

ANNUAL REPORT 2025



বাংলাদেশ কমার্স ব্যাংক লিমিটেড
BANGLADESH COMMERCE BANK LIMITED

Service With Trust

BCB
হাউজ বिल्ডিং
ডিজিট ইন্সটলমেন্ট



সঞ্চয় হোক নিজের বাড়ির প্রথে



বার্ষিক মুনাফার হার
সর্বোচ্চ
12%



16270

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ANNUAL REPORT 2025



The 2025 theme, “**Connecting Trust, Empowering Progress, Shaping Tomorrow,**” reflects Bangladesh Commerce Bank Limited’s commitment to “**Service With Trust**” and sustainable value creation.

Connecting Trust represents our strong relationships built on integrity, confidence, and service excellence.

Empowering Progress reflects our focus on technology, innovation, and efficient banking solutions that enable customers, stakeholders and businesses to prosper.

Shaping Tomorrow embodies our vision of a more inclusive, sustainable, and prosperous Bangladesh through responsible banking and financial inclusion.

Together, these commitments define our journey **from trust to progress and towards a stronger tomorrow.**

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LETTER OF TRANSMITTAL

To

All Shareholders of Bangladesh Commerce Bank Limited,
Bangladesh Bank,
Registrar of Joint Stock Companies & Firms (RJSC),
Bangladesh Securities and Exchange Commission (BSEC)
Financial Reporting Council and all other stakeholders of BCBL.

**Subject: Annual Report of Bangladesh Commerce Bank Limited for the year ended
31 December 2025.**

Dear Sir,

On behalf of the Board of Directors of Bangladesh Commerce Bank Limited, we are pleased to present the **Annual Report 2025**, which includes the Audited Financial Statements (**Standalone and Consolidated**) for the year ended 31 December 2025, comprising the Statement of Financial Position, Statement of Changes in Equity, and other accompanying financial statements and notes.

Looking ahead, BCBL remains committed to strengthening its foundation, embracing emerging opportunities, and navigating Bangladesh's evolving economic landscape. By focusing on sustainable growth, innovation, operational efficiency, and resilience, BCBL aims to create lasting value for its customers, employees, shareholders, partners, and the wider community while contributing to Bangladesh's sustainable economic development.

PDFs of the Annual Report, AGM Notice and relevant forms are available on the Bank's website at **www.bcblbd.com**.

The Board sincerely appreciates the continued trust and support of shareholders, customers, regulators, business partners, and other stakeholders, as well as the dedication of the Bank's management and employees.

Yours Sincerely,



Md. Omar Faruk Bhuiyan
Company Secretary



বাংলাদেশ কমার্স ব্যাংক লিমিটেড

কর্পোরেট অফিসঃ ইউনুস ট্রেড সেন্টার (লেভেল ২২)
৫২-৫৩, দিলকুশা বা/এ, ঢাকা-১০০০।

২৮তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এতদ্বারা বাংলাদেশ কমার্স ব্যাংক লিমিটেড এর সম্মানিত শেয়ারহোল্ডারগণের জ্ঞাতার্থে জানানো যাচ্ছে যে, বাংলাদেশ কমার্স ব্যাংক লিমিটেড এর ২৮তম বার্ষিক সাধারণ সভা আগামী ২৬ সেপ্টেম্বর, ২০২৬ইং তারিখ রোজ শনিবার সকাল ১১ঃ০০ টায় নিম্নোক্ত কার্যাবলী সম্পাদনের নিমিত্তে এবং প্রয়োজনীয় সিদ্ধান্ত গ্রহণের জন্য ডিজিটাল প্রাটফর্ম অনুষ্ঠিত হবে।

আলোচ্যসূচী :

- ১। ৩১ ডিসেম্বর, ২০২৫ইং সমাপ্ত বছরের ব্যাংকের নিরীক্ষিত আর্থিক বিবরণী, এই তারিখে ছিতিপত্রসহ তদবিষয়ে পরিচালক ও নিরীক্ষকদের প্রতিবেদন গ্রহণ ও অনুমোদন।
- ২। ২০২৬ইং সালের জন্য অডিটর নিয়োগ ও সম্মানী নির্ধারণ।
- ৩। সভাপতির অনুমতিক্রমে অন্য যে কোন বিষয়ে আলোচনা।

তারিখঃ আগষ্ট ২০, ২০২৬
ঢাকা।

পর্ষদের আদেশক্রমে
স্বা/-
(মোঃ ওমর ফারুক ভূঞা)
কোম্পানী সচিব

বিশেষ দৃষ্টব্যঃ

- ১। কোম্পানীর ২৮তম বার্ষিক সাধারণ সভা উপলক্ষে শেয়ার হস্তান্তর বহিঃ আগামী ০১-০৯-২০২৬ইং থেকে ০৩-০৯-২০২৬ইং তারিখ (উভয় দিনসহ) বন্ধ থাকবে।
- ২। ২৮তম বার্ষিক সাধারণ সভায় অংশগ্রহণ ও ভোট প্রদানের যোগ্য কোম্পানীর যে কোন সদস্য/সদস্যা তার পক্ষে সভায় অংশগ্রহণ ও ভোট প্রদানের জন্য প্রক্সি নিয়োগ করতে পারবেন। প্রক্সি ফরম অথবা পাওয়ার অব এটর্নী বা ক্ষমতাপত্র বা নোটারী পাবলিক কর্তৃক সত্যায়িত ক্ষমতাপত্র এজিএম-এর কার্যক্রম শুরু হওয়ার কমপক্ষে ৭২ ঘণ্টা পূর্বে কোম্পানীর রেজিস্টার্ড অফিসে প্রেরণ করতে হবে। যদি প্রক্সি ফরম যথাযথভাবে পূরণ ও ২০/- টাকা মূল্যের রেভিনিউ স্ট্যাম্প যুক্ত করণ পূর্বক নির্ধারিত সময়ে জমা দেয়া না হয় তাহলে প্রক্সি ফরম বৈধ বলে বিবেচিত হবে না।
- ৩। সাধারণ সভা অনুষ্ঠানের দিন ডিজিটাল প্রাটফর্ম সকাল ১০ঃ০০ ঘটিকা থেকে উন্মুক্ত থাকবে। সম্মানিত শেয়ারহোল্ডারদের ওয়েব লিংক-এর মাধ্যমে এজিএম-এ সংযুক্ত থাকার অনুরোধ করা হলো। এজিএম-এ সংযুক্ত হবার বিস্তারিত প্রক্রিয়া ব্যাংকের ওয়েবসাইট: www.bcblbd.com -এ উল্লেখ থাকবে।
- ৪। ২৮তম বার্ষিক সাধারণ সভার বার্ষিক প্রতিবেদন-২০২৫, নোটিশ ও প্রক্সি ফরম ডাকযোগে সম্মানিত শেয়ারহোল্ডারদের নিবন্ধিত ঠিকানায় প্রেরণ ও ব্যাংকের ওয়েবসাইটে আপলোড করা হবে। সভা অনুষ্ঠানের পূর্বে কেউ বার্ষিক প্রতিবেদন, নোটিশ/প্রক্সি ফরম এবং এজিএম-এ উপস্থিতির লিংক না পেয়ে থাকলে ব্যাংকের [website: www.bcblbd.com](http://www.bcblbd.com) বা রেজিস্টার্ড অফিসের সচিব বিভাগে যোগাযোগ করার জন্য অনুরোধ করা হলো (টেলিফোন- ০৯৬১-৩২২-১০৭০ ও ০২-২২৩৩৫৫৭০৪)।
- ৫। ঠিকানার কোন পরিবর্তন হলে বার্ষিক প্রতিবেদন প্রেরণের পূর্বে বাংলাদেশ কমার্স ব্যাংক লিমিটেড-এর রেজিস্টার্ড অফিসের সচিব বিভাগে লিখিতভাবে অবহিত করার জন্য সম্মানিত শেয়ারহোল্ডারগণকে অনুরোধ করা হলো।
- ৬। কোম্পানীর মোমোরডাম এন্ড আর্টিকেলস অব এসোসিয়েশন এর বিধান মোতাবেক পরিচালকের অবসর গ্রহণ ও তদস্থলে নির্বাচন/পুনর্নির্বাচন :
গত ০৩ সেপ্টেম্বর ২০২৪ইং তারিখে বাংলাদেশ ব্যাংক এর পত্র সূত্র নং: বিআরপিডি(বিএমএমএ)৬৫১/৯(২৯)ডিএ/২০২৪-৭৭৭৯ এর মাধ্যমে ব্যাংক-কোম্পানী আইন, ১৯৯১ (২০২৩ পর্যন্ত সংশোধিত) এর ৪৭(১) এবং ৪৮(১) ধারায় প্রদত্ত ক্ষমতাবলে আমানতকারীদের স্বার্থ রক্ষা ও জনস্বার্থে বিদ্যমান পরিচালনা পর্ষদ বাতিলপূর্বক পত্র সূত্র নং: বিআরপিডি(বিএমএমএ)৬৫১/৯(২৯)ডিএ/২০২৪-৭৭৮১ এর মাধ্যমে ব্যাংকিং সুশাসন নিশ্চিতকল্পে ও জনস্বার্থে ব্যাংক কোম্পানী আইন, ১৯৯১ এর ৪৫ ধারায় প্রদত্ত ক্ষমতাবলে বিসিবিএল পরিচালনা পর্ষদ নতুনভাবে গঠন করে।
ব্যাংকের সংঘ-বিধি, ব্যাংক কোম্পানী আইন ও কোম্পানী আইনের বিধান মোতাবেক প্রতি এজিএম-এ জ্যেষ্ঠতার ভিত্তিতে ১/৩ (এক তৃতীয়াংশ) পরিচালকের অবসর গ্রহণের বিধান রয়েছে। ফলে পরিবর্তিত পরিস্থিতিতে এক তৃতীয়াংশ পরিচালকের অবসর গ্রহণ ও নিয়োগ/পুনর্নিয়োগ সংক্রান্ত বিধান বর্তমান পর্ষদের বিষয়ে প্রযোজ্য কি না, সে বিষয়ে একজন বিজ্ঞ আইনজীবীর মতামত গ্রহণ করা হয় যা নিম্নরূপ:
“ব্যাংক কোম্পানী আইন, ১৯৯১ এর ৪৮(৩) ধারার বিধান মোতাবেক ৪৭ ধারার অধীন গৃহীত কোন ব্যবস্থা, আদেশ বা সিদ্ধান্ত সম্পর্কে কোন আদালত, ট্রাইব্যুনাল বা অন্য কোন কর্তৃপক্ষের কোন প্রকার প্রশ্ন উত্থাপনের সুযোগ নেই। এছাড়া উদ্ধৃত বিশেষ পরিস্থিতিতে ১৯৯১ সালের ব্যাংক কোম্পানী আইন বা ১৯৯৪ সালের কোম্পানী আইন বা বাংলাদেশ কমার্স এন্ড ইনভেস্টমেন্ট লিমিটেড (পুনর্গঠন) আইন, ১৯৯৭ এ অনুরূপ নিয়োগ পরবর্তী এজিএম-এ পরিচালক নির্বাচনের ক্ষেত্রে করণীয় সম্পর্কে কোন বিধান প্রদান করা হয়নি।

এমতাবস্থায় যেহেতু বাংলাদেশ ব্যাংক কর্তৃক নিয়োগকৃত পরিচালকবৃন্দ বিশেষ কারণে বিশেষ দায়িত্ব পরিপালন করছে এবং যেহেতু এরূপ কার্যধারা বা সিদ্ধান্ত কোন আদালত বা ট্রাইব্যুনাল বা কর্তৃপক্ষের প্রশ্নাতীত। সেহেতু বিশেষ পরিস্থিতি বিবেচনায় পরিচালক পদত্যাগ ও পুনর্নির্বাচনের প্রক্রিয়াটি আগামী এজিএম এ স্থগিত রাখা ছাড়া ভিন্ন কোন উপায় পরিলক্ষিত হয় না।”

বিজ্ঞ আইনজীবীর আইনী মতামতের ভিত্তিতে ও কোম্পানীর মোমোরডাম এন্ড আর্টিকেলস অব এসোসিয়েশন এর বিধান মোতাবেক পরিচালকের অবসর গ্রহণ ও তদস্থলে নির্বাচন/পুনর্নির্বাচন এর বিষয়টি এই এজিএম এর আলোচ্যসূচীতে অন্তর্ভুক্ত করা সম্ভব হয়নি। বিষয়টি সম্মানিত শেয়ারহোল্ডারদের সদয় অবগতির জন্য পেশ করা হলো।


BANGLADESH COMMERCE BANK LIMITED

Corporate Office: Eunoos Trade Center (Level-22)
52-53, Dilkusha C/A, Dhaka-1000, Bangladesh

Notice of the 28th Annual General Meeting

Notice is hereby given that the 28th Annual General Meeting (AGM) of the Honorable shareholders of Bangladesh Commerce Bank Limited will be held virtually by using **Digital Platform** on **Saturday 26 September, 2026 at 11:00 a.m.** to transact the following business and to adopt necessary resolutions.

Agenda :

- 1) To receive, consider and adopt the Audited Financial Statements for the year ended 31st December 2025 along with the Reports of the Directors and Auditors thereon.
- 2) To appoint Auditor(s) of the Company and to fix up their remuneration for the year 2026.
- 3) To transact any other Business with the Permission of the Chair.

Dated: August 20, 2026
Dhaka.

By order of the Board of Directors
Sd/-
(Md. Omar Faruk Bhuiyan)
Company Secretary

NOTES:

- 1) The Register Book of shareholders of the Company shall remain closed from **01-09-2026 to 03-09-2026** (inclusive both days).
- 2) A Member eligible to participate and vote at the 28th Annual General Meeting may appoint any person as a proxy on his/her behalf. Proxy Form or Power of Attorney or Authorization letter or Authorization attested by Notary Public is to be sent to the Registered Office of the Company at least **72 hours** before the time fixed for the Meeting. A Proxy Form shall not be treated as valid if not duly filled in and affixed with Revenue stamp of **Tk.20/-**.
- 3) On the day of Annual General Meeting, Digital Platform will remain open from **10:00 a.m.** The Honorable shareholders are requested to join the AGM through web link, the detailed process for joining the meeting will also be available in the Bank's website: www.bcbld.com.
- 4) Annual Report-2025 along with Notice and Proxy Form of 28th Annual General Meeting will be sent to the registered address of all the respected shareholders and those would also be uploaded in the website of the Bank. Anybody who has not received the Annual Report, Notice/Proxy Form and link to attend the AGM, is requested to visit the **website www.bcbld.com** of the Bank or contact with Board Division of the Registered Office (Contact No. **0961-322-1070 or 02-223355704**).
- 5) Respected Shareholders are requested to inform the Board Division of the Registered Office of BCBL regarding change of their address (if any) on or before **sending Annual Report**.
- 6) **Regarding elect/re-elect Directors** in accordance with the provisions of law and the Memorandum and Articles of Association of the Company, this is to inform you that:

By virtue of Section 47(1) & 48(1) of the Bank Company Act, 1991 (amended up to 2023) and through Letter No. বিআরপিডি/বিএমএমএ/৬৫১/৯(২৯)ডিএ/২০২৪-৭৭৯ Bangladesh Bank on September 03, 2024 upon dissolving the previous Board of Directors, has formed a new Board of Directors of the Bank through Letter No. বিআরপিডি/বিএমএমএ/৬৫১/৯(২৯)ডিএ/২০২৪-৭৭৮১ under the authority of Section 45 of the Bank Company Act, 1991 with a view to ensure good banking governance & public interest.

As per the Articles of Association, Bank Company Act & Provisions of the Company Act, 1/3 (one-third) of the existing directors based on their seniority are required to retire and re-elect at every AGM of the Bank. However, considering the change of circumstances opinion of a learned Advocate was taken on the applicability of the provisions regarding retirement and appointment/reappointment of one-third directors of the Bank, which runs as follows:

"ব্যাংক কোম্পানী আইন, ১৯৯১ এর ৪৮(৩) ধারার বিধান মোতাবেক ৪৭ ধারার অধীন গৃহীত কোন ব্যবস্থা, আদেশ বা সিদ্ধান্ত সম্পর্কে কোন আদালত, ট্রাইব্যুনাল বা অন্য কোন কর্তৃপক্ষের কোন প্রকার প্রশ্ন উত্থাপনের সুযোগ নেই। এছাড়া উক্ত বিশেষ পরিস্থিতিতে ১৯৯১ সালের ব্যাংক কোম্পানী আইন বা ১৯৯৪ সালের কোম্পানী আইন বা বাংলাদেশ কমার্স এন্ড ইন্ডেস্ট্রিয়েস লিমিটেড (পুনর্গঠন) আইন, ১৯৯৭ এ অনুরূপ নিয়োগ পরবর্তী এজিএম-এ পরিচালক নির্বাচনের ক্ষেত্রে করণীয় সম্পর্কে কোন বিধান প্রদান করা হয়নি।

এমতাবস্থায় যেহেতু বাংলাদেশ ব্যাংক কর্তৃক নিয়োগকৃত পরিচালকবৃন্দ বিশেষ কারনে বিশেষ দায়িত্ব পরিপালন করছে এবং যেহেতু এরূপ কার্যধারা বা সিদ্ধান্ত কোন আদালত বা ট্রাইব্যুনাল বা কর্তৃপক্ষের প্রশ্নাতীত। সেহেতু বিশেষ পরিস্থিতি বিবেচনায় পরিচালক পদত্যাগ ও পুনর্নির্বাচনের প্রক্রিয়াটি আগামী এজিএম এ স্থগিত রাখা ছাড়া ভিন্ন কোন উপায় পরিলক্ষিত হয় না।"

Based on the legal opinion of the learned Advocate and according to the provisions of the Memorandum and Articles of Association of the Company, the issue of one-third Director's retirement and election/re-election could **not be included in the agenda of this AGM**; which is herein placed before the **Honorable shareholders for their kind information**.

Vision



To become a Bank of first choice by the customers with meaningful contributions to the society.

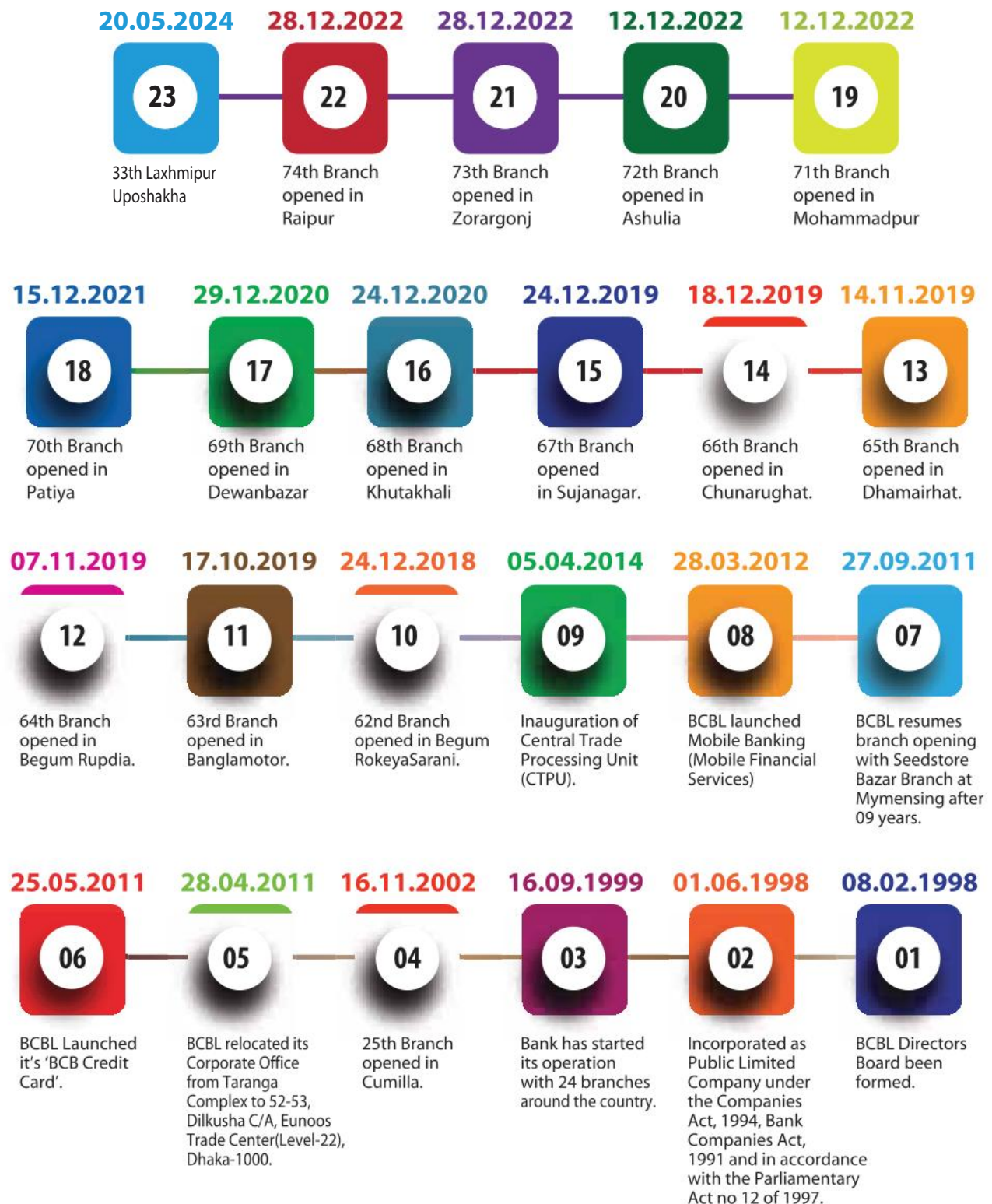
Mission



Bangladesh Commerce Bank Limited is committed to fulfill its customer needs and become their first choice in banking so that a sustainable growth reasonable return and contribution to the development of the country can be ensured with a motivated and professional work force.



CORPORATE MILESTONES

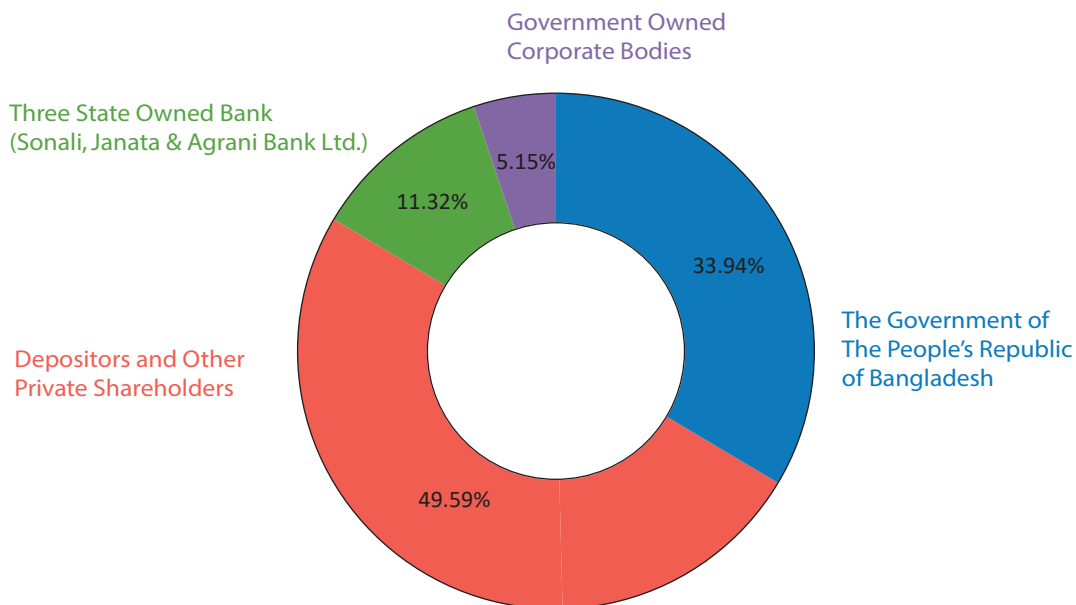


CORPORATE DIRECTORY

Name	Bangladesh Commerce Bank Limited. (BCBL)
Date of Incorporation	1 st June, 1998.
Legal Form	A public limited company incorporated in Bangladesh on June 01, 1998 under the Companies Act, 1994, the Bank Companies Act, 1991 and Parliamentary Act 12 of 1997.
Core Business Area	Bangladesh Commerce Bank Limited is a scheduled commercial bank. Like all other commercial banks BCBL's core business is also obtaining deposits and providing loans for Corporate & SME Business and individuals. Services include but not limited to offering different types of deposit accounts, and other deposit schemes account as well as giving loans to organizations and individuals.. BCBL make its profit by taking small, short-term, relatively liquid deposits and transforming these into small, medium, larger loans for short, medium and long term maturity loans. These processes of asset transformation generate net income for BCBL. BCBL also make short term profit by investing through treasury functions and doing non funded business like Trade Business. However, BCBL is primarily engaged in, deposit and lending activities for private and corporate/SME clients through wholesale and retail banking. The Bank generates income providing other services like; Visa credit, Debit card, mobile banking, custodial service, guarantees, cash management service and settlement, etc.
Authorized Capital	BDT 10,000 Million.
Paid Up Capital	BDT 1,989 Million.
Face Value Per Share	BDT 100 per share.
Auditor	M/S. Kazi Zahir Khan & Co. & M/S. Ahsan Manzur & Co. Chartered Accountants.
Tax Consultant	K. M. Hasan & Co. Chartered Accountants.
Registration Number	C-35510(2286)/98
Bangladesh Bank License Number	BRPD(P)744(KHA)/99-2842
Registered Head Office	Eunoos Trade Center (Level-22) 52-53, Dilkusha Commercial Area Dhaka-1000. Bangladesh.
TIN	222834807779
BIN	000001525-0208

Ownership Composition

SL. No.	Category	Name of Holders	No. of Shares	% of Holdings
1	KA	The Government of The People's Republic of Bangladesh	6,750,000	33.94
		Sponsors as per MoA & AoA	8	0.00
2	KHA	Three State Owned Bank (Sonali, Janata & Agrani Bank PLC.)	2,249,982	11.32
3	GA	Government Owned Corporate Bodies	1,024,613	5.15
		Depositors and Other Private Shareholders	9,862,825	49.59
Total			19,887,428	100



COMPOSITION OF BOARD & IT'S COMMITTEES

HONORABLE CHAIRMAN OF THE BOARD

Mr. Md. Ataur Rahman

COMPOSITION OF BOARD OF DIRECTOR'S:

Sl. No.	Name of the Directors	Status with the Committee
1.	Mr. Md. Ataur Rahman	Chairman
2.	Mr. Md. Mohashin Miah	Member
3.	Mr. Kamrul Hoque Maruf	Member
4.	Mr. Md. Golam Mortuza	Member
5.	Mr. Shaikh Ashafuzzaman FCA	Member
6.	Mr. Mohammad Ziaul Karim, MD & CEO (CC)	Member

COMPOSITION OF EXECUTIVE COMMITTEE:

Sl. No.	Name of the Directors	Status with the Committee
1.	Mr. Md. Mohashin Miah	Chairman
2.	Mr. Kamrul Hoque Maruf	Member
3.	Mr. Md. Golam Mortuza	Member

COMPOSITION OF AUDIT COMMITTEE:

Sl. No.	Name of the Directors	Status with the Committee
1.	Mr. Shaikh Ashafuzzaman FCA	Chairman
2.	Mr. Md. Ataur Rahman	Member

COMPOSITION OF RISK MANAGEMENT COMMITTEE:

Sl. No.	Name of the Directors	Status with the Committee
1.	Mr. Kamrul Hoque Maruf	Chairman
2.	Mr. Md. Ataur Rahman	Member
3.	Mr. Md. Mohashin Miah	Member
4.	Mr. Md. Golam Mortuza	Member
5.	Mr. Shaikh Ashafuzzaman FCA	Member

Directors' Profile



Md. Ataur Rahman
Independent Director & Chairman



Md. Mohashin Miah
Independent Director & Chairman EC



Kamrul Hoque Maruf
Director & Chairman RMC



Shaikh Ashafuzzaman FCA
Independent Director & Chairman AC



Md. Obaidul Hoque
Managing Director

Brief Biography of Board of Director's of Bangladesh Commerce Bank Limited.



Md. Ataur Rahman
Independent Director &
Chairman

Mr. Md. Ataur Rahman is an Independent Director and Chairman of the Board of Directors of Bangladesh Commerce Bank Limited. He holds a Master's degree with Honours in Accounting from the University of Dhaka and is a Diplomat Associate of the Institute of Bankers, Bangladesh (DAIBB). Mr. Rahman commenced his distinguished banking career with Bangladesh Bank in 1981.

During his long and accomplished career, he served in various key positions and made significant contributions to the country's banking and financial sector. He retired from Bangladesh Bank in 2015 as an Executive Director. He also served as a member of the Shariah Supervisory Committee of Sonali Bank PLC.

Throughout his professional career, Mr. Rahman has actively participated in numerous training programmes, workshops, seminars, and professional development initiatives on various aspects of commercial and central banking, both at home and abroad. His international exposure includes participation in programmes in Slovakia, the United Kingdom, Pakistan, Malaysia, Singapore, India, Germany, Belgium, and South Korea.



Md. Mohashin Miah
Independent Director &
Chairman Executive Committee

Being appointed Independent Director by Bangladesh Bank Md. Mohashin Miah joined Bangladesh Commerce Bank Ltd. on September 06, 2024. Presently he is holding the position Chairman, Executive Committee of the Board of Directors.

Md. Mohashin Miah Started his banking career in October, 1984 as Senior Officer (On probation) under Talent Scheme of Sonali Bank. Before Joining Sonali Bank he served Mirzapur Cadet College as a Lecturer. Within a very short period of serving Sonali Bank he joined Banque Indosuez, Dhaka as a Credit Officer. While serving Banque Indosuez he took part in training on international Banking in Gorsehill London and Paris. From 1991 to May 1995 he was in New York, USA. Then in 1995 he joined Dhaka Bank Ltd. and served the institution till 2010. As the Head of International Division of the Bank he took part in various training programs in the Far Eastern, Middle Eastern and European Countries including Frankfurt Germany; London, UK, Ireland etc. In his long 34 years of banking career he served Shahjalal Islami Bank Ltd, Social Islami Bank Ltd, Meghna Bank Ltd and First Finance Ltd. He was the founding Additional Managing Director of Meghna Bank Ltd. and then Managing Director of First Finance Ltd. As a member of "Managing Core Risk in Banking" project formed by Bangladesh Bank he compiled two Guidelines and was awarded Certificate and Crest by the Governor, Bangladesh Bank.

Md. Mohashin Miah was born on December 31, 1955 in Sonargaon Upazila under Narayangonj district. He took his education in Tolaram College, Narayangonj and Jahangirnagar University, Savar, Dhaka.

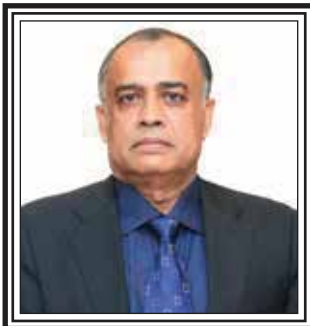


Kamrul Hoque Maruf
Director & Chairman
Risk Management Committee

Mr. Kamrul Hoque Maruf, son of late M A Khaleque & Hosne Ara Begum was born in 1974 in a respectable Muslim family of the Manikganj District. He is a Government nominated Director of Bangladesh Commerce Bank Ltd. Mr. Kamrul Hoque Maruf is a senior official of Bangladesh Civil Service (Taxation) Cadre. He achieved B. Com. & M. Com. in Finance from the University of Dhaka, Bangladesh. He also received Masters in Public Policy and Management from University of Melbourne, Australia.

At present, Mr. Kamrul Hoque Maruf is serving as Joint Secretary, Financial Institutions Division, and Ministry of Finance of the Govt. of the People's Republic of Bangladesh. He has served about 22 years in different positions of the Government with multi-farious professional experience. He joined in the Taxation cadre of the Bangladesh Civil Service in 1999 as Assistant Commissioner of Taxes in the National Board of Revenue. He served in the different positions of Field offices of National Board of Revenue as well Ministry level on Bangladesh. He held the positions of (i) Assistant Commissioner of Taxes, Taxes Zone-1, Dhaka and Rajshahi District, (ii) Assistant Commissioner of Customs, Excise and VAT in Rajshahi, Lalmonirhat & Pabna, (iii) Deputy Commissioner of Taxes, Taxes Zone-7, Dhaka, (iv) Second Secretary, National Board of Revenue, (v) Joint Director, Central Intelligence Cell, National Board of Revenue (vi) Director, Insurance Development and Regulatory Authority, (vii) Deputy Secretary and Joint Secretary of Financial Institutions Division, Ministry of Finance respectively.

Mr. Kamrul Hoque Maruf participated in various conferences, workshops and trainings at UK, Australia, Malaysia, China, Germany, Philipines, India etc. He is an adjunct Faculty Member of University of Dhaka and Southeast University. He is also a Fellow Member of the Institute of Cost and Management Accountants of Bangladesh.



Shaikh Ashafuzzaman FCA
Independent Director &
Chairman Audit Committee

Mr. Shaikh Ashafuzzaman FCA, an Independent Director of Bangladesh Commerce Bank Ltd, is a seasoned finance professional with over 28 years of experience. He is a Fellow Chartered Accountant (FCA) and a Certified Internal Auditor (CIA), USA, holding a Master's degree in Commerce (Accounting) from Rajshahi University. Currently, he is a public accountant and Partner at Ali Zahir Ashraf & Co. Chartered Accountants, where he leads a team of professionals providing a comprehensive range of audit and advisory services to a diverse client base. His expertise in financial reporting, tax compliance and internal control systems has been instrumental in helping businesses navigate the complexities of the regulatory landscape and achieve their financial goals.

His career has been marked by leadership roles in prominent multinational and local companies, including serving at key finance positions and Group CFO for Asia Energy Corporation, New Zealand Milk Products Bangladesh Ltd, Pendekar Energy (L) Ltd, American & Efird BD Ltd, Unique Group, Warid Telecom Intl. Ltd. (now Airtel Bangladesh) and Ha-meem Group. He has also held key positions at Keya Group, Rangs Group, Otobi Ltd., and Pretty Group, providing him with a comprehensive understanding of the domestic market and its unique challenges. He began his career with KPMG Bangladesh as senior auditor, gaining valuable experience in auditing and financial consulting. Mr. Ashafuzzaman is also a skilled financial systems strategist, having successfully implemented and integrated financial systems in a number of companies. His understanding of ERP implementation and integration has played a crucial role in streamlining financial processes and optimizing resource allocation. His ability to analyze financial data, identify trends, and develop sound financial strategies will undoubtedly contribute to the Bank's continued success.



Md. Obaidul Hoque
Managing Director

Mr. Md. Obaidul Hoque joined Bangladesh Commerce Bank Limited as the Managing Director on April 9, 2026.

Prior to this appointment, he served as a Member of the Board of Directors of Janata Bank PLC starting from April 29, 2025, where he was also a Member of the Executive Committee. Earlier, he held the position of Principal at the NRBC Bank Training Institute until May 4, 2025.

Mr. Hoque holds a Master of Commerce (M.Com) and a Bachelor of Commerce (Honours) in Marketing from the University of Dhaka. He completed his Higher Secondary Certificate from Dhaka College and his Secondary School Certificate from Daulatkhan Government High School. He obtained his DAIBB (Banking Diploma) from the Institute of Bankers, Bangladesh in 1991, where he also served as an Examiner.

With over three decades of professional experience, Mr. Hoque has built a distinguished career, primarily with Bangladesh Bank. During his tenure, he held several key positions across multiple departments, ultimately serving as Executive Director. In this role, he led the SME & Special Programmes Department and acted as Project Director of the Second Small and Medium Sized Enterprise Development Project (SMEDP-2).

Earlier in his career, he contributed to critical areas including on-site banking supervision, currency management, administration, and foreign exchange policy and inspection. He also served as Head of the Khulna Office of Bangladesh Bank and held positions such as General Manager, Deputy General Manager, Joint Director, Deputy Director, and Assistant Director.

Born on October 23, 1963, in Bhola, Mr. Hoque has participated in numerous international training programs and workshops. These include training on Balance Sheet Analysis and Risk-Based Supervision conducted by the World Bank, as well as courses on Policy Evaluation and Impact Assessment sponsored by the European Union, held in countries such as Sri Lanka, India, Thailand, and the United Kingdom. He is also a certified “Trainer of the Trainers” in the CMSME sector under a European Union program.

Mr. Hoque brings a wealth of experience in central banking, project leadership, and professional training to his leadership role.



Chairman's Message

Steering Growth, Building Resilience



Md. Ataur Rahman
Independent Director & Chairman

Dear Shareholders,

On behalf of the Board of Directors of Bangladesh Commerce Bank Limited, I am pleased to present the Annual Report together with the Audited Financial Statements of the Bank and its subsidiary for the year ended 31 December 2025.

The year 2025 was a defining period for Bangladesh Commerce Bank Limited. It was a year marked by significant financial, operational and regulatory challenges, requiring resilience, discipline and a renewed sense of institutional responsibility. At the same time, it was a year that reinforced an important truth: sustainable banking cannot be built on short-term gains alone; it must rest on sound governance, prudent risk management, strong asset quality, adequate capital, responsible liquidity management and unwavering confidence of depositors and other stakeholders.

As a Board, we recognize clearly the magnitude of the challenges confronting the Bank. We also recognize our responsibility to address these challenges with transparency, determination and a long-term perspective. The financial statements for 2025 provide a candid picture of the Bank's present position, while at the same time establishing the point from which our transformation and recovery journey must accelerate.

Bangladesh Economy: Reform, Stability and the Search for Sustainable Growth

Bangladesh's economy in 2025 continued to navigate a challenging period of structural adjustment, economic reform and resilience. Persistent inflationary pressures, exchange rate volatility, import management challenges, liquidity constraints and subdued investment

sentiment affected households, businesses and financial institutions. Despite these pressures, the economy demonstrated considerable resilience, supported by domestic demand, remittance inflows, export earnings, agricultural activity, small and medium enterprises and the adaptability of the people of Bangladesh.

The ongoing national reform agenda has placed renewed emphasis on transparency, institutional accountability, financial discipline, good governance and the formalization of economic activity. These priorities are fundamental to restoring confidence, strengthening economic foundations and creating the conditions for sustainable and inclusive growth. As Bangladesh advances on this reform journey, the banking sector has a critical responsibility to channel financial resources toward productive and employment-generating sectors, support entrepreneurs and businesses, facilitate trade and investment, promote digital financial services, strengthen financial inclusion and safeguard depositor confidence.

For Bangladesh Commerce Bank Limited, these priorities are closely aligned with our commitment to supporting the real economy and contributing responsibly to the country's economic development. We recognize that sustainable banking requires a prudent balance between business growth, asset quality, liquidity, risk management and customer confidence. Going forward, the Bank remains focused on strengthening its financial and operational foundations, enhancing service quality, supporting productive economic activities and creating sustainable value for customers, shareholders and other stakeholders.

Bangladesh Banking Sector: A Defining Moment for Governance, Resilience and Trust

The banking sector of Bangladesh experienced a defining period in 2025. Liquidity management, asset quality, non-performing loans, loan classification and provisioning, capital adequacy, corporate governance, internal controls and public confidence remained among the most critical issues facing the industry. The developments of the year reinforced an important principle: the strength of a bank cannot be measured by its size or balance-sheet growth alone; it is fundamentally determined by the quality of its governance, asset portfolio, risk management, capital resilience, transparency and the confidence it earns from depositors and stakeholders.

Regulatory reforms and strengthened supervisory expectations have encouraged banks to reassess their business models, credit processes, internal control frameworks, Board oversight, risk management practices, digital capabilities and customer service standards. This reform environment, while challenging, is essential for restoring discipline and building a more resilient and sustainable banking sector. It also provides an opportunity for institutions that demonstrate sound governance, responsible banking practices and disciplined execution to strengthen their position and contribute more meaningfully to the economy.

Bangladesh Commerce Bank Limited welcomes the continued emphasis on accountability, transparency, governance and financial discipline. We believe that a sound and resilient banking sector is indispensable to Bangladesh's long-term economic progress. For the Bank, strengthening governance and risk management, improving asset quality, reinforcing credit discipline, enhancing operational efficiency and protecting customer and depositor interests remain key priorities.

We are committed to navigating the evolving banking environment with prudence, professionalism and a clear focus on sustainable growth. By strengthening our institutional foundations, improving service delivery, embracing appropriate digital transformation and

directing financial resources toward productive economic activities, Bangladesh Commerce Bank Limited seeks to play a responsible role in supporting the country's economic recovery and long-term development.

We believe that the future of banking in Bangladesh will be shaped not merely by expansion, but by trust, resilience, accountability and the ability to create enduring value. Bangladesh Commerce Bank Limited remains committed to that journey.

Financial Performance

As at 31 December 2025, the Bank's total assets stood at BDT 49,849.34 million, compared with BDT 48,970.00 million in 2024. Customer deposits increased to BDT 44,697.41 million from BDT 42,648.60 million, reflecting the continued confidence placed in the Bank by its customers despite the difficult operating environment. Loans and advances stood at BDT 25,598.62 million, compared with BDT 23,511.94 million in the preceding year.

At the same time, the Bank's financial performance remained under considerable pressure. Net interest income remained negative at BDT 3,295.40 million, compared with negative BDT 2,655.75 million in 2024. Total operating income was negative BDT 2,773.44 million, while operating expenses amounted to BDT 1,607.44 million. Consequently, the Bank recorded a loss before provision and taxes of **BDT 4,428.83 million**. After provisions and taxation, the loss attributable to the year stood at approximately BDT 4,500.29 million, compared with a loss of BDT 3,836.41 million in 2024, while consolidated EPS declined to negative BDT 226.29.

These results are clearly not where we want our Bank to be. The Board does not seek to minimize this reality. Instead, we view the 2025 results as a compelling call to action and a firm basis for accelerating the Bank's recovery and transformation programme.

Asset Quality and Recovery

Restoring the quality of the Bank's asset portfolio remains one of our highest priorities. At the end of 2025, total loans and advances amounted to approximately BDT 2,559.86 crore, while classified loans and advances stood at approximately BDT 1,660.75 crore, representing a classified-loan-to-advance ratio of 64.88%. Provision maintained against classified advances was approximately BDT 369.84 crore, leaving a substantial provision deficit.

The Board recognizes that recovery of impaired assets is central to the Bank's financial rehabilitation. Accordingly, greater emphasis is being placed on strengthened loan monitoring, early identification of stressed accounts, intensified recovery efforts, legal action where appropriate, realization of collateral, restructuring and rescheduling within the applicable regulatory framework, and specialized management of distressed assets.

The Bank's legal recovery efforts remain substantial. During the year, a total of 2,051 cases had been filed by the Bank involving approximately BDT 3,297.51 crore. Of these, 806 cases were disposed of, involving BDT 527.95 crore, with actual recovery of BDT 155.23 crore. At year-end, 1,245 cases involving approximately BDT 2,769.56 crore remained pending.

We are determined to improve the quality and effectiveness of recovery through stronger accountability, closer monitoring and more coordinated legal and operational action.

Liquidity Management

Liquidity resilience is another critical area of focus.

During 2025, the Bank experienced significant liquidity pressure and remained dependent on borrowing facilities. Borrowings from Bangladesh Bank, other banks, financial institutions and agents stood at approximately BDT 920.03 crore at year-end. The audited financial statements also record significant CRR and SLR shortfalls and negative operating cash flows.

The Bank's net cash flow from operating activities was negative at approximately BDT 345.03 crore, although this represented an improvement over the negative operating cash flow recorded in 2024.

Liquidity management will therefore remain a central component of our strategic agenda. We are committed to improving the stability and quality of our funding base, strengthening treasury and asset-liability management, improving cash-flow discipline and ensuring that liquidity risks are identified, measured and managed proactively.

Our objective is not merely to meet immediate liquidity requirements, but to develop a more sustainable funding and balance-sheet structure capable of supporting the Bank's future operations.

Capital Strengthening

The Bank's capital position remains one of the most significant challenges requiring decisive attention.

At 31 December 2025, the Bank's total regulatory capital was negative BDT 1,657.42 crore, while its Capital to Risk-Weighted Assets Ratio (CRAR) stood at negative 36.84%, against the regulatory requirement of 12.50%. The capital fund deficit was approximately BDT 2,157.42 crore.

The Bank's paid-up capital stood at BDT 198.87 crore. The audited financial statements note that the statutory framework governing Bangladesh Commerce Bank has historically constrained the Bank's ability to increase its paid-up capital to the required regulatory level without appropriate amendment of the relevant legislation.

Capital restoration is consequently a strategic imperative. The Board remains committed to working closely with the Government, Bangladesh Bank and other relevant authorities to pursue appropriate and sustainable solutions for strengthening the Bank's capital base and restoring regulatory capital adequacy.

We recognize that capital is not simply a regulatory number. It is the foundation of depositors' confidence, lending capacity, risk absorption and long-term institutional sustainability.

Governance, Risk Management and Internal Control

The Board considers strengthened corporate governance to be the cornerstone of the Bank's recovery.

The financial condition of the Bank reinforces the importance of a governance framework based on transparency, accountability, prudent decision-making and effective oversight. We

are therefore committed to strengthening the three lines of defence, enhancing internal controls, improving risk-based supervision, reinforcing compliance culture and ensuring that material risks receive timely attention at the appropriate level of governance.

The Bank's risk management framework covers the principal banking risks, including credit, operational, liquidity and market risks. The Bank has also established separate structures for credit approval, asset operations, recovery and special asset management as part of its efforts to ensure segregation of duties and greater discipline throughout the credit lifecycle.

Going forward, our emphasis will be on making these frameworks more effective in practice through stronger monitoring, better management information, improved data quality, enhanced accountability and faster escalation of emerging risks.

Regulatory Compliance and Institutional Integrity

For a banking institution, integrity is fundamental to public confidence. Bangladesh Commerce Bank Limited remains committed to full and timely compliance with applicable laws, Bangladesh Bank regulations and other regulatory requirements. We recognize, however, that compliance must extend beyond formal adherence to rules; it must become an embedded institutional culture reflected in every level of decision-making.

The audited financial statements highlight certain matters requiring continued attention, including liquidity and reserve requirements, provisioning, tax matters, reconciliation issues and specific legal and regulatory matters. The Board considers addressing such observations systematically to be an integral part of the Bank's institutional strengthening agenda.

We are also deeply conscious of the importance of preventing fraud, forgery, money laundering and other financial crimes. The Bank will continue to strengthen its Anti-Money Laundering and Combating the Financing of Terrorism framework, internal control environment, employee awareness and monitoring mechanisms.

During the year, a financial irregularity relating to interest paid against a project-linked current deposit account at the Mymensingh Branch was identified. The Bank initiated legal action and filed a complaint with the Anti-Corruption Commission on 5 May 2025, and the matter remains under investigation.

We regard such incidents with utmost seriousness. Strong governance requires not only preventive controls but also prompt investigation, accountability and corrective action whenever an irregularity is identified.

Digital Transformation and Customer Service

The future of banking is increasingly shaped by technology, efficiency and accessibility.

While financial rehabilitation is our immediate priority, we also recognize the importance of maintaining the Bank's relevance in a rapidly changing banking environment. Digital banking, process automation, improved customer interfaces, data-driven decision-making and stronger information-security controls will form important components of our modernization agenda.

Technology, however, must serve a clear purpose: to make banking safer, faster, more transparent and more accessible to our customers. We will therefore pursue digital transformation in a measured and responsible manner, aligned with the Bank's financial capacity and strategic priorities.

Our Nationwide Presence

Bangladesh Commerce Bank Limited continues to maintain a meaningful nationwide presence, with 74 branches across Bangladesh, providing commercial banking services to customers in different regions of the country.

This network represents more than physical infrastructure. It is an important institutional asset and an essential channel through which the Bank remains connected with customers, businesses, entrepreneurs and communities.

Going forward, we will seek to improve productivity across our branch network, strengthen customer relationships, expand quality business, enhance service standards and make more effective use of technology and alternative delivery channels.

Our Subsidiary

Our wholly owned subsidiary, Commerce Bank Securities & Investment Limited (CBSIL), remains an integral part of the Group. Established to provide merchant banking services including issue management, portfolio management and underwriting, CBSIL continues to operate as part of the Bank's broader financial-services ecosystem.

The Board will continue to focus on strengthening governance and financial discipline across the Group and ensuring that subsidiary operations contribute constructively to the Bank's long-term strategic objectives.

The Road Ahead

The recovery of Bangladesh Commerce Bank Limited will not be achieved through a single initiative or within a single financial year. It will require sustained commitment, disciplined execution and cooperation among the Board, management, employees, regulators, shareholders and other stakeholders.

Our strategic priorities for the period ahead are therefore clear: asset quality must improve; recoveries must accelerate; liquidity must strengthen; operating efficiency must increase; governance and internal controls must become more robust; regulatory compliance must remain uncompromising; and the capital base must be restored.

We will also continue to focus on rebuilding a sustainable business model capable of generating recurring operating income, attracting and retaining quality deposits, extending responsible credit and creating long-term value for stakeholders.

The audited financial statements indicate a material uncertainty regarding the Bank's ability to continue as a going concern, while also noting the preparation of the financial statements on a going-concern basis with ongoing regulatory assistance and Bangladesh Bank's continued support.

The Board takes this matter with the highest degree of seriousness. At the same time, we believe that acknowledging the challenge openly is the first step toward addressing it effectively. Bangladesh Commerce Bank has an established institutional identity, a nationwide network, an experienced workforce, an existing customer base and a long history of serving the financial needs of the country. These strengths provide a foundation upon which the Bank can rebuild.

A Note of Gratitude

I express my sincere appreciation to my fellow members of the Board for their continued guidance, commitment and oversight during a particularly challenging period.

I also extend my gratitude to the Managing Director and senior management, officers and employees of Bangladesh Commerce Bank Limited and its subsidiary for their dedication and professionalism. The recovery and transformation of the Bank will depend greatly upon their collective commitment to accountability, ethical conduct, productivity and customer service. I convey our profound appreciation to the Government of the People's Republic of Bangladesh, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange and other regulatory and supervisory authorities for their continued guidance, cooperation and support.

Finally, and most importantly, I thank our valued shareholders, depositors, borrowers, customers and other stakeholders for their patience, confidence and continued association with Bangladesh Commerce Bank Limited.

The road ahead is challenging, but it is also an opportunity to rebuild with greater discipline, stronger governance and a renewed commitment to sustainable banking.

As Chairman, I assure you that the Board remains firmly committed to guiding Bangladesh Commerce Bank Limited through this period of transformation. We shall continue to work with determination to restore financial strength, reinforce stakeholder confidence and build a more resilient, accountable and sustainable institution.

With collective effort, responsible stewardship and continued regulatory support, we look forward to a future in which Bangladesh Commerce Bank Limited once again stands on a stronger financial foundation and contributes meaningfully to the economic development of Bangladesh.

Thank you for your continued trust and support.

Warm regards,



**Chairman
Board of Directors
Bangladesh Commerce Bank Limited
Dhaka, Bangladesh**



Managing Director Message



Md. Obaidul Hoque
Managing Director

Bismillahir Rahmanir Rahim

Respected Shareholders, Distinguished Members of the Board of Directors, Valued Depositors, Customers, Regulators and Well-wishers,

Assalamu Alaikum and warm greetings to you all.

On behalf of the management of Bangladesh Commerce Bank Limited ("BCBL" or "the Bank"), it is my responsibility and privilege to present the Managing Director message for the Annual Report 2025, covering the financial year ended 31 December 2025. In keeping with the spirit of transparency, good governance and full disclosure that this institution owes to its shareholders, depositors and regulators, I present this account candidly — acknowledging in equal measure the considerable difficulties the Bank continued to navigate during the year and the deliberate, disciplined steps that management and the Board have taken, and continue to take, to place BCBL on a credible and sustainable path to recovery.

THE GLOBAL ECONOMIC LANDSCAPE IN 2025

The year 2025 unfolded against a backdrop of moderating, and still fragile, global growth. According to the International Monetary Fund's October 2025 World Economic Outlook, global output is estimated to have grown by approximately 3.2 percent in 2025, a modest slowdown from 3.3 percent in 2024, with a further easing to around 3.1 percent projected for 2026. Growth momentum through the year was shaped by the imposition of new

tariff regimes by major economies — most notably the United States — which introduced considerable trade-policy uncertainty, disrupted established supply chains, and dampened investment sentiment across emerging and frontier markets. World trade volumes are estimated to have grown by a modest 2.9 percent, well below pre-pandemic norms, as the front-loading of shipments ahead of tariff deadlines gave way to more cautious order placement in the second half of the year. Global headline inflation continued its gradual descent to around 4.2 percent, permitting several central banks to begin recalibrating monetary policy, even as others — including Bangladesh Bank — maintained a firmly contractionary stance in defence of domestic price stability. For an externally oriented, trade-dependent economy such as Bangladesh, and for a bank with a meaningful footprint in export and import finance, these global currents translated directly into tighter correspondent banking conditions, volatile input costs for trade clients, and continued pressure on export competitiveness — particularly for the readymade garment sector that anchors so much of our national foreign exchange earnings.

BANGLADESH'S ECONOMIC JOURNEY IN 2025

Bangladesh's economy continued its passage through a demanding period of political transition, structural reform and macroeconomic stabilisation. Gross Domestic Product growth for FY2024–25 decelerated to approximately 3.7 percent, down from 4.2 percent in FY2023–24, reflecting production disruptions during the political transition of mid-2024, a deliberately tighter policy mix, and elevated uncertainty in both the investment and consumption environment. Encouragingly, early indicators for FY2025–26 point to a firming recovery: the Bangladesh Bureau of Statistics estimated first-quarter growth at 4.5 percent, sharply higher than the 2.58 percent recorded in the same quarter a year earlier, and multilateral agencies — the IMF, the World Bank and the Asian Development Bank — now project full-year FY2025–26 growth in the range of 4.8 to 5.0 percent, with the Government targeting 5.5 percent.

Inflation, having peaked at a punishing 11.66 percent in July 2024, moderated through the year to around 8.17 percent by October 2025, before edging back up to 8.58 percent by January 2026 on renewed food and energy price pressures — still well above Bangladesh Bank's comfort threshold of 7 percent. In response, the central bank held its policy repo rate steady at 10 percent throughout the review period, complemented by a Standing Lending Facility rate of 11.5 percent and a Standing Deposit Facility rate maintained in the 7.5–8.0 percent range, signalling an unwavering commitment to price stability even at the cost of near-term credit growth. Private sector credit growth accordingly remained subdued through much of the year.

On the external front, the story was more encouraging. Bangladesh Bank's transition to a fully market-based, flexible exchange rate regime in May 2025, combined with the clearance of USD 3.5 billion in outstanding payment arrears, helped restore the confidence of international correspondent banks and steadied the Taka. Buoyed by remittance inflows that grew by nearly 27 percent year-on-year and a current account that swung to a surplus of USD 981 million in FY2024–25 (from a deficit of USD 6.6 billion in FY2023–24), gross foreign exchange reserves recovered from around USD 25.6 billion in August 2024 to over USD 33 billion by December 2025. The country's readymade garment sector — the backbone of our export economy, contributing more than 80 percent of merchandise export earnings — recorded exports of USD 39.35 billion in FY2024–25, a robust 8.84 percent increase, before fresh United States tariffs introduced in the second half of calendar 2025 brought renewed uncertainty for exporters and their financing banks alike. Taken together, the macroeconomic picture at the close of 2025 was one of cautious, hard-won stabilisation — real, but still fragile, and unevenly

distributed across sectors and institutions.

BANGLADESH'S BANKING SECTOR — A YEAR OF RECKONING AND REFORM

For Bangladesh's banking industry, 2025 will be remembered as one of the most consequential years in its history. In the aftermath of the political transition of August 2024, the true extent of asset quality problems accumulated across the sector over the preceding decade began to surface in official data for the first time. Sector-wide non-performing loans, reported at Taka 345,765 crore (20.20 percent of disbursed loans) at the end of December 2024, rose in successive quarters to Taka 420,335 crore (24.13 percent) by March 2025 and to an unprecedented Taka 644,000 crore (35.73 percent of total disbursed credit) by September 2025 — the highest non-performing loan ratio recorded since the year 2000 — before moderating to around 30.6 percent by the close of the year, as banks across the industry undertook aggressive rescheduling exercises. Much of this deterioration reflected the overdue recognition of loan irregularities and previously concealed distress accumulated in earlier years, now being confronted openly under Bangladesh Bank's reform agenda of asset quality reviews, strengthened loan classification and provisioning rules, bank resolution frameworks, and more rigorous fit-and-proper standards for bank leadership.

This was, in short, an industry-wide reckoning and not an isolated event, and several banks — including institutions considerably larger than ours — required extraordinary liquidity support and regulatory forbearance arrangements from Bangladesh Bank during the year in order to continue serving their depositors while working through inherited balance sheet weaknesses.

It is against this sobering industry backdrop that I present the performance of Bangladesh Commerce Bank Limited for 2025: a year in which our own long-standing structural challenges were tested further by a uniquely difficult sectoral and macroeconomic environment, even as the institution continued to serve its 74-branch network of depositors and customers across the country without interruption.

BANGLADESH COMMERCE BANK LIMITED — PERFORMANCE REVIEW FOR 2025

Bangladesh Commerce Bank Limited was incorporated on 1 June 1998 and commenced commercial banking operations on 16 September 1999. Today, BCBL operates through a network of 74 branches across Bangladesh, is majority-owned by the Government of the People's Republic of Bangladesh (holding approximately 50.41 percent of paid-up shares, alongside the three state-owned commercial banks and general shareholders), and is served by its wholly owned subsidiary, Commerce Bank Securities and Investments Limited (CBSIL). It is with the full weight of this public trust in mind that I set out below, without reservation, the Bank's performance for the year.

Balance Sheet Growth

Despite an exceptionally constrained capital position, the Bank continued to grow its core balance sheet during 2025. Total assets closed the year at Taka 4,984.93 crore, up 1.8 percent from Taka 4,897.00 crore in 2024. Total deposits grew by 4.8 percent to Taka 4,469.74 crore from Taka 4,264.86 crore, reflecting the continued confidence reposed in the Bank by its depositor base even amid a challenging year for confidence in the sector generally. Gross loans and advances expanded by 8.9 percent to Taka 2,559.86 crore from Taka 2,351.19 crore, keeping the advance-deposit ratio at a conservative 57.27 percent (2024: 55.13 percent) — well within regulatory ceilings, and reflective of the disciplined, risk-calibrated approach management has adopted to credit expansion during this period of balance sheet repair.

Profitability

On profitability, I must be direct: 2025 was again a loss-making year for the Bank, and the loss widened. Net interest income was negative Taka 329.54 crore, a 24.09 percent deterioration

from negative Taka 265.57 crore in 2024, driven principally by an elevated cost of funds of 11.88 percent (2024: 11.31 percent) amid Bangladesh Bank's sustained high policy-rate environment, and by the continuing drag of interest suspended on the Bank's substantial classified loan book. After accounting for provisions, the Bank recorded a net loss after tax of Taka 450.03 crore, compared with a net loss of Taka 383.64 crore in 2024 — an increase in the loss of 17.30 percent — translating to a loss per share of Taka 226.29 (2024: Taka 192.91) and a negative net asset value per share of Taka 838.57 (2024: Taka 612.63). These are not results in which management or the Board can take any satisfaction, and I record them here without qualification, because our shareholders, depositors and regulators deserve nothing less than complete candour.

Capital Adequacy

The Bank's capital position remains the single most pressing challenge before us. Paid-up capital stands at Taka 198.87 crore, against the Taka 500 crore minimum prescribed under Bangladesh Bank's BRPD Circular No. 18 of 2023 — a shortfall that arises not from an unwillingness to raise capital, but from a statutory ceiling on the Bank's paid-up capital under the Bangladesh Commerce and Investment Limited (Reconstitute) Act No. 12 of 1997, a restriction upheld by the Appellate Division of the Supreme Court of Bangladesh in its judgment on Civil Petition for Leave to Appeal No. 1154 of 2014. Taka 91.73 crore in Right Share Application Money has consequently remained held in abeyance, pending the legislative amendment required to permit its conversion into share capital — an amendment that is now under active process with the Ministry of Finance's Bank and Financial Institutions Division. Combined with years of accumulated losses, this constraint has produced a capital fund deficit of Taka 2,157.42 crore against the regulatory minimum, and a Capital to Risk-Weighted Asset Ratio (CRAR) of negative 36.84 percent as at 31 December 2025 (2024: negative 32.35 percent), against a required minimum of 12.50 percent. Under a minor stress scenario, this ratio would deteriorate further, to approximately negative 41.07 percent.

Asset Quality

Asset quality remains similarly strained. Classified loans and advances stood at Taka 1,660.75 crore, or 64.88 percent of the gross loan portfolio, at year-end (2024: Taka 1,606.76 crore, or 68.34 percent) — a marginal improvement in ratio terms, achieved as the underlying loan book grew, but a figure that nonetheless underscores the depth of legacy asset quality problems the Bank continues to work through. Against this, the Bank maintained loan loss provisions of Taka 383.72 crore against a regulatory requirement of Taka 1,057.77 crore, leaving a shortfall of Taka 674.05 crore on loans and advances alone. Taking into account related shortfalls across investments in distressed non-bank financial institutions, off-balance sheet exposures and other asset categories, Bangladesh Bank's own supervisory assessment identified a total provisioning shortfall of Taka 1,252.26 crore as at the reporting date, of which Taka 1,244.26 crore has been permitted to be deferred, in a phased and time-bound manner, for the purpose of finalising these accounts.

Liquidity

Liquidity conditions were similarly demanding. Under its conventional banking operations, the Bank was unable to meet its Cash Reserve Requirement on 353 days and its Statutory Liquidity Requirement on 364 days of the year, and increased its reliance on Bangladesh Bank facilities — overdraft, repo, cash liquidity support and the SME re-financing scheme — to Taka 920.03 crore at year-end, up 24.6 percent from Taka 738.19 crore in 2024. I want to draw particular attention, however, to one genuinely encouraging development: net cash used in operating activities narrowed to Taka 345.03 crore from Taka 615.42 crore in 2024 — a nearly 44 percent improvement — which I regard as an early, tangible indication that the liability-side discipline and cost-containment measures management introduced during the year are beginning to yield results.

Auditors' Opinion and Going Concern

I would be doing this report, and you, a disservice if I did not state plainly that our independent auditors — KaziZahir Khan & Co. and Ahsan Manzur & Co., Chartered Accountants — issued a qualified opinion on the Bank's 2025 financial statements and drew attention to a material uncertainty regarding the Bank's ability to continue as a going concern, given the persistence of negative shareholders' equity, negative CRAR, sustained operating losses and material provisioning shortfalls. The Board and management take this assessment with the utmost seriousness. The financial statements have, appropriately, continued to be prepared on a going concern basis, supported by the sustained backing and regulatory forbearance extended by Bangladesh Bank, and by our own conviction — grounded in the concrete recovery measures described below — that this institution's underlying franchise, deposit base and 74-branch distribution network remain viable foundations from which to rebuild.

KEY FINANCIAL HIGHLIGHTS

The table below summarises the Bank's key financial indicators for 2025, presented alongside the prior year for comparison.

Particulars	2025	2024
Paid-up Capital (Tk. in crore)	198.87	198.87
Total Shareholders' Equity (Tk. in crore)	(1,667.71)	(1,218.37)
Total Assets (Tk. in crore)	4,984.93	4,897.00
Total Deposits (Tk. in crore)	4,469.74	4,264.86
Total Loans and Advances (Tk. in crore)	2,559.86	2,351.19
Classified Loans and Advances (Tk. in crore)	1,660.75	1,606.76
Classified Loans to Total Loans (%)	64.88	68.34
Advance-Deposit Ratio (%)	57.27	55.13
Net Interest Income (Tk. in crore)	(329.54)	(265.57)
Net Profit/(Loss) After Tax (Tk. in crore)	(450.03)	(383.64)
Earnings Per Share (Tk.)	(226.29)	(192.91)
Net Asset Value Per Share (Tk.)	(838.57)	(612.63)
Capital to Risk-Weighted Asset Ratio – CRAR (%)	(36.84)	(32.35)
Capital Deficit against Regulatory Minimum (Tk. in crore)	2,157.42	1,707.32
Provision Shortfall against Loans & Advances (Tk. in crore)	674.05	637.45
Return on Assets – ROA (%)	(9.03)	(7.83)
Net Interest Margin – NIM (%)	(3.44)	(2.07)
Cost of Fund (%)	11.88	11.31
Net Cash Flow from Operating Activities (Tk. in crore)	(345.03)	(615.42)

BANGLADESH BANK'S REGULATORY FORBEARANCE AND OUR PATH TO RECOVERY

On 28 April 2026, Bangladesh Bank's Department of Off-site Supervision (Ref: BSD-9/116/2026-488) formally permitted the Bank to defer, for the purpose of finalising these financial statements, the aggregate provisioning shortfall referred to above. This forbearance is not an accounting device to obscure the Bank's position — as this report makes clear, the underlying shortfall and its causes are disclosed in full — but a recognised,

time-bound regulatory mechanism, used elsewhere across the sector during this period of industry-wide balance sheet repair, that allows an institution such as ours to rebuild provisioning coverage in a phased and orderly manner, rather than through disruptive, single-year recognition that could itself threaten depositor confidence and financial stability.

In accordance with Bangladesh Bank's directive, the Board of Directors is formulating a time-bound recovery plan addressing the Bank's provisioning shortfall and capital deficiency, for submission to Bangladesh Bank following Board approval. While that plan will be elaborated in full through the Bank's normal regulatory channels, I can share with our shareholders today the principal pillars on which management's recovery strategy for the coming years rests:

1. Accelerated recovery of classified and legacy loans. The Bank has 2,051 recovery suits before the courts, of which 1,245 remain pending with a claim value of Taka 2,769.56 crore; recovery efforts through the Money Loan Courts, the Negotiable Instrument Act, and negotiated settlements — which have already yielded Taka 142.01 crore in cash recovery on pending matters — will be intensified under the direct oversight of a dedicated Recovery Unit and Special Asset Management team.
2. Phased provisioning normalisation, rebuilding loan loss coverage in line with the schedule agreed with Bangladesh Bank as earning capacity is restored, rather than through measures that would further impair the Bank's ability to serve its depositors.
3. Continued engagement on capital restoration, working with the Ministry of Finance's Bank and Financial Institutions Division and Bangladesh Bank toward the legislative amendment of Act No. 12 of 1997 that would permit conversion of the Taka 91.73 crore in Right Share Application Money into paid-up capital, and toward further capital augmentation options thereafter.
4. Deposit and funding-cost rationalisation, reducing reliance on high-cost Bangladesh Bank borrowing facilities by growing lower-cost core deposits and strengthening treasury and asset-liability management.
5. Resolution of overdue export proceeds, with focused engagement with exporting clients, correspondent banks and Bangladesh Bank's Foreign Exchange Policy Department to realise the USD 36.2 million (721 bills) currently overdue beyond the regulatory 120-day realisation window.
6. Strengthened internal controls and fraud prevention, following the Mymensingh Branch incident in which Taka 9.13 crore was fraudulently misappropriated from a government project account between 2022 and 2024; the matter has been reported to the Anti-Corruption Commission, legal proceedings are underway, and control enhancements have been implemented to prevent recurrence.
7. Disciplined cost and operational efficiency measures across the branch network, without compromising customer service or staff welfare.

None of these measures will restore the Bank's financial health overnight; the scale of the challenge, candidly described above, does not permit false promises of a rapid turnaround. What I can commit to, on behalf of management, is sustained, transparent and disciplined

BUSINESS SEGMENT REVIEW

RMG, Textile and Trade Finance

Trade and export finance — including financing to the readymade garment and textile sector that remains the lifeblood of Bangladesh's export economy — continues to represent a core competency of this Bank, with exposure to the RMG and textile sector of approximately Taka 289.05 crore at year-end. The sector itself navigated a complex year nationally, with export earnings of USD 39.35 billion in FY2024–25 giving way to renewed uncertainty as new United States tariffs took effect in the latter half of calendar 2025. Against this backdrop, and in light of the overdue export bills disclosed elsewhere in this report, the Bank is tightening pre- and post-shipment due diligence, strengthening buyer and correspondent-bank verification, and working more closely with exporting clients to ensure timely realisation of proceeds, while continuing to extend Back-to-Back Letter of Credit, export/import finance and working-capital facilities to genuine, performing businesses in this vital sector.

SME, Agricultural and CMSME Financing

In line with Bangladesh Bank's national priorities for inclusive credit delivery, the Bank continued to extend financing to small and medium enterprises and to the cottage, micro and small enterprise (CMSME) segment, including continued participation in Bangladesh Bank's refinancing schemes for the sector, and maintained its rural and agricultural credit lines in support of the Government's food security and rural livelihood objectives.

Retail and Consumer Banking

The Bank's retail franchise continued to serve depositors through an established suite of savings products — including the Monthly Income Scheme, Double and Triple Benefit Deposit Schemes, Marriage and Education Deposit Schemes, and the Lakhopoti and Millionaire Deposit Schemes — alongside consumer credit, credit card and house-building loan facilities, and continued to administer a subsidised staff housing, car and personal loan programme for its employees.

Islamic Banking Window

The Bank's Islamic Banking Window continued to offer Shariah-compliant products, including Bai-Muajjal, Bai-Murabaha and Hire Purchase under Shirkatul Melk (HPSM) investment facilities, alongside Mudaraba deposit products, while working to bring Cash Reserve and Statutory Liquidity Ratio compliance for this window into fuller alignment with regulatory requirements during the year.

SUBSIDIARY — COMMERCE BANK SECURITIES AND INVESTMENTS LIMITED

Commerce Bank Securities and Investments Limited (CBSIL), the Bank's wholly owned subsidiary incorporated in 2010 and engaged in merchant banking, portfolio management and brokerage services, remains fully consolidated within the Group's financial statements and continues to be an integral part of the Group's diversified financial services offering, notwithstanding the challenging conditions prevailing in Bangladesh's capital market during the year.

RISK MANAGEMENT, INTERNAL CONTROL AND COMPLIANCE

Risk management remains central to how this Bank operates, particularly in the current environment. The Bank continues to manage its four core risk areas — credit, operational, liquidity and market risk — in line with Bangladesh Bank's revised Risk Management Guidelines, under the oversight of a functioning Asset-Liability Management Committee (ALCO) that monitors the Bank's liquidity position, interest rate risk, capital adequacy and pricing strategy. Credit risk is managed through clearly segregated Corporate, SME, Retail and Credit Card business lines, supported by dedicated Credit Approval, Asset Operations, Recovery Unit and Special Asset Management teams, while Treasury operations maintain strict segregation between front, mid and back office functions in line with Bangladesh Bank's core risk guidelines. The Bank's Internal Control and Compliance Division — comprising dedicated Internal Audit, Compliance, Monitoring and Concurrent Audit units — continued its risk-based audit programme across all branches and departments during the year, and the Bank submitted its semi-annual Self-Assessment of Anti-Fraud Internal Controls to Bangladesh Bank as required. The Bank continues to implement the three pillars of Basel III — minimum capital requirements, the supervisory review process, and market discipline through public disclosure — under the guidance of a dedicated Basel III Steering Committee, even as its capital position, described above, remains the principal constraint on full compliance with Pillar I minimum capital requirements.

OUR PEOPLE

None of what this Bank has achieved, and none of what lies ahead of us, would be possible without the commitment of our employees, who continued to serve our customers and communities with professionalism throughout an exceptionally difficult year for the institution and for the sector. During 2025 the Bank continued to invest in its human capital, including four

dation training for newly recruited probationary officers, and continued to administer its Provident Fund, Gratuity Fund and staff welfare schemes for the benefit of our workforce. I record here my sincere appreciation for their resilience and dedication.

CORPORATE SOCIAL RESPONSIBILITY

Even as the Bank works through a demanding period of balance sheet repair, we remain conscious of our responsibilities as a corporate citizen. Within the bounds of what our present financial position responsibly permits, BCBL continued to support community welfare, financial inclusion and disaster-response initiatives in line with Bangladesh Bank's CSR guidelines, and we look forward to expanding this engagement as the Bank's financial position strengthens.

CORPORATE GOVERNANCE

The Board of Directors, under the leadership of our Chairman, Mr. Md. Ataur Rahman, together with the Board Audit Committee and Board Executive Committee, maintained close oversight of the Bank's affairs throughout the year, meeting regularly to review performance, risk and the progress of remedial measures. The Bank continued to comply with the disclosure and documentation requirements of Bangladesh Bank's Documentation Verification System, and management remains committed to the highest standards of governance, transparency and regulatory compliance as we work through this period of institutional repair.

OUTLOOK FOR 2026 AND BEYOND

Looking ahead, we take measured encouragement from the broader macroeconomic trajectory: GDP growth is projected to accelerate toward 5 percent in FY2025–26 and FY2026–27, inflation is expected to ease gradually toward Bangladesh Bank's target range, foreign exchange reserves and the current account have stabilised, and the banking sector as a whole appears to be moving through — rather than merely into — its period of reckoning, aided by system-wide reform. For Bangladesh Commerce Bank Limited specifically, our priorities for 2026 are unambiguous: sustained recovery of classified and written-off assets; disciplined, phased rebuilding of provisioning coverage; continued pursuit of capital restoration through legislative and regulatory channels; further rationalisation of funding costs; and unwavering compliance with the recovery roadmap agreed with Bangladesh Bank. We do not underestimate the scale of this task. But we approach it with clear eyes, the continued support of our regulator, the confidence of our shareholders and depositors, and the dedication of our employees.

ACKNOWLEDGEMENT

I take this opportunity to express my sincere gratitude to the Government of the People's Republic of Bangladesh, our majority shareholder, for its continued confidence in this institution; to the Governor and senior management of Bangladesh Bank, for their close supervisory engagement and the regulatory forbearance that has allowed the Bank the time and space to pursue an orderly recovery; to our Chairman and fellow Members of the Board of Directors for their guidance and oversight; to our external auditors, KaziZahir Khan & Co. and Ahsan Manzur & Co., Chartered Accountants, for their diligent and independent examination of our accounts; and, above all, to our shareholders, depositors, customers and employees, whose continued trust and support remain the foundation upon which the recovery of this institution will be built. May Allah bless our collective efforts as we work, together, to restore Bangladesh Commerce Bank Limited to the financial strength that our depositors, our shareholders and the nation deserve of us.

With sincere regards,



Md. Obaidul Hoque

Managing Director

Bangladesh Commerce Bank Limited

Bangladesh Commerce Bank Limited
Overall Performance - 2025
Five Years at a Glance

Shareholder's Information

Amount in Million BDT

A. BALANCE SHEET METRIC	2025	2024	2023	2022	2021
Authorised capital	10,000	10,000	10,000	10,000	10,000
Paid up capital	1,989	1,989	1,989	1,989	1,989
Shareholders' equity	(16,677)	(12,184)	(8,320)	(5,794)	(3,762)
Deposits	44,697	42,649	46,911	41,697	42,163
Borrowings	9,200	7,382	802	709	340
Loans and advances	25,599	23,512	23,975	23,659	23,452
Credit to deposit ratio (Gross)	57.27%	55.13%	51.11%	56.74%	55.62%
Credit to deposit ratio - Gross (excluding OBU loans)	57.27%	55.13%	51.11%	56.74%	55.62%
Investments	4,801	5,391	5,461	6,079	6,416
Fixed Assets	475	556	585	500	276
Interest bearing assets / Earning Assets	13,936	12,954	17,206	18,757	18,118
Total assets	49,849.00	48,970.00	55,625.00	44,870.00	46,129.00

B. INCOME STATEMENT METRIC	2025	2024	2023	2022	2021
Net interest income (excluding Investment Income)	(3,295.40)	(2,655.74)	(1,517.70)	(1,188.00)	(844.00)
Non-interest income	96.71	99.43	159.90	86.00	82.00
Investment Income	304.53	382.12	344.00	415.00	333.00
Non Investment Income (Exchange, fees & charges)	120.74	150.92	130.00	193.00	115.00
Operating Revenue	(2,773.42)	(2,023.27)	(883.80)	(494.00)	(313.20)
Operating Profit (Profit before provision and tax)	(4,380.85)	(3,687.26)	(2,549.00)	(1,998.00)	(1,626.83)
Provision for loans, Off Balance sheet, investment and other assets	84.88	54.33	(13.79)	(9.61)	(23.24)
Profit before tax	(4,465.73)	(3,741.59)	(2,535.23)	(1,988.88)	(1,603.59)
Profit after tax (PAT)	(4,500.29)	(3,836.41)	(2,525.39)	(2,008.76)	(1,582.90)

C. CAPITAL METRIC	2025	2024	2023	2022	2021
Risk weighted assets (RWA) under Basel III	44,983.67	37,325.54	36,138.00	34,555.21	36,131.86
Core capital (Tier 1)	(16,729.77)	(12,228.79)	(8,392.38)	(5,866.99)	(7,017.27)
Supplementary capital (Tier 2)	155.58	155.58	155.58	159.72	(158.06)
Total Capital / Regulatory capital (Tier 1 and 2)	(16,574.19)	(12,073.21)	(8,236.00)	(5,708.00)	(6,859.00)
Statutory capital (Paid up capital and statutory reserve)	2,263.80	2,263.80	2,263.80	2,263.80	2,263.80
Capital adequacy ratio (Regulatory capital/RWA)	-36.84%	-32.35%	-22.79%	-16.52%	-18.98%
Core capital (Tier 1) to RWA	-37.19%	-32.76%	-23.22%	-16.98%	-19.42%
RWA to total assets	90.24%	76.22%	64.97%	77.01%	78.33%

D. CREDIT QUALITY	2025	2024	2023	2022	2021
Non performing / Classified loans (NPLs)	16607.45	16067.58	12383.53	10423.52	10944.84
Specific Provision	3,741.69	3,661.69	3,628.78	3,628.78	3,629.10
General Provision	95.52	95.52	95.52	95.52	95.52
Total Provision	3,837.21	3,757.21	3,724.30	3,724.30	3,724.62
NPL to total loans and advance	64.88%	68.34%	51.65%	44.06%	46.67%

E. TRADE BUSINESS METRIC	2025	2024	2023	2022	2021
Export	2,932.40	3,238.30	2,925.40	2,358.30	1,417.90
Import (LC)	4,075.40	3,258.20	3,732.50	4,493.30	4,133.30
Remittance	273.80	3,244.90	3,180.70	2,405.50	3,106.10

Shareholder's Information

F. EFFICIENCY/PRODUCTIVITY RATIOS	2025	2024	2023	2022	2021
Return on average equity (ROE)	-26.99%	-31.49%	-30.35%	-34.67%	-42.08%
Return on average assets (ROA) (PAT/average assets)	-9.03%	-7.83%	-4.54%	-4.48%	-3.43%
Yield on advance (average)	4.65%	5.63%	4.46%	4.44%	4.67%
Cost of deposits (average)	8.09%	7.70%	6.06%	5.66%	5.88%
Net interest margin ratio (NII/Average interest bearing assets)	-23.65%	-20.50%	-8.82%	-6.33%	-4.66%
Cash reserve ratio (Conventional)	0.43%	0.48%	14.23%	4.77%	4.30%
Cash reserve ratio (Islamic)	4.35%	4.25%	12.37%	10.34%	
Statutory liquidity reserve ratio (Conventional)	2.69%	13.24%	13.24%	14.83%	14.47%
Statutory liquidity reserve ratio (Islamic)	5.57%	0.11%	9.84%	8.22%	
Operating profit per employee	(4.29)	(3.36)	(2.26)	(1.91)	(1.57)
Operating profit per branch	(59.20)	(49.83)	(34.45)	(27.00)	(23.24)

G. SHARE-DISTRIBUTION METRIC	2025	2024	2023	2022	2021
Earnings per share (EPS) in BDT	(226.26)	(192.91)	(126.98)	(101.01)	(79.59)
Operating profit per share in BDT	(220.25)	(185.38)	(128.15)	(100.45)	(81.79)
Price earning ratio (times)	(0.44)	(0.52)	(0.79)	(0.99)	(1.26)

H. OTHER INFORMATION (ACTUAL FIGURE)	2025	2024	2023	2022	2021
No of branches	74	74	74	74	70
No of Sub-branches	33	32	32	32	13
No of employees	1,022	1,096	1,130	1,048	1,036

Non-Performing Loans (CL)	16607.45	16067.58	12383.53	10423.52	10944.84
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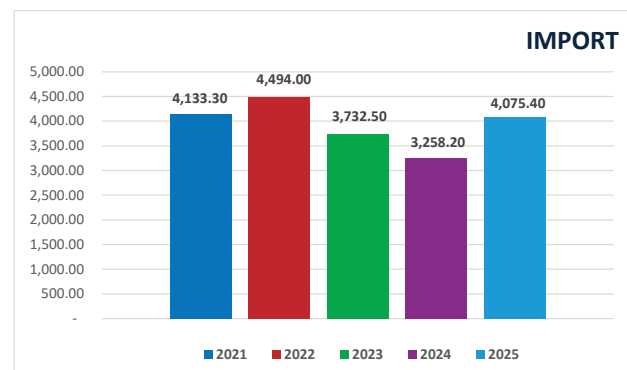
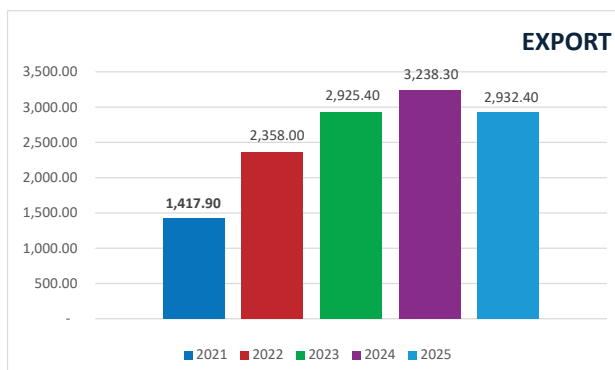
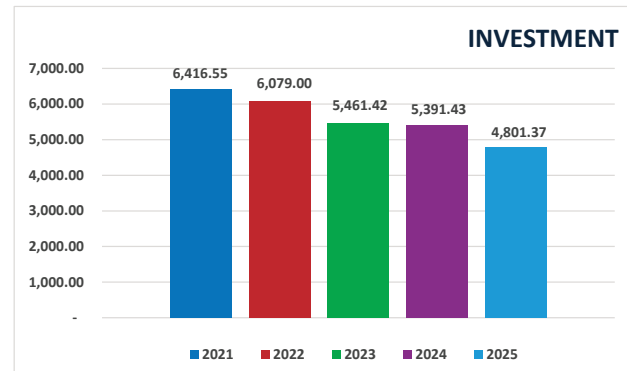
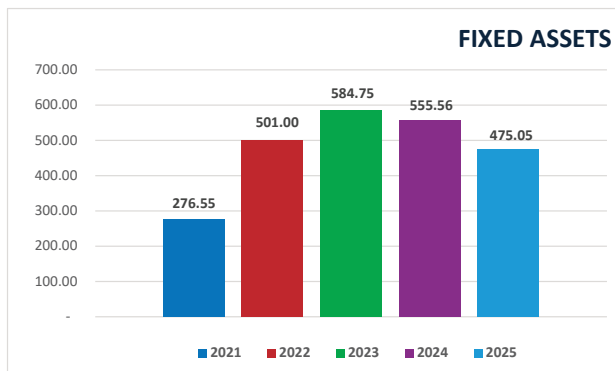
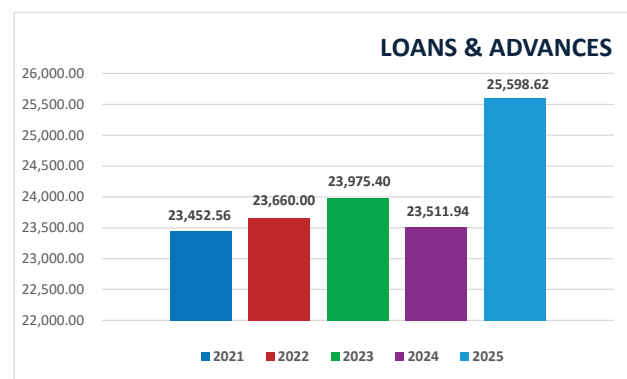
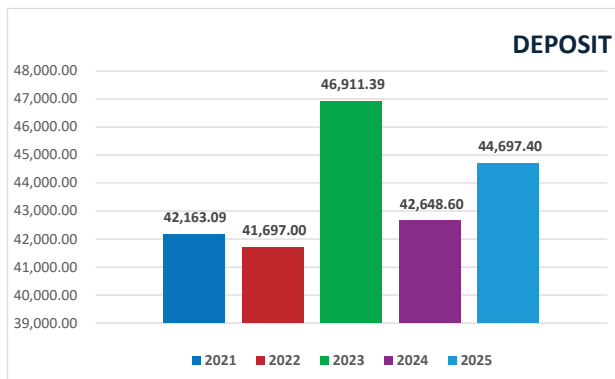
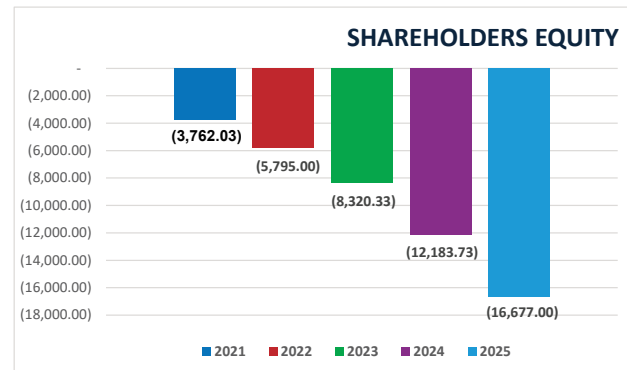
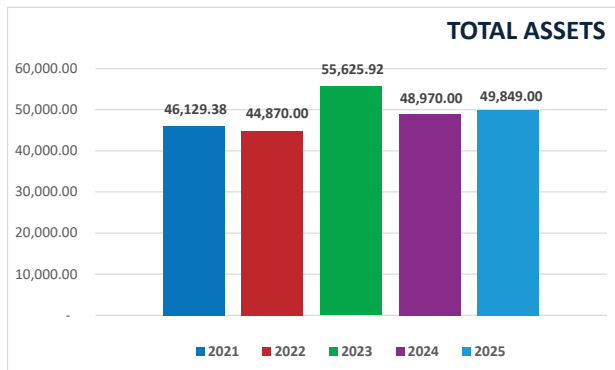
Shareholder's Information

Amount in Million BDT

Assets Mix	2025	%	2024	%
Cash in Hand & Bangladesh Bank	840.34	1.69%	813.45	1.66%
Balance with Other Banks & Fis (Incl. Call)	11,151.46	22.38%	12,822.74	26.20%
Investments	4,801.37	9.64%	5,391.43	11.02%
Loans & Advances	25,598.62	51.38%	23,511.94	48.04%
Fixed Assets	475.05	0.95%	555.56	1.14%
Other Assets	6,954.10	13.96%	5,846.49	11.95%
Total:	49,820.94	100.00%	48,941.61	100.00%
Funding Mix	2025	%	2024	%
Deposit & Borrowings	53,897.68	108.12%	50,030.48	102.17%
Shareholders Equity	(16,677.05)	-33.45%	(12,183.73)	-24.88%
Other Liability	12,628.71	25.33%	11,123.26	22.71%
Total:	49,849.34	100.00%	48,970.01	100.00%
Deposit Mix	2025	%	2024	%
Current Deposit	6,246.24	13.97%	6,255.83	14.67%
Savings Deposit	3,212.31	7.19%	3,389.41	7.95%
Fixed Deposit	21,434.17	47.95%	19,824.12	46.48%
Short Term Deposits	2,915.12	6.52%	2,996.95	7.03%
Deposit under Different Schemes	10,051.18	22.49%	9,435.60	22.12%
Bills Payable	838.39	1.88%	746.69	1.75%
Total:	44,697	100.00%	42,649	100.00%
Revenue Mix	2025	%	2024	%
Interest Income	1,201.70	69.72%	1,599.99	71.67%
Non Interest Income	521.98	30.28%	632.47	28.33%
Total:	1,723.68	100.00%	2,232.46	100.00%

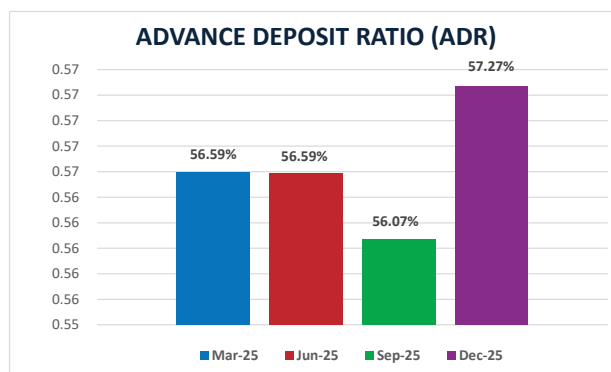
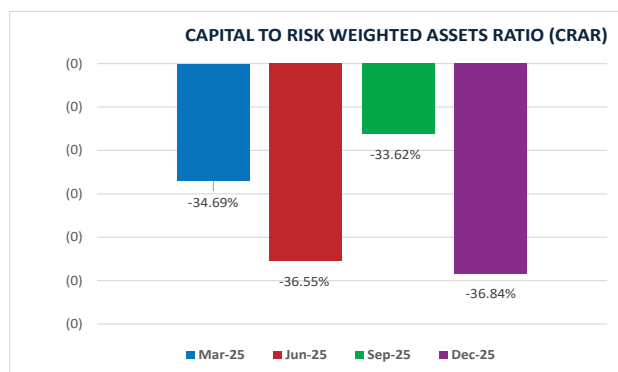
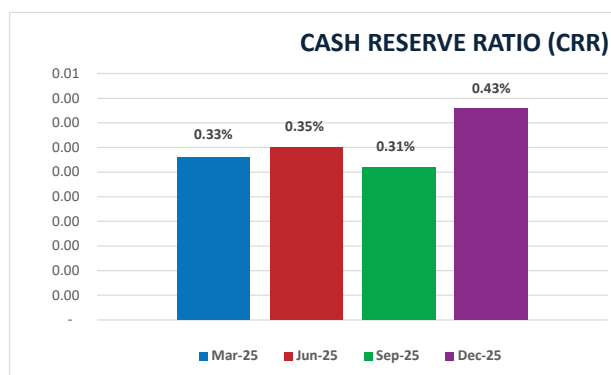
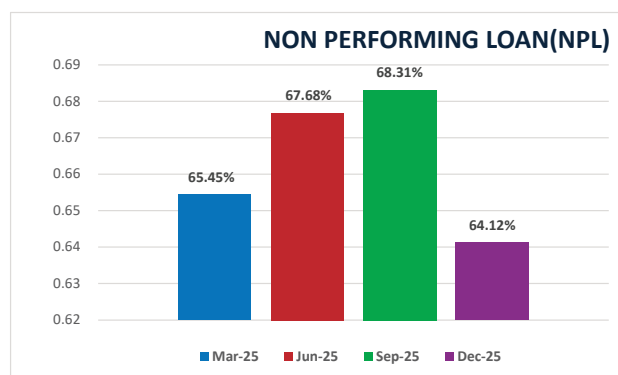
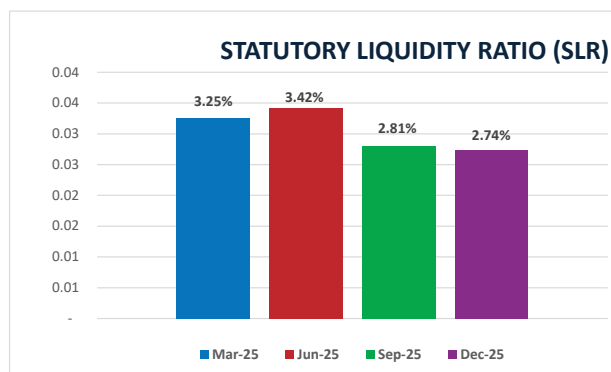
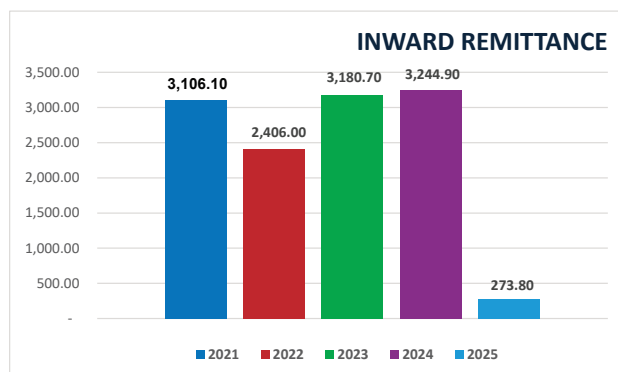
Business Performance

Graphical Presentation



Business Performance

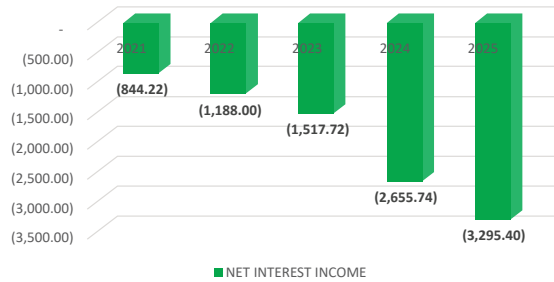
Graphical Presentation



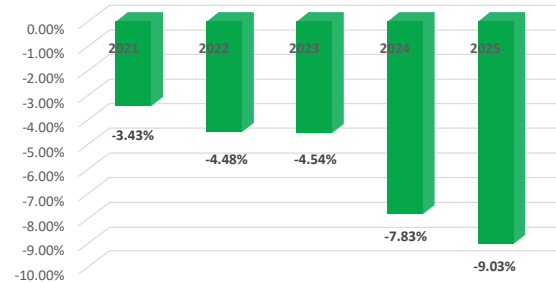
Graphical Presentation

Profitability

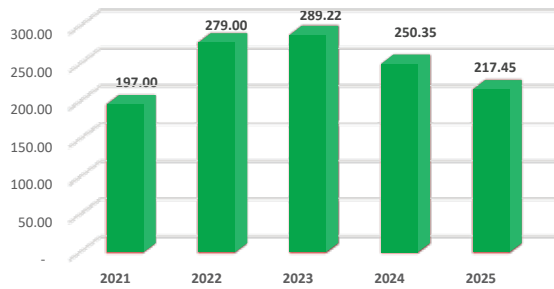
NET INTEREST INCOME



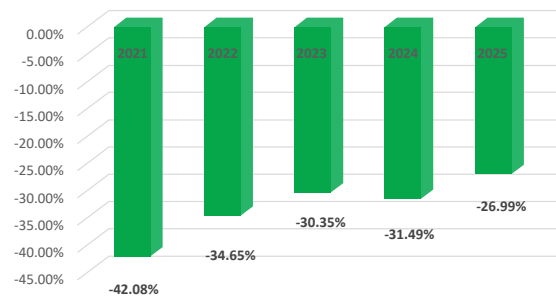
RETURN ON ASSETS



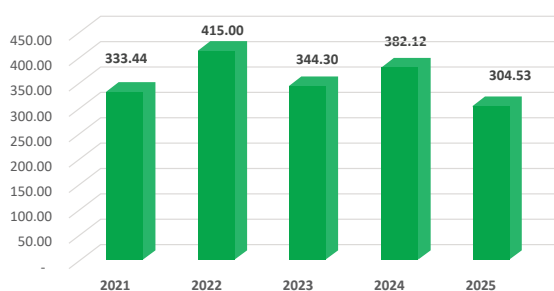
NON INTEREST INCOME



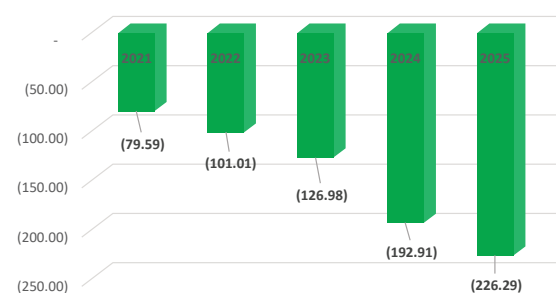
RETURN ON EQUITY



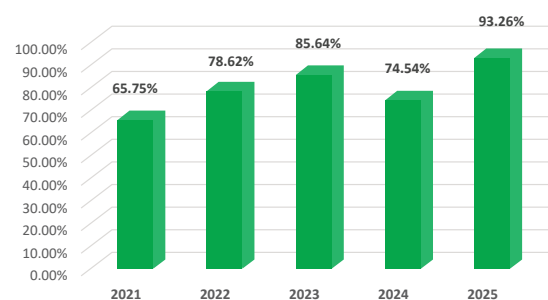
INVESTMENT INCOME



EARNING PER SHARE (EPS)

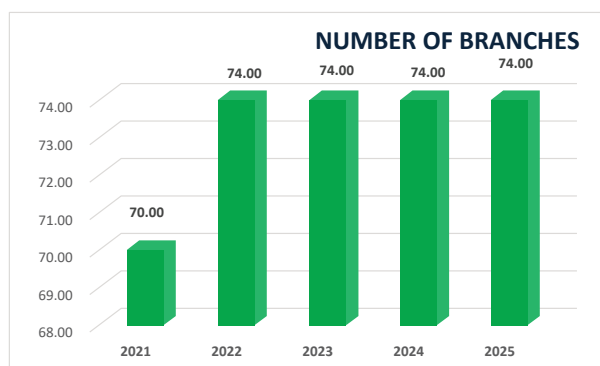
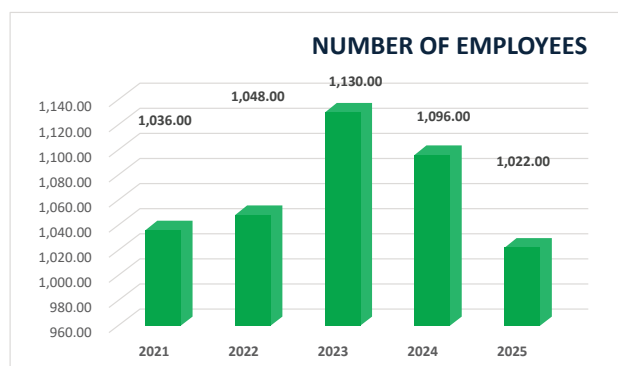
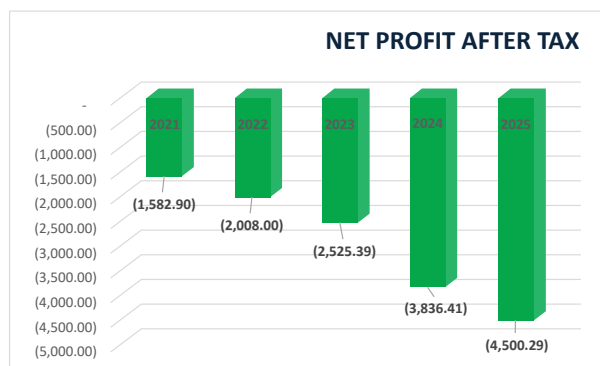
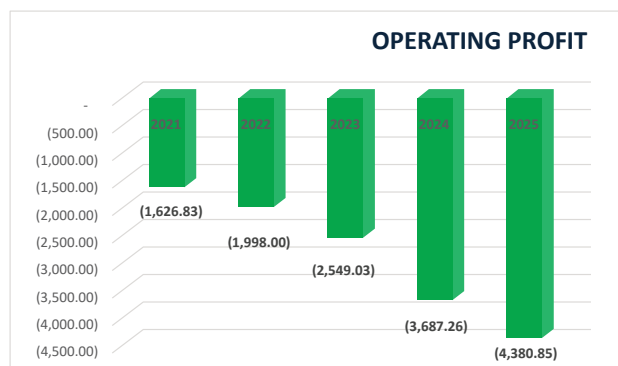


COST TO INCOME RATIO

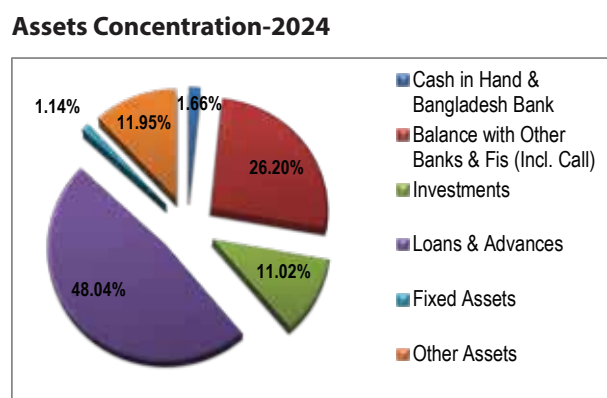
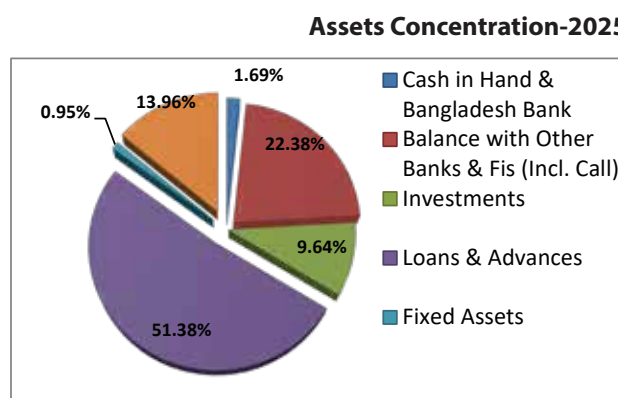


Graphical Praesentation

Profitability

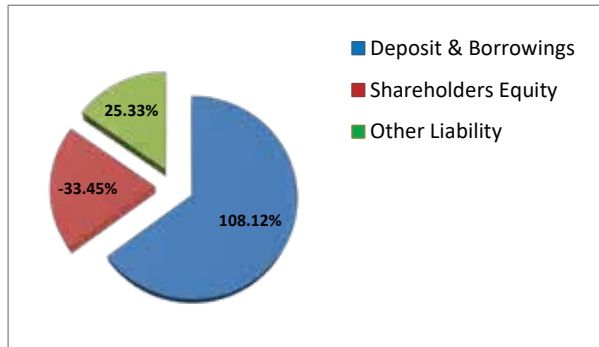


Concentration

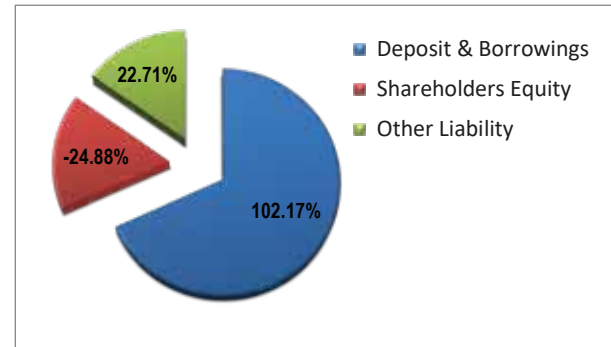


Graphical Praesentation

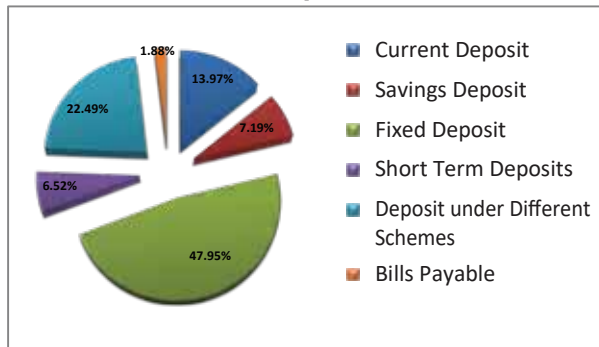
Fund Concentration-2025



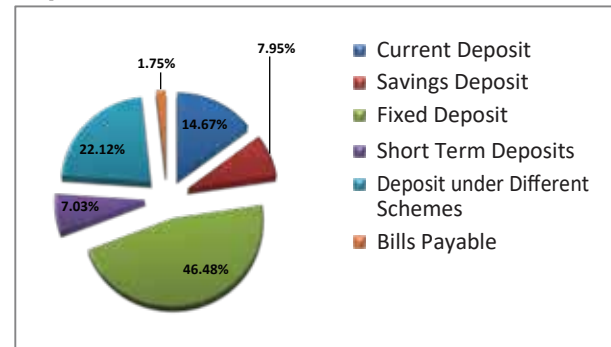
Fund Concentration-2024



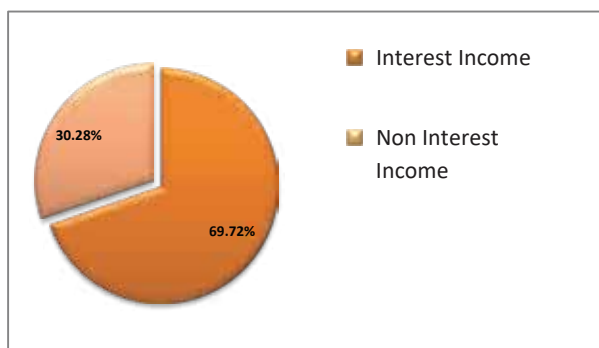
Deposit Concentration-2025



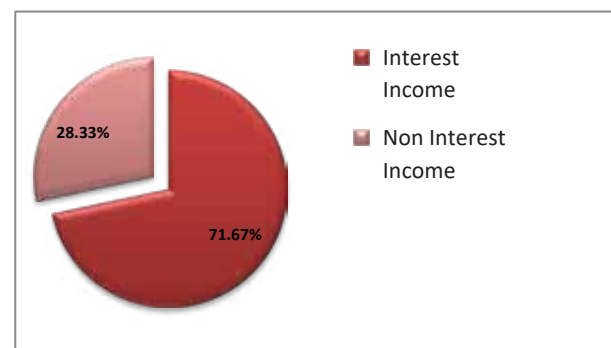
Deposit Concentration-2024



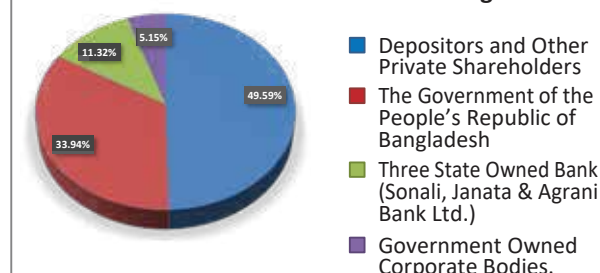
Income Concentration-2025



Income Concentration-2024



Shareholding Position



Credit Ratings 2025

Long Term

BB (Double B)

BB

Short Term

ST-4
Developing

ST-4

Rated by : National Credit Ratings Ltd.
Date of declaration : 02nd September, 2026
Valid till : 01st September, 2027

Value Addition & Distributions

Figure in Million

Particulars	2025		2024		2023		2022	
	Consolidate	Bank	Consolidate	Bank	Consolidate	Bank	Consolidate	Bank
Income from Banking Services	1,769.19	1,723.68	2,377.42	2,232.46	2,105.20	1,944.59	2,096.11	1,912.90
less: Cost of Services & Supplies	6,198.03	6,104.53	6,019.79	5,919.73	4,597.72	4,493.61	4,006.65	3,911.37
Value Added by Banking Services	(4,428.84)	(4,380.85)	(3,642.37)	(3,687.27)	(2,492.52)	(2,549.02)	(1,910.54)	(1,998.47)
Non-Banking income					-		-	
Provision for loans & Others Assets	323.37	84.88	83.43	54.32	25.28	(13.80)	41.64	(9.61)
Wealth Creation	(4,752.21)	(4,465.73)	(3,725.80)	(3,741.59)	(2,517.80)	(2,535.22)	(1,952.18)	(1,988.86)
Wealth Distribution								
Employees as Salaries & Allowances								
Government as Income Tax	41.40	34.56	106.91	94.82	5.19	(9.83)	42.55	19.91
Statutory Reserve	-	-	-	-	-	-	-	-
Retain Earning	(4,793.61)	(4,500.29)	(3,832.71)	(3,836.41)	(2,522.99)	(2,525.39)	(1,994.73)	(2,008.77)

Economic Value Added (EVA) Statement

Figure in Million

Particular	2025		2024		2023		2022	
	Consolidate	Bank	Consolidate	Bank	Consolidate	Bank	Consolidate	Bank
Shareholder's Equity	(16,824.93)	(16,677.05)	(12,038.30)	(12,183.73)	(8,179)	(8,320)	(8,179)	(5,652)
Add: Accumulated Provision for Loans & Advances and Other assets	4,945	4,945	4,867	4,867	4,771	4,771	4,778	4,778
Total:	(11,880)	(11,733)	(7,172)	(7,317)	2,256	1,713	2,256	1,713
Capital Employed (Average Shareholder's equity)	(14,432)	(14,430)	(10,109)	(10,252)	(8,179)	(6,986)	(3,633)	(3,762)
Earnings								
Profit after tax	(4,793.60)	(4,500.29)	(3,832.72)	(3,836.41)	(2,522.99)	(2,525.39)	(1,994.73)	(2,008.76)
Add: Provision for Loan & Advance and other Assets during the year	323.37	84.88	83.43	54.32	25.28	(13.80)	41.64	(9.61)
less: Written off Loans during the year					-		-	
Total Earnings	(4,470.23)	(4,415.41)	(3,749.29)	(3,782.09)	(2,498)	(2,539)	(1,521)	(1,606)
Average cost of equity (Based on weighted average rate of 10 years treasury bond issued by the Bangladesh Government) Plus 2% risk premium	9.39%	9.39%	9.39%	9.39%	9.39%	9.39%	9.60%	9.60%
Capital Charge (Cost of average equity)	(1,355.13)	(1,355.01)	(949.20)	(962.67)	(767.98)	(655.99)	(348.75)	(361.15)
Economic value Added	(3,115)	(3,060)	(2,800)	(2,819)	(1,730)	(1,883)	(1,173)	(1,245)

REPORT OF THE BOARD AUDIT COMMITTEE

In compliance with the Bank Company Act 1991 (as amended 2023), Bangladesh Bank Guidelines on Internal Control & Compliance in Banks, BRPD Circular No. 02 dated 11 February 2024 and Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Notification dated 07 August 2012 (as amended 2018), the formal Audit Committee (AC) of BCBL has been functioning duly formed by the Bank's Board of Directors.

Good Governance Philosophy:

Good governance goes beyond compliance; it is built on trust, integrity, independence and effective oversight.

The Audit Committee of the Board (ACB) serves as the guardrail of the Bank, ensuring that financial reporting is accurate, internal controls remain robust and accountability is more than just a regulatory obligation.

Through careful evaluation and monitoring, the ACB:

- Strengthens financial reporting and internal controls.
- Safeguards the Bank's reputation.
- Boosts stakeholder confidence through transparency and accountability.

Governance is also about resilience—helping the Bank navigate uncertainty while maintaining its commitment to transparency.

Key Objectives of Audit Committee:

- To assist the board for ensuring the achievement of objectives of the Bank,
- To strategies and overall business plans set by the board for effective functioning of the bank.
- To assist the board in fulfilling its oversight responsibilities, the AC reviews the financial reporting process, the system of internal control, compliance and approach
- To manage risks, the audit process, findings of Bangladesh Bank comprehensive audit, monitoring the efficiency of operations, compliance with laws and regulations and its own code of business conduct and to make the bank immense, strong and dependable organization for all stakeholders.

Roles & Responsibilities of the Audit Committee:

◆ Internal Control

- Evaluate compliance culture and MIS effectiveness.
- Review reports on fraud, forgery and deficiencies.
- Oversee implementation of audit recommendations.

◆ Financial Reporting & Disclosure

- Ensure **accuracy and completeness** of financial statements.
- Engage with Bangladesh Bank inspection team and auditors.
- Review quarterly/half-yearly/annual financials before Board approval.
- Assess related-party transactions (RPTs).
- Monitor utilization of IPO/rights issue proceeds.

◆ Internal Audit & Control Framework

- Safeguard independence of Internal Audit.
- Review internal audit plan, structure and reporting.
- Ensure prompt implementation of recommendations.

◆ External Audit & Oversight

- Recommend appointment/reappointment/removal of external auditors.
- Assess independence and objectivity of auditors.
- Hold pre- and post-audit meetings, including independent sessions.
- Ensure timely resolution of audit findings.

◆ Compliance with Laws & Regulations

- Monitor compliance with all regulatory directives.
- Ensure adherence to governance frameworks.

◆ Reporting & Other Responsibilities

- Submit quarterly compliance reports to the Board.
- Highlight audit observations and anomalies.
- Conduct self-assessment of Committee's effectiveness.

Composition of the Audit Committee:

Bangladesh Bank's BRPD Circular No. 02 dated 11 February 2024, the Audit Committee of Board of Directors of BCBL was last re-constituted with the following Board members with effect from 10 September 2024 out of the newly formed Board of Directors:

SL.	Name of Directors	Position in the Committee
1.	Mr. Shaikh Ashafuzzaman, FCA	Chairman
2.	Mr. Md. Ataur Rahman	Member

As per regulatory guidelines, Company Secretary of BCBL acts as Secretary of the Board Audit Committee.

Meetings of the Audit Committee:

During the year 2025, the Board Audit Committee of the Bank conducted 07 (Seven) meetings. Proceedings of the Audit Committee meeting were reported timely and regularly to the Board of Directors as well as Bangladesh Bank to comply Bangladesh Bank DOS Circular Letter No. 07 dated 24.04.2011. Meeting dates are as follows:

SL.	Meetings	Date of Meeting
1.	91 st Meeting of the Audit Committee	23 rd February 2025
2.	92 nd Meeting of the Audit Committee	20 th April 2025
3.	93 rd (Emergency) Meeting of the Audit Committee	30 th April 2025
4.	94 th Meeting of the Audit Committee	30 th June 2025
5.	95 th (Emergency) Meeting of the Audit Committee	14 th July 2025
6.	96 th Meeting of the Audit Committee	19 th August 2025
7.	97 th Meeting of Audit Committee	29 th October 2025

Participation of Non-Members:

The following senior officials attend meetings upon call:

- Managing Director
- Head of ICC
- Head of Audit
- Chief Financial Officer (CFO)

This ensures effective dialogue and informed decision-making.

Committee Governance:

- Meetings are scheduled **before Board meetings**, allowing timely review.
- The **Board receives agenda and minutes** for transparency.
- The **Committee Secretary liaises with the Chair** to ensure governance obligations and track action items.

Major Highlights of the Audit Committee Activities of the year 2025:

During the year 2025, the Audit Committee performed, amongst others, the following key functions, were viewed and discussed before the committee:

- Reviewed and approved the 'Annual Audit Plan'.
- Reviewed Annual Integrated Health Report.
- Reviewed of Draft Financial Statements of the Bank for the year ended 31st December 2024.
- Approval for the draft Management Report on Accounts of the Bank for the year ended 31st December 2024 submitted by External Auditor.
- Reviewed and approved half yearly Self-Assessment of Anti-fraud of Internal controls for the year 2025.
- Review and Evaluation of Quarterly Performance Report.
- Evaluated performance of External Auditors.
- Evaluated Bangladesh Bank comprehensive inspection report and the recommendations made there under.
- Reviewed the effectiveness of Internal Control System of the Bank.
- Reviewed Audit and Inspection reports on the branches, divisions and departments of the Corporate Office for the year 2024 and 2025 prepared by the Internal Control and Compliance Division (ICCD) of the Bank.
- Actions taken by the management in regard to deficiencies raised in the Bangladesh Bank Inspection report and by the Internal Audit and Inspection Team of the Bank.
- The corrective measures taken by the management in regard to the lapses pointed out on the internal control and other issues as are raised by internal and external auditors and inspectors of the regulatory authority.
- External Auditors Appointment and Reappointment.
- Reviewed improvement of the Bank for the year 2025 as per directives of Bangladesh Bank, DOBB and Department of Off Site Supervision (DOS) Bangladesh Bank.

Compliance with existing Law and Regulation:

Review whether the laws and regulations framed by the regulatory authorities (Central Bank, Securities Regulators and other bodies) and internal circular/instructions/policy /regulations approved by the Board and Management have been duly complied with.

Miscellaneous:

- Submit compliance report to the board on quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities;
- External and internal auditors will submit their related assessment report, if the committee solicits;
- Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis.

Review the Financial Statements:

The Audit Committee, reviewed and examined the Annual Financial Statements of the bank to confirm whether all the required disclosures and information have been incorporated in the Financial statements and whether the bank followed International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh, Bank Company Act 1991 (as amended up to 2023), Bangladesh bank Guidelines, Companies Act 1994, BSEC and others laws and rules applicable in Bangladesh.

Reporting:

The Committee in the meetings, has taken specific notes & its lapses detected by the Internal Audit Team and the actions taken by the management towards correction, improving recovery of classified loans and initiating measures for lowering the quantum of NPLs through on-site and off-site monitoring. The committee also assisted instituting recovery mechanisms, constituting a robust credit administration and carefully reviewed the internal control system and procedures including IT operation to secure the Bank from foreseeable shocks along with corporate culture of the Bank. The process of continuous monitoring was established for avoidance of errors and omissions and repetition of lapses as are detected by the internal and external auditors.

The Minutes of the Audit Committee meetings with observations and recommendations were circulated among the members of the committee and to the Board of Directors of the Bank for information and rectification.

Focus of Future Activities:**1. The Committee will continue to strengthen governance with a focus on:**

- Financial crime risk management.
- Operational resilience and process enhancement.
- Treasury risk & liquidity management.
- Cyber security and data protection.
- Automation and use of AI in risk governance.
- Full compliance with Bangladesh Bank & BSEC directives.

2. Strengthening Internal Audit & Compliance – Key Initiatives Enhanced Risk-Based Audit Coverage

- Adopt a comprehensive **risk-based audit plan** covering both Head Office functions and all branches.
- Prioritize high-risk areas such as credit risk, treasury, IT systems, AML/CFT, and operational risk.

Branch-Level Integrity Monitoring

- Introduce **branch integrity reviews** focusing on fraud risk, customer handling, and compliance with Bangladesh Bank guidelines.
- Implement **surprise/spot audits** for high-risk branches.

Strengthened Compliance Audit

- Establish a **dedicated compliance audit wing** to test adherence to regulatory requirements, KYC, AML and internal policies.
- Conduct periodic thematic audits (e.g. loan documentation, trade finance, foreign exchange).

Audit Independence & Accountability

- Ensure the **Head of Audit & Compliance reports directly** to the Audit Committee of the Board.
- Establish a **zero-tolerance framework** for any interference in audit findings or reporting.

Follow-Up & Implementation Assurance

- Develop a **tracking dashboard** to monitor timely implementation of audit recommendations.
- Escalate unimplemented or overdue audit findings directly to the Board Audit Committee.

Capacity Building & Integrity Culture

- Arrange **regular training for internal auditors** on regulatory changes, fraud detection and IT audit.
- Foster a culture of **honesty, accountability and responsibility** through code-of-conduct reinforcement.

Technology-Driven Audit Approach

- Introduce **data analytics and digital audit tools** for real-time monitoring of transactions.
- Implement **continuous auditing techniques** to detect irregularities early.

Integrated Audit Framework

- Ensure **coordination between internal audit, compliance and risk management functions.**
- Perform **joint reviews** in areas of overlapping risk to strengthen assurance.

Transparent Reporting to the Board

- Submit **quarterly audit dashboards** highlighting:
- High-risk findings
- Repeated irregularities
- Fraud cases detected
- Compliance status against BB/BSEC directives
- Provide clear recommendations for corrective actions.

Ethics & Whistleblowing Mechanism

- Strengthen the **whistleblower framework** to allow employees to report misconduct confidentially.
- Ensure every complaint is reviewed and addressed by Internal Audit and reported to the Committee.

Acknowledgement

The Audit Committee expresses gratitude to:

- **Board of Directors** for guidance.
- **Management & Auditors** for support.
- **Regulatory Authorities (Bangladesh Bank & BSEC)** for oversight.

On behalf of the Audit Committee,



(Shaikh Ashafuzzaman, FCA)

Chairman, Audit Committee



বাংলাদেশ কমার্স ব্যাংক লিমিটেড

BANGLADESH COMMERCE BANK LIMITED

DIRECTORS' REPORT

Annual Report 2025
For the year ended 31 December 2025

Registered Office: Eunoos Trade Center, Level-22, 52-53 Dilkusha C/A, Dhaka, Bangladesh
Incorporated: 1 June 1998 | Commenced Commercial Operations: 16 September 1999
Network: 74 Branches across Bangladesh | Subsidiary: Commerce Bank Securities and Investments Limited

1. BOARD'S OPENING STATEMENT TO SHAREHOLDERS

Bismillahir Rahmanir Rahim

Respected Shareholders, Assalamu Alaikum,

On behalf of the Board of Directors of Bangladesh Commerce Bank Limited (“BCBL”, “BCB” or “the Bank”), it is our duty and privilege to place before you the Directors' Report, together with the Audited Consolidated and Separate Financial Statements of the Bank and its wholly-owned subsidiary, Commerce Bank Securities and Investments Limited (“CBSIL”) (together, “the Group”), for the year ended 31 December 2025. This Report has been prepared in compliance with Section 184 of the Companies Act 1994, the Bank Company Act 1991, the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC), and the relevant circulars and guidelines of Bangladesh Bank.

The Board considers it a matter of institutional and fiduciary duty to place the Bank's position before its shareholders, depositors and other stakeholders candidly and without reservation. The year 2025 was an exceptionally difficult year for BCBL. The Bank recorded a net loss after tax of Taka 450.03 crore, its accumulated loss widened to Taka 1,993.51 crore, its regulatory capital remained deeply negative with a Capital to Risk-weighted Assets Ratio (CRAR) of negative 36.84%, and its classified loans stood at Taka 1,660.75 crore, equivalent to 64.88% of the total loan portfolio. The Bank's independent auditors have issued a qualified opinion on the financial statements for the year, drawing attention to a material uncertainty that may cast significant doubt on the Bank's ability to continue as a going concern. These are matters the Board treats with the utmost seriousness, and this Report sets out, transparently, both the underlying causes and the corrective measures being pursued in close and continuous consultation with Bangladesh Bank.

Notwithstanding these challenges, the Board wishes to record that the Bank continued to serve its depositors and borrowers throughout the year, deposits grew by 4.80% to Taka 4,469.74 crore, loans and advances grew by 8.88% to Taka 2,559.86 crore, and the Bank continued to receive the active support and regulatory forbearance of Bangladesh Bank, which the Board gratefully acknowledges. The Board remains committed to formulating and executing a time-bound recovery plan aimed at restoring the Bank's capital adequacy, asset quality and profitability over the medium term, consistent with the directions of the regulator and in the best interest of shareholders and depositors alike.

2. GLOBAL ECONOMIC REVIEW

The global economy demonstrated broad resilience during 2025 despite an environment of elevated trade tensions, shifting tariff regimes and continuing geopolitical uncertainty. According to the International Monetary Fund's World Economic Outlook Update of January 2026, global output is estimated to have expanded by 3.7% in 2025, and is projected to grow at a similar pace of 4.7% in 2026 before moderating slightly to 3.2% in 2027. Growth in advanced economies is estimated at around 1.6%–1.8%, supported by resilient labour markets, easing financial conditions and, in the United States, continued fiscal stimulus, while emerging market and developing economies are estimated to have grown at a considerably faster pace of a little over 4%, led by Asia.

Global headline inflation continued its gradual descent from the post-pandemic peaks of 2022–23, easing toward the 3.5%–4% range by the end of 2025, although price pressures remained above central bank targets in several major economies, including the United States, keeping global monetary policy on a cautious, data-dependent footing. Central banks in the United Kingdom and the United States moved gradually toward policy easing during the second half of 2025, while the European Central Bank held rates broadly steady and the Bank of Japan continued its gradual policy normalisation.

The IMF and other multilateral institutions continue to flag downside risks to the global outlook, including the possibility of renewed trade and tariff escalation, persistent geopolitical tensions in the Middle East and Eastern Europe, volatility in global commodity and energy prices, and the risk of abrupt tightening in global financial conditions. For an import-dependent, export-oriented and remittance-reliant economy such as Bangladesh, and consequently for BCBL's trade finance, foreign exchange and remittance-handling business lines, these global developments remain an important source of both opportunity and risk that the Board continues to monitor closely.

3. BANGLADESH ECONOMY REVIEW

Bangladesh's economy went through a period of adjustment during 2025, having decelerated to a provisional GDP growth of 3.97% in FY 2024-25 (from 4.22% in FY 2023-24), reflecting the lagged effects of the political transition, labour and industrial disruptions, recurring flood events, and a deliberately restrictive macroeconomic policy stance aimed at taming inflation. The IMF's Article IV Consultation concluded in January 2026 similarly placed FY25 growth at around 3.7%, while projecting a rebound to approximately 4.7% in both FY2025-26 and FY2026-27 as political uncertainty recedes and consumption and investment gradually recover. The World Bank's October 2025 Bangladesh Development Update projected a similar recovery path, from 4.0% in FY25 to 4.8% in FY26 and 6.3% in FY27, while the Asian Development Bank placed its FY26 forecast in the 4.0%–5.0% range. The Government's own budgetary target for FY26 growth stood higher, at 5.5%, reflecting a more optimistic policy assumption.

Inflation remained a central policy concern throughout 2025. Headline inflation, which had touched double digits in early FY25, eased through the year to around 8%–9% by the fourth quarter of 2025, still well above Bangladesh Bank's medium-term comfort zone. In response, Bangladesh Bank maintained a firmly contractionary monetary policy stance throughout 2025, holding its policy (repo) rate at 10.00%, the Standing Lending Facility rate at 11.50% and the Standing Deposit Facility rate at 8.00% for successive half-yearly monetary policy periods, while simultaneously tightening private-sector credit growth targets. This high-interest-rate environment materially affected the cost of funds for all scheduled banks, BCBL included, over the course of the year.

On the external front, the shift to a more market-based, flexible exchange rate regime introduced in 2025 helped stabilise the foreign exchange market, and gross foreign exchange reserves strengthened over the course of the year, supported by record remittance inflows and a rebound in export earnings, which grew by approximately 7.7% in FY25 after a contraction in the preceding year. Migrant worker remittances, channelled predominantly through Gulf Cooperation Council countries, continued to be a vital pillar of external sector stability, although the Board notes the geopolitical risks emanating from conflict in the Middle East as a continuing source of vulnerability for remittance flows in the period ahead.

For a bank of BCBL's size and profile, this macroeconomic backdrop of high policy rates, elevated inflation, subdued private credit growth and a still-fragile banking sector translated directly into higher funding costs, subdued demand for new credit from creditworthy borrowers, and continuing pressure on asset quality — all of which are reflected in the Bank's 2025 results discussed later in this Report.

4. OVERVIEW OF THE BANKING INDUSTRY IN BANGLADESH

The banking industry of Bangladesh passed through its most difficult period in at least two decades during 2025. Following the change in political administration in mid-2024, banks came under considerably closer regulatory scrutiny, and previously concealed or under-reported non-performing loans across a number of banks — including several large private commercial banks and Islamic banks — were progressively recognised and disclosed. As a direct consequence, industry-wide non-performing loans (NPLs), which stood at around Tk 2.11 lakh crore or 12.56% of total outstanding loans as at June 2024, rose sharply through 2025 to reach a record Tk 6.44 lakh crore, or 35.73% of total disbursed loans of Tk 18.03 lakh crore, as at the end of September 2025 — the highest NPL ratio recorded in Bangladesh's banking history. State-owned commercial banks were particularly affected, with NPL ratios exceeding 49% at their peak, while private commercial banks recorded NPL ratios in excess of 33% at their peak.

In response, Bangladesh Bank introduced a special loan-rescheduling facility in the latter part of 2025, permitting eligible borrowers to reschedule classified loans over tenors of up to ten years against a modest 2% down payment and an initial grace period, alongside other regulatory relief measures. These measures, together with a broader loan-recovery and write-off drive, contributed to a decline in industry-wide NPLs to approximately Tk 5.57 lakh crore, or 30.60% of total outstanding loans, by the end of December 2025 — still an extraordinarily elevated level by both historical and international standards, and one that market observers and independent economists have characterised as reflecting accounting and regulatory relief

measures as much as a durable improvement in underlying loan discipline.

Bangladesh Bank has, in parallel, intensified its supervisory response to the crisis, including Asset Quality Reviews (AQR) of individual banks, the planned roll-out of risk-based supervision from January 2026, the doubling of deposit insurance coverage from Taka 1 lakh to Taka 2 lakh per depositor under the Deposit Protection Ordinance 2025 to safeguard retail depositor confidence, and continued extension of liquidity support and regulatory forbearance to individual weak and distressed banks — a category in which BCBL is included — while working toward a longer-term resolution and consolidation framework for the sector.

It is against this backdrop of an industry-wide banking crisis, rather than in isolation, that the Board asks shareholders to view BCBL's own asset-quality and capital challenges detailed later in this Report. BCBL's classified loan ratio of 64.88% remains materially higher than the industry average of around 30.60% at the end of December 2025, reflecting the Bank's own legacy portfolio issues that pre-date the current sector-wide crisis; at the same time, the Bank's difficulties are compounded by, and must be read in the context of, an operating environment in which the banking sector as a whole is undergoing an unprecedented and still-unfolding period of stress and regulatory intervention.

5. ABOUT BANGLADESH COMMERCE BANK LIMITED

Bangladesh Commerce Bank Limited was incorporated in Bangladesh as a public limited company on 1 June 1998 under the Companies Act 1994, pursuant to the Bangladesh Commerce and Investment Limited (Reconstitution) Act No. 12 of 1997, and commenced commercial banking operations on 16 September 1999. The Bank's registered office and principal place of business is located at Eunoos Trade Center, Level-22, 52-53 Dilkusha C/A, Dhaka. As at 31 December 2025, the Bank operated a network of 74 branches across Bangladesh, offering conventional commercial banking services alongside a dedicated Islamic Banking window, serving corporate, SME, retail and individual customers through Corporate, SME, Retail, Credit Card and Treasury business lines.

The Bank's authorised share capital stands at Taka 1,000 crore, comprising 100,000,000 ordinary shares of Taka 100 each, of which Taka 198.87 crore (19,887,428 ordinary shares of Taka 100 each) was issued, subscribed and paid up as at the reporting date. The Government of the People's Republic of Bangladesh, acting through its shareholding and through the three state-owned commercial banks — Sonali Bank PLC, Janata Bank PLC and Agrani Bank PLC — together with other autonomous/government-owned corporate bodies, held approximately 50.41% of the Bank's paid-up capital as at the year-end, with the remaining approximately 49.59% held by directors, depositors and other private shareholders. Further particulars of the shareholding pattern are set out in Section 30 of this Report.

The Bank's wholly-owned subsidiary, Commerce Bank Securities and Investments Limited (CBSIL), was incorporated on 20 September 2010 and commenced merchant banking operations on 1 June 2011, offering issue management, portfolio management and underwriting services. CBSIL is consolidated into the Group's financial statements in accordance with IFRS 10: Consolidated Financial Statements, and its performance is discussed further in Section 19 of this Report.

6. FINANCIAL HIGHLIGHTS

The table below summarises the Bank's (solo) key financial and operational indicators for the year ended 31 December 2025, as compared with the year ended 31 December 2024, extracted from the audited financial statements. Figures are presented in Taka crore unless otherwise stated.

Particulars	2025	2024
Paid-up Capital (Tk. crore)	198.87	198.87
Right Share Application Money (Tk. crore)	91.73	91.73
Total Eligible Regulatory Capital – Basel III (Tk. crore)	(1,657.42)	(1,207.32)
Surplus/(Deficit) Capital vs. Minimum Requirement (Tk. crore)	(2,157.42)	(1,707.32)

Particulars	2025	2024
Total Assets (Tk. crore)	4,984.93	4,897.00
Total Deposits (Tk. crore)	4,469.74	4,264.86
Total Loans and Advances (Tk. crore)	2,559.86	2,351.19
Total Contingent Liabilities and Commitments (Tk. crore)	492.35	505.67
Advance-Deposit Ratio (%)	57.27%	55.13%
Classified Loans to Total Advances Ratio (%)	64.88%	68.34%
Profit/(Loss) After Tax and Provision (Tk. crore)	(450.03)	(383.64)
Classified Advances (Tk. crore)	1,660.75	1,606.76
Provision Maintained against Classified Advances (Tk. crore)	369.84	361.84
Surplus/(Deficit) Provision – Loans & Advances (Tk. crore)	(674.05)	(637.45)
Net Interest Margin – NIM (%)	(3.44)%	(2.07)%
Cost of Fund (%)	11.88%	11.31%
Interest-Earning Assets (Tk. crore)	899.12	744.44
Non-Interest-Earning Assets (Tk. crore)	3,605.68	3,613.42
Return on Investment – ROI (%)	6.34%	7.09%
Return on Assets – ROA (%)	(9.03)%	(7.83)%
Income from Investment (Tk. crore)	30.45	38.21
Earnings Per Share – EPS (Taka)	(226.29)	(192.91)
Net Asset Value (NAV) Per Share (Taka)	(838.57)	(612.63)
Net Operating Cash Flow Per Share (Taka)	(173.49)	(309.45)
Price-Earnings Ratio (Times)	(0.44)	(0.52)
Capital to Risk-weighted Assets Ratio – CRAR (Required 12.50%)	(36.84)%	(32.35)%

Source: Audited Financial Statements 2025 of Bangladesh Commerce Bank Limited – Highlights of the Overall Activities of the Bank (Annexure-C) and related notes.

On a Group (consolidated) basis, incorporating the results of CBSIL, net loss after tax for 2025 stood at Taka 479.36 crore (2024: Taka 383.27 crore) and consolidated EPS stood at Taka (241.04) (2024: Taka (192.72)); total consolidated assets stood at Taka 5,037.94 crore (2024: Taka 4,953.36 crore) and total consolidated shareholders' equity (deficit) stood at Taka (1,682.49) crore (2024: Taka (1,203.83) crore).

7. REVIEW OF DEPOSITS

Total deposits of the Bank grew by 4.80% during the year, from Taka 4,264.86 crore as at 31 December 2024 to Taka 4,469.74 crore as at 31 December 2025, notwithstanding the challenging operating environment and the reputational headwinds associated with the Bank's capital position. The Board views this continued growth in the deposit base as a reflection of the confidence depositors continue to place in the Bank, supported in part by the enhanced deposit insurance coverage introduced by Bangladesh Bank during the year, and records its sincere appreciation to all depositors for this continuing trust.

Deposit Category	2025 (Tk. crore)	2024 (Tk. crore)
Current & Other Deposit Accounts	624.62	625.58
Bills Payable	83.84	74.67
Savings Bank Deposits	321.23	338.94
Short Term Deposits	291.51	299.69

Deposit Category	2025 (Tk. crore)	2024 (Tk. crore)
Fixed Deposits / Mudaraba Fixed Deposits	2,143.42	1,982.41
Deposits under Different Schemes	1,005.12	943.56
Total Deposits	4,469.74	4,264.86

Source: Audited Financial Statements 2025 – Note 12.

Fixed Deposits and Mudaraba Fixed Deposits together with deposits under the Bank's various savings and pension schemes (Monthly Income Scheme, Double Deposit Scheme, Monthly Savings Scheme and others) continued to constitute the single largest component of the Bank's funding base, together accounting for approximately 70% of total deposits, reflecting both customer preference for fixed-return instruments in the prevailing high-interest-rate environment and the Bank's continuing reliance on relatively higher-cost term funding, which has itself been a material contributor to the Bank's elevated cost of funds and negative net interest margin discussed in Section 13 below.

8. REVIEW OF LOANS, ADVANCES AND INVESTMENTS

Gross loans and advances of the Bank grew by 8.88% during the year, from Taka 2,351.19 crore as at 31 December 2024 to Taka 2,559.86 crore as at 31 December 2025. Growth was led principally by the SME portfolio, which expanded from Taka 595.75 crore to Taka 780.32 crore, alongside continuing growth in the Bank's education-finance and general loan portfolios. The Advance-Deposit Ratio increased to 57.27% (2024: 55.13%), which remains comfortably within the regulatory ceiling, although the Board notes that a large and rising proportion of this portfolio is now classified, as discussed in Section 11 below.

Sector-wise Concentration of Loans and Advances

Sector	2025 (Tk. crore)	% of Total
Trade & Commerce / Commercial Loans	965.46	37.7%
Working Capital Loans	348.25	13.6%
Import Credit	338.47	13.2%
RMG & Textile	289.05	11.3%
Industrial Loans (other than working capital)	125.71	4.9%
Construction Loans	106.89	4.2%
Agricultural / Rural Credit	61.30	2.4%
Consumer Credit	41.64	1.6%
Transport and Communication	11.91	0.5%
Other Sectors	271.18	10.6%

Source: Audited Financial Statements 2025 – Note 7.8 (Sector wise concentration). Figures are approximate and rounded to one decimal place.

RMG & Textile financing continued to represent one of the Bank's core lending sectors, consistent with BCBL's long-standing focus on trade finance and working-capital support to Bangladesh's export-oriented ready-made garments industry, an industry which itself experienced a rebound in export earnings during 2025 following a difficult prior year, as noted in Section 3 above. The Board continues to view RMG and export-linked trade finance as a strategic priority for the Bank's credit portfolio going forward, subject always to the credit-risk discipline necessitated by the Bank's current capital position.

The Bank's investment portfolio stood at Taka 480.14 crore as at 31 December 2025 (2024: Taka 539.14 crore), comprising Government treasury bills and bonds of Taka 350.52 crore, largely held to meet the Statutory Liquidity Ratio (SLR) requirement and pledged with Bangladesh Bank, and other investments of Taka 129.62 crore, comprising quoted and unquoted equity holdings, a corporate bond and the cost of investment in the subsidiary, CBSIL. The Board draws attention to the fact that the Bank continues to maintain term deposits aggregating Taka 700.59 crore with seven non-bank financial institutions, several

of which — including People's Leasing and Financial Services Limited, International Leasing and Financial Services Limited and Bangladesh Industrial Finance Company Limited — are themselves currently under financial distress; the independent auditors have accordingly drawn attention to uncertainty over the recoverability of principal and interest on these placements, and to a balance-confirmation discrepancy of Taka 117.52 crore identified with respect to People's Leasing and Financial Services Limited. The Board is pursuing recovery of these exposures through all available legal and regulatory channels and continues to monitor developments in the resolution of the affected non-bank financial institutions.

9. IMPORT, EXPORT, GUARANTEE AND REMITTANCE BUSINESS

Trade finance and foreign exchange operations remain a core part of BCBL's franchise, supporting the Bank's corporate and RMG client base through Letters of Credit, Letters of Guarantee, Bills for Collection and Acceptances. As at 31 December 2025, the Bank's off-balance sheet contingent liabilities and commitments stood at Taka 492.35 crore, a decrease of 2.64% from Taka 505.67 crore at the previous year-end, as summarised below.

Off-Balance Sheet Item	2025 (Tk. crore)	2024 (Tk. crore)
Acceptances and Endorsements	31.88	24.03
Letters of Guarantee	95.76	119.04
Irrevocable Letters of Credit	77.34	66.85
Bills for Collection	277.31	285.68
Other Contingent Liabilities (legacy tax matters)	10.06	10.06
Total Off-Balance Sheet Items	492.35	505.67

Source: Audited Financial Statements 2025 – Note 19.

The Bank recorded a foreign exchange gain of Taka 3.08 crore during the year (2024: Taka 6.45 crore), arising principally from movements in the USD exchange rate under the newly liberalised, market-based foreign exchange regime, together with commission, exchange and brokerage income of Taka 12.07 crore (2024: Taka 15.09 crore), a decline of approximately 20% reflecting the constrained scale of the Bank's trade finance and foreign currency operations during the year. In accordance with Bangladesh Bank's Foreign Exchange Policy Department guidelines, export proceeds are required to be realised within 120 days of the shipment date; as at the reporting date, the Bank had 721 overdue export bills with an aggregate exposure of USD 36.20 million, a matter that the auditors have drawn to the Board's attention and that the Board's Trade Finance and Recovery teams continue to pursue actively with the concerned exporter clients and, where necessary, through regulatory and legal channels.

The Bank's dealing room continues to operate under a clearly segregated front-office, mid-office and back-office structure in line with Bangladesh Bank's core risk management guidelines for Treasury operations, supported by dealer-, counterparty- and currency-wise exposure limits set and monitored by the Asset Liability Committee (ALCO) and the Credit Committee.

10. CAPITAL ADEQUACY AND CAPITAL MANAGEMENT

Capital adequacy remains the single most pressing challenge confronting the Bank, and the Board addresses it here in full and direct terms. Under BRPD Circular No. 18 dated 15 June 2023, scheduled banks are required to maintain minimum paid-up capital of Taka 500 crore. As at 31 December 2025, the Bank's paid-up capital stood at Taka 198.87 crore. This position is not a matter of choice or of delayed capital-raising on the Bank's part: the Bank's paid-up capital is capped by the Bangladesh Commerce and Investment Limited (Reconstitution) Act No. 12 of 1997, the special legislation under which BCBL was constituted, which does not currently permit the Bank to increase its paid-up capital beyond Taka 198.87 crore. The Appellate Division of the Supreme Court of Bangladesh dismissed Civil Petition for Leave to Appeal No. 1154/2014 relating to this matter, and raising the Bank's capital to the regulatory minimum therefore requires an amendment to the 1997 Act, a process that is currently under consideration by the Ministry of Finance's Bank and Financial Institutions Division. Bangladesh Bank, vide letter reference

DOS(BSS-6)/1162/2(3)/2016-1082 dated 29 February 2016, has already indicated that it will permit the Bank to raise capital through a rights share issue within three months of the necessary legislative amendment being enacted. The Bank continues to hold Right Share Application Money of Taka 91.73 crore in readiness for this purpose, pending the required amendment.

The consequence of this capital constraint, compounded by years of accumulated operating losses, is that the Bank's Capital to Risk-weighted Assets Ratio (CRAR) stood at negative 36.84% as at 31 December 2025 (2024: negative 32.35%), against the regulatory minimum requirement of 12.50%, representing a capital fund deficit of Taka 2,157.42 crore against the minimum capital requirement of Taka 500 crore. Independent stress testing performed as part of the audit indicates that, under a minor adverse shock scenario, CRAR would deteriorate further to approximately negative 41%. The table below sets out the components of the Bank's regulatory capital position as at the year-end.

Particulars	2025 (Tk. crore)	2024 (Tk. crore)
Common Equity Tier-1 (CET-1) / Core Capital	(1,672.98)	(1,222.88)
Additional Tier-1 Capital (AT-1)	–	–
Tier-2 (Supplementary) Capital	15.56	15.56
Total Eligible Regulatory Capital	(1,657.42)	(1,207.32)
Total Risk-weighted Assets (RWA)	4,498.37	3,732.55
– Credit Risk	3,597.14	–
– Market Risk	59.33	–
– Operational Risk	841.90	–
CRAR (Required: 12.50%)	(36.84)%	(32.35)%
Core Capital to RWA	(37.19)%	(32.76)%
Supplementary Capital to RWA	0.35%	0.42%
Minimum Capital Requirement (MCR)	500.00	500.00
Capital Shortfall against MCR	(2,157.42)	(1,707.32)

Source: Audited Financial Statements 2025 – Note 14.3 and Annexure-D (Minimum Capital Requirement under BASEL III).

The Bank continues to operate under regulatory forbearance extended by Bangladesh Bank. Vide letter no. BSD-9/116/2026-488 dated 28 April 2026, Bangladesh Bank identified an aggregate provisioning shortfall of Taka 1,252.26 crore across the Bank's loan, investment and other asset portfolios as at 31 December 2025, and permitted the deferral of Taka 1,244.26 crore of this shortfall for the specific purpose of finalising these financial statements. Absent this forbearance, the Bank's CRAR would have been as low as negative 64.39%. The Board records its appreciation to Bangladesh Bank for this continuing regulatory support, without which the Bank's reported financial position would be materially weaker, while recognising that forbearance is not a substitute for the fundamental capital and balance-sheet repair that the Bank must pursue.

The principal driver of the erosion in the Bank's capital base is the continuing accumulation of net losses, which brought cumulative retained losses to Taka 1,993.51 crore at the year-end (2024: Taka 1,543.41 crore), on top of statutory reserves and other reserves that, together, remain wholly insufficient to offset this deficit. As required under Section 13(2) of the Bank Company Act 1991 and BRPD Circular No. 35 dated 29 December 2010, the Bank reports its required and available capital positions to Bangladesh Bank on both solo and consolidated bases under the BASEL III framework, and a time-bound recovery plan addressing both the provisioning shortfall and the capital deficiency is being formulated for submission to the Board and, in turn, to Bangladesh Bank.

11. ASSET QUALITY AND PROVISIONING

Asset quality remains the second major challenge facing the Bank. Total classified loans and advances stood at Taka 1,660.75 crore as at 31 December 2025, equivalent to 64.88% of the Bank's total loan portfolio of Taka 2,559.86 crore (2024: Taka 1,606.76 crore, or 68.34% of a smaller portfolio base). The classification break-up is set out below.

Classification	Outstanding (Tk. crore)	% of Total
Unclassified – Standard	825.77	32.3%
Unclassified – Staff Loans	60.16	2.3%
Unclassified – Special Mention Account (SMA)	13.18	0.5%
Sub-Standard	20.76	0.8%
Doubtful	20.69	0.8%
Bad or Loss	1,619.30	63.3%
Total Loans and Advances	2,559.86	100.0%

Source: Audited Financial Statements 2025 – Note 7.10.

The overwhelming majority of classified exposure — Taka 1,619.30 crore, or 63.3% of the entire loan book — falls in the Bad or Loss category, underscoring the severity and long-standing nature of the Bank's asset-quality problem, which predates and is materially worse than the industry-wide NPL crisis described in Section 4. Provision maintained against classified advances stood at Taka 369.84 crore against the Bank's own computed required provision of Taka 1,057.77 crore, leaving a shortfall of Taka 674.05 crore on loans and advances alone; taking into account required provisions against off-balance sheet exposures, other assets, balances with distressed non-bank financial institutions and unreconciled balances, the aggregate shortfall identified by Bangladesh Bank's supervisory review stood at Taka 1,252.26 crore, of which Taka 1,244.26 crore has been deferred under the regulatory forbearance described in Section 10 above.

The independent auditors have further drawn attention to a variance of Taka 54.24 crore between cumulative advance income tax of Taka 135.51 crore and the income tax provision of Taka 81.27 crore maintained by the Bank, the future adjustability of which remains uncertain pending finalisation of tax assessments for multiple years, and to the Bank's exposure to distressed banks and non-bank financial institutions referred to in Section 8 above. The Board has instructed management to prioritise recovery action against classified accounts, including through the Money Loan Court, the Negotiable Instrument Act and other legal channels described in Section 16, and to strengthen the credit monitoring, early-warning and provisioning discipline embedded in the Bank's Credit Risk Management framework, described further in Section 20.

12. LIQUIDITY POSITION

The Bank continued to experience significant liquidity stress throughout 2025. The Bank failed to maintain the statutory Cash Reserve Requirement (CRR) on 353 days and the Statutory Liquidity Ratio (SLR) on 364 days during the year under its conventional banking window (against required ratios of 4.00% and 13.00% of average demand and time liabilities respectively), while its Islamic banking window recorded no CRR shortfall days but 272 days of SLR shortfall. These shortfalls attracted penal interest charges from Bangladesh Bank of Taka 49.46 crore during the year under review.

To bridge its funding gap, the Bank relied increasingly on borrowing from Bangladesh Bank and the inter-bank money market, with total borrowings from Bangladesh Bank, other banks, financial institutions and agents rising to Taka 920.03 crore as at 31 December 2025 (2024: Taka 738.19 crore), comprising a Bangladesh Bank overdraft facility of Taka 439.69 crore, REPO borrowing of Taka 293.38 crore, Cash Liquidity Support of Taka 175.00 crore and a SME Re-finance facility of Taka 11.96 crore. Net cash used in operating activities improved to Taka 345.03 crore in 2025 from Taka 615.42 crore in 2024, although the underlying position remains significantly cash-negative, driven principally by the gap between cash interest paid on deposits and borrowings and cash interest received on the Bank's shrinking base of performing, income-generating assets.

The Board recognises that this liquidity position, taken together with the capital and asset-quality issues described above, represents a source of continuing vulnerability for the Bank, and confirms that liquidity risk continues to be actively monitored by the Bank's Asset Liability Management Committee (ALCO) on an ongoing basis, with regular escalation to the Board and to Bangladesh Bank.

13. PROFITABILITY ANALYSIS

The Bank recorded a net loss after tax of Taka 450.03 crore for the year ended 31 December 2025, compared with a net loss of Taka 383.64 crore in 2024, a deterioration of 17.30%. On a consolidated (Group) basis, incorporating the results of CBSIL, the net loss after tax was Taka 479.36 crore (2024: Taka 383.27 crore). The summarised profit and loss position of the Bank (solo) is set out below.

Particulars	2025 (Tk. crore)	2024 (Tk. crore)
Interest Income / Profit on Investment	120.17	160.00
Interest Paid / Profit Shared on Deposits & Borrowings	(449.71)	(425.57)
Net Interest Income	(329.54)	(265.57)
Non-Interest Income (Investment, Commission, Other)	52.20	63.25
Total Operating Income	(277.34)	(202.33)
Total Operating Expenses	160.74	166.40
Profit/(Loss) before Provision	(438.09)	(368.73)
Total Provision Charge for the Year	8.49	5.43
Profit/(Loss) before Tax	(446.57)	(374.16)
Provision for Taxation	3.46	9.48
Net Profit/(Loss) after Tax	(450.03)	(383.64)

Source: Audited Financial Statements 2025 – Profit and Loss Account (Bank, solo basis).

The Bank's continuing losses are driven principally by a deeply negative net interest margin: interest expense on deposits and borrowings of Taka 449.71 crore exceeded interest income of Taka 120.17 crore by Taka 329.54 crore, a loss 24.09% wider than in 2024, reflecting both the elevated interest-rate environment described in Section 3 and the erosion of the Bank's income-generating asset base as an increasing share of the loan portfolio moved into non-performing (and therefore non-income-accruing) categories, where interest is credited to an Interest Suspense Account rather than to income in accordance with Bangladesh Bank's regulatory accounting requirements. Even after including non-interest income from investments, commission, exchange earnings and other operating income, total operating income for the year remained negative at Taka (277.34) crore. Earnings per share stood at Taka (226.29) for the year (2024: Taka (192.91)), and Net Asset Value per share stood at Taka (838.57) (2024: Taka (612.63)), both reflecting the continuing deterioration in the Bank's underlying financial position.

The Board wishes to emphasise that reversing this trend is the Bank's single most important financial priority, and that doing so will require a combination of continued balance-sheet de-risking, recovery of classified assets, disciplined cost management, and, ultimately, the capital-raising described in Section 10, none of which can be achieved without the continuing support of Bangladesh Bank, the Government and the Bank's shareholders and depositors.

14. GOING CONCERN ASSESSMENT

In accordance with IAS 1 (Presentation of Financial Statements) and the Bank's own governance responsibilities, the Board has performed a careful assessment of the Bank's ability to continue as a going concern. The Board acknowledges that a combination of factors — negative net operating income sustained since 2018, deeply negative shareholders' equity of Taka (1,667.71) crore, a persistent liquidity deficit, sustained net losses, and material provisioning shortfalls relating to loans, distressed investments and off-balance sheet exposures — together give rise to a material uncertainty that may cast significant doubt on the Bank's ability to continue as a going concern, a conclusion with which the Bank's independent auditors concur in their report.

Notwithstanding this material uncertainty, the Board has concluded that it remains appropriate to prepare these financial statements on a going concern basis, for the following reasons: (i) the Bank continues to receive active and continuing regulatory forbearance and liquidity support from Bangladesh Bank, evidenced most recently by letter no. BSD-9/116/2026-488 dated 28 April 2026; (ii) the Bank has neither the intention nor, in the Board's assessment, any present requirement to cease operations or to liquidate;

(iii) the Bank's deposit base continued to grow during the year, evidencing continuing depositor confidence, reinforced by the enhanced deposit insurance coverage introduced during 2025; and (iv) the Bank, its majority government-linked shareholding structure, and Bangladesh Bank are jointly engaged in developing a structured, time-bound recovery plan for the Bank, to be formulated and submitted to the Board for approval prior to submission to Bangladesh Bank, addressing capital restoration, provisioning adequacy and a return to sustainable profitability over the medium term.

The Board wishes to be unambiguous with shareholders and depositors: the going concern basis of preparation reflects management's and the Board's judgement, supported by continuing regulatory backing, rather than a resolution of the underlying capital and asset-quality issues described elsewhere in this Report. The Board will continue to keep shareholders informed of material developments in the Bank's recovery plan and its ongoing dialogue with Bangladesh Bank.

15. REPORT OF THE INDEPENDENT AUDITORS – BASIS FOR QUALIFIED OPINION AND THE BOARD'S RESPONSE

The Bank's joint statutory auditors, Kazi Zahir Khan & Co. and Ahsan Manzur & Co., Chartered Accountants, issued a qualified opinion on the consolidated and separate financial statements for the year ended 31 December 2025. The Board sets out below, in summary, the principal matters underlying the qualified opinion, together with the Board's response to each.

Matter Raised by the Auditors	Board's Position / Response
Paid-up capital of Taka 198.87 crore falls short of the Taka 500 crore minimum required under BRPD Circular No. 18 (2023).	Constrained by the Bangladesh Commerce and Investment Limited (Reconstitution) Act No. 12 of 1997; legislative amendment sought through the Ministry of Finance to enable a rights issue, as detailed in Section 10.
Non-compliance with minimum CRAR; capital fund deficit of Taka 2,157.41 crore; CRAR of negative 36.84%.	Acknowledged in full; addressed through continuing Bangladesh Bank forbearance and the recovery plan under formulation, as detailed in Section 10.
Significant liquidity stress evidenced by CRR/SLR shortfalls, negative operating cash flows and rising funding costs.	Acknowledged; actively managed by ALCO through borrowing from Bangladesh Bank and the inter-bank market, as detailed in Section 12.
Serious asset-quality challenges: classified loans of Taka 1,660.75 crore and a related provisioning shortfall.	Acknowledged in full; recovery and provisioning-adequacy measures detailed in Section 11.
Uncertainty over cumulative advance income tax of Taka 135.51 crore against a tax provision of Taka 81.27 crore (variance of Taka 54.24 crore), pending multi-year tax assessments.	Under active follow-up with the tax authorities; provision adequacy to be reassessed as assessments are finalised.
Exposure to distressed banks and financial institutions, including a Taka 117.52 crore balance-confirmation discrepancy with People's Leasing and Financial Services Limited.	Acknowledged; recovery being pursued through legal and regulatory channels, as detailed in Section 8.
Partial (Head Office only) implementation of IFRS 16 – Leases across the Bank's rental contracts.	Management has been directed to complete a Bank-wide IFRS 16 implementation exercise across all leased branch and office premises.
Balance confirmations, bank statements and reconciliations remain outstanding for a number of counterparties across Notes 3, 4, 5, 6, 7, 11 and 12.	Reconciliation and confirmation drive intensified under the Internal Control and Compliance Division; to be substantially completed ahead of the next reporting cycle.

The auditors also drew attention, by way of Emphasis of Matter (without qualifying their opinion further), to the fraud at the Bank's Mymensingh Branch discussed in Section 17, to overdue export bills discussed in Section 9, to the qualified opinion issued on the financial statements of the subsidiary, CBSIL, discussed in Section 19, and to minor reconciliation variances in fixed asset and cash-in-hand records, which management has been directed to resolve. The Board has reviewed each of these matters with the Audit Committee of the Board and with senior management, and confirms its commitment to addressing them as part of the Bank's broader recovery and remediation programme.

16. LEGAL PROCEEDINGS AND REGULATORY MATTERS

The Bank's legal recovery machinery continues to pursue realisation against the Taka 2,769.56 crore of

claims still pending before the courts, working closely with the Bank's panel lawyers and internal legal counsel. The Board notes that legal recovery, by its nature, is a multi-year process, and that recovery outcomes to date — an aggregate of Taka 297.24 crore recovered against disposed and pending cases combined — remain modest relative to the scale of the underlying classified portfolio, underscoring the importance of the Bank's broader recovery strategy described in Section 11.

Separately, the Bank continues to carry a contingent tax liability of Taka 10.06 crore relating to unresolved assessments of its predecessor entity for assessment years 1989-90 through 1993-94, which remain pending before the Honourable Supreme Court, as well as ongoing income tax assessment disputes for several more recent assessment years, details of which are set out in Annexure-G to the audited financial statements.

17. FRAUD, FORGERY AND INTERNAL INVESTIGATION

The Board regrets to report an instance of fraud identified during the year at the Bank's Mymensingh Branch, involving the fraudulent misappropriation, by a third party, of approximately Taka 9.13 crore paid as interest on a government project-linked current deposit account relating to the “Development of Road and Drainage Network with Citizen Service” project of Mymensingh City Corporation, over the period 2022 to 2024. Upon detection, the Bank promptly initiated legal proceedings at the branch level and filed a formal complaint with the Anti-Corruption Commission (ACC) on 5 May 2025. The matter remains under active investigation by the ACC, and no litigation outcome has yet been announced. The Board has directed management to fully cooperate with the investigating authorities, to pursue recovery of the misappropriated funds, and to strengthen account-monitoring and dual-control procedures over government and project-linked deposit accounts across the branch network to prevent recurrence.

This incident, together with other instances of fraud and forgery identified from time to time, is managed through the Bank's dedicated Investigation Unit under the Compliance and Monitoring Department of the Internal Control and Compliance Division (ICCD), which serves as the first point of escalation for all internal and external fraud incidents, conducts independent investigations to identify root causes and responsible parties, and reports its findings to the Board Audit Committee together with recommended remedial and preventive measures. All identified instances of fraud and forgery are reported to Bangladesh Bank in the prescribed format, and adequate provision is maintained in the Bank's books of account in respect of confirmed losses.

18. BUSINESS SEGMENT REVIEW

In accordance with IFRS 8 – Operating Segments, the Bank identifies its reportable business segments as Corporate Banking, SME Banking, Retail Banking and Treasury under its Conventional banking operations, together with a dedicated Islamic Banking window operating in parallel under Shariah-compliant modes of investment (Bai-Muajjal, Bai-Murabaha, Hire Purchase and related instruments).

- **Corporate and Trade Finance:** continued to anchor the Bank's balance sheet, with particular concentration in RMG & Textile, trade and commerce, and import-linked financing, as detailed in Section 8.
- **SME Banking:** was the Bank's fastest-growing segment during the year, with the portfolio expanding by approximately 31% to Taka 780.32 crore, reflecting continued focus on this priority sector consistent with Bangladesh Bank's SME and CMSME policy priorities.
- **Retail Banking:** encompassed the Bank's consumer credit, house-building loans, credit cards and a range of savings and deposit schemes (Monthly Income Scheme, Double Deposit Scheme, Monthly Savings Scheme and others) that together continued to anchor the Bank's deposit franchise, as detailed in Section 7.
- **Treasury:** managed the Bank's investment portfolio, statutory liquidity requirements, foreign exchange dealing operations and money-market borrowings under the oversight of ALCO, as detailed in Sections 8, 9 and 12.

- Islamic Banking Window: continued to offer Shariah-compliant deposit and investment products through the Bank's branch network, operating under separate statutory liquidity and reserve requirements as disclosed in Note 3.3 to the financial statements.

19. PERFORMANCE OF THE SUBSIDIARY – COMMERCE BANK SECURITIES AND INVESTMENTS LIMITED

Commerce Bank Securities and Investments Limited (CBSIL), the Bank's wholly-owned subsidiary, was incorporated on 20 September 2010 and commenced merchant banking operations — including issue management, portfolio management and underwriting — on 1 June 2011. CBSIL's financial statements for the year ended 31 December 2025 were separately audited by Aziz Halim Khair Choudhury, Chartered Accountants, who similarly issued a qualified opinion, and are consolidated into the Group's financial statements in accordance with IFRS 10 and IAS 27.

CBSIL's retained earnings stood at a deficit of approximately Taka 15.00 crore at the year-end. The independent auditors have assessed CBSIL as a cash-generating unit for impairment purposes under IAS 36, and management's impairment assessment of the Bank's cost of investment in CBSIL (Taka 65.00 crore) has been reviewed accordingly. CBSIL's non-controlling interest, given the Bank's effectively complete ownership, remains nominal at Taka 101 as at the year-end. The Board continues to monitor CBSIL's capital markets-linked business closely, recognising both its strategic value in diversifying the Group's income base and the volatility inherent in capital market-related earnings.

20. RISK MANAGEMENT

BCBL's risk management framework is built around the four core risk areas prescribed by Bangladesh Bank's revised risk management guidelines of October 2018 — Credit Risk, Operational Risk, Liquidity Risk and Market Risk — each overseen by a dedicated desk under the Bank's Risk Management Division, and is further aligned with the standards of the Basel Committee on Banking Supervision (BCBS).

Credit Risk Management

Recognising that credit risk remains the Bank's most material risk category, given the asset-quality position described in Section 11, the Bank maintains a clear segregation of duties among relationship, underwriting, credit administration and recovery functions. Separate divisions handle Corporate, SME, Retail and Credit Card relationships, while independent teams for Credit Approval, Asset Operations, and Recovery and Special Asset Management govern the credit lifecycle from origination through to recovery. Credit proposals are assessed for borrower risk, industry risk, financial risk, security risk and environmental and social risk before approval, and the Credit Administration Department ensures compliance with all legal and documentation formalities prior to disbursement.

Foreign Exchange Risk Management

Foreign exchange risk arising from currency-price fluctuations is managed by the Treasury Department under a clearly demarcated front-office, mid-office and back-office structure, in line with Bangladesh Bank's core risk management guidelines. Dealer, chief dealer and desk-level trigger and stop-loss limits are set and monitored by the Mid Office, with counterparty limits established by the Credit Committee, supported by Straight-Through-Processing treasury systems, Reuters dealing and Bloomberg/Eikon market-data platforms.

Asset Liability Management

The Bank's Asset Liability Committee (ALCO) meets regularly to review the country's overall economic position, the Bank's liquidity position, ALM ratios, interest rate risk, capital adequacy, deposit and advance growth, cost of deposits and yield on advances, the foreign exchange gap position, loan-loss provision adequacy, and deposit and lending pricing strategy, given the acute balance-sheet pressures described in Sections 10 through 12 of this Report.

Prevention of Money Laundering

In recognition of the vulnerability of financial institutions to misuse for money laundering and terrorist financing, the Bank maintains Know-Your-Customer (KYC) and transaction-monitoring procedures across

its branch network, overseen by a dedicated Central Compliance Unit operating in accordance with the Money Laundering Prevention Act 2012 (as amended) and Bangladesh Bank's Bangladesh Financial Intelligence Unit (BFIU) circulars and guidelines.

21. INTERNAL CONTROL AND COMPLIANCE

The Bank's Internal Control and Compliance Division (ICCD) comprises four principal units — Internal Audit, Compliance, Monitoring, and Concurrent Audit — and is designed to provide reasonable assurance to the Board regarding the reliability of financial and operational information, the effectiveness and efficiency of operations, and compliance with applicable laws, regulations and internal policies, in accordance with the Banking Company Act 1991 and Bangladesh Bank's Guidelines on Internal Control and Compliance.

- Internal Audit conducts risk-based audits of branches, divisions and departments in accordance with an annual audit plan approved by the Audit Committee of the Board, and reports its findings to the Audit Committee at its periodic meetings.
- Compliance Unit, structured into Regulatory Compliance, Internal Compliance and Investigation sub-units, ensures the Bank's ongoing compliance with regulatory observations and recommendations arising from Bangladesh Bank inspections and internal audits.
- Monitoring Unit verifies the operation of internal controls on an ongoing basis, including maintenance of the Departmental Control Function Checklist (DCFCL) at branches and departments, and submits Self-Assessment of Anti-Fraud Internal Controls and Health of the Bank reports to Bangladesh Bank on a semi -annual basis, as required under DOS Circular Letter No. 10 dated 9 May 2017.
- Concurrent Audit conducts spot and surprise audits of ongoing branch and departmental operations, verifying compliance with internal and regulatory guidelines on a continuous, real-time basis.

The Audit Committee of the Board reviews internal control issues identified by Internal Audit, Bangladesh Bank inspection teams and the Bank's external auditors, and evaluates the adequacy and effectiveness of the Bank's risk management and internal control systems, with the minutes of its meetings placed before the Board on a periodic basis.

22. CORPORATE GOVERNANCE

The Board of Directors of BCBL comprises directors nominated in accordance with the Bank's shareholding structure — reflecting the interests of the Government of the People's Republic of Bangladesh and the three state-owned commercial banks that together hold a majority stake in BCBL, as described in Section 5 — together with independent directors appointed in compliance with Section 15 of the Bank Company Act 1991 (as amended) and the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC), and the Managing Director & CEO as an ex-officio member of the Board. The Board is supported by an Executive Committee, an Audit Committee and a Risk Management Committee, each constituted and operating in accordance with Bangladesh Bank's BRPD guidelines on the formation and responsibilities of Board committees at banks.

During the year, the Board and its committees met periodically to review the Bank's operational and financial performance, credit and risk exposures, compliance status, and the specific matters relating to capital adequacy, asset quality, liquidity and the going-concern assessment discussed elsewhere in this Report. These Audited Financial Statements for the year ended 31 December 2025 were reviewed and recommended by the Audit Committee, and were approved by the Board of Directors at its 405th (Ka) meeting held on 29 April 2026.

The Board affirms its commitment to the highest standards of corporate governance, transparency and accountability, particularly in light of the Bank's current financial position, and continues to strengthen Board oversight of management in close coordination with Bangladesh Bank's supervisory directions.

23. HUMAN RESOURCES

The Bank's employees remain its most valuable asset, and the Board records its appreciation for their continued dedication and professionalism during a demanding year for the institution. The Bank's Human Resources Division continued to administer recruitment, placement, performance appraisal, training and employee welfare programmes across the branch network during 2025, alongside the Bank's established retirement and welfare benefit schemes for employees, comprising a Bangladesh Bank-approved Provident Fund and an NBR-recognised Gratuity Fund, together with a range of subsidised staff loan facilities for housing, personal and vehicle financing, and a group life insurance scheme providing death-benefit cover to confirmed employees.

Given the operating and financial constraints described throughout this Report, the Board has directed management to pursue a disciplined and cost-conscious approach to human resource management during the year, while continuing to invest in the training and capacity-building necessary to strengthen the Bank's credit, recovery, compliance and risk management functions in particular, consistent with the Bank's recovery priorities.

24. INFORMATION AND COMMUNICATION TECHNOLOGY

The Bank continued to invest in and maintain its core banking platform, ATM and card-based delivery channels, and Management Information System infrastructure during 2025, in compliance with Bangladesh Bank's ICT Security Guidelines. Reflecting the heightened cyber-security and IT-governance risks inherent in an increasingly digitised, core-banking-platform-dependent banking sector, the Bank's IT General Controls — covering logical access management, change management, and segregation of duties between application development, database administration and production environments — were reviewed as part of the statutory audit for the year, with particular focus on user access management, developer access to the production environment, and controls over changes to the IT environment. The Board has directed management to continue strengthening the physical and cyber-security of the Bank's hardware and software infrastructure, and to prioritise investment in digital banking channels as resources permit, in order to improve customer service delivery and operational efficiency across the branch network.

25. CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE FINANCE

Notwithstanding the Bank's constrained financial position during the year, BCBL remained committed to its social and environmental responsibilities as a scheduled bank operating under Bangladesh Bank's Sustainable Finance Policy, extending short-term agricultural and CMSME credit at concessional provisioning rates in line with Bangladesh Bank's directives, and continuing to support financial inclusion through its SME, agricultural and Islamic banking windows. The Bank continued to comply with Bangladesh Bank's environmental and social risk management guidelines in its credit appraisal process for eligible sectors, and remains committed to expanding its green banking and sustainable finance activities — including green product financing and environmentally responsible lending practices — as its capital and balance-sheet position permits, recognising that a durable commitment to sustainable finance must be built on a foundation of restored financial strength.

26. RELATED PARTY TRANSACTIONS

Other than intra-group transactions and balances between the Bank and its wholly-owned subsidiary, CBSIL — which are eliminated on consolidation and are separately disclosed in the relevant notes to the financial statements (Notes 7, 13, 20 and 32, each denoted with the consolidated “(a)” suffix) — the Bank did not enter into any related party transactions during the year ended 31 December 2025 that require separate disclosure under IAS 24 – Related Party Disclosures. In all dealings, the Bank continues to apply the principle of economic efficiency and competitive, arm's-length pricing, obtaining approval from Bangladesh Bank and other relevant authorities wherever required.

27. CREDIT RATING

Bank companies in Bangladesh are ordinarily required, under Bangladesh Bank's guidelines, to obtain an annual credit rating from an approved External Credit Assessment Institution (ECAI) for both entity and, where applicable, specific instrument ratings, and to disclose the same to shareholders and depositors. In light of the Bank's continuing negative capital position and the material uncertainty relating to going concern discussed in Section 14, the Bank's credit rating position for 2025 remains under active review in consultation with Bangladesh Bank and the Bank's approved rating agency, and the Board will disclose the outcome to shareholders as soon as it is finalised, in accordance with applicable regulatory requirements.

28. PATTERN OF SHAREHOLDING

As at 31 December 2025, the Bank's issued, subscribed and paid-up capital stood at Taka 198.87 crore, comprising 19,887,428 ordinary shares of Taka 100 each. The Government of the People's Republic of Bangladesh — directly and through its shareholding in the three state-owned commercial banks, Sonali Bank PLC, Janata Bank PLC and Agrani Bank PLC — held approximately 50.41% of the Bank's paid-up capital, with the balance of approximately 49.59% held by the Bank's directors, depositors and other private shareholders.

In addition, the Bank held Right Share Application Money of Taka 91.73 crore as at the year-end, pending formal issuance of the corresponding shares upon the legislative amendment described in Section 10, broken down as follows:

Applicant Category	No. of Shares	Amount (Tk. crore)
Government of the People's Republic of Bangladesh	6,750,000	67.50
Sonali Bank PLC	1,125,000	11.25
Janata Bank PLC	674,982	6.75
Agrani Bank PLC	450,000	4.50
General Shareholders	172,615	1.73
Total	9,172,597	91.73

Source: Audited Financial Statements 2025 – Note 14.2(b). Government/state-owned bank shareholding percentage in paid-up capital is management's best estimate based on the Bank's records.

No share certificates have yet been issued against the Right Share Application Money, pending the amendment to the Bangladesh Commerce and Investment Limited (Reconstitution) Act No. 12 of 1997 referred to in Section 10, which is a prerequisite to increasing the Bank's paid-up capital beyond its current statutory ceiling.

29. BOARD MEETINGS

The Board of Directors met periodically during the year to discharge its oversight responsibilities in respect of the Bank's strategy, financial performance, credit and risk exposures, regulatory compliance and the capital and asset-quality matters described throughout this Report, in accordance with Section 15 of the Bank Company Act 1991 and the Bank's Articles of Association. The Board was supported in this oversight by its Executive Committee, Audit Committee and Risk Management Committee, each of which met separately during the year in accordance with their respective terms of reference. These Audited Financial Statements for the year ended 31 December 2025 were reviewed and recommended for approval by the Audit Committee, and were subsequently approved by the Board of Directors at its 405th (Ka) meeting held on 29 April 2026.

30. STATUTORY AUDITORS

The audit of the consolidated and separate financial statements of the Bank for the year ended 31 December 2025 was jointly conducted by Kazi Zahir Khan & Co., Chartered Accountants (represented by Mohammed Alamgir Kabir, FCA, (Partner), and Ahsan Manzur & Co., Chartered Accountants (represented by Md. Raghib Ahsan, FCA, (Managing Partner), pursuant to their appointment at the Bank's Annual General Meeting and in compliance with Bangladesh Bank's guidelines on the appointment and rotation of external auditors of banks. The auditors have confirmed that they reviewed over 80% of the Bank's risk-weighted assets and expended in excess of 8,000 person-hours in the conduct of the audit.

The Board records its appreciation to the joint auditors for the rigour, diligence and professional care exercised in the conduct of a particularly demanding audit, and, subject to their continued eligibility under Bangladesh Bank's audit-firm rotation requirements and applicable ICAB and Financial Reporting Council rules, recommends their re-appointment as the Bank's statutory auditors for the year 2026, at a remuneration to be fixed by the Board, for shareholders' approval at the forthcoming Annual General Meeting.

31. DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with the BSEC Corporate Governance Code and Section 184 of the Bank Company Act 1991, the Board of Directors confirms the following in respect of the financial statements for the year ended 31 December 2025:

- The financial statements, prepared by management, present fairly the Bank's and the Group's state of affairs, results of operations, cash flows and changes in equity, except for the matters described in the Basis for Qualified Opinion section of the Independent Auditors' Report and summarised in Section 15 of this Report.
- Proper books of account of the Bank have been maintained, save for the reconciliation matters disclosed in the Independent Auditors' Report and summarised in Section 15.
- Appropriate accounting policies have been consistently applied in the preparation of the financial statements, and accounting estimates are based on reasonable and prudent judgement, subject to the departures from International Financial Reporting Standards mandated by Bangladesh Bank guidelines, which are disclosed in Note 2.1.2 to the financial statements.
- International Financial Reporting Standards (IFRS), as adopted by the Financial Reporting Council of Bangladesh, have been followed in the preparation of the financial statements, with departures required by Bangladesh Bank rules and regulations disclosed as set out in Note 2.12 to the financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored, through the Internal Control and Compliance Division described in Section 21, notwithstanding the specific control and reconciliation weaknesses identified by the Independent Auditors and summarised in Section 15, which the Board is actively addressing.
- There is material uncertainty relating to events or conditions that may cast significant doubt upon the Bank's ability to continue as a going concern, as fully disclosed in Section 14 of this Report and in the Independent Auditors' Report.
- Significant deviations from the last year's operating results have been highlighted, and the reasons explained, throughout Sections 6 through 13 of this Report, principally reflecting continuing negative net interest income, rising classified loans and associated provisioning requirements, and the ongoing capital deficiency of the Bank.
- Key operating and financial data for the current and immediately preceding financial years are summarised in Section 6 and Section 34 of this Report; the Bank's complete five-year comparative

financial summary, as required under the BSEC Corporate Governance Code, is maintained in the Bank's records and in its previously published Annual Reports for the years 2021 to 2024.

- As explained in Section 28, no dividend has been declared for the year, owing to the net loss recorded and the Bank's negative capital adequacy position, and in view of regulatory restrictions applicable to banks not meeting minimum capital requirements.
- The number of Board meetings held during the year, and the pattern of shareholding as at 31 December 2025, are disclosed in Sections 31 and 30 of this Report respectively.

32. FIVE-YEAR / KEY FINANCIAL INDICATORS

The BSEC Corporate Governance Code requires disclosure of key operating and financial data for at least the preceding five years. The Bank's audited results for 2025 and 2024 are set out in full in Section 6 of this Report and are reproduced in summary below; comparative data for 2021 through 2023, drawn from the Bank's previously published audited financial statements, is maintained in the Bank's records and in the corresponding Annual Reports for those years, and shareholders are respectfully referred to those publications for the complete five-year series.

Particulars	2025	2024
Total Assets (Tk. crore)	4,984.93	4,897.00
Total Deposits (Tk. crore)	4,469.74	4,264.86
Total Loans and Advances (Tk. crore)	2,559.86	2,351.19
Total Equity / (Deficit) (Tk. crore)	(1,667.71)	(1,218.37)
Operating Income / (Loss) (Tk. crore)	(277.34)	(202.33)
Net Profit / (Loss) after Tax (Tk. crore)	(450.03)	(383.64)
Earnings Per Share (Taka)	(226.29)	(192.91)
Net Asset Value Per Share (Taka)	(838.57)	(612.63)
Classified Loan Ratio (%)	64.88%	68.34%
CRAR (%)	(36.84)%	(32.35)%

Source: Audited Financial Statements 2025.

33. OUTLOOK AND WAY FORWARD

Looking ahead, the Board's priorities for the Bank centre on the restoration of financial soundness, and are summarised below:

- **Capital Restoration:** continuing to pursue, jointly with the Government and Bangladesh Bank, the legislative amendment to the Bangladesh Commerce and Investment Limited (Reconstitution) Act No. 12 of 1997 necessary to permit the Bank to raise its paid-up capital toward the regulatory minimum through the pending rights share issue.
- **Asset Quality and Recovery:** intensifying recovery efforts against the Bank's classified loan portfolio and distressed non-bank financial institution placements, through both the legal channels described in Section 16 and negotiated settlement and rescheduling arrangements consistent with Bangladesh Bank's policy framework.
- **Provisioning Adequacy:** formulating and executing the time-bound recovery plan required by Bangladesh Bank to progressively close the identified provisioning shortfall described in Section 11.
- **Liquidity and Funding:** continuing to manage the Bank's liquidity position prudently under ALCO oversight, while working to reduce reliance on high-cost borrowing from Bangladesh Bank over time as the deposit franchise and asset quality improve.
- **Cost and Operational Discipline:** maintaining a disciplined approach to operating expenses and capital expenditure, while safeguarding investment in the credit, recovery, compliance and risk management capabilities most critical to the Bank's recovery.

- **Regulatory and Governance Strengthening:** continuing to strengthen internal control, compliance, IFRS 16 implementation and reconciliation processes in response to the matters raised by the independent auditors, as summarised in Section 15.
- **Core Franchise Growth:** building on the Bank's continuing deposit growth and its established position in RMG and trade-finance-linked lending, SME banking and Islamic banking, to rebuild a sustainable, income-generating balance sheet over the medium term.

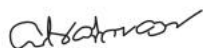
The Board is under no illusion as to the scale and difficulty of the task ahead. The path to recovery will require sustained discipline, continuing regulatory support, and the patience and continued confidence of the Bank's shareholders and depositors. The Board is, however, committed to pursuing this path with transparency and diligence, and to keeping shareholders fully informed of progress at each stage.

34. ACKNOWLEDGEMENT

The Board of Directors takes this opportunity to express its sincere gratitude to the Government of the People's Republic of Bangladesh, the Bangladesh Bank, the Bangladesh Securities and Exchange Commission, the Registrar of Joint Stock Companies and Firms, the Financial Reporting Council, and other regulatory bodies for their continuing guidance, support and forbearance extended to the Bank during a period of exceptional difficulty. The Board also records its deep appreciation to the Bank's shareholders and depositors for their continued confidence and patience; to the Bank's valued customers for their continuing relationship with the Bank; to the Bank's joint statutory auditors, Kazi Zahir Khan & Co. Chartered Accountants and Ahsan Manzur & Co. Chartered Accountants for their diligent and professional conduct of the audit; and, not least, to the management and every member of staff of Bangladesh Commerce Bank Limited across its 74 branches, whose continued dedication and hard work under demanding circumstances remain indispensable to the Bank's efforts to restore its financial strength.

The Board reaffirms its commitment to act at all times in the best interests of the Bank's shareholders, depositors and other stakeholders, and looks forward to reporting continued progress in the years ahead.

For and on behalf of the Board of Directors,



Md. Ataur Rahman

Independent Director & Chairman



Md. Ataur Rahman
Independent Director & Chairman



Md. Mohashin Miah
Independent Director & Chairman EC



Kamrul Hoque Maruf
Director & Chairman RMC



Shaikh Ashafuzzaman FCA
Independent Director & Chairman AC



Md. Obaidul Hoque
Managing Director



Senior Management Team (SMT)



Risk Management Committee (RMC)



Asset Liability Committee (ALCO)



EVENT-01 Annual Business Conference-2026



EVENT-02 Annual Business Conference-2026



EVENT-03
BCBL celebrates bengali new year-1433



Business Review Meeting Bogura



EVENT-05
Agreement between BCBL & bKash.



EVENT-04
Agreement between BCBL & Hanseo University, Republic of Korea US Bangla Airlines



EVENT-05

Opening ceremony of bangle QR



বাংলাদেশ কমার্স ব্যাংক লিমিটেড
BCB BANGLADESH COMMERCE BANK LIMITED

ক্যাশলেস পেমেন্টের সহজ সমাধান

বাংলা QR-এর মাধ্যমে সহজ ও নিরাপদ পেমেন্ট করুন

দ্রুত ও সহজ লেনদেন

BCBL App-এর মাধ্যমে আপনার অ্যাকাউন্ট থেকে কয়েক সেকেন্ডেই সরাসরি পেমেন্ট সম্পন্ন করুন।

নিরাপদ ডিজিটাল ব্যাংকিং

প্রতিটি লেনদেন BCBL-এর আধুনিক ও নির্ভরযোগ্য ডিজিটাল ব্যাংকিং ব্যবস্থায় সুরক্ষিত।

সব হিসাব এক জায়গায়

অ্যাপ থেকেই আপনার সকল QR পেমেন্ট সহজে ট্র্যাক ও পরিচালনা করুন।



নিরাপদ লেনদেন

দ্রুত ও সহজ

সবার জন্য ডিজিটাল



16270

www.bcblbd.com

EVENT-07
BCBL celebrates international womens day.



EVENT-09
Foundation training course of Probationary Officer-2026.





EVENT-12 Business Review Meeting Bogura Zone



EVENT-13 Quarterly Business Review Meeting



EVENT-14 Deposit Campaign of BCBL



EVENT-14 Signing Ceremony Between BCBL & FACD-CAB



SENIOR MANAGEMENT TEAM (SMT)



Sl.	Name of Executive	Designation
1	Md. Obaidul Hoque	Chairman
2	Mohammad Ziaul Karim	Member
3	Md. Zahirul Alam	Member
4	H. M. Abul Kalam Azad	Member
5	Shah Md. Junaed Ibne Amin	Member
6	Md. Omar Faruk Bhuiyan	Member
7	Mr. Palash Chandra Guha	Member Secretary
8	Muhammad Abdul Halim	Member
9	Md. Abu Yousuf	Member
10	Md. Mostak Meah	Member
11	Sabiha Sultana	Member
12	Mohammad Sohel Ibne Alim	Member
13	Kaniz Fatima	Member
14	Md. Touhidul Islam	Member
15	Imrul Hasan	Member

EXECUTIVES OF BCBL

Name	Designation
Md. Obaidul Hoque	Managing Director
Mohammad Ziaul Karim	Deputy Managing Director
Md. Zahirul Alam	Deputy Managing Director
Md. Delwar Hossain	Senior Executive Vice President
H.M. Abul Kalam Azad	Executive Vice President
Mohammad Shofiullah	Executive Vice President
Md. Abdul Hamid	Executive Vice President
Mohammad Nasir Uddin	Senior Vice President
Shah Md. Junaed Ibne Amin	Senior Vice President
Mohammed Belal	Senior Vice President
Iskandar Parvez	Senior Vice President
Mr. Abdul Halim	Senior Vice President
Mr. Farid Ahmad	Senior Vice President
S. M. Showkat Hossain	Vice President
Mohammad Moinus Samad Khan	Vice President
Mohammed Abul Kalam Azad	Vice President
Md. Mahabub Morshed	Vice President
Mohammad Rezaul Haque	Vice President
Md. Abul Kalam Azad	Vice President
S. M. Amir Hossain	Vice President
Manzour Murshed	Vice President
Mohammad Arif Uddin	Senior Assistant Vice President
Md. Touhidul Islam	Senior Assistant Vice President
Fazle Sattar	Senior Assistant Vice President
Khan Mohammed Jahangir Babul	Senior Assistant Vice President
Muhammad Abdul Halim	Senior Assistant Vice President
Abdul Maleque	Senior Assistant Vice President
Md. Ayub Ali	Senior Assistant Vice President
Md. Arif Ali	Senior Assistant Vice President
Mutasim-Bin-Shahid	Senior Assistant Vice President
Firoz Ahmed	Senior Assistant Vice President
Al Mansur Sikder	Senior Assistant Vice President
Md. Hasanuzzaman	Senior Assistant Vice President
Ashish Kumar Goswamy	Senior Assistant Vice President
Md. Mostak Meah	Senior Assistant Vice President
Shariar Ahmed	Senior Assistant Vice President
Md. Sarwar Mahmud	Senior Assistant Vice President
Md. Abu Yousuf	Senior Assistant Vice President

EXECUTIVES OF BCBL

Name	Designation
Md. Omar Faruk Bhuiyan	Senior Assistant Vice President
Mohammad Khalequzzaman Masud	Senior Assistant Vice President
Md. Muntasir Rahman Chowdhury	Senior Assistant Vice President
Rajan Prasad Gupta	Senior Assistant Vice President
Md. Babor Ali Dewan	Senior Assistant Vice President
Mohi Uddin	Senior Assistant Vice President
Mohammad Shariful Islam	Senior Assistant Vice President
Md. Jamal Uddin	Senior Assistant Vice President
Tazul Islam	Assistant Vice President
Saleh Ahmed	Assistant Vice President
Md. Zahidul Islam Khan	Assistant Vice President
Md. Anisul Islam	Assistant Vice President
Kaniz Fatima	Assistant Vice President
Tania Tabassum	Assistant Vice President
Tashnuva Mozumder	Assistant Vice President
Mohammad Anwar Hossain	Assistant Vice President
Mohammad Hasan Mahmud	Assistant Vice President
Arifur Rahman Sabuj	Assistant Vice President
Tanbir Ahmed	Assistant Vice President
Hafiz Ahmed	Assistant Vice President
Md. Golam Wahed	Assistant Vice President
Ujjal Kanti Biswash	Assistant Vice President
Md. Shahinuzzaman	Assistant Vice President
Md. Shahin Shakawat	Assistant Vice President
Bulbul Ahmed	Assistant Vice President
Kazi Wahid Shamim	Assistant Vice President
Md. Azizul Haque	Assistant Vice President
Md. Ahsan Habib	Assistant Vice President
Umashankar Chowdhury	Assistant Vice President
Md. Nazmul Karim	Assistant Vice President
Md. Azizul Huce	Assistant Vice President
Imrul Hasan	Assistant Vice President
Taslim Arif	Assistant Vice President
Ali Hyder Al Masum Mridha	Assistant Vice President
Md. Mustafejur Rahman	Assistant Vice President
Faruk Faisal Alam	Assistant Vice President
Jannatul Ferdousi	Assistant Vice President
Abul Fayed	Assistant Vice President

EXECUTIVES OF BCBL

Name	Designation
Shakila Akter	Assistant Vice President
Md. Hasan Faruk	Assistant Vice President
Bimal Kumer Saha	Assistant Vice President
Abdul Baten	Assistant Vice President
Mainuddin Ahmed Siddique	Assistant Vice President
Mohammad Muhitur Rahman	Assistant Vice President
Taposh Kumar Saha	Assistant Vice President
Md. Nazrul Islam	Assistant Vice President
Md. Saifur Rahman Bhuiyan	Assistant Vice President
Allen Kumar Dey	Assistant Vice President
Md. Washim Sazzad	Assistant Vice President
Md. Shamsheul Alam Siddique	Assistant Vice President
Md Mahmodul Hasan	Assistant Vice President
Mohammad Shohel Ibne Alim	Assistant Vice President
Uzzal Tarafder	Assistant Vice President
Mr. Palash Chandra Guha	Assistant Vice President
Sabiha Sultana	Assistant Vice President

Deposit Product's of BCBL

BCB NIRVAR (A Monthly Savings Scheme):

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 Passport sized Photograph, Photograph of National Identity card/Birth registration Certificate/Passport/Driving License or other relevant document exemplifying his/her identity and 1 Passport sized Photograph of Nominee.
- Minimum monthly installments are Taka. 500/-, 1000/- 2000/-, 5000/-, 10000/- & 20000/-.
- Duration of the Scheme is 03 (three), 05 (five), 07 (seven) & 10 (ten) years.
- A Loan Privilege of up to 90% is possible against the entire deposited amount.



BCB Srijoni (A Savings account for Working Women)

- Special Product designed for the Working Women.
- Any working woman of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee.
- Account can be opened at a minimum amount of Tk. 100/- only.
- Interest paid half yearly & on daily balance.
- There is no obligation of minimum balance for interest.



BCB Nondita (A Savings Account only for Housewives)

- Any housewife of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee.
- A minimum deposition of Taka. 500.00 is required for opening the Account.
- Withdrawal or deposition of any amount at any date is allowed round the month. But no interest will be paid should more than two withdrawal is made in a week or the minimum balance of any particular month reaches less than Taka. 5000.00/-
- Interest will be paid half yearly & on daily balance.
- Free Credit Card facility may be availed against the account balance. (Conditions apply)



BCB Students' Savings Account:

- Student's below 6 years up to 18 years of age is applicable for opening the account.
- This is a joint account which cannot be opened with anyone else other than parents or legal Guardian.
- For the verification of age, as a means of evidence, Birth Registration Certificate / Passport / School Certificate will have to be presented before opening the account.
- Interest will be paid half yearly & on daily balance.



BCB Bibaho Suridh Scheme Account:

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 Passport sized Photograph, Photograph of National Identity card/Birth registration Certificate/Passport/Driving License or other relevant document exemplifying his/her identity and 1 Passport sized Photograph of Nominee.
- Minimum monthly installments are Taka. 1000/-, 2000/-, 3,000/- 4000/- 5000/-, 10,000/-, 15,000/-, 20,000/- & 25,000/-.
- Duration of the Scheme is 05 (five), 10 (ten) years & 15 (Fifteen) years & 20 (Twenty) years.
- A Loan Privilege of up to tk. 10.00 Lakh is possible (Conditions Apply).
- Premature Encashment is possible (Conditions Apply).



BCB Shikha Suridh Scheme Account

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 Passport sized Photograph, Photograph of National Identity card/Birth registration Certificate/Passport/Driving License or other relevant document exemplifying his/her identity and 1 Passport sized Photograph of Nominee.
- Minimum monthly installments are Taka. 1000/-, 2000/-, 3,000/- 4000/- 5000/-, 10,000/-, 15,000/-, 20,000/- & 25,000/-.
- Duration of the Scheme is 05 (five), 10 (ten) years & 15 (Fifteen) years & 20 (Twenty) years.
- A Loan Privilege of up to tk 10.00 Lakh is possible (Conditions Apply).
- Premature Encashment is possible (Conditions Apply).



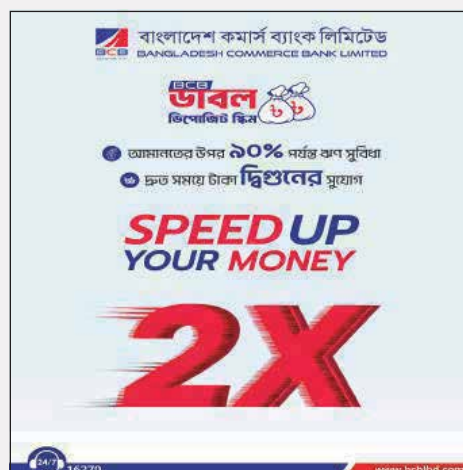
BCB Chikitsa Suridh
Scheme Account

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 Passport sized Photograph, Photograph of National Identity card/Birth registration Certificate/Passport/Driving License or other relevant document exemplifying his/her identity and 1 Passport sized Photograph of Nominee.
- Minimum monthly installments are Taka. 1000/-, 2000/-, 3,000/- 4000/- 5000/-, 10,000/-, 15,000/-, 20,000/- & 25,000/-.
- Duration of the Scheme is 05 (five), 10 (ten) years & 15 (Fifteen) years & 20 (Twenty) years.
- A Loan Privilege of up to tk 10.00 Lakh is possible (Conditions Apply).
- Premature Encashment is possible (Conditions Apply).



BCB Double Benefit
Scheme

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee.
- A minimum deposition of Taka. 25,000.00 or multiple is possible.
- Deposited amount would be doubled in 05 (Five) years.



BCB Monthly Income
Scheme

- Any matured citizen of Bangladesh can open the account at any branch of BCB.
- The applicant has to provide 2 (Two) Passport sized photograph, Photocopy of National Identity Card / Birth Registration Certificate / Passport / Driving License or other relevant document exemplifying his / her identity and 01 (one) Passport sized photograph of Nominee.
- A minimum deposition of Taka. 1,00,000.00 or multiple is possible for a period of 03 (three) years.
- Maximum amount of profit withdrawal is Taka. 900.00 per Lakh (monthly).
- A loan privilege of up to 90 % is possible against the entire deposited amount.



BCB Senior Citizen
(A Savings Account)

- Priority services at branches with special attention.
- Faster transfer of funds
- Online options to pay your bills & others
- Free ATM debit card (For 1st year only)
- Free Internet Banking Service
- Free SMS Banking Service
- 25% discount on lockers charges (Subject to availability)
- No Service Charge
- No withdrawal restriction
- Minimum balance Tk.5,000.00
- Closing charge as per schedule

BCB Senior Citizen
(Monthly Income Scheme)

- It is an attractive Monthly Income Scheme Specially designed for senior citizens.
- This project helps the family to live on a budgetary basis.
- This Product will help retirees to get a regular monthly income.
- Monthly Profit will be transferred to its linked account automatically and at maturity Profit + Principal amount will also be credited automatically to the respective linked account after closing the contract with clients. So the scheme is totally hassle free.
- No Closing Charge.
- A thanks letter will be given after opening of the account.
- A message will be given instead of manual receipt when credited the monthly profit to respective linked account.



BCB Education Finance

- Loan amounts ranging from 5 lakh to 1 crore BDT
- Completely unsecured and free of hidden charges
- No collateral required, and no third-party involved
- Quick loan approval with competitive interest rates



Our Lucrative Products



BCB
লাখপতি
ডিপোজিট স্কিম

লাখপতি হন দ্রুত সময়ে
স্বল্প মাসিক সঞ্চয়ে

১১.৭৫%
মুদাফার হার সর্বোচ্চ

৫ বছর মেয়াদ	১০ বছর মেয়াদ
মাসিক জমা পড়িয়া ট ১,২৫০	মাসিক জমা পড়িয়া ট ৪৬০

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BCB
কোটিপতি
ডিপোজিট স্কিম

কোটিপতি হবার স্বপ্ন
এবার হবে সত্যি

১১.৫০%
মুদাফার হার সর্বোচ্চ

১০ বছর মেয়াদ	১৫ বছর মেয়াদ
মাসিক জমা পড়িয়া ট ৪৫,৮৪০	মাসিক জমা পড়িয়া ট ২২,৪০০

২৪/৭ 16270 www.bcbibd.com



হাউস বিনিয়োগ
সিঙ্গেল ফ্লট ও ফ্ল্যাট প্রকল্প

সঞ্চয় হোক
নিজের বাড়ির পথে

বার্ষিক মুদাফার হার
সর্বোচ্চ
12%

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BCB
বিলিয়নিয়ার
ডিপোজিট স্কিম

১০ লাখ টাকার
সুযোগ হাতের মুঠোয়
স্বপ্ন সত্যি হবার

১১.৫০%
মুদাফার হার সর্বোচ্চ

১০ বছর মেয়াদ	১৫ বছর মেয়াদ
মাসিক জমা পড়িয়া ট ৪,৫৯০	মাসিক জমা পড়িয়া ট ২,২৪০

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Corporate Governance Report 2025

Bangladesh Commerce Bank Ltd. (BCBL)

Executive Summary

Bangladesh Commerce Bank Ltd. (BCBL) maintains a corporate governance framework designed to comply with the applicable requirements of **Bangladesh Bank (BB)**, and other relevant regulatory authorities. The governance framework covers the composition and functioning of the Board of Directors and its committees, risk management, internal control and audit, regulatory compliance, remuneration, shareholder rights, ethical standards, and sustainability.

The Board comprises **five members**, including independent/non-executive and government-nominated directors. The roles of the **Chair man and Managing Director are separated**, providing an appropriate balance between oversight and executive management. The Board has constituted the **Executive Committee, Audit Committee, and Risk Management Committee** in accordance with applicable regulatory requirements.

Overall, BCBL's governance structure demonstrates appropriate oversight and accountability. However, opportunities remain to strengthen **Board diversity, governance disclosures, risk-related reporting, ESG/sustainability oversight, succession planning, and formalization of selected governance policies**.

As part of this ongoing development, the Bank is actively working to further enhance **Board diversity, governance disclosures, risk-related reporting, ESG and sustainability oversight, succession planning, and the formalization and continuous improvement of key governance policies**. These initiatives reflect the Bank's commitment to fostering a strong, transparent, accountable, and forward-looking governance culture in line with evolving regulatory and international best practices.

1. Board Composition and Independence

BCBL's Board comprises five members: three independent/non-executive directors and two government-nominated directors. Mr. Md. Ataur Rahman (Independent) serves as Chairman. Independent directors include Mr. Shaikh Ashafuzzaman, FCA (Chartered Accountant) and Mr. Md. Mohashin Miah (ex-bank executive). Government-nominated directors are Mr. Kamrul Hoque Maruf (Joint Secretary, Financial Institutions Division, Ministry of Finance) and Mr. Md. Golam Mortuza (Deputy MD, Janata Bank). No female director is currently on the Board (BSEC Code mandates at least one).

Biographies (from BCBL and public sources): Mr. Md. Ataur Rahman is a former Bangladesh Bank Executive Director with extensive central banking experience. Mr. Shaikh Ashafuzzaman is a Fellow Chartered Accountant (FCA) with over 28 years in finance and audit, currently partner at Ali Zahir Ashraf & Co. LLC. Mr. Md. Mohashin Miah, appointed Sep. 2024, has 34 years of banking experience (as AD, Meghna Bank). Mr. Kamrul Hoque Maruf (b.1974) is a career civil servant (taxation cadre) and seasoned finance policy official. Mr. Md. Golam Mortuza is Janata Bank's DMD (assumed Finance Ministry nominee). (Sources: BCBL website profiles; Wikipedia.)

The Board is professional and experienced, with expertise in banking, finance, and public policy. It reflects regulatory requirements (BSEC/Bangladesh Bank) on independence: three of five directors are independent/non-executive ($\geq 20\%$ per BSEC Code), and one independent serves as Chair. However, diversity is limited: no female director (gap vs. BSEC rule). Comparatively, larger private banks (e.g. Eastern Bank with 12 directors, Brac Bank ~9) typically include 1–2 female and multiple independent directors. A formal Board diversity policy (age, gender, experience, etc.) is recommended.

Area for improvement: BCBL should consider adopting a formal **Board Diversity Policy** covering gender, age, professional expertise, experience, and other relevant attributes. The appointment of at least one female director should also be considered in accordance with applicable regulatory requirements.

2. Board Committees

BCBL's Board has constituted the mandatory committees per BB/BSEC guidelines: an Executive Committee (EC), an Audit Committee (AC), and a Risk Management Committee (RMC) (no other permanent sub-committees are allowed). Committees have written charters aligned with best practice.

- **Executive Committee (EC):** Chaired by Mr. Md. Mohashin Miah (independent director), with members Mr. Kamrul Hoque Maruf and Mr. Md. Golam Mortuza. The EC handles delegated management matters (credit approvals, budgets) between Board meetings, acting under Board-approved policy. (Charter: reviews management reports, sanction powers per Bangladesh Bank rules; meets regularly, e.g. monthly.) Meetings: unspecified in FS (assumed ~monthly). Attendance: Not disclosed (should be reported in AR or AGM notes).
- **Audit Committee (AC):** Chaired by Mr. Shaikh Ashafuzzaman (independent), with Mr. Md. Ataur Rahman (Chairman) as member. The AC's charter (per BSEC/BB rules) covers oversight of financial reporting, internal control, compliance and audit functions. It ensures integrity of FS and compliance. Activities: reviews quarterly and annual financial statements before Board approval, supervises internal controls (per BB ICC guidelines), and liaises with internal and external auditors. Meetings: The AC should meet at least four times/year (quarterly) or more. For example, Eastern Bank's AC met 7 times in 2025. BCBL's AC meetings/attendance are "unspecified in attached statement" and should be disclosed; peer banks often report this (e.g. EBL: 7 meetings in 2025).
- **Risk Management Committee (RMC):** Chaired by Mr. Kamrul Hoque Maruf (Govt nominee), with members Mr. Md. Ataur Rahman, Mr. Mohashin Miah, Mr. Md. Golam Mortuza, and Mr. Shaikh Ashafuzzaman (total 5 members). The RMC oversees enterprise risk (credit, market, operational, compliance, etc.). Activities: reviewing risk policies, monitoring risk exposures, and recommending limits/appetites to the Board. (EBL's RMC "reviews and monitors the overall risk management system of the Bank and updates the Board".) Meetings: unspecified for BCBL; by regulation, at least four meetings/year. Peers typically report 4–6 meetings.

Board committees' membership and functioning compare favorably with peers: e.g., Eastern Bank's AC is all non-executive and chaired by an independent director, and its RMC is similarly staffed. Detailed charters (e.g. audit/ICCD charter) should be documented and published (BSEC Code encourages transparency).

Area for improvement: The Bank should ensure that committee meeting frequency, attendance, key activities, and committee charters are appropriately disclosed in the Annual Report.

3. Risk Management and Risk Governance

BCBL has established a risk management framework under the oversight of the Board and the Risk Management Committee. The framework covers major banking risks, including **credit, market, liquidity, operational, compliance, and reputational risks**.

The Board and RMC should continue to monitor the Bank's risk exposures, capital adequacy, asset quality, provisioning, liquidity position, and compliance with approved risk limits.

Given the increasing stress in the banking sector, particular attention should be given to **non-performing loans (NPLs), provisioning coverage, capital adequacy, liquidity, and concentration risks**.

Recommendation: BCBL should maintain a formally documented **Risk Appetite Statement**, reviewed periodically by the RMC and approved by the Board, with clear quantitative limits and escalation procedures.

4. Internal Control, Compliance and Internal Audit

The Bank's Internal Control and Compliance framework is responsible for ensuring effective internal controls, regulatory compliance, operational efficiency, and reliable financial reporting.

The Internal Audit function should maintain functional independence and report significant audit findings to the Audit Committee and the Board. The annual internal audit plan should be risk-based and cover material branches, business units, processes, and information systems.

The Bank should also ensure that its **Internal Audit Charter and Compliance framework** are periodically reviewed and approved by the appropriate authority.

Recommendation: The Bank should continue strengthening internal audit resources, technology controls, regulatory compliance monitoring, and timely implementation of audit recommendations.

5. External Audit

The external audit function plays an important role in ensuring the reliability and transparency of the Bank's financial statements.

Considering the firm's professional experience, competence, and proven capabilities in conducting statutory audits, the Board has resolved to **reappoint M/s. Kazi Zahir Khan & Co. and M/s. Ahsan Manzur & Co., Chartered Accountants, as the Bank's external auditors for the year 2026**, subject to applicable regulatory and shareholder approval requirements and in compliance with the policies and guidelines of the Financial Reporting Council (FRC) and Bangladesh Bank.

The Audit Committee should continue to oversee the external audit process, including auditor independence, audit scope, significant audit findings, and management responses.

6. Remuneration and Related Party Transactions

The Bank's remuneration arrangements for directors and senior management should remain consistent with applicable Bangladesh Bank and other regulatory requirements.

The Annual Report should provide appropriate disclosure of:

- Directors' fees and meeting attendance fees;
- Aggregate remuneration of directors and senior management, where required;
- Relevant remuneration policies; and
- Material related-party transactions in accordance with applicable accounting and regulatory requirements.

Directors should disclose potential conflicts of interest and abstain from participating in decisions where an actual or potential conflict exists.

7. Shareholder Rights and Annual General Meetings

BCBL is committed to protecting shareholders' rights and ensuring appropriate participation in general meetings. Shareholders are provided with access to relevant financial statements, notices, resolutions, and other information in accordance with applicable laws and regulations.

During the relevant period, the Bank held its **26th Annual General Meeting on 28 December 2024** and **27th Annual General Meeting on 27 September 2025**, where the respective financial statements and other statutory matters were considered and approved.

The Bank should continue to ensure timely notices, transparent voting procedures, publication of AGM proceedings, and equal treatment of shareholders.

8. Ethics, Code of Conduct and Whistle blowing

BCBL's governance framework should promote integrity, ethical conduct, accountability, confidentiality, regulatory compliance, and avoidance of conflicts of interest.

The Bank should maintain an effective Code of Conduct and Ethics applicable to directors, executives, and employees. A formal and confidential whistle blowing mechanism should also be maintained to enable employees and other stakeholders to report suspected misconduct, fraud, or regulatory breaches without fear of retaliation.

9. Succession Planning

Effective succession planning is important for ensuring continuity in senior management and key leadership positions.

The Board should maintain a formal succession framework covering the **Managing Director and other key management positions**, including identification of potential successors, leadership development, and contingency arrangements.

The appointment of a new Managing Director/CEO in 2026 further highlights the importance of maintaining a structured and transparent succession-planning process.

10. ESG and Sustainability Governance

Environmental, Social and Governance (ESG) considerations are increasingly important to the long-term sustainability of financial institutions.

BCBL undertakes various CSR and community-oriented activities. Going forward, the Bank should strengthen its ESG framework by incorporating relevant environmental, social, climate, sustainability, and governance considerations into its business strategy and risk management framework.

The Bank may consider assigning formal ESG oversight to an existing Board committee or establishing an appropriate governance mechanism, subject to regulatory requirements.

11. Regulatory Compliance

BCBL's corporate governance framework is designed to comply with applicable requirements of Bangladesh Bank, BSEC, FRC, the Companies Act, and other relevant laws and regulations.

The Bank should continue to monitor regulatory developments and ensure timely implementation of new requirements. Particular attention should be given to Board composition, independent directors, audit and risk committees, internal control, capital adequacy, financial reporting, related-party transactions, and governance disclosures.

12. Key Governance Indicators

Governance Area	BCBL 2025 Position	Improvement Focus
Board Size	5 directors	Maintain appropriate skills and independence
Independent Directors	3	Maintain independence
Chairman/MD Separation	Yes	Continue separation
Audit Committee	Established	Improve disclosure of meetings and attendance
Risk Management Committee	Established	Strengthen risk appetite and reporting
Board Meetings	Disclosure to be enhanced	Report meeting frequency and attendance
NPL/CAR Disclosure	To be strengthened	Provide clear Basel III and asset-quality indicators
Director Remuneration	Disclosure to be enhanced	Provide appropriate annual disclosure
Related-Party Transactions	Disclosure to be strengthened	Ensure comprehensive regulatory/IAS 24 disclosure

Governance Area	BCBL 2025 Position	Improvement Focus
ESG Governance	Developing	Establish clearer Board-level oversight

Key Gaps and Action Plan

Based on the review, the following areas should receive priority attention:

1. **Board Diversity:** Adopt a formal Board Diversity Policy and consider increasing female representation on the Board.
2. **Governance Disclosure:** Enhance disclosure of Board and committee meetings, attendance, remuneration, audit fees, and other key governance indicators.
3. **Risk Management:** Formalize and regularly review the Bank's Risk Appetite Statement and strengthen reporting of NPLs, capital adequacy, provisioning, and liquidity.
4. **Committee Effectiveness:** Periodically review committee charters, responsibilities, composition, meeting frequency, and effectiveness.
5. **Internal Audit and Compliance:** Continue strengthening independence, resources, risk-based audit coverage, and follow-up of audit findings.
6. **Succession Planning:** Establish a documented succession plan for the MD/CEO and other critical management positions.
7. **ESG and Sustainability:** Develop a structured ESG framework and strengthen Board-level oversight and disclosure.
8. **Ethics and Whistle blowing:** Ensure that the Code of Conduct and whistle blowing arrangements are formally documented, communicated, and periodically reviewed.
9. **External Audit:** Maintain auditor independence and ensure effective oversight of the statutory audit process by the Audit Committee.

Conclusion

Overall, **Bangladesh Commerce Bank Ltd. has a structured corporate governance framework with appropriate Board oversight, independent representation, separation of the Chairman and MD/CEO roles, and dedicated Audit and Risk Management Committees.** The framework is broadly aligned with applicable Bangladesh Bank and BSEC requirements and reflects several principles of international good governance.

The Bank can further strengthen its governance position by improving **Board diversity, transparency of governance disclosures, risk and capital reporting, ESG oversight, succession planning, and formalization of governance policies.** Implementing the proposed action plan will enhance accountability, transparency, stakeholder confidence, and the Bank's alignment with evolving regulatory and international governance expectations.

SUSTAINABILITY REPORTING



Sustainability is presented as a long-term banking responsibility that balances economic growth, environmental protection and social well-being. The Bank's approach connects responsible finance, climate awareness, financial inclusion, employee development, community support and sound governance.

- Support sustainable economic development through responsible allocation of financial resources.
- Integrate ESG considerations into financing, investment, risk management and operations.
- Strengthen climate resilience through green financing, resource efficiency and climate-risk awareness.
- Create long-term value for customers, employees, shareholders, communities and other stakeholders.

1. Sustainability Context & Strategic Commitment

- Sustainability has evolved from a separate initiative into an essential component of modern banking and long-term business resilience.
- The Bank recognises the relevance of the UN Sustainable Development Goals (SDGs) and the Paris Agreement to responsible financial decision-making.
- Bangladesh's climate vulnerability increases the importance of investment in renewable energy, climate adaptation, energy efficiency and environmentally responsible industries.
- Bangladesh Bank has established a national sustainable-finance architecture through green banking guidance, sustainable-finance policies, refinance schemes and environmental/social risk requirements.
- BCBL's stated direction is to expand green financing, strengthen climate-risk management, promote responsible banking and incorporate ESG principles into decision-making.

2. Sustainable Finance

- Sustainable finance incorporates Environmental, Social and Governance factors into lending, investment and risk management decisions.

- Environmental priorities include climate mitigation/adaptation, efficient resource use, pollution prevention and biodiversity conservation.
- Social priorities include financial inclusion, employee welfare, community development and respect for human rights.
- Governance priorities include transparency, accountability, ethical conduct and effective risk management.
- The Bank's sustainable-finance approach is intended to support environmental protection, economic development and social well-being while strengthening long-term resilience.

COMPONENTS OF SUSTAINABLE FINANCE



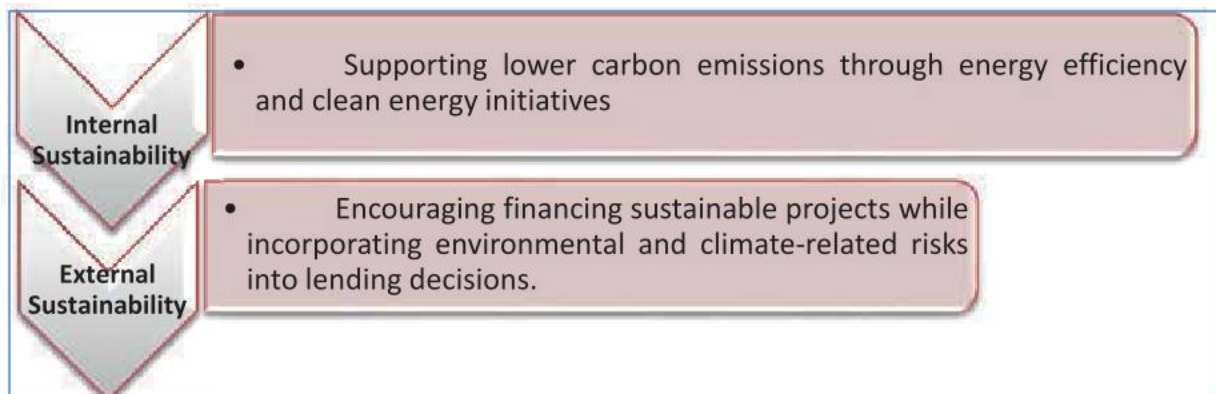
Creating sustainable value through responsible finance, resilience and inclusive growth

VALUE CREATION LOGIC		
Integrated strategy • Stakeholder trust • Sustainable performance		
RESPONSIBLE FINANCE • Ethical banking • Sustainable finance • Customer protection VALUE: Trust & sustainable financial performance	RISK & RESILIENCE • Strong risk management • Capital resilience • Climate resilience VALUE: Stability & business continuity	INCLUSIVE GROWTH • Financial inclusion • SME support • Community development VALUE: Shared economic opportunity

3. Green Banking & Climate Accountability

Green banking is presented as both an environmental responsibility and a strategic risk-management approach. It extends from operational efficiency to financing activities that support a low-carbon and climate-resilient economy.

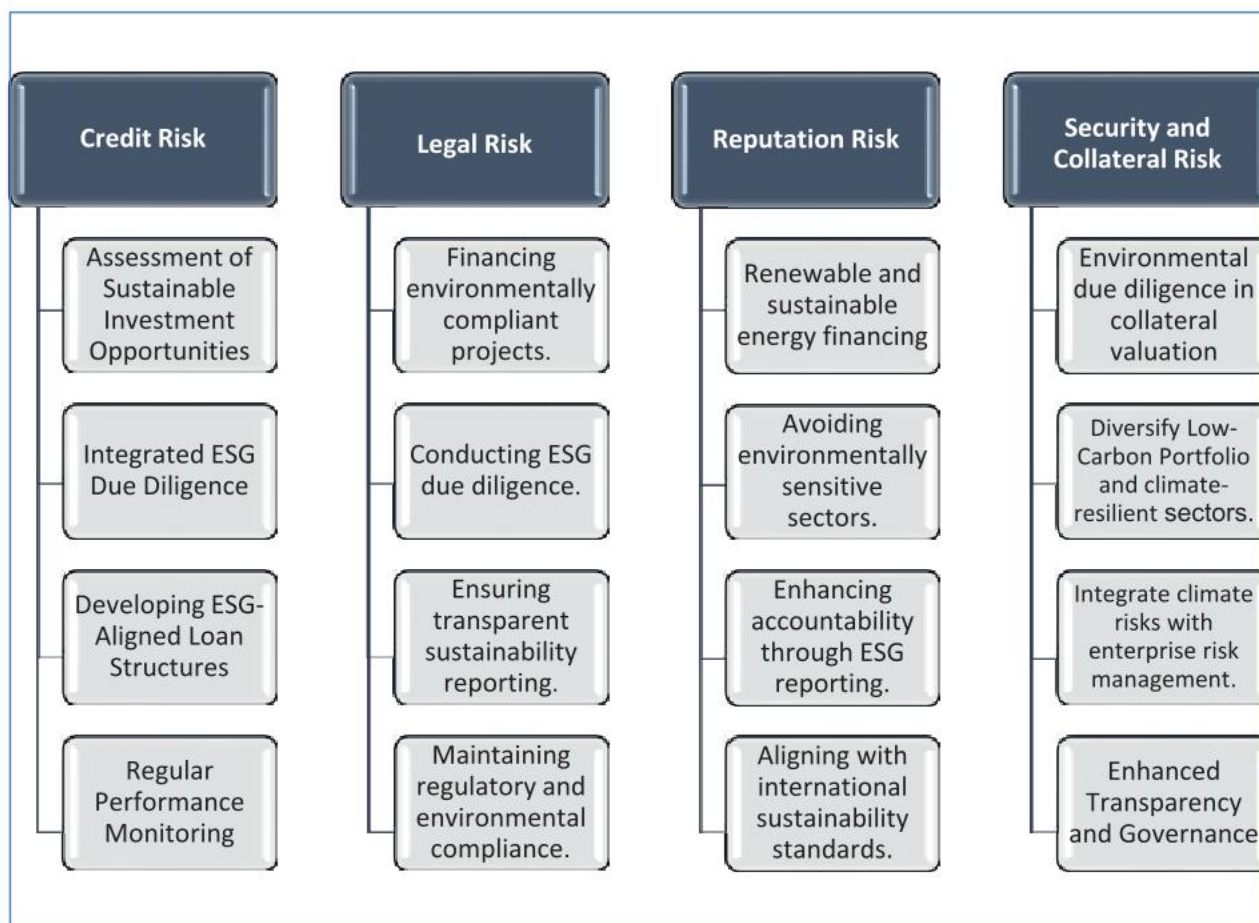
- Support renewable energy, energy-efficient technologies, sustainable agriculture and environmentally responsible industries.
- Integrate ESG factors into credit evaluation, investment decisions and operational practices.
- Anticipate climate-related, regulatory, operational and reputation risks.
- Strengthen environmental and social risk management and climate assessment within the banking process.
- Align green banking activities with Bangladesh Bank regulatory expectations.



3.1 SAFEGUARDING LONG-TERM STABILITY THROUGH GREEN BANKING

Green banking is not only an environmental responsibility but also an important risk management and resilience strategy. By integrating Environmental, Social and Governance (ESG) considerations into financing, investment and operational decisions, banks can better identify and manage risks related to climate change, regulatory requirements and changing stakeholder expectations.

It helps strengthen institutional resilience, financial stability and sustainable long-term growth. However, green banking also involves certain risks, which require appropriate controls and mitigation measures.



4. Internal Environmental Actions

- Daylight optimisation to improve energy efficiency and reduce electricity consumption.
- Greater use of LED lighting through upgraded lighting infrastructure.
- Exploration of rainwater-harvesting systems for improved water conservation.
- Reduced paper use through double-sided printing, electronic communication and digital document processing.
- Promotion of digital banking/mobile services to reduce resource intensity.
- Encouragement of fuel-efficient vehicle choices to reduce fuel consumption and environmental impact.

5. External Green-Finance Actions

- Branches are encouraged to maintain prospective-client databases for green and sustainable finance.
- Customer education and awareness programmes promote sustainable and green financial products.

- Periodic in-house training is provided to branch officials on sustainable-finance policies, products and practices.
- Social-media and print-media campaigns are used to increase awareness.
- Monthly branch-level monitoring is intended to support achievement of green and sustainable-finance targets.

6. Sustainability Governance Framework

The source report describes a dedicated governance structure intended to embed sustainability into credit risk management, policy oversight and branch-level implementation.

In line with Bangladesh Bank's regulatory requirements, Bangladesh Commerce Bank Limited (BCBL) has established a Sustainable Finance Unit (SFU) under the Credit Risk Management Division, with oversight from the Board Risk Management Committee. The SFU integrates Environmental and Social Risk (ESR) considerations into lending and credit assessment processes and ensures compliance with sustainable finance guidelines.

To strengthen strategic governance, a 10-member Sustainable Finance Committee (SFC), chaired by the Head of Credit Risk Management, oversees sustainable finance policies, implementation and monitoring. Its responsibilities cover Sustainable Banking, CSR, Environmental & Social Risk Management, Green Banking, climate risk, carbon footprint management, green products, sustainability reporting, SDGs and gender-related initiatives.

At the operational level, BCBL has established Sustainable Finance Help Desks in 30 branches across 26 districts, with designated officials to support customers and monitor sustainable and green financing activities.

Building on its Green Banking Unit established in 2011, BCBL has progressively strengthened its sustainability governance framework. This structured approach embeds sustainability into business operations, credit risk management and strategic decision-making, supporting regulatory compliance, institutional resilience and long-term sustainable growth.



6.1 OUR PATH TO SUSTAINABLE BANKING

- **Regulatory Compliance:** BCBL has established its Sustainable Finance Unit (SFU) in line with Bangladesh Bank's sustainable finance requirements.
- **Sustainable Finance Unit (SFU):** The SFU operates under the Credit Risk Management Division and integrates environmental and social risk considerations into lending and credit assessment.
- **Sustainable Finance Committee (SFC):** A 10-member SFC, chaired by the Head of Credit Risk Management, provides policy direction, strategic oversight and monitors the implementation of sustainable finance activities.
- **Key Areas of Oversight:** The SFC oversees Sustainable Banking, CSR, Environmental & Social Risk Management, Green Banking, climate risk, carbon footprint, green products, sustainability reporting, SDGs and gender-related initiatives.
- **Branch-Level Implementation:** 30 branches across 26 districts have established Sustainable Finance Help Desks with designated officials to facilitate and monitor sustainable and green financing.
- **Green Banking Foundation:** BCBL initiated its sustainability journey through the establishment of a Green Banking Unit in 2011, following Bangladesh Bank's Green Banking Guidelines.
- **Strategic Integration:** The governance structure embeds sustainability into business operations, credit risk management and strategic decision-making.
- **Overall Commitment:** BCBL's sustainable finance framework supports regulatory compliance, responsible banking, institutional resilience and long-term sustainable growth.

6.2 SUSTAINABILITY GOALS AND OBJECTIVES



7. ESG & Risk Management Priorities

- Credit risk: assessment of sustainable investment opportunities and integrated ESG due diligence.
- Legal/environmental risk: financing environmentally compliant projects and conducting ESG due diligence.
- Reputation risk: renewable/sustainable energy financing and avoidance of environmentally sensitive sectors.
- Security/collateral risk: environmental due diligence in collateral valuation.
- Governance: ESG-aligned loan structures, regular performance monitoring, transparent sustainability reporting and regulatory compliance.
- Portfolio resilience: diversify toward low-carbon and climate-resilient sectors and integrate climate risks into enterprise risk management.

8. Social Sustainability & Human Resource Development

- The Bank links sustainability with positive social impact through education, healthcare, community development and financial inclusion, particularly for underserved communities.
- Employee capability is supported through structured training, performance evaluation, leadership development and employee engagement.
- A Code of Ethics and Conduct, internal controls and independent governance mechanisms are identified as foundations for responsible conduct.
- Customer-centric service and tailored financial solutions are positioned as part of long-term stakeholder relationships and sustainable value creation.

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PROGRESSING TOWARDS GREEN

Recognizing the growing importance of sustainable finance, Bangladesh Commerce Bank has undertaken Board-approved initiatives in line with Bangladesh Bank's regulatory guidance. The Bank integrates environmental and climate-related considerations into its lending, investment and risk management practices and promotes green financing for renewable energy, energy efficiency, pollution prevention and resource-efficient production, supporting a low-carbon, climate-resilient and sustainable economy.

GEEN STRATEGICS IN HOUSE



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Upgraded lighting infrastructure by increasing the use of LED lighting



Exploring the implementation of rainwater harvesting systems to enhance water conservation at branches.



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Encouraged digital banking adoption through increased use of mobile banking services and the rollout of a mobile application.



Encouraging executives to choose fuel-efficient vehicles to reduce fuel consumption and environmental impact.

OUR ACTION PLAN FOR ENSURING GREEN AND SUSTAINABLE FINANCE



Instruction to Branches

- Encouraged all branches to build and regularly update a database of prospective clients for green and sustainable finance, ensuring timely follow-up on their financing needs.



Engaging customers through awareness

- Encouraging the adoption of sustainable and green financial products through customer education and awareness programs.



Conducting employee training

- Providing periodic in-house training to branch officials on green and sustainable finance policies, products and practices.

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Regulatory and NGO partnerships	SDG 17 (Partnerships for Goals)

BCBL SUSTAINABILITY ON HUMAN RESOUREC (HR) DEVELOPMENT

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02.	Retirement Benefits	Provident Fund, Gratuity, Leave Encashment.
03.	Other Benefit	Home Loan, Car Loan, Provident Fund Loan, Group Life Insurance.

10. Conclusion

The source report presents BCBL's sustainability agenda as an integrated model linking responsible finance, environmental stewardship, social inclusion, ethical governance, risk management and innovation. The overall direction is to strengthen sustainable value creation while contributing to a greener, more inclusive and climate-resilient Bangladesh.

Sustainable Finance Unit (SFU)

CHIEF RISK OFFICER'S REPORT

For the year ended 31 December 2025



1. CRO's Message

Chief Risk Officer's Report for the year ended 31 December 2025, is presented here for the Board, our shareholders, depositors and regulators. Our aim is to give as candid an account as possible of the risks of Bangladesh Commerce Bank Limited ("BCBL" or "the Bank") carried through the year, how the Bank responded to them, and where the work remains unfinished.

2025 was a difficult year for the Bank and for the Bangladesh banking industry as a whole. Bangladesh Bank held its policy repo rate at 10.00% for the entirety of the year as part of a sustained contractionary stance against inflation, which averaged near about 10% for the year even as it eased toward single digits by December. Funding costs across the industry remained elevated as a result. At the same time, the sector-wide recognition of previously concealed non-performing loans that began after the change of government in August 2024 continued through 2025: industry-wide non-performing loans reportedly reached over Taka 557,000 crore, around 30.6% of total loans, by the year end, and the sector's aggregate capital adequacy ratio is reported to have turned negative for the first time – a position without precedent in the country's banking history. BCBL's own difficulties are described below:

The Bank's core financial and risk indicators again fell well short of regulatory requirements in 2025 and, in most respects, deteriorated further from an already weak 2024 base. Capital to Risk-Weighted Assets Ratio (CRAR) stood at negative 36.84% against the regulatory requirement of minimum 12.50%, down from negative 32.35% at the end of 2024; the capital fund deficit against the Taka 500 crore minimum requirement widened to Taka 2,157.41 crore from Taka 1,707.32 crore. Shareholders' equity closed the year at negative Taka 1,667.71 crore, compared with negative Taka 1,218.37 crore at the end of 2024. Classified loans and advances rose in absolute terms to Taka 1,660.75 crore, and the net loss after tax widened to Taka 450.03 crore from Taka 383.64 crore. As in 2024, the Bank continued to depend on regulatory forbearance from Bangladesh Bank – most recently under letter no. BSD-9/116/2026-488 dated 28 April 2026 – to finalise these financial statements on a going-concern basis, and our auditors have again issued a qualified opinion, together with a material uncertainty paragraph relating to going concern.

To establish a functional control mechanism the credit approval, asset-operations and recovery structure within Credit Administration continued to operate on a segregated-duties basis; Treasury's front-, mid- and back-office functions remained independently reporting; the Internal Control and Compliance Division maintained its four-pillar structure of Audit, Compliance, Monitoring and Investigation; and a dedicated Investigation Unit pursued recovery and legal action on identified fraud and forgery cases, including new proceedings following the identification of a fraudulent misappropriation of Taka 9.13 crore in interest payments at the Mymensingh Branch, on which a complaint was lodged with the Anti-Corruption Commission on 5 May 2025. The Board's Risk Management Committee and the Asset-Liability Committee continued to meet through the year to review the Bank's capital, liquidity and credit position, and a time-bound recovery plan addressing the provision shortfall and capital deficiency be formulated and submit to Bangladesh Bank as per direction of Board of Directors.

2. Risk Environment in 2025

2.1 Macroeconomic and Monetary Backdrop

Bangladesh Bank maintained a contractionary monetary policy stance throughout 2025, holding the repo rate at 10.00% through both halves of the fiscal year, and stated repeatedly that the rate would not be reduced until inflation fell sustainably below 7%. Headline inflation averaged above 10% for calendar 2025 on an annual-average basis, easing from a 16-month high in mid-2025 to the single digits by December. Private-sector credit growth slowed sharply over the year, to around 6.5–7.2% by mid-2025 – among the lowest rates in two decades – reflecting both the high cost of borrowing and continued caution among lenders. The Taka/US Dollar exchange rate, which moved to a more flexible, market-based regime, averaged in the region of Taka 120–122 to the Dollar.

These conditions had a direct bearing on BCBL: higher policy rates raised the cost of the Bank's borrowing from Bangladesh Bank and of deposit-scheme products at a time when the Bank's income-generating asset base was already shrinking in relative terms, while subdued private-sector credit growth limited opportunities to rebuild a healthier-quality loan book.

2.2 Sector-Specific Vulnerabilities

The banking sector underwent an unusually turbulent in 2025. Following the political transition of August 2024, supervisory reviews and new bank-board compositions brought to light non-performing loan volumes that had previously been understated across large parts of the sector; reported industry non-performing loans rose from roughly 20% of total loans at the end of 2024 to around 30.6% by the end of 2025, and the sector's aggregate capital adequacy ratio is reported to have turned negative. Bangladesh Bank responded with the most significant resolution and stabilization programme in the country's banking history: the Bank Resolution Ordinance, 2025 was promulgated on 9 May 2025, giving Bangladesh Bank wide powers to intervene in distressed banks – including suspending business activities, appointing administrators, restructuring capital, transferring assets and liabilities, and establishing bridge banks – and a dedicated Bank Resolution Department was created to implement it. Under this framework, five distressed Shariah-based banks were merged, with Bangladesh Bank board approval on 16 September 2025, into a single state-backed entity, and deposit insurance coverage was doubled to Taka 2 lakh per depositor under the accompanying Deposit Protection Ordinance, 2025. In December 2025, the resolution framework was extended to non-bank financial institutions, and Bangladesh Bank publicly announced a decision to liquidate a number of severely distressed NBFIs.

This last development is directly relevant to BCBL. The Bank holds Taka 700.59 crore in fixed-deposit placements with seven non-bank financial institutions (Note 4.1.3), a balance that has remained static across 2024 and 2025 and that our auditors have flagged as carrying uncertainty over recoverability of principal and interest (Key Audit Matter, and Basis for Qualified Opinion paragraph 6).

2.3 Global and Cross-Border Developments

Globally, elevated interest rates in major economies, continued volatility in energy and commodity prices, and geopolitical uncertainty affecting shipping and trade routes have kept import costs and remittance flows sensitive to external shocks. For BCBL, whose foreign exchange income fell to Taka 3.01 crore in 2025 from Taka 6.45 crore in 2024, and which reported 721 overdue export bills with an aggregate exposure of USD 36.20 million at the year end, this backdrop reinforces the importance of tighter monitoring of trade-finance realisation and counterparty risk rather than being a primary independent driver of the Bank's difficulties.

3. BCBL's Overall Risk Profile

The table below sets out management's assessment of the Bank's principal risk categories at 31 December 2025, informed by the audited financial statements, the auditors' Key Audit Matters and Emphasis of Matter paragraphs, and the Risk Management Division's own monitoring. Ratings reflect severity and persistence of exposure, not a judgment on the adequacy of any single control.

Risk Area	2025 Assessment	2024 Comparison	Key Drivers	2026 Outlook
Capital Adequacy Risk	Severe / Critical	Severe (worsened)	CRAR -36.84% vs 12.50% requirement; capital deficit Tk 2,157.41cr; sustained net losses eroding equity	Remains critical absent fresh capital or resolution action
Credit Risk	High	High (broadly unchanged)	Classified loans Tk 1,660.75cr; provision shortfall Tk 674.05cr on loans; migration toward Bad/Loss category	High, pending recovery drive and underwriting discipline
Liquidity Risk	Severe	Severe (persistent)	CRR maintained 0.43% vs 4.00%; SLR maintained 2.69% vs 13%; negative operating cash flow; rising BB borrowing	Remains severe without deposit stabilisation
Operational Risk	Elevated	Elevated	Mymensingh Branch fraud (Tk 9.13cr); reconciliation gaps; partial IFRS 16 implementation	Elevated; dependent on control remediation
ICT / Cyber Risk	Moderate–Elevated	Not separately disclosed	Heavy reliance on core banking platform; limited disclosed cyber-specific controls	Elevated absent stronger disclosure and testing
AML/CFT & Compliance Risk	Moderate	Moderate	KYC/CDD framework in place; ACC referral on Mymensingh fraud; no disclosed sanctions/AML breach	Moderate, contingent on investigation outcomes
Interest Rate Risk (Banking Book)	High	High	Persistent negative net interest income; funding cost exceeding asset yield	High while high-cost BB borrowing dominates funding
Foreign Exchange Risk	Moderate	Moderate	FX income down 53% to Tk 3.01cr; 721 overdue export bills, USD 36.20m	Moderate; trade-finance realisation is the key variable
Concentration Risk	High	High	30 borrower groups exceed 10% of capital fund (2024: 18); NBFI placement concentrated in five names	High until diversification and NBFI recovery progress
Strategic Risk	High	High	Capital constrained under Act No. 12 of 1997; going-concern uncertainty limits strategic options	High; dependent on legislative and capital resolution
Reputational Risk	Elevated	Elevated	Qualified audit opinion; fraud disclosure; sector-wide confidence pressure	Elevated; sensitive to sector resolution developments
Legal / Regulatory Risk	Elevated	Not disclosed at this granularity in 2024	2,051 cases filed, Tk 3,297.51cr; 1,245 pending, Tk 2,769.56cr	Elevated; recovery execution is central to outlook
ESG / Climate Risk	Low–Moderate (nascent)	Not disclosed	No dedicated ESRM/green-finance disclosure identified in the FS	To be developed; not yet a primary driver of losses

Source: BCBL Audited Financial Statements 2025 and 2024; Risk Management Division assessment. Ratings are qualitative judgments, not regulatory classifications.

4. Major Risk Management Achievements in 2025

Set against a severely constrained starting position, the following are the achievements that can be evidenced from the year's disclosures. The list is limited to items supported by the financial statements or auditors' report.

- Maintained the four-pillar Internal Control and Compliance Division structure (Internal Audit, Compliance, Monitoring, and Concurrent Audit) operating across Head Office, Distribution Audit and branch-level reviews on a risk-based methodology throughout the year.
- Formally escalated the Mymensingh Branch fraud matter, filing a complaint with the Anti-Corruption Commission on 5 May 2025 and initiating branch-level legal proceedings, moving the matter from internal investigation into external legal process.
- Sustained the segregated three-office treasury structure (front, mid and back office) and counterparty-limit framework for foreign exchange and money-market dealing throughout a year of elevated rate volatility.
- Continued to secure Bangladesh Bank forbearance support to preserve going-concern reporting, evidencing an active, ongoing supervisory dialogue rather than a lapsed relationship with the regulator.
- Held Statutory Liquidity Ratio maintenance modestly higher during 2025 (2.69% average maintained) than in 2024 (2.22%), even though both remain far below the 13% requirement.
- Continued litigation and recovery action across 2,051 filed cases with an aggregate claim value of Taka 3,297.51 crore, recovering Taka 155.23 crore against disposed cases and a further Taka 142.01 crore against cases still pending.
- Maintained core banking, credit administration and recovery unit structures without disclosed lapses in books of account, consolidation of branch returns, or agreement of the financial statements with underlying records as per the auditors' statutory reporting confirmations.
- Principal Tk. 25.00 crore and interest Tk. 14.89 crore was paid to Bangladesh Bank against demand loan received for liquidity support. Still demand loan liability of Tk. 175.00 crore only remains outstanding with Bangladesh Bank against liquidity support.
- Bank Management and Board conducted several meeting with competent authority of FID (Financial Institutions Department) to amend the Act No. 12 of 1997 to facilitate injection of new capital to mitigate capital shortfall. Despite lots of efforts it is taking long time to settle the issue.

5. Key Challenges and Risk Issues

Transparency about what has not improved is, in the Bank's current position, at least as important as recording what has. The following issues represent the most material unresolved risks facing the Bank.

- Capital adequacy remains critically and increasingly negative. CRAR of negative 36.84% is more than 49 CRAR points below the regulatory minimum, and the deficit widened by Taka 450.10 crore during the year; under Bangladesh Bank's own minor-shock stress scenario, CRAR would fall further to negative 41.07%, and without continued regulatory forbearance the ratio would be negative 64.39%.
- Provisioning for loans and advances remains substantially short of requirement. The required provision of Taka 1,057.77 crore against loans and advances compares with Taka 383.72 crore maintained a shortfall of Taka 674.05 crore. Across all provisioning categories (loans, off-balance sheet exposures, other assets, investments, gratuity and related items), Bangladesh Bank's own supervisory inspection identified a total shortfall of Taka 1,252.26 crore, of which Taka 1,244.26 crore has been deferred.
- Liquidity indicators remain in breach for most of the year. The Bank failed to maintain the Cash Reserve Ratio on 353 days and the Statutory Liquidity Ratio on 364 days of the year for its conventional banking operations, and net operating cash flow was again negative.

6.1 OUR PATH TO SUSTAINABLE BANKING

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6.2 SUSTAINABILITY GOALS AND OBJECTIVES



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BCBL SUSTAINABILITY ON HUMAN RESOUREC (HR) DEVELOPMENT

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Sustainable Finance Unit (SFU)

CHIEF RISK OFFICER'S REPORT

For the year ended 31 December 2025



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Chief Risk Officer's Report for the year ended 31 December 2025, is presented here for the Board, our shareholders, depositors and regulators. Our aim is to give as candid an account as possible of the risks of Bangladesh Commerce Bank Limited ("BCBL" or "the Bank") carried through the year, how the Bank responded to them, and where the work remains unfinished.

2025 was a difficult year for the Bank and for the Bangladesh banking industry as a whole. Bangladesh Bank held its policy repo rate at 10.00% for the entirety of the year as part of a sustained contractionary stance against inflation, which averaged near about 10% for the year even as it eased toward single digits by December. Funding costs across the industry remained elevated as a result. At the same time, the sector-wide recognition of previously concealed non-performing loans that began after the change of government in August 2024 continued through 2025: industry-wide non-performing loans reportedly reached over Taka 557,000 crore, around 30.6% of total loans, by the year end, and the sector's aggregate capital adequacy ratio is reported to have turned negative for the first time – a position without precedent in the country's banking history. BCBL's own difficulties are described below:

The Bank's core financial and risk indicators again fell well short of regulatory requirements in 2025 and, in most respects, deteriorated further from an already weak 2024 base. Capital to Risk-Weighted Assets Ratio (CRAR) stood at negative 36.84% against the regulatory requirement of minimum 12.50%, down from negative 32.35% at the end of 2024; the capital fund deficit against the Taka 500 crore minimum requirement widened to Taka 2,157.41 crore from Taka 1,707.32 crore. Shareholders' equity closed the year at negative Taka 1,667.71 crore, compared with negative Taka 1,218.37 crore at the end of 2024. Classified loans and advances rose in absolute terms to Taka 1,660.75 crore, and the net loss after tax widened to Taka 450.03 crore from Taka 383.64 crore. As in 2024, the Bank continued to depend on regulatory forbearance from Bangladesh Bank – most recently under letter no. BSD-9/116/2026-488 dated 28 April 2026 – to finalise these financial statements on a going-concern basis, and our auditors have again issued a qualified opinion, together with a material uncertainty paragraph relating to going concern.

To establish a functional control mechanism the credit approval, asset-operations and recovery structure within Credit Administration continued to operate on a segregated-duties basis; Treasury's front-, mid- and back-office functions remained independently reporting; the Internal Control and Compliance Division maintained its four-pillar structure of Audit, Compliance, Monitoring and Investigation; and a dedicated Investigation Unit pursued recovery and legal action on identified fraud and forgery cases, including new proceedings following the identification of a fraudulent misappropriation of Taka 9.13 crore in interest payments at the Mymensingh Branch, on which a complaint was lodged with the Anti-Corruption Commission on 5 May 2025. The Board's Risk Management Committee and the Asset-Liability Committee continued to meet through the year to review the Bank's capital, liquidity and credit position, and a time-bound recovery plan addressing the provision shortfall and capital deficiency be formulated and submit to Bangladesh Bank as per direction of Board of Directors.

2. Risk Environment in 2025

2.1 Macroeconomic and Monetary Backdrop

Bangladesh Bank maintained a contractionary monetary policy stance throughout 2025, holding the repo rate at 10.00% through both halves of the fiscal year, and stated repeatedly that the rate would not be reduced until inflation fell sustainably below 7%. Headline inflation averaged above 10% for calendar 2025 on an annual-average basis, easing from a 16-month high in mid-2025 to the single digits by December. Private-sector credit growth slowed sharply over the year, to around 6.5–7.2% by mid-2025 – among the lowest rates in two decades – reflecting both the high cost of borrowing and continued caution among lenders. The Taka/US Dollar exchange rate, which moved to a more flexible, market-based regime, averaged in the region of Taka 120–122 to the Dollar.

These conditions had a direct bearing on BCBL: higher policy rates raised the cost of the Bank's borrowing from Bangladesh Bank and of deposit-scheme products at a time when the Bank's income-generating asset base was already shrinking in relative terms, while subdued private-sector credit growth limited opportunities to rebuild a healthier-quality loan book.

2.2 Sector-Specific Vulnerabilities

The banking sector underwent an unusually turbulent in 2025. Following the political transition of August 2024, supervisory reviews and new bank-board compositions brought to light non-performing loan volumes that had previously been understated across large parts of the sector; reported industry non-performing loans rose from roughly 20% of total loans at the end of 2024 to around 30.6% by the end of 2025, and the sector's aggregate capital adequacy ratio is reported to have turned negative. Bangladesh Bank responded with the most significant resolution and stabilization programme in the country's banking history: the Bank Resolution Ordinance, 2025 was promulgated on 9 May 2025, giving Bangladesh Bank wide powers to intervene in distressed banks – including suspending business activities, appointing administrators, restructuring capital, transferring assets and liabilities, and establishing bridge banks – and a dedicated Bank Resolution Department was created to implement it. Under this framework, five distressed Shariah-based banks were merged, with Bangladesh Bank board approval on 16 September 2025, into a single state-backed entity, and deposit insurance coverage was doubled to Taka 2 lakh per depositor under the accompanying Deposit Protection Ordinance, 2025. In December 2025, the resolution framework was extended to non-bank financial institutions, and Bangladesh Bank publicly announced a decision to liquidate a number of severely distressed NBFIs.

This last development is directly relevant to BCBL. The Bank holds Taka 700.59 crore in fixed-deposit placements with seven non-bank financial institutions (Note 4.1.3), a balance that has remained static across 2024 and 2025 and that our auditors have flagged as carrying uncertainty over recoverability of principal and interest (Key Audit Matter, and Basis for Qualified Opinion paragraph 6).

2.3 Global and Cross-Border Developments

Globally, elevated interest rates in major economies, continued volatility in energy and commodity prices, and geopolitical uncertainty affecting shipping and trade routes have kept import costs and remittance flows sensitive to external shocks. For BCBL, whose foreign exchange income fell to Taka 3.01 crore in 2025 from Taka 6.45 crore in 2024, and which reported 721 overdue export bills with an aggregate exposure of USD 36.20 million at the year end, this backdrop reinforces the importance of tighter monitoring of trade-finance realisation and counterparty risk rather than being a primary independent driver of the Bank's difficulties.

3. BCBL's Overall Risk Profile

The table below sets out management's assessment of the Bank's principal risk categories at 31 December 2025, informed by the audited financial statements, the auditors' Key Audit Matters and Emphasis of Matter paragraphs, and the Risk Management Division's own monitoring. Ratings reflect severity and persistence of exposure, not a judgment on the adequacy of any single control.

Risk Area	2025 Assessment	2024 Comparison	Key Drivers	2026 Outlook
Capital Adequacy Risk	Severe / Critical	Severe (worsened)	CRAR -36.84% vs 12.50% requirement; capital deficit Tk 2,157.41cr; sustained net losses eroding equity	Remains critical absent fresh capital or resolution action
Credit Risk	High	High (broadly unchanged)	Classified loans Tk 1,660.75cr; provision shortfall Tk 674.05cr on loans; migration toward Bad/Loss category	High, pending recovery drive and underwriting discipline
Liquidity Risk	Severe	Severe (persistent)	CRR maintained 0.43% vs 4.00%; SLR maintained 2.69% vs 13%; negative operating cash flow; rising BB borrowing	Remains severe without deposit stabilisation
Operational Risk	Elevated	Elevated	Mymensingh Branch fraud (Tk 9.13cr); reconciliation gaps; partial IFRS 16 implementation	Elevated; dependent on control remediation
ICT / Cyber Risk	Moderate–Elevated	Not separately disclosed	Heavy reliance on core banking platform; limited disclosed cyber-specific controls	Elevated absent stronger disclosure and testing
AML/CFT & Compliance Risk	Moderate	Moderate	KYC/CDD framework in place; ACC referral on Mymensingh fraud; no disclosed sanctions/AML breach	Moderate, contingent on investigation outcomes
Interest Rate Risk (Banking Book)	High	High	Persistent negative net interest income; funding cost exceeding asset yield	High while high-cost BB borrowing dominates funding
Foreign Exchange Risk	Moderate	Moderate	FX income down 53% to Tk 3.01cr; 721 overdue export bills, USD 36.20m	Moderate; trade-finance realisation is the key variable
Concentration Risk	High	High	30 borrower groups exceed 10% of capital fund (2024: 18); NBFI placement concentrated in five names	High until diversification and NBFI recovery progress
Strategic Risk	High	High	Capital constrained under Act No. 12 of 1997; going-concern uncertainty limits strategic options	High; dependent on legislative and capital resolution
Reputational Risk	Elevated	Elevated	Qualified audit opinion; fraud disclosure; sector-wide confidence pressure	Elevated; sensitive to sector resolution developments
Legal / Regulatory Risk	Elevated	Not disclosed at this granularity in 2024	2,051 cases filed, Tk 3,297.51cr; 1,245 pending, Tk 2,769.56cr	Elevated; recovery execution is central to outlook
ESG / Climate Risk	Low–Moderate (nascent)	Not disclosed	No dedicated ESRM/green-finance disclosure identified in the FS	To be developed; not yet a primary driver of losses

Source: BCBL Audited Financial Statements 2025 and 2024; Risk Management Division assessment. Ratings are qualitative judgments, not regulatory classifications.

4. Major Risk Management Achievements in 2025

Set against a severely constrained starting position, the following are the achievements that can be evidenced from the year's disclosures. The list is limited to items supported by the financial statements or auditors' report.

- Maintained the four-pillar Internal Control and Compliance Division structure (Internal Audit, Compliance, Monitoring, and Concurrent Audit) operating across Head Office, Distribution Audit and branch-level reviews on a risk-based methodology throughout the year.
- Formally escalated the Mymensingh Branch fraud matter, filing a complaint with the Anti-Corruption Commission on 5 May 2025 and initiating branch-level legal proceedings, moving the matter from internal investigation into external legal process.
- Sustained the segregated three-office treasury structure (front, mid and back office) and counterparty-limit framework for foreign exchange and money-market dealing throughout a year of elevated rate volatility.
- Continued to secure Bangladesh Bank forbearance support to preserve going-concern reporting, evidencing an active, ongoing supervisory dialogue rather than a lapsed relationship with the regulator.
- Held Statutory Liquidity Ratio maintenance modestly higher during 2025 (2.69% average maintained) than in 2024 (2.22%), even though both remain far below the 13% requirement.
- Continued litigation and recovery action across 2,051 filed cases with an aggregate claim value of Taka 3,297.51 crore, recovering Taka 155.23 crore against disposed cases and a further Taka 142.01 crore against cases still pending.
- Maintained core banking, credit administration and recovery unit structures without disclosed lapses in books of account, consolidation of branch returns, or agreement of the financial statements with underlying records as per the auditors' statutory reporting confirmations.
- Principal Tk. 25.00 crore and interest Tk. 14.89 crore was paid to Bangladesh Bank against demand loan received for liquidity support. Still demand loan liability of Tk. 175.00 crore only remains outstanding with Bangladesh Bank against liquidity support.
- Bank Management and Board conducted several meeting with competent authority of FID (Financial Institutions Department) to amend the Act No. 12 of 1997 to facilitate injection of new capital to mitigate capital shortfall. Despite lots of efforts it is taking long time to settle the issue.

5. Key Challenges and Risk Issues

Transparency about what has not improved is, in the Bank's current position, at least as important as recording what has. The following issues represent the most material unresolved risks facing the Bank.

- Capital adequacy remains critically and increasingly negative. CRAR of negative 36.84% is more than 49 CRAR points below the regulatory minimum, and the deficit widened by Taka 450.10 crore during the year; under Bangladesh Bank's own minor-shock stress scenario, CRAR would fall further to negative 41.07%, and without continued regulatory forbearance the ratio would be negative 64.39%.
- Provisioning for loans and advances remains substantially short of requirement. The required provision of Taka 1,057.77 crore against loans and advances compares with Taka 383.72 crore maintained a shortfall of Taka 674.05 crore. Across all provisioning categories (loans, off-balance sheet exposures, other assets, investments, gratuity and related items), Bangladesh Bank's own supervisory inspection identified a total shortfall of Taka 1,252.26 crore, of which Taka 1,244.26 crore has been deferred.
- Liquidity indicators remain in breach for most of the year. The Bank failed to maintain the Cash Reserve Ratio on 353 days and the Statutory Liquidity Ratio on 364 days of the year for its conventional banking operations, and net operating cash flow was again negative.

- Negative interest income persisted and widened. Net interest income was negative Taka 328.07 crore in 2025 against negative Taka 265.57 crore in 2024, reflecting a funding cost structure – driven by high-cost central bank borrowing and deposit-scheme products – that continues to exceed asset yields.
- Classified loans, while a lower share of a larger loan book, deteriorated in composition. Sub-standard and doubtful balances both fell sharply during the year while the Bad-or-Loss category rose by roughly Taka 111.86 crore, consistent with migration of existing weak accounts into the worst classification rather than genuine credit improvement.
- Exposure to distressed non-bank financial institutions of Taka 700.59 crore remains unchanged.
- Statutory Reserve transfers required under Section 24 of the Banking Companies Act, 1991 have not been made since 2018, given the absence of distributable profit, leaving the Bank out of compliance with this requirement on a continuing basis.
- Paid-up capital of Taka 198.87 crore remains below the Taka 500 crore regulatory minimum under BRPD Circular No. 18 (2023), and the Bank's ability to raise capital through a rights issue continues to be constrained by the ceiling in the Bangladesh Commerce and Investment (Reconstitute) Act No. 12 of 1997, pending legislative amendment.
- An unresolved balance-confirmation discrepancy of Taka 117.52 crore with People's Leasing and Financial Services Limited, and a range of smaller reconciliation gaps in fixed assets, cash and dividend receivables noted by the auditors, point to continuing weaknesses in reconciliation discipline that predate 2025.

6. Strengthening Risk Governance and Risk Culture

BCBL's risk governance follows the layered model expected of a Bangladeshi scheduled bank: strategic oversight by the Board and its Risk Management Committee, managerial oversight through the Asset-Liability Committee and other management committees, and day-to-day risk ownership within the business and control functions. The Risk Management Division continues to organise its work around the four core risk areas Bangladesh Bank's October 2018 risk management guidelines prescribe – credit, operational, liquidity and market risk – each with a nominally separate desk.

Three areas require particular attention in 2026. First, establishing reporting discipline so that effective control mechanism and monitoring system can work properly. Second, setting risk appetite and quantifying risk appetite; statement covering capital, liquidity, concentration and credit limits. Third, ensure accountability for the recovery plan: the Board has directed that a time-bound recovery plan addressing the provision shortfall and capital deficiency be prepared for submission to Bangladesh Bank; embedding clear individual and committee-level ownership, with milestones the Risk Management Committee reviews at each meeting, will be essential to that plan's credibility.

7. Risk Priorities for 2026

The following priorities are proposed for 2026, ordered by urgency rather than by risk category:

- Finalise and submit to Bangladesh Bank the time-bound recovery plan addressing the loan-loss provision shortfall and capital deficiency referenced in Note 13 of the financial statements, with quarterly milestones the Board Risk Management Committee can monitor.
- Intensify recovery and collection on classified accounts, with particular focus on the Bad-or-Loss category, given the migration pattern observed in 2025, and on the 1,245 pending legal cases collectively valued at Taka 2,769.56 crore.
- Verify the status of the Bank's Taka 700.59 crore non-bank financial institution placements against Bangladesh Bank's NBFI resolution and liquidation decisions, and assess whether incremental provisioning is required ahead of the FY2026 audit.
- Pursue capital-raising options within the constraints of Act No. 12 of 1997, including continued engagement with the Ministry of Finance on the legislative amendment needed to permit a rights issue

beyond the current paid-up capital ceiling, alongside any options available under the Bank Resolution Ordinance, 2025 framework.

- Strengthen liquidity resilience by reducing reliance on overnight and short-term Bangladesh Bank borrowing where possible, and by developing a contingency funding plan aligned to the Bank's actual maturity-mismatch profile.
- Close the reconciliation and confirmation gaps identified by the auditors – including the People's Leasing balance discrepancy and the fixed-asset and cash reconciliation variances – within a defined timetable, and report progress to the Audit Committee each quarter.
- Formalise a written, Board-approved risk appetite statement, even where near-term thresholds must be conservative, so that lending, treasury and liquidity decisions in 2026 are made against explicit rather than implicit limits.
- Progress full IFRS 16 implementation beyond the Head Office, and complete the outstanding fixed-asset and dividend-receivable reclassifications noted by the auditors.
- Deepen early-warning monitoring for the export-bill overdue book (721 bills, USD 36.20 million at year end) and for other trade-finance exposures, given continuing global shipping and currency volatility.
- Begin structured monitoring of environmental and social risk in credit underwriting and of ICT/cyber resilience, both of which are not yet separately evidenced in the Bank's disclosures and represent a gap relative to sector practice.

8. CRO Closing Statement

BCBL's capital position remains severely and increasingly negative, its liquidity ratios remain in sustained breach of regulatory minima, and its provisioning against classified loans remains materially short of what Bangladesh Bank's own supervisory assessment considers necessary. These are not new problems, and 2025 did not resolve them; on most core metrics, the year saw further deterioration rather than stabilisation. But the credit, treasury and control structures that a bank needs in order to manage risk are in place and operating; the Bank continues to pursue recovery and legal action on its problem exposures; and it continues to engage constructively with Bangladesh Bank, which has extended forbearance that has allowed these financial statements to be prepared on a going-concern basis. The task for 2026 is to convert that operating discipline into measurable capital and asset-quality improvement, under a recovery plan the Board can hold management to account against.

Finally, we believe that Bangladesh Commerce Bank Limited will be able to overcome the challenges of new capital injection, improvement of asset quality, establishment of an effective and functional control mechanism, and enhancement of earning assets. The Board of Directors, the Management, and the entire human resources of the Bank will work together in a single rhythm to face these challenges and bring the Bank out of its present difficulties. We hope that the Bank will get all necessary support and assistance from the regulatory authorities. We also believe that our valued stakeholders will continue their all-out support throughout our future challenging journey.



Chief Risk Officer

Bangladesh Commerce Bank Limited

Bangladesh Commerce Bank Limited

Market Discipline: Disclosure on Risk Based Capital (Basel-III)

31.12.2025

1. Scope of Application:

1.1 Qualitative Disclosures

(a)	The name of the top corporate entity in the group to which this guidelines applies.	Bangladesh Commerce Bank Limited
(b)	An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (a) that are fully consolidated; (b) that are given a deduction treatment; and (c) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).	The consolidated financial statements of the Bank include the financial statements of Bangladesh Commerce Bank Limited and Commerce Bank Securities and Investment Limited. Bangladesh Commerce Bank holds 99.999971% shares of Commerce Bank Securities and Investment Limited. A brief description of the Bank and its subsidiary are given below: Bangladesh Commerce Bank Limited (BCBL): A public limited company incorporated in Bangladesh on June 01, 1998 under the Companies Act, 1994, the Bank Companies Act, 1991 and Parliamentary Act 12 of 1997. Bangladesh Commerce Bank Limited is known as a commercial bank. Like all commercial banks BCBL's core business is also obtaining deposits and providing loans. It is a financial institution providing services for businesses, organizations and individuals. Services include offering different types of deposit account such as current, saving and other scheme as well as giving loans to organizations and individuals to accelerate economic development. BCBL makes its profit by taking small, short-term, relatively liquid deposits and transforming these into small, medium and larger loans for short, medium and long term maturity. These processes of asset transformation generate net income for BCBL. BCBL also earned short term profit by investing through treasury functions as well as non funded business. However, BCBL is primarily engaged in deposit and lending activities to private and corporate clients in wholesale and retail banking. Other services typically include credit card, mobile banking, custodial service guarantees, cash management and settlement as well as trade finance. Commerce Bank Securities and Investment limited (CBSIL) Commerce Bank Securities & Investments Limited (CBSIL) is fully owned subsidiary company of Bangladesh Commerce Bank Limited incorporated as a private limited company on 20 September 2010 with the registrar of Joint Stock Companies & Firms, Dhaka vide certificate of incorporation no. C-87050/10. CBSIL started its operation from 01 June 2011. The main objective of the company for which was established to carry out the business of full-fledged merchant banking activities like issue management, portfolio management, underwriting etc.
(c)	Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.	Not Applicable for Bangladesh Commerce Bank Limited.

1.2 Quantitative Disclosure

(d)	The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.	Not Applicable for Bangladesh Commerce Bank Limited.
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2. Capital Structure:

2.1 Qualitative Disclosures

(a)	(a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or Tier 2.	As per the guidelines of Bangladesh Bank, Common Equity Tier-1 Capital of BCBL consists of (i) Fully Paid-up Capital, (ii) Statutory Reserve, (iii) General Reserve, (iv) Retained Earnings and (v) Minority Interest in Subsidiaries and (vi) Right Share Application Money. Tier-2 Capital consists of (i) General Provision against unclassified Loans/Investments, (ii) Off-balance sheet exposure and (iii) 50% of Revaluation gain/ loss on investment (HFT) as per guideline the balance of 31.12.2014 is considered after deducting 40%.
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2.2 Quantitative Disclosure

(b)	The amount of Regulatory capital, with separate disclosure of: CET1 Capital Additional Tier 1 Capital Total Tier 1 Capital Tier 2 Capital	<table> <tr> <th colspan="3">BDT in Crore</th></tr> <tr> <th>Particulars</th><th>Solo</th><th>Conso.</th></tr> <tr> <td>Fully Paid up Capital</td><td>198.87</td><td>198.87</td></tr> <tr> <td>Share Capital BCI</td><td>1.53</td><td>1.53</td></tr> <tr> <td>Statutory Reserve</td><td>27.51</td><td>27.51</td></tr> <tr> <td>General Reserve</td><td>0.89</td><td>0.89</td></tr> <tr> <td>Retained Earnings</td><td>-1993.51</td><td>-1988.68</td></tr> <tr> <td>Right Share Application Money</td><td>91.73</td><td>91.73</td></tr> <tr> <td>CET1 Capital</td><td>-1672.98</td><td>-1668.15</td></tr> <tr> <td>Additional Tier 1 Capital</td><td>0.00</td><td>0.00</td></tr> <tr> <td>Total Tier 1 Capital</td><td>-1672.98</td><td>-1668.15</td></tr> <tr> <td>General Provision</td><td>15.56</td><td>15.56</td></tr> <tr> <td>Revaluation Reserve</td><td>0</td><td>0</td></tr> <tr> <td>Tier 2 Capital</td><td>15.56</td><td>15.56</td></tr> </table>	BDT in Crore			Particulars	Solo	Conso.	Fully Paid up Capital	198.87	198.87	Share Capital BCI	1.53	1.53	Statutory Reserve	27.51	27.51	General Reserve	0.89	0.89	Retained Earnings	-1993.51	-1988.68	Right Share Application Money	91.73	91.73	CET1 Capital	-1672.98	-1668.15	Additional Tier 1 Capital	0.00	0.00	Total Tier 1 Capital	-1672.98	-1668.15	General Provision	15.56	15.56	Revaluation Reserve	0	0	Tier 2 Capital	15.56	15.56
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3. Capital Adequacy:

3.1 Qualitative Disclosures

(a)	A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities.	The Bank has adopted Standardized Approach (SA) for computation of capital charge for credit risk and market risk, and Basic Indicator Approach (BIA) for operational risk. Assessment of capital adequacy is carried out in conjunction with the capital adequacy reporting to the Bangladesh Bank. The Bank has maintained capital adequacy ratio on the basis of "Consolidated" and "Solo" are -35.84% & -36.84% respectively as against the minimum regulatory requirement of 12.50%. Tier-I capital adequacy ratio for "Consolidated" is -35.84% as well as "Solo" is -36.84% against the minimum regulatory requirement of 6%. The Bank's policy is to manage and maintain its capital with the objective of maintaining strong capital ratio and high rating.
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Bangladesh Bank identified provision shortfall of Taka 1244.26 crore against loans and advances, off balance sheet exposures and other assets as on 31 December 2025 and the provision was deferred before finalizing the Financial Statements of 2025 vide their letter ref: BSD-9/116/2026-488 dated: 28/04/2026.

3.1 Qualitative Disclosures

(b)	Capital requirement for Credit Risk	BDT in Crore		
		Particulars	Solo	Conso.
		Capital requirement for Credit Risk	492.35	492.35
(c)	Capital requirement for Market Risk	BDT in Crore		
		Particulars	Solo	Conso.
		Capital requirement for Market Risk	2.08	2.08
(d)	Capital requirement for Operational Risk	BDT in Crore		
		Particulars	Solo	Conso.
		Capital requirement for Operational Risk	84.19	84.19
(e)	Total capital, CET1 capital, Total Tier 1 capital and Tier 2 capital ratio: • For the consolidated group; and • For stand alone	Particulars	Solo	Conso.
		CRAR	-36.84%	-35.84%
		CET1 Capital Ratio	-37.19%	-36.18%
		Total Tier 1 Capital Ratio	-32.76%	-31.32%
		Total Tier 2 Capital Ratio	0.35%	0.34%
(f)	Capital Conservation Buffer	For bank the requirement of capital conservation buffer is 2.50%. The Bank maintained 0% capital conservation buffer as on 31/12/2025.		
(g)	Available Capital under Pillar 2 Requirement			

4. Credit Risk:

4.1 Qualitative Disclosures

(a)	The general qualitative disclosure requirement with respect to credit risk, including: • Definitions of past due and impaired (for accounting purposes);	With a view to strengthening credit discipline and bring classification and provisioning regulation in line with international standard, a phase-wise program for classification and provisioning was undertaken by the Bank as per Bangladesh Bank circulars issued from time to time. In this regard, all the loans and advances/investments are grouped into four categories for the purpose of classification, namely (i) Continuous Loan, (ii) Demand Loan, (iii) Fixed Term Loan and (iv) Short-term Agricultural and Micro Credit. They are classified as follow: Continuous & Demand Loan will be classified as: - Sub-standard- if it is past due/overdue for 03(three) months or beyond but less than 06 (six) months; - Doubtful- if it is past due/overdue for 06 (six) months or beyond but less than 09 (nine) months; - Bad/Loss- if it is past due/overdue for 09 (nine) months or beyond. Fixed term loan will be classified as: In case of any installment(s) or part of installment(s) of a Fixed Term Loan amounting up to Taka 1 million is not repaid within the due date, the amount of unpaid installment(s) are treated as "past due or overdue installment". Such types of Fixed Term Loans are classified as under: - Sub-standard- if the amount of past due installment is equal to or more than the amount of installment(s) due within 06 (six) months, the entire loans are classified as "Sub-standard". - Doubtful- if the amount of past due installment is equal to or more than the amount of installment(s) due within 09 (nine) months, the entire loans are classified as "Doubtful". - Bad/Loss- if the amount of past due installment is equal to or more than the amount of installment(s) due within 12(twelve) months, the entire loans are classified as "Bad/Loss". Fixed term loan will (amounting more than BDT 10 lac) be classified as: In case of any installment(s) or part of installment(s) of a Fixed Term Loan amounting more than Taka 1 million is not repaid within the due date, the amount of unpaid installment(s) are treated as "past due or overdue installment". Such types of Fixed Term Loans are classified as under: - Sub-standard- if the amount of past due installment is equal to or more than the amount of installment(s) due within 03 (three) months, the entire loans are

Description of approaches followed for specific and general allowances and statistical methods;	classified as "Sub-standard". - Doubtful- if the amount of past due installment is equal to or more than the amount of installment(s) due within 06 (six) months, the entire loans are classified as "Doubtful". Bad/Loss- if the amount of past due installment is equal to or more than the amount of installment(s) due within 09 (nine) months, the entire loans are classified as "Bad/Loss". Short term agricultural and micro credit will be classified as: Short-term Agricultural and Micro Credit will be considered irregular if it is not repaid within the due date as stipulated in the loans agreement and will be classified as under: - Sub-standard- if the irregular status continues after a period of 12 (twelve) months, the credits are classified as "Sub-standard". - Doubtful- if the irregular status continue after a period of 36 (thirty six) months, the credits are classified as "Doubtful". - Bad/Loss- if the irregular status continue after a period of 60 (sixty) months, the credits are classified as "Bad/Loss". A Continuous loan, Demand loan or a Term loan which remained overdue for a period of 02 (two) months or more, is treated as "Special Mention Account (SMA)". The Bank is required to maintain the following general and specific provision in respect of classified and unclassified loans and advances / investments on the basis of Bangladesh Bank guidelines issued from time to time: <table border="1"> <thead> <tr> <th>Particulars</th><th>Rate</th></tr> </thead> <tbody> <tr> <td>General provision on unclassified Small and Medium Enterprise (SME) financing.</td><td>0.25%</td></tr> <tr> <td>General provision on unclassified loans and advances/ investments other than Consumer Financing, Loans to Brokerage House, Merchant Banks, Stock Dealers etc., SMA as well as SME Financing).</td><td>1%</td></tr> <tr> <td>General provision on interest receivable on loans / investments.</td><td>1%</td></tr> <tr> <td>General provision on off-balance sheet exposures (Provision has been made on the total exposure and amount of cash margin & value of eligible collateral were not deducted while computing off-balance sheet exposure).</td><td>1%</td></tr> <tr> <td>General provision on unclassified loans and advances/ investments for housing finance, loans for professionals to set-up business under consumer financing scheme.</td><td>2%</td></tr> <tr> <td>General provision on the unclassified loans to Brokerage House, Merchant Banks, Stock Dealers, etc.</td><td>2%</td></tr> <tr> <td>General provision on unclassified amount for Consumer Financing.</td><td>5%</td></tr> <tr> <td colspan="2">General provision on outstanding amount of loans kept in Special Mention Account (SMA) will be at the same respective rate as stated above (0.25% to 5%) as per BRPD Circular No. 05 dated 29.05.2013.</td></tr> <tr> <td>Specific provision on Sub-Standard loans and advances / investments.</td><td>20%</td></tr> <tr> <td>Specific provision on Doubtful loans and advances / investments.</td><td>50%</td></tr> <tr> <td>Specific provision on bad / loss loans and advances / invests.</td><td>100%</td></tr> </tbody> </table> The Bank has a well structured delegation and sub-delegation of credit approval authority for ensuring good governance and better control in credit approval system. The Board of Directors and its Executive Committee hold the supreme authority for any credit approval in line with the credit committee consisting of the senior management of the bank. Credit proposal processing, assessment of risks and mitigates there against, placing before credit committee, seeking approval from the	Particulars	Rate	General provision on unclassified Small and Medium Enterprise (SME) financing.	0.25%	General provision on unclassified loans and advances/ investments other than Consumer Financing, Loans to Brokerage House, Merchant Banks, Stock Dealers etc., SMA as well as SME Financing).	1%	General provision on interest receivable on loans / investments.	1%	General provision on off-balance sheet exposures (Provision has been made on the total exposure and amount of cash margin & value of eligible collateral were not deducted while computing off-balance sheet exposure).	1%	General provision on unclassified loans and advances/ investments for housing finance, loans for professionals to set-up business under consumer financing scheme.	2%	General provision on the unclassified loans to Brokerage House, Merchant Banks, Stock Dealers, etc.	2%	General provision on unclassified amount for Consumer Financing.	5%	General provision on outstanding amount of loans kept in Special Mention Account (SMA) will be at the same respective rate as stated above (0.25% to 5%) as per BRPD Circular No. 05 dated 29.05.2013.		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	• Discussion of the bank's credit risk management policy;	competent authority, assisting in completion of documentation formalities and above all maintaining relationship with the branches and customers have so long been done by Credit Management Division (CMD). The function of CMD department has redefined by (i). Credit Assessment, (ii). Credit Monitoring, (iii) Credit Information & Policy Development for smoothly execution of the credit risk management through segregating internal units. Separate segments for Corporate, Retail, SME, Credit Cards have been formed in order to diversify the credit risk. Towards mitigating the risks, BCBL has developed a robust credit approval system. The credit proposals recommended by branches are scrutinized by CMD Department. Sanctions are conveyed to the Branches after getting approval from Credit Committee of Corporate Office or Board of Directors if needed. The standardized approach is applied for risk weighting of exposure as per directive of Bangladesh Bank. It requires banks to use risk assessment. The Bank is following Credit Risk Grading (CRG) manual for assessing a borrower and making decisions of disbursing loans and advances/ investments while nominating the External Credit Assessment Institutions (ECAIs) duly recognized by Bangladesh Bank to derive risk-weights of exposures under the portfolio of claims. Maximum counterparty/group exposure are limited to 15% (funded) of the bank's capital base as stipulated by BB where a higher limit is required for projects of national importance subject to prior approval of Bangladesh Bank. The single borrower exposure limit has been increasing day by day of the bank with the increase of the total capital of the bank. But the management of the bank is exercising the prudential limit to a single borrower in order to minimize concentration risk of the bank considering the security coverage, satisfactory performance, credit risk grading status, earning potentials, capital requirement, etc. against the limit.
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4.2 Quantitative Disclosures

4.2 Quantitative Disclosures

(b)	Total gross credit risk exposures broken down by major types of credit exposure.	<table><tr><th>Loan Type</th><th>BDT in Crore</th></tr><tr><td>Demand Loan</td><td>51.17</td></tr><tr><td>Loan General</td><td>465.21</td></tr><tr><td>Cash Credit (Hypo)</td><td>274.79</td></tr><tr><td>Agriculture Loan</td><td>61.30</td></tr><tr><td>Overdraft</td><td>154.47</td></tr><tr><td>SME Loan</td><td>780.32</td></tr><tr><td>Payment Against Document (PAD)</td><td>150.92</td></tr><tr><td>Loan against Trust Receipt (LTR)</td><td>177.40</td></tr><tr><td>House Building Loan</td><td>106.89</td></tr><tr><td>Credit Card</td><td>36.47</td></tr><tr><td>Consumer Credit</td><td>5.16</td></tr><tr><td>Staff Loan</td><td>62.83</td></tr><tr><td>Loans & Advances (BCI)</td><td>49.83</td></tr><tr><td>Bills Purchased and Discounted</td><td>0.37</td></tr><tr><td>Islamic Banking</td><td>179.72</td></tr><tr><td>Total</td><td>2559.86</td></tr></table>	Loan Type	BDT in Crore	Demand Loan	51.17	Loan General	465.21	Cash Credit (Hypo)	274.79	Agriculture Loan	61.30	Overdraft	154.47	SME Loan	780.32	Payment Against Document (PAD)	150.92	Loan against Trust Receipt (LTR)	177.40	House Building Loan	106.89	Credit Card	36.47	Consumer Credit	5.16	Staff Loan	62.83	Loans & Advances (BCI)	49.83	Bills Purchased and Discounted	0.37	Islamic Banking	179.72	Total	2559.86
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(c)	Geographical distribution of exposures, broken down in significant areas by major types of credit exposure.	<table><tr><th>Segment</th><th>BDT in Crore</th></tr><tr><td>Dhaka Division</td><td>1,644.93</td></tr><tr><td>Chittagong Division</td><td>515.22</td></tr><tr><td>Rajshahi Division</td><td>135.78</td></tr><tr><td>Khulna Division</td><td>142.45</td></tr><tr><td>Sylhet Division</td><td>33.23</td></tr><tr><td>Barisal</td><td>19.50</td></tr><tr><td>Rangpur</td><td>47.25</td></tr><tr><td>Mymensingh</td><td>21.50</td></tr><tr><td>Total</td><td>2559.86</td></tr></table>	Segment	BDT in Crore	Dhaka Division	1,644.93	Chittagong Division	515.22	Rajshahi Division	135.78	Khulna Division	142.45	Sylhet Division	33.23	Barisal	19.50	Rangpur	47.25	Mymensingh	21.50	Total	2559.86														
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(d)	Industry or counterparty type distribution of exposures, broken down by major types of credit exposure.	Industry	BDT in Crore
		Food & Beverage industries	53.72
		Furniture & Fixture	2.86
		Printing, publishing & allied industries	4.29
		Petroleum & coal Products	26.49
		RMG & Textile	289.05
		Non-metallic mineral products	71.92
		Basic metal products	6.77
		Cement industries	20.33
		Small Scale Industries	129.81
		Power Generation & Gas	22.26
		Other manufacturing industries	142.58
		Rural Credit & Agri Loan	61.30
		Import Credit	338.47
		Trade & Commerce	1005.46
		Others	384.55
		Total	2559.86
(e)	Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure.	Residual Maturity	BDT in Crore
		Re-payable on demand	891.94
		Not more than 3 months	416.67
		More than 3 Months but less than 1 year	619.19
		More than 1 year but less than 5 years	632.06
		More than 5 years	0.00
		Total	2559.86
(f)	By major industry or counterparty type: - Amount of impaired loans and if available, past due loans, provided separately; - Specific and general provisions; and - Charges for specific allowances and charge-offs during the period.	Industry	BDT in Crore
		Agricultural Loan	61.29
		Industrial Loan (other than working capital)	125.71
		Working capital Loan	348.24
		Import Credit	338.47
		Commercial Loan	965.46
		RMG & Textile	289.06
		Construction Loan	106.89
		Transport & Communication Loan	11.92
		Consumer Credit	41.64
		All Others Loans	271.18
		Total	2559.86
(g)	Gross Non Performing Assets (NPAs) Non Performing Assets (NPAs) to Outstanding Loans & advances Movement of Non Performing Assets (NPAs) Opening balance Additions Reductions Closing balance Movement of specific provisions for NPAs Opening balance Provisions made during the period Write-off Write-back of excess provisions Closing balance	Particulars	BDT in Crore
		Gross Non Performing Assets (NPAs)	1660.74
		NPAs to Outstanding Loans & advances	64.88%
		Movement of Non Performing Assets (NPAs)	
		Opening balance	1606.76
		Additions/(Reductions)	53.98
		Closing balance	1660.74
		Movement of specific provisions for NPAs	
		Opening balance	361.84
		Provisions made during the period	8.00
		Write-off	---
		Write-back of excess provisions	---
		Closing balance	369.84

6. Interest rate risk in the banking book (IRRBB):**6.1 Qualitative Disclosures**

(a)	The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behaviour of non-maturity deposits, and frequency of IRRBB measurement.	Interest rate risk is the risk where changes in market interest rates might adversely affect a bank's financial condition. Changes in interest rates affect both the current earnings (earnings perspective) as well as the net worth of the bank (economic value perspective). To evaluate the impact of interest rate risk on the net interest margin, BCBL monitors the size of the gap between rate sensitive assets and rate sensitive liabilities in terms of the remaining period to re-pricing. Re-pricing refers to the point in time when adjustments of interest rates on assets and liabilities occur owing to new contracts, renewal of expiring contracts or that a contract specifies a floating rate that adjusts at fixed time intervals. A maturity mismatch approach is used to measure BCBL's exposure to interest rate risk. A positive mismatch means that more assets than liabilities are re-priced in a given period. With a positive mismatch, a rise in market interest rates will have a positive effect on the bank's earnings. On the other hand, a negative mismatch, where more liabilities are re-priced than assets in a given period, means a drop in earnings if interest rates had increased.
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6.2 Quantitative Disclosures

0.2 Quantitative Disclosures

(b)

The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring IRRBB, broken down by currency (as relevant).

Particulars		BDT in Crore	
Market value of assets		4984.93	
Market value of liabilities		6652.64	
Weighted Average of Duration of Liabilities (DL)		2.57	
Weighted Average of Duration of Assets (DA)		4.76	
Duration GAP (DA-DL)		2.19	
Yield to Maturity (YTM -Assets)		4.93%	
Yield to Maturity (YTM -Liability)		4.38%	

Particulars	Magnitude of interest rate change		
	1%	2%	3%
Fall in market value of equity	1.30	2.59	3.89

Stress Testing:

Particulars	Magnitude of Shock (BDT in Crore)		
	1%	2%	3%
Regulatory Capital	-1666.35	-1667.64	-1668.94
RWA	4453.91	4452.62	4451.32
CRAR	-35.17%	-35.21%	-35.25%

7. Market risk:**7.1 Qualitative Disclosures**

(a)	Views of BOD on trading / investment activities Methods used to measure Market Risk Market Risk Management system Policies and processes for mitigating Market Risk	The Board approves all policies related to market risk, sets limits and reviews compliance on a regular basis. The objective is to provide cost effective funding last year to finance asset growth and trade related transaction. Standardized approach has been used to measure the market risk. The total capital requirement in respect of market risk is the aggregate capital requirement calculated for each of the risk sub-categories. For each risk category minimum capital requirement is measured in terms of two separately calculated capital charges for 'specific risk' and 'general market risk' The Treasury Division manage market risk covering liquidity, interest rate and foreign exchange risks with oversight from Asset-Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director. ALCO meets at least once in a month. There are approved limits for Market Risk related instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against market risks. The exchange rate committee of the Bank meets on a daily basis to review the prevailing market condition, exchange rate, forex
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		position and transactions to mitigate foreign exchange risks.
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7.1 Quantitative Disclosures

7.1 Quantitative Disclosures		BDT in Crore		
(b)	The capital requirements for: interest rate risk; equity position risk; foreign exchange risk; and Commodity risk.	Particulars	Solo	Conso.
		Interest rate risk	2.08	2.08
		Equity position risk	3.21	3.21
		Foreign exchange risk	0.64	0.64
		Commodity risk	---	---

8. Operational Risk:

8.1 Qualitative Disclosures

(a)	Views of BOD on system to reduce Operational Risk	Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk but excludes strategic and reputation risk. It is inherent in every business organization and covers a wide spectrum of issues. The Board of Directors (BOD) of the Bank and its Management firmly believe that an effective internal control systems has been established within the Bank to ensure adequacy of the risk management framework and compliance with a documented set of internal policies concerning the risk management system which mainly include; • Top-level reviews of the Bank's progress towards the stated objectives; • Checking for compliance with management controls; • Policies, processes and procedures concerning the review, treatment and resolution of non-compliance issues; and • A system of documented approvals and authorizations to ensure accountability to the appropriate level of management. Bank has ensured some other internal practices to be in place as appropriate to control operational risk. Examples of these include: • Close monitoring of adherence to assigned risk limits or thresholds; • Maintaining safeguards for access to, and use of, bank's assets and records; • Ensuring that staffs have appropriate expertise and training; • Regular verification and reconciliation of transactions and accounts. The BOD has modified Bank's operational risk management process by issuing a high level standard like SOP, supplemented by more detailed formal guidance. This explains how the bank manages operational risk by identifying, assessing, monitoring, controlling and mitigating the risk, rectifying operational risk events, and implementing any additional procedures required for compliance with local regulatory requirements. The Bank maintains and tests contingency facilities to support operations in the event of disasters. Additional reviews and tests are conducted in the event that any branch of the bank is affected by a business disruption event, to incorporate lessons learned in the operational recovery from those circumstances. Plans have been prepared for the continued operation of the bank's business, with reduced staffing levels.
	Performance gap of executives and staffs	BCBL has a policy to provide competitive package and better working environment to attract and retain the most talented people available in the industry. As the employee loyalty is high to the bank the employee turnover in the bank is minimum compared to the industry.
	Potential external events	It is needless to say that there are certain risk factors which are external in nature and can affect the business of the Bank. The factors discussed below can significantly affect the business: • General business and political condition • Changes in credit quality of borrowers • Changes in policies and practices of regulatory bodies to revise practices, pricing and responsibilities of the financial institutions • Implementation of Basel-III in Bangladesh • Volatility in equity market • Changes in market conditions • The risk of litigation

	Policies and processes for mitigating operational risk Approach for calculating capital charge for operational risk	• Success of strategies Operational risk, defined as any risk that is not categorized as market or credit risk, is the risk of loss arising from inadequate or failed internal processes, people and systems or from external events. It is inherent in every business organization and covers a wide spectrum of issues. In order to mitigate this, internal control and internal audit systems are used as the primary means. Bangladesh Commerce Bank Limited manages this risk through a control based environment in which processes are documented, authorization is independent and transactions are reconciled and monitored. This is supported by an independent program of periodic reviews undertaken by internal audit, and by monitoring external operational risk events, which ensure that the bank stays in line with industry best practice and takes account of lessons learned from publicized operational failures within the financial services industry. BCBL has operational risk management process which explains how the bank manages its operational risk by identifying, assessing, monitoring, controlling and mitigating the risk, rectifying operational risk events, and implementing any additional procedures required for compliance with central bank requirements. Operational risk management responsibility is assigned to different level of management within the business operation. Information systems are used to record the identification and assessment of operational risks and to generate appropriate regular management reporting. Risk assessment incorporates a regular review of identified risks to monitor significant changes. Banks performance is monthly monitored by Board of Directors as well as Bangladesh Bank through improvement of Directives of Bangladesh Bank (DOBB) which include monthly reporting of improvement of DOBB and Major Performance Indicators to Honorable of Board of Directors and concerned authority of Bangladesh Bank. Basic Indicator Approach was used for calculating capital charge for operational risk as of the reporting date.
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8.2 Quantitative Disclosures

(b)	The capital requirements for operational risk	BDT in Crore		
		Particulars	Solo	Conso.
		Capital requirements for operational risk	84.19	84.19

9. Liquidity Ratio:

9.1 Qualitative Disclosures

(a)	Views of BOD on system to reduce liquidity Risk Methods used to measure Liquidity risk	Liquidity risk is the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss (or make the required profit) or when a bank is unable to fulfill its commitments in time when payment falls due. Thus, liquidity risk can be of two types: Funding liquidity risk: The risk that a firm will be unable to meet its current and future cash flow and collateral needs without affecting its daily operations or its financial condition Market liquidity risk: The risk that a firm cannot easily offset or sell a position without incurring a loss because of inadequate depth in the market Banking organization, where off-balance sheet exposure is significant or has strong dependency on corporate deposit or experiencing step asset (i.e. primarily credit portfolio or investment book) growth is exposed to high level of Liquidity risk. Liquidity risk should not be seen in isolation, because financial risks are not mutually exclusive and liquidity risk is often triggered by consequence of other financial risks such as credit risk, interest rate risk, foreign exchange risk etc. In context of Pillar 3 (Supervisory Review Process) of RBCA, the necessity of proper assessment and management of liquidity risk carries pivotal role in ICAAP of banks. In the perspective of Bangladesh, identifying and monitoring the driving factors of liquidity risk is viewed from the following aspects:
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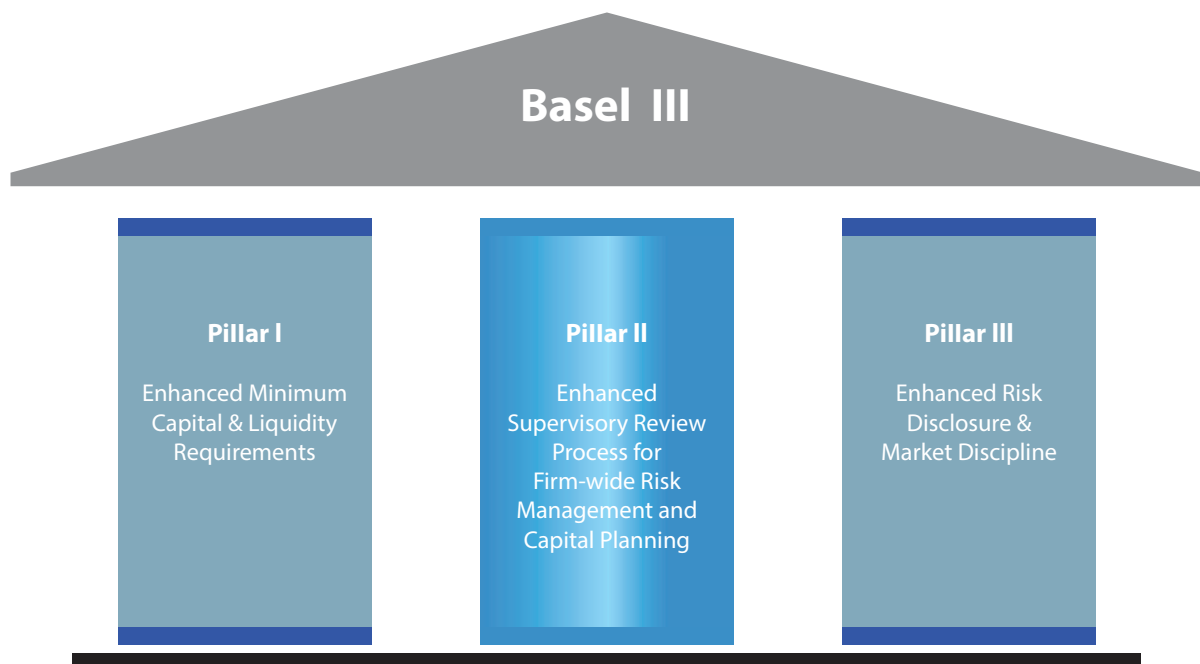
	employees in each group.	
(b)	Information relating to the design and structure of remuneration processes. Disclosures should include: An overview of the key features and objectives of remuneration policy. Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made. A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.	The bank has developed a remuneration package which is competitive compared to the market but at the same time cost effective considering the bank's business volume and financial strength. The underlying objective of the remuneration package is • To offer a satisfactory and motivational compensation package to its employee • To attract better human resource • Retain the trained and skilled manpower The remuneration package was last upgraded in last part of year 2022 as a result in last year the package doesn't rise the necessity to be reviewed. To motivate contribution in risk management, compliance and business bank has the policy of additional increment in addition of regular increment, special promotion, honorarium as well as special training financed by bank.
(c)	Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures should include: An overview of the key risks that the bank takes into account when implementing remuneration measures. An overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure (values need not be disclosed). A discussion of the ways in which these measures affect remuneration. A discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration.	While designing a remuneration package bank have to consider the future risk arises. Risk might be come through the employee turnover or through the cost effectiveness. As the remuneration is the highest part of the total administrative expenditure of the banking business bank have to carefully design the remuneration package to maintain the growing profitability. At the same time bank have to consider the competitive forces to sustain its valuable human resources as well as attract skilled human resources. Bank takes following measures to take account the risk associated from the remuneration package: • Employee turnover rate • Rate of administrative expenditure • Per employee contribution in profit, deposit, advance • Achievement of business as well as performance target If the employee turnover grows beyond tolerable limit management review the remuneration package and change or update upon approval from the board. Considering the administrative expenditure and per employee contribution in business and earnings banks bonus and business expansion with existing manpower is considered. Achievement of individual business target and performance target is reflected in yearly increment, promotion and bonus etc. No changes occurred in remuneration measuring criteria in past year.
(d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration. Disclosures should include: An overview of main performance metrics for bank, top-level business lines and individuals. A discussion of how	Bank has a Key Performance Indicator (KPI) set to evaluate every individual employee's performance and some key indicators for measuring the performance overall human resources of the bank. Amounts of individual remuneration like yearly increment, bonus, house building loan, promotion is directly linked with their set performance standard and achievement there against. At the event of weak performance metrics individual will lose the benefit as set in

	amounts of individual remuneration are linked to bank-wide and individual performance. A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak.	the policy and recommended and provided supporting to improve from the weak performance status.
(e)	Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance. Disclosures should include: A discussion of the bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance. A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through clawback arrangements.	Banks remuneration contains two parts one is fixed and another is variable. Variable part depends on the performance of the individual employees. Variable benefit includes increment, bonus, house building loan, promotion etc. This doesn't varies from employees to employees or group to group but performance measuring criteria is different for each group, division or branch level employees.
(f)	Description of the different forms of variable remuneration that the bank utilises and the rationale for using these different forms. Disclosures should include: An overview of the forms of variable remuneration offered (ie cash, shares and share-linked instruments and other forms) A discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or groups of employees), a description the factors that determine the mix and their relative importance.	Bangladesh Commerce Bank Limited has no variable remuneration like cash, shares and share linked instruments and other forms.

11.2 Quantitative Disclosures

(g)	Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member.	Several meetings of the special committee formed for increasing remuneration held in 2017 to finalize the increase of salary package for the bank.										
(h)	Number of employees having received a variable remuneration award during the financial year. Number and total amount of guaranteed bonuses awarded during the financial year. Number and total amount of sign-on awards made during the financial year. Number and total amount of severance payments made during the financial year.	<table><tr><th>Particulars</th><th>BDT in Crore</th></tr><tr><td>Number of employees having received a variable remuneration award during the financial year</td><td>Nil</td></tr><tr><td>Number and total amount of guaranteed bonuses awarded during the financial year.</td><td>Two festival bonus paid to employees worth BDT 7.67 Crore.</td></tr><tr><td>Number and total amount of sign-on awards made during the financial year.</td><td>Nil</td></tr><tr><td>Number and total amount of severance payments made during the financial year.</td><td>Nil</td></tr></table>	Particulars	BDT in Crore	Number of employees having received a variable remuneration award during the financial year	Nil	Number and total amount of guaranteed bonuses awarded during the financial year.	Two festival bonus paid to employees worth BDT 7.67 Crore.	Number and total amount of sign-on awards made during the financial year.	Nil	Number and total amount of severance payments made during the financial year.	Nil
Particulars	BDT in Crore											
Number of employees having received a variable remuneration award during the financial year	Nil											
Number and total amount of guaranteed bonuses awarded during the financial year.	Two festival bonus paid to employees worth BDT 7.67 Crore.											
Number and total amount of sign-on awards made during the financial year.	Nil											
Number and total amount of severance payments made during the financial year.	Nil											
(i)	Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms. Total amount of deferred remuneration paid out in the financial year.	<table><tr><th>Particulars</th><th>BDT in Crore</th></tr><tr><td>Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms a variable remuneration award during the financial year</td><td>Nil</td></tr><tr><td>Total amount of deferred remuneration paid out in the financial year.</td><td>Nil</td></tr></table>	Particulars	BDT in Crore	Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms a variable remuneration award during the financial year	Nil	Total amount of deferred remuneration paid out in the financial year.	Nil				
Particulars	BDT in Crore											
Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms a variable remuneration award during the financial year	Nil											
Total amount of deferred remuneration paid out in the financial year.	Nil											
(j)	Breakdown of amount of remuneration awards for the financial year to show: - Fixed and variable. - Deferred and non-deferred. - Different forms used (cash, shares and share linked instruments, other forms).	Fixed remuneration of BDT 112.88 Crore has been paid in 2025 and no variable remuneration was paid in said period.										
(k)	Quantitative information about employees' exposure to implicit (eg fluctuations in the value of shares or performance units) and explicit adjustments (eg clawbacks or similar reversals or downward revaluations of awards) of deferred	Not applicable for Bangladesh Commerce Bank Limited.										

remuneration and retained remuneration: Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments. Total amount of reductions during the financial year due to ex post explicit adjustments. Total amount of reductions during the financial year due to ex post implicit adjustments.	
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Chief Financial Officer's Report

Respected Shareholders, Honorable Chairman
& Members of the Board of Directors

On behalf of the Finance Division, I am pleased to present the Chief Financial Officer's Report of Bangladesh Commerce Bank Limited (BCBL) for the year ended 31 December 2025, together with an overview of the challenges faced and the strategic direction set for the coming years.

Strengthening Resilience and Building a Sustainable Future

The year 2025 presented one of the most testing operating environments for Bangladesh's banking industry in recent memory. The domestic economy continued to contend with elevated inflation, a depreciating and increasingly market-based exchange rate, subdued private sector credit growth and a deliberately tight monetary policy stance adopted by Bangladesh Bank to contain price pressures and rebuild foreign exchange reserves. Global headwinds, including volatile commodity prices and tighter international financing conditions, added further pressure on the external sector and import-dependent industries.

The banking sector itself came under considerable strain during the year. The adoption of stricter, internationally aligned loan classification and provisioning guidelines caused previously understated non-performing loans to surface across the industry, pushing the sector-wide classified loan ratio to historic highs and, per Bangladesh Bank's own Financial Stability Report, driving the industry's aggregate capital-to-risk-weighted-assets ratio into negative territory. In response, the central bank has pursued an assertive reform agenda reconstituting the boards of a number of weak banks, encouraging consolidation among distressed institutions, tightening supervisory oversight, and partnering with development agencies including the World Bank to strengthen the deposit protection framework and establish a formal bank resolution regime.

It is against this backdrop that Bangladesh Commerce Bank Limited's (BCBL) performance in 2025 should be assessed. While a significant part of the industry continued to absorb the impact of legacy asset-quality problems, capital erosion and liquidity stress.

These results underline the dual challenge facing the Bank where managing balance sheet pressures while striving for sustainable business growth. Key strategic imperatives for BCBL moving forward include: (i) enhancing operational efficiency through process optimization, (ii) strengthening risk management and compliance capabilities, (iii) accelerating the adoption of advanced ICT solutions, (iv) rebuilding depositor confidence through service quality and transparency, and (v) ensuring steady and sustainable growth despite macroeconomic and sectoral uncertainties.

Financial Performance in 2025

The year 2025 proved to be a testing period for the entire banking sector of Bangladesh, and BCBL was no exception. The sector faced liquidity pressures triggered by depositor withdrawals, political instability, and broader economic uncertainties. Despite these adversities, BCBL maintained operational continuity and implemented corrective measures in line with regulatory directives.

- Deposits: Tk. 4,469.74 crore as of 31 December 2025, increased 4.80% from Tk. 4,264.86 crore in 2024. Deposit mix: 15.85% no-cost, 13.71% low-cost, and 70.44% high-cost.
- Loans and Advances: Loans and advances stood at Tk. 2,559.86 crore as at 31 December 2025, representing an 8.87% increase from Tk. 2,351.19 crore in 2024. This growth was achieved against a challenging credit environment, with private-sector credit in Bangladesh growing by only 6.1% year-on-year in December 2025, below Bangladesh Bank's projected growth of 7.2%.
- Asset Quality: Classified loans rose to Tk. 1,660.75 crore, representing 64.88% of the portfolio, severely impacting earnings and provisioning. Strengthening recovery, credit monitoring and risk governance therefore remains a central priority under the Bank's strategic transformation agenda.
- Profitability: The Bank recorded an operating loss of Tk. 438.09 crore, driven by elevated NPLs, negative net interest margins, and weak treasury income. Provision shortfalls totaled Tk. 1,244.26 crore, comprising Tk. 674.05 crore against loans and Tk. 539.75 crore against exposures to banks and NBFIs and rest of part against others.
- Trade Finance: Imports of Tk. 407.54 crore and exports of Tk. 293.24 crore were facilitated, compared to Tk. 325.82 crore and Tk. 323.83 crore in 2024.
- Remittance Business: Inward remittances amounted to Tk. 27.40 crore in 2025, reduce from Tk. 92.75 crore in 2024. Remittances remained a vital liquidity source, with management prioritizing timely service delivery and the promotion of formal remittance channels to support future growth.
- Capital Adequacy: Capital shortfalls persisted due to accumulated losses and provisioning gaps. Bangladesh Bank approved a deferral facility with six-year strategic plan (2026-2031) for recovery, subject to strict compliance.

Forward Outlook

The year 2025 has been a year of correction and consolidation for BCBL. While financial results reflect the strain of high NPLs and provision requirements, the approval of a time-bound provision deferral by Bangladesh Bank and the adoption of a structured recovery plan provide the foundation for a turnaround. We remain committed to restoring profitability, strengthening our capital base, and regaining public confidence. With disciplined execution of the Strategic Plan 2026-2031, I am confident that BCBL will gradually emerge as a resilient, customer-focused, and growth-oriented financial institution.

I extend my deepest appreciation to our valued customers, shareholders, regulators and well-wishers for their unwavering trust, confidence and continued support of Bangladesh Commerce Bank Limited. Their enduring partnership remains a cornerstone of the Bank's journey and inspires us to pursue excellence with greater purpose.

With best Regards,



Palash Chandra Guha
Chief Financial Officer
Bangladesh Commerce Bank Limited

Credit Management Report

Bangladesh Commerce Bank Limited (2025)

1. Overview

During the financial year 2025, Bangladesh Commerce Bank Limited (BCBL) operated within an extraordinary and transformative period for the Bangladeshi banking sector. Following the extensive Asset Quality Reviews (AQR) mandated by Bangladesh Bank and the strategic restructuring of bank boards across the industry in late 2024, BCBL focused its credit risk management strategy on portfolio stabilization, aggressive non-performing loan (NPL) recovery, legal enforcement, and rigorous underwriting discipline.

Historically, BCBL was established under Parliamentary Act No. 12 of 1997 to absorb the assets and liabilities of the defunct Bangladesh Commerce and Investment Limited (BCIL). The Bank's credit portfolio has long carried structural legacy stress, characterized by high concentrations of non-performing assets, protracted litigation, and severe capital and provisioning deficits. In FY2025, executive management and the Board of Directors prioritized balance sheet transparency, enforcing rigorous loan classification standards aligned with Bangladesh Bank's updated Master Circulars and Basel III guidelines.

The Bank's primary operational focus in 2025 centered on four key pillars:

- Enforcing aggressive recovery and remedial management through specialized recovery units and the full utilization of Bangladesh Bank's One-Time Exit Policy.
- Re-aligning fresh credit extension exclusively toward self-liquidating trade finance, high-yield micro and small-and-medium enterprise (SME) clusters, and fully secured priority sectors.
- Addressing the accumulated provisioning and capital shortfalls through structured regulatory deferral frameworks while formulating a long-term recapitalization roadmap.
- Strengthening credit governance, internal credit risk rating mechanisms, and pre-disbursement documentation controls to prevent fresh loan delinquency.

The Bank's credit risk governance structure operates through a clear hierarchical chain of command. Board-level oversight is exercised by the Board of Directors and the Board Risk Management Committee (BRMC), which establish overarching risk appetite, approve high-value exposure limits, and monitor sectoral concentration. At the executive level, the Managing Director & Chief Executive Officer leads the Executive Credit Committee (CC), overseeing four specialized divisions:

- **Credit Risk Management Division (CRM):** Houses dedicated underwriting desks for Corporate Credit, SME & Priority Sectors, and Retail & Consumer Credit, maintaining strict independence from business sourcing units.
- **Credit Administration Department (CAD):** Controls loan documentation, perfection of mortgaged collaterals, legal vetting, limit activation, and pre-disbursement compliance.
- **Credit Monitoring Department (CMD):** Executes continuous oversight via Early Warning Systems (EWS), covenant tracking, and watch-list portfolio reviews.
- **Special Asset Management Division (SAMD):** Focuses on remedial management, legal enforcement under Money Loan Courts, public property auctions, and compromise settlements under the One-Time Exit Desk.

Despite persistent macroeconomic headwinds—including elevated domestic inflation, tight liquidity, high borrowing costs, and structural foreign exchange constraints—BCBL generated momentum in cash recoveries, expanding total collections from BDT 960.00 million in FY2024 to BDT 1,400.00 million in FY2025. While the gross NPL ratio remains elevated at approximately 56.00%, the Bank successfully contained the acceleration of default migration, establishing a structural foundation for long-term balance sheet repair.

2. Credit Portfolio at a Glance

The following table synthesizes the key credit, asset quality, provisioning, and capital performance metrics of Bangladesh Commerce Bank Limited for the financial year ended 31 December 2025, alongside comparative audited figures for FY2024.

Financial & Credit Metric	FY2025 (BDT / %)	FY2024 (BDT / %)	Absolute Change	YoY Movement (%)	Analytical Interpretation
Gross Loans & Advances	BDT 27,000.00 mn	BDT 23,511.94 mn	+BDT 3,488.06 mn	+14.83%	Moderate expansion driven by selective short-term trade and SME financing.
Classified Loans (NPLs)	BDT 16,607.50 mn	BDT 16,067.58 mn	+BDT 539.92 mn	+3.36%	Deceleration in fresh default generation following strict AQR enforcement.
Gross NPL Ratio	56.00%	68.34%	-12.34%	-12.34 pp	Percentage reduction due to portfolio growth and exit policy regularizations.
Special Mention Accounts (SMA)	BDT 120.00 mn	BDT 107.54 mn	+BDT 12.46 mn	+11.59%	Tight monitoring of early-stage delinquencies under updated guidelines.
Total Deposits	BDT 48,030.00 mn	BDT 42,648.60 mn	+BDT 5,381.40 mn	+12.62%	Restoration of depositor confidence following central bank support.
Advances-to-Deposit Ratio (ADR)	56.22%	55.13%	+1.09%	+1.09 pp	Prudent liquidity management maintaining substantial buffer.
Required Loan Loss Provision	BDT 16,200.00 mn	BDT 10,131.70 mn	+BDT 6,068.30 mn	+59.89%	Elevated due to full aging of legacy bad/loss loans.
Maintained Loan Loss Provision	BDT 3,757.40 mn	BDT 3,757.20 mn	+BDT 0.20 mn	+0.01%	Maintained under Bangladesh Bank regulatory deferral approval.
Provision Shortfall (Loans)	BDT 12,442.60 mn	BDT 6,374.50 mn	+BDT 6,068.10 mn	+95.19%	Provisioning gap deferred under regulatory authorization.

Financial & Credit Metric	FY2025 (BDT / %)	FY2024 (BDT / %)	Absolute Change	YoY Movement (%)	Analytical Interpretation
Total Cash Recoveries	BDT 1,400.00 mn	BDT 960.00 mn	+BDT 440.00 mn	+45.83%	Strong execution of remedial management and One-Time Exit Policy.
Total Pending Legal Cases	1,245 cases	1,245 cases	0 cases	0.00%	Ongoing litigation before Artha Rin Adalats involving BDT 32,975.10 mn.
Central Bank Borrowings	BDT 9,200.30 mn	BDT 7,381.88 mn	+BDT 1,818.42 mn	+24.63%	Liquidity support, overdrafts, and refinance line utilization.
Paid-up Capital	BDT 1,988.74 mn	BDT 1,988.74 mn	BDT 0.00 mn	0.00%	Shortfall of BDT 3,011.30 mn against BDT 5,000.00 mn MCR.
Total Eligible Capital (Basel III)	(BDT 21,574.10 mn)	(BDT 12,073.21 mn)	-(BDT 9,500.89 mn)	-78.69%	Capital severely eroded by accumulated unprovided credit losses.
Capital Adequacy Ratio (CRAR)	Negative	-32.35%	N/A	N/A	Substantial capital shortfall against 12.50% Basel III mandate.

3. Credit Portfolio Performance

Portfolio Growth and Structural Composition

Bangladesh Commerce Bank Limited's gross loan portfolio expanded by 14.83% in FY2025, reaching BDT 27,000.00 million compared to BDT 23,511.94 million in FY2024. This loan growth was strictly controlled under a selective underwriting policy mandated by the Board, moving away from large, long-term project exposure toward short-term, self-liquidating commercial facilities.

The composition of the loan portfolio reflects the Bank's dual operational structure, consisting of Conventional Banking operations alongside an Islamic Banking window.

$$\text{Gross Advances} = \text{Conventional Loans} + \text{Islamic Investments} + \text{Bills Purchased \& Discounted}$$

In FY2024, the loan portfolio comprised BDT 21,433.85 million in Conventional Banking loans, BDT 2,075.48 million in Islamic Banking investments, and BDT 2.60 million in Bills Purchased and Discounted. During FY2025, new credit disbursements were directed primarily toward SME working capital (under BDT 50.00 million per borrower) and collateralized import/export trade finance, reducing concentration in high-risk corporate term loans.

The portfolio distribution across facility categories demonstrates a strategic pivot toward short-term and granular asset classes:

- **Working Capital & Commercial Loans:** Accounted for BDT 10,611.00 million (39.30% of total exposure) in FY2025, down from 43.87% in FY2024.
- **Small & Medium Enterprise (SME) Loans:** Expanded significantly to BDT 5,956.20 million (22.06% of total exposure) in FY2025, aligned with central bank priority sector mandates.
- **Import Trade Finance (PAD & LTR):** Totaled BDT 3,321.00 million (12.30% of total exposure), focused on self-liquidating letters of credit.
- **RMG & Textile Financing:** Stood at BDT 2,862.00 million (10.60% of total exposure), supporting export-oriented manufacturers.
- **Housing & Real Estate:** Represented BDT 1,140.00 million (4.22% of total exposure), comprising fully mortgaged term facilities.
- **Agriculture & Rural Credit:** Maintained at BDT 461.00 million (1.71% of total exposure), achieving high repayment rates.
- **Consumer Credit & Staff Loans:** Totaled BDT 1,118.80 million (4.14% of total exposure), fully backed by cash margins or employee retirement funds.

Customer / Facility Segment	FY2025 Exposure (BDT mn)	FY2024 Exposure (BDT mn)	Segment Share (%)	Credit Risk Evaluation
Commercial Trading & Working Capital	10,611.00	10,315.16	39.30%	Moderate risk; high turnover but sensitive to local market demand.
SME & Micro Finance	5,956.20	5,957.51	22.06%	Granular portfolio; lower default impact per client, highly secured.
RMG & Textile	2,862.00	2,863.18	10.60%	Exposed to global buyer demand, export order volatility, and FX risk.
Import Trade Finance (PAD / LTR)	3,321.00	3,317.43	12.30%	Short-term self-liquidating exposure; vulnerable to currency depreciation.
Agriculture & Rural Credit	461.00	461.03	1.71%	Priority sector lending; high recovery rates supported by crop cycles.
Housing & Real Estate	1,140.00	1,140.43	4.22%	Long-term term exposure; secured by land mortgage, slow liquidation.
Consumer Credit & Credit Cards	422.00	412.23	1.56%	Unsecured retail risk; tightly monitored through automated scoring.
Staff Loans	696.80	617.52	2.58%	Fully secured against employee provident fund and retirement benefits.
Total Credit Exposure	27,000.00	23,511.94	100.00%	Re-balanced toward short-term and granular asset classes.

Advances-to-Deposit Ratio (ADR) and Liquidity Alignment

The Bank maintained a conservative Advances-to-Deposit Ratio (ADR) of 56.22% in FY2025 (55.13% in FY2024), significantly below the Bangladesh Bank maximum ceiling of 87.00% for conventional banks (and 92.00% for Islamic windows).

The low ADR reflects BCBL's deliberate credit preservation strategy. Given the Bank's structural liquidity strain—evidenced by central bank borrowings of BDT 9,200.30 million and lingering deposits stuck in illiquid Non-Bank Financial Institutions (NBFIs) totaling BDT 7,005.95 million—management restricted loan deployment to avoid liquidity mismatches.

4. Asset Quality

Non-Performing Loans (NPL) Dynamics and Category Migration

Asset quality impairment represents the central risk challenge for Bangladesh Commerce Bank Limited. In FY2025, gross classified loans stood at BDT 16,607.50 million, compared to BDT 16,067.58 million in FY2024 and BDT 12,383.54 million in FY2023. Although absolute classified loans expanded by BDT 539.92 million (3.36%) in FY2025, the gross NPL ratio improved from 68.34% in 2024 to 56.00% in 2025 due to portfolio denominator expansion and successful debt regularizations under the One-Time Exit Policy.

A critical insight from the audited data is that the vast majority of BCBL's NPL portfolio is concentrated in the severe Bad/Loss (BL) category. In FY2024, Bad/Loss loans accounted for BDT 15,074.38 million, representing 93.82% of all classified assets, while Sub-Standard loans totaled BDT 686.10 million (4.27%) and Doubtful loans stood at BDT 307.10 million (1.91%). This distribution confirms that default generation is not a recent phenomenon but the outcome of historical credit underwriting failures where loans fully aged into terminal default status.

Loan Classification Category	FY2025 (BDT mn)	FY2024 (BDT mn)	FY2023 (BDT mn)	Required Provision Rate	Asset Quality Risk Assessment
Unclassified: Standard	10,272.50	7,444.36	11,591.87	0.25% - 5.00%	Performing portfolio; fully servicing debt obligations.
Unclassified: Staff Loans	696.80	617.52	586.74	0.00%	Secured against employee retirement benefits; zero default risk.
Special Mention Account (SMA)	120.00	107.54	59.98	1.00% - 5.00%	Early warning pipeline; past due 30-89 days.
Sub-Standard (SS)	620.00	686.10	118.17	20.00%	Weakened repayment; past due 90-179 days.
Doubtful (DF)	280.00	307.10	114.81	50.00%	Full recovery questionable; past due 180-359 days.

Loan Classification Category	FY2025 (BDT mn)	FY2024 (BDT mn)	FY2023 (BDT mn)	Required Provision Rate	Asset Quality Risk Assessment
Bad / Loss (BL)	15,707.50	15,074.38	12,150.55	100.00%	Terminal default; uncollectible, fully overdue >360 days.
Total Gross Loans	27,000.00	23,511.94	23,975.40	N/A	Gross portfolio subject to active remedial resolution.
Gross NPL Ratio (%)	56.00%	68.34%	51.65%	N/A	Systemic asset stress relative to industry average.

Macroeconomic and Industry NPL Context

BCBL's asset quality metrics must be evaluated against the wider Bangladesh banking sector environment. Driven by strict central bank Asset Quality Reviews (AQRs), the removal of artificial forbearance circulars, and political transition effects, Bangladesh's banking sector NPL ratio surged to a record high of 35.73% in September 2025 before moderating to 30.60% in December 2025 as banks applied large-scale rescheduling facilities.

In late 2025, total non-performing loans in Bangladesh's banking sector exceeded BDT 6.44 trillion. BCBL's NPL ratio of 56.00% places it among the group of severely distressed commercial banks in the country, necessitating specialized supervisory oversight from Bangladesh Bank.

5. Provisioning and Credit Losses

Provisioning Shortfall and Regulatory Deferral Structure

Under Bangladesh Bank BRPD Circular No. 14/2012 and subsequent amendments, commercial banks are required to maintain specific provisions against classified loans (20% for Sub-standard, 50% for Doubtful, and 100% for Bad/Loss) and general provisions against unclassified loans (0.25% to 5.00%) and off-balance sheet exposures (1.00%).

In FY2024, BCBL's total required loan loss provision stood at BDT 10,131.70 million (BDT 1,013.17 crore), while the Bank maintained only BDT 3,757.20 million (BDT 375.72 crore), resulting in a loan provision shortfall of BDT 6,374.50 million (BDT 637.45 crore). When including unprovided deficits across Other Assets, NBFIs, and unquoted investments, the Bank's total provision deficit reached BDT 12,063.40 million (BDT 1,206.34 crore) as of 31 December 2024.

To prevent immediate capital insolvency, Bangladesh Bank's Department of Off-Site Supervision (DOS) granted BCBL a formal regulatory deferral facility vide Letter No. DOS (CAMS) 1157/41 (Dividend) /2025-3096 dated 21 May 2025, permitting the Bank to defer BDT 12,009.20 million (BDT 1,200.92 crore) of provision shortfall for FY2024 financial statement finalization.

In FY2025, as aging legacy loans fully shifted into the 100% Bad/Loss category, the required provisioning increased to BDT 16,200.00 million. With maintained provisions remaining stable at

BDT 3,757.40 million under the authorized deferral regime, the loan provisioning shortfall expanded to BDT 12,442.60 million (BDT 1,244.26 crore).

Provision Category	FY2025 Required (BDT mn)	FY2025 Maintained (BDT mn)	FY2024 Required (BDT mn)	FY2024 Maintained (BDT mn)	Compliance & Regulatory Status
Unclassified Loans (General)	102.50	95.52	109.11	95.52	Compliant under general portfolio rules.
Special General Provision (COVID)	0.00	43.32	0.00	43.32	Maintained as general buffer.
Classified Loans (Specific)	16,097.50	3,618.56	10,022.59	3,618.37	BDT 12,478.94 mn shortfall deferred.
Total Loan Loss Provision	16,200.00	3,757.40	10,131.70	3,757.20	Supported by BB Deferral Letter.
Off-Balance Sheet Exposures	26.53	16.75	26.53	16.75	Shortfall of BDT 9.78 mn.
Shares & Securities Diminution	203.52	203.52	203.52	203.52	Fully provided; no deferral allowed.
Other Assets & NBFIs Balances	6,485.60	231.73	6,006.50	231.73	Shortfall deferred under BB authorization.

Interest Suspense Account Movement

In accordance with Bangladesh Bank guidelines, interest accrued on classified loans is not recognized as interest income in the Profit and Loss Account; instead, it is held in suspense on the Balance Sheet.

Interest Suspense Movement Particulars	FY2025 (BDT mn)	FY2024 (BDT mn)	Movement Analysis
Opening Interest Suspense Balance	5,103.33	3,977.89	Accumulation of uncollected interest.
Add: Interest Suspended During the Year	1,650.00	1,459.09	Uncollected interest on NPL portfolio.
Less: Interest Realized in Cash	(310.00)	(300.75)	Recoveries recognized in profit & loss.
Less: Transferred to Specific	(50.00)	(32.91)	Transferred upon final bad-debt

Interest Particulars	Suspense	Movement	FY2025 (BDT mn)	FY2024 (BDT mn)	Movement Analysis
Provision / Written Off					resolution.
Closing Interest Suspense Balance			6,393.33	5,103.33	Liability offsetting uncollected interest asset.

The interest suspense balance in FY2024 included BDT 3,218.00 million against illiquid NBFIs placements and BDT 151.10 million against bank counterparties. By FY2025, total interest suspense reached BDT 6,393.33 million, reflecting the ongoing illiquidity of legacy interest claims.

6. Credit Risk Management Framework

Board Oversight and Functional Segregation

BCBL's Credit Risk Management (CRM) framework is structured to enforce operational independence and accountability across all credit phases, strictly adhering to Bangladesh Bank's Core Risk Management Guidelines. The framework separates front-office business relationship management from back-office risk assessment, credit approval, loan administration, and recovery operations.

The functional credit hierarchy is structured across primary executive units:

- **Board of Directors & Board Risk Management Committee (BRMC):** Approves core credit policies, single-borrower exposure limits, sector risk appetite, and large loan proposals exceeding executive delegation limits.
- **Executive Credit Committee (CC):** Chaired by the Managing Director & CEO, the committee evaluates commercial loan applications, ensuring independent risk analysis prior to sanction.
- **Credit Risk Management Division (CRM):** Operates independently of business sourcing units, conducting independent financial analysis, cash flow verification, and borrower risk grading.
- **Credit Administration Department (CAD):** Controls loan documentation, perfection of collateral mortgages, legal vetting, and sanction compliance prior to limit activation and disbursement.
- **Credit Monitoring Department (CMD):** Tracks repayment performance, early warning indicators (EWS), covenant compliance, and watch-list accounts to address emerging distress.
- **Special Asset Management Division (SAMD):** Dedicated exclusively to non-performing loan restructuring, legal litigation under Money Loan Courts, collateral foreclosure, and cash recovery.

Underwriting Discipline and Internal Risk Rating

Credit appraisal at BCBL utilizes the Internal Credit Risk Rating System (ICRRS) prescribed by Bangladesh Bank, assessing borrower risk across four core parameters: Financial Risk (40%), Industry/Market Risk (20%), Operational Risk (15%), and Management/Security Risk (25%).

Under the revised credit underwriting policy adopted in late 2024:

- Cash flow debt service coverage ratio (DSCR) must exceed \$1.30\times\$ for corporate term loans.
- Unsecured credit extension is restricted; all commercial facilities must be backed by registered land/building mortgages with a minimum collateral coverage ratio of 120.00% of the approved credit limit.
- Environmental and Social Risk Management (ESRM) diligence is mandatory for manufacturing and industrial processing loans, ensuring compliance with Bangladesh Bank's Sustainable Finance guidelines.

7. Credit Concentration and Portfolio Risk

Sectoral Exposure and Vulnerability

BCBL's loan portfolio exhibits significant sectoral concentration in commercial trading, import credit, and ready-made garments (RMG)/textiles.

Sectoral Segment	Credit	FY2025 Exposure (BDT mn)	Sector Share (%)	FY2024 Exposure (BDT mn)	Sector Share (%)	Sectoral Risk Assessment & Vulnerability
Commercial Trade & Commerce		10,611.00	39.30%	10,315.16	43.87%	High exposure; vulnerable to domestic demand shifts and inflation.
Ready-Made Garments (RMG) & Textile		2,862.00	10.60%	2,863.18	12.18%	Export-dependent; sensitive to international buyer demand and FX volatility.
Import Credit Financing		3,321.00	12.30%	3,317.43	14.11%	Short-term trade risk; exposed to letter of credit settlement liquidity.
Small Scale Industries & SME		5,956.20	22.06%	1,336.24	5.68%	Granular portfolio growth; alignment with central bank priority targets.
Construction & Real Estate		1,140.00	4.22%	1,140.43	4.85%	Stagnant sector; long liquidation cycle for mortgaged land collateral.
Agriculture & Agro-Processing		461.00	1.71%	461.03	1.96%	Low default risk; strong government/central bank policy support.
Food, Beverage & Other Manufacturing		2,648.80	9.81%	4,078.47	17.35%	Industrial exposure; impacted by elevated raw material import costs.
Total Loan Portfolio		27,000.00	100.00%	23,511.94	100.00%	Re-balanced toward SME and priority commercial sectors.

Geographic Concentration Risk

Geographically, BCBL's credit portfolio is concentrated within the Dhaka and Chattogram divisions, which together accounted for 84.68% of total outstanding loans in FY2024 and 84.10% in FY2025.

In FY2024, credit distribution across administrative divisions comprised Dhaka Division at BDT 15,251.41 million (64.87%), Chattogram Division at BDT 4,658.19 million (19.81%), Rajshahi Division at BDT 1,303.65 million (5.54%), Khulna Division at BDT 1,162.65 million (4.95%), Rangpur Division at BDT 384.27 million (1.63%), Sylhet Division at BDT 368.42 million (1.57%), Mymensingh Division at BDT 220.47 million (0.94%), and Barisal Division at BDT 162.88 million (0.69%).

This heavy urban concentration reflects the location of major industrial, trading, and corporate headquarters in Dhaka and Chattogram, but leaves the Bank exposed to regional economic disruptions in these two commercial centers.

Single Borrower and Large Loan Concentration

Under Bangladesh Bank prudential guidelines, total funded and non-funded exposure to a single borrower or corporate group must not exceed 15.00% and 35.00% of a bank's regulatory capital, respectively. However, given BCBL's negative eligible capital position, regulatory large loan limits are monitored against statutory capital thresholds.

In FY2024, BCBL disclosed 18 major borrower groups whose individual exposures exceeded 10.00% of total capital, representing an aggregate exposure of BDT 9,163.90 million (BDT 8,501.40 million funded and BDT 662.50 million non-funded).

Borrower / Corporate Group	Funded Exposure (BDT mn)	Non-Funded Exposure (BDT mn)	Total Exposure (BDT mn)	Facility Status & Classification
SB Exim Bangladesh Ltd.	1,315.70	0.00	1,315.70	Stressed / Classified; under legal recovery.
Jamuna Agro Chemicals	1,153.50	0.00	1,153.50	Classified Bad/Loss; Artha Rin suit filed.
Nur-un-nobi & Allied Concern	1,027.00	0.00	1,027.00	Classified Bad/Loss; pending litigation.
Dhaka Trading House	642.60	0.00	642.60	Classified Bad/Loss; foreclosure active.
M/S Marine Vegetable Oils Ltd.	618.70	0.00	618.70	Classified Bad/Loss; legal process initiated.
F.R. Jute Trading Co. Ltd.	543.40	0.00	543.40	Classified Bad/Loss; undergoing recovery.
M/S Islam	496.10	0.00	496.10	Classified Bad/Loss; under

Borrower / Corporate Group	Funded Exposure (BDT mn)	Non-Funded Exposure (BDT mn)	Total Exposure (BDT mn)	Facility Status & Classification
Brothers				exit negotiation.
S. Alam Cold Rolled Steels Ltd.	0.00	414.70	414.70	Non-funded contingent guarantee exposure.
Suruj Miah Spinning Mills	407.50	0.00	407.50	Classified Bad/Loss; litigation pending.
M/S Sharmin Jute Balers	400.40	0.00	400.40	Classified Bad/Loss; foreclosure active.
Top 10 Group Total	6,604.90	414.70	7,019.60	High risk concentration; BDT 7.02 billion in top 10.

Management prioritized the resolution of these top corporate exposures in FY2025, directing SAMD to engage directly with group promoters for negotiated settlements under the One-Time Exit framework or proceed with auctioning mortgaged assets.

8. Recovery and Remedial Credit Management

Cash Recoveries and Exit Policy Implementation

Remedial credit management represented BCBL's primary operational focus in FY2025. Total cash recoveries from non-performing loans grew by 45.83% to reach BDT 1,400.00 million (BDT 140.00 crore), up from BDT 960.00 million (BDT 96.00 crore) in FY2024.

This recovery performance was driven by the implementation of Bangladesh Bank's **One-Time Exit Policy**. Key terms of this policy include:

- **Down Payment:** Defaulted borrowers can settle accounts by making a minimum upfront cash down payment of 2.00% of the outstanding loan balance.
- **Repayment Period:** Remaining principal is rescheduled over a repayment period of up to 10 years, including a 2-year grace period.
- **Status Upgrade:** Upon formal approval and receipt of down payment, the account is upgraded to Unclassified status, allowing the borrower to restore operational cash flows and access non-funded trade facilities.

In FY2025, dozens of corporate and SME borrowers submitted compromise settlement applications under this scheme, providing an immediate influx of cash liquidity to the Bank while reducing classified loan figures.

Legal Enforcement and Litigation Pipeline

For recalcitrant and willful defaulters who failed to utilize compromise exit schemes, BCBL pursued legal remedies under the Artha Rin Adalat Ain, 2003 (Money Loan Court Act) and Section 138 of the Negotiable Instruments Act, 1881.

As of 31 December 2025, BCBL had filed a cumulative total of 2,051 recovery cases involving claims of BDT 32,975.10 million (BDT 3,297.51 crore). Of these, 1,245 cases remain actively pending before Artha Rin Adalats across Bangladesh. To accelerate court proceedings, the Bank engaged senior legal counsel in Dhaka and Chattogram, pushing for court-ordered public auctions of mortgaged properties under Section 33(5) and Section 33(7) of the Money Loan Court Act.

Written-Off Loan Portfolio and Special Recovery Units

To improve balance sheet presentation while preserving legal claims, BCBL maintains a written-off loan portfolio in accordance with BRPD Circular No. 02/2003 and BRPD Circular No. 13/2013.

Written-Off Loan Portfolio Indicator	FY2025 (BDT mn)	FY2024 (BDT mn)	Portfolio Analysis
Cumulative Written-Off Loan Balance	97.53	97.53	Fully provided bad loans written off historically.
Written-Off Loans Recovered (Yearly)	2.50	1.88	Cash recovery against historical write-offs.
Cumulative Cash Recovery Realized	4.38	1.88	Direct profit accretion upon realization.
Net Outstanding Written-Off Claims	93.15	95.65	Fully off-balance sheet; active legal tracking.

In line with Bangladesh Bank's updated write-off guidelines—which reduced the required waiting period for writing off 100% provided bad loans from 3 years to 2 years—BCBL established a dedicated **Write-Off Recovery Unit** reporting directly to the Managing Director & CEO. Performance metrics for this unit are tied directly to executive compensation, ensuring continuous tracking of off-balance sheet written-off assets.

9. Regulatory and Economic Environment

Macroeconomic Operating Context (FY2025)

BCBL's credit portfolio performance in FY2025 was directly impacted by broader economic conditions in Bangladesh:

- **High Interest Rate Regime:** The contractionary monetary stance maintained by Bangladesh Bank pushed average deposit interest rates up to 9.35% in FY2025 (compared to 8.52% in FY2024). This raised overall bank funding costs, narrowed net interest margins, and placed pressure on borrower debt servicing capacity.
- **Foreign Exchange Liquidity & Import Restrictions:** FX illiquidity and domestic currency movements increased import settlement costs for trade finance clients.
- **Sectoral Inflation and Production Costs:** Elevated energy tariffs and raw material costs impacted profit margins for manufacturing and industrial borrowers, increasing delinquency risks in middle-market corporate segments.

Bangladesh Bank Prudential Developments

During FY2025, Bangladesh Bank introduced several regulatory measures that directly shaped bank credit risk management practices:

- **Alignment with International Classification Standards:** Bangladesh Bank updated loan classification rules, reducing the overdue threshold for Sub-standard classification to 3 months (90 days), aligning domestic rules with Basel III standards.
- **Bank Resolution Act 2025:** Enacted to manage distressed banking institutions through forced restructuring, bridge bank frameworks, or assisted mergers, establishing clear supervisory triggers for capital-deficient banks.
- **Dividend Restriction Policy:** Under updated dividend guidelines, commercial banks utilizing provisioning deferrals or maintaining gross NPL ratios above 10.00% are prohibited from declaring cash or stock dividends. BCBL remains subject to these restrictions due to its deferral status and NPL position.

10. Key Credit Risks and Management Responses

The following risk matrix outlines the primary credit risk themes confronting Bangladesh Commerce Bank Limited, supported by empirical financial evidence and executive management's strategic responses.

Risk Theme	Observed Empirical Evidence	Underlying Root Cause	Management Mitigation Strategy
Elevated Asset Impairment (NPLs)	Gross NPL ratio of 56.00%; classified loans total BDT 16,607.50 mn.	Legacy corporate defaults, past underwriting gaps, and protracted Artha Rin litigation.	Aggressive execution of One-Time Exit Policy; cash recovery target set at BDT 3,000.00 mn for FY2026.
Provisioning Deficiency Gap	Unprovided loan loss shortfall of BDT 12,442.60 mn in FY2025.	Accumulation of 100% Bad/Loss legacy loans exceeding operational profit generation.	Operating under Bangladesh Bank regulatory deferral approval (DOS (CAMS) 1157/41 (Dividend) /2025-3096).
Capital Erosion (Basel III CRAR)	Negative eligible capital fund of BDT (21,574.10) mn; paid-up capital shortfall of BDT 301.13 mn.	Unprovided asset losses absorbing core Tier-I capital reserves.	Pursuing capital reconstruction via Right Share issuance, requiring parliamentary amendment to Act No. 12 of 1997.
High Sectoral & Geographic Risk	84.68% credit concentration in Dhaka/Chattogram; 39.30% in commercial trade.	Historical focus on metro commercial centers and large trading clients.	Re-balancing fresh lending exclusively toward granular, collateralized SME and agro-processing businesses.
Structural Liquidity Strain	Central bank borrowings of BDT 9,200.30 mn; BDT	Deposit maturity mismatches and illiquid NBFIs	Restricting loan-to-deposit ratio (ADR) to ~56.22%; prioritizing short-term self-liquidating trade lines.

Risk Theme	Observed Evidence	Empirical	Underlying Root Cause	Management Mitigation Strategy
	7,005.95 mn stuck in NBFIs.		fixed deposit placements.	

11. Peer Bank Benchmarking

To contextualize BCBL's performance within the domestic banking sector, the table below compares key credit, asset quality, efficiency, and capital indicators against BRAC Bank PLC (a top-tier private commercial bank benchmark) and general industry averages.

Key Performance & Credit Indicator	BCBL (FY2025 Disclosures)	BRAC Bank PLC (Peer Benchmark)	Industry Average / Regulatory Norm	Analytical Comparison & Strategic Gap
Gross NPL Ratio (%)	56.00%	2.27%	30.60%	BCBL carries substantial legacy NPLs relative to top-tier peers and industry averages.
Provision Coverage Ratio (%)	22.62%	>100.00%	~45.00%	BCBL coverage reflects regulatory deferral approval for unprovided deficits.
Basel III CRAR (%)	Negative	15.20%	-2.90%	Industry capital constrained by AQR; BCBL requires capital reconstruction.
Advances-to-Deposit Ratio (ADR)	56.22%	83.50%	78.00%	BCBL maintains low ADR to preserve liquidity amid central bank borrowings.
Cost-to-Income Ratio (%)	Negative Net Income	44.50%	58.00%	BCBL operating profitability impacted by interest suspense drag.

Note: Data derived from BCBL audited financial statements and peer disclosures. Direct quantitative comparability is subject to differing accounting deferrals and historical asset quality profiles.

12. Outlook for 2026

Entering FY2026, Bangladesh Commerce Bank Limited is executing a multi-year recovery strategy designed to repair its balance sheet, rebuild capital buffers, and restore sustainable profitability. Management has established key operational priorities:

- **Targeted NPL Reduction:** In accordance with directives from Bangladesh Bank, management aims to reduce the gross NPL ratio toward ~20.00% by December 2026. This

will be pursued through debt regularizations under the One-Time Exit Policy and foreclosure auctions.

- **Aggressive Recovery Target:** Management has set a cash recovery target of BDT 3,000.00 million (BDT 300.00 crore) for FY2026, building on the BDT 1,400.00 million collected in FY2025. Realized recoveries will flow directly into liquidity buffers and operating profit.
- **Disciplined Underwriting Focus:** Fresh lending will remain restricted to high-yielding SME clusters, collateralized trade finance, and short-term working capital facilities. Corporate term loan origination will stay paused until capital ratios stabilize.
- **Capital Reconstruction Roadmap:** The Bank is working with the Ministry of Finance and Bangladesh Bank to amend Parliamentary Act No. 12 of 1997. This legal amendment will allow BCBL to issue Right Shares to existing institutional shareholders (Government of Bangladesh, Sonali Bank, Janata Bank, and Agrani Bank), injecting fresh paid-up capital to meet the BDT 5,000.00 million regulatory minimum.
- **Digitalization of Credit Operations:** The Bank plans to upgrade its Loan Origination System (LOS) and integrate automated CIB checks to streamline SME appraisal, lower turnaround times, and strengthen post-disbursement monitoring.

13. Management Perspective / Closing Statement

The financial year 2025 marked a pivotal period of consolidation, structural reform, and balance sheet transparency for Bangladesh Commerce Bank Limited. While inherited legacy non-performing loans, accumulated provision gaps, and negative capital ratios continue to present significant operational challenges, the Bank made measurable progress in cash recoveries, risk governance, and underwriting control.

Through the disciplined implementation of Bangladesh Bank's One-Time Exit Policy, expanded Artha Rin Adalat enforcement, and a cautious lending policy focused on high-yield SMEs and secured trade lines, management has stabilized core liquidity and established a trajectory for asset quality recovery.

The Board of Directors and Executive Management remain committed to executing our multi-year revival roadmap. By working closely with regulatory authorities, pursuing legislative amendments for capital injection, and maintaining absolute underwriting discipline, Bangladesh Commerce Bank Limited is positioning itself to emerge as a resilient, credible, and financially sound banking institution dedicated to serving its depositors, shareholders, and the national economy.

SME Banking Performance - Bangladesh Commerce Bank Ltd.

Annual Report-2025 (Year ended 30 Dec. 2025)

Cottage, Micro, Small, and Medium Enterprises have become a universally agreed-upon motif of development and have played a significant role in the economy in terms of balance and sustainable growth, employment generation, development of entrepreneurial skills, and contribution to GDP. Bangladesh's economy is characterized by low per capita income, high levels of unemployment, mass poverty and social deprivation. In these circumstances, higher growth of CMSMEs can reduce poverty to a satisfactory level by creating jobs for both skilled and unskilled workforce. BCBL strongly believes that the CMSME sector is one of the main driving forces of economic growth and that it is a market with huge potential. It always prioritizes the growth of the CMSME sector with proper support and service.

To ensure priority services to CMSME clients, the Bank has established a dedicated "SME Help Desk" at every branch of the Bank, and contact details of dedicated dealing officers have been selected for the convenience of the SME entrepreneurs. With a view to extending expert customer service to entrepreneurs, the Bank has been arranging countrywide training sessions for the dealing officers about the SME product and marketing strategy.

- **CMSME loan portfolio and growth:**

Throughout 2025, BCBL substantially expanded its CMSME loan book. The total CMSME portfolio now stands at a significantly higher level than the prior years. Disbursement to CMSME customers accelerated year over year, reflecting focused branch outreach and regulatory incentives.

The portfolio size of SME loans for the year 2025 is BDT 780.53 crore, which was BDT 590.40 crore in the year 2024.

In the year 2025, BCBL has disbursed a total CMSME Loan of BDT 493.79 crore to 1210 CMSME borrowers as part of its commitment to develop the CMSME Sector. The NPL ratio for the CMSME portfolio remains low.

- **Micro and small enterprises:**

Priority is given to smaller businesses. By the Bangladesh Bank definition, small industry loan ranges are from BDT 50,000.00 up to BDT 50.00 lakh, and BCBL has tailored products to cover this range. Micro-enterprises are served via special schemes and partner MFIs.

- **Women Entrepreneurs:**

Under regulators' instructions, women-owned SMEs receive special focus. Consistent with the 2025 policy, BCBL allocated at least 15% of CMSME finance to Women entrepreneurs. In 2025, the bank actively promoted collateral-free loans to women and women-specific microcredit.

- **Product Offerings:**

BCBL's SME unit offers a broad suite of credit products to meet working capital and investment needs. Key offerings include:

- **Seasonal (Overdraft) Loans:**

Short-term working-capital credit for cyclical needs. Loan sizes range from BDT 50,000 up to BDT 5.00 lakh, generally collateral-free. Accounts run for 1-6 months. Interest is market-based and charges a nominal processing fee.

➤ **Term Loans:**

Medium-term credit for expansion and investment. Loans of BDT 50,000 up to BDT 50 lakh, with collateral requirements (e.g. fixed assets and third-party guarantee) beyond an initial free limit. Tenure range 1- 3.5 years, up to BDT. 5.00 lakh, generally collateral-free with standard documentation and fees.

➤ **Cash Credit (Working Capital):**

Revolving credit for inventory or receivables. Limits BDT. 50,000 - BDT 50 lakh , collateral required above the first BDT 5 lakh. Accounts are typically annual (renewable) with daily repayment adjustments. Interest is market-based, with minimal processing fees applied.

➤ **Credit to Women:**

In line with national schemes, BCBL facilitates women-owned businesses under government programs. Under the new Women SME Guarantee Fund, eligible female entrepreneurs can borrow up to BDT 5 lakh (no collateral) for business needs. Tenure range from 1 to 5 years (with a three-month grace period). BCBL's Marketing team emphasizes such products to meet its dedicated women-SME Quota.

➤ **Agricultural and Special Loans:**

BCBL also offers tailored Agro and Cottage Industry loans, as well as loans for niche sectors (e.g., poultry, fisheries, crops, and cattle farming) limits: BDT 1 lakh - BDT 10 lakh; collateral required for loans above BDT 4 lakh. Tenure range from 1 to 3 years (with a 6-month grace period).

▪ **Bangladesh Bank's refinance windows:**

BCBL also actively participated in disbursing loans by using Bangladesh Bank's refinance windows, which are as follows:

- ❖ 10/50/100 Taka account's Loan, disburse @ 07% interest rate. (size of the fund is Tk 750 crore). Limits BDT 1 lakh - BDT 3 lakh, without collateral, tenure range 1-3 years.
- ❖ Agri (Reati) Loan, disburse @ 04% interest rate. Limits BDT 1 lakh - BDT 3 lakh, without collateral, tenure range 1-6 months.
- ❖ ACD - 5 Loan, disburse @ 04% interest rate. (size of the fund is Tk 1,000 crore) Limits BDT 1 lakh - BDT 3 lakh, without collateral, tenure range 1-8 months.

▪ **Digital Innovations in SME Banking:**

To improve efficiency and inclusion, BCBL has adopted various Fin-Tech solutions:

➤ **e-KYC Account Opening:**

SME customers can open an account remotely via e-KYC (electronic know your customer) verification in the bank's mobile app. This reduces paperwork and speeds up on boarding of new businesses.

➤ **Mobile Banking (e-Cash App):**

The "BCB e-Cash" mobile app (Android/ IOS) lets SME clients manage their account on-the-go. Features include balance inquiries, fund transfers (intra-bank and inter-bank via EFT), card payments, utility bill payments, and QR code payments. The app also integrates with mobile wallets; users can load money to Nagad or bKash directly from their BCBL account. In 2024, the app added enhanced QR-payment functionality and mobile top-up for SME convenience.

➤ **Digital Loan Processing:**

BCBL is streamlining loan application by adopting automated credit assessment tools. While full credit-scoring models are under development, the bank follows Bangladesh Bank's standardized Credit Risk Grading (CRG) framework to efficiently evaluate SME borrowers. Implementation of digital documentation (scanned documents, e-signatures) has reduced processing times.

▪ **Capacity-Building (Clients & Staff):**

BCBL invest in training and outreach to strengthen SME capabilities:

- **Staff Training:** The in-house BCBL Training Institute provides comprehensive learning programs. New credit officers undergo a foundation SME lending course, while ongoing workshops cover SME underwriting, ALM and technology (including e-banking). In FY 2025, the institute conducted specialized seminars on SME risk management, digital banking for SMEs, and product marketing. Regular refresher courses ensure branch staff stay current with Bangladesh Bank's SME regulations (CMSME priority sectors, documentation requirements, etc.)
- **Client Outreach and Financial Literacy:** BCBL organizes client seminars and co-sponsors SME fairs (often in partnership with the SME Foundation and BB). Consistent with national financial literacy guidelines, the bank held multiple programs on bookkeeping, business planning and digital payments for SME entrepreneurs. At the district level, "SME Contract Days" are hosted to educate micro-entrepreneurs about BCBL's loan schemes (especially women and agro-business). These initiatives align with Bangladesh Bank's financial inclusion strategy (e.g. SME and Women's fairs).

▪ **Compliance and Regulatory Alignment:**

BCBL strictly adheres to Bangladesh Bank's SME Policies and targets:

- **CMSME Lending Target:** In 2025, the bank continued to align with the central bank's target of 27% loan allocation to CMSMEs by 2029. Quarterly filings with the SME Department track progress against branch-level targets. BCBL's internal credit policies ensure that no branch falls short of its disbursement goals set under the "area approach" and that priority customers (e.g. cottage/micro industries, women entrepreneurs) receive preferential treatment in approval.
- **Sector/ Priority Segmentation:** The bank follows the "area approach" method, dividing SME targets by branch and region as directed. Within this, lending emphasis is placed on agriculture, cottage industries and women- consistent with BB circulars. Credit programs for agro-SMEs tap into central bank refinancing to meet rural credit quotas. The Board monitors compliance with the SME directives.
- **Regulatory Reporting:** The bank's SME department submits the mandated quarterly disbursement statement to BB's SME & SP Department. Internal audits verify adherence to prescribed loan -to-value and documentation norms. BCBL also complies with Bangladesh Bank's specialized guidelines (e.g. easy documentation for loans < Tk 500,000 in the CMSME sector) and supports BB's credit information initiatives (by timely CRS reporting).

▪ **Strategic Outlook (2026 and beyond):**

Looking forward, BCBL will continue to strengthen SME banking in step with national objectives. Key strategic directions include:

- **Digital Transformation:** We will enhance our digital lending platform (eventually including full e-loan application modules) and further integrate mobile finance (e.g. UPI/bKash/Nagad) for SMEs. Expanding e-KYC across more products and prioritizing the launch of credit scoring algorithms to improve turnaround time.
- **Women & Youth Entrepreneurship:** In line with the 27% CMSME target, BCBL aims to exceed the 15% women-loan quota. New initiatives may include partnerships with the SME Foundation/UNDP on training for female entrepreneurs and tailored loan products for women-friendly sectors (garments, ICT, etc.). We will also target youth and start-ups via collateral-free schemes for tech and e-commerce SMEs (now permissible up to Tk5 lakh under BB policy).
- **Green and Rural Financing:** Climate-smart finance is rising on the agenda. BCBL plans to expand lending to renewable energy micro-enterprises and sustainable agriculture, leveraging

BB refinance (e.g. "Green Banking" funds) and collaborating with donor programs. The success of the **Ektibari-Ekti-Khamar** rural development initiative (supported by Bangladesh Bank) suggests the need to scale up similar schemes.

- Compliance and Capacity: The bank will continue rigorous compliance with evolving SME guidelines, including the new risk-based lending rules. We will refresh staff training in line with BB's Strategic Plan (which highlights financial education as a core objective). BCBL will also strengthen its SME analytics and monitoring tools to manage portfolio quality as volume grows.
- Industry Collaboration: BCBL will engage with industry forums (e.g. SME Finance Forum, banks' SME clubs) to share best practices. Comparative benchmarking (with those banks cited by Bangladesh Bank as SME leaders) will guide improvements.

In summary, FY2025 saw Bangladesh Commerce Bank make substantial progress in SME banking, driven by both market opportunity and national development priorities. We remain committed to Bangladesh Bank's CMSME goals and to fostering entrepreneurship as a key engine of inclusive growth. Going into 2026, the strategy will emphasize continued portfolio expansion, deeper financial inclusion (particularly for women and rural SMEs), and innovative service models – all underpinned by sound risk management and regulatory compliance.

Mutasim-Bin-Shahid

SAVP, Head of SME &
Special Programs Division

INTERNATIONAL TRADE OPERATIONS:

Foreign Trade Services

International trade remains a cornerstone of Bangladesh Commerce Bank Limited's strategic business portfolio. Since its inception, the Bank has played an important role in supporting Bangladesh's international commerce by providing comprehensive trade-finance solutions, facilitating cross-border transactions, and strengthening the flow of foreign exchange through the banking channel.

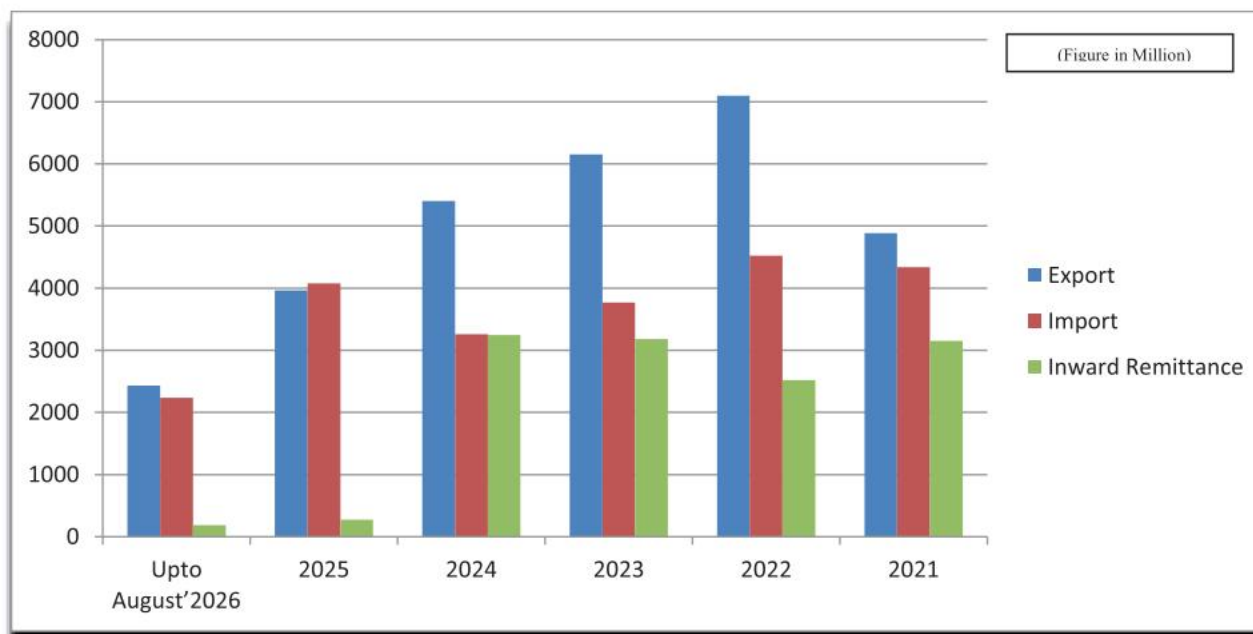
Through its 08 Authorized Dealer (AD) Branches and the Central Trade Processing Unit (CTPU) in Dhaka and Chattogram, the Bank provides a broad spectrum of foreign trade services to customers across the country. The CTPU, established at Head Office, Dhaka, further strengthens centralized trade processing and facilitates the requirements of non-AD branches throughout Bangladesh, except the Chattogram Division.

With a customer-focused approach, prudent financing practices and an expanding international banking network, BCBL continues to contribute to the country's export, import and inward-remittance activities.

06 YEARS TRADE FINANCE HIGHLIGHTS

(Figure in Million)

Particulars	Upto August'2026	2025	2024	2023	2022	2021
Export	1,913.80	2,932.40	3,238.30	2,925.40	2,358.30	1,417.90
Import	2,236.20	4,075.40	3,258.20	3,732.50	4,493.30	4,133.30
Inward Remittance	185.17	273.77	3,244.90	3,180.70	2,405.50	3,106.10



CURRENT PERFORMANCE IN FOREIGN TRADE BUSINESS

Export

Against the backdrop of a challenging economic environment, the resilience, commitment and dedication of the Bank's Trade Division enabled BCBL to sustain substantial momentum in export business.

During 2025, the Bank handled total export business of Tk. 3963.90 million, comprising Tk. 2,932.40 million through BCBL and Tk. 1,031.50 million in collaboration with other banks.

The Bank's export portfolio encompassed a diverse range of products, including readymade garments, jute goods, frozen foods, chemical products, leather, footwear and tea. Looking ahead, pharmaceuticals have been identified as an important area of future focus as the Bank seeks to diversify its trade portfolio and capture emerging opportunities within Bangladesh's export-oriented sectors.

Import

Import financing continues to be an important component of BCBL's international trade operations. The Bank facilitated imports across a broad range of sectors, including machinery, garment accessories, raw cotton, food grains, milk and agricultural products, supporting businesses in meeting their production, trading and operational requirements.

During 2025, BCBL handled Tk. 4,075.40 million of import business. Through quality financing, responsive service and prudent trade-processing practices, the Bank continued to support the legitimate import requirements of businesses while maintaining its focus on sustainable trade growth.

Inward Remittance

Bangladesh Commerce Bank Limited has established its Remittance Unit to encourage wage & non-wage earner's remittance through banking channel and to facilitate the distribution of such remittance to the ultimate beneficiary throughout the country within shortest possible time. BCBL has strengthened its position in mobilizing inward foreign remittance from Non Resident Bangladeshis (NRB) living and working in different countries of the World. Financial incentive along with the depreciating mode of taka against dollar has helped to boost the influx in the last calendar year. In the year 2025, the Bank mobilized inward foreign remittance of BDT 273.77 Million. BCBL is now maintaining agency/sub agency agreement with various Exchange houses like NEC Money Transfer, Money gram, Western Union, Xpress Money, Ria & IME, Transfast, Placid Express, Instant Cash, Prabhu Money Transfer, MerchanTrade, FSIE-Italy who has network throughout the world. Bangladeshi Nationals working abroad can easily remit their hard-earned money to the intended beneficiary in Bangladesh. Besides that BCBL already signed an agreement with bKash Limited, the leading mobile financial services (MFS) provider in Bangladesh to facilitate and expand international remittance services. This agreement will help make it easier to deliver remittance services to remote areas of the country. Presently BCBL is providing remittance services through its 107 Branches and Sub Branches. The bank has implemented modern software to make Remittance service of the bank is easier, faster and safer. BCBL is committed to provide best and hassle-free service in this regard.

TRADE FINANCE OF BCBL

BCBL offers a diversified suite of trade-finance products designed to meet the evolving requirements of exporters, importers, project sponsors and businesses engaged in domestic and international commerce.



A. Export Finance

Export finance provides funding and banking facilities to exporters to support the production, procurement, processing and shipment of goods against export orders.

1. Back-to-Back Letter of Credit: A Back-to-Back Letter of Credit is an import L/C opened by an exporter in favor of a local or foreign supplier against the security of an export L/C received by the exporter from an overseas buyer.

Purpose: It enables exporters, particularly garment manufacturers, to procure raw materials and accessories required to fulfill confirmed export orders without arranging the entire financing from their own funds.

2. Export Development Fund (EDF):

An Export Development Fund (EDF) Loan is a foreign-currency financing facility designed to support eligible export-oriented enterprises in meeting their financing requirements for imported inputs, raw materials or other eligible purposes associated with export production.

Purpose: To facilitate export production by providing eligible exporters with access to financing under the applicable EDF framework.

3. Packaging Credit (PC): Packaging Credit is a short-term pre-shipment financing facility provided to an exporter to meet expenses incurred in preparing goods for export. It may cover expenses such as procurement of raw materials, processing, manufacturing, packaging, transportation and other eligible pre-shipment costs.

Purpose: To provide working funds between receipt of the export order and shipment of the finished goods.

4. SOD (Export): SOD (Export) is a short-term overdraft facility extended to eligible exporters against acceptable security to meet their temporary financing requirements associated with export business.

Purpose: To provide exporters with flexible liquidity for day-to-day business and export-related expenses.

5. LDBP (Local Documentary Bills Purchased): LDBP refers to Local Documentary Bills Purchased. Under this facility, the bank provides financing against eligible export-related documentary bills or documents where the underlying transaction involves a local/domestic banking arrangement.

Purpose: To provide exporters with earlier access to funds instead of waiting until the underlying bill proceeds are received.

6. FDBP(Foreign Documentary Bills Purchased): FDBP means Foreign Documentary Bills Purchased. It is a post-shipment financing facility under which the bank provides funds against eligible export documents/bills drawn on foreign buyers or banks, subject to applicable terms and conditions.

Purpose: To improve exporters' cash flow by providing financing against export bills while collection or payment from the overseas buyer/bank is pending.

B. Import Finance

Import finance provides financial facilities to importers to enable them to purchase goods, raw materials, machinery and other eligible items from overseas suppliers.

1. Import Letter of Credit: An Import Letter of Credit (L/C) is a bank-issued undertaking, subject to its terms and conditions, to make payment to the exporter or the exporter's bank against presentation of compliant documents.

BCBL's listed import L/C facilities include:

- i) Sight L/C: Under a Sight L/C, payment is made upon presentation and acceptance of compliant documents, subject to the terms of the L/C.
- ii) Deferred L/C: Under a Deferred Payment L/C, payment is made at a specified future date after the required conditions/documents are fulfilled.

2. Loan Against Trust Receipt (LTR): Loan Against Trust Receipt (LTR) is a post-import financing facility under which the bank finances eligible imported goods/documents and releases the goods to the importer against a trust receipt arrangement. The importer takes responsibility for the goods and undertakes to sell/use them and repay the bank according to the agreed terms.

Purpose: To provide importers with financing after the arrival/release of imported goods while allowing them to use or sell the goods before making full repayment to the bank.

C. Project Implementation Finance

Project implementation finance supports businesses in establishing, expanding or upgrading projects by financing capital expenditure and related requirements.

1. L/C (Sight/Deferred): A Project L/C is opened to facilitate the procurement of machinery, equipment, materials or other eligible items required for project implementation.

It may be structured as:

- i) Sight L/C: Payment becomes due against compliant documents at sight.
- ii) Deferred L/C: Payment is made at an agreed future date.

Purpose: To facilitate the timely procurement of project-related equipment and materials.

2. LTR (Loan Against Trust Receipt): In project implementation, LTR may be used to finance eligible imported machinery, equipment, materials or other goods released to the project borrower against a trust receipt arrangement.

Purpose:

To provide short-term financing associated with imported project inputs while allowing the project to proceed without requiring immediate full payment from the customer's own funds.

3. Term Loan: A Term Loan is a medium- or long-term financing facility provided for a specified amount and repayment period, generally through scheduled installments.

It can be used to finance eligible project expenditures such as:

- Plant and machinery
- Factory or business expansion
- Infrastructure
- Other capital expenditure

Purpose: To provide structured long-term financing for establishing or expanding a project.

4. Lease Finance: Lease Finance is a financing arrangement under which the bank/financier acquires an eligible asset and makes it available to the customer for use in exchange for agreed periodic payments, subject to the applicable lease structure.

Purpose:

To enable businesses to acquire and use machinery, equipment or other productive assets without necessarily paying the entire acquisition cost upfront.

FOREIGN CORRESPONDENTS

A strong correspondent banking network is fundamental to the expansion of foreign-exchange and international trade operations. Recognizing this importance, BCBL continues to strengthen relationships with reputable financial institutions around the world and expand access to international banking facilities.

The Bank currently maintains 78 Relationship Management Applications (RMA) with 59 renowned banks across 18 countries, providing extensive global coverage for international trade transactions through its correspondent banking network.

BCBL has also established RMA arrangements under SWIFT with local banks, further strengthening its domestic and international transaction capabilities.

Among the renowned international institutions with which the Bank maintains credit-limit relationships are:

The bank has been enjoying credit limit for substantial amount from most of the renowned banks globally among which the followings are notable:

Mashreq Bank PSC
Sonali Bank (UK) Ltd
Zhejiang Chouzhou Commercial Bank Co., Ltd.
The Bank Of New York Mellon
Wells Fargo Bank
Islamic Bank Of Thailand
ICICI Bank Limited
Mizuho Bank, Ltd
Banca Di San Marino Spa
Bhutan National Bank Ltd
State Bank of India
EBL Finance (HK) Limited

LOOKING AHEAD

Building the Trade Bank of Tomorrow

The year 2025 presented significant challenges for the Bangladesh economy, while the rapidly changing global economic and financial landscape continues to reshape the banking industry. In this environment, BCBL remains focused on strengthening its position as a trusted partner in the country's trade and business ecosystem.

The Bank's future strategy is centered on sustainable growth, customer responsiveness, digital transformation, market diversification and responsible banking. As customer expectations continue to evolve and competition within the banking sector intensifies, BCBL recognizes that long-term success will depend on its ability to anticipate change, respond decisively and continuously improve the value it delivers to customers.

The Bank is committed to developing smarter and more efficient ways of serving customers while maintaining the highest standards of compliance, fairness, transparency and corporate governance.

Our Strategic Priorities

Going forward, BCBL will continue to focus on:

- 1. Digital Transformation:** Leveraging technology to make trade and remittance services faster, more accessible and efficient.
- 2. Trade Portfolio Diversification:** Exploring emerging export and import sectors while deepening relationships with established businesses.
- 3. Customer-Centric Service:** Developing responsive and convenient solutions that address the increasingly sophisticated needs of customers.
- 4. Global Connectivity:** Strengthening correspondent banking relationships and expanding international trade capabilities.
- 5. Responsible Growth:** Maintaining prudent financing, regulatory compliance, transparency and sound corporate governance.
- 6. Sustainable Value Creation:** Building a resilient institution capable of supporting customers, businesses and the broader economy over the long term.

Our Commitment

The international trade landscape is evolving rapidly. Market volatility, changing customer expectations, technological transformation and intensified competition present both challenges and opportunities.

BCBL views this changing environment as an opportunity to become more agile, more innovative and more customer-focused.

With the collective commitment of its people, the confidence of its customers and the support of its stakeholders, the Bank remains determined to strengthen its performance, enhance its competitive position and contribute meaningfully to Bangladesh's economic progress.

Our ambition is clear: to be a trusted partner in trade, a dependable bridge to global commerce, and a responsible institution creating shared prosperity for generations to come.



Sabiha Sultana

Head of Trade Division
Head of RMG & ID (CC)

INFORMATION TECHNOLOGY DIVISION

IT services and Future plan for Expansion

Making the bank a 'Fully Automated' one with a view to streamline its operational efficiencies, upgraded customer service and to position itself as the bank-of-choice in Bangladesh for customers, stakeholders, employees and other beneficiaries.

IT Infrastructure Development

- **DATA Centre (DC)/Disaster Recovery Site (DRS)**
- Data Center (3 tier & Green IT Compliant) at Taranga Complex
- DR site at Colocity, Mohakhali, Dhaka
- Communication (FO, Radio, DARK FIBER)

Data connectivity

- Branch to DC/DR (5 MBPS Redundant links from 8 different vendors)
- DC/DR to BB DC/DR for BACH/RTGS
- DC/DR to other locations (Telco, Utility Company, Election Commission, BCC etc.)
- DC to DR (Dark Fiber)

Video/Audio/Call Centre with BTRC allocated Short Code 16270 & vendor allocated 0961322

- Video- IP Telephony system toll free calling within the bank branches/Office or any IP phone within the country
- Call Centre.

Internet (100 MBPS) for

- Internet browsing for HO & all branches
- Website (www.bcblbd.com)
- Internet banking (www.bcbl.com.bd) & Mobile App (BCB e-cash)
- BCB Mail service (mail.bcbl.com.bd) with MS Exchange server

Hardware

DC, DRS, HO & Branches

- Storage, Rack Mounted servers, PC, Thin Client PC, Scanner, Printer, Structured LAN etc.
- Router, Firewall, Switch, Video IP Phone etc.

Centralized Core Banking Software (Conventional Banking) named My Bank Software implemented in 2014

Vendor : M/S Era Infotech limited

Islami Banking Service:

Islamic CBS “Hikmah” has been implemented in Gulshan and Muradpur branch in 2022. CBS vendor is M/S Era Infotech limited.

Alternative Service Delivery Channels:**Cards:**

- **BCB Debit card (VISA)**
- **BCB Credit Card (VISA)**
 - **ATM/CRM Booth –**
 - Dinajpur branch (1 ATM)
 - Principal branch (2 ATM)
 - Bangla Motor branch(1 ATM)
 - Agrabad branch (1 CRM)
 - Mirhajirbag subbranch (1 CRM)

Internet Banking Service:

BCB Net Banking (www.bcbl.com.bd) – SSL certified

Facilities :-

- Account balance/Statement/Cheque Enquiry
- Fund transfer among bank Accounts within same bank (instant & at a schedule date)
- Fund transfer to any bank account with other bank under BEFTN
- Utility Payment (WASA & DPDC)-Instant
- Mobile Top-up
- Fund transfer to any bank account with other bank under NPSB

SMS Alert Service

- Customers gets SMS notification through his registered Mobile Phone if any transactions occurred in their respective Account

E-GP (e-Government Procurement)

Tied with Central Procurement Technical Unit of IMED for E-GP services i.e E-Tendering
Collected low cost deposit through this service till now.

Online Utility Payment Service :**WASA, DPDC, DESCO, NESCO & Titas GasBill collection –**

- At any Branches- Cash/Transfer
- BCB Net Banking
- Mobile App (BCB e-cash)

Mobile Phone Bill Payment & Recharge System –

- BCB Net Banking
- ATM
- Mobile App (BCB e-cash)

Mobile App (BCB e-cash) - SSL certified

- Mobile app (Using BCB e-cash transfer fund among BCBL accounts instantly & other bank's accounts through BEFTN, Mobile Top-up, credit card bill payment, Account opening through E-kyc, Nagad fund transfer etc.)
- E-KYC self on boarding and assisted model..

Other successful Initiatives in line with BB

- NPSB (National Payment Switch of Bangladesh), BACH (BACPS & BEFTN), RTGS, CIB, goAML, Sanction Screening Software, Co-lateral Security, National ID Verification etc.
- **FATCA (The Foreign Account Tax Compliance Act (FATCA))** is a 2010 United States federal law to enforce the requirement for United States persons including those living outside the U.S. to file yearly reports on their non-U.S. financial accounts to the Financial Crimes Enforcement Network (FINCEN).

Joint Venture IT Company

- M/s. Sonali Polaris FT Limited (10% Share).

Remittance

- Western Union, MoneyGram ,IME, Ria, Prabhu, Xpress Money, Placid, Transfast, NEC Italy etc.

Recently implemented Automation projects

- **BCB support portal**
- **24/7 call center.**
- BREB E-BILL COLLECTION
- Credit card bill receive automation
- BANGLA QR (credit card-based issuing)
- NPSB incoming TSI (Transaction status inquiry)
- FC encashment module in CBS.
- New CL (Classification of Loan) has been implemented according to the Bangladesh bank Guideline.
- Customer account statement with QR code from CBS.
- NID Verification system
- Loan audit listing according to the Bangladesh bank Guideline.
- New SBS-3 Loan type & subtype report.

Future automation projects:

- Centralization of Credit Management System is under process.
- DR site in different seismic zone
- Implementation of Security Operation Centre (SOC)
- Toll collection of different bridges.
- Remittance disbursement through b-kash.
- New Fixed Asset Management Software
- New HR Payroll System.

H.M. Abul Kalam Azad

Executive Vice President &

Head of Information Technology

Head of ML, TFPD and DCAMLCO

Risk Management Report of Bangladesh Commerce Bank Limited

A Report to Shareholders

For the Year Ended 31 December 2025

Setting the Scene

Banking today is practised in an environment that rewards agility and punishes complacency in equal measure. Interest rates move, currencies float, customers migrate to new channels overnight, and regulatory expectations tighten with each passing year. For an institution such as Bangladesh Commerce Bank Limited (BCBL), operating a network of 74 branches and 33 sub-branches, keeping pace with this environment is not optional — it is the price of continued trust from depositors, regulators, and shareholders alike.

The Bank treats risk management as a discipline that sits alongside, rather than beneath, its commercial ambitions. Every lending decision, every treasury position, and every new digital channel carries an implicit risk judgement, and the purpose of the Bank's risk architecture is to make that judgement deliberate rather than accidental. A dedicated Risk Management Division (RMD), independent of business origination, is responsible for translating this philosophy into day-to-day practice — setting standards, testing compliance with them, and escalating concerns as they arise.

2025 was, by any measure, a demanding year for the Bank. The legacy asset-quality and capital pressures that have shaped BCBL's recent history continued to require active management, and the pages that follow describe both the nature of that challenge and the steps taken to address it. The year also unfolded against a backdrop of a firm monetary policy stance and persistent inflation across the wider economy, both of which fed into the Bank's planning assumptions and its assessment of borrower repayment capacity.

This report is organised to walk through that story in a logical order: how the Bank thinks about risk and organises itself to manage it, how each of the principal risk categories was navigated during the year, where the Bank's capital position stands and what is being done about it, and how the Bank tests and reports on all of this to its Board and its regulator.

Tone, Culture and the Chain of Accountability

A risk framework is only as effective as the culture that surrounds it. At BCBL, the Board of Directors and Senior Management are expected to model the standards they ask of others — candour in reporting bad news as well as good, a willingness to escalate rather than bury emerging problems, and consistent application of policy regardless of business pressure. This expectation cascades from the boardroom through divisional heads to branch-level staff, so that risk awareness is a shared habit rather than the preserve of a single department.

Written policy plays its part in reinforcing this culture: the Bank maintains an extensive library of risk policies, manuals, and operating procedures, calibrated to Bangladesh Bank's regulatory expectations and refreshed periodically as the operating environment, technology, and macroeconomic backdrop evolve.

How the Bank Organises Itself Around Risk

Oversight and Escalation

Ultimate responsibility for risk rests with the Board of Directors, which discharges that responsibility partly through two dedicated committees — the Board Risk Management Committee (BRMC) and the Board Audit Committee (BAC). Beneath the Board, an Executive Risk Management Committee (ERMC), an Asset Liability Committee (ALCO), and a Credit Risk Management Committee (CRMC) provide management-

level forums where risk issues are debated and resolved before they reach the Board. The RMD and the Internal Control & Compliance Division (ICCD) complete the picture: the former builds and monitors the risk framework, the latter tests whether it is actually being followed.

Executive leadership of this structure passed to Mr. Md. Obaidul Hoque, who took up the post of Managing Director on 9 April 2026, succeeding Mr. Mohammad Ziaul Karim, who held the position in a Current Charge capacity throughout FY2025. Continuity of this kind matters in a risk context: much of the value of a governance structure lies in the institutional memory and consistent judgement built up over successive reporting cycles, and the transition was managed so as to preserve that continuity through the year-end reporting process.

What the Bank Is, and Is Not, Willing to Risk

The Board's Risk Appetite Statement (RAS), refreshed annually and shared with Bangladesh Bank as required under the relevant DOS Circulars, sets the outer boundary of acceptable risk-taking and is backed by Management Action Triggers that prompt intervention well before those boundaries are reached. Reflecting the Bank's present capital and asset-quality position, the appetite set for FY2025 leaned firmly toward caution: new credit exposure was to be well-secured and modest in scale, liquidity buffers were to be protected ahead of growth ambitions, and balance-sheet consolidation was treated as a higher priority than expansion.

This appetite is not a static document filed away once a year; it is deliberately tied to a set of triggers that management monitors on an ongoing basis, so that a shift in the Bank's risk profile prompts a conversation well before it becomes a crisis. Where a trigger is approached, the relevant committee — typically ERM in the first instance, escalating to BRMC where warranted — is required to consider and record a response, giving the framework a practical, rather than purely declaratory, character.

Putting Policy Into Practice

Underpinning the appetite framework is a substantial body of written policy — credit manuals, treasury and investment guidelines, operational procedures, and compliance handbooks — each owned by the relevant division and subject to periodic review. Rather than treating these documents as static compliance artefacts, the Bank revisits them as market practice, technology, and the regulatory landscape shift, so that the written rule and the way business is actually conducted do not drift apart over time.

The Risks the Bank Watches Most Closely

Credit

Lending is, and is likely to remain, the largest single source of risk on the Bank's balance sheet: the possibility that a borrower cannot or will not repay as agreed. BCBL's Credit Risk Management Division (CRMD) owns this risk from the moment a proposal is first considered through to final recovery, applying a three-part test to every material exposure — the numbers (financial strength and cash flow), the story (the business model and the people running it), and the grade (an internal rating that feeds through into pricing and provisioning decisions). Sector, group, and single-borrower limits are used to keep any one exposure from growing disproportionate to the portfolio as a whole, with early-warning tools flagging deteriorating accounts before they default.

A revision to Bangladesh Bank's loan classification rules under BRPD Circular No. 15, applied during the year, lifted the Bank's provisioning requirement to BDT 12,442.60 million; a provision deferral of BDT 12,009.20 million granted by Bangladesh Bank allows the Bank to phase in full compliance rather than absorb the impact at once. On the recovery side, 2,051 cases are currently proceeding through the Artha Rin

Adalat courts, and cash recovered from classified accounts rose year-on-year to BDT 864.50 million from BDT 562.30 million, aided by dedicated recovery and legal teams pursuing settlement and litigation in parallel. Work has also begun on the systems and methodology needed for IFRS 9 Expected Credit Loss provisioning, due to take full effect in 2027.

Portfolio Snapshot (BDT million)	FY-2024	FY-2025
Gross Loans & Advances	23,511.94	25,598.62
Cash Recovered – Classified Accounts	562.30	864.50
Provisioning Requirement	10,131.70	12,442.60
Customer Deposits	42,648.60	44,697.41

Concentration

A well-diversified book is a more resilient book, and BCBL pays close attention to how much of its lending sits with any single borrower, group, or sector. Exposures beyond the threshold set by Bangladesh Bank's large-exposure framework are tracked individually, and during the year this group of borrowers — spanning trade and commerce, ready-made garments and textiles, and small-scale industry, among other sectors — continued to represent a meaningful share of the total loan portfolio. Reducing that concentration over time, rather than simply monitoring it, remains an explicit objective of the Bank's credit strategy.

Markets

Movements in interest rates, exchange rates, and equity prices affect the value of positions the Bank holds in its Treasury book. Responsibility for keeping this risk within bounds sits with ALCO, and is reinforced structurally by keeping the people who deal (Front Office), the people who monitor (Mid Office), and the people who settle (Back Office) organisationally apart. The Bank's holdings of government securities, valued at BDT 4,075.21 million, together with its smaller equity and other investment positions, were managed through the year with reference to prevailing market prices. A crawling-peg exchange-rate arrangement introduced during the year has, in practice, damped the currency swings the Bank previously had to manage.

Liquidity

However strong a bank's lending book, it cannot survive a day it fails to meet its obligations as they fall due. ALCO tracks the Bank's liquidity position against the standard regulatory yardsticks — the **Cash Reserve Ratio (CRR)**, **Statutory Liquidity Ratio (SLR)**, **Liquidity Coverage Ratio (LCR)**, and **Net Stable Funding Ratio (NSFR)** — and works to keep the maturity profile of assets and liabilities from drifting too far apart. Deposits grew to BDT 44,697.41 million over the year, and the Bank continued to draw on Bangladesh Bank facilities where needed to smooth timing mismatches, consistent with the broader recovery programme under way.

Operations

Operational risk covers the ordinary ways a business can lose money that have nothing to do with markets or credit decisions — a broken process, a system outage, an internal control that fails, an external event no one anticipated. BCBL's response rests on four pillars: procedures with built-in dual sign-off wherever money moves; a loss-event register that captures incidents (and near-misses) so patterns can be spotted; periodic self-assessments in which each business unit tests its own controls; and continuity plans, backed by a disaster-recovery site, so the Bank can keep functioning through a serious disruption.

During the year 2025, routine audits and spot inspections continued across branches, sub-branches as well as Head Office complemented by training aimed at keeping frontline staff alert to the everyday process risks that cause most operational losses. A single case of internal misappropriation- now proceeding through the

appropriate legal channels- prompted a further round of tightening in dual-authorisation controls, and reinforced the value the Bank places on its loss-event data as an early-warning tool rather than simply a historical record.

Financial Crime — AML and CFT

The Bank takes a hard line against money laundering and terrorist financing, in keeping with its obligations under the Money Laundering Prevention Act, the Anti-Terrorism Act, and the directives of the Bangladesh Financial Intelligence Unit (BFIU). A dedicated Money Laundering & Terrorist Financing Prevention Division, led by the Chief AML Compliance Officer, runs the programme day to day, which includes:

- **Customer Due diligence (CDD) & Enhanced Due Diligence (EDD)** protocols applied during customer onboarding and ongoing relationship management;
- **Real-time transaction monitoring** that flags activity inconsistent with a customer's expected profile;
- **Screening against international sanctions lists** such as those maintained by the UN, OFAC, and the EU;
- **Suspicious Transaction Reporting (STR) and Suspicious Activity Reporting (SAR)** channeled to the BFIU in line with its guidelines; and
- **Periodic re-assessment of customer risk** so ratings stay current rather than static.

Staff across the Bank, and particularly those in remittance, trade finance, and cash-handling roles, complete mandatory training on these obligations, and the programme itself is periodically tested through internal audit and BFIU inspection. Looking forward, the Bank intends to bring machine-learning-based anomaly detection into the monitoring toolkit and to deepen coordination with domestic and international counterparts.

The Bank views this area as one where standing still is not an option: the methods used to move illicit funds evolve constantly, and a control framework calibrated to yesterday's typologies offers limited protection against tomorrow's. Annual reviews of the AML/CFT policy suite are accordingly treated as a floor rather than a ceiling, with ad hoc updates made whenever a new red flag or regulatory expectation emerges during the year.

Technology

The Bank's core banking platform and its connections to national payment infrastructure are protected by a dedicated ICT Security Unit and a round-the-clock Security Operations Centre. Access controls, patching discipline, and periodic upgrades are aligned with Bangladesh Bank's ICT security guidance and with international norms for a regulated financial institution.

As more of the Bank's customer interaction moves toward digital and semi-digital channels, the boundary between an operational incident and a security incident becomes harder to draw cleanly, and the Bank's response has been to bring these disciplines closer together rather than treat them as parallel workstreams reporting through separate lines.

ESG, Environmental & Climate Risk

BCBL complies with Bangladesh Bank's Environmental & Social Risk Management (ESRM) Guidelines and Sustainable Finance Policy. Credit proposals for industrial, RMG/textile and construction projects undergo mandatory Environmental & Social Due Diligence (ESDD), with risk ratings and environmental-management conditions incorporated into loan sanction terms. Credit allocation continues to prioritise eco-friendly projects, renewable energy, effluent treatment plants and energy-efficient brick kilns, while agricultural credit exposures in flood-prone and coastal regions are monitored for climate-related physical risk.

Reputation and Execution Risk

How the Bank is perceived — by depositors deciding where to place their savings, by counterparties deciding whether to trade, by regulators deciding how closely to watch — is itself a risk to be managed, and is treated as such within the Bank's Internal Capital Adequacy Assessment Process. Discipline in executing foreign exchange and trade transactions, and continued engagement with depositors across the corporate, public, and retail segments, underpinned the Bank's efforts during the year to preserve confidence.

Trust of this kind is built slowly and can be tested quickly, which is why the Bank places particular weight on transparent communication with its stakeholders about the recovery programme rather than allowing uncertainty to fill the gap. A number of legacy legal and tax matters, including proceedings relating to earlier assessment years and recovery actions on classified accounts, remain in progress through the appropriate courts and tribunals, and are being pursued in a manner intended to protect the Bank's longer-term standing rather than for short-term expedience.

Technology, Culture and What Comes Next

Three developments are likely to shape how BCBL manages risk over the next several years, and each is already being planned for rather than left until it arrives. The move to IFRS 9 Expected Credit Loss provisioning, due to take full effect in 2027, will require loans to be provisioned earlier in their life and will change the rhythm of the Bank's earnings; preparatory system and methodology work is already under way to avoid a last-minute scramble. Digital fraud techniques — increasingly assisted by generative AI, from convincing phishing messages to deepfake voice calls — are evolving faster than static defenses can keep up with, pushing the Bank toward continuous investment in authentication and staff awareness rather than a one-off security upgrade. And the wider macroeconomic backdrop, with inflation and policy rates both elevated, continues to test the debt-servicing capacity of borrowers across the portfolio, particularly smaller commercial and trade-finance customers.

None of these are risks unique to BCBL, but each requires a bank in the Bank's specific position — rebuilding capital while managing a legacy portfolio — to plan for them with less room for error than a better-capitalised peer might have.

Capital — Where the Bank Stands

For capital the Bank's approach follows the Basel III framework as applied by Bangladesh Bank, distinguishing between Tier I capital — paid-up capital, statutory reserves, retained earnings, and share premium, the components best able to absorb loss — and Tier II capital, made up of supplementary instruments such as subordinated debt and general provisions.

BCBL's capital structure comprises Tier I Capital — core capital including paid-up capital, statutory reserves, retained earnings, and share premium — and Tier II Capital, comprising supplementary instruments recognized under Basel III. The Capital Adequacy Ratio (CAR) is closely monitored and reported on a periodic basis to the Board of Directors, the Board Risk Management Committee (BRMC), and Bangladesh Bank.

The Bank's paid-up capital stood at BDT 1,988.74 million during the year, against the regulatory minimum requirement of BDT 5,000.00 million, and the Bank's Capital to Risk-Weighted Assets Ratio (CRAR) remained below the regulatory threshold of 12.50% as a consequence of accumulated losses carried forward from prior years. Management, in active consultation with the Ministry of Finance and Bangladesh Bank, continues to pursue the legislative amendment of the Bank's founding statute (Act No. 12 of 1997) required to facilitate a Rights Issue and restore the Bank's capital position to the regulatory minimum. The Bank's

statutory auditors have accordingly drawn attention to the Bank's capital adequacy and provisioning position in their report on the financial statements for the year.

Capital Metric	Position	Regulatory Benchmark
Paid-up Capital	BDT 1,988.74 million	BDT 5,000.00 million (minimum)
Capital to Risk-Weighted Assets Ratio	Below threshold	12.50% (minimum)

As part of its Internal Capital Adequacy Assessment Process (ICAAP), the Bank evaluates the sufficiency of its capital vis-à-vis all material risks, including credit risk, market risk, operational risk, interest rate risk in the banking book (IRRBB), reputational risk, and concentration risk. ICAAP outcomes are subject to scrutiny by the Supervisory Review and Evaluation Process (SREP) of Bangladesh Bank, ensuring that the Bank's capital strategy remains robust and aligned with regulatory expectations.

In line with its medium-to-long-term business strategy, the Bank also considers capital optimization initiatives, such as efficient balance sheet structuring, reallocation of risk-weighted assets, cost rationalization, and retained earnings management, to improve capital efficiency. BCBL remains committed to a capital restoration programme that supports the Bank's long-term stability and shareholder value creation, with the amendment of Act No. 12 of 1997.

Testing the Bank Against Adverse Scenarios (Stress Testing)

Bangladesh Bank requires all banks to test their resilience against hypothetical but plausible shocks, and BCBL carries out this exercise on a periodic basis across three dimensions:

1. Credit — the effect of a deterioration in borrower performance beyond what has already been observed;
2. Markets — the impact of adverse moves in interest rates, exchange rates, or equity prices; and
3. Liquidity — the Bank's capacity to withstand an unexpected outflow of deposits or funding.

Results as at 31 December 2025 were reviewed and approved by the Board before submission to Bangladesh Bank, and continue to inform management's judgment of how much additional stress the Bank's current capital and liquidity position can safely absorb. The exercise is treated less as a compliance filing than as a planning tool: where a scenario points to a vulnerability, the relevant division is expected to consider what practical mitigant — an adjusted limit, a revised contingency plan, additional collateral — would reduce it before the next cycle of testing.

ICAAP and the Supervisory Dialogue

Each year, as part of the wider Supervisory Review Process (SRP), the Bank compiles an Internal Capital Adequacy Assessment Process (ICAAP) document setting out how it identifies material risks, judges the capital needed to cover them, and plans to maintain that capital on a forward-looking basis. Bangladesh Bank's Supervisory Review and Evaluation Process (SREP) team examines this document in detail each year, and for FY2025 that examination included close attention to the pace and credibility of the Bank's capital restoration plan alongside its updated stress-testing results.

The exercise deliberately looks beyond the risks that show up neatly on a balance sheet. Interest rate risk in the banking book, concentration in particular sectors or borrower groups, and reputational risk are each considered alongside the more conventional categories of credit, market, and operational risk, giving the Board a rounded view of where capital is truly at stake rather than a narrow regulatory-minimum calculation.

The Executive Risk Management Committee at Work

Chaired by the Chief Risk Officer, the ERMCM brings together senior representatives from Finance, Operations, Credit, Internal Control, AML, Treasury, IT, and the business divisions, and functions as the point where risk information from across the Bank is assembled, interrogated, and turned into action. The Committee meets on a regular cycle to review Key Risk Indicators, weigh emerging threats, and agree corrective steps, with a record of its discussions passed on to Bangladesh Bank in line with regulatory expectations. Matters occupying the Committee's attention through 2025 included:

- Routine and comprehensive risk reporting on a monthly cycle
- The annual review of risk policies
- Monitoring of the Risk Appetite Statement and associated indicators
- Progress on credit recovery and the evolving provisioning position
- The status of the capital restoration programme and the related legislative process
- Macroeconomic and geopolitical developments affecting LC issuance and foreign exchange exposure
- Initiatives to strengthen ICT security
- Measures to guard against fraud and reinforce operational safety

Closing Remarks

The Bank's more immediate priority remains clear — to work through the asset-quality and capital challenges carried forward from earlier years, in continued partnership with Bangladesh Bank and the Ministry of Finance. Its longer-term ambition is equally clear: to keep strengthening its data, its people, and its governance so that it can meet whatever risks the years ahead present with confidence rather than surprise.

Key Challenges for 2026

- **New Capital Injection:** securing fresh capital to close the shortfall against the regulatory minimum and restore a positive capital base.
- **Legislative Amendment:** completing the amendment of Act No. 12 of 1997 to facilitate the injection of new capital and the issuance of Right Shares.
- **Earning Asset Growth and NPL Reduction:** increasing the Bank's earning-asset base while reducing non-performing loans and special mention/watch-listed assets.
- **Business Growth:** expanding deposits and good loans to rebuild sustainable earnings capacity.

We expect that we will get all out support from our Board, shareholders, Bangladesh Bank, regulators and all other stakeholders to achieve our goal.

Branch Coordination & Control Division

For the Year Ended December 31, 2025

Introduction:

The Branch Coordination and Control Division (BCCD) serves as the vital link between corporate strategy and frontline execution. As the backbone of our retail network, the division balances two critical mandates: driving operational excellence across all branches and maintaining a rigorous, compliant internal control environment. In a dynamic financial landscape, BCCD ensures that our expanding footprint delivers consistent, high-quality customer experiences while strictly safeguarding institutional integrity. By streamlining daily workflows and upgrading branch infrastructure, BCCD significantly reduced customer wait times and boosted transaction efficiency. The Division has acted as a nerve center—monitoring, facilitating, and supporting the branch network across the country throughout the fiscal year 2025.

Looking ahead, BCCD remains dedicated to fostering a culture of operational resilience and customer-centric innovation. By equipping our branches with advanced digital tools and robust control mechanisms, the division ensures that our physical network remains agile, secure, and fully capable of driving sustainable growth for the bank and its stakeholders.

Division Mandate & Strategic Objectives

The core responsibilities of the Branch Coordination & Control Division include:

- Ensuring consistent implementation of Head Office directives across branches.
- Promoting operational efficiency and compliance standards.
- Coordinating with branches on regulatory and internal control issues.
- Inspections, audits, and rectification of non-compliance issues.
- Branch communication and dissemination of policy changes.
- Proactive risk mitigation and customer service excellence.

The strategic objectives of the Division were tightly aligned with BCBL's broader institutional goals, particularly focused on sustainable growth, operational resilience, customer-centric service, and enhanced internal control systems.

Network Overview & Operational Structure:

As of December 30, 2025, Bangladesh Commerce Bank Ltd. operated through a network of 74 branches, 33 sub-branches including entire SME-focused branches and 2 Islamic banking branches. The Branch Coordination & Control Division oversaw the functionality and performance of each branch, ensuring that all adhered to operational benchmarks and service standards set by the Bank.

Key Activities Undertaken in 2025

1. Operational Monitoring & Review

The Operational Monitoring & Review of **Branch Coordination and Control Division** serves as the frontline defense for institutional integrity. In 2025, the division maximized risk mitigation, optimized branch compliance, and streamlined internal audit frameworks across the entire branch network.

Key Objectives

- **Standardize** operational controls across branches.
- **Minimize** operational risk and losses.
- **Ensure** strict regulatory compliance frameworks.
- **Enhance** branch audit readiness levels.
- **Optimize** process efficiencies via digitalization.

Quarterly operational review meetings were held with all branch managers, both physically and virtually, to evaluate results, share best practices, and disseminate strategic directives from the Head Office.

2. Audit & Compliance Facilitation

In coordination with the Internal Control & Compliance Division and Risk Management Division, BCCD facilitated the timely execution of both internal and Bangladesh Bank audits. The Division played a key role in:

- Pre-audit preparations and compliance readiness training for branches.
- Post-audit rectification tracking and progress reporting.
- Real-time resolution of critical audit objections.
- Ensuring implementation of audit recommendations.

3. Policy Dissemination & Implementation Oversight

The Division was instrumental in translating policy-level changes into field-level action across the branches. Whether it was the rollout of the revised Credit Risk Grading Manual, new AML/KYC checklists, or updated Customer On boarding Protocols, BCCD ensured that each branch was equipped, trained, and monitored during the implementation phase.

Special task forces were deployed during critical policy rollouts to ensure zero deviation from Head Office guidelines.

4. Coordination of New Branch Opening & Infrastructure Upgrades

The Branch Coordination and Control Division successfully drove network expansion and physical transformation in 2025. The division optimized footprint delivery, reduced time-to-market for new sites, and modernized legacy infrastructure to support omnichannel banking.

4.1 Risk & Crisis Management Support

In line with the Bank's risk culture, BCCD worked closely with branches during times of operational disruptions—whether caused by natural calamities, technological outages, or political unrest. The Division initiated and monitored Business Continuity Plans (BCPs) in coordination with IT and Risk Management teams to ensure service continuity and minimize disruption.

The Branch Coordination & Control Division of Bangladesh Commerce Bank Limited oversees critical branch operations, including management for Branch Cash-in-Safe, Cash-on-Counter, and Cash in Transit, as well as maintaining Branch Cash Notes. It is responsible for the issuance, alteration of Customer Information, of Duplicate Lost Instruments and handles confidential related tasks.

Additionally, the division performs various correspondence with different regulatory body. For risk mitigate BCCD take insurance policy from renowned Insurance Company for our Branch & Sub Branch Cash-in-Safe, Cash-on-Counter, and Cash in Transit & also for Locker.

4.2 Digitization & Efficiency Enhancement

The Branch Coordination and Control Division (BCCD) successfully transitioned from traditional oversight to a technology-driven governance model. By implementing real-time monitoring tools, automating reporting workflows, and deploying centralized compliance dashboards, the division significantly reduced operational risks, lowered processing times, and enhanced branch productivity across the entire network.

4.3 Customer-Centric Branch Culture

A customer-centric branch culture transforms traditional control mechanisms into strategic growth enablers. The Branch Coordination and Control Division bridges corporate governance with frontline customer experience. This ensures compliance enhances, rather than hinders, the client journey.

Strategic Objectives achieved in 2025

- **Optimized operations.** Service workflows streamlined to reduce customer wait times.
- **Empowered personnel.** Frontline staff unskilled to resolve issues at first contact.
- **Balanced governance.** Risk controls embedded seamlessly into daily service delivery.
- **Data-driven coaching.** Performance metrics aligned with customer satisfaction benchmarks.

5. Challenges Encountered:

Regulatory Compliance & Risk Oversight

- **Anti-Money Laundering (AML) gaps:** Varying levels of diligence in Know Your Customer (KYC) compliance across rural versus urban branches.
- **Audit rectification delays:** Slow implementation of corrective actions by branches following central internal audit findings.
- **Sanction monitoring stress:** High operational pressure to deploy real-time regulatory updates across the entire branch footprint simultaneously.
- **Cash management risks:** Difficulties balancing optimal vault cash limits with fluctuating daily branch liquidity demands.
-

Operational Efficiency & Performance Control

- **Target achievements variance:** Severe disparities in deposit mobilization and loan recovery performance between geographical regions.
- **Non-Performing Loan (NPL) tracking:** Inconsistent early-warning signaling from branch managers regarding stressed assets.
- **Manual reconciliation bottlenecks:** High volume of end-of-day clearing discrepancies requiring manual intervention from central control.
- **Service Quality (SQ) gaps:** Fluctuating customer turnaround times (TAT) causing inconsistent brand experiences across the network.

Strategic Outlook for 2026

Looking forward, the Branch Coordination & Control Division has identified the following strategic focus areas:

- **Full automation** of branch monitoring metrics through AI-integrated dashboards.
- **Enhanced regional autonomy** with performance-linked leadership KPIs.
- **Real-time compliance tracking** tools integrated with core banking software.
- **Branch model reengineering**, including cashless service counters and self-service zones in metro branches.
- **Zero tolerance policy** enforcement for delayed audit rectification and customer complaint resolution.
- **Artificial Intelligence (AI) Governance and Responsible Adoption** in 2026, the Bank will advance its digital transformation agenda by strengthening AI and AI Agent Governance in line with Bangladesh Bank's regulatory instructions vide letter ref no. CSU/Incidence/10(10)/2026-559 dated 20th August 2026. The Bank will focus on the responsible and secure adoption of AI to enhance operational efficiency, customer service, risk management and decision-making, supported by robust governance, data security, human oversight and regulatory compliance.

Conclusion

The **Branch Coordination & Control Division** drives operational excellence across the bank's entire network. This year, the division successfully streamlined branch workflows, strengthened compliance adherence, and accelerated the adoption of digital banking channels. By bridging corporate strategy with frontline execution, the division ensured consistent service quality, minimized operational risks, and enhanced customer satisfaction. Moving forward, the division remains committed to optimizing network performance, empowering branch staff through continuous training, and supporting the bank's sustainable growth objectives. BCCD remains committed to upholding operational discipline.



Tania Tabassum
Head of BCCD

Money Laundering & Terrorist Financing Prevention Report, 2025

In the rapidly transforming global financial environment, combating Money Laundering (ML) and Terrorist Financing (TF) remains a nucleus priority for financial institutions, particularly for banks that serve as custodians of public trust and economic stability. Bangladesh Commerce Bank Limited (BCBL), as a forward-looking and compliant institution, has remained unwavering in its commitment to prevent illicit financial activities and to uphold the integrity of the financial system of Bangladesh. In line with the directives of Bangladesh Bank, Bangladesh Financial Intelligence Unit (BFIU), international best practices including FATF (Financial Action Task Force) recommendations, and national regulatory frameworks such as the Money Laundering Prevention Act, 2012 and the Anti-Terrorism Act, 2009 and subsequent amendments, BCBL has taken a comprehensive and risk-sensitive approach to strengthen its AML & CFT (Anti-Money Laundering and Combating the Financing of Terrorism) regime throughout the reporting year 2025.

Governance and Compliance Framework

The Bank has adopted a robust three-lines-of-defense model to manage money laundering and terrorist financing risks. At the helm of this framework, the Chief Anti-Money Laundering Compliance Officer (CAMLCO), designated at senior management level, leads the Anti-Money Laundering Department. The CAMLCO reports directly to the Managing Director and also maintains a direct reporting line to the Board Audit Committee, ensuring oversight, autonomy, and escalation of compliance matters.

In 2025, the AML Department was further strengthened by recruiting skilled personnel, enhancing the compliance team's capacity to conduct due diligence, transaction monitoring, and reporting of suspicious activities with increased efficiency and accuracy. The Bank has a comprehensive Money Laundering and Terrorist Financing Prevention Policy Guideline. This policy guideline, approved by the Board of Directors, is extensively reviewed and updated regularly to reflect the latest risk typologies, regulatory expectations from Bangladesh Financial Intelligence Unit (BFIU), and global developments in financial crime prevention. The guideline "Ultimate Beneficial Owner of Loan" was introduced in the reporting period in line with the directives of Bangladesh Financial Intelligence Unit (BFIU) to ensure proper utilization of loan fund.

Customer Due Diligence (CDD) and Know Your Customer (KYC) Updating Program

Customer on-boarding and periodic review processes were further enhanced through automation and strict application of Customer Due Diligence (CDD) protocols. In 2025, the Bank had significant achievement on KYC compliance for new and existing accounts, with systematic risk profiling to categorize customers as Low, Medium, or High risk. In the reporting period, 35,634 account's Know Your Customer (KYC) were updated accordingly. As part of Customer Due Diligence (CDD) approach, 14452 account's Transaction Profile (TP) were updated according to transaction history of customers.

Enhanced Due Diligence (EDD) was rigorously applied to High-Risk customers, Politically Exposed Persons (PEPs), Non-Resident accounts, NGOs, and offshore clients. Transactions inconsistent with the declared profile or that triggered predefined red flags were escalated immediately for investigation and STR had been executed if any suspicious elements were discovered.

Transaction Monitoring and Suspicious Activity Reporting

In 2025, BCBL significantly upgraded its automated Transaction Monitoring System (TMS) to generate real-time alerts based on predefined scenarios and dynamic behavioral patterns. The Bank reviewed and refined its risk indicators to include new typologies of money laundering and terrorist financing as advised by BFIU. Both branches & concerned division are monitored transactions manually and automatically. If any transaction is suspected then investigate the matter thoroughly and report to Bangladesh Financial Intelligence Unit (BFIU) accordingly. So far 48 Suspicious Transaction Reports (STRs), 13 Suspicious Activity Reports (SARs) and 1 Suspicious Trade Based Money Laundering (STBMLs) had report to BFIU. These filings were based on a combination of automated alerts and manual escalations from branch operations and internal audit findings as well as findings from the ML&TFP Division. In a significant initiative to enhance transparency and risk mitigation, the Bank conducted a thorough review of dormant and inoperative accounts. Following meticulous scrutiny and risk assessment procedures, 38,513 dormant accounts were successfully regularized in the reporting period. This large-scale regularization exercise not only improved data hygiene but also helped the Bank prevent potential misuse of dormant accounts for illicit financial activities.

Employee Training and Awareness

The Bank firmly believes that awareness and skill-building among frontline staff are critical to the success of the AML & CFT regime. In 2025, BCBL conducted specialized training sessions, both online and in-person, including executives, branch officials, and operations staff. Total 393 employees were participated in AML & CFT training at Bangladesh Commerce Bank Training Institute (BCBTI), Bangladesh Financial Intelligence Unit (BFIU) and other institutions in the reporting period.

Training modules were updated to include typologies from recent global cases, emerging threats such as crypto-related laundering, and thematic areas such as trade-based money laundering, remittance-related money laundering and Credit based money laundering as well.

Independent Audit and Stringent Compliance

The Internal Control & Compliance Division (ICCD) and Internal Audit Division conducted comprehensive AML audits across branches, especially focusing on High-Risk and Sensitive Units. Recommendations from these audits were strictly implemented, and corrective measures were monitored through compliance dashboards. Bangladesh Financial Intelligence Unit (BFIU) was also conducted AML&CFT audit at branch level in the reporting period. All audit findings were compiled and escalated to the CAMLCO and the Board Audit Committee, ensuring that corrective action plans were formulated, executed, and monitored rigorously. The Bank maintained strict compliance with regulatory inspection requirements, responding promptly to all queries raised by Bangladesh Bank and BFIU. As a testament, Bangladesh Commerce Bank's Money Laundering risk rating improved by one notch in the latest regulatory assessment—a recognition of the progress achieved through sustained policy enforcement, technological integration, and capacity building.

Collaboration and Industry Engagement

BCBL actively engaged with the BFIU, Bangladesh Association of Banks (BAB), and other peer banks on AML & CFT-related initiatives. As an active member of the Bangladesh Bank-led AML/CFT initiatives, BCBL regularly participated in strategic dialogues, workshops, and inter-bank consultation

meetings organized by the Bangladesh Financial Intelligence Unit (BFIU). Furthermore, the Bank maintained an active liaison with the Bangladesh Association of Banks (BAB) and Association of Anti Money Laundering Compliance Officers of Banks (AACOB), leveraging these networks to exchange knowledge, benchmark compliance strategies, and share technological innovations in AML systems. The Bank also collaborated with law enforcement agencies, Anti Corruption Commission (ACC) and national security intelligence authorities in responding to requests for financial information related to suspicious transactions. Through these engagements, BCBL's AML team gained critical insights into typology-based risk mitigation, data analytics in financial crime detection, and automated compliance solutions. Notably, the Bank's representatives took part in high-level BFIU-hosted training sessions focused on trade-based money laundering, digital payment risks, and the implementation of the National Risk Assessment (NRA) recommendations. The Chief Anti-Money Laundering Compliance Officer (CAMLCO) with DCAMLCO of BCBL actively participated in "Conference of Chief Anti-Money Laundering Compliance Officers (CAMLCOs) of Scheduled Banks-2026" held on May 08-09, 2026 at Cox's Bazar.

Alignment with BFIU's National AML/CFT Action Plan 2026

As a key participant in the national AML/CFT ecosystem, BCBL fully endorses and is implementing the core directives from the BFIU's 2026 Action Plan, which was officially announced at the conclusion of the aforementioned CAMLCO conference by BFIU. These guidelines are being integrated into BCBL's operational and compliance strategy for 2026 and beyond.

Key initiatives under this national plan adopted or being implemented by BCBL include:

- Bangladesh Bank is going to formulate a policy based on AI Cloud and Block Chain Cloud to monitor the transactions of banks. Accordingly, the concerned departments should make appropriate preparations in this regard;
- Formation of a committee comprising all relevant agencies to identify areas of use and change of ICT in various government agencies in order to prepare a proposed dashboard of AML/CFT;
- To prevent irregularities in the bank, if it is not possible to file an effective and appropriate STR, arrange for a Whistle Blowing;
- Take immediate effective measures to stop commission collection by the branch manager from non life insurance company;
- To recover stolen assets, Non Disclosure Agreement (NDA) should be accomplished and appoint a dedicated team and contact person;
- Coordinated initiatives by branches, CRM, Internal Audit Department and Anti-Money Laundering Department to identify the real beneficiaries of anonymous/fake loans;
- To submit quality STR to BFIU through Real Time Transaction Monitoring;
- Assist Bangladesh Bank, Regulatory Agencies and BFIU with necessary data and case studies to prepare various responses to the 4th phase of "Mutual Evolution" to be held in the period 2027/28 and liaise with all relevant stakeholders to maintain Bangladesh's rating in the said mutual evolution;
- To coordinate with BFIU, AACOB, formulate a specific action plan and Mock Evaluation/Simulation to face Mutual Evaluation On-Site Visit;
- To prevent Trade Based Money Laundering, bank should update Dash Board of Price Verification Template in accordance with Bangladesh Bank Foreign Exchange Operation Department;

- Screening and sorting out bad loans and submit STR if there is any money laundering/foreign smuggling connection;
- Customers should be encouraged to use digital platforms by discouraging cash transactions. In addition, the concerned department should set a ceiling for cash withdrawal from loan accounts;
- Taking necessary initiatives to accelerate the cashless or digital banking process;
- The concerned departments should be vigilant to prevent misuse and leakage of information in the process of verifying information from the database;
- To prevent Money Laundering and Terrorist Financing Risk, RBS Aligned Compliance should be ensured.

Through active collaboration with regulatory bodies and full alignment with national strategy, BCBL continues to evolve its AML/CFT framework not only as a compliance mandate but as a strategic pillar of institutional integrity and resilience. The Bank reaffirms its commitment to safeguarding the financial ecosystem and upholding the trust of its customers, regulators, and the nation.

Risk-Based Approach and Future Roadmap

In alignment with the risk-based approach, the Bank has developed and is continuously enhancing its ML/TF Risk Assessment framework. BCBL has prioritized the digital transformation of its AML functions, with upcoming plans to integrate Artificial Intelligence (AI) and Machine Learning (ML) for pattern recognition and predictive analysis.

Looking forward, the Bank aims to automate end-to-end CDD and STR processes, introduce real-time customer risk rating adjustment tools and further refine training with simulated case studies and scenario analysis.

Conclusion

Bangladesh Commerce Bank Limited is deeply committed to operating with transparency, accountability, and ethical conduct. The Bank remains steadfast in its journey to not only comply with regulatory mandates but to lead in shaping a safer financial ecosystem. In conclusion, the Board and Management of BCBL reaffirm their unwavering commitment to fighting money laundering and terrorist financing for safeguarding our stakeholders, and enhancing the Bank's reputation as a compliant, secure, and responsible financial institution.



(Mohammad Ziaul Karim)

Chief Anti-Money Laundering Compliance Officer (CAMLCO)

Challenges Faced by BCBL in Strengthening HR Governance

HR governance in a banking institution is not limited to recruitment, promotion, payroll and disciplinary administration; it also requires **transparency, regulatory compliance, accountability, segregation of duties, documentation, and effective internal controls**. As Bangladesh Commerce Bank Limited (BCBL) moves towards strengthening its HR governance framework, HRD is likely to face a number of operational, regulatory and institutional challenges that will require systematic attention and appropriate control measures. In the context of BCBL, the major HR governance challenges may be outlined as follows:

1. Recruitment Governance and Merit-Based Selection

One of the key challenges is ensuring that all recruitment—particularly entry-level and lateral recruitment—is conducted through a **transparent, competitive and properly documented process**. Key concerns include:

- Ensuring recruitment through approved manpower plans and sanctioned positions.
- Maintaining consistency in advertisement, written examination, and interview and selection procedures.
- Proper documentation of selection criteria and approval authorities.
- Avoiding recruitment outside approved procedures or without adequate competitive assessment.
- Establishing clear accountability for deviations from approved recruitment policy.

Governance priority: Every appointment should be traceable from **manpower requisition → approval → advertisement/selection → assessment → recommendation → appointment → joining**.

2. Promotion Governance and Consistency

Promotion is one of the most sensitive areas of HR governance because it directly affects employees' career progression, remuneration and organizational hierarchy. BCBL will ensure:

- Uniform application of promotion criteria.
- Proper consideration of performance, seniority, qualifications and experience.
- Compliance with provisions relating to employees facing disciplinary proceedings, charge-sheets or other restrictions.
- Proper documentation of the Promotion Committee/competent authority's decision.
- Prevention of retrospective or irregular promotion decisions.
- Periodic review of previously granted promotions where material procedural irregularities are identified.

A particularly important governance principle is that **HR should act as the custodian of policy, not merely as an implementing agency for management decisions**.

3. Annual Increment and Pay-Fixation Controls

Another significant challenge is ensuring that salary fixation, annual increments, promotion fixation and arrear payments are **system-driven, accurately calculated and independently verified**. Potential risks include:

- Incorrect effective dates.
- Incorrect basic-pay fixation after promotion.
- Duplicate or excess payment.
- Incorrect arrear calculation.
- Incorrect employee/employer PF treatment.
- Manual adjustments without adequate authorization.
- Difficulty in implementing historical corrections in the HR/payroll system.

A robust control should require: **HR approval → Payroll calculation → Independent verification → Authorized posting → Audit trail → Reconciliation**.

4. HRIS and Data Governance

Effective HR governance increasingly depends on reliable HR information systems. BCBL's HR governance can be strengthened by developing an integrated HRIS covering:

Recruitment → Employee Master Data → Posting/Transfer → Promotion → Increment → Payroll → Leave → Performance → Training → Disciplinary Record → Retirement.

5. Policy–Practice Gap

A major HR governance challenge arises when there is a difference between **what the policy says and what is actually practiced**. Therefore, BCBL should establish a formal **Policy Deviation/Exception Management Framework**, under which every deviation must record:

6. Regulatory and Bangladesh Bank Compliance

As a scheduled bank, BCBL's HR governance must remain aligned with applicable **Bangladesh Bank directives, labour laws, service regulations and internal policies**.

The challenge is not merely compliance at the time of inspection. The objective should be to establish a system where compliance is **embedded in the HR process itself**.

7. Weaknesses in Accountability and Segregation of Duties

HR governance becomes vulnerable when the same individuals or units are involved in **initiating, processing, approving and implementing** an HR decision. This is particularly important for recruitment, promotion, pay fixation, arrears, disciplinary action and employee benefits.

8. Historical HR Records and Documentation

Where HR decisions span several years, incomplete or inconsistent documentation can create significant governance and legal risks. HR shall ensure preservation of:

- appointment files;
- examination/assessment records;
- interview scores;
- promotion committee minutes;
- approval notes;
- pay-fixation sheets;
- increment records;
- disciplinary records;
- leave records; and
- Payroll/arrear calculations.

“If a decision cannot be supported by documentary evidence, it becomes difficult to defend from a governance perspective.”

9. Internal Audit and Continuous HR Assurance

HR should not wait for external or regulatory inspection to identify weaknesses. BCBL is going to establish a **periodic HR Compliance Audit** covering, on a sample basis recruitment; promotion; increment; payroll; employee benefits; leave; disciplinary cases; personnel files; and HRIS data integrity.

The audit should focus not only on detecting errors but also on identifying **root causes and control failures**.

10. Managing Legacy Irregularities

One of the most difficult HR governance challenges is dealing with historical decisions while maintaining fairness to existing employees. The appropriate governance approach should distinguish between:

- (a) Procedural irregularity,**
- (b) substantive ineligibility,**
- (c) financial impact, and**
- (d) employee culpability.**

Not every historical procedural error necessarily has the same legal or administrative consequence. Therefore, corrective measures should be **evidence-based, proportionate, legally vetted and approved by the competent authority**.

11. Change Management and Professionalization of HR

BCBL's HR function is moving from traditional personnel administration toward **strategic and technology-enabled HR management**. The challenge is to transform HR from: **"Processing employee matters"** to: **"Governance, risk management, compliance and strategic human-capital management."**

12. Human Resources (HR) Governance Action Plan 2026–2027

For BCBL, HR governance should move from a predominantly **transaction-processing model** to a **control-based, evidence-driven and risk-oriented governance model**. This is particularly important because Bangladesh Bank's current **Internal Control Management System (ICMS) guideline emphasizes effective internal controls, good governance, transparency and accountability, and requires banks to assess and customize their control architecture**. Bangladesh Bank's prudential framework also places emphasis on Board-approved HR policies covering recruitment, promotion, transfer, disciplinary measures and HR development.

Proposed IHR Governance Action Plan 2026–2027

Sl.	Key Action	Risk/Issue Addressed	Responsible Unit
1	Establish HR Governance Steering Committee	Fragmented oversight of HR governance	MD & CEO / HRD
2	Conduct comprehensive HR Governance Gap Assessment	Policy/process/control weaknesses	HRD with Internal Audit/ ICMS
3	Prepare HR Regulatory Compliance Matrix	Regulatory compliance risk	HRD
4	Review and update Employment Regulations and HR policies	Policy–practice gaps	HRD/Legal/ ICMS
5	Standardize recruitment process through approved SOP	Irregular/inconsistent recruitment	HRD
6	Introduce Recruitment Compliance Checklist	Incomplete recruitment documentation	HRD
7	Establish centralized promotion eligibility screening	Ineligible/inconsistent promotion	HRD
8	Introduce standardized promotion scoring/evaluation sheet	Subjectivity and inconsistent assessment	HRD
9	Integrate disciplinary/case status into promotion screening	Promotion of restricted/ineligible employees	HRD/Legal
10	Strengthen pay fixation and increment controls	Incorrect salary fixation	HRD/Finance
11	Introduce four-eye verification for arrears	Excess/incorrect payment	HRD/Finance
12	Establish payroll exception reporting	Undetected payroll errors	Payroll/HRD
13	Clean and reconcile employee master data	Data inconsistency	HRD/IT
14	Introduce authorization matrix for HR master-data changes	Unauthorized data modification	HRD/IT
15	Develop/upgrade integrated HRIS	Manual processing/system dependency	HRD/IT
16	Establish HR Policy Exception Management System	Uncontrolled policy deviations	HRD/Legal/ ICMS
17	Establish HR Audit Observation Tracking System	Delayed corrective action	HRD/ ICMS /Internal Audit
18	Establish employee grievance/appeal mechanism	Employee relations/fairness risk	HRD/Legal
19	Implement HR Ethics & Accountability framework	Conflict of interest/ethical risk	HRD/ ICMS
20	Introduce HR Governance Dashboard	Inadequate Management information	HRD/IT
21	Conduct annual independent HR Governance Review	Lack of independent assurance	Internal Audit/ External Reviewer, as appropriate

13. Key HR Governance Risks & Governance Priorities for BCBL — At a Glance

Area	Major Governance Challenge	Required Control
Recruitment	Procedural deviation / inadequate documentation	Competency-based, documented selection
Promotion	Inconsistent application of criteria	Standardized promotion framework
Increment	Incorrect fixation/arrears	Automated calculation + independent verification
HRIS	Data inconsistency	Master-data governance + audit trail
Policy	Policy-practice gap	Exception management
Compliance	Regulatory non-compliance	HR regulatory compliance matrix
Accountability	Concentration of authority	Segregation of duties
Records	Incomplete historical files	Centralized digital personnel records
Audit	Reactive rather than preventive	Periodic HR compliance audit
Legacy cases	Difficulty correcting past decisions	Evidence-based review + legal vetting
Employee relations	Perception of unfairness	Grievance/appeal mechanism
HR capability	Administrative orientation	Professional, strategic HR function

HR governance program thus organized into the following **8 priority areas**:

P1-HR policy & regulatory compliance

P2-Recruitment governance

P3-Promotion & career governance

P4-Payroll, increment & arrear controls

P5-Personnel-file & HR data integrity

P6-HRIS & automation

P7-HR audit & monitoring

P8-Ethics, accountability & employee grievance

14. Recommendation

In view of the foregoing, it is recommended that the **"HR Governance Action Plan 2026–2027"** outlined above be implemented, with **HRD acting as the coordinating function** and with active participation of Internal Audit, Legal, Finance and IT Divisions. It is further proposed that:

- a) the HR Governance Steering Committee be constituted under the direction of the Managing Director & CEO;
- b) HRD shall submit a monthly HR Governance Dashboard to Management;
- c) a quarterly HR Governance Report shall be submitted to the appropriate Board Committee/competent authority;
- d) all concerned Divisions/Departments shall extend necessary cooperation to HRD for implementation of the Action Plan;
- e) critical HR governance issues shall be escalated immediately to the competent authority; and
- f) The effectiveness of the Action Plan shall be reviewed after one year and an updated Action Plan shall be prepared for the subsequent period.



Shah Md. Junaed Ibne Amin

Senior Vice President & Head of Human Resources Division
Bangladesh Commerce Bank Limited

AUDITOR'S REPORT

To the Members of
ABC Limited

Opinion

We have audited the accompanying financial statements of ABC Limited, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of ABC Limited as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Chh in

Chartered Accountants
Dhaka, Bangladesh
Date: 15 March 2025

**Independent Auditors Report
and
Audited Consolidated & Separate Financial Statements
of
Bangladesh Commerce Bank Limited and it's subsidiaries
As on and for the year ended on 31 December 2025**

Independent Auditors' Report

To the Shareholders of Bangladesh Commerce Bank Limited Report on the Audit of the Consolidated and Separate Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of Bangladesh Commerce Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of Bangladesh Commerce Bank Limited (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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated and separate financial statements present fairly, in all material respects 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, International Financial Reporting Standards (IFRS's) and Accounting Standards as issued by the International Accounting Standards Board (IASB) as explained in note 2.00.

Basis for Qualified Opinion

1. In accordance with BRPD Circular No. 18 (dated 15 June 2023), scheduled banks are required to maintain a minimum paid-up capital of Taka 500 crore. As of the reporting date, the Bank's paid-up capital stands at Taka 198.87 crore [Note: 14.2(a)]. While this does not meet the BRPD threshold, the Bank's paid-up capital is maintained in alignment with the Bangladesh Commerce and Investment Limited (Reconstitute) Act No. 12 of 1997, which does not allow the Bank to increase the paid-up capital more than Tk. 198.87 crore. Reference is made to Notes 14.2(a) and 14.2(b) regarding compliance with the guidelines of the Registrar of Joint Stock Companies and Firms (RJSC) and the Financial Reporting Council (FRC).
2. The Bank failed to comply with the minimum Capital to Risk-Weighted Assets Ratio (CRAR) as mandated by Bangladesh Bank Circular No. 18, dated 21 December 2014. Consequently, the capital fund deficit stood at Taka 2,157.41 crore as of 31 December 2025 (Note 14.3), inclusive of the Capital Conservation Buffer. As of that date, the Bank's CRAR was negative (36.84%), reflecting a prolonged deteriorating trend. Stress testing indicates that under a minor shock scenario, the ratio would further decline to negative (41.07%). Notably, the Bank utilized forbearance facilities amounting to Taka 1,244.26 crore from Bangladesh Bank (Ref: Letter No. BSD-9/116/2026-488, dated 28 April 2026); without this support, the negative CRAR would have plummeted to (64.39%). Furthermore, the Bank has remained non-compliant with Statutory Reserve requirements since 2018.
3. The Bank is facing significant liquidity stress, evidenced by CRR and SLR shortfalls (Note:3.3), negative operating cash flows, and a substantial liquidity deficit. Borrowings and deposits have increased due to unpaid interest, raising funding costs, while income-generating assets continue to decline (Note:11 & Note:12). Additionally, outstanding TDS, duties, and VDS remain unpaid (Note: 12) and must be deposited to the Govt. Exchequer in accordance with applicable laws.

4. The Bank is experiencing serious asset quality, liquidity, and profitability challenges (Note:7) due to total classified loans and advances amounted to Taka 1,660.75 crore as at 31 December 2025, against which a provision of Taka 383.72 crore has been maintained, considering regulatory forbearance granted by Bangladesh Bank vide letter no. BSD-9/116/2026-488 dated 28 April 2026, resulting in a shortfall of Taka 1,244.26 crore. A high volume of classified loans has created a substantial provision shortfall, while the negative spread between funding costs and loan yields has resulted in recurring negative interest income and operating cash flows.
5. We draw attention to Notes 9.1 and 13.3 of the financial statements, which disclose cumulative advance income tax of Taka 135.51 crore, against which an income tax provision of Taka 81.27 crore has been maintained. The resulting variance of Taka 54.24 crore appears uncertain in terms of its future adjustability, mainly due to pending tax assessments for multiple years and other underlying factors. This matter may affect the adequacy of tax provisions and therefore, requires careful assessment.
6. The Bank has significant exposure to distressed banks and financial institutions [Notes 4.1.1, 4.1.2, and 4.1.3 (a, b) of the accompanying financial statements], creating uncertainty over the recoverability of invested principal and interest and raising concerns regarding the adequacy of related provisions and investment valuations (Ref: BSD-9/116/2026-488, dated 28 April 2026, forbearance from Bangladesh Bank). In addition, a portion of interest income previously recognized remains unrealized (Note: 9.4), while the required full provision against such balances has not been maintained [BRPD Circular Letter No. 04 (dated 12 April 2022)], which may affect the accuracy of revenue recognition and provisioning adequacy.
7. As per IFRS 16- Leases, all rent contracts should be accounted for as a finance lease, and these will lead to recognition of lease liability. The entity has implemented the above IFRS for its Head Office only, resulting in non-compliance with full implementation of IFRS 16.
8. A significant discrepancy was observed between the balance confirmation received from People's Leasing and Financial Services Limited and the Bank's ledger balance, amounting to Taka 117.52 crore. In addition, we have sought for balance confirmations, bank statement & reconciliation in relevant matters though most of the confirmations yet to received. However, those marked with an asterisk (*) in the financial statements under Notes 3, 4, 5, 6, 7, 11, & 12.

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 qualified opinion.

Material Uncertainty

The Bank has been under severe and continuing financial stress since 2018, evidenced by persistent negative profitability, operating losses, and negative operating cash flows. Its capital position has deteriorated significantly, with deeply negative shareholders' equity, even after accounting for regulatory forbearance support from Bangladesh Bank. The Bank also continues to face a prolonged liquidity crisis, sustained net losses, and material provisioning shortfalls related to loans, distressed investments, and off-balance sheet exposures, as disclosed in the relevant notes. Taken together with the issues highlighted in the Basis for Qualified Opinion, these conditions indicate a material uncertainty that may cast significant doubt on the Bank's ability to continue as a going concern. Nevertheless, the financial statements have been prepared on a going concern basis, supported by ongoing regulatory assistance and Bangladesh Bank's continued backing.

Emphasis of Matter

We draw attention to the following matters, though our opinion is not qualified in respect of the same:

1. We draw attention to Note: 2.1.1 that the financial statements are prepared in accordance with Bangladesh Bank regulations, particularly the rules governing the classification of loans and advances (or investments for Islamic banking operations) and the associated requirements for impairment provisioning.
2. We draw attention to Note: 21 of the financial statements, that Taka 9.13 crore paid as interest on a government project-linked current deposit account at the Mymensingh Branch was fraudulently misappropriated by a third party during 2022–2024. The funds were related to the "Development of Road and Drainage Network with Citizen Service" project of Mymensingh City Corporation. The Bank has already initiated legal proceedings at the branch level and filed a complaint with the Anti-Corruption Commission (ACC) on 5 May 2025. The case is currently under investigation, and no litigation outcome has been announced yet.
3. As per guidelines from Foreign Exchange Policy Department of Bangladesh Bank export proceeds must generally be realized within 120 days from shipment date. The Bank has a total of 721 nos. overdue export bills whose aggregate exposure of USD 36,202,964.
4. We also draw your attention to the qualified & emphasis of matter paragraph of the statutory audit report of the subsidiary Company (namely Commerce Bank Securities and Investment Limited) of the Bank.
5. We draw attention to Notes 3.1 & 8.0 highlights reconciliation discrepancies in the financial records. Specifically, a variance of Taka 0.23 crore was found between the fixed asset ledger and the system-generated fixed asset register. An additional variance of Taka 0.05 crore exists between the fixed asset ledger and the amounts reported in the financial statements. A discrepancy of Taka 0.0059 crore was also identified between the cash-in-hand ledger and the financial statement balance. These differences indicate inconsistencies in reconciliation processes between underlying accounting records and the final financial statement figures. It was observed during our audit that the Bank has presented a deficit balance of Dividend Receivable from Shares amounting to Taka. (0.05) crore under Note: 9.4 as an asset. However, such negative balance should have been appropriately recognized and presented as a liability in accordance with applicable accounting standards.

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.

Description of key audit matters	Our response to key audit matters
Measurement of provision for loans and advances/investments	
The process for estimating the provision for loans & advances/investments portfolio associated with credit risk is significant, judgmental and complex. While estimating such provision certain judgmental factors need to be considered including: • Future business performance of the borrower; • Key assumptions relating to further business performance of the borrower; • Market value of the collateral; • Ability to repossess collateral; and • Recovery rates etc. The Bank calculates provision for loans and advances/ investments 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. 14 dated 23 September 2012 and its subsequent amendments. To minimize COVID-19 impact, Bangladesh Bank issued BRPD Circular Letter No. 56, dated-10 December 2020, related to BRPD Circular No. 17, dated-28 September 2020; BRPD circular No. 52, dated-29 December 2021, related to BRPD Circular No. 19, dated-26 August 2021, and BRPD Circular No. 51, dated-22 December 2022, related to BRPD Circular No. 14, dated-22 June 2022, BRPD Circular No. 33 date- August 03, 2022, BRPD Circular No. 16 date- July 18, 2022, BRPD Circular No. 03 date- February 02, 2023, BRPD Circular No. 06 (April 25, 2023, BRPD Circular No. 11 (June 20, 2023, BRPD Circular No. 15 (July 20, 2023, BRPD Circular No. 04	We tested the design and operating effectiveness of key controls focusing on the following: • Credit monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; and • Review of quarterly Classification of loans and advances/investments; • Follow Bangladesh Bank's circular and guidelines. Our substantive procedures in relation to the provision for loans and advances/investments portfolio comprised the following: • Reviewed general and specific provisions kept by the bank; • Assessed the methodologies on which the provision amounts based, checked the calculations of the provisions and tested the completeness and accuracy of the underlying information • Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. • We checked the no. of instalments outstanding and in compliance with the various circular & guidelines of Bangladesh Bank. • Tested the inputs in computation of provision in terms of testing the accuracy of

(February 08, 2024, BRPD Circular No. 08 (May 08, 2024, BRPD Circular No. 16 (May 2024), BRPD Circular No. 13 date- July 08, 2024, BRPD Circular No. 43 (December 2024, BRPD Circular No. 05 date- June 25, 2025, BRPD Circular No. 07 date- September 16, 2025, BRPD Circular No. 26 date- November 24, 2025, Circular No. 29 date- December 21, 2025, for providing deferral facility to aggrieved customers.

In Bangladesh, non-performing loans and advances/ investments have been increasing day by day. Banks need to maintain provisions for additional non-performing loans and advances/investments in line with the central bank's guidelines. The Bank identifies impaired loans and advances/investment accounts and calculates required provisions manually. Furthermore, management has incentive to maintain lower provisions for loans and advances/ investments to misstate profit. Considering these factors, we have considered measurement of provision for loans and advances/investments and leases as significant risk as well as a key audit matter.

Furthermore, these provisions are processed manually using the voluminous data extracted from the IT system of the Bank and following the instructions of Bangladesh Bank (the central bank of Bangladesh) issued from time to time.

For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows and management intend to shows their loans and advances/investments regular including staff loans and advances/investments.

Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.

At the year end the Bank reported total gross loans and advances/investments of Taka 2,559.86 Crore (2024: Taka 2,351.19 crore) and total provision for loans and advances/investments excluding off balance sheet item Taka 383.72 crore (2024: Taka

underlying information;

- Assessed the methodologies on which the provision amounts based (value of eligible securities, interest suspense), recalculated the provisions for loans and advances/ investments; and
- Finally, compared the amount of provision requirement as determined by Bangladesh Bank to the actual amount of provision maintained.

We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.

375.72 crore). We have focused on the following significant judgments and estimates which could give rise to material misstatement or management bias:

- Completeness and timing of recognition of loss events in accordance with criteria set out in BRPD circular no 14, dated 23 September 2012, BRPD circular no. 03 dated 21 April 2019, BRPD circular no. 17 dated 28 September 2020, BRPD circular no. 56 dated 10 December 2020 and BRPD Circular no. 51 dated 18 December 2022, BRPD Circulars no. 3 dated 31 January, 2021, BRPD Circulars no. 5 dated 24 March, 2021 and no, 51 dated 29 December 2021 and BRPD Circular letter No. 53 dated 30 December 2021 and BRPD Circular No. 14 dated 22 June 2022.

See note no 7 and 13.1 to the financial statements

Recognition of interest/profit income on loans and advances/investments

Recognition of interest/profit income from loans and advances/investments has significant and wide influence on financial statements. Recognition and measurement of loans and advances/ investments income have involvement of complex IT environment.

We identify recognition of loans and advances/ investment income from loans & advances/ Investments 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 in recognition of loans and advances/investment income/profit by management to meet specific targets or expectations.

The bank has reported negative interest income of Taka 329.54 which is 24.09% Higher loss than the previous year (2024: Taka 265.59). As such, EPS represent taka negative 226.29 which has decreased 17.30% as compared to last year.

The Bank has reported loans & advances/investment income of Taka 30.45 crore, which is a decrease of 20.30%. On the other hand,

We tested the design and operating effectiveness of key controls over recognition and measurement of loans & advances/investment income on loans and advances/investments focusing on the following:

- We performed test of operating effectiveness on automated control in place to measure and recognise interest/profit income from loans and advances/investments.
- We have also performed substantive procedure to check whether loans & advances/investment income is recognised completely and accurately.
- Reviewing transfer of interest/profit 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.
- Finally, we also conducted substantive analytical procedures to assess

commission, exchange and brokerage which is 20% lower than previous year (2024: Taka 15.09 crore). Accordingly, this has been considered as key audit matter.	reasonableness of loans & advances/investment income recognized during the year with reference to the product wise outstanding loans & advances/investment balances. We performed several analytical and substantive procedures to check whether the calculations relating to the loans & advances/investment income/ profit paid on deposits and borrowings etc. and the EPS are accurate or not.
See note no 20, 22, 23 to the financial statements	
Liquidity concern and significant Increase in Borrowing from Bangladesh Bank	
At several point of time in the reporting year, the bank encountered multiple instances of liquidity challenges. It resulted the bank to seek external financing as borrowing from Bangladesh Bank. The year ended balance has come to Taka 920.03 crore (2024: Taka 738.19 crore) which includes Taka 439.69 crore as Bangladesh Bank Overdraft, Taka 293.38 as Bangladesh REPO, Taka 175.00 crore as Bangladesh Cash Liquidity Support & 11.96 crore Bangladesh Re- Finance Scheme under SME. The consequence of the liquidity challenge and increase in the borrowing from the central bank and the associated risk with it have made us determine it as key audit matter.	Our audit procedures in connection of the borrowing are as follows: - Assessed the effectiveness of the bank's management of liquidity risk in light of the current economic conditions and market volatility, as well as any changes in the bank's liquidity profile, such as changes in funding sources etc. - Assessed whether the borrowing has been appropriately disclosed in the financial statements. - Checked ledger and documents provided by regulator on sample basis as part of audit procedure.
See note no 11 to the financial statements	
Valuation of Treasury Bill and Treasury Bond	
The classification and measurement of T-Bill and T-Bond require judgment and complex estimates. In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment. Impairment assessment of financial instruments measured at amortized cost also required mainly	We assessed the processes and controls put in place by the Group to identify and confirm the existence of financial instruments. We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the financial instrument's 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

unobservable market data and assumptions.	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 6.1 to the financial statements	
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 9.8, 13.4 to the financial statements

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.

Usually, Bank IT System and Control in Bangladesh has become increasingly complex due to heavy reliance on core banking platforms. In the context of Bangladesh, particularly under the regulatory oversight of Bangladesh Bank, several key challenges arise:

- Difficulty in understanding system architecture and data flow
- Heavy reliance on automated processing reduces visible audit trail
- Risk of improper system configuration affecting financial reporting
- Increasing cyber threats, phishing, and hacking attempts
- Manual intervention in automated system

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, configuration 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.

Significant Foreign Exchange Income

During the year under audit, the bank has recorded a significant foreign exchange Income i.e., Taka 3.01 crore (2024: Taka 6.45 crore)

In the case of the bank, this is largely due to external market forces, mostly the rise in the exchange rate of the USD has resulted in such exchange gains.

Since, this exchange gains is a significant financial matter that has an impact on the bank's

Our audit procedures in connection of this are as follows:

- Assessed the adequacy of the bank's accounting policies and procedures for recognizing and measuring exchange gains and losses, to evaluate whether the bank's accounting policies and procedures comply with applicable accounting standards and industry best practices.

profitability and earnings per share (EPS), we considered the matter as key audit matter.	• Conducted substantive procedure to assess whether the exchange gains are properly disclosed and explained. • Evaluated the materiality and sustainability of the exchange gain, particularly in relation to the bank's overall financial performance and earnings per share (EPS).
See note no 23 to the financial statements	
Impairment assessment of unquoted investment	
In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment, is calculated using valuation techniques which may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.	We have assessed the process and controls put in place by the company to ensure all major investment decisions are undertaken through a proper due diligence process. We tested a sample of investment valuation as at 31 December 2025 and compared our results to the recorded value. Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
See note no 6.2 to the financial statements	
Legal and regulatory matters	
We focused on legal and regulatory matters because the Group and the Bank operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions and other contingent liabilities.	The Bank's key controls over the legal provision and contingencies process. We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel. We assessed the methodologies on which the provision amounts are based, recalculated the provision, and tested the completeness and

	accuracy of the underlying information. We also assessed the Bank's provisions and contingent liabilities disclosure. Our results, based on the procedure performed, we have considered the bank's legal affairs and communicated with the legal advisors and panel lawyers to assess the bank's legal & regulatory positions. • Total 2,051 cases filed by the Bank. Among them, 846 cases are in the Money Loan Court, 2 cases are in the Bankruptcy Court, 0 cases under the PDR Act, and 1,203 cases under the NI Act. The total amount involved is Taka 3,297.51 crore • Disposed cases: 806. Among them, 436 cases are in the Money Loan Court, 0 cases are in the Bankruptcy Court, 0 cases under the PDR Act, and 370 cases under the NI Act. The total amount involved is Taka 527.95 crore and the actual recovery is Taka 155.23 crore. • Pending cases: 1,245. Among them, 410 cases are in the Money Loan Court, 2 cases are in the Bankruptcy Court, 0 cases under the PDR Act, and 833 cases under the NI Act. The total amount involved is Taka 2,769.56 crore and the actual recovery is Taka 142.01 crore.
Carrying value of investments in subsidiaries and associates by the Bank	
The Bank has invested in equity shares of its subsidiaries, namely Commerce Bank Securities and Investment Limited. Considering the audited financial statements as at 31 December 2025, the companies retained earnings was negative to Taka 15.00 crore. The Bank is required to perform an impairment test of investment in subsidiaries when an impairment indication exists. The impairment testing is considered to be a key audit matter due	We have reviewed management's analysis of impairment assessment and recoverable value calculation of subsidiaries in accordance with IAS 36: Impairment of Assets. With the investment recognition criteria as per IAS 28: Investments in Associates and Joint Ventures, we reviewed the activities and investments in the associate company as per the documentation provided by the management.

to the complexity and judgments required in determining the assumptions to be used to estimate the recoverable amount, which is higher of fair value less costs to sell and value in use. Management has conducted an impairment assessment and calculated the recoverable value of its subsidiaries in accordance with IAS 36: Impairment of Assets.	In particular, our discussions with the Management were focused on the continued appropriateness of the value in use model, the key assumption used in the model, and the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation.
Fixed assets including premises, furniture and fixtures	
The carrying value of the fixed assets including premises, furniture and fixtures amounted to Taka 32.12 crore as at 31 December 2025. The valuation of fixed assets including premises, furniture and fixtures was identified as a key audit matter due to the significance of this balance to the financial statements. Expenditures are capitalized if they create new or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of fixed assets including premises, furniture and fixtures items are based on management's estimates regarding the period during which the asset or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets. In Bangladesh often encounter persistent and technically significant challenges when reviewing the Fixed Assets Register (FAR) regarding missing asset descriptions, identification numbers, or locations.	Our audit included the following procedures: • We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent. • We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible individuals. • We inspected a sample of invoices and documents to determine whether the classification between capital and operating expenditure was appropriate. • We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice.
See Annexure –A to the financial statements.	

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 Banking Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Group and the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Banking Company Act 1991, and the rules and regulations issued by Bangladesh Bank, we also report that, except for the matters described in the Basis for Qualified Opinion and Emphasis of Matter paragraphs; we also report that we obtain all the information & explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

- a. 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;

- b. the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- c. 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;
- d. 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 and considering Bangladesh Bank vide letter no. BSD-9/116/2026-488, dated 28 April 2026;
- e. adequate provisions have been made for loans and advances/investments and other assets;
- f. based on our checking of sample, no loans and advances/investments in excess of the amount determined by Bangladesh Bank from time to time has been sanctioned or allowed.
- g. 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:
 - i. internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;
 - ii. 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 other than matters disclosed in these financial statements;
- h. The financial statements of the subsidiary company namely, Commerce Bank Securities and Investment Limited was audited by Aziz Halim Khair Choudhury, Chartered Accountants as on the reporting date and issued a qualified opinion. These accounts have been properly reflected in the consolidated financial statements;
- i. the information and explanations required by us have been received and found satisfactory;
- j. we have reviewed over 80% of the risk weighted assets of the Bank and spent over 8,000 person hours; and
- k. 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.

Signed for & on behalf of
Kazi Zahir Khan & Co.
 Chartered Accountants
 Firm Registration No. With FRC:
 CAF- 001-116



Mohammed Alamgir Kabir, FCA
 Managing Partner
 Enrolment: #1483
 Place: Dhaka
 Date: 29 April 2026
 DVC: 2604291483AS332795

Signed for & on behalf of
Ahsan Manzur & Co.
 Chartered Accountants
 Firm Registration No. With FRC:
 CAF- 001-127



Md . Raghieb Ahsan, FCA
 Managing Partner
 Enrolment: #689
 Place: Dhaka
 Date: 29 April 2026
 DVC: 2604290689AS383023

Bangladesh Commerce Bank Limited and its Subsidiary
Consolidated Balance Sheet
As at 31 December 2025

Particulars	Notes	Amount in Taka	
		2025	2024
PROPERTY AND ASSETS			
Cash	3(a)	1,228,142,697	813,649,104
Cash in hand (including foreign currencies)	3.1(a)	829,410,471	375,647,033
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2(a)	398,732,226	438,002,071
Balance with other banks and financial institutions	4(a)	11,151,456,705	12,961,458,526
Inside Bangladesh	4.1	11,010,840,901	12,714,310,349
Outside Bangladesh	4.2	140,615,804	247,148,177
Money at call on short notice	5(a)	28,400,000	28,400,000
Investments	6(a)	4,356,100,475	4,957,153,336
Government		3,505,154,237	4,075,211,249
Others		850,946,238	881,942,087
Loans and Advances	7(a)	25,550,731,111	23,467,515,664
Loans, Cash Credit, Overdrafts etc.		25,546,992,777	23,464,914,219
Bills purchased and discounted		3,738,334	2,601,445
Fixed assets including premises, furniture and fixtures	8(a)	482,502,213	562,136,562
Other assets	9(a)	7,582,062,870	6,743,300,075
Non-banking assets	10	-	-
Total Property and Assets		50,379,396,071	49,533,613,268
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	9,200,268,985	7,381,875,653
Deposits and other accounts	12(a)	44,697,406,874	42,648,595,675
Current Account and Other Accounts etc.	12.1	6,246,239,026	6,255,831,283
Bills Payable	12.2	838,390,899	746,691,476
Savings Bank Deposits	12.3	3,212,313,389	3,389,409,646
Short Term Deposit	12.4	2,915,121,022	2,996,946,305
Fixed Deposits	12.5	21,434,166,612	19,824,121,297
Fixed Deposits / Mudaraba Fixed Deposits	12.6.2	10,051,175,926	9,435,595,669
Other liabilities	13(a)	13,306,651,091	11,541,444,319
Total Liabilities		67,204,326,950	61,571,915,647
Capital/Shareholders' Equity			
Paid-up-Capital	14.2 (a)	1,988,742,800	1,988,742,800
Share Capital BCI Ltd.		15,300,000	15,300,000
Right Share Application Money	14.2 (b)	917,259,650	917,259,650
Statutory Reserve	15(a)	275,060,371	275,060,371
Other Reserve	16(a)	11,065,184	10,696,261
Revaluation Reserve for HTM & HFT Securities	17(a)	52,719,807	45,064,374
Retained Earnings/(Loss on profit & loss A/C)	18(a)	(20,085,078,886)	(15,290,426,115)
Total Shareholders' Equity		(16,824,931,074)	(12,038,302,659)
Non-Controlling Interest		195	280
Total Equity		(16,824,930,879)	(12,038,302,379)
Total Liabilities and Shareholders' Equity		50,379,396,071	49,533,613,268

Bangladesh Commerce Bank Limited & its Subsidiary
Consolidated Balance Sheet (Continued)
As at 31 December 2025

Particulars	Notes	Amount in Taka	
		2025	2024
OFF-BALANCE SHEET ITEMS			
Contingent Liabilities			
Acceptances and Endorsements	19	318,777,432	240,317,608
Letter of Guarantees	19.1	957,588,561	1,190,443,143
Irrevocable Letter of Credit	19	773,436,160	668,534,901
Bills for Collection	19	2,773,093,820	2,856,784,149
Other contingent liability	19.2	100,610,480	100,610,480
TOTAL CONTINGENT LIABILITIES		4,923,506,453	5,056,690,280
Other commitments			
Documentary Credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off-Balance Sheet items including contingent liabilities		4,923,506,453	5,056,690,280

The annexed notes 1 to 40 and Annexure A,B,C,D, E and F form an integral part of these consolidated financial statements.



Managing Director



Director



Director



Chairman

Signed in terms of our separate report of even date

Signed for & on behalf of
Kazi Zahir Khan & Co.
Chartered Accountants
Firm Registration No. With FRC:
CAF- 001-116



Mohammed Alamgir Kabir, FCA
Managing Partner
Enrolment: #1483
Place: Dhaka
Date: 29 April 2026
DVC: 2604291483AS332795

Signed for & on behalf of
Ahsan Manzur & Co.
Chartered Accountants
Firm Registration No. With FRC:
CAF- 001-127



Md . Raghieb Ahsan, FCA
Managing Partner
Enrolment: #689
Place: Dhaka
Date: 29 April 2026
DVC: 2604290689AS383023

Bangladesh Commerce Bank Limited and its Subsidiary
Consolidated Profit & Loss Account
As at 31 December 2025

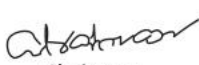
Particulars	Notes	Amount in Taka	
		2025	2024
Interest Income	20 (a)	1,216,393,360	1,659,556,427
Interest paid/ Profit shared on Deposits and Borrowings etc	21(a)	(4,497,100,230)	(4,255,737,074)
Net Interest Income		(3,280,706,870)	(2,596,180,646)
Income from Investments in Shares and Securities	22(a)	282,346,764	391,843,765
Commission, Exchange Earnings & Brokerage	23(a)	172,862,935	223,320,596
Other Operating Income	24(a)	97,592,561	102,708,395
		552,802,260	717,872,756
Total operating income (A)		(2,727,904,610)	(1,878,307,891)
Salaries and Allowances	25(a)	1,198,135,574	1,246,737,397
Rent, Taxes, Insurance, Electricity, etc.	26(a)	211,005,561	182,298,412
Legal Expenses		932,001	462,403
Postage, Stamp, Telecommunication etc.	27(a)	60,245,952	38,321,078
Stationery, Printing, Advertisement etc.	28(a)	19,627,057	48,654,788
Managing Director's salary and fees	29	3,720,484	9,720,000
Directors' Fee and expenses	30(a)	4,464,747	2,764,100
Auditors' Fee		2,441,000	510,000
Depreciation & Repairs of Bank Assets	31(a)	132,577,177	127,900,297
Other Expenses	32(a)	67,775,459	106,691,692
Total operating expenses (B)		1,700,925,012	1,764,060,167
Total Profit/ (Loss) before Provision & Taxes (C)=A-B		(4,428,829,622)	(3,642,368,058)
Provision for Loans & Advances		318,485,896	29,107,010
Provision for diminution in value of Investment		4,879,826	54,328,209
Provision for Off Balance Sheet Items		-	-
Other provisions		-	-
Total provision (D)		323,365,722	83,435,219
Profit/(loss) before taxes (C-D)		(4,752,195,344)	(3,725,803,277)
Provision for Taxation		41,400,722	106,916,823
Current tax expense		58,952,574	122,533,335
Deferred tax expense/ (Income)		(17,551,852)	(15,616,512)
Net profit/ (loss) after taxation		(4,793,596,066)	(3,832,720,100)
Appropriations			
Statutory Reserve		-	-
General Reserve		-	-
Capital Reserve		368,922	379,085
Dividends Etc.		-	-
		368,922	379,085
Retained surplus		(4,793,964,988)	(3,833,099,185)
Earning Per Share (EPS)	34(a)	(241.04)	(192.72)

The annexed notes 1 to 40 and Annexure A,B,C,D,E and F form an integral part of these consolidated financial statements.


Managing Director


Director


Director


Chairman

Signed in terms of our separate report of even date

Signed for & on behalf of
Kazi Zahir Khan & Co.
Chartered Accountants
Firm Registration No. With FRC:
CAF- 001-116


Mohammed Alamgir Kabir, FCA
Managing Partner
Enrolment: #1483
Place: Dhaka
Date: 29 April 2026

Signed for & on behalf of
Ahsan Manzur & Co.
Chartered Accountants
Firm Registration No. With FRC:
CAF- 001-127


Md . Raghieb Ahsan, FCA
Managing Partner
Enrolment: #689
Place: Dhaka
Date: 29 April 2026

Bangladesh Commerce Bank Limited and its Subsidiary
Consolidated Cash Flow Statement
As at 31 December 2025

Particulars	Amount in Taka	
	2025	2024
A. Cash flow from operating activities		
Interest receipts	431,080,893	977,356,656
Interest payments	(4,470,254,297)	(3,991,252,068)
Dividend receipts	50,187,978	28,851,542
Fees and commission receipts in cash	120,738,446	150,920,539
Cash payment to employees	(1,132,486,180)	(1,185,997,470)
Cash payment to suppliers	(283,987,066)	(260,043,870)
Income Taxes paid	(52,103,965)	(111,584,431)
Receipts from other operating activities	96,541,238	143,301,495
Payments for other operating activities	(65,606,599)	(89,023,828)
Operating profit before changes in operating assets and liabilities	(5,305,889,552)	(4,337,471,436)
Increase/(Decrease) in operating assets & liabilities	1,855,583,961	(1,789,762,453)
Statutory Deposits	562,401,579	20,739,426
Loans & advance to customers	(2,086,682,978)	463,462,332
Other assets	(1,040,815,459)	319,904,113
Deposits from other banks/ borrowings	55,823,560	(2,248,338,348)
Deposits from customers	1,992,987,639	(2,278,937,323)
Other liabilities	2,371,869,619	1,933,407,346
Net cash flows from/ (used in) operating activities (CBSIL)	12,528,421	(388,539,010)
Net cash flow from operating activities (A)	(3,437,777,170)	(6,515,772,899)
B. Cash flow from investing activities	(12,668,606)	(39,912,500)
Purchase of property, plant & equipment	(32,668,605)	(89,173,468)
Purchase/sale of Securities & bond	19,999,999	49,260,968
Net Cash flow from investing activities(CBSIL)	232,238,598	14,228,386
Net cash flow from/ (used in) investing activities (B)	219,569,992	(25,684,114)
C. Cash flow from financing activities		
Receipts from issue / repayment of debt instruments	1,818,393,332	(639,734,991)
Payment for redemption of debt instruments	-	(26,985,367)
Net Cash flow from Financing activities(CBSIL)	4,119,217	3,168,558
Net cash flow from / (used in) financing activities (C)	1,822,512,548	(663,551,801)
G. Cash and cash equivalents at end of year (D+E+F) (*)	-	-
Net increase in Cash and Cash Equivalents (A+B+C)	(1,395,694,630)	(7,205,008,814)
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and Cash Equivalents at the beginning of the year	13,804,749,731	21,009,758,545
Cash and cash equivalents at end of year	12,409,055,102	13,804,749,731
Closing Cash & Cash Equivalent		
Cash in Hand (including foreign currency)	829,410,471	375,647,033
Balance with Bangladesh Bank and its Agent Banks	398,732,226	438,002,071
Balance with Other Bank's and Financial Institutions	11,151,456,705	12,961,458,526
Money at Call on Short Notice	28,400,000	28,400,000
Prize Bond	1,055,700	1,242,100
	12,409,055,102	13,804,749,731



Managing Director



Director



Director



Chairman

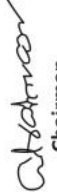
Bangladesh Commerce Bank Limited and its Subsidiary
Consolidated Statement of changes in Equity
As at 31 December 2025

Particulars	Amount in Taka							
	Paid up Capital	Share Capital BCI Ltd.	Right Share Application Money	Statutory Reserve	Revaluation Reserve (HFT/HTM)	Other Reserve	Retained Earnings	Parent's Equity
Balance as on January 01, 2025	1,988,742,800	15,300,000	917,259,650	275,060,371	45,064,374	10,696,261	(15,290,426,115)	(12,038,302,659)
Changes in Accounting Policy	-	-	-	-	-	-	-	-
Restated Balance	1,988,742,800	15,300,000	917,259,650	275,060,371	45,064,374	10,696,261	(15,291,113,982)	(12,038,990,246)
Share Capital BCI Ltd.								
Right Share Application Money								
Increase in Statutory Reserve	-	-		-	-	368,922	-	368,922
Revaluation Reserve for HTM Securities	-	-		-	7,655,433	-	-	7,655,433
Capital Reserve								
Net Profit/(Loss) for the year	-	-		-	-	-	(4,793,964,903)	(85)
Balance as on December 31, 2025	1,988,742,800	15,300,000	917,259,650	275,060,371	52,719,807	11,065,183	(20,085,078,885)	(16,824,931,074)
Balance as on January 01, 2024	1,988,742,800	15,300,000	917,259,650	275,060,371	72,049,741	10,317,176	(11,457,326,742)	(8,178,597,004)
Changes in Accounting Policy	-	-		-	-	-	-	-
Restated Balance								
Share Capital BCI Ltd.								
Right Share Application Money								
Increase in Statutory Reserve	-	-		-	-	379,085	-	379,085
Revaluation Reserve for HTM Securities	-	-		-	(26,985,367)	-	-	(26,985,367)
Issuance of Share Capital	-	-		-	-	-	-	-
Redemption of Share Capital	-	-		-	-	-	-	-
Net Profit/(Loss) for the year	-	-		-	-	-	(3,833,099,373)	188
Deferred Tax Adjustment							-	-
Balance as on December 31, 2024	1,988,742,800	15,300,000	917,259,650	275,060,371	45,064,374	10,696,261	(15,290,426,115)	(12,038,302,659)


Managing Director


Director


Director


Chairman

Bangladesh Commerce Bank Limited

Balance Sheet

As at 31 December 2025

Particulars	Notes	Amount in Taka	
		2025	2024
PROPERTY AND ASSETS			
Cash	3	840,344,352	813,452,789
Cash in hand (including foreign currencies)	3.1	441,612,126	375,450,718
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	3.2	398,732,226	438,002,071
Balance with other banks and financial institutions	4	11,151,456,705	12,822,742,732
Inside Bangladesh	4.1	11,010,840,901	12,575,594,555
Outside Bangladesh	4.2	140,615,804	247,148,177
Money at call on short notice	5	28,400,000	28,400,000
Investments	6	4,801,371,986	5,391,428,997
Government	6.1	3,505,154,237	4,075,211,249
Others	6.2	1,296,217,749	1,316,217,748
Loans and Advances	7	25,598,621,119	23,511,938,141
Loans, Cash Credit, Overdrafts etc. / Investment	7.1	25,594,882,785	23,509,336,696
Bills purchased and discounted	7.2	3,738,334	2,601,445
Fixed assets including premises, furniture and fixtures	8	475,049,813	555,556,056
Other assets	9	6,954,091,656	5,846,483,759
Non-banking assets	10	-	-
Total Property and Assets		49,849,335,631	48,970,002,475
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	9,200,268,985	7,381,875,653
Deposits and other accounts	12	44,697,406,874	42,648,595,675
Current/ Al-Wadeeah Current Account and Other Accounts	12.1	6,246,239,026	6,255,831,283
Bills Payable	12.2	838,390,899	746,691,476
Savings Bank / Mudaraba Savings Bank Deposits	12.3	3,212,313,389	3,389,409,646
Short Term Deposit	12.4	2,915,121,022	2,996,946,305
Fixed Deposits / Mudaraba Fixed Deposits	12.5	21,434,166,612	19,824,121,297
Fixed Deposits / Mudaraba Fixed Deposits	12.6.2	10,051,175,926	9,435,595,669
Other Liabilities	13	12,628,710,696	11,123,257,162
Total Liabilities		66,526,386,555	61,153,728,492
SHAREHOLDERS' EQUITY			
Capital/Shareholders' Equity			
Paid-up-Capital	14.2 (a)	1,988,742,800	1,988,742,800
Share Capital BCI Ltd.	14.3	15,300,000	15,300,000
Right Share Application Money		917,259,650	917,259,650
Statutory Reserve	15	275,060,371	275,060,370
Other Reserve	16	8,920,366	8,920,366
Revaluation Reserve for HTM & HFT Securities	17	52,719,807	45,064,374
Retained Earnings/(Loss on profit & loss A/C)	18	(19,935,053,918)	(15,434,073,576)
Total Shareholders' Equity		(16,677,050,924)	(12,183,726,016)
Total Liabilities and Shareholders' Equity		49,849,335,631	48,970,002,475

Bangladesh Commerce Bank Limited
Balance Sheet (Continued)
As at 31 December 2025

Particulars	Notes	Amount in Taka	
		2025	2024
OFF-BALANCE SHEET ITEMS		-	
Contingent Liabilities			
Acceptances and Endorsements	19	318,777,432	240,317,608
Letter of Guarantees	19.1	957,588,561	1,190,443,143
Irrevocable Letter of Credit	19	773,436,160	668,534,901
Bills for Collection	19	2,773,093,820	2,856,784,149
Other contingent liability	19.2	100,610,480	100,610,480
TOTAL CONTINGENT LIABILITIES		4,923,506,453	5,056,690,280
Other commitments			
Documentary Credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off-Balance Sheet items including contingent liabilities		4,923,506,453	5,056,690,280

The annexed notes 1 to 40 and Annexure A,B,C,D, E and F form an integral part of these consolidated financial statements.


Managing Director


Director


Director


Chairman

Signed in terms of our separate report of even date

Signed for & on behalf of
Kazi Zahir Khan & Co.
Chartered Accountants
 Firm Registration No. With FRC:
 CAF- 001-116



Mohammed Alamgir Kabir, FCA
 Managing Partner
 Enrolment: #1483

Place: Dhaka
 Date: 29 April 2026
 DVC: 2604291483AS332795

Signed for & on behalf of
Ahsan Manzur & Co.
Chartered Accountants
 Firm Registration No. With FRC:
 CAF- 001-127



Md . Raghib Ahsan, FCA
 Managing Partner
 Enrolment: #689

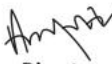
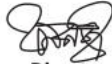
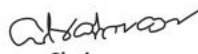
Place: Dhaka
 Date: 29 April 2026
 DVC: 2604290689AS383023

Bangladesh Commerce Bank Limited

Profit and Loss Account
As at 31 December 2025

Particulars	Notes	Amount in Taka	
		2025	2024
Interest Income / Profit on Investment	20	1,201,703,989	1,599,992,579
Interest paid/ Profit shared on Deposits and Borrowings etc	21	(4,497,100,230)	(4,255,737,074)
Net Interest Income		(3,295,396,241)	(2,655,744,495)
Income from Investments	22	304,532,162	382,119,427
Commission, Exchange Earnings & Brokerage	23	120,738,446	150,920,539
Other Operating Income	24	96,709,415	99,428,939
		521,980,023	632,468,904
Total operating income (A)		(2,773,416,218)	(2,023,275,591)
Salary and Allowances	25	1,128,765,696	1,176,277,470
Rent, Taxes, Insurance, Electricity, etc.	26	202,258,279	172,199,926
Legal Expenses		838,276	462,403
Postage, Stamp, Telecommunication etc.	27	58,604,685	37,553,378
Stationery, Printing, Advertisement etc.	28	19,091,755	48,019,266
Managing Director's salary and allowances	29	3,720,484	9,720,000
Directors' Fee	30	4,032,347	2,271,300
Audit Fees		1,480,000	510,000
Depreciation & Repair of Fixed Assets	31	129,514,488	125,983,850
Other Expenses	32	59,130,912	90,987,866
Total operating expenses (B)		1,607,436,922	1,663,985,459
Profit before Provision (C)=A-B		(4,380,853,140)	(3,687,261,049)
Provision for Loans & Advances / Investment	13.1	80,000,000	-
Provision for diminution in value of Investment	13.6	4,879,826	54,328,209
Provision for Off Balance Sheet Items	13.9	-	-
Other provisions		-	-
Total provision (D)		84,879,826	54,328,209
Profit/(loss) before taxes (C-D)		(4,465,732,966)	(3,741,589,258)
Provision for Taxation		34,559,598	94,820,062
Current tax expense	13.3	52,103,965	111,584,431
Deferred tax expense / (income)	9.8.1	(17,544,367)	(16,764,369)
Net profit/ (loss) after taxation		(4,500,292,564)	(3,836,409,320)
Appropriations			
Statutory Reserve	15	-	-
General Reserve		-	-
Dividends etc.		-	-
		-	-
Retained surplus		(4,500,292,564)	(3,836,409,320)
Earning Per Share (EPS)	34	(226.29)	(192.91)

The annexed notes 1 to 40 and Annexure A,B,C,D,E and F form an integral part of these consolidated financial statements.


Managing Director

Director

Director

Chairman

Signed in terms of our separate report of even date

Signed for & on behalf of
Kazi Zahir Khan & Co.
Chartered Accountants
 Firm Registration No. With FRC:
 CAF- 001-116



Mohammed Alamgir Kabir, FCA
 Managing Partner
 Enrolment: #1483
 Place: Dhaka
 Date: 29 April 2026
 DVC: 2604291483AS332795

Signed for & on behalf of
Ahsan Manzur & Co.
Chartered Accountants
 Firm Registration No. With FRC:
 CAF- 001-127



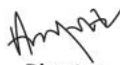
Md . Raghieb Ahsan, FCA
 Managing Partner
 Enrolment: #689
 Place: Dhaka
 Date: 29 April 2026
 DVC: 2604290689AS383023

Bangladesh Commerce Bank Limited
Cash Flow Statement
As at 31 December 2025

Particulars	Amount in BDT	
	2025	2024
A. Cash flow from operating activities		
Interest receipts	431,080,893	977,356,656
Interest payments	(4,470,254,297)	(3,991,252,068)
Dividend receipts	50,187,978	28,851,541
Fees and commission receipts in cash	120,738,446	150,920,539
Cash payment to employees	(1,132,486,180)	(1,185,997,470)
Cash payment to suppliers	(283,987,066)	(260,043,870)
Taxes paid	(52,103,965)	(111,584,431)
Receipts from other operating activities	96,541,238	143,301,495
Payments for other operating activities	(65,606,599)	(89,023,828)
Operating cash flow before changes in operating assets and liabilities	(5,305,889,552)	(4,337,471,436)
Increase/(Decrease) in operating assets & liabilities	1,855,583,961	(1,816,747,820)
Statutory Deposits	562,401,579	(6,245,941)
Loans & advance to customers	(2,086,682,978)	463,462,332
Other assets (item-wise)	(1,040,815,459)	319,904,113
Deposits from other banks	55,823,560	(2,248,338,348)
Deposits from customers	1,992,987,639	(2,278,937,323)
Other liabilities account of customers	2,371,869,619	1,933,407,346
Net cash flow from/ (used in) operating activities (A)	(3,450,305,591)	(6,154,219,256)
B. Cash flow from investing activities		
Purchase of property, plant & equipment	(32,668,605)	(89,173,468)
Purchase/sale of Securities & bond	19,999,999	49,260,968
Net cash used in investing activities (B)	(12,668,606)	(39,912,500)
C. Cash flow from financing activities		
Receipts from issue / repayment of debt instruments	1,818,393,332	(639,734,991)
Net cash flow from/ (used in) financing activities (C)	1,818,393,332	(639,734,991)
Net increase in Cash and Cash Equivalents (A+B+C)	(1,644,580,865)	(6,833,866,747)
Effects of exchange rate changes on cash and cash equivalents	-	-
Opening Cash and Cash Equivalents	13,665,837,622	20,499,704,369
Cash and cash equivalents at end of year	12,021,256,757	13,665,837,622
Closing Cash & Cash Equivalents		
Cash in Hand (including foreign currency)	441,612,126	375,450,718
Balance with Bangladesh Bank and its Agent Banks (including foreign currencies)	398,732,226	438,002,071
Balance with Other Bank's and Financial Institutions	11,151,456,705	12,822,742,732
Money at Call on Short Notice	28,400,000	28,400,000
Prize Bond	1,055,700	1,242,100
	12,021,256,757	13,665,837,622



Managing Director



Director



Director



Chairman

Bangladesh Commerce Bank Limited
Statement of Changes in Equity
As at 31 December 2025

Particulars	Paid up Capital	Share Capital BCI Ltd.	Right Share Application Money	Statutory Reserve	Revaluation Reserve (HFT/HTM)	Other Reserve	Retained Earnings	Total
Balance as on January 01, 2025	1,988,742,800	15,300,000	917,259,650	275,060,371	45,064,374	8,920,366	(15,434,073,576)	(12,183,726,015)
Changes in Accounting Policy	-	-	-	-	-	-	-	-
Restated Balance	1,988,742,800	15,300,000	917,259,650	275,060,371	45,064,374	8,920,366	(15,434,761,353)	(12,184,413,792)
Share Capital BCI Ltd.	-	-	-	-	-	-	-	-
Right Share Application Money	-	-	-	-	-	-	-	-
Adjustment for the application of IFRS-16 (Lease)	-	-	-	-	-	-	-	-
Increase in Statutory Reserve	-	-	-	-	-	-	-	-
Revaluation Reserve for HTM Securities	-	-	-	-	7,655,433	-	-	7,655,433
Net Profit/(Loss) for the year	-	-	-	-	-	-	(4,500,292,564)	(4,500,292,564)
Balance as on December 31, 2025	1,988,742,800	15,300,000	917,259,650	275,060,371	52,719,807	8,920,366	(19,935,053,918)	(16,677,050,924)
Balance as on January 01, 2024	1,988,742,800	15,300,000	917,259,650	275,060,371	72,049,741	8,920,366	(11,597,664,256)	(8,320,331,328)
Changes in Accounting Policy	-	-	-	-	-	-	-	-
Restated Balance	1,988,742,800	15,300,000	917,259,650	275,060,371	72,049,741	8,920,366	(11,597,664,256)	(8,320,331,328)
Share Capital BCI Ltd.	-	-	-	-	-	-	-	-
Right Share Application Money	-	-	-	-	-	-	-	-
Adjustment for the application of IFRS-16 (Lease)	-	-	-	-	-	-	-	-
Prior Year's Adjustment	-	-	-	-	-	-	-	-
Increase in Statutory Reserve	-	-	-	-	-	-	-	-
Revaluation Reserve for HTM Securities	-	-	-	-	(26,985,367)	-	-	(26,985,367)
Net Profit/(Loss) for the year	-	-	-	-	-	-	(3,836,409,320)	(3,836,409,320)
Balance as on December 31, 2024	1,988,742,800	15,300,000	917,259,650	275,060,371	45,064,374	8,920,366	(15,434,073,576)	(12,183,726,015)



Managing Director



Director



Director



Chairman

Bangladesh Commerce Bank Limited
Liquidity Statement
(Asset and Liability Maturity Analysis)
As at 31 December 2025

Particulars	Amount in BDT					
	Up to 01 Month	1-3 Months	3-12 Months	1-5 Years	More than 5 Years	Total
Assets:						
Cash in hand & with Bangladesh Bank	376,120,562	-	-	-	464,223,790	840,344,352
Balance with other banks & financial institutions	2,499,041,448	5,141,936,687	3,510,478,571	-	-	11,151,456,705
Money at call and short notice	28,400,000	-	-	-	-	28,400,000
Investment	1,447,376	764,810,496	869,021,595	1,446,780,040	1,719,312,492	4,801,371,986
Loans and Advances	8,919,372,065	4,166,706,671	6,191,885,608	6,320,656,776	-	25,598,621,119
Fixed Assets including premises, furniture and fixtures	-	-	-	34,629,596	440,420,217	475,049,813
Other Assets	482,995,164	568,038,667	880,622,230	284,019,333	4,738,416,262	6,954,091,656
Non-banking assets	-	-	-	-	-	-
Total Assets	12,307,376,614	10,641,492,520	11,452,008,003	8,086,085,744	7,362,372,761	49,849,335,631
Liabilities:						
Borrowing from Bangladesh Bank, other banks, financial institutions and agents	-	-	114,931,528	9,085,337,455	-	9,200,268,985
Deposits	7,747,392,066	13,215,065,561	15,212,989,501	3,940,692,332	4,581,267,408	44,697,406,874
Other Liabilities	133,373,613	7,268,743,874	3,965,563,404	1,261,029,805	-	12,628,710,696
Total Liabilities	7,880,765,680	20,483,809,434	19,293,484,433	14,287,059,593	4,581,267,408	66,526,386,555
Net Liquidity	4,426,610,934	(9,842,316,914)	(7,841,476,430)	(6,200,973,848)	2,781,105,353	(16,677,050,924)



Managing Director



Director



Director



Chairman

Bangladesh Commerce Bank Limited

Notes to the Financial Statements

As at and for the year ended on 31 December 2025

1.0 Legal Status and Nature of the Company

The Bangladesh Commerce Bank Limited was incorporated in Bangladesh as a Public Limited Company as on the 01 June 1998 under the Companies Act 1994 and commenced commercial operation on 16 September 1999. It has 74 branches all over Bangladesh.

The principal place of business is at the Registered Office at Eunoos Trade Center, Level -22, 52-53 Dilkusha C/A, Dhaka, Bangladesh. The principal activities carried out by the bank include all kinds of commercial banking activities/services to its customers through its branches.

1.1 Nature of business

Main operation

The principal activities of the Bank are to carry on all kinds of commercial banking business in Bangladesh.

1.2 Subsidiary of the Bank

Commerce Bank Securities & Investments Limited (CBSIL) is fully owned subsidiary company of Bangladesh Commerce Bank Limited incorporated as a private limited company on 20 September 2010 with the registrar of Joint Stock Companies & Firms, Dhaka vide certificate of incorporation no. C-87050/10. CBSIL started its operation from 01 June 2011. The main objective of the company for which was established are to carry out the business of full-fledged merchant banking activities like issue management, portfolio management, underwriting etc.

2 Basis of preparation of financial statements

2.1 Consolidated and Separate Financial Statements

The separate financial statements of the Bank for the year ended on December 31, 2025 main operation referred to as "the Bank." The consolidated financial statement comprise those of the Bank (parent) and its subsidiary (note 1.1), together referred to as "the Group" or individually referred to as "Group Entities/Subsidiaries" as the case may be. There were no significant changes in the operations of the Bank/Group Entities. A summary of accounting principle and policies which have been applied consistently (unless otherwise stated) are set out below:

2.1.1 Statement of compliance and basis of preparation

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 the FRC. In addition to this, the bank also complied with the requirements of the following laws and regulations from various government bodies:

- i) The Banking Company Act, 1991 and amendment thereon;
- ii) The Companies Act, 1994;
- iii) Circulars, Rules and Regulations Issued by Bangladesh Bank (BB) time to time;
- iv) The Value Added Tax and SD Act, 2012 and amendment thereon;
- v) Financial Reporting Act, 2015;
- vi) Parliamentary Act, No-12, 1997;
- vii) The Income Tax Act, 2023

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 Banking Company Act 1991 and provisions and circulars issued by BB shall prevail. Material departures from the requirements of IFRS are as follows:

i) Investment in equity instruments

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

Bangladesh Bank: As per 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 book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognized at cost.

ii) Subsequent measurement of Government securities

IFRS: Government securities refer primarily various debt instruments which include both bonds and bills. As per requirements of IFRS 9 Financial Instruments, bonds can be categorized as "Amortized Cost (AC)" or "Fair Value through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Bonds 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 bonds designated as FVTPL is recognized in profit and loss account. Any changes in fair value of bonds designated as FVOCI is recognized in other reserve as a part of equity.

As per requirements of IFRS 9, bills can be categorised either as "Fair Value Through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Any change in fair value of bills is recognised in profit and loss or other reserve as a part of equity respectively.

Bangladesh Bank: 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 reserve as part of equity.

iii) Provision on loans and advances

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

Bangladesh Bank: As per BRPD circular no. 14, dated 23 September 2012, 6PPD circular no. 19, dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 12 dated 20 August 2017, 8 PPD circular No. 15 dated 27 September 2017. BRPD Circular no. 1 dated 20 February 2018, BRPD Circular no. 07 dated 21 June 2018, BRPD Circular no 13 dated 18 October 2018 BRPD circular no. 3 dated 21 April 2019, BRPD circular no. 16, dated 21 July 2020, BRPD circular no. 52 Dated 29 October 2020, BRPD Circular no. 19 dated 26 August 2021, BRPD circular no. 51 dated 29 December 2021, BRPD circular no. 52 dated 29 December 2021, B9PD circular no. 03 dated 20 January 2022, BRPD circular no. 09 dated 7 April 2022, BRPD circular no. 07 dated 27 April 2022, BRPD circular no. 14 dated 22 June 2022, BRPD circular no. 51 dated 18 December 2022, BRPD Circular No-05, Dated 10 March 2025, BRPD Circular No-06, Dated 25 June 2025, BRPD Circular No-11, Dated 03 December 2025 and BRPD Circular No-15, Dated- 27, November 2024, the general provision at 1% STD-0, STD-1, STD-2 and 5% for SMA of all unclassified loan has to be maintained regardless of objective evidence of impairment. Also, provision for different categories of classified loans (sub-standard, doubtful and bad and loss loans has to be provided at 20% 50% and 100%, respectively, for loans and advances depending on time past due.

Furthermore, as per BRPD circular no. 14 dated 23 September 2012 and BRPD circular no. 07 dated 21 June 2018, general provision at 1% is required to be provided for all off-balance sheet exposures except on 'bills for collection' and 'guarantees' there 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).

As per BRPD Circular No-29, Dated 21 December 2025, Short Term Agricultural credits as well as Cottage (C), Micro (M) and Small (S) enterprise credits under CMSME sector, it has to be decided to maintain provision at the rate of 0.50% against all unclassified (Standard and SMA) Short Term Agricultural Credits and Cottage, Micro and Small (CMS) enterprise credits under CMSME sector till 31 December 2026.

iv) Other comprehensive income

IFRS: 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: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are 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 the Other Comprehensive Income statement. However, elements of OCI, if any, are shown in the statement of changes in equity.

v) Financial Instruments – presentations and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in IFRS 9 Financial Instruments. Hence some disclosure and presentation requirements of IFRS 7 *Financial Instruments: Disclosures* and IAS 32 *Financial Instruments: Presentation*, cannot be made in this financial statements.

vi) Repo and reverse repo transactions

IFRS: As per IFRS 9 when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan 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).buyer's book.

Bangladesh Bank: 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 transactions and the financial assets are derecognized 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

IFRS: As per IFRS 9, financial guarantees are contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of:

(i) the amount of the loss allowance and (ii) the amount initially recognised less, the cumulative amount of income recognised in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD circular no. 14, dated 25 June 2003, financial guarantees such as Letter of Credit, Letter of

Guarantee should be treated as off balance items. No liability is recognized for the guarantee except the cash margin.

viii) Cash and cash equivalents

IFRS: Cash and cash equivalents items should be reported as cash item as per IAS 7 *Statement of Cash Flows*.

Bangladesh Bank: Some cash and cash equivalent items such as money at call and on short notice, treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice is shown separately in the balance sheet. Treasury bills, Bangladesh Bank bills and prize bond are shown under investment in the balance sheet. However, in the cash flow statement, money at call and short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with Bangladesh Bank and other banks.

ix) Cash flow statement

IFRS: 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.

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

x) Non banking assets

IFRS: There is no particular/specific guideline about non banking assets in IFRSs.

Bangladesh Bank: As per BRPD circular no. 22, dated 20 September 2021, there is a separate balance sheet item titled as non-

xi) Balance with Bangladesh Bank

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

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

xii) Presentation of intangible asset

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

Bangladesh Bank: Intangible assets are shown in fixed assets including premises, furniture and fixtures as there is no specific regulation for intangible assets in BRPD circular no. 14 dated 25 June 2003.

xiii) Off balance sheet items

IFRS: As per IFRS, there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, off balance sheet items e.g. Letter of Credit, Letter of Guarantee, Acceptance must be disclosed separately on the face of balance sheet.

xiv) Disclosure of appropriation of profit

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

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

xv) Loans and advances/Investments net of provision

IFRS: As per IFRS 9, loans and advances/Investments should be presented net of provision.

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

xvi) Recognition of interest in suspense

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

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012 & BRPD Circular no- 15 dated on 27 November 2024, once a loan is classified as impaired, interest on such loans are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

xvii) Provision on undrawn loan commitments

IFRS: As per IFRS 9 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 bank expects to receive.

Bangladesh Bank: As per BRPD Circular no. 07 dated 21 June 2018 and BRPD Circular no.14 dated 23 September 2012 and BRPD Circular No. 03 dated 21.04.2019, the Bank is required to maintain provision at 1% rate against off-balance sheet exposures (which includes all types of undrawn loan commitments).

[Also refer to (note 2.15) Compliance of International Financial Reporting Standards (IFRSs)]

xviii) Name of Financial Statements

IFRS: As per IAS 1 : Presentation of financial statements, Components of financial statements are defined as statement of financial position and statement of profit or loss and other comprehensive income.

Bangladesh Bank: As per BRPD 14 dated on 25 June 2003 statement of financial position is defined as "Balance Sheet" whilst statement of profit or loss and other comprehensive income is defined as "Profit and Loss Account".

2.1.2 Going Concern

This Financial Statements have been prepared on the assessment of the banks ability to continue as a going concern. But there are indicators that indicate substantial doubt about the Bank ability to continue as a going concern for foreseeable future for the below mentioned issues-

The Consolidated net operating income of the Bank became negative since 2018. The net operating loss reported by the Bank

- for the year ended 31 December 2025 is amount in Taka 4,380,853,140 and for the year ended 31 December 2024 is amount in Taka 3,687,261,049.

- The accumulated net loss reported by the Bank for the year ended 31 December 2025 is amount in Taka 19,935,053,918. The net loss reported by the Bank for the year ended 31 December 2025 is amount in Taka 4500,292,564 and for the year ended 31 December 2024 is amount in Taka 3,836,409,320.

The Bank reported negative shareholders equity since 2019. The shareholders equity reported by the Bank for the year ended

- 31 December 2025 is amount in Taka (16,677,050,924) And for the year ended 31 December 2024 is amount in Taka (12,183,726,016) (Statement of changes in Equity).

- Total classified loans and advances at 31 December 2025 was amount in Taka 16,607,456,743 or 64.88% of total portfolio, as compared to amount in Taka 16,067,575,348 or 68.34% at 31 December 2024.

- The Bank has deposit instruments of amount in Taka 7,005,948,250 in seven Non-Banking Financial institutions as at 31 December 2024.

2.1.3 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. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The key items which involve these judgments, estimates and assumptions are discussed below:

Impairment losses on loans and advances

In addition to the provision made for loans and advances based on the guideline of Bangladesh Bank, the Bank reviews its loans and advances portfolio on a monthly basis to assess whether a further allowance for impairment should be provided in the income statement. The judgments by the management is required in the estimation of these amounts and such estimations are based on assumptions about a number of factors though actual results may differ, resulting in future changes to the provisions.

Other items

Other key items where estimates or judgement were involved includes:

- a) Deferred tax (Note - 9.8)
- b) Useful life of fixed assets (Note - 2.6.1.6, 8 & Annexure - A)
- c) Provisions (Note - 13)
- d) Defined benefit obligation - gratuity (Note - 13.5)

2.1.4 Materiality and aggregation

Each material item considered by 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.

2.1.5 Comparative information

The 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.

2.2 Basis of Consolidation

The consolidated financial statements include the financial statements of Bangladesh Commerce Bank Limited and its subsidiary Commerce Bank securities and Investments Limited as those of a single economic entity.

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 on December 31, 2025.

Subsidiaries

'Subsidiaries' are entities controlled by the Group. The Group controls an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if there are changes to one or more of the elements of control. This includes circumstances in which protective rights held (e.g. those resulting from a lending relationship) become substantive and lead to the Group having power over an investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Inter-company transactions, balances and inter-group gains on transaction between group companies are eliminated on consolidation.

2.3 Accounting for 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-

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

* 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 the 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.

2.4 Taxation

Income tax on profit for the year comprises current and deferred tax and is based on the applicable tax law in Bangladesh. It is recognized in the income statement as tax expense.

2.4.1 Current Tax

Current tax is the expected tax payable on taxable income for the year, based on tax rates and tax laws which are enacted at the reporting date, including any adjustment for tax payable in previous periods. Current tax for current and prior periods are recognized as a liability or asset to the extent that it is unpaid or refundable.

Provision for current income tax has been made @ 40% as prescribed in the Ordinance 2023 on the taxable income.

2.4.2 Deferred Tax

The Bank accounted for deferred tax as per IAS 12 *Income Taxes*. Deferred tax is accounted for any temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base.

Deferred tax assets, including those related to the tax effects of income tax losses and credits available to be carried forward, are recognized only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses and credits can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences. They are also recognized for taxable temporary differences arising on investments and it is probable that temporary differences will not reverse in the foreseeable future. Deferred tax assets associated with these interests are recognized only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and there will be sufficient taxable profits against which to utilize the benefits of the temporary difference.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realized or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement reflects the tax consequences that would follow from the manner in which the Bank, at the reporting date, recovers or settles the carrying amount of its assets and liabilities.

2.5 Reporting period

These financial statements cover one calendar year from January 01, 2024 to December 31, 2025.

2.6 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 2019. 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.

2.6.1 Assets and the basis of their valuation

2.6.1.1 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, 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.

2.6.1.2 Investments (categorized and reported as per Bangladesh Bank)

All investments 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

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 derecognized or impaired.

Held for Trading

Investment classified in this category are acquired principally for the purpose of selling or repurchasing -in short trading or if designated as such by the management. After initial recognition, investment are measured at present 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

According to DOS Circular no. 05, dated 26 May 2008, DOS Circular no. 05, dated 28 January 2009, DOS Circular no. 02, dated 19 January 2012, the 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. The HTM securities are also revaluated if they are reclassified to HFT category with the Board's approval.

Investment in quoted securities

These securities are bought and held primarily for the purpose of selling them in future or hold for dividend income which are

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 investment in shares and securities (both dealing and investment) should be revaluated 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 last audited balance sheet. Provision should be made for any loss arising from diminution in value of investment".

Investment in subsidiary

Investment in subsidiary is accounted at cost in the separate financial statement and 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

Investment in associate is accounted at cost in the separate financial statement and recognized in the consolidated financial statements under equity method as per IAS 28 "*Investments in Associates and Joint Ventures*".

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	Increased or decreased in value to equity
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/ Loss to Revaluation reserve
Zero Coupon Bond	Cost	Cost	N/A
Prize Bond and Other Bond	Cost	Cost	N/A
Debentures	Cost	Cost	Profit & Loss Account
Un-quoted Shares (ordinary)	Cost	Lower of cost or NAV of last audited account	Profit & Loss Account
Quoted shares (ordinary)	Cost	Lower of cost or market price at balance sheet date	Loss to profit and loss A/c.
Investment in subsidiary	Cost	Cost less accumulated impairment, if any, in Separate Financial Statements and Consolidated in Consolidated Financial Statements	Impairment loss to profit and loss account
Investment Class	Initial Recognition	Measurement after Recognition	Recording of changes
Investment in associate	Cost	Cost less accumulated impairment, if any, in Separate Financial Statements and equity method less accumulated impairment, if any, in Consolidated FS	

2.6.1.2.1 Impairment of investment in subsidiaries and associates

As per IAS 36 *Impairment*, investment recognized either at cost or equity method need to review if there is any indication of impairment exists. If any indication of impairment exists then impairment test is carried out considering the individual subsidiary/associate as a "cash generating unit (CGU)" to find if the carrying value is higher than its recoverable amount. Recoverable amount is higher of fair value less cost to sell and value in use. If the fair value less cost to sell is not readily available then value in use is calculated which is basically present value of future cash flows.

2.6.1.3 Loans and Advances

a) Interest on loans and advances is calculated daily on product basis but charged and accounted monthly and quarterly on Accrual basis.

b) As part of continuous efforts to enhance risk management capabilities of banks and strengthen the transparency of the financial reporting, Bangladesh Bank plans to implement Expected Credit Loss (ECL) methodology-based provisioning system for banks in accordance with International Financial Reporting Standard (IFRS 9) by 2027. The ECL Model under IFRS 9 enables banks to manage credit risk more effectively by considering past events, current conditions, and future forecast.

All loans and advances are grouped into four categories: Continuous Loan, Demand Loan, Fixed Term Loan, and Short-term Agricultural Credit. Classification is determined by the worse of either Objective Criteria (past due/overdue period) or Qualitative Judgment:

The classification rates are given below:

CL Categories	Period of Past Due or Overdue	Status
<i>Standard-0 (STD-0)</i>	<i>No past due or overdue</i>	<i>Regular</i>
<i>Standard-1 (STD-1)</i>	<i>≥1 day but <1 month</i>	<i>Regular</i>
<i>Standard-2 (STD-2)</i>	<i>>1 month but <2 months</i>	<i>Regular</i>
<i>Special Mention Account (SMA)</i>	<i>≥2 months but <3 months</i>	<i>Regular</i>
<i>Sub-Standard (SS)</i>	<i>≥3 months but <6 months</i>	<i>NPL</i>
<i>Doubtful (DF)</i>	<i>≥6 months but <12 months</i>	<i>NPL</i>
<i>Bad/Loss (B/L)</i>	<i>≥12 months</i>	<i>NPL</i>

ii) Provisioning Rates

Banks must maintain minimum provisions at the following rates:

Consumer / Business Unit	Standard (STD 0, 1, 2)	SMA	SS	DF	B/L
Short-term Agri / Micro credit	0.50%	0.50%	20%	50%	100%
Cottage, Micro, Small (CMS)	0.50%	0.50%	20%	50%	100%
Other Loans (General)	1%	5%	20%	50%	100%
Off-Balance Sheet exposure	1%	N/A	N/A	N/A	N/A

*Note: The 0.50% rate for Unclassified (Standard & SMA) Short Term Agricultural and CMS enterprise credits is applicable until 31 December 2026.

**Note: Provisioning for Off-Balance Sheet exposures follows BRPD Circular No. 06/2023.

c) Interest Accounting

- SS and DF: Interest accrued is credited to an Interest Suspense Account instead of the Income Account. Can be taken to income account only upon real recovery from the customer.

- Bad/Loss (B/L): Charging of interest must cease as soon as the loan is classified as B/L. Any interest charged for special reasons (e.g., litigation) must be kept in Interest Suspense.

d) Base for Provision for classified loans (SS, DF, B/L) is calculated on the outstanding balance minus the Interest Suspense and the value of eligible collateral. The base must be at least 15% of the outstanding balance.

e) 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. 15 dated 27 November 2024. These write off 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. Mention may be made here that BRPD circular no 4 dated 18 February 2024 and BRPD circular no 11 dated 3 December 2025 is being followed for write off formalities.

IFRS 16: "Lease" has come into force on 1st January 2019, as adapted by the Institute of Chartered Accountants of Bangladesh (ICAB). An entity shall applied IFRS 16 using modified retrospective approach where the entity measured the Lease liability at the present value of the remaining lease payments, discounted it using the entity's increment borrowing rate at the date of initial application and recognized a right of initial application on a lease by lease basis. Bangladesh Commerce Bank Ltd. is complying IFRS 16 Leases from the year 2020.

2.6.1.4 Impairment of financial assets

At each balance sheet date, Bangladesh Commerce Bank Limited assesses whether there is objective evidence that a financial asset or a group of financial assets i.e., loans and advances, off balance sheet items and investments are impaired. A financial asset or group of financial assets are impaired and impairment losses are incurred if there is objective evidence of impairment as a result of a loss event that occur after the initial recognition of the asset up to the balance sheet date; the loss event had an impact on the estimated future cash flows of the financial assets or the group of financial assets; and a reliable estimate of the loss amount can be made.

In the event of impairment loss, the Bank reviews whether a further allowance for impairment should be provided in the profit and loss statement in addition to the provision made based on Bangladesh Bank guidelines or other regulatory requirements.

2.6.1.5 Leases

IFRS 16: "Lease" has come into force on 1st January 2019, as adapted by the Institute of Chartered Accountants of Bangladesh (ICAB). An entity shall applied IFRS 16 using modified retrospective approach where the entity measured the Lease liability at the present value of the remaining lease payments, discounted it using the entity's increment borrowing rate at the date of initial application and recognized a right of initial application on a lease by lease basis. Bangladesh Commerce Bank Ltd. is complying IFRS 16 Leases from the year 2020.

2.6.1.6 Property, plant and equipment

a) Recognition and Measurement

All fixed assets are stated at cost less accumulated depreciation as per IAS 16 *Property, Plant and Equipment* except Land. Land is initially measured at cost and then recognized at revaluated amount.

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) its purchase price, including import duties and non refundable purchase tax, after deducting trade discount and rebates

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 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 a separate 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 are charged to the profit and loss account during the financial period in which they are incurred.

b) Depreciation

Land is not depreciated. Depreciation is charged on straight-line & reducing balance method. 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	Bangladesh Commerce Bank Limited	Commerce Bank Securities & Investments Limited	Depreciation Method
Furniture and Fixture	10%	10%	Reducing Balance
Interior Decoration	20%	20%	Reducing Balance
Machinery	20%	20%	Straight Line
Motor Vehicles *	20% & 16.6%	20%	Straight Line & Reducing Balance
Computer	30%	30%	Straight Line
Software / Computer & Software	30%	20%	Straight Line

* 20% Depreciation has deducted of Motor Vehicle under Bank's Car Pool and BCBL Staff (Executive) Car Loan Installment amount has deducted as depreciation of Motor Vehicle as per Staff (Executive) designation. As a result depreciation rate of Motor Vehicle doesn't match with notified above schedule.

c) Gain or Loss on disposal of Fixed Assets

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 profit and loss account as per provision of IAS 16 *Property plant and equipment*.

d) Revaluation

The fair value of land is usually its market value. This value is determined by appraisal, normally undertaken by professionally qualified valuers.

The frequency of revaluation depends upon the movements in the fair value of the items of property, plant and equipment being revalued, usually at 3-5 years' interval.

Increases in the carrying amount as a result of revaluation is credited directly to shareholders equity under the heading of revaluation surplus. Decreases in the carrying amount as a result of revaluation is recognized as an expense. However, a revaluation decrease is charged directly against any related revaluation surplus to the extent that the decrease does not exceed the amount held in the revaluation surplus in respect of that same assets.

e) Impairment of Property, Plant and Equipment

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 assets 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 there were no such indication existed as on balance sheet date.

f) Capital work in progress (CWIP)

Costs incurred but if the related asset is yet not ready or available to use are recognized as capital work in progress and disclosed as a part of fixed assets. Once the underlying asset is ready and available to use then it has been transferred to fixed assets. However no depreciation is calculated on CWIP.

g) Lease asset- Office rent: Right of use of asset

Right of use of asset and Lease liability shall be treated according to IFRS-16

2.6.1.7 Intangible assets

a) Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets and is measured at cost less accumulated impairment losses.

b) 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 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 three to five years. Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

c) License

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

d) 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 impairment test is carried out.

2.6.1.8 Other assets

Other assets include mainly advance office rent, payment of advance income tax has not been closed yet and all other financial assets, fees and other unrealized income receivable, advance for operating expenditure and stocks of stationery and stamps etc. Any part of uncollectible other assets is subject to making provision based on their ageing as per Bangladesh Bank circular no. 14 date 25 June 2001.

2.6.1.9 Inventories

Inventories are measured at lower of cost and net realizable value as per *IAS 2 Inventories*.

2.6.2 Liabilities

2.6.2.1 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.

2.6.2.2 Deposits

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.

2.6.2.3 Other Liabilities

Other liabilities comprise items such as provision for loans and advances, provision for interest receivables, provision for taxes, interest payable, 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 statement 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.

2.6.3 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.

2.6.3.1 Capital / Shareholders Equity**a. Authorized Capital**

Authorized capital is the maximum amount of share capital that the bank is authorized by its Memorandum and Articles of Association.

b. Paid up share capital

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.

Appellate Division of Honorable Supreme Court of Bangladesh dismissed Civil Petition for leave to Appeal No.1154/2014 regarding the issue of right share of Bangladesh Commerce Bank Limited. Resultantly, raising capital to the required level through right issue may require amending the Act. no.12 of 1997 is time consuming. Upon amending the act to a manner allowing us to offer right share, it may be predictable with highly likelihood that Bangladesh Commerce Bank Ltd(BCBL) will be able to raise capital to the required level capital to the required level within 3 months.

2.6.3.2 Preference Share Capital

Preference shares are those shares which give their holders an entitlement to a fixed dividend but which do not usually carry voting rights.

2.6.3.3 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.

2.6.3.4 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.

2.6.3.5 Revaluation Reserve**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.

Assets Revaluation Reserve

Other reserve comprises Investment revaluation reserve and fixed assets revaluation reserve. Where carrying amount of an item of property, plant and equipment is increased as a result of valuation, the increased amount is credited directly to equity under the heading of assets revaluation reserve as per IAS 16 *Property, Plant and Equipment*. If any deferred tax is applicable on such revaluation reserve then the same is deducted from revaluation reserve directly as a component of OCI (Other Comprehensive Income).

Actuarial Reserve

Actuarial reserve arises from actuarial gain/loss as per actuarial valuation report carried out by professional actuary time to time. Actuarial gain/loss was recognized in equity as a component of equity net of any deferred tax impact.

2.6.3.6 Non-controlling interest (NCI)

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 in Commerce Bank Securities & Investments Limited is Tk. 101.00.

2.7 Employee Benefits**2.7.1 Provident Fund (Defined Contribution Plan)**

A "Defined Contribution Plan" is a post employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal constructive obligation to pay further amounts. Provident Fund benefits are given to the staff of the Bank in accordance with the registered Provident Fund Rules. The commissioner of Income Tax, Large Tax Payers Unit, Dhaka has approved the Provident Fund as a recognized fund within the meaning of section 2(52) read with the provisions of part - B of the First Schedule of Income Tax ordinance 1984. The recognition took effect from 31st October 2016. The fund is operated by a Board of Trustees consisting of 05 (five) members 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. Upon completion of 5 years 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.

2.7.2 Gratuity Fund (Defined Benefit Plan)

Gratuity Fund benefits are given to the staff of the Bank in accordance with the approved Gratuity Fund rules. National Board of Revenue has approved the Gratuity Fund as a recognized Gratuity fund on 27th November 2016. The fund is operated by a Board of Trustees consisting of 5 (five) members of the Bank. Employees are entitled to Gratuity benefit after completion of minimum 7 (Seven) years of service in the Bank will get equivalent one last month's basic salary for each year of service, after completion of 12 (Twelve) years will get 1.5 (One and half) of its last month's basic salary for each year of service and after completion of 20 (Twenty) years will get double of its last month's basic salary for each year of service. 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. Gratuity fund is a "Defined Benefit Plan" and contribution to Gratuity Fund is measured through the result of actuarial valuation of the fund. Bank's management wants to actuary valuation of its gratuity fund in next year.

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 recognised 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 recognised 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 recognised immediately in profit or loss.

2.7.3 Other Employee Benefits**Life Insurance**

The objective of the scheme is to provide death benefits to its confirmed employees drawn designation wise to the nominee.

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 Bangladesh Commerce Bank.

Staff Car scheme: All confirmed staff at job grade from Assistant Vice President and above can avail staff car scheme taking approval from competent authority. The Board of Directors in its 325th Board meeting dated 16.10.2019 has revised "Car Loan policy -2011" through which existing Staff enlisted car loan been transferred to Bank's Fixed Asset in our financial statement.

Workers' profit Participation and Welfare Fund (WPPF): As per Banking Companies Act 1991, Section 11, "No banking company shall employ or continue the employment of any person whose remuneration or part of whose remuneration takes the form of commission or a share in the profit of a company."

To comply with the said section of the said act the bank didn't maintain WPPF.

2.8 Revenue 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.

Investment Income

Income on investments is recognized on an accruals basis. Investment income includes interest on treasury bills, treasury bonds, zero coupon, shares, debentures and fixed deposit with other banks.

Income on Bills purchased and discounted

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

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.

Fees and Commission Income

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.

Dividend Income on Shares

Dividend income from investment in shares is recognized when the Banks right to receive the dividend is established. It is recognized when:

- It is probable that the economic benefit associated with the transaction will flow to the entity; and
- The amount of the revenue can be measured reliably.

Gain or loss on sale of property, plant and equipment

The gain or loss on the disposal of premises and equipment is determined as the difference between

Interest paid and other expenses

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

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*.

Basic earnings

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

Weighted average number of ordinary shares outstanding during the year

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

The basis of computation of number of shares is in line with the provisions of IAS 33 *Earnings Per Share*. The logic behind this basis is, that the bonus shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources generating new earnings. In contrast, other shares were issued against consideration in cash or in kind, and accordingly there is an increase in resource generating new earnings. Therefore, the total number of shares issued in 2018 has been 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.

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.

2.10 Basis of preparation of liquidity statement

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

- a) Balances with other bank and financial institutions, money at call and short notice etc. are on the basis of their maturity term.
- b) Investments are on the basis of their residual maturity term.
- c) Loans and advances are on the basis of their repayment/ maturity schedule.
- d) Fixed assets are on the basis of their useful life.
- e) Other assets are on the basis of their adjustment.
- f) Borrowing from other banks, financial institutions and agents as per their maturity/ repayment term
- g) Deposits and other accounts are on the basis of their maturity term and behavioral past trend.
- h) Other long term liability on the basis of their maturity term.
- i) Provisions and other liabilities are on the basis of their settlement.

2.11 Compliance of International Financial Reporting Standard (IFRS)

Reference	Name of the standards	Status
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	Not applicable
IFRS-6	Exploration for and Evaluation of Mineral Resources	Not applicable
IFRS-7	Financial Instruments: Disclosures	Complied *
IFRS-8	Operating Segments	Not applicable
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	Not applicable
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	Partially Complied**
IAS-10	Events after the Reporting Period	Complied
IAS-12	Income taxes	Complied
IAS-16	Property, Plant and Equipment	Complied
IAS-19	Employee Benefits	Complied
IAS-20	Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
IAS-21	The Effect of Changes in Foreign Exchange Rates	Complied
IAS-23	Borrowing Cost	Complied
IAS-24	Related Party Disclosures	Complied
IAS-26	Accounting and Reporting by Retirement Benefit Plans	Not applicable
IAS-27	Separate Financial Statements	Complied
IAS-28	Investment in Associates	Complied
IAS-29	Financial Reporting in Hyperinflationary Economies	Not applicable

Reference	Name of the standards	Status
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-39	Financial Instruments: Recognition and Measurement	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.

** Complied in the preparation of interim financial reports of the Bank.

** Partially complied, As per IAS-8, The effect of the retrospective application or retrospective restatement are not determinable because not readily available data but all the required calculation is done accordingly in case of changing policy of staff car loan to staff Car Scheme facility.

Reason for departure from IFRS

The central Bank of Bangladesh ("Bangladesh Bank") as regulator to the Banking Industry has issued a number of circulars/directives which are not consistent with the requirements specified in the IAS/IFRS as referred above. In such cases the Bank has followed the regulatory requirements specified by the Bangladesh Bank (note - 2.1.1).

Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2019 and earlier application is permitted; however, the Company has not early adopted the following new or amended standards in preparing these financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group and the Bank when will be applicable.

A. IFRS 16 Leases : Implementation of IFRS 16 and its relevant assumptions and disclosures

IFRS 16: "Lease" has come into force on 1st January 2019, as adapted by the Institute of Chartered Accountants of Bangladesh (ICAB). An entity shall applied IFRS 16 using modified retrospective approach where the entity measured the Lease liability at the present value of the remaining lease payments, discounted it using the entity's increment borrowing rate at the date of initial application and recognized a right of initial application on a lease by lease basis. Bangladesh Commerce Bank Ltd will comply IFRS 16 Leases from the year 2020.

2.12 Risk Management

Risk is an inherent part of the business activities and risk management is pivotal for the sustainability of business. This era of globalization enables hefty expansion of business activities that ultimately increases competition level for organizations drastically. Financial crisis and volatility in economic growth in some developed countries set the example of imperativeness towards comprehensive risk management. Types of risk, however, vary from business to business but preparing a risk management plan involves a conjoint process. A comprehensive risk management plan must enumerate strategies for dealing with risks specific to any business but should not be limited to those.

When it comes to banking business, risk management is in the heart of this business. Banks are to strive for a prudent risk management discipline to combat unpredictable situation. These days, it is transparent that banking organizations are in need of setting up systematic and vigilant way to monitor the activities that are major influencers of this particular business.

The standards of Risk Management as guided by the Bank for International Settlements (BIS) and particularly Basel Committee on Banking Supervision (BCBS) has been applied by bank regulators across the world. The Central Bank of Bangladesh i.e. Bangladesh Bank also issued revised risk management guidelines in October 2018, which forms the basis of risk management of all scheduled banks in Bangladesh. The guidelines require that the banks adopt enhanced policies and procedures of risk management. The risk management of banks broadly cover 4 (four) core risk areas of banking i.e. a. Credit Risk b. Operational Risk, c. Liquidity Risk & d. Market Risk. Bangladesh Bank also prescribes that there should be separate desk for each of these risk type under risk management division.

BCBL's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment & measurement procedures and continuous monitoring. BCBL continues to focus on improving its risk management systems not only to ensure compliance with regulatory requirements but also to ensure better risk-adjusted return and optimal capital utilization keeping in mind the business objectives. For sound risk management, BCBL manages risk in strategic layer, managerial layer and operational layer. The assets and liabilities of Bangladesh Commerce Bank Limited is managed so as to minimize (to the degree prudently possible) the Bank's exposure to risk, while at the same time attempting to provide a stable and steadily increasing flow of net interest income, an attractive rate of return on an appropriate level of capital and a level of liquidity adequate to

respond to the needs of depositors and borrowers and earnings enhancement opportunities. These objectives are accomplished by setting clear plan with control and reporting process, the key objective of which is the coordinated management of the Bank's assets and liabilities, current banking laws and regulations, as well as prudent and generally acceptable banking practices.

2.12.1 Credit Risk Management

Credit risk is most simply defined as the potential that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms and conditions. The goal of credit risk management is to maximize a bank's risk-adjusted rate of return by maintaining credit risk exposure within acceptable parameters.

Considering key elements of Credit Risk, the Bank has segregated duties of the officers/ executives involved in credit related activities. Separate Division for Corporate, SME, Retail and Credit Cards are entrusted with the duties 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 Portfolio (Retail, SME and Corporate) booking the clients, the underwriting team conducting thorough assessment before placing the facility for approval from the authority. Risk assessment includes borrower risk analysis, Industry risk analysis, financial risk analysis, security risk analysis, account performance risk analysis & environmental & social risk analysis of the Customer. Post-approval, the Credit Administration Department ensures compliance of all legal formalities, completion of documentation including security of proposed facility and finally disburses the amount. The above arrangement has not only ensured segregation of duties and accountability but also helped in minimizing the risk of compromise with quality of the credit portfolio.

2.12.2 Foreign Exchange Risk Management

Foreign Exchange risk arises from fluctuation in currency prices influenced by various macro and micro economic factors. Today's financial institutions engage in activities starting from basic currency buy, sell, imports, exports and remittances to complex structured products. Within the Bank, the Treasury department is vested with the responsibility to measure and minimize the risk associated with bank's foreign currency position.

All treasury functions are clearly demarcated between treasury front office, mid office and back office. The front office is involved only in dealing activities, mid office is involved in monitoring of rate, limit etc. and the back office is responsible for all related processing functions. Treasury front and back office personnel are guided as per Bangladesh Bank core risk management guideline and their respective job description. They are barred from performing each other's job. 'Treasury Front Office', 'Mid office' and 'Treasury Back Office' has separate and independent reporting lines to ensure segregation of duties and accountability but also helps minimize the risk of compromise. The full function is operated under the foreign exchange risk management policy of the bank updated based on the latest Foreign Exchange Guideline of central bank.

Dealing room is well equipped with Reuter's dealing system, Eikon, Bloomberg, a number of FX trading platforms, voice logger etc. State of the art treasury system is in place to ensure Straight Through Processing (STP) of all deals, which also facilitates Mid office in effective monitoring and Back office with different reports along with easy processing of transactions. Counter party limit is set by the Credit Committee and monitored by mid office. Well-articulated dealers trading limit, stop-loss limit and currency wise open position limits are in place which are being monitored by Mid office. Trigger levels are set for the dealers, Chief Dealer and Head of Treasury. The entire FX transactions are carried on by a number of well trained, young and dynamic dealers ensuring all local and global regulatory compliances.

2.13.3 Asset Liability Management

Changes in market liquidity and or interest rate exposes 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 available for evaluating and controlling these risks. The Asset Liability Committee (ALCO) of the bank monitors Balance Sheet risk and liquidity risks of the Bank.

Asset liability Committee (ALCO) reviews the country's overall economic position, Bank's Liquidity position, ALM Ratios, Interest Rate Risk, Capital Adequacy, Deposit Advanced Growth, Cost of Deposit and yield on Advance, Foreign Exchange GAP, Market Interest Rate, Loan loss provision adequacy and deposit and lending pricing strategy.

2.13.4 Prevention of Money Laundering

In recognition of the fact that financial institutions are particularly vulnerable to be used by money launderers. BCBL has established a Anti Money Laundering Policy. The purpose of the Anti Money Laundering Policy is to provide a guideline within which to comply with the laws and regulations regarding money laundering both at country and international levels and thereby to safeguard the Bank from potential compliance, financial and reputational risks. Know Your Customer (KYC)

2.13.5 Internal Control and Compliance

Internal Control is the mechanism to provide reasonable assurance to Bank on an ongoing basis regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations and internal policies.

The primary objective of Internal Control and Compliance is to help the Bank perform better and add value through use of its resources. Through internal control system, Bank identifies its weaknesses associated with the process and adopts appropriate measures to overcome that.

The main objectives of internal control are as follows:

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

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

- a) Various committees are established by the Board to assist the Board in ensuring the effectiveness of Bank's daily operations
- b) The internal audit department of the Bank checks for compliance with policies and procedures and the effectiveness of the internal control systems on an ongoing basis using samples and rotational procedures and highlight significant findings in respect of any non-compliance.
- c) Audits are carried out on various departments/units, all branches in accordance with the annual audit plan approved by the Audit Committee of the Board. The frequency of audits of branches is determined by the level of risk assessed, to provide an independent and objective report. Findings of the internal 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 Internal Audit Department, Bangladesh Bank, External Auditors and management and evaluates the adequacy and effectiveness of the risk management and internal control systems. They also review the internal audit functions with particular emphasis on the scope of audits and quality of internal audits. 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 semi-annual basis and is sent to Bangladesh Bank as per requirement of DOS Circular Letter No. 10, dated 09 May 2017 issued by Bangladesh Bank.

f) In assessing the internal control system, identified officers of the Bank continued to review and update all procedures and controls that are connected with significant accounts and disclosures of the Financial Statements of the Bank. The Internal Audit Department of the Bank continued to verify the suitability of design and effectiveness of these procedures and controls on an ongoing basis.

ICCD of BBL comprises mainly of four units/departments- Internal Audit, Compliance Unit, Monitoring Unit and Concurrent Audit.

2.13.5.1 Internal Audit

Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. Audit staff of BCBL has combination of business, Professional and IT knowledge based personnel. Audit Department is committed to meet the standards of best professional practices. BCBL Audit is applying risk based internal audit methodology for doing their audit functions. Risk based internal audit includes, in addition to selective transaction testing, an evaluation of the risk management systems and control procedures prevailing in various areas of the Bank's operations. BCBL has a strong internal audit team comprised of three units to carry out the audit activities, namely Head Office Audit, Distribution Audit (which carryout audit on all Branches. BCBL also introduced Risk Based Audit system and audit team conducts comprehensive, spot, surprise audits in various Branches, various Departments & Division. Internal Audit helps the organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

2.13.5.2 Compliance

BCBL establishes a best compliance culture throughout the organization by encouraging employees to comply with policies, procedures and regulation.

To establish and uphold the momentum of compliance culture, BCBL has strong Compliance Department under Internal Control & Compliance Division which is dedicated for ensuring compliance of guidelines/observations/ recommendations of Regulatory and Internal Audit/Investigation. In line with that 3 (three) separate units are formed under Compliance Department, namely Regulatory Compliance Unit, Internal Compliance Unit, & Investigation Unit.

Compliance team firmly supports Bangladesh Bank Team in their inspection at branches/head office and ensures submission of compliance response to Bangladesh Bank appropriately and timely, monitor compliance activities of Branch, Division, Department and other offices, verify the internal control system of organization operational activities as per Bangladesh Bank and other Regulatory Guidelines. Investigation Unit conducts investigation and submits the report onward as per management requirement and analyze fraud cases to ascertain responsible parties and recommend appropriate action. Compliance Department also ensures required reporting to Management, Borad Audit Committee & Regulators accordingly.

2.13.5.3 Monitoring

BCBL has separate monitoring department under Internal Control & Compliance Division which is dedicated to verify the internal control system & operational activities of the Bank on an ongoing basis. Monitoring department ensures maintenance of DCFCL at Branches and Departments as a regulatory requirement and also submits Self-Assessment of Anti-Fraud Internal Controls report and Bank's Health report to Bangladesh Bank.

2.13.5.4 Concurrent Audit

As per the directives provided by Bangladesh Bank as Guidelines on Internal Control and Compliance in Banks, Concurrent Audit Department was formed to make it in line with the guidelines. Concurrent audit team scrutinize whether the bank is following the guidelines of internal & regulatory bodies time to time. This unit exclusively conducts spot/ surprise audit of continuing operational activities in various branches.

2.13.5.5 Fraud and Forgery

Fraud and forgery have become very important issues in recent years. These have a major impact on our country's economy as a whole, impeding the economic development. BCBL has always been very focused in controlling fraud & forgery by establishing and maintaining proper control systems. Now a day's fraud and forgery appears in diverse form. To prevent fraud and forgery, BCBL formed Investigation Unit under Compliance & Monitoring Department of Internal Control & Compliance Division to deal with such kind of incidences.

This wing exclusively deals with all kinds of fraud and forgery and act independently as the first contact point/ information unit where internal and external fraud and forgery incidences are escalated, investigated and reviewed. To protect the bank and its stakeholder's interest, Investigation Team performs thorough investigation to identify the perpetrator and the root cause of the reported incident. As a remedial course of action, preventive measures are recommended to the business/functional unit to take necessary action relating to process improvement, recovery of misappropriated amount, adjustment of the operational loss and to take appropriate action against the perpetrator. The investigation reports are also placed to the Board Audit Committee for their direction and guidance. All fraud and forgery which were identified in 2019 were also duly reported to Bangladesh Bank on regular basis following their prescribed format and adequate provision has been maintained in the books of accounts. On the other hand management is exerting their all-out efforts to recover the loss amount incurred due to fraud.

2.14 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

i) Pillar I addresses minimum capital requirement;

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

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

Basel III reforms are the response of Basel Committee on Banking Supervision (BCBS) to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spillover from the financial sector to the real economy. "Basel III: A global regulatory framework for more resilient banks and banking systems" (known as Basel III capital regulations) in December 2010. Basel III reforms strengthen the bank-level i.e. micro prudential regulation, with the intention to raise the resilience of individual banking institutions in periods of stress. Besides, the reforms have a macro prudential focus also, addressing system wide risks, which can build up across the banking sector, as well as the pro-cyclical amplification of these risks over time. These new global regulatory and supervisory standards mainly addressed the following areas:

a) Raise the quality and level of capital to ensure banks are better able to absorb losses on both a going concern and a gone concern basis;

b) Increase the risk coverage of the capital framework;

c) Introduce leverage ratio to serve as a backstop to the risk-based capital measure;

d) Raise the standards for the supervisory review process (Pillar II); and

e) Public disclosures (Pillar III) etc.

To ensure smooth transition to Basel III, appropriate transitional arrangements have been provided for meeting the minimum Basel III capital ratios, full regulatory adjustments to the components of capital etc. Consequently, Basel III capital regulations would be fully implemented as on January 1, 2019.

Basel - III is to be calculated both on separate financial statements (SOLO) basis and consolidated basis and both are submitted to Bangladesh Bank accordingly.

We have 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. At the end of 2019, all the variables are completely ready to cope up the full implementation of BASEL III.

2.15 Off Balance Sheet items

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.

2.15.1 Derivative financial instruments

The fair value of the derivatives (forward contracts, currency rate swaps etc.) are recognized in the profit and loss of the Bank as per IFRS 9. The value of the contract itself is shown as an item of other contingent liabilities as per Bangladesh Bank guidelines.

2.15.2 Provision on off balance sheet exposures

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. 14 of 23 September 2012 and BRPD circular no. 7 of June 21, 2018 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).

2.16 Accounting for Changes in Policy, Accounting 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 error 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.

2.17 Events after reporting period

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.

2.18 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 joint control over the company;
- ii) The party is an associate (as defined in IAS 28 Investment in Associates);
- 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.

2.19 Director's responsibilities on statement

The board of directors takes the responsibilities for the preparation and presentation of these financial statements.

2.2 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
- iii) For which discrete financial information is available.

The Bank identifies segment based on its business segment as well as its subsidiary. Business segment comprises SME, Retail, Corporate and Treasury under Conventional banking.

2.21 Name of the Financial Position and Income Statements

As per Banking Companies Act 1991, bank has to prepare its financial statement according to first schedule of the said act which was amended by section 38(4) and published by BRPD circular no. 14 dated June 25, 2003. The forms of first schedule stated the name of the component of financial statement as Balance Sheet, Profit & Loss Account and Bangladesh Commerce Bank Limited stated the names accordingly.

Moreover, as per paragraph 10 of IAS-1, "An entity may use title for the statements other than those used in this Standard." So Bangladesh Commerce Bank Limited also complies IAS-1 in this regard.

2.22 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 to the current year's presentation.
- c) The expenses, irrespective of capital or revenue nature, accrued / due but not paid have been provided for in the books of the accounts.

Bangladesh Commerce Bank Limited
Notes to the financial statements
For the year ended on 31 December 2025

Notes	Particulars	Amount in Taka	
		2025	2024
3	Cash		
	Cash in hand (Note 3.1)	441,612,126	375,450,718
	Balance with Bangladesh Bank and its agent bank(s) (Note 3.2)	398,732,226	438,002,071
		840,344,352	813,452,789
3(a)	Consolidated Cash		
	Bangladesh Commerce Bank Limited	840,344,352	813,452,789
	CBSIL	387,798,345	196,315
		1,228,142,697	813,649,104
3.1	Cash in Hand		
	In local currency	441,553,600	375,392,192
	In foreign currencies	58,526	58,526
		441,612,126	375,450,718
3.1(a)	Consolidated Cash in Hand		
	Bangladesh Commerce Bank Limited (Note 3.1)	441,612,126	375,450,718
	CBSIL	387,798,345	196,315
		829,410,471	375,647,033
3.2	Balance with Bangladesh Bank and its agent bank(s) *		
	Balance with Bangladesh Bank		
	In local currency	255,708,244	319,789,347
	In foreign currencies	53,731,835	106,244,606
		309,440,079	426,033,953
	Balance with Sonali Bank in local currency (as agent of Bangladesh Bank)	89,292,147	11,968,118
		398,732,226	438,002,071
3.2(a)	Consolidated Balance with Bangladesh Bank and its agent bank(s)		
	Bangladesh Commerce Bank Limited (Note 3.2)	398,732,226	438,002,071
	CBSIL	-	-
		398,732,226	438,002,071
3.3	Statutory Deposit		
	As per MPD circular No- 03 dated April 09, 2020 of Bangladesh Bank (effective from April 15, 2020), all scheduled banks have to maintain a CRR of minimum 3.5% on daily basis and 4.00% on bi-weekly basis on weekly average demand and time liabilities of the base month which is two months back of reporting month (i.e. CRR of December 2025 was based on weekly average balance of October 2025). BCBL has been maintaining it bi-weekly basis.		
	a. Convention Bank		
	Cash Reserve Ratio (CRR) : 4.00% of Average Demand & Time Liabilities		
	Required Reserve	1,598,987,000	1,585,555,000
	Actual Reserve held with Bangladesh Bank	171,609,141	190,354,900
	Surplus/(Deficit)	(1,427,377,859)	(1,395,200,100)
	Maintained Ratio	0.43%	0.48%
	Statutory Liquidity Ratio (SLR) : 13% of Average Demand & Time Liabilities		
	Required Reserve	5,091,833,000	5,153,054,000
	Actual Reserve held	1,073,823,630	879,907,160
	Surplus/(Deficit)	(4,018,009,370)	(4,273,146,840)
	Maintained Ratio	2.69%	2.22%
	Average Deposit (Demand & Time Liabilities)	39,974,670,000	39,638,873,000
	b. Islamic Bank		
	Cash Reserve Ratio (CRR) : 4.00% of Average Demand & Time Liabilities		
	Required Reserve	55,900,000	49,386,000
	Actual Reserve held with Bangladesh Bank	60,000,000	60,000,000
	Surplus/(Deficit)	41,00,000	10,614,000
	Maintained Ratio	4.35%	4.25%
	Statutory Liquidity Ratio (SLR) : 5.5% of Average Demand & Time Liabilities		
	Required Reserve	76,900,000	77,607,000
	Actual Reserve held	76,900,000	1,579,110
	Surplus/(Deficit)	-	(76,027,890)
	Maintained Ratio	5.57%	0.11%
	Average Deposit (Demand & Time Liabilities)	1,380,067,000	1,411,029,000

The Bank failed to maintain CRR 353 days & SLR 364 days for conventional wing & CRR 0 days and SLR 272 days for Islamic wing. This signifies the Bank has significant liquidity constraints.

Notes	Particulars	Amount in Taka	
		2025	2024
4	Balance with other banks and financial institutions *		
	In Bangladesh (Note 4.1)	11,010,840,901	12,575,594,555
	Outside Bangladesh (NOSTRO A/C) (Note 4.2)	140,615,804	247,148,177
		11,151,456,705	12,822,742,732
4(a)	Consolidated Balance with other banks and financial institutions		
	In Bangladesh	11,010,840,901	12,714,310,349
	Outside Bangladesh (NOSTRO A/C)	140,615,804	247,148,177
		11,151,456,705	12,961,458,526
4(b)	Consolidated Balance with other banks and financial institutions		
	Bangladesh Commerce Bank Limited (Note 4)	11,151,456,705	12,822,742,732
	CBSIL	-	138,715,794
		11,151,456,705	12,961,458,526
4.1	In Bangladesh		
4.1.1	Current Deposits:		
	Agrani Bank Ltd.	73,511,147	8,928,255
	Janata Bank Ltd.	15,070,695	4,121,002
	Trust Bank Ltd.	9,588,532	2,273,667
	Sonali Bank.	41,959,068	25,400,295
	Dutch Bangla Bank Limited	17,802,200	7,740,185
	Pubali Bank Ltd.	-	-
	Al-Arafah Islami Bak Ltd.	15,570,135	2,415,544
	BASIC Bank Limited	1,158,633	5,003,520
	Rupali Bank Limited	9,137,703	1,312
	Islami Bank Bangladesh Ltd. (Plus IBBL- Lohagara Br.-20957)	151,177	293,495,824
	Exim Bank Bangladesh Ltd.	3,909,455	5,112,579
	NRBC Bank Ltd.	1,916,023	99,023
	Balance with Investment Account-Share **	125,375,287	125,376,186
		315,150,055	479,967,392
4.1.2	STD Accounts:		
	Sonali Bank Ltd.	2,544	2,003
	NRBC Bank Ltd.	2,503,175	20,153
	Uttara Bank Limited	16,195,995	2,159,808
	Janata Bank Ltd.	118,490,901	17,145,748
	Union Bank Ltd. (Other Schedule Bank-Ahmedpur Br.)	405,022,336	404,998,067
	Social Islami Bank Limited	641,407	2,662,204
	Bangladesh Krishi Bank	4,590,692	6,005
	First Security Islami Bank Limited	1,721,074,092	1,721,019,509
	IFIC Bank Limited	6,478,333	2,303,407
	Agrani Bank Ltd.	105,118,121	29,737,009
		2,380,117,596	2,180,053,913
** Balance with Investment Account-Share - This amount kept in Commerce Bank Securities and Investment Limited for trading share and securities.			
4.1.3	FDR Accounts:	8,315,573,250	9,915,573,250
	a) FDR in NBFi		
	Reliance Finance Ltd.(AVIVA)	2,900,000,000	2,900,000,000
	People's Leasing and Financial Services Ltd.	1,542,548,250	1,542,548,250
	International Leasing & Financial Services Ltd.	1,474,900,000	1,474,900,000
	Bangladesh Industrial & Finance Company Limited(BIFC)**	710,000,000	710,000,000
	Premier Leasing & Finance Ltd.	88,500,000	88,500,000
	FAS Finance & Investment Ltd.	200,000,000	200,000,000
	First Lease Finance & Investment Ltd.	90,000,000	90,000,000
		7,005,948,250	7,005,948,250
	b) MTDR/ FDR in Bank		
	Social Islami Bank PLC	300,000,000	300,000,000
	Union Bank PLC	1,000,000,000	1,000,000,000
	Islami Bank PLC	-	1,600,000,000
	Exim Bank PLC	9,625,000	9,625,000
		1,309,625,000	2,909,625,000
	Total Balance with Other Bank and NBFi	11,010,840,901	12,575,594,555

4.1.4 Balance With other Bank & Financial Institutions (Current Deposits and STD Accounts)

Name of Banks & Financial Institutions	On Demand	Up to 1 month	1 to 3 months	6 months to 1 year	1 to 5 years	Over 5 years	Amount in Taka	
							2025	2024
Agrani Bank Ltd.	178,629,268	-	-	-	-	-	178,629,268	-
Janata Bank Ltd.	133,561,596	-	-	-	-	-	133,561,596	-
Al-Arafah Islami Bak Ltd.	15,570,135	-	-	-	-	-	15,570,135	-
Trust Bank Ltd.	9,588,532	-	-	-	-	-	9,588,532	-
Sonali Bank Ltd.	41,961,612	-	-	-	-	-	41,961,612	-
Dutch Bangla Bank Ltd.	17,802,200	-	-	-	-	-	17,802,200	-
Islami Bank Bangladesh Ltd.	151,177	-	-	-	-	-	151,177	-
Uttara Bank Ltd.	16,195,995	-	-	-	-	-	16,195,995	-
Rupali Bank Ltd.	9,137,703	-	-	-	-	-	9,137,703	-
Social Islami Bank Ltd.	641,407	-	-	-	-	-	641,407	-
BASIC Bank Ltd.	1,158,633	-	-	-	-	-	1,158,633	-
Union Bank Ltd.	405,022,336	-	-	-	-	-	405,022,336	-
Bangladesh Krishi Bank	4,590,692	-	-	-	-	-	4,590,692	-
First Security Islami Bank Ltd.	1,721,074,092	-	-	-	-	-	1,721,074,092	-
Exim Bank Bangladesh Ltd.	3,909,455	-	-	-	-	-	3,909,455	-
IFIC Bank Limited	6,478,333	-	-	-	-	-	6,478,333	-
NRBC Bank Ltd.	4,419,198	-	-	-	-	-	4,419,198	-
Balance with Investment Account-Share	125,375,287	-	-	-	-	-	125,375,287	-
Grand total	2,695,267,651	-	-	-	-	-	2,695,267,651	-

4.2 Outside Bangladesh

Interest-bearing Accounts

Non Interest- bearing Accounts

Amount in Taka	
2025	2024
119,111,380	231,135,978
21,504,424	16,012,200
140,615,804	247,148,177

4.2.1 Interest-bearing Accounts

Mashreq Bank PSC, NY

Zhejiang Chouzhou Com Bank China Usd

Zhejiang Chouzhou Com Bank China Usd

100,321,650	215,116,626
12,536,755	10,188,787
6,252,975	5,830,564
119,111,380	231,135,978

4.2.1 Non Interest-bearing Accounts

Sonali Bank Ltd. Kolkata

NIB Bank Karachi

Standard Chartered Bank, Mumbai (Acud)

Sonali Bank Ltd UK (USD)

Sonali Bank Ltd UK (EURO)

Punjab National Bank(Acud)

Total

11,985,321	2,959,661
17,689	17,357
6,547,526	6,424,392
203,886	200,052
1,886,996	336,218
863,006	6,074,520
21,504,424	16,012,200

4.2.2 Non Interest bearing A/C (Outside Bangladesh NOSTRO A/C)

Particulars	Currency Name	2025			2024		
		Amount in FC	Conversion Rate per Unit FC	Amount in Taka	Amount in FC	Conversion Rate per Unit FC	Amount in Taka
Sonali Bank Ltd. Kolkata	ACUD	97,999.35	122.3000	11,985,321	24663.84	120.0000	2,959,661
NIB Bank Karachi	ACUD	144.64	122.3000	17,689	144.64	120.0000	17,357
Standard Chartered Bank Mumbai (ACU)	ACUD	53,536.60	122.3000	6,547,526	53536.6	120.0000	6,424,392
Sonali Bank (UK) Ltd	EURO	12,921.10	146.0399	1,886,996	2635.6	127.5679	336,218
Sonali Bank (UK) Ltd	USD\$	1,667.10	122.3000	203,886	1667.1	120.0000	200,052
Punjab National Bank (ACU)	ACUD	7,056.47	122.3000	863,006	50621	120.0000	6,074,520
Sonali Bank (UK) Ltd	GBP	-	165.7031	-	-	151.3132	-
Total		173,325		21,504,424	133,269		16,012,200

Note: Balance with other Bank and financial institutions includes Taka 6,424,392 equivalent to USD 53,536.60 which was freed by Standard Chartered Bank (former the American Express Bank) based on the order of the Calcutta High court against which provision is yet to be made. This amount already included in the required provision (note-13)

4.2.3 Maturity grouping of foreign currency balances

On demands

Upto 1 month

1-3 month

3-6 month

6-9 month

9 months to 1 year

1 year and above

Amount in Taka	
2025	2024
140,615,804	247,148,177
-	-
-	-
-	-
-	-
-	-
-	-
140,615,804	247,148,177

Notes	Particulars	Amount in Taka	
		2025	2024
5	MONEY AT CALL ON SHORT NOTICE *		
	Inside Bangladesh (Note: 5.1)	28,400,000	28,400,000
	Outside Bangladesh (Note: 5.2)	-	-
		28,400,000	28,400,000
5.1	In Bangladesh		
	Banks	28,400,000	28,400,000
		28,400,000	28,400,000
	Note: Money at Call and Short Notice includes Taka 2,90,00,000, which was freezed by ICB Islami Bank (former Al-Baraka Bank) since 23-01-2007. The Bangladesh Bank vide circular # BRPD(R-1)651/(10)/2007-446 dated 02 August, 2007 has given directives for repayment of such balances which are yet to be implemented by the Bank.		
5.2	Outside Bangladesh	-	-
5(a)	CONSOLIDATED MONEY AT CALL AND SHORT NOTICE		
	Bangladesh Commerce Bank Limited	28,400,000	28,400,000
	CBSIL	-	-
		28,400,000	28,400,000
6	INVESTMENTS	4,801,371,986	5,391,428,997
6.1	Government Securities Treasury Bond/ Bill		
	30-day Bangladesh Bank Bill	-	-
	91-day Treasury Bill	-	-
	182-day Treasury Bill	-	-
	364-day Treasury Bill	-	-
	2-year Treasury Bond	-	-
	5-year Treasury Bond	-	100,725,192
	10-year Treasury Bond	200,121,190	-
	15-year Treasury Bond	36,251,225	55,589,751
	20-year Treasury Bond	236,149,505	235,055,346
		472,521,920	391,370,289
	Prize Bond	1,055,700	1,242,100
	Securities Pledge With Bangladesh Bank	3,031,576,617	3,682,598,860
		3,505,154,237	4,075,211,249
6.1.1	Government Securities (HFT)		
	91-day Treasury Bill	-	-
	182-day Treasury Bill	-	-
	364-day Treasury Bill	-	-
	2-year Treasury Bond	-	-
	5-year Treasury Bond	-	-
	10-year Treasury Bond	-	-
	15-year Treasury Bond	15,774,843	15,119,503
	20-year Treasury Bond	10,566,960	9,482,312
		26,341,803	24,601,815
6.1.2	Government Securities (HTM)		
	30-day Bangladesh Bank Bill	-	-
	91-day Treasury Bill	-	-
	182-day Treasury Bill	-	-
	364-day Treasury Bill	-	-
	2-year Treasury Bond	-	-
	5-year Treasury Bond	-	100,725,192
	10-year Treasury Bond	200,121,190	-
	15-year Treasury Bond	20,476,382	40,470,248
	20-year Treasury Bond	225,582,545	225,573,034
		446,180,117	366,768,474
6.2	Other Investments		
	Shares in quoted companies (Annexure-E)	320,631,459	320,631,459
	Shares in quoted companies (Special Fund 200 Crore) (Annexure-F)	159,550,220	159,550,220
	Shares in un-quoted companies (Note: 6.2.1)	108,536,160	128,536,160
	Corporate Bond (Note: 6.2.2)	50,000,000	50,000,000
	Investment in Sonali Polaris FTL	7,500,000	7,500,000
	Investment in Subsidiary	649,999,910	649,999,910
		1,296,217,749	1,316,217,748
	Details of Investment in quoted shares are shown in Annexure-E		
6.2.1	Shares in un-quoted companies		
	Confidence Power Rangpur Ltd	-	20,000,000
	Confidence Power Bogura Unit-2 Ltd	-	-
		-	20,000,000
6.2.2	Corporate Bond		
	Non Convertible Bond-Golden Harvest	50,000,000	50,000,000
		50,000,000	50,000,000

Notes	Particulars	Amount in Taka	
		2025	2024
6.3 Maturity Grouping of Investments (BGTB)			
Repayable on demand	-	-	-
With a residual maturity upto 1 month	-	-	-
With a residual maturity of more than 1 month but less than 3 months	-	-	-
With a residual maturity of more than 3 months but less than 1 year	-	-	-
With a residual maturity of more than 1 year but less than 2 years	-	-	-
With a residual maturity of more than 2 years	-	-	-
	472,521,920	391,370,289	
	472,521,920	391,370,289	
6(a) Consolidated Investment		4,356,100,474	4,957,153,336
Government Securities			
Bangladesh Commerce Bank Limited	(Note: 6.1)	3,505,154,237	4,075,211,249
CBSIL		-	-
		3,505,154,237	4,075,211,249
Other Investments			
Bangladesh Commerce Bank Limited	(Note: 6.2)	1,296,217,749	1,316,217,748
CBSIL		204,728,399	215,724,249
		1,500,946,147	1,531,941,997
Less: Investment in Subsidiary		(649,999,910)	(649,999,910)
		850,946,237	881,942,087
7 LOANS AND ADVANCES / Investment *			
Loans, Cash Credit, Overdraft etc/Investment		25,594,882,785	23,509,336,696
Bills Purchased and Discounted		3,738,334	2,601,445
		25,598,621,119	23,511,938,141
7.1 Loans, Cash Credit, Overdraft etc/Investment			
Inside Bangladesh			
a. Conventional Banking			
Demand Loan		511,660,544	511,026,640
Loan General *		4,652,149,444	4,162,823,470
Cash Credit (Hypo)		2,747,916,242	2,944,988,735
Agriculture Loan		612,953,485	461,027,318
Overdraft		1,574,744,574	1,446,479,564
SME Loan		7,803,208,362	5,957,511,030
Payment Against Document (PAD) & Forced loan		1,509,213,104	1,496,223,868
Loan against Trust Receipt (LTR)		1,774,003,709	1,731,256,470
House Building Loan		1,068,934,579	1,210,428,431
Credit Card		364,680,153	343,402,244
Consumer Credit		51,629,483	68,828,085
Staff Loan		628,250,561	604,830,448
Loans & Advances (BCI)		498,316,853	495,027,845
		23,797,661,093	21,433,854,148
b. Islamic Banking			
Bai-Muajjal Investment		536,587,430	821,057,245
Bai-Murabaha Investment		29,562,242	32,333,432
Hire Purchase Investment		1,171,319,140	1,134,006,133
Quard against MTDR/ Scheme		50,270,582	77,954,420
Quard against STAFF PF		979,637	866,244
Hire Purchase Investment House Building Staff		7,167,897	7,673,196
BAI - Muajjal Against BB Stimulus Fund		1,334,764	1,591,878
BAI - Muajjal Working Capital Under Stimulus Fund		-	-
		1,797,221,692	2,075,482,548
Outside Bangladesh		-	-
		25,594,882,785	23,509,336,696
* Loan General Amount includes BDT 319,52,61,950.00 against Bcb Education Finance			
7.2 Bills Purchased and Discounted			
Payable in Bangladesh			
Inland Bills Purchased		3,738,334	2,601,445
Payable outside Bangladesh		-	-
Foreign Bills Purchased		-	-
		3,738,334	2,601,445
		25,598,621,119	23,511,938,141
7.3 As per the remaining maturity grouping of loans and advances in the following order			
Re-payable on demand		8,919,372,065	8,192,305,487
Not more than 3 months		4,166,706,671	3,827,055,725
More than 3 Months but less than 1 year		6,191,885,608	5,687,151,300
More than 1 year but less than 5 years		6,320,656,776	5,805,425,630
More than 5 years		-	-
		25,598,621,119	23,511,938,142

Notes	Particulars	Amount in Taka	
		2025	2024
7.4 Countrywise Classification of Loans and Advances			
	Inside Bangladesh	25,598,621,119	23,511,938,141
	Outside Bangladesh	-	-
		25,598,621,119	23,511,938,141
7.5 Loans and advances on the basis of significant concentration			
	a) Loans and advances to directors of the bank	-	-
	b) Loans and advances to Chief Executive & other senior executives	-	-
	c) Loans and advances to customer group amounting more than 10% of bank's total capital	9,727,522,008	9,163,900,000
	d) Other customers	15,289,483,028	13,730,518,781
	e) Staff Loan	581,616,083	617,519,360
		25,598,621,119	23,511,938,141
	Loans and advances allowed to each customer exceeding 10% of Bank's total capital fund		
	Number of the Clients (See Annexure-B)	30	18
7.6 Classification of Loan as per geographical concentration (Division)			
	Dhaka	16,449,254,984	15,251,407,964
	Chittagong	5,152,234,635	4,658,188,133
	Rajshahi	1,357,758,043	1,303,653,986
	Khulna	1,424,515,716	1,162,647,478
	Sylhet	332,331,856	368,423,053
	Barisal	194,999,732	162,879,220
	Rangpur	472,492,389	384,268,829
	Mymensingh	215,033,764	220,469,478
		25,598,621,119	23,511,938,141
7.7 Industrial concentration of Loans & Advances (including Bill purchased and discounted)			
	Food & Beverage Industries	537,229,436	536,819,586
	Furniture & Fixture	28,642,853	30,137,249
	Printing, publishing & allied industries	42,863,941	55,964,153
	Petroleum & coal Products	264,926,581	267,347,382
	RMG & Textile	2,890,538,721	2,863,176,384
	Non-metallic mineral products	719,152,499	703,358,073
	Basic metal products	67,713,816	67,014,351
	Cement industries	203,257,146	194,894,015
	Small Scale Industries	1,298,066,485	1,336,239,827
	Power Generation & Gas	222,573,153	321,648,314
	Other manufacturing industries	1,425,866,283	1,482,321,690
	Rural Credit & Agri Loan	612,953,485	461,027,318
	Import Credit	3,384,675,510	3,776,972,227
	Trade & Commerce	10,054,617,463	10,315,159,279
	Others	3,845,543,747	1,099,858,293
	Total	25,598,621,119	23,511,938,141
7.8 Sector wise concentration of Loans & Advances (including Bill purchased and discounted)			
	Agricultural Loan	612,953,485	461,027,318
	Industrial Loan (other than working capital)	1,257,146,753	1,283,438,755
	Working capital Loan	3,482,458,614	3,559,015,953
	Import Credit	3,384,675,510	3,317,426,367
	Commercial Loan	9,654,617,463	9,239,993,093
	RMG & Textile	2,890,538,721	2,863,176,384
	Construction Loan	1,068,934,579	1,140,428,431
	Transport and Communication Loan	119,126,821	125,534,785
	Consumer Credit	416,358,762	422,038,762
	All Others Loans	2,711,810,411	1,099,858,293
	Total	25,598,621,119	23,511,938,141
7.9 Loans & Advances to Executives & all other staffs			
	Staff House Building Loan	536,273,493	556,785,081
	Staff Car Loan	1,055,656	1,055,156
	Staff loan against Provident Fund	99,068,946	59,679,123
		636,398,095	617,519,360

Note: Staff Car scheme: All confirmed staff at job grade from Senior Assistant Vice President and above can avail staff car scheme taking approval from competent authority. The Board of Directors in its 350th Board meeting dated 16.09.2021 has revised "Car Loan policy -2011" through which existing Staff enlisted car loan been transferred to Bank's Fixed Asset in the financial statement .

7.9.1 Required Provision for Loans & Advances

Particulars	Outstanding Loans	Base for provision	Rate of Provision	2025		2024	
				Required Provision		Required Provision	
a) Agricultural Credit (Other than Short Term)	279,739,577	279,739,577	1.00%		2,797,396		2,058,553
b) CMSME Financing	2,735,795,172	273,579,172	0.50%	1.00%	16,034,009		28,033,899
c) Consumer Financing (Other than Credit Card)	4,052,530,699	4,052,530,699	1.00%		40,525,307		15,051,433
d) Credit Card	282,225,285	282,225,285	1.00%		2,822,253		2,754,435
e) Industrial Credit	481,111,990	481,111,990	1.00%		4,811,120		3,746,993
f) Housing Financing	314,180,738	314,180,738	1.00%		3,141,807		6,303,442
g) Service Sector Credit	-	-	1.00%		-		-
h) Trade Sector Credit	38,566,334	38,566,334	1.00%		385,663		67,620
i) Other Credit	49,304,399	49,411,155	1.00%		494,112		-
j) Short Term Agri Credit	15,732,913	15,732,913	0.50%		78,665		22,320
k) UC by Writ Petition	-	-	-		-		388,300,000
l) Special Provision for UC Loan	8,521,956	1,278,293	100%		1,278,293		-
(ii) SMA	131,834,530	89,436,288	1.00%	5.00%	4,470,686		7,571,557
A) Standard	8,389,543,592	5,877,792,444			76,839,310		453,910,252
Sub-Standard	207,612,717	78,927,475	20%		15,785,495		20,577,209
Doubtful	203,593,933	58,802,496	50%		29,401,248		31,021,131
Bad or Loss	16,161,466,114	10,435,694,135	100%		10,435,694,135		9,626,191,408
B) Classified Loan & Advances	16,572,672,764	10,573,424,106			10,480,880,878		9,677,789,748
Sub Total (A+B)	24,962,216,357	16,451,216,550			10,557,720,188		10,131,700,000
C) Un-classified Staff Loan	601,620,783	601,620,783			48,770		-
Sub-Standard	-	-			-		-
Doubtful	3,260,999	489,150			244,575		-
Bad or Loss	31,522,980	19,708,351			19,708,351		-
D) Classified Staff Loan	34,783,979	20,197,501			19,952,925.81		-
Sub Total (C+D)	636,404,762	621,818,284			20,001,695.77		-
Grand Total	25,598,621,119	17,073,034,834			10,577,721,884		10,131,700,000

Total Required Provision for Loans and Advances

Total Provision Maintained (Note: 13.1)

Excess/ (Short) Provision against Loans & Advance*

Total Excess/ (Short) Provision

10,577,721,884	10,131,700,000
3,837,198,261	3,757,198,261
(6,740,523,623)	(6,374,501,739)
(6,740,523,623)	(6,374,501,739)

*Bangladesh Bank identified provision shortfall of Taka 682.05 crore against loans and advances as on 31 December 2025 and the provision was deferred up to finalizing the Financial Statements for the year 31 December 2025 vide their letter ref: BSD-9/116/2026-488 dated: 28th April 2026.

7.10 Classification of Loan & Advances

Un-classified

- i) Standard
- ii) Staff Loan
- iii) SMA

Sub-Standard

Doubtful

Bad or Loss

Total

8,991,164,376	7,444,362,793
8,257,709,062	6,719,300,000
601,620,783	617,519,360
131,834,530	107,543,433
207,612,717	686,100,000
206,854,932	307,100,000
16,192,989,094	15,074,375,348
25,598,621,119	23,511,938,141

7.11 Particulars of Loans and Advances

- (1) Debts considered good in respect of which the Bank Company is fully secured;
- (2) Debts considered good against which the Banking Company holds no security other than the debtor's
- (3) Debts considered good & secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors;
- (4) Loans adversely classified; provision not maintained there against;

18,849,237,853	18,849,237,853
-	-
6,388,572,629	4,662,700,288
6,740,523,623	6,374,501,739

- (5) Debts due by directors or officers of the banking company of any of these separately or jointly with any
- (6) Loan due from companies or firms which the directors of the banking company directors, partners or managing agents or in the case have interest as of private companies as members;

604,830,448	617,519,360
-	-

- (7) Maximum total amount of advances 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;

-	-
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- (8) Maximum total amount of advances including temporary advance granted during the year to the companies or firm in which the directors of the banking or company have interest as directors, companies as members;

-	-
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- (09) Due from banking companies.

-	-
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Notes	Particulars	Amount in Taka	
		2025	2024
(10) Amount of classified loan on which interest has been charged			
a) Increase / (decrease) in provision			
Amount of loan written off from provision		-	-
Amount realized against loan previously written off		15,000	-
b) Amount of provision kept against loan classified as "Bad/Loss" as at reporting date		3,715,573,057	3,566,768,189
c) Interest creditable to the interest Suspense Accounts;		-	-
(11) Details of loan written off			
a) Cumulative amount of written-off loan at the end of the year		97,531,498	97,531,498
b) Cumulative amount of written-off loans (opening)		97,531,498	97,531,498
c) Amount of written-off loan during the year		-	-
d) Amount realized (including adjustment) against loan previously written-off			
Previous year		-	1,881,268
Current year		15,000	1,881,268
e) Net outstanding amount of written-off loan at the end of the year (a-d)		97,516,498	97,531,498
f) Amount of written-off loan for which law suit has been filed		-	-
7.12 Bills Purchased and Discounted		3,738,334	2,601,445
7.12.1 As per classification into the following broad categories			
Payable in Bangladesh		3,738,334	2,601,445
Payable outside Bangladesh		-	-
		3,738,334	2,601,445
7.12.2 As per the remaining maturity grouping in the following order			
Payable within 1 month		3,738,334	2,601,445
Over 1 month but less than 3 months		-	-
Over 3 months but less than 6 months		-	-
6 months or more		-	-
		3,738,334	2,601,445
7(a) CONSOLIDATED LOANS AND ADVANCES			
Bangladesh Commerce Bank Limited		25,594,882,785	23,509,336,696
Less: Inter Company Transaction		47,890,008	44,422,477
		25,546,992,777	23,464,914,219
Add: Bill Purchased & Discount		3,738,334	2,601,445
		25,550,731,111	23,467,515,664
8 Fixed assets (Details are shown in annexed - A)			
Motor Vehicles		30,802,963	36,370,962
Furniture & Fixture		76,450,883	83,859,809
Machinery & Equipment		64,110,666	83,392,880
Computer & Accessories		13,023,749	22,232,500
Interior Decoration		115,887,528	141,158,255
Hardware & Software Automation		20,935,011	16,779,644
Right of use of Asset		153,839,013	171,762,006
		475,049,813	555,556,056
8(a) Consolidated fixed assets including premises, furniture and fixtures			
Bangladesh Commerce Bank Limited	(Note: 8)	475,049,813	555,556,056
CBSIL		7,452,401	6,580,506
		482,502,214	562,136,562
9 Other Assets			
Advance Income Tax	(Note: 9.1)	1,355,115,562	1,303,011,597
Stock of Stationery, Stamps & Security Stationary	(Note: 9.2)	18,896,958	9,949,473
Advance Rent, Advertisement, etc.	(Note: 9.3)	104,102,343	58,157,599
Accrued Interest & Commission Receivable	(Note: 9.4)	5,089,440,266	4,064,304,809
Security Deposits	(Note: 9.5)	1,467,270	1,486,270
Suspense Accounts	(Note: 9.6)	57,096,289	60,938,481
Sundry Assets	(Note: 9.7)	158,098,443	193,449,478
Deferred Tax Assets	(Note: 9.8)	76,527,659	58,983,291
BCBL General Account	(Note: 9.9)	93,346,869	96,202,761
		6,954,091,658	5,846,483,759
9.1 Advance Income Tax			
Opening Balance		1,303,011,597	1,191,427,166
Prior Year's Adjustment		-	-
Addition during the year		52,103,965	111,584,431
		1,355,115,562	1,303,011,597
9.2 Stock of Stationery, Stamps & Security Stationary			
Stock of Stationery		5,873,956	5,213,974
Stock of Stamp		2,139,366	1,803,691
MICR Printing Security Stationary		3,575,383	617,337

Notes	Particulars	Amount in Taka	
		2025	2024
	BCBL Debit & Credit Card	5,703,600	744,223
	Stock of Security Stationery	1,604,653	1,570,248
		18,896,958	9,949,473
9.3	Advance Rent, Advertisement, etc.		
	Advance Rent	98,149,768	57,463,415
	Prepaid Insurance Premium	8,767	191,617
	Prepaid Expenses for Hardware & Software	418,600	451,600
	Prepaid Advertisement	-	-
	Prepaid Expenses	5,474,240	-
	Prepaid Expenses Mfs provider	50,967	50,967
		104,102,343	58,157,599
9.4	Accrued Interest & Commission Receivable		
	Interest Receivable from Loans and Advance	1,108,275	3,700,043
	Interest Receivable from Banks and NBFI	4,959,273,242	3,922,214,489
	Interest Receivable from Bill / Bond	129,556,916	118,285,729
	Dividend Receivables from Share	(498,167)	20,104,548
		5,089,440,266	4,064,304,809
9.5	Security Deposits		
	Security Deposits	1,467,270	1,486,270
9.6	Suspense Accounts		
	Sundry Debtors	40,664,627	40,716,578
	Advance against TA/DA	181,400	221,934
	Legal Expense	1,500	31,300
	Advance against Sanchay Patra	336,262	637,782
	Deferred expenditure	-	3,337,002
	Advance Against Proposed Branches	15,912,500	15,915,800
	Other Suspense Account	-	78,086
		57,096,289	60,938,482
9.7	Sundry Assets		
	Cash Remittance	13,959,399	8,263,368
	Foreign Remittance Settlement A/C	16,902,887	20,250,953
	ATM cash settlement	357,000	83,000
	Protested Bill	111,254,049	95,050,149
	Excise Duty Adjustment (FDR)	12,100,670	14,002,570
	Adjusting A/C Debit (Treasury)	24,438	99,438
	Sub-total (a)	154,598,443	137,749,478
	Blocked Assets:		
	Sundry Deposits with National Bank Ltd.	3,500,000	3,500,000
	Advance against Building **		52,200,000
	Sub-total (b)	3,500,000	55,700,000
	Grand-total (a+b)	158,098,443	193,449,478
** Advance against Building Taka 52,200,000 : The amount has been paid against purchase of 8.00 (Katha) Land with seven storied Building at 19 Rajuk Avenue, Motijheel Dhaka. The Honorable High Court announced its judgement in favor of Bangladesh Commerce Bank Ltd to register the Asset in the Bank's name. The asset is in possession under the bank from 1990 and the Principal branch along with some division of head office are carrying on their activities in that building.			
9.8	Deferred Tax Assets		
	Opening Balance	58,983,292	42,218,922
	Add : Addition during the year	17,544,367	-
	Less: Adjustment during the year	-	(16,764,369)
	Closing Balance	76,527,659	58,983,292
9.8.1	Deferred tax assets/liability		

Deferred tax has been calculated based on deductible/taxable temporary difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS)12 'Income Taxes'

Deferred tax assets/ liability is arrived at as follows:

Particulars	Carrying amount of Fixed assets	Tax base	Temporary difference
	Taka	Taka	Taka
Assets			
Fixed assets net of depreciation as on 31 December 2025	321,210,800	431,935,334	(110,724,534)
Right of use assets	153,839,014	-	153,839,014
Lease obligation	182,431,790	-	(182,431,790)
Total	657,481,604	431,935,334	(139,317,309)
Assets			
Fixed assets net of depreciation as on 31 December 2024	383,794,049	457,497,997	(73,703,948)
Lease obligation	193,514,449	-	(193,514,449)
Right of use assets	171,762,006	-	171,762,006
Total	749,070,504	457,497,997	(95,456,392)

Applicable tax rate

40%

Deferred tax assets as on 31 December 2025

55,726,924

Deferred tax assets as on 31 December 2024

38,182,557

Deferred tax (expenses)/ Income accounted for during the year 2025

17,544,367

Notes	Particulars	Amount in Taka	
		2025	2024
9.9 BCBL General Account			
	BCBL General Account Cr.	38,832,623,203	3,763,181,410
	BCBL General Account Dr.	38,925,970,072	3,859,384,172
		93,346,869	96,202,762
9(a) Consolidated Other Assets			
	Bangladesh Commerce Bank Limited (Note: 9)	6,954,091,658	5,846,483,759
	CBSIL	627,971,212	896,816,316
		7,582,062,870	6,743,300,074
10 Non Banking Assets		-	-
11 Borrowings from Bangladesh Bank, other Banks, Financial Institutions and Agents *			
	From Inside Bangladesh - Call Borrowings from Banks	-	-
	From Inside Bangladesh - Re-finance Scheme under SME	119,578,299	131,559,103
	From Inside Bangladesh - Borrowing from Bangladesh Bank	4,683,822,566	3,189,769,321
	From Inside Bangladesh - Over Draft from BB	4,396,868,120	4,060,547,229
	Impress fund from Bangladesh Bank	-	-
		9,200,268,985	7,381,875,652
11(a) Consolidated Borrowings from Bangladesh Bank, other Banks, Financial Institutions and Agents			
	Bangladesh Commerce Bank Limited	9,200,268,985	7,381,875,652
	CBSIL	-	-
		9,200,268,985	7,381,875,652
11.2 Maturity-wise borrowings			
	Repayable on demand	119,578,299	7,381,875,652
	Not more than 3 months	4,683,822,566	-
	Over 3 Months but less than 1 year	4,396,868,120	-
	Over 1 year but not less 5 years	-	-
	Over 5 years	-	-
		9,200,268,985	7,381,875,652
11.3 Security wise borrowings			
	Secured (by Bangladesh Bank deposits)	-	-
	Unsecured	9,200,268,985	7,381,875,652
		9,200,268,985	7,381,875,652
12 Deposits and other Accounts *			
	Current/ Al-Wadeeah Current Account and Other Accounts (Note: 12.1)	6,246,239,026	6,255,831,283
	Bills Payable (Note: 12.2)	838,390,899	746,691,476
	Savings Bank / Mudaraba Savings Bank Deposits (Note: 12.3)	3,212,313,389	3,389,409,646
	Short Term Deposits (Note: 12.4)	2,915,121,022	2,996,946,305
	Fixed Deposits / Mudaraba Fixed Deposits (Note: 12.5)	21,434,166,612	19,824,121,297
	Deposits under Different Schemes (Note: 12.6.2)	10,051,175,926	9,435,595,669
		44,697,406,874	42,648,595,676
12.1 Current Deposits and Other Accounts			
	Current Deposits / AL-WADIAH CURRENT	2,855,891,858	2,974,626,201
	Foreign Currencies	133,273,609	65,335,284
	Other Deposits (Note: 12.6.1)	3,257,073,559	3,215,869,797
		6,246,239,026	6,255,831,282
12.2 Bills Payable			
	Pay Order Payable	837,519,020	745,368,597
	D.D. Payable	871,879	1,322,879
		838,390,899	746,691,476
	Disclosure: for Bills Payable (Fixed Assets)		
12.3 Savings Bank Deposits			
	Local Currency	3,212,313,389	3,389,409,646
	Foreign Currencies	-	-
		3,212,313,389	3,389,409,646
12.4 Short Term Deposits			
	Local Currency	2,915,121,022	2,996,946,305
	Foreign Currencies	-	-
		2,915,121,022	2,996,946,305

Notes	Particulars	Amount in Taka	
		2025	2024
12.5	Fixed Deposits / Mudaraba Fixed Term Deposit(MTD)		
	Deposits without Bank *	20,675,681,400	19,121,459,645
	Bank Deposits	758,485,212	702,661,652
		21,434,166,612	19,824,121,297
	* The "Deposits without Bank" includes BDT 270,08,83,132.00 as FDR against BCB Education Finance.		
12.6	Other Deposits and Schemes		
	Other Deposits	3,257,073,559	3,215,869,797
	Deposits under Different Schemes (Note: 12.6.1)	10,051,175,926	9,435,595,669
		13,308,249,485	12,651,465,466
12.6.1	Deposits under different schemes		
	Monthly Income/Pension Scheme	4,371,275,148	3,566,505,741
	Life Pension Deposit Scheme	4,518,953	4,356,953
	Marriage Deposit Scheme	14,436,709	15,653,268
	Millionaire Deposit Scheme	116,092,759	38,507,876
	Monthly Savings Schemes	2,806,384,479	3,493,876,158
	Education Deposit Scheme	4,293,147	118,526
	Lakhopoti Deposit Scheme	64,887,706	2,599,983
	Triple Deposit Scheme	31,587,116	30,927,839
	Kotipoti Deposit Scheme	94,787,582	108,775,725
	Double Deposit Scheme	2,531,977,320	2,161,364,389
	Investor Deposit Scheme	10,935,007	12,909,211
		10,051,175,926	9,435,595,669
12.5(a)	Consolidated Other Deposits		
	Bangladesh Commerce Bank Limited (Note: 12.5)	13,308,249,485	12,651,465,466
	CBSIL	-	-
		13,308,249,485	12,651,465,466
12.6	Maturity wise Classification Payable:		
	On Demand	2,324,217,620	2,217,682,947
	Within 1 Month	5,423,174,446	5,174,590,439
	More than 1 month but less than 6 months	13,215,065,561	12,609,321,823
	More than 6 month but less than 1 year	15,212,989,501	14,515,666,201
	More than 1 year but within 5 years	1,306,833,156	2,218,295,759
	More than 5 year but within 10 years	7,215,126,590	5,913,038,506
	Over 10 years and Unclaimed	-	-
		44,697,406,874	42,648,595,676
12(a)	Consolidated Deposits and other Accounts		
	Bangladesh Commerce Bank Limited	44,697,406,874	42,648,595,676
	CBSIL	-	-
		44,697,406,874	42,648,595,676
13	Other Liabilities		
	Provision for Loans and Advances (Note: 13.1)	3,837,198,261	3,757,198,261
	Interest / Profit Suspense Accounts (Note: 13.2)	6,132,171,090	5,103,329,992
	Provision for Current Income Tax (Note: 13.3)	812,747,088	760,643,123
	Provision for Deferred Tax (Note: 13.4)	-	-
	Provision for Gratuity (Note: 13.5)	-	-
	Provision for Share & Debenture Unrealized Gain / Loss (Note: 13.6)	208,401,790	203,521,964
	Provision for IT Assets (Note: 13.7)	284,111	284,111
	Accrued Expense Payable (Note: 13.8)	1,096,172,569	803,827,758
	Impress Fund Payable	181,047	1,181,047
	Cash Incentive	1,097,419	9,065,197
	Provision for Off Balance Sheet Exposure (Note: 13.9)	16,747,063	16,747,063
	Provision for Other Assets (Note: 13.10)	231,727,209	231,727,209
	Lease Liability (Note: 13.11)	194,113,253	193,514,449
	Unearned Income on Investment	35,917,338	15,047,281
	Bai Murabaha Compensation Realized	61,952,457	27,169,708
		12,628,710,696	11,123,257,162

Notes	Particulars	Amount in Taka	
		2025	

Details of Provision Required and Maintained:

S.N	Particulars	References	Required Provision	Provision Maintained	Excess/ (Short) Provision
1	Provision for Loans and Advances	(Note: 7.9.1) (Note: 13.1)	10,577,721,884	3,837,198,261	(6,740,523,623)
2	Provision for Off Balance Sheet Exposure	(Note: 13.9)	35,894,213	16,747,063.00	(19,147,150)
3	Provision for Other Assets	(Note: 13.10)	335,332,000	231,727,209	(103,604,791)
4	Provision for Gratuity Fund	-	658,283,628	650,443,130	(7,840,498)
5	Provision for Money at Call and Short Notice	(Note: 5.00)	28,400,000	-	(28,400,000)
6	Provision for Share & Debenture Unrealized Loss	(Note: 13.6)	208,401,790	208,401,790	-
7	Provision for Unreconciled NOSTRO Balance Since-2006	-	6,424,000	-	(6,424,000)
8	Provision for Unreconciled Balance with Bangladesh Bank (LCY & FCY)	-	89,207,872	-	(89,207,872)
9	Provision for Investment in Non-Convertible Bond (Golden Harvest Ltd.)	-	50,000,000	-	(50,000,000)
10	Provision for Balance with other Banks and NBFI	(Note: 4.1)	5,397,500,000	-	(5,397,500,000)
Total:			17,387,165,387	4,944,517,453	(12,442,647,934)

As per the Bank Supervision Department-09, Bangladesh Bank letter no. BSD-9/116/2026-488 dated 28th April 2026, the inspection team has identified a total provision shortfall of Tk. 1,252.26 crore as of 31 December 2025. Due to insufficient profit earned during the financial year, the Bank Supervision Department-9 of Bangladesh Bank, vide their letter no. BSD-9/116/2026-488 dated on 28th April 2026, has allowed the deferral of Tk. 1,244.26 crore from the total provision shortfall for the purpose of finalizing the Financial Statements for the year ended 31 December 2025.

A time-bound recovery plan for addressing the provision shortfall and capital deficiency is to be formulated and submitted to the Honorable Board of Directors for approval, prior to its submission to Bangladesh Bank.

13.1 Provision for Loans and Advances / Investment

General Provision	(Note: 13.1.1)	95,515,127	95,515,127
Special General Provision-COVID 19	(Note: 13.1.2)	43,316,605	43,316,605
Specific Provision	(Note: 13.1.3)	3,698,366,529	3,618,366,529
		3,837,198,261	3,757,198,261

13.1.1 General Provision

Opening Balance	95,515,127	95,515,127
Add : Transferred during the year	-	-
Less: Adjustment during the year	-	-
	95,515,127	95,515,127

13.1.2 Special General Provision-COVID 19

Opening Balance	43,316,605	43,316,605
Add : Transferred during the year	-	-
Less: Adjustment during the year	-	-
	43,316,605	43,316,605

13.1.3 Specific Provision

Opening Balance	3,618,366,529	3,585,459,529
Less: Fully Provided Bad Loan Written off	-	-
Add : Transferred from Interest Suspense **	-	32,907,000
Add : Specific Provision Kept for the year	80,000,000	-
Add : Net Charge in the Profit and Loss Account	-	-
	3,698,366,529	3,618,366,529

** Interest Suspense transferred to Specific Provision due to non required in interest suspense.

13.1.2(a) Consolidated Specific Provision

Bangladesh Commerce Bank Limited	(Note: 13.1.3)	3,698,366,529	3,618,366,529
CBSIL		-	193,578,804
		3,698,366,529	3,811,945,333

13.2 Interest Suspense A/C

Opening Balance	5,103,329,992	3,977,892,290
Add : Addition during the year	1,102,623,551	1,459,093,990
Less: Interest Realized during the year	73,782,453	300,749,288
Less: Transferred to Specific Provision	-	32,907,000
Less: Written off during the year		
	6,132,171,090	5,103,329,992

Notes	Particulars	Amount in Taka	
		2025	2024
13.2 (a) Details of Interest Suspense			
	Interest Suspense for Loans and Advances	1,660,452,002	1,734,234,455
	Interest Suspense for NBFI	3,956,271,633	3,217,995,537
	Interest Suspense for Banks	510,864,122	151,100,000
	Interest Suspense for Investment in Non-Convertible Bond (Golden Harvest Agro)	4,583,333	-
		6,132,171,090	5,103,329,992
13.3 Provision for Current Income Tax			
	Opening Balance	760,643,123	649,058,692
	Add : Current year tax	52,103,965	111,584,431
	Add : Prior years tax	-	-
	Less: Adjustment during the year	-	-
		812,747,088	760,643,123
13.4 Provision for Deferred Tax Liability			
	Opening Balance	-	-
	Add : Addition during the year	-	-
	Less: Adjustment during the year	-	-
		-	-
13.5 Provision for Gratuity			
	Opening Balance	-	-
	Add : Addition during the year	-	-
	Less: Transfer to Gratuity Fund	-	-
	Less: Adjustment during the year	-	-
		-	-
13.6 Provision for Share & Debenture (Unrealized Gain/Loss)			
	Opening Balance	203,521,964	149,193,754
	Add : Addition during the year	4,879,826	54,328,210
	Less: Adjustment during the year	-	-
		208,401,790	203,521,964
13.7 Provision for IT Assets			
	Opening Balance	284,111	284,111
	Add : Addition during the year	-	-
	Less: Adjustment during the year	-	-
		284,111	284,111
13.8 Accrued Expenses Payable			
	Sancypatra	100,000	100,000
	Accrued Expense Payable	23,816,969	20,402,831
	Others (utility, connectivity, Deposit Insurance, Ins.Pre-CC etc)	40,328,050	17,051,578
	Adjusting A/C Credit (Treasury)	28,500,000	28,500,000
	Penal Interest Payable to BB for CRR SLR Shortfall	1,003,394,625	508,819,811
	OD Interest Payable to Bangladesh Bank	-	228,493,538
	Aud, Credit Rating & Other fee	32,925	460,000
		1,096,172,569	803,827,758
13.9 Provision for Off Balance Sheet Exposure			
	Opening Balance	16,747,063	16,747,063
	Add : Addition during the year	-	-
	Less: Adjustment during the year	-	-
		16,747,063	16,747,063
13.10 Provision for Other Assets			
	Opening Balance	231,727,209	231,727,209
	Add : Addition during the year	-	-
	Less: Adjustment during the year	-	-
		231,727,209	231,727,209
13.11 Lease Liability			
	Opening Balance	193,514,448	202,847,744
	Add: Addition	12,273,121	12,910,303
	Less: Adjustment	23,355,779	22,243,599
		182,431,790	193,514,448

Notes	Particulars	Amount in Taka	
		2025	2024
13.12 BCBL General Account			
	BCBL General Account Cr.		
	BCBL General Account Dr.		
		-	-
13(a) Consolidated Other Liabilities			
	Bangladesh Commerce Bank Limited (Note: 13)	12,628,710,696	11,123,257,162
	CBSIL	725,830,404	462,609,634
		13,354,541,100	11,585,866,796
	Less: Inter Company Transaction	47,890,008	44,422,477
		13,306,651,092	11,541,444,319
14. Capital			
14.1 Authorized Capital			
	100,000,000 Ordinary share of Tk. 100 each	10,000,000,000	10,000,000,000

14.2 (a) Issued, Subscribed and Paid up Capital

19,887,428 Ordinary share of Tk. 100 each

1,988,742,800 **1,988,742,800****Break up of Issued, Subscribed & Paid up Capital as follows:**

Particulars	No. of Shares as on December 31, 2025	% of Total	2025	2024
			Amount in Taka	Amount in Taka
Directors	8	0.00%	800	800
KA Category - Government	6,750,000	33.94%	675,000,000	675,000,000
KHA Category - Three State Owned Bank	2,249,982	11.31%	224,998,200	224,998,200
GA Category - Autonomous/Govt owned corporate bodies	1,024,613	5.15%	102,461,300	102,461,300
Depositors and other private shareholders	9,862,825	49.59%	986,282,500	986,282,500
Total	19,887,428	100.00%	1,988,742,800	1,988,742,800

14.2 (b) Break up of Right Share Application Money (*) as follows:

Particulars	No. of Shares as on December 31, 2025	2025	2024
		Amount in Taka	Amount in Taka
The Government of The People's Republic of Bangladesh	6,750,000	675,000,000	675,000,000
Three State Owned Bank			
Sonali Bank PLC	1,125,000	112,500,000	112,500,000
Janata Bank PLC	674,982	67,498,200	67,498,200
Agrani Bank PLC	450,000	45,000,000	45,000,000
General Shareholders	172,615	17,261,450	17,261,450
Total	9,172,597	917,259,650	917,259,650

* Share certificate has not been issued against "Right Share Application Money" due to restrictions in the act no. 12 of 1997. Amendment may required in the act no. 12 of 1997 to issue right share, which is now under process in the Ministry of Finance under Bank and Financial Institutions Division.

14.3 Capital to Risk weighted assets ratio (CRAR)

In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars no. 35 dated 29 December 2010, required capital, available core capital and supplementary capital of the Bank for the year ended as at 31 December 2023 is shown below:

Tier – I (Core Capital)	(16,729,770,731)	(12,228,790,389)
Paid up capital	1,988,742,800	1,988,742,800
Right Share Application Money	917,259,650	917,259,650
Share capital BCI	15,300,000	15,300,000
Non-Repayable share premium account	-	-
Statutory Reserve	275,060,371	275,060,371
General Reserve	8,920,366	8,920,366
Retained Earnings	(19,935,053,918)	(15,434,073,576)
Minority interest in subsidiaries	-	-
Non cumulative Irredeemable preference share	-	-
Deductions from Tier-I (Core Capital) :	-	-
Book value of Goodwill	-	-
Shortfall in provisions required against classified assets ***	-	-
Shortfall in provisions required against investment in shares	-	-
Remaining deficit on account of revaluation of investments in securities after netting off from any other surplus on the securities.	-	-
Reciprocal crossholdings of bank capital/subordinated debt	-	-

Notes	Particulars	Amount in Taka	
		2025	2024
	Any investment exceeding the approved limit under section 26(2) of Bank Company Act, 1991.	-	-
	Investments in subsidiaries which are not consolidated	-	-
	Other if any	-	-
	Total Eligible Tier-I Capital	(16,729,770,731)	(12,228,790,389)
	Tier –II (Supplementary Capital)	155,578,795	155,578,795
	General Provision on Unclassified Loans	138,831,732	138,831,732
	Revaluation Reserve for HTM Securities	-	-
	Assets Revaluation Reserve	-	-
	All Others Preference Share	-	-
	General Provision (Off balance sheet items)	16,747,063	16,747,063
	Exchange Equalization Fund	-	-
	Total Eligible Capital (Tier-I + Tier-II)	(16,574,191,936)	(12,073,211,594)
	Total Risk Weighted Assets (As per BASEL-III guideline)	44,983,669,417	37,325,544,764
	Required Capital	5,000,000,000	5,000,000,000
	Details are shown in Annexure - D		
	Actual Capital Held:		
	Core Capital	(16,729,770,731)	(12,228,790,389)
	Supplementary Capital	155,578,795	155,578,795
		(16,574,191,936)	(12,073,211,594)
	Capital to Risk weighted assets ratio (CRAR) (Required 12.50%)	-36.84%	-32.35%
	Core Capital to RWA	-37.19%	-32.76%
	Supplementary Capital to RWA	0.35%	0.42%
	Note: Bangladesh commerce bank Ltd. was established by the Parliament order act no-12 of 1997. Raising capital to the required level of 500 crore through public issue may require amending the act no. 12 of 1997 which is now under process in Ministry of Finance under Bank and Financial Institutions division. Through letter ref: DOS(BSS-6)/1162/2(3)/2016-1082 dated: 29 February 2016 Bangladesh Bank permits Bangladesh Commerce Bank Limited to raise capital through issuance of right share within 3 months of changing the law by Honorable Parliament . If the Bank faces minor shock , it will stand at negative (41.01 %). It is also noted that bank avails forbearance facilities from Bangladesh Bank by vide letter no. BSD-9/116/2026-488, dated on 28 April 2026, amounts of Tk. 1,244.26 Crore, otherwise the negative CRAR will be (64.39%).		
15	Statutory Reserve		
	Opening Balance	275,060,371	275,060,371
	Less : Transferred during the year to provision for loans & advances	-	-
	Add : Transferred during the year	-	-
		275,060,371	275,060,371
15(a)	Consolidated Statutory Reserve		
	Bangladesh Commerce Bank Limited	275,060,371	275,060,371
	CBSIL	-	-
		275,060,371	275,060,371
16	Other Reserve		
	Opening Balance	8,920,366	8,920,366
	Add : Transferred during the year	-	-
	Less: Adjustment during the year	-	-
		8,920,366	8,920,366
16(a)	Consolidated Other Reserve		
	Bangladesh Commerce Bank Limited	8,920,366	8,920,366
	CBSIL	2,144,817	1,775,895
		11,065,184	10,696,261
17	Revaluation Reserve for HTM & HFT Securities		
	Opening Balance	45,064,374	72,049,741
	Add : Transferred during the year	7,655,433	2,849,879
	Less: Adjustment during the year	-	29,835,246
		52,719,807	45,064,374
17(a)	Consolidated Revaluation Reserve for HTM & HFT Securities		
	Bangladesh Commerce Bank Limited	52,719,807	45,064,374
	CBSIL	-	-
		52,719,807	45,064,374

Notes	Particulars	Amount in Taka	
		2025	2024
18	Profit and Loss Accounts / Retained Earnings		
	Profit and Loss Accounts / Retained Earnings-BCBL	(15,434,761,353)	(11,597,664,256)
	Profit and Loss Accounts / Retained Earnings-CBSIL	(4,500,292,564)	(3,836,409,320)
		(19,935,053,917)	(15,434,073,576)
18(a)	Consolidated Profit and Loss Accounts / Retained Earnings		
	Profit and Loss Accounts / Retained Earnings	(19,935,053,917)	(15,434,073,576)
	Profit and Loss Accounts / Retained Earnings	(150,024,967)	143,647,461
		(20,085,078,884)	(15,290,426,115)
19	Contingent Liabilities and Other Commitments		
	Acceptances and Endorsements	318,777,432	240,317,608
	Letter of Guarantees (Note: 19.01)	957,588,561	1,190,443,143
	Irrevocable Letter of Credit	773,436,160	668,534,901
	Bills for Collection	2,773,093,820	2,856,784,149
	Other contingent liability (Note: 19.02)	100,610,480	100,610,480
		4,923,506,453	5,056,690,280
19.1	Letter of Guarantees		
	Money for which the Bank is contingently liable in respect of guarantee issued favoring Directors	-	-
	Government	957,588,561	1,187,741,711
	Bank and Other Financial Institution	-	-
	Others	-	2,701,432
		957,588,561	1,190,443,143
	Commitments		
	Less than 1 Year	957,588,561	1,278,409,260
	Equal to or more than 1 year	-	-
		957,588,561	1,278,409,260
19.2	Other Contingent Liabilities		
	Companies Liabilities for L/G	-	-
	Companies Liabilities for L/C	-	-
	Bills for Collection	-	-
	Tax liability	100,610,480	100,610,480
	Interest receivable	-	-
		100,610,480	100,610,480
Note: Tax liability for BCI period relates to assessment year 1989-90, 1990-91, 1991-92, 1992-93, 1993-94, which are pending at the Supreme Court . This has been carried forward since long which is shown under contingent liability for BDT 100,610,480. And Income Tax Assessment of BCBL for the year 2005-2006, 2006-2007, 2007-2008, 2009-2010, 2011-2012 and 2012-2013 are pending before appeal with different tax authority.			
20	Interest Income / Profit on Investment		
	Interest / Profit received from Loans and Advances / Investment (Note: 20.1)	1,118,128,042	1,124,447,086
	Interest / Profit received from Banks & Other financial Institutions (Note: 20.1)	83,575,947	475,545,493
		1,201,703,989	1,599,992,578
20.1	Interest Income From Loans & Advances		
	Intt On Continunous Loan	3,666,399	1,965,951
	Intt On Secured Over Draft (SOD)	150,153,542	163,833,437
	Intt On Cash Credit	243,609,992	286,477,665
	Intt On Term Loan	162,614,066	250,200,786
	Intt On Special Loan	716,777	1,166,235
	Intt On Pad (Cash)	1,434,932	273,232
	Intt On House Building Loan	104,118,309	114,663,993
	Intt On Over Draft (Inc.E-GP)	159,138,350	165,895,461
	Intt On SME Loan	16,022,442	17,329,534
	Intt On Special Scheme	942,466	2,297,305
	Intt On Bangladesh Bank Refinance Loan	1,304,227	5,611,207
	Intt On Bcb Education Finance	135,716,846	43,285,983
	Intt On Bcb Credit Card	45,888,554	43,069,989
	Intt On Others Loans & Advances	28,243,917	9,579,670
	A. Conventional Banking	1,053,570,819	1,105,650,447
	Profit On Bai-Muajjal	27,984,617	9,557,934
	Profit On Murabaha Post Import Finance (Mib)	98	-
	Profit On Musharaka Documentary Bill Pur (Ldb)	352,625	-
	Rent Of Hpsm	35,916,461	9,118,012
	Profit On Bai - Salam Agriculture	194,378	97,261

Notes	Particulars	Amount in Taka	
		2025	2024
	Profit On Staff - Term Investment	109,044	23,432
	B. Islamic Banking Division	64,557,223	18,796,639
	Total Interest Income from Loans & Advances	1,118,128,042	1,124,447,085
	Profit On Std A/C (Ubl & Others)	293,902	218,824,214
	Profit On Bangladesh Bank Fcy-Usd,Gbp,Eur & Cny)	2,828,550	5,953,244
	Profit On Nostro-Usd,Gbp,Eur & Cny	4,620,706	16,872,098
	Profit On Trem Deposit- Bank & NBFI	75,832,789	233,895,938
	Total Interest / Profit received from Banks & Other financial Institutions	83,575,947	475,545,493
		1,201,703,989	1,599,992,578
20 (a)	Consolidated interest Income		
	Bangladesh Commerce Bank Limited	(Note: 20)	1,201,703,989
	CBSIL	18,412,210	62,861,344
		1,220,116,198	1,662,853,922
	Less: Inter Company Transaction	3,722,839	3,297,495
		1,216,393,359	1,659,556,427
21	Interest Paid/ Profit shared on Deposits and Borrowings etc		
	Interest / Profit Paid on Deposits *	3,412,203,614	3,181,572,868
	Interest / Profit Paid on Borrowing	1,084,896,616	1,074,164,206
		4,497,100,230	4,255,737,074
Amount of Tk. 9,12,50,000 was paid as interest against a Current Deposit Account maintained at the Mymensingh Branch in the name of the project titled "Development of Road and Drainage Network with Citizen Service" under Mymensingh City Corporation for the period from 2022 to 2024. It has been observed that the said amount was received by another party through fraudulent means instead of the actual beneficiary. In this regard, legal action has been initiated at the branch level, and a complaint has been filed with the Anti-Corruption Commission on 5 May 2025 against the individuals involved. An investigation by the Anti-Corruption Commission is currently in progress.			
21.1	Interest Paid on Depositors		
	Intt Paid On Savings A/C	104,958,106	93,526,243
	Intt Paid On Short Term / Short Notice Deposit Account	123,551,181	165,400,921
	Intt Paid On Fdr	1,846,043,158	1,816,175,839
	Intt Paid On Bcb Scheme	82,186,147	80,982,000
	Intt Paid On Monthly Income Scheme	519,063,264	338,448,014
	Intt Paid On Double Benefit Scheme	382,463,125	251,650,418
	Intt Paid On Tipple Benefit Deposit Schm	5,692,529	4,454,451
	Interest Paid On Monthly Saving Scheme	67,707,413	119,456,440
	Interest Paid On Deposit Scheme	44,319,177	49,714,978
	Interest Paid On Surid Scheme (Bibah,Shikkha,Chikitsa)	117,791,609	135,215,826
	Interest Others	102,900	9,195,065
	A. Conventional Banking	3,293,878,609	3,064,217,195
	Profit Paid On Mudaraba STD Account	350,439	636,706
	Profit Paid on Mudaraba Saving Account	2,118,809	2,779,372
	Profit Paid on Mudaraba Monthly Saving Scheme	2,453,893	11,860,736
	Profit Paid on Mudaraba Term Deposit	103,702,472	91,031,807
	Profit Paid on Mudaraba Monthly Deposit Scheme	782,214	781,618.88
	Profit Paid on Mudaraba Double Benefit Scheme	1,808,732	2,306,615
	Profit Paid on Mudaraba Monthly Income Scheme	68,516	924,250
	B. Islamic Banking Division	118,325,005	117,355,673
	Total Interest / Profit Paid on Deposits	3,412,203,614	3,181,572,868
	Intt Paid On Other Borrowing	303,857,598	239,978,584
	Intt Paid On Repo (B. Bank)	274,625,992	209,950,235
	Penal Intt Paid To Bangladesh Bank *	494,574,814	615,178,144
	Intt Paid On Repo (Inter Bank)	10,456,746	-
	Intt.Paid On B.Bank Sme Re-Finance For B	64,188	57,648
	Interest Paid On Bb Re-Lending Facility	1,303,661	7,268,444
	Interest On Stimulus Fund-Adc-01/20	1,361	18,149
	Penal Intt For Visa Sett Fund Shortage	12,256	1,713,002
	Total Interest Paid On Bangladesh Bank borrowings & Others	1,084,896,616	1,074,164,206
		4,497,100,230	4,255,737,073
* Penal interest has been imposed by BB for CRR,SLR shortfall in according to BB order, Section 36(4) of 1971 and DOS circular No: 03/2010.			
21(a)	Consolidated interest Paid on Deposits		
	Bangladesh Commerce Bank Limited	(Note: 21)	4,497,100,230
	CBSIL		4,255,737,074
		4,497,100,230	4,255,737,074
	Less: Inter Company Transaction	-	-
		4,497,100,230	4,255,737,074

Notes	Particulars	Amount in Taka	
		2025	2024
22	Income from Investment		
	Treasury Bill/Bond	275,115,076	310,736,759
	Capital Gain	-	38,872,556
	Dividend on Share	29,585,263	27,510,112
	Corporate Bond	(168,177)	5,000,000
		304,532,162	382,119,427
22(a)	Consolidated Income from Investment		
	Bangladesh Commerce Bank Limited	(Note: 22) 304,532,162	382,119,427
	CBSIL	(22,185,398)	9,724,338
		282,346,764	391,843,765
23	Exchange, Commission and Brokerage		
	Commission	89,902,766	86,431,493
	Exchange Earnings	30,835,680	64,489,045
		120,738,446	150,920,539
23(a)	Consolidated Exchange, Commission and Brokerage		
	Bangladesh Commerce Bank Limited	(Note: 23) 120,738,446	150,920,539
	CBSIL	52,124,489	72,400,057
		172,862,935	223,320,596
24	Other Operating Income		
	Rent on Locker	142,260	200,274
	Other Receipts	(Note: 24.1) 96,567,155	99,228,665
		96,709,415	99,428,939
24.1	Other Receipts		
	Maintenance Charge	79,770,277	83,138,059
	Visa Card Annual Fees	2,283,686	3,067,626
	Loan Supervision Charge	2,221,626	3,729,541
	Appraisal Fee	12,209,447	9,278,419
	Postage	81,369	15,021
	Telex, Telephone & Telegram Recoveries	750	-
		96,567,155	99,228,665
24(a)	Consolidated Other Operating Income		
	Bangladesh Commerce Bank Limited	(Note: 24) 96,709,415	99,428,939
	CBSIL	883,147	3,279,456
		97,592,562	102,708,395
25	Salary and Allowances		
	Basic Salary	539,886,756	562,034,175
	Allowances	471,863,775	496,729,468
	Gratuity	-	-
	Provident Fund	41,699,976	41,007,475
	Bonus	75,315,189	76,506,352
		1,128,765,696	1,176,277,470
25(a)	Consolidated Salary and Allowances		
	Bangladesh Commerce Bank Limited	(Note: 25) 1,128,765,696	1,176,277,470
	CBSIL	69,369,878	70,459,927
		1,198,135,574	1,246,737,397
26	Rent, Taxes, Insurance, Electricity, etc.		
	Rent	131,419,388	97,186,839
	Rates and Taxes	2,559,959	1,776,159
	Insurance	34,267,765	33,601,964
	Car Insurance, Tax	1,333,980	2,090,043
	Electricity/Gas/Water Bill	32,677,187	37,544,922
		202,258,279	172,199,926
26(a)	Consolidated Rent, Taxes, Insurance, Electricity, etc.		
	Bangladesh Commerce Bank Limited	(Note: 26) 202,258,279	172,199,926
	CBSIL	8,747,282	10,098,486
		211,005,561	182,298,412
27	Postage, Telegram, Telephone		
	Telephone	2,498,308	2,700,708
	Postage, Telegram & Connectivity	56,106,377	34,852,670
		58,604,685	37,553,378

Notes	Particulars	Amount in Taka	
		2025	2024
27(a)	Consolidated Postage, Telegram, Telephone		
	Bangladesh Commerce Bank Limited (Note: 27)	58,604,685	37,553,378
	CBSIL	1,641,267	767,700
		60,245,952	38,321,078
28	Stationery, Printing & Advertisement		
	Printing Stationery	6,298,193	31,307,355
	Other Stationery	7,006,583	6,836,024
	Security Stationery	116,440	139,467
	Publicity and Advertisement	5,670,539	9,736,420
		19,091,755	48,019,266
28(a)	Consolidated Stationery, Printing & Advertisement		
	Bangladesh Commerce Bank Limited (Note: 28)	19,091,755	48,019,266
	CBSIL	535,302	635,522
		19,627,057	48,654,788
29	Managing Director's salary and allowances		
	Basic Salary	2,480,323	6,480,000
	Allowances (House Maintenance / Furnishing)	1,240,161	3,240,000
		3,720,484	9,720,000
30	Directors' fees & Honorarium		
	Directors' fees & Honorarium	4,032,347	2,271,300
		4,032,347	2,271,300
30(a)	Consolidated Directors' fees & honorium		
	Bangladesh Commerce Bank Limited (Note: 30)	4,032,347	2,271,300
	CBSIL	432,400	492,800
		4,464,747	2,764,100
31	Depreciation and Repair of Fixed Assets		
	Depreciation of Fixed Assets	113,083,956	116,009,987
	Repairs and Maintenance	16,430,532	9,973,863
		129,514,488	125,983,850
31(a)	Consolidated Depreciation and Repair of Fixed Assets		
	Bangladesh Commerce Bank Limited (Note: 31)	129,514,488	125,983,850
	CBSIL	3,062,688	1,916,447
		132,577,176	127,900,297
32	Other Expenditure		
	Business Development	1,156,700	22,576,567
	Conveyance	4,278,586	4,502,510
	Maintenance Charge	483,782	68,950
	Computer Photocopy Paper	2,950,001	2,424,882
	BB Clearing Charge	56,073	6,523
	Evaluation Fee	62,000	1,817,490
	Photocopy & Photograph	656,881	592,252
	Entertainment	9,074,900	12,787,654
	Excise Duty	97,000	662,000
	Fuel & Lubricants of Car	1,754,127	2,411,321
	Honorarium	2,282,975	1,927,750
	Cleaning & Laundry	1,689,754	1,427,917
	Internet Bill	84,111	131,586
	Misce Expense	4,287,726	101,077
	Training	1,612,476	61,000
	Subscription	1,345,011	625,816
	Travelling, Daily & Other Allowances	4,026,577	2,741,626
	Software & Hardware Maintenance	939,949	1,384,867
	Bank Charge	7,335,075	3,428,938
	Finance cost- Lease Liability	12,273,121	12,910,303
	Commission Paid to Bank	1,326,138	142,087
	Managers' meeting /Conference	760,665	159,858
	Plantation	379,123	435,843
	Agm & Egm Expenses	176,241	205,545

Notes	Particulars	Amount in Taka	
		2025	2024
	Incentive Wage F.Remittance	-	17,415,210
	Pantry Supplies	41,920	38,294
		59,130,912	90,987,866
32(a)	Consolidated Other Expenditure		
	Bangladesh Commerce Bank Limited	(Note: 31) 59,130,912	90,987,866
	CBSIL	12,367,384	19,001,321
		71,498,296	109,989,187
	Less: Inter Company Transaction	(3,722,839)	(3,297,495)
		67,775,457	106,691,692
33	Closing Cash and Cash Equivalent		
	Cash in hand (including foreign currencies)	441,612,126	375,450,718
	Balance with Bangladesh Bank & Sonali Bank (Including foreign currencies)	398,732,226	438,002,071
	Balance with Other Bank & Financial Institutions	11,151,456,705	12,822,742,732
	Money at Call and short notice	28,400,000	28,400,000
	Prize Bond	1,055,700	1,242,100
		12,021,256,757	13,665,837,622
34	Earnings Per Share (EPS)		
	Net Profit after Tax	(4,500,292,564)	(3,836,409,320)
	Number of Ordinary Share	19,887,428	19,887,428
	Earnings Per Share	(226.29)	(192.91)
34(a)	Consolidated Earnings Per Share (EPS)		
	Net Profit after Tax	(4,793,596,066)	(3,832,720,100)
	Number of Ordinary Share	19,887,428	19,887,428
	Consolidated Earnings Per Share (EPS)	(241.04)	(192.72)
35	Net Asset Value Per Share (NAV)		
	a) Capital / Share holders' Equity for the year	(16,677,050,924)	(12,183,726,016)
	b) Number of Outstanding Share	19,887,428	19,887,428
	Net Asset Value Per Share (NAV) (a÷b)	(838.57)	(612.63)
36	Net Operating Cash Flow Per Share		
	a) Net Cash flows from Operating Activities	(3,450,305,591)	(6,154,219,256)
	b) Number of Outstanding Share	19,887,428	19,887,428
	Net Operating Cash Flow Per Share (NOCF)(a÷b)	(173.49)	(309.45)
37	Related Party Transactions		
	While making any related party transactions the management always pays proper attention to economic efficiency and competitive pricing and necessary approval from Bangladesh Bank and other authorities had been obtained whenever applicable. Related party transactions of the Bank for the period from January to December 2025 do not exist except mentioned in Note 7(a), 13(a), 20(a),32(a).		
38	Risk factors and risk management		
	Implementations of other Core Risk Management Guidelines are being followed. Credit Risk Grading is done for all commercial exposure. Bank's Asset Liability Committee is entrusted with the responsibility of managing short-term & long-term liquidity. ALM Guidelines & ICT Guidelines have also been implemented in accordance with the Guidelines issued by Bangladesh Bank & it has been approved by the Board of Directors. The Bank has established its KYC & operation control procedure for the prevention of Money Laundering. The Bank has strengthened the Internal Control and Compliance Division (ICCD) to ensure comprehensive audit thereof. As regards ICT Risk Management physical security of Hardware & Software are under process & will be strengthened soon.		
39	Verification of Financial Statements through Documentation Verification System (DVS)		
	As per BRPD Circular Letter No. 4/2021, it has been ensured that latest available audited financials are preserved in the credit file of all our clients. In addition to that as per BRPD Circular No. 35/2021, we have been granted access in DVS by the Institute of Chartered Accountants of Bangladesh (ICAB).		
40	Approval of the financial statements		
	The financial statements of the Bank has been approved by the Board of Directors at its 405(Ka) the Board meeting held on 29th April 2026.		

Bangladesh Commerce Bank Limited
Fixed Assets including premises, furniture & Fixtures Schedule
As on 31 December 2025

Annexure-A

(Amount in Taka)

Particulars	Cost			Rate of Dep.	Depreciation				Written down value as at 31.12.2025	Written down value as at 31.12.2024
	Opening Balance as at 01.01.2025	Addition during the year	Sale / Adjustment during the year		Opening Balance as at 01.01.2025	Charged during the year	Adjustment during the year	Closing Balance as at 31.12.2025		
1	2	3	4	6	7	8	9	10 (7+8-9)	11 (5-10)	12
Furniture and Fixtures	148,382,376	1,044,319		10%	65,046,850	8,468,299	539,337	72,975,812	76,450,883	83,859,809
Mechanical Appliances	286,937,857	5,447,121		20%	208,245,761	24,797,005	4,768,453	228,274,313	64,110,666	83,392,880
Motor Vehicles *	168,956,953	4,316,672	2,776,458	16.60%	128,022,641	6,573,883	(5,097,680)	139,694,204	30,802,963	36,370,962
Software	105,316,939	19,120,048		30%	87,550,545	14,907,182	(1,044,249)	103,501,976	20,935,011	16,779,644
Interior Decoration	394,029,942	3,362,198		20%	225,507,591	28,148,847	(27,848,174)	281,504,612	115,887,528	141,158,255
Computer & Accessories	167,658,627	2,154,704		30%	173,819,545	11,288,698	28,318,660	156,789,583	13,023,749	22,232,500
Total	1,271,282,695	35,445,063	2,776,458		888,192,933	94,183,914	(363,653)	982,740,500	321,210,799	383,794,049

As on December 31, 2024

Particulars	Cost			Rate of Dep.	Depreciation				Written down value as at 31.12.2024	Written down value as at 31.12.2023
	Opening Balance as at 01.01.2024	Addition during the year	Sale / Adjustment during the year		Opening Balance as at 01.01.2024	Charged during the year	Adjustment during the year	Closing Balance as at 31.12.2024		
1	2	3	4	6	7	8	9	10 (7+8-9)	11 (5-10)	12
Furniture and Fixtures	147,608,630	843,338	69,592	10%	55,802,791	9,244,059	-	65,046,850	83,859,809	91,747,546
Mechanical Appliances	233,815,404	53,166,899	44,446	20%	184,655,324	23,590,437	-	208,245,761	83,392,880	55,687,178
Motor Vehicles	147,795,376	21,342,290	180,713	16.60%	121,153,506	6,869,135	-	128,022,641	36,370,962	22,604,269
Software	105,049,739	267,200	-	30%	75,582,220	11,968,325	-	87,550,545	16,779,644	28,480,769
Interior Decoration	392,624,005	1,405,937	-	20%	190,459,135	35,048,456	-	225,507,591	141,158,255	21,778,712
Computer & Accessories	155,510,824	12,147,803	-	30%	162,852,690	10,966,855	-	173,819,545	22,232,500	174,776,421
Total	1,182,403,978	89,173,468	294,751		790,505,666	97,687,267	-	888,192,933	383,794,049	395,074,896

Bangladesh Commerce Bank Limited
Lease Asset Schedule
As on 31 December 2025

Annexure-A.1
(Amount in Taka)

Particulars	Cost			Rate of Dep.	Depreciation				Written down value as at 31.12.2025	Written down value as on 31.12.2025
	Opening Balance as at 01.01.2025	Addition during the year	Sale / Adjustment during the year		Opening Balance as at 01.01.2025	Charged during the year	Adjustment during the year	Closing Balance as at 31.12.2025		
1	2	3	4	5 = (2 + 3 - 4)	6	8	9	10 = (7 + 8 - 9)	11 = (5 - 10)	12
Right of use of Asset	254,473,055	-	-	254,473,055		17,922,992	-	100,634,041	153,839,014	171,762,006
Total	254,473,055	-	-	254,473,055		17,922,992	-	100,634,041	153,839,014	171,762,006

As on 31 December 2024

Particulars	Cost			Rate of Dep.	Depreciation				Written down value as at 31.12.2024	Written down value as on 31.12.2024
	Opening Balance as at 01.01.2024	Addition during the year	Sale / Adjustment during the year		Opening Balance as at 01.01.2024	Charged during the year	Adjustment during the year	Closing Balance as at 31.12.2024		
1	2	3	4	5 = (2 + 3 - 4)	6	8	9	10 = (7 + 8 - 9)	11 = (5 - 10)	12
Right of use of Asset	254,473,055	-	-	254,473,055		17,922,992	-	82,711,049	171,762,006	189,684,998
Total	254,473,055	-	-	254,473,055	-	17,922,992	-	82,711,049	171,762,006	189,684,998

Bangladesh Commerce Bank Limited

Details of large loan

As at 31 December 2025

Annexure-B

SI / No	Group/ Client Name	Outstanding (Taka in crore)		
		Funded	Non-Funded	Total
1	SB Exim Bangladesh	1,269,938,286.37		1,269,938,286.37
2	Jamuna Agro chemical	1,153,594,099.43		1,153,594,099.43
3	Nur-un-nobi & Allied Concern	1,027,484,204.00	-	1,027,484,204.00
4	Dhaka Trading House	643,215,926.68		643,215,926.68
5	Marrine Vegetable Oils Ltd	619,075,248.19		619,075,248.19
6	M/S.F.R.JUTE TRADING CO LTD	543,540,299.85		543,540,299.85
7	M/S Islam Brothers	496,197,101.13		496,197,101.13
8	S. Alam Cold Rolled Steels Limited	-	414,698,371.46	414,698,371.46
9	Suruj Miah Spinning Mills	407,583,637.12		407,583,637.12
10	M/S Sharmin Jute Balers,	400,457,477.15		400,457,477.15
11	DHARMAPUR CERAMIC INDUSTRIES LTD.	347,346,233.39		347,346,233.39
12	Pran RFL Group	304,511,984.67		304,511,984.67
13	Lithun Febrics Ltd	272,389,730.11		272,389,730.11
14	GRAM UNNAYAN KARMA	252,910,454.89		252,910,454.89
15	Fabulous Fashion Ltd.	237,075,000.57	7,892,600.54	244,967,601.11
16	Toy Woods (BD) Co. Ltd	243,429,310.87	-	243,429,310.87
17	HORIZON FASHION WEAR	240,439,848.18		240,439,848.18
18	S. A. OIL REFINERY LTD	235,690,919.45	-	235,690,919.45
19	Smile Appareals Ltd.	-	226,870,097.40	226,870,097.40
20	Somerset Properties Ltd.	217,071,002.98		217,071,002.98
21	PHOENIX CERAMIC & AUTO BRICKS LTD	211,372,542.37		211,372,542.37
22	M. N. AKTER & CO	191,507,091.00		191,507,091.00
23	Faith Group	184,096,646.70		184,096,646.70
24	K.R. STEEL STRUCTURE LTD	176,786,111.16		176,786,111.16
25	Saif powertec Ltd.	172,348,545.12		172,348,545.12
26	Mostafa Corporation Ltd	164,271,086.37		164,271,086.37
27	TANJUM AUTO RICE MILL	156,627,070.81		156,627,070.81
28	ANWARA MANNAN TEXTILE MILLS LIMITED	154,227,008.79		154,227,008.79
29	ZUMA FASHIONS LTD.	152,667,323.52		152,667,323.52
30	S. ALAM CEMENT Limited	149,949,648.70	-	149,949,648.70
		10,625,803,839.57	649,461,069.40	11,275,264,908.97

Bangladesh Commerce Bank Limited
Highlights of the Overall Activities of the Bank
For the year ended 31 December 2025

Annexure-C
(Amount in Taka)

Sl / No	Particulars	2025	2024
01	Paid up Capital	1,988,742,800	1,988,742,800
02	Right Share Application Money	917,259,650	917,259,650
03	Total Eligible Capital (as per Basel-III)	(16,574,191,936)	(12,073,211,594)
04	Surplus/(Deficit) Capital	(21,574,191,936)	(17,073,211,594)
05	Total Assets	49,849,335,631	48,970,002,475
06	Total Deposits	44,697,406,874	42,648,595,675
07	Total Loans and Advances	25,598,621,119	23,511,938,141
08	Total Contingent Liabilities and Commitments	4,923,506,453	5,056,690,280
09	Advances Deposits Ratio(%)	57.27	55.13
10	Classified Loans to Advance Ratio(%)	64.88	68.34
11	Profit After Tax and Provision	(4,500,292,564)	(3,836,409,320)
12	Classified Advance	16,607,456,743	16,067,575,348
13	Provision kept against Classified Advance	3,698,366,529	3,618,366,529
14	Surplus/(Deficit) Provision	(6,740,523,623)	(6,374,501,739)
15	Net Interest Margin (NIM)	-3.44%	-2.07%
16	Cost of Fund (%)	11.88	11.31
17	Interest Earning Assets	8,991,164,376	7,444,362,793
18	Non Interest Earning Assets	36,056,799,269	36,134,210,684
19	Return on Investment (ROI)%	6.34	7.09
20	Return on Assets (ROA)%	(9.03)	(7.83)
21	Income from Investment	304,532,162	382,119,427
22	Earnings Per Share (EPS)	(226.29)	(192.91)
23	Profit Per Share	(226.29)	(192.91)
24	Price - Earnings Ratio (Times)	(0.44)	(0.52)

*** Each share of Bangladesh Commerce Bank Limited has a face value of Taka 100.00

Bangladesh Commerce Bank Limited
Minimum Capital Requirement (MCR) as per BASEL-III
Under Risk Based Capital Adequacy
As on 31 December 2025

Particulars	Annexure - D
	Amount (Taka.)
A. Regulatory Capital:	
1. Common Equity Tier-1 Capital (CET-1)	(16,729,770,731)
2. Additional Tier-1 Capital (AT-1)	-
3. Tier-2 Capital	155,578,795
4. Total Regulatory Capital (1+2+3)	(16,574,191,936)
B. Total Risk Weighted Assets (RWA):	44,983,669,417
C. Capital to Risk weighted assets ratio (CRAR) (A4/B)*100	-36.84%
D. Core Capital to RWA (A1/B)*100	-37.19%
E. Supplementary Capital to RWA (A2/B)*100	0.35%
F. Minimum Capital Requirement (MCR)	5,000,000,000

Risk Weighted Assets (RWA)
As on 31 December 2024

Particulars	Amount (Taka)
A. Credit Risk:	35,971,380,648
On-Balance sheet	29,816,997,582
Off- Balance sheet	6,154,383,066
B. Market Risk	593,307,759
C. Operational Risk	8,418,981,010
Total: Risk Weighted Assets (RWA) (A+B+C)	44,983,669,417

Bangladesh Commerce Bank Limited
Investment In Shares
As on 31 December 2025

Annexure-E
(Amount in Taka)

Investment in Shares - Quoted Company

Particulars	No. of Shares	Avg. Rate	Total Cost	Market Value of Shares	Unrealized Gain/(Loss)
1JANATAMF	750,000	7.88	5,911,811.56	1,950,000.00	(3,961,812)
ABB1STMF	500,000	6.29	3,146,280.00	1,300,000.00	(1,846,280)
AFCAGRO	250,000	37.53	9,383,738.57	1,250,000.00	(8,133,739)
BARKAPOWER	125,000	30.42	3,802,607.60	837,500.00	(2,965,108)
BCBICLGF	3,500,000	-	-	-	-
BEXGSUKUK	200,000	100.00	20,000,000.00	11,400,000.00	(8,600,000)
DESCO	126,397	101.31	12,805,704.12	2,591,138.50	(10,214,566)
ECABLES	1,332	267.77	356,675.18	151,448.40	(205,227)
ESQUIREICL	2,202,644	-	-	-	-
ESQUIRENIT	100,000	37.98	3,797,598.54	2,030,000.00	(1,767,599)
GIB	1,383,236	9.52	13,173,680.00	2,351,501.20	(10,822,179)
GOLDENSON	56,250	47.65	2,680,049.40	562,500.00	(2,117,549)
ICLBFUND	3,868,048	-	-	-	-
ILFSL	69,494	48.07	3,340,400.00	38,221.70	(3,302,178)
INTECH	313,180	55.81	17,478,781.64	9,865,170.00	(7,613,612)
MAKSONSPIN	231,863	50.48	11,703,582.92	1,112,942.40	(10,590,641)
MIDASFIN	222,533	69.94	15,563,962.55	979,145.20	(14,584,817)
NBL	472,594	11.60	5,483,284.89	1,512,300.80	(3,970,984)
NTLTUBES	33,379	127.58	4,258,618.59	2,052,808.50	(2,205,810)
REGENTTEX	189,299	28.54	5,401,786.51	719,336.20	(4,682,450)
RSRMSTEEL	170,200	69.31	11,797,065.24	1,038,220.00	(10,758,845)
SILVAPHL	350,000	25.99	9,094,933.31	3,290,000.00	(5,804,933)
SOUTHEASTB	2,075,009	16.62	34,481,183.62	18,675,081.00	(15,806,103)
SSSTEEL	378,000	25.06	9,471,443.71	1,549,800.00	(7,921,644)
STANDBANKL	614,125	10.60	6,510,432.31	3,009,212.50	(3,501,220)
STYLECRAFT	4,125	335.02	1,381,958.21	194,700.00	(1,187,258)
TITASGAS	10,000	87.89	878,921.00	155,000.00	(723,921)
UCB	446,477	19.35	8,640,457.38	4,643,360.80	(3,997,097)
UNITEDAIR	1,516,500	28.07	42,569,948.53	2,881,350.00	(39,688,599)
VFSTDL	270,355	26.74	7,228,375.02	3,406,473.00	(3,821,902)
JAMUNAOIL	13,200	231	3,049,136	2,216,280	(832,855.70)
MPETROLEUM	84,700	263	22,306,574	16,296,280	(6,010,294.10)
PADMAOIL	30,000	339	10,173,456	5,046,000	(5,127,456.30)
ROBI	300,000	44	13,226,400	8,460,000	(4,766,400.00)
RUNNERAUTO	18,066	85	1,532,612	663,022	(869,590.07)
Sub-Total-A	20,876,006	2,645	320,631,459	112,228,792	(208,402,666.37)

Investment in Shares - Un Quoted Company

BCB ICL Growth Fund	3,500,000	10.00	35,000,000.00	39,620,000.00	4,620,000
Esquire ICL Apperal Fund	2,202,644	13.62	30,000,011.28	26,982,389.00	(3,017,622)
ICL Balanced Fund	3,868,048	11.25	43,536,148.78	42,393,806.08	(1,142,343)
Sub-Total-B	9,570,692.00	34.87	108,536,160.06	108,996,195.08	460,035.02
Grand Total (A+B)	30,446,698.00	-	429,167,618.83	221,224,987.48	(207,942,631.35)

Bangladesh Commerce Bank Limited
Investment In Shares (Special Fund 200 Crore)
As on 31 December 2025

Annexure-F
(Amount in Taka)

Particulars	No. of Shares	Avg. Rate	Total Cost	Market Value of Shares	Unrealized Gain/(Loss)
BARKAPOWER	423,415	30.17	12,774,557	3,387,320	(9,387,237)
BSRMSTEEL*	328,292	75.18	24,680,389	24,227,950	(452,439)
ESQUIRENIT*	270,558	35.52	9,610,550	5,519,383	(4,091,167)
NCCBANK*	819,329	15.08	12,356,121	10,569,344	(1,786,777)
SOUTHEASTB*	1,042,167	14.04	14,627,518	9,900,587	(4,726,931)
SSSTEEL*	313,200	17.56	5,501,032	1,472,040	(4,028,992)
BEXGSUKUK*	800,000	100	80,000,000	46,800,000	(33,200,000)
Total			159,550,220	101,876,624	(57,673,543)

**Financial Statement of
Commerce Bank Securities and Investment Limited
For the year ended December 31, 2025**

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF COMMERCE BANK SECURITIES AND INVESTMENT LIMITED

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Commerce Bank Securities and Investment Limited, which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Securities and Exchange Rules, 1987, the Companies Act, 1994 and other applicable laws and regulations.

Basis for Qualified Opinion

The qualified opinion we provided is based on the following matters:

1. We draw attention to Note 10.00 of the financial statements regarding margin loans extended to investors amounting to Tk. 435,750,005. The outstanding balance increases to Tk. 2,022,958,761 including suspended interest of Tk. 1,447,850,354. These loans were provided to investors for the purpose of purchasing securities. During the course of our audit, we observed that a significant portion of the underlying investments has experienced a substantial decline in value, with the current fair market value estimated at Tk. 304,009,060, indicating a high level of recoverability risk.
2. We refer to Note 7.00 regarding Advance Income Tax, which reflects a balance of Tk. 179,389,502 as at 31 December 2025 (previous year: Tk. 17,23,90,894). This amount has been carried since the financial year 2017.

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

Emphasis of Matters

1. **Material Uncertainty Related to Going Concern:** We draw attention to the financial statements, which indicate that the Company has incurred a net loss of Tk. 293,672,420 during the year ended 31 December 2025 and, as at that date, its Earnings Per Share (EPS) is negative and retained earnings have significantly declined and turned into negative amount by Tk. 150,024,772. The Company also experienced a substantial reduction in operating income and a shift from operating profit to operating loss during the year. These events and conditions, along with other matters set forth in the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.
2. We draw attention to Note 15.00 to the financial statements regarding accounts payable to clients. As at 31 December 2025, the financial statements report a balance of Tk. 23,71,02,816, whereas the Company's underlying records indicate a net payable of Tk. 23,70,48,099. Management has represented that client balances are regularly reconciled and confirmed through daily portfolio statements issued to account holders.
3. **Investment Concentration Risk:** We observed that the Company's investment in certain securities exceeded prudent concentration limits, with investment in a single security representing more than 10% of total assets as at 31 December 2025, indicating elevated exposure to market risk.

Our opinion is not modified in respect of these matters.

Other Matters

1. **Regulatory Non-Compliance:** The Company did not maintain any investment in Treasury Bonds during the year in compliance with the requirements of Bangladesh Securities and Exchange Commission (BSEC) Circular No. BSEC/CMRRCD/2009-193/19 dated 23 May 2021 relating to minimum investment in listed Treasury Bonds by stock dealers.
2. We draw attention to the Company's investment in the CBSIL Special Purpose Fund to the tune of Tk. 48,009,152. The market value of this investment has declined significantly to Tk. 27,510,358 as at 31 December 2025. We further note that the investment was made without a formal documented risk assessment process. It indicates a weakness in the Company's investment decision-making and risk management practices.

Our opinion is not modified in respect of these matters.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

We have not received the other information as at the date of this auditor's report. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action in accordance with applicable laws and regulations.

Responsibilities of management and those charged with governance for the financial statements

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

In preparing the financial statements, management is responsible for assessing the entity'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 entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for our audit and made due verification thereof;
- b) The statement of financial position, statement of profit or loss and other comprehensive income and statement of cash flows dealt with by this report are in agreement with the books of accounts and returns;
- c) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;
- d) The expenditure incurred and payments were made for the purpose of the Company's business; and
- e) The Company has complied with the applicable provisions of the Securities and Exchange Rules 1987 and BSEC directives, except for the matters described in the Basis for Qualified Opinion section.



Khairul Basher FCA

Senior Partner

ICAB Enrolment: 617

Aziz Halim Khair Choudhury

Chartered Accountants

DVC: 2604280617AS340199

Dated: 28 April 2026, Dhaka

Commerce Bank Securities and Investment Limited
Statement of Financial Position
As at December 31, 2025

Particulars	Notes	Amount in Taka	
		December 31, 2025	December 31, 2024
ASSETS			
Non- current Assets		213,043,845	223,160,316
Property, Plant and Equipment	3.00	7,452,401	6,580,507
DSE Membership	4.00	562,500	562,500
Investment	5.00	204,728,399	215,724,249
Deferred Tax Assets	6.00	300,545	293,060
Current Assets		1,014,906,604	1,034,872,955
Advance Income Taxes	7.00	179,389,502	172,390,894
Advance, Deposit and Prepayments	8.00	2,360,914	3,906,472
Accounts Receivable	9.00	9,607,839	59,393,150
Margin Loan to Investors	10.00	435,750,005	660,270,330
Cash and Cash Equivalents	11.00	387,798,345	138,912,109
Total Assets		1,227,950,449	1,258,033,271
EQUITY AND LIABILITIES			
Shareholders' Equity		502,120,046	795,423,544
Share Capital	12.00	650,000,000	650,000,000
Retained Earnings	13.00	(150,024,772)	143,647,648
Capital Reserve	14.00	2,144,817	1,775,895
Current Liabilities		677,940,396	418,187,250
Accounts Payable	15.00	245,016,019	39,950,992
Provision for Expenses	16.00	19,901,810	17,621,078
Provision for Bad Loan and Erosion	17.00	240,731,098	193,578,804
General Provision on Margin Loan	18.00	4,357,500	6,602,703
Provision for Income Tax	19.00	167,282,282	160,433,673
Lease Liability	20.00	651,686	-
Non-Current Liabilities		47,890,008	44,422,477
CBSIL Special Purpose Fund	21.00	47,890,008	44,422,477
Total Equity and Liabilities		1,227,950,449	1,258,033,271

The annexed notes and annexures form an integral part of these financial statements.


Md. Ariful Islam
Chief Executive Officer


Palash Chandra Guha
Director


Md. Jakir Hossain FCA
Director

Signed as per our separate report of the same date


Khairul Basher FCA
Senior Partner
ICAB Enrolment : 617
Aziz Halim Khair Choudhury
Chartered Accountants
DVC:2604280617AS340199

Dated: 28 April 2026, Dhaka.

Commerce Bank Securities and Investment Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended on December 31, 2025

Particulars	Notes	Amount in Taka	
		January 01, 2025 to December 31, 2025	January 01, 2024 to December 31, 2024
Operating Income	22.00	40,813,590	142,184,042
Less: Operating Expenses	23.00	7,861,655	11,487,861
Gross Profit		32,951,935	130,696,181
Less: Administrative Expenses	24.00	85,626,432	87,631,119
Net Operating Income		(52,674,497)	43,065,062
Add: Other Income	25.00	8,420,857	6,081,152
Less: Finance Cost	26.00	3,722,839	4,253,221
Net Profit before Provision and Tax		(47,976,480)	44,892,994
Less: Provision for Bad Loan and Erosion	27.00	240,731,099	29,250,000
Less: General Provision on Margin Loan	18.00	(2,245,203)	(142,990)
Profit Before tax		(286,462,375)	15,785,983
Income Tax	28.00	6,848,609	10,948,904
Deferred Tax		(7,485)	1,147,857
Less: Income Tax Expenses		6,841,123	12,096,761
Net Profit after tax		(293,303,498)	3,689,222
Provision for Capital Reserve	14.00	368,922	379,085
Net Profit after tax & Capital Reserve transferred to Retained Earnings		(293,672,420)	3,310,137
Earnings per share (EPS)	29.00	(4.51)	0.06

The annexed notes and annexures form an integral part of these financial statements.


Md. Ariful Islam
Chief Executive Officer


Palash Chandra Guha
Director


Md. Jakir Hossain FCA
Director

Signed as per our separate report of the same date


Khairul Basher FCA
Senior Partner
ICAB Enrolment : 617
Aziz Halim Khair Choudhury
Chartered Accountants
DVC:2604280617AS340199

Dated: 28 April 2026, Dhaka.

Commerce Bank Securities and Investment Limited

Statement of Changes in Equity

For the year ended on December 31, 2025

Particulars	Share Capital	Retained Earnings	Capital Reserve	Total
Balance as on 01 January, 2025	650,000,000	143,647,649	1,775,896	795,423,545
Profit during the year	-	(293,672,420)	-	(293,672,420)
Capital Reserve kept during 2025	-	-	368,922	368,922
Balance as on 31 December, 2025	<u>650,000,000</u>	<u>(150,024,772)</u>	<u>2,144,818</u>	<u>502,120,046</u>

Statement of Changes in Equity

For the year ended on 31 December 2024

Particulars	Share Capital	Retained Earnings	Capital Reserve	Total
Balance as on 01 January 2024	650,000,000	140,337,512	1,396,811	791,734,323
Profit during the year	-	3,310,137	-	3,310,137
Capital Reserve kept during 2024	-	-	379,085	379,085
Balance as on 31 December, 2024	<u>650,000,000</u>	<u>143,647,649</u>	<u>1,775,896</u>	<u>795,423,545</u>

Md. Ariful Islam.
Md. Ariful Islam
Chief Executive Officer

Palash Chandra Guha
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Director

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Director

Signed as per our separate report of the same date

Dated: 28 April 2026, Dhaka.

Bashar
Khairul Basher FCA
Senior Partner
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Aziz Halim Khair Choudhury
Chartered Accountants
DVC:2604280617AS340199

Commerce Bank Securities and Investment Limited

Statement of Cash Flows

For the year ended December 31, 2025

Particulars	Notes	Amount in Taka	
		January 01, 2025 to December 31, 2025	January 01, 2024 to December 31, 2024
A. Cash Flow from Operating Activities:			
Cash Receipts from:		49,234,447	148,265,194
Brokerage commission		52,124,489	72,400,058
CDBL fees	30.00	828,147	2,468,216
Interest income		18,412,210	62,818,342
Other income		8,420,857	6,081,152
Service charge		55,000	299,000
Dealer account		(30,606,255)	4,198,427
Less : Cash Payments		36,706,026	536,804,204
Income tax	31.00	6,998,608	14,571,265
Salary and Allowances		68,893,757	69,650,955
Finance Cost		3,722,839	4,253,221
Other Operating and Administrative expense	32.00	(42,909,178)	448,328,763
Net Cash Flow from Operating Activities:		12,528,421	(388,539,009)
B. Cash Flow from Investing Activities:			
Purchase of Property, Plant and Equipment		(3,277,578)	(418,255)
Investment in Margin Loan		224,520,326	14,298,978
Investments in Listed Shares		10,995,850	347,663
Net Cash used in Investing Activities		232,238,598	14,228,386
C. Cash Flow from Financing Activities:			
Lease Liability		651,686	(128,937)
Special Purpose Fund		3,467,531	3,297,495
Net Cash Flow from Financing Activities:		4,119,217	3,168,558
D. Net Cash inflow from total Activities (A+B+C)		248,886,236	(371,142,065)
E. Opening Cash and Cash Equivalents		138,912,109	510,054,176
F. Closing Cash and Cash Equivalents (D+E)		387,798,345	138,912,109
Break up of Closing Cash and Cash Equivalents:		387,798,345	138,912,109
Cash in Hand		85,473	196,315
Cash at Bank		387,649,455	136,241,625
Cash at BO Accounts		63,418	2,474,169


Md. Ariful Islam
Chief Executive Officer


Palash Chandra Guha
Director


Md. Jakir Hossain FCA
Director

Dated: 28 April 2026, Dhaka.

Commerce Bank Securities and Investment Limited

Notes to the Financial Statements

As at and for the year ended December 31, 2025

1. FUNDAMENTALS OF THE COMPANY POLICIES AND OTHER INFORMATION:

1.1 Legal Form of the Enterprise:

Commerce Bank Securities and Investment Limited (CBSIL) is a Public Limited Company incorporated in Bangladesh under the Companies Act, 1994. It was registered with the Registrar of Joint Stock Companies & Firms on 20 September, 2010 and was granted registration number C-87050/10. CBSIL started its operation from 01 June, 2011.

1.2 Address of Registered Office and Principal Place of Business:

The principal place of business is the Registered Office at Taranga Complex, 19 Rajuk Avenue, Motijheel C/A, Dhaka-1000.

1.3 Nature of Business Activities:

The principal objectives of the Company for which it was established are to carry on the business of stock brokers, dealers in relation to shares and securities dealings and other services as mentioned in the Memorandum and Articles of Association of the Company.

2 Accounting Concepts, Policies adopted & Other Information for Preparation of Financial statements.

2.1 Statement of Compliance:

The Financial Statements of Commerce Bank Securities and Investment Limited have been prepared in accordance with the IAS & IFRS as adopted in Bangladesh, Companies Act, 1994 and other applicable Laws and Regulations.

2.1.1 Other regulatory compliance:

As required, CBSIL also complies with the applicable provisions of the following major laws/ statutes:

- i) Securities and Exchange Rules, 1987;
- ii) Securities and Exchange Commission Act, 1993;
- iii) Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000;
- iv) Income Tax Act, 2023;
- v) Negotiable Instruments Act, 1881; and
- vi) Other applicable laws and regulations

2.2 Measurement bases used in preparing the Financial Statements

The elements of financial statements have been measured on "Historical Cost" basis, which is one of the most commonly adopted base provided in "the framework for the preparation and presentation of financial statements" issued by the International Accounting Standards Board (IASB).

2.3 Going Concern

Financial Statements have been prepared on going concern basis as there was no significant doubt or uncertainty to continue the operation of the company in the foreseeable future.

2.4 Components of Financial Statements:

According to International Accounting Standard (IAS)-1 the complete set of financial statements includes the following components:

- (i) Statement of Financial Position;
- (ii) Statement of Profit or Loss and Other Comprehensive Income ;
- (iii) Statement of Changes in Equity;
- (iv) Statement of Cash Flows, and
- (v) Notes to the Financial Statements.

Statement of Cash Flows is prepared under direct method as required by IAS 7 and the Securities and Exchange Rules 1987.

2.5 Use of Estimates and Judgments:

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. It also requires disclosures of contingent assets and liabilities at the date of the financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed through ongoing concern basis.

2.6 Branch Accounting:

The company has been operating seven branches located at Dhaka, Narayanganj and Chattogram and accordingly the accounting consolidation is being maintained through Head Office.

2.7 Reporting Period:

These Financial Statements have prepared from January 01, 2025 to December 31, 2025

2.8 Compliance Report on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs):

The Financial Reporting Council of Bangladesh (FRC) is the sole authority for adoption of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs). While preparing the financial statements, CBSIL applied most of IASs and IFRSs as adopted by the FRC. Details are given below:

Name of the IAS	IAS No	Status
Presentation of Financial Statements	1	Applied*
Statement of Cash Flows	7	Applied*
Accounting Policies, Changes in Accounting Estimates & Errors	8	Applied
Events after the Reporting Period	10	Applied
Income Taxes	12	Applied
Property, Plant & Equipment	16	Applied
Employee Benefits	19	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Financial Instruments: Presentation	32	Applied*
Earnings per Share	33	Applied
Provisions, Contingent Liabilities & Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied

Name of the IFRS	IFRS No	Status
Financial Instruments: Disclosures	7	Applied*
Financial Instruments	9	Applied*
Revenue from contracts with customers	15	Applied
Lease	16	Applied

*In order to comply with certain specific rules and recognitions of the regulatory authority, Bangladesh Securities and Exchange Commission (BSEC) which are different to IAS/IFRS, local laws and regulations will be prevailed.

2.09 Property, Plant and Equipment:

Property, Plant and Equipment have been stated at cost less accumulated depreciation. Depreciation is charged on reducing balance method over the periods appropriate to the estimated useful lives of different types of assets as follows:

Category	Rate
Furniture & Fixture	10%
Office Renovation	20%
Electronic Equipments	20%
Computer & Software	20%

2.10 Margin Loan

CBSIL extends margin loan to the BO Account holders at an agreed ratio (between investors' deposit and loan amount) of purchased securities against the respective account. The investors are to maintain the margin as per set rules and regulations. The margin is monitored on daily basis as it changes due to change in market prices of stocks. If the margin falls below the minimum requirement, the investors are required to deposit additional fund to maintain the margin as per rules, otherwise the company is compelled to resort to 'margin call' to bring the margin to the required level.

Interest on Margin Loan

Interest on Margin Loan is recognized as revenue on an accrual basis and interest receivable on such loan is added with original loan on quarterly basis.

2.11 Investment in Listed Securities:

Investments in listed securities are carried at cost. Where cost is more or less than market price, provision for such loss/gain has been made considering each individual investment as guided by BSEC.

2.12 Cash & Cash Equivalents:

Cash and cash equivalent consists of cash in hand, bank balances at the end of the year that are readily convertible to known amount of cash.

2.13 Advance, Deposits & Prepayments:

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to statements of comprehensive income or other account heads. Security deposits are measured at payment value.

2.14 Accrued Expenses and Other Payables:

Liabilities are recognized for the goods and services received, whether invoiced or not. Payables are not interest bearing and are stated at their nominal value.

2.15 Provision for Taxation:

Provision has been made to cover the estimated tax liability for the year based on Tax Laws and Regulations applicable to CBSIL.

2.16 Deferred Tax:

The Company recognized deferred tax in accordance with the provision of International Accounting Standards (IAS)-12 due to temporary difference deductible or taxable for the events or transaction recognized in the Statement of Profit or Loss and Other Comprehensive Income. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount/reported amount in financial statements. Deferred tax asset or liability is the amount of income tax receivable or payable in future period(s) recognized in the current period. The deferred tax assets/income or liability/expense does not create a legal liability/recoverability to and from the income tax authority.

2.17 Provision:

Provision is recognized in the statement of financial position when the company has a legal and constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and are liable estimate thereof can be made.

2.18 Revenue Recognition:**Brokerage commission:**

Brokerage commission is recognized as income at the same time of selling or buying order executed.

Other Operating Income:

Dividend income is recognized when right to receive or payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred. Other operating income arises on services provided by the company are recognized on accrual basis.

2.19 Other Expenses:

Other expenses are also recognized and recorded on accrual basis.

2.20 Reporting Currency and Level of Precision

The figures in the financial statements represent Bangladesh Currency (Taka), which have been rounded-off to the nearest Taka.

2.21 Number Of Employees

56 (Fifty Six) employees were engaged in this company throughout the financial year, each of whom received salary over Tk. 36,000 per year. For each employee having taxable income and TIN certificate, due income tax has been deducted from their salary and duly deposited to the Govt.

2.22 General :

Comparative figures and account titles in the financial statements have been re-arranged/re-classified, where necessary, to conform to changes in presentation in the current year.

2.23 Related Party Disclosure:

As per International Accounting Standard (IAS) 24: "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in note 30.

2.24 Events After the Reporting Date:

Events after the reporting date that provides additional information about company's financial position at the reporting date are reflected in the financial statements. Events after the reporting date that are material but not adjusting event are discussed in the notes when material.

Amount in Taka		
	January 01, 2025 to December 31, 2025	January 01, 2024 to December 31, 2024
3.00 Property, Plant and Equipment:		
Cost:		
Opening Balance	35,149,299	34,731,044
Add: Addition during the year	3,277,578	418,255
Less: Disposal/adjustment during the year	-	-
Closing Balance	38,426,877	35,149,299
Depreciation:		
Opening Balance	28,568,792	26,844,870
Add: Charged during the year	2,405,684	1,723,922
Less: Disposal/adjustment during the year	-	-
Closing Balance	30,974,476	28,568,792
Written Down Value	7,452,401	6,580,507

Details of Fixed Asset are shown in Annexure A & Annexure A1.

Physically verified on the year end date and found no reasonable ground for impairment and therefore, no action warrants. For details, please refer to Annexure - A & Annexure - A1

4.00 DSE Membership:	562,500	562,500
	562,500	562,500

The Company possesses Trading Right Entitlement Certificate (TREC) of DSE bearing TREC NO. 180 and presently holds 54,11,329 ordinary shares of DSE against total entitlement of 72,15,106 ordinary shares.

5.00 Investment :		
Investment in Shares :		
Dealer account (Annexure-B)	122,142,159	106,571,956
Strategic account (Annexure-C)	34,577,088	63,445,028
CBSIL Special Purpose Fund (Annexure-D)	48,009,152	45,707,266
	204,728,399	215,724,249

Confirmation from CDBL upon the number of securities of 24 companies have been obtained. For details, please refer to **Annexure- B, Annexure- C & Annexure- D.**

IAS and IFRS mandate to show investment in market price and the difference between the cost and market price to be accordingly treated in the income statement. On the other hand, BSEC, being the regulator of stock brokers realizing the precarious situation due to Bangladesh Stock Markets, has allowed to spread such erosion in four years from 2019 to 2025. Under the circumstances, the company has made reasonable provision for portfolio erosion during the reporting period in compliance with the regulator's directives as shown in Note-17.

6.00 A: Deferred Tax on Property, Plant and Equipment:		
WDV of Accounting Base	6,561,196	6,580,506
WDV of Tax Base	7,763,375	7,752,744
Temporary difference for PPE	1,202,179	1,172,239
Tax Rate	25%	25%
Deferred Tax Asset/ (Liabilities)	300,545	293,060

		Amount in Taka	
		January 01, 2025 to December 31, 2025	January 01, 2024 to December 31, 2024
B: Deffered tax on Gratuity Provision			
WDV of Gratuity Provision as per Financial Statements		-	-
WDV of Gratuity Provision as per Tax Base		-	-
Temporary difference for Gratuity Provision		-	-
Tax Rate		25%	25%
Deferred Tax Asset/ (Liabilities)		-	-
C: Total Deferred Tax Asset/ (Liabilities)(A+B)			
		300,545	293,060
Deferred Tax Asset as at the opening of the year		293,060	1,440,917
Less: Deferred Tax on Gratuity Provision		-	-
Less: Deferred Tax Asset as at the closing of the year		300,545	293,060
Deferred Tax Expenses (Income) for the year		(7,485)	1,147,857
7.00 Advance Income Taxes:			
Opening Balance	(Annexure-E)	172,390,894	157,819,629
TAX deducted at source (TDS)	(Note - 7.01)	6,848,608	12,569,899
TAX paid during the period		150,000	2,001,366
Advance Tax Adjustment		-	-
		179,389,502	172,390,894
The entire amount of advance tax of Tk. 179,389,502 is supported by certificates/statements from bank therefore, confirmed. The amount is adjustable against tax demand.			
7.01 TAX deducted at source (TDS):			
TDS by DSE on Turnover		6,064,559	11,522,042
TDS on Interest Income from other Bank Deposit		93,992	8,600
TDS on Income from Dividend. (Annexure -H)		690,057	1,039,257
		6,848,608	12,569,899
8.00 Advances, Deposits & Prepayments:			
Advance against expenses	(Note - 8.01)	590,822	1,534,022
Security deposit	(Note - 8.02)	410,000	710,000
Car Loan to Employee(s)	(Note - 8.03)	1,312,410	1,662,450
Other Receivable		47,682	-
		2,360,914	3,906,472
All considered good.			
8.01 Advance against expenses			
Advance against Office Rent			
Opening Balance		1,534,022	1,387,322
Add: Paid during the Current Year		-	496,800
Less: Adjusted during the year		943,200	350,100
		590,822	1,534,022

		Amount in Taka	
		January 01, 2025 to December 31, 2025	January 01, 2024 to December 31, 2024
8.02 Security Deposit:			
Telephone Demand Note		10,000	10,000
Collateral Deposit to DSE for investment in IPO		-	-
Agrabad Branch Office		400,000	400,000
Advance to Cygnus Innovation Ltd.		-	300,000
		410,000	710,000
8.03 Car Loan to Employee (after adjustment):			
Opening Balance		1,662,450	2,012,490
Add: Addition during the year		-	-
Less: adjustment during the year		(350,040)	(350,040)
Balance		1,312,410	1,662,450
9.00 Accounts Receivables :			
Dhaka Stock Exchange (DSE) (Note - 9.01)		9,000,719	57,876,211
Clients (Non-margin account holders)		607,119	1,516,939
		9,607,839	59,393,150
Receivable from DSE has subsequently been received within three business days and is confirmed. The amount of Tk. 607,119 is receivable from 1,109 No. of clients (non-margin account holders).			
9.01 Dhaka Stock Exchange (DSE):			
(i) Receivable from DSE-Broker		9,000,719	57,876,211
(ii) Receivable from DSE-Dealer		-	-
		9,000,719	57,876,211
10.00 Margin Loan to Investors:			
Total outstanding Loan & Interest account		2,022,958,761	1,819,747,872
Less: Outstanding Interest Suspended account		(1,447,850,354)	(1,159,477,542)
Less: Provision Adjustment Note - 17.00		(139,358,402)	-
Loan Amount		435,750,005	660,270,330
The amount of margin loan is lent to 298 no. of borrowers as against 295 of the previous year. The anticipated loss that may arise in future has been made good by provisioning as per BSEC circular detailed in note no. 17.00			
11.00 Cash and Cash Equivalents:			
Cash in Hand (Note - 11.01)		85,473	196,315
Cash at Bank (Note - 11.02)		387,649,455	136,241,625
Cash at BO Accounts (Note - 11.03)		63,418	2,474,169
		387,798,345	138,912,109
11.01 Cash in Hand:			
Cash in Hand (Branches & Head office)		-	62,000
Petty Cash		85,473	134,315
		85,473	196,315

Cash in hand, both in head office and in branches, has been physically verified at the year end date and found correct.

Amount in Taka		
	January 01, 2025 to December 31, 2025	January 01, 2024 to December 31, 2024
11.02 Cash at Bank:		
BCBL, Principal Branch (CD: 2767)	6,757,995	1,090,406
BCBL, Principal Branch (CD: 2307)	36,049	36,969
IFIC, Stock Ex. Br. (CD-Dealer: 291-001)	5,000	5,000
IFIC, Stock Ex. Br. (SND-Dealer: 291-041)	124,850	953,822
CITY, Motijheel Br. (SND-19003)	2,249,139	-
CITY, Motijheel Br. (SND-19001)	427	-
CBSIL (A/C No. CD 3454, BCBL Pr, Br.)	1,314,916	1,085,039
CBSIL Strategic Invest. (CD 3377, BCBL Pr, Br.)	92,277	1,357,918
CBSIL (G-SEC) Acc- 1021005781355	0	505
Consolidated Customers A/C: (Note - 11.2.1)	377,068,801	131,711,966
	387,649,455	136,241,625

As per instruction of NBR and DSE, Strategic Investment-Matured Fund (BO ID -26990) and CBSIL Special Purpose (BO ID -29440) have been separated from Consolidated Customers' account. All other balances are confirmed and reconciled.

11.2.1 Consolidated Customers A/C:		
BCBL, Principal Branch (CD: 2306)	124,196,973	80,256,730
IFIC, Stock Ex. Br. (CD-Broker: 290-001)	11,575,477	51,455,236
CITY, Motijheel Br. (SND-19002)	241,296,351	-
	377,068,801	131,711,966

11.03 Cash at BO Accounts:		
CBSIL Strategic Invest. -Matured Fund ID-26990	4,446	113,149
CBSIL Special Purpose -Matured Fund ID-29440	58,972	2,361,020
	63,418	2,474,169

11.04 Bank Guarantee Issued from BCBL:		
Bank Guarantee to DSE as collateral Deposit (Guarantee No. 00208800033 Dated: 08/02/2022)	-	150,000,000
	-	150,000,000

12.00 Share Capital		
Authorized Capital:		
100,000,000 Ordinary Share of Tk 10 each	1,000,000,000	1,000,000,000

12.01 Issued, Subscribed and Paid-up Capital		
65,000,000 Ordinary Shares of Tk 10 each	650,000,000	650,000,000

Total Share Holding Position as on December 31, 2025

Name of the Shareholders	% of Shareholdings	Face Value
Bangladesh Commerce Bank Limited	99.999971%	649,999,810
Mr. A. Q. Siddiqui	0.0000002%	10
Mr. Mahmudul Haq Bhuiyan	0.0000002%	10
Mr. Md. Emdadul Hoque	0.0000002%	10
Mr. Rana Kaisar	0.0000002%	10
Mr. Anis Ahmed	0.0000002%	10
Mr. Manwar Hossain	0.0000002%	10
Mr. Syed Abdul Hamid	0.0000002%	10
Mr. Nasir Uddin Ahmed, FCA	0.0000002%	10
Mr. Abbas Uddin Ahmed	0.0000002%	10
Mr. H. M. Abul Kalam Azad	0.0000002%	10
Mr. Mohammad Nasir Uddin	0.0000002%	10
Mr. Mohammad Belal	0.0000002%	10
Mr. Mohammad Rezaul Haque	0.0000002%	10
Mr. Mohammad Arif Uddin	0.0000002%	10
Mr. Md. Arif Ali	0.0000002%	10
Mr. Mohammad Khalequzzaman	0.0000002%	10
Mr. Ashish Kumar Goswamy	0.0000002%	10
Mr. Mohi Uddin	0.0000002%	10
Mr. Mohammad Shariful Islam	0.0000002%	10
TOTAL	100%	650,000,000

13.00 Retained Earnings:

Opening Balance	143,647,648	140,337,512
Add: Net Profit during the year	(293,672,420)	3,310,136
	(150,024,772)	143,647,648

14.00 Provision for Capital Reserve:

Opening Balance	1,775,895	1,396,810
Add: 10% on Last Year Net Profit After Tax (Tk. 3,689,222*10%)	368,922	379,085
	2,144,817	1,775,895

As per RBCA Rules, Dated: 29 May, 2019, Schedule- C Part-B, e (i).

15.00 Accounts Payable:

(i) Clients	237,102,816	38,775,826
(ii) Dhaka Stock Exchange (Note - 14.01)	7,913,204	1,175,166
	245,016,019	39,950,992

The amount of Taka 236,439,760 is payable to 5,878 no. of BO account holders having credit balance in their respective accounts at the end date and collected dividend of Tk. 663,055 was payable to margin account holders. As a matter of policy, each account holder is supplied with portfolio statement along with account balance at the end of each working day. Thus, the balance is confirmed.

15.01 Dhaka Stock Exchange (DSE):

(i) Payable to DSE-Broker	7,913,204	1,175,166
(ii) Payable to DSE-Dealer	-	-
	7,913,204	1,175,166

The amount payable to DSE is confirmed.

16.00 Provision for Expenses

Office Rent	10,925,767	13,197,629
Provision for CDBL charge	129,134	166,953
Payable to Supplier	11,490	118,258
Arrear Staff Salary	1,532,884	-
Provision for Incentive Bonus	4,663,057	2,412,398
Networking Line Charge	103,200	84,350
Audit Fees	1,191,000	230,000
Tax Consultancy Fees	331,200	331,200
Security Service	40,521	50,652
Stamp	73,950	66,130
Provision for Gratuity Fund	-	-
Provision for Other Expenses	643,166	951,522
Withholding VAT (Note - 16.01)	75,995	10,748
Withholding Tax (Note - 16.02)	180,446	1,238
	19,901,810	17,621,078

Amount in Taka	
January 01, 2025 to December 31, 2025	January 01, 2024 to December 31, 2024

The entire amount either has subsequently been paid or is under the process of payment.

16.01 Withholding VAT

Opening Balance	10,748	1,435
Add: VAT deducted at Source	1,042,828	810,321
Less: VAT Paid	(977,581)	(801,008)
	75,995	10,748

The Liability has subsequently been paid

16.02 Withholding Tax

Opening Balance	1,238	9,286
Add: Tax Deducted at Source (TDS)	2,107,849	2,917,287
Less: Paid During the period	(1,928,641)	(2,925,335)
	180,446	1,238

The Liability has subsequently been paid

17.00 Provision for Bad Loan & Erosion:

Opening Balance	193,578,804	164,328,804
Add: Current Year Provision	240,731,098	29,250,000
Less: Adjustment During the Year	(193,578,804)	-
Total Provision	240,731,098	193,578,804

Total negative equity against margin loan and unrealized loss in company's own portfolios (Dealer account, Strategic Investment account and Special Purpose Fund) for the year end of December 31, 2025 is Tk. 198,307,611 and Tk. 42,423,488 respectively. Total required provision is Tk. 240,731,098 up to 31/12/2025 according to the Bangladesh Securities and Exchange Commission (BSEC) letter no. BSEC/SMMID/NE/2023/1690, dated March 28, 2024 wherein they have extended time till 31st January, 2025 of the Directive No. BSEC/CMRRCD/2009-193/203 dated December 28, 2017 for Brokers and till 31st December, 2025 for Stock Dealer according to letter no. BSEC/SRI/NE/2020/333 dated 27th March, 2023. Against the amount of Tk. 240,731,098 an amount of Tk. 240,731,098 has been provided during the period and the total provision stands at Tk. 240,731,098 at the end of December 31, 2025.

Total Basis:

Total Negative Equity of Margin Loan	198,307,611	180,468,645
Total Portfolio Erosion	42,423,488	110,785,437
	240,731,098	291,254,082

Portfolio Erosion:

Unrealized Gain/(loss) (Annexure-B)	(14,894,235)	(56,632,198)
Unrealized Gain/(loss) (Annexure-C)	(7,030,459)	(33,788,245)
Unrealized Gain/(loss) (Annexure-D)	(20,498,794)	(20,364,994)
Closing Total Portfolio Erosion	(42,423,488)	(110,785,437)

		Amount in Taka	
		January 01, 2025 to December 31, 2025	January 01, 2024 to December 31, 2024
17.01 Current Year Provision Shortfall:			
Movement of Provision on Portfolio Erosion:			
Total Erosion amount of Dealer and Strategic Account		42,423,488	110,785,437
Less: Opening Provision		54,220,402	44,220,402
Add: Provision adjusted		54,220,402	
Less: Current Year Provision Provided		42,423,488	10,000,000
A) Provision Shortfall on Portfolios		-	56,565,035
Total Negative Equity of Margin Loan		198,307,611	180,468,645
Less: Adjustment		-	-
B) Closing Total Negative Equity of Margin Loan		198,307,611	180,468,645
Movement of Provision on Negative Equity:			
Opening Balance		139,358,402	120,108,402
Addition: Balance of Provision Provided		198,307,611	19,250,000
Less: Adjustment		139,358,402	-
C) Closing Balance of Provision Provided		198,307,611	139,358,402
D) Provision Shortfall on Negative Equity (B-C)		0	41,110,243
Total Provision Shortfall (A+D)		0	97,675,278
17.02 Provision for Bad Loan & Erosion Expenses:			
Negative Equity against Margin Loan		198,307,611	180,468,645
Portfolio Erosion		42,423,488	110,785,437
Total Negative Equity and Portfolio Erosion		240,731,098	291,254,082
Total Provision made		240,731,098	193,578,804
Less: Opening Balance		(193,578,804)	(164,328,804)
Less: Adjustment of Interest Waiver Provision		-	-
Add: Adjustment during the year		193,578,804	-
Current Year Provision Expense		240,731,099	29,250,000
18.00 General/Mandatory Provision on Margin Loan:		4,357,500	6,602,703
Movement of Provision on Margin Loan:			
Opening Balance		6,602,703	6,745,693
Increase/Decrease of Provision		(2,245,203)	(142,990)
Mandatory Provision on Margin Loan (1% on M. Loan)		4,357,500	6,602,703
As per RBCA Rules, Dated: 29 May, 2019, Schedule- C Part-B, e (ii).			
19.00 Provision for Income Tax			
Opening Balance (Annexure-F)		160,433,673	149,484,769
Current Year Income Tax (Note - 28)		6,848,609	10,948,904
Provision for Tax Adjustment		-	-
		167,282,282	160,433,673
20.00 Lease Liability		651,686	-
		651,686	-
21.00 CBSIL Special Purpose Fund			
Opening Balance		44,422,477	41,124,982
Add: Interest on SPF Loan		3,467,531	3,297,495
Less: Paid		-	-
		47,890,008	44,422,477

As per DOS circular no. 01, Dated: 10 February, 2020 of Bangladesh Bank; CBSIL was given sanction by Bangladesh Commerce Bank Limited (BCBL) through sanction no. 01/2021 with amount of Tk. 10.00 crore to invest in capital market under special purpose scheme out of which currently the company using Tk. 4.00 crore.

Amount in Taka		
	January 01, 2025 to December 31, 2025	January 01, 2024 to December 31, 2024
22.00 Operating Income:		
i) Brokerage commission on Turnover (represents commission income from BO Account holders against buy and sale of securities)	52,124,489	72,400,058
ii) Interest Income from Margin Loan	18,412,210	62,818,342
iii) BO Accounts Maintenance Charge	749,821	2,395,550
iv) Closing, Transfer, Transmission & Demat Fee from BO	78,325	72,666
v) Margin Documentation & Renewal Charge from Margin	55,000	299,000
vi) Profit /(Loss) from the Sale of Shares in Own Portfolio (Annexure-G)	(30,606,255)	4,198,427
	40,813,590	142,184,042
TDS of Tk. 6,848,608 by DSE from no. (i) on the basis of turnover which has been shown as advance in note no. 7.01.		
23.00 Operating Expenses:		
Hawla Charge	2,050	1,450
Laga Charge (@ 0.025% on Transaction value)	4,071,209	5,725,788
Networking Line Charge	929,950	1,007,200
CDBL Charges	2,568,694	4,734,261
DSE Charges	289,753	19,162
	7,861,655	11,487,861
24.00 Administrative Expenses:		
Salary and Allowances	68,893,757	69,650,955
Security Service	476,121	808,972
Office Rent	5,798,870	7,175,266
Electricity, Gas and Water	2,919,746	2,923,220
Telephone, Mobile and Fax	691,068	767,700
Repair and Maintenance	178,893	192,525
SMS Service Charges	4,220	18,658
Directors' Meeting Attendance Fees	432,400	492,800
Depreciation of Fixed Assets	2,405,684	1,723,920
Audit Fees	961,000	258,750
Tax Consultancy Fees	165,600	165,600
Office Maintenance	324,315	282,999
Computer and Software Maintenance	153,797	204,239
Office Beautification and Utensil	34,500	34,500
Printing	17,001	32,455
Office Stationary	479,054	557,007
Postage & Courier Expense	20,249	8,033
Entertainment	797,994	836,137
Traveling and Conveyance	376,158	198,870

Amount in Taka		
	January 01, 2025 to December 31, 2025	January 01, 2024 to December 31, 2024
Business Development	34,315	374,880
Advertisement	18,580	46,060
Training and Development	6,900	-
Newspaper and Periodicals	20,667	19,785
Insurance Expense	28,666	31,906
AGM Expenses	-	33,101
Board Meeting Expenses	-	75,466
Legal Fees	93,725	410,045
License Renewal Fee	284,665	301,190
Stamp	8,488	6,080
	85,626,432	87,631,119
In all applicable cases VAT is included.		
25.00 Other Income:		
Interest Income from other Bank Deposit	469,960	43,002
Dividend Income (Annexure - H)	3,734,595	5,525,911
Charge For Dishonor Cheque	188,900	311,825
IPO Charges Income	2,155	28,155
Miscellaneous income	4,025,247	172,260
	8,420,857	6,081,152
The amount of TDS from no. ii and iii have been shown in advance in note no. 07 and all the above amount are stated in gross.		
26.00 Other Expenses:		
Bank Charge	210,885	919,060
Finance Cost (Lease)	64,424	36,666
Bank Interest on Loan (SPF)	3,447,530	3,297,495
	3,722,839	4,253,221
27.00 Provision for Bad Loan & Erosion Expenses:		
Negative Equity against Margin Loan	198,307,611	180,468,645
Portfolio Erosion	42,423,488	110,785,437
Total Negative Equity and Portfolio Erosion	240,731,098	291,254,082
Total Provision made	240,731,098	193,578,804
Less: Opening Balance	(193,578,804)	(164,328,804)
Less: Adjustment of Interest Waiver Provision	-	-
Add: Adjustment during the year	193,578,804	-
Current Year Provision	240,731,099	29,250,000

		Amount in Taka		
		January 01, 2025 to December 31, 2025	January 01, 2024 to December 31, 2024	
28.00	Income Tax Exp.			
	Profit before Tax	(47,976,480)	44,892,994	
	Less: Income U/S 163	(50,792,679)	21,921,903	
	Income other than U/S 163	2,816,200	22,971,091	
	25 % Tax on Brokerage Income	6,158,551	5,480,476	
	20% Tax on gain on Dividend Income	690,057	334,636	
	10% Tax on gain on Dealer Account	-	127,124	
	25 % Tax on other Income	-	5,006,668	
		6,848,609	10,948,904	
28.01	Calculation of apportioned profit and TAX thereon:			
	Heads of Income	Gross Income	Net Profit Before Prov. & Tax Apportioned	TAX
	(1) Brokerage Commission	52,124,489	(50,792,679.05)	6,158,551
	(2) Dividend Income	3,734,595	(3,639,174)	690,057
	(3) Dealer Gain	(30,606,255)	(29,824,248)	-
	(4) Income from Other than above	23,981,618	(23,368,874)	-
	Total (Total Operating Income + Other Income)	49,234,447	(47,976,480)	6,848,609
	Income Tax Expenses have been calculated u/s 163 and 83 (2) on the apportioned profit of respective heads to the total revenue earned.			
29.00	Earnings per share (EPS):			
	Net Profit/Loss after tax	(293,303,498)	3,689,222	
	Total Number of outstanding Shares	65,000,000	65,000,000	
		(4.51)	0.06	
30.00	CDBL Fees			
	BO Acc. Opening, Closing, Demat Fee	78,325	72,666	
	Annual Accounts Maintenance Charge	749,821	2,395,550	
		828,147	2,468,216	
31.00	Income Tax Paid			
	Tax paid at source	(Note - 07.01)	6,848,608	12,569,899
	Tax paid during the period		150,000	2,001,366
			6,998,608	14,571,265

32.00 Cash payments as Other Operating & Administrative expenses

Amount in Taka		
January 01, 2025 to December 31, 2025	January 01, 2024 to December 31, 2024	
Operating Expenses	7,861,655	11,487,861
Less: Interest on Borrowing	-	-
	7,861,655	11,487,861
Administrative Expenses	85,626,432	87,631,119
Less: Salary and Allowances paid	(68,893,757)	(69,650,955)
	16,732,675	17,980,164
	24,594,330	29,468,024
Adjusted for non cash flow items		
Depreciation	(2,405,684)	(1,723,920)
Increase/(Decrease) in Advance, Deposit & Prepayments	(1,545,558)	(583,340)
Increase/(Decrease) in Accounts Receivable	(49,785,311)	(28,083,864)
(Increase)/Decrease in Accounts Payable	(205,065,027)	449,352,526
(Increase)/Decrease in Provision for Expenses	(2,280,733)	(100,663)
(Increase)/Decrease in Provision for Bad Loan	193,578,804	-
Prior Year's adjustments-Provision for VAT	-	-
	(67,503,509)	418,860,738
	(42,909,178)	448,328,763

33.00 Events after 31/12/2025:

No material events occurred after 31/12/2025 which could affect the values reported in the financial statements as of reporting date.

34.00 Related Party Disclosure:

During the year 2025, Commerce Bank Securities and Investment Ltd. carried out a number of transactions with BCBL resulted in the balance as at the year end date as follows:

SI No.	Name of the party	Relationship	Type of Transaction	Balance
34.01	Bangladesh Commerce Bank Ltd.:	Parent Company	Cash & Cash Equivalent	132,398,211
34.02	Bangladesh Commerce Bank Limited	Parent Company	CBSIL SPF Loan	47,890,008
34.03	Jahirul Islam Mondol	Employee	Car Loan	1,312,410
34.04	Bangladesh Commerce Bank Limited	Parent Company	Office Rent	1,200,000
34.05	Bangladesh Commerce Bank Limited	Parent Company	Office Rent	1,207,500
34.06	Bangladesh Commerce Bank Limited	Parent Company	Office Rent	571,320
			Total	184,579,448

34.01 Bangladesh Commerce Bank Ltd.:

1. BCBL, Principal Branch (CD: 2767)	6,757,995	1,090,406
2. BCBL, Principal Branch (CD: 2307)	36,049	36,969
3. BCBL, Principal Branch (CD: 2306)	124,196,973	80,256,730
4. BCBL, Principal Branch (CD: 3377)	92,277	1,357,918
5. BCBL, Principal Branch (CD: 3454)	1,314,916	1,085,039
	132,398,211	83,827,061

Commerce Bank Securities and Investment Limited
Schedule of Property, Plant and Equipments
As at December 31, 2025

Annexure - A

Particulars	COST			Rate of Dep.	Depreciation			W.D.V as on 31.12.2025
	Balance as on 01.01.2025	Addition during the year	Balance as on 31.12.2025		Balance as on 01.01.2025	Charged for the Period	Balance as on 31.12.2025	
	Taka	Taka	Taka		Taka	Taka	Taka	Taka
Furniture and Fixture	2,651,849	12,700	2,664,549	10%	1,738,280	91,510	1,829,790	834,759
Office Renovation	14,803,343	-	14,803,343	20%	12,232,396	514,189	12,746,585	2,056,757
Electronic Equipments	11,150,071	359,467	11,509,538	20%	9,137,501	416,907	9,554,408	1,955,130
Computer and Computer Equipment	4,584,373	900,200	5,484,573	20%	3,500,953	269,071	3,770,023	1,714,549
Total as on 31 December, 2025	33,189,636	1,272,367	34,462,003		26,609,130	1,291,677	27,900,807	6,561,196

As at December 31, 2024

Annexure - A

Particulars	COST			Rate of Dep.	Depreciation			W.D.V as on 31.12.2024
	Balance as on 01.01.2024	Addition during the year	Balance as on 31.12.2024		Balance as on 01.01.2024	Charged for the Period	Balance as on 31.12.2024	
	Taka	Taka	Taka		Taka	Taka	Taka	Taka
Furniture and Fixture	2,641,289	10,560	2,651,849	10%	1,637,069	101,212	1,738,280	913,569
Office Renovation	14,688,143	115,200	14,803,343	20%	11,598,131	634,265	12,232,396	2,570,947
Electronic Equipments	11,133,946	16,125	11,150,071	20%	8,635,032	502,469	9,137,501	2,012,571
Computer and Computer Equipment	4,308,003	276,370	4,584,373	20%	3,232,718	268,234	3,500,953	1,083,420
Total as on 31 December, 2024	32,771,381	418,255	33,189,636		25,102,949	1,506,180	26,609,129	6,580,506

Schedule of Right of Use Assets
As at December 31, 2025

Particulars	COST			Depreciation		Written down value as at December 31, 2025
	Balance as at January 01, 2025	Addition During the Period	Balance as at December 31, 2025	Balance as at January 01, 2025	Charged during the year	Balance as at December 31, 2025
Right of use asset	1,959,662	2,005,211	3,964,873	1,959,662	1,114,006	3,073,669
Total	1,959,662	2,005,211	3,964,873	1,959,662	1,114,006	3,073,669
Total as on 31 December, 2025	35,149,299	3,277,578	38,426,877	28,568,792	2,405,684	30,974,476
Total as on 31 December, 2024	34,731,044	418,255	35,149,299	26,844,870	1,723,922	28,568,792

As at December 31, 2024

Particulars	COST			Depreciation		Written down value as at December 31, 2024
	Balance as at January 01, 2024	Addition During the Period	Balance as at December 31, 2024	Balance as at January 01, 2024	Charged during the year	Balance as at December 31, 2024
Right of use asset	1,959,662	-	1,959,662	1,741,920	217,742	1,959,662
Total	1,959,662	-	1,959,662	1,741,920	217,742	1,959,662
Total as on 31 December, 2024	34,731,044	418,255	35,149,299	26,844,870	1,723,922	28,568,792
Total as on 31 December, 2023	33,996,013	735,031	34,731,044	24,518,286	2,326,584	26,844,870

Commerce Bank Securities and Investment Limited
Investment Schedule - Dealer Account
As on December 31, 2025

Annexure - B

		Quantity						Amount in Taka			
SL	Name of the Company	Opening Balance	Acquired during the year	Right Share received	Bonus Share received	Sold During the Year	Total Quantity as on 31.12.25	Total Cost	Average Cost Per Share	Total Market Value as on 31.12.25	Unrealised Gain/Loss
	1	2	3	4	5	6	7=(2+3+4+5-6)	8	9	10	11=(10-8)
1	AOPLC	-	1,218,209	-	-	860	1,217,349	11,640,425	9.56	11,930,020	289,596
2	BEXIMCO	31,500	-	-	-	-	31,500	4,239,377	134.58	3,468,150	(771,227)
3	DSE	2,886,042	-	-	-	-	2,886,042	-	-	-	-
4	KEYACOSMET	-	112,511	-	-	-	112,511	494,419	4.39	506,300	11,881
5	KFL	70,000	-	-	-	-	70,000	2,683,346	38.33	581,000	(2,102,346)
6	KPCL	-	807,749	-	-	-	807,749	9,751,462	12.07	8,481,365	(1,270,097)
7	ORIONPHARM	15,000	105,010	-	-	20,000	100,010	3,935,224	39.35	2,740,274	(1,194,950)
8	SAVAREFR	3,878	-	-	-	-	3,878	874,369	225.47	835,709	(38,660)
9	ACIFORMULA	-	29,500	-	-	14,147	15,353	2,146,060	139.78	1,963,649	(182,411)
10	APEXFOODS	-	12,871	-	-	-	12,871	3,297,447	256.19	3,144,385	(153,062)
11	BANKASIA	-	1,419,510	-	-	21,834	1,397,676	26,350,518	18.85	25,437,703	(912,815)
12	BXPHARMA	13,000	15,000	-	-	13,000	15,000	2,011,508	134.10	1,531,500	(480,008)
13	CITYBANK	-	440,000	-	-	60,905	379,095	9,641,408	25.43	9,249,918	(391,490)
14	JAMUNABANK	-	1,005,000	-	-	430,000	575,000	12,239,544	21.29	12,132,500	(107,044)
15	LOVELLO	-	298,177	-	13,093	1,500	309,770	28,281,638	91.30	20,940,452	(7,341,186)
16	MTB	-	384,868	-	-	34,868	350,000	4,555,414	13.02	4,305,000	(250,414)
	TOTAL	3,019,420	5,848,405	-	13,093	597,114	8,283,804	122,142,159	1,163.72	107,247,924	(14,894,234)

Commerce Bank Securities and Investment Limited
Investment Schedule-CBSIL Strategic Investment Account
As on December 31, 2025

Annexure - C

SL #	Name of the Company	Quantity					Amount in Taka				Unrealised Gain/Loss
		Opening Balance	Acquired during the year	Right Share received	Bonus Share received	Sold During the Year	Total Quantity as on 31.12.25	Total Cost	Average Cost Per Share	Total Market Value as on 31.12.25	
	1	2	3	4	5	6	7=(2+3+4+5-6)	8	9	10	11=(10-8)
1	LOVELLO	-	300,196	-	10,452	1,500	309,148	27,358,316	88.50	20,898,405	(6,459,912)
2	BSC	-	60,000	-	-	160	59,840	7,218,771	120.63	6,648,224	(570,547)
	TOTAL	-	360,196	-	10,452		368,988	34,577,088	209.13	27,546,629	(7,030,459)

Commerce Bank Securities and Investment Limited
Investment Schedule-CBSIL Special Purpose Fund
As on December 31, 2025

Annexure - D

SL #	Name of the Company	Quantity					Amount in Taka			
		Opening Balance	Acquired during the year	Right Share received	Bonus Share received	Sold During the Year	Total Quantity as on 31.12.25	Total Cost	Average Cost Per Share	Total Market Value as on 31.12.25
	1	2	3	4	5	6	7=(2+3+4+5-6)	8	9	10
1	AAMRATECH	49,000	-	-	-	-	49,000	2,291,757	46.77	568,400
2	APEXFOODS	16,112	-	-	-	-	16,112	6,387,924	396.47	3,936,162
3	GENEXIL	104,000	-	-	-	-	104,000	9,380,571	90.20	2,797,600
4	APEXFOOT	73,186	-	-	18,296	-	91,482	21,386,662	233.78	16,238,055
5	MLDYEING	22,493	-	-	-	-	22,493	529,643	23.55	188,941
6	ORIONPHARM	80,000	58,000	-	-	-	138,000	8,032,596	58.21	3,781,200
	TOTAL	344,791	58,000	-	18,296	-	421,087	48,009,152	848.97	27,510,358
										Unrealised Gain/Loss
										11=(10-8)
										(1,723,357)
										(2,451,762)
										(6,582,971)
										(5,148,607)
										(340,701)
										(4,251,396)
										(20,498,794)

Commerce Bank Securities and Investment Limited
Schedule of Advance Income Taxes
From 2010 to 2025

Annexure - E

Accounting Year / Assessment year	Opening Balance	Tax Deducted At Source (TDS)		Tax paid		Total Tax Paid		Advance Adjusted		Closing Balance	
	Taka	Taka	3	Taka	4	Taka	5=(3+4)	Taka	6=(2+5)	Taka	7=(2+5)
1	2										
Financial year 2025 (Assessment year 26-27)	172,390,894	6,848,608		150,000		6,998,608		-		179,389,502	
Financial year 2024 (Assessment year 25-26)	157,819,629	12,569,899		2,001,366		14,571,265				172,390,894	
Financial year 2023 (Assessment year 24-25)	137,877,198	15,207,259		4,735,172		19,942,431				157,819,629	
Financial year 2022 (Assessment year 23-24)	117,885,181	18,381,459		1,610,558		19,992,017				137,877,198	
Financial year 2021 (Assessment year 22-23)	87,510,282	28,773,135		1,601,764		30,374,899				117,885,181	
Financial year 2020 (Assessment year 21-22)	72,184,804	14,841,496		483,982		15,325,478				87,510,282	
Financial year 2019 (Assessment year 20-21)	53,146,890	15,390,531		3,647,383		19,037,914				72,184,804	
Financial year 2018 (Assessment year 19-20)	28,169,538	24,977,351		-		24,977,351				53,146,890	
Financial year 2017 (Assessment year 18-19)	10,750,735	17,418,803		-		17,418,803				28,169,538	
Financial year 2016 (Assessment year 17-18)	515,319	10,235,416		-		10,235,416				10,750,735	
Financial year 2015 (Assessment year 16-17)	-	-		-		-				-	
Financial year 2014 (Assessment year 15-16)	-	-		-		-				-	
Financial year 2013 (Assessment year 14-15)	-	-		-		-				-	
Financial year 2012 (Assessment year 13-14)	-	-		-		-				-	
Financial year 2011 (Assessment year 12-13)	-	-		-		-				-	
Financial year 2010 (Assessment year 11-12)	-	-		-		-				-	

Commerce Bank Securities and Investment Limited
Schedule of Provision for Income Tax
From 2010 to 2025

Annexure - F

Accounting Year/Assessment year	Opening Balance	Provision for the year	Advance Adjusted	Tax Paid	Closing Balance
	Taka	Taka	Taka		Taka
1	2	3	4	6	8=(2+3-4-5-6)
Financial year 2025 (Assesment year 26-27)	160,433,674	6,848,609	-	-	167,282,282
Financial year 2024 (Assesment year 25-26)	149,484,769	10,948,904	-	-	160,433,674
Financial year 2023 (Assesment year 24-25)	133,168,997	16,315,772	-	-	149,484,769
Financial year 2022 (Assesment year 23-24)	110,459,226	22,709,771	-	-	133,168,997
Financial year 2021 (Assesment year 22-23)	81,094,477	29,364,749	-	-	110,459,226
Financial year 2020 (Assesment year 21-22)	70,441,526	10,652,951	-	-	81,094,477
Financial year 2019 (Assesment year 20-21)	56,925,455	13,516,071	-	-	70,441,526
Financial year 2018 (Assesment year 19-20)	27,746,169	29,179,286	-	-	56,925,455
Financial year 2017 (Assesment year 18-19)	9,068,339	18,677,830	-	-	27,746,169
Financial year 2016 (Assesment year 17-18)	-	9,068,339	-	-	9,068,339
Financial year 2015 (Assesment year 16-17)	2,282,687	7,312,633	(10,110,639)	-	(515,319)
Financial year 2014 (Assesment year 15-16)	5,210,218	10,303,307	(13,230,838)	-	2,282,687
Financial year 2013 (Assesment year 14-15)	3,307,448	10,453,427	(8,550,657)	-	5,210,218
Financial year 2012 (Assesment year 13-14)	5,428,770	8,868,269	(10,989,591)	-	3,307,448
Financial year 2011 (Assesment year 12-13)	-	10,294,313	4,865,543	-	5,428,770
Financial year 2010 (Assesment year 11-12)	-	-	-	-	-

Commerce Bank Securities and Investment Limited
Profit /(Loss) from the Sale of Shares in Own Portfolio
As on December 31, 2025

Annexure - G

SL	Instruments	Sold Qty.	Bought Price	Sold Price	Realized Gain/(Loss)
		No.	Tk.	Tk.	Tk.
1	AAMRANET	15,000	921,578	252,584	(668,994)
2	ACI	402	99,813	73,350	(26,463)
3	ACIFORMULA	14,147	1,977,484	1,983,722	6,238
4	AL-HAJTEX	40,000	7,686,561	5,012,808	(2,673,753)
5	AOPLC	860	8,509	8,152	(357)
6	ASIATICLAB	10,000	439,329	470,647	31,318
7	BANKASIA	21,834	411,638	405,808	(5,831)
8	BDCOM	21,000	1,200,900	494,244	(706,656)
9	BDFINANCE	303,462	5,326,789	3,760,708	(1,566,081)
10	BDLAMPS	3,370	1,035,352	392,311	(643,042)
11	BEXGSUKUK	30,000	2,862,959	1,739,900	(1,123,059)
12	BPML	40,000	4,296,650	1,285,356	(3,011,293)
13	BSC	5,000	542,150	577,067	34,917
14	BXPHARMA	13,000	2,735,950	1,111,965	(1,623,985)
15	CAPITECGBF	465,000	3,506,128	3,494,567	(11,561)
16	CITYBANK	60,905	1,548,978	1,594,514	45,536
17	COPPERTECH	104,000	5,021,619	2,183,561	(2,838,057)
18	DSSL	100,000	1,868,400	1,009,242	(859,158)
19	EHL	48,551	4,216,411	4,328,674	112,263
20	EXIM1STMF	60,000	558,919	251,811	(307,108)
21	GIB	1,102,500	10,000,000	3,275,733	(6,724,267)
22	IDLC	72,500	3,312,282	2,339,244	(973,038)
23	IFADAUTOS	53,025	2,583,964	1,205,553	(1,378,412)
24	IFIC	56,502	840,630	344,805	(495,825)
25	JAMUNABANK	430,000	9,153,051	9,341,988	188,938
26	JHRML	27,000	2,506,825	1,279,903	(1,226,922)
27	LHB	50,000	4,282,209	2,330,751	(1,951,459)
28	LOVELLO	1,500	152,945	154,984	2,039
29	MALEKSPIN	90,000	2,205,468	2,588,107	382,640
30	MAMUNAGRO	45,000	567,425	618,981	51,556
31	MIDLANDBNK	20,000	384,288	384,711	423
32	MTB	34,868	394,304	470,365	76,061
33	ORIONPHARM	20,000	1,952,843	663,257	(1,289,586)
34	PENINSULA	325,500	4,156,415	4,440,553	284,138
35	PEOPLESINS	20,000	1,309,297	529,187	(780,110)
36	PHARMAID	3,000	2,687,407	1,589,527	(1,097,880)
37	PLFSL	34,000	454,484	62,518	(391,966)
38	POWERGRID	20,000	1,461,896	648,657	(813,238)
39	PRIMEINSUR	10,000	828,621	257,724	(570,897)
40	PRIMELIFE	25,000	2,191,053	877,739	(1,313,314)
41	PROVATIINS	17,400	1,764,991	500,198	(1,264,793)
42	RAHIMTEXT	1,700	550,473	193,639	(356,834)
43	RAKCERAMIC	50,000	2,546,909	961,249	(1,585,659)
44	SBACBANK	31,512	699,524	217,270	(482,254)
45	SHASHADNIM	35,000	1,095,742	618,307	(477,435)
46	SPCL	177,424	20,494,313	7,187,994	(13,306,319)

SL	Instruments	Sold Qty. No.	Bought Price Tk.	Sold Price Tk.	Realized Gain/(Loss) Tk.
47	SQURPHARMA	15,000	3,804,979	3,135,376	(669,602)
48	STANCERAM	1,000	362,103	60,678	(301,425)
49	UCB	88,245	1,431,802	872,221	(559,581)
50	UTTARAFIN	20,000	985,239	195,210	(790,028)
51	GIB	55,125	499,994	-	(499,994)
52	ACTIVEFINE	60,869	1,500,908	550,607	(950,301)
53	ADNTEL	14,000	2,030,209	1,054,839	(975,370)
54	AOL	68,885	3,914,371	958,335	(2,956,035)
55	APEXFOODS	13,101	4,026,186	3,338,594	(687,592)
56	APEXSPINN	16,000	2,503,072	2,509,382	6,311
57	BANKASIA	421,000	7,692,690	7,688,891	(3,798)
58	BENGALBISC	7,500	1,034,380	438,933	(595,447)
59	BEXGSUKUK	30,000	1,740,100	1,660,037	(80,063)
60	BSC	160	19,302	17,459	(1,842)
61	BXPHARMA	35,000	8,260,514	4,538,400	(3,722,114)
62	CITYBANK	100,000	2,434,865	2,613,733	178,868
63	COPPERTECH	44,408	2,161,386	930,693	(1,230,693)
64	DELTALIFE	15,500	3,403,437	1,137,004	(2,266,433)
65	EGEN	137,035	7,643,057	2,880,900	(4,762,157)
66	GENEXIL	10,400	780,559	244,748	(535,810)
67	GOLDENSON	30,000	694,386	332,334	(362,052)
68	JAMUNABANK	150,000	3,106,225	3,224,528	118,303
69	JUTESPINN	14,158	4,713,051	2,833,995	(1,879,056)
70	LHB	44,100	4,018,966	2,493,474	(1,525,492)
71	LOVELLO	1,500	140,663	146,556	5,894
72	NHFIL	70,000	4,573,526	1,868,245	(2,705,281)
73	NPOLYMER	50,000	3,401,790	1,552,019	(1,849,771)
74	PREMIERCEM	65,000	5,555,308	3,012,092	(2,543,215)
75	RAHIMAFOOD	3,000	972,447	478,741	(493,707)
76	RAHIMTEXT	5,900	1,889,957	1,172,514	(717,443)
77	SAMATALETH	6,000	924,009	686,822	(237,188)
78	SPCL	100,000	4,338,660	4,758,215	419,555
79	UNIQUEHRL	20,000	1,123,242	798,689	(324,553)
Total					(84,826,656)
Less: Adjustment for the provision from the previous year.					54,220,401
Profit /(Loss) Transfer to Operating Income					(30,606,254)

Commerce Bank Securities and Investment Limited

Dividend Income on Shares

As on December 31, 2025

Annexure -H

Sl. No.	Instruments	Quantity No.	Face Value Tk.	Rate	Dividend Tk.	TDS Tk.	Net Dividend Tk.
1	RAHIMTEXT	1,700	10	10%	1,700.00	340.00	1,360.00
2	BDCOM	20,000	10	5%	10,000.00	2,000.00	8,000.00
3	SQURPHARMA	15,000	10	110%	165,000.00	33,000.00	132,000.00
4	SHASHA DENIM	35,000	10	10%	35,000.00	7,000.00	28,000.00
5	BDLAMPS	3,210	10	5%	1,667.01	333.40	1,333.61
6	IFADAUTOS	52,500	10	1%	5,250.00	1,050.00	4,200.00
7	BXPHARMA	13,000	10	40%	52,000.00	10,400.00	41,600.00
8	PHARMAID	3,000	10	25%	7,500.00	1,500.00	6,000.00
9	ACI	350	10	20%	793.75	158.75	635.00
10	DSSL	20,000	10	5%	10,000.00	2,000.00	8,000.00
11	COPPERTech	104,000	10	4%	41,600.00	8,320.00	33,280.00
12	JMIHOSPITAL	26,643	10	10%	26,643.00	5,328.60	21,314.40
13	SPCL	177,424	10	12%	212,908.80	42,581.76	170,327.04
14	RAKCERAMIC	50,000	10	10%	50,000.00	10,000.00	40,000.00
15	LHBL	50,000	10	19%	95,000.00	19,000.00	76,000.00
16	BEXGSUKUK	30,000	100	4.55%	135,000.00	6,750.00	128,250.00
17	IDLC	52,500	10	15%	81,821.26	16,364.25	65,457.01
18	PEOPLESINS	20,000	10	10.50%	21,000.00	4,200.00	16,800.00
19	PRIMEINSUR	10,000	10	10%	10,000.00	2,000.00	8,000.00
20	PROVATINS	17,400	10	10%	17,400.00	3,480.00	13,920.00
21	CAPITECGBF*	450,000	10	3.30%	148,500.00	29,700.00	118,800.00
22	DSE	5,411,329	10	3.30%	1,785,738.57	357,147.71	1,428,590.86
23	APEXFOOD	12,871	10	20%	25,742.00	5,148.40	20,593.60
24	RAHIMTEXT	5,900	10	10%	5,900.00	1,180.00	4,720.00
25	UNIQUEHRL	20,000	10	20%	32,000.00	6,400.00	25,600.00
26	ADNTEL	14,000	10	10%	14,000.00	2,800.00	11,200.00
27	NATIONALPOLYMER	50,000	10	11%	52,500.00	10,500.00	42,000.00
28	BENGLEPLASTIC	7,500	10	10%	7,500.00	1,500.00	6,000.00
29	RAHIMAFOOD	3,000	10	10%	3,000.00	600.00	2,400.00
30	EGEN	1,037,035	10	10%	137,035.00	27,407.00	109,628.00

Sl. No.	Instruments	Quantity No.	Face Value Tk.	Rate	Dividend Tk.	TDS Tk.	Net Dividend Tk.
31	BXPHERMA	35,000	10	40%	140,000.00	28,000.00	112,000.00
32	GOLDENSON	30,000	10	2%	4,500.00	900.00	3,600.00
33	SAMATALETH	6,000	10	4%	240.00	48.00	192.00
34	COPPERTECH	44,408	10	2%	17,763.20	3,552.64	14,210.56
35	LHBL	44,100	10	19%	83,790.00	16,758.00	67,032.00
36	DELTALIFE	15,500	10	30%	46,500.00	9,300.00	37,200.00
37	GENEXIL	10,400	10	3%	3,120.00	624.00	2,496.00
38	GENEXIL	104,000	10	3%	31,200.00	6,240.00	24,960.00
39	APEXFOOT	73,186	10	25%	183,058.11	-	183,058.11
40	APEXFOODS	16,112	10	20%	32,224.00	6,444.80	25,779.20
Total					3,734,594.71	690,057.32	3,044,537.39

Commerce Bank Securities And Investment Limited

Capital Adequacy Ratio (CAR)

For The Period Ended On December 31, 2025

Risk Based Capital Adequacy:

Capital Adequacy means the level of total capital against the total risk exposure of a registered entity that need to be maintained as per the regulatory instruction to ensure continuation of a safe and efficient market operation and be able to withstand against any unforeseen losses.

Capital Adequacy Ratio:

Capital Adequacy Ratio =	$\frac{\text{Total Capital}}{\text{Total Risk Requirement (TRR)}} \times 100$
Capital Adequacy Ratio =	$\frac{674,117,816}{59,680,886} \times 100$
Capital Adequacy Ratio =	11.30

Total Capital = Core Capital + Supplementary Capital

Total Risk Requirement (TRR) = Operation Risk Requirement (ORR) + Position Risk Requirement (PRR) + Counterparty Risk Requirement

Statement of Total Capital Computation (Schedule-C)

SL.	Components	B/S Amount	Haircut	Eligible Amount	Sum
a	Paid-up-capital	650,000,000	-	650,000,000	650,000,000
b	Share Premium	-	-	-	-
c	General reserve	-	-	-	-
d	Capital Reserve	2,144,818	-	2,144,818	2,144,818
e	Retained Earnings	(150,024,772)	-	(150,024,772)	(150,024,772)
	Sum of core capital			502,120,047	502,120,047
f	General Provision	4,357,500	20%	871,500	3,486,000
g	Specific Provision	240,731,098	30%	72,219,330	168,511,769
h	Revaluation Surplus or unrealized gain on:				
i.	fixed Assets (Property, plant & equipment other than Intangible assets)	-	30%	-	-
ii.	investment in listed securities	-	20%	-	-
iii.	investment in non-listed securities (other than closed end mutual fund)	-	35%	-	-
iv.	investment in strategic holding	-	25%	-	-
i.	Preference Share	-	25%	-	-
j.	Subordinated debt	-		20% of Total Issued Value	-
	Sum of supplementary capital				171,997,769
	Total Capital				674,117,816

Commerce Bank Securities And Investment Limited

For The Period Ended On December 31, 2025

Statement of Total Risk Requirement Computation (Schedule-D)

Area of Risk	Computation of Formula	Amount	Risk Factor	Risk Amount	Remarks
Operation Risk Requirement (ORR)	Based on Average Annual Gross Income (see clause (b) of sub-rule (7.1) of rule 7)	141,620,997	5%	7,081,050	As per RBCA Data
Position Risk Requirement (PRR)	i. Proprietary positions in Equity securities:				
	Value of "A" category securities	98,879,324	10%	9,887,932	As per RBCA Data
	Value of "B/G/N/." category securities	18,965,711	12%	2,275,885	As per RBCA Data
	Value of "Z" category instruments	16,913,247	15%	2,536,987	As per RBCA Data
	iii. Proprietary positions in Debt Instruments & ABSs:				
	Value of listed debt instruments		5%	-	As per RBCA Data
	iv. Proprietary Position in strategic investments:				
	Value of listed strategic investments	27,546,629	10%	2,754,663	As per RBCA Data
Counterparty Risk Requirement (CPRR)	i. Exposure of credit facilities to Clients	435,750,005	8%	34,860,000	As per RBCA Data
Underwriting Risk Requirement (URR)	-	-	-	-	-
Large Exposure Risk Requirement (LERR)	Sum of Large Exposures against the followings:				
	Sum of all Large Exposure to a Single counterparty		7%	-	As per RBCA Data
	Sum of all Large Exposure to Single Equity		10%	-	As per RBCA Data
	Sum of all Large Exposure to Debt Instruments		3%	-	As per RBCA Data
Liability Risk Requirement (LRR)	iv. Annual Revenue Reported in last year	142,184,042	0.20%	284,368	As per RBCA Data
Total				59,680,886	

OUR BRANCHES AND SUB-BRANCHES

SL	Name of Division	Address	Contacts
Call Center			16270
Dhaka			
01	Principal	19, Rajuk Avenue, Taranga Complex (Ground Floor), Motijheel C/A, Dhaka-1000.	09613222001, 7112069, 9561551, 09613222002 Fax: 9585023 E-mail: principal@bcb.l.com.bd
02	Dilkusha	Boliadi Mansion (1st Floor), 16, Dilkusha C/A, Dhaka-1000	09613225001-6, 9578578, 9570105, 9571375 Fax: 9571375 E-mail: dilkusha@bcb.l.com.bd
03	Bangshal	141, Lutfor Rahman Lane, North South Road, Bangshali, Dhaka-1100.	09613221501-4, 9580624, 9566140 Fax: 9566140 E-mail: bangshal@bcb.l.com.bd
04	Moulvibazar	40, Imamgonj, Moulvibazar, Dhaka-1100	09613222096, 7343769 Fax: 7311051 E-mail: moulvibazar@bcb.l.com.bd
05	Dholai Khal	23, Goalghat Lane (1st Floor), Wari, Dholai Khal, Dhaka-1100.	09613221196, 9590344 Fax: 7118665 E-mail: dholai_khal@bcb.l.com.bd
06	Banglabazar	52, North Brookhall Road, Banglabazar, Dhaka-1100.	09613221301-3, 47115256, 47119034 Fax: 7121878 E-mail: banglabazar@bcb.l.com.bd
07	Zigatola	25/1, Zigatola, Dhaka-1209	09613221601, 9668558, 58614119 Fax: 9622154 E-mail: zigatola@bcb.l.com.bd
08	Green Road	75, Green road (1st floor), Hossain Tower, Farmgate, Dhaka.	09613221401-5, 58154664, Fax: 58126886 E-mail: greenroad@bcb.l.com.bd
09	Mouchak	238/1, Maruf Market (1st Floor), Outer Circular Road, Malibagh, Dhaka.	09613223001, 8312061, 8321072 Fax: 8321072 E-mail: mouchak@bcb.l.com.bd
10	Mirpur	Plot#2, Avenue-6, Section-1, Mirpur, Dhaka-1216	09613222101-4, 55075192-3 Fax: 8051722 E-mail: mirpur@bcb.l.com.bd
11	Gulshan	Landview Commercial Complex, 28 Gulshan North C/A, Gulshan Circle-2, Dhaka-1212.	09613227001-7, 8881045, 9854019, 8881044, Fax: 8882044 E-mail: gulshan@bcb.l.com.bd
12	Khilgaon	290/3, Block-A, Nahar Tower (1st Floor), Railgate, Khilgaon, Dhaka-1219.	09613222501, 7213779 Fax: 7215803 E-mail: khilgaon@bcb.l.com.bd
13	Uttara	House-60, Sector-13, Gorib-E-Nous Avenue Uttara, Dhaka-1230	09613222801, 8921555 E-mail: uttara@bcb.l.com.bd
14	Bijoy Nagar	Al-Raji Complex House# 166/167, Ward# 36 Shahid Syed Nazrul Islam Sarani Bijoy Nagar, Dhaka.	09613223101, 7115625 Fax-02-7115957 E-mail: bijoynagar@bcb.l.com.bd

SL	Branch Name	Address	Contacts
15	Foreign Exchange	Monir Tower (Level-2) 167/1 Fakirapool, DIT Extension Road, Motijheel, Dhaka-1000.	09613223601, 9573467, 9573468, Fax: 02-9573469 E-mail: fex@bcbl.com.bd
16	Savar	63/14 Bazar Road, Islam Plaza, Savar, Dhaka.	09613223801, 7742151 Fax: 02-7742150 E-mail: savar@bcbl.com.bd
17	Pragati Sarani	KA/218, Kuril Chourasta, Zakir Complex (1st Floor), Dhaka.	09613224096, 09613224097, 8417359 Fax: 02-8417506 E-mail: pragati@bcbl.com.bd
18	Meraj Nagar	Meraj Nagar Super Market (2nd Floor), Shaymপুর, Kadamtoli, Dhaka-1362.	09613224401, 09613224403 09613224402, E-mail: merajnagar@bcbl.com.bd
19	Bandura	Puratan Bandura, Nawabgonj, Dhaka.	09613223301, E-mail: bandura@bcbl.com.bd
20	Dhamrai	Keyetpara, Dhamrai Bazar, Dhamrai, Dhaka.	09613222401, 7730237 Fax: 7730237 E-mail: dhamrai@bcbl.com.bd
21	Narayanganj	69, Bangabandhu Road, Tokyo Plaza 1 (2nd Floor), Ward No-15, Narayanganj City Corporation, DIT, Narayanganj - 1400.	09613229001-5, 645054, 7640321, 7644750 Fax: 7645054 E-mail: narayanganj@bcbl.com.bd
22	Kathgora Bazar	Hazi Nujomuddin Super Market, Kathgora Bazar, Post: Jirabo, Union: Ashulia, Ward No-1. P/S- Ashulia, Dhaka.	09613224301, 7792634 Fax: 02-7792632 E-mail: kathgora@bcbl.com.bd
23	Shibchar	47, Shadar Road, Shibchar, Madaripur	0662456101, 09613224601-3 E-mail: shibchar@bcbl.com.bd
24	Kaliakoir	Rajob Ali Super Market (2nd Floor), Kaliakoir Bazar, Gazipur.	0982251848-9 096132224701-3 E-mail: kaliakoir@bcbl.com.bd
25	Sonargaon	Salina Plaza (1st Floor), Mogerpara Sonargaon, Narayanganj.	7656033, 09613224802 09613224801, E-mail: sonargaon@bcbl.com.bd
26	Balla	Balla Bazar, Battola (Kaporpatti), Kalihati, Tangail.	09613224902, 09613224907, 09613224901 E-mail: balla@bcbl.com.bd
27	Gazipur Chowrasta	Mubarak Complex, Ward No-16, Gazipur City Corporation, Joydebpur, Gazipur.	09613225051, 09613225052 E-mail: gazipur@bcbl.com.bd
28	Banani	Antorip (1st Floor), House#2, Road No: 11, Block No: F, Banani, Dhaka.	09613225701, 09613225702 E-mail: banani@bcbl.com.bd

SL	Branch Name	Address	Contacts
29	Aganagar	Shawon Plaza (1st floor), Aganagar, South Ke ranigon j, Dha ka.	01711587835 E-mail : aganagar@bcb l.com.bd
30	Roke ya Sarani	Golo rious Mollah Tower, Holding No-745, West Shew rapa ra, Mirpur, Dha ka No rth City Corporation, Dha ka.	09613226301-3 E-mail : roke yasa rani@bcb l.com.bd
31	Panchdona	Haji Shamsul Haque Plaza (1st Floor), Mehe rpara, Panchdona, Narsingdi.	09613225601, 09613225602 E-mail : panchdona@bcb l.com.bd
32	Banglamo tor	Padma Li fe Tower, Holdin g, No-115, Kazi Nazrul Islam Avenue, Hatirjee l, Dha ka.	09613226401, 09613226402 E-mail: banglamo tor@bcb l.com.bd
33	Mohammadpur	25/2, Block-C, (1st floor), Tajmahal Road, Mohammadpu r, Dha ka.	Phone: 09613227201-02 Email: mohammadpur@bcb l.com.bd
34	Ashulia	Jalal Plaza (1st floor), Jamgora Chowrasta, Yeaepu r, Ashulia, Dha ka	Phone: 09613227301-02 Email: ashulia@bcb l.com.bd

Chattogram

35	Agrabad	56, Jibon Bima Bhaban, Agrabad C/A, Chattogram.	9613226001-4, 031-717974, 031-717973, 2522781, Fax: 031-724879 E-mail : a grabad@bcb l.com.bd
36	Jubilee Road	30, Imam Gazzali Market (1st Floor), Jublee Road, Ch attogram.	09613221901, 031-627837, Fax: 031-2850065 E-mail : jubilee road@bcb l.com.bd
37	Khatungonj	304, SW Tower, (1st Floor), Lama Baza r, Kotwali, Khatungon j, Ch attogram.	09613222301, 031-618821, 2864559 Fax: 031-728145 E-mail : khatungonj@bcb l.com.bd
38	Chaktai	68, Raja khali Road, New Chaktai, Chattogram-400	09613222201, 031-2867575, 031-634612, Fax: 031-636412 E-mail: chaktai@bcb l.com.bd
39	Dewanhat	1128, Shei kh Mujib Road, Ahmed Mansion, Ch attogram.	09613221201, 031-2513622 Fax: 031-728145 E-mail : de wanhat@bcb l.com.bd
40	Muradpur	Karim's Icon (2nd Floor), 73/74, C DA Avenue, Muradpu r, Chittagon g.	09613223096, 031-655982, 656154 E-mail: mu radpur@bcb l.com.bd
41	Cumilla	35/32 Zilla School Road Kandipar, Cumilla.	09613222601, 081-69951 Fax: 081-69902 E-mail : comilla@bcb l.com.bd
42	Feni	Idris Plaza, Holding N o-612 (1st & 2nd Floor), Islampur Road, Feni Baza r, Feni	09613222901, 0331-69011, Fax: 0331-69012 E-mail: feni@bcb l.com.bd
43	Manda ri Bazar	Babos ayee Sami tee Market (1st Floor) Lakshmipur Sada r, Lakshmipu r.	0381-55634, Fax: 0381-55633 E-mail : mbazar@bcb l.com.bd
44	Kangshanagar Bazar	Kangshanagar Baza r, Bu richan g, Cumilla-3520	09613224501-2 E-mail : kangshanagar@bcb l.com.bd
45	AK Khan Moor	H#825, Ja kir Hossain Road, Ward No # 9, Chittagong City Corporation, Pahartoli, Chittagon g.	09613225301, 09613225302 E-mail: a kkhanmoor@bcb l.com.bd
46	Lohaga ra	Sayed Plaza, Lohaga ra, Ch attogram	09613225401, 09613225402 E-mail: lohaga ra@bcb l.com.bd

SL	Branch Name	Address	Contacts
47	Kumira	Boro Kumi ra, Shita kund o, Ch attogram	01818395954 E-mail : kumi ra@bcb l.com.bd
48	Dhamairhat	Uttar Rangunia Uchha Biddal oy Shopping Compl ex, Lalanaga r, Rangunia, Ch attogram.	09613226601, 09613226602 E-mail: dhamai rhat@bcb l.com.bd
49	Khutakhali	Shamshul Alam New Market (1st floor), Word No-5, 17 No Khutakhali Union, Thana -Cha karia, Cox's Bazar	Phone: 01788749700 E-mail: khuta khali@bcb l.com.bd
50	Dewanbazar	Faruk Tower (1st floor), Dewan Bazar, Kotawali Thana, Ch attogram	Phone: 01713375099 E-mail: de wanbazar@bcb l.com.bd
51	Patiya	S.M. Tower (1st Floor), 7 No Ward, Patiya Pourasova Patiya, Ch attogram.	Phone: 09613227101-7102 Email: p atiya@bcb l.com.bd
52	Jorarganj	Jorarganj high School Super Market (1st Floor), Uni t-01, Holding # 94, Jorarganj, Ch attogram	Phone: 09613227401-7402 Email: jo rarganj@bcb l.com.bd
53	Raipur	Haider Compl ex, Holding # 1004/1, Haide rganj Road, Raipu r, Lakshmipu r.	Phone: 09613227501-7502 Email: raipur@bcb l.com.bd
Khulna			
54	Khulna	141, Sir Iqbal Road, Khulna-9100	09613224001-4, 041-732595, 041-2830144, 810911, Fax: 041-810911 E-mail : khulna@bcb l.com.bd
55	Daulatpur	727, Jesso re Road, Daul atpu r, Khulna-9202	09613221701, 041-761604 Fax: 041-762589 E-mail : daul atpur@bcb l.com.bd
56	Jessore	Mohsin Super Market, 10 R. N. Road Jasho re.	09613223501, Fax: 042171180 E-mail : jesso re@bcb l.com.bd
57	Kopil Muni	Sorojini Banijjo Beponi Market (1st floor), Kopilmuni Sohachori Vidda Mondi r, P/ O-Kopilmuni. P/ S- Paikgacha, Dist. Khulna	09613224101, E-mail : kopilmuni@bcb l.com.bd
58	Lohagara	Nawab Plaza (1st Floor), Ward n o-04 , Lohaga ra, Na rail	09613226201-3 E-mail : lohaga rana rail@bcb l.com.bd
59	Rupdia	Hiron Super Market, Rupdia, Narend rapu r, Katwali, Jesso re.	09613226501, 09613226502 E-mail: rupdia@bcb l.com.bd
Rajshahi			
60	Bogra	676, Chamber Bhaban, Jh awtola, Bogura-5800	09613228001-4, 051-65441, Fax: 051-65710 E-mail : bo gra@bcb l.com.bd

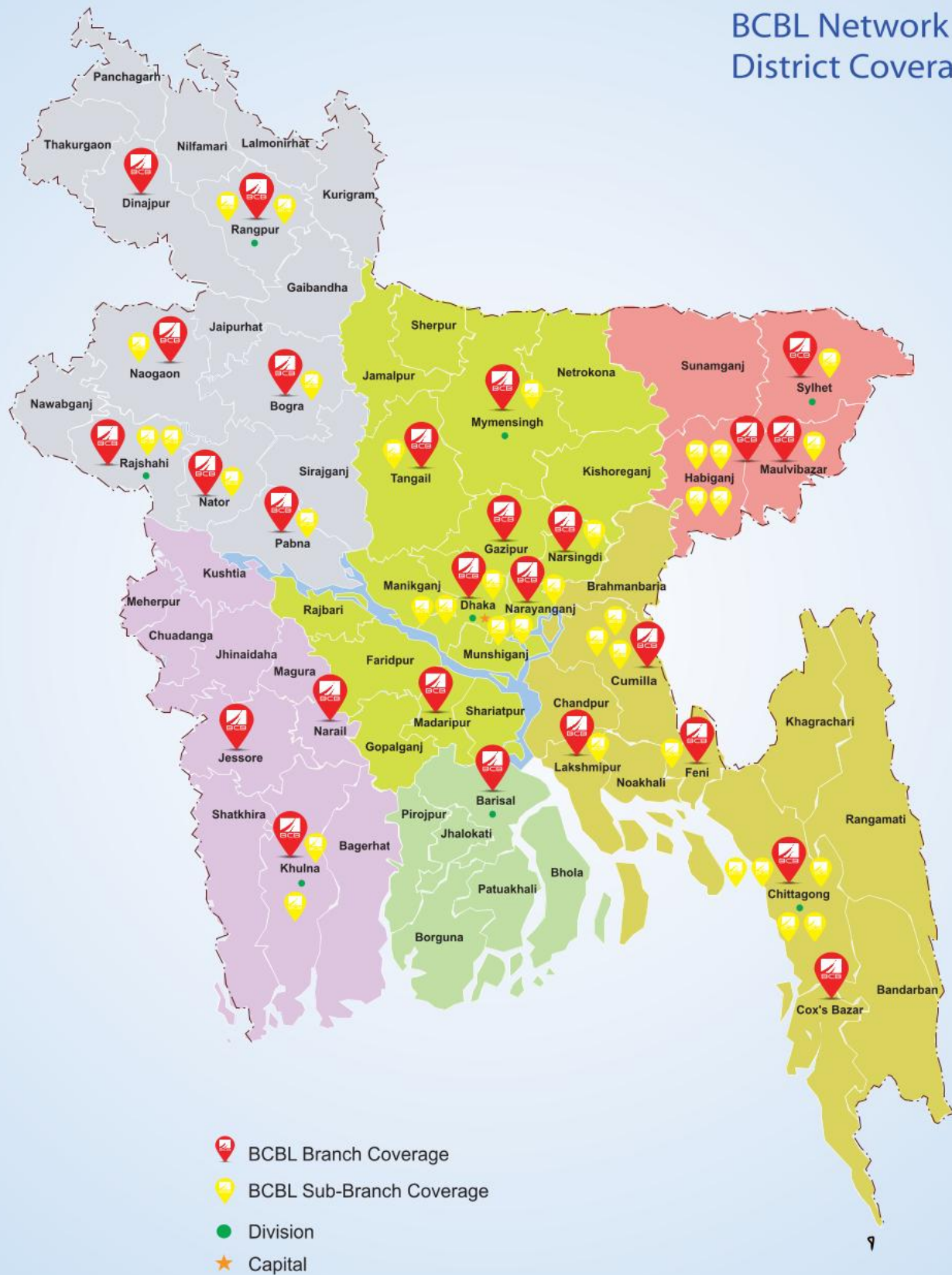
SL	Branch Name	Address	Contacts
61	Naogaon	Kader Manson (1st Floor) Naogaon Main Road, Naogaon	09613221801,0741-81118 Fax:0741-63222 E-mail :naogaon@bcb l.com.bd
62	Rajshahi	341, Station Road, Metropolitan Market (1st Floor), Rajshahi.	09613225201,09613225202 E-mail : rajshahi@bcb l.com.bd
63	Sujanagar	Haji Abdul Kuddus Shopping Mol, Pabna-Sujanga r-Kashin athpur Road	09613226801,09613226802 E-mail:sujanagar@bcb l.com.bd
64	Ahmedpur	Nahar Plaza (2nd Floor), Ba raigram, Ahmedpu r, Nator.	09613225501,09613225502 E-mail :ahmedpur@bcb l.com.bd
Barishal			
65	Barisal	Elahi Tower, Holding n o-523, Ward n o-8, Bazar Road, Ba risal Sada r, Barisha l.	09613224201,0431-2176433 Fax:0431-61616 E-mail :ba risal@bcb l.com.bd
66	Batajo re	Batajor Bazar Batajo r, Gournadi Barisha l.	09613223901 E-mail :batajo re@bcb l.com.bd
Sylhet			
67	Sylhet	Gella riya Shopping & Apartment Compl ex (2nd Floor), West Zinda Baza r, Jalla rpar Road, Sylhet	09613221096,0821-723210 Fax:0821-728487 E-mail :sylhet@bcb l.com.bd
68	Juri	Hazi Imzad Ali Market Vobanigonj Baza r, Ju ri Moulvibaza r.	09613223701,086275719 Fax:08627-57192 E-mail :ju ri@bcb l.com.bd
69	Shamshe rnagar	Rahim Manson, Shamshe rnaga r, Upazilla:- Kamolgan j, Zilla: Moulvibazar	09613225101,09613225102 E-mail :shamshe rnagar@bcb l.com.bd
70	Chunarugh at	Niranjan City, Holding N o-0095-00, Balla Road, Chunarugh at, Habigon j.	09613226701,09613226702 E-mail:chunarugh at@bcb l.com.bd
Rangpur			
71	Dinajpur	SM Tower (2nd Floor) Bahadur Bazar Dinajpu r.	09613223401, 053166556 Fax:0531-66555 E-mail :dinajpur@bcb l.com.bd
72	Rangpur	Moin Plaza (1st Floor), 12 Station Road, Rangpur City Corporation, Rangpur.	0128877726 E-mail : rangpur@bcb l.com.bd
Mymensingh			
73	Seeds tore Bazar	Hobir Ba ri, Seeds tore Baza r, Valu ka, Mymensingh.	09613222701, E-mail :seeds tore@bcb l.com.bd
74	Mymensingh	67- 68 Cho to Baza r, Ko twali, Mymensingh.	01894806761 E-mail: mymensingh@bcb l.com.bd

SUB-BRANCHES

SL	Sub-Branch	Address	Controlling Br.
01	Mirhaji rbug, Dhaka	Arafat Villa, Holding No-66, Mirhaji rbug bagicha Mosjid, Word No-51, Thana- Shamnagar, Dhaka Dokkin City Corporation, Dhaka, Phone: 09613223011-04	Dholai khal
02	Shah Mukdhom Medical college	Shah Mukdhom Medical college, vill- Lolitahar, Ward no:09, Union: Parila, Th-Chond rima, Rajshahi, Phone: 09613223021-05	Rajshahi
03	Fullbarigate, Khulna	Shes Super Market, Fullbarigate, Khan Jahan Ali, Khulna, Phone: 09613223031-05	Daulatpur
04	Narshingdi Upozila moor, Panchdona	Fazlu Miah Super Complex, 1st floor, Narshingdi, Sadar, Narshingdi, Phone: 09613223051-2	Panchdona
05	Asampara, Habiganj	Shekh Mension, 1st Floor, Asampara Bazar, Gazipur, Chunarughat, Habiganj, Phone: 09613223041-2	Chunarughat
06	Nowapur Bazar, Narayangong	City Plaza, (1st Floor), Nayapur, Sadipur, Sonargaon, Narayangonj, Phone: 09613223061-2	Sonargaon
07	Bodorganj, Rangpur	Bodorganj Shopping Complex (1st Floor), Upozila Road, Bodorganj, Rangpur, Phone: 09613223071-2	Rangpur
08	Gangachara, Rangpur	H.K. Shopping Complex, Gangachara Bazar, Zero Point, Gangachara, Rangpur, Phone: 09613223081-2	Rangpur
09	Koira, Khulna	Mridhu Super Market (1st Floor), Modinabad, Koira, Khulna, Phone: 09613223091-2	Kopilmoni Bazar
10	Dasuria, Pabna	Khan Palace, Dashuria, Ishordi, Pabna, Phone: 09613223107-8	Ahmedpur
11	Tulatoli, Chattagram	Gawsia Market, Tulatoli Jamaibazar Road, Chotogram City Corporation, Bakulia, Chattagram, Phone: 09613223111-2	Chaktai
12	Rupsha, Khulna	East Rupsha Bus Stand Road, Bagmara, Rupsha, Khulna, Phone: 019613223121-2	Khulna
13	Stationbazar Sub br	Friends Plaza Floor (1st floor), Holding No-0312/01, Natore Razshahi Road, Word No-07, Natore Poroshova, Thana-Natore Sadar, Natore, Phone: 09613223151-2	Ahmedpur
14	Shantahar Sub br	Razplaza (1st floor) Holding No-419, Daily Bazar Road, Shantaharporoshova, Thana-Adamdighi, Bogra, Phone: 09613223141-2	Naogaon
15	Nandipara Sub br	Salina Monjil (1st floor), Holding No-0312/01, Nandipara Main Road, Word No-74, Thana- Khilgaon, Dhaka South City Corporation, Dhaka, Phone: 09613223161-2	Khilgaon
16	Sagarighi Sub br	Siddique Plaza (1st floor), Sagardighi bazar, Union- Sagarighi, Thana- Ghatail, Tangail, Phone: 09613223171-2	Seestore
17	E.PZ	L.A Tower (1st floor), Holding No-2353/3401, M.A. Aziz Road, Word No-39, Thana- E.PZ, Ctg City Corporation, Chattagram, Phone: 09613223211-2	Agrabad

SL	Sub-Branch	Address	Controlling Br.
18	Ranigaon	Doha Roha Market (1st floor), East Ranigaon, Ranigaon Union, Word No-03, Thana -Chunarughat, Habigonj, Phone : 09613223251-2	Chunarugh at
19	Station Road	Allahu Building (1st floor), 211/21, Station Road South, Word No-09, Cumilla City Corporation, Thana- Adorsha Sadar, Cumilla, Phone: 09613223181-2	Cumilla Zila School Road
20	Chakbazar	M.M.Plaza (1st floor), Holding No-13/13, Teriputti, Chakbazar Police pari road, Word No-06, Cumilla City Corporation, Cumilla, Phone: 09613223207-8	Cumilla Zila School Road
21	Beparipara	Rashid Tower (1st floor), Holding No-907/948, Beparipara road, Word No-27, Haliahara, Ctg City Corporation, Ch attagram, Phone: 09613223221-2	Agrabad
22	Zia Sarani	Nasir Mansion (1st Floor), Holding No-36/B, Palashpur, Zia Sarani, Ward No-60, Dhaka South, Phone: 09613223241-2	Merajnagar
23	Rabirbazar	Sarder Mansion (1st Floor), 12 No Prithimpasha Union, Dag No-495, Khatian No-1196, Mouza- Prithimpasha, P.S- Kulaura, Moulvibazar, Phone : 09613223221-2	Shamsher Nagar
24	Shaistaganj	Islam Complex (1st floor), Holding No-0333-00, Daudnagar Bazar Sarak, Ward No-04, Shaistaganj Pourashava, Shaistaganj, Habigonj, Phone: 09613223261-2	Chunarugh at
25	Jalalpur Bazar	Sheikh Mansion (1st floor), Vill- Jalalpur, Dag No- 2528, Khatian No-337, Mouza- Sabdalpur, Union-07 No Jalalpur, Ward No-04, Thana- Moglabazar, Dist -Sylhet, Phone: 09613223261-2	Sylhet
26	Panchtala Bazar	Latif Mansion (1st floor), Post Office Road, Panchtala Bazar Moor, Word No-37 Thana-Badda, Dhaka, Phone: 09613223231-2	Progotisarani
27	Court Blding	01 No Newbar Bhabon, Judge court, Holding No-575, Word No-04, Razpara, Rajshahi city Corporation, Rajshahi, Phone: 9613223271	Rajshahi
28	Matidali	Khan Towar (1st floor), Holding No-1888, Rangpur road, Word No-17 Bogura Poroshava, Bogura, Phone : 9613223281	Bogura
29	Nimsar	Salam Market (1st floor), Vill-Nimsar, Dag No-708, Khatian No-148, Mouza- Nimsar, Union- Mukam, Word No 07, Thana-Burichan g, Cumilla, Phone : 9613223291	Kangshanagar
30	Chhagolnai ya	Abu Ahmed Bhuiyan Plaza (1st floor), Chhagolnai ya College Road, Word No-05, Chhagolnai ya Phoroshava, Thana- Chhagolnai ya, Feni, Phone : 9613223351	Feni
31	Kalabibi Dighir Moor	SAYED MARKET (1st Floor), Vill/ Area – Kalabibi Dighir Moor, Union- 7 No Anowara Sadar, Thana- Anowara, Dist- Ch attogram, Phone : 09613223311-2	Khatungonj
32	Halishahar A Block	Holding No- 7/1, Halishahar Ward No-11, South Kattali, Chattogram City Corporation, Thana – Halishahar, Dist- Ch attogram, Phone : 09613223321-2	Agrabad
33	Lakshmipur Sub-Branch	Lakshmipur Pouro Adunik Biponi Bitan, 1st Floor, Borhan Uddin Bhuiya Road, Lakshmipur Pouroshova, Lakshmipur, Phone: 01682510467	Raipur

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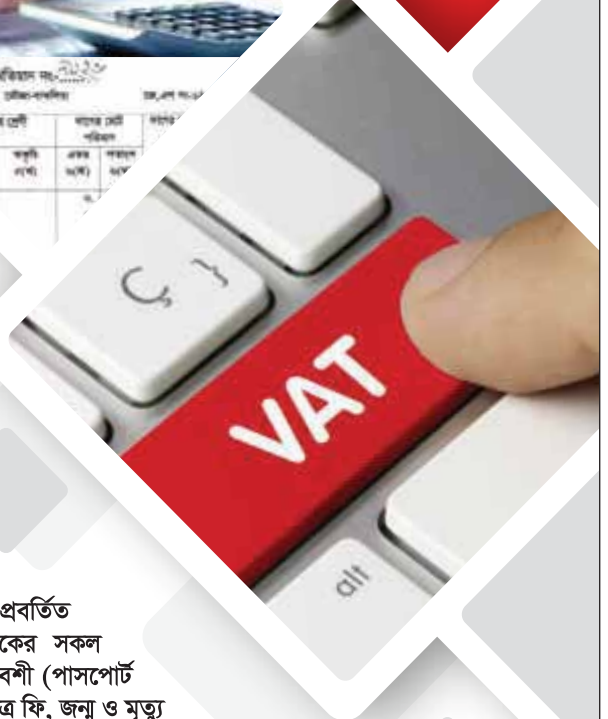
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BANGLADESH COMMERCE BANK LIMITED

**BANGLADESH COMMERCE BANK LIMITED**

Corporate Office: Eunoos Trade Center (Level-22),
52-53, Dilkusha C/A, Dhaka-1000, Bangladesh

PROXY FORM

I/We _____ of _____

_____ being a Shareholder of **Bangladesh Commerce Bank Limited** do hereby appoint

Mr./Ms. _____ of _____

as my/our proxy to attend and vote for me/us and on my/our behalf at the **28th Annual General Meeting** of the Company to be held on **Saturday, 26 September, 2026** at 11:00 a.m. at through Digital Platform.

As witness my/our hands this _____ day of _____ 2026.

(Signature of the Shareholder(s))

Folio No: _____

No. of Shares: _____

Date: _____

(Signature of the proxy)

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Revenue
Stamp
of Tk. 20.00

Note: The proxy form should reach the Registered Office of the Company not less than 72 hours before the time fixed for the meeting.

Signature Verified

Authorized Signatory
Bangladesh Commerce Bank Limited

Note: Signature must agree with the recorded signature.

বিসিবিএল এর
উচ্চশিক্ষা ঋণ
স্বপ্ন পূরণ হোক বাধাহীন

ঋণের পরিমাণ

৳৫ লাখ - ৳১ কোটি



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