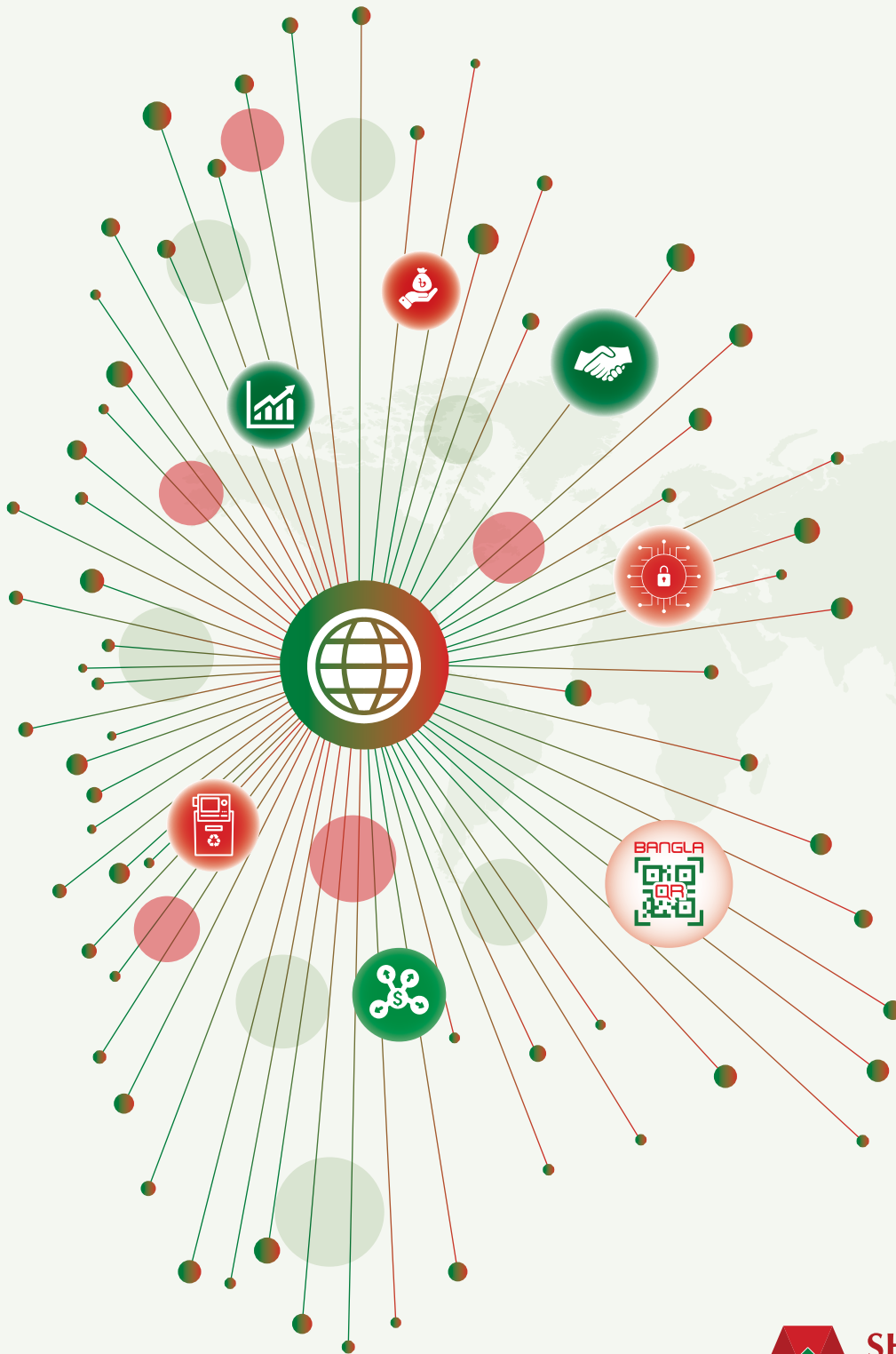


10
Years of
Reliance

ANNUAL REPORT 2025



DECADE OF
TRUST



SHIMANTO BANK PLC.

শিমন্ট ব্যাংক পিএলসি.

শিমন্ট ব্যাংক



Decade of Trust

Celebrating a decade of banking excellence, Decade of Trust reflects Shimanto Bank PLC's journey of resilience, credibility and sustainable growth. In last ten years, the Bank has strengthened stakeholder confidence, expanded its services and contributed to Bangladesh's economic progress—building a strong foundation for an even more prosperous future.



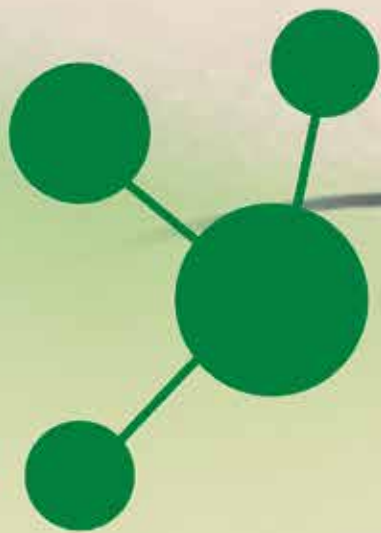
SHIMANTO BANK PLC.

সীমান্ত ব্যাংক পিএলসি.
সীমান্তীন ব্যাংক

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Date of Publication: 21 August 2026



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LETTER OF TRANSMITTAL

Date: 20 August, 2026

All Shareholders of Shimanto Bank PLC.
Bangladesh Bank
Bangladesh Securities and Exchange Commission
Financial Reporting Council
Registrar of Joint Stock Companies & Firms and
Other Stakeholders.

Dear Sir,

ANNUAL REPORT FOR THE YEAR 2025.

We are pleased to present before you the Annual Report of Shimanto Bank PLC. along with the Audited Financial Statements for the year ended 31 December 2025. The Report is furnished with Corporate Information, Board of Directors' Report, Board Committee Reports, Corporate Governance Report, Management Review, Balance Sheet, Profit & Loss Account, Cash Flow Statement, and Statement of Changes in Equity, Liquidity Statement along with Notes thereon for kind information and record.

Sincerely Yours,



Mohammad Mostafa Hossain Suman FCS
Company Secretary



Notice of the 10th Annual General Meeting (AGM)

Notice is hereby given that the 10th Annual General Meeting (AGM) of Shimanto Bank PLC. will be held on Monday, August 24, 2026 at 1930 Hours at Captain Shahid Ashraf Hall, Peelkhana, Dhaka-1205 to transact the following business:

Agenda:

1. To receive and approve the report of the Board of Directors regarding the affairs of the company for the year ended on December 31, 2025;
2. To receive, consider and adopt the Accounts for the year ended on December 31, 2026 together with the Auditor's Report;
3. To appoint Auditors for the year ending on 2026 and to fix their remuneration;
4. To elect/re-elect Directors as per Articles of Association of the Company;
5. To Appoint Independent Director of the Bank.

All the shareholders of the Company are requested to make it convenient to attend the meeting.

By Order of the Board

Mohammad Mostafa Hossain Suman FCS
Company Secretary

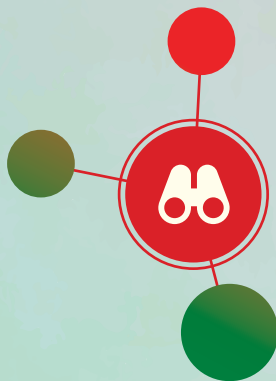
Date: 24 June 2026

Notes:

1. The Book Closure will be on 25th July 2026. The Shareholders whose names would appear in the Register of Members of the Company on the 'Book Closure Date' (25th July 2026) will be eligible to attend the 10th AGM.
2. A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her stead. Such proxy shall be a member of the company. The proxy form duly stamped should be deposited at the registered office of the Company not later than 48 hours before the time fixed for the meeting.
3. For the sake of convenience, shareholders are requested to submit their queries if any, on the Directors' Report/Audited Accounts for the year 2025 at the Registered Office of the Company preferably 72 hours before the day of the Annual General Meeting.



VISION & MISSION



Vision

To build a sound and healthy financial institution which will provide technology driven customer centric inclusive banking solutions and contribute to the growth of national economy with deep social commitment.



Mission

- Achieve and maintain strong corporate governance, highest level of transparency and cost-efficiency at all levels of operations.
- Ensure continuous improvement of policies, procedures and systems across the bank for regulatory compliance and sustainable growth in all respect.
- Uphold the corporate image by implementing core values and strategic priorities.



CORE VALUES



Customer Centric

Dynamism & Techno-Centric

Innovativeness

Trust Worthiness & Integrity



CORPORATE DIRECTORY



Name of the Company

Shimanto Bank PLC.

Legal Form

Public Limited Company & Scheduled Commercial Bank

Capital (December 31, 2025)

Authorized Capital : BDT 10,000,000,000.00

Paid-up Capital : BDT 5,250,000,000.00

Face value per share : BDT 10.00

Company Registration No

C-131884/2016

Bangladesh Bank License

BRPD (P-3) 745 (70) / 2016-4878; Date: 21 July 2016

Taxpayer's Identification No

218822759143

Business Identification No

000001182-0201

Chairman

Major General Mohammad Ashrafuzzaman Siddiqui,
OSP, BSP, SUP, BGBM, ndc, psc, MPhil

Managing Director & CEO

Md. Nurul Azim

Company Secretary

Mohammad Mostafa Hossain Suman FCS

Auditors

Zoha Zaman Kabir Rashid & Co.

Accounting Year-end

December 31, 2025

Credit Rating Agency

Credit Rating Information and Services Ltd (CRISL)

Head Office & Registered Office

Shimanto Shamvar (7th Floor), Shimanto Square,
Road No- 2, Bir Uttam M A Rob Sarak
Dhanmondi, Dhaka-1205, Bangladesh.

+8809666716790 16790

information.desk@shimantobank.com

www.shimantobank.com

SWIFT Code : SHMTBDDD

Routing No : 305260008

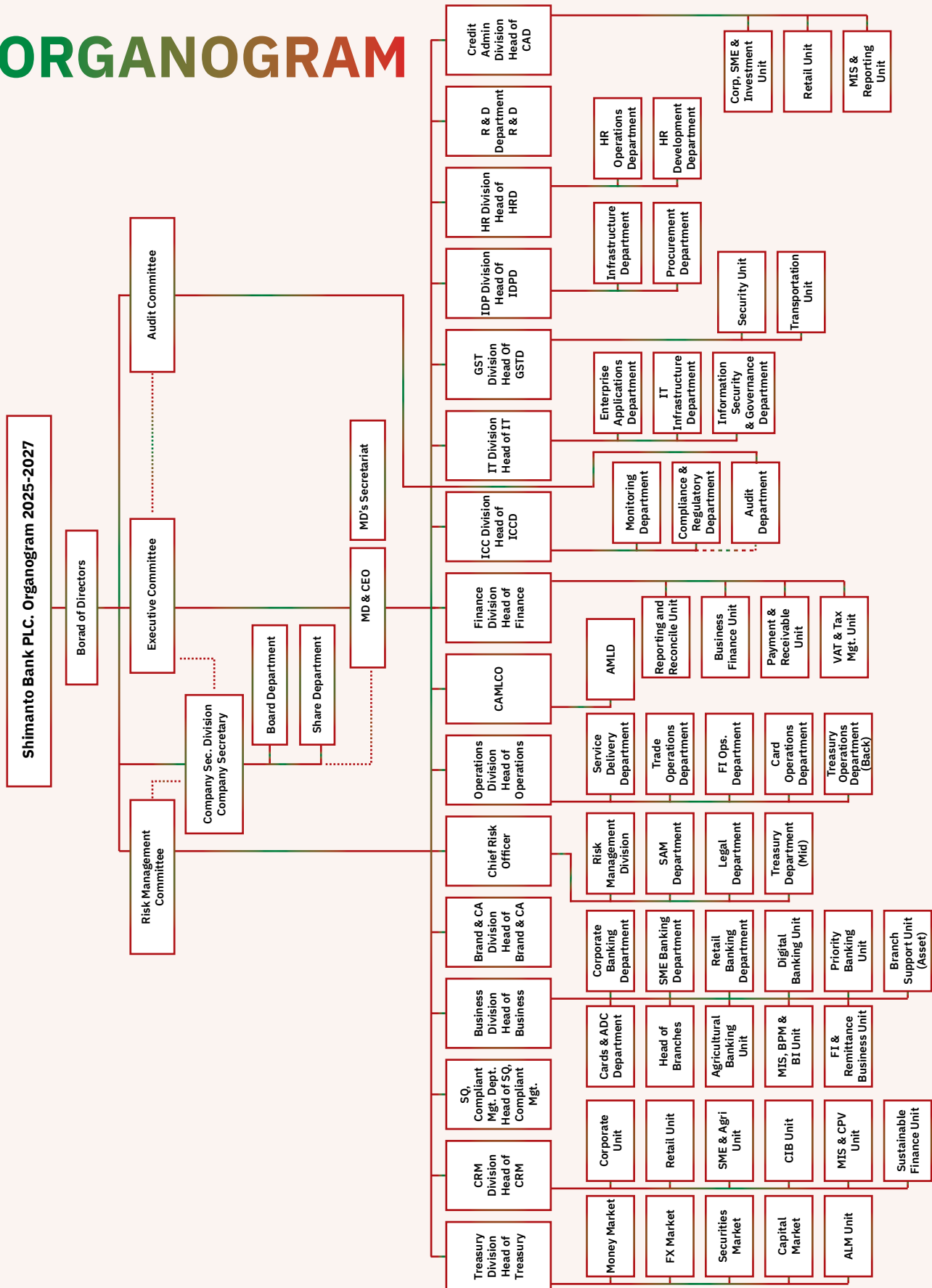


DELIVERY CHANNEL

(As on 31 December, 2025)



ORGANOGRAM





BRANCH NETWORK

(As on 31 December, 2025)



Information Centres

- Information Center at Haliashohor, Chattogram
- Information Center at Baitul Izzat, Satkania, Chattogram
- Information Center at CO Bazar, BGB Sector, Rangpur Sadar, Rangpur.

Grahok Prangone Parisheba

- Jashore Battalion (49 BGB)
- Chapainawabganj Battalion (53 BGB)



DHAKA

Principal Branch Shimanto Kallyan Trust Bhaban Road No-02, Bir Uttam M.A. Rab Sarak, Shimanto Square, Dhanmondi, Dhaka-1205. Phone: +8809612-880001 +8809612-880002 Routing No : 305260211	Motijheel Branch Krishi Bhaban, 49-51 Dilkusha Commercial Area, Dhaka-1000. Phone: +8809612-880060 +8809612-880061 Routing No : 305274249	Uttara Branch Plot No. 38, Rabindra Sarani, Sector-7, Uttara, Dhaka-1203. Phone: +8809612-880150 +8809612-880151 Routing No : 305264633
Hazaribagh Branch BGB Super Market, 2 nd Floor Lolito Mohon Das Lane Hazaribagh, Dhaka. Tel: +8809612-880160 +8809612-880161 Routing No : 305270748	Gulshan Branch Hosna Center (1 st Floor), 106 Gulshan Avenue, Gulshan, Dhaka-1212. Phone: +8809612880190, +8809612880191 Routing Number: 305261728	Uttara Sub-Branch (Under Uttara Branch) Troye Plaza (1 st Floor), Holding No: 34, Sonargaon Janapath Road Sector:11, Ward: 51, Dhaka North City Corporation Thana: Uttara West, District: Dhaka. Phone: 8809612880157
Mohammadpur Sub-Branch (Under Principal Branch) Jamila Latif Tower (1 st Floor) Holding No: 1101/A, Ring Road Ward No: 30, Dhaka North City Corporation Thana: Adabor, District: Dhaka. Phone: 8809612880017	Ashulia Branch Sufia Mansion (1 st Floor) House No: 90, Block: B Bogabari, Dhamsona Ashulia, Dhaka. Tel: 09610870280, 09610870281 SWIFT CODE: SHMTBDDD Routing Number : 305260224	

KHULNA

Khulna Branch Milton Tower, 2 nd floor, Holding no-64 K D A Avenue Road, Khulna. Phone : +8809612-880170, +88 09612-880171 Routing No : 305471547	Benapole Branch Noor Shopping Complex Benapole Bazar, Sharsha, Jashore. Phone: +8809612-880050, +8809612-880051 Routing No : 305410287	Pragpur Branch Afsana Plaza, Pragpur Bazaar Pragpur, Doulatpur, Kushtia. Phone: +8809612-880140, +8809612-880141 Routing No : 305501396
Gadkhali Branch Jalil Sarder Market, 1 st Floor, Gadkhali Bazar, Jhikargacha, Jashore. Phone: +8809612-880180 +8809612-880181 Routing No : 305410124	Chuadanga Branch Padoshova Tower (1 st Floor), Shahid Abul Kashem Road (Boro Bazar), P.S: Chuadanga Sadar, District: Chuadanga. Phone: +8809612880210, +8809612880211 Routing Number : 305180191	Pabla Sub-Branch (Under Khulna Branch) Ashia Tower (1 st Floor) KDA Plot No: N-4 Mosgunni Main Road, Kabir Bottola, Pabla, Word no: 06, Khulna City Corporation Dawlatpur, Khulna. Phone: 09610870800, 09610870801
Shyamnagar Sub Branch (Under Khulna Branch) Mithila Shihab Mansion (1 st Floor), ShyamnagarMunshigonj Main Road, Shyamnagar, Satkhira. Tel: 09610870830, 09610870831	Satkhira Sub-Branch (Under Khulna Branch) Shimanto Collection Shop (1 st Floor) 33 BGB Satkhira Battalion Mouza: Magura, Gopinathpur Union: Labsha, Thana: Satkhira Sadar, District: Satkhira Phone: 09610870835	Kushtia Branch Sherin Tower (1 st Floor) Holding No: 116, Ward No: 18, Kushtia Powroshava Jhenaidah-Kushtia Highway Road Thana: Kushtia Sadar District: Kushtia Phone: 09610870270 SWIFT CODE : SHMTBDDD Routing Number: 305500942



SYLHET

Sylhet Branch
BGB Kallyan Bhaban,
1st Floor, Nobabi Masjid Road,
Akhaliya, Sylhet.
Phone: +8809612-880120
+8809612-880121
Routing No : 305913555

Zakigonj Branch
Five Star (1st Floor), Kaligonj Bazar,
Union: Manikpur,
Upozilla: Zakiganj, Sylhet.
Tel: 09610870240, 09610870241
SWIFT CODE: SHMTBDDD
Routing Number : 305914125

RAJSHAHI

Rajshahi Branch
Ma Babar Doa (1st Floor),
Rani Bazar Road, Boalia, Rajshahi.
Tel: 09610870250, 09610870251
SWIFT CODE: SHMTBDDD
Routing Number : 305811936

RANGPUR

Lalmonirhat Branch
Ward No – 01, BGB
Canteen More, Lalmonirhat
Patgram Highway Road
Kotwali, Lalmonirhat.
Phone: +8809612880100,
+8809612880101
Routing No : 305520469

Rangpur Branch
Talukdar Tower (1st Floor),
GL Roy Road (Opposite
to Fire Service Station)
Rangpur Sadar, District:
Rangpur.
Tel: 09612-880220, 09612-
880223
Routing Number :
305851459

Chirirbandar Branch
MB Tower (1st Floor),
Hospital Mor 5 No Abdulpur
Union Thana: Chirirbandar,
District: Dinajpur.
Phone: 09612-880230,
09612-880232
Routing Number :
305280525

Hili Branch
Hazi Trade Center (1st Floor),
Chowrasta Mor
Ward no: 03, Hili
Powroshava, Thana:
Hakimpur, District: Dinajpur
Tel: 09610870260
SWIFT CODE: SHMTBDDD
Routing Number: 035280112

CHATTOGRAM

Agrabad Branch
Commercial Court (Ground
Floor), 95 Commerce
College Road
Agrabad, Chattogram.
Phone: +8809612-880030
+8809612-880031
Routing No : 305150134

Cox's Bazar Branch
Almas Complex (1st Floor),
Holding No: 008200,
Burmese Market Road,
Cox's Bazar Sadar,
District: Cox's Bazar.
Tel: 09610870080,
09610870081
SWIFT CODE: SHMTBDDD
Routing Number : 305220251

Mymensingh Branch
Jhosh Madov Vandar (1st Floor)
Holding No: 47/A,
Muktijodda Shoroini Sarak,
Shoto Bazar, Word no: 8
Kotowali, Mymensingh
Sadar., Mymensingh.
Tel: 09610870020,
09610870021
SWIFT CODE: SHMTBDDD
Routing Number: 305611752

Seedstore Branch
Ishaque Khan Tower (1st Floor)
Seedstore Bazar, Bhaluka,
Mymensingh.
Phone: +8809612-880110,
+8809612-880111
Routing No : 305610182

Champaknagar Branch
Western Plaza (1st Floor),
Fatapur, Champaknagar,
Bijoynagar, Brahmanbaria.
Phone: +8809612-880130
+8809612-880131
Routing No : 305120180

Teknaf Branch
Riham Complex (1st Floor)
Holding No: 04
Lamar Bazar Road (Jharna
Chattor), Teknaf, Cox's Bazar.
Tel: 09610870090,
09610870091
SWIFT CODE: SHMTBDDD
Routing Number: 305220914

Satkania Branch
Hoque Plaza Shopping
Centre & Complex
Keranihat, Satkania,
Chattogram.
Phone: +8809612-880040
+8809612-880041
Routing No : 305157061

Ramu Sub Branch
(under Cox's Bazar Branch)
Habib Market (1st Floor),
Arkan Sarak, Chawmuhoni
Mor, Ramu, Cox's Bazar.
Phone: + 88 09612880088
+8809612880089

Jubilee Road Sub-Branch
(Under Agrabad Branch)
S A Tower (1st Floor), Holding
No: 269, Enayet Bazar Road,
Word No: 22,
Chattogram City Corporation
Chattogram.
Tel: 09610870820,
09610870821

Brahmanbaria Branch
Hazi Siddik Plaza (1st &
2nd floor), Court Road,
Brahmanbaria Sadar,
Brahmanbaria.
Phone: +8809612880200,
+8809612880201
Routing Number :
305120430

Bibir Bazar Branch
Bibir Bazar, Cumilla
Adarsha Sadar, Cumilla.
Phone: +8809612-880070
+8809612-880071
Routing No : 305190457

Rangamati Sub-Branch
(Under Agrabad Branch)
S R Plaza, 1st Floor,
Holding No: 983 GA/1191,
New Court Road (Banarupa Road)
Ward no: 7, Rangamati
Sadar, Rangamati.
Tel: 09610870825,
09610870826

PRODUCT & SERVICES

RETAIL BANKING

Retail Deposit Product

01. SABL Current Account

SABL Current Account is a non-interest bearing taka account for individual and non-individual customers who want to make frequent and bulk amount of transactions.

02. Shimanto Sanchay Account

Shimanto Sanchay is an interest bearing taka account for Bangladeshi citizens to facilitate the customers to create a personal savings as well as personal transactions in a profitable manner.

03. Payroll Account

Payroll Account is an interest bearing taka account to facilitate the BGB staffs and Non BGB staffs to get the salary as well as making savings habit. Moreover, different loan facilities available against the salary accounts.

04. Shimanto Student Account

Shimanto Student Account is a specially designed savings account for school going children aged below 18 years to instil savings habit among our young generation as well as introduce financial services to them.

05. Shimanto Global Access Account

Shimanto Global Access Account is an interest bearing foreign currency account which can be opened by a resident Bangladeshi after returning from travel abroad in USD without restriction on transaction frequency. Balances in these accounts shall be freely transferable abroad and foreign currency deposited in this account is freely convertible into BOT.

06. Asthay Oboshor

Asthay Oboshor is a special type of term deposit scheme where an individual client can earn monthly interest on FDR.

07. Shimanto DPS

Shimanto DPS is a monthly recurring savings scheme for individual customers that will allow them to save on a monthly basis and get a handsome amount at maturity.

08. Shimanto Student DPS

Shimanto Student DPS is a special savings plan that will allow our customers under student banking scheme to save on a monthly basis and get a handsome amount at maturity and which will allow our young generation to grow a habit of savings from the early stage of their life.

09. SABL Term Deposit

SABL Term Deposit is a generic type term deposit scheme where an individual customer can earn interest on FDR at maturity.

10. Shoinak Bhabishwat

Shoinak Bhabishwat is a fixed deposit product designed for all the serving soldier of Border Guard Bangladesh (BGB) where customer will receive double of the deposited amount at the end of the tenure.

11. SABL Monthly Benefit Deposit Scheme

SABL Monthly Benefit Deposit Scheme is a special type term deposit scheme where an individual customer can earn monthly interest of FDR.

12. Shimanto Shapno

Shimanto Shapno Account is a specially designed savings account for the tannery workers, people under various social safety network of government, garments workers, destitute & underprivileged people, cleaners of Dhaka North & South City Corporation, farmers, blind & other handicapped people, people living in enclaves to make our financial services available to them and to bring them under financial umbrella.

13. Connect DPS

Connect DPS scheme where an individual client can deposit monthly amount via internet banking.

14. Connect Fixed Deposit/Term Deposit

It is a generic type term deposit scheme where an individual Client can earn interest of FDR at Maturity via internet banking as an initiative of cashless & Smart Bangladesh.



15. SMBL Individual Retail Account

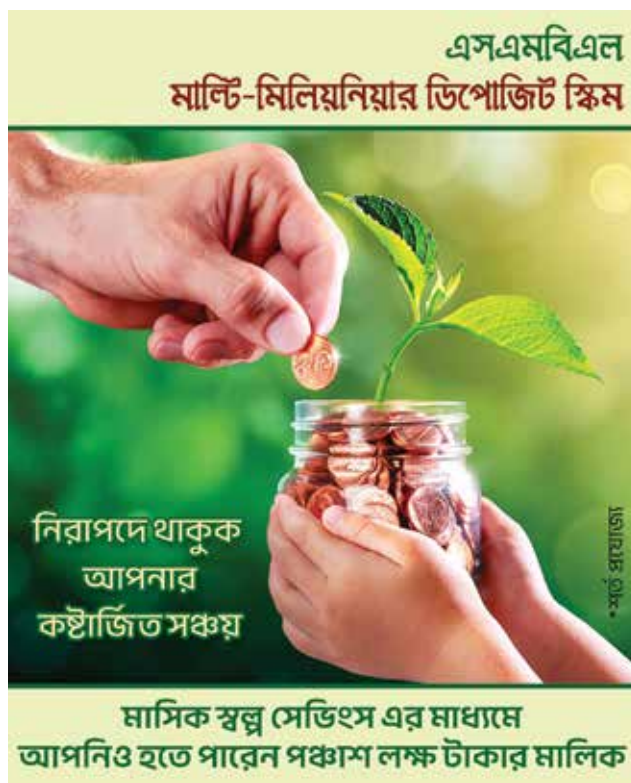
For hassle free, easy & quick Account opening, Fund transfer, Savings; we propose to open SMBL Personal Current Account for following categories of marginal level business person I entrepreneurs without trade license. It is an initiative for cashless & Smart Bangladesh.

16. Millionaire Scheme

A very attractive deposit product. Any Bangladeshi citizen can open this monthly deposit product. After maturity he/she will get BOT 1 million. Tenure is 5/6/7/8 & 10 years. Upto 90% loan available.

17. Multi Millionaire Scheme

A monthly deposit product scheme. Any Bangladeshi citizen can open this monthly deposit product. After maturity he/she will get BOT 2.5 million. Tenure is 5/6/7/8 & 10 years. Upto 90% loan available.



Retail Lending Products

01. SMBL Personal Loan

An EMI based collateral free loan product for salaried, self-employed or business persons with a repayment period of maximum 60 months. Loan amount ranges between Tk. 50,000 and Tk. 20,00,000.

02. SMBL Shimanto Nibash

A home loan to make the dream of one's own home into a reality with exclusive benefits with a maximum loan limit of Tk. 4.00 Crore.



03. SMBL Vehicle Loan

An EMI based loan product to purchase Reconditioned /Brand New vehicles/Motorcycle for personal use only. Loan amount ranges between Tk. 1,00,000. and Tk. 60,00,000.

04. SMBL Professional Loan

SMBL Professional Loan is a terminating loan facility (EMI based) for skilled professionals to support their small scale purchase of different equipment, tools and small machineries for installation at their business sites/offices.

05. Shimanto Special Loan

Shimanto Special Loan is an equal monthly installment (EMI) based term loan facility exclusively & specifically for the BGB employees for any legitimate purpose to meet their long term financial needs.

06. SMBL Easy Cash

A secured overdraft facility for any legitimate personal or business purpose up to Tk.10.00 crore against FDR or cash.

07. SMBL Shimanto Nir (Home Loan for BGB members)

EMI based Term Loan to purchase/extension/renovation of flat/apartment/house for BGB employees only.



সীমান্ত আবাসন
আপনার স্বপ্নের বাড়ী নির্মাণের সহজ সমাধান

সুবিধাসমূহ:

- সেমিপাকা বাড়ি, নির্মাণ, সংস্কার, সম্প্রসারণ এবং বাড়ি ক্রয়ের জন্য অণ সুবিধা।
- ৫ লক্ষ থেকে ৪০ লক্ষ টাকা পর্যন্ত অণ সুবিধা।
- সর্বোচ্চ ১৫ বছর পর্যন্ত অণ গ্রহণের সুবিধা।
- কোন প্রকার হিডেন চার্জ ছাড়াই দ্রুত লোন প্রসেসিং সুবিধা।

08. SMBL Projukti Rhin

EMI based Term Loan to purchase electronics gadgets like desktop, laptop, smart phone, tablet, printer, scanner and any other legitimate electronic gadgets.

09. SMBL Education Loan

EMI Based Term Loan to meet financial requirement during the span of higher education BGB employees only & their children.

10. SMBL Marriage Loan

EMI Based Term Loan to meet financial requirement during marriage of the BGB employees & their children.

11. SMBL Pension Backed Loan

EMI based Term Loan against pension & other end service related benefits of BGB employees

12. SMBL Salary OD

Overdraft facility against the salary account of BGB employees maintained with Shimanto Bank.

13. SMBL Credit Cards

A dual currency credit card offered to salaried individuals, business persons and professionals with an attractive credit limit. It's a convenient and flexible way to pay for purchases made at home and abroad. It's operable anywhere at anytime around the globe. SMBL Credit Card is the perfect prospect for customer rather to carry large amount of cash. These credit cards are accepted in millions of ATM, POS Terminal and e-commerce portal across the world.

SME BANKING

01. SMBL Current Account (SME)

SMBL Current Account (SME) is a non-interest bearing taka account for CMSMEs where customers can make frequent and bulk amount of transactions both in respect of number and volume.

02. SMBL SND Account (SME)

SMBL SND Account (SME) is an interest bearing Short Notice Deposit taka account for CMSME entities of Bangladesh. The main purpose of this product is to facilitate the customers to get some return from their floating fund.

03. SMBL Term Deposit (SME)

It is a generic type term deposit scheme where a CMSME client can earn interest on FDR at Maturity.

04. SMBL Astha

An EMI based collateral free loan product for small segment clients with a repayment period of maximum 60 months. Loan amount ranges between Tk. 1,00,000 and Tk. 50,00,000.

05. SMBL Dishari

EMI based loan for cottage, micro, small & medium enterprises for rural areas. The main purpose of this asset product is to extent financial support to the Cottage, Micro, Small & Medium enterprises in rural areas.

06. SME Time Loan

A loan facility to finance the work orders and other demand loan related requirements of CMSME clients with a tenor of 30 days to 360 days.



07. SME Term Loan

A secured EMI based loan product for CMSME clients for fixed asset purchase, business expansion, import of capital machineries etc.

08. SMBL OD (SME)

SMBL OD (SME) is a revolving Overdraft facility for any legitimate business purpose of CMSME entities.

09. SMBL Uddipto (CMSME Term Loan for fresh entrepreneurs)

EMI based Term Loan for starting & implementing a business project, working capital or fixed asset purchase for the project (no collateral/mortgage required).

10. SMBL Krishi Rin

SMBL Krishi Rin is a Short Term Loan (Demand Loan)/ Revolving loan for the farmers. The purpose of the loan is to provide financial support to farmers for cultivation of crops, livestock farming and fisheries as per Bangladesh Bank Agricultural & Rural Credit Policy.

11. SMBL Nari Shakti

SMBL Nari Shakti is an unsecured Overdraft facility proprietary debit card based product for rural Women Entrepreneurs. Loan amount ranges between Tk. 10,000 and Tk. 1,00,000.

12. Shimanto Bank Prantik Uddog

A collateral free Term Loan facility for Marginal/ Landless Farmers, Low Income Professionals, School Banking Account Holders and Small Businessmen etc. The product is a EMI based Term Loan facility having limit ranges from BDT 10,000 to BDT 5,00,000. Refinance under FID is applicable for proposals who are the 10/50/100 Tk account holders.

13. Letter of Credit and Post-import Finance

Letter of Credit facility is a non-funded facility to import goods from abroad that may be for industrial as well as commercial purpose. This facility is given to import goods that are legally permitted to trade. Shimanto Bank PLC also offers post-import finance as generic product.

14. Shimanto Prerona

Newly designed to allow working capital in continuous and demand mode as well as EMI based loan to procure fixed assets for women entrepreneur. Loan amount is up to Tk.2,00,00,000 including unsecured amount up to Tk.25,00,000.



15. Shimanto Bank Transportation Loan

An EMI based loan for procurement of vehicle for business / commercial use. Loan amounts up to Tk. 2.00 crore.

16. Contractual Financing

Shimanto Bank PLC provides a comprehensive support for contractors under Contractual Financing including but not limited to Bid Security, Performance Security, Advance Payment Guarantee, OD (Work Order) etc.



CORPORATE BANKING

01. SABL OD (Corporate)

SABL OD (Corporate) is a revolving Overdraft facility for any legitimate business purpose of Corporate entities.

02. SABL Time Loan/ Short Term Loan (Corporate)

SABL Time Loan/Short Term Loan (Corporate) SABL Time Loan/Short Term Loan (Corporate) is short term loan facility to meet working capital requirement of Corporate entities.

03. SABL Term Loan (Corporate)

SABL Term Loan (Corporate) is a EMI/EQI/EHI based terminating loan facility for Corporate entities to purchase fixed assets and machineries.

04. Letter of Credit (Sight/Deferred/ UPAS)

Shimanto Bank deals with both import and export LCs to facilitate the SME & Corporate customers for their international trade business.

05. Bank Guarantee (PG/APG/Bid-Bond)

A bank guarantee is an assurance to a beneficiary that the bank will uphold a contract if the applicant and counterparty to the contract are unable to do so. Shimanto Bank is also ready to issue all types of Bank Guarantee as per customer's requirement.

06. Packing Credit (PC)

PC stands for (Export) Packing Credit. It is a short term facility allowed to customers against export L/C and/or firm contract for processing/packing/shipping of goods to be exported.

07. LTR

LTR stands for Loan against Trust Receipt. This facility is provided as post import finance for retirement of shipping documents so that the importer can release the goods imported through L/C. LATR is allowed against import of trading items/ industrial raw materials

08. FDBP

FDBP stands for 'Foreign Documentary Bills Purchase'. This facility is provided to negotiate (purchase) Foreign Documentary bills/documents submitted by the exporter on export made against export L/C and sales contract denominated in Foreign Currency.

09. LDBP

LDBP stands for 'Local Documentary Bill Purchase'. This facility is provided to purchase/negotiate documents/ bills (duly accepted by issuing Bank) submitted by the supplier on supply made to local export oriented industries against inland L/C.

WHEREVER YOU GO

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SHIMANTO BANK PLC.

সীমান্ত ব্যাংক পিএলসি.

কীমতবোধ ও বিশ্বাস

Connect
Internet Banking

বাংলা QR কেনাকাটায় স্মার্ট সমাধান

দ্রুত - সহজ - নিরাপদ

সীমান্ত ব্যাংকের কানেক্ট ইন্টারনেট ব্যাংকিং অ্যাপে
বাংলা QR কোডের মাধ্যমে উপভোগ করুন স্মার্ট পেমেন্ট সুবিধা।

ক্যাশলেস পেমেন্টের সহজ সমাধান:

শপিং এ নগদ টাকা বহন ছাড়াই বাংলা QR কোড এর মাধ্যমে পেমেন্ট করে উপভোগ করুন ক্যাশলেস জীবনের সুবিধা।

দ্রুত পেমেন্ট সুবিধা:

কানেক্ট অ্যাপ ব্যবহার করে বাংলা QR এ আপনার যেকোন একাউন্ট থেকে সরাসরি পেমেন্ট করুন মাত্র কয়েক সেকেন্ডে।

সুরক্ষিত এবং নির্ভরযোগ্য:

আপনার প্রতিটি লেনদেন সীমান্ত ব্যাংকের নির্ভরযোগ্য অত্যাধুনিক ডিজিটাল ব্যাংকিং পরিকাঠামো দ্বারা সুরক্ষিত।

স্মার্ট মানি ম্যানেজমেন্ট সুবিধা:

আপনার সব পেমেন্টের হিসাব সরাসরি অ্যাপের ভেতর থেকেই ট্র্যাক করুন ও পেমেন্ট পরিচালনা করুন।

বিস্তারিত জানতে যোগাযোগ করুন আপনার নিকটস্থ সীমান্ত ব্যাংকের যেকোন শাখা/উপশাখায় অথবা কল করুন ১৬৭৯০ নম্বরে।



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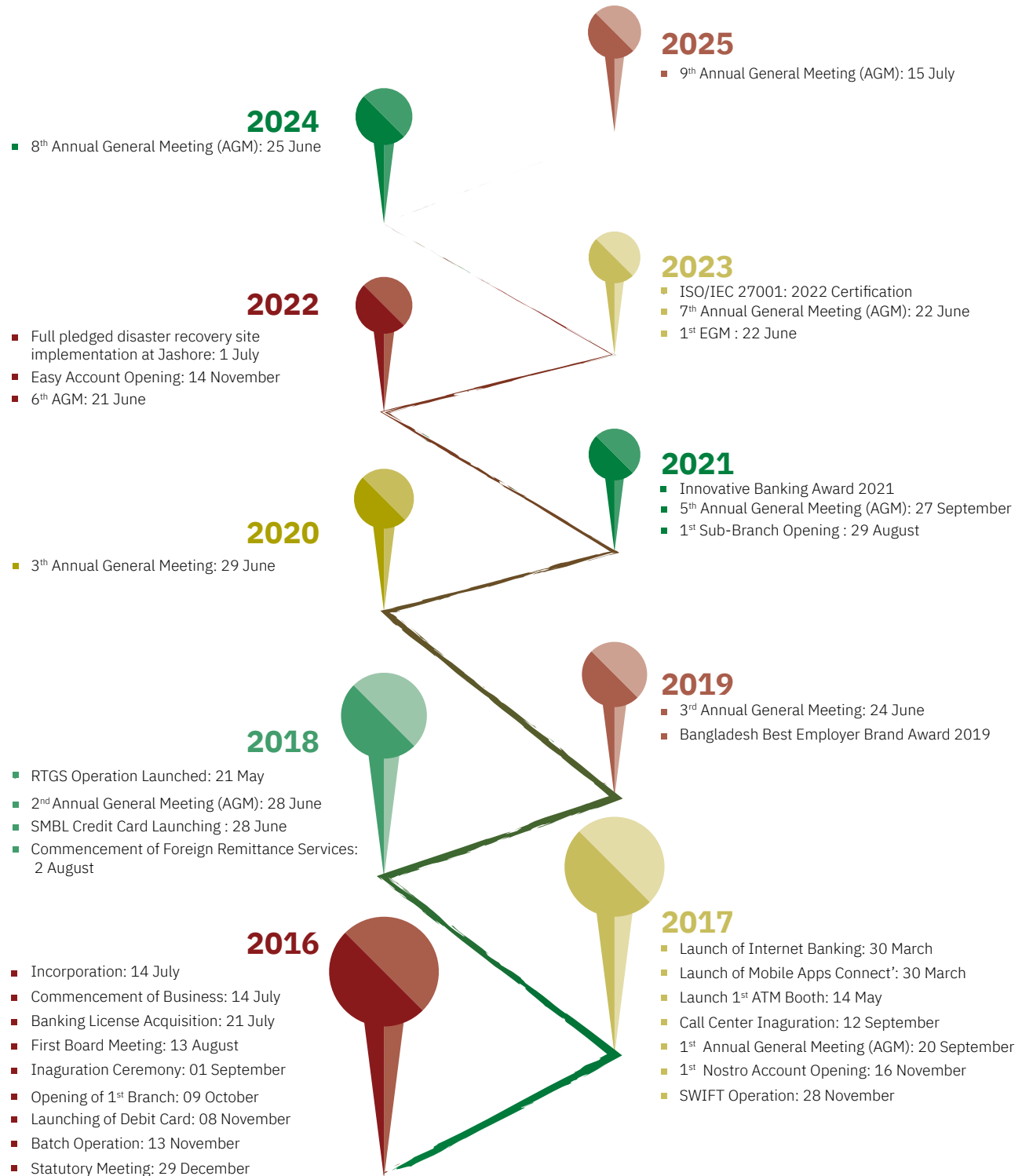


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*শর্ত প্রযোজ্য



MILESTONES





AWARDS & RECOGNITION



2023



2022



2021





MAJOR GENERAL MOHAMMAD ASHRAFUZZAMAN SIDDIQUI
OSP, BSP, SUP, BGBM, ndc, psc, MPhil
Chairman



CHAIRMAN'S STATEMENT

Bismillahir Rahmanir Rahim

Dear Esteemed Stakeholders,

Assalamu Alaikum.

I am delighted to welcome you to the 10th Annual General Meeting of our Bank and to present to you the Annual Report for the year ended 31st December, 2025.

Before I proceed, I want to express my sincere appreciation to all of you for your continued unwavering loyalty and commitment to our Bank during the progressive journey of 10 years. Your continued support has been instrumental to the Bank's sterling performance since its inception.

The year 2025 was challenging in many aspects, with significant global and domestic economic developments that impacted our business in several ways.

However, Shimanto Bank responded well, adapting our strategies to leverage available opportunities while creating value for all our stakeholders. Against this background, I will review the economic and financial environment within which our Bank operated during the financial year under review.

Global Economic Outlook

The global economy demonstrated remarkable resilience in 2025 despite increased trade tensions and policy uncertainty. Activity was supported by a stockpiling of goods, strong risk appetite, and a surge in artificial intelligence (AI)-related investment, according to the Global Economic Prospects report of the World Bank.

Global growth is set to ease to 2.6 percent in 2026 as several supportive factors wane, giving way to a slowdown in demand for traded goods and softer domestic demand in key economies. By 2027, growth is expected to edge up to 2.7 percent as earlier monetary easing supports domestic demand and trade recovers amid declining uncertainty.

Bangladesh Economic Outlook

Bangladesh's economic growth has slowed recently, while inflation has remained elevated. GDP growth decelerated to 3.7 percent in FY25 from 4.2 percent in FY24 and 5.8 percent in FY23, reflecting production delays during the popular uprising, a tighter policy mix, and sluggish investment. Bangladesh's average headline inflation for the 2025–26 fiscal year reached 8.89 percent according to data from Bangladesh Bank. Tax revenue to GDP ratio fell sharply in FY25, although the fiscal deficit was contained due to under-execution of capital and social spending. Foreign exchange reserves have begun to rebuild, supported by improvements in the current account.

The economic outlook for Bangladesh in FY26 is marked by cautious optimism, with a gradual restoration of macroeconomic stability through various reform measures. Economic recovery is expected to be bolstered by a favorable external sector, with positive growth in exports and remittances, a stable exchange rate, declining inflationary pressures, and a positive consumer demand. It is expected that after a smooth democratic transition, the investment scenario will change towards a positive direction. Prudent measures to mitigate the adverse impact of inflation on households and build confidence among investors would be key to a strong recovery in this year.

Our Purpose

We envisioned in 2016, ten years ago for establishing a bank for financial inclusion building the utmost trust and reliance of the customers. We envisaged for contributing on the development and growth of the economy of the country. We all are pursuing the same goal of upward journey and excellence. To succeed in the mission, we have to have unstopping commitment and consistence. Our corporate purpose is to implement a well-defined policy for increasing financial inclusion through exploring alternative delivery channels.



Our purpose is to serve unbanked population of the country effectively and efficiently. In order to meet the customers' demands we are in continuous endeavor to develop and design products and services for our existing and potential clients of different levels of the masses. We always put emphasis on customer care and has made relentless efforts to ensure best possible services at reasonable cost. Our corporate purpose is to uphold the trust and reliance of the customers in our journey.

Our Strategy

Our strategies for Corporate and SME focus on maximizing client value, streamlining complex lending workflows, analyzing based on cash-flow-based credit scoring, and adopting digital platforms for mid-to-large business clients. We are moving beyond basic lending to offer unified super-apps that bundle payments, accounting, and business insights into everyday workflows.

For retail banking, we focus on shifting from basic transactions to continuous digital relationships. We are encouraging digital onboarding, mobile-first self-service, personalized wealth management, and automated risk controls to grow safely. We are updating old technology for building strong customer trust to stay ahead.

We focus on aligning talent management ensuring appropriate diversity of skills, experience and strategic thinking capabilities that are required to lead your Bank. We have appointed new leadership in various leadership positions to strengthen the drives for achieving the Bank's strategic priorities. We are using targeted HR plans aligning with system based key performance indicators for improving employee output.

We are increasing investment for modernizing operations, securing data, and improving user experiences through tools like cloud computing for secure data storage, deploying artificial intelligence to automate workflows and personalize user interactions. These help our bank to cut costs lower operational costs, enhance security, and deliver fast 24/7 services giving competitive advantage in the sector.

Our Governance

Our assurance to you for developing corporate governance by establishing the system of rules, practices, and processes by which your bank is being directed and controlled. We ensure balances the interests of a bank's many stakeholders, including shareholders, depositors, customers, and regulators, ensuring financial stability and ethical conduct. Board of Directors guides corporate strategy, set risk limits, and oversee senior management without engaging in daily operations. Robust frameworks are in force to identify, measure, and monitor credit, market, and operational risk. Depositors protection is our top governance priority.

Independent audit, compliance, and risk committees are ensuring accurate financial reporting and legal compliance. We ensure timely disclosure of financial health, ownership structures, and potential conflicts of interest.

Our Performance

Your Bank performed moderate in the year 2025, with disciplined execution delivering good outcomes, despite the adverse macroeconomic impacts.

Our asset portfolio growth is 25.70% stood at BDT 41,497.91 million; loans and advances growth is 23.37% stood at BDT 25,094.32 million; investment raised to BDT 10,968.96 million with 41.08% growth; deposit is BDT 32,761.21 million with 29.21% growth in 2025.

We have booked an operating profit of BDT 749.89 million in the year 2025 increased by 6.08%. Total provision charged for 2025 is 1,644.76 million that results in the net profit after tax slides to negative territory. We've preferred to enhance our capacity for absorbing future shock in coming days. We are confident to rebound strongly in the coming years. You will be pleased to know that we have contributed BDT 707.56 million to national exchequer in 2025.

We started in 2016 with the Paid-up Capital of BDT 4,000.00 million which is no BDT 5,250.00 million as on December 31, 2025. We are well-capitalized, deposit-funded and liquid. Our Capital Adequacy Ratio is 25.07%.

We've increased our Branch Network to 36 by opening two more branches at Ashulia -Dhaka and Kushtia District and one Sub-Branch at Satkhira District. We've spread our ATM network to 39 adding six more in the year 2025. We've envisioned to spread our network by establishing 'Grahok Prangone Parisheba'; two facility



have been established in 2015 in addition to three information centers. You will be glad to know that we've launched Bangla QR and A-Challan system. We've developed enterprise level Connect Apps for our corporate clients.

Looking ahead

We have a positive outlook for the Financial Year-2026. Our newly established government is managing a transitional economic recovery. Economic activity focuses on stabilizing macroeconomic indicators, reopening shuttered industrial units like state-owned jute mills under private leasing, and managing external energy and fiscal pressures. The new administration and Bangladesh Bank have rolled out cautious policy rates, merging weak institutions, and tackling non-performing loans to stabilize the wider market. We have shown our adaptability to change and being able to respond quickly to the evolving macroeconomic conditions. The major business goals and objectives of our Bank that focused on creating sustainable businesses will be achieved in the coming days.

Going forward, our Bank will continue to serve the society and all our customers, while supporting various Government initiatives for the progress of the nation and maximizing our productivity and profitability to

enhance the satisfaction of our stakeholders.

Acknowledgements

We understand how important our stakeholders are to our journey in this interconnected financial ecosystem. We realize the importance and power of multi-stakeholder collaborations and cooperation even more by the recent pandemic and the impact of war. On this note, I would like to thank all our stakeholders for their continued and invaluable support extended to the bank.

I'm happy to express a special note of appreciation to the Board leadership team for their prudent guidance and sincere efforts underpinning the achievements outlined above.

I would like to appreciate efforts of all regulatory bodies of the Bangladesh Government, especially Bangladesh Bank, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, National Board of Revenue and Financial Reporting Council.

I would like to express my heartfelt thanks to all members of Shimanto Bank Team for their professionalism, dedication and energy they showed in pursuing strategic priorities for our success.

I am confident that the Bank will remain committed to achieve its business goals and social commitments and make you all more proud of being associated with the Bank.

Sincerely,

Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil
Chairman, Board of Directors
Shimanto Bank PLC.

10 August 2026



BOARD OF DIRECTORS



Major General Mohammad Ashrafuzzaman Siddiqui
OSP, BSP, SUP, BGBM, ndc, psc, MPhil
Chairman



Brig Gen Imtaj Uddin
ndc, psc
Director



Brig Gen Abul Hasnat Md Shahriar Iqbal
BGBM
Director



Brig Gen Mohammad Shariful Islam
BGBM, psc
Director



Col Mohammad Nazrul Islam
BGBM, BGBMS, psc
Director



Ahmed Kamal Khan Chowdhury
Independent Director



Abul Kashem Md. Shirin
Independent Director



Shahwar Jamal Nizam
Independent Director



Md. Nurul Azim
Managing Director & CEO



CHAIRMAN'S PROFILE



Major General Mohammad Ashrafuzzaman Siddiqui

OSP, BSP, SUP, BGBM, ndc, psc, MPhil
Chairman

Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil is Chairman of Shimanto Bank PLC. He is the 6th Chairman of Shimanto Bank PLC. and the 25th Director General of Border Guard Bangladesh.

Major General Ashraf joined Bangladesh Military Academy with 27th BMA Long course on 08 January 1991 and was commissioned on 20 December 1992 in the Corps of Artillery of the Bangladesh Army. He has attended number of training courses both at home and abroad. To mention a few, he is a Graduate of School of Artillery; Fort Sill, USA; Defence Services Command and Staff College, Mirpur, Dhaka; Defence Services Staff College, Wellington, India and National Defence College, New Delhi, India. He holds a Bachelor degree from Chattogram University and four master degrees from home and abroad (MDS from National University, MSC and MPhil from Madras University, India and MBA from Bangladesh University of Professionals.

Major General Ashraf served in numerous command, staff and instructional appointments both at home

and abroad. He commanded one Artillery Regiment, two Artillery Brigades, served as Director of Internal Affairs Bureau in Directorate General of Forces Intelligence and as Director Military Training in Army Headquarters. He has also served as an Instructor in Bangladesh Military Academy, Staff Officer Grade three of an Infantry Division, Brigade Major of an Infantry Brigade and Colonel Staff of an Infantry Division.

Major General Ashraf has participated in United Nations Missions in United Nations Mission in Ethiopia (UNMEE) and United Nations Mission in Sudan (UNMIS). He also served as Force Generation Officer in the United Nations Secretariat (UNDPKO) in New York, USA. He is a widely travelled person and visited number of countries. His professional endeavor and strategic vision throughout the career make him the ideal person to lead Shimanto Bank PLC. into it's next chapter of growth and innovation.



DIRECTORS' PROFILE



Brig Gen Imtaj Uddin ndc, psc

Director

Brig Gen Imtaj Uddin, ndc, psc is appointed as Additional Director General (HQ) on 18 September 2025. He is Member of Board of Directors and Chairman of the Risk Management Committee of Shimanto Bank PLC.

Brig Gen Imtaj joined Bangladesh Military Academy on 10 July 1992 and was commissioned on 17 June 1994 in the Corps of Infantry. He has attended several professional courses both at home and abroad. He has completed Staff Course (psc) from DSCSC, Dhaka, Bangladesh. He has completed National Defence Course (ndc) from National Defence College, Bangladesh. He obtained Bachelor Degree from National University. He obtained MSC (Military Studies) from DSCSC Under National University and

Master of Social Science in Security and Development Studies from Bangladesh University of Professional (BUP).

Brigadier General Imtaj Uddin, ndc, psc has a variety of experience as Staff, instructor and Command in Bangladesh Army both in home and UN environment and Border Guard Bangladesh. He participated in the United Nations Peace Keeping Missions in Congo, Sudan and Central African Republic. He is interested in travelling and reading books in his leisure time. He is happily married with Talat Zabeen (Zabeen) and blessed with one son and one daughter.



DIRECTORS' PROFILE



Brig Gen Abul Hasnat Md Shahriar Iqbal BGBM

Director

Brig Gen Abul Hasnat Md Shahriar Iqbal, BGBM is appointed as Director, Shimanto Bank PLC on 11th March 2026. He is Additional Director General (Administration) at BGB Headquarters, Dhaka since 08 July 2025.

Brig Gen Shahriar Joined Bangladesh Military Academy on 05 July 1994 and was commissioned in the corps of Infantry on 07 June 1996. He attended a good number of courses both at home and abroad.

Brig Gen Shahriar has got unique verity of experience as staff, instructor and Commander in Bangladesh Army, Border Guard Bangladesh and special Intervention Force. Beside serving in infantry regiments he also served as Company Commander at Special Intervention force, as instructor at NCOs' Academy, Weapon Training Officer at Bangladesh Military Academy, Weapon instructor at School of

Infantry and Tactics and General Staff Officer - 1 at Defense Services Command & Staff college. He completed United Nations Mission in Ivory Coast and South Sudan. He commanded 8 East Regiment in the Army. He also commanded Cumilla and Bandarban sector in BGB. He served as Deputy Region Commander at Cox's Bazar and Station Commander at Ramu Garrison. He served as Region Commander, Chattogram before assuming his present appointment.

Brigadier General Shahriar is a widely traveled personality. He visited United Kingdom, Kenya, Ivory Coast, Uganda, South Sudan, Tanzania, India, Thailand, Srilanka, Malaysia, Singapore, Mongolia, Liberia, South Korea, Saudi Arabia and Combodia. He is happily married and blessed with one son & one daughter.



DIRECTORS' PROFILE



Brig Gen Mohammad Shariful Islam BGBM, psc

Director

Brig Gen Mohammad Shariful Islam, BGBM, psc is Deputy Director General (Communication) of Border Guard Bangladesh (BGB). He is Member of Board of Directors and Risk Management Committee of Shimanto Bank PLC.

Brig Gen Sharif was born on 01 January 1977 in the District of Cumilla, Bangladesh. He Joined Bangladesh Military Academy on 02 January 1996. He has attended several professional courses both at home and abroad. He is a graduate of BMA, Bhatiary, CTG. He is graduate from Mirpur Staff College.

Brig Gen Sharif has a verity of experience as Staff, Instructor and Commander in Bangladesh Army, Border Gurad Bangladesh, e-Passport and Automated Border Control Management Project and DGFI. He Participated in the United Nations Peace Keeping Missions in Sierra Leone & Mali.

Brig Gen Sharif is a widely travelled person. He travelled Italy, UAE, USA, Qatar, Saudi Arabia, Thailand, Singapore and many other Countries. He is interested in reading and listening music in his leisure time. He is happily married with Rokaiya Mustafa and has one daughter named Wasfia Sharif.



DIRECTORS' PROFILE



Col Mohammad Nazrul Islam BGBM, BGBMS, psc

Director

Col Mohammad Nazrul Islam, BGBM, BGBMS, psc is Deputy Director General (Communication) of Border Guard Bangladesh. He is Member of Board of Directors and Audit Committee of Shimanto Bank PLC.

He began his military journey with 44 BMA Long Course on 30 June 1999 and was commissioned in the Corps of Signals on 17 June 2001. Over the years, he has completed various professional trainings and courses both at home and abroad.

Col Nazrul is an alumnus of the Defence Services Command and Staff College (DSCSC), Mirpur and the Institute of Business Administration (IBA), Jahangirnagar University. In addition, he holds a BSc in Computer Science and Engineering from Southeast

University and is currently pursuing a Master's degree in Cyber Security.

Col Nazrul has held a wide range of appointments as staff officer, instructor, and commander in both Bangladesh Army and Border Guard Bangladesh. Under the banner of the United Nations, he has participated in peacekeeping missions in Liberia, the Central African Republic, and the Democratic Republic of Congo.

Col Nazrul is well-travelled and enjoys exploring new places and listening to music. He is happily married and blessed with a son.



DIRECTORS' PROFILE



Ahmed Kamal Khan Chowdhury

Independent Director

Mr. Ahmed Kamal Khan Chowdhury has been appointed as Independent Director of Shimanto Bank PLC. He is Chairman of the Audit Committee and Member of the Risk Management Committee of the Bank. He has over 34 years of banking experience in the field of Finance, General Banking, Risk Management, Treasury and Compliance, Global business. He became Managing Director of Prime Bank Limited on 14th December 2014. Before taking over the charge as Managing Director, he was Deputy Managing Director and Chief Risk Officer of the same bank. He held important management position viz. Chief Finance Officer, Chief Risk Officer, Head of Credit Committee, CAMLCO (Chief Anti Money Laundering Compliance Officer), Head of Finance and Head of Branch in International, Specialized and Private Commercial Banks operating in Bangladesh. Over the time he developed strong professional skills in multitasking environment and is a believer in process development. He was always the core team member of the process development to bring more transparency and smooth workflow.

Mr. Chowdhury was a member of the Executive Committees of Association of Bankers of Bangladesh and Primary Dealers Association of Bangladesh. He was a member of the Board of Directors of Prime Bank Investment Limited, Prime Bank Securities

Limited PBL Exchange (UK) Limited, PBL Exchange Co. PTE Ltd, Singapore, PBL Finance (Hong Kong) Ltd.

Mr. Chowdhury was Independent Director of Prime Finance and Investment Limited (PFIL). He was Chairman of Audit Committee and Member of Executive Committee of PFIL. He worked as Advisor to Prime Bank Investment Limited from 2nd April 2018 to 1st April 2020. He is presently working as Group Advisor of Software Shop Limited. He is also the Chairman of Redshift Trading & Consulting Limited.

Mr. Chowdhury obtained Master's in Economics from the University of Dhaka and MBA in Finance from Stamford University Dhaka. He attended various trainings, workshops and seminars at home and abroad on different aspects of banking. He is an Ex-cadet of Faujdarhat Cadet College and member of Old Faujian Association and Cadet College Club Limited. Mr. Chowdhury is member of Bangladesh Economic Association. He is an active Rotarian and a Paul Harris Fellow.



DIRECTORS' PROFILE



Abul Kashem Md. Shirin

Independent Director

Mr. Abul Kashem Md. Shirin has been appointed as Independent Director of Shimanto Bank PLC. He is Member of the Audit Committee of the Bank. He was born on 7 February, 1961 in the district of Sunamgonj.

Mr. Shirin obtained his Master of Computer Science and Engineering from BUET (Bangladesh University of Science and Technology), Dhaka, Bangladesh. He also obtained his education from Sunamgonj Jubilee High School, Sylhet M.C. College, Bangladesh Agricultural University, Mymensingh and Asian Institute of Technology, Bangkok.

Mr. Shirin was the Managing Director & CEO of Dutch-Bangla Bank Limited (DBBL) for 9.3 years and retired in February, 2026. He joined DBBL as EVP and head of IT in 2003 and promoted to the position of SEVP on 01 January, 2006. During his tenure as EVP and SEVP, he looked after both Information Technology (IT) and Cards Divisions. His works as head of IT & Cards Divisions include:

- i. Design, development and setup of IT security systems, data centers, IT-based products [such as CBS, e-commerce, Mobile Financial Service (rocket), ATM/CRM network with setup of Fast Tracks, POS & QR Code network, Biometric Agent Banking and a popular Mobile Apps (NexusPay)] – many of them were for the first time in Bangladesh; and

- ii. Launching of various Credit, Debit & Prepaid Card products and services (such as Classic, Gold, Platinum, Titanium, Signature, World, Infinite & Elite cards of MasterCard & Visa).

Mr. Shirin's works in Technology attracted a huge number of retail clients for the Bank reducing its cost of deposit from 8.58% in 2003 to 2.79% in 2025.

On 14/1/2008, Mr. Shirin was promoted to the position of Deputy Managing Director (DMD) where he looked after HRD, General Service Division, Foreign Trade Business, Retail and SME divisions in addition to IT & Cards. He was also the team leader for centralization of Bank operations specially the loan operation.

On 1 November, 2016, Mr. Shirin was promoted to the position of Managing Director and CEO of Dutch-Bangla Bank – a tech savvy, very large and one of the top best 3 (three) banks in Bangladesh (during his time). As a MD & CEO, his contributions to economy specially to the rural economy of Bangladesh, and promoting the use of technology in the rural area of the country were remarkable. He runs the bank very efficiently and profitably. During his tenure as MD & CEO, the operating profit of the bank increased by 490% from Taka 5.52 billion to Taka 27.04 billion.

Before joining DBBL, Mr. Shirin was the Deputy General Manager and Head of Information Technology Division of BASIC bank (1994-2002) and Assistant Engineer / Computer Programmer at Bangladesh Sugar & Food Industries Corporation (1984-1994).

Mr. Shirin is the writer of three books on technology – (i) Computer Programming in Bangla, published by the Bangla Academy in February, 1998; (ii) Information Technology in Financial Services in English, published by the Institute of Bankers, Bangladesh in August, 2011; and (iii) Aarthik Prothisstane Totto O Jugajuk Poddothi in Bengali, published by Utso Prokashan, Dhaka.



DIRECTORS' PROFILE



Shahwar Jamal Nizam

Independent Director

Mr. Shahwar Jamal Nizam has been appointed as Independent Director of Shimanto Bank PLC. He is Member of the Risk Management Committee.

Mr. Shahwar Jamal Nizam was born into one of the most distinguished families of Chittagong.

Mr. Nizam completed his SSC and HSC from the prestigious Faujdarhat Cadet College. He earned his Bachelor of Laws (LL.B. in Corporate and Commercial Law) from the University of Sheffield, UK in 1999, followed by the Bar Vocational Course at the Inns of Court School of Law, London. He was called to the Bar of England and Wales in 2000 from the Honourable Society of Lincoln's Inn. In 2001, he obtained his Master of Laws (LL.M. in International Finance and Banking Law) from Queen Mary College, University of London.

Mr. Nizam began his legal career in London in 2001 as a Pupil Barrister at Erskine Chambers, Lincoln's Inn and appeared before the House of Lords, Court of Appeal, and the Chancery Division of the High Court of England and Wales. Returning to Bangladesh in 2002, he joined Syed Ishtiaq Ahmed & Associates and worked as a junior to Dr Syed Refat Ahmed, former Chief Justice of Bangladesh and also Mr. Asaduzzaman, the current Law Minister of Bangladesh. He was hired as Legal & Compliance Manager at Citibank N.A., Dhaka Branch in 2004.

Mr. Nizam moved to Singapore in 2007 and worked there until end of 2011 in large international firms like Ashrust and Duane Morris and arbitration at the Singapore International Arbitration Centre and London Maritime Arbitrators Association.

He moved back to Bangladesh at the end of 2011 and affiliated himself with a regional law firm called DFDL and established its Bangladesh office, DFDL Bangladesh.

As the head of DFDL Bangladesh, he had the opportunity to provide legal advice and assistance for the development and financing of most of the significant power, energy, infrastructure and PPP projects. Mr. Nizam has also advised various foreign investors with their investments in Bangladesh. He has been advising a number of banks and financial institutions in Bangladesh on legal and regulatory issues. He assisted one of the largest private sector banks in setting up the first ever Special Asset Recovery team. He assisted The City Bank in receiving investment from IFC. Mr. Nizam is a member of the Dhaka Bar Association, the Honorable Society of Lincoln's Inn, UK. He is a permanent member of the Cadet College Club, a member of the Chittagong Club and also the Bhatiyari Golf and Country Club. He is also the Convenor of the Legal Affairs Sub-Committee of Chittagong Club. Mr. Nizam is also affiliated with Rotray International and served as the President of Rotary Club of Dhaka Mavericks.

He is married to Barrister Mahjabin Fatima Omar and is the proud father of two daughters. He is a travel enthusiast, having visited numerous countries across three continents, and enjoys cooking and reading during his leisure time.



MD & CEO'S PROFILE



Md. Nurul Azim

Managing Director & CEO

Mr. Md. Nurul Azim joined Shimanto Bank PLC. as the Managing Director & CEO on 3rd February 2026. Before joining Shimanto Bank PLC., Mr. Md. Nurul Azim was the Managing Director of Islamic Finance and Investment PLC. Prior that he was the Additional Managing Director (AMD) and Deputy Managing Director (DMD) of SBAC Bank PLC.

Mr. Md. Nurul Azim has 25 years of deep and diverse experience in banking sector. He began his banking career in 2001 at The Premier Bank, then progressed through positions of increasing responsibility at Southeast Bank, National Bank and most recently SBAC Bank PLC. There, he served, as Chief Risk Officer (CRO) and Chief Business officer (CBO).

Over 25 years, he strengthened his expertise within various banking sector like Credit Division, Foreign Trade Division, General banking, Law and Recovery Division, Credit Administration, Audit, Financial Administration. Mr. Azim has been recognized as the best 'Branch Manager' several times during his service at National Bank and SBAC Bank PLC.

Academically, Mr. Azim is a Master's degree holder from Rabindra Bharati University, West Bengal, India. Mr. Azim received training courses on Prevention of Money Laundering and Combating the Financing of Terrorism, Green Banking and Green Financing, Environmental Risk Management, Branch Management, Financing Small and Medium Enterprises, Credit Management, Investment and Merchant Banking, Lending Risk Analysis, etc. from various reputed institutions of the country. Throughout his career, Mr. Azim has successfully participated in various seminar, training and workshop on economics and banking in Singapore, China, Turkey, Indonesia, Malaysia, and Thailand. He also take classes at various institutions as an instructor on credit, foreign trade and various banking topics.

Mr. Azim hails from a respected Muslim family in Patuakhali district.



BOARD COMMITTEE

Executive Committee

Name	Committee Portfolio
1. Major General Mohammad Ashrafuzzaman Siddiqui, BSP, SUP, BGBM, ndc, psc	Chairman
2. Brig Gen Imtaj Uddin, ndc, psc	Member
3. Brig Gen Mohammad Shariful Islam, BGBM, psc	Member
4. Mr. Mohammad Mostafa Hossain Suman FCS	Secretary

Risk Management Committee

Name	Committee Portfolio
1. Brig Gen Imtaj Uddin, ndc, psc	Chairman
2. Brig Gen Mohammad Shariful Islam, BGBM, psc	Member
3. Mr. Ahmed Kamal Chowdhury	Member
4. Mr. Shahwar Jamal Nizam	Member
5. Mr. Mohammad Mostafa Hossain Suman FCS	Secretary

Audit Committee

Name	Committee Portfolio
1. Mr. Ahmed Kamal Khan Chowdhury	Chairman
2. Col Mohammad Nazrul Islam, BGBM, BGBMS, psc	Member
3. Mr. Abul Kashem Md. Shirin	Member
4. Mr. Mohammad Mostafa Hossain Suman FCS	Secretary

Note: Executive Committee, Audit Committee and Risk Management Committee as on 20th August, 2026.



MD. NURUL AZIM
Managing Director & CEO



MANAGING DIRECTOR & CEO'S MESSAGE

Dear Respected Stakeholders,

It is truly my great pleasure to present the Annual Report of Shimanto Bank PLC for the financial year ended in 2025.

2025 was a challenging year. The global economy has remained under pressure from geopolitical tensions, evolving trade policies, high interest rates, and continued inflation. Our country has also faced a difficult macroeconomic environment, with time-to-time policy adjustments and continued pressure across the whole financial sector. In the middle of all this, our focus did not change: careful risk management, enhanced client support, improvement of efficiency, and protecting the long-term sustainability of the Bank. But the performance of our Bank demonstrated in an economic environment where the major economies around the world faced unprecedented inflation and monetary tightening, which led to a global slowdown.

Global Economic Outlook

Globally, 2025 has been a year of mixed landscape signals. According to the World Economic Outlook released by the IMF in October 2025, global growth is projected to slow from 3.3 percent in 2024 to 3.2 percent in 2025 and 3.1 percent in 2026, with advanced economies growing around 1.5 percent and emerging markets and developing economies just above 4 percent. Ongoing geopolitical conflicts, evolving international trade patterns, and stringent financial and monetary conditions have continued to affect markets and business. The global economy is now being adjusted to a modern landscape reshaped by new policy measures. But the overall environment has remained volatile. For our country, export demand and remittance inflows have always remained as important sources of support. At the same time, imported inflation, exchange rate volatility, and global financing pressure have created real challenges for businesses, households, and financial institutions alike.

Domestic Economic Outlook

The domestic economy also continued to face various challenges throughout this year. The Government of Bangladesh as well as the Bangladesh Bank remained focused on restoring macroeconomic stability, improving financial sector governance, and rebuilding the confidence of general consumers in the banking system. Inflation eased gradually, but it still remained a serious concern. Bangladesh Bank maintained a prudent stance regarding policies and continued to strengthen both liquidity management and sector-wise reformation.

Banking Sector

The banking sector in our country, meanwhile, continued to operate under strain. Liquidity conditions stayed rigid, while market competition for new deposits increased. Non-performing loans also remained a major hinderance across the banking industry of our country in 2025. Bangladesh Bank responded with a range of measures, including stronger liquidity support, tighter supervision, and continued efforts to improve governance and sector resilience. Even with these actions, the operating environment remained demanding.

Against this backdrop, Shimanto Bank remained disciplined and forward-looking. We continued to focus on prudent credit risk management, stronger asset quality, operational efficiency, and responsible business growth. Just as importantly, we stayed close to our customers and worked to strengthen the institutional foundation of the Bank. That matters. Especially in a year like this.



Way Forward

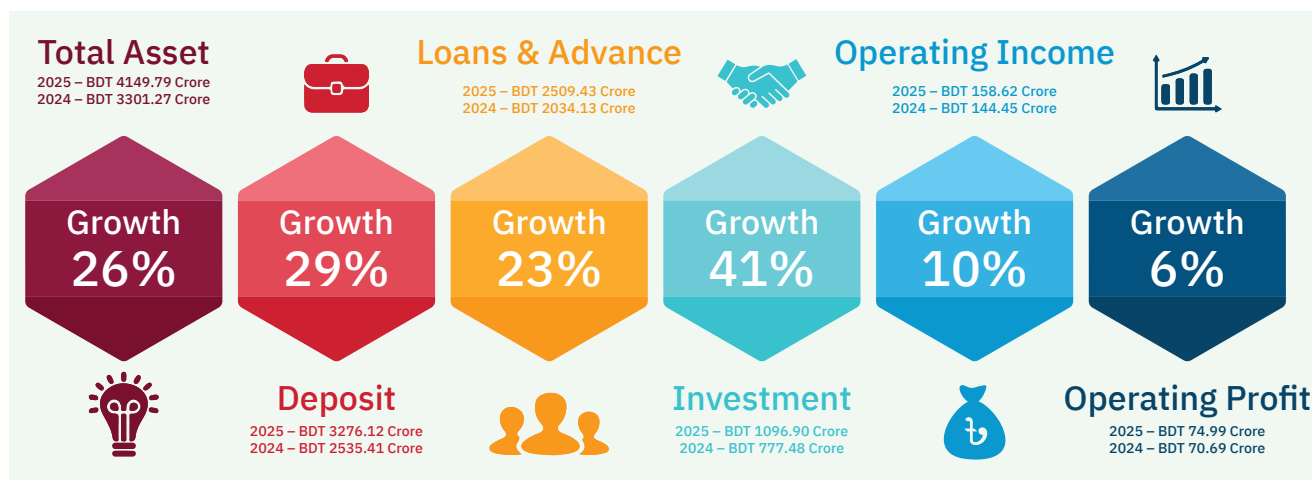
Our first priority is, of course, to continue to strengthen the Bank's financial position. Improvement of asset quality will remain a top priority, supported by disciplined lending, stronger recovery efforts, and prudent portfolio diversification. A sound balance sheet is the basis for everything else.

Second, to restore sustainable profitability will remain central to our strategy. We will continue working to improve net interest margin through disciplined balance sheet management, while also increasing fee-based and non-funded income. In particular, we see meaningful opportunities in trade finance, transaction banking, and digital financial services.

Third, we will push harder on operational excellence. That means tighter cost discipline, simpler processes, better productivity, and sharper execution across the organization. Not just for efficiency, but for competitiveness.

Financial Performance of Shimanto Bank PLC - 2025

Against this background, I would like to present a synopsis of the Bank's performance during the financial year 2025 in the following:



A sound capital structure strengthens financial stability of a bank by balancing equity and debt to protect against possible market shocks. It maximizing safety for depositors and returns for shareholders. This robust financial foundation inspires absolute confidence among investors, regulators, and customers alike. Shimanto Bank PLC is maintaining a sound capital structure as follows:

- Capital Adequacy Ratio (CRAR) of the Bank computed as per Basel III guidelines stood at 25.07% (Minimum requirement 12.50%) with Tier-I Capital at 21.94% (Minimum requirement 8.50%) in FY 2025.
- The share of BGB Welfare Trust in the Bank was 99.99% as on 31st December, 2025.

Into The Future

As we look ahead, Shimanto Bank PLC remains firmly committed to strengthening its financial foundation while positioning itself for sustainable and responsible growth. Guided by a clear strategic vision, we will continue to focus on creating long-term value for our customers, shareholders, employees, and the communities we serve.

Our foremost priority will be to further enhance asset quality through disciplined credit risk management, intensified recovery initiatives, prudent portfolio diversification, and the rigorous implementation of our Board-approved strategic action plans. Restoring sustainable profitability will remain central to our strategy. We will continue to improve our net interest margin through disciplined balance sheet management while accelerating the growth of fee-based and non-funded income, particularly by expanding trade finance, transaction banking, and digital financial services. At the same time, we will maintain a strong focus on operational excellence through prudent cost optimization, process simplification, and enhanced productivity.



Digital Transformation

And then there is digital transformation. It is a permanent, foundational shift that will continue to dynamically redefine and shape the global banking landscape, and we intend to stay on the front foot. Having successfully established online and app-based banking for the clients across our network, our strategic focus now shifts from foundational digital adoption to market-leading digital acceleration. We will keep investing in robust digital platforms, upgrade of cybersecurity, data-driven decision-making, and better self-service capabilities so that customers receive a more seamless, secure, and convenient banking experience. The whole banking industry is changing fast. We have to change with it, and we will.

Acknowledgement

I would like to express my sincere gratitude to our valued clients for their continued trust in Shimanto Bank PLC. I also thank our respected shareholders for their unwavering support, which remains vital to our long-term growth and sustainability.

I would like to thank our Honorable Chairman for his exceptional leadership over the year. My thanks also go to the esteemed Members of the Board of Directors for their strategic guidance and steadfast support. I also extend my thanks to Bangladesh Bank, the Ministry of Finance, other regulatory authorities, and our valued business partners for their continued cooperation.

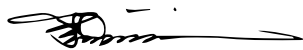
Above all, I want to thank every member of the Shimanto Bank family. Their dedication, professionalism, and resilience helped the Bank navigate a difficult year with integrity and determination. Their commitment remains one of our greatest strengths.

I remain confident about the future of Shimanto Bank PLC. We have a clear direction. We have a committed team. And we have the resilience to keep moving forward, even when conditions are challenging. There is still work to do, of course. But we are doing that work with discipline, realism, and purpose.

As we move forward, we remain committed to responsible banking, sound governance, innovation, and operational excellence. With the unshakable trust of our stakeholders and the dedication of our people, I am confident that Shimanto Bank PLC will continue to strengthen its position as a robust, customer-centric, and forward-looking financial institution, driven by a strong commitment to excellence, innovation, and sustainable growth.

In conclusion, I am deeply grateful to the Almighty for the blessings and guidance that have shaped our journey. May He grant us continued wisdom, strength, and resilience as we dedicate ourselves to serving our clients, stakeholders, and the nation.

Thank you.



Md. Nurul Azim
Managing Director & CEO
Shimanto Bank PLC.

Date: 20 August, 2026



SENIOR MANAGEMENT TEAM (SMT)



From Left to Right

01. Mr Md. Faridul Islam
Head of SME

02. Mr Mohammad Masud Sajjad
Head of Retail Asset & Liability

03. Mr Muhammad Shawkat Alam
Head of ICC

04. Mr Manzur Maswood
Head of IT

05. Ms. Shamima Akter Lovely
Head of HR

06. Mr Muhammed Didarul Islam
Chief Risk Officer

07. Mr Md. Sahidul Islam
Head of Business

08. Mr Md. Nurul Azim
Managing Director & CEO

09. Mr Mohammad Azizul Hoque
Head of Operation

10. Mr Md. Abdullah Al Mamun
Head of CRM

11. Ms. Shahneela Islam Shanil
Head of BCA & IDP

12. Major Md Hasibul Alam (Retd.)
Head of Security & Transportation

13. Mr. Md. Asirul Hoq Khan
In-Charge, CAD

14. Mr. Mohammad Mostafa Hossain Suman FCS
Company Secretary

15. Mr. Ramesh Kumar Paul
Chief Financial Officer





FINANCIAL HIGHLIGHT



FIVE YEAR'S FINANCIAL PERFORMANCE

Amount in BDT Million

Particulars	2021	2022	2023	2024	2025
Balance Sheet Metrics					
Authorised Capital	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Paid up Capital	4,284.80	4,380.00	4,530.00	5,000.00	5,250.00
Shareholders' Equity	4,614.82	4,849.87	5,081.61	5,772.06	4,952.43
Loans and Advances	10,047.40	12,531.85	16,014.79	20,341.28	25,094.32
Deposits	13,285.74	16,679.48	18,641.59	25,338.89	32,761.21
Borrowing	-	48.86	49.77	33.50	15.51
Statutory Liquidity Reserve Ratio (SLR)(% at close of the year)	18.33%	17.98%	15.17%	18.38%	24.92%
Cash Reserve Requirement (CRR) (% at close of the year)	4.10%	4.61%	4.43%	4.19%	4.28%
Liabilities to Shareholders' Equity (Times)	3.07	3.65	3.96	4.72	7.37
Investments	2,751.99	5,370.99	5,535.15	7,774.76	10,968.96
Fixed Assets	211.14	232.20	429.69	384.78	328.66
Total Assets	18,827.81	22,545.30	25,215.44	33,012.70	41,497.91
Net Assets	4,614.82	4,849.87	5,081.61	5,772.06	4,952.43
Income Statement Metrics					
Net Interest Income	680.59	625.75	507.10	732.72	703.59
Non-Interest Income	209.19	361.14	545.82	711.78	882.66
Investment Income	152.42	289.49	440.90	548.53	681.08
Non Investment Income	56.77	71.65	104.92	163.25	201.58
Operating Income	889.78	986.89	1,052.92	1,444.50	1,586.25
Operating Expenses	485.11	568.60	631.48	737.62	836.36
Operating Profit	404.67	418.30	421.44	706.88	749.89
Provision for Loans, Investment and Other Assets	114.60	44.29	45.62	34.79	1,644.75
Profit Before Tax	290.06	374.00	375.81	672.09	(894.86)
Profit After Tax	140.10	230.57	246.80	397.36	(825.22)
Net operating cash flow (NOCF)	(1,603.42)	1,152.64	(866.01)	3,060.71	3,295.85
Capital Metrics					
Total Risk Weighted Assets (RWA)	10,039.79	11,754.57	12,284.06	15,044.82	20,785.23
Common Equity Tier-1 Capital	4,607.86	4,822.51	5,065.33	5,746.57	4,559.84
Tier-2 Capital	137.54	180.46	210.10	237.59	651.98
Total Eligible Capital (Tier 1 and Tier 2)	4,745.40	5,002.97	5,275.43	5,984.16	5,211.82
Capital to risk weighted assets ratio (CRAR)(%)	47.27%	42.56%	42.95%	39.78%	25.07%
Common Equity Tier - 1 Capital to RWA (%)	45.90%	41.03%	41.24%	38.20%	21.94%
RWA to total assets (%)	53.32%	52.14%	48.72%	45.57%	50.09%
Credit Quality					
Non Performing Loans (NPLs)	120.16	152.65	177.71	261.94	1,688.27
Specific Provision (Cumulative)	84.37	75.25	92.66	86.53	942.34
General Provision (Cumulative)	99.06	174.18	199.81	767.99	621.13
NPL Ratio (%)	1.20%	1.22%	1.11%	1.29%	6.73%
Provision Coverage Ratio (%)	152.66%	153.51%	155.00%	117.88%	92.61%
Total CMSME loans	569.39	795.58	2,283.22	3,225.27	3,567.63
CMSME loan to total laons (%)	5.67%	6.35%	14.26%	15.86%	14.22%



FIVE YEAR'S FINANCIAL PERFORMANCE

Amount in BDT Million

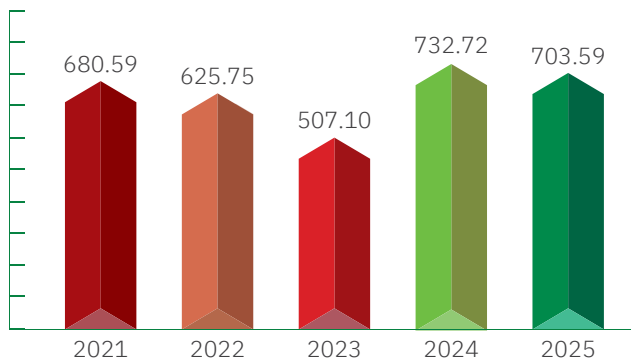
Particulars	2021	2022	2023	2024	2025
Trade Business Metrics					
Export	331.53	75.93	317.30	701.93	1,024.49
Import	943.07	489.23	671.00	964.41	2,261.63
Guarantee	273.81	136.68	796.90	1,653.01	1,881.71
Foreign Remittance	65.62	72.09	33.10	58.70	181.20
Off Balance Sheet Item	610.65	578.28	1,027.41	1,915.87	3,382.60
Efficiency / Productivity Ratios					
Return on Investments (ROI) %	6.31%	6.95%	8.09%	8.24%	7.27%
Return on Assets (ROA) %	0.75%	1.11%	1.03%	1.36%	-2.22%
Return on Equity (ROE) %	3.27%	4.87%	4.97%	7.32%	-15.39%
Cost to Income Ratio %	54.52%	57.61%	59.97%	51.06%	52.73%
Operating Profit per Employee	1.71	1.62	1.49	2.50	2.29
Operating Income per Employee	3.75	3.81	3.72	4.74	4.84
Operating Cost per Employee	2.05	2.20	2.23	2.41	2.55
Operating Profit per Branch	19.27	17.43	15.61	21.42	20.83
Liquidity Ratios					
AD Ratio	75.63%	75.13%	85.91%	80.28%	76.60%
Liquidity Coverage Ratio (LCR)	236.16%	232.24%	163.88%	340.01%	280.19%
Net Stable Funding Ratio (NSFR)	141.33%	136.77%	126.70%	130.55%	117.86%
Current Ratio	2.33	2.18	2.01	1.98	1.72
Current Liabilities	2,285.23	1,844.66	1,493.47	2,135.97	2,742.08
Current Asset	5,318.87	4,020.57	3,008.04	4,239.60	4,714.78
Quick Ratio	2.11	1.83	1.48	1.58	1.39
Share Based Metrics					
Earnings per Share (EPS) in BDT	0.33	0.51	0.53	0.82	(1.57)
Operating profit per share in BDT	0.94	0.96	0.91	1.45	1.43
NAV per Share in BDT	10.77	11.07	11.01	11.86	9.43
Net operating cash flow per share (NOCFPS) BDT	-3.74	2.63	(1.91)	6.29	6.28
Dividend %	2.22% Stock	3.42% Stock	3.72% Stock	5% Stock	Nil
Other Information					
Number of branches (Including Sub-Branches)	21	24	27	33	36
Number of ATM	19	19	25	30	39
Number of Information Centers	2	2	2	3	3
Number of 'Grahok Prangone Porisheba'	Nil	Nil	Nil	Nil	2
Number of permanent employees	237	259	283	305	328
Number of deposit accounts	95,594	110,555	102,459	116,652	134,903
Number of loan Accounts	13,680	19,850	21,820	23,867	32,450
Number of RMA	64	52	60	63	65
Number of Foreign Account	3	3	3	3	5



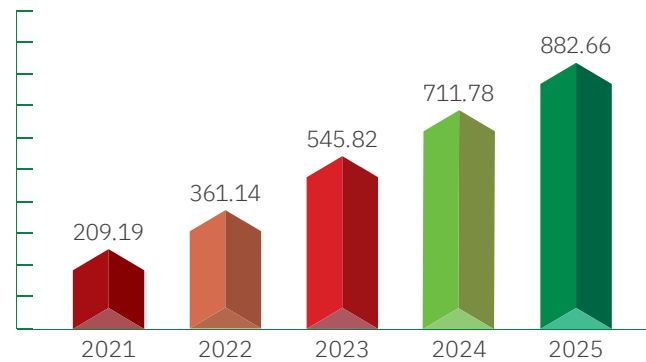
FINANCIAL INDICATOR

Amount in BDT Million

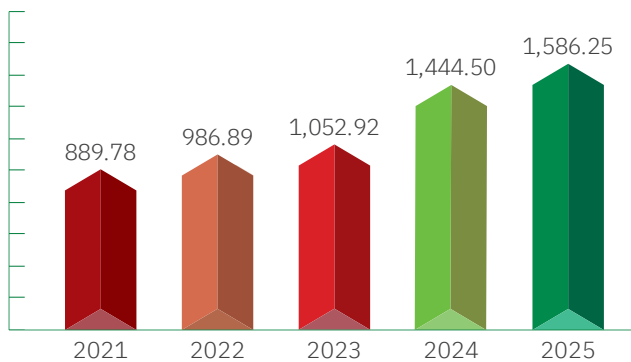
NET INTEREST INCOME



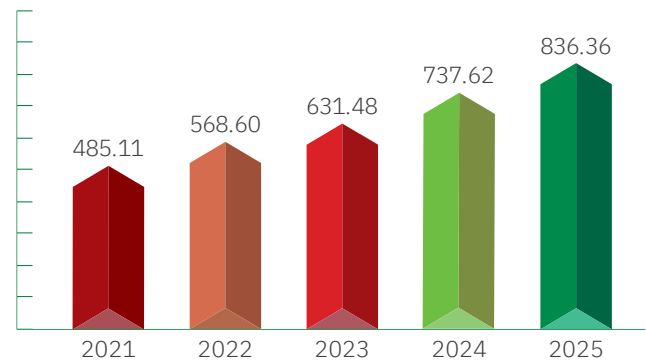
NON INTEREST INCOME



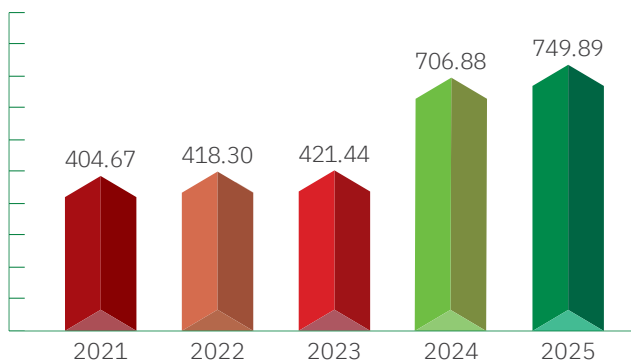
OPERATING INCOME



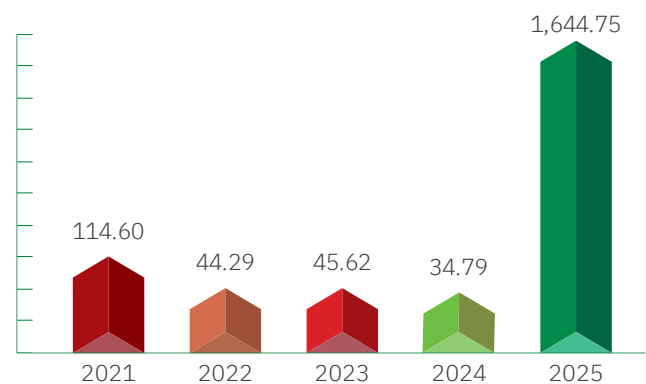
OPERATING EXPENSE



OPERATING PROFIT



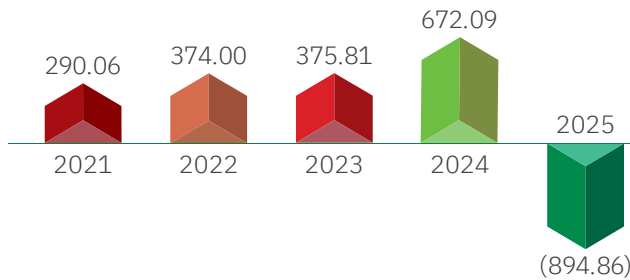
TOTAL PROVISION CHARGED



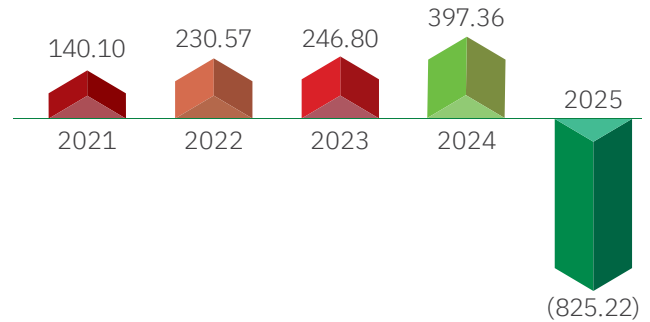
FINANCIAL INDICATOR

Amount in BDT Million

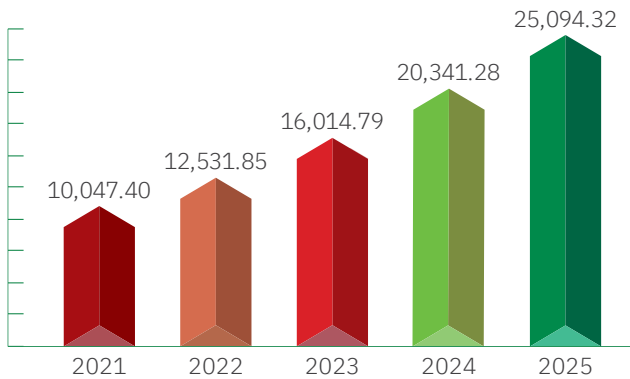
PROFIT BEFORE TAX



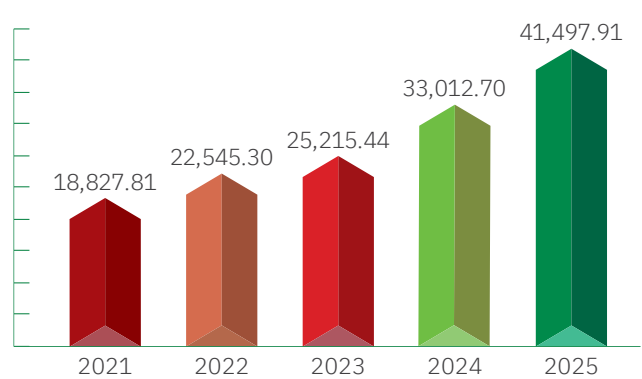
PROFIT AFTER TAX



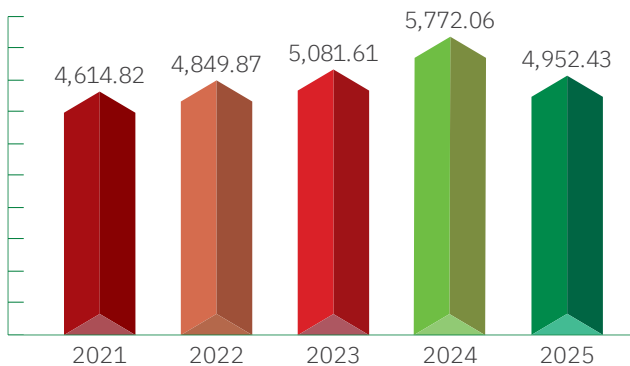
LOANS AND ADVANCES



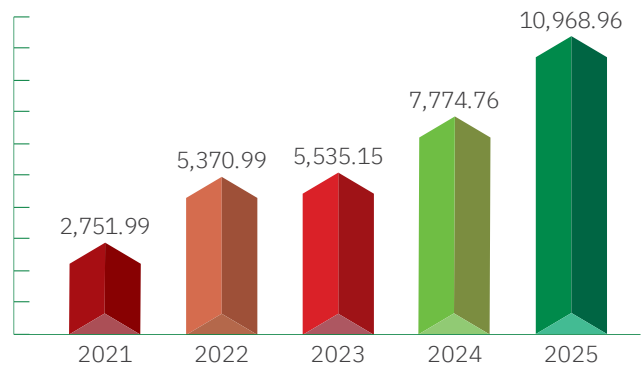
TOTAL ASSETS



NET ASSETS



INVESTMENTS

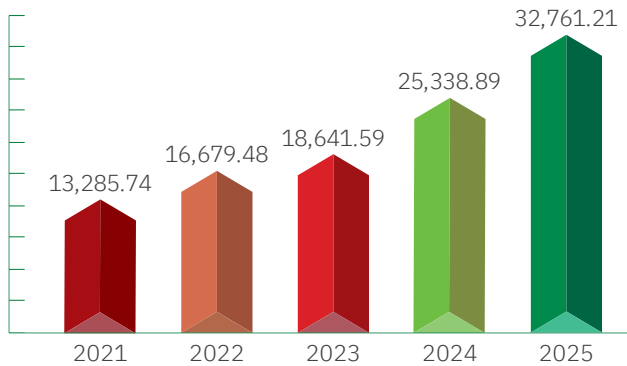




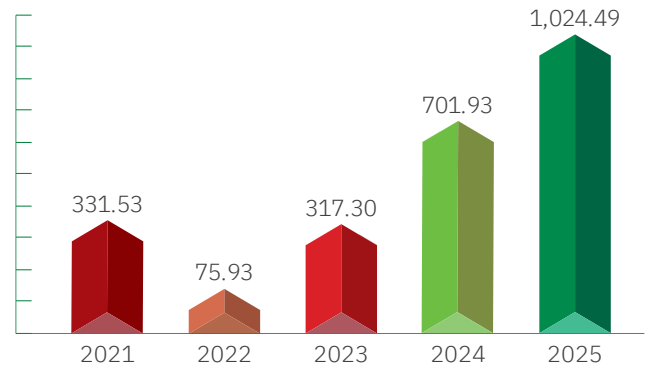
FINANCIAL INDICATOR

Amount in BDT Million

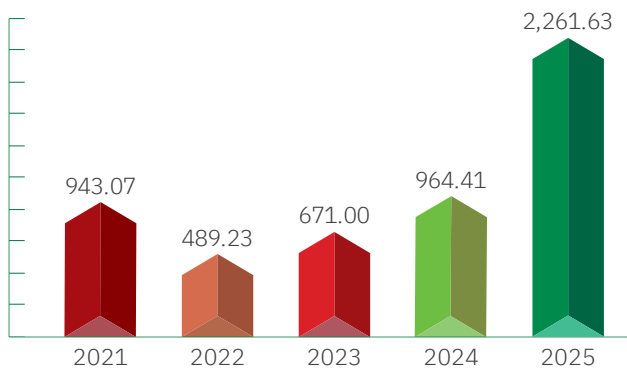
DEPOSIT



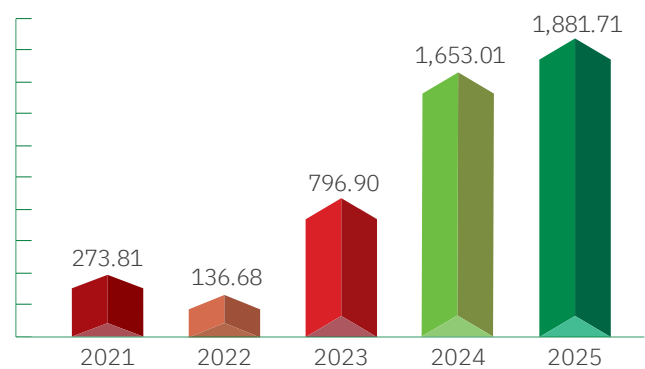
EXPORT



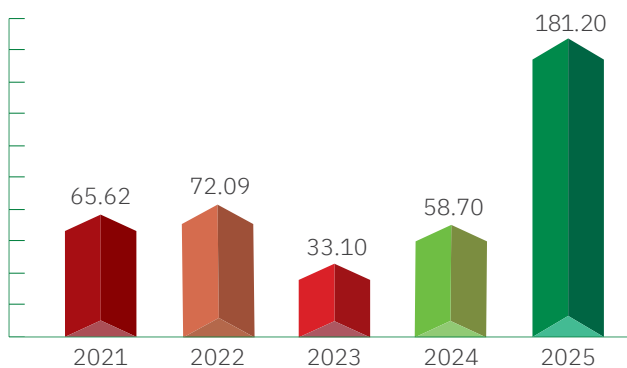
IMPORT



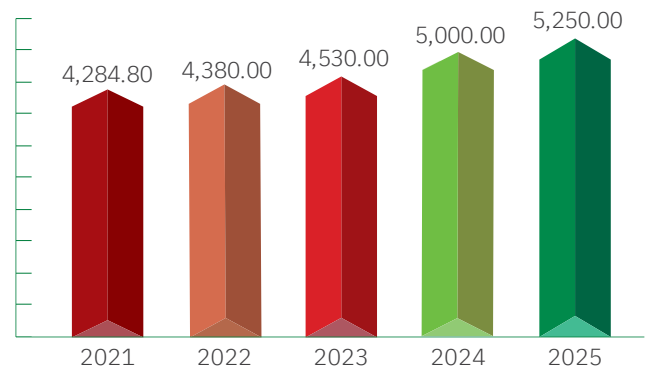
GUARANTEE



FOREIGN REMITTANCE

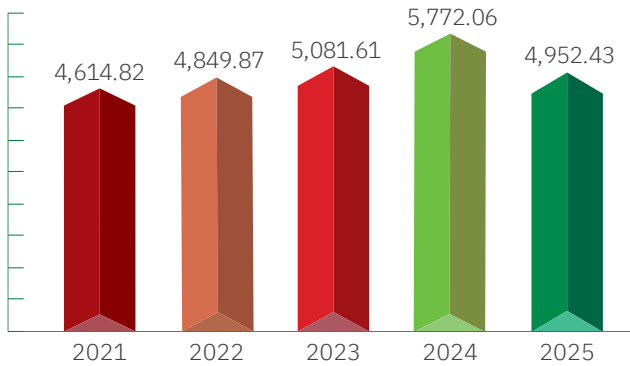


PAID UP CAPITAL

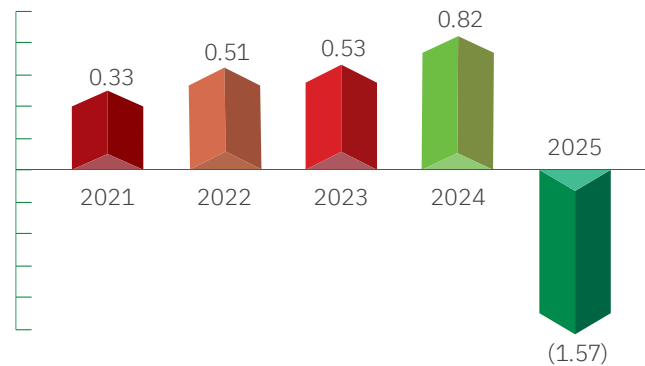


FINANCIAL INDICATOR

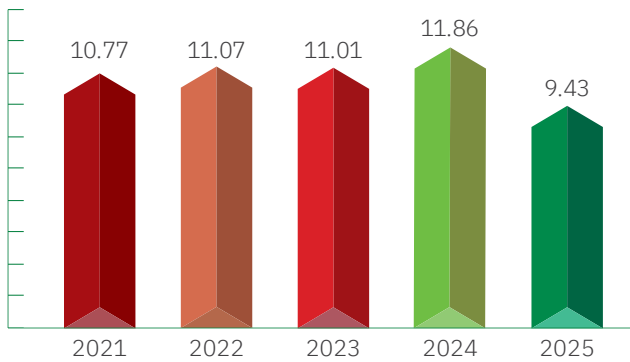
SHAREHOLDERS' EQUITY
(BDT Million)



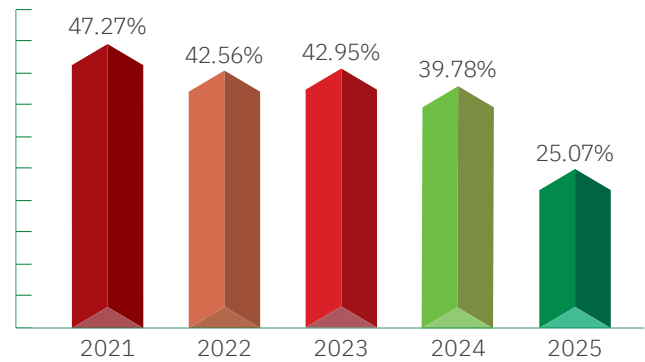
EARNINGS PER SHARE (BDT)



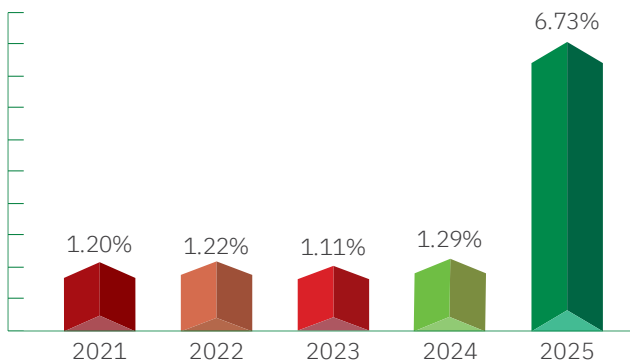
NET ASSET VALUE PER SHARE (BDT)



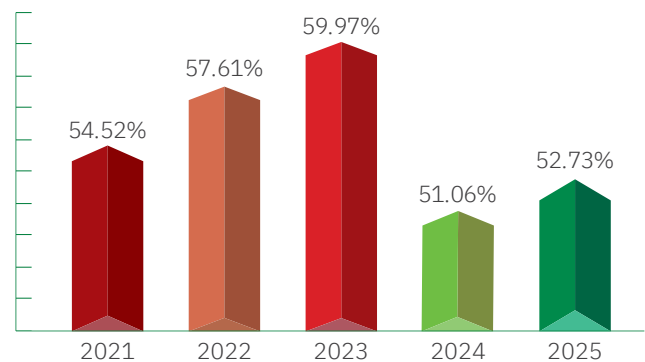
CAPITAL TO RWA RATIO (CRAR) %



NPL RATIO (%)



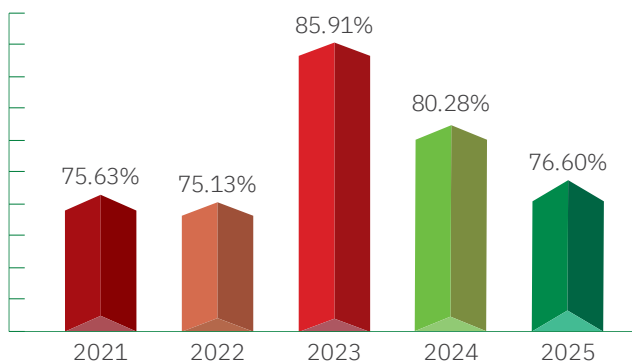
COST TO INCOME RATIO (%)



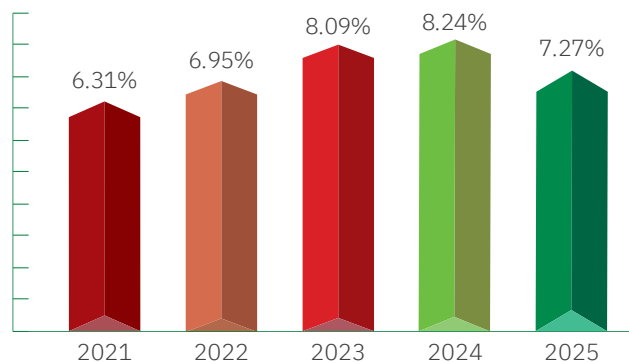


FINANCIAL INDICATOR

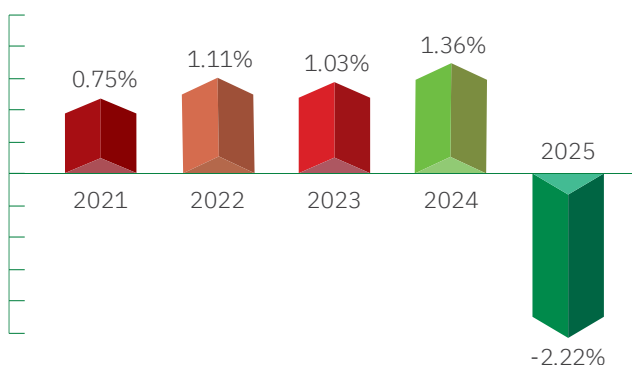
ADVANCE-DEPOSIT RATIO (%)



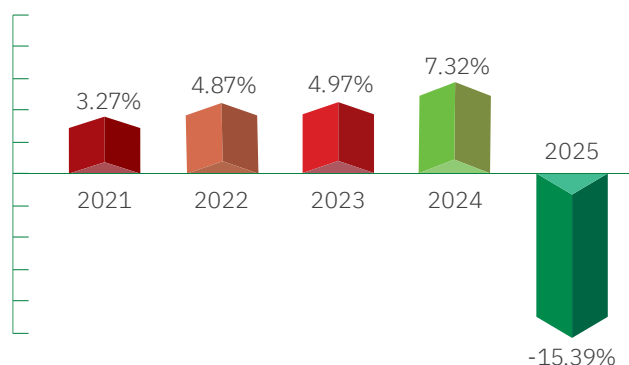
RETURN ON INVESTMENTS (ROI) %



RETURN ON ASSET (ROA) %



RETURN ON EQUITY (ROE) %



CREDIT RATING

Particular	2024	2025	2026*
Long Term	A+	A	A+
Short Term	ST-2	ST-2	ST-2
Outlook	Stable	Stable	Stable

*Note: Rating date 12 August, 2026.

Methodology: Credit Rating Information and Services Ltd. (CRISL) Bank Rating Methodology



VALUE ADDED STATEMENT

For the year ended 31 December, 2025

Particulars	2025	2024
Value Added		
Income from Banking Services	3,520,525,210	2,845,332,012
Less: Cost of Services & Supplies	2,219,824,721	1,634,341,207
Value Added by Banking Services	1,300,700,489	1,210,990,805
Non-Banking Income	-	-
Less: Provision-Loans, Investment, Other Assts & Commitments	1,644,755,222	34,790,421
Total Value Added by The Company	(344,054,733)	1,176,200,384
Distribution of Value Addition		
Employees and Directors	435,494,184	393,171,699
To Employees as Salaries & Allowances	432,093,720	391,311,650
To Directors as Remuneration & Fees	3,400,464	1,860,049
Government		
To Government as Income Tax	(69,637,905)	274,726,931
Retentation for Future Business Growth	(709,911,012)	508,301,754
Depreciation & Amortization	115,313,449	110,943,131
Statutory Reserve	-	134,417,111
Retained Earnings	(825,224,461)	256,662,234
Start-Up Fund	-	3,973,586
Climate Risk Fund	-	2,305,692
Total Distribution of Value Addition	(344,054,733)	1,176,200,384



HORIZONTAL ANALYSIS

For the last 5 Years
Statements of Financial Position

Particulars	2025		2024		2023		2022		2021	
	BDT	▲%	BDT	▲%	BDT	▲%	BDT	▲%	BDT	▲%
PROPERTY AND ASSETS										
Cash	1,891,461,225	20.62%	1,568,118,832	30.29%	1,203,570,020	15.17%	1,045,070,815	10.97%	941,786,142	-6.64%
Cash in hand (Including foreign currency)	578,264,554	17.23%	493,272,800	40.45%	351,213,043	9.81%	319,824,165	1.40%	315,414,703	26.74%
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	1,313,196,671	22.18%	1,074,846,033	26.10%	852,356,977	17.53%	725,246,650	15.79%	626,371,439	-17.57%
Balance with other banks and financial institutions	688,511,128	-16.66%	826,131,019	12.11%	736,896,791	-38.44%	1,197,131,073	-39.83%	1,989,609,036	-8.37%
Inside Bangladesh	582,008,157	-0.15%	582,885,511	2.11%	570,863,784	-49.74%	1,135,807,491	-42.13%	1,962,712,386	-8.38%
Outside Bangladesh	106,502,971	-56.22%	243,245,508	46.50%	166,033,007	170.75%	61,323,582	128.00%	26,896,650	-7.68%
Money at call and short notice	747,880,000	-15.01%	880,000,000	238.46%	260,000,000	-80.00%	1,300,000,000	-39.53%	2,150,000,000	-48.81%
Investments	10,968,962,429	41.08%	7,774,761,545	40.46%	5,535,148,826	3.06%	5,370,990,000	95.17%	2,751,989,935	32.55%
Government	6,660,789,819	62.88%	4,089,368,138	77.93%	2,298,324,968	10.92%	2,071,964,499	3.91%	1,993,964,512	22.31%
Others	4,308,172,609	16.90%	3,685,393,407	13.86%	3,236,823,858	-1.89%	3,299,025,501	335.21%	758,025,423	69.97%
Loans and advances	25,094,320,926	23.37%	20,341,282,630	27.02%	16,014,791,094	27.79%	12,531,846,451	24.73%	10,047,395,543	20.59%
Loans, cash credits, overdrafts etc.	25,091,208,323	23.35%	20,341,282,630	27.02%	16,014,791,094	27.79%	12,531,846,451	24.73%	10,047,395,543	20.59%
Bills purchased & discounted	3,112,603	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Fixed assets including land, building, furniture and fixtures	328,660,954	-14.58%	384,778,210	-10.45%	429,690,907	85.06%	232,196,270	9.97%	211,139,918	-15.07%
Other assets	1,778,116,829	43.67%	1,237,627,258	19.54%	1,035,346,512	19.27%	868,069,914	17.96%	735,894,304	40.82%
Non-banking assets	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total Assets	41,497,913,490	25.70%	33,012,699,495	30.92%	25,215,444,150	11.84%	22,545,304,523	19.74%	18,827,814,878	1.45%
LIABILITIES AND CAPITAL										
Liabilities										
Borrowings from other banks, financial institutions and agents	15,505,550	-53.72%	33,500,890	-32.69%	49,768,850	1.86%	48,860,032	100%	-	0.00%
Deposits and other accounts	32,761,212,055	29.29%	25,338,894,039	35.93%	18,641,585,763	11.76%	16,679,484,286	25.54%	13,285,737,635	0.99%
Current deposit accounts	947,471,997	2.23%	926,782,826	35.41%	684,445,216	53.51%	445,864,916	18.10%	377,519,967	19.05%
Bills payable	490,938,149	-17.82%	597,422,139	129.85%	259,913,863	44.68%	179,641,450	-38.26%	290,943,228	-51.03%
Savings bank deposits	2,179,808,098	15.54%	1,886,658,703	20.35%	1,567,634,859	24.54%	1,258,758,740	21.95%	1,032,220,021	17.49%
Special notice deposit	5,900,522,214	19.89%	4,921,445,991	44.03%	3,416,997,623	-30.48%	4,914,924,876	38.04%	3,560,529,377	-24.84%
Fixed deposits	22,592,465,221	36.74%	16,522,260,342	32.85%	12,436,820,619	28.05%	9,712,177,476	23.29%	7,877,432,956	19.81%
Other deposits	650,006,376	34.21%	484,324,038	75.62%	275,773,583	64.04%	168,116,828	14.29%	147,092,086	174.25%
Other liabilities	3,768,761,311	101.73%	1,868,241,969	29.52%	1,442,478,649	49.16%	967,092,438	4.30%	927,255,320	-0.44%
Total Liabilities	36,545,478,916	34.16%	27,240,636,898	35.30%	20,133,833,262	13.78%	17,695,436,756	24.50%	14,212,992,955	0.90%
Capital/Shareholders' equity	4,952,434,574	-14.20%	5,772,062,597	13.59%	5,081,610,888	4.78%	4,849,867,767	5.09%	4,614,821,923	3.19%
Paid-up capital	5,250,000,000	5.00%	5,000,000,000	10.38%	4,530,000,000	3.42%	4,380,000,000	2.22%	4,284,800,000	3.00%
Statutory reserve	510,129,253	0.00%	510,129,253	35.78%	375,712,142	25.01%	300,549,312	33.13%	225,748,860	34.59%
Retained earnings	(818,193,792)	-418.33%	257,030,669	52.21%	168,868,435	10.98%	152,165,969	56.37%	97,314,266	-30.50%
Other reserve	10,499,113	114.15%	4,902,675	-30.26%	7,030,311	-59.01%	17,152,486	146.49%	6,958,797	52.33%
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	41,497,913,490	25.70%	33,012,699,495	30.92%	25,215,444,150	11.84%	22,545,304,523	19.74%	18,827,814,878	1.45%



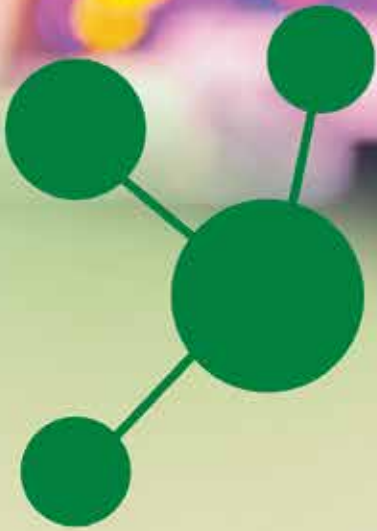
Particulars	2025		2024		2023		2022		2021	
	BDT	±%	BDT	±%	BDT	±%	BDT	±%	BDT	±%
Interest income	2,637,860,383	23.64%	2,133,549,810	53.13%	1,393,335,133	20.51%	1,156,205,358	3.37%	1,118,459,879	-5.10%
Interest on deposits & borrowings, etc.	1,934,269,937	38.08%	1,400,831,075	58.07%	886,237,237	67.07%	530,455,512	21.14%	437,874,267	-13.19%
Net interest income	703,590,446	-3.98%	732,718,735	44.49%	507,097,896	-18.96%	625,749,846	-8.06%	680,585,612	0.96%
Income from investment	681,083,149	24.16%	548,534,320	24.41%	440,900,517	52.30%	289,490,420	89.92%	152,424,267	49.42%
Commission, exchange and brokerage	41,534,861	72.56%	24,070,347	61.17%	14,934,433	95.26%	7,648,410	-86.53%	56,766,586	89.75%
Other operating income	160,046,817	14.99%	139,177,535	54.67%	89,985,331	40.59%	64,003,526	100%	-	0.00%
Total operating income (a)	1,586,255,273	9.81%	1,444,500,936	37.19%	1,052,918,177	6.69%	986,892,202	10.91%	889,776,465	10.38%
Salary and allowances	432,093,720	10.42%	391,311,650	18.38%	330,567,391	14.85%	287,825,682	25.36%	229,598,477	9.15%
Rent, taxes, insurances, electricity, etc.	64,886,652	12.58%	57,637,842	15.01%	50,113,693	-49.85%	99,931,218	3.93%	96,153,654	11.56%
Legal expenses	6,340,712	122.18%	2,853,880	-16.88%	3,433,540	12.48%	3,052,625	4.35%	2,925,375	-29.42%
Postage, stamp, telecommunication, etc.	17,707,069	24.33%	14,242,480	17.10%	12,163,115	2.32%	11,887,506	-29.11%	16,768,159	-3.42%
Stationery, printing, advertisements, etc.	16,688,791	44.02%	11,587,530	13.16%	10,239,998	28.07%	7,995,508	7.10%	7,465,497	-4.05%
Chief executive's salary and fees	5,882,278	-45.65%	10,823,636	9.45%	9,889,295	4.69%	9,445,929	-37.04%	15,002,000	5.63%
Directors' fees	3,400,464	82.82%	1,860,049	25.09%	1,486,935	50.26%	989,585	73.57%	570,136	-31.88%
Auditors' fees	862,500	114.29%	402,500	-18.60%	494,500	1.33%	488,000	28.59%	379,500	0.00%
Depreciation and repairs of Bank's assets	119,131,334	4.50%	114,003,344	0.83%	113,068,856	98.88%	56,852,732	-14.84%	66,759,685	-13.68%
Other expenses	169,368,897	27.44%	132,902,051	32.87%	100,024,489	10.98%	90,128,318	82.13%	49,484,880	22.40%
Total operating expenses (b)	836,362,417	13.39%	737,624,961	16.81%	631,481,812	11.06%	568,597,105	17.21%	485,107,363	5.68%
Profit before provision (c=(a-b))	749,892,856	6.09%	706,875,975	67.73%	421,436,365	0.75%	418,295,097	3.37%	404,669,102	16.60%
General Provision	(95,466,112)	-585.10%	19,679,518	-21.69%	25,130,684	-49.95%	50,210,440	64.90%	30,448,775	130.10%
Specific provisions	1,350,218,254	-40059.16%	(3,378,996)	-121.15%	15,974,520	-307.74%	(7,689,597)	-109.40%	81,829,980	-1717.01%
Diminution in value of investments	81,420	-98.56%	5,669,263	37197.78%	15,200	-99.27%	2,095,683	100.00%	-	0.00%
Other provisions	389,921,660	100.00%	5,008,733	100.00%	-	0.00%	-	0.00%	-	0.00%
Total provision (d)	1,644,755,222	4627.61%	34,790,421	-23.74%	45,622,215	3.00%	44,292,835	-61.35%	114,604,717	668.37%
Profit before tax (e=c-d)	(894,862,366)	-233.15%	672,085,554	78.83%	375,814,150	0.48%	374,002,262	28.94%	290,064,385	-12.66%
Provision for taxation (f)										
Current tax	291,861,897	2.02%	286,072,471	123.40%	128,054,624	-9.95%	142,209,825	-9.08%	156,417,934	14.30%
Deferred tax	(361,499,802)	3086.27%	(11,345,540)	-1284.04%	958,204	-21.67%	1,223,249	-118.96%	(6,450,277)	12.05%
Net profit after taxation (g=e-f)	(69,637,905)	-125.35%	274,726,931	112.95%	129,012,828	-10.05%	143,433,074	-4.36%	149,967,657	14.40%
	(825,224,461)	-307.68%	397,358,623	61.00%	246,801,322	7.04%	230,569,188	64.58%	140,096,727	-30.31%



For the last 5 Years

PROPERTY AND ASSETS		2025		2024		2023		2022		2021		
Particulars	BDT	▲%	BDT	▲%	BDT	▲%	BDT	▲%	BDT	▲%	BDT	▲%
Cash	1,891,461,225	4.56%	1,568,118,832	4.75%	1,203,570,020	4.77%	1,045,070,815	4.64%	941,786,142	5.00%		
Cash in hand (Including foreign currency)	578,264,554	1.39%	493,272,800	1.49%	351,213,043	1.39%	319,824,165	1.42%	315,414,703	1.68%		
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	1,313,196,671	3.16%	1,074,846,033	3.26%	852,356,977	3.38%	725,246,650	3.22%	626,371,439	3.33%		
Balance with other banks and financial institutions	688,511,128	1.66%	826,131,019	2.50%	736,896,791	2.92%	1,197,131,073	5.31%	1,989,609,036	10.57%		
Inside Bangladesh	582,008,157	1.40%	582,885,511	1.77%	570,863,784	2.26%	1,135,807,491	5.04%	1,962,712,386	10.42%		
Outside Bangladesh	106,502,971	0.26%	243,245,508	0.74%	166,033,907	0.66%	61,323,582	0.27%	26,896,650	0.14%		
Money at call and short notice	747,880,000	1.80%	880,000,000	2.67%	260,000,000	1.03%	1,300,000,000	5.77%	2,150,000,000	11.42%		
Investments	10,968,962,429	26.43%	7,774,761,545	23.55%	5,535,148,826	21.95%	5,370,990,000	23.82%	2,751,989,935	14.62%		
Government	6,660,789,819	16.05%	4,089,368,138	12.39%	2,298,324,968	9.11%	2,071,964,499	9.19%	1,993,964,512	10.59%		
Others	4,308,172,609	10.38%	3,685,393,407	11.16%	3,236,823,858	12.84%	3,299,025,501	14.63%	758,025,423	4.03%		
Loans and advances	25,094,320,926	60.47%	20,341,282,630	61.62%	16,014,791,094	63.51%	12,531,846,451	55.59%	10,047,395,543	53.36%		
Loans, cash credits, overdrafts etc.	25,091,208,323	60.46%	20,341,282,630	61.62%	16,014,791,094	63.51%	12,531,846,451	55.59%	10,047,395,543	53.36%		
Bills purchased & discounted	3,112,603	0.01%	-	0.00%	-	0.00%	-	0.00%	-	-		
Fixed assets including land, building, furniture and fixtures	328,660,954	0.79%	384,778,210	1.17%	429,690,907	1.70%	232,196,270	1.03%	211,139,918	1.12%		
Other assets	1,778,116,829	4.28%	1,237,627,258	3.75%	1,035,346,512	4.11%	868,069,914	3.85%	735,894,304	3.91%		
Non-banking assets	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%		
Total Assets	41,497,913,490	100.00%	33,012,699,495	100.00%	25,215,444,150	100.00%	22,545,304,523	100.00%	18,827,814,878	100.00%		
Particulars	BDT	▲%	BDT	▲%	BDT	▲%	BDT	▲%	BDT	▲%	BDT	▲%
LIABILITIES AND CAPITAL												
Liabilities												
Borrowings from other banks, financial institutions and agents	15,505,550	0.04%	33,500,890	0.10%	49,768,850	0.20%	48,860,032	0.22%	-	0.00%		
Deposits and other accounts	32,761,212,055	78.95%	25,338,894,039	76.75%	18,641,585,763	73.93%	16,679,484,286	73.98%	13,285,737,635	70.56%		
Current deposit accounts	947,471,997	2.28%	926,782,826	2.81%	684,445,216	2.71%	445,864,916	1.98%	377,519,967	2.01%		
Bills payable	490,938,149	1.18%	597,422,139	1.81%	259,913,863	1.03%	179,641,450	0.80%	290,943,228	1.55%		
Savings bank deposits	2,179,808,098	5.25%	1,886,658,703	5.71%	1,567,634,859	6.22%	1,258,758,740	5.58%	1,032,220,021	5.48%		
Special notice deposit	5,900,522,214	14.22%	4,921,445,991	14.91%	3,416,997,623	13.55%	4,914,924,876	21.80%	3,560,529,377	18.91%		
Fixed deposits	22,592,465,221	54.44%	16,522,260,342	50.05%	12,436,820,619	49.32%	9,712,177,476	43.08%	7,877,432,956	41.84%		
Other deposits	650,006,376	1.57%	484,324,038	1.47%	275,773,583	1.09%	168,116,828	0.75%	147,092,086	0.78%		
Other liabilities	3,768,761,311	9.08%	1,868,241,969	5.66%	1,442,478,649	5.72%	967,092,438	4.29%	927,255,320	4.92%		
Total Liabilities	36,545,478,916	88.07%	27,240,636,898	82.52%	20,133,833,262	79.85%	17,695,436,756	78.49%	14,212,992,955	75.49%		
Capital/Shareholders' equity	4,952,434,574	11.93%	5,772,062,597	17.48%	5,081,610,888	20.15%	4,849,867,767	21.51%	4,614,821,923	24.51%		
Paid-up capital	5,250,000,000	12.65%	5,000,000,000	15.15%	4,530,000,000	17.97%	4,380,000,000	19.43%	4,284,800,000	22.76%		
Statutory reserve	510,129,253	1.23%	510,129,253	1.55%	375,712,142	1.49%	300,549,312	1.33%	225,748,860	1.20%		
Retained earnings	(818,193,792)	-1.97%	257,030,669	0.78%	168,868,435	0.67%	152,165,969	0.67%	97,314,266	0.52%		
Other reserve	10,499,113	0.03%	4,902,675	0.01%	7,030,311	0.03%	17,152,486	0.08%	6,958,797	0.04%		
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	41,497,913,490	100.00%	33,012,699,495	100.00%	25,215,444,150	100.00%	22,545,304,523	100.00%	18,827,814,878	100.00%		

Particulars	2025		2024		2023		2022		2021	
	BDT	▲ %	BDT	▲ %	BDT	▲ %	BDT	▲ %	BDT	▲ %
Interest income	2,637,860,383	74.93%	2,133,549,810	74.98%	1,393,335,133	71.85%	1,156,205,358	76.20%	1,118,459,879	84.24%
Interest on deposits & borrowings, etc.	1,934,269,937	54.94%	1,400,831,075	49.23%	886,237,237	45.70%	530,455,512	34.96%	437,874,267	32.98%
Net interest income	703,590,446	19.99%	732,718,735	25.75%	507,097,896	26.15%	625,749,846	41.24%	680,585,612	51.26%
Income from investment	681,083,149	19.35%	548,534,320	19.28%	440,900,517	22.74%	289,490,420	19.08%	152,424,267	11.48%
Commission, exchange and brokerage	41,534,861	1.18%	24,070,347	0.85%	14,934,433	0.77%	7,648,410	0.50%	56,766,586	4.28%
Other operating income	160,046,817	4.55%	139,177,535	4.89%	89,985,331	4.64%	64,003,526	4.22%	-	0.00%
Total operating income (a)	1,586,255,273	45.06%	1,444,500,936	50.77%	1,052,918,177	54.30%	986,892,202	65.04%	889,776,465	67.02%
Salary and allowances	432,093,720	12.27%	391,311,650	13.75%	330,567,391	17.05%	287,825,682	18.97%	229,598,477	17.29%
Rent, taxes, insurances, electricity, etc.	64,886,652	1.84%	57,637,842	2.03%	50,113,693	2.58%	99,931,218	6.59%	96,153,654	7.24%
Legal expenses	6,340,712	0.18%	2,853,880	0.10%	3,433,540	0.18%	3,052,625	0.20%	2,925,375	0.22%
Postage, stamp, telecommunication, etc.	17,707,069	0.50%	14,242,480	0.50%	12,163,115	0.63%	11,887,506	0.78%	16,768,159	1.26%
Stationery, printing, advertisements, etc.	16,688,791	0.47%	11,587,530	0.41%	10,239,998	0.53%	7,995,508	0.53%	7,465,497	0.56%
Chief executive's salary and fees	5,882,278	0.17%	10,823,636	0.38%	9,889,295	0.51%	9,445,929	0.62%	15,002,000	1.13%
Directors' fees	3,400,464	0.10%	1,860,049	0.07%	1,486,935	0.08%	989,585	0.07%	570,136	0.04%
Auditors' fees	862,500	0.02%	402,500	0.01%	494,500	0.03%	488,000	0.03%	379,500	0.03%
Depreciation and repairs of Bank's assets	119,131,334	3.38%	114,003,344	4.01%	113,068,856	5.83%	56,852,732	3.75%	66,759,685	5.03%
Other expenses	169,368,897	4.81%	132,902,051	4.67%	100,024,489	5.16%	90,128,318	5.94%	49,484,880	3.73%
Total operating expenses (b)	836,362,417	23.76%	737,624,961	25.92%	631,481,812	32.56%	568,597,105	37.47%	485,107,363	36.54%
Profit before provision (c=(a-b))	749,892,856	21.30%	706,875,975	24.84%	421,436,365	21.73%	418,295,097	27.57%	404,669,102	30.48%
General Provision	(95,466,112)	-2.71%	19,679,518	0.69%	25,130,684	1.30%	50,210,440	3.31%	30,448,775	2.29%
Specific provisions	1,350,218,254	38.35%	(3,378,996)	-0.12%	15,974,520	0.82%	(7,689,597)	-0.51%	81,829,980	6.16%
Diminution in value of investments	81,420	0.00%	5,669,263	0.20%	15,200	0.00%	2,095,683	0.14%	-	0.00%
Other provisions	389,921,660	11.08%	12,820,636	0.45%	4,501,811	0.23%	(323,690)	-0.02%	2,325,962	0.18%
Total provision (d)	1,644,755,222	46.72%	34,790,421	1.22%	45,622,215	2.35%	44,292,835	2.92%	114,604,717	8.63%
Profit before tax (e=c-d)	(894,862,366)	-25.42%	672,085,554	23.62%	375,814,150	19.38%	374,002,262	24.65%	290,064,385	21.85%
Provision for taxation (f)										
Current tax	291,861,897	8.29%	286,072,471	10.05%	128,054,624	6.60%	142,209,825	9.37%	156,417,934	11.78%
Deferred tax	(361,499,802)	-10.27%	(11,345,540)	-0.40%	958,204	0.05%	1,223,249	0.08%	(6,450,277)	-0.49%
	(69,637,905)	-1.98%	274,726,931	9.66%	129,012,828	6.65%	143,433,074	9.45%	149,967,657	11.30%
Net profit after taxation (g=e-f)	(825,224,461)	-23.44%	397,358,623	13.97%	246,801,322	12.73%	230,569,188	15.20%	140,096,727	10.55%



PROGRAMS & HIGHLIGHT

GLIMPSE OF 9TH AGM



Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil-
Chairman of the Bank was delivering valuable speech in the 9th AGM.



Distinguished delegates of Border Guard Bangladesh, Shareholders, Management Officials,
Auditors and other stakeholders of the Bank were observing the AGM



Board of Directors of the Bank present in the AGM;

GLIMPSE OF 9TH AGM



Brig Gen Mohammad Shariful Islam, BGBM, psc-Shareholder and Director of the Bank was proposing in favor of an Agenda placed in the AGM



Respected shareholders of Shimanto Bank PLC. were casting their votes in favor of an agenda transacted in the AGM.



Board of Directors and Senior Management Team of Shimanto Bank PLC.



EVENT HIGHLIGHTS



Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil-honorable Chairman of the Bank was receiving the dividend of Shimanto Bank PLC. for the year 2024 on behalf of BGB Welfare Trust.



A moment of celebration of 9th Anniversary with presence of the employees of the Bank.

EVENT HIGHLIGHTS



Brig Gen Imtaj Uddin, ndc, psc, honorable Director of Shimanto Bank PLC. was inaugurating the Ashulia Branch at Dhaka; Senior Executives, Customers and other stakeholders of the Bank were present in the opening ceremony.



A moment of celebration of International Women's Day 2025 by employees of the Bank with presence of Mr. Rafiqul Islam, Ex-Managing Director & CEO.



EVENT HIGHLIGHTS



Brigadier General Md Shahadat Sikder, ndc, afwc, psc, honorable Director along with senior executives of the Bank were launching VISA Platinum Card.



Mr. Mohammad Azizul Hoque-Head of Operations was exchanging agreement after signing with Bangladesh Bank for providing credit guarantee facility to customers of the Bank.

EVENT HIGHLIGHTS



Bangla QR was launched by senior executives of Shimanto Bank PLC.



Team Shimanto Bank along with distinguished guest at the Annual Risk Conference-2025.



EVENT HIGHLIGHTS



Mr. Rafiqul Islam, Ex-Managing Director & CEO was exchanging documents after signing with National Pension Authority of Bangladesh.



Team Shimanto Bank along with the distinguished guest present at the BAMLCO and DAMLCO Conference-2025.

EVENT HIGHLIGHTS



Mr. Sahidul Islam-Head of Business of the Bank was exchanging documents after signing an MoU with Novoair; other senior executives of both of the organizations were present.



Opening ceremony of ATM Booth at Chapainawabganj; Senior officials of Border Guard Bangladesh, Border Guard Bangladesh, Executives, Customers of the Bank and distinguished guests were present at the program.



EVENT HIGHLIGHTS



Opening ceremony of ATM Booth at Satkhira on 4th September 2025; Senior officials of Border Guard Bangladesh, Executives, Customers of the Bank and distinguished guests were present at the program



Launching ceremony of Nari Sanchay Account by Executives of the Bank.



REPORT OF THE BOARD OF DIRECTORS

REPORT OF THE BOARD OF DIRECTORS

Dear Stakeholders,

The Board of Directors welcome you all at the 10th Annual General Meeting of Shimanto Bank PLC. and is pleased to present the Annual Report for the year ended on 31 December 2025 together with the Audited Financial Statements & Auditor's Report thereon. A review of business and financial performance of the Bank during the Year 2025 and a snapshot of global and local economic trend affecting the performance of the Bank and condition of banking industry in Bangladesh is provided with this report.

Global Economic Review & Outlook 2026

Global growth is projected to be 3.0 percent in 2026 and 3.4 percent in 2027, down from the average of 3.5 percent observed in 2024–25. The modest slowdown reflects the effects of the war in the Middle East being partly offset by accelerated demand-driven momentum in the global technology cycle thanks to advances in artificial intelligence (AI) and its adoption. The impact varies widely based on countries' exposure to the war and position in the technology value chain. Energy exporters outside the conflict zone benefit from favorable terms of trade, whereas economies plugged into the technology-led upturn experience stronger activity even if they are energy importers. In contrast, activity weakens for energy importers with limited participation in the technology value chain, a group that includes many low-income countries. Global headline inflation is expected to increase from 4.1 percent in 2025 to 4.7 percent in 2026 before declining to 3.9 percent in 2027. These projections indicate that the disinflation trend in place since the beginning of 2024 has stalled.

The possibility of renewed Middle East conflict looms large and could extend commodity price volatility, further threaten supply chains, raise prices, and weigh on financial conditions. Trade fragmentation could accelerate, possibly hurting output and increasing prices. A possible correction in technology-driven expectations adds to the downside risks, whereas eroded policy buffers can amplify those risks. Upside risks stem from a swifter-than-expected normalization in energy markets, stronger-than-expected technology investment, a revival of durable cooperation that lowers trade barriers, and structural reform that raises medium-term growth. Policy priorities are restoring price stability, supported by clear communication, central bank independence, and strong financial oversight, while rebuilding fiscal buffers and using fiscal tools sparingly through temporary, targeted support that preserves price signals.

Structural reforms are needed to promote energy security, AI readiness, domestic rebalancing, and international cooperation should be strengthened to relieve the strain of ongoing tensions.

(Reference: World Economic Outlook Update- International Monetary Fund | July 2026)

Bangladesh Economy & Economic Outlook

Bangladesh's economy faces challenges with slowing growth and rising poverty for three consecutive years, persistent inflation, stressed banking sector, weak revenue mobilization, and subdued private investment, which is further compounded by the headwinds from the conflict in the Middle East.

The latest Bangladesh Development Update projects growth to slow to 3.9% in FY26. A protracted conflict in the Middle East could have significant implications for Bangladesh, including higher inflation, reduced fiscal space from rising energy subsidies, and a weaker current account due to higher import costs, weaker exports, and lower remittances. With thin foreign exchange buffers, tight fiscal and monetary conditions, and a fragile banking sector, Bangladesh has limited capacity to absorb a prolonged shock and to mitigate its impact on its people, notably the most vulnerable.

However, sustained political stability after the 2026 elections and rapid progress on structural reforms can support a stronger recovery. It is emphasized the need for urgent policy and institutional reforms to restore macroeconomic stability, boost revenues, strengthen the financial sector, and improve the business environment so the country can create jobs and stay on the path to inclusive growth.

Inflation remained high at 8.5% in FY26, with both food and nonfood inflation elevated. Wages of low-income workers have not kept up with prices, reducing their purchasing power.



Financial sector vulnerabilities remain high; the non-performing loan ratio stood at 30.6% in December 2025; capital adequacy fell in aggregate below the regulatory minimum.

External sector pressures eased in FY25 and the first half of FY26, supported by strong remittances. The adoption of a more flexible exchange rate regime in mid-2025 helped stabilize the taka and rebuild foreign exchange reserves. However, exports remain vulnerable to external shocks, and foreign direct investment remains low. In FY25, Bangladesh's tax-to-GDP ratio fell below 7% for the first time in 15 years, limiting the country's ability to invest in priority sectors.

While a small group of large, export-oriented firms, such as the ready-made garments sector have driven growth, most small and medium enterprises face high regulatory costs, unreliable infrastructure, and limited access to finance. Targeted smart deregulation, stronger competition policy, competitive neutrality for state-owned enterprises, streamlined trade policies, and improved electricity reliability are critical to private-sector led growth and jobs creation.

(Reference: Bangladesh Development Update- World Bank-April 2026)

Banking Sector Highlights-2025

In 2025, Bangladesh's banking sector faced an unprecedented reckoning, recording a massive net loss of Tk 1.36 lakh crore due to soaring non-performing loans, legacy fraud, and heavy provisioning. Despite severe governance challenges and capital shortfalls across dozens of institutions, the sector saw a recovery in deposits—hitting a 50-month high growth rate of 11.10% by December 2025—bolstered by strong remittance inflows and regulatory clean-up efforts. Total deposits rebounded significantly, crossing Tk 19.73 lakh crore by the end of December 2025. Restored confidence in formal channels following political transitions helped stabilize liquid flows and drive double-digit deposit expansion. Private-sector credit growth remained exceptionally low as banks exercised tight caution and focused on balance-sheet repair rather than aggressive lending.

Non-performing loans (NPLs) spiked to historic highs, reaching roughly 35.7% of total distributed loans by late 2025, driven by past irregularities and lax oversight. Capital deficits nearly 24 out of 61 banks faced severe capital shortfalls, forcing aggressive intervention and liquidity support from Bangladesh Bank.

The central bank initiated corrective actions, including asset quality reviews, restructuring weak institutions, and merging distressed Shariah-based lenders into unified entities like Sammilito Islami Bank. Bangladesh Bank initiated independent AQRs across troubled private and Islamic banks to uncover true capital shortfalls. Introduced new legal mechanisms i.e. Bank Resolution Ordinance 2025 enabling the central bank to execute mergers, asset-liability transfers, or liquidations for failing entities. Several weak non-bank financial institutions and distressed banks were forced into restructuring, liquidations, or supervised mergers.

A strict monetary stance helped pull headline inflation down from double digits toward the 8 percent range by the end of the year. Flexible exchange rate management was implemented to protect foreign exchange reserves, helping push gross reserves past \$32.5 billion by mid-December 2025.

Shimanto Bank Financial Highlights

Asset Portfolio

The assets of the Bank stood at BDT 41,497.91 million compared to BDT 33,012.70 million in 2024 with a growth of 25.70%.

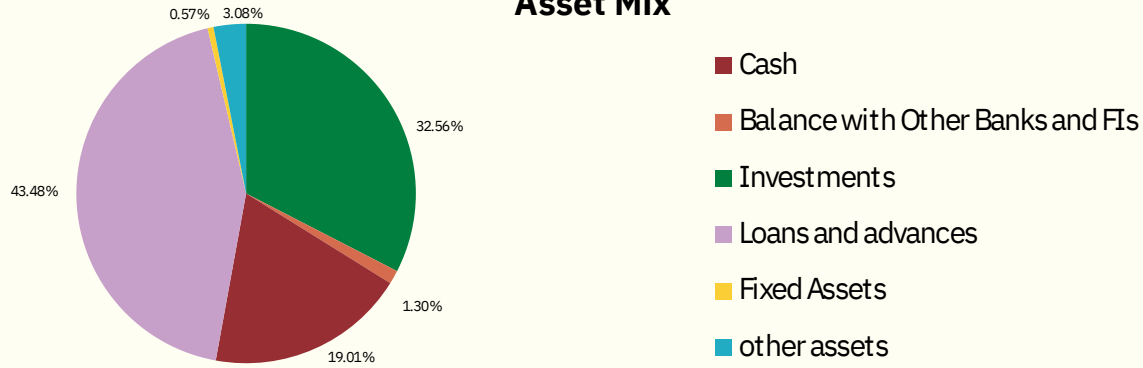
The asset portfolio comprised of BDT 1,891.46 million as Cash, BDT 688.51 million as Balance with Other Banks and FIs, BDT 747.88 million as Money on Call at Short Notice, BDT 10,968.96 million as Investments, BDT 25,094.32 million as Loans and Advances, BDT 328.66 as Fixed Assets and BDT 1,778.12 million as other assets.

Loans & Advances

The total loans and advances of the Bank is BDT 25,094.32 million for the year ended 2025 which was BDT 20,341.28 million in 2024.



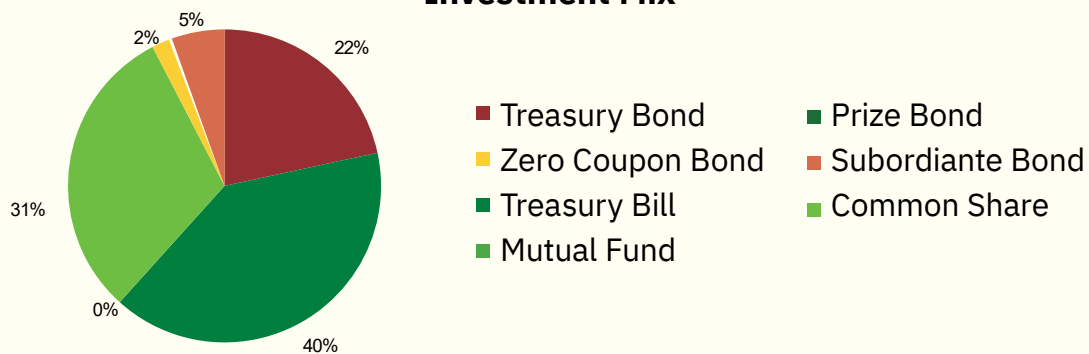
Asset Mix



Investments

The Bank has raised investment to BDT 10,968.96 million consisting of investment in Govt. Securities BDT 6,660.80 million and Other Investment BDT 4,308.17 million.

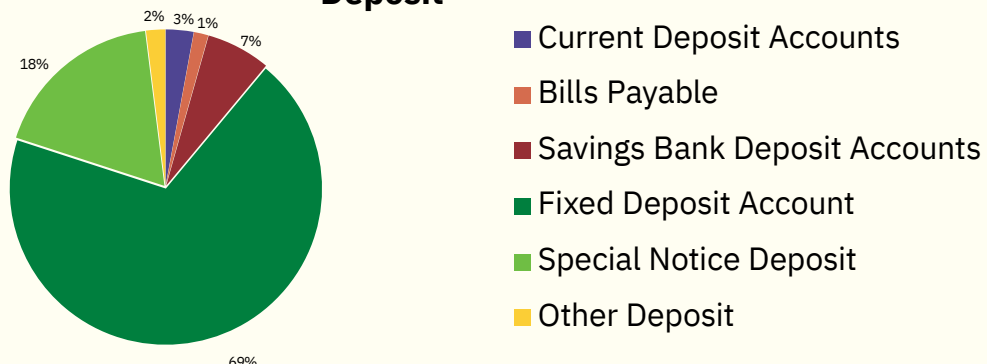
Investment Mix



Deposit

The total deposit of Shimanto Bank stood to BDT 32,761.21 million comprising of BDT 22,592.47 million fixed deposit, BDT 2,179.81 million savings deposit, BDT 947.47 million current deposit, BDT 5,900.52 Special Notice Deposit, BDT 490.94 million bills payable and BDT 600.00 million other deposit.

Deposit





Income & Expenditure

The Bank earned interest income of BDT 2,637.86 million whereas the interest paid on deposits and borrowings is BDT 1,934.27 million. The Bank has generated operating income of BDT 1,586.26 million and incurred operating expense of BDT 836.36 million. The Bank has booked an operating profit of BDT 749.89 million before provisions in the year 2025.

	2024	2025	Change
Operating Profit (BDT in Million)	706.88	749.89	6.08%
Profit after Tax (BDT in Million)	397.36	-825.22	-307.68%
Loans and Advances (BDT in Million)	20,341.28	25,094.32	23.37%
Investments (BDT in Million)	7,774.76	10,968.96	41.08%
Total Assets (BDT in Million)	33,012.70	41,497.91	25.70%
Deposits (BDT in Million)	25,354.12	32,761.21	29.21%
Shareholders' Equity (BDT in Million)	5,772.06	4,952.43	-14.20%
Earnings Per Share (BDT)	0.76	-1.57	-306.58%
Net Asset Value Per Share (BDT)	10.99	9.43	-14.19%
Return on Investments (ROI)	8.24%	7.27%	-11.77%
Return on Assets (ROA)	1.36%	-2.22%	-263.24%



Risk Based Capital Framework

Risk Based Capital Adequacy Framework (Revised Regulatory Capital Framework for banks in line with Basel III) has been implemented in Bangladesh from beginning of 2015. Shimanto Bank PLC. has been continuing to calculate minimum capital requirement (MCR) considering credit risk, market risk and operational risk considering the Capital Conservation Buffer 2.5%.

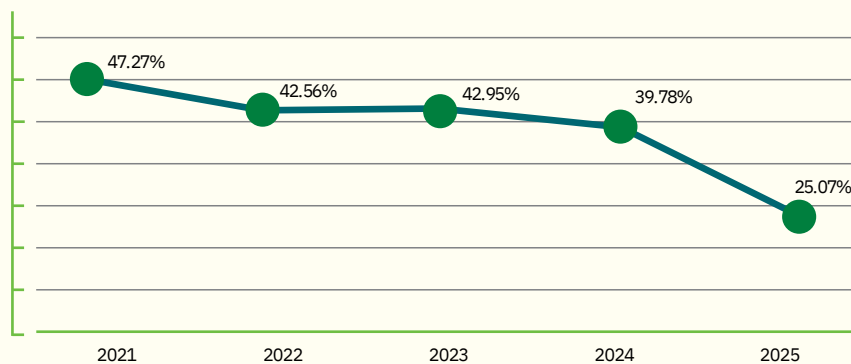
The summary of Capital Requirement of the Bank are as follows:

(in BDT Million)

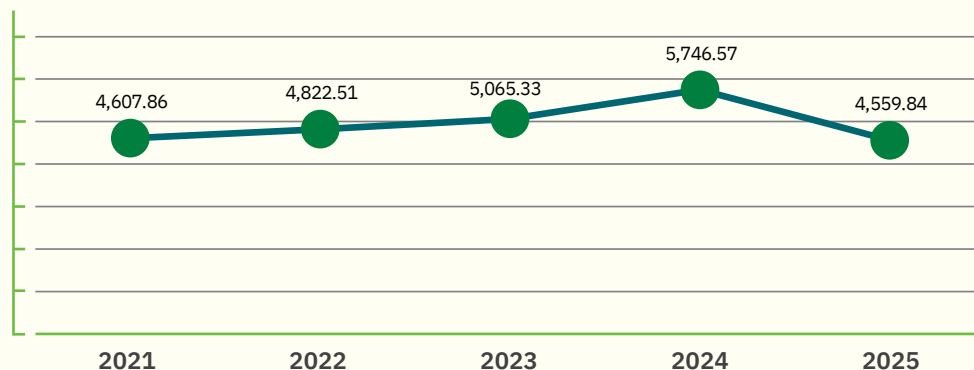
Particulars	2024	2025
Tier I Capital	5,746.57	4,559.84
Tier II Capital	237.59	651.98
Total Eligible Capital	5,984.16	5,211.82
Risk Weighted Assets	15,044.82	20,785.23
Capital to Risk Weighted Asset Ratio (CRAR) (%)	39.78	25.07%

Shimanto Bank has strong Common Equity (Tier-1 Capital) base of BDT 4,559.84 million which was 21.91% of risk weighted assets as on December 31, 2025. Bank's Tier-2 Capital was BDT 651.98 million at the end of 2025, which was 3.13% of risk weighted assets. Against the minimum requirement of 12.50%, Shimanto Bank is consistently maintaining above the requirement in last five years.

Capital to RWA Ratio (CRAR)



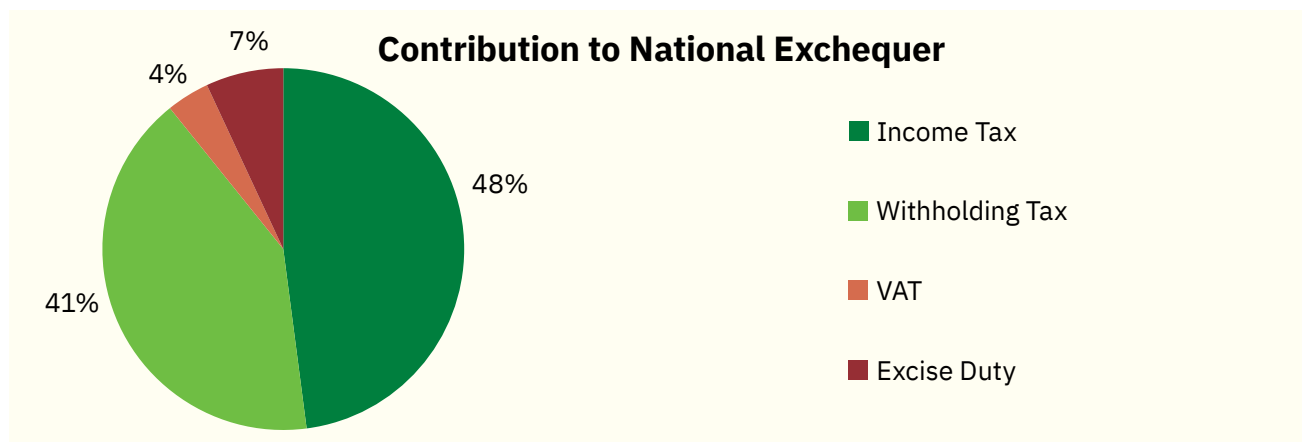
Common Equity Tier -1 Capital (BDT in Million)





Contribution to National Exchequer

Shimanto Bank made significant contribution to the government in boosting its revenue collection which will help in developing the society and the country as a whole. As per the prevailing taxation law of the country, the Bank pays tax and VAT on its own income. The Bank also collects tax, VAT and excise duty at source from clients, deposits and suppliers. All the collected amounts are deposited to the national exchequer in due time. During the year 2025, the Bank contributed BDT 707.56 million to national exchequer as against BDT 573.05 million in the previous year.



Branch, ATM and Other Network Expansion

Shimanto Bank PLC. opened two branches at Ashulia -Dhaka and Kushtia District and one Sub-Branch at Satkhira District. Total number of branches including sub-branches have been raised to 36 (Thirty-Six) as on 31st December 2025.

The Bank has spread its ATM network to 39 locations which was 33 in the year 2024. Two facility as 'Grahok Prangone Parisheba' have been established for providing services to the customers of Border Guard Bangladesh (BGB).

Launch of Bangla QR and A-Challan

In the year 2025, Shimanto Bank PLC. has implemented and launched Bangla QR, a unified, interoperable quick-response payment system introduced by Bangladesh Bank. Bangla QR lets customers use a single QR code to pay merchants from different bank apps, mobile financial services (MFS), and wallet providers without needing separate codes for each.

Shimanto Bank PLC. has also integrated itself in the automated A-Challan system introduced by Bangladesh government. This digital initiative completely eliminates manual paper challans to ensure real-time deposits into the Treasury Single Account. Bangladesh government has made completely mandatory for depositing all public revenues, taxes, customs duties, and government receipts starting July 1, 2026.

Preparedness for Risk-Based Supervision (RBS) by Bangladesh Bank

Bangladesh Bank officially rolled out Risk-Based Supervision (RBS) for all scheduled banks on January 1, 2026. This shift replaces the old one-size-fits-all, compliance-based rule checking with a forward-looking, data-driven framework. Oversight intensity is now calibrated dynamically to each bank's unique risk profile and governance standard. Shimanto Bank PLC. has taken all required preparatory measures for responding in the new supervision system implemented by Bangladesh Bank. The bank has appointed designated RBS focal points to liaison directly with lead bank supervisors.



Preparation for Expected Credit Loss (ECL) Framework

The Bangladesh Bank is transitioning scheduled commercial banks from a traditional rule-based, incurred-loss provisioning system to a forward-looking Expected Credit Loss (ECL) framework under IFRS 9. Governed by BRPD Circular No. 03/2025, the phased implementation roadmap targets full compliance across the banking sector by December 2027. Shimanto Bank PLC. has initiated project for implementation of Expected Credit Loss (ECL) framework in phases as per the timeline prescribed by Bangladesh Bank.

Appropriate Accounting Policies and Standards and Financial Reporting Standards

Shimanto Bank PLC. maintained proper books of account for its financial transactions occurred during 2025. For recording the transactions the bank has followed the Bangladesh Accounting Standard (BAS). The books of account have also been reviewed by the external auditor, M/S Zoha Zaman Kabir Rashid & Co. Chartered Accountants with an opinion that proper books of accounts as required by the law have been properly maintained.

Appropriate accounting policies have been consistently applied, except for the changes disclosed in the financial statements in preparation of financial statements and that the accounting estimates are based on reasonable and prudent judgment. Bank records financial transaction on accrual basis with required disclosures and also prepares the financial statements accordingly.

International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh, have been followed in preparation of financial statements. However, in case the requirement of provisions and Circulars issued by Bangladesh Bank differs with those of other regulatory authorities and accounting standards, the provisions and Circulars issued by Bangladesh Bank shall prevail.

Statement of Directors' on Adequacy of the System of Internal Control

The Directors confirm that the Board through its committees has reviewed the effectiveness of the bank's systems of internal control for the year ended 31 December 2025.

The Board through the audit committee has supervised the policies and various parts of businesses to ensure an effective internal control system. The Board business strategy, significant policies for internal control system and risk management have been taken properly and internal audit and control has been accomplished as per requirement of the Bank Company (amended) Act 2013, Bangladesh Bank guidelines, Corporate Governance guidelines of Bangladesh Securities and Exchange Commission etc.

Director's Declaration on Going Concern

After reviewing the Bank's present and potential business growth, annual budget, performance, liquidity position, plans and financing arrangement, the Directors of the Bank are satisfied that the Bank has adequate resources to continue to operate in the foreseeable future and confirm that there is no material issue threatening to the going concern of the Bank. For this reason Directors continue to adopt the going concern basis in preparing the financial statements. There are no significant doubts upon the Bank's ability to continue as a going concern.

Auditors Report

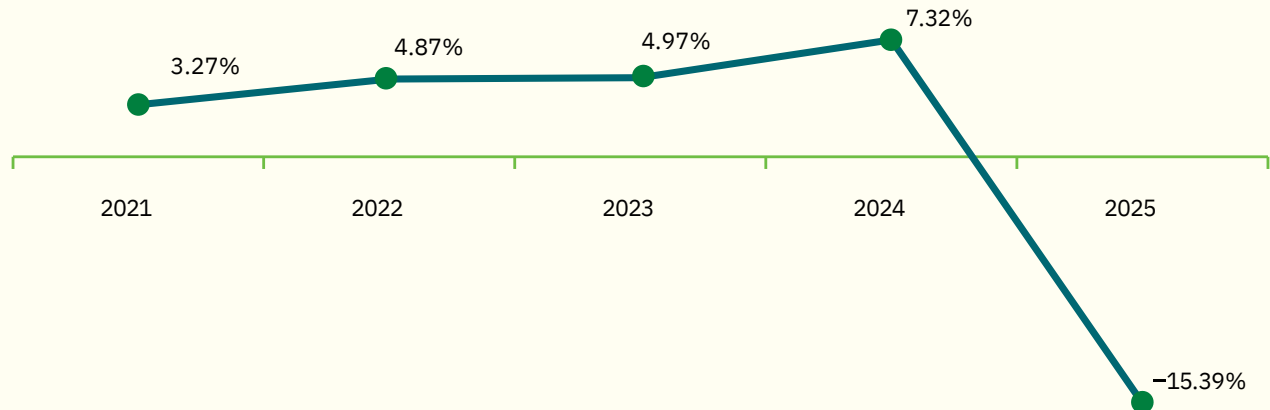
The Board of Directors reviewed the Auditors Report issued by M/S Zoha Zaman Kabir Rashid & Co. Chartered Accountants, statutory auditor of the Bank based on their audit of financial statements for the year ended 31 December 2025. The auditor has certified that they have obtained all the information and explanations which to the best of their knowledge and belief were necessary for the purpose of their audit. The Auditors Report is reviewed by the Audit Committee and Board of Directors which is furnished in the Annual Report.



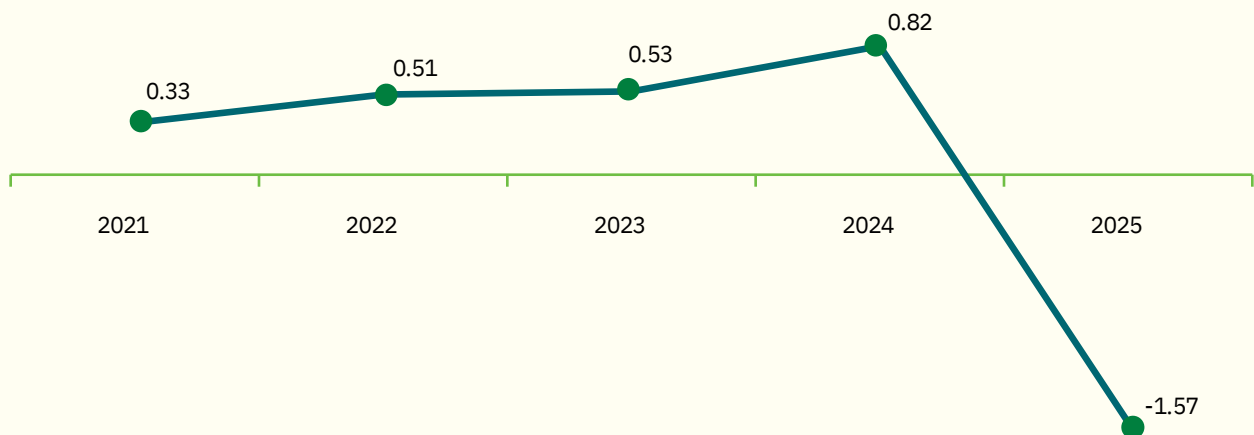
Appropriation of Profit & Justification

Shimanto Bank PLC. has recorded operating profit of BDT 749.89 million before provisions in 2025 which was 706.88 in 2024. Total provision charged for 2025 is 1,644.76 million which was BDT 34.79 million only in 2024. The Bank has preferred to enhance capacity for absorbing future shock in coming days. Net Profit after Tax has been recorded negative BDT 825.22 million in the year ended on 31 December 2025. The Management and Board of the Bank are confident to rebound in the coming years.

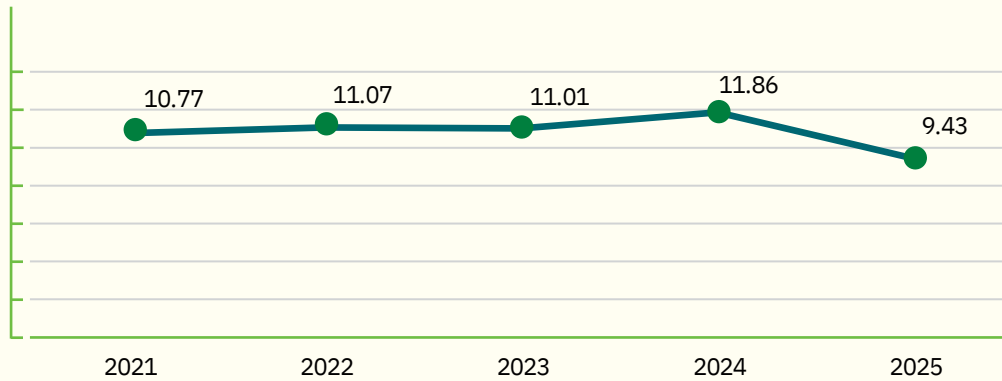
RETURN ON EQUITY (ROE) %



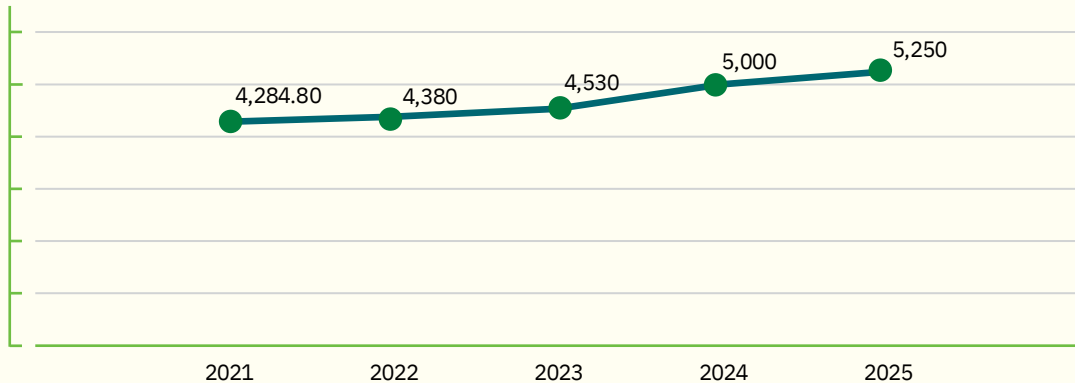
EARNINGS PER SHARE (BDT)



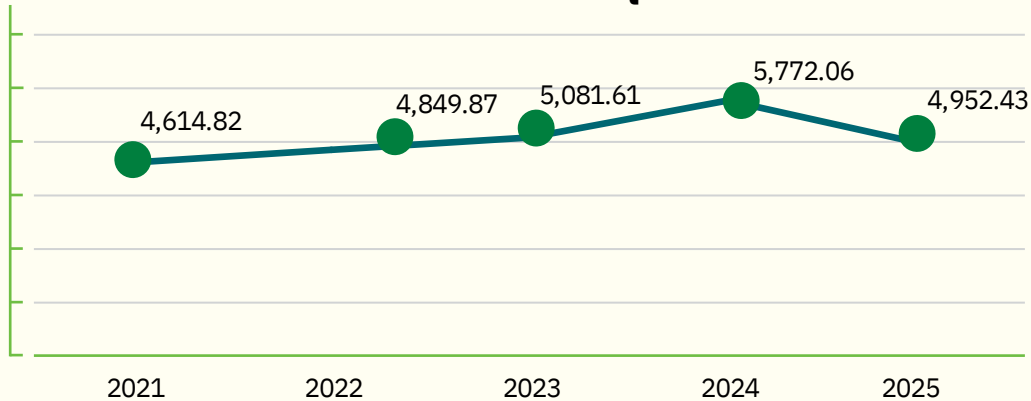
NET ASSET VALUE PER SHARE (BDT)



PAID UP CAPITAL



SHAREHOLDERS' EQUITY



Appointment of Statutory Auditor

M/S Zoha Zaman Kabir Rashid & Co. Chartered Accountants was appointed as statutory Auditor as per Article 158 of Articles of association of the Bank. They had conducted the statutory audit of Shimanto Bank PLC. for the year ended on December 31, 2025 and submitted the Audit Report and Audited Financial Statements. They have accomplished their roles as Statutory Auditor for their first term with the Bank. As per guidelines and circulars of Bangladesh Bank (BB) and Bangladesh Securities Exchange Commission (BSEC), an Auditor could be appointed for consecutive maximum 03 (three) terms/years. M/S Zoha Zaman Kabir Rashid & Co.



is eligible for being re-appointed and they are interested to be re-appointed for the second term. The Audit Committee and Board of Directors have recommended to appoint them as external auditors of the Bank up to the 10th Annual General Meeting.

Retirement & Re-election of Directors

According to the Companies Act, 1994 and Clause No-114 of Articles of Association of the Bank prescribed that one third of the Directors of the Bank should retire from office in the Annual General Meeting (AGM) on the basis of seniority means those who had been longest in their office since their last election.

Considering the seniority in the Board, the following Directors will retire in the upcoming 10th Annual General Meeting:

- i. Maj Gen Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil
- ii. Brig Gen Mohammad Shariful Islam, BGBM, psc;
- iii. Col Mohammad Nazrul Islam, BGBM, BGBMS, psc.

All of the aforesaid persons are eligible for re-election. Maj Gen Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil, Brig Gen Mohammad Shariful Islam, BGBM, psc and Col Mohammad Nazrul Islam, BGBM, BGBMS, psc have offered themselves for being re-elected in the 10th AGM of the Bank.

The following Directors were appointed in the Board in between the 9th AGM and 10th AGM to fill casual vacancy and also for adding members in the Board as per Clause 111 of Articles of Association. In order to comply with the said provision, the following Directors so appointed should retire on the 10th AGM and being eligible for re-election they may offer themselves for being re-elected:

- i. Brig Gen Imtaj Uddin, ndc, psc;
- ii. Brig Gen Abul Hasnat Md Shahriar Iqbal, BGBM.

All of the aforesaid persons are eligible for re-election. Brig Gen Imtaj Uddin, ndc, psc and Brig Gen Abul Hasnat Md Shahriar Iqbal, BGBM has offered themselves for being re-elected in the 10th AGM of the Bank.

The Board of Directors has recommended the following person for being elected as Director in the 10th AGM by the shareholders:

- i. Brig Gen Syed Naufel Mahmud, MPhil, MPH.

Appointment of Independent Directors

Mr. Abul Kashem Md. Shirin and Mr. Shahwar Jamal Nizam have been appointed as Independent Director by the Board of Directors in the 88th Meeting held on 27th February 2026 subject to approval of Bangladesh Bank. Bangladesh Bank has approved our proposal for appointment of Mr. Abul Kashem Md. Shirin vide their Letter No-BRPD (BMMA) 651/9(63) DA/2026-998; dated 5th April 2026 and Mr. Shahwar Jamal Nizam vide their Letter No-BRPD-2(BMMA) 651/9(63) DA/2026-1167; dated 13th April 2026 as Independent Director of the Bank.

As per provisions of Banking Company Act-1991, related Bangladesh Bank circulars and Corporate Governance Code, proposal of appointment of Mr. Abul Kashem Md. Shirin and Mr. Shahwar Jamal Nizam will be placed in the 10th AGM for approval of Shareholders.

Acknowledgement & Gratitude

We express our gratitude for your confidence in us. Your relentless support contributed to the growth and development of our business. We sincerely acknowledge the employees of Shimanto Bank for their commitment, devotion and hard work as they are core to our success. We would like to take this opportunity to acknowledge and express our heartiest gratitude to our valued shareholders, members of Border Guard Bangladesh, valued clients, Bangladesh Bank and other Government agencies, regulatory bodies and everyone with whom the bank is connected with. We assure you that we will do everything possible to uphold your faith and trust on us today and step up into the future to achieve our goals.

For and on behalf of the Board of Directors,

Maj Gen Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil
Chairman, Board of Directors
Shimanto Bank PLC.

25 July, 2026



REPORT OF THE AUDIT COMMITTEE

The Audit Committee is responsible for providing independent oversight of the Bank's financial reporting, non-financial corporate disclosures, internal control system and compliance to governing rules and regulations and own code of business conduct.

Audit Committee of the Board of Directors of Shimanto Bank PLC. was formed in accordance with the BRPD Circular Letter No-2 on 11th February 2024 issued by Bangladesh Bank and Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC).

Formation & Composition of the Committee

The Audit Committee had been revised one during the financial year 2025 in the 83rd Board Meeting held on 29th September 2025. Mr. Ahmed Kamal Khan Chowdhury has been appointed as the Chairman of the Audit Committee. The Audit Committee is consisting of skilled and efficient Board Members and the present Committee comprised the following members (as on 31st December 2025):

Name	Educational Qualification	Committee Designation
Mr. Ahmed Kamal Khan Chowdhury	BSS, MSS (Economics), MBA (Finance)	Chairman
Col Mohammad Nazrul Islam, BGBM, BGBMS, psc	BSc, MBA (IBA-JU), BSc in CSE, MSc in Cyber Security	Member
Mr. Abu Hena Mohd. Razee Hassan	MSS (Economics); MA (Development Economics)	Member
Mr. Mohammad Mostafa Hossain Suman FCS	MSS, LLB, Chartered Secretary	Secretary

Present composition of the Committee as on report publication date is as follows:

Name	Educational Qualification	Committee Designation
Mr. Ahmed Kamal Khan Chowdhury	BSS, MSS (Economics), MBA (Finance)	Chairman
Col Mohammad Nazrul Islam, BGBM, BGBMS, psc	BSc, MBA, BSc in CSE, MSc in Cyber Security	Member
Mr. Abul Kashem Md. Shirin*	BSc, Master of Engineering (AIT-Thailand), Master in Engineering in CSE (BUET),	Member
Mr. Mohammad Mostafa Hossain Suman FCS	BSS, MSS, LLB, Chartered Secretary	Secretary

* Included in the Audit Committee as per decision of 90th Board Meeting of Shimanto Bank PLC. held on 29th April 2026.



Roles & Responsibilities of the Committee

The roles and responsibilities of Audit Committee of Shimanto Bank is defined by the Board of Directors complying with BRPD Circular Letter No-2 on 11th February 2024 issued by Bangladesh Bank and Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC). The terms of reference also adopt the best practice on corporate governance guidelines and standards. The roles and responsibilities of the Committee are highlighted below:

Internal Control:

- Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have clear understanding of their roles and responsibilities;
- Review management's actions in building computerization of the bank and its applications and bank's Management Information System (MIS);
- Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management;
- Consider reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board after reviewing whether necessary corrective measures have been taken by the management.

Financial Reporting:

- Audit committee will check whether the financial statements reflect the complete and concrete information and determine whether the statements are prepared according to existing rules & regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank;
- Discuss with management and the external auditors to review the financial statements before its finalization.

Internal Audit:

- Audit committee will monitor whether internal audit working independently from the management.
- Review the activities of the internal audit and the organizational structure and ensure that no unjustified restriction or limitation hinders the internal audit process;
- Examine the efficiency and effectiveness of internal audit function;
- Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not.

External Audit

- Review the performance of the external auditors and their audit reports;
- Examine whether the findings and recommendations made by the external auditors are duly considered by the management or not.
- Make recommendations to the board regarding the appointment of the external auditors.

Compliance with existing laws and Regulations:

Review whether the laws and regulations framed by the regulatory authorities (central bank and other bodies) and internal regulations approved by the board are being complied with.



Organizational Structure and Human Resources:

Identification of the bank's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria. Development, recommendation and review of the bank's human resources and training policies annually.

Other Responsibilities:

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

Meetings & Attendance of the Audit Committee:

Audit Committee met in five meetings during the year 2025 and the Committee had discussed in details the findings on different issues and corrective measures prescribed by the internal and external auditors. The Committee also instructed the management to ensure those suggestions for corrective measures and monitored accordingly.

The Meetings were conducted on the following dates:

Meeting	Date
37 th Audit Committee Meeting	4 th February, 2025
38 th Audit Committee Meeting	28 th April, 2025
39 th Audit Committee Meeting	25 th June, 2025
40 th Audit Committee Meeting	12 th November, 2025
41 st Audit Committee Meeting	8 th December, 2025

Attendance in the Audit Committee Meeting during the Year 2025 is as follows:

Name of the Member	Attendance	Remarks
Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc	03/03	Excluded on 25 th September 2025
Col Md Moinul Islam Mollah, psc	03/03	Excluded on 25 th September 2025
Mr. Ahmed Kamal Khan Chowdhury	05/05	
Mr. Abu Hena Mohd. Razee Hassan	02/02	Included on 25 th September 2025
Col Mohammad Nazrul Islam, BGBM, BGBMS, psc	02/02	Included on 25 th September 2025



Area Focused & Agenda Discussed in 2025:

37th Audit Committee Meeting: The Committee reviewed the Provisional Financial Statements, current Organogram and prospective organograms for next three years; Composition of Different Committees, Strategic Measures for Underperforming Branches, Bangladesh Bank Surprise Inspection Report on Chuadanga Branch, Off-site Supervision on “Foreign Exchange Risk Management” and Internal Audit Report of Pabla Sub Branch, Motijheel Branch.

38th Audit Committee Meeting: The Committee exchanged views with Bangladesh Bank Inspection Team and External Auditors MJAbedin & Co. Chartered Accountants, reviewed the Draft Audited Financial Statements and Auditors Report, Bangladesh Bank Comprehensive Inspection Report on Head Office, Principal Branch and Small and Medium Enterprise (SME) loan, Activity of Special Asset Management (SAM) Division, willful default borrower report. The Committee reviewed the Report on Exception on Credit Approval. Draft of the ‘Transfer Pricing (TP) Policy’ and ‘Audit Policy’ was reviewed.

39th Audit Committee Meeting: The Audit Committee reviewed the Management Report on audited financial statements, recommendation of appointment of External Auditors, Vulnerability Assessment and Penetration Testing (VAPT) Report, Bangladesh Bank Surprise Inspection Report on Pragpur Branch, Khulna Branch. Inspection Report on Lalmonirhat Branch, Sylhet Branch, Bibir Bazar Branch, Chuadanga Branch, Service Delivery Department, Treasury Division, Infrastructure Development & Procurement Department, Foreign Exchange Transaction was also reviewed. Special Asset Management (SAM) Manual and Customer Acceptance Policy was also reviewed.

40th Audit Committee Meeting: Annual Health Report, Certificate of Senior Management Team (SMT) regarding the Effectiveness of Internal Control Policy, Practice and Procedure and Internal Audit Findings-2024 were reviewed by the Committee. The Internal Audit Report of Credit Risk Management Division (CRM), Credit Administration Department

(CAD), Business (Retail, SME & Corporate) Division, Agrabad Branch, Satkania Branch, Teknaf Branch, Ramu Sub Branch, Brahmanbaria Branch, Principal Branch was also reviewed.

41st Audit Committee Meeting: Investigation Reports on Investment was reviewed by the Committee. Compensation & Benefits of Shimanto Bank employees and strategy for Employee Retention was reviewed; Sales Commission Structure of Card Sales was reviewed. The Committee reviewed Bangladesh Bank Inspection Report on Agrabad Branch, Gulshan Branch, and Internal Audit Report of Credit Administration Department (CAD), Information and Technology Department, Human Resources Division, Independent Internal Assessment of the Compliance of the SWIFT Customer Security Framework (CSCF), Information Security Management System (ISMS) 27001:2022, General Security & Transportation Department (GST), Business Intelligence, Service Quality and MIS Department, Finance Division and Champaknagar Branch, Seed store Branch, Rangpur Branch, Chirir Bandar branch, Zakiganj Branch, Rangamati Sub Branch, Jubilee Road Sub Branch, Principal Branch. Internal Audit Plan for the year of 2026 and Audit Plan of External Auditors M/S Zoha Zaman Kabir Rashid & Co was also reviewed by the Committee.

Audit Committee acknowledges the splendid support of Members of the Board, Management and Internal & External Auditors from their respective work arena to make Shimanto Bank PLC. as a compliant one.

On behalf of the Audit Committee,

Ahmed Kamal Khan Chowdhury
Chairman, Audit Committee
Shimanto Bank PLC.

Date: 25 June 2026



REPORT OF THE RISK MANAGEMENT COMMITTEE

Shimanto Bank PLC. carries a wide range of risks across all of its business areas and the Bank's pursuit is to manage the risks identified. The risks faced by the Bank are mainly credit risks, foreign exchange risks, internal control and compliance risks, money laundering risks, information and communication risks, management risks, interest risks, liquidity risks. The Bank is developing framework of identification, assessment and management of the risks. According to the Bangladesh Bank Guideline the Bank should have a Risk Management Committee and the Committee will scrutinize whether appropriate risk management measures are being put in place and applied and whether adequate capital and provision is being maintained against the risks identified.

Formation & Composition of the Committee

The Risk Management Committee had been revised one during the financial year 2025 in the 83rd Board Meeting held on 29th September 2025. Brig Gen Imtaj Uddin, ndc, psc has been appointed as the Chairman of the Risk Management Committee. The Committee is consisting of skilled and efficient Board Members and the present Committee comprised the following members (as on 31st December 2025):

Name	Educational Qualification	Committee Designation
Brig Gen Imtaj Uddin, ndc, psc	BA, MSc, MSS	Chairman
Brig Gen Mohammad Shariful Islam, BGBM, psc	BSc, BSc (Engg), MDS, MSc (Engg)	Member
Col Md Moinul Islam Mollah, psc	BSc, MSc	Member
Mr. Ahmed Kamal Chowdhury	BSS, MSS (Economics), MBA (Finance)	Member
Mr. Mohammad Mostafa Hossain Suman FCS	MSS, LLB, Chartered Secretary	Secretary

The Risk Management Committee is consisting of skilled and efficient Board Members and the present Committee comprised the following members (as on report publication date):

Name	Educational Qualification	Committee Designation
Brig Gen Imtaj Uddin, ndc, psc	BA, MSc, MSS	Chairman
Brig Gen Mohammad Shariful Islam, BGBM, psc	BSc, BSc (Engg), MDS, MSc (Engg)	Member
Mr. Ahmed Kamal Chowdhury	BSS, MSS (Economics), MBA (Finance)	Member
Mr. Shahwar Jamal Nizam*	LL.B., Bar-at-Law, LL.M., Diploma in Singapore Laws	Member
Mr. Mohammad Mostafa Hossain Suman FCS	BSS, MSS, LL.B, Chartered Secretary	Secretary

* Included in the Risk Management Committee as per decision of 90th Board Meeting of Shimanto Bank PLC. held on 29th April 2026.



Roles and Responsibilities of the Risk Management Committee:

Risk identification & control policy:

Formulation and implementation of appropriate strategies for risk assessment and its control is the responsibility of Risk Management Committee. Risk Management Committee will monitor risk management policies & methods and amend it if necessary. The committee will review the risk management process to ensure effective prevention and control measures.

Construction of organizational structure:

The responsibility of Risk Management Committee is to ensure an adequate organizational structure for managing risk within the bank. The Risk Management Committee will supervise formation of separate management level committees and monitor their activities for the compliance of instructions of lending risk, foreign exchange transaction risk, internal control & compliance risk, money laundering risk, information & communication risk including other risk related guidelines.

Analysis and approval of Risk Management policy:

Risk management policies & guidelines of the bank should be reviewed annually by the committee. The committee will propose amendments if necessary

and send it to the Board of Directors for their approval. Besides, other limits including lending limit should be reviewed at least once annually and should be amended, if necessary.

Storage of data & Reporting system:

Adequate record keeping & reporting system developed by the bank management will be approved by the risk management committee. The committee will ensure proper use of the system. The committee will minute its proposal, suggestions & summary in a specific format & inform the Board of Directors.

Monitoring the implementation of overall Risk Management Policy:

Risk Management Committee will monitor proper implementation of overall risk management policies. They will monitor whether proper steps have been taken to mitigate all risks including lending risk, market risk, and management risk.

Other Responsibilities:

Committee's decision and suggestions should be submitted to the Board of Directors quarterly in short form; Comply instructions issued time to time by the controlling body; Internal & external auditor will submit respective evaluation report whenever required by the committee.

The Risk Management Committee acknowledges the splendid support of Members of the Board, Management, Risk Management Team of the Bank for their support and cooperation while performing its duties and responsibilities.

Meetings of the Risk Management Committee

Risk Management Committee of the Bank met in four meetings in the year 2025 and had discussed in details the findings on different risk issues and protective measures. The Committee also instructed the management to ensure mitigation and minimization of risks associated in operation of the Bank.

The Meetings were held in following dates:

Meeting	Date
28 th Risk Management Committee Meeting	17 th March 2025
29 th Risk Management Committee Meeting	22 nd September 2025
30 th Risk Management Committee Meeting	5 th Nov 2025
31 st Risk Management Committee Meeting	24 th Dec 2025



Attendance in the Risk Management Committee Meeting during the Year 2025 is as follows:

Name	Attendance	Remarks
Brig Gen Imtaj Uddin, ndc, psc	02/02	Included as Chairman on 29 th September 2025.
Brig Gen Md Nurul Amin, BGBMS, PhD, MPH	01/01	Excluded on 31 st July 2025.
Brig Gen Mohammad Shariful Islam, psc	04/04	
Col Md Moinul Islam Mollah, psc	02/02	Excluded on 31 st July 2025.
Mr. Abu Hena Mohd. Razee Hassan	02/02	Excluded on 29 th September 2025.
Mr. Ahmed Kamal Khan Chowdhury	02/03	Included on 31 st July 2025; Leave on one Meeting.

Area Focused & Agenda Discussed in 2025

28th Risk Management Committee Meeting: The Committee reviewed the Credit Portfolio Status, Investment Portfolio, PCA Framework & Status, Recovery Strategy of All Stressed Assets (Loans and Investments), Deposit Portfolio Status, Tools for Risk Assessment of All Core Risks, progress Status of BGB Loan Acquisition, Comprehensive Risk Management Report, Report of Risk Management Policies and Effectiveness of Risk Management Functions 2024, Risk Appetite Statement. ICC Policy, ICT Security Policy, Cloud Computing and Security Policy, Documentation Deferral /Waiver Matrix were reviewed by the Committee.

29th Risk Management Committee Meeting: The Risk Management Policy, CRM Policy, Work Order Financing Policy were reviewed by the Committee. Deposit Portfolio Status, Credit Portfolio Status and Deferral Status, Investment Portfolio Status, Stressed Accounts, PCA Framework & Status, CAMELS Rating, Comprehensive Risk Management Rating, Internal Capital Adequacy Assessment Process (ICAAP) Report, Stress Testing Report were also reviewed.

30th Risk Management Committee Meeting: The ML & TF Risk Management Policy 2025, ML & TF Risk Assessment Guidelines 2023, KYC Policy was reviewed; the projection of the Financial Position and Capital Position, Bangladesh Bank Off-site Supervision Report on “Foreign Exchange Risk Management” collateral securities of large loan customers were reviewed by the Committee.

31st Risk Management Committee Meeting: The Committee reviewed the Customer Acceptance Policy 2025, Fraud Risk Management Policy, Brand Communications Policy, Corporate Social Responsibility (CSR) Policy. The Monthly Risk Management Report, Internal Credit Risk Rating (ICRR) Status, Credit Portfolio Status, Investment Portfolio Status, Deposit Portfolio Status, stress testing report, PCA Framework & Status were reviewed by the Risk Management Committee.

Risk Management Committee acknowledges the splendid support of Members of the Board, and Management from their respective work arena to make Shimanto Bank as a compliant one.

On behalf of the Committee,



Brig Gen Imtaj Uddin, ndc, psc
Chairman, Risk Management Committee
Shimanto Bank PLC.

Date: 25 July 2026



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

Corporate governance involves a set of relationships between a company's management, its board, its shareholders and other stakeholders. Corporate governance also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined.

The purpose of corporate governance is to help build an environment of trust, transparency and accountability necessary for fostering long-term investment, financial stability and business integrity, thereby supporting stronger growth and more inclusive societies.

We have started our journey to achieve the goals prudently by establishing principles of corporate governance in the operation of the Bank. We are committed to running the Bank in compliance with the highest standards of corporate governance.

Governance Legal Framework

Shimanto Bank PLC. operates within the legal framework of the Companies Act-1994 and as a banking company, complies with the provisions of the Bank Company (Amendment) Act-2013. We are complying with the directives and guidelines issued from time to time by Bangladesh Bank (BB) for operation of the Bank and circulars of Bangladesh Securities and Exchange Commission (BSEC) for capital issues. Specifically, for governance issues we have been following the 'BRPD Circulars' issued by Bangladesh Bank and 'Corporate Governance Code' issued by BSEC.

As a part of good practice, we are also following different principles on corporate governance like 'OECD Principles of Corporate Governance' framed by Organization for Economic Co-operation and Development, 'Corporate Governance Principles for framed by Banks' framed by Basel Committee on Banking Supervision and Bank for International Settlements etc.

Internal policies of Shimanto Bank PLC. are formulated in line with the guidelines of Bangladesh Bank which are approved by the Board of Directors of the Bank. Mentionable policies are as follows:

- Credit Risk Management Policy
- Asset Liability Management Policy
- Treasury & Investment Management Policy
- Procurement & Logistics Support Policy
- Media Communication Policy
- Deposit Policy
- Business Continuity Policy
- Know Your Customer (KYC) Policy
- Customer Acceptance Policy
- Commercial Paper Investment Policy
- Small and Medium Enterprise (SME) Credit Policy
- Green Banking Policy
- Human Resource Policy
- CSR Policy
- ICT Security Policy
- GL Control & Reconciliation Policy
- Fixed Asset Policy
- Internal Control & Compliance Policy
- Audit Policy
- Fraud Risk Management Policy
- Money Laundering & Terrorist Finance Risk Management Policy
- Integrity Award Policy
- Risk Management Policy
- Start-up Financing Policy
- Cloud Computing and Security Policy
- Cluster Financing Policy
- Security Policy
- Consumer Financing Policy
- Transfer Pricing (TP) Policy
- Work Order Financing Policy etc.

Standard operating procedures, process manuals are prepared by the Management in line with the applicable policies to streamline and strengthen the process and procedures.



Stakeholders

The Stakeholders of the Bank are individuals or groups that have an interest, claim or stake in the Company, in what we do and in how well we perform. All the Stakeholders are in an exchange relationship with us. Each of them supplies us with important resources and in exchange each expects that its interest is satisfied. The significant stakeholders are the Shareholders, Investors, Board of Directors, Board Committees, Bank Management, Employees, Customers, Regulatory Authorities (i.e. Bangladesh Bank, Registrar of Joint Stock Companies, Bangladesh Securities & Exchange Commission, Financial Reporting Council, National Board of Revenue and other relevant government agencies), Trade/professional Bodies (i.e. Bangladesh Association of Banks, Association of Bankers Bangladesh), External Auditors etc.

Shareholding Structure

BGB Welfare Trust, Sponsor of the Bank has been holding 99.99% shares of the Bank as on 31st December 2025. BGB Welfare Trust is a limited liability company/trust limited by guarantee registered in Bangladesh for development and welfare of the Members of Border Guard Bangladesh (BGB), a paramilitary force of Bangladesh. The Director General (DG) of Border Guard Bangladesh is the Chairman of BGB Welfare Trust. He is also representing shareholding interest of BGB Welfare Trust in Shimanto Bank PLC.

There are nine individual members holding one qualifying share each for being Member of the Board of Directors as on 31st December 2025.

Sl.	Name of Shareholder	No of Shares Held	Percentage of Share
1	BGB Welfare Trust Represented by Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil	52,49,99,994	99.99%
2	Others	6	Negligible
Total		52,50,00,000	100%

Ownership of Company's Securities by the Members of Board of Directors as on 31 December 2025 are as follows:

SL	Name of Director	No of Share
01.	Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, ndc, psc, MPhil)	01
02.	Brig Gen Imtaj Uddin, ndc, psc	01
03.	Brig Gen Md Sohrab Hossain Bhuiyan, PBGM, ndc, psc, G+	01
04.	Brig Gen Mohammad Shariful Islam, BGBM, psc	01
05.	Col Md Moinul Islam Mollah, PBGMS, psc	01
06.	Col Mohammad Nazrul Islam, BGBM, BGBMS, psc	01
Total		06

Shareholding by Executives as on 31 December 2025 are as follows:

Name of Executives	No of Share
Managing Director & Chief Executive Officer	Nil
Company Secretary	Nil
Chief Financial Officer	Nil
Head of Internal Control & Compliance	Nil
Spouses and Minor children of above Executives	Nil

The shareholding by other senior executives is also nil.

The Annual Returns regarding shareholding structure as well as the registering the share transfer instrument as prescribed by the Companies Act-1994 has been submitted duly to the Joint Stock Companies & Firms. Stock dividend has been distributed and Return of Allotment has been submitted within the statutory requirements.



Policy on Appointment of Directors

Directors of Shimanto Bank PLC. are appointed complying with the relevant provision/clause of Companies Act 1994, Bank Company Act 1991 (amended up to 2013), Corporate Governance Code of BSEC and Bangladesh Bank and Articles of Association of the Bank. The Board of Directors of the Bank is consisted of the selected senior most Officers of Border Guard Bangladesh (BGB) stationed at HQ BGB having qualifying shares who also have diversified professional experience in military operations, government projects, foreign missions and businesses entities etc. Their rich and diverse professional backgrounds have given the Board a vantage point in directing and monitoring the Bank to achieve its desired mission and vision. Every Director is holding qualification share of BDT 10 (Taka ten) only ordinary share issued by the Bank in their own name. The Chairman of the Bank is representing the shareholding interest of the BGB Welfare Trust holding 99.99% of shares of the Bank.

Appointment of Independent Directors

The Bank has ensured effective representation of Independent Directors on the Board of Directors by appointing two Independent Directors. The Board has included core competencies considered relevant in the context of banking company.

Appointment, Rotation and Retirement of Directors

In the 9th Annual General Meeting of the Bank, three senior most Directors were retired and two of them were re-elected in the same general meeting. Four other Directors were retired and all were re-elected (who had been appointed in between the AGM to fill up casual vacancy). Two other Directors were elected afresh in the AGM by the shareholders of the Bank. The said re-elected and elected individuals have been appointed as Director of the Board with prior approval from Bangladesh Bank.





Board Meeting and Attendance

During the year 2025, nine meetings of the Board of Directors were conducted and the attendance of the directors in those meetings are presented in the following table:

Sl.	Name	Description	Meeting Held	Present in Meeting	Absent	Remarks
01	Major General Mohammad Ashrafuazzaman Siddiqui, OSP, BSP, SUP, ndc, psc, MPhil)	Chairman	12	12	Nil	
02	Brig Gen Imtaj Uddin, Ndc, psc	Director	03	03	Nil	Joined the Board on 23 October 2025
03	Brig Gen Md Shohrab Hossain Bhuiyan, BGBM, PBGM, ndc, psc, G+	Director	10	10	Nil	Joined the Board on 26 February 2025.
04	Brig Gen Mohammad Shariful Islam, BGBM, psc	Director	10	10	Nil	Joined the Board on 26 February 2025.
05	Col Md Moinul Islam Mollah, psc	Director	12	10	02	Leave of absence granted by the Board.
06	Col Mohammad Nazrul Islam, BGBM, BGBMS, psc	Director	05	05	Nil	Joined the Board on 20 August 2025
07	Abu Hena Mohammad Razee Hasan	Independent Director	12	12	Nil	
08	Ahmed Kamal Khan Chowdhury	Independent Director	12	09	03	Leave of absence granted by the Board.
09	Brig Gen Md Nurul Amin, BGBMS, PhD, MPH	Ex-Director	06	05	01	Retired on 15 July 2025.
10	Brig Gen Md Shahadat Sikder, ndc, afwc, psc	Ex-Director	09	08	01	Resigned on 29th September 2025.
11	Brig Gen Khandaker Shafiquzzaman, BGBM, psc	Ex-Director	04	04	Nil	Retired on 15 July 2025.
12	Brig Gen Md Yeasir Jahan Hossain, PBGM, BGOM, psc	Ex-Director	02	02	Nil	Joined the Board on 20 August 2025 and resigned on 29 September 2025.

Remuneration of Directors

The Directors do not receive any type of remuneration and incentive. They are only paid Board meeting attendance fees, and other Board's Committee meetings as per Articles of Association of the Bank and within the guidelines of Bangladesh Bank. Information regarding expenses relating to Directors is separately disclosed in the financial statements in Notes-31. At the end of 2025, Shimanto Bank PLC. had 06 (six) members in its Board of Directors, 03 (three) members in the Executive Committee, 03 (three) members in the Audit Committee and 04 (four) members in the Risk Management Committee. As per Bangladesh Bank's BRPD Circular Letter No-2 on 11th February 2024, the members of Board of Directors and its Committees (excluding Managing Director) received maximum BDT 10,000.00 (Ten thousand) as honorarium for attending in a meeting. As per BRPD Circular No. No-3 on 14th February 2024 issued by Bangladesh Bank, Independent Directors are entitled for meeting fees as prescribed by Bangladesh Bank for attending the meeting and monthly remuneration of BDT 50,000 for subject to deduction of applicable taxes.

In the year 2025, total Directors Fees expense was BDT 3.40 million which was BDT 1.86 million in 2024.



Separation of Chairman and Chief Executive Officer Roles

As per regulations of Bangladesh Bank BRPD Circular Letter No-2 on 11th February 2024, BRPD Circular Letter No-5 on 27th February 2024 and Corporate Governance Code issued by BSEC, we report that the Chairman of the Board has been elected from among the Directors and there are clear and defined roles and responsibilities of the Chairman and the Chief Executive Officer.

Roles and Responsibilities of the Board of Directors

The major roles and responsibilities of the Board, among others, are to set the vision, mission and policies of the Bank and to determine the goals, objectives and strategies to ensure efficient utilization of the Bank's resources. The Board of Directors are performing their roles and responsibilities in compliance with Bangladesh Bank BRPD Circular Letter No-2 on 11th February 2024.

Responsibilities of the Chairman

The Chairman of the Bank has been delivering his rules and responsibilities as per BRPD Circular Letter No-2 on 11th February 2024 issued by Bangladesh Bank and Corporate Governance Code issued by BSEC.

Appraisal of Board Members

The Board of Directors of Shimanto Bank PLC. is guided by the corporate governance principles as well as the terms of reference prescribed by the regulators of the country. The Bank appraises the performance of members of the Board on the basis of aforesaid principles. Above all, an evaluation of the Board has been taken place through the Annual General Meeting (AGM) with the direct participation of the shareholders of the Bank.

Appointment, Roles and Responsibilities of Managing Director & CEO

Managing Director & CEO of the Bank is appointed with due approval from Bangladesh Bank. The Board of Directors of the Bank clearly defines and approves the roles, responsibilities and duties of the Managing Director & Chief Executive Officer (CEO) complying with the Bangladesh Bank BRPD Circular Letter No-5

on 27th February 2024 issued by Bangladesh Bank and Corporate Governance Code issued by BSEC. The Board has delegated appropriate financial and business power to the Managing Director & CEO. In order to have proper functioning and quick disposal of credit proposal, Board has delegated required authority to the Management to approve proposal within certain limit and take various necessary decision. The delegation supports the operation of the Bank in a positive manner.

Tenure of Mr. Rafiqul Islam was appointed as Managing Director & CEO was ended on 7th August 2025 after accomplishing three years of service contract which was not renewed further.

Remuneration of Managing Director & CEO

The remuneration package of the Managing Director & CEO is determined by the Board and is subsequently approved by Bangladesh Bank. The Managing Director & CEO has been appointed on a contractual basis and his remuneration is also disclosed in the Note-30 of audited financial statements. Expenses for Salary and Allowances of Managing Director & CEO for the year 2025 was 5.88 million which was 10.82 million in 2024.

Appointment of Company Secretary, Chief Financial Officer and Head of ICC

The role of Company Secretary, Chief Financial Officer and Head of Internal Control & Compliance are completely distinctive and the Bank appointed and assigned separate individuals for the respective positions as per the policy of the Bank and other regulatory laws and regulations. They are well conversant in the field of financial, regulatory and corporate laws to carry out their assigned responsibilities.

Independence of Non-Executive Directors

The Non-Executive Directors enjoy full freedom in discharging their responsibilities. They attend the Board Meetings and Committee Meetings of which they are members regularly. They participate in the deliberation and discussions effectively. They actively involve in the matter of formulation of general strategies of the Bank. But they do not participate in or interfere into the administrative or operational or routine affairs of the Bank.



Board Committees & Their Roles

As on 31st December 2025, the Bank has three Sub-Committees of the Board for ensuring good governance through transparency and accountability in bank management complying with the Bangladesh Bank circular i.e. BRPD Circular Letter No-2 on 11th February 2024.

The three Board committees are Executive Committee, Audit Committee and Risk Management Committee to oversee and direct the operations, performance and strategic direction of the Bank.

1. Audit Committee (AC)

The Audit Committee of the Board comprised of three members from the Board who are not member of the Executive Committee. The Audit Committee carries out its functions based on the guidelines of Bangladesh Bank. The Company Secretary acts as the secretary of the committee.

The Committee has been re-constituted by the Board of Directors from time to time to review and oversee independently the company's financial reporting, nonfinancial corporate disclosures, internal control systems and compliance to governing laws, rules and regulations etc. The report of the Audit Committee is provided in the page no 76 of this Annual Report.

2. Risk Management Committee (RMC)

In Compliance with BRPD Circular Letter No-2 on 11th February 2024, the Board of Directors of the Bank has constituted a four-member Risk Management Committee (RMC) of the Board. The Risk Management Committee has been formed to minimize probable risks arisen during implementation of Board approved policies, procedures and strategies. The RMC is entrusted to examine and review whether management is properly working on identification, management and mitigation of credit risk, foreign exchange risk, internal control and compliance risk, money laundering risk, information and communication technology risk, operation risk, interest rate risk and liquidity risk and keeping adequate provision and capital against the said risks.

The Statement of the Risk Management Committee on appointment, composition, roles and responsibilities of the Committee is furnished in page no 80 of this Annual Report.

Nomination and Remuneration Committee (NRC)

Shimanto Bank PLC. have not formed the Nomination and Remuneration Committee (NRC) as there is restriction over formation of more than three sub-committee of the Board as per BRPD Circular Letter No-2 on 11th February 2024. Few Terms of Reference of NRC has been delegated to the Audit Committee in compliance with circular of Bangladesh Bank.

Management Committees & Their Responsibilities

In Corporate Governance framework, the Bank Management has a collective effort and objective under the leadership of Managing Director & CEO for carrying out daily operations to the best interest of the shareholders and all other stakeholders. Shimanto Bank has some designated committees who are entrusted with specific objectives.

1. Senior Management Team (SMT)

SMT of Shimanto Bank is consisting of the heads of the functional departments and units. It is the highest decision making authority of the management who are responsible for monitoring for effective discharge of management responsibilities. They are also responsible for strategic and tactical decisions relating to business, credit, operations, administration, HR, internal and financial control and compliance etc. They are also responsible for monitoring the adequacy and effectiveness of the Internal Control System based on the bank's established policy and procedure; to review on a yearly basis the overall effectiveness of the control system of the organization; to enrich audit teams with adequate skilled manpower and proper IT support as per requisition of the ACB for purposeful and effective audit; to ensure compliance of all laws and regulations that are circulated by various regulatory authorities such as, Bangladesh Bank, Ministry of Finance, Bangladesh Securities and Exchange Commission, etc.

2. Asset Liability Committee (ALCO)

The Asset Liability Committee (ALCO) of Shimanto Bank is dedicated to oversee the asset-liability position, interest rate risk, liquidity risk, investment portfolio composition and compliance with key ALM ratios. ALCO is also engaged in setting strategies and revamping previously taken strategies to cope with current & future market scenario.



3. Credit Risk Management Committee (CRMC)

The Bank has formed the Credit Risk Management Committee (CRMC) in compliance with the Guidelines of the Central Bank and Policy of Shimanto Bank PLC. The Committee is responsible for ensuring proper and timely identification, measurement and mitigation of risks exposed related to credits by the Bank.

4. Investment Committee

Investment Committee is formed ensuring representation of all concerned divisions of the Bank. The Committee is responsible for reviewing the investment proposals and recommending to the Management.

5. Purchase Committee (PC)

The Purchase Committee (PC) of the Bank consisting members from Administration, HR, Operations, Finance, IT and Communication, plays an instrumental role in the procurement procedure of the Bank. The main objective of this committee is to ensure transparency in procurement activity seeking 'value for money' in each deal made.

6. HR Committee

HR Committee of the Shimanto Bank PLC. is consisting of the top executives of the Bank and the committee is entrusted to review and recommend on different issues, agenda of human resources whenever require.

7. Executive Risk Management Committee (ERMC)

Executive Risk Management Committee (ERMC) of Shimanto Bank PLC. is formed consisting of representatives of different stakeholders and divisions. Objective of the Committee is to promote better risk culture at all levels of the banks, to provide minimum standards for risk management practices, to improve financial soundness of individual banks and stability of the overall financial sector, to encourage banks to adopt and implement a sound risk management framework and to introduce important risk management tools and techniques for assessment and necessary treatment of various risks.

8. ICT Risk Management Committee

ICT Risk Management Committee of the Bank is formed and the committee is responsible to govern

overall ICT risks and relevant mitigation measures. The committee is to define the Risk Appetite in terms of combinations of frequency and magnitude of a risk to absorb loss e.g., financial loss, reputation damage.

9. Central Compliance Committee

Central Compliance Committee the prime mover for ensuring the compliance of AML & CFT measures. is responsible for establishing internal control, conducting AML & CFT training regularly and determining its strategies and programs for achieving its objectives.

10. Integrity Strategy Committee

Integrity Strategy Committee is formed as per guidelines of Bangladesh Bank to develop ethical culture across the Bank. The Committee is responsible for creating awareness on integrity and recommend for awards.

11. Fraud Risk Management Committee

The key responsibilities of this committee are to review & scrutinize the investigation reports and based on the investigation, the committee will take the decision about the fraud / operational loss and the punitive decision for the person(s) responsible. The committee also approves the financial amount as per given authority to the committee.

12. IT Steering Committee

ICT Steering Committee plays one of the key ICT governance roles and responsibilities and the management of ICT related projects. They are also responsible for monitoring management methods to determine and achieve strategic goals, raising flags about exposure towards ICT risks and controls, providing guidance related to risk, funding, or sourcing, ensuring project priorities and assessing feasibility for ICT proposals, ensuring compliance to regulatory and statutory requirements, providing direction to architecture design and ensure that the ICT architecture reflects the need for legislative and regulatory compliance.

13. ICT Security Committee

ICT Security Committee is responsible to ensure implementing the ICT security policy across the Bank. The objective of Committee is to coordinate the development and implementation of Bank's ICT Security Policies and related procedures. The scope of the committee is essentially broad, with the goal



of ensuring the establishment of and adherence to practices which protect the interests of the Bank as a whole and the integrity of ICT security program, individually and collectively.

14. Technical Evaluation Committee

Technical Evaluation Committee is formed to review the procurement proposals to examine whether the specifications, terms and conditions of the proposal is technically complained with the requirement of the Bank and recommend accordingly.

15. Corporate Social Responsibility (CSR) Committee

CSR Committee of the bank is formed consisting of the top executives of the Bank. The committee is responsible for establishing and reviewing corporate social responsibility policies, identifying and recommending the CSR activities to the Board of Directors, overseeing the implementation and monitoring of CSR programs, reviewing the annual budgets with respect to corporate social responsibility program.

Related Party Transaction

The details of transactions of related parties of the company have been given in Note 47 of the Financial Statements. Shimanto Bank PLC. didn't transact any significant related party contracts/transactions during the year 2025 where Bank is a party and wherein Directors have interest. Bank follows normal process of business for related party transaction i.e. Related party does not enjoy any preferred facility or concession or favor from the view point of approval process, rate or cost charged etc.

Code of Conduct & Whistle Blowing Policy

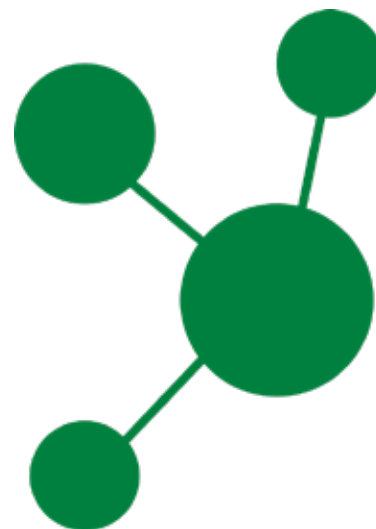
All the employees of Shimanto Bank PLC. should believe in same ethical standards and therefore, the Bank has a Code of Conduct. By any means, no employee will play a role which is detrimental to the

interest of the business, society and the country as a whole as set in the Code of Conduct.

Whistle blowing policy is incorporated in the Code of Conduct to create an environment by promoting a culture at Shimanto Bank PLC. where the honest, dedicated and loyal staff is encouraged and feels confident to reveal and report, without any fear of retaliation, subsequent discrimination and of being disadvantaged in any way, about any fraudulent, immoral, unethical or malicious activity or conduct of employees, which in their opinion may cause financial or reputational loss to the Bank. The policy of the Bank provides assurance to the Whistleblowers about secrecy and protection of their legitimate personal interests.

Corporate Social Responsibility Activities and Green Banking

Corporate social responsibility (CSR), in recent times, has become an integral part of business. The contribution of Banks in this regard is of paramount importance considering their unique position in the economy. Shimanto Bank PLC. has a policy to contribute 10% of the net profit of the previous year in CSR activities. The Bank believes that CSR practice not only improves own standard but also affect the socially responsible behaviors of its businesses. Shimanto Bank PLC. maintains a standard CSR practices aligned with the CSR Guideline issued by the Bangladesh Bank. The Bank focuses on education, health, disaster management, socio-economic development, sports etc. in case of CSR implementation. Moreover, Shimanto Bank PLC. has policy on Green Banking and also is practicing Green Banking.





**DISCLOSURE ON
RISK BASED CAPITAL**
(Under Pillar 3 of Basel III)
for the year ended December 31, 2025



DISCLOSURE ON RISK BASED CAPITAL (Under Pillar 3 of Basel III)

for the year ended December 31, 2025

Background:

Financial sector of a country plays a fundamental role in stability and strength of the economy as it is associated with other large core sectors of the economy. Financial sector is the source of liquidity that is essential for the core elements of an economy. Basel III is a global regulatory framework for more resilient banks and banking system, issued by the Basel Committee on Banking Supervision (BCBS) of the Bank for International Settlement in December 2010 (Revised in June 2011). The Basel Committee on Banking Supervision's (BCBS) framework of capital measurement and capital adequacy, known as Basel III, requires banks to publicly disclose prudential information. This information includes capital requirements, risk levels, and risk management systems. The purpose of this disclosure is to enhance transparency and enable market participants to assess and analyze a bank's risks and capital adequacy. This disclosure is an essential market mechanism that can help banks achieve effective risk management beyond simply internal controls and supervision by the Bangladesh Bank.

The current scenario of bank runs is a prime example of how the depletion of regulatory capital, combined with a panicked rush by depositors to withdraw their money, can render a bank unviable and insolvent. As a result, sound risk management is essential to any banking operation, and therefore the need for a sufficient capital adequacy ratio is paramount. Under prudential norms, capital regulation is of critical importance in order to ensure the structural stability of the banking system and protect depositors.

Given the importance of capital adequacy, a bank's capital adequacy ratio (CAR) is considered a symbol of its operational health, helping to protect against excessive leverage and insolvency. It is defined as the ratio of a bank's capital to its current liabilities and risk-weighted assets (RWAs). RWAs are a measure of the amount of a bank's assets, adjusted for risk. An appropriate level of capital adequacy ensures that the bank has sufficient capital to expand its business, while at the same time its net worth is sufficient to absorb any financial losses without becoming insolvent. It is the ratio that determines a bank's ability to meet its time liabilities and other risks.

To comply with international best practices and to make banks' capital more shock absorbent, the "Guidelines on Risk-Based Capital Adequacy (RBCA) for banks" (Revised Regulatory Capital Framework in line with Basel II) was introduced on January 1, 2009, in parallel with BRPD Circular No. 10, dated November 25, 2002 (Basel I). At the end of the parallel run, the Basel II regime began on January 1, 2010, and the RBCA guidelines came fully into force with subsequent supplements and revisions. Bangladesh Bank then issued the "Guidelines on Risk-Based Capital Adequacy (RBCA) for banks" (Revised Regulatory Capital Framework in line with Basel III) in BRPD Circular 18 dated December 21, 2014; Basel III reporting began on January 2015, and full implementation began on January 2020. All scheduled banks were required to follow the instructions regarding Minimum Capital Requirement (MCR), Adequate Capital, and Disclosure requirements as stated in the guidelines for statutory compliance.

Basel III Accord:

Basel III is an internationally agreed set of measures developed by the Basel Committee on Banking Supervision (BCBS) in response to the financial crisis of 2008. It is a global regulatory framework that seeks to strengthen the regulation, supervision, and risk management of banks. Basel III builds on the previous Basel Accords (Basel I and Basel II) and mainly addresses the following areas:

- Raise the quality and level of capital to ensure banks are better able to absorb losses on both a going concern and a gone concern basis
- Increase the risk coverage of the capital framework
- Introduce leverage ratio to serve as a backstop to risk-based capital measure
- Raise the standards for the Supervisory Review Process (Pillar 2) and Public Disclosures (Pillar 3)



The Basel III framework consists of three-mutually reinforcing pillars:

Pillar 1 (Minimum Capital Requirement): This Pillar of the Basel III framework covers the calculation of risk-weighted assets (RWAs) for credit risk, market risk, and operational risk. Shimanto Bank PLC. uses the standardized approach to measure credit risk, the standardized approach to measure market risk, and the basic indicator approach to measure operational risk. Shimanto Bank also maintains a non-risk-based leverage ratio at a healthy level.

Pillar 2 (Supervisory Review Process): This Pillar of the Basel III framework covers all other risks, as well as the entire risk management framework from both the internal and external (supervisory) perspectives. Shimanto Bank has developed a comprehensive ICAAP (Internal Capital Adequacy Assessment Process) manual to capture risks in detail. Pillar 2 covers the consideration of whether additional capital is required over and above the Pillar 1 risk calculations. Regular SRP-SREP interaction ensures compliance with Pillar 2 regulations.

Pillar 3 (Market Discipline): This Pillar of the Basel III framework covers the external communication of risk and capital information by banks. This is intended to promote transparency and good risk management, and to allow market participants to make informed decisions about their investments. Pillar 3 disclosures include information on a bank's capital adequacy, risk management framework, and exposures to various risks. The information provided in the Market Disclosure is consistent with the relevant guidelines set by Bangladesh Bank from time to time.

It has been prepared based on the bank's audited financial statements and is available on the bank's website. Pillar 3 disclosures set out in the following sections:

1. Scope of Application

Qualitative Disclosures:

(a) The name of the top corporate entity in the group to which this guideline applies:

The framework applies to Shimanto Bank PLC. as of the reporting date i.e. December 31, 2025. However, 'Solo Basis' information has been presented as Bank does not have any subsidiary.

(b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities

within the group (i) that are fully consolidated; (ii) that are given a deduction treatment; and (iii) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted):

Shimanto Bank PLC. incorporated as a Public Limited Company (Banking Company) under the Companies Act 1994 for carrying out all kinds of banking activities and was formally inaugurated on 1st September 2016.

As of December 31, 2025; the Bank is operating its business activities through Head Office including 36 (Thirty Six) Branches and Sub Branches (Agrabad Branch, Ashulia Branch, Benapole Branch, Bibirbazar Branch, Brahman Baria Branch, Champaknagar Branch, Chirir Bandar Branch, Chuadanga Branch, Cox's Bazar Branch, Gadkhali Branch, Gulshan Branch, Hazaribagh Branch, Hili Branch, Jubilee Road Sub Branch, Khulna Branch, Kushtia Branch, Lalmonirhat Branch, Mohammadpur Sub-Branch, Motijheel Branch, Mymensingh Branch, Pabla Sub-Branch, Pragpur Branch, Principal Branch, Rajshahi Branch, Ramu Sub-Branch, Rangamati Sub Branch, Rangpur Branch, Satkania Branch, Satkhira Sub Branch, Seedstore Branch, Shyamnagar Sub Branch, Sylhet Branch, Teknaf Branch, Uttara Branch, Uttara Sub-Branch & Zakiganj Branch).

(c) Any restrictions, or other major impediments, on the transfer of funds or regulatory capital within the group:

Not applicable

Quantitative Disclosures:

(d) The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.

Not Applicable

2. Capital Structure

Qualitative Disclosures:

(a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1, or in Tier 2.

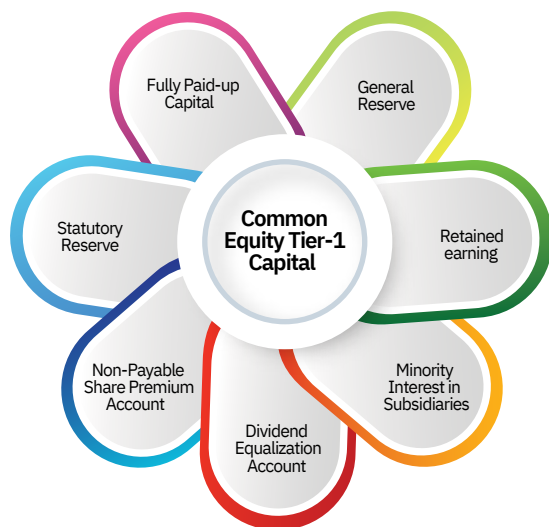
For the purpose of calculating capital under the capital adequacy framework, the capital of banks shall be classified into two tiers.



The total regulatory capital will consist of the sum of the following categories:



I. Tier 1 Capital (going-concern capital): This form of capital can absorb losses without triggering the bankruptcy of the bank. Hence, it is the core measure of a bank's financial strength from the regulator's point of view. The components of Tier 1 Capital are given below:



Common Equity Tier 1 Capital:

It is called 'Core Capital' and comprises the highest quality of capital elements consisting of:

Less: Regulatory adjustments applicable on Common Equity Tier 1

Additional Tier 1:

- Non-cumulative irredeemable preference share
- Instruments issued by the banks that meet the qualifying criteria for AT1
- Minority Interest i.e. AT1 issued by consolidated subsidiaries to third parties as specified in Annex-4 of Basel III Guidelines (For Consolidated Reporting)

Less: Regulatory adjustments applicable on AT1

II. Tier-2 Capital: It is called 'gone-concern capital' and represents other elements that fall short of some

of the characteristics of the core capital consisting of-

- General Provision
- Subordinate Debt
- Minority Interest i.e. Tier 2 issued by Consolidated subsidiaries to third parties

Less: Regulatory adjustments applicable on Tier-2 capital

Quantitative Disclosures:

(b) The amount of Regulatory capital of Shimanto Bank PLC. under Basel-III during 2025 as below:

SL	Particulars	BDT in Million
(a)	Common Equity Tier-1 Capital (CET-1)	
a.1	Fully Paid-up Capital	5,250.00
a.2	Statutory Reserve	510.13
a.3	Retained Earnings	(818.19)
a.4	Sub-Total (a.1 to a.3)	4,941.94
(b)	Less: Regulatory Adjustments	
b.1	Deferred Tax Assets (DTA)	(382.09)
(c)	Total common equity Tier-1 capital (CET-1)	4,559.84
(d)	Additional Tier-1 Capital	0.00
(e)	Total Tier-1 Capital (c+d)	4,559.84
(f)	Tier-2 Capital	
f.1	General Provision	651.98
(h)	Total Admissible Tier -2 Capital	651.98
(i)	Total Eligible Regulatory Capital (e+h)	5,211.82

3. Capital Adequacy

Qualitative Disclosures:

(a) A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities:

Capital Calculation Approach:

The banking industry of Bangladesh transitioned to Basel III from Basel II in early 2015. In accordance with the Basel Committee on Banking Supervision (BCBS) recommendations and international best practices, Bangladesh Bank issued revised guidelines on Risk-Based Capital Adequacy based on Basel III with the goal of fully implementing it by the end of 2019.

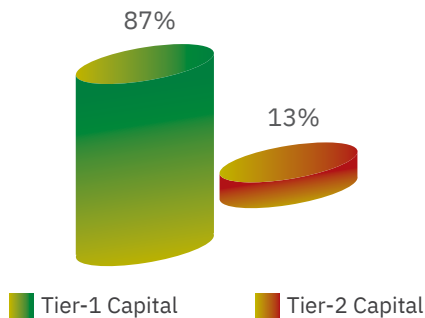


Shimanto Bank, as a result, implemented the Basel III framework as part of its capital management strategy. The bank applies the following approaches for its risk-wise capital calculation:

- Credit Risk: Standardized Approach (SA)
- Market Risk: Standardized Approach (SA)
- Operational Risk: Basic Indicator Approach (BIA)

Capital of the Bank: In parallel to business growth, the bank effectively manages its capital to meet regulatory requirements considering the risk profile. Below are a few highlights:

- Currently Bangladesh Bank prescribed Minimum Capital Adequacy Ratio (MCR) including buffer is 12.50%, whereas as on December 2025; the CRAR of the bank was 25.07%.
- During the same period Minimum Capital Requirement (MCR) of the bank was BDT 5,000 Mn and the eligible capital was BDT 5,211.82 Mn; i.e. the bank held BDT 211.82 Mn surplus capital.



Capital Management: Capital adequacy calculation provides a bank with an indicative resolution for the capital requirement; however, capital management plays a crucial role in maintaining the overall capital at an adequate level. Shimanto Bank's capital management is underpinned by a sound capital assessment process, followed by a risk-based long-term capital planning approach.

- Encouraging borrowers to complete external credit rating to assess counterparty credit risk status, and minimize regulatory capital requirements;
- Improving and enhancing collateral coverage through efforts to obtain eligible collateral;
- Growth projection in line with RWA composition and capital planning trajectory;
- Assessing risk profile of new clients and onboarding clients with satisfactory external credit rating

Shimanto Bank's Risk Management Division (RMD) monitors CRAR status regularly and reports to the Senior Management and the Board from time to time.

(b) Quantitative Disclosures:

SL	Particulars	BDT in Million
(a)	Capital Requirement for Credit Risk	1,811.08
(b)	Capital Requirement for Market Risk	29.82
(c)	Capital Requirement for Operational Risk	237.63
(d)	Minimum Capital Requirement (MCR)	500.00
(e)	Total Eligible Regulatory Capital	5,211.82
(f)	Total Risk-Weighted Assets (RWA)	20,785.23
(g)	Capital to Risk-weighted Asset Ratio (CRAR)	25.07%
(h)	Capital Ratio	
h.1	Common Equity Tier 1 (CET 1) Ratio	21.94%
h.2	Tier 1 Capital Adequacy Ratio	21.94%
h.3	Tier 2 Capital Adequacy Ratio	3.14%
h.4	Capital Conservation Buffer (CCB) Maintained (Minimum Requirement of CCB is 2.50%)	15.07%
i.	Available Capital under Pillar 2 requirement	211.82

4. Credit Risk

Qualitative Disclosures:

(a) The general qualitative disclosure requirement with respect to credit risk:

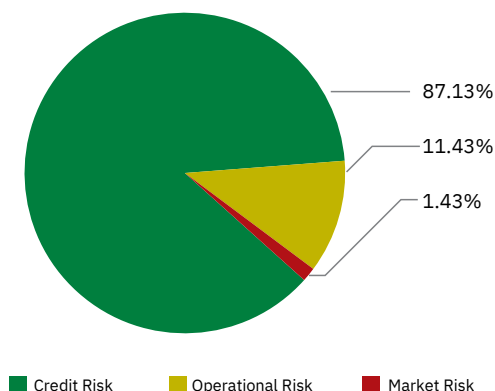
Credit risk refers to the probability of loss resulting from a borrower's failure to repay a loan or meet contractual obligations. Financial institutions face different types of credit risks—default risk (Unable to repay the loan obligation on time), concentration risk (heavy reliance on a particular sector or industry), country risk (probability of a foreign government defaulting on its financial obligation), downgrade risk (loss caused by falling credit ratings), and institutional risk (failure to comply on pre-determined rules, regulations, covenants or conditions). For most banks, default risk is the largest and most obvious source of credit risk. However, apart from the one stated above, there are other sources of credit risk both on and off-the balance sheet items. Off-balance sheet items include letters of credit, non-funded loan commitments etc.

Credit risk management is the process of mitigating



those losses by identifying and assessing the risks associated with lending and at the same time understanding the adequacy of both a bank's capital and loan loss reserves to accommodate those risks. Our credit risk management function has been kept independent from business origination functions to establish better internal control and reduce conflict of interest. The Bank has a well-structured delegation and sub-delegation of credit approval authority for ensuring better control in the credit approval system. The Board is the apex body for credit approvals at Shimanto Bank. The credit approval authority is delegated to the Managing Director, further sub-delegated to officials of CRM based on their credit skills, experience, and knowledge.

CAPITAL REQUIREMENT



(i) Definitions of past due and impaired:

Bank classifies loans and advances (loans and bills discount in the nature of an advance) into performing and non-performing loans (NPL) in accordance with the Bangladesh Bank guidelines in this respect. All the loans and advances are grouped into four categories for the purpose of classification, which are as followings:

- 1. Continuous Loan:** The loan accounts in which transactions may be made within certain limit and have an expiry date for full adjustment will be treated as Continuous Loan. Examples are: Cash Credit, Overdraft, etc. Any Continuous Loan if not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date.
- 2. Demand Loan:** The loans that become repayable on demand by the bank will be treated as Demand Loan. Such as: Post Import Financing, Payment against Document, Foreign

Bill Purchased, and Inland Bill Purchased, etc. However, if any contingent or any other liabilities are turned to forced loan (i.e. without any prior approval as regular loan) those too will be treated as Demand Loan. Any Demand Loan if not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date.

- 3. Fixed Term Loan:** The loans which are repayable within a specific time period under a specific repayment schedule will be treated as Fixed Term Loan. In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the fixed expiry date, the amount of unpaid installment(s) will be treated as past due/overdue from the following day of the expiry date.
- 4. Short-term Agricultural Credit:** Short-term Agricultural Credit will include the short-term credits as listed under the Agricultural and Rural Credit Policy and Program issued by the Agricultural Credit Department (ACD) of Bangladesh Bank. Credits in the agricultural sector repayable within 12 (twelve) months will also be included herein. The Short-term Agricultural and Micro-Credit if not repaid within the fixed expiry date for repayment will be considered past due/overdue after six months of the expiry date.

All classified loans can be defined as below:

Types of Facility	Overdue Period for Loans Classification		
	Sub Standard	Doubtful	Bad & Loss
Continuous Loan & Demand Loan	3 months or more but less than 6 months	6 months or more but less than 12 months	12 months or more
Fixed Term Loan	3 months or more but less than 6 months	6 months or more but less than 12 months	12 months or more
Short Term Agricultural & Micro Credit	3 months or more but less than 6 months	6 months or more but less than 12 months	12 months or more



All categories of loans, the entire loan will be classified depending on the period of past due or overdue as stipulated below:

CL Categories		Period of past due or overdue
Unclassified	Standard-0 (STD-0)	No past due or overdue
	Standard-1 (STD-1)	≥ 1 day but < 1 month
	Standard-2 (STD-2)	≥ 1 month but < 2 months
	Special Mention Account (SMA)	≥ 2 months but < 3 months
Classified	Sub-Standard (SS)	≥ 3 months but < 6 months
	Doubtful (DF)	≥ 6 months but < 12 months
	Bad/Loss (B/L)	≥ 12 months

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

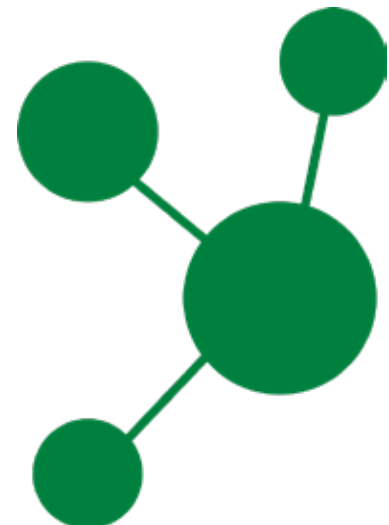
Particular	Rate of Provision						
	Unclassified				Classified		
	STD-0	STD-1	STD-2	SMA	SS	DF	B/L
Agricultural Credit (Other than Short Term)	1%	1%	1%	5%	20%	50%	100%
Short Term Agri. Credit	0.50%	0.50%	0.50%	0.50%	20%	50%	100%
CMS under CMSME	0.50%	0.50%	0.50%	0.50%	20%	50%	100%
Medium under CMSME	1%	1%	1%	5%	20%	50%	100%
Consumer Financing	1%	1%	1%	5%	20%	50%	100%
Housing Finance	1%	1%	1%	5%	20%	50%	100%
Credit Card	1%	1%	1%	5%	20%	50%	100%
Industrial Credit	1%	1%	1%	5%	20%	50%	100%
Service Sector Credit	1%	1%	1%	5%	20%	50%	100%
Trade & Commerce Sector Credit	1%	1%	1%	5%	20%	50%	100%

- 0.50% rate of provision has been instructed by Bangladesh Bank to maintain for Short Term Agricultural credit, Cottage, Micro & Small enterprise credit under CMSME sector till 31 December 2026 as per BRPD circular letter no. 29 of December 21, 2025.

(iii) Discussion of the Bank's Credit Risk Management Policy:

The bank's credit risk management policy is designed to promote the sustained growth of a healthy loan portfolio. It does this by establishing a well-defined system for identifying, measuring, monitoring, and controlling the various risks associated with the bank's credit portfolio. This includes reducing exposures to high-risk areas, focusing on promising industries and sectors, striking a balance between risk and return, and maximizing stakeholder value. The policy also seeks to achieve prudent credit growth, both qualitatively and quantitatively, while adhering to prudential norms. This is done by deploying credit in a balanced manner across industries, sectors, and segments, while also increasing market share. The policy also aims to standardize and harmonize credit practices. The bank has a defined credit appraisal and approval authority, reporting and monitoring system, and loan review and credit audit system in place, as outlined in the board-approved credit risk management policy.

Moreover, credit risk appetite plays a vital role in devising the overall credit strategies of the bank. It sets out the perimeter for different credit aspects, which helps in shaping meticulous and wide-ranging credit-control mechanisms. Shimanto Bank underscores good governance, sound risk assessment, and timely approvals in our lending processes to accelerate quality credit operations. Thus, the bank's credit policy encompasses all operational issues of credit, right from the selection of borrowers to the ultimate recovery, overdue accounts, Special Mention Accounts (SMA), and classified loan accounts.





Quantitative Disclosures:

(b) Total Gross Credit Risk Exposure Broken down by Major Types of Credit Exposure:

Particulars	BDT in Million
Continuous loans (CL-2)	
i)Agricultural Credit (Other than Short Term)	-
ii)CMSME Financing	216.28
iii)Consumer Financing (Other than Credit Card)	175.44
iv)Credit Card	536.34
v)Industrial Credit	784.86
vi)Service Sector Credit	748.14
vii)Trade & Commerce Sector Credit	30.45
viii)Other Credit	308.28
Sub-total of I, II, III, IV, V, VI, VII & VIII	2,799.79
Demand loans (CL-3)	-
i)Agricultural Credit (Other than Short Term)	235.88
ii)CMSME Financing	1,357.40
iii)Consumer Financing	-
iv)Industrial Credit	6,144.01
v)Service Sector Credit	1,445.37
vi)Trade & Commerce Sector Credit	382.71
vii)Other Credit	-
Sub-total of I, II, III, IV, V, VI & VII	9,565.36
Fixed Term loans (CL-4)	-
i)Agricultural Credit (Other than Short Term)	79.46
ii)CMSME Financing	1,993.95
iii)Consumer Financing (Other than Housing Financing)	4,924.71
iv)Housing Financing	525.96
v)Industrial Credit	4,159.84
vi)Service Sector Credit	688.73
vii)Trade & Commerce Sector Credit	-
viii)Other Credit	-
Sub-total of I, II, III, IV, V, VI, VII & VIII	12,372.65
Short term Agri. Credit and Microcredit (CL-5)	-
i)Short Term Agri. Credit	306.64
Sub-Total	306.64
Sub-Total	25,044.44
Staff Loan	49.88
Grand Total	25,094.32

(c) Geographical Distribution, Broken down in Significant Areas by Major Types of Credit Exposures of Shimanto Bank:

Division	BDT in Million
Dhaka	19,954.45
Chattogram	3,025.15
Rajshahi	303.38
Sylhet	183.53
Khulna	780.18
Rangpur	580.12
Barishal	-
Mymensingh	267.52
Total	25,094.32

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

Industry Type	BDT in Million
Trade and Commerce	895.14
Garments and knitwear	2,181.72
Textile	235.99
Jute and jute -products	60.81
Food production and processing industry	2,047.06
Plastic industry	105.52
Leather and leather goods	-
Iron, steel and engineering	929.20
Pharmaceuticals and chemicals	1,950.48
Cement and allied industry	1,847.61
Telecommunication and IT	0.70
Paper, printing and packaging	61.27
Glass, glassware and ceramic industry	-
Ship manufacturing industry	-
Electronics and electrical products	352.54
Power, gas, water and sanitary service	669.85
Transport and aviation	-
Agriculture	621.98
Housing	564.01
Loan to Subsidiaries Companies	-
Others	12,570.43
Total	25,094.32

(e) Residual Contractual Maturity Breakdown of the Whole Portfolio, Broken down by Major Types of Credit Exposure of Shimanto Bank:

Particulars	BDT in Million
Repayable on demand	3,449.80
Not more than three months	3,481.80
More than three months but not more than one year	5,420.99
More than one year but not more than five years	7,091.50
More than five years	5,650.23
Total	25,094.32



(f) By major industry or counterparty type of Shimanto Bank:

Amount of impaired loans and if available, past due loans, provided separately:

Particulars	BDT in Million
Sub- Standard	90.05
Doubtful	87.71
Bad and Loss	1,510.51
Total	1,688.27

Specific and General provision (Maintained):

Particulars	BDT in Million
Total General Provision	621.13
Total Specific Provision	942.34
Total Provision	1,563.47

(g) Gross Non-Performing Assets (NPAs):

Particulars	BDT in Million
Gross Non-Performing Assets (NPAs)	1,688.27
Non-Performing Assets (NPAs) to outstanding loans & advances (%)	6.73%
Movement of Non-Performing Assets for NPAs	
Opening balance	261.94
Additions	1,555.15
Reductions	(128.82)
Closing Balance	1,688.27
Movements of Specific Provisions for NPAs	
Opening balance	89.28
Provision made during the period	1,350.22
Transferred to General Provision	(497.16)
Write-off	-
Write back of excess provisions	-
Closing Balance	942.34

- Unquoted securities are categorized as banking book equity exposures which are further subdivided into two groups: unquoted securities which are invested without any expectation that these will be quoted in near future i.e. held to maturity (HTM) and securities that are acquired under private placement or IPO and are going to be traded in the secondary market after completing required formalities. Usually, these securities are held for trading (HFT) or investment for making capital gains.

(b) Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices:

The primary aim is to invest in these equity securities for the purpose of capital gain by selling them in the future or holding them for dividend income. Dividends received from these equity securities are accounted for as and when received. Both Quoted and Un-Quoted equity securities are valued at cost and necessary provisions are maintained if the prices fall below the cost price. As per Bangladesh Bank guidelines, the HFT equity securities are revalued once a week using the marking to market concept and HTM equity securities are amortized once a year according to Bangladesh Bank Guideline. The HTM equity securities are also revalued if any, are reclassified to the HFT category with the approval of the Board of Directors. The quoted shares of the bank are valued at cost or market price, whichever is lower.

5. Equities: Disclosures for Banking Book Positions

Qualitative Disclosures

(a) Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons:

Investment in equity securities by Shimanto Bank is broadly categorized into two parts:

- Quoted securities include Common shares, Mutual funds listed with Stock Exchanges. These instruments are categorized as trading book assets. Investment in the trading book includes securities holding for capital gains, dividend income, and securities holding for strategic reasons.

Quantitative Disclosures:

a. Total Unrealized gains/ losses:

Particulars		BDT in Million
(i) Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value:	Cost Price	16.29
	Market Price	8.43
Difference		(7.86)
(ii) Cumulative realized gains (losses) arising from sales and liquidations in the reporting period		Nil
(iii) Total unrealized gains (losses)		(7.86)



6. Interest Rate Risk in the Banking Book (IRRBB)

Qualitative Disclosure:

(a) The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement:

Interest rate risk is the potential impact on a bank's earnings and net asset values due to changes in market interest rates. It affects the underlying value of the bank's assets, liabilities, and off-balance sheet instruments because the present value of future cash flows (and in some cases, the cash flows themselves) changes when interest rates changes. Interest Rate Risk is the risk which affects the Bank's financial condition due to change of market interest rates. Changes in interest rates affect both the current earnings (earnings perspective) and also the net worth of the Bank (economic value perspective). Bank assesses the interest rate risk both in earning and economic value perspective.

The process of interest rate risk management by the bank involves the determination of the business objectives, expectations about future macroeconomic variables, and understanding of the money markets and debt market in which it operates. Interest rate risk management also includes quantifying the appetite for market risk to which the bank is comfortable.

The Bank proactively manages the impact of IRRBB as a part of its ALM activities. ALM policy defines the different types of interest rate risks that are to be monitored, measured, and controlled. ALCO decides strategies for managing IRRBB at the desired level. ALM Committee periodically gives direction for the management of interest rate risk on the basis of its expectations of future interest rates. Based on the guidance, ALCO manages the IRRBB with the help of various tools i.e. gap analysis, earning at risk (EaR), duration of equity (DoE), and stress testing for basis risk.

Quantitative Disclosures:

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

Particulars	BDT in Million		
Cumulative Gap			
< 3 months	(1,779.20)		
< 6 months	(6,012.50)		
< 12 months	(12,362.50)		
Interest Rate Shock: Stress Testing	Minor	Moderate	Major
NII Impact			
< 12 Months	(247.30)	(370.90)	(494.50)
Regulatory capital (after shock)	5,000.60	4,876.90	4,753.30
CRAR (after shock) %	24.13%	23.54%	22.94%
Change in CRAR (after shock)	(1.19)	(1.79)	(2.39)
Repricing Impact			
Change in the value of the bond portfolio	(523.80)	(785.70)	(1,047.60)
Regulatory capital (after shock)	4,476.80	4,091.20	3,705.70
CRAR (after shock) %	21.60%	19.74%	17.88%

7. Market Risk

Qualitative Disclosures:

(a) Views of Board of Directors (BOD) on trading/ investment activities:

Market risk is the risk of potential losses in the on-balance sheet and off-balance sheet positions of a bank and stems from adverse movements in market rates or prices, such as interest rates, foreign exchange rates, equity prices, credit spreads, and/ or commodity prices. Market risk exposure may be explicit in the bank's trading book and banking book. The objective of market risk management is to minimize the impact of losses on the bank's earnings and shareholders' equity.

The Board establishes trading and investment objectives, limits and other risk controls through different Board-approved policies, guidelines, and frameworks. The delegation chain for trading and investment activities originates from the Board, which further establishes control limits and responsibility centers for these activities. Furthermore, the Board regularly reviews trading and investment activities and issues necessary advisories and recommendations.



(b) Methods used to Measure Market risk:

Fundamentally, Shimanto Bank PLC. applies the Standardized Approach for gauging market risk while calculating the minimum capital requirement. It is done under two separate approaches, i.e., capital charges for “specific risk,” which is designed to protect against an adverse movement in the price of individual security, and capital charges on “general market risk,” which is aimed at capturing the risk of loss arising from changes in market interest rates. Moreover, the Bank also uses gap analysis, and stress testing techniques to assume the impact of interest rate changes on earnings and capital base.

(c) Market Risk Management System:

To ensure holistic market risk management systems, the Bank diligently adheres to the risk management guidelines for Banks, FX guidelines, and other Bangladesh Bank directives. The Treasury Division of Shimanto Bank manages market risk covering, liquidity, interest rate, and foreign exchange risks, with oversight from Asset Liability Management Committee (ALCO), which comprises the Bank’s senior management. To manage the interest rate risk, ALCO regularly monitors various ratios and parameters. Of the ratios, the key ratios that ALCO regularly monitors are Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), Maximum Cumulative Outflow (MCO), Liquid asset to total assets, Volatile liability dependency ratio, Snap liquidity ratio, and Short term borrowing to Liquid assets ratio. To manage the foreign exchange risk of the bank, the bank has adopted the limit set by the central bank to monitor foreign exchange open positions. Foreign exchange risk is computed on the sum of net short positions or net long positions, whichever is higher.

(d) Policies and Processes for mitigating market risk:

To mitigate the several market risks the bank formed Asset Liability Management Committee (ALCO), the committee monitors the Treasury Division’s activities to minimize the market risk. ALCO is primarily responsible for establishing the market risk management and asset-liability management of the Bank, procedures thereof, implementing core risk management framework issued by the regulator, best risk management practices followed globally, and ensuring that internal parameters, procedures, practices/policies, and risk management prudential limits have been set up and followed. There are approved limits for Market risk-related instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against market risks.

Quantitative Disclosures:

The Capital requirements for specified risk are as follows:

Particulars	Capital Requirement (BDT in Million)
Interest Rate Related instruments	8.61
Equities	1.69
Foreign Exchange Position	19.52
Commodities	-
Total	29.82

8. Operational Risk:

Qualitative Disclosures:

(a) Views of BOD on system to reduce Operational Risk:

Operational risk is the risk of loss arising from fraud, unauthorized activities, error, omission, inefficiency, systems failure, or external events. It is inherent in every business organization and covers a wide spectrum of issues. We seek to minimize exposure to operational risk, subject to cost-benefit trade-offs. The policy for measuring and managing operational risks is approved by the Board in line with the relevant guidelines of Bangladesh Bank. the Audit Committee of the Board directly oversees the activities of the Internal Control and Compliance Division to protect against all operational risks. As a part of continued surveillance, Senior Management Team, Executive Risk Management Committee (ERMC) and Risk Management Division (RMD) regularly review different aspects of operational risks and escalate the findings to appropriate authority while internal audit suggests formulating appropriate policies, tools & techniques for mitigation of operational risk of the bank.

(b) Performance Gap of Executive and Staff:

Shimanto Bank is an equal opportunity employer. It recognizes the importance of having the right people in the right positions to achieve organizational goals. Our recruitment and selection are governed by the philosophy of fairness, transparency, and diversity. Understanding what is working well and what requires further improvement is essential to our performance management system. The performance management process aims to clarify what is expected from employees as well as how it is to be achieved. Our learning and development strategy puts special focus on continuous professional development to strengthen individuals’ skill sets by removing weaknesses to perform the assigned job with perfection.



We have a wide range of internal and external training programs to enhance capabilities as well as minimize performance gaps that will contribute more to the bottom line. Employee's performance is assessed on the bases of performance objectives and key performance indicators (KPI) set at the beginning of each year. Decisions related to rewards and recognition for the employees are taken on the bases of how well the assigned KPIs are met by the employee. Shimanto Bank wants its' employees to balance their work and personal life and has organization-wide practices and policies that actively support employees to achieve success at both work and home. Management is also open and shows flexibility in regard to a balanced work-life.

(c) Potential external events:

The impact of external adverse events is a part of systemic risk. Shimanto Bank remains vigilant about its role against every event irrespective of its frequency of occurrence. The bank adopts a different strategy to mitigate the negative effect of systematic risk within tolerable limit. It has developed different policies and processes to diversify risk, also train and aware employees about money laundering, cybercrime, emergency situation, fraud, forgery, etc. which are contributing to managing operational risk.

(d) Policies and processes for mitigating operational risk:

Shimanto Bank has risk governance structure, which includes the risk management committee at the Board level; the Executive risk management committee at the senior management level, which ensures inclusive risk management culture. The Bank has board-approved internal control & compliance policies to ensure effective processes and adequate systems are in place for operational risk management.

Operational Risk is the risk of financial losses related to breakdown in internal control and corporate governance. Such breakdown can be the result of human errors, inadequate or failed internal process and technical system, fraud or any other adverse external event. The Bank has adopted policies to deal with different operational risks. The Internal Control and Compliance Division of the Bank, the inspection teams of Bangladesh Bank, and external auditors had conducted inspections in different branches and divisions at the Head office throughout the year and prepared the reports according to the findings of those inspections. Considering the suggestions and observations of those reports management took essential control measures and corrective actions. Shimanto Bank strongly follows the KYC norms for its customer dealings and other banking operations.

Banks Anti- Money laundering activities are headed by CAMLCO and their activities are devoted to protecting against all money laundering and terrorist finance related activities. There is adequate check and balance at every stage of operation, authorities are properly segregated and there is at least dual control on every transaction to protect against operational risk.

(e) Approach for Calculating Capital Charges for Operational Risk:

Shimanto Bank has adopted Basic Indicator Approach (BIA) to assess the capital charge for operational risk as of the reporting date. Accordingly, the bank's operational risk capital charge has been assessed at 15% of positive annual average gross income over the previous three years as defined in the guideline of Risk-Based Capital Adequacy (RBCA).

Quantitative Disclosures:

The capital requirements for operational risk:

Particulars	BDT in Million
Total Capital Requirement for Operation Risk	237.63

9. Liquidity Ratio

Qualitative Disclosures:

Liquidity risk is the risk to the bank's earnings and capital arising from its inability to timely meet obligations when they come due without incurring unacceptable losses. Liquidity risk primarily arises due to the maturity mismatch associated with the assets and liabilities of the bank. The intensity and sophistication of the liquidity risk management system depend on the nature, size, and complexity of a bank's activities. Sound methods in measuring, monitoring, and controlling liquidity risk are critical to the sustainability of the bank. Therefore, the Board of Directors of the bank sets policy, different liquidity ratio limits, and risk appetite for liquidity risk management.

Thus, liquidity risk can be of two types:

- Funding liquidity risk: the risk that a firm will be unable to fulfill its current and future cash flow and collateral needs without affecting its daily operations or its financial condition.
- Market liquidity risk: the risk that a firm cannot easily offset or sell a position without incurring a loss because of inadequate depth in the market.



(a) Views of Board of Directors on system to reduce Liquidity Risk:

The Board reviews and approves the Assets Liability Management Policies and ensures that senior management manages liquidity risk effectively in the context of the Bank's business plan, long-term funding plan, and economic and financial position. The Asset and Liability Management Committee is responsible for both statutory and prudential liquidity management. Ongoing liquidity management is discussed as a regular agenda of the ALCO meeting, which takes place on a monthly basis. At the ALCO meeting, the bank's liquidity position, limit utilization, changes in exposure, and liquidity policy compliance are presented to the committee. Asset Liability Management Desk closely monitors and controls liquidity requirements on a daily basis.

(b) Methods used to measure Liquidity risk:

Shimanto Bank follows Bangladesh Bank's Risk-Based Capital Adequacy guideline in line with Basel III for proper assessment and management of liquidity risk of the bank. The tools and procedures deployed by Shimanto Bank to manage liquidity risk are comprehensive. The measurement tools used to assess liquidity risks are:

I. Regulatory Liquidity Indicators (RLIs)

II. Bank's own liquidity monitoring tools:

- Wholesale Borrowing and Funding Guidelines
- Liquidity Contingency Plan
- Undrawn Commitment Limit

(c) Liquidity Risk Management System:

The Asset Liability Management Committee (ALCO) of Shimanto Bank sets the direction for the Bank's liquidity management. ALCO meets at least once every month and more as and when required. ALM desk of the Treasury Division closely monitors and controls liquidity requirements on regular basis by proper coordination of funding activities.

It also monitors market developments, understanding their implications for the Bank's liquidity risk exposure, and recommends appropriate risk management measures to ALCO. Another strategy of liquidity risk management is to develop a diversified funding base. It aims to align sources of funding with their use.

(d) Policies and processes for mitigating liquidity risk:

Asset-Liability Management Committee (ALCO) has responsibility for monitoring liquidity measures and limits. ALCO reviews the policy at least annually or as

and when required by taking into consideration any changes in the market dynamics and appropriateness and put a recommendation for changes in policy to the Board for approval. Board Risk Management Committee set policies and processes to mitigate all risks including Liquidity risk.

Quantitative Disclosures:

Particulars	BDT in Million
Liquidity Coverage Ratio (%)	280.19%
Net Stable Funding Ratio (%)	117.86%
Stock of High-quality liquid assets	8,547.96
Total net cash outflows over the next 30 calendar days	3,050.77
Available amount of stable funding	34,405.05
Required amount of stable funding	29,191.50

10. Leverage Ratio

Qualitative Disclosures:

(a) Views of BOD on system to reduce excessive leverage:

Leverage ratio is the ratio of Tier 1 capital to total on and off-balance sheet exposures. Leverage ratio was introduced in Basel III with an aim to avoid building-up excessive on- and off-balance sheet leverage in the banking system. The leverage ratio is intended to achieve the following objectives:

- Constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy
- Reinforce the risk-based requirements with an easy-to-understand and a non-risk-based measure

Shimanto Bank adopted the leverage ratio in line with Basel III guidelines as a credible supplementary measure to the risk-based capital requirements.

(b) Policies and processes for managing excessive on and off-balance sheet leverage:

Shimanto Bank follows Bangladesh Bank's Risk-Based Capital Adequacy guideline in line with Basel III. There are approved limits for instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against such risks. Revised guideline of RBCA based on Basel III as provided by BRPD of Bangladesh Bank is followed by the bank while managing excessive on- and off-balance sheet leverage of the bank. As per RBCA, the leverage ratio shall be Tier I capital divided by total exposure after related deductions.



(c) Approach for calculating exposure:

Calculation of Leverage Ratio:

For the year 2023, a minimum Tier 1 leverage ratio of 3.25% is being prescribed both at the solo and consolidated level. The central bank has directed all banks to get prepared to increase the leverage ratio by 0.25 percent annually from 2023 in line with Basel-III. The banks will be required to preserve 4.0 percent leverage ratio in 2026 from the previous 3.0 percent (2022).

$$\text{Leverage Ratio} = \frac{\text{Tier-1 Capital (after related deductions)}}{\text{Total Exposure (after related deductions)}}$$

Quantitative Disclosures:

Particulars	BDT in Million
Tier -1 Capital (Considering all regulatory adjustments)	4,559.84
On balance sheet exposure	40,555.58
Off-balance sheet exposure	2,215.79
Total exposure after regulatory adjustments	42,389.27
Leverage Ratio (%)	10.76%

11. Remuneration

Qualitative Disclosures:

(a) Information relating to the bodies that oversee remuneration:

Shimanto Bank aims to attract, retain, and motivate the best people who are committed to maintaining a career with the bank, and who will perform their roles in the long-term interests of the bank. A vigorous and effective governance framework ensures that the bank operates within the clear parameters of its compensation strategy. Shimanto Bank has a comprehensive pay scale indifferent to all its subsidiaries, regions, and business lines. All compensation matters are overseen by Shimanto Bank Human Resources Division in consultation with the Managing Director & CEO, and Human Resources Committee. The remuneration and compensation is a process-driven system aligned with a structured pay scale and with proportionate growth by evaluating and anchoring the market conditions and through the adjustment of the cost of living. The remuneration and its process are finally approved by the Board of Directors.

(b) Information relating to the design and structure of remuneration processes: Objective of Bank's Compensation policy is:

- To ensure a fair reward management system for the employees in line with the Bank's core values and strategic business goals.
- To provide a competitive pay package compared to the best practices in the Banking industry in the line with bank's current business and portfolio position.
- To ensure effective governance of compensation.

The structure of remuneration packages for employees of the Bank consists of the following components:

- Fixed Remuneration;
- Variable Pay &
- Employee Benefits

The fixed remuneration is made up of base remuneration including salary and other fixed allowances paid in cash. Fixed remuneration differs from grade to grade and generally changes with promotion/demotion to the higher/lower grades and increments. Variable pay consists of incentive bonuses paid on the basis of individual performance subject to the annual profit of the Bank. Therefore, individual performance is measured and reviewed against set goals, which include financial and non-financial metrics. Gratuity Fund and Provident Fund are maintained by the Bank for employees as a future/long-term benefit. Such remunerations differ based on the grade, basic pay, and length of service of an employee.

(c) Description of the ways in which current and future risks are taken into account in the remuneration processes:

In the competitive financial sector of Bangladesh, the remuneration system is largely driven by market forces. Due to the intense competition in a crowded market with a large number of participants, compensation packages are restructured more frequently than in other industries. However, such changes can sometimes lead to market distortions, excessive profit motives, and disparities in work-life balance. Nonetheless, Shimanto Bank always strives to design remuneration strategies that reward competitive employees with the compensation packages they truly deserve. Additionally, Shimanto Bank is committed to maintaining internal equity and fair treatment in its compensation system throughout the organization.



Ways in which measures affect remuneration:

- Commensuration to individual's performance, desired role in the organization, quality of past experience, quality of training received, and technical competency.
- Fair and Equal for different positions in the bank
- In line with the market dynamics and practices

(d) Description of the ways in which the bank seeks to link performance:

Employees' performance is appraised biannually in line with the achieved objectives, which have a positive and direct impact on their pay package. Incentive Bonus is directly linked with the employees' individual rating during their performance evaluation process. These ratings are also key parameters for employees to be considered for promotion.

(e) Description of the ways in which the bank seeks to adjust remuneration to take account of longer-term performance:

The Bank's remuneration system is designed to reward long-term as well as short-term performance, encourage retention and recognize special performance in the organization. Shimanto Bank believes that individual and team effort and performance should be regularly appreciated and recognized to keep our employees motivated therefore they will give their best efforts. And, more importantly, by recognizing such performance, we reinforce, with our chosen means of recognition, the actions and behaviors, we want Shimanto Bank employees to embrace and repeat the most.

(f) Description of the different forms of variable remuneration that the bank utilizes and the rationale for using those different forms:

Shimanto Bank recognizes the efforts and performance of its employees based on its Compensation and Benefit Policy, which consist of a base salary and different benefits packages. However, there is also a Reward & Recognition system that recognizes exemplary contributions to business achievements and those that inspire and set high-quality services and standards.

Quantitative Disclosure:

(g) Number of meetings held by the Remuneration Committee during the financial year and remuneration paid to its member:

As per BRPD Circular No-21 dated 12.05.2024, the roles and responsibilities of the Nomination & Remuneration Committee (NRC) has been conducted by the Audit Committee of the Board in some extent as per the decision of the 33rd meeting of the Audit Committee held on 27 May 2024. The committee held 05 (five) meetings during the financial year. No fees are paid to the committee member or for attending such meetings.

(h) Number of employees who have received a variable remuneration award during the financial year: NA

Number and the total amount of guaranteed bonuses awarded during the financial year:

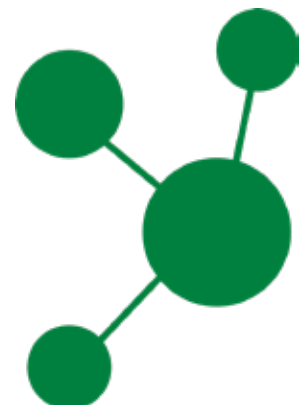
Festival bonuses: On average 688 no. employees received 3 festival bonuses amounted BDT 26.93 Million.

(i) Total amount of outstanding deferred remuneration, split into cash, shares and share-lined instruments, and other forms: Nil

The total amount of deferred remuneration paid out in the financial year: Nil

(j) Breakdown of the amount of remuneration awards for the financial year to show:

Particulars	BDT in Million
Basic Salary	234.29
Allowances	140.17
Festival Bonus	26.93
Gratuity	15.30
Provident Fund Contribution	15.41
Total	432.10





MANAGEMENT REVIEW & EVALUATION

1. Retail Banking
2. CMSME Banking
3. Corporate Banking
4. Treasury Management
5. Information Technology: Powering business securing the future
6. Human Resource Management
7. General Security and Transportation
8. Service Quality and Complaint Management
9. Sustainable Finance
10. Corporate Social Responsibility
11. Risk Management
12. Anti-Money Laundering (AML) & Combating the Financing of Terrorism (CFT)
13. Internal Control & Governance Excellence

MANAGEMENT REVIEW & EVALUATION

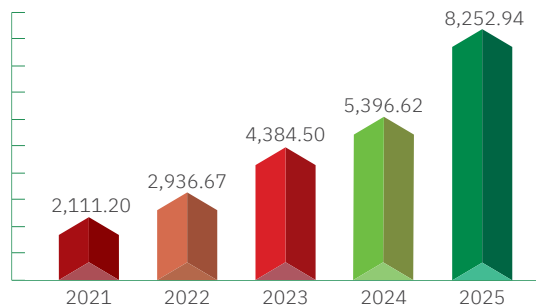
1. Retail Banking

Retail Banking remained a key growth driver for Shimanto Bank PLC. in 2025, reinforcing its commitment to customer-centric banking, financial inclusion, and sustainable business growth. Throughout the year, the Division strengthened its market presence by expanding its product portfolio, enhancing customer engagement, and implementing strategic initiatives that created new benchmarks in retail banking. To accelerate business development and strengthen relationship-based banking, the Bank established a dedicated BGB Payroll Team and Retail Sales Unit, significantly enhancing deposit mobilization and customer acquisition. In line with the Bank's digital transformation strategy, Retail Banking also introduced innovative digital solutions and expanded access to affordable credit for underserved customer segments. Introduction of the womens Deposit product like Nari Shanchy (Nari Money Saver. Other new product are SMBL Kotipoti DPS Scheme and SMBL short period scheme and Home loan for BGB member and Abashon (Semi Pacca House finance) for all. Reflecting the Bank's commitment to inclusive, customer-focused, and value-driven financial solutions.

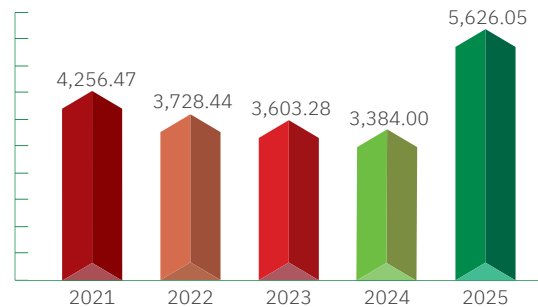
Retail Banking Performance Highlights – 2025

- Successfully expanded the Bank's network through the opening of three (3) new branches.
- Achieved a 53.93% year-on-year growth in the Retail Deposit Portfolio.
- Recorded a 66.25% growth in the Retail Loan Portfolio while maintaining strong asset quality with a negligible Non-Performing Loan (NPL) ratio.
- Conducted business development and awareness presentations across all BGB Regions, Sectors, and Battalions, further strengthening institutional relationships.
- Successfully implemented the Auto-Debit Facility for Loan EMI collections, enhancing operational efficiency and customer convenience.

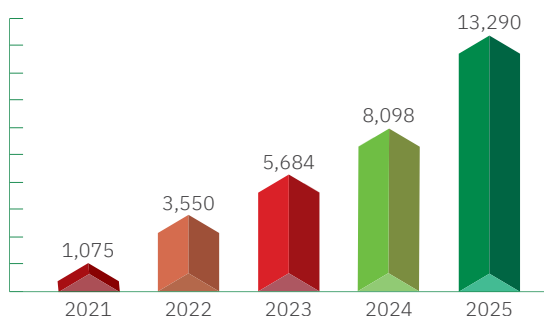
Retail Deposit
(BDT in Million)



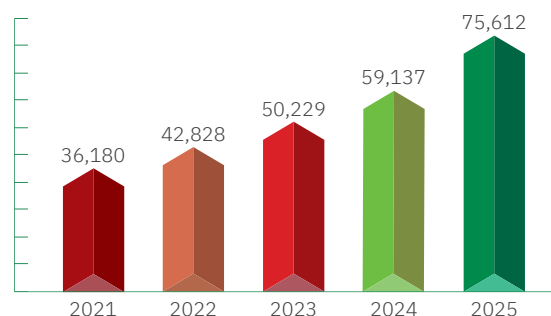
Retail Loans and Advances (including BGB Loan)
(BDT in Million)



Credit Cards



Debit Cards



Strategic Achievements

- Expanded the retail product portfolio with customer-centric and innovative solutions.
- Strengthened relationship banking through the establishment of specialized business development teams.
- Advanced the Bank's digital transformation agenda by enhancing digital banking services and process automation.
- Introduced inclusive financial products designed to meet the evolving needs of women and BGB personnel.
- Continued to promote sustainable growth while maintaining prudent risk management and a high-quality retail asset portfolio.



An MoU signing ceremony with Asgar Ali Hospital to provide facilities to customers of the Bank.

Challenges Ahead

1. Business and Operating Model Transformation: To enhance operational efficiency and deliver superior customer experience, the Bank will continue to simplify its business and operating models through product rationalization, integrated distribution channels, shared service infrastructure, streamlined compliance processes, and customer-centric risk management. These initiatives will strengthen operational resilience while improving productivity and service delivery.

2. Rising Property Prices: The continuous increase in property prices remains a significant challenge for the banking industry, particularly in expanding secured retail lending. This evolving market dynamic necessitates periodic reassessment of business priorities, prudent credit underwriting, and innovative financing solutions to sustain portfolio growth while maintaining asset quality.

3. Expanding into New Market Segments: Financial inclusion remains a strategic priority for the Bank. Going forward, Retail Banking will intensify its focus on rural communities, particularly the underserved and unbanked population in border areas. Delivering sustainable banking services to these segments will require innovative delivery channels, strategic partnerships, and tailored financial products designed to address their unique needs.

4. Intensifying Market Competition: The retail banking landscape is becoming increasingly competitive, with financial institutions continuously introducing innovative products, digital capabilities, and customer-centric services. To sustain its competitive position, the Bank will continue to differentiate itself through superior customer experience, product innovation, digital transformation, and relationship-driven banking.

5. Strengthening Risk Management and Regulatory Compliance: The evolving regulatory landscape and increasing business complexity require a proactive, integrated, and forward-looking risk management framework. The Bank will continue to strengthen its governance, regulatory compliance, capital management, and enterprise risk management practices. Furthermore, enhanced fraud risk monitoring, advanced analytics, and robust internal control mechanisms will remain key priorities to safeguard customer assets and preserve institutional integrity.



Strategic Focus Going Forward:

1. Accelerate digital transformation and process automation.
2. Expand financial inclusion through innovative and affordable banking solutions.
3. Strengthen retail deposit mobilization and quality retail asset growth.
4. Enhance customer experience through simplified products and digital service delivery.
5. Maintain strong asset quality through prudent credit risk management.
6. Reinforce governance, compliance, and fraud risk management in line with Bangladesh Bank's regulatory expectations.
7. Promote sustainable and inclusive growth while creating long-term value for customers, shareholders, and stakeholders.
8. Introduction of Refinancing, Prefinancing Priority Banking and wealth management of the Bank.



Mr. Sahidul Islam-Head of Business was delivering his speech in the feedback session with the BGB Customers.



A BGB Member was giving her feedback on services of the Bank.

Retail Banking Strategic Goals – 2026

Retail Banking will remain focused on strengthening its market position through customer-centric innovation, digital transformation, operational excellence, and sustainable business growth. The strategic priorities for 2026 are as follows:

Strategic Priorities

- Strengthen Customer-Centric Banking
- Further enhance customer experience by adopting a customer-centric business model and transforming the Bank's operating framework to deliver seamless, efficient, and value-driven services.

Expand the Retail Product Portfolio

- Introduce innovative and affordable retail products tailored to the needs of lower and middle-income customer segments, including financing solutions for Semi-Pucca Housing.
- Launch the Abashan (Housing) Loan to support affordable home ownership.

Enhance Distribution and Digital Channels

- Develop an integrated Omni channel distribution model to provide customers with seamless banking services anytime and anywhere.
- Introduce new digital products, virtual banking solutions, and technology-enabled service channels to improve accessibility, convenience, and operational efficiency.

Strengthen Strategic Partnerships

- Establish strategic alliances with leading real estate developers and automobile dealers to expand retail financing opportunities.



- Strengthen collaboration with bKash and Nagad to enhance digital payment services, customer acquisition, and business expansion.

Expand Business Development Capabilities

- Establish a dedicated Retail Asset & Liability Sales Team to accelerate deposit mobilization and retail asset growth.
- Operationalize a dedicated Tele Sales Unit to improve customer acquisition, lead generation, and cross-selling opportunities.
- Strengthen the Payroll Banking Department to expand payroll relationships with corporate and institutional clients.
- Develop a specialized Retail Business Team to support sustainable portfolio growth and relationship management.

Expand Market Presence

- Open new branches in strategically selected locations to strengthen market penetration and improve financial inclusion.
- Expand the Bank's customer base through targeted marketing initiatives and relationship-driven business development.
- Identify and underserved customer segments and geographic areas by offering tailored retail banking products strengthening customer out reach and leveraging digital channels to drive business growth

Deliver Technology-Led Innovation

- Enhance the Bank's customer value proposition through digital innovation, process automation, and data-driven decision-making.
- Continue investing in digital capabilities to improve service quality, operational resilience, and customer satisfaction.

Strengthen Brand Positioning

- Position Shimanto Bank PLC as the preferred retail banking partner by delivering innovative products, superior customer service, and sustainable financial solutions.

Expected Strategic Outcomes

- Sustainable growth in retail deposits and loan portfolios.
- Enhanced customer experience through digital banking and process optimization.
- Increased financial inclusion, particularly among underserved customer segments.
- Stronger institutional partnerships and payroll banking relationships.
- Expanded market share through strategic branch expansion and digital channels.
- Improved operational efficiency and long-term shareholder value.



Shimanto Bank PLC. participated in School Banking Conference to increase financial literacy and to build awareness among the students for banking.



2. CMSME Banking

Cottage, Micro, Small and Medium Enterprises (CMSMEs) remain one of the key drivers of Bangladesh's economic growth, contributing significantly to employment generation, entrepreneurship development, industrialization, and financial inclusion. Recognizing the strategic importance of this sector, Shimanto Bank PLC remains firmly committed to support the sustainable growth of CMSMEs through innovative financial solutions, digital transformation, and responsible banking practices.

CMSME enterprises require access to timely and affordable financing to meet their working capital requirements, business expansion, and acquisition of capital machinery and other productive assets. Beyond their economic contribution, CMSMEs promote regional industrial development, utilize indigenous skills and locally available resources, strengthen backward and forward industrial linkages, and contribute meaningfully to national GDP. Despite these opportunities, CMSME financing continues to present challenges due to relatively small ticket sizes, limited collateral, and higher operational costs.

Since the commencement of its banking operations, Shimanto Bank PLC has consistently prioritized CMSME Banking as a strategic business segment. The Bank has continuously strengthened its product offerings, credit policies, delivery channels, digital capabilities, and human resources to better serve entrepreneurs across the country.

The Bank offers a diversified portfolio of loan products designed to meet both working capital and fixed asset financing requirements of CMSME enterprises, alongside specialized deposit products tailored to the needs of business customers. With an expanding branch network located in commercially vibrant areas, the Bank is well positioned to enhance market penetration and provide convenient banking services to entrepreneurs.

The Bank maintains a balanced CMSME portfolio across manufacturing, trading, services, women-led enterprises, agriculture, and start-up businesses. Financial literacy and capacity-building initiatives remain integral to our strategy, enabling entrepreneurs to strengthen financial management practices and improve access to formal financial services.

During 2025, the Bank further expanded its outreach through both direct financing and MFI linkage programs. Greater emphasis was placed on financing under Bangladesh Bank refinance and pre-finance schemes for CMSME and agricultural sectors. Simultaneously, significant investments were made in developing the skills of employees engaged in CMSME and agricultural financing.

To promote inclusive finance, the Bank organized numerous financial literacy programs across the country covering CMSME entrepreneurs, women entrepreneurs, farmers, and marginalized communities. Furthermore, a dedicated Women Entrepreneur Development Unit continues to operate under the CMSME Banking Division at Head Office to strengthen support, monitoring, and financing for women-led enterprises.

Objectives of CMSME Financing

- Generate sustainable employment opportunities, particularly in rural and underserved areas.
- Improve the income of marginalized communities by promoting self-employment through local resources and indigenous technologies.
- Support balanced regional economic development through decentralized industrial and business expansion.
- Strengthen backward and forward industrial linkages to ensure sustainable economic growth.
- Promote export-oriented and import-substituting industries, particularly agro-based enterprises.
- Enhance the overall contribution of the CMSME sector to Bangladesh's GDP and economic resilience.



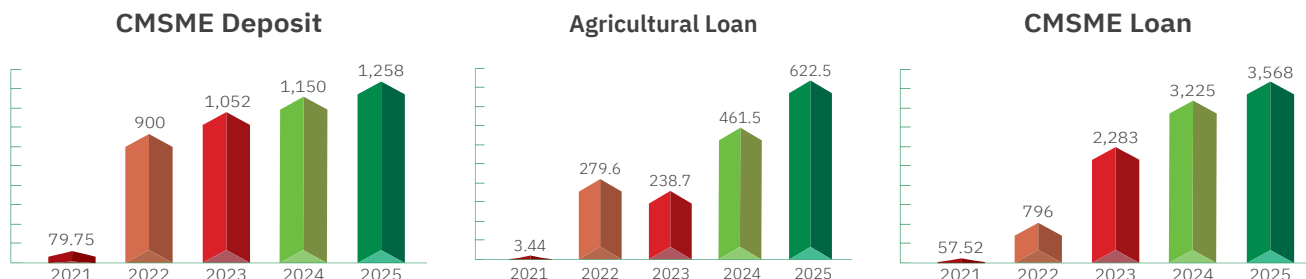
CMSME Banking Performance Highlights – 2025

During 2025, the Bank achieved encouraging growth across its CMSME portfolio despite a challenging operating environment.

- Agricultural Loan portfolio recorded approximately 35% growth.
- CMSME Loan portfolio achieved approximately 11% growth.
- CMSME Deposit portfolio registered approximately 9% growth.

These achievements reflect the Bank's continued commitment to expand financial inclusion while maintaining prudent risk management and portfolio diversification.

BDT Million



Key Challenges

Despite the sector's strong potential, several structural challenges continue to affect sustainable CMSME financing:

- Many micro and small enterprises operate from rented premises and lack acceptable collateral security.
- Limited financial literacy and inadequate record-keeping practices restrict proper assessment of business performance and repayment capacity.
- Many enterprises do not maintain updated trade licenses and regulatory documentation, making customer verification and monitoring more challenging.
- Limited access to finance restricts investment in modern technology, thereby reducing productivity and competitiveness.
- Rising non-performing loans (NPLs) across the CMSME sector continue to pose credit risk and require strengthened monitoring and recovery initiatives.

Mitigation Measures

To address the prevailing challenges in CMSME financing, Shimanto Bank PLC has adopted the following strategic initiatives:

- **Strengthening Credit Risk Assessment:** Enhance cash flow-based lending, industry-specific credit appraisal, and risk-based pricing to improve portfolio quality while reducing dependence on traditional collateral.
- **Alternative Security Mechanisms:** Promote financing backed by partial guarantees, movable assets, warehouse receipts, and credit guarantee schemes introduced by Bangladesh Bank and development partners.
- **Financial Literacy and Capacity Building:** Continue organizing financial literacy programs, business advisory services, and training workshops to improve entrepreneurs' bookkeeping, financial management, and business planning capabilities.
- **Digital Transformation:** Expand digital loan origination, e-KYC, digital documentation, transaction monitoring, and alternative data analytics to improve customer onboarding, monitoring, and service delivery.



- Formalization of Businesses: Encourage entrepreneurs to obtain trade licenses, Tax Identification Numbers (TIN), Business Identification Numbers (BIN), and maintain proper financial records to improve their access to formal finance.
- Portfolio Diversification: Maintain a well-diversified CMSME portfolio across manufacturing, agriculture, services, trading, women-led enterprises, and emerging sectors to reduce concentration risk.
- Enhanced Monitoring and Recovery: Strengthen post-disbursement monitoring through regular customer visits, early warning systems, portfolio reviews, and proactive recovery initiatives to minimize non-performing loans.
- Leveraging Refinance and Credit Guarantee Schemes: Increase participation in Bangladesh Bank refinance facilities, Credit Guarantee Scheme (CGS), and development partner-supported financing programs to reduce financing costs and mitigate credit risk.
- Capacity Development of Employees: Continuously enhance the knowledge and skills of relationship managers and credit officials through specialized training in CMSME lending, agricultural finance, and risk management.
- Promoting Women and Inclusive Entrepreneurship: Expand dedicated financing programs and advisory support for women

entrepreneurs, young entrepreneurs, start-ups, and underserved segments to promote inclusive and sustainable economic growth.

These mitigation initiatives will enable Shimanto Bank PLC to strengthen its CMSME portfolio, improve asset quality, deepen financial inclusion, and contribute more effectively to the sustainable economic development of Bangladesh.

Strategic Priorities

Looking ahead, Shimanto Bank PLC will continue to focus on the following strategic priorities:

- Sustain healthy portfolio growth while maintaining strong asset quality and prudent risk management.
- Expand financial inclusion by providing greater access to finance for marginal farmers, low-income professionals, youth entrepreneurs, business clusters, and small enterprises.
- Further strengthen financing support for women entrepreneurs through dedicated products and simplified financing processes.
- Increase participation in Bangladesh Bank refinance and special financing schemes, as well as programs supported by development partners.
- Accelerate digital transformation by expanding technology-enabled CMSME banking services and enhancing customer experience.



Shimanto Bank PLC. participated in SME Women Entrepreneur Fair to increase financial literacy and to build network with the women entrepreneurs.



3. Corporate Banking

Corporate Banking continued to play a pivotal role in Shimanto Bank PLC's business growth and profitability during 2025, reaffirming its position as one of the Bank's key business drivers. The Division offers a comprehensive suite of customized financial solutions designed to meet the evolving requirements of corporate clients across diversified industries. Our product portfolio encompasses working capital finance, term loans, structured finance, trade finance, project finance, cash management, payroll banking, and other value-added corporate financial services.

The Corporate Banking Division remained committed to supporting Bangladesh's economic development agenda by financing productive sectors that contribute significantly to GDP growth, employment generation, exports, and industrialization. Particular emphasis was placed on manufacturing, infrastructure, energy, logistics, healthcare, agro-processing, food processing and export-oriented industries while maintaining a prudent approach towards portfolio diversification and risk management.

As Bangladesh continued its journey toward sustainable economic transformation, growing investments in industrial expansion, import substitution, export diversification, and infrastructure development created new financing opportunities. Despite a challenging business environment, the Corporate Banking Division successfully capitalized on these opportunities through disciplined credit underwriting, relationship-based banking, and tailored financial solutions.

Corporate Banking Performance Highlights 2025

The Corporate Banking Division delivered another year of robust and sustainable growth across all major business parameters, demonstrating the strength of its client relationships, tailor mode business strategy, and prudent portfolio management.

Strong Deposit Mobilization

Corporate deposits increased to BDT 21,609.30 million as on 31 December 2025, compared to BDT 16,990.00 million in the previous year, registering an impressive 27.2% year-on-year growth.

Healthy Credit Portfolio Expansion

Corporate Loans & Advances reached BDT 14,692.80 million, compared to BDT 12,817.00 million in 2024, recording a healthy 14.6% growth.

Exceptional Growth in Trade Finance

Trade Finance business experienced remarkable expansion during the year. Total trade business increased from BDT 1,915.90 million in 2024 to BDT 3,382.60 million in 2025, registering an outstanding 76.6% growth.

Significant Increase in Interest Income

Income generated from the Corporate Loan portfolio rose from BDT 1,150.00 million in 2024 to BDT 1,524.80 million in 2025, representing a robust 32.6% increase.

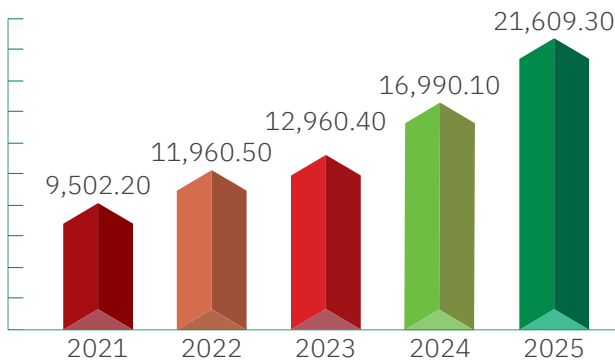
Non Funded Income Growth.

Due to strong focus on non funded business the income from the segment increased from BDT 20.46 million in 2024 to BDT 30.10 million in 2025 recovering a 47.12% year on year growth.

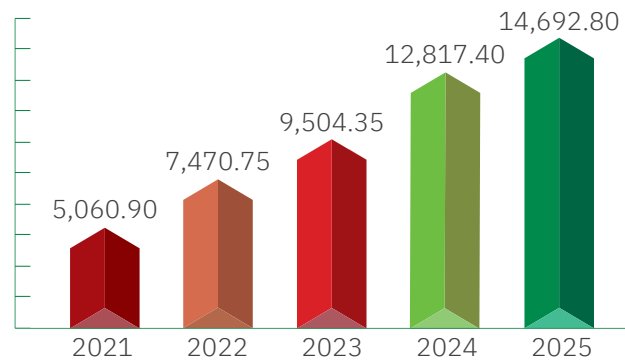


Business Performance at a Glance

Corporate Deposits



Corporate Loans & Advances



Trade Finance

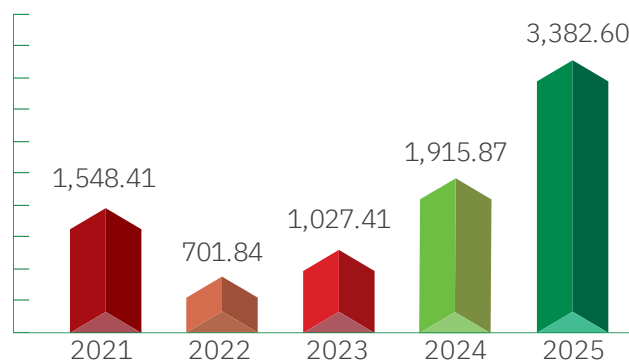


Figure in Millions

Business Indicator	2024	2025	Growth
Corporate Deposits	16,990.00	21,609.30	27.19%
Corporate Loans & Advance	12,817.00	14,692.80	14.64%
Trade Business	1,915.90	3,382.60	76.56%
Income from Corporate Loans	1,150.00	1,524.80	32.00%
Non funded income	20.46	30.10	42.12%

Challenges Ahead

1. Macroeconomic volatility, including inflationary pressures and exchange rate fluctuations, may continue to impact corporate investment appetite and borrowing behavior.
2. Heightened credit risk in certain industries due to global supply chain disruptions and domestic market uncertainties.
3. Slower private sector investment growth in key sectors may affect demand for long-term project and term financing.
4. Potential concentration risks in large corporate exposures requiring enhanced monitoring and diversification strategies.



5. Lack of consistency in fiscal monetary and regulatory policies may create uncertainty for business affecting long-term investment dictation and corporate financing
6. Talent retention and upskilling challenges in an increasingly technology-driven and specialized corporate banking environment.
7. A challenging investment climate remains one of the key-challenge of the corporate sector. Economic uncertainty, higher financing costs and cautious investor sentiment may delay new investment and business and expansion limiting opportunities for sustainable corporate credit growth.

- Increasing focus on ESG-aligned financing and sustainable banking initiatives in line with Bangladesh Bank guidelines.
- Leveraging Bangladesh Bank refinance schemes and other development finance opportunities to support priority sectors.
- Maintaining superior asset quality through proactive portfolio monitoring, early risk identification, developing and implementing account strategy and disciplined credit governance.
- Strengthening relationship banking by delivering tailored financial solutions and advisory services to corporate customers.
- Continue investing in employee development, grooming digital transformation, and operational excellence.

Strategic Priorities 2026

Building upon the strong performance achieved during 2025, the Corporate Banking Division will continue pursuing sustainable and quality growth through the following strategic initiatives:

- Deepening relationships with existing good corporate clients while acquiring new high-value domestic and multinational businesses.
- Financing in manufacturing, infrastructure, healthcare, pharmaceuticals, agro-processing, renewable energy, service sector, ICT, and export-oriented industries.
- Strengthening trade finance capabilities and correspondent banking relationships to support international trade.
- Introducing enhanced digital corporate banking and integrated cash management solutions to improve customer experience.

Corporate Banking remains committed to supporting Bangladesh's economic growth by providing innovative, timely, and sustainable financial solutions to the country's leading business enterprises. The Division will continue to emphasize balanced portfolio growth, disciplined risk management, digital innovation, customer-centric service delivery, and long-term value creation for all stakeholders.

With a strong foundation, an experienced Skills relationship team, prudent credit culture, and an expanding corporate franchise, Shimanto Bank PLC is well-positioned to strengthen its presence in the corporate banking landscape and contribute meaningfully to the nation's sustainable economic development in the years ahead.



An MOU Signing Ceremony Shimanto Bank PLC. and Dhaka Central International Medical College & Hospital.



4. Treasury Management

The Treasury Division of Shimanto Bank PLC plays a pivotal role in maintaining the Bank's financial stability by ensuring adequate liquidity in compliance with regulatory requirements while maximizing returns on investments. As the Bank's central treasury function, it is instrumental in safeguarding institutional resilience and supporting the stability of the overall financial system.

Throughout 2025, the Treasury Division actively participated in a wide range of treasury activities, including the Money Market, Short-Term Liquidity (STL) placements, Government Treasury Bills and Bonds, Foreign Exchange operations, and Capital Market investments. As of 31 December 2025, the Bank's treasury investment portfolio comprised:

Government Securities: BDT 6,600.70 million

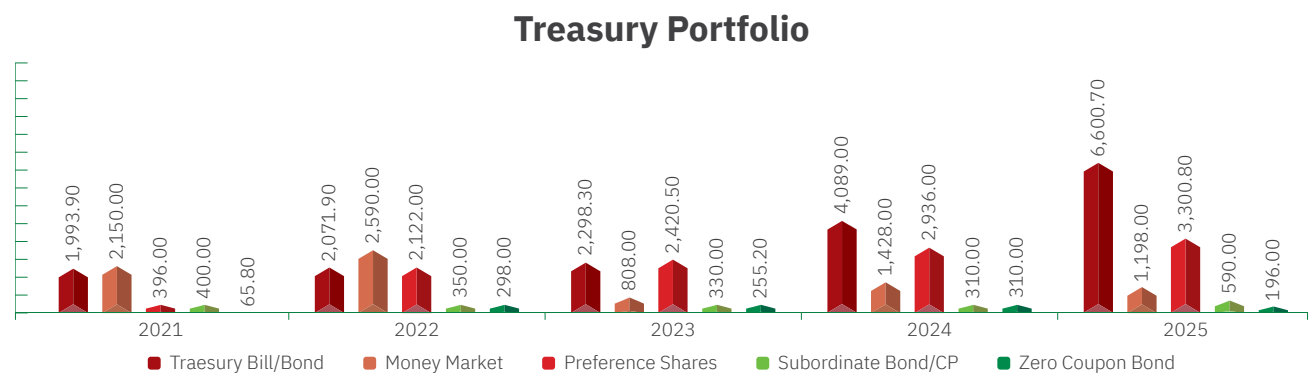
Money Market: BDT 1,198.00 million

Preference Shares: BDT 3,300.80 million

Subordinate Bonds/Commercial Papers: BDT 590.00 million

Zero Coupon Bonds: BDT 196.00 million

BDT million



In addition to investment management, the Treasury Division made significant contributions to the Bank's Foreign Exchange operations and Capital Market activities, supporting overall business growth and profitability.

To ensure prudent management of market risk, Shimanto Bank has established an Asset Liability Management Committee (ALCO), which provides strategic oversight of the Treasury Division. ALCO regularly monitors liquidity, interest rate risk, market risk, and asset-liability management to ensure compliance with regulatory requirements and the Bank's internal risk management framework.

During 2025, the Treasury Division made a meaningful contribution to the Bank's profitability through efficient fund management, optimized investment strategies, and effective treasury operations. Looking ahead, the Division remains committed to further strengthening its presence and performance in the Foreign Exchange Market, Fixed Income Securities, Capital Market, and Money Market, thereby contributing to the Bank's sustainable growth and long-term financial success throughout 2026.



5. Information Technology: Powering business securing the future

In 2025, the Information Technology Division accelerated the Bank's digital transformation journey through targeted modernizations of core technology platforms, expanded digital financial services, upgraded payment infrastructure, and optimized operational workflows. The Division remained steadfast in delivering secure, resilient, and customer-centric solutions—fortifying information security, maintaining seamless business continuity, and ensuring strict adherence to regulatory standards. Key accomplishments and strategic initiatives executed during the year include:

Core Banking & Payment Systems Enhancement: The Bank upgraded its Trade Finance System and enhanced the BACH, BEFTN, NPSB and RTGS platforms to improve transactional efficiency, operational resilience, and regulatory compliance. Significant enhancements were also implemented in the Core Banking System (CBS), including Loan Classification & Provisioning.

Internet Banking & Mobile Banking Enhancement: Deployed a feature-rich, enterprise-grade Corporate Internet Banking portal designed to support corporate clients with multi-layered authorization limit matrices, bulk payment capabilities, and online LC opening facilities.

To enrich customers' digital banking experience, several new features were introduced in the retail Internet Banking and Mobile Banking platforms. These included Bangla QR, PSR (Proof of Submission of Return), A-Challan, Card Fund Transfer, & several Utility Bill payment services.

Customer Verification Services: The National ID (NID) Verification Portal was upgraded to the latest Election Commission verification platform, ensuring faster customer verification, improved accuracy, and compliance with regulatory requirements during customer onboarding and service delivery.

AML & Regulatory Compliance: The implementation of the AML Sanction Screening solution strengthened the Bank's anti-money laundering framework by enabling automated customer and transaction screening against applicable sanctions lists, supporting regulatory compliance and risk mitigation.

Enterprise Application Development: To improve business & operational efficiency bank introduced many innovative solutions. These included the Loan Tracker System, Human Resource Management System (HRMS), Risk Register, Centralized account management & Survey system.

Core Infrastructure & SWIFT Modernization: Deployed a high-throughput, low-latency data processing Core Switch to handle growing business needs. Migrated SWIFT operations to high-availability infrastructure and transitioned cross-border payment messaging from legacy MT formats to the ISO 20022 MX (FIN plus) XML standard.

Customer Service Enhancement: A Call Center Solution implemented with all cutting-edge communication channels (IVR, web chat, predictive dialer, Call bluster, and ticketing system) to improve customer support, facilitate faster query resolution, and enhance the overall customer experience.

Information Security Enhancement: To strengthen the Bank's cybersecurity posture and ensure the security of critical business systems, a Privileged Access Management (PAM) solution was implemented to secure privileged accounts, strengthen administrative access controls, and support regulatory compliance. The Information Security Team also conducted Disaster Recovery (DR) and Cybersecurity Incident Response Drills to validate business continuity and cyber resilience. Furthermore, comprehensive security awareness programs for employees and cybersecurity awareness campaigns for customers were carried out to promote safe digital banking practices, enhance fraud prevention, and foster a strong security-conscious culture across the Bank.

In IT, progress is never a one-time event—it is a continuous cycle of enhancement, adaptation, and advancement. Day in and day out, our team works at a steady, focused pace to ensure our systems remain robust, agile, and aligned with market demands.

We approach each year as a relay race toward organizational excellence. The milestones we achieve today provide the momentum, insights, and structural readiness required for tomorrow's innovations. As we look ahead, our upcoming projects will naturally carry the footprint of this year's accomplishments, driving the Bank toward an increasingly secure, digital-first future.



6. Human Resource Management

Shimanto Bank PLC. is an enterprise of the Border Guard Bangladesh Welfare Trust, and the Human Resources Division serves the Bank with dedication, discipline and full regulatory compliance. Guided by a forward-looking Board of Directors and an experienced management team, the Division remains committed to building a motivated and professionally capable workforce, and to positioning the Bank as a model of strong corporate governance for other financial institutions in the country.

The year 2025 was one of consolidation and reform. The Division moved decisively from administration towards strategy, from paper towards platform, and from ad hoc hiring towards structured, career-based talent acquisition.

Strategic Role of Human Resources: The Human Resources Division acts as the strategic custodian of the Bank's human capital. Its core mandate is to enhance employee performance, safeguard institutional integrity and ensure strong alignment between the workforce and the Bank's broader strategic objectives. The Division supports the full employee lifecycle through robust policies, systems and practices, covering:

- Workforce planning and organisational design
- Talent acquisition and selection
- Onboarding and orientation
- Training, development and career progression
- Performance appraisal and feedback management
- Compensation, benefits and reward administration
- Employee relations, discipline and grievance handling
- Succession planning and leadership development
- Employee engagement, welfare and retention
- Compliance with the bank's policies and with all applicable regulatory requirements

Growth of the Workforce in Quality and in Quantity: The most visible achievement of the year was the tremendous growth of the workforce, both in scale and in calibre. Headcount was expanded in line with branch and business growth, while the academic, professional and behavioural standards applied at the point of entry were raised. Recruitment was directed towards candidates from reputed institutions with demonstrable analytical ability and a genuine aptitude for a career in banking.

The result is a workforce that is younger, better qualified and more digitally confident than at any point in the Bank's history, and one capable of absorbing the technological and regulatory change now reshaping the industry. Growth in numbers accompanied by a measurable improvement in quality is the foundation of sustainable performance, and that was the standard applied throughout the year.



Senior Executives with the newly joined officers of the Bank.



Restructuring of the Salary Framework: Recognising that competitive and equitable remuneration is central to both morale and retention, the Bank undertook a comprehensive restructuring of its salary framework. The exercise reviewed pay against prevailing market practice in the banking sector, corrected internal anomalies across grades, and strengthened the linkage between responsibility, performance and reward. The revised structure has improved the Bank's standing in the competition for skilled professionals, reduced avoidable attrition among high performers, and reinforced confidence in the fairness of the Bank's reward decisions.

Talent Acquisition on a Career Footing: The Bank introduced the designation of Probationary Officer during the year, establishing for the first time a formally defined entry route for graduate talent with a structured path to officer grade. Recruitment for this cadre was conducted through the Institute of Business Administration, University of Dhaka, ensuring an independent and rigorously administered selection process that has secured the quality of intake and enhanced the Bank's standing among the country's best graduates.

An in-house career portal was developed and launched for the receipt and processing of applications. The portal has brought recruitment onto a single transparent platform, given every applicant equal access to opportunity, created a searchable internal talent pool.

Learning and Development: Training remained a priority throughout the year, delivered through in-house programmes, external institutions and, increasingly, digital channels.

The Banking Foundation Training Programme continued as the cornerstone of the Bank's learning architecture, equipping new entrants with grounding in general banking, credit, foreign exchange, regulatory compliance and customer service before deployment. The curriculum was reviewed during the year to incorporate contemporary subject matter and forward looking content, including digital banking, sustainable and green finance, cyber and information security, data protection and analytical skills for decision making. Programmes conducted during the year included:

- Banking Foundation Training
- Anti Money Laundering and Combating the Financing of Terrorism
- Service Delivery Excellence
- Credit Risk Management
- Operational Risk Management
- Foreign Exchange Transactions Reporting
- Business Performance Analysis
- BAMLCO and DAMLCO Conference
- SWIFT implementation and related technical training
- National Integrity Strategy
- Gender Equality Awareness Programme
- CMSME and Cluster Financing
- Core Banking System training
- Information Security Awareness Programme.

Digitalization of the Human Resources Function: The Bank pursued a major drive towards implementation of a comprehensive Human Resources Information System, bringing employee records, service history, leave, attendance, payroll inputs, performance documentation and training records onto a single integrated platform. The benefits are already apparent in faster service to employees, a single verified source of workforce data, stronger controls over sensitive personal information, and reporting on demand. Digitalization has also released professional capacity from routine transaction processing towards analysis and strategic support to the business.

Performance, Employee Relations and Welfare: Performance evaluation, coaching and recognition continued to align individual contribution with strategic priorities. The employee relations function promoted a fair and compliant workplace by addressing concerns promptly and applying corporate policy consistently across every grade and location. Discipline was administered in strict accordance with the Bank's service rules and the applicable provisions of law, with due process observed at every stage. Engagement, welfare initiatives and the formalized exit interview process provided candid insight into the employee experience, which informed both the salary restructuring and the wider retention agenda.



Outlook: Work continued on the talent review process, the high potential programme, succession planning for key positions and a leadership curriculum focused on strategy, financial acumen and problem solving. In the year ahead, the Division will complete the roll-out of the Human Resources Information System, extend the e-learning catalogue, embed the Probationary Officer cadre within a defined career progression framework, and deepen the use of workforce analytics in strategic decision making. By attracting premier talent, developing it in a supportive environment, rewarding it fairly and retaining it for the long term, the Division contributes to the success of the Bank and to the advancement of the national workforce.

7. General Security and Transportation

General Security and Transportation Division ensures safety and security of men and material of the organization. This division is responsible for security of cash in the premises and the cash in transit. It looks after all type of insurances of the bank. Maintenance and allocation of motor transport of the bank is the responsibility of this division. The safety and security is ensured through the electronic gadgets, fire arms and the security guards.

8. Service Quality and Complaint Management

In today's competitive banking landscape, ensuring customer satisfaction through efficient complaint management is a symbol of responsible banking. Shimanto Bank PLC. acknowledges the critical role of responsive customer service in sustaining trust and loyalty. To this end, the Bank has established the Service Quality and Complaint Management Department, an exclusive and professional unit, dedicated to handling customer grievances with integrity, speed, and due diligence. To exclusively and professionally address customer complaints, Shimanto Bank PLC. setup the Customer Services & Complaint Management Cell (CS&CMC), which takes a relentless effort in establishing a customer-friendly environment by resolving any complaint from the customer through prompt analysis, investigation, and initiating remedial measures. There is also an (email address) complaint.desk@shimantobank.com through which customers can instantly submit their complaints regarding the Bank's products and services which depicts our satisfactory service quality and level of customer satisfaction.

9. Sustainable Finance

Sustainable Finance generally refers to the process of taking due account of environmental, social and governance (ESG) considerations when making investment decisions in the financial sector. Therefore, Sustainability has become one of the mainstream considerations in the financial sector. Sustainability in this context means the quality of not being harmful to the environment or depleting natural resources, and thereby supporting long-term ecological, social balance and governance (ESG).

Presently, Sustainable finance in Bangladesh has emerged as a critical regulatory and commercial priority, driven by the nation's extreme vulnerability to climate change and its commitment to Sustainable Development Goals (SDGs). The sector is experiencing rapid growth, with sustainable finance extended by the Banks in Bangladesh.

As part of its commitment to environmental sustainability, Shimanto Bank PLC maintained a Green and sustainable finance portfolio of BDT 3,243.54 million in 2025, representing 12.92 % of its total financing. During the year, the Bank disbursed BDT 1,466.16 million in Sustainable Linked Finance, with 18.15% allocated to sustainable agriculture i.e. crops, pisciculture, livestock, poverty alleviation etc. and 81.85% allocated to Socially Responsible Financing i.e. Financing/Investment through MFI (MRA Regulated)/NGO (Govt. Approved) linkage mode for capacity building, education, employment generation including self-employment.

At Shimanto Bank PLC, we are also giving privilege for providing financing to this transformation of SDGs, helping the communities of Bangladesh to achieve sustainable growth and to keep effects of environmental and climate issues at the minimum level. We are meticulously following Environmental and Social Risk Management (ESRM) guidelines provided by Bangladesh Bank to manage Environmental and Social Risks for all the clients of Shimanto Bank PLC. This compliance maintained by the Bank will help ensure that the financing steps will support a positive impact on the environment and society.



10. Corporate Social Responsibility

Corporate Social Responsibility (CSR) is a commitment to operating ethically, contributing to economic development, and improving the quality of life for people, communities, and the environment. It goes beyond mere profit-making, emphasizing sustainable business practices that actively benefit society.

As part of this commitment, Shimanto Bank PLC strives to make the world more livable by driving financial inclusion for marginalized populations across Bangladesh. The Bank actively works to bridge the gap in banking access, making essential financial services available to people living in remote and underserved areas. The primary purpose of the Shimanto Bank's CSR is to make a meaningful and measurable impact in the lives of the economically, physically and socially challenged communities of the country.

Shimanto Bank PLC is contributing in direct and indirect Corporate Social Responsibility (CSR). Our management is always concerned about the allocation pattern which includes education, health, emergency disaster relief, sports and necessary facilities for the underprivileged communities in remote far flung areas.

Shimanto Bank PLC allocates its CSR Expenditure as per the guideline of Bangladesh Bank. Shimanto Bank has allocated mentionable amount of money to different sectors of CSR. As a new bank and within the 10th year of operations our contribution in the field of CSR is praiseworthy. Details of the CSR donation in 2025 are as follows:

SL	Sector of Donation	Amount of Donation in BDT
1	Education	44,00,000.00
2	Health	18,50,000.00
3	Environment & Climate Change	11,87,825.00
4	Others	34,22,000.00
Grand Total		1,08,59,825.00

11. Risk Management

Risk Management at Shimanto Bank PLC: The robust expansion of a Countries banking industry is essential to the country's overall economic growth. Effective monitoring and supervision are among the most crucial elements of a thriving banking industry. For every Countries financial system to remain stable, effective banking surveillance and supervision are essential. Along with the instruments for monitoring and overseeing banks, risk management is a crucial component of the policy. In the regular course of operations, banks must manage a variety of risks, including credit, market, liquidity, operational, and reputational risks. Consequently, the bank's



A Tree Plantation Program arranged by Shimanto Bank PLC. with participation of students of Govt. Technical School & College- Satkhira.



A moment of CSR donation with presence of the executives of the Bank.



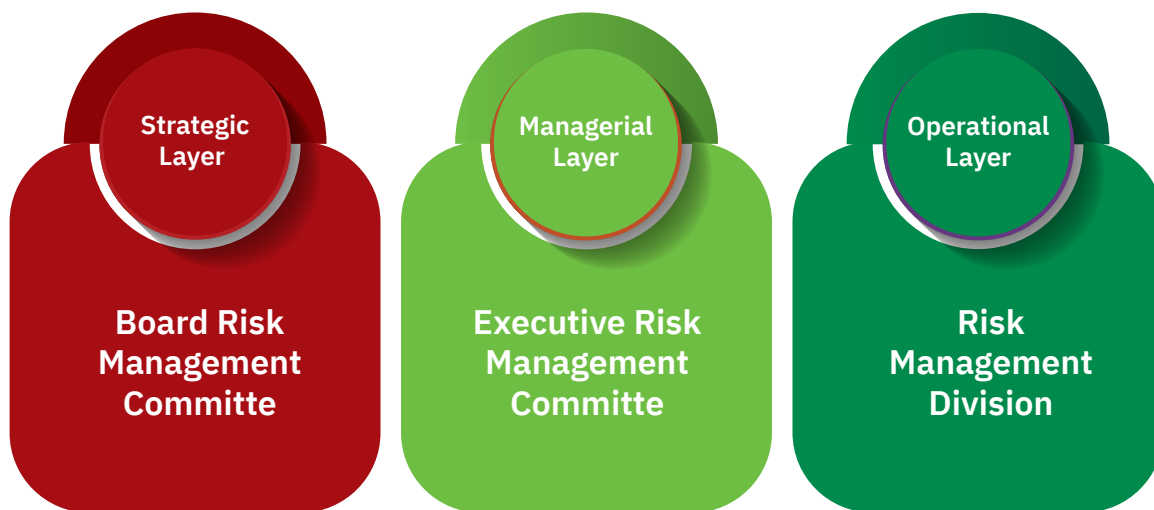
capacity to preserve its financial stability and safeguard its assets depends on efficient risk management. The establishment and operation of a sufficient and efficient internal audit, internal control and risk management system are necessary for the banks to monitor and manage the risks to which they are exposed. In order to identify, evaluate, mitigate and monitor risks, the Bank has a comprehensive risk management framework in place that consists of policies, processes and controls. To keep the Bank's risk management framework effective in the face of shifting risk profiles and market conditions, it is required to be reviewed and improved regularly.

The Bank is committed to managing risk in a responsible manner. The Bank's risk management framework complies with national and international best practices and standards. The Bank also regularly communicates with its stakeholders to make sure that they comprehend and support its risk management procedures.

Risk Governance Structure of the Bank

Board Risk Management Committee: The Board Risk Management Committee (BRMC) oversees the risk management functions for identifying, monitoring, and measuring the Bank's risk profile in a comprehensive and integrated manner. The Committee approves policies related to risks and reviews various aspects of risks arising from the business undertaken by the Bank, monitors effective execution of core risk management policy and principles, and makes recommendations relating to risk appetite and particular risks or risk management practices.

Executive Risk Management Committee: The Executive Risk Management Committee of the bank is comprised of Heads/In-charges of all core risk areas of the bank and Head/In-charges of any other Department/Division related to risk issues, if deemed necessary, to monitor and review all risk exposures, risk-related policies, procedures affecting credit, market and operational areas in line with the directives from the BRMC. The committee is chaired by the Chief Risk Officer (CRO), who holds meetings at least once a month based on the findings of risk reports and takes appropriate decisions to minimize, control, and mitigate risks.



Layer Structure to Mitigate Risk: Coherent risk governance is provided by multiple levels of management. Three layered structure for risk mitigation is given below:

Risk Management Division: The Risk Management Division is assigned the responsibility of carrying out the overall risk management function at strategic and operational levels. RMD consists of separate desks, which are devised for managing Credit Risk, Market Risk, Liquidity Risk, Operational Risk, and Risk Research & Policy Development.

Risk Reporting: Risk reporting practice comprises comprehensive alignment with regulatory disclosures, while also fulfilling internal requirements pursuant to the guidelines based on:

- Risk-Based Capital Adequacy (RBCA) for Basel-III.



- Risk Management Guidelines as issued by Bangladesh Bank.
- Other relevant Guidelines of the Bangladesh Bank.

Key Risk Areas Focused by Risk Management Division (RMD) during the Year 2025:

Risk Appetite Statement: RMD prepared the Risk Appetite Statement of the bank aligning with the business target and subsequently presented it in the ERM Meeting, BRMC Meeting, and finally in the Board Meeting for review and approval. During the preparation of the Comprehensive Risk Management Rating (CRMR) report no sector-wise, industry-wise, & division-wise breach occurred in comparison with the Risk Appetite Statement of the bank.

Comprehensive Risk Management (CRMR) Rating Report: The CRMR report is submitted to Bangladesh Bank on a biannual basis. At the Board Risk Management Committee (BRMC) and the Executive Risk Management Committee (ERM) meeting, the report's findings and observations were thoroughly discussed, and notes were taken on how to improve the rating in this regard.

Portfolio quality: RMD rigorously monitors the portfolio quality of the bank on a monthly basis and informed the ERM and BRMC regarding the portfolio status. ERM & BRMC members reviewed and assessed the portfolio quality of the bank and suggested action plans to lessen the NPL.

Clients Credit Rating: RMD maintains a close relationship with the Business Divisions and Branches to ensure that expired credit ratings are promptly updated. As a result of this rigorous monitoring, as of December 2025, 91% of corporate clients for credit rating had been rated by External Credit Rating Agencies.

Internal Capital Adequacy Assessment Process (ICAAP) report: ICAAP Report for the year 2025 of the bank has been submitted to Bangladesh Bank in time.

Risk Management Policy: Risk Management Policy of Shimanto Bank PLC (SMBPLC) is prepared in line with Risk Management Guidelines issued by Bangladesh Bank and circulated through DOS circular # 4 dated October 08, 2018. The policy is also aligned with the revised version of Basel Core Principles (BCP) for Effective Banking Supervision published by the Basel Committee on Banking Supervision (BCBS) in September 2012. To achieve its risk management objectives, the bank relies on a risk management framework comprising risk policies and procedures formulated for assessing, measuring, monitoring, and reporting risks, including limits set to manage the exposure to quantifiable risks. Risk Management Policy is prepared to serve as a guideline for effectively managing risk in the evolving business environment.

Notable Activities of RMD during the Year 2025

Sl No.	Notable Activities of RMD during the Year 2025
1.	Risk Appetite Statement for the year 2025
2.	Updated Credit Rating for the Year 2025
3.	Internal Capital Adequacy Assessment Process (ICAAP) report for the year 2025
4.	Recovery Plan 2025
5.	Annual Risk Conference 2025

12. Anti-Money Laundering (AML) & Combating the Financing of Terrorism (CFT)

Commitment to Financial Integrity & Governance: Shimanto Bank PLC. remains steadfast in its commitment to maintaining the highest standards of financial integrity, sound governance, and regulatory compliance. Recognizing the evolving global and domestic landscape of money laundering risk, the Bank operates under a zero-tolerance policy toward Money Laundering (ML), Terrorist Financing (TF), Trade-Based Money Laundering (TBML), and Proliferation Financing (PF).

In alignment with the standards set by the Financial Action Task Force (FATF), statutory requirements under the Money Laundering Prevention Act, 2012 (and amendments) and Anti-Terrorism Act, 2013, as well as directive and guidelines issued by the Bangladesh Financial Intelligence Unit (BFIU), Money Laundering & Terrorism Financing Prevention Department, Bangladesh Bank, Shimanto Bank continuously adapts its compliance governance to safeguard the institution and the broader financial system.



Shift Toward a Risk-Based Approach (RBA):

Moving beyond traditional checklist compliance, Shimanto Bank has embedded a dynamic, Risk-Based Approach (RBA) across its operations. Key initiatives undertaken during the year include:

- **Risk Assessment:** Continuous review transactional risk across customer segments, products, delivery channels, and geographic locations.
- **Enhanced Due Diligence (EDD):** Application of stringent EDD and continuous risk profiling for Influential Persons (IPs), High-Net-Worth individuals, NGOs/NPOs, and high-risk business sectors.
- **Beneficial Ownership Transparency:** Rigorous identification and verification of Ultimate Beneficial Owners (UBOs) to mitigate risks.
- **Strong Operational & Decentralized Governance Structure:** To ensure comprehensive oversight at all organizational levels, Shimanto Bank maintains a robust compliance hierarchy:
- **Central Compliance Committee (CCC):** Chaired by the Chief Anti-Money Laundering Compliance Officer (CAMLCO) and comprising key divisional heads to drive strategic compliance directives and cross-departmental coordination.
- **Root-Level Oversight:** Designated Branch Anti-Money Laundering Compliance Officers (BAMLCOs), and Departmental Compliance Officers (DAMLCOs) ensure operational adherence at both branch and head office levels.
- **Sanction Screening & Onboarding:** Comprehensive pre-onboarding checks against local lists and international screening databases (including UN Sanctions lists) to prevent anonymous accounts, shell bank relationships, or sanctioned entity participation.
- **Heightened Transaction Monitoring & Surge in STR/SAR Reporting:** In response to heightened regulatory expectations, Shimanto Bank significantly strengthened its transaction monitoring mechanisms during 2025.
- **Key Operational Milestone:** Driven by stricter rule-based monitoring and enhanced vigilant oversight by the Anti-Money Laundering Department (AMLDD), the volume of Suspicious Transaction Reports (STRs) and Suspicious Activity Reports (SARs) escalated multi-fold compared to previous years. This substantial increase in STR/SAR submissions reflects the Bank's proactive stance in detecting, investigating, and reporting unusual account activities and potential predicate offenses to the BFIU in a timely manner.

Capacity Building, Independent Testing & Continuous Assurance

- **Capacity Building:** Training remained a core pillar of the program, with fresher and refresher sessions conducted for officials across branches and divisions.
- **Independent Compliance Testing:** The Bank's Internal Control and Compliance Division (ICCD) routinely conducts independent testing on AML & CFT compliance. Findings and action plans are actively tracked by AMLD to ensure continuous rating improvement and operational resilience.

Looking ahead, Shimanto Bank remains committed to continuous enhancement of its AML & CFT framework in line with evolving regulatory expectations, technological capabilities, and the changing domestic and global financial AML landscape.

13. Internal Control & Governance Excellence

Banking industry is quite important to the national economy of a country as well as to the international economy. The issue of effective internal control system, compliance and corporate governance has become significant to ensure smooth performance of the operations of the Bank. Internal Control is the process, effected by a company's Board of Directors, Management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations and internal policies.



Shimanto Bank PLC. has established an appropriate and effective internal control environment through the Board of Directors, Management, an independent audit mechanism and procedural controls in order to ensure that the Bank is managed and controlled in a sound and prudent manner. The Bank identifies its weakness through the internal control system and takes appropriate measures to overcome the weaknesses. The Board of Directors of the Bank has established an Audit Committee comprises of 3 (three) Directors including 2 (two) Independent Directors. The Audit Committee monitors the effectiveness of internal control system of the Bank. Management takes appropriate actions as per the recommendations of the Bangladesh Bank's Inspection Team, External Auditors and Internal Auditors.

The Bank has Internal Control & Compliance Policy and has implemented robust Risk Based Internal Audit (RBIA) methodology. Risk assessment by internal control focuses on ensuring compliance with the Bank's policies, together with regulatory requirements as per core risk guidelines and different circulars of Bangladesh Bank and other regulatory requirements. In this way, Internal Control & Compliance plays its pivotal role both as a watchdog as well as a facilitator of the Bank's sustainable growth.

The Compliance Unit looks after compliance activities of different divisions and branches. The compliance objectives of internal control refer to ensure that the bank stays in compliance with all applicable laws and regulations. The compliance unit is responsible for ensuring compliance with applicable laws, regulations, policy and guidelines of relevant regulatory authorities (Bangladesh Bank, NBR, BSEC etc.). The compliance unit maintains liaison with the regulators at all levels and notifies relevant internal division/ departments regarding any change of regulatory instruction.

Bangladesh Bank conducted core risk inspection on Credit Risk Management, Asset Liability Management, Information Technology Security, Internal control & Compliance and Foreign Exchange in 2024. Bangladesh Bank also conducted comprehensive inspection on Head Office as on 31-12-2024 and Principal Branch as on 31-12-2024. Compliance Unit submits all compliance reports to Bangladesh Bank in due time. Financial Statements-2025 has been finalized after a Tripartite Meeting held among Bangladesh Bank, External Auditors and the Management of the Bank. All audit observations are compiled meticulously by Compliance Unit.

Governance is the combination of processes and structures implemented by the Board to inform, direct, manage and monitor the activities of the organization towards the achievement of its objectives. For reinforce, effective governance:-

- Starts at the top with the Board of Directors and cascades throughout the organization to all employees.
- Involves critical relationships among the Board, Senior Management and Shareholders.
- Encompasses organizational structure as well as the related legal and regulatory environment.
- Balances economic and social goals.
- Extends to all organizational stakeholders including but not limited to customers, suppliers, partners, creditors and the general community.

Sound corporate governance is fundamental to the gaining of stakeholders' trust. Shimanto Bank's commitment to all stakeholders is reflected in our management culture that embraces the higher standards of corporate governance we maintain. The Board of Directors of Shimanto Bank has a separate role from executive management in governing the organization. The Board approves strategic policies and decisions, establishes appropriate boundaries, oversees execution and ensures accountability, fairness and transparency. Executive management aligns strategy, processes, people, reporting and technology to accomplish the organization's mission in accordance with its established values. An important aspect of the delineation of responsibilities between the Board and management is the setting of boundaries, which provide a broad context for balancing the organization's objectives and performance goals for creating enterprise value with the policies, processes and control systems deemed appropriate to preserve enterprise value.

The Board has always been deeply committed to establishing the highest level of ethics and compliance among all employees of the bank. It has always encouraged the management to ensure that everyone maintains high ethical standards within the bank. The bank's philosophy on corporate governance enshrines the goal of achieving the highest level of transparency, accountability and equity in all spheres of its operations and in all its dealing with shareholders, employees, regulators and other relevant stakeholders. By doing so, the bank demonstrates its understanding and respects its fiduciary roles and responsibilities to shareholders excellently.

PESTEL ANALYSIS

1. Political

Overall View

Bangladesh's political landscape has been reshaped by recent political transitions, governance reforms, and democratic restructuring, electoral systems, judicial autonomy, financial sector oversight, and cyber and data governance etc. Bangladesh has always pursued a balanced foreign policy by strengthening relations with regional and global partners and multilateral organizations, including India, China, the United States. Enhanced regional cooperation through platforms such as BIMSTEC and growing engagement with international development partners are expected to support political stability, economic development, and strategic regional integration. Looking ahead, long-term confidence will depend not only on the reforms already introduced but also on policy clarity, regulatory consistency and institutional stability.

Bank's View

Shimanto Bank maintains a structured risk governance framework and regularly aligns its policies with regulatory requirements to ensure effective oversight and stability. During 2025, we concentrated on maintaining institutional resilience and exercising sound judgment. We recognized that in periods of transition, credibility is built through consistency rather than visibility. This principle shaped our decisions throughout the year and will remain central to our future direction.

2. Economic

Overall View

The Bangladesh economy in 2025 reflected both challenges and opportunities. The year has been marked by several important economic challenges, including GDP growth, private sector credit growth, banking sector non-performing loans and inflation. Real GDP growth slowed to 3.49% in FY2025 and inflation declined from its 2024 peak, it remained high at 8.49% in December, continuing to affect households and business profitability. Private sector credit growth declined to a historic low of 6.10% by December. The banking sector's classified loan ratio increased to 30.60%, marking its highest year-end level in more than twenty years. In contrast, the external sector demonstrated considerable strength. The current account returned to surplus after remittance inflows reached a record USD 32.80 billion. Foreign exchange reserves recovered to over USD 33.19 billion by year-end. Economic recovery is expected to progress gradually. The IMF forecasts GDP growth of 4.70% in FY2026, subject to successful fiscal reforms, financial sector restructuring, and effective policy implementation. Furthermore, Bangladesh's anticipated graduation from LDC status in November 2026 may result in the gradual withdrawal of preferential trade benefits, creating additional competitive pressures during the recovery process.

Bank's View

Despite economic challenges such as GDP growth, private sector credit growth, classified loans in the banking sector and inflation, Shimanto Bank achieved moderate performance. The Bank expanded its loan portfolio by 23.36%, increased deposits by 29.29%. Our gross NPL ratio remained at 6.73%, and the CRAR stood at 25.07%, which is considerably above regulatory minimum limit. The Bank's performance is closely connected to overall economic conditions, including market fluctuations, interest rate movements, liquidity conditions, and credit quality. To protect its financial strength and support sustainable growth, the Bank continuously monitors credit, market, and liquidity risks through a comprehensive risk management system.



3. Social

Overall View

Bangladesh's social environment continues to evolve under the influence of a young, digitally connected, and increasingly demanding population. However, the defining feature of this period lies in changing consumer behavior. Digital channels now account for an increasing proportion of banking transactions. Bangladesh boasts a massive demographic advantage, with its labor force making up two-thirds of its 175.7 million citizens and a median age of roughly 27. This immense potential can be translated into economic growth through strategic investments. Additionally, Bangladesh has emerged as one of the world's leading sources of online freelancers. Consequently, the market is becoming not only larger but also more selective, where consumers increasingly prioritize quality, trust, and experience. Financial institutions must therefore adapt to these evolving expectations to remain relevant.

Bank's View

At Shimanto Bank, responding to the changing needs of society requires active engagement in areas where opportunity, confidence, and inclusion are still developing. Our bank has ensured financial inclusion of women by launching new products like Nari Shonchoy and SMBL Nari Money Savers in 2025 and women's savings through these products have exceeded Tk 2.70 crore. In addition, to give priority to women entrepreneurs in the CMSME sector and to further improve the bank's CMSME business, a new product with special benefits called "Shimanto Prerona" has been launched. Shimanto Bank 24x7 Internet Banking allows customers to make convenient and hassle-free transactions anytime, anywhere. In 2025, the number of subscribers of the bank's Internet banking service increased by 38% and transactions increased by more than 2.5 times to Tk. 720 Crore. We believe that meaningful relevance is achieved not through greater visibility, but through impactful engagement where it matters most.

4. Technological

Overall View

Technological developments in the banking sector of Bangladesh have been widespread in 2025. The interoperable payment system has been introduced through NPSB under the Payment and Settlement Systems Act 2024. Artificial intelligence and its various forms are now gaining prominence among regulators in the financial services sector. Such developments in the banking sector are significantly strengthening the technological foundation. Majority of banks yet to adopt AI in cybersecurity. Application of artificial intelligence (AI) in disaster recovery (DR) planning remains almost entirely non-existent in Bangladesh's banking sector, according to a recent survey. Not only digital and traditional banks, but all types of banks must adopt emerging technology according to demand to ensure service in the future.

Bank's View

In terms of providing convenient and faster service, Shimanto Bank has made significant technological progress in 2025. In 2025, internet banking customer base was around 32K and the number of transactions has more than doubled. The bank has various certifications including ISO 27001 and SWIFT CSP. As emerging technologies continue to reshape the banking system, these strong initiatives prepare us for future sustainable growth.



5. Environmental

Overall View

Climate change has become a persistent and significant economic challenge for Bangladesh. In 2025, its impact became increasingly evident. According to a World Bank Group report, extreme heat and humidity led to 250 million lost workdays in Bangladesh in 2024. Physical and mental health conditions caused by rising temperatures cost the economy up to 1.78 billion, equating to roughly 0.4 percent of the country's GDP. In May-June 2025, the North-East (Sylhet, Sunamganj, Moulvibazar, Habiganj, Netrokona) and South-East (Khagrachari, Bandarban, Rangamati, Noakhali, Bhola) regions of Bangladesh faced severe flash floods due to a deep depression in the Bay of Bengal and intense monsoon heavy rains. The Ministry of Finance initiated work on the country's first National Climate Finance Strategy, while Bangladesh Bank continued promoting sustainable finance through higher green finance targets and climate-related disclosure requirements. As a result, climate considerations are becoming increasingly important for evaluating borrower resilience, asset quality, and institutional credibility.

Bank's View

Shimanto Bank significantly expanded its footprint in sustainable banking over the course of 2025. Sustainable finance accounted for 12.93% of overall loan disbursements, significantly outpacing green finance, which represented 2.40% of total term loans. Shimanto Bank strives to integrate environmental, social and governance (ESG) criteria into sustainable investments that ensure the bank's long-term profitability, reduce risk.

6. Legal

Overall View

Bangladesh had replaced incremental banking adjustments with a comprehensive structural redesign, anchored by four strategic pillars in 2025: resolution, governance, disclosure, and trust. The Bank Resolution Ordinance 2025, later enacted into permanent law, provided Bangladesh Bank with formal authority to intervene in non-viable financial institutions. Similarly, the Deposit Protection Ordinance 2025, subsequently enacted as the Deposit Protection Act 2026, increased the insured deposit limit to BDT 200,000, doubling the previous threshold. The proposed amendments to the Banking Companies Act on governance indicate stricter supervision by the central bank, smaller boards and greater participation of independent directors. The revised credit-classification guidance on disclosure, the IFRS 9 transition roadmap, and the introduction of Risk-Based Supervision from January 2026 have collectively strengthened the processes of early risk identification and closer regulatory oversight. In the context of trust, the Cyber Security Ordinance has expanded the legal dimension of institutional accountability and trust. These developments demonstrate that Bangladesh has not merely revised banking regulations but fundamentally reshaped the framework supporting the banking sector.

Bank's View

Mandatory banking sector policies have long been part of operations at Shimanto Bank. The total number of lawsuits stood at 97 as of year-end, 2025, with an aggregate amount of BDT 37.23 crore under litigation. The annual recovery against these cases was BDT 4.13 crore. The Special Asset Management Department (SAMD) was formed in 2025 to increase recovery from classified loans. This department also works closely with the Legal Department. In addition, Shimanto Bank has successfully completed the Risk Based Supervision pilot program initiated by Bangladesh Bank.



**INDEPENDENT
AUDITORS' REPORT
AND AUDITED FINANCIAL
STATEMENTS
OF SHIMANTO BANK PLC.**

AS AT AND FOR THE YEAR ENDED DECEMBER 31, 2025



INDEPENDENT AUDITORS' REPORT

To the Shareholders of Shimanto Bank PLC.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Shimanto Bank PLC., which comprise the balance sheet as at 31 December 2025, and the profit and loss account, the statement of changes in equity and the cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Bank as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with Rules and Regulation issued by Bangladesh Bank and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) as explained in note 2.00.

Basis for Opinion

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

Emphasis of Matter

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

Other information

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

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

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



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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Rules and Regulation issued by Bangladesh Bank and IFRS Accounting Standards as issued by the IASB as explained in note 2.00 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Bank audit to obtain sufficient appropriate audit evidence regarding the financial information of the entity as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Bank audit. We remain solely responsible for our audit opinion.

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

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





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

Report on other Legal and Regulatory Requirements

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

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ii. in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books;
- iii. the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- iv. the balance sheet and profit and loss account of the Bank dealt with by the report are in agreement with the books of account and returns;
- v. the financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- vi. adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- vii. based on our checking of sample, no advance or loan in excess of the amount determined by Bangladesh Bank from time to time has been sanctioned or allowed;
- viii. to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibilities for the Audit of the Financial Statements section in forming the above opinion on the financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Responsibilities of Management and Those Charged with Governance for Financial Statements and Internal Controls:
 - a. internal audit, internal control and risk management arrangements of the Bank as disclosed in the financial statements appeared to be materially adequate;
 - b. nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank.
- ix. the information and explanations required by us have been received and found satisfactory;
- x. we have reviewed over 80% of the risk weighted assets of the Bank and spent over 3,000 person hours;
- xi. Capital to Risk-weighted Asset Ratio (CRAR), Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) as required by Bangladesh Bank has been maintained adequately as at 31 December 2025;
- xii. As part of our going concern assessment, we reviewed maturity mismatch between assets and liabilities which may adversely affect the Bank's subsequent liquidity position; and

For and on behalf of

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

Muhammad Rezaul Islam FCA
Partner
Enrolment Number: 1750
DVC: 2604291750AS792079

Dated: Dhaka
29 April 2026



SHIMANTO BANK PLC.

Balance Sheet

As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31-Dec-25	31-Dec-24
Property and Assets			
Cash	4.00	1,891,461,225	1,568,118,833
Cash in Hand (Including Foreign Currency)	4.01	578,264,554	493,272,800
Balance with Bangladesh Bank and its Agent Bank (s) (Including Foreign Currency)	4.02	1,313,196,671	1,074,846,033
Balance with Other Banks and Financial Institutions	5.00	688,511,128	826,131,019
In Bangladesh	5.01	582,008,157	582,885,511
Outside Bangladesh	5.02	106,502,971	243,245,508
Money at Call on Short Notice	6.00	747,880,000	880,000,000
Investments	7.00	10,968,962,428	7,774,761,545
Government	7.01	6,660,789,819	4,089,368,138
Others	7.02	4,308,172,609	3,685,393,407
Loans and Advances	8.00	25,094,320,926	20,341,282,630
Loans, Cash Credits, Overdrafts etc.	8.01	25,091,208,323	20,341,282,630
Bills Purchased and Discounted	8.02	3,112,603	-
Fixed Assets Including Premises, Furniture and Fixtures	9.00	328,660,954	384,778,210
Other Assets	10.00	1,778,116,829	1,237,627,258
Non-Banking Assets		-	-
Total Assets		41,497,913,490	33,012,699,495
Liabilities and Capital			
Liabilities			
Borrowings from Other Banks, Financial Institutions and Agents	11.00	15,505,550	33,500,890
Deposits and Other Accounts	12.00	32,761,212,055	25,354,108,807
Current Deposits and Other Accounts	12.01	947,471,997	926,782,826
Bills Payable	12.02	490,938,149	597,422,139
Savings Bank Deposit Accounts	12.03	2,179,808,098	1,886,658,703
Special Notice Deposits Accounts	12.04	5,900,522,214	4,921,445,991
Fixed Deposit Accounts	12.05	22,592,465,221	16,522,260,342
Other Deposits	12.06	650,006,376	499,538,806
Other Liabilities	13.00	3,768,761,311	1,853,027,201
Total Liabilities		36,545,478,916	27,240,636,898
Capital/Shareholders' Equity			
Total Shareholders' Equity		4,952,434,574	5,772,062,597
Paid-up Capital	14.02	5,250,000,000	5,000,000,000
Statutory Reserve	15.00	510,129,253	510,129,253
Retained Earnings	16.00	(818,193,792)	257,030,669
Other Reserves	17.00	10,499,113	4,902,675
Total Liabilities and Shareholders' Equity		41,497,913,490	33,012,699,495





SHIMANTO BANK PLC.

Balance Sheet

As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31-Dec-25	31-Dec-24
Off-Balance Sheet Items			
Contingent Liabilities	18.00	3,382,604,674	1,915,874,185
Acceptances and Endorsements	18.01	473,109,692	252,079,536
Letters of Guarantee	18.02	2,396,902,137	1,347,205,696
Letters of Credit	18.03	428,816,093	190,368,226
Bills for Collection	18.04	83,776,752	126,220,727
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		3,382,604,674	1,915,874,185
Net Asset Value (NAV) per Share [Restated: 2024]	41.00	9.43	10.99

The annexed notes from 1 to 47 form an integral part of these financial statements.

Major General Mohammad Ashrafuzzaman Siddiqui
OSP, BSP, SUP, BGBM, ndc, psc, MPhil

Chairman

Brig Gen Imtaj Uddin
ndc, psc

Director

Brig Gen Mohammad Shariful Islam
BGBM, psc

Director

Md. Nurul Azim

Managing Director & CEO

This is the balance sheet referred to in our separate report of even date.

Muhammad Rezaul Islam FCA
Partner

Zoha Zaman Kabir Rashid & Co., Chartered Accountants

Enrolment No: 1750

FRC Enlistment No.: CAF-001-135

DVC No : 2604291750AS792079

Dated, Dhaka
April 29, 2026





SHIMANTO BANK PLC.

Profit and Loss Account

For the year ended 31 December 2025

Particulars	Notes	Amount in Taka	
		Jan-Dec' 2025	Jan-Dec' 2024
Interest Income	20.00	2,637,860,383	2,133,549,810
Interest paid on Deposits and Borrowings etc	21.00	(1,934,269,937)	(1,400,831,075)
Net Interest Income		703,590,446	732,718,735
Investment Income	22.00	681,083,149	548,534,320
Commission, Exchange and Brokerage	23.00	41,534,861	24,070,347
Other Operating Income	24.00	160,046,817	139,177,535
		882,664,827	711,782,202
Total Operating Income (a)		1,586,255,273	1,444,500,937
Salaries and Allowances	25.00	432,093,720	391,311,650
Rent, Taxes, Insurance, Electricity etc.	26.00	64,886,652	57,637,842
Legal Expenses	27.00	6,340,712	2,853,880
Postage, Stamp, Telecommunication etc.	28.00	17,707,069	14,242,480
Stationery, Printings, Advertisements etc.	29.00	16,688,791	11,587,530
Chief Executive's Salary and Fees	30.00	5,882,278	10,823,636
Directors' Fees	31.00	3,400,464	1,860,049
Auditors' Fees	32.00	862,500	402,500
Charges on Loan Losses		-	-
Depreciation and Repairs of Bank's Assets	33.00	119,131,334	114,003,344
Other Expenses	34.00	169,368,897	132,902,051
Total Operating Expenses (b)		836,362,417	737,624,962
Profit before Provision (c = (a-b))		749,892,856	706,875,975
Provision for:			
Provision for Loans and Advances	35.00	1,254,752,142	16,300,522
Provision for Diminution in Value of Investments	36.00	81,420	5,669,263
Other Provisions	37.00	389,921,660	12,820,636
Total Provision (d)		1,644,755,222	34,790,421
Profit before Taxation(e=c-d)		(894,862,366)	672,085,554
Provision for Taxation (f)	38.00	(69,637,905)	274,726,931
Current Tax Expenses	38.01	291,861,897	286,072,471
Deferred Tax Expenses/(Income)		(361,499,802)	(11,345,540)
Net Profit after Taxation (g=e-f)		(825,224,461)	397,358,623
Appropriations:	39.00		
Statutory Reserve	15.00	-	134,417,111
Start-Up Fund	13.08	-	3,973,586
Climate Risk Fund	13.09	-	2,305,692
		-	140,696,389
Retained Surplus		(825,224,461)	256,662,234
Earnings per Share (EPS) [Restated: 2024]	40.00	(1.57)	0.76

The annexed notes from 1 to 47 form an integral part of these financial statements.

Major General Mohammad Ashrafuzzaman Siddiqui
OSP, BSP, SUP, BGBM, ndc, psc, MPhil

Chairman

Brig Gen Imtaj Uddin
ndc, psc

Director

Brig Gen Mohammad Shariful Islam
BGBM, psc

Director

Md. Nurul Azim

Managing Director & CEO

Muhammad Rezaul Islam FCA
Partner

Zoha Zaman Kabir Rashid & Co., Chartered Accountants

Enrolment No: 1750

FRC Enlistment No.: CAF-001-135

DVC No : 2604291750AS792079

This is the profit and loss account referred to in our separate report of even date.

Dated, Dhaka
April 29, 2026





SHIMANTO BANK PLC.

Cash Flow Statement

For the year ended 31 December 2025

Particulars	Notes	Amount in Taka	
		Jan-Dec' 2025	Jan-Dec' 2024
A. Cash Flows from Operating Activities			
Interest Receipts in Cash		2,589,488,745	2,136,713,220
Interest Payments		(1,830,954,722)	(1,247,556,577)
Dividend Receipts		267,258,585	140,328,648
Income from Investment		359,838,864	299,779,188
Fees and Commission Receipts in Cash		41,534,861	24,070,347
Cash Payments to Employees		(437,975,998)	(402,135,286)
Cash Payments to Suppliers		(16,688,791)	(11,587,530)
Income Taxes Paid		(340,410,486)	(167,235,305)
Receipts from Other Operating Activities		156,891,732	119,835,894
Payments for Other Operating Activities	44.00	(266,384,179)	(212,959,015)
(I) Operating Profit before Changes in Operating Assets and Liabilities		522,598,611	679,253,583
Change in Operating Assets and Liabilities			
Loans and Advances to Customers		(4,753,038,296)	(4,326,491,536)
Other Assets	42.00	(6,355,925)	(30,389,229)
Deposits from Customers		7,289,101,296	6,527,765,817
Other Liabilities	43.00	243,546,613	210,573,553
(II) Cash Generated from Operating Assets and Liabilities		2,773,253,688	2,381,458,605
Net Cash Flow from/(used in) Operating Activities (A)=(I)+(II)		3,295,852,299	3,060,712,188
B. Cash Flows from Investing Activities			
Payments for Purchase of Government Securities		(2,565,604,743)	(1,793,064,505)
Proceeds from Sale of Other Securities		(622,779,202)	(448,569,549)
Purchase of Property, Plant and Equipment		(56,800,438)	(66,030,434)
Net Cash from/(used in) Investing Activities (B)		(3,245,184,383)	(2,307,664,488)
C. Cash Flows from Financing Activities			
Dividend Paid		-	-
Receipts from Issue of Ordinary Share		-	301,500,000
Net Cash Flow from/(used in) Financing Activities (C)		-	301,500,000
D. Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		50,667,916	1,054,547,700
E. Cash and Cash Equivalents at the beginning of the year		3,274,578,852	2,200,689,511
F. Effects of Exchange Rate Changes on Cash and Cash Equivalent		3,155,085	19,341,641
G. Cash and Cash Equivalents at the end of the year (*)		3,328,401,853	3,274,578,852
(*) Cash and Cash Equivalents at the end of the year:			
Cash in Hand (Including Foreign Currency)	4.01	578,264,554	493,272,800
Balance with Bangladesh Bank and its Agent Bank (s) (Including Foreign Currency)	4.02	1,313,196,671	1,074,846,033
Balance with other Banks and Financial Institutions	5.00	688,511,128	826,131,019
Money at Call on Short Notice	6.00	747,880,000	880,000,000
Prize Bonds		549,500	329,000
		3,328,401,853	3,274,578,852

The annexed notes from 1 to 47 form an integral part of these financial statements.

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Brig Gen Mohammad Shariful Islam
BGBM, psc

Director

Md. Nurul Azim

Managing Director & CEO

SHIMANTO BANK PLC.

Statement of Changes in Equity

For the year ended 31 December 2025

Particulars	Amount in Taka					Total Shareholders' Equity
	Paid-up Capital	Statutory Reserve	Other Reserve	Retained Earnings		
Balance as at 01 January 2025	5,000,000,000	510,129,253	4,902,675	257,030,669		5,772,062,597
Net profit after tax for the year	-	-	-	(825,224,461)		(825,224,461)
Stock Dividend	250,000,000	-	-	(250,000,000)		-
Issue of Share Capital	-	-	-	-		-
Surplus on account of revaluation of investments	-	-	5,596,438	-		5,596,438
Start-Up Fund for the year of 2025	-	-	-	-		-
Climate Risk Fund for the year of 2025	-	-	-	-		-
Statutory Reserve	-	-	-	-		-
Balance as at 31 December 2025	5,250,000,000	510,129,253	10,499,113	(818,193,792)		4,952,434,574

Particulars	Amount in Taka					Total Shareholders' Equity
	Paid-up Capital	Statutory Reserve	Other Reserve	Retained Earnings		
Balance as at 01 January 2024	4,530,000,000	375,712,142	7,030,311	168,868,435		5,081,610,888
Net profit after tax for the year	-	-	-	397,358,623		397,358,623
Stock Dividend	168,500,000	-	-	(168,500,000)		-
Issue of Share Capital	301,500,000	-	-	-		301,500,000
Surplus on account of revaluation of investments	-	-	(2,127,636)	-		(2,127,636)
Start-Up Fund for the year of 2024	-	-	-	(3,973,586)		(3,973,586)
Climate Risk Fund for the year of 2024	-	-	-	(2,305,692)		(2,305,692)
Statutory Reserve	-	134,417,111	-	(134,417,111)		-
Balance as at 31 December 2024	5,000,000,000	510,129,253	4,902,675	257,030,669		5,772,062,597

The annexed notes from 1 to 47 form an integral part of these financial statements.


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Managing Director & CEO



SHIMANTO BANK PLC.

Liquidity Statement

(Assets and Liabilities Maturity Analysis)

As at 31 December 2025



Particulars	Amount in Taka				
	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years
Assets					
Cash in Hand (Including Balance with Bangladesh Banks and its Agent Banks)	1,891,461,225	-	-	-	-
Balance with Other Banks and Financial Institutions	688,511,128	-	-	-	-
Money at Call on Short Notice	747,880,000	-	-	-	-
Investments	549,500	186,294,439	4,327,489,146	4,029,237,692	2,425,391,651
Loans and Advances	3,449,796,889	3,481,802,587	5,420,989,163	7,091,500,546	5,650,231,741
Fixed Assets Including Premises, Furniture and Fixtures	82,165,239	98,598,286	75,592,019	49,299,143	23,006,267
Other Assets	444,529,207	533,435,049	408,966,871	266,717,524	124,468,178
Non-Banking Assets	-	-	-	-	-
Total Assets (a)	7,304,893,188	4,300,130,360	10,233,037,199	11,436,754,905	8,223,097,837
Liabilities					
Borrowings from Other Banks, Financial Institutions and Agents	-	-	-	-	-
Deposits and Other Accounts	4,711,012,651	8,280,513,558	13,374,192,860	4,755,324,812	1,640,168,174
Other Liabilities	1,319,066,459	942,190,328	565,314,197	489,938,970	452,251,357
Total Liabilities (b)	6,030,079,110	9,222,703,886	13,955,012,607	5,245,263,782	2,092,419,531
Net Liquidity Surplus/Gap (a-b)	1,274,814,078	(4,922,573,526)	(3,721,975,408)	6,191,491,123	6,130,678,306
					36,545,478,916
					4,952,434,574

The annexed notes from 1 to 47 form an integral part of these financial statements.


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BGBM, psc

Director


Md. **Nurul Azim**

Managing Director & CEO



SHIMANTO BANK PLC.

Notes to the Financial Statements

As at and for the year ended 31 December 2025

1. The Bank and its activities

1.01 Legal form of the bank

Shimanto Bank PLC. (hereinafter referred to as “the Bank” or “SMBL”) is a scheduled commercial bank established under the Banking Companies Act, 1991 (amended up to date) and incorporated as a Public Limited Company under the Companies Act, 1994 in Bangladesh on 14 July 2016 with the primary objective to carry on all kinds of banking business within and outside the boundary of Bangladesh. The Bank has Twenty Eight (28) branches and Eight (08) sub-branches operating in Bangladesh and the Bank has no overseas branch as at 31 December 2025.

The registered office of the Bank is located at Shimanto Shamvar (Level-7), Road-02, Bir Uttam M. A. Rob Sarak, Shimanto Square, Dhanmondi, Dhaka-1205.

1.02 Principal activities

The principal activities of the Bank are to provide full range of banking services that include deposit collection, disbursement of loans and advances, providing national and international remittance facilities, providing LC and LG facilities etc.

2.00 Basis of preparation of financial statements and significant accounting policies

2.01 Statement of compliance

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) was formed in 2017 and has since then adopted International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as the applicable Financial Reporting Standards for public interest entities such as banks with effect from 2 November 2020.

The financial statements of the Bank have been prepared in accordance with International Financial Reporting Standards (IFRSs), including IASs as adopted by the Financial Reporting Council (FRC) under the Financial Reporting Act 2015 (FRA) and the requirements of the Bank Company Act 1991 (as amended up to 2023), the rules and regulations issued by Bangladesh Bank (BB), the Companies Act 1994, Income Tax Act 2023, the Value Added Tax and Supplementary Duty Act 2012, the Value Added tax and Supplementary Duty Rules 2016. In case any requirement of the Bank Company Act 1991 (as amended up to 2023), and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs (including IASs), the requirements of the Bank Company Act 1991 (as amended up to 2023), and provisions and circulars issued by Bangladesh Bank regulations shall prevail.

Material departures from the requirement of IFRS are as follows:

i) Presentation of financial statements

IFRS: As per IAS 1 a complete set of financial statements comprises statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows, adequate notes comprising summary of accounting policies and other explanatory information. As per Para 60 of IAS 1, the entity shall also present current and non-current assets and current and non-current liabilities as separate classifications in its statement of financial position.

Bangladesh Bank: The presentation of the financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, changes in equity, liquidity statement) and certain disclosures therein are guided by the ‘First Schedule’ (section 38) of the Banking Companies Act, 1991 (amended up to 2023) and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of Bangladesh Bank. In the prescribed format there is no option to present assets and liabilities under current and non-current classifications.

ii) Investment in shares, mutual fund and other securities

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

Bangladesh Bank: Provision for diminution of value of quoted shares, mutual funds (closed-end) and bonds has been made on ‘portfolio basis’ netting off gain following DOS circular letter no. 1 dated 24 May 2023 and provision for diminution of value of unquoted shares and mutual funds has been made on the basis of net worth (Assets - Liabilities) of shares and surrender price of mutual funds respectively.





In accordance with International Financial Reporting Standards (IFRS), the Bank had previously reported its investments in listed securities at market value. However, pursuant to Bangladesh Bank's directive (Reference No. DOS(RMMCMS)1154/33/2025-6286, dated October 10, 2025), the Bank is required to present the cost value of listed securities in the Balance Sheet. Accordingly, the listed securities are presented at cost value in Balance Sheet as of December 31, 2025 to comply with said instruction.

iii) Revaluation gains/losses on government securities

IFRS: As per the requirement of IFRS 9, where securities will fall under the category of Held for Trading (HFT), any change in the fair value of held for trading assets is recognised through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method and interest income is recognised through the profit and loss account.

Bangladesh Bank: According to DOS circular no. 05 dated 26 May 2008 and subsequent clarification in DOS circular no. 05 dated 28 January 2008, HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

iv) Provision on loans and advances

IFRS: As per the requirement of IFRS 9, an entity should carry out the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

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

v) Other comprehensive income and appropriation of profit

IFRS: As per the requirements of 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. IFRSs do not require appropriation of profit to be shown on the face of the statement of comprehensive income.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which are to be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

vi) Financial instruments – presentation and disclosure

As per BB guidelines, in certain cases financial instruments are categorized, recognized, measured and presented differently from those prescribed in IFRS 9: Financial Instruments and IFRS 7 Financial Instruments: Disclosures. As such full disclosure and presentation requirements of IFRS 7 & IAS 32 cannot be made in the financial statements.

vii) Financial guarantees

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

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin. As per BRPD Circular no.01 dated 3 January 2018 and BRPD Circular no. 06 dated 25 April 2023, banks are advised to maintain general provision against outstanding off balances sheet exposures on the basis of exposures nature and duration as mentioned in note 3.02.05.



viii) Cash and cash equivalent

IFRS: As per the requirement of IAS-7: Statement of cash flows, cash and cash equivalent items should be reported as cash item.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

ix) Non-banking assets

IFRS: No indication of non-banking assets is found in any IFRSs.

Bangladesh Bank: As per BRPD Circular No. 14, dated 25 June 2003, there must exist a face item named Non-Banking Asset which has to be recognized as per BRPD Circular No. 22, dated 20 September 2021.

x) Cash flow statement

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

Bangladesh Bank: As per BRPD circular no 14, dated 25 June 2003, cash flow statement is to be prepared following a mixture of direct and indirect method.

xi) Presentation of intangible asset

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

Bangladesh Bank: There is no requirement for regulation of intangible assets in BRPD circular no. 14 dated 25 June 2003.

xii) Balance with Bangladesh Bank: (Cash Reserve Requirement)

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

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

xiii) Off-balance sheet items

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

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

xiv) Loans and advances net of provision

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

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

xv) Income tax on income from treasury bills/bonds

IFRS: Current tax and deferred tax is computed considering the relevant tax law enacted in the country where the entity operates and should be recognised as per the requirements of IAS 12.

Bangladesh Bank: As per minutes of tripartite meeting held on 23 March 2022, income tax on interest from treasury bills/bonds is considered on accrual basis while making provision for income tax which was previously considered on cash basis. Accordingly, current tax expenses is recognised for income from treasury bills/bonds which was previously recognised as deferred tax.



**2.02****Basis of measurement**

Government Treasury Bills and Bonds designated as 'Held for Trading (HFT)' are measured weekly using 'mark to market' concept with gain credited to revaluation reserve but loss charged to Profit and Loss Account.

Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' are amortized each year with resulting gain credited to revaluation reserve but loss charged to Profit and Loss Account.

Zero coupon bond at present value using amortization concept.

2.03**Functional and presentation currency**

These financial statements are presented in Bangladeshi Taka (BDT), which is the Bank's functional and presentation currency. All financial information presented in Taka has been rounded off to the nearest Taka except when otherwise indicated.

2.04**Use of estimates and judgments**

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected. The most significant areas where estimates and judgements have been made are on provision for loans and advances, income tax, deferred tax, employee benefits and liquidity statement. Key estimates include:

- (i) Provision for loan and advances-as explained in note 3.02.04
- (ii) Provision for income tax-as explained in note 3.09
- (iii) Provision for gratuity-as explained in note 3.08
- (iv) Depreciation of fixed assets-as explained in note 3.01.04.03
- (v) Amortization of intangible assets-as explained in note 3.01.04.03
- (vi) Employee benefits-as explained in note 3.08
- (vii) Commitments -as explained in note 3.04
- (viii) Contingencies -as explained in note 3.04

2.05**Foreign currency transaction**

According to IAS 21 The Effects of Changes in Foreign Exchange Rates transactions in foreign currencies are recorded in the functional currency at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the spot exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Translation of foreign currency operations

The results of financial statements of any foreign operation (including subsidiaries, off-shore banking unit, etc.) whose functional currency is not Bangladeshi Taka are translated into Bangladeshi Taka as follows:

- assets and liabilities for each statement of balance sheet have been translated at the closing rate on the date of the balance sheet.
 - income and expenses for the profit and loss account have been translated at average rate.
- Foreign currency differences are recognised and accumulated in the foreign currency translation reserve.

2.06**Cash flow statement**

Cash Flow Statement is prepared principally in accordance with IAS 7 "Statement of Cash Flows" under direct method as per the guidelines of BRPD circular no.14 dated 25 June 2003. The Cash Flow Statement shows the structure of and changes in cash and cash equivalents during the period. Cash Flows during the year have been classified as operating activities, investing activities and financing activities.

2.07**Comparative information**

Comparative information in respect of the previous year has been presented in all numerical information in the financial statements and the narrative and descriptive information where, it is relevant for understanding of the current year's financial statements.

2.08**Reporting period**

These financial statements of the Bank cover a calendar year from 01 January 2025 to 31 December 2025.



2.09

Dividend

Dividend on ordinary shares is recognised as a liability and deducted from retained earnings when they are approved by shareholders at the Annual General Meeting (AGM) of the Bank.

2.10

Statement of changes in equity

Statement of Changes in Equity has been prepared in accordance with IAS 1 “Presentation of Financial Statements” and following the guidelines of Bangladesh Bank BRPD circular no. 14 dated 25 June 2003.

2.11

Liquidity statement

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

Particulars	Basis
Cash, balance with other banks and financial institutions, money at call and short notice, etc.	Stated maturity/observed behavioural trend
Investments	Residual maturity term
Loan and advance/investment	Repayment /maturity schedule and behavioural trend (non-maturity products)
Fixed assets	Useful life
Other assets	Realisation/amortisation basis
Borrowing from other banks and financial institutions	Maturity/repayment term
Deposits and other accounts	Maturity/behavioural trend (non-maturity products)
Other long term liabilities	Maturity term
Provisions and other liabilities	Settlement/adjustment schedule basis

2.12

Going Concern

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

3.00

Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the entity except otherwise instructed by Bangladesh Bank as the prime regulator.

3.01

Assets and basis of their valuation

3.01.01

Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand and at ATM, balance held with Bangladesh Bank and its agent bank, balance with other banks and financial institutions, money at call and on short notice and prize bond.

3.01.02

Investments

All investments (other than government treasury securities) are initially recognized at cost, including acquisition charges associated with the investment. Accounting treatment of government treasury securities (categorized as HFT or/and HTM) is given following DOS Circular no. 05 dated 26 May 2008 and subsequent clarifications DOS Circular letter no. 05 dated 28 January 2009. The valuation methods of investments used are:

Held to maturity (HTM)

Investments which are intended to be held till maturity are classified as “Held to Maturity”. These are measured at amortized cost at each year end by taking into account any discount or premium on acquisition. Premiums are amortized and discount accredited, using the effective or historical yield method. Any increase or decrease in value of such investments is booked to equity and in the profit and loss account respectively.

Held for trading (HFT)

Investment classified in this category are acquired principally for the purpose of selling or repurchasing in short trading or designated as such by the management. After initial recognition, investments are measured at fair value and any change in the fair value is recognized in the profit and loss account (if decrease) and revaluation reserve (if increase) as per Bangladesh Bank DOS Circular no. 05 dated 28 January 2009.

Investment in unquoted securities

Investment in unquoted 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 unquoted securities.

Provision for shares against unrealized loss (gain net off) has been made according to DOS circular no. 4 dated 24 November 2011 and for mutual funds (closed-end) as per DOS circular letter no. 3 dated 12 March 2015 of Bangladesh Bank.





Besides, the Bank complied with Bangladesh Bank BRPD Circular 14 dated June 25, 2003 as follows, "All investments in shares and securities (both dealing and investment) should be revalued at the year- end. The quoted shares should be valued as per market price in the stock exchange(s) and unquoted shares as per book value of last audited balance sheet. Provision should be made for any loss arising from diminution in value of investments".

Value of investment has been shown as under:

Government treasury securities-Held for Trading (HFT)
Government treasury securities-Held to Maturity (HTM)
Zero coupon bonds
Shares (Quoted)
Shares (Unquoted)
Debenture
Prize bonds and other bonds

3.01.03

Loans, advances and provisions

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

Interest is calculated on daily product basis, but charged and accounted for quarterly on accrual basis. Interest on classified loans and advances is kept in interest suspense account as per BRPD circulars no. 15 dated November 27, 2014 Master Circular: Loan Classification and Provisioning. Interest is not charged on bad and loss loans and advances as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

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

General provisions @ 0.50% to 5% under different categories on unclassified loans (standard/SMA) and specific provisions @ 20%, 50% & 100% on classified (substandard/doubtful/bad loss) loans are made on the basis of quarter end review by the management and instructions contained in BRPD Circular no. 15, dated 27 November 2024 (Master Circular: Loan Classification and Provisioning), BRPD Circular no. 16, dated 18 July 2022 and BRPD Circular no. 29, dated 21 December 2025, subsequent circulars issued till 2025.

Types of loans and advances	Provision						
	STD-0	STD-1	STD-2	SMA	SS	DF	BL
Agricultural Credit	1.00%	1.00%	1.00%	5.00%	20.00%	50.00%	100.00%
CMSME Financing	0.50%	0.50%	0.50%	0.50%	20.00%	50.00%	100.00%
Credit Card	1.00%	1.00%	1.00%	5.00%	20.00%	50.00%	100.00%
Industrial Credit	1.00%	1.00%	1.00%	5.00%	20.00%	50.00%	100.00%
Service Sector Credit	1.00%	1.00%	1.00%	5.00%	20.00%	50.00%	100.00%
Trade & Commerce Sector Credit	1.00%	1.00%	1.00%	5.00%	20.00%	50.00%	100.00%
Other Credit	1.00%	1.00%	1.00%	5.00%	20.00%	50.00%	100.00%
Consumer Financing	1.00%	1.00%	1.00%	5.00%	20.00%	50.00%	100.00%
Housing Finance	1.00%	1.00%	1.00%	5.00%	20.00%	50.00%	100.00%
Short Term Agri. Credit	0.50%	0.50%	0.50%	0.50%	20.00%	50.00%	100.00%

3.01.04

Property, plant and equipment and depreciation

3.01.04.01

Recognition and measurement

All item of fixed assets are stated at cost less accumulated depreciation & accumulated impairment as per IAS 16 "Property, Plant and Equipment". Land, if any, is measured at cost. The cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognized in accordance with the specific requirements of the IFRS.

The cost of an item of fixed assets is recognized as an asset if, it is probable that future economic benefits associated with the item will flow to the entity; and the cost of the item can be measured reliably.

3.01.04.02

Subsequent costs

Subsequent costs are capitalized only when it is probable that the future economic benefits associated with the costs will flow to the entity and cost can be measured reliably. The carrying amount of the replaced portion is derecognized. The costs of day to day servicing of fixed assets, i.e. repairs and maintenance is charged as revenue expense when incurred.

**3.01.04.03****Depreciation**

Depreciation is charged at the following rates on all fixed assets on the basis of estimated useful lives as determined by fixed asset policy of the Bank. Depreciation will be calculated from the month of acquisition. Depreciation of the assets will be charged from the month of acquisition (for full month) before depreciation run in the system and no depreciation will be charged for the month when the assets are disposed. In all cases depreciation on addition is calculated using the straight line method. Depreciation on assets begins when the assets are available for use.

Category of fixed assets	Rate	Estimated Useful Lives (Years)
Core Banking Software (CBS, Card Management, Trade, Treasury & AML)	10%	10
Software (Other than Subscription License)	20%	5
Software (Subscription License)	33.33%	Subscription Period
Furniture and Fixture	10%	10
Computer and Network Equipment	20%	5
Electromechanical Equipment	10%	10
Machineries and Equipment	20%	5
IT Equipment	33.33%	3
Right of Use Asset (Leased Asset)	Lease Tenor	40 or Lease Tenor
Building	2.50%	40
Land and Land Development	-	-
Vehicle	12.50%	8

3.01.04.04**Disposal of assets**

An item of fixed assets is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposals. Gain or loss on sale of fixed assets is recognized in the profit and loss account as per the requirement of IAS 16.

3.01.05**Intangible assets****Recognition of intangible assets**

Intangible assets include cost of acquisition of core banking software. Intangible assets are stated at cost less accumulated amortization & accumulated impairment. The costs are capitalized in the year in which the relevant software is available for use according IAS 38. All upgrading and enhancements are generally charged off as revenue expenditure unless they bring similar significant benefits in the long term.

Amortization of intangible assets

Amortization is provided on software applying straight line method. Amortization is charged on the intangible assets when the assets are available for use.

Impairment of fixed assets

At each balance sheet date, the Bank assesses whether there is any indication that the carrying amount of an asset exceeds its recoverable amount. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired and an impairment loss as per IAS-36 is recognised as an expense in the profit and loss statement unless the asset is carried at revalued amount in accordance with IAS 16: Property, Plant and Equipment in which case any impairment loss of a revalued asset should be treated as a revaluation decrease. No impairment loss was recognized up to the reporting period as there was no such indication existed as on Balance Sheet date.

3.01.06**Leased assets**

IFRS 16 Leases, defines a lease as “A contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration”. In order for such a contract to exist the user of the asset needs to have the right to: - Obtain substantially all the economic benefits from the use of asset (identifiable asset) –

The right to direct the use of asset

The Bank as a lessee (Note-9)

For any new contracts entered into on or after 01 January 2019, the Bank considers whether a contract is, or contains a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’. To apply this definition, the Bank assesses whether the contract meets two key evaluations which are whether:

*the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Bank.

*the Bank has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Bank has the right to direct the use of the identified asset throughout the period of use. The Bank assess whether it has the right to direct ‘how and for what purpose’ the asset is used throughout the period of use.



**Measurement and recognition of leases as a lessee**

At lease commencement date, the Bank recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Bank, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Bank depreciates the right-of-use assets on a straight-line basis over the remaining useful life of the asset. The Bank also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Bank measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Bank's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is premeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is premeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Bank has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included other liabilities under IFRS 16 with minor departure as such the recognition, measurement, presentation and disclosure do not conflict with the reporting guideline issued by Central Bank via BRPD circular no. 14, date 25 June 2003.

3.01.07**Other assets**

As per BRPD circular No. 14 dated 25 June 2003, other assets/item(s) have been shown separately as 'income generating' and 'non income generating' in the relevant notes to the financial statements. Other assets include advance rent, advance for VAT and advance to vendor, advance, deposits and prepayment and income receivables etc.

3.01.08**Non-banking assets**

As at balance sheet date Shimanto Bank PLC. has not acquired any Non-Banking Assets as a consequence of failure from borrower to repay the loan/investments.

3.01.09**Inventories**

Inventories are valued at lower of cost or net realizable value. Inventories comprise of unused portion of plastic card, stationary items and non-judicial stamp etc.

3.02**Liabilities and provisions****3.02.01****Borrowings from other banks, financial institutions and agents**

Borrowings from other banks, financial institutions and agents include interest-bearing borrowings redeemable at call and Bangladesh Bank refinance. These items are brought to financial statements at the gross value of the outstanding balance.

3.02.02**Deposits and other accounts**

Deposits and other accounts include non-interest-bearing current deposit redeemable at call, bills payable, interest bearing on demand and special notice deposits, savings deposit, fixed deposit and other deposits. These items are brought to financial statements at the gross value of the outstanding balance.

3.02.03**Other liabilities**

As per IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" the Bank recognises provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Other liabilities comprise items such as provision for loans and advances/investments, provision for taxes, interest payable on borrowing, interest suspense and accrued expenses etc. Individual item-wise liabilities are recognized as per the guidelines of Bangladesh Bank and International Financial Reporting Standards (IFRS).

**3.02.04****Provision for loans and advances**

Provision for classified loans and advances is made on the basis of quarter-end review by the management and instructions contained in BRPD circular no. 14 dated 23 September 2012 (amendment on 21 April 2019), BRPD circular no. 19 dated 27 December 2012 and BRPD circular no. 16 dated 18 November 2014 and other subsequent circulars till 2025. Details are stated in Note 13.01 to these financial statements.

3.02.05**Provision for off-balance sheet exposures**

As per BRPD circular no. 14 dated 23 September 2012 and subsequent circular reference no. 06 dated 25 April 2023, banks are advised to maintain general provision against outstanding off balances sheet exposures on the basis of exposures nature and duration, considering the exemption as provided through BRPD circular no.09 (27 May 2019), BRPD circular no.02 (25 February 2019), BRPD circular no.13 (18 October 2018), BRPD circular no.7 (21 June 2018), BRPD circular no.01 (03 January 2018) and BRPD circular letter no. BPRD (P-1)/661/13/2020-1403 (05 February 2020) and BRPD circular letter no. BPRD(P-1)/661/13/2019-354 (13 January 2020). Required rates of general provision are:

Nature of Exposure	Required rate of General Provision
Acceptances And Endorsements	1.0%
Letters of Guarantee	
Not Covered by Any Counter Guarantee	1.0%
Covered by Counter Guarantee of Government	0.0%
Covered by Counter Guarantee by	
BB rating -1	0.0%
BB rating -2	0.5%
BB rating 3 & 4	0.8%
Letters of Credit	
Short-term self-liquidating trade LC	0.5%
Other LCs including LC as guarantee or confirmation	1.0%
Bills For Collection	0.0%
Other Contingent Liabilities	
With an original maturity up to one year	0.5%
With an original maturity over one year	1.0%
Nature of Exposure	Required rate of General Provision
Other Commitments	
Unconditionally cancellable	0.0%
With certain drawdown	1.0%
Others with an original maturity up to one year	0.5%
Others with an original maturity over one year	1.0%
In addition to aforesaid minimum general provision, banks are also required to maintain additional provision against expired off-balance sheet exposures and exposures under litigation at following rates:	
Criteria	Required rate of Additional Provision
03 (three) months or beyond but less than 12 (twelve) months.	1.0%
12 (twelve) or beyond but less than 24 (twenty four) months.	2.0%
24 (twenty four) months or beyond	5.0%
Exposure under litigation	5.0%

3.02.06**Provision for other assets**

According to Bangladesh Bank's BRPD circular no.04, dated 12 April 2022, other assets are required to be classified as unclassified, doubtful and bad/loss based on the basis of outstanding period and uncertainty of recovery. Based on classification status provision is required to be maintained @ 50.0% for doubtful and @ 100.0% for bad/loss.

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

According to Bangladesh Bank's BRPD circular no.04, dated 12 April 2022, balance with nostro accounts are required to be categorised as unclassified, doubtful and bad/loss based considering uncertainty of adjustment and unadjusted period. Provision is required to be maintained @ 50.0% for doubtful and @ 100.0% for bad/loss. In compliance with Foreign Exchange Policy Department (FEPD) circular letter no. FEPD (FEMO) / 01/2005-677 dated 13 September 2005 of Bangladesh Bank, bank requires to review nostro accounts reconciliation and obtain certification from external auditor semi-annually. As a result, after reviewing by the Bank and receiving certification from external auditors, the bank discovered that nostro transactions had not been remain unadjusted for longer than six months and that no necessary provisions had been made.





3.03

Share capital and reserves

Authorized capital

Authorized capital is the maximum amount of share capital that the Bank is authorized by its Memorandum and Articles of Association.

The paid-up capital represents the amount of bank's capital that has been contributed by ordinary shareholders. The holders of ordinary shares are entitled to receive dividend as recommended by the Board and subsequently approved by the shareholders from time to time in the Annual General Meeting (AGM).

Statutory reserve

In compliance with the provision of Section 24 of The Banking Companies Act, 1991(amended up to date), the Bank transfers at least 20% of its profit before tax "Statutory Reserve Fund" each year until the sum of statutory reserve and share premium equal to the paid up capital of the Bank.

Other reserve

Other reserve arises from the revaluation of Treasury bills and bonds (HFT and HTM) in accordance with the Bangladesh Bank DOS circular no. 5 dated 26 May 2008. The tax effects on revaluation gain are measured and recognised in the financial statements as per IAS 12 Income Taxes.

3.04

Contingent liabilities and assets

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank. Any present obligation that arises from past events but is not recognized because:

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

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

Contingent assets are not recognized in the financial statements as this may result in the recognition of income which may never be realized.

3.05

Revenue recognition

IFRS 15 Revenue from Contracts with Customers has replaced IAS 18 Revenue and IAS 11 Construction Contracts. As per the requirement of IFRS 15, revenue is recognised when or as a performance obligation is satisfied by transferring a good or service to a customer, either at a point in time or over time. The income of the Bank has been recognised as follows:

Interest income

Interest on unclassified loans and advances is recognized as income on accrual basis, interest on classified loans and advances is credited to interest suspense account with actual receipt of interest there from credited to income as and when received as per instruction contained in BRPD circular no 14 dated 23 September 2012 (amendment on 21 April 2019), BRPD circular no 19 dated 27 December 2012 and BRPD circular no 56 dated (10 December 2020) and other subsequent circulars till 2025.

Fees and commission income

Fees and commission income arises on services provided by the Bank and recognized as and when received basis. Commission charged to customers on letters of credit, letters of guarantee and acceptance are credited to income on the basis of realization except those which are received in advance.

Interest and fees receivable on credit card

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

Investment income

Income on investments is recognized on accrual basis. Investment income includes discount on treasury bills and zero coupon bonds, interest on treasury bonds, debentures and fixed deposits with other banks. Capital gain on investments in shares and dividend on investment in shares are also included in investment income.

Dividend income

Dividend income from investments is recognized at the time when it is declared, ascertained and right to receive the payment is established as per IFRS 15.

3.06

Interest paid on borrowings and deposits

Interest paid on borrowings and deposits are calculated on 360 days' basis (except for some treasury instruments which are calculated on 364 days' basis) in a year and recognized on accrual basis.

**3.07****Other operating expenses**

All other operating expenses are provided for in the books of the account on accrual basis according to the IAS 1 "Presentation of Financial Statements".

3.08**Employee benefits****Provident fund**

The Bank operates a provident fund recognised by National Board of Revenue (NBR) which is given to the confirmed employees of the Bank in accordance with Bank's service rules. The provident fund is administered by a Board of Trustees consisting of four members from the employees of the Bank. All confirmed employees of the Bank contribute 10% of their basic salary as subscription to the Fund each month with equal contribution by the Bank.

Gratuity fund

The Bank operates an unfunded gratuity scheme recognised by National Board of Revenue (NBR), provision in respect of which is made on monthly basis covering the claims of eligible members as per Bank's policy. The employee's Gratuity Fund is being considered as defined benefit plan.

Workers profit participation fund

Consistent with widely accepted industry practice and in line with section 11 (1) of the Banking Companies Act 1991 (amendment up to date) and subsequent clarification given by Bank and Financial Institutions Division (BFID), Ministry of Finance, no provision has been made by the Bank in the reporting period against Workers Profit Participation Fund (WPPF).

3.09**Income tax**

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income tax, if any. Current tax assets/liabilities are offset if certain criteria are met. It is measured using tax rates enacted or substantively enacted at the reporting period. The applicable tax rate for the Bank is currently 40%.

(ii) Deferred tax

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS-12 "Income Taxes".

3.10**Offsetting**

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

3.11**Earnings per share**

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

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

3.12**Reconciliation of inter-bank account**

Books of account in regard to inter-bank (in Bangladesh and outside Bangladesh) as well as inter-branches are reconciled at regular intervals to keep the unreconciled balances within non-material level.

3.13**Risk management and other related matters**

Financial Institutions are in the business of taking calculative risk and it is important how a bank decides on its risk appetite. The bank firmly believes that robust risk management is the core function that makes its business sustainable. The risk management systems in place at the Bank are discussed below:





Credit risk

Credit risk is the risk of loss that may occur from the default of any counterparty to repay in accordance with agreed terms and conditions and/or deterioration of creditworthiness. Board of Directors is the apex body for credit approval of the Bank. However, they delegate authority to the Managing Director & CEO or other officers of the Credit Risk Management (CRM) Division. The Board also sets credit policies to the management for setting procedures, which together has structured the CRM framework in the bank. The Credit Policy Manual (CPM) contains the core principles for identifying, measuring, approving, and managing credit risk in the bank. The policy covers Corporate, Retail, Small and Medium Enterprise (SME) exposures. Policies and procedures together have structured and standardized CRM process both in obligor and portfolio level. There is a comprehensive credit appraisal procedure that covers Industry/Business risk, management risk, financial risk, facility structure risk, security risk, environmental risk, reputational risk, and account performance risk.

The Bank follows the criteria for loan classification and provisioning requirement as stipulated in the BRPD circular no 14 dated September 23, 2012 (amendment on 21 April 2019) and BRPD circular no 05 dated May 29, 2013 and other subsequent circulars till 2025. Adequate provision has been kept which is stated in Note 13.01 to the financial statements.

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

ALCO also monitors concentration of deposits on large institutional depositors which is volatile in nature. In addition to these ratios, Bank prepares structural liquidity profile, maturity profile of term deposit, cash flow modeling, and contingency funding plan on monthly basis, which are analyzed in ALCO meeting to ensure liquidity at the level acceptable to the bank and regulators.

Market risk

Risk Management Unit (RMU) is responsible for overall monitoring, control, and reporting of market risk while Treasury Mid Office is an integral part of market risk management which independently evaluates and monitors treasury department's transaction from risk perspective. Overall risk parameters and exposures of the bank are monitored by RMU and periodically reported to Bank Risk Management Committee (BRMC). Market risk can be subdivided into three categories depending on risk factors: Interest Rate Risk, Foreign Exchange Risk, and Equity Price Risk.

Interest rate risk is the risk to earnings or capital of the bank arising from movement of interest rates. The movement of interest rates affects bank's reported earnings and capital by changing:

- Net interest income;
- The market value of trading accounts (and other instruments accounted for by market value); and
- Other interest sensitive income and expenses.

To manage interest rate risk, ALCO regularly monitors various ratios and parameters. Bank deploys several analysis techniques (e.g. Rate Sensitive Gap Analysis, Duration Gap Analysis) to measure interest rate risk, its impact on Net Interest Income and takes insight about course of actions.

Operational risk

Operational Risk Unit under Internal Control & Compliance Division (ICCD) is primarily responsible for risk identification, measurement, monitoring, control, and reporting of operational risk. Internal Control (audit) Unit of ICCD also conducts risk-based audit at departmental and branch level throughout the year. Besides, 'Bank Risk Management Committee' (BRMC) which reports to MD & CEO also plays a supervisory role.

Operational risks are analyzed through review of Departmental Control Function Check List (DCFCL). This is a self-assessment process for detecting high risk areas and finding mitigates of those risks. These DCFCLs are then discussed in monthly meeting of BRMC.

Information and communication technology risk

The Bank has a comprehensive IT security policy and procedures which are formally documented and endorsed by competent authority. To prevent attack from cyber criminals/fraudsters IT division (hereinafter IT) has established standard physical & environmental security measures to all sensitive areas e.g. data centre, Disaster Recovery (DR) site, power rooms, server rooms etc. IT has standard logical security measures e.g. access card, password protected Server, access log, measuring device logs, periodic testing results, etc. to all core devices i.e. server, PC etc., connecting devices i.e. switch, router etc., security devices i.e. firewall, IDS etc., all applications i.e. core banking system, antivirus, firewall, VPN, utilities etc., databases, networks and others. IT has standard design and practice in network connectivity, access, build-up, configuration, monitoring, maintenance and security. IT has Business Continuity Management (BCM) to support and handle any human made or natural incident/disaster; moreover, regular backup schedule and retention avoids the risk of data loss based on the criticality of the system.



Asset liability risk management

Asset Liability Management (ALM) especially focuses on “Risk Management”. It covers the widest range of the banking activities in day-to-day operation. Introduction of ALM in a bank simply ensures the existence of healthy and prudent asset liability management system in the institute. In the complex banking era, there are so many risk factors any one which is good enough to a negative growth. Therefore, identification of factors and effective control over them are important and essential. Under the ALM system, it is ensured that then senior management would be attentive to balance sheet items for the great interest of the bank. As per Bangladesh Bank guideline, Shimanto Bank PLC. has formed a committee of Assets and Liability Management called ALCO (Assets Liability Management Committee).

Liquidity risk management

The risk that bank or business will be unable to meet its commitment as they fall due leading to bankruptcy or rise in funding cost. It is the solvency of business and which has special reference to the degree of readiness in which assets can be converted into cash without loss. Banks traditionally use the statutory liquidity reserve and their borrowing capacity in the volatile interbank money market as the source of liquidity. But a conscious approach to measure and monitor the liquidity is somewhat lacking in our market. We can learn and draw immense benefit by sharing the best practices, tools and techniques of liquidity management. Liquidity Risk arises from funding of long term assets by short term liabilities, thereby making the liabilities subject to rollover or refinancing Risk.

Interest rate risk management

Interest rate risk is the exposure of a bank's financial condition to adverse movements in interest rates. Accepting this risk is a normal part of banking and can be an important source of profitability and shareholder value. However, excessive interest rate risk can pose a significant threat to a bank's earnings and capital base. Changes in interest rates affect a bank's earnings by changing its net interest income and the level of other interest-sensitive income and operating expenses. Changes in interest rates also affect the underlying value of the bank's assets, liabilities and off-balance sheet instruments because the present value of future cash flows (and in some cases, the cash flows themselves) change when interest rates change. Accordingly, an effective risk management process that maintains interest rate risk within prudent levels is essential to the safety and soundness of banks.

Operation risk management

Operational risk is defined as the risk of loss resulting from inadequate or failed internal process, people and system or from external event. It is relatively difficult to identify or assess level of operational risk and its many sources. Shimanto Bank PLC. has established an effective operational risk management framework to mitigate the risk through strengthening the internal control (process and system), setting rules and procedures with the changed scenario, maintaining adequate clarification & documentation and establishing anti-fraud mechanism. Continuous actions are also being taken against damage of physical assets and avoid business disruption and system failure.

Internal control and compliance risk management

Internal Control refers to the mechanism in place on a permanent basis to control the activities in an organization. In absence of it risks resulting in unexpected losses caused by faulty internal processes, human errors, frauds & forgery, technology failure and documentary lapses may surface. The primary objectives of internal control system are to help the bank perform better through the use of its resources, identify its weaknesses, take appropriate measures to overcome the same and ensure compliance with regulatory framework including applicable laws and regulations.

The Bank has set up Internal Control & Compliance (IC&C) Division at Head Office to ensure that the internal control processes are in place through establishment of Audit Committee as per the instructions of Bangladesh Bank, which reviews the internal and external audit reports and ensures that the management takes effective measures in case of any deficiency/ lapse is found in the internal control system. The bank has introduced ‘Risk Based Internal Audit (RBIA)’ to assess the business risk as well as control risk associated with the branches, and determines how much follow up, monitoring & periodicity of internal audit would be required to bring a particular branch back to normalcy, if it is found that the performance of the branch is not satisfactory, and which may pose a potential threat for the Bank.

Money laundering risk management

Money Laundering is no more a local or regional issue that cannot be ignored – with the globalization of economy, we are living in a global village and are not immune to others problem. Money laundering & CFT is an issue that affects our nation, business, society and ultimately even the lively hood of individuals. As a member country of Asia Pacific & Egmont Group Bangladesh is committed to comply with the recommendations of Financial Action Task Force (FATF).

Bangladesh has enacted the amended Money Laundering Prevention Act, 2012 & amended Anti-Terrorism Act, 2013 which covers all the international standards and requirements and assigned BFIU of BB to discharge the regulatory responsibility of implementation & monitoring of the AML & CFT activities to keep the financial system of the country safe & compliance. Shimanto Bank PLC. (SMB) is as a compliant & responsible institution committed to the highest standards of Anti-Money Laundering (AML) compliance and adhere to the set rules & declared standards to prevent use of our products and services for money laundering purposes. In addition to the legal compliance, Shimanto Bank PLC. considers AML & CFT compliance as part of its social responsibility & commitment.

The SMBL Anti Money Laundering Policy Guidelines which is drafted in line the Bangladesh Bank Guidance notes on Prevention of Money Laundering and Terrorist Financing encompasses the following major issues as part of its AML measures;





1. Mandatory maintenance of KYC (Know Your Customer) forms for all types of accounts;
2. Maintenance & monitoring the TP (Transaction Profile) of the accounts/client. Monitoring of unusual/suspicious transaction and report to Bangladesh Bank if required;
3. Submission of Cash Transaction Report (CTR) to Bangladesh Bank as per regulatory requirement;
4. Keeping of records for 05 (five) years from the date of closing of any type of account;
5. Appointment of compliance officer in every branch and Chief Compliance Officer at Head Office;
6. Adequately train officials on Anti-Money Laundering and Combating Financing of Terrorism;
7. Declared customer acceptance policy;
8. Prohibition of opening of any anonymous or fictitious account;
9. Prohibition of establishing banking relationship with any shell company;
10. Compliance of UN sanction list.

For mitigating the risks, the bank has a designated Chief Anti-Money Laundering Compliance Officer (CAMLCO) & Deputy Chief Anti Money Laundering Compliance Officer (DCAMLCO) at Head Office and Branch Anti Money laundering Compliance Officers (BAMLCO) at branches, who independently review the transactions on the accounts to verify suspicious transactions and other AML measures.

Internal audit

The Bank has established an independent internal audit function with the head of internal control & compliance (ICC) reporting directly to the chairman of audit committee of the Board. The internal audit team performs risk based audit on various business and operational areas of the Bank on continuous basis. The audit committee and the Board regularly review the internal audit reports as well as monitor progress of previous findings.

Prevention of fraud

Like any other banks and financial institutions, the Bank is also exposed to the inherent risk of fraud and hence implemented a number of anti-fraud controls and procedures specifically designed to prevent and detect any material instances of fraud or irregularities. As per the requirement of Bangladesh Bank regular reporting's are made on self-assessment of various anti-fraud controls as well as any incident of fraud and forgeries that have been identified by the Bank. Regular staff training and awareness programs are taken to ensure that all officers and staff of the Bank are fully aware of various fraud risks in their work area and prepared to deal with it.

3.14

Preparation of Basel III Accord

Basel II

Pillar-I: Minimum capital requirement

Banks must hold minimum regulatory capital against Credit, Market and Operational Risk inherent with Banking Business. Shimanto Bank PLC. has adopted the following measurement approaches for computing its Capital Adequacy Ratio.

- a. Standardized Approach for Credit Risk,
- b. Basic Indicator Approach for Operational Risk, and
- c. Standardized Approach for Market Risk.

Pillar-II: Supervisory review process (SRP)

SRP basically deals with other risks faced by a bank but not covered in pillar-1. The key principle of SRP is that banks have a process for assessing overall capital adequacy in relation to their risk profile and a strategy for maintaining their capital at an adequate level. The assessment of adequate capital would be the outcome of the dialogue to be held between the bank's SRP and Bangladesh Bank's SREP team. Following Risk has to be assessed for Adequate Capital Requirement under ICAAP as per Bangladesh Bank Guideline:

- a. Residual risk
- b. Concentration risk
- c. Liquidity risk
- d. Reputation risk
- e. Strategic risk
- f. Settlement risk
- g. Evaluation of core risk management
- h. Environmental & climate change risk
- i. Other material risks

Pillar-III: Market Discipline

The objective of Market Discipline in (Basel-II) is to establish more transparent and more disciplined financial market so that stakeholders can assess the position of a bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet probable loss of assets. For the said purpose, this "Disclosures on Risk Based Capital (Basel II)" is made as per Bangladesh Bank's Guideline.



Basel III

"Basel III", developed by the Basel Committee on Banking Supervision and published in December 2010, is a comprehensive set of reform measures including that of Basel II, to strengthen the regulation, supervision and risk management of the banking sector. These measures aim to:

- Improve the banking sector's ability to absorb shocks arising from financial and economic stress;
- improve risk management and governance;
- strengthen banks' transparency and disclosures.

Shimanto Bank PLC. takes initiatives to ensure adequate capital include the following:

- Consistently encouraging corporate clients to complete external credit rating to assess counterparty Credit Risk status, and to reduce capital requirements.
- Improving and enhancing eligible collateral, by way of collateral optimization.
- Assessment of risk profile and credit rating of new clients.
- CAR is periodically reviewed and assessed in Shimanto Bank PLC. by the Risk Management Unit (RMU), and reported to senior management.

Capital adequacy and stress testing

In order to have a sound and robust banking industry and to make the banks in Bangladesh more shock absorbent as well as to cope with international best practice for risk management, Bangladesh Bank introduced 'Risk Based Capital Adequacy (RBCA) for all Banks effective from January, 2010.

As per Risk Based Capital Adequacy (RBCA) guideline, according to Pillar 1 of Basel II, Risk Weighted Assets (RWA) of Shimanto Banks is calculated against Credit Risk, Market Risk and Operational Risk. Under Pillar 2 in Supervisory Review Process (SRP) Banks deals with other risks faced but not covered in pillar-1. Finally, under Pillar-3 in Market Discipline bank publish its capital adequacy disclosure on regular basis for market participants to establish more transparent and more disciplined financial market so that stakeholders can assess the position of a bank.

The Bank has also implemented Bangladesh Bank approved stress testing framework which forms an integral part of the Bank's Internal Capital Adequacy Assessment Process (ICAAP). Stress testing involves the use of various techniques to assess the Bank's potential vulnerability to extreme but plausible stressed business conditions. The changes in the level of credit risk, market risk, liquidity risk and Interest Rate Risk in the Banking Book (IRRBB), in the on and off balance sheet positions of the Bank, is assessed under assumed "stress" scenarios. Typically, this relates, among other things, to the impact on the Bank's profitability and capital adequacy. Stress Tests are conducted on a quarterly basis and the stress test results are put up to the Board quarterly, for their review and guidance.

3.15

Related party disclosures

A party is related to the Entity if:

- directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the company; has an interest in the company that gives it significant influence over the company; or has joint control over the entity;
- the party is an associate or a joint venture;
- the party is a member of the key management personnel of the entity or its parent;
- the party is a close member of the family of any individual referred to in (i) or (iv);
- the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- the party is a post-employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the entity.

3.16

Compliance of International Accounting standards (IASs) and International Financial Reporting Standards (IFRSs)

The Bank has complied the following IASs & IFRSs as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) during the preparation of financial statements as at and for the year ended 31 December 2025.

Name of the Standards	Ref:	Status
Presentation of Financial Statements	IAS-1	Complied**
Inventories	IAS-2	Not Applicable
Statement of Cash Flows	IAS-7	Complied **
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Complied
Events after the Reporting Period	IAS-10	Complied
Income Taxes	IAS-12	Complied
Property, Plant & Equipment	IAS-16	Complied
Employee Benefits	IAS-19	Complied
Accounting for Government Grants and Disclosur of Government Assistance	IAS-20	Not Applicable
The Effects of Changes in Foreign Exchange Rates	IAS-21	Complied
Borrowing Costs	IAS-23	Complied
Related Party Disclosures	IAS-24	Complied
Accounting and Reporting by Retirement Benefit Plans	IAS-26	Not Applicable



Name of the Standards	Ref:	Status
Separate Financial Statements	IAS-27	Complied
Investments in Associates and Joint Ventures	IAS-28	Not Applicable
Financial Reporting in Hyperinflationary Economies	IAS-29	Not Applicable
Financial Instruments: Presentation	IAS-32	Complied **
Earnings per Share	IAS-33	Complied
Interim Financial Reporting	IAS-34	Not Applicable
Impairment of Assets	IAS-36	Complied
Provisions, Contingent liabilities and Contingent Assets	IAS-37	Complied
Intangible Assets	IAS-38	Complied
Investment Property	IAS-40	Not Applicable
Agriculture	IAS-41	Not Applicable

Name of the Standards	Ref:	Status
First-time Adoption of International Financial Reporting Standards	IFRS-1	Complied
Share-based Payment	IFRS-2	Not Applicable
Business Combinations	IFRS-3	Not Applicable
Insurance Contracts	IFRS-4	Not Applicable
Non-Current Assets Held for Sale and Discontinued Operations	IFRS-5	Not Applicable
Exploration for and Evaluation of Mineral Resources	IFRS-6	Not Applicable
Financial Instruments: Disclosures	IFRS-7	Complied **
Operating Segments	IFRS-8	Not Applicable
Financial Instruments: Recognition and Measurements	IFRS-9	Complied **
Consolidated Financial Statements	IFRS-10	Not Applicable
Joint Arrangements	IFRS-11	Not Applicable
Disclosure of Interest in other Entities	IFRS-12	Not Applicable
Fair Value Measurement	IFRS-13	Complied
Revenue from Contracts with Customers	IFRS-15	Complied
Leases	IFRS-16	Complied
Insurance contracts	IFRS-17	Not Applicable

* Subject to departure disclosed in note no. 2.01

** In order to comply with certain specific rules and regulations of the Central Bank (Bangladesh Bank) which are different from IAS/IFRS, some of the requirements specified in these IAS/IFRSs are not applied.

3.17 Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2026:

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

3.18 Events after the reporting period

All material events after the reporting period have been considered and appropriate adjustments/disclosures have been made in the financial statements as per IAS 10 'Events after the Reporting Period'.

3.19 Approval of financial statements

The financial statements were reviewed and subsequently approved by the Board of Directors in its 90th Board Meeting on 29 April 2026.

3.20 Materiality and aggregation

Each material class of similar items has been presented separately in the financial statements. Items of dissimilar nature also have been presented separately unless they are immaterial in accordance with IAS 1 Presentation of Financial Statements.

3.21 General

- The financial statements of the Bank are presented in Bangladesh Taka (BDT) which is the Bank's functional currency. All financial information presented in Taka has been rounded off to the nearest integer, except when otherwise indicated.
- These financial statements of the Bank cover one calendar year from 01 January 2025 to 31 December 2025.
- The expenses, irrespective of capital or revenue nature, accrued / due but not paid have been provided for in the books of the accounts.
- Figures of previous year have been rearranged whenever necessary to conform with the current year's presentation.



Notes to the Financial Statements

For the year ended 31 December 2025

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
4.00 Cash		
Cash in Hand (Including Foreign Currency) Note: 4.01	578,264,554	493,272,800
Balance with Bangladesh Bank and its Agent Bank (s) Note: 4.02 (Including Foreign Currency)	1,313,196,671	1,074,846,033
	1,891,461,225	1,568,118,833
4.01 Cash in Hand (Including Foreign Currency)		
In Local Currency	572,448,891	477,475,907
In Foreign Currency	5,815,663	15,796,893
	578,264,554	493,272,800
4.02 Balance with Bangladesh Bank and its Agent Bank (s) (Including Foreign Currency)		
In Local Currency	1,259,854,971	1,060,070,380
In Foreign Currency	49,598,407	6,960,521
	1,309,453,378	1,067,030,901
Sonali Bank as Agent of Bangladesh Bank (Local Currency)	3,743,293	7,815,132
	1,313,196,671	1,074,846,033
4.03 Statutory Deposits		
Cash Reserve Requirement and Statutory Liquidity Ratio		
Cash Reserve Requirement and Statutory Liquidity Ratio have been calculated and maintained in accordance with section 33 of Bank Companies Act, 1991 and MPD circular nos.01 & 02, dated June 23, 2014 and December 10, 2013 & DOS circular no.1 dated 19 January 2014 & MPD Circular no.01 dated April 03, 2018 & DOS circular letter no. 26 dated 19 August 2019 and MPD Circular no. 03 dated April 09, 2020, FE circular letter no. 07 dated 29 February 2024 and MPD circular No. 01 dated 04 March 2025 issued by Bangladesh Bank.		
The statutory cash reserve requirement is on the Bank's time and demand liabilities as per Bangladesh Bank MPD circular no. 03 dated 09 April, 2020 at the rate of 4% for bi-weekly and 3.5% for daily (CRR) has been calculated and maintained with Bangladesh Bank in current account while statutory liquidity ratio of 13.00% is required, on the same liabilities is also maintained in the form of treasury bills, bonds and debentures including foreign currency balance with Bangladesh Bank. Both the reserves are maintained by the Bank in excess of the statutory requirements, as shown below:		
(a) Cash Reserve Requirement (CRR)		
Daily Position as on the reporting date		
Required Reserve (3.50% of Total Time and Demand Liabilities)	881,672,000	883,038,000
Actual Reserve Maintained	1,256,742,411	1,056,205,885
Surplus	375,070,411	173,167,885
Bi-weekly as on the reporting date		
Required reserve (4.00% of Total Time and Demand Liabilities)	1,175,562,000	1,009,186,000
Actual Reserve Maintained	1,256,742,411	1,056,205,885
Surplus	81,180,411	47,019,885
(b) Statutory Liquidity Ratio (SLR)		
Required Reserve (13% of Total Time and Demand Liabilities)	3,820,577,000	3,279,855,000
Actual Reserve Maintained	7,323,978,077	4,637,379,003
Surplus	3,503,401,077	1,357,524,003
(c) Components of Statutory Liquidity Ratio (SLR)		
Cash in Hand	578,264,554	493,272,800
Balance with Sonali Bank PLC.	3,743,293	7,718,180
Excess Reserve of CRR (4.00% of bi-weekly)	81,180,411	47,019,885
HTM Securities	2,294,717,013	2,598,398,558
HFT Securities	4,365,523,306	1,427,490,580
Other Eligible Security	549,500	63,479,000
	7,323,978,077	4,637,379,003



Particulars		Amount in Taka	
		31-Dec-25	31-Dec-24
4.04 Maturity Grouping of Cash			
On demand		1,891,461,225	1,568,118,833
Upto 1 month		-	-
Over 1 month but not more than 3 months		-	-
Over 3 month but not more than 6 months		-	-
Over 6 month but not more than 1 year		-	-
Over 1 year but not more than 5 years		-	-
Over 5 years		-	-
		1,891,461,225	1,568,118,833
5.00 Balance with other Banks and Financial Institutions			
Inside Bangladesh	Note: 5.01	582,008,157	582,885,511
Outside Bangladesh	Note: 5.02	106,502,971	243,245,508
		688,511,128	826,131,019
5.01 Inside Bangladesh:			
Current Account	Branch Name		
Sonali Bank PLC.	Rangpur Branch	110,089	46,053
Agrani Bank PLC.	Pragpur Branch	2,049,595	3,060,745
Agrani Bank PLC.	Shymnagar Branch	5,000	-
Sonali Bank PLC.	Teknaf Branch	830,032	77,812
		2,994,716	3,184,610
Savings Account			
AB Bank PLC.	Principal Branch	16,221,214	8,140,674
Trust Bank PLC.	Dhanmondi Branch	12,056,470	21,938,352
Eastern Bank PLC.	Gulshan Branch	2,704,905	1,591,023
Eastern Bank PLC.	Dhanmondi Branch	28,955	28,955
Sonali Bank PLC.	Local Office	1,897	1,897
		31,013,441	31,700,901
Fixed Deposit/ Term Placement			
Industrial and Infrastructure Development Finance Company PLC.-IIDFC		368,000,000	368,000,000
Phoenix Finance & Investment Ltd.		180,000,000	180,000,000
		548,000,000	548,000,000
		582,008,157	582,885,511
5.02 Outside Bangladesh:			
Habib American Bank		66,512,987	240,287,832
Axis Bank ACU		24,384,706	2,611,130
United Bank of India		15,605,278	346,546
		106,502,971	243,245,508
5.03 Maturity Grouping of Balance with other Banks and Financial Institutions			
Repayable on demand		688,511,128	826,131,019
Up to 3 months		-	-
Over 3 months but below 1 year		-	-
Over 1 year but below 5 years		-	-
Over 5 years		-	-
		688,511,128	826,131,019
6.00 Money at Call on Short Notice			
With Banking Companies	Note: 6.01	650,000,000	100,000,000
With Finance Companies	Note: 6.02	-	780,000,000
With Banking Companies-USD		97,880,000	-
		747,880,000	880,000,000
6.01 With Banking Companies			
Meghna Bank PLC.		300,000,000	100,000,000
Midland Bank PLC.		250,000,000	-
United Commercial Bank PLC.		100,000,000	-
		650,000,000	100,000,000



Particulars		Amount in Taka	
		31-Dec-25	31-Dec-24
6.02 With Finance Companies			
DBH Finance PLC.		-	380,000,000
IDLC Finance PLC.		-	100,000,000
IPDC Finance PLC.		-	300,000,000
		-	780,000,000
6.03 Maturity Grouping of Money at Call on Short Notice			
On demand		747,880,000	880,000,000
Upto 1 month		-	-
Over 1 month but not more than 3 months		-	-
Over 3 month but not more than 6 months		-	-
More than 6 months but less than 1 year		-	-
More than 1 year but less than 5 years		-	-
More than 5 years		-	-
		747,880,000	880,000,000
7.00 Investments			
Government Securities	Note: 7.01	6,660,789,819	4,089,368,138
Other Investments	Note: 7.02	4,308,172,609	3,685,393,407
		10,968,962,428	7,774,761,545
7.01 Government Securities			
Treasury Bills	Note: 7.01.01	4,327,489,146	1,376,454,900
Treasury Bonds	Note: 7.01.02	2,332,751,173	2,649,434,238
Government Islamic Bond (Sukuk)	Note: 7.01.03	-	63,150,000
Prize Bonds		549,500	329,000
		6,660,789,819	4,089,368,138
7.01.01 Treasury Bills			
91 days Treasury Bills		2,608,065,558	1,376,454,900
182 days Treasury Bills		242,711,898	-
364 days Treasury Bills		1,476,711,690	-
		4,327,489,146	1,376,454,900
7.01.02 Treasury Bond			
2 Years Treasury Bond		237,307,531	477,283,526
5 Years Treasury Bond		295,051,991	272,117,122
10 Years Treasury Bond		921,805,392	1,000,570,289
15 Years Treasury Bond		470,957,955	480,039,247
20 Years Treasury Bond		407,628,304	419,424,054
		2,332,751,173	2,649,434,238
7.01.03 Government Islamic Bond (Sukuk)			
2 Years		-	-
5 Years		-	63,150,000
		-	63,150,000
7.01.04 Investment in Securities are Classified as per Bangladesh Bank Circular			
Held for Trading (HFT)		4,365,523,306	1,427,490,580
Held to Maturity (HTM)		2,294,717,013	2,598,398,558
		6,660,240,319	4,025,889,138

As per DOS Circular NO. 01 dated 19 January 2014, the maximum limit of holding approved securities under held to maturity (HTM) is 110% of SLR for all nonprimary dealer banks and the Bank has invested in treasury bonds under HTM category as per said circular.



Particulars			Amount in Taka	
			31-Dec-25	31-Dec-24
7.02 Other Investments				
Investments in Share	Note 7.02.01		3,487,132,128	3,122,096,484
Investment in Zero Coupon Bond	Note 7.02.02		196,040,481	208,296,923
Investment in Mutual Fund	Note 7.02.03		35,000,000	45,000,000
Investment in Subordinate Bond	Note 7.02.04		590,000,000	310,000,000
Investments in Commercial Paper			-	-
			4,308,172,609	3,685,393,407
7.02.01 Investments in Shares				
Investment in Share (Special Fund)	Note: 7.02.01.01		170,000,216	169,802,261
Investment in Share (Regular Fund)	Note: 7.02.01.02		3,317,131,912	2,952,294,223
			3,487,132,128	3,122,096,484
7.02.01.01 Investment in Share (Special Fund)				
Quoted Share			170,000,216	169,802,261
Unquoted Share			-	-
			170,000,216	169,802,261
Quoted Share				
ACI PLC.			25,730	25,730
Bangladesh Steel Re-Rolling Mills Ltd.			1,473,001	1,473,001
BD Submarine Cable PLC.			2,049	2,049
GPH Ispat Ltd.			5,456,933	5,456,933
IFIC Bank PLC.			15,338,976	15,338,976
Mercantile Bank PLC.			3,568,425	3,568,425
Power Grid Company of Bangladesh PLC.			10,029,027	10,029,027
Bangladesh Export Import Company PLC.			7,413,487	7,413,487
Beximco Pharmaceuticals PLC.			47,015,376	47,015,376
IPDC Finance PLC.			420	420
LankaBangla Finance PLC.			10,590,258	10,590,258
LafargeHolcim Bangladesh PLC.			5,299,627	5,299,627
Summit Power Ltd.			4,297,180	4,297,180
British American Tobacco Bangladesh Company PLC.-BATBC			30,952,411	30,952,411
Confidence Cement PLC.			14,805,360	14,805,360
Square Pharmaceuticals PLC.			13,534,000	13,534,000
Bangladesh Shipping Corporation			197,954	-
			170,000,216	169,802,261

A schedule of Quoted Share (Special Fund) is given in Annexure-B-1

7.02.01.02 Investment in Share (Regular Fund)

a. Quoted Share

b. Unquoted Share (Preference Share)

16,294,223	16,294,223
3,300,837,689	2,936,000,000
3,317,131,912	2,952,294,223

a. Quoted Share

ACI PLC.
Bangladesh Export Import Company PLC.
Beximco Pharmaceuticals PLC.
GPH Ispat Ltd.
IFIC Bank PLC.
LafargeHolcim Bangladesh PLC.

3,025,039	3,025,039
13,474	13,474
5,499,643	5,499,643
2,555,998	2,555,998
5,199,263	5,199,263
806	806
16,294,223	16,294,223

A schedule of Quoted Share (Regular Fund) is given in Annexure - B



Particulars		Amount in Taka	
		31-Dec-25	31-Dec-24
b. Unquoted Share (Preference Share)			
Envoy Textiles Ltd.		-	24,000,000
Impress Newtex Composite Textiles Ltd.		150,000,000	250,000,000
Premier Cement Mills PLC.		112,500,000	187,500,000
Esquire Accessories Ltd.		99,000,000	120,000,000
Anwar Ispat Ltd.		256,656,250	262,500,000
Paramount Textile PLC.		300,000,000	300,000,000
Hamid Spinning Mills Ltd.		250,000,000	250,000,000
Lab Aid		194,000,000	272,000,000
Confidence Infrastructure PLC.		281,600,000	320,000,000
Super Petro Chemical PLC.		280,000,000	350,000,000
Epylion Kniwears Ltd.		300,000,000	300,000,000
United Ashuganj Energy Ltd.		269,581,439	300,000,000
Nitol Motors Ltd.		187,500,000	-
Akij Ceramics Ltd		300,000,000	-
Your Fashion Sweater Ltd.		120,000,000	-
Transworld Ltd.		200,000,000	-
		3,300,837,689	2,936,000,000
		3,317,131,912	2,952,294,223
7.02.02 Investment in Zero Coupon Bond			
AFC Agro Biotech Ltd.		196,040,481	208,296,923
		196,040,481	208,296,923
7.02.03 Investment in Mutual Fund			
EBL AML 1st UF		35,000,000	45,000,000
		35,000,000	45,000,000
7.02.04 Investment in Subordinate Bond			
MTBL 4th Subordinate Bond		40,000,000	60,000,000
City Bank 4th Subordinate Bond		250,000,000	250,000,000
Brac Bank Social Subordinate Band		300,000,000	-
		590,000,000	310,000,000
8.00 Loans and Advances			
Loans, Cash Credits, Overdrafts etc.	Note-8.01	25,091,208,323	20,341,282,630
Bills Purchased and Discounted	Note-8.02	3,112,603	-
		25,094,320,926	20,341,282,630
8.01 Loans, Cash Credits, Overdrafts etc.			
Inside Bangladesh:			
Overdraft		2,799,787,172	2,895,456,752
Time Loan		9,847,673,725	9,299,844,739
Term Loan		12,393,863,671	8,118,614,536
Staff Loan	Note-8.01.01	49,883,755	27,366,603
		25,091,208,323	20,341,282,630
Outside Bangladesh:		-	-
		25,091,208,323	20,341,282,630
8.01.01 Staff Loan			
Home Loan		38,057,577	12,540,068
Car Loan		11,826,178	14,826,535
		49,883,755	27,366,603
8.02 Bills Purchased and Discounted			
Payable Inside Bangladesh		3,112,603	-
Payable Outside Bangladesh		-	-
		3,112,603	-



Particulars		Amount in Taka	
		31-Dec-25	31-Dec-24
8.03	Maturity Grouping of Loans and Advances		
	Repayable on demand	3,449,796,889	2,158,737,469
	Upto 3 months	3,481,802,587	2,386,848,854
	Over 3 months but below 1 year	5,420,989,163	7,709,714,670
	Over 1 year but below 5 years	7,091,500,546	6,248,423,625
	Over 5 years	5,650,231,741	1,837,558,012
		25,094,320,926	20,341,282,630
8.04	Loans and Advances under the Following Broad Categories		
	Inside Bangladesh:		
	Loans	22,294,533,754	17,445,825,878
	Overdrafts	2,799,787,172	2,895,456,752
	Cash Credits	-	-
		25,094,320,926	20,341,282,630
	Outside Bangladesh:	-	-
		25,094,320,926	20,341,282,630
As per letter # 178/FRC/APR/2021/27(45) dated 09 December 2021 issued by the Financial Reporting Council (FRC) regarding the compliance of BRPD Circular Letter # 04 dated 04 January 2021 and BRPD Circular Letter # 35 dated 06 July 2021. The Bank collected the audited financial statements before sanction/renewal of new loan and verified those audited financial statements through DVS developed by ICAB.			
8.05	Net Loans and Advances		
	Gross Loans and Advances	25,094,320,926	20,341,282,630
	Less: Provision for Loans and Advances	1,563,470,662	308,768,520
	Less: Interest Suspense	513,399,072	314,586,765
		23,017,451,192	19,717,927,345
8.06	Loans and Advances on the Basis of Significant Concentration		
a)	Loans and advances to the institutions in which Directors have interest	-	-
b)	Loans and advances to Chief Executive and other senior executives	66,801,021	21,976,214
c)	Loans and advances to customer groups:	25,027,519,905	20,319,306,416
	i) Real Estate Finance	523,978,161	407,221,491
	ii) Car Loan	17,775,664	17,680,559
	iii) Personal Loan	5,270,220,520	2,912,433,854
	iv) Loan against Deposits (LAD)	256,484,052	463,100,660
	v) Small and Medium Enterprises	3,567,627,176	2,402,666,558
	vi) Special Program Loan (Bangladesh Bank Re-Financing Scheme)	3,584,224	196,925,562
	vii) Staff Loan	77,069,261	66,587,618
	viii) Industrial Loans, Advances and Leases	13,970,943,017	12,599,353,025
	ix) Other Loans and Advances	1,339,837,831	1,253,337,089
		25,094,320,926	20,341,282,630
8.07	Details of Large Loans and Advances		
	Number of clients which sanctioned amount of loans and advances exceeding 10% of the total capital of the Bank with outstanding and classified amount.		
	Total Capital of the Bank	5,211,822,771	5,984,156,163
	Number of Clients	20	14
	Amount of Outstanding Loans and Advances	8,785,932,030	8,734,001,164
	Amount of Classified Loans and Advances	1,226,856,896	-
	Measures taken for recovery	-	-



Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24

Name of the Borrower	Outstanding		Total	
	Funded	Non-Funded	31-Dec-25	31-Dec-24
Taufika Group	1,399,345,815	-	1,399,345,815	1,425,617,932
Genesis Group	984,738,463	74,580,375	1,059,318,838	1,001,011,352
Energypac	899,392,772	-	899,392,772	800,243,082
City Group	704,899,319	-	704,899,319	728,623,101
Property Development Ltd	432,768,386	473,237,474	906,005,860	830,473,819
Samuda Chemical Comp. Ltd	483,346,168	400,000,000	883,346,168	513,752,092
Akij Group	513,834,890	382,100,000	895,934,890	881,964,727
Runner Group	-	-	-	389,019,315
Sheltech Engineering Ltd.	194,743,227	314,973,455	509,716,682	485,944,537
Popular Diagnostic Centre Ltd.	635,438,695	-	635,438,695	359,904,392
Esquire Knit Composite PLC.	257,798,740	250,000,000	507,798,740	660,432,951
Paramount Textile PLC.	-	-	-	226,276,667
Sajida Foundation	-	-	-	166,537,164
National Dev. Engineers Ltd.	107,696,239	423,847,272	531,543,511	264,200,033
Epyllion Group	305,494,444	-	305,494,444	-
ACI Group	768,074,715	91,712,579	859,787,293	-
DBL Group	568,701,678	-	568,701,678	-
TK Group	102,648,522	-	102,648,522	-
Dekko Legacy Group	221,622,069	-	221,622,069	-
Standard Group	81,300,000	-	81,300,000	-
Rancon Group	124,087,889	111,797,360	235,885,249	-
	8,785,932,030	2,522,248,514	11,308,180,545	8,734,001,164

8.08 Sector-wise Concentration of Loans and Advances (Including Bills Purchased and Discounted)

Public Sector	-	-
Private Sector	25,094,320,926	20,341,282,630
	25,094,320,926	20,341,282,630

8.09 Industry wise Loans and Advances

Trade and Commerce	895,139,227	646,516,448
i) Garments and Knitwear	2,181,718,488	1,304,528,161
ii) Textile	235,985,794	233,163,454
iii) Jute and Jute -Products	60,811,226	-
iv) Food Production and Processing Industry	2,047,061,993	1,653,036,311
v) Plastic Industry	105,522,361	100,952,500
vi) Leather and Leather Goods	-	-
vii) Iron, Steel and Engineering	929,203,080	944,572,931
viii) Pharmaceuticals and Chemicals	1,950,482,318	1,906,455,641
ix) Cement and Allied Industry	1,847,612,085	1,013,456,394
x) Telecommunication and IT	700,054	3,875,540
xi) Paper, Printing and Packaging	61,270,000	-
xii) Glass, Glassware and Ceramic Industry	-	-
xiii) Ship Manufacturing Industry	-	-
xiv) Electronics and Electrical Products	352,538,869	205,724,008
xv) Power, Gas, Water and Sanitary Service	669,853,825	596,013,367
xvi) Transport and Aviation	-	-
Agriculture	621,979,252	155,912,312
Housing	564,013,329	420,800,584
Loan to Subsidiaries Companies	-	-
Others	12,570,429,026	11,156,274,979
	25,094,320,926	20,341,282,630



Particulars		Amount in Taka		
		31-Dec-25	31-Dec-24	
8.10	Geographical Location-wise Portfolio Grouping			
	Inside Bangladesh:			
	Urban Branches			
	Dhaka	19,952,934,702	17,066,082,047	
	Chittagong	2,551,543,395	2,228,684,034	
	Khulna	605,783,875	345,949,210	
	Mymensingh	172,527,326	117,203,928	
	Sylhet	163,880,135	58,052,603	
	Barisal	-	-	
	Rajshahi	303,375,023	-	
	Rangpur	369,628,810	144,751,920	
		24,119,673,267	19,960,723,742	
	Rural Branches			
	Dhaka	1,511,750	-	
	Chittagong	473,607,780	237,492,570	
	Khulna	174,397,816	63,715,639	
	Mymensingh	94,995,358	58,240,198	
	Sylhet	19,648,310	2,078,909	
	Barisal	-	-	
	Rajshahi	-	-	
	Rangpur	210,486,645	19,031,572	
	974,647,659	380,558,888		
	25,094,320,926	20,341,282,630		
	-	-		
	25,094,320,926	20,341,282,630		
8.11	Securities wise Loans and Advances			
	a. Secured			
	Collateral of Movable / Immovable Assets	8,361,366,547	4,438,521,958	
	Cash Collateral	55,093,197	12,769,380	
	Local Banks and Financial Institutions Guarantee	-	-	
	Foreign Banks Guarantee	-	-	
	Export Documents	10,765,416	15,092,521	
	Government Guarantee	-	-	
	FDR Shimanto Bank	245,797,682	237,229,520	
	FDR of Other Banks	-	-	
	Personal Guarantee	3,175,943,748	3,268,987,489	
	Other Securities	12,712,558,503	11,728,395,440	
	Government Bonds	-	216,614,829	
		24,561,525,094	19,917,611,137	
		532,795,832	423,671,493	
		25,094,320,926	20,341,282,630	
	8.12	Classification of Loans and Advances		
		Unclassified		
		Standard (UC)	21,651,220,186	19,297,429,812
		Special Mention Accounts (SMA)	1,754,828,323	781,910,773
			23,406,048,509	20,079,340,585
Classified				
Sub-Standard (SS)		90,052,164	114,548,344	
Doubtful (DF)		87,714,114	30,494,340	
Bad/Loss (BL)		1,510,506,139	116,899,361	
		1,688,272,417	261,942,045	
		25,094,320,926	20,341,282,630	



Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24

8.13 Particulars of Required Provision for Loans and Advances

General Provision

Status of Loans and Advances	Base for Provision	Rate	Provision Amount	Provision Amount
Standard	21,651,220,186	Various*	199,124,520	760,481,322
Special Mention Account	1,685,512,733		422,009,987	7,509,436
Total	23,336,732,919		621,134,507	767,990,758

Specific Provision

Status of Loans and Advances	Base for Provision	Rate	Provision Amount	Provision Amount
Sub-Standard	87,466,512	20%	17,493,302	6,490,973
Doubtful	72,759,887	50%	36,379,944	6,932,044
Bad-Loss	888,462,909	100%	888,462,909	73,106,298
Total	1,048,689,308		942,336,155	86,529,315

Total Required Provision for Loans and Advances

1,563,470,662 **854,520,074**

Total Provision Maintained for Loans and Advances

1,563,470,662 **308,768,520**

Provision will be maintained in future*

- **545,751,554**

Excess/(Short) Provision

- **-**

8.14 Particulars of Loans and Advances

(i) Loans considered good in respect of which the Bank is fully secured	2,609,136,923	2,021,970,050
(ii) Loans considered good against which the Bank holds no security other than the debtors' personal guarantee	16,420,591,392	15,050,325,091
(iii) Loans considered good and secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	6,064,592,611	3,268,987,489
(iv) Loan adversely classified for which no provision is created	-	-
	25,094,320,926	20,341,282,630
(v) Loans due by directors or officers of the Bank or any of them either separately or jointly with any other persons	143,870,282	79,419,320
(vi) Loans due from companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or, in case of private companies, as members	-	-
(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the Bank or any of them either separately or jointly with any other persons	8,000,000	2,000,000
(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the Bank are interested as directors, partners or managing agents or, in the case of private companies, as members	-	-
(ix) Due from other banking companies	-	-
(x) Information respect of classified loans and advances	-	-
a) Classified loans on which interest has not been charged to income		
(1) Increase/ decrease of provision (Specific)	1,350,218,254	(3,378,996)
(2) amount of loans written off	-	-
(3) Amount recovered against loans previously written off;	-	-
b) Amount of proviosn kept against loan classified as "bad/loss" on the date of preparing the balance sheet;	888,462,909	73,106,298
c) Interest creditable to the interest suspense account	513,399,072	314,586,765
(xi) Cumulative amount of written of loan		
Opening balance	-	-
Amount written off during the year	-	-
	-	-



Particulars		Amount in Taka	
		31-Dec-25	31-Dec-24
9.00 Fixed Assets including Premises, Furniture and Fixtures			
Freehold Assets	Note: 9.01	205,985,579	211,267,089
Intangible Assets	Note: 9.02	18,968,616	17,606,367
Lease Assets	Note: 9.03	103,706,759	155,904,754
		328,660,954	384,778,210
9.01 Freehold Assets			
Computer and Network		263,109,552	237,202,581
Furniture and Fixtures		204,102,937	194,631,647
Office Equipment		118,645,386	107,790,535
Vehicle		176,406	176,400
		586,034,281	539,801,163
Less: Accumulated Depreciation		380,048,702	328,534,074
		205,985,579	211,267,089
9.02 Intangible Assets			
Software		95,378,626	84,811,306
Less: Accumulated Amortization		76,410,010	67,204,939
		18,968,616	17,606,367
9.03 Lease Assets			
Right of Used Assets		260,300,744	260,300,744
Less: Accumulated Depreciation		156,593,985	104,395,990
		103,706,759	155,904,754
A Schedule of Fixed Assets is given in Annexure-A			
10.00 Other Assets			
Income Generating			
Income Receivable from Investment		145,933,352	129,184,521
Interest Receivable from Calls and Placements		113,891,833	65,381,765
Interest Receivable from Loans and Advances		58,196	196,627
Dividend Receivable from Preference Share		148,218,892	110,384,899
Receivable on Cards		32,972,808	26,359,616
Dividend Receivable from Regular Fund Investment		54,256	196,096
Dividend Receivable from Special Fund Investment		1,139,229	1,736,353
Shanchaypatra Receivable		224,349	224,349
		442,492,915	333,664,226
Non-Income Generating			
Advance Rent		17,968,194	14,991,258
Advance Income Tax	Note: 10.01	865,797,543	803,843,621
Balance with EBL Securities PLC.		17,671	17,671
Balance with Lanka Bangla Securities PLC.		132,044	329,999
Advance VAT		-	6,367,899
Advance, Deposit and Prepayments	Note: 10.02	19,725,290	23,728,458
Stationery and Stamps	Note: 10.03	7,272,627	11,396,236
Branch Adjustment		-	-
Clearing Charges Adjustment		159,263	128,806
Suspense Account		-	-
Silver		-	-
Sundry Assets	Note: 10.04	8,322,584	-
Other Receivables		34,137,301	22,567,489
Deferred Tax Asset	Note: 13.05	382,091,397	20,591,595
		1,335,623,914	903,963,032
		1,778,116,829	1,237,627,258



Particulars		Amount in Taka	
		31-Dec-25	31-Dec-24
10.01 Advance Income Tax			
Opening Balance		803,843,621	748,560,719
Add: Paid during the year		340,410,486	167,235,306
		1,144,254,107	915,796,025
Less: Adjustment for Income Year 2017		-	38,744,022
Less: Adjustment for Income Year 2018		-	73,208,382
Less: Adjustment during the year-2019		128,465,328	-
Less: Adjustment during the year-2020		149,991,236	-
		278,456,564	111,952,404
Closing Balance		865,797,543	803,843,621
10.02 Advance, Deposit and Prepayments			
House Furnishing Allowance		2,264,410	1,951,015
Temporary Advance to Staff and Vendor		131,200	262,129
Prepaid/Deferred Expenses		17,329,680	21,515,315
		19,725,290	23,728,458
10.03 Stationery and Stamps			
VISA Plastic Card		3,262,657	7,956,957
Printing Stationary		3,602,300	3,238,939
Stamps (Judicial and Non-Judicial)		407,670	200,340
		7,272,627	11,396,236
10.04 Sundry Assets			
Protested Bill		4,840,447	-
Advance Legal Expense & Advertisement Expense		3,482,137	-
		8,322,584	-
11.00 Borrowings from Other Banks, Financial Institutions and Agents			
Inside Bangladesh	Note: 11.01	15,505,550	33,500,890
Outside Bangladesh	Note: 11.02	-	-
		15,505,550	33,500,890
11.01 Inside Bangladesh			
Bangladesh Bank Pre Finance Scheme-CMSME		8,200,000	12,300,000
Bangladesh Bank Fund for Corporate Refinancing		5,555,000	5,170,000
Bangladesh Bank Fund for Agriculture Refinancing		1,400,000	13,600,000
SME Foundation Revolving Fund Scheme		350,550	2,430,890
		15,505,550	33,500,890
11.02 Outside Bangladesh		-	-
11.03 Security against Borrowings from Other banks, Financial Institutions and Agents			
Secured (Treasury Bills)		-	-
Unsecured		15,505,550	33,500,890
		15,505,550	33,500,890
11.02 Maturity Grouping of Borrowings from Other Banks, Financial Institutions and Agents			
Payable on demand		-	-
Up to 1 month		-	-
Over 1 month but within 3 months		-	-
Over 3 months but within 1 year		15,505,550	33,500,890
Over 1 year but within 5 years		-	-
Over 5 years		-	-
		15,505,550	33,500,890





Particulars		Amount in Taka	
		31-Dec-25	31-Dec-24
12.00 Deposit and Other Accounts			
Deposit from customer and others			
Current Deposits and Other Accounts	Note: 12.01	947,471,997	926,782,826
Bills Payables	Note: 12.02	490,938,149	597,422,139
Savings Bank Deposit Accounts	Note: 12.03	2,179,808,098	1,886,658,703
Special Notice Deposits Accounts	Note: 12.04	5,900,522,214	4,921,445,991
Fixed Deposit Accounts	Note: 12.05	22,592,465,221	16,522,260,342
Other Deposits	Note: 12.06	650,006,376	499,538,806
		32,761,212,055	25,354,108,807
12.01 Current Deposits and Other Accounts			
Current Deposit		740,586,878	822,734,421
Foreign Currency Deposit		64,586,168	42,411,965
Security Deposit		3,891,486	4,315,734
Margin Deposit		138,407,466	57,320,706
		947,471,997	926,782,826
12.02 Bills Payables		490,938,149	597,422,139
12.03 Savings Bank Deposit Accounts			
SMBL Payroll Gold		6,384,821	5,566,015
SMBL Shopno		4,958,805	2,701,930
SMBL Payroll		26,944,939	20,729,912
BGB School Payroll Account		154,469,893	148,442,062
BGB School PF Account		113,078,536	100,004,621
BGB School Gratuity Account		22,108,347	18,431,011
Shimanto Student Account		12,447,632	13,647,053
SmbL Staff Salary Account		17,394,873	11,634,375
BGB Payroll Account		541,853,073	372,218,784
Shimanto Sanchay		1,245,761,853	1,192,649,796
Easy Account Savings		36,706	85,342
Upreme Savers Account		23,409,216	547,802
Nari Shonchoy		10,959,404	-
		2,179,808,098	1,886,658,703
12.04 Special Notice Deposits Accounts			
SMBL SND Account (SME)		743,853,566	623,245,140
SMBL SND Account (Corporate)		5,156,668,648	4,298,200,851
		5,900,522,214	4,921,445,991
12.05 Fixed Deposit Accounts			
Term Deposit Account		21,157,587,830	16,048,874,513
Scheme Deposit Accounts	Note: 12.05.01	634,877,391	473,385,829
Term Deposit from Bank	Note: 12.05.02	800,000,000	-
		22,592,465,221	16,522,260,342
12.05.01 Scheme Deposit Accounts			
Shimanto Student DPS		13,082,547	13,700,963
Shimanto DPS		517,270,960	432,992,410
Connect DPS		16,588,576	8,103,399
SMBL Millionaire, Multi-Millionaire Deposit Scheme		76,824,742	18,543,710
BGB DPS		2,638,652	45,347
SmbL Kotipoti Scheme		2,785,269	-
SmbL Nari Money Savers		2,974,196	-
SmbL Short Period Deposit Scheme		2,712,449	-
		634,877,391	473,385,829
12.05.02 Term Deposit from Bank			
Midland Bank PLC,		500,000,000	-
Community Bank Bangladesh PLC.		300,000,000	-
		800,000,000	-



Particulars		Amount in Taka	
		31-Dec-25	31-Dec-24
12.06	Other Deposits		
	Interest Payable on Deposit	443,196,461	339,881,246
	VAT Payable	7,637,863	5,706,693
	Excise Duty Payable	30,777,103	23,891,209
	Tax Payable (at source)	46,828,665	40,947,030
	Other Deposit	121,566,284	89,112,627
		650,006,376	499,538,806
12.07	Maturity Analysis of Deposits and Other Account		
	a) Maturity Analysis of Customer Deposits and Other Account		
	Repayable on demand	1,438,410,146	1,539,419,332
	Within 1 month	3,272,602,505	2,718,120,878
	Over 1 month but within 6 months	11,492,771,416	7,784,453,002
	Over 6 months but within 1 year	9,361,935,002	8,010,006,791
	Over 1 year but within 5 years	4,755,324,812	3,921,285,035
	Over 5 years but within 10 years	1,640,168,174	1,380,823,768
	Over 10 years	-	-
		31,961,212,055	25,354,108,807
	b) Maturity Analysis of Deposits from Banks		
	Repayable on demand	-	-
	Within 1 month	-	-
	Over 1 month but within 3 months	800,000,000	-
	Over 3 months but within 1 year	-	-
	Over 1 year but within 5 years	-	-
	Over 5 years but within 10 years	-	-
	Over 10 years	-	-
		800,000,000	-
		32,761,212,055	25,354,108,807
12.08	Sector wise Deposit		
	Government	14,007,062,215	11,956,761,474
	Private	17,406,320,195	12,196,337,983
	Foreign Currency	64,586,168	42,411,965
	Others	1,283,243,477	1,158,597,385
		32,761,212,055	25,354,108,807
12.09	Payable on Demand and Time Deposits		
	a) Demand Deposits		
	Current Deposits	878,994,343	880,055,126
	Savings Deposits (9%)	196,182,729	169,799,283
	Foreign Currency Deposits	64,586,168	42,411,965
	Security Deposits	3,891,486	4,315,734
	Sundry Deposits	650,006,376	499,538,806
	Bills Payable	490,938,149	597,422,139
		2,284,599,251	2,193,543,054
	b) Time Deposits		
	Savings Deposits (91%)	1,983,625,369	1,716,859,420
	Fixed Deposit Accounts	22,592,465,221	16,522,260,342
	Special Notice Deposits	5,900,522,214	4,921,445,991
		30,476,612,804	23,160,565,753
		32,761,212,055	25,354,108,807



Particulars			Amount in Taka	
			31-Dec-25	31-Dec-24
13.00	Other Liabilities			
	Provision for Loans and Advances	Note - 13.01	1,563,470,662	308,768,520
	Special General Provision- COVID-19	Note - 13.02	-	-
	Provision for Off Balance Sheet Items	Note - 13.03	30,844,200	18,096,536
	Provision for Other Investment		176,400,000	-
	Provision for Placement with NBF		48,300,000	-
	Provision for Other Assets	Note - 13.10	157,532,729	5,008,733
	Provision for Current Tax	Note - 13.04	967,747,473	954,342,140
	Provision for Deferred Tax	Note - 13.05	-	-
	Other Payable		48,815,143	63,383,914
	Interest Suspense	Note - 13.06	513,399,072	314,586,765
	Provision for Diminution in Value of Investments	Note - 13.07	7,861,565	7,780,146
	Provision for Start-up Fund	Note - 13.08	12,158,632	12,158,632
	Provision for Climate Risk Fund	Note - 13.09	3,585,880	4,773,705
	Interest Suspense-Investment		84,337,706	-
	Transactional Account		41,135,847	119,952
	CIB Payable		570,053	-
	Lease Liability		112,602,349	164,008,159
			3,768,761,311	1,853,027,201
13.01	Provision for Loans and Advances			
	Movement of Specific Provision			
	Opening Balance		89,277,220	92,656,216
	Less: Fully provided debts written off during the year		-	-
	Add: Recovery of amounts previously written off		-	-
	Less: Transferred to General Provision		497,159,319	-
	Add: Transfer from General Reserve		-	-
	Add: Net charge to Profit and Loss Account		1,350,218,254	(3,378,996)
	Closing Balance		942,336,155	89,277,220
	Movement of General Provision			
	Opening Balance		219,491,300	182,791,584
	Add: Transfer from Specific Provisions		497,109,319	-
	Add: Transfer from Special General Provision- COVID-19		-	17,020,197
	Add: Net charge to Profit and Loss Account		(95,466,112)	19,679,518
	Closing Balance		621,134,507	219,491,300
			1,563,470,662	308,768,520
13.02	Special General Provision- COVID-19			
	Opening Balance		-	17,020,197
	Less: Transfer to General Provision		-	17,020,197
	Closing Balance		-	-
	Total Provision Maintained		1,563,470,662	308,768,520
13.03	Provision for Off Balance Sheet Exposures			
	Opening Balance		18,096,536	10,284,633
	Add: Addition during the year		12,747,664	12,242,988
	Less: Transfer during the year		-	4,431,085
	Closing Balance		30,844,200	18,096,536
	The Bank has made a provision of (Tk 2,87,00,11,830.77 @ 1.00% & Tk. 42,88,16,094.05 @ 0.50%) on off balance sheet exposure as per BRPD circular no. 06 dated 25 April 2023 from current year's profit. The total amount of provision of Tk. 3,08,44,200 is deemed sufficient on requirement and will be treated as Supplementary Capital of the Bank.			
13.04	Provision for Current Tax			
	Opening Balance		954,342,140	780,222,073
	Add: Provision made during the year	Note: 13.04.01	291,861,897	286,072,471
	Less: Settlement for Income Year- 2017		-	38,744,022
	Less: Settlement for Income Year- 2018		-	73,208,382
	Less: Settlement for Income Year- 2019		128,465,328	-
	Less: Settlement for Income Year- 2020		149,991,236	-
	Closing Balance		967,747,473	954,342,140



Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
13.04.01 Provision made during the year		
Current Year	264,854,605	273,123,430
Income Year- 2017	-	3,768,926
Income Year- 2018	-	9,180,115
Income Year- 2019	13,863,766	-
Income Year- 2020	13,143,526	-
	291,861,897	286,072,471

Note: 38.01

13.05 Deferred Tax Liability/(Asset)

Temporary timing difference in written down value of fixed asset

Particulars	Carrying Amount of Balance Sheet	Tax Base Amount	Deductible/(Taxable) Temporary Difference
	Taka	Taka	Taka
Fixed Assets Net of Depreciation as on 31 Dec 2025	224,954,195	282,824,185	(57,869,990)
Right of Use Assets	103,706,759	-	103,706,759
Lease obligation	(112,602,349)	-	(112,602,349)
Cumulative Provision made against Loans and Advances classified as Bad Loss (BL)	(888,462,909)	-	(888,462,909)
Total	(672,404,304)	282,824,185	(955,228,489)
Fixed Assets Net of Depreciation as on 31 Dec 2024	220,770,051	272,249,038	(51,478,987)
Applicable Tax Rate @			40%
Deferred Tax Assets as on 31 December 2025			(382,091,397)
Deferred Tax Assets as on 31 December 2024			(20,591,595)
Deferred Tax Expenses/(Income) accounted for during the year 2025			(361,499,802)

Deferred tax has been calculated based on deductible/taxable temporary difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS)12 "Income Taxes" and BRPD circular no 11 dated 12 December 2011.

13.06 Interest Suspense Account

Opening Balance	314,586,765	77,498,783
Add: Transfer during the year	432,390,851	328,437,643
Less: Recovery during the year	233,578,544	91,349,661
Less: Waiver during the year	-	-
Less: Write off during the year	-	-
Closing Balance	513,399,072	314,586,765

13.07 Provision for Diminution in Value of Investments

Opening Balance	7,780,146	2,110,883
Addition during the year	81,420	5,669,263
Closing Balance	7,861,566	7,780,146

13.08 Provision for Start-up Fund

Opening Balance	12,158,632	8,185,046
Addition during the year	-	3,973,586
Closing Balance	12,158,632	12,158,632

AS per BB SMESPD Circular No. 04 dated 29 March 2021 and subsequent SMESPD Circular Letter No. 05 dated 26 April 2021, the bank has been maintaining a provision for startup fund @1% of net profit after tax each year since 2020.

13.09 Provision for Climate Risk Fund

Opening Balance	4,773,705	2,468,013
Addition during the year	-	2,305,692
Less: Disbursement during the year	1,187,825	-
Closing Balance	3,585,880	4,773,705



Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
13.10 Provision for Other Assets		
Interest Receivable- Investment in Preference Share	25,798,617	5,008,733
Interest Receivable- Investment in Zero Coupon Bond	63,500,366	-
Interest Receivable- Investment in Placements	61,427,882	-
Protested Bill	4,840,447	-
Advance against Legal & Advertisement	1,741,069	-
Shanchaypatra Receivable	224,349	-
	157,532,729	5,008,733

14.00 Share Capital

14.01 Authorised Capital		
1,000,000,000 ordinary shares of Taka 10 each	10,000,000,000	10,000,000,000

14.02 Issued, Subscribed and Paid-up Capital

Balance at the beginning of the year	5,000,000,000	4,530,000,000
Add: Stock dividend of 2024 issued in 2025	250,000,000	168,500,000
Add: Issue of Ordinary Share	-	301,500,000
	5,250,000,000	5,000,000,000

14.02.01 Bonus Issue

On 15th July 2025, 5.00% stock dividend approved by the shareholders in it's 9th Annual General Meeting of the Bank. The stock dividend was distributed on 06 August 2025 accordingly.

14.03 Percentage of Shareholding

Particulars	Capital		% of Holdings	
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
Sponsors and public	5,250,000,000	5,000,000,000	100	100
Government	-	-	-	-
Total	5,250,000,000	5,000,000,000	100	100

14.04 Classification of Shareholding

Range of holding of shares	No. of shareholders	No. of Shares	Shareholdings %	
			31-Dec-25	31-Dec-24
Upto 500	6	6	0.000001%	0.000001%
501 to 5,000	0	-	0.00%	0.00%
5,001 to 10,000	0	-	0.00%	0.00%
10,001 to 20,000	0	-	0.00%	0.00%
20,001 to 30,000	0	-	0.00%	0.00%
30,001 to 40,000	0	-	0.00%	0.00%
40,001 to 50,000	0	-	0.00%	0.00%
50,001 to 100,000	0	-	0.00%	0.00%
100,001 to 1,000,000	0	-	0.00%	0.00%
Over 1,000,000	1	524,999,994	99.999999%	99.999999%
	7	525,000,000	100.00%	100.00%

14.05 Names of the Directors and their shareholding as at 31 December 2025

Name of the Director	Status	No of Share	
		31-Dec-25	31-Dec-24
BGB Welfare Trust	Sponsor	524,999,994	499,999,993
Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil	Chairman	1	1
Brig Gen Imtaj Uddin, ndc, psc	Director	1	-
Brig Gen Md Sohrab Hossain Bhuiyan, PBGM, ndc, psc, G+	Director	1	1
Brig Gen Mohammad Shariful Islam, BGBM, psc	Director	1	-
Col Md Moinul Islam Mollah, PBGMS, psc	Director	1	1
Col Mohammad Nazrul Islam, BGBM, BGBMS, psc	Director	1	-
Mr. Abu Hena Mohd. Razee Hasan	Independent Director	-	-
Mr. Ahmed Kamal Khan Chowdhury	Independent Director	-	-
Brig Gen Md Nurul Amin, BGBMS, PhD, MPH	Ex-Director	-	-
Brig Gen Khandaker Shafiquzzaman, BGBM, psc	Ex-Director	-	1
Brig Gen Md Shahadat Sikder, BGBMS, ndc, afwc, psc	Ex-Director	-	1
Col Mohammad Shariful Islam, psc	Shareholder	-	1
Brig Gen Md Nurul Amin, BGBMS, PhD, MPH	Ex-Director	-	1
		525,000,000	500,000,000



Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24

14.06 Capital to Risk Weighted Assets Ratio (CRAR) - as per BASEL III

The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 dated December 21, 2014.

Tier - I Capital (Going Concern Capital)

Common Equity Tier 1 Capital (CET 1)

Paid-up Capital	5,250,000,000	5,000,000,000
Statutory Reserve	510,129,253	510,129,253
Surplus in Profit and Loss Account/ Retained Earnings	(818,193,792)	257,030,669
	4,941,935,461	5,767,159,922

Less: Regulatory Adjustment

Deferred Tax Assets	382,091,397	20,591,595
Total Common Equity Tier 1 Capital (CET-1)	4,559,844,064	5,746,568,327

Additional Tier 1 Capital (AT-1)

-	-
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(i) Total Tier - I Capital

4,559,844,064	5,746,568,327
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Tier - II Capital (Gone Concern Capital)

General Provision including Off-Balance Sheet Exposure	651,978,707	237,587,836
Asset Revaluation Reserve (50%)	-	-
Revaluation Reserve for HTM and HFT Securities	-	-
Non-Convertible Subordinated Bond	-	-
	651,978,707	237,587,836

Regulatory Adjustment (if any)	-	-
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(ii) Total Tier - II Capital

651,978,707	237,587,836
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A. Total Eligible Capital (i+ii)

5,211,822,771	5,984,156,163
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B. Risk Weighted Assets

Credit risk

Balance Sheet Business	17,093,524,893	12,084,872,957
Off- Balance Sheet Business	1,017,253,043	724,126,415
	18,110,777,936	12,808,999,372

Market Risk	298,160,943	284,002,514
Operational Risk	2,376,294,900	1,951,818,595
Total Risk-Weighted Assets	20,785,233,779	15,044,820,481

C. Required Capital Based 10% of RWA i.e Taka 2,785,233,779 or 5,000,000,000 (Tk 5,000,000,000 for 2024) whichever is higher

5,000,000,000	5,000,000,000
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D. Capital Surplus / (Shortfall) [A-C] (Except Capital Conservation Buffer 2.5%)

211,822,771	984,156,163
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Total Capital Adequacy Ratio (%)

25.07%	39.78%
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Capital Requirement	Required	Held	Held
Tier - I Capital (Going Concern Capital)	8.50%	21.94%	38.20%
Tier - II Capital (Gone Concern Capital)	4.00%	3.14%	1.58%
Total	12.50%	25.07%	39.78%

15.00 Statutory Reserve

Opening Balance	510,129,253	375,712,142
Add: Transfer during the year from profit and loss account	-	134,417,111
Closing Balance	510,129,253	510,129,253

As per Section 24 of Banking Companies Act 1991(amended up to date), 20% of pre tax profit has been transferred to Statutory Reserve.





Particulars		Amount in Taka	
		31-Dec-25	31-Dec-24
16.00	Retained Earnings		
	Opening Balance	257,030,669	168,868,435
	Add: Net Profit after Tax for the year	(825,224,461)	397,358,623
	Less: Stock Dividend	250,000,000	168,500,000
	Less: Transferred to Statutory Reserve	-	134,417,111
	Less: Transfer Start-up Fund	-	3,973,586
	Less: Transfer to Climate Risk Fund	-	2,305,692
	Closing Balance	(818,193,792)	257,030,669
17.00	Other Reserves		
	Opening Balance	4,902,675	7,030,311
	Add: Amortization Gain- T Bond HTM	-	-
	Add: Revaluation Reserve -T Bill HTM	-	-
	Add: Revaluation Reserve -T Bond HFT	5,928,800	2,127,636
	Less: Revaluation Reserve -T Bill HFT	(332,362)	-
	Closing Balance	10,499,113	4,902,675
18.00	Contingent Liabilities		
	Acceptances and Endorsements	Note - 18.01	
	Letters of Guarantee	Note - 18.02	
	Letters of Credit	Note - 18.03	
	Bills for Collection	Note - 18.04	
		473,109,692	252,079,536
		2,396,902,137	1,347,205,696
		428,816,093	190,368,226
		83,776,752	126,220,727
		3,382,604,674	1,915,874,185
18.01	Acceptances and Endorsements		
	Acceptance Local BTB Usance LC	311,070,758	187,683,452
	Acceptance Foreign BTB Usance LC	106,300,396	58,083,518
	Shipping Guarantee	52,102,343	6,312,566
	Acceptance EPZ BTB Usance LC	3,636,195	-
		473,109,692	252,079,536
18.02	Letters of Guarantee		
	Payment Guarantee-Local	1,110,780,404	854,655,404
	BID Bond-Local	612,981,500	29,067,000
	Performance Guarantee-Local	658,640,233	463,283,292
	Other Guarantee (Warranty , Surety , Retention etc)	200,000	200,000
	Customs Guarantee-Local	300,000	-
	Advanced Payment Guarantee-Local	14,000,000	-
		2,396,902,137	1,347,205,696
18.03	Letters of Credit		
	Local BTB Usance LC	28,119,164	56,259,561
	Foreign Cash Sight LC	271,886,937	106,393,846
	Foreign BTB Usance LC	18,616,634	27,714,819
	Foreign Usance LC	23,350,222	-
	EPZ BTB Usance LC	924,006	-
	Other Local LC	85,919,130	-
		428,816,093	190,368,226
18.04	Bills for Collection		
	Local Bills for Collection	83,776,752	126,220,727
		83,776,752	126,220,727



Particulars		Amount in Taka	
		Jan-Dec' 2025	Jan-Dec' 2024
19.00	Income Statement		
	Income:		
Interest, Discount and Similar Income	Note: 20.00	2,637,860,383	2,133,549,810
Dividend Income	Note: 22.01	305,016,028	220,666,366
Fee, Commission and Brokerage	Note: 23.00	41,534,861	24,070,347
Gains Less Losses Arising from Government Securities		9,334,000	227,210
Gains Less Losses Arising from Investment Securities /Trading Shares		366,733,121	327,640,743
Other Operating Income	Note: 24.00	160,046,817	139,177,535
		3,520,525,210	2,845,332,011
	Expenses:		
Interest Pain on Deposits, Borrowings etc.	Note: 21.00	1,934,269,937	1,400,831,075
Auditors' Fees	Note: 32.00	862,500	402,500
Administrative Expenses		441,376,462	403,995,335
Other Operating Expenses		274,992,121	219,223,782
Depreciation and Amortization on Banking Assets	Note: 33.00	119,131,334	114,003,344
		2,770,632,354	2,138,456,036
	Operating Profit/ (Loss)	749,892,856	706,875,975
20.00	Interest Income		
	Interest on loans and Advances:		
Corporate Loan		1,524,884,832	1,155,180,631
SME Loan		490,452,760	336,856,580
Retail Loan		482,276,938	366,854,693
Agriculture Loan		19,388,468	15,033,950
Staff Loan		2,052,876	1,340,922
		2,519,055,874	1,875,266,776
	Interest on Calls, Placements and Balance with Other Banks:		
Calls and Placements		110,336,412	244,330,072
Balance with Other Banks		8,468,097	13,952,962
		118,804,509	258,283,034
		2,637,860,383	2,133,549,810
21.00	Interest Paid on Deposits and Borrowings etc.		
	Interest Paid on Deposits:		
Short Notice Deposit		111,237,023	181,112,286
Savings Deposits		38,912,050	30,239,835
Term Deposit		1,774,765,378	1,179,579,036
		1,924,914,451	1,390,931,157
	Interest paid for borrowings:		
Interest on Money at Call and Short Notice		212,292	-
Interest on Repurchase Agreement (Repo)		1,057,488	-
Interest on Re-Finance and Pre-Finance from Bangladesh Bank		1,036,814	710,996
Interest Expenses of Lease Liabilities		7,048,892	9,188,922
		9,355,486	9,899,918
		1,934,269,937	1,400,831,075
22.00	Investment Income		
Dividend on Shares	Note: 22.01	304,495,454	220,666,366
Gain from Sale of Govt. Securities		9,334,000	227,210
Capital Gain from Special Fund Investment		40,000	-
Gain/(Loss) on Repo		480,574	-
Income from Bond	Note: 22.02	33,964,771	52,640,630
Interest on Treasury Bills and Bonds		354,317,581	296,761,653
Gain/(Loss) on revaluation on Treasury Bills and Bonds		(21,549,231)	(21,761,539)
		681,083,149	548,534,320

Particulars		Amount in Taka	
		Jan-Dec' 2025	Jan-Dec' 2024
22.01 Dividend on Shares			
Dividend from Special Fund Investment		2,244,531	4,134,889
Dividend from Preference Share		302,218,911	216,335,331
Dividend from Capital Market (Regular Fund)		32,012	196,146
		304,495,454	220,666,366
22.02 Income from Bond			
Interest on Subordinate Bond		30,318,603	28,057,610
Interest on Zero Coupon Bond		3,646,168	24,583,020
		33,964,771	52,640,630
23.00 Commission, Exchange and Brokerage			
Commission from Issue of Letters of Credit		7,981,894	4,787,956
Commission from Issue of Letters of Guarantee		22,116,191	15,674,821
Other Commission and Service Charges		11,436,776	3,607,570
		41,534,861	24,070,347
24.00 Other Operating Income			
Income from Cash Disbursement Services (CDS)		61,954,696	42,122,926
Exchange Gain on Foreign Currencies		11,523,721	22,972,479
Income from Account Maintenance		21,969,227	21,247,897
Card Income		53,072,867	39,243,207
Other Income-Misc. and Supervision Charge		11,526,306	13,591,026
		160,046,817	139,177,535
25.00 Salary and Allowances			
Basic Salary		154,774,427	131,347,521
Allowances		140,168,890	120,469,417
Provident Fund		15,405,515	12,973,398
Gratuity Fund		15,300,000	23,137,796
Bonus		26,925,284	37,669,682
Contractual Staffs Salary and Wages		79,519,604	65,713,836
		432,093,720	391,311,650
26.00 Rent, Taxes, Insurance, Electricity etc.			
Rent, Rates and Taxes - Premises	Note: 26.01	33,062,725	29,671,893
Electricity, Gas, Water, etc.		14,696,773	14,030,169
Insurance		17,127,154	13,935,780
		64,886,652	57,637,842
26.01 Rent, Rates and Taxes - Premises			
Rent - Premises		32,269,883	28,984,262
Rent-ATM		792,842	687,631
		33,062,725	29,671,893
26.01.01 Rents, Rates and Taxes			
Rent, Rates and Taxes - Premises		91,725,321	85,683,828
Rent-ATM		792,842	687,631
Less: Rent exp. reversal due to depreciation and interest exp. under IFRS 16		59,455,438	56,699,566
		33,062,725	29,671,893
27.00 Legal Expenses			
Legal and Professional Expenses		6,277,112	2,835,436
Notary, Court Fees and Licensing		63,600	18,444
		6,340,712	2,853,880



Particulars		Amount in Taka	
		Jan-Dec' 2025	Jan-Dec' 2024
28.00	Postage, Stamp, Telecommunication etc.		
	Telephone	787,950	626,232
	Postage, Stamp and Courier	2,065,136	1,761,412
	Internet	3,309,769	2,140,521
	Branch Connectivity Charges	11,544,214	9,714,315
		17,707,069	14,242,480
29.00	Stationery, Printing, Advertisements etc.		
	Printing	5,604,478	3,989,996
	Stationery	9,953,141	6,840,944
	Publicity and Advertisement	1,131,172	756,590
		16,688,791	11,587,530
30.00	Chief Executive's Salary and Fees		
	Basic Salary	3,060,129	4,803,806
	Allowances	1,975,149	3,749,830
	Festival	847,000	2,270,000
	Bonus		
		5,882,278	10,823,636
31.00	Directors' Fees		
	Directors' Fees	1,350,500	985,800
	Independent Director Remuneration	1,437,500	550,000
	Meeting Expenses	612,464	324,249
		3,400,464	1,860,049
Directors' fees represent fees paid for attending the meeting of the Board, Risk Management Committee and Audit Committee meeting @ Tk 8,000 per director per meeting as per BRPD circular no. 11 dated 4 October 2015. Independent director of the bank is paid as remuneration Tk. 50,000 as per BRPD circular no. 03 dated February 2024.			
32.00	Auditors' Fees		
	External Audit Fee	862,500	402,500
		862,500	402,500
33.00	Depreciation and Repairs of Bank's Assets		
	Depreciation :		
	Furniture and Fixture	19,189,701	17,851,159
	Office Equipment (Machinery, Electromechanical and IT)	10,081,839	8,269,146
	Vehicle	6,415	6,415
	Computer and Network Equipment	24,632,428	23,291,180
	Right of Use Assets (ROU) as per IFRS 16	52,197,995	52,197,995
	Software	9,205,071	9,327,236
		115,313,449	110,943,131
	Repairs:		
	Computer Accessories	488,500	1,103,000
	Electricity and Lighting	504,685	53,024
	Furniture and Fixture	978,251	636,988
	Motor Vehicles	193,959	223,056
	Building and Decoration	178,307	223,540
	Equipment	1,474,183	820,605
		3,817,885	3,060,213
		119,131,334	114,003,344



Particulars		Amount in Taka	
		Jan-Dec' 2025	Jan-Dec' 2024
34.00	Other Expenses		
	Bank Charges	27,126,985	24,782,512
	Books and Periodicals	25,207	18,860
	Regulatory Charges	13,833,058	1,218,497
	Entertainment	2,839,531	2,194,542
	Traveling Expenses	1,172,922	1,722,184
	Local Conveyance	1,078,981	525,358
	Staff Training and Development	1,272,972	191,326
	Recruitment Expenses	142,215	69,369
	Campaign Expnese	836,316	522,661
	Car and Fuel Expenses	19,884,560	15,233,026
	Office Maintenances	3,681,562	2,676,694
	IT Enabled Service	13,619,298	12,273,711
	Software Maintenance	14,246,292	11,915,605
	ATM Maintenance	1,325,830	1,060,540
	Annual General Meeting	822,958	707,901
	Business Development/Promotional Expenses	2,600,194	1,957,760
	Miscellaneous Expenses	1,187,188	175,678
	Spare Parts	3,214,799	2,990,093
	Card Expenses	44,531,548	29,049,257
	Donations, Subscription and Memberships	10,528,975	18,122,200
	Branch Opening Expenses	100,569	576,221
	Events and Occasional Expenses	253,969	652,664
	Purchase of Utensils	214,219	173,685
	Expenses for Cash Disbursement Services	4,487,743	4,091,707
	Loss on Sale of Bank's Property	341,006	-
		169,368,897	132,902,051
35.00	Provision for Loans and Advances		
	General Provision	(95,466,112)	19,679,518
	Specific Provision	1,350,218,254	(3,378,996)
		1,254,752,142	16,300,522
36.00	Provision for Diminution in Value of Investments		
	Provision for Diminution in Value of Investments	81,420	5,669,263
		81,420	5,669,263
37.00	Other Provisions		
	Off-Balance Sheet Items	12,697,664	7,811,903
	Provision Other Assets	152,523,996	5,008,733
	Provision for Other Investment	176,400,000	-
	Provision for Placement with NBFIs	48,300,000	-
		389,921,660	12,820,636
38.00	Provision for Taxation		
	Current Tax	291,861,897	286,072,471
	Deferred Tax	(361,499,802)	(11,345,540)
		(69,637,905)	274,726,931
38.01	Current Tax		
	During the Year 2025	264,854,605	273,123,430
	Income Tax Year 2017	-	3,768,926
	Income Tax Year 2018	-	9,180,115
	Income Tax Year 2019	13,863,766	-
	Income Tax Year 2020	13,143,526	-
		291,861,897	286,072,471



Particulars	Amount in Taka	
	Jan-Dec' 2025	Jan-Dec' 2024
39.00 Appropriations		
Retained Earnings - Brought Forward	257,030,669	168,868,435
Less: Stock Dividend	(250,000,000)	(168,500,000)
Add: Net Profit after Tax for the year	(825,224,461)	397,358,623
	(818,193,792)	397,727,058
Transferred to		
Statutory Reserve	-	(134,417,111)
Start-Up Fund	-	(3,973,586)
Climate Risk Fund	-	(2,305,692)
	-	(140,696,389)
Retained Earnings	(818,193,792)	257,030,669
40.00 Earnings Per Share (EPS)		
Net Profit after Taxation (Numerator)-(a)	(825,224,461)	397,358,623
Number of Ordinary Shares Outstanding (Denominator)-(b)	525,000,000	525,000,000
Basic Earnings per Share-(a/b)	(1.57)	0.76
Bonus Fraction	-	-
Earnings per Share (EPS) [Restated: 2024]-(a/b)	(1.57)	0.76
41.00 Net Asset Value (NAV) per Share		
Net Asset Value Attributable to Shareholders-(a)	4,952,434,574	5,772,062,597
Number of Ordinary Share Outstanding at the end of the year-(b)	525,000,000	525,000,000
Net Asset Value (NAV) per Share [Restated: 2024]-(a/b)	9.43	10.99
42.00 Changes in Other Assets		
Opening balance:		
Advance Rent	14,991,258	10,028,963
Advance VAT	6,367,899	7,015
Advance, Deposit and Prepayments	23,728,458	33,679,026
Inventory	11,396,236	4,306,213
Shanchaypatra Receivable	224,349	224,449
Receivable on Cards	26,359,616	10,841,642
Clearing Charges Adjustment	128,806	100,276
Other Receivables	22,763,585	16,373,269
Balance with EBL Securities PLC.	17,671	18,571
Balance with Lanka Bangla Securities PLC.	329,999	339,224
	106,307,878	75,918,648
Closing Balance:		
Advance Rent	17,968,194	14,991,258
Advance VAT	-	6,367,899
Advance, Deposit and Prepayments	19,725,290	23,728,458
Inventory	7,272,627	11,396,236
Receivable on Cards	32,972,808	26,359,616
Shanchaypatra Receivable	224,349	224,349
Clearing Charges Adjustment	159,263	128,806
Other Receivables	34,191,557	22,763,585
Balance with EBL Securities PLC.	17,671	17,671
Balance with Lanka Bangla Securities PLC.	132,044	329,999
	112,663,803	106,307,877
Net Cash Changes in Other Assets	(6,355,925)	(30,389,229)
43.00 Changes in Other Liability		
Opening balance:		
Other Payable	78,598,681	70,109,718
Interest Suspense	314,586,765	77,498,783
Interest Suspense-Invtment	-	-
Transactional Account	119,952	49,436
Lease Liability	164,008,159	199,082,067
	557,313,557	346,740,004

Particulars	Amount in Taka	
	Jan-Dec' 2025	Jan-Dec' 2024
Closing Balance:		
Other Payable	48,815,143	78,598,681
Interest Suspense	513,399,072	314,586,765
Interest Suspense-Investment	84,337,706	-
CIB Payable	570,053	-
Transactional Account	41,135,847	119,952
Lease Liability	112,602,349	164,008,159
	800,860,170	557,313,557
Net Cash Changes in Other Liability	243,546,613	210,573,553
44.00 Payments for Other Operating Activities		
Rent, Taxes, Insurance, Electricity, etc.	64,886,652	57,637,842
Postage, Stamps, Telecommunication, etc.	17,707,069	14,242,480
Repairs of Bank's Assets	3,817,885	3,060,213
Auditors' Fees	862,500	402,500
Legal Expenses	6,340,712	2,853,880
Directors' Fees	3,400,464	1,860,049
Other Expenses	169,368,897	132,902,051
	266,384,179	212,959,015
45.00 Number of Employees and Support Staffs	Figure in Number	
	31-Dec-25	31-Dec-24
Regular		
Officer and Executives	328	305
Contractual		
Officer	87	49
Support Staffs and Security	273	243
Total	688	597

The number of employees including contractual engaged for the whole year or part there of who received a total yearly remuneration of Tk. 36,000/- or above were 688 for the year 2025 (2024 : 597)



46. Disclosure on Audit Committee

a) Particulars of Audit Committee:

The audit committee of the Board was duly constituted by the Board of Directors of the Bank in accordance with the BRPD Circular Letter No-2 on 11th February 2024 issued by Bangladesh Bank, the current Committee is Constituted with the following 03 (Three) members of the Board:

SL. No.	Name of the Director	Status with the Bank	Status with the Committee	Educational Qualification
1	Mr. Ahmed Kamal Khan Chowdhury	Independent Director	Chairman	BSS, MSS (Economics), MBA (Finance)
2	Col Mohammad Nazrul Islam, BGBM, BGBMS, psc	Director	Member	BSc, MBA, BSc in CSE
3	Mr. Abu Hena Mohd. Razee Hassan	Independent Director	Member	MSS (Economics); MA (Development Economics)

b) Meetings held by the Audit Committee during the year by date:

SL. No.	Meeting no.	Holding Date
1	37th	4th February, 2025
2	38th	28th April, 2025
3	39th	25th June, 2025
4	40th	12th November, 2025
5	41st	8th December, 2025

c) Review by the Audit Committee and Recommendation thereof:

Internal Control:

- Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have clear understanding of their roles and responsibilities;
- Review management's actions in building computerization of the bank and its applications and bank's Management Information System (MIS);
- Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management;
- Consider reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board after reviewing whether necessary corrective measures have been taken by the management.

Internal Audit:

- Audit committee will monitor whether internal audit working independently from the management.
- Review the activities of the internal audit and the organizational structure and ensure that no unjustified restriction or limitation hinders the internal audit process;
- Examine the efficiency and effectiveness of internal audit function;
- Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not.

External Audit:

- Review the performance of the external auditors and their audit reports;
- Examine whether the findings and recommendations made by the external auditors are duly considered by the management or not; and
- Make recommendations to the board regarding the appointment of the external auditors.

Compliance with existing laws and Regulations:

Review whether the laws and regulations framed by the regulatory authorities (central bank and other bodies) and internal regulations approved by the board are being complied with.

Other Responsibilities:

- Submit compliance report to the board on quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities;
- External and internal auditors will submit their related assessment report, if the committee solicit;
- Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis;
- identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
- Developing, recommending and reviewing annually the company's human resources and training policies.





47. Related Party Disclosures

i) Name of Directors and their interest in different entities as on December 31, 2025

SL No.	Name	Name of the firms/Companies in which they have interest	Status with the Bank	Status in the interested entities
1	BGB Welfare Trust	Border Guard Bangladesh	Sponsor	Not Applicable
2	Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil	1. Border Guard Bangladesh; 2. BGB Welfare Trust	Chairman	1. Director General; 2. Chairman
3	Brig Gen Imtaj Uddin, ndc, psc	1. Border Guard Bangladesh; 2. BGB Welfare Trust	Director	1. Additional Director General (HQ); 2. Vice Chairman-Trustee Board;
4	Brig Gen Md Sohrab Hossain Bhuiyan, BGBM, PBGM, ndc, psc, G+	1. Border Guard Bangladesh; 2. BGB Welfare Trust	Director	1. Additional Director General (GS); 2. Member-Trustee Board;
5	Brig Gen Mohammad Shariful Islam, BGBM, psc	Border Guard Bangladesh;	Director	Bureau Chief-Border Security Bureau
6	Col Md Moinul Islam Mollah, PBGMS, psc	Border Guard Bangladesh;	Director	Deputy Director General (Air)
7	Col Mohammad Nazrul Islam, BGBM, BGBMS, psc	Border Guard Bangladesh;	Director	Deputy Director General (Comm)
8	Mr. Abu Hena Mohd. Razee Hasan	Not Applicable	Independent Director	Not Applicable
9	Mr. Ahmed Kamal Khan Chowdhury	1. Concorde Group; 2. SSL Group; 3. Redshift Trading & Consulting Limited	Independent Director	1. Adviser; 2. Adviser; 3. Chairman

ii) Name of the Directors and their interest in the Bank

SL No.	Name	Address	Designation	No. of Shares holding as on Dec-31, 2025
1	BGB Welfare Trust	Shimanto Shomvar, Dhanmondi, Dhaka	Sponsor	524,999,994
2	Major General Mohammad Ashrafuzzaman Siddiqui, OSP, BSP, SUP, BGBM, ndc, psc, MPhil	Director General, Border Guard Bangladesh	Chairman	1
3	Brig Gen Imtaj Uddin, ndc, psc	Additional Director General (HQ), HQ BGB	Director	1
4	Brig Gen Md Sohrab Hossain Bhuiyan, PBGM, ndc, psc, G+	Additional Director General (GS), BGB	Director	1
5	Brig Gen Mohammad Shariful Islam, BGBM, psc	Bureau Chief-Border Security Bureau	Director	1
6	Col Md Moinul Islam Mollah, PBGMS, psc	Deputy Director General (Air), HQ BGB	Director	1
7	Col Mohammad Nazrul Islam, BGBM, BGBMS, psc	Deputy Director General (Comm)	Director	1
Total				525,000,000

iii) Share issued to Directors & Executives without consideration or exercisable at discount

Nil



iv) Related party Transactions:

During the year ended 31 December 2025, the Bank has transaction with the following organizations in which the directors had interest:

Name of the Company/Person	Name of the relationship	Nature of the transaction	Amount of Transaction made during the year	
			2025	2024
BGB Welfare Trust	Common Director	Stock Dividend	250,000,000	168,500,000

v) Lending policies in respect of related party

a) Amount of transaction regarding loans and advances, deposits, guarantees and commitment as on 31 December 2025

SL. No	Name of the Party	Nature of Transaction	Product	Amount
1	Border Guard Bangladesh; it's Units	Deposit	Current	70,800,999
		Deposit	FDR	6,930,641,317
		Deposit	SND	3,696,657,304
2	BGB Welfare Trust	Deposit	FDR	325,954,397
		Deposit	SND	72,905,689
3	Shimanto Poribar Kolyan Samity (Shipoks)	Deposit	FDR	4,383,825
		Deposit	SND	836,449
4	Birshreshtha Munshi Abdur Rouf Public College	Deposit	FDR	128,378,682
		Deposit	SND	116,420,917
5	Birshreshtha Noor Mohammad Public College	Deposit	FDR	93,806,890
		Deposit	SND	274,934,052
6	Shimanto Square Market	Deposit	FDR	703,909
		Deposit	SND	81,803,142
7	Shimanto Shamvar Market	Deposit	SND	182,240,600
8	BGB School and Others	Deposit	Current	4,557,033
		Deposit	FDR	111,946,865
		Deposit	SND	111,697,319
9	Dipto Shimanto	Deposit	FDR	48,500,000
		Deposit	SND	6,420,189
10	Shimanto Logistics & Transport Service (SLTS)	Deposit	FDR	49,288,077
		Deposit	SND	6,419,403
11	SSL Group	Deposit	Current	55,041
12	Mr. Abu Hena Mohd. Razee Hasan	Deposit	Savings	789,380

b)	Amount of transactions regarding principal items of deposits, expenses and commission	Nil
c)	Amount of provision against loans and advances given to related party	Nil
d)	Amount of guarantees and commitments arising from other off-balance sheet exposures	Nil

vi)	Disclosure of transaction regarding Directors and their related concerns	Nil
vii)	Business other than banking business with any related concern of the Directors as per Section 18 (2) of Bank Companies Act 1991 (amended up to date)	



a) Lease agreement related with the Border Guard Bangladesh; it's Units

SL. No	Name of the Party	Nature of Contract	Name of the Branch/ATM	Area of the Branch (SFT)	Amount
1	Border Guard Bangladesh; it's Units-Shimanto Tohobil	Lease Agreement-Office Space	Principal	5,902	12,854,556
2	Border Guard Bangladesh; it's Units-Shimanto Logistics & Transport Service (SLTS)	Lease Agreement-Service Charge	Principal	-	708,240
3	Border Guard Bangladesh; it's Units-Shimanto Tohobil	Lease Agreement-Office Space & ATM Space	Lalmonirhat	2,070	300,564
4	Border Guard Bangladesh; it's Units-Shimanto Tohobil	Lease Agreement-Office Space	Sylhet	2,800	1,053,658
5	Border Guard Bangladesh; it's Units-Shimanto Tohobil	Lease Agreement-ATM Space	Halishahar	200	29,994
6	Border Guard Bangladesh; it's Units-Shimanto Tohobil	Lease Agreement-ATM Space	BGTC	200	29,994
7	Border Guard Bangladesh; it's Units-Shimanto Logistics & Transport Service (SLTS)	Lease Agreement-Office Space	Hazaribagh	2,494	823,020
8	Border Guard Bangladesh; it's Units-Shimanto Logistics & Transport Service (SLTS)	Lease Agreement-Godown Space	Central Godown	1,141	376,517
9	Border Guard Bangladesh; it's Units-Shimanto Shamvar Market (Tohobil)	Lease Agreement-Office Space	Head Office	36,000	29,646,000
10	Border Guard Bangladesh; it's Units	Lease Agreement-Office Space	HO Archive	3,783	3,623,158
11	Border Guard Bangladesh; it's Units-Mymensingh Sector	Lease Agreement-Office Space	Mymensingh	2,984	1,853,064

b) Receiving Service related with the Border Guard Bangladesh; it's Units

i)	Shimanto Logistics & Transport Service (SLTS) Rooftop signboard for Principle Branch	Yearly Rent	91,515
ii)	Shimanto Square Market Main Signboard	Yearly Rent	78,796
iii)	BGB Welfare trust, Security and Support Staff Service	Yearly Expenses	78,688,667
iv)	Dipto Shimanto	Donation	3,600,000

viii)	Investments in the securities of Directors and their related concern	Nil
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47.01 Events after the Reporting Period

As per IAS -10 "Events after the Reporting Period" events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are unauthorized for the issue. Two types of event can be identified:

- (a) Adjusting events after the reporting period which provide evidence of conditions which existed at the end of the reporting period; and
- (b) Non-adjusting events after the reporting period, are those that are indicative of conditions that arose after the reporting period.

The details about the event after the reporting period:

The Board of Directors in its 90th Board meeting held on April 29, 2026 has recommended no dividend and final approval of the Shareholders at the next Annual General Meeting of the Bank.

Major General Mohammad Ashrafuzzaman Siddiqui
OSP, BSP, SUP, BGBM, ndc, psc, MPhil

Chairman

Brig Gen Imtaj Uddin
ndc, psc

Director

Brig Gen Mohammad Shariful Islam
BGBM, psc

Director

Md. Nurul Azim

Managing Director & CEO



SHIMANTO BANK PLC.

Highlights on the overall activities.

As at 31 December 2025

Sl #	Particulars	Indicators	2025	2024
1	Paid-Up Capital	BDT	5,250,000,000	5,000,000,000
2	Total Capital	BDT	5,211,822,771	5,984,156,163
3	Capital (Deficit)/ Surplus	BDT	211,822,771	984,156,163
4	Total Assets	BDT	41,497,913,490	33,012,699,495
5	Total Deposits	BDT	32,761,212,055	25,354,108,807
6	Total Loans and Advances	BDT	25,094,320,926	20,341,282,630
7	Total Contingent Liabilities and Commitments	BDT	3,382,604,674	1,915,874,185
8	Credit-Deposit Ratio	%	76.60%	80.23%
9	Percentage of Classified Loan against Total Loans and Advances	%	6.73%	1.29%
5	Profit after Tax and Provision	BDT	(825,224,461)	397,358,623
11	Amount of Clasified Loans During Current Year	BDT	1,688,272,417	261,942,045
12	Provision Kept against Classified Loans	BDT	1,563,470,662	89,277,220
13	Provision Surplus/Deficit	BDT	-	-
14	Cost of Fund	%	10.13%	9.78%
15	Interest Earning Assets	BDT	37,499,674,482	29,822,175,194
16	Non-Interest Earning Assets	BDT	3,998,239,008	3,190,524,301
17	Return on Investments (ROI)	%	7.27%	8.24%
18	Return on Assets (ROA)	%	-2.22%	1.36%
19	Return on Equity (ROE)	%	-15.39%	7.32%
20	Income from Investments	BDT	681,083,149	548,534,320
21	Earnings per Share (Restated-2024)	BDT	(1.57)	0.76
22	Net Income per Share (Restated-2024)	BDT	(1.57)	0.76
23	Price Earning Ratio	Times	N/A	N/A
24	Net Asset Value (NAV) per Share [Restated: 2024]	BDT	9.43	10.99



SHIMANTO BANK PLC.

Schedule of Fixed Assets of the Bank

As at 31 December 2025



Annexure-A

Name of Assets	Amount in Taka								Written Down Value
	Cost				Depreciation/ Amortization				
	Opening Balance	Addition during the year	Disposal/ (Adjustment) During the year	Closing Balance	Opening Balance	Depreciation During the year	Disposal/ (Adjustment) During the year	Closing Balance	
Freehold Assets									
Computer & Network	237,202,581	25,906,971	-	263,109,552	161,287,272	24,632,428	-	185,919,700	77,189,852
Furniture and Fixtures	194,631,647	11,398,055	1,926,765	204,102,937	95,126,337	19,189,701	1,468,890	112,847,147	91,255,790
Office Equipment	107,790,535	11,792,479	937,628	118,645,386	71,958,497	10,081,839	926,865	81,113,471	37,531,915
Vehicle	176,400	6	-	176,406	161,968	6,415	-	168,383	8,023
Sub Total	539,801,163	49,097,511	2,864,393	586,034,281	328,534,074	53,910,382	2,395,755	380,048,702	205,985,579
Intangible Assets									
Software	84,811,306	10,567,320	-	95,378,626	67,204,939	9,205,071	-	76,410,010	18,968,616
Sub Total	84,811,306	10,567,320	-	95,378,626	67,204,939	9,205,071	-	76,410,010	18,968,616
Lease Assets-Premises									
Right of Used Assets	260,300,744	-	-	260,300,744	104,395,990	52,197,995	-	156,593,985	103,706,759
Sub Total	260,300,744	-	-	260,300,744	104,395,990	52,197,995	-	156,593,985	103,706,759
Total as on 31 December 2025	884,913,213	59,664,831	2,864,393	941,713,651	500,135,003	115,313,448	2,395,755	613,052,697	328,660,954
Total as on 31 December 2024	818,882,779	66,030,434	-	884,913,213	389,191,872	110,943,131	-	500,135,003	384,778,210



SHIMANTO BANK PLC.

Investment in Shares of the Bank

As at 31 December 2025



Annexure-B (Regular Fund)

Sl. No.	Name of the Company	Amount in Taka						
		Face Value	No. of Shares including bonus share	Cost of Holding	Average Cost Per Share	Market rate per share as at 31 December 2025	Total market value as at 31 December 2025	Unrealized Profit/ (Loss) as at 31 December 2025
1	ACI PLC.	10	12,790	3,025,039	236.52	194.20	2,483,818	(541,221)
2	Bangladesh Export Import Company PLC.	10	105	13,474	128.32	110.10	11,561	(1,914)
3	Beximco Pharmaceuticals PLC.	10	30,027	5,499,643	183.16	103.30	3,101,789	(2,397,854)
4	GPH Ispat Ltd.	10	53,725	2,555,997	47.58	15.90	854,228	(1,701,769)
5	IFIC Bank PLC.	10	430,607	5,199,263	12.07	4.60	1,980,792	(3,218,471)
6	LafargeHolcim Bangladesh PLC.	10	10	806	80.60	47.00	470	(336)
Sub-Total				16,294,222			8,432,658	(7,861,565)



Annexure-B (Special Fund)

Sl. No.	Name of the Company	Amount in Taka					Total market value as at 31 December 2025	Unrealized Profit/(Loss) as at 31 December 2025
		Face Value	No. of Shares including bonus share	Cost of Holding	Average Cost Per Share	Market rate per share as at 31 December 2025		
1	ACI PLC.	10	108	25,730	238.24	194.20	20,974	(4,756)
2	Bangladesh Steel Re-Rolling Mills Ltd.	10	15,221	1,473,001	96.77	75.10	1,143,097	(329,904)
3	BD Submarine Cable PLC.	10	10	2,049	204.91	127.00	1,270	(779)
4	GPH Ispat Ltd.	10	110,775	5,456,933	49.26	15.90	1,761,323	(3,695,610)
5	IFIC Bank PLC.	10	1,068,177	15,338,976	14.36	4.60	4,913,614	(10,425,362)
6	Mercantile Bank PLC.	10	214,200	3,568,425	16.66	7.40	1,585,080	(1,983,345)
7	Power Grid Company of Bangladesh PLC.	10	155,000	10,029,027	64.70	26.50	4,107,500	(5,921,527)
8	Bangladesh Export Import Company PLC.	10	52,500	7,413,487	141.21	110.10	5,780,250	(1,633,237)
9	Beximco Pharmaceuticals PLC.	10	230,768	47,015,376	203.73	103.30	23,838,334	(23,177,042)
10	IPDC Finance PLC.	10	10	420	42.03	19.00	190	(230)
11	LankaBangla Finance PLC.	10	275,845	10,590,258	38.39	12.20	3,365,309	(7,224,949)
12	LafargeHolcim Bangladesh PLC.	10	70,000	5,299,627	75.71	47.00	3,290,000	(2,009,627)
13	Summit Power Ltd.	10	100,000	4,297,180	42.97	12.20	1,220,000	(3,077,180)
14	British American Tobacco Bangladesh Company PLC.-BATBC	10	48,255	30,952,411	641.43	248.90	12,010,670	(18,941,741)
15	Confidence Cement PLC.	10	119,116	14,805,360	124.29	49.20	5,860,507	(8,944,853)
16	Square Pharmaceuticals PLC.	10	59,000	13,534,000	229.39	199.50	11,770,500	(1,763,500)
17	Bangladesh Shipping Corporation	10	1,800	197,954	109.97	110.00	198,000	46
	Sub-Total			170,000,215			80,866,618	(89,133,597)

As per DOS circular no. 4 dated April 08, 2025 provision for diminution value of investment under special fund is exempted upto December 31, 2026.

SHIMANTO BANK PLC.

Balance with other Banks-Outside Bangladesh (Nostro Account)

As at 31 December 2025



Annexure-C

Name of the Bank	Account Type	Currency Type	2025			2024		
			FC	Exchange	Equivalent	FC	Exchange	Equivalent
			Amount	Rate	Taka	Amount	Rate	Taka
Habib American Bank	CD	US \$	543,629	122.35	66,512,987	2,019,225	119.00	240,287,832
Axis Bank ACU	CD	US \$	199,303	122.35	24,384,706	21,942	119.00	2,611,130
United Bank of India	CD	US \$	127,546	122.35	15,605,278	2,912	119.00	346,546
Total			870,478		106,502,971	2,044,079		243,245,508

Note: The Bank is not required to keep provision on the unreconciled debit balance as at balance sheet date as there was no debit entry aging more than three months.



This image shows a full page of white paper with horizontal dashed lines, typical of primary school handwriting practice paper. The lines are evenly spaced and run across the width of the page. There is no text or other markings on the page.

**SHIMANTO BANK PLC.**

শিমন্ত গ্রুপ পিএলসি.

কিম্বারী অফিস

Head Office & Registered OfficeShimanto Shamvar (7th Floor), Shimanto Square, Road No- 2, Bir Uttam M A Rob Sarak
Dhanmondi, Dhaka-1205, Bangladesh. +8809666716790
information.desk@shimantobank.com, www.shimantobank.com

PROXY FORM

I/We.....

Of

.....being a Shareholder/Member of Shimanto Bank PLC., do hereby appoint Mr./Mrs

Of

either of them may, in writing, appoint anyone to act as my proxy form at the 10th Annual General Meeting of the Company to be held on Monday, 24 August 2026 and at any adjournment thereof.

As Witness my/our hand this day of

.....
Signature of ProxyRevenue
Stamp of
Tk. 20/=.....
Signature of Shareholder(s)Folio/BO ID No. of the Shareholder(s):

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares held:

Notes:

1. A member entitled to attend and vote in the AGM may appoint a proxy to attend and vote on his/her behalf.
2. The Proxy Form, duly filed and stamped, must be deposited at the corporate office of the Company at least 48 hours before the meeting.
3. Signature of the member(s) must be in accordance with the Specimen Signature recorded with the Company.

**SHIMANTO BANK PLC.**

শিমন্ত গ্রুপ পিএলসি.

কিম্বারী অফিস

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ATTENDANCE SLIP

I/we do hereby record my/our attendance at the 10th Annual General Meeting (AGM) of the Company being held on Monday, 24 August 2026 at 1930 hours at Shaheed Captain Ashraf Hall, Peelkhana, Dhaka-1205.

Name of the Shareholder(s) / Proxy:.....

Folio/BO ID No. of the Shareholder(s):

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares held:

.....
Signature of Shareholder(s) / Proxy**Note:** Please present this attendance slip at the registered address of the Bank counter before 1000 hours of the AGM date.
Children and Non-Shareholders will not be allowed at the meeting.



SHIMANTO BANK PLC.

সিমন্তো ব্যাংক পিএলসি.
সিমন্তো টাওয়ার

Head Office & Registered Office

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