ms. Anita Ghazi Rahman
Independent Director

With 19+ years PQE, Ms. Anita Ghazi Rahman is a qualified barrister and Advocate of both tiers of the Bangladesh Supreme Court. Ms. Rahman obtained her LLB (Hons.) degree from the University College London, UK in 2002 and was called to the Bar of England and Wales from Lincoln's Inn, London in 2003, completing her Bar Vocational Course from the College of Law. She is the Founder & Managing Partner of The Legal Circle, a law firm; the Founder Editor of Think Legal Bangladesh, as well as the Founder and Publisher of Legal Circle Law Reports (LCLR). Ms. Anita Ghazi qualified as an Advocate in Bangladesh in 2004, as an Advocate of the High Court Division of Bangladesh Supreme Court in 2006 and as Advocate of the apex Court, the Appellate Division of the Bangladesh Supreme Court in 2018.

Ms. Rahman focuses her practice on company, general corporate law and dispute resolution. She provides corporate and transactional advice with respect to business formation, employment, financing, services and procurement contracts, joint ventures, mergers & acquisitions and other business restructurings and heads the firm's Litigation practice.

Ms. Anita Ghazi Rahman has been listed amongst the "Inspiring individuals to follow in 2015 in Bangladesh" in Dhaka Tribune, Future Startup's "15 Under 35 For 2015: Entrepreneurs, Trailblazers, Mold-Breakers of Bangladesh" and has been featured in the book "From Stones to Castles: In conversation with 16 inspiring personalities of Bangladesh" and "Aine Tarunno". She is an Asia 21 Young Leader for the Class of 2016 and an alumnus of the Common Purpose January Programme. On behalf of The Legal Circle, she is also one of the initial signatories to the Belt & Road Legal Service International Cooperation Platform.

Ms. Anita Ghazi Rahman serves on the Boards of a number of non-profits and professional associations, and mentors for national and international incubator and accelerator programs. She has been an active mentor in the Bangladeshi startup ecosystem since its nascent stages.

Ms. Anita Ghazi Rahman has served as an Independent Director of Chittagong Stock Exchange and Light Castle Partners and as a nominee Director of bKash on behalf of BRAC Bank. She also serves as a General Member of the National Advisory Board for Impact Investment in Bangladesh, at Jaago Foundation, and as a general member of Sajida Foundation. She is also a member of the Investment Committee in Startup Bangladesh Ltd, the flagship venture capital fund of the ICT Ministry of Bangladesh and an advisor to the IDLC VC Fund 1.

The Legal Circle is committed to giving back and Ms. Anita Ghazi has an established reputation for her pro bono work, spending a substantial amount of time on helping initiatives she finds are capable of making a difference for a better Bangladesh.

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Additional Managing Director & CFO

Syed M Omar Tayub
Managing Director & CEO
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Head Office, Dhaka

Ullah Khan

Mr. Chowdhury MAQ Sarwar
Independent Director

Mr. Sarwar is a distinguished banker with 35 years of diverse experience in both international and domestic banks.

He is nationally recognized for his pivotal role in shaping thought leadership in prevention of money laundering and setting up and managing Internal Control & Compliance (ICC) functions considered best in class in domestic banking industry.

He was the longest serving CAMLCO, having served in Citibank NA, Standard Chartered and Eastern Bank PLC in that role. He was also a past Chairman of Association of Anti Money Laundering Compliance Officers of Banks in Bangladesh (AACOBB).

He played an important role in driving to enhance & improve the overall awareness of compliance and control within the local banking industry as member of various committees/ focus groups of Bangladesh Bank, BFIU and Association of Banks, Bangladesh.

Mr. Sarwar served as Deputy Managing Director & Head of Internal Control and Compliance at Eastern Bank PLC from 2018 to 2019, where he oversaw the Internal Audit, Monitoring and Compliance functions.

He worked as a Consultant to Islami Bank Bangladesh PLC from 2015 to 2018 in AML/CFT Remediation Project and helped implement the recommendations made by reputed international risk consulting firm, Kroll engaged by IBB to help transfer global best practices.

Throughout his extensive career, Mr. Sarwar held key positions such as Head of Legal and Compliance at Standard Chartered Bank from 2004 to 2015, and Head of Internal Control, Compliance and Human Resources at Citibank NA from 2000 to 2003. He also contributed significantly in various important roles at American Express Bank between 1993 and 1999. His professional journey commenced as a Probationary Officer at IFIC Bank Limited in 1984.

He is a passionate trainer having delivered bespoke AML/CFT, Sanctions, Operational Risks, Fraud Risk, and Internal Control & Compliance training to wide audiences, including bankers, law enforcers and regulators.

Ms. Lila Rashid
Independent Director

Ms. Lila is a retired Executive Director of Bangladesh Bank, the central bank of the country.

She is currently engaged in a research project titled "Gender Gap in Financial Inclusion in Bangladesh" as Financial Inclusion Specialist that is funded by the Bill & Melinda Gates Foundation and managed by Center for Research and Development (CRD), Bangladesh.

During her career, she worked in different departments of the Bangladesh bank in various capacities. Her notable contributions include formulating policies for the microfinance sector and helping the government establish Microcredit Regulatory Authority (the MRA).

With over a decade of hands-on experience, she dedicated herself to shaping and executing policies within the microfinance sector of Bangladesh. Additionally, she spent close to three years contributing to the development of payment systems and more than two years providing policy guidance and financial

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Syed M Omar Tayab
Managing Director & CEO
Primc Bank Investment PLC
Head Office, Dhaka

Tareq Refat Ullah Khan
& CFO

assistance to the SME sector. Her expertise lies in analyzing policies and data, crafting effective policy frameworks, engaging in negotiations with stakeholders, and ensuring the successful implementation of policies.

In 2008, she was honored with the 'Gold Medal' by Bangladesh Bank for her exceptional performance and contributions on a national scale. Additionally, she was granted a scholarship by Bangladesh Bank in 1998 to pursue her MBA at the University of New Orleans, U.S.A.

Ms. Lila completed her PhD (Microfinance) from Jawaharlal Nehru University, India and MBA from the University of New Orleans, USA. Prior to that, she attained her M.Sc in Physics from the University of Dhaka.

Mr. Tareq Refat Ullah Khan
Managing Director & CEO

The Board of Directors of BRAC Bank PLC. appointed Mr. Tareq Refat Ullah Khan as the Managing Director and Chief Executive Officer effective May 27, 2025.

Earlier he was promoted to Additional Managing Director (AMD) of BRAC Bank on April 1, 2025.

Mr. Tareq joined BRAC Bank in 2017 as Head of Credit Risk Management, bringing with him nearly three decades of distinguished experience across Eastern Bank, AB Bank, and IFIC Bank - a career marked by innovation, integrity, and impact. He brings in a wealth of Corporate & Institutional Banking & Risk Management experience to BRAC Bank. He started his career in 1996 with IFIC Bank Ltd and performed different roles there in various positions till 2003. He has also worked for AB Bank Ltd. Prior to joining BRAC he was working for EBL as EVP and Head of Relationship in corporate Banking Division. Mr. Tareq was awarded "CEO" and "Chairman" Award by EBL for his consecutive outstanding performances. He has also attended numerous trainings/workshops and seminars on Credit Risk, Loan structuring, corporate structure, Leadership, International Trade etc. in Home and abroad namely Malaysia, Bahrain, Germany and Italy.

Mr. Tareq completed B. Com under University of Chittagong and M. Com in Marketing from the University of Dhaka. He also completed his MBA and Credit Risk Assessment by Omega Performance Corporation, UK.

10.05 Profile of Management

Tareq Refat Ullah Khan
Managing Director & CEO

The Board of Directors of BRAC Bank PLC. appointed Mr. Tareq Refat Ullah Khan as the Managing Director and Chief Executive Officer effective September 2, 2025.

Earlier he was promoted to Additional Managing Director (AMD) of BRAC Bank on April 1, 2025.

Mr. Tareq joined BRAC Bank in 2017 as Head of Credit Risk Management, bringing with him nearly three decades of distinguished experience across Eastern Bank, AB Bank, and IFIC Bank—a career marked by innovation, integrity, and impact. He brings in a wealth of Corporate & Institutional Banking & Risk Management experience to BRAC Bank. He started his career in 1996 with IFIC Bank Ltd and performed different roles there in various positions till 2003. He has also worked for AB Bank Ltd. Prior to joining BRAC he was working for EBL as EVP and Head of Relationship in corporate Banking Division. Mr. Tareq was awarded "CEO" and "Chairman" Award by EBL for his consecutive outstanding performances. He has also attended numerous trainings/workshops and seminars on Credit Risk, Loan structuring, corporate

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Company Secretary

M Masud Rana FCA
Additional Managing Director & CEO

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

Tareq Refat Ullah Khan
Managing Director & CEO

structure, Leadership, International Trade etc. in Home and abroad namely Malaysia, Bahrain, Germany and Italy.

Mr. Tareq completed B. Com under University of Chittagong and M. Com in Marketing from the University of Dhaka. He also completed his MBA and Credit Risk Assessment by Omega Performance Corporation, UK.

Syed Abdul Momen
Additional Managing Director and Head of SME Banking

Syed Abdul Momen currently serves as the Additional Managing Director of BRAC Bank PLC, a role he assumed on April 1, 2025.

With over two decades of multifaceted experience in the banking sector, Mr. Momen has demonstrated strong leadership across technology, operations, and business verticals, with a particular focus on SME banking.

He joined BRAC Bank in August 2005 and has since played a pivotal role in shaping its strategic growth. In his early years, he led the restructuring of the bank's technology infrastructure and played a key role in the migration of its Core Banking Platform. In 2007, Mr. Momen was seconded to BRAC Afghanistan Bank as Chief Operating Officer (COO), where he managed SME operations, expanded the bank's presence into three new provinces, and contributed to the formulation of SME Banking Policies and Guidelines in collaboration with the Central Bank of Afghanistan.

Upon his return to BRAC Bank in 2009, he led critical initiatives within the SME Division, including a nationwide portfolio recovery program. In 2010, he was appointed Head of Small Business, taking charge of the country's largest small business portfolio. Under his leadership, the team achieved outstanding business results and was awarded the Chairman's Excellence Award in 2012. In July 2017, he was promoted to Head of SME Banking, further strengthening the bank's leadership in the SME segment.

Prior to joining BRAC Bank, Mr. Momen began his career at ANZ Grindlays Bank in 1999. Following its acquisition by Standard Chartered Bank, he played a significant role in Core Banking Platform migration across the Middle East and South Asia. He was also instrumental in delivering large-scale IT transformation and business process centralization projects for Standard Chartered across multiple regional markets.

Mr. Momen holds a bachelor's degree in computer communications with Distinction from Middlesex University, UK.

M Masud Rana FCA
Additional Managing Director & CFO

Mohammod Masud Rana joined BRAC Bank Limited as Deputy Managing Director (DMD) and Chief Financial Officer (CFO) on October 01, 2019.

With more than 23 years of diversified experience of public accounting, textile, pharmaceutical and banking, Mr. Masud brings additional technical expertise and diversified corporate experience to the leadership team at BRAC Bank. He started his career with SF Ahmed & Co. before joining BEXIMCO Garments & Textile Division in 2001 as Finance Manager. In 2004, he moved to Sanofi-Aventis as Financial Controller. He started his stint with Standard Chartered Bangladesh (SCB) in 2006 as the Financial Controller. During his tenure with SCB, he eventually went on to assume the role of CFO in 2016. Prior to joining BRAC Bank, Mr. Masud was serving the role of CFO in Dhaka Bank Limited.

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Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO

Syed M Omar Tayib
Managing Director & CEO
Prime Bank Investment PLC
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Refat Ullah Khan
Director & CEO

He is a Fellow Chartered Accountant of ICAB and completed his Honors and Masters in Accounting from University of Dhaka.

Md. Shaheen Iqbal, CFA
Additional Managing Director & Head of Wholesale Banking

Md. Shaheen Iqbal CFA, has been promoted to the position of Additional Managing Director (AMD) at BRAC Bank on March 1, 2026.

As the AMD & Head of Wholesale Banking, he looks after key business segments including Corporate, Commercial & Institutional Banking, Transaction Banking, Structured Finance, Remittance & Probashi Banking and Financial Institutions.

Mr. Iqbal has gained extensive experience in the arena of Treasury Management and Relationship Management with global and local counterparts over the course of his illustrious career.

His career at BRAC Bank began in 2004 as Manager, Asset Liability Management (ALM). He rose to the rank of Head of Treasury & Financial Institutions in 2014 by proving his mettle in the fields of foreign exchange, money market, capital market, asset liability management and relationship management with global & local financial institutions.

He started his career in BEXIMCO where he gained hands-on experience in the Textile Industry. Afterwards, his overture to the banking industry began in 1999 at Dutch Bangla Bank Limited where he honed his prowess in both branch banking and international trade.

Mr. Iqbal completed his B.Sc. in Mechanical Engineering from Bangladesh Institute of Technology, Chattogram (now CUET) and M.B.A. from Institute of Business Administration (IBA), University of Dhaka. He earned prestigious Chartered Financial Analyst (CFA) charter from CFA Institute, Virginia, USA. He previously served as the president of the CFA Society Bangladesh, a member society of CFA Institute, USA.

Ahmed Rashid Joy
Additional Managing Director and Head of Chief Risk Officer

Ahmed Rashid Joy was promoted to Additional Managing Director & Chief Risk Officer on March 1, 2026. He joined BRAC Bank as Head of Credit Risk Management (CRM) on October 1, 2019. Mr. Rashid brings more than 27 years of diversified experience in the Bangladesh financial sector. He started his banking career as a Management Trainee with Eastern Bank (EBL) in 1999. In EBL, he worked in various positions in Credit Risk Management & Consumer Finance for 10 years. In 2009, he moved to SME Banking in EBL as the Head of Medium Business. In 2011, Mr. Rashid joined International Finance Corporation (IFC) as a Financial Market Specialist. In Advisory Services across South Asia, he led various sectorial projects in SME Banking, Weather Based Index Insurance, Risk Management & Agri-Finance in Bangladesh, Bhutan and Nepal.

In 2014, Mr. Rashid joined Mutual Trust Bank (MTBL) as an EVP and Head of SME Banking. In 2015, he joined IDLC Finance Ltd. as a General Manager and Head of the SME Division. At IDLC, he was also a nominated Director in IDLC Securities Ltd. and IDLC Investment Ltd.

He completed his Masters in Bank Management (MBM) in 1998 from Bangladesh Institute of Bank Management (BIBM).

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Managing Director & CEO
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M Mahbubur Rahman FCS
Company Secretary

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC

A.S.M Wasi Noman

Additional Managing Director & Chief Information Officer

A.S.M. Wasi Noman was appointed as Additional Managing Director and Chief Information Officer (CIO) with effect from March 1, 2026.

As the bank's first Chief Information Officer, Wasi Noman leads enterprise-wide technology strategy and digital innovation to strengthen operational excellence, elevate customer experience, and future-ready banking capabilities. As a member of the Management Committee, he oversees both the Technology and Digital Banking functions, ensuring strong alignment between digital initiatives and the bank's long-term strategic priorities.

Wasi Noman brings more than 25 years of distinguished leadership experience across banking, telecommunications, IT services, automation, and business process outsourcing. Throughout his career, he has held senior executive roles, including Chief Information Officer, Chief Technology Officer, Chief Operating Officer, and Deputy Managing Director across leading local and global organizations. Before joining BRAC Bank, he served as Deputy Managing Director and Chief Information Officer at MetLife Bangladesh. Earlier in his career, he held leadership roles at Accenture, Grameenphone, GPIT, Standard Bank, Kernel Systems, and BEXIMCO Computers. He also served as BRAC Bank's Chief Technology Officer from 2019 to 2021.

Wasi Noman holds an MBA from the Institute of Business Administration (IBA), University of Dhaka, and a Bachelor of Science in Computer Science and Engineering from the Bangladesh University of Engineering and Technology (BUET). He has also completed an Executive MBA for Technical Professionals from Falconbury Institute, London, United Kingdom.

Md. Mahiul Islam
Deputy Managing Director & Head of Retail Banking

Md. Mahiul Islam was promoted to Deputy Managing Director at BRAC Bank on December 1, 2023.

He joined BRAC Bank as Head of Retail Banking on December 1, 2019.

Mr. Mahi brings with him more than 25 years of banking experience, having started his career with Standard Chartered Bank, Bangladesh. At SCB, he served in various roles, including, credit card services, card operations, employee banking, retail products & segments, marketing & service quality, etc. He, at various times, held multiple roles in the SCB Retail Banking Division and also headed the Country Brand and Marketing unit.

Mr. Mahi completed his BBA in Finance from Independent University Bangladesh.

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Chowdhury Moinul Islam
Deputy Managing Director and CAMLCO

Chowdhury Moinul Islam joined BRAC Bank on 20 June 2021 as its Deputy Managing Director and CAMLCO.

Moinul has over 30 years of experience in the banking industry. He started his career with American Express (AmEx) Bank as Manager Internal Control. Before joining BRAC Bank, he was working as the

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Company Secretary

M Masud Rana FCA
Additional Managing Director & CFO

Syed M Omar Tayab
Managing Director & CEO
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Executive Director and Head of Conduct and Financial Crime Compliance (CFCC) Advisory with Standard Chartered Bank (SCB) Bangladesh.

Moinul joined SCB in 2005 and worked till 2016 before moving to the United States of America where he worked as an AML Business System Analyst at SunTrust Bank. Returning from the US, he joined back in SCB.

Moinul is a seasoned professional in the area of AML/CFT compliance, internal control and risk management. He is a member of the Association of Certified Anti Monet Laundering Specialists (ACAMS) and also has CAMS certification. He completed his graduation and master's in accounting from the University of Dhaka.

Sheikh Mohammad Ashfaque
Deputy Managing Director & Head of Branches

Sheikh Mohammad Ashfaque, Head of Branches, has been promoted to Deputy Managing Director (DMD) at BRAC Bank with effect from April 1, 2024.

A trained MIT Sloan School of Management professional, Sheikh Mohammad Ashfaque is a member of the BRAC Bank Senior Management Team. With 18 years of banking experience in Large Corporate, Retail Banking and Distribution Network - Ashfaque was a Management Trainee of BRAC Bank and the first homegrown talent to reach the ManCom.

He joined the bank in 2006 and successfully performed in different roles in the capacity of a Branch Manager, a Cluster Manager, the Head of Corporate Branches and the Regional Head of Branch Banking. He now leads the distribution network comprising 187 branches and 40 Sub-branches. He also looks after Premium Banking, Branch Corporate and Government Relations segments.

Once the nominated ambassador of BRAC Bank to the GABV (Global Alliance for Banking on Values) forum, Ashfaque received extensive leadership training of multiple rounds in four different member-countries of GABV. He is now an active alumnus of the GABV forum. Throughout his career, he has received numerous awards and recognitions for his noteworthy contribution to BRAC Bank.

Ashfaque is a graduate of the University of Dhaka and an MBA from North South University majoring in Finance. He is an avid Traveler and Netflix follower.

Nazmur Rahim
Deputy Managing Director & Head of Alternate Banking Channels

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Mr. Nazmur Rahim joined BRAC Bank on May 4, 2016. He took over as the Head of Retail Banking on January 1, 2017.

Mr. Nazmur has more than 27 years of corporate experience in different leading organizations. He began his career as a Management Trainee in ANZ Grindlays Bank in 1997 and later joined Standard Chartered Bank where he worked in different senior, mainly Retail Banking, capacities including the role of Head of Portfolio, Credit Cards and Consumer Transaction Banking. Prior to joining BRAC Bank PLC, Mr. Nazmur was Head of Cards Business at AB Bank Limited. He taught Marketing in Jahangirnagar University as Guest Faculty and regularly takes Customer Relationship Management and Digital Marketing courses in Bangladesh Institute of Bank Management (BIBM).

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Company Secretary
BRAC Bank PLC

M Masud Rana FCS
Additional Managing Director & CFO

Syed M Omar Tayub
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Tareq Refat Ullah Khan

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He completed his BBA from Jahangirnagar University and MBA from Victoria University of Australia.

Md. Muniruzzaman Molla
Deputy Managing Director & Head of Operations

Munir brings with him a wealth of experience in banking operations, having held significant leadership roles in both local and international institutions. Prior to joining BRAC Bank PLC, he served as the Head - Country Operations at Habib Bank Limited.

His career commenced in 1993 at ANZ Grindlays Bank, where he gained extensive experience across various branches and International Network Services (INS). In 2000, Mr. Munir joined in Citibank N.A., where he spent fifteen years in diverse capacities, including Head of Trade, Treasury & FI and Cash Management Operations.

Mr. Munir holds B.S.S.(Hons) and M.S.S. in International Relations from University of Dhaka and EMBA from AIUB. He also participated multiple trainings both local and abroad. His extensive background and proven track record in operational leadership has contributed significantly in BRAC Bank PLC.'s continued growth.

Abdullah Al Mamun
Deputy Managing Director and head of Internal Control and Compliance

Mr. Abdullah Al Mamun joined BRAC Bank PLC as Deputy Managing Director and Head of Internal Control and Compliance on May 19, 2025. A seasoned banker with 28 years of experience, he has held key leadership roles in both international and local banks with a strong focus on control and compliance. He began his career at HSBC Bangladesh and later served in Standard Chartered Bank. Prior to joining BRAC Bank, he was DMD and Head of ICCD, NIS, CCS & CMC, and CAMLCO at Dutch-Bangla Bank. Mr. Mamun holds a master's degree in public administration from the University of Dhaka.

Monzula Morshed
Deputy Managing Director & Chief Human Resources Officer

Ms. Monzula Morshed is the Deputy Managing Director and Chief Human Resources Officer of BRAC Bank and a member of the bank's Management Committee. She leads the bank's human capital, culture and organizational effectiveness agenda, supporting sustainable growth and long-term value creation. With over 25 years of leadership experience across telecommunications, manufacturing, banking and FMCG sectors, Ms. Morshed is recognized for driving strategic people initiatives, leading large-scale organizational transformations, and strengthening institutional capability in complex operating environments. Prior to joining BRAC Bank in February 2026, she served as Lead Consultant at Second Mountain Consulting, advising organizations on strategic human capital priorities. She previously held Chief Human Resources Officer roles at Banglalink Digital Communications Limited and Lafarge Surma Cement Limited, and senior leadership positions at Standard Chartered Bank, and British American Tobacco Bangladesh. Ms. Morshed holds a Bachelor of Business Administration and a Master of Business Administration from the Institute of Business Administration, University of Dhaka. She has completed executive leadership programs at INSEAD, London Business School and the University of Oxford.

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Company Secretary
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M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC

MD. Asif Bin Idrish
Deputy Managing Director & Head of Corporate, Commercial & Institutional Banking

Mr. Md. Asif Bin Idrish is the Deputy Managing Director and Head of Corporate, Commercial & Institutional Banking of BRAC Bank and a member of the bank's Management Committee. He joined BRAC Bank on December 30, 2025, bringing deep expertise in wholesale banking leadership, portfolio management, and business transformation. With over 22 years of banking experience, Mr. Idrish has a strong track record in driving growth across corporate, commercial and institutional banking segments, building resilient portfolios, and strengthening client-centric business platforms.

Prior to joining BRAC Bank, he served as Senior Executive Vice President and Head of Commercial Banking at Prime Bank. Earlier in his career, he held key roles at HSBC and Eastern Bank, where he contributed significantly to business expansion and client development. Mr. Idrish holds a Master of Bank Management from Bangladesh Institute of Bank Management, a Bachelor of Business Studies from the University of Rajshahi and has completed specialized international programs in banking and credit risk management

10.06 Description of Assets & Liabilities

ASSETS

As of December 31, 2025, BRAC Bank PLC's asset base continues to expand, driven primarily by a significant increase in investments in government securities and a growing loan & advances portfolio. The Bank strategically deployed surplus liquidity into high-quality treasury instruments to optimize returns while meeting regulatory requirements. Loans and advances also saw healthy growth, through strategic via demand and term lending, reflecting increased financing to SMEs and corporates. At the same time, cash balances both in hand and with Bangladesh Bank were strengthened to support liquidity needs and regulatory compliance. Continued investments in IT infrastructure and fixed assets underscore the Bank's commitment to operational resilience and digital transformation.

Cash:

Particulars (BDT)	Consolidated		Standalone	
	FY 2025	FY 2024	FY 2025	FY 2024
Cash In Hand (Including Foreign Currency)	16,436,564,244	15,000,490,086	16,431,724,183	14,698,347,260
Balance With BB & Its Agent Bank(S) (Including Foreign Currency)	34,658,714,842	30,852,940,917	34,658,714,842	30,852,940,917
Total Cash	**51,095,279,086**	**45,853,431,003**	**51,090,439,025**	**45,551,288,177**

As of December 31, 2025, BRAC Bank PLC's total standalone cash balance increased to BDT 51,090 million from BDT 45,551 million in FY 2024, driven by higher cash in hand and balances with Bangladesh Bank. Cash in hand rose by BDT 1,733 million while balances with BB and its agent banks increased by BDT 3,806 million. The consolidated cash position followed a similar trend, reflecting the Bank's continued focus on maintaining strong liquidity to meet regulatory and operational requirements.

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Balance With BB And Its Agent Banks:

Particulars (BDT)	Consolidated		Standalone	
	2025	2024	2025	2024
Local Currency	30,678,694,661	27,442,403,976	30,678,694,661	27,442,403,976
Foreign Currency	3,013,657,599	2,223,377,805	3,013,657,599	2,223,377,805
Sonali Bank as an Agent of BB (Local Currency)	966,362,582	1,187,159,136	966,362,582	1,187,159,136
Total Balance	**34,658,714,842**	**30,852,940,917**	**34,658,714,842**	**30,852,940,917**

As of December 31, 2025, BRAC Bank PLC's balance with Bangladesh Bank and its agent banks increased to BDT 34,658 million from BDT 30,852 million in FY2024. The rise was mainly driven by an increase in local currency balances, which went up by BDT 3,236 million. Foreign currency balances also saw modest growth, while the balance held with Sonali Bank as an agent of Bangladesh Bank saw a slight decline. This reflects the Bank's ongoing efforts to maintain adequate reserves for CRR and SLR compliance.

Balance With Other Banks and Financial Institutions:

Particulars (BDT)	Consolidated		Standalone	
	2025	2024	2025	2024
Inside BD	50,908,334,177	29,709,255,296	2,322,808,158	3,438,563,039
Outside BD	7,748,357,925	2,554,474,400	7,692,412,162	2,526,699,021
	58,656,692,102	32,263,729,696	10,015,220,320	5,965,262,060
Balance Inside BD				
In Current Deposit Accounts With:				
Banks	40,456,783,500	30,040,098,922	222,808,158	338,563,039
Less: Inter Unit/Company Elimination	9,190,659,572	4,559,204,443		0
	31,266,123,928	25,480,894,479	222,808,158	338,563,039
In Term Deposit Accounts With:				
Banks	19,871,231,948	4,288,977,309	2,000,000,000	3,000,000,000
Non-Banking Financial Institutions (NBFIs)	100,000,000	100,000,000	100,000,000	100,000,000
	19,971,231,948	**4,388,977,309**	**2,100,000,000**	**3,100,000,000**
Less: Inter Unit/Company Elimination	329,021,699	160,616,492		0
	19,642,210,249	**4,228,360,817**	**2,100,000,000**	**3,100,000,000**
Total Balance at The End of The Year	50,908,334,177	29,709,255,296	2,322,808,158	3,438,563,039

Balances with other banks and financial institutions reflected a strategic shift towards high yield placement. Inside Bangladesh, consolidated current deposits rose by BDT 5,785 million, from BDT 25,480 million in 2024 to BDT 31,266 million in 2025, while fixed-deposit placements soared by BDT 15,413 million, from BDT 4,388 million to BDT 19,971 million, as the bank strategically shifted its funds towards high yield term deposits. After netting inter-unit eliminations, consolidated balances inside Bangladesh moved from BDT 29,709 million to BDT 50,908 million. Outside Bangladesh, correspondent bank placements also increased by BDT 5,194 million.

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Investments:

Particulars (BDT)	Consolidated		Standalone	
	2025	2024	2025	2024
Investments:	419,378,463,476	297,959,625,736	326,256,440,605	204,351,738,373
Government	406,471,261,977	286,713,242,602	313,828,787,504	194,166,365,832
Others	12,907,201,499	11,246,383,134	12,427,653,101	10,185,372,541

The Bank's investment portfolio (standalone) surged by over 59%, reaching BDT 326,256 million in 2025 from BDT 204,351 million in 2024. The majority of these investments are allocated to government securities, reflecting a strategic alignment with SLR requirements, return optimization, and risk mitigation. Consolidated investments stood at BDT 419,378 million in 2025, up from BDT 297,959 million in 2024.

Loans & Advances:

Particulars (BDT)	Consolidated		Standalone	
	2025	2024	2025	2024
Loans, Cash Credit, Overdrafts Etc.	421,396,217,114	361,269,154,142	420,646,723,319	360,790,260,778
SMEs	306,248,719,034	260,345,475,823	306,248,719,034	260,345,475,823
*Bills Purchased & Discounted	3,763,396,460	2,236,151,929	3,763,396,460	2,236,151,929
Loans & Advances:	731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530

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

The Bank's standalone loans and advances portfolio reached BDT 730,658 million in 2025, compared to BDT 623,371 million in 2024, marking a 17.19% year-on-year growth. A significant portion (around 42%) of this portfolio continues to be allocated to the SME segment (BDT 306,248 million), reaffirming BRAC Bank's core mandate of financial inclusion and SME-centric banking. Consolidated loans and advances increased by 17.25% to BDT 731,408 million in 2025.

Loans, Cash Credit, Overdrafts Etc.:

Particulars (BDT)	Consolidated		Standalone	
	2025	2024	2025	2024
Overdrafts	24,405,695,943	32,039,210,105	24,405,695,943	32,039,210,105
Demand Loans	199,296,345,820	162,980,999,171	199,296,345,820	162,980,999,171
Term Loans	175,421,475,456	147,272,386,742	175,421,475,456	147,272,386,742
Lease Receivables	226,425,268	313,530,526	226,425,268	313,530,526
Credit Cards	16,275,613,034	14,067,646,868	16,275,613,034	14,067,646,868
Staff Loans	5,029,347,615	4,129,999,828	5,021,167,798	4,116,487,366
Margin Loans	1,736,781,232	1,729,304,995	0	-
	422,391,684,368	362,533,078,235	420,646,723,319	360,790,260,778
Less: Intercompany Elimination	995,467,254	1,263,924,093		
Total loans, cash credit, overdrafts etc.:	421,396,217,114	361,269,154,142	420,646,723,319	360,790,260,778

Demand Loans grew reflecting increased working-capital financing for corporate and SME clients as the economy recovered. Overdrafts and Term Loans also expanded significantly but the highest absolute increase was in Demand Loans by BDT 36,316 million, driven by sustained corporate cash-flow needs and new credit lines.

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Abul Ahsan Ahmed
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Fixed Assets:

Particulars (BDT)	Consolidated		Standalone	
	2025	2024	2025	2024
Land	527,275,400	527,275,400	527,275,400	527,275,400
Office Floor Space	20,855,926	20,855,926	4,034,334	4,034,334
Furniture & Fixture	3,203,188,429	2,826,489,013	2,887,497,667	2,536,067,740
Office Equipment	2,098,598,038	1,807,462,053	1,954,903,303	1,652,505,716
It Hardware	10,298,107,815	9,068,996,625	4,868,670,712	4,331,020,016
Motor Vehicles	847,560,670	711,925,392	558,502,933	442,202,195
Leasehold Improvements	222,601,161	204,383,908	0	-
Right of Use Assets (ROU)	10,826,932,200	8,834,516,227	9,071,943,142	7,540,539,044
Capex Work in Progress	957,173,041	789,800,949	692,262,164	415,419,541
IT Software (Finite Useful Lives)	11,901,152,878	10,589,750,327	3,822,630,322	3,260,405,920
Total Cost	**40,903,445,558**	**35,381,455,820**	**24,387,719,977**	**20,709,469,906**
Accumulated Depreciation & Amortization	23,347,051,424	20,980,308,628	13,386,982,290	12,191,024,028
Written Down Value at 31 December	**17,556,394,134**	**14,401,147,192**	**11,000,737,687**	**8,518,445,878**

Standalone fixed assets (written down value) increased from BDT 8,518 million to BDT 11,000 million with key investments made in right-of-use assets, IT hardware and software. Written down value of Consolidated fixed assets reached BDT 17,556 million in 2025. These enhancements reflect the Bank's continued investments in digital infrastructure and branch modernization.

Other Income Generating Assets:

Particulars (BDT)	Consolidated		Standalone	
	2025	2024	2025	2024
Investment In Subsidiary	0	0	17,012,495,359	14,471,693,991
Investment/Carrying Value in Associates	54,016,493	46,735,064	54,016,493	46,735,064
Investment in Swift Share	18,960,837	18,960,837	18,960,837	18,960,837

As of December 31, 2025, BRAC Bank PLC's standalone income-generating other assets rose notably, driven by a significant increase in Investment in Subsidiary and carrying value in associates. Investment in subsidiaries rose by BDT 2,541 million to BDT 17,012 million, while the carrying value in associates increased by BDT 7.3 million to BDT 54.0 million.

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Non-Income Generating Assets:

Particulars (BDT)	Consolidated		Standalone	
	2025	2024	2025	2024
Stock of Stamps	80,615,544	71,040,416	80,615,544	71,040,416
Stock of Security Stationery	31,465,900	14,617,876	31,465,900	14,617,876
Stock of Printing Stationery	11,751,721	9,514,351	11,751,721	9,514,351
Prepaid Interest Expenses On IFFD	7,654,934	998,002	7,654,934	998,002
Interest Receivables	12,740,980,993	9,998,211,787	12,740,980,993	9,998,211,787
Deferred Tax Asset	7,768,837,162	8,152,329,178	5,982,225,634	6,193,267,865
Others	28,240,540,375	22,260,822,107	31,784,595,871	25,325,450,901

Goodwill:

As of December 31, 2025, the consolidated goodwill on BRAC Bank PLC's balance sheet stood at BDT 1,126 million, which was the same in FY 2024. This amount represents the goodwill arising from the acquisition of BRAC EPL Stock Brokerage Ltd. The goodwill previously recognized for BRAC EPL Investments Ltd. amounting to BDT 246.29 million in 2023, is no longer reflected in either 2024 or 2025 financials, indicating a possible impairment, reclassification, or write-off during the reporting period.

LIABILITIES

The Bank experienced strong deposit growth throughout the years, with term deposits contributing the most to the expansion in the funding base. This stable source of funding supported both asset growth and liquidity management. While borrowings from Bangladesh Bank declined due to repayments of earlier refinance lines, the Bank leveraged foreign-currency borrowings and short-term repo facilities to maintain funding flexibility. Other liabilities, including provisions and accrued expenses, increased in line with the expansion of core banking activities. Overall, the liability profile remained well-diversified and aligned with the Bank's prudent risk and liquidity management strategies.

Borrowings From Other Banks, FIs And Agents:

Particulars (BDT)	Consolidated		Standalone	
	2025	2024	2025	2024
Inside BD	141,434,283	2,606,382		-
Outside BD	68,956,609,137	50,345,004,023	68,944,031,752	50,331,428,570
Borrowings from other banks, financial institutions and agents	**69,098,043,420**	**50,347,610,405**	**68,944,031,752**	**50,331,428,570**

As of December 31, 2025, BRAC Bank PLC's standalone borrowings from institutions outside Bangladesh increased significantly from BDT 50,331.4 million to BDT 68,956.6 million marking a year-over-year growth of 37%, reflecting enhanced use of foreign credit lines to support trade and offshore operations. No new borrowings were reported from domestic institutions on a standalone basis. On consolidated basis total borrowings from banks and FIs and agents stand at BDT 69,098 million mostly due to increase in borrowing from outside Bangladesh.

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Borrowings from BB & Government Agencies:

Particulars (BDT)	Consolidated		Standalone	
	2025	2024	2025	2024
BB - Export development fund (EDF)	10,311,817,004	8,415,427,277	10,311,817,004	8,415,427,277
Bangladesh Bank Assured REPO	18,754,108,000	18,754,108,000	18,754,108,000	18,754,108,000
SME Foundation prefinance	326,676,541	423,319,340	326,676,541	423,319,340
BB - Long term financing facility (LTFF)	451,193,897	626,626,921	451,193,897	626,626,921
BB - Green transformation fund (GTF)	5,018,059	81,618,958	5,018,059	81,618,958
BB - PSC stimulus package	0	1,722,940,000	0	1,722,940,000
BB - Refinancing for green initiatives	0	10,010,000	0	10,010,000
BB - SME re-finance	20,287,136,277	26,257,376,286	20,287,136,277	26,257,376,286
Joyeeta foundation pre or re-finance	0	-	0	-
BB – Technology Development Fund (TDF)	978,603,601	780,963,036	978,603,601	780,963,036
BB – Green Transformation Fund (GTF)	60,997,019	77,262,890	60,997,019	77,262,890
Borrowing from BB-IPFF-II	691,212,818	651,373,556	691,212,818	651,373,556
BB Ref for Green Initiatives-Corp	81,837,469	102,296,837	81,837,469	102,296,837
BB- Ref for 1000cr agro (Maize and Wheat)	10,818,154	0	10,818,154	
Total	**51,959,418,839**	**57,903,323,101**	**51,959,418,839**	**57,903,323,101**

In 2025, BBPLCs consolidated and standalone borrowings from BB and government agencies registered a slight degrowth of around 10% due to slight decrease in SME Re-finance.

Deposits & Other Accounts:

Particulars (BDT)	Consolidated		Standalone	
	2025	2024	2025	2024
Current accounts and other accounts	337,364,452,181	277,875,898,241	236,193,511,602	189,281,704,728
Bills Payable	3,018,597,221	3,770,838,887	3,018,597,221	3,770,838,887
Savings Deposits	129,789,428,478	99,483,397,129	129,789,428,478	99,483,397,129
*Term Deposits	510,455,502,899	386,748,713,246	510,784,524,598	386,909,329,738
Other Deposits	9,731,345,315	9,987,659,097	9,731,345,315	9,987,659,097
Deposits & Other Accounts:	**990,359,326,094**	**777,866,506,600**	**889,517,407,214**	**689,432,929,579**

*Term deposits include the deposit pension scheme (DPS).

As of December 31, 2025, BRAC Bank PLC's standalone deposit base rose to BDT 889,517 million from BDT 689,432 million in FY 2024, primarily driven by a sharp increase in term deposits, which grew by more than 32% (YoY). Current and savings deposits also recorded strong growth, reflecting continued expansion in retail and SME banking. The overall deposit mix indicates a stable and long-term funding profile.

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Other Liabilities:

Particulars (BDT)	Consolidated		Standalone	
	2025	2024	2025	2024
Provision for loans and advances	19,976,725,648	19,701,567,950	18,749,743,704	18,489,732,179
Provision for interest receivable from loan	45,681,064	40,869,040	45,681,064	40,869,040
Provisions for off balance sheet Items	1,148,547,347	1,148,547,347	1,148,547,347	1,148,547,347
Provision for diminution in value of investments	542,343,834	48,732,877	542,343,834	48,732,877
Provision for other assets	352,529,310	350,407,070	352,529,310	350,407,070
Provision against non-banking assets	10,939,543	7,636,865	10,939,543	7,636,865
Provision against Placement Funds	102,750,000	0	102,750,000	
Interest suspense	1,649,030,342	1,796,186,975	1,649,030,342	1,796,186,975
Withholding tax payable	1,450,743,401	1,104,726,301	1,450,743,401	1,104,726,301
VAT payable	340,884,381	244,907,520	340,884,381	244,907,520
Excise duty payable	351,637,255	611,660,557	351,637,255	611,660,557
Provision for taxation net off AIT	12,372,742,935	9,121,330,429	5,796,955,775	4,543,543,558
Deferred tax liability	2,538,843,673	1,878,563,858	4,336,617,375	3,328,798,991
Interest payable on borrowings	1,752,207,239	1,502,708,930	1,752,207,239	1,502,708,930
Accrued expenses	11,023,602,712	6,098,805,919	3,932,524,404	989,448,722
Share subscription - IPO (refund warrant)	325,217	316,252	325,217	316,252
Unclaimed and undistributed dividend	27,709,034	31,743,945	27,709,034	31,743,945
Suppliers payable	186,334,470	132,248,481	186,334,470	132,248,481
Leased liabilities as per IFRS 16	6,502,655,731	4,684,331,702	5,410,091,248	4,289,290,659
Payable against exchange houses	531,133	927,227	531,133	927,227
Payable against insurances	5,549,808	5,745,950	5,549,808	5,745,950
Payable against proxy account	0	2,396,427	0	2,396,427
Payable against SWIFT charge	106,704,918	80,602,395	106,704,918	80,602,395
Payable for other business Ops	3,799,545,301	6,038,879,372	3,799,545,301	6,038,879,372
Other liabilities of subsidiaries	3,537,690,283	3,171,620,729	0	
Total	**67,826,254,579**	**57,805,464,118**	**50,099,926,103**	**44,790,057,640**

The Bank maintained adequate provisions across its asset classes. Provisions for loans and advances (standalone) stood at BDT 18,749 million marking a slight YoY increase. Additionally, accrued expenses, tax liabilities, interest suspense, and lease liabilities have been duly recognized. The consolidated total for other liabilities increased by around 10,000 million YoY in FY 2025.

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10.07 Description of Previously Issued Debt and/or Securities

10.07.1 Description of Debt Securities

As of December 31st, 2025

Year	Bond	Tenor (years)	Redemption/Raised	Outstanding
2010	Subordinated 25% Convertible Bond Issue of BRAC Bank Ltd. With qualification as Tier 2	7 Years	Fully Redeemed	-
2022	Affordable Housing Bond	5 Years	Not Fully Redeemed	BDT 475.1 Crores
2024	BBL 2nd Subordinated Bond	7 years	Not Fully Redeemed	BDT 700 Crores
2025	BRAC Bank Social Sub-Bond	7 Years	Partially Raised*	BDT 653.7 Crores

***Please Note: The fund raising of BRAC Bank Social Sub-Bond (BDT 10,000 Million in Face Value) has been completed on April 21, 2026.**

Affordable Housing Bond

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

BRAC Bank 2nd subordinated bond

In 2024, BRAC Bank PLC raised capital through issuance of non-convertible, unsecured, fully redeemable, Floating rate BRAC Bank 2nd Subordinated Bond worth of BDT 7,000 million (face value of each bond is BDT1 million each) through private placement after obtaining necessary approval from Bangladesh Bank (BB) and Bangladesh Securities & Exchange Commission (BSEC).

BRAC Bank Social sub bond

In 2025, BRAC Bank PLC raised capital through issuance of non-convertible, unsecured, fully redeemable, Floating rate BRAC Bank Social Subordinate Bond worth of BDT 10,000 million (face value of each bond is BDT1 million each) through private placement after obtaining necessary approval from Bangladesh Bank (BB) and Bangladesh Securities & Exchange Commission (BSEC). On 31 December 2025, 6,537 number of bonds has been subscribed which amounting to BDT 6,537,000,000.

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Managing Director & CEO

10.07.2 Description of Equity Securities

Particulars	Date of Allotment	Number of Shares Issued		Amount of Shares Capital (BDT)	Total Paid up Capital (Cumulative)
		Bonus Shares	Subscription		
First (Subscription to the Memorandum & Articles of Association) at the time of Incorporation	1999	-	2,000,000	200,000,000	200,000,000
BRAC (subscription)	2001	-	500,000	50,000,000	250,000,000
BRAC (subscription)	2003	-	674,500	67,450,000	317,450,000
ShoreCap International Ltd.	2004	-	875,700	87,570,000	405,020,000
International Finance Corporation	2004	-	949,800	94,980,000	500,000,000
IPO	2006	5,000,000	-	500,000,000	1,000,000,000
Bonus 20%	2007	2,000,000	-	200,000,000	1,200,000,000
Bonus 10%	2008	1,200,000	-	120,000,000	1,320,000,000
Right Share 20%	2008	-	2,640,000	264,000,000	1,584,000,000
Bonus Share 30%	2009	4,752,000	-	475,200,000	2,059,200,000
Bonus Share 30%	2010	6,177,600	-	617,760,000	2,676,960,000
Bonus Share 20%	2011	5,353,920	-	535,392,000	3,212,352,000
Bonus Share 20%	2012	64,247,040	-	642,470,400	3,854,822,400
Bonus Share 15%	2013	57,822,336	-	578,223,360	4,433,045,760
Bonus Share 10%	2014	44,330,457	-	443,304,570	4,876,350,330
Right share 50%	2014	-	221,652,288	2,216,522,880	7,092,873,210
Fresh Issue against Bond, 1st Conversion of Bond	2016	-	1,149,589	11,495,890	7,104,369,100
Fresh Issue against Bond, 2nd Conversion of Bond	2017	-	2,237,835	22,378,350	7,126,747,450
Bonus Share 20%	2017	142,534,949	-	1,425,349,490	8,552,096,940
Fresh Issue against Bond, 3rd Conversion of Bond	2018	-	2,790,534	27,905,340	8,580,002,280
Bonus Share 25%	2018	214,500,057	-	2,145,000,570	10,725,002,850
Bonus Share 15%	2019	160,875,042	-	1,608,750,420	12,333,753,270
Bonus Share 7.50%	2020	92,503,149	-	925,031,490	13,258,784,760
Bonus Share 5%	2021	66,293,923	-	662,939,230	13,921,723,990
Bonus Share 7.50%	2022	104,412,929	-	1,044,129,290	14,965,853,280
Bonus Share 7.50%	2023	112,243,899	-	1,122,438,990	16,088,292,270
Bonus Share 10%	2024	160,882,922	-	1,608,829,220	17,697,121,490
Bonus Share 12.5%	2025	221,214,018		2,212,140,180	19,909,261,670

BRAC Bank has declared 12.5% bonus shares for its valuable investors which has increased the total paid up capital to BDT 19,909 million in FY 2025.

Abul Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)
65/2/2 Bir Protik Gazi Golam Dostagir Road
Purana Paltan, Dhaka-1000.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Tareq Rafat Ullah Khan

11. AUDITED FINANCIAL STATEMENTS OF THE ISSUER- CONSOLIDATED & SOLO

The audited financial statements have been provided in the Annexure-V

Abu Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)
65/2/2 Bir Protik Gazi Golam Dostagir Road
Purana Paltan, Dhaka-1000.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Tareq Refat Ullah Khan

12. BRIEF OVERVIEW AND COMPARATIVE FINANCIAL STATEMENTS

BRAC Bank PLC.
Comparative Financial Statements
Financial Year 2023 | 2024 | 2025

Consolidated Statement of Financial Position (BRAC Bank PLC. and Subsidiaries)

As of 31 December — BDT

Particulars	FY 2023	FY 2024	FY 2025
ASSETS			
Cash in Hand (incl. Foreign Currency)	11,416,440,336	15,000,490,086	16,436,564,244
Balance with BB & Agent Banks	28,150,953,478	30,852,940,917	34,658,714,842
Total Cash	**39,567,393,814**	**45,853,431,003**	**51,095,279,086**
Balance with Other Banks — Inside BD	28,059,887,006	29,709,255,296	50,908,334,177
Balance with Other Banks — Outside BD	6,868,699,987	2,554,474,400	7,748,357,925
Total Balance with Other Banks & FIs	**34,928,586,993**	**32,263,729,696**	**58,656,692,102**
Money at Call on Short Notice	**3,000,000,000**	**750,000,000**	**-**
Investments — Government Securities	181,372,719,817	286,713,242,602	406,471,261,977
Investments — Others	9,771,451,618	11,246,383,134	12,907,201,499
Total Investments	**191,144,171,435**	**297,959,625,736**	**419,378,463,476**
Loans — Cash Credit & Overdrafts	285,203,753,699	361,269,154,142	421,396,217,114
Loans — Small & Medium Enterprises	232,338,801,248	260,345,475,823	306,248,719,034
Bills Purchased & Discounted	2,745,075,658	2,236,151,929	3,763,396,460
Total Loans & Advances	**520,287,630,605**	**623,850,781,894**	**731,408,332,608**
Fixed Assets (Net)	**13,018,659,233**	**14,401,147,192**	**17,556,394,134**
Goodwill	1,372,563,393	1,126,273,572	1,126,273,572
Other Assets	33,816,037,500	40,507,533,717	48,881,846,629
Non-Banking Assets	10,141,700	10,978,565	11,264,043
TOTAL ASSETS	**837,145,184,673**	**1,056,723,501,375**	**1,328,114,545,650**

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Dhaka

Abul Ahsan Ahme
Chief Operating Officer (COO)
IDLC Investments Limite
DR Tower (4th Floor)
65/2/2 Bir Protik Gazi Golam Dostagir
Purana Paltan, Dhaka-1000.

Particulars	FY 2023	FY 2024	FY 2025
LIABILITIES			
Borrowings — Other Banks, FIs & Agents	41,923,370,755	50,347,610,405	69,098,043,420
Borrowings — BB & Govt Agencies	61,430,274,796	57,903,323,101	51,959,418,839
Affordable Housing Bond	4,751,000,000	4,751,000,000	4,751,000,000
Subordinated Bonds (2nd & Social)	-	6,287,000,000	13,537,000,000
Money at Call (Liability)	550,000,000	840,000,000	1,161,806,300
Deposits — Current Accounts & Other	232,223,892,907	277,875,898,241	337,364,452,181
Deposits — Bills Payable	2,716,819,155	3,770,838,887	3,018,597,221
Deposits — Savings	79,097,018,100	99,483,397,129	129,789,428,478
Deposits — Term	260,827,011,296	386,748,713,246	510,455,502,899
Deposits — Other	13,565,603,695	9,987,659,097	9,731,345,315
Total Deposits & Other Accounts	**588,430,345,153**	**777,866,506,600**	**990,359,326,094**
Other Liabilities	53,039,790,815	57,805,464,118	67,826,254,579
TOTAL LIABILITIES	**750,124,781,519**	**955,800,904,224**	**1,198,692,849,232**
EQUITY			
Paid-up Capital	16,088,292,270	17,697,121,490	19,909,261,670
Share Premium	3,853,767,032	3,853,767,032	3,853,767,032
Statutory Reserve	12,312,787,273	14,038,055,470	16,256,518,245
Dividend Equalization Fund	355,218,455	355,218,455	355,218,455
Revaluation Reserve on Govt. Securities	183,523,000	949,752,769	9,148,138,893
Fair Value Reserve	70,197,708	70,197,708	70,197,708
Foreign Currency Translation Reserve	480,002,180	784,142,092	862,373,711
Start-up Equity Investment Fund	-	352,907,106	510,994,179
Remeasurement Gain/(Loss) — Gratuity Fund	-	(284,019,464)	(261,129,881)

Abul Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)
65/2/2 Bir Protik Gazi Golam Dostagir Road
Purana Paltan, Dhaka-1000

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC

Syed M Omar Tayub
Managing Director & CEO
BRAC Bank Investment Plc
Head Office, Dhaka

Particulars	FY 2023	FY 2024	FY 2025
Surplus in P&L / Retained Earnings	33,197,686,658	40,595,382,384	51,952,844,586
Total Shareholders' Equity (excl. NCI)	66,541,474,576	78,412,525,042	102,658,184,598
Non-Controlling Interest	20,478,928,578	22,510,072,109	26,763,511,820
TOTAL EQUITY	**87,020,403,154**	**100,922,597,151**	**129,421,696,418**
TOTAL LIABILITIES & EQUITY	**837,145,184,673**	**1,056,723,501,375**	**1,328,114,545,650**
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities	137,258,278,773	168,558,493,200	180,343,174,943
Other Commitments	45,329,433,413	58,682,178,027	42,087,262,467
TOTAL OFF-BALANCE SHEET ITEMS	**182,587,712,186**	**227,240,671,227**	**222,430,437,410**
NAV Per Share (BDT)	**37.60**	**39.38**	**51.56**

Note: FY2023 figures sourced from the Audited Financial Statements 2024 (consolidated, comparative column). FY2024 and FY2025 from the Consolidated Balance Sheet in the Annual Report 2025.

Abul Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)
65/2/2 Bir Protik Gazi Golam Dostagir Road
Purana Paltan, Dhaka-1000.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Tareq Refat Ullah Khan
Managing Director & CEO

Consolidated Profit and Loss Account (BRAC Bank PLC. and Subsidiaries)

For the Year Ended 31 December — BDT

Particulars (BDT)	FY 2023	FY 2024	FY 2025
INTEREST INCOME / EXPENSE			
Interest Income	41,863,962,190	58,573,509,702	78,587,639,030
Interest Expense	21,315,015,978	42,119,865,188	62,555,054,027
NET INTEREST INCOME	**20,548,946,212**	**16,453,644,514**	**16,032,585,003**
NON-INTEREST INCOME			
Investment Income	12,686,698,490	28,812,533,328	47,781,611,727
Commission, Exchange & Brokerage	13,038,891,842	18,812,230,165	21,237,460,628
Other Operating Income	172,424,955	252,335,864	308,473,759
Total Operating Income	**46,446,961,499**	**64,330,743,871**	**85,360,131,117**
OPERATING EXPENSES			
Salaries & Allowances	14,513,613,226	17,385,245,127	21,243,041,337
Rent, Taxes, Insurance, Electricity etc.	818,310,310	947,996,939	1,012,689,429
Legal Expenses	48,644,306	22,978,444	67,809,237
Postage, Stamps, Telecommunication	408,781,265	478,456,893	691,742,635
Stationery, Printing, Advertisement	4,185,699,523	4,660,671,331	4,964,839,730
Chief Executive's Salary & Fees	24,471,250	24,471,250	25,561,828
Auditors' Fees	7,871,545	8,949,104	14,134,696
Directors' Fees	4,626,142	11,387,339	10,420,670
Impairment of Goodwill	-	246,289,821	-
Depreciation & Repair	6,400,036,242	7,717,588,633	10,013,561,648
Other Expenses	4,308,309,733	4,885,781,126	6,394,102,418
TOTAL OPERATING EXPENSES (b)	**30,720,363,542**	**36,389,816,007**	**44,437,903,628**
OPERATING PROFIT / PROFIT BEFORE PROVISION (c=a-b)	**15,726,597,957**	**27,940,927,864**	**40,922,227,489**

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC

Syed M Omar Tayyab
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

Tareq Refat Ullah Khan
Managing Director & CEO

Ali Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)
65/2/2 Bir Protik Gazi Golam Dostagir
Purana Paltan, Dhaka-1000.

Particulars (BDT)	FY 2023	FY 2024	FY 2025
PROVISIONS			
Provision for Loans & Advances	2,714,391,075	3,675,902,326	6,291,121,872
Provision for Off-Balance Sheet	168,284,002	68,776,791	-
Diminution in Value of Investments	21,830,293	(5,966,965)	493,610,957
Other Provisions	17,851,857	110,984,150	123,679,888
TOTAL PROVISIONS (d)	**2,922,357,227**	**3,849,696,302**	**6,908,412,717**
Share of Profit of Associates	18,630,757	6,897,472	7,281,429
PROFIT BEFORE TAX (e)	**12,822,871,487**	**24,098,129,034**	**34,021,096,201**
TAXATION			
Current Tax Expense	6,374,635,200	8,076,132,792	10,453,773,980
Deferred Tax Expense / (Income)	(1,826,814,281)	1,703,514,288	1,057,949,099
TOTAL TAX PROVISION (f)	**4,547,820,919**	**9,779,647,080**	**11,511,723,079**
NET PROFIT AFTER TAX (e-f)	**8,275,050,568**	**14,318,481,954**	**22,509,373,122**
ATTRIBUTABLE TO			
Equity Holders of BRAC Bank PLC.	7,610,095,779	12,296,240,279	18,162,700,722
Non-Controlling Interest	664,954,789	2,022,241,675	4,346,672,400
APPROPRIATIONS			
Statutory Reserve Transfer	1,164,617,439	1,725,268,196	2,218,462,775
Dividend	2,244,877,986	3,217,658,447	4,424,280,366
Start-up Fund	73,036,047	121,361,698	158,087,073
EPS — Consolidated (BDT per share)	**4.30**	**6.18**	**9.12**

Abul Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)
65/2/2 Bir Protik Gazi Golam Dostagir Road
Purana Paltan, Dhaka-1000.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Syed Refat Ullah Khan
Managing Director & CEO

Consolidated Cash Flow Statement (BRAC Bank PLC. and Subsidiaries)

For the Year Ended 31 December — BDT

Particulars (BDT)	FY 2023	FY 2024	FY 2025
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Interest Receipts in Cash	51,327,498,172	79,736,888,171	116,725,027,278
Interest Payment	(19,250,808,417)	(37,423,309,982)	(59,628,935,445)
Dividend Receipts	182,884,668	482,962,323	642,257,297
Fees and Commission Receipts	52,084,822,417	63,831,021,026	76,812,283,008
Recoveries on Loans Previously Written Off	844,444,215	924,519,756	1,051,599,957
Cash Payments to Employees	(14,192,779,239)	(16,496,619,006)	(20,288,283,299)
Cash Payments to Suppliers	(38,724,756,653)	(46,993,076,878)	(55,173,741,167)
Income Tax Paid	(5,622,973,023)	(14,034,587,849)	(17,494,304,969)
Receipts from Other Operating Activities	1,673,704,264	2,641,492,218	5,542,816,573
Payment for Other Operating Activities	(6,101,211,508)	(5,782,403,177)	(8,992,067,680)
Operating Cash Flow Before Working Capital Changes (i)	**22,220,824,896**	**26,886,886,602**	**39,196,651,553**
Changes in Operating Assets & Liabilities:			
Loans and Advances	(108,143,716,294)	(103,559,832,721)	(107,297,303,837)
Other Assets	(7,362,398,987)	(1,759,471,312)	(4,003,918,886)
Borrowings from Banks & FIs	23,066,183,302	5,160,498,297	12,799,339,943
Deposits from Customers	139,740,992,457	181,625,529,289	210,033,904,614
Other Liabilities	(3,949,721,724)	(567,919,881)	(5,954,584,432)
Cash from Working Capital Changes (ii)	43,351,338,754	80,898,803,672	105,577,437,402
NET CASH FROM OPERATING ACTIVITIES (a)	**65,572,163,650**	**107,785,690,274**	**144,774,088,955**

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

Tareq Refat Ullah Khan
CEO

Abul Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DBL Tower (4th Floor)
93/2 Bir Protik Gazi Golam Dostagir Road
Gulshan, Dhaka-1000.

Particulars (BDT)	FY 2023	FY 2024	FY 2025
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Treasury Bills	(98,452,930,349)	69,482,282,515	(7,427,851,468)
Treasury Bonds	23,257,735,239	(173,727,572,182)	(104,131,166,399)
Investment in Shares	(1,026,840,637)	(1,344,861,973)	(1,372,487,538)
Sale / (Investment) in Bonds	490,000,000	(650,000,000)	(330,000,000)
Acquisition of Fixed Assets	(3,847,205,997)	(5,739,806,230)	(7,375,706,183)
Disposal of Fixed Assets	54,889,381	118,023,290	123,351,920
NET CASH FROM INVESTING ACTIVITIES (b)	**(79,524,352,363)**	**(111,861,934,580)**	**(120,513,859,668)**
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Issue of Ordinary Shares	(44,851,300)	232,485,000	-
Proceeds from Issuance of Subordinated Bond	-	6,287,000,000	7,250,000,000
Dividend Paid	(1,118,549,337)	(1,592,563,237)	(2,216,175,097)
NET CASH FROM FINANCING ACTIVITIES (c)	**(1,163,400,637)**	**4,926,921,763**	**5,033,824,903**
NET INCREASE / (DECREASE) IN CASH (a+b+c)	**(15,115,589,350)**	**850,677,457**	**29,294,054,190**
CASH & CASH EQUIVALENTS RECONCILIATION			
Opening Cash & Cash Equivalents	91,649,323,012	77,497,925,807	78,869,588,699
Effect of Exchange Rate Changes	964,635,545	520,985,435	1,593,162,599
CLOSING CASH & CASH EQUIVALENTS	**77,498,369,207**	**78,869,588,699**	**109,756,805,488**
COMPOSITION OF CLOSING CASH			
Cash in Hand (incl. foreign currency)	11,416,440,336	15,000,490,086	16,436,564,244
Balance with Bangladesh Bank	28,150,953,478	30,852,940,917	34,658,714,842
Balance with Other Banks & FIs	34,929,255,296	32,263,729,696	58,656,692,402

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

Ehsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)
65/2/2 Bir Protik Gazi Golam Dostagir Road
Purana Paltan, Dhaka-1000.

Particulars (BDT)	FY 2023	FY 2024	FY 2025
Money at Call on Short Notice	3,000,000,000	750,000,000	-
Prize Bond	1,945,000	2,428,000	4,834,300
TOTAL	**77,498,594,110**	**78,869,588,699**	**109,756,805,488**
Net Operating Cash Flow Per Share — NOCFPS (BDT)	**37.05**	**54.14**	**72.72**

Abul Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)
65/2/2 Bir Protik Gazi Golam Dostagir Road
Purana Paltan, Dhaka-1000.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

BRAC Bank PLC.
Comparative Financial Statements
Financial Year 2023 | 2024 | 2025

Statement of Financial Position

As on 31 December -BDT

Particulars (BDT)	FY 2023	FY 2024	FY 2025
ASSETS			
Cash in Hand (incl. Foreign Currency)	11,198,084,095	14,698,347,260	16,431,724,183
Balance with BB & Agent Banks	28,150,953,478	30,852,940,917	34,658,714,842
Total Cash	**39,349,037,573**	**45,551,288,177**	**51,090,439,025**
Balance with Other Banks — Inside BD	211,111,723	3,438,563,039	2,322,808,158
Balance with Other Banks — Outside BD	6,743,964,777	2,526,699,021	7,692,412,162
Total Balance with Other Banks & FIs	**6,955,076,500**	**5,965,262,060**	**10,015,220,320**
Money at Call on Short Notice	**3,000,000,000**	**750,000,000**	**-**
Investments — Government Securities	107,556,755,200	194,166,365,832	313,828,787,504
Investments — Others	8,100,723,857	10,185,372,541	12,427,653,101
Total Investments	**115,657,479,057**	**204,351,738,373**	**326,256,440,605**
Loans — Cash Credit & Overdrafts	284,368,118,906	360,790,260,778	420,646,723,319
Loans — Small & Medium Enterprises	232,338,801,248	260,345,475,823	306,248,719,034
Bills Purchased & Discounted	2,745,075,658	2,236,151,929	3,763,396,460
Total Loans & Advances	**519,451,995,812**	**623,371,888,530**	**730,658,838,813**
Fixed Assets (Net)	7,627,179,153	8,518,445,878	11,000,737,687
Other Assets	34,672,366,064	41,613,101,198	50,639,290,597
Non-Banking Assets	10,141,700	10,978,565	11,264,043
TOTAL ASSETS	**726,723,275,859**	**930,132,702,781**	**1,179,672,231,090**
LIABILITIES			
Borrowings — Other Banks, FIs & Agents	41,716,714,285	50,331,428,570	68,944,031,752

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO

Abul Ahsan Ahmed
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65/2/2 Bir Protik Gazi Golam Dostagir Road
Purana Paltan, Dhaka-1000.

Tareq Rafat Ullah Khan
Director & CEO

Syed M Omar Tayub
Managing Director & CEO
Primic Bank Investment PLC
Head Office, Dhaka

Particulars (BDT)	FY 2023	FY 2024	FY 2025
Borrowings — BB & Govt Agencies	61,430,274,796	57,903,323,101	51,959,418,839
Affordable Housing Bond	4,751,000,000	4,751,000,000	4,751,000,000
BRAC Bank 2nd Subordinated Bond	-	6,287,000,000	7,000,000,000
BRAC Bank Social Sub-Bond	-	-	6,537,000,000
Money at Call (Liability)	550,000,000	840,000,000	1,161,806,300
Deposits — Current Accounts & Other	157,581,037,834	189,281,704,728	236,193,511,602
Deposits — Bills Payable	2,716,819,155	3,770,838,887	3,018,597,221
Deposits — Savings	79,097,018,100	99,483,397,129	129,789,428,478
Deposits — Term	260,948,521,302	386,909,329,738	510,784,524,598
Deposits — Other	13,565,603,695	9,987,659,097	9,731,345,315
Total Deposits & Other Accounts	**513,909,000,086**	**689,432,929,579**	**889,517,407,214**
Other Liabilities	**40,584,257,402**	**44,790,057,640**	**50,099,926,103**
TOTAL LIABILITIES	**662,941,246,569**	**854,335,738,890**	**1,079,970,590,208**
SHAREHOLDERS' EQUITY			
Paid-up Capital	16,088,292,270	17,697,121,490	19,909,261,670
Share Premium	3,853,767,032	3,853,767,032	3,853,767,032
Statutory Reserve	12,234,525,238	13,843,354,458	16,055,494,638
Dividend Equalization Fund	355,218,455	355,218,455	355,218,455
Revaluation Reserve on Govt. Securities	183,523,000	949,752,769	9,148,138,893
Fair Value Gain/(Loss) on Equity Investment	7,944,001,202	8,233,329,679	10,187,384,306
Start-up Equity Investment Fund	-	352,907,106	510,994,179
Foreign Currency Translation Reserve	459,993,992	774,293,942	852,496,090
Remeasurement Gain/(Loss) — Gratuity Fund	-	(212,752,090)	(135,637,292)
Surplus in P&L / Retained Earnings	22,662,708,101	29,949,971,050	38,964,522,911
TOTAL SHAREHOLDERS' EQUITY	**63,782,029,290**	**75,796,963,891**	**99,701,640,882**
TOTAL LIABILITIES & EQUITY	**726,723,275,859**	**930,132,702,781**	**1,179,672,231,090**

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

M Masud Rana FCA
Additional Managing Director & CFO

Hasan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)
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Motijheel Pattan, Dhaka-1000.

Khan

Particulars (BDT)	FY 2023	FY 2024	FY 2025
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities	137,258,278,773	168,558,493,200	180,343,174,943
Other Commitments	45,329,433,413	58,682,178,027	42,087,262,467
TOTAL OFF-BALANCE SHEET ITEMS	**182,587,712,186**	**227,240,671,227**	**222,430,437,410**
Net Asset Value (NAV) per Share (BDT)	**36.04**	**38.07**	**50.08**

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Syed M Omar Tayub
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Prime Bank Investment PLC
Head Office, Dhaka

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Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Rafat Ullah Khan

Profit and Loss Account

For the Year Ended 31 December - BDT

Particulars (BDT)	FY 2023	FY 2024	FY 2025
INTEREST INCOME / EXPENSE			
Interest Income	39,085,506,990	55,952,496,683	74,778,338,764
Interest Expense	21,367,306,733	42,490,831,604	63,000,428,345
NET INTEREST INCOME	**17,718,200,257**	**13,461,665,079**	**11,777,910,419**
NON-INTEREST INCOME			
Investment Income	7,575,677,526	21,264,723,577	37,935,016,454
Commission, Exchange & Brokerage	6,171,836,080	9,297,329,107	7,951,278,546
Other Operating Income	144,756,155	226,693,387	281,773,109
TOTAL OPERATING INCOME (a)	**31,610,470,018**	**44,250,411,150**	**57,945,978,528**
OPERATING EXPENSES			
Salaries & Allowances	10,129,813,829	11,967,250,774	14,813,625,547
Rent, Taxes, Insurance, Electricity etc.	576,282,623	642,571,657	681,158,090
Legal Expenses	19,194,962	18,316,773	61,257,062
Postage, Stamps, Telecommunication	297,625,871	357,490,900	511,794,617
Stationery, Printing, Advertisement	602,519,872	641,288,609	916,576,784
Chief Executive's Salary & Fees	24,471,250	24,471,250	25,561,828
Directors' Fees	2,138,400	7,350,200	7,325,500
Auditors' Fees	2,070,000	2,277,000	6,900,000
Depreciation & Repair	2,483,790,345	2,938,796,247	3,542,604,594
Other Expenses	3,542,298,151	4,223,364,347	5,492,729,155
TOTAL OPERATING EXPENSES (b)	**17,680,205,303**	**20,823,177,757**	**26,059,533,177**
OPERATING PROFIT / PROFIT BEFORE PROVISION (c=a-b)	**13,930,264,715**	**23,427,233,393**	**31,886,445,351**

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO

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Ahsan Ahmed
Chief Operating Officer (COO)
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Tareq Refat Ullah Khan
& CEO

Particulars (BDT)	FY 2023	FY 2024	FY 2025
PROVISIONS			
Provision for Loans & Advances	2,714,391,075	3,668,632,929	6,275,975,699
Provision for Off-Balance Sheet	168,284,002	68,776,791	-
Diminution in Investments	21,830,293	(5,966,965)	493,610,957
Other Provisions	13,008,797	104,289,372	114,263,561
TOTAL PROVISIONS (d)	**2,917,514,167**	**3,835,732,127**	**6,883,850,217**
PROFIT BEFORE TAX (e=c-d)	**11,012,750,548**	**19,591,501,266**	**25,002,595,134**
TAXATION			
Current Tax Expense	4,641,475,774	6,349,742,457	8,366,129,292
Deferred Tax Expense / (Income)	(932,329,894)	1,105,589,048	827,758,562
TOTAL TAX PROVISION (f)	**3,709,145,880**	**7,455,331,505**	**9,193,887,854**
NET PROFIT AFTER TAX (e-f)	**7,303,604,668**	**12,136,169,761**	**15,808,707,280**
APPROPRIATIONS			
Statutory Reserve	1,122,438,990	1,608,829,220	2,212,140,180
Dividend	2,244,877,986	3,217,658,447	4,424,280,366
Start-up Fund	73,036,047	121,361,698	158,087,073
Retained Surplus	3,863,251,645	4,947,849,365	6,794,507,619
Retained Earnings (Closing)	22,662,708,101	29,949,971,050	38,964,522,911
EPS (BDT per share)	**4.13**	**6.10**	**7.94**

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Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Tareq Refat Ullah Khan
Director & CEO

Cash Flow Statement

For the Year Ended 31 December — BDT

Particulars (BDT)	FY 2023	FY 2024	FY 2025
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Interest Receipts in Cash	44,346,165,175	68,818,502,061	104,094,258,776
Interest Payment	(19,298,835,439)	(37,809,408,857)	(60,083,797,217)
Dividend Receipts	133,269,026	408,353,204	595,221,612
Fees and Commission Receipts	6,171,836,080	9,297,329,106	7,951,278,548
Recoveries on Loans Previously Written Off	844,444,215	924,519,756	1,051,599,957
Cash Payments to Employees	(9,983,842,876)	(11,410,431,360)	(14,405,935,180)
Cash Payments to Suppliers	(881,509,543)	(1,002,160,654)	(1,377,272,993)
Income Tax Paid	(4,559,230,752)	(6,032,802,945)	(7,112,717,075)
Receipts from Other Operating Activities	1,659,318,461	2,655,035,781	5,534,424,961
Payment for Other Operating Activities	(5,810,455,216)	(5,507,518,181)	(8,593,401,338)
Operating Cash Flow Before Working Capital Changes (i)	**12,621,159,131**	**20,341,417,911**	**27,653,660,051**
Changes in Operating Assets & Liabilities:			
Change: Loans & Advances	(108,775,588,852)	(103,919,892,718)	(107,286,950,282)
Change: Other Assets	(7,183,833,762)	(369,725,515)	(3,924,956,561)
Change: Borrowings from Banks & FIs	22,827,110,001	5,377,762,590	12,990,505,220
Change: Deposits from Customers	127,810,868,058	167,713,297,342	197,730,444,192
Change: Other Liabilities	1,580,898,351	(526,491,985)	(6,250,801,611)
Cash from WC Changes (ii)	36,259,453,796	68,274,949,714	93,258,240,958
NET CASH FROM OPERATING (a = i+ii)	**48,880,612,927**	**88,616,367,625**	**120,911,901,009**
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Treasury Bills	(81,394,427,080)	69,483,283,515	(7,342,866,390)

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Managing Director & CEO
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M Mahbubur Rahman FCS
Company Secretary
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M Masud Rana FCA

Tareq Refat Ullah Khan

Ahsan Ahmed
Chief Operating Officer (COO)
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Particulars (BDT)	FY 2023	FY 2024	FY 2025
Treasury Bonds	29,321,619,388	(155,325,663,377)	(104,121,168,658)
Sale / (Investment) in Shares	(940,711,266)	(1,434,648,684)	(1,912,280,560)
Sale / (Investment) in Bonds	490,000,000	(650,000,000)	(330,000,000)
Acquisition of Fixed Assets	(1,794,726,782)	(3,050,248,516)	(4,975,406,808)
Disposal of Fixed Assets	47,846,284	116,350,490	121,917,420
NET CASH FROM INVESTING ACTIVITIES (b)	**(54,270,399,456)**	**(90,861,927,572)**	**(118,559,805,496)**
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Issuance of Subordinated Bond	-	6,287,000,000	7,250,000,000
Dividend Paid	(1,118,549,337)	(1,592,563,237)	(2,216,175,097)
NET CASH FROM FINANCING ACTIVITIES (c)	**(1,118,549,337)**	**4,694,436,763**	**5,033,824,903**
NET INCREASE / (DECREASE) IN CASH (a+b+c)	**(6,508,335,866)**	**2,448,876,816**	**7,385,920,416**
CASH & CASH EQUIVALENTS RECONCILIATION			
Opening Cash & Cash Equivalents	54,859,652,721	49,306,059,073	52,268,978,237
Effect of Exchange Rate Changes	954,741,718	514,042,348	1,455,594,992
CLOSING CASH & CASH EQUIVALENTS	**49,306,058,573**	**52,268,978,237**	**61,110,493,645**
COMPOSITION OF CLOSING CASH			
Cash in Hand (incl. foreign currency)	11,198,084,095	14,698,347,260	16,431,724,183
Balance with Bangladesh Bank	28,150,953,478	30,852,940,917	34,658,714,842
Balance with Other Banks & FIs	6,955,076,500	5,965,262,060	10,015,220,320
Money at Call on Short Notice	3,000,000,000	750,000,000	-
Prize Bond	1,945,000	2,428,000	4,834,300
TOTAL	**49,306,059,073**	**52,268,978,237**	**61,110,493,645**

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO

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Tareq Refat Ullah Khan

Particulars (BDT)	FY 2023	FY 2024	FY 2025
Net Operating Cash Flow Per Share — NOCFPS (BDT)	**27.62**	**44.51**	**60.73**

13. Key Financial Ratios for Last Three Years

13.1 Key Financial Ratios for Last 3 Years

For the Year Ended 31 December 2025 (Standalone Bank)

SL	Key Ratios (Solo)	2023	2024	2025
1	Current Ratio	N/A	N/A	N/A
2	Quick Ratio	N/A	N/A	N/A
3	Breakeven Point	N/A	N/A	N/A
4	Debt-Equity Ratio Before Bond Issue (times)	10.39x	11.27x	10.83x
5	Debt-Equity Ratio After Bond Issue (times)	10.55x	11.40x	10.93x
6	Debt-Total Assets (times)	0.91x	0.92x	0.92x
7	Accounts Receivable Turnover Ratio	N/A	N/A	N/A
8	Gross Profit Margin (Net Interest Margin) %	3.41%	2.16%	1.61%
9	Operating Income Ratio (%)	56%	47%	45%
10	Net Profit Margin %	19%	22%	21%
11	Return On Assets (ROA) %	1.13%	1.46%	1.50%
12	Return On Equity (ROE) %	11.95%	17.39%	18.02%
13	Earnings Per Share (EPS) — BDT	3.19	5.30	6.90
14	Net Asset Value (NAV) Per Share — BDT	27.78	32.69	39.55
15	Cost of Fund %	3.91%	5.93%	6.85%
16	Cost Income Ratio %	56%	47%	45%
17	Capital Adequacy Ratio / CRAR %	13.99%	14.95%	15.63%
18	Non-Performing Loan Ratio (NPL) %	3.38%	2.63%	2.27%
19	Total Debt to Tangible Asset Ratio	N/A	N/A	N/A
20	Net Operating Cash Flow to Net Profit (times)	6.69x	7.30x	7.65x
21	AD Ratio %	74.29%	70.75%	63.48%

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Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

13. 2 Key Financial Indicators for Last 3 Years

Ratio / Indicator	FY 2023	FY 2024	FY 2025
CAPITAL ADEQUACY			
Total Capital to Risk-Weighted Assets (CRAR)S	13.99%	14.95%	15.63%
Common Equity Tier-1 (CET1) Capital Ratio	12.43%	12.31%	12.16%
Tier-2 Capital Ratio %	1.56%	2.64%	3.47%
Total Regulatory Capital (BDT Mn)	55,093	71,642	93,142
Risk-Weighted Assets — RWA (BDT Mn)	393,753	479,281	596,041
Capital Surplus (BDT Mn)	5,874	11,732	18,637
ASSET QUALITY			
Gross NPL Ratio	3.38%	2.63%	2.27%
Net NPL Ratio	1.13%	0.50%	0.52%
NPL Coverage Ratio (incl. GP)	115%	134%	133%
Gross Non-Performing Loans (BDT Mn)	17,534	16,403	16,569
PROFITABILITY			
Net Interest Margin (NIM) %	2.75%	1.62%	1.12%
ROA %	1.13%	1.46%	1.50%
ROE %	11.95%	17.39%	18.02%
Net Profit Margin %	23%	27%	27%
Operating Profit Margin (Pre-Provision) %	36%	42%	43%
Cost-Income Ratio %	56%	47%	45%
Return on Investment (ROI) %	6.55%	10.41%	11.63%
LIQUIDITY			
Loans-to-Deposits (AD) Ratio	74.29%	70.75%	63.48%
Investments / Total Assets %	15.91%	21.97%	27.66%
Liquidity Coverage Ratio (LCR)	170.38%	212.93%	291.95%
Net Stable Funding Ratio (NSFR)	120.72%	112.36%	108.20%

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Additional Managing Director & C.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

Ratio / Indicator	FY 2023	FY 2024	FY 2025
Cash Reserve Ratio (CRR)	4.28%	3.97%	3.61%
Statutory Liquidity Reserve (SLR)	23.56%	26.84%	34.45%
PER SHARE DATA			
Earnings Per Share (EPS) — BDT	3.19	5.30	6.90
Net Asset Value (NAV) Per Share — BDT	27.78	32.69	39.55
Market Price Per Share — Year End (BDT)	35.80	49.00	63.10
Price-to-Earnings (P/E) — times	11.22x	9.24x	9.14x
Price-to-Book (P/B) — times	1.29x	1.50x	1.60x
Cash Dividend %	10%	13%	15%
Stock Dividend %	10%	13%	15%

Source: BRAC Bank PLC. Annual Report 2025 — Five Years' Financial Highlights (Standalone) and Audited Financial Statements. All ratios computed on standalone bank basis.

13.3 Year-on-Year Growth Analysis

YoY Growth	FY 2024	FY 2025
Total Assets Growth %	27.99%	26.83%
Total Loans & Advances Growth %	20.01%	17.21%
Total Deposits Growth %	34.15%	29.02%
Total Equity Growth %	18.84%	31.54%
Operating Profit Growth %	68.18%	36.11%
NPAT Growth %	66.17%	30.26%

KEY RATIOS TREND	FY 2023	FY 2024	FY 2025
CRAR	13.99%	14.95%	15.63%
Gross NPL Ratio	3.38%	2.63%	2.27%
ROA	1.13%	1.46%	1.50%
ROE	11.95%	17.39%	18.02%
Cost to Income Ratio	56%	47%	45%

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Managing Director & CEO
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Head Office, Dhaka

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Company Secretary
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M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC

14. CREDIT RATING SUMMARY

Credit Rating of the Issuer

Category	Rating	Details
Long Term	**AAA**	Highest creditworthiness
Short Term	**ST-1**	Highest certainty of timely payment
Outlook	Stable	No change anticipated
Rating Agency	CRAB	Credit Rating Agency of Bangladesh Ltd
Validity	30 June 2027	

Credit Rating of the Issue

Category	Rating	Details
Long Term	**AA_1**	Highest creditworthiness
Short Term	**ST-1**	Highest certainty of timely payment
Outlook	Stable	No change anticipated
Rating Agency	CRAB	Credit Rating Agency of Bangladesh Ltd
Validity	09 December 2026	

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M Mahbubur Rahman FCS
Company Secretary

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC

Rafat Ullah Khan

15. LATEST DEFAULT STUDY & TRANSITION MATRIX

Default Rate Matrix

BRAC Bank Green Bond (BDT 10,000 million) — CRAB Credit Rating Report, 10 June 2026

1. Historical Default Rate of the Credit (Issuer: BRAC Bank PLC)

Metric	Rate
1-Year Default Rate	0.00%
3-Year Cumulative Default Rate (CDR)	0.00%

2. Rating Trigger / Risk Premium Matrix

Applicable if the Issue Rating falls below the minimum investment grade — i.e., below "BBB" in the long term or "ST-3" in the short term. BRAC Bank PLC shall pay an additional amount, over and above the stipulated Discount Rate, as a Risk Premium per the table below, until the rating is restored to "BBB"/"ST-3" or above.

Issue Rating	Risk Premium to be Added
D	1.00%
C	0.75%
B	0.50%
BB	0.25%

3. Notes

- No default has occurred in this rated category to date.
- Rating Company: Not Applicable (initial rating).
- Latest Default Rate of the Credit: 0.00% (1-Year), 0.00% (3-Year Cumulative).

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Company Secretary
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Additional Managing Director & CFO
BRAC Bank PLC

Rafatullah Khan

16. DESCRIPTION OF TRUSTEE

Prime Bank Investment PLC (PBIL), a subsidiary of Prime Bank PLC started its journey from April 28, 2010 vide certificate of incorporation no. C-84266/10. It is one of the leading investment banks of the country with a paid-up capital of BDT 3,000 million. The PBIL has been operating actively in the capital market since 2006 and its management has over one decade of experience. The Board of Directors consists of highly experienced scholars including economists and the people with entrepreneurial records of accomplishment and business development.

The functions of investment banking were separated from Prime Bank Limited by forming a subsidiary company in terms of Bangladesh Bank's BRPD circular no. 12 dated 14 October 2009. Bangladesh Securities and Exchange Commission (SEC) thereafter issued a full-fledged merchant banking license in favor of Prime Bank Investment PLC, vide letter no. SEC/Reg/MB/SUB/2010/03/208 dated 02 June 2010 with effect from 01 June 2010.

Being one of the largest investment banks in the country, the PBIL offers various services such as mergers, acquisitions related services, business valuation, syndication and structured finance, issue management, corporate advisory, trustee, underwriting, and portfolio management services to its clients. Considering its strong clientele base, expertise of its management and support from the parent company, the PBIL has the competitive advantage in providing investment banking related services to its clients.

Equity Position:

Authorized Capital	BDT 10,000 million
Paid-up Capital	BDT 3,000 million
Net worth	BDT 3,248million

Vision

Our vision is to be the leading investment bank, driving economic prosperity through innovative financial solutions. As architects of capital, we aim to propel businesses forward with integrity, expertise, and enduring partnerships, becoming the trusted catalyst for sustainable success in capital markets and creating lasting value for clients and communities.

Shareholding Position of PBIL:

as of 31st December 2024

Sl.	Name of Shareholders	No. of Shares	%
1.	Prime Bank PLC	299,999,994	99.99
2.	Others	06	0.01
Net Worth		**300,000,000**	**100**

Board of Directors of the PBIL:

Sl.	Name of the Director	Position
1	Mr. C Q K Mustaq Ahmed	Chairman (Representing Prime Bank PLC)
2	Mr. Anwaruddin Chowdhury FCA	Director
3	Mr. Md. Ziaur Rahman	Director

Abul Ahsan Ahmed
Chief Operating Officer (COO)
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Additional Managing Director & CFO
BRAC Bank PLC.

Rafat Ullah Khan
& CFO

Currently Acting as a Trustee of Debt Securities:

SL No	Name of the Issuer	Name of the Issue	Maturity Period	IM issue date	Date of completion of the subscription	Issue Amount	Defaults (if any)
1	North-West Power Generation Company Limited	Non-Convertible Redeemable Corporate Bond	07 years	Nov 20, 2019	Nov 10, 2021	10,000	N/A
2	Aamra Networks Limited	Zero Coupon Bond	05 years	July 21, 2020	150 million subscribed as on Dec 22, 2021	1,000	N/A
3	Midland Bank Limited	Fully Redeemable Non-Convertible Non-Listed Unsecured Zero Coupon Bond	05 years	-	-	5,060	N/A
4	City Auto Rice and Dal mills limited	Non-Convertible Zero Coupon Bond	03 years	Nov 06, 2023	1550 million subscribed as on June 23, 2025	3,500	N/A
5	United Commercial Bank Limited	UCB 2nd Perpetual Bond	N/A	Dec 24, 2023	1700 million subscribed as on June 23, 2025	3,000	N/A
6	Navana Pharmaceuticals PLC.	Navana Pharmaceuticals Partial Convertible Bond	05 years	-	80 million subscribed as on June 23, 2025	1,500	

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Head Office, Dhaka

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

17. MODUS OPERANDI OF THE ISSUE

Application Procedure

Upon receiving the Consent Letter, the Information Memorandum shall be published by the Issuer on its official website, within the timeframes specified in the Consent Letter; provided further that a notice regarding the publication of Information Memorandum in the website mentioning web-addresses shall be circulated in at least one Bangla and one English language national daily newspaper. The approved Information Memorandum shall be made available in the website of the Issuer until the final date for subscription of the Bonds. The Bonds thereafter shall be distributed 100% through private placement on a best effort basis. Each Investor (Bondholder) shall enter into a separate Subscription Agreement with respect to their investment with the Issuer and shall be bound by the terms and conditions contained in the Subscription Agreement and the Trust Deed containing in details the rights and obligations of the Investor(s).

The Issuance of Bond

Notwithstanding anything contained anywhere in this Trust Deed, the Bonds shall be issued in dematerialised form as per the CDBL Bye Laws and the Issuer shall apply to the respective stock exchange(s) for listing in the Alternative Trading Board (ATB) immediately from the date of availing ATB facilities under the Bangladesh Securities and Exchange Commission (Alternative Trading System) Rules, 2019 and respective regulations of the stock exchange(s) in this regard.

The Bond shall be rated by the Credit Rating Agency and its periodical surveillance rating shall be done by the Credit Rating Agency in line with the provisions of the Credit Rating Companies Rules, 1996 up to the full and final redemption or conversion of the issued securities.

Allotment

On each of the Closing Date, to be determined, the Issuer shall allot and issue the Bonds to the Investor(s). The Bonds will be allotted according to the Rules.

Refund

Not applicable at the time of Issuance. However, subject to receiving proper consent from the regulatory authorities Refund in relation to the subscription may be possible upon mutual agreement between the Issuer and each Bondholder.

Transfer

Bonds are transferable subject to the Terms and Conditions set out in the Trust Deed.

Repayment and Redemption features of the Bond

Payment of redemption amount and other payments (if any) will be made for each Bonds within a Lot at the Face Value on the respective Redemption Date(s) calculated from the Closing Date in accordance with Condition 7(B) (Scheduled Redemption) by the Issuer.

Trading and listing with the Stock Exchange

The Issuer shall apply to the respective stock exchange(s) for listing in the Alternative Trading Board (ATB) immediately from the date of availing ATB facilities under the Bangladesh Securities and Exchange Commission (Alternative Trading System) Rules, 2019 and respective regulations of the stock exchange(s)

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M Masud Rana FCA
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Managing Director & CEO
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Head Office, Dhaka

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Chief Operating Officer (COO)
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in this regard and comply with the regulatory requirements and guidelines relating to listing circulated from time to time.

Details of conversion or exchange option

Not Applicable.

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Syed Refat Ullah Khan
Managing Director & CEO

18. COST STRUCTURE

Particulars	Metric	Approximate Costs (BDT)
Non-Regulatory Fees		
Issue Management Fee	*2,500,000- One time*	2,500,000
Legal Fee (Total)	*1,000,000 — one time*	1,000,000
Credit Rating Fee (Total)	*150,000 per year*	450,000
Annual Trustee Fee (Total)	*400,000 per year*	1,200,000
Audit & External Opinion Fee (Total)	*At Actual*	2,600,000
Non-Regulatory Fee Sub-total		**7,750,000**
VAT on Non-Regulatory Fee	*As Per Regulation (15% at present)*	1,162,500
Total Non-Regulatory Fees (a)		**8,912,500**
Regulatory Fees		
BSEC Application Fee	*At Actual*	10,000
BSEC Consent Fee	*0.03% on Face Value*	3,000,000
BSEC Trustee Application Fee	*At Actual*	50,000
BSEC Trustee Registration Fee	*At Actual*	100,000
BSEC Annual Trustee Fee (Total)	*50,000 per year*	150,000
Trust Deed Stamp Duty	*At Actual*	1,500,000
Total Regulatory Fees (b)		**4,810,000**
Other Costs		
Printing and Promotion	*At Actual*	1,000,000
Incidental Expenses	*At Actual*	1,000,000
Total Other Costs (c)		**2,000,000**
Total Costs (a+b+c)		**15,722,500**

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Company Secretary
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Refat Ullah Khan
Director & CEO

19. Additional disclosures for IM under Public issue;

Not applicable as it will be a private offer.

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Director & CEO

20. Conditions imposed by the Commission in the consent letter;

To be mentioned after obtaining the consent from the commission.

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Additional Managing Director & CFO
BRAC Bank PLC

...ullah Khan

21. Declaration and due diligence certificates as per Annexure(s)-I, II, III and IV;

Annexure-I

BRAC BANK

BRAC Bank Limited
Head Office, Anni Tower
220/B, Tejgaon Gulshan Link Road
Tejgaon I/A, Dhaka 1208, Bangladesh
Phone : +88 02 8801201-10
Fax : +88 02 222295910
SWIFT : BRAKBDDH
E-Mail : enquiry@bracbank.com
Website : www.bracbank.com

Annexure-I

Declaration about the responsibility of the directors, including the CEO of the issuer or originator in respect of the information memorandum

[See rule 4(2)(a)]

This information memorandum has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this private issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this information memorandum to enable the investors to make a well-informed decision for investment.

Tareq Refat Ullah Khan
Managing Director & CEO
Date: July 12, 2026

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC

Abul Ahsan Ahmed
Chief Operating Officer (COO)
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PROUD MEMBER

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Tareq Refat Ullah Khan
Director & CEO

Annexure-II
[See rule 3(1)(m), 4(1)(c) and 4(2) (a)]
Due diligence certificate of the trustee

PBIL

PBIL/HO/2026/277 July 9, 2026

Due Diligence Certificate of the Trustee

To
The Bangladesh Securities and Exchange Commission
Securities Commission Bhaban
E-6/C, Agargaon, Sher-e-Bangla Nagar Administrative Area
Dhaka-1207, Bangladesh

Sub: Issuance of 10,000 Numbers of Non-Convertible, Fully Redeemable, Unsecured, Green Zero-Coupon Bond of Tk. 1,000,000 (face value) each of Brac Bank PLC.

We, the under-noted trustee to the above-mentioned forthcoming issue, state individually and collectively as follows:

1. We, while acting as trustee to the above-mentioned issue on behalf of the investors, have examined the draft Information Memorandum, legal and other documents and materials as relevant to our decision; and
2. On the basis of such examination and the discussions with the issuer, its directors and officers, and other agencies; independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer

WE CONFIRM THAT:

a) all information and documents as are relevant to the issue have been received and examined by us and the draft IM and draft deed of trust forwarded to the Commission has been approved by us;
b) we have also examined all documents of the assets to be charged (none in the case of this issuance in discussion) with the trust and are satisfied that the assets bear the value, title and charge status as disclosed in the IM;
c) while examining the above documents, we find that all the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been complied with;
d) we shall act as trustee to the issue as mentioned above as per provisions of the deed of trust to be executed with the issuer or the originator, as applicable and shall assume the duties and responsibilities as described in the deed of trust and in the IM;
e) we shall also abide by the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and conditions imposed by the Commission as regards of the issue; and
f) the above declarations are unequivocal and irrevocable.

For Trustee:

Syed M Omar Tayub
Managing Director & CEO

Abul Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
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Purana Paltan, Dhaka-1000.

Prime Bank Investment PLC.
(A Prime Bank Company)
Corporate Office: Tajwar Centre (5th Floor), House: 34, Road No: 19/A, Block: E, Banani, Dhaka-1213
PBIL Contact Center: 09678771773 Phone: +8802-48810315-16 Fax: +8802-48810314 Email: info@pbil.com.bd

Syed M Omar Tayub
Managing Director & CEO
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Head Office, Dhaka

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Company Secretary
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M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC

Annexure-III

Due diligence certificate to be furnished by issue manager(s) in the information memorandum

[See rule 4(2)(a)]

IDLC Investments Limited
financing happiness

Due diligence certificate to be furnished by issue manager(s) in the information memorandum

To
The Bangladesh Securities and Exchange Commission

Sub: Issuance of 10,000 Non-Convertible, Fully Paid-up, Fully Redeemable, Unsecured, Green Zero-Coupon Bond of Tk. 1,000,000 (face value) each of Brac Bank PLC.

Dear Sir,

We, the issue manager(s) to the above-mentioned forthcoming issue, state and confirm as follows:

(1) We have examined all the documents submitted with the application for the above-mentioned issue, visited the premises of the issuer or originator and interviewed the chairperson, directors and key management personnel of the issuer or originator in connection with the finalization of the information memorandum pertaining to the said issue;

(2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer or originator, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer or originator.

WE CONFIRM THAT:

(a) The information memorandum filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;

(b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the government have been duly complied with;

(c) The disclosures made in information memorandum are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Trust Act, 1882, the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and other applicable laws;

(d) Besides ourselves, all the intermediaries named in the information memorandum are registered with the Commission and till date such registrations are valid;

~~(e) We have satisfied ourselves about the capability of the underwriters to fulfil their underwriting commitments;~~

(f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer or originator and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;

(g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the information memorandum;

(h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well-informed decision.

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Company Secretary

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

IDLC Investments Limited
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(i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background of the issuer or originator, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the issue of securities for any further inspection by the Commission.

(j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 containing details such as the rule number, its text, the status of compliance, page numbers of the information memorandum where the rules has been complied with and our comments, if any.

(k) We also declare that we have managed the issue of securities of the following issuers including originators in the last 05 (five) years

Serial No.	Name of the Issue Month/Year	Issue Price	Dividend or Repayment History	Category, If listed
1.	Rights Share Issuance of Berger Paints Bangladesh Limited May, 2025	1,110	Cash Dividend 525% in 2025 500% in 2024 400% in 2023 400% in 2022 and 375% 2021	A
2.	Mercantile Bank Perpetual Bond May, 2022	5,000	10% yearly	A
3.	IPO of Mir Akhter Hossain Limited November, 2020	54	Cash Dividend: 10.50% in 2025 10% in 2024 12.50% in 2023 12.50% in 2022 and 12.50% in 2021	A
4.	IPO of Robi Axiata Limited October, 2020	10	Cash Dividend: 17.50% in 2025 15% in 2024 10% in 2023 7% in 2022 and 5% in 2021	A

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Place: Dhaka
Date: July 15, 2026

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M Masud Rana FCA
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Tareq Refat Ullah Khan
Director & CEO

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Annexure-IV

Not applicable for this issue.

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M Mahbubur Rahman FCS
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M Masud Rana FCA
Additional Managing Director & CFC
BRAC Bank PLC.

Rezwanfat Ullah Khan
Managing Director & CEO

22. Credit Rating Report of the issue and issuer or originator;

Credit Rating Report of the Issuer;

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BRAC Bank PLC

Tareq Refat Ullah Khan
Director & CEO

crab

CRAB Bank Rating

crab

2026

Credit Rating Report (19th Surveillance)

BRAC Bank PLC.

Analysts	Rating	
Md. Saiful Alam	Long Term	AAA
saiful.alam@crab.com.bd	Short Term	ST-1
	Outlook	Stable
Armanur Rahman	Date of Rating	13 May, 2025
armanur.rahman@crab.com.bd	Valid Till	30 June, 2027

RATING BASED ON: Audited financial statement up to 31 December 2025 and other relevant quantitative as well as qualitative information up to the date of rating declaration.

Methodology: CRAB's Rating Methodology (www.crab.com.bd)

■ CORPORATE PROFILE:

Name	BRAC Bank PLC
Legal Status	Listed Company
Year of Incorporation	May 1990
Nature of Business	Banking
Paid-up Capital	BDT 19,609.1 million
Branches	194 branches, 116 sub-branches and 446 SME unit offices.
Manpower	Over 10,291
Alternative Channels	Countrywide network of 329 ATM's and 171 RCDMs & CRMs, 1,122 agent banking outlets, 281 Area Office
Subsidiaries	i) BRAC EPL Stock Brokerage Ltd., ii) BRAC EPL Investment Limited, iii) BRAC SAAJAN Exchange Ltd. and iv) bKash Limited.

■ Financial Highlights:

Period	31/12/2025	31/12/2024	31/12/2023	31/12/2022
Total Loans (BDT Million)	730,658.8	623,371.9	519,452.0	410,676.4
Total Deposit (BDT Million)	889,517.4	689,432.9	513,909.0	384,466.8
Net Interest Margin (Avg.) (%)	1.7	2.3	3.7	3.9
Return (after tax) on Average Asset (%)	1.5	1.5	1.1	1.1
Cost to Income Ratio (%)	45.0	47.1	55.9	58.1
Gross NPL Ratio (%)	2.3	2.6	3.4	3.7
Capital to Risk Weighted Ratio (%)	15.6	14.9	14.0	14.0
Liquidity Coverage Ratio (%)	291.9	212.9	170.4	228.0

■ STRENGTH AND CHALLENGES

RATING STRENGTH

- Robust ownership base supported by a highly experienced management team.
- Strong and stable low-cost deposit base.
- Healthy funding structure supporting a strong liquidity position.
- Comparatively lower large loan concentration.
- Good capitalization with strong Tier-1 capital.
- Strong network of branches and alternative delivery channels.
- Ability to provide integrated financial services under the broadest coverage along with its subsidiaries.

BRAC Bank PLC.

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Managing Director & CEO
Credit Rating Agency

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Company Secretary

M Masud Rana FCA
Additional Managing Director & CFO

Rezaul Ullah Khan
Director & CEO

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CRAB Bank Rating

BRAC Bank PLC.

Rating Challenges

- Substantial exposure in SME segment with sizable growth which has inherent risk due to its nature of business, although 12.0% growth in Corporate Segment and 17.6% growth in SME segment in 2025 (total exposure reported 17.2% growth) facilitate to mitigate the risk.
- The business structure having high concentration on SME portfolio resulted in 45.0% cost to income ratio in 2025.

Rationale

Credit Rating Agency of Bangladesh Limited (CRAB) has reaffirmed AAA (Pronounced Triple A) rating in the long term and ST-1 rating in the short term of BRAC Bank PLC based on audited financials up to 31st December 2025 and other relevant information.

BRAC Bank was established in 2001 as a private commercial bank based in Bangladesh, listed on both the Dhaka Stock Exchange and the Chittagong Stock Exchange in 2007. The Bank has developed a competitive advantage in the small and medium-sized enterprise (SME) segment and has established a strong domestic presence, supported by its strong network of branches and alternative delivery channels. Presently, the Bank operates with its 194 branches including 47 SME/agri branches/service centers, 116 sub-branches, 281 area office and 446 SME unit offices. Along with traditional branches, the Bank has a robust network of alternative delivery channels. It has a countrywide network of 329 ATM's and 171 RCDMs CRMs. The Bank also has 1,122 agent outlets and 26 Premium Banking Lounges across the country. Among its four subsidiaries, bKash is the leading mobile financial service provider in the industry.

The rating reflects the Bank's strong funding and liquidity profile, relatively low large loan concentration, strength in sound capitalization having strong tier I capital and substantial cushion against required provision. BRAC Bank's strong ownership structure predominantly owned by BRAC (a very reputable and largest MFI in the world), Board composition and robust network of branches & alternative delivery channels are also captured in the assigned rating. BRAC Bank also showed strong resilience during stressed situations and ability to revive from it, be it like a pandemic or any regulatory regime (interest rate caps or loan moratorium). On the other hand, the principal concern of the Bank is relatively higher cost to income ratio and increasing trend of classified loans.

The rating reflects BRAC Bank's strong and stable Asset Quality backed by prudent risk management. Being the pioneer in SME financing among PCBs, the loan portfolio of BRAC Bank is strongly dominated by SME loans. During the period under surveillance, the SME portfolio of BRAC Bank PLC has been increased by 17.6% and corporate portfolio has been increased by 12.0% compared to previous year. Subsequently, the loan portfolio has been dominated by SME loans (41.9% of total loans), followed by corporate loans (40.6% of total loans) and retail loans (17.5% of total) in 2025 which was previously dominated by corporate segment. However, the SME focused models helped the Bank to maintain relatively lower large loan concentration over the year. The Bank is in the process of increasing its focus on corporate exposure following the strategic decision.

The gross NPL (in absolute amount) of BRAC Bank increased to BDT 16,568.9 million in 2025 from BDT 16,403.3 million in 2024, growth of fresh NPL generation was high in 2025 compared to that of the previous year in absolute amount. In addition to the above, cash recovery from opening NPL was BDT 1,252.0 million and new rescheduling loan was BDT 270.4 million helps to improve the overall NPL position during the period. Strong monitoring practices has been instrumental for decline in NPL and cash recovery from write off loan, which reveal the development of asset quality of the Bank. Gross NPL ratio improved to 2.3% at the end of 2025 from 2.6% in 2024 (2023: 3.4%). While analyzing, it has been found that, the gross NPL ratio remained much lower than the industry average for a long time and in improving trend during the last five years on the back of substantial loan growth. The gross NPL of BBPLC's SME loans has been increased during the period.

BRAC Bank has a history of maintaining substantial excess provision against regulatory requirements which keeps the Bank additional cushion. At the end of 2025, the Bank maintained BDT 19,898.3 million provision for classified and unclassified loans & advances, as well as for off-balance sheet exposures. There was surplus provision of BDT 569.2 million at the end of 2025.

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aging Director & CEO
Bank Investment PLC
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M Mohbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO

Rafat Ullah Khan
Director & CEO

crab

CRAB Bank Rating

BRAC Bank PLC.

The Bank has a robust network of branches, SME/Krishi branches/service centers along with a leading mobile platform (bKash) and a fast growing agent banking network. Therefore, the Bank has strong access to a low-cost deposit base (current and savings) which provides the Bank with better stability while reducing funding costs. At the end of 2025, current and savings deposit accumulated to 41.1% of total deposit having an average of 47.3% for the last five years. As a result, the Bank enjoys a very low cost of deposit & borrowing. The Bank's liquidity position was sound in terms of liquidity ratios. Growth of deposit was higher than the growth of loans & advances during the same period. Loans to deposit ratio decreased to 64.4% (2024: 70.8%) where 87% is the maximum limit as per central bank reporing guidelines and monthly average of 96.3 throughout the year 2025. Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) of the Bank were 291.95% and 108.2% respectively at the end of 2025.

The Bank continued to earn substantial revenue as well as bottom line profit on the back of better funding ratios as well as from its business model. During the period under surveillance, net interest income has been declined while income from investment has been improved significantly. Investment income made higher contribution in the total income which covers around 65.5% of total operating income. In 2025, net interest income contributed 20.3% followed by commission/fees & exchange income (13.7% of total). It has been found that net interest income declined by 12.5% during the period.

Total operating expense was BDT 26,059.5 million in 2025 and BDT 20,823.2 million in previous year registering 25.1% growth over previous year. Provision expense was relatively high in 2025 due to high specific provision. ROAA and ROAE stood at 1.5% and 18.0% respectively in 2025. Profitability of the Bank in respect of risk return perspective was still low at 2.6% in 2025 which is higher than previous year.

Besides the above, the Bank is predominantly (49.2%) owned by BRAC, which is the largest MFI in the world and being pioneer in microfinance. This provides BRAC Bank a competitive advantage in SME sectors. All the Directors of the Bank are either independent director or nominated director from well-known local and foreign institutions which ensure presence of good governance and compliance within the Bank compared to any other private commercial banks that are owned by corporate entities or individuals.

BRAC Bank also has a strong customer base and has the ability to provide integrated financial services under the broadest coverage of along with its subsidiaries which comfort the assigned rating.

Operational Performance

Asset Evaluation

BBPLC's asset structure remained almost same for the last two years notwithstanding that the growth in total Assets has been BDT 249,539.5 million in 2025 which translates to 26.8% over 2024.

Table I
Asset Composition
(BDT Million)

	31/12/2025			31/12/2024		
	Amount	%	Growth (%)	Amount	%	Growth (%)
Money at Call	-		(100.0)	750.0	0.1	(75.0)
Cash in hand and with BB	51,099.4	4.3	12.2	45,551.3	4.9	15.8
Balance with other Bank & FI's	10,015.2	0.8	67.9	5,965.3	0.6	(14.2)
Investment	326,256.4	27.7	59.7	204,351.7	22.0	76.7
Loans and Advances	730,658.8	61.9	17.2	623,371.9	67.0	20.0
Fixed Assets	11,000.7	0.9	29.1	8,518.4	0.9	11.7
Other Assets	50,650.6	4.3	21.7	41,624.1	4.5	20.0
Total	1,179,672.2	100.0	26.8	930,132.7	100.0	28.0

Highlights

Loans and Advances:

- Healthy growth by BDT 107,287.0 million during the period under review (FYE 2025).
- Accounts for 61.9% of Total Assets

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Investments.

- Purpose is to maintain liquidity and SLR.
- Growth by BDT 121,934.7 million over 2025.
- Include high quality assets via GOB securities/bonds amounting to BDT 313,828.79 million. This investment alone constitutes about 96.2% of total investment.
- Quoted shares involve a value of BDT 8130.2 million. The difference between cost price and market value (BDT 493.1million) has been provided for.
- Bank holds 8 bonds (Quoted and Unquoted) of BDT 2,717.2 million) issued by different banks & big corporates. Earning from the bonds was BDT 348.9 million during FYE 2025.
- Investment yield stood at 14.3% during FYE 2025.

Table 2:

Investment Portfolio

(BDT Million)	31/12/2025		31/12/2024	
	Amount	% of Total	Amount	% of Total
Government Securities & Bonds	313,828.8	96.2	194,166.4	95.0
Others	12,427.6	3.8	10,185.4	5.0
Quoted Shares	8,130.2	2.5	7,075.6	3.5
Unquoted Shares	580.3	0.2	598.9	0.3
Bonds	2,717.2	0.8	2,510.2	1.2
Others	1,000.0	0.3	-	-
Total	326,256.4	100.0	204,351.6	100.0

Balance with FI's

- Accounts for only 0.8% of Total Assets.
- The balance where there has been positive growth of 67.9%.
- Mostly pertains to balance in nostro accounts where the yield is invariably low.

Other Assets

- Accounts for 4.3% of Total Assets
- Mostly refers to investments in the four subsidiaries (BRAC EPL Stock Brokerage Ltd., BRAC EPL Investment Limited, BRAC SAAJAN Exchange Ltd and lvl bKash Limited.

BBPLC's Risk Weighted Asset was 50.5% of Total Asset during 2025 (51.5% in 2024).

Credit Profile

CRAB reviews the fundamentals of managing credit risk including qualitative and quantitative analysis as a part of credit risk evaluation. Qualitative evaluation includes credit policy, credit approval and credit monitoring. CRAB addresses intrinsic risk, concentration risk as well as risk arising from large loan exposures. CRAB analyzes Bank's credit quality in terms of past trend, present scenario as well as future aspects.

Credit Policy and Approval Process

Credit risk is defined as the possibility of losses associated with diminution in the credit quality of borrowers or counter parties. In a bank's portfolio, losses stem from outright default due to inability or unwillingness of a customer or counterparty to meet commitment in relation to lending, trading, settlement and other financial transactions.

BRAC Bank follows well-established Credit Policy Guidelines, as approved by the Board of Directors and prepared in line with internationally-accepted risk management principles and best practices. The guidelines are also aligned with the 'Guidelines on Credit Risk Management (CRM) for Banks' (March, 2017) by Bangladesh Bank, the Bank Company Act, 1991 (Amended in 2013), Risk Management Guidelines for Banks (October, 2019) and credit-related circulars and instructions of Bangladesh Bank circulated from time to time.

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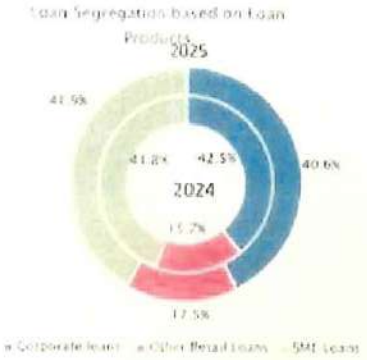
Considering the key elements of credit risk, the Bank has segregated duties of the officers/executives involved in credit related activities. Separate units for corporate, SME, retail, and credit cards have been formed which are entrusted with the duties of maintaining effective relationship with the customers, marketing of credit products, exploring new business opportunities etc. During the entire credit year for transparency in the operation, the following teams were set up which are: Credit Approval Team in Asset Operation Department and Recovery Unit and Special Asset Management and Credit Administration Department.

In credit management process, relationship teams of respective asset portfolios (Retail, SME and Corporate) book the clients. The underwriting teams conduct thorough assessment before placing the facility for approval with the competent authority as per lending delegation allowed. The risk assessment includes borrower risk analysis from all aspects along with industry risk analysis, financial risk analysis, security risk analysis, account performance risk analysis and environmental & social risk analysis of the customer. After approval, the Credit Administration Department ensures compliance with all legal formalities, completion of documentation including security of proposed facility and finally disburse the amount. The credit approval process and chain reports directly to Head of CRM-Chief Risk Officer while credit administration (documentation and disbursement) is carried out by loan operation department which reports to Head of Operations. The relationship/sales team, responsible for client onboarding and management, reports to the respective business heads (Retail, SME and Corporate).

Credit: Loan Portfolio Analysis

Loans and advances dominated the asset structure having 69.0% of total assets for the last five years. Loan portfolio of the Bank grew by 17.2% in 2025 and reached at BDT 730,658.8 million. As a pioneer in SME financing among banks, loan portfolio of the bank strongly dominated by SME loans during the surveillance period. At the end of 2025, loan portfolio of BRAC Bank was strongly dominated by SME loans (41.9% of total loans) followed by corporate loans (40.6% of total loans) and retail loans (17.5% of total). Growth of SME loan was higher than corporate loan while it was exceptionally high during the last couple of years following the management strategy which reflected in the increased contribution of corporate loan as well as diversification.



The share of corporate loans in total NPL declined significantly to 37.8% in 2025 from 52.0% in 2024, indicating an improvement in the recovery, restructuring, or overall asset quality within the corporate segment. On the other hand, the share of SME loans in total NPL increased to 40.6% from 32.1%, suggesting rising stress in the SME portfolio, which is mainly for higher financing costs, weaker cash flow generation, and challenging business conditions faced by small and medium enterprises over the last couple of years. Similarly, the share of other retail loans in total NPL also increased to 21.6% in 2025 from 15.5% in 2024, reflecting comparatively higher default pressure in the retail segment. Overall, the NPL concentration shifted from large corporate exposures toward SME and retail portfolios during the period under surveillance, which may require strengthened monitoring, recovery initiatives, and prudent credit risk management in the smaller borrower segments.

Sector wise concentration distribution of the Bank shows that others loan dominated loan portfolio (66.9% of total) followed by trade financing industries (33.1% of total). Sector wise classified loans depicts that other industry contributed (68.8% of total NPL) followed by trading sector (31.2% of total NPL).

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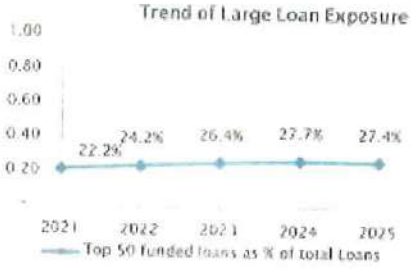
Large Loan Exposure

The Bank's loan portfolio had relatively lower large loan concentration on the back of its SME focused business model although the concentration increased in 2025 compared to its earlier trend. At the end of December 2025, the Bank's top 50 outstanding large loans exposures (both funded & non funded) amounted to BDT 200,666.2 million against approved facilities of same amount. In 2025, the Bank's top 50 funded loans and advances held 27.4% of total loan portfolio (2024: 27.1%) having average of 25% in last five years.



Credit/Loan Quality

The Bank managed to keep gross NPL ratio much lower than the industry average for the last five years on the back of substantial write off, cash recovery as well as substantial loan growth. Gross NPL (in absolute amount) increased to BDT 16,568.9 million in 2025 from BDT 16,403.3 million in 2024 mainly resulted from high fresh NPL generation during 2025. The rate of fresh NPL generation in 2025 was relatively high compared to that of previous couple of years. Recovery from written off loans was (BDT 1,252.0 million) in 2025. The Bank also had written off loan amounting BDT 7,692.4 million during the same period. The Bank also rescheduled loan amounting BDT 270.4 million from the NPL loan in 2025. Gross NPL ratio stood at 2.3% at the end of 2025 compared to 2.6% in 2024 mainly on the back of higher loan growth, cash recovery and write off.

Table 3:
NPL Movement of the Bank

(BDT Million)	31/12/2025		31/12/2024		31/12/2023	
Particulars	Amount	% of Total Loans	Amount	% of Total Loans	Amount	% of Total Loans
Opening Balance of NPL	16,403.3	2.2	17,533.9	2.8	15,268.6	2.9
Add: NPL Inflow during year	9,380.4	1.3	4,048.8	0.6	5,620.8	1.1
Less: Cash recovery	1,252.0	0.2	924.5	0.1	2,166.2	0.4
Less: Rescheduling	270.4	0.0	898.3	0.1	10.3	0.0
Less: Write off	7,692.4	1.1	3,356.7	0.5	1,179.1	0.2
Closing Balance of NPL	16,568.9	2.3	16,403.3	2.6	17,533.9	3.4

SMA to total loans and advances of the Bank was low at 0.8% at the end of 2025 which may further deteriorated the asset quality. In 2025, NPL as % of shareholders' equity plus LLR was 13.9% (2024: 17.5%). Out of total NPL, 67.2% belonged to bad & loss category followed by sub-standard category (17.1%) and doubtful category (15.7%).

Table 4
Loan Loss Provision of the Bank including Off Balance Sheet Exposures

(BDT Million)	31/12/2025		31/12/2024	
Particulars	Amount	% of Total Loans (%)	Amount	% of Total Loans (%)
General Provision Held	7,116.2	1.0	6,375.6	1.0
Specific Provision Held	12,782.1	1.7	13,262.7	2.1
Total Provision Held	19,898.3	2.7	19,638.3	3.2
Required Provision	19,330.0	2.6	17,977.3	2.9
Provision surplus	568.3	0.1	1,661.0	0.3

In 2025, the Bank's provision requirement for classified loans and advances was BDT 12,343.5 million against which the Bank kept BDT 12,782.1 million as specific provision. In addition, the Bank maintained BDT 7,116.2 million provision for unclassified loans and advances as well as off balance sheet exposures. There was surplus provision of BDT 568.2 million at the end of 2025. Therefore, gross NPL coverage ratio of the Bank was 133% at the end of 2025 (2024: 134%).

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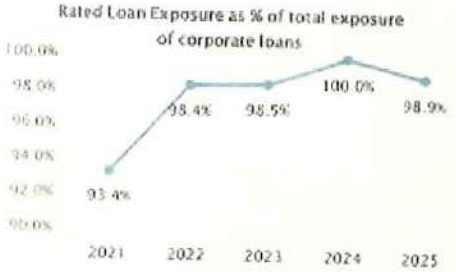
Capital Adequacy

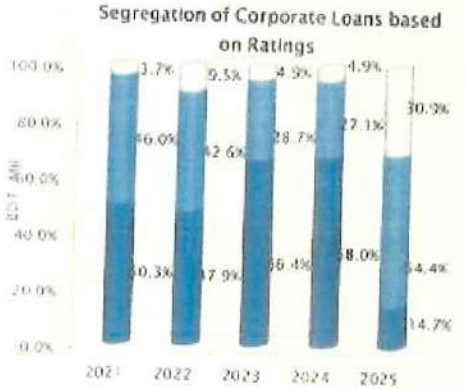
The Bank had consistent growth of Tier 1 capital for the last couple of years on the back of sizable internal capital generation. In 2025, Tier 1+ Tier 2) capital further soared to BDT 93,142.1 million. As an overall effect, capital to risk weighted asset ratio improved and stood at 15.6% in 2025 (2024: 14.9%). Tier 1 ratio was high at 12.2% at the end of 2025. However, CRAR of the Bank will be affected further in near future if capital has not been enhanced and/or client ratings are not continued.

Table 5
Capital Structure

(BDT Million)	31/12/2025		31/12/2024		31/12/2023	
Particulars	Amount	% of RWA	Amount	% of RWA	Amount	% of RWA
Tier 1 Capital	72,468.9	12.2	58,766.2	12.3	48,931.5	12.4
Tier 2 Capital	20,653.2	3.3	12,662.6	2.6	6,161.3	1.6
Total Capital	93,142.1	15.6	71,428.8	14.9	55,092.8	14.0
Required Capital (including capital conversion buffer)	74,505.1	12.5	59,910.1	12.5	49,219.1	12.5
Capital Surplus	18,637.0	3.1	11,518.7	2.4	5,873.7	1.5

The Bank's consistent focus on the credit rating of its clients and along with financing good corporate borrower helped it to have relatively minimal impact on its CRAR. Substantial increase in credit risk due to higher classified loans as well as sizable loan growth, resulted in higher risk weighted asset of the Bank in 2025. Because of the Bank's continued strong monitoring and stringent loan criteria, 98.9% of total corporate clients and 47.2% of total SME clients were rated in 2025 (39.9% in 2024). In 2025, 69.1% of rated corporate clients were from "AAA & AA" category followed by "Single A" category (26.6% of total) and "BBB" category (4.3% of total). The Bank conducted stress testing based on "Simple Sensitivity and Scenario Analysis." Stress test revealed that the Bank's capital adequacy ratio may be affected if there is significant increase in NPLs due to default of top large borrowers. However, CRAR of the Bank will be affected further in near future if capital has not been enhanced and/or client ratings are not continued.





Liability and Liquidity Profile

The Bank's assets were funded by mainly deposit (75.4% of total liability and Equity) followed by borrowings (10.3% of total liability and Equity) and other liabilities (5.8% of total liability and Equity). Total deposit of the Bank reached BDT 889,517.4 million in 2025, registering growth of 29.0%. Growth of deposits was higher than the growth of loans & advances during the same period.

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Table 6:
Deposit Segregation of the Bank
(BDT Million)

Particulars	31/12/2025 Amount	%	Growth (%)	31/12/2024 Amount	%
Current Accounts and Other Account	236,193.5	26.6	24.8	189,281.7	27.5
Bills payable	3,018.6	0.3	(19.9)	3,770.8	0.5
Savings Deposit	129,789.4	14.6	30.5	99,483.4	14.4
Term Deposit: fixed deposit & Others	520,515.9	58.5	31.1	396,897.0	57.6
Total Deposit & Other Account	889,517.4	100.0	29.0	689,432.9	100.0

In 2025, the Bank's total deposit was dominated by term deposit (58.5% of total, including deposit pension scheme) followed by current deposit (26.6% of total) and saving deposit (14.6% of total). The Bank has a strong and stable low-cost deposit base on the back of its large network consisting of branches, SME/Krishi branches/service centers. Contribution of low-cost deposit base stood at 41.1% in 2025. On an average 47.3% of total deposit of the Bank was backed by low-cost deposit (current and savings) for the last five years. Therefore, the Bank enjoys very low cost of deposit & borrowing (2025: 6.5% average) which was much lower than the PCB industry average. The Bank has relatively low large deposit concentration. Top largest 10 deposits held about 7.1% of its total deposit in 2025.

The Bank adopted BASEL III liquidity standards and follows criterion for maintain MCO, Liquidity Coverage Ratio (LCR) and the Stable Funding Ratio (NSFR), Commitment, wholesale borrowing etc. as per Bangladesh Bank Guidelines. At the end of 2025, LCR and NSFR of the Bank were high at 291.9% and 108.2% respectively. LCR represents short term resilience (30 days) for the liquidity risk profile of banks, whereas NSFR indicates availability of stable funding over required level and provide better assessment of liquidity risk across all on- and off-balance sheet items. Leverage ratio of BRAC Bank was high at 5.9% at the end of 2025. The Bank's asset-liability maturity bucket shows that the Bank possessed positive net liquidity gap for all the maturity buckets except 1 to 3 years and 1 to 5 years maturity buckets. BBPLC's liquid asset to deposit and borrowings was 36.4% in 2025 (2024: 30.5%).

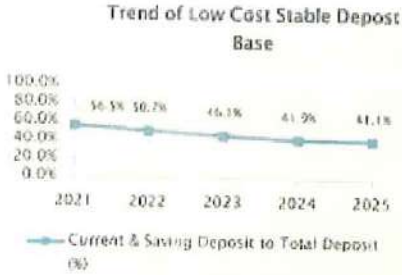

Table 7:
Liquidity Profile of the Bank
(BDT Million)

Particulars	Up to 1 month	1-3 months	3-12 months	1 to 5 years	More than 5 years	Total
	-- As of 31/12/2025 --					
Assets	138,685.1	129,249.2	336,264.7	334,482.4	242,990.9	1,179,672.2
Liabilities	127,294.9	169,518.5	332,889.2	362,848.7	57,479.2	1,079,970.6
Net Liquidity Gap	3,450.1	(70,269.3)	3,375.5	(28,366.4)	185,511.6	99,701.6
Cumulative Liquidity Gap	3,450.1	(66,819.1)	(57,443.6)	(85,810.0)	99,701.6	-
Gap as % of liquidity net	2.4	(55.2)	1.0	(12.5)	322.7	-

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Earnings and Profitability

Investment income was the major revenue source of the Bank for the long period on the back of sizeable spread while share of net interest income has been declined during the period and contributed 20.3% of total income. In 2025, total operating income of BBPLC was strongly dominated by investment income (65.5% of total) followed by net interest income (20.3% of total) and commission, fees & exchange income (13.7% of total).

Interest income of the Bank increased by 33.6% in 2025 on the back of high loan growth. Around 40.6% of total loan portfolio of BRAC Bank consisted of corporate loans. On the other hand, interest expense increased by 48.3% during the same period mainly resulted from substantial deposit growth as well as increased deposit rate in the money market. As an overall effect, net interest income deteriorated by 12.5% in 2025 and reached BDT 11,777.9 million.

Table 8
Revenue Status of the Bank

(BDT Million)	31/12/2025		31/12/2024		31/12/2023	
	Amount	Growth (%)	Amount	Growth (%)	Amount	Growth (%)
Interest Income	74,778.3	33.6	55,952.5	43.2	39,085.5	37.3
Interest Expense	63,000.4	48.3	42,490.8	98.9	21,367.3	61.5
Net Interest Income	11,777.9	(12.5)	13,461.7	(24.0)	17,718.2	16.3
Investment Income	37,935.0	78.4	21,264.7	180.7	7,575.7	46.1
Comm. Fees & Exchange Income	7,951.3	(14.5)	9,297.3	50.6	6,171.8	4.9
Other Operating Income	281.8	24.3	226.7	56.6	144.8	(45.8)
Total Operating Income	57,946.0	31.0	44,250.4	40.0	31,610.5	19.0
Personnel Expense	14,813.6	23.8	11,967.3	17.9	10,154.3	24.2
Overhead Expense	11,245.9	27.0	8,855.9	17.7	7,525.9	3.6
Total Operating Expense	26,059.5	25.3	20,823.2	17.8	17,680.2	14.5
Pre-Provision Profit	31,886.4	36.1	23,427.2	68.2	13,930.3	25.2
Provision	6,883.9	79.5	3,835.7	31.5	2,917.5	33.2
Profit Before Taxes	25,002.6	27.6	19,591.5	77.8	11,012.8	23.2
Provision for Tax	9,193.9	23.3	7,455.3	101.0	3,709.1	16.8
Profit After Tax	15,808.7	30.3	12,136.2	66.2	7,303.6	26.7

Following the substantial increase in investment assets, investment income of the Bank increased to BDT 37,935.0 million. On the other hand, fees & commission & exchange income decreased to BDT 7,951.3 million in 2025 from BDT 9,297.3 million in 2024 on the back of gain on foreign currency dealing. Other operating income was BDT 281.8 million in 2025 which includes miscellaneous income, service charges etc. As an overall effect, total operating income reached BDT 57,946.0 million in 2025 from 44,250.4 million in 2024 registering 31.0% growth.

Total operating expense was BDT 26,059.5 million in 2025, among which 43.2% composed of infrastructure and overhead expenses and the rest are personnel expense. Despite of growth of operating expense was high in 2025 compared to that in 2024, the cost to income ratio improved to 45.0% in 2025 on the back of higher growth of total operating income compared to previous year.

Table 9
Efficiency Ratios of the Bank

Particulars	31/12/2025	31/12/2024	31/12/2023	31/12/2022
Cost to Income Ratio (%)	45.0	47.1	55.9	58.1
Staff Cost to operating Income Ratio (%)	25.6	27.0	32.1	32.5

Profit after tax of the Bank was BDT 15,808.7 million in 2025 which was 30.3% higher compared to that of its previous period. In spite of increased operating expense and higher provision expense, growth of bottom-line profit of the Bank was significantly higher in 2025 than that in 2024. ROAA and ROAE stood at 1.5% and 18.0% respectively in 2025. Pre-provision profit (PPP) to net loans was 4.5% in 2025 which indicates that 4.5% of currently performing loans can be written off without charging on reserves and equity. Net profit margin stood at 27.3% in 2025. Profitability of the Bank in respect of risk return perspective was still low at 2.6% although it increased in 2025.

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Table 10
Profitability Ratios of the Bank

Particulars (Figures in %)	31/12/2025	31/12/2024	31/12/2023	31/12/2022
Net Interest Margin (Avg.)	1.7	2.3	3.7	3.9
Return on Average Asset (After tax)	1.5	1.5	1.1	1.1
Return on Average Equity (after tax)	18.0	17.4	12.0	10.2
Return on Risk Weighted Asset	2.7	2.5	1.9	1.6
Asset Utilization	5.5	5.3	4.9	5.2
Net Profit Margin	27.3	27.4	23.1	21.7
Pre provision profit to Net Loans	4.5	3.9	2.8	2.8

DuPont Analysis

Table 11
DuPont Analysis of the Bank for last three years

DuPont	Description	31/12/2025	31/12/2024	31/12/2023
Net Interest Income	% of Average Assets	1.1%	1.6%	2.7%
Non Interest Income	% of Average Assets	0.8%	1.1%	1.0%
Operating Income	% of Average Assets	5.5%	5.3%	4.9%
Operating Expense	% of Average Assets	2.5%	2.5%	2.7%
Cost Income	% of Operating Income	45.0%	47.1%	55.9%
Profit before provisions	% of Average Assets	3.0%	2.8%	2.2%
Provisions	% of Average Assets	0.7%	0.5%	0.5%
Profit before tax	% of Average Assets	2.4%	2.4%	1.7%
Effective Tax Rate	% of PBT	39.8%	38.1%	33.7%
ROA	Return on Assets	1.5%	1.5%	1.1%
ROE	Return of Equity	18.0%	17.4%	12.0%
Assets/Equity	Average Assets/Average Equity	12.0x	11.9x	10.6x

Interest Rate Risk

Table 12
Interest Rate Risk Exposure of the Bank
(BDT Million)

Particulars	--As of December 31, 2025--				
	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Above 12 months
Int. Sensitive Assets	86,270.0	129,080.0	182,790.0	145,020.0	497,990.0
Int. Sensitive Liabilities	114,630.0	196,210.0	151,600.0	158,850.0	326,370.0
Gap	(16,754.0)	(34,678.0)	23,455.0	(18,496.0)	91,172.0
Cumulative Earning Impact 1% point int. rate decrease	(23.6)	(135.5)	(57.5)	(126.7)	736.4
Cumulative Earning Impact 1% point int. rate decrease	23.6	135.5	57.5	126.7	(736.4)

The above exhibit shows the maturity wise interest sensitive asset and liabilities and thereby the exposures to interest rate risk of the Bank. The Bank had asset sensitive positions in all maturity buckets except above 12 months maturity bucket. Computations that the Bank will be benefited on increasing interest rates and will suffer on decreasing interest rate spreads marginally. For 1 percentage point interest rate increase the Bank will gain BDT 23.6 million and will lose the same amount for 1 percentage point interest rate decrease.

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Foreign Exchange Risk

As a commercial bank, the Bank is exposed to potential changes in earnings arising due to changes in market price of currency and the position in the currency that is held during the changes. In addition to Bangladesh Bank guide line, the Bank has also developed and follow different strategies to handle foreign exchange risk by setting limits on net open position for currencies, maturity limits by currencies and time buckets of forward foreign exchange transaction, stop loss limit for FX transaction, maximum loss limit per day, per month and value at risk limits.

Table 13

Foreign Currency Exposure of the Bank

(BDT Million)

	As of 31 December 2025--			
Particulars	Assets	Liabilities	Overall Net Positions	Overall Net Position*/Core Capital (%)
USD	78,046.5	77,176.4	870.09	1.20
EURO	8,879.2	8,822.2	57.0	0.08
AUD	25.4	13.1	12.3	0.02
CAD	-	-	-	-
GBP	2,728.4	3,106.1	(377.8)	(0.52)
CHF	53.7	15.8	37.9	0.05
JPY	101.9	100.4	1.5	0.00
AED	197.5	183.7	13.8	0.02
CNY	11.3	10.5	0.8	0.00
SGD	644.4	807.8	(163.6)	(0.23)
SAR	-	-	-	-
Total	90,688.7	90,236.6	452.1	0.85

As of 31st December 2025, the Bank assessed sum of overall net positions in different currencies resulted in net liability position of BDT 452.1 million which was 0.85% of core capital of the Bank. The Bank's overall net open position was dominated by USD having 1.20% of core capital. Foreign currency dealing profit of the Bank was BDT 2478.3 million in 2025 (2024: BDT 3,174.9 million).

Foreign Exchange Business

Table 14

Export-Import Business of the Bank

(BDT Million)	31/12/2025	31/12/2024	31/12/2023	31/12/2022
Export	242,159	230,717	161,784	148,284
Import	514,042	389,909	249,902	211,111
Remittance inward	322,974	289,418	154,583	99,334

The Bank experienced with positive growth of foreign exchange business during the period under surveillance. Import business increased by 31.8% following the Government strategy and in line with industry trend. Besides these, BRAC Bank has recently dedicated named 'Probashi' for foreign remittance service. During pandemic inward remittance flow in formal channel increased substantially and BRAC Bank grabbed the opportunity. Subsequently, remittance flow has been increased to BDT 322,974 million in 2025 from BDT 289,418 million in previous year.

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Off Balance Sheet Exposures

Table 15
Off Balance Sheet Exposure of the Bank

(BDT M. Bnd)	31/12/2025		Growth (%)	31/12/2024	
Particulars	Amount	% of Total		Amount	% of Total
Acceptance & Endorsement	29,819.7	13.4	(20.4)	37,449.6	16.5
Letter of Guarantee	42,373.8	19.1	29.7	32,665.4	14.4
Letter of Credit	69,595.1	31.3	18.2	58,859.4	25.9
Bills for Collection	38,557.4	17.3	(2.5)	39,544.1	17.4
Other Contingent	42,057.3	18.9	(28.3)	58,682.2	25.8
Total	222,430.4	100.0	(2.1)	227,240.7	100.0

The Bank showed consistent high growth of off balance sheet portfolio for the last couple of years which slowed down in 2025. Total off balance sheet portfolio declined by 2.1% in 2025 following 24.5% growth in 2024 and reached to BDT 222,430.4 million. At the end of 2025, the Bank's contingent liabilities portfolio was mainly dominated by Letter of Credit (31.3% of total) followed by Letter of Guarantee had dominating position (19.1%) in the same year. Besides, the Bank also had sizeable swap, spot and forward deals with banks and customers. Total off balance sheet exposure of the Bank were 2.4 times of its total capital and 18.9% of total asset of the Bank at the end of December 2025. However, Commission income of the Bank decreased sizably in recent years on the back of portfolio growth. In 2025, BRAC Bank earned BDT 2,[illegible] million from contingent liabilities portfolio.

■ Market Share and Growth

Table 16
Market share of the Bank

Particulars	31/12/2025	31/12/2024	31/12/2023	31/12/2022
Loans & Advances (%)	3.7	3.6	3.4	2.9
Deposit (%)	3.7	3.7	2.9	2.4

Growth of both loans and deposit portfolio of the Bank were high at 17.2% and 29.9% respectively in 2025. Therefore, market share of the Bank in terms of both loans & advances and deposits increased to 3.7% and 3.7% respectively in 2025 which back higher growth of loan and deposit portfolio.

■ Branch Network

BRAC Bank has a robust network of branches across the country to channelize its product and services for its 2.3 million customers. BRAC Bank's branches are divided in three categories. Branches, SME/Krishi branches and SME service centers. Branches are situated in urban or rural areas. Presently, BRAC Bank has 194 branches across the country among which 161 branches are located in urban areas and the rest are in rural areas. SME/Krishi branches (presently 47) are situated in district towns/thanas. Besides these, the Bank has more than 446 SME unit offices to provide service in the rural and urban areas.

Along with the traditional branch network, BRAC Bank also has expanded its alternative delivery channels. The Bank also has a nationwide network of own and shared ATM's. At present, the Bank has 329 own ATM's and 171 RCDMs & CDMs across the country. BRAC Bank also expanded its agent banking outlets massively in recent years and presently stood at 1,137. The Bank also has 26 Premium Banking Lounges for its valued clients. The selection of location for successfully the distribution network depends on products, customer segments. BRAC Bank also launched mobile banking app named "Astha" in 2022 that offers all sorts of banking services digitally. Besides these, the Bank made partnership with some of the leading financial technology solution providers for expanding Bank's digital banking capabilities further.

Ratings, data based on SBS, BB

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Rafiqullah Khan
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EARNING DIVERSIFICATION

The Bank offers a comprehensive range of financial services in Bangladesh. The principal services offered are outlined below:

- SME Banking: The Bank is strongly focused towards SME banking. The Bank's branch network is segregated as per the demands of SME level customer. BRAC Bank has 47 SME/Krishi service centers/branches which provide comprehensive support to the prospective SME clients. During 2025, BDT 246,731 million loans disbursed in SME sector.
- Retail Banking: BRAC Bank offers all kind of retail banking related products and services including deposit accounts, personal loans, credit card, inward and outward remittances.
- Wholesale Banking: BRAC Bank offers a full array of Financing, advisory, operational and custodian services to [illegible] client groups combining trade, treasury, syndication, structured finance, investment and other capital banking services under package.
- TARA: This product is specifically designed for women to enhance women's decision-making power through better access to knowledge regarding banking and with banking solutions that meet the lifestyle requirements of women in different segments. The idea is to inspire women through sharing of experiences and networking in the new professional and business arenas across the country.
- Mobile banking: BRAC Bank has introduced Mobile Banking service through its subsidiary bKash Limited. It is a person prepaid account facility in which customer can transfer fund, deposit and withdraw money from the registered pay-points by using mobile phone. Customers can also send remittance faster to the remote place of Bangladesh by availing this product.
- Agent Banking: BRAC Bank PLC introduced its Agent Banking Service in October 2018 to provide financial services to the underserved population through engaged agents under a valid agency agreement. Presently, the Bank has 1,422 agent banking outlets across the country.

MANAGEMENT

Senior Management

The management of the Bank is headed by the Managing Director & CEO, Mr. Tareq Rafat Ullah Khan from May 27, 2023. Earlier, he was promoted to Additional Managing Director (AMD) of BRAC Bank PLC on April 01, 2025. Mr. Khan joined BRAC Bank PLC as the Head of Credit Risk Management in 2017. Prior to joining BRAC he was working for Eastern Bank PLC as EVP and Head of Relationship in corporate Banking Division. He has wide experience in Banking and Financial services sector. Mr. Khan began his career at IFIC Bank PLC in 1996 and later served at AB Bank PLC and Citibank N.A. PLC. For his outstanding contribution, he earned the CEO's Award and Chairman's Award at EBL. He holds a Bachelor of Commerce, a Master of Commerce in Marketing, and an MBA, and is an alumnus of the prestigious Cornell Senior Executive Leadership Program (SELP). He is also an Omega-certified Risk professional and has completed advanced international programs on leadership, governance, and risk management from different reputed institutions across the Globe. The MD is supported by a trained and experienced Senior Management Team comprised of nine Deputy Managing Directors and different Divisional/Departmental Heads. For smooth operation the Bank has formed following committees:

Management Committee (MANCOM): Management Committee is comprised of 20 senior officials of the Bank and is headed by the CEO & Managing Director. The Committee reviews all the policies and is responsible for overall governance and internal control system of the Bank. It also monitors and reviews the adequacy and effectiveness of internal control system based on Bank's established policy and procedure.

Asset Liability Management Committee (ALCO): The committee is comprised of 10 members of senior management team. The Managing Director & CEO is the Chairperson of ALCO, while Head of Treasury & FI acts as the Member Secretary. Major responsibilities of ALCO are ensuring proper assessment and reporting system to accurately measure extent of liquidity and market risks, review maturity profile and mix of assets and liabilities on ongoing basis, liquidity and currency mix, wholesale vs. retail funding, deposit mix, review of deposit and loan pricing strategy, contingency funding planning, periodically review of transfer pricing risk policy etc. The committee meets at least

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once every month, to review the ALCO paper along with the prescribed agendas. And set/ review strategies on ALM. The Committee held 12 regular meetings in 2025.

Credit Risk Management Committee (CRMC): The Committee consists of 7 members with 1 member secretary and headed by the Managing Director (quorum of CRMC will be 3 persons from 7 members but not excluding MoCRM/CRO and HoCB). The committee is responsible for monitoring credit risk and setting up a strategy for credit policy and procedures, review the bank's credit risk appetite and exposure, set counterparty limits, and ensures compliance of credit limits in conference to the Board's approved policies. The Committee review of all new credit proposals for corporate credit and medium Business. It also reviews the Bank's problem loans monthly.

Enterprise Risk Management Committee: The committee is comprised of 15 members and is headed by the CRO. The main responsibility of the committee is to develop and implement asset/liability management process and related procedures, review credit risk profile of the Bank and other risks as per leading key risk indicators.

Procurement Committee: The Committee consists of 7 members. The Committee ensures all kind of capital and operating asset vetting and purchase.

Employee Disciplinary Action Committee: The Committee consists of 5 members. The Committee takes disciplinary actions/decisions against an employee based on investigation report or written complaints. In 2025, the Committee held 10 meetings.

Human Resource Management

The HR division of the Bank comprises of 44 members headed by Head of Human Resources of the Bank. The Bank has defined HR policies regarding Recruitment, Performance Management, Compensation & Benefits, Training & Development, Travel, Promotion, Leave, Reward & Recognition, Health & Safety, Gender Equality & Equity, Separation, Retirement and Disciplinary Action etc. Total human resources strength of the Bank was 10,293 at the end of 2025 (2024: 9,668). Additionally, it has a number of outsourced staff attached to various functions. Internal recruitment procedures are normally considered to fill up the mid and top management positions, on availability of competent replacement. Profile engaged in lateral recruitment from relevant areas to assist in capacity enhancement. The Bank's compensation and reward structures are regularly reviewed and altered as needed, within a governance framework with due consideration of markets factors and societal values.

The Bank has a comprehensive and extensive Management Trainee Program to inject high quality talent, especially for leadership roles. Management Trainee, Young Professionals, Junior Professionals and other entry level positions applicants have to go through a competitive assessment process. In 2025, several programs were arranged in various modes for 16,130 participants from the Bank having total 508,602 training hours. The Bank has arranged various team building sessions to enhance employee alignment and the sense of ownership towards the Bank's objective while building a collaborative environment that respects teamwork and fellowship.

Management Information System (MIS) & IT

The IT division of the Bank comprises of 292 members which comprises system analyst, engineer, network administrator, programmers etc. The division is headed by a senior official of the Bank. The Bank uses Finacle (version 10) of Infosys as the platform for financial and management reporting. Real time online banking system is supported by WAN connectivity. The Bank implemented Enterprise Resources Planning (ERP) solutions for human resources which may make the operational process faster and more efficient. Salary process, pay-slip, tax certificate, incentive payments, provident fund statements etc. are being ensured through ERP solutions. The Bank also uses other in-house software for management information, regulatory requirement, activity monitoring and other operational processing. The Bank continuously updates these reporting systems to comply with enhancing reporting requirements. To enhance proper control in IT operations, information system audit has been done by Internal Control Department and external audit firm. The disaster recovery site implementation of the Bank is under process. The Bank is currently in the process of migrating a comprehensive payment gateway and internet banking system. The Bank also has implemented Treasury Banking Application and Documents Management System, e-KYC, Auto reconciliation and settlement system, Loan originating system (LOS) recently. Currently the Bank is undertaking 50+ Projects and Initiatives to [illegible] transformation journey, and the Bank has a plan to develop integrated attendance system as well as leave system through mobile app.

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Corporate Governance

To assess the bank's corporate governance practices CRAB evaluates the quality of financial reporting and disclosures, strength of internal control system and internal audit function, the inclusion of appropriate qualified independent non-executive directors on Board of Directors, the formation of audit committee, delegation of power to executives and [illegible] protection of shareholders rights. CRAB evaluates how the Bank complies with these corporate governance requirements.

Financial Reporting and Disclosures

The financial statement of the Bank was audited by reputed chartered accountant firm A. Qasem & Co. According to their the financial statements of the Bank were prepared and presented in accordance with International Financial Reporting Standards (IFRSs), International Standards on Auditing (ISAs), IESBA Code, Bangladesh Securities & Exchange Commission [illegible], Bangladesh Bank. According to the auditor, the financial statements gave a true and fair view of the state of the Bank as at December 31, 2025. BRAC Bank has complied with all conditions applicable to them imposed by the Bangladesh Securities and Exchange Commission.

Board of Directors

Present Board of Directors of the Bank

Name	Designation
Mr. [illegible]	Chairperson
Mr. [illegible] Ahmed	Vice Chairperson, Independent Director
Ms. [illegible]	Independent Director
Dr. [illegible]	Independent Director
Mr. Syed Ahmed Abdur Mazhar	Independent Director
Ms. [illegible] Rahman	Independent Director
Mr. Chowdhury MAQ Sarwar	Independent Director
Ms. [illegible]	Independent Director

During the period under surveillance, no major change has been noticed in the Board of the Bank which comprises of 8 members including the Managing Director & CEO of the Bank. Presently, Mr. Meherar M Hasan is the Chairperson of the Board. He is a nominated director, nominated by BRAC. Board is involved in policy formulations, strategic direction setting, business plan approval and review of various activities and also providing necessary direction to the management for conducting businesses in a competitive and profitable manner. Board also ensures effective risk management across the Bank as per the central bank's guidelines. The Bank's Board of Directors usually meets at least one time monthly. In 2025, the Board held 16 meetings in 2025 (2024-17). The Board has three sub committees: Audit Committee, Executive Committee and Risk Management Committee.

Board Audit Committee

Total Members	Four (4)
Chairperson	Mr. Chowdhury MAQ Sarwar
Function	Review and monitor regulatory compliance, financial reporting, internal control & internal audit functions and other operational activities. The Audit committee regularly reports its activities to the Board of Directors following each meeting.
Meetings held in 2025	8 meetings

Executive Committee

Total Members	Three (3)
Chairperson	Mr. Faruq M. Ahmed
Function	Responsible for administration, investment aspect, expansion of business, property purchase of the Bank etc. It also reviews all the proposals for loans and advances that do not fall within the discretion of the Managing Director.
Meetings held in 2025	21 meetings

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Board Risk Management Committee

Total Members	Four (4)
Chairperson	Mr. Salek Ahmed Abul Masrur
Function	Sensitizes adequacy and effectiveness of risk management measures throughout the Bank. Plays an active role in mitigating impending risks arising out from strategies and policies.
Meeting held in 2025	4 meetings

Internal Control & Compliance

The Internal Control & Compliance Division (ICCD) of BRAC Bank plays a pivotal role in strengthening governance, risk management, internal control, and regulatory compliance across the Bank. The Division comprises 112 professionals, including the Head of Internal Control & Compliance and the Head of Audit, and operates through five structured departments: Audit, Specialized & Vigilance Audit, Concurrent Audit, Regulatory Monitoring, and Compliance.

1) Audit Department

The Audit Department provides independent assurance on the effectiveness of the Bank's internal control framework through risk-based audit methodologies. The department consists of three units: Enterprise Audit, Distribution Audit, and ICT Audit. Audit observations and recommendations are regularly reported to the Audit Committee of the Board. During 2025, the Distribution Audit Team completed audits of 215 Branches and Sub-branches, 18 SME Unit Offices, and 47 Agent Banking Outlets, alongside 23 special and surprise audits. The ICT Audit Team conducted 226 audits, including comprehensive, thematic, and branch ICT audits. The Enterprise Audit Team completed 34 audits across Head Office functions and subsidiaries.

2) Specialized & Vigilance Audit Department

Restructured in 2025 to enhance operational synergy and resource utilization, this department focuses on strengthening internal controls, ensuring compliance, and promoting a culture of good governance. Its activities are carried out through the Support Monitoring Team (SME & Alternate Banking Channels) and Vigilance Support Unit.

3) Concurrent Audit Department

Established in accordance with Bangladesh Bank guidelines, the Concurrent Audit Department provides ongoing assistance over key operational activities. The department conducts concurrent, spot, and surprise audits across centralized back-office units, branches, ATM service centers, Regional Operating Centers, and other critical business functions. It also performs pre-audits of procurement activities as directed by the Board and Management.

4) Regulatory Monitoring Department (RMD)

RMD oversees the Bank's compliance with legal, regulatory, and industry requirements. The department ensures timely submission of regulatory returns, certifications, licenses, and statutory filings while maintaining effective liaison with regulators and internal stakeholders. Its operations are supported by the Investigation Unit, Intelligence & Documentation Unit, and Offsite Supervision Unit.

5) Compliance Department

The Compliance Department promotes a strong compliance culture throughout the Bank by ensuring adherence to regulations, requirements, internal policies, and audit recommendations. Through its Regulatory Compliance and Internal Compliance units, the department supports ethical business practices and continuous enhancement of the Bank's control environment. Besides, the team coordinates all regulatory inspections and their subsequent responses against observations by regulator in a timely manner from the internal stakeholders. The unit is also responsible to disseminate, track and ensure implementation of various regulatory circulars and directives across the bank.

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Corporate Social Responsibility

The Bank has been very aware of their corporate social responsibilities. The Bank launched a CSR desk with a dedicated team in 2015. BRAC Bank prioritizes on long term programs rather than short term ones for lasting impact on people's lives. Closely in line with the goals of SDGs of United Nations (UN). The Bank's CSR program focuses on the areas of education, health, social welfare improvement, young leadership, cultural & heritage and community development. In 2025, CSR expenditure of the Bank was BDT 247 million in 2025 which was 2.0% of PAT of the Bank. Major portion of CSR budget of the Bank was spent on healthcare, livelihood and food support mainly for the lower income people suffering due to pandemics. The Bank's CSR expenditure for last four years is as follows

Table 17
CSR expenditure of the Bank

BDT Million	31/12/2025	31/12/2024	31/12/2023	31/12/2022
CSR Expenditure	247	239.3	111.9	188.5
% of PAT	2	2	1.5	3.3

CONSOLIDATED ASSETS AND REVENUE

BRAC Bank PLC started its journey in 2001 with the vision of providing banking solutions to the unbanked Small and Medium Enterprenuers. With the inspiration from its parent organization BRAC, which is the largest NGO in the world, BRAC Bank introduced small ticket loans to the small and medium enterprises (SME) in an intention to specifically bring our underprivileged entrepreneurs under formal banking service. Even after twenty-five years, BRAC Bank stayed focus on SME which is reflected in its loan portfolio, having SME loans half of the Bank's total loan portfolio. BRAC Bank has four subsidiary companies, i) BRAC EPL Stock Brokerage Ltd., ii) BRAC EPL Investment Limited, iii) BRAC SAAJAN Exchange Ltd. and iv) bKash Limited. Therefore, besides, investment and financial services for individual, corporate and SME clients, the Bank along with its subsidiary offers stock broking, corporate advisory and issue management services, mobile financial services, money exchange and agent banking services. BRAC Bank is the pioneer to launch and operate mobile financial services (bKash). While BRAC Bank has a base of 2.3 million plus customers, bKash itself has a client's base of 82.2 million. Besides, BBPLC also offers custodian and off shore banking facilities to clients. Total shareholder's equity (excluding NCI) of the group reached BDT 102,658.2 million and CRAR of the BBPLC group stood at 19.6% at the end of 2025.

Table 18
Extracts of BRAC Bank (Consolidated and Solo)

	Consolidated		BRAC Bank	
(BDT million)	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Total Assets	1,328,114.5	1,056,723.5	1,179,672.2	930,132.7
Total Equity (excluding NCI)	102,658.2	78,412.5	99,701.6	75,797.0
Loans	731,408.3	623,850.8	730,658.8	623,371.9
Deposits	990,359.3	777,866.5	889,517.4	689,432.9
CASA	17,782.3	17,615.1	16,568.9	16,403.3
Gross NPL Ratio (%)	2.4	2.8	2.3	2.6
CRAR	19.6	19.1	15.6	14.9

BRAC Bank is the main earning generator of the group. Among subsidiaries, two are capital market intermediaries. Therefore, stability of earnings of those companies depends on the movement of capital market, which as a whole is [illegible]. On the other hand, bKash is in growth stage and still expanding its network in terms of agents and distributors and marketing and promotional expenses. Therefore, net loss in any of the subsidiary eventually resulted in [illegible] of the Group. Therefore, stability of the group mainly depends on the asset quality and earning performance of BRAC Bank.

The consolidated operating income was BDT 65,180.1 million in 2025 which was 32.7% higher compared to that of its previous year. In 2025, major portion of consolidated operating income came from BRAC Bank. In 2025,

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CRAB Bank Rating

BRAC Bank PLC.

Operating income of the Group was generated from investment income (56.0%) followed by commission, fees & exchange income (24.9% of total) and net interest income (18.8% of total). Major portion of consolidated net interest income came from BRAC Bank's lending portfolio, whereas major portion of consolidated investment income and commission, fees & brokerage income came from subsidiaries.

Table-13

Revenue and Profitability of BRAC Bank (Consolidated and Solo)

(Mil. BDT)	Consolidated		BRAC Bank	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Net Interest Income	16,032.6	10,453.6	11,777.9	13,461.7
Investment Income	47,781.6	28,812.5	37,935.0	21,264.7
Commission, Exchange & Brokerage Income	21,237.5	18,812.2	7,955.3	9,297.3
Other Operating Income	308.5	252.3	281.8	226.7
Total Operating Income	85,360.1	64,330.7	57,946.0	44,250.4
Total Operating Expense	44,437.9	36,389.8	26,059.5	20,823.32
Profit before Provision	40,922.2	27,940.9	31,886.4	23,427.2
Provision	6,908.4	3,849.7	6,883.9	3,835.7
Tax	11,513.7	9,779.6	9,193.9	7,455.3
Profit after Tax	22,509.4	14,318.5	15,808.7	12,136.2

During the consolidated operating expense reached BDT 44,437.9 million which includes personnel expense and overhead & administrative expense. Profit before provision reached BDT 40,922.2 million in 2025. Consolidated provision expense was BDT 6,908.4 in 2025 which was significantly higher than that in 2024 (BDT 3,849.7 million). Profit after tax of the group increased to BDT 22,509.4 million in 2025 from BDT 14,318.5 million in 2024 on the back of higher revenue as well as profit from BRAC Bank along with all subsidiaries.

Subsidiary Performance

BRAC EPL Investments Limited

BRAC EPL Investment Limited (hereafter referred to as BEIL or the Company) commenced operation under new management in October 2009 after BRAC Bank acquired the majority shares of Equity Partners Ltd. The Company obtained new license from BSEC in February 2010 in favor of BEIL to carryout merchant banking business in Bangladesh. Presently, BRAC Bank holds 92.5% shares of the Company. The principal activities of the Company include fund management, portfolio management, underwriting etc. Paid-up capital of BEIL reached BDT 2,585.0 million against authorized capital of BDT 3,000.0 million. The company has cumulative loss of BDT 2,288.2 million which brings to decline the total equity of BEIL and stood at BDT 733.6 million as on December 31, 2025.

Margin loan portfolio of BEIL reached BDT 420.8 million in 2025 from BDT 382.9 million in 2024. The Company has credit facilities in terms of overdraft of BDT 408.5 million at the end of 2025 mostly with parent company, BRAC Bank PLC., and no default in any was found at the end of 2025. During the surveillance period, the company registered net profit amounts of BDT 17.5 million against net loss after tax of BDT 577.3 million in previous year. However, stability of earnings of any merchant banking firm depends on the movement of capital market, which as a whole is volatile. Therefore, the scenario as well as profitability may further vary in future if the market condition improved.

BRAC EPL Stock Brokerage Ltd.

BRAC EPL Stock Brokerage Ltd. was established to carry out the business of stock brokers and other related business in connection with the dealers of listed securities. Other activities of the Company are to buy/sale, hold or acquire or dispose the capital of the company in shares, stocks and fixed income securities. BRAC Bank holds 90.0% of total outstanding shares of the company.

Share Capital of the Company stood at BDT 1,221.9 million at the end of 2025. As of 31st December 2025, the Company had BDT 55.1 million margin loans outstanding with clients. As a brokerage, major portion of its revenue came from brokerage commission which resulted substantially in 2025 as business nature. However, total service revenue income of the company has been found to be improved and stood at BDT 414.6 million in 2025. Subsequently, the

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CRAB Bank Rating

BRAC Bank PLC

gross profit stood at BDT 348.9 million which is lower than precious year. On the other hands, the company registered net profit after tax at BDT 672.2 million during the same period on the back of high operating expense and finance cost along with higher tax expense vis-a-vis earlier. Presently, the Company has 14 branches across the country and serves more than 24,184 clients including two foreign institutional clients.

bKash Limited

bKash Limited started its operation in 2011 as a joint venture between BRAC Bank and Money in Motion LLC, USA. Presently, BRAC Bank holds 51.0% shares of the Company. Rest of the remaining equity shares are held by Money in Motion LLC (16.35%), IFC (16.35%), Alibaba Group (14.67%) and SVF II BEAM (DE) LLC (7.32%). bKash is established to provide mobile money transfer service to the masses under a payment systems operator license approved by Central Bank. bKash has added many new features to increase customer convenience, added 9.7 million new customers to its customer base. The customer base of bKash is now around 82.2 million. bKash expanded its distribution network through agents throughout the country, totaling 387 thousand agents by the end of 2025. All agents were subject to rigorous compliance checks throughout the year. On average, in 2025, 90% of the agents were active. The average daily transaction count increased in 2025 by 39.6%. In 2025, the average daily counts of transactions were 19 million compared to 13.6 million in 2024. More than BDT 13.97 trillion transactions volume were recorded over the platform, which is 33% higher than previous year.

bKash incurred substantial portion of its revenue as commission expense for agents and distributors, mobile operators' service charge and marketing and promotional expenses to encourage active channels and customers. As a result, bKash made after tax substantially increased to BDT 6,763.3 million in 2025 from BDT 3,157.7 million in 2024. In contrast to the core revenue, interest income on bank deposits also played a vital part in earning generation in 2025.

BRAC SAAJAN Exchange Limited

BRAC SAAJAN Exchange Limited was incorporated in England and Wales through acquisition of the erstwhile Saajan Worldwide Money Transfer Limited. The Company mainly provides remittance services to the South-Asian communities living in UK and Europe. The operation has been conducting through multiple channels, including agency banking, physical branches and a mobile application platform. Apart from remittance services the Company also caters to the investment needs of the NRBs through its parent organization. Notable that the operation of BRAC SAAJAN Exchange Limited was suspended in 2021 on regulatory ground by the local regulator in UK. Management lodged an appeal against the suspension before the Court in UK. After long hearing, the honorable Court released a verdict in 2022 in favour of BRAC Saajan and enabled the company to resume its operations in December 2022.

In 2025, to meet up the minimum capital requirements as per Financial Conduct Authority (FCA), UK, the company (BRAC Saajan) injected fresh capital of GBP 1,500,000 (equivalent to BDT 249,195,000) into BRAC Saajan Exchange Limited as additional paid-up capital with due approval from the regulators. Currently, BRAC Bank PLC. holds 98.08% shares (4,250,000 no. of shares out of the total 4,333,333 shares) of BRAC SAAJAN Exchange Ltd (BSEL).

■ Associate Companies

BRAC IT Services Ltd.

BRAC IT Services Ltd. is an associate company jointly owned by BRAC Bank and BRAC. The Company was formed in 2016 through the merger of a subsidiary IT company owned by BRAC and the IT Division of BRAC Bank. It is an IT solution provider company which provides end-to-end solutions for industries like Banks, Non-Banking Financial Institutes, Telecommunications, Micro Finance, RMG etc. BRAC Bank holds 9.9996% shares of the Company.

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APPENDIX 1: Definitions of Selected Ratios

- Definitions of Selected Ratios
1. Loans and advances include Loans, Cash Credit, Overdrafts, Bill purchased and discounted unless mentioned otherwise.
2. Deposits include Deposits & other accounts and bills payables unless mentioned otherwise.
3. Liquid Assets, Average Interest earning assets, Average Earning Assets and Average equity are calculated on the basis of opening and year end balances.
4. Interest Earning Assets include net loans & advances, money at call & short notice, balance with other banks & FIs, foreign currency balance with Bangladesh Bank and interest earning assets in Offshore Unit.
5. Net Loans & Advances has been calculated by deducting Specific Provision and Interest Suspense Accounts from Gross Loans & Advances.
6. Net Profit Margin = Net Profit after Tax / Operating Income
7. Asset Yield ratio = Operating Income / Average Assets
8. Leverage Multiplier = Average Assets / Average Equity
9. Yield on Average Investment = Income from Investment / Average Investment Assets

APPENDIX 2: ASSUMPTIONS FOR INTEREST RISK EXPOSURE

1. Assets and liabilities are re-priced on the first day of the re-pricing interval and, therefore, that interest rate change affects the whole period.
2. Assets and liabilities are rolled over into the same types of instruments with the same maturities.

APPENDIX 3: RELATED TABLES

Table 1

Structural Liquidity Profile of the Bank

Currency BDT

	--As of 31 December 2025--				
	Up to one month	1-3 months	3-12 months	1-5 years	More than 5 years
Net Mismatch	(591.6)	(6,120.7)	1,267.3	(3,160.5)	8,617.1
Cumulative Net Mismatch	(591.6)	(6,712.3)	(5,445.0)	(8,605.4)	11.7

Table 2

Month wise Call Money Operation of the Bank

Month

--For the Year 2025--

Particulars	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Call Borrowing (Month Average)	[illegible]	[illegible]	[illegible]	[illegible]	922.2	1,150.0	500.0	1,379.1	750.0	-	900.0	1,500.0
Avg Interest Rate	[illegible]	10.0%	[illegible]	[illegible]	10.1%	10.1%	10.5%	10.0%	10.0%	9.0%	9.0%	10.0%
Call Borrowing (Month Average)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	(1,277.0)	(1,255.0)	(1,057.2)	(1,244.1)	(1,479.2)	(1,250.1)	(1,294.8)
Avg Interest Rate	[illegible]	[illegible]	[illegible]	[illegible]	10.0%	10.3%	10.0%	10.0%	10.0%	9.7%	9.8%	10.0%

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Director & CEO

CRAB Bank Rating

BRAC Bank PLC.

Annexure 1: Previous Rating History

Table 1
Previous rating history

Date of Rating	Long Term	Short Term	Outlook
[illegible]	AAA	ST-1	Stable
29 [illegible] 2024	AAA	ST-1	Stable
27 June 2022	AAA	ST-1	Stable
[illegible]	AA	ST-1	Stable
[illegible]	AA	ST-1	Stable
[illegible]	AA	ST-1	Stable
27 June 2019	AA	ST-1	Stable

Annexure 2: Shareholding Structure

Table 1
Shareholding Structure

Particulars	Percentage of Shareholding (%)
Sponsors	46.17%
Government	0.00%
Institutional	11.4%
Foreign	36.06%
General public	6.29%
Total	100.00

Annexure 3: Equity Related Information

Table 1
Equity Information of the Bank

	31/12/2025	31/12/2024	31/12/2023	31/12/2022
Ratio of Dividend	30%	25%	20%	15%
Price Earning Ratio	7.95%	8.04%	7.89%	10.75%
Year end Market Price per Share	63.1	48.1	35.90	38.5
NAV	50.08	38.07	16.04	36.31

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CRAB RATING SCALES AND DEFINITIONS - LONG TERM: BANKS

RATING	BSEC's equivalent Rating Notches	DEFINITION
AAA Triple A (Extremely Strong Capacity & Highest Quality)	AAA Triple A	Commercial Banks rated 'AAA' have extremely strong capacity to meet their financial commitments. 'AAA' is the highest issuer credit rating assigned by CRAB. AAA is judged to be of the highest quality, with minimal credit risk.
AA+, AA, AA-* Double A (Very Strong Capacity & Very High Quality)	AA+, AA, AA- Double A	Commercial Banks rated 'AA' have very strong capacity to meet their financial commitments. They differ from the highest-rated Commercial Banks only to a small degree. AA is judged to be of very high quality and is subject to very low credit risk.
A+, A, A-* Single A (Strong Capacity & High Quality)	A+, A, A- Single A	Commercial Banks rated 'A' have strong capacity to meet their financial commitments but are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than Commercial Banks in higher-rated categories. A is judged to be of high quality and are subject to low credit risk.
BBB+, BBB, BBB- Triple B (Adequate Capacity & Medium Quality)	BBB+, BBB, BBB- Triple B	Commercial Banks rated 'BBB' have adequate capacity to meet their financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the Commercial Banks to meet their financial commitments. BBB is subject to moderate credit risk.
BB+, BB, BB- Double B (Inadequate Capacity & Substantial Credit Risk)	BB+, BB, BB- Double B	Commercial Banks rated 'BB' are less vulnerable in the near term than other lower-rated Commercial Banks. However, they faces major ongoing uncertainties and exposure to adverse business, financial, or economic conditions, which may lead to the Commercial Bank's inadequate capacity to meet their financial commitments. BB is judged to have speculative elements and is subject to substantial credit risk.
B+, B, B- Single B (Weak Capacity & High Credit Risk)	B+, B, B- Single B	Commercial Banks rated 'B' are more vulnerable than the Commercial Banks rated 'BB', but the Commercial Banks currently have the capacity to meet their financial commitments. Adverse business, financial, or economic conditions are likely to impair the Banks' capacity or willingness to meet their financial commitments. B is considered speculative and weak capacity and is subject to high credit risk.
CCC+, CCC, CCC- Triple C (Very Weak Capacity & Very High Credit Risk)		Commercial Banks rated 'CCC' are currently vulnerable, and are dependent on favorable business, financial, and economic conditions to meet their financial commitments. CCC is judged to be of very weak standing and is subject to very high credit risk.
CC Double C (Extremely Weak Capacity & Extremely High Credit Risk)	-	Commercial Banks rated 'CC' are currently highly vulnerable. CC is highly speculative and is likely in, or very near, default, with some prospect of recovery of principal and interest.
C Single C (Near to Default)	C Single C	A 'C' rating is assigned to Banks that are currently highly vulnerable to non-payment of obligations, or in the verge of default or faced with insolvency petition or bankruptcy petition or similar actions, but have not yet experienced a payment default with external support.
D (Default)	D (Default)	'D' is in default. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of a similar action if payments on an obligation are jeopardized.

*Note: CRAB uses numerical modifiers '+' and '-' in its generic rating classification from AA through CCC, which are equivalent to [illegible] without any '+' and '-' [illegible] respectively as mentioned in the rating notches of BSEC (CRC) Rules, 2[illegible]. The modifier '+' indicates that the obligation ranks on the higher end of its generic rating category; the modifier '-' [illegible] range ranking; and the modifier '-' indicates a ranking in the lower end of that generic rating category.

CRAB | CRAB Rating Methodology | [illegible] 2020

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CREDIT RATING SCALES AND DEFINITIONS – SHORTTERM BANKS

RATING	BSEC's equivalent Rating Notches	DEFINITION
[illegible] Grade	ST-1	Commercial Banks rated in this category are considered to have the highest capacity for timely repayment of obligations. Commercial Banks rated in this category are characterized with excellent position in terms of liquidity, internal fund generation, and access to alternative sources of funds is outstanding.
ST-2 [illegible] Grade	ST-2	Commercial Banks rated in this category are considered to have strong capacity for timely repayment. Commercial Banks rated in this category are characterized with commendable position in terms of liquidity, internal fund generation, and access to alternative sources of funds is outstanding.
ST-3 Average Grade	ST-3	Commercial Banks rated in this category are considered to average capacity for timely repayment of obligations, although such capacity may impair by adverse changes in business, economic, or financial conditions. Commercial Banks rated in this category are characterized with satisfactory level of liquidity, internal fund generation, and access to alternative sources of funds is outstanding.
ST-4 Below Average Grade	ST-4	Commercial Banks rated in this category are considered to have below average capacity for timely repayment of obligations. Such capacity is more susceptible to adverse changes in business, economic, or financial conditions than for obligations in higher categories. Commercial Banks rated in this category are characterized with average liquidity, internal fund generation, and access to alternative sources of funds is outstanding.
ST-5 Inadequate Grade	ST-5	Commercial Banks rated in this category are considered to have inadequate capacity for timely repayment of obligations susceptible to adverse changes in business, economic, or financial conditions. Commercial Banks rated in this category are characterized with risky position in terms of liquidity, internal fund generation, and access to alternative sources of funds is outstanding.
ST-6 Default Grade	ST-6	Commercial Banks rated in this category are considered to have obligations which have a high risk of default or which are currently in default. Commercial Banks rated in this category are characterized with risky position in terms of liquidity, internal fund generation, and access to alternative sources of funds is outstanding.

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Credit Rating Report of the Issue;

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CRAB Structured Finance Rating

2026

BRAC Bank Green Bond (BDT 10,000 million)

Credit Rating Report (Initial)

BRAC Bank Green Bond (BDT 10,000 million)

Rating				
Bond Rating				
Long Term	AA1			
Outlook	Stable			
Date of Rating	10 June, 2026			
Valid Till	09 December, 2026			
Entity Rating				
Date of Rating	Long Term	Short Term	Outlook	
15 May 2026	AAA	ST-1	Stable	

Rating Analysis: Audited financial statement up to 31 December 2025, unaudited financial statements as of 31 March, 2026 and other relevant quantitative as well as qualitative information up to the date of rating verification

Methodology: CRAB's Rating Methodology www.crab.com.bd

Particulars of the Issue	
Name	BRAC Bank Green Bond
Type of Instrument	Non Convertible, Fully Redeemable, Unsecured, Zero Coupon Green Bond
Purpose of Issue	To provide low cost green financing to eligible clients of BRAC Bank—contributing to the bank's sustainable finance objectives and Bangladesh's climate commitments.
Number of Securities & Total Size of the Issue Offered	10,000 bonds, totaling BDT 10,000,000,000
Face value and issue price of securities (including discount or premium if any)	Face value: BDT 10,000,000,000 (Total Issue) Issue Size: Same as Face Value (At Par)
Number of tranches	Bond will be issued in multiple tranches throughout the subscription period
Tentative Coupon Rate	8.5% per annum (to be finalized prior to issuance based on prevailing market conditions)
Tenor of Instrument	Up to 5 years from the date of issuance. Investors may select 1 Year / 2 Years / 5 Years at the time of subscription
Applicable Tax rate	As per the tax law of People's Republic of Bangladesh
Type of Offering (Securities being offered at par)	Unsecured
Trustee	Prime Bank Investment PLC
Credit Rating Agency	Credit Rating Agency of Bangladesh (CRAB)
Credit Rating status of the issuer	Long Term: AAA Short Term: ST-1 Outlook: Stable Agency: CRAB
Credit Rating status of The Issue	Long Term: AA Outlook: Stable Agency: Credit Rating Agency of Bangladesh (CRAB)

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CRAB Structured Finance Rating

BRAC Bank Green Bond

Date and Validity of Rating along with Structured Finance Rating for The Issuer (This Issue) and for the Issue	For the Issuer (CRAB) Date of Rating: 13 May, 2025 Valid Till: 30 June, 2027 For the Issue (CRAB) [illegible] 30 June, 2026 Valid Till: 09 December, 2026
Cumulative Rate of The Credit Rating Company	1-Year Default Rate - 0.00% 3-Year Cumulative Default Rate (CDR) - 0.00%
Average Time to Default of The Rating Company	No default in this category
Risk Premium (If Any)	If the credit rating of the Issue falls below the minimum investment grade [illegible] in the long term or "ST-3" in the short term, then BRAC Bank PLC shall pay an additional amount over and above the stipulated Discount Rate as a Risk Premium as mentioned in the below table

Issue Rating	Risk Premium to be Added
BB	0.25%
B	0.50%
C	0.75%
D	1.00%

Other	Not Applicable
Legal Advisor	Taroon & Associates
Depository	Central Depository Bangladesh Limited (CDBL)

■ RATIONALE

Credit Rating Agency of Bangladesh Limited (CRAB) has assigned **"AA1"** (pronounced as Double A one) rating in the long term to BRAC Bank PLC's issue of Non Convertible, Fully Redeemable, Unsecured, Zero Coupon Green Bond (BDT [illegible] Bond) in line with CRAB's standard rating practices. The rating outlook is stable, reflecting the outlook on the issuer.

The purpose of the Bond is to provide low-cost green financing to eligible clients of BRAC Bank – contributing to the Bank's sustainable finance objectives and Bangladesh's climate commitments. The tentative discount rate of the Bond will be [illegible] per annum (to be finalized prior to issuance based on prevailing market conditions). The Bond will be issued in [illegible] up to 3 years from the date of issuance. Investors may select 1 year, 2 years and 3 years at the time of subscription.

The [illegible] reflects the issuer's (BRAC Bank PLC) strength in strong brand value, its ownership structure as well as [illegible] control. The Bank also has sound liquidity with a good funding profile and relatively low large loan concentration [illegible] the back of its SME focused business model. BRAC Bank also continuously maintains substantial additional [illegible] for loans against regulatory requirements as a cushion. The Bank's robust network of branches & alternative delivery channels are also considered while assigning the rating. On the other hand, BRAC Bank PLC's relatively higher cost to income ratio is a subject of concern although it improved during the recent months.

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CRAB Structured Finance Rating

BRAC Bank Green Bond

KEY FEATURES OF THE INSTRUMENT

Issuer	BRAC Bank PLC. (BBPLC)
The Issue	BRAC Bank Green Bond
Arrangement Basis	Best Efforts
Purpose	To provide low cost green financing to eligible clients of BRAC Bank contributing to the bank's sustainable finance objectives and Bangladesh's climate commitments.
Investors	Corporates, Provident Funds & Gratuity Fund, HNWIs, or any other eligible investors.
Currency	Bangladesh Taka (BDT)
Issue Size	BDT 10,000,000,000 (Ten Billion)
Trustee	Prime Bank Investment PLC
Face Value of Each Bond	BDT 1,000,000 (One Million)
Total Bonds	10,000 bonds at face value
Minimum Application Amount	BDT 1,000,000 (One Million) - 1 unit
Issue Price of Each Bond	At a discount to face value determined by the applicable discount rate at issuance.
Tenor	Up to 3 years from the date of issuance. Investors may select 1 Year / 2 Years / 3 Years at the time of subscription.
Nature of Instrument	Non-Convertible, Fully Redeemable, Unsecured, Zero-Coupon Green Bond
Features	Fully Redeemable at par (face value) on the respective maturity date
Coupon / Interest	Nil — Zero-Coupon Bond. Return is realized as the difference between discounted issue price and face value at maturity.
Tentative Discount Rate	8.5% per annum (to be finalized prior to issuance based on prevailing market conditions)
SOD Facility	Bond holders will have the option to avail Secured Overdraft (SOD) facility against lien on bond holdings
Rating Agency	Credit Rating Agency Bangladesh (CRAB) Issuer rating: Long Term: AAA	Short Term: ST-1	Outlook: Stable	Agency: CRAB
Credit Rating	Issuer: Long Term: AAA	Short Term: ST-1	Outlook: Stable Validity: 30th June 2026	Agency: CRAB Issue: Long Term: AA+	Outlook: Stable Validity: 09 December 2026	Agency: CRAB
Form	Registered - Dematerialized (held via CDBL)
Over Subscription	In event of oversubscription, the allotment will be on a first come first serve basis

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Tareq Rafat Ullah Khan
Managing Director & CEO

CRAB

CRAB Structured Finance Rating

BRAC Bank Green Bond

Under subscription	Any under subscribed portion will be re-offered for fresh subscription depending on prevailing market conditions.
Security Ratings	S&P Global Ratings
Applicable Laws and Regulations	[illegible] Financing for Banks and FIs by Bangladesh Bank (September 2021) (i) BSEC Debt Securities Issuance Rules 2021 (ii) ICMA Green Bond Principles 2025 (iii) All other applicable guidelines/orders/rules/circulars issued by Bangladesh Bank and BSEC from time to time
Regulatory Approval	Upon approval from the Bangladesh Securities and Exchange Commission and No-Objection Certificate from Bangladesh Bank, the Issuer will issue the Bonds
Trustee Authority	At any time after the Bonds have become due and repayable, the Trustee may, and without further notice in writing, take such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed. But it will not be bound to take any such proceedings unless (a) it shall have been so requested in writing by the holders of not less than 66⅔ per cent. in principal amount of the Bonds then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (b) it shall have been indemnified and/or secured to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.
Ranking of Claims	The Claims of the Investors/Bondholders shall i. be superior to the claims of investors in equity shares ii. rank pari passu with the claims of all other unsecured and unsubordinated creditors of the Issuer, except those claims mandatorily preferred by law (including the claims of depositors). iii. neither be secured nor covered by a guarantee of the Issuer not related entity or other arrangement that legally or economically enhances the seniority of the claim over other creditors of the bank.
Mode of Placement	Private Placement
Security	Unsecured
Rating Trigger	If the credit rating of the issue falls below the minimum investment grade i.e., 'BBB' in the long term or 'A3' in the short term, then BRAC Bank PLC shall pay an additional amount over and above the stipulated Discount Rate as a Risk Premium as mentioned in the below table

Issue Rating	Risk Premium to be Added
BB	0.25%
B	0.50%
C	0.75%
D	1.00%

Documentation	Will include but not limited to: • Prospectus • Subscription Agreement • Any other documentation related to the transaction Customary Capital Market documentation including force majeure, negative pledge, cross default and indemnity provisions.

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Arefat Ullah Khan

CRAB Structured Finance Rating

BRAC Bank Green Bond

Legal Counsel	Farooqi and Associates
Governing Law	The Laws of The People's Republic of Bangladesh
Rate of Return, Yield to Maturity, Coupon Rate, Fee	Since Zero Coupon bonds doesn't have any periodic coupon payment, the proposed Yield to Maturity (YTM) of 8.5% which is the discount rate of the bond. (to be finalized by mutual agreement based on prevailing market conditions)
Transfer Agency Fee/ Duty	Transfer and transmission of the Bonds shall be subject to the Depositories Act, 1999, the rules made thereunder, the byelaws, rules and regulations of the Depositories as amended from time to time
Prepayment Penalty, Refinancing, Extension or Exchange Options	Not Applicable
Early Redemption	Not Applicable
Late Redemption	Incremental charge at the rate of 2% per annum payable by the issuer to the Bondholders above the amount to be paid by the Issuer to the Bondholders on the Redemption date for failure of the Issuer to make payment to the Bondholders on the Redemption date
Tax Exemption	As per the tax laws of People's Republic of Bangladesh
Redemption Schedule	The proposed issue will be available for a variable tenor of 1 (One) Year, 2 (Two) Years & 3 (Three) years which will provide the investors with option to invest as per their preferred maturity profile. The Redemption schedule considering 8.5% discount rate is provided below

Year	Bonds redeemed	Face value of each bond	Discounted value of each bond	Total redeemed face value(BDT M)	Total redeemed discounted value (BDT M)
1	3,333	1,000,000	921,659	3,333.00	3,071.89
2	3,333	1,000,000	849,455	3,333.00	2,831.23
3	3,334	1,000,000	782,908	3,334.00	2,610.22
Total				10,000.00	8,513.34

*Figures in BDT MN

Call Option, Redemption and Prepayment or Acceleration of Debt, if any	Not Applicable
Credit enhancement requirements, if any	Not Applicable

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Tareq Rafat Ullah Khan

CRAB Sustainable Finance Rating

BRAC Bank Green Bond

■ Purpose [illegible]

To provide low cost green financing to eligible projects of BRAC Bank— contributing to the bank's sustainable finance objectives and Bangladesh's climate commitment.

■ Profile and [illegible]

BRAC Bank was established in 2001 as a private commercial bank based in Bangladesh, listed on both the Dhaka Stock Exchange and the Chittagong Stock Exchange in 2007. The Bank has developed a competitive advantage in the small and medium-sized enterprise (SME) segment and has established a strong domestic presence, supported by its strategic [illegible] and [illegible] channels. Presently, the Bank operates with its 194 branches including [illegible] branches, 281 area office and 446 SME unit offices. Along with traditional [illegible] the Bank has a robust network of alternative delivery channels. It has a countrywide network of 329 ATMs and [illegible] CRMs. The bank also has 1,122 agent outlets and 26 Premium Banking Lounges across the country. Among its subsidiaries, bKash is the leading mobile financial service provider in the industry.

Asset Profile

BBPLC's asset [illegible] remained almost same for the last two years notwithstanding that the growth in total Assets has been BDT [illegible] million in 2025 which translates to 26.8% over 2024.

Table 1

Asset Composition

(BDT Million)

	31/12/2025			31/12/2024		
	Amount	%	Growth (%)	Amount	%	Growth (%)
Money at Call	[illegible]	-	(100.0)	750.0	0.1	(75.0)
Cash in Hand and with BB	[illegible]	4.5	12.2	45,551.3	4.9	15.8
Balance with Other Bank & FIs	10,017.2	0.9	67.9	5,965.3	0.6	(14.2)
Investments	326,25[illegible].4	27.7	59.7	204,351.7	22.0	76.7
Loans and Advances	710,656.8	[illegible]	17.2	623,371.9	67.0	20.0
Fixed Assets	11,09[illegible].2	0.9	29.1	8,518.4	0.9	11.7
Other Assets	50,65[illegible].6	4.3	21.7	41,624.1	4.5	20.0
Total	1,179,67[illegible].2	100.0	26.8	930,132.7	100.0	28.0

Highlights

Loans and Advances

- [illegible] by BDT 107,287.0 million during the period under review (FYE 2025)
- [illegible] % of Total Assets

Investments

- [illegible] maintain liquidity and SLR
- Grew by BDT 121,904.2 million over 2025
- [illegible] assets are Government Bonds amounting to BDT 311,828.79 million. This investment [illegible] about 96.3% of total investment
- Equity Shares involve a value of BDT [illegible] million. The difference between cost price and market value [illegible] has been provided for.
- [illegible] Bonds (Quoted and Unquoted) of BDT 2,717.2 million) issued by different banks & big corporates. Earning from the bonds was BDT 138.9 million during FYE 2025
- [illegible] stood at 11.1% during FYE 2025

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CRAB Structured Finance Rating

BRAC Bank Green Bond

Table [illegible]

[illegible]

(BDT Million)	31/12/2025		31/12/2024	
	Amount	% of Total	Amount	% of Total
[illegible] Bills & Bonds	[illegible]	96.2	194,166.4	95.0
Shares	[illegible]	3.8	10,185.4	5.0
Quoted Shares	[illegible]	2.5	7,075.6	3.5
Unquoted Shares	589.3	0.2	598.9	0.3
[illegible]	[illegible]	0.8	2,510.7	1.2
[illegible]	[illegible]	0.3	-	-
Total	320,256.4	100.0	204,351.6	100.0

[illegible]

- [illegible] only 0.6% of Total Assets.
- The balance where there has been positive growth of 67.9%.
- Mostly [illegible] to balance in nostro accounts where the yield is invariably low.

Other Assets

- [illegible] 4.3% of Total Assets.
- [illegible] investments in the [illegible] subsidiaries (BRAC EPL Stock Brokerage Ltd., BRAC EPL Investment [illegible] BRAC SAAJAN Exchange [illegible] bKash Limited.

BRAC [illegible] Asset was 36.5% of Total Assets during 2025 (51.5% in 2024).

Loan Portfolio and Loan Quality

Loans & Advances dominated the asset structure having 69.0% of total assets for the last five years. Loan portfolio of the Bank grew by 17.2% in 2025 and reached at BDT 730,658.8 million. As a pioneer in SME financing among banks, [illegible] the bank strongly dominated by SME loans during the surveillance period. At the end of 2025, loan portfolio of BRAC Bank was strongly dominated by SME loans (41.9% of total loans) followed by corporate loans ([illegible]) and retail loans ([illegible]). Growth of SME loan was higher than corporate loan while it was [illegible] high during the last couple of years following the management strategy which reflected in the [illegible] of corporate loan as well as diversification.

The Bank [illegible] to keep gross NPL ratio much lower than the industry average for the last five years on the back of [illegible] write off, cash recovery as well as substantial loan growth. Gross NPL (in absolute amount) increased to BDT [illegible] million in 2025 from BDT 19,638.3 million in 2024 mainly resulted from high fresh NPL generation during [illegible]. The rate of fresh NPL generation in 2025 was relatively high compared to that of previous couple of years. [illegible] written off loans was BDT 1,252.0 million in 2025. The Bank also had written off loan amounting BDT [illegible] 4 million during the same period. The Bank also rescheduled loan amounting BDT 270.4 million from [illegible] loan in 2025. Gross NPL ratio stood at 2.3% at the end of 2025 compared to 2.6% in 2024 mainly on the back of [illegible] growth, cash recovery and write off.

Table [illegible]

Loan Classification of the Bank including Off Balance Sheet Exposures

(BDT Million)	31/12/2025		31/12/2024	
Particulars	Amount	% of Total Loans (%)	Amount	% of Total Loans (%)
[illegible]	[illegible]	1.0	6,375.6	1.0
[illegible]	[illegible]	1.7	13,262.7	2.1
[illegible]	19,898.3	2.7	19,638.3	3.2
[illegible]	[illegible]	2.6	17,977.3	2.9
[illegible]	[illegible]	0.1	1,661.0	0.3

In 2025, [illegible] provision requirement for classified loans and advances was BDT 12,343.5 million against which the Bank [illegible] BDT 12,782.1 million as specific provision. In addition, the Bank maintained BDT 7,116.2 million

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CRAB Structured Finance Rating

BRAC Bank Green Bond

provision for unclassified loans and advances as well as off-balance sheet exposures. There was surplus provision of [illegible] at the end of 2025. The Bank's NPL coverage ratio of the Bank was 133% at the end of 2025 (2024: [illegible])

Profile

BDT million	31/12/2025		31/12/2024		31/12/2023	
	Amount	% of Total Loans	Amount	% of Total Loans	Amount	% of Total Loans
[illegible] at NPL	[illegible]	2.2	17,533.9	2.8	15,268.6	2.9
[illegible] during year	[illegible]	1.3	4,048.8	0.6	5,620.8	1.1
[illegible]	[illegible]	0.2	924.5	0.1	2,166.2	0.4
[illegible]	[illegible]	0.0	898.3	0.1	10.3	0.0
[illegible]	[illegible]	1.1	3,356.7	0.5	1,179.1	0.2
[illegible] balance of NPL	16,568.9	2.3	16,403.3	2.6	17,533.9	3.4

Capital Adequacy

The Bank has witnessed growth of Tier 2 capital for the last couple of years on the back of sizable internal capital [illegible] 2025. Tier 1+ Tier 2 capital further soared to BDT 93,142.1 million. As an overall effect, capital to risk [illegible] improved and stood at 15.6% in 2025 (2024: 14.9%). Tier 1 ratio was high at 12.2% at the end of 2025. However, CRAR of the Bank will be affected further in near future if capital has not been enhanced and/or [illegible] consumed.

Table

Capital Adequacy

BDT million	31/12/2025		31/12/2024		31/12/2023	
	Amount	% of RWA	Amount	% of RWA	Amount	% of RWA
Tier 1 capital	[illegible]	12.2	58,766.2	12.3	48,931.5	12.4
Tier 2 capital	20,653.7	3.5	12,662.6	2.6	6,161.3	1.6
Total capital	93,142.1	15.6	71,428.8	14.9	55,092.8	14.0
Risk weighted assets	[illegible]	12.5	59,910.1	12.5	49,219.1	12.5
Capital surplus	18,672.0	3.1	11,518.7	2.4	5,873.7	1.5

The Bank has maintained focus on the credit rating of its clients and along with financing good corporate borrower [illegible] relatively internal measures as CRAR. The stress test revealed that the Bank's capital adequacy [illegible] affected if there is significant increase in NPLs due to default of top large borrowers. However, CRAR of the Bank can be affected further in near future if capital has not been enhanced and/or client ratings are not [illegible]

Liability and Liquidity Profile

The Bank's assets were funded by mainly deposit (75.4% of total liability and Equity) followed by borrowings (10.3% of total liability and Equity) and other liabilities (5.8% of total liability and Equity). Total deposit of the Bank reached BDT [illegible] million in 2025, registering a growth of 29.0%. Growth of deposit was higher than the growth of loans & advances during the same period.

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CRAB Structured Finance Rating

BRAC Bank Green Bond

Table 6

Deposit Composition of the Bank

(BDT Million)

Particulars	31/12/2025 Amount	%	Growth (%)	31/12/2024 Amount	%
Current Deposit	236,193.5	26.6	24.8	189,281.7	27.5
Sec Dep	3,018.6	0.3	(19.9)	3,770.8	0.5
Savings Deposit	129,789.4	14.6	30.5	99,483.4	14.4
Term Deposit (Fixed deposit & others)	520,515.9	58.5	31.1	396,897.0	57.6
Total Deposit (Other Accounts)	889,517.4	100.0	29.0	689,432.9	100.0

In 2025, the bank's total deposit was dominated by term deposit (58.5% of total, including deposit pension scheme) followed by current deposit (26.6% of total) and savings deposit (14.6% of total). The Bank has a strong and stable franchise [illegible] the Bank's distribution network consisting of branches, SME/Krishi branches/service centers. Consequently, the Bank's deposit base stood at [illegible] in 2025. On an average 47.3% of total deposit of the Bank was backed by low cost deposit (current and savings) for the last five years. Therefore, the Bank enjoys very low cost of deposit [illegible] in 2025 (6.9% average) which was much lower than the PCB industry average. The Bank has relatively low deposit concentration. Top largest 10 deposits held about 7.1% of its total deposit in 2025.

Earnings and Profitability

Investment [illegible] the major source of the Bank for the long period on the back of sizeable spread while share of [illegible] income has declined [illegible] the period and contributed 20.3% of total income. In 2025, total operating income of BRAC was strongly dominated by investment income (65.5% of total) followed by net interest income [illegible] and commission, fees & exchange income (13.7% of total). Interest income of the Bank increased [illegible] in 2025 on the back of high loan growth. Around 40.6% of total loan portfolio of BRAC Bank consisted in [illegible] loan. On the other hand, interest expense increased by 48.3% during the same period mainly resulting from [illegible] deposit growth as well as increased deposit rate in the money market. As an overall effect, net interest [illegible] increased by [illegible] and reached BDT 11,777.9 million.

Table 7

Revenue [illegible] of the Bank

(BDT Million)

	31/12/2025 Amount	Growth (%)	31/12/2024 Amount	Growth (%)	31/12/2023 Amount	Growth (%)
Interest Income	79,778.1	33.6	55,952.5	43.2	39,085.5	37.3
Interest Expense	67,000.4	48.3	42,490.8	98.9	21,367.3	61.5
Net Interest Income	11,777.9	(17.5)	13,461.7	(24.0)	17,718.2	16.3
Investment Income	37,935.0	78.4	21,264.7	180.2	7,575.7	46.1
Commission, Exchange & Brokerage Income	7,951.3	114.5	9,297.3	50.6	6,171.8	4.9
Other Operating Income	281.8	24.3	226.7	56.6	144.8	(45.8)
Total Operating Income	57,946.0	41.0	44,250.4	40.0	31,610.5	19.0
Personnel Expense	14,987.6	25.5	11,967.3	17.9	10,154.3	24.2
Overhead Expense	11,345.9	27.8	8,855.9	17.7	7,525.9	3.6
Total Operating Expense	26,058.5	25.1	20,823.2	77.8	17,680.2	14.5
Pre Provision Profit	31,886.4	36.1	23,427.2	68.2	13,930.3	25.2
Provision	6,033.9	29.5	3,835.7	31.5	2,917.5	33.2
Profit Before Tax	25,852.6	27.6	19,591.5	77.8	11,012.8	23.2
Provision for Tax	9,123.9	23.3	7,455.3	101.0	3,709.1	16.8
Profit after Tax	16,728.7	30.1	12,136.2	66.2	7,303.6	26.7

Following [illegible] increase in revenue income, investment income of the Bank increased to BDT 37,935.0 million [illegible] fees & commission & exchange income decreased to BDT 7,951.3 million in 2025 from BDT [illegible] in 2024 on the back of [illegible] foreign currency dealing. Other operating income was BDT 281.8 million in 2025 [illegible] miscellaneous income, service charges etc. As an overall effect, total operating income reached BDT [illegible] million in 2025 from [illegible] in 2024 registered 31.0% growth.

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CRAB Structured Finance Rating

BRAC Bank Green Bond

Total operating expense was BDT 25,959.5 million in 2025; among which 43.2% comprised of infrastructure and [illegible] and the rest was personnel expenses. Despite growth of operating expense was high in 2025 compared to that in 2024, the cost to income ratio improved to 45.0% in 2025 on the back of higher growth of total [illegible] compared to previous year.

[illegible]

The incumbent of the Bank is headed by the Managing Director & CEO, Mr. Tareq Refat Ullah Khan from May 27, 2025. He was promoted to Additional Managing Director (AMD) of BRAC Bank PLC on April 01, 2025. Mr. Khan [illegible] as the Head of Treasury Risk Management in 2017. Prior to joining BRAC he was working for Eastern Bank PLC as EVP and Head of Relationship at corporate Banking Division. He has wide experience in Banking and financial services sector. Mr. Khan began his career at IFIC Bank PLC in 1996 and later served at AB Bank PLC and Eastern Bank PLC. For his outstanding contribution, he earned the CEO's Award and Chairman's Award at EBL. He [illegible] in Marketing, and an MBA, and is an alumnus of the prestigious [illegible] He is also an Omega-certified Risk professional and has completed his international programs on leadership, governance, and risk management from different reputed institutes across the Globe. The MD is supported by a trained and experienced Senior Management Team comprising [illegible] Deputy Managing Directors and different Divisional/Departmental Heads.

[illegible]

The Board of the Bank comprises of 7 members including the Managing Director & CEO of the Bank. Presently, Mr. [illegible] is the Chairman of the Board. He is a nominated director, nominated by BRAC. Board is involved in [illegible] strategic direction setting, business plan approval and review of various activities and also [illegible] directions to the management for conducting businesses in a competitive and profitable manner. Board [illegible] effective risk management across the Bank as per the central bank's guidelines. The Bank's Board [illegible] meetings at least twice per monthly. In 2025, the Board held 16 meetings in 2025 (2024:17). The Board [illegible] committees: Audit Committee, Executive Committee and Risk Management Committee.

Appendix 1: Definitions of Selected Ratios

[illegible] of Selected Ratios

[illegible] Credit, Overdrafts, Bill purchased and discounted unless mentioned [illegible]

2. [illegible] include Overdrafts & other [illegible] and bills payables unless mentioned otherwise.

[illegible] Assets, Average Earning Assets and Average equity are calculated on [illegible] of opening and year end balances.

4. [illegible] Earning Assets include total loans & advances, money at call & short notice, balance with other [illegible] balance with Bangladesh Bank and interest earning assets in Offshore Unit.

5. [illegible] Loans & Advances has been calculated by deducting Specific Provision and Interest Suspense Accounts from Gross Loans & Advances.

6. [illegible] Operating Income

[illegible] for Loans & Advances+ Provision for off-balance sheet [illegible] (gross NP)

Appendix 2: Assumptions for Interest Risk Exposure

[illegible] the first day of the re-pricing interval and, therefore, that interest rate [illegible] the same types of instruments with the same maturities.

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CRAB Securitized Finance Rating

BRAC Bank Green Bond

CREDIT RATING SCALES AND DEFINITIONS – LONG TERM DEBT INSTRUMENTS

[illegible]	[illegible] Rating Symbols	Definition
[illegible]	AAA [illegible]	[illegible] instruments rated AAA have extremely strong capacity to meet financial [illegible]. These are judged to be of the highest quality, with minimal credit risk.
[illegible]	[illegible] AA [illegible]	[illegible] instruments rated AA have very strong capacity to meet financial commitments [illegible] judged to be of very high quality, subject to very low credit risk.
[illegible]	[illegible] A [illegible]	[illegible] instruments rated A have strong capacity to meet financial commitments, but [illegible] to the adverse effects of changes in circumstances and economic [illegible]. These are judged to be of high quality, subject to low credit risk.
[illegible]	BBB+, BBB, BBB- [illegible]	[illegible] instruments rated BBB have adequate capacity to meet financial commitments but [illegible] susceptible to adverse economic conditions or changing circumstances. They are [illegible] to moderate credit risk. Such rated projects possess certain speculative [illegible].
[illegible]	BB+, BB, BB- [illegible]	[illegible] instruments rated BB have inadequate capacity to meet financial commitments. [illegible] ongoing uncertainties and exposure to adverse business, financial, or economic conditions. Such projects have speculative elements, and are subject to substantial credit risk.
[illegible]	B+, B, B- [illegible]	[illegible] instruments rated B have weak capacity to meet financial commitments. They have [illegible] elements and are subject to high credit risk.
[illegible]		[illegible] instruments rated CCC have very weak capacity to meet financial obligations. They [illegible] standing and are subject to very high credit risk.
[illegible]		[illegible] instruments rated CC have extremely weak capacity to meet financial obligations. [illegible] speculative and are likely in, or very near, default, with some prospect [illegible] of principal and interest.
[illegible]	C [illegible]	[illegible] instruments rated C are highly vulnerable to non payment, have payment [illegible] allowed by the terms of the documents, or subject of bankruptcy petition. [illegible] have not experienced a payment default. Payments may have been suspended in [illegible] with the instrument's terms. They are typically in default, with little [illegible] of principal or interest.
[illegible]	D [illegible]	[illegible] may be sued upon the filing of a bankruptcy petition or similar action of [illegible] or an obligation are jeopardized.

[illegible] generic rating classification from AA through CCC. The modifier [illegible] on the higher end of a generic rating category, the modifier 2 indicates a mid-range [illegible] modifier 3 indicating a ranking [illegible] low end of that generic rating category.

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Managing Director & CEO
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Head Office, Dhaka

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Tareq Rezat Ullah Khan
[illegible] Director & CEO

23. Particulars of underwriters and amount underwritten, if any;

Not Required for this Issue.

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M Mahbubur Rahman FCS
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M Masud Rana FCA
Additional Managing Director & CFO
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Prof Ullah Khan

24. Public issue application procedure: As per conditions in the consent letter;

Not Required for This Issue

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Company Secretary
BRAC Bank PLC

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Additional Managing Director & CFO
BRAC Bank PLC.

Tareq Refat Ullah Khan

25. Rights option/issue application procedure: As per conditions in the consent letter;

To be provided once consent is obtained

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Company Secretary
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Additional Managing Director & CFO
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Tareq Refat Ullah Khan

26. Private offer application procedure: As per conditions in the consent letter;

To be provided once consent is obtained

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M Mahbubur Rahman FCS
Company Secretary

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC

Tareq Refat Ullah Khan
Managing Director & CEO

27. Any others, as the Commission requires;

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Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

— End of Draft Information Memorandum —

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & C

Syed Rafat Ullah Khan

BRAC Bank PLC.

Independent Auditor's Report and Consolidated
& Separate Financial Statements

As at and for the year ended 31 December 2025

Abul Ahsan Ahmed
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Syed M Omar Tayub
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Head Office, Dhaka

Tareq Rezat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

M Mahbubur Rahman FCS
Company Secretary

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

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

Opinion

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

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

Basis for Opinion

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

Emphasis of Matter

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

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

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

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M Mahbubur Rahman FCS
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M Masud Rana FCA
Additional Managing Director & CFO
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Tareq Rafat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

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

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Abdul Mabur Rahman FCS

Rana FCA
Director & CFO

Rafat Ullah Khan
Director & CEO

Description of key audit matters	Our response to key audit matters
623,371.89 million) whereas at the year end of 2025, the Group reported total provision for loans and advances BDT 19,976.73 million (2024: BDT 19,701.57 million) and the Bank reported total provision for loans and advances of BDT 18,749.74 million (2024: BDT 18,489.73 million).	We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.
See note no. 7.14 to the financial statements	
2. Recognition of interest income on loans and advances	
Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income have involved complex IT environments. We identify recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error and misstatement in recognition of interest by management to meet specific targets or expectations.	We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans and advances focusing on the following. • We performed test of operating effectiveness on automated control in place to measure and recognize interest income. • We have also performed substantive procedure to check whether interest income is recognized completely and accurately. • Reviewing transfer of interests to the income account in line with the Bangladesh Bank's guidelines • We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines. • We performed procedures to ensure that the revenue recognition criteria adopted by each group entity for all major revenue streams is appropriate and in line with the Group's accounting policies.
See note no. 25.1 to the financial statements	
3. Valuation of treasury bill and treasury bond	
The classification and measurement of T-Bills and T-Bonds involve significant judgment and the application of complex valuation techniques. In the absence of quoted prices in an active market, the fair value of these instruments is determined using valuation models that may incorporate direct or indirect unobservable market data. These models require the application of complex pricing methodologies and an elevated level of professional judgment.	We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and bonds. We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and bonds valuation processes, including controls over market data inputs into valuation models, model governance and valuation adjustments. We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data. Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
See note no. 6 to the financial statements	

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M Mahbubur Rahman FCS
Secretary

Masud Rana FCA
Managing Director & CFO

Khan
CFO

Description of key audit matters	Our response to key audit matters
4. Adequacy of income tax provision and measurement of deferred tax	
The adequacy of the income tax provision and the measurement of deferred tax assets is considered a key audit matter due to the significant judgment involved in determining both the current and deferred tax, as well as the potential impact on the financial position and performance of the company. These areas involve complex estimates, the application of tax laws, and the assessment of future taxable income, which require careful consideration and professional judgment. Both income tax provisions and deferred tax assets rely on significant estimates. There is a risk that these estimates may be incorrect or overly optimistic, particularly in the case of deferred tax assets, which can be recognized only if it is probable that the Bank will have future taxable profits against which the deferred tax assets can be utilized. Due to the inherent complexity and estimation uncertainty in both areas, and the materiality of the amounts involved, we have determined them as a key audit matter.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of both current tax and deferred tax, including the assumptions used in estimating the Bank's taxable income. We carefully reviewed any ongoing tax litigation between the Bank and the income tax authority, as well as the tax positions for the years where income tax assessments are still pending. We also assessed the adequacy of the tax provision recorded by the Bank. Special attention was given to any reversals or adjustments made to the income tax provision from prior years. We also assessed the completeness and accuracy of the data used for the estimations of future taxable income to ensure that The Bank has sufficient taxable profit to recover the deferred tax assets in foreseeable future. We recalculated the current tax provision and deferred tax assets to ensure that the Bank has determined them in accordance with the applicable laws and regulations. We engaged our tax specialist team to assess the key assumptions, controls, and the recognition and measurement of both current and deferred tax. Finally, we assessed the appropriateness and presentation of the disclosures in accordance with IAS 12, Income Taxes, including the deduction of deferred tax assets from regulatory capital.
See note no. 9.4 and 40 to the financial statements	
5. IT systems and controls	
Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls. Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.	We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configurations and other application layer controls identified as key to our audit. We performed the tests of IT general controls to evaluate the application development and database, hosting platforms and segregation of incompatible duties relevant to application and database change management.

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Rana FCA
Director & CFO

Rafatullah Khan
Director & CEO

Other information

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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Masud Rana FCA
Managing Director & CFO
PLC.

Rafat Ullah Khan
& CEO

Report on other Legal and Regulatory Requirements

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

(i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

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

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

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

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

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

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

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

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

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

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

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

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

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CFO

ECOVIS BANGLADESH

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

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

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

For and on behalf of

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

ATM Shamim Reza FCA
Partner
Enrolment No.:1766

DVC: 2604261766AS949292

Dhaka, Bangladesh.
Dated: 26 April 2026

Abul Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)
65/2/2 Bir Protik Gazi Golam Dostagir Road
Purana Paltan, Dhaka-1000.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

M Mahbubur Rahman FCS
Company Secretary

M Masud Rana FCA
Managing Director & CFO
PLC.

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

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

Particulars	Note	2025 Taka	2024 Taka
PROPERTY AND ASSETS			
Cash	4	51,095,279,086	45,853,431,003
Cash in hand (including foreign currency)		16,436,564,244	15,000,490,086
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		34,658,714,842	30,852,940,917
Balance with other banks and financial institutions	5	58,656,692,102	32,263,729,696
Inside Bangladesh		50,908,334,177	29,709,255,296
Outside Bangladesh		7,748,357,925	2,554,474,400
Money at call on short notice		-	750,000,000
Investments	6	419,378,463,476	297,959,625,736
Government		406,471,261,977	286,713,242,602
Others		12,907,201,499	11,246,383,134
Loans and advances	7	731,408,332,608	623,850,781,894
Loans, cash credit, overdrafts etc.		421,396,217,114	361,269,154,142
Small and medium enterprises		306,248,719,034	260,345,475,823
Bills purchased and discounted		3,763,396,460	2,236,151,929
Fixed assets including premises, furniture and fixtures	8	17,556,394,134	14,401,147,192
Other assets	9	48,881,846,629	40,507,533,717
Non-banking assets	10	11,264,043	10,978,565
Goodwill		1,126,273,572	1,126,273,572
Total property and assets		1,328,114,545,650	1,056,723,501,375
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	69,098,043,420	50,347,610,405
Borrowings from central bank & government agencies	12	51,989,418,839	57,903,323,101
Affordable housing bond	13	4,751,000,000	4,751,000,000
BRAC Bank 2nd subordinated bond	14	7,000,000,000	6,287,000,000
BRAC Bank Social Sub-bond	15	6,537,000,000	-
Money at call on short notice		1,161,806,300	840,000,000
Deposits and other accounts	16	990,359,326,094	777,866,506,600
Current accounts and other accounts		337,364,452,181	277,875,898,241
Bills payable		3,018,597,221	3,770,838,887
Savings deposits		129,789,428,478	99,483,397,129
Term deposits		510,455,502,899	386,748,713,246
Other deposits		9,731,345,315	9,987,659,097
Other liabilities	17	67,826,254,579	57,805,464,118
Total liabilities		1,198,692,849,232	955,800,904,224
Capital and shareholders' equity			
Paid up capital	18.2	19,909,261,670	17,697,121,490
Share premium	18.7	3,853,767,032	3,853,767,032
Statutory reserve	19	16,256,518,245	14,038,055,470
Dividend equalization fund		355,218,455	355,218,455
Revaluation reserve on govt. securities	20	9,148,138,893	949,752,769
Fair value reserve		70,197,708	70,197,708
Foreign currency translation reserve		862,373,711	784,142,092
Start-up Equity Investment Fund		510,994,179	352,907,106
Remeasurement gain/(loss)-Gratuity Fund	9.5.3	(261,129,881)	(284,019,464)
Surplus in profit and loss account/Retained earnings	23.1	51,952,844,586	40,595,382,384
Total shareholders' equity		102,658,184,598	78,412,525,042
Non-controlling interest	9.2	26,763,511,820	22,510,072,109
Total equity		129,421,696,418	100,922,597,151
Total liabilities and equity		1,328,114,545,650	1,056,723,501,375

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A. QASEM & CO.

...an FCS

...d Rana FCA
Director & CFO

...ng Rafat Ullah Khan
...CFO

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

Particulars	Note	2025 Taka	2024 Taka
Off balance sheet items			
Contingent liabilities			
Acceptances and endorsements	24	29,816,695,553	37,449,619,380
Irrevocable letters of credit	24	69,595,275,374	58,899,396,769
Letter of guarantees	24.2	42,373,757,777	32,665,409,171
Bills for collection	24.3	38,557,446,239	39,544,067,880
		180,343,174,943	168,558,493,200
Other commitments			
Swap deals with banks and customers	24.4	32,121,025,127	38,018,835,945
Spot and forward deals with banks and customers	24.4	9,966,237,340	20,663,342,082
		42,087,262,467	58,682,178,027
Total off balance sheet items		222,430,437,410	227,240,671,227
Net asset value (NAV) per share	46	51.56	39.38

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

Managing Director and CEO

Director

Director

Chairperson

As per our report of same date.

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

ATM Shamim Reza FCA
Partner
Enrolment No: 1766

DVC: 2604261766AS949292

Dhaka, Bangladesh
Dated: 26 April 2026

Abul Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
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Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Managing Director & CEO
PLC.

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

Tareq Rezat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

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

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

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BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

A. QASEM & CO. DHAKA CHARTERED ACCOUNTANTS

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

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

Particulars	Note	2025 Taka	2024 Taka
Appropriations:			
Statutory reserve		2,218,462,775	1,725,268,196
Dividend		4,424,280,366	3,217,658,447
Start-up Fund		158,087,073	121,361,698
		6,800,830,214	5,064,288,341
Retained surplus		51,952,844,586	40,595,382,384
Earnings per share (EPS)	45	9.12	6.18

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

Managing Director and CEO

Director

Director

Chairperson

As per our report of same date.

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

ATM Shamim Reza FCA
Partner
Enrolment No: 1766

DVC:2604261766AS949292

Dhaka, Bangladesh
Dated: 26 April 2026

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BRAC Bank PLC.

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

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

Amount in Taka

Particulars	Paid up capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on Govt. securities	Fair value reserve	Foreign currency translation reserve	Start-up Equity Investment Fund	Remeasurement gain/(loss)-Gratuity Fund	Retained earnings	Non-controlling interest	Total
Balance as at 01 January 2025	17,697,121,490	3,853,767,032	14,038,055,470	355,218,455	949,752,769	70,197,708	784,142,092	352,907,106	(284,019,464)	40,595,382,384	22,510,072,109	100,922,597,151
Revaluation reserve on govt. securities	-	-	-	-	8,198,386,124	-	-	-	-	-	-	8,198,386,124
Changes in foreign currency translation reserve	-	-	-	-	-	-	78,231,649	-	-	-	(1,445)	78,230,174
Gain on disposal of Non Banking Asset	-	-	-	-	-	-	-	-	-	352,200	-	352,200
Remeasurement gain/(loss)-Gratuity Fund	-	-	-	-	-	-	-	-	22,889,583	-	(97,497,660)	(74,608,077)
Sub total	17,697,121,490	3,853,767,032	14,038,055,470	355,218,455	9,148,138,893	70,197,708	862,373,711	352,907,106	(261,129,881)	40,595,734,584	22,412,573,004	109,124,957,572
Net profit for the year	-	-	-	-	-	-	-	-	-	18,162,700,722	4,346,672,400	22,509,373,122
Dividend for the year 2024:												-
Stock dividend	2,212,140,180	-	-	-	-	-	-	-	-	(2,212,140,180)	-	-
Cash dividend	-	-	-	-	-	-	-	-	-	(2,212,140,186)	-	(2,212,140,186)
Adjustment for subsidiaries holdings change	-	-	-	-	-	-	-	-	-	(4,768,506)	4,266,416	(494,090)
Start-up Fund	-	-	-	-	-	-	-	158,087,073	-	(158,087,073)	-	-
Statutory reserve	-	-	2,218,462,775	-	-	-	-	-	-	(2,218,462,775)	-	-
Balance as at 31 December 2025	19,909,261,670	3,853,767,032	16,256,518,245	355,218,455	9,148,138,893	70,197,708	862,373,711	510,994,179	(261,129,881)	51,952,844,586	26,763,511,820	129,421,696,418

For the year ended 31 December 2024

Amount in Taka

Particulars	Paid up capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on Govt. securities	Fair value reserve	Foreign currency translation reserve	Start-up Equity Investment Fund	Remeasurement gain/(loss)-Gratuity Fund	Retained earnings	Non-controlling interest	Total
Balance as at 01 January 2024	16,088,292,270	3,853,767,032	12,312,787,274	355,218,455	183,523,000	70,197,708	480,002,180	231,545,408	(170,325,168)	33,368,011,826	20,478,928,578	87,251,948,563
Prior year adjustments	-	-	-	-	-	-	-	-	-	4,997,471	151,376	5,148,847
Restated balance	16,088,292,270	3,853,767,032	12,312,787,274	355,218,455	183,523,000	70,197,708	480,002,180	231,545,408	(170,325,168)	33,373,009,297	20,479,079,954	87,257,097,410
Revaluation reserve on govt. securities	-	-	-	-	766,229,769	-	-	-	-	-	-	766,229,769
Changes in foreign currency translation reserve	-	-	-	-	-	-	304,139,912	-	-	-	(329,151)	303,810,761
Remeasurement gain/(loss)-Gratuity Fund	-	-	-	-	-	-	-	-	(113,694,296)	-	207,205	(113,487,091)
Gain on disposal of Non Banking Asset	-	-	-	-	-	-	-	-	-	-	-	-
Sub total	16,088,292,270	3,853,767,032	12,312,787,274	355,218,455	949,752,769	70,197,708	784,142,092	231,545,408	(284,019,464)	33,373,009,297	20,478,958,008	88,213,650,849
Net profit for the year	-	-	-	-	-	-	-	-	-	12,296,240,273	2,022,241,675	14,318,481,954
Dividend for the year 2023:									-			
Stock dividend	1,608,829,220	-	-	-	-	-	-	-	-	(1,608,829,220)	-	-
Cash dividend	-	-	-	-	-	-	-	-	-	(1,608,829,297)	-	(1,608,829,297)
Adjustment for subsidiaries holdings change	-	-	-	-	-	-	-	-	-	(9,578,851)	8,872,426	(706,425)
Start-up Fund	-	-	-	-	-	-	-	121,361,698	-	(121,361,698)	-	-
Statutory reserve	-	-	1,725,268,196	-	-	-	-	-	-	(1,725,268,196)	-	-
Balance as at 31 December 2024	17,697,121,490	3,853,767,032	14,038,055,470	355,218,455	949,752,769	70,197,708	784,142,092	352,907,106	(284,019,464)	40,595,382,384	22,510,072,109	100,922,597,151

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

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Managing Director & CEO
BRAC Bank PLC.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

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

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

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

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Managing Director & CEO
BRAC Bank PLC.

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

Amount in Taka

Particulars	0 - 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	Above 5 Years	Total
Assets						
Cash in hand and Balance with Bangladesh Bank (including foreign currencies)	24,372,316,504	-	-	-	26,722,962,582	51,095,279,086
Balance with other banks and financial institutions	18,114,987,760	31,341,342,722	9,200,361,620	-	-	58,656,692,102
Money at call and short notice	-	-	-	-	-	-
Investments	2,902,043,590	8,019,091,845	46,600,941,840	145,077,575,849	216,778,810,352	419,378,463,476
Loans and advances	74,856,841,476	127,032,391,311	298,855,106,058	214,231,366,729	16,432,627,034	731,408,332,608
Fixed assets including premises, furniture and fixtures	-	-	-	17,026,411,024	529,983,110	17,556,394,134
Other assets	27,243,123,658	905,999,964	11,212,289,396	2,884,756,276	6,635,677,335	48,881,846,629
Non - banking assets	-	-	3,327,178	-	7,936,865	11,264,043
Goodwill		-	-	-	1,126,273,572	1,126,273,572
Total Assets	147,489,312,988	167,298,825,842	365,872,026,092	379,220,109,878	268,234,270,850	1,328,114,545,650
Liabilities						
Borrowings from other banks, financial institutions & agents	3,683,210,964	18,018,483,702	26,149,166,837	20,245,582,589	1,001,599,328	69,098,043,420
Borrowings from central bank & government agencies	5,898,490,239	7,052,471,579	9,448,304,141	9,568,555,067	19,991,597,813	51,959,418,839
Affordable housing bond	-	-	-	4,751,000,000	-	4,751,000,000
BBPLC 2nd subordinated bond	-	-	-	13,537,000,000	-	13,537,000,000
Money at call and short notice	1,161,806,300	-	-	-	-	1,161,806,300
Deposits and other accounts	112,487,235,233	192,893,998,731	299,863,234,858	351,790,537,419	33,314,319,853	990,359,326,094
Other liabilities	10,453,121,385	2,256,716,933	19,446,547,853	6,765,496,910	28,904,371,498	67,826,254,579
Total Liabilities	133,693,864,121	220,221,670,945	354,907,253,689	406,658,171,985	83,211,888,492	1,198,692,849,232
Net Liquidity Gap	13,795,448,867	(52,922,845,103)	10,964,772,403	(27,438,062,107)	185,022,382,358	129,421,696,418

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

Abul Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)
65/2/2 Bir Protik Gazi Golam Dostagir Road
Purana Paltan, Dhaka-1000.

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

A. QASEM & CO. CHARTERED ACCOUNTANTS DHAKA

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

BRAC Bank PLC.
Balance Sheet
As at 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
PROPERTY AND ASSETS			
Cash	4	51,090,439,025	45,551,288,177
Cash in hand (Including foreign currency)		16,431,724,183	14,698,347,260
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)		34,658,714,842	30,852,940,917
Balance with other banks and financial institutions	5	10,015,220,320	5,965,262,060
Inside Bangladesh		2,322,808,158	3,438,563,039
Outside Bangladesh		7,692,412,162	2,526,699,021
Money at call on short notice		-	750,000,000
Investments	6	326,256,440,605	204,351,738,373
Government		313,828,787,504	194,166,365,832
Others		12,427,653,101	10,185,372,541
Loans and advances	7	730,658,838,813	623,371,888,530
Loans, cash credit, overdrafts etc.		420,646,723,319	360,790,260,778
Small and medium enterprises		306,248,719,034	260,345,475,823
Bills purchased & discounted		3,763,396,460	2,236,151,929
Fixed assets including premises, furniture and fixtures	8	11,000,737,687	8,518,445,878
Other assets	9	50,639,290,597	41,613,101,198
Non-banking assets	10	11,264,043	10,978,565
Total property and assets		1,179,672,231,090	930,132,702,781
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions & agents	11	68,944,031,752	50,331,428,570
Borrowings from central bank & government agencies	12	51,959,418,839	57,903,323,101
Affordable housing bond	13	4,751,000,000	4,751,000,000
BRAC Bank 2nd subordinated bond	14	7,000,000,000	6,287,000,000
BRAC Bank Social Sub-bond	15	6,537,000,000	-
Money at call on short notice		1,161,806,300	840,000,000
Deposits and other accounts	16	889,517,407,214	689,432,929,579
Current accounts & other accounts		236,193,511,602	189,281,704,728
Bills payable		3,018,597,221	3,770,838,887
Savings deposits		129,789,428,478	99,483,397,129
Term deposits		510,784,524,598	386,909,329,738
Other deposits		9,731,345,315	9,987,659,097
Other liabilities	17	50,099,926,103	44,790,057,640
Total Liabilities		1,079,970,590,208	854,335,738,890
Capital and shareholders' equity			
Paid up capital	18.2	19,909,261,670	17,697,121,490
Share premium	18.7	3,853,767,032	3,853,767,032
Statutory reserve	19	16,055,494,638	13,843,354,458
Dividend equalization fund		355,218,455	355,218,455
Revaluation reserve on govt. securities	20	9,146,138,893	949,752,769
Fair value gain/(loss) on equity investment	21	10,187,384,306	8,233,329,679
Start-up Equity Investment Fund	22	510,994,179	352,907,106
Foreign currency translation reserve		852,496,090	774,293,942
Remeasurement gain/(loss)-Gratuity Fund	35.3	(135,637,292)	(212,752,090)
Surplus in profit and loss account/Retained earnings	23	38,964,522,911	29,949,971,080
Total shareholders' equity		99,701,640,882	75,796,963,891
Total liabilities and shareholders' equity		1,179,672,231,090	930,132,702,781

Abul Ahsan Ahmed
Chief Operating Officer (COO)
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Purana Paltan, Dhaka-1000

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

A. QASEM & CO. GULSHAN DHAKA

Masud Rana FCA
Managing Director & CFO
IDLC

Rezaul Refat Ullah Khan
Director & CEO

BRAC Bank PLC.
Balance Sheet
As at 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
Off balance sheet items			
Contingent liabilities			
Acceptances and endorsements	24	29,816,695,553	37,449,619,380
Irrevocable letters of credit	24	69,595,275,374	58,899,396,769
Letter of guarantees	24.2	42,373,757,777	32,665,409,171
Bills for collection	24.3	38,557,446,239	39,544,067,880
		180,343,174,943	168,558,493,200
Other Commitments			
Swap deals with banks and customers	24.4	32,121,025,127	38,018,835,945
Spot and forward deals with banks and customers	24.4	9,966,237,340	20,663,342,082
		42,087,262,467	58,682,178,027
Total off balance sheet items		222,430,437,410	227,240,671,227
Net asset value (NAV) per share	46	50.08	38.07

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

Managing Director and CEO

Director

Director

Chairperson

As per our report of same date.

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

ATM Shamim Reza FCA
Partner
Enrolment No: 1766

DVC: 2604261766AS949292

Dhaka, Bangladesh
Dated: 26 April 2026

Abul Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)
65/2/2 Bir Protik Gazi Golam Dostagir Road
Purana Paltan, Dhaka-1000.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

M Mahbubur Rahman FCS
Company Secretary

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

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

Particulars	Note	2025 Taka	2024 Taka
Interest income	26	74,778,338,764	55,952,496,683
Interest paid on deposits and borrowing etc.	27	63,000,428,345	42,490,831,604
Net interest income		11,777,910,419	13,461,665,079
Investment income	28	37,935,016,454	21,264,723,577
Commission, exchange and brokerage	29	7,951,278,546	9,297,329,107
Other operating income	30	281,773,109	226,693,387
		46,168,068,109	30,788,746,071
Total operating income (a)		57,945,978,528	44,250,411,150
Salaries and allowances		14,813,625,547	11,967,250,774
Rent, taxes, insurance, electricity etc.	31	681,158,090	642,571,657
Legal expenses		61,267,062	18,316,773
Postage, stamps, telecommunication etc.	32	511,794,617	357,490,900
Stationery, printing, advertisement etc.	33	916,576,784	641,288,609
Chief Executive's salary and fees	34	25,561,828	24,471,250
Directors' fees	35	7,325,500	7,350,200
Auditors' fees		6,900,000	2,277,000
Depreciation and repair of the bank's assets	36	3,542,604,594	2,938,796,247
Other expenses	37	5,492,729,155	4,223,364,347
Total operating expenses (b)		26,059,533,177	20,823,177,757
Profit before provisions (c = a-b)	25	31,886,445,351	23,427,233,393
Provision for loans/Investments:			
Loans and advances		6,275,975,699	3,668,632,929
Off balance sheet items		-	68,776,791
Diminution in value of investments		493,610,957	(5,966,965)
Other provisions		114,263,561	104,289,372
Total provisions (d)	39	6,883,850,217	3,835,732,127
Total profit/(loss) before taxes (e= c-d)		25,002,595,134	19,591,501,266
Provision for taxation:			
Current tax expense		8,366,129,292	6,349,742,457
Deferred tax expense/(income)		827,758,562	1,105,589,048
Total provision for taxation (f)	40	9,193,887,854	7,455,331,505
Net profit after taxation (e-f)		15,808,707,280	12,136,169,761
Retained earnings brought forward from previous year		29,949,971,050	22,761,650,654
Net effect of all items directly recognized in equity/retained earnings		352,200	-
Profit available for appropriation		45,759,030,530	34,897,820,415

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

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A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Tareq Rezaul Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

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

Particulars	Note	2025 Taka	2024 Taka
Appropriations:			
Statutory reserve		2,212,140,180	1,608,829,220
Dividend		4,424,280,366	3,217,658,447
Start-up Fund		158,087,073	121,361,698
		6,794,507,619	4,947,849,365
Retained Surplus		38,964,522,911	29,949,971,050
Earnings per share (EPS)	45	7.94	6.10

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

Managing Director and CEO

Director

Director

Chairperson

As per our report of same date.

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

ATM Shamim Reza FCA
Partner
Enrolment No: 1766

DVC: 2604261766AS949292

Dhaka, Bangladesh
Dated: 26 April 2026

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Head Office, Dhaka

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

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

Amount in Taka

Particulars	Paid up capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on Govt. securities	Foreign currency translation reserve	Fair value gain/(loss) on equity investment*	Start-up Equity Investment Fund	Remeasurement gain/(loss)-Gratuity Fund	Retained earnings	Total
Balance as at 01 January 2025	17,697,121,490	3,853,767,032	13,843,354,458	355,218,455	949,752,769	774,293,942	8,233,329,679	352,907,106	(212,752,090)	29,949,971,050	75,796,953,891
Revaluation reserve on govt. securities	-	-	-	-	8,198,386,124	-	-	-	-	-	8,198,386,124
Changes in translation reserve	-	-	-	-	-	78,202,148	-	-	-	-	78,202,148
Changes in OCI reserve for equity investment	-	-	-	-	-	-	1,954,054,627			-	1,954,054,627
Remeasurement gain/(loss)-Gratuity Fund	-	-	-	-	-	-	-	-	77,114,798		77,114,798
Gain on disposal of NBA	-	-	-	-	-	-	-	-	-	352,200	352,200
Sub total	17,697,121,490	3,853,767,032	13,843,354,458	355,218,455	9,148,138,893	852,496,090	10,187,384,306	352,907,106	(135,637,292)	29,950,323,250	86,105,073,788
Net profit for the year	-	-	-	-	-	-				15,808,707,280	15,808,707,280
Dividends for the year 2024:											
Stock dividend	2,212,140,180	-	-	-	-	-	-			(2,212,140,180)	-
Cash dividend	-	-	-	-	-	-	-			(2,212,140,186)	(2,212,140,186)
Start-up Fund	-	-	-	-	-	-	-	158,087,073		(158,087,073)	-
Statutory reserve	-	-	2,212,140,180	-	-	-	-			(2,212,140,180)	-
Balance as at 31 December 2025	19,909,261,670	3,853,767,032	16,055,494,638	355,218,455	9,148,138,893	852,496,090	10,187,384,306	510,994,179	(135,637,292)	38,964,522,911	99,701,640,882

For the year ended 31 December 2024

Amount in Taka

Particulars	Paid up capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on Govt. securities	Foreign currency translation reserve	Fair value gain/(loss) on equity investment	Start-up Equity Investment Fund	Remeasurement gain/(loss)-Gratuity Fund	Retained earnings	Total
Balance as at 01 January 2024	16,088,292,270	3,853,767,032	12,234,525,238	355,218,455	183,523,000	459,993,992	7,944,001,202	231,545,408	(98,942,553)	22,761,650,654	64,013,574,698
Revaluation reserve on govt. securities	-	-	-	-	766,229,769	-	-	-	-	-	766,229,769
Changes in translation reserve	-	-	-	-	-	314,299,950	-	-	-	-	314,299,950
Changes in OCI reserve for equity investment	-	-	-	-	-	-	289,328,477	-	-	-	289,328,477
Remeasurement gain/(loss)-Gratuity Fund									(113,809,537)		(113,809,537)
Sub total	16,088,292,270	3,853,767,032	12,234,525,238	355,218,455	949,752,769	774,293,942	8,233,329,679	231,545,408	(212,752,090)	22,761,650,654	65,269,623,357
Net profit for the year	-	-	-	-	-	-		-	-	12,136,169,761	12,136,169,761
Dividends for the year 2023:											
Stock dividend	1,608,829,220	-	-	-	-	-	-	-	-	(1,608,829,220)	-
Cash dividend	-	-	-	-	-	-	-	-	-	(1,608,829,227)	(1,608,829,227)
Start-up Fund	-	-	-	-	-	-	-	121,361,698	-	(121,361,698)	-
Statutory reserve	-	-	1,608,829,220	-	-	-	-	-	-	(1,608,829,220)	-
Balance as at 31 December 2024	17,697,121,490	3,853,767,032	13,843,354,458	355,218,455	949,752,769	774,293,942	8,233,329,679	352,907,106	(212,752,090)	29,949,971,050	75,796,903,891

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

The notes 1 to 46.5 and annexures A to J form an integral part of these financial statements.

Abul Ansan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
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Purana Paltan, Dhaka-1000

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Syed Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

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

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

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

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

Abul Ahsan Ahmed
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Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

M Mahbubur Rahman FCS
Company Secretary

Masud Rana FCA
Managing Director & CFO
PLC.

Tareq Rafat Ullah Khan
Managing Director & CEO
Bank PLC.

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

Amount in Taka

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

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

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Chief Operating Officer (COO)
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Syed M Omar Tayub
Managing Director & CEO
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Head Office, Dhaka

1 THE BANK AND ITS ACTIVITIES

1.1 BRAC Bank PLC.

BRAC Bank PLC. (the 'Bank' or 'BRAC Bank') is a scheduled commercial bank established under the Bank Company Act, 1991, and incorporated as a public company, limited by shares, on 20 May 1999 under the Companies Act, 1994, in Bangladesh, vide RJSC registration no. C-37782(2082)/99. The primary objective of the bank is to conduct all kinds of banking businesses. On completion of all legal formalities, the bank commenced its operations on 4th July 2001. At present, the bank has 194 banking branches (2024: 189 branches), 116 sub-branches (2024: 74 sub-branches), 281 Area offices (2024: 198 Area offices), 446 SME unit offices (2024: 446 SME unit offices), 1,122 agent banking outlets (2024: 1,110 agent outlets), 329 ATMs (2024: 329 ATMs) and 68 RCDMs (2024: 68 RCDMs) and spread across the country. The registered address of the bank is: Anik Tower, 220/B Tejgaon Gulshan Link Road, Tejgaon, Dhaka-1208. BRAC Bank was listed on the Dhaka Stock Exchange and Chittagong Stock Exchange as a publicly traded company on 28 January 2007 and on 24 January 2007 respectively. The Bank has four subsidiaries and one associate companies in related operations. A brief description of the subsidiaries and associates of the Bank has been provided in Note 1.6.

1.2 Principal activities and nature of operations

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

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

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

1.3 Off-shore banking unit (OBU)

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

1.4 Custodian Service

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

1.5 Agent banking

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

1.6 Subsidiaries and associates of BRAC Bank PLC.

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

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

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

Summary of shareholding in subsidiaries and associates

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

Name of subsidiaries and associates	Face value per share	Nature of business	Total no. of ordinary shares		No. of ordinary shares held by BRAC Bank PLC.		BRAC Bank's percentage of shareholding	
			2025	2024	2025	2024	2025	2024
BRAC EPL Investments Ltd.	BDT 10	Merchant banking	258,500,000	258,500,000	258,358,734	258,358,734	99.95%	99.95%
BRAC EPL Stock Brokerage Ltd.	BDT 100	Stock brokerage	12,768,575	12,768,575	11,491,638	11,491,638	90.00%	90.00%
bKash Ltd.	BDT 10	Mobile financial services (MFS)	2,238,973,146	2,238,973,146	1,141,911,535	1,141,911,535	51.00%	51.00%

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BRAC SAAJAN Exchange Ltd.	GBP 1	Remittance & exchange services	4,333,333	2,833,333	4,250,000	2,750,000	98.08%	97.06%
BRAC IT Services Ltd.	BDT 1,000	IT services	233,729	233,729	23,372	23,372	9.9996%	9.9996%

1.6.1 BRAC EPL Investments Limited (subsidiary)

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

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

1.6.2 BRAC EPL Stock Brokerage Limited (subsidiary)

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

1.6.3 bKash Limited (subsidiary)

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

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

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

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

1.6.4 BRAC SAAJAN Exchange Limited (subsidiary)

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

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

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

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

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

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

1.6.5 BRAC IT Services Limited (biTS) (associate)

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

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

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Preparation of consolidated and separate financial statements

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

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

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

2.2 Statement of compliance with applicable laws, regulations and standards

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

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

i) The Bank Company Act, 1991, and amendment thereon;
ii) The Companies Act: 1994;
iii) BRPD circular no. 14 dated 25 June 2003 and other applicable Circulars, Rules and Regulations issued by Bangladesh Bank (BB) time to time;
iv) Bangladesh Securities and Exchange Rules, 2020; Bangladesh Securities and Exchange Ordinance,1969; Bangladesh Securities and Exchange Act, 1993 and Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015 and amendments thereon;
v) The Income Tax Act 2023, and amendments thereon;
vi) The Value Added Tax and Supplementary Duty Act, 2012, the Value Added Tax and Supplementary Duty, 2016 and amendments thereon;
vii) Dhaka Stock Exchange PLC (DSE), Chittagong Stock Exchange PLC (CSE) and Central Depository Bangladesh Limited (CDBL) rules and regulations; and

viii) Financial Reporting Act, 2015.

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

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

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

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

ii) Subsequent measurement of Government securities

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

iii) Provision on loans and advances

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

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	It is important to note that these provisioning requirements are regulatory in nature and do not fully align with the expected credit loss model prescribed under IFRS 9.

iv) Other comprehensive income

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

v) Financial instruments – presentation and disclosure

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

vi) Repo and reverse repo transactions

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

vii) Financial guarantees

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

viii) Cash and cash equivalents

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

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ix) Non-banking assets

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

x) Cash flow statement

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

xi) Balance with Bangladesh Bank

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

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xii) Presentation of intangible asset	
Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
Intangible assets must be identified and recognized, and the disclosure must be given as per IAS 38: Intangible Assets.	Intangible assets are shown in fixed assets as there is no specific regulation for intangible assets as per BB circular.
xiii) Off balance sheet items	
Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
As per IFRS, there is no requirement for disclosure of off balance sheet items on the face of the balance sheet.	As per BRPD circular no. 14, dated 25 June 2003, off balance sheet items, must be disclosed separately on the face of the balance sheet.
xiv) Disclosure of appropriation of profit	
Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
There is no requirement to show appropriation of profit on the face of statement of comprehensive income.	As per BRPD circular no. 14, dated 25 June 2003, appropriation of profit should be disclosed on the face of profit and loss account.
xv) Loans and advances/investments net of provision	
Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
As per IFRS 9, loans and advances/investments should be presented net of provision.	As per BRPD circular no. 14, dated 25 June 2003, provisions for loans and advances are presented separately as liabilities.
xvi) Recognition of interest in suspense	
Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
Loans and advances to customers are measured at amortized cost under IFRS 9, with interest income recognized using the effective interest rate method on the gross carrying amount over the loan term. When a loan becomes credit-impaired, the effective interest rate is applied to its amortized cost.	As per BRPD circular no. BRPD Circular No. 15 (27 November 2024) once a loan is classified as Sub-standard, Doubtful BI, (special reason), interest accrued on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account which is presented as other liability in the balance sheet.
xvii) Provision on undrawn loan commitments	
Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
As per IFRS 9, the bank shall recognize credit losses on undrawn loan commitments, such as Letter of Credit (L/C), Letter of Guarantee (L/G), etc., as the present value of the difference between the contractual cash flow that are due by the customer if the commitment is drawn down and the cash flows that the bank expects to receive.	As per BRPD Circular no. 06 dated 25 April 2023, the bank is required to maintain a provision at 1% rate against off balance sheet exposures (which includes all types of undrawn loan commitments).
xviii) Name of the financial statements	
Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
As per IAS 1, complete set of financial statements consists statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and notes, comprising significant accounting policies and other explanatory information.	The forms of financial statements and directives for preparation thereof of the bank companies in Bangladesh are guided by BRPD Circular no. 14, dated 25 June 2003 and subsequent amendments thereof from time to time. BRPD circular no. 14 states the statement of financial position as balance sheet and statement of profit or loss and other comprehensive income as profit and loss account.

2.2.1 Summary statement of compliance with IFRSs

Ref.	Name of the standards	Status
IFRS S1	General Requirements for Disclosure of Sustainability-related Information	Complied
IFRS S2	Climate-related Disclosure	Complied
IFRS-1	First Time Adoption of International Financial Reporting Standards	Not applicable
IFRS-2	Share-based Payment	Not applicable
IFRS-3	Business Combinations	Complied
IFRS-4	Insurance Contracts	Not applicable
IFRS-5	Non-current assets Held for Sale and Discounted Operations	Not applicable
IFRS-6	Exploration for and Evaluation of Mineral Resources	Not applicable
IFRS-7	Financial Instruments: Disclosures	Complied *
IFRS-8	Operating Segments	Complied *
IFRS-9	Financial Instruments	Complied *
IFRS-10	Consolidated Financial Statements	Complied
IFRS-11	Joint Arrangements	Not applicable
IFRS-12	Disclosure of Interests in Other Entities	Complied
IFRS-13	Fair Value Measurement	Complied
IFRS-14	Regulatory Deferral Accounts	Not applicable
IFRS-15	Revenue from Contracts with Customers	Complied
IFRS-16	Leases	Complied
IAS-1	Presentation of Financial Statements	Complied *
IAS-2	Inventories	Not applicable
IAS-7	Statement of Cash Flows	Complied *
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
IAS-10	Events after the Reporting Period	Complied
IAS-12	Income taxes	Complied
IAS-16	Property, Plant and Equipment	Complied
IAS-19	Employee Benefits	Complied
IAS-20	Accounting for Government Grants and Disclosure of Government Assistance	Not applicable

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Managing Director & CEO

Ullah Khan
Director & CEO

IAS-21	The Effect of Changes in Foreign Exchanges Rates.	Complied
IAS-23	Borrowing Cost	Complied
IAS-24	Related Party Disclosures	Complied
IAS-26	Accounting and Reporting by Retirement Benefit Plans	Complied
IAS-27	Separate Financial Statements	Complied
IAS-28	Investment in Associates and Joint Venture	Complied
IAS-29	Financial Reporting in Hyperinflationary Economies	Not applicable
IAS-32	Financial Instruments: Presentation	Complied *
IAS-33	Earnings Per Share	Complied
IAS-34	Interim Financial Reporting	Complied
IAS-36	Impairment of Assets	Complied
IAS-37	Provisions, Contingent Liabilities and Contingent Assets	Complied
IAS-38	Intangible Assets	Complied *
IAS-40	Investment Property	Not applicable
IAS-41	Agriculture	Not applicable

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

2.2.2 Standards issued but not yet effective

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

A) Classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)
B) IFRS 18 presentation and disclosures in financial statements
C) Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7
D) IFRS 19 Subsidiaries without Public Accountability: Disclosures
E) Sales or Contribution of Assets between an Investor and its Associates or Joint Ventures - Amendments to IFRS 10 & IAS 28

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

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

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

1 Governance

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

2 Strategy

Sustainability and climate-related risks and opportunities are embedded in BRAC Bank's core strategy. The Bank actively finances green and sustainable projects that support a low-carbon and inclusive economy. As of 2025, the loan portfolio totals BDT 730,659 million, with BDT 804,581 million in sustainable finance and BDT 61,991 million in green finance. This approach diversifies the portfolio, strengthens the balance sheet, and integrates decarbonization into investment priorities. Focus areas include reducing GHG emissions through energy efficiency, renewable investments, and green technologies. The Bank continues to refine its ESG strategy in line with local and global standards, addressing material ESG risks that may affect cash flow, access to finance, and cost of capital across varying time horizons.

3 Risk Management

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

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

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

4 Metrics and Targets

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

BRAC Bank GHG emissions accounting:

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

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

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

Abul Ahsan Ahmed
Chief Operating Officer (COO)
BRAC Investments Limited
BRAC Tower (4th Floor)

Rezaul Karim FCS

Md Rana FCA
Managing Director & CEO

Rezaul Ullah Khan
Managing Director & CEO
PLC.

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

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

2.4 Going concern

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

2.5 Materiality and aggregation

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

2.6 Comparative information

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

2.7 Functional and presentation currency

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

2.8 Reporting period

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

2.9 Basis of measurement of elements of financial statements

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

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

2.10 Use of estimates and judgments

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

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

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

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Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

2.11 Foreign currency transactions

Mark-to-market valuation of foreign currency transaction

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

Translation of foreign currency operations

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

...ur Rahman FCS

...Masud Rana FCA
...Managing Director & CEO

...Refat Ullah Khan
...Director & CEO
...LC.

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

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

Exchange rates

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

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

Translation reserve in separate financial statements

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

Translation reserve in consolidated financial statements

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

2.12 Provisions, contingent liabilities and contingent assets

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

a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the bank; or
b. Any present obligation that arises from past events but is not recognized because-
   i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
   ii) A reliable estimate of the amount of obligation cannot be made.

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

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

2.13 Statement of changes in equity

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

2.14 Cash flow statement

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

2.15 Basis of preparation of liquidity statement

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

a) Balances with other bank and financial institutions, money at call and short notice etc. are on the basis of their maturity term.
b) Investments are on the basis of their residual maturity term.
c) Loans and advances are on the basis of their repayment/ maturity schedule.
d) Fixed assets are on the basis of their useful life.
e) Other assets are on the basis of their adjustment.
f) Borrowing from other banks, financial institutions and agents as per their maturity/ repayment term.
g) Deposits and other accounts are on the basis of their maturity term and behavioral past trend.
h) Other long term liability on the basis of their maturity term.
i) Provisions and other liabilities are on the basis of their settlement.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

2.16 Changes in accounting policies, estimates and errors

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

3. SIGNIFICANT ACCOUNTING POLICIES

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

Rana FCA
Abul Aman Ahmed
Chief Operating Officer (COO)
Ullah Khan
& CEO

3.1 Assets and the basis of their valuation

3.1.1 Cash and Cash Equivalents

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

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

3.1.2 Inter-Bank Accepted Bill Financing (IBABF)

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

3.1.3 Investments (Categorized and reported as per Bangladesh Bank)

Investment in securities

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

Held To Maturity (HTM)

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

Held For Trading (HFT)

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

Revaluation of government securities

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

Investment in quoted securities

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

Investment in mutual funds

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

Investment in unquoted securities

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

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

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

Investment Class	Initial Recognition	Measurement after Recognition	Recording of changes
Government Treasury Bills (HFT)	Cost	Marking to Market/ fair value	Loss to profit and loss A/C, gain to revaluation reserve
Government Treasury Bills (HTM)	Cost	Amortized cost	Amortized gain to revaluation reserve and loss to profit and loss
Government Treasury Bonds (HFT)	Cost	Marking to Market/ fair value	Loss to profit and loss A/C, gain to revaluation reserve
Government Treasury Bonds (HTM)	Cost	Amortized cost	Amortized gain to revaluation reserve and loss to profit and loss
Zero Coupon Bond	Cost	Cost	N/A
Prize Bond and Other Bond	Cost	Cost	N/A
Debentures	Cost	Cost	Profit and Loss Account
Un-quoted Shares (ordinary)	Cost	Lower of cost or NAV of last audited accounts	Profit and Loss Account
Quoted Shares (ordinary)	Cost	Lower of cost or market price at balance sheet date	Loss (net off gain) to Profit and Loss Account but no unrealized gain booking

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Managing Director & CEO
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Mahbubur Rahman FCS

Masud Rana FCS
Managing Director

Abul Ahsan Ahmed
Chief Operating Officer (COO)
Investments Limited

Rezaul Ullah Khan
Director & CEO

Mutual Fund (open-end)	Cost	Lower of cost or 95% of NAV	Provision for unrealized loss (net) to profit and loss account but no unrealized gain booking.
Mutual Fund (closed-end)	Cost	Lower of cost or (higher of market value or 85% of NAV)	Provision for unrealized loss (net) to profit and loss account but no unrealized gain booking.

3.1.4 Loans and advances

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

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

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

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

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

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

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

3.1.5 Fixed assets including premises, furniture and fixtures

A. Property, plant and equipment (PPE)

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

Recognition and measurement

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

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

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

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

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

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

Subsequent costs

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

Depreciation of PPE

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

Category of assets	BRAC Bank PLC.	BRAC EPL Investments Limited	BRAC EPL Stock Brokerage Limited	BRAC Saajan Exchange Limited	bKash Limited
Furniture and fixture	10%	10%-20%	12.5%	10%	20%
Building	2.5%	5%	2%	-	-

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M Mahbubur Rahman FCS

Masud Rana FCA
Managing Director & CFO
BRAC EPL Stock Brokerage Limited

Abu Hasan Ahmed
Chief Operative Officer (COO)

Rafat Ullah Khan
Director & CEO
PLC.

Office equipment	20%	10%-20%	20%	10%	20%
IT equipment - Hardware	20%	25%	-	-	20%
IT equipment - PC, Laptop, UPS, Printer and Scanner	33.33%	33.33%	25%	33.33%	33.33%
IT equipment - Software	10%-20%	33.33%	33.33%	20%	20%
IT Equipment-Software (Subscription Based)	Over Subscription Period	-	-	-	-
Motor vehicles	20%	20%	20%	-	20%
Mobile Devices/Tabs	50%	-	-	-	-
Office decoration/ renovation	10%	15%	15%	10%	20%

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

Gain or loss on disposal of PPE

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

Impairment of PPE

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

B. Intangible assets

Software

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

License

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

Goodwill

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

Impairment of intangible assets

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

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

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

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

Right-of-use assets

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

Lease liabilities

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

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

Short-term leases and leases of low value assets

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

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

Accounting of lease modification

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

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Gain or loss on termination of lease agreements

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

D. Capital work-in-progress (CWIP)

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

E. Investment properties

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

3.1.6 **Other assets and basis of their measurement**

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

a. Interest receivables

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

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

In accordance with the IAS 27 "Separate Financial Statements", an entity may choose any of the following methods to account for investment in subsidiaries, associates and joint ventures in its separate financial statements:

- at cost;
- in accordance with IFRS 9; or
- using the equity method as described in IAS 28;

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

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

Name of the subsidiaries and associates	BRAC Bank's Investment at cost	Net asset value of investee	BRAC Bank's share of net asset	Gross fair value gain/(loss)	Gain/(loss) net of deferred tax
BRAC EPL Investments Ltd.	2,891,704,014	733,584,134	733,193,237	(2,158,510,777)	(1,834,734,160)
BRAC EPL Stock Brokerage Ltd.	1,344,147,500	1,516,680,427	1,365,003,037	20,855,537	17,727,206
bKash Ltd.	168,921,800	41,312,659,287	14,764,997,232	14,596,075,432	12,406,664,117
BRAC Saajan Exchange Ltd.	653,208,531	152,229,327	149,301,852	(503,906,679)	(428,320,677)
BRAC IT Services Ltd. (bITS)	23,372,000	540,185,737	54,016,494	30,644,494	26,047,820
Total	**5,081,353,845**	**44,255,348,912**	**17,066,511,852**	**11,985,158,007**	**10,187,384,306**

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

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

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

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

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

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

3.2 **Liabilities and provisions**

3.2.1 **Borrowings from other banks, financial institutions and agents**

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

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3.2.2 Deposits and other accounts

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

3.2.3 Other liabilities

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

a. Provision for loans and advances

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

b. Provision for other assets

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

c. Provision for diminution in value of investments

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

d. Provisions for off balance sheet items

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

e. Provisions for nostro accounts

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

f. Interest suspense

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

3.2.4 Share capital and shareholders' equity

Capital Management

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

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

a. Authorized capital

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

b. Issued, Subscribed and Paid up capital

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

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

c. Share Premium

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

d. Statutory reserve

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

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e. Dividend Equalization Fund

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

f. Revaluation reserve on govt. securities

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

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

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

h. Non Controlling Interest

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

3.2.5 Off-balance sheet exposures and other commitments

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

3.2.6 Revenue and expense recognition

Interest Income

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

a. Interest and fees receivable on credit cards

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

b. Income on Bills purchased and discounted

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

Interest paid on deposits and borrowings etc.

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

Investment Income

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

Dividend Income on Shares

Dividend income from investment in shares is recognized when the right to receive the dividend is established. It is recognized when:

a) It is probable that the economic benefit associated with the transaction will flow to the entity; and
b) The amount of the revenue can be measured reliably.

Commission, exchange and brokerage

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

Other operating income

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

3.2.7 Employee benefits

Provident Fund (Defined Contribution Plan)

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

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b. Gratuity Fund (Defined Benefit Plan)

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

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

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

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

c. Worker's Profit Participation Fund (WPPF)

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

d. Life Insurance

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

e. Welfare Fund

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

f. Hospitalization Insurance

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

g. Performance bonus

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

h. Staff leave facilities

Annual leave

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

Casual leave

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

Sick leave

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

Paternity leave

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

Maternity leave

Female employees of the Bank are entitled to 8 (six) months of paid maternity leave. They will be eligible to avail this paid maternity leave after 6 (six) months of continuous service with the bank for the first 2 (two) children. A female employee who wants to avail maternity leave before completion of 6 (six) months of continuous service with the bank will also be entitled to maternity leave but that would be without pay.

i. Subsidized Scheme - Staff Loan

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

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

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

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

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3.2.8 Taxation

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

a. Current Tax

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

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

b. Deferred Tax

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

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

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

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

3.2.9 Earnings Per Share

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

a. Basic earnings

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

Weighted average number of ordinary shares outstanding during the year

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

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

b. Diluted earnings per share

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

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

3.3 Dividend policy

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

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

3.3.1 Dividend Distribution Policy of BRAC Bank

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

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

3.4 Reconciliation of inter-bank/inter-branch account

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

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Khan
& CEO

3.5 Statement of Segment Reporting

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

i) That engages in business activities from which it may earn revenues and incur expenses (include revenues and expenses relating to transactions with other components of the same entity);
ii) Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performances, and
iii) For which discrete financial information is available.

Business segment comprises SME, Retail, Corporate and Treasury. The Bank reviews the segments at the end of each reporting period to identify which of its segments are reportable and disclose the related information for those reportable segments accordingly.
There are 4 (four) operating segments (SME, Retail, Corporate, and Treasury) on consolidation basis as on 31 December 2025.
In consolidated basis, we have incorporated subsidiaries financial information in the segment reporting disclosures. There are no segmentable item that remain unallocated to the segment reporting disclosures in accordance with the requirements of IFRS 8 – Operating Segments.

3.6 Related party disclosures

Related Party is a party related to an entity if:

i) Directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under control with, the company; has an interest in the company, that gives it significant influence over the company; or has join control over the company;
ii) The party is an associate (as defined in IAS 28 Investment in Associates and Joint ventures);
iii) The party is a joint venture in which the entity is a venture (as per IAS 31 Interests in Joint Ventures);
iv) The party is member of the key management of personal of the entity or its parent;
v) The party is a close member of the family of any individual referred to in (i) or (iv);
vi) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
vii) The party is post-employment benefit plan for the benefit of employees of the entity, or of any entity that is related party of the entity.

3.7 Events after the Balance Sheet Date

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

a) Adjusting events after the reporting period which provide evidence of conditions which existed at the end of the reporting period; and
b) Non adjusting events after the reporting period, are those that are indicative of conditions that arose after the reporting period.

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

3.8 Risk management

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

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

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

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

A. Operating Environment

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

B. Credit risk management

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

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

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Head Office, Dhaka

M Mahbubur Rahman FCS

Rana FCA
Director & CEO

Ahsan Ahmed
Operating Officer (COO)
BRAC Investments Limited

Refat Ullah Khan
Director & CEO

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

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

C. Foreign exchange risk management

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

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

D. Asset liability management

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

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

E. Operational Risk

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

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

F. Equity Risk

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

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

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

a) Expanded the Anti-Money Laundering Division with experienced professionals to strengthen oversight and investigation of suspicious transactions.
b) Strengthened supervision across customer onboarding and transaction activities, ensuring robust due diligence and effective risk management throughout the customer lifecycle.
c) Enhanced automated transaction monitoring and name screening systems, enabling risk-based alerts, scenario optimization and timely identification of suspicious and sanctioned activities.
d) Reinforced controls for Trade-Based Money Laundering prevention and compliance with international sanctions regimes.
e) Continued targeted AML/CFT training and awareness programs to support effective frontline monitoring and escalation.
f) Advanced customer identification, verification and data analytics capabilities to support proactive and intelligence-led transaction monitoring.

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

H. Internal Control and Compliance (ICC)

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

The main objectives of internal control are as follows:

a) Operations objectives: Attainment of the bank's mission and vision.
b) Reporting objectives: Timely, accurate and comprehensive reporting - financial and non-financial, internal and external.
c) Compliance objectives: Conducting activities and taking specific actions in accordance with applicable laws and regulations.

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Abul Ahsan Ahmed
Chief Operating Officer (COO)
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Rana FCA
Director

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Tejgaon, Dhaka-1000.

Reza Ullah Khan
Director & CEO

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

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

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

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

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

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

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

I. Information and communication technology (ICT) security

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

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

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

J. Implementation of BASEL- III

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

i. Pillar I addresses minimum capital requirement;
ii. Pillar II elaborates the process for assessing the overall capital adequacy aligned with risk profile of a bank as well as capital growth plan; and
iii. Finally, Pillar III gives a framework of public disclosure on the position of a banks risk profiles, capital adequacy, and risk management system.

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

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

K. Disclosure on country risk exposure

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

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

L. Disclosure on credit rating information

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

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

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Rana FCA
Director & CEO

Ullah Khan
& CEO

Credit rating disclosure on financial instruments

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

3.9 Director's and management's responsibilities on statement

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

3.10 Approval of the financial statements

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

3.11 General

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

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Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

Amount in Taka

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

4.3 Cash reserve ratio (CRR) (Bank only)

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

Daily basis

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

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

Bi-weekly basis

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

4.4 Statutory liquidity ratio (SLR) (Bank only)

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

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A. QASEM & CO.

A Mahbubur Rahman FCS
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M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

Amount in Taka

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
	Required reserve (13% of ATDTL)				117,899,958,662	92,668,679,246
	Actual reserve maintained (2025: 34.45%, 2024: 26.84%)	4.4.1			312,471,743,155	191,296,548,092
	Surplus				194,571,784,493	98,627,868,846
4.4.1	Actual reserve maintained					
	Cash in hand				16,431,724,183	14,698,347,260
	Balance with Sonali Bank as per statement				965,339,468	1,185,943,000
	Un-encumbered approved securities (HFT)				172,698,497,814	79,906,252,215
	Un-encumbered approved securities (HTM)				122,371,347,390	95,503,577,617
	Un-encumbered approved securities (other eligible)				4,834,300	2,428,000
					312,471,743,155	191,296,548,092
5	Balance with other Banks and Financial Institutions					
	Inside Bangladesh	5.1	50,908,334,177	29,709,255,296	2,322,808,158	3,438,563,039
	Outside Bangladesh	5.2	7,748,357,925	2,554,474,400	7,692,412,162	2,526,699,021
			58,656,692,102	32,263,729,696	10,015,220,320	5,965,262,060
5.1	Balance inside Bangladesh					
	In current deposit accounts with:					
	Banks		40,456,783,500	30,040,098,922	222,808,158	338,563,039
	Less: Inter unit/company elimination		9,190,659,572	4,559,204,443	-	-
		5.1.1	31,266,123,928	25,480,894,479	222,808,158	338,563,039
	In Term deposit accounts with:					
	Banks		19,871,231,948	4,288,977,309	2,000,000,000	3,000,000,000
	Non-banking financial institutions (NBFIs)	5.1.1	100,000,000	100,000,000	100,000,000	100,000,000
			19,971,231,948	4,388,977,309	2,100,000,000	3,100,000,000
	Less: Inter unit/company elimination		329,021,699	160,616,492	-	-
			19,642,210,249	4,228,360,817	2,100,000,000	3,100,000,000
	Total balance at the end of the year		50,908,334,177	29,709,255,296	2,322,808,158	3,438,563,039
5.1.1	Balance with other banks and financial institutions (Inside Bangladesh)					
	Current accounts					
	Standard Chartered Bank		255,842,594	545,761,590	17,142,746	283,387,278
	Prime Bank PLC		422,276,473	187,071,746	808,429	1,790,121
	Global Islami Bank PLC		778,775	1,200,000	778,775	1,200,000
	Midland Bank PLC		570,213	570,713	570,213	570,713
	Pubali Bank PLC		359,990,938	1,238,526,390	11,212,760	18,619,769
	Janata Bank PLC		266,016,120	193,567,574	10,435,170	313,549
	Bangladesh Krishi Bank		469,851	10,871,272	251,118	508,947
	City Bank PLC		3,984,906,979	1,544,739,023	430,889	433,117
	Agrani Bank PLC		138,562,157	[illegible]	22,454,047	1,519,788
	Islami Bank Bangladesh PLC		711,694,118	[illegible]	[illegible]	295,214
	United Commercial Bank PLC		2,827,639,293	3,634,597,980	54,885	54,968
	National Bank PLC		304,360	[illegible]	304,360	298,385

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A. QASEM & CO. CHARTERED ACCOUNTANTS

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M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
Sonali Bank PLC		211,010,930	111,282,313	76,803,941	1,184,303
Dutch-Bangla Bank PLC		46,729,699	20,005,824	46,729,699	20,005,825
Rupali Bank PLC		24,101,650	87,912,690	4,136,899	427,134
First Security Islami Bank PLC		3,264,563	3,759,226	1,045,745	1,512,841
Eastern Bank PLC		5,991,940,492	5,262,315,512	23,468,409	-
EXIM Bank PLC		2,054,477	2,023,572	2,054,477	2,023,572
BASIC Bank PLC		919,360	884,784	919,360	884,784
One Bank PLC		324,850,916	21,375,246	17,032	584,108
Mercantile Bank PLC		3,526,838,602	4,131,408,864	2,449,625	2,449,625
Union Bank PLC		498,500	499,000	498,500	499,000
Bank Asia PLC.		1,120,969,194	37,520,006	-	-
Social Islami Bank PLC		251,553	1,552,771	-	-
IFIC Bank PLC		60,112,811	40,989,301	-	-
Mutual Trust Bank PLC		1,474,634,187	1,010,676,566	-	-
Southeast Bank PLC		1,920,755,569	3,562,307,880	-	-
Jamuna Bank PLC		3,970,347,886	789,472,730	-	-
Trust Bank PLC		1,875,499,273	1,190,339,849	-	-
Dhaka Bank PLC		1,085,177,378	1,282,309,130	-	-
National Credit & Commerce Bank PLC		585,767,911	162,847,044	-	-
Habib Bank Ltd		-	1,257,667	-	-
Premier Bank PLC		16,959,596	11,720,746	-	-
AB Bank PLC		1,133,729	3,672,123	-	-
Uttara Bank PLC		11,451,724	2,167,601	-	-
Community Bank Bangladesh PLC.		1,504,118	3,131,698	-	-
Bengal Commercial Bank PLC		1,700,479	8,926,887	-	-
Al-Arafah Islami Bank PLC		38,797,460	9,618,394	-	-
		31,266,123,928	25,480,894,479	222,808,158	338,563,039
Fixed deposit with banks					
The Hong Kong and Shanghai Banking Corporation		2,000,000,000	-	2,000,000,000	-
Islami Bank Bangladesh PLC		-	2,000,000,000	-	2,000,000,000
Exim Bank PLC		-	1,000,000,000	-	1,000,000,000
National Credit & Commerce Bank PLC		5,000,000,000	10,000,000	-	-
Jamuna Bank PLC		100,000,000	145,467,333	-	-
Mercantile Bank PLC		379,049,826	330,554,500	-	-
Bank Asia PLC.		-	100,000,000	-	-
Eastern Bank PLC		2,000,000,000	500,000,000	-	-
Standard Chartered Bank		-	30,108,109	-	-
Padma Bank PLC		13,160,423	12,230,875	-	-
Rupali Bank PLC		5,000,000,000	-	-	-
City Bank PLC		2,050,000,000	-	-	-
Trust Bank PLC		3,000,000,000	-	-	-
		19,542,210,249	4,128,360,817	2,000,000,000	3,000,000,000

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M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

A. QASEM & CO. DHAKA

Amount in Taka

Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
Fixed deposit with financial institutions					
Industrial and Infrastructure Development Finance Co. Limited		100,000,000	100,000,000	100,000,000	100,000,000
		100,000,000	100,000,000	100,000,000	100,000,000
		19,642,210,249	4,228,360,817	2,100,000,000	3,100,000,000
		50,908,334,177	29,709,255,296	2,322,808,158	3,438,563,039

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

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

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Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
Add: On shore to off shore placement		23,633,742,963	14,019,925,680	23,633,742,963	14,019,925,680
Total on shore balance		26,820,641,544	15,969,228,689	26,764,695,781	15,941,453,310
Off shore balance					
JP Morgan Chase Bank, New York		569,140,651	339,355,512	569,140,651	339,355,512
JP Morgan AG, Frankfurt, Germany		84,319,935	52,207,562	84,319,935	52,207,562
JP Morgan Chase Bank, NA, London		125,407,692	213,608,317	125,407,692	213,608,317
Mutual Trust Bank PLC. OBU		428,033,900	-	428,033,900	-
Midland Bank PLC. OBU		489,181,600	-	489,181,600	-
Inter-Bank Accepted Bill Financing-OBU	5.2.1.1	2,865,375,566	-	2,865,375,566	-
Total off shore balance		4,561,459,344	605,171,391	4,561,459,344	605,171,391
		31,382,100,888	16,574,400,080	31,326,155,125	16,546,624,701
Less: On shore to BRAC Bank off-shore placement		23,633,742,963	14,019,925,680	23,633,742,963	14,019,925,680
		7,748,357,925	2,554,474,400	7,692,412,162	2,526,699,021
5.2.1.1 Inter-Bank Accepted Bill Financing-OBU					
Eastern Bank PLC.		870,982,183	-	870,982,183	-
Trust Bank PLC.		1,834,431,000	-	1,834,431,000	-
NCC Bank PLC.		159,962,383	-	159,962,383	-
		2,865,375,566	-	2,865,375,566	-

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

5.3 Maturity grouping of balance with other banks and financial institutions					
On Demand		7,915,220,320	4,865,262,060	7,915,220,320	4,865,262,060
Up to 1 month		10,199,767,440	12,029,371,016	-	-
More than 1 month but not more than 3 months		31,341,342,722	14,937,494,311	2,100,000,000	1,100,000,000
More than 3 months but not more than 1 year		9,200,361,620	431,602,309	-	-
More than 1 year but not more than 5 years		-	-	-	-
		58,656,692,102	32,263,729,696	10,015,220,320	5,965,262,060
Investments					
Government	6.1	406,471,261,977	286,713,242,602	313,828,787,504	194,166,365,832
Others	6.2	12,907,201,499	11,246,383,134	12,427,653,101	10,185,372,541
		419,378,463,476	297,959,625,736	326,256,440,605	204,351,738,373
6.1 Government (investment in Govt. securities)					
Treasury bills	6.1.1	23,985,577,951	26,452,043,460	16,014,456,703	8,671,589,814
Treasury bonds	6.1.2	382,480,849,726	260,258,771,142	297,809,496,501	185,492,348,018
Prize bonds		4,834,300	2,428,000	4,834,300	2,428,000
		406,471,261,977	286,713,242,602	313,828,787,504	194,166,365,832

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BRAC Bank PLC.

A. QASEM & CO. CHARTERED ACCOUNTANTS

M Masud Rana FCA
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Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

Amount in Taka

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
6.1.1	Treasury bills					
	Treasury bills (91 Days)		4,998,327,482	17,781,143,374	-	689,728
	Treasury bills (182 Days)		498,295	296,792	498,295	296,792
	Treasury bills (364 Days)		18,986,752,174	8,670,603,294	16,013,958,408	8,670,603,294
			23,985,577,951	26,452,043,460	16,014,456,703	8,671,589,814
6.1.2	Treasury Bonds					
	Treasury bonds (2 years BGTB)		68,556,486,000	45,085,691,493	57,049,739,411	32,053,343,687
	Treasury bonds (3 years FRTB)		6,012,858,000	2,996,553,000	6,012,858,000	2,996,553,000
	Treasury bonds (5 years BGTB)		86,911,969,618	69,532,274,604	54,527,978,425	48,541,871,566
	Treasury bonds (10 years BGTB)		88,860,686,621	50,354,949,144	80,901,366,674	42,393,349,006
	Treasury bonds (15 years BGTB)		42,409,090,287	26,838,539,636	34,881,615,010	19,350,884,613
	Treasury bonds (20 years BGTB)		70,975,651,200	46,696,655,265	45,681,830,981	21,402,238,146
	Encumbered Special T-Bond		18,754,108,000	18,754,108,000	18,754,108,000	18,754,108,000
			382,480,849,726	260,258,771,142	297,809,496,501	185,492,348,018
6.1.3	BB category wise investment					
	Held to maturity (HTM)		215,000,375,363	188,011,196,367	122,371,347,390	95,503,577,617
	Held for trading (HFT)		191,466,052,314	98,699,618,235	191,452,605,814	98,660,360,215
	Other securities		4,834,300	2,428,000	4,834,300	2,428,000
			406,471,261,977	286,713,242,602	313,828,787,504	194,166,365,832
6.2	Others (investment in other than Govt. securities)					
	Corporate bonds- unquoted and quoted	6.2.1	2,720,678,040	2,531,310,759	2,717,155,000	2,510,732,500
	Ordinary shares and mutual funds (MFs) - unquoted and quoted	6.2.2	9,186,523,459	8,715,072,375	8,710,498,101	7,674,640,041
	Preference Share	6.2.3	1,000,000,000	-	1,000,000,000	-
			12,907,201,499	11,246,383,134	12,427,653,101	10,185,372,541
6.2.1	Corporate bonds- unquoted and quoted					
	Unquoted					
	North West Power Generation Company Limited Coupon Bearing Bond		300,000,000	600,000,000	300,000,000	600,000,000
	DBBL 5th Sub Bond		750,000,000	-	750,000,000	-
	MTBL Floating Rate Subordinated Bond IV		160,000,000	240,000,000	160,000,000	240,000,000
	Meghna Bank 1st Subordinate Coupon Bearing Bond		110,000,000	150,000,000	110,000,000	150,000,000
	Pubali Bank 4th Subordinated Bond		1,150,000,000	1,150,000,000	1,150,000,000	1,150,000,000
			2,470,000,000	2,140,000,000	2,470,000,000	2,140,000,000
	Quoted					
	IBBL Mudaraba Perpetual Bond		2,273,040	2,888,424	-	-
	AB Bank Perpetual Bond		-	9,489,835	-	-
	APSCL Non-Convertible and Fully Redeemable Coupon Bearing Bond		248,405,000	378,932,500	247,155,000	370,732,500
			250,678,040	391,310,759	247,155,000	370,732,500
			2,720,678,040	2,531,310,759	2,717,155,000	2,510,732,500

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BRAC Bank PLC

Amount in Taka

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
6.2.2	Ordinary shares and mutual funds (MFs) - unquoted and quoted					
	Unquoted					
	Industrial and Infrastructure Development Finance Company Ltd (IIDFC)		29,683,820	29,683,820	29,683,820	29,683,820
	Bangladesh Rating Agency Limited (BDRAL)		11,971,700	10,671,700	11,971,700	10,671,700
	Central Depository Bangladesh Limited (CDBL)		6,277,770	6,277,770	6,277,770	6,277,770
	Investment in non-publicly traded mutual fund		532,386,331	552,338,331	532,386,331	552,338,331
	Investment in DSE & CSE		86,268,265	86,268,265	-	-
			666,587,886	685,239,886	580,319,621	598,971,621
	Quoted					
	Investment in secondary market		8,519,935,573	8,029,832,489	8,130,178,480	7,075,668,420
			8,519,935,573	8,029,832,489	8,130,178,480	7,075,668,420
			9,186,523,459	8,715,072,375	8,710,498,101	7,674,640,041
6.2.3	Preference Shares					
	Flamingo Fashions Ltd		350,000,000	-	350,000,000	-
	Jinnat Fashions Ltd		350,000,000	-	350,000,000	-
	Mawna Fashions Ltd		300,000,000	-	300,000,000	-
			1,000,000,000	-	1,000,000,000	-
	Investment in shares, mutual funds and preference shares are detailed in Annexure-D.					
6.3	Maturity wise grouping of investment					
	On demand		4,834,300	2,428,000	4,834,300	2,428,000
	Up to 1 month		2,897,209,290	24,066,780,332	2,503,929,152	11,260,000,000
	More than 1 month but not more than 3 months		8,019,091,845	12,748,920,082	47,970,598	960,000,000
	More than 3 months but not more than 1 year		46,600,941,840	20,932,904,146	39,099,165,063	20,926,400,920
	More than 1 year but not more than 5 years		145,077,575,849	100,018,897,982	108,688,614,849	71,752,642,772
	More than 5 years		216,778,810,352	140,189,695,194	175,911,926,643	99,450,266,681
			419,378,463,476	297,959,625,736	326,256,440,605	204,351,738,373
7	Loans and advances					
	Loans, cash credit, overdrafts etc.	7.1	421,396,217,114	361,269,154,142	420,646,723,319	360,790,260,778
	Small and medium enterprises	7.2	306,248,719,034	260,345,475,823	306,248,719,034	260,345,475,823
	Bills purchased and discounted*	7.3	3,763,396,460	2,236,151,929	3,763,396,460	2,236,151,929
			731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530

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

7.1	Loans, cash credit, overdrafts etc.					
	Overdrafts	24,405,695,943	32,039,210,105	24,405,695,943	32,039,210,105
	Demand loans	199,296,345,820	162,980,999,171	199,296,345,820	162,980,999,171
	Term loans	175,421,475,456	147,272,386,742	175,421,475,456	147,272,386,742
	Lease receivables	226,425,268	313,530,526	226,425,268	313,530,526
	Credit Cards	16,275,613,034	14,067,646,868	16,275,613,034	14,067,646,868
	Staff loans	5,029,347,615	4,129,999,828	5,021,167,798	4,116,487,366
	Margin loan	1,736,781,232	1,729,304,995	-	-
		422,391,684,368	362,533,078,235	420,646,723,319	360,790,260,778
	Less: Inter company elimination	995,467,254	1,263,924,093	-	-
		421,396,217,114	361,269,154,142	420,646,723,319	360,790,260,778

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Amount in Taka

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
7.2	**Small and medium enterprises**					
	Overdrafts		16,070,438,794	11,895,459,249	16,070,438,794	11,895,459,249
	Demand loans		16,813,730,815	19,249,140,494	16,813,730,815	19,249,140,494
	Term loans		273,263,563,338	229,085,555,190	273,263,563,338	229,085,555,190
	Bills purchased and discounted (SME)		100,986,087	115,320,890	100,986,087	115,320,890
			306,248,719,034	260,345,475,823	306,248,719,034	260,345,475,823
7.3	**Bills purchased and discounted**					
	Bills purchased and discounted (except SME)		3,763,396,460	2,236,151,929	3,763,396,460	2,236,151,929
	Bills purchased and discounted (SME)		100,986,087	115,320,890	100,986,087	115,320,890
			3,864,382,547	2,351,472,819	3,864,382,547	2,351,472,819
7.4	**Net loans and advances**					
	Gross loans and advances		731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
	Less: Interest suspense	17.6	1,649,030,342	1,796,186,975	1,649,030,342	1,796,186,975
	Less: Provision for loans and advances	17.1	19,976,725,648	19,701,567,950	18,749,743,704	18,489,732,179
			709,782,576,618	602,353,026,969	710,260,064,767	603,085,969,376
7.5	**Business segment wise concentration of loans and advances**					
	Corporate		296,912,706,696	265,249,446,992	296,912,706,696	265,249,446,992
	Retail		128,246,906,877	98,255,859,079	127,497,413,082	97,776,965,715
	Small and medium enterprises		306,248,719,035	260,345,475,823	306,248,719,035	260,345,475,823
			731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
7.6	**Loans and advances under the following broad categories**					
	Inside Bangladesh:					
	Loans		690,932,197,871	579,916,112,540	690,182,704,076	579,437,219,176
	Overdrafts		39,888,005,369	43,417,084,966	39,888,005,369	43,417,084,966
			730,820,203,240	623,333,197,506	730,070,709,445	622,854,304,142
	Outside Bangladesh:					
	Overdrafts		588,129,368	517,584,388	588,129,368	517,584,388
			588,129,368	517,584,388	588,129,368	517,584,388
			731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530

7.7 Loans & Advances under reschedule and Restructuring

Special Reschedule Loans & Advances:

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

Restructuring Loans:

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

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Managing Director & CEO
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Head Office, Dhaka

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Chief Operating Officer (COO)
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DR Tower (4th Floor)

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

A. QASEM & CO. DHAKA CHARTERED ACCOUNTANTS

Amount in Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
7.8	Geographical location wise portfolio grouping					
	Inside Bangladesh: Rural					
	Dhaka Division		41,272,807,014	33,231,143,148	41,272,807,014	33,231,143,148
	Chattogram Division		10,811,001,351	11,185,664,895	10,811,001,351	11,185,664,895
	Khulna Division		3,111,738,666	2,963,824,610	3,111,738,666	2,963,824,610
	Sylhet Division		1,071,872,583	918,121,637	1,071,872,583	918,121,637
	Barisal Division		908,353,939	-	908,353,939	-
	Rajshahi Division		2,135,159,455	837,953,123	2,135,159,455	837,953,123
			59,310,933,008	49,136,707,413	59,310,933,008	49,136,707,413
	Inside Bangladesh: Urban					
	Dhaka Division		497,130,820,718	425,796,716,878	496,381,326,923	425,317,823,514
	Chattogram Division		69,351,502,733	55,934,555,373	69,351,502,733	55,934,555,373
	Khulna Division		29,635,672,487	25,250,913,829	29,635,672,487	25,250,913,829
	Sylhet Division		11,925,023,168	9,438,970,130	11,925,023,168	9,438,970,130
	Barisal Division		8,449,067,775	8,722,169,307	8,449,067,775	8,722,169,307
	Rajshahi Division		27,799,682,277	25,115,072,486	27,799,682,277	25,115,072,486
	Rangpur Division		20,167,112,252	17,517,870,774	20,167,112,252	17,517,870,774
	Mymensingh Division		7,050,388,822	6,420,221,316	7,050,388,822	6,420,221,316
			671,509,270,232	574,196,490,093	670,759,776,437	573,717,596,729
	Outside Bangladesh		588,129,368	517,584,388	588,129,368	517,584,388
			731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
7.9	Loans and advances on the basis of significant concentration					
7.9.1	Loans and advances to directors, executives and others					
	Directors, subsidiaries and others		996,611,205	1,266,374,092	996,611,205	1,266,374,092
	Staffs:					
	Senior executives		394,222,973	326,125,948	386,043,156	312,613,486
	Other executives and staffs		4,635,124,642	3,803,873,879	4,635,124,642	3,803,873,879
		7.9.2	5,029,347,615	4,129,999,827	5,021,167,798	4,116,487,365
	Industries:					
	Agro-based		42,181,502,769	33,095,024,888	42,181,502,769	33,095,024,888
	Large and medium		176,102,081,595	165,656,005,993	176,102,081,595	165,656,005,993
	Small and cottage		14,148,083,859	87,244,012,255	14,148,083,859	87,244,012,255
	Service industry		59,596,262,721	41,003,256,407	59,596,262,721	41,003,256,407
	Agricultural		292,027,930,944	326,998,299,543	292,027,930,944	326,998,299,543
	Consumers		11,217,223,400	10,511,321,804	11,217,223,400	10,511,321,804
	Trade and commercial		122,483,741,336	93,641,572,296	122,483,741,336	93,641,572,296
	Others		242,469,481,173	164,244,039,167	241,728,167,195	163,778,658,265
			57,183,996,935	23,059,175,165	57,183,996,935	23,059,175,165
			731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
7.9.2	Staff loan					
	Personal loan		2,431,739,764	904,147,854	2,423,559,947	890,635,391
	Car and motorcycle loan		1,230,046,115	820,028,621	1,230,046,115	820,028,621
	House building loan		1,367,561,736	2,405,823,353	1,367,561,736	2,405,823,353
			5,029,347,615	4,129,999,828	5,021,167,798	4,116,487,365

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M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Amount in Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
7.10	Overall Sector wise concentration of loans and advance					
	Agriculture		11,217,223,400	10,511,321,804	11,217,223,400	10,511,321,804
	Communication		3,441,250,310	3,229,615,070	3,441,250,310	3,229,615,070
	Construction		6,825,971,814	7,002,444,835	6,825,971,814	7,002,444,835
	Consumer credit		127,504,909,133	97,771,197,001	127,504,909,133	97,771,197,001
	Other manufacturing industries		177,548,494,105	162,557,462,427	177,548,494,105	162,557,462,427
	Power, Gas		8,520,489,637	8,226,298,015	8,520,489,637	8,226,298,015
	Readymade garments		43,312,042,318	39,022,814,827	43,312,042,318	39,022,814,827
	Residential real estate financing		1,465,709,316	632,991,344	1,465,709,316	632,991,344
	Service Industries		47,919,137,399	39,563,448,100	47,919,137,399	39,563,448,100
	Textile		11,235,176,119	9,561,297,839	11,235,176,119	9,561,297,839
	Trade Service		241,739,758,298	206,932,204,604	241,739,758,298	206,932,204,604
	Ship Building		80,972,959	84,972,959	80,972,959	84,972,959
	Others		50,597,197,800	38,754,713,069	49,847,704,005	38,275,819,705
			731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
7.11	Securities wise loans and advances including bills purchased and discounted					
	Collateral of moveable/immoveable assets		90,064,119,966	83,234,945,065	90,064,119,966	83,234,945,065
	Fixed deposit receipts (FDR)/ Cash Collateral		266,352,174,275	225,223,985,165	266,352,174,275	225,223,985,165
	Personal guarantee and other securities		369,221,376,774	310,796,470,934	369,221,376,774	310,796,470,934
	Other securities		5,770,661,593	4,595,380,730	5,021,167,798	4,116,487,366
			731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
7.12	Classified and unclassified loans and advances					
	Unclassified					
	Standard (including staff loan)		707,588,109,203	604,692,515,361	708,051,990,240	605,425,457,767
	Special Mention Accounts (SMA)		6,037,916,296	1,543,126,844	6,037,916,296	1,543,126,844
			713,626,025,499	606,235,642,205	714,089,906,536	606,968,584,611
	Classified					
	Sub-standard		2,831,861,402	2,288,110,152	2,831,861,402	2,288,110,152
	Doubtful		2,609,351,882	737,431,676	2,609,351,882	737,431,676
	Bad/Loss		12,341,093,825	14,589,597,861	11,127,718,993	13,377,762,091
			17,782,307,109	17,615,139,689	16,568,932,277	16,403,303,919
			731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
7.12.1	Movements of classified loans and advances					
	Opening balance		17,615,139,689	18,745,777,234	16,403,303,919	17,533,941,464
	Additions during the year		9,381,935,340	4,048,846,926	9,380,396,278	4,048,846,926
	Released during the year		(9,214,767,920)	(5,179,484,471)	(9,214,767,920)	(5,179,484,471)
			17,782,307,109	17,615,139,689	16,568,932,277	16,403,303,919
7.12.2	Business segment wise concentration of classified loans and advances					
	Corporate		6,261,661,632	8,537,658,464	6,261,661,632	8,537,658,464
	Retail		4,792,186,818	3,754,553,299	3,578,811,986	2,542,717,529
	Small and medium enterprises		6,728,458,659	5,322,927,926	6,728,458,659	5,322,927,926
			17,782,307,109	17,615,139,689	16,568,932,277	16,403,303,919

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M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
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Amount in Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
7.12.3	**Sector wise concentration of classified loans and advances**					
	Agriculture		102,248,466	34,734,125	102,248,466	34,734,125
	Construction		81,718,093	81,718,093	81,718,093	81,718,093
	Consumer credit		3,579,564,493	2,543,107,945	3,579,564,493	2,543,107,945
	Other manufacturing industries		6,238,912,238	5,922,306,650	6,238,912,238	5,922,306,650
	Power, Gas		-	116,212,963	-	116,212,963
	Readymade garments		313,588,372	1,767,067,627	313,588,372	1,767,067,627
	Residential real estate financing		1,017,126	-	1,017,126	-
	Ship building		80,972,959	-	80,972,959	-
	Service industries		659,781,797	525,867,076	659,781,797	525,867,076
	Textile		134,206,055	602,576,987	134,206,055	602,576,987
	Trade service		6,377,506,289	5,626,215,487	5,164,131,457	4,414,379,717
	Others		212,791,221	309,342,651	212,791,221	309,342,651
			17,782,307,109	17,615,139,689	16,568,932,277	16,403,303,919
7.12.4	**Loan type wise classified loans and advances**					
	Overdraft		1,260,041,359	2,440,545,194	1,260,041,359	2,440,545,194
	Demand loan		1,851,522,083	2,901,827,804	1,851,522,083	2,901,827,804
	Term loan		12,575,559,289	10,205,580,539	12,575,559,289	10,205,580,539
	Lease finance		26,510,512	41,668,284	26,510,512	41,668,284
	Credit cards		855,299,034	813,682,098	855,299,034	813,682,098
	Margin loan		1,213,374,832	1,211,835,770	-	-
			17,782,307,109	17,615,139,689	16,568,932,277	16,403,303,919

7.13 **Details of large loan (Standalone basis)**

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

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

Client wise break-up is as follows:

SL	Name of clients	2025			2024
		Funded	Non-funded	Total Outstanding	Total Outstanding
1	ABUL KHAIR GROUP	8,376,646,851	974,361,632	9,351,008,483	9,257,385,510
2	AKIJ GROUP	-	-	-	5,058,676,515
3	AXIATA GROUP BERHAD, MALAYSIA GROUP	-	614,776,521	614,776,521	1,030,229,379
4	BADC GROUP	11,192,874,195	1,285,258,370	12,478,132,565	-
5	BADSHA GROUP	5,966,214,471	684,251,044	6,650,465,515	9,469,481,864
6	BCIC GROUP	3,410,312,741	580,335,731	3,990,648,473	-
7	BITOPI GROUP	5,997,202,715	915,380,630	6,912,583,345	5,795,996,412
8	BRAC GROUP	-	-	-	7,282,786,949
9	BSRM	10,752,951,500	1,163,398,717	11,916,350,217	7,261,313,471
10	CITY GROUP	7,556,345,083	1,509,353,072	9,065,698,154	9,247,170,955
11	CONFIDENCE GROUP OF INDUSTRIES	6,006,352,241	533,609,821	6,539,962,063	5,607,818,484

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Omar T.
Director
Investment
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Amount in Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
12	EAST COAST GROUP		4,048,708,173	69,519,097	4,118,227,270	1,529,587,796
13	HA-MEEM GROUP		1,272,912,288	629,946,022	1,902,758,308	-
14	MAX GROUP		-	-	-	4,944,939,364
15	Meghna GROUP		8,052,509,041	2,233,988,686	10,286,497,726	10,555,023,212
16	MEGHNA (CYCLE) GROUP		5,624,892,763	1,348,446,423	6,973,339,186	5,586,335,931
17	MIR GROUP OF INDUSTRIES		3,227,541,188	1,850,141,751	5,077,682,939	5,355,534,963
18	MONDOL GROUP		-	-	-	2,867,481,914
19	PETROBANGLA		-	9,439,704,723	9,439,704,723	5,316,326,400
20	PRAN-RFL GROUP		5,390,920,244	1,291,450,457	6,682,370,701	5,920,034,512
21	RENATA GROUP		4,144,195,045	469,727,252	4,613,922,298	6,612,313,484
22	RISING GROUP		2,554,653,091	849,776,143	3,404,429,234	3,184,178,201
23	SAAD GROUP		3,958,475,368	1,312,654,369	5,271,129,738	5,206,666,128
24	SAMUDA GROUP		9,206,962,304	503,360,042	9,710,322,346	6,139,573,474
25	SQUARE GROUP		300,656,450	3,953,030,177	4,253,686,627	6,982,152,709
26	STANDARD GROUP		4,063,726,758	691,267,428	4,754,994,186	3,128,932,107
27	SUMMIT GROUP		5,139,175,714	365,120,996	5,504,296,711	5,469,688,180
28	T.K GROUP		7,809,411,628	530,166,104	8,339,577,732	5,588,297,509
29	TELENOR GROUP AND GRAMEEN TELECOM GROUP		52,400,806	14,037,551	66,438,358	522,577,276
30	TRANSCOM GROUP		-	-	-	5,180,393,997
31	URMI GROUP		1,250,968,981	1,403,299,278	2,654,268,259	3,173,389,919
32	VEON GROUP					2,726,299,691
33	WALTON GROUP		4,340,534,808	1,155,500,737	5,496,335,545	5,430,484,365
	Grand Total		129,697,744,447	36,371,862,774	166,069,607,221	161,430,068,520

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

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A. QASEM & CO. DHAKA CHARTERED ACCOUNTANTS

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

Amount in Taka

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

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

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

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

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

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Managing Director & CEO
BRAC Bank PLC.

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

Amount in Taka

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

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

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

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

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

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Syed M Omar Tayub
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Head Office, Dhaka

A. QASEM & CO. DHAKA CHARTERED ACCOUNTANTS

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

Amount in Taka

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

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	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
7.16	Write off of loans and advances (net basis)					
	Balance at the beginning of the year		16,271,230,675	14,017,756,550	16,271,230,675	14,017,756,550
	Add: Write off during the year		7,692,386,596	3,636,369,916	7,692,385,596	3,636,369,916
	Less: written-off recovery and interest waiver		1,252,078,258	1,382,895,791	1,252,078,258	1,382,895,791
	Balance at the end of the year		22,711,538,013	16,271,230,675	22,711,538,013	16,271,230,675
7.17	Bill Purchased and Discounted under the following broad categories					
	Inside Bangladesh		3,864,382,547	2,351,472,819	3,864,382,547	2,351,472,819
	Outside Bangladesh		-	-	-	-
			3,864,382,547	2,351,472,819	3,864,382,547	2,351,472,819
7.18	Maturity wise grouping of loans and advances					
	On demand		74,856,841,476	57,534,931,640	1,389,617,840	8,036,295,621
	Up to 1 month		-	-	74,462,690,891	50,762,560,111
	Not more than 3 months		127,032,391,311	114,818,883,532	127,032,391,309	114,818,883,532
	More than 3 months but not more than 1 year		298,855,106,058	260,382,291,387	297,118,324,827	258,652,986,392
	More than 1 year but not more than 5 years		214,231,366,729	165,582,113,332	214,223,186,912	165,568,600,869
	More than 5 years		16,432,627,034	25,532,562,003	16,432,627,034	25,532,562,005
			731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
7.19	Maturity wise grouping of lease receivables including SME					
	On demand		-	-	-	-
	Up to 1 month		26,510,512	26,530,912	26,510,512	26,530,912
	Not more than 3 months		-	589,563	-	589,563
	More than 3 months but not more than 1 Year		176,914,756	7,463,758	176,914,756	7,463,758
	More than 1 year but not more than 5 years		23,000,000	278,946,293	23,000,000	278,946,293
	More than 5 years		-	-	-	-
			226,425,268	313,530,526	226,425,268	313,530,526
7.20	Maturity wise grouping of bill purchased and discounted					
	On Demand		301,402,217	26,918,791	301,402,217	26,918,791
	Payable within 1 month		1,343,263,867	828,960,018	1,343,263,867	828,960,018
	Over 1 month but less than 3 months		1,730,629,169	1,244,424,022	1,730,629,169	1,244,424,022
	Over 3 months but less than 6 months		378,101,085	132,605,396	378,101,085	132,605,396
	6 months or more		10,000,122	3,243,702	10,000,122	3,243,702
			3,763,396,460	2,236,151,929	3,763,396,460	2,236,151,929

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

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

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	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
7.22	**Disclosure of willful defaulters**					
	In accordance with BRPD circular no. 06; dated 12 March 2024, & BRPD Circular letter no. 09; dated 16 April 2025, BBPLC reported 7 borrowers, amount of BDT 2,579,909,376 as willful defaulter to the Bangladesh Bank for the period ended on 31 December 2025.					
8	**Fixed assets including premises, furniture and fixtures**					
	Land		527,275,400	527,275,400	527,275,400	527,275,400
	Office floor space		20,855,926	20,855,926	4,034,334	4,034,334
	Furniture and fixture		3,203,188,429	2,826,489,013	2,887,497,667	2,536,067,740
	Office equipment		2,098,598,038	1,807,462,053	1,954,903,303	1,652,505,716
	IT hardware		10,298,107,815	9,068,996,625	4,868,670,712	4,331,020,016
	Motor vehicles		847,560,670	711,925,392	558,502,933	442,202,195
	Leasehold improvements		222,601,161	204,383,908	-	-
	Right of use assets (ROU) as per IFRS 16		10,826,932,200	8,834,516,227	9,071,943,142	7,540,539,044
	Capital expenditure work in progress		957,173,041	789,800,949	692,262,164	415,419,541
	IT software (finite useful lives)		11,901,152,878	10,589,750,327	3,822,630,322	3,260,405,920
	Total cost		40,903,445,558	35,381,455,820	24,387,719,977	20,709,469,906
	Accumulated depreciation and amortization		23,347,051,424	20,980,308,628	13,386,982,290	12,191,024,028
	Written down value at 31 December		17,556,394,134	14,401,147,192	11,000,737,687	8,518,445,878
	* Fixed assets schedules on standalone basis are shown in Annexure-E.					
9	**Other assets**					
	Income generating					
	Investment in subsidiary	9.1	-	-	17,012,495,359	14,471,693,991
	Investment/carrying value in associates	9.2	54,016,493	46,735,064	54,016,493	46,735,064
	Investment in swift share		18,960,837	18,960,837	18,960,837	18,960,837
	Non- Income generating					
	Stock of stamps		80,615,544	71,040,416	80,615,544	71,040,416
	Stock of security stationery		31,465,900	14,617,876	31,465,900	14,617,876
	Stock of printing stationery		11,751,721	9,514,351	11,751,721	9,514,351
	Prepaid interest expenses on FTD		7,654,934	998,002	7,654,934	998,002
	Interest receivables	9.3	12,740,980,993	9,998,211,787	12,740,980,993	9,998,211,787
	Receivables against Sanchay Patra		49,475,796	27,495,327	49,475,796	27,495,327
	Dividend receivables		109,948,480	95,909,440	109,948,480	95,909,440
	Balance with BRAC EPL Stock Brokerage Limited		1,067,095	168,351	1,067,095	168,351
	Advance to staff		19,226,181	18,333,257	19,226,181	18,333,257
	Advance to supplier		18,337,750	75,332,785	16,714,126	15,967,111
	Advance value added tax		6,602,947	6,602,947	6,602,947	6,602,947
	Advance to SME unit offices		1,308,690	1,308,690	1,308,690	1,308,690
	Advance against office rent		118,876,576	99,947,226	118,876,576	99,947,226
	Advance security deposit		26,429,033	21,700,163	20,495,626	15,716,756
	Receivables from bITS		63,466,065	93,929,793	63,466,065	93,929,793
	Deferred revenue expenditure		784,877,409	751,886,783	784,877,409	751,886,783

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Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
Deferred tax asset	9.4	7,768,837,162	8,152,329,178	5,982,225,634	6,193,267,865
Net plan assets - employees' gratuity fund	9.5	317,752,338	-	317,752,338	-
Receivable in proxy account		4,397,139		4,397,139	
Other receivables	9.6	13,184,914,714	9,660,795,328	13,184,914,714	9,660,795,328
Other assets of subsidiaries	9.7	13,460,882,832	11,341,716,116	-	-
		48,881,846,629	40,507,533,717	50,639,290,597	41,613,101,198
9.1 Investment in subsidiaries					
BRAC EPL Investments Limited				733,193,238	715,696,869
BRAC EPL Stock Brokerage Limited				1,365,003,038	1,304,507,060
bKash Limited				14,764,997,232	12,402,025,595
BRAC Sanjan Exchange Limited				149,301,851	49,464,467
				17,012,495,359	14,471,693,991
9.2 Investment/carrying value in associates (BRAC IT Services Limited)					
Opening balance/fair value of residual interest retained		46,735,064	39,837,592	46,735,064	39,837,592
Share of profit/(loss) of equity in associate company		7,281,429	6,897,472	7,281,429	6,897,472
		54,016,493	46,735,064	54,016,493	46,735,064
9.3 Interest receivables					
Receivable against loans and advances		5,120,380,860	4,874,453,611	5,120,380,860	4,874,453,611
Receivable against Govt. securities		7,382,207,148	5,002,289,227	7,382,207,148	5,002,289,227
Receivable against other securities		139,104,404	35,102,289	139,104,404	35,102,289
Receivable against balance with other bank		99,288,581	86,366,660	99,288,581	86,366,660
		12,740,980,993	9,998,211,787	12,740,980,993	9,998,211,787

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

Particulars	Accounting base	Tax base	Deductible/(Taxable) temporary difference	Applicable tax rate	Deferred Tax Asset/ (Liability)
Balance as at 31 December 2025					
Loan loss provision including QJ provision	12,782,116,886	-	12,782,116,886	37.5%	4,793,293,832
Actuarial valuation measurement loss	217,019,667	-	217,019,667	37.5%	81,382,375
Provision against capital market (Note -17.4)	493,181,807	-	493,181,807	37.5%	184,943,178
Fixed assets except RoU (Annexure - E)	4,035,812,171	5,868,693,289	1,832,881,117	37.5%	687,330,419
Provision against Other assets		-	-	37.5%	-
Right of use assets (RoU) as per IFRS 16 (Annexure - E)	5,745,387,953	962,698,919	(4,782,689,034)	37.5%	(1,793,508,388)
Leased Liability as per IFRS 16 (Note - 17)	5,410,091,248		5,410,091,248	37.5%	2,028,784,218
Deferred tax asset (a)					5,982,225,634
Deferred tax liability arises from fair value gain as per IFRS 9	11,985,158,007	-	(11,985,158,007)	15.00%	(1,797,773,701)
Interest receivable from treasury bills and bonds (Note -9.3)	6,770,249,793	-	(6,770,249,793)	37.50%	(2,538,843,673)
Deferred tax liability (b)					(4,336,617,374)
Net deferred tax asset at 31 December 2025 (a+b)					1,645,608,260

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Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
Increase of deferred tax asset recognized in profit and loss account as income					240,776,217
Decrease of deferred tax liability recognized in profit and loss account as income					(1,068,534,782)
Net Deferred tax expense recognized in profit and loss account during the year ended 31 December 2025					(827,758,565)
Net Deferred tax liability recognized in equity during the year ended 31 December 2025					(391,102,049)
Balance as at 31 December 2024					
Loan loss provision including QJ provision	13,551,275,792	-	13,551,275,792	37.50%	5,081,728,422
Actuarial valuation measurement loss	340,403,344	-	340,403,344	37.50%	127,651,254
Provision against capital market (Note -17.4)	48,732,876	-	48,732,876	37.50%	18,274,829
Fixed assets except RoU (Annexure - E)	3,180,736,060	4,920,115,698	1,739,379,638	37.50%	652,267,364
Provision against Other assets	247,522,182	-	247,522,182	37.50%	92,820,818
Right of use assets (RoU) as per IFRS 16 (Annexure - E)	4,395,014,878	693,791,360	(3,701,223,518)	37.50%	(1,387,958,819)
Leased Liability as per IFRS 16 (Note - 17)	4,289,290,659	-	4,289,290,659	37.50%	1,608,483,997
Deferred tax asset (a)			-		6,193,267,865
Deferred tax liability arises from fair value gain as per IFRS 9	9,686,270,209	-	(9,686,270,209)	15.00%	(1,452,940,531)
Interest receivable from treasury bills and bonds (Note -9.3)	5,002,289,227	-	(5,002,289,227)	37.50%	(1,875,858,460)
Deferred tax liability (b)					(3,328,798,991)
Net deferred tax asset at 31 December 2024 (a+b)					2,864,468,874
Increase of deferred tax asset recognized in profit and loss account as income					574,910,566
Decrease of deferred tax liability recognized in profit and loss account as income					(1,680,499,612)
Net Deferred tax income recognized in profit and loss account during the year ended 31 December 2024					(1,105,589,048)
Net Deferred tax liability recognized in equity during the year ended 31 December 2024					17,227,756

9.4.1 Recoverability/adjustment/reversal of deferred tax

Deferred tax on Specific provision on loans and advances
Specific provisions for loans are not tax-deductible under local tax regulations. So, when calculating taxable income, the loan loss provision charged to the profit and loss account is added back to income. However, the tax office will accept the loan recovery or write-off as a legitimate tax expense. The Bank will either make a recovery or write off the loans at some point in the future; thus, this item only has a transitory effect. According to IAS 12, the Bank recognizes the deferred tax on this particular provision, creating a deductible temporary difference to the degree that it can be applied as a credit. The deferred tax will be reversed once the underlying bad debt is either repaid or cancelled.
Deferred tax on Fixed assets including intangible assets
Accounting depreciation is not taken into consideration when determining the tax obligation according to local tax regulations. The tax authorities permit tax depreciation at various rates as per the third schedule of ITA 2023, which is different from the accounting depreciation rate in many cases. Hence, transitory differences are created due to the varying depreciation rates and methodology against which the Bank recognizes deferred tax. This is a common occurrence since the accounting depreciation rate and the tax depreciation rate differ from one another. The remaining amount of deferred tax will be released when the assets' useful economic life has passed, though.
Deferred tax on Provision against capital market investment
Capital market-related provisions are not deductible for tax purposes under local tax regulations. As a result, when calculating taxable income, such provision charged to the profit and loss account is added back to income. The tax office will, however, permit the release or reversal of the provision as an allowable expense through realized gains or losses as a result of the temporary difference that this item causes. According to IAS 12, the Bank recognizes the deferred tax on such a provision, creating a deductible temporary difference to the extent that it can be applied as a credit against other liabilities. The deferred tax will also be released as soon as the related provision is released or reversed.

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Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
Deferred tax on Interest receivables on government securities					
As per Tax Law, Tax is paid on BGTB income on a cash basis, whereas the same income is accounted for on an accrual basis in the financial statement. This difference in interest income recognition has created a temporary difference in the way the bank recognized the DT liability on the interest receivable on BGTB in the respective year, which will be reversed upon payment of tax on cash interest received in the subsequent years.					
Deferred tax on Right of use assets (RoU) and lease liabilities as per IFRS 16					
According to local tax regulations, lease payments are treated as an allowable expense, while accounting for depreciation and interest on RoU assets under IFRS 16 is not. As a result, when calculating taxable profit, depreciation and interest expense were added back, and the amount of the actual lease payment was subtracted. Due to the temporary differences caused by this, deferred tax is recognized. However, when the assets' economic useful lives are up, the remaining amount of deferred tax will be automatically released. Deferred tax assets arising from the provision for loan loss will be recovered at the time of the write-off of classified loans. Deferred tax on provision for investment in the capital market will be recovered when the loss is realized, and deferred tax on right-of-use assets under IFRS 16 will be adjusted on the termination of lease contracts.					
9.5 Net plan assets - employees' gratuity fund					
Fair value of plan assets	9.5.1	5,095,953,244	3,948,768,130	4,373,435,002	3,226,249,888
Less: Defined benefit obligation	9.5.2	4,778,200,906	3,948,768,130	4,055,682,664	3,226,249,888
		317,752,338	-	317,752,338	-
9.5.1 Fair value of plan assets - gratuity fund					
Fair value of plan assets as on 1 January		3,948,768,130	3,397,954,370	3,226,249,888	2,675,436,128
Interest income on plan assets		290,362,490	266,862,963	290,362,490	266,862,963
Actual employer contributions		997,066,117	531,987,632	997,066,117	531,987,632
Actual net benefits payments		(166,304,071)	(140,041,750)	(166,304,071)	(140,041,750)
Remeasurement gain/(losses) on plan assets		26,060,578	(107,995,085)	26,060,578	(107,995,085)
Fair value of plan assets as on 31 December		5,095,953,244	3,948,768,130	4,373,435,002	3,226,249,888
9.5.2 Defined benefit obligation - gratuity fund					
Defined benefit obligation as on 1 January		3,948,768,130	3,215,859,111	3,226,249,888	2,493,340,869
Current service cost		741,824,348	550,502,975	741,824,348	550,502,975
Interest cost		351,235,598	248,347,620	351,235,598	248,347,620
Actual net benefits payments		(166,304,071)	(140,041,750)	(166,304,071)	(140,041,750)
Remeasurement (gain)/loss		(97,323,099)	74,100,174	(97,323,099)	74,100,174
Defined benefit obligation as on 31 December		4,778,200,906	3,948,768,130	4,055,682,664	3,226,249,888
9.5.3 Remeasurements gain/(loss) of defined benefits liabilities/assets					
Opening balance		(284,019,464)	(170,325,167)	(212,752,090)	(98,842,553)
Remeasurement gain/(losses) on plan assets		71,581,499	(127,655,308)	26,060,578	(107,995,085)
Remeasurement gain/(losses) on defined benefit obligation		(22,991,222)	(54,286,297)	97,323,099	(74,100,174)
		(235,429,187)	(352,266,772)	(89,368,413)	(281,037,812)
Less: Deferred tax (expense)/income		(26,700,694)	68,247,308	(46,268,879)	68,285,722
		(261,129,881)	(284,019,464)	(135,637,292)	(212,752,090)

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A. QASEM & CO. CHARTERED ACCOUNTANTS DHAKA

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

Amount in Taka

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
9.6	Other Receivables					
	Receivable against remittance		36,519,911	24,604,131	36,519,911	24,604,131
	Receivable against DD		110,000,000	66,000,000	110,000,000	66,000,000
	Receivable against cards		322,907,420	463,888,532	322,907,420	463,888,532
	Receivable from merchant		766,322,519	573,573,686	766,322,519	573,573,686
	Receivable from partners		758,349	7,590,614	758,349	7,590,614
	Receivable from co-brand ATM		27,020,242	27,020,242	27,020,242	27,020,242
	Receivable against fraud and forgery/protested bill		133,083,256	130,961,016	133,083,256	130,961,016
	Receivable from NPS		144,725,300	201,792,400	144,725,300	201,792,400
	Sundry debtors*		11,758,012,055	8,279,045,704	11,758,012,055	8,279,045,704
	Receivable from BACH		5,000,000	5,092,000	5,000,000	5,092,000
	REPO interest expenditure		(127,717,621)	(130,704,507)	(127,717,621)	(130,704,507)
	Interest rate swap		8,283,283	11,931,510	8,283,283	11,931,510
			13,184,914,714	9,660,795,328	13,184,914,714	9,660,795,328

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

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

10 Non-banking assets

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

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Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024

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

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

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

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Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
11.3 Security against borrowings from other banks, financial institutions and agents:					
Secured (Treasury bills)		-	-	-	-
Unsecured		69,098,043,420	50,347,610,405	68,944,031,752	50,331,428,570
		69,098,043,420	50,347,610,405	68,944,031,752	50,331,428,570

11.4 Disclosure regarding REPO

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

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

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

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

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

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

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

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	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
11.5	Maturity wise grouping of borrowing from other bank and financial institutions					
	Repayable on demand		3,683,210,964	3,706,957,171	4,669,360,668	4,971,428,570
	Not more than 3 months		18,018,483,702	8,991,707,146	17,427,094,502	8,460,000,000
	More than 3 months but not more than 1 year		26,149,166,837	10,048,948,088	25,600,394,667	9,300,000,000
	More than 1 year but not more than 5 years		20,245,582,589	24,653,760,000	20,245,582,589	24,653,760,000
	More than 5 years		1,001,599,328	2,946,240,000	1,001,599,326	2,946,240,000
			69,098,043,420	50,347,610,405	68,944,031,752	50,331,428,570
12	Borrowings from central bank & government agencies					
	BB - Export development fund (EDF)		10,311,817,004	8,415,427,277	10,311,817,004	8,415,427,277
	Bangladesh Bank Assured REPO		18,754,108,000	18,754,108,000	18,754,108,000	18,754,108,000
	SME Foundation pre finance		326,676,541	423,319,340	326,676,541	423,319,340
	BB - Long term financing facility (LTFF)		451,193,897	626,626,921	451,193,897	626,626,921
	BB - Green transformation fund (GTF)		5,018,059	81,618,958	5,018,059	81,618,958
	BB - PSC stimulus package		-	1,722,940,000	-	1,722,940,000
	BB - Refinancing for green initiatives		-	10,010,000	-	10,010,000
	BB - SME re-finance		20,287,136,277	26,257,376,286	20,287,136,277	26,257,376,286
	Joyeeta foundation pre or re-finance		-	-	-	-
	BB - Technology Development Fund (TDF)		978,603,601	780,963,036	978,603,601	780,963,036
	BB - Green Transformation Fund (GTF)		60,997,019	77,262,890	60,997,019	77,262,890
	Borrowing from BB-IPFF-II		691,212,818	651,373,556	691,212,818	651,373,556
	BB Ref for Green Initiatives-Corp		81,837,469	102,296,837	81,837,469	102,296,837
	BB- Ref for 1000cr agro (Maize and Wheat)		10,818,154	-	10,818,154	-
			51,959,418,839	57,903,323,101	51,959,418,839	57,903,323,101
12.1	Maturity wise grouping of Borrowings from central bank & government agencies					
	Call		258,071,760	-	258,071,760	-
	Repayable on demand		5,640,418,479	4,548,238,497	5,640,418,479	4,548,238,497
	Not more than 3 months		7,052,471,579	6,052,605,026	7,052,471,579	6,052,605,026
	More than 3 months but not more than 1 year		9,448,304,141	6,728,162,687	9,448,304,141	6,728,162,687
	More than 1 year but not more than 5 years		9,568,555,067	14,135,184,318	9,568,555,067	14,135,184,318
	More than 5 years		19,991,597,813	26,439,132,573	19,991,597,813	26,439,132,573
			51,959,418,839	57,903,323,101	51,959,418,839	57,903,323,101

13 Affordable housing bond

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

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Chief Operating Officer (COO)
IDLC Investments Limited
8th Tower (4th Floor)

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Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Tareq Refat Nah Khan
Managing Director & CEO
BRAC Bank PLC.

A. QASEM & CO. DHAKA CHARTERED ACCOUNTANTS

Syed M Omar Tayub
Managing Director & CEO
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Head Office, Dhaka

Amount In Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024

14 BRAC Bank 2nd subordinated bond

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

15 BRAC Bank Social sub bond

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

16	Deposits and other accounts					
	Current accounts and other accounts	16.1	337,364,452,181	277,875,898,241	236,193,511,602	189,281,704,728
	Bills payable	16.2	3,018,597,221	3,770,838,887	3,018,597,221	3,770,838,887
	Savings deposits	16.3	129,789,428,478	99,483,397,129	129,789,428,478	99,483,397,129
	Term deposits*	16.4	510,455,502,899	386,748,713,246	510,784,524,598	386,909,329,738
	Other deposits	16.5	9,731,345,315	9,987,659,097	9,731,345,315	9,987,659,097
			990,359,326,094	777,866,506,600	889,517,407,214	689,432,929,579

* Term deposits include the deposit pension scheme (DPS).

16.1	Current accounts and other accounts				
	Local currency	325,204,701,372	263,631,999,072	214,843,101,221	170,388,846,164
	Foreign currencies	21,350,410,381	18,892,858,564	21,350,410,381	18,892,858,564
		346,555,111,753	282,524,857,636	236,193,511,602	189,281,704,728
	Less: Inter unit/company elimination	9,190,659,572	4,648,959,395	-	-
		337,364,452,181	277,875,898,241	236,193,511,602	189,281,704,728
16.1.1	Current accounts and other accounts				
	Current deposits	323,228,871,093	264,915,918,650	212,867,270,941	171,672,763,742
	Special notice deposit	23,326,240,660	17,608,940,986	23,326,240,660	17,608,940,986
		346,555,111,753	282,524,857,636	236,193,511,601	189,281,704,728
	Less: Inter unit/company elimination	9,190,659,572	4,648,959,395	-	-
		337,364,452,181	277,875,898,241	236,193,511,601	189,281,704,728
16.2	Bills payable				
	Local currency	3,008,700,045	3,761,048,108	3,008,700,045	3,761,048,108
	Foreign currencies	9,897,176	9,790,779	9,897,176	9,790,779
		3,018,597,221	3,770,838,887	3,018,597,221	3,770,838,887
16.3	Savings deposits				
	Local currency	129,789,428,478	99,483,397,129	129,789,428,478	99,483,397,129
	Foreign currencies	-	-	-	-
		129,789,428,478	99,483,397,129	129,789,428,478	99,483,397,129

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	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
16.4	Term deposits					
	Local currency		498,255,540,813	375,526,854,896	498,255,540,813	375,526,854,896
	Foreign currencies		12,528,983,785	11,382,474,842	12,528,983,785	11,382,474,842
			510,784,524,598	386,909,329,738	510,784,524,598	386,909,329,738
	Less: Inter unit/company elimination		329,021,699	160,616,492	-	-
			510,455,502,899	386,748,713,246	510,784,524,598	386,909,329,738
16.5	Other deposits					
	Local currency	16.5.1	9,731,345,315	9,986,724,789	9,731,345,315	9,986,724,789
	Foreign currencies		-	934,308	-	934,308
			9,731,345,315	9,987,659,097	9,731,345,315	9,987,659,097
	Less: Inter unit/company elimination		-	-	-	-
			9,731,345,315	9,987,659,097	9,731,345,315	9,987,659,097
16.5.1	Other local currency deposits					
	Security deposits		792,000	792,000	792,000	792,000
	Sundry deposit	16.5.1.1	9,730,553,315	9,985,932,789	9,730,553,315	9,985,932,789
			9,731,345,315	9,986,724,789	9,731,345,315	9,986,724,789
16.5.1.1	Sundry deposit					
	Payable to NPS		8,615,238,990	8,769,267,770	8,615,238,990	8,769,267,770
	EFTN and BACH adjustments account		939,349,956	1,071,287,605	939,349,956	1,071,287,605
	Payable against customers, loan account and others		175,964,369	145,377,414	175,964,369	145,377,414
			9,730,553,315	9,985,932,789	9,730,553,315	9,985,932,789
16.6	Deposits concentration					
	Deposits from banks-inside Bangladesh	16.6.1	102,196,570	812,493,389	102,196,570	812,493,389
	Other than banks		990,257,129,524	777,054,013,211	889,415,210,644	688,620,436,190
			990,359,326,094	777,866,506,600	889,517,407,214	689,432,929,579
16.6.1	Deposits from banks inside Bangladesh					
	Current deposits:					
	NRB Bank PLC		1,304,966	1,313,966	1,304,966	1,313,966
	Islami Bank Bangladesh PLC		439,748	439,898	439,748	439,898
	One Bank PLC		172,906	369,378	172,906	369,378
	Meghna Bank PLC		468,430	469,680	468,430	469,680
	EXIM Bank PLC		11,646,018	-	11,646,018	-
	Bangladesh Krishi Bank, Dohar Branch		5,099,587	-	5,099,587	-
	National Credit & Commerce Bank PLC		-	14,727	-	14,727
			19,131,655	2,607,649	19,131,655	2,607,649

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	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
	Special notice deposit:					
	Dutch-Bangla Bank Mobile Banking-Rocket		83,064,915	9,885,740	83,064,915	9,885,740
	Term deposits from Banks:					
	Rajshahi Krishi Unnayan Bank		-	800,000,000		800,000,000
			-	800,000,000	-	800,000,000
	Total deposits from banks		102,196,570	812,493,389	102,196,570	812,493,389
16.7	Payable on demand and time deposit					
	i) Demand deposit					
	Current deposits		292,687,801,140	241,374,098,691	191,516,860,561	152,779,905,178
	Saving deposits (9% of total saving deposits)		11,681,048,563	8,953,505,742	11,681,048,563	8,953,505,742
	Foreign currency deposits		21,350,410,381	18,893,792,872	21,350,410,381	18,893,792,872
	Sundry deposits		9,730,553,315	9,985,932,789	9,730,553,315	9,985,932,789
	Bills payable		3,018,597,221	3,770,838,887	3,018,597,221	3,770,838,887
			338,468,410,620	282,978,168,981	237,297,470,041	194,383,975,468
	ii) Time deposit					
	Saving deposits (91% of total saving deposits)		118,108,379,915	90,529,891,387	118,108,379,915	90,529,891,387
	Foreign currency deposits		12,528,983,785	11,382,474,842	12,528,983,785	11,382,474,842
	Term deposits		465,041,372,002	349,047,297,071	465,370,393,701	349,207,913,564
	Deposit pension schemes (DPS)		32,885,147,112	26,318,941,332	32,885,147,112	26,318,941,332
	Special notice deposit		23,326,240,660	17,608,940,986	23,326,240,660	17,608,940,986
	Security deposits		792,000	792,000	792,000	792,000
			651,890,915,474	494,888,337,618	652,219,937,173	495,048,954,111
			990,359,326,094	777,866,506,599	889,517,407,214	689,432,929,579
16.8	Maturity wise grouping of deposits and other accounts					
	Repayable on demand		10,631,745,831	13,609,570,623	10,631,745,831	13,609,570,623
	Repayable within 1 month		101,865,489,402	86,653,140,450	97,068,531,437	74,975,757,370
	Over 1 months but within 6 months		192,893,998,731	158,627,009,204	303,414,605,959	257,004,274,166
	Over 6 months but within 1 year		299,863,234,858	247,895,204,216	163,668,898,172	133,875,314,322
	Over 1 year but within 5 years		351,790,537,419	244,260,334,908	308,948,566,311	209,963,318,022
	Over 5 years but within 10 years		33,314,319,853	26,821,247,198	5,785,059,513	4,695,076
	Total balance		990,359,326,094	777,866,506,599	889,517,407,214	689,432,929,579
	Unclaimed deposits for 10 years or more		107,061,637	53,384,534	107,061,637	53,384,534

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

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BRAC Bank PLC

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BRAC Bank PLC.

A. QASEM & CO. DHAKA CHARTERED ACCOUNTANTS

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

Amount In Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
17	Other liabilities					
	Provision for loans and advances	17.1	19,976,725,648	19,701,567,950	18,749,743,704	18,469,732,179
	Provision for interest receivable from loan	17.2	45,681,064	40,869,040	45,681,064	40,869,040
	Provisions for off balance sheet items	17.3	1,148,547,347	1,148,547,347	1,148,547,347	1,148,547,347
	Provision for diminution in value of investments	17.4	542,343,834	48,732,877	542,343,834	48,732,877
	Provision for other assets	17.5	352,529,310	350,407,070	352,529,310	350,407,070
	Provision against non banking assets (NBA)		10,939,543	7,636,865	10,939,543	7,636,865
	Provision against placement Funds		102,750,000	-	102,750,000	-
	Interest suspense	17.6	1,649,030,342	1,796,186,975	1,649,030,342	1,796,186,975
	Withholding tax payable	17.7	1,450,743,401	1,104,726,301	1,450,743,401	1,104,726,301
	VAT payable	17.8	340,884,381	244,907,520	340,884,381	244,907,520
	Excise duty payable		351,637,255	611,660,557	351,637,255	611,660,557
	Provision for taxation net off AIT	17.9	12,372,742,935	9,121,330,429	5,796,955,775	4,543,543,558
	Deferred tax liability	9.4	2,538,843,673	1,878,563,858	4,336,617,375	3,328,798,991
	Interest payable on borrowings		1,752,207,239	1,502,708,930	1,752,207,239	1,502,708,930
	Accrued expenses		11,023,602,712	6,098,805,919	3,932,524,404	989,448,722
	Share subscription - IPO (refund warrant)		325,217	316,252	325,217	316,252
	Unclaimed and undistributed dividend	17.10	27,709,034	31,743,945	27,709,034	31,743,945
	Suppliers payable		186,334,470	132,248,481	186,334,470	132,248,481
	Lease liabilities as per IFRS 16		6,502,655,731	4,684,331,702	5,410,091,248	4,289,290,659
	Payable against exchange houses		531,133	927,227	531,133	927,227
	Payable against insurances		5,549,808	5,745,950	5,549,808	5,745,950
	Payable against proxy account		-	2,396,427	-	2,396,427
	Payable against SWIFT charge		106,704,918	80,602,395	106,704,918	80,602,395
	Payable for other business operations	17.11	3,799,545,301	6,038,879,372	3,799,545,301	6,038,879,372
	Other liabilities of subsidiaries	17.12	3,537,690,283	3,171,620,729	-	-
			67,826,254,579	57,805,464,118	50,099,926,103	44,790,057,640
17.1	Provision for loans and advances					
	A. General provision					
	Provisions held at the beginning of the year		5,227,075,971	5,081,535,788	5,227,075,971	5,081,535,788
	Less: Transfer to specific provision		-	(784,207,224)	-	(784,207,224)
	Add: Net charge during the year		744,759,016	929,747,407	740,550,846	929,747,407
	Provisions held at the end of the year		5,971,834,987	5,227,075,971	5,967,626,817	5,227,075,971

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A. QASEM & CO. DHAKA CHARTERED ACCOUNTANTS

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

Amount in Taka

Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
B. Specific provision					
Provisions held at the beginning of the year (i)		14,474,491,979	12,878,824,673	13,262,656,208	11,666,988,903
Add: Transfer from general provision (iii)		-	784,207,224	-	784,207,224
Less: Write off during the year (v)		(7,246,615,692)	(3,363,963,928)	(7,246,615,692)	(3,356,694,532)
Add: Net Provision charged for the year (vi)		6,627,098,940	3,758,940,516	6,616,160,937	3,751,671,119
Add: Recovery of written off bad debts (vii)		1,051,599,957	924,519,756	1,051,599,957	924,519,756
Less: Adjustment/Release during the year (iv)		(901,684,523)	(508,036,262)	(901,684,523)	(508,036,262)
Provisions held at the end of the year (i+ii+iii+iv+v+vi-vii)		14,004,890,661	14,474,491,979	12,782,116,887	13,262,656,208
Total provision held at the end of the year (A+B)		19,976,725,648	19,701,567,950	18,749,743,704	18,489,732,179

17.2 Provision for interest receivable from loan (Bank only)

Particular	Base for provision	Percentage (%) of required provision	Required provision 2025	Required provision 2024
Corporate	2,838,533,984	1%	28,385,340	30,029,809
Retail	565,886,781	1%	5,658,868	7,289,106
SME	1,522,214,065	0.5%	7,611,070	3,550,126
Total required provision			41,655,278	40,869,040
Total provision maintained (Note 17.2)			45,681,064	40,869,040
Excess/(short) provision			4,025,786	-

17.3 Provisions for off balance sheet items

Balance at the beginning of the year	1,148,547,347	1,079,770,556	1,148,547,347	1,079,770,556
Provision made during the year	-	68,776,791	-	68,776,791
Balance at the end of the year	1,148,547,347	1,148,547,347	1,148,547,347	1,148,547,347

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

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

17.4 Provision for diminution in value of investments

Balance at the beginning of the year	48,732,877	54,699,842	48,732,877	54,699,842
Add: Provision made/(released) during the year	493,610,957	(5,966,965)	493,610,957	(5,966,965)
Balance at the end of the year	542,343,834	48,732,877	542,343,834	48,732,877

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	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
17.5	Provision for other assets					
	Provisions held at the beginning of the year		350,407,070	250,326,862	350,407,070	250,326,862
	Add: Provision made during the year		7,072,240	100,080,208	7,072,240	100,080,208
	Less: Provision (released) during the year		(4,950,000)	-	(4,950,000)	-
	Provisions held at the end of the year		352,529,310	350,407,070	352,529,310	350,407,070

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

Other asset type	Other assets balance	Doubtful (50%)	Bad/Loss (100%)	Required provision 31 Dec 2025	Required provision 31 Dec 2024
Unadjusted prepaid expenses	946,720,217	190,882	499,990	595,431	1,093,453
Receivable for fraud and forgery-protested bill	133,083,256	-	133,083,256	133,083,256	130,961,016
Receivables from Bangladesh Bank for interest subsidy	65,539,600	-	2,630,167	2,630,167	2,630,167
Accrued Interest on Investment	7,851,105,338	-	518,135	518,135	518,135
Receivable for BSP/Bond Commission for Govt Stimulus	97,097,013	-	89,982,845	89,982,845	79,391,017
Other Accrued Income	36,577,015	-	65,615	65,615	65,615
Advance security deposit	139,372,202	-	779,000	779,000	779,000
Receivable from bITS (as advised by BB)	63,466,065	-	-	634,661	939,299
Advances, receivables and other settlement balances	8,019,267,999		60,840,320	60,840,320	61,381,123
Other unadjusted balances	6,649,950331	1,788,956	47,245,656	48,140,134	46,196,389
Total required provision for other assets				337,269,563	323,955,213
Total provision maintained				352,529,310	350,407,070
Excess/(short) provision				15,259,747	26,451,857

17.6	Interest suspense					
	Balance at the beginning of the year		1,796,186,975	1,988,749,599	1,796,186,975	1,988,749,599
	Add: Amount transferred to "interest suspense" account during the year		2,149,362,359	3,129,601,055	2,149,362,359	3,129,601,055
			3,945,549,334	5,118,350,654	3,945,549,334	5,118,350,654
	Less: Amount recovered and adjusted in "interest suspense" account during the year		1,850,749,088	3,042,488,295	1,850,749,088	3,042,488,295
	Less: Amount written off during the year		445,769,904	279,675,384	445,769,904	279,675,384
	Balance at the end of the year		1,649,030,342	1,796,186,975	1,649,030,342	1,796,186,975
17.7	Withholding tax payable					
	Payable on interest		978,124,444	718,983,634	978,124,444	718,983,634
	Payable (suppliers)		15,041,202	9,614,991	15,041,202	9,614,991
	Payable (staff salaries and allowance)		45,869,228	32,915,273	45,869,228	32,915,273
	Payable (rent)		14,172,819	5,698,184	14,172,819	5,698,184
	Payable (export)		190,834,431	189,743,835	190,834,431	189,743,835
	Payable on commission paid		97,144,938	36,836,299	97,144,938	36,836,299
	Payable on certain services		18,635,139	11,350,480	18,635,139	11,350,480
	Payable on export cash subsidy		16,997,734	30,761,634	16,997,734	30,761,634

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A. QASEM & CO.
CHARTERED ACCOUNTANTS
DHAKA

Syed M Omar Tayub
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Amount In Taka

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
	Payable on local LC		3,679,487	2,845,466	3,679,487	2,845,466
	Payable on foreign buyer agent		34,982,078	45,236,329	34,982,078	45,236,329
	Freight forward agency commission		1,363,980	485,687	1,363,980	485,687
	Payable on IGW services		2,371,932	1,579,186	2,371,932	1,579,186
	Payable on others		31,525,989	18,675,303	31,525,989	18,675,303
			1,450,743,401	1,104,726,301	1,450,743,401	1,104,726,301
17.8	VAT Payable					
	Payable on banking service		124,267,597	120,779,157	124,267,597	120,779,157
	Payable - supplier		125,013,867	48,530,006	125,013,867	48,530,006
	Payable - rent		18,591,291	15,241,310	18,591,291	15,241,310
	Payable - DPDC, DESCO, BPDB & REB		73,011,626	60,357,047	73,011,626	60,357,047
			340,884,381	244,907,520	340,884,381	244,907,520
17.9	Provision for taxation net off AIT (Bank only)					
	A. Provision for tax:					
	Balance at the beginning of the year				26,446,843,087	22,658,558,412
	Less: Adjusted during the year				-	(2,561,557,782)
	Net addition during the year				8,366,129,292	6,349,742,457
	Balance at the end of the year				34,812,972,379	26,446,843,087
	B. Advance income tax:					
	Balance at the beginning of the year				21,903,299,529	18,432,054,366
	Less: Adjusted during the year				-	(2,537,606,824)
	Add: Paid during the year				7,112,717,075	6,008,851,987
	Balance at the end of the year				29,016,016,604	21,903,299,529
	Provision for taxation (A-B)				5,796,955,775	4,543,543,558
	Corporate tax position of the Bank has been presented in Annexure F.					
17.10	Unclaimed and undistributed dividend (Bank Only)					
	Cash Dividend 2019				3,276,208	3,393,198
	Cash Dividend 2020				4,519,706	4,717,654
	Cash Dividend 2021				2,721,965	2,802,329
	Cash Dividend 2022				3,965,473	4,052,970
	Cash Dividend 2023				6,322,707	16,575,224
	Cash Dividend 2024				6,654,591	-
	Fractional Dividend				248,384	202,570
					27,709,034	31,743,945

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

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	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
17.11	Payable for other business operations					
	Payables related to cards and others		1,046,968,826	1,065,490,926	1,046,968,826	1,065,490,926
	Payable to merchant		233,998,729	1,482,507	233,998,729	1,482,507
	Payable related to other business activities		2,518,577,746	4,971,905,939	2,518,577,746	4,971,905,939
			3,799,545,301	6,038,879,372	3,799,545,301	6,038,879,372
17.12	Other liabilities of subsidiaries					
	BRAC EPL Investments Limited		69,689,670	50,559,203		
	BRAC EPL Stock Brokerage Limited		1,067,601,885	1,035,055,895		
	bKash Limited		2,462,083,268	2,155,443,701		
			3,599,374,823	3,241,058,799		
	Less: Inter company transactions:					
	BRAC Bank PLC.		18,705,599	28,108,499		
	BRAC EPL Investments Limited		2,831,252	3,628,105		
	BRAC EPL Stock Brokerage Limited		27,298,030	22,230,493		
	bKash Limited		12,549,659	15,470,973		
			61,384,540	69,438,070		
			3,537,690,283	3,171,620,729		
18	Share capital					
18.1	Authorized capital					
	5,000,000,000 ordinary shares of Tk. 10 each				50,000,000,000	50,000,000,000
	Authorized Share capital was increased from 20,000,000,000 to BDT 50,000,000,000 which is approved by the shareholder at its 24th AGM, held on 31 May 2023.					
18.2	Issued, Subscribed and Paid up capital					
	100,000,000 Ordinary Shares of Tk. 10/- each issued for cash				1,000,000,000	1,000,000,000
	1,636,895,921 Ordinary Shares of Tk. 10/- each issued as bonus share				16,368,959,210	14,154,819,030
	26,400,000 Right Shares of Tk. 10/- each issued in 2008				264,000,000	264,000,000
	221,652,288 Right Shares of Tk. 10/- each issued in 2014				2,216,522,880	2,216,522,880
	1,149,589 Ordinary Shares of Tk. 10/- each issued as 1st bond converted share in 2016				11,495,890	11,495,890
	2,237,835 Ordinary Shares of Tk. 10/- each issued as 2nd bond converted share in 2017				22,378,350	22,378,350
	2,790,534 Ordinary Shares of Tk. 10/- each issued as 3rd bond converted share in 2018				27,905,340	27,905,340
					19,909,261,670	17,697,121,490

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18.2.1 History of paid-up capital

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

Particulars	Allotment year	Number of shares issued		Total paid up shares (No of shares)	Addition in amount of share capital (BDT)	Total paid up capital (BDT)
		Bonus shares	Subscription			
First (Subscription to the Memorandum and Articles of Association) at the time of Incorporation	1999	-	2,000,000	2,000,000	200,000,000	200,000,000
BRAC (subscription)	2001	-	500,000	2,500,000	50,000,000	250,000,000
BRAC (subscription)	2003	-	674,500	3,174,500	67,450,000	317,450,000
ShoreCap International Ltd.	2004	-	875,700	4,050,200	87,570,000	405,020,000
International Finance Corporation	2004	-	949,800	5,000,000	94,980,000	500,000,000
IPO	2006	5,000,000	-	10,000,000	500,000,000	1,000,000,000
Bonus Share 20%	2007	2,000,000	-	12,000,000	200,000,000	1,200,000,000
Bonus Share 10%	2008	1,200,000	-	13,200,000	120,000,000	1,320,000,000
Right Share 20%	2008	-	2,640,000	15,840,000	264,000,000	1,584,000,000
Bonus Share 30%	2009	4,752,000	-	20,592,000	475,200,000	2,059,200,000
Bonus Share 30%	2010	6,177,600	-	26,769,600	617,760,000	2,676,960,000
Bonus Share 20%	2011	5,353,920	-	32,123,520	535,392,000	3,212,352,000
Denomination of face value from Tk.100 to Tk.10 per share	2011	-	-	321,235,200	-	3,212,352,000
Bonus Share 20%	2012	64,247,040	-	385,482,240	642,470,400	3,854,822,400
Bonus Share 15%	2013	57,822,336	-	443,304,576	578,223,360	4,433,045,760
Bonus Share 10%	2014	44,330,457	-	487,635,033	443,304,570	4,876,350,330
Right share 50%	2014	-	221,652,288	709,287,321	2,216,522,880	7,092,873,210
Fresh Issue against Bond, 1st Conversion of Bond	2016	-	1,149,589	710,436,910	11,495,890	7,104,369,100
Fresh Issue against Bond, 2nd Conversion of Bond	2017	-	2,237,835	712,674,745	22,378,350	7,126,747,450
Bonus Share 20%	2017	142,534,949	-	855,209,694	1,425,349,490	8,552,096,940
Fresh Issue against Bond, 3rd Conversion of Bond	2018	-	2,790,534	858,000,228	27,905,340	8,580,002,280
Bonus Share 25%	2018	214,500,057	-	1,072,500,285	2,145,000,570	10,725,002,850
Bonus Share 15%	2019	160,875,042	-	1,233,375,327	1,608,750,420	12,333,753,270
Bonus Share 7.50%	2020	92,503,149		1,325,878,476	925,031,490	13,258,784,760
Bonus Share 5%	2021	66,293,923	-	1,392,172,399	662,939,230	13,921,723,990
Bonus Share 7.50%	2022	104,412,929	-	1,496,585,328	1,044,129,290	14,965,853,280
Bonus Share 7.50%	2023	112,243,899	-	1,608,829,227	1,122,438,990	16,088,292,270
Bonus Share 10%	2024	160,882,922	-	1,769,712,149	1,608,829,220	17,697,121,490
Bonus Share 12.5%	2025	221,214,019		1,990,926,167	2,212,140,180	19,909,261,670
Total					19,909,261,670	

18.2.2 Issued, subscribed and paid up capital

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

18.3 Initial public offering (IPO)

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

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A. QASEM & CO.

Syed M Omar Tayub
Managing Director & CEO
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18.4 Cash dividend/bonus issue

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

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

18.5 Ordinary Shares

Particulars	No. of Shares (2025)	% of shareholding (2025)	2025 Taka	2024 Taka
Sponsor & Director	919,161,058	46.17%	9,191,610,580	8,171,053,390
Government	-		-	-
Institutions	228,571,092	11.48%	2,285,710,920	2,485,023,440
Foreign	717,880,433	36.06%	7,178,804,330	5,620,542,110
General public	125,313,584	6.29%	1,253,135,840	1,410,502,550
	1,990,926,167	100%	19,909,261,670	17,697,121,490

18.5.1 Share trading

Trading of BRAC Bank's ordinary shares was started on 31 January 2007 at Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE). The closing market price on 31 December 2025 was Tk. 63.10 at Dhaka Stock Exchange (DSE) and Tk. 63.50 at Chittagong Stock Exchange (CSE).

18.6 Classification of shareholding

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

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

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

18.7 Share premium

	Year of issuance	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
5,000,000 ordinary shares @ Tk. 70 per share	2006	350,000,000	350,000,000
2,640,000 ordinary shares @ Tk. 400 per share	2008	1,056,000,000	1,056,000,000
221,652,288 ordinary shares @ Tk. 10 per share	2014	2,216,522,880	2,216,522,880
1,149,589 ordinary shares @ Tk. 32.55 per share	2016	37,419,151	37,419,151
2,237,835 ordinary shares @ Tk. 35.10 per share	2017	78,548,041	78,548,041
2,790,534 ordinary shares @ Tk. 41.31 per share	2018	115,276,960	115,276,960
		3,853,767,032	3,853,767,032

18.7.1 Particulars of share premium

Sponsor:		
BRAC	1,324,534,000	1,324,534,000
Others	192,580	192,580
Non sponsor:		
International Finance Corporation (IFC)	219,056,640	219,056,640
ShoreCap International Limited	92,473,920	92,473,920
Non Resident Bangladeshis	91,555,530	91,555,530
Mutual Funds	189,254,190	189,254,190
General Public	1,936,700,172	1,936,700,172
	3,853,767,032	3,853,767,032

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18.8 Capital Adequacy Ratio - As per BASEL-III

Amount in Taka

Particulars	Consolidated		BRAC Bank PLC.	
	2025	2024	2025	2024
Common equity tier-1 (going concern capital)				
Fully paid-up capital	19,909,261,670	17,697,121,490	19,909,261,670	17,697,121,490
Non-repayable share premium account	3,853,767,032	3,853,767,032	3,853,767,032	3,853,767,032
Statutory reserve	16,256,518,245	14,038,055,470	16,055,494,638	13,843,354,458
Retained earnings	51,952,844,586	40,595,382,384	38,964,522,911	29,949,971,050
Dividend equalization fund	355,218,455	355,218,455	355,218,455	355,218,455
Minority/Non-controlling interest in subsidiaries	26,763,511,820	22,510,072,109	-	-
Sub-total	119,091,121,808	99,049,616,940	79,138,264,706	65,699,432,465
Regulatory adjustments				
Goodwill and all other intangible assets	4,787,675,547	5,055,520,029	906,792,721	781,335,327
Deferred tax assets (DTA)	7,529,172,468	7,898,242,755	5,742,560,942	5,939,181,442
Sub-total	12,316,848,015	12,953,762,784	6,649,353,663	6,720,516,769
Total admissible tier-1 capital	106,774,273,793	86,095,854,156	72,488,911,043	58,978,915,716
Tier-2 capital (going concern capital)				
General provision	7,116,174,164	6,375,623,318	7,116,174,164	6,375,623,318
Subordinated debt	13,537,000,000	6,287,000,000	13,537,000,000	6,287,000,000
Sub-total	20,653,174,164	12,662,623,318	20,653,174,164	12,662,623,318
Maximum limit of tier-2 capital (Tier 2 capital can be maximum up to 4.0% of the total RWA or 88.89% of CET1, whichever is higher)	80,495,717,698	64,757,423,035	51,189,580,833	41,586,187,079
Total admissible tier-2 capital	20,653,174,164	12,662,623,318	20,653,174,164	12,662,623,318
Total Regulatory capital	127,427,447,957	98,758,477,474	93,142,085,207	71,641,539,034
Total risk weighted assets (RWA)	648,694,338,185	518,414,112,410	596,040,687,267	479,280,734,657
Minimum capital requirement (MCR - 10%)	64,869,433,819	51,841,411,241	59,604,068,727	47,928,073,466
Minimum Capital Requirement with capital conservation buffer @ 12.5%	81,086,792,273	64,801,764,051	74,505,085,908	59,910,091,832
Surplus/ (deficiency)	46,340,655,684	33,956,713,423	18,636,999,299	11,731,447,202
Capital adequacy ratio:				
Common equity tier-1 (against standard of minimum 6%)	16.46%	16.61%	12.16%	12.31%
Capital to risk-weighted asset ratio (CRAR)*	19.64%	19.05%	15.63%	14.95%
Minimum Capital Requirement with capital conservation buffer @ 12.5%	12.50%	12.50%	12.50%	12.50%
Surplus/(deficiency) %	7.14%	6.55%	3.13%	2.45%

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

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Amount In Taka

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
19	Statutory reserve					
	Balance at the beginning of the year		14,038,055,470	12,312,787,273	13,843,354,458	12,234,525,238
	Transferred from profit during the year		2,218,462,775	1,725,268,197	2,212,140,180	1,608,829,220
	Balance at the end of the year		16,256,518,245	14,038,055,470	16,055,494,638	13,843,354,458
20	Revaluation reserve on govt. securities					
	Balance at the beginning of the year		949,752,769	183,523,000	949,752,769	183,523,000
	Add: Addition during the year		32,131,463,303	12,044,419,047	32,131,463,303	12,044,419,047
	Less: Adjustment during the year		23,933,077,179	11,278,189,278	23,933,077,179	11,278,189,278
			9,148,138,893	949,752,769	9,148,138,893	949,752,769
21	Fair value gain/(loss) on equity investment (Standalone)					
	Balance at the beginning of the year				8,233,329,679	7,944,001,202
	Add: Net change during the year				1,954,054,627	289,328,477
					10,187,384,306	8,233,329,679
22	Start-up Equity Investment Fund					
	Closing balance at the end of the year				510,994,179	352,907,106
23	Surplus in profit and loss account/Retained earnings (standalone)					
	Balance at the beginning of the year				29,949,971,050	22,761,650,654
	Gain on disposal of NBA				-	-
	Add: Retained surplus for the year				15,808,707,280	12,136,169,761
	Add: Gain on disposal of NBA				352,200	-
	Less: Transfer to statutory reserve				2,212,140,180	1,608,829,220
	Less: Start-up Fund				158,087,073	121,361,698
	Less: Cash dividend paid				2,212,140,186	1,608,829,227
	Less: Bonus share issued				2,212,140,180	1,608,829,220
	Closing balance				38,964,522,911	29,949,971,050
23.1	Surplus in profit and loss account/Retained earnings (Consolidated)					
	BRAC Bank PLC.		38,964,522,911	29,949,971,050		
			38,964,522,911	29,949,971,050		

Year	Net Profit After Tax (NPAT)		
2020	4,540,831,949	45,408,319	45,408,319
2021	5,546,930,564	55,469,306	55,469,306
2022	5,763,173,573	57,631,736	57,631,736
2023	7,303,604,668	73,036,047	73,036,047
2024	12,136,169,761	121,361,698	121,361,698
2025	15,808,707,280	158,087,073	-

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Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
BRAC EPL Investment Limited					
Opening balance		(2,172,149,838)	(1,343,044,310)		
Add: Retained surplus/(deficit) for the year		19,019,148	(582,815,707)		
Less: Impairment of goodwill		-	(246,289,821)		
Sub total		(2,153,130,690)	(2,172,149,838)		
BRAC EPL Stock Brokerage Limited					
Opening balance		979,117,656	1,018,948,729		
Add: Retained surplus/(deficit) for the year		56,770,691	(36,129,431)		
Less: Transfer to statutory reserve		(6,322,595)	(3,701,642)		
Sub total		1,029,565,752	979,117,656		
bKash Limited					
Opening balance		12,179,477,085	11,163,232,773		
Add: Retained surplus/(deficit) for the year		2,415,549,348	1,128,981,646		
Less: Transfer to statutory reserve		-	(112,737,334)		
Sub total		14,595,026,433	12,179,477,085		
BRAC Saajan Exchange Limited					
Opening balance		(364,396,636)	(249,241,615)		
Add: Prior year Adj due to provision release		-	4,997,470		
Add: Retained surplus/(deficit) for the year		(144,627,174)	(110,573,640)		
Add: Effect of change of shareholding		(4,760,506)	(9,578,851)		
Sub total		(513,784,316)	(364,396,636)		
Associates					
Opening balance - (bITS)		23,363,067	16,465,595		
Add: Share of profit/(loss) of equity in associate company - (bITS)		7,281,429	6,897,472		
Sub total		30,644,496	23,363,067		
		51,952,844,586	40,595,382,384		
23.1	Net effect of all items directly recognized in equity				
	Effect of change of shareholding in subsidiaries	(4,760,506)	(4,581,381)	-	-
	Disposal of Non Banking Asset	352,200	-	352,200	-
		(4,408,306)	(4,581,381)	352,200	-
23.2	Non-controlling interest				
	BRAC EPL Investments Limited	403,840	393,441		
	BRAC EPL Stock Brokerage Limited	150,870,290	144,562,435		
	bKash Limited	26,609,310,214	22,363,617,911		
	BRAC SAAJAN Exchange Limited	2,927,476	1,498,322		
		26,763,511,820	22,510,072,109		

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	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024

23.2.1 Reconciliation of Non-controlling interest

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

24	Contingent liabilities					
	Acceptances and endorsements*		29,816,695,553	37,449,619,380	29,816,695,553	37,449,619,380
	Irrevocable letters of credit		69,595,275,374	58,899,396,769	69,595,275,374	58,899,396,769
	Total Letters of credit and acceptances and endorsements	24.1	99,411,970,927	96,349,016,149	99,411,970,927	96,349,016,149
	Letter of guarantees	24.2	42,373,757,777	32,665,409,171	42,373,757,777	32,665,409,171
	Bills for collection	24.3	38,557,446,239	39,544,067,880	38,557,446,239	39,544,067,880
	Other Commitments	24.4	42,087,262,467	58,682,178,027	42,087,262,467	58,682,178,027
			222,430,437,410	227,240,671,227	222,430,437,410	227,240,671,227

*Acceptances and endorsements excludes acceptance from DBU for which funding is made from OBU.

24.1	Irrevocable letters of credit including acceptances and endorsements				
	Letter of credit (Inland)	405,199,092	202,713,434	405,199,092	202,713,434
	Letter of credit (General)	55,144,313,638	43,523,218,328	55,144,313,638	43,523,218,328
	Back to back L/C	14,045,762,644	15,173,465,006	14,045,762,644	15,173,465,006
	Back to back bills	13,793,637,753	16,579,475,171	13,793,637,753	16,579,475,171
	Non Back to Back bills	16,023,057,800	20,870,144,210	16,023,057,800	20,870,144,210
		99,411,970,927	96,349,016,149	99,411,970,927	96,349,016,149
	Less: Margin	1,913,410,653	3,300,048,957	1,913,410,653	3,300,048,957
		97,498,560,274	93,048,967,192	97,498,560,274	93,048,967,192
24.2	Letter of guarantees				
	Letter of guarantee (Local)	18,610,212,741	25,937,518,624	18,610,212,741	25,937,518,624
	Letter of guarantee (Foreign)	21,866,051,718	1,646,485,500	21,866,051,718	1,646,485,500
	Foreign counter guarantee	1,897,493,318	5,081,405,047	1,897,493,318	5,081,405,047
		42,373,757,777	32,665,409,171	42,373,757,777	32,665,409,171
	Less: Margin	463,919,269	528,311,189	463,919,269	528,311,189
		41,909,838,508	32,137,097,982	41,909,838,508	32,137,097,982
	Balance for which the Bank is contingently liable in respect of guarantee issued favoring:				
	Government	18,879,409,447	20,889,113,689	18,879,409,447	20,889,113,689
	Bank and other financial institutions	4,884,135,589	4,820,564,697	4,884,135,589	4,820,564,697
	Others	18,610,212,741	6,955,730,785	18,610,212,741	6,955,730,785
		42,373,757,777	32,665,409,171	42,373,757,777	32,665,409,171
	Less : Margin	463,919,269	528,311,189	463,919,269	528,311,189
		41,909,838,508	32,137,097,982	41,909,838,508	32,137,097,982

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Amount In Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
24.3	Bills for collection					
	Outward local bills for collection		26,248,448,698	25,499,319,879	26,248,448,698	25,499,319,879
	Outward foreign bills for collection		12,308,997,541	14,044,748,001	12,308,997,541	14,044,748,001
			38,557,446,239	39,544,067,880	38,557,446,239	39,544,067,880
24.4	Other Commitments					
	Swap deals with banks and customers		32,121,025,127	38,018,835,945	32,121,025,127	38,018,835,945
	Spot and forward deals with banks and customers		9,966,237,340	20,663,342,082	9,966,237,340	20,663,342,082
			42,087,262,467	58,682,178,027	42,087,262,467	58,682,178,027
24.5	Significant concentration wise grouping					
	i) Documentary credits and short term trade related transactions		180,343,174,943	168,558,493,200	180,343,174,943	168,558,493,200
	ii) Forward asset purchased and forward deposits placed		-	-	-	-
	iii) Undrawn formal standby facilities, credit lines and commitments to lend:					
	-Under one year		-	-	-	-
	-One year and over;		-	-	-	-
	iv) Spot and forward foreign exchange rate contracts		-	-	-	-
	v) Other exchange contracts		9,966,237,340	20,663,342,082	9,966,237,340	20,663,342,082
	vi) Others		32,121,025,127	38,018,835,945	32,121,025,127	38,018,835,945
			222,430,437,410	227,240,671,227	222,430,437,410	227,240,671,227

24.6 Other contingent liabilities (Taxation)

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

24.7 Disclosure on Legal Proceedings and Contingent Liabilities

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

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

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

24.8 Suit filed by the Bank

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

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Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)
69-70, Bashi Gari Gulum Dastgir Road

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

A. QASEM & CO. DHAKA CHARTERED ACCOUNTANTS

Amount In Taka

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
25	**Income statement**					
	Income:					
	Interest, discount and similar income	25.1	120,513,812,627	84,671,348,374	106,837,027,983	74,352,312,579
	Dividend income	28	648,792,560	500,901,503	609,260,652	427,359,004
	Fees, commission and brokerage	25.2	18,759,153,025	15,638,399,171	5,472,970,943	6,123,498,113
	Gains less losses arising from government securities		5,284,862,716	2,438,226,576	5,284,862,716	2,438,226,576
	Gains less losses arising from investment securities/trading shares		(78,217,146)	(224,433,423)	(17,796,133)	(677,899)
	Gains less losses arising from dealing from foreign currencies	29	2,478,307,603	3,173,830,994	2,478,307,603	3,173,830,994
	Other operating income	30	308,473,759	252,335,864	281,773,109	226,693,387
			147,915,185,144	106,450,609,059	120,946,406,873	86,741,242,754
	Expenses:					
	Interest paid on deposits and borrowings etc.	27	62,555,054,027	42,119,865,188	63,000,428,345	42,490,831,604
	Administrative expenses	25.3	33,082,818,549	27,089,437,469	18,181,191,713	14,547,975,826
	Impairment of goodwill		-	246,289,821	-	-
	Depreciation on banking assets	36	4,905,178,899	4,168,307,591	2,385,612,309	2,051,837,584
	Other operating expenses	37	6,394,102,418	4,885,781,126	5,492,729,155	4,223,364,347
			106,937,153,893	78,509,681,195	89,059,961,522	63,314,009,361
	Operating Profit/Profit before provision		40,978,031,251	27,940,927,864	31,886,445,351	23,427,233,393
25.1	Interest, discount and similar income					
	Interest on loans and advances		71,976,446,666	53,729,420,763	72,613,318,745	55,160,814,762
	Interest on balance with other banks		3,901,665,873	3,406,435,259	390,563,155	512,417,738
	Interest on fixed deposits with other banks		1,252,024,525	343,066,167	316,954,901	96,509,722
	Other interest income		1,457,501,963	1,094,587,513	1,457,501,963	1,094,587,513
	Interest on government securities		41,436,057,475	25,882,349,744	31,568,573,097	18,184,326,968
	Interest on reverse repo		140,476,193	48,057,137	140,476,193	48,057,137
	Interest on corporate & subordinated bond		348,919,592	165,650,469	348,919,592	165,650,469
	Interest on interest rate swap (IRS)		720,337	1,781,322	720,337	1,781,322
			120,513,812,627	84,671,348,374	106,837,027,983	75,264,145,631
25.2	Fees, commission and brokerage					
	Fees		3,247,776,028	3,645,496,254	3,188,010,236	3,598,353,510
	Commission		15,511,376,997	11,992,902,917	2,284,960,707	2,525,144,603
			18,759,153,025	15,638,399,171	5,472,970,943	6,123,498,113
25.3	Administrative expenses					
	Salaries and allowances		21,187,237,575	17,385,245,127	14,813,625,547	11,967,250,774
	Rent, taxes, insurance, electricity etc.		1,012,689,429	947,996,939	681,158,090	642,571,657
	Legal expenses		67,809,237	22,978,444	61,257,062	18,316,773
	Postage, stamps, telecommunication etc.		691,742,635	478,456,893	511,794,617	357,490,900
	Stationery, printing, advertisement etc.		4,964,839,730	4,660,671,331	918,576,784	641,288,609
	Chief executive's salary and fees		25,561,828	24,471,250	25,561,828	24,471,250

Abul Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

M Omar Tayub
Managing Director & CEO
BRAC Bank Investment PLC
Head Office, Dhaka

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

A. QASEM & CO.
CHARTERED ACCOUNTANTS
DHAKA

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC.

Amount In Taka

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
	Directors' fees and expenses		10,420,670	11,387,339	7,325,500	7,350,200
	Auditors' fee		14,134,696	8,949,104	6,900,000	2,277,000
	Repairs and maintenance of fixed assets		5,108,382,749	3,549,281,042	1,156,992,285	886,958,663
			33,138,622,311	27,089,437,469	18,181,191,713	14,547,975,826
26	Interest income					
	Interest on loans and advances		73,738,135,449	55,268,565,483	73,685,419,457	55,160,814,762
	Interest on balance with other banks		3,901,665,873	3,406,435,259	390,563,155	512,417,738
	Interest on fixed deposits with other banks		1,252,024,528	343,066,187	316,954,901	96,509,722
	Other interest income		1,457,501,963	1,094,587,513	1,457,501,963	1,094,587,513
			80,349,327,813	60,112,654,422	75,850,439,476	56,864,329,735
	Less: Elimination of inter unit/company transactions		1,761,688,783	1,539,144,720	1,072,100,712	911,833,052
			78,587,639,030	58,573,509,702	74,778,338,764	55,952,496,683
27	Interest paid on deposits and borrowings etc.					
	A. Interest paid on deposits:					
	Current account		5,176,741,271	3,470,507,199	5,007,367,246	3,315,244,441
	Short term deposit		287,747,198	216,680,985	287,747,198	216,680,985
	Savings deposit		1,408,065,291	953,228,948	1,408,065,291	953,228,948
	Term deposit		42,797,127,072	28,225,823,935	42,797,127,072	28,225,823,935
			49,669,680,832	32,866,241,067	49,500,306,807	32,710,978,309
	B. Interest paid for borrowings:					
	Interest on money at call and short notice		1,003,280,043	215,858,226	1,003,280,043	215,858,226
	Interest on borrowings from banks and FIs		6,226,602,682	5,838,226,796	6,151,782,954	5,737,144,302
	Interest on funding SWAP		176,222,278	168,780,450	176,222,278	168,780,450
	Interest on re-finance and pre-finance from central bank & government agencies		926,609,890	721,682,763	926,609,890	721,682,763
	Interest on repurchase agreement (REPO)		5,101,122,943	3,359,887,715	5,101,122,943	3,359,887,715
	Interest expense-Affordable Housing Bond		261,305,000	262,020,904	261,305,000	262,020,904
	Interest expense-BRAC Bank 2nd subordinated bond		892,487,996	226,311,987	892,487,996	226,311,987
	Interest expense-BRAC BANK Social Sub-Bond		59,431,146	-	59,431,146	-
			14,647,061,978	10,792,768,841	14,572,222,250	10,691,686,347
			64,316,742,810	43,659,009,908	64,072,529,057	43,402,664,656
	Less: Elimination of inter unit/company transactions		1,761,688,783	1,539,144,720	1,072,100,712	911,833,052
			62,555,054,027	42,119,865,188	63,000,428,345	42,490,831,604
28	Investment income					
	Interest on government securities		41,436,057,475	25,882,349,744	31,568,573,097	18,184,326,968
	Interest on reverse REPO		140,476,193	48,057,137	140,476,193	48,057,137
	Interest on corporate & subordinated bond		348,919,592	165,650,469	348,919,592	165,650,469
	Interest on interest rate swap (IRS)		720,337	1,781,322	720,337	1,781,322
	Dividend on shares & mutual funds		648,792,560	500,901,503	609,260,652	427,359,004
	Capital gain (loss) on government securities		5,284,862,716	2,438,226,576	5,284,862,716	2,438,226,576
	Capital gain (loss) on shares & mutual funds		(78,217,146)	(224,433,423)	(17,796,133)	(677,899)
			47,781,611,727	28,812,533,328	37,935,016,454	21,264,723,577

Abul Ahsan Ahmed
Chief Operating Officer (COO)
IDLC Investments Limited
DR Tower (4th Floor)

M Omar Tayub
Deputy Director & CEO
Bank Investment PLC
Head Office, Dhaka

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana
Additional Managing Director & CEO
BRAC Bank PLC

A. QASEM & CO.

Amount In Taka

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
29	Commission, exchange and brokerage					
	Commission from issue of letters of credit (Import and Export)		1,684,484,860	2,229,199,444	1,684,484,860	2,229,199,444
	Commission from issue of letter of guarantee		326,324,446	127,552,983	326,324,446	127,552,983
	Commission from issue of payment orders, DD and TT		4,196,119	3,689,304	4,196,119	3,689,304
	Commission from sale of sanchayapatra		6,217,042	3,973,493	6,217,042	3,973,493
	Commission from Bancassurance- Standalone Life Insurance		8,179,634	148,064	8,179,634	148,064
	Commission from Bancassurance- Standalone Non- Life Insurance		527,718	395,466	527,718	395,466
	Commission from Bancassurance- Bundled Product under Group & Credit Shield		6,882,575	-	6,882,575	-
	Other commission		788,877,527	659,191,890	248,148,313	160,185,849
	Gain /(Loss) on foreign currency dealings		2,478,307,603	3,173,830,994	2,478,307,603	3,173,830,994
	Loan processing fees		803,061,489	1,701,525,725	803,061,489	1,701,525,725
	Loan early settlement fees		63,424,386	46,242,592	63,424,386	46,242,592
	Account Maintenance Fees		288,848,768	253,417,903	288,848,768	253,417,903
	Account Statement Fees		27,432,182	25,509,955	27,432,182	25,509,955
	Account activity fees		148,299,675	137,350,599	148,299,675	137,350,599
	Import and export related fees		572,946,513	471,350,228	572,946,513	471,350,228
	Debit and Credit Card fees		365,426,832	406,500,004	365,426,832	406,500,004
	Service fees for Mobile Banking and E-commerce		239,792,835	79,833,879	239,792,835	79,833,879
	Custodian fees		21,146,173	19,431,852	21,146,173	19,431,852
	Student service center fees		150,458,600	81,033,700	150,458,600	81,033,700
	Service charges for ATM Card		342,055,631	273,644,557	342,055,631	273,644,557
	Services Charges for General Banking		41,362,027	64,572,171	41,362,027	64,572,171
	Annual SMS Banking Charges		89,719,347	29,376,608	89,719,347	29,376,608
	Other fees	29.1	93,801,570	55,706,481	34,035,778	8,563,737
	Commission and brokerage income of subsidiaries		13,313,801,569	9,538,046,611		-
			21,865,575,121	19,381,524,503	7,951,278,546	9,297,329,107
	Less: Elimination of inter unit/company transactions		628,114,493	569,294,338	-	-
			21,237,460,628	18,812,230,165	7,951,278,546	9,297,329,107
29.1	Other fees					
	Passport Endorsement Fees		1,299,400	2,043,100	1,299,400	2,043,100
	Locker fees		6,042,402	5,550,176	6,042,402	5,550,176
	Documentation Fees		495,155	964,561	495,155	964,561
	Annual Membership Fees		5,900	5,900	5,900	5,900
	Valuation fees		4,438,000	-	4,438,000	-
	Syndication Fees		21,754,921	-	21,754,921	-
	Management & Corporate Advisory fee		6,929,226	10,140,902	-	-
	Share Settlement fee		18,241,685	21,662,335	-	-
	Debt arrangement fees		34,594,881	15,339,507	-	-
			93,801,570	55,706,481	34,035,778	8,563,737

Abul Ahsan Ahmed
Chief Operating Officer (COO)
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Omar Tayub
Director & CEO
Investment P
Office, Dhaka

Tareq Rezat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

M Masud Rana FCA
Managing Partner

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

Amount in Taka

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
30	Other operating income					
	Profit on sale of fixed assets		15,981,656	9,225,145	14,414,731	9,206,283
	Revenue share from foreign bank		255,370,955	212,491,315	255,370,955	212,491,315
	Miscellaneous income		29,202,886	27,362,524	11,987,423	4,995,789
	Other operating income of subsidiaries		10,178,583	6,097,404	-	-
			310,734,080	255,176,388	281,773,109	226,693,387
	Less: Elimination of inter unit/company transactions		2,260,321	2,840,524	-	-
			308,473,759	252,335,864	281,773,109	226,693,387
31	Rent, taxes, insurance, electricity, etc.					
	Rent, rates and taxes	31.1	425,059,504	400,899,464	351,583,308	334,703,323
	Insurance		194,547,111	177,031,539	25,251,258	24,858,216
	Power and electricity		382,551,269	361,349,596	291,750,092	272,070,981
	WASA and sewerage		12,742,056	11,025,867	12,573,432	10,939,137
			1,014,899,940	950,306,466	681,158,090	642,571,657
	Less: Elimination of inter unit/company transactions		2,210,511	2,309,527	-	-
			1,012,689,429	947,996,939	681,158,090	642,571,657
31.1	Rent, rates and taxes					
	Rent, rates and taxes, etc.		2,062,611,437	1,750,963,241	1,638,050,588	1,441,492,902
	Less: rent exp. reversal due to depreciation and interest exp. under IFRS 16 -Leases		1,637,551,933	1,350,063,777	1,286,467,280	1,106,789,579
			425,059,504	400,899,464	351,583,308	334,703,323
32	Postage, stamp, telecommunication, etc.					
	Postage and courier		95,353,731	70,226,652	64,193,331	45,786,831
	Telegram, telex, fax and network		287,014,503	211,374,574	228,304,996	178,397,017
	Court fees and stamps		123,827,191	57,974,385	123,827,191	57,974,385
	Telephone		185,547,210	138,881,282	95,469,099	75,332,667
			691,742,635	478,456,893	511,794,617	357,490,900
33	Stationery, printing, advertisements, etc.					
	Stationery and printing		292,506,219	230,257,673	279,233,774	210,603,296
	Security stationery		225,563,564	179,540,233	225,563,564	178,965,370
	Advertisement		4,446,819,757	4,251,404,422	411,779,446	251,719,943
			4,964,889,540	4,661,202,328	916,576,784	641,288,609
	Less: Elimination of inter unit/company transactions		49,810	530,997	-	-
			4,964,839,730	4,660,671,331	916,576,784	641,288,609
34	Chief executive's salary and fees					
	Basic salary		14,837,930	17,010,000	14,837,930	17,010,000
	Festival bonus		2,835,000	2,835,000	2,835,000	2,835,000

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Managing Director & CEO
BRAC Bank PLC.

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC.

Amount In Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
	Performance bonus		826,027	1,000,000	826,027	1,000,000
	Leave fair assistance		5,859,000	2,126,250	5,859,000	2,126,250
	House rent allowance		1,203,871	1,500,000	1,203,871	1,500,000
			25,561,828	24,471,250	25,561,828	24,471,250
35	Directors' fees					
	Monthly fixed remuneration for Independent Directors		4,830,000	4,785,000	4,830,000	4,785,000
	Meeting attendance fees		5,590,670	6,602,339	2,495,500	2,565,200
			10,420,670	11,387,339	7,325,500	7,350,200
36	Depreciation and repair of the bank's assets					
	Depreciation of property, plant and equipment					
	Furniture and fixtures		180,031,328	161,860,325	163,599,937	146,332,171
	Office floor space		516,914	516,913	100,858	100,858
	Office equipment		147,189,823	126,624,628	137,168,912	117,302,262
	IT hardware		1,318,935,143	1,171,529,669	573,595,582	488,893,781
	Motor vehicles		36,295,906	33,033,467	32,818,354	25,389,789
	Leasehold improvement		69,403,785	58,121,466	-	-
	Right of use assets (RoU) as per IFRS 16		1,315,235,575	1,143,630,599	1,041,561,658	902,607,156
	IT software		1,837,570,425	1,472,990,524	436,767,008	371,211,567
			4,905,178,899	4,168,307,591	2,385,612,309	2,051,837,584
	Repairs and maintenance expenses					
	Transportation expenses		1,184,302,587	946,492,639	943,380,992	739,941,482
	Equipment repairing expense		218,533,312	145,128,745	41,041,380	34,258,270
	Hardware and software maintenance expense		3,456,552,633	2,261,899,179	54,066,934	29,003,074
	Premises maintenance expense		248,984,217	195,760,479	118,502,979	83,755,837
			5,108,362,749	3,549,281,042	1,156,992,285	886,958,663
			10,013,561,648	7,717,588,633	3,542,604,594	2,938,796,247
37	Other expenses					
	Conveyance expense		100,113,126	68,359,192	99,495,655	68,072,870
	Fuel expenses		55,647,971	51,476,391	53,238,885	49,728,588
	Traveling cost		396,723,352	354,506,356	89,456,051	79,838,300
	Professional fees		337,794,626	255,760,313	179,121,108	134,586,361
	Entertainment		281,607,346	208,036,756	247,896,184	178,344,143
	Business promotion and development		210,247,249	108,015,117	193,103,095	99,109,084
	Books, news papers and periodicals		1,538,935	1,221,893	1,279,448	879,905
	Donation and subscription		336,369,434	319,953,412	326,652,141	300,543,862
	Government Levy, VAT and excise duty		11,266,104	16,768,746	11,266,104	16,768,746
	Other operational loss		145,530,321	4,955,879	145,530,321	4,955,879
	Staff training and development		210,854,103	133,583,001	108,261,506	68,432,809

Abul Ahsan Ahmed
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IDLC Investments Limited
DR Tower (4th Floor)
85/2 Bir Protik Gazi Golam Dastagir

Mereq Rehat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

M Masud Rana
Additional Managing Director
BRAC Bank

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC.

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
Staff recruitment		17,741,150	17,888,787	17,364,488	17,299,321
Salaries and allowance - outsourcing staff		1,860,098,862	1,515,109,579	1,840,828,174	1,506,150,425
Bank charges		80,120,985	68,244,800	34,169,543	34,083,658
Interest expense on lease liability as per IFRS 16		412,486,239	387,339,053	285,577,415	270,335,970
Documentation charges - CIB		43,900,000	13,500,000	43,900,000	13,500,000
IT enabled services		1,017,090,588	755,385,130	1,011,069,036	748,567,983
Security guard cost		400,400,573	336,393,594	400,400,573	336,393,594
Commission paid - vendor		36,472,206	16,068,910	36,472,206	16,068,910
Cash carrying charges		132,540,623	102,713,907	132,540,623	102,713,907
Spare parts expense		162,837,586	123,625,407	162,837,586	123,625,407
Archiving expense		44,094,451	40,515,649	44,094,451	40,515,649
Expenses for other business operations		652,730,941	452,551,393	28,174,562	12,848,976
Expenses of subsidiaries	37.1	74,010,140	103,102,199	-	-
		7,022,216,911	5,455,075,464	5,492,729,155	4,223,364,347
Less: Elimination of inter unit/company transactions		628,114,493	569,294,338	-	-
		6,394,102,418	4,885,781,126	5,492,729,155	4,223,364,347
37.1 Expenses of subsidiaries					
License and renewal fees		368,225	738,569		
Maintenance expenses		844,296	10,661,404		
Brokerage commission cost		71,645,444	90,598,554		
Other expenses		1,152,175	1,103,672		
		74,010,140	103,102,199		
38 Share of profit of associates					
BRAC IT Services Limited		7,281,429	6,897,472		
		7,281,429	6,897,472		
39 Provisions					
Provision for loans and advances					
Specific provision charged during the year		6,627,098,940	3,758,940,516	6,616,160,937	3,751,671,119
Recovery of written off bad debts		(1,051,599,957)	(924,519,756)	(1,051,599,957)	(924,519,756)
Specific provision (net off recovery) for the year		5,575,498,983	2,834,420,760	5,564,560,980	2,827,151,363
General provision charged during the year		715,622,889	841,481,566	711,414,719	841,481,566
Total provision for loans and advances		6,291,121,872	3,675,902,326	6,275,975,699	3,668,632,929
Off Balance Sheet items		-	68,776,791	-	68,776,791
Diminution in value of Investments		493,610,957	(5,966,965)	493,610,957	(5,966,965)
Other provisions:					
Other assets		16,488,587	103,107,736	7,072,240	96,412,958
Provision against placement Funds		102,750,000	-	102,750,000	-
Interest receivable from loan		4,441,321	7,876,414	4,441,321	7,876,414
		6,908,412,717	3,849,696,302	6,883,850,217	3,835,732,127

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BRAC Bank PLC

M Masud Rana, FCA
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A. QASEM & CO.
CHARTERED ACCOUNTANTS

Amount In Taka

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
40	Provision for taxation					
	Current tax expense	40.1	10,453,773,980	8,076,132,792	8,366,129,292	6,349,742,457
	Deferred tax expense/ (income) (Net)		1,057,949,099	1,703,514,288	827,758,562	1,105,589,048
	Total provision for Taxation		11,511,723,079	9,779,647,080	9,193,887,854	7,455,331,505
40.1	Tax Provision Calculation Detail (Bank Only)					
	Profit before tax				25,002,595,134	19,591,501,266
	Less: Income applicable for reduce rate					
	Dividend income				609,260,652	427,359,004
	Capital gain (loss) on shares & mutual funds (u/s 70 (3)				(17,796,133)	(677,899)
	Capital Gain				5,284,862,716	2,097,049,790
	Profit before tax (excluding dividend income and capital gain)				19,126,267,899	17,067,770,371
	(-) Admissible Expenses in the current year (i.e. write-off etc.)				8,509,612,253	4,274,387,990
	(+) Inadmissible expenses				9,254,138,364	3,072,519,453
	Estimated taxable profit for the period/year				19,870,794,010	15,865,901,834
	Provision for current tax made during the period/year (BRAC Bank only)					
	Income tax on business profit			37.50%	7,451,547,754	5,949,713,188
	Income tax on capital gain			15.00%	792,729,407	314,557,469
	Income tax on Dividend income			20.00%	121,852,130	85,471,801
	Estimated provision required for the period/year				8,366,129,292	6,349,742,457

40.2 Reconciliation of effective tax rate (Standalone)

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

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
41	Cash and cash equivalents					
	Cash in hand (including foreign currency)	4.1	16,436,564,244	15,000,490,086	16,431,724,183	14,698,347,260
	Balance with Bangladesh Bank and its agents banks (including foreign	4.2	34,658,714,842	30,852,940,917	34,658,714,842	30,852,940,917
	Balance with other banks and financial institutions	5	58,656,692,102	32,263,729,696	10,015,220,320	5,965,262,060
	Money at call and on short notice		-	750,000,000	-	750,000,000
	Prize Bond	6.1	4,834,300	2,428,000	4,834,300	2,428,000
			109,756,805,488	78,869,588,699	61,110,493,645	52,268,978,237

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Omar Tayib
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Company Secretary
BRAC Bank PLC

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

Amount In Taka

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
42	Receipts from other operating activities					
	Miscellaneous income		11,987,423	4,995,789	11,987,423	4,995,789
	Capital gain (loss) on shares & mutual funds		(17,796,133)	(677,899)	(17,796,133)	(677,899)
	Profit share from other banks		255,370,955	212,491,315	255,370,955	212,491,315
	Capital gain (loss) on government securities		5,284,862,716	2,438,226,576	5,284,862,716	2,438,226,576
	Other receipts of subsidiaries		8,391,612	(13,543,563)	-	-
			5,542,816,573	2,641,492,218	5,534,424,961	2,655,035,781
43	Payment for other operating activities					
	Rent, taxes, insurance, electricity etc.		681,158,090	642,571,657	681,158,090	642,571,657
	Audit fees		6,900,000	2,277,000	6,900,000	2,277,000
	Directors fees and expenses		7,325,500	7,350,200	7,325,500	7,350,200
	Repair and maintenance		1,156,992,285	886,958,663	1,156,992,285	886,958,663
	Other expenses		6,679,768,401	3,950,043,888	6,679,768,401	3,950,043,888
	Legal expenses		61,257,062	18,316,773	61,257,062	18,316,773
	Other payments of subsidiaries		398,666,342	274,884,996	-	-
			8,992,067,680	5,782,403,177	8,593,401,338	5,507,518,181
44	Reconciliation of net profit with cash flows from operating activities (standalone basis)					
	Profit before tax as per profit and loss account				25,002,595,134	19,591,501,266
	Adjustment for non-cash items:					
	Provision for loans and advances				7,327,575,656	4,593,152,685
	Provision for diminution in value of investments				493,610,957	(5,966,965)
	Provision for off balance sheet items				-	68,776,791
	Provision for other assets				114,263,561	104,289,372
	Depreciation of property plant and equipment				2,385,612,309	2,051,837,584
	Foreign exchange gain/(loss)				26,288,596	(147,716,860)
	Profit on sale of fixed assets				(14,414,731)	(9,206,283)
	Increase/decrease in operating assets & liabilities:					
	Loans and advances				(107,286,950,282)	(103,919,892,718)
	Other assets				(6,689,148,828)	(5,804,444,492)
	Borrowings from other banks and financial institutions				12,990,505,220	5,377,762,590
	Deposits from customers				197,730,444,192	167,713,297,342
	Other liabilities				(4,055,763,700)	5,035,780,258
	Income tax paid				(7,112,717,075)	(6,032,802,945)
	Net cash flows from operating activities as per cash flow statement				120,911,901,009	88,616,367,625
45	Earnings per share (EPS)					
	Profit after taxation (PAT)		22,509,373,122	14,318,481,954	15,808,707,280	12,136,169,761
	Profit/(loss) attributable to non controlling interest		4,346,672,400	2,022,241,675	-	-
	Profit attributable to ordinary shareholders of BRAC Bank PLC.		18,162,700,722	12,296,240,279	15,808,707,280	12,136,169,761
	Weighted average/Restated number of shares outstanding		1,990,926,167	1,990,926,167	1,990,926,167	1,990,926,167
			9.12	6.18	7.94	6.10

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M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

A. QASEM & CO.
DHAKA

Amount In Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
46	Net asset value (NAV) per share					
	Net asset value attributable to shareholders of parent		102,658,184,598	78,412,525,042	99,701,640,882	75,796,963,891
	Number of ordinary share outstanding at the end of the year		1,990,926,167	1,990,926,167	1,990,926,167	1,990,926,167
			51.56	39.38	50.08	38.07
47	Net operating cash flow per share (NOCFPS)					
	Net operating cash flow		144,774,088,955	107,785,690,274	120,911,901,009	88,516,367,625
	Number of ordinary share outstanding at the end of the year		1,990,926,167	1,990,926,167	1,990,926,167	1,990,926,167
			72.72	54.14	60.73	44.51

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A. QASEM & CO. DHAKA CHARTERED ACCOUNTANTS

48 General Disclosures

48.1 Audit Committee

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

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

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

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

48.2 Particulars of Board of Directors

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

Sl No	Name of director	Status with the Bank	Name of the firms/companies in which they have interest	Educational qualification
1	Mr. Meheriar M Hasan	Chairperson Director	BRAC Sajaan Exchange Ltd.	Master of Science in Finance, Master of Arts in Economics, and Bachelor of Arts in Economics with a minor in Mathematics from the University of Arizona
2	Mr. Faruq M. Ahmed	Vice-Chairperson Independent Director	Nil	MSS in Economics, University of Dhaka
3	Ms. Farzana Ahmed	Independent Director	Kids Tutorial	MA (Hons) in Economics, University of Oxford, UK & Chartered Accountant
4	Dr. Zahid Hussain	Independent Director	BRAC EPL Stock Brokerage Limited BRAC EPL Investment Limited BRAC Sajaan Exchange Ltd.	Ph.D. in Economics and MA in Political Economy, Boston University, USA
5	Mr. Salek Ahmed Abul Masrur	Independent Director	Nil	MBA ,The University of Tennessee, USA, BBA The Trine University.

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Faruq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masum
Additional Managing D...
Bank PLC

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CHARTERED ACCOUNTANTS

6	Ms. Anita Ghazi Rahman	Independent Director	The Legal Circle Light Castle Partners bKash Limited BRAC IT Services Ltd. Shadhin Fintech Solutions Ltd. Infolady Social Enterprise Ltd.	Barrister-at-law, LLB (Hons.) University College London, UK
7	Mr. Chowdhury MAQ Sarwar	Independent Director	Nil	Bachelor of Commerce & Masters in Management, University of Dhaka
8	Ms. Lila Rashid	Independent Director	Palli Karma-Sahayak Foundation (PKSF)	PhD (Microfinance), Jawaharlal Nehru University, India and MBA, University of New Orleans, USA. M.Sc in Physics, University of Dhaka.
9	Mr. Tareq Refat Ullah Khan	Managing Director & CEO	BRAC EPL Investments Ltd. BRAC EPL Stock Brokerage Ltd. bKash Limited BRAC Sajaan Exchange Ltd	B.Com, University of Chittagong, M.Com (Marketing), University of Dhaka, MBA, SELP from Cornell University, USA

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

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

48.3 Claim not Acknowledged as Debt

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

48.4 Number of Employees

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

48.5 Events after the Balance Sheet Date

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

Managing Director and CEO | Director | Director | Chairperson

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Annexure - A

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

Amount in Taka unless otherwise specified

Particulars	Note	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
Paid-up capital	18.2	19,909,261,670	17,697,121,490	19,909,261,670	17,697,121,490
Core Capital	18.8	106,774,273,793	86,095,854,156	72,488,911,043	58,978,915,716
Supplementary Capital	18.8	20,653,174,164	12,662,623,318	20,653,174,164	12,662,623,318
Total Regulatory Capital	18.8	127,427,447,957	98,758,477,474	93,142,085,207	71,641,539,034
Total Risk Weighted Assets	18.8	648,694,338,185	518,414,112,410	596,040,687,267	479,280,734,657
Capital surplus	18.8	46,340,655,684	33,956,713,423	18,636,999,299	11,731,447,202
Total assets		1,328,114,545,650	1,056,723,501,375	1,179,672,281,090	930,132,702,781
Total deposits	16	990,359,326,094	777,866,506,600	889,517,407,214	689,432,929,579
Total loans and advances	7	731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
Total contingent liabilities and commitments	24	222,430,437,410	227,240,671,227	222,430,437,410	227,240,671,227
Income from investments	28	47,781,611,727	28,812,533,328	37,935,016,454	21,264,723,577
Profit after tax and provisions		22,509,373,122	14,318,481,954	15,808,707,280	12,136,169,761
Net profit attributable to Equity holders of BRAC Bank PLC.		18,162,700,722	12,296,240,279	-	-
Amount of classified loans during the current year	7.12	17,782,307,109	17,615,139,689	16,568,932,277	16,403,303,919
Provision kept against classified loans	17.1	14,004,890,661	14,474,491,979	12,782,116,887	13,262,656,208
Provisions surplus/(deficit)	7.14	443,747,971	1,468,404,939	443,747,971	1,468,404,939
Interest earning assets		1,245,301,453,930	986,869,047,716	1,118,674,687,269	879,829,219,772
Non-interest earning assets		82,813,091,720	69,854,453,659	60,997,543,821	50,303,483,009
Credit deposit ratio (Loans and Advances/Deposits)*		-	-	63.48%	70.75%
Percentage of classified loans against total loans and advances		2.43%	2.82%	2.27%	2.63%
NPL coverage ratio (incl. GP)		131%	132%	133%	134%
Total Capital to Risk-weighted Asset Ratio		19.64%	19.05%	15.63%	14.95%
Cost of fund		6.17%	5.28%	6.85%	5.93%
Cost to income ratio		52%	57%	45%	47%
Return on assets (ROA) [PAT/Average assets]		1.52%	1.30%	1.50%	1.46%
Return on equity (ROE) [PAT/Average shareholders equity]		20.06%	16.94%	18.02%	17.36%
Return on investment (ROI) [PAT/(Shareholders equity+Borrowings+Bond)]		8.26%	6.60%	7.29%	6.61%
Earnings per share [previous years figure restated]	45	9.12	6.18	7.94	6.10
Net income per share [(PAT-Dividend on preference share/No. of Ordinary Shares)] [previous years figure restated]		9.12	6.18	7.94	6.10
Price earning ratio (Market price per share/EPS) in times		-	-	7.95	8.04
Net Asset Value per Share (NAV) [(Shareholders equity- Preference Share)/No. of Ordinary Share] [previous years figure restated]	46	51.56	39.38	50.08	38.07
Net Operating Cash Flow Per Share [previous years figure restated]	47	72.72	54.14	60.73	44.51

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

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Annexure B-1

BRAC Bank PLC.

Statement of outstanding unreconciled entries in nostro accounts (foreign)

As at 31 December 2025

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

Amount in USD

SL No	Period of Unreconciliation	As per Local Book				As per Correspondents' Book			
		Debit Entries		Credit Entries		Debit Entries		Credit Entries	
		No.	Amount	No.	Amount	No.	Amount	No.	Amount
01	Up-to 3 months	665	19,885,338	433	22,307,738	117	7,367,266	1583	45,570,322
02	More than 03 months but less than 06 months	-	-	14	122,365	-	-	77	908,475
03	More than 06 months but less than 09 months	-	-	1	364.00	-	-	22	269,249
04	More than 09 months but less than 12 months	-	-			-	-	15	49,092
05	More than 12 months	-	-			-	-	11	91,031
	Total	665	19,885,338	448	22,430,467	117	7,367,266	1708	46,888,169

As at 31 December 2024

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

All unadjusted entries are subsequently adjusted on regular basis.

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Purana Paltan, Dhaka-1000.

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
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Tareq Refat Ullah Khan
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Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

Annexure B-2

BRAC Bank PLC.

Statement of outstanding unreconciled entries in nostro accounts (local)

As at 31 December 2025

Amount in Taka

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

As at 31 December 2024

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

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A. QASEM & CO. CHARTERED ACCOUNTANTS

Annexure - C

BRAC Bank PLC.

Balance with other banks-outside Bangladesh (Nostro Account)

As at 31 December 2025

Amount in Taka

Name of Bank	Currency	A/C Type	2025			2024		
			Amount in foreign currency	Exchange rate	Equivalent Taka	Amount in foreign currency	Exchange rate	Equivalent Taka
DBU balance:								
Standard Chartered Bank, New York, USA	USD	CD	1,845,338	122.30	225,684,780	398,363	120.00	47,803,505
Standard Chartered Bank, United Kingdom	GBP	CD	2,828,084	165.44	467,878,196	1,213,668	151.10	183,382,752
Standard Chartered Bank, Frankfurt, Germany	EUR	CD	750,803	144.01	108,123,163	1,945,560	125.27	243,716,470
Mashreq Bank, New York, USA	USD	CD	1,175,298	122.30	143,738,963	635,811	120.00	76,297,372
Bank of Tokyo Mitsubishi UFJ Ltd	JPY	CD	22,286,543	0.79	17,606,369	28,461,161	0.76	21,645,163
ICICI Bank Limited, Mumbai, India	USD	CD	763,916	122.30	93,426,957	1,341,035	120.00	160,924,231
Zuercher Kantonal Bank, Switzerland	CHF	CD	345,665	155.24	53,660,962	220,665	133.10	29,371,390
Commerz Bank AG, Germany (USD)	USD	CD	6,830	122.30	835,313	11,330	120.00	1,359,558
Commerz Bank AG, Germany (EURO)	EUR	CD	267,355	144.01	38,501,815	127,495	125.27	15,971,006
Commerz Bank, Frankfurt, Germany (GBP)	GBP	CD	50	165.44	8,315	50	151.10	7,594
JP Morgan Chase Bank, New York, USA	USD	CD	6,745,912	122.30	825,025,087	1,753,992	120.00	210,477,804
HDFC Bank Limited, India	USD	CD	1,003,624	122.30	122,743,223	637,454	120.00	76,494,517
JP Morgan Chase Bank, Sydney (AUD)	AUD	CD	308,973	82.08	25,360,500	672,317	74.75	50,258,401
AB Bank Limited, Mumbai, India	USD	CD	11,572	122.30	1,415,309	19,425	120.00	2,331,005
AXIS Bank Limited, Kolkata (ACU)	USD	CD	2,589,183	122.30	316,657,097	553,893	120.00	66,467,166
Abu Dhabi Commercial Bank (AED)	AED	CD	5,528,101	33.30	184,085,778	4,806,946	32.67	157,051,188
Kookmin Bank, Seoul, South Korea (USD)	USD	CD	15,549	122.30	1,901,701	288,631	120.00	34,395,728
Citi Bank N.A., New York, USA	USD	CD	433,970	122.30	53,074,548	712,304	120.00	85,476,425
Shanghai Pudong Development Bank Co. Ltd, China (CNY)	CNY	CD	524,166	17.51	9,178,150	539,929	16.41	8,858,248
DBS Bank Ltd, Singapore (SGD)	SGD	CD	2,184,712	95.40	208,421,559	505,726	88.42	44,718,241
Punjab National Bank, Kolkata (USD)	USD	CD	941,505	122.30	115,146,008	2,448,465	120.00	293,815,819
Al Rajhi Bank, Riyadh (SAR)	SAR	CD	94,513	32.61	3,082,065	101,078	31.96	3,230,176
Meezan Bank Limited, Gtb Karachi, ACU (USD)	USD	CD	677,528	122.30	82,861,731	845,616	120.00	101,473,870
Emirates NBD Bank Pjsc, India, ACU (USD)	USD	CD	156,383	122.30	19,125,646	50,000	120.00	6,000,000
Mashreq Bank Psc Dubai (AED)	AED	CD	402,690	33.30	13,409,586	-	-	-
					3,130,952,821			1,921,527,629
OBU balance:								
JP Morgan Chase Bank, New York	USD	CD	4,653,644	122.30	569,140,648	2,827,963	120.00	339,355,513
JP Morgan AG, Frankfurt, Germany	EUR	CD	585,514	144.01	84,319,935	416,767	125.27	52,207,562
JP Morgan Chase Bank, NA, London	GBP	CD	759,025	165.44	125,407,692	1,413,707	151.10	213,608,317
Mutual Trust Bank PLC. OBU	USD	CD	3,499,868	122.30	428,033,900	-	-	-
Midland Bank PLC. OBU	USD	CD	3,999,850	122.30	489,181,600	-	-	-
Eastern Bank PLC.	USD	CD	7,121,686	122.30	870,982,183	-	-	-
Trust Bank PLC.	USD	CD	14,999,436	122.30	1,834,431,000	-	-	-
NCC Bank PLC.	USD	CD	1,307,051	122.30	159,952,383	-	-	-
					4,561,459,341			605,171,392
Total Balance					7,692,412,162			2,526,699,021

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Annexure - D

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

Amount in Taka

Sl. no	Name of the company	Industry	Face value	No. of shares	Cost of holding	Average costing price	Market Price per share	Total Market value (Tk)	Provision Required	Provision Maintained
	Quoted ordinary shares									
1	Bata Shoe Company (Bangladesh) Limited	Tannery Industries	10	81,170	87,406,498	1,076.83	804.10	65,268,797		
2	Berger Paints Bangladesh Ltd.	Miscellaneous	10	1,025,746	1,455,834,056	1,419.29	1,384.60	1,420,247,912		
3	Grameenphone Limited	Telecommunication	10	6,082,933	1,753,498,069	288.27	257.90	1,568,788,421		
4	Lafarge Holcim Bangladesh Limited	Cement	10	7,350,820	474,297,539	64.52	46.70	343,283,294		
5	Marico Bangladesh Limited	Pharmaceuticals & Chemicals	10	776,693	1,761,368,268	2,267.87	2,673.50	2,076,406,531		
6	Prime Bank PLC.	Bank	10	3,536,206	99,799,157	28.22	28.70	101,489,112		
7	Renata Limited	Pharmaceuticals & Chemicals	10	505,993	384,539,430	760.07	391.80	198,248,057		
8	Singer Bangladesh Limited	Engineering	10	2,030,963	349,701,735	172.19	84.50	171,616,374		
9	Square Pharmaceuticals Limited	Pharmaceuticals & Chemicals	10	8,518,372	1,763,633,729	207.04	198.60	1,691,748,679		
					8,130,178,480			7,637,099,177	493,079,303	493,181,807
	Quoted corporate Bond									
1	APSCL redeemable coupon bearing bond	Corporate Bond	2,500	98,862		2,500.00	2,500.00			
					247,155,000			247,155,000	-	-
					247,155,000			247,155,000	-	-

Sl. no	Name of the company	Industry	Face value	No. of shares	Cost of holding	Average costing price	Fair value/ NAV per share	Total fair value/ Net Asset value (Tk)	Provision Required	Provision Maintained
	Unquoted shares and mutual funds									
1	Industrial and Infrastructure Development Finance Co. Limited (IIDFC)		10	10,449,259	29,683,820	2.84	(19.51)	-	29,683,820	29,683,820
2	Central Depository Bangladesh Limited (CDBL)		10	2,284,721	6,277,770	2.75	41.55	94,941,369	-	-
3	The Bangladesh Rating Agency Limited (BRAL)		100	119,717	11,971,700	100.00	(6.58)	-	11,971,700	11,971,700
4	Blue Wealth 1st Balance Fund		10	2,500,000	25,000,000	10.00	10.83	27,075,000	-	-
5	EDGE Al-Amin Shariah Consumer Fund		10	1,600,000	16,000,000	10.00	10.79	17,264,000	-	-
6	EDGE AMC Growth Fund		10	775,000	9,145,000	11.80	14.55	11,276,250	-	-
7	EDGE High Quality Income Fund		10	4,762,440	49,999,962	10.50	12.65	60,244,866	-	-
8	Ekush Growth Fund		10	2,250,000	22,500,000	10.00	11.87	26,707,500	-	-
9	Ekush Stable Return Fund		10	2,191,000	24,999,310	11.41	13.77	30,170,070	-	-
10	Green Delta Dragon Enhanced Blue Chip Growth Fund		10	2,500,000	25,000,000	10.00	11.03	27,575,000	-	-
11	HFAML Shariah Unit Fund		10	2,000,000	20,000,000	10.00	7.72	15,440,000	4,560,000	7,506,506
12	IDLC Balanced Fund		10	4,511,370	45,113,700	10.00	11.06	49,895,752	-	-
13	ICB Income Plus Fund		10	4,759,370	49,999,929	10.51	13.43	63,919,767	-	-
14	VIPB Accelerated Income Unit Fund		10	3,600,000	40,068,000	11.13	12.13	43,668,000	-	-
15	VIPB Fixed Income Fund		10	997,000	9,999,910	10.03	11.82	11,784,540	-	-
16	VIPB Growth Fund		10	2,014,000	20,140,000	10.00	12.11	24,389,540	-	-
17	VIPB NLI 1ST Unit Fund		10	7,018,585	70,185,850	10.00	10.56	74,116,258	-	-
18	VIPB SEBL 1st Unit Fund		10	10,423,467	104,234,670	10.00	11.24	117,159,769	-	-
					580,319,621			695,627,681	539,294,629	542,343,833

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A. QASEM & CO. DHAKA

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Annexure - E

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

Amount in Taka

Particulars	Cost				Depreciation				Written-down value as at 31 December 2025
	Opening balance as on 01 January 2025	Addition/ Revaluation during the year	Disposals/ Adjustments during the year	Total balance as at 31 December 2025	Opening balance as on 01 January 2025	Charge during the year	Disposals/ Adjustments during the year	Total balance as at 31 December 2025	
Property, plant & equipment (PPEs)									
Land	527,275,400	-	-	527,275,400	-	-	-	-	527,275,400
Office floor space	4,034,334	-	-	4,034,334	1,225,765	100,858	-	1,326,623	2,707,711
Furniture & fixture	2,536,067,740	384,857,917	33,427,989	2,887,497,668	1,794,108,415	163,599,937	33,120,924	1,924,587,428	962,910,240
Office equipment	1,652,505,716	366,690,313	64,292,726	1,954,903,303	1,343,491,792	137,168,912	64,292,726	1,416,367,978	538,535,325
IT Hardware	4,331,020,017	769,845,707	232,295,011	4,868,670,713	3,035,840,863	573,695,582	231,709,763	3,377,726,682	1,490,944,031
Motor vehicles	442,202,195	116,300,738	-	558,502,933	391,762,435	32,818,354	-	424,580,789	133,922,144
Right of use assets (RoU)	7,540,539,044	2,498,545,108	967,141,010	9,071,943,142	3,145,524,166	1,041,561,658	860,530,634	3,326,555,190	5,745,387,952
Capital expenditure work in progress	415,419,540	642,413,918	365,571,294	692,262,164	-	-	-	-	692,262,164
Sub-total	17,449,063,986	4,778,753,701	1,662,728,030	20,565,089,657	9,711,953,436	1,948,845,301	1,189,654,047	10,471,144,690	10,093,944,967
Intangible assets:									
With definite useful lives:									
IT Software	3,260,405,920	562,224,401	-	3,822,630,321	2,479,070,592	436,767,009	-	2,915,837,601	906,792,720
Sub-total	3,260,405,920	562,224,401	-	3,822,630,321	2,479,070,592	436,767,009	-	2,915,837,601	906,792,720
As at 31 December 2025	20,709,469,906	5,340,978,102	1,662,728,030	24,387,719,978	12,191,024,028	2,385,612,310	1,189,654,047	13,386,982,291	11,000,737,687

As at 31 December 2024

Amount in Taka

Particulars	Cost				Depreciation				Written-down value as at 31 December 2024
	Opening balance as on 01 January 2024	Addition/ Revaluation during the year	Disposals/ Adjustments during the year	Total balance as at 31 December 2024	Opening balance as on 01 January 2024	Charge during the year	Disposals/ Adjustments during the year	Total balance as at 31 December 2024	
Property, plant & equipment (PPEs)									
Land	527,275,400	-	-	527,275,400	-	-	-	-	527,275,400
Office floor space	4,034,334	-	-	4,034,334	1,124,907	100,858	-	1,225,765	2,808,569
Furniture & fixture	2,346,016,180	263,403,237	73,351,657	2,536,067,740	1,720,188,387	146,332,171	72,412,143	1,794,108,415	741,959,325
Office equipment	1,467,218,773	212,619,350	27,332,407	1,652,505,716	1,253,509,447	117,302,262	27,319,917	1,343,491,792	309,013,924
IT Hardware	3,424,966,158	942,610,625	36,556,766	4,331,020,017	2,583,369,738	488,893,781	36,422,656	3,035,840,863	1,295,179,154
Motor vehicles	442,202,195	-	-	442,202,195	366,372,646	25,389,789	-	391,762,435	50,439,760
Right of use assets (RoU)	6,715,802,482	1,241,972,128	417,235,566	7,540,539,044	2,554,094,484	902,607,156	311,177,474	3,145,524,166	4,395,014,878
Capital expenditure work in progress	308,546,534	532,520,341	423,547,335	415,419,540	-	-	-	-	415,419,540
Sub-total	15,234,062,036	3,193,125,681	978,123,731	17,449,063,986	8,478,659,609	1,680,626,017	447,332,190	9,711,953,436	7,737,110,550
Intangible assets:									
With definite useful lives:									
IT Software	2,979,635,750	280,770,170	-	3,260,405,920	2,107,859,025	371,211,567	-	2,479,070,592	781,335,328
Sub-total	2,979,635,750	280,770,170	-	3,260,405,920	2,107,859,025	371,211,567	-	2,479,070,592	781,335,328
As at 31 December 2024	18,213,697,786	3,473,895,851	978,123,731	20,709,469,906	10,586,518,634	2,051,837,584	447,332,190	12,191,024,028	8,518,445,878

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Annexure-F

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

Amount in Taka

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

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

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A. QASEM & CO. GULSHAN DHAKA CHARTERED ACCOUNTANTS

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

Particulars	BRAC Bank PLC.			Subsidiaries					BRAC Bank Group (Consolidated)
	Domestic Banking Unit (DBU)	Offshore Banking Unit (OBU)	BRAC Bank (Standalone)	bKash	BRAC EPL Investments	BRAC EPL Stock Brokerage	BRAC SAAJAN	Intercompany Elimination	
PROPERTY AND ASSETS									
Cash & Bank Balances	56,544,200,004	4,561,459,344	61,105,659,348	85,928,789,928	335,399,255	1,406,965,204	494,838,725	(9,519,681,271)	109,751,971,189
Investments	326,256,440,605	-	326,256,440,605	91,997,699,882	372,402,705	751,930,284	-	-	419,378,463,476
Loans and advances	630,280,317,506	100,378,521,307	730,658,838,813	-	1,643,590,759	101,370,290	-	(995,467,254)	731,408,332,608
Fixed and other assets including goodwill	59,309,026,089	2,342,266,235	61,651,292,324	20,179,888,280	582,272,782	380,551,342	720,362,425	(17,064,862,348)	97,575,778,377
Total Assets	1,072,389,984,204	107,282,246,886	1,179,672,231,090	168,106,368,090	2,933,665,501	2,640,817,120	1,215,201,150	(27,580,010,873)	1,328,114,545,650
LIABILITIES AND CAPITAL									
Liabilities									
Borrowings & Bonds	46,616,431,566	93,736,825,323	140,353,256,889	-	548,772,169	-	591,389,200	(986,149,703)	140,507,268,555
Deposits and other accounts	884,185,781,011	5,331,626,202	889,517,407,213	110,045,917,155	315,682,996	-	-	(9,519,681,271)	990,359,326,093
Other liabilities	45,717,346,132	4,382,579,974	50,099,926,106	16,651,855,687	1,330,233,178	1,132,114,231	471,582,623	(1,854,861,567)	67,830,851,258
Total Liabilities	976,519,558,709	103,451,031,499	1,079,970,590,208	126,697,773,842	2,194,688,343	1,132,114,231	1,062,971,823	(12,360,692,541)	1,198,697,445,908
Total equity including NCI	95,870,425,495	3,831,215,387	99,701,640,882	41,408,594,248	738,977,158	1,508,702,889	152,229,327	(15,219,318,332)	129,421,696,418
Total liabilities and equity	1,072,389,984,204	107,282,246,886	1,179,672,231,090	168,106,368,090	2,933,665,501	2,640,817,120	1,215,201,150	(27,580,010,873)	1,328,114,545,650

For the year ended 31 December 2024

Particulars	BRAC Bank PLC			Subsidiaries					BRAC Bank Group (Consolidated)
	Domestic Banking Unit (DBU)	Offshore Banking Unit (OBU)	BRAC Bank (Standalone)	bKash	BRAC EPL Investments	BRAC EPL Stock Brokerage	BRAC SAAJAN	Intercompany Elimination	
PROPERTY AND ASSETS									
Cash & Bank Balances	51,661,378,846	605,171,391	52,266,550,237	29,539,176,059	154,505,661	1,400,429,069	316,075,560	(4,809,575,887)	78,867,160,699
Investments	204,351,738,373	-	204,351,738,373	92,205,635,035	725,679,988	676,572,341	-	-	297,959,625,737
Loans and advances	549,922,323,062	73,449,585,468	623,371,888,530	-	1,594,703,748	148,113,710	-	(1,263,924,093)	623,850,781,895
Fixed and other assets including goodwill	47,869,765,267	2,272,760,374	50,142,525,641	18,163,459,099	428,957,678	288,172,283	438,224,135	(14,541,879,364)	56,045,933,044
Total Assets	853,805,205,548	76,327,497,233	930,132,702,781	139,908,270,193	2,903,847,075	2,513,287,403	754,299,695	(20,615,179,344)	1,056,723,501,375
LIABILITIES AND CAPITAL									
Liabilities									
Borrowings & Bonds	55,646,667,341	64,466,084,330	120,112,751,671	-	748,946,087	-	531,707,146	(1,264,471,398)	120,128,933,506
Deposits and other accounts	684,230,164,261	5,202,765,318	689,432,929,579	93,108,554,564	133,588,344	-	-	(4,809,575,887)	777,866,506,600
Other liabilities	40,645,598,185	4,144,459,455	44,790,057,640	11,997,127,820	1,301,365,033	1,067,663,060	171,629,165	(1,518,874,140)	57,808,968,578
Total Liabilities	780,522,429,787	73,813,309,103	854,335,738,890	105,106,692,384	2,183,899,464	1,067,663,060	703,336,311	(7,592,921,425)	955,804,408,684
Total equity including NCI	73,282,775,761	2,514,188,130	75,796,963,891	34,801,577,809	719,947,611	1,445,624,343	50,963,385	(13,022,257,920)	100,922,597,151
Total liabilities and equity	853,805,205,548	76,327,497,233	930,132,702,781	139,908,270,193	2,903,847,075	2,513,287,403	754,299,696	(20,615,179,345)	1,056,723,501,375

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BRAC Bank PLC

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Purana Paltan, Dhaka-1000.

QASEM & CO. DHAKA CHARTERED ACCOUNTANTS

Tareq Rezal Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

Annexure G-2

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

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

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

For the year ended 31 December 2024

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

Particulars	bKash	BRAC EPL Stock Brokerage	BRAC EPL Investments	BRAC SAAJAN	Intercompany Elimination	BRAC Bank Group
Total external revenue	19,886,442,580	506,941,658	(126,200,755)	385,284,100	(572,134,862)	64,330,743,871
Inter segment revenue /(expenses)	-	-	-	-	-	-
Total segment revenue	19,886,442,580	506,941,658	(126,200,755)	385,284,100	(572,134,862)	64,330,743,871
Total segment operating expenses	14,838,329,535	460,288,003	101,192,275	492,673,478	(572,134,862)	36,339,816,007
Segment operating profit/(loss)	**5,048,113,045**	**46,653,655**	**(227,393,030)**	**(107,389,378)**	**-**	**27,940,927,864**

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

M Masud Rana FCA
Additional Managing Director & CFO
BRAC Bank PLC.

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Managing Director & CEO
BRAC Bank PLC.

Syed M Omar Tayub
Managing Director & CEO
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Head Office, Dhaka

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ECOVIS BANGLADESH

A. QASEM & Co.
Chartered Accountants Since 1953

70 Years of excellence

To whom it may concern

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

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

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

ATM Shamim Reza FCA
Partner
Enrolment No: 1766

Dhaka, Bangladesh
Dated: 26 April 2026

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

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Annexure - H

BRAC Bank PLC.
Custodian Service
For the year ended 31 December 2025

Particulars	2025 Taka	2024 Taka
Operating income		
Commission, exchange and brokerage	21,257,087	19,531,356
Total operating income	21,257,087	19,531,356
Operating expenses		
Salaries and allowances	5,184,139	6,649,263
Rent, taxes, insurance, electricity etc.	1,148,432	1,312,605
Postage, stamps, telecommunication etc.	42,130	31,845
Stationery, printing, advertisement etc.	50,737	1,210
Depreciation on and repairs to bank's assets	1,007,321	1,270,490
Other expenses	1,590,517	290,968
Total operating expenses	9,023,276	9,556,381
Operating profit	12,233,811	9,974,975

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BRAC Bank PLC.

M Mahbubur Rahman FCS
Company Secretary
BRAC Bank PLC

A. QASEM & CO. CHARTERED ACCOUNTANTS

Annexure - I

BRAC Bank PLC.
Details of transactions with related parties
For the year ended 31 December 2025

Amount in Taka

SL No.	Name of the related parties (Companies)	Relationship status	Balance type	Opening balance	Deposit/payment during the period	Withdrawal/loan during the period	Closing balance
1	BRAC and its associated organization	Parent Company	Deposits	21,567,775,322	630,029,292,104	629,614,870,136	21,982,197,290
2	bKash Limited	Subsidiary	Deposits	3,459,051,334	1,176,587,113,846	1,171,774,977,392	8,271,187,788
3	BRAC EPL Investments Limited	Subsidiary	Deposits	153,188,055	4,759,042,929	4,845,738,852	66,492,132
4	BRAC EPL Stock Brokerage Limited	Subsidiary	Deposits	1,130,387,826	18,091,319,457	18,133,428,029	1,088,279,254
5	BRAC IT Services Limited (biTS)	Associates	Deposits	54,384,710	1,424,001,001	1,399,862,560	78,523,151
6	BRAC SAAJAN Exchange Limited	Subsidiary	Deposits	52,855,544	31,904,582,611	31,943,918,949	13,619,206
7	Palli Karma-Sahayak Foundation (PKSF)	Common Board member	Deposits	1,100,000,000	4,671,122,980	2,348,671,624	3,422,451,357
8	Kids Tutorial	Common Board member	Deposits	11,938,536	73,972,202	54,791,711	31,119,027
9	The Legal Circle	Common Board member	Deposits	346,734	19,164,307	18,844,270	666,771
10	Light Castle Partners	Common Board member	Deposits	53,820,533	133,947,131	187,639,877	127,787
11	Shadhin Fintech Solutions Ltd.	Common Board member	Deposits	23,590	-	690	22,900
12	Guardian Life Insurance	Common Board member	Deposits	736,228,410	9,279,696,099	9,621,134,325	394,790,184
13	BRAC EPL Investments Limited	Subsidiary	Continuous loan	746,339,704	1,376,046,756	1,039,044,936	407,337,864
14	BRAC Sajjan Exchange Limited	Subsidiary	Continuous loan	517,584,388	21,672,823,393	21,743,368,373	588,129,368
15	BRAC EPL Stock Brokerage Limited	Subsidiary	Non-Funded	1,000,000,000	-	-	1,000,000,000
16	Industrial and Infrastructure Development Finance Co. Limited	Common Board member	Term placement	100,000,000			100,000,000
17	BRAC IT Services Limited (biTS)	Associates	Receivables	93,929,793	N/A		63,466,065
18	Key Management Personnel (Note - 7.7.1)	Senior Management	Loans and Advances	312,613,486	N/A		386,043,156
19	BRAC Bank Employees' Gratuity Fund (Post employment benefit plan)	Details of transactions with BRAC Bank Employees' Gratuity Fund can be found at note no 9.5					

SL No.	Name of the related parties (Directors)	Relationship status	Balance type	Credit Card Limit	Lien Amount	Opening balance	Closing balance
1	Ms. Farzana Ahmed	Director	Credit card	1,000,000	1,200,000	-	94,753
2	Ms. Anita Ghazi Rahman	Director	Credit card	800,000	950,000	221,219	267,824
3	Mr. Tareq Refat Ullah Khan	Managing Director	Credit card	1,000,000	-	-	781,376

Note: In addition, BRAC Bank has credit exposure on NGOs where its Directors are involved in the capacity of executive committee members. As on 31 December 2025, the Bank has credit exposures amounting BDT 1,091,526,272. However, as per Bangladesh Bank letter ref: BRPD (R-2)651/9(25)ka/2016-6852; such exposure shall not come under the purview of related party exposures as given to non-profit organisations.

M Mahbubur Rahman FCS
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A. QASEM & CO. CHARTERED ACCOUNTANTS DHAKA

Syed M Omar Tayub
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BRAC Bank PLC.
Off-shore Banking Units

Financial Statements
as at and for the year ended 31 December 2025

Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

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BRAC Bank PLC.

Tareq Refat Ullah Khan
Managing Director & CEO
BRAC Bank PLC.

Annexure - J

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

Particulars	Note	2025		2024	
		USD	Taka	USD	Taka
PROPERTY AND ASSETS					
Cash		-	-	-	-
Cash in hand (including foreign currency)		-	-	-	-
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		-	-	-	-
Balance with other banks and financial institutions	3	37,298,700	4,561,459,344	5,043,095	605,171,391
Inside Bangladesh		-	-	-	-
Outside Bangladesh		37,298,700	4,561,459,344	5,043,095	605,171,391
Money at call on short notice		-	-	-	-
Investments		-	-	-	-
Government		-	-	-	-
Others		-	-	-	-
Loans and advances	4	820,787,383	100,378,521,307	612,079,712	73,449,585,468
Loans, cash credit, overdrafts etc.		789,425,608	96,543,120,454	594,948,358	71,393,803,001
Small and medium enterprises		1,749,354	213,937,983	752,747	90,329,658
Bills purchased and discounted		29,612,421	3,621,462,870	16,378,607	1,965,432,809
Fixed assets including premises, furniture and fixtures		-	-	-	-
Other assets	5	19,152,529	2,342,266,235	18,939,670	2,272,760,374
Total Property and Assets		877,238,612	107,282,246,886	636,062,477	76,327,497,233
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents	6	756,978,750	92,575,019,023	536,217,369	64,346,084,330
Money at call and short notice		9,500,000	1,161,806,300	1,000,000	120,000,000
Deposits and other accounts		43,596,294	5,331,626,202	43,356,377	5,202,765,318
Current accounts and other accounts		1,210,594	148,050,125	1,578,332	189,399,859
Bills payable		-	-	-	-
Savings deposits		-	-	-	-
Fixed deposits		42,385,700	5,183,576,077	41,778,045	5,013,365,459
Other deposits		-	-	-	-
Other liabilities	7	45,913,248	4,382,579,974	44,369,022	4,144,459,455
Total Liabilities		855,988,292	103,451,031,499	624,942,768	73,813,309,103
Capital and Shareholders' Equity					
Paid up share capital		-	-	-	-
Statutory reserve		-	-	-	-
Revaluation reserve		-	-	-	-
Foreign currency translation reserve		(114)	855,251,782	(114)	779,563,862
Surplus in profit and loss account/Retained earnings	8	21,250,434	2,975,963,605	11,119,823	1,734,624,268
Total shareholders' equity		21,250,320	3,831,215,387	11,119,709	2,514,188,130
Total Liabilities and Shareholders' Equity		877,238,612	107,282,246,886	636,062,477	76,327,497,233

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BRAC Bank PLC

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Syed M Omar Tayub
Managing Director & CEO
Prime Bank Investment PLC
Head Office, Dhaka

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

Particulars	Note	2025		2024	
		USD	Taka	USD	Taka
Off balance sheet items					
Contingent liabilities					
Acceptances and endorsements		75,535	9,237,632	3,443,439	413,212,656
Irrevocable letter of credits		1,181,703	144,516,840	2,370,933	284,511,951
Letter of guarantees		-	-	-	-
Bills for collection		8,911,785	1,089,870,363	13,538,153	1,624,578,414
Total		10,169,023	1,243,624,835	19,352,525	2,322,303,021
Other commitments					
Swap deals with banks and customers		-	-	-	-
Spot and forward deals with banks and customers		-	-	-	-
		-	-	-	-
Total off balance sheet items		10,169,023	1,243,624,835	19,352,525	2,322,303,021

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Head Office, Dhaka

A. QASEM & CO. DHAKA CHARTERED ACCOUNTANTS

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

Particulars	Note	2025		2024	
		USD	Taka	USD	Taka
Interest income	9	48,636,678	5,943,933,491	54,278,339	6,312,359,457
Interest paid on deposits and borrowing etc.	10	37,500,918	4,579,460,600	43,660,426	5,057,843,416
Net Interest Income		11,135,760	1,364,472,891	10,617,913	1,254,516,041
Investment income		-	-	-	-
Commission, exchange and brokerage	11	1,049,099	128,083,996	1,005,352	116,474,726
Other operating income	12	738,752	90,389,869	740,708	83,407,440
Total operating income		12,923,611	1,582,946,756	12,363,973	1,454,398,207
Salaries and allowances		1,339,070	163,643,935	1,195,468	138,939,802
Rent, taxes, insurance, electricity etc.	13	90,237	11,028,205	96,355	11,183,917
Legal expenses		-	-	-	-
Postage, stamps, telecommunication etc.	14	14,545	1,777,855	15,521	1,817,351
Stationery, printing, advertisement etc.	15	55,064	6,732,518	57,306	6,717,789
Depreciation and repairs to bank's assets		202,342	24,731,405	159,608	18,680,670
Other expenses		346,033	42,282,757	312,016	36,182,022
Total operating expenses		2,047,291	250,196,675	1,836,274	213,521,551
Profit before provisions		10,876,320	1,332,750,081	10,527,699	1,240,876,656
Provision for:					
Loans and advances	16	739,434	90,656,551	(2,157,933)	(222,623,168)
Off balance sheet items		-	-	-	-
Others		6,275	754,193	(708)	(157,831)
Total provision		745,709	91,410,744	(2,158,641)	(222,780,999)
Profit/(loss) before taxes		10,130,611	1,241,339,337	12,686,340	1,463,657,655
Provision for tax:					
Current tax expense		-	-	-	-
Deferred tax expense/ (income)		-	-	-	-
Total provision for tax	17	-	-	-	-
Total profit/(loss) after taxes		10,130,611	1,241,339,337	12,686,340	1,463,657,655

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A. QASEM & CO. CHARTERED ACCOUNTANTS

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

Particulars	2025		2024	
	USD	Taka	USD	Taka
A. Cash flows from operating activities				
Interest receipts in cash	47,855,371	5,812,635,298	54,360,915	6,165,705,196
Interest payment	(37,204,632)	(4,482,551,607)	(43,856,755)	(4,919,891,338)
Fees and commissions receipts	1,049,099	128,083,996	1,005,352	116,474,726
Cash payments to employees	(1,339,070)	(163,643,935)	(1,195,468)	(138,939,802)
Cash payments to suppliers	(69,608)	(8,510,373)	(72,827)	(8,535,140)
Receipts from other operating activities	738,752	90,389,869	740,784	83,407,440
Payment for other operating activities :	(637,926)	(77,958,062)	(670,034)	(78,643,987)
Operating cash flow before changes in operating assets and liabilities (i)	10,391,986	1,298,445,186	10,311,967	1,219,577,095
Increase/decrease in operating assets and liabilities				
Loans and advances to customers	(208,707,671)	(26,928,955,839)	(41,201,882)	(10,653,004,196)
Other assets	568,447	(200,804,054)	630,663	(257,594,677)
Deposits from other banks/borrowings	229,261,381	29,270,740,992	28,449,961	8,501,669,391
Deposits from customers	239,916	128,860,884	6,028,704	1,096,721,203
Other liabilities	992,162	404,125,565	(7,084,204)	(216,960,222)
Cash utilised in operating assets and liabilities (ii)	22,354,235	2,673,967,548	(13,176,758)	(1,529,168,501)
Net cash (used)/flows from operating activities (i+ii)	32,746,221	3,972,412,734	(2,864,791)	(309,591,406)
B. Cash flows from investing activities				
Investment in commercial paper	-	-	-	-
Net cash used in investing activities	-	-	-	-
C. Cash flows from financing activities	-	-	-	-
D. Net increase/(decrease) in cash (A+B+C)	32,746,221	3,972,412,734	(2,864,791)	(309,591,406)
E. Cash and cash equivalents at beginning of year	5,043,095	605,171,391	8,777,224	965,494,681
Exchange difference	(490,616)	(16,124,781)	(869,338)	(50,731,884)
Cash and cash equivalents at the end of year (D+E)	37,298,700	4,561,459,344	5,043,095	605,171,391
Cash and cash equivalents at the end of the year:				
Cash in hand (including foreign currency)	-	-	-	-
Balance with Bangladesh Bank and its agents bank(s) (Including foreign currency)	-	-	-	-
Balance with other banks and financial institutions	37,298,700	4,561,459,344	5,043,095	605,171,391
	37,298,700	4,561,459,344	5,043,095	605,171,391

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A. QASEM & CO. CHARTERED ACCOUNTANTS DHAKA

Off-Shore Banking Units

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

1 **Status of the units**

Off-shore Banking Units of BRAC Bank PLC., governed under the rules and guidelines of Bangladesh Bank. The bank commenced the operation of its Off-shore banking Unit from 2010 after obtaining necessary approval from Bangladesh Bank.

1.1 **Principal Activities**

The principal activities of the units are to provide all kinds of commercial banking services to its customers through its off-shore Banking units in Bangladesh.

2 **Summary of significant accounting policies and basis of preparation**

2.1 A summary of the principle accounting policies which have been applied consistently (unless otherwise stated), are set out below:

a) Basis of accounting

The off-shore Banking Units maintain its accounting records in USD from which accounts are prepared according to the Bank Companies Act 1991, International Financial Reporting Standards and other applicable directives issued by Bangladesh Bank.

b) 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 differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision of accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

c) Foreign currency transactions and translations to presentation currency

Foreign currency transactions are converted into equivalent functional currency i.e. USD using the exchange rates ruling on the dates of respective transactions as per IAS -21' The Effects of Changes in Foreign Exchange Rates'.

All revenue items have been translated to presentation currency i.e. BDT at average rate and all balance sheet items except retained earnings were translated to presentation currency at the closing rate. Any resulting differences have been recognised as foreign currency translation

Commitments for outstanding forward foreign exchange contracts disclosed in the financials 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.

2.2 **Reporting period**

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

2.3 **Cash and cash equivalents**

For the purpose of presentation in the cash flow statements, cash and cash equivalents includes cash in hand and cash at bank, highly liquid interest bearing investment/securities with original maturities of less than three month.

As per IAS 7 Statement of Cash Flows, 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 BRPD 14 dated 25 June 2003, cash flow statement should be a mixture of direct and indirect method.

2.4 **Loans and advances**

a) Loans and advances of Off-shore Banking Units 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.

2.5 **Provision for liabilities**

A provision is recognised 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".

2.6 **General**

a) Figures appearing in these financial statements have been rounded off to the nearest Taka and rearranged wherever necessary.

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Off-Shore Banking Units

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

	Particulars	2025		2024	
		USD	Taka	USD	Taka
3	**Balance with other banks and financial institutions**				
	JP Morgan Chase Bank, New York	4,653,819	569,140,651	2,827,963	339,355,512
	JP Morgan AG, Frankfurt, Germany	689,478	84,319,935	435,063	52,207,562
	JP Morgan Chase, N.A., London	1,025,449	125,407,692	1,780,069	213,608,317
	Inter-Bank Accepted Bill Financing-OBU	23,429,954	2,865,375,566	-	-
	BBL OBU to Other Bank ODU placement	7,500,000	917,215,500	-	-
		37,298,700	4,561,459,344	5,043,095	605,171,391
4	**Loans and advances**				
	Loans, cash credits, overdrafts etc. (note 4.1)	789,425,608	96,543,120,454	594,948,358	71,393,803,001
	Small and medium enterprises	1,749,354	213,937,983	752,747	90,329,658
	Bills purchased and discounted (except SME)	29,612,421	3,621,462,870	16,378,607	1,965,432,809
		820,787,383	100,378,521,307	612,079,712	73,449,565,468
4.1	**Loans, cash credit, overdrafts etc.**				
	Overdrafts	5,540,615	677,591,676	5,558,804	667,056,535
	Demand loans	707,373,020	86,508,456,419	524,663,086	62,959,570,274
	Term loans	76,511,973	9,357,062,359	64,726,468	7,767,176,192
		789,425,608	96,543,120,454	594,948,358	71,393,803,001
5	**Other assets**				
	Interest receivables	16,355,065	2,000,149,252	15,573,759	1,868,851,059
	Deferred revenue expenditure	2,797,464	342,116,983	3,365,911	403,909,315
		19,152,529	2,342,266,235	18,939,670	2,272,760,374
6	**Borrowings from other banks, financial institutions and agents**				
	Inside Bangladesh:				
	On Shore to BRAC Bank Off Shore	193,228,750	23,630,987,273	116,788,798	14,014,655,760
		193,228,750	23,630,987,273	116,788,798	14,014,655,760
	Outside Bangladesh:				
	Asian Development Bank	30,000,000	3,668,862,000	30,000,000	3,600,000,000
	ABC Bank UK	10,000,000	1,222,954,000	-	-
	British International Investment PLC	43,750,000	5,350,423,750	50,000,000	6,000,000,000
	Caixabank S.A.	60,000,000	7,337,724,000	70,000,000	8,400,000,000
	Commerzbank Ag, Hamburg, Germany	30,000,000	3,668,862,000	10,000,000	1,200,000,000
	Abu Dhabi Commercial Bank, UAE	15,000,000	1,834,431,000	-	-
	Commercial Bank Of Dubai	20,000,000	2,445,908,000	-	-
	International Finance Corporation (IFC), USA	50,000,000	6,114,770,000	50,000,000	6,000,000,000
	JP Morgan Chase Bank N.A. Singapore	-	-	20,000,000	2,400,000,000
	Mizuho Bank Ltd, Singapore	50,000,000	6,114,770,000	28,000,000	3,360,000,000
	Citibank Hong Kong	25,000,000	3,057,385,000	-	-
	Citibank, N.A.,Tokyo Branch	-	-	1,428,571	171,428,570
	National Bank Of Ras Al-Khaimah	50,000,000	6,114,770,000	-	-
	DEG - Deutsche Investitions	40,000,000	4,891,816,000	50,000,000	6,000,000,000
	Emirates Nbd Bank Pjsc, Dubai	50,000,000	6,114,770,000	20,000,000	2,400,000,000
	Japan International Cooperation Agency (JICA)	90,000,000	11,006,586,000	90,000,000	10,800,000,000
		563,750,000	68,944,031,750	419,428,571	50,331,428,570
		756,978,750	92,575,019,023	536,217,369	64,346,084,330
7	**Other liabilities**				
	Provisions for loans and advances	8,807,715	1,003,765,732	8,831,500	1,059,780,047
	Provision on interest receivable	162,013	19,813,407	155,738	18,688,511
	Interest suspense	-	-	128,727	15,447,248
	Provision for taxation net off AIT	552,814	67,606,624	563,389	67,606,624
	Interest payable on borrowings	7,400,230	905,014,035	6,734,209	808,105,042
	Accrued expenses	223,917	23,698,264	323,227	23,813,958
	Payable to on-shore	28,735,575	2,342,095,550	26,725,229	2,096,402,140
	Payable against SWIFT charge	16,717	2,352,029	16,717	2,006,030
	Others payable	511,752	18,244,333	890,286	52,809,855
		45,913,248	4,382,579,974	44,369,022	4,144,459,455

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Continuation of Annexure - J

	Particulars	2025		2024	
		USD	Taka	USD	Taka
8	**Surplus in profit and loss account/ retained earnings**				
	Balance at the beginning of the year	11,119,823	1,734,624,268	(1,566,517)	270,966,613
	Add: Retained surplus for the year	10,130,611	1,241,339,337	12,686,340	1,463,657,655
		21,250,434	2,975,963,605	11,119,823	1,734,624,268
9	**Interest income**				
	Interest on loans and advances	48,257,691	5,897,587,279	53,530,096	6,226,407,571
	Interest on money at call and short notice	96,367	11,790,351	46,389	5,477,125
	Other interest income	282,620	34,555,861	701,854	80,474,761
		48,636,678	5,943,933,491	54,278,339	6,312,359,457
10	**Interest paid on deposits and borrowing etc.**				
	Interest on deposits	2,114,547	258,437,877	2,403,252	279,693,300
	Interest on borrowing from banks & FIs	35,361,247	4,317,956,974	41,176,827	4,768,604,654
	Interest on funding SWAP	-	-	44,919	5,323,769
	Interest on money at call and short notice	25,124	3,065,749	35,628	4,221,693
		37,500,918	4,579,460,600	43,660,426	5,057,843,416
11	**Commission, exchange and brokerage**				
	Commission Income	65,069	7,949,969	107,881	12,595,783
	Fees Income	984,030	120,134,027	897,471	103,878,943
		1,049,099	128,083,996	1,005,352	116,474,726
12	**Other operating income**				
	Miscellaneous income	738,752	90,389,869	740,708	83,407,440
		738,752	90,389,869	740,708	83,407,440
13	**Rent, taxes, insurance, electricity etc.**				
	Rent, rates and taxes	79,478	9,713,125	84,998	9,852,571
	Insurance	1,445	176,639	1,473	173,361
	Power and electricity	8,509	1,040,039	9,107	1,067,393
	WASA and sewerage	805	98,402	777	90,592
		90,237	11,028,205	96,355	11,183,917
14	**Postage, stamp, telecommunication etc.**				
	Postage and courier	9,578	1,170,712	5,915	687,606
	Court fees & stamps. Telegram, telex, fax and net	1,749	213,892	6,707	791,881
	Telephone- Office	3,218	393,251	2,899	337,864
		14,545	1,777,855	15,521	1,817,351
15	**Stationery, printing, advertisement etc.**				
	Stationery and printing	4,494	549,036	3,764	438,285
	Security stationery	1,529	186,915	1,342	156,101
	Advertisement	49,041	5,996,567	52,200	6,123,403
		55,064	6,732,518	57,306	6,717,789
16	**Provisions for loans and advances**				
	For classified loans and advances	(1,326,641)	(162,594,034)	(6,879,359)	(746,612,235)
	For unclassified loans and advances	2,066,075	253,250,585	4,721,426	523,989,067
		739,434	90,656,551	(2,157,933)	(222,623,168)

17 **Provision for tax**

Offshore Banking Unit (OBU) is an integral business unit of the Bank. The income from OBU is included in the separate financial statement of the Bank and tax has been provided on total income of the Bank including income from OBU. Hence provision for tax has not been calculated for OBU portion separately.

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