Annual Report 2025



Bangladesh Industrial Finance Company Limited

SUSTAINABILITY REPORT

Since its inception, BIFC has remained committed to sustainable growth through responsible business practices, sound governance, financial discipline, and ethical conduct.

Our business model enables us to create long-term value by supporting customers and stakeholders in addressing social, environmental, and economic challenges.

We believe that the sustainable success of our stakeholders is the foundation of BIFC's own long-term resilience and contributes to the sustainable development of the national economy.

LETTER OF TRANSMITTAL

All Shareholders
Bangladesh Bank
Bangladesh Securities and Exchange Commission
Dhaka Stock Exchange PLC.
Chittagong Stock Exchange PLC., and
Registrar of Joint Stock Companies & Firms.

Dear Sir(s),

Annual Report for the year ended December 31, 2025.

On behalf of the Board of Directors, we are pleased to present the Annual Report 2025, together with the audited Financial Statements of Bangladesh Industrial Finance Company Limited (BIFC) for the year ended December 31, 2025.

This Report contains all material information and disclosures required under the applicable laws, regulations, and directives of the relevant regulatory authorities. It provides a comprehensive overview of the Company's financial performance, operational activities, corporate governance practices, and significant developments during the year under review.

We believe that this Annual Report will provide our valued shareholders, investors, regulators, and other stakeholders with a transparent and meaningful understanding of the Company's performance, achievements, and future direction.

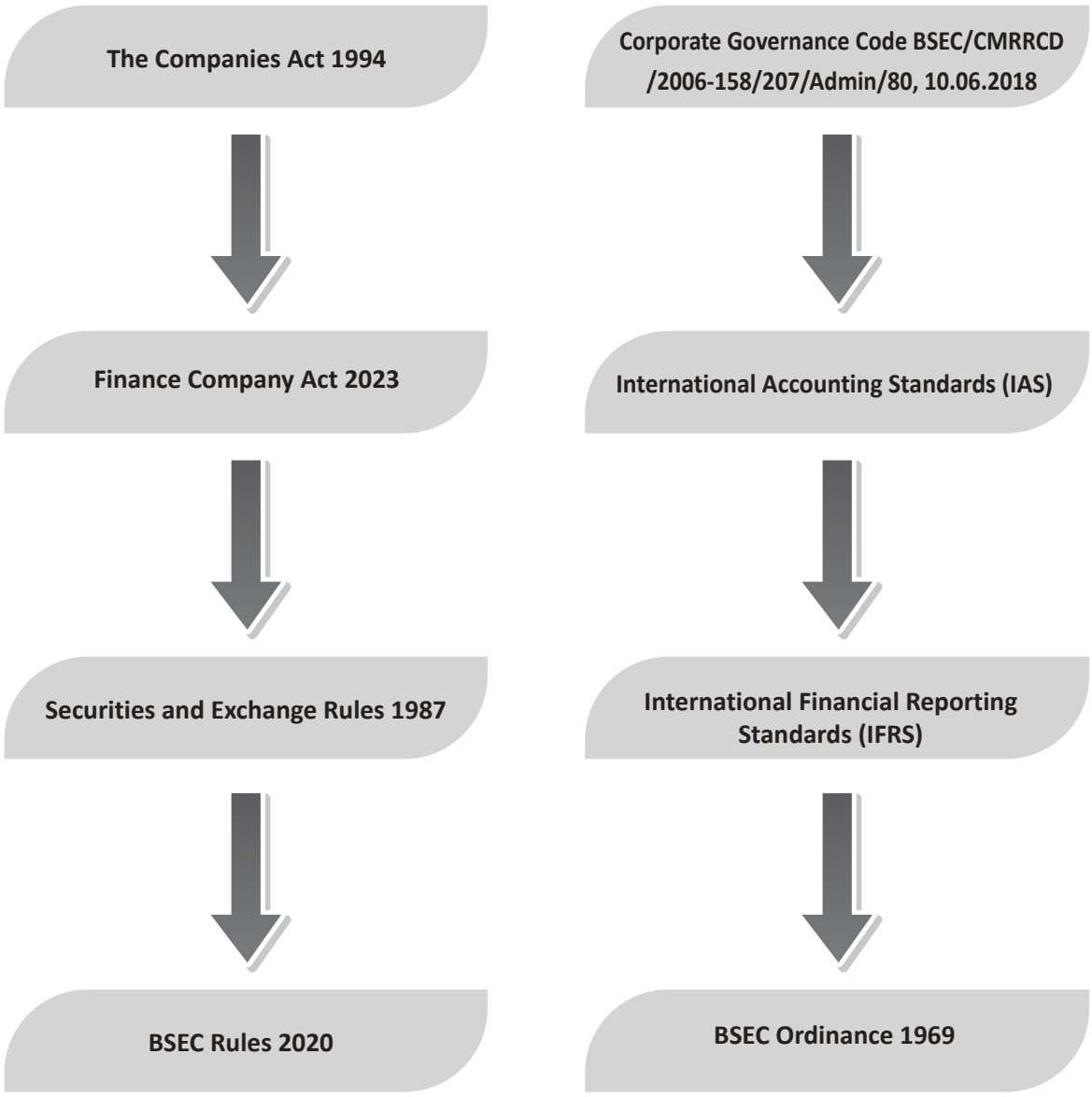
On behalf of the Board, we sincerely thank our shareholders, customers, regulators, employees, and all other stakeholders for their continued trust, confidence, and support.

Sincerely yours,



Anisur Rahaman
Company Secretary

REPORTING GUIDELINES WE FOLLOW



CONTENTS

NOTICE OF THE 30TH AGM	05
OUR VISION AND MISSION	06
CORE VALUES	06
COMPANY INFORMATION	07
COMPANY MILESTONES	08
THE LEADERSHIP OF THE COMPANY	9-12
COMMITTEES	13-16
CHAIRMAN'S REVIEW	17-18
ADDRESS FROM THE MANAGING DIRECTOR (CURRENT CHARGE)	19
DIRECTORS' REPORT TO THE SHAREHOLDERS	20-32
FINANCIAL HIGHLIGHTS	33
CERTIFICATE ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON DECEMBER 31, 2025	34
REPORT ON THE ACTIVITIES OF THE AUDIT COMMITTEE	35-37
REPORT ON THE ACTIVITIES OF CREDIT RISK MANAGEMENT	38-41
CERTIFICATE ON CORPORATE GOVERNANCE	42
STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE GUIDELINES	43-56
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS	58-65
FINANCIAL STATEMENTS	66-118
PROXY FORM & ATTENDANCE SLIP	119

NOTICE OF THE 30TH ANNUAL GENERAL MEETING

Notice is hereby given that the Board of Directors of Bangladesh Industrial Finance Company Limited (BIFC) in its 251st Meeting held on July 15, 2026 at 3 p.m. decided that the 30th Annual General Meeting (Financial Year Ended December 31, 2025) of the Company will be held by using Hybrid System (physical presence at the AGM venue and virtually by using online digital platform) on Monday, 21st September, 2026 at 10:00 a.m. at "Institution of Diploma Engineers, Bangladesh" IDEB Bhaban, Social Garden-501 160/A, Kakrail VIP Road, Dhaka (pursuant to BSEC Order no. BSEC/CMRRCD/2009-193/08 dated March 10, 2021) to transact the following business:

Agenda:

1. To accept, consider and adopt the Directors' Report and the Auditors' Report to the Shareholders accompanied by audited financial statements for the year ended on December 31, 2025;
2. To declare Dividend for the year ended December 31, 2025;
3. To elect/re-elect directors;
4. To appoint auditor for the year 2026 and to fix their remuneration;
5. To appoint Compliance Auditor as per Corporate Governance code for the year 2026 and to fix their remuneration; and

By the order of the Board of Directors

Sd/-
Anisur Rahaman
Company Secretary

August 30, 2026

Notes:

i. As notified earlier the "Record Date" was fixed on Thursday 30th July 2026. The shareholders whose names appeared in the Register of Shareholders of the Company and/or in the Depository on the Record Date will be eligible to attend and vote in the 30th AGM through physical or paper ballot at the venue of General meeting or through electronic ballot or any e-voting system using online platform;

ii. A member entitled to attend and vote at the General Meeting may appoint a Proxy to attend and vote in his/her stead. The Proxy Form, duly stamped with Tk.20.00 (Revenue Stamp), must be deposited at the Registered Office of the Company, not later than 48 hours before the time fixed for the meeting;

iii. Pursuant to the BSEC notification link of the soft copy of the Annual Report for the year 2025 has been sent to the email address of the shareholders available in their BO account maintained with the depository and also available in the Website of the Company at **www.bifcol.com;**

iv. Admission to the meeting room will be strictly on production of the attendance slip sent with the Notice as well as verification of signature of Member(s) and/or Proxy-holder(s);

v. The Shareholders will join the AGM physically or virtually through the link **https://bifcol.bdvirtualagm.com;**

vi. The Shareholders will be able to submit their questions/comments and vote electronically 24 (twenty four) hours before commencement of the AGM and also during the AGM. For logging into the system, the Shareholders need to put their 16 digit Beneficiary Owner's ID/Folio Number and other credentials as proof of their identity through visiting the said link;

vi. No gift or benefit in cash or kinds shall be paid/offered to the shareholders as per Circular No.SEC/CMRRCD/ 2009-193/154, dated October 24, 2013 of BSEC to attend the AGM.

We encourage the Shareholders to login into the system prior to the meeting. Please allow ample time to login and establish your connectivity. For any IT related guidance, Shareholders may contact vide email: **nawaz@bifcol.com**, Mobile number: 01712519160, **zesmin@bifcol.com.**

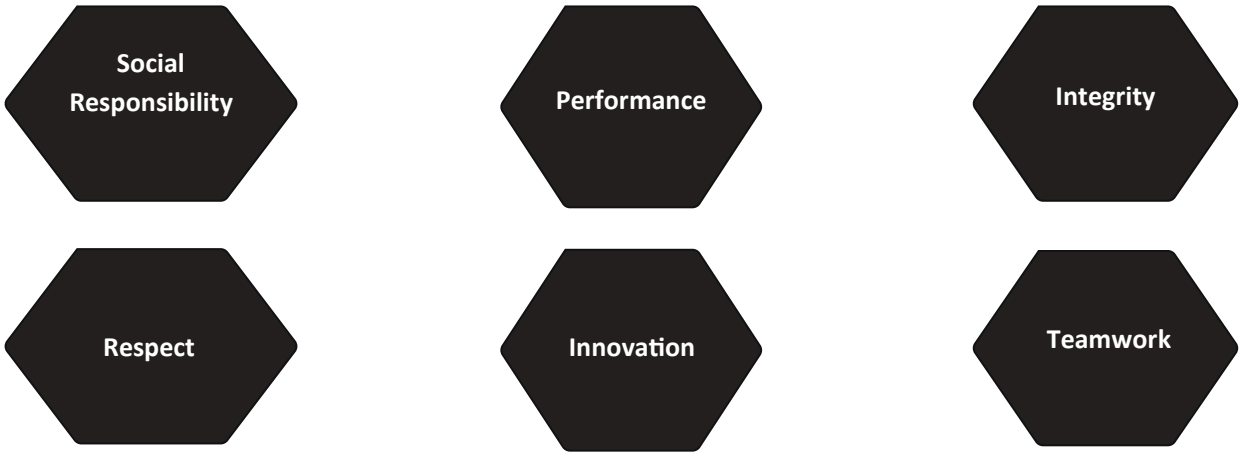
Our Vision

to earn the trust
&
confidence of the society

Our Mission

- To nurture, develop, and empower a professional workforce
- To achieve sustainable growth
- To promote a balanced economic growth
- To develop and offer innovative financial products and services

CORE VALUES – SPIRIT



COMPANY INFORMATION

Name of the company	:	Bangladesh Industrial Finance Company Limited
Legal Form	:	A public limited company incorporated in Bangladesh on August 10, 1996 under the companies Act 1994 and listed in Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC.
Commencement of Business	:	March 02, 1998
Registered Office	:	Police Plaza Concord (Tower-2), Level-8, Plot # 02, Road # 144, Gulshan-1, Dhaka-1212, Bangladesh.
PABX	:	09611888333, 55045123-5
Fax	:	+88-02-55045128
E-mail	:	info@bifcol.com
Website	:	www.bifcol.com
Chairman	:	Mr. Ikteder Ahmed
Managing Director (C.C.)	:	Mr. Md. Anwarullah Sadeq
Auditor	:	Ahsan Manzur & Co., Chartered Accountants House # 373 (2nd floor), Road # 28, Mohakhali DOHS, Dhaka, Bangladesh.
Tax Advisor	:	K.M. Hasan & Co. Chartered Accountants Hometown Apartment (7th, 8th & 9th floor) 87 New Eskaton Road, Dhaka-1000, Bangladesh.

Branches :

Chattogram Branch
Akhteruzzaman Center (5th Floor)
Chattogram-4100
PABX: +02-333-317256, +02-333-313233
09611888451
Fax: +02-333-317242
E-mail: bifcctg@bifcol.com

Narayanganj Branch
52/1, S.M. Maleh Road (1st Floor),
Tanbazar, Narayanganj
Tel: +02-224-433817, 09611888453
Fax: +02-224-433897
E-mail: bifcnganj@bifcol.com

Uttara Branch
Flat # B1, House # 46, 1st Floor, Road # 03,
Sector # 11, Uttara, Dhaka-1230.
Tel: +88-02-8991431, 09611888455
Fax: +88-02-8991682
Email: bifcuttara@bifcol.com

No. of Employees:	:	37

Stock Summary

Authorized capital	:	BDT 4000.00 million
Paid-up-capital	:	BDT 1006.80 million
Face value per share	:	BDT 10.00

COMPANY MILESTONES

Incorporation of the Company	August 10	1996
License from Bangladesh Bank	February 19	1998
Commencement of Business	March 02	
Sanction of First lease proposal	October 06	
Execution of first lease agreement	October 07	
First letter of credit opened	April 08	1999
First credit line from bank	May 31	
First syndicated lease participation	August 18	2002
Relocation of registered and head office	November 16	2003
Initial Public Offering	August 20	2006
First trade of share	November 15	
First branch opened	December 03	2009
Second branch opened	October 16	2011
Change of face value and market lot of share	November 29	
Third branch opened	December 28	
Permission for Issuing Rights Share from Bangladesh Securities and Exchange Commission (BSEC)	September 23	2014
Corporate Head Office From Dilkusha to Gulshan	April 10	2017

THE LEADERSHIP OF THE COMPANY

BOARD OF DIRECTORS

Mr. Iktedar Ahmed, Chairman
Nominated Director, Merill & Forbes Inc., USA

Mr. Mahmudul Hasan
Nominated Director, Five Continents Credit Limited, Hongkong

Mr. Ansar Uddin Ahmed
Independent Director

Mr. Shafique-ul Azam
Independent Director

Mr. Md. Anwarullah Sadeq
Managing Director (Current Charge)

PROFILE OF THE DIRECTORS



Mr. Ikteder Ahmed
Chairman and Nominated Director
Merrill & Forbes Inc., USA

Mr. Ikteder Ahmed was elected as the Chairman of the Board of Directors of Bangladesh Industrial Finance Company Limited (BIFC) by the Shareholders of the Company in the 26th AGM held on November 15, 2023. He is an L.L.B. (Hons.) and L.L.M. from the University of Dhaka with brilliant performance. Mr. Ahmed also re-appointed as Chairman of the company on April 07, 2026.

He obtained Post Graduation on: i.) Juvenile Justice Administration in 1997 from the United Nations Asia and Far East Institute for Prevention of Crime and Treatment of Offenders, Tokyo, Japan; ii.) International Labor Standards for Judges, Lawyers and Legal Educators in 2002 from the International Training Centre, Turin, Italy of International Labour Organization in Collaboration with University of Turin, Italy; and iii.) Intellectual Property Rights in 2006 from World Intellectual Property Organizations Worldwide Academy, Geneva, Switzerland.

He joined the Bangladesh Civil Service (Judicial) Cadre in the year 1981 and worked as Assistant Judge, Joint District Judge, Additional District and Sessions Judge and District and Sessions Judge in the hierarchy of the parent department while worked as Deputy Director (Law), Ansar and VDP; Deputy Secretary (Law), Election Commission Secretariat; Directory Judicial Administration Training Institute; Secretary, Law Commission; Chairman, Court of Settlement; Registrar General, Supreme Court of Bangladesh and Chairman, Minimum Wages Board on deputation.

He went on voluntary retirement on February 8, 2011 in protest against certain injustice. He visited Australia, Bahrain, Canada, China, Denmark, Finland, France, Germany, Hong Kong, India, Indonesia, Iran, Italy, Japan, Kenya, Macau, Malaysia, Mozambique, Myanmar, Nepal, Netherlands, Norway, Oman, Pakistan, Quarter, Russia, Saudi Arabia, Singapore, South Africa, Sri Lanka, Sweden, Switzerland, Thailand, United Arab Emirates and United Kingdom.

Profile of The Directors - Continued



Mr. Mahmudul Hasan
Nominated Director
Five Continents Credit Limited, Hongkong

Mr. Mahmudul Hasan, a nominated Director of Five Continents Credit Limited, Hongkong. He has completed Master's Degree from London College of Accountancy. He is a Businessman. He likes to travel and reading books.



Mr. Ansar Uddin Ahmed
Independent Director

Mr. Ansar Uddin Ahmed was born in a respectable Muslim family in the District of Laxmipur on May Day,1952. Mr. Ahmed's father was a retired government High School Headmaster.

He studied for the Graduation & Postgraduate Degrees at the Dhaka University during 1969-73. During this period of life he joined the liberation war of Bangladesh and shouldered the responsibility of Deputy District Commander of the Laxmipur zone of the BLF (Mujib Bahini).

After completion of studies, he joined the Central Bank of Bangladesh as Assistant Director in 1976. He served for Bangladesh Bank about 25 years. During this period, he was General Manager (Director) of the Departments of Currency Management & Accounting, Agricultural Credit and Banking Regulations & Policy Department. During his period of service in the Central Bank, he passed both parts of the Banking Diploma Examinations, secured the post-graduate diploma degree in Personnel Management and obtained the Post-graduation Degree in Financial Economics from the University of Wales, UK in 1986.

Afterwards, he joined the largest private sector bank, Pubali Bank PLC, as the Deputy Managing Director in early 2000 and served for more than 3 years. Subsequently he moved to National Housing Finance PLC and Bangladesh Industrial Finance Company Limited (BIFC) as Managing director in the years 2003 and 2008 respectively. Lastly, he served as an Independent Director of BD Finance PLC, a leading finance company from 2013 to 2018.

Profile of The Directors - Continued



Mr. Shafique-ul-Azam
Independent Director

Mr. Shafique-ul-Azam, an Independent Director of the Board of Directors of Bangladesh Industrial Finance Company Limited (BIFC), is a notable and incisive expert in Finance & Development with over three decades of experience. He is also the Chairman of the Risk Management Committee and Member of the Executive Committee, and the Audit Committee.

Mr. Azam is the Managing Director of BD Venture Limited, the country's first venture capital company. He earned his graduation with honors in Economics and an MBA in Marketing from IBA, University of Dhaka; He started his career in MIDAS in 1986. He served for MIDAS Financing PLC as Managing Director for the period from 2010 to 2019. While he was in MIDAS Financing PLC he represented the company to the Board of BD Venture Limited, Fin Excel Limited. He has vast experience in MSME financing and Entrepreneurship development.

He conducted many trainings as a facilitator and lead facilitator on Small Enterprise Development, Micro Enterprise Development and Micro Credit Management to the mid-level and senior officials of different NGOs, Banks, and International Institutions, like BRAC, PROSHIKA, Department of Women Affairs, Sonali Bank PLC, Janata Bank PLC, ITDG, etc.



Mr. Md. Anwarullah Sadeq
Managing Director (Current Charge)

Mr. Md. Anwarullah Sadeq started his career in Bangladesh Industrial Finance Company Limited as a Senior Principal Officer & Branch Manager, Chattogram Branch on November 08, 2009. He currently serves as the Deputy Managing Director (DMD) and holds the current charge of the office of the Managing Director since July 03, 2023. Prior to joining BIFC, Mr. Sadeq worked at Phoenix Finance & Investment Limited and Premier Leasing & Finance Limited. He has more than 23 years of experience in the NBFIs sectors and gained valuable knowledge and skills.

Mr. Sadeq holds a Master's Degree in Accounting and also completed MBA degree major in Marketing. He completed a chartered accountancy course from a reputed firm, Toha Anwar Rouf & Co., Chartered Accountants. Throughout his career, Mr. Sadeq participated in various seminars, workshops, and training courses to enhance his knowledge and skills.

COMMITTEES

The Committees of the Board

To strengthen corporate governance and ensure transparency, accountability, and effective decision-making, BIFC conducts its affairs through various committees constituted by the Board of Directors.

The composition of the various sub-committees of the Board of Directors of BIFC is presented below:

Executive Committee (EC)

The Executive Committee consists of the following 3 (Three) members of the Board of Directors:

Sl.	Name	Status in the Company	Status in the Committee
1	Mr. Ikteder Ahmed	Chairman & Nominated Director	Chairman
2	Mr. Ansar Uddin Ahmed	Independent Director	Member
3	Mr. Shafique-Ul-Azam	Independent Director	Member

Audit Committee

The Audit Committee consists of the following 3 (three) members of the Board of Directors:

Sl.	Name	Status in the Company	Status in the Committee
1	Mr. Ansar Uddin Ahmed	Independent Director	Chairman
2	Mr. Shafique-Ul-Azam	Independent Director	Member
3	Mr. Mahmudul Hasan	Nominated Director	Member

The report of the audit committee is presented in the page no. 35-37

Risk Management Committee

The Risk Management Committee consists of the following 3 (three) members of the Board of Directors

Sl.	Name	Status in the Company	Designation
1	Mr. Shafique-Ul-Azam	Independent Director	Chairman
2	Mr. Ansar Uddin Ahmed	Independent Director	Member
3	Mr. Mahmudul Hasan	Nominated Director	Member

Committees - Continued

The Committees of the Management

To ensure efficient management and effective operational oversight, the Management of Bangladesh Industrial Finance Company Limited (BIFC) has constituted several management committees to oversee various functional areas of the Company.

The status of the existing management committees is presented below:

(A) MANAGEMENT COMMITTEE (MANCOM)

Sl.	Name	Designation & Department	Position in the Committee
1	Mr. Md. Anwarullah Sadeq	Managing Director (Current Charge)	Chairman
2	Mr. Mohiuddin Ahmed	SVP & CFO	Member
3	Mr. Anisur Rahaman	SAVP, CS & Head of Business	Member Secretary
4	Mr. Md. Zulfikar Ali	SPO, In-charge, Human Resources & Administration	Member
5	Mr. Md. Zahidul Islam	SPO, In-charge, SAM & Uttara Branch	Member
6	Ms. Homaira Sharafat Nezad	SPO, Head of Treasury & Liability	Member

The Management Committee of BIFC, a high-level executive body, is headed by the Managing Director. The Committee comprises the heads of key functional areas and is responsible for implementing the Company's strategic objectives while overseeing its day-to-day operations. It serves as a vital link between the Board's strategic direction and operational execution, ensuring effective coordination across departments, prudent risk management, and the achievement of the Company's financial, legal, and operational objectives.

(B) MANAGEMENT CREDIT COMMITTEE (MCC)

Sl.	Name	Designation & Department	Position in the Committee
1	Mr. Md. Anwarullah Sadeq	Managing Director (Current Charge)	Chairman
2	Mr. Anisur Rahaman	SAVP, CS & Head of Business	Member Secretary
3	Mr. Md. Zahidul lslam	SPO, In-charge SAM & Uttra Branch	Member
4	Mr. Shaikh Moshiur Rahman	Principal Officer, In-charge of CAD & CRM	Member
5	Ms. Amena Khatun	Senior Officer, In-charge SME	Member

The Management Credit Committee (MCC) of BIFC, headed by the Managing Director, is responsible for reviewing, approving, and monitoring loans and credit facilities within its delegated authority. The Committee ensures compliance with the Company's credit policies and regulatory requirements, manages credit risk, assesses borrowers' repayment capacity, and exercises such additional powers as may be delegated by the Board of Directors. Its credit approval authority is reviewed periodically by the Board.

Committees - Continued

(C) ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO)

Sl.	Name	Designation & Department	Position in the Committee
1	Mr. Mohiuddin Ahmed	SVP & CFO	Chairman
2	Mr. Anisur Rahaman	SAVP, CS & Head of Business	Member Secretary
3	Ms. Homaira Sharafat Nezad	SPO, Head of Treasury & Liability	Member

The principal responsibility of ALCO is to maintain optimum balance between assets and liability in terms of value, tenor and liquidity.

(D) INTERNAL CONTROL & COMPLIANCE COMMITTEE

Sl.	Name	Designation & Department	Position in the Committee
1	Mr. Anisur Rahaman	SAVP, CS & Head of Business	Chairman
2	Mr. Mohiuddin Ahmed	SVP & CFO	Member
3	Mr. Md. Shahriar Kobir	Principal Officer, Head of ICC Department	Member Secretary

The main objective of the Internal Control and Compliance Committee (ICC) are:

- Observe efficiency and effectiveness of activities (performance objectives)
- Ensure reliability, completeness and timeliness of financial and management information (information objectives)
- Compliance with applicable laws and regulations (compliance objectives) and accountability to the Board.

(E) CENTRAL COMPLIANCE UNIT (CCU)

Sl.	Name	Designation & Department	Position in the Unit
1	Mr. Anisur Rahaman	SAVP, Company Secretary & Head of Business	CAMLCO
2	Mr. Md. Shahriar Kobir	Principal Officer, Head of ICC Department	D-CAMLCO & Member Secretary
3	Mr. Md. Zahidul Islam	SPO, In Charge, SAM & Uttara Branch	BAMLCO Uttara Branch
4	Mr. Muradur Rahman	SPO, In Charge of Chattogram Branch	BAMLCO Chattogram Branch
5	Mr. Md. Ripon Biswas	Principal Officer, In Charge, Narayanganj Branch	BAMLCO Narayanganj Branch
6	Mr. Mohiuddin Ahmed	SVP & CFO	Member
7	Ms. Homaira Sharafat Nezad	SPO, Head of Treasury & Liability	Member

The Central Compliance Unit (CCU) is responsible for ensuring compliance with anti-money laundering (AML), combating the financing of terrorism (CFT), and Know Your Customer (KYC) requirements. It oversees customer due diligence (CDD), identifies beneficial owners and politically exposed persons (PEPs), maintains customer records for at least five years, monitors suspicious activities, and reports suspicious transactions to Bangladesh Bank. The CCU also conducts employee screening and customer awareness programs to strengthen the Company's compliance framework.

Committees - Continued

(F) ICT COMMITTEE

Sl.	Name	Designation & Department	Position in the Committee
1	Mr. Mohiuddin Ahmed	SVP & CFO	Chairman
2	Mr. Anisur Rahaman	SAVP, Company Secretary & Head of Business	Member
3	Mr. Md. Zulfikar Ali	SPO, In-charge Human Resources & Administration	Member
4	Mr. Md. Shahnawaz	Principal Officer, In-charge of ICT	Member Secretary

The Information and Communication Technology (ICT) Committee is responsible for establishing and overseeing the Company's ICT governance and information security framework. It ensures the security, stability, and reliability of the ICT infrastructure by implementing appropriate security policies, identifying and managing information security risks, safeguarding critical information assets, promoting user awareness and training, and conducting periodic reviews of ICT policies and security measures to address emerging risks and technological developments.

(G) RECRUITMENT & PROMOTION COMMITTEE

Sl.	Name	Designation & Department	Position in the Committee
1	Mr. Md. Anwarullah Sadeq	Managing Director (C.C.)	Chairman
2	Mr. Mohiuddin Ahmed	SVP & CFO	Member
3	Mr. Anisur Rahaman	SAVP, CS & Head of Business	Member
4	Mr. Md. Zulfikar Ali	SPO, In-charge Human Resources & Administration	Member Secretary

The committee is responsible for overseeing the recruitment and promotion of employees in a fair, transparent, and merit-based manner. It evaluates candidates for appointment and advancement in accordance with the Company's policies, applicable regulations, and approved criteria, ensuring that all personnel decisions uphold transparency, accountability, and organizational integrity.

(H) PROCUREMENT AND DISPOSAL OFF COMMITTEE

Sl.	Name	Designation & Department	Position in the Committee
1	Mr. Mohiuddin Ahmed	SVP & CFO	Chairman
2	Mr. Anisur Rahaman	SAVP, CS & Head of Business	Member
3	Mr. Md. Shahnawaz	Principal Officer, ICT	Member
4	Mr. Md. Zulfikar Ali	SPO, In-charge Human Resources & Administration	Member Secretary

The committee is liable for procurement & disposal of the company’s fixed assets.

(I) WILLFUL DEFAULTER IDENTIFICATION UNIT

Sl.	Name	Designation	Position in the Committee
1	Mr. Anisur Rahaman	SAVP (CS & Head of Business)	Chairman
2	Mr. Mohiuddin Ahmed	SVP & CFO	Member
3	Mr. Md. Zahidul Islam	SPO, In-charge, Special Asset Management & Uttara Branch	Member Secretary
4	Mr. Md. Shahriar Kobir	Principal Officer, Head of ICC Department	Member
5	Mr. Shaikh Moshiur Rahman	Principal Officer, In charge of CAD & CRM	Member
6	Mr. Md. Ashrafuzzaman	Senior Officer, Legal Department	Member

The Unit identifies willful defaulters of the company and report to the Bangladesh Bank.



CHAIRMAN'S REVIEW

Dear Valued Shareholders,

Distinguished Members of the Board of Directors, Esteemed Guests, Ladies and Gentlemen.

Assalamu Alaikum Wa Rahamatullah

I welcome you all to the 30th Annual General Meeting of Bangladesh Industrial Finance Company Limited (BIFC).

You are aware that Bangladesh Industrial Finance Company Limited (BIFC) is a Non-Banking Financial Institution licensed under Financial Institution Act-1993 (updated 2023). The Company started its operation on February 19, 1998. BIFC went for public issue of shares in the year 2006 and listed with Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC.

The Company was established with the objective of mobilizing deposits from a broad range of customers, including individuals, corporate entities, public institutions, banks and financial institutions.

Since its inception, BIFC performed commendably and, for many years, was regarded as one of the leading and most reputable financial institutions in the country. The Company consistently generated satisfactory business results and rewarded its shareholders by paying dividends every year upto 2014.

However, signs of financial deterioration began to emerge in the latter part of 2015. Between 2016 and 2020, BIFC suffered significant setbacks through a hostile takeover allegedly led by the infamous S. Alam Group and P.K. Halder gang. During this period, the Company's core business operations were effectively suspended, resulting in severe operational and financial distress.

Subsequently, from 2021 to 2023, the Company was managed by a court-appointed Board. Owing to limited experience and understanding of the operations and regulatory framework of a non-bank financial institution, the Board was unable to address the Company's deteriorating financial condition effectively, resulting in a further decline in its operational and financial position.

After taking over the responsibility of the Chairman of BIFC, the Company has adopted a comprehensive restructuring and recovery plan aimed at restoring financial stability and resuming sustainable operations. Upon execution of restructuring plan, the Non-performing Loan (NPL) Ratio of BIFC will be reduced from existing 97.65% to 16.40% and will improve the asset quality and strengthen the balance sheet.

The current Board of Directors and Management are focused on strengthening corporate governance, improving internal controls, and implementing strategic reforms to enhance operational efficiency. Subject to successful implementation of the recovery plan and improvement in financial performance, BIFC aims to gradually revive its core lending and deposit-taking operations and capitalize on future business opportunities.

After taking over as Chairman of BIFC, steps were taken to reconstitute the Executive Committee, Risk Management Committee and the Audit Committee; special directives were also given to the Management to lay maximum emphasis on monitoring and recovery of defaulted loans with a view to reducing non-performing loans/ leases. With this end in view, a Recovery Team was formed to monitor the defaulting clients on a daily basis and recovery from delinquent and stuck up clients is expected to increase within a reasonable time. Besides, the defaulters are being called at our office at regular intervals and after series of meetings/ discussions, some of them have responded positively to reschedule their liabilities with BIFC. Other defaulters are also being chased regularly to sit with us for

rescheduling. As on 31st December 2025, the loan portfolio of BIFC stood at BDT 7,625 million.

I strongly believe that once the loan transfer process of Sunman Group & their guaranteed/related parties is completed, BIFC will be able to pay off the INDIVIDUAL DEPOSITORS' MONEY and minimize its assets liability gap gradually.

On behalf of the Board of Directors, I would like to express my sincere appreciation to the Governor of Bangladesh Bank and the officials of its Department of Finance Company Regulation and Policy Department (FCRPD) for their consultative approach, guidance, cooperation, and continued support throughout the year.

I also convey my heartfelt gratitude to the officials of the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange PLC., and Chittagong Stock Exchange PLC. for their ongoing cooperation and constructive support.

My sincere thanks are extended to our valued shareholders and clients, as well as to my fellow members of the Board of Directors, for their unwavering support and collaboration. I would also like to express my deep appreciation to the Management team for their leadership and professional expertise, and to our dedicated employees for their commitment and hard work.

Finally, I remain confident that BIFC will continue its journey of sustainable growth and create lasting value for all stakeholders in the years ahead.



Ikteder Ahmed
Chairman, Bangladesh Industrial Finance Co. Ltd.
Former Senior District Judge; &
The Registrar General of the Supreme Court of Bangladesh

ADDRESS FROM THE MANAGING DIRECTOR (CURRENT CHARGE)



Dear Valued Shareholders,

Assalamu Alaikum,

Apart from the banking sector, finance companies in Bangladesh play a significant role in the country's economic development by promoting effective and efficient financial intermediation. Bangladesh Industrial Finance Company Limited (BIFC), a Non-Bank Financial Institution (NBFI), has been an active participant in this process. Incorporated as a Public Limited Company in August 1996 and licensed by Bangladesh Bank in February 1998, BIFC has consistently endeavored to provide innovative, customized, prompt, and cost-effective financial solutions. Through its operations, the Company has contributed to the socio-economic development of the country while maintaining high standards of corporate governance, business ethics, and customer satisfaction.

BIFC remains committed to a client-centric approach, delivering financial solutions tailored to the diverse needs of its clients. Supported by a team of experienced and dedicated professionals, the Company strives to ensure efficient service delivery, prompt decision-making, and long-term value creation for its customers and stakeholders.

The Company continues to pursue a comprehensive recovery strategy to address the challenges arising from its legacy non-performing loan (NPL) portfolio. As the financial distress has been largely driven by a concentrated exposure to a limited number of defaulted borrowers, the implementation of the approved reconstruction plan is expected to substantially reduce the NPL ratio, strengthen the Company's financial position, improve asset quality, and enhance compliance with applicable regulatory requirements.

As a licensed and publicly listed financial institution, BIFC remains committed to maintaining sound corporate governance, transparency, and regulatory compliance. With the continued support and guidance of Bangladesh Bank and other regulatory authorities, together with prudent leadership by the Board of Directors and disciplined execution by the management team, the Company is working to restore its financial stability, reinforce stakeholder confidence, and gradually resume sustainable business operations.

The restoration of control to the Company's principal shareholders has marked the beginning of a new phase of strategic leadership and governance. Leveraging their industry knowledge, experience, and long-term commitment, the Board of Directors, together with the management team, is focused on implementing the Company's reconstruction initiatives, strengthening operational performance, enhancing risk management, and laying a solid foundation for sustainable growth and long-term value creation for shareholders and other stakeholders.

While challenges remain, the Board is confident that the strategic initiatives already undertaken will support the Company's recovery and position BIFC to regain financial resilience over time. We remain committed to acting in the best interests of our shareholders, depositors, customers, employees, regulators, and all other stakeholders through responsible governance, operational excellence, and prudent financial management.

In closing, I would like to express my sincere appreciation to our Honourable Chairman, esteemed members of the Board of Directors, Bangladesh Bank, the Bangladesh Securities and Exchange Commission, other regulatory authorities, our valued shareholders, customers, depositors, business partners, and all other stakeholders for their continued confidence, cooperation, and support. I also extend my heartfelt thanks to our dedicated employees for their commitment, professionalism, and perseverance. Together, we remain committed to rebuilding BIFC into a stronger, more resilient, and sustainable financial institution capable of creating enduring value for all stakeholders.



Md. Anwarullah Sadeq
Managing Director (Current Charge)

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,

Assalamu Alaikum Wa Rahamatullah.

We, the Board of Directors of Bangladesh Industrial Finance Company Limited (BIFC), have the privilege and honor to present the Annual Report together with the audited Financial Statements of the Company for the year ended December 31, 2025.

The Directors' Report has been prepared in compliance with the provisions of Section 184 of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (BSEC) Notification No. SEC/CMRRCD/2016-158/134/Admin/80 dated June 03, 2018, the Listing Regulations of the Dhaka and Chittagong Stock Exchanges, and all other applicable laws, rules, regulations, and guidelines issued by the relevant regulatory authorities.

Global Developments/Economy

The global economy remained resilient in 2025 despite geopolitical tensions, trade uncertainties, and tight financial conditions. Global growth was estimated at around 3.3%, supported by moderating inflation, stable labor markets, and the gradual easing of monetary policies in many economies. However, risks arising from geopolitical conflicts, trade disruptions, high public debt, and climate-related challenges continued to weigh on the global outlook. Overall, the year was marked by moderate economic growth, easing inflation, and improving financial conditions, while underscoring the need for prudent macroeconomic policies and structural reforms to ensure sustainable long-term growth.

Overview of the Economy of Bangladesh (FY2025)

The economy of Bangladesh experienced a challenging yet resilient year in FY2025 amid persistent inflation, exchange rate adjustments, tight monetary conditions, and global economic uncertainties. Despite these challenges, the economy remained supported by steady export earnings, particularly from the ready-made garments (RMG) sector, healthy remittance inflows, and prudent macroeconomic policy measures.

Real GDP growth moderated during the year due to weaker industrial production, subdued private investment, and softer domestic demand. Inflation remained elevated, prompting the Government and Bangladesh Bank to continue monetary and fiscal measures to stabilize prices and strengthen macroeconomic stability.

The external sector showed gradual improvement as robust remittance inflows and resilient exports supported foreign exchange reserves and the current account balance. Meanwhile, ongoing reforms in the financial sector focused on strengthening governance, enhancing regulatory oversight, improving banking sector resilience, and modernizing the exchange rate framework.

Despite near-term challenges, Bangladesh's long-term economic outlook remains positive, supported by a young workforce, competitive export industries, expanding infrastructure, and continued structural reforms. With improving macroeconomic stability and stronger investor confidence, the economy is expected to regain momentum in the coming years.

Financial Sector Developments in Bangladesh

Bangladesh's financial sector underwent a period of significant structural adjustment during FY2025, as policymakers intensified efforts to restore financial stability and strengthen institutional governance. The sector faced mounting challenges arising from a sharp increase in non-performing loans (NPLs), weak corporate governance in several financial institutions, capital deficiencies, and long-standing asset quality concerns. In response, the regulatory authorities initiated a comprehensive reform program aimed at improving transparency, enhancing supervision, and rebuilding confidence in the banking system.

Banking Sector Stress and Regulatory Intervention

The banking industry experienced unprecedented stress during the year as defaulted loans rose to record levels, exceeding BDT 5.5 lakh crore, representing more than 30% of total outstanding credit. State-owned

commercial banks and several Islamic banks accounted for a significant share of the deterioration, resulting in substantial capital shortfalls across the sector. Overall, the banking industry recorded an estimated net loss of approximately BDT 1.36 lakh crore, reflecting the magnitude of accumulated credit impairment and provisioning requirements.

To accurately assess the financial condition of banks, Bangladesh Bank launched comprehensive Asset Quality Reviews (AQRs), engaging internationally recognized audit firms to conduct independent assessments of loan portfolios. The AQR initiative is intended to determine the true extent of non-performing assets, identify capital requirements, and establish a credible roadmap for the recapitalization and restructuring of financially distressed institutions.

As part of broader governance reforms, Bangladesh Bank also undertook decisive supervisory actions by dissolving the boards of approximately two dozen financially troubled banks and several distressed Non-Bank Financial Institutions (NBFIs). Interim boards and management teams were appointed to strengthen corporate governance, improve operational oversight, and facilitate the implementation of corrective measures aimed at restoring institutional stability.

These initiatives represent an important step toward enhancing transparency, strengthening regulatory oversight, improving risk management practices, and laying the foundation for a more resilient and sustainable financial system in Bangladesh.

Finance Company Sector: Challenges and Regulatory Reforms

The NBFI sector in Bangladesh faces severe systemic stress, characterized by Non-Performing Loans (NPLs) exceeding 35% and acute liquidity crises that have eroded public confidence. Driven by insider abuse and weak governance, this distress has forced a historic shift away from regulatory forbearance toward strict, aggressive resolution and liquidation tactics.

NPLs in NBFIs have surged to a critical BDT 27,189 crore, accounting for roughly 35.32% of the sector's total outstanding loan portfolio. Only nine out of the 35 licensed NBFIs maintain sound financial health. This massive distress has resulted in payment failures, trapping life savings and causing severe hardship for individual depositors.

Bangladesh Bank has overhauled the regulatory framework, shifting toward aggressive enforcement to restore discipline: The central bank has initiated the liquidation of five insolvent NBFIs and issued strict three-month deadlines for four other distressed firms to improve capital and recover loans.

The Bank Resolution Ordinance now covers NBFIs, providing legal authority for mergers, restructuring, or closures to protect depositors. Regulations have been strengthened to identify "willful defaulters," subjecting them to restrictions on travel, business operations, and financial services. The finance company sector continued to face significant challenges during FY2025, driven by weak asset quality, liquidity constraints, governance deficiencies, and a high level of non-performing loans. Several Non-Bank Financial Institutions (NBFIs) remained under financial stress, affecting public confidence and sector stability.

To address these challenges, Bangladesh Bank strengthened regulatory oversight by restructuring the boards of distressed finance companies, appointing interim management where necessary, and enhancing supervision. The central bank also introduced corrective measures to improve governance, strengthen risk management, and support the recovery of financially vulnerable institutions, with the objective of restoring stability and confidence in the sector.

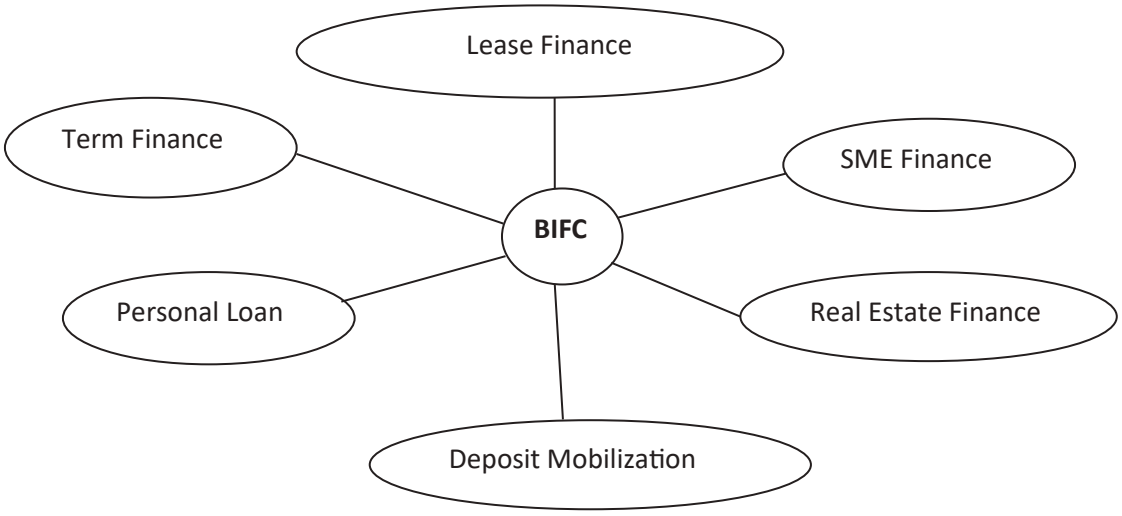
Overview of the Capital Market in Bangladesh

Bangladesh's capital market plays a vital role in supporting economic growth by mobilizing long-term funds for businesses and the government. Regulated by the Bangladesh Securities and Exchange Commission (BSEC), the market primarily comprises the Dhaka Stock Exchange (DSE) PLC and the Chittagong Stock Exchange (CSE) PLC. During FY2025, the capital market faced challenges due to economic uncertainties, elevated inflation, and weak

investor confidence, resulting in subdued trading activity and market volatility. In response, the regulatory authorities continued implementing reforms to strengthen market governance, enhance transparency, improve regulatory oversight, and broaden investor participation. These initiatives are expected to foster a more stable, efficient, and resilient capital market over the long term.

Reflection on Activities of BIFC

It is important to note that BIFC's core business operations have remained suspended since 2016 due to its prolonged financial distress. Subsequently, in 2018, the Company discontinued the collection of deposits and other market-based funds. As a result, Bangladesh Industrial Finance Company Limited (BIFC) was unable to undertake any financing or other operational business activities during the year 2025. Prior to the suspension of its operations, however, the Company had been actively engaged in providing financial assistance to various sectors of the economy, including:



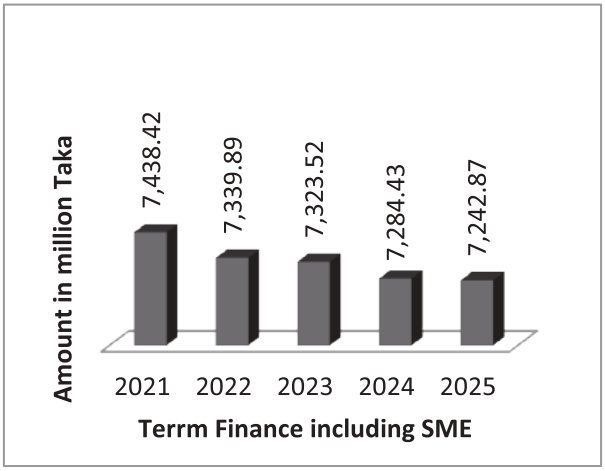
Business Review for the Year 2025

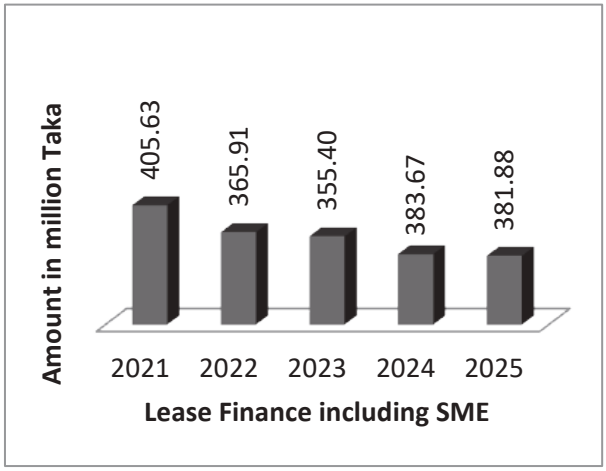
During 2025, BIFC continued to face significant financial challenges due to the prolonged default of a substantial number of borrowers. As the majority of borrowers failed to repay their overdue loan obligations, the Company experienced severe liquidity constraints, which prevented it from undertaking fresh loan disbursements, meeting debt servicing obligations, and repaying deposit liabilities in a timely manner.

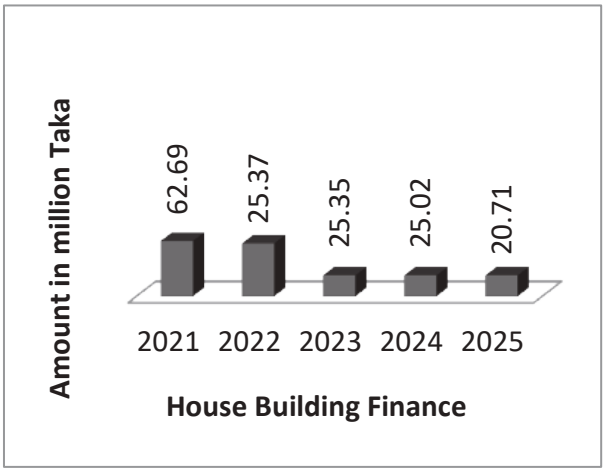
Despite these challenges, the Company remained committed to improving its financial position by undertaking intensive recovery initiatives. Management continued to make all-out efforts to recover non-performing loans through regular follow-up, legal actions, and negotiations with defaulting borrowers. At the same time, the Company endeavored to repay depositors to the extent permitted by its available liquidity, while maintaining compliance with applicable regulatory requirements and safeguarding the interests of all stakeholders.

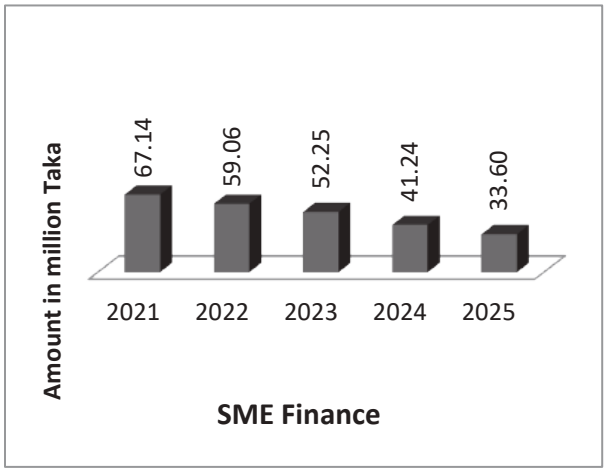
Portfolio Status

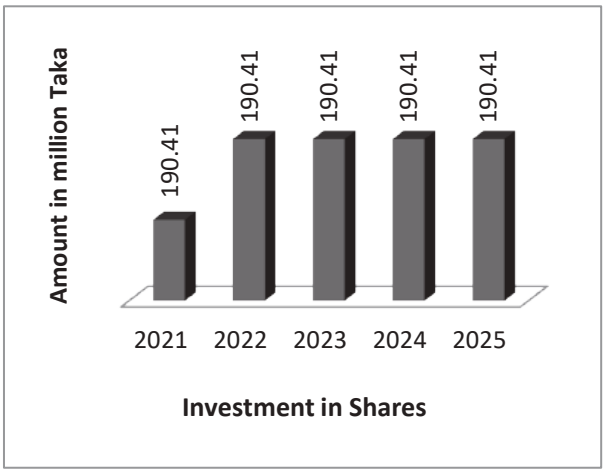
Graphical presentations of portfolio status as of the reporting date (year-end) of the previous 5 years are depicted below. It may be mentioned here that even though no fresh disbursement was made during the year 2025, the outstanding amount increased due to interest charges and decreased by collections.

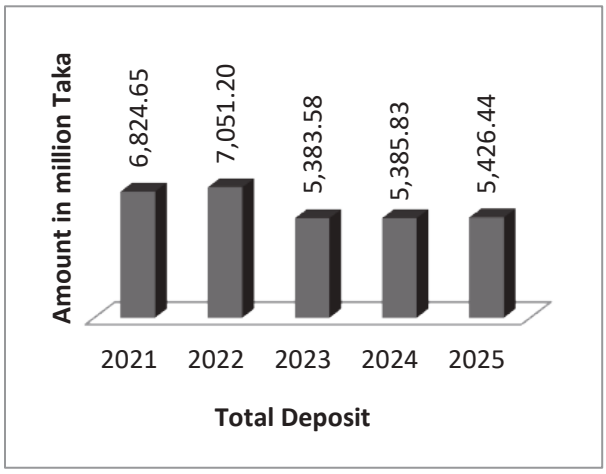

Amount in million Taka
7,438.42
7,339.89
7,323.52
7,284.43
7,242.87
2021 2022 2023 2024 2025
Terrm Finance including SME


Amount in million Taka
405.63
365.91
355.40
383.67
381.88
2021 2022 2023 2024 2025
Lease Finance including SME


Amount in million Taka
62.69
25.37
25.35
25.02
20.71
2021 2022 2023 2024 2025
House Building Finance


Amount in million Taka
67.14
59.06
52.25
41.24
33.60
2021 2022 2023 2024 2025
SME Finance


Amount in million Taka
190.41
190.41
190.41
190.41
190.41
2021 2022 2023 2024 2025
Investment in Shares


Amount in million Taka
6,824.65
7,051.20
5,383.58
5,385.83
5,426.44
2021 2022 2023 2024 2025
Total Deposit

Balance of Deposit

BIFC has suspended the acceptance of new deposits since 2018 due to a severe liquidity crisis. Consequently, the Company did not mobilize any fresh deposits during the year under review. Despite the suspension of deposit collection, the Company's outstanding deposit balance increased marginally due to the capitalization of accrued interest. As at 31 December 2025, the total deposit base stood at Tk. 5,426 million, compared to Tk. 5,386 million, representing an increase of Tk. 40 million or 0.74%.

Geographical Segmentation

BIFC has four branches located at Gulshan, Uttara (Dhaka), Narayangonj, and Chattogram.

Financial Performances of BIFC

The company's before and after tax profit/(loss) for the year 2025 were BDT (742,942,706) and BDT (743,460,392), respectively, compared to BDT (670,283,701) and BDT (670,902,708), respectively, in the previous year.

The financial Performance Summary of BIFC: **Amount in Taka**

Particulars	2025	2024	2023	2022	2021
Profit Before Tax	(742,942,706)	(670,283,701)	(569,066,679)	(762,926,067)	(984,811,655)
Net Profit After Tax	(743,460,392)	(670,902,708)	(569,396,532)	(763,424,324)	(985,046,693)
Total Assets	8,590,773,921	8,686,470,420	8,814,925,292	8,922,488,081	9,038,307,738
Total loan, lease & advances	7,624,747,470	7,668,101,709	7,704,027,742	7,731,175,550	7,906,791,256
Total Deposit	5,427,621,057	5,387,063,439	5,391,160,916	7,058,965,959	6,832,462,562
Cost of Fund	9.05%	9.07%	9.56%	7.83%	9.09%
Interest Income	60,987,446	99,183,482	8,726,465	76,100,651	35,312,383
Net Interest Income	(702,352,299)	(680,781,050)	(484,897,591)	(719,372,917)	(855,372,425)
Net Asset Value Per Share	(133.58)	(126.11)	(119.45)	(114.42)	(106.83)
Return on Total Assets	(8.65)%	(7.72)%	(6.46)%	(8.56) %	(10.90) %
Return on Equity	(0.06) %	(0.05) %	(0.05) %	(0.07) %	(0.09) %
Earnings Per Share	(7.38)	(6.66)	(5.66)	(7.58)	(9.78)

Year wise Cash flow analysis of BIFC:

Particulars	2025	2024	2023	2022	2021
Cash flow from Operating Activities	(3,219,124)	1,180,104	(78,960,477)	(213,739,461)	(265,622,251)
Net Cash flow from Investing Activities	110,281	1,350	-	-	718,675
Cash flow from financing activities	(184,212)	(9,789,046)	(184,212)	276,893,439	296,172,388
Closing Cash & Cash Equivalents Closing	24,013,242	27,306,297	35,913,889	115,058,578	51,904,599
Net Operating Cash Flow per Share	(0.03)	0.01	(0.78)	(2.12)	(2.64)

Comparative cash flow analysis with peer industry based on December 31, 2025:

Particulars	BIFCL	United Finance PLC	Islamic Finance & Investment PLC
Cash flow from Operating Activities	(3,219,124)	524,553,414	(109,560,048)
Net Cash flow from Investing Activities	110,281	(284,809,355)	6,812,655
Cash flow from financing activities	(184,212)	(504,159,218)	(240,028,077)
Closing Cash & Cash equivalents Closing	24,013,242	3,568,272,923	1,338,038,682
Net Operating Cash Flow per Share	(0.03)	2.80	(0.78)

Sources of Fund

BIFC utilized the previously raised/collected funds and did not borrow any money under any credit line during the year 2025.

Dividend

The Company incurred a loss during the financial year ended 31 December 2025, and its total equity remained negative as at the reporting date. In view of its financial position and in the interest of preserving capital, the Board of Directors has recommended no dividend for the year 2025. Accordingly, no cash dividend or stock (bonus) dividend has been recommended for the year. Furthermore, no interim cash or stock (bonus) dividend was declared or paid during 2025.

Risk Management

BIFC has different committees for risk management. Credit Committee, and Asset and Liability Committee (ALCO), consisting of BIFC's senior management, regularly appraise issues relating to market, credit, and liquidity so as to identify and execute appropriate measures to address and mitigate associated risks. BIFC has an approved Asset Liability Management (ALM) Policy. The Credit Risk Management (CRM) department independently examines projects from a risk-weighted point of view and assists the relevant departments in setting business development priorities in line with BIFC's risk appetite, while rationalizing the risk-return trade-off derived from the related risk exposure. The CRM team clearly points out exceptionally high-risk sectors and illegal lending types that the company does not entertain under any environmental, social, or ethical considerations of such projects.

At the individual exposure level, a credit risk grading is used to encourage the safety and soundness of the company by making informed decisions. At the portfolio level, the company follows the quality of the loan by analyzing risk transfer and trends in the non-performing ratios of different lending portfolios on a regular basis. Such indicators prompt timely decisions by the relevant risk management committees in preserving the quality of the loans and advances. BIFC's Credit Administration Department (CAD) and Internal Control and Compliance Department (ICC) are responsible for assessing operational risk across the company as a whole, ensuring an appropriate framework to identify and manage operational risks.

Internal Control & Compliance

The internal control system is designed to manage rather than eliminate the risk of achieving business objectives. Internal control aims at providing reasonable and not absolute assurance against material misstatements or loss. The internal audit department of the company as well as the board reviews the internal control system and its effectiveness. There are policies and procedures in place to ensure compliance with internal control and the prescribed laws and regulations. These policies and procedures are updated from time to time in tandem with changes to the business environment or regulatory guidelines.

Corporate Governance

The Board of Directors of BIFC has adopted effective Corporate Governance practices as one of its priorities to conduct its business and operational activities. When conducting the Company's business activities, all efforts of BIFC are to ensure adequate protection of its shareholders and other stakeholders at all times.

Directors of the Company

The undersigned was re-elected as the Chairman of the Company at the 248th Meeting of the Board of Directors held on April 7, 2026.

The present members of the Board of Directors of BIFC are as follows:

Sl.	Name	Designation
1.	Mr. Ikteder Ahmed	Nominated Director, Merrill & Forbes Inc.
2.	Mr. Mahmudul Hasan	Nominated Director, Five Continents Credit Ltd.
3.	Mr. Ansar Uddin Ahmed	Independent Director
4.	Mr. Shafique-Ul-Azam	Independent Director

Brief resume of the Directors who will seek re- appointment/approval in the AGM

Brief resumes of the Directors, as required under clause 1.5(xxiv) of the Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 and Notification No. BSEC/CMRRCD/2009-193/3/Admin/104 dated 05 February 2020, are presented on page 9 to 12 of this Annual Report. The resumes include a summary of the Directors' academic qualifications, professional credentials, industry experience, and expertise in relevant functional areas.

Election/ re-election of Directors

Pursuant to Articles 114 and 115 of the Articles of Association of Bangladesh Industrial Finance Company Limited (BIFC), Mr. Ikteder Ahmed, Nominated Director of Merrill & Forbes Inc., USA, who was appointed at the 26th Annual General Meeting held on November 15, 2023, and whose appointment was approved by obtaining the No Objection Certificate (NOC) from Bangladesh Bank on January 03, 2024, shall retire by rotation at the 30th Annual General Meeting of the Company.

Being eligible for re-election, Mr. Ikteder Ahmed has offered himself for re-election as a Director of the Company. Accordingly, the Board of Directors has recommended that the matter be placed before the shareholders at the 30th Annual General Meeting for their consideration and approval for his re-election as a Director for a further term of three (3) years from the date of the 30th Annual General Meeting, subject to applicable laws, regulations and regulatory approvals.

Statement of Directors on Financial Reports

a) The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 1994, and the Securities and Exchange Rules, 1987. These statements fairly present the Company's statement of affairs, the result of its operation, cash flow, and statement of changes in equity.

b) Proper books of accounts of the Company have been maintained.

c) Appropriate Accounting Policies have been consistently applied in preparation of the financial statements, except those referred to in the financial statements, and the accounting estimates are based on reasonable and prudent judgment.

d) The presentation of Financial Statements has been made in accordance with the Bangladesh Bank DFIM circular No.11 dated December 23, 2009.

e) International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in the preparation of the financial statements.

f) The Internal Control System is sound in design and has been effectively implemented and monitored.

g) Directors have felt that it is appropriate to adopt the going concern assumption in preparing the financial statements for the year 2025.

h) There is no significant deviation from the operating result of the last year.

i) No stock dividend has been recommended by the Board of Directors of the Company as an interim dividend.

Review on Auditors' Report of the Company

The Auditors of the company have provided the following qualified opinions and matter of emphasis:

Qualified Opinion-

1. The Company has incurred recurring losses over a number of years, resulting in accumulated losses of Tk. 14,997,755,171 as at 31 December 2025. As of that date, the Company's total liabilities exceeded its total assets by Tk. 13,448,851,291, indicating a significant capital deficiency. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern unless effective measures are taken to strengthen its capital base and improve its liquidity position through equity injection, long-term financing, or other viable financial support arrangements.

2. Reference to the Note No. 4.3.1 to the financial statements, according to Section 9 of Finance Company Act 2023 & Financial Institutions Regulations, 1994, FID Circular No. 06, dated November 06, 2003, FID Circular No. 02 dated November 10, 2004, DFIM Circular Letter No. 01, dated January 12, 2017, and FCRPD Circular Letter No. 03, dated June 21, 2020:

   i) The company should maintain Cash Reserve Ratio (CRR) at a rate of 1.5% on 'Term or Fixed Deposits' (except from Banks and Financial Institutions) but the company could not maintain such provision non complying with above regulation. As on 31 December 2025, CRR represents a deficit amounting to Tk. 8,385,685 to comply with CRR requirement.

   ii) The company is obligated to maintain Statutory Liquidity Reserve (SLR) at a rate of 5% of 'Total Liabilities' (Including CRR of 1.5% on total term deposit) but the company could not maintain such provision in compliance with above regulation. As on 31 December 2025, SLR represents a deficit amounting to TK. 186,784,944 as per the financial statements.

3. With reference to Note 9 to the financial statements, the written-down value (WDV) of Property, Plant and Equipment amounted to Tk. 456,982,827 as at 31 December 2025. Of this amount, Tk.440,000,000 relates to land situated in Palton, the ownership and valuation of which could not be verified due to the unavailability of mutation records, demarcation documents, updated B.S./R.S./S.A./C.S. Khatians, and land tax payment records.

   Furthermore, the Company last revalued its landed property in 2012, and no subsequent revaluation has been performed. Accordingly, it could not be confirmed whether the carrying amounts of the revalued assets materially differ from their fair values at the reporting date, in accordance with IAS16, paragraph 34, which requires revaluations to be carried out with sufficient regularity so that carrying amounts do not differ materially from fair value.

4. With reference to Note 8.00 to the financial statements and the related ledger records, unapplied interest amounting to Tk. 180,820,575 has been incorporated into the outstanding loan balance of Teleplus New York Limited (Agreement No. 01.04.0660). Such treatment is not in compliance with the requirements of DFIM Circular No. 04 dated 26 July 2021.

5. With reference to Notes 11.1, 12.1 and 12.1.2 to the financial statements, balances amounting to Tk.3,477,928,143 under "Borrowings from Other Financial Institutions, Banks and Agents (In Bangladesh)", Tk.2,114,740,000 under "Term Deposit from Banks and other FIs" and Tk.1,681,124,494 under "Term Deposits from other than Banks & FIs" could not be verified due to the non-receipt of confirmation responses from the respective counterparties. These balances exclude the balances for which confirmation responses were received but contained un-reconciled differences with the financial statements. Moreover, no alternative audit procedures could be performed to obtain sufficient appropriate audit evidence regarding these balances.

In addition, differences were noted between the financial statements & bank confirmation. The un-reconciled differences relating to Dutch-Bangla Bank PLC, National Bank PLC, Bangladesh Development Bank PLC, Bangladesh Infrastructure Finance Fund Limited, Basic Bank PLC, Premier Leasing & Finance Limited, Sonali Bank PLC, ICB Employees Provident Fund & Eastern Insurance Co.Ltd. Employees Provident Fund amounted to Tk. 45,838,235, Tk. 864,319, and Tk. (192,827,103), Tk.(351,328,513), Tk. 277,985,512), Tk.(117,704,418), Tk.(58,900,000), Tk.(11,436,714) & Tk.(1,059,201) respectively. These differences remained un-reconciled as of the date of our audit.

6. As per International Accounting Standards (IAS) 19, Para 55, the company has not applied the actuarial valuation method to determine liabilities for the Gratuity Fund and Pension Fund, thereby violating compliance requirements (see Note 13 for details), and the adequacy of provision could not be confirmed.
7. With reference to Note 13 to the financial statements, withholding tax payable amounting to Tk.78,290,635/- remained outstanding as at 31 December 2025 and had not been deposited into the Government treasury in accordance with the requirements of the Income Tax Act, 2023.Consequently, the Company may be exposed to liabilities under Section 143 and 315 of the Income Tax Act, 2023.We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' 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), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified Opinion.

Emphasis of matters-

The Auditors provided the following matters related to Financial Statements:

1. Disclosed in Note 46.3, loans, leases, and advances totaling Tk.6,195,790,768 provided to entities within the Sunman Group Company (Golden Horizon Ltd.) Tk.586,126,351 and rest amount of Tk.5,609,664,417 to the other parties, recovery of which guaranteed by Sunman Group Company's total amount to 81.26% of the total outstanding balance of Tk.7,624,747,470 (Note-8), in contravention of Section 25 of the Finance Companies Act, 2023.
2. According to the BSEC directive dated January 14, 2021, any dividend that remains unpaid or unclaimed for a period of three years must be transferred to the BSEC "Capital Market Stabilization Fund" but the company failed to transfer BDT 4,347,371 of unclaimed dividends to the "Capital Market Stabilization Fund" on time, which in non-compliance with regulations.
3. According to the Companies (Amendment) Act 2020, all public limited companies must add 'PLC' to the end of their company name in order to be recognized as public limited companies. Banks and non-bank financial institutions (NBFI) would have to change the company name and articles of association to adopt the PLC suffix under the Company (Second Amendment) Act 2020. The company has not done anything about this, though.
4. According to DFIM(C) 1054/38/2025-367, dated 29 January 2025, the company must provide the CBS-generated/system-generated trial balance/affairs to the auditor to facilitate the completion of the audit process. The company (BIFCL) has provided us with the system-generated (Fin-telligent) trial balance, which is not integrated with branches.
5. We draw attention to Note# 2.01 which states the difference between IFRS and accounting Guidelines set out by the Bangladesh Bank.

Board's view on the auditors' report

The company performed admirably until 2015, establishing itself as one of the leading financial entities in the country. Subsequently, BIFC suffered major damages by the previous Boards and management taken through hostile take-over led by some of infamous people in the year 2016. The company's core business operations have remained suspended since 2016, leading to significant financial distress.

Resulting of which, the company has defaulted in maintaining required CRR/SLR and repaying the loan installments against Bank borrowings and has become classified. Depositors are also frequently complaining to different regulatory authorities.

Since the suspension of its core business operations in 2016, the Company has undergone a prolonged financial deterioration, culminating in a cumulative loss of Tk. 1,499.78 crore as of December 31, 2025, with the NPL ratio escalating to 97.65%.

In consequence, the Company's ability to comply with key regulatory obligations has been materially constrained. This includes the maintenance of CRR, SLR, and the capital adequacy ratio, as well as deposit of withholding tax to the Government Exchequer and the transfer of unclaimed dividends to the BSEC's Capital Market Stabilization Fund. Accordingly, a substantial portion of the Company's overall regulatory and compliance functions have been significantly impaired.

Under the constraint persuasion of the present Board and management a non-performing loan amount of Tk. 619.58 crore is in a process of restructuring which was approved by Bangladesh Bank. After successfully execution of loans restructuring process, NPL of BIFC will immediately be reduced from 97.65% to 16% and BIFC will be capable to resume its core business as well as to repay the depositors' money.

The Management of BIFC acknowledges the current financial and operational challenges faced by the company. The prolonged suspensions of business activities, coupled with a high level of non-performing loans, have significantly impacted liquidity and solvency. The company is currently evaluating strategic options, including restructuring of liabilities, recovery of outstanding loans, and potential capital injection, to stabilize its financial condition.

Appointment of Statutory Auditors

The Statutory Auditors of the Company, Ahsan Manzur & Co., Chartered Accountants, have completed the audit of the Company's financial statements for the year ended December 31, 2025, successfully concluding three consecutive years as the Company's auditors.

In accordance with the provisions of FID Circular No. 03 dated March 02, 1999, the firm is not eligible for re-appointment for the audit of the Company's financial statements for the year ending December 31, 2026. Accordingly, the Board of Directors has recommended K.M. Alam & Co., Chartered Accountants to be appointed as the Statutory Auditors of the Company for the year 2026, subject to the approval by the shareholders at the 30th Annual General Meeting and Bangladesh Bank.

Compliance Auditor

In accordance with the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission on June 3, 2018, FAMES & R, Chartered Accountants completed the compliance audit of the Company for the year ended December 31, 2025, successfully concluding two consecutive years as the Compliance Auditors.

As they remain eligible for re-appointment under the applicable provisions of the Corporate Governance Code, the Board of Directors has recommended the appointment of FAMES & R, Chartered Accountants as the Compliance Auditors of the Company for the year 2026 to certify compliance with the Corporate Governance Code. The proposed appointment will be placed before the shareholders for their approval at the 30th Annual General Meeting.

Board Meeting and Attendance

During the year 2025, a total of eight (8) meetings of the Board of Directors were held. The attendance record of the Directors at these meetings is presented on page no. 31 of this Annual Report.

Shareholding Pattern

The shareholding pattern as per clause 1.5 (xxiii) of the BSEC Notification No. BSEC/CMRRCD/2006 -158/207/admin/80 dated June 3, 2018, is shown on page no. 32 of this Report.

Key Operating and Financial Data

The summarized key operating and financial data of the Company for the last five years are shown at page no. 33 of this Report.

Related Party Transactions

Disclosure of all related party transactions, including the basis for such transactions, has been provided in Note 46.3 on page no. 113 of this Annual Report.

Declaration and Certification of Managing Director and Chief Financial Officer

Pursuant to clause 1.5 (xxvi) of BSEC Notification No. BSEC/CMRRCD/2006-158/207/admin/80 dated June 3, 2018, the Declaration and Certification is provided on page no. 34 of this Annual Report.

Certification on Compliance of Corporate Governance Code

Certificate from a professional on compliance with the conditions as per clause 9(1) of the Corporate Governance Code is shown on page no. 42.

Dear Shareholders,

The Board of Directors sincerely acknowledges the support of all stakeholders, whose satisfaction remains central to BIFC's activities. The invaluable cooperation received from our clients, Bangladesh Bank, scheduled banks and financial institutions, the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange PLC., Chittagong Stock Exchange PLC., the National Board of Revenue, the Registrar of Joint Stock Companies and Firms, and other concerned agencies has not only facilitated our operations but also enabled the continuation of BIFC's day-to-day activities during an unprecedentedly challenging period. We deeply appreciate everyone's cooperation, support, and guidance.



Ikteder Ahmed
Chairman
Bangladesh Industrial Finance Company Ltd.
Former Senior District Judge &
The Registrar General of the Supreme Court of Bangladesh

Reference:

1. World Economic Outlook, 2025;
2. Asian Development Bank, Asian Development Outlook 2025;
3. State of the Bangladesh Economy in FY2025-26, 4. Centre for Policy Dialogue (CPD).

DIRECTORS' ATTENDANCE IN THE BOARD OF DIRECTORS MEETING DURING THE YEAR 2025

Name of Directors	Position	No. of meetings held	Attended	%	Fess
Mr. Ikteder Ahmed (Nominated Director, Merrill & Forbes Inc., USA)	Chairman	8	8	100	80,000
Mr. Mahmudul Hasan (Nominated Director Five Continents Credit Ltd., Hong Kong	Director	8	8	100	80,000
Mr. Ansar Uddin Ahmed	Independent Director	8	8	100	80,000
Mr. Shafique-ul-Azam	Independent Director	8	7	88	70,000
Mr. Md. Musfiqur Rahman, PHD, FCMA	Independent Director	8	7	88	70,000
Mr. Md. Abdul Wadud, FCA	Independent Director	8	7	88	70,000
Mr. M. Nazrul Islam	Independent Director	1	1	100	10,000
Total					460,000

During the year the following meetings of the Board of Directors were held

236th BOD	January 28, 2025
237th BOD	March 17, 2025
238th BOD	May 19, 2025
239th BOD	June 26, 2025
240th BOD	July 23, 2026
241st BOD	August 26, 2025
242nd BOD	October 22, 2025
243rd BOD	December 10, 2025

SHAREHOLDING PATTERN

SL	Particulars Position	No. of Shares	%
Shareholding By:			
(a) Shareholders			
1.	Five Continents Credit Limited, Hong Kong	19,519,318	19.39
2.	Mr. A.N.M. Jahangir Alam	2,028,633	2.01
3.	Mr. Mohiuddin Ahmed	1,875,789	1.86
4.	Mr. Rais Uddin Ahmed	1,276,333	1.27
5.	Mr. Abdul Aziz Khan	1,226,326	1.22
6.	Merrill & Forbes Inc., USA	12,685,266	12.60
Sub-Total of Sponsors		38,611,665	38.35
(b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance, and their spouses and minor children			
1.	Mr. Ikteder Ahmed, Nominated Director of Merrill & Forbes Inc., USA	Nil	Nil
2.	Mr. Mahmudul Hasan, Nominated Director o Five Continents Credit Ltd. , Hongkong	Nil	Nil
3.	Mr. Ansar Uddin Ahmed, Independent Director	Nil	Nil
4.	Mr. Shafique-Ul-Azam, Independent Director	Nil	Nil
5.	Directors spouses, and their minor children	Nil	Nil
6.	Mr. Md. Anwarullah Sadeq, Managing Director (CC) his spouse & minor children	Nil	Nil
7.	Mr. Mohiuddin Ahmed, CFO, his spouse & minor children	Nil	Nil
8.	Mr. Anisur Rahaman, CS, his spouse & minor children	Nil	Nil
9.	Mr. Md. Shahriar Kobir, HIAC, his spouse & minor children	Nil	Nil
(c) Executives (Top five people other than the CEO, CFO, CS, HIAC)			
1.	Mr. Muradur Rahman, SPO	Nil	Nil
2.	Mr. Md. Zahidul Islam, SPO	Nil	Nil
3.	Mr. Md. Zulfikar Ali, SPO	Nil	Nil
4.	Ms. Homaira Sharafat Nezad, SPO	Nil	Nil
(d) Shareholders holding 10% or more voting rights			
1.	Tees Mart Inc., USA	18,135,256	18.01
(e) Others			
	Institution, individual	43,933,023	43.64
Total		100,679,944	100

FINANCIAL HIGHLIGHTS

Particulars	2021	2022	2023	2024	2025
A. Balance sheet					
Shareholders' equity	(10,756,122,297)	(11,519,546,621)	(12,025,876,255)	(12,696,778,958)	(13,448,851,291)
Paid up capital	1,006,799,440	1,006,799,440	1,006,799,440	1,006,799,440	1,006,799,440
Share money deposit	362	362	362	362	362
Other reserve & surplus	(11,762,922,099)	(12,526,346,423)	(13,032,676,057)	(13,703,578,760)	(14,455,651,093)
Total liability	**19,794,430,035**	**20,442,034,702**	**20,840,801,547**	**21,383,249,378**	**22,039,625,212**
Long term borrowings/loans	3,436,826,929	3,713,720,368	3,713,536,156	3,703,747,111	3,704,603,240
Money at call and short notice	140,000,000	140,000,000	140,000,000	140,000,000	140,000,000
Term deposit	6,824,646,977	7,051,203,915	5,383,582,976	5,385,834,627	5,426,440,085
Others deposit/lease advances	7,815,585	7,762,044	7,577,940	1,228,812	1,180,972
Other liabilities	9,385,140,544	9,529,348,375	11,596,104,475	12,152,438,828	12,767,400,915
Total liabilities & equity	**9,038,307,738**	**8,922,488,081**	**8,814,925,292**	**8,686,470,420**	**8,590,773,921**
Total assets	9,038,307,738	8,922,488,081	8,814,925,292	8,686,470,420	8,590,773,921
Lease finance	405,676,443	365,914,725	355,157,454	383,674,247	381,881,416
Direct finance/Term Finance	7,501,114,813	7,365,260,825	7,348,870,288	7,284,427,462	7,242,866,054
Investment in share	190,411,213	190,411,213	190,411,213	190,413,132	190,413,132
Fund placement	-	-	-	-	
Investment in FDR	-	-	-	20,351,000	13,304,500
Other assets	941,105,269	1,000,901,318	920,486,337	807,604,579	762,308,819
B. Income Statement					
Operating revenue	39,177,137	83,042,839	11,065,424	104,425,070	66,284,632
Non operating revenue	-	-	-	-	
Financial expenses	890,684,808	795,473,568	493,624,056	779,964,532	763,339,745
Depreciation on fixed assets	2,249,952	1,931,983	1,662,255	1,432,964	9,695,033
General and administrative expenses	47,283,785	51,326,502	51,878,661	51,303,468	56,009,121
Other operational expenses	4,925,697	5,201,689	4,651,648	4,914,744	8,802,109
Operational Profit	(905,967,105)	(770,890,903)	(540,751,196)	(733,190,638)	(771,561,376)
Provision for loans, advances, & leases and investments	(78,844,550)	(7,964,836)	28,315,483	(62,906,937)	(28,618,670)
Profit before tax	(984,811,655)	(762,926,067)	(569,066,679)	(670,283,701)	(742,942,706)
Income tax	(235,038)	498,257	329,853	619,007	517,686
Net profit after tax	(985,046,693)	(763,424,324)	(569,396,532)	(670,902,708)	(743,460,392)
C. Business performance					
Lease & loan contracts (Taka in million)	0.17	0.60	9.25	2.1	0.71
Growth (%)	(95)	252	1442	(77)	(66)
Number of lease & loans	2	1	20	3	2
Lease & loan execution (Taka in million)	0.17	0.60	9.25	2.1	0.71
Growth (%)	(95)	252	1442	(77)	(66)
Number of leases & loans	2	1	20	3	2
D. Financial ratios					
Current ratio (in times)	0.13	0.11	0.15	0.36	0.40
Debt equity ratio (in times)	(0.97)	(0.95)	(0.77)	(0.73)	(0.69)
Profit margin before tax (%)	(2,513.74)	(918.71)	(5,142.75)	(641.88)	(1,120.84)
Financial expenses coverage ratio (in times)	(0.11)	0.04	(0.15)	0.14	0.03
Return on equity (%) (after tax)	(0.09)	(0.07)	(0.05)	(0.05)	(0.06)
Earnings per share (in Tk.) (Restated)	(9.78)	(7.58)	(5.66)	(6.66)	(7.38)
Dividend					
Cash (%)	Nil	Nil	Nil	Nil	Nil
Stock (%)	Nil	Nil	Nil	Nil	Nil

Annexure -A

DECLARATION BY THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

August 11, 2026
The Board of Directors
Bangladesh Industrial Finance Company Limited (BIFC)
Police Plaza Concord (Tower-2), Level-8
Gulshan-1, Dhaka-1213.

Subject: Certificate on Financial Statements for the year ended on December 31, 2025.

Dear Sir(s),

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated June 3, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Bangladesh Industrial Finance Company Ltd. for the year ended on December 31, 2025 have been prepared in compliance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

i) We have reviewed the financial statements for the year ended on December 31, 2025 and that to the best of our knowledge and belief:

a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

ii) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.

Sincerely yours,

Md. Anwarullah Sadeq
Managing Director (C.C)

Mohiuddin Ahmed
Chief Financial Officer

REPORT ON THE ACTIVITIES OF THE AUDIT COMMITTEE

Role of Audit Committee

The Audit Committee (hereinafter referred to as "the Committee"), on behalf of the Board of Directors, strives to ensure the effective implementation of the processes outlined in the Company's Business Plan and Policies. The primary role of the Committee is to monitor and review the effectiveness of the internal control system.

The Committee is also responsible for ensuring the integrity of the financial statements, so that they present a true and fair view of the Company's State of Affairs. In addition, it reviews and where appropriate, makes recommendations to the Board regarding business risks, internal controls, and compliance matters. The Committee satisfies itself through appropriate steps and access to relevant information that proper and satisfactory internal control systems are in place, enabling identification and management of risks and ensuring that the Company's business is conducted in a sound and prudent manner.

Purpose of the Committee

The Committee is a sub-committee formed by the Board of Directors of the Company to oversee internal controls and organizational effectiveness. Its Terms of Reference are defined by the Board. The primary purpose of the Committee is to assist the Board in the following matters:

a. Evaluate the performance of the Company's internal control functions;

b. Ensure compliance with all legal and regulatory requirements;

c. Provide recommendations on reporting, control and compliance matters;

d. Offer independent monitoring and guidance and when necessary, direct executive management decisions;

e. Conduct independent reviews to ensure control over financial reporting and other operational matters; and

f. Assess whether the financial statements present a true and fair view of the Company's affairs and are prepared in accordance with regulatory guidelines.

Structure of the Committee:

As per DFIM Circular no.01, dated 29th February 2024 and BSEC notification no. BSEC/CMRRC/2006-158/207/Admin/80, dated June 03, 2018, the Audit Committee of the Board of Directors of BIFC has been formed consisting of following:

Name	Status in the Company	Status in the Committee
Mr. Ansar Uddin Ahmed	Independent Director	Chairman
Mr. Shafique -Ul-Azam	Independent Director	Member
Mr. Mahmudul Hasan	Nominated Director	Member

The Company Secretary acts as the Secretary of the committee.

Terms of Reference

The Terms of Reference of the Committee clearly define its roles and responsibilities. These Terms of Reference are periodically reviewed and revised with the concurrence of the Board of Directors. The Committee is accountable to, and reports directly to, the Board of Directors.

Report on the Activities of the Audit Committee - Continued

The roles and functions of the Committee are further governed by the rules specified under the 'Conditions on Corporate Governance' issued by the Bangladesh Securities and Exchange Commission (BSEC), as well as the relevant guidelines issued by Bangladesh Bank.

Scope of work

The Committee is authorized to monitor and review the effectiveness of the Company's internal audit and compliance function in the context of the Company's overall risk management system. The Committee performs its activities within the Terms of Reference of the Committee and is empowered to seek information from any Director or employee of the Company from time to time as it thinks fit. The Committee presents a summary of its activities to shareholders and other interested parties by means of this report Duties and Responsibilities. The Duties and Responsibilities of the Committee are:

Review of Financial Statements

The Committee is authorized to monitor and review the effectiveness of the Company's internal audit and Compliance functions within the context of the Company's overall risk management framework. The Committee conducts its activities in accordance with its Terms of Reference and is empowered to seek information from any Director or employee of the Company as it deems necessary. The Committee presents a summary of its activities to shareholders and other interested parties.

Internal Audit & Compliance

The Committee reviews the Internal Audit & Compliance plans to ensure the adequacy, consistency and coverage of the Company's risk management framework. In particular, the Committee oversees the following activities:

- Review and ensure that the Internal Audit & Compliance Department possesses the necessary competency and qualifications to fulfill its mandate.
- Examine status reports from the Internal Audit & Compliance Department and confirm that appropriate actions have been taken to implement its recommendations.
- Recommend broader reviews when deemed necessary based on issues identified during audits or compliance checks.
- Request and review special audits whenever required to address specific concerns or risks.

External Audit

Ahsan Manzur & Co. Chartered Accountants, a partnership firm registered in Bangladesh was responsible as an External Auditor to the company for the year 2025. The External Auditors are not engaged by the company on any material non-audit work such as:

- Appraisal or valuation services or fairness opinions;
- Financial information systems design and implementation;
- Book-keeping or other services related to the accounting records or financial statements;
- Broker/dealer services;
- Actuarial services;
- Internal audit services; and
- Any other services that the audit committee determines.

No partner or employees of external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.

Report on the Activities of the Audit Committee - Continued

Principal activities of audit committee were as follows

- Analysied and reviewed the Draft Auditor's Report and Financial Statements for the year ended December 31, 2024;
- Analysied and reviewed the periodic financial statements including quarterly financial statements;
- Review the draft compliance status to the Corporate Governance Code for the year ended on December 31, 2023 and 2024;
- Consider and recommend the name of the external auditors for the year ended on 31st December 2025 to the Board for appointment in the 30th AGM and review the audit fee;
- Consider and recommend the name of the Auditor for the Compliance on the Corporate Governance Code for the year ended December 31, 2025 to the Board for appointment and review the audit fee;
- Review the Audit and Compliance Report regarding all costs, expenditures and repayments incurred during first half from January 01 to June 30, 2025 by the Head of ICC (In-charge) of the Company.

In the FY 2025 the following meetings of the Audit Committee of the Board of the Directors were held-

01/2025th	June 24, 2025
02/2025th	July 23, 2025
03/2025th	October 22, 2025
04/2025th	December 10, 2025

Based on the above deliberations and reviews, the Board Audit Committee is of the opinion that the Company's internal control and compliance procedures are adequate to ensure a true and fair view of the Company's activities and financial position, while effectively safeguarding its interests.



Ansar Uddin Ahmed
Chairman of the Audit Committee

RISK MANAGEMENT REPORT

Overview

Bangladesh Industrial Finance Company Limited (BIFC) recognizes effective risk management as a fundamental component of sound corporate governance, financial stability, and sustainable recovery. The Company is committed to maintaining a structured and integrated risk management framework that enables the identification, assessment, monitoring, control, and mitigation of material risks arising from its business activities and operating environment.

BIFC adheres to the Core Risk Management Guidelines (2005) and the Integrated Risk Management Guidelines for Financial Institutions (2016) issued by Bangladesh Bank, together with other applicable regulatory requirements and recognized industry practices. The Company continuously seeks to strengthen its risk management framework in line with its evolving risk profile, regulatory expectations, and long-term strategic objectives.

Risk Management Philosophy

BIFC adopts a proactive and comprehensive approach to risk management, with emphasis on the early identification, assessment, monitoring, and mitigation of existing, potential, and emerging risks. The Company's risk management philosophy is founded on strong corporate governance, clearly defined policies and procedures, accountability, integrity, and a risk-aware organizational culture.

The framework is designed to ensure that risks are appropriately considered in business decisions and that risk-taking remains consistent with the Company's approved risk appetite, financial capacity, regulatory requirements, and strategic objectives.

BIFC applies structured risk assessment techniques, including stress testing, scenario analysis, and root cause analysis, where appropriate, to assess potential vulnerabilities and understand the possible impact of adverse developments on the Company's financial and operational position.

Key Risk Management Principles

BIFC's risk management framework is guided by the following key principles:

- **Regulatory Compliance and Best Practices** – Compliance with applicable laws, regulations, Bangladesh Bank directives, and established risk management principles.
- **Forward-Looking Risk Assessment** – Identification and assessment of existing, potential, and emerging risks and their possible impact on the Company.
- **Robust Risk Mitigation** – Establishment of appropriate controls, limits, policies, and procedures to manage and mitigate identified risks.
- **Continuous Monitoring and Reporting** – Regular monitoring, review, escalation, and reporting of material risks to the appropriate management and Board-level authorities.
- **Accountability and Ownership** – Clear allocation of responsibility for risk identification, management, monitoring, and reporting.
- **Risk-Aware Decision-Making** – Integration of risk considerations into strategic, financial, operational, and business decisions.

Risk Management Report - Continued

Risk Management Framework

BIFC maintains a structured risk governance framework under the overall oversight of the Board of Directors. The Board establishes the Company's overall risk management direction, approves relevant policies and risk parameters, and oversees the effectiveness of the risk management framework.

The framework is supported by Senior Management and relevant management-level committees, which are responsible for implementing approved policies, monitoring risk exposures, maintaining appropriate controls, and ensuring that material risk issues are identified and addressed in a timely manner.

The framework emphasizes a positive and risk-aware corporate culture in which employees are expected to demonstrate accountability, ownership, integrity, professional judgment, and adherence to established policies and ethical standards.

Risk Appetite Framework

BIFC formally defines its risk appetite through the **Risk Appetite Statement (RAS),** which establishes the nature and level of risk the Company is willing to assume in pursuit of its strategic and long-term objectives.

The Board of Directors approves the Company's risk appetite after considering its overall financial position, business environment, risk profile, regulatory requirements, and key strategic considerations. Relevant internal and external factors, including the Company's strengths, weaknesses, opportunities, and threats (SWOT), are also taken into consideration.

Once approved, the RAS is communicated and cascaded throughout the organization to ensure that business activities, decision-making, risk-taking, and resource allocation remain within the Company's approved risk parameters and are aligned with its strategic objectives.

The risk appetite framework is subject to periodic review and monitoring to ensure that it remains appropriate in light of changes in the Company's financial condition, risk profile, business environment, regulatory requirements, and strategic priorities.

Key Stakeholders in Risk Governance

Effective risk management requires clearly defined roles and responsibilities across the organization. The principal stakeholders include:

Board of Directors: Provides overall oversight of the Company's risk management framework, approves risk management policies and the Risk Appetite Statement, and ensures that the Company's risk profile remains aligned with its strategic objectives and regulatory requirements.

Board-Level Risk Management Committee: Provides oversight of the Company's risk management activities, reviews material risk exposures, monitors adherence to approved risk appetite and limits, and makes recommendations to the Board on significant risk management matters.

Senior Management: Implements the risk management policies and strategies approved by the Board, ensures effective internal controls, monitors risk exposures, and takes appropriate corrective measures where required.

Risk Management and Relevant Management Committees: Monitor specific risk areas, assess emerging risks, review risk reports, and recommend appropriate mitigation measures within their respective areas of responsibility.

Employees: Are responsible for complying with approved policies, procedures, internal controls, and regulatory requirements and for promptly reporting identified or emerging risks within their respective areas of responsibility.

Principal Risk Areas

BIFC's risk management framework covers the principal risks arising from its activities and operating environment, including:

Credit Risk

Credit risk is the risk of financial loss arising from the failure of a borrower, counterparty, or other obligor to meet its contractual obligations. BIFC places particular emphasis on the monitoring, classification, recovery, restructuring, and resolution of problem loans and advances.

Appropriate credit assessment, documentation, monitoring, provisioning, recovery, and remedial measures are applied in accordance with applicable regulatory requirements and the Company's approved policies.

Liquidity Risk

Liquidity risk refers to the risk that the Company may be unable to meet its financial obligations as they fall due. BIFC monitors its liquidity position, expected cash flows, funding requirements, and available resources to maintain adequate liquidity and meet its obligations in a timely manner.

Given the importance of liquidity management to the Company's financial stability and sustainable recovery, liquidity exposures are subject to regular management attention and monitoring.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, or external events. BIFC seeks to mitigate operational risks through appropriate internal controls, segregation of duties, authorization procedures, monitoring mechanisms, business continuity arrangements, and compliance with established policies and procedures.

Market Risk

Market risk arises from adverse movements in market variables, including interest rates, foreign exchange rates, and other relevant market factors. BIFC monitors material market exposures and applies appropriate controls and limits in accordance with its risk management policies and applicable regulatory requirements.

Capital Adequacy and Basel II

Compliance with the applicable Basel II Capital Adequacy Requirements forms an important component of BIFC's overall risk management framework. The Company monitors its capital adequacy position in accordance with applicable regulatory requirements with the objective of maintaining an appropriate

Risk Management Report - Continued

The Basel II framework also supports disciplined risk assessment, capital planning, transparency, and market discipline. BIFC remains committed to maintaining appropriate capital adequacy and strengthening its overall risk management practices in accordance with applicable regulatory requirements.

Risk Monitoring, Stress Testing and Reporting

BIFC recognizes that effective risk management requires continuous monitoring and timely reporting. Material risk exposures are monitored through established reporting and review mechanisms, with significant issues escalated to the appropriate management and Board-level authorities.

Where appropriate, stress testing and scenario analysis are used to evaluate the Company's resilience under adverse conditions and to identify areas requiring enhanced risk mitigation. Root cause analysis is also undertaken, where necessary, to identify underlying factors contributing to material risk events or weaknesses and to support appropriate corrective actions.

Risk Culture and Accountability

A strong risk culture is an essential element of BIFC's risk management framework. The Company promotes a culture in which employees understand their individual responsibilities for managing risk and recognize that effective risk management is a shared responsibility across the organization.

The Board of Directors and Senior Management are committed to fostering an environment based on accountability, ownership, integrity, transparency, prudent judgment, and high ethical standards. Through this culture, BIFC seeks to ensure that risk considerations are appropriately embedded in decision-making at all levels of the organization.

Commitment to Effective Risk Management

BIFC remains committed to continuously strengthening its risk management framework in response to changes in its business environment, financial position, regulatory expectations, and emerging risks. The Company recognizes that effective risk management is not limited to regulatory compliance; rather, it is an integral part of sound governance, financial discipline, stakeholder protection, and sustainable institutional recovery.

Through effective oversight, prudent risk-taking, robust internal controls, continuous monitoring, and a strong risk-aware culture, BIFC seeks to enhance its resilience and support the achievement of its long-term strategic objectives.



Shafique-Ul-Azam
Chairman
Risk Management Committee

FAMES & R
CHARTERED ACCOUNTANTS

Hossain Tower (11th Floor), 116 Naya Paltan, Box Culvert Road, Dhaka-1000
Cell: +88 01819 207889, 01819 496565, 01783 294818, 01713 008193, 01675 676963, 01816384540
E-mail: haque.fouzia@gmail.com, hoquezhc@yahoo.com, fmrashid@yahoo.com
shafi.selim1960@gmail.com, dishaarif4@gmail.com, wadudca@gmail.com

Annexure-B

CERTIFICATE ON CORPORATE GOVERNANCE

Report To The Shareholders of Bangladesh Industrial Finance Company Limited on Compliance of The Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code of Bangladesh Industrial Finance Company Limited for the year ended 31st December 2025.

This Code relates to the Notification No. BSEC/CMMRRCD/2006-158/207/Admin/80 dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and independent audit on compliance of the condition of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretariats of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of the Corporate Governance Code.

We state that we have obtained all the information and explanations which is required and after due scrutiny and verification thereof, we report that in our opinion:

a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission; except condition no.06 which could not be complied with due to Primary Regulation's circular as referred to and explained by the Company as stated in Annexure-C

b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

c) Proper books and records have been kept by the company as required under the Companies Act,1994, the securities laws and other relevant laws; and

d) The Governance of the company is satisfactory except as stated in the remarks column in the Corporate Governance Code check list.

However, this report, is not endorsement of the quality of content in the Annual Report of the Company for the year ended 31st December 2025.

Md. Abdur Rashid, FCA
Partner
Enrollment No. 0474
FAMES & R
Chartered Accountants

Place: Dhaka
Dated: August 23, 2026

CORPORATE GOVERNANCE COMPLIANCE REPORT

Annexure-C

Status of compliance with the conditions imposed By Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969) (Report under Condition No. 9.00) is presented below:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.0	Board of Directors			
1(1)	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		The Board of Directors of Bangladesh Industrial Finance Company Limited is comprised of 06 (Six) Directors as per 243th board of directors meeting.
1.2	Independent Directors			
1.(2)(a)	All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following-At least 2 (two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		There are 04 (Four) Independent Directors in the Board of Bangladesh Industrial Finance Company Limited as on 31st December 2025.
1(2)(b)	Without contravention of any provision of any other laws, for the purpose of this clause an "independent director (ID)" means a director-			
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	✓		
1(2)(b)(ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members	✓		
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	✓		
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	✓		
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	or TREC holder of stock exchange or an intermediary of the capital market			
(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	✓		
1(2)(b) (viii)	Who is not independent director in more than 5 (five) listed companies	✓		
1(2)(b)(ix)	Who has not been reported as a defaulter in the latest Credit Information Bureau (CBI) report of Bangladesh Bank for non-payment of any loan or advance or obligation to a bank or a financial institution: and"	✓		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company;	✓		The total number of independent director(s) (ID) are Four (4), out of which 1 (one) ID has been appointed by 233th board of directors meeting and approved by Bangladesh Bank.
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the Companies Act, 1994). **Explanation:** For the purpose of counting tenure or term of independent director, any partial term of tenure shall be deemed to be a full tenure.	✓		
1.3	**Qualification of Independent Director**			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		
1(3)(b)	**Independent director shall have following qualifications:**			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or			No appointment was made under this category.
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or			
1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or"	✓		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law:	✓		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission			No such instance was noted during the year.
1.4	Duality of chairperson of the Board of directors and Managing Director or chief Executive Officer:			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		.
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer(CEO) of a listed company shall not hold the same position in another listed company;	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such matter arose during the year.
1.5	The Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		
1(5)(ii)	The segment-wise or product-wise performance;	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;			Not Applicable
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);			No such matter arose during the year.
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			Not Applicable
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;			Not Applicable
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;			As per the auditors' report, except for qualified points no. 02, 04, & 07 appropriate accounting policies have been applied in the preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;			As per the auditors' report, except for qualified points no. 03 & 06, International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;			Although the issuer company believes there are no significant concerns regarding its ability to operate as a going concern, the auditor's report expresses a qualified opinion about the financial statements of the company. Farther the balance of total share holders equity is negative.
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓		
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		08 Board Meetings were held during the year.
1(5)(xxiii)	**A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:**			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated companies and other related parties (name-wise details)			Not Applicable
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1(5)(xxiii)(c)	Executives; and	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		
1(5)(xxiv)	**In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:**			
1(5)(xxiv)(a)	A brief resume of the director;	✓		
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
1(5)(xxv)	**A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:**			
1(5)(xxv) (a)	Accounting policies and estimation for preparation of financial statements;	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxv) (c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediately preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv) (e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5)(xxv) (f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1(5)(xxv) (g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per **Annexure-A;**	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per **Annexure-B and Annexure-C;**	✓		
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.''	✓		
1.6	**Meetings of the Board of Directors**			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1.7	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;			Complied as per the prudential guidelines given by Bangladesh Bank.
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.			Complied as per the prudential guidelines given by Bangladesh Bank.
2	**Governance of Board of Directors of Subsidiary Company:**			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;			Not Applicable
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			Not Applicable

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;			Not Applicable
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;			Not Applicable
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			Not Applicable
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).			
3(1)(a)	Appointment-The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time: "Provided that CFO or CS of any listed company may appointed for the same position in any other listed or non- listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said FO or CS shall be shared by appointing companies proportionately;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3.2	Requirement to attend Board of Directors' Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	**Board of Directors' Committee**			
4(i)	For ensuring good governance in the company, the Board shall have at least following sub-committees: Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.			Financial Institutions are allowed to establish only two Board subcommittees-an Executive Committee and an Audit Committee, as per Bangladesh Bank's DFIM Circular No. 18, dated October 26, 2011. In contrast, BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated June 3, 2018, mandates the formation of a Nomination and Remuneration Committee (NRC). However, Bangladesh Bank, through its letter ref.no.DFIM(P)1052/27/2021-2436, dated November 4, 2021, has explicitly stated that Financial Institutions are not permitted to form an NRC
5	**Audit Committee**			
5(1)	Responsibility to the Board of Directors.	✓		
5(1)(a)	The company shall have an Audit Committee as a subcommittee of the Board;	✓		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	**Constitution of the Audit Committee**			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three)members;	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;''			No such event occurred
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	✓		
5(3)	**Chairperson of the Audit Committee**			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4) (b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such situation occurred
5(3)(C)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		
5(4)	**Meeting of the Audit Committee**			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must	✓		
5(5)	**Role of Audit Committee**			
5(5)(a)	The Audit Committee shall: Oversee the financial reporting process;	✓		
5(5)(b)	Monitor choice of accounting policies and principles;	✓		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(5)(d)	Oversee hiring and performance of external auditors;	✓		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5(5)(h)	Review the adequacy of internal audit function;	✓		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.			Not Applicable
5(6)	**Reporting of the Audit Committee**			
5(6)(a)	**Reporting to the Board of Directors**			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5(6)(a)(ii)	**The Audit Committee shall immediately report to the Board on the following findings, if any:**			
5(6)(a)(ii)(a)	report on conflicts of interests;			No such situation occurred
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			Do
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			Do
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			Do

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(6)(b)	**Reporting to the Authorities:** If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			Do
5(7)	**Reporting to the Shareholders and General Investors**			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.			No such situation occurred
6	**Nomination and Remuneration Committee (NRC): Unresolved issue. (Could not be complied with due to BRPD circular letter No. Dated October 27, 2013, of Bangladesh Bank)**			
6(1)	**Responsibility to the Board of Directors**			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;			Not Applicable
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;			Do
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b).			Not Applicable
6(2)	**Constitution of the NRC**			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;			Do
6(2)(b)	At least 02(two) members of the Committee shall be non-executive directors;			Do
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;			Do
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;			Do
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			Do
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			Do
6(2)(g)	The company secretary shall act as the secretary of the Committee;			Do

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;			Do
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.			Do
6(3)	**Chairperson of the NRC**			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;			Do
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			Do
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.			Do
6(4)	**Meeting of the NRC**			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;			Do
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			Do
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);			Not Applicable
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.			Do
6(5)	**Role of the NRC**			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;			Do
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board			Do
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			Do
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;			Do

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and			Do
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;			Do
6(5)(b)(ii)	Revising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;			Do
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;			Do
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;			Do
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and			Do
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;			Do
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.			Do
7	External or Statutory Auditors.			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	Appraisal or valuation services or fairness opinions;	✓		
7(1)(ii)	Financial information systems design and implementation;	✓		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	Broker-dealer services;	✓		
7(1)(v)	Actuarial services;	✓		
7(1)(vi)	Internal audit services or special audit services;	✓		
7(1)(vii)	Any service that the Audit Committee determines;	✓		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1)(ix)	Any other service that creates conflict of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		
		✓		

Status of Compliance with the Corporate Governance Code - Continued

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
7(3)	Extraordinary General Meeting) to answer the queries of the shareholders. Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or			
8	Maintaining a website by the Company			
8(1)	The company shall have an official website linked with the website of the stock exchange	✓		www.bifcol.com
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9(3)	The directors of the company shall state, in accordance with the **Annexure-C** attached, in the directors' report whether the company has complied with these conditions or not.	✓		



FINANCIAL STATEMENTS

for the year ended December 31, 2025

Ahsan Manzur & Co.
Chartered Accountants

House: 373 (2nd Floor), Road: 28, DOHS
Mohakhali, Dhaka-1206, Bangladesh
Phone: +88 02 222285210
E-mail: info@amc-bd.com
www.amc-bd.com

Independent Auditors' Report To The Shareholders of Bangladesh Industrial Finance Company Limited (BIFC) Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Bangladesh Industrial Finance Company Limited (BIFC) (the "Company"), which comprise the balance sheet as at 31 December 2025 and profit and loss account, cash flow statement and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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 of the Company present fairly in all materials respect, 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), the Company's Act 1994, and other applicable laws and regulations.

Basis for Qualified Opinion

1. The Company has incurred recurring losses over a number of years, resulting in accumulated losses of Tk. 14,997,755,171 as at 31 December 2025. As of that date, the Company's total liabilities exceeded its total assets by Tk. 13,448,851,291, indicating a significant capital deficiency. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern unless effective measures are taken to strengthen its capital base and improve its liquidity position through equity injection, long-term financing, or other viable financial support arrangements.
2. Reference to the Note No. 4.3.1 to the financial statements, according to Section 9 of Finance Company Act 2023 & Financial Institutions Regulations, 1994, FID Circular No. 06, dated November 06, 2003, FID Circular No. 02 dated November 10, 2004, DFIM Circular Letter No. 01, dated January 12, 2017, and DFIM Circular Letter No. 03, dated June 21, 2020:

   i) The company should maintain Cash Reserve Ratio (CRR) at a rate of 1.5% on 'Term or Fixed Deposits' (except from Banks and Financial Institutions) but the company could not maintain such provision non complying with above regulation. As on 31 December 2025, CRR represents a deficit amounting to TK. 28,385,685 to comply with CRR requirement.

   ii) The company is obligated to maintain Statutory Liquidity Reserve (SLR) at a rate of 5% of 'Total Liabilities' (Including CRR of 1.5% on total term deposit) but the company could not maintain such provision in compliance with above regulation. As on 31 December 2025, SLR represents a deficit amounting to TK. 186,784,944 as per the financial statements.
3. With reference to Note 9 to the financial statements, the written-down value (WDV) of Property, Plant and Equipment amounted to Tk. 456,982,827 as at 31 December 2025. Of this amount, Tk. 440,000,000 relates to land situated in Palton, the ownership and valuation of which could not be verified due to the unavailability of mutation records, demarcation documents, updated B.S./R.S./S.A./C.S. Khatians, and land tax payment records.

   Furthermore, the Company last revalued its landed property in 2012, and no subsequent revaluation has been performed. Accordingly, it could not be confirmed whether the carrying amounts of the revalued assets materially differ from their fair values at the reporting date, in accordance with IAS 16, paragraph 34, which requires revaluations to be carried out with sufficient regularity so that carrying amounts do not differ materially from fair value.
4. With reference to Note 8.00 to the financial statements and the related ledger records, unapplied interest amounting to Tk. 180,820,575 has been incorporated into the outstanding loan balance of Teleplus New York Limited (Agreement No. 01.04.0660). Such treatment is not in compliance with the requirements of DFIM Circular No. 04 dated 26 July 2021.

5. With reference to Notes 11.1, 12.1 and 12.1.2 to the financial statements, balances amounting to Tk. 3,477,928,143 under "Borrowings from Other Financial Institutions, Banks and Agents (In Bangladesh)", Tk. 2,114,740,000 under "Term Deposit from Banks and other FIs" and Tk. 1,681,124,494 under "Term Deposits from other than Banks & FIs" could not be verified due to the non-receipt of confirmation responses from the respective counter parties. These balances exclude the balances for which confirmation responses were received but contained unreconciled differences with the financial statements. Moreover, no alternative audit procedures could be performed to obtain sufficient appropriate audit evidence regarding these balances.

   In addition, differences were noted between the financial statements & bank confirmation. The unreconciled differences relating to Dutch-Bangla Bank PLC, National Bank PLC, Bangladesh Development Bank PLC, Bangladesh Infrastructure Finance Fund Limited, Basic Bank PLC, Premier Leasing & Finance Limited, Sonali Bank PLC, ICB Employees Provident Fund & Eastern Insurance Co. Ltd. Employees Provident Fund amounted to Tk. 45,838,235, Tk. 864,319, and Tk. (192,827,103), Tk. (351,328,513), Tk. (277,985,512), Tk. (117,704,418), Tk. (58,900,000), Tk. (11,436,714) & Tk. (1,059,201) respectively. These differences remained unreconciled as of the date of our audit.

6. As per International Accounting Standards (IAS) 19, Para 55, the company has not applied the actuarial valuation method to determine liabilities for the Gratuity Fund and Pension Fund, thereby violating compliance requirements (see Note 13 for details), and the adequacy of provision could not be confirmed.

7. With reference to Note 13 to the financial statements, withholding tax payable amounting to Tk. 78,290,635 remained outstanding as at 31 December 2025 and had not been deposited into the Government treasury in accordance with the requirements of the Income Tax Act, 2023. Consequently, the Company may be exposed to liabilities under Section 143 and 315 of the Income Tax Act, 2023.

   We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' 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 (IESBACode), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified Opinion.

Emphasis of matters

We draw attention to the following matter relates to Financial Statements:

1. Disclosed in Note 46.3, loans, leases, and advances totaling Tk. 6,195,790,768 provided to entities within the Sunman Group Company (Golden Horizon Ltd.) Tk. 586,126,351 and rest amount of Tk. 5,609,664,417 to the other parties, recovery of which guaranteed by Sunman Group Company's total amount to 81.26% of the total outstanding balance of Tk. 7,624,747,470 (Note-8), in contravention of Section 25 of the Finance Companies Act, 2023.

2. According to the BSEC directive dated January 14, 2021, any dividend that remains unpaid or unclaimed for a period of three years must be transferred to the BSEC "Capital Market Stabilization Fund" but the company failed to transfer BDT 4,347,371 of unclaimed dividends to the "Capital Market Stabilization Fund" on time, which in non-compliance with regulations.

3. According to the Companies (Amendment) Act 2020, all public limited companies must add 'PLC' to the end of their company name in order to be recognized as public limited companies. Banks and non-bank financial institutions (NBFI) would have to change the company name and articles of association to adopt the PLC suffix under the Company (Second Amendment) Act 2020. The company has not done anything about this, though.

4. According to DFIM(C) 1054/38/2025-367, dated 29 January 2025, the company must provide the CBS-generated/system-generated trial balance/affairs to the auditor to facilitate the completion of the audit process. The company (BIFCL) has provided us with the system-generated (Fintelligent) trial balance, which is not integrated with branches.
5. We draw attention to Note# 2.01 which states the difference between IFRS and accounting guidelines set out by Bangladesh Bank.

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. For each matter below our description of how our audit addressed that matter is provided in that context. We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statements section of our report, including in relation to those matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Risk	Our response to the risk
01. Measurement of provision for loans and advances	
The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex. For the individual analysis, these provisions consider the estimates of future business performance, and the market value of collateral provided for credit transactions. For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation. At year end of 2025, provision for loans and advances was amounting Tk. 6,672,508,466. We have focused on the following significant judgements 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 DFIM circular no 04, dated 26 July 2021 and its subsequent amendments. • 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. • Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates;	We tested the design and operating effectiveness of key controls focusing on the following: • Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process. • Identification of loss events, including early warning and default warning indicators. • Reviewed quarterly classification of loans (CL). Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following: • Reviewed the adequacy of the company's general and specific provisions and loan classification disclosures in the financial statements in line with related Bangladesh Bank guidelines. • Assessed the methodologies on which the provision amounts basis, recalculated the provisions and tested the completeness and accuracy of the underlying information. • Reviewed the security documents and assessed legal provisions for realization of the secured assets, if required. • Reviewed any specific approval guideline from Bangladesh bank on provision against loans and advances, if any. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
See note no. 13.1 of financial statements	

Risk	Our response to the risk
02. Borrowing from banks, financial institutions and agents	
The company has Borrowing from banks, financial institutions and agents amounting Tk. 3,844,603,240 which are 17.44% of total Liabilities which consists Refinance against SME loan from Bangladesh Bank, borrowing, Short term Long-term borrowing, Call borrowing.	We reviewed the design and operating effectiveness of key controls focusing on the following: • Check the balance with the ledger • Bank Statement • Bank Confirmation • Call Loan (Statement and Interest Calculation)
See note no 11 to the financial statements	
03. Deposits & Other Accounts	
Term Deposit of Tk. 5,426,440,085 which increased by 0.75% from the last year (2024: Tk. 5,385,834,627). Significant judgment is required for Term Deposit, which has a vice-versa relation with interest income on interest expense on deposits.	We have tested operating effectiveness of key controls on the following: • Tested the deposit attraction policy and procedure. • Identification of reinvestment rate of with the combination of deposit receiving rate. • Tested the investment maturities ladder compile with deposit tenure. • Conducted analysis for understanding industry practice on deposit interest rate compare to inflation rate. • Tested penalty practice on early settlement of deposit. • Finally assess the reinvest appropriateness in against of the receiving deposit.
See note no 12.1 to the financial statements	
04. Revenue	
Interest Income amounting to Tk. 60,987,446 and Investment Income amounting to Tk. 1,669,889 are recognized in the Profit & Loss Account of the Company. This was an area of focus for audit and significant audit effort was directed.	Our audit procedures included obtaining our understanding of the process of interest income, investment income, profit on investment ascertaining the balance and the interest charged over the financial year. Additionally, • Carried out cut-off testing to ensure the income was recognized in correct period. • Reviewed the carrying balance of the total figure. • Our audit approach was a combination of test of internal control and substantive procedures. • We also tested journal entries recognized to revenue focusing on unusual or irregular transactions. • In addition, we performed substantive analytical to understand how the revenue has trended over the year among other parameters, we performed a detailed testing on transactions around the

Risk	Our response to the risk
	year-end, ensuring revenues were recognized in the correct accounting period. We also tested journal entries recognized to revenue focusing on unusual or irregular transactions. Evaluate the Company's work to implement "IFRS-15" and assessed whether accounting principles comply with the new accounting standard.
See note no 21 and 23 to the financial statements	
05. Interest Income on Lease, loans, and advances	
Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income have been involved of complex IT environment. We have identified recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the company and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations.	We tested the design and operating effectiveness of key controls over the recognition and measurement of interest on loans and advances. We performed a test of operating effectiveness on automated control in place to measure and recognize interest income. We have also performed substantive procedure to check whether interest income is recognized completely and accurately. We have checked the interest recognition criteria as per Bangladesh Bank circular no DFIM 04, 26.07.2021. We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines. However, due to the current uncertainty of the overall economic situation both in Bangladesh and Globally there are inherent risk that the judgment applied by Management in assessing recoverability of interest income from classified loans may be different than the actual situation in future.
See note no. 21 to the financial statements	
06. 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 controls. Our areas of audit focus included user access management, developer access to the system. Environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.	The company currently operates an IT systems infrastructure and control framework that is not integrated with the branches. This lack of established systems and controls poses several risks to the organization, including but not limited to: • Security Vulnerabilities • Operational Inefficiencies • Regulatory and Compliance Risks • Limited Scalability

Other Information

The other information comprises all the information in the Annual Report other than the financial statements and our auditor's report thereon. We have not been provided the Director's report and other information contained within the annual report except the financial statements to the date of our auditor's report. We expect to obtain the remaining reports of the Annual report the date of our auditor's report. Management is responsible for the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Finance Company Act 2023 and the Bangladesh Bank guidelines require the managements to ensure effective internal audit, internal control and risk management functions of the Company. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We are 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 company'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 Company'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 Company 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the 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.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 2020, the Finance Company Act 2023 and the rules and regulations issued by Bangladesh Bank except as maintained above, we also report that:

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

(ii) in our opinion, proper books of accounts as required by law have kept by the Company as far as it appeared from our examination of those books.

(iii) the balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of accounts and returns.

(iv) The expenditures incurred were for the purpose of the Company's business for the year.

(v) the financial statements of the Company have been drawn up in conformity with the Finance Company Act, 2023 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company.

(vi) Adequate provisions have been made for loans, advances, leases, investments and other assets which are, in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly.

(vii) the financial statements of the Company do conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh.

(viii) we have reviewed over 82% of the risk weighted assets of the Company and we have spent around 1,250-person hours for the audit of the books and accounts of the Company.

(ix) the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense.

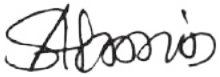
(x) the Company has complied with the 'First Schedule' of the Finance Company Act2023 in preparing these financial statements; and

(xi) all other issues which in our opinion, are important for the stakeholders of the Company have been adequately disclosed in the audit report.

Other Matter:

The Honorable High Court has directed, via order dated 22 February 2021, under company matter no. 32 A special audit of the company is to be carried out. The result of the special audit has not been incorporated into these financial statements.

Signed for & on behalf of
Ahsan Manzur & Co.
Chartered Accountants
Firm Registration No. with FRC:
CAF-001-127



Md. Abdullah Al Amin, FCA
Partner
ICAB Enrollment No: 1463
DVC: 2606291463AS737115

Place: Dhaka, Bangladesh
Date: June 24, 2026

BALANCE SHEET

As at December 31, 2025

	Notes	Amount in Taka	
		31-12-2025	31-12-2024
ASSETS			
Cash	4	**132,064**	**57,394**
Cash in hand (including foreign currency)	4.1	38,355	32,762
Balance with Bangladesh Bank & its agent bank(s) (including foreign currency)	4.2	93,709	24,632
Balance with banks and other financial institutions	5	**23,881,178**	**27,248,903**
Inside Bangladesh		23,881,178	27,248,903
Outside Bangladesh		-	-
Money at call & short notice	6	-	-
Investments	7	**190,413,132**	**190,413,132**
Government		-	-
Others		190,413,132	190,413,132
Loans, advances and leases	8	**7,624,747,470**	**7,668,101,709**
Loans, cash credits, overdrafts, etc.	8.a	7,624,747,470	7,668,101,709
Bills purchased and discounted	8.b	-	-
Fixed assets including land, building, furniture & equipments	9	456,982,827	449,854,478
Other assets	10	294,617,250	350,794,804
Non financial institutional assets		-	-
Total assets		**8,590,773,921**	**8,686,470,420**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from banks, other financial institutions & agents	11	3,844,603,240	3,843,747,111
Deposits and other accounts	12	**5,427,621,057**	**5,387,063,439**
Current deposits and other accounts, etc.		-	-
Bills payable		-	-
Savings deposits		-	-
Term deposits	12.1	5,426,440,085	5,385,834,627
Bearer certificates of deposits		-	-
Other deposits	12.2	1,180,972	1,228,812
Other liabilities	13	12,767,400,915	12,152,438,828
Total liabilities		**22,039,625,212**	**21,383,249,378**
Capital/shareholders' equity			
Total shareholders' equity		**(13,448,851,291)**	**(12,696,778,958)**
Paid-up capital	14.2	1,006,799,440	1,006,799,440
Statutory reserve	15	154,713,730	154,713,730
General reserve	16	10,364,681	10,364,681
Asset revaluation reserve	17	377,025,667	385,825,667
Share money deposit		362	362
Stock dividend		-	-
Retained earnings	18	(14,997,755,171)	(14,254,482,838)
Total liabilities & shareholders' equity		**8,590,773,921**	**8,686,470,420**

Balance Sheet - Continued

	Notes	Amount in Taka 31-12-2025	31-12-2024
Off- Balance Sheet Items:			
Contingent liabilities		-	-
Acceptances and endorsements		-	-
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
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		**-**	**-**
Net Assets Value Per Share (NAV)	19	**(133.58)**	**(126.11)**

The annexed notes from 1 to 51 and Annexure A, Annexure B, Annexure C and Annexure D are an integral part of these financial statements.

Company Secretary **Managing Director (CC)** **Director** **Director** **Chairman**

Signed in terms of our separate report of even date

Signed for and on behalf of
Ahsan Manzur & Co.
Chartered Accountants
Firm Registration No. with FRC: CAF-001-127

Md. Abdullah Al Amin, FCA
Partner
ICAB Enrollment No.: 1463
DVC: 2606291463AS737115

Place: Dhaka, Bangladesh
Date: June 24, 2026

PROFIT & LOSS ACCOUNT

for the year ended December 31, 2025

	Notes	Amount in Taka	
		31-12-2025	31-12-2024
Interest income	21	60,987,446	99,183,482
Less: interest charged on deposits & borrowings etc.	22	763,339,745	779,964,532
Net interest income		**(702,352,299)**	**(680,781,050)**
Income from investments	23	1,669,889	2,658,902
Commission, exchange and brokerage	24	-	-
Other operating income	25	3,627,297	2,582,686
		5,297,186	**5,241,588**
Total operating income		**(697,055,113)**	**(675,539,462)**
Salaries and allowances	26	44,880,903	33,473,402
Rent, taxes, insurance, electricity etc.	27	2,803,206	11,930,414
Legal expenses	28	3,266,806	911,050
Postage, stamps, telecommunication etc.	29	697,461	992,733
Stationery, printing, advertisement etc.	30	380,212	317,519
Chief Executive Officer's salary and other fees	31	-	-
Directors' fees	32	610,000	670,000
Auditor's fees	33	500,250	372,750
Losses from loans, advances & leases		-	-
Repairs & depreciation of financial institution's assets	34	12,565,316	4,068,564
Other expenses	35	8,802,109	4,914,744
Total operating expenses		**74,506,263**	**57,651,176**
Profit/(Loss) before provision		**(771,561,376)**	**(733,190,638)**
Provision for loans, advances & leases	36	5,090,384	(18,439,263)
Provision for diminution in value of investments	37	(1,242,729)	5,559,441
Other Provisions	38	(32,466,325)	(50,027,115)
Total provision		**(28,618,670)**	**(62,906,937)**
Total profit/(loss) before tax		**(742,942,706)**	**(670,283,701)**
Provision for taxation		**517,686**	**619,007**
Current Tax Expense		655,054	619,007
Deferred tax expense / (income)	13.9	(137,368)	-
Net profit/(Loss) after tax		**(743,460,392)**	**(670,902,708)**
Appropriations			
Statutory reserve		-	-
General reserve		-	-
Dividend, etc.		-	-
Retained earnings		**(743,460,392)**	**(670,902,708)**
Earnings Per Share (EPS)	39	**(7.38)**	**(6.66)**

The annexed notes from 1 to 51 and Annexure A, Annexure B, Annexure C and Annexure D are an integral part of these financial statements.

Company Secretary **Managing Director (CC)** **Director** **Director** **Chairman**

Signed in terms of our separate report of even date

Signed for and on behalf of
Ahsan Manzur & Co.
Chartered Accountants
Firm Registration No. with FRC: CAF-001-127

Md. Abdullah Al Amin, FCA
Partner
ICAB Enrollment No.: 1463
DVC: 2606291463AS737115

Place: Dhaka, Bangladesh
Date: June 24, 2026

CASH FLOW STATEMENT

for the year ended December 31, 2025

	Notes	Amount in Taka 31-12-2025	31-12-2024
A) Cash flows from operating activities			
Interest received		58,631,755	144,506,286
Interest paid		(14,411,076)	(14,482,487)
Dividend received		1,669,889	2,628,212
Fees & commission received		-	-
Recovery of loans previously written off		-	-
Payments to employees		(45,578,797)	(33,184,484)
Payments to suppliers		(1,027,219)	(1,188,094)
Cash receipts from other operating activities	40	3,358,916	2,582,686
Cash payments for other operating activities	41	(17,878,928)	(21,478,859)
Cash generated from / (used in) operating activities before changes in operating assets and liabilities		**(15,235,460)**	**79,383,260**
Increase/(decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase/sale of trading securities		-	-
Loans, advances & leases to banks & other FIs		-	-
Loans, advances & leases to customers		37,960,465	53,972,722
Other assets	42	7,912,335	2,561,592
Right-of-Use Assets	9	(16,685,207)	-
Deposits from banks & other FIs		-	(660,000)
Deposits from other customers		(28,961,092)	(75,170,622)
Other liabilities account of customer		(47,840)	(6,349,128)
Income tax		(938,019)	(1,724,515)
Trading liabilities		-	-
Other liabilities	43	12,775,694	(50,833,205)
Cash generated from / (used in) operating assets and liabilities		12,016,336	(78,203,156)
Net cash flows from/(used in) operating activities		**(3,219,124)**	**1,180,104**
B) **Cash flows from investing activities**			
Proceeds from sale of securities		-	787,945
Payment for purchase of securities		-	(786,595)
Purchase/sale of property, plant & equipments		110,281	-
Net cash flows from/(used in) investing activities		**110,281**	**1,350**
C) Cash flows from financing activities			
Receipts of long term loan/ issuance of debt securities		-	-
Repayments of loan & redemption of debt securities		(184,212)	(9,789,046)
Net drawdown/(payment) of short term loan		-	-
Receipts from issue of right shares		-	-
Receipts from Share money deposit		-	-
Dividend paid in cash		-	-
Net cash flows from/(used in) financing activities		**(184,212)**	**(9,789,046)**
D) Net increase/(decrease) in cash & cash equivalents (A+B+C)		(3,293,055)	(8,607,592)
E) Effects of exchange rate changes on cash & cash equivalents		-	-
F) Cash and cash equivalents at the beginning of the year		27,306,297	35,913,889
G) Cash and cash equivalents at the end of the year (D+F)		**24,013,242**	**27,306,297**
Break down of cash and cash equivalents at the end of the year:			
Cash in hand (including foreign currency)	4.1	**38,355**	**32,762**
Balance with Bangladesh Bank & its agent bank(s)	4.2	**93,709**	**24,632**
Balance with Bank & other financial institutions	5.1	**23,881,178**	**27,248,903**
		24,013,242	**27,306,297**
Net Operating Cash Flow per Share (NOCFPS)	45	**(0.03)**	**0.01**

The annexed notes from 1 to 51 and Annexure A, Annexure B, Annexure C and Annexure D are an integral part of these financial statements.

Company Secretary **Managing Director (CC)** **Director** **Director** **Chairman**

Place: Dhaka, Bangladesh
Date: June 24, 2026

Statement of changes in equity

for the year ended December 31, 2025

Amount in Taka

Particulars	Paid-up capital	Share money deposit	Statutory reserve	General reserve	Asset revaluation reserve	Retained earnings	Total
Balance as on January 01, 2025	1,006,799,440	362	154,713,730	10,364,681	385,825,667	(14,254,482,838)	(12,696,778,958)
Changes in accounting policy	-	-	-	-	-	-	-
Prior year adjustment	-	-	-	-	-	188,059	188,059
Restated balance	**1,006,799,440**	**362**	**154,713,730**	**10,364,681**	**385,825,667**	**(14,254,294,779)**	**(12,696,590,899)**
Surplus/deficit on account of revaluation of properties							
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-
Net gains/losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the year	-	-	-	-	-	(743,460,392)	(743,460,392)
Deferred Tax	-	-	-	-	(8,800,000)	-	(8,800,000)
Dividend	-	-	-	-	-	-	-
Appropriation during the year	-	-	-	-	-	-	-
Balance as on December 31, 2025	**1,006,799,440**	**362**	**154,713,730**	**10,364,681**	**377,025,667**	**(14,997,755,171)**	**(13,448,851,291)**

for the year ended December 31, 2024

Particulars	Paid-up capital	Share money deposit	Statutory reserve	General reserve	Asset revaluation reserve	Retained earnings	Total
Balance as on January 01, 2024	1,006,799,440	362	154,713,730	10,364,681	385,825,667	(13,583,580,135)	(12,025,876,255)
Changes in accounting policy	-	-	-	-	-	-	-
Prior year adjustment	-	-	-	-	-	5	5
Restated balance	**1,006,799,440**	**362**	**154,713,730**	**10,364,681**	**385,825,667**	**(13,583,580,130)**	**(12,025,876,250)**
Surplus/deficit on account of revaluation of properties	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-
Net gains/losses not recognized in the income statement	-	-	-	-	-	-	-
Net profit/(loss) for the period	-	-	-	-	-	(670,902,708)	(670,902,708)
Dividend	-	-	-	-	-	-	-
Appropriation during the period	-	-	-	-	-	-	-
Balance as on December 31, 2024	**1,006,799,440**	**362**	**154,713,730**	**10,364,681**	**385,825,667**	**(14,254,482,838)**	**(12,696,778,958)**

The annexed notes from 1 to 51 and Annexure A, Annexure B, Annexure C and Annexure D are an integral part of these financial statements.

Company Secretary
Place: Dhaka, Bangladesh
Date: June 24, 2026

Managing Director(C.C.) **Director** **Director** **Chairman**

Liquidity Statement

(Analysis of maturity of accets and liabilities)
As at December 31, 2025

Amount in Taka

Particulars	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
Assets:						
Cash in hand	38,355	-	-	-	-	38,355
Balance with Bangladesh Bank and its agent(s)	-	-	93,709	-	-	93,709
Balance with banks and other financial institutions	10,576,678	13,304,500	-	-	-	23,881,178
Money at call and short notice	-	-	-	-	-	-
Investments	-	72,913,132	-	-	117,500,000	190,413,132
Loans, advances and leases	1,569,767	2,717,189	3,570,810,276	3,456,249,229	593,401,009	7,624,747,470
Fixed assets including premises, furniture and fixtures	-	-	-	-	456,982,827	456,982,827
Other assets	-	1,189,375	23,626,313	266,157,325	3,644,237	294,617,250
Non financial institutional assets	-	-	-	-	-	-
Total assets (A):	**12,184,800**	**90,124,196**	**3,594,530,298**	**3,722,406,554**	**1,171,528,073**	**8,590,773,921**
Liabilities:						
Borrowings from banks, other financial institutions and agents	349,713,348	174,744,495	349,488,989	698,977,978	2,271,678,430	3,844,603,240
Term deposits	18,986,263	162,793,202	651,172,810	1,912,725,970	2,680,761,840	5,426,440,085
Other deposits	-	118,097	236,194	295,243	531,438	1,180,972
Other liabilities	89,525,215	542,794,528	6,883,720,818	1,561,297,271	3,690,063,083	12,767,400,915
Total liabilities (B):	**458,224,826**	**880,450,322**	**7,884,618,811**	**4,173,296,462**	**8,643,034,791**	**22,039,625,212**
Net liquidity gap (A - B):	**(446,040,026)**	**(790,326,126)**	**(4,290,088,513)**	**(450,889,908)**	**(7,471,506,718)**	**(13,448,851,291)**

The annexed notes from 1 to 51 and Annexure A, Annexure B, Annexure C and Annexure D are an integral part of these financial statements.

Company Secretary | **Managing Director (CC)** | **Director** | **Director** | **Chairman**

Place: Dhaka, Bangladesh
Date: June 24, 2026

NOTES TO THE FINANCIAL STATEMENTS

for the year ended December 31, 2025

1 General information

1.1 Legal status of the Company

Bangladesh Industrial Finance Company Limited (BIFC) is a Non-Banking Financial Institution established under the Financial Institutions Act, 1993. The Company was incorporated as a Public Limited Company on August 10, 1996 under the Companies Act, 1994. It started operation after obtaining License from Bangladesh Bank on February 19, 1998. The Company went for public issue of shares in 2006, and listed with both Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd. in Bangladesh.

The registered office of the company located at Police Plaza Concord (Tower-2) Level-8, Plot-02, Road-144, Gulshan, Dhaka-1212. The operations of the company are being carried out through its four branches located in Dhaka, Chittagong and Narayanganj.

1.2 Nature of business activities

The company offers diversified products and services, which include lease finance, term finance, housing finance, syndicated finance, bridge finance, real estate finance, SME finance, bill discounting, work order finance, personal finance, etc. The main focus is to identify and select emerging sector for financing and maintaining quality portfolio.

The company has launched a sound number of attractive deposit schemes to accommodate the requirement of several classes of people. Deposit schemes include Term Deposit, Double Money Deposit, Triple Money Deposit, Periodical Income Deposit, Monthly Saving Scheme (MSS), etc.

2 Basis of preparation and significant accounting policies

2.1 Statement of compliance

The Financial Reporting Council (FRC) was formed as per Financial Reporting Act, 2015. FRC adopted the International Financial Reporting Standard (IFRSs) issued by International Accounting Standard Board (IASB) which need to be followed by public interest entities in preparing their financial statement.

As FRS is yet to be issued by FRC, as per the provisions of FRA (section-69), financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and, in addition to this, the Company also complied with the requirements of the following laws and regulations from various Government bodies:

i. The Finance Companies Act, 2023;
ii. The Companies Act, 1994;
iii. Bangladesh Securities and Exchange Rules, 2020;
iv. Bangladesh Securities and Exchange Ordinance, 1969;
v. (Listing) Regulations, 2015 of Dhaka & Chittagong Stock Exchanges; and
vi. Other applicable laws and regulations.

The presentation of the financial statements have been made as per the requirements of DFIM Circular No: 11, dated December 23, 2009 issued by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank. The activities and accounting heads mentioned in the prescribed form, which are not applicable for the financial institutions, have been kept blank in the financial statements.

The requirements of accounting standards as per IFRS that have been departed to comply with Bangladesh Bank requirements have been disclosed here in detail.

However, this departure with IFRS has been made by following all of the relevant provisions of IAS-1 and the details disclosures are given below by following the provision of Para 20 of IAS-1 (Presentation of Financial Statements).

Sl. No.	Nature of Departure	Title of IAS/ IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1	Presentation and disclosure of Financial Statements and Financial Instruments	IAS 1 'Presentation of Financial Statements'	Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income Statement.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular# 11 dated December 23, 2009 which has been followed by all NBFIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income Statement.	Presentation of financial statements are not fully aligned with all the requirements of IAS/IFRS.
2	Current/ Non-current distinction	IAS 1 'Presentation of Financial Statements'	As per Para 60 of IAS-1 "Presentation of Financial statement" An entity shall present current and non-current assets and Current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular-11, Date-23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In these templates there is no current and noncurrent segmentation of assets and liabilities	Presentation of financial statements is not fully aligned with all requirements of the IAS/IFRS. Moreover, the liquidity tatement shows the current/non-current portion of assets and Liabilities in this regards.
3	Off-balance sheet items	IAS 1 'Presentation of Financial Statements'	There is no concept of Off-balance sheet items items in any IFRS; hence there is no requirement for disclosure of Off-balance sheet items on the face of the balance sheet.	As per DFIM Circular-11, Date-23 December 2009, off balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.	Presentation of financial statements are not aligned with the requirements of IAS 1. There is no financial impact for this departure in the financial statements.
4	None financial institutional asset	IAS 1 'Presentation of Financial Statements'	There is no concept of non-financial institutional assets items in any IFRS. Hence there is no	As per DFIM Circular-11, Date -23 December 2009, non-financial institutional assets	Financial Statements for 2025 and corresponding period of 2024 have been

			requirement for discloser of non-financial institutional assets items on the face of balance sheet	must be disclosed separately on the face of the balance sheet.	prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
5	Complete set of financial statements	IAS 1 'Presentation of Financial Statements'	As per IAS 1 '' Presentation of Financial Statements'' complete set of financial statements are: 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, v) notes, comprising significant accounting policies and other explanatory information, and vi) statement of financial position at the beginning of preceding period for retrospective restatement.	As per DFIM Circular -11, Date- 23 December 2009, complete set of financial statements are i) balance sheet, ii) profit and loss account, iii) statement of cash flows, iv) statement of changes in equity, v) statement of liquidity, vi) notes, comprising significant accounting policies and other explanatory information.	Financial Statements for 2025 and corresponding period of 2024 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.
6	Intangible asset	IAS 1 'Presentation of Financial Statements'	As per IAS 1" Presentation of Financial Statements" para 54 the statement of financial position shall include separate line item for intangible assets	As per DFIM Circular-11, Dated-23 December 2009, there is no option for separate line item for intangible asset in the balance sheet. We present intangible asset in the balance sheet as part of fixed assets	Presentation of financial statements is not aligned with requirements of the IAS 1. There is no financial impact for this departure in the financial statements.
7	Presentation of cash and cash equivalent	IAS 7 'Presentation of Financial Statements'	Cash equivalent are short term highly liquid investments that are readily convertible to known amounts of cash and only include those	Bangladesh Bank has issued templates for financial statements vide DFIM Circular# 11 dated December	Presentation of financial statements is not fully aligned with the requirements of IAS. Thus items

			investments which are for a short tenure like: 3 months or less period. In the light of above, balance with Bangladesh Bank and fixed term deposits should be treated as investment asset rather than cash equivalent as it is illiquid asset and not available for use in day-to-day operations.	23, 2009 which has been followed by all banks and NBFIs. The templates of financial statements provided detail of presentation of statement of cash flows.	which should be presented as "investment activities-Balance with Bangladesh Bank (BB)" as per IAS is shown as cash & cash equivalent.
8	Measurement of deferred tax asset	IAS 12 "Income Tax"	A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.	As per DFIM circular No. 7 dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against lease, loans and advances.	During this year there is no impact in the financial statements due to this departure as the Company did not consider any deductible temporary difference against the provision for leases, loans and advances as per BB circular.
9	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash Flows"	The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per DFIM Circular-11, Dated-23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.	Financial Statements for 2025 and corresponding period of 2024 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank.

10	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS 9 "Financial Instruments"	An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired. If any such evidence exists, expected credit losses are required to be measured through a loss allowance at an amount equal to: a) the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or b) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).	As per DFIM Master circular No. 04 dated 26 July 2021, a general provision at 0.25% to 5% under different categories of unclassified loan (good/standard loans and Special Mention Account (SMA) has to be maintained irrespective of objective evidence of impairment on leases, loans and advances. Also, provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue.	As at 31 December 2025, a cumulative provision against loans, advances and leases stands at Tk.6,672,508,466.
11	Valuation of Investments in quoted and unquoted shares	IFRS 9 "Financial Instruments"	As per requirements of IFRS 9: classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit and loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in	As per FID circular No. 08 dated 03 August 2002 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; however, in case of any unrealized gain, no such gain can be recognized and investments are	100% provision has been maintained against unlisted equity investment and adequate provision has been maintained against listed equity investment as per the guidelines of Bangladesh Bank.

			accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.	recognized at cost only.	
12	Recognition of interest income for SMA and classified lease, loans and advances	IFRS 9 "Financial Instruments"	IFRS 9: Loans and advances to customers are generally classified at amortized cost as per IFRS 9 and interest income is recognized by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently become impaired, the entity shall apply the effective interest rate to the amortized cost of these loans and advances.	As per FID circular No. 03, dated 03 May 2006, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments is not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	At year end, interest suspense account has decreased to BDT 724,256,715 from BDT 732,009,473 Resulting in decrease of BDT 7,752,758 of interest suspense. This amount has been shown as other liabilities in note 13.4.
13	Presentation and disclosure of Financial Statements and Financial Instruments	IFRS-7 "Financial instruments: Disclosures"	IFRS 7 require specific presentation and disclosure relating to all financial instruments.	As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 7. As such some disclosure and presentation requirements of IFRS 7 have not been made in the accounts.	Financial Statements for 2025 and corresponding period of 2024 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank.

2.2 Going concern assumption

These financial statements have been prepared on the basis of assessment of the BIFC's ability to continue as a going concern. BIFC has neither any intention to cease the operation nor any legal or regulatory compulsion to liquidate or curtail materially its operations.

However after taking over the responsibility of the Board of Directors of BIFC in November, 2023 which was approved by the Bangladesh Bank in January, 2024, pursuant to the order dated August 31, 2023 passed by the Hon'ble High Court Division of the Supreme Court of Bangladesh in company matter no. 32/2020, the newly elected board has approved a reconstruction plan of BIFC-2024 which is approved by the Bangladesh Bank. Upon successfully implementation of the reconstruction plan BIFC will be able to turn around.

2.3 Statement of cash flows

The statement of Cash Flows has been prepared in accordance with Bangladesh Bank DFIM Circular No.-11 dated December 23, 2009 which is a mixture of the direct and indirect methods.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS), requires management to make estimates and assumptions that affect certain reported amounts and disclosures. The estimates and associated assumptions are based on historical experience and various related factors that are believed to be reasonable under the circumstances, the result of which may differ from these estimates and judgments.

Significant areas requiring the use of management estimates in these financial statements are related to the useful life of depreciable assets and provisions for loans, advances and leases; investment, gratuity and income tax. However, the estimates and underlying assumption are reviewed on an ongoing basis and the actual result is recognized in the period in which the estimates are revised.

2.5 Date of Authorization

The Board of Directors has authorized these financial statements on June 24, 2026.

2.6 Directors' responsibility statement

The Board of Directors is responsible for the presentation of the financial statements under section 183 of the Companies Act, 1994 and as per the provision of 'The Framework for the Preparation and Presentation of Financial Statements'.

2.7 Risk and uncertainty for use of estimates

The preparation of financial statements in conformity with IFRS requires Management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and disclosure requirements for contingent assets and liabilities during and the date of the financial statements. These financial statements contained information about the assumptions it made about the future and other major sources of estimation uncertainty at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year. In accordance with the guidelines as prescribed by IAS 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- When the company has an obligation as a result of past events;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimate can be made of the amount of the obligation.

2.8 Compliance of International Accounting Standards (IAS) International Financial Reporting Standards (IFRS)

IAS No.	Name of IAS	Applicability	Remarks
IAS 1	Presentation of financial statements	Applied with some departures	Note 2.1
IAS 2	Inventories	N/A	
IAS 7	Statement of cash flows	Applied with some departures	Note 2.3
IAS 8	Accounting policies, changes in accounting estimates and errors	Applied	
IAS 10	Events after the reporting period	Applied	
IAS 12	Income taxes	Applied	
IAS 16	Property, plant & equipment	Applied	
IAS 19	Employee benefits	Applied	
IAS 20	Accounting for Government grants	N/A	
IAS 21	The effects of changes in foreign exchange rates	Applied	
IAS 23	Borrowing costs	Applied	
IAS 24	Related party disclosures	Applied	
IAS 26	Accounting and reporting by retirement benefit plans	N/A	
IAS 27	Separate financial statements	N/A	
IAS 28	Investments in associates and joint ventures	N/A	
IAS 29	Financial reporting in hyperinflationary economics	N/A	
IAS 32	Financial instruments: presentation	Applied with some departures	Note 2.1
IAS 33	Earnings per share	Applied	
IAS 34	Interim financial reporting	Applied	
IAS 36	Impairment of assets	Applied	
IAS 37	Provisions, contingent liabilities and contingent assets	Applied	
IAS 38	Intangible assets	Applied	
IAS 39	Financial instruments: recognition and measurement	N/A	
IAS 40	Investment property	N/A	
IAS 41	Agriculture	N/A	

IFRS No.	Name of IFRS	Applicability	Remarks
IFRS 1	First-time adoption of international financial reporting standards	N/A	
IFRS 2	Share based payment	N/A	
IFRS 3	Business combinations	N/A	
IFRS 5	Non-current assets held for sale and discontinued operations	N/A	
IFRS 6	Exploration for and evaluation of mineral resources	N/A	
IFRS 7	Financial instruments: disclosures	Applied	
IFRS 8	Operating segments	N/A	
IFRS 9	Financial instruments	Applied with some departures	Note 2.1
IFRS 10	Consolidated financial statements	N/A	
IFRS 11	Joint arrangements	N/A	
IFRS 12	Disclosure of interests in other entities	N/A	
IFRS 13	Fair value measurement	Applied with some departures	Note 2.1
IFRS 14	Regulatory Deferral Accounts	N/A	
IFRS 15	Revenue from Contracts with Customers	Applied with some departures	Note 2.1
IFRS 16	Leases	Not applied	Note 3.1
IFRS 17	Insurance Contracts	N/A	

N/A= Not Applicable

As the regulatory requirements differ with some of the standards, relevant disclosures have been made in accordance with Bangladesh Bank's requirements (please see note 2.1).

2.9 Consistency

In accordance with the IFRS framework for the presentation of financial statements, the company applies the accounting disclosure principles consistently from one period to next period, where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

3 Significant accounting policies

3.1 Accounting for leases

The Company has not recognized 'Right of Use' assets and lease liabilities as per IFRS 16.

3.2 Comparatives and reclassification

Comparative information has been disclosed in respect of 2025 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period's financial statements.

3.3 Accounting for loans

Loans operation consists of term loans, housing finance and staff loans. Books of accounts are maintained based on the accrual method of accounting. However, interest income on Special Mention Account (SMA) and classified loans is not recognized as income but credited to interest suspense account as per Bangladesh Bank circulars and directives.

3.4 Investments

Investment in securities are classified broadly in two categories and accounted for as under:

Investment in quoted shares

Investments in quoted shares (listed securities) are carried at cost. Adequate provision has been made considering each individual investment (where cost is less than market price) as guided by Bangladesh Bank. Unrealized gain is not recognized in the profit and loss account.

Investment in unquoted shares

Investment in unquoted shares/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.

Stock dividends received against investment in shares are recorded at zero value in the books of accounts.

3.5 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash with Bangladesh Bank and its agent bank(s) and balance with banks and other financial institutions in the form of current deposit, short term deposit and fixed deposits.

3.6 Liquidity statement (asset and liability maturity analysis)

The liquidity statement has been prepared in accordance with remaining maturity grouping of assets and liabilities as of the close of the year as per following basis:

i) Balance with banks and other financial institutions, money at call and short notice, etc. are on the basis of their maturity term.

ii) Investments are on the basis of their respective maturity.

iii) Loans, advances and leases are on the basis of their repayment schedule.

iv) Fixed assets are on the basis of their estimated useful lives.

v) Other assets are on the basis of their realization/amortization.

vi) Borrowing from banks, other financial institutions and agents, etc are as per Management's expectation of the Company's future liquidity position.

vii) Term deposits and other deposits are on the basis of Management's expectation of the Company's future liquidity position and past trend of withdrawal by the depositors.

viii) Other liabilities are on the basis of their payment/adjustments schedule.

3.7 Fixed assets including land, building, furniture & equipment

The cost of an item of property, plant and equipment is recognized as an asset if, it is probable that the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Company's own fixed assets (except Land) are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Land is stated under the revaluation model. The cost of acquisition of any asset comprises of its purchase price and any directly attributable cost of bringing the asset to it's working condition for its intended use as per International Accounting Standard (IAS) 16 "Property, Plant and Equipment".

3.7.1 Subsequent expenditure on fixed assets

Subsequent expenditure, such as repairs and maintenance, on property, plant and equipment is normally charged off as revenue expenditure in the period in which it is incurred. In situation subsequent expenditure is only recognized as an asset when the expenditure improves the condition of the asset beyond its originally assessed standard of performance. All other costs are recognized to the profit and loss account as expenses. All up gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

3.7.2 Disposal of fixed assets

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the profit and loss account, which is determined with reference to the net book value of the assets and net sales proceeds.

3.7.3 Depreciation on fixed assets

Depreciation on Company's own fixed assets is charged to amortize the cost of assets throughout their estimated useful lives, using the reducing balance method- in accordance with International Accounting Standard (IAS) 16 "Property, Plant and Equipment's". Depreciation of an asset begins when it is available for use, ie when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the asset is derecognized. The rates of depreciation used are as under:

Particulars	Rate
Land	Nill
Furniture & fixture	10% p.a
Electrical equipment	15% p.a
Motor vehicle	20% p.a
Office equipment	15% p.a
Interior decoration	10% p.a

3.8 Impairment of assets

The company's assets are appraised at each balance sheet date for impairment. If there is any indication of impairment, the company estimates the recoverable amount of such assets; impairment losses if any, is recognized in the profit & loss account if the carrying amount of the asset exceeds its recoverable amount.

3.9 Provision for loans, advances and investments

Provision for loans, advances and investments is an estimate of the losses that may be sustained in the investment portfolio. The provision is based on two principles (1) IAS 37: Provision, Contingent Liabilities and Contingent Assets and (2) Bangladesh Bank guidelines. The methodology for measuring the appropriate level of the provision relies on several key elements, which include both quantitative and qualitative factors as set forth in the Bangladesh Bank guidelines. DFIM Master circular No. 04 dated 26 July 2021, is the basis for calculating the provision for loans, advances and investments. Loan classification status during the year ended 31 December 2024 has been determined as per DFIM Master circular No. 04 dated 26 July 2021.

As per Bangladesh Bank circular, a general provision at 0.25% to 5% under different categories of unclassified loan (good/standard loans and Special Mention Account (SMA)) has to be maintained irrespective of objective evidence of impairment on leases, loans and advances.

Also, provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue.

3.9.1 Write off of loans, advances and investments

In compliance with Bangladesh Bank DFIM circular no. 3 dated 8 April 2015, loans, advances and investment are written off to the extent that (i) there is 100% provision is maintained (ii) against which legal cases are pending and (iii) prior approval of board is required for write off. The item's potential return is thus cancelled and removed ("written off") from the Company's balance sheet. However, these write off will not undermine or affect the claim amount against the borrower. Recovery against the written off is credited to other operational income. Income is recognized where amounts are either recovered and/or adjusted against securities/properties or advances there against or are considered recoverable.

3.10 Other receivable

Other receivable includes accrued IDCP (Interest During Construction Period), accrued interest for delay in payment of rental/installment, accrued interest on fixed deposit. These receivables do not carry any interest and are stated at their nominal value and provision has been maintained against them as per Bangladesh Bank guidelines.

3.11 Provisions and accrued expenses

Provisions and accrued expenses are recognized in the financial statement when the company 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.

3.12 Payment of dividend

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

The proposed cash dividend is not recognized as a liability in the balance sheet in accordance with the IAS 10 "events after reporting period". Dividend payable to the Company's shareholders are recognized as a liability and deducted from shareholders equity in the period in which the shareholders right to receive payment is established.

IAS 1 "presentation of financial statements" also requires the dividend proposed after the balance sheet date but before the financial statements are authorized for issue, be disclosed in the notes to the financial statements. Accordingly, the Company has disclosed the same in the notes to the financial statements.

Dividends cannot be declared by the Company until the Capital Adequacy shortfall disclosed in note 14.6 has been adjusted.

3.13 Revenue recognition

As per IFRS 15: Revenue from Contracts with Customers, an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Penal interest is recognized on cash basis as and when it is realised from the client except as disclosed in note 10.5.

3.13.1 Interest Income

Interest income comprises of interest income from lease, loans and advances and interest on placement of fund with banks and other financial institutions. Interest due is recognized on accrual basis using the effective interest method. Interest due over ninety days is not recognized as revenue rather it is recognized as interest suspense. Suspended interest is recognized as income on cash basis when it is received.

3.13.2 Income from leases

The excess of aggregate rentals receivable over the cost of the leased asset constitutes the total unearned lease income. The unearned lease income is recognized as revenue on an accrual basis over the lease terms, as per Bangladesh Bank Guidelines. No lease income is accounted for as revenue where any lease rental is in arrears for 03 (three) months and above. In case of lease account for more than 5 (five) years period, no lease income is accounted for as revenue where any lease rental is in arrears for 06 (six) months and above.

3.13.3 Income from loans, advances

Interest on loans and advances is recognized when interest is accrued. No interest on loans and advances is accounted for as revenue where any portion of capital or interest is in arrears for 03 (three) months and above. In case of loans and advances for more than 5 (five) years period, no interest on loans is accounted for as revenue where any portion of capital or interest is in arrears for 06 (six) months and above.

3.13.4 Dividend income

Dividend income is recognized on cash basis in the period in which the dividend was received.

3.13.5 Capital gain on sale of shares

Capital gain from sale of share/ securities is recognized on realized basis i.e. only when the securities are sold. Unrealized capital gain is not recognized as income.

3.13.6 Fee based revenue

Fee based revenues are recognized as income on cash basis i.e. as and when realized.

3.14 Bank loans

Interest bearing bank loans are recorded at the proceeds received. Interest on bank loans is accounted for on an accrued basis to profit and loss account under the head of financial expense at the implicit rate of interest. The accrued expenses are not added to carrying amounts of the loans.

3.15 Borrowing costs

According to International Accounting Standard 23 "borrowing cost", all borrowing costs are recognized as expenses in the period in which they are incurred.

3.16 Interest suspense

As per Bangladesh Bank guidelines, lease income and interest on term finance overdue three months and above period are not recognized as revenue and credited to interest suspense account. In case of lease and loan account more than 5 years period and housing finance, lease income and interest income overdue six months and above period are not recognized as revenue and credited to interest suspense account.

3.17 Contingent liabilities and contingent assets

The company does not recognize contingent liability and contingent assets but discloses the existence of contingent liability in the financial statements in accordance with International Accounting Standard 37 "Provisions, Contingent Liabilities and Contingent Assets". A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of uncertain future events not within the control of the company.

3.18 Workers Profit Participation Fund and Welfare Fund

The company is yet to decide on the applicability of the sections 2 (65) of the Labour Code, 2006 and 232 of the Labor Act, 2006 hence no provision for workers profit participation and welfare fund has been made in the accounts.

3.19 Related party disclosure

The Company has entered into transactions with other parties in normal course of business that fall within the definition of related party as per International Accounting Standard 24 "Related Party Disclosure". The terms of related party transactions are not different from those that could have been obtained from third parties. Related party transactions are disclosed in the note no. 46 of this report.

3.20 Statutory reserve

As per clause no 6 of Financial Institutions Regulations, 1994, Financial Institution is required to transfer at least 20% of it's profit after tax and before appropriation of dividend in a particular year, if the financial institution's sum of Share Premium Account (if any) and Statutory Reserves is less than the required paid up capital of that financial institution. Accordingly to DFIM Circular no 05, dated July 24, 2011, required capital for financial institution should not be less than BDT 100 crore or minimum capital required based on risk-weighted asset. Due to loss for the year 2024 the Company has not transferred any amount to the statutory reserve.

3.21 Earnings per share (EPS)

The Company calculates earnings per share in accordance with International Accounting Standard (IAS) 33 "earnings per share", which has been shown in the face of profit & loss account and the computation is stated in note-39.

3.21.1 Basic earnings per share

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

3.21.2 Diluted earnings per share

Diluted earnings per share reflects the potential dilution that could occur if additional ordinary shares are assumed to be issued under securities or contracts that entitle their holders to obtain ordinary shares in future, to the extent such entitlement is not subject to unresolved contingencies. Effect of dilution to weighted average number of ordinary shares is given for potential ordinary shares. As at 31 December 2025, there was no scope for dilution and hence no diluted EPS is required to be calculated.

3.21.3 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-weighting factor. The time-weighting factor is the numbers of days the specific shares were outstanding as a proportion of the total number of days in the year.

3.22 Income tax

Income tax expense represents the sum of the tax currently payable.

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years or are never taxable or deductible. Company's liability for current tax is calculated using tax rates that have been enacted the reporting period. Due to loss for the year 2025, Company provided minimum tax as per Income Tax Act 2023.

Deferred Tax:

The Company accounts for deferred tax as per International Accounting Standard (IAS) 12 Para 51b: "Income Taxes". Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. It is measured at the tax rates that are expected to be applied to the temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the date of reporting of the financial statements. The Company provides disclosures based on the classes of assets and liabilities related to the temporary differences.

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax liabilities are recognized for all taxable temporary differences and it is probable that temporary differences will not reverse in the foreseeable future. Both the Deferred tax assets and liabilities are reviewed at each reporting date considering the probability of benefit or detriment realizable. Deferred tax assets and liabilities are presented by netting off.

3.23 Employee benefit

The company maintained the following employee benefit plans in compliance with International Accounting Standard 19 "Employee Benefits":

3.23.1 Provident fund

The company operates a contributory provident fund scheme for its employee which is recognized by the National Board of Revenue (NBR) and administrated by a Board of Trustees. Both the company and employee contribute to the fund on equal basis at a predetermined rate.

3.23.2 Gratuity scheme

The company operates a non-funded gratuity scheme. Employees are entitled to gratuity benefit after completion 1 (one) years satisfactory service. The gratuity is paid on the basis of last basic pay drawn and is payable at the rate of one month's basic pay for every completed year of service. Provision for gratuity is made annually considering all its eligible employees available at the end of the year.

3.23.3 Pension fund

The company operates a non funded superannuation fund scheme. Employees are entitled to the following benefits:

i) Death Benefits: 100% of sum assured on death of an employee as per his/her category during the tenure of service prior to retirement is payable to his/her nominee and/or heirs.

ii) Survival Benefits: 100% of the amount assured on retirement after completion age of 57 years (58th Birthday) and/or being physically incapacitated during his services in the Company as per category of the employees

3.23.4 Group life insurance scheme

The company has a Group Life Insurance Scheme for all its permanent employees.

3.23.5 Employees hospitalization benefit

The company has an employees' hospitalization benefit scheme for all its permanent employees.

3.23.6 Performance bonus

The employees of the company are entitled to annual performance bonus which is determined on the basis of company as well as individual employee's performance and subject to approval by the Board of Directors of the company.

3.23.7 Employee personal loan scheme

The company provides personal loan facility to its employee as per loan scheme of the company.

3.23.8 Other benefits

The employees of the company are also entitled to privilege leave encashment benefit, etc.

3.24 Policies and objectives adapted for financial risk management

The policies mentioned in this section are being applied in a very limited manner due to the Company's financial condition.

The Board of Directors guides and formulates the basic philosophy relating to optimal implementation of strategy to cater to the financial risk and capital deployed for investment.

In order to ensure maximum return to shareholders, the Company emphasizes on maintaining strong capital base to attain high credit rating, which enables growth, as well as portray good image and meet the regulatory requirements.

The management of the company takes account to the following factors, which affects the financial risks that are faced from time to time.

3.24.1 Credit risk

Credit risk arises when an obligor fails to perform its obligations under a trading or loan contract or when its ability to perform such obligations is impaired. This risk is compounded if the assigned collateral only covers the claim made to the clients or if its value is variable or uncertain. Credit risk does not arise only when a borrower defaults on payment of a loan but also when its repayment capability declines.

Mitigation Policy

Credit policies are designed to create, monitor and manage credit risk in a manner that complies with all applicable laws and regulations. The credit policies also include utilizing appropriate, accurate and timely tools to measure credit risk and maintaining acceptable levels if overall credit risk for the entire portfolio.

3.24.2 Liquidity risk

Liquidity risk is the current and prospective risk that the company, though solvent, either does not have sufficient financial resources available to meet its liability when they fall due or can secure them only at excessive cost. Liquidity risk arises from the inability to manage unplanned changes in funding sources.

Mitigation Policy

The policy of the company is to maintain and manage the fund in such a manner so that any short- and long-term commitment are not affected due to mismatch of tenure. The risks involved in liquidity are regularly looked after by the Treasury Department as per the guidance of the Asset Liability Management Committee (ALMC) from time to time.

3.24.3 Market risk

Market risk relates to potential loss arising from and adverse change in market risk factors, including commodity prices, interest rates, credit spreads and equity prices.

Mitigation Policy

The Assets Liability Management Committee (ALMC) of the company regularly meets to assess the change in interest rate, market conditions, carry out asset liability maturity gap analysis, re pricing of products and thereby takes effective measures to monitor and control interest rate risk.

Apart from major financial risks, the organization also faces non-financial risk among which following are prominent:

3.24.4 Operational risk

Operational risk is the risk of direct or indirect loss or damage resulting from inadequate or failed internal processes or systems or from human error or external events. Operational risk is therefore inherent in all activities within the company.

Mitigation Policy

Appropriate internal control systems can reduce operational risk within acceptable level. The Company established an effective and efficient internal control & compliance department (ICCD) to ensure the implement of policies and statutory requirements to encounter such risk. Internal Control and Compliance committee of the company works to ensure effective and efficient operations, reliable financial reporting and compliance with laws and regulations.

3.24.5 Information and communication technology risk

This risk may arise from malfunction of system, failure of network, lack of knowledge about the use of technology, virus attack, hacking etc.

Mitigation Policy

To manage IT related risk, the company has adopted excellent disaster recovery back up facilities in emergency situation. In addition, the company has check and balance system in every step of its standard procedures of operations.

3.24.6 Strong credit policy formulation by top management

- The Board of Directors of the company guides and formulates the basic philosophy relating to optimal implementation of strategy to cater to the financial risk and capital deployed for investment.
- The Board of Directors has approved the credit policy for the company where major policy guidelines, growth strategy, exposure limits (for particular sector, product, individual company and group) and risk management strategies have been detailed.

3.24.7 Credit manual updated with recent industry information

Credit policy is regularly updated to cope up with the changing global, environmental and domestic economic scenarios.

3.24.8 Thorough credit approval process

Meeting regulatory requirements and industry best practices: All credit facility complies regulatory requirements including Financial Institution Act and Bangladesh Bank guidelines & circulars as amended from time to time. The company considers Guidelines for managing core risks of financial institutions issued by the Country's central bank, Bangladesh Bank; vide FID circular no. 10 dated September 18, 2005 for management of risks.

3.24.9 Multilayer credit evaluation process

To ensure both speedy service and mitigation of credit risk, the approval process is maintained through a multilayer system. Depending on the size of the loan, a multilayer approval system is designed. As smaller loans are very frequent and comparatively less risky, lower sanctioning authority is set to improve the turnaround time and associated risk. Bigger loans require more scrutiny as the associated risk is higher. So sanctioning authority is higher as well.

3.24.10 Rigorous due diligence process followed

- The Company downloads credit report from the credit information bureau (CIB) of Bangladesh Bank. The report is scrutinized by top management to understand the liability condition and repayment behavior of the client.
- The Company takes banker's opinions from client's banks as well as suppliers' and buyers' opinion to understand the market position and reputation of our proposed customers.
- The Company discourages financing to low net worth or highly leveraged customer; who might jeopardize their repayment commitment or even in worse situation may face liquidity problem.
- The Company evaluates customer repayment performance before providing credit facility though financial analysis, ensure adequate insurance coverage for funded assets, seeking external legal opinion and taking collateral security to reduce risk.
- The Company provides credit facility to productive and legitimate business activities, which are financially viable with strong focus on cash flow generation, have market demand and socially desirable; and will not invest for unproductive purposes or speculative ventures.

During the period under audit the company did not provide any credit facilities due to liquidity crisis.

3.24.11 Constant credit monitoring and recovery process

- **Existence of control mechanism for early warning:** Performance of loans is regularly monitored to trigger early warning system to address the loans and advances whose performance show any deteriorating trend. It enables the company to grow its credit portfolio with ultimate objective to protect the interest of stakeholders.
- **Continuous monitoring by top management:** The Management Credit Committee (MCC) regularly meets to review the market and credit risk related to lending and recommend and implement appropriate measures to counter associated risks. The MCC critically reviews projects considering the current global economic situation and its probable impact on the project.
- **Centralized Credit Administration:** The Company has already established a centralized credit risk management department and a process manual. The Credit Risk Management (CRM) department regularly monitors and follows up credit risk related matter and recommend and implement appropriate measures to counter associated risk. The CRM time to time reviews projects from risk point of view and assists the management in creating a high-quality credit portfolio and maximize return from risk-based assets.

3.25 Basel II & its implementation

To cope with the international best practices and to make the capital more risk sensitive as well as more shock resilient, guidelines on Basel Accord for Financial Institutions (BAFI)' have been introduced from January 01, 2011 on test basis by Bangladesh Bank. At the end of test run period, Basel accord regime has started and the guidelines namely "Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institution (CAMD)" have come fully into force from January 01, 2012 with its subsequent supplements/ revisions. Instructions regarding Minimum Capital Requirement (MCR), Capital Adequacy Ratio (CAR), and disclosure requirement as stated in these guidelines have to be followed by all FIs for the purpose of statutory compliance.

The Company has a shortfall in Capital Adequacy as stated in note 14.6.

3.26 Reporting period

Financial statements of the company cover twelve months period from January 01, to December 31, consistently.

3.27 Offsetting

No assets or liability has been offsetted or reduced by any other assets unless a legal right for set-off exists and the offsetting presents the expectation as to the realization or settlement of the assets or liability.

3.28 Reporting currency and level of precision

The figures reported in the financial statements are in Bangladeshi Taka, which has been rounded off to the nearest Taka.

3.29 Comparative information

Previous year's figures have been rearranged where considered necessary to conform to current year's presentation without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

3.30 Adoption of Financial Statements

The audited Financial Statements for the year ended December 31, 2024 was adopted by the shareholders in the 29th AGM held on 07 April 2026.

The audited Financial Statements for the year ended December 31, 2025 will be adopted by the shareholders in the 30th AGM.

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
4	**Cash**		
	This is made up as follows:		
	Cash in hand **(note: 4.1)**	38,355	32,762
	Balance with Bangladesh Bank & its agent bank(s) **(note: 4.2)**	93,709	24,632
		132,064	**57,394**
4.1	**Cash in hand**		
	This is made up as follows:		
	Local currency	38,355	32,762
	Foreign currency	-	-
		38,355	**32,762**
4.2	**Balance with Bangladesh Bank & its agent bank (s)**		
	This is made up as follows:		
	Balance with Bangladesh Bank **(note: 4.2.1)**	93,709	24,632
	Balance with Bangladesh Bank's agent bank **(note: 4.2.2)**	-	-
		93,709	**24,632**
4.2.1	**Balance with Bangladesh Bank**		
	This is made up as follows:		
	Local currency	93,709	24,632
	Foreign currencies	-	-
		93,709	**24,632**
4.2.2	**Balance with Bangladesh Bank's agent bank**		
	This is made up as follows:		
	Local currency	-	-
	Foreign currencies	-	-
		-	**-**

4.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR)

Cash Reserve Requirement (CRR) and Statutory Liquidity Reserve (SLR) has to be calculated and maintained in accordance with Finance Companies Act. 2023, Rule 5 of Financial Institutions Regulations 1994 and instructions contained in FID circular no. 06 dated 06 November 2003, FID circular no. 02 dated 10 November 2004, DFIM circular no. 01 dated 12 January 2017 and DFIM circular no. 03 dated 21 June 2020 issued by Bangladesh Bank.

Cash Reserve Requirement (CRR) is required on the total term deposits at the rate of 1.5% has to be calculated and preserved in current account maintained with Bangladesh Bank. Total Term Deposit' means Term or Fixed Deposit, Security Deposit against Lease/Loan and other Term Deposits, received from individuals and institutions (except Banks & Financial Institutions).

Statutory Liquidity Reserve (SLR) including Cash Reserve Requirement (CRR) has to be maintained at the rate of 5.00% against total liabilities excluding shareholders' equity, borrowings from Bangladesh Bank and Bank and other Finance Companies in the form of cash in hand (notes and coin in BDT), balance with Bangladesh Bank and Banks and other financial institution, investment at call, unencumbered treasury bills, prize bond, savings certificate and any other assets approved by Bangladesh Bank. Both the reserves as maintained by the company are shown below:

4.3.1	**Cash Reserve Requirement (CRR): 1.5% of term deposits (excluding bank & FI deposits):**		
	The Company requires to maintain cash with Bangladesh Bank current account equivalent to 1.50% of Term Deposits other than deposit taken from banks and financial institutions.		
	Required reserve	28,479,394	27,870,313
	Actual reserve held with Bangladesh Bank **(Note:4.2)**	93,709	24,632
	Surplus / (deficit)	**(28,385,685)**	**(27,845,681)**
4.3.2	**Statutory Liquidity Reserve (SLR): 5% (including 1.5% CRR) of average liabilities:**		
	The Company requires to maintain SLR equivalent to 5% of total liability including 1.50% of CRR and excluding loans and deposits taken from banks and financial institutions.		
	Required reserve	210,798,186	208,102,647
	Actual reserve held **(note: 4.3.3)**	24,013,242	27,306,297
	Surplus / (deficit)	**(186,784,944)**	**(180,796,350)**
4.3.3	**Held for Statutory Liquidity Reserve (SLR):**		
	Cash in hand **(note: 4.1)**	38,355	32,762
	Balance with Bangladesh Bank (**note: 4.2**)	93,709	24,632
	Balance with other bank and financial institutions **(note-5)**	23,881,178	27,248,903
	Money at call on short notice **(note: 6)**	-	-
		24,013,242	**27,306,297**

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
5	**Balance with banks and other financial institutions**		
	This is made up as follows:		
	Inside Bangladesh **(note: 5.1)**	23,881,178	27,248,903
	Outside Bangladesh	-	-
		23,881,178	**27,248,903**
5.1	**Inside Bangladesh**		
	This is made up as follows:		
	a) Current deposit account:		
	The City Bank PLC, Uttara Branch, Dhaka	15,698	15,007
	Prime Bank PLC, Motijheel Branch, Dhaka	6,604,994	3,045,511
	Dutch Bangla Bank PLC, Rampura Branch	617,104	618,294
	Social Islami Bank PLC, Principal Branch, Dhaka	6,875	7,555
		7,244,671	**3,686,367**
	b) Short term deposit account:		
	Bank Asia PLC, N. Gonj Branch	2	1
	Bank Asia PLC, Agrabad Branch, Chattagram	6	1,054
	Bangladesh Commerce Bank PLC, Principal Office, Dhaka	225,746	223,605
	BASIC Bank PLC, Basundhara Branch, Dhaka	9,814	10,421
	The City Bank PLC, Principal Branch, Dhaka	13,799	13,702
	Dhaka Bank PLC, Local Office, Dhaka	44,486	44,486
	EXIM Bank of BD PLC, Head office Corp. Branch, Dhaka	64,115	66,135
	Mutual Trust Bank PLC, Jubly Road Branch, Chattagram	9,903	10,961
	Southeast Bank PLC, Principal Branch, Dhaka	1,240,774	1,228,990
	Uttara Bank PLC, Local Office, Dhaka	709,467	683,921
	Mercentile Bank PLC, Agrabad Branch, Chattagram	313,830	215,214
	Mutual Trust Bank PLC, Agrabad Branch, Chattagram	700,065	713,046
		3,332,007	**3,211,536**
	c) Fixed deposits:		
	With bank	-	-
	With other financial institutions	13,304,500	20,351,000
		13,304,500	**20,351,000**
	Total (A+B+C):	**23,881,178**	**27,248,903**
5.1.1	**With other financial institutions:**		
	This is made up as follows:		
	IDLC Finance PLC	13,304,500	20,351,000
		13,304,500	**20,351,000**
5.2	**Residual maturity groupings of balance with banks and other financial institutions:**		
	Upto 1 month	10,576,678	6,897,903
	More than 1 month but not more than 3 months	13,304,500	20,351,000
	More than 3 months but not more than 1 year	-	-
	More than 1 year but not more than 5 years	-	-
	More than 5 years	-	-
		23,881,178	**27,248,903**
6	**Money at call on short notice**		
	This is made up as follows:		
	With banks	-	-
	With financial institutions	-	-
		-	-
7	**Investments**		
	This is made up as follows:		
	In Government securities		
	Treasury bills	**-**	**-**

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
	National investment bonds	-	-
	Bangladesh Bank bills	-	-
	Government notes/bonds	-	-
	Prize bonds	-	-
	Others	-	-
		-	-
	Other investments:		
	Ordinary shares **(note 7.1)**	190,413,132	190,413,132
	Debenture and bonds	-	-
	Others	-	-
		190,413,132	**190,413,132**
7.1	**Ordinary shares**		
	This is made up as follows:		
	Quoted shares **(note 7.1.1)**	72,913,132	72,913,132
	Unquoted shares **(note 7.1.2)**	117,500,000	117,500,000
		190,413,132	**190,413,132**
7.1.1	**Quoted shares**		
	This is made up as follows:		
	Name of the Company	**31-12-2025**	**31-12-2024**
	Argon Denims Ltd.	8,091,902	8,091,902
	BSRM Steels Limited	44,192,430	44,192,430
	BATBC	2,994,985	2,994,985
	Dhaka Bank PLC	5,072,190	5,072,190
	Grameen One: Scheme Two	1,901,721	1,901,721
	Ifad Autos Ltd.	1,241,529	1,241,529
	Power Grid Company of Bangladesh	988,724	988,724
	Square Pharmaceuticals PLC.	7,037,250	7,037,250
	Standard Bank PLC.	1,392,401	1,392,401
		72,913,132	**72,913,132**
7.1.2	**Unquoted shares**		
	This is made up as follows:		
	BanglaLion Comunications Ltd.	107,500,000	107,500,000
	GMG Airlines Ltd.	10,000,000	10,000,000
		117,500,000	**117,500,000**

The company has invested an amount of Tk. 107,500,000 to BanglaLion Communications Ltd. against 10,750,000 Ordinary Shares of Tk. 10.00 each. BanglaLion Communications Ltd. is a Private Ltd. company which provides wireless internet with latest wireless broadband techonology and the Company is one of the sponsor shareholders of Banglalion Communications Ltd. BIFC holds 5% shares of the total share of Banglalion Communications Ltd. As we informed BTRC cancelled the license of BanglaLion Communication in the year 2021 unilaterally. BanglaLion authority filed cases aginst their licence cancellation in the high Court Division of the Supreme Court of Bangladesh.

The company has also invested an amount of Tk.10,000,000 to GMG Airlines Ltd. against 200,000 Ordinary Shares of Tk. 50.00 each including a premium of Tk.40.00 per share. During the year 2012, BIFC received 20,000 shares of Tk.10.00 each from GMG Airlines Ltd. against 10% stock dividend which is recoded at zero value in the books of accounts. So, total shares of GMG Airlines Ltd. stands at 220,000. On 28 March 2012, GMG announced suspension of operations pending acquisition of new fleet. It expected to resume operations later in 2012 but has remained suspended upto date.

BIFC has maintained 100% provision (note 13.2) against its investments in unquoted shares as per FID Circular no. 08 dated 03 August 2002.

7.2	**Sector wise investments in un-quoted shares at cost**		
	This is made up as follows:		
	Banking companies	6,464,591	6,464,591
	Fuel & power	988,724	988,724
	Manufacturing companies and others	65,459,817	65,459,817
		72,913,132	**72,913,132**

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
7.3	**Residual maturity groupings of investments**		
	This is made up as follows:		
	Upto 1 month	72,913,132	72,913,132
	More than 1 month but not more than 3 months	-	-
	More than 3 months but not more than 1 year	-	-
	More than 1 year but not more than 5 years	-	-
	More than 5 years	117,500,000	117,500,000
		190,413,132	**190,413,132**
	(A schedule of investment in shares is given in **Annexure- C)**		
8	**Loans, advances and leases**		
	This is made up as follows:		
	Loans, cash credits, overdrafts, etc. **(note: 8.a)**	7,624,747,470	7,668,101,709
	Bills purchased and discounted **(note: 8.b)**	-	-
		7,624,747,470	**7,668,101,709**
	Upto the year 2024, accounts receivable against IDCP amounting to Tk.32,270,833 was reported as Other Assets: Others (reference:10.5). As per verbal instruction of the inspection team of Financial Institution Inspection Department (FIID) of Bangladesh Bank, now it has been reported as Loans, cash credits, overdrafts effective from 2024.		
8.a	**Loans, cash credits, overdrafts, etc.**		
	This is made up as follows:		
	Inside Bangladesh		
	Lease finance **(note: 8.1)**	381,881,416	383,674,247
	Term loans **(note: 8.2)**	7,216,470,383	7,252,543,830
	Housing finance	20,705,751	25,023,523
	Staff loan **(note: 8.3)**	5,689,920	6,860,109
	Overdrafts	-	-
	Cash credit	-	-
		7,624,747,470	**7,668,101,709**
	Outside Bangladesh	-	-
		7,624,747,470	**7,668,101,709**
8.1	**Lease finance**		
	This is made up as follows:		
	Gross lease receivable	42,556,122	139,621,854
	Less: Unearned lease income	-	9,632,535
	Net lease receivables	**42,556,122**	**129,989,319**
	Add: Overdue lease rentals	339,325,294	253,684,928
		381,881,416	**383,674,247**
	Upto the year 2024, accounts receivable against IDCP amounting to Tk.32,270,833 was reported as Other Assets: Others. As per instruction of the inspection team of Financial Institution Inspection Department (FIID) of Bangladesh Bank, now it has been reported as Loans, cash credits, overdrafts (reference: note-8) effective from 2024.		
8.2	**Term loans**		
	This is made up as follows:		
	Principal outstanding	2,420,333,622	2,441,785,763
	Accounts receivable	4,796,136,761	4,810,758,067
		7,216,470,383	**7,252,543,830**
8.3	**Staff loans**		
	This is made up as follows:		
	Term loan	5,689,920	6,860,109
		5,689,920	**6,860,109**
8.4	**Residual maturity grouping of loans, advances and leases**		
	This is made up as follows:		
	Receivable:		
	On Demand	-	-
	Upto 1 month	1,569,767	207,772,321
	More than 1 month but not more than 3 months	2,717,189	207,344,242
	More than 3 months but not more than 1 year	3,570,810,276	2,663,919,954
	More than 1 year but not more than 5 years	3,456,249,229	4,074,661,100
	More than 5 years	593,401,009	514,404,092
		7,624,747,470	**7,668,101,709**
	Since 97.65% of the loans, advances and leases are classified, residual maturity has been calculated by the Management by taking into account of the recovery forecasts.		

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024

8.5 Loans, advances and leases on the basis of significant concentration:

This is made up as follows:

8.5.1	Loans, advances and leases to directors and their allied concerns	-	-
8.5.2	Loans, advances and leases to CEO & Sr. Executives/Officers	5,689,920	6,860,109
8.5.3	Loans, advances and leases to customer groups	7,619,057,550	7,661,241,600

Loans, advances and leases allowed to any individual customer or enterprise or any organization of a group exceeding 15% of the Financial Institution's total capital.

Consequently all the loans allowed by the company is a large loan and hence cannot be disclosed separately.

8.5.4 Loans, advances and Leases on the basis of industrial sectors:

As per Bangladesh Bank circular, sector wise loans and advances are as follows:

Sector	As at 31 December 2025		As at 31 December 2024	
	Amount	Percentage	Amount	Percentage
A. Trade & Commerce (Importers, wholesellers, retail Traders, etc)	1,080,426,171	14.17%	1,085,727,707	14.16%
B. Industry:				
1) Readymade Garments and Knitwear	1,669,029,768	21.89%	1,669,330,836	21.77%
2) Textile Mills	929,509,727	12.19%	930,776,332	12.14%
3) Garments Accessories	7,348,363	0.10%	7,348,363	0.10%
4) Jute Mills and Jute Products	54,846,636	0.72%	54,846,636	0.72%
5) Food Production and Procesing	3,781,910	0.05%	3,781,910	0.05%
6) Printing & Dyeing Industries	2,068,176	0.03%	3,894,656	0.05%
7) Plastic Industry	-	0.00%	-	-
8) Leather and Leather-Goods	-	0.00%	-	-
9) Steel Engineering & Metal Products	150,273,976	1.97%	156,685,660	2.04%
10) IT based activities (Call centre, internet services, etc)	2,172,143,182	28.49%	2,172,397,251	28.33%
11) Road Transport Companies	11,726,527	0.15%	85,653,759	1.12%
12) Housing	20,705,751	0.27%	25,023,523	0.33%
13) Cement Manufacturing	20,718,157	0.27%	36,098,213	0.47%
14) Hotel Tourism & others	176,980,322	2.32%	176,980,322	2.31%
15) Power (Gas, oil & other fuels)	328,799,082	4.31%	328,799,082	4.29%
16) Paper, printing, packaging, Manufacturing	152,931,407	2.01%	165,282,292	2.16%
17) Ship Building & Breaking Industries	333,964,642	4.38%	327,552,958	4.27%
18) Electronics and Electrical Products	-	0.00%	-	-
19) Agriculture	-	0.00%	-	-
C. Others	509,493,673	6.68%	437,922,209	5.70%
Total	**7,624,747,470**	**100.00%**	**7,668,101,709**	**100.00%**

8.5.5 Geographical location-wise concentration of loans, advances and leases

This is made up as follows:

Division	As at 31 December 2025		As at 31 December 2024	
	Amount	Composition	Amount	Composition
Dhaka	7,054,373,131	92.52%	7,068,054,144	92.17%
Chittagong	570,374,339	7.48%	600,047,565	7.83%
Total	**7,624,747,470**	**100.00%**	**7,668,101,709**	**100.00%**

8.6 (A) Grouping of loans, advances and leases as per classification rules of Bangladesh Bank

This is made up as follows:

Unclassified		
Standard including staff loans	179,190,008	207,772,321
Special Mention Account (SMA)	-	-
	179,190,008	**207,772,321**
Classified		
Substandard	-	-
Doubtful	-	-
Bad or loss	7,445,557,462	7,460,329,388
	7,445,557,462	**7,460,329,388**
	7,624,747,470	**7,668,101,709**

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024

(B) Classification and provisioning of loans and advances including bills purchased and discounted:

Classification/status of loans and advances	Amount of outstanding loans and advances as at 31 December, 2025	Base for provision	% of provision required as per Bangladesh Bank directive	Amount of Provision as at 31 December, 2025	Amount of Provision as at 31 December, 2024
i. General provision					
Standard Non SME including staff loans	178,761,669	178,761,669	1.00%	1,787,617	2,077,723
Standard SME	428,339	428,339	0.25%	1,071	-
Special Mention Account	-	-	5%	-	-
				1,788,688	**2,077,723**
ii. Specific provision					
Sub-standard	-	-	20%	-	-
Doubtful	-	-	50%	-	-
Bad/loss	7,445,557,462	6,665,652,606	100%	6,665,652,606	6,661,277,694
				6,665,652,606	**6,661,277,694**
iii. Special Provision 2%	253,358,535	253,358,535	2%	**5,067,171**	**4,062,664**
Total provision required (i+ii+iii)				6,672,508,465	6,667,418,081
Total provision maintained (**Note: 13.1**)				6,672,508,465	6,667,418,081
Excess/ (Deficit)				-	-

8.7 Particulars of loans, advances and leases:

(i)	Loans considered good in respect of which the Financial Institution is fully secured	179,322,009	164,040,282
(ii)	Loans considered good for which the Financial Institution holds no Security other than the debtor's personal guarantee	7,269,230,781	7,313,986,550
(iii)	Loans considered good which is secured by the personal guarantee of one or more parties in addition to the personal guarantee of the debtors	176,194,680	190,074,877
(iv)	Loans adversely classified; provisione not maintained there against	-	-
		7,624,747,470	**7,668,101,709**
(v)	Loans due by directors or officers of the Financial Institution or any of them either separately or jointly with any other person **(note: 8.3)**	5,689,920	6,860,109
(vi)	Loans due from companies or firms in which the directors of the Financial Institution have interest as directors, partners or managing agents or, in case of private companies as members	-	-
(vii)	Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the Financial Institution or any of them either separately or jointly with any other persons	1,040,000	2,100,000
(viii)	Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the Financial Institution have interest as directors, partners or managing agents, or in the case of private companies as members	-	-
(ix)	Due from Banking Companies	-	-
(x)	Classified loans for which interest has not been charged **(note: 8.6.A)**	7,445,557,462	7,460,329,388
	a) Increase/ (decrease) of provision {Note: 8.6 (B)(ii), Closing Balance - Opening Balance}	4,374,912	(17,669,230)
	b) Amount of loans written off	-	-
	c) Amount realised against loans previously written off	-	-
	d) Amount of provision kept against loans classified as bad/loss on the Balance Sheet date (**Note: 8.6 (B)(ii)**)	6,665,652,606	6,661,277,694
	e) Amount of interest credited to the interest suspense account (note: 13.4)	724,256,715	732,009,473
(xi)	Amount of loans written off:		
	Current year	-	-
	Cumulative to date	27,350,760	27,350,760
	The amount of written off loans for which law suit filed	27,350,760	27,350,760

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
8.b	**Bills purchased and discounted**	-	-
	No bill has been purchased or discounted during the year.		
9	**Fixed assets including land, building, furniture & equipments**		
	This is made up as follows:		
	A. Cost:		
	Land and land development	440,000,000	440,000,000
	Furniture & fixture	3,766,229	3,766,229
	Electrical appliance	11,773,392	11,793,262
	Motor vehicles	13,880,154	15,280,154
	Interior decoration	11,088,782	11,088,782
	Office equipment	1,261,629	1,261,629
	Right of Use Assets	16,685,207	-
		498,455,393	**483,190,056**
	B. Accumulated depreciation:		
	Furniture & fixture	2,327,005	2,167,092
	Electrical appliance	9,176,567	8,966,251
	Motor vehicles	13,089,115	14,259,831
	Interior decoration	7,280,403	6,857,249
	Office equipment	1,111,625	1,085,155
	Right of Use Assets	8,487,851	-
		41,472,566	**33,335,578**
	C. Written down value at December 31, 2025		
	Land and land development	440,000,000	440,000,000
	Furniture & fixture	1,439,224	1,599,137
	Electrical appliance	2,596,825	2,827,011
	Motor vehicles	791,039	1,020,323
	Interior decoration	3,808,379	4,231,533
	Office equipment	150,004	176,474
	Right of Use Assets	8,197,356	-
	Total (A-B):	**456,982,827**	**449,854,478**
	For details please refer to **Annexure- A**		
	The company acquired 11 kathas land located at 65/1, DIT Extension Road, Purana Paltan, Dhaka which was revalued in the year 2012 at 440,000,000 from existing Tk. 36,574,333. Thus the value of the said land increased by Tk. 403,425,667 which was shown as assets revaluation reserve.		
10	**Others assets**		
	This is made up as follows:		
	A. Income generating other assets:		
	Income receivable	-	-
		-	**-**
	B. Non-income generating:		
	Stock of stamp	3,685	5,175
	Advance rent, advertisement etc. **(note: 10.1)**	1,154,590	1,398,538
	Receivable on sale of shares **(note: 10.2)**	31,100	31,100
	Security deposits **(note: 10.3)**	3,644,237	3,644,237
	Prepaid expenditure **(note: 10.4)**	266,233,325	322,091,625
	Suspense account	11,198	11,198
	Others **(note: 10.5)**	23,539,115	23,612,931
		294,617,250	**350,794,804**
	Total (A+B):	**294,617,250**	**350,794,804**
10.1	**Advance rent, advertisement etc.**		
	These represents rent paid to land-lord in advance for office premises.		
10.2	**Receivable on sale of shares**		
	This is made up as follows:		
	Anchor Securities Ltd.	1,205	1,205
	LankaBangla Securities Ltd.	29,895	29,895
		31,100	**31,100**

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
10.3	**Security deposits**		
	This is made up as follows:		
	Deposits with BTTB and mobile operator	28,000	28,000
	Deposits with CDBL	400,000	400,000
	Deposits with landlord	3,000,000	3,000,000
	Others	216,237	216,237
		3,644,237	**3,644,237**
10.4	**Prepaid expenditure**		
	This is made up as follows:		
	Advance payment for land	2,343,333	2,343,333
	Building construction	10,345,000	10,345,000
	Advance Payment of Tax **(Note: 10.4.1)**	253,468,992	291,219,154
	Others	76,000	18,184,138
		266,233,325	**322,091,625**
10.4.1	**Advance income tax**		
	This is made up as follows:		
	Income tax refundable **(note: 10.4.1.1)**	3,787,644	5,309,867
	Advance income tax **(note: 10.4.1.2)**	249,681,348	285,909,287
		253,468,992	**291,219,154**

10.4.1.1 Income tax refundable

Year-wise break-up are as follows:

Assesment year	Income year	Amount	Amount
2003-2004	2002	-	4,042,297
2004-2005	2003	-	971,703
2006-2007	2005	-	295,867
2018-2019	2017	2,001,991	-
2019-2020	2018	405,091	-
2022-2023	2021	96,852	-
2023-2024	2022	31,139	-
2024-2025	2023	572,307	-
2025-2026	2024	680,264	-
		3,787,644	**5,309,867**

10.4.1.2 Advance income tax

Year-wise Break-up are as follows:

Assesment year	Income year	Amount	Amount
2005-2006	2004	1,200,331	1,200,331
2007-2008	2006	7,384,177	7,384,177
2008-2009	2007	7,878,688	7,878,688
2009-2010	2008	6,590,386	6,590,386
2010-2011	2009	8,731,426	8,731,426
2011-2012	2010	19,013,223	19,013,223
2012-2013	2011	23,708,921	23,708,921
2013-2014	2012	50,473,285	50,473,285
2014-2015	2013	-	30,018,613
2015-2016	2014	117,039,916	117,039,916
2016-2017	2015	3,386,428	3,386,428
2017-2018	2016	2,290,472	2,290,472
2018-2019	2017	-	2,788,510
2019-2020	2018	-	870,872
2020-2021	2019	724,765	724,765
2021-2022	2020	321,311	321,311
2022-2023	2021	-	331,889
2023-2024	2022	-	529,397
2024-2025	2023	-	902,160
2025-2026	2024	-	1,724,515
2026-2027	2025	938,019	-
		249,681,348	**285,909,287**

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
10.5	**Others**		
	This is made up as follows:		
	Receivable against IDCP	-	-
	Receivable against LPI	23,396,948	23,400,240
	Accrued interest on fixed deposit	142,167	212,691
		23,539,115	**23,612,931**

Full provision has been maintained against Receivable against LPI as per FID Circular no. 08 dated 03 August 2002. See note 13.3.

Upto the year 2024, accounts receivable against IDCP amounting to Tk.32,270,833 was reported as Other Assets: Others. As per instruction of the inspection team of Financial Institution Inspection Department (FIID) of Bangladesh Bank, now it has been reported as Loans, cash credits, overdrafts (reference: note-8) effective from 2024.

11	**Borrowings from other financial institutions, banks and agents**		
	This is made up as follows:		
	In Bangladesh **(note: 11.1)**	3,844,603,240	3,843,747,111
	Outside Bangladesh	-	-
		3,844,603,240	**3,843,747,111**
11.1	**In Bangladesh**		
	This is made up as follows:		
	Refinance against SME loan from Bangladesh Bank **(note: 11.1.1)**	787,149	971,361
	Term loan from banks	3,494,102,743	3,493,062,402
	Short term loan **(note: 11.1.2)**	209,713,348	209,713,348
	Money at call & short notice **(note: 11.1.3)**	140,000,000	140,000,000
		3,844,603,240	**3,843,747,111**

11.1.1 Bangladesh Bank (BB) introduced a refinance scheme to support the development small enterprise under the scheme Small and Medium Enterprise (SME) by way of providing refinance facilities under the terms and conditions of BB's FID Circular No. 01, dated May 02, 2004. Under this scheme, the company claims the refinance facility from Bangladesh Bank on a quarterly basis, whose repayment was made as per schedule fixed by Bangladesh Bank.

11.1.2	**Short term loan**		
	This is made up as follows:		
	Bangladesh Development Bank PLC	200,000,000	200,000,000
	Mercantile Bank PLC	9,713,348	9,713,348
		209,713,348	**209,713,348**
11.1.3	**Money at call & short notice**		
	This is made up as follows:		
	Agrani Bank PLC	40,000,000	40,000,000
	Sonali Bank PLC	100,000,000	100,000,000
		140,000,000	**140,000,000**
11.2	**Analysis by security against borrowing from other financial institutions, banks and agents**		
	This is made up as follows:		
	Secured **(note: 11.2.1)**	3,494,102,743	3,493,062,402
	Unsecured	350,500,497	350,684,709
		3,844,603,240	**3,843,747,111**

11.2.1 The loans are secured by first ranking Pari Passu Security Sharing Agreement (PPSSA) among the lenders on all present and future assets both moveable and immovable by deed of Floating Charge and Letter of Hypothecation, which is registered with the Registrar of Joint Stock Companies and Firms.

11.3	**Maturity wise classification of loan**		
	This is made up as follows:		
	Repayable on demand	140,000,000	140,000,000
	Within 1 month	209,713,348	209,713,348
	Over 1 months but not more than 3 months	174,744,495	174,701,688
	Over 3 months but not more than 1 year	349,488,989	349,403,376
	Over 1 year but not more than 5 years	698,977,978	698,806,753
	Over 5 years	2,271,678,430	2,271,121,946
		3,844,603,240	**3,843,747,111**

Borrowings have been classified according to reconstruction plan of BIFC and management assumptions of Company's future liquidity position.

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
12	**Deposits & other accounts**		
	This is made up as follows:		
	Term deposits **(note: 12.1)**	5,426,440,085	5,385,834,627
	Other deposits **(note: 12.2)**	1,180,972	1,228,812
		5,427,621,057	**5,387,063,439**
12.1	**Term deposits**		
	This is made up as follows:		
	Term deposit from banks and other FIs	3,527,813,790	3,527,813,790
	Term deposit from other than banks & FIs **(note: 12.1.1)**	1,898,626,295	1,858,020,837
		5,426,440,085	**5,385,834,627**
12.1.1	**Term deposit from other than banks & FIs**		
	This is made up as follows:		
	General term deposits	1,827,228,331	1,784,889,361
	Double & triple benefit scheme	71,175,314	72,484,326
	Monthly savings scheme (MSS)	222,650	647,150
		1,898,626,295	**1,858,020,837**
12.1.2	**Residual maturity grouping of deposits & other accounts:**		
	This is made up as follows:		
	From banks & fis		
	Payable:		
	On demand	-	-
	Upto 1 month	-	-
	In more than 1 month but less than 6 months	176,390,689	176,390,689
	In more than 6 months but less than 1 year	352,781,379	352,781,379
	In more than 1 year but within 5 years	1,058,344,137	1,058,344,137
	In more than 5 year but within 10 years	1,940,297,585	1,940,297,585
		3,527,813,790	**3,527,813,790**
	From other than banks & FIs		
	Payable:		
	On demand	-	-
	Upto 1 month	18,986,263	18,580,208
	In more than 1 month but less than 6 months	94,931,315	92,901,042
	In more than 6 months but less than 1 year	189,862,629	185,802,084
	In more than 1 year but within 5 years	854,381,833	836,109,377
	In more than 5 year but within 10 years	740,464,255	724,628,126
		1,898,626,295	**1,858,020,837**
	Unclaimed deposits aging 10 years or more	-	-
	Deposits have been classified according to reconstruction plan of BIFC and management assumptions of Company's future liquidity position.		
12.2	**Other deposits**		
	This is made up as follows:		
	Other deposits-banks and FIs	-	-
	Other deposits-other than banks & FIs **(note: 12.2.1)**	1,180,972	1,228,812
		1,180,972	**1,228,812**
12.2.1	**Other deposits-other than banks & FIs**		
	This is made up as follows:		
	Lease advance	1,180,972	1,228,812
		1,180,972	**1,228,812**
12.2.2	**Residual maturity grouping of Other deposits-other than banks & FIs**		
	This is made up as follows:		
	Repayable on demand	-	-
	Within 1 month	-	-
	Over 1 months but not more than 3 months	118,097	122,881
	Over 3 months but not more than 1 year	236,194	245,762
	Over 1 year but not more than 5 years	295,243	307,203
	Over 5 years	531,438	552,966
		1,180,972	**1,228,812**

Other deposits have been classified according to reconstruction plan of BIFC and management assumptions of Company's future liquidity position.

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
13	**Other liabilities**		
	This is made up as follows:		
	Provision for loans, advances and leases **(note: 13.1)**	6,672,508,466	6,667,418,081
	Provision for diminution in value of investments **(note 13.2)**	156,899,425	158,142,154
	Provision for other assets **(note: 13.3)**	36,213,921	79,192,011
	Provision for Financial Expenses	3,690,063,083	3,047,531,210
	Interest suspense **(note: 13.4)**	724,256,715	732,009,473
	Withholding tax payable	78,290,635	72,210,462
	VAT payable	230,752	198,195
	Excise duty payable	10,281,420	10,745,620
	Provision for taxation **(note: 13.5)**	707,482,559	747,228,204
	Unclaimed Dividend Account **(note: 13.6)**	4,347,371	4,347,371
	Payable against TDR **(note: 13.7)**	22,561,390	19,772,669
	Financial expenses payable **(note: 13.8)**	531,653,363	498,652,179
	Payable against gratuity	11,303,305	12,129,047
	Payable against Pension	7,400,000	7,400,000
	Accrued expenses and other payable	9,680,053	7,023,498
	Sundry deposits	69,402,154	70,838,654
	Deferred Tax liability **(note: 13.9)**	26,262,632	17,600,000
	Lease Liabilities **(note:13.10)**	8,563,671	-
	Provision for off-balance sheet items	-	-
		12,767,400,915	**12,152,438,828**
13.1	**Provision for loans, advances and leases**		
	This is made up as follows:		
	(a) Specific provision against classified loans, advances and leases:		
	Opening balance	6,661,277,694	6,678,946,924
	Less: Prior year Adjustment	-	-
	Restated Opening Balance	**6,661,277,694**	**6,678,946,924**
	Less: Fully provided debts written off during the year	-	-
	Add: Recovery of amounts previously written off	-	-
	Add: Specific provision for the year	-	-
	Less: Provision released or no longer required	-	-
	Add: Net provision charged to profit and loss account	4,374,913	(17,669,230)
	Provision held at the end of the year	**6,665,652,607**	**6,661,277,694**
	(b) General provision against unclassified loans, advances and leases:		
	Opening balance	2,077,724	2,414,470
	Provision made during the year	(289,036)	(336,746)
	Balance at the end of the year	**1,788,688**	**2,077,724**
	(c) Special provision 2%		
	Opening balance	4,062,663	4,495,950
	Provision made during the year	1,004,508	(433,287)
	Balance at the end of the year	**5,067,171**	**4,062,663**
	Total (a+b+c):	**6,672,508,466**	**6,667,418,081**
13.2	**Provision for diminution in value of investments**		
	This is made up as follows:		
	Opening balance	158,142,154	152,582,713
	Provision made during the year	(1,242,729)	5,559,441
	Balance at the end of the year	**156,899,425**	**158,142,154**
13.3	**Provision for other assets**		
	This is made up as follows:		
	Opening balance	79,192,011	129,219,126
	Prior year adjustment	-	-
	Restated opening balance	**79,192,011**	**129,219,126**
	Add: Addition during the year	(32,466,325)	(50,027,115)
		46,725,686	**79,192,011**
	Less: Adjustment during the year	10,511,765	-
	Closing balance	**36,213,921**	**79,192,011**

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
	Break-up of Provision for Other Assets:		
	Advance payment for land	2,343,333	2,343,333
	Advance payment for Building construction	10,345,000	10,345,000
	Receivable against IDCP	-	32,270,833
	Receivable against LPI	23,396,948	23,400,240
	Advance against Office Rent	-	730,200
	Receivable on sale of shares	1,205	1,205
	Security Deposits	116,237	116,237
	Suspense Account	11,198	11,198
	Advance and Prepaid Expenses-Others	-	9,973,765
	Total	**36,213,921**	**79,192,011**

Upto the year 2024, accounts receivable against IDCP amounting to Tk.32,270,833 was reported as Other Assets: Others. As per instruction of the inspection team of Financial Institution Inspection Department (FIID) of Bangladesh Bank, now it has been reported as Loans, cash credits, overdrafts (reference: note-8) effective from 2024.

13.4	**Interest suspense**		
	This is made up as follows:		
	Opening balance	732,009,473	750,320,525
	Add: Amount transferred during the year	628,669	22,682,654
	Less: Amount recovered/adjusted during the year	8,381,427	40,993,706
	Less: Amount written off during the year	-	-
	Balance at the end of the year	**724,256,715**	**732,009,473**
13.5	**Provision for taxation**		
	This is made up as follows:		
	Balance at the beginning of the year	747,228,204	746,609,197
	Add: Short Provison made during the year	425,244	-
	Add: Provision made during the year for current year tax	655,054	619,007
		748,308,502	**747,228,204**
	Less: Adjustment	40,825,943	-
	Balance at the end of the year	**707,482,559**	**747,228,204**
	Year wise break up of provision for taxation:		

Assessment year	Accounting year		
2007-2008	2006	111,404	111,404
2008-2009	2007	20,399,529	20,399,529
2009-2010	2008	14,611,475	14,611,475
2010-2011	2009	25,000,000	25,000,000
2011-2012	2010	32,500,000	32,500,000
2012-2013	2011	69,413,831	69,413,831
2013-2014	2012	86,981,241	86,981,241
2014-2015	2013	-	36,924,104
2015-2016	2014	454,534,235	454,534,235
2017-2018	2016	1,572,283	1,572,283
2018-2019	2017	-	1,033,408
2019-2020	2018	-	761,032
2020-2021	2019	1,194,895	1,194,895
2021-2022	2020	508,612	508,612
2022-2023	2021	-	235,038
2023-2024	2022	-	498,257
2024-2025	2023	-	329,853
2025-2026	2024	-	619,007
2026-2027	2025	655,054	-
		707,482,559	**747,228,204**

13.5.1 Due to loss in the year 2025, the Company provided minimum tax as per section 163 of Income Tax Act 2023.

13.5.2 Lastly on March 29, 2026, the Tax Audit Wing of the National Board of Revenue has presented a claim of BDT 1,121,515,854 to the Company in respect of the assessment years 2007-2008 to 2009-2010, 2011-2012 to 2013-2014 and 2015-2016 to 2017-2018 (See Annexure-D). However, Management is confident that once these appeals are finally disposed of, there should not be any additional tax demand against the Company and hence no further provision is required.

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
13.6	**Unclaimed Dividend Account**		
	More than 3 years	-	-
	More than 4 years	-	-
	More than 5 years & above	4,347,371	4,347,371
		4,347,371	**4,347,371**
13.7	**Payable aginst TDR**		
	This is made up as follows:		
	Payable aginst TDR-Bank & FI	2,290,000	2,290,000
	Payable aginst TDR-Other than Bank & FI	6,000,805	17,482,669
	Payable aginst TDR-Individual	14,270,585	-
		22,561,390	**19,772,669**
13.8	**Financial expenses payable**		
	This is made up as follows:		
	Interest on Term deposits	341,251,994	332,918,312
	Interest on money at call loan and short notice	55,505,004	48,038,338
	Interest on Placement of Fund	134,169,445	116,886,111
	Interest on monthly savings scheme	726,920	809,418
		531,653,363	**498,652,179**

13.9 Deferred Tax Liability

This is made up as follows:

Particulars	31.12.2025	31.12.2024	Deferred Tax Expenses/(income)
Deferred Tax Assets	(137,368)	-	(137,368)
Deferred Tax Liability	26,400,000	17,600,000	8,800,000
Deferred Tax Liability (Note: 13)	**26,262,632**	**17,600,000**	**8,662,632**

Deferred Tax Liability Asset is arrived at as follows

Particulars	Carring Amount at balance sheet	Tax Base	Temporary Differences	Rate	Deferred Tax Assets/(Liability)
Property, plant & equipment (Other than land) Net off Dep.	8,785,471	8,785,471	-	37.50%	-
Land	36,574,333	36,574,333	-	37.50%	-
Liability to Approved Gratuity Fund	11,303,305	11,303,306	-	37.50%	-
Liability to approved Pension Fund	7,400,000	7,400,000	-	37.50%	-
	64,063,110	**64,063,110**	**-**	**-**	**-**
Revaluation of Land					
Revalued	440,000,000	-	440,000,000	6.00%	26,400,000
Deferred Liability	**504,063,110**	**64,063,110**	**440,000,000**		**26,400,000**
Right of Used Assets					
Right of Use Assets (Rent)	8,197,356	-	8,197,356	37.50%	3,074,009
Lease liability (Rent)	8,563,671	-	(8,563,671)	37.50%	(3,211,377)
Deferred Asset	**16,761,027**	**-**	**(366,315)**		**(137,368)**

13.10	**Lease Liabilities**		
	This is made up as follows:		
	Opening Balance	-	-
	Add: addition during the year	16,685,207	-
	Add: Interset charged during the year	1,138,152	-
		17,823,359	**-**
	Less: Payment made (office Rent adjust) during the year	9,259,688	-
	Balance at the end of the year	**8,563,671**	**-**

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
13.10.1	**Residual maturity grouping of Lease Liabilities**		
	This is made up as follows:		
	Repayable on demand	-	-
	Within 1 month	722,408	-
	Over 1 months but not more than 3 months	1,461,112	-
	Over 3 months but not more than 1 year	5,488,905	-
	Over 1 year but not more than 5 years	891,246	-
	Over 5 years	-	-
		8,563,671	**-**
14	**Capital**		
14.1	**Authorized capital**		
	400,000,000 ordinary shares of Tk. 10 each	**4,000,000,000**	**4,000,000,000**
14.2	**Issued, subscribed and Paid up capital**		
	As at December 31, 2025 a total of 100,679,944 ordinary shares of Tk. 10 each were issued, subscribed and fully paid up.	**1,006,799,440**	**1,006,799,440**
	The above balance is made up as follows:		
	Opening balance	1,006,799,440	1,006,799,440
	Add. Bonus shares issued during the year	-	-
	Add. Right shares issued during the year	-	-
		1,006,799,440	**1,006,799,440**
14.3	**Mode of allotment of shares**		
	This is made up as follows:		
	Issued against cash	215,608,000	215,608,000
	Bonus share issued	455,591,630	455,591,630
	Right Share Issued	335,599,810	335,599,810
		1,006,799,440	**1,006,799,440**

Year wise allotment of shares are as follows:

Year	Mode of allottment	No of shares	Tk.	Value of shares	Cumulative balance
1996	Cash	500000	10	5,000,000	5,000,000
1998	Cash	2000000	10	20,000,000	25,000,000
2002	Cash	1859240	10	18,592,400	43,592,400
2005	Bonus share	871820	10	8,718,200	52,310,600
2006	Bonus share	6904920	10	69,049,200	121,359,800
2006	Cash	6105610	10	61,056,100	182,415,900
2006	Cash - IPO	11095950	10	110,959,500	293,375,400
2008	Bonus share	2933750	10	29,337,500	322,712,900
2009	Bonus share	3872550	10	38,725,500	361,438,400
2010	Bonus share	8132370	10	81,323,700	442,762,100
2011	Bonus share	11069050	10	110,690,500	553,452,600
2012	Bonus share	5534526	10	55,345,260	608,797,860
2013	Bonus share	3043989	10	30,439,890	639,237,750
2014	Bonus share	3196188	10	31,961,880	671,199,630
2014	Right Share	33559981	10	335,599,810	1,006,799,440

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024

14.4 Group wise paid up share capital:

Particulars of shareholders:	Share Holding %		
A. Sponsor/Directors			
Merrill & Forbes Inc., USA (Foreign Shareholder)	12.60	126,852,660	126,852,660
Five Continents Credit Ltd., Hong Kong (Foreign Shareholder)	19.39	195,193,180	195,193,180
Mr. Rais Uddin Ahmed	1.27	12,763,330	12,763,330
Mr. Abdul Aziz Khan	1.22	12,263,260	12,263,260
Mr. A N M Jahangir Alam	2.01	20,286,330	20,286,330
Mr. Mohiuddin Ahmed	1.86	18,757,890	18,757,890
	38.35	**386,116,650**	**386,116,650**
B. Government	**Nil**	**-**	**-**
C. Institute			
Pioneer Dresses Limited	5.82	58,538,320	58,538,320
Sukuza Venture Ltd.	5.46	55,000,000	55,000,000
Kanchi Venture Ltd.	3.52	35,475,240	35,475,240
Pragati Life Insurance Ltd.	2.29	23,039,190	22,811,820
Uttara Finance and Investments Ltd.	1.84	18,500,000	18,500,000
ICB and its Subsidiaries	4.21	42,396,370	12,000,000
Others	1.81	18,200,800	50,094,210
	24.95	**251,149,920**	**252,419,590**
D. Foreign			
Tees Mart Inc., USA	18.01	181,352,560	181,352,560
	18.01	**181,352,560**	**181,352,560**
E. General Public	18.69	188,180,310	186,910,640
	18.69	**188,180,310**	**186,910,640**
	100.00	**1,006,799,440**	**1,006,799,440**

None of the CFO, Company Secretary and top five salaried executives of the financial institution has any shareholdings of BIFC as on reporting date.

14.5 Range wise classification of shareholders by holding as at 31-12-2025 as required by regulation 37 and of the listing regulation of Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC.

Shareholding range	No. of Shareholders	No. of Shares	% of holdings
Less than 500	1,088	154,049	0.15%
501 to 1,000	381	302,001	0.30%
1,001 to 10,000	986	3,079,316	3.06%
10,001 to 50,000	222	5,081,448	5.05%
50,001 to 100,000	37	2,735,227	2.72%
100,001 to 1,000,000	51	13,548,444	13.46%
1,000,001 to 5,000,000	7	14,085,787	13.99%
5,000,001 to 10,000,000	2	11,353,832	11.28%
10,000,001 to 100,000,000	3	50,339,840	50.00%
Total :	**2,777**	**100,679,944**	**100.00%**

The shares of the company were listed in Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC on 15 November 2006 and traded at Tk. 1.60 at Dhaka Stock Exchange PLC and at Tk. 1.70 at Chittagong Stock Exchange PLC at the end of the year 2025.

14.6 Capital Adequacy Ratio

This is made up as follows:

Paid up capital		
Paid-up capital	1,006,799,440	1,006,799,440
Required paid up capital	1,000,000,000	1,000,000,000
Surplus/(Deficit) in paid up capital	**6,799,440**	**6,799,440**

In accordance with Bangladesh Bank's DFIM Circular no. 14 dated 28 December 2011, financial institutions are required to maintain at least 10% Capital Adequacy Ratio (CAR) in line with the guidelines on Capital Adequacy and Market Discipline (CAMD) for financial institutions, which has come fully into force from 1 January 2012. As of 31 December 2025, the CAR of the **Company is (161.95)% against** the required CAR of 10%. The Company has a shortfall in this regard as follows:

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
	A. Tier-1 Capital	(13,825,877,320)	(13,082,604,987)
	Less: Deduction from Ter-1 Capital	-	-
	Eligible Tier-1 Capital (A)	**(13,825,877,320)**	**(13,082,604,987)**
	B. Tier-2 Capital (B)	190,301,884	194,990,919
	Less: Deduction from Ter-2 Capital	-	-
	Eligible Tier-2 Capital (B)	**190,301,884**	**194,990,919**
	C. Eligible Capital (A+B)	**(13,635,575,436)**	**(12,887,614,068)**
	D. Total risk weighted assets	**8,419,509,882**	**9,001,114,863**
	E. Minimum capital requirement	1,000,000,000	1,000,000,000
	F. Capital surplus/(deficit) (C-E)	**(14,635,575,436)**	**(13,887,614,068)**
	G. Capital adequacy ratio (C/D)	**(161.95)**	**(143.18)**
15	**Statutory reserve**		
	This is made up as follows:		
	Opening balance	154,713,730	154,713,730
	Add: Addition during the year	-	-
		154,713,730	**154,713,730**

There has not been any transfer to the statutory reserve during the year because the Company has sufferred a loss.

16	**General Rreserve**		
	This is made up as follows:		
	Opening balance	10,364,681	10,364,681
	Add: Addition during the year	-	-
	Less: Transferred to retained earnings	-	-
		10,364,681	**10,364,681**
17	**Asset Revaluation Reserve**		
	Opening balance	385,825,667	385,825,667
	Add: Addition during the year	-	-
	Less: Provision for deferred Tax	8,800,000	-
	Less: Transferred to retained earnings	-	-
		377,025,667	**385,825,667**

BIFC acquired 11 kathas of land located at 65/1, DIT Extension Road, Purana Paltan, Dhaka. The said land was revalued December 24, 2012 from Tk.36,574,333 to Tk.440,000,000. Thus the value of the said land had increased by Tk.403,425,667 on the same date and which was shown as assets revaluation reserve upto 2018. In the year 2025 total deferred Tax Liability of Tk.26,400,000.00 was recognised on the revalued amount (BDT 440,000,000 @6.00% as per the Income Tax Act. 2023, Section-163 and Withholding Tax Rules) as per IAS 12 para 51B with retrospective effect and the revaluation reverse stood at Tk.377,025,667 and shown in the Financial Statements from the year 2025.

18	**Retained Earnings**		
	This is made up as follows:		
	Opening balance	(14,254,482,838)	(13,583,580,135)
	Add/(Less): Prior year adjustment	188,059	5
	Restated opening balance	**(14,254,294,779)**	**(13,583,580,130)**
	Less: Cash dividend for last year	-	-
	Less: Stock dividend for last year	-	-
	Add: Transferred from stock dividend	-	-
	Add: Profit/(Loss) for the year	(743,460,392)	(670,902,708)
	Less: Transferred to statutory reserve	-	-
	Less: Transferred to general reserve	-	-
		(14,997,755,171)	**(14,254,482,838)**
19	**Net assets value per share**		
	This is made up as follows:		
	Total assets	8,590,773,921	8,686,470,420
	Less: Total liabilities	22,039,625,212	21,383,249,378
	A. Net assets:	**(13,448,851,291)**	**(12,696,778,958)**
	Weighted average number of ordinary shares:		
	Opening Ordinary shares	100,679,944	100,679,944
	Bonus shares issued	-	-
	B. Weighted average number of ordinary shares at 31 December	**100,679,944**	**100,679,944**
	Net assets value per share	**(133.58)**	**(126.11)**
	Net assets value per share (Re-stated)	**(133.58)**	**(126.11)**

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
20	**Profit and loss account**		
	This is made up as follows:		
	Income		
	Interest, discount and similar income **(note: 21)**	60,987,446	99,183,482
	Dividend income **(note: 23)**	1,669,889	2,628,212
	Commission, exchange and brokerage **(note: 24)**	-	-
	Gains less losses arising from dealing securities **(note: 23)**	-	30,690
	Gains less losses arising from investment securities	-	-
	Gains less losses arising from dealing in foreign currencies	-	-
	Income from non-financial institution's assets	-	-
	Other operating income **(note: 25)**	3,627,297	2,582,686
	Profit less losses on interest rate changes	-	-
		66,284,632	**104,425,070**
	Expenses:		
	Interest paid on deposits & borrowing **(note: 22)**	763,339,745	779,964,532
	Losses on loans, advances and leases	-	-
	Administrative expenses	56,009,121	51,303,468
	Other operating expenses **(note: 35)**	8,802,109	4,914,744
	Depreciation on fixed assets **(note: 34.2)**	9,695,033	1,432,964
		837,846,008	**837,615,708**
	Income over expenditure	**(771,561,376)**	**(733,190,638)**
21	**Interest income**		
	This is made up as follows:		
	Interest income from loans & leases	58,629,992	96,510,374
	Interest income from placement with banks & other FIs **(note: 21.1)**	2,357,454	2,673,108
		60,987,446	**99,183,482**
21.1	**Interest income from placement with banks & other FIs**		
	This is made up as follows:		
	Interest income from fund placements	2,284,269	1,860,809
	Interest income from SND accounts	73,185	812,299
		2,357,454	**2,673,108**
22	**Interest charge on deposits & borrowings etc.**		
	This is made up as follows:		
	Interest on deposits	422,935,842	404,893,727
	Interest on borrowings **(Note-22.1)**	339,265,751	375,070,805
	Interest on Lease Liabilities	1,138,152	-
		763,339,745	**779,964,532**
22.1	**Interest on borrowings**		
	This is made up as follows:		
	Interest on term loan	331,753,197	367,543,207
	Interest on bond	-	-
	Interest on overdraft loan	-	-
	Interest on call loan	7,466,667	7,472,500
	Interest on re-financing loan from Bangladesh Bank	45,887	55,098
		339,265,751	**375,070,805**
23	**Income from Investments**		
	This is made up as follows:		
	Capital gain on sale of shares	-	30,690
	Dividend income	1,669,889	2,628,212
		1,669,889	**2,658,902**
24	**Commission, exchange & brokerage**		
	This is made up as follows:		
	Commission	-	-
	Exchange earnings	-	-
	Brokerage	-	-
		-	**-**

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
25	**Other operating income**		
	This is made up as follows:		
	Reimbursement of documentation costs	88,000	-
	Gain on disposal of leased assets	8,000	232,000
	Other income **(note: 25.1)**	3,531,297	2,350,686
		3,627,297	**2,582,686**
25.1	**Other income**		
	This is made up as follows:		
	Gain/(loss) on sale of fixed assets	268,381	-
	Miscellaneous income	3,262,916	2,350,686
		3,531,297	**2,350,686**
	Miscellaneous income represents reimbursement of legal cost.		
26	**Salary & allowances**		
	This is made up as follows:		
	Salaries	29,457,604	26,907,723
	Provident fund	1,666,019	1,434,660
	Bonus	3,221,648	2,715,547
	Gratuity	10,535,632	2,415,472
		44,880,903	**33,473,402**
	As per the Schedule XI of the Companies Act, 1994, the number of employees (including casual employees) engaged for the whole year or part thereof who received a total remuneration of Taka 36,000 per annum or Taka 3,000 per month were 44 at the end of 31 December 2024 as against 37 in 2025.		
27	**Rent, taxes, insurance, electricity etc.**		
	This is made up as follows:		
	Rent, rates & taxes **(note:27.1)**	1,637,456	10,944,443
	Insurance	189,226	158,191
	Power & electricity	964,706	815,860
	Water & sewerage	11,818	11,920
		2,803,206	**11,930,414**
27.1	**Movement of rent, rate and taxes**		
	This is made up as follows:		
	Actual rent, rates & taxes charged	10,897,144	10,944,442
	Less: Reclassification rent (as per IFRS:16)	9,259,688	-
	Rent, rates & taxes reported	**1,637,456**	**10,944,442**
	Movement of rent, rates and taxes have been included due to implementation of IFRS-16 Leases (office rent).		
28	**Legal expenses**		
	This is made up as follows:		
	Professional/legal fees	3,266,806	911,050
		3,266,806	**911,050**
29	**Postage, stamps, telecommunication etc.**		
	This is made up as follows:		
	Postage & courier expenses	15,402	7,229
	Stamp & court fees	17,355	50,340
	Telephone, fax & e-mail	664,704	935,164
		697,461	**992,733**
30	**Stationery, printing, advertisements etc.**		
	This is made up as follows:		
	Printing & stationary	185,257	68,094
	Advertisement and publicity	194,955	249,425
		380,212	**317,519**
31	**Chief executive officer's salary and other fees**		
	This is made up as follows:		
	Basic	-	-
	Other allowances	-	-
	Provident fund	-	-
	Bonus	-	-
		-	**-**

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
32	**Directors' fees**		
	This is made up as follows:		
	Meeting fees	610,000	670,000
		610,000	**670,000**
	Directors' fees include fees for attending the meetings of the Board, Executive Committee, Audit Committee. Each director was remunerated Tk. 10,000.00 per meeting in accordance with Bangladesh Bank's DFIM circulars number 02 dated March 13, 2024.		
33	**Auditor's fees**		
	This is made up as follows:		
	Audit	419,750	337,750
	Corporate Governence Audit	80,500	35,000
		500,250	**372,750**
34	**Repair, maintenance & depreciation expenses of financial institution's assets**		
	This is made up as follows:		
	Repair, maintenance **(note 34.1)**	2,870,283	2,635,600
	Depreciation **(note 34.2)**	9,695,033	1,432,964
		12,565,316	**4,068,564**
34.1	**Repair, maintenance**		
	This is made up as follows:		
	Office premises	1,326,121	1,853,734
	Office equipment	465,032	331,517
	Office furniture & fixtures	9,500	28,690
	Vehicles	1,069,630	421,659
		2,870,283	**2,635,600**
34.2	**Depreciation**		
	This is made up as follows:		
	Land	-	-
	Furniture & fixture	159,913	177,682
	Electrical appliance	393,581	498,886
	Motor vehicles	204,064	255,081
	Interior decoration	423,154	470,171
	Office equipment	26,470	31,144
	Right-of-Use Assets	8,487,851	-
	Details of depreciation and amortisation are shown in **"Annexure - A"**	**9,695,033**	**1,432,964**
35	**Other expenses**		
	This is made up as follows:		
	Traveling & conveyance	474,991	753,710
	Books and periodicals	5,019	5,800
	Entertainment & public relations	338,839	203,972
	ICT Expenses	-	13,800
	Motor vehicle expenses	1,083,279	891,088
	Govt. Excise duty	53,000	22,300
	Registration/ renewal fee	1,231,525	647,615
	Donations	50,000	-
	AGM expenses	-	140,500
	Service charge	450	-
	Medical expenses	23,958	31,784
	Security services	831,850	1,120,000
	Bank charge	928,879	702,350
	CDBL fee	212,000	1,350
	Buisness promotional expense	20,000	-
	Uniforms & apparels	4,949	28,000
	Miscellaneous expenses	3,543,370	352,475
		8,802,109	**4,914,744**

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
36	**Provision for loans, advances & leases**		
	This is made up as follows:		
	General provision against unclassified loans, advances & leases	(289,036)	(336,746)
	Specific provision against classified loans, advances & leases	4,374,913	(17,669,230)
	Special provision 2%	1,004,508	(433,287)
		5,090,384	**(18,439,263)**
37	**Provision for diminuation in value of investments**		
	This is made up as follows:		
	Provisions for dealing securities	-	-
	Provisions for investment securities	(1,242,729)	5,559,441
		(1,242,729)	**5,559,441**
38	**Other Provisions**		
	This is made up as follows:		
	Provision for other assets	(32,466,325)	(50,027,115)
		(32,466,325)	**(50,027,115)**

39 Earnings per Share (EPS)

Earnings per share (EPS) is calculated in accordance with "International Accounting Standard 33. Earnings Per Share", which has been shown on the face of profit & loss account.

Basic earnings per share

Basic earnings per share has been calculated dividing the Net Profit for the year attributable to Ordinary Shareholders by the weighted average number of Ordinary Shares outstanding during the year.

	31-12-2025	31-12-2024
Net Profit Attributable to the Ordinary Shareholders (Net Profit after Tax)	(743,460,392)	(670,902,708)
Weighted average number of ordinary shares		
Ordinary shares at 1 January	100,679,944	100,679,944
Bonus shares issued	-	-
Right shares issued	-	-
Weighted average number of ordinary shares at 31 December	**100,679,944**	**100,679,944**
Restated weighted average number of ordinary shares	100,679,944	100,679,944
Earnings per share	**(7.38)**	**(6.66)**
Earnings per share (restated)	**(7.38)**	**(6.66)**

Diluted earnings per share

The dilutive effect relates to the average number of potential ordinary share held under option of convertibility. There was no such dilutive potential ordinary share during the year 2025 and hence no diluted earnings per share is required to be calculated.

40	**Cash receipts from other operating activities**	
	This is made up as follows:	
	Reimbursement-documentation costs	88,000 -
	Gain on disposal of leased assets	8,000 232,000
	Miscellaneous income	3,262,916 2,350,686
		3,358,916 **2,582,686**

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
41	**Cash payments for other operating activities**		
	This is made up as follows:		
	Rent, taxes, insurance, electricity, etc.	2,192,075	11,950,313
	Legal expenses	3,278,806	911,050
	Postage, stamp, telecommunication, etc.	698,669	992,733
	Stationery printing, advertisements, etc.	194,955	249,425
	Directors' fees	610,000	670,000
	Auditors' fee	759,000	275,000
	Repairs and maintenance	2,896,455	2,635,600
	Traveling & conveyance	474,991	753,710
	Books and periodicals	5,019	5,800
	Entertainment & public relations	317,839	195,972
	ICT Expenses	-	13,800
	Training fee	21,000	8,000
	Motor vehicle expenses	1,083,279	891,088
	Govt. Excise duty	53,000	22,300
	Registration/ renewal fee	1,231,525	647,615
	Donations	50,000	-
	AGM expenses	-	140,500
	Service charge	450	-
	Medical expenses	23,958	31,784
	Bank charge	928,879	702,350
	CDBL Fee	212,000	1,350
	Buisness promotional expense	20,000	-
	Uniforms & apparels	4,949	28,000
	Miscellaneous expenses	2,822,079	352,469
		17,878,928	**21,478,859**
42	**Other assets**		
	This is made up as follows:		
	(Increase)/decrease in stock of stamp	1,490	39,355
	(Increase)/decrease in advance rent, advertisement etc.	243,948	243,948
	(Increase)/decrease in prepaid expenditure	7,596,373	2,490,980
	Receivable against Lease Margin	-	(212,691)
	Accrued interest on fixed deposit	70,524	-
	Cash (increase)/ decrease in other assets	**7,912,335**	**2,561,592**
43	**Other liabilities**		
	This is made up as follows:		
	Increase/(decrease) in withholding tax payable	6,080,173	2,637,020
	Increase/(decrease) in VAT payable	32,557	(78,512)
	Increase/(decrease) in excise duty payable	(464,200)	2,237,300
	Increase/(decrease) in sundry deposits	(1,436,506)	(55,629,013)
	Increase/(decrease) in sundry deposits	8,563,671	-
	Net increase/ (decrease) in other liabilities	**12,775,694**	**(50,833,205)**
44	**Reconcilation of Net Profit with Cash Flows from Operating Activities**		
	Net profit after tax	(743,460,392)	(670,902,708)
	Adjustment for non-cash items:		
	Add/(less): depreciation expenses	9,695,033	1,432,964
	Add/(less): provision for loans, advances and investments	3,847,655	(12,879,822)
	Add/(less): provision for other assets	(32,466,325)	(50,027,115)
	Add/(less): profit/(Loss) on sale of fixed assets	(248,456)	-
	Add/(less): capital gain on sale of shares	-	(30,690)
	Add/(less): accrued expenses	749,235,023	765,848,813
	Add/(less): accrued income	(2,355,684)	45,322,811
	Add/(less): provision for current tax	517,686	619,007
	Total adjustment for non-cash items:	**728,224,932**	**750,285,968**
		(15,235,460)	**79,383,260**

Note No.	Particulars	Amount in Taka 31-12-2025	31-12-2024
	Changes in operating assets and liabilities:		
	Statutory deposits	-	-
	Purchase/sale of trading securities	-	-
	(Increase)/Decrease in loans, advances and leases to other banks	-	-
	(Increase)/Decrease in loans, advances and leases to customers	37,960,465	53,972,722
	(Increase)/Decrease in other assets	7,912,335	2,561,592
	(Increase)/Decrease in other assets	(16,685,207)	-
	Increase/(Decrease) in deposits from other banks and financial institutions	-	(660,000)
	Increase/(Decrease) in deposits from customers	(28,961,092)	(75,170,622)
	Increase/(Decrease) in other liabilities account of customer	(47,840)	(6,349,128)
	(Increase)/Decrease in Income tax	(938,019)	(1,724,515)
	Trading liabilities	-	-
	Increase/(Decrease) in other liabilities	12,775,694	(50,833,205)
	Cash generated from / (used in) operating assets and liabilities	**12,016,336**	**(78,203,156)**
	Net cash from operating activities	**(3,219,124)**	**1,180,104**
45	**Net Operating Cash Flow per Share (NOCFPS)**		
	Net cash flows from operating activities (A)	(3,219,124)	1,180,104
	Total number of ordinary shares outstanding (B)	100,679,944	100,679,944
	Net operating cash flows per share (NOCFPS) (A÷B)	**(0.03)**	**0.01**

46 Related Party Disclosures:

46.1 Particulars of Directors

Sl.	Name of the Director	Designation	% of Shares as at December 31, 2025
1	Mr. Ikteder Ahmed (Nominated Director of Merrill & Forbes Inc., USA)	Chairman	12.60 (Share holding of Merrill & Forbes Inc.)
2	Mr. Mahmudul Hasan (Nominated Director of Five Continents Credit Ltd., Hongkong)	Director	19.39 (Share holding of Five Continents Credit Ltd.)
3	Mr. Ansar Uddin Ahmed (Independent Director)	Director	
4	Mr. Shafique-Ul-Azam (Independent Director)	Director	-

46.2 Name of the Directors and their interest in different entities:

Sl.	Name of the Directors	Status in the FI	Name of firms/Companies where they have interest
1	Mr. Ikteder Ahmed (Nominated Director of Merrill & Forbes Inc.)	Chairman	N/A
2	Mr. Mahmudul Hasan (Nominated Director of Five Continents Credit Ltd.)	Director	N/A
3	Mr. Ansar Uddin Ahmed (Independent Director)	Director	N/A
4	Mr. Shafique-Ul-Azam (Independent Director)	Director	BD Venture Ltd. & BDV Asset Management Company Limited

46.3 Related Party Transactions:

A. Directly Related:

Name of the Party	Name of Related Party	Relationship	Nature of transaction	Agreement No.	31.12.2025	31.12.2024
Bangladesh International Gateway Ltd.	Mr. Md. Rais Uddin Ahmed	Shareholder	Lease Fianace	01.03.0475	188,232,676	188,232,676
Bangladesh International Gateway Ltd.	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.03.0530	24,882,574	24,882,574
Dhaka CNG Limited	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.03.0491	134,765,189	134,765,189
Dhaka CNG Limited	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.04.0518	109,307,299	109,307,300
Maxnet Online	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.03.0441	86,572,394	86,572,394
Maxnet Online	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.03.0464	136,650,509	136,650,509
Maxnet Online	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.03.0542	97,868,442	97,868,442
Md. Rais Uddin	Mr. Md. Rais Uddin Ahmed	Shareholder	Term Loan	01.03.0430	43,839,702	43,839,702
Rafiq Uddin	Rafiq Uddin	Brother of Shareholder	Term Loan Term Loan	01.03.0356 01.03.0382	13,934,567 182,870,134	13,934,567 182,870,134
Rahmania Textile	Mr. Mohiuddin Ahmed	Shareholder	Short Term Loan	01.03.0568	86,248,428	86,248,428
Teleplus Newyork Limited	Mr. Md. Rais Uddin Ahmed	Shareholder	Short Term Loan	01.04.0660	446,083,419	446,083,419
Golden Horizon Limited	Major (Retd.) Abdul Mannan Ms. Umme Kulsum Mannan	Owner of Pioneer Dressess Ltd.	Term Loan	01.03.0442-A	586,126,351	586,126,351
Total					**2,137,381,684**	**2,137,381,684**

*** Pioneer Dresses Ltd is one of the Shareholders of BIFC.**

B. Major (Retd.) Abdul Mannan has given his commitment to recover the below loan as the founder and ex-chairman of BIFC:

Name of the Party	Related By	Relationship	Nature of transaction	Agreement No.	31.12.2025	31.12.2024
Chowdhury Apparel	Mr. Md. Mohoshin Chowdhury,		Term Loan	01.03.0465	66,348,159	66,348,159
Click 2 Design Limited	1. Mr. Mohammad Nazmul Bashar (MD) 2. Mr. Rezia Sultana (Director) 3. Mr. Mohammad Sala Uddin Suman (Director)		Term Loan Term Loan	01.04.0307 01.04.0396	190,631,237 119,651,825	190,631,237 119,651,825
D. Afrose Sweater Industries Ltd.	1. Mr. Golam Zilani Dider (MD) 2. Mr. Golam Rabbani (Chairman)		Term Loan Term Loan Term Loan	01.03.0251 01.04.0236 01.04.0252	201,638,081 524,487,525 164,230,282	201,638,081 524,487,525 164,230,282
East Asia Enterprise	Mr. Sala Uddin Sumon (Proprietor)		Term Loan	01.03.0575	73,927,232	73,927,232
M/s Abdullah Brothers	Mr. Md. Aminur Rahman Khan(Proprietor)		Term Loan	01.04.0388	375,797,568	375,797,568
M/S. Alif Enterprise	Mr. Saidur Rahman (Proprietor)		Term Loan	01.03.0377	23,421,109	23,421,109
M/s Rahmat Ullah & Company	Mr. Md. Akter Hossain (Proprietor)		Term Loan	01.04.0386	336,505,040	336,505,040
M/s. Telecom Enterprise	Ms. Rezia Sultana (Proprietor)		Term Loan Term Loan Term Loan	01.03.0282 01.03.0344 01.03.0379	31,608,038 35,058,385 31,128,469	31,608,038 35,058,385 31,128,469
M/S Textile International	Mr. A F M Bahauddin (Proprietor)		Term Loan	01.04.0260	373,263,983	373,263,983
M/s Yeasmin Traders	Ms. Farida Akter (Proprietor)		Term Loan	01.03.0425	92,368,215	92,368,215
Metro Politon CNG Limited	1. Ms. Moriam Khanam (Chairman) 2. Mr. Akbor Hossain (MD)		Term Loan Term Loan	01.03.0378 01.04.0223	46,692,683 38,033,910	46,692,683 38,033,910
Motor Trade Enterprise	Mr. Md. Akter Hossain (Proprietor)		Term Loan	01.03.0557	154,015,035	154,015,035
Runa Properties	Ms. Nahida Akter (Proprietor)		Short Terman	01.03.0560	163,914,343	163,914,343
Techno Wi-Fi Services	Ms. Rokeya Ferdous (Proprietor)		Short Terman	01.04.0572	83,978,123	83,978,123
M/S Telecom Service Enterprize	Mr. Serajul Islam (Proprietor)		Short Term	01.04.0259	238,909,124	238,909,124
Telecom Services Limited	1. Mr. Akbar Hossain (Chairman) 2. Md. Aminur Rahman Khan (MD)		Short Term	01.03.0422	83,881,705	83,881,705
Tower Builders	Ms. Moriam Huq Alo (Proprietor)		Short Term	01.04.0268	354,163,459	354,163,459
United Dresses Ltd.	1. Mr. Akbar Hossain (Chairman & MD) 2. Mr. Abdul Wahab (Director) 3. Mrs. Ayesha Khanom (Director) 4.Mrs. Saleha Khatoon (Director) 5. Mrs. Jahanara Khatoon (Director) 6. Mrs. Rahima Khatoon (Director)		Short Term Short Term Short Term	01.03.0380 01.03.0519 01.04.0248	67,887,194 152,104,149 34,764,212	67,887,194 152,104,149 34,764,212
	Total:				**4,058,409,084**	**4,058,409,084**
	Grand Total:				**6,195,790,768**	**6,195,790,768**

46.4 Significant Contracts where FI is a party and wherein Directors have interest: **Nil**

46.5 Shares issued to Directors & Executives without consideration or exercisable at discount: **Nil**

46.6 Lending Policies to related parties:
Landing to related parties is effected as per requirements of Finance Companies Act, 2023

46.7 Business other than Banking business with any related concern of the Directors as per Section 18 (2) of the Bank Company Act 1991
Nil

46.8 Investments in Securities of Directors and their related concern: **Nil**

47 Disclosures on the board audit committee

a) **Composition of Audit Committee**

The Audit Committee consists of the following directors of the Board:

Name	Status with the Company	Status with the Committee
Mr. Ansar Uddin Ahmed	Independent Director	Chairman
Mr. Shafique-Ul-Azam	Independent Director	Member
Mr. Mahmudul Hasan	Director	Member

The Company Secretary is to act as secretary of the board of audit committee.

All the members of the "Board Audit Committee" posses considerable experience and expertise in the banking and financial sector.

b) **Meeting of audit committee**

During the year 2025, the audit committee of the board held 04 (four) meetting in which among others, the following issues were discussed and decided:

- Analysied and reviewed the Draft Auditor's Report and Financial Statements for the year ended December 31, 2024;
- Analysied and reviewed the periodic financial statements including quarterly financial statements;
- Review the draft compliance status to the Corporate Governance Code for the year ended on December 31, 2023 and 2024;
- Consider and recommend the name of the external auditors for the year ended on 31st December 2025 to the Board for appointment in the 30th AGM and review the audit fee;
- Consider and recommend the name of the Auditor for the Compliance on the Corporate Governance Code for the year ended December 31, 2025 to the Board for appointment and review the audit fee;
- Review the Audit and Compliance Report regarding all costs, expenditures and repayments incurred during first half from January 01 to June 30, 2025 by the Head of ICC (In-charge) of the Company.

48 Foreign Currency Exposure Profile

There were no foreign currency monetary assets or liabilities that would give rise to gains or losses in the profit and loss account.

49 Financial Highlights

Key financial highlights of the company are annexed as **Annexure-B**.

50 Geographical area of operation

BIFC is currently operating in Chittagong and Narayangonj along with its other branches at Uttara and Gulshan in Dhaka.

51 Events After Balance Sheet Date:

The Board of Directors in it's 250th meeting held on June 24, 2026 recommended no dividend against per share of Tk. 10.00 each.

Annexure- A

Schedule of Fixed Assets for the year ended 31 December, 2025

Particulars	Land	Furniture & Fixture	Electrical Appliance	Motor Vehicles	Interior Decoration	Office Equipment	Right-of-Use Assets	Total
COST (A)								
Balance at January 01, 2025	**440,000,000**	**3,766,229**	**11,793,262**	**15,280,154**	**11,088,782**	**1,261,629**	**-**	**483,190,056**
Addition during the year	-	-	208,320	-	-	-	16,685,207	16,893,527
Adjustment during the year	-	-	228,190	1,400,000	-	-	-	1,628,190
Balance at December 31, 2025	**440,000,000**	**3,766,229**	**11,773,392**	**13,880,154**	**11,088,782**	**1,261,629**	**16,685,207**	**498,455,393**
DEPRECIATION (B)								
Rate (%)	0%	10%	15%	20%	10%	15%	Lease Term	
Balance at January 01, 2025	**-**	**2,167,092**	**8,966,251**	**14,259,831**	**6,857,249**	**1,085,155**	**-**	**33,335,578**
Charged during the year	-	159,913	393,581	204,064	423,154	26,470	8,487,851	9,695,033
Adjustment during the year	-	-	183,265	1,374,780	-	-		1,558,045
Balance at December 31, 2025	**-**	**2,327,005**	**9,176,567**	**13,089,115**	**7,280,403**	**1,111,625**	**8,487,851**	**41,472,566**

WDV at December 31, 2025 (A-B)	**440,000,000**	**1,439,224**	**2,596,825**	**791,039**	**3,808,379**	**150,004**	**8,197,356**	**456,982,827**

Schedule of Fixed Assets for the year ended 31 December, 2024

Particulars	Land	Furniture & Fixture	Electrical Appliance	Motor Vehicles	Interior Decoration	Office Equipment	Right-of-Use Assets	Total
COST (A)								
Balance at January 01, 2024	**440,000,000**	**3,766,229**	**11,793,262**	**15,280,154**	**11,088,782**	**1,261,629**	**-**	**483,190,056**
Addition during the year	-	-	-	-	-	-	-	-
Adjustment during the year	-	-	-		-	-	-	-
Balance at December 31, 2024	**440,000,000**	**3,766,229**	**11,793,262**	**15,280,154**	**11,088,782**	**1,261,629**	**-**	**483,190,056**
DEPRECIATION (B)								
Rate (%)	0%	10%	15%	20%	10%	15%		
Balance at January 01, 2024	**-**	**1,989,410**	**8,467,365**	**14,004,750**	**6,387,078**	**1,054,011**	**-**	**31,902,614**
Charged during the year	-	177,682	498,886	255,081	470,171	31,144	-	1,432,964
Adjustment during the year	-	**-**	-	-	-	-	-	-
Balance at December, 31, 2024	**-**	**2,167,092**	**8,966,251**	**14,259,831**	**6,857,249**	**1,085,155**	**-**	**33,335,578**

WDV at December 31, 2024 (A-B)	**440,000,000**	**1,599,137**	**2,827,011**	**1,020,323**	**4,231,533**	**176,474**	**-**	**449,854,478**

Annexure-B

Financial High Lights

(Amount in Taka)

Sl no.	Particulars	2025	2024	Growth (%)
1	Paid-up capital (note-14.2)	1,006,799,440	1,006,799,440	-
2	Total capital (note-13.1b, 14.2, 15, 16, 17/2, 18 & SMD)	(13,635,575,436)	(12,887,614,069)	5.80%
3	Capital surplus / (deficit) (note-14.6)	6,799,440	6,799,440	-
4	Total assets	8,590,773,921	8,686,470,420	-1.10%
5	Total deposits (note-12)	5,427,621,057	5,387,063,439	0.75%
6	Total lease, loans and advances (note-8)	7,624,747,470	7,668,101,709	-0.57%
7	Total contingent liabilities and commitments	-	-	-
8	Credit deposit ratio (sl. no. 6/sl. no. 5) (Times)	1.40	1.42	-1.31%
9	Percentage of classified lease, loans and advances against total loans, advances and leases (note- 8.7)	97.65%	97.29%	0.37%
10	Profit after tax and provision	(743,460,392)	(670,902,708)	10.81%
11	Amount of loans classified during the year (note-8.6.A)	7,445,557,462	7,460,329,388	-0.20%
12	Provisions kept against classified loans (note-13.01.a)	6,665,652,606	6,661,277,694	0.07%
13	Provision surplus / (deficit)	-	-	-
14	Cost of fund	9.05%	9.07%	
15	Interest earning assets (note-5.1.b+5.1.c+7+8)	7,831,797,109	7,882,077,377	-0.64%
16	Non-interest earning assets (note-4+5.1.a+9+10)	758,976,812	804,393,043	-5.65%
17	Return on investment (ROI) (PAT/(Average equity+Average long term borrowings)	-7.25%	-6.06%	19.64%
18	Return on assets (ROA) ((sl. no. 10/sl. no. 4)	-8.65%	-7.72%	12.05%
19	Income from investment (note-23)	1,669,889	2,658,902	-37.20%
20	Earnings per share (Taka) (note:39)	(7.38)	(6.66)	10.81%
21	Net income per share (Taka)	(7.38)	(6.66)	10.81%
22	Price earning ratio (times)	N/A	N/A	N/A

Annexure C

Stock Report of Investment in Shares as on 31.12.2025

(Amount in Taka)

Sl. No.	Particulars	Quantity	Price (W.A.)	Purchase Value of Stock	Present Market Price	Market Value of Stock	Price Difference	Gain/Loss	Remarks
A. Quoted Shares:									
1	BATBC	6,100	490.98	2,994,985	248.60	1,516,460	(242.38)	(1,478,525)	-
2	BSRM Steels Limited	227,700	194.08	44,192,430	63.10	14,367,870	(130.98)	(29,824,560)	-
3	Dhaka Bank Ltd.	350,736	14.46	5,072,190	11.30	3,963,317	(3.16)	(1,108,873)	-
4	Power Grid Company of BD	19,000	52.04	988,724	26.70	507,300	(25.34)	(481,424)	-
5	Square Pharmaceuticals PLC	30,308	232.19	7,037,250	198.60	6,019,169	(33.59)	(1,018,081)	-
6	Standard Bank PLC	154,607	9.01	1,392,401	4.90	757,574	(4.11)	(634,827)	-
7	Argon Denims Ltd.	271,967	29.75	8,091,902	17.60	4,786,619	(12.15)	(3,305,282)	-
8	Grameen MFO: Scheme 2	100,000	19.02	1,901,721	10.80	1,080,000	(8.22)	(821,721)	-
9	Ifad Autos Ltd.	23,861	52.03	1,241,529	21.60	515,398	(30.43)	(726,131)	-
Sub Total (A):		**1,184,279**		**72,913,132**		**33,513,707**		**(39,399,425)**	
B. Un-Quoted Shares:									
1	BanglaLion Communications Ltd.	10,750,000	10.00	107,500,000	-	-	(10.00)	(107,500,000)	-
2	GMG Airlines Ltd.	220,000	45.45	10,000,000	-	-	(45.45)	(10,000,000)	-
Sub Total (B):		**10,970,000**		**117,500,000**		**-**		**(117,500,000)**	
Grand Total (A+B):		**12,154,279**		**190,413,132**		**33,513,707**		**(156,899,425)**	**-**

Annexure D

Income Tax Status

Assessment year (s)	Net Tax Claim by Tax Authority as per latest assessment	Remarks
2007-2008	5,148,098	Filed reference application before the High Court.
2008-2009	41,395,951	Tax demand as per u/s 83(2)
2009-2010	11,828,794	Tribunal order decision remand for hearing on merit (Tribunal order ITA No-3194/2011-2012, dtd.25.06.2012)
2011-2012	48,362,253	ADR not agreement not concluded.
2012-2013	68,508,434	Revised assessment order from Appellate Tribunal not received.
2013-2014	347,949,894	Appealed for restoration at Taxes Appellate Tribunal
2015-2016	454,534,235	To be appealed for restoration subject to payment of 10% last assessed Tax.
2016-2017	143,170,025	Applied for certify copy of assessment order.
2017-2018	618,170	Applied for certify copy of assessment order.
Total	**1,121,515,854**	

Bangladesh Industrial Finance Company Limited

Corporate Head Office: Police Plaza Concord (Tower-2), Level-8, Gulshan-1, Dhaka-1212

PROXY FORM

I/We.....

of.....

being a Member of Bangladesh Industrial Finance Company Limited, hereby appoint

Mr./Ms.....of.....

as my proxy in my absence to attend and vote for me and on my behalf at the 30th Annual General Meeting of the Company to be held on Monday, September 21, 2026 at 10:00 a.m. on Digital Platform & Physically and at any adjournment thereof.

Signed this on.....day of.....,2026

Signature of Proxy .....

.....
Signature of Shareholder

Register folio No./BO ID | | | | | | | | | | | | | | | |

No. of shares.....

N.B. Important

1. This Proxy Form, duly completed and stamped, must be deposited at the Company's Registered Office at least 48 hours before the meeting. Proxy is invalid if not signed and stamped as explained above.
2. Signature of the Shareholders should agree with the Specimen Signature registered with the Company.

Tk. 20/-
Revenue
Stamp

Bangladesh Industrial Finance Company Limited

Corporate Head Office: Police Plaza Concord (Tower-2), Level-8, Gulshan-1, Dhaka-1212

Attendance Slip

I/We hereby record my/our attendance at the 30th Annual General Meeting (AGM) of the Company being held on Monday, September 21, 2026 at 10.00 a.m. at "Institution of Diploma Engineers, Bangladesh", IDEB Bhaban, Social Garden-501, 160/A, Kakrail VIP Road, Dhaka-1000.

Name of the shareholder/Proxy .....

BO ID | | | | | | | | | | | | | | | | |

Folio No. .....

Signature .....

Date .....

N.B. Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and deposit the same at the entrance of the meeting hall.

Bangladesh Industrial Finance Company Limited
Police Plaza Concord (Tower-2), Level-8, Plot # 02, Road # 144, Gulshan-1, Dhaka-1212, Bangladesh
PABX: +88-02-55045123-5, +09611888333, Fax: +88-02-55045128, Email: info@bifcol.com, Website: www.bifcol.com