

Annual Report

2025



ICB Islamic Bank Limited

সময়ের সাথে বিজয়ের পথে..

Our Vision



To become a leading and trusted Islamic financial institution driven by Shariah-compliant principles.



To deliver ethical, transparent, and innovative financial solutions that meet the needs of modern society.



To support sustainable economic growth while upholding justice, integrity, and social responsibility.



We will try to encourage savings in the form of direct investment.



We will also try to encourage investment particularly in projects which are more likely to lead to higher employment.

“

Building a prosperous and equitable future through ethical finance and responsible investments.

”



Shariah Principles

- HONESTY
- FAIRNESS
- TRANSPARENCY
- RESPONSIBILITY



AGRICULTURE & FOOD SECURITY



INDUSTRY & EMPLOYMENT



SUSTAINABLE & GREEN FUTURE



SOCIAL & ECONOMIC PARTNERSHIPS

Our Mission



To deliver exceptional
customer service through
innovation and excellence.



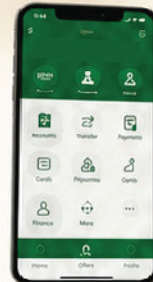
To uphold Islamic banking
principles while offering a wide
range of Shariah-compliant products
and services that foster trust and
transparency, and promote
inclusive and sustainable growth
for individuals and businesses.



For the society we operate in
By actively supporting development
initiatives and the welfare of
the underprivileged.



To empower the lives in general
By fostering social and financial services
across the group and beyond,
particularly in the rural areas.



Our Strategic Objectives

- To ensure complete adherence to Shariah principles in all banking operations.
- To introduce innovative Islamic financial products that meet evolving customer needs.
- To enhance digital banking capabilities for greater accessibility and convenience.
- To strengthen risk management frameworks in line with Islamic banking standards.
- To expand the bank's presence in local and international markets.
- To improve customer satisfaction through efficient and transparent service delivery.
- To promote financial inclusion by offering solutions for underserved communities.
- To increase operational efficiency through technology and process optimization.
- To build strong partnerships with businesses and institutions for mutual growth.
- To develop employee skills through continuous training and professional development.
- To maintain strong financial performance while upholding ethical values.
- To support sustainable development initiatives aligned with Islamic principles.
- To enhance corporate governance and uphold the highest standards of accountability.
- To contribute to social welfare through charitable and community-focused programs.
- To foster innovation and adaptability to remain competitive in the global Islamic finance industry.

Core Values & Commitments

1. **Shariah Compliance:** Upholding Islamic principles in all financial products, services, and operations.
2. **Integrity and Transparency:** Ensuring honesty, fairness, and clear communication with all stakeholders.
3. **Customer-Centric Service:** Providing respectful, efficient, and value-driven solutions to customers.
4. **Social Responsibility:** Contributing to community welfare, financial inclusion, and ethical development.
5. **Innovation and Excellence:** Continuously improving through modern technology and high-performance standards.

Letter of Transmittal

All Shareholders of ICB Islamic Bank Limited.
Bangladesh Bank.
Bangladesh Securities and Exchange Commission.
Dhaka Stock Exchange PLC.
Financial Reporting Council (FRC)
Registrar of Joint Stock Companies and Firms.

Dear Sir (s)

Annual Report of ICB Islamic Bank Limited for the year ended 31 December 2025.

We are pleased to present before you a copy of the Annual Report-2025 together with the audited financial statements including balance sheet, profit and loss statement, cash flow statement, statement of changes in equity and liquidity statement for the year ended 31 December 2025 along with notes thereon of ICB Islamic Bank Limited for your information and record.

With best regards,

Sincerely yours,



Masuda Sultana FCS, ACA
Company Secretary

Notice of the 39 th Annual General Meeting	06
Corporate Information	07
Management Committee	08
Message from the Chairman	09
Message from the Administrator	11
Director's Report on Financial Statements and Internal Control	13
Report of the Audit Committee of the Board	14
Management Discussion and Analysis	18
Report of the Shari'ah Supervisory Committee	20
Shari'ah Supervisory Committee	22
Directors' Report-2025	23-42
Corporate Governance	43-61
Annual disclosure under Pillar-III of Basel-III as of 31 December 2025	65-75
Independent Auditor's Report	77
Financial Statement for the year-2025	85
Notes to the Financial Statement	91-131
Proxy Form	133

Notice of the 39th Annual General Meeting

Notice is hereby given that the 39th Annual General Meeting (AGM) of the ICB Islamic Bank Limited will be held on Monday, 21 September, 2025 at 10:00 AM by using Hybrid System in combination of Digital Presence through the link <https://icbibl39.agm.watch> and Physical Presence at TCB Auditorium, TCB Bhaban (1st Floor), Karwanbazar, Dhaka-1215 to transact the following agenda:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Bank (ICBIBL) for the year ended 31 December 2025 along with the Reports of the Auditor's and the Director's, thereon;
2. To declare dividend for the year ended 31 December 2025, if any;
3. To retire/re-elect of the Directors, if any;
4. To re-appoint the Statutory Auditors of the Bank for the term until holding of the next Annual General Meeting, and to fix their remuneration;
5. To appoint the Corporate Governance Compliance Auditors for the year 2026 of the Bank, and to fix their remuneration.

All shareholders of the Bank are requested to make it convenient to attend this meeting either through physically or virtually at the above-mentioned date, time and venue either in person or by proxy.

Dated: Dhaka
31 August 2026

By order of the Board of Directors



(Masuda Sultana FCS, ACA)
Company Secretary

NOTES:

- The Record Date was Tuesday, 28 July 2026. The Shareholders whose names would appear in the Register of Members of the Bank or register of CDBL on the 'Record Date' (Tuesday, 28 July 2026) will be eligible to attend 39th Annual General Meeting.
- Shareholders entitled to attend and vote at the AGM may appoint a Proxy to attend and can vote on behalf of the shareholders. Forms of Proxy, duly stamped and signed, must be sent through E-mail to cs@icbislamic-bd.com at least 48 (forty eight) hours before the time fixed for the Meeting.
- The shareholders are requested to update their BO accounts with contact number and e-mail address with their respective DP (Depository Participant).
- Annual Report, Attendance Slip and Proxy Form along with the Notice to be sent to all the Share holders by email. The Shareholders may also collect the Annual Report-2025 from the Registered Office of the Bank by application in writing and may download these from the Bank's website (<https://www.icbislamic-bd.com>).
- The shareholders who will join the AGM virtually through the link <https://icbibl39.agm.watch> will be able to submit their questions/comments electronically before 24 (twenty-four) hours of commencement of the AGM through e-mail mentioning above and also during the Annual General Meeting. In order to login for the AGM virtually, the shareholders need to join the link and provide their 16 digit Beneficiary Owners (BO) account number or Folio number, name of shareholders, their number of shares and mobile no or e-mail address

Corporate Information

BOARD OF DIRECTORS

Chairman & Independent Directors

Mr. A. K. M Ehsan

Independent Directors

Mr. Muhammad Hafizur Rahman FCA, FCMA

Mr. Mahmudul Ammen Masud

Administrator

Mr. Mamunur Rahman

Company Secretary

Masuda Sultana FCS, ACA

AUDIT COMMITTEE

Mr. Muhammad Hafizur Rahman FCA, FCMA, Chairman

Mr. Mahmudul Ammen Masud, Member

RISK MANAGEMENT COMMITTEE

Mr. Mahmudul Ammen Masud Chairman

Mr. Muhammad Hafizur Rahman FCA, FCMA, Member

MANAGEMENT COMMITTEE

Mr. Mamunur Rahman, Administrator

Dr. Sumanta Kumar Saha, CFA, Associate to Administrator

Mr. Md. Enamul Hoque, Associate to Administrator

Mr. Md. Kamal Hosen, EVP & Head of Business Banking

Mr. Masud Hasan, VP & Head of Human Resources

Mr. Md. Delwar Hossain, AVP & Head of Treasury

CORPORATE WEBSITE

www.icbislamic-bd.com

REGISTERED OFFICE

T.K. Bhaban (15th Floor), 13, Kazi Nazrul Islam Avenue,
Kawran Bazar, Dhaka-1215, Phone: +88-02-55012060-5

Registration No. C-16369 (355) 87, Dated: 30.04.1987

AUDITORS

A Wahab & Co., Chartered Accountants

Hotel Purbani, Anex-02 (4th floor),

1 Dilkusha,

Dhaka - 1000.

TAX CONSULTANT

K. M. Hasan and Co., Chartered Accountants

Hometown Apartments (8th and 9th Floor)

87, New Eskaton Road, Dhaka-1000

LEGAL ADVISORS

Rabia Bhuiyan and Associates

Rabia Bhuiyan, Bar-at-Law

House of Law

Navana Newbury Place (4th Floor),

4/1/A, Shobhanbagh,

Dhanmondi, Dhaka-1207

H and H Company

Shareef Mansion

56-57, Motijheel, Dhaka-1000

Mr. Md. Akhtaruzzaman

Advocate, Supreme Court

The Law Focus

Aptt. C2, House # 3G

Road # 104, Gulshan-2

Dhaka-1212

MEMBERSHIP

Bangladesh Association of Banks (BAB)

Dhaka Stock Exchange PLC. (DSE)

The Institute of Bankers Bangladesh (IBB)

The Bangladesh Foreign Exchange Dealers' Association (BAFEDA)

International Chamber of Commerce Bangladesh (ICCB)

Metropolitan Chamber of Commerce and Industry (MCCI)

Bangladesh-Malaysia Chamber of Commerce and Industry (BMCCI)

Foreign Investors' Chamber of Commerce and Industry (FICCI)

Islamic Bank Consultative Forum (IBCF)

Central Shariah Board for Islamic Banks Bangladesh

Bangladesh Association of Public Listed Companies (BAPLC)

Management Committee

MANCOM		
Sl. No	Name	Designation
1	Mr. Mamunur Rahman	Administrator
2	Dr. Sumanta Kumar Saha, CFA	Associate to Administrator
3	Mr. Md. Enamul Hoque	Associate to Administrator
4	Mr. Md. Kamal Hosen	EVP & Head of Business Banking
5	Mr. Masud Hasan	VP & Head of Human Resources
6	Mr. Md. Delwar Hossain	AVP & Head of Treasury

SENIOR OFFICIALS		
Sl. No	Name	Designation
1	Mr. Mamunur Rahman	Administrator
2	Md. Kamal Hosen	EVP, Head of Business Banking
3	Captain Sakhawat Hossain (Rtd. B. Navy)	SVP and Head of Recovery
4	Abdul Mannan	SVP & Branch Manager
5	Mr. Parvez Yusuf Chowdhury	VP and Branch Manager
6	Mr. Ahmed Ullah	VP and Head of Shariah and IT Application
7	Mr. Md. Tareq Us Salam	VP and Head of Operation and AMLD
8	Mr. Md. Anayet Hossain Khan	VP, Recovery Department
9	Mr. Md. Imrul Kayes	VP, IASD
10	Mr. Masud Hasan	VP, Head of Human Resources

Message from the Chairman



Bismillahir Rahmanir Rahim

All praise and gratitude are due to Almighty Allah SWT for His infinite mercy and guidance. May peace and blessings of Allah SWT be upon the Holy Prophet Muhammad (SM.), his noble family, descendants and all his Companions.

Dear Valued Shareholders,

Assalamu Alaikum Warahmatullah.

It is my privilege to present the Annual Report of ICB Islamic Bank Limited for the year ended 31 December 2025. The year 2025 remained challenging for the global economy, marked by geopolitical tensions, persistent inflationary pressures, tighter financial conditions and uneven economic recovery. These factors continued to affect global trade, investment flows and financial markets.

Bangladesh's economy also faced significant challenges during 2025, including inflationary pressure, foreign exchange constraints, higher financing costs and slower economic activity. The banking sector operated under a difficult environment, requiring greater focus on liquidity management, asset quality, recovery and financial stability.

During 2025, the Bank continued its efforts to improve operational efficiency and financial performance. Investment income increased during the year, while operating expenses decrease significantly. Consequently, the Bank's loss after tax improved to BDT 808.91 million from BDT 945.06 million in 2024 and the classified investment ratio decreased to 84.29% at the end of 2025, from 90.68% at the end of 2024. Nevertheless, the Bank continues to face significant financial challenges, including accumulated losses, negative equity, capital adequacy constraints and a high level of classified investments.

Recovery of classified investments, improvement of asset quality, strengthening liquidity and capital, prudent investment management and enhanced risk management will therefore remain key priorities in upcoming days. The Bank will continue to pursue appropriate recovery and settlement measures in compliance with applicable laws, Bangladesh Bank directives and approved policies.

As an Islamic financial institution, we remain firmly committed to conducting all banking activities in accordance with Shariah principles, with emphasis on ethical, transparent and responsible banking. We will continue to strengthen Shariah-compliant products and services and promote financial inclusion and responsible investment.

Good corporate governance, regulatory compliance, transparency and accountability remain fundamental to the Bank's future. We will continue to strengthen internal controls, risk management, compliance, technology and operational discipline while ensuring adherence to applicable laws, Bangladesh Bank directives, BSEC requirements and DSE regulations.

Customer satisfaction remains at the heart of our strategy. During 2025, the Bank undertook Shebapokkho 2025, School Banking and women-focused financial awareness initiatives. We will continue to expand digital and technology enabled banking, improve service delivery and explore wider outreach through initiatives such as Agent Banking.

Our employees remain the driving force of the Bank. At the end of 2025, the Bank had 370 personnel, and continued emphasis was placed on training, professional development, customer service and employee engagement. The Bank also remained committed to Green Banking, financial awareness and social responsibility through initiatives aimed at reducing resource consumption, promoting digital communication and supporting financial inclusion.

Looking ahead, our focus will be on recovery, resilience and sustainable growth. Key priorities include recovery of classified investments, improvement of liquidity and capital strength, quality deposit mobilization, prudent investment, cost efficiency, stronger governance and risk management, digital transformation, enhanced customer service and effective implementation of the Strategic Plan 2026–2030.

On behalf of the Board, I express my sincere appreciation to our valued shareholders, customers, depositors, regulators, business partners and all other stakeholders for their continued trust and support. I also extend my gratitude to my fellow Directors, the Shariah Supervisory Committee, Management and all employees for their dedication and commitment during a challenging year. We remain deeply grateful to Bangladesh Bank and all regulatory authorities for their guidance and constructive engagement in strengthening the country's financial system.

With the guidance of Almighty Allah SWT and the continued support of all our stakeholders, we remain determined to strengthen ICB Islamic Bank Limited and build a more resilient, efficient, customer-focused and sustainable Islamic banking institution.

Warm regards,



(A.K.M Ehsan)
Chairman

Message from the Administrator



Bismillahir Rahmanir Rahim

Dear Shareholders, Customers, Regulators, Employees and Other Stakeholders,
 Assalamu Alaikum.

It is my pleasure to present the Annual Report of ICB Islamic Bank Limited for the year ended 31 December 2025. The year 2025 was challenging for both the global and Bangladesh economies due to geopolitical uncertainties, inflationary pressures and subdued economic growth. Bangladesh faced slower GDP growth, elevated inflation, foreign-exchange and liquidity pressures, and financial-sector vulnerabilities. Nevertheless, exports, remittance inflows and improving foreign-exchange reserves provided important support to the economy. The banking sector faced heightened challenges relating to liquidity, asset quality, capital adequacy, governance and depositor confidence. These conditions emphasized the need for prudent risk management, sound governance, stronger recovery and sustainable banking practices. For ICB Islamic Bank Limited, Shariah compliance, ethical financing, transparency and responsible management of depositors' funds remain key priorities.

The broader Islamic banking sector also experienced significant liquidity pressures during 2025. Bangladesh Bank's Financial Stability Report 2025 noted that the Islamic banking industry was unable to maintain the minimum required Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) during parts of the year. This environment made liquidity management, depositor confidence and recovery of impaired investments particularly important for ICB Islamic Bank Limited.

ICB Islamic Bank Limited continued its efforts to maintain banking operations and serve its customers while taking measures to strengthen its financial position. As at 31 December 2025, the Bank's total assets stood at Tk. 8,638.26 million, compared with Tk. 9,243.04 million in 2024, while total deposits stood at Tk. 10,864.73 million. Total investments amounted to Tk. 6,315.38 million, compared with Tk. 7,415.88 million in the previous year. The investment-to-deposit ratio declined to 58.13% from 66.23%, reflecting a more cautious approach to investment deployment and the need to preserve liquidity in a challenging operating environment.

One of the major concerns remained the quality of the investment portfolio. Classified investments as a percentage of total investments stood at 84.29% in 2025, improving from 90.68% in 2024. The amount of classified investments also declined from Tk. 6,724.54 million to Tk. 5,323.45 million. At the same time, provisions maintained against classified investments amounted to Tk. 2,423.95 million. These figures indicate that, despite the continuing challenges,

the Bank made progress in reducing classified investments and strengthening its recovery and provisioning efforts. The Bank generated investment income of approximately BDT 259.24 million, representing a substantial increase over the previous year. At the same time, the Bank continued to maintain a strong focus on controlling operating expenses. Total operating expenses declined from approximately BDT 509.03 million in 2024 to BDT 406.56 million in 2025, reflecting the Bank's continued emphasis on cost rationalization and operational efficiency.

The Bank's financial performance continued to be affected by the accumulated impact of legacy high levels of classified investments and the resulting provisioning requirements. Profit after tax and provision for 2025 stood at a negative Tk. 808.91 million, compared with a negative Tk. 945.06 million in 2024, representing an improvement of approximately 14.4 percent. Although the Bank's financial position remains challenging, this improvement demonstrates the positive impact of cost control, income enhancement, recovery initiatives and management efforts. The Bank's management remains fully committed to continuing these initiatives and improving the quality and sustainability of its earnings. The Bank will continue to focus on recovery of classified investments, efficient utilization of resources, prudent investment decisions and strengthening its revenue-generating capacity.

The Bank's capital position remains a significant area of concern and requires continued attention. The financial statements indicate a substantial capital deficit in relation to regulatory requirements. Accordingly, strengthening the capital base, improving asset quality and restoring sustainable profitability will remain essential priorities for the Bank. We recognize that these challenges cannot be addressed overnight and will require coordinated efforts by the management, employees, stakeholders, regulators and other relevant parties. Improving asset quality remains one of the Bank's highest priorities. During the year, particular emphasis was placed on recovery of classified investments, settlement of long-outstanding accounts, strengthening monitoring mechanisms and taking appropriate legal and administrative measures. The Bank is also giving due attention to Bangladesh Bank's regulatory directions and applicable restructuring and exit-policy frameworks. Under the able leadership and effective supervision of the Bangladesh Bank team deployed to supervise the Bank, a substantial reduction in classified investments was achieved during the year. However, our objective is not merely to reduce classified investments, but to establish a stronger culture of credit discipline, effective monitoring and timely recovery. We believe that sustainable improvement in asset quality will be fundamental to restoring the Bank's profitability, liquidity and capital position.

The Bank recognizes that strong governance and regulatory compliance are essential for rebuilding stakeholder confidence. Accordingly, greater emphasis is being placed on strengthening internal controls, risk management, compliance, financial reporting, anti-money laundering measures and accountability at every level of the organization. As an Islamic bank, we remain committed to conducting our activities in accordance with the principles of Shariah. The liquidity challenges faced by the Islamic banking sector in Bangladesh during 2025 further highlighted the importance of maintaining adequate liquidity buffers, sound asset-liability management and public confidence while ensuring Shariah compliance. The guidance of the Shariah Supervisory Committee continues to be an important component of our governance framework. We also recognize the need for greater transparency and timely disclosure in accordance with applicable laws, Bangladesh Bank directives, BSEC requirements and International Financial Reporting Standards, as applicable.

Finally, I would like to express my sincere appreciation to our valued shareholders, customers, Bangladesh Bank, the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange PLC, and other regulatory authorities, the Shariah Supervisory Committee, our auditors, business partners and all other stakeholders for their continued cooperation and support. I also extend my appreciation to the management and employees of ICB Islamic Bank Limited for their dedication and perseverance during this challenging period. I assure all stakeholders that the Bank remains committed to overcoming its present challenges through stronger governance, focused recovery initiatives, prudent banking practices, technological advancement and sustainable business strategies. With collective efforts and continued support from all stakeholders, we are confident that ICB Islamic Bank Limited can gradually strengthen its financial position and build a more resilient and sustainable future.

May Almighty Allah bless our Bank, our stakeholders and the people of Bangladesh with peace, prosperity and continued success.

Yours sincerely,



Mamunur Rahman
 Administrator

Directors' Report on Financial Statements and Internal Control

The Directors are required to present the Annual Report together with Directors' Report and the Financial Statements in accordance with the Companies Act 1994, Rules and Regulations of Institute of Chartered Accountants of Bangladesh (ICAB), Rules and Regulations of Bangladesh Bank, Bangladesh Securities and Exchange Commission (SEC) Rules, 1987 and the Listing Rules, 2015 of the Dhaka Stock Exchange PLC.

The financial statements are required by law and IAS / IFRS as adopted by ICAB to present fairly the financial position of the bank and the performance for the period. In preparing the financial statements, the followings are to be done:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Ensure that the financial statements have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) adopted by ICAB;
- Prepare the financial statements on going concern basis unless it is appropriate to presume that the company will not continue in business.
- Proper accounting records should be kept that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with Companies Act, 1994 and Bank Company Act, 1991.
- In compliance with the requirements of the BSEC's Notification dated 20th June 2018, the Directors are also required to declare certain matters in their report which inter-alia includes as under:
- The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- Proper books of accounts of the issuer company have been maintained;
- International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh, have been followed in preparation of financial statements with appropriate disclosures;
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment;
- The system of internal control is sound in design and has been effectively implemented and monitored;
- There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons there should be disclosed;
- Key operating and financial data of at least preceding three years should be summarized;
- Significant deviations from last year in operating results of the issuer company should be highlighted and reasons thereof should be explained;
- If the issuer company has not declared dividend (Cash or Stock) for the year, the reason thereof should be given.

The Directors confirm that Annual Report together with the Directors' Report and the Financial Statements have been prepared in compliance with law, rules and regulatory guidelines and Compliance of BSEC Notification No. SEC/CMRRCD/2006-158/208/Admin/81 dated 20th June 2018.

Meetings

The Board meets regularly to review policies, procedures, risk management and business plan of ICBIBL and Senior Management etc. During the year 2025, 12 (Twelve) meetings of the Board of Directors were held. This report should be read in conjunction with Auditors' Report to the Shareholders of ICB Islamic Bank Limited. Also other compliances of BSEC Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 is given in the Annual Report.

On behalf of the Board of Directors.



(A. K. M Ehsan)
Chairman

Report of the Audit Committee of the Board

The Audit Committee of ICB Islamic Bank Limited is a sub-committee of the Board, was formed by the Board of Directors in accordance with the BRPD Circular No. 02, dated February 11, 2024 and the notifications of Bangladesh Securities and Exchange Commission Vide Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 and international best practices on Corporate Governance.

Objective of the Audit Committee

The Audit Committee of the Board of ICB Islamic Bank Limited has been functioning as supervisory body on behalf of the Board of Directors and carrying out oversight responsibilities. The Board of Directors sets out the overall Business Plan and formulates Policies that the Management is responsible for implementation. The Audit Committee, therefore, as its key function, ensures that policies and guidelines as has been set out are implemented in the right earnest.

Composition of the Audit Committee

In compliance with the BRPD Circular 02, dated February 11, 2024 of Bangladesh Bank and Corporate Guidelines of BSEC, the Audit Committee of ICB Islamic Bank Limited was comprised of two (02) members from the Board of Directors.

Mentioned that Bangladesh Bank dissolved the Board of Directors of ICB Islamic Bank Limited with effect from 09 April 2025 and simultaneously appointed Mr. Md. Mazibur Rahman, Executive Director, Bangladesh Bank, to exercise the powers and perform the responsibilities of the Managing Director and the Board of Directors with effect from the same date. For this reason audit committee did not functioning up to December 2025.

Subsequently, Bangladesh Bank reconstituted the Board of Directors of the Bank on 13 May 2026 and constitute an audit committee with two (02) members of the board.

Terms of Reference (ToR) of Audit Committee

This role is further expounded on and clarified in the Terms of Reference (ToR) of the Audit Committee which was revised in light of the directives contained in the BRPD Circular No-02, dated February 11, 2024 of Bangladesh Bank and Corporate Governance guideline of BSEC. According to the revised ToR of the Audit Committee, its principal duties and responsibilities are as follows:

In respect of internal control

- i) Evaluating whether the management:
 - a.Has an appropriate internal control and compliance culture with regard to risk management of the company;
 - b.Has clearly defined the duties and responsibilities of officials;
 - c.Has full control over the operations of the company.
- ii) Reviewing the appropriateness of Management Information System (MIS) including information technology system and its use.
- iii) Reviewing whether management is complying with recommendations made by the internal and external auditors.
- iv) Reviewing existing risk management procedures to ensure that the processes are effectively run in the company.
- v) Reviewing all fraud, forgery and internal control weakness discovered by internal, external or regulatory auditors and thereafter keeping the Board of Directors informed of all those discoveries and subsequent corrective measures.

In respect of financial statements

1. Reviewing whether the financial statements were prepared in compliance with all directives and guidelines prescribed by the Bangladesh Bank and are in accordance with Bangladesh Financial Reporting Standards and other laws and regulations.
2. Engaging in discussions with external auditors and management prior to the finalization of financial statement.
3. Attending and answering questions related to the accounts and audit at the AGM.

In respect of internal audit

1. Reviewing the activities and organizational structure of internal audit and ensuring that there is no barrier or limitation to the performance of an independent internal audit.
2. Assessing the efficiency and effectiveness of internal audit.
3. Assessing whether management is appropriately considering compliance of recommendations made by the internal auditors with regard to the observations identified by them.
4. Placing recommendations before the Board of directors in case of change of accounting policies.

In respect of external audit

1. Appraising the audit procedures and reviewing the management letter submitted by external auditors.
2. Assessing whether management has appropriately considered the observations and recommendations made by the external auditors.
3. Placing recommendations to the Board of Directors regarding appointment of external auditors.

In respect of compliance to existing regulations

1. Reviewing whether the rules and regulations set by regulatory authorities (Bangladesh Bank and other regulatory bodies) as well as internal policies and guidelines approved by the Board of directors are being complied with.

Miscellaneous

1. Placing quarterly reports before the Board of directors on rectification/correction status of errors, fraud, forgery and other irregularities if any, identified by internal auditors, external auditors and Bangladesh Bank inspection team.
2. Performing all other supervisory activities as assigned by the Board as well as evaluating its own efficiency on a regular basis.

Chairman of the Audit Committee and qualifications of the members

The Audit Committee is chaired by an Independent Director. All the members of the committee are 'financially literate' as defined by the revised Corporate Governance guideline.

The Audit Committee and Internal Control and Compliance

Internal Control and Compliance (ICC) Department is the department within ICIBL that is tasked with reviewing the Company's system of internal controls, including the conduct of regular audits of all operational units. ICC is operationally independent in that its members are not involved in the Company's operational activities and in that the Head of ICC, in addition to his direct reporting line to the Managing Director and CEO, also has access to the Audit Committee. The Audit Committee is responsible for approving the annual audit plan of ICC and reviewing the plan's subsequent implementation. Internal audit reports and summaries thereof prepared by ICC are reviewed on a regular basis by the committee.

Access of Head of ICC to the Audit Committee

The Head of Internal Control and Compliance has direct access to the Audit Committee which in turn is directly accountable to the Board.

Meetings of the Audit Committee

The Audit Committee held Three (03) meetings during the year 2025. The Committee met the Internal Audit Team, Finance and Accounts Division headed by CFO, Legal and Internal Control and Compliance Department of ICIBL. The Committee also held a meeting with the External Auditors to discuss their findings and directed the Head of Accounts to resolve their observations which were not material.

The Audit Committee is a subcommittee of the Board of Directors and reports on its activities to the Board of Directors. The purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities, which includes but is not limited to implementation of the objectives, strategies, risk mitigation and overall business plans set by the Board for effective functioning of the Bank. The Committee also reviews the financial and operational risks through the Internal Control process.

The particulars of attendance of the members of the Audit Committee are given below:

Name of the Director	Position		Total Attendance	Remarks
Mr. Md. A. Salam Sikder	Chairman	3	1	
Mr. Tan Seng Chye	Member	3	1	
Mr. Abu Saleh Mohammed Shahab Uddin	Observer	3	3	
Mr. Md Mazibur Rhaman	MD & Chairman	3	2	

Mentioned that Bangladesh Bank dissolved the Board of Directors of ICB Islamic Bank Limited with effect from 09 April 2025 and simultaneously appointed Mr. Md. Mazibur Rahman, Executive Director, Bangladesh Bank, to exercise the powers and perform the responsibilities of the Managing Director and the Board of Directors with effect from the same date.

The Audit Committee during the year held three (03) meetings, discussed many issues and carried out its regular functions with particular emphasis on the followings:

- i) Reviewed Compliance Report on observation, recommendations and decision of the Audit Committee Meetings;
- ii) Reviewed Internal Audit Plan for the year 2025;
- iii) Reviewed existing Risk Management Procedures for ensuring an effective Internal Check and Control System;
- iv) Reviewed the highlights from Bangladesh Bank Comprehensive Inspection Reports on the Branches as well as various Divisions of Head Office of the Bank and suggest appropriate actions where needed;
- v) Reviewed Audit and Inspection Reports on the Branches as well as various Divisions of Head Office conducted by Internal Control and Compliance Department during the year 2025 and suggested appropriate actions, where needed;
- vi) Reviewed Quarterly Financial Report of the Bank and recommended its submission to the shareholders as a statutory requirement;
- vii) Placed Compliance Report/Minutes to the Board with the decisions/recommendations made by the Committee in the Meetings for information and concurrence of the Board on quarterly basis;
- viii) Reviewed the financial statements to ensure proper disclosure and presentation and compliance with Bangladesh Financial Reporting Standards;
- ix) Assessment of running the affairs of the Bank by the Management in line with the policies set by the Board of Directors; and
- x) Recommended strengthening of the Internal Control and Compliance Department in terms of Logistics and Manpower to increase their efficiency and capacity.

All minutes of the Audit Committee meeting are required to be submitted to Bangladesh Bank in accordance with the directives of the DOS Circular. Accordingly, all minutes of the meeting of the Audit Committee are being submitted to Bangladesh Bank.

Reporting of the Audit Committee

The Audit Committee reports directly to the Board of Directors and under certain circumstances can also report to the BSEC.

Immediate reporting to the Board of Directors

Audit Committee shall immediately report to the Board of Directors in the following cases:

- On conflict of interest;
- Suspected and presumed fraud or irregularity or material defect in the internal control system;
- Suspected infringement of laws, including securities related laws, rules and regulations; and
- Any other matter which should be disclosed to the Board of Directors immediately.

No such issues arose at ICIBL during the year ended 2025.

Immediate reporting to the Bangladesh Securities and Exchange Commission

If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation of and where the Audit Committee finds that such rectification has

been unreasonably ignored, the Audit Committee shall report such finding to the BSEC, upon reporting of such matters to the Board of Directors for three times or completion of a period of 9 (nine) months from the date of first reporting to the Board of Directors, whichever is earlier.

No such circumstances arose during the year 2025.

From our assessment of the various internal audit reports, it appears that ICB Islamic Bank Limited maintained effective Internal Control on its overall activities during the year 2025.

Review of Financial Statements

The Audit Committee reviewed and examined the Annual Financial Statements 2025 prepared by the Management and audited by External Auditors A Wahab & Co., Chartered Accountants in line with the Accounting Standards set by Regulatory Authorities. The Committee referred the Financial Statements for the consideration of the Board with necessary recommendations.

Miscellaneous

1. Placing quarterly reports before the Board of directors on rectification/correction status of errors, fraud, forgery and other irregularities if any, identified by internal auditors, external auditors and Bangladesh Bank inspection team.
2. Performing all other supervisory activities as assigned by the Board as well as evaluating its own efficiency on a regular basis.

Acknowledgement

The Audit Committee expresses its sincere thanks to the Members of the Board and the Management of ICIBL for their excellent support while carrying out its duties and responsibilities as per regulatory directives.

On behalf of the Audit Committee of the Board of Directors of ICIBL.



Muhammad Hafizur Rahman FCA, FCMA

Independent Director and
Chairman, Audit Committee

Management Discussion and Analysis

A Management's Discussion and Analysis presenting detailed analysis of the Banks' position and operations along with a brief discussion of changes in the financial statements, among others, focusing as follows:

(a) Accounting policies and estimation:

We have applied accounting policies consistently to all periods presented while preparing the financial statements. We have applied International Financial Reporting Standards (IFRS) to transactions, other events or conditions to their full extent as applicable. The applicable significant accounting policies and estimation are well elaborated in notes to the financial statements.

(b) Changes in accounting policies and estimation:

We usually change an accounting policy only when the change is required by IFRS or results in the financial statements providing more reliable and relevant information about the effect of transactions, other events or conditions on the financial position, financial performance or cash flows. A detailed breakdown of such changes/restatements is given in notes of the financial statements.

(C) Comparative analysis of financial performance and financial position as well as cash flows for current year with immediate preceding five years.

We have presented comprehensive financial highlights for all the relevant periods containing financial performance, financial position, cash flows and important financial ratio in this annual report. As the financial highlights presented, the detailed comparative analysis thereon are as following:

- Net average loss of the Bank is BDT 591.97 million over the last five years and stood at BDT 808.91 million for the year ended 31 December, 2025.
- Total assets of the Bank has decreased over the years since 2021 by BDT 2,944.77 million and on average by BDT 588.95 million and stood at BDT 8,638.56 million for the year ended 31 December, 2025.
- Shareholders' equity has decreased over the years since 2021 by 21.32% and on average by 4.26% each year and stood at BDT 14,623.90 million for the year ended 31 December, 2025.
- Earnings per share (EPS) has decreased over the last five years on average by BDT 0.89 per share each year and stood at BDT 1.22 per share for the year ended 31 December, 2025.
- Net asset value (NAV) per share has decreased over the years since 2021 by 21.35% and on average by 4.27% each year and stood at BDT 22.00 per share for the year ended 31 December, 2025.

(d) Comparative analysis of financial performance and financial position as well as cash flows with peer industry scenario:

Again as presented in the financial highlights, the comparative analysis of financial performance, financial position and cash flows with other relevant financial ratio and other industry performance parameter are described as following:

- The assets base of the Bank is of BDT 8.64 billion compare to the industry average BDT 469.18 billion.
- As listed Bank, the current P/E ratio is nil far below of industry average 6.50%

(e) Financial and economic scenario of the country and the globe:

The global economy in 2025 remained resilient but faced significant uncertainty due to geopolitical tensions, trade restrictions and changing economic policies. Global growth remained moderate, Global economic growth was moderate, with the IMF estimating growth of around 3.2% for 2025 while inflation generally continued to ease, although price pressures persisted in several economies. Higher interest rates and tighter financial conditions affected investment, borrowing costs and financial markets. Geopolitical conflicts, supply-chain disruptions and trade tensions continued to pose risks to global growth.

In Bangladesh, economic activity remained subdued, with inflation, weaker investment and financial-sector challenges affecting domestic demand. The country also experienced exchange-rate pressures and macroeconomic uncertainties. Bangladesh recorded approximately 3.5% GDP growth and 8.8% consumer-price inflation in 2025, according to World Bank data. However, external-sector conditions showed improvement, supported by stronger remittance inflows, exports and stabilization of foreign-exchange reserves. Overall, 2025 was a challenging year for Bangladesh and the global economy, highlighting the importance of macroeconomic stability, financial-sector reforms, investment and sustainable economic growth.

(f) Risks and concerns issues related to the financial statements:

Within the context of changes in global economy and financial market including the expansion of emerging markets, the financial and economic practices have shifted in a radical pace. Changes in contractual concept in world business, expansion of more and more cross-border business urge world accounting bodies and forums to set new accounting standards and practices to address business requirement by providing more reliable and relevant information to the economic decision makers. Hence, in summary, the risks and concerns issues related to Banks' financial statements are as following:

- To understand, identify and recognize cross border transactions, other events or conditions properly;
- To understand, identify and recognize foreign currency based transactions, other events or conditions including its timely currency valuation effects properly;
- Recent development in world financial market has boosted the interest rate volatility; thus Bank has contracted for Interest Rate Swap (IRS) to reduce interest rate risk. The accounting for IRS is much challenging because of reliable measurement of IRS fair value and accounting for the same;
- Recognition and presentation of property, plant and equipment including classification of spare parts are nowadays very challenging job to reflect the effect reliably;
- Identification and recognition of deferred tax issue on property, plant and equipment is now a days challenging due to its effect in the financial statements correctly and reliably;
- Recognition of revenue and trade receivables in line with contractual provisions including the receivable management have become concern in preparation and presentation of reliable financial statements.

To mitigate the above risk concerns and challenges, the Bank has a well set of internal control system including the Internal Audit team under the guidance of Audit Committee and under the direct consultation with competent external auditors. Talented pool of employees are well aware of the risk concerns and they are nominated for training and workshop program for skill development in the challenging areas so that they can identify, measure, recognize and condition relevantly and reliably.

(g) Future plan for Banks' operation, performance and financial position:

The Bank plans to strengthen its operations by improving service quality, operational efficiency and customer satisfaction. The Bank is planning enhance SME Investment and Consumer financing facilities, enhance digital access and financial inclusion. It will focus on improving investment quality, recovery of classified investments and strengthening liquidity and capital position. The Bank will also emphasize cost efficiency, risk management and compliance with regulatory and Shariah requirements. Through these initiatives, the Bank aims to achieve sustainable growth, improve financial performance, strengthen its overall financial position and effective implementation of the Strategic Plan 2026–2030.



Mamunur Rahman
 Admininstrator

Report of the Shariah Supervisory Committee



Report of the Shari'ah Supervisory Committee for the year ended on 31st December 2025:

In the name of Allah, the Beneficent, the Merciful. Darud and Salam is for our beloved Prophet Muhammad Rasul Allah (Sallahu Alaihee Wa Sallam).

To the Shareholders of ICB Islamic Bank Limited

Assalamu Alaikum Wa Rahmatullah Wa Barakatuh.

In compliance with the terms of reference of the By Laws of the Shari'ah Supervisory Committee, we submit the following Report on the operations of ICB Islamic Bank Limited for the year ended on 31st December 2025:

The Shari'ah Supervisory Committee of ICB Islamic Bank Limited consists of Shari'ah Scholars and renowned Islamic Bankers. The Shari'ah Supervisory Committee meeting is usually held quarterly to provide opinions on various Shariah-related issues referred to it by the Bank's management.

1. Responsibilities of the Shariah Supervisory Committee

It is the responsibility of the Shariah Supervisory Committee to ensure that all financial products, operational guidelines, policies, and transactions conducted by ICB Islamic Bank Limited adhere strictly to the principles of Islamic Shariah. The Committee executes this responsibility through:

- Advising the Board of Directors and Executive Management on Shariah-related matters referred to it.
- Reviewing, vetting, and endorsing products, services, product program guidelines (PPGs), and marketing materials from a Shariah perspective.
- Reviewing policies, internal control processes, and auditing financial reports to ensure Shariah compliance.
- Conducting regular inspections and overseeing Shariah audit reports across the branch network and business units.

Executive Management holds the primary responsibility for ensuring that the Bank operates in accordance with the Shariah rulings and guidelines approved by the Shariah Supervisory Committee.

2. Activities & Key Deliberations During 2025

During the year under review, the Shariah Supervisory Committee performed the following key activities:

- **Meetings & Governance:** The Committee met periodically in formal sessions to review and deliberate on policy issues, operational matters, and product proposals submitted by various business units.
- **Product & Policy Vetting:** The Committee reviewed, vetted, and approved various Islamic banking deposit and investment products (including term deposits and interbank liquidities under Mudarabah and Wakalah structures).
- **Financial Review:** The Committee thoroughly examined and vetted the Audited Financial Statements for the year ended 31 December 2025, evaluating investment income distribution and profit-sharing mechanisms applied to Mudarabah depositors.
- **Shariah Audit & Inspection:** Shariah audit and inspection were conducted across selected branches to assess field-level adherence to Islamic banking contracts, documentation, and operational standards.
- **Training & Awareness:** Guidance was provided to management regarding the Shariah training plan for branch officials to strengthen internal compliance and operational integrity.

3. Shariah Opinion & Confirmation

Based on the information, explanations, audit reports, and financial documentation provided by the management of ICB Islamic Bank Limited, the Shariah Supervisory Committee reports that:

- **Operations & Transactions:** The overall business activities, transactions, and deposit-investment arrangements conducted by the Bank during the year ended 31 December 2025 were generally executed in alignment with the approved Shariah rules and guidelines.
- **Profit Distribution:** The allocation of profit and absorption of loss on Mudarabah deposit pools were reviewed and found to be executed in accordance with agreed Profit Sharing Ratios (PSR) and applicable Shariah standards.
- **Product Integrity:** All active products, guidelines, and contractual documentation vetted by the Committee comply with Islamic jurisprudence and regulatory frameworks.
- **Earnings & Compliance:** Any earnings identified as non-compliant or arising from inadvertent procedural lapses were instructed to be segregated from the Bank's income and directed to approved charitable/social welfare accounts in accordance with Shariah principles.

ICB Islamic Bank Limited does not pay Zakah on behalf of its shareholders or depositors. Hence, individual shareholders and depositors are advised to calculate their own Zakah and distribute it to the rightful beneficiaries in accordance with the principles of Islamic Shariah.

During the year under report, the Shari'ah Supervisory Committee has advised the Bank of the following Issues:

1. To take Effective steps aiming at the gradual development of the employees' and customers' awareness about Shari'ah compliance in Islamic Banking.
2. To strengthen audit and inspection programs for hundred percent Shari'ah compliance.
3. To continue close monitoring of non-performing investments for improvement of asset quality.
4. To regularly update product documentation and operational control mechanisms in line with the updated guidelines of Bangladesh Bank and AAOIFI Shariah Standards.
5. To gradually introduce the Murabaha and the Musharakah modes of investment.

We beg the Almighty to grant us all success and straightforwardness.

Wassalamu Alaikum Wa Rahmatullah Wa Barakatuh.

Sd/-

Mufti Muhammad Abdus Salam
Chairman

Disclaimer:

The newly appointed Shariah Supervisory Committee (SSC) of ICB Islamic Bank Limited has approved this Shariah Compliance Report 2025 based on reliance on the decisions of the previous Shariah Supervisory Committee, a review of prior meeting minutes, and a sample-based review of relevant agenda items.

Shariah Supervisory Committee

A competent Shariah Supervisory Committee consisting of scholars of high reputation with extensive experience in the relevant areas had been incorporated in the organizational structure of ICBIBL to ensure the proper implementation of Shariah Principles in banking business. Being appointed by the Board of Directors Shariah Supervisory Committee plays a very significant role for strict adherence to Shariah Principles in framing and executing policies of the Bank. Shariah Supervisory Committee is authorized to issue ruling on matters presented to it by different business units of ICBIBL.

Among the roles and responsibilities of the Shariah Supervisory Committee is to advise the Management of ICBIBL regarding Shariah compliance issues in Islamic Banking business and oversee the application of different aspects of Shariah in ICBIBL. For the purpose, the Committee holds meetings periodically or whenever the need arises and provides opinions, recommendations and necessary guidelines on Shariah issues related to ICBIBL. In addition, the members of the Committee assist the management of ICBIBL by providing opinions on various issues referred to them from time to time.

Roles and responsibilities of Shariah Supervisory Committee

It is important to understand the pivotal role played by Shariah Supervisory Committee of an Islamic bank which has the dual role of ensuring first that all products and services tailored by Islamic banks are permissible from the Shariah point of view, and all of these products and services have intrinsic financial value. To be specific, the duties and responsibilities of Shariah Supervisory Committee are:

- Advising the Board of Directors and Management of the Bank on various Shariah related issues referred to it from time to time so that management of the Bank can ensure the compliance of Shariah.
- Reviewing, vetting and endorsing the products and services of the Bank from the Shariah point of view.
- Reviewing, vetting and endorsing various policies and guidelines of the Bank from the Shariah point of view.
- Vetting and endorsing products, guidelines, marketing advertisements, brochures related to ICBIBL's products, services and activities from the Shariah point of view.
- Reviewing and vetting the Financial Reports of ICBIBL from the Shariah point of view and submitting a report annually for all the stakeholders.
- Vetting and endorsing administrative issues and decisions that require the approval of the Committee.
- Auditing and Inspecting the overall banking operations and activities of the Bank from the Shariah point of view.

The Shariah Supervisory Committee of ICB Islamic Bank is represented by four prominent Shariah scholars and Islamic bankers of high reputation having familiarity with State-of-the-art knowledge. Following is the list of members of this committee with their respective status and educational qualifications:

SL	Name	Position in the Committee	Educational Qualification	Present Attachment With
1	Mufti Muhammad Abdus Salam	Chairman	Dawra & Ifta, Deoband, India M.M., M.F., Hadis, tafseer, fiqh and M A (Islamic studies)	Senior Muhaddith & Mufti: Jamia Shariyyah Malibagh, Dhaka Head Muhaddith: Nayatola AUN Model Kamil Madrasa, Dhaka Khatib: Khilgaon Shahi Jame Masjid, Dhaka
2	Mufti Ahsanul Islam	Member	Hifzul Quran, Takmil (Hadith), Ifta in Islamic Jurisprudence & Finance, CSAA	Vice Principal & Deputy Mufti: Center for Islamic Economics (CIES), Shariah Consultant, IFA Consultancy Limited, Shariah Advisor: in Several Islamic Financial Institutions Khatib: Baitul Mamur Jame Masjid, Uttara, Dhaka-1230
3	Mufti Muhammad Sanaullah	Member	Takmil, Advanced Degree in Hadith & Islamic Finance & Fiqh, CSAA	Shariah Adviser: Amader Agami, Teacher & Mufti: Center for Islamic Economics Studies (CIES)

Directors' Report – 2025

Bismillahir Rahmanir Rahim

All praise and gratitude are due to Almighty Allah SWT for His infinite mercy, guidance, and blessings. May peace and blessings of Allah SWT be upon the Holy Prophet Muhammad (SM.), his noble family, descendants, and all his Companions. With the blessings and guidance of Almighty Allah, we remain committed to conducting our affairs with integrity, sincerity, transparency, and in accordance with the principles of Islamic Shariah.

Dear Respected Shareholders,

Assalamu Alaikum Warahmatullah.

It is our great privilege and pleasure to welcome you all to the 39th Annual General Meeting (AGM) of ICB Islamic Bank Limited. On behalf of the Board of Directors, we express our sincere appreciation and gratitude to our valued shareholders, customers, regulators, and other stakeholders for their continued trust, support, and cooperation throughout 2025. We are pleased to place before you the Audited Financial Statements and the Independent Auditor's Report for the year ended 31 December 2025 for your kind consideration. The Annual Report provides an overview of the prevailing global economic and financial environment, along with the performance and key developments of the Bangladesh economy during the year. Despite a challenging and highly competitive business environment, the Bank continued its efforts to strengthen its operations, enhance customer service, and pursue sustainable growth. The Board of Directors confirms that, to the best of its knowledge and belief, the Annual Report 2025, Directors' Report, and Financial Statements have been prepared in accordance with applicable Bangladesh Financial Reporting Standards (BFRSs), the Bank Companies Act, 1991 (as amended up to 2023), the Companies Act, 1994, guidelines and directives of Bangladesh Bank and the Bangladesh Securities and Exchange Commission (BSEC), the Listing Regulations of the Dhaka Stock Exchange (DSE), and other applicable laws and regulations. The Board has also endeavored to provide adequate disclosures on significant matters to promote transparency, accountability, sound corporate governance, and informed decision-making by all stakeholders.

Global Economic Outlook for 2025 and Prospects in 2026

The global economy in 2025 remained relatively resilient despite geopolitical tensions, trade uncertainties, and uneven growth among major economies. Global growth was supported by moderating inflation, improving consumer demand, and gradual easing of monetary policies in some countries. Advanced economies experienced slower growth, while emerging and developing economies continued to contribute significantly to global economic expansion. Energy prices, supply-chain disruptions, and geopolitical conflicts remained key risks to economic stability. Global trade and investment were also affected by changing tariff policies and increasing protectionism. Looking ahead to 2026, the global economy is expected to maintain moderate growth, supported by lower inflation and improved financial conditions. However, geopolitical tensions, trade conflicts, high public debt, and financial-market volatility may limit the pace of recovery. Overall, the prospects for 2026 are cautiously positive, with growth likely to remain steady but uneven across regions.

Bangladesh Economy

Bangladesh's economy in 2025 faced both significant challenges and opportunities. Economic growth remained moderate due to high inflation, weak investment, and pressure on foreign-exchange reserves. Inflation increased the cost of food and essential goods, affecting household purchasing power. The banking sector also experienced financial stress, including rising non-performing loans and liquidity problems. However, the ready made garments (RMG) sector continued to play a major role in export earnings and employment. Remittances from Bangladeshi workers abroad provided important support to the economy and helped strengthen foreign exchange in flows. The government continued efforts to improve revenue collection, control inflation, and stabilize the financial sector. Private investment and industrial activity remained important for future growth. Overall, Bangladesh's economy in 2025 was characterized by economic pressure alongside gradual efforts toward stabilization and reform.

Banking Industry Outlook 2025

Banking Industry Outlook 2025

The banking industry in Bangladesh in 2025 operated in a challenging environment marked by persistent inflationary pressure, exchange-rate volatility, liquidity constraints, and growing concerns over asset quality. The sector remained focused on strengthening financial stability, improving governance, enhancing risk management, and addressing non-performing Investment. Regulatory initiatives by Bangladesh Bank continued to emphasize greater transparency, capital adequacy, recovery of defaulted loans, and sound corporate governance.

At the same time, digital banking, financial inclusion, and technology-driven services continued to create opportunities for improving efficiency and customer experience. Despite the prevailing challenges, the banking sector has significant potential to support economic recovery through prudent financing, productive investment, and enhanced customer services. Going forward, stronger regulatory compliance, effective risk management, improved asset quality, and sustainable business practices are expected to remain key priorities for the banking industry.

The Challenges and Opportunities in Banking Sector in 2026

The banking sector in Bangladesh in 2026 is expected to operate in a rapidly evolving environment, presenting both significant challenges and emerging opportunities. Persistent inflation, liquidity pressures, exchange-rate volatility, weak asset quality, and rising non-performing loans may continue to pose challenges to the sector. Strengthening corporate governance, risk management, regulatory compliance, and financial discipline will remain critical priorities for banks. At the same time, the growing adoption of digital banking, fintech solutions, mobile financial services, and technology-driven operations offers substantial opportunities to enhance efficiency and customer experience. Islamic banking also has considerable potential to expand through Shariah-compliant products, responsible investment, and greater financial inclusion. Effective recovery of classified investments, prudent credit management, and improved internal controls can further strengthen the financial position of banks. Overall, the banking sector in 2026 is expected to focus on resilience, innovation, transparency, and sustainable growth while contributing effectively to the development of the national economy.

An Overview of the Bank

ICB Islamic Bank Limited, a second generation private Bank is the new legal name of former 'The Oriental Bank Limited' which was incorporated in April, 1987 as a Public Limited Company titled 'Al - Baraka Bank Bangladesh Limited' under the Companies Act, 1913. Certificate for commencement of business was issued to the Bank on April 30, 1987. Bangladesh Bank authorized to carry on the banking business in Bangladesh with effect from May 4, 1987 to undertake and carry out all kinds of banking, financial and business activities, transactions and operations in strict compliance with the principles of Islamic Law (Shariah) relating to business activities in particular avoiding usury in investment and sales transactions and any practice which accounts to usury and actual banking operations commenced on May 20, 1987. Registrar of Joint Stock Companies and Firms approved the revised Bank Limited) on December 31, 2002 and Bangladesh Bank approval was accorded on April 13, 2003.

Switzerland based ICB Financial Group Holdings AG acquired the majority shareholdings of former Oriental Bank Limited, a Bangladeshi Shariah compliant Bank as on February 28, 2008. Emphasis has been given on improving the technology and infrastructure of the Bank, as well as retraining employees, with a view to providing an improved range of competitive products to customers. Currently, the Authorized Capital of the Bank is BDT 15,000.00 million and Paid-up Capital is BDT 6,647.023 million as of December 31, 2024. Its vision is to stand out as a premier banking institution in Bangladesh and contribute significantly to the national economy.

The management of the Bank is committed to turn the Bank into a modern banking institution, vibrant in actions, progressive in programs, honest in dealings, just in judgment, innovative in attitude, fair in approaches and devoted to high quality service to customers. There are charted plans aimed at boosting modern management, advanced technology, good profitability, sound financial strength and fair image of the Bank. The Bank is firmly committed to transparent, responsible and accountable corporate governance with the participation of our strong and most capable team of professionals and under the policy directives and guidance of the Board of Directors of the Bank.

The Bank provides high quality customer service through the integration of the latest and state of the art banking technology and product tools to achieve its success. Since the customers are given first priority, the Bank is trying hard to provide a spectrum of services to individual customers, small business entities and corporate clients. The aim is to deliver the best service by meeting the unique and specific needs in a professional, ethical and friendly manner. The Bank has thirty three (33) branches located at prominent and convenient places across the country.

ICB Islamic Bank Limited carries out business activities in keeping with its values and norms and with an understanding of the importance of a large financial institution has for the society and the environment. It is taking steps towards Green Banking. In line with the vision and mission, the Bank always works for the customers' satisfaction and for the satisfaction of all stakeholders.

Compliance Condition no. 1.5 (XiX)
Key Operating and financial data of at least preceding 5 (five) years shall be summarized

(Figure in BDT Million)

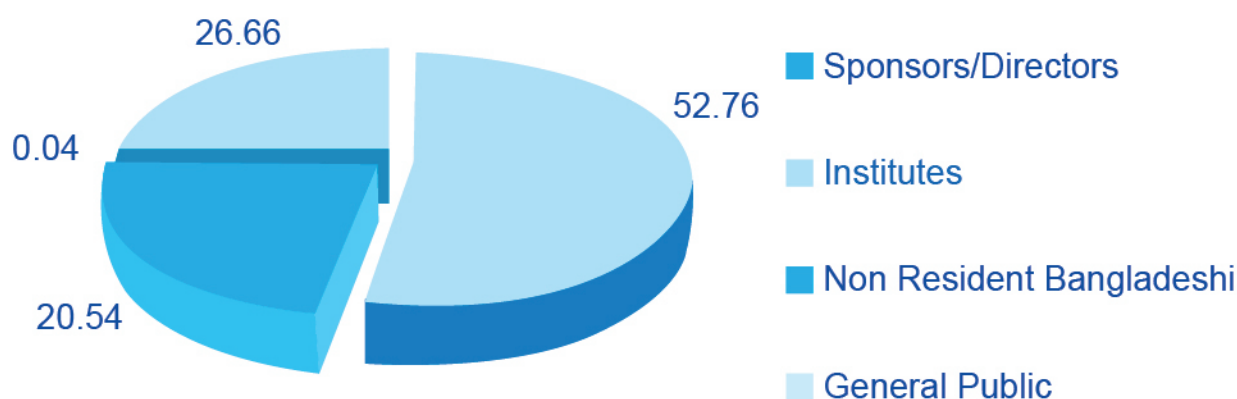
Sl. No.	Particulars	2025	2024	2023	2022	2021
1	Authorized capital	15,000.00	15,000.00	15000.00	15,000.00	15,000.00
2	Paid-up capital	6,647.02	6,647.02	6647.02	6,647.02	6,647.02
3	Total capital (Tier-I & II)	(15,176.90)	(14,368.00)	(13,422.90)	(12,607.10)	(12,212.20)
4	Capital surplus/(deficit)	(20,176.90)	(19,368.00)	(18,422.90)	(16,607.10)	(16,212.20)
5	Capital adequacy ratio (CAR)	(291.87%)	(171.95%)	(151.82%)	(137.41%)	(133.16%)
6	Total assets	8,638.26	9,243.04	10,685.36	11,583.03	11,260.02
7	Total deposits	10,864.73	11,196.71	12,316.12	12,925.58	12,434.12
8	Total investments	6,315.38	7,415.88	7,909.73	8,435.11	8,565.23
9	Import business handled	223.12	276.83	461.17	382.96	42.92
10	Export business handled	2.73	12.53	8.23	22.40	26.65
11	Guarantee business handled	13.05	0.11	26.19	5.92	5.84
12	Total contingent liabilities and commitments	295.22	206.99	223.44	319.11	197.30
13	Investments deposit ratio	58.13%	66.23%	64%	65.0%	69%
14	Percentage of classified investments against total investments	84.29%	90.68%	87.50%	80.80%	78.37%
15	Profit after tax and provision	(808.91)	(945.06)	(563.44)	(394.81)	(187.27)
16	Operating profit	(270.04)	(233.15)	(106.30)	(41.37)	(488.93)
17	Operating expenditure	406.56	509.03	470.42	391.17	429.52
18	Amount of classified investments during the year	5,323.45	6,724.54	6921.20	6,815.36	6,712.67
19	Provisions kept against classified investments	2,438.95	3,500.76	3,587.16	3,616.31	3,657.49
20	Provision surplus/(deficit) against classified investments	138.65	4.96	18.54	38.22	43.30
21	Cost of fund	8.60%	6.49%	6.55%	6.32%	7.17%
22	Profit earning assets	6,862.28	7,944.25	8468.18	9,178.77	9,281.25
23	Non-Profit earning assets	1,775.98	1,298.80	2217.21	2404.26	1,978.77
24	Return on investment (ROI) in shares and securities	11%	10.81%	27%	4%	2%
25	Return on assets (ROA)	(9.36%)	(10.22%)	(5.27%)	(3.41%)	(1.66%)
26	Income from investments in shares and securities	1.14	1.14	2.83	4.68	4.96
27	Earnings per share (Taka)	(1.22)	(1.42)	(0.85)	(0.59)	(0.28)
28	Operating Profit per share (Taka)	(1.02)	(1.12)	(0.87)	(0.65)	(0.37)
29	Price earnings ratio (times)	N/A	N/A	N/A	N/A	N/A
30	Dividend:					
	Cash	-	-	-	-	-
	Bonus Share	-	-	-	-	-
31	Net Asset Value Per Share (NAVPS)	(22.00)	(20.78)	(19.36)	(18.13)	(17.54)
32	Number of employees	370	354	374	497	456
33	Number of branches	33	33	33	33	33

Capital Structure and Shareholding Pattern of ICB Islamic Bank

The Authorized and Paid-up capital of the Bank was increased in its AGM held on 22nd June 2010. In addition, the shares of ICB Islamic Bank Limited had been split from BDT 1,000.00 (one thousand) to BDT 10 (ten) per share. The paid-up capital of the Bank as at December 31, 2025 is BDT 6,647,023,000. The details of Shareholding pattern of the Company as at the end of the year 2025 is given below:

Sl. No	Name of the Group	No. of Shareholders	No. of Shares	Shareholding (%)
01	Sponsors/Directors	1	350,674,300	52.76
02	Institutes	95	136,532,509	20.54
03	Non Resident Bangladeshi	30	254,795	0.04
04	General Public	12668	177,240,696	26.66
Total		12,794	664,702,300	100.00

Shareholding Position as on 31 December 2025



Analysis of Income Statement of ICBIBL

(Figure in BDT Million)

Sl. No.	Particulars	2025	2024	% Change
1	Investment income	259.24	151.06	71.61%
2	Profit paid on deposits	596.73	461.39	29.33%
3	Net investment income	(337.49)	(310.33)	(8.75)%
4	Income from investments in Shares and Securities	1.14	1.14	-
5	Other operating income	66.30	76.04	(12.81)%
6	Total operating income	(270.05)	(233.15)	(15.83)%
7	Total operating expenses	406.56	509.03	(20.13)%
8	Profit/ (loss) before tax and provision	(676.60)	(742.18)	8.84%
9	Provision for investments	-	(20.00)	-
10	General provision on off-balance sheet items	-	-	-
11	Provision for diminution in value of investments	-	-	-
12	Other provisions	129.04	(221.51)	41.75%
13	Net profit before tax	(805.65)	(943.69)	14.63%
14	Provision for taxation	3.26	1.37	137.96%
15	Net profit after tax	(808.91)	(945.06)	14.41%

Sector-wise NPI for the year ended 31 December 2025

(Figure in BDT Million)

Sectors as classified by Bangladesh Bank	Total Exposure as on 31-Dec-25	Percent of Total Outstanding	31-Dec-25	
			NPI Amount	Gross NPI
				Ratio (%)
Agriculture, Fishing and livestock	0	0.00%	0	0%
Manufacturing	911,980,898	14.44%	911,980,898	17.24%
Electricity, Gas, Water, TV, Radio and other public utility services	497,291,478	7.87%	495,953,334	9.38%
Trading (wholesale & retail)	3,548,851,613	56.19%	3,104,965,228	58.70%
Hotels and restaurants	5,566,085	0.09%	5,566,085	0.11%
Construction & Real Estate (excluding housing investments for individuals)	573,018,069	9.07%	361,060,694	6.83%
Housing Investments for individuals	281,165,320	4.45%	138,468,417	2.62%
Consumption Credit (personal investments to individuals)	26,316,856	0.42%	1,596,903	0.03%
Consumption Credit (Vehicle investments to individuals)	8,109,284	0.13%	3,583,334	0.07%
Securities (shares, debentures and other instruments)	0	0.00%	0	0.00%
Finance, Insurance & Business Services	0	0.00%	0	0.00%
Transport & Communication	41,244,553	0.65%	41,244,553	0.78%
Others	421,838,581	6.68%	225,228,583	4.26%
Total	6,315,382,736	100.00%	5,289,648,028	100.00%

Product-wise Deposit Balance

Amount in BDT

Product Name	No. of Accounts	Balance as on 31-Dec-25
Mudaraba Savings A/C	43,913	1,391,685,516.82
AI - Wadiyah Current A/C	5,605	275,253,395.84
Deposit Scheme	3,282	143,100,048.80
Insta Profit Term Deposit	4	4,300,000.00
Mudaraba Term Deposit	4,135	8,032,527,589.35
Monthly Profit Term Deposit	276	160,428,360.86
Mudaraba SND A/C	895	277,786,192.11
Foreign Currency A/C	148	5,006,343.42
Total	58,258	10,290,087,447.20

The performance of the Bank in 2025 has been summarized below

(Figure in BDT million)

Particulars	2025	2024	Growth percent
Net Investment Income	(337.49)	(8.75)%	(310.33)
Total Operating Income	(270.05)	(15.83)%	(233.15)
Total Operating Expenses	406.56	(20.13)%	509.03
Profit/(Loss) before Provision	(676.60)	8.84%	(742.18)
Provision for Investment	129.04	41.75%	(201.51)
Profit/(Loss) before Tax	(805.65)	14.63%	(943.69)
Provision for Tax	3.26	137.96%	1.37
Net Profit after Taxation	(808.91)	14.41%	(945.06)

Material Uncertainty Related to Going Concern

We draw users' attention to Note 3.3 in the financial statements which shows, The Bank has an accumulated loss of Tk. 21,806.08 million as of 31 December 2025; Negative equity of Tk. 14,623.90 million as at 31 December 2025 and capital adequacy ratio of (291.87%) as against minimum of 12.50%; Profit paying deposits aggregates to BDT 6,804.40 million as against the profit earning investment of BDT 6,325.95 million as at 31 December 2025; Overall 90.68% of investment of the bank is classified. These events or conditions, along with other matters as set forth in Note 3.3, indicate that a material uncertainty exists that may cast significant doubt on the Bank's ability to continue as a going concern. Further, we draw users' attention to note # 4.3 to the financial statements where management has disclosed the maintained CRR and SLR against the required amount. The Auditor's opinion is not modified in respect of this matter.

Investment Income

ICB Islamic Bank Limited's investment income comprises of two components: income from lending and income from placement of funds in different banks and financial institutions. The income from lending has increased by Tk. 108.18 million in 2025.

Net Profit/(Loss) before Tax

After making the provisions, net profit/ (loss) before tax of ICBIBL stood at BDT. (805.64) million in the year 2025 Compared to BDT (943.69) million in the year 2024 mainly due to increase of Investment income in 2025.

Provision for Income Tax

Provision against current year income tax of ICBIBL was BDT 3.27 million compared to BDT 1.37million of preceding year.

Net Profit/ (Loss) after Tax

As on 31 December 2025, net profit after tax stood at BDT (808.91) million, earnings per share was BDT. (1.22), average ROA stood at (9.36) percent.

Accumulated Loss

Total accumulated loss is BDT (21806.07) million as on 31 December 2025 and total accumulated loss was BDT (20997.16) million on 31 December 2024. The accumulated loss increased by 3.85% in the year 2025.

Basis for Related Party Transactions

Related party transactions have been shown under item no. 43 of the Notes to the Financial Statements.

Extra-ordinary gain or loss

No extra-ordinary gain or loss has been recognized in the financial statements.

Utilization of proceeds from public issues, rights issues and/or through any other instrument

No further issue of any instrument was made during the year 2025.

Significant variance between Quarterly and Annual Financial Statements

No significant variations have occurred between quarterly and final financial results of the Bank during the year under report.

Dividend

The Board recommends no dividend for the year ended on 31 December 2025. There was no declaration of Bonus Share/Stock Dividend for the year as interim Dividend. The Bank is not in the state of generating sufficient income to pay such dividends.

Branch Cluster Management

ICBIBL has been continuing an effective Cluster Management (Branch Mentorship) in its branch operations. The senior management is working closely with Heads of Branches in their marketing efforts for Assets, Liabilities and other issues. Now the Heads of Branches are exposed to more matured thoughts and ideas through Mentors resulting in qualitative improvement of their business and operational activities.

Brand Image

Employees of the Bank are being trained to provide professional service thereby enhancing the Brand image.

Branch Network

Operational excellence coupled with qualitative improvements continued to be of paramount importance to the Bank. At present, the Bank has extended its services through thirty three (33) Branches across the country.

Treasury and Asset Liability Committee (ALCO)

The Treasury Department plays an important role in maintaining the statutory liquidity with the Central Bank and ensures that the bank has enough cash available at all times to meet the needs of its primary business operations. Among other activities, the main activity of Treasury Department is to forecast the regular cash requirement for the bank to meet customers' demand. The Treasury Department fulfills the bank's fund requirements through cash management and investment management. Treasury maintains Cash Reserve Requirement (CRR) and Statutory Liquidity Requirement (SLR) set by the Central Bank. In line with global system, ICBIBL has independent Dealing Room, separate Back Office and online payment system equipped with SWIFT system for ensuring fast and prompt services to the customers.

ICBIBL has Asset Liability Committee (ALCO) which comprises of senior management of the Bank. The ALCO is headed by the Managing Director-cum-CEO of the Bank. The ALCO of the Bank ensures the formation of an optimal financial structure to provide the right liquidity balance and limiting the possible risk level. The ALCO also ensures the control over the capital adequacy, risk diversification and determination of the Bank's liquidity management policy.

Risk Management Overview

Risk management is the process of analyzing exposure to risk and determining how to best handle such exposure. The Bank is sanguine to identifying areas of risks in the business, whether it is financial, operational, ICT, reputational or credit. The Board of Directors and the management take measures to monitor and manage the risks of the Bank. In accordance with Bangladesh Bank Guidelines, the Bank has established the risk framework that consists of six core risk management policies namely (i) Investment Risk (ii) Asset and Liability/Balance Sheet Risk (iii) Foreign Exchange Risk (iv) Internal Control and Compliance Risk (v) Money Laundering Risk and (vi) Information and Communication Technology Risk. Besides, the Bank has adopted Environmental Risk Management Guidelines in accordance with Bangladesh Bank guidelines and emphasizes it as a core Risk.

In order to achieve the objectives of effective risk management programs, the Bank has:

- (i) Proactive Board of Directors and Senior Management's Supervision;
- (ii) Adequate Policies and Procedures;
- (iii) Proper Risk-Measurement, Monitoring and Management Information Systems; and
- (iv) Comprehensive Internal Control measures;

Audit Risk Management Committee (ARMC)

Risk in banking has been evolving over the past decade. The global financial crisis underlined the importance of sound and comprehensive risk governance. Managing high risk in banking operations, issue of effective internal control system, corporate governance, transparency and accountability have become major components to ensure smooth performance of the banking industry throughout the world. Internal control system ensures the effective control measures of the whole operations; the scope of internal control is not limited to audit work. It is an integral part of the daily activity of a bank, which on its own merit identifies the risks associated with the process and adopts a measure to mitigate the same. Besides, Internal Audit reinforces the control system through regular review.

With a view to establishing an independent Risk Management Unit, ICB Islamic Bank Limited formed a Committee with senior management team, called Audit Risk Management Committee (ARMC). This committee oversees reviews, assesses and recommends on the findings and lapses reported by Internal Control and Compliance Department (ICCD) to the Audit Committee of the Board.

The Board of Directors and Senior Management of the Bank endeavors to develop a high ethical and moral standard to ensure a strong compliance culture in the Bank. In this context, the Bank gives priority to the following issues:-

- (i) To encourage employees to comply with all the policies, procedures and regulations;
- (ii) To maintain continuous liaison with the regulators to obtain regular information on regulatory changes; and
- (iii) To establish an effective communication process to sensitize the officials of the concerned Divisions and Branches of the relevant regulations.

Internal Control and Compliance

Internal control is a vital governance process driven by the Board of Directors and the management team designed to provide reasonable assurance regarding the achievement of efficient operations, reliable financial reporting, and strict compliance with applicable laws, regulations, and internal policies. Aligned with directives from the Bank Company Act, Bangladesh Bank, and other regulatory bodies, the bank's internal control framework is continuously reviewed and updated year round.

The Internal Control and Compliance (ICC) division ensures that employees execute their duties in strict accordance with established regulations to safeguard the bank's strategic goals. Designed to proactively mitigate operational risks, the ICC framework provides reasonable assurance against material misstatements in financial reporting, financial losses, and fraud, while maintaining uncompromising regulatory compliance.

Structure of the ICC Division

In strict adherence to Bangladesh Bank guidelines, ICB Islamic Bank Limited maintains a robust ICC Division structured into three specialized departments:

- **Audit and Inspection Department:** Conducts periodic and special inspections across all branches and Head Office departments.
- **ICC Compliance Unit:** Oversees and validates the implementation of corrective measures by branches and Head Office departments.
- **ICC Monitoring Unit:** Ensures operational adherence to regulatory instructions to prevent the recurrence of identified discrepancies.

Information Technology

Technology plays a critical role in the performance of core functions of the bank. The rapid progress in information technology is transforming the way by adapting state-of-art technology platform. For ICB Islamic Bank Limited (ICBIBL), the key to success in such a demanding market situation is to be equipped with a proven and versatile IT solution, which has the capability of defining new products and services, coupled with the ability to access and manage information on a continuous real time basis.

Bangladesh government also has taken IT as a thrust sector. Several initiatives have been taken during last couple of years to make Banking Sector in Bangladesh has also adopted IT as the key business enabler.

In line with the Core Banking Solution (CBS), ICBIBL has successfully introduced various services like Bangladesh Automated Cheque Processing System (BACPS) as well as Bangladesh Electronic Fund Transfer Network (BEFTN), ICBIBL system is also connected with central banks' National Payment System of Bangladesh (NPSB), Real Time Gross Settlement (RTGS), Anti Money laundering transactions online reporting module (GoAML), Bulk Data Upload of IMP/EXP data, Updated Online credit Information Bureau (CIB) reporting, Automation of Bangladesh Bank ISS (Integrated Supervision System) reporting, Automation of Bangladesh Bank's Risk Management Report module as per Bangladesh Bank (Central Bank) guide line. For betterment of customers' services, Bank has expressed and deployed different channels like ATM, POS, Debit Cards, Document Repository, easy Pay, and Transactions Alert through SMS etc. services. In order to secure financial transactions, customer data and prevent money laundering, ICBIBL has introduced Sanction Screening and a unique SMS and Mail notification system for SWIFT payment procedures which has reduced cyber-attack risk significantly. To make banking faster, easier, more efficient and even more effective to serve the customers on 24 hours a day, 365 days a year, Bank will soon provide the Internet and Mobile Banking facilities.

A dependable Management Information System (MIS) is essential for efficient management of data and providing the quick information to the management on an 'as and when required' basis which is used by the Bank. Nowadays, in financial sector, especially in the banking sector security is the main concern, to protect against any kind of intrusion by both internal and external threats. In order to meet this objective, ICBIBL has prepared an ICT Security Policy as per Bangladesh Bank guidelines which are used by the bank to accelerate in terms of information generation, utilization and applications.

Anti Money Laundering Department

Money laundering refers to the process of taking illegally obtained money and making it appear to have come from a legitimate source. It involves putting the money through a series of commercial transactions in order to "clean" the money. Criminals are continuously inventing different ways to hide and move illicit money earned through illegal sources.

To safe guard the bank and the financial system of the country, ICBIBL is following best practices to counter AML and Terrorist Financing. Bank is following meticulously with the Money Laundering Prevention (Amendment) Act, 2015, Antiterrorism (Amendment) Act, 2013 and related circulars of BFIU, Bangladesh Bank to prevent money laundering and combating terrorism financing.

Following to Bangladesh bank's latest guidelines and special stress on Trade Based Money Laundering, special trainings are conducted to make all staff aware of Trade Based Money Laundering. Anti-Money Laundering Department lead by CAMLCO and supported by DCAMLCO promptly reports all CTR and STR on a regular basis to BFIU and Bangladesh Bank.

While onboarding new relationships, KYC process is followed meticulously with Verification of NID by using the database of Election Commission, Automated Sanction screening process (U.N., EU, OFAC and Bangladesh Bank and BFIU sanction list) and thorough background check where Enhanced Due Diligence is required. The Cash Officers and Branch Operation Managers monitor all the transactions and reports to CAMLCO/DCAMLCO where a mismatch is found with customer's Transaction Profile immediately updated with due diligence by the branch.

Anti Money Laundering Risk Management

ICBIBL has taken preventive measures against money laundering and terrorist financing by following the guidelines of Money Laundering Prevention Act (Amendment) 2012, Anti- Terrorism Act (Amendment) 2012 and circulars issued by Bangladesh Financial Intelligence Unit to mitigate the risk. As per the rules and regulation of BFIU, ICBIBL applies the sensitive Customer Due Diligence (CDD) measures. The activities of AML Department of ICBIBL are mentioned below:

- Update the Money Laundering and Terrorist Financing Risk Assessment guidelines according to Bangladesh Financial Intelligence Unit regulations which is approved by the Board of Directors;
- Implemented GoAML Software version 5.2 for CTR and STR reporting and now it is being reported online;

- Implemented Automated Sanction Screening in the branches and Head Office;
- Ensuring regular monitoring, compliance and accountability at Business points of ICBIBL through Chief Anti- Money Laundering Compliance Officer (CAMLCO), Deputy Chief Anti- Money Laundering Compliance Officer (D-CAMLCO) and Branch Anti- Money Laundering Compliance Officer (BAMLCO) of 33 Branches;
- Regularly conducting training program for prevention of money laundering and terrorist financing in all the branches of ICBIBL;
- Holding the meetings periodically both at Head Office and Branches to ensure compliance with BFIU instruction.

Foreign Remittance

Everyday millions of Taka remittance is disbursed to our customers, which ICBIBL have received from abroad through its foreign remittance service providers. ICBIBL have been paying remittances by Electronic Fund Transfer covering both account credit service and cash payout in Taka through its branches to the beneficiary customers. Now ICB Islamic Bank Ltd has the drawing/remittance arrangement with Western Union money Transfer, RIA Money Transfer, MESA Financial Service Spain, Placid NK Corporation USA.

ICBIBL handles both inward and outward remittances. The outward remittance includes issuing Foreign Demand Draft and Outward Customer Remittance through wire transfer by SWIFT. The Bank's inward remittance covers draft service, account credit service under Electronic Fund Transfer Network (EFTN) arrangement and cash payout service. To facilitate inward foreign remittance in Bangladesh, special focus has been given on establishment of drawing arrangement and also ICBIBL have introduced a payment solution product termed "ICBI Easy Pay" This product redefines the way individuals and organizations make/receive payments. Based on the Bangladesh Electronic Fund Transfer Network (BEFTN) ICBI Easy Pay allows our clients to pay/remit funds to any branch of any bank in Bangladesh within next 24 hours. Besides BEFTN service, ICBIBL have started local money transfer to all local banks through Bangladesh Bank Real Time Gross Settlement Service (RTGS). BEFTN and RTGS are faster, safer, simpler and smarter than conventional payment systems.

Foreign Exchange Business

The Bank has its stretched and enlarged global network reaching every corner of the world for extending every kind of foreign exchange related services to the customers. Trade services division not only facilitates foreign trade but also plays a vital role for the development, control and overall supervision of trade operation and trade settlement.

ICB Islamic Bank Ltd. has successfully set and made fully operational of the centralized Trade Service Operation of the Bank. At present Trade Service Division has a centralized import and export activity of all branches through Head Office and supports both Authorized Dealer (AD) and Non AD Branches of the Bank by opening all forms of LCs, issuing Shipping Guarantees, handling Import Documentary Collections, advising LCs, purchasing or negotiating Local and Foreign Export Documents and handling of Export Documentary Collections.

The ICB Islamic Bank Limited has been facilitating export based industries, such as garments and other industries to earn a substantial amount of foreign exchange for the country. In the past several years export receipts of this bank were increased significantly.

Branch Supervision and Operation Department

Branch Supervision and Operations Department consists of four units, viz Account Services, Branch supervision, Central Clearing and complaint management. The Department is ensuring the service as per Service Level Agreement (SLA) and mitigating the risks of account opening procedure to avoid money laundering activities according to guidelines provided by Bangladesh Financial Intelligence Unit (BFIU) and UN sanction. This department follow centralized banking system rendering services to all branches by following central bank guidelines. It constantly alerts branches to prevent revenue-related losses or 'income leakage'. Additionally, this department coordinates with the branches on all operational matters.

Consumer Banking

Banks are increasingly focusing on retail customers as more and more people are coming under the formal banking channel. To cope with the highly competitive market in Bangladesh, ICBIBL repackaged its consumer products like home and auto finance with competitive price range and quality service. To make the most popular consumer banking product-Home Finance, more attractive to the customers, ICBIBL has introduced Mortgage Reducing Term Assurance (MRTA) since 03 March, 2021 which also reduces the repayment risk in case of death of the customer. In 2023, ICBIBL increased its focus on consumer banking business and has been launched a new product named "ICBIBL QUARD" in July, 2023 to meet up customer's short-term requirement on emergency basis like as education, medical, Travel & permanent residence etc. on abroad.. To support the investment growth, the Bank has taken several initiatives to boost the deposit base like establishing dedicated deposit team at head office and conducting different deposit campaigns throughout the year. These initiatives will continue throughout 2026.

ICBIBL believes the employees are the main driving force behind the success of the Bank. Thus ICBIBL organized online and offline trainings, meetings etc. for the employees of the Bank on different aspects. In the meetings, the top management shared the overall position and performance of the Bank and its branches. Branch officials and the top management had open discussion on the current activities and the future action plans of the branches of the Bank.

Below are details of the consumer products that we are offering:

ICB Manzil (Home) Finance



ICB Manzil (Home) Finance is a shariah compliant investment product offered to consumers for purchase, construction, renovation or extension of existing/new apartment/house including takeover of existing home finance facility from other Banks /Financial Institutions with terms and conditions that better address client's immediate needs and allow repayment on more affordable terms. The facility is offered up to BDT 20,000,000 for maximum 25 years as per eligibility and in line with the regulatory guidelines.

ICB Rahabar (Auto) Finance



ICB Rahabar (Auto) Finance facility is a product offered to consumers for purchase of a brand new, reconditioned or second hand car. The facility is offered for maximum 5 years and up to BDT 8,000,000 as per eligibility. This facility is based on the concept of Hire Purchase under ShirkatulMelk agreement.

ICB Saahib (Personal) Finance



Based on the concept of Bai-Muajjal, ICB Saahib (Personal) Finance facility is offered to meet the small requirements to purchase various consumer products that are permissible under Islamic Shariah and the Laws of the country. The maximum finance amount is up to BDT 2,000,000 for 5 years as per eligibility.

ICB Protiti Finance



Based on the concept of Bai-Muajjal, ICB Protiti Finance facility is specially designed for women to meet their financial requirements for purchasing various consumer products and fulfilling other permissible needs in accordance with Islamic Shari'ah and the Bank's compliance requirements. The facility aims to promote financial inclusion and empower women by providing accessible and Shari'ah-compliant financing. The finance facility is available for a period of up to 5 years, subject to eligibility and applicable terms and conditions.

ICBIBL Qaurd Finance



"ICBIBL QUARD" is a new Investment facility which has been launched in July, 2023 to meet up customer's short-term requirement of finance on emergency basis for education, medical, Travel, permanent residency etc. to go to abroad. Nearly 25 million people go overseas in every year for this reasons. The limit of the facility is maximum of BDT 80.00 Lac and tenor up to 01 year with the time period of 03 months / 06 months / 09 months / 12 months and it can be extended with the subject to the valid request of the customer.

Deposit Products

ICB Islamic Bank Limited is offering several deposit products since 2009 with attractive and competitive features and profit rates for all customer segments of Bangladesh.

Mudaraba Monthly Savings Scheme (Applicable for All):

The Mudaraba Monthly Savings Scheme is designed to encourage disciplined and regular savings in a Shari'ah-compliant manner. Customers can deposit a fixed amount every month for a tenure of 3, 5, 7 or 20 years and build their savings gradually while earning profit based on the principles of Mudaraba, subject to the Bank's applicable terms and conditions.

Mudaraba Bright Future Special Scheme :

Mudaraba Bright Future Students Special Scheme is a Shari'ah-compliant savings scheme designed to help students develop a habit of regular saving and build financial security for their future. The scheme offers flexible savings tenures of 3, 5, 8 and 10 years, subject to the Bank's applicable terms and conditions.

Mudaraba Hajj Special Scheme :

Hajj is one of the fundamental pillars of Islam, and this scheme is designed to help customers gradually save for the performance of Hajj in a Shari'ah-compliant manner. It provides an opportunity to build the required funds through regular and disciplined savings.

"Protiti" Mudaraba Monthly Savings Scheme (Only for Women):

"Protiti" Mudaraba Monthly Savings Scheme is a women-focused savings scheme that encourages financial independence through regular monthly savings in a Shari'ah-compliant manner. It provides an opportunity to build savings gradually over 3, 5, 7 and 10 years, subject to the Bank's applicable terms and conditions.

Amar Al Wadiyah Current Account



It is a current account based on the Islamic contract of Al-Wadiyah and refers to a concluded contract between the owner (depositor) of the goods (the money) and the custodian (Bank) for safe keeping. The depositor grants the Bank permission to utilize the money for any purpose permitted by Shariah. The Bank in turn guarantees the value of the deposit thus creating a 'Wadiyah Yad-Dhamanah' contract.

Foreign Currency (FCY) Account



Resident and Non-Resident Bangladeshis can open a Foreign Currency Account where the denomination is in another currency other than BDT (US Dollar, European Euro, GB Pound).

Amar Apon Mudaraba Savings Account



Amar Apon Mudaraba Saving Account is an account based on the Islamic concept of Al-Mudharabah. It refers to a contract made between a provider of capital (depositor) and an entrepreneur or fund manager (the Bank) to enable the Bank to carry out business ventures within Shariah guidelines. Both parties agree to share profits from the investment according to a mutually agreed ratio.

Mudaraba Non-Executive Account

Bangladesh Bank under the financial inclusion program instructed all scheduled Banks to create and offer a savings deposit product with minimum balance requirement for the disadvantaged and illiterate people of the society to bring them under the banking umbrella and their financial security. This account is high profit bearing account based on the Islamic concept of Al-Mudharabah.

Mudaraba Future Leader Account

Future Leader Account is a savings account for college and university students based on the Islamic concept of Al-Mudharabah.

Mudaraba School Banking

School Banking Account is a savings account for young savers based on the Islamic concept of Al-Mudharabah. It is a minor account to be operated by the guardian until the account holder (minor) becomes major.

Al-Muquafah Executive Account



Al-Muquafah Executive Account is a salary account offered to salaried executives of corporate bodies of the country which have salary account relationship/Memorandum of Understanding (MOU) with ICB Islamic Bank Limited and under the MOU, the employees can also avail investment facilities at a discounted profit rate and service charges.

Mudaraba Term Deposit



Mudaraba Term Deposit Account is a non-transactional term deposit account that customers can open for a long term to earn higher profit on their deposits. Minimum amount required to open the account is BDT 10,000 and Tenure: 1 month, 3 months, 6 months, 1 year, 2 years or 3 years.

Mudaraba Corporate Term Deposit

Mudaraba Corporate Term Deposit is a non-transactional term deposit account offered only to different corporate bodies. It has a profit rate higher than the regular Mudaraba Term Deposits and it constitutes a significant portion in the Deposit Portfolio.

Mudaraba Monthly Profit Term Deposit

Mudaraba Monthly Profit Account is a non-transactional term deposit account that a customer maintains for earning profit on a monthly basis. It is offered at different tenors (6 months, 1 year or 2 years).

Mudaraba Insta Profit Term Deposit

In this term deposit, the customer receives profit on balance in advance. The customer can use the profit immediately and keep the investment intact until maturity. This is an attractive and smart plan for customers; as depositors get the profit upfront, they can reinvest it by opening another term deposit for a tenor of 3 months, 6 months or 1 year.

Mudaraba Provident Funds of Banks and other Organization

It is a non-transactional term deposit account offered to various corporate bodies to maintain their Provident Funds and monetary End Service Benefits with ICB Islamic Bank Limited to earn profit on deposits for the benefit of the organization's employees only.

Mudaraba Savings Plans



ICB Islamic Bank offers different types of monthly savings plan such as Children Savings Plan, Hajj Savings Plan, Home Savings Plan, Gradual Savings Plan with tenor of 3 years or 5 years.

SME Banking:

Inclusive finance has become a strong force for a change towards sustainable development. SME financing is a major way of achieving sustainability. Keeping this in mind the Bank has strongly focused on SME business.

We are also developing new products for SME customers to meet their changing needs. For ensuring quality service, we ensured faster processing of investment proposals and disbursement.

Below are details of the Business Banking products that we are offering:

BM Hypo

Bai-Muajjal (Hypo) is an agreement between the Bank and the client (Seller and Buyer) under which the Bank (Seller) sells to the client (Buyer) certain specified goods (permissible under Shariah and Law of the country), purchased as per order and specification of the client at an agreed price payable within a fixed future date in lump-sum or by fixed installments.

Investment against Property (IAP)

With ICB Islamic Bank's Investment against Property Scheme, clients can buy the necessary equipment's, inventory, raw materials etc. to expand your business. ICBIBL is the first Islamic bank in Bangladesh to offer Term Investment against Property with maximum tenor of up to 12 years, whereas most of the competitors only offer overdraft facilities. IAP investment can have limitless usage in your business including but not limited to:

SME Transportation Finance Scheme

One of the most treasured desires of an entrepreneur is to drive his own business. ICBIBL Transportation Finance Scheme for SME offers clients a flexible and affordable investment with easy repayment options which would enable the customers to buy commercial vehicles and drive your own business. Purchase of vehicle should assist entrepreneurs to generate business or alternatively reduce cost.

ICBIBL Sunibash:

ICBIBL Sunibash is an EMI based Investment facility for construction of accommodation for workers and lowers income Job holders around the industrial and commercial areas across the country. Small entrepreneurs who own land, semi pacca /Tin shed house or building at urban, semi-urban, and rural areas with an opportunity to rent them out to the people of lower income group at the commercial and industrial area are the customer segment for ICBIBL Sunibash Investment.

Bank Guarantee (BG)

A BG may be defined as an irrevocable undertaking by a Bank to a third party to pay up to a certain sum of money in the event of non-performance of a contract between third party and the customer.

Murabaha Import Bill (L/C)

Murabaha import bills L/C is a facility of commercial credit unit under business banking division. This product's main objective is to help various small and medium sized imports oriented business to meet their trade finance requirements.

Murabaha Post Import (MPI)

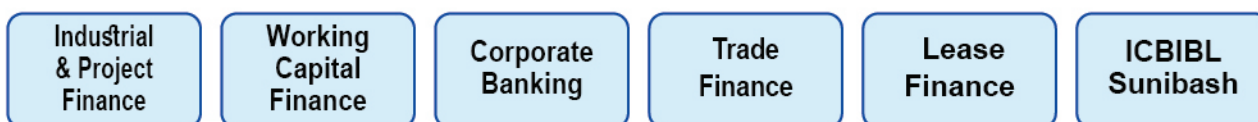
The importers apply for investment facility against imported goods after shipment for payment of the invoice values of the goods to the seller/supplier including custom duty, VAT and other expenses.

Earnest Money finance

ICB Earnest Money finance is a facility offered to different sole proprietorship/partnership firms/ private limited companies involved in construction or other civil works offered by different Govt./semi Govt. organization, autonomous body or other organizations accepted to the banks to complete public developmental projects. Earnest money finance facilities enable contractors/suppliers financial accommodation in the form of bid, Earnest Money to execute different work orders through bidding.

Corporate Banking

ICB Islamic Bank is focusing to build and maintain long-term mutually beneficial relationship with the corporate clients, and being a part of their journey towards development and growth. We are offering a wide range of corporate products and services including flexible and structured financial, advisory and operational support to meet the diverse financial needs of the growing corporate sector of the country. These products include various funded and non-funded facilities to assist manufacturers, traders and service industries as follows:



Cash Management Wing

In today's competitive financial environment, effective cash management has become a critical success factor. Keeping in view the challenges of our business environment, ICB Islamic Bank is putting its efforts in developing a range of cash management products and solutions that accelerate inflows, maximize liquidity, reduce credit risks, automate payments and strengthen reconciliation. At ICBIBL we strive to offer the target market with value added products and services, and improve end-to-end solutions that optimize cash flows, reduce operating costs and lead towards an enhanced interest income.

Strategies and initiatives

The banking sector in Bangladesh has encountered numerous challenges over an extended period. Its weaknesses have been consistently exposed through high loan default rates and subpar performance across various indicators. To face this situation and protect the Bank's revenue, the Bank has increased focus on fee based income products like Import and Export LCs, E Tender financing, Local Bill purchase, remittance business and ICIBL Quard facility.

To support the branches with new business initiatives, several trainings and awareness programs were conducted to empower the front line staff. ICIBL is and will continue to be committed to introduce innovative products to facilitate banking demands of the valuable customers.

For the promotion of our products, we would explore the opportunities in digital and social media platforms for increased reach to the mass. We will run special campaigns to improve the deposit mobilization. We would establish alliances with different organizations for the mutual business growth and better value addition to our banking channels.

Training and development is a continuous process to ensure quality human resources for the Bank. The Training Center provided "Foundation course" for the new joiners in the Bank. It also provides training program on "Sales techniques" and "Investment" for the Branch Managers and Relationship Managers. The center will be conducting similar kind of training programs round the year in 2024 and beyond.

ICB Islamic Bank pays 98 percent of its Frozen Account Holders Money

As per the permission from Bangladesh Bank, ICB Islamic Bank has paid 98 percent account holders of frozen deposit accounts, which should inspire confidence among the customers of ICIBL. ICB Islamic Bank aims to create a modern, efficient and profitable Bank and to build it to become one of the premier banks in the country. The support of the local shareholders as well as other stakeholders of the Bank, including customers, employees, the authorities especially Bangladesh Bank are crucial at this stage for ICIBL.

Administration and Property Department

The Administration and Property Department (APD) is a strategic support function of ICB Islamic Bank Ltd., responsible for ensuring the efficient management of the Bank's administrative, logistics, property, and facility-related operations across the Head Office and branch network. Through effective resource management and operational support, APD contributes significantly to the Bank's business continuity, regulatory compliance, and cost optimization initiatives.

The department oversees the acquisition, leasing, relocation, renovation, and maintenance of branch and Head Office premises, including the execution of lease agreements and obtaining the necessary approvals from Bangladesh Bank. It continuously evaluates opportunities to optimize occupancy costs and enhance operational efficiency through strategic branch relocation and effective property management. APD also manages the leasing of the Bank's non-banking assets to maximize revenue generation.

APD is responsible for the procurement, distribution, and maintenance of office furniture, equipment, stationary, machinery, vehicles, and other operational assets required for uninterrupted banking services. The department centrally procures and supplies standardized printing stationery and other essential office materials to ensure quality, consistency, and cost efficiency across the Bank.

The department issues employee ID cards, business cards for newly recruited employees, and corporate mobile SIMs for authorized officials. It also provides comprehensive facility management services, including maintenance of branch premises, electrical systems, CCTV infrastructure, PABX telephone systems, signage, branding, and other operational facilities to ensure a safe and productive working environment.

As part of its regulatory responsibilities, APD implements Bangladesh Bank directives relating to administration infrastructure, and physical security. The department coordinates the deployment of security personnel in compliance with regulatory requirements, identifies the need for armed security guards, and works closely with the Human Resources Division to facilitate their recruitment and training.

APD manages the Bank's vehicle fleet with a focus on operational efficiency and prudent cost management. The department arranges the disposal of obsolete assets and high-maintenance vehicles through transparent auction processes while maintaining an adequate fleet to support Cash-in-Transit (CIT) operations, branch inspections, and other essential business activities.

The department also administers the Bank's insurance portfolio by ensuring timely coverage for Cash-in-Vault (CIV), Cash-on-Counter (COC), ATM cash, Cash-in-Transit (CIT), and fixed assets of the Head Office and branches through competitive selection of reputable insurance providers. In addition, APD ensures the timely renewal of trade licenses and payment of holding tax, municipal tax, city corporation tax, and other statutory obligations relating to the Bank's properties.

With a strong commitment to operational excellence, governance, and service quality, APD remains dedicated to providing responsive administrative and logistical support, thereby strengthening the Bank's operational resilience and enabling its overall business objectives.

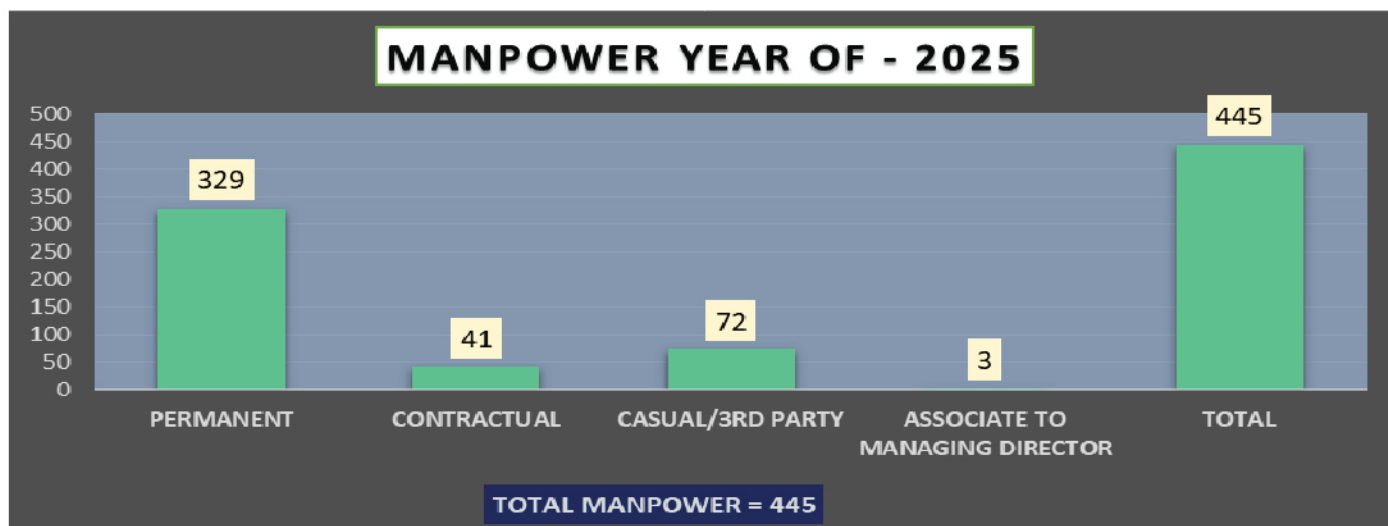
Green Banking

Since we have one world and one chance to protect it, ICB Islamic Bank makes continuous efforts to contribute its best to the environment. ICBIBL believes in improving social awareness in reducing wastes, reusing the resources, recycling the processes and re-using whenever possible. ICB Islamic Bank has adopted a comprehensive policy on Green Banking. The policy includes in-house green banking practices for reduction of use of water, electricity, paper etc. ICBIBL has also adopted the Environment Risk Management Guidelines in line with the requirements of the Central Bank and the industry best practices. ICB Islamic Bank has set its green banking slogan as "Reduce, Reuse and Recycle". ICBIBL's green banking efforts include full-fledged online banking, data repository and, electronic correspondences. Future plans includes internet/mobile banking in order to make paper less communication with customers, creating awareness among the different level of stakeholders as well

Human Resources Department

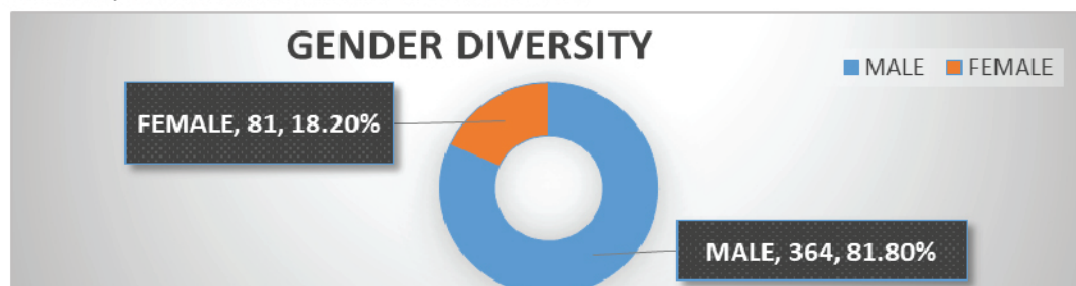
Human Resources are important for banks as banking is a service industry where management of people and management of risk are main two challenging factors. Thus, without efficient and skilled manpower, efficient risk management within Bank may not be possible. ICB Islamic Bank Ltd. ends the year 2025 with a workforce of 445 (Associate to Managing Director team-03, Employee-370, Casual/3rd Party-72) where total 61 new employees joined with this team and 45 employees left this Bank due to various reasons. This workforce is the driving force that runs 33 Branches including Head Office of the Bank.

Status of Manpower



Gender Diversity

Among 445 workforce, 18.20% are female and 81.80% are male.



Zone-wise Manpower

The total workforce of 445 is now operating at different Zones of Bangladesh.

LOCATION-WISE	NO.	%
DHAKA	306	68.76%
CHATTOGRAM	41	9.21%
SYLHET	33	7.42%
KHULNA	35	7.87%
RAJSHAHI	22	4.94%
BARISHAL	8	1.80%
TOTAL	445	100.00%

Average Age

The average age of Manpower of the Bank was 41.76 years- excluded casual/3rd Party (as on 31.12.2025)

Shebapokkho Program 2025

To achieve a milestone in customer service excellence, ICB Islamic Bank Limited organized Shebapokkho-2025 from 8 to 22 November 2025. The program was inaugurated on 8 November 2025 at TCB Bhaban, followed by a rally to promote customer service awareness and reinforce the Bank's commitment to delivering better services to its customers.



Employees participating in an awareness rally and Inauguration program of Shebapokkho 2025

School Banking Program 2025

As part of Shebapokkho 2025, ICB Islamic Bank Limited organized a School Banking Service Program to promote financial awareness and savings habits among students.

The program focused on introducing students to the importance of savings, responsible financial practices and Islamic banking, while encouraging the younger generation to develop a sound financial mindset from an early age.



School Banking Program 2025

Protiti Uddomi Seminar

As part of Sheba Pokkho 2025, ICB Islamic Bank Limited organized a Protiti Uddomi Seminar for women, focusing on the Bank's key banking products. The seminar aimed to enhance participants' understanding of the products, their features and benefits, and promote greater awareness of the Bank's services.



Protiti Uddomi Seminar for Women as a part of Shebapokkhho 2025

Business Conference 2025, Strategic Plan 2026–2030 and Employees Conference 2025

ICB Islamic Bank Limited organized its Business Conference 2025, Strategic Plan 2026–2030 and Employees Conference 2025 at Hotel Sea Palace, Cox's Bazar.

The two-day program brought together around 200 officials from different branches and offices of the Bank. The program focused on business performance, regulatory compliance, good governance, customer service and the Bank's future strategic direction.

The Strategic Plan 2026–2030 was presented, outlining key priorities and approaches for achieving the Bank's long-term objectives. The Employees Conference provided a platform for branch managers to discuss operational challenges, business prospects and potential areas for improvement with the management.

The conference strengthened employee engagement and reinforced the Bank's collective commitment to sustainable growth and continued development.



Business Conference 2025

Alternate Delivery Channel and Cards Department

Information Agent Banking Service:

The Management of the Bank is planning to introduce Agent Banking Service throughout the country. This will help us to promote new customer base as well as low cost deposits for the Bank. This new system will be operated through competent agents with prepaid system. Electronic devices will be used to do all types of banking transactions by the agents.

Mobile Base Service:

The Bank has introduced Bkash cash out service through the all ATMs of ICIBL. Every person with Bkash account can withdraw cash amount from any ATM booth of the Bank. ICIBL is also going to introduce Q-Pay mobile banking service for all the card holders of the Bank. Every card holder of the Bank will be able to transfer funds to mobile wallet account (like Bkash) as well as will be able to pay utility bills, tuition fees etc. from the Bank account of the card holder by the Q-Pay system.

Suppliers

ICIBL believes that suppliers play a considerable role in sustaining its business, and so honors its commitments to suppliers. The Bank duly deducts requisite taxes from all the eligible suppliers' bill at prescribed rate and deposits to government exchequer timely.

Creditors

ICIBL recognizes its contractual responsibility and obligations. It honors investment conditions and agreements made with creditors and depositors.

Board and Audit Committee

The Board of Directors of ICIBL met for 12 (twelve) meetings during the year 2025 and issued specific directions in conducting the affairs of ICIBL. On the other hand, the Audit Committee of the Board of Directors had 03 (Three) meetings and issued valuable directions on various matters during the period under review.

Corporate Governance

ICIBL has complied with the Bangladesh Securities and Exchange Commission notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 for ensuring corporate governance. The Compliance Status of ICB Islamic Bank Limited as per proforma given under condition no. 9 of the above notification has been presented in Corporate Governance Chapter of this report for information of all concerned.

Acknowledgement

I would like to thank my Board colleagues for their continued support and on their behalf to express my thanks to the ICB Islamic Bank team. We acknowledge the exceptional efforts of our employees who worked in partnership to meet many challenges of a difficult year. They were called upon to embrace some major challenges while at the same time maintain the highest standards of service to our clients.

The Board would also like to express deep sense of gratitude and extend their thanks to all the valued customers, depositors, vendors, patrons, shareholders and well-wishers for their continued support and cooperation in our quest for excellence without which the Bank would not be able to reach its present position.

The Board sincerely thanks M/s. A Wahab & Co, Chartered Accountants for carrying out the external audit professionally and advising us on various compliance matters relating to International Accounting Standard (IAS) and International Financial Reporting Standard (IFRS). The continuous acclamation of our presented financial statements at home and abroad is the testimony of such compliance. The timely issuance of their report has helped us to present the Annual Report - 2025 as per schedule.

The members of the Board are indebted to the Ministry of Finance, Bangladesh Bank, Bangladesh Securities And Exchange Commission, Stock Exchange, Central Depository Bangladesh Limited, Board of Investment and other Government Agencies for providing necessary guidance, support and co-operation to the Bank.

In conclusion, the Board would also like to express its appreciation to every staff member of ICB Islamic Bank Limited for their sincere and hard work in implementing the revised strategies adopted to commensurate with the changes of competitive environment of the banking business. The Board believes that sound professionalism and commitment of the staff shall increase the level of productivity of the Bank and will have a positive impact on its value.

Ma'assalam,

On behalf of the Board of Director.



(A. K. M Ehsan)
Chairman

Corporate Governance

Fairness, Transparency, Accountability and Responsibility are the minimum standard of acceptable corporate behavior today. At ICB Islamic Bank Limited, corporate governance means increasing the shareholders' value by being proficient, translucent, professional and accountable to the organization, society and the environment.

Board of Directors

The Board of Directors of the Bank as of 31 December, 2025 comprised the following Director:

SL. No.	Name	Designation
1.	Mr.Md. Mazibur Rahman	Chairman

Mentioned that Bangladesh Bank dissolved the Board of Directors of ICB Islamic Bank Limited with effect from 09 April 2025 and simultaneously appointed Mr. Md. Mazibur Rahman, Executive Director, Bangladesh Bank, to exercise the powers and perform the responsibilities of the Managing Director and the Board of Directors with effect from the same date.

Subsequently, Bangladesh Bank reconstituted the Board of Directors of the Bank on 13 May 2026 with Three (03) Independent Directors.

Independent Director and Affirmation of Independence

As part of good governance in the organization, participation of independent opinion in the Board is considered as an important instrument. Independent directors in the Board exert an independent view on the policies and decisions of the Board and ensure that the policies and decisions are for the best interest of the whole Bank.

Role and Responsibilities of the Board

The Board is committed to the Company to achieve superior financial performance and long term prosperity, while meeting stakeholders' expectations of sound corporate governance practices. The Board determines the corporate governance arrangements for the Company. As with all its business activities, the Board is proactive in respect of corporate governance and puts in place those arrangements which it considers are in the best interest of the Company and its shareholders, and consistent with its responsibilities to other stakeholders.

The Board duly complies with the guidelines issued by Bangladesh Bank regarding the responsibility and accountability of the Board, its Chairman and Managing Director and CEO, vide BRPD circular no. 02 dated 11.02.2024 and circular no. 05 dated 27.02.2024 respectively.

The Board of Directors is in full control of the Company's affairs and is also fully accountable to the shareholders. They firmly believe that the success of the Company largely depends on the credible corporate governance practices adopted by the Company. Taking this into consideration, the Board of Directors of ICB Islamic Bank Limited set out its strategic focus and oversees the business and related affairs of the Company. The Board also formulates the strategic objectives and policy framework for the Company. In discharging the above responsibilities, the Board carried out, inter alia, the following functions as per the charter of the Board and Bangladesh Bank's BRPD circular no. 02 dated 11.02.2024:

Shareholders	Stakeholders Responsibilities Reserved to the Board
	Approval of business strategy and vision in line with efforts to drive shareholder value creation;
	Approval of business plans, assuring that sufficient resources are available to implement strategy and monitoring of the implementation of strategy;
	Approval and monitoring of major investments or divestitures and strategic commitments;
	Determination of capital structure and dividend policy;
	Approval and monitoring of financial reporting;
	Oversight of risk management, internal control and compliance systems as per Bangladesh Bank's 'Core Risk Guideline';
	Recommendation for appointment or removal of external auditors and determination of the remuneration and terms of appointment of the auditors;
	Oversight of shareholder reporting and communications;
	Approval of annual budgets including major capital expenditure proposals;
	Regular review of financial performance and overdue situation;
	Monitoring the adequacy, appropriateness and operation of internal control;
	Ensure that technology and information systems used in the organization are sufficient to operate the organization effectively and maintain competitiveness;
Customers	Benchmarking the delivery of value to customers, clients and partners;
Employees	Review and approval of MD and CEO and Senior Management Teams contractual arrangements, remuneration and benefits;
	Oversight of succession planning for the MD and CEO, Senior Management Team and such other executives as the Board may determine;
Community	Oversight of the management of social, economic and environmental concerns consistent with the delivery of sustainable outcomes for stakeholders and achievement of the Company's Incident and Injury Free vision;
	Reinforcement of reputation, brand and community relations;
	Review of the size and composition of the Board;
Directors	Director's nomination, selection, removal, succession planning and remuneration; and
	Review of Board performance;

The Chairman of the Board is elected to the office of Chairman by the Directors. The Board considers that the Chairman is independent. He provides leadership to the company's Board and Executives. The Chair of the Board ensures that the company's duties to shareholders are being fulfilled by acting as a link between the Board and upper management.

Directors' Meeting and Attendance:

During the year 2025 a total of twelve (12) Board meetings held. The attendance in the Board meeting by each Director is shown below:

Sl No.	Name of Directors	Position	Total Meetings	Meetings Attended	Remarks
1.	Mr. Aklif Bin Amir	Chairman (Interim)	12	1	Bangladesh Bank dissolved the board on 09.04.2025
2.	Ms. Lee Ooi Kim	Director	12	1	
3.	Mr. Tan Seng Chye	Director	12	1	
4.	Mr. Md. A. Salam Sikder	Independent Director	12	1	
7.	Mr. Md. Mazibur Rahman	MD and Chairman	12	11	Bangladesh Bank appointed on 09.04.2025

Code of Conduct for the Board Members

The Board of Directors of ICB Islamic Bank Limited adopted the following Code of Conduct for Members of the Board to provide guidance to directors to carry out their duties in an honest, responsible and businesslike manner and within the scope of their authority, as set forth in the laws of the country as well as in the Memorandum and Article of Association of the company. Members are expected to comply with the following standards to enhance and maintain the reputation of the Company:

- The Members shall act honestly, in good faith and in the best interests of the shareholders and the company;
- The members shall not make improper use of information acquired as a director;
- The members shall not take improper advantage of the position of a director;
- The members will be obligated to be independent in judgment and actions and take all reasonable steps to be satisfied as to the soundness of decision taken by the Board of Directors;

- Confidential information acquired by the members in the course of exercise of directorial duties shall remain the property of the company and it will be improper to disclose or allow it to be disclosed, unless that disclosure has been authorized by the company, or the person from whom the information has been received;
- Members shall make every effort to attend all Board and Committee Meetings during their tenure. They will not absent themselves without good reasons or confirming leave of absence;
- To maximize effectiveness of the Board, Committee Meetings, contribution of individual director shall be monitored and appraised on an annual basis;
- Board members having interest of any nature in the agenda of the meeting, shall declare beforehand the nature of their interest and withdraw from the room, unless they have a dispensation to speak;
- Training opportunities /orientation/ workshops will be arranged for the members (especially for the newly inducted members) to make them acquainted with the international best practices, their fiduciary obligations, Code of Conduct etc.;
- Members shall always maintain 'Fit and Proper Test Criteria' clean CIB status and other obligations declared by Primary and other Regulators;
- Members shall be judicious about their entitlement of benefit/Privileges as per Banking Companies Act-1991 (amended till 2023), Circulars issued by Bangladesh Bank and shall be willing to produce supporting documents, if required;
- Every Director will assure annually signing a confirmation that they have gone through, have complied with and will continue to comply with the set of codes approved by the Board of Directors;

Role and Responsibilities of the Chairman is defined by the Board

The Chairman runs the Board. The Chairman serves as the primary link between the Board and Management, and works with the Managing Director and CEO and Company Secretary to set the agenda for Board meetings. It is the Chairman's responsibility to provide leadership to the Board and ensure that the Board works effectively and discharges its responsibilities as Directors of the Company.

The role and responsibilities of the Chairman of the Board is defined and set by the Board.

Role of the Chairman

The Chairman's primary role is to ensure that the Board is effective in its tasks of setting and implementing the Company's direction and strategy. The Chairman is appointed by the Board. The main features of the role of the Chairman of ICBIBL are as follows:

- Providing leadership to the Board;
- Taking responsibility for the Board's composition and development;
- Ensuring proper information for the Board;
- Planning and conducting Board meetings effectively;
- Getting all directors involved in the Board's work;
- Ensuring the Board's focuses on its key tasks;
- Engaging the Board in assessing and improving its performance;
- Overseeing the induction and development of directors;
- Supporting the Managing Director and CEO;

Responsibilities of the Chairman:

The Chairman of the Board shall be responsible for the management, the development and the effective performance of the Board of Directors, and provides leadership to the Board for all aspects of the Board's work. The Chairman is responsible for leadership of the Board. In particular, he will:

- Ensure effective operation of the Board and its committees in conformity with the highest standards of corporate governance;
- Ensure effective communication with shareholders, host governments and other relevant constituencies and that the views of these groups are understood by the Board;
- Set the agenda, style and tone of Board discussions to promote constructive debate and effective decision making;
- Ensure that all Board committees are properly established, composed and operated;
- Support the Managing Director and CEO in the development of strategy and, more broadly, to support and advise the Managing Director and CEO;
- Ensure an effective relationship among directors, acting as the principal conduit for communications and issues relating to business strategy, planned acquisitions and corporate governance;
- Establish a harmonious and open relationship with the Managing Director and CEO;

- Ensure that Board committees are properly structured and all corporate governance matters are fully addressed; and
- Encourage active engagement by all the members of the Board;

The Chairman of the Board is not the Chief Executive of the Company. The Chairman and the Managing Director and CEO are different individuals. The Role of the Chairman and the Managing Director and CEO are independent and separate.

Role of the Managing Director and CEO

The Managing Director and CEO is responsible for leading the development and execution of the Company's long term strategy with a view to creating shareholders value. The Managing Director and CEO's leadership role also entails being ultimately responsible for all day-to-day management decisions and for implementing the Company's long and short term plans.

The Managing Director and CEO acts as a direct liaison between the Board and Management of the Company and communicates to the Board on behalf of the management. The Managing Director and CEO also communicates on behalf of the Company to shareholders, employees, Government authorities, other stakeholders and the public.

As Leader

- Advises the Board;
- Advocates / promotes organization; and
- Supports motivation of employees in organization.

As Visionary/Information Bearer

- Ensures staff and Board have sufficient and up to-date information;
- Looks to the future for change opportunities;
- Interfaces between Board and employees;
- Interfaces between organization and community;

As Decision Maker

- Formulates policies and planning recommendations to the Board;
- Decides or guides courses of action in operations.

As Manager

- Oversees operations of organization;
- Implements plans;
- Manages human resources of organization;
- Manages financial and physical resources;

Responsibilities of the Managing Director and CEO:

The Managing Director and CEO is responsible for leadership of the business and managing it within the authorities delegated by the Board. In particular, he will:

- Develop strategy proposals for recommendation to the Board and ensure that agreed strategies are reflected in the business;
- Develop annual plans, consistent with agreed strategies, for presentation to the Board for support;
- Plan human resourcing to ensure that the Company has the capabilities and resources required to achieve its plans;
- Develop an organizational structure and establish processes and systems to ensure the efficient organization of resources;
- Be responsible to the Board for the performance of the business consistent with agreed plans, strategies and policies;
- Lead the executive team, including the development of performance contracts and appraisals;
- Ensure that financial result, business strategies and, where appropriate, targets and milestones are communicated to the investment community;
- Develop and promote effective communication with shareholders and other relevant constituencies;
- Ensure that business performance is consistent with the Business Principles;
- Ensure that robust management succession and management development plans are in place;
- Develop processes and structures to ensure that capital investment proposals are reviewed thoroughly, that associated risks are identified and appropriate steps taken to manage the risks;

- Develop and maintain an effective framework of internal controls over risk in relation to all business activities including the Group's trading activities;
- Ensure that the flow of information to the Board is accurate, timely and clear;

Appraisal of the Managing Director and CEO

At the beginning of each year the Board discusses with the Managing Director and CEO and sets financial and non-financial goals. The annual financial budget and job objectives are discussed, reviewed and finalized by the Board at the start of the financial year. The business and financial targets are evaluated in each quarter with actual achievements by the Board. The non-financial achievements are also reviewed by the Board in each quarter. Moreover, a yearly assessment and evaluation of the achievements of pre agreed targets are made at the close of the year along with the deviations, and reasons of deviations.

Delegation of power

The Board has delegated appropriate finance and business power to the Management as per guidelines of the Bangladesh Bank. In order to have proper functioning and quick disposal of credit proposal, the Board has delegated authority to the Executive Committee of the Board to approve proposal within certain limit. The delegation has supported the operation in positive manner.

Committees of the Board

The Board was three (3) sub-committees; Executive Committee, Audit Committee and Risk Management Committee. These Committees are functioning within the clear Terms of Reference (TOR). The Company Secretary act as the Secretary to each Committee.

Executive Committee

As approved by Bangladesh Bank, the Board has Executive Committee (EXCO) and the numbers of members of the Committee are three including Managing Director and CEO. The establishment of the EXCO is provided for under clauses 72 and 73 of the Bank's Memorandum and Articles of Association. In compliance with the BRPD circular No. 02 dated 11 February 2024, the Board of Directors of ICB Islamic Bank Limited was reconstituted its Executive Committee with the following members:

Sl No.	Name of Members	Positions in the EXCO	Remarks
1.	Mr. Aklif Bin Amir	Chairman (Interim)	Bangladesh Bank dissolved the board on 09.04.2025
2.	Ms. Lee Ooi Kim	Member	
3.	Mr. Muhammad Shafiq Bin Abdullah	Managing Director and CEO	

Since the current size of the Board of ICB Islamic Bank Limited (three members) is slim enough to hold meetings on a regular basis, there were not so many urgent issues for Executive Committee to deal with during 2025. Therefore, there was no Executive Committee meeting held during the period of 2025.

Mentioned that Bangladesh Bank dissolved the Board of Directors of ICB Islamic Bank Limited with effect from 09 April 2025 and simultaneously appointed Mr. Md. Mazibur Rahman, Executive Director, Bangladesh Bank, to exercise the powers and perform the responsibilities of the Managing Director and the Board of Directors with effect from the same date.

Subsequently, Bangladesh Bank reconstituted the Board of Directors of the Bank on 13 May 2026 with Three (03) Independent Directors.

Audit Committee

In compliance with the directive of BRPD circular No. 02 dated 11 February 2024 of Bangladesh Bank and the Notification of Bangladesh Securities and Exchange Commission No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 the Board constituted an Audit Committee. The Audit Committee examines the status of implementation of the Bank's policies, manuals and Bangladesh Bank's guidelines. The Internal Audit team of the Bank undertakes various special audits as per advice of the Audit Committee. The Audit Committee meets with the External Auditors to discuss audit plan, the risk management processes of the Bank. They also discuss the preparation of the financial statements of the Bank as per International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS).

Audit Committee Meeting and Attendance 2025

Name of the Director	Position	Total Meetings	Total Attendance	Remarks
Mr. Md. A. Salam Sikder, Independent Director	Chairman	3	1	Bangladesh Bank dissolved the board on 09.04.2025
Mr. Tan Seng Chye, Director	Member	3	1	
Mr. Abu Saleh Mohammed Shahab Uddin.	Observer	3	3	
Mr. Md. Muzibur Rahman	MD & Chairman			Bangladesh Bank appointed on 09.04.2025

Risk Management Committee

The Board has Risk Management Committee and the number of members of the Committee is 02 (two). In compliance with the BRPD circular No. 02 dated 11 February 2024, the Board of Directors of ICB Islamic Bank Limited has constituted its Risk Management Committee.

Benefit provided to Directors and Managing Director and CEO

As per Bangladesh Bank BRPD Circular No.02 dated 11 February, 2024, banks in Bangladesh can provide only the following facilities to the Directors:

- The Chairman of the Board of Directors may be provided car, telephone, office chamber and private secretary;
- In addition to the above, Directors including the 'Independent Director' are entitled to fees and other benefits for attending the Board, Executive Committee, Audit Committee, Risk Management Committee, and Shari'ah Supervisory Committee Meetings;
- Managing Director and CEO is paid salaries and allowances as per approval of the Board and the Bangladesh Bank;

Management

The Management team of ICB Islamic Bank Limited is headed by the Administrator, Mr. Mamunur Rahman. Several management committees have been formed to handle the banking operation and identify and manage risk. The committees are MANCOM, ARMC, ALCO and Local Investment Committee. The Administrator leads the Committees. As per Bangladesh Bank's instruction, 'Basel-III Implementation Committee' has been formed which is responsible for proper implementation of Basel-III capital adequacy guidelines in the Bank.

Regulation and Supervision

ICB Islamic Bank Limited is governed by Bangladesh Bank's rules and regulation on various issues of banking operation. The Bank Company Act 1991 (amended till 2023) and various circulars issued by Bangladesh Bank forms the basis of supervision. Various requirements and controls are imposed covering inter-alia capital adequacy, depositors' protection, risk management, market and liquidity, anti-money laundering compliance, prudential guidelines on financing, reporting standard etc. They also undertake comprehensive and special audit of the Bank. Bangladesh Bank regularly meets with senior executives of the Bank, discusses issues regarding adherence to the standards and guidelines by the Bank.

Audit by Bangladesh Bank

Bangladesh Bank also conducted comprehensive inspection on Head Office and branches of the Bank during 2025. The reports are reviewed by the Board and its Audit Committee. The Bank gives utmost importance to the inspection report and corrective actions are taken regarding the inadequacies or lapses mentioned in the report.

IT Audit and Security

Information system is the means of support of any large business. Computer systems do not merely record business transactions, but actually drive the key business processes of the enterprise. In such a scenario, senior management and business managers do have concerns about information systems; primary concern is Information security. Information Security protects information from a wide range of threats in order to ensure business continuity, minimize business damage, and maximize return on investment. Information security system is built on the following needs:

- Accessibility** : The system should be able to provide accurate data and information on time and whenever required. The system should be protected against all type of losses and disasters;
- Confidentiality** : To maintain adequate control on the users and uses of the data to maintain secrecy;
- Reliability** : Information provided by the system should be always accurate, reliable and timely. There should be check and balances for stopping any unauthorized modification to the data or software.

Information Systems audit is a part of the overall audit process, which is one of the facilitators for good corporate governance. IT audit is basically the process of collecting and evaluating evidence to determine whether a computer system safeguards assets, maintains data integrity, achieves organizational goals effectively and consumes resources efficiently.

ICB Islamic Bank Limited is fully dependent on information technology for its smooth operation and to provide customer services. Information and information system controls in an IT driven environment suffer from significant inherent risks such as data loss, corruption of data, risk of unauthorized access to and modification to data in electronic form, risk of logical access to instruction sets, data loss and critical systems settings etc.

Internal IT Audit provides an objective means of reviewing the risks faced by the bank in relation to use of information technology and assess whether they are being controlled/mitigated in an effective and efficient manner; provide an assessment of the Bank's IT control against "Guideline on ICT for Scheduled Banks and Financial Institutions" of Bangladesh Bank.

Internal Control and Compliance

Internal Control contains self-monitoring mechanisms, and actions are taken to correct deficiencies as they are identified. Effective internal control, no matter how well designed, has intrinsic precincts including the possibility of the circumvention or overriding of controls and therefore can provide only reasonable assurance with respect to financial statement preparation. Further, because of changes in conditions, internal control effectiveness may vary over the time.

Modern bank management and supervision mainly focus on risk factors in banking. ICB Islamic Bank Limited has taken all efforts to mitigate all sorts of risk as per guidelines issued by Bangladesh Bank. As a part of robust risk management process, the Bank has formulated a comprehensive Credit Risk Management Policy to address credit risk. To mitigate operational risk, money laundering and terrorist financing risk, circumvention or overriding the internal control procedure Internal Control and Compliance Departments are carrying out regular audit and inspection of the functions of the branches. Deficiencies/lapses/irregularities detected by these audit and inspection are rectified/regularized by the concerned branches at the earliest and compliance reports are being submitted to Head Office. The Bank prepared the Risk Assessment Matrix of various banking functions and incorporated the same in Departmental Control Function Checklist (DCFCL). The Branches and Divisions of Head Office are following the DCFCL attaching due importance to high risk and medium risk functions. The Bank also prepared Internal Control and Compliance Manual to strengthen internal control function.

Corporate Social Responsibility

Corporate Social Responsibility (CSR) is a concept that reflects the ethical and social obligations of organizations to contribute positively to society beyond their economic interests. CSR involves commitment to contribute to the economic, environmental, and social sustainability of communities through the ongoing engagement of stakeholders, the active participation of communities impacted by organization activities and the public reporting of organization policies and performance in the Social, environmental and economic aspects. These three aspects provide the basis for the 3 Ps. These are:

- People
- Planet
- Profit

In today's competitive world CSR is very important for an organization. CSR can promote respect for an organization in the marketplace which can result in higher sales, enhance employee loyalty and attract better personnel to the organization ICB Islamic Bank Limited supports the concept of "Triple Bottom Line" which focuses on:

- Better economic performance
- Superior social live out
- Excellent ecological practice

CSR is generally categorized in four ways:

- Environmental Responsibility
- Ethical/Human Rights Responsibility
- Philanthropic Responsibility
- Economic Responsibility

Our Major CSR activity areas:



In respect of CSR, ICB Islamic Bank Limited has focused on following specific key areas of:

- Nation building
- Augmentation of market position
- Sponsorship of the work place
- Prop up to the community
- Fortification of environment

Nation Building

CSR is a catalyst for nation-building as it addresses social, economic and environmental challenges and must be encouraged as it contributes immensely to the well-being of a nation and its citizens. ICIBL constantly showed sturdy performance which has helped the control of the banking sector. The local and international recognition of the published accounts has helped to establish integrity of the country's financial system. ICIBL will continue to play the key role in this regard. Retail and SME financing have become keys to economic growth of the country and without opening up of the financial sector to semi urban and rural areas, the projected growth of 7.6 percent will not be achievable. ICIBL has given strong focus in these areas which are evident from the growth rate achieved during the year. Public service has still to achieve a desirable level and as such emphasis is also given on infrastructure development which includes financing for communication, telecommunication, bridge, road and highways etc. This will have positive impact on national growth.

Supplier payment policy

ICIBL always adheres to well set payment policies for all suppliers and explains them in details about the payment method and system and reviews process before providing work order. Bills are paid according to the payment terms and VAT and other withholding taxes are deducted from bills as per law. As of date there is no legal case led by the Bank or led against the Bank by any supplier.

Contribution to National Exchequer

ICIBL has contributed significantly to the government effort in collection of revenue. As per law, the Bank deducts at sources income taxes, VAT and excise duty from various payments and services and deposits the same to government exchequer. Besides, the Bank also pays income tax on its earnings.

Capacity Development in the Banking and Financial Sector

ICIBL believes that professional development of the people working in the banking and financial sector will greatly help to mitigate various risk elements involved in banking transactions. With that aim in view, the Bank took some exclusive initiatives which were appreciated by the participants.

During the year 2025, the Head Office of ICIBL arranged discussion meetings and held formal and informal discussions on various Shariah issues. Members of Shariah Supervisory Committee, prominent thinkers on Islamic principles and customers participated in the discussion meeting.

ICIBL encourages the participation of graduates in the business processes of the Bank through its internship program. This program of the Bank allows fresh and meritorious graduates from Business Schools and Universities to get practical experience about the different processes in banking. These experiences help them to plan their career path more successfully.

Sponsorship of Environment

ICBIBL is always committed in discharging its due social obligation and is particularly concerned about the impact of Bank's financed projects on environment. A policy on Green Banking is formulated in accordance with guidelines issued by the Bangladesh Bank. As per the policy, ecological impact will be considered at the time of credit and lending risks analysis.

The Bank participated in many socially dependable and desirable projects/ventures during the year 2025. The Bank continued its support for establishment and operation of effluent treatment plants for ready-made garments and dyeing projects/companies and assisted conversion of vehicles of the Bank transportation pool and those of employees to run on CNG.



PODDER & ASSOCIATES

Professional Accountant & Business Advisor

6/A/1 (Ground Floor), Segun Bagicha, Dhaka-1000.

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Annexure-B
Certificate as per condition No. 1(5)(xxvii)

Report to the Shareholders of ICB Islamic Bank Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by ICB Islamic Bank Limited for the year ended on 31st December 2025. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, Dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- (a) Under the powers conferred by Sections 47(1) and 48(1) of the Bank-Company Act, 1991 (as amended up to 2023), the Board of Directors of the Bank was dissolved by Bangladesh Bank. As a result, the Bank was unable to comply with requirements of the Corporate Governance Code.);
- (b) The Company was unable to comply with the relevant provisions of the Bangladesh Secretarial Standards (BSS) adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB), as required under this Code, due to a special order issued by Bangladesh Bank.
- (c) As the Board of Directors of the Bank was dissolved by Bangladesh Bank under the powers conferred by Sections 47(1) and 48(1) of the Bank-Company Act, 1991 (as amended up to 2023), the Bank was unable to ensure the proper maintenance and preservation of its books and records in accordance with the requirements of the Companies Act, 1994, applicable securities laws, and other relevant laws and regulations; and
- (d) The governance of the company is satisfactory.

For Podder & Associates

Place: Dhaka

Dated: 29 August 2026

For Podder & Associates

Jayanta Kumer Podder
Cost & Management Accountants

Compliance Report on BSEC Notification

Status of Compliance with the conditions of Corporate Governance Code imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Commission Ordinance 1969 on "Comply or Explain" basis. The Board of Directors of the company has taken appropriate steps to comply with the conditions and implemented as many of those as practicable. Status report on compliance with those conditions is given below in prescribed format:

ICB Islamic Bank Limited Status of Compliance with the Corporate Governance Code (CGC) For the year ended 31 December 2025

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/
Admin/80, dated 03 June 2018 issued under section 2CC of the
Securities and Exchange Ordinance, 1969:
(Report under Condition No. 9.00)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	Board of Directors.-			
1(1)	Size of the Board of Directors			
	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	-	-	Under the powers conferred by Sections 47(1) and 48(1) of the Bank-Company Act, 1991 (as amended up to 2023), the Board of Directors of your bank has been dissolved through Order No. BRPD(BMM)1651/9(10)/BO/2025-8413, dated 9 April 2025, issued by Bangladesh Bank.
1(2)	Independent Directors			
1(2)(a)	At least 2 (two) directors or One-fifth (1/5) of the total number of directors in the company's board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	-	-	In order to protect the interests of the depositors and the bank and to ensure proper banking governance, and in exercise of the powers conferred under Sections 47(3) and 48(1) of the Bank-Company Act, 1991 (as amended up to 2023), Bangladesh Bank has appointed Mr. Md. Mazibur Rahman, Executive Director of Bangladesh Bank, to perform the responsibilities of the Board of Directors and Managing Director of the bank.
1(2)(b)	Without contravention of any provision of an other laws, for the purpose of this clause, an "independent director" means a director:-			
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	-	-	N/A
1(2)(b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	-	-	N/A
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	-	-	-
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	-	-	N/A
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	-	-	N/A
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	-	-	N/A
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	-	-	N/A

1(2)(b)(viii)	Who is not an independent director in more than 5 (five) listed companies;	-	-	N/A
1(2)(b)(ix)	Who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh bank for non-payment of any loan or advance or obligation to a bank or a financial institution; and"	-	-	N/A
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	-	-	N/A
1(2)(c)	The independent director(s) shall be appointed by the board and approved by the shareholders in the Annual General Meeting (AGM);	-	-	N/A
1(2)(c)(1)	"Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee(NRC) of the company;"	-	-	In order to protect the interests of the depositors and the bank and to ensure proper banking governance, and in exercise of the powers conferred under Sections 47(3) and 48(1) of the Bank-Company Act, 1991 (as amended up to 2023), Bangladesh Bank has appointed Mr. Md. Mazibur Rahman, Executive Director of Bangladesh Bank, to perform the responsibilities of the Board of Directors and Managing Director of the bank.
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	-	-	
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only.	-	-	-
1(3)	Qualification of Independent Director.-			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	-	-	-
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or"	-	-	N/A
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	-	-	-
1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or"	-	-	N/A
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-	-	
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	-	-	N/A
1(3)(c)	The independent director(s) shall have at least 10(ten) years of experiences in any field mentioned in clause (b);	-	-	-
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	-	N/A
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.-			In order to protect the interests of the depositors and the bank and to ensure proper banking governance, and in exercise of the powers conferred under Sections 47(3) and 48(1) of the Bank-Company Act, 1991 (as amended up to 2023), Bangladesh Bank has appointed Mr. Md. Mazibur Rahman, Executive Director of Bangladesh Bank, to perform the responsibilities of the Board of Directors and Managing Director of the bank.
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	-	-	N/A

Table as per Disclosure Framework – 9		Liquidity risk
Qualitative Disclosures		
As per Bangladesh Bank BRPD circular No. 18 dated December 21, 2014, Bangladesh Bank has strengthened the liquidity framework by developing two minimum standards for funding liquidity; one is Liquidity Coverage Ratio (LCR) and another is Net Stable Funding Ratio (NSFR).		
Qualitative disclosure	a)	i) Views of BOD on system to reduce Liquidity Risk Liquidity risk arises when the Bank cannot maintain or generate sufficient funds to meet its payment obligations as they fall due or can only do so at a material loss. This can arise when counterparties who provide funding to the Bank withdraw or do not roll over a line of funding or as a result of a general disruption in financial markets which lead to normal liquid assets becoming illiquid. The main sources of the Bank's funding are capital, core deposits from retail and commercial clients, wholesale deposits and access to borrowed funds from the interbank money market. ICB Islamic Bank manages liquidity risk in accordance with regulatory guidelines internal benchmarks. A Board approved Liquidity Policy to manage liquidity on a day-to-day basis and a Contingency Funding Plan to deal with crisis situations are in place.
		ii) Methods used to measure Liquidity risk. Measurement Methodology: The equation: Liquidity Coverage Ratio (LCR):- $\text{LCR} = \frac{\text{Stock of high quality liquid assets}}{\text{Total net cash outflows over the next 30 calendar days}} \geq 100\%$ 54.43 crore $\text{LCR} = \frac{54.43}{84.78} = (64.20)\%$ Net Stable Funding Ratio(NSFR): The equation: NSFR= $\text{NSFR} = \frac{\text{Available amount of stable funding}}{\text{Required amount of stable funding}} \geq 100\%$ 831.97 crore $\text{NSFR} = \frac{831.97}{744.01} = 111.82 \%$
		iii) Liquidity Risk Management system. Treasury Division manages the liquidity risk and ALCO monitors the activities of Treasury Division in managing such risk.
		iv) Policies and processes for mitigating liquidity risk. To mitigate the several liquidity risks, the Bank formed Asset Liability Management Committee (ALCO) who monitors the Treasury Division's activities to minimize the liquidity risk. ALCO is primarily responsible for establishing the liquidity 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 by globally and ensuring that internal parameters, procedures, practices / policies and risk management prudential limits are adhere to.

BDT in Crore

Quantitative disclosure	b)		Solo
		• Liquidity Coverage Ratio	(64.20)%
		• Net Stable Funding Ratio (NSFR)	111.82%
		• Stock of High quality liquid assets	54.53 crore
		• Total net cash outflows over the next 30 calendar days	(84.78) crore
		• Available amount of stable funding	831.97 crore
		• Required amount of stable funding	744.01 crore

1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	-	-	N/A
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	-	-	N/A
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive officer;	-	-	N/A
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	-	-	N/A
1(5)	The Directors' Report to the Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		-
1(5)(ii)	The Segment-wise or product-wise performance;	✓		-
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		-
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		-
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	-	-	No such event arose
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		-
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or through any others instruments;	-	-	N/A
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing etc.;	-	-	N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;	✓		-
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		-
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		-
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		-
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		-
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		-
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		-
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		-
1(5)(xvii)	A statement that there is no Significant doubt upon the issuer company's ability to continue as going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		-
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		-
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		-
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	-	-	The Board recommends no dividend for the year ended on 31 December 2025.
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	-	-	N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	-	✓	-
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		-
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance their spouses and minor children (name-wise details);	✓		-
1(5)(xxiii)(c)	Executives;	✓		-

1(5)(xiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details).	✓		-
1(5)(xiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1(5)(xiv)(a)	a brief resume of the director	✓		-
1(5)(xiv)(b)	nature of his/her expertise in specific functional areas;	✓		-
1(5)(xiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓		-
1(5)(xv)	A management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in financial statements, among others, focusing on:			
1(5)(xv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		-
1(5)(xv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	-	-	No such changes during the year
1(5)(xv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		-
1(5)(xv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		-
1(5)(xv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓		-
1(5)(xv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		-
1(5)(xv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		-
1(5)(xvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A .	✓		-
1(5)(xvii)	The report as well as certificate regarding compliance of conditions of this code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C ;	✓		-
1(5)(xviii)	The Directors' report to the Shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality."	✓		-
1(6)	Meetings of the Board of Directors			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.		✓	The bank has conducted three meetings
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer.			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), for the Chairperson of the Board, other board members and Chief Executive Officer of the company,	-	-	As per Bangladesh Bank BRPD Circular Letter No. 21 May 2024, the responsibilities of the Nomination and Remuneration Committee (NRC) have been assigned to Board Audit Committee. Accordingly, in line with the directives of the said circular, there is no provision to constitute a separate NRC in Accordance with the prescribed regulations
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company	-	-	
2	Governance of Board of Directors of Subsidiary Company:-			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;			N/A
2(b)	At least 1 (one) independent director of the Board of the holding company shall be a director on the Board of the subsidiary company;			N/A
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.			N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;			N/A

2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			N/A
3.	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO) Head of Internal Audit and Compliance (HIAC) and Company Secretary(CS):-	Under Sections 47(3) and 45(1) of the Bank-Company Act, 1991 (as amended up to 2023), Bangladesh Bank has appointed Mr. Md. Mazibur Rahman, Executive Director of Bangladesh Bank, to perform the responsibilities of the Board of Directors and Managing Director of the bank.		
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		-
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		-
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		-
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		-
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		-
3(2)	Requirement to attend Board of Director's Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓		-
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer(CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓		-
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		-
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent illegal or violation of the code of conduct for the company's Board or its member;	✓		-
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		-
3(3)(c)(i)	"Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group reduction of cost or for technical expertise, with prior approval of the commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shares by appointing companies proportionately;"	✓		CFO CS are different person in the Bank
4.	Board of Director's Committee.- For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee;	✓		-
4(ii)	Nomination and Remuneration Committee	-	-	As per Bangladesh Bank BRPD Circular Letter No. 21 May 2024, the responsibilities of the Nomination and Remuneration Committee (NRC) have been assigned to Board Audit Committee. Accordingly, in line with the directives of the said circular, there is no provision to constitute a separate NRC in Accordance with the prescribed regulations
5.	Audit Committee.-	In Accordance with the directives of Bangladesh Bank , all committees, including Audit Committee, has been dissolved.		
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	-	-	-
5(1)(b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	-	-	-
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	-	-	-
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	-	-	

5(2)(b)	The Board shall appoint members of the audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director;	-	-	-
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10(ten)years of such experience;	-	-	-
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	-	-	-
5(2)(e)	The company secretary shall act as the secretary of the Committee.	-	-	-
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	-	-	-
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent director;	-	-	-
5(3)(b)	In the absence of the Chairperson of the audit committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No.5(4)(b) and the reason of absence of the regular chairperson shall be duly recorded in the minutes.	-	-	-
5(3)(c)	Chairperson of the Audit Committee shall remind present in the Annual General Meeting (AGM):	-	-	-
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	-	-	-
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	-	-	-
5(5)	The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	-	-	-
5(5)(b)	Monitor choice of accounting policies and principles;	-	-	-
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance plan and review of the Internal Audit and Compliance Report;	-	-	-
5(5)(d)	Oversee hiring and performance of external auditors.	-	-	-
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	-	-	-
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval;	-	-	-
5.5(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	-	-	-
5.5(h)	Review the adequacy of internal audit function;	-	-	-
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	-	-	-
5(5)(j)	Review statement of all related party transactions submitted by the management;	-	-	-
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	-	-	-
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	-	-	-
5(5)(m)	Oversee whether the proceeds raised through Initial public Offering (IPO) or Repeat public Offering(RPO) or Rights Share offer have been utilized as per the purpose stated in relevant offer document or prospectus approved by the Commission:	-	-	NA
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	-	-	-
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-			
5(6)(a)(ii)(a)	report on conflicts of interests;	-	-	

5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements; control system;	-	-	
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;	-	-	
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-	-	
5(6)(b)	Reporting to the Authorities:-			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-	-	
5(7)	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	-	-	-
6.	Nomination and remuneration Committee(NRC):-	As per Bangladesh Bank BRPD Circular Letter No. 21 May 2024, the responsibilities of the Nomination and Remuneration Committee (NRC) have been assigned to Board Audit Committee. Accordingly, in line with the directives of the said circular, there is no provision to constitute a separate NRC in Accordance with the prescribed regulations		
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	-	-	
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	-	-	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	-	-	
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	-	-	
6(2)(b)	At least 02(two) members of the committee shall be non -executive directors;"	-	-	
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	-	-	
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	-	-	
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	-	-	
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-	-	
6(2)(g)	The company secretary shall act as the secretary of the Committee;	-	-	
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	-	-	
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	-	-	
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	-	-	
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	-	-	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	-	-	

6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	-	-	
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-	-	
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	-	-	
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	-	-	
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	-	-	
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	-	-	
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	-	-	
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	-	-	
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	-	-	
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	-	-	
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-	-	
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	-	-	
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	-	-	
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	-	-	
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	-	-	
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	-	-	
7.	External or Statutory Auditors			
7(1)	The issuer shall not engage its external or statutory auditors to perform the following services of the company, namely :-			
7(1) (i)	Appraisal or valuation services or fairness opinions;	✓		-
7(1) (ii)	Financial information system design and implementation;	✓		-
7(1) (iii)	Book-keeping or other services related to the accounting records or financial statement;	✓		-
7(1) (iv)	Broker –dealer services;	✓		-
7(1) (v)	Actuarial services;	✓		-
7(1) (vi)	Internal audit services or special audit services;	✓		-
7(1) (vii)	Any services that the Audit Committee determines.	✓		-
7(1) (viii)	Audit or certification services on compliance of corporate governance as required under condition No.9(1);	✓		-
7(1) (ix)	Any other service that creates conflict of interest	✓		-
7(2)	No Partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company.	✓		-
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		-
8.	Maintaining a website by the Company.-			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓		-

8(2)	The company shall keep the website functional from the date of listing.	√		-
8(3)	The company shall make available the detailed disclosures on its website as required under the regulations of the concerned stock exchange(s)	√		-
9.	Reporting and Compliance of Corporate Governance.-			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		-

Compliance Condition no. 1.5 (x)

Remuneration to Directors including Independent Directors:

SI No.	Name of Directors	Position	Remuneration paid for attending the meetings and Monthly remuneration (Amount in BDT)	Remuneration to be paid (Amount in BDT)	Remarks
1.	Mr. Aklif Bin Amir	Chairman (Interim)	-	8,000.00	Bangladesh Bank dissolved the Board of Directors on 09.04.2025
2.	Ms. Lee Ooi Kim	Director	-	8,000.00	
3.	Mr. Tan Seng Chye	Director	-	8,000.00	
4.	Mr. Md. A. Salam Sikder	Independent Director	2,32,000.00	100,000.00	
5.	Mr. Md. Mazibur Rahman	Managing Director & Chairman	1,20,000.00		BB appointed on 09.04.2025.
Total			3,52,000.00	1,24,000.00	

Compliance Condition no. 1.5 (xxii)

Directors' Meeting and Attendance:

SI No.	Name of Directors	Position	Total Meetings	Meetings Attended	Remarks
1.	Mr. Aklif Bin Amir	Chairman (Interim)	12	1	Bangladesh Bank dissolved the Board of Directors on 09.04.2025
2.	Ms. Lee Ooi Kim	Director	12	1	
3.	Mr. Tan Seng Chye	Director	12	1	
4.	Mr. Md. A. Salam Sikder	Independent Director	12	1	
5.	Mr. Md. Mazibur Rahman	Managing Director and Chairman	12	11	BB appointed on 09.04.2025.

Compliance Condition no. 1.5(xxiii)

The pattern of Shareholding as on December 31, 2025

Name	Description	Number of Shares
A. Parent/Subsidiary/Associated Companies and other related parties (name wise details)		
		Nil
B. Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance their spouses and minor children (name- wise details);		
Mr. Md. Mazibur Rahman	Managing Director and Chairman	Nil
Mr. Rajesh Paul	Head of Internal Audit and Compliance (In-Charge)	Nil
Masuda Sultana FCS, ACA	Company Secretary	Nil

C. Executives Top 5 salaried employees

1.	Mr. Md. Kamal Hosen	Executive Vice President	Nil
2.	Mr. Mohammad Abdul Mannan	Sr. Vice President	Nil
2.	Mr. Md. Tareq Us Salam	Sr. Vice President	Nil
3.	Captain Syed Sakhawat Hossain (Retd.)	Sr. Vice President	Nil
5.	Mr. Md. Rakib Hossain	SAVP	Nil

D. Shareholders holding ten percent (10 percent) or more voting interest in the company

Name of the Shareholder(s)	Shares No.	Percent
ICB Financial Group Holdings A.G.	350,674,300	52.76%

Status of Compliance of Bangladesh Bank's guidelines for Corporate Governance (BRPD circular no. 02 dated 11.02.2024).

SI No.	Particulars	Compliance Status
1.	Regarding the Constitution of the Board of Directors	Complied
1.1.	Appointment of New Director	N/A
1.2.	Vacation of office of Director	N/A
1.3.	Removal of directors	N/A
1.4.	Appointment of Alternate Director	N/A
2.	Depositor Director	N/A
3.	Information of Directors	Complied
4.	Board of Directors liabilities-obligation	Complied
4.1.	Responsibilities and Authorities of the Board of Directors	Complied
4.2.	Meetings of the Board of Directors, etc.	Complied
4.3.	Responsibility of the Chairman of the Board of Directors	Complied
5.	Formation of Supporting Committees:	Complied
5.1.	Executive Committee (EC)	Complied
5.2.	Audit Committee	Complied
5.3.	Risk Management Committee	Complied
6.	Training of the Directors	Complied

In compliance of BRPD Circular letter No.-02, dated 16.01.2014 of Bangladesh Bank, the Bank furnished the following information related to usage and operating expenditures of motor-vehicle fleet for the year 2025 for perusal and review of the honorable shareholders:

Sl. No.	Particulars	Amount (in BDT)
1	Fuel	10,10,965.00
2	Repair and Maintenance	8,44,875.00
3	Depreciation	3,69,000.00
4	Road Tax and Fitness	2,61,321.00
5	Insurance	19,34,182.00
Total		44,20,343.00

ICB Islamic Bank Limited

Declaration by CEO and CFO

29 April, 2026

Annexure-A
As per condition No. 1(5) (xxvi)

The Board of Directors
ICB Islamic Bank Limited
T.K. Bhaban (15th floor),
13 Kazi Nazrul Islam Avenue
Kawran Bazar, Dhaka -1215

Subject: Declaration on Financial Statements for the year ended 31 December 2025;

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

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

In this regard, we also certify that: -

- (i) We have reviewed the financial statements for the year ended on 31 December 2025 and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
 - (b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Mamunur Rahman
Admininstrator



Md. Sakawat Hossain
Head of Finance

Annual disclosure under Pillar-III of Basel-III as of 31 December 2025

Scope and purpose

The purpose of disclosures in pursuance of the Market Discipline as required by the Revised Capital adequacy Framework under Basel III is to complement the minimum capital requirements and the supervisory review process. The aim of such disclosure is to establish more transparent and more disciplined financial market so that stakeholders can assess the position of the Bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet plausible loss of assets. For the said purpose, the Bank developed the set of disclosure containing the key pieces of information on the assets, risk exposures, risk assessment processes, and hence the capital adequacy to meet the risks.

The Bank is in a process of obtaining approval by the Board of Directors of a formal disclosure framework which will include the validation and frequency of such disclosure.

Relations with accounting disclosures

- a) The disclosure framework does not conflict with requirements under accounting standards as set by Bangladesh Bank from time to time. Moreover, Bank's disclosures are consistent with how senior management and the Board of Directors make assessment and manage the risks of the Bank.
- b) Under Minimum Capital Requirement, Bank used specified approaches/ methodologies for measuring the various risks they face and the resulting capital requirements. It is believed that providing disclosures that are based on a common/ harmonized framework is an effective means of informing the stakeholders about the Bank's exposure to those risks and provides a consistent and comprehensive disclosure framework of risks and its management that enhances comparability
- c) The disclosure has adequate validation and is consistent with the audited Financial Statements.

Materiality of disclosure

The Bank disclosures all relevant and material Information individually or in aggregate whose omission or misstatement could change or influence the assessment or decision of an user relying on such information for the purpose of making economic decision.

Frequency of disclosure

- a) The Bank provided all required disclosures in both qualitative and quantitative forms annually, as at end of March every year along with the annual financial statements. The Bank also submits a copy of the disclosures to the Department of BSD (11) of Bangladesh Bank. The Bank made the annual disclosures in the official website of the Bank: www.icbislamic-bd.com. Qualitative disclosures provide a general summary of the Bank's risk management objectives and policies, reporting system and definitions.
- b) The disclosure on the websites is made in a web page titled "Disclosures on Risk Based Capital (Basel III)" and the link to this page prominently provides on the home page of the bank's website. Each of these disclosures pertaining to a financial year is available on the websites until disclosure of the 4th subsequent annual (as on March 31) disclosure is made.

Disclosure framework

According to the revised Risk Based Capital Adequacy Guidelines the Bank requires general qualitative disclosure for each separate risk area (e.g. Investment, market, operational, banking book interest rate risk, equity). The Bank must describe their risk management objectives and policies, including:

- Strategies and processes;
- The structure and organization of the relevant risk management function;
- The scope and nature of risk reporting and/or measurement systems;
- Policies for hedging and/or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/mitigations.

The following components set out in tabular form are the disclosure requirements:

- Scope of application
- Capital structure
- Capital adequacy
- Investment Risk
- Equities: disclosures for banking book positions
- Interest rate risk in the banking book (IRRBB)
- Market risk
- Operational risk

Table as per Disclosure Framework – 1	Scope of application
Qualitative Disclosures	
(a) The name of the top corporate entity in the group to which this guidelines applies.	(a) The Bank is incorporated in the Registered Joint Stock Companies of Bangladesh. ICB Financial Holdings AG holds Majority Shares (52.76%).
(b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (a) that are fully consolidated; (b) that are given a deduction treatment; and (c) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).	Presently the Bank neither has any associates or subsidiary; nor is operating under any joint venture.
(c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.	The Bank is running under the Directive of Bangladesh Bank (DOBB) and transfer of Regulatory Capital requires prior approval of Bangladesh Bank. Raising capital by right issue could pose a challenge given the legal restrictions and market challenges.
Quantitative Disclosures	
(d) The aggregate amount of capital deficiencies in all subsidiaries not included in the consolidation that are deducted and the name(s) of such subsidiaries.	Not Applicable

Table as per Disclosure Framework – 2	Capital structure
Qualitative Disclosures	
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 Tier 1 or in Tier 2.	As per the guidelines of Bangladesh Bank, Tier-1 capital of ICBIBL consists of Share capital, free reserves, retained earnings. Tier-2 capital consists of general provision against unclassified investment and off balance sheet items.
Quantitative Disclosures	
Particulars	Crore Taka
Tier-1 (Core Capital)	
Fully Paid-up Capital/Capital lien with BB	664.70
Statutory Reserve	7.88
Non-repayable Share premium account	0
General Reserve	0.11
Retained Earnings	(2,180.61)
Minority interest in Subsidiaries	0
Non-Cumulative irredeemable Preferences shares	0
Dividend Equalization Account	0
Other (if any item approved by Bangladesh Bank)	0
Sub-Total: (1.1 to 1.9)	(1,507.92)
Regulatory Adjustment:-	
Shortfall in provisions required against classified assets	
Shortfall in provisions required against investment in shares	
Remaining deficit on account of revaluation of investments in securities after netting off from any other surplus on the securities.	

Reciprocal crossholdings of bank capital/subordinated debt	
Deferred Tax Assets (DTA)	11.27
Goodwill & all other intangible assets	
Investments in subsidiaries which are not consolidated	
Other if any	28.57
Sub Total (1.11 to 1.18)	39.84
Total Eligible Tier-1 Capital (1.10-1.18)	(1,547.76)
Tier-2 (Supplementary Capital)	
General Provision (Unclassified + SMA + Off Balance Sheet exposure)	1.50
Assets Revaluation Reserves up to 50%	
Revaluation Reserve for equity instruments up to 10%	
All other preference shares	
Regulatory Adjustment:	
Revaluation Reserve for fixed Assets ,Securities & Equity Securities	
Other if any	
Sub-Total Tier 2 Capital (2.1 to 2.7)	1.50
Deductions if any (being the tier - I Capital less than Zero)	
Total Eligible Tier-2 Capital (2.8-2.9)	-
Maximum Limit of Tier 2 Capital(Tier 2 Capital can be maximum up to 4.0%of the total RWA or 88.89% CET1 Whichever is higher)	21.58
Excess amount over Maximum Limit of T-2	0
Total Admissible Tier-2 Capital	1.50
Total Eligible Capital (1+2)	(1,546.26)

Table as per Disclosure Framework – 3	Capital Adequacy
Qualitative Disclosures	
Bangladesh Banking sector has entered into the regime of Basel III implementation in order to have a stabilized financial system in the country. According to the Bangladesh Bank Guidelines latest Minimum Capital Requirement (MCR) has been fixed at 10% of risk weighted assets or BDT 500 Crore whichever is higher. ICBIBL is currently running with capital deficit of BDT (2046.26) Crore as of 31 December 2025. The Bank has adopted Standardized Approach (SA) for computation of capital charge for credit risk and market risk, and Basic Indicator Approach (BIA) for operational risk. Assessment of capital adequacy is carried out in conjunction with the capital adequacy reporting to the Bangladesh Bank. ICBIBL is going through a reconstruction phase as per stipulation of “The Oriental Bank (Reconstruction) Scheme 2007”, since February 28, 2008, when the Bank came under the ICB Management and the Bank has been exempted for maintaining the Minimum Capital till May 2022 as per latest BRPD circular No.15 dated 03 November 2016.	

Quantitative Disclosures	
Particulars	Taka in Crore
Capital Requirements for Investment Risk	53.17
Capital Requirements for On-Balance sheet	53.12
Capital Requirements for Off-Balance sheet	0.05
Capital Requirements for Market Risk	0.08
Capital Requirements for Operational Risk	0.00
Total Capital Requirements	53.25
Minimum capital requirement (10% of RWA or BDT 500 crore, which is higher)	500.00
Total and Tier-1 Capital Ratio:	
Total CRAR	-286.55
Tier-1 CRAR	-286.82
Tier-2 CRAR	0.28

Table as per Disclosure Framework – 4	Investment Risk: General Disclosure
Qualitative Disclosures	
(a) Definition of Past Due and Impaired Investments: ICIBL is following the Bangladesh Bank guidelines and definition of past due and impaired investments for accounting purposes as below: (1) Past Due/Over Due: (i) Any Continuous Investment if not repaid/renewed within the fixed expiry date for repayment bank will be treated as past due/overdue from the following day of the expiry date. (ii) Any Demand Investment if not repaid/rescheduled within the fixed expiry date for repayment will be treated as past due/overdue from the following day of the expiry date. (iii) In case of any installment(s) or part of installment(s) of a Fixed Term Investment 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. (iv) 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. (2) All unclassified Investment other than Special Mention Account (SMA) will be treated as Standard. (3) A Continuous Investment, Demand Investment or a Term Investment which will remain overdue for a period of 02 (two) months or more, will be put into the "Special Mention Account (SMA)". This will help banks to look at accounts with potential problems in a focused manner and it will capture early warning signals for accounts showing first sign of weakness. Investments in the "Special Mention Account (SMA)" will have to be reported to the Credit Information Bureau (CIB) of Bangladesh Bank. (4) Investment except Short-term Agricultural & Micro-Credit in the "Special Mention Account" and "Sub-Standard" will not be treated as defaulted Investment for the purpose of section 27KaKa(3) [read with section 5(GaGa) of the Banking Companies Act, 1991. (5) Any continuous Investment will be classified as: i. 'Sub-standard' if it is past due/overdue for 03 (three) months or beyond but less than 06 (six) months. ii. 'Doubtful' if it is past due/overdue for 09 (Nine) months or beyond but less than 12 (twelve) months iii. 'Bad/Loss' if it is past due/overdue for 12 (twelve) months or beyond. (6) In case of any installment(s) or part of installment(s) of a Fixed Term Investment is not repaid within the due date, the amount of unpaid installment(s) will be termed as "past due or overdue installment". In case of Fixed Term Investments: - i. If the amount of past due installment is equal to or more than the amount of installment(s) due within 09 (Nine) months, the entire Investment will be classified as "Sub-standard". ii. If the amount of past due installment is equal to or more than the amount of installment(s) due within 15 (Fifteen) months, the entire Investment will be classified as "Doubtful". iii. If the amount of 'past due installment is equal to or more than the amount of installment(s) due within 18 (Eighteen) months, the entire Investment will be classified as "Bad Loss". Explanation: If any Fixed Term Investment is repayable on monthly installment basis, the amount of installment(s) due within 06 (six) months to the sum of 06 monthly installments. Similarly, if the Investment is repayable on quarterly installment basis, the amount of installment(s) due with 06 (six) months will be equal to the sum of 2 quarterly installments. (7) The Short-term Agricultural and Micro-Credit will be considered irregular if not repaid within the due date as stipulated in the investment agreement. If the said irregular status continues, the credit will be classified as 'Substandard' after a period of 12 months, as 'Doubtful' after a period of 24 months and as 'Bad/Loss' after a period of 36 months from the stipulated due date as per the Investment agreement.	

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

ICBIBL is following the general and specific provision requirement as prescribed by Bangladesh Bank time to time.

Investment Risk Management Policies :

The Bank has put in place a well-structured Investment Risk Management Policy known as Investment Policy Manual (IPM) approved by the Board in 2008 and subsequently reviewed in 2018 & 2021. The Policy document defines organization structure, role and responsibilities and, the processes whereby the Investment Risks carried by the Bank can be identified, quantified and managed within the framework that the Bank considers consistent with its mandate and risk tolerance.

Besides the IPM, ICBIBL also frames Product Program Guidelines (PPG) as and when necessary to address any regulatory issues or establish control points. Bank also has a system of identifying and monitoring problem accounts at the early stages of their delinquency through implementation of Sales Routine so that timely corrective measures are initiated.

The Bank manages its Investment risk through continuous measuring and monitoring of risks at each obligor (client) and portfolio level. The Bank is following the Bangladesh Bank prescribed Credit Risk Grading modules (CRGM) and has internally developed well-established Investment appraisal/approval processes. The CRGM capture quantitative and qualitative issues relating to management risk, business risk, industry risk, financial risk and project risk. Besides, such ratings consider transaction specific Investment features while assessing the overall rating of a client. ICBIBL is also considering credit ratings of the client assessed by ECAs while initiating any Investment decision. A well-structured Delegation and Sub-delegation of Investment Approval Authority is prevailing at ICBIBL for ensuring goods governance and better control in Investment approval and monitoring

Quantitative Disclosures

Total gross Investment risk exposures broken down by major types of Investment exposure:

Exposure type	Exposure	RWA
Claims categorized as retail portfolio & Small Enterprise (excluding SME, Consumer Finance & Staff Loan Up to 1 Crore)	53.01	48.99
Consumer finance	32.66	32.66
Claims fully secured by commercial real estate	11.13	11.13
Claims fully secured by residential property	-	-
Where specific provisions are less than 20 percent of the outstanding amount of the past due claim ¹	4.16	6.22
Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim	3.31	3.31
Where specific provisions are more than 50 percent of the outstanding amount of the past due claim	521.51	260.75
Claims on Corporate (Unrated)	-	-
Claims under Credit Risk Mitigation	5.79	-

Geographical distribution of exposures, broken down in significant areas by major types of Investment exposure:
Taka in Crore

Division -wise Classification	Exposure
Dhaka	503.98
Chittagong	65.33
Khulna	24.26
Rajshahi	27.62
Barishal	0.57
Sylhet	9.78
Rangpur	-
Total	631.54

Industry or counterparty type distribution of exposures, broken down by major types of Investment exposure:
Taka in Crore

Investments to customer groups:	Taka in Crore
Export financing	22.49
House building investment	28.31
Consumers credit scheme	0.43
Small and medium enterprises	415.62
Staff investment	2.04
Other Investments	162.65
Sub Total	631.54
Industrial Investments :	
Agricultural industries	-
RMG	26.74
Textile industries	5.81
Food and allied industries	-
Leather, chemical, cosmetics, etc.	0.35
Service Industries	132.80
Transport and communication industries	-
Others	13.99
Sub Total	179.69

Residual contractual maturity breakdown of the whole portfolio, broken down by major types of Investment exposure:

Repayable on demand	18.95
With a residual maturity of	-
Not more than 3 months	31.58
Over 3 months but not more than 1 year	189.46
Over 1 year but not more than 5 years	315.77
More than 5 years	75.78
Total	631.54

By major industry or counterparty type: • Amount of impaired investments and if available, past due investments provided separately; • Specific and general provisions; and • Charges for specific allowances and charge-offs during the period:

MAJOR COUNTERPARTY	NPIs (Taka in Crore)	Specific Provision	Remarks
Corporate and Individuals	528.97	228.27	Full Provision has been made in accordance with the latest Guidelines of Bangladesh Bank
Financial institutions & Banks	-		
Public Enterprise & Govt. Depts.	-		
	528.97		

Gross Non Performing Assets (NPAs)	582.60
Non-Performing Assets (NPAs) to Outstanding Investments & advances	92.25%
Movement of Non-Performing Assets (NPAs)	Taka in Crore
Opening balance	672.45
Additions	53.63
Reductions	(143.48)
Closing balance	582.60
Movement of specific provisions for NPAs	Taka in Crore
Opening balance	350.08
Less: Fully provided debts written off/Waved during the year	(106.91)
Less: Provision transfer to Special General Provision for COVID-19	-
Less: Net charge to profit and loss account (note-36)	(0.77)
Closing balance	242.40

Table as per Disclosure Framework – 5	Equities: Disclosures for Banking Book Positions
Qualitative Disclosures	
Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and 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 Bank is currently not exposed in equity investments. The Bank holds shares of Bangladesh Commerce Bank Limited (BCBL) obtained at the time of reconstruction of BCBL. Besides, it holds shares of Central Depository Bangladesh Limited (CDBL). Both shares are not quoted in the stock market.

Cost and book value of the investment in shares of the Bank:

	Taka in Crore
Name of the Company	Amount
Bangladesh Commerce Bank Limited (BCBL)	0.90
Central Depository Bangladesh Limited (CDBL)	0.16
Total	1.06

Table as per Disclosure Framework – 6	Interest rate risk in the banking book (IRRBB)
Qualitative Disclosures	
The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding investment prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement.	The Bank presently does not have any exposure in interest rate related instruments.
Quantitative Disclosures	
The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring IRRBB, broken down by currency (as relevant).	Nil

Table as per Disclosure Framework – 7
Market risk
Qualitative Disclosures

Market Risk is defined as the possibility of loss to a Bank caused by changes in the market variables such as interest rates, foreign currency exchange rates, equity prices and commodity prices. Bank's exposure to market risk arises from investments (interest related instruments and equities) in trading book [HFT categories] and the Foreign Exchange positions. The objective of the market risk management is to minimize the impact of losses on earnings and equity.

The Bank has put in place Board approved Asset Liability Management Policy for effective management of Market Risk in the Bank. In order to assess impact on capital due to adverse movement in trading book, ICBIBL calculated Stress Testing in accordance with the requirements of the Bangladesh Bank Guidelines. The Bank already finalized comprehensive Investment policy. The policies set various risk limits for effective management of Market Risk and ensuring that the operations are in line with Bank's expectation of return to market risk through proper Asset Liability Management. The policies also deal with the reporting framework for effective monitoring of Market Risk.

The ALM Policy specifically deals with liquidity risk management and interest rate risk management framework. As envisaged in the policy, Liquidity Risk is managed through GAP & Duration analysis, based on residual maturity/behavioral pattern of assets and liabilities, on a daily basis based on best available data coverage, as prescribed by the Bangladesh Bank. Liquidity profile of the Bank is evaluated through various liquidity ratios.

The Asset Liability Management Committee (ALCO)/Board monitors adherence of prudential limits fixed by the Bank and determines the strategy in light of market conditions (current and expected) as articulated in the ALM policy. The Mid Office at the Treasury also monitors adherence of prudential limits on a continuous basis.

Qualitative Disclosures

Capital Allocation for Market Risk is calculated using Standardized Duration Analysis Model as below:

Particulars	Amount in Tk. Crore
Interest rate risk	-
Equity position risk	-
Foreign Exchange risk	0.80
Commodity risk	-
Total capital requirement against Market Risk	0.80

Table as per Disclosure Framework – 8
Operational risk
Qualitative Disclosures

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk includes legal risk but excludes strategic and reputation risks.

Bank already established required policies and procedures for all areas of its operations. Bank strictly follows KYC norms for its customer dealings and other banking operations. The Bank is going to frame Operational Risk Management Policy to be approved by the Board. Supporting policies already been adopted by the bank which deal with management of various areas of operational risk are (a) Operational Manual for General Banking (b) Compliance Risk Management Policy, (c) FX Risk Management Policy (d) Policy Document on Know Your Customers (KYC) and Anti Money Laundering (AML) Procedures (e) IT Business Continuity and Disaster Recovery Policy etc. Risk Management Unit and Risk Management Department are working on preparing risk inventory for Bank to introduce Risk Log as well as Risk Register.

For the current year Bank has adopted Basic Indicator approach to assess the capital under operational risk. In terms of new capital adequacy norms, Banks' operational risk capital charge has been assessed at 15% of positive annual average Gross Income over the previous three years as defined by BB.

Qualitative Disclosures

Capital Requirement for Operational Risk as of December 31, 2025:

Year	Gross Income (GI) (in Tk. Crore)	Average (GI) (in Tk. Crore)	Capital Charge @ 15% of Average Gross Income (in Tk. Crore)
2023	(10.63)	(20.31)	0.00
2024	(23.32)		
2025	(27.00)		

Note: Gross loss was recorded in last three years and average loss was 20.31 crore. As per RBCA guidelines, if all of the three years gross income become negative, BB will consider appropriate action under Supervisory Review Process. Upon discussing with concerned BB officials, Capital charge is hereby maintained 0.00.

Table as per Disclosure Framework – 10
Leverage Ratio

As per Bangladesh Bank BRPD circular No. 18 dated December 21, 2014, leverage ratio has been introduced.

Qualitative disclosure	a)	i) Views of BOD on system to reduce excessive leverage	In order to avoid building-up excessive on- and off-balance sheet leverage in the banking system, a simple, transparent, non-risk based leverage ratio has been introduced. The leverage ratio is calibrated to act as a credible supplementary measure to the risk based capital requirements. The leverage ratio is intended to achieve the following objectives: a) constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy; and b) Introduce additional safeguards against model risk and measurement error by supplementing the risk-based measure with a simple, transparent, independent measure of risk.
		ii) Policies and processes for mitigating market risk.	To mitigate excessive on and off-balance sheet leverage, the Bank formed Basel Unit who monitors the implementing status of Basel – III within the Bank as per the guidelines on risk based capital adequacy issued by Bangladesh Bank.
		iii) Approach for calculating leverage ratio	A minimum Tier 1 leverage ratio of 3% is being prescribed both at solo and consolidated level. The banks will maintain leverage ratio on quarterly basis. The calculation at the end of each calendar quarter will be submitted to BB showing the average of the month end leverage ratios based on the following definition of capital and total exposure. Tier 1 Capital (after related deductions) Leverage Ratio = $\frac{\text{Tier 1 Capital (after related deductions)}}{\text{Total Exposure (after related deductions)}}$ (1547.76) Crore Leverage Ratio = $\frac{606.19 \text{ Crore}}{1547.76}$ Leverage Ratio = (-255.33)%

BDT in Crore

Quantitative disclosure	b)		Solo
		• Leverage Ratio	-255.33%
		• On balance sheet exposure (Less total deduction from On and Off-balance sheet exposure / Regulatory Adjustments made to Tier –I Capital)	595.72 Crore
		• Off balance sheet exposure	10.47 Crore
		• Total exposure	606.19 Crore

Table as per Disclosure Framework – 11
Remuneration

As per Bangladesh Bank BRPD circular No. 18 dated December 21, 2014, leverage ratio has been introduced.

Qualitative disclosure	a)	i. Information relating to the bodies that oversee remuneration	The Management Committee (MANCOM) of the Bank oversees the remuneration on as and when required basis. No external consultant's has been appointed to do the exercise.
		ii. Information relating to the design and structure of remuneration processes	ICB Islamic Bank Limited has a flexible compensation and benefits system that helps to ensure best recruitment of employees as per their performance. Salaries and increments approved by the competent authority.
		iii. Description of the ways in which current and future risks are taken into account in the remuneration processes.	The Salaries and increments are regularly reviewed through market and peer group study so that the employee retention risk is lower.

	iv.	Description of the ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration.	All permanent employees of ICB Islamic Bank Ltd. undergo half-yearly and annual performance appraisal process to link performance during the period.
	v.	Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance.	Through promotion longer-term performance of the Bank seeks to adjust.
	vi.	Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms	There are no other forms but cash form of variable remuneration is utilized by the Bank.

Quantitative disclosure	b)		Solo												
		Number of meetings held by the main body overseeing remuneration and remuneration paid to its member.	Nil												
		Number of employees having received a variable remuneration award (incentive bonus).	Nil												
		Number of guaranteed bonuses awarded (festival bonus).	Two												
		Total amount of guaranteed bonuses awarded.	1.26												
		Number of sign-on awards made.	Nil												
		Total amount of sign-on awards made.	Nil												
		Number of severance payments made.	Nil												
		Total amount of severance payments made.	Nil												
		Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	Nil												
		Total amount of deferred remuneration paid out (incentive bonus).	Nil												
		Breakdown of amount of remuneration awards for the financial year to show:													
		<table><tr><td></td><td>BDT in Crores</td></tr><tr><td>Fixed (salary & allowances)</td><td>19.30 Crore</td></tr><tr><td>Variable</td><td>Nil</td></tr><tr><td>Deferred</td><td>Nil</td></tr><tr><td>Non-deferred.</td><td>Nil</td></tr><tr><td>Different forms used (cash, shares and share linked instruments, other forms).</td><td>Cash</td></tr></table>		BDT in Crores	Fixed (salary & allowances)	19.30 Crore	Variable	Nil	Deferred	Nil	Non-deferred.	Nil	Different forms used (cash, shares and share linked instruments, other forms).	Cash	
		BDT in Crores													
	Fixed (salary & allowances)	19.30 Crore													
	Variable	Nil													
	Deferred	Nil													
Non-deferred.	Nil														
Different forms used (cash, shares and share linked instruments, other forms).	Cash														
	Total amount of outstanding deferred remuneration	Nil													
	Total amount of retained remuneration exposed to ex post explicit and/or implicit adjustments.	Nil													
	Total amount of reductions during the financial year due to ex post explicit adjustments.	Nil													
	Total amount of reductions during the financial year due to ex post implicit adjustments	Nil													

Annual General Meeting

38th Annual General Meeting of ICB Islamic Bank Limited

The 38th Annual General Meeting of ICB Islamic Bank Bangladesh Limited (ICBIBL) was held on December 22, 2025 at "Hybrid System". The Chairman & Managing Director and representatives Guests and Shareholders attended the meeting.



Independent Auditor's Report

To The Shareholders of ICB Islamic Bank Limited
Report on the Audit of the Financial Statements

A. WAHAB & CO.
Chartered Accountants

Opinion

We have audited the financial statements of ICB Islamic Bank Limited, which comprise the Balance Sheet as at 31 December 2025 and Profit and Loss Account, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and Notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respect, the financial position of the Bank as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 1 to 3 and comply with the Banking Companies Act, 1991 (as amended up to date), the Companies Act, 1994 (as amended up to date), the rules and regulations issued by the Bangladesh Bank, the rules and regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) and other applicable laws and regulations.

Basis for Opinion

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

Emphasis of Matter

Without qualifying our opinion, we are drawing attention to the following facts:

1. **Material Uncertainty Related to Going Concern**

We draw users' attention to note # 3.03 in the financial statements which shows, The Bank has an accumulated loss of BDT 21,806.08 million (note-18.00) as at 31 December 2025; Negative equity of BDT 14,623.90 million as at 31 December 2025 and capital adequacy ratio of (291.87%) note-15.07 as against minimum of 12.50%; Profit paying deposits aggregates to BDT 6,804.40 million as against the profit earning investment of BDT 6,325.95 million (note-7.00 & 8.00) as at 31 December 2025; Overall 84.29% (note-8.04) of investment of the bank is classified. These events or conditions, along with other matters as set forth in note # 3.03 indicate that a material uncertainty exists that may cast significant doubt on the Bank's ability to continue as a going concern. Further, we draw users' attention to the Liquidity Statement, where management has presented an analysis of the maturity profile of assets and liabilities, and to Note # 4.03 to the financial statements, where management has disclosed the Statutory Liquidity Ratio (SLR) maintained against the required amount. Our opinion is not modified in respect of this matter.

2. As disclosed in the note # 9.00 to the Financial Statements, the Bank has shown fixed assets at WDV BDT 154.14 million as on 31 December 2025. But the existence of fixed assets was not verified due to maintenance of an incomplete fixed assets register as the asset's identification number, the location etc. was not found in the fixed assets register.

Key Audit Matters

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

Description of key audit matters	Our response to key audit matters
Measurement of provision for investments	
The process for estimating the provision for investments portfolios associated with credit risk is significant, judgmental, and complex. For the individual analysis for large exposure, the provision calculation considers the estimates of future business performance and the market value of the collateral provided for credit transactions. For the collective analysis of exposure on a portfolio basis, provision calculation and reporting are manually processed, which deal with voluminous databases, assumptions, and estimates. Due to the high level of judgment involved and the use of the manual process in estimating the provision for Investments, we considered this to be a key audit matter. At year-end, the Bank reported total Investments of BDT 631.54 Crore (2024: BDT 741.59 Crore), respectively, and provision for investments of BDT 243.90 Crore (2024: BDT 351.58 Crore). We have focused on the following significant judgements and estimates, which could give rise to material misstatement or management bias: For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values, and the timing of cash flows. Provision measurement is primarily dependent upon key assumptions relating to the probability of default, ability to repossess collateral, and recovery rates.	We tested the design and operating effectiveness of key controls, focusing on the following: ❖ Credit appraisal, investments disbursement procedures, monitoring, and provisioning process; ❖ Completeness of appropriate documentation before disbursement of investments, as well as recording of Investments; ❖ Alternate procedures applied by management to assess new Investments/renewal of existing investments where the latest audited financial statements of the borrower are not available; ❖ Identification of loss events, including early warning and default warning indicators; ❖ Review of quarterly Classification of investments (CL); Our substantive procedures for the provision of the investment's portfolio comprised the following: ❖ Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines; ❖ Assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information; ❖ Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
See notes no. 8.00 and 14.1 to the financial statements.	

Description of key audit matters	Our response to key audit matters
Recognition of Investment income	
Recognition of Investment income has a significant and wide influence on financial statements. Recognition and measurement of Investment income have involvement of complex IT environments. We identify recognition of Investment income as a key audit matter because this is one of the key performance indicators of the Bank, and therefore, there is an inherent risk of fraud and error in the recognition of Investment income by management to meet specific targets or expectations. At year's end, the Bank reported total gross Investment income of BDT 25.92 Crore (2024: BDT 15.11 Crore).	We tested the design and operating effectiveness of key controls over the recognition and measurement of Investment income. We performed tests of operating effectiveness on automated controls in place to measure and recognize Investment income. We have also performed substantive procedures to check whether Investment income is recognized completely and accurately. We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.
See note no. 20.00 to the financial statements.	

Description of key audit matters	Our response to key audit matters
Recognition of investments	
Investments are the main element of the financial statements of the Bank. The profit of the Bank is mainly dependent on the portfolio of investments. Management performance is highly dependent on the target achievement of investments. Investments disbursement requires robust documentation followed by approval from an appropriate level of authority. We have identified investments as a key audit matter because there is an inherent risk of fraud and misstatement in the disbursement of investments by management to meet specific targets or expectations. At year-end, the Bank reported total Investments of BDT 631.54 Crore (2024: BDT 741.59 Crore), respectively.	We tested the design and operating effectiveness of key controls, focusing on investments appraisal, investments disbursement procedures, and the monitoring process of investments. We have performed a procedure to check whether the Bank has ensured appropriate documentation as per Bangladesh Bank regulations and the Bank's policy before the disbursement of investments. In addition, we have performed a procedure to check whether the investments are recorded completely and accurately, and whether are exist at the reporting date. Furthermore, we have assessed the appropriateness of disclosures against the Bangladesh Bank guidelines and the Bangladesh Bank letter ref. No. BSD-11/46(8)/2026-496, date: 27.04.2026
See note no. 8.00 to the financial statements.	

Description of key audit matters	Our response to key audit matters
Impairment assessment of unquoted investments in shares	
In the absence of a quoted price in an active market, the fair value of unquoted shares, especially any impairment, is calculated using valuation techniques that may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.	We have assessed the processes and controls put in place by the Bank to ensure all major investment in share decisions are undertaken through a proper due diligence process. We tested of investment valuations as at 31 December 2025 and compared our results to the recorded value. Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

Description of key audit matters	Our response to key audit matters
IT systems and controls	
Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily, and the reliance on automated and IT-dependent manual controls. Our areas of audit focus included user access management, developer access to the production environment, and changes to the IT environment. These are key to ensuring IT-dependent and application-based controls are operating effectively.	We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, change management, and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Bank's periodic review of access rights and reviewed requests for changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configurations, and other application layer controls identified as key to our audit. We performed the Tests of IT General Controls to evaluate the Application Development and Database, Hosting Platforms, and segregation of incompatible duties relevant to application and database change management.

Description of key audit matters	Our response to key audit matters
Legal and regulatory matters	
We focused on legal and regulatory matters because the Bank operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties, and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of potential outflows concerning the provisions and other contingent liabilities.	We obtained an understanding of the Bank's key controls over the legal provision and contingencies process. We enquired of those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel. We assessed the methodologies on which the provision amounts are based, recalculated the provision, and tested the completeness and accuracy of the underlying information. We also assessed the Bank's provisions and contingent liabilities disclosure.

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 1 to 3 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 these 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 entities or business units within the bank as a basis for forming an opinion on the bank 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 those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, 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 investments and other assets which are in our opinion, doubtful of recovery;
- (vii) based on our checking of sample, no investments 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 the 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 inadequate;
 - (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 and its related entities (other than matters disclosed in these financial statements);
- (ix) the information and explanations required by us have been received and found satisfactory;
- (x) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 4,500 person hours;

- (xi) Capital to Risk-weighted Asset Ratio (CRAR) and Statutory Liquidity Ratio (SLR) as required by Bangladesh Bank has been not maintained adequately as at 31 December 2025. The Capital Adequacy Ratio (CAR) of the Bank stood at a negative 291.87% as against the regulatory requirement of 12.50%. Furthermore, as per The Oriental Bank Limited Reconstruction Scheme, 2007, the paid-up capital is required to be raised to Taka 7,000 million; however, the actual paid-up capital stood at BDT 6,647 million 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
- (xiii) Non-banking assets have been accounted in conformity with Bangladesh Bank guidelines.

Dated: Dhaka: 29 Apr 2026

For, A. WAHAB & CO.
CHARTERED ACCOUNTANTS
FRC Enlistment No. CAF-001-062



Md. Showkat Hossain, FCA
Partner
Enrolment. -196
DVC: 2604300196AS129960

ICB ISLAMIC BANK LIMITED

Balance Sheet
As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31-Dec-25	31-Dec-24
PROPERTY AND ASSETS			
Cash in hand	4.00	544,251,805	25,512,179
Cash In hand (including foreign currencies)		97,306,753	11,873,247
Balance with Bangladesh Bank and its (including foreign currencies)		-	-
		446,945,052	13,638,932
Balance with other banks and financial institution	5.00	19,894,056	9,413,559
In Bangladesh		8,367,558	8,307,876
Outside Bangladesh		11,526,498	1,105,683
Placement with banks & other financial institution	6.00	516,436,466	516,694,999
Investments in shares and securities	7.00	10,569,450	10,569,450
Government		-	-
Others		10,569,450	10,569,450
Investments	8.00	6,315,382,736	7,415,877,482
General Investments etc.		6,312,438,271	7,412,936,017
Bills purchased and discounted		2,944,465	2,941,465
Fixed assets including premises	9.00	154,143,882	183,413,380
Other assets	10.00	327,304,004	331,287,632
Non - banking assets	11.00	750,276,130	750,276,130
Total assets		8,638,258,529	9,243,044,811
LIABILITIES AND CAPITAL			
Liabilities			
Placement from banks & other financial institution	12.00	7,307,264,527	5,854,568,216
Deposits and other accounts	13.00	10,864,734,919	11,196,711,752
Al-wadeeah current and other deposits accounts		468,596,652	646,147,189
Bills payable		386,439,886	200,982,020
Mudaraba savings deposits		1,351,684,716	1,442,682,083
Mudaraba term deposits		8,658,013,666	8,906,900,460
Other liabilities	14.00	5,090,158,492	6,006,750,914
Total liabilities		23,262,157,938	23,058,030,882
Capital / Shareholders' equity		(14,623,899,409)	(13,814,986,071)
Paid up capital	15.00	6,647,023,000	6,647,023,000
Statutory reserve	16.00	78,810,975	78,810,975
Other reserve	17.00	456,341,806	456,341,806
Retained earnings Surplus/(Deficit)	18.00	(21,806,075,190)	(20,997,161,852)
Total liabilities and Shareholders' equity		8,638,258,529	9,243,044,811
Net Asset Value (NAV) Per Share	18.1	(22.00)	(20.78)

ICB ISLAMIC BANK LIMITED

Balance Sheet
As at 31 December 2025

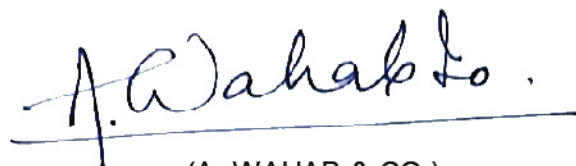
Particulars	Notes	Amount in Taka	
		31-Dec-25	31-Dec 24
OFF- BALANCE SHEET ITEMS			
Contingent liabilities	19.00	295,216,860	206,990,313
Acceptances and endorsements		6,374,000	6,374,000
Letters of guarantee	19.01	148,998,762	139,259,848
Irrevocable letters of credit	19.02	98,615,024	20,858,191
Bills for collection	19.03	41,229,074	40,498,274
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		-	-
Liabilities against forward purchase and sale		-	-
Others		-	-
Total Off-Balance Sheet items including contingent liabilities		295,216,860	206,990,313

Accompanying notes form an integral part of these financial statements



Administrator

Subject of our separate report of even date.



(A. WAHAB & CO.)

CHARTERED ACCOUNTANTS

FRC Enlistment No. CAF-001-062

Signed By: Md. Showkat Hossain, FCA

Enrolment No.-196

DVC : 2604300196AS129960



Dated: Dhaka, 29 Apr 2026

ICB ISLAMIC BANK LIMITED

Cash Flow Statement

For the year ended 31 December 2025

Particulars	Notes	Amount in Taka	
		31-Dec-25	31-Dec-24
A. Cash flows from operating activities			
Investment income receipts in cash		248,277,553	161,900,118
Profit paid on deposits		(593,072,344)	(448,014,833)
Dividend receipts		1,142,362	1,142,362
Fees and commission receipts in cash		3,614,937	652,979
Recoveries of investments previously written off		26,396,229	19,325,318
Cash payments to employees		(205,643,854)	(243,590,403)
Cash payments to suppliers		(3,566,686)	(2,905,549)
Income taxes paid		(1,239,976)	(685,159)
Receipts from other operating activities	36.00	62,687,715	75,385,406
Payments for other operating activities	37.00	(142,755,199)	(144,942,914)
Cash generated from operating activities before changes in operating assets and liabilities		(604,159,262)	(581,732,675)
Increase / (decrease) in operating assets and liabilities			
Investments to customers		110,357,839	438,635,458
Placement from banks & other financial institutions		1,452,696,311	316,798,355
Other assets	38.00	20,287,466	24,009,068
Deposits received from customers		(324,311,209)	(1,130,728,910)
Other liabilities	39.00	(124,007,187)	(16,346,467)
		1,135,023,220	(367,632,497)
Net cash used in operating activities		530,863,958	(949,365,172)
B. Cash flows from investing activities			
Purchase of property, plant and equipment		(2,861,281)	(1,066,058)
Proceeds from sale of property, plant and equipment		-	-
Net cash used in investing activities		(2,861,281)	(1,066,058)
C. Cash flows from financing activities			
Increase in paid-up capital		-	-
Dividend paid		-	-
Net Cash from financing activities		-	-
D. Net increase/ (decrease) in cash and cash equivalents (A+ B + C)		528,002,677	(950,431,230)
E. Effects of exchange rate changes on cash and cash equivalents		958,913	(1,772,124)
F. Cash and cash equivalents at beginning of the year		551,620,737	1,503,824,091
G. Cash and cash equivalents at end of the year (D+E+F)		1,080,582,327	551,620,737
Cash and cash equivalents at end of the year			
Cash in hand (including foreign currencies)		97,306,753	11,873,247
Balance with Bangladesh Bank and its agent bank (s)(including foreign currencies)		446,945,052	13,638,932
Balance with other banks and financial institutions		19,894,056	9,413,559
Placement with banks & other financial institutions		516,436,466	516,694,999
		1,080,582,327	551,620,737
Net Operating Cash Flows per share (Taka)	39.01	0.80	(1.43)

Accompanying notes form an integral part of these financial statements



Administrator

Dated: Dhaka, 29 Apr 2026



ICB ISLAMIC BANK LIMITED
Statement of Changes in Equity
For the year ended 31 December 2025

Particulars	Paid-up Capital	Statutory Reserve	Share Premium	General/ Other Reserves	Assets revaluation reserve	Revaluation surplus on Investment	Retained Earnings	Amount in Taka Total
Balance as at 1 January 2025	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(20,997,161,852)	(13,814,986,071)
Prior year adjustment	-	-	-	-	-	-	-	-
Restated balance	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(20,997,161,852)	(13,814,986,071)
Surplus / (deficit) on account of revaluation of properties	-	-	-	-	-	-	-	-
Surplus / (deficit) on account of revaluation of investments	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-	-
Net gains and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	-	(808,913,338)	(808,913,338)
Dividends (Bonus shares)	-	-	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-
Appropriation made during the year	-	-	-	-	-	-	-	-
Balance As at 31 December 2025	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(21,806,075,190)	(14,623,899,409)
Balance as at 31 December 2024	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(20,997,161,852)	(13,814,986,071)

Accompanying notes form an integral part of these financial statements



Administrator

Dated: Dhaka, 29 Apr 2026



ICB ISLAMIC BANK LIMITED

Liquidity Statement

(Maturity analysis of assets and liabilities)

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	Total
Assets:						
Cash in hand	544,251,805	-	-	-	-	544,251,805
Balance with other banks and financial institutions	19,894,056	-	-	-	-	19,894,056
Placement with banks & other financial institutions	150,400,000	366,036,466	-	-	-	516,436,466
Investments in shares and securities	-	-	-	-	10,569,450	10,569,450
Investments	189,461,482	315,769,137	1,894,614,821	3,157,691,368	757,845,928	6,315,382,736
Fixed assets including premises	-	-	4,624,316	12,331,511	137,188,055	154,143,882
Other assets	32,730,400	44,186,041	67,097,321	68,733,841	114,556,401	327,304,004
Non - banking assets	-	20,000,000	300,000,000	430,276,130	-	750,276,130
Total assets (A)	936,737,743	745,991,643	2,266,336,458	3,669,032,849	1,020,159,836	8,638,258,529
Liabilities:						
Placement from banks & other financial institutions	-	2,519,894,666	-	4,787,369,861	-	7,307,264,527
Deposits and other accounts	325,942,048	651,884,095	2,172,946,984	3,911,304,571	3,802,657,222	10,864,734,919
Other liabilities	509,015,849	610,819,019	763,523,774	1,272,539,623	1,934,260,227	5,090,158,492
Total liabilities (B)	834,957,897	3,782,597,780	2,936,470,758	9,971,214,055	5,736,917,448	23,262,157,938
Net liquidity gap (A - B)	101,779,847	(3,036,606,137)	(670,134,300)	(6,302,181,206)	(4,716,757,613)	(14,623,899,409)

Accompanying notes form an integral part of these financial statements



Administrator

Dated: Dhaka, 29 Apr 2026



ICB Islamic Bank Limited

Notes to financial statements

As at and for the year ended 31 December 2025

1.00 The Bank and its activities:

1.01 Corporate information:

ICB Islamic Bank Limited (the Bank) is the new legal name of former "The Oriental Bank Limited" which was incorporated on 30 April 1987 as a Public Limited Company titled "Al-Baraka Bank Bangladesh Limited" under the Companies Act, 1913. Certificate for commencement of business was issued to the Bank on 30 April 1987. Bangladesh Bank (country's central bank) authorized the Bank to carry on the banking business in Bangladesh with effect from 04 May 1987 and to undertake and carry out all kinds of banking, financial and business activities, transactions and operations in strict compliance with the principles of Islamic Law (Shariah) relating to business activities in particular avoiding usury in credit and sales transactions and any practice which accounts to usury and actual banking operations commenced on 20 May 1987. Registrar of Joint Stock Companies & Firms approved the revised name (The Oriental Bank Limited) on 31 December 2002 and Bangladesh Bank's approval was accorded on 13 April 2003.

Bangladesh Bank took control of the management of the Bank on 19th June 2006 and appointed Chairman and Managing Director to carry out the functions of day to day affairs of the Bank. Steps were taken by the Government of Bangladesh and Bangladesh Bank to protect the interest of depositors. Measures were taken to restructure and recapitalize the Bank to keep the Bank functioning so that interest of all stakeholders of the Bank could be protected. The Government imposed a moratorium on the business of the Bank and Bangladesh Bank issued "The Oriental Bank Limited (Reconstruction) Scheme 2007" (The "Scheme").

Switzerland-based ICB Financial Group Holdings AG has become the new majority owner of former Oriental Bank, a Bangladeshi Shariah-compliant bank as on 28 February 2008. Emphasis has been placed on improving the technology and infrastructure of the Bank, as well as retaining employees, with a view to provide an improved range of competitive products to customers.

1.02 Nature of business and principal activities:

All kinds of commercial banking services are provided by the Bank to the customers following the principles of Islamic Shariah, the provisions of the Banking Companies Act 1991 (as amended up to date) and Bangladesh Bank's directives.

The Bank renders commercial banking services to all types of customers. The range of services offered by the Bank includes accepting deposits, making investments, discounting bills, conducting domestic and international money transfers, carrying out foreign exchange transactions in addition to international money transfers, and offering other customer services such as locker service, collections and issuing letters of credit, guarantees and acceptances. Core business of the Bank includes deposit mobilization and investing activities comprising short-term, long-term, import and export financing. Financing activities are extended to different sectors of the economy that could be grouped into several sectors including Rural and Agriculture, Garments and Textiles, Jute, Cement and Bricks, Tannery, Steel and Engineering, Food and Beverage, Chemical and Pharmaceuticals, Printing and Packaging, Glass and Ceramics and Miscellaneous.

At a glance, the principal activities of the Bank are to:

- a) facilitate and handle all kinds of commercial banking services to its customers authorized by Bangladesh Bank;
- b) handle the export and import trade; and
- c) take part in international banking, etc.

2.00 Internal audit, internal control and risk management:

The Banking Companies Act, 1991 (as amended up to date) 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.

Bangladesh Bank Department of Off-site Supervision (DOS) has issued Circular No.-02 dated 15 February 2012 on Risk Management Guidelines for Banks and instructed all scheduled banks operating in Bangladesh to follow this Guidelines for managing various risks which have been complied by the Bank.

Risk Management is the key element for sound corporate governance of the Bank. With a recent addition in regulatory mandates and increasingly active participation of shareholders, the Bank has become increasingly concerned to identify areas of risks in the business, whether it is financial, operational, ICT or reputation risk. The Bank identifies, measures, monitors and manages all risks of the Bank. Sophisticated risk management framework is going to be implemented to carry out efficient risk management exercises of the Bank including documenting and assessing risks, defining controls, managing assessments and audit, identifying issues, implementing recommendations and corrective plans. In accordance with Bangladesh Bank Guidance, the Bank has established a risk framework that consists of six core factors, i.e. (i) Credit/Investment Risk (ii) Asset and Liability/Balance Sheet Risk (iii) Foreign Exchange Risk (iv) Internal Control and Compliance Risk (v) Money Laundering Risk and (vi) Information and Communication Technology Risk.

In addition, the Bank is also following relevant Bangladesh Bank guidelines on risk based capital adequacy, stress testing and managing the banking risks in other core risk areas.

The Bank has established an independent Risk Management Unit (RMU). The RMU conducts stress testing for examining the Bank's capacity of handling future shocks, as well as deals with all potential risks that might occur in future.

The Bank has also identified the following four key infrastructure components for effective risk management programs:

- a) Proactive Board of Directors and Senior Management's Supervision;
- b) Adequate Policies and Procedures;
- c) Proper Risk-Measurement, Monitoring and Management Information Systems; and
- d) Comprehensive Internal Controls.

2.01 Investment/Credit risk:

Investment/Credit risk is simply defined as the failure of a bank borrower or counterparty to meet its obligations in accordance with agreed terms. Financial institutions have been facing difficulties over the years, for a multitude of reasons. The major causes of serious banking problems continue to be directly related to lax Investment/Credit standards for borrowers and counterparties, poor portfolio risk management, or a lack of attention to changes in economic or other circumstances that can lead to deterioration in the Investment standing of a bank's counterparties. The goal of Investment/Credit risk management is to maximize a bank's risk-adjusted rate of return by maintaining Investment/Credit risk exposure within acceptable levels. The effective management of Investment/Credit risk is a critical component of a comprehensive approach to risk management and essential to the long-term success of any banking organization. The Basel Committee is encouraging Banks to promote sound practices for managing Investment/Credit risk. The sound Investment/Credit risk management practices include the following areas:

- i. Establishing an appropriate Investment/Credit risk environment;
- ii. Operating under a sound Investment/Credit-granting process;
- iii. Maintaining an appropriate Investment administration, measurement and monitoring process; and
- iv. Ensuring adequate controls over Investment risk.

ICB Islamic Bank Limited is keenly aware of the need to identify, measure, monitor and control Investment/Credit risk as well as to hold adequate capital against these risks for adequate compensation of risks incurred since exposure to Investment/Credit risk continues to be the leading source of problems in Banks world-wide. In this line Bank is following the system as per Guidelines of Bangladesh Bank. Bank has also adopted a policy to review the whole system, from time to time to cope with the multifarious situations.

To comply with the Directive of Bangladesh Bank (DOBB), the Bank has also taken steps for strengthening the function of Investment/Credit Administration i.e. Disbursement, Custodial Duties, Compliance, Investment/Credit Monitoring and Recovery to maintain Investment/Credit Risk at the minimum level. In order to achieve this goal, Investment Administration and Supervision Department (IASD) is exerting all out efforts for completion of Security Documentation before disbursement, ensuring adequate Insurance Coverage to cover unforeseen risks, monitoring and follow up after disbursement of Investment/Credit to maintain the investment standard.

Recovery and Monitoring Department is engaged in monitoring the total Investment/Credit Classification position of the Bank vigilantly, managing all Classified and Special Mention Accounts to regularize for maximization of recovery and ensuring appropriate investment loss provision timely.

2.02 Asset liability risk management:

Asset Liability Management (ALM) is one of the key areas of risk management which mainly focuses on liquidity and profit rate risk of the bank. Decisions taken in the ALCO meetings were duly recorded and action plans were implemented by the branches/departments to optimize Bank's financial performances. As a part of regulatory requirement, the Board of Directors also reviewed the ALM manual and its components regularly.

2.03 Foreign exchange risk management:

Foreign exchange risk is defined as the potential change in earnings due to unfavorable movement in exchange rates. Generally, the bank is less exposed to foreign exchange risk as all the transactions are carried out on behalf of the customers against L/C commitments and other remittance requirements. The bank has undertaken policy guidelines to minimize the foreign exchange risk for exposure in currency movement. Treasury department has separate front office. Its back office desks are responsible for currency transactions, deal verification and limit monitoring and settlement of transactions separately. The bank continuously revalued all foreign exchange positions at market rate as per the guidelines of Bangladesh Bank. All Nostro Accounts are timely reconciled and all outstanding entries are reviewed on a regular basis.

2.04 Anti-Money laundering risk management:

The financial aspects of crime have become more complex due to rapid advancement in technology and the globalized character of the financial services industry. Money-Launderers often use their front companies which co-mingle the proceeds of illicit activity with legitimate funds in order to hide the ill-gotten gains. Therefore, prevention of laundering the proceeds of crime has become a major priority from all jurisdictions from which financial activities are carried out. The policy of the bank includes establishing adequate procedures of customer due diligence, reporting, record keeping, internal control, risk management and communication in order to forestall and prevent operations related to money laundering or financing of terrorism. Central Compliance Unit (CCU) of the Bank is performing supervisory and monitorial activities for the bank's internal procedures on anti-money laundering and anti-terrorism financing. It also ensures that bank complies with the anti-money laundering and anti-terrorism financing legislation, including the Know Your Customer rules.

2.05 Internal control and compliance risk management:

Adequate Internal Controls contribute significantly to the improvement of the performance of the banks through enforcing efficient managerial guards. Such control culture is duly reflected in the Policy Guidelines and Structural Changes of the Bank. Now the bank is considering sophisticated organizational structure to exercise strong control culture within the organization by implementing policy guidelines of internal controls appropriately and strengthening internal controls system.

Internal Control and Compliance Division (ICCD) of the Bank comprises three units, namely (i) Compliance Unit, (ii) Monitoring Unit and (iii) Audit and Inspection Unit. The Division reviews and monitors Bank's Internal Control and Compliance Risk to help the Bank perform better through the use of its resources. The units of the Division are performing their functional activities in accordance with the Bank's own policies as well as guidance notes issued by Bangladesh Bank from time to time for mitigating the Internal Control and Compliance Risks of the Bank.

During the year 2025, Inspection teams of ICCD of the Bank and Bangladesh Bank carried out inspections on different Branches of the Bank and submitted reports thereof. Necessary remedial measures/corrective steps have been taken on the suggestions/observations made in the said reports. The summary of key points of the reports were also placed and discussed in the meeting of the Audit Committee of the Board of Directors. Appropriate actions have also been taken as per the decisions of the said Committee for protecting the Bank's assets.

Compliance: The bank has complied with the regulatory requirements including, the directives of Bangladesh Bank (primary regulator), National Board of Revenue, Securities and Exchange Commission, Registrar of Joint Stock Companies and Finance Ministry etc. having significant impact on the Bank's business.

Compliance is not a one-time event rather it is a continuous process. For this purpose, the bank's Internal Controls have been designed in such a manner so that the compliance with all the relevant regulatory requirements is carried out in each activity of the bank.

Now the Board of Directors and Senior Management of the bank has developed a high ethical and moral standard to ensure strong compliance culture in the bank. In this context, the bank gives priority on the following issues:-

- i. To encourage employees to comply with all the policies, procedures and regulations;
- ii. To maintain continuous liaison with the regulators at all level to obtain regular information on regulatory changes; and
- iii. To establish an effective communication process to distribute smoothly the relevant regulations among the officials of the concerned divisions and branches.

2.06 Information and communication technology risk management:

The bank has adequately addressed ICT Risk Management. It is an in-depth exercise and continual process. The ICT Risk Management exercise mainly includes minimizing financial loss to the institution in all events such as natural disaster, technological failure, human error etc.

In line with Central Bank directives, the Bank has redrawn its own Information and Communication Technology (ICT) Policies for operations and Services. Under these policy guidelines, a security policy must be worked out and implemented in the server system through Active Directory Services (ADS). It has also been trying to implement through Password Policy, Kerberos Policy, Audit Policy, Group Policy, User Rights, and Permission Policy etc. to abide by and adhere to what is laid down in the policy. It tries to centralize the administrative control to access the Network, Mailing System and access to Internet under this policy

2.07 Internal audit:

Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Bank are consistently followed. However, there are inherent limitations that should be recognized in weighing the assurances provided by any system of internal controls and accounting.

The Audit Committee of the Bank meets periodically with the internal audit team to review their audit plans, assess the manner in which these auditors are performing their responsibilities and to discuss their reports on, internal controls and financial reporting issues. To ensure complete independence, the internal auditors have full and free access to the members of the Audit Committee to discuss any matter of substance.

A robust Risk Based Internal Audit (RBIA) has been implemented. Risk assessment by Internal Control focuses on compliance with the Bank's policies together with regulatory requirements, social, ethical and environmental risks for risk minimization and to determine the future growth of the Bank

Internal audit activities

- i. To review and approve "Internal Audit Charter";
- ii. To guide and approve "Internal Audit Plan";
- iii. To guide and review "Internal Audit Process and Procedure";
- iv. To guide bank management body for ensuring compliance on audit recommendation(s) and scope of development;
- v. To review compliance status of audit recommendation;
- vi. To review annual assessment of the performance of audit and inspection activity; and
- vii. To recommend audit findings to be placed to the Board of Directors.

2.08 Fraud and Forgeries:

Bank fraud is the use of potentially illegal means to obtain money, assets, or other property owned or held by a financial institution, or to obtain money from depositors by fraudulently posing as a bank or other financial institution.

To mitigate the fraud the Bank has taken following initiatives:

- a) To review the corrective measures taken by the management with regard to reports relating to fraud-forgery, deficiencies in internal control and external auditors and inspectors of the regulatory authority and inform the Board on a regular basis;

- b) Significantly improving the compliance culture and introducing stricter controls to eliminate fraud exposures; and
- c) To the best of our knowledge and belief, no transactions have been undertaken by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.

3.00 Summary of significant accounting policies and basis of preparation of financial statements:

3.01 Reporting framework and compliance thereof:

The Bank is being operated in strict compliance with the rules of Islamic Shari'ah. The financial statements have been prepared in accordance with the guidelines of Islamic Banking issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009. The Financial Reporting Act (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) is formed and it is yet to issue financial reporting standards for public interest entities such as banks hence International Financial Reporting Standards (IFRS) as approved by the Institute of Chartered Accountants of Bangladesh (ICAB) are still applicable. Accordingly, the financial statements of the Bank continue to be prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Bank Company Act 1991, as amended, the rules and regulations issued by Bangladesh Bank (BB), the Companies Act 1994, the Securities and Exchange Rules 1987 and Standards issued by the accounting and auditing organization for Islamic Financial Institutions (AAOIFI). In case any requirement of the Banking Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of IFRS, the requirements of the Banking Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRS are as follows:

i) Investment in shares and securities

IFRS: As per requirements of IFRS 9, financial assets generally fall either under at amortized cost, or at fair value through profit and loss account, fair value through other comprehensive income where any change in the fair value at the year-end is taken to profit and loss account or other comprehensive income respectively.

Bangladesh Bank: As per DOS Circular no. 01 dated 24 May 2023, investments in quoted and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are measured at cost.

ii) Revaluation gains/ losses on Government securities

IFRS: As per requirement of IFRS 9, an entity shall classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis both of the following criteria:

- a) the entity's business model for managing the financial assets and
- b) the contractual cash flow characteristics of the financial asset."

Bangladesh Bank: HFT securities are revalued on the basis of marked 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 amortization of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortized at the year end and gains or losses on amortization are recognised in other reserve as a part of equity

iii) Provision on investments

IFRS: As per IFRS 9 an entity shall recognize a loss allowance for expected credit losses on a financial asset through amortized cost or fair value through other comprehensive income to which impairment requirements apply.

As per the circulars issued by Bangladesh Bank—BRPD Circular No. 24 dated 27 November 2024, BRPD Circular No. 05 dated 25 June 2025, and BRPD Circular No. 29 dated 21 December 2025—a general provision ranging from 0.5% to 5% is required to be maintained on different categories of unclassified investments (standard and special mention accounts), irrespective of the existence of objective evidence of impairment. In addition, provisions for classified loans and advances are required to be maintained at the rates of 20% for sub-standard, 50% for doubtful, and 100% for bad/loss categories, depending on the duration of overdue. Furthermore, as per BRPD Circular No. 06 dated 25 April 2023, a provision ranging from 0.5% to 5% is also required to be maintained on different categories of off-balance sheet exposures. These provisioning requirements are rule-based and, therefore, are not fully aligned with the impairment principles prescribed under IFRS 9, which follow an expected credit loss (ECL) model incorporating forward-looking information

iv) Recognition of profit in suspense

Bangladesh Bank: As per BRPD Circular-15, Date 27 November, 2024, once an investment is classified, profit on such investments is not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

IFRS: There are no specific guidelines about profit in suspense in IAS/IFRS.

v) Other comprehensive income

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

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements through BRPD Circular no.14 dated 25 June 2003 which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

vi) Financial instruments – presentation and disclosure

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

vii) Financial guarantees

IFRS: 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 minus the cost that are directly attributable to issue of the financial guarantee. After initial recognition, an issuer of such a guarantee shall subsequently measure it at higher of:

- i. the amount of the loss allowance and
- ii. the amount initially recognised less, when appropriate, the cumulative amount of the income recognised.

Bangladesh Bank: As per BRPD circular no. 06, dated 25 April 2023 financial guarantees such as letter of credit, letter of guarantees will be treated as off-balance sheet items. No liability is recognised for the guarantees except the cash margin.

viii) Cash and cash equivalent

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

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice,' treasury bills, Bangladesh Bank bills and prize bonds 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 asset

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

Bangladesh Bank: As per BRPD circular no. 22, dated 20 September 2021 there must exist a face item named Non-banking asset.

x) Cash flow statement

Cash flow statement has been prepared in accordance with IAS-7, "Statement of Cash Flows" and under the guidelines of Bangladesh Bank BRPD Circular No.14 dated June 25, 2003. The cash flow statement shows the structure of changes in cash and cash equivalents during the financial year. It is segregated into operating activities, investing activities and financial activities.

xi) 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.

xii) Presentation of intangible asset

IFRS: An intangible asset must be identified and recognised, and the disclosure must be given as per IAS 38.

Bangladesh Bank: Intangible assets are included in Fixed Assets including premises, furniture's and fixtures according to BRPD 14/2003.

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 14, 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) Investments net of provision

IFRS: Investments should be presented net of provision.

Bangladesh Bank: As per BRPD 14, provision on investments is presented separately as a liability and can not be netted off against investments.

xv) Leases

The International Accounting Standards Board (IASB) issued IFRS 16, Leases, which replaces IAS 17 and sets out the principle for the recognition, measurement, presentation and disclosure of leases. The standard has become effective for all annual reporting periods beginning on or after 1 January, 2019. The Bank has adopted IFRS 16 from the year 2021.

Bank will prepare financials as per IFRS 16 for 2021 financials onwards.

3.02 Consolidation

Separate set of records for consolidation of the statement of affairs and income and expense statement of the branches was maintained at the Head Office of the bank based on which these financial statements have been prepared. All significant inter-branch transactions are eliminated on consolidation.

3.03 Going concern assumption

The Bank has an accumulated loss of BDT 21,806.08 million for the year ended 31 December 2025; Negative equity of BDT 14,623.90 million as at 31 December 2025 and capital adequacy ratio of (291.87%) as against minimum of 12.50%; Profit paying deposits aggregates to BDT 6,804.40 million as against the profit earning investment of BDT 6,325.95 million as at 31 December 2025; Overall 84.29% of investment of the bank is classified. Six legal cases have been initiated by the erst while promoters against Bangladesh Bank in connection with forfeiture of their shares, the present majority shareholders of ICBIBL are awaiting the outcome of these cases which are still pending in the Appellate Division of the Supreme Court for hearing. The management is optimistic about the cases that the final ruling of the court will be in favor of Bangladesh Bank which will pave the path for injecting fresh capital.

The Bank had presented its financial statements for the year ended 31st December 2025 on a going concern basis.

The initiatives taken by the Bank are cost optimization, profit maximization through increasing loans and advances, launching new products, etc. The Bank is considering various options and plans to address the issue of working capital deficiency.

Bangladesh Bank had allowed us to pay the frozen deposits within 4th November 2021. We had applied to Bangladesh Bank on 1st November 2021 for next five years moratorium. We are waiting for the response of Bangladesh Bank for the moratorium of frozen deposits.

3.04 Accruals and deferrals:

Deferrals and accruals have been made as per the guidance of IASB Framework: IAS 1: Presentation of Financial Statements. In order to meet their objectives, financial statements (except for Statement of Cash Flows and Rental Income) and related information are prepared on an accrual basis of accounting. Under this basis, the effects of transactions and other events are recognised when they occur (and not when cash or its equivalent is received or paid) and they are recorded in accounts and reported in the financial statements of the periods to which they relate.

3.05 Revenue recognition

The revenues during the year are recognised on an accrual basis, which comply with the conditions of revenue recognition as provided in IFRS 15 : Revenue from Contracts with Customer, except interest on classified loans which are recognized as interest income on realization basis as per Bangladesh Bank guidelines.

3.5.1 Profit and expenses:

Profit income and expenses for all profit-bearing financial instruments except for those classified as held-for-trading or designated at fair value are recognised in the income statement using the effective Profit rates of the financial assets or financial liabilities to which they relate. The effective Profit rate is the rate that exactly discounts estimated future cash receipts or payments earned or paid on a financial asset or financial liability through its expected life or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective profit rate, the Group estimates cash flows considering all contractual terms of the financial instrument but not future credit losses. The calculation includes all amounts paid or received by the ICB Islamic Bank that are an integral part of the effective Profit rate, including transaction costs and all other premiums or discounts. Profit on impaired financial assets is calculated by applying the original effective Profit rate of the financial asset to the carrying amount as reduced by any allowance for impairment.

3.5.2 Non-profit Income:

3.5.2.1 Fees and commissions:

Fees and commissions are accounted for as follows:

- i. Income earned on the execution of an activity is recognised as revenue when the activity is completed;
- ii. Income earned from providing services over a period of time is recognised over the service period during which the related service is provided or credit risk is undertaken; and
- iii. Income which forms an integral part of the effective profit rate of a financial instrument is recognised and recorded as profit income.

3.5.2.2 Dividend income

Dividend income is recognised when the right to receive the payment is established.

3.5.2.3 Income from Investment in Bangladesh Government Islamic Investment Bond (BGIIIB)

Profit from Investment in Bangladesh Government Islamic Investment Bond (BGIIIB) is accounted for on an accrual basis.

3.5.2.4 Letters of credit, letters of guarantee and others:

Commission charged to customers on letters of credit and letters of guarantee is credited to income at the time of effecting the transactions.

3.5.2.5 Profit paid and other expenses

In terms of the provision of IAS 1: Presentation of Financial Statements, profit paid and other expenses are recognised on an accrual basis.

3.06 Foreign currency translation:

3.6.1 Foreign currency transactions (IAS 21):

- i. Transactions in foreign currencies are translated into Taka at the foreign exchange rates prevailing on the balance sheet date.
- ii. Monetary assets and liabilities in foreign currencies are expressed in Taka at the rates of exchange prevailing on the balance sheet date.
- iii Forward foreign exchange contracts and foreign bills purchased are valued at forward rates applicable to their respective maturities.

The assets and liabilities in foreign currencies are translated to Taka at exchange rates prevailing at the balance sheet date. The results of foreign entities are translated at the average rate of TT clean and TT and OD for the year ended 31 December 2025.

Exchange rates with major foreign currencies on 31 December 2025 were as follows:

Currency name	Exchange rate (Taka)
US Dollar	122.38
Euro	143.76
GBP	162.49

3.6.2 Commitments:

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

3.6.3 Translation gains and losses (IAS 21)

As per provision of IAS 21: The Effects of Changes in Foreign Exchange Rates, foreign currency transactions are translated into Taka at rates prevailing on the dates of such transactions and exchange gains or losses arising out of the said transactions are recognised as income or expense for the year in which the exchange account is dealt with.

3.7 Assets and their basis of valuation:

3.7.1 Cash and cash equivalents:

As per provision of IAS 7: Statement of Cash Flows, for the purpose of the Statement of Cash Flows of the Bank, cash and cash equivalents comprise balances with less than 90 days maturity from the date of acquisition including: cash and balances with central bank, treasury bills, and other eligible bills, amounts due from other banks and dealing securities other than those which are not available to finance the ICB- Islamic Bank's day to day operations.

3.7.2 Investments:

Investments are stated at gross amount. Provision and Profit suspense against investments are shown separately as liability. Profit income is accounted for on an accrual basis until the investments are defined as classified accounts as per Bangladesh Bank guidelines.

As per BRPD circular no. 15 dated 27 November 2024, Profit on classified Investments (other than bad/loss investments) is required to be credited to profit suspense account instead of income account. Such profit kept in suspense account should be reversed to income account only when respective investment accounts become regular and / or realized in cash.

3.7.2.1 Provision for Investment:

Provision against classified loans and advances is made on the basis of periodic review by management and in accordance with the instructions contained in the circulars issued by Bangladesh Bank—BRPD Circular No. 24 dated 27 November 2024, BRPD Circular No. 05 dated 25 June 2025, BRPD Circular No. 29 dated 21 December 2025, and BRPD Circular No. 06 dated 25 April 2023. The provisioning rates as prescribed by Bangladesh Bank are as follows:

Business Unit		Unclassified		Classified		
		Standard	SMA	SS	DF	BL
Short term Agri. Credit		0.50%	5%	20%	50%	100%
CMSME		0.50%	5%	20%	50%	100%
Consu- mer	Housing Finance	1%	5%	20%	50%	100%
	Loan for	1%	5%	20%	50%	100%
	Other than Housing Financing & Professionals	1%	5%	20%	50%	100%
	Housing Finance	1%	5%	20%	50%	100%
Loan for Professionals		1%	5%	20%	50%	100%
Other than Housing Financing & Professionals		1%	5%	20%	50%	100%
Off balance sheet exposure - .50% to 5% (except for bills for collection)						

3.7.2.2 Security against Investments:

- Project investment-land and building, FDR and other movable assets have been taken as a security in the form of mortgage.
- Working capital and trading investment-Goods are taken as security in the form of pledge and also goods are taken as security in the form of hypothecation along with land and building, FDR and other movable assets as a mortgage.
- House building investment-Lands and buildings are taken as security in the form of mortgage.

3.7.2.3 Bills purchased and discounted:

Bills purchased and discounted do not include Government Treasury bills and have been classified into two sub-heads viz.

- i. Payable in Bangladesh and
- ii. Payable outside Bangladesh

The bills purchased and discounted have been analyzed in the form/terms as per the maturity grouping.

3.08 Investment in shares and securities:

The Bank determines the classification of its investments at initial recognition and classifies its financial assets as follows:

3.8.1 Financial assets at fair value through profit or loss:

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term if so designated by management.

3.8.2 Investment and receivables:

Investment and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Bank provides money, goods or services directly to a debtor with no intention of trading the receivables.

3.8.3 Held-to-maturity investments:

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Bank's management has the positive intention and ability to hold to maturity. If the Group sells other than an insignificant amount of held-to-maturity assets, the entire category would be tainted and reclassified as available-for-sale.

3.8.4 Available-for-sale investment:

Available-for-sale investments are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in profit rates, exchange rates or equity prices.

Purchases and sales of financial assets at fair value through profit or loss, held-to-maturity and available-for-sale are recognized on trade-date (the date on which the ICB Islamic Bank commits to purchase or sell the asset). Investment is recognized when cash is advanced to the borrowers. Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Investment and receivables and held-to-maturity investments are carried at amortized cost using the effective Profit method. Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise.

Gains and losses arising from changes in the fair value of available-for-sale financial assets are recognized directly in equity, until the financial asset is derecognized or impaired at which time the cumulative gain or loss previously recognized in equity is recognized in profit or loss. However, Profit calculated using the effective Profit method is recognized in the income statement. Dividends from available-for-sale equity instruments are recognized in the income statement when the entity's right to receive payment is established. The fair values of quoted investments in active markets are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), ICB Islamic Bank establishes fair value by using the book value of last audited balance sheet.

3.8.5 Valuation Method:

Investments have been shown under two broad categories viz Government Securities and Other Investments.

Investments have been considered as follows:

Particulars	Valuation Method
Government Securities:	
Government Treasury Bills	Market Value
Other Investments:	
Shares of CDBL	Cost Price
Bangladesh Commerce Bank Limited	Cost Price

3.9 Offsetting financial instruments:

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

3.10 Acceptance receivables and payables:

Acceptance receivables and payables are stated at the value of the Letter of Credit or realized value of the Letter of Credit accepted by accepting banks. The acceptance receivables are presented net of allowance for possible losses.

3.11 Foreclosed properties:

Foreclosed properties are recorded at the lower of its fair value (less costs to sell) and the carrying amount of the investment (net of impairment allowance) at the date of foreclosure. No depreciation is provided in respect of foreclosed properties. Any subsequent write down of foreclosed properties to fair value (less cost to sell) is recorded as a fair value change and included in the income statement. Any subsequent increase of the fair value (less cost to sell), to the extent this does not exceed the cumulative fair value change, is recognised in the income statement.

3.12 Software:

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized on straight-line basis over the expected useful lives of three to five years. Costs associated with developing or maintaining computer software programmers are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Bank and that will probably generate economic benefits exceeding costs beyond one year are recognised as Core Banking Software.

3.13 Property and equipment:

All property and equipment are stated at historical cost/revaluation less any impairment losses and depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Bank and the cost of the items can be measured reliably. All other repairs and maintenance are charged to the Profit and Loss Account during the financial period in which they are incurred.

Depreciation on fixed assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Sl. No.	Name of the assets	Depreciation rate
i.	Furniture and fixtures	10%
ii.	ATM	20%
iii.	Software	20%
iv.	Office equipments	20%
v.	Vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Property and Equipment is subject to an impairment review if there are events or changes in circumstances which indicate that the carrying amount may not be recoverable. Up to 31 December 2007 bank charged depreciation on fixed assets using the reducing balance method which changed in 2008 and adjustment are incorporated with current year depreciation.

3.14 Non banking assets;

This represents assets acquired by the Bank upon the agreement with the client and Honorable Court's order against investment. Bank has taken the ownership of the non-banking assets on the basis of power of attorney of Bishal Centre on 8 March 2005 and Kushal Centre on 13 June 2000 against settlement of Investments. Bank is now trying to transfer the ownership related document in its name by obtaining mutation. First acquisition amount against two properties i.e. Bishal Centre BDT 220,000,000; Kushol Centre BDT 75,000,000 and total amounting BDT 295,000,000. Subsequently M/s Huda Vasi Chowdhury & Co. revaluated the Properties on 31 December 2009 Bishal Centre at BDT 607,776,130 and Kushol Centre at BDT 142,500,000 total BDT. 750,276,130.

3.15 Taxation

Tax expenses represent the sum of the tax currently payable and deferred tax

3.15.1 Current tax:

Income tax on the profit or loss for the year comprises current tax and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognized directly in shareholder's equity in which case it is recognized in shareholder's equity.

As per requirement of IAS 12: Income Taxes, the Bank has a policy to measure current tax liability at the amount expected to be paid to the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Tax rate is 37.5% as prescribed in Finance Act 2025 on taxable profits of the banks and financial institutions. The Bank was not required to provide income tax as it has previous assessed loss which will offset the taxable income. But as per requirement of Income Tax ACT 2023, minimum tax @ 1% of gross receipts has been provided for in the financial statements.

3.15.2 Deferred Tax:

As per provision of IAS 12: Income Taxes, deferred tax assets and deferred tax liabilities shall be measured and reflect the tax consequence of the entity at the balance sheet date.

Deferred tax is recognised, using the liability method on temporary differences between the carrying amount of assets and liabilities in the balance sheet and the amount attributed to such assets and liabilities for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which deductible temporary differences; unused tax loss and unused tax credit can be utilized. The tax rate 37.5 prevailing at the balance sheet date is used to determine deferred tax.

The Bank did not recognize any deferred tax during the year as there would have arisen deferred tax income if deferred tax was recognised due to huge loss of the Bank at balance sheet the date which is adjustable against future profits.

3.16 Functional and presentation currency:

The financial statements are presented in Bangladesh Taka (BDT). All values are rounded to the nearest Taka.

3.17 Critical accounting estimates and judgments in applying accounting policies:

As per provision of IAS 1 : Presentation of Financial Statements, the preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.17.1 Valuation of financial instruments:

The Bank's accounting policy for valuation of financial instruments is included in Note 3.1. As required by IAS 19: Employee Benefit, provident fund and gratuity benefits are given to eligible staff of the Bank in accordance with the locally registered rules and the entity shall disclose the amount recognized as an expense for defined contribution plan.

3.18 Liabilities and provision:

3.18.1 Retirement benefits of employees:

3.18.1.1 Provident fund:

Provident fund benefits are given to the staff of the Bank in accordance with the registered Provident fund rules. The commissioner of Income Tax, Large Tax Payers Unit, Dhaka has approved the Provident Fund as a recognised fund within the meaning of section 2(52) read with the provisions of Part - B of the First Schedule of Income Tax Ordinance 1984. The fund is operated by a Board of Trustees consisting of 06 (six) members of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription of the fund. The Bank also contributes equal amount to the fund. Contributions made by the bank are charged as an expense. Profit earned from the investments is credited to the members' account on half yearly basis.

3.18.1.2 Gratuity:

As per service rules of the Bank, every permanent employee is entitled to 50% of basic salary for 5 to 10 years, 75% of basic salary for 10 to 15 years and 100% of basic salary for more than 15 years for every completed year of services with the Bank. Sufficient provision has created for gratuity in the financial statements as at 31 December 2025.

3.18.2 Provisions and accrued expenses:

"Provisions and accrued expenses are recognised in the financial statements when the bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.19 Deposits and other accounts:

As per requirement of paragraph 39 of IFRS 7: Financial Instruments: Disclosures, deposits and other accounts including bills payable of the Bank have been analyzed in terms of the maturity grouping showing separately other deposits and inter-bank deposits.

3.20 Contingent liabilities, commitments and other off-balance sheet items:

As required by BRPD 14/2003, contingent Liabilities, commitments and other off-balance sheet items are presented in details in the financial statements.

3.21 Nostro reconciliation position:

The Bank maintains 04 Nostro accounts with various banks outside the country. Reconciliation of Nostro accounts has been completed up to 31 December 2025.

3.22 Statement of cash flows:

IAS 1: Presentation of Financial Statements, requires that a statement of cash flows is to be prepared as it provides information about cash flows of the enterprise which is useful in providing users of financial statements with a basis to assess the ability of the enterprise to generate cash and cash equivalents and the needs of the enterprise to utilize those cash flows. Statement of Cash Flow has been prepared in accordance with BRPD Circular No. 14 dated 25 June 2003.

3.23 Comparative Information:

As per requirement of IAS 1: Presentation of Financial Statements, comparative information in respect of the previous year have 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.

Comparative information is rearranged wherever necessary to conform with the current presentation.

3.24 Earnings Per Share (EPS):

Earnings per share has been calculated in accordance with IAS 33: Earnings Per Share (EPS) which has been shown on the face of profit and loss account and the computation of EPS has been stated in Note 40.

3.24.1 Basic earnings:

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

3.24.2 Weighted average number of ordinary shares outstanding during the year:

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of shares issued during the year multiplied by a time-weighted factor. The time-weighted factor is the numbers of days the specific shares are outstanding as a proportion of the total number of days in the year.

4.00 Cash in hand:

This is made-up as follows-

Particulars	Notes	Amount in Taka	
		31-Dec-25	31-Dec-24
(a) Cash in hand		97,306,753	11,873,247
i) In local currency		97,231,276	11,805,914
ii) In foreign currency	4.01	75,477	67,333
(b) Cash with Bangladesh Bank and its agents (Sonali Bank)		446,945,052	13,638,932
Balance with Bangladesh Bank		442,236,770	12,285,499
Balance with Sonali Bank (as agent of Bangladesh Bank)	4.02	4,708,282	1,353,433
Grand Total (a+b)		544,251,805	25,512,179

4.01 In foreign currency:

This is made-up as follows-

Foreign Currency	Amount in F.C	Exchange Rate	Amount in Taka	
			31-Dec-25	31-Dec-24
US Dollar	-	-	-	-
Great Britain Pound	-	-	-	-
Euro	525	143.76	75,477	67,333
			75,477	67,333

4.02 Cash with Bangladesh Bank and its agent bank(s):

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
a) Balance with Bangladesh Bank	442,236,770	12,285,499
(i) In local currency	389,401,576	17,813,229
(ii) In foreign currency	52,835,194	(5,527,730)
b) Balance with Sonali Bank	4,708,282	1,353,433
In local currency	4,708,282	1,353,433
Total (a+b)	446,945,052	13,638,932

4.03 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR):

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. 03 dated April 09,2020

The Cash Reserve Requirement on the Bank's time and demand liabilities at the rate of 4.00% has been calculated and maintained with Bangladesh Bank in current account and Statutory Liquidity Ratio of the bank is 5.5% and bank maintained above the requirement as follows:

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
(a) Cash Reserve Requirement		
Required reserve	304,897,000	329,652,000
Actual reserve maintained	377,581,000	8,454,000
Surplus / (deficit)	72,684,000	(321,198,000)
(b) Statutory Liquidity Ratio		
Required reserve	419,233,000	453,272,000
Actual reserve maintained	227,646,000	15,057,000
Surplus / (deficit)	(191,587,000)	(438,215,000)

4.04 Held for Statutory Liquidity Ratio:

This is made-up as follows-

Particulars	Notes	Amount in Taka	
		31-Dec-25	31-Dec-24
Cash in hand		97,307,000	11,873,000
Cash with Bangladesh Bank (after maintaining CRR) and its agents (Sonali Bank)		77,392,000	1,353,000
Foreign Currency in Bangladesh Bank		52,947,000	1,831,000
Government securities (note-7. a)		-	-
Government bonds (note-7.c. iii)		-	-
		227,646,000	15,057,000

5.00 Balance with other banks and financial institutions:

This is made-up as follows-

Particulars	Notes	Amount in Taka	
		31-Dec-25	31-Dec-24
In Bangladesh	5.01	8,367,558	8,307,876
Outside Bangladesh	5.02	11,526,498	1,105,683
		19,894,056	9,413,559

5.01 In Bangladesh:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Current account	397,769	409,530
Sonali Bank Ltd (H.O)	116,381	127,532
Dutch Bangla Bank Ltd.	122,656	122,656
Islami Bank Bd. Ltd. CD Account	158,732	159,342
Mudaraba Short Term/Short Term Deposit Account	326,391	330,925
Prime Bank Ltd.	115,198	114,198
NCCBL-IME	129,502	129,502
Trust Bank Ltd.	81,691	87,225
PLS MD Savings/Savings Account	7,643,398	7,567,421
Al-Arafah Islami Bank Ltd. (MD)	7,117,297	7,043,347
Shahjalal Bank Ltd. (MSB A/C)	2,891	3,608
AB Bank Ltd.	513,959	511,375
Social Islamic Bank Ltd. (MSD)	9,251	9,091
	8,367,558	8,307,876

5.02 Outside Bangladesh (NOSTRO Accounts):

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Current account		
AB Bank Ltd., Mumbai	299,409	78,138
Sonali Bank, Kolkata	3,297,000	3,233,014
Modhumoti Bank Limited(OBU)	242,140	237,440
Kookmin Bank, Seoul, Korea	7,474,587	(2,637,462)
Zhejiang Chouzhou Commercial Bank China	7,183	7,044
TRANS CAPITAL BANK RUSSIA	206,179	187,509
(Annexure -A)	11,526,498	1,105,683

5.03 Maturity grouping of balance with other banks and financial institutions:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Payable on demand	19,894,056	9,413,559
Up to 1 month	-	-
Over 1 month but not more than 3 months	-	-
Over 3 months but not more than 6 months	-	-
Over 6 months but not more than 1 year	-	-
Over 1 year but not more than 5 years	-	-
Over 5 years	-	-
	19,894,056	9,413,559

6.00 Placement with banks & other financial institutions:

Name of the Bank/ Financial Institutions	Maturity At	Nature	Amount in Taka	
			31-Dec-25	31-Dec-24
In Bangladesh (a)				
FAS Finance & Investment Ltd	1/1/2026	SND	4,600,000	4,800,000
FAS Finance & Investment Ltd	3/24/2026	SND	75,000,000	75,000,000
FAS Finance & Investment Ltd	1/28/2026	SND	150,000,000	150,000,000
FAS Finance & Investment Ltd	12/28/2026	SND	216,836,466	215,060,958
PLFSL	1/1/2026	SND	20,000,000	21,834,041
PLFSL	1/1/2026	SND	17,500,000	17,500,000
PLFSL	1/1/2026	SND	20,000,000	20,000,000
PLFSL	1/1/2026	MTD	10,000,000	10,000,000
PLFSL	1/1/2026	MTD	2,500,000	2,500,000
			516,436,466	516,694,999

7.00 Investments in shares and securities:

This is made-up as follows-

Particulars	Holding Share	Cost	Amount in Taka	
			31-Dec-25	31-Dec-24
a) Government		-	-	-
Sub-total (a)		-	-	-
b) Investment in subsidiary companies		-	-	-
Sub-total (b)		-	-	-
C) Others:		10,569,450	10,569,450	10,569,450
i) Bangladesh Commerce Bank Ltd. (Un-quoted)	90,000	9,000,000	9,000,000	9,000,000
ii) CDBL (Un-quoted)	156,945	1,569,450	1,569,450	1,569,450
Bonus Share	414,236	-	-	-
Total CDBL	571,181	-	-	-
iii) Islamic Bond		-	-	-
Total (a+b+c)		10,569,450	10,569,450	10,569,450

The Net Asset Value (NAV) per share of Bangladesh Commerce Bank Ltd. is negative; however, sufficient provision has been maintained against this exposure (Note No. 14).

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
(i) Investment classified as per Bangladesh Bank Circular:	10,569,450	10,569,450
Held for trading (HFT)	-	-
Held to maturity (HTM)	-	-
Other securities	10,569,450	10,569,450
(ii) Investment classified as per nature:		
a) Government securities:	-	-
28 days treasury bills	-	-
30 days treasury bills	-	-
91 days treasury bills	-	-
182 days treasury bills	-	-
364 days treasury bills	-	-
Reverse repo with Bangladesh Bank	-	-
2 years treasury bills	-	-
5 years treasury bills	-	-
Government bonds:	-	-
Prize bonds	-	-
Government bonds	-	-
b) Other investments:	10,569,450	10,569,450
Shares and Bonds	10,569,450	10,569,450
	10,569,450	10,569,450

7.01 Maturity grouping of investments:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
On demand	-	-
Up to 1 month	-	-
Over 1 month but not more than 3 months	-	-
Over 3 months but not more than 6 months	-	-
Over 6 months but not more than 1 year	-	-
Over 1 year but not more than 5 years	-	-
Over 5 years	10,569,450	10,569,450
	10,569,450	10,569,450

7.02 Investment in shares:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Quoted	-	-
Unquoted:	10,569,450	10,569,450
Bangladesh Commerce Bank Ltd. (90,000 Shares)	9,000,000	9,000,000
Central Depository Bangladesh Limited. (571,181 Shares)	1,569,450	1,569,450
	10,569,450	10,569,450

7.02.1 Investment in shares of Bangladesh Commerce Bank Limited (BCBL) refers to conversion of balance receivable into share capital of BCBL which is a non-listed Public Limited Company.

7.02.2 During the year 2006 a sum of Taka 1 (one) million was invested for 1 (one) million shares of Central Depository Bangladesh Limited (CDBL). Per share face value was Tk.1/- now per share face value is Tk.10/-

8.00 Investments:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
General Investments etc. (note-8.2.i)	6,312,438,271	7,412,936,017
Bills purchased and discounted (note-8.2.ii)	2,944,465	2,941,465
	6,315,382,736	7,415,877,482

8.01 Maturity-wise classification:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
(i) Repayable on demand With a residual maturity of	189,461,482	222,476,324
(ii) Not more than 3 months	315,769,137	370,793,874
(iii) Over 3 months but not more than 1 year	1,894,614,821	2,224,763,245
(iv) Over 1 year but not more than 5 years	3,157,691,368	3,707,938,741
(v) More than 5 years	757,845,928	889,905,298
	6,315,382,736	7,415,877,482

8.02 Mode-wise Investment:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
(i) General Investments etc.		
Inside Bangladesh	6,312,438,271	7,412,936,017
Murabaha-Com.-Advance Agt. Imported Merchandise (AIM)	55,124,383	106,949,080
Murabaha (Pledge)	483,161,688	170,709,821
Murabaha Under Secured Guarantee (MUSG)	152,891,519	10,402,737
Bai-Muajjal(Hypothecation)	2,241,544,598	3,358,701,275
Bai-Muajjal - PC	-	12,224,432
Bai-Muajjal - TR	480,954,406	651,716,171
Payments Against Documents (Cash)	26,063,701	83,263,136
Bai-Muajjal (ICBIBLCFS)	24,594,755	3,627,002
Bai Muajjal - Forced Investment (Against B/B - L/C)	2,996,635	48,319,716
Staff Loan - Provident Fund	-	-
Hire Purchase	2,562,056,573	2,640,096,144
HP House Building - Staff	-	-
HP House Building - General	283,050,013	326,926,503
Outside Bangladesh	-	-
	6,312,438,271	7,412,936,017
(ii) Bills purchased and discounted (note-8.9)	2,944,465	2,941,465
Payable Inside Bangladesh	-	-
Inland bills purchased	2,944,465	2,941,465
Payable Outside Bangladesh	-	-
Foreign bills purchased and discounted	-	-
	6,315,382,736	7,415,877,482

8.02.1 Geographical location-wise classification of Investments:

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
(i) Inside Bangladesh	6,315,382,736	7,415,877,482
a. In Urban Areas	6,314,454,192	7,415,108,110
b. In Rural Areas	928,544	769,372
(ii) Outside Bangladesh	-	-
	6,315,382,736	7,415,877,482

8.02.2 Division-wise classification of Investments:

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Name of the Division		
Dhaka Division	5,039,757,362	6,400,344,197
Chittagong Division	653,253,886	628,689,956
Khulna Division	242,628,211	244,435,561
Rajshahi Division	276,239,942	62,344,234
Barisal Division	5,698,712	2,884,980
Sylhet Division	97,804,624	77,178,553
Rangpur Division	-	-
	6,315,382,736	7,415,877,482

8.03 Group-wise classification of Investments:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24

a) Investments to directors	-	-
b) Investments to Chief Executive and other senior executives	-	-
c) Investment to customer groups		
i) Export financing	224,901,192	224,083,084
ii) House building loan	283,050,013	326,926,503
iii) Consumers credit scheme	4,319,457	30,333,803
v) Small and medium enterprises	4,156,172,162	5,001,831,205
vi) Staff loan	20,439,339	3,743,495
viii) Other Investments	1,626,500,574	1,828,959,392
	6,315,382,736	7,415,877,482
d) Industrial Investments		
i) Agricultural industries	-	-
ii) Textile industries	267,446,529	365,531,727
iii) Food and allied industries	58,097,928	60,750,013
v) Leather, chemical, cosmetics, etc.	-	-
vi) Tobacco industries	3,516,413	22,604,053
viii) Service Industries	1,327,981,699	1,574,627,012
ix) Transport and communication industries	-	-
x) Other industries	139,856,415	139,856,415
	1,796,898,984	2,163,369,220

8.04 Classification of status-wise Investments:

This is made-up as follows-

Unclassified	Percentage	Amount in Taka	
		31-Dec-25	31-Dec-24
Standard including staff loan	15.09%	952,758,219	649,122,732
Special mention account (SMA)	0.62%	39,175,087	42,217,753
	15.71%	991,933,306	691,340,485
Classified			
Sub-standard	1.07%	67,715,327	34,311,222
Doubtful	0.44%	27,566,024	49,220,624
Bad / Loss	82.78%	5,228,168,079	6,641,005,151
	84.29%	5,323,449,430	6,724,536,997
	100%	6,315,382,736	7,415,877,482

8.05 Particulars of Investments:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
i) Investments considered good in respect of which the Bank is fully secured	952,758,219	649,122,732
ii) Investments considered good against which the Bank holds no security other than the debtors' personal guarantee	473,469,108	5,456,732
iii) Investments considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	-	-
iv) Investments adversely classified; provision not maintained there against	-	-
v) Investments due by directors or officers of the banking company or any of them either separately or jointly with any other persons	-	-

vi) Investments due from companies or firms in which the directors of the Bank have interest as directors, partners or managing agents or in case of private companies, as members	-	-
vii) Maximum total amount of advances / investments, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either separately or jointly with any other person.	-	-
viii) Maximum total amount of advances / investments, including temporary advances / investments granted during the year to the companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in the case of private companies, as members	-	-
ix) Due from banking companies	-	-
x) Classified Investments		
a) Classified Investments on which interest has not been charged (note-8.4)	5,228,168,079	6,641,005,151
b) Provision on classified Investments (note-14.1)	2,423,954,551	3,500,760,159
c) Provision required against Investments classified as bad debts	2,278,551,190	3,497,854,517
d) Interest credited to Interest Suspense Account (note-14.2)	812,656,750	1,030,923,643
xi) Cumulative amount of written-off investments (historical write-off)		
Opening Balance	5,623,859,633	5,623,859,633
Amount written off/Waved during the year	960,092,478	-
	6,583,952,111	5,623,859,633
Present Outstanding of Written-off After Recovery and Adjustment	4,261,722,689	3,328,026,440
Amount realized against Investments previously written off during the year	26,396,229	8,296,140
xii) Verification of Financial Statements through Document Verification System (DVS):		
As per BRPD circulars letter no 4/2021, it has been ensured that latest available audited financials are preserved in the credit file of all our clients. In addition to that as per BRPD circular letter no 35/2021, we are trying to take the authorization to access in DVS by the Institute of Chartered Accountants of Bangladesh (ICAB). We will implement verification of financials through DVS for all our clients after taking the authorization to access in DVS.		

8.06 **Sector-wise Investments including bills purchased and discounted:**

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Public sector	-	-
Co-operative sector	-	-
Private sector	6,315,382,736	7,415,877,482
	6,315,382,736	7,415,877,482

8.07 Details of large Investments:

Number of clients with outstanding amount and classified Investments exceeding 10% of total capital of the Bank. Total capital of the Bank was Taka 6,647 million as at 31 December 2025 (Tk. 6,647 million in 2024).

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Number of clients	Nil	Nil
Amount of outstanding advances / investments	Nil	Nil
Amount of classified advances / investments	Nil	Nil
Measures taken for recovery	Nil	Nil

8.08 Particulars of required provision for Investments:

Status	Base for provision	Rate (%)	Amount in Taka	
			31-Dec-25	31-Dec-24
General Provision				
Investments (Excluding SMA)	952,758,219	*Various	9,527,582	4,384,088
Special mention account (SMA)	39,175,087	*Various	2,072,418	566,250
			11,600,000	4,950,338
Specific provision				
Sub-standard	24,219,163	20	4,843,833	4,210,104
Doubtful	10,609,954	50	5,304,977	3,781,147
Bad / Loss	2,278,551,190	100	2,278,551,190	3,497,854,517
			2,288,700,000	3,505,845,769
Required provision for Investments			2,300,300,000	3,510,796,107
Total provision maintained (note - 14.1)			2,438,954,551	3,515,760,160
Excess / (short) provision As at 31 December 2025			138,654,551	4,964,053

8.09 Bills purchased and discounted:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Payable in Bangladesh	2,944,465	2,941,465
Payable outside Bangladesh	-	-
	2,944,465	2,941,465

8.09.1 Maturity grouping of bills purchased and discounted:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Payable within one month	2,944,465	2,944,465
Over one month but less than three months	-	-
Over three months but less than six months	-	-
Six months or more	-	-
	2,944,465	2,944,465

9.00 Fixed assets including premises:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Furniture and fixtures	8,283,485	9,125,334
ATM	-	-
Software	120,365	54,671
Office equipments	1,323,342	2,107,405
Vehicles	193,242	562,242
Right to Use Assets (ROU)	144,223,448	171,563,728
Net book value at the end of the year (Annexure-B)	154,143,882	183,413,380

10.00 Other assets:

This is made-up as follows-

Particulars	Notes	Amount in Taka	
		31-Dec-25	31-Dec-24
Stationery and stamps		2,763,742	2,819,793
Prepaid expenses		5,227,384	17,833,059
Income receivable		5,563,916	5,563,916
Advance Payment of Income Tax		165,567,192	164,327,216
Advance deposits		812,585	812,585
Advance agt. Rent		29,065,531	22,299,113
Possession Rights of Premises		827,770	928,210
Branch adjustments account	10.01	-	(1,946,200)
Suspense account	10.02	47,104,268	45,752,324
Sundry assets	10.03	3,178,393,999	3,195,983,861
		3,435,326,387	3,454,373,877
Less: Provision	10.04	3,220,763,834	3,235,827,695
		214,562,553	218,546,181
Deferred tax assets		112,741,451	112,741,451
		327,304,004	331,287,632

10.01 Branch adjustments account:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
General Accounts Debit	-	-
General Accounts Credit	-	(1,946,200)
	-	(1,946,200)

10.01.1 Un-reconciled entries of Inter Branch Transactions In Bangladesh

Particulars	Number of Unresponded entries		Unresponded entries	
	Dr	Cr	Dr	Cr
Up to 3 months	-	-	-	-
Over 3 months but within 6 months	-	-	-	-
Over 6 months but within 1 year	-	-	-	-
Over 1 year but within 5 years	-	1	-	1,946,200
Total:	-	1	-	1,946,200

Branch adjustment account represents outstanding Inter-branch and Head Office transactions (Net) originated but yet to be responded at the balance sheet date .

10.02 Suspense account:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Sundry Debtors	6,434,176	6,525,206
Sundry debtors-ATM Cash Shorta	48,500	48,500
Protested Bill	34,916,244	34,916,244
Advance to Swift	-	(200,636)
Advance against TA/DA	-	59,080
Advance Payment of Profit	430,445	332,921
Advance Against Commemorative	23,160	23,160
Security Money a/c	5,247,240	4,047,240
Advance Payments For Fixed Assets	3,000	-
Receivable A/c- Excess Mobile	1,503	608
	47,104,268	45,752,324

10.03 Sundry assets:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Adjustable Blocked Account	1,864,897,853	1,882,487,714
Adjustable Blocked Account 2006	1,306,859,839	1,306,859,839
OC Outstanding For Coll.	-	-
Non Resident Uk	3,301,487	3,301,487
Receivable A/c-Western Union	2,334,821	2,334,821
Receivable A/c- RIA	1,000,000	1,000,000
Receivable A/c Incentive for Remittance	-	-
	3,178,393,999	3,195,983,861

10.04 Provision for other assets:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Balance as on 1 January	3,235,827,695	3,243,927,695
Add: Addition during the year	2,526,000	-
Less: Adjustment during the year	(17,589,861)	(8,100,000)
Balance as on 31 December	3,220,763,834	3,235,827,695

10.04.1 Item-wise breakup of the above provision for other assets is as under:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Adjustable Blocked Account	1,864,897,853	1,882,487,714
Adjustable Blocked Account 2006	1,306,859,839	1,306,859,839
Non-Resident UK	3,301,487	3,301,487
Protested bill	34,916,244	34,916,244
Suspense A/c- Sundry Debtor	6,379,177	3,783,564
Others	4,409,235	-
Total Provision	3,220,763,834	3,231,348,848
Excess Provision	-	4,379,410
	3,220,763,834	3,235,728,258

11.00 Non-banking Assets:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Balance as on 1 January	750,276,130	750,276,130
Revaluation reserve	-	-
Add: Cost capitalized during the year	-	-
Add: Acquisition during the year	-	-
Less: Sales during the year	-	-
	750,276,130	750,276,130

Opening balance include revaluation reserve BDT. 552,885,232

12.00 Placement from banks & other financial institutions:

This is made-up as follows-

Particulars	Notes	Amount in Taka	
		31-Dec-25	31-Dec-24
In Bangladesh	12.01	7,307,264,527	5,854,568,216
Outside Bangladesh	12.02	-	-
		7,307,264,527	5,854,568,216

12.01 In Bangladesh:

This is made-up as follows-

Name of the Bank/Financial Institutions	Maturity At	Nature	Amount in Taka	
			31-Dec-25	31-Dec-24
Bangladesh Bank (Islami investment bond's fund)	Under Scheme	Frozen	1,657,720,555	1,657,720,555
Rediscount from Bangladesh Bank	Under Scheme	260.03 crore is Frozen	2,600,300,000	2,600,300,000
Borrowing from Bangladesh Bank			2,519,894,666	1,067,198,355
Call Borrowing	Under Scheme	Frozen	529,349,306	529,349,306
			7,307,264,527	5,854,568,216
			-	-

12.02 Outside Bangladesh:
12.03 Security against borrowings from other banks, financial institutions and agents

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Secured (Bill of Exchange and DP note)	7,307,264,527	5,854,568,216
Unsecured	-	-
	7,307,264,527	5,854,568,216

12.04 Maturity grouping of borrowings from other banks, financial institutions and agents:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Payable on demand	-	-
Up to 1 month	-	-
Over 1 month but within 3 months	2,519,894,666	1,067,198,355
Over 3 months but within 1 year	4,787,369,861	4,787,369,861
Over 1 year but within 5 years	-	-
Over 5 years	-	-
	7,307,264,527	5,854,568,216

13.00 Deposits and other accounts

This is made-up as follows-

Particulars	Notes	Amount in Taka	
		31-Dec-25	31-Dec-24
Deposits from banks	13.01	1,898,534,432	1,898,534,432
Deposits from customers	13.01.1	8,966,200,487	9,298,177,320
		10,864,734,919	11,196,711,752

(Customer deposits include an amount of Tk. 2,161,800,597 classified as frozen deposits; furthermore, deposits received from banks are also frozen)

13.01 Deposits from Banks:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Al-wadeeah current and other deposits accounts	-	-
Bills payable	-	-
Mudaraba savings deposits	161,978,499	161,978,499
Mudaraba Term Deposits (MTD)	1,736,555,934	1,736,555,934
	1,898,534,432	1,898,534,432

13.01.1 Deposits from customers:

This is made-up as follows-

Particulars	Note	Amount in Taka	
		31-Dec-25	31-Dec-24
Al-wadeeah current and other deposits accounts		468,596,652	646,147,189
Al-wadeeah current and other deposits accounts		275,253,395	494,395,579
Foreign currency deposits		5,006,344	4,906,402
Sundry deposits	13.03	188,336,913	146,845,208
Bills payable		386,439,886	200,982,020
Pay orders issued		386,439,886	200,982,020
Demand draft		-	-
Foreign demand draft		-	-
Banker Cheque Issued		-	-
iii) Mudaraba savings deposits		1,189,706,217	1,280,703,585
iv) Mudaraba Term Deposits (MTD)		6,921,457,732	7,170,344,526
Mudaraba Term deposits		6,494,417,602	6,700,626,770
Mudaraba Short Term deposits		277,786,192	237,041,018
Scheme deposits		149,253,937	232,676,738
		8,966,200,487	9,298,177,320
		10,864,734,919	11,196,711,752

13.02 Deposits and other accounts:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Al-wadeeah current and other deposits accounts	468,596,652	646,147,189
Deposits from banks (note -13.01)	-	-
Deposits from customers (note-13.01.1)	468,596,652	646,147,189
Bills payable	386,439,886	200,982,020
Deposits from banks (note -13.01)	-	-
Deposits from customers (note-13.1.1)	386,439,886	200,982,020
Mudaraba savings deposits	1,351,684,716	1,442,682,083
Deposits from banks (note -13.01)	161,978,499	161,978,499
Deposits from customers (note-13.01.1)	1,189,706,217	1,280,703,585
Mudaraba Term Deposits (MTD)	8,658,013,666	8,906,900,460
Deposits from banks (note -13.01)	1,736,555,934	1,736,555,934
Deposits from customers (note-13.01.1)	6,921,457,732	7,170,344,526
	10,864,734,919	11,196,711,752

13.03 Sundry deposits:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Security Deposit Receipt	-	-
FC Fund Purchased	-	-
Non Resident Taka	-	-
Non Resident US\$	679,810	3,968,103
Profit payable on deposits	104,548,181	112,213,804
Others	83,108,922	30,663,301
	188,336,913	146,845,208

13.04 Maturity analysis of deposits:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Up to 1 month	325,942,048	335,901,353
Over 1 month but within 3 months	651,884,095	671,802,705
Over 3 months but within 1 year	2,172,946,984	2,239,342,350
Over 1 year but within 5 years	3,911,304,571	4,030,816,231
Over 5 years but within 10 years	2,498,889,031	2,575,243,703
Over 10 years	1,303,768,190	1,343,605,410
	10,864,734,919	11,196,711,752

14.00 Other Liabilities:

This is made-up as follows-

Particulars	Notes	Amount in Taka	
		31-Dec-25	31-Dec-24
Liability for Expenses		118,377,778	93,684,340
Adjustable Block a/c		558,768,359	558,768,359
Sundry Creditors		28,880,761	25,596,420
L/C Cover other currencies		(12,537,861)	(11,785,813)
Provision for Investment	14.01	2,438,954,551	3,515,760,160
Profit Suspense Account	14.02	812,656,750	1,030,923,643
Provision for Incentives and Sundry Assets		28,308,805	28,308,805
Provision for Penalty on Liquid Assets		118,026,821	103,462,353
Provision for diminution in value of investments		9,000,000	9,000,000
Provision for Placement with other banks and NBFIs		387,391,983	258,347,499
Provision for Exp on Bangladesh Bank OD Facilities		128,475,703	26,252,724
TDS on Profit paid		95,323,885	39,161,227
TDS on Office Rent		692,025	1,696,082
TDS on other sources		1,248,940	2,398,581
Excise Duty on Deposits		15,146,705	15,766,600
Excise Duty on Investment Account		12,936,700	8,640,350
VAT deducted at source		3,817,878	9,317,874
Cash security Others		260,600	267,600
Other payables		136,279,377	64,161,990
Provision for tax		44,020,564	40,753,671
Provision on off-balance sheet items	14.03	9,513,679	4,313,679
Lease Liability		154,614,489	181,954,769
Provision on Nostro Accounts	14.04	-	-
		5,090,158,492	6,006,750,914

14.01 Provision for Investments:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Movement in specific provision on classified Investments:	2,423,954,551	3,500,760,159
Provision held as on 1 January	3,500,760,159	3,527,166,170
Less: Fully provided debts written off/Waved during the year	(1,069,079,608)	(6,406,011)
Add: Recoveries of amounts previously written off	-	-
Less: Provision transfer from Others Provision	-	-
Less: Provision transfer to Diminution value of Investments	-	-
Less: Provision transfer to Provision for Other Assets	(2,526,000)	-
Less: Excess provision transferred to Provision for off-balance sheet Items	(5,200,000)	-
Add: Net charge to profit and loss account (note-36)	-	(20,000,000)
Provision held as on 31 December		
Movement in general provision on unclassified Investments	15,000,000	15,000,000
Provision held as on 1 January	15,000,000	15,000,000
Add: General provision made during the year (note-36)	-	-
Less: General provision transfer to specific Provision	-	-
provision during the year (note-36)	-	-
	2,438,954,551	3,515,760,159

14.02 Profit suspense account:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Balance as on 1 January	1,030,923,643	1,060,421,304
Add: Amount transferred during the year	31,156,815	39,093,355
Less: Amount recovered during the year	(193,418,549)	(68,591,016)
Less: Amount written-off/waved during the year	(56,005,160)	-
Balance as on 31 December	812,656,749	1,030,923,643

14.03 Provision on off-balance sheet items:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Provision held as on 1 January	4,313,679	4,313,679
Add: Provision transfer from Provision for Investments	5,200,000	-
Provision held as on 31 December	9,513,679	4,313,679

14.04 Status of unresponded entire of Nostro Accounts (Our Books) As at 31 December 2025 are given below:

In Foreign Currency	Number of Unresponded entries		Unresponded entries (Amount-Taka in Thousand)	
	Dr	Cr	Dr	Cr
Up to 3 months	-	-	-	-
Over 3 months but within 6 months	-	-	-	-
Over 6 months but within 1 year	-	-	-	-
Over 1 year but within 5 years	-	-	-	-
Total:	-	-	-	-

As per BRPD Circular No. 04, dated 12 September, 2022 there is no debit entries more than three month. So provision is not required for existing unresponded entries.

15.00 Share Capital:
15.01 Authorized Capital:

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
1,500,000,000 ordinary shares of Taka 10 each	15,000,000,000	15,000,000,000

15.02 Issued, subscribed and fully paid up capital:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
365,674,300 ordinary shares of Taka 10 each issued for cash	3,656,743,000	3,656,743,000
36,910,600 ordinary shares of Taka 10 each issued as right for cash	369,106,000	369,106,000
262,117,400 ordinary shares of Taka 10 each issued against depositors	2,621,174,000	2,621,174,000
	6,647,023,000	6,647,023,000

15.03 Raising of share capital:

Given below the history of raising of share capital of ICB Islamic Bank Limited

Accounting year	Declaration	No of share	Value in capital	Cumulative
1987	Sponsors shareholders	12,750,000	127,500,000	127,500,000
1988	Sponsors shareholders	375,000	3,750,000	3,750,000
1990	Initial Public Offer (IPO)	1,875,000	18,750,000	18,750,000
1993	1st Right Issue	10,955,300	109,553,000	109,553,000
2003	2nd Right Issue	25,955,300	259,553,000	259,553,000
2008	Shares issued in the name of ICB Holding Group A.G at per Bangladesh Bank 'The Oriental Bank Reconstruction Scheme'07'	350,674,300	3,506,743,000	3,506,743,000
		-	-	-
		-	-	-
2008	Shares issued in the name of depositors as per Bangladesh Bank guideline 'The Oriental Bank Reconstruction Scheme'07'	262,117,400	2,621,174,000	2,621,174,000
Total:		664,702,300	6,647,023,000	6,647,023,000

15.04 Slab wise list as at 31 December 2025:

This is made-up as follows-

Particulars	Number of shares	(%) of share holding	Amount in Taka	
			31-Dec-25	31-Dec-24
Sponsors (Foreign Investors)	350,674,300	52.76	3,506,743,000	3,506,743,000
Govt. of Bangladesh	1,101,400	0.17	11,014,000	11,014,000
Institutions	135,463,580	20.38	1,354,635,800	1,354,837,920
General public	177,463,020	26.69	1,774,630,200	1,774,428,080
Total:	664,702,300	100.00	6,647,023,000	6,647,023,000

15.05 A range wise distribution schedule of the above shares is given below:

Shareholding range	Number of share holders	Number of Shares	(%) of share holding
01 - 500	4,777	1,215,935	0.18
501 - 5,000	5,242	11,073,019	1.67
5,001 - 10,000	1,076	8,423,745	1.27
10,001 - 20,000	673	9,977,106	1.50
20,001 - 30,000	249	6,356,824	0.96
30,001 - 40,000	142	5,021,399	0.76
40,001 - 50,000	104	4,909,453	0.74
50,001 - 100,000	199	15,588,356	2.35
100,001 - 1,000,000	203	53,156,107	8.00
1,000,001 and over	46	548,980,356	82.59
Total:	12,711	664,702,300	100

15.06 Name of the Directors as at 31 December 2025:

SI	Name of the directors	Status	Remarks
1	Mr. Md. Mazibur Rahman	Chairman and Managing Director	

** Bangladesh Bank has dissolved the previous Board of Directors on 9 April, 2025 and empowered Mr. Md. Mazibur Rahman (ED, Bangladesh Bank) as BoD and Managing Director w.e.f. 9 April, 2025.

15.07 Capital adequacy ratio (BASEL III):

In terms of section 13 (2) of the Bank Companies Act, 1991 and Bangladesh Bank BRPD circulars nos. 01,14 ,10 and 05 dated January 08, 1996, November 16, 1996, November 25, 2002 and May 14, 2007 respectively, required capital of the Bank at the close of business on 31 December 2025 was Taka 500 crores as against available Tier-1 capital of Taka (1,519.19) crores and Tier-2 capital of Taka 1.5 crores making a total capital of Taka (1,517.69) crores thereby showing a surplus / (deficit) capital / equity of Taka (2,017.69) crores at that date. Details are shown below:

Tier-1 Capital		(In Crore)	(In Crore)
Paid up capital (note-15.2)		664.70	664.70
Statutory reserve (note-16)		7.88	7.88
General Reserve (note-17)		0.11	0.11
Deferred Tax Assets (Regulatory Adjustment)		(11.27)	(11.27)
Retained earnings Surplus/(Deficit) (note-18)		(2,180.61)	(2,099.72)
		(1,519.19)	(1,438.30)
Regulatory Adjustments		-	-
Shortfall in provisions required against classified assets		-	-
Total Eligible Tier-1 Capital		(1,519.19)	(1,438.30)
Tier-2 Capital			
General provision maintained against unclassified investments (note-14.1)		1.50	1.50
		1.50	1.50
A) Total Regulatory Capital		(1,517.69)	(1,436.80)
B) Total risk weighted assets		519.98	835.58
C) Required capital based on 12.50% of RWA i.e Taka 64.99 Crores or 500 Crores which is higher		500.00	500.00
D) Surplus / (deficit) (A-C)		(2,017.69)	(1,936.80)
Capital to Risk Weighted Assets Ratio		-291.87%	-171.95%

15.08 Capital Requirement:

Particulars	2025		2024	
	Required	Held	Required	Held
Tier 1	6.00%	-292.16%	6.00%	-172.13%
Minimum Total Capital	10.00%	-291.87%	10.00%	-171.95%
Capital Conservation Buffer	2.50%	-	2.50%	-
	12.50%	-291.87%	12.50%	-171.95%

15.09 Minimum Capital Requirement Under Basel III:

Minimum Capital Requirement (MCR) under Risk Based Capital Adequacy

Item no.	Sl.	Particulars	BDT in Crore
1	A.	Eligible Capital :	
2	1	Tier-1 Capital	(1,519.19)
3	2	Tier-2 Capital	1.50
5	4	Total Eligible Capital :	(1,517.69)
6	B.	Total Risk Weighted Assets (RWA):	519.98
7	C.	Capital to Risk Weighted Assets Ratio (CRAR) (A4/B)*100	(291.87)
8	D.	Tier-1 Capital to RWA (A1 / B)*100	(292.16)
9	E.	Tier-2 Capital to RWA (A2 / B)*100	0.29%
10	F.	Minimum Capital Requirement (MCR)	500.00

16.00 Statutory reserve:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Balance on 1 January	78,810,975	78,810,975
Addition during the year (20% of pre-tax profit)	-	-
Balance at 31 December	<u>78,810,975</u>	<u>78,810,975</u>

17.00 Other reserve:

This is made-up as follows-

Particulars	Note	Amount in Taka	
		31-Dec-25	31-Dec-24
General reserve		1,065,676	1,065,676
Share premium		-	-
Investment loss offsetting reserve		-	-
Asset revaluation reserve	17.01	455,276,130	455,276,130
Dividend equalization account		-	-
		<u>456,341,806</u>	<u>456,341,806</u>

17.01 Asset revaluation reserve:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Balance on 1 January	455,276,130	455,276,130
Addition/(adjustment) during the year	-	-
Balance at 31 December	<u>455,276,130</u>	<u>455,276,130</u>

Immovable Property was revalued as on 31 December 2009 by Hoda Vasi Chowdhury & Co. Chartered Accountants.

18.00 Retained earnings Surplus/(Deficit):

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Balance on 1 January	(20,997,161,852)	(20,052,098,870)
Prior year adjustments	-	-
Profit/(Loss) during the period	(808,913,338)	(945,062,983)
	<u>(21,806,075,190)</u>	<u>(20,997,161,852)</u>
Less: Transfer to statutory reserve	-	-
Balance at 31 December	<u>(21,806,075,190)</u>	<u>(20,997,161,852)</u>

18.01 Net Asset Value (NAV) Per Share:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Total Assets	8,638,258,529	9,243,044,811
Total Liabilities	23,262,157,938	23,058,030,882
Net Assets	<u>(14,623,899,410)</u>	<u>(13,814,986,071)</u>
Ordinary Share outstanding	664,702,300	664,702,300
Net Asset Value (NAV) Per Share	<u>(22.00)</u>	<u>(20.78)</u>

19.00 Contingent liabilities:
19.01 Letters of guarantee:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Letters of guarantee (Local)	148,998,762	139,259,848
Letters of guarantee (Foreign)	-	-
Foreign counter guarantees	-	-
	<u>148,998,762</u>	<u>139,259,848</u>
Less: Margin	15,426,984	15,386,186
	<u>133,571,778</u>	<u>123,873,663</u>

Money for which the Bank is contingently liable in respect of guarantees given favoring:

Directors or officers	-	-
Government	-	-
Banks and other financial institutions	-	-
Others	148,998,762	139,259,848
	148,998,762	139,259,848
Less: Margin	15,426,984	15,386,186
	133,571,778	123,873,663

19.02 Irrevocable Letters of Credit:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Letters of credit (Inland)	-	-
Letters of credit (General)	97,473,024	19,716,191
Back to back L/C	1,142,000	1,142,000
	98,615,024	20,858,191

19.03 Bills for collection:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Inward local bills for collection	730,800	-
Inward foreign bills for collection	40,498,274	40,498,274
	41,229,074	40,498,274

20.00 Investment Income:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
(i) Income from general investment		
Murabaha Under Secured Guarantee (MUSG)	7,058,790	4,404,173
Bai-Muajjal(Hypothecation)	130,618,868	78,253,017
Bai-Muajjal - PC	-	-
Bai-Muajjal - TR	33,243	199,759
Bai-Muajjal (ICBIBLCFS)	1,682,184	684,885
Hire Purchase	94,441,046	36,012,545
HP House Building - General	24,224,026	29,185,175
	258,058,158	148,739,553
Add: Transferred from/ (to) Profit Suspense	-	-
Sub Total (i)	258,058,158	148,739,553
	Amount in Taka	
	31-Dec-25	31-Dec-24
(ii) Profit on deposits with other islamic banks		
In Bangladesh		
Profit on balance with other banks and financial institutions	258,216	724,700
Outside Bangladesh	-	-
Profit received from foreign banks	927,862	1,595,791
Sub Total (ii)	1,186,078	2,320,490
	-	-
Grand Total (i+ii)	259,244,236	151,060,043

21.00 Profit paid on deposits:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
(a) Profit paid on deposits:		
Savings bank / Mudaraba savings deposits	26,024,925	21,973,455
Short term deposits	1,873,814	1,479,070
Term deposits / Mudaraba term deposits	350,752,866	371,379,195
Deposits under scheme	25,491,662	33,365,151
Repurchase agreement (repo)	-	-
Others (note-21.1)	-	-
(b) Profit paid on foreign bank accounts	-	-
	404,143,267	428,196,871
(c) Profit paid on Bangladesh Bank Borrowing	192,586,138	33,197,169
Grand Total:	596,729,405	461,394,039

22.00 Income from investments in shares and securities:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
(i) Inside Bangladesh		
Islamic Investment Bond	-	-
Income from treasury bills / Reverse repo / bonds	-	-
Dividend on shares	1,142,362	1,142,362
Sub Total (i)	1,142,362	1,142,362
(ii) Outside Bangladesh	-	-
Grand Total (i+ii)	1,142,362	1,142,362

23.00 Commission, exchange and brokerage:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Commission on L/Cs	865,480	705,050
Commission on L/Gs	1,565,162	1,025,457
Commission on export bills	-	-
Commission on bills purchased	-	-
Commission on accepted bills	-	-
Commission on OBC, IBC, etc.	-	-
Commission on PO, DD, TT, TC, etc.	165,840	190,475
Commission for services rendered to issue of shares	-	-
Other commission	59,543	504,121
	2,656,025	2,425,103
Exchange gain including gain from FC dealings	958,913	(1,772,124)
Brokerage	-	-
	3,614,937	652,979

24.00 Other operating income:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Rent recovered	4,127,720	4,171,675
Service and other charges	17,560,965	25,955,507
Postage / telex / SWIFT/ fax recoveries	264,200	307,500
Profit on sale of fixed assets	-	-
Miscellaneous earnings	40,734,830	44,950,724
	62,687,715	75,385,407

(Miscellaneous income includes BDT 26,396,229 as Bad debt recovery)

25.00 Salaries and allowances:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Basic pay	96,316,644	100,314,167
Allowances	83,023,742	88,317,443
Bonus	12,628,467	13,665,088
Bank's contribution to provident fund	7,035,274	7,637,472
Gratuity	6,639,727	18,000,000
	205,643,854	227,934,170

26.00 Rent, taxes, insurance and electricity:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Rent	973,201	1,342,584
Utility and taxes	27,968,479	27,251,731
Insurance	11,767,890	11,864,536
Power and electricity	10,428,172	11,040,488
	51,137,743	51,499,339

27.00 Legal & Professional expenses:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Legal expenses	500,000	661,000
Court fees and Expenses	1,019,600	1,379,105
	1,519,600	2,040,105

28.00 Postage, stamp and telecommunication:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Postage	425,937	675,300
Telegram, telex, fax and e-mail	1,980,398	2,459,228
Telephone - office	1,174,448	1,311,765
Telephone - residence	-	-
	3,580,783	4,446,292

29.00 Stationery, printing and advertisements:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Office and security stationery	2,098,980	1,638,961
Computer consumable stationery	1,467,706	1,266,588
Publicity and advertisement	727,875	387,700
	4,294,561	3,293,249

30.00 Chief Executive's salary and fees:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Basic pay	-	10,158,400
Allowances	-	3,673,833
Bonus	-	1,824,000
Pension & Gratuity	-	-
Bank's contribution to provident fund	-	-
	-	15,656,233

31.00 Directors' fees:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
i) Directors Fees for attending Board/Executive Committee/Other Committee Meeting	352,000	700,457
ii) TA/DA/Hotel Fare for Local & Foreign Directors	24,000	119,160
iii) Others	-	-
	376,000	819,616

Each Director is paid Tk. 8,000/- per meeting per attendance.

32.00 Shariah Supervisory Committee's Fees & Expenses:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
i) Shariah Supervisory Board member's Fees for attending meeting	32,000	88,000
ii) Others	-	-
	32,000	88,000

33.00 Depreciation and repair of Bank's assets:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Depreciation - (Annexure-B)		
Fixed assets	54,596,067	71,551,915
Repairs	17,389,071	2,494,761
Immovable property	-	21,910
Furniture and fixtures	628,376	6,500
Office equipments	1,415,820	1,432,065
Software Maintenance	14,500,000	534,286
Bank's vehicles	844,875	500,000
Total Depreciation and Repairs	71,985,138	74,046,676

34.00 Other Expenses:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Car expenses	25,600	200
Medical expenses	72,400	92,560
Bank charges and commission paid	450,109	1,886,079
Fuel - Generator & Vehicle.	1,696,469	2,039,392
Swift Expenses	2,964,012	3,347,627
Subscription and Membership Fees	700,000	415,000
Donations	6,289	10,029
Travelling expenses	556,409	430,584
Local conveyance, Labour, etc.	618,251	550,803
Entertainment	509,360	408,656
Business development	10,614,058	36,129,417
Training and internship	121,169	36,630
EGM/AGM Expenses	56,933	837,000
Consulting and other charges	706,000	706,000
Penalty on Liquid Assets	-	68,462,353
Security Services	6,996,803	6,969,798
Office maintenance	3,240,745	2,316,844
Finance Cost	19,858,774	1,020,319
Miscellaneous expenses	17,798,745	2,893,861
	66,992,127	128,553,150

35.00 Provision for Investments & off balance sheet items:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Provision for bad and doubtful Investments		(20,000,000)
Provision for unclassified Investments	-	-
Provision for contingency	-	-
Other provisions	129,044,484	221,513,458
Provision for off-balance sheet items	-	-
	129,044,484	201,513,458

35.01 Current Tax:

The bank was not required to provide for income tax as it has previously assessed losses which will offset the taxable income. But as per requirement of Income Tax ACT 2023, minimum tax @ 1% of gross receipts has been provided for in the accounts.

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Gross receipt:		
Investment Income	259,244,236	151,060,043
Income from investments in shares and securities	1,142,362	1,142,362
Commission, Exchange and Brokerage	3,614,937	652,979
Other operating income	62,687,715	75,385,406
Total Receipt	326,689,250	228,240,791
Minimum Tax @ 1%	3,266,893	1,369,445
	3,266,893	1,369,445

36.00 Receipts from other operating activities:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Rent recovered	4,127,720	4,171,675
Service and other charges	17,560,965	25,955,507
Postage / Telex / Fax / SWIFT charge recoveries	264,200	307,500
Gain from sale of treasury bond / shares	-	-
Profit on sale of fixed assets	-	-
Deferred tax income	-	-
Miscellaneous earnings	40,734,830	44,950,724
	62,687,715	75,385,406

37.00 Payments for other operating activities:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Rent, rates and taxes	51,137,743	51,499,339
Legal expenses	1,519,600	2,040,105
Postage and communication charges, etc.	3,580,783	4,446,292
Directors' fees	376,000	819,617
Shariah Supervisory Committee's fees & expenses	32,000	88,000
Auditors' fees	1,000,000	650,000
Donations and subscriptions	706,289	425,029
Conveyance and travelling expenses, etc.	1,174,660	981,387
Business development expenses	10,614,058	36,129,417
Training, Internship expenses	121,169	36,630
Publicity and advertisement	727,875	387,700
Repair of Bank's assets	17,389,071	2,494,761
Miscellaneous expenses	54,375,951	44,944,638
	142,755,199	144,942,914

38.00 (Increase) / decrease of other assets:

This is made-up as follows-

Particulars	31-Dec-25	31-Dec-24
DBBL bonds	-	-
Stationery and stamps	56,051	408,624
Advance deposits and advance rent	5,939,697	13,748,409
Branch adjustment account	(1,946,200)	1,965,018
Suspense account	(1,351,944)	(621,881)
Sundry assets	17,589,862	8,508,898
	20,287,466	24,009,068

39.00 Increase / (decrease) of other liabilities:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Sundry Creditors	3,284,341	3,324,692
Exchange Equalization Account	-	-
L/C Cover	(752,048)	(3,166,518)
Tax Deducted at Source	54,008,959	34,716,206
Excise Duty	3,676,455	7,611,400
VAT deducted at source	(5,499,997)	4,786,433
Expenditure and other payables	(178,724,898)	(83,618,681)
Provisions	-	20,000,000
	(124,007,187)	(16,346,467)

39.01 Net Operating Cash Flows per Share (NOCFPS):

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Net cash used in operating activities	530,863,958	(949,365,172)
Ordinary Share outstanding	664,702,300	664,702,300
Net Operating Cash Flows per Share (NOCFPS)	0.80	(1.43)

39.02 Reconciliation of net profit with cash flows from operating activities:

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Net profit after taxation	(808,913,338)	(945,062,983)
Adjustment of non cash and non operating items:		
Depreciation	54,596,067	71,551,915
Provision for Tax	3,266,893	1,369,445
Provision for Investments and Others	129,044,484	20,000,000
	(622,005,894)	(852,141,623)
Changes in operating assets and liabilities:		
Changes in Investments to customers	110,357,839	438,635,458
Changes in deposits and other accounts	(324,311,209)	(772,390,046)
Changes in Borrowing	1,452,696,311	316,798,355
Changes in other assets	3,983,628	(53,678,103)
Changes in other liabilities	(89,856,717)	(26,589,213)
Net cash flows from operating activities	530,863,958	(949,365,172)
Net Operating Cash Flows per Share (Taka)	0.80	(1.43)

40.00 Earning per share (EPS):

This is made-up as follows-

Particulars	Amount in Taka	
	31-Dec-25	31-Dec-24
Net profit after tax (Numerator) Weighted average number of ordinary shares outstanding (Denominator)	(808,913,338)	(945,062,983)
	664,702,300	664,702,300
Basic earnings per share (EPS)	(1.22)	(1.42)

41.00 Number of employees:

The number of employees engaged for the whole year or part thereof who received a total remuneration of Tk. 201,000 p.a or above were 354.

42.00 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 no. 12 dated December 23, 2002 of Bangladesh Bank.

Bangladesh Bank dissolved the Board of Directors on 09 April 2025. Mr. Md. Mazibur Rahman, Executive Director of Bangladesh Bank, has been empowered as Managing Director and Chairman of the Board effective from the same date. As a result, the positions of the existing Audit Committee members have also been dissolved. Consequently, the scheduled Audit Committee meeting will be postponed. The meeting will be held subject to further instructions from Bangladesh Bank. Bangladesh Bank has already been informed regarding this matter.

(b) Meetings held by the committee during the year by date:

Meeting No	Held on
86th	January 27, 2025
87th	April 15, 2025
88th	July 15, 2025

(c) The audit committee has discussed the following issues during the period 2025

- i) The Terms of reference of the Audit Committee as stated in the BRPD Circular No.11 dated 27/10/2013;
- ii) The committee reviewed the Internal Audit Reports along with Investigation Reports of the different ICIBL branches/departments conducted by the Internal Audit Team of the Bank from time to time and also the status of compliance thereof.
- iii) The committee reviewed Internal Audit Chartered, Code of Ethics of Internal Auditor and Risk Management Framework.
- iv) The committee reviewed Court cases filed against bank.
- v) The committee reviewed the progress strengthening the Internal Control system & proce dures, strict compliance of Anti-Money Laundering Act and also the Internal Audit Team of the Bank.
- vi) The Committee places its Report to the Board of the Bank for review and monitoring the activities with recommendations on Internal Control system, compliance of rules and regula tions of the Regulatory Bodies.
- vii) The committee reviewed the annual financial statements for the year 2024 including the annual report.
- viii) The committee also reviewed the Q1 financial statements of the Bank for the year 2025.

d) Steps taken for implementation of an effective internal control procedure of the Bank:

Through circular the committee placed its report regularly to the Board of Directors of the Bank mentioning its review results and recommendations on internal control system, compliance of rules and regulations and establishment of Good Governance within the organization.

43.00 Related Party Disclosures:

(i) Particulars of Directors of the Bank as at 31 December 2025

Bangladesh Bank has dissolved the previous board of directors on 9 April 2025 and empowered Mr. Mazibur Rahman (ED, Bangladesh Bank) as Chairman of the Board of Director with effect from 09 April 2025

S.No.	Name of the persons	Designation	Present Address
1	Md. Mazibur Rahmann	Chairman and Managing Director	House-75, RK Mission Road, Gopibag, Wari, Dhaka-1203.

Directors' Interest in Different entities : Please see Annexure-C

(ii) Significant contracts where Bank is a party and wherein Chairman have interest

Name of the Party	Relationship	Nature of Transaction	Opening Balance	Net Transaction Value during the year	Closing Balance as on 31.12.2025
Unity Innovative Fashion Limited	Spouse	Business	6,993,000	6,993,000	7,113,266.24

- (iii) Related party transactions BDT. 71.13 lac
- (iv) Shares issued to Directors and Executives without consideration or exercisable at a discount Nil
- (v) Lending policies to related parties**
Lending to related parties is effected as per requirements of Section 27 (1) of the Bank Companies Act, 1991.
- (vi) Loans and advances to Directors and their related concern BDT. 71.13 lac
- (vii) Business other than banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act, 1991. Nil
- (viii) Investment in the Securities of Directors and their related concern Nil
- (ix) Investment in the Securities of Directors and their related concern Nil
- (x) Compensation of Key Management Personnel: Refer to Note no 30

There are no events to report which had an influence on the balance sheet or the profit and loss account for the year ended 31 December 2025.

44.00 Contingent Liabilities:

Four claims of BDT. 79.44 Crore against the Money Suits No 68/2003,46/2003,313/2006,2705/2013 were decreed in high court against the bank, however the bank has appealed to the supreme court.

Custom Authorities has a claim against BG of M/s One Entertainment BDT. 63.10 million. The accused are the former employees of ICBIBL who for financial gain have dishonestly, and fraudulently issued 15 Bank Guarantees of Tk 63.1 million. These Bank Guarantees were issued, without authorization or informing the Head Office or keeping any record. The Bank filed a Criminal Revision case No.34 of 2014 arising out of Cr case no-600 of 2012 where the Learned Court allowed the revision in favor of the Bank and sent the file to Anti-Corruption Commission (ACC) for investigation. Our latest follow-up with the assigned officer of ACC on 22 September 2021 reveals that he has not completed his investigation and will need some additional time to complete the investigation.

Bangladesh Bank did not reverse the profit amount BDT.8.72 crore from the Bangladesh Bank Islamic Investment Bonds Fund claim. However the Bank has applied to Bangladesh Bank to reverse the profit as per Oriental re-construction scheme 2007.

45.00 Approval of the financial statements:

Bangladesh Bank, in exercise of its authority under the Bank Company Act, 1991 (as amended), dissolved the Board of Directors of ICB Islamic Bank Limited and appointed Mr. Mamunur Rahman, Executive Director, Bangladesh Bank, as Administrator to exercise the power and responsibilities of the Managing Director. As there is no existing board in this bank, the Administrator has signed the reports as part of the management on 29 Apr 2026 and authorized the same for issue.

46.00 Events after the Balance Sheet Date:

As per IAS 10 - "Events after the Reporting Period", events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events 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.

There are no events to report which had an influence on the balance sheet or the profit and loss account for the year ended 31 December 2025.



Administrator



ICB ISLAMIC BANK LIMITED
Balance with other banks-Outside Bangladesh (Nostro Account)
As at 31 December 2025

Name of the Bank	Account type	2025			2024		
		Currency type	FC Amount	Exchange Rate	Equivalent Taka	FC Amount	Exchange Rate
AB Bank, Mumbai, India	CD	USD	2,495	120.00	299,409	651	120
Crescent Commercial Bank, Karachi	CD	ACU	-	-	-	-	-
Habib American Bank NY	CD	USD	-	-	-	-	-
HSBC Australia	CD	AUD	-	-	-	-	-
HSBC Mumbai	CD	ACU	-	-	-	-	-
HSBC, Karachi	CD	ACU	-	-	-	-	-
HSBC, New York	CD	USD	-	-	-	-	-
Modhumoti Bank Limited(OBU)	CD	USD	2,018	120.00	242,140	1,979	120
Sonali Bank, Kolkata	CD	USD	27,475	120.00	3,297,000	26,942	120
Kookmin Bank, Seoul, Korea	CD	USD	62,288	120.00	7,474,587	(21,979)	120
State Bank of India	CD	USD	-	120.00	-	-	-
UBAF, TOKYO, Japan	CD	USD	-	120.00	-	-	-
Zhejiang Chouzhou Commercial Bank, China	CD	USD	60	120.00	7,183.00	59	120
Trans Capital Bank, Russia	CD	USD	1,718	120.00	206,179	1,563	120
Total					11,526,498		1,105,683

ICB ISLAMIC BANK LIMITED
Schedule of fixed assets
As at 31 December 2025

Annexure -B

Particulars	Amount in Taka				Rate	Amount in Taka				Net book value as at 31-Dec-2025
	COST					DEPRECIATION				
	Opening balance as on 01-Jan-2025	Addition During the Year	Disposals/ Adjustments During the year	Total balance as at 31-Dec-2025		Opening balance as on 01-Jan-2025	Charge for the year	Disposals/ adjustments during the	Total balance as at 31-Dec-2025	
Furniture and fixtures	138,785,180	1,200,350	435,000	139,550,530	10%	129,659,846	1,972,928	365,729	131,267,045	8,283,485
ATM	22,012,765	-	-	22,012,765	20%	22,012,765	-	-	22,012,765	-
Software	144,271,730	406,272	-	144,678,002	20%	144,217,060	340,577	-	144,557,637	120,365
Office equipments	169,961,325	1,254,659	581,695	170,634,289	20%	167,853,920	2,014,125	557,098	169,310,947	1,323,342
Vehicles	28,135,150	-	-	28,135,150	20%	27,572,908	369,000	-	27,941,908	193,242
Right to Use Assets (ROU)	301,899,303	22,559,156	-	324,458,459	20%	130,335,575	49,899,436	-	180,235,011	144,223,448
As at 31 December 2025	805,065,453	25,420,437	1,016,695	829,469,195		621,652,074	54,596,067	922,827	675,325,313	154,143,882
As at 31 December 2024	770,871,935	34,193,520	-	805,065,453		550,111,298	71,551,785	11,011	621,652,074	183,413,380

ICB ISLAMIC BANK LIMITED

Name of Directors and their interest in different entities For the year ended 31 December 2025

** Bangladesh Bank has dissolved the previous board of directors on 9 April 2025 and empowered Mr. Md Mazibur Rahman (ED, Bangladesh Bank) as BoD and Managing Director w.e.f. 9 April 2025.

Annexure-C

Sl no.	Name of Directors	Status with ICIBL	Entities where they have interest
1	Md Mazibur Rahmann	Chairman and Managing Director	Unity Innovative Fashion Limited

HIGHLIGHTS

As at and for the year ended 31 December 2025

Annexure-D

(Taka in million)

Sl No.	Particulars		2025	2024
1	Paid-up capital		6,647.02	6,647.02
2	Total capital (Tier-I & II)		(15,176.92)	(14,368.00)
3	Capital surplus / (deficit)		(20,176.92)	(19,368.00)
4	Total assets		8,638.26	9,243.04
5	Total deposits		10,864.73	11,196.71
6	Total investments		6,315.38	7,415.88
7	Total contingent liabilities and commitments		295.22	206.99
8	Investments deposit ratio	%	58.13%	66.23%
9	Percentage of classified investments against total investments	%	84.29%	90.68%
10	Profit after tax and provision		(808.91)	(945.06)
11	Amount of classified investments during the year		5,323.45	6,724.54
12	Provisions kept against classified investments		2,423.95	3,500.76
13	Provision surplus / (deficit)		138.65	4.96
14	Cost of fund	%	8.60%	7.65%
15	Interest earning assets		6,862.28	7,952.56
16	Non-interest earning assets		1,775.98	1,290.48
17	Return on investment (ROI) in shares and securities	%	11%	11%
18	Return on assets (ROA)		-9.36%	-10.22%
19	Income from investments in shares and securities		1.14	1.14
20	Net Asset value per Share	Taka	(22.00)	(20.78)
21	Earnings per share	Taka	(1.22)	(1.42)
22	Operating profit per share	Taka	(1.02)	(1.12)
23	Price earning ratio	Times	N/A	N/A

ICB Islamic Bank Limited

List of branch networks of the Bank

1	HEAD OFFICE 13, Kazi Nazrul Islam Avenue T.K. Bhaban Karwan Bazar, Dhaka Phone : 55012061-65 Fax : 55012060 Tlx : 632118 ALB HO BJ Email :	10	NEW MARKET BRANCH ABC Market, 26 Mirpur Road, New Market Dhaka. Tel: 8613475, 8614105, 9666204 Mobile No. 01811 408257 Fax : 8614105 Tlx : 632252 ALB MR BJ Email manager.nmk@icbislamic-bd.com	19	HABIGANJ BRANCH London Tower, Kalibari Road, Hobigonj, Sylhet. Tel: 0831-52757 Mobile No. 01811 408277 Email : manager.hbg@icbislamic-bd.com	28	DHOLAIKHAL BRANCH 23 no. Gowlaghat Lane, Road No.23, Tipu Sultan Road/Wari Dhaka-1203 Tel: 02223359524, 02223350967 Mobile : 01811 408262 Tlx: 632364 ALBNW BJ Email : manager.nwp@icbislamic-bd.com
2	PRINCIPAL OFFICE 17, Motijheel C.A. Dhaka. Tel: 9566464, 9560940, 9560876 Fax : 9563392 Mobile No. 01811 408251 Tlx : 632167 ALBPO BJ Email manager.po@icbislamic-bd.com SWIFT: BBSHDDH002	11	BANGSHAL BRANCH 13, Bangshal Road, Dhaka. Tel : 02223383007, 02223382999 Mobile No. 01811 408259 Fax : 9563007 Tlx : 671097 ALBBN BJ Email manager.bng@icbislamic-bd.com	20	MOULAVIBAZAR BRANCH 10, Court Road (Chowmuhani), Moulvibazar Tel : 0861-53153 Mobile No. 01811 408274 Email manager.mlb@icbislamic-bd.com	29	NAOGAON BRANCH R. Rahman Super Market, Batar More, Naogaon Tel: +880258883375, +880258881774 Mobile No. 01811 408284 Tlx : 671594 ALB NG Email : manager.nao@icbislamic-bd.com
3	AGRABAD BRANCH Joy Bangla Bhaban, 36, Agrabad C/A, Chittagong Tel : 02333310511 Fax : 715648 Mobile No. 01847028158 Tlx : 633119 ALBAG BJ Email manager.agr@icbislamic-bd.com	12	NARSINGDI BRANCH 136/3, C&B Road, Sharif Mansion, Narsingdi. Tel : 9451768, 9462194 Mobile No. 01811 408267 Tlx : 671629 ALB ND BJ Email manager.nsg@icbislamic-bd.com	21	BARISAL BRANCH 67/65, Katpatti Road, Barisal Tel: 024788-65102 & 024788-63537 Mobile No. 01811 408282 Tlx : 642478 ALB BI Email : manager.bsl@icbislamic-bd.com	30	MURADPUR BRANCH Jumairah Fairmont Trade Center, 815/A, CDA Avenue, Muradpur, Chattogram Tel : 02334452071, 02334451237 Mobile No. 01811 408271 Fax : 651237 Email : manager.mrd@icbislamic-bd.com
4	IMAMGANJ BRANCH Gulbadan Super Market' (1st floor), 5, Moulvibazar, Dhaka Tel: 057-310339 Mobile No. 01833313610 Tlx: 671130 ALBIG BJ Email: manager.img@icbislamic-bd.com	13	BEANIBAZAR BRANCH (Attached with Sylhet br.) SYLHET BRANCH Sylhet Collectorate Mosjid Building, Zinda Bazar, Sylhet Mobile No. 01811 408275	22	KAWRAN BAZAR BRANCH Zahangir Tower, 10, Kazi Nazrul Islam Avenue, Karwanbazar, Dhaka. Tel: 0255012760 & 0255012761 Mobile No. 0183332993 Fax : 9139686 Tlx : 32436 ALBKR BJ Email : manager.kwr@icbislamic-bd.com	31	MIRPUR CIRCLE-10 BRANCH Maa Annex Plaza, House-37, Road-2, Block-Kha, Section-6, Senpara, Mirpur-10, Dhaka Tel : 02-58050341, 02-58050342 Mobile No. 01811 408263 Fax : 9139851 Email : manager.mirc@icbislamic-bd.com
5	KHATUNGONJ BRANCH Plot No. 410/411, Maulana Bhaban, Ward No.35 Khatungonj Main Road, Khatungonj Chattogram Tel : 031-637227 Mobile No. 01811 408269 Fax : 031 - 612860 Tlx : 633100 ALBKG BJ Email : manager.ktg@icbislamic-bd.com	14	ISLAMPUR BRANCH Asian Plaza, 9, Islampur Road, Dhaka. Tel : 57390992, 57391485 & 57390342 Mobile No. 01811 408260 Tlx : 632499 ALBIS BJ Email : manager.isl@icbislamic-bd.com	23	GULSHAN BRANCH 'Suvastu Muskan Tower' (1st floor, South West Side), Road No. 56 Gulshan Ave., Gulshan-01 Tel : 02-222263005 Mobile No. 01811418401 Tlx: 632176 / 632114 ALBGL BJ Fax : 8821277 Email : manager.gul@icbislamic-bd.com	32	BANANI BRANCH Attached with Gulshan Br.
6	KAKRAIL BRANCH 'Green City Regency', 26-27, Kakrail, Dhaka-1000 Tel: 9352863, 8314486 Mobile No.01811418396 Tlx: 632541 ALBVIP BJ Email : manager.vip@icbislamic-bd.com	15	KHULNA BRANCH Tayamum Centre, 181, Uppar Jashor Road, Khulna Phone :0244110387, 0244110386 Mobile No. 01811485324 Tlx : 7633313 ALBKN BJ Email : manager.khl@icbislamic-bd.com	24	JESSORE BRANCH 25, R.N. Road, Jessore Tel: 02-477766683, 02-477760082 Mobile No. 01811 408279 Tlx: 633420 ALBBJ BJ Email : manager.jsr@icbislamic-bd.com	33	Dhanmondi Branch Stamford University Campus Bhabon, 753, Salmosjid Road, Dhanmondi, Dhaka. Cell No.01811485326 Tel:02-48113709, 02-48117499 Fax:8154143 Email- manager.dhn@icbislamic-bd.com
7	SYLHET BRANCH Sylhet Collectorate Mosjid Building, Zinda Bazar, Sylhet Tel : 02-996631207, 02-996631264, 02-996631397, 02-996634469 Mobile No. 01811 408273 Tlx : 633224 ALBSL BJ Fax : 714197 Email : manager.syl@icbislamic-bd.com	16	JUBILEE ROAD BRANCH 829, Jubilee Road, Chattogram. Tel : 031-621139, 02333365580 Mobile No. 01811 408270 Tlx : 633184 ALBJR BJ Fax : 621139 Email manager.jub@icbislamic-bd.com	25	NOAPARA BRANCH Noapara Bazar, Avoyanagar, Jessore Tel : 02477770024, 02477770025 Mobile No. 01811 408280 Tlx : 633431 ALBBN BJ Email : manager.noa@icbislamic-bd.com	34	Uttara Branch House-2/A, Road-13, Sector-4, Uttara, Dhaka. Tel: 7912970, 7912979 Mobile No. 01847090778 Fax:7912780 E-mail: manager.utr@icbislamic-bd.com
8	NARAYANGONJ BRANCH 'Alhaz Benu Tower', 152, BB Road, Narayangonj Tel : 7630477, 7630276 Mobile No. 01811 408266 Tlx : 633610 ALBNG BJ Email- manager.nrg@icbislamic-bd.com FAX: 88-02-7630477 SWIFT: BBSHDDHA008	17	FENI BRANCH Ammani Tower, Holding No.620, Trunk Road, Ward No. 10, Feni. Tel : 0331-74065, 63277 Mobile No. 01811 408272 Email : manager.fni@icbislamic-bd.com	26	BENAPOLE BRANCH Kaz Tower, 265, (oppisit to Customs House) Benapole, Jashore Tel: 02477767798 Mobile No. 01811 408281 Tlx: 633429 ALBBP BJ Email : manager.bpl@icbislamic-bd.com		
9	BISWANATH BRANCH Plot No.9545, Thana Road, Biswanath Bazar, Sylhet Tel : +8802996645222 Mobile No. 01811 408276 Email -manager.bsw@icbislamic-bd.com	18	RAJSHAHI BRANCH Shah Makhdom Market, 120, Natore Road, Shahab Bazar, Rajshahi Tel: 0247812416 & 0247812417 Mobile No. 01811 408283 Tlx: 632347 ALBRJ BJ Email : manager.raj@icbislamic-bd.com	27	BABUBAZAR BRANCH Mona Complex, 21, Armanian Street, Babubazar, Dhaka. Tel: 02-57316579/ 02-57316574 Mobile No. 0183332722 Tlx: 632515 ALBBR BJ Email : manager.bbz@icbislamic-bd.com		

N.B: 1. Since 2025, the Banani branch has been operating from the Gulshan branch.
2. Since 2025, Beani Bazar branch has been operating from the Sylhet branch.



PROXY FROM

I/We.....of.....being a member of ICB Islamic Bank Limited and entitled to vote, do hereby appoint Mr./Ms.....of.....as my/our Proxy to attend and vote on my/our behalf at the **39th Annual General Meeting** of the Company to be held on **Monday, 21 September, 2026 at 10:00 AM** by using Hybrid System in combination of Digital Presence through the link <https://icbibl39.agm.watch> and Physical Presence at **TCB Auditorium, TCB Bhaban (1st Floor), Karwanbazar, Dhaka-1215 at 10:00 AM** or at any adjournment thereof.

Signed this.....day of..... 2026.

Signature of the PROXY

No. of Shares

.....
Signature of the Shareholder(s)

[illegible]

Note: This Proxy Form, duly completed, must be submitted through email to cs@icbislamic-bd.com not later than 48 (Forty eight) hours before commencement of the AGM. Proxy shall be invalid if not signed and stamped as explained above. Signature of the Shareholders should agree with the Specimen Signature registered with the Company/Depository Participants.



Attendance Slip

I hereby record my attendance at the 39th. Annual General Meeting of the Company to be held on **Monday, 21 September, 2026 at 10:00 AM** at **TCB Auditorium, TCB Bhaban (1st Floor), Karwanbazar, Dhaka-1215** at **10:00 AM**.

Name of the Member/Proxy (in Block Letter)															
Folio/BO ID No															
No. of Shares held															

Signature Verified by

Signature of the Shareholder/PROXY

Authorized Signatory of the Company



ICB Islamic Bank Limited

সময়ের সাথে বিজয়ের পথে..

Head Office: T.K. Bhaban (15th Floor), 13 Kazi Nazrul Islam Avenue
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